

Summary of Financial Results for Fiscal Period Ended June 30, 2019 (Infrastructure Fund)

August 13, 2019

Infrastructure Fund Issuer	Canadian Solar Infrastructure Fund, Inc.	Listed Stock	Tokyo Stock
Securities Code	9284	Exchange	Exchange
Representative	(Title) Executive Director	URL	https://www.canadiansolarinfra.com/
		(Name)	Tetsuya Nakamura
Asset Management Company	Canadian Solar Asset Management K.K.		
Representative	(Title) CEO and Representative Director	(Name)	Tetsuya Nakamura
Contact	(Title) Chief Financial Officer	(Name)	Hiroshi Yanagisawa
	Tel. 03(6279)0311		
Scheduled filing date of securities report	September 27, 2019	Scheduled date of commencement of cash distribution payment	September 17, 2019
Supplementary materials for financial results	YES		
Financial results briefing session	YES (For institutional investors and analysts)		

(Amounts are rounded down to million yen)

1. Status of Management and Assets for Fiscal Period Ended June 30, 2019 (from January 1, 2019 to June 30, 2019)

(1) Management Status

(Percentage figures are the rate of period-on-period change)

	Operating revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal period ended Jun. 2019	2,185	22.4	817	26.7	711	72.1	710	72.3
Fiscal period ended Dec. 2018	1,785	(11.7)	644	(23.7)	413	24.4	412	24.7

	Profit per unit	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to operating revenue ratio
	yen	%	%	%
Fiscal period ended Jun. 2019	3,073	3.2	1.5	32.5
Fiscal period ended Dec. 2018	1,932	2.1	1.0	23.1

(2) Status of Cash Distributions

	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Distributions per unit (including distributions in excess of earnings)	Total distributions (including distributions in excess of earnings)	Payout ratio	Ratio of distributions to net assets
	Yen	Million yen	Yen	Million yen	Yen	Million yen		
Fiscal period ended Jun. 2019	3,073	710	577	133	3,650	843	100.0	3.2
Fiscal period ended Dec. 2018	1,783	412	1,817	420	3,600	832	92.3	1.8

(Note 1) The payout ratio is calculated according to the following formula.

$$\text{Payout ratio} = \text{distributions per unit (excluding distributions in excess of earnings)} / \text{profit per unit} \times 100$$

(Note 2) The payout ratio and the ratio of distributions to net assets are calculated based on the numerical data excluding distributions in excess of earnings.

(Note 3) Total distributions in excess of earnings are all refunds of investments that constitute distributions on the decrease of capital contribution under the tax law.

(Note 4) The ratio of the decrease in net assets upon distributions in excess of earnings (refunds of investments that constitute distributions on decrease of capital contribution under the tax law) is 0.020 for the fiscal period ended December 31, 2018 and 0.007 for the fiscal period ended June 30, 2019. In this regard, the ratio of the decrease in net assets is calculated according to Item 4, Paragraph 1, Article 23 of the Ordinance for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
	Million yen	Million yen	%	yen
Fiscal period ended Jun. 2019	45,981	22,193	48.3	95,996
Fiscal period ended Dec. 2018	46,773	22,315	47.7	96,523

(4) Status of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
	Million yen	Million yen	Million yen	Million yen
Fiscal period ended Jun. 2019	2,265	(1,405)	(1,616)	2,466
Fiscal period ended Dec. 2018	2,434	(11,692)	10,449	3,222

2. Forecasts of Management Status for Fiscal Period Ending December 31, 2019 (from July 1, 2019 to December 31, 2019), Fiscal Period Ending June 30, 2020 (from January 1, 2020 to June 30, 2020) and Fiscal Period Ending December 31, 2020 (from July 1, 2020 to December 31, 2020)

(Percentage figures are the rate of period-on-period change)

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen	yen	yen
Fiscal period ending Dec. 2019	2,213	1.3	797	(2.4)	671	(5.6)	671	(5.5)	2,903	747	3,650
Fiscal period ending June 2020	2,130	(3.8)	737	(7.6)	615	(8.4)	614	(8.4)	2,659	991	3,650
Fiscal period ending Dec. 2020	2,202	3.4	807	9.5	687	11.8	687	11.8	2,973	677	3,650

(Reference)

Fiscal period ending December 31, 2019 (184 days): Forecast total number of investment units issued and outstanding at end of the period: 231,190 units, Forecast profit per unit: 2,903 yen

Fiscal period ending June 30, 2020 (182 days): Forecast total number of investment units issued and outstanding at end of the period: 231,190 units, Forecast profit per unit: 2,659 yen

Fiscal period ending December 31, 2020 (184 days): Forecast total number of investment units issued and outstanding at end of the period: 231,190 units, Forecast profit per unit: 2,973 yen

* Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatement

(i) Changes in accounting policies associated with amendments to accounting standards, etc.: No

(ii) Changes in accounting policies other than (i): No

(iii) Changes in accounting estimates: No

(iv) Retrospective restatement: No

(2) Total number of investment units issued and outstanding

(i) Total number of investment units issued and outstanding (including treasury units) at end of period

Fiscal period Jun. 2019	231,190	Fiscal period Dec. 2018	231,190
Fiscal period Jun. 2019	0	Fiscal period Dec. 2018	0

(ii) Number of treasury units at end of period

(Note) For the number of investment units based on which profit per unit is calculated, please refer to “Notes regarding information per unit” on page 28 below.

* Explanation of Appropriate Use of Forecast of Management Status and Other Matters of Special Note

Forecast of management status and other forward-looking statements contained in this document are based on information that is currently available and certain assumptions that are deemed reasonable by Canadian Solar Infrastructure Fund. Accordingly, the actual management status, etc. may differ materially due to various factors. In addition, the forecast is not a guarantee of the amount of cash distributions. For details of the assumptions underlying the forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 31, 2019 (July 1, 2019 to December 31, 2019), Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 2020) and Fiscal Period Ending December 31, 2020 (July 1, 2020 to December 31, 2020)” described on or after page 9 below.

1. Associated Corporations of Canadian Solar Infrastructure Fund

Disclosure is omitted because there have been no significant changes from the description in the latest securities report (submitted on September 26, 2018).

2. Management Policy and Management Status

(1) Management Policy

Disclosure is omitted because there have been no significant changes from the description in the latest securities report (submitted on September 26, 2018).

(2) Management Status

I. Overview of the Fiscal Period under Review

a. Brief History of Canadian Solar Infrastructure Fund

Canadian Solar Infrastructure Fund, Inc. (hereinafter referred to as “CSIF”) was established on May 18, 2017 with money invested of 150 million yen (1,500 units) by Canadian Solar Asset Management K.K. (hereafter referred to as the “Asset Manager”) as the founder under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951 including subsequent amendments; hereinafter referred to as the “Investment Trusts Act”). Registration with the Kanto Local Finance Bureau was completed on June 9, 2017 (registration number 127, filed with the Director of the Kanto Local Finance Bureau).

CSIF issued additional investment units (177,800 units) through a public offering on October 27, 2017, listed its investment units on Tokyo Stock Exchange Inc.’s (hereinafter referred to as the “Tokyo Stock Exchange”) Infrastructure Fund Market on October 30, 2017 (security code: 9284), and issued new investment units (2,890 units) through third-party allotment on November 28, 2017.

In addition, CSIF issued new investment units (46,667 units) through public offering on September 6, 2018 and issued new investment units (2,333 units) through third-party allotment on October 4, 2018. As a result, the total units issued at the end of the fiscal period under review (as of December 31, 2018) were 231,190 units.

b. Investment Environment

During the fiscal period under review, the Japanese economy recovered at a moderate pace in the first half, despite economic trend indexes showing stagnant conditions. Moving into the second half, although the recovery tone was maintained, overall assessments changed from starting to follow a downward trend to deteriorating in terms of economic trend indexes, given signs of weakness partially visible in exports and production. Going forward, attention needs to be paid to the trend of the Japanese economy over the coming months because the possibility of an economic recession and economic uncertainty will increase due to the consumption tax hike expected in October 2019, in addition to lingering downward risks attributable to overseas economic conditions. In addition, it is becoming more likely that interest rates will fall in the U.S. and Europe against the backdrop of signs of an economic slowdown in the U.S., which has been relatively firm, and the advancement of the Euroskeptic group in the European assembly election. Under these conditions, a close eye should be kept on the impact of the U.S.-China trade tensions on the global economy.

Reflecting hope for progress in the U.S.-China trade talks and rising expectations for the termination of monetary tightening in the U.S., the stock market in Japan reacted favorably after the start of 2019. Now, adjustments are underway amid concerns over the global economic slowdown, movements of the exchange market, and prolongation of the U.S.-China trade tensions. Meanwhile, the Infrastructure Fund Market, whose neutrality to economic fluctuations and high yield rates draw people’s interest, has been following a recovery path since the beginning of the year.

In the environment surrounding renewable energy power generation facilities (stipulated in Article 2, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities [Act No. 108 of 2011, including subsequent amendments; hereinafter referred to as the “Act on Renewal Energy Special Measures”] [excluding those that fall under real estate]; hereinafter referred to as “renewable energy power generation facilities”) held by CSIF, Kyushu Electric Power Co., Inc. (hereinafter referred to as “Kyushu Electric Power”) implemented a full-scale output control program across the Kyushu mainland to request renewable energy operators the temporary termination of power generation through photovoltaic power generation facilities and wind power generation facilities (Note 1), starting from October 2018. Initially, the program was expected to be implemented mainly on weekends in spring and summer, because not many people use cooling and heating equipment and factories are not in operation. However, in 2019, the program was implemented for 16 days including weekdays in March, 20 days in April and 10 days in May. Meanwhile, it became possible to increase the amount of renewable energy-based electricity provided from the Kyushu area to other areas by approximately 300,000 kW at maximum from April, by utilizing the transfer blocking system installed in the Kanmon interconnection line between the Kyushu

mainland and Honshu. As a result, Kyushu Electric Power can relax the output control on power generated by photovoltaic power generation facilities and wind power generation facilities.

In consideration of the sharp increase in the number of the output control programs implemented in the service area of Kyushu Electric Power in the spring, the Ministry of Economy, Trade and Industry indicated at a meeting of the Working Group on Systems of the New and Renewable Energy Subcommittee held in April 2019 the policy of extending the application of output control to photovoltaic power generation facilities of less than 500 kW (excluding those of less than 10 kW) connected under the previous rule (Note 2), which classifies such facilities as not being subject to output control for the time being, and the guideline was unanimously approved by the members. As of June 30, 2019, output control has not been implemented after May 12, 2019, partly due to the start of regular inspections of the Genkai Nuclear Power Station Unit No.3 of Kyushu Electric Power on May 13, 2019.

With respect to the feed-in tariff system for renewable energy, the amount of photovoltaic power generation for business that was authorized and introduced had increased rapidly since the commencement of the system in July 2012, and purchase prices fell to less than half (from ¥40 per kWh in 2012 to ¥18 per kWh in 2018, mainly due to a decline in capital expenses). Against this background, an issue arose involving projects with non-operating facilities, namely those not generating electric power generation yet maintaining a right to high purchase prices. The Ministry of Economy, Trade and Industry has been taking a range of measures related to this issue. As an additional step, with respect to photovoltaic power generation of 10 kW or greater, which obtained authorization between 2012 and 2014, the ministry has decided to apply new purchase prices that reflect the business costs at the time of the start of operation to projects with non-operating facilities (for which connection contracts were concluded by July 31, 2016) whose deadlines for the start of operation are not established, in sync with the timing of the start of operation, instead of high purchase prices based on costs at the time when the authorization was granted. The Ministry of Economy, Trade and Industry has also decided to take steps to guarantee the start of operation as soon as possible. All renewable energy power generation facilities owned by CSIF have already started operation; therefore these properties are not affected by the introduction of the said steps.

Some media outlets reported that the Ministry of Economy, Trade and Industry started to consider the abolishment of the feed-in tariff system for renewable energy on June 12, 2019. If the ministry moves forward with the abolishment of the feed-in tariff system as reported by the media, it is unlikely to have a significant impact on purchase prices of the photovoltaic power generation facilities in operation owned by CSIF.

c. Management Performance

During the fiscal period from October 1, 2017 to June 30, 2018, CSIF acquired 13 photovoltaic power generation facilities, etc. (Note 3) on October 31, 2017 (a total panel output (Note 1) of 72.7MW and a total acquisition price (Note 2) of ¥30,438 million) using the net proceeds from the issuance of new investment units through public offering as well as borrowings in accordance with the basic asset management policy, etc. set forth in its Articles of Incorporation, and commenced substantive investment operations. In addition, two photovoltaic power generation facilities, etc. (a total panel output of 2.6MW and a total acquisition price of ¥992 million) were acquired on February 1, 2018 using borrowings with the aim of improving CSIF's portfolio and expanding external growth. As a result, CSIF held and managed a portfolio consisting of 15 photovoltaic power generation facilities, etc. (a total panel output of 75.3MW and a total price (Note 4) of ¥35,963 million) as of the end of the previous fiscal period.

During the previous fiscal period under review, CSIF acquired an additional three photovoltaic power generation facilities, etc. on September 6, 2018 (a total panel output of 30.3MW and a total acquisition price of ¥11,530 million) using the net proceeds from the issuance of new investment units through public offering as well as borrowings. As a result, CSIF held a portfolio consisting of 18 photovoltaic power generation facilities, etc. (a total panel output of 105.6MW and a total price of ¥47,100 million) as of the end of the fiscal period under review. CSIF achieved steady growth to an asset scale of over 100MW panel output for the first time as a listed infrastructure fund.

In addition, during the fiscal period under review, CSIF acquired one facility on March 1, 2019 with cash on hand and another facility on March 29, 2019 using borrowings and cash on hand, or a total of two facilities (a total panel output of 3.3MW and a total acquisition price of ¥1,320 million). As a result, CSIF held a portfolio consisting of 20 facilities (a total panel output of 108.9MW and a total price of ¥50,000 million) as of the end of the fiscal period under review. In terms of asset scale, CSIF continued to be the largest operator among listed infrastructure funds as of the end of the fiscal period under review.

(Note 1) "Photovoltaic power generation facilities" shall refer to renewable energy power generation facilities that generate power by using sunlight, among other sources, as energy, while "Wind power generation facilities" refer to renewable power generation facilities that generate power by using wind power, among other sources, as energy. The same shall apply hereunder.

(Note 2) "Previous rule" shall, as it pertains to photovoltaic facilities (excluding those of less than 10kW) installed in the service area of Kyushu

Electric Power, refer to the rule on output control that applies to photovoltaic power generation facilities covered by connection requests, for which Kyushu Electric Power authorized interconnection on or before January 25, 2015. The previous rule specifies that output control may be implemented for up to 30 days every year without any compensation, while no such restriction is set in the current rule.

(Note 3) "Panel output" shall mean output calculated by multiplying rated output per solar cell module (meaning the maximum output stated in specifications of solar cell module) used in each solar energy facility by the total number of panels. The same shall apply hereunder.

(Note 4) "Acquisition price" shall mean the sale and purchase price (excluding outsourcing service fees and other acquisition expenses related to the acquisition of assets, property-related taxes, urban planning taxes, consumption taxes and other fees and charges) described in the sale and purchase agreement pertaining to each asset acquired. It shall be rounded down to the nearest one million yen. The same shall apply hereunder.

(Note 5) "Renewable energy power generation facilities, etc." shall collectively refer to renewable energy power generation facilities as well as real estate and the right of lease (including the right of sublease) of real estate or the surface right (hereinafter referred to as "Site, etc.") to install, maintain and operate the renewable energy power generation facilities. In addition, "photovoltaic power generation facilities, etc." shall collectively refer to photovoltaic power generation facilities (of renewable energy power generation facilities, photovoltaic power generation facilities shall specifically refer to renewable energy power generation facilities that generate power using solar light as the source of energy; the same shall apply hereunder) as well as real estate and the right of lease (including the right of sublease) of real estate or the surface right to install, maintain and operate photovoltaic power generation facilities. The same shall apply hereunder.

(Note 6) "Price" shall mean the intermediate value calculated by CSIF using the appraisal value of each power plant as of June 30, 2018 for the second preceding fiscal period, December 31, 2018 for the previous fiscal period and as of June 30, 2019 for the fiscal period under review as stated in valuation reports obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd.. The same shall apply hereunder.

d. Overview of Financing

In the fiscal period under review, CSIF undertook the borrowing of funds amounting to a total of ¥700 million in March 2019. On the other hand, a contractual repayment was made at the end of the fiscal period under review, and the amount of borrowings as of the end of the fiscal period under review came to ¥23,513 million. Consequently, the ratio of interest-bearing debt to total assets (ratio of interest-bearing debt to total assets at the end of fiscal period) was 51.1%.

e. Overview of Business Performance and Distributions

As a result of the management described above, the business performance in the fiscal period under review recorded operating revenue of ¥2,185 million, operating income of ¥817 million (mainly due to the impact of unseasonable weather), ordinary income of ¥711 million and net income of ¥710 million.

Pursuant to the cash distribution policy set forth in Article 47, Paragraph 1 of its Articles of Incorporation, CSIF shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation.

In addition, distributions in excess of earnings are calculated on the premise that such distributions will generally be made in accordance with the cash distribution policy prescribed in CSIF's Articles of Incorporation and the Asset Manager's asset management guidelines formulated as part of its internal regulations.

CSIF intends to make cash distributions to its unitholders for each fiscal period from free cash flow (hereinafter referred to as "FCF") generated by its renewable energy power generation facilities, in amounts determined in the following manner. The amount available for distribution shall be calculated by multiplying FCF, that is net cash flow (hereinafter referred to as "NCF"; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating NCF) to be vested to equity investors after deducting FCF payable to debt investors, by a certain ratio (hereinafter referred to as "payout ratio"; The payout ratio for the 4th fiscal period is 48.0%.) determined by CSIF in light of the amount of NCF for each fiscal period.

At the same time, CSIF intends to maintain a stable level of distributions for the time being. In determining the payout ratio described above, CSIF will consider the forecast NCF for each fiscal period to realize that level of distributions.

In addition to a cash distribution within the range of profit, CSIF intends to make distributions in excess of earnings for each fiscal period on a continuous basis in order to realize this policy.

In developing its performance forecast (including any revisions thereof) for each fiscal period, in the case where NCF calculated from actual energy output in a fiscal period (hereinafter referred to as "actual NCF"; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating actual NCF) exceeds NCF projected for the fiscal period (hereinafter referred to as "projected NCF"; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating projected NCF) on the basis of an energy output value projected by professional specialists (P50) which forms the foundation for the calculation of rents with regard to the renewable energy power generation facilities, CSIF intends to limit the cash distribution to the amount of projected NCF multiplied by the payout ratio for said fiscal period.

On the other hand, in the case where actual NCF is equal to or below projected NCF, CSIF intends to make a cash distribution

for the fiscal period at the amount of actual NCF multiplied by the payout ratio.

Based on the above policy, CSIF determined to make a distribution for the fiscal period under review of ¥843,843,500, equivalent to 48.0% of projected NCF for the period (¥1,758,007,291). As a result, distribution in excess of earnings is ¥133,396,630, after deducting dividends for the period of ¥710,446,870. Dividend per investment unit is ¥3,650 for the fiscal period under review.

II. Outlook for the Next Fiscal Period

a. Outlook for the Future Management

The Japanese economy is thought to already be in a recessionary phase after peaking in the fall of 2018. With (i) capital investments including those in facilities related to the Tokyo Olympics almost completed and (ii) the consumption tax rate expected to be raised in October 2019, attention needs to be paid to the likelihood of downward pressure being put on the economy, going forward. Given the strong possibility that the slowdown of the U.S. economy will become apparent following the worsening of the Eurozone and Chinese economies, the market is cautious about the possibility that it will enter a recessionary phase in the near future. It is also necessary to monitor the likelihood of the appreciation of the yen against the U.S. dollar, given a backdrop of the ending of circumstances that support an increase in interest rates and the rising expectations of lower interest rates in the U.S.

With respect to the environment surrounding photovoltaic power generation facilities that are included in renewable energy power generation facilities, as stated in “(I. Overview of the Fiscal Period under Review) b. Investment Environment” above, with the goal of introducing renewable energy wherever possible while simultaneously curbing the burden on the public, a decision was made on December 5, 2018 to apply new purchase prices that reflect the business costs at the time of the start of operation, to projects with non-operating facilities for photovoltaic power generation for business use, in sync with the timing of the start of operation, instead of high purchase prices based on costs at the time the authorization was granted. Steps were also taken to guarantee the start of operation as soon as possible.

The output control program, in which a request for the temporary termination of power generation was made to operators of facilities that generate power through renewable energy such as sunlight, was implemented in the service area of Kyushu Electric Power, starting from October 2018. If the introduced amount of renewable energy continues to increase, going forward, this output control is likely to be implemented outside Kyushu region, including in Tohoku region and Chugoku region. Meanwhile, to minimize output control, the Ministry of Economy, Trade and Industry plans to enhance inter-regional connection line networks, one between Hokkaido and Tohoku and the other between Tohoku and Tokyo, respectively, to use solar and other renewable energy-generated electric power in broader areas, efficiently. In addition, to secure the necessary amount of power subject to control by extending the application of output control, and to reduce each operator’s burden, the ministry has indicated a policy of extending the application of output control on photovoltaic power generation, to photovoltaic power generation facilities of less than 500 kW (excluding those of less than 10 kW) operating under the previous rule which classifies such facilities as being outside the scope of output control for the time being. In addition to the reduction of the controlled amount of overall renewable energy, the ministry appears to be ready to work on facilitating online operation in conjunction with output control, so that power generation operators can reduce the loss of opportunities and lower personnel expenses.

b. Future Management Policy

(i) External Growth Strategy

The Canadian Solar Group (Note 2), which is the Sponsor Group (Note 1) of CSIF, adopts the vertical integration model that has developed mainly in the photovoltaic power generation market in Europe and America and applies this model in the global market, including Japan. CSIF considers that mutual cooperation between the Group and CSIF (engaging in investment in and management of photovoltaic power generation facilities) through the Sponsor Group based on the vertical integration model for the construction of the value chain with the aim of creating mutual value should lead to the enhancement of value for unitholders.

Specifically, CSIF intends to increase assets by utilizing the preferential trading negotiation right granted by the Sponsor Group and acquiring photovoltaic power generation facilities, etc. whose value is high from the pipelines of the Sponsor. In addition, CSIF will aim to acquire photovoltaic power generation facilities, etc. held by persons other than the Sponsor Group by utilizing the Sponsor Group’s networks of brokers and power producers.

(Note 1) The “Sponsor Group” collectively refer to (i) the Sponsor (Canadian Solar Projects K.K.), (ii) special purpose companies (they may be hereinafter referred to as “SPCs”), partnerships or other funds with which the Sponsor has entered into the asset management service agreement, (iii) Canadian Solar O&M Japan K.K. (it may be hereinafter referred to as “CSOM Japan”) and (iv) special purpose companies, partnerships or other funds in which the Sponsor or its subsidiary own a majority interest. The same will apply below.

(Note 2) The “Canadian Solar Group” refers to the consolidated corporate group with Canadian Solar Inc. (headquartered in Canada) at the top to

which the Sponsor (Canadian Solar Projects K.K.) belongs.

(ii) Internal Growth Strategy

CSIF will contract out O&M (Note) to CSOM Japan, which is a wholly owned subsidiary of the Sponsor and provides O&M services in Japan, in principle, for the availability of homogeneous O&M services to the extent that CSIF considers essential. CSIF aims to thereby reduce the operational risk and operating costs by utilizing the services of CSOM Japan and placing a blanket order, respectively.

By making the most of the strong operation and management abilities realized by utilizing the global monitoring platform of the Sponsor Group in the early discovery and repair of failures of power generation facilities, CSIF will aim to reduce the loss of power generation. In addition, CSIF will implement the appropriate repair and facilities replacement of assets under management to maintain and enhance the value of assets from the medium- to long-term perspective, thereby securing stable revenue in the medium to long term.

(Note) "O&M" is an abbreviation of Operation & Maintenance. The same will apply below.

(iii) Financial Strategy

To secure stable revenue and ensure the growth of the managed assets of CSIF, CSIF will consider financing by public offering, borrowings and other means in the acquisition of new assets, while watching changes in the financing environment closely.

c Forecasts of Management Status

The forecast of management status for the fiscal period ending December 31, 2019 (July 1, 2019 to December 31, 2019), the fiscal period ending June 30, 2020 (January 1, 2020 to June 30, 2020) and the fiscal period ending December 31, 2020 (July 1, 2020 to December 31, 2020) is as follows. For details of the assumptions underlying the forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 31, 2019 (July 1, 2019 to December 31, 2019), Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 2020) and Fiscal Period Ending December 31, 2020 (July 1, 2020 to December 31, 2020)” described on or after page 9below.

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
	million yen	million yen	million yen	million yen	yen	yen	yen
Fiscal period ending Dec. 2019	2,21	797	671	671	2,903	747	3,650
Fiscal period ending June 2020	2,130	737	615	614	2,659	991	3,650
Fiscal period ending Dec. 2020	2,202	807	687	687	2,973	677	3,650

III Facts arising after the settlement of accounts

Not applicable

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 31, 2019 (July 1, 2019 to December 31, 2019), Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 2020) and Fiscal Period Ending December 31, 2020 (July 1, 2020 to December 31, 2020)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> 4th fiscal period :from July 1, 2019 to December 31, 2019 (184 days) 5th fiscal period: from January 1, 2020 to June, 2020 (182 days) 6th fiscal period :from July 1, 2020 to December 31, 2020 (184 days)
Portfolio	<ul style="list-style-type: none"> The assumption is that CSIF has 20 photovoltaic power generation facilities, etc. that CSIF had at the end of June 2019 (hereinafter referred to as the “Assets in Possession”). These forecasts are based on the assumption that there shall have been be no changes in the composition of CSIF’s portfolio (acquisition of new projects or sale of acquired projects, etc.) until the end of the 7th fiscal period, December 31, 2020. CSIF’s portfolio may change, however, due to changes in the composition of the portfolio other than the assumed new acquisition of projects as outlined above.
Operating revenues	<ul style="list-style-type: none"> The lease agreements of the solar energy projects that CSIF intends to acquire will become effective as of the acquisition date. CSIF’s leasing structure for its solar energy projects will be comprised of basic rent and variable rent. Revenue forecasts for the 5th, 6th and 7th fiscal periods are ¥2,213 million, ¥2,130 million and ¥2,202 million, respectively. <ol style="list-style-type: none"> Basic rent for each solar energy project that CSIF intends to acquire is calculated as follows: $\text{Monthly projected energy output (P50)} \times (100 - Y)\% \times 70\% \times \text{FIT purchase price}$ Monthly projected energy output (P50) refers to such figure disclosed in the technical reports (an evaluation report of the system, the capacity, the relevant contracts attached and continuity (performance degradation and environmental evaluation)of the solar energy facility) that the Asset Manager received from E&E Solutions Inc. with respect to each solar

	<p>energy project. Monthly projected energy output (P50) *¹x (100-Y)% *²represents the amount after deduction of fees CSIF pays to the operators and fees regarding management of the lessee. Such amount will vary for each anticipated acquisition.</p> <p>b) Variable rent for each solar energy project that CSIF intends to acquire is calculated as follows:</p> <p><i>Monthly actual energy output x (100-Y)% x FIT purchase price) – basic rent</i></p> <p>Any amount that exceeds the basic rent after multiplying a certain rate of (100-Y)% to the monthly actual energy output for each solar energy project by FIT purchase price will be captured as a performance-related variable rent. In any case, if the calculation of the variable rent is a negative number, it shall be deemed to be zero.</p> <p>(*Note 1) Projected energy output (P50) represents the output that is viewed to be achievable with a 50% probability by the third-party providers of the technical reports and other experts.</p> <p>(*Note 2) Y represents the value for management costs of the lessees and operator remuneration fees. The value of Y will vary for each anticipated acquisition.</p> <ul style="list-style-type: none"> • Forecasted figures herein have been based on a projected energy output (P50) and are not guaranteed nor do they reflect the actual energy output, which will vary depending on the level of solar irradiation. • CSIF has assumed no cancellations of the lease agreements or delinquencies or non-payment of rents by tenants. • CSIF has assumed that the current lease agreements will be renewed on equal terms under these agreements.
Operating expenses	<ul style="list-style-type: none"> • Of the main operating expenses for the lease of the acquired assets, operating expenses for the Assets in Possession other than depreciation costs have been accounted for based on past figures and estimates from subcontractors, etc., taking variables into account. Such costs for the 5th, 6th and 7th fiscal periods are assumed to be ¥593 million, ¥570 million and ¥570 million, respectively. • Of the expenses for the lease of the Assets in Possession, property-related taxes are estimated at ¥3 million, ¥3 million and ¥4 million for the fiscal periods ending December 31, 2019, June 30, 2020 and December 31, 2020, respectively. • Periodic payment of repair and maintenance costs based on the figures provided in the technical reports and the Asset Manager's estimate have been taken into account. However, these figures are subject to revisions as the actual figures can vary significantly depending on the operating period and are paid in irregular intervals, in addition to any instances where unexpected repairs are required. • CSIF expects to pay ¥142 million, ¥141 million and ¥141 million for the 5th fiscal period, the 6th fiscal period and the 7th fiscal period, respectively, as O&M fees. • CSIF has assumed that it will incur expenses related to the land lease of the Assets in Possession in the amount of ¥35 million, ¥35 million and ¥35 million for the fiscal periods ending December 31, 2019, June 30, 2020 and December 31, 2020 (the 5th, 6th and 7th fiscal periods), respectively. • CSIF has assumed that it will incur depreciation expenses, including certain ancillary expenses of ¥822 million, ¥822 million and ¥824 million for the 5th, 6th and 7th fiscal periods, respectively. These figures are calculated using the straight-line method.
Non-operating expenses	<ul style="list-style-type: none"> • CSIF has also assumed interest expenses and other borrowing-related expenses of ¥124 million, ¥120 million and ¥118 million for the 5th, 6th and 7th fiscal periods, respectively.
Borrowings	<ul style="list-style-type: none"> • As of today's date, the balance of borrowings of CSIF is ¥23,513 million. CSIF assumes that it will repay such borrowings in amounts of ¥643 million, ¥642 million and ¥668 million at the end of December 2019, June 2020 and December 2020, respectively, under the agreement. • CSIF estimates that the LTV (loan-to-value) ratio will be approximately 49.0%, 48.5% and 48.0% as of the end of the 5th, 6th and 7th fiscal periods, respectively. • CSIF calculates LTV using the following formula. $LTV = \text{Total interest-bearing debt} / \text{Total assets} \times 100$

Item	Assumptions
Number of investment units	<ul style="list-style-type: none"> The assumption that CSIF uses is the total number of investment units issued and outstanding as of the date of this document, which is 231,190 units. CSIF has assumed that there will be no change in the number of units issued and outstanding resulting from the issuance of additional investment units, etc. until the end of the 7th fiscal period ending December 31, 2020. Distributions per unit (excluding distributions in excess of earnings), distributions in excess of earnings per unit and distributions per unit (including distributions in excess of earnings) have been calculated based on the assumption that the number of units issued and outstanding as of the end of each fiscal period will be 231,190 units.
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy prescribed in CSIF's Articles of Incorporation. Changes in lessees, fluctuations in rental revenues due to changes in lease agreements, fluctuations in energy output, unforeseeable repair and maintenance expenses incurred and other factors may lead to changes in the amount of distributions per unit (excluding distributions in excess of earnings).
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> Distributions in excess of earnings per unit will be generally based on the cash distribution policy prescribed in CSIF's Articles of Incorporation and the Asset Manager's asset management guideline. CSIF intends to make cash distributions to its unitholders for each fiscal period using cash flow generated by the renewable energy projects (the "Free Cash Flow"*1). The amount available for distribution shall be calculated by multiplying FCF less any amount payable to debt investors (the "Net Cash Flow,"*2 which shall belong to the equity investors; in the calculation of NCF, the total amount of NCF remaining after deducting distributions for the preceding fiscal periods is to be taken into account) by the applicable payout ratio, which will be determined by CSIF at its discretion for each fiscal period. Further, CSIF intends to make distributions in excess of earnings for each fiscal period in order to realize this policy. With respect to distributions per unit (including distributions in excess of earnings) for the fiscal periods ending December 31, 2019, June 30, 2020 and December 31, 2020 (the 5th/6th/7th fiscal periods), CSIF intends to stably maintain the level of about ¥3,650. And the amount of distributions in excess of earnings which CSIF plans to pay is ¥747 for the 5th fiscal period ending December 31, 2019, ¥991 for the 6th fiscal period ending June 30, 2020 and ¥677 for the 7th fiscal period ending December 31, 2020. This amount, including distributions in excess of earnings, is calculated by multiplying the forecast NCF for the relevant fiscal period (which is calculated at the beginning of the relevant fiscal period) by a certain ratio, as described above. The ratio is determined at the beginning of each fiscal period, considering the forecast NCF for the relevant fiscal period. The ratio used for the 5th fiscal period ending December 31, 2019 is 82.0%. CSIF may not make cash distributions (refunds of investment) in excess of earnings upon consideration of other options, such as repair and capital expenditure, repayment of loans, appropriation to funds for the acquisition of new properties, and the acquisition of treasury investment units, by comprehensively considering the economic environment, the market environment relating to the renewable energy power generation projects, the financial positions of CSIF and other circumstances. In this regard, cash distributions in excess of earnings (refunds of investment) involve a decrease in funds on hand, and thus if capital expenditure beyond the expectations of CSIF is required due to any sudden events or other causes, there is a possibility of a shortage of funds on hand or a restriction on the flexible acquisition of properties in terms of funds. In addition, in the case of a cash distribution (refund of investment) in excess of earnings, the amount of such distribution will be deducted from the total amount of funds contributed or the contribution surplus. <p>(*Note 1) Free Cash Flow (FCF): Rent revenues minus expenses related to rent business and capital expenditures related to assets. Expenses related to rent business include all cash expenses related to operation, including payment of asset management fees and administrative service fees, but exclude interest payments related to interest-bearing debt or other financing-related expenses.</p> <p>(*Note 2) Net cash flow (NCF): Free Cash Flow minus interest payments related to interest-bearing debt and</p>

	repayments of interest-bearing debt for the relevant fiscal period plus the total amount of NCF remaining after deducting distributions for the preceding fiscal periods.
Others	<ul style="list-style-type: none"> • CSIF has assumed that no revisions that will impact the above projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, among others. • CSIF has assumed that no unforeseeable significant changes will occur in general economic trends or conditions in the solar energy facility market and the real estate market.

(3) Risk of Investment

Disclosure is omitted because there have been no significant changes from the description in the latest securities report (submitted on September 26, 2018 including subsequent amendments.).

3. Financial Statement

(1) Balance Sheet

(Unit : thousand yen)

	3 rd Period (December 31, 2018)	4 th Period (June, 2019)
Assets		
Current Assets		
Cash and bank deposit	3,222,807	2,466,624
Operating accounts receivable	208,913	426,756
Prepaid expenses	107,714	71,805
Consumption taxes receivable	793,148	-
Other current assets	685	215
Total current assets	4,333,268	2,965,401
Fixed Assets		
Property and equipment		
Structures	797,621	835,726
Accumulated depreciation	(28,399)	(45,417)
Structures, net	769,221	790,308
Machinery and equipment	37,427,871	38,610,034
Accumulated depreciation	(1,405,797)	(2,191,437)
Machinery and equipment, net	36,022,074	36,418,597
Tools, furniture and fixtures	505,287	521,176
Accumulated depreciation	(22,181)	(32,570)
Tools, furniture and fixtures, net	483,106	488,605
Land	4,309,021	4,466,771
Construction in progress	6,244	-
Total property and equipment	41,589,667	42,164,283
Intangible assets		
Leasehold rights	494,487	512,411
Software	2,763	2,746
Total intangible assets	497,250	515,158
Investments and other assets		
Long-term prepaid expenses	324,500	307,424
Deferred tax assets	12	12
Long term deposits	7,800	7,800
Guarantee deposits	21,021	21,021
Total investment and other assets	353,333	336,258
Total fixed assets	42,440,252	43,015,700
Liabilities		
Current liabilities		
Operating Accounts payable		
Accounts payable – operating	25,290	26,344
Current portion of long-term loans payable	1,239,176	1,286,149
Accounts payable – other	56,317	83,003
Accrued expenses	73,449	112,673
Income taxes payable	857	868
Consumption tax payable	-	49,904
Deposits received	5,246	1,750
Total current liabilities	1,400,337	1,560,694
Non-current liabilities		
Long-term loan payable	23,057,919	22,227,007
Total non-current liabilities	23,057,919	22,227,007
Total liabilities	24,458,257	23,787,702
Net assets		
Unitholders' equity		
Unit holders' capital	22,050,175	22,050,175
Deduction from unitholders' capital	(147,209)	(567,281)
Unitholders' capital (net value)	21,902,965	21,482,893
Surplus		
Unappropriated retained earnings (Accumulated deficit)	412,298	710,506
Total surplus	412,298	710,506
Total unitholders' equity	22,315,263	22,193,399
Total net assets	*1 22,315,263	*1 22,193,399
Total liabilities and net assets	46,773,521	45,981,101

(2) Statement of Income

(Unit: thousand yen)

	3 rd period (from July 1, 2018 to December 31, 2018)	4 th period (from January 1, 2019 to June 30, 2019)
Operating revenues		
Rental revenues of renewable energy power generation facilities, etc.	*1 1,785,374	*1 2,185,392
Total operating revenues	1,785,374	2,185,392
Operating expenses		
Rental expenses of renewable energy power generation facilities, etc.	*1 1,035,958	*1 1,234,114
Asset management fee	43,934	55,979
Administrative service fees	17,066	18,945
Director's compensation	2,400	2,400
Taxes and duties	1,346	399
Other operating expenses	39,928	56,352
Total operating expenses	1,140,634	1,368,191
Operating income or loss	644,739	817,201
Non-operating incomes		
Interest income	17	15
Insurance income	18,815	27,146
Interest on refund	1,942	1,355
Total non-operating income	20,775	28,517
Non-operating expenses		
Interest expenses	97,912	106,345
Borrowing-related expenses	103,408	28,083
Investment unit issuance expenses	51,132	-
Total non-operating expenses	252,452	134,428
Ordinary income	413,062	711,290
Income before income taxes	413,062	711,290
Income taxes - current	860	870
Income tax - deferred	14	0
Total income taxes	874	870
Net income	412,187	710,419
Retained earnings (deficit) brought forward	110	86
Unappropriated retained earnings (Accumulated deficit)	412,298	710,506

(3) 【Statements of Changes in Unitholders' Equity】

3rd Fiscal Period (From July 1, 2018 to December 31, 2018)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Capital surplus or loss	Total surplus		
Balance as of July 1, 2018	17,315,550	-	17,315,550	281,047	281,047
Changes of items during the period					
Distribution in excess of earnings	-	(147,209)	(147,209)	-	-
Dividend of surplus	-	-	-	(280,936)	(280,936)
Net Income	-	-	-	412,187	412,187
Total changes of items during the period	4,734,625	(147,209)	4,587,415	131,250	131,250
Balance as of December 31, 2018	*1 22,050,175	(147,209)	21,902,965	412,298	412,298

4th Fiscal Period (From January 1, 2019 to June 30, 2019)

(Unit: thousand yen)

	Unitholders' equity					Total net assets	
	Unitholders' capital			Surplus			Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of January 1, 2019	22,050,175	(147,209)	21,902,965	412,298	412,298	22,315,263	22,315,263
Changes of items during the period							
Distribution in excess of earnings	-	(420,072)	(420,072)	-	-	(420,072)	(420,072)
Dividend of surplus	-	-	-	(412,211)	(412,211)	(412,211)	(412,211)
Net Income	-	-	-	710,419	710,419	710,419	710,419
Total changes of items during the period	-	(420,072)	(420,072)	298,208	298,208	(121,864)	(121,864)
Balance as of June 30, 2018	*1 22,050,175	(567,281)	21,482,893	710,506	710,506	22,193,399	22,193,399

(4) Statements of Cash Distribution

	Fiscal Period under Review (From July 1, 2018 to December 31, 2018)	Fiscal Period under Review (From January 1, 2019 to June 30, 2019) Unit: Yen
I Unappropriated retained earnings (accumulated deficit)	412,298,211	710,506,353
II Distributions in excess of retained earnings Deduction from unitholders' capital	420,072,230	133,396,630
III Cash distributions	832,284,000	843,843,500
(Cash distributions per unit)	(3,600)	(3,650)
Profit distributions	412,211,770	710,446,870
(Profit distributions per unit)	(1,783)	(3,073)
Distributions in excess of retained earnings	420,072,230	133,396,630
(Distributions in excess of retained earnings)	(1,817)	(577)
IV. Retained earnings (deficit) carried forward	86,441	59,483
Calculation method for cash distributions	<p>In accordance with Articles 47, Paragraph 1 of Canadian Solar Infrastructure Fund, Inc. ("CSIF")'s Articles of Incorporation, the amount of cash distributions shall be the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, CSIF decided to make distributions of ¥412,211,770 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥412,298,211 excluding fractions of the distribution per unit that are less than ¥1.</p> <p>CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥420,072,230 which is equivalent to 58.9% of the amount of depreciation expenses recorded for the fiscal period under review of ¥713,524,700.</p> <p>Accordingly, the distribution per unit is ¥3,600.</p>	<p>In accordance with Articles 47, Paragraph 1 of Canadian Solar Infrastructure Fund, Inc. ("CSIF")'s Articles of Incorporation, the amount of cash distributions shall be the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, CSIF decided to make distributions of ¥710,506,353 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥710,446,870 excluding fractions of the distribution per unit that are less than ¥1.</p> <p>CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥133,396,630 which is equivalent to 16.4% of the amount of depreciation expenses recorded for the fiscal period under review of ¥813,434,738.</p> <p>Accordingly, the distribution per unit is ¥3,650.</p>

(Note) Distributions in excess of retained earnings per unit will generally be based on the cash distribution policy prescribed in CSIF's Articles of Incorporation and the Asset Manager's asset management guideline.

CSIF intends to make cash distributions of NCF within the FCF generated from the renewable energy power generation facilities. The amount available for distribution shall be calculated by multiplying NCF by the payout ratio.

Further, CSIF intends to make distributions in excess of retained earnings for each fiscal period in order to realize such policy.

CSIF's forecasts (including revised forecasts) for each fiscal period are based on the assumption of the Forecast Power Generation (P50) provided in the independent technical report which is used as a basis for calculating rents for renewable energy power generation facilities and if actual NCF calculated based on actual power generation during the applicable fiscal period exceeds forecast NCF, CSIF's policy is to set "forecast NCF multiplied by the payout ratio" as the upper limit of the amount of cash distributions for the applicable fiscal period.

On the other hand, if actual NCF is less than forecast NCF, CSIF's policy is to set "actual NCF multiplied by the payout ratio" as the amount of cash distributions for the applicable fiscal period.

Based on this policy, CSIF decided to make distributions for the previous fiscal period of ¥832,284,000 which is equivalent to 79.1% of forecast NCF amount for the fiscal period under review of ¥1,052,089,734. Of this, ¥420,072,230 which is the amount less of distributions of profit of ¥412,211,770 is distributions in excess of retained earnings.

Based on this policy, CSIF decided to make distributions for the current fiscal period of ¥843,843,500 which is equivalent to 48.0% of forecast NCF amount for the fiscal period under review of ¥1,758,007,291. Of this, ¥133,396,630 which is the amount less of distributions of profit of ¥710,446,870 is distributions in excess of retained earnings.

(5) Statement of Cash Flow

(unit: thousand yen)

	3 rd period (From July 1, 2018 to December 31, 2018)	4 th period (From January 1, 2019 to June 30, 2019)
Cash flows from operating activities		
Income (Loss) before income taxes	413,062	711,290
Depreciation cost	713,524	813,434
Investment unit issuance expenses	51,132	-
Interest income	(17)	(15)
Interest expenses	97,912	106,345
Decrease (Increase) in operating accounts receivable	109,517	(217,843)
Decrease (Increase) in consumption taxes receivable	1,316,672	793,148
Decrease (Increase) in consumption taxes payable	-	49,904
Decrease (Increase) in prepaid expenses	(92,669)	35,909
Decrease (Increase) in long-term prepaid expenses	(94,581)	17,075
Increase (Decrease) in operating accounts payable	7,073	1,053
Increase (Decrease) in accounts payable - other	13,846	26,686
Increase (Decrease) in accrued expenses	(6,021)	39,839
Other, net	3,228	(3,024)
Sub-total	2,532,681	2,373,805
Interest received	17	15
Interest paid	(96,340)	(106,961)
Income taxes paid	(1,468)	(859)
Net cash provided by (used in) operating activities	2,434,890	2,265,998
Cash flows from investing activities		
Payment for long term deposit	(7,800)	-
Purchases of property and equipment	(11,679,932)	(1,387,663)
Purchases of intangible fixed assets	(4,885)	(18,294)
Net cash provided by (used in) investing activities	(11,692,617)	(1,405,958)
Cash flows from financing activities		
Proceeds from long-term loans payable	8,850,000	700,000
Repayment of long-term loans payable	(2,656,191)	(1,483,938)
Proceeds from issuance of investment units	4,734,625	-
Payments for investment unit issuance expenses	(51,132)	-
Dividends paid	(280,936)	(412,211)
Surplus earning distribution paid	(147,209)	(420,072)
Net cash provided by (used in) financing activities	10,449,154	(1,616,222)
Net increase (decrease) in cash and cash equivalents	1,191,427	(756,182)
Cash and cash equivalents at the beginning of the fiscal period	2,031,379	3,222,807
Cash and cash equivalents at the end of the fiscal period	*1 3,222,807	*1 2,466,624

(6)NOTES ON GOING CONCERN PREMISE

Not applicable.

(7) [SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES]

1.Method of depreciation and amortization of non-current assets	<p>(1) Property and equipment The straight-line method is adopted. In addition, the useful lives of major property and equipment are as shown below: Structures 22 - 25 years Machinery and equipment..... 22 - 25 years Tools, furniture and fixtures 22 - 25 years</p> <p>(2) Intangible assets The straight-line method is adopted. In addition, the useful life is as shown below: Software 5 years</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>
2.Standards for revenue and expense recognition	<p>Accounting for fixed assets tax With respect to fixed assets tax, city planning tax and depreciable assets tax, among other taxes, on the infrastructure assets held, of the tax amount assessed and determined, the amount corresponding to the calculation period is accounted as rental expenses. In addition, reimbursement such as fixed assets tax, which is paid to the seller and other persons on the acquisition of infrastructure assets and other assets (“the amount equivalent to the fixed assets taxes and other taxes”) is not recognized as rental expenses but included in the acquisition cost of the concerned infrastructure assets and other assets. In the fiscal period under review, the amount equivalent to the fixed assets tax and other taxes included in the acquisition cost of infrastructure assets and other assets is 27,047 thousand yen.</p>
3.Scope of funds in statement of cash flows	<p>Funds (cash and cash equivalents) in statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less at the date of acquisition that can readily be converted into cash and that are subject to insignificant risks of changes in value.</p>
4.Method of hedge accounting	<p>(1) Method of hedge accounting Special treatment is adopted for the interest rate swap that meets the requirements for special treatment.</p> <p>(2) Hedging instruments and hedged items: •Hedging instruments.....Interest rate swap transaction •Hedged items....Interest rate on loans</p> <p>(3) Policy for hedging CSIF conducts derivative transactions to hedge risks as set forth in the CSIF’s Articles of Incorporation according to the rules for risk management.</p> <p>(4) Method of evaluation of effectiveness of hedging The interest rate swap meets the requirements for special treatment, and thus the evaluation of effectiveness is omitted.</p>
5.Other significant matters serving as the basis for preparation of financial statements	<p>Accounting for Consumption tax Consumption tax and local consumption tax are excluded from the corresponding transaction amount.</p>

(8) Notes regarding financial statements

[NOTES TO BALANCE SHEET]

*1 Minimum net assets stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousand yen)

	As of December 31, 2018	As of June 30, 2019
	50,000	50,000

[NOTES TO STATEMENT OF INCOME]

*1 Breakdown of profits and losses from the rental business of renewable energy power generation facilities, etc.

(Unit: thousand yen)

	From July 1, 2017 to December 31, 2018	From January 1, 2019 to June 30, 2019
A. Operating revenue from the rental business of renewable energy power generation facilities, etc.		
Rental revenue of renewable energy power generation facilities, etc.		
(Basic rent)	1,322,669	1,478,843
(Variable rent linked to actual output)	462,578	706,346
(Incidental income)	127	202
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	1,785,374	2,185,392
B. Operating expenses from the rental business of renewable energy power generation facilities, etc.		
Rental expenses of renewable energy power generation facilities, etc.		
(Management entrustment expenses)	127,128	144,616
(Repair and maintenance costs)	2,055	8,560
(Taxes and duties)	154,262	217,138
(Utilities expenses)	-	-
(Insurance expenses)	12,900	17,023
(Depreciation expenses)	713,168	813,047
(Land rent)	26,444	33,727
(Other rental expenses)	-	-
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	1,035,958	1,234,114
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	749,416	951,278

[NOTES TO STATEMENT OF CHANGES IN NET ASSETS]

*1 Total number of authorized investment units and the total number of investment units issued and outstanding

	From July 1, 2017 to December 31, 2018	From January 1, 2019 to June 30, 2019

Total number of authorized investment units	10,000,000 unit	10,000,000 unit
Total number of investment units issued and outstanding	231,190 unit	231,190 unit

[NOTES TO STATEMENT OF CASH FLOWS]

*1 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet

(Unit: thousand yen)

	From July 1, 2017 to December 31, 2018	From January 1, 2019 to June 30, 2019
Cash and deposits	3,222,807	2,466,624
Cash and cash equivalents	3,222,807	2,466,624

[NOTES ON LEASE TRANSACTIONS]

Operating lease (as the lessor)

Future minimum lease payments

(Unit: thousand yen)

	Fiscal period ended December 31, 2018	Fiscal period ended June 30, 2019
Within one year	2,957,963	3,039,681
Longer than one year	48,222,398	48,276,834
Total	51,180,362	51,316,516

[NOTES ON FINANCIAL INSTRUMENTS]

1. Situation of financial instruments

(1) Policy for financial instruments

CSIF procures funds for acquiring new assets or repaying loans through loans from financial institutions or issuing investment units. The basic policy is to build stable and sound financial operations to maintain and increase earnings in the medium to long term and grow the size and value of assets.

(2) Details of the financial instruments and their risks and the risk management system

Long-term loans payables are one of the means to procure the funds for the acquisition of managed assets and are exposed to interest rate fluctuation risk and liquidity risk, among other risks. However, this risk is deducted through the appropriate balancing of the loan period and the interest rate type, and diversification of lenders, and the appropriate management of various types of indexes, especially the general application of the upper limit of the ratio of interest-bearing, which is 60%.

(3) Supplementary explanation on fair value of financial instruments

The fair values of financial instruments are values based on market prices, or if there are no market prices, values are reasonably calculated. Since certain assumptions are used for the calculation of fair values, they may change if different assumptions are used.

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of December 31, 2018 and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	3,222,807	3,222,807	-
(2) Operating accounts receivable	208,913	208,913	-
(3) Long-term deposits	7,800	7,800	-
Total assets	3,439,520	3,439,520	-
(4) Current portion of long-term loans payable	1,239,176	1,241,069	1,892
(5) Long-term loans payable	23,057,919	23,391,454	333,534
Total liabilities	24,297,096	24,632,523	335,427
(6) Derivative transaction	-	-	-

(Note 1) Methods used for estimating the fair values of financial instruments and matters related to derivative transactions

Assets

(1) Cash and deposits (2) Operating accounts receivable

These financial instruments are settled in the short term, and their fair values are deemed to approximate their book value. Therefore, the book values are used as the values.

(3) Long-term deposits

This financial instrument refers to time deposits. With no significant difference between the expected interest rate for a new deposit and a contractual interest rate, their fair values are very close to their book values. Therefore, the book values are used.

Liabilities

(4) Current portion of long-term loans payable (5) Long-term loans payable

With respect to long-term loans payable at variable interest rates, the condition that the interest rates are renewed every certain period is applied to loans, and thus the market value is considered to be close to the book value. Accordingly, the book value is used. In addition, for the long-term loans payable at variable interest rates subject to the special treatment of interest rate swap (refer to the "Notes on derivative transactions" below), the fair value is measured by discounting the total sum of the principal and interest treated together with the said interest rate swap as one at the interest rate that is applied when the similar loan is obtained and that is reasonably estimated.

(6) Derivative transaction

Please refer to the "Notes on derivative transactions" below.

The table below shows the book value and fair values of financial instruments as of June 30, 2019, and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	2,466,624	2,466,624	-
(2) Operating accounts receivable	426,756	426,756	-
(3) Long term deposits	7,800	7,800	-
Total assets	2,901,181	2,901,181	-
(4) Current portion of long-term loans payable	1,286,149	1,287,698	1,548
(5) Long-term loans payable	22,227,007	22,491,852	264,844
Total liabilities	23,513,157	23,779,551	266,393
(6) Derivative transaction	-	-	-

(Note 1) Methods used for estimating the fair values of financial instruments and matters related to derivative transactions

Assets

(1) Cash and deposits (2) Operating accounts receivable

These financial instruments are settled in the short term, and their fair values are deemed to approximate their book value. Therefore, the book values are used as the values.

(3) Long-term deposits

These financial instruments are time deposits, and their fair values are deemed to be close to their book value as there is no significant variance between the deposit and the contracted interest rates that are assumed upon a new cash deposit. Therefore, the book values are used as the values.

Liabilities

(4) Current portion of long-term loans payable (5) Long-term loans payable

With respect to long-term loans payable at variable interest rates, the condition that the interest rates are renewed every certain period is applied to loans, and thus the market value is considered to be close to the book value. Accordingly, the book value is used. In addition, for the long-term loans payable at variable interest rates subject to the special treatment of interest rate swap (refer to the “Notes on derivative transactions” below), the fair value is measured by discounting the total sum of the principal and interest treated together with the said interest rate swap as one at the interest rate that is applied when the similar loan is obtained and that is reasonably estimated.

(6) Derivative transaction

Please refer to the “Notes on derivative transactions” below.

(Note 2) Scheduled redemption amounts of monetary receivables after the closing date (December 31, 2018)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Cash and deposits	3,222,807	-	-	-	-	-
(2) Operating accounts receivable	208,913	-	-	-	-	-
(3) Long-term deposits	-	7,800	-	-	-	-
Total	3,431,720	7,800	-	-	-	-

Scheduled redemption amounts of monetary receivables after the closing date (June 30, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Cash and deposits	2,466,624	-	-	-	-	-
(2) Operating accounts receivable	426,756	-	-	-	-	-
(3) Long-term deposits	-	7,800	-	-	-	-
Total	2,893,381	7,800	-	-	-	-

(Note 3) Scheduled redemption amount of loans payables after the closing date (December 31, 2018)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(4) Current portion of long-term loans payable	1,239,176	-	-	-	-	-
(5) Long-term loans payable	-	2,122,610	1,995,867	1,275,305	1,292,889	16,371,247
合計	1,239,176	2,122,610	1,995,867	1,275,305	1,292,889	16,371,247

Scheduled redemption amount of loans payables after the closing date (June 30, 2018)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
--	-----------------	--	---	--	---	------------------------

(4) Current portion of long-term loans payable	1,286,149	-	-	-	-	-
(5) Long-term loans payable	-	2,053,702	1,862,492	1,286,533	1,285,273	15,739,005
Total	1,286,149	2,053,702	1,862,492	1,286,533	1,285,273	15,739,005

[NOTES ON SECURITIES]

Prior fiscal period (as of December 31, 2018)

Not applicable.

Current fiscal period (as of June 30, 2019)

Not applicable.

[NOTES ON DERIVATIVE TRANSACTIONS]

1. Those to which hedge accounting is not applied

Prior fiscal period (as of December 31, 2018) and current fiscal period (as of June 30, 2019)

Not applicable.

2. Those to which hedge accounting is applied

Prior fiscal period (as of December 31, 2018)

(Unit: thousand yen)

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts		Fair value	Method of calculation of said market value
				Longer than one year		
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	22,603,027	21,411,430	(Note)	-

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (3) Current portion of long-term loans payable and (4) Long-term loans payable in “Notes on financial instruments 2.Matters relating to fair values of financial instruments, among other matters” .

Current fiscal period (as of June 30, 2019)

(Unit: thousand yen)

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts		Fair value	Method of calculation of said market value
				Longer than one year		
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	22,012,204	20,811,569	(Note)	-

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (4) Current portion of long-term loans payable and (5) Long-term loans payable in “Notes on financial instruments 2.Matters relating to fair values of financial instruments, among other matters”

[NOTES ON RETIREMENT BENEFITS]

Prior fiscal period (as of December 31, 2018)

Not applicable.

Current fiscal period (as of June 30, 2019)

Not applicable.

[NOTES ON TAX EFFECT ACCOUNTING]

1. Breakdown of deferred tax assets and deferred tax liabilities by major cause

(Unit: thousand yen)

	Fiscal period ended December 31, 2018	Fiscal period ended June 30, 2019
Accrued business tax not deductible from taxable income	12	12
Total deferred tax assets	12	12
Net amount of deferred tax assets	12	12

2. Breakdown of each major item that causes a significant difference between the effective statutory tax rate and the rate of the burden of corporate tax and other taxes after the application of tax effect accounting

	Fiscal period ended December 31, 2018	Fiscal period ended June 30, 2019
Effective statutory tax rate	31.51%	31.51%
(Adjustment)		
Dividends paid deductible for tax purpose	(31.45)%	(31.47)%
Loss carried forward and deducted for the period	-	-
Others	0.15%	0.08%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.21%	0.12%

[NOTES ON SHARE OF PROFIT (LOSS) OF ENTITIES ACCOUNTED FOR USING EQUITY METHOD, ETC.]

Prior fiscal period (as of December 31, 2018)

Not applicable.

Current fiscal period (as of June 30, 2019)

Not applicable.

[NOTES ON RELATED PARTY TRANSACTIONS]

Prior fiscal period (from July 1, 2018 to December 31, 2018)

Not applicable.

Current fiscal period (from January 1, 2019 to June 30, 2019)

Not applicable.

[NOTES ON ASSET RETIREMENT OBLIGATIONS]

Prior fiscal period (from July 1, 2018 to December 31, 2018)

Not applicable.

Current fiscal period (from January 1, 2019 to June 30, 2019)

Not applicable.

[NOTES ON INVESTMENT AND RENTAL PROPERTY]

CSIF has renewable energy power generation facilities, etc. The book value, change during the period and fair value at the end of the period are as shown below.

(Unit: thousand yen)

	Fiscal period ended December 31, 2018	Fiscal period ended June 30, 2019
Book value (Note 2)		
Beginning balance	31,110,561	42,077,910
Change during the period (Note 3)	10,967,348	598,784
Ending balance	42,077,910	42,676,695
Fair value at the end of the period (Note 4)	47,099,500	50,026,000

(Note 1) The real estate that CSIF holds is real estate to be provided for the use of renewable energy power generation facilities, and thus with respect to the book value and the fair value, the amount of the renewable energy power generation facilities and real estate are stated together as one.

(Note 2) The book value is the amount at acquisition cost less the accumulated depreciation.

(Note 3) The change during the period ended December 31, 2018 primarily consisted of the increase due to acquisition of three photovoltaic power generation facilities (11,651,820 thousand yen), and the decrease due to depreciation expenses (713,168 thousand yen). And the change during the period ended June 30, 2019 primarily consisted of the increase due to acquisition of two photovoltaic power generation facilities (1,357,292 thousand yen), and the decrease due to depreciation expenses (813,047 thousand yen).

(Note 4) The fair value is the total sum of the intermediate values according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation on the basis of the appraised value in the range stated in the valuation report with the date of the value opinion on December 31, 2018 and June 30, 2019, which was obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd..

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended December 31, 2018 (the 3rd period) and the fiscal period ended June 30, 2019 (the 4th period) are as stated in the "Notes to statement of income" above.

[NOTES ON SEGMENT INFORMATION]

1. Segment information

Since CSIF has a single segment of the rental business of infrastructure assets, the segment information is omitted.

2. Related Information

Prior fiscal period (from July 1, 2018 to December 31, 2018)

(1) Information on products and services

Information is omitted because operating revenue from a single product/service to outside customers exceeds 90% of the operating revenue on the statement of income.

(2) Information on regions

① Operating revenue

Information is omitted because operating revenue from outside customers in Japan exceeds 90% of the operating revenue on the statement of income.

② Property and equipment

Information is omitted because the amount of property and equipment located in Japan exceeds 90% of the amount of property and equipment on the balance sheet.

(3) Information on major customers

(unit: thousand yen)

Name of customer	Total net revenue	Name of related segment
Tida Power 01 G.K.	1,529,305	Renewable energy power generation facilities, etc. rental business
Univergy 23 G.K.	10,868	Renewable energy power generation facilities, etc. rental business
CLEAN ENERGIES XXI G.K.	241,089	Renewable energy power generation facilities, etc. rental business
Univergy 10 G.K.	3,984	Renewable energy power generation facilities, etc. rental business

Current fiscal period (from January 1, 2019 to June 30, 2019)

(1) Information on products and services

Information is omitted because operating revenue from a single product/service to outside customers exceeds 90% of the operating revenue on the statement of income.

(2) Information on regions

① Operating revenue

Information is omitted because operating revenue from outside customers in Japan exceeds 90% of the operating revenue on the statement of income.

② Property and equipment

Information is omitted because the amount of property and equipment located in Japan exceeds 90% of the amount of property and equipment on the balance sheet.

(3) Information on major customers

(unit: thousand yen)

Name of customer	Total net revenue	Name of related segment
Tida Power 01 G.K.	2,038,531	Renewable energy power generation facilities, etc. rental business
CLEAN ENERGIES XXI G.K.	99,893	Renewable energy power generation facilities, etc. rental business
Univergy 01 G.K.	17,006	Renewable energy power generation facilities, etc. rental business
CLEAN ENERGIES SOLUTIONS K.K.	29,758	Renewable energy power generation facilities, etc. rental business

[NOTES ON PER UNIT INFORMATION]

	Prior fiscal period From July 1, 2018 to December 31, 2018	Current fiscal period From July 1, 2018 December 31, 2018
Net assets per unit	96,523 yen	95,996 yen
Net income (Net loss) per unit	1,932 yen	3,072 yen

(Note 1) Net income (Net loss) per unit is calculated by dividing net income (net loss) by the average number of investment units during the period. In the previous fiscal period, a loss was posted and there were no dilutive investment units, and thus diluted loss per unit is not stated. With respect to diluted profit per unit for the period under review, there are no dilutive investment units, and thus the statement is omitted.

(Note 2) The basis of calculation of net income (net loss) per unit is as follows.

	Prior fiscal period From July 1,2018 to December 31, 2018	Current fiscal period From July 1, 2018 December 31, 2018
Net income (Net loss) (Thousand yen)	412,187	710,419
Amount not attributable to common unit holders (Thousand yen)	-	-
Net income (Net loss) attributable to Common unit holders (Thousand yen)	412,187	710,419
Average number of investment units during the period (Units)	213,246	231,190

[NOTES ON FACTS ARISING AFTER THE SETTLEMENT OF ACCOUNTS]

Not applicable

(10) Change in the total number of investment units issued and outstanding

Change in the total number of investment units issued and outstanding and the total amount of unitholders' capital is as shown below since the establishment of the CSIF.

Date	Event	Total number of investment units issued and outstanding (units)		Total amount of unitholders' capital (Note 1) (million yen)		Remarks
		Change	Balance	Change	Balance	
May 18, 2017	Establishment upon private placement	1,500	1,500	150	150	(Note 2)
October 27, 2017	Capital increase by public offering	177,800	179,300	16,891	17,041	(Note 3)
November 28, 2017	Capital increase by third-party allotment	2,890	182,190	274	17,315	(Note 4)
September 5, 2018	Capital increase by public offering	46,667	228,857	4,509	21,824	(Note 5)
September 14, 2018	Cash distribution in excess of earnings (refund of investment)	-	228,857	(147)	21,677	(Note 6)
October 4, 2018	Capital increase by third-party allotment	2,333	231,190	225	21,902	(Note 7)
March 14, 2019	Cash distribution in excess of earnings (refund of investment)	-	231,190	(420)	21,482	(Note 8)

(Note 1) The amount of deduction of total amount of unitholders' capital is deducted.

(Note 2) In the establishment of the CSIF, the investment units were issued at an issue price of ¥100,000 per unit. The party who applied for subscription of investment units upon the establishment is Canadian Solar Projects K.K.

(Note 3) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥100,000 (issue value of ¥95,000) per unit.

(Note 4) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue value of ¥95,000 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or part of repayment of borrowings.

(Note 5) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥102,180 (issue value of ¥96,625) per unit.

(Note 6) CSIF decided, at a meeting of its Board of Directors held on August 14, 2018, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥808 per unit for the second fiscal period (ended June 30, 2018), and began to pay it from September 14, 2018.

(Note 7) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue price of ¥96,625 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or a part of the funds for repayment of borrowings.

(Note 8) CSIF decided, at a meeting of its Board of Directors held on February 15, 2019, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥1,817 per unit for the third fiscal period (ended December 31, 2018), and began to pay it from March 14, 2019.

4. Reference

(1) Conditions of Investment

(as of June 30, 2019)

Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) ('000yen)(Note 2)	% of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	1,040,655	2.3
	Kanto	2,461,223	5.4
	Tokai	1,418,596	3.1

	Chugoku/Shikoku	10,484,457	22.8
	Kyushu	22,292,578	48.5
Subtotal		37,697,511	82.0
Land	Hokkaido/Tohoku	48,970	0.1
	Kanto	647,430	1.4
	Tokai	63,309	0.1
	Chugoku/Shikoku	522,185	1.1
	Kyushu	3,184,875	6.9
Subtotal		4,466,771	9.7
Land lease	Hokkaido/Tohoku	17,924	0.0
	Kanto	59,197	0.1
	Tokai	41,423	0.1
	Chugoku/Shikoku	3,415	0.0
	Kyushu	390,450	0.8
Subtotal		512,411	1.1
Solar energy facility etc.	Hokkaido/Tohoku	1,107,550	2.4
	Kanto	3,167,851	6.9
	Tokai	1,523,330	3.3
	Chugoku/Shikoku	11,010,058	23.9
	Kyushu	25,867,904	56.3
Subtotal		42,676,695	92.8
Solar energy facility etc. total		42,676,695	92.8
Saving/other assets		3,304,406	7.2
Asset total (2)		45,981,101	100.0

	(Unit: thousand yen)	% of total AUM (3)
Total liabilities	23,787,702	51.7
Total net assets	22,193,399	48.3

(Note 1) “Hokkaido and Tohoku” denote Hokkaido, Aomori-ken, Iwate-ken, Akita-ken, Miyagi-ken, Fukushima-ken and Yamagata-ken. “Kanto” denotes Ibaraki-ken, Tochigi-ken, Gunma-ken, Tokyo-to, Kanagawa-ken, Saitama-ken, Chiba-ken, Yamanashi-ken, Nagano-ken and Niigata-ken. “Tokai” denotes Shizuoka-ken, Aichi-ken, Gifu-ken, Mie-ken, Toyama-ken, Ishikawa-ken and Fukui-ken. “Chugoku and Shikoku” denote Okayama-ken, Hiroshima-ken, Yamaguchi-ken, Tottori-ken, Shimane-ken, Kagawa-ken, Kochi-ken, Tokushima-ken and Ehime-ken. “Kyushu” denotes Fukuoka-ken, Oita-ken, Miyazaki-ken, Kagoshima-ken, Kumamoto-ken, Nagasaki-ken, Saga-ken and Okinawa-ken.

(Note 2) The amount posted on the balance sheet as of June 30, 2019.

(Note 3) The figures have been rounded to the first decimal place.

(2) Investment Assets

① Investment Securities

Not Applicable

② Investment Properties

Not Applicable

③ Major Investment Assets

a. summary information for the CSIF

The following table provides summary information for the CSIF current 20 solar energy projects as of June 30, 2019.

Asset #	Category	Project name	Location	Site Area (m ²)	PPA purchase price (yen/kwh)	Certification Date	FIT term end
S-01	Solar Plant etc.	CS Shibushi-shi Power Plant	Shibushi-shi, Kagoshima	19,861	40	February 26, 2013	September 16, 2034
S-02	Solar Plant etc.	CS Isa-shi Power Plant	Isa-shi, Kagoshima	22,223	40	February 26, 2013	June 8, 2035
S-03	Solar Plant etc.	CS Kasama-shi Power Plant	Kasama-shi, Ibaraki	42,666 (Note 1)	40	January 25, 2013	June 25, 2035
S-04	Solar Plant etc.	CS Isa-shi Dai- ni Power Plant	Isa-shi, Kagoshima	31,818	36	October 2, 2013	June 28, 2035
S-05	Solar Plant etc.	CS Yusui-cho Power Plant	Aira-gun, Kagoshima	25,274	36	March 14, 2014	August 20, 2035
S-06	Solar Plant etc.	CS Isa-shi Dai- san Power Plant	Isa-shi, Kagoshima	40,736	40	February 26, 2013	September 15, 2035
S-07	Solar Plant etc.	CS Kasama-shi Dai-ni Power Plant	Kasama-shi, Ibaraki	53,275	40	January 25, 2013	September 23, 2035
S-08	Solar Plant etc.	CS Hiji-machi Power Plant	Hayami-gun, Oita	30,246	36	July 16, 2013	October 12, 2035
S-09	Solar Plant etc.	CS Ashikita- machi Power Plant	Ashikita-gun, Kumamoto	45,740	40	February 26, 2013	December 10, 2035

S-10	Solar Plant etc.	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)	Minamishimabara-shi, Nagasaki	56,066	40	February 26, 2013 (East) February 26, 2013 (West)	December 24, 2035 (East) January 28, 2036 (West)
S-11	Solar Plant etc.	CS Minanomachi Power Plant	Chichibu-gun, Saitama	44,904	32	December 11, 2014	December 06, 2036
S-12	Solar Plant etc.	CS Kannami-cho Power Plant	Tagata-gun, Shizuoka	41,339	36	March 31, 2014	March 02, 2037
S-13	Solar Plant etc.	CS Mashiki-machi Power Plant	Kamimashiki-gun, Kumamoto	638,552 (Note2)	36	October 24, 2013	June 01, 2037
S-14	Solar Plant etc.	CS Koriyama-shi Power Plant	Koriyama-shi, Fukushima	30,376 (Note1)	32	February 27, 2015	September 15, 2036
S-15	Solar Plant etc.	CS Tsuyama-shi Power Plant	Tsuyama-shi, Okayama	31,059	32	September 26, 2014	June 29, 2037
S-16	Solar Plant etc.	CS Ena-shi Power Plant	Aza Ochise, Kusumi, Osashima-cho, Ena-shi, Gifu	37,373	32	February 24, 2015	September 12, 2037
S-17	Solar Plant etc.	CS Daisen-cho Power Plant (A) and (B)	Aza Magoese, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (A) Aza Kamikawara, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (B)	452,760 (Note 3)	40	February 22, 2013 (A) February 28, 2013 (B)	August 9, 2037
S-18	Solar Plant etc.	CS Takayama-shi Power Plant	Shingumachi, Takayama-shi, Gifu	16,278 (Note 1)	32	January 30, 2015	October 09, 2037
S-19	Solar Plant etc.	CS Misato-machi Power Plant	Misato-machi, Kodama-gun, Saitama	25,315	32	January 6, 2015	March 26, 2037
S-20	Solar Plant etc.	CS Marumori-machi Power Plant	Marumori-machi, Igu-gun, Miyagi	65,306 (Note 4)	36	February 28, 2014	July 12, 2038

(Note 1) Site area for the portion of the solar energy plants land under ownership is shown, and excludes the portion of the land where we hold an easement.

(Note 2) Site area for the portion of the solar energy plants and high-voltage land under ownership is shown, and excludes the portion of the land where we hold an easement.

(Note 3) Site area for the portion of the solar energy plants and high-voltage land under superficies is shown and excludes the portion of the land where we hold an easement.

(Note 4) Site area for the portion of the solar energy plants and high-voltage land and access roads under superficies is shown, and excludes the portion of the land where we hold an easement.

Asset #	Project name	Certified Operator	PPA company	Acquisition Price (million yen) (Note 1)	Fiscal period end valuation (million yen) (Note 2)	Appraisal value of solar plants (million yen)(Note 3) (upper : solar energy facility) (lower : land)	Fiscal period end book value (million yen) (Note 4)
S-01	CS Shibushi-shi Power Plant	Tida Power 01 G.K	Kyushu Electric Power Co., Inc	540	607	472	520
						135	

S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	408	387	355
						21	
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	1,082	815	875
						267	
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	847	808	737
						38	
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	730	698	636
						31	
S-06	CS Isa-shi Dai-san Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	1,033	973	899
						59	
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	923	874	800
						49	
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	1,111	1,069	973
						41	
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	1,081	1,041	937
						39	
S-10	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)	Tida Power 01 G.K.	Kyushu Electric Power Co., Inc	1,733	1,988	1,909	1,644
						78	
S-11	CS Minano-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	1,173	909	1,007
						264	
S-12	CS Kannami-cho Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	514	593	551	490
						41	
S-13	CS Mashiki-machi Power Plan	Tida Power01 G.K.	Kyushu Electric Power Co., Inc.	20,084	23,465	20,195	19,165
						3,270	

S-14	CS Koriyama-shi Power Plan	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	272	222	246
						50	
S-15	CS Tsuyama-shi Power Plan	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	817	690	772
						127	
S-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Co., Inc.	757	868	832	702
						36	
S-17	CS Daisen-cho Power Plant (A) and (B)	Tida Power01 G.K.. (Note 5)	The Chugoku Electric Power Co., Inc.	10,447	11,310	10,960	10,237
						350	
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Co., Inc.	326	359	298	329
						61	
S-19	CS Misato-machi Power Plant	Univergy 01 G.K.	TEPCO Energy Partner, Incorporated	470	488	365	484
						123	
S-20	CS Marumori-machi Power Plant	CLEAN ENERGIES SOLUTIONS K.K.	Tohoku Electric Power Co., Inc.	850	866	848	860
						17	
Total				44,281	50,026	44,925	42,676
						5,100	

(Note 1) Acquisition price is based on acquisition price as described in the purchase agreements (excluding acquisition expenses related to the payment of outsourcing service fees, property-related taxes, taxes on depreciable assets, urban planning taxes, consumption taxes and other fees).

(Note 2) Median project valuation report amount is the median amount that we calculated based on the estimated values as of June 30, 2019 provided to us by PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd. in its project valuation report. Based on the appraised value in the range stated in the valuation report with the date of the value opinion on June 30, 2019, which was obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd., the Investment Corporation calculated the total sum of the intermediate values according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation, and the said sum is used in the statement.

(Note 3) On the upper row of the appraisal value of solar plants, an assumed appraisal value of solar energy projects that is obtained by deducting the real estate appraisal value calculated by Daiwa Real Estate Appraisal Co., Ltd. from the appraised value at the end of the period in (Note 2) above is stated, and on the lower row, an amount stated in the real estate appraisal report prepared by Daiwa Real Estate Appraisal Co., Ltd. is stated. Real estate includes its superficies right.

(Note 4) Fiscal period end book value is the book value of solar energy as of June 30, 2019.

(Note 5) Former certified operator, CLEAN ENERGIES XXI G.K., was merged into Tida Powe01 G.K. as of March 19, 2019.

b. Revenue and expenses of individual renewable energy power generation facilities
Third fiscal period (from July 1, 2018 to December 31, 2018)

(Unit: thousand yen)

Asset number		S-01	S-02	S-03	S-04	S-05
Project name	Total portfolio	CS Shibushi-shi Power Plant	CS Isa-shi Power Plant	CS Kasama-shi Power Plant	CS Isa-shi Dai-ni Power Plant	CS Yusui-cho Power Plant
Rental revenue of renewable energy power generation facilities, etc.						
Basic rent	1,478,843	18,727	14,313	35,327	29,510	26,827
Variable rent linked to actual output	706,346	6,605	5,648	17,266	10,641	5,533
Incidental income	202	-	-	202	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	2,185,392	25,332	19,961	52,796	40,152	32,361
Operating expenses from the rental business of renewable energy power generation facilities, etc.						
Taxes and duties	217,138	2,254	1,699	3,791	3,768	3,277
(Property-related taxes, etc.)	217,138	2,254	1,699	3,791	3,768	3,277
(Other taxes)	-	-	-	-	-	-
Expenses	203,928	1,907	2,261	3,277	5,236	3,987
(Management entrustment expenses)	144,616	1,701	1,299	2,931	2,866	2,425
(Repair and maintenance costs)	8,560	-	-	-	458	-
(Utilities expenses)	-	-	-	-	-	-
(Insurance expenses)	17,023	205	168	346	320	298
(Land rent)	33,727	-	794	-	1,590	1,263
(Other rental cost)	-	-	-	-	-	-
Depreciation cost	813,047	9,459	7,835	14,462	16,449	14,242
(Structures)	17,018	447	256	324	306	582
(Machinery and equipment)	785,639	8,970	7,561	14,104	16,101	13,425
(Tools, furniture and fixtures)	10,389	41	17	33	41	235
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	1,234,114	13,621	11,796	21,532	25,454	21,507
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	951,278	11,711	8,165	31,264	14,697	10,853

(Unit: thousand yen)

Asset number	S-06	S-07	S-08	S-09	S-10
Project name	CS Isa-shi Dai-san Power Plant	CS Kasama-shi Dai-ni Power Plant	CS Hiji-machi Power Plant	CS Ashikita-machi Power Plant	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	35,695	34,897	37,949	35,753	63,488
Variable rent linked to actual output	12,165	16,386	15,805	12,815	27,370
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	47,860	51,284	53,755	48,568	90,859
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,494	4,304	5,167	4,879	8,533
(Property-related taxes, etc.)	4,494	4,304	5,167	4,879	8,533
(Other taxes)	-	-	-	-	-
Expenses	5,551	6,964	5,622	5,337	11,314
(Management entrustment expenses)	3,080	3,532	3,562	3,249	6,502
(Repair and maintenance costs)	84	700	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	349	335	419	406	551
(Land rent)	2,036	2,396	1,639	1,681	4,260
(Other rental cost)	-	-	-	-	-
Depreciation cost	19,784	17,604	22,066	20,207	35,224
(Structures)	290	247	835	1,441	739
(Machinery and equipment)	19,443	17,314	21,116	18,514	34,235
(Tools, furniture and fixtures)	51	42	114	252	248
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	29,830	28,873	32,855	30,424	55,071
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	18,030	22,410	20,899	18,144	35,787

(Unit: thousand yen)

Asset number	S-11	S-12	S-13	S-14	S-15
Project name	CS Minano-machi Power Plant	CS Kannami-cho Power Plant	CS Mashiki-machi Power Plan	CS Koriyama-shi Power Plan	CS Tsuyama-shi Power Plan
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	35,519	19,644	664,560	8,085	24,444
Variable rent linked to actual output	15,005	9,060	247,774	5,215	12,668
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	50,525	28,705	912,334	13,300	37,113
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,412	2,398	96,650	1,298	3,901
(Property-related taxes, etc.)	4,412	2,398	96,650	1,298	3,901
(Other taxes)	-	-	-	-	-
Expenses	3,953	3,735	68,918	990	10,045
(Management entrustment expenses)	3,372	1,840	61,168	883	2,727
(Repair and maintenance costs)	178	42	-	-	7,096
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	402	198	7,703	106	221
(Land rent)	-	1,653	45	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	16,132	9,662	344,340	4,191	12,946
(Structures)	766	380	3,531	327	365
(Machinery and equipment)	15,366	9,226	332,915	3,864	12,276
(Tools, furniture and fixtures)	-	55	7,893	-	304
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	24,499	15,796	509,908	6,479	26,893
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	26,025	12,908	402,426	6,820	10,219

(Unit: thousand yen)

Asset number	S-16	S-17	S-18	S-19	S-20
Project name	CS Ena-shi Power Plant	CS Daisen-cho Power Plant (A) and (B)	CS Takayama-shi Power Plant	CS Misato-machi Power Plant	CS Marumori-machi Power Plant
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	26,398	327,901	11,075	10,733	17,989
Variable rent linked to actual output	15,982	247,066	5,290	6,273	11,768
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	42,381	574,967	16,365	17,006	29,758
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,344	59,954	2,007	-	-
(Property-related taxes, etc.)	4,344	59,954	2,007	-	-
(Other taxes)	-	-	-	-	-
Expenses	4,306	54,498	1,411	877	3,730
(Management entrustment expenses)	3,115	36,805	1,296	877	1,376
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	252	4,622	114	-	-
(Land rent)	938	13,070	-	-	2,354
(Other rental cost)	-	-	-	-	-
Depreciation cost	14,510	214,526	5,496	5,056	8,847
(Structures)	589	4,863	344	117	261
(Machinery and equipment)	13,823	208,879	5,139	4,896	8,464
(Tools, furniture and fixtures)	97	782	12	41	121
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	23,161	328,979	8,915	5,934	12,578
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	19,219	245,988	7,450	11,072	17,179

(Note) The calculation period of the fourth fiscal period is from January 1, 2019 to June 30, 2019 (181 days); however, the substantial period of CS Misato-machi Power Plant and CS Marumori-machi Power Plant are from March 1, 2019 and March 29, 2019 to December 31, 2018 (122 days and 94 days) respectively.

(3) Plan for capital expenditure
Not applicable.

(4) Capital expenditure during the fiscal period

The following table shows capital expenditures for renewable energy power generation facilities, etc. owned by CSIF during the fiscal period under review.

Name of infrastructure assets, etc. (Location)	Purpose	Implementation period	Amount paid (thousand yen)
CS Tsuyama-shi Power Plant (Tsuyama-shi, Okayama)	Slope disaster countermeasures works	From November 5, 2018 To March 15, 2019	42,403
Other plants			12,135
Total			54,539