

Summary of Financial Results for Fiscal Period Ended December 31, 2018 (Infrastructure Fund)

February 15, 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)	Yoshihisa Otake
Asset Management Company	Canadian Solar Asset Management K.K.		
Representative	(Title) CEO and Representative Director	(Name)	Yoshihisa Otake
Contact	(Title) Chief Financial Officer	(Name)	Hiroshi Yanagisawa
	Tel. 03(6279)0311		
Scheduled filing date of securities report	March 29, 2019	Scheduled date of commencement of cash distribution payment	March 14, 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 December 31, 2018 (from July 1, 2018 to December 31, 2018)

(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 Dec. 2018	1,785	(11.7)	644	(23.7)	413	24.4	412	24.7
Fiscal period ended Jun. 2018	2,023	-	845	-	331	-	330	-

	Profit per unit	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to operating revenue ratio
	yen	%	%	%
Fiscal period ended Dec. 2018	1,932	2.1	1.0	23.1
Fiscal period ended Jun. 2018	2,007	3.7	1.8	16.4

(Note 1) The calculation period of the second fiscal period is from October 1, 2017 to June 30, 2018 (273 days); however, the substantial period of asset management is from October 30, 2017 to June 30, 2018 (244 days).

(Note 2) Profit per unit for the fiscal period ended June 30, 2018 is calculated by dividing profit by the daily weighted average number of investment units (164,642 units). In addition, profit per unit calculated by division by the daily weighted average number of investment units (181,846 units) is 1,817 yen, deeming that the beginning of the fiscal period is October 30, 2017 when the period of asset management substantially commenced.

(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 Dec. 2018	1,783	412	1,817	420	3,600	832	92.3	1.8
Fiscal period ended Jun. 2018	1,542	280	808	147	2,350	428	76.9	1.6

(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 0.007 for the fiscal period ended June 30, 2018 and 0.02 for the fiscal period ended December 31, 2018. 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 Dec. 2018	46,773	22,315	47.7	96,523
Fiscal period ended Jun. 2018	35,841	17,596	49.1	96,583

(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 Dec. 2018	2,434	(11,692)	10,449	3,222
Fiscal period ended Jun. 2018	(1,246)	(31,882)	35,070	2,031

2. Forecasts of Management Status for Fiscal Period Ending June 30, 2019 (from January 1, 2019 to June 30, 2019), Fiscal Period Ending December 31, 2019 (from July 1, 2019 to December 31, 2019) and Fiscal Period Ending June 30, 2020 (from January 1, 2020 to June 30, 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 June 2019	2,072	16.0	703	9.1	573	38.8	572	38.8	2,478	1,122	3,600
Fiscal period ending Dec. 2019	2,154	3.9	784	11.5	659	14.9	658	14.9	2,849	751	3,600
Fiscal period ending June. 2020	2,062	(4.2)	723	(7.7)	602	(8.5)	602	(8.5)	2,605	995	3,600

(Reference)

Fiscal period ending June 30, 2019(181 days): Forecast total number of investment units issued and outstanding at end of the period: 231,190 units, Forecast profit per unit: 2,478 yen

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: 2,849 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: 2,605 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

(ii) Number of treasury units at end of period

Fiscal period Dec. 2018	231,190	Fiscal period Jun. 2018	182,190
Fiscal period Dec. 2018	0	Fiscal period Jun. 2018	0

(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 276 below.

* Presentation of Status of Implementation of Audit Procedures

This financial report is not subject to audit procedures under the Financial Instruments and Exchange Act (Act No. 25 of 1948 including subsequent amendments), and audit procedures pursuant to the Financial Instruments and Exchange Act have not been completed at the time of disclosure of this financial report.

* 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 June 30, 2019 (January 1, 2019 to June 30, 2019), Fiscal Period Ending December 31, 2019 (July 1, 2019 to December 31, 2019) and Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 2020)” described on or after page9 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, mainly attributable to a gradual increase in capital expenditure and improvements in corporate earnings and the employment situation, which have continued since the previous fiscal period. Going forward, the economy is expected to continue its mild recovery trend, backed by continued improvement in the employment situation and personal income. Nonetheless, attention needs to be paid to the impact of monetary policy decisions in the US, uncertainties in other parts of the global economy and fluctuations in financial and capital markets.

Reflecting changes in the monetary policy in the US and other factors, the stock market in Japan has been experiencing instability. Meanwhile, the Infrastructure Fund Market, which had remained defensive, has been somewhat bearish due to the impact of a newspaper report concerning the feed-in tariff (FIT) since September 2018.

In the environment surrounding the renewable energy power generation facilities (those 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, improvement in the self-sufficiency rate of primary energy and a reduction of greenhouse gas emissions remain as challenges. In Japan’s energy plan announced by the Ministry of Economy, Trade and Industry in July 2015, the energy mix (energy supply demand structure) for the target year 2030 under the long-term energy supply and demand outlook was revised and re-formulated from a long-term perspective in light of the Fourth Strategic Energy Plan, under which the use of renewable energy was introduced (22-24% in power source composition). The Fifth Strategic Energy Plan approved by the Cabinet as of July 3, 2018 presents measures for the use of renewable energy as the major power source, including a reduction in the procurement cost of renewable energy, overcoming power grid constraints and securing load following capacity. The new plan also set out Japan’s new energy scenario towards 2050 with the aim to achieve economic efficiency, decarbonization and the use of renewable energy as the major power source.

CSIF has obtained authorization for the feed-in tariff from the Ministry of Economy, Trade and Industry at an early stage. However, for projects in which electric power generation did not commence for a long time, there has been consideration of the measures to apply fair purchase prices that reflect the costs at the time of the start of operation, not high purchase prices based on the costs at the time when authorization was granted. For revision to the Ordinance for Enforcement of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Ordinance of the Ministry of Economy, Trade and Industry No. 46 of 2012; hereinafter referred to as the “Ordinance for Enforcement of the Act

on Renewable Energy Special Measures”) with the purpose of enforcement on April 1, 2019, public comments were collected for one month from October 22, 2018. Such movements do not have any impact on the facilities in operation of CSIF.

c. Management Performance

During the previous fiscal period, 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 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.

(Note 1) “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 2) “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 3) “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 4) “Price” shall mean the intermediate value calculated by CSIF using the appraisal value of each power plant as of June 30, 2018 for the previous fiscal period and as of December 31, 2018 for the fiscal period under review as stated in valuation reports obtained from PricewaterhouseCoopers Sustainability LLC. The same shall apply hereunder.

d. Overview of Financing

In the fiscal period under review, CSIF raised ¥4,734 million through public offering in September 2018 and third-party allotment of additionally issued investment units (49,000 units) in October 2018. In addition, a total of ¥8,850 million was borrowed in September 2018. 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 ¥24,297 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 51.9%.

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 ¥1,785 million, operating income of ¥644 million (mainly due to the impact of unseasonable weather), ordinary income of ¥413 million and net income of ¥412 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 3rd fiscal period is 79.1%.) 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 ¥832,284,000, equivalent to 79.1% of projected NCF for the period (¥1,052,089,734). As a result, distribution in excess of earnings is ¥420,072,230, after deducting dividends for the period of ¥412,211,770. Dividend per investment unit is ¥3,600 for the fiscal period under review.

II. Outlook for the Next Fiscal Period

a. Outlook for the Future Management

The Japanese economy is expected to continue recovering moderately. On the other hand, CSIF considers that it is necessary to watch the trends and changes of overseas economies closely.

With respect to the environment surrounding photovoltaic power generation facilities that are included in renewable energy power generation facilities, etc., the act for partial revision to the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities was enforced on April 1, 2017 and the feed-in tariff for renewable energy was reviewed, which led to a distinction between projects in which industrialization is feasible and projects in which industrialization is unfeasible. In addition, as described in “I. Overview of the Fiscal Period under Review, b. Investment Environment” above, the Ministry of Economy, Trade and Industry is currently considering revising the Ordinance for Enforcement of the Act on Renewable Energy Special Measures in order to review the purchase prices under the feed-in tariff. It is necessary to watch the impact of this revision carefully. Meanwhile, according to the Ministry of Economy, Trade and Industry, with respect to the estimates of energy supply and demand in the long term as of July 2015, approximately 64GW is expected to be introduced in 2030. It is expected that more photovoltaic power generation facilities, etc. will be introduced in the future.

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 June 30, 2019 (January 1, 2019 to June 30, 2019), the fiscal period ending December 31, 2019 (July 1, 2019 to December 31, 2019) and the fiscal period ending June 30, 2020 (January 1, 2020 to June 30, 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 June 30, 2019 (January 1, 2019 to June 30, 2019), Fiscal Period Ending December 31, 2019 (July 1, 2019 to December 31, 2019) and Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 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 June 2019	2,072	703	573	572	2,478	1,122	3,600
Fiscal period ending Dec. 2019	2,154	784	659	658	2,849	751	3,600
Fiscal period ending June 2020	2,062	723	602	602	2,605	995	3,600

III Facts arising after the settlement of accounts

Not applicable

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

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> 4th fiscal period :from January 1, 2019 to June 30, 2019 (181 days) 5th fiscal period: from July 1, 2019 to December 31, 2019 (184 days) 6th fiscal period :from January 1, 2020 to June 30, 2020 (182 days)
Portfolio	<ul style="list-style-type: none"> The assumption is that CSIF has 18 photovoltaic power generation facilities, etc. that CSIF had at the end of December 2018 (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 6th fiscal period, June 30, 2020. CSIF’s portfolio may change, however, due to changes in the composition of the portfolio other than the assumed 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 4th, 5th and 6th fiscal periods are ¥2,072 million, ¥2,154 million and ¥2,062 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 4th, 5th and 6th fiscal periods are assumed to be ¥561 million, ¥562 million and ¥530 million, respectively. • Of the expenses for the lease of the Assets in Possession, property-related taxes are estimated at ¥3 million for the fiscal periods ending June 30, 2019, December 31, 2019 and June 30, 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 ¥140 million, ¥138 million and ¥137 million for the 4th fiscal period, the 5th fiscal period and the 6th 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 ¥30 million for the fiscal periods ending June 30, 2019, December 31, 2019 and June 30, 2020 (the 4th, 5th and 6th fiscal periods), respectively. • CSIF has assumed that it will incur depreciation expenses, including certain ancillary expenses of ¥807 million, ¥807 million and ¥807 million for the 4th, 5th and 6th 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 ¥129 million, ¥124 million and ¥120 million for the 4th, 5th and 6th fiscal periods, respectively.
Borrowings	<ul style="list-style-type: none"> • As of today's date, the balance of borrowings of CSIF is ¥24,297 million. CSIF assumes that it will repay such borrowings in amounts of ¥612 million, ¥622 million and ¥1,471 million at the end of June 2019, December 2019 and June 2020, respectively, under the agreement. • CSIF estimates that the LTV (loan-to-value) ratio will be approximately 52.3%, 52.0% and 49.6% as of the end of the 4th, 5th and 6th 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 6th fiscal period ending June 30, 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 June 30, 2019, December 31, 2019 and June 30, 2020 (the 4th/5th/6th fiscal periods), CSIF intends to stably maintain the level of about ¥3,600. And the amount of distributions in excess of earnings which CSIF plans to pay is ¥1,122 for the 4th fiscal period ending June 30, 2019, ¥751 for the 5th fiscal period ending December 31, 2019 and ¥995 for the 6th fiscal period ending June 30, 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 4th fiscal period ending June 30, 2019 is 48.0%. 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 repayments of interest-bearing debt for the relevant fiscal period plus the total amount of NCF remaining after</p>

	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)

	2 nd Period (June 30, 2018)	3 rd Period (December 31, 2018)
Assets		
Current Assets		
Cash and bank deposit	2,031,379	3,222,807
Operating accounts receivable	318,430	208,913
Prepaid expenses	44,262	107,714
Consumption taxes receivable	2,109,820	793,148
Other current assets	-	685
Total current assets	4,503,892	4,333,268
Fixed Assets		
Property and equipment		
Structures	517,918	797,621
Accumulated depreciation	(13,928)	(28,399)
Structures, net	503,989	769,221
Machinery and equipment	26,507,191	37,427,871
Accumulated depreciation	(716,996)	(1,405,797)
Machinery and equipment ,net	25,790,195	36,022,074
Tools, furniture and fixtures	462,505	505,287
Accumulated depreciation	(12,285)	(22,181)
Tools, furniture and fixtures, net	450,219	483,106
Land	3,876,554	4,309,021
Construction in progress	1,944	6,244
Total property and equipment	30,622,903	41,589,667
Intangible assets		
Leasehold rights	489,601	494,487
Software	3,120	2,763
Total intangible assets	492,721	497,250
Investments and other assets		
Long-term prepaid expenses	200,702	324,500
Deferred tax assets	27	12
Long term deposits	-	7,800
Guarantee deposits	21,021	21,021
Total investment and other assets	221,750	353,333
Total fixed assets	31,337,376	42,440,252
Liabilities	35,841,269	46,773,521
Current liabilities		
Operating Accounts payable		
Current portion of long-term loans payable	18,216	25,290
Accounts payable - other	2,883,702	1,239,176
Accrued expenses	42,470	56,317
Income taxes payable	77,898	73,449
Deposits received	1,465	857
Total current liabilities	1,331	5,246
Liabilities	3,025,086	1,400,337
Non-current liabilities		
Long-term loan payable	15,219,585	23,057,919
Total non-current liabilities	15,219,585	23,057,919
Total liabilities	18,244,671	24,458,257
Net assets		
Unitholders' equity		
Unit holders' capital	17,315,550	22,050,175
Deduction from unitholders' capital	-	(147,209)
Unitholders' capital (net value)	17,315,550	21,902,965
Surplus		
Unappropriated retained earnings (Accumulated deficit)	281,047	412,298
Total surplus	281,047	412,298
Total unitholders' equity	17,596,597	22,315,263
Total net assets	17,596,597	22,315,263
Total liabilities and net assets	35,841,269	46,773,521

(2) Statement of Income

(Unit: thousand yen)

	2 nd period (from October 1, 2017 to June 30, 2018)	3 rd period (from July 1, 2018 to December 31, 2018)
Operating revenues		
Rental revenues of renewable energy power generation facilities, etc.	2,023,037	1,785,374
Total operating revenues	2,023,037	1,785,374
Operating expenses		
Rental expenses of renewable energy power generation facilities, etc.	1,066,206	1,035,958
Asset management fee	30,595	43,934
Administrative service fees	7,350	17,066
Director's compensation	3,600	2,400
Taxes and duties	3,596	1,346
Other operating expenses	66,672	39,928
Total operating expenses	1,178,021	1,140,634
Operating income or loss	845,015	644,739
Non-operating incomes		
Interest income	12	17
Insurance income	-	18,815
Interest on refund	-	1,942
Total non-operating income	12	20,775
Non-operating expenses		
Interest expenses	94,496	97,912
Borrowing-related expenses	207,160	103,408
Organization expenses	13,130	-
Investment unit issuance expenses	198,350	51,132
Total non-operating expenses	513,137	252,452
Ordinary income	331,890	413,062
Income before income taxes	331,890	413,062
Income taxes - current	1,467	860
Income tax - deferred	(27)	14
Total income taxes	1,440	874
Net income	330,449	412,187
Retained earnings (deficit) brought forward	(49,402)	110
Unappropriated retained earnings (Accumulated deficit)	281,047	412,298

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

2nd Fiscal Period (From October 1, 2017 to June 30, 2018)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Capital surplus or loss	Total surplus		
Balance as of October 1, 2017	150,000	(49,402)	(49,402)	100,597	100,597
Changes of items during the period					
Issuance of new investment unit	17,165,550	-	-	17,165,550	17,165,550
Distribution in excess of earnings	-	-	-	-	-
Dividend of surplus	-	-	-	-	-
Net Income	-	330,449	330,449	330,449	330,449
Total changes of items during the period	17,165,550	330,449	330,449	17,495,999	17,495,999
Balance as of June 30, 2018	17,315,550	281,047	281,047	17,596,597	17,596,597

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
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of July 1, 2018	17,315,550	-	17,315,550	281,047	281,047	17,596,597	17,596,597
Changes of items during the period							
Issuance of new investment unit	4,734,625	-	4,734,625	-	-	4,734,625	4,734,625
Distribution in excess of earnings	-	(147,209)	(147,209)	-	-	(147,209)	(147,209)
Dividend of surplus	-	-	-	(280,936)	(280,936)	(280,936)	(280,936)
Net Income	-	-	-	412,187	412,187	412,187	412,187
Total changes of items during the period	4,734,625	(147,209)	4,587,415	131,250	131,250	4,718,666	4,718,666
Balance as of December 31, 2018	22,050,175	(147,209)	21,902,965	412,298	412,298	22,315,263	22,315,263

(4) Statements of Cash Distribution

	Fiscal Period under Review (From October 1, 2017 to June 30, 2018)	Fiscal Period under Review (From July 1, 2018 to December 31, 2018) Unit: Yen
I Unappropriated retained earnings (accumulated deficit)	281,047,367	412,298,211
II Distributions in excess of retained earnings Deduction from unitholders' capital	147,209,520	420,072,230
III Cash distributions	428,146,500	832,284,000
(Cash distributions per unit)	(2,350)	(3,600)
Profit distributions	280,936,980	412,211,770
(Profit distributions per unit)	(1,542)	(1,783)
Distributions in excess of retained earnings (Distributions in excess of retained earnings)	147,209,520 (808)	420,072,230 (1,817)
IV. Retained earnings (deficit) carried forward	110,387	86,441
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 ¥280,936,980 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥281,047,367 excluding fractions of the distribution per unit that are less than ¥1. 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 ¥147,209,520 which is equivalent to 19.8% of the amount of depreciation expenses recorded for the fiscal period under review of ¥743,653,467. Accordingly, the distribution per unit is ¥2,350.</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 ¥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. 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. Accordingly, the distribution per unit is ¥3,600.</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 current fiscal period of ¥428,146,500 which is equivalent to 45.9% of forecast NCF amount for the fiscal period under review of ¥932,781,045. Of this, ¥147,209,520 which is the amount less of distributions of profit of ¥280,936,980 is distributions in excess of retained earnings.

Based on this policy, CSIF decided to make distributions for the current 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.

(5) Statement of Cash Flow

(unit: thousand yen)

	2 nd period (From October 1, 2017 to June 30, 2018)	3 rd period (From July 1, 2018 to December 31, 2018)
Cash flows from operating activities		
Income (Loss) before income taxes	331,890	413,062
Depreciation cost	743,653	713,524
Investment unit issuance expenses	198,350	51,132
Organization expenses	13,130	-
Interest income	(12)	(17)
Interest expenses	94,496	97,912
Decrease (Increase) in operating accounts receivable	(318,430)	109,517
Decrease (Increase) in consumption taxes receivable	(2,109,820)	1,316,672
Decrease (Increase) in prepaid expenses	(43,544)	(92,669)
Decrease (Increase) in long-term prepaid expenses	(200,702)	(94,581)
Increase (Decrease) in operating accounts payable	18,216	7,073
Increase (Decrease) in accounts payable - other	41,989	13,846
Increase (Decrease) in accrued expenses	77,131	(6,021)
Other, net	1,395	3,228
Sub-total	(1,152,256)	2,532,681
Interest received	12	17
Interest paid	(93,728)	(96,340)
Income taxes paid	(98)	(1,468)
Net cash provided by (used in) operating activities	(1,246,071)	2,434,890
Cash flows from investing activities		
Payment for long term deposit	-	(7,800)
Purchases of property and equipment	(31,365,358)	(11,679,932)
Purchases of intangible fixed assets	(493,165)	(4,885)
Payment for guarantee deposit	(11,021)	-
Payments for organization expenses	(13,130)	-
Net cash provided by (used in) investing activities	(31,882,674)	(11,692,617)
Cash flows from financing activities		
Proceeds from long-term loans payable	18,640,000	8,850,000
Repayment of long-term loans payable	(536,711)	(2,656,191)
Proceeds from issuance of investment units	17,165,550	4,734,625
Payments for investment unit issuance expenses	(198,350)	(51,132)
Dividends paid	-	(280,936)
Surplus earning distribution paid	-	(147,209)
Net cash provided by (used in) financing activities	35,070,488	10,449,154
Net increase (decrease) in cash and cash equivalents	1,941,741	1,191,427
Cash and cash equivalents at the beginning of the fiscal period	89,637	2,031,379
Cash and cash equivalents at the end of the fiscal period	2,031,379	3,222,807

(6)NOTES ON GOING CONCERN PREMISE

Not applicable.

(7) [SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES]

<p>1.Method of depreciation and amortization of non-current assets</p>	<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>
<p>2.Standards for revenue and expense recognition</p>	<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>
<p>3.Scope of funds in statement of cash flows</p>	<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>
<p>4.Method of hedge accounting</p>	<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>
<p>5.Other significant matters serving as the basis for preparation of financial statements</p>	<p>Accounting for Consumption tax Consumption tax and local consumption tax are excluded from the corresponding transaction amount.</p>

(8) Notes regarding change of presentation method]

“Change due to application of Partial Amendments to Accounting Standard for Tax Effect Accounting”

Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28 of February 16, 2018) were applied from the beginning of the fiscal period under review. Accordingly, the presentation method was changed and deferred tax assets are presented in investments and other assets, and deferred tax liabilities are presented in non-current liabilities.

As a result, the “deferred tax assets” of 27 thousand yen shown in “current assets” on the balance sheet of the previous fiscal period are presented in “deferred tax assets” under “investments and other assets” in this document.

(9) 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 June 30,2018	As of December 31,2018
	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 October 1, 2017 to June 30, 2018	From July 1, 2017 to December 31, 2018
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)	1,370,356	1,322,669
(Variable rent linked to actual output)	652,674	462,578
(Incidental income)	6	127
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	2,023,037	1,785,374
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)	133,827	127,128
(Repair and maintenance costs)	-	2,055
(Taxes and duties)	154,281	154,262
(Utilities expenses)	-	-
(Insurance expenses)	11,632	12,900
(Depreciation expenses)	743,210	713,168
(Land rent)	23,253	26,444
(Other rental expenses)	-	-
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	1,066,206	1,035,958
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	956,830	749,416

[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 October 1, 2017 to June 30, 2018	From July 1, 2017 to December 31, 2018

Total number of authorized investment units	10,000,000 unit	10,000,000 unit
Total number of investment units issued and outstanding	182,190 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 October 1, 2017 to June 30, 2018	From July 1, 2017 to December 31, 2018
Cash and deposits	2,031,379	3,222,807
Cash and cash equivalents	2,031,379	3,222,807

[NOTES ON LEASE TRANSACTIONS]

Operating lease (as the lessor)

Future minimum lease payments

(Unit: thousand yen)

	Fiscal period ended June 30, 2018	Fiscal period ended December 31, 2018
Within one year	2,176,829	2,957,963
Longer than one year	36,039,821	48,222,398
Total	38,216,650	51,180,362

[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 June 30, 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	2,031,379	2,031,379	-
(2) Operating accounts receivable	318,430	318,430	-
Total assets	2,349,809	2,349,809	-
(3) Current portion of long-term loans payable	2,883,702	2,882,035	(1,667)
(4) Long-term loans payable	15,219,585	15,358,035	138,450
Total liabilities	18,103,288	18,240,071	136,783
(5) 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.

Liabilities

(3) Current portion of long-term loans payable (4) 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.

(5) 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 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 deposit	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

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 (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
(1) Cash and deposits	2,031,379	-	-	-	-	-
(2) Operating accounts receivable	318,430	-	-	-	-	-
Total	2,349,809	-	-	-	-	-

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	3,439,520	-	-	-	-	-

(Note 3) 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	2,883,702	-	-	-	-	-
(5) Long-term loans payable	-	845,487	1,600,846	838,811	855,747	11,078,692
合計	2,883,702	845,487	1,600,846	838,811	855,747	11,078,692

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
(3) Current portion of long-term loans payable	1,239,176	-	-	-	-	-
(4) Long-term loans payable	-	2,122,610	1,995,867	1,275,305	1,292,889	16,371,247
Total	1,239,176	2,122,610	1,995,867	1,275,305	1,292,889	16,371,247

[NOTES ON SECURITIES]

Prior fiscal period (as of June 30, 2018)

Not applicable.

Current fiscal period (as of December 31, 2018)

Not applicable.

[NOTES ON DERIVATIVE TRANSACTIONS]

1. Those to which hedge accounting is not applied

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

Not applicable.

2. Those to which hedge accounting is applied

Prior fiscal period (as of June 30, 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	15,195,201	14,399,405	(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 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) (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 June 30, 2018)

Not applicable.

Current fiscal period (as of December 31, 2018)

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 June 30, 2018	Fiscal period ended December 31, 2018
Accrued business tax not deductible from taxable income	27	12
Total deferred tax assets	27	12
Net amount of deferred tax assets	27	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 June 30, 2018	Fiscal period ended December 31, 2018
Effective statutory tax rate	31.74%	31.51%
(Adjustment)		
Dividends paid deductible for tax purpose	(26.87)%	(31.45)%
Loss carried forward and deducted for the period	(4.72)%	-
Others	0.28%	0.15%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.43%	0.21%

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

Prior fiscal period (as of June 30, 2018)

Not applicable.

Current fiscal period (as of December 31, 2018)

Not applicable.

[NOTES ON RELATED PARTY TRANSACTIONS]

Prior fiscal period (from October 1, 2017 to June 30, 2018)

Not applicable.

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

Not applicable.

[NOTES ON ASSET RETIREMENT OBLIGATIONS]

Prior fiscal period (from October 1, 2017 to June 30, 2018)

Not applicable.

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

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 June 30, 2018	Fiscal period ended December 31, 2018
Book value (Note 2)		
Beginning balance	-	31,110,561
Change during the period (Note 3)	31,110,561	10,967,348
Ending balance	31,110,561	42,077,910
Fair value at the end of the period (Note 4)	35,963,000	47,099,500

(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 June 30,2018 primarily consisted of the increase due to acquisition of fifteen photovoltaic power generation facilities (31,853,772 thousand yen), and the decrease due to depreciation expenses (743,210 thousand yen).And 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).

(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 June 30,2018 and December 31, 2018, which was obtained from PricewaterhouseCoopers Sustainability LLC.

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended June 30, 2018 (the 2nd period) and the fiscal period ended December 31, 2018 (the 3rd 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 October 1, 2017 to June 30, 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.	1,976,071	Renewable energy power generation facilities, etc. rental business
CLEAN GUADALQUIVIR K.K.	11,895	Renewable energy power generation facilities, etc. rental business
Univergy 12 G.K.	35,064	Renewable energy power generation facilities, etc. rental business

Current 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

[NOTES ON PER UNIT INFORMATION]

	Prior fiscal period From October 1, 2017 to June 30, 2018	Current fiscal period From July 1, 2018 December 31, 2018
Net assets per unit	96,583 yen	96,523 yen
Net income (Net loss) per unit	2,007 yen	1,932 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 October 1,2018 to June 30, 2018	Current fiscal period From July 1, 2018 December 31, 2018
Net income (Net loss) (Thousand yen)	330,449	412,187
Amount not attributable to common unit holders (Thousand yen)	-	-
Net income (Net loss) attributable to Common unit holders (Thousand yen)	330,449	412,287
Average number of investment units during the period (Units)	164,642	213,246

[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 (million yen)		Remarks
		Change	Balance	Change	Balance	
May 18, 2017	Establishment upon private placement	1,500	1,500	150	150	(Note 1)
October 27, 2017	Capital increase by public offering	177,800	179,300	16,891	17,041	(Note 2)
November 28, 2017	Capital increase by third-party allotment	2,890	182,190	274	17,315	(Note 3)
September 5, 2018	Capital increase by public offering	46,667	228,857	4,509	21,824	(Note 4)
September 14, 2018	Cash distribution in excess of earnings (refund of investment)	-	228,857	(147)	21,677	(Note 5)
October 4, 2018	Capital increase by third-party allotment	2,333	231,190	225	21,902	(Note 6)

(Note 1) 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 2) 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 3) 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 4) 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 5) 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 6) 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.

4. Change of directors

There has been no change of directors since the “Change of Directors” reported in the latest securities report (submitted on September 26, 2018).

5. Reference

(1) Conditions of Investment

(as of December 31,2018)

Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) (*000yen)(Note 2)	% of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	201,881	0.4
	Kanto	2,164,087	4.6
	Tokai	460,654	1.0
	Chubu	987,611	2.1
	Chugoku/Shikoku	10,693,823	22.9
	Kyushu	22,766,344	48.7
Subtotal		37,274,402	79.7
Land	Hokkaido/Tohoku	48,970	0.1
	Kanto	519,733	1.1
	Tokai	-	-
	Chubu	63,309	0.1
	Chugoku/Shikoku	492,132	1.1
	Kyushu	3,184,875	6.8
Subtotal		4,309,021	9.2
Land lease	Hokkaido/Tohoku	-	-
	Kanto	99,151	0.2
	Tokai	50,631	0.1
	Chubu	274	0.0
	Chugoku/Shikoku	3,415	0.0
	Kyushu	341,014	0.7
Subtotal		494,487	1.1
Solar energy facility etc.	Hokkaido/Tohoku	250,851	0.5
	Kanto	2,782,971	6.0
	Tokai	511,286	1.1
	Chubu	1,051,195	2.3
	Chugoku/Shikoku	11,189,371	23.9
	Kyushu	26,292,233	56.2
Subtotal		42,077,910	90.0
Solar energy facility etc. total		42,077,910	90.0
Saving/other assets		4,695,610	10.0
Asset total (2)		46,773,521	100.0

	(Unit: thousand yen)	% of total AUM (3)
Total liabilities	24,458,257	52.3
Total net assets	22,315,263	47.7

(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 December 31, 2018. The saving/Other assets includes construction in progress (6,244,000yen) .

(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 18 solar energy projects as of December 31, 2018.

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)	459,955 (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

(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.

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	597	464 133	529

S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	395	372	362
						23	
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	1,078	799	889
						279	
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	820	778	753
						41	
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	707	676	649
						30	
S-06	CS Isa-shi Daisan Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	1,006	946	918
						59	
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	892	843	818
						49	
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	1,082	1,041	995
						41	
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	1,055	1,015	956
						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	1,915	1,838	1,679
						77	
S-11	CS Minanomachi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	1,161	900	1,023
						261	
S-12	CS Kannami-cho Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	514	575	533	500
						41	
S-13	CS Mashiki-machi Power Plan	Tida Power01 G.K.	Kyushu Electric Power Co., Inc.	20,084	23,035	19,735	19,508
						3,300	

S-14	CS Koriyama-shi Power Plan	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	261	212	250
						48	
S-15	CS Tsuyama-shi Power Plan	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	791	664	739
						127	
S-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Co., Inc.	757	813	778	717
						35	
S-17	CS Daisen-cho Power Plant (A) and (B)	CLEAN ENERGIES XXI G.K.	The Chugoku Electric Power Co., Inc.	10,447	10,581	10,241	10,450
						340	
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Co., Inc.	326	330	269	334
						60	
Total				42,961	47,099	42,111	42,077
						4,987	

(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 December 31, 2018 provided to us by PricewaterhouseCoopers Sustainability LLC 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 December 31, 2018, which was obtained from PricewaterhouseCoopers Sustainability LLC, 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 December 31, 2018.

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	1,322,669	19,235	14,244	29,549	29,412	23,595
Variable rent linked to actual output	462,578	7,474	7,166	11,846	11,590	10,410
Incidental income	127	-	-	110	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	1,785,374	26,710	21,411	41,506	41,003	34,006
Operating expenses from the rental business of renewable energy power generation facilities, etc.						
Taxes and duties	154,262	2,664	1,346	3,050	2,964	2,634
(Property-related taxes, etc.)	154,262	2,664	1,346	3,050	2,964	2,634
(Other taxes)	-	-	-	-	-	-
Expenses	168,528	1,912	2,248	4,359	5,150	4,010
(Management entrustment expenses)	127,128	1,745	1,328	3,033	2,871	2,494
(Repair and maintenance costs)	2,055	-	-	1,025	418	-
(Utilities expenses)	-	-	-	-	-	-
(Insurance expenses)	12,900	166	141	299	269	252
(Land rent)	26,444	-	778	-	1,590	1,263
(Other rental cost)	-	-	-	-	-	-
Depreciation cost	713,168	9,456	7,833	14,462	16,445	14,229
(Structures)	14,471	445	256	324	306	571
(Machinery and equipment)	688,800	8,969	7,559	14,104	16,097	13,423
(Tools, furniture and fixtures)	9,895	41	17	33	41	235
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	1,035,958	14,032	11,428	21,872	24,559	20,873
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	749,416	12,677	9,982	19,634	16,443	13,132

(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	35,028	29,161	37,673	37,301	65,854
Variable rent linked to actual output	15,056	12,354	17,650	15,543	30,406
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	50,085	41,516	55,323	52,845	96,260
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	3,526	3,370	4,112	3,972	6,744
(Property-related taxes, etc.)	3,526	3,370	4,112	3,972	6,744
(Other taxes)	-	-	-	-	-
Expenses	5,500	6,000	5,682	5,431	10,331
(Management entrustment expenses)	3,172	3,318	3,733	3,347	5,601
(Repair and maintenance costs)	-	-	75	66	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	290	285	361	336	469
(Land rent)	2,036	2,396	1,512	1,681	4,260
(Other rental cost)	-	-	-	-	-
Depreciation cost	19,783	17,604	22,064	20,203	35,224
(Structures)	290	247	835	1,441	739
(Machinery and equipment)	19,441	17,314	21,114	18,509	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)	28,809	26,975	31,858	29,606	52,299
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	21,275	14,541	23,464	23,238	43,960

(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	30,843	18,550	691,759	7,619	22,253
Variable rent linked to actual output	9,769	5,241	254,450	3,978	10,447
Incidental income	1	-	12	2	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	40,614	23,791	946,222	11,600	32,701
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,904	2,770	112,206	-	-
(Property-related taxes, etc.)	4,904	2,770	112,206	-	-
(Other taxes)	-	-	-	-	-
Expenses	4,143	3,978	67,638	1,081	3,156
(Management entrustment expenses)	3,491	1,905	61,168	922	2,846
(Repair and maintenance costs)	330	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	321	125	6,397	158	310
(Land rent)	-	1,947	71	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	15,798	9,639	344,335	4,191	12,768
(Structures)	766	357	3,531	327	348
(Machinery and equipment)	15,031	9,226	332,915	3,864	12,114
(Tools, furniture and fixtures)	-	55	7,888	-	304
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	24,845	16,388	524,180	5,272	15,924
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	15,769	7,402	422,042	6,328	16,776

(Unit: thousand yen)

Asset number	S-16	S-17	S-18
Project name	CS Ena-shi Power Plant	CS Daisen-cho Power Plant (A) and (B)	CS Takayama-shi Power Plant
Rental revenue of renewable energy power generation facilities, etc.			
Basic rent	14,524	211,123	4,937
Variable rent linked to actual output	7,383	29,966	1,841
Incidental income	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	21,908	241,089	6,779
Operating expenses from the rental business of renewable energy power generation facilities, etc.			
Taxes and duties	-	-	-
(Property-related taxes, etc.)	-	-	-
(Other taxes)	-	-	-
Expenses	2,561	34,450	891
(Management entrustment expenses)	1,827	23,490	828
(Repair and maintenance costs)	-	140	-
(Utilities expenses)	-	-	-
(Insurance expenses)	138	2,511	62
(Land rent)	595	8,308	-
(Other rental cost)	-	-	-
Depreciation cost	9,226	136,406	3,494
(Structures)	374	3,088	218
(Machinery and equipment)	8,790	132,820	3,267
(Tools, furniture and fixtures)	61	497	8
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	11,788	170,857	4,386
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	10,120	70,232	2,393

(Note) The calculation period of the third fiscal period is from July 1,2018 to December 31,2018(184days); however, the substantial period of above three asset management is from September 6,2018 to December 31,2018(117days).