

Summary of Financial Results for Fiscal Period Ended December 31, 2019 (Infrastructure Fund)

February 13, 2020

Infrastructure Fund Issuer	Canadian Solar Infrastructure Fund, Inc.	Listed Stock	Tokyo Stock
Securities Code	9284	Exchange	Exchange
Representative	(Title) Executive Director	URL	<a href="https://www.canadiansolarinfra.com/">https://www.canadiansolarinfra.com/</a>
		(Name)	Tetsuya Nakamura
Asset Management Company	Canadian Solar Asset Management K.K.		
Representative	(Title) CEO and Representative Director	(Name)	Tetsuya Nakamura
Contact	(Title) Chief Financial Officer	(Name)	Hiroshi Yanagisawa
	Tel. 03(6279)0311		
Scheduled filing date of securities report	March 30, 2020	Scheduled date of commencement of cash distribution payment	March 17, 2020
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, 2019 (from July 1, 2019 to December 31, 2019)

(1) Management Status

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

	Operating revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal period ended Dec. 2019	2,088	(4.4)	696	(14.7)	534	(24.8)	534	(24.8)
Fiscal period ended Jun. 2019	2,185	22.4	817	26.7	711	72.1	710	72.3

	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. 2019	2,309	2.4	1.1	25.6
Fiscal period ended Jun. 2019	3,073	3.2	1.5	32.5

(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. 2019	2,310	534	1,340	309	3,650	843	100.0	2.4
Fiscal period ended Jun. 2019	3,073	710	577	133	3,650	843	100.0	3.2

(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, 2019 and 0.015 for the fiscal period ended December 31, 2019. In this regard, the ratio of the decrease in net assets is calculated according to Item 4, Paragraph 1, Article 23 of the Ordinance for Enforcement of the Corporation Tax Act.

## (3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
	Million yen	Million yen	%	yen
Fiscal period ended Dec. 2019	50,069	21,883	43.7	94,656
Fiscal period ended Jun. 2019	45,981	22,193	48.3	95,996

## (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. 2019	1,045	(4,653)	3,607	2,466
Fiscal period ended Jun. 2019	2,265	(1,405)	(1,616)	2,466

2. Forecasts of Management Status for Fiscal Period Ending June 30, 2020 (from January 1, 2020 to June 30, 2020), Fiscal Period Ending December 31, 2020 (from July 1, 2020 to December 31, 2020) and Fiscal Period Ending June 30, 2021 (from January 1, 2021 to June 30, 2021)

(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 2020	2,352	11.2	814	14.4	656	18.5	655	18.5	2,837	863	3,700
Fiscal period ending Dec. 2020	2,405	2.1	862	5.5	706	7.0	705	7.0	3,052	648	3,700
Fiscal period ending Jun. 2021	2,340	(2.7)	824	(4.6)	673	(4.9)	672	(4.9)	2,909	791	3,700

## (Reference)

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: 2,837 yen

Fiscal period ending December 31, 2020 (184 days): Forecast total number of investment units issued and outstanding at end of the period: 231,190 units, Forecast profit per unit: 3,085 yen

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: 2,909 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. 2019	231,190	Fiscal period Jun. 2019	231,190
Fiscal period Dec. 2019	0	Fiscal period Jun. 2019	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 28 below.

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

Forecast of management status and other forward-looking statements contained in this document are based on information that is currently available and certain assumptions that are deemed reasonable by Canadian Solar Infrastructure Fund. Accordingly, the actual management status, etc. may differ materially due to various factors. In addition, the forecast is not a guarantee of the amount of cash distributions. For details of the assumptions underlying the forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 2020), Fiscal Period Ending December 31, 2020 (July 1, 2020 to December 31, 2020) and Fiscal Period Ending June 30, 2021 (January 1, 2021 to June 30, 2021),” described on or after page 9 below.

## 1. Associated Corporations of Canadian Solar Infrastructure Fund

Disclosure is omitted because there have been no significant changes from the description in the latest securities report (submitted on September 27, 2019).

## 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 27, 2019).

### (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, 2019) were 231,190 units.

##### b. Investment Environment

During the fiscal period under review, the Japanese economy remained steady in the first half, partly because last-minute demand before the consumption tax hike gave a boost to consumer spending and capital investment, which underpin domestic demand. In the second half, pushed lower by decline in reaction to the last-minute rise in demand before the consumption tax increase and impact of Typhoon No. 19, the industrial production index, which is strongly linked to the business cycle, also showed larger month-over-month decreases, and Japan’s real GDP dropped for the first time in five quarters.

The stock market in Japan was buffeted by the twists and turns of U.S.-China trade tensions. In September, the U.S. announced the delay of increases on existing Chinese tariffs to October 15 and the Japanese stock market rallied, only to fall again amid concerns over a resurgence in US-China trade hostilities as the US Government considered a block on all American investments in China. In October, stocks rose sharply on speculation that the U.S. and China were reaching agreement on some issues in trade talks and on expectation that Japanese companies’ earnings would bottom out. In November, stocks continued to rise, responding positively to mounting expectations of a U.S.-China deal and a weakening yen and, after the U.S. reached a partial trade deal with China in trade talks on December 13, the Nikkei average reached its highest level of the year.

Meanwhile, the Infrastructure Fund Market responded positively to continued quantitative easing in Japan and changes in the quantitative easing strategies of the U.S. and Europe, with demand among investors aware of the relatively high yields of the Infrastructure Fund Market remaining strong, and the Infrastructure Fund Market firmed up from July. Through to mid-November, risk appetite increased amid expectation of progress in U.S.-China trade talks and rising domestic interest rates led to market downturn. However, the increasing tensions in Hong Kong put a halt to the rise in domestic interest rates and the Infrastructure Fund Market recovered. On December 13, the U.S. and China reached a phase one trade deal in trade talks, directing capital flows towards Japanese stocks and leading to a temporary slump on the Infrastructure Fund Market. However, since then, the Infrastructure Fund Market has remained steady, partly due to purchases by yield-oriented investors.

In the environment surrounding renewable energy power generation facilities (stipulated in Article 2, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities [Act No. 108 of 2011, including subsequent amendments; hereinafter referred to as the “Act on Renewal Energy Special Measures”] [excluding those that fall under real estate]; hereinafter referred to as “renewable energy power generation facilities”) held by CSIF, the output curtailment implemented by Kyushu Electric Power Co., Inc. (hereinafter referred to as “Kyushu Electric Power”), which requires renewable energy operators to temporarily suspend power generation through photovoltaic power generation facilities and wind power generation facilities (Note), was resumed for the first time since May 13, 2019 across

Kyushu Mainland from October 13, and was implemented for two days including weekdays in October, 10 days in November and one day in December. The level of renewable energy control in the fiscal period under review was small compared to the level of output control the previous fiscal period, ranging from 2% to 15% of the renewable energy connection capacity. This may reflect the start of regular inspections of the Genkai Nuclear Power Station Unit No.3 of Kyushu Electric Power on May 13, 2019 and the start of regular inspections of Genkai Nuclear Power Station Unit No.4 of Kyushu Electric Power on August 16.

Some system changes that will affect power generation using renewable energy power generation facilities are currently being considered. The main changes being considered are as described below.

Firstly, the introduction of a reserve system to secure the funds for costs of decommissioning solar power facilities is being considered. The interim report of the Working Group for Securing Funds for Decommissioning Solar Power Facilities of the Energy Conservation and New Energy Subcommittee of the General Resources and Energy Investigating Committee of the Ministry of Economy, Trade and Industry published on December 10, 2019 states that a scheme requiring all commercial solar power of 10kW or more certified under the Act on Renewable Energy Special Measures to reserve an amount calculated based on the decommissioning costs assumed in the calculation of procurement prices over the last 10 years of the procurement period will start by July 2022. Projects will be required in general to secure the funds through an "external reserve method," where the funds for decommissioning costs are to be deducted from income and reserved by a third-party organization, but projects deemed capable of assuming responsibility for long-term stable power generation will be allowed, if certain requirements are satisfied, to opt for an "internal reserve method," where they reserve such funds themselves.

Next, the introduction of so-called power producer-side base charges is being considered. Power producer-side base charges is a system for ensuring that the producer side, which uses power grids, also bears a portion of the transmission and distribution-related expenses, previously borne by retail electricity business operators (the demand side) through wheeling charges, and the System Design Working Group of the Electricity and Gas Market Surveillance Commission is currently examining the detailed design of the system, aiming for introduction in FY2023. Alongside the introduction of power producer-side base charges, the adoption of relief measures i.e. raising the cap on the amount to be borne by *general* electricity transmission and distribution business operators (general fees) when connecting renewable energy-sourced facilities to the grid and reducing initial costs of power producers are also being considered. Since power producer-side base charges will also be imposed on power producers who sell electricity under the Feed-in Tariff scheme (hereinafter referred to as "FIT scheme") for renewable energy based on the Act on Renewal Energy Special Measures (hereinafter referred to as "FIT power producers"), the Procurement Price Calculation Committee is currently considering relief measures for FIT power producers and the 53<sup>rd</sup> meeting of the Procurement Price Calculation Committee held on December 27, 2019 indicated that it will introduce additional electricity sales prices separate from procurement prices. However, the relief measures may not be applied at all to commercial solar power projects that had obtained a FIT approval during the profit incentive period (in other words, projects with a procurement price of between ¥29 per kWh + tax and ¥40 per kWh + tax) and non-operational projects. What is more, when it comes to photovoltaic power and wind power which have reduced capacity factors, although the abovementioned relief measures are unlikely to be commensurate with the additional costs resulting from introduction of power producer-side base charges, there is no telling whether additional relief measures through FIT scheme surcharges will be implemented to address this.

In addition, a fundamental revision of the Act on Renewable Energy Special Measures, which, in accordance with Article 3 of the Supplementary Provisions of the Act on Renewable Energy Special Measures, is supposed to be completed by March 31, 2021, is also being discussed. The draft interim report of the Subcommittee to Reform System for Using Renewable Energy as Main Power Source (hereinafter referred to as the "Interim Report of the Subcommittee to Reform System for Using Renewable Energy as Main Power Source") of the Strategic Policy Committee of the General Resources and Energy Investigating Committee published on December 26, 2019 discussed the development of a support system that fits in with the characteristics of power sources, promotion of community-based renewables, the formation of a next-generation power network for using renewable energy as a main power source and other points.

Especially in regard to the development of a support system that fits in with the characteristics of power sources, the report divided power sources into competitive power sources (large-scale commercial photovoltaic power generation, wind power generation, etc.) and community-based power sources (small-scale power generation) and then, with respect to competitive power sources, proposed accelerating costs reductions through an auction system, shifting from the FIT scheme to a FIP scheme, and integrating renewable energy with the power market. When renewable energy power producers sell the electricity they have produced on the wholesale electricity market or in *negotiated* bilateral *electricity* transactions (OTC trading), the FIP scheme adds a premium (fixed for a given period, sliding in the long term) i.e. the difference between the basic tariff (FIP price) (fixed) and a tariff based on market prices (reference tariff) (fixed for a given period, sliding in the long term) on top. The Interim Report of the Subcommittee to Reform System for Using Renewable Energy as Main Power Source proposed the creation of a system that would ensure both investment incentive (foreseeability of investment return) and power generation activity based on an

awareness of market prices. With regard to market integration, the report also proposes examination of incentives for renewable energy power producers to prevent any imbalance and the adoption of a framework under which renewable energy power producers will sell environmental value themselves through OTC trading or auction.

However, the photovoltaic power generation facilities, etc. owned by CSIF have already started selling electricity under the FIT scheme and, under transitional measures, these facilities, etc. are likely to be able to continue selling electricity based on current procurement prices under the existing FIT scheme framework.

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

#### c. Management Performance

During the previous fiscal period, CSIF acquired one facility on March 1, 2019 with cash on hand and another facility on March 29, 2019 using borrowings and cash on hand, or a total of two photovoltaic power generation facilities, etc. (Note 3) (a total panel output (Note 1) of 3.3MW and a total acquisition price (Note 2) of ¥1,320 million). As a result, CSIF held a portfolio consisting of 20 facilities (a total panel output of 108.9MW and a total price (Note 4) of ¥50,000 million) as of the end of the fiscal period under review, making CSIF the largest operator among listed infrastructure funds in terms of assets scale.

During the fiscal period under review, CSIF acquired an additional facility, etc. on November 29, 2019 (a total panel output of 10.8MW and a total acquisition price of ¥4,569 million (Note 2)) using borrowings and cash on hand. As a result, CSIF held a portfolio consisting of a total panel output of 119.8MW and a total price of ¥51,400 million as of the end of the fiscal period under review and continued to be the largest operator among listed infrastructure funds.

(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, 2019 for the previous fiscal period and as of December 31, 2019 for the fiscal period under review as stated in valuation reports obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd.. The same shall apply hereunder.

#### d. Overview of Financing

In the fiscal period under review, CSIF undertook the issuance of ¥1,100 million yen in private bonds and the borrowing of funds amounting to a total of ¥4,800 million in November 2019. On the other hand, CSIF made a repayment before maturity of ¥820 million yen and a contractual repayment 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 ¥26,873 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 55.9%.

On September 13, 2019, CSIF was awarded credit rating by the credit rating agency shown below and was awarded a bond rating for its First Series of Unsecured Investment Corporation Bonds on October 29, 2019.

CSIF’s Credit Rating and Bond Rating

Rating Agency	Rating Subject	Rating	Rating Outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating	A-	Stable
	The 1 <sup>st</sup> Unsecured Investment Corporation Bond	A-	-

#### e. Overview of Business Performance and Distributions

As a result of the management described above, the business performance in the fiscal period under review recorded operating revenue of ¥2,088 million, operating income of ¥696 million (mainly due to the impact of unseasonable weather), ordinary income of ¥534 million and net income of ¥534 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 5th fiscal period is 82.0%.) determined by CSIF in light of the amount of NCF for each fiscal period.

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

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

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

On the other hand, in the case where actual NCF is equal to or below projected NCF, CSIF intends to make a cash distribution for the fiscal period at the amount of actual NCF multiplied by the payout ratio.

Based on the above policy, CSIF determined to make a distribution for the fiscal period under review of ¥843,843,500, equivalent to 82.0% of projected NCF for the period (¥1,029,345,000). As a result, distribution in excess of earnings is ¥309,794,600, after deducting dividends for the period of ¥534,048,900. Dividend per investment unit is ¥3,650 for the fiscal period under review.

## II. Outlook for the Next Fiscal Period

### a. Outlook for the Future Management

Although Japan's real GDP turned negative in the October-December 2019 quarter, the economy is expected to grow slightly by an annualized 0.4% in the January-March 2020 quarter, when the impact of the reactionary decline and natural disasters weakens. Growth will then accelerate through the July-September quarter when the Tokyo Olympics are held. It has been pointed out that, after the Olympics, from the second half of FY2020 through the first half of FY2021, the economy may start to stagnate again as the positive economic impact of the Olympics wears off and this is a point that requires attention. U.S. economic and monetary policy is expected to continue to be heavily influenced by President Trump's trade policies especially his policy on trade between the US and China. However, consumer spending will continue to drive growth and the nation's GDP growth is expected to slow down gradually. Meanwhile, the eurozone faces a long period of weak economic growth. Although downward pressure from foreign demand and inventory adjustments is expected to ease, a slowdown in capital spending and consumer spending is forecast. The political situation in major economies will remain turbulent in 2020, thwarting international cooperation, and this is likely to be a factor that hampers economic activity.

With respect to the environment surrounding photovoltaic power generation facilities that are included in renewable energy power generation facilities, as stated in "(I. Overview of the Fiscal Period under Review) b. Investment Environment" above, the output curtailment that requires renewable energy operators to temporarily suspend power generation through photovoltaic power generation facilities, etc. was resumed in areas under the jurisdiction of Kyushu Electric Power from October 2019. However, if renewable energy adoption continues to expand in the future, output curtailment may also be implemented in other regions besides the Kyushu region such as the Tohoku region and the Chugoku region.

Meanwhile, Kyushu Electric Power has announced plans to shut down No.1 and 2 reactors at the Sendai Nuclear Power Plant (Satsumasendai, Kagoshima Prefecture) from March 2020 and to phase them back into operation from December. According to

the announcement, Kyushu Electric Power will move forward the regular inspection of the No. 1 reactor planned for November 2020, shutting down the reactor for around 9 months from March 16, 2020 to December 26, 2020. It will also shut down the No. 2 reactor for around 8 months from May 20, 2020 to January 26, 2021, which includes the regular inspection that was planned from late April 2021.

The reserve system to secure the funds for costs of decommissioning solar power facilities is supposed to start by July 2022, with any legislative relief measures taking shape in the course of the fundamental revision of the Act on Renewable Energy Special Measures which is supposed to be completed by March 31, 2021.

As for the introduction of power producer-side base charges, the government will apparently examine the detailed design including the details necessary for system development in FY2019, spend around two years from FY2020 developing the system, complete the tariff revision process (examination of wheeling charges, revision of existing bilateral contracts between power producers and retailers) in FY2022 and then aims to introduce power producer-side base charges in FY2023. However, the timing of introduction may be revised where necessary for alignment with progress of related system reforms, including the Agency for Natural Resources and Energy's wheeling charge system reforms and other revisions and discussions, and the introduction timing is not definite.

In accordance with Article 3 of the Supplementary Provisions of the Act on Renewable Energy Special Measures, the fundamental revision of the Act on Renewable Energy Special Measures is supposed to be completed by March 31, 2021, and a bill including the draft amendments to the Act on Renewable Energy Special Measures is expected to be submitted to the Diet during 2020.

## 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, 2020 (January 1, 2020 to June 30, 2020), the fiscal period ending December 31, 2020 (July 1, 2020 to December 31, 2020) and the fiscal period ending June 30, 2021 (January 1, 2021 to June 30, 2021) 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, 2020 (January 1, 2020 to June 30, 2020), Fiscal Period Ending December 31, 2020 (July 1, 2020 to December 31, 2020) and Fiscal Period Ending June 30, 2021 (January 1, 2021 to June 30, 2021)” 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 2020	2,352	814	656	655	2,837	863	3,700
Fiscal period ending Dec. 2020	2,405	862	706	705	3,052	648	3,700
Fiscal period ending Jun. 2021	2,340	824	673	672	2,909	791	3,700

III Facts arising after the settlement of accounts

Not applicable

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 30, 2020 (January 1, 2020 to June 30, 2020), Fiscal Period Ending December 31, 2020 (July 1, 2020 to December 31, 2020) and Fiscal Period Ending June 30, 2021 (January 1, 2021 to June 30, 2021)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> <li>6th fiscal period: from January 1, 2020 to June, 2020 (182 days)</li> <li>7th fiscal period :from July 1, 2020 to December 31, 2020 (184 days)</li> <li>8th fiscal period :from January 1, 2021 to June 30, 2021 (181 days)</li> </ul>
Portfolio	<ul style="list-style-type: none"> <li>The assumption is that CSIF has 21 photovoltaic power generation facilities, etc. that CSIF had at the end of December 2019 (hereinafter referred to as the “Assets in Possession”).</li> <li>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 8th fiscal period, June 1, 2021.</li> <li>CSIF’s portfolio may change, however, due to changes in the composition of the portfolio other than the assumed new acquisition of projects as outlined above.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>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 6th, 7th and 8th fiscal periods are ¥2,352 million, ¥2,405 million and ¥2,340 million, respectively.               <ol style="list-style-type: none"> <li>Basic rent for each solar energy project that CSIF intends to acquire is calculated as follows:                   <math display="block">\text{Monthly projected energy output (P50)} \times (100 - Y)\% \times 70\% \times \text{FIT purchase price}</math>                     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&amp;E Solutions Inc. with respect to each solar                 </li> </ol> </li> </ul>

	<p>energy project. Monthly projected energy output (P50) *<sup>1</sup>x (100-Y)% *<sup>2</sup>represents 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"> <li>• 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.</li> <li>• CSIF has assumed no cancellations of the lease agreements or delinquencies or non-payment of rents by tenants.</li> <li>• CSIF has assumed that the current lease agreements will be renewed on equal terms under these agreements.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>• 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 6th, 7th and 8th fiscal periods are assumed to be ¥626 million, ¥629 million and ¥601 million, respectively.</li> <li>• Of the expenses for the lease of the Assets in Possession, property-related taxes are estimated at ¥4 million, ¥4 million and ¥4 million for the fiscal periods ending June 30, 2020, December 31, 2020 and June 30, 2021, respectively.</li> <li>• 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.</li> <li>• CSIF expects to pay ¥154 million, ¥154 million and ¥154 million for the 6th fiscal period, the 7th fiscal period and the 8th fiscal period, respectively, as O&amp;M fees.</li> <li>• CSIF has assumed that it will incur expenses related to the land lease of the Assets in Possession in the amount of ¥43 million, ¥43 million and ¥43 million for the fiscal periods ending June 30, 2020, December 31, 2020 and June 30, 2021 (the 6th, 7th and 8th fiscal periods), respectively.</li> <li>• CSIF has assumed that it will incur depreciation expenses, including certain ancillary expenses of ¥911 million, ¥912 million and ¥914 million for the 6th, 7th and 8th fiscal periods, respectively. These figures are calculated using the straight-line method.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• CSIF has also assumed interest expenses and other borrowing-related expenses of ¥156 million, ¥155 million and ¥149 million for the 6th, 7th and 8th fiscal periods, respectively.</li> </ul>
Borrowings	<ul style="list-style-type: none"> <li>• As of today's date, the balance of borrowings of CSIF is ¥27,973 million. CSIF assumes that it will repay such borrowings in amounts of ¥741 million, ¥771 million and ¥762 million at the end of June 2020, December 2020 and June 2021, respectively, under the agreement.</li> <li>• CSIF estimates that the LTV (loan-to-value) ratio will be approximately 52.59%, 52.12% and 51.1% as of the end of the 6th, 7th and 8th fiscal periods, respectively.</li> <li>• CSIF calculates LTV using the following formula.  <math display="block">LTV = \text{Total interest-bearing debt} / \text{Total assets} \times 100</math> </li> </ul>

Item	Assumptions
Number of investment units	<ul style="list-style-type: none"> <li>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 8th fiscal period ending June 30, 2021.</li> <li>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.</li> </ul>
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> <li>Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy prescribed in CSIF's Articles of Incorporation.</li> <li>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).</li> </ul>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>With respect to distributions per unit (including distributions in excess of earnings) for the fiscal periods ending June 30, 2020, December 31, 2020 and June 30, 2021 (the 6th/7th/8th fiscal periods), CSIF intends to stably maintain the level of about ¥3,700. And the amount of distributions in excess of earnings which CSIF plans to pay is ¥863 for the 6th fiscal period ending June 30, 2020, ¥648 for the 7th fiscal period ending December 31, 2020 and ¥791 for the 8th fiscal period ending June 30, 2021. 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 6th fiscal period ending June 30, 2020 is 95.0%.</li> <li>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.</li> <li>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.</li> </ul> <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"> <li>• 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.</li> <li>• 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.</li> </ul>

(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 27, 2019 including subsequent amendments.).

### 3. Financial Statement

#### (1) Balance Sheet

(Unit : thousand yen)

	4th Period (June 30, 2019)	5th Period (December 31, 2019)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and bank deposit	2,466,624	2,474,056
Operating accounts receivable	426,756	268,927
Prepaid expenses	71,805	157,523
Consumption taxes receivable	-	329,815
Other current assets	215	860
<b>Total current assets</b>	<b>2,965,401</b>	<b>3,231,182</b>
<b>Fixed Assets</b>		
<b>Property and equipment</b>		
Structures	835,726	1,040,844
Accumulated depreciation	(45,417)	(63,543)
<b>Structures, net</b>	<b>790,308</b>	<b>977,300</b>
Machinery and equipment	38,610,034	42,726,985
Accumulated depreciation	(2,191,437)	(3,002,153)
<b>Machinery and equipment, net</b>	<b>36,418,597</b>	<b>39,724,832</b>
Tools, furniture and fixtures	521,176	592,249
Accumulated depreciation	(32,570)	(43,368)
<b>Tools, furniture and fixtures, net</b>	<b>488,605</b>	<b>548,881</b>
Land	4,466,771	4,469,653
<b>Total property and equipment</b>	<b>42,164,283</b>	<b>45,720,667</b>
<b>Intangible assets</b>		
Leasehold rights	512,411	753,139
Software	2,746	2,353
<b>Total intangible assets</b>	<b>515,158</b>	<b>755,492</b>
<b>Investments and other assets</b>		
Long-term prepaid expenses	307,424	316,119
Deferred tax assets	12	12
Long term deposits	7,800	-
Guarantee deposits	21,021	37,790
<b>Total investment and other assets</b>	<b>336,258</b>	<b>353,922</b>
<b>Total fixed assets</b>	<b>43,015,700</b>	<b>46,830,082</b>
<b>Deferred Assets</b>		
Investment corporation bond issuance cost	-	8,536
<b>Total deferred assets</b>	<b>-</b>	<b>8,536</b>
<b>Total assets</b>	<b>45,981,101</b>	<b>50,069,801</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
<b>Operating Accounts payable</b>		
Accounts payable – operating	26,344	32,988
Current portion of long-term loans payable	1,286,149	1,512,196
Accounts payable – other	83,003	67,471
Accrued expenses	112,673	102,033
Income taxes payable	868	860
Consumption tax payable	49,904	8,317
Deposits received	1,750	1,562
<b>Total current liabilities</b>	<b>1,560,694</b>	<b>1,725,429</b>
<b>Non-current liabilities</b>		
Investment corporation bond	-	1,100,000
Long-term loan payable	22,227,007	25,360,810
<b>Total non-current liabilities</b>	<b>22,227,007</b>	<b>26,460,810</b>
<b>Total liabilities</b>	<b>23,787,702</b>	<b>28,186,239</b>
<b>Net assets</b>		
<b>Unitholders' equity</b>		
Unit holders' capital	22,050,175	22,050,175
Deduction from unitholders' capital	(567,281)	(700,678)
<b>Unitholders' capital (net value)</b>	<b>21,482,893</b>	<b>21,349,496</b>
<b>Surplus</b>		
Unappropriated retained earnings (Accumulated deficit)	710,506	534,065

Total surplus	710,506	534,065
Total unitholders' equity	22,193,399	21,883,561
Total net assets	*1 22,193,399	*1 21,883,561
Total liabilities and net assets	45,981,101	50,069,801

## (2) Statement of Income

(Unit: thousand yen)

	4th period (from January 1, 2019 to June 30, 2019)	5th period (from July 1, 2019 to December 31, 2019)
<b>Operating revenues</b>		
Rental revenues of renewable energy power generation facilities, etc.	*1 2,185,392	*1 2,088,116
<b>Total operating revenues</b>	<b>2,185,392</b>	<b>2,088,116</b>
<b>Operating expenses</b>		
Rental expenses of renewable energy power generation facilities, etc.	*1 1,234,114	*1 1,261,805
Asset management fee	55,979	52,213
Administrative service fees	18,945	18,542
Director's compensation	2,400	2,400
Taxes and duties	399	772
Other operating expenses	56,352	55,412
<b>Total operating expenses</b>	<b>1,368,191</b>	<b>1,391,146</b>
<b>Operating income or loss</b>	<b>817,201</b>	<b>696,970</b>
<b>Non-operating incomes</b>		
Interest income	15	13
Insurance income	27,146	-
Interest on refund	1,355	-
<b>Total non-operating income</b>	<b>28,517</b>	<b>13</b>
<b>Non-operating expenses</b>		
Interest expenses	106,345	107,285
Interest on investment corporation bond	-	1,176
Amortization of Investment corporation bond issuance cost	-	263
Borrowing-related expenses	28,083	53,389
<b>Total non-operating expenses</b>	<b>134,428</b>	<b>162,115</b>
<b>Ordinary income</b>	<b>711,290</b>	<b>534,868</b>
<b>Income before income taxes</b>	<b>711,290</b>	<b>534,868</b>
Income taxes - current	870	862
Income tax - deferred	0	0
<b>Total income taxes</b>	<b>870</b>	<b>862</b>
<b>Net income</b>	<b>710,419</b>	<b>534,005</b>
Retained earnings (deficit) brought forward	86	59
<b>Unappropriated retained earnings (Accumulated deficit)</b>	<b>710,506</b>	<b>534,065</b>

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

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

(Unit: thousand yen)

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

5th Fiscal Period (From July 1, 2019 to December 31, 2019)

(Unit: thousand yen)

	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of July 1, 2019	22,050,175	(567,281)	21,482,893	710,506	710,506	22,193,399	22,193,399
Changes of items during the period							
Distribution in excess of earnings	-	(133,396)	(133,396)	-	-	(133,396)	(133,396)
Dividend of surplus	-	-	-	(710,446)	(710,446)	(710,446)	(710,446)
Net Income	-	-	-	534,005	534,005	534,005	534,005
Total changes of items during the period	-	(133,396)	(133,396)	(176,441)	(176,441)	(309,837)	(309,837)
Balance as of December 31, 2019	*1 22,050,175	(700,678)	21,349,496	534,065	534,065	21,883,561	21,883,561



## (4) Statements of Cash Distribution

	Fiscal Period under Review (From January 1, 2019 to June 30, 2019)	Fiscal Period under Review (From July 1, 2019 to December 31, 2019) Unit: Yen
I Unappropriated retained earnings (accumulated deficit)	710,506,353	534,065,162
II Distributions in excess of retained earnings Deduction from unitholders' capital	133,396,630	309,794,600
III Cash distributions	843,843,500	843,843,500
(Cash distributions per unit)	(3,650)	(3,650)
Profit distributions	710,446,870	534,048,900
(Profit distributions per unit)	(3,073)	(2,310)
Distributions in excess of retained earnings (Distributions in excess of retained earnings)	133,396,630 (577)	309,794,600 (1,340)
IV. Retained earnings (deficit) carried forward	59,483	16,262
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 ¥710,506,353 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥710,446,870 excluding fractions of the distribution per unit that are less than ¥1.</p> <p>CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥133,396,630 which is equivalent to 16.4% of the amount of depreciation expenses recorded for the fiscal period under review of ¥813,434,738.</p> <p>Accordingly, the distribution per unit is ¥3,650.</p>	<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 ¥534,065,162 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥534,048,900 excluding fractions of the distribution per unit that are less than ¥1.</p> <p>CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥309,794,600 which is equivalent to 36.9% of the amount of depreciation expenses recorded for the fiscal period under review of ¥840,031,795.</p> <p>Accordingly, the distribution per unit is ¥3,650.</p>

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

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

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

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

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

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

Based on this policy, CSIF decided to make distributions for the current fiscal period of ¥843,843,500 which is equivalent to 82.0% of forecast NCF amount for the fiscal period under review of ¥1,029,345,000. Of this, ¥309,794,600 which is the amount less of distributions of profit of ¥534,048,900 is distributions in excess of retained earnings.

## (5) Statement of Cash Flow

(unit: thousand yen)

	4th period (From January 1, 2019 to June 30, 2019)	5th period (From July 1, 2019 to December 31, 2019)
<b>Cash flows from operating activities</b>		
Income (Loss) before income taxes	711,290	534,868
Depreciation cost	813,434	840,031
Investment corporation bond issuance expenses	-	263
Interest income	(15)	△13
Interest expenses	106,345	108,461
Decrease (Increase) in operating accounts receivable	(217,843)	157,829
Decrease (Increase) in consumption taxes receivable	793,148	(329,815)
Decrease (Increase) in consumption taxes payable	49,904	(41,587)
Decrease (Increase) in prepaid expenses	35,909	(85,718)
Decrease (Increase) in long-term prepaid expenses	17,075	(8,695)
Increase (Decrease) in operating accounts payable	1,053	6,644
Increase (Decrease) in accounts payable - other	26,686	(15,532)
Increase (Decrease) in accrued expenses	39,839	(11,331)
Other, net	(3,024)	(833)
Sub-total	2,373,805	1,154,572
Interest received	15	13
Interest paid	(106,961)	(107,769)
Income taxes paid	(859)	(870)
Net cash provided by (used in) operating activities	2,265,998	1,045,945
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(1,387,663)	(4,396,022)
Purchases of intangible fixed assets	(18,294)	(240,727)
Payment of guarantee deposits	-	(16,769)
Net cash provided by (used in) investing activities	(1,405,958)	(4,653,519)
<b>Cash flows from financing activities</b>		
Proceeds from long-term loans payable	700,000	4,800,000
Repayment of long-term loans payable	(1,483,938)	(1,440,151)
Proceeds from issuance of investment corporation bond	-	1,100,000
Payments for investment corporation bond issuance expenses	-	(8,800)
Dividends paid	(412,211)	(710,446)
Surplus earning distribution paid	(420,072)	(133,396)
Net cash provided by (used in) financing activities	(1,616,222)	3,607,205
Net increase (decrease) in cash and cash equivalents	(756,182)	(368)
Cash and cash equivalents at the beginning of the fiscal period	3,222,807	2,466,624
Cash and cash equivalents at the end of the fiscal period	*1 2,466,624	*1 2,466,256

(6)NOTES ON GOING CONCERN PREMISE

Not applicable.

(7) [SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES]

1.Method of depreciation and amortization of non-current assets	<p>(1) Property and equipment The straight-line method is adopted. In addition, the useful lives of major property and equipment are as shown below: Structures ..... 22 - 25 years Machinery and equipment..... 22 - 25 years Tools, furniture and fixtures ..... 22 - 25 years</p> <p>(2) Intangible assets The straight-line method is adopted. In addition, the useful life is as shown below: Software ..... 5 years</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>
2. Method of amortization of deferred assets	<p>(1) Investment corporation bond issuance expenses Amortized by the straight-line method over the life of the bonds.</p>
3.Standards for revenue and expense recognition	<p>Accounting for fixed assets tax With respect to fixed assets tax, city planning tax and depreciable assets tax, among other taxes, on the infrastructure assets held, of the tax amount assessed and determined, the amount corresponding to the calculation period is accounted as rental expenses. In addition, reimbursement such as fixed assets tax, which is paid to the seller and other persons on the acquisition of infrastructure assets and other assets (“the amount equivalent to the fixed assets taxes and other taxes”) is not recognized as rental expenses but included in the acquisition cost of the concerned infrastructure assets and other assets. In the fiscal period under review, the amount equivalent to the fixed assets tax and other taxes included in the acquisition cost of infrastructure assets and other assets is 504 thousand yen.</p>
4.Scope of funds in statement of cash flows	<p>Funds (cash and cash equivalents) in statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less at the date of acquisition that can readily be converted into cash and that are subject to insignificant risks of changes in value.</p>
5.Method of hedge accounting	<p>(1) Method of hedge accounting Special treatment is adopted for the interest rate swap that meets the requirements for special treatment.</p> <p>(2) Hedging instruments and hedged items: •Hedging instruments.....Interest rate swap transaction •Hedged items....Interest rate on loans</p> <p>(3) Policy for hedging CSIF conducts derivative transactions to hedge risks as set forth in the CSIF’s Articles of Incorporation according to the rules for risk management.</p> <p>(4) Method of evaluation of effectiveness of hedging The interest rate swap meets the requirements for special treatment, and thus the evaluation of effectiveness is omitted.</p>
6.Other significant matters serving as the basis for preparation of financial statements	<p>Accounting for Consumption tax Consumption tax and local consumption tax are excluded from the corresponding transaction amount.</p>

(8) Notes regarding financial statements

[NOTES TO BALANCE SHEET]

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

(Unit: thousand yen)

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

[NOTES TO STATEMENT OF INCOME]

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

(Unit: thousand yen)

	From January 1, 2019 to June 30, 2019	From July 1, 2019 to December 31, 2019
A. Operating revenue from the rental business of renewable energy power generation facilities, etc.		
Rental revenue of renewable energy power generation facilities, etc.		
(Basic rent)	1,478,843	1,567,010
(Variable rent linked to actual output)	706,346	520,930
(Incidental income)	202	176
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	2,185,392	2,088,116
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)	144,616	146,524
(Repair and maintenance costs)	8,560	1,768
(Taxes and duties)	217,138	217,112
(Uilities expenses)	-	-
(Insurance expenses)	17,023	19,571
(Depreciation expenses)	813,047	839,638
(Land rent)	33,727	37,190
(Other rental expenses)	-	-
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	1,234,114	1,261,805
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	951,278	826,311

[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 January 1, 2019 to June 30, 2019	From July 1, 2019 to December 31, 2019
Total number of authorized investment units	10,000,000 unit	10,000,000 unit
Total number of investment units issued and outstanding	231,190 unit	231,190 unit

[NOTES TO STATEMENT OF CASH FLOWS]

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

(Unit: thousand yen)

	From January 1, 2019 to June 30, 2019	From July 1, 2019 to December 31, 2019
Cash and deposits	2,466,624	2,474,056
Fixed term deposits exceeding 3 months	-	(7,800)
Cash and cash equivalents	2,466,624	2,466,256

[NOTES ON LEASE TRANSACTIONS]

Operating lease (as the lessor)

Future minimum lease payments

(Unit: thousand yen)

	Fiscal period ended June 30, 2019	Fiscal period ended December 31, 2019
Within one year	3,039,681	3,329,182
Longer than one year	48,276,834	51,816,828
Total	51,316,516	55,146,011

[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, 2019 and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

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

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

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

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

(3) Long-term deposits

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

Liabilities

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

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

(6) Derivative transaction

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

The table below shows the book value and fair values of financial instruments as of December 31, 2019, and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	2,474,056	2,474,056	-
(2) Operating accounts receivable	268,927	268,927	-
Total assets	2,742,983	2,742,983	-
(3) Current portion of long-term loans payable	1,512,196	1,513,923	1,726
(4) Long-term loans payable	25,360,810	25,651,566	290,756
(5) Investment corporation bond	1,100,000	1,100,000	-
Total liabilities	27,973,006	28,265,489	292,482
(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) 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) Investment Corporation Bond

The fair value of investment corporation bonds is determined based on market prices

(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, 2019)

(Unit: thousand yen)

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

Scheduled redemption amounts of monetary receivables after the closing date (December 31, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Cash and deposits	2,474,056	-	-	-	-	-
(2) Operating accounts receivable	268,927	-	-	-	-	-
Total	2,742,983	-	-	-	-	-

(Note 3) Scheduled redemption amount of loans payables after the closing date (June 30, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(4) Current portion of long-term loans payable	1,286,149	-	-	-	-	-
(5) Long-term loans payable	-	2,053,702	1,862,492	1,286,533	1,285,273	15,739,005
合計	1,286,149	2,053,702	1,862,492	1,286,533	1,285,273	15,739,005

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

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(4) Current portion of long-term loans payable	1,512,196	-	-	-	-	-



(5) Long-term loans payable	-	5,836,435	1,860,238	1,292,889	1,254,936	15,116,310
(6) Investment corporation bond	-	-	-	-	1,100,000	-
Total	1,512,196	5,836,435	1,860,238	1,292,889	2,354,936	15,116,310

[NOTES ON SECURITIES]

Prior fiscal period (as of June 30, 2019)

Not applicable.

Current fiscal period (as of December 31, 2019)

Not applicable.

[NOTES ON DERIVATIVE TRANSACTIONS]

1. Those to which hedge accounting is not applied

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

Not applicable.

2. Those to which hedge accounting is applied

Prior fiscal period (as of June 30, 2019)

(Unit: thousand yen)

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

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (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, 2019)

(Unit: thousand yen)

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts		Fair value	Method of calculation of said market value
				Longer than one year		
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	21,411,430	20,187,606	(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, 2019)

Not applicable.

Current fiscal period (as of December 31, 2019)  
Not applicable.

[NOTES ON TAX EFFECT ACCOUNTING]

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

(Unit: thousand yen)

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

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

	Fiscal period ended June 30, 2019	Fiscal period ended December 31, 2019
Effective statutory tax rate	31.51%	31.51%
(Adjustment)		
Dividends paid deductible for tax purpose	(31.47)%	(31.46)%
Loss carried forward and deducted for the period	-	-
Others	0.08%	0.11%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.12%	0.16%

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

Prior fiscal period (as of June 30, 2019)

Not applicable.

Current fiscal period (as of December 31, 2019)

Not applicable.

[NOTES ON RELATED PARTY TRANSACTIONS]

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

Not applicable.

Current fiscal period (from July 1, 2019 to December 31, 2019)

Not applicable.

[NOTES ON ASSET RETIREMENT OBLIGATIONS]

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

Not applicable.

Current fiscal period (from July 1, 2019 to December 31, 2019)

Not applicable.

[NOTES ON INVESTMENT AND RENTAL PROPERTY]

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

(Unit: thousand yen)

	Fiscal period ended June 30, 2019	Fiscal period ended December 31, 2019
Book value (Note 2)		
Beginning balance	42,077,910	42,676,695
Change during the period (Note 3)	598,784	3,797,111
Ending balance	42,676,695	46,473,806
Fair value at the end of the period (Note 4)	50,026,000	51,498,500

(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, 2019 primarily consisted of the increase due to acquisition of two photovoltaic power generation facilities (1,357,292 thousand yen), and the decrease due to depreciation expenses (813,047 thousand yen). And the change during the period ended December 31, 2019 primarily consisted of the increase due to acquisition of one photovoltaic power generation facilities (4,629,532 thousand yen), and the decrease due to depreciation expenses (839,638 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, 2019 and December 31, 2019, which was obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd..

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended June 30, 2019 (the 4th period) and the fiscal period ended December 31, 2019 (the 5th 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 January 1, 2019 to June 30, 2019)

(1) Information on products and services

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

(2) Information on regions

① Operating revenue

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

② Property and equipment

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

## (3) Information on major customers

(unit: thousand yen)

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

Current fiscal period (from July 1, 2019 to December 31, 2019)

## (1) Information on products and services

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

## (2) Information on regions

## ① Operating revenue

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

## ② Property and equipment

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

## (3) Information on major customers

(unit: thousand yen)

Name of customer	Total net revenue	Name of related segment
Tida Power 01 G.K.	2,061,357	Renewable energy power generation facilities, etc. rental business
CLEAN ENERGIES WORLD K.K.	26,582	Renewable energy power generation facilities, etc. rental business

## [NOTES ON PER UNIT INFORMATION]

	Prior fiscal period From January 1, 2019 to June 30, 2019	Current fiscal period From July 1, 2019 December 31, 2019
Net assets per unit	95,996 yen	94,656 yen
Net income (Net loss) per unit	3,072 yen	2,309 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 January 1, 2019 to June 30, 2019	Current fiscal period From July 1, 2019 December 31, 2019
Net income (Net loss) (Thousand yen)	710,419	534,005

Amount not attributable to common unit holders (Thousand yen)	-	-
Net income (Net loss) attributable to Common unit holders (Thousand yen)	710,419	534,005
Average number of investment units during the period (Units)	231,190	231,190

[NOTES ON FACTS ARISING AFTER THE SETTLEMENT OF ACCOUNTS]

Not applicable

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

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

Date	Event	Total number of investment units issued and outstanding (units)		Total amount of unitholders' capital (Note 1) (million yen)		Remarks
		Change	Balance	Change	Balance	
May 18, 2017	Establishment upon private placement	1,500	1,500	150	150	(Note 2)
October 27, 2017	Capital increase by public offering	177,800	179,300	16,891	17,041	(Note 3)
November 28, 2017	Capital increase by third-party allotment	2,890	182,190	274	17,315	(Note 4)
September 5, 2018	Capital increase by public offering	46,667	228,857	4,509	21,824	(Note 5)
September 14, 2018	Cash distribution in excess of earnings (refund of investment)	-	228,857	(147)	21,677	(Note 6)
October 4, 2018	Capital increase by third-party allotment	2,333	231,190	225	21,902	(Note 7)
March 14, 2019	Cash distribution in excess of earnings (refund of investment)	-	231,190	(420)	21,482	(Note 8)
September 17, 2019	Cash distribution in excess of earnings (refund of investment)	-	231,190	(133)	21,349	(Note 9)

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

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

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

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

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

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

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

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

(Note 9) CSIF decided, at a meeting of its Board of Directors held on August 13, 2019, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥577 per unit for the fourth fiscal period (ended June 30, 2019), and began to pay it from September 14, 2019.

#### 4. Reference

##### (1) Conditions of Investment

(as of December 31, 2019)			
Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) ('000yen) (Note 2)	% of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	1,019,428	2.0
	Kanto	2,405,428	4.8
	Tokai	5,761,989	11.5
	Chugoku/Shikoku	10,257,651	20.5
	Kyushu	21,806,516	43.6
Subtotal		41,251,014	82.4
Land	Hokkaido/Tohoku	48,970	0.1
	Kanto	648,591	1.3
	Tokai	63,309	0.1
	Chugoku/Shikoku	523,905	1.0
	Kyushu	3,184,875	6.4
Subtotal		4,469,653	8.9
Land lease	Hokkaido/Tohoku	17,924	0.0
	Kanto	59,197	0.1
	Tokai	282,151	0.6
	Chugoku/Shikoku	3,415	0.0
	Kyushu	390,450	0.8
Subtotal		753,139	1.5
Solar energy facility etc.	Hokkaido/Tohoku	1,086,322	2.2
	Kanto	3,113,218	6.2
	Tokai	6,107,450	12.2
	Chugoku/Shikoku	10,784,972	21.5
	Kyushu	25,381,842	50.7
Subtotal		46,473,806	92.8
Solar energy facility etc. total		46,473,806	92.8
Saving/other assets		3,595,994	7.2
Asset total (2)		50,069,801	100.0

	(Unit: thousand yen)	% of total AUM (Note 3)
Total liabilities	28,186,239	56.3
Total net assets	21,883,561	43.7

(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, 2019.

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

## (2) Investment Assets

### ① Investment Securities

Not Applicable

### ② Investment Properties

Not Applicable

### ③ Major Investment Assets

#### a. summary information for the CSIF

The following table provides summary information for the CSIF current 21 solar energy projects as of December 31, 2019.

Asset #	Category	Project name	Location	Site Area (m <sup>2</sup> )	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 Kannamicho Power Plant	Tagata-gun, Shizuoka	41,339	36	March 31, 2014	March 02, 2037
S-13	Solar Plant etc.	CS Mashikimachi 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, Osashimacho, 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, Daisencho, Saihaku-gun, Tottori (A) Aza Kamikawara, Toyofusa, Daisencho, Saihaku-gun, Tottori (B)	452,760 (Note 3)	40	February 22, 2013 (A) February 28, 2013 (B)	August 9, 2037
S-18	Solar Plant etc.	CS Takayama-shi Power Plant	Shingumachi, Takayama-shi, Gifu	16,278 (Note 1)	32	January 30, 2015	October 09, 2037
S-19	Solar Plant etc.	CS Misatomachi Power Plant	Misato-machi, Kodama-gun, Saitama	25,315	32	January 6, 2015	March 26, 2037
S-20	Solar Plant etc.	CS Marumori-machi Power Plant	Marumori-machi, Igu-gun, Miyagi	65,306 (Note 4)	36	February 28, 2014	July 12, 2038
S-21	Solar Plant etc.	CS Izu-shi Power Plant	Ono Aza Okubo, Izu-shi, Shizuoka	337,160	36	March 31, 2014	November 29, 2038

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

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

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

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



Asset #	Project name	Certified Operator	PPA company	Acquisition Price (million yen) (Note 1)	Fiscal period end valuation (million yen) (Note 2)	Appraisal value of solar plants (million yen)(Note 3) (upper : solar energy facility) (lower : land)	Fiscal period end book value (million yen) (Note 4)
S-01	CS Shibushi-shi Power Plant	Tida Power 01 G.K	Kyushu Electric Power Co., Inc	540	563	421	511
						142	
S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	368	344	347
						23	
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	1,044	785	860
						259	
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	766	723	720
						42	
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	660	628	622
						31	
S-06	CS Isa-shi Dai-san Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	943	883	882
						59	
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	889	846	783
						43	
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	1,012	972	951
						40	
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	991	951	917
						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	1,800	1,719	1,608
						80	
S-11	CS Minano-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	1,137	868	991
						269	
S-12	CS Kannami-	Tida	TEPCO Energy	514	571	526	481

	cho Power Plant	Power01 G.K..	Partner, Incorporated			45	
S-13	CS Mashiki-machi Power Plan	Tida Power01 G.K.	Kyushu Electric Power Co., Inc.	20,084	21,732	18,242	18,820
						3,490	
S-14	CS Koriyama-shi Power Plan	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	262	210	242
						52	
S-15	CS Tsuyama-shi Power Plan	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	796	656	761
						140	
S-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Co., Inc.	757	834	797	688
						37	
S-17	CS Daisen-cho Power Plant (A) and (B)	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	10,447	10,809	10,437	10,023
						372	
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Co., Inc.	326	342	280	323
						61	
S-19	CS Misato-machi Power Plant	Univergy 01 G.K. (Note 5)	TEPCO Energy Partner, Incorporated	470	478 (Note 6)	347	477
						131	
S-20	CS Marumori-machi Power Plant	CLEAN ENERGIES SOLUTIONS K.K. (Note 5)	Tohoku Electric Power Co., Inc.	850	848 (Note 6)	830	843
						18	
S-21	CS Izu-shi Power Plant	LOHAS CLEAN ENERGIES WORLD K.K.	TEPCO Power Grid, Incorporated	4,569	4,647 (Note 6)	4,408	4,613
						239	
Total				48,850	51,498	45,881	46,473
						5,617	

(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, 2019 provided to us by PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd. in its project valuation report. Based on the appraised value in the range stated in the valuation report with the date of the value opinion on December 31, 2019, which was obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd., the Investment Corporation calculated the total sum of the intermediate values according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation, and the said sum is used in the statement.

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

(Note 4) Fiscal period end book value is the book value of solar energy as of December 31, 2019.

(Note 5) Former certified operator, Univergy 01 G.K. for CS Misato-machi Power Plant and CLEAN ENERGIES SOLUTIONS K.K. for CS Marumori-machi Power Plant, were merged into Tida Powe01 G.K. as of July 6, 2019.

(Note 6) The figures have been provided by Ernst & Young Transaction Advisory Services Co., Ltd. and rounded down for the amount less than JPY million.

b. Revenue and expenses of individual renewable energy power generation facilities  
Fifth fiscal period (from July 1, 2019 to December 31, 2019)

(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	1,567,010	19,137	14,171	29,399	29,263	23,476
Variable rent linked to actual output (Note)	520,930	6,288	5,230	10,669	9,522	8,425
Incidental income	176	-	-	173	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	2,088,116	25,426	19,402	40,242	38,785	31,901
Operating expenses from the rental business of renewable energy power generation facilities, etc.						
Taxes and duties	217,112	2,254	1,698	3,792	3,768	3,274
(Property-related taxes, etc.)	217,112	2,254	1,698	3,792	3,768	3,274
(Other taxes)	-	-	-	-	-	-
Expenses	205,055	2,296	2,635	3,255	4,695	4,438
(Management entrustment expenses)	146,524	2,073	1,655	2,879	2,756	2,850
(Repair and maintenance costs)	1,768	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-	-
(Insurance expenses)	19,571	223	182	375	347	324
(Land rent )	37,190	-	797	-	1,590	1,263
(Other rental cost)	-	-	-	-	-	-
Depreciation cost	839,638	9,472	7,837	14,462	16,457	14,260
(Structures)	18,125	457	256	324	306	595
(Machinery and equipment)	810,715	8,973	7,563	14,104	16,109	13,429
(Tools, furniture and fixtures)	10,797	41	17	33	41	235
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	1,261,805	14,023	12,170	21,510	24,920	21,972
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	826,311	11,402	7,232	18,731	13,864	9,928

(Note) As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc., in the case of CS Shibushi-shi Power Plant, CS Isa-shi Power Plant, CS Isa-shi Dai-ni Power Plant and CS Yusui-cho Power Plant, from which Kyushu Electric Power Co., Inc. purchases

electricity, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. As of the date of this report, CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

(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	34,851	29,013	37,482	37,113	65,521
Variable rent linked to actual output (Note)	11,728	9,415	10,943	11,371	20,782
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	46,579	38,429	48,426	48,484	86,303
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,494	4,304	5,166	4,876	8,530
(Property-related taxes, etc.)	4,494	4,304	5,166	4,876	8,530
(Other taxes)	-	-	-	-	-
Expenses	5,459	5,606	5,547	5,880	10,188
(Management entrustment expenses)	3,042	2,847	3,578	3,758	5,317
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	379	362	456	440	611
(Land rent )	2,036	2,396	1,512	1,681	4,260
(Other rental cost)	-	-	-	-	-
Depreciation cost	19,799	17,604	22,070	20,216	35,224
(Structures)	290	247	835	1,441	739
(Machinery and equipment)	19,458	17,314	21,120	18,523	34,235
(Tools, furniture and fixtures)	51	42	114	252	248
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	29,753	27,514	32,783	30,973	53,943
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	16,826	10,914	15,643	17,511	32,360

(Note) As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc., in the case of CS Isa-shi Dai-san Power

Plant, CS Hiji-machi Power Plant, CS Ashikita-machi Power Plant and CS Minamishimabara-shi Power Plant, from which Kyushu Electric Power Co., Inc. purchases electricity, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. As of the date of this report, CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

(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	30,688	18,456	688,283	7,580	22,141
Variable rent linked to actual output (Note)	2,722	5,304	232,965	3,317	12,485
Incidental income	-	-	-	2	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	33,410	23,760	921,249	10,901	34,627
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,410	2,398	96,650	1,296	3,898
(Property-related taxes, etc.)	4,410	2,398	96,650	1,296	3,898
(Other taxes)	-	-	-	-	-
Expenses	3,750	3,976	69,026	1,590	2,982
(Management entrustment expenses)	3,313	2,108	60,428	876	2,704
(Repair and maintenance costs)	-	-	176	600	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	436	213	8,356	113	278
(Land rent )	-	1,654	65	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	16,132	9,662	344,350	4,191	12,949
(Structures)	766	380	3,531	327	376
(Machinery and equipment)	15,366	9,226	332,916	3,864	12,267
(Tools, furniture and fixtures)	-	55	7,902	-	304
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	24,293	16,036	510,027	7,077	19,829
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	9,117	7,724	411,221	3,823	14,797

(Note) As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc., in the case of CS Mashiki-machi Power Plant, from which Kyushu Electric Power Co., Inc. purchases electricity, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. As of the date of this report, CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

(Unit: thousand yen)

Asset number	S-16	S-17	S-18	S-19	S-20
Project name	CS Ena-shi Power Plant	CS Daisen-cho Power Plant (A) and (B)	CS Takayama-shi Power Plant	CS Misato-machi Power Plant	CS Marumori-machi Power Plant
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	25,611	385,926	9,720	13,005	28,330
Variable rent linked to actual output	12,203	121,853	4,625	5,628	6,694
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	37,815	507,780	14,346	18,634	35,025
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	4,344	59,954	2,006	-	-
(Property-related taxes, etc.)	4,344	59,954	2,006	-	-
(Other taxes)	-	-	-	-	-
Expenses	4,007	53,885	1,393	2,230	8,421
(Management entrustment expenses)	2,801	36,009	1,269	1,315	2,666
(Repair and maintenance costs)	-	-	-	645	346
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	273	5,019	123	269	782
(Land rent )	933	12,856	-	-	4,625
(Other rental cost)	-	-	-	-	-
Depreciation cost	14,510	214,565	5,496	7,594	17,036
(Structures)	589	4,902	344	176	503
(Machinery and equipment)	13,823	208,879	5,139	7,345	16,297
(Tools, furniture and fixtures)	97	782	12	72	234
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	22,862	328,404	8,895	9,824	25,457
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	14,953	179,375	5,450	8,809	9,567



(Unit: thousand yen)

Asset number	S-21
Project name	CS Izu-shi Power Plant
Rental revenue of renewable energy power generation facilities, etc.	
Basic rent	17,832
Variable rent linked to actual output	8,750
Incidental income	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	26,582
Operating expenses from the rental business of renewable energy power generation facilities, etc.	
Taxes and duties	-
(Property-related taxes, etc.)	-
(Other taxes)	-
Expenses	3,786
(Management entrustment expenses)	2,270
(Repair and maintenance costs)	-
(Utilities expenses)	-
(Insurance expenses)	-
(Land rent )	1,516
(Other rental cost)	-
Depreciation cost	15,742
(Structures)	732
(Machinery and equipment)	14,755
(Tools, furniture and fixtures)	254
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	19,528
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	7,053

(Note) The calculation period of the fifth fiscal period is from July 1,2019 to December 31,2019 (184days);

however, the substantial period of CS Izu-shi Power Plant is from November 29, 2019 to December 31,2019 (33 days).

(3) Plan for capital expenditure

The following table shows projected major capital expenditures for renewable energy power generation facilities, etc. owned by CSIF after January 2020. Some portion of the amount are to be treated as expenses for accounting purpose.

Name of infrastructure assets, etc.	Location	Purpose	Projected period	Projected amount (million yen)		
				Total amount	Amount paid during the fiscal period under review	Amount paid by prior period
CS Mashiki-machi Power Plant	Mashiki-machi Kumamoto	Building works for curtailment control	From February 2020 To September 2020	32	—	—

(4) Capital expenditure during the fiscal period

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

Name of infrastructure assets, etc. (Location)	Purpose	Implementation period	Amount paid (thousand yen)
CS Isa-shi Dai-san Power Plant (Isa-shi, Kagoshima)	Inclination correction works for junction box	From November 1, 2019 To December 2, 2019	3,366
CS Tsuyama-shi Power Plant (Tsuyama-shi, Okayama)	Land curing works	From August 5, 2019 To August 30, 2019	1,720
Other plants			970
Total			6,056