

Summary of Financial Results for Fiscal Period Ended June 30, 2021 (Infrastructure Fund)

August 13, 2021

Infrastructure Fund Issuer	Canadian Solar Infrastructure Fund, Inc.	Listed Stock	Tokyo Stock
Securities Code	9284	Exchange	Exchange
Representative	(Title) Executive Director	URL	https://www.canadiansolarinfra.com/
Asset Management Company	Canadian Solar Asset Management K.K.	(Name)	Tetsuya Nakamura
Representative	(Title) CEO and Representative Director	(Name)	Tetsuya Nakamura
Contact	(Title) Chief Financial Officer	(Name)	Hiroshi Yanagisawa
	Tel. 03(6279)0311		
Scheduled filing date of securities report	September 29, 2021	Scheduled date of commencement of cash distribution payment	September 15, 2021
Supplementary materials for financial results	YES		
Financial results briefing session	YES (For institutional investors and analysts)		

(Amounts are rounded down to million yen)

1. Status of Management and Assets for Fiscal Period Ended June 30, 2021 (from January 1, 2021 to June 30, 2021)

(1) Management Status

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

	Operating revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal period ended Jun. 2021	3,425	41.9	1,459	69.9	1,074	49.7	1,073	49.8
Fiscal period ended Dec. 2020	2,413	3.5	858	2.1	717	3.5	716	3.5

	Profit per unit	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to operating revenue ratio
	yen	%	%	%
Fiscal period ended Jun. 2021	3,234	3.5	1.6	31.4
Fiscal period ended Dec. 2020	3,099	3.3	1.5	29.7

(2) Status of Cash Distributions

	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Distributions per unit (including distributions in excess of earnings)	Total distributions (including distributions in excess of earnings)	Payout ratio	Ratio of distributions to net assets
	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
Fiscal period ended Jun. 2021	2,776	1,073	924	357	3,700	1,430	100.0	2.8
Fiscal period ended Dec. 2020	3,099	716	601	138	3,700	855	100.0	3.3

(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 0.004 for the fiscal period ended December 31, 2020 and 0.010 for the fiscal period ended June 30, 2021. In this regard, the ratio of the decrease in net assets is calculated according to Item 4, Paragraph 1, Article 23 of the Ordinance for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
	Million yen	Million yen	%	yen
Fiscal period ended Jun. 2021	84,299	40,391	47.9	104,463
Fiscal period ended Dec. 2020	49,052	21,592	44.0	93,397

(4) Status of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
	Million yen	Million yen	Million yen	Million yen
Fiscal period ended Jun. 2021	(877)	(31,207)	33,867	4,611
Fiscal period ended Dec. 2020	1,508	(654)	(645)	2,828

2. Forecasts of Management Status for Fiscal Period Ending December 31, 2021 (from July 1, 2021 to December 31, 2021), Fiscal Period Ending June 30, 2022 (from January 1, 2022 to June 30, 2022) and Fiscal Period Ending December 31, 2022 (from July 1, 2022 to December 31, 2022)

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

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen	yen	yen
Fiscal period ending Dec. 2021	3,740	9.2	1,471	0.8	1,246	16.0	1,245	16.1	3,222	528	3,750
Fiscal period ending Jun. 2022	3,704	(1.0)	1,391	(5.4)	1,174	(5.8)	1,173	(5.8)	3,036	714	3,750
Fiscal period ending Dec. 2022	3,722	0.5	1,405	1.0	1,187	1.1	1,187	1.1	3,070	680	3,750

(Reference)

Fiscal period ending December 31, 2021 (184 days): Forecast total number of investment units issued and outstanding at end of the period: 386,656 units, Forecast profit per unit: 3,222 yen

Fiscal period ending June 30, 2022 (181 days): Forecast total number of investment units issued and outstanding at end of the period: 386,656 units, Forecast profit per unit: 3,036 yen

Fiscal period ending December 31, 2022 (184 days): Forecast total number of investment units issued and outstanding at end of the period: 386,656 units, Forecast profit per unit: 3,070 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 Jun. 2021	386,656	Fiscal period Dec. 2020	231,190
Fiscal period Jun. 2021	0	Fiscal period Dec. 2020	0

(Note) For the number of investment units based on which profit per unit is calculated, please refer to "Notes on regarding per unit information" on page 35 below.

* Summary of Financial Results is out of scope from the audit by chartered accountant or corporate auditor.

- * Explanation of Appropriate Use of Forecast of Management Status and Other Matters of Special Note
Forecast of management status and other forward-looking statements contained in this document are based on information that is currently available and certain assumptions that are deemed reasonable by Canadian Solar Infrastructure Fund. Accordingly, the actual management status, etc. may differ materially due to various factors. In addition, the forecast is not a guarantee of the amount of cash distributions. For details of the assumptions underlying the forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 31, 2021 (July 1, 2021 to December 31, 2021), Fiscal Period Ending June 30, 2022 (January 1, 2022 to June 30, 2022) and Fiscal Period Ending December 31, 2022 (July 1, 2022 to December 31, 2022),” described on or after page 12 below.

1. Management Policy and Management Status

(1) 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 5, 2018 and issued new investment units (2,333 units) through third-party allotment on October 4, 2018.

CSIF then issued new investment units (151,500 units) through public offering on March 5, 2021 and issued new investment units (3,966 units) through third-party allotment on April 7, 2021. As a result, the total units issued at the end of the fiscal period under review (as of June 30, 2021) were 386,656 units.

b. Investment Environment

Real GDP in January-March 2021 declined by 1.3% quarter on quarter (5.1% on an annualized basis), the first drop in three quarters. Although exports held up reasonably well, especially exports of capital goods and IT-related goods, consumer spending dropped, particularly for services, following the declaration of a second state of emergency, and capital spending saw a similar decline, reflecting a pause in demand in anticipation of the resumption of economic activity. Similarly, in the April-June 2021, consumer spending dropped for a second straight quarter due to the declaration of a state of emergency but strong growth in capital expenditure and housing investment made up for the slump in consumption and, as of the date of this report, real GDP is expected to grow 0.4% quarter on quarter (1.5% on an annualized basis), marking the first growth in two quarters.

On the stock market in Japan, the Nikkei Stock Average reached ¥30,084 on February 15, 2021, closing above the ¥30,000 mark for the first time in over 30 years since August 1990. In the US and Europe, COVID-19 vaccination programs were gradually rolled out and expectations for economic recovery increased. As a result, real GDP growth for October-December 2020 surpassed expectations and this appears to have driven stock market gains. Despite occasional rallies in economically sensitive stocks, fueled by hopes for a global economic recovery, the Japanese stock market seesawed, reflecting a rise in COVID cases in Japan and speculation of a early QE taper in the US in addition to profit taking, and the Nikkei Stock Average closed at ¥28,791.53 on June 30.

After the TSE Infrastructure Fund Index fell to a record low of 1,125.83 points on February 2, the Infrastructure Fund Market remained mostly robust, with the index reaching a record high of 1,201.71 on June 9. Whereas the Nikkei Stock Average was influenced by the effects on the Japanese economy of the declaration of a third state of emergency, the Infrastructure Fund Market saw public offerings by six infrastructure funds in quick succession between August 2020 and February 2021, and the TSE Infrastructure Fund Index closed at 1,179.55 at the end of June as the investment unit prices of listed infrastructure funds held firm during January-June 2021, reflecting renewed interest in the high level of distribution yields and growing investor interest in renewable energy amid Japan's decarbonization strategies.

"Output curtailment," which is implemented by an electricity transmission and distribution business operator (Note 1) to adjust the supply-demand balance, was implemented, with respect to “renewable energy power generation facilities” (Note 2) held by CSIF, for one day in January, five days in February, 12 days in March, 21 days in April, 15 days in May and 3 days in June, totaling 57 days during the period under review. The primary reasons for the considerable increase in frequency of output curtailment compared with the previous fiscal period are that the No. 1 and No. 2 reactors at Sendai Nuclear Power Plant, which were shut down on March 16, 2020 and May 20, 2020 respectively, to install anti-terrorism functions called facilities for dealing with specific severe accidents, resumed power generation on November 19, 2020 and December 24, 2020 respectively, and that the regular inspection of the No. 4 reactor at the Genkai Nuclear Power Plant started on December 19, 2020 was completed on March 19, 2021 and the reactor resumed power generation on March 19, 2021.

Kyushu Electric Power Transmission and Distribution Co., Inc. revised its output curtailment operation procedures from FY2021. When the number of days of output curtailment for a business operator subject to the old rule (Note 3) is expected to exceed 30 days in any fiscal year, Kyushu Electric Power Transmission and Distribution Co., Inc. will now uniformly curtail (apply the same curtailment pattern (% curtailment of plant's rated output) to uniformly curtail by the hours and amount

necessary all business operators subject to the designated business operator rule (Note 3), whilst making full use of the maximum 30 days' output curtailment for business operators subject to the old rule.

Meanwhile, the Chugoku Electric Power Company, Inc. disclosed its "Basic Approach to Renewable Energy Output Curtailment Operations" on its website on January 22, 2020.

According to Mizuho Securities Co., Ltd., power demand in April-June 2021 based on the statistics of the Organization for Cross-regional Coordination of Transmission Operators (OCCTO) was higher than in April-June 2020 but was still not enough to recover the ground lost in April-June 2019 versus April-June 2020. The region with the highest growth in power demand in April-June 2021 was Chubu, followed by Chugoku, and then Okinawa. According to OCCTO's Electricity Supply-Demand Outlook for Summer, every region is estimated to have a reserve margin of around 5.9% even in the event of the kind of heat wave that occurs once every 10 years, and the risk of a tight electricity supply is believed to be limited.

On October 26, 2020, at the 203rd extraordinary session of the Diet, Prime Minister Yoshihide Suga declared the goal of achieving overall zero emissions of greenhouse gases by 2050, that is the creation of a carbon neutral, decarbonized society. Since this declaration, activities for the realization of a decarbonized society have picked up pace, and with countries announcing their targets for slashing greenhouse gas emissions at a global climate summit held in April 2021, Japan also set a new 2030 reduction target of 46% compared with 2013 levels and announced that it would continue its challenge towards a 50% reduction. This represents a drastic increase from Japan's previous target of a 26% reduction.

Then, in June 2021, the Ministry of Economy, Trade and Industry published the FY2020 Annual Report on Energy (Japan's Energy White Paper 2021). This report includes an analysis under the heading "Changes in the situation concerning energy" to the effect that while more and more countries, including Japan, are declaring that they will become carbon neutral, private-sector enterprises are also stepping up initiatives for decarbonization, with an increase in ESG investment and diversification of investment strategies in the financial services sector and an increasing number of non-financial corporations signing up to the RE100 initiative or otherwise declaring that they will become carbon neutral. In some cases, companies are not only reducing greenhouse gas emissions associated with their own energy consumption but are also seeking to reduce the carbon footprint in their supply chains (and using carbon trading to achieve targets) and low-carbon energy access will affect competitiveness as a location for industry in the future (in competition between countries and competition between cities and regions). Under the heading "Path to becoming carbon neutral by 2050," the report also stresses that to realize a carbon neutral society, it is necessary to pursue decarbonization through expansion of low carbon resources in the electricity sector and through electrification, use of hydrogen for heating where electrification is impossible, and capture and reuse of any remaining CO₂ (conversion to methane or synthetic fuel, etc.) in non-electricity sectors (industrial, consumer and transport sectors).

In February 2021, details (detailed design of FIP system, detailed design of system for nullifying approvals, reserve of decommissioning costs for solar power generation facilities) of the amendment to the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (hereinafter referred to as the "2020 Amendment to the Renewable Energy Special Measures Act") included in the Act to Partially Amend the Electricity Business Act and other Acts to Establish a Resilient and Sustainable Electricity Supply System (hereinafter referred to as the "Act for Establishing Energy Supply Resilience"), which been examined so far by METI's various subcommittees and working groups, were summarized and announced. For details of the risks which might arise as a result of such amendment, please refer to "I. Fund Information, 1. Fund Status, 3. Investment Risks" in the most recent annual securities report (submitted on March 30, 2021).

Given that the basic policy for the detailed design of a market-based FIP scheme is that the FIP scheme is a step towards creating a renewable energy market which is FIT-independent, each constituent element of the FIP scheme is designed as an intermediate step away from the FIT scheme towards competition with other power sources under the same conditions. However, since the photovoltaic power generation facilities, etc. owned by CSIF sell electricity under the FIT scheme and this will not change even after enactment of the 2020 Amendment to the Renewable Energy Special Measures Act, it is considered unlikely that the purchase prices of the operational photovoltaic power generation facilities of CSIF will be affected.

As for the detailed design of the system for nullifying approvals, it was proposed that nullification decisions should be made based on whether sufficient progress has been made at the point falling one year after the commercial operation date (COD) deadline. However, since the photovoltaic power generation facilities, etc. owned by CSIF have already started selling electricity under the FIT scheme, even when the abovementioned system for nullifying approvals is introduced, certification of the photovoltaic power generation facilities, etc. owned by CSIF will not be nullified as a result.

As for the system to ensure a reserve of decommissioning costs for solar power generation facilities (Note 4), (i) this will apply to all FIT- and FIP-certified solar projects (includes multiple solar projects) of 10 kW or more. (ii) As for the reserve method, the 2020 Amendment to the Renewable Energy Special Measures Act stipulates that certified solar project developers must reserve the decommissioning costs externally at the Organization for Cross-regional Coordination of Transmission Operators (OCCTO) through direct withholding of the required amounts from revenue, in principle. The 2020 Amendment to

the Renewable Energy Special Measures Act stipulates that such external reserves for FIT-certified projects should be made via the utilities that are obliged to purchase the electricity. More specifically, it has been decided to design a system to enable the offset of decommissioning cost reserves and purchasing costs between FIT-certified project developers and the utilities obliged to purchase the electricity and the offset of decommissioning cost reserves and premiums between the utilities obliged to purchase the electricity and the body implementing the system. (iii) As for the level of reserves and the unit price, the estimated decommissioning costs used to calculate the procurement price (in the case of the FIT scheme) and the reference price (in the case of the FIP scheme) will be set according to capacity utilization factor on a per 1 kWh of electricity supplied basis. The 2020 Amendment to the Renewable Energy Special Measures Act stipulates that the decommissioning reserve base price (the amount to be reserved per 1 kWh of electricity supplied by the certified project developer) will be determined in line with the opinion of the Procurement Price Calculation Committee, and the Procurement Price Calculation Committee published its opinion on the decommissioning reserve base price in light of the foregoing in "Opinion on procurement price for FY2021 (April 2021 to March 2022) and beyond" (released in January 2021). (iv) As for the timing and frequency of reserve deposits, decommissioning costs must be reserved from 10 years prior to the end of the applicable procurement period or period for which the premium will be granted and are to be deposited upon payment of the procurement price payment or the granting of premiums (currently monthly). (v) Regarding the internal reserve of decommissioning costs, which is permitted in exceptional cases, projects which satisfy stringent conditions in relation to long-term stable power generation and funding will also be permitted to reserve decommissioning costs internally, in order to encourage long-term stable power generation projects and minimize decommissioning due to replacement and suchlike. An entity reserving decommissioning costs internally will be required to deposit them in a bank account which can only be used for specific purposes or record them in financial statements audited by an accountant who is obliged to disclose information to financial instruments exchanges, and it will also be required to secure them with insurance or a guarantee to increase the probability of funding decommissioning. (vi) The mandatory reserve system will be introduced on July 1, 2022 and will gradually phased in according to the end date of the procurement period or grant period of each project.

While not part of the amendments under the Act for Establishing Energy Supply Resilience, discussions on adjustments to power producer-side charges (previously referred to as "power producer-side base charges") in relation to FIT energy sources were resumed at the Subcommittee on the Large-volume Introduction of the Renewable Energy and Next Generation Electric Network in May 2021.

Firstly, the figure indicated as the national average maximum amount payable per kWh of solar power produced due to the introduction of kWh charges was 0.97 yen/kWh compared to 1.45 yen/kWh, as previously indicated.

It was further indicated that, in the case of projects that had already been approved, the pass-through of charges to retail electric business operators (in the case of purchase by retail electric business operators) and equivalent adjustments (in the case of purchase by electricity transmission and distribution business operators) would reduce the amount payable by an average of 0.5 yen and that the average amount payable in real terms would be 0.47 yen.

Adjustment of the amount still payable after pass-through in the case of approved projects involving purchase by retail electric business operators was also discussed, taking the following patterns indicated by the secretariat into consideration. However, it was decided that further deliberation was needed due to differing opinions on adjustment for solar power for projects during the period under consideration for profit margin analysis.

Patterns of adjustment

A) Adjustment of total amount payable through surcharge

B) Adjustment of part (0.25 yen/kWh) of amount payable through surcharge and payment of remainder by renewable energy developer

C) Payment of total amount payable by renewable energy developer

Finally, in relation to newly approved projects which will all involve purchase by electricity transmission and distribution business operators, it was agreed to request that the Procurement Price Committee proceed with discussions on the assumption that the amount equivalent to the pass-through to electricity retail utilities (0.5 yen/kWh as a national average) needs to be subject to adjustment.

CSIF will monitor the outcome of the discussions as these system changes could affect the assets owned by CSIF and any renewable energy power generation facilities, etc. CSIF may acquire in the future.

(Note 1) For the purposes of this report, the term "electricity transmission and distribution business operator" collectively refers to a "general electricity transmission and distribution business operator" defined in Article 2, Paragraph 1, Item 9 of the Electricity Business Act and "specified electricity transmission and distribution business operator" defined in Article 2, Paragraph 1, Item 13 of the Electricity Business Act.

(Note 2) For the purposes of this report, the term "renewable energy power generation facilities" refers to renewable energy power generation facilities (excludes facilities which fall into the category of real estate) defined 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 Renewable Energy Special Measures Act). For the purposes of this report, the term "renewable energy power generation facilities, etc." collectively refers to renewable energy power generation facilities as well as real estate, real estate leases (includes subleases) or land lease rights (hereinafter referred to as the "site, etc.") necessary to install, maintain and operate renewable energy power generation facilities. The same shall apply hereunder.

(Note 3) Even when a grid-connected business operator has implemented the preventive measures defined in the Ordinance for Enforcement of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources (METI Ordinance No. 46 of 2012, including subsequent amendments), if the amount of electricity supplied by grid-connected business operators is expected to exceed demand, output curtailment without compensation under the connection agreement may be required. The rule setting the maximum number of days of such output curtailment at 30 days a year (360 hours a year in some cases) is referred to as the "old rule" and business operators to which the old rule applies are referred to as "business operators subject to the old rule." The rule which allows designated business operators to request output curtailment without a time limit and without compensation targeting grid-connected power generation facilities operated by business operators which applied for connection once additional applications were no longer being accepted without curtailment of output in excess of the output curtailment limit under the old rule is referred to as the "designated business operator rule" and the business operators to which the designated business operator rule applies are referred to as "business operators subject to the designated business operator rule." The same shall apply hereunder.

(Note 4) The term "photovoltaic power generation facilities" refers to renewable energy power generation facilities that generate electricity using sunlight as an energy source. The same shall apply hereunder. The term "photovoltaic power generation facilities" refers to photovoltaic power generation facilities as well as their site, etc. The same shall apply hereunder.

c. Management Performance

During the previous fiscal period, CSIF acquired two facilities (total panel output (Note 1) of 3.3MW and total acquisition price (Note 2) of ¥880 million) on September 28, 2020, by using borrowings and cash on hand. As a result, CSIF held a portfolio consisting of a total panel output of 123.0MW, a total acquisition price of ¥49,400 million and a total price (Note 3) of ¥49,400 million as of the end of the previous fiscal period. During the fiscal period under review, CSIF acquired two facilities (total panel output of 60.9 MW and total acquisition price of ¥30,590 million) on March 8, 2021, using part of the proceeds from a public offering and borrowings. As a result, it held a portfolio consisting of 25 facilities with a total panel output of 183.9 MW, a total acquisition price of ¥80,000 million, and a total price of ¥79,300 million as of the end of the fiscal period under review and continued to be a large 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 ten million yen. The same shall apply hereunder.

(Note 3) "Price" shall mean the total intermediate value calculated by CSIF pursuant to paragraph 1, Article 41 of its Articles of Incorporation, using the appraised value as of December 31, 2020 and June 30, 2021, in the range stated in the valuation report obtained from PricewaterhouseCoopers Sustainability LLC. for the renewable energy power generation facilities at power plants from S-01 through S-18. The appraised value of renewable energy power generation facilities at power plants from S-19 through S-25 is the total appraised value as of December 31, 2020 and June 30, 2021, stated as the median in the valuation report obtained from EY Strategy and Consulting Co., Ltd.

d. Overview of Financing

(a) Issuance of investment corporation bonds

On January 26, 2021, CSIF issued the 1st Unsecured Investment Corporation Bonds (Green Bonds) with a total issue amount of ¥3,800 million. The estimated amount of net proceeds from the investment corporation bonds was applied in part to the early repayment of borrowings of ¥981 million from Mizuho Bank, Ltd. on March 8, 2021 and in part to the early repayment of borrowings of ¥623 million from Shinsei Bank, Limited on May 14, 2021, and was also applied in part to the early repayment of borrowings of ¥4,249 million from a loan syndicate with Shinsei Bank, Limited as arranger and MUFG Bank, Ltd. as co-arranger, together with part of the funds raised through the public offering described in "(b) Issuance of new investment units and borrowing of funds" below.

(b) Issuance of new investment units and borrowing of funds

CSIF issued new investment units of ¥18,106 million by public offering with March 5, 2021 as the payment date and borrowed funds of ¥17,000 million yen from a loan syndicate with March 8, 2021 as the execution date from Shinsei Bank, Limited, Sumitomo Mitsui Banking Corporation, and Mizuho Bank, Ltd., as arranger and MUFG Bank, Ltd. and Sumitomo Mitsui Trust Bank, Limited, as co-arranger, 2,300 million yen from Shinsei Bank, Limited, Sumitomo Mitsui Bank, and Mizuho Bank, Ltd. and used part of the funds raised through the issuance of new investment units together with the funds raised through borrowing to finance the acquisition of two photovoltaic power generation facilities acquired in the fiscal period under review and to pay related expenses.

An outline of such issuance of new investment units through public offering is as follows.

- (1) Number of new investment units offered: 151,500 units
- (2) Amount paid (issue amount): ¥119,517 per unit
- (3) Total amount paid (total issue amount): ¥18,106,825,500
- (4) Issue price (offer price): ¥125,115 per unit
- (5) Total issue price (total offer price): ¥18,954,922,500
- (6) Payment date: Friday, March 5, 2021

Part of the funds raised through the issuance of new investment units by public offering described above was combined with part of the estimated amount of net proceeds from the 1st Unsecured Investment Corporate Bonds (Green Bonds) described in "(a) Issuance of investment corporation bonds" above and applied to the early repayment of borrowings of ¥4,249 million from a loan syndicate with Shinsei Bank, Limited as arranger and MUFG Bank, Ltd. as co-arranger on May 31, 2021.

CSIF also raised ¥474 million through the issuance of new investment units through third-party allotment resolved at the same time as the issuance of new investment units described above. These funds will be kept as cash on hand and will be used to partly fund acquisitions in the event of new asset acquisitions in the future and to partly fund the repayment of borrowings.

An overview of the issuance of new investment units through third-party allotment is as follows.

- (1) Number of new investment units: 3,966 units
- (2) Amount paid (issue amount): ¥119,517 per unit
- (3) Total amount paid (total issue amount): ¥474,004,422
- (4) Payment date: Wednesday, April 7, 2021

(c) Other, status of borrowings, etc.

Due to a contractual repayment of ¥ 1,011 million at the end of the period, together with the early repayment of borrowings and new borrowing described in "(a) Issuance of investment corporation bonds" and "(b) Issuance of new investment units and borrowing of funds" described above, the amount of borrowings as of the end of the period under review came to ¥ 38,476 million. Consequently, the ratio of interest-bearing debt to total assets (ratio of interest-bearing debt to total assets at the end of fiscal period) was 51.5%.

(d) Rating

CSIF received a bond rating for its First Unsecured Investment Corporation Bonds from the following rating agency.

Rating status of CSIF as of today

Rating Agency	Rating Subject	Rating	Rating Outlook
Japan Credit Rating Agency, Ltd. (JCR)	The 1st Unsecured Investment Corporation Bond (Specified investment corporation bonds with limited inter-bond pari passu clause and for qualified institutional investors only)	A	-

CSIF received a credit rating from the following rating agency

Rating status of CSIF as of today

Rating Agency	Rating Subject	Rating	Rating Outlook
Rating and Investment Information, Inc. (R&I)	Long-term Issuer Rating	A-	Stable
Japan Credit Rating Agency, Ltd. (JCR)		A	Stable

e. Overview of Business Performance and Distributions

As a result of the management described above, the business results in the fiscal period under review included operating revenue of ¥3,425 million, operating income of ¥1,459, ordinary income of ¥1,074, and net income of ¥1,073 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 8th fiscal period is 92.3%) 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 decided to make a distribution for the fiscal period under review of ¥1,430,627,200, equivalent to 91.4% of projected NCF for the period (¥1,564,321,798), of which distribution in excess of earnings is ¥357,270,144 after deducting dividends for the period of ¥1,073,357,056. Dividend per investment unit is ¥3,700 for the fiscal period under review.

II. Outlook for the Next Fiscal Period

a. Outlook for the Future Management

When considering the outlook for the Japanese economy in the second half of FY2021, the status of COVID-19 control measures needs to be kept in mind. Japan has been slow to roll out vaccinations compared with the United States and Europe and, assuming that the pandemic drags on through 2021 at the very least, some degree of restriction on economic activity is inevitable. Provided vaccinations offer some level of protection against infectious variants, come 2022, the rollout of vaccinations and other control measures are expected to drive momentum for self-sustaining recovery around the world including Japan and the Japanese economy could recover at a rate exceeding its potential growth rate even if the Japanese government gradually withdraws its financial support.

Although the Tokyo Olympics were held as planned, they were held without spectators and a degree of skepticism also need to be maintained about the economic benefits of the games. Although the Paralympics are also expected to go ahead, these too are expected to be held without spectators like the Olympics.

Some market analysts are concerned about the fallout for the incumbent administration after it went ahead with Tokyo Olympics and Paralympics against strong public opposition. With public opinion polls also showing that support for the Suga administration has already fallen, some analysts expect the risk of political instability to increase ahead of the general election because the government foisted the games on the Japanese people. The term of office of members of the House of Representatives expires on October 21, 2021, and a general election must be held by autumn. The result of the 49th general election of members of the House of Representatives is also expected to affect the investment management environment.

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 power generation 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. Other energy sources will also be affected by whether or not output is curtailed and, if so, for how many days. The latest developments concerning the restart of nuclear power plants are as follows.

Residents in 11 prefectures, including Fukui Prefecture, filed a lawsuit against the government, claiming that the decision of the Nuclear Regulation Authority that the earthquake resistance of Units No. 3 and No. 4 at the Oi Nuclear Power Plant (Oi,

Fukui Prefecture) of Kansai Electric Power Company conformed to the new standards was wrong. The Osaka District Court ruled that the approval was illegal and rescinded the permission on December 4, 2020. The Osaka District Court stated that the decision of the Nuclear Regulation Authority was an inexcusable mistake that resulted from the omission of necessary examination based on the assumption of earthquake-level disasters. Meanwhile, the government was dissatisfied with this ruling of the Osaka District Court and appealed to the Osaka High Court on December 17, 2020, and an appeal hearing began at the Osaka High Court on June 8, 2021.

Regarding provisional dispositions and litigation related to the prohibition of nuclear power plant operation, in a lawsuit in which residents living in the area surrounding Units No. 3 and No. 4 at Genkai Nuclear Power Plant (Genkai, Saga Prefecture) of Kyushu Electric Power Company sought an injunction to halt their operation, Saga District Court gave a ruling on March 12, 2021, rejecting the plaintiffs' demands. Also, in an opposition hearing requested by Shikoku Electric Power Company (hereinafter referred to as "Shikoku Electric"), which was dissatisfied with the Hiroshima High Court's decision in January 2020 to grant a provisional disposition order to suspend Unit No. 3 of Shikoku Electric's Ikata plant (Ikata, Ehime Prefecture), the Hiroshima High Court accepted the objection and decided to revoke the provisional disposition on March 18, 2021 and it is reported that Shikoku Electric may resume operations at the end of October. Meanwhile, with respect to a request for an order of provisional disposition by residents living in Fukui Prefecture seeking an injunction to halt the operation of the Mihama, Takahama and Oi nuclear power plants (Fukui Prefecture) of Kansai Electric Power Company, Osaka District Court rejected the request on March 17, 2021. Furthermore, a ruling on a lawsuit in which residents sought to halt the operation of the Tokai No. 2 nuclear power plant (Tokai, Ibaraki Prefecture) of Japan Atomic Power Company was given by the Mito District Court on March 18, 2021 and Japan Atomic Power Company was ordered to halt operation due to a lack of well-conceived evacuation plans and a system to implement them.

Meanwhile, it was announced in August 2020 that all plans for the installation of anti-terrorism facilities known as facilities for dealing with specific severe accidents in Units No. 3 and No. 4 of the Genkai Nuclear Power Plant (Genkai, Saga Prefecture) had been approved by the Nuclear Regulation Authority. The deadlines for installation of facilities for dealing with specific severe accidents at Genkai Nuclear Power Plant are August 24, 2022 for Unit No. 3 and September 13, 2022 for Unit No. 4, and Kyushu Electric Power Company says that it will continue to work towards early completion, with safety as its first priority.

Because Prime Minister Yoshihide Suga declared the goal of achieving carbon neutrality (a decarbonized society) by 2050 (2050 Carbon Neutral Goal) at the 203rd extraordinary session of the Diet held on October 26, 2020, activities associated with this goal have been progressed. At the meeting of the Committee on the Growth Strategy (9th meeting) held on April 12, 2021, "initiatives for becoming carbon neutral by 2050" were announced by the Ministry of the Environment (MoE). The MoE said that Japan spends about ¥17 trillion yearly on fossil fuel imports and, according to MoE estimates, Japan's renewable energy potential is up to double the amount of electricity supplied, and a change of thinking was needed to position renewable energy as an "investment for future generations" rather than a "burden on the Japanese people." It concluded that "world-class investment is needed to be globally competitive" and that "government investment to prime global ESG investment (around ¥3,000 trillion) is important to realize a decarbonization domino effect." It was decided to create a "regional decarbonization roadmap" and to (i) implement nationwide priority measures that can be implemented with applicable advanced technologies and (ii) create leading model cases (domino start) by 2025, to create as many decarbonization dominos as possible nationwide by 2030, and to realize decarbonized, sustainable, resilient and vibrant regional communities by 2050. Meanwhile, the Ministry of Economy, Trade and Industry (METI) gave an update (interim report) on its consideration of "Green Growth Strategy Through Achieving Carbon Neutrality in 2050." The report stated that "this year has been a game changer, with research and development policies and economic policies starting to shift. To accelerate this trend, Japan will give further shape to these developments and further increase the possibility of realizing a carbon neutral society in 2050, including looking to achieve the 2030 emissions reduction target. According to the report analysis, "(i) the essence of carbon neutral lies in the transformation of behaviors of companies and people which will change society, and (ii) the transformation of behaviors will cause both providers and users of technology to change the way in which technologies are used and connected and will trigger a spiral of innovation."

METI presented a rough draft of Japan's Sixth Strategic Energy Policy at 46th meeting of the Strategic Policy Committee under the Advisory Committee for Natural Resources and Energy on July 21, 2021, in preparation to amend the Strategic Energy Plan, which provides a medium-to-long term direction for Japan's energy policies. According to materials summarizing the content, the rough draft indicates the direction of energy policies for achievement of carbon neutrality by 2050 (goal declared in October 2020) along with the new target of reducing greenhouse gas emissions by 46% by 2030 and trying to push the reduction as high as 50% (targets declared in April 2021). It positioned "overcoming issues in Japan's energy supply-and-demand structure" as an important theme and committed to maximizing efforts to realize Japan's goal of "S+3E" (the conventional three E's of energy security, economic efficiency, and environmental protection, plus safety).

The rough draft states that that a crucial part of energy policies for 2030 is to ensure, with “S+3E” as the basic premise, that renewables become a major power source and to focus on renewables as an overriding principle, encouraging maximum adoption whilst reducing the impact on Japanese people and seeking co-existence with local communities. It goes on to list as specific initiatives (i) ensuring renewables are developed in the right places, coexisting with local communities, (ii) tightening project discipline, (iii) reducing costs and integrating renewables into the energy market, (iv) overcoming grid constraints, (v) rationalizing regulation and (vi) promoting the development of technologies.

The ambitious new power-source composition for 2030 would be 36-38% for renewable energies (up from 22-24% in the current projected mix), 20-22% for nuclear power (unchanged), 20% for LNG (down from 27%); 19% for coal (down from 26%), and 2% for oil (down from 3%). The renewable energy mix would be 15% for solar power, 6% for wind power, 1% for geothermal power, 10% for hydroelectric power, and 5 % for biomass.

Regarding producer-side charges, as described in “b. Investment Environment” under “I. Overview of the Fiscal Period under Review” above, at a meeting of the Investment Subcommittee on the Large-volume Introduction of the Renewable Energy and Next Generation Electric Network held in May 2021, discussions on adjustments for FIT energy sources were resumed. Details of adjustments for projects which have already been approved are expected to be determined by the end of FY2021, based on discussions with those concerned including photovoltaic power generation business operators.

As described in described in “b. Investment Environment” under “I. Overview of the Fiscal Period under Review” above, details of the 2020 Amendment to the Renewable Energy Special Measures Act, such as the FIP system, system for nullifying approvals and reserve of decommissioning costs for solar power generation facilities to be introduced under the Act, are currently under consideration in anticipation of enactment of the amended Act in April 2022.

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.

Meanwhile, Canadian Solar Inc., one of the world's largest solar power companies and CSIF's Sponsor, has partnered with Macquarie Advisory & Capital Solutions (hereinafter referred to as "Macquarie"), the advisory and capital markets arm of the Macquarie Group ((ASX:MQG) to establish Japan Green Infrastructure Fund (hereinafter referred to as the "Fund"), which will invest in renewable energy power generation facilities, etc., in Japan. The Fund has secured ¥22 billion of committed capital from investors including Canadian Solar Inc. and Macquarie. This capital will be used to develop, build and accumulate new renewable energy power generation facilities, etc. in Japan. The Fund aims to catalyze large-scale investments within its six-year fund term. It will indirectly invest in renewable energy power generation facilities, etc. developed and operated by Canadian Solar Inc., CSIF's Sponsor, by holding a silent partnership equity interest (hereinafter referred to as the "Silent Partnership Equity Interest") in SPCs of the Sponsor Group which own said renewable energy power generation facilities, etc. These renewable energy power generation facilities, etc. will be subject to the preferential trading negotiation right granted to CSIF and the Asset Manager by the Sponsor in accordance with the Sponsor Support Agreement executed between CSIF, the Asset Manager and the Sponsor. In addition to said preferential trading negotiation right granted under the Sponsor Support Agreement, CSIF and the Asset Manager have also acquired a preferential trading negotiation right in relation to the Silent Partnership Equity Interest held by the Fund in accordance with an Agreement Concerning Granting of Preferential Negotiation Right executed on March 30, 2021 between CSIF, the Asset Manager and Green Infrastructure Fund Pte. Ltd., which is the General Partner of the Fund. CSIF believes that establishment of the Fund will accelerate the development of projects by the Sponsor, thereby enhancing the sponsor pipeline and opening up further opportunities for CSIF.

(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 shall apply hereunder.

(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.

In response to the output curtailment implemented by Kyushu Electric Power described in “b. Investment Environment” under “I. Overview of the Fiscal Period under Review” above, CSIF performed construction for online output curtailment (output curtailment of photovoltaic power generation facilities with a remote output controller installed; the same will apply below) of CS Mashiki-machi Power Plant, an asset in its portfolio. While CS Mashiki-machi Power Plant is subject to the 30-day rule for output curtailment, the above construction in September 2020 required for online output curtailment allows a shift from the previous all-day curtailment to hourly curtailment and reduction of a decrease in lease revenue caused by output curtailment. In addition, curtailment within a day is counted as one day regardless of the duration, which allows the power plant to respond to output curtailment during peak demand for electricity while complying with the 30-day rule. During the fiscal period under review, further progress was made, with CS Minami Shimabara-shi Power Plant (East), CS Minami Shimabara-shi Power Plant (West) CS Shibushicho Power Plant all shifting to online output curtailment. All photovoltaic power plants in Kyushu, with the exception of CS Hiji-machi Dai-ni Power Plant, are expected to have shifted to online output curtailment by the end of the next fiscal period (CS Hiji-machi Dai-ni Power Plant is expected to shift to online output curtailment around spring 2023).

As part of its activities related to the Principles for Responsible Investment (UN PRI), the Asset Manager signed the UN PRI on August 13, 2019, and established the Approach to the Principles for Responsible Investment at the end of December 2020 as the basic ESG policy of the Asset Manager. CSIF obtained the following evaluation from the Japan Credit Rating Agency, Ltd. (JCR) regarding the green finance framework in order to apply for external certification and assessment for its ESG.

Date of Evaluation	Evaluating Agency	Evaluation	
May 11, 2020	Japan Credit Rating Agency, Ltd.(JCR)	Overall	Green 1 (F)
		Greenness (use of proceeds)	g 1 (F)
		Management, Operation and Transparency	m 1 (F)

(Note) “O&M” is an abbreviation of Operation & Maintenance. The same shall apply hereunder.

Starting from the fiscal period under review, CSIF has gradually concluded specified wholesale supplying agreements with respect to its assets, concluding an agreement with Zero Watt Power Inc. for CS Izu-shi Power Plant, CS Ōgawara-machi Power Plant. and CS Daisen-cho Power Plant (A.B) and an agreement with Minna-Denryoku, Inc. for CS Marumori-machi Power Plant, thereby contributing to the sale of clean renewable energy produced at each power plant. CSIF plans to conclude similar agreements for CS Mashiki-machi Power Plant and CS Hiji-machi Dai-ni Power Plant next fiscal period.

(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

Forecast of management status for the fiscal period ending December 31, 2021 (July 1, 2021 to December 31, 2021), the fiscal period ending June 30, 2022 (January 1, 2022 to June 30, 2022) and the fiscal period ending December 31, 2022 (July 1, 2022 to December 31, 2022) is as follows. For details of the assumptions underlying the forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 31, 2021 (July 1, 2021 to December 31, 2021), the fiscal period ending June 30, 2022 (January 1, 2022 to June 30, 2022) and the fiscal period ending December 31, 2022 (July 1, 2022 to December 31, 2022) described on or after page xx below.

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
	million yen	million yen	million yen	million yen	yen	yen	yen
Fiscal period ending Dec. 2021	3,740	1,471	1,246	1,245	3,222	528	3,750
Fiscal period ending Jun. 2022	3,704	1,391	1,174	1,173	3,036	714	3,750
Fiscal period ending Dec. 2022	3,722	1,405	1,187	1,187	3,070	680	3,750

III Facts arising after the settlement of accounts

Not applicable

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 31, 2021 (July 1, 2021 to December 31, 2021), Fiscal Period Ending June 30, 2022 (January 1, 2022 to June 30, 2022) and Fiscal Period Ending December 31, 2022 (July 1, 2022 to December 31, 2022)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> • 9th fiscal period :from July 1, 2021 to December 31, 2021 (184 days) • 10th fiscal period :from January 1, 2022 to June 30, 2022 (181 days) • 11th fiscal period :from July 1, 2022 to December 31, 2022 (184 days)
Portfolio	<ul style="list-style-type: none"> • Assumption is that CSIF has 25 photovoltaic power generation facilities, etc. that CSIF had at the end of June 2021.(hereinafter referred to as the "Assets in Possession"). • These forecasts are based on the assumption that there shall have been no changes in the composition of CSIF's portfolio (such as acquisition of new assets and dispositions of Projects Held, etc.) until the end of the 11th fiscal period, December 31, 2022. • CSIF's portfolio may change, however, due to the acquisition of new assets other than the Additional Projects or disposal of the Projects Held, among other cases.
Operating revenues	<ul style="list-style-type: none"> • The lease agreements of the solar energy projects that CSIF intends to acquire will become effective as of the acquisition date. CSIF's leasing structure for its solar energy projects will be comprised of basic rent and variable rent as follows. Revenue forecasts for the 9th, 10th and 11th fiscal periods are ¥3,740 million, ¥3,704 million and ¥3,722 million, respectively. <ul style="list-style-type: none"> a) Basic rent for each solar energy project that CSIF intends to acquire is calculated as follows: $\text{Monthly projected energy output (P50)} \times (100-Y)\% \times 70\% \times \text{FIT purchase price}$ Monthly projected energy output (P50) (Note 1) (Note 2) 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 Canadian Solar Asset Management K.K., the asset manager of CSIF (the "Asset Manager") received from E&E Solutions Inc. Monthly projected energy output (P50) x (100-Y) % (Note 3) represents the amount after deduction of fees CSIF pays to the operators and fees regarding management of the lessee. b) Variable rents for each solar energy project that CSIF intends to acquire is calculated as follows: $\text{Monthly actual energy output} \times (100-Y) \% \times \text{FIT purchase price} - \text{basic rent}$ 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. (*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. The same applies hereinafter. (*Note 2) The calculation of the Acquired Projects during 8th period is based on the estimated monthly power generation (P50) presented in the Technical Report, after deducting the rate of output curtailment from third party research firm. (Note 3) Y represents the value for management costs of the lessees and operator remuneration fees. The value of Y will vary for Acquired Projects and Additional Projects. • Forecasted figures herein have been based on a projected energy output (P50) and are not guaranteed nor do they reflect the actual energy output, which will vary depending on the level of solar irradiation. • CSIF has assumed no cancellations of the lease agreements or delinquencies or non-payment of rents by lessees. • CSIF has assumed that the current lease agreements will be renewed on equal terms under these agreements.

Item	Assumptions
Operating expenses	<ul style="list-style-type: none"> • Among the operating expenses of the Assets in Possession, operating expenses other than depreciation costs have been accounted for based on past figures for Acquired Projects and figures provided by each owner at the time of acquisition of Additional Projects and estimates from subcontractors, etc., taking into account variables. Such costs for the 9th, 10th and 11th fiscal periods are assumed to be ¥816million, ¥857million and ¥855million, respectively. • Of the expenses for the lease of the Assets in Possession, Property-related taxes are assumed to be ¥4million, ¥5million and ¥6million for the 9th, 10th and 11th fiscal periods, respectively. • Periodic payment of repair and maintenance costs based on the figures provided in the technical reports and the Asset Manager's estimate have been taken into account. However, these figures are subject to revisions as the actual figures can vary significantly depending on the operating period and are paid in irregular intervals, in addition to any instances where unexpected repairs are required. • CSIF expects to pay be ¥225million, ¥225million and ¥225million for the 9th, 10th and 11th fiscal periods, respectively, as O&M fees. • CSIF assumed it will incur expenses related to land lease in the amounts of ¥61million, ¥61million and ¥61million for the 9th, 10th and 11th fiscal periods, respectively, in connection with the Assets in Possession. • CSIF has assumed that it will incur depreciation expenses, including certain ancillary expenses of ¥1,453million, ¥1,454million and ¥1,462million for the 9th, 10th and 11th fiscal periods, respectively. These figures are calculated using the straight-line method.
Non-operating expenses	<ul style="list-style-type: none"> • CSIF has assumed interest expenses, interests on investment corporation bonds and other borrowing-related expenses of ¥225million, ¥217million and ¥217million for the 9th, 10th and 11th fiscal periods, respectively.
Borrowings	<ul style="list-style-type: none"> • CSIF's balance of interest-bearing debt totals ¥43,376million (borrowings and investment corporation bonds) as of today. • CSIF anticipates that its LTV (loan-to-value) ratio will be approximately 51.39%, 50.89% and 48.88% as of the end of for the 9th, 10th and 11th fiscal periods, respectively • CSIF calculates LTV using the following formula. $LTV = \text{Total interest-bearing debt} / \text{Total assets} \times 100$
Number of investment units	<ul style="list-style-type: none"> • The assumption that CSIF uses is the total number of investment units issued and outstanding as of the date of this document, which is 386,656 units. • CSIF has assumed that there will be no changes to the number of units issued and outstanding resulting from the issuance of additional investment units, etc., until the end of the 11th fiscal period ending December 30, 2022 • 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 386,656 units.
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> • Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy prescribed in CSIF's Articles of Incorporation. • Changes in lessees, fluctuations in rental revenues due to changes in lease agreements, fluctuations in energy output, unforeseeable repair and maintenance expenses incurred and other factors may lead to changes in the amount of distributions per unit (excluding distributions in excess of earnings).
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> • Distributions in excess of earnings per unit will 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 to its unitholders for each fiscal period using cash flow generated by the renewable energy projects (the "Free Cash Flow" or "FCF") (Note 1). The amount available for distribution shall be calculated by multiplying FCF less any amount payable to debt investors (the "Net Cash Flow", or "NCF". CSIF will incorporate the total amount of net cash flow remaining after deduction of distributions from the preceding fiscal periods in calculating the net cash flow) (Note 2) with 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 such policy.

Item	Assumptions
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> • CSIF intends to maintain distributions per unit including distributions in excess of earnings in the 9th fiscal periods around ¥3,750. Distributions in excess of earnings are assumed to be ¥528 in the 9th period. Distributions per unit including distributions in excess of earnings in the 10th period and in the 11th period are also ¥3,750. Distributions in excess of earnings are assumed to be ¥714 in the 10th period and ¥680 in the 11th period. Distributions including distributions in excess of earnings shall be calculated by multiplying anticipated NCF at the beginning of each period with certain fixed rate. The rate is to be decided considering related anticipated NCF at the beginning of each period, and is assumed to be 82.3% in the 9th fiscal period. • Taking the economic environment, market environment of renewable energy power plant business and financial condition of CSIF, etc. into account, CSIF can choose not to make distributions in excess of earnings in order to spend for repair and capital expenditure, repay the borrowings, apply to a new asset acquisition and acquire own investment units, etc. • Since distributions in excess of earnings accompany decrease of a cash position, the possibility of shortages of a cash position and the financial restriction for a swift assets acquisition can occur when CSIF needs to spend for capital expenditure more than estimated because of unexpected events. <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) for the applicable period: Free Cash Flow minus interest payments related to interest-bearing debt and repayments of interest-bearing debt for the relevant fiscal period plus total amount of net cash flow remaining after deduction of distributions from the preceding fiscal periods.</p>
Others	<ul style="list-style-type: none"> • CSIF has assumed that no revisions that will impact the above projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, among others. • CSIF has assumed that no unforeseeable significant changes will occur in general economic trends or conditions in the solar energy facility market and the real estate market.

(2) Risk of Investment

Disclosure is omitted because there have been no significant changes from the description in the latest securities report (submitted on March 30, 2021 including subsequent amendments.)

2. Financial Statement

(1) Balance Sheet

	(Unit : thousand yen)	
	7th Period (December 31, 2020)	8th Period (June 30, 2021)
Assets		
Current Assets		
Cash and bank deposit	2,828,532	4,611,954
Operating accounts receivable	362,206	1,006,913
Account receivable	-	75,459
Prepaid expenses	155,628	135,464
Consumption taxes receivable	26,241	2,511,791
Other current assets	2,130	10,200
Total current assets	3,374,740	8,351,783
Fixed Assets		
Property and equipment		
Structures	1,043,042	1,048,112
Accumulated depreciation	(106,526)	(128,066)
Structures, net	936,515	920,046
Machinery and equipment	*2 42,426,996	42,436,866
Accumulated depreciation	(4,716,860)	(5,589,346)
Machinery and equipment, net	37,710,136	36,847,519
Tools, furniture and fixtures	590,418	590,890
Accumulated depreciation	(66,933)	(78,859)
Tools, furniture and fixtures, net	523,485	512,031
Land	4,485,144	4,505,944
Construction in progress	17,017	6,380
Structures in trust	33,071	6,559,095
Accumulated depreciation	(341)	(77,626)
Structures in trust, net	32,729	6,481,469
Machinery and equipment in trust	776,471	20,260,404
Accumulated depreciation	(8,017)	(281,261)
Machinery and equipment in trust, net	768,453	19,979,143
Tools, furniture and fixtures in trust	3,204	93,540
Accumulated depreciation	(33)	(1,276)
Tools, furniture and fixtures in trust, net	3,171	92,264
Land in trust	116,748	4,771,145
Total property and equipment	44,593,402	74,115,945
Intangible assets		
Leasehold rights	753,139	1,156,098
Software	1,566	1,173
Total intangible assets	754,706	1,157,272
Investments and other assets		
Long-term prepaid expenses	269,287	597,402
Investment in capital	-	10
Deferred tax assets	13	12
Long-term bank deposit	15,600	15,600
Guarantee deposits	37,790	37,790
Total investment and other assets	322,690	650,815
Total fixed assets	45,670,799	75,924,033
Deferred Assets		
Investment corporation bond issuance cost	6,776	23,261
Total deferred assets	6,776	23,261
Total assets	49,052,315	84,299,078
Liabilities		
Current liabilities		
Accounts payable – operating	67,910	79,837
Current portion of long-term loans payable	6,517,867	2,270,023
Accounts payable – other	109,145	298,657
Accrued expenses	102,519	112,830
Income taxes payable	879	860
Consumption tax payable	33,948	23,959
Deposits received	3,085	15,090
Total current liabilities	6,835,355	2,801,259
Non-current liabilities		
Investment corporation bond	1,100,000	4,900,000
Long-term loan payable	19,524,374	36,206,482
Total non-current liabilities	20,624,374	41,106,482
Total liabilities	27,459,730	43,907,741
Net assets		
Unitholders' equity		
Unit holders' capital	22,050,175	40,631,004
Deduction from unitholders' capital	(1,174,155)	(1,313,100)
Unitholders' capital (net value)	20,876,019	39,317,904

Surplus		
Unappropriated retained earnings (Accumulated deficit)	716,565	1,073,432
Total surplus	716,565	1,073,432
Total unitholders' equity	21,592,585	40,391,337
Total net assets	*1 21,592,585	*1 40,391,337
Total liabilities and net assets	49,052,315	84,299,078

(2) Statement of Income

(Unit: thousand yen)

	7th period (from July 1, 2020 to December 31, 2020)	8th period (from January 1, 2021 to June 30, 2021)
Operating revenues		
Rental revenues of renewable energy power generation facilities, etc.	* ¹ 2,413,625	* ¹ 3,425,186
Total operating revenues	2,413,625	3,425,186
Operating expenses		
Rental expenses of renewable energy power generation facilities, etc.	* ¹ 1,409,487	* ¹ 1,781,479
Asset management fee	61,062	88,086
Administrative service fees	18,994	23,437
Director's compensation	2,400	2,400
Taxes and duties	436	2,204
Other operating expenses	62,912	68,534
Total operating expenses	1,555,292	1,966,142
Operating income or loss	858,332	1,459,043
Non-operating incomes		
Interest income	14	35
Dividends	-	0
Insurance income	1,219	79,272
Interest on refund	-	33
Other non-operating income	* ² 35,501	* ² 11,615
Total non-operating income	36,735	90,957
Non-operating expenses		
Interest expenses	111,324	147,299
Interest on investment corporation bond	3,937	16,782
Amortization of Investment corporation bond issuance cost	879	2,514
Borrowing-related expenses	56,792	212,847
Investment unit issuance costs		72,734
Loss on retirement of non-current assets	4,787	23,630
Total non-operating expenses	177,721	475,809
Ordinary income	717,346	1,074,191
Income before income taxes	717,346	1,074,191
Income taxes - current	881	866
Income tax - deferred	2	0
Total income taxes	883	867
Net income	716,462	1,073,324
Retained earnings (deficit) brought forward	103	108
Unappropriated retained earnings (Accumulated deficit)	716,565	1,073,432

(3) Statements of Changes in Unitholders' Equity

7th Fiscal Period (From July 1, 2020 to December 31, 2020)

(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, 2020	22,050,175	(1,010,472)	21,039,702	691,823	691,823	21,731,525	21,731,525
Changes of items during the period							
Distribution in excess of earnings	-	(163,682)	(163,682)	-	-	(163,682)	(163,682)
Dividend of surplus	-	-	-	(691,720)	(691,720)	(691,720)	(691,720)
Net Income	-	-	-	716,462	716,462	716,462	716,462
Total changes of items during the period	-	(163,682)	(163,682)	24,742	24,742	(138,940)	(138,940)
Balance as of December 31, 2020	*1 22,050,175	(1,174,155)	20,876,019	716,565	716,565	21,592,585	21,592,585

8th Fiscal Period (From January 1, 2021 to June 30, 2021)

(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, 2021	22,050,175	(1,174,155)	20,876,019	716,565	716,565	21,592,585	21,592,585
Changes of items during the period							
Issuance of new investment units	18,580,829	-	18,580,829	-	-	18,580,829	18,580,829
Distribution in excess of earnings	-	(138,945)	(138,945)	-	-	(138,945)	(138,945)
Dividend of surplus	-	-	-	(716,457)	(716,457)	(716,457)	(716,457)
Net Income	-	-	-	1,073,324	1,073,324	1,073,324	1,073,324
Total changes of items during the period	18,580,829	(138,945)	18,441,884	356,866	356,866	18,798,751	18,798,751
Balance as of June 30, 2021	*1 40,631,004	(1,313,100)	39,317,904	1,073,432	1,073,432	40,391,337	40,391,337

(4) Statements of Cash Distribution

	Fiscal Period under Review (From July 1, 2020 to December 31, 2020) Unit: Yen	Fiscal Period under Review (From January 1, 2021 to June 30, 2021) Unit: Yen
I Unappropriated retained earnings (accumulated deficit)	716,565,873	1,073,432,803
II Distributions in excess of retained earnings Deduction from unitholders' capital	138,945,190	357,270,144
III Cash distributions	855,403,000	1,430,627,200
(Cash distributions per unit)	(3,700)	(3,700)
Profit distributions	716,457,810	1,073,357,056
(Profit distributions per unit)	(3,099)	(2,776)
Distributions in excess of retained earnings	138,945,190	357,270,144
(Distributions in excess of retained earnings)	(601)	(924)
IV. Retained earnings (deficit) carried forward	108,063	75,747
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 ¥716,457,810 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥716,565,873 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 ¥138,945,190 which is equivalent to 15.2% of the amount of depreciation expenses recorded for the fiscal period under review of ¥914,309,028.</p> <p>Accordingly, the distribution per unit is ¥3,700.</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 ¥1,073,357,056 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥1,073,432,803 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 ¥357,270,144 which is equivalent to 28.4% of the amount of depreciation expenses recorded for the fiscal period under review of ¥1,258,689,411.</p> <p>Accordingly, the distribution per unit is ¥3,700.</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 ¥855,403,000 which is equivalent to 89.0% of forecast NCF amount for the previous fiscal period under review of ¥960,272,000. Of this, ¥138,945,190 which is the amount less of distributions of profit of ¥716,457,810 is distributions in excess of retained earnings.

Based on this policy, CSIF decided to make distributions for the current fiscal period of ¥1,430,627,200 which is equivalent to 91.4% of forecast NCF amount for the current fiscal period under review of ¥1,564,321,798. Of this, ¥357,270,144 which is the amount less of distributions of profit of ¥1,073,357,056 is distributions in excess of retained earnings.

(5) Statement of Cash Flow

(unit: thousand yen)

	7th period (From July 1, 2020 to December 31, 2020)	8th period (From January 1, 2021 to June 30, 2021)
Cash flows from operating activities		
Income (Loss) before income taxes	717,346	1,074,191
Depreciation costs	914,309	1,258,689
Investment unit issuance costs	-	72,734
Amortization of investment corporation bond issuance costs	879	2,514
Interest income and dividends	(14)	(35)
Interest expenses	115,261	164,082
Other non-operating income	(35,501)	-
Loss on retirement of non-current assets	4,787	23,630
Decrease (Increase) in operating accounts receivable	115,770	(644,706)
Decrease (Increase) in accounts receivable	-	(75,459)
Decrease (Increase) in consumption taxes receivable	(26,241)	(2,468,252)
Decrease (Increase) in consumption taxes payable	(169,743)	(9,989)
Decrease (Increase) in prepaid expenses	(45,710)	18,744
Decrease (Increase) in long-term prepaid expenses	15,137	(336,693)
Increase (Decrease) in operating accounts payable	37,951	(12,894)
Increase (Decrease) in accounts payable - other	30,490	16,916
Increase (Decrease) in accrued expenses	(53,510)	(2,242)
Other, net	2,453	3,935
Sub-total	1,623,665	(914,834)
Interest received	14	35
Interest paid	(114,642)	(151,529)
Income taxes paid	(925)	(885)
Net cash provided by (used in) operating activities	1,508,112	(1,067,212)
Cash flows from investing activities		
Deposit into fixed deposits	(7,800)	-
Purchases of property and equipment	*1 (646,543)	*1 (30,614,353)
Purchase of property and equipment	-	(402,959)
Purchase of intangible assets	-	(10)
Net cash provided by (used in) investing activities	(654,343)	(31,017,322)
Cash flows from financing activities		
Proceeds from long-term loans payable	1,000,000	19,300,000
Repayment of long-term loans payable	(789,671)	(6,865,735)
Proceeds from investment corporation bond issuance	-	3,800,000
Payment of investment corporate bond issuance costs	-	(19,000)
Proceeds from issuance of investment units	-	18,580,829
Payment of investment units issuance costs	-	(72,734)
Dividends paid	(691,720)	(716,457)
Surplus earning distribution paid	(163,682)	(138,945)
Net cash provided by (used in) financing activities	(645,074)	33,867,956
Net increase (decrease) in cash and cash equivalents	208,694	1,783,421
Cash and cash equivalents at the beginning of the fiscal period	2,619,838	2,828,532
Cash and cash equivalents at the end of the fiscal period	*2 2,828,532	*2 4,611,954

(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:</p> <ul style="list-style-type: none">Structures..... 22 - 25 yearsMachinery and equipment..... 22 - 25 yearsTools, furniture and fixtures..... 22 - 25 yearsStructures in trust 24 - 30 yearsMachinery and equipment in trust..... 24 - 25 yearsTools, furniture and fixtures in trust..... 24 - 25 years <p>(2) Intangible assets The straight-line method is adopted. In addition, the useful life is as shown below:</p> <ul style="list-style-type: none">Software..... 5 years <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> <p>(2) Investment units issuance expenses Expensed as incurred.</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 140,493 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:</p> <ul style="list-style-type: none">•Hedging instruments.....Interest rate swap transaction•Hedged items....Interest rate on loans <p>(3) Policy for hedging CSIF conducts derivative transactions to hedge risks as set forth in the CSIF’s Articles of Incorporation according to the rules for risk management.</p> <p>(4) Method of evaluation of effectiveness of hedging The interest rate swap meets the requirements for special treatment, and thus the evaluation of effectiveness is omitted.</p>

<p>6. Other significant matters serving as the basis for preparation of financial statements</p>	<p>(1) Accounting treatment with regard to trust beneficiary interest in real estate</p> <p>With regards to trust beneficial interest in equipment of renewable energy power plants, all assets and liabilities within entrusted assets as well as all revenue and expense items which occur to entrusted assets are recorded as the respective account titles on the balance sheet and statements of income. The following important account titles among the entrusted assets which are recorded as the respective account titles are separately indicated on the balance sheet:</p> <p>Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust.</p> <p>(2) Accounting for Consumption tax</p> <p>Consumption tax and local consumption tax are excluded from the corresponding transaction amount.</p>
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(8) Notes regarding financial statements

[NOTES TO BALANCE SHEET]

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

(Unit: thousand yen)

	As of December 31, 2020	As of June 30, 2021
	50,000	50,000

*2. JPY amount of a decrease in acquisition price for machine and equipment of S-13 CS Mashiki-machi PV Power Plant

(Unit: thousand yen)

	As of December 31, 2020	As of June 30, 2021
	332,606	-

[NOTES TO STATEMENT OF INCOME]

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

(Unit: thousand yen)

	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021
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)	1,698,289	2,369,477
(Variable rent linked to actual output)	715,325	1,055,618
(Incidental income)	11	89
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	2,413,625	3,425,186
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)	191,463	228,743
(Repair and maintenance costs)	8,585	17,289
(Taxes and duties)	223,744	195,754
(Utilities expenses)	-	3,505
(Insurance expenses)	24,676	20,478
(Depreciation expenses)	913,915	1,258,296
(Land rent)	46,502	52,686
(Trust fees)	600	4,700
(Other rental expenses)	-	24
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	1,409,487	1,781,479
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	1,004,138	1,643,706

*2 JPY Amount of reversal of accumulated depreciation corresponding to a decrease in acquisition price for S-13 CS Mashiki-machi PV Power Plant

(Unit: thousand yen)

	As of December 31, 2020	As of June 30, 2021
	35,478	-

[NOTES TO STATEMENT OF CHANGES IN NET ASSETS]

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

	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	231,190 units	386,656 units

[NOTES TO STATEMENT OF CASH FLOWS]

*1 Breakdown of purchases of property and equipment

(Unit: thousand yen)

	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021
Consideration of property and equipment purchased for the fiscal period ending June 30, 2021	(980,537)	(30,614,353)
Refund of a part of consideration of property and equipment purchased before the previous fiscal period	(333,993)	-
Purchases of property and equipment	(646,543)	(30,614,353)

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

(Unit: thousand yen)

	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021
Cash and deposits	2,828,532	4,611,954
Fixed term deposits exceeding 3 months	-	-
Cash and cash equivalents	2,828,532	4,611,954

[NOTES ON LEASE TRANSACTIONS]

Operating lease (as the lessor)

Future minimum lease payments

(Unit: thousand yen)

	Fiscal period ended December 31, 2020	Fiscal period ended June 30, 2021
Within one year	3,367,129	5,225,472
Longer than one year	49,423,243	77,545,167
Total	52,790,373	82,770,639

[NOTES ON FINANCIAL INSTRUMENTS]

1. Situation of financial instruments

(1) Policy for financial instruments

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

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

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

(3) Supplementary explanation on fair value of financial instruments

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

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of December 31, 2020, 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	2,828,532	2,828,532	-
(2) Operating accounts receivable	362,206	362,206	-
(3) Long-term deposits	15,600	15,600	-
Total assets	3,206,339	3,206,339	-
(4) Current portion of long-term loans payable	6,517,867	6,509,162	(8,704)
(5) Long-term loans payable	19,524,374	19,684,965	160,591
(6) Investment corporation bond	1,100,000	1,088,120	(11,880)
Total liabilities	27,142,241	27,280,052	140,006
(7) Derivative transaction	-	-	-

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

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

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

(3) Long-term deposits

These financial instruments are fixed deposits and there is no significant fluctuation between estimated interest rates upon new deposit and engaged rates of interest and their fair market values approximate their book values. Therefore, the book values are used as the values.

(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) Investment Corporation Bond

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

(7) Derivative transaction

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

The table below shows the book value and fair values of financial instruments as of June 30, 2021, 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	4,611,954	4,611,954	-
(2) Operating accounts receivable	1,006,913	1,006,913	-
(3) Long-term deposits	15,600	15,600	-
Total assets	5,634,467	5,634,467	-
(4) Current portion of long-term loans payable	2,270,023	2,271,482	1,459
(5) Long-term loans payable	36,206,482	36,370,362	163,879
(6) Investment corporation bond	4,900,000	4,889,550	(10,450)
Total liabilities	43,376,505	43,531,378	154,889
(7) Derivative transaction	-	-	-

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

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

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

(3) Long-term deposits

These financial instruments are fixed deposits and there is no significant fluctuation between estimated interest rates upon new deposit and engaged rates of interest and their fair market values approximate their book values. Therefore, the book values are used as the values.

(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) Investment Corporation Bond

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

(7) Derivative transaction

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

(Note 2) Scheduled redemption amounts of monetary receivables after the closing date (December 31, 2020)

(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	2,828,532	-	-	-	-	-
(2) Operating accounts receivable	362,206	-	-	-	-	-
(3) Long-term deposits	-	-	15,600	-	-	-
Total	3,190,739	-	15,600	-	-	-

Scheduled redemption amounts of monetary receivables after the closing date (June 30, 2021)

(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	4,611,954	-	-	-	-	-
(2) Operating accounts receivable	1,006,913	-	-	-	-	-
(3) Long-term deposits	-	-	15,600	-	-	-
Total	5,618,867	-	15,600	-	-	-

(Note 3) Scheduled redemption amount of loans payables after the closing date (December 31, 2020)

(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	6,517,867	-	-	-	-	-
(5) Long-term loans payable	-	1,860,238	1,292,889	1,254,936	1,291,266	13,825,044
(6) Investment corporation bond	-	-	-	1,100,000	-	-
Total	6,517,867	1,860,238	1,292,889	2,354,936	1,292,266	13,825,044

Scheduled redemption amount of loans payables after the closing date (June 30, 2021)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(4) Current portion of long-term loans payable	2,270,023	-	-	-	-	-
(5) Long-term loans payable	-	4,561,543	2,267,295	2,206,896	2,301,459	24,869,286
(6) Investment corporation bond	-	-	-	1,100,000	3,800,000	-
Total	2,270,023	4,561,543	2,267,295	3,306,896	6,101,459	24,869,286

[NOTES ON SECURITIES]

Prior fiscal period (as of December 31, 2020)

Not applicable.

Current fiscal period (as of June 30, 2021)

Not applicable.

[NOTES ON DERIVATIVE TRANSACTIONS]

1. Those to which hedge accounting is not applied

Prior fiscal period (as of December 31, 2020) and Current fiscal period (as of June 30, 2021)

Not applicable.

Prior fiscal period (as of December 31, 2020)

(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	20,187,606	18,939,441	(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”

Current fiscal period (as of June 30, 2021)

(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	36,176,505	33,906,482	(Note)	-

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

[NOTES ON RETIREMENT BENEFITS]

Prior fiscal period (as of December 31, 2020)

Not applicable.

Current fiscal period (as of June 30, 2021)

Not applicable.

[NOTES ON TAX EFFECT ACCOUNTING]

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

(Unit: thousand yen)

	Fiscal period ended December 31, 2020	Fiscal period ended June 30, 2021
Accrued business tax not deductible from taxable income	13	12
Total deferred tax assets	13	12
Net amount of deferred tax assets	13	12

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

	Fiscal period ended December 31, 2020	Fiscal period ended June 30, 2021
Effective statutory tax rate	31.46%	31.46%
(Adjustment)		
Dividends paid deductible for tax purpose	(31.42)%	(31.44)%
Others	0.08%	0.06%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.12%	0.08%

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

Prior fiscal period (from July 1, 2020 to December 31, 2020)

Not applicable.

Current fiscal period (from January 1, 2021 to June 30, 2021)

Not applicable.

[NOTES ON RELATED PARTY TRANSACTIONS]

Prior fiscal period (from July 1, 2020 to December 31, 2020)

Not applicable.

Current fiscal period (from January 1, 2021 to June 30, 2021)

Not applicable.

[NOTES ON ASSET RETIREMENT OBLIGATIONS]

Prior fiscal period (from July 1, 2020 to December 31, 2020)

Not applicable.

Current fiscal period (from January 1, 2021 to June 30, 2021)

Not applicable.

[NOTES ON INVESTMENT AND RENTAL PROPERTY]

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

(Unit: thousand yen)

	Fiscal period ended December 31, 2020	Fiscal period ended June 30, 2021
Book value (Note 2)		
Beginning balance	45,572,640	45,329,524
Change during the period (Note 3)	(243,115)	29,936,139
Ending balance	45,329,524	75,265,664
Fair value at the end of the period (Note 4)	48,890,000	79,037,000

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

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

(Note 3) The change during the period ended December 31, 2020 primarily consisted of the increase due to acquisition of two photovoltaic power generation facilities (929,496 thousand yen), and the decrease due to depreciation expenses (913,915 thousand yen). And the change during the period ended June 30, 2021 primarily consisted of the increase due to acquisition of two photovoltaic power generation facilities (31,110,809 thousand yen), and the decrease due to depreciation expenses (1,258,296 thousand yen).

(Note 4) The fair value is the total sum of the median amount that we calculated according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation on the basis of the appraised value in the range stated in the valuation report with the date of the value opinion on December 31, 2020 and June 30, 2021, which was obtained from PricewaterhouseCoopers Sustainability LLC (for S-01 to S-18). And, the fair value is the total sum of the median amount on the basis of the appraised value stated in the valuation report with the date of the value opinion on December 31, 2020 and June 30, 2021, which was obtained from Ernst & Young Transaction Advisory Services Co., Ltd. or Ernst & Young Strategy and Consulting Co., Ltd. (for S-19 to S-25). Please note that E&Y Transaction Advisory Services Co., Ltd. and Ernst & Young Advisory and Consulting Co., Ltd. have been integrated and those were incorporated as E&Y Strategy and Consulting Co., Ltd. as of October 1, 2020.

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended December 31, 2020 (the 7th period) and the fiscal period ended June 30, 2021 (the 8th period) are as stated in the "Notes to statement of income" above.

[NOTES ON SEGMENT INFORMATION]

1. Segment information

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

2. Related Information

Prior fiscal period (from July 1, 2020 to December 31, 2020)

(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.	2,395,335	Renewable energy power generation facilities, etc. rental business
CS Hokkaido Ishikari G.K.	13,862	Renewable energy power generation facilities, etc. rental business
CS Miyagi Kejonuma G.K.	4,416	Renewable energy power generation facilities, etc. rental business

Current fiscal period (from January 1, 2021 to June 30, 2021)

(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.	2,542,612	Renewable energy power generation facilities, etc. rental business
LOHAS ECE 2 G.K.	767,470	Renewable energy power generation facilities, etc. rental business
Tida Power 45 G.K.	115,013	Renewable energy power generation facilities, etc. rental business

[NOTES ON PER UNIT INFORMATION]

	Prior fiscal period From July 1, 2020 December 31, 2020	Current fiscal period From January 1, 2021 June 30, 2021
Net assets per unit	93,397 yen	104,463 yen
Net income (Net loss) per unit	3,099 yen	3,234 yen

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

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

	Prior fiscal period From July 1, 2020 December 31, 2020	Current fiscal period From January 1, 2021 June 30, 2021
Net income (Net loss) (Thousand yen)	716,462	1,073,324
Amount not attributable to common unit holders (Thousand yen)	-	-
Net income (Net loss) attributable to Common unit holders (Thousand yen)	716,462	1,073,324
Average number of investment units during the period (Units)	231,190	331,820

[NOTES ON FACTS ARISING AFTER THE SETTLEMENT OF ACCOUNTS]

Not applicable.

(9) 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)
March 17, 2020	Cash distribution in excess of earnings (refund of investment)	-	231,190	(309)	21,039	(Note 10)
September 15, 2020	Cash distribution in excess of earnings (refund of investment)	-	231,190	(163)	20,876	(Note 11)
March 5, 2021	Capital increase by public offering	151,500	382,690	18,106	38,982	(Note 12)
March 16, 2021	Cash distribution in excess of earnings (refund of investment)	-	382,690	(138)	38,843	(Note 13)
April 7, 2021	Capital increase by third-party allotment	3,966	386,656	474	39,317	(Note 14)

(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.
- (Note 10) CSIF decided, at a meeting of its Board of Directors held on February 13, 2020, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥1,340 per unit for the fifth fiscal period (ended December 31, 2019), and began to pay it from March 17, 2020.
- (Note 11) CSIF decided, at a meeting of its Board of Directors held on August 14, 2020, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥708 per unit for the sixth fiscal period (ended June 30, 2020), and began to pay it from September 15, 2020.
- (Note 12) 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 ¥125,115 (issue value of ¥119,517) per unit.
- (Note 13) CSIF decided, at a meeting of its Board of Directors held on February 17, 2021, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥601 per unit for the seventh fiscal period (ended December 31, 2020), and began to pay it from March 16, 2021.
- (Note 14) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue price of ¥119,517 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.

3. Reference

(1) Conditions of Investment

(as of June 30, 2021)

Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) ('000yen) (Note 2)	% of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	956,863	1.1
	Kanto	2,243,053	2.7
	Tokai	5,409,653	6.4
	Chugoku/Shikoku	9,577,438	11.4
	Kyushu	20,092,588	23.8
Subtotal		38,279,597	45.4
Land	Hokkaido/Tohoku	48,970	0.1
	Kanto	648,591	0.8
	Tokai	63,309	0.1
	Chugoku/Shikoku	560,196	0.7
	Kyushu	3,184,875	3.8
Subtotal		4,505,944	5.3
Land lease	Hokkaido/Tohoku	69,417	0.1
	Kanto	59,197	0.1
	Tokai	331,596	0.4
	Chugoku/Shikoku	3,415	0.0
	Kyushu	692,471	0.8
Subtotal		1,156,098	1.4
Solar energy facility in trust	Hokkaido/Tohoku	3,504,543	4.2
	Kyushu	23,048,333	27.3
Subtotal		26,552,877	31.5
Land in trust	Hokkaido/Tohoku	116,748	0.1
	Kyushu	4,654,397	5.5
Subtotal		4,771,145	5.7
Solar energy facility etc.	Hokkaido/Tohoku	4,696,543	5.6
	Kanto	2,950,842	3.5
	Tokai	5,804,559	6.9
	Chugoku/Shikoku	10,141,050	12.0
	Kyushu	51,672,667	61.3
Subtotal		75,265,664	89.3
Solar energy facility etc. total		75,265,664	89.3
Saving/other assets		9,033,414	10.7
Asset total (2)		84,299,078	100.0

	(Unit: thousand yen)	% of total AUM (Note 3)
Total liabilities	43,907,741	52.1
Total net assets	40,391,337	47.9

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

(Note 2) The amount posted on the balance sheet as of June 30, 2021.

(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

③Major Investment Assets

a. summary information for the CSIF

The following table provides summary information for the CSIF current 21 solar energy projects as of June 30, 2021.

Asset #	Category	Project name	Location	Site Area (m ²)	PPA purchase price (yen/kwh)	Certification Date	FIT term end
S-01	Solar Plant etc.	CS Shibushi-shi Power Plant	Shibushi-shi, Kagoshima	19,861	40	February 26, 2013	September 16, 2034
S-02	Solar Plant etc.	CS Isa-shi Power Plant	Isa-shi, Kagoshima	22,223	40	February 26, 2013	June 8, 2035
S-03	Solar Plant etc.	CS Kasama-shi Power Plant	Kasama-shi, Ibaraki	42,666 (Note 1)	40	January 25, 2013	June 25, 2035
S-04	Solar Plant etc.	CS Isa-shi Dai-ni Power Plant	Isa-shi, Kagoshima	31,818	36	October 2, 2013	June 28, 2035
S-05	Solar Plant etc.	CS Yusui-cho Power Plant	Aira-gun, Kagoshima	25,274	36	March 14, 2014	August 20, 2035
S-06	Solar Plant etc.	CS Isa-shi Dai-san Power Plant	Isa-shi, Kagoshima	40,736	40	February 26, 2013	September 15, 2035
S-07	Solar Plant etc.	CS Kasama-shi Dai-ni Power Plant	Kasama-shi, Ibaraki	53,275	40	January 25, 2013	September 23, 2035
S-08	Solar Plant etc.	CS Hiji-machi Power Plant	Hayami-gun, Oita	30,246	36	July 16, 2013	October 12, 2035
S-09	Solar Plant etc.	CS Ashikita-machi Power Plant	Ashikita-gun, Kumamoto	45,740	40	February 26, 2013	December 10, 2035
S-10	Solar Plant etc.	CS Minamishimabar a-shi Power Plant (East) / CS Minamishimabar a-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 Minano-machi Power Plant	Chichibu-gun, Saitama	44,904	32	December 11, 2014	December 06, 2036
S-12	Solar Plant etc.	CS Kannami-cho Power Plant	Tagata-gun, Shizuoka	41,339	36	March 31, 2014	March 02, 2037
S-13	Solar Plant etc.	CS Mashiki-machi Power Plant	Kamimashiki-gun, Kumamoto	638,552 (Note2)	36	October 24, 2013	June 01, 2037
S-14	Solar Plant etc.	CS Koriyama-shi Power Plan	Koriyama-shi, Fukushima	30,376 (Note1)	32	February 27, 2015	September 15, 2036
S-15	Solar Plant etc.	CS Tsuyama-shi Power Plant	Tsuyama-shi, Okayama	31,059	32	September 26, 2014	June 29, 2037
S-16	Solar Plant etc.	CS Ena-shi Power Plant	Aza Ochise, Kusumi, Osashima-cho, Ena-shi, Gifu	37,373	32	February 24, 2015	September 12, 2037

Asset #	Category	Project name	Location	Site Area (m ²)	PPA purchase price (yen/kwh)	Certification Date	FIT term end
S-17	Solar Plant etc.	CS Daisen-cho Power Plant (A) and (B)	Aza Magoese, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (A) Aza Kamikawara, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (B)	452,760 (Note 3)	40	February 22, 2013 (A) February 28, 2013 (B)	August 9, 2037
S-18	Solar Plant etc.	CS Takayama-shi Power Plant	Shingumachi, Takayama-shi, Gifu	16,278 (Note 1)	32	January 30, 2015	October 09, 2037
S-19	Solar Plant etc.	CS Misato-machi Power Plant	Misato-machi, Kodama-gun, Saitama	25,315	32	January 6, 2015	March 26, 2037
S-20	Solar Plant etc.	CS Marumori-machi Power Plant	Marumori-machi, Igu-gun, Miyagi	65,306 (Note 4)	36	February 28, 2014	July 12, 2038
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
S-22	Solar Plant etc.	CS Ishikari Shinshinotsu-mura Power Plant	Ishikari-gun, Hokkaido	42,977	24	November 18, 2016	July 15, 2039
S-23	Solar Plant etc.	CS Osaki-shi Kejonuma Power Plant	Osaki-shi, Miyagi	26,051	21	March 27, 2018	July 21, 2039
S-24	Solar Plant etc.	CS Hiji-machi Dai-ni Power Plant	Hayami-gun, Oita	1,582,422	40	March 15, 2013	October 30, 2039
S-25	Solar Plant etc.	CS Ogawara-machi Power Plant	Shibata-gun, Miyagi	123,728	32	February 9, 2015	March 19, 2040

(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	510	371	485
						139	
S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	341	320	323
						20	
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	950	718	818
						232	
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	708	672	671
						36	
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	611	580	579
						30	
S-06	CS Isa-shi Dai-san Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	875	817	823
						57	
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	825	788	730
						37	
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	945	908	883
						36	
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	920	882	856
						38	
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	1,656	1,579	1,511
						77	
S-11	CS Minanomachi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	1,039	783	946
						256	
S-12	CS Kannami-cho Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	514	516	474	501
						41	
S-13	CS Mashikimachi Power Plan	Tida Power01 G.K.	Kyushu Electric Power Co., Inc.	19,751	20,163	16,663	17,532
						3,500	
S-14	CS Koriyama-shi Power Plan	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	233	181	229
						51	
S-15	CS Tsuyama-shi Power Plan	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	713	578	761
						135	

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-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Co., Inc.	757	765	727	644
						37	
S-17	CS Daisen-cho Power Plant (A) and (B)	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	10,447	10,010	9,664	9,379
						346	
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Co., Inc.	326	311	249	307
						61	
S-19	CS Misato-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	470	433	314	455
						119	
S-20	CS Marumori-machi Power Plant	Tida Power01 G.K.	Tohoku Electric Power Co., Inc.	850	775	758	793
						16	
S-21	CS Izu-shi Power Plant	Tida Power01 G.K..	TEPCO Power Grid, Incorporated	4,569	4,271	4,034	4,350
						237	
S-22	CS Ishikari Shinshinotsu-mura Power Plant	Tida Power01 G.K.	Hokkaido Electric Power Network, Incorporated	680	645	575	684
						69	
S-23	CS Osaki-shi Kejonuma Power Plant	Tida Power01 G.K.	Tohoku Electric Power Network Incorporated Company	208	197	157	218
						39	
S-24	CS Hij-machi Dai-ni Power Plant	LOHAS ECE2 G.K.	Kyushu Electric Power Co., Inc	27,851	27,877	22,917	28,004
						4,960	
S-25	CS Ogawara-machi Power Plant	Tida Power 45 G.K.	Tohoku Electric Power Network Co.,Inc.	2,745	2,744	2,698	2,769
						45	
Total				80,001	79,037	68,414	75,265
						10,622	

(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) For S-01 to S-18, the fiscal period end valuation is the median amount that the Investment Corporation calculated in accordance with Article 41, paragraph 1 of the CSIF's Articles of Incorporation based on the range of valuation provided to us by PricewaterhouseCoopers Sustainability LLC and, for S-19 to S-25, the fiscal period end valuation is based on the median amount provided to us by E&Y Strategy and Consulting Co., Ltd. in its project valuation report.

(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.

(Note 5) The acquisition price of CS Mishiki Power Plant had reduced in the amount of 332 million yen on December 16, 2020, back from the signing date of the Property Purchase Agreement.

b. Revenue and expenses of individual renewable energy power generation facilities
Eighth fiscal period (from January 1, 2021 to June 30, 2021)

(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	2,369,477	18,536	14,168	34,968	29,210	26,555
Variable rent linked to actual output	1,055,618	4,326	4,105	13,110	9,139	4,925
Incidental income	89	3	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	3,425,186	22,866	18,273	48,079	38,350	31,480
Operating expenses from the rental business of renewable energy power generation facilities, etc.						
Taxes and duties	195,754	1,626	1,244	2,848	2,769	2,396
(Property-related taxes, etc.)	195,754	1,626	1,244	2,848	2,769	2,396
(Other taxes)	-	-	-	-	-	-
Expenses	327,429	3,078	2,726	3,698	4,815	4,828
(Management entrustment expenses)	228,743	2,870	1,610	2,914	2,893	2,966
(Repair and maintenance costs)	17,289	-	144	426	-	289
(Utilities expenses)	3,505	-	-	-	-	-
(Insurance expenses)	20,478	207	173	357	330	308
(Land rent)	52,686	-	797	-	1,590	1,263
(Trust fees)	4,700	-	-	-	-	-
(Other rental cost)	24	-	-	-	-	-
Depreciation cost	1,258,296	9,486	7,837	14,462	16,457	14,269
(Structures)	21,539	466	256	324	306	605
(Machinery and equipment)	872,486	8,978	7,563	14,104	16,109	13,429
(Tools, furniture and fixtures)	11,925	41	17	33	41	235
(Structures in trust)	77,284	-	-	-	-	-
(Machinery and equipment in trust)	273,816	-	-	-	-	-
(Tools, furniture and fixtures in trust)	1,242	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	1,781,479	14,191	11,808	21,009	24,042	21,494
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	1,643,706	8,675	6,465	27,069	14,307	9,986

(Unit: thousand yen)

Asset number	S-06	S-07	S-08	S-09	S-10
Project name	CS Isa-shi Dai-san Power Plant	CS Kasama-shi Dai-ni Power Plant	CS Hiji-machi Power Plant	CS Ashikita-machi Power Plant	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	35,332	34,543	37,564	35,390	62,844
Variable rent linked to actual output	9,647	14,194	13,581	11,664	32,632
Incidental income	-	80	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	44,979	48,817	51,146	47,054	95,476
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	3,323	3,161	3,798	3,559	6,244
(Property-related taxes, etc.)	3,323	3,161	3,798	3,559	6,244
(Other taxes)	-	-	-	-	-
Expenses	5,583	5,621	6,221	6,001	10,536
(Management entrustment expenses)	3,185	2,878	4,185	3,900	5,515
(Repair and maintenance costs)	-	-	-	-	152
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	361	346	433	419	606
(Land rent)	2,036	2,396	1,602	1,681	4,260
(Trust fees)	-	-	-	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	19,861	17,604	22,031	20,216	35,333
(Structures)	290	247	835	1,441	751
(Machinery and equipment)	19,520	17,314	21,120	18,523	34,333
(Tools, furniture and fixtures)	51	42	75	252	248
(Structures in trust)	-	-	-	-	-
(Machinery and equipment in trust)	-	-	-	-	-
(Tools, furniture and fixtures in trust)	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	28,767	26,387	32,051	29,777	52,114
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	16,211	22,429	19,095	17,276	43,361

(Unit: thousand yen)

Asset number	S-11	S-12	S-13	S-14	S-15
Project name	CS Minano-machi Power Plant	CS Kannami-cho Power Plant	CS Mashiki-machi Power Plan	CS Koriyama-shi Power Plan	CS Tsuyama-shi Power Plan
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	35,160	19,446	657,875	8,003	24,053
Variable rent linked to actual output	11,831	10,093	313,693	4,148	12,364
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	46,993	29,539	971,569	12,152	36,417
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	3,330	1,785	70,993	1,007	3,020
(Property-related taxes, etc.)	3,330	1,785	70,993	1,007	3,020
(Other taxes)	-	-	-	-	-
Expenses	4,234	3,696	80,396	940	3,706
(Management entrustment expenses)	3,814	1,809	70,219	829	2,820
(Repair and maintenance costs)	-	-	1,996	-	650
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	420	207	8,121	110	233
(Land rent)	-	1,678	58	-	3
(Trust fees)	-	-	-	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	16,211	9,662	338,234	4,191	13,084
(Structures)	766	380	3,562	327	376
(Machinery and equipment)	15,445	9,226	326,769	3,864	12,403
(Tools, furniture and fixtures)	-	55	7,902	-	304
(Structures in trust)	-	-	-	-	-
(Machinery and equipment in trust)	-	-	-	-	-
(Tools, furniture and fixtures in trust)	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	23,776	15,144	489,624	6,138	19,811
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	23,217	14,395	481,945	6,013	16,606

(Unit: thousand yen)

Asset number	S-16	S-17	S-18	S-19	S-20
Project name	CS Ena-shi Power Plant	CS Daisen-cho Power Plant (A) and (B)	CS Takayama-shi Power Plant	CS Misato-machi Power Plant	CS Marumori-machi Power Plant
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	26,133	324,605	10,963	15,223	32,228
Variable rent linked to actual output	12,678	261,534	5,009	7,134	15,833
Incidental income	-	-	-	5	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	38,812	586,140	15,973	22,363	48,061
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	3,216	44,701	1,545	2,310	4,696
(Property-related taxes, etc.)	3,216	44,701	1,545	2,310	4,696
(Other taxes)	-	-	-	-	-
Expenses	4,233	55,972	2,886	3,173	8,215
(Management entrustment expenses)	2,912	37,972	1,285	1,439	2,865
(Repair and maintenance costs)	122	567	1,480	1,572	118
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	265	4,876	120	161	487
(Land rent)	933	12,555	-	-	4,744
(Trust fees)	-	-	-	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	14,510	214,567	5,496	7,595	17,059
(Structures)	589	4,905	344	176	503
(Machinery and equipment)	13,823	208,879	5,139	7,345	16,320
(Tools, furniture and fixtures)	97	782	12	73	234
(Structures in trust)	-	-	-	-	-
(Machinery and equipment in trust)	-	-	-	-	-
(Tools, furniture and fixtures in trust)	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	21,960	315,241	9,928	13,079	29,971
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	16,851	270,898	6,044	9,283	18,090

(Unit: thousand yen)

Asset number	S-21	S-22	S-23	S-24	S-25
Project name	CS Izu-shi Power Plant	CS Ishikari Shinshinotsu-mura Power Plant	CS Osaki-shi Kejonuma Power Plant	CS Hiji-machi Dai-ni Power Plnt	CS Ogawara-machi Power Plant
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	155,030	21,501	6,756	626,679	76,700
Variable rent linked to actual output	95,230	5,871	3,764	140,790	38,313
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	250,260	27,373	10,520	767,470	115,013
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	24,329	3,102	745	-	-
(Property-related taxes, etc.)	24,329	3,102	745	-	-
(Other taxes)	-	-	-	-	-
Expenses	27,016	13,562	2,602	54,998	8,682
(Management entrustment expenses)	13,018	4,211	2,182	43,276	7,164
(Repair and maintenance costs)	1,342	8,426	-	-	-
(Utilities expenses)	-	-	-	3,505	-
(Insurance expenses)	1,483	324	120	-	-
(Land rent)	11,173	-	-	5,791	117
(Trust fees)	-	600	300	2,400	1,400
(Other rental cost)	-	-	-	24	-
Depreciation cost	87,776	12,493	3,600	301,767	34,482
(Structures)	4,082	-	-	-	-
(Machinery and equipment)	82,271	-	-	-	-
(Tools, furniture and fixtures)	1,421	-	-	-	-
(Structures in trust)	-	361	300	72,436	4,186
(Machinery and equipment in trust)	-	12,091	3,276	228,681	29,766
(Tools, furniture and fixtures in trust)	-	40	23	649	529
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	139,122	29,158	6,948	356,765	43,165
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	111,138	(1,784)	3,571	410,704	71,848

(Note) The operation days for the eighth fiscal period (ended June 30, 2021) are 181 days, while S-24 CS Hiji-machi Dai-ni Power Plant and S-25 CS Ogawara-machi Power Plant were purchased on March 8, 2021 and so those operation days are 115 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 December 2021. 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 Hiji-machi Dai-ni Power Plant	Hayami-gun, Oita	Remodeling work for online curtailment	From June 2021 To March 2022	32	11	11
CS Ishikari Shinshinotsu-mura Power Plant	Ishikari-gun, Hokkaido	Module installation work	From June 2021 To July 2022	36	23	23
CS Hiji-machi Power Plant	Hayami-gun, Oita	Remodeling work for online curtailment	From June 2021 To September 2021	6	6	6

(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 Shibushi-shi Power Plant (Shibushi-shi, Kagoshima)	Remodeling work for online curtailment	From May 12, 2021 To June 22, 2021	1,397
CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West) (Minamishimabara-shi, Nagasaki)	Handling work for updated monitoring system for curtailment	From January 18, 2021 To February 25, 2021	7,000
CS Kannami-cho Power Plant (Tagata-gun, Shizuoka)	Slope repair work	From September 5, 2021 To January 19, 2021	49,445
CS Mashiki-machi Power Plant (Kami mashiki-gun, Kumamoto)	Drainage pavement construction	From April 15, 2021 To May 25, 2021	2,933
CS Tsuyama-shi Power Plant (Tsuyama-shi, Okayama)	Landslide countermeasure construction	From June 1, 2021 To June 30, 2021	20,800
Other power plants			25,681
Total			107,256