

For Immediate Release

## Investment Corporation

Canadian Solar Infrastructure Fund, Inc.

Representative: Hiroshi Yanagisawa

Executive Officer

(Securities Code: 9284)

## Asset Manager

Canadian Solar Asset Management K.K.

Representative: Hiroshi Yanagisawa

CEO &amp; Representative Director

Inquiries: Keiichi Yoshida

Chief Financial Officer

TEL: +81-3-6279-0311

**Notice Concerning the Revisions to the Earnings Forecasts**  
**for the Fiscal Period Ending June 30, 2022**

Canadian Solar Infrastructure Fund, Inc. (“CSIF”) hereby announces the revisions to the earnings forecasts for the fiscal period ending June 30, 2022 (from January 1, 2022 to June 30, 2022, the “10th fiscal period”) released on February 14, 2022, as shown below.

## 1. Revisions to the earnings and distributions forecasts for the fiscal period ending June 30, 2022

	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)
Previous Forecast (A)	¥3,704 million	¥1,388 million	¥1,174 million	¥1,174 million	¥3,036	¥714	¥3,750
Revised Forecast (B)	¥3,920 million	¥1,611 million	¥1,369 million	¥1,368 million	¥3,540	¥260	¥3,800
Difference (B-A)	¥216 million	¥222 million	¥194 million	¥194 million	¥504	(¥454)	¥50
% Difference	5.8%	16.0%	16.6%	16.6%	16.6%	(63.6%)	1.3%

(Reference) 10th fiscal period - number of investment units issued and outstanding at the end of the period: 386,656 units. Forecasted net income per unit: ¥3,540.

(Notes)

1. The above forecasts are formulated at this time in the procedures for closing the accounts for the Fiscal Periods Ending June 30, 2022 (from January 1, 2022 to June 30, 2022) and the final results may differ from these forecasts. In addition, these forecasts are not intended to guarantee the distribution amount and the amount of distributions in excess of earnings.
2. CSIF may revise the above forecasts in the event that the difference between the forecasts and actual results are anticipated to exceed a certain threshold.
3. All figures are rounded down to the nearest unit amount. The same applies hereinafter.

## 2. Reasons for the Revisions

CSIF has revised the earnings forecasts for the fiscal period ending June 30, 2022 (10th fiscal period) announced on February 14, 2022 to reflect the significant differences with respect to the expected revenue, operating income, ordinary income and net incomes and the expected distributions per unit (excluding distributions in excess of earnings), respectively.

The main factors are as follows:

- a. Generation of electricity was much higher than expected due to favorable weather during the time period from January to May 2022.
- b. A significant year-on-year decrease in the number of curtailments.
- c. The increased introduction of controllers for the curtailment has reduced the lost variable rents by the curtailment.

In conjunction with this, CSIF newly announces the earning forecast for the fiscal period ending June 30, 2022 (the 10th fiscal period) based on the same assumptions. For more details, please refer to Attachment 1, the “Assumptions underlying the earnings forecasts for the 10th fiscal period ending June 30, 2022 (from January 1, 2022 to June 30, 2022).”

\* URL of CSIF: <https://www.canadiansolarinfra.com/en/>

(Attachment 1)

Assumptions underlying the earnings forecasts for the 10th fiscal period ending June 30, 2022 (from January 1, 2022 to June 30, 2022)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> <li>10th fiscal period :from January 1, 2022 to June 30, 2022 (181 days)</li> </ul>
Portfolio	<ul style="list-style-type: none"> <li>Assumption is that CSIF has 25 photovoltaic power generation facilities, etc. that CISF had as of today (hereinafter refer to as the "Assets in Possession").</li> <li>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 the assets among the Assets in Possession, etc.) until the end of the 10th fiscal period, June 30, 2022.</li> <li>CSIF's portfolio may change, however, due to the acquisition of new assets or the disposition of the assets among the Assets in Possession, among other cases.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>The lease agreements of the solar energy projects CSIF owns effective as of today. CSIF's leasing structure for its solar energy projects will be comprised of basic rent and variable rent as follows. Revenue forecasts for the 10th fiscal periods are ¥3,920 million. <ul style="list-style-type: none"> <li>a) Basic rent for each solar energy project that CSIF owns is calculated as follows: <p style="text-align: center;"><i>Monthly projected energy output (P50) x (100-Y)% x 70% x FIT purchase price</i></p> <p>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&amp;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.</p> </li> <li>b) Variable rents for each solar energy project that CSIF owns is calculated as follows: <p style="text-align: center;"><i>Monthly actual energy output x (100-Y) % x FIT purchase price - basic rent</i></p> <p>Any amount that exceeds the basic rent after multiplying a certain rate of (100-Y) % to the monthly actual energy output for each solar energy project by FIT purchase price will be captured as a performance-related variable rent. In any case, if the calculation of the variable rent is a negative number, it shall be deemed to be zero.</p> </li> </ul> </li> </ul>

Item	Assumptions
Operating revenues	<p>(*Note 1) Projected energy output (P50) represents the output that is viewed to be achievable with a 50% probability by the third-party providers of the technical reports and other experts. The same applies hereinafter.</p> <p>(*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 curtailment from third party research firm.</p> <p>(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.</p> <ul style="list-style-type: none"> <li>• Forecasted figures herein have been based on a projected energy output (P50) and are not guaranteed nor do they reflect the actual energy output, which will vary depending on the level of solar irradiation.</li> <li>• CSIF has assumed no cancellations of the lease agreements or delinquencies or non-payment of rents by lessees.</li> <li>• CSIF has assumed that the current lease agreements will be renewed on equal terms under these agreements.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>• 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. Such costs for the 10th fiscal period is assumed to be ¥856 million.</li> <li>• Of the expenses for the lease of the Assets in Possession, Property-related taxes are assumed to be ¥5 million for the 10th fiscal periods.</li> <li>• Periodic payment of repair and maintenance costs based on the figures provided in the technical reports and the Asset Manager's estimate have been taken into account. However, these figures are subject to revisions as the actual figures can vary significantly depending on the operating period and are paid in irregular intervals, in addition to any instances where unexpected repairs are required.</li> <li>• CSIF expects to pay ¥253 million for the 10th fiscal periods, as O&amp;M fees.</li> <li>• CSIF assumed it will incur expenses related to land lease in the amounts of ¥62 million for the 10th fiscal periods, in connection with the Assets in Possession.</li> <li>• CSIF has assumed that it will incur depreciation expenses, including certain ancillary expenses of ¥1,453 million for the 10th fiscal periods.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• CSIF has assumed interest expenses, interests on investment corporation bonds and other borrowing-related expenses of ¥213 million for the 10th fiscal periods.</li> </ul>
Borrowings	<ul style="list-style-type: none"> <li>• CSIF's balance of interest-bearing debt totals ¥39,937 million (borrowings and investment corporation bonds) as of today.</li> <li>• CSIF anticipates that its LTV (loan-to-value) ratio will be approximately 49.44% as of the end of 10th fiscal periods.</li> <li>• CSIF calculates LTV using the following formula.  <math display="block">LTV = \text{Total interest-bearing debt} / \text{Total assets} \times 100</math> </li> </ul>

Item	Assumptions
Number of investment units	<ul style="list-style-type: none"> <li>• The assumption that CSIF uses is the total number of investment units issued and outstanding as of the date of this document, which is 386,656 units.</li> <li>• 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 10th fiscal period ending June 30, 2022.</li> <li>• Distributions per unit (excluding distributions in excess of earnings), distributions in excess of earnings per unit and distributions per unit (including distributions in excess of earnings) have been calculated based on the assumption that the number of units issued and outstanding as of the end of each fiscal period will be 386,656 units.</li> </ul>
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> <li>• Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy prescribed in CSIF's Articles of Incorporation.</li> <li>• Changes in lessees, fluctuations in rental revenues due to changes in lease agreements, fluctuations in energy output, unforeseeable repair and maintenance expenses incurred and other factors may lead to changes in the amount of distributions per unit (excluding distributions in excess of earnings).</li> </ul>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>• Distributions in excess of earnings per unit will generally be based on the cash distribution policy prescribed in CSIF's Articles of Incorporation and the Asset Manager's asset management guideline.</li> <li>• CSIF intends to make cash distributions to its unitholders for each fiscal period using cash flow generated by the renewable energy projects (the "Free Cash Flow" 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.</li> <li>• CSIF intends to maintain distributions per unit including distributions in excess of earnings in the 10th fiscal periods around ¥3,800. Distributions in excess of earnings are assumed to be ¥260 in the 10th 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 64.0% in the 10th fiscal period.</li> <li>• 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.</li> </ul>

Item	Assumptions
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>• 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.               <ul style="list-style-type: none"> <li>(*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.</li> <li>(*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.</li> </ul> </li> </ul>
Others	<ul style="list-style-type: none"> <li>• CSIF has assumed that no revisions that will impact the above projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, among others.</li> <li>• CSIF has assumed that no unforeseeable significant changes will occur in general economic trends or conditions in the solar energy facility market and the real estate market.</li> </ul>