

Financial Results for Fiscal Period Ended December 31, 2022 (Infrastructure Fund)

February 15, 2023

Infrastructure Fund Issuer	Canadian Solar Infrastructure Fund, Inc.	Listed Stock Exchange	Tokyo Stock Exchange
Securities Code	9284	URL	https://www.canadiansolarinfra.com/
Representative	(Title) Executive Director	(Name)	Hiroshi Yanagisawa
Asset Management Company	Canadian Solar Asset Management K.K.		
Representative	(Title) CEO and Representative Director	(Name)	Hiroshi Yanagisawa
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Scheduled filing date of securities report	March 30, 2023	Scheduled date of commencement of cash distribution payment	March 14, 2023
Supplementary materials for financial results	YES		
Financial results briefing session	YES (For institutional investors and analysts)		

(Amounts are rounded down to million yen)

1. Status of Management and Assets for Fiscal Period Ended December 31, 2022 (from July 1, 2022 to December 31, 2022)

(1) Management Status

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

	Operating revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal period ended Dec. 2022	3,715	(8.5)	1,383	(20.6)	1,214	(19.5)	1,213	(19.5)
Fiscal period ended Jun. 2022	4,060	13.1	1,743	29.6	1,509	34.4	1,509	34.4

	Profit per unit	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to operating revenue ratio
	yen	%	%	%
Fiscal period ended Dec. 2022	3,138	3.0	1.5	32.7
Fiscal period ended Jun. 2022	3,902	3.8	1.9	37.2

(2) Status of Cash Distributions

	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Distributions per unit (including distributions in excess of earnings)	Total distributions (including distributions in excess of earnings)	Payout ratio	Ratio of distributions to net assets
	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
Fiscal period ended Dec. 2022	3,138	1,213	612	236	3,750	1,449	100.0	3.0
Fiscal period ended Jun. 2022	3,903	1,509	0	0	3,903	1,509	100.0	3.8

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

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

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

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

(Note 4) The ratio of the decrease in net assets upon distributions in excess of earnings (refunds of investments that constitute distributions on decrease of capital contribution under the tax law) is 0.007 for the fiscal period ended December 31, 2022. In this regard, the ratio of the decrease in net assets is calculated according to Item 4, Paragraph 1, Article 23 of the Ordinance for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
	Million yen	Million yen	%	yen
Fiscal period ended Dec. 2022	77,986	39,846	51.1	103,053
Fiscal period ended Jun. 2022	79,475	40,142	50.5	103,818

(4) Status of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
	Million yen	Million yen	Million yen	Million yen
Fiscal period ended Dec. 2022	2,888	(72)	(2,625)	5,271
Fiscal period ended Jun. 2022	2,602	(39)	(2,581)	5,082

2. Forecasts of Management Status for Fiscal Period Ending June 30, 2023 (from January 1, 2023 to June 30, 2023), Fiscal Period Ending December 31, 2023 (from July 1, 2023 to December 31, 2023) and Fiscal Period Ending June 30, 2024 (from January 1, 2024 to June 30, 2024)

(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 Jun. 2023	3,690	(0.7)	1,352	(2.2)	1,149	(5.4)	1,148	(5.4)	2,969	781	3,750
Fiscal period ending Dec. 2023	3,707	0.4	1,370	1.3	1,169	1.8	1,168	1.8	3,022	728	3,750
Fiscal period ending Jun. 2024	3,639	(1.8)	1,330	(2.9)	1,136	(2.9)	1,135	(2.9)	2,935	815	3,750

(Reference)

Fiscal period ending June 30, 2023 (181 days): Forecast total number of investment units issued and outstanding at end of the period: 386,656 units, Forecast profit per unit: 2,969 yen

Fiscal period ending December 31, 2023 (184 days): Forecast total number of investment units issued and outstanding at end of the period: 386,656 units, Forecast profit per unit: 3,022 yen

Fiscal period ending June 30, 2024 (182 days): Forecast total number of investment units issued and outstanding at end of the period: 386,656 units, Forecast profit per unit: 2,935 yen

* Other

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

- (i) Changes in accounting policies associated with amendments to accounting standards, etc.: No
- (ii) Changes in accounting policies other than (i): No
- (iii) Changes in accounting estimates: No
- (iv) Retrospective restatement: No

(2) Total number of investment units issued and outstanding

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

Fiscal period Dec. 2022	386,656	Fiscal period Jun. 2022	386,656
Fiscal period Dec. 2022	0	Fiscal period Jun. 2022	0

(ii) Number of treasury units at end of period

(Note) For the number of investment units based on which profit per unit is calculated, please refer to "Notes on regarding per unit information" on page 29 below.

* 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 June 30, 2023 (January 1, 2023 to June 30, 2023), Fiscal Period Ending December 31, 2023 (July 1, 2023 to December 31, 2023) and Fiscal Period Ending June 30, 2024 (January 1, 2024 to June 30, 2024),” described on or after page 11 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 of the above, the total units issued at the end of the fiscal period under review (as of December 31, 2022) were 386,656 units.

b. Investment Environment and management performance for the fiscal period under review

Regarding the Japanese economy during the fiscal period under review, the second preliminary estimate of the real GDP in July-September 2022 was down 0.2% quarter on quarter (or down 0.8% on an annualized basis). This is higher than the first preliminary estimate. In July-September 2022, the Japanese economy showed negative growth. However, this is due chiefly to a massive increase in service exports that are seen to be temporary. The Japanese economy is thought to be better than suggested by the real GDP growth rate, given that consumer spending, capital investment and exports soared. It is estimated that the real GDP in October-December 2022 will be pushed up by a reactionary fall in service exports and by consumer spending, capital investment and other factors. It is expected that consumption driven by inbound tourists, which is a component of service exports, will increase. Meanwhile, the current COVID-19 infection situation is deteriorating. This could slow the turnaround of consumer spending. Attention must be paid to the growing downward risk regarding export goods for the United States, Europe and China.

The Russian invasion of Ukraine triggered a global price surge in energy resources in 2022. In addition, the yen depreciated sharply, severely impacting the Japanese economy. Although constraints on energy supply have been continuing, mainly because of the prolonged invasion, the economy is currently calm, with a peaking of both the crude oil price and the U.S. dollar-yen exchange rate.

The U.S. FRB reduced the pace at which it is increasing the federal funds rate target range from 75 basis points to 50 in the FOMC meeting on December 13-14, 2022. Vigilant about being seen as easing its monetary policy, the Federal Reserve commented that it was vital to pay attention to the time required for the policy to affect the real economy, hinting that it would be maintaining a monetary policy for the time being. The Bank of Japan decided to widen the range of yield curve control (YCC) from the conventional approximate range of negative 0.25% to 0.25% to a range of negative 0.5% to 0.5% in the financial policy decision meeting on December 19-20, 2022. Effectively, that was an interest rate increase. In contrast with the interest rate hikes in different countries, Japan had retained its low interest rate. This move corrected the fast depreciation of the Japanese currency to the U.S. dollar, that started in the middle of the year. Japan adopted a policy that was to some extent in line with other countries. However, the Bank of Japan set out a policy of delaying any further tightening in its policy meeting on January 17-18, 2023.

Meanwhile, during the fiscal period under review, conditions in the Infrastructure Fund Market were such that investment corporations maintained relatively stable business operations even in the economic environment described above. The TSE Infrastructure Fund Index remained stable in the second half of 2022, as in the first half. On July 7, it hit the lowest level during the period at 1,124.74. After that, it soared to reach the high of 1,203.77 on October 31. It ended the fiscal period at 1,159.63 on December 29. It fluctuated within a relatively narrow range during the period.

“Output curtailment,” which is implemented by an electricity transmission and distribution business operator (Note 1) to adjust the supply-demand balance, was implemented in the Kyushu Electric Power jurisdiction with respect to “renewable energy power generation facilities” (Note 2) held by CSIF, for one day in September, three days in October, two days in November, and one day in December, totaling 7 days during the period under review. This was much less frequent than in the same period of the previous year. This result is consistent with the fact that the annual curtailment rate for fiscal 2022 was estimated to decrease compared to the previous year at the beginning of the fiscal year, partly because of the effect of the shift to the online curtailment control system in the Kyushu Electric Power jurisdiction. Some output curtailments were introduced in the areas served by Tohoku Electric Power, Chugoku Electric Power and Shikoku Electric Power in April 2022, followed by their introduction in the area served by Hokkaido Electric Power in May 2022.

While these developments need to be monitored in the future, one day curtailment in the Chugoku Electric Power jurisdiction was implemented during the fiscal period under review.

On October 22, 2021, the Cabinet approved the 6th Strategic Energy Plan. The 6th Strategic Energy Plan focuses on indicating

the direction of energy policies for the achievement of carbon neutrality by 2050 (goal declared in October 2020) along with the new target of reducing greenhouse gas emissions 46% by FY2030 and trying to push the reduction as high as 50% (targets declared in April 2021) (Note 3). It mentions overcoming issues in Japan's energy supply-and-demand structure (Note 3) is also an important theme. In connection with the second theme, it adds that Japan will strive to increase energy security and the efficiency of energy cost while promoting climate change countermeasures (S+3E) (Note 3).

The ambitious new power-source composition for 2030 would be 36-38% for renewable energy (up from 22-24% in the previous projected mix), approximately 1% for hydrogen and ammonia (up from nearly 0%), 20-22% for nuclear power (unchanged), around 20% for LNG (down from 27%), around 19% for coal (down from 26%) and approximately 2% for oil (down from 3%). The renewable energy mix would be around 14-16% for solar power, around 5% for wind power, approximately 1% for geothermal power, nearly 11% for hydroelectric power and around 5% for biomass (Note 3).

In April 2022, the 2020 revision of the Act on Special Measures Concerning Promotion of Utilization of Electricity from Renewable Energy Sources came into force to introduce a system for reserving funds for the future discarding and other disposal of solar power generation facilities (Note 4). First, this system is applicable for all solar power generation projects with an output of 10 kW or more approved for a feed-in tariff (FIT) or feed-in premium (FIP) scheme, including projects with multiple solar power generation facilities. Second, this system obliges the approved operators to, in principle, externally reserve funds for disposal at the Organization for Cross-regional Coordination of Transmission Operators, Japan through direct withholding of the required amounts from revenue. However, in exceptional cases, internal reserve will be permitted provided certain requirements are satisfied, and listed infrastructure funds will also be permitted to opt for internal reserve upon satisfying certain conditions such as recording funds in their financial statements in an appropriate manner.

Regarding generation-side charges, the 6th Strategic Energy Plan states that the government will continue its consideration of smooth introduction of the generation-side charge program, including whether or not it is necessary to do so, under the policy of prioritizing renewable energy on the basis of S+3E. After determining that it would be difficult to make an early decision for various reasons, the Subcommittee on Mass Introduction of Renewable Energy and Next-Generation Electricity Networks met on December 24, 2021 and announced that, regarding the collection of funds for power transmission and distribution, including generation-side charges, it will be discussed by the relevant councils to reach a conclusion within 2022 with a view towards achieving it as soon as possible, envisioning its realization in FY2024. At a meeting of the same subcommittee on December 6, 2022, members discussed the treatment of FIT and FIP power sources for the implementation of generation-side charges and the introduction of renewable energy sources. In addition, they discussed what generation-side charges should be like for pumped storage hydropower and storage batteries in view of their peculiarities. As a result, they published a policy for the smooth introduction of generation-side charges. The policy includes the application of generation-side charges for power sources that have already gained FIT or FIP approval after the termination of the term of their FIT or FIP agreement, the calculation of the purchase prices to be considered for new FIT- or FIP-approved sources, and encouraging operators of non-FIT sources and those which have ceased to be under the FIT scheme to take some measures such as bilateral contracts and to smoothly and completely incorporate generation-side charges into selling prices. For pumped storage power generation and storage batteries, they concluded that charges based on kilowatts alone be levied and those based on kilowatt-hours be exempted, given that financial burdens would be heavier than those on other power sources.

Under such conditions, during the fiscal period under review, CSIF did not acquire any new assets nor sell any of the assets it owns but it continued to be the largest operator among listed infrastructure funds as of the end of the fiscal period under review, holding a portfolio consisting of 25 facilities (with a total panel output (Note 5) of 183.9 MW, a total acquisition price (Note 6) of ¥80,000 million, and a total price (Note 7) of ¥75,510 million as of the end of the fiscal period under review.

(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 (refers to a "general electricity transmission and distribution business operator" defined in Article 2, Paragraph 1, Item 9 of the Electricity Business Act (Act No. 170 of 1964; including subsequent amendments; hereinafter referred to as the "Electricity Business Act") and specified electricity transmission and distribution business operator (refers to "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 2 of the Act on Special Measures Concerning Promotion of Utilization of Electricity from Renewable Energy Sources (Act No. 108 of 2011, including subsequent amendments; hereinafter referred to as the Renewable Energy Special Measures Act). The Renewable Energy Special Measures Act before amendment based on the Act for Partial Amendment of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (2016 Act No. 59) is referred to as the "2016 Renewable Energy Special Measures Act" and the Renewable Energy Special Measures Act after amendment based on the Act to Partially Amend the Electricity Business Act and Other Acts in Order to Establish a Resilient and Sustainable Electricity Supply System (Act No. 49 of 2020) is referred to as the "2020 Renewable Energy Special Measures Act."). For the purposes of this report, "renewable energy generation facilities, etc." refers collectively to renewable energy generation facilities, and real estate, real estate leases (includes subleases) and land lease rights (hereinafter referred to as the "site, etc.") necessary to install maintain and operate renewable, energy generation facilities. Hereinafter, any mention of "renewable energy power generation facilities" or "renewable energy power generation facilities, etc." which CSIF is said to have invested in or acquired or operate shall also cover "renewable energy power generation facilities" and "renewable energy power generation facilities, etc." that support CSIF's assets under management. The same shall apply hereunder. Renewable energy may also hereinafter sometimes be referred to as "renewables."

(Note 3) All the above information is based on the "Outline of the Basic Energy Plan" published by the Agency for Natural Resources and Energy in October 2021.

(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.

(Note 5) “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. “Total panel output” shall mean the total panel output rounded off to one decimal place. The same shall apply hereunder.

(Note 6) The term “acquisition price” represents transaction price (excluding remuneration for business outsourcing concerning the acquisition of assets and other acquisition costs, property taxes, city planning taxes, amount equivalent to consumption taxes, etc. and other commissions, etc.; the same shall apply hereunder) specified in the sales agreement for each asset held. The term “total acquisition price” is total of the transaction prices specified in the sales agreements for all the assets held rounded down to the nearest ten million yen. The same shall apply hereunder.

(Note 7) The term “price” refers to the price calculated based on appraised value as of the end of the fiscal period under review. The price of the renewable energy power generation facilities at power plants from S-01 through S-18 is 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, 2022 in the range stated in the valuation report obtained from PricewaterhouseCoopers Sustainability LLC. 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, 2022, stated as the median in the valuation report obtained from Kroll K.K., rounded down to the nearest ten million yen.

c. Overview of Financing

In the fiscal period under review, CSIF has not raised any additional funds, including the issuance of new investment units, borrowing of funds, and issuance of investment corporation bonds. However, during the fiscal period under review, CSIF made a contractual repayment of ¥1,116 million at the end of the fiscal period under review, bringing the total amount of interest-bearing debt as of the end of the fiscal period under review to ¥37,688 million (amount of borrowings ¥32,788 million and amount of investment corporation bonds ¥4,900 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 48.3%.

As of the date of this document, CSIF received a bond rating for investment corporation bonds from the following rating agency.

Rating status of CSIF as of the date of this document

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	—
	The 1st Unsecured Investment Corporation Bond (Specified investment corporation bonds with limited inter-bond pari passu clause) (Green bonds)	A	—

CSIF received a credit rating from the following rating agency.

Rating status of CSIF as of the date of this document

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

d. Overview of Business Performance and Distribution

As a result of the management described above, the business results in the fiscal period under review included operating revenue of ¥3,715 million, operating income of ¥1,383, ordinary income of ¥1,214, and net income of ¥1,213 million.

With respect to distributions, the cash distribution policy set out in Article 47, Paragraph 1 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of distributions shall exceed the amount equivalent to 90% of “profit available for distribution” as provided for in Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957 including subsequent amendments, hereinafter the “Special Measures Taxation Act”).

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 11th fiscal period is 77.1%) determined by CSIF in light of the amount of NCF for each fiscal period.

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

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

In developing its performance forecast (including any revisions thereof) for each fiscal period, in the case where NCF calculated from actual energy output in a fiscal period (hereinafter referred to as “actual NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating actual NCF) exceeds NCF projected for the fiscal period (hereinafter referred to as “projected NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating projected NCF) on the basis of an energy output value projected by professional specialists (P50) (Note) 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 ¥1,449,960,000, equivalent to 77.1% of projected NCF for the period of ¥1,880,540,436. Dividend per investment unit is ¥3,750 for the fiscal period under review.

(Note) For a definition of “energy output value projected by professional specialists (P50)” in the context of this report, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 30, 2023 (January 1, 2023 to June 30, 2023), Fiscal Period Ending December 31, 2023 (July 1, 2023 to December 31, 2023), and Fiscal Period Ending June 30, 2024 (January 1, 2024 to June 30, 2024).

II. Outlook for the Next Fiscal Period

a. Outlook for the Future Management

Considering the economic outlook in Japan during the first half of 2023, although the number of COVID-19 infections and the number of deaths continue to be at a certain level, policies for the endemic COVID-19 era, whose goal is the revitalization of economic activity while tolerating a certain level of infection, are widespread. Japan is now seeing economic activity rally, mainly in service consumption. Meanwhile, both the global surge in prices for energy resources caused by Russia’s invasion of Ukraine and the worldwide increase of interest rates are currently calming down. Since they are both thought to significantly impact the Japanese economy, it is necessary to continue monitoring them.

With respect to the environment surrounding photovoltaic power generation facilities that are included in renewable energy power generation facilities, the 6th Basic Energy Plan states that a crucial part of energy policies for 2030 (Note 1) 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 (Note 1), and the 2030 energy mix also indicates an increase in the share of renewables, setting ambitious forecasts.

However, as stated in “(I. Process of Asset Management in the Fiscal Period under Review) b. Investment Environment and Management Performance for the Fiscal Period Under Review” 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. In addition, some output curtailments were introduced in the Tohoku Electric Power, Chugoku Electric Power and Shikoku Electric Power jurisdictions in April 2022 and in the Hokkaido Electric Power jurisdiction in May 2022. It was also announced that 10-500 kW commercial solar photovoltaic systems connected to the grid under the old rule (Note 2), which were previously not subject to output curtailment, will also become subject to output curtailment. Furthermore, at a meeting of the Subcommittee on Mass Introduction of Renewable Energy and Next-Generation Electricity Networks held on December 24, 2021, the idea that lowering the minimum output of thermal power generation facilities would be an effective way to reduce the output curtailment of renewables was put forward. Further consideration of this idea could potentially lead to solar power generation facilities that are currently subject to output curtailment being less affected in the future.

As mentioned in *b. Investment Environment and management performance for the fiscal period under review* in *I. Overview of the Fiscal Period under Review* above, discussions are underway regarding the exemption of FIT- or FIP- approved power sources from generation-side charges during their FIT or FIP term. This means that it would no longer be necessary to take into account the negative impact, which was expected to be imposed on CSIF’s management on performance in and after 2024.

As stated in “(I. Process of Asset Management in the Fiscal Period under Review) b. Investment Environment and Management Performance for the Fiscal Period Under Review” above, the 2020 Amendment to the Renewable Energy Special Measures Act was enacted in April 2022. Under this act, various measures such as the FIP system, system for nullifying approvals and reserve of decommissioning costs for solar power generation facilities were introduced.

(Note 1) All the above information is based on the “Outline of the Basic Energy Plan” published by the Agency for Natural Resources and Energy in October 2021.

(Note 2) 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 the Promotion of the Use of Renewable Energy Electricity (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 “30-day rule” (the rule when the maximum duration is 360 hours a year is referred to as the “360-hour rule”) and the 30-day rule and the 360-hour rule are referred to collectively as the “old rule.” The same shall apply hereunder.

b. Future Management Policy

(i) External Growth Strategy

The Canadian Solar Group (Note 1), which is the Sponsor belongs, adopts the vertical integration model (Note 2) 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 (Note 4) based on the vertical integration model for the construction of the value chain (Note 5) with the aim of creating mutual value should lead to the enhancement of value for unitholders.

Specifically, CSIF intends to acquire promising solar power generation facilities developed by the Sponsor Group to increase assets utilizing the preferential trading negotiation right granted by the Sponsor Group.

In February 2021, Canadian Solar Group 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. Working with Canadian Solar Inc. and Macquarie, the Fund has secured ¥22 billion of committed capital to develop, build and accumulate new renewable energy power generation facilities, etc. in Japan, and it aims to catalyze large-scale investments within its six-year fund term. The Fund will indirectly invest in renewable energy power generation facilities, etc. by holding a silent partnership equity interest (hereinafter referred to as the “Silent Partnership Equity Interest”) in SPCs of the Sponsor Group. The renewable energy power generation facilities, etc. targeted for investment will include not only renewable energy power generation facilities, etc. developed by the Sponsor but also renewable energy power generation facilities, etc. in the seed stage that have been partway developed by a third party and that the Sponsor is expected to complete. In this way, the Fund will support the development of renewable energy power generation facilities, etc. not only in terms of improving the efficiency of development of renewable energy power generation facilities, etc. by the Sponsor (accelerating development via financial contributions from the Fund) but also in terms of identifying third party seed projects. 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 pipeline (Note 6) and opening up further opportunities for CSIF.

Further, CSIF will strive to diversify acquisition routes, including acquiring assets from third parties through the Asset Manager’s own network, whilst at the same time putting emphasis on acquisitions from the Sponsor. Moreover, CSIF will aim for further external growth through the use of diverse acquisition methods including acquiring assets via the Fund and the bridge fund in addition to direct acquisitions from sellers.

(Note 1) 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. The same shall apply hereunder.

(Note 2) The term “vertically integrated model” means a business model where a broad spectrum of business domains across the photovoltaic market, ranging from the planning, manufacture and sales of solar modules to the provision of EPC and O&M (Note 3) services, are vertically integrated. The same shall apply hereunder.

(Note 3) “O&M” is an abbreviation of Operation & Maintenance. The same shall apply hereunder.

(Note 4) The “Sponsor Group” collectively refers 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 5) The term “value chain” generally refers to a relationship between processes such that value is added cumulatively to products and services with each process.

(Note 6) The Pipeline refers to those assets developed by the Sponsor Group or by the Canadian Solar Group for which CSIF holds or will hold preferential trading negotiation rights.

(ii) Internal Growth Strategy

CSIF will contract out O&M 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 and Management Performance for the Fiscal Period Under Review* in *I. Overview of the Fiscal Period under Review* above, CSIF carried out the modification of individual power plants in its portfolio to support online output curtailment (which refers to output curtailment of photovoltaic power generation facilities with a remote output controller installed, the same applies below) as it did in the previous fiscal period. While all the CSIF-owned power plants in the area served by Kyushu Electric Power are subject to the 30-day rule for output curtailment, the above modifications required for online output curtailment led to a shift from the previous all-day curtailment to hourly curtailment and opened the way for controlling the decrease in lease revenue due to a decline in energy output for reason of 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. As a result of further progress shifting to the online output curtailment arrangement, all photovoltaic power plants in Kyushu have shifted to online output curtailment. As a result, CSIF succeeded in reducing lost lease revenue due to curtailment compared with the same period of the previous year and this boosted operating revenue. In addition, CSIF is currently gradually installing online output curtailment equipment at power plants outside the Kyushu region.

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. Further, recognizing that climate change is an important environmental issue with potential risks and opportunities when conducting business focused on the environmental pillar of ESG, we disclosed information about initiatives to address climate change in line with the TCFD recommendations on February 14, 2022. On March 1, 2022, the Asset Manager established the Sustainability Committee, which will be required to report to CSIF’s Board of Directors at least twice a year going forward. Meanwhile, CSIF established a green finance framework (hereinafter referred to as the “Green Finance Framework”) for the financing of activities that will provide environmental benefits, covering debt financing such as green bonds and green loans, and on May 11, 2020, CSIF acquired the highest green finance evaluation of Green 1(F) for the Green Finance Framework from Japan Credit Rating Agency, Ltd. (JCR), which is an independent rating agency. Its Evaluation was updated in May, 2021.

Updated on	Evaluating Agency	Evaluation	
May 11, 2021	Japan Credit Rating Agency, Ltd. (JCR)	Overall	Green 1 (F)
		Greenness (use of proceeds)	g 1 (F)
		Management, Operation and Transparenc	m 1 (F)

CSIF successively signed specified wholesale supplying agreements with Zero Watt Power Inc. for CS Izu-shi Power Plant, CS Ōgawara-machi Power Plant, CS Mashiki-machi Power Plant and CS Hiji-machi Dai-ni Power Plant. These plants are part of the assets owned by CSIF. The agreements help these electricity retailers sell FIT electric power (Note 1) or electric power effectively derived from renewable energy (Note 2). In addition, CSIF announced the *Notice concerning the Conclusion of an Agreement Concerning the Granting of Tracking Information on Solar Power Plants Owned by CSIF* on September 29, 2022. As was mentioned there, CSIF signed a new agreement with power consumer, unidentified under non-disclosure agreements with them, for the granting of information on renewable energy power plants (hereinafter referred to as “tracking information”) added to the FIT Non-Fossil Certificates for CS Daisen-cho Power Plant (A), CS Daisen-cho Power Plant (B) and CS Marumori-machi Power Plant. CSIF is thus taking actions towards decarbonization in response to the increasing needs of power consumers for renewable energy. These actions also support the global RE100 initiative, which aims to make 100% of the energy consumed in business activities renewable energy.

(Note 1) Part of the expenses for procuring FIT electric power is covered by the FIT surcharges paid by power consumers. Electricity retailers need to inform of this to consumers.

(Note 2) To present to consumers that the electric power they sell is effectively derived from renewable energy, electricity retailers must separately purchase non-fossil certificates according to the energy output sold and use them.

(Note 3) A FIT Non-Fossil Certificate is a certificate representing the renewable energy value of the electric power purchased under the FIT scheme that is traded on the Non-Fossil Value Trading Market operated by Japan Electric Power Exchange (hereinafter referred to as “JPEX”).

(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 June 30, 2023 (January 1, 2023 to June 30, 2023), the fiscal period ending December 31, 2023 (July 1, 2023 to December 31, 2023) and the fiscal period ending June 30, 2024 (January 1, 2024 to June 30, 2024) is as follows. For details of the assumptions underlying the forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 30, 2023 (January 1, 2023 to June 30, 2023), the fiscal period ending December 31, 2023 (July 1, 2023 to December 31, 2023) and the fiscal period ending June 30, 2024 (January 1, 2024 to June 30, 2024)” described 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 Jun. 2023	3,690	1,352	1,149	1,148	2,969	781	3,750
Fiscal period ending Dec. 2023	3,707	1,370	1,169	1,168	3,022	728	3,750
Fiscal period ending Jun. 2024	3,639	1,330	1,136	1,135	2,935	815	3,750

III Facts arising after the settlement of accounts

Not applicable.

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 30, 2023 (January 1, 2023 to June 30, 2023), the fiscal period ending December 31, 2023 (July 1, 2023 to December 31, 2023) and the fiscal period ending June 30, 2024 (January 1, 2024 to June 30, 2024)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> • 12th fiscal period :from January 1, 2023 to June 30, 2023 (181 days) • 13th fiscal period :from July 1, 2023 to December 31, 2023 (184 days) • 14th fiscal period :from January 1, 2024 to June 30, 2024 (182 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 December 2022 (hereinafter refer 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 14th fiscal period, June 30, 2024. • 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 12th, 13th and 14th fiscal periods are ¥3,690 million, ¥3,707 million and ¥3,639 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. <ul style="list-style-type: none"> (*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 parts of Acquired Projects 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. (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 12th, 13th and 14th fiscal periods are assumed to be ¥873 million, ¥870 million and ¥841 million, respectively. • Of the expenses for the lease of the Assets in Possession, Property-related taxes are assumed to be ¥5 million, ¥6 million and ¥5 million for the 12th, 13th and 14th 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 ¥225 million, ¥225 million and ¥225 million for the 12th, 13th and 14th fiscal periods, respectively, as O&M fees. • CSIF assumed it will incur expenses related to land lease in the amounts of ¥61 million, ¥61 million and ¥61 million for the 12th, 13th and 14th fiscal periods, respectively, in connection with the Assets in Possession. • CSIF has assumed that it will incur depreciation expenses, including certain ancillary expenses of ¥1,464 million, ¥1,465 million and ¥1,467 million for the 12th, 13th and 14th 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 ¥203 million, ¥201 million and ¥194 million for the 12th, 13th and 14th fiscal periods, respectively.
Borrowings	<ul style="list-style-type: none"> • CSIF's balance of interest-bearing debt totals ¥37,688 million (borrowings and investment corporation bonds) as of today. CSIF has assumed that the interest-bearing debt will be repaid in the amounts of ¥1,144 million, ¥1,130 million and ¥1,136 million for the 12th, 13th and 14th fiscal periods, respectively, by contracts. • CSIF anticipates that its LTV (loan-to-value) ratio will be approximately 48.0%, 47.4% and 46.8% as of the end of 12th, 13th and 14th 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 14th fiscal period ending June 30, 2024. • 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).

Item	Assumptions
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. • CSIF intends to maintain distributions per unit including distributions in excess of earnings in the 12th fiscal periods around ¥3,750. Distributions in excess of earnings are assumed to be ¥781 in the 12th period. Distributions per unit including distributions in excess of earnings in the 13th period and in the 14th period are also ¥3,750. Distributions in excess of earnings are assumed to be ¥728 in the 13th period and ¥815 in the 14th period. Distributions including distributions in excess of earnings shall be calculated by multiplying anticipated NCF at the beginning of each period with certain fixed ate. The rate is to be decided considering related anticipated NCF at the beginning of each period, and is assumed to be 76.4% in the 12th 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 September 29, 2022 including subsequent amendments.)

2. Financial Statement

(1) Balance Sheet

(Unit : thousand yen)

	10th Period (June 30, 2022)	11th Period (December 31, 2022)
Assets		
Current Assets		
Cash and bank deposit	5,082,280	5,271,544
Operating accounts receivable	1,148,662	798,973
Accounts receivable	-	13,141
Prepaid expenses	163,589	262,709
Other current assets	75,513	59,468
Total current assets	6,470,046	6,405,837
Fixed Assets		
Property and equipment		
Structures	1,055,391	1,056,877
Accumulated depreciation	(171,352)	(193,153)
Structures, net	884,038	863,724
Machinery and equipment	42,434,266	42,480,349
Accumulated depreciation	(7,330,697)	(8,203,513)
Machinery and equipment, net	35,103,568	34,276,835
Tools, furniture and fixtures	591,024	591,663
Accumulated depreciation	(102,728)	(114,667)
Tools, furniture and fixtures, net	488,296	476,996
Land	4,505,944	4,505,944
Structures in trust	6,569,721	6,590,138
Accumulated depreciation	(319,920)	(441,608)
Structures in trust, net	6,249,801	6,148,530
Machinery and equipment in trust	20,291,246	20,291,246
Accumulated depreciation	(1,126,547)	(1,549,535)
Machinery and equipment in trust, net	19,164,699	18,741,711
Tools, furniture and fixtures in trust	93,540	94,264
Accumulated depreciation	(5,114)	(7,036)
Tools, furniture and fixtures in trust, net	88,425	87,228
Land in trust	4,769,905	4,769,905
Total property and equipment	71,254,680	69,870,876
Intangible assets		
Leasehold rights	1,156,923	1,156,923
Software	2,761	2,226
Total intangible assets	1,159,685	1,159,150
Investments and other assets		
Long-term prepaid expenses	520,335	481,802
Investment in capital	10	10
Deferred tax assets	12	15
Long-term bank deposit	15,600	15,600
Security deposits	37,790	37,790
Total investment and other assets	573,747	535,217
Total fixed assets	72,988,113	71,565,244
Deferred Assets		
Investment corporation bond issuance cost	17,701	14,921
Total deferred assets	17,701	14,921
Total assets	79,475,861	77,986,003
Liabilities		
Current liabilities		
Accounts payable - operating	69,739	87,324
Current portion of long-term loans payable	2,261,543	2,275,477
Accounts payable - other	171,689	161,541
Accrued expenses	137,675	123,547
Income taxes payable	852	914
Consumption tax payable	148,202	76,773
Deposits received	485	1,265
Total current liabilities	2,790,188	2,726,843
Non-current liabilities		
Investment corporation bond	4,900,000	4,900,000
Long-term loan payable	31,643,639	30,512,844
Total non-current liabilities	36,543,639	35,412,844
Total liabilities	39,333,827	38,139,687
Net assets		

Unitholders' equity		
Unit holders' capital	40,631,004	40,631,004
Deduction from unitholders' capital	(1,998,255)	(1,998,255)
Unitholders' capital (net value)	38,632,749	38,632,749
Surplus		
Unappropriated retained earnings (Accumulated deficit)	1,509,284	1,213,566
Total surplus	1,509,284	1,213,566
Total unitholders' equity	40,142,034	39,846,315
Total net assets	*1 40,142,034	*1 39,846,315
Total liabilities and net assets	79,475,861	77,986,003

(2) Statement of Income

(Unit: thousand yen)

	10th period (from January 1, 2022 to June 30, 2022)	11th period (from July 1, 2022 to December 31, 2022)
Operating revenues		
Rental revenues of renewable energy power generation facilities, etc.	*1 4,060,575	*1 3,715,150
Total operating revenues	4,060,575	3,715,150
Operating expenses		
Rental expenses of renewable energy power generation facilities, etc.	*1 2,090,621	*1 2,114,647
Asset management fee	127,390	115,772
Administrative service fees	27,877	27,251
Director's compensation	2,400	2,400
Taxes and duties	65	164
Other operating expenses	68,261	71,612
Total operating expenses	2,316,616	2,331,848
Operating income or loss	1,743,958	1,383,301
Non-operating incomes		
Interest income	26	29
Dividends	0	-
Insurance income	-	39,287
Other non-operating income	3,259	202
Total non-operating income	3,285	39,519
Non-operating expenses		
Interest expenses	151,215	148,732
Interest on investment corporation bond	18,947	19,262
Amortization of Investment corporation bond issuance cost	2,779	2,779
Borrowing-related expenses	37,730	37,730
Loss on retirement of non-current assets	26,635	-
Total non-operating expenses	237,310	208,505
Ordinary income	1,509,933	1,214,315
Income before income taxes	1,509,933	1,214,315
Income taxes - current	856	918
Income tax - deferred	4	(2)
Total income taxes	861	915
Net income	1,509,072	1,213,400
Retained earnings (deficit) brought forward	211	165
Unappropriated retained earnings (Accumulated deficit)	1,509,284	1,213,566

(3) Statements of Changes in Unitholders' Equity

10th Fiscal Period (From January 1, 2022 to June 30, 2022)

(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, 2022	40,631,004	(1,670,370)	38,960,634	1,122,287	1,122,287	40,082,921	40,082,921
Changes of items during the period							
Distribution in excess of earnings	-	(327,884)	(327,884)	-	-	(327,884)	(327,884)
Dividend of surplus	-	-	-	(1,122,075)	(1,122,075)	(1,122,075)	(1,122,075)
Net Income	-	-	-	1,509,072	1,509,072	1,509,072	1,509,072
Total changes of items during the period	-	(327,884)	(327,884)	386,996	386,996	59,112	59,112
Balance as of June 30, 2022	*1 40,631,004	(1,998,255)	38,632,749	1,509,284	1,509,284	40,142,034	40,142,034

11th Fiscal Period (From July 1, 2022 to December 31, 2022)

(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, 2022	40,631,004	(1,998,255)	38,632,749	1,509,284	1,509,284	40,142,034	40,142,034
Changes of items during the period							
Dividend of surplus	-	-	-	(1,509,118)	(1,509,118)	(1,509,118)	(1,509,118)
Net Income	-	-	-	1,213,400	1,213,400	1,213,400	1,213,400
Total changes of items during the period	-	-	-	(295,718)	(295,718)	(295,718)	(295,718)
Balance as of December 31, 2022	*1 40,631,004	(1,998,255)	38,632,749	1,213,566	1,213,566	39,846,315	39,846,315

(4) Statements of Cash Distribution

	Fiscal Period under Review (From January 1, 2022 to June 30, 2022) Unit: Yen	Fiscal Period under Review (From July 1, 2022 to December 31, 2022) Unit: Yen
I Unappropriated retained earnings (accumulated deficit)	1,509,284,238	1,213,566,004
II Distributions in excess of retained earnings Deduction from unitholders' capital	-	236,633,472
III Cash distributions	1,509,118,368	1,449,960,000
(Cash distributions per unit)	(3,903)	(3,750)
Profit distributions	1,509,118,368	1,213,326,528
(Profit distributions per unit)	(3,903)	(3,138)
Distributions in excess of retained earnings	-	236,633,472
(Distributions in excess of retained earnings)	(-)	(612)
IV. Retained earnings (deficit) carried forward	165,870	239,476
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 ¥1,509,118,368 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥1,509,284,238 excluding fractions of the distribution per unit that are less than ¥1.</p> <p>CSIF does not distribute cash in excess of retained earnings based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation.</p> <p>Accordingly, the distribution per unit is ¥3,903.</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 ¥1,213,326,528 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥1,213,566,004 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 ¥236,633,472 which is equivalent to 16.3% of the amount of depreciation expenses recorded for the fiscal period under review of ¥1,453,687,832.</p> <p>Accordingly, the distribution per unit is ¥3,750.</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 ¥1,509,118,368 which is equivalent to 63.3% of forecast NCF amount for the fiscal period under review of ¥2,382,855,627.

Based on this policy, CSIF decided to make distributions for the current fiscal period of ¥1,449,960,000 which is equivalent to 77.1% of forecast NCF amount for the fiscal period under review of ¥1,880,540,436. Of this, ¥236,633,472 which is the amount less of distributions of profit of ¥1,213,326,528 is distributions in excess of retained earnings.

(5) Statement of Cash Flow

(unit: thousand yen)

	10th period (From January 1, 2022 to June 30, 2022)	11th period (From July 1, 2022 to December 31, 2022)
Cash flows from operating activities		
Income (Loss) before income taxes	1,509,933	1,214,315
Depreciation costs	1,452,880	1,453,687
Amortization of investment corporation bond issuance costs	2,779	2,779
Interest income and dividends	(26)	(29)
Interest expenses	170,163	167,994
Other non-operating income	(2,394)	(202)
Loss on retirement of non-current assets	26,635	-
Decrease (Increase) in operating accounts receivable	(391,318)	349,688
Decrease (Increase) in accounts receivable	-	(13,141)
Decrease (Increase) in consumption taxes payable	(156,974)	(71,785)
Decrease (Increase) in prepaid expenses	59,952	(99,119)
Decrease (Increase) in long-term prepaid expenses	38,533	38,533
Increase (Decrease) in operating accounts payable	17,432	22,025
Increase (Decrease) in accounts payable - other	27,308	(10,459)
Increase (Decrease) in accrued expenses	36,951	(15,040)
Other, net	(16,908)	16,824
Sub-total	2,774,951	3,056,072
Interest received	26	29
Interest paid	(171,183)	(167,082)
Income taxes paid	(948)	(857)
Net cash provided by (used in) operating activities	2,602,846	2,888,162
Cash flows from investing activities		
Purchases of property and equipment	(37,272)	(72,094)
Purchases of intangible assets	(2,500)	(825)
Net cash provided by (used in) investing activities	(39,772)	(72,919)
Cash flows from financing activities		
Repayment of long-term loans payable	(1,131,857)	(1,116,861)
Dividends paid	(1,122,075)	(1,509,118)
Surplus earning distribution paid	(327,884)	-
Net cash provided by (used in) financing activities	(2,581,817)	(2,625,979)
Net increase (decrease) in cash and cash equivalents	(18,743)	189,264
Cash and cash equivalents at the beginning of the fiscal period	5,101,023	5,082,280
Cash and cash equivalents at the end of the fiscal period	*1 5,082,280	*1 5,271,544

(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	Investment corporation bond issuance expenses Amortized by the straight-line method over the life of the bonds.
3. Standards for revenue and expense recognition	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.
4. Scope of funds in statement of cash flows	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.
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>
6. Other significant matters serving as the basis for preparation of financial statements	Accounting treatment with regard to trust beneficiary interest in real estate 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: Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust.

(8) Notes regarding financial statements

[NOTES TO BALANCE SHEET]

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

(Unit: thousand yen)

	As of June 30, 2022	As of December 31, 2022
	50,000	50,000

[NOTES TO STATEMENT OF INCOME]

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

(Unit: thousand yen)

	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022
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)	2,610,799	2,603,324
(Variable rent linked to actual output)	1,449,747	1,111,032
(Incidental income)	28	794
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	4,060,575	3,715,150
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)	257,667	254,787
(Repair and maintenance costs)	25,664	50,561
(Taxes and duties)	243,240	243,242
(Utilities expenses)	5,877	6,915
(Insurance expenses)	37,243	37,243
(Depreciation expenses)	1,452,362	1,453,152
(Land rent)	61,917	62,096
(Trust fees)	6,600	6,600
(Other rental expenses)	49	49
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	2,090,621	2,114,647
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	1,969,953	1,600,502

[NOTES TO STATEMENT OF CHANGES IN NET ASSETS]

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

	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	386,656 units	386,656 units

[NOTES TO STATEMENT OF CASH FLOWS]

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

(Unit: thousand yen)

	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022
Cash and deposits	5,082,280	5,271,544
Fixed term deposits exceeding 3 months	-	-
Cash and cash equivalents	5,082,280	5,271,544

[NOTES ON LEASE TRANSACTIONS]

Operating lease (as the lessor)

Future minimum lease payments

(Unit: thousand yen)

	Fiscal period ended June 30, 2022	Fiscal period ended December 31, 2022
Within one year	5,190,132	5,142,217
Longer than one year	72,347,243	68,750,697
Total	77,537,376	73,892,914

[NOTES ON FINANCIAL INSTRUMENTS]

1. Situation of financial instruments

(1) Policy for financial instruments

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

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

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

(3) Supplementary explanation on fair value of financial instruments

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

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of June 30, 2022, and the difference between them. With respect to cash and deposits and operating account receivable, the condition that the cash and deposits are settled in the short term, and thus the market value is considered to be close to the book value. Accordingly, those are not included in the table. Long-term bank deposits and security deposits are not included in the table since those have little relevance.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	2,261,543	2,263,748	2,205
(2) Long-term loans payable	31,643,639	31,870,125	226,486
(3) Investment corporation bond	4,900,000	4,892,630	(7,370)
Total liabilities	38,805,182	39,026,504	221,322
(4) Derivative transaction	-	-	-

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

(1) Current portion of long-term loans payable (2) 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.

(3) Investment Corporation Bond

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

(4) Derivative transaction

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

The table below shows the book value and fair values of financial instruments as of December 31, 2022, and the difference between them. With respect to cash and deposits and operating account receivable, the condition that the cash and deposits are settled in the short term, and thus the market value is considered to be close to the book value. Accordingly, those are not included in the table. Long-term bank deposits and security deposits are not included in the table since those have little relevance.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	2,275,477	2,278,187	2,709
(2) Long-term loans payable	30,512,844	30,766,331	253,487
(3) Investment corporation bond	4,900,000	4,894,170	(5,830)
Total liabilities	37,688,321	37,938,688	262,027
(4) Derivative transaction	-	-	-

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

(1) Current portion of long-term loans payable (2) 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.

(3) Investment Corporation Bond

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

(4) Derivative transaction

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

(Note 2) Scheduled redemption amount of loans payables after the closing date (June 30, 2022)

(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
Long-term loans payable	2,261,543	2,267,295	2,206,896	2,301,459	2,240,050	22,627,936
Investment corporation bond	-	-	1,100,000	3,800,000	-	-
Total	2,261,543	2,267,295	3,306,896	6,101,459	2,240,050	22,627,936

Scheduled redemption amount of loans payables after the closing date (December 31, 2022)

(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
Long-term loans payable	2,275,477	2,228,931	2,270,245	2,256,998	9,570,112	14,186,556
Investment corporation bond	-	1,100,000	-	3,800,000	-	-
Total	2,275,477	3,328,931	2,270,245	6,056,998	9,570,112	14,186,556

[NOTES ON SECURITIES]

Prior fiscal period (as of June 30, 2022)

Not applicable.

Current fiscal period (as of December 31, 2022)

Not applicable.

[NOTES ON DERIVATIVE TRANSACTIONS]

1. Those to which hedge accounting is not applied

Prior fiscal period (as of June 30, 2022) and Current fiscal period (as of December 31, 2022)

Not applicable.

Prior fiscal period (as of June 30, 2022)

(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	33,905,182	31,643,639	(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) (1) Current portion of long-term loans payable and (2) Long-term loans payable in “Notes on financial instruments 2. Matters relating to fair values of financial instruments, among other matters”

Current fiscal period (as of December 31, 2022)

(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	32,788,321	30,512,844	(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) (1) Current portion of long-term loans payable and (2) Long-term loans payable in “Notes on financial instruments 2. Matters relating to fair values of financial instruments, among other matters”

[NOTES ON RETIREMENT BENEFITS]

Prior fiscal period (as of June 30, 2022)

Not applicable.

Current fiscal period (as of December 31, 2022)

Not applicable.

[NOTES ON TAX EFFECT ACCOUNTING]

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

(Unit: thousand yen)

	Fiscal period ended June 30, 2022	Fiscal period ended December 31, 2022
Accrued business tax not deductible from taxable income	12	15
Total deferred tax assets	12	15
Net amount of deferred tax assets	12	15

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

	Fiscal period ended June 30, 2022	Fiscal period ended December 31, 2022
Effective statutory tax rate	31.46%	31.46%
(Adjustment)		
Dividends paid deductible for tax purpose	(31.44)%	(31.43)%
Others	0.04%	0.05%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.06%	0.08%

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

Prior fiscal period (from January 1, 2022 to June 30, 2022)

Not applicable.

Current fiscal period (from July 1, 2022 to December 31, 2022)

Not applicable.

[NOTES ON RELATED PARTY TRANSACTIONS]

Prior fiscal period (from January 1, 2022 to June 30, 2022)

Not applicable.

Current fiscal period (from July 1, 2022 to December 31, 2022)

Not applicable.

[NOTES ON ASSET RETIREMENT OBLIGATIONS]

Prior fiscal period (from January 1, 2022 to June 30, 2022)

Not applicable.

Current fiscal period (from July 1, 2022 to December 31, 2022)

Not applicable.

With respect to some of the renewable energy power generation facilities that the Investment Corporation owns directly or as assets in trust, it bears the obligation of restoring relevant sites to their original conditions according to land lease contracts concluded with landowners. With these contracts being subject to automatic renewal, expected to be renewed unless there are special circumstances, or being highly likely to be renewed or re-concluded, the Investment Corporation has difficulty in reasonably estimating until when such contracts will remain effective. It therefore has not posted asset retirement obligations to reflect the said obligation. In addition, the Investment Corporation considers that the possibility of such contracts being cancelled is extremely low because it is difficult to use land covered by the contracts for purposes other than renewable energy power generation facilities.

[NOTES ON INVESTMENT AND RENTAL PROPERTY]

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

(Unit: thousand yen)

	Fiscal period ended June 30, 2022	Fiscal period ended December 31, 2022
Book value (Note 2)		
Beginning balance	73,858,451	72,411,603
Change during the period (Note 3)	(1,446,847)	(1,383,803)
Ending balance	72,411,603	71,027,800
Fair value at the end of the period (Note 4)	76,365,000	75,519,000

(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 June 30, 2022 primarily consisted of the increase due to capital expenditure for photovoltaic power generation facilities (32,150 thousand yen), and the decrease due to depreciation expenses (1,452,362 thousand yen). And the change during the period ended December 31, 2022 primarily consisted of the increase due to capital expenditure for photovoltaic power generation facilities (69,349 thousand yen), and the decrease due to depreciation expenses (1,453,152 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 June 30, 2022 and December 31, 2022, 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 June 30, 2022 and December 31, 2022, which was obtained from Kroll International Inc (for S-19 to S-25). The fair value which is the total sum of the median amount stated in the valuation report of Kroll International Inc is rounded down to the nearest million yen.

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended June 30, 2022 (the 10th period) and the fiscal period ended December 31, 2022 (the 11th period) are as stated in the "Notes to statement of income" above.

[NOTES ON REVENUE RECOGNITION]

Not applicable.

[NOTES ON SEGMENT INFORMATION]

1. Segment information

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

2. Related Information

Prior fiscal period (from January 1, 2022 to June 30, 2022)

(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.	2,738,121	Renewable energy power generation facilities, etc. rental business
LOHAS ECE 2 G.K.	1,322,425	Renewable energy power generation facilities, etc. rental business

Current fiscal period (from July 1, 2022 to December 31, 2022)

(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.	2,522,080	Renewable energy power generation facilities, etc. rental business
LOHAS ECE 2 G.K.	1,192,276	Renewable energy power generation facilities, etc. rental business

[NOTES ON PER UNIT INFORMATION]

	Prior fiscal period From January 1, 2022 June 30, 2022	Current fiscal period From July 1, 2022 December 31, 2022
Net assets per unit	103,818 yen	103,053 yen
Net income (Net loss) per unit	3,902 yen	3,138 yen

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

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

	Prior fiscal period From January 1, 2022 June 30, 2022	Current fiscal period From July 1, 2022 December 31, 2022
Net income (Net loss) (Thousand yen)	1,509,072	1,213,400
Amount not attributable to common unit holders (Thousand yen)	-	-
Net income (Net loss) attributable to Common unit holders (Thousand yen)	1,509,072	1,213,400
Average number of investment units during the period (Units)	386,656	386,656

[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)
September 15, 2021	Cash distribution in excess of earnings (refund of investment)	-	386,656	(357)	38,960	(Note 15)

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	
March 15, 2022	Cash distribution in excess of earnings (refund of investment)	-	386,656	(327)	38,632	(Note 16)

(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 17, 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.

(Note 15) CSIF decided, at a meeting of its Board of Directors held on August 13, 2021, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥924 per unit for the eighth fiscal period (ended June 30, 2021), and began to pay it from September 15, 2021.

(Note 16) CSIF decided, at a meeting of its Board of Directors held on February 14, 2022, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥848 per unit for the ninth fiscal period (ended December 31, 2021), and began to pay it from March 15, 2022.

3. Reference

(1) Conditions of Investment

(as of December 31, 2022)

Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) ('000yen)	% of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	893,206	1.1
	Kanto	2,075,481	2.7
	Tokai	5,081,615	6.5
	Chugoku/Shikoku	8,895,539	11.4
	Kyushu	18,671,713	23.9
Subtotal		35,617,556	45.7
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	4.1
Subtotal		4,505,944	5.8
Land lease	Hokkaido/Tohoku	69,417	0.1
	Kanto	59,197	0.1
	Tokai	332,421	0.4
	Chugoku/Shikoku	3,415	0.0
	Kyushu	692,471	0.9
Subtotal		1,156,923	1.5
Solar energy facility in trust	Hokkaido/Tohoku	3,326,739	4.3
	Kyushu	21,650,730	27.8
Subtotal		24,977,470	32.0
Land in trust	Hokkaido/Tohoku	116,748	0.1
	Kyushu	4,653,157	6.0
Subtotal		4,769,905	6.1
Solar energy facility etc.	Hokkaido/Tohoku	4,455,082	5.7
	Kanto	2,783,271	3.6
	Tokai	5,477,346	7.0
	Chugoku/Shikoku	9,459,151	12.1
	Kyushu	48,852,948	62.6
Subtotal		71,027,800	91.1
Solar energy facility etc. total		71,027,800	91.1

Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) ('000yen)	% of total AUM (Note 3)
Saving/other assets		6,958,203	8.9
Asset total (Note 2)		77,986,003	100.0
Total liabilities		38,139,687	48.9
Total net assets		39,846,315	51.1

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

(Note 2) The amount posted on the balance sheet as of December 31, 2022.

(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 25 solar energy projects as of June 30, 2022.

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 6, 2036
S-12	Solar Plant etc.	CS Kannami-cho Power Plant	Tagata-gun, Shizuoka	41,339	36	March 31, 2014	March 2, 2037
S-13	Solar Plant etc.	CS Mashiki-machi Power Plant	Kamimashiki-gun, Kumamoto	638,552 (Note2)	36	October 24, 2013	June 1, 2037
S-14	Solar Plant etc.	CS Koriyama-shi Power Plant	Koriyama-shi, Fukushima	30,376 (Note1)	32	February 27, 2015	September 15, 2036
S-15	Solar Plant etc.	CS Tsuyama-shi Power Plant	Tsuyama-shi, Okayama	31,059	32	September 26, 2014	June 29, 2037
S-16	Solar Plant etc.	CS Ena-shi Power Plant	Aza Ochise, Kusumi, Osashima-cho, Ena-shi, Gifu	37,373	32	February 24, 2015	September 12, 2037

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 9, 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	1,551,086 (Note 5)	40	March 15, 2013	October 30, 2039
S-25	Solar Plant etc.	CS Ogawara-machi Power Plant	Shibata-gun, Miyagi	123,624 (Note 6)	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 right to lease land and 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.

(Note 5) Site area for the portion of the solar energy plants and high-voltage land and access roads under ownership and right to lease land is shown and excludes the portion of the land where we hold an easement.

(Note 6) Site area for the portion of the solar energy plants and high-voltage land and access roads under superficies and right to lease land 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) (Note 5)	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	468	337	456
						131	
S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	311	292	304
						19	
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	870	648	774
						222	
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	645	611	625
						33	
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	557	532	540
						25	
S-06	CS Isa-shi Dai-san Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	802	754	768
						47	
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	744	703	677
						40	
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	865	833	823
						32	
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	844	813	799
						30	
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	1,525	1,459	1,405
						65	
S-11	CS Minano-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	982	743	898
						239	
S-12	CS Kannami-cho Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	514	482	445	473
						36	
S-13	CS Mashiki-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Transmission and Distribution Co., Inc.	19,751	19,318	15,798	16,522
						3,520	
S-14	CS Koriyama-shi Power Plant	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	218	168	217
						49	

Asset #	Project name	Certified Operator	PPA company	Acquisition Price (million yen) (Note 1) (Note 5)	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-15	CS Tsuyama-shi Power Plant	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	666	530	722
						136	
S-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Miraiz Co., Inc.	757	720	686	602
						33	
S-17	CS Daisen-cho Power Plant (A) and (B)	Tida Power01 G.K..	Chugoku Electric Power Transmission & Distribution Company, Incorporated	10,447	9,227	8,932	8,736
						295	
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Miraiz Co., Inc.	326	291	234	311
						57	
S-19	CS Misato-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	470	417	302	432
						115	
S-20	CS Marumori-machi Power Plant	Tida Power01 G.K.	Tohoku Electric Power Network Co., Inc.	850	737	722	742
						14	
S-21	CS Izu-shi Power Plant	Tida Power01 G.K..	TEPCO Power Grid, Incorporated	4,569	4,073	3,871	4,090
						202	
S-22	CS Ishikari Shinshinotsu-mura Power Plant	Tida Power01 G.K.	Hokkaido Electric Power Network, Incorporated	680	594	535	667
						59	
S-23	CS Osaki-shi Kejonuma Power Plant	Tida Power01 G.K.	Tohoku Electric Power Network Incorporated Company	208	193	154	207
						38	
S-24	CS Hij-machi Dai-ni Power Plant	LOHAS ECE2 G.K.	Kyushu Electric Power Transmission and Distribution Co., Inc.	27,851	27,253	22,543	26,605
						4,710	
S-25	CS Ogawara-machi Power Plant	Tida Power 01 G.K.	Tohoku Electric Power Network Co.,Inc.	2,745	2,712	2,670	2,620
						41	
Total				80,001	75,519	65,323	71,027
						10,196	

- (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, which is rounded down to the nearest million yen, provided to us by Kroll International Inc. 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 Mashiki-machi 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

Eleventh fiscal period (from July 1, 2022 to December 31, 2022)

(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	2,603,324	18,843	13,954	28,949	28,815	23,117
Variable rent linked to actual output	1,111,032	7,052	6,359	12,248	11,483	9,785
Incidental income	794	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	3,715,150	25,896	20,314	41,198	40,298	32,903
Operating expenses from the rental business of renewable energy power generation facilities, etc.						
Taxes and duties	243,242	1,400	1,090	2,481	2,395	2,076
(Property-related taxes, etc.)	243,242	1,400	1,090	2,481	2,395	2,076
(Other taxes)	-	-	-	-	-	-
Expenses	418,253	2,613	2,761	4,386	5,101	5,109
(Management entrustment expenses)	254,787	2,155	1,610	2,914	2,893	2,966
(Repair and maintenance costs)	50,561	199	149	1,034	207	500
(Utilities expenses)	6,915	-	-	-	-	-
(Insurance expenses)	37,243	258	203	438	408	378
(Land rent)	62,096	-	797	-	1,590	1,263
(Trust fees)	6,600	-	-	-	-	-
(Other rental cost)	49	-	-	-	-	-
Depreciation cost	1,453,152	9,539	7,925	14,483	16,534	14,360
(Structures)	21,800	468	256	345	306	605
(Machinery and equipment)	872,815	9,029	7,651	14,104	16,186	13,519
(Tools, furniture and fixtures)	11,938	41	17	33	41	235
(Structures in trust)	121,687	-	-	-	-	-
(Machinery and equipment in trust)	422,988	-	-	-	-	-
(Tools, furniture and fixtures in trust)	1,921	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	2,114,647	13,554	11,776	21,351	24,031	21,546
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	1,600,502	12,341	8,537	19,846	16,267	11,356

(Unit: thousand yen)

Asset number	S-06	S-07	S-08	S-09	S-10
Project name	CS Isa-shi Dai-san Power Plant	CS Kasama-shi Dai-ni Power Plant	CS Hiji-machi Power Plant	CS Ashikita-machi Power Plant	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	34,318	28,570	36,910	36,547	64,523
Variable rent linked to actual output	14,687	12,345	18,138	13,956	27,753
Incidental income	-	-	-	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	49,006	40,916	55,048	50,504	92,276
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	2,882	2,710	3,299	3,071	5,400
(Property-related taxes, etc.)	2,882	2,710	3,299	3,071	5,400
(Other taxes)	-	-	-	-	-
Expenses	6,454	5,778	6,629	6,332	15,147
(Management entrustment expenses)	3,719	2,878	4,248	3,900	8,275
(Repair and maintenance costs)	242	93	275	242	1,853
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	456	410	548	508	757
(Land rent)	2,036	2,396	1,557	1,681	4,260
(Trust fees)	-	-	-	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	19,971	17,604	22,166	20,306	35,404
(Structures)	290	247	835	1,441	755
(Machinery and equipment)	19,629	17,314	21,252	18,612	34,399
(Tools, furniture and fixtures)	51	42	78	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)	29,308	26,094	32,094	29,710	55,952
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	19,697	14,821	22,954	20,794	36,324

(Unit: thousand yen)

Asset number	S-11	S-12	S-13	S-14	S-15
Project name	CS Minano-machi Power Plant	CS Kannami-cho Power Plant	CS Mashiki-machi Power Plan	CS Koriyama-shi Power Plan	CS Tsuyama-shi Power Plan
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	30,223	18,177	677,855	7,465	21,575
Variable rent linked to actual output	6,551	6,661	294,168	3,277	12,106
Incidental income	-	-	-	2	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	36,774	24,839	972,023	10,746	33,681
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	2,886	1,541	61,549	869	2,624
(Property-related taxes, etc.)	2,886	1,541	61,549	869	2,624
(Other taxes)	-	-	-	-	-
Expenses	4,431	4,932	83,400	940	3,587
(Management entrustment expenses)	3,814	1,809	70,219	829	2,764
(Repair and maintenance costs)	104	1,210	3,630	-	532
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	512	233	9,493	110	288
(Land rent)	-	1,678	55	-	1
(Trust fees)	-	-	-	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	16,211	9,671	338,389	4,191	13,160
(Structures)	766	389	3,706	327	393
(Machinery and equipment)	15,445	9,226	326,780	3,864	12,462
(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)	23,529	16,146	483,338	6,001	19,372
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	13,245	8,692	488,684	4,744	14,309

(Unit: thousand yen)

Asset number	S-16	S-17	S-18	S-19	S-20
Project name	CS Ena-shi Power Plant	CS Daisen-cho Power Plant (A) and (B)	CS Takayama-shi Power Plant	CS Misato-machi Power Plant	CS Marumori-machi Power Plant
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	25,225	379,639	9,573	12,808	27,903
Variable rent linked to actual output	17,874	131,563	730	5,228	11,450
Incidental income	-	-	782	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	43,099	511,203	11,086	18,037	39,353
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	2,776	38,623	1,362	2,032	4,056
(Property-related taxes, etc.)	2,776	38,623	1,362	2,032	4,056
(Other taxes)	-	-	-	-	-
Expenses	7,649	72,124	3,484	2,191	8,831
(Management entrustment expenses)	2,772	40,508	1,256	1,425	2,672
(Repair and maintenance costs)	3,364	13,166	2,079	574	1,045
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	325	5,844	148	191	366
(Land rent)	1,187	12,604	-	-	4,748
(Trust fees)	-	-	-	-	-
(Other rental cost)	-	-	-	-	-
Depreciation cost	14,526	214,573	5,034	7,603	17,059
(Structures)	589	4,909	344	176	503
(Machinery and equipment)	13,840	208,881	4,675	7,345	16,320
(Tools, furniture and fixtures)	97	782	14	80	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)	24,952	325,321	9,880	11,826	29,947
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	18,147	185,882	1,205	6,210	9,406

(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 Plant	CS Ogawara-machi Power Plant
Rental revenue of renewable energy power generation facilities, etc.					
Basic rent	140,541	20,552	6,254	824,936	86,039
Variable rent linked to actual output	73,271	12,924	2,878	367,340	31,191
Incidental income	-	-	9	-	-
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal A)	213,813	33,476	9,142	1,192,276	117,231
Operating expenses from the rental business of renewable energy power generation facilities, etc.					
Taxes and duties	20,967	2,311	654	66,926	7,251
(Property-related taxes, etc.)	20,967	2,311	654	66,926	7,251
(Other taxes)	-	-	-	-	-
Expenses	27,046	8,603	1,676	108,186	20,849
(Management entrustment expenses)	13,018	3,111	1,240	62,960	10,819
(Repair and maintenance costs)	1,230	4,495	-	13,837	491
(Utilities expenses)	-	-	-	6,915	-
(Insurance expenses)	1,625	395	136	12,072	1,129
(Land rent)	11,173	-	-	8,750	6,310
(Trust fees)	-	600	300	3,600	2,100
(Other rental cost)	-	-	-	49	-
Depreciation cost	87,835	13,015	3,600	475,568	54,412
(Structures)	4,142	-	-	-	-
(Machinery and equipment)	82,271	-	-	-	-
(Tools, furniture and fixtures)	1,421	-	-	-	-
(Structures in trust)	-	547	300	114,109	6,729
(Machinery and equipment in trust)	-	12,427	3,276	360,434	46,850
(Tools, furniture and fixtures in trust)	-	40	23	1,024	833
Total operating revenue from the rental business of renewable energy power generation facilities, etc. (subtotal B)	135,850	23,930	5,932	650,681	82,514
Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	77,963	9,546	3,209	541,594	34,717

(3) Plan for capital expenditure

Not applicable.

(4) Capital expenditure during the fiscal period

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

Name of infrastructure assets, etc. (Location)	Purpose	Implementation period	Amount paid (thousand yen)
CS Takayama-shi Power Plant (Takayama-shi, Gifu)	Snow damage recovery work for stand and panel	From June 13, 2022 To December 2, 2022	45,253
CS Hiji-machi Dai-ni Power Plant (Hayami-gun, Oita)	Retention basin improvement work	From July 1, 2022 To July 7, 2022	7,117
CS Ogawara-machi Power Plant (Shibata-gun, Miyagi)	Logging work around the panel	From August 1, 2021 To September 28, 2022	13,300
Other Power Plants			3,678
Total			69,349