

Summary of Accounts for Fiscal Period Ended May 31, 2018 (Infrastructure Fund)

July 13, 2018

Infrastructure Fund Issuer: Takara Leben Infrastructure Fund, Inc. Exchange for listing: TSE
 Securities Code: 9281 URL: <http://www.tif9281.co.jp/>
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Scheduled start date of payment of distributions: August 16, 2018

Availability of supplementary materials for disclosure of financial statements: Available

Holding of financial results briefing: Holding (for institutional investors and analysts)

(Rounded down to nearest million yen)

1. Results of operations and assets for the fiscal period ended May 31, 2018 (December 1, 2017 to May 31, 2018)

(1) Operating results (The percentages show the rates of change from the previous fiscal period.)

	Operating revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal period ended May 31, 2018	1,205	13.5	473	12.0	415	12.4	414	12.4
Fiscal period ended November 30, 2017	1,062	159.4	422	150.8	369	146.3	368	146.8

	Net income per unit	Ratio of net income to equity capital (ROE)	Ratio of ordinary income to total assets (ROA)	Ratio of ordinary income to operating revenue
	Yen	%	%	%
Fiscal period ended May 31, 2018	3,511	3.7	1.7	34.4
Fiscal period ended November 30, 2017	3,136	4.6	2.3	34.8

(2) Results of distributions

	Distribution per unit (excl. surplus earnings distribution)	Total distribution (excl. surplus earnings distribution)	Surplus earnings distribution per unit	Total surplus earnings distribution	Distribution per unit (incl. surplus earnings distribution)	Total distribution (incl. surplus earnings distribution)	Dividend payout ratio	Ratio of dividend to net assets (DOE)
	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
Fiscal period ended May 31, 2018	3,512	414	464	54	3,976	469	100.0	3.7
Fiscal period ended November 30, 2017	3,123	368	463	54	3,586	423	100.0	3.2

(Note 1) Due to an issuance of new investment units during the fiscal period, the dividend payout ratio for the fiscal period ended November 30, 2017 is calculated according to the following calculation formula.

Dividend payout ratio = total distributions (excluding surplus earnings distribution) / net income x 100

(Note 2) The dividend payout ratios and the ratio of dividend to net assets are calculated based on figures that do not include surplus earnings distribution.

(Note 3) The entire amount of total surplus earnings distribution for the fiscal period ended November 30, 2017 is a refund of contributions that constitute distribution upon the decrease of contributions under the tax laws.

(Note 4) The ratio of surplus, etc. that decreases upon surplus earnings distribution (refund of contributions that constitute distribution upon the decrease of contributions under the tax laws) during the fiscal period ended November 30, 2017 is 0.005 and fiscal period ended May 31, 2018 is 0.005.

The ratio of decreased surplus, etc. is calculated according to Item 4, Paragraph 1, Article 23 of the Order for Enforcement of the Corporation Tax Act.

(3) Financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per unit
	Million yen	Million yen	%	Yen
Fiscal period ended May 31, 2018	24,538	11,322	46.1	95,976
Fiscal period ended November 30, 2017	23,071	11,331	49.1	96,050

(4) Results 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 term
	Million yen	Million yen	Million yen	Million yen
Fiscal period ended May 31, 2018	1,582	-1,928	1,032	2,000
Fiscal period ended November 30, 2018	-18	-13,029	13,701	1,312

2. Forecast operating results for the fiscal period ending November 30, 2018 (June 1, 2018 to November 30, 2018), the fiscal period ending May 31, 2019 (December 1, 2018 to May 31, 2019) and the fiscal period ending November 30, 2019 (June 1, 2019 to November 30, 2019)

(The percentages show the rates of change from the previous fiscal period.)

	Operating revenue		Operating income		Ordinary income		Net income		Distribution per unit (excl. surplus earnings distribution)	Surplus earnings distribution per unit	Distribution per unit (incl. surplus earnings distribution)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
Fiscal period ending November 30, 2018	1,430	18.7	504	6.6	438	5.7	437	5.7	3,160	350	3,510
Fiscal period ending May 31, 2019	1,468	2.7	527	4.5	457	4.3	456	4.3	3,297	334	3,631
Fiscal period ending November 30, 2019	1,423	-3.1	472	-10.5	407	-11.0	406	-11.0	2,935	336	3,271

(Reference) Forecast net income per unit (for the fiscal period ending November 30, 2018): 3,160 yen; forecast net income per unit (for the fiscal period ending May 31, 2019): 3,296 yen; forecast net income per unit (for the fiscal period ending November 30, 2019): 2,934 yen

Estimated total number of issued investment units at the end of the fiscal period: 138,574 units

* Others

(1) Change of the accounting policy, change in the estimates for the purpose of accounting, and revision and reclassification

- (i) Change of the accounting policy upon revision to the accounting standards, etc.: none
- (ii) Change of the accounting policy other than that described in (i) above: none
- (iii) Change in the estimates for the purpose of accounting: none
- (iv) Revision and reclassification: none

(2) Total number of issued investment units

- (i) Total number of issued investment units at the end of the fiscal period (including treasury investment units)
- (ii) Number of treasury investment units at the end of the fiscal period

As of May 31, 2018	117,976units	As of November 30, 2017	117,976units
As of May 31, 2018	-units	As of November 30, 2017	-units

(Note) For the number of investment units that is the basis for the calculation of net income per unit, please refer to the Notes for Data per Unit stated on page 25 below.

* Indication regarding the state of audit procedures taken

This summary of accounts is not included in the scope of the audit procedures under the Financial Instruments and Exchange Act (Act No. 25 of 1948, including amendments thereto, hereinafter referred to as the "Act"). At the time of the publication of this

summary of accounts, the audit procedures under the Act are not completed.

* Explanations about the appropriate use of the forecasts of the operating results and other special notes

The statements about the outlook for the operating results stated herein and other future situations are based on the information that the Investment Corporation has obtained and certain assumptions that the Investment Corporation considers reasonable. The actual operating results may differ substantially from them due to various causes. In addition, those forecasts do not guarantee the amounts of distributions. For the assumptions for the forecasts of the operating results, please refer to “Assumptions for Forecasts of Operating Results for the Fiscal Period ending November 30, 2018 (June 1, 2018 to November 30, 2018), the Fiscal Period ending May 31, 2019 (December 1, 2018 to May 31, 2019), and the Fiscal Period ending November 30, 2019 (June 1, 2019 to November 30, 2019)” stated on page 7 below.

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1. Corporations affiliated with the investment corporation

Structure of the investment corporation

The disclosure of information about this item is omitted because no material changes have been made to the statements about the structure of the investment corporation in the latest securities report (submitted on February 27, 2018).

2. Operational policy and operating results

(1) Operational policy

The disclosure of information about the operational policy is omitted because no material changes have been made to the statements about the investment policy, investment targets and distribution policy in the securities report that was submitted on February 27, 2018.

(2) Operating results

(i) Overall situation in the fiscal period under review

a. Major events of the Investment Corporation

The Investment Corporation was established with capital contributed of 200 million yen (2,000 units) on August 5, 2015 by the promoter of Takara Asset Management (hereinafter referred to as the “Management Company”) according to the Act on Investment Trust and Investment Corporations (hereinafter referred to as the “Investment Trust Act”) and was registered with the Kanto Local Finance Bureau on September 2, 2015 (registration number: No. 105 of the Director-General of the Kanto Local Finance Bureau).

The Investment Corporation additionally issued investment units (45,166 units) by public offering on June 1, 2016 and was listed on the infrastructure fund of Tokyo Stock Exchange, Inc. (hereinafter referred to as “TSE”) (security code: 9281) on June 2, 2016. On July 1, 2016, the Investment Corporation issued new investment units (2,258 units) by third-party allotment. In June 2017, the Investment Corporation increased capital by public offering and third-party allotment. As a result, the total number of issued investment units as of May 31, 2018 is 117,976 units.

b. Actual operating results for the fiscal period under review

During the fiscal period under review, the Japanese economy was generally on a recovery trend due to stable growth on corporate earnings, along with steady recovery on personal earning based on a continuous improvement on the employment situation and labor shortage.

With respect to the environment surrounding the renewable energy power facilities, etc., the issues of the increase of the primary energy self-sufficiency rate and the reduction of the emission of greenhouse effect gas remain. Such issues in Japan’s energy policy are expected to be resolved by introducing renewable energy power facilities, etc. that utilize natural energy.

Under these circumstances, according to the basic policy for the investment and management of assets set forth in the rules, etc., the Investment Corporation acquired two solar power plant properties (for the acquisition cost of 1,423 million yen) on December 1, 2017 and acquired one solar power plant property (for the acquisition cost of 484 million yen) on February 28, 2018 in order to expand external growth and increase distributions based on net profit.

As a result, the total assets held by the Investment Corporation at the end of the fiscal period under review were 21 properties (total value: 25,231 million yen (note)), and the total panel output was 55.8 MW.

(Note) This value is the total sum of the assessed values of the assets held. The assessed values of the assets held are the median values calculated by the Investment Corporation according to Item 1, Paragraph 2, Article 36 of its certificate of incorporation from among the range of the assessed values of the respective power plants stated in the valuation report indicating the values as of May 31, 2018 that was obtained from PricewaterhouseCoopers Sustainability LLC. The same applies hereinafter.

c. Summary of financing

During the fiscal period under review, the Investment Corporation borrowed funds in an amount of 1,395 million yen on December 1, 2017 and an amount of 475 million yen on April 27, 2018 to appropriate them to the funds for the acquisition of three (3) solar power plants and the expenses related thereto (including national and local consumption taxes).

On the other hand, at the end of the fiscal period under review, the Investment Corporation made repayments under the agreements, and the loans at the end of the fiscal period under review were 13,097 million yen. As a result, the ratio of interest-bearing debts to total assets was 53.4% at the end of the fiscal period under review.

For information, the rating obtained by the Investment Corporation as of May 31, 2018 is as shown below.

<Rating>

Credit rating agency	Rating	Trend of rating
Japan Credit Rating Agency, Ltd.	A-	Stable

d. Summary of business results and distributions

As a result of the operations described above, the business results for the fiscal period under review were operating revenue of 1,205 million yen, operating income of 473 million yen, ordinary income of 415 million yen and net income of 414 million yen.

With respect to the distributions, according to the policy for the distribution of money that is set forth in Article 38 of the certificate of incorporation of the Investment Corporation, the amount thereof shall exceed an amount equivalent to 90/100 of the amount of profits available for dividends that is specified in Article 67-15 of the Act on Special Measures Concerning Taxation. In addition, the amounts remaining after reserving such cash and deposits as the Investment Corporation considers appropriate to prevent any impact on the long-term repair plan and meet the demand for funds (such as capital expenditure for the new acquisition of assets for investment and maintenance and the improvement of the portfolio assets, the working capital of the Investment Corporation, the repayment of debts and the payment of distributions) based on the amount of capital expenditure estimated for each accounting period under the long-term repair plan, taking into account the conditions of credit lines, etc. are distributed to an extent that exceeds the amount of profits as the distribution of money beyond profits (refund of contributions).

Under this distribution policy, the Investment Corporation decided to distribute 54,740 thousand yen which is the remaining amount after subtracting 415,740 thousands yen for expense of borrowing repayment and 36,067 thousands yen for internal reserve from total of 506,279 thousands yen, which is consisted with 452,081 thousands yen for depreciation, 45,612 thousands yen for amortization of long-term prepaid expenses, 8,557 thousands yen for amortization of issuance expenses of new investment units, and 28 thousands yen for amortization of establishment expenses.

As the result, the surplus earnings distribution for the fiscal period under review consists about 12.1% of total depreciation expense. The distribution per investment unit is 3,976 yen.

(ii) Outlook for the following fiscal period

a. Future outlook for operations

The Japanese economy is expected to remain on a stable recovery trend due to an increased exports, growth in capital investment, improvement on labor conditions and personal incomes as well as other factors.

In respect to the environment surrounding the photovoltaic power facilities that are included in the renewable energy power facilities, the capacity of the photovoltaic power facilities with not less than 10 kW (for non-residence use) that were approved (as defined in Paragraph 3, Article 9 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Act No. 108 of 2011, including amendments thereto) (hereinafter referred to as the “Renewable Energy Special Measures Act”; the Renewable Energy Special Measures Act before the amendment thereto by the Act for Partial Revision of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities enforced on April 1, 2017 (Act No. 59 of 2016) (hereinafter referred to as the “Act for Partial Revision of the Renewable Energy Special Measures Act”) may be especially referred to as the “Former Renewable Energy Special Measures Act,” and the Renewable Energy Special Measures Act after the amendment thereto by the Act for Partial Revision of the Renewable Energy Special Measures Act may be especially referred to as the “Current Renewable Energy Special Measures Act”; in addition, if the context requires, such approval may include the approval defined in Paragraph 1, Article 6 of the Former Renewable Energy Special Measures Act; the same applies hereinafter) after the feed-in tariff was introduced was approximately 66 GW as of September 30, 2017, and the capacity of such facilities that were actually installed was approximately 31 GW. Based on the records of new approval and installation in the past, it is presumed that there were many cases where the facilities were not installed after the development period had passed from the approval event when such period extends for about one (1) year. Accordingly, it is judged that there are quite a lot of cases where development is not in sight at the present time. Meanwhile, according to the Ministry of Economy, Trade and Industry, the estimates for long-term energy demand and supply as of July 2015 forecast a volume of installation of approximately 64 GW for the fiscal year 2030 (including that for non-residence use of approximately 55 GW). The ratio of the photovoltaic power facilities with a renewable energy capacity of not less than 10 kW that were installed only after the feed-in tariff started is 93.3% as of September 30, 2017. Given such circumstances, the Investment Corporation will make main investments in the photovoltaic power facilities for the time being and acquire and manage assets according to the growth strategy described below.

b. Future operational policy

(i). External growth strategy

The Investment Corporation and the Management Company consider that the unique know-how of the Management Company and the operational know-how on the overall photovoltaic power business that can be obtained from the sponsor, Takara Leben Co., Ltd. (hereinafter referred to as “Takara Leben”; and Takara Leben as the sponsor may be hereinafter referred to as the “Sponsor”) that has been developed should be able to contribute to the growth of the Investment Corporation in the

medium to long term. In addition, the Management Company will expand the information network among the entities other than Takara Leben and its subsidiaries (hereinafter referred to as the “Takara Leben Group”) and gather information about assets in order to expand, increase and promote the opportunity to acquire the photovoltaic power facilities, etc. that are the main investment targets of the Investment Corporation. The Investment Corporation will aim to acquire the photovoltaic power facilities, etc. from persons other than the Takara Leben group (including acquisition through the secondary transaction for the photovoltaic power facilities, etc. that have been put into use for operation) based on the information about assets gathered by the Management Company.

In addition, the Investment Corporation and the Management Company may receive a range of support for external growth from the Sponsor. This support should contribute to future external growth. The Investment Corporation intends to increase assets by exercising the preferential right to negotiate purchases granted by the Sponsor. In addition, the Investment Corporation considers that its right to receive information from the Sponsor under the sponsor support agreement should be conducive to the future external growth of the Investment Corporation, because the Sponsor has such relations and networks with and among the other enterprises, fund managers, sole proprietors and other persons engaging in the photovoltaic power business as have been established through the photovoltaic power projects in the past and, through such networks, has obtained information about the sale of properties held by third parties

(ii). Internal growth strategy

The Investment Corporation will contract out or have its lessees contract out the O&M operations of the photovoltaic power facilities to the contractors with the relevant technical know-how and ensure the appropriate equipment inspection, repair and equipment replacement of the assets acquired to maintain and increase the asset value from a medium- to long-term perspective and thereby secure stable income in the medium to long term.

In addition, the Investment Corporation will formulate the repair plan for each asset, considering the situations and characteristics of the managed assets, among other factors, upon consultation with the operators and contractors engaging in O&M and make the necessary repairs and capital expenditures to maintain and increase the returns from the managed assets in the medium to long term. Repairs and capital expenditures shall be judged by the Investment Corporation in consideration of the depreciation costs for the entire portfolio assets, in principle. However, if the Investment Corporation reasonably judges that any repair or capital expenditure should contribute to the maintenance or improvement of the performance of the managed assets, the said repair or capital expenditure shall be implemented early. In this regard, the costs necessary for the maintenance, management, repair and other operations of the renewable energy power facilities, etc. that are incurred during the period of operations (including taxes and other public charges imposed on the renewable energy power facilities, etc., capital expenditure for the renewable energy power facilities, etc., the price for new equipment or parts upon the replacement of the equipment or parts that constitute the renewable energy power facilities, outsourcing fees and other expenses payable to the contractors engaging in O&M, and insurance premiums for the insurances with the Investment Corporation as the policyholder or the insured that cover the renewable energy power facilities) shall be borne by the owner and lessor of the renewable energy power facilities, etc. (the Investment Corporation), and the costs necessary for the daily maintenance, management, repair and other operations of the renewable energy power facilities, etc. other than those to be borne by the owner and lessor shall be borne by the lessee, in principle.

c. Forecasts of operating results

The forecast of operating results for the fiscal period ending November 30, 2018 (June 1, 2018 to Nov 30, 2018), fiscal period ending May 31, 2019 (December 1, 2018 to May 31, 2019), and fiscal period ending November 30, 2019 (June 1, 2019 to November 30, 2019) are as follows. For the assumptions for the forecast operating results, please refer to the “Assumptions for Forecasts of Operating Results for Fiscal Period ending Nov 30, 2018 (June 1, 2018 to Nov 30, 2018), fiscal period ending May 31, 2019 (December 1, 2018 to May 31, 2019), and fiscal period ending November 30, 2019 (June 1, 2019 to November 30, 2019)” stated on page 7 below.

	Operating revenue	Operating income	Ordinary income	Net income	Distribution per unit (excl. surplus earnings distribution)	Surplus earnings distribution per unit	Distribution per unit (incl. surplus earnings distribution)
Fiscal period ending November 30, 2018 (6th fiscal period)	1,430 million yen	504 million yen	438 million yen	437 million yen	3,160 yen	350 yen	3,510 yen

Fiscal period ending May 31, 2019 (7th fiscal period)	1,468 million yen	527 million yen	457 million yen	456 million yen	3,297 yen	334 yen	3,631 yen
Fiscal period ending November 30, 2019 (8th fiscal period)	1,423 million yen	472 million yen	407 million yen	406 million yen	2,935 yen	336 yen	3,271 yen

(Note) The forecast figures stated above are calculated based on certain assumptions at the present time. Due to the future acquisition or disposal of the renewable energy power facilities, etc., the future additional issue of new investment units or change in the infrastructure market, interest rate or other conditions surrounding the Investment Corporation, among other causes, the actual operating revenue, operating income, ordinary income, net income, distribution per unit (excluding surplus earnings distribution), surplus earnings distribution per unit and distribution per unit (including surplus earnings distribution) may change. In addition, the forecasts announced herein do not guarantee the amount of distributions and surplus earnings distribution.

(iii) Facts arising after the settlement of accounts

a. Issuance of new investment units

The Investment Corporation has decided to issue new investment units at the board of meeting held on May 10, 2018 and May 21, 2018. Payment for each issuance new investment units are completed on June 1, 2018 and June 27, 2018. As the result, Unitholders' net capital is 13,138,647 thousands yen and numbers of total investment unit issued is 138,574 units as of June 27, 2018.

1. Issuance of new investment units through public offering

(1) Total number of investment units to be offered:	19,618 Unit
(2) Issue price (Offer Price)	113,384 yen per unit
(3) Total amount of issue value (offer price)	2,224,367,312 yen
(4) Paid-in amount	108,267 yen per unit
(5) Total paid-in amount	2,123,982,006 yen
(6) Payment date	June 1, 2018
(7) Intended use of funds	To appropriate part of the funds for the acquisition of the new assets acquired

2. Issuance of new investment units by third-party allotment

(1) Total number of investment units to be offered:	980 unit
(2) Issue price (Offer Price)	108,267 yen per unit
(3) Total amount of issue value (offer price)	106,101,660 yen
(4) Allottee and number of units allocated	Mizuho Securities Co., Ltd. 980 unit
(5) Payment date	June 27, 2018
(6) Intended use of funds	To maintain as cash in hand, which expected to be used for acquiring specified assets (as set forth in Paragraph 1, Article 2 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including amendments thereto) or for planed repayment of debts

Change of number of investment units through above new issuance of new investment units are as follow

Total number of investment units as of May 31, 2018	117,976 units
Increased number of investment units through the public offering	19,618 units
Increased number of investment units through the third-party allotment	980 units
Total number of investment units after the public offering and the third-party allotment	138,574 units

b. Borrowing of funds

To appropriate part of the funds for the acquisition of the new assets acquired and to be acquired as set forth in “c. Acquisition of assets” below and the expenses related thereto (including national and local consumption taxes), the Investment Corporation executed the following loans on June 1, 2018.

Category	Lender	Amount of borrowings (Million yen)	Interest rate (Note 1)	Date of extension of loans	Date of final repayment	Repayment method (Note 2)	Security (Note 3)
Long-term	Mizuho Bank, Ltd. (Arranger) Resona Bank, Limited (Arranger) Sumitomo Mitsui Banking Corporation (Co-Arranger) Asahi Shinkin Bank Ashikaga Bank, Ltd. Iyo Bank, Ltd. Gunma Bank, Ltd. Daishi Bank, Ltd.	3,024	Interest rate obtained by adding 0.5% to the six-month Japanese Yen TIBOR	June 1, 2018	May 31, 2028	Repayment in installments in part	Unsecured Unguaranteed

(Note 1) Fees for loans, etc. paid to the lenders are not included.

The interest rate applicable to the interest paid on the date of the payment of interest (hereinafter referred to as the “Base Rate”) is the six-month Japanese TIBOR that the JBA TIBOR Administration publicly announces on the date that occurs two (2) business days before the date of the execution of the loan or the respective date of the payment of interest. The said Base Rate is reviewed for each date of payment of interest. However, if no rate for the period of the calculation of interest is available, the Base Rate for the said period shall be calculated according to the method set forth in the agreement. In addition, if such interest rate falls below 0%, the Base Rate shall be 0%. For information, the Base Rate for the first period of the calculation of interest on the loan executed on June 1, 2018 is 0.12636%.

(Note 2) Part of the principal (the amount obtained by dividing the total amount of loans by 34) shall be firstly repaid on the last day of November, 2018 and shall be partially repaid at the end of each Fiscal Period ending May or November (if the said day falls on a non-business day, the business day immediately following the said day, and if the said business day falls within the following month, the business day immediately preceding the said non-business day), and the remaining principal shall be repaid in a lump sum on the last due date of repayment on May 31, 2028.

(Note 3) The said loan is limited by the financial covenant to maintain the debt ratio (D/E ratio) and the indexes for assessing the ability to pay the principal and interest (DSCR) of the Investment Corporation as of each date of closing accounts of the Investment Corporation. In the case of a violation of the said limitation, the provision of security may be demanded, among other actions.

c. Acquisition of assets

The Investment Corporation executed the purchase agreements for the solar power plants below on June 1, 2018.

Property No.	Name of property	Location	Acquisition cost (Million yen) (Note 1)	Seller
S-22	LS Mie Yokkaichi	Yokkaichi-shi, Mie	740	Takara Leben Co., Ltd.
S-23	LS Sakuragawa Nakaizumi	Sakuragawa-shi, Ibaraki	980	Takara Leben Co., Ltd.
S-24	LS Shirahama	Kamitonda-Cho, Nishimuro-gun, Wakayama	2,810	Takara Leben Co., Ltd.
S-25	LS Takahagi	Takahagi-shi, Ibaraki	400	Takara Leben Co., Ltd.
Total portfolios			4,930	—

(Note) The acquisition costs described above are the purchase price stated in the purchase agreement for the respective assets acquired (exclusive of the contract fees and other expenses for the acquisition of assets, fixed assets, city planning, consumption and other taxes and other charges) and rounded down to the nearest million yen.

(iv) Forecast of Operation

Assumptions for Forecasts of Operating Results for Fiscal Period ending November 30, 2018 (June 1, 2018 to November 30, 2018), Fiscal Period ending May 31, 2019 (December 1, 2018 to May 31, 2019) and Fiscal Period ending November 30, 2019 (June 1, 2019 to November 30, 2019)

Items	Assumptions
Accounting period	<p>Fiscal period ending November 30, 2018 (6th fiscal period): June 1, 2018 to November 30, 2018 (183 days)</p> <p>Fiscal period ending May 31, 2019 (7th fiscal period): December 1, 2018 to May 31, 2019 (182 days)</p> <p>Fiscal period ending November 30, 2019 (8th fiscal period): June 1, 2019 to November 30, 2019 (183 days)</p>
Managed assets	<ul style="list-style-type: none"> • The assumption is based on a holding of 25 properties in total: the breakdown of them is 21 properties held as of May 31, 2018 (hereinafter referred to as the “Portfolio Assets”), 4 properties acquired on June 1, 2018 (hereinafter referred to as the “Acquired Assets”). • The assumptions for forecasting the operating results are that there will be no change to the assets under management (such as the acquisition of new assets and the disposal of the Portfolio Assets) until the end of the fiscal period ending November 30, 2019 (8th fiscal period). • There is a possibility that in reality, there may be a change due to the acquisition of new assets other than the Acquired Assets or the disposal of the Portfolio Assets, among other causes.
Operating revenue	<ul style="list-style-type: none"> • The revenues from the lease of 10 properties acquired on June 2, 2016 that are included in the Portfolio Assets are calculated based on the minimum rent guaranteed, which is set forth in the agreement for the lease of the photovoltaic power facilities, etc. that is in force and in effect as of today’s date, in the amount equivalent to the forecast revenues from sales of electric power for the relevant month, which is calculated in consideration of the forecast electric power output (probability of exceedance P (percentile) 50) calculated by a third party based on the database of annual solar radiation by hours and other data. The revenues from the lease of the LS Kamisu Hasaki that was acquired on February 7, 2017, 7 properties acquired on June 1, 2017, LS Sakuragawa Shimoizumi and LS Fukushima Yamatsuri that were acquired on December 1, 2017, and LS Shizuoka Omaezaki that was acquired on February 27, 2018 are calculated based on the sum of the minimum rent guaranteed, which is set forth in the agreement for the lease of the photovoltaic power facilities, etc. that is in force and effect as of today’s date, and the variable rent linked to the actual output, which is based on the assumption that the electric power output is the forecast electric power output (probability of exceedance P (percentile) 50) calculated by a third party based on the database of annual solar radiation by hours and other data. The revenues from the lease of the Acquired Assets are calculated based on the sum of the minimum rent guaranteed, which is set forth in the agreement for the lease of the solar power facilities, etc. that is expected to be in force and in effect on the date of acquisition and the variable rent linked to the actual output, which is based on the assumption that the electric power output is the forecast electric power output (probability of exceedance P (percentile) 50) calculated by a third party based on the database of annual solar radiation by hour and other data. • The assumption for operating revenue is the revenues from the lease, not the disposal of assets. • The assumption for the revenues from the lease is that there will be no default in the payment of rent or non-payment of rent.
Operating expenses	<ul style="list-style-type: none"> • Of the expenses for the lease business that are the main items of the operating expenses, the items other than depreciation are calculated based on the actuals for the past, reflecting the variable factors of expenses. In addition, the expenses for the Acquired Assets are calculated based on the actuals for the past and the estimates obtained from the respective contractors, among other data, by referring to the information provided by the former owners of the respective Acquired Assets reflecting the variable factors of expenses. • In the acquisition of the solar power facilities, etc., the Investment Corporation settles the fixed assets and other taxes with the seller proportionately in accordance with the period of ownership. The amount of the said settlement will be included in the acquisition cost for the fiscal year of acquisition. Accordingly, the fixed assets and other taxes for the fiscal year 2018 on the Acquired Assets are not posted under expenses. In addition, the total amount of the settlement of the fixed assets and other taxes

Items	Assumptions
	<p>to be included in the acquisition costs for the Acquired Assets is estimated at 39 million yen. The fixed assets and other taxes on the Portfolio Assets and Acquired Assets are estimated at 74 million yen for the fiscal period ending November 30, 2018 (6th fiscal period), 87 million yen for the fiscal period ending May 31, 2019 (7th fiscal period) and 109 million yen for the fiscal period ending November 30, 2019 (8th fiscal period). The fixed assets and other taxes for Acquired Assets are expected to be recorded as expenses from the fiscal period ending May 31, 2019 (7th fiscal period) and estimated at 16 million yen for the fiscal period ending May 31, 2019 (7th fiscal period), and 32 million yen for the fiscal period ending November 30, 2019 (8th fiscal period).</p> <ul style="list-style-type: none"> The expenses for the maintenance and management of the solar power facilities are estimated at 83 million yen respectively for the fiscal period ending November 30, 2018 (6th fiscal period), the fiscal period ending May 31, 2019 (7th fiscal period), and the fiscal period ending November 30, 2019 (8th fiscal period). The utilities expenses are estimated at 4 million yen respectively for the fiscal period ending November 30, 2018 (6th fiscal period), the fiscal period ending May 31, 2019 (7th fiscal period), and the fiscal period ending November 30, 2019 (8th fiscal period).
Operating expenses	<ul style="list-style-type: none"> The fees for operators are estimated at 20 million yen the fiscal period ending November 30, 2018 (6th fiscal period), 21 million yen for the fiscal period ending May 31, 2019 (7th fiscal period), and 20 million yen for the fiscal period ending November 30, 2019 (8th fiscal period) Depreciation expenses are calculated, including incidental expenses, according to the straight-line method and estimated at 562 million yen for the fiscal period ending November 30, 2018 (6th fiscal period), 562 million yen for the fiscal period ending May 31, 2019 (7th fiscal period), and 554 million yen for the fiscal period ending November 30, 2019 (8th fiscal period).
Non-operating expenses	<ul style="list-style-type: none"> The organization expenses and the expenses for the issue of new investment units are estimated at nine million yen respectively for fiscal period ending November 30, 2018 (6th fiscal period) and the fiscal period ending May 31, 2019 (7th fiscal period), and four million yen for the fiscal period ending November 30, 2019 (8th fiscal period). Interest expenses and other borrowing-related expenses are estimated at 61 million yen for the period ending November 30, 2018 (6th fiscal period), 59 million yen respectively for the fiscal period ending May 31, 2019 (7th fiscal period) and the fiscal period ending November 30, 2019 (8th fiscal period).
Loans	<ul style="list-style-type: none"> The balance of loans of the Investment Corporation as of May 31, 2018 is 13,097 million yen. The assumptions for the said loans are that according to the agreement, the repayment of the said loans will be made on November 30, 2018 and May 31, 2019, and that the amount of the repayment is 415 million yen for each repayment date. The assumption is that the Investment Corporation will obtain loans in the total amount of 3,024 million yen from the qualified institutional investors specified in Item 1, Paragraph 3, Article 2 of the Financial Instruments and Exchange Act (limited only to the institutional investors set forth in Item 1 b. (2), Paragraph 1, Article 67-15 of the Act on Special Measures Concerning Taxation) on June 1, 2018. The ratio of interest-bearing debts to total assets (LTV: loan to value) at the end of the fiscal period ending November 30, 2018 (6th fiscal period) is estimated at about 53.6%. In the calculation of the ratio of interest-bearing debts to total assets (LTV: loan to value), the following calculation formula is used: $\text{Ratio of interest-bearing debts to total assets (LTV: loan to value)} = \frac{\text{total amount of interest-bearing debts}}{\text{total amount of assets}} \times 100$
Total number of issued investment units	<ul style="list-style-type: none"> The total number of issued investment units as of the date of this document is assumed to be 138,574 units. The assumption is that there will be no change in the number of investment units due to the issue of new investment units and other reasons until the end of the fiscal period ending November 30, 2019 (8th fiscal period). Distribution per unit (excluding surplus earnings distribution), surplus earnings distribution per unit and distribution per unit (including surplus earnings distribution) are calculated based on the forecast number of investment units issued at the end of the fiscal period, which is 138,574 units.
Distribution per unit (excl. surplus earnings distribution)	<ul style="list-style-type: none"> Distribution per unit (excluding surplus earnings distribution) is calculated based on the assumption that all the profits will be distributed according to the policy for the distribution of money that is set forth in the rules of the Investment Corporation.

Items	Assumptions
	<ul style="list-style-type: none"> • There is a possibility that distribution per unit (excluding surplus earnings distribution) may change due to a change of the lessees, a change in the rent revenues due to the amendment of the terms and conditions of the lease agreement or unexpected repair and various other causes.
Surplus earnings distribution per unit	<ul style="list-style-type: none"> • Surplus earnings distribution per unit is calculated, which is in accordance with the policy for the distribution, set forth in the certificate of incorporation of the Investment Corporation and the guidelines for investment that are the internal rules of the Management Company. • The policy of the Investment Corporation is to generally distribute all the amounts remained after reserving such cash and deposits as the Investment Corporation considers appropriate to prevent any impact on the long-term repair plan and meet the demand for funds (such as for the new acquisition of assets, for the investment and maintenance and improvement of the Portfolio Assets, working capital of the Investment Corporation, repayment of debts and payment of distributions) based on the amount of capital expenditure estimated for each fiscal period under the long-term repair plan, taking into account the conditions of the credit line, etc. The amounts exceeding the amount of profits will be distributed as the distribution of money beyond profits (refund of contributions). However, such distribution is limited to an extent that will have no adverse impact on the financial position of the Investment Corporation and to the amount stipulated in laws (including the regulations established by the Investment Trusts Association, Japan). • According to the policy described above, the amounts remaining after subtracting expenses of borrowing repayment and internal reserve that the Investment Corporation considers appropriate to deposit for its future external growth, from the total of expenses that serve as internal reserve, such as depreciation, amortization of long-term prepaid expenses, amortization of issuance expenses of new investments units, and amortization of establishment expenses are divided by the forecast number of investment units issued at the end of the fiscal period, which is 138,574 units respectively for the fiscal period ending November 30, 2018 (6th fiscal period), the fiscal period ending May 31, 2019 (7th fiscal period), and the fiscal period ending November 30, 2019 (8th fiscal period) to determine the surplus earnings distribution per unit. The total surplus earnings distribution is estimated at 48 million yen for the fiscal period ending November 30, 2018 (6th fiscal period) and 46 million yen respectively for the fiscal period ending May 31, 2019 (7th fiscal period) and the fiscal period ending November 30, 2019 (8th fiscal period). • Distribution of money beyond profits (refund of contributions) may not be paid, considering the economic environment, the market conditions for the renewable energy power generation business, the financial position of the Investment Corporation and other circumstances in a comprehensive manner, including other possible uses of funds such as appropriation to repair and capital expenditure, the repayment of loans, funds for the acquisition of new properties and the acquisition of treasury investment units. • Distribution of money beyond profits (refund of contributions) involves a decrease in funds on hand. Accordingly, there is a possibility of a shortage of funds on hand in the event that capital expenditure beyond the estimate of the Investment Corporation is needed due to any sudden events and other causes. There is also a possibility that such a decrease in funds on hand may limit the funds for the flexible acquisition of properties. In addition, the amount of distribution of money beyond profits (refund of contributions) will be deducted from the total amount of unitholders' capital or the capital surplus.
Other	<ul style="list-style-type: none"> • The assumption is that there will be no amendments to the laws and regulations, tax systems, accounting standards, listing rules that Tokyo Stock Exchange, Inc. establishes, rules of the Investment Trusts Association, Japan and other rules that affect the forecast figures described above. • The assumption is that there will be no unexpected material change in the general economic trends, the market conditions for the photovoltaic power facilities, the real-estate market conditions and other circumstances.

(3) Investment risk

The disclosure of investment risk is omitted because no material changes have been made to the statements about investment risk in the securities report that was submitted on February 27, 2018.

3. Financial Statements

(1) Balance sheets

(Unit: Thousand yen)

	Previous term (As of November 30, 2017)	Current term (As of May 31, 2018)
Assets		
Current assets		
Cash and deposits	1,312,797	2,000,428
Operating accounts receivable	5,578	15,299
Prepaid expenses	31,123	58,048
Consumption taxes receivable	818,094	62,946
Deferred tax assets	15	11
Other	-	19,079
Total current assets	2,167,608	2,155,814
Non-current assets		
Property, plant and equipment		
Buildings	7,286	7,286
Accumulated depreciation	-159	-319
Buildings, net	7,127	6,967
Structures	6,198,864	6,640,529
Accumulated depreciation	-237,837	-397,735
Structures, net	5,961,026	6,242,793
Machinery and equipment	11,372,576	12,651,444
Accumulated depreciation	-435,934	-703,218
Machinery and equipment, net	10,936,642	11,948,225
Tools, furniture and fixtures	197,192	217,267
Accumulated depreciation	-46,887	-71,474
Tools, furniture and fixtures, net	150,305	145,793
Land	3,523,094	3,633,796
Construction in progress	756	6,079
Total property, plant and equipment	20,578,953	21,983,655
Intangible assets		
Leasehold right	173,105	246,491
Software	1,064	912
Total intangible assets	174,169	247,403
Investments and other assets		
Guarantee deposits	10,000	10,000
Long-term prepaid expenses	108,747	116,619
Other	20	20
Total investments and other assets	118,767	126,639
Total non-current assets	20,871,889	22,357,697
Deferred assets		
Deferred organization expenses	195	167
Investment unit issuance expenses	32,054	24,997
Total deferred assets	32,250	25,165
Total assets	23,071,748	24,538,677

(Unit: Thousand yen)

	Previous term (As of November 30, 2017)	Current term (As of May 31, 2018)
Liabilities		
Current liabilities		
Operating accounts payable	16,720	12,384
Current portion of long-term loans payable	720,941	830,941
Accounts payable - other	78,444	102,024
Accrued expenses	-	220
Income taxes payable	923	851
Deposits received	750	2,555
Other	16	14
Total current liabilities	817,796	948,991
Non-current liabilities		
Long-term loans payable	10,922,235	12,266,764
Other	11	9
Total non-current liabilities	10,922,246	12,266,774
Total liabilities	11,740,043	13,215,765
Net assets		
Unitholders' equity		
Unitholders' capital	10,963,186	10,963,186
Deduction from unitholders' capital	-	-54,622
Unitholders' capital (net value)	10,963,186	10,908,563
Surplus		
Unappropriated retained earnings (undisposed loss) (-)	368,519	414,348
Total surplus	368,519	414,348
Total unitholders' equity	11,331,705	11,322,911
Total net assets	※ 1 11,331,705	※ 1 11,322,911
Total liabilities and net assets	23,071,748	24,538,677

(2) Statement of income

(Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Operating revenue		
Rent revenue - renewable energy power production facilities, etc.	※ 1 1,062,234	※ 1 1,205,371
Total operating revenue	1,062,234	1,205,371
Operating expenses		
Rent expenses on renewable energy power production facilities, etc.	※ 1 541,497	※ 1 615,494
Asset management fee	64,419	72,259
Asset custody fee and administrative service fees	6,042	7,416
Directors' compensations	2,400	2,400
Other operating expenses	24,904	34,259
Total operating expenses	639,264	731,829
Operating income	422,969	473,542
Non-operating income		
Interest income	4	7
Interest on refund	23	1,075
Miscellaneous income	0	-
Total non-operating income	28	1,082
Non-operating expenses		
Interest expenses	36,360	40,512
Borrowing-related expenses	8,624	10,403
Amortization of deferred organization expenses	28	28
Amortization of investment unit issuance expenses	8,557	8,557
Total non-operating expenses	53,569	59,501
Ordinary income	369,428	415,123
Income before income taxes	369,428	415,123
Income taxes - current	923	852
Income taxes - deferred	-5	3
Total income taxes	918	855
Net income	368,509	414,267
Retained earnings brought forward	9	80
Unappropriated retained earnings (undisposed loss) (-)	368,519	414,348

(3) Statement of unitholders' equity

Previous term (From June 1, 2017 to November 30, 2017)

(Unit: Thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital (net value)	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss) (-)	Total surplus		
Balance at the beginning of the term	4,705,280	149,319	149,319	4,854,599	4,854,599
Changes of items during period					
Issuance of new investment units	6,257,906		-	6,257,906	6,257,906
Dividends of surplus		-149,309	-149,309	-149,309	-149,309
Net income		368,509	368,509	368,509	368,509
Total changes of items during the term	6,257,906	219,199	219,199	6,477,106	6,477,106
Balance at the end of the term	※1 10,963,186	368,519	368,519	11,331,705	11,331,705

Current term (From December 1, 2017 to May 31, 2018)

(Unit: Thousand yen)

	Unitholders' equity				
	Unitholders' capital (net value)			Surplus	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital (net value)	Unappropriated retained earnings (undisposed loss) (-)	Total surplus
Balance at the beginning of the term	10,963,186		10,963,186	368,519	368,519
Changes of items during period					
Surplus earning distribution		-54,622	-54,622		
Dividends of surplus				-368,439	-368,439
Net income				414,267	414,267
Total changes of items during the term	-	-54,622	-54,622	45,828	45,828
Balance at the end of the term	※1 10,963,186	-54,622	10,908,563	414,348	414,348

(Unit: Thousand yen)

	Unitholders' equity	
	Total Unitholders' equity	Total net assets
Balance at the beginning of the term	11,331,705	11,331,705
Changes of items during period		
Surplus earning distribution	-54,622	-54,622

Dividends of surplus	-368,439	-368,439
Net income	414,267	414,267
Total changes of items during the term	-8,794	-8,794
Balance at the end of the term	11,322,911	11,322,911

(4) Statement of distribution of money

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
I. Unappropriated retained earnings	368,519,439 yen	414,348,094 yen
II. Additional surplus earnings distribution		
Deduction from unitholders' capital	54,622,888 yen	54,740,864 yen
III. Amount of distribution	423,061,936 yen	469,072,576 yen
(Amount of distribution per investment unit)	(3,586) yen	(3,976) yen
Distribution of profits included	368,439,048 yen	414,331,712 yen
(Distribution of profits per unit included)	(3,123) yen	(3,512) yen
Surplus earnings distribution included	54,622,888 yen	54,740,864 yen
(Surplus earnings distribution per unit included)	(463) yen	(464) yen
IV. Retained earnings carried forward	80,391 yen	16,382 yen
Method of calculation of amount of distribution	<p>According to Paragraph 1, Article 38 of the certificate of incorporation of the Investment Corporation, the amount of distribution shall exceed an amount equivalent to 90/100 of the amount available for dividends as set forth in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>The distribution to be paid for the fiscal period under review is the distribution of profits in the total amount of 368,439,048 yen equivalent to the unappropriated retained earnings (368,519,439 yen) excluding the portion corresponding to the distribution per investment unit of less than one yen.</p> <p>In addition, according to the policy for the distribution of money that is set forth in Paragraph 2, Article 38 of the certificate of incorporation, the Investment Corporation decided to pay the distribution of money exceeding profits (refund of contributions that constitute distribution upon the decrease of contributions under the tax laws) in the amount of 54,622,888 yen.</p> <p>As a result, the distribution per investment unit is 3,586 yen.</p>	<p>According to Paragraph 1, Article 38 of the certificate of incorporation of the Investment Corporation, the amount of distribution shall exceed an amount equivalent to 90/100 of the amount available for dividends as set forth in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>The distribution to be paid for the fiscal period under review is the distribution of profits in the total amount of 414,331,712 yen equivalent to the unappropriated retained earnings (414,348,094 yen) excluding the portion corresponding to the distribution per investment unit of less than one yen.</p> <p>In addition, according to the policy for the distribution of money that is set forth in Paragraph 2, Article 38 of the certificate of incorporation, the Investment Corporation decided to pay the distribution of money exceeding profits (refund of contributions that constitute distribution upon the decrease of contributions under the tax laws) in the amount of 54,740,864 yen.</p> <p>As a result, the distribution per investment unit is 3,976 yen.</p>

(Note) The policy of the Investment Corporation is to distribute the amounts remaining after reserving such cash and deposits as the Investment Corporation considers appropriate to prevent any impact on the long-term repair plan and meet the demand for funds (such as capital expenditure for the new acquisition of assets for investment and the maintenance and improvement of the portfolio assets, working capital of the Investment Corporation, repayment of debts and payment of distributions) based on the amount of capital expenditure estimated for each accounting period under the long-term repair plan, taking into account the conditions of the credit line, etc., to an extent that exceeds the amount of profits, as the distribution of money

exceeding profits (refund of contributions). Under this distribution policy, the Investment Corporation decided to distribute 54,740 thousand yen which is the remaining amount after subtracting 415,740 thousands yen for expense of borrowing repayment and 36,067 thousands yen for internal reserve from total of 506,279 thousands yen, which is consisted with 452,081 thousands yen for depreciation, 45,612 thousands yen for amortization of long-term prepaid expenses, 8,557 thousands yen for amortization of issuance expenses of new investment units, and 28 thousands yen for amortization of establishment expenses.

(5) Statement of cash flows

(Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Cash flows from operating activities		
Income before income taxes	369,428	415,123
Depreciation	412,740	452,081
Amortization of investment unit issuance expenses	8,557	8,557
Amortization of deferred organization expenses	28	28
Interest income	-4	-7
Interest expenses	36,360	40,512
Decrease (increase) in operating accounts receivable (negative figures show increases)	-3,191	-9,721
Decrease (increase) in consumption taxes refund receivable	-807,217	755,147
Increase (decrease) in operating accounts payable (negative figures show decreases)	13,095	-4,336
Increase (decrease) in accounts payable - other	63,098	18,618
Increase (decrease) in deposits received	-323	1,805
Decrease (increase) in prepaid expenses	-8,174	-26,925
Decrease (increase) in long-term prepaid expenses	-66,581	-7,872
Other	324	-19,083
Subtotal	18,138	1,623,930
Interest income received	4	7
Interest expenses paid	-36,360	-40,292
Income taxes paid	-686	-924
Net cash provided by (used in) operating activities	-18,903	1,582,720
Cash flows from investing activities		
Purchase of property, plant and equipment	-12,910,745	-1,854,688
Purchase of intangible assets	-119,128	-73,385
Net cash used in investing activities	-13,029,874	-1,928,073
Cash flows from financing activities		
Proceeds from long-term loans payable	7,966,000	1,870,000
Repayments of long-term loans payable	-360,470	-415,470
Proceeds from issuance of investment units	6,257,906	-
Payments for investment unit issuance expenses	-12,775	-
Dividends paid	-149,591	-366,922
Surplus earning distribution paid	-	-54,622
Net cash provided by (used in) financing activities	13,701,068	1,032,984
Net increase (decrease) in cash and cash equivalents	652,290	687,630
Cash and cash equivalents at the beginning of the term	660,506	1,312,797
Cash and cash equivalents at the end of the term	※1 1,312,797	※1 2,000,428

(6) Notes regarding the premise of going concern

Not applicable.

(7) Notes regarding the matters relating to important accounting policies

<p>1. Method of depreciation of non-current assets</p>	<p>①Property, plant and equipment The straight-line method is used. For information, the useful life of major property, plant and equipment is as shown below. Buildings 23 years Structures 19 years to 22 years Machinery and equipment 22 years to 25 years Tools, furniture and fixtures 3 years to 6 years</p> <p>②Intangible assets The straight-line method is used. For information, the useful life is as shown below. Software 5 years</p> <p>③Long-term prepaid expenses The straight-line method is used.</p>
<p>2. Method of accounting of deferred assets</p>	<p>①Deferred organization expenses The deferred assets are amortized according to the straight-line method (for five years).</p> <p>(ii) Investment unit issuance expenses The deferred assets are amortized according to the straight-line method (for three years).</p>
<p>3. Standards for posting revenues and expenses</p>	<p>Method of accounting of fixed assets and other taxes For the fixed assets, city planning, depreciable assets and other taxes on the infrastructure and other similar assets held, the Investment Corporation adopts the method of posting the amount of taxes assessed for the relevant accounting period as rent expenses. In this regard, the Investment Corporation does not post the amount of settlement of fixed assets and other taxes that it pays to the transferors, etc. upon the acquisition of the infrastructure and other similar assets (namely, the amount equivalent to the fixed assets and other taxes) under rent expenses, and includes the said amount in the acquisition cost for the said infrastructure and other similar assets. The amount equivalent to the fixed assets and other taxes included in the acquisition cost for the infrastructure and other similar assets for the fiscal period under review is 6,911 thousand yen.</p>
<p>4. Scope of funds included in the statement of cash flows</p>	<p>The funds (cash and cash equivalents) indicated in the statement of cash flows are cash on hand and deposits that can be drawn at any time and short-term investments with an insignificant risk of fluctuation in value whose date of maturity occurs within three (3) months from the date of the acquisition thereof that can be easily realized.</p>
<p>5. Other important basic matters for the preparation of financial statements</p>	<p>Method of accounting of consumption and other similar taxes With respect to the accounting of national and local consumption taxes, these taxes are not included in the accounting of each account title. However, the consumption taxes, etc. not to be deducted for the acquisition of assets are posted under long-term period expenses.</p>

(8) Notes regarding financial statements

[Notes regarding the balance sheet]

*1 Amount of minimum net assets as set forth in Paragraph 4, Article 67 of the Investment Trust Act

(Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
	50,000	50,000

[Notes regarding the statement of income]

Breakdown of profit or loss of lease business - renewable energy power production facilities, etc. (Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
A. Operating revenue - lease of renewable energy power production facilities, etc.		
Lease revenue - renewable energy power production facilities, etc.		
(Minimum rent guaranteed)	1,015,514	1,171,787
(Variable rent linked to actual output)	46,709	33,569
(Incidental revenues)	10	13
Total operating revenue - lease of renewable energy power production facilities, etc.	1,062,234	1,205,371
B. Business expenses - lease of renewable energy power production facilities, etc.		
Lease expenses - renewable energy power production facilities, etc.		
(Outsourcing fees - management)	69,326	77,704
(Taxes and other public charges)	32,058	51,096
(Utilities expenses)	2,865	4,742
(Insurance expenses)	7,159	7,775
(Depreciation)	412,588	451,929
(Payment of land rent)	16,737	21,326
(Other lease business)	761	919
Total business expenses - lease of renewable energy power production facilities, etc.	541,497	615,494
C. Profit or loss of lease business - renewable energy power production facilities, etc. (A-B)	520,736	589,877

2. Transaction value with major unitholders

(Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Transaction value of business transactions		
Operating revenue	1,062,223	1,205,357
Outsourcing fees - management (operators' fees)	12,686	15,496
Transaction value - other than business transactions		
Acquisition of photovoltaic power facilities, etc.	12,780,000	1,907,000

[Notes regarding the statement of unitholders' equity]

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

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of issued investment units	117,976 units	117,976 units

[Notes regarding the statement of cash flows]

*1 Relationship between the balance of cash and cash equivalents at the end of the fiscal period and the amounts of account titles stated on the balance sheet

(Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Cash and deposits	1,312,797	2,000,428
Cash and cash equivalents	1,312,797	2,000,428

[Notes regarding lease transaction]

Operating lease (on the part of the lender)
Future lease payments

(Unit: Thousand yen)

	Previous term As of November 30, 2017	Current term As of May 31, 2018
Less than 1 year	2,097,281	2,301,813
More than 1 year	16,817,576	17,511,267
Total	18,914,858	19,813,080

[Notes regarding financial instruments]

1. Matters regarding the state of financial instruments

(1) Action policy for financial instruments

The Investment Corporation will secure funds for appropriation to the acquisition of new assets to be managed and the repayment of loans by borrowings from financial institutions or the issue of investment units, among other means. The basic policy is to establish stable and sound financial management to achieve the maintenance and increase of revenues and the growth of the scale and value of the managed assets in the medium to long term.

(2) Details of financial instruments and risk thereof and risk management system

Long-term loans payable are one of the means to secure the funds for the acquisition of assets to be managed and involve the risk of fluctuations in interest rates and liquidity, among others. This risk is reduced through the appropriate control of various indexes, especially the general application of the upper limit of the ratio of interest-bearing debts, which is 60%, as well as the appropriate balancing of the loan period and the interest rate type and diversification of lenders.

(3) Supplementary explanation of matters regarding the market value of financial instruments

The market value of financial instruments includes the value quoted on the market and the value reasonably determined when the value is not quoted on the market. In determining such value, certain assumptions are applied, and thus the value may differ if any different assumptions are applied.

2. Matters regarding the market value of financial instruments

The value recorded on the balance sheet and the market value as of November 30, 2017 and the difference between them are as shown below. In addition, those whose market value cannot be determined in any way are not included in the table

below.

(Unit: Thousand yen)

	Amount posted on the balance sheet	Market value	Difference
(1) Cash and deposits	1,312,797	1,312,797	-
Total assets	1,312,797	1,312,797	-
(1) Current portion of long-term loans payable	720,941	720,941	-
(2) Long-term loans payable	10,922,235	10,922,235	-
Total liabilities	11,643,176	11,643,176	-

The value recorded on the balance sheet and the market value as of May 31, 2018 and the difference between them are as shown below. In addition, those whose market value cannot be determined in any way are not included in the table below.

(Unit: Thousand yen)

	Amount posted on the balance sheet	Market value	Difference
(1) Cash and deposits	2,000,428	2,000,428	-
Total assets	2,000,428	2,000,428	-
(1) Current portion of long-term loans payable	830,941	830,941	-
(2) Long-term loans payable	12,266,764	12,266,764	-
Total liabilities	13,097,705	13,097,705	-

(Note 1) Method of determination of the market value of financial instruments

Assets

(1) Cash and deposits

These items are settled in a short period of time, and thus the market value almost equals the book value. Accordingly, the book value is used.

Liabilities

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

Long-term loans payable at a variable interest rate will reflect the market interest rate for a short period of time, and the market value thereof will almost equal the book value thereof. Accordingly, the book value is used.

(Note 2) Amount of repayment of monetary claims scheduled after the date of closing accounts (November 30, 2017)

(Unit: Thousand yen)

	Not more than 1 year	More than 1 year and not more than 2 years	More than 2 years and not more than 3 years	More than 3 years and not more than 4 years	More than 4 years and not more than 5 years	More than 5 years
(1) Cash and deposits	1,312,797	-	-	-	-	-
Total	1,312,797	-	-	-	-	-

Amount of repayment of monetary claims scheduled after the date of closing accounts (May 31, 2018)

(Unit: Thousand yen)

	Not more than 1 year	More than 1 year and not more than 2 years	More than 2 years and not more than 3 years	More than 3 years and not more than 4 years	More than 4 years and not more than 5 years	More than 5 years
(1) Cash and deposits	2,000,428	-	-	-	-	-
Total	2,000,428	-	-	-	-	-

(Note 3) Amount of repayment of long-term loans payable scheduled after the date of closing accounts (November 30, 2017)

(Unit: Thousand yen)

	Not more than 1 year	More than 1 year and not more than 2 years	More than 2 years and not more than 3 years	More than 3 years and not more than 4 years	More than 4 years and not more than 5 years	More than 5 years
(1) Long-term loans payable	720,941	720,941	720,941	720,941	720,941	8,038,470
Total	720,941	720,941	720,941	720,941	720,941	8,038,470

Amount of repayment of long-term loans payable scheduled after the date of closing accounts (May 31, 2018)

(Unit: Thousand yen)

	Not more than 1 year	More than 1 year and not more than 2 years	More than 2 years and not more than 3 years	More than 3 years and not more than 4 years	More than 4 years and not more than 5 years	More than 5 years
(1) Long-term loans payable	830,941	830,941	830,941	830,941	830,941	8,943,000
Total	830,941	830,941	830,941	830,941	830,941	8,943,000

[Notes regarding securities]

Previous term (As of November 30, 2017)

Not applicable.

Current term (As of May 31, 2018)

Not applicable.

[Notes regarding derivative transactions]

Previous term (As of November 30, 2017)

Not applicable.

Current term (As of May 31, 2018)

Not applicable.

[Notes regarding retirement benefits]

Previous term (As of November 30, 2017)

Not applicable.

Current term (As of May 31, 2018)

Not applicable.

[Notes regarding tax effect accounting]

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

(Unit: Thousand yen)

	Previous term As of November 30, 2017	Current term As of May 31, 2018
Accrued business tax not deductible from taxable income	15	11
Total deferred tax assets	15	11
Deferred tax assets, net	15	11

2. Breakdown of major items that cause material differences between the effective tax rate designated by laws and the ratio of the burden of corporate tax, etc. after the application of tax effect accounting

(Unit: %)

	Previous term As of November 30, 2017	Current term As of May 31, 2018
Effective statutory tax rate	31.74%	31.74%
(Adjustment)		
Dividends paid, included in deductible expenses	-31.65%	-31.68%
Other	0.16%	0.15%
Ratio of burden of corporate tax, etc. after the application of tax effect accounting	0.25%	0.21%

[Notes regarding equity earnings of affiliate companies]

Previous term (As of November 30, 2017)

Not applicable.

Current term (As of May 31, 2018)

Not applicable.

[Notes regarding related party transaction]

1. Parent company and major corporate unitholders, among others

Previous term (From June 1, 2017 to November 30, 2017)

Category	Name of company, etc. or persons	Address	Capital stock or investments in capital (Thousand yen)	Business description or occupation	Ratio of holding of investment units, etc. (ratio of investment units, etc. held)	Relationship		Specifics of transaction	Transaction value (thousand yen)	Account title	Balance at the end of the fiscal period (thousand yen)
						Concurrent holding of position as officer, etc.	Business relations				
Major unitholders	Takara Leben Co., Ltd.	1-8-2 Marunouchi, Chiyoda-ku, Tokyo	4,819,809	Real estate business	14.2%	Not applicable	Major unitholders	Acquisition of photovoltaic power facilities, etc.	12,780,000	-	-
								Receipt of rents	1,062,223	Operating accounts receivable	5,578
								Payment of operators' fees	12,686	-	-

(Note 1) The transaction value described above does not include consumption taxes, and the balance at the end of the fiscal period includes consumption taxes.

(Note 2) The terms and conditions for the transaction are decided by referring to the market value and other information.

Current term (From December 1, 2017 to May 31, 2018)

Category	Name of company, etc. or persons	Address	Capital stock or investments in capital (Thousand yen)	Business description or occupation	Ratio of holding of investment units, etc. (ratio of investment units, etc. held)	Relationship		Specifics of transaction	Transaction value (thousand yen)	Account title	Balance at the end of the fiscal period (thousand yen)
						Concurrent holding of position as officer, etc.	Business relations				
Major unitholders	Takara Leben Co., Ltd.	1-8-2 Marunouchi, Chiyoda-ku, Tokyo	4,819,809	Real estate business	14.2%	Not applicable	Major unitholders	Acquisition of photovoltaic power facilities, etc.	1,907,000	-	-
								Receipt of rents	1,205,357	Operating accounts receivable	15,299
								Payment of operators' fees	15,496	-	-

(Note 1) The transaction value described above does not include consumption taxes, and the balance at the end of the fiscal period includes consumption taxes.

(Note 2) The terms and conditions for the transaction are decided by referring to the market value and other information.

2. Affiliated companies, etc.

Previous term (From June 1, 2017 to November 30, 2017)

Not applicable.

Current term (From December 1, 2017 to May 31, 2018)

Not applicable.

3. Companies under common control, etc.

Previous term (From June 1, 2017 to November 30, 2017)

Not applicable.

Current term (From December 1, 2017 to May 31, 2018)

Not applicable.

4. Officers and major individual unitholders, among others

Previous term (From June 1, 2017 to November 30, 2017)

Not applicable.

Current term (From December 1, 2017 to May 31, 2018)

Not applicable.

[Notes regarding asset retirement obligations]

Previous term (As of November 30, 2017)

Not applicable.

Current term (As of May 31, 2018)

Not applicable.

[Notes regarding real estate for rent, etc.]

The Investment Corporation has renewable energy power production facilities, etc. The amount thereof recorded on the balance sheet, the amount of change in the current term and the value thereof assessed at the end of the term are as shown below.

(Unit: Thousand yen)

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Amount posted on the balance sheet (Note 2)		
Balance at the beginning of the term	8,121,212	20,751,302
Change in the current term (Note 3)	12,630,090	1,472,765
Balance at the end of the term	20,751,302	22,224,067
Value assessed at the end of the term (Note 4)	23,535,500	25,231,000

(Note 1) The real estate that the Investment Corporation has will be used for the operation of the renewable energy power production facilities. Accordingly, the amount recorded on the balance sheet and the value assessed at the end of the term respectively include the total sum of the renewable energy power production facilities and the relevant real estate.

(Note 2) The amount recorded on the balance sheet is the result of the deduction of the accumulated depreciation from the acquisition cost.

(Note 3) The increase for the current term is mainly attributable to the acquisition of the photovoltaic power facilities, etc. (1,953,765 thousand yen). The increase for the current term is mainly attributable to depreciation (451,929 thousand yen).

(Note 4) The value above is the total sum of the median values calculated by the Investment Corporation according to Item 1, Paragraph 2, Article 36 of its certificate of incorporation from among the range of the assessed values stated in the valuation report indicating the values as of November 30, 2017 and May 31, 2018 that were obtained from PricewaterhouseCoopers Sustainability LLC.

The profit and loss of the renewable energy power facilities, etc. for the fiscal period ended November 30, 2017 (4th fiscal period), and the fiscal period ended May 31, 2018 (5th fiscal period) are as stated in the “Notes Regarding the Statement of Income” above.

[Notes regarding segment information]

1. Segment information

Previous term (From June 1, 2017 to November 30, 2017)

The statement of the segment information is omitted because the business of the Investment Corporation is only the lease of renewable energy power facilities, etc.

Current term (From December 1, 2017 to May 31, 2018)

The statement of the segment information is omitted because the business of the Investment Corporation is only the lease of renewable energy power facilities, etc.

2. Related information

Previous term (From June 1, 2017 to November 30, 2017)

(1) Information regarding product and service

The statement of this information is omitted because the operating revenue from the sales of the single product/service to customers outside the Investment Corporation exceeds 90% of the operating revenue recorded on the statement of income.

(2) Information regarding region

① Operating revenue

The statement of this information is omitted because the operating revenue from sales to customers outside the Investment Corporation in Japan exceeds 90% of the operating revenue recorded on the statement of income.

② Property, plant and equipment

The statement of this information is omitted because the value of property, plant and equipment located in Japan exceeds 90% of the value of the property, plant and equipment recorded on the balance sheet.

(3) Information regarding major customer

(Unit: Thousand yen)

Name of customer	Net sales	Name of related segments
Takara Leben Co., Ltd.	1,062,223	Lease of the renewable energy power facilities, etc.

Current term (From December 1, 2017 to May 31, 2018)

(1) Information regarding product and service

The statement of this information is omitted because the operating revenue from the sales of the single product/service to customers outside the Investment Corporation exceeds 90% of the operating revenue recorded on the statement of income.

(2) Information regarding region

① Operating revenue

The statement of this information is omitted because the operating revenue from sales to customers outside the Investment Corporation in Japan exceeds 90% of the operating revenue recorded on the statement of income.

② Property, plant and equipment

The statement of this information is omitted because the value of property, plant and equipment located in Japan exceeds 90% of the value of the property, plant and equipment recorded on the balance sheet.

(3) Information regarding major customer

(Unit: Thousand yen)

Name of customer	Net sales	Name of related segments
Takara Leben Co., Ltd.	1,205,357	Lease of the renewable energy power facilities, etc.

[Notes regarding data per unit]

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Net assets per unit	96,050 yen	95,976 yen
Net income per unit	3,136 yen	3,511 yen

(Note 1) Net income per unit is calculated by dividing the net income by the weighted average number of investment units that is based on the number of days.

In addition, diluted net income per investment unit for the current term is not stated because there are no dilutive investment units.

(Note 2) The basis for the calculation of net income per unit is as shown below.

	Previous term (From June 1, 2017 to November 30, 2017)	Current term (From December 1, 2017 to May 31, 2018)
Net income (thousand yen)	368,509	414,267
Amount not vested in ordinary unitholders (thousand yen)	—	—
Net income corresponding to common investment units (thousand yen)	368,509	414,267
Average number of investment units during the term (units)	117,494	117,976

[Notes regarding important events after the reporting period]

1. Issuance of new investment units

The Investment Corporation has decided to issue new investment units at the board of meeting held on May 10, 2018 and May 21, 2018 and received the proceeds of new investment units as set forth below on June 1, 2018 and June 27, 2018, respectively. As the result, Unitholders' net capital is 13,138,647 thousands yen and numbers of total investment unit issued is 138,574 units as of June 27, 2018.

a. Issuance of new investment units through public offering

(1)	Total number of investment units to be offered:	19,618 Unit
(2)	Issue price (Offer Price)	113,384 yen per unit
(3)	Total amount of issue value (offer price)	2,224,367,312 yen
(4)	Paid-in amount	108,267 yen per unit
(5)	Total paid-in amount	2,123,982,006 yen
(6)	Payment date	June 1, 2018
(7)	Intended use of funds	To appropriate part of the funds for the acquisition of the new assets acquired

b. Issuance of new investment units by third-party allotment

(1)	Total number of investment units to be offered:	980 unit
(2)	Issue price (Offer Price)	108,267 yen per unit
(3)	Total amount of issue value (offer price)	106,101,660 yen
(4)	Allottee and number of units allocated	Mizuho Securities Co., Ltd. 980 unit
(5)	Payment date	June 27, 2018
(6)	Intended use of funds	To maintain as cash in hand, which expected to be used for acquiring specified assets (as set forth in Paragraph 1, Article 2 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including amendments thereto) or for planed repayment of debts

Change of number of investment units through above new issuance of new investment units are as follow

Total number of investment units as of May 31, 2018	117,976 units
Increased number of investment units through the public offering	19,618 units
Increased number of investment units through the third-party allotment	980 units
Total number of investment units after the public offering and the third-party allotment	138,574 units

2. Borrowing of funds

To appropriate part of the funds for the acquisition of the new assets acquired and to be acquired as set forth in “c. Acquisition of assets” below and the expenses related thereto (including national and local consumption taxes), the Investment Corporation executed the following loans on June 1, 2018, and some of the loans were extended.

Category	Lender	Amount of borrowings (Million yen)	Interest rate (Note 1)	Date of extension of loans	Date of final repayment	Repayment method (Note 2)	Security (Note 3)
Long-term	Mizuho Bank, Ltd. (Arranger) Resona Bank, Limited (Arranger) Sumitomo Mitsui Banking Corporation (Co-Arranger) Corp Asahi Shinkin Bank Ashikaga Bank, Ltd. Iyo Bank, Ltd. Gunma Bank, Ltd. Daishi Bank, Ltd.	3,024	Interest rate obtained by adding 0.5% to the six-month Japanese Yen TIBOR	June 1, 2018	May 31, 2028	Repayment in installments in part	Unsecured Unguaranteed

(Note 1) Fees for loans, etc. paid to the lenders are not included.

The interest rate applicable to the interest paid on the date of the payment of interest (hereinafter referred to as the “Base Rate”) is the six-month Japanese TIBOR that the JBA TIBOR Administration publicly announces on the date that occurs two (2) business days before the date of the extension of the loan or the respective date of the payment of interest. The said Base Rate is reviewed for each date of payment of interest. However, if no rate for the period of the calculation of interest is available, the Base Rate for the said period shall be calculated according to the method set forth in the agreement. In addition, if such interest rate falls below 0%, the Base Rate shall be 0%. For information, the Base Rate for the first period of the calculation of interest on the loan extended on June 1, 2018 is 0.12636%.

(Note 2) Part of the principal (the amount obtained by dividing the total amount of loans by 34) shall be repaid on the last day of May and November of each year starting from November 30, 2018 (if the said day falls on a non-business day, the business day immediately following the said day, and if the said business day falls within the following month, the business day immediately preceding the said non-business day), and the remaining principal shall be repaid in a lump sum on the last due date of repayment on May 31, 2028.

(Note 3) The said loan is limited by the financial covenant to maintain the debt ratio (D/E ratio) and the indexes for assessing the ability to pay the principal and interest (DSCR) of the Investment Corporation as of each date of closing accounts of the Investment Corporation. In the case of a violation of the said limitation, the provision of security may be demanded, among other actions.

3. Acquisition of assets

The Investment Corporation executed the purchase agreements for the solar power plants below on June 1, 2018.

Property No.	Name of property	Location	Acquisition cost (Million yen) (Note 1)	Seller
S-22	LS Mie Yokkaichi	Yokkaichi-shi, Mie	740	Takara Leben Co., Ltd.
S-23	LS Sakuragawa Nakaizumi	Sakuragawa-shi, Ibaraki	980	Takara Leben Co., Ltd.
S-24	LS Shirahama	Kamitonda-Cho, Wakayama	2,810	Takara Leben Co., Ltd.
S-25	LS Takahagi	Takahagi-shi, Ibaraki	400	Takara Leben Co., Ltd.
Total portfolios			4,930	—

(Note) The acquisition costs described above are the purchase price stated in the purchase agreement for the respective assets acquired (exclusive of the contract fees and other expenses for the acquisition of assets, fixed assets, city planning, consumption and other taxes and other charges) and rounded down to the nearest million yen.

(9) Change in the total number of issued investment units

The unitholders' capital contributed after the establishment of the Investment Corporation before May 31, 2018 and the change in the total number of issued investment units are shown below.

Date	Summary	Unitholders' capital (net value) (Million yen) (note 1)		Total number of issued investment units (Units)		Remarks
		Change	Balance	Change	Balance	
August 5, 2015	Establishment by private offering	200	200	2,000	2,000	(Note 2)
June 1, 2016	Capital increase by public offering	4,290	4,490	45,166	47,166	(Note 3)
July 1, 2016	Capital increase by third-party allotment	214	4,705	2,258	49,424	(Note 4)
June 1, 2017	Capital increase by public offering	5,959	10,665	65,288	114,712	(Note 5)
June 28, 2017	Capital increase by third-party allotment	297	10,963	3,264	117,976	(Note 6)
February 19, 2018	Surplus earning distribution	-54	10,908	-	117,976	(Note 7)

(Note 1) Show values subtracting expenses of deduction from total unitholders' capital

(Note 2) Upon its establishment, the Investment Corporation issued its investment units at the issue price per unit of 100,000 yen.

(Note 3) The Investment Corporation issued new investment units by public offering for the purpose of securing funds for the acquisition of new properties at the issue price per unit of 100,000 yen (the price that the underwriter pays the issuer is 95,000 yen).

(Note 4) The Investment Corporation issued new investment units by third-party allotment at the issue price per unit of 95,000 yen.

(Note 5) The Investment Corporation issued new investment units by public offering for the purpose of securing funds for the acquisition of new properties at the issue price per unit of 95,499 yen (the price that the underwriter pays the issuer is 91,287 yen).

(Note 6) The Investment Corporation issued new investment units by third-party allotment at the issue price per unit of 91,287 yen.

(Note 7) The Investment Corporation distributed surplus earning for the fiscal period ended November 30, 2017 (4th fiscal period) in the amount of 463 yen per unit as it was decided on the Investment Corporation's board of meeting held on January 12, 2018 and started payment on February 19, 2018.

4. Change of officers

(1) Change of officers of the Investment Corporation

There was no change of officers during the fiscal period under review.

(2) Change of officers of the management company

(i) New assumption of office

On February 15, 2018: CEO, Mamoru Takahashi

On March 1, 2018: Executive Director, Takahiko Hasegawa

On March 1, 2018: Director, Head of Private Fund Department, Takehiko Kusajima

(ii) Retirement

On March 30, 2018: director (part-time), Tetsuo Funamoto

5. Reference information

(1) State of investment

(As of May 31, 2018)

Asset type	Category by region, etc. (Note 1)	Total value of investments held (Note 2) (Thousand yen)	Ratio of investments to total value of assets (Note 3) (%)
Renewable energy power facilities	Tohoku region	1,605,950	6.5
	Kanto region	15,627,975	63.7
	Chubu region	384,355	1.6
	Kyushu region	718,531	2.9
Subtotal		18,336,812	74.7
Real estate	Tohoku region	260,083	1.1
	Kanto region	3,112,391	12.7
	Chubu region	112,812	0.5
	Kyushu region	155,476	0.6
Subtotal		3,640,763	14.8
Leasehold right	Tohoku region	21,224	0.1
	Kanto region	225,266	0.9
	Chubu region	-	-
	Kyushu region	-	-
Subtotal		246,491	1.0
Renewable energy power facilities, etc.	Tohoku region	1,887,258	7.7
	Kanto region	18,965,632	77.3
	Chubu region	497,167	2.0
	Kyushu region	874,008	3.6
Subtotal		22,224,067	90.6
Total renewable energy power facilities, etc.		22,224,067	90.6
Deposits and other assets		2,314,609	9.4
Total value of assets (Note 2)		24,538,677	100.0

	Amount (Thousand yen)	Ratio of investments to total value of assets (Note 3) (%)
Total value of liabilities (Note 2)	13,215,765	53.9
Total value of net assets (Note 2)	11,322,911	46.1

(Note 1) In category by region, etc., “Tohoku region” refers to Aomori, Akita, Iwate, Fukushima, Miyagi and Yamagata Prefectures, “Kanto region” refers to Ibaraki, Kanagawa, Gunma, Saitama, Tochigi, Chiba and Tokyo Prefectures, “Chubu region” refers to Niigata, Yamanashi, Shizuoka, Aichi, Nagano and Mie Prefectures, and “Kyushu region” refers to Oita, Kagoshima, Kumamoto, Saga, Nagasaki, Fukuoka and Miyazaki Prefectures.

(Note 2) The values described above are the values recorded on the balance sheet as of May 31, 2018. In addition, the total value of investments held for the category of cash and other deposits include construction in progress of 6,079thousand yen.

(Note 3) The ratio is rounded off to one decimal place.

- (2) Investment assets
 - (i) Major issues of investment securities
 - Not applicable.
 - (ii) Real estate for investment
 - Not applicable.

(iii) Other major investment assets

a. Summary of renewable energy power facilities, etc.

The renewable energy power facilities, etc. that the Investment Corporation holds as of May 31, 2018 are summarized below.

Category of facilities	No.	Name	Location	Date of acquisition	Land area (m ²)	Purchase price (Yen)	Date of approval	Expiry date of purchase period
Solar power facilities	S-01	LS Shioya	1601-19, Yashio, Tadokoro, Shioya-machi, Shioya-gun, Tochigi	June 2, 2016	36,727	40	December 21, 2012	July 30, 2033
Solar power facilities	S-02	LS Chikusei	492, Numata, Higuchi, Chikusei-shi, Ibaraki and 10 other parcels of land	June 2, 2016	18,546	40	March 6, 2013	March 17, 2034
Solar power facilities	S-03	LS Chiba Wakaba-ku	1336-16, Norocho, Wakaba-ku, Chiba-shi, Chiba and two other parcels of land	June 2, 2016	6,930	40	February 27, 2013	March 26, 2034
Solar power facilities	S-04	LS Miho	2872-1, Osumi, Kihara, Mihomura, Inashiki-gun, Ibaraki and eight other parcels of land	June 2, 2016	21,189	36	September 2, 2013	July 21, 2034
Solar power facilities	S-05	LS Kirishima Kokubu	4566-1, Shinogasako, Kokubushigehisa, Kirishima-shi, Kagoshima and one other parcel of land	June 2, 2016	47,290	40	March 29, 2013	September 15, 2034
Solar power facilities	S-06	LS Sosa	3994-1, Shiobagata, Higashikozasa, Sosa-shi, Chiba and one other parcel of land	June 2, 2016	25,224	36	September 2, 2013	December 17, 2034
Solar power facilities	S-07	LS Miyagi Osato	1-5, Itayahigashiyama, Higashinarita, Osato-cho, Kurokawa-gun, Miyagi and one other parcel of land	June 2, 2016	57,311	36	November 1, 2013	March 29, 2035
Solar power facilities	S-08	LS Mito Takada	15-1, Dai, Takada-cho, Mito-shi, Ibaraki and eight other parcels of land	June 2, 2016	36,616	36	December 5, 2013	March 26, 2035
Solar power facilities	S-09	LS Aomori Hiranai	9-11, Tsutsumigasawa, Nakano, Hiranai-machi, Higashitsugaru-gun, Aomori and 11 other parcels of land	June 2, 2016	61,171	36	March 17, 2014	July 20, 2035
Solar power facilities	S-10	LS Tone Fukawa	5777-2, Sanbanwari, Fukawa, Tone-machi, Kitasoma-gun, Ibaraki and 10 other parcels of land	June 2, 2016	33,053	36	February 25, 2014	December 10, 2035
Solar power facilities	S-11	LS Kamisu Hasaki	2487-1, Murago, Hasaki, Kamisu-shi, Ibaraki and 12 other parcels of land	February 7, 2017	12,819	36	December 5, 2013	March 21, 2036
Solar power facilities	S-12	LS Tsukuba Bochi	98, Irikubo, Bochi, Tsukuba-shi, Ibaraki and 23 other parcels of land	June 1, 2017	33,250	40	March 25, 2013	July 13, 2034
Solar power facilities	S-13	LS Hokota	932-1, Maeno, Kamigama, Hokotashi, Ibaraki and eight other parcels of land	June 1, 2017	31,150	36	December 24, 2013	March 24, 2036
Solar power facilities	S-14	LS Nasu Nakagawa	1279-17, Hanukisawa, Miwa, Nakagawa-machi, Nasu-gun, Tochigi and 130 other parcels of land	June 1, 2017	798,374	36	August 19, 2013	March 30, 2036
Solar power facilities	S-15	LS Fujioka A	4402, Shiroyama, Fujioka, Fujiokamachi, Tochigi-shi, Tochigi and 31	June 1, 2017	20,551	36	March 27, 2014	July 25, 2036

			other parcels of land					
Solar power facilities	S-16	LS Inashiki Aranuma 1	1585-5, Aranuma Otsu, Edosaki, Inashiki-shi, Ibaraki and two other parcels of land	June 1, 2017	32,556	36	March 24, 2014	July 27, 2036
Solar power facilities	S-17	LS Fujioka B	4225-1, Shiroyama, Fujioka, Fujioka-machi, Tochigi-shi, Tochigi and two other parcels of land	June 1, 2017	39,263	36	March 27, 2014	October 3, 2036
Solar power facilities	S-18	LS Inashiki Aranuma 2	1585-1, Aranuma Otsu, Edosaki, Inashiki-shi, Ibaraki and four other parcels of land	June 1, 2017	17,827	36	March 10, 2014	January 11, 2037
Solar power facilities	S-19	LS Sakuragawa Shimoizumi	421-1, Maeyashika, Shimoizumi, Sakuragawa-shi, Ibaraki and one other parcels of land	December 1, 2017	47,193	36	March 31, 2014	October 23, 2036
Solar power facilities	S-20	LS Fukushima Yamatsuri	48-1, Sasanotawa, Hozaka,, Yamatsuri-machi, Higashi Shirakawa-gun, Fukushima and 30 other parcels of land	December 1, 2017	27,026	36	September 13, 2013	November 6, 2036
Solar power facilities	S-21	LS Shizuoka Omaezaki	3419-2, Karakigaya, Hiki, Omaezaki-shi, Shizuoka-shi, Ibaraki and eight other parcels of land	February 28, 2018	18,992	36	February 13, 2014	March 29, 2035

No.	Name	Name of approved operator	Name of the other party to the specific contract	Acquisition cost (Million yen) (Note 1)	Value assessed at the end of the term (Million yen) (Note 2)	Matters regarding the assessment of the value of infrastructure and other assets (Million yen) (Note 3) (upper part: facilities and equipment) (lower part: real estate)	Book value at the end of the fiscal period under review (Million yen) (Note 4)
S-01	LS Shioya	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	1,315	1,378	1,047	880
						331	325
S-02	LS Chikusei	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	540	584	419	355
						165	158
S-03	LS Chiba Wakaba-ku	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	271	344	231	182
						113	78
S-04	LS Miho	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	498	603	472	368
						131	103
S-05	LS Kirishima Kokubu	Takara Leben Co., Ltd.	Kyushu Electric Power Co., Inc.	937	996	849	718
						147	155
S-06	LS Sosa	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	666	708	667	572
						40	45
S-07	LS Miyagi Osato	Takara Leben Co., Ltd.	Tohoku Electric Power Co., Inc.	818	867	742	636
						125	121
S-08	LS Mito Takada	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	991	1,055	790	683
						265	251
S-09	LS Aomori Hiranai	Takara Leben Co., Ltd.	Tohoku Electric Power Co., Inc.	705	752	603	523
						149	139
S-10	LS Tone Fukawa	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	1,261	1,341	1,020	878
						321	306
S-11	LS Kamisu Hasaki	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	470	502	494	447
						8	7
S-12	LS Tsukuba Bochi	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	890	1,035	1,010	836
						24	27
S-13	LS Hokota	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	735	778	754	688
						23	30

No.	Name	Name of approved operator	Name of the other party to the specific contract	Acquisition cost (Million yen) (Note 1)	Value assessed at the end of the term (Million yen) (Note 2)	Matters regarding the assessment of the value of infrastructure and other assets (Million yen) (Note 3) (upper part: facilities and equipment) (lower part: real estate)	Book value at the end of the fiscal period under review (Million yen) (Note 4)
S-14	LS Nasu Nakagawa	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	8,315	9,048	7,408	6,540
						1,640	1,579
S-15	LS Fujioka A	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	265	277	182	174
						95	94
S-16	LS Inashiki Aranuma 1	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	925	1,085	1,034	871
						50	36
S-17	LS Fujioka B	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	1,091	1,214	972	852
						242	225
S-18	LS Inashiki Aranuma 2	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	422	492	471	395
						20	15
S-19	LS Sakuragawa Shimoizumi	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	955	1,120	1,061	898
						58	52
S-20	LS Fukushima Yamatsur	Takara Leben Co., Ltd.	Tohoku Electric Power Co., Inc.	468	544	521	446
						22	21
S-21	LS Shizuoka Omaezaki	Takara Leben Co., Ltd.	Chubu Electric Power Co., Inc.	484	504	393	384
						111	112
Total		—	—	23,027	25,231	21,147	18,336
						4,083	3,887

(Note 1) The acquisition cost described above is the purchase price (excluding national and local consumption taxes and transaction fees and other charges) set forth in the respective purchase agreements for the power facilities, etc. that are the assets acquired.

(Note 2) The value assessed at the end of the term described above is the median value calculated by the Investment Corporation according to Item 1, Paragraph 2, Article 36 of its certificate of incorporation from among the range of the total assessed values including renewable energy power facilities and real estate, leasehold or superficies calculated by PricewaterhouseCoopers Sustainability LLC.

(Note 3) In the section of the matters regarding the assessment of the value of the infrastructure assets above, the upper part shows the estimates of the value assessed of the renewable energy power facilities after the deduction of the assessed real estate value calculated by CBRE K.K. from the value assessed that is described above (Note 2), and the lower part shows the value stated in the real estate appraisal report prepared by CBRE K.K. Real estate includes superficies or leasehold of real estate.

(Note 4) In the section of book value at the end of the fiscal period under review, the upper part shows the book value of the renewable energy power facilities at the end of the fiscal period under review, and the lower part shows the book value of the real estate at the end of the fiscal period under review.

b. Results of revenues and expenditures of individual renewable energy power facilities

5th fiscal period (from December 1, 2017 to May 31, 2018)

(Unit: Thousand yen)

Property number		S-01	S-02	S-03	S-04	S-05
Name of property	Total portfolios	LS Shioya	LS Chikusei	LS Chiba Wakaba-ku	LS Miho	LS Kirishima Kokubu
Lease revenue - renewable energy power production facilities, etc.						
Minimum rent guaranteed	1,171,787	67,574	27,560	15,256	28,161	45,342
Variable rent linked to actual output	33,569	315	319	-	300	50
Incidental revenues	13	-	1	-	0	-
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	1,205,371	67,889	27,881	15,256	28,462	45,393
Lease expenses - renewable energy power production facilities, etc.						
Taxes and other public charges	51,096	6,826	2,190	1,033	2,099	4,262
(Fixed assets and other related taxes included)	51,059	6,826	2,190	1,033	2,099	4,262
(Other taxes included)	37	-	-	-	-	-
Sundry expenses	112,468	2,694	1,306	1,281	1,847	2,208
(Outsourcing fees - management)	77,704	1,946	1,113	1,108	1,647	1,568
(Repair expenses)	-	-	-	-	-	-
(Utilities expenses)	4,742	328	3	3	7	258
(Insurance expenses)	7,775	386	155	84	158	351
(Payment of land rent)	21,326	-	-	-	0	0
(Other lease expenses included)	919	33	33	85	33	30
Depreciation	451,929	29,981	9,050	4,742	9,216	17,797
(Buildings)	160	-	-	-	-	-
(Structures)	159,897	2,906	3,729	1,329	2,013	3,533
(Machinery and equipment)	267,284	19,499	5,244	3,112	6,947	14,264
(Tools, furniture and fixtures)	24,587	7,574	76	300	255	-
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	615,494	39,502	12,548	7,057	13,164	24,269
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	589,877	28,386	15,333	8,198	15,298	21,123

(Unit: Thousand yen)

Property No.	S-06	S-07	S-08	S-09	S-10	S-11
Name of property	LS Sosa	LS Miyagi Osato	LS Mito Takada	LS Aomori Hiranai	LS Tone Fukawa	LS Kamisu Hasaki
Lease revenue - renewable energy power production facilities, etc.						
Minimum rent guaranteed	37,453	40,420	45,570	32,446	57,181	24,816
Variable rent linked to actual output	-	-	25	-	-	1,191
Incidental revenues	-	-	2	-	-	-
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	37,453	40,420	45,598	32,446	57,181	26,007
Lease expenses - renewable energy power production facilities, etc.						
Taxes and other public charges	2,655	3,067	3,403	2,431	4,422	1,057
(Fixed assets and other related taxes included)	2,655	3,067	3,403	2,431	4,422	1,057
(Other taxes included)	-	-	-	-	-	-
Sundry expenses	3,509	2,809	2,220	4,837	2,644	3,281
(Outsourcing fees - management)	1,576	2,227	1,751	4,185	2,107	2,006
(Repair expenses)	-	-	-	-	-	-
(Utilities expenses)	124	194	151	332	164	3
(Insurance expenses)	245	345	282	284	292	166
(Payment of land rent)	1,530	-	-	-	42	1,068
(Other lease expenses included)	33	40	35	35	37	37
Depreciation	13,999	17,261	16,353	12,504	21,533	11,000
(Buildings)	-	-	-	-	-	-
(Structures)	6,394	7,399	3,693	2,842	8,565	4,204
(Machinery and equipment)	7,605	7,928	12,452	9,517	11,486	6,213
(Tools, furniture and fixtures)	-	1,933	207	144	1,481	583
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	20,164	23,137	21,977	19,773	28,600	15,339
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	17,289	17,282	23,620	12,673	28,580	10,667

(Unit: Thousand yen)

Property No.	S-12	S-13	S-14	S-15	S-16	S-17
Name of property	LS Tsukuba Bochi	LS Hokota	LS Nasu Nakagawa	LS Fujioka A	LS Inashiki Aranuma 1	LS Fujioka B
Lease revenue - renewable energy power production facilities, etc.						
Minimum rent guaranteed	57,303	39,276	405,443	13,949	55,155	55,238
Variable rent linked to actual output	2,013	1,915	13,333	866	3,669	3,383
Incidental revenues	-	-	2	-	-	2
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	59,317	41,191	418,779	14,815	58,825	58,623
Lease expenses - renewable energy power production facilities, etc.						
Taxes and other public charges	2,920	1,616	-	1,039	3,035	3,041
(Fixed assets and other related taxes included)	2,920	1,604	-	1,039	3,035	3,041
(Other taxes included)	-	12	-	-	-	-
Sundry expenses	8,999	5,153	36,026	2,300	8,815	5,313
(Outsourcing fees - management)	3,351	3,195	30,184	2,131	3,712	4,802
(Repair expenses)	-	-	-	-	-	-
(Utilities expenses)	297	3	2,429	3	163	135
(Insurance expenses)	319	266	2,881	123	299	338
(Payment of land rent)	5,000	1,548	441	-	4,603	-
(Other lease expenses included)	31	139	88	41	37	37
Depreciation	23,046	16,439	154,740	4,595	20,276	20,439
(Buildings)	-	-	160	-	-	-
(Structures)	10,846	9,568	62,164	1,749	7,827	8,153
(Machinery and equipment)	10,871	6,763	88,682	2,190	12,201	11,459
(Tools, furniture and fixtures)	1,327	106	3,733	655	247	826
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	34,966	23,209	190,766	7,935	32,128	28,794
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	24,350	17,982	228,012	6,880	26,697	29,829

(Unit: Thousand yen)

Property No.	S-18	S-19	S-20	S-21
Name of property	LS Inashiki Aranuma 2	LS Sakuragawa Shimoizumi	LS Fukushima Yamatsuri	Ls Shizuoka Omaezaki
Lease revenue - renewable energy power production facilities, etc.				
Minimum rent guaranteed	24,935	57,733	27,313	13,654
Variable rent linked to actual output	2,126	2,641	629	787
Incidental revenues	-	-	-	4
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	27,061	60,375	27,943	14,447
Lease expenses - renewable energy power production facilities, etc.				
Taxes and other public charges	1,382	3,069	1,528	12
(Fixed assets and other related taxes included)	1,382	3,062	1,522	-
(Other taxes included)	-	6	6	12
Sundry expenses	4,754	7,265	3,937	1,258
(Outsourcing fees - management)	2,032	3,564	2,350	1,139
(Repair expenses)	-	-	-	-
(Utilities expenses)	5	74	25	33
(Insurance expenses)	177	367	170	76
(Payment of land rent)	2,502	3,228	1,360	0
(Other lease expenses included)	37	30	30	8
Depreciation	11,100	20,584	10,597	6,667
(Buildings)	-	-	-	-
(Structures)	3,053	3,393	3,761	2,766
(Machinery and equipment)	4,966	16,104	6,174	3,597
(Tools, furniture and fixtures)	3,080	1,086	662	303
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	17,237	30,919	16,063	7,937
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	9,823	29,456	11,879	6,509