

Summary of Accounts for Fiscal Period Ended November 30, 2017 (Infrastructure Fund)

January 12, 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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Management Company: Takara Asset Management Co., Ltd.  
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Scheduled date of submission of securities report: February 27, 2018  
 Scheduled start date of payment of distributions: February 19, 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 November 30, 2017 (June 1, 2017 to November 30, 2017)

(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 November 30, 2017	1,062	159.4	422	150.8	369	146.3	368	146.8
Fiscal period ended May 31, 2017	409	7.0	168	-8.1	149	-7.2	149	-6.0

	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 November 30, 2017	3,136	4.6	2.3	34.8
Fiscal period ended May 31, 2017	3,020	3.1	1.7	36.6

(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 November 30, 2017	3,123	368	463	54	3,586	423	100.0	3.2
Fiscal period ended May 31, 2017	3,021	149	-	-	3,021	149	100.0	3.1

(Note 1) The dividend payout ratio for the fiscal period ended May 31, 2017 is calculated according to the following calculation formula.

Dividend payout ratio = distribution per unit (excluding surplus earnings distribution) / net income per unit x 100

(Note 2) The dividend payout ratio for the fiscal period ended November 30, 2017 is calculated according to the following calculation formula because new investment units are issued during the said fiscal period.

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

(Note 3) 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 4) 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 5) 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.

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
As of November 30, 2017	23,071	11,331	49.1	96,050
As of May 31, 2017	8,915	4,854	54.5	98,223

(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 November 30, 2017	-18	-13,029	13,701	1,312
Fiscal period ended May 31, 2017	773	-496	-285	660

2. Forecast operating results for the fiscal period ending May 31, 2018 (December 1, 2017 to May 31, 2018), the fiscal period ending November 30, 2018 (June 1, 2018 to November 30, 2018) and the fiscal period ending May 31, 2019 (December 1, 2018 to May 31, 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 May 31, 2018	1,189	12.0	463	9.6	407	10.2	406	10.3	3,444	464	3,908
Fiscal period ending November 30, 2018	1,139	-4.2	394	-14.9	337	-17.1	336	-17.1	2,855	331	3,186
Fiscal period ending May 31, 2019	1,190	4.4	440	11.5	384	13.8	383	13.9	3,251	317	3,568

(Reference) Forecast net income per unit (for the fiscal period ending May 31, 2018): 3,444 yen; forecast net income per unit (for the fiscal period ending November 30, 2018): 2,855 yen; forecast net income per unit (for the fiscal period ending May 31, 2019): 3,251 yen

Estimated total number of issued investment units at the end of the fiscal period: 117,976 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)

As of November 30, 2017	117,976units	As of May 31, 2017	49,424units
As of November 30, 2017	-units	As of May 31, 2017	-units

(ii) Number of treasury investment units at the end of the fiscal period

(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 27 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 Fiscal Period Ending May 31, 2018 (December 1, 2017 to May 31, 2018), the Fiscal Period Ending November 30, 2018 (June 1, 2018 to November 30, 2018) and the Fiscal Period Ending May 31, 2019 (December 1, 2018 to May 31, 2019)" stated on page 7 below.

## 1. Corporations affiliated with the investment corporation

### Mechanism 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 mechanism of the investment corporation in the latest securities report (submitted on August 23, 2017).

## 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 August 23, 2017.

### (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 during the fiscal period under review, the Investment Corporation increased capital by public offering and third-party allotment. As a result, the total number of issued investment units as of November 30, 2017 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 against a background of improved circumstances for employment and income and a moderate increase in personal consumption.

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 seven properties that were photovoltaic power facilities, etc. (for the acquisition cost of 12,607 million yen) on June 1, 2017 and acquired four additional properties that were additions to the assets already held (for the acquisition cost of 173 million yen) in October and November 2017 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 18 properties (total value: 23,535 million yen (note)), and the total panel output was 50.8 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 November 30, 2017 that was obtained from PricewaterhouseCoopers Sustainability LLC. The same applies hereinafter.

c. Summary of financing

During the fiscal period under review, the Investment Corporation secured 6,257 million yen with the additional issue of investment units (68,552 units) by capital increase through public offering and third-party allotment in June 2017.

In addition, the Investment Corporation borrowed funds in an amount of 7,966 million yen on June 1, 2017 to appropriate them to the funds for the acquisition of seven (7) properties that were the renewable energy power facilities, etc. 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 11,643 million yen. As a result, the ratio of interest-bearing debts to total assets was 50.5% at the end of the fiscal period under review.

For information, the rating obtained by the Investment Corporation as of November 30, 2017 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 1,062 million yen, operating income of 422 million yen, ordinary income of 369 million yen and net income of 368 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).

The distributions to be paid for the fiscal period under review are the distribution of profits in the total amount of 368 million yen equivalent to the unappropriated retained earnings, exclusive of the portion corresponding to the distribution per investment unit of less than one (1) yen, and the surplus earnings distribution in an amount of 54 million yen, which is a distribution upon the decrease of contributions under the tax laws that constitute a refund of contributions. As a result, the distribution per investment unit is 3,586 yen.

#### (ii) Outlook for the following fiscal period

##### a. Future outlook for operations

The Japanese economy is expected to remain on a moderate recovery trend against a background of improvement in employment and income conditions and a moderate increase in personal consumption, among other factors. However, the trends of overseas economies should be closely observed.

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 79 GW as of March 31, 2017, and the capacity of such facilities that were actually installed was approximately 28 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 93.8% as of March 31, 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 operating results for the fiscal period ending May 31, 2018 (December 1, 2017 to May 31, 2018), the fiscal period ending November 30, 2018 (June 1, 2018 to November 30, 2018) and the fiscal period ending May 31, 2019 (December 1, 2018 to May 31, 2019) are forecast as follows. For the assumptions for the forecast operating results, please refer to the “Assumptions for Forecasts of Operating Results for Fiscal Period Ending May 31, 2018 (December 1, 2017 to May 31, 2018), Fiscal Period Ending November 30, 2018 (June 1, 2018 to November 30, 2018) and Fiscal Period Ending May 31, 2019 (December 1, 2018 to May 31, 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 May 31, 2018 (5th fiscal period)	1,189 million yen	463 million yen	407 million yen	406 million yen	3,444 yen	464 yen	3,908 yen
Fiscal period ending November 30, 2018 (6th fiscal period)	1,139 million yen	394 million yen	337 million yen	336 million yen	2,855 yen	331 yen	3,186 yen
Fiscal period ending May 31, 2019 (7th fiscal period)	1,190 million yen	440 million yen	384 million yen	383 million yen	3,251 yen	317 yen	3,568 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. 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 “b. Acquisition of assets” below and the expenses related thereto (including national and local consumption taxes), the Investment Corporation executed the agreement for the following loans on November 28, 2017, 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 3)	Security (Note 4)
Long-term	Mizuho Bank, Ltd. Resona Bank, Limited Sumitomo Mitsui Banking Corporation	1,395	Interest rate obtained by adding 0.5% to the six-month Japanese Yen TIBOR	December 1, 2017	November 30, 2027	Repayment in installments in part	Unsecured Unguaranteed
Long-term	Mizuho Bank, Ltd. Resona Bank, Limited Sumitomo Mitsui Banking Corporation	475	Interest rate obtained by adding 0.5% to the six-month Japanese Yen TIBOR	Date when the Investment Corporation issues a notice to Mizuho Bank, Ltd. (Note 2)	November 30, 2027	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 December 1, 2017 is 0.11636%.

(Note 2) The date of such notice will be the scheduled date of acquisition of LS Shizuoka Omaezaki stated in “b. Acquisition of assets” below.

(Note 3) 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 May 31, 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 November 30, 2027.

(Note 4) 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.

b. Acquisition of assets

The Investment Corporation executed the purchase agreements for the renewable energy power plant facilities, etc. described below on November 28, 2017. In addition, the Investment Corporation acquired the LS Sakuragawa Shimoizumi and the LS Fukushima Yamatsuri on December 1, 2017.

Property No.	Name of property	Location	Acquisition cost (Million yen) (Note 1)	Seller
S-19	LS Sakuragawa Shimoizumi	Sakuragawa-shi, Ibaraki	955	Takara Leben Co., Ltd.
S-20	LS Fukushima Yamatsuri	Yamatsuri-machi, Higashi-Shirakawa-gun, Fukushima	468	Takara Leben Co., Ltd.
S-21	LS Shizuoka Omaezaki (Note 2)	Omaezaki-shi, Shizuoka	484	Takara Leben Co., Ltd.
Total portfolios			1,907	—

(Note 1) 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.

(Note 2) The date of acquisition of the LS Shizuoka Omaezaki is the date separately agreed on by and between the seller and the buyer that occurs within 15 business days from the date when the conditions set forth in the purchase agreement are satisfied (the condition that the seller is approved as the business operator as set forth in Paragraph 3, Article 9 and Paragraph 1, Article 10 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”) in relation to the renewable energy power project for power generation using the said power plant facilities and the supply of electricity to electricity utilities (as defined in Paragraph 1, Article 9 of the Renewable Energy Special Measures Act) (including the documents set forth in Paragraph 2, Article 4 of the supplementary provisions of the Act for Partial Revision of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Act No. 59 of 2016, including amendments thereto)) (such approval shall be hereinafter referred to as the “Approval of the Project”) and the condition where the seller succeeds to the status of the party to the specific contract and the agreement for connection regarding the said power plant facilities).

Assumptions for Forecasts of Operating Results for Fiscal Period Ending May 31, 2018 (December 1, 2017 to May 31, 2018), Fiscal Period Ending November 30, 2018 (June 1, 2018 to November 30, 2018) and Fiscal Period Ending May 31, 2019 (December 1, 2018 to May 31, 2019)

Items	Assumptions
Accounting period	<p>Fiscal period ending May 31, 2018 (5th fiscal period): December 1, 2017 to May 31, 2018 (182 days)</p> <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>
Managed assets	<ul style="list-style-type: none"> <li>• The assumption is a holding of 21 properties in total: the breakdown of them is 18 properties held as of November 30, 2017 (hereinafter referred to as the “Portfolio Assets”), two properties acquired on December 1, 2017 (hereinafter referred to as the “Acquired Assets”) and one property to be acquired on February 1, 2018 (hereinafter referred to as the “Asset to Be Acquired”).</li> <li>• The assumptions for forecasting the operating results are that the Assets to Be Acquired will be acquired on the dates described above and 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 May 31, 2019 (7th fiscal period).</li> <li>• 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.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>• 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 and the seven (7) properties acquired on June 1, 2017 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 and the Asset to Be Acquired 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 in effect on the date of acquisition and for the Asset to Be Acquired, 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.</li> <li>• The assumption for operating revenue is the revenues from the lease, not the disposal of assets.</li> <li>• 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.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>• 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 and the Asset to Be Acquired 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 and other persons concerned, reflecting the variable factors of expenses.</li> <li>• In the acquisition of the photovoltaic power facilities, etc., the Investment Corporation plans to settle the fixed assets and other taxes with the current owner 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 2017 on the Acquired Assets are not posted under expenses, and the fixed assets and other taxes for the fiscal year 2018 on the Asset to Be Acquired are not posted under expenses. In addition, the total amount of the settlement of the fixed assets and other taxes to be included in the acquisition costs for the Acquired Assets and the Assets to Be</li> </ul>

	<p>Acquired is estimated at two (2) million yen. The fixed assets and other taxes on the Portfolio Assets, the Acquired Assets and the Asset to Be Acquired are estimated, considering the subsidy for the invitation of companies that will be paid for LS Nasu Nakagawa, at 49 million yen for the fiscal period ending May 31, 2018 (5th fiscal period), 67 million yen for the fiscal period ending November 30, 2018 (6th fiscal period) and 68 million yen for the fiscal period ending May 31, 2019 (7th fiscal period).</p> <ul style="list-style-type: none"><li>• The expenses for the maintenance and management of the photovoltaic power facilities are estimated at 61 million yen respectively for the fiscal period ending May 31, 2018 (5th fiscal period), the fiscal period ending November 30, 2018 (6th fiscal period) and the fiscal period ending May 31, 2019 (7th fiscal period). The utilities expenses are estimated at five million yen for the fiscal period ending May 31, 2018 (5th fiscal period) and six million yen respectively for the fiscal period ending November 30, 2018 (6th fiscal period) and the fiscal period ending May 31, 2019 (7th fiscal period).</li></ul>
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Items	Assumptions
Operating expenses	<ul style="list-style-type: none"> <li>The fees for operators are estimated at 15 million yen for the fiscal period ending May 31, 2018 (5th fiscal period), 14 million yen for the fiscal period ending November 30, 2018 (6th fiscal period) and 15 million yen for the fiscal period ending May 31, 2019 (7th fiscal period).</li> <li>Depreciation expenses are calculated, including incidental expenses, according to the straight-line method and estimated at 450 million yen for the fiscal period ending May 31, 2018 (5th fiscal period) and 453 million yen respectively for the fiscal period ending November 30, 2018 (6th fiscal period) and the fiscal period ending May 31, 2019 (7th fiscal period).</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>The organization expenses and the expenses for the issue of new investment units are estimated at eight million yen respectively for the fiscal period ending May 31, 2018 (5th fiscal period), the fiscal period ending November 30, 2018 (6th fiscal period) and the fiscal period ending May 31, 2019 (7th fiscal period).</li> <li>Interest expenses and other borrowing-related expenses are estimated at 47 million yen respectively for the fiscal period ending May 31, 2018 (5th fiscal period) and the fiscal period ending November 30, 2018 (6th fiscal period) and 45 million yen for the fiscal period ending May 31, 2019 (7th fiscal period).</li> </ul>
Loans	<ul style="list-style-type: none"> <li>The balance of loans of the Investment Corporation as of November 30, 2017 is 11,643 million yen. The assumptions for the said loans are that according to the agreement, the repayment of the said loans will be made on May 31, 2018 and November 30, 2018, and that the amount of the repayment is 360 million yen for each repayment date.</li> <li>The assumption is that the Investment Corporation will obtain loans in the total amount of 1,870 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 December 1, 2017 and February 1, 2018.</li> <li>The ratio of interest-bearing debts to total assets (LTV: loan to value) at the end of the fiscal period ending May 31, 2018 (5th fiscal period) is estimated at about 53.6%.</li> <li>In the calculation of the ratio of interest-bearing debts to total assets (LTV: loan to value), the following calculation formula is used:  <math display="block">\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</math> </li> </ul>
Total number of issued investment units	<ul style="list-style-type: none"> <li>The total number of issued investment units as of the date of this document is assumed to be 117,976 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 May 31, 2019 (7th fiscal period).</li> <li>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 117,976 units.</li> </ul>
Distribution per unit (excl. surplus earnings distribution)	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
Surplus earnings distribution per unit	<ul style="list-style-type: none"> <li>Surplus earnings distribution per unit is calculated according to the policy for the distribution of money 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.</li> <li>The policy of the Investment Corporation is to generally distribute all 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 the investment and maintenance and</li> </ul>

	<p>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. 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).</p> <ul style="list-style-type: none"> <li>• According to the policy described above, the amounts exceeding the amount of profits remaining after reserving such cash and deposits as the Investment Corporation considers appropriate are divided by the forecast number of investment units issued at the end of the fiscal period, which is 117,976 units respectively for the fiscal period ending May 31, 2018 (5th fiscal period), the fiscal period ending November 30, 2018 (6th fiscal period) and the fiscal period ending May 31, 2019 (7th fiscal period) to determine the surplus earnings distribution per unit. The total surplus earnings distribution is estimated at 54 million yen for the fiscal period ending May 31, 2018 (5th fiscal period), 39 million yen for the fiscal period ending November 30, 2018 (6th fiscal period) and 37 million yen for the fiscal period ending May 31, 2019 (7th fiscal period).</li> <li>• 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.</li> <li>• 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.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>

(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 August 23, 2017.

### 3. Financial Statements

#### (1) Balance sheets

(Unit: Thousand yen)

	Previous term (As of May 31, 2017)	Current term (As of November 30, 2017)
<b>Assets</b>		
Current assets		
Cash and deposits	660,506	1,312,797
Operating accounts receivable	2,386	5,578
Prepaid expenses	22,948	31,123
Consumption taxes receivable	10,877	818,094
Deferred tax assets	10	15
Other	152	-
Total current assets	696,881	2,167,608
Non-current assets		
Property, plant and equipment		
Buildings	-	7,286
Accumulated depreciation	-	-159
Buildings, net	-	7,127
Structures	1,926,547	6,198,864
Accumulated depreciation	-87,618	-237,837
Structures, net	1,838,929	5,961,026
Machinery and equipment	4,757,341	11,372,576
Accumulated depreciation	-196,273	-435,934
Machinery and equipment, net	4,561,068	10,936,642
Tools, furniture and fixtures	96,748	197,192
Accumulated depreciation	-24,338	-46,887
Tools, furniture and fixtures, net	72,409	150,305
Land	1,596,343	3,523,094
Construction in progress	12,964	756
Total property, plant and equipment	8,081,715	20,578,953
Intangible assets		
Leasehold right	52,461	173,105
Software	1,216	1,064
Total intangible assets	53,677	174,169
Investments and other assets		
Guarantee deposits	10,000	10,000
Long-term prepaid expenses	42,165	108,747
Other	20	20
Total investments and other assets	52,185	118,767
Total non-current assets	8,187,578	20,871,889
Deferred assets		
Deferred organization expenses	223	195
Investment unit issuance expenses	30,536	32,054
Total deferred assets	30,760	32,250
<b>Total assets</b>	<b>8,915,219</b>	<b>23,071,748</b>



(Unit: Thousand yen)

	Previous term (As of May 31, 2017)	Current term (As of November 30, 2017)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	3,625	16,720
Current portion of long-term loans payable	252,352	720,941
Accounts payable - other	17,572	78,444
Income taxes payable	685	923
Deposits received	1,073	750
Other	8	16
<b>Total current liabilities</b>	<b>275,319</b>	<b>817,796</b>
Non-current liabilities		
Long-term loans payable	3,785,294	10,922,235
Other	6	11
<b>Total non-current liabilities</b>	<b>3,785,300</b>	<b>10,922,246</b>
<b>Total liabilities</b>	<b>4,060,620</b>	<b>11,740,043</b>
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	4,705,280	10,963,186
Surplus		
Unappropriated retained earnings (undisposed loss) (-)	149,319	368,519
<b>Total surplus</b>	<b>149,319</b>	<b>368,519</b>
<b>Total unitholders' equity</b>	<b>4,854,599</b>	<b>11,331,705</b>
<b>Total net assets</b>	<b>*1 4,854,599</b>	<b>*1 11,331,705</b>
<b>Total liabilities and net assets</b>	<b>8,915,219</b>	<b>23,071,748</b>

## (2) Statement of income

(Unit: Thousand yen)

	Previous term (From December 1, 2016 to May 31, 2017)	Current term (From June 1, 2017 to November 30, 2017)
<b>Operating revenue</b>		
Rent revenue - renewable energy power production facilities, etc.	*1 409,518	*1 1,062,234
<b>Total operating revenue</b>	<b>409,518</b>	<b>1,062,234</b>
<b>Operating expenses</b>		
Rent expenses on renewable energy power production facilities, etc.	*1 203,189	*1 541,497
Asset management fee	12,285	64,419
Asset custody fee and administrative service fees	4,442	6,042
Directors' compensations	2,400	2,400
Other operating expenses	18,526	24,904
<b>Total operating expenses</b>	<b>240,844</b>	<b>639,264</b>
<b>Operating income</b>	<b>168,674</b>	<b>422,969</b>
<b>Non-operating income</b>		
Interest income	3	4
Insurance income	2,865	-
Interest on refund	-	23
Miscellaneous income	-	0
<b>Total non-operating income</b>	<b>2,868</b>	<b>28</b>
<b>Non-operating expenses</b>		
Interest expenses	12,589	36,360
Borrowing-related expenses	3,552	8,624
Amortization of deferred organization expenses	28	28
Amortization of investment unit issuance expenses	5,374	8,557
<b>Total non-operating expenses</b>	<b>21,544</b>	<b>53,569</b>
<b>Ordinary income</b>	<b>149,998</b>	<b>369,428</b>
<b>Income before income taxes</b>	<b>149,998</b>	<b>369,428</b>
Income taxes - current	686	923
Income taxes - deferred	6	-5
<b>Total income taxes</b>	<b>693</b>	<b>918</b>
<b>Net income</b>	<b>149,304</b>	<b>368,509</b>
Retained earnings brought forward	14	9
<b>Unappropriated retained earnings (undisposed loss) (-)</b>	<b>149,319</b>	<b>368,519</b>

## (3) Statement of unitholders' equity

Previous term (From December 1, 2016 to May 31, 2017)

(Unit: Thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss) (-)	Total surplus		
Balance at the beginning of the term	4,705,280	154,266	154,266	4,859,546	4,859,546
Changes of items during period					
Issuance of new investment units			-	-	-
Dividends of surplus		-154,252	-154,252	-154,252	-154,252
Net income		149,304	149,304	149,304	149,304
Total changes of items during the term	-	-4,947	-4,947	-4,947	-4,947
Balance at the end of the term	*1 4,705,280	149,319	149,319	4,854,599	4,854,599

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

(Unit: Thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	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 period	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

## (4) Statement of distribution of money

	Previous term (From December 1, 2016 to May 31, 2017)	Current term (From June 1, 2017 to November 30, 2017)
I. Unappropriated retained earnings	149,319,442 yen	368,519,439 yen
II. Additional surplus earnings distribution		
Deduction from unitholders' capital	-- yen	54,622,888 yen
III. Amount of distribution	149,309,904 yen	423,061,936 yen
(Amount of distribution per investment unit)	(3,021) yen	(3,586) yen
Distribution of profits included	149,309,904 yen	368,439,048 yen
(Distribution of profits per unit included)	(3,021) yen	(3,123) yen
Surplus earnings distribution included	-- yen	54,622,888 yen
(Surplus earnings distribution per unit included)	-- yen	(463) yen
IV. Retained earnings carried forward	9,538 yen	80,391 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 149,309,904 million yen equivalent to the unappropriated retained earnings (149,319,442 yen) excluding the portion corresponding to the distribution per investment unit of less than one yen. As a result, the distribution per investment unit is 3,021 yen.</p> <p>The distribution of money exceeding profits as set forth in Paragraph 2, Article 38 of the certificate of incorporation of the Investment Corporation will not be paid.</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 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>

(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). According to this policy, the distributions paid for the fiscal period under review include the distribution of money exceeding profits (refund of contributions) in an amount of 54 million yen.

(5) Statement of cash flows

(Unit: Thousand yen)

	Previous term (From December 1, 2016 to May 31, 2017)	Current term (From June 1, 2017 to November 30, 2017)
<b>Cash flows from operating activities</b>		
Income before income taxes	149,998	369,428
Depreciation	157,934	412,740
Amortization of investment unit issuance expenses	5,374	8,557
Amortization of deferred organization expenses	28	28
Interest income	-3	-4
Interest expenses	12,589	36,360
Decrease (increase) in operating accounts receivable (negative figures show increases)	-2,386	-3,191
Decrease (increase) in consumption taxes refund receivable	471,822	-807,217
Increase (decrease) in operating accounts payable (negative figures show decreases)	313	13,095
Increase (decrease) in accounts payable - other	-65	63,098
Increase (decrease) in deposits received	820	-323
Decrease (increase) in prepaid expenses	-11,598	-8,174
Decrease (increase) in long-term prepaid expenses	2,726	-66,581
Other	-156	324
Subtotal	787,396	18,138
Interest income received	3	4
Interest expenses paid	-12,589	-36,360
Income taxes paid	-819	-686
Net cash provided by (used in) operating activities	773,990	-18,903
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-489,848	-12,910,745
Purchase of intangible assets	-7,093	-119,128
Net cash used in investing activities	-496,942	-13,029,874
<b>Cash flows from financing activities</b>		
Proceeds from long-term loans payable	-	7,966,000
Repayments of long-term loans payable	-126,176	-360,470
Proceeds from issuance of investment units	-	6,257,906
Payments for investment unit issuance expenses	-6,320	-12,775
Dividends paid	-153,457	-149,591
Net cash provided by (used in) financing activities	-285,954	13,701,068
Net increase (decrease) in cash and cash equivalents	-8,905	652,290
Cash and cash equivalents at the beginning of the term	669,412	660,506
Cash and cash equivalents at the end of the term	*1 660,506	*1 1,312,797

(Note) The statements of cash flows were prepared according to the Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements (Ordinance of the Ministry of Finance No. 59 of 1963), and are attached hereto as reference materials. This statement of cash flows is not included in the scope of the audit by the accounting auditors according to the provisions of Article 130 of the Investment Trust Act.

(6) Notes regarding the premise of going concern

Not applicable.

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

1. Method of depreciation of non-current assets	<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.</p> <p>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.</p> <p>Software 5 years</p> <p>③Long-term prepaid expenses The straight-line method is used.</p>
2. Method of accounting of deferred assets	<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). In the issuance of new investment units by public offering on June 1, 2017, the agreement for underwriting for subscription under which the underwriting securities companies shall underwrite the new investment units at the issue price and offer them for subscription to general investors at a different offering price from the issue price (called the “spread system”). In the spread system, the difference between the offering price and the issue price is substantially the underwriting fees received by the underwriting securities company. Accordingly, the Investment Corporation did not pay the underwriting fees to the underwriting securities companies. In the issue of new investment units by public offering on June 1, 2017, the difference between the offering price and the issue price was 274,993 thousand yen in total. The said difference would be accounted for by posting it under investment unit issuance expenses if the underwriting securities companies underwrote the new investment units issued at the issue price and offered for subscription to general investors at the same offering price (the agreement that provides for such conditions for underwriting for subscription is called the “usual system”). Accordingly, the investment unit issuance expenses recorded on the balance sheet in the case of the spread system are 229,160 thousand yen less than in the case of the usual system. In the same way, ordinary income and income before income taxes recorded are 45,832 thousand yen more than in the case of the usual system.</p>
3. Standards for posting revenues and expenses	<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 46,154 thousand yen.</p>
4. Scope of funds included in the statement of cash flows	<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</p>

	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.
5. Other important basic matters for the preparation of financial statements	<p>Method of accounting of consumption and other similar taxes</p> <p>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 (May 31, 2017)	Current term (November 30, 2017)
	50,000	50,000

[Notes regarding the statement of income]

(Unit: Thousand yen)

	Previous term From December 1, 2016 to May 31, 2017	Current term From June 1, 2017 to November 30, 2017
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\*1 Breakdown of profit or loss of lease business - renewable energy power production facilities, etc.

A. Operating revenue - lease of renewable energy power production facilities, etc.

Lease revenue - renewable energy power production facilities, etc.

(Minimum rent guaranteed)	404,516	1,015,514
(Variable rent linked to actual output)	4,996	46,709
(Incidental revenues)	4	10

Total operating revenue - lease of renewable energy power production facilities, etc.

409,518 1,062,234

B. Business expenses - lease of renewable energy power production facilities, etc.

Lease expenses - renewable energy power production facilities, etc.

(Outsourcing fees - management)	20,034	69,326
(Repair expenses)	2,305	-
(Taxes and other public charges)	16,037	32,058
(Utilities expenses)	1,418	2,865
(Insurance expenses)	2,951	7,159
(Depreciation)	157,782	412,588
(Payment of land rent)	2,247	16,737
(Other lease business)	412	761

Total business expenses - lease of renewable energy power production facilities, etc.

203,189 541,497

C. Profit or loss of lease business - renewable energy power production facilities, etc. (A-B)

206,328 520,736

## 2. Transaction value with major unitholders

Transaction value of business transactions

Operating revenue	409,513	1,062,223
Outsourcing fees - management (operators' fees)	356	12,686

Transaction value - other than business transactions

Acquisition of photovoltaic power facilities, etc.	470,000	12,780,000
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[Notes regarding the statement of unitholders' equity]

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

	Previous term From December 1, 2016 to May 31, 2017	Current term From June 1, 2017 to November 30, 2017
Total number of authorized investment units	10,000,000 units	10,000,000 units
Total number of issued investment units	49,424 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 December 1, 2016 to May 31, 2017	Current term From June 1, 2017 to November 30, 2017
Cash and deposits	660,506	1,312,797
Cash and cash equivalents	660,506	1,312,797

[Notes regarding lease transaction]

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

(Unit: Thousand yen)

	Previous term As of May 31, 2017	Current term As of November 30, 2017
Less than 1 year	815,337	2,097,281
More than 1 year	6,472,395	16,817,576
Total	7,287,733	18,914,858

[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 May 31, 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	660,506	660,506	-
Total assets	660,506	660,506	-
(1) Current portion of long-term loans payable	252,352	252,352	-
(2) Long-term loans payable	3,785,294	3,785,294	-
Total liabilities	4,037,647	4,037,647	-

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	-

(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 (May 31, 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	660,506	-	-	-	-	-
Total	660,506	-	-	-	-	-

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	-	-	-	-	-

(Note 3) Amount of repayment of long-term loans payable scheduled after the date of closing accounts (May 31, 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	252,352	252,352	252,352	252,352	252,352	2,775,882
Total	252,352	252,352	252,352	252,352	252,352	2,775,882

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

[Notes regarding securities]

Previous term (As of May 31, 2017)

Not applicable.

Current term (As of November 30, 2017)

Not applicable.

[Notes regarding derivative transactions]

Previous term (As of May 31, 2017)

Not applicable.

Current term (As of November 30, 2017)

Not applicable.

[Notes regarding retirement benefits]

Previous term (As of May 31, 2017)

Not applicable.

Current term (As of November 30, 2017)

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 May 31, 2017	Current term As of November 30, 2017
Accrued business tax not deductible from taxable income	10	15
Total deferred tax assets	10	15
Deferred tax assets, net	10	15

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

	Previous term May 31, 2017	Current term November 30, 2017
Effective statutory tax rate	31.74%	31.74%
(Adjustment)		
Dividends paid, included in deductible expenses	-31.59%	-31.65%
Other	0.32%	0.16%
Ratio of burden of corporate tax, etc. after the application of tax effect accounting	0.46%	0.25%

[Notes regarding equity earnings of affiliate companies]

Previous term (As of May 31, 2017)

Not applicable.

Current term (As of November 30, 2017)

Not applicable.

[Notes regarding related party transaction]

1. Parent company and major corporate unitholders, among others

Previous term (From December 1, 2016 to May 31, 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.	470,000	-	-
								Receipt of rents	409,513	-	-
								Payment of operators' fees	356	-	-

(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 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.

2. Affiliated companies, etc.

Previous term (From December 1, 2016 to May 31, 2017)

Not applicable.

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

Not applicable.

3. Companies under common control, etc.

Previous term (From December 1, 2016 to May 31, 2017)

Not applicable.

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

Not applicable.

4. Officers and major individual unitholders, among others

Previous term (From December 1, 2016 to May 31, 2017)

Not applicable.

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

Not applicable.

[Notes regarding asset retirement obligations]

Previous term (As of May 31, 2017)

Not applicable.

Current term (As of November 30, 2017)

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 December 1, 2016 to May 31, 2017	Current term From June 1, 2017 to November 30, 2017
Amount posted on the balance sheet (Note 2)		
Balance at the beginning of the term	7,795,017	8,121,212
Change in the current term (Note 3)	326,195	12,630,090
Balance at the end of the term	8,121,212	20,751,302
Value assessed at the end of the term (Note 4)	9,071,000	23,535,500

(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. (13,042,678 thousand yen).

The increase for the current term is mainly attributable to depreciation (412,588 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 May 31, 2017 and November 30, 2017 that was obtained from PricewaterhouseCoopers Sustainability LLC.

The profit and loss of the renewable energy power facilities, etc. for the fiscal period ended May 31, 2017 (3rd fiscal period) and the fiscal period ended November 30, 2017 (4th fiscal period) are as stated in the “Notes Regarding the Statement of Income” above.



[Notes regarding segment information]

1. Segment information

Previous term (From December 1, 2016 to May 31, 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 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.

2. Related information

Previous term (From December 1, 2016 to May 31, 2017)

(1) Information for each 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 for each 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 for each major customer

(Unit: Thousand yen)

Name of customer	Net sales	Name of related segments
Takara Leben Co., Ltd.	409,513	Lease of the renewable energy power facilities, etc.

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

(1) Information for each 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 for each 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 for each 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.

[Notes regarding data per unit]

	Previous term From December 1, 2016 to May 31, 2017	Current term From June 1, 2017 to November 30, 2017
Net assets per unit	98,223 yen	96,050 yen
Net income per unit	3,020 yen	3,136 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 December 1, 2016 to May 31, 2017	Current term From June 1, 2017 to November 30, 2017
Net income (thousand yen)	149,304	368,509
Amount not vested in ordinary unitholders (thousand yen)	-	—
Net income corresponding to common investment units (thousand yen)	149,304	368,509
Average number of investment units during the term (units)	49,424	117,494

[Notes regarding important events after the reporting period]

### 1. 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 “2. Acquisition of assets” below and the expenses related thereto (including national and local consumption taxes), the Investment Corporation executed the agreement for the following loans on November 28, 2017, and a portion of the loans was extended.

Category	Lender	Amount of borrowings (Million yen)	Interest rate (Note 1)	Date of extension of loans	Date of final repayment	Repayment method (Note 3)	Security (Note 4)
Long-term	Mizuho Bank, Ltd. Resona Bank, Limited Sumitomo Mitsui Banking Corporation	1,395	Interest rate obtained by adding 0.5% to the six-month Japanese Yen TIBOR	December 1, 2017	November 30, 2027	Repayment in installments in part	Unsecured Unguaranteed
Long-term	Mizuho Bank, Ltd. Resona Bank, Limited Sumitomo Mitsui Banking Corporation	475	Interest rate obtained by adding 0.5% to the six-month Japanese Yen TIBOR	Date when the Investment Corporation issues a notice to Mizuho Bank, Ltd. (Note 2)	November 30, 2027	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 December 1, 2017 is 0.11636%.

(Note 2) The date of such notice will be the scheduled date of acquisition of LS Shizuoka Omaezaki stated in “2. Acquisition of assets” below.

(Note 3) 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 May 31, 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 November 30, 2027.

(Note 4) 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.

### 2. Acquisition of assets

The Investment Corporation executed the purchase agreements for the renewable energy power plant facilities, etc. described below on November 28, 2017. In addition, the Investment Corporation acquired the LS Sakuragawa Shimoizumi and the LS Fukushima Yamatsuri on December 1, 2017.

Property No.	Name of property	Location	Acquisition cost (Million yen) (Note 1)	Seller
S-19	LS Sakuragawa Shimoizumi	Sakuragawa-shi, Ibaraki	955	Takara Leben Co., Ltd.
S-20	LS Fukushima Yamatsuri	Yamatsuri-machi, Higashi-Shirakawa-gun, Fukushima	468	Takara Leben Co., Ltd.
S-21	LS Shizuoka Omaezaki (Note 2)	Omaezaki-shi, Shizuoka	484	Takara Leben Co., Ltd.
Total portfolios			1,907	—

(Note 1) 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.

(Note 2) The date of acquisition of the LS Shizuoka Omaezaki is the date separately agreed on by and between the seller and the buyer that occurs within 15 business days from the date when the conditions set forth in the purchase agreement are satisfied (the condition that the seller is approved as the business operator as set forth in Paragraph 3, Article 9 and Paragraph 1, Article 10 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”) in relation to the renewable energy power project for power generation using the said power plant facilities and the supply of electricity to electricity utilities (as defined in Paragraph 1, Article 9 of the Renewable Energy Special Measures Act) (including the documents set forth in Paragraph 2, Article 4 of the supplementary provisions of the Act for Partial Revision of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Act No. 59 of 2016, including amendments thereto)) (such approval shall be hereinafter referred to as the “Approval of the Project”) and the condition where the seller succeeds to the status of the party to the specific contract and the agreement for connection regarding the said power plant facilities).

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

During the fiscal period under review, the Investment Corporation secured funds in a total amount of 6,257 million yen by capital increase through public offering (65,288 units) on June 1, 2017 and third-party allotment (3,264 units) on June 28, 2017. For information, the unitholders’ capital contributed after the establishment of the Investment Corporation before May 31, 2017 and the change in the total number of issued investment units are shown below.

Date	Summary	Unitholders’ capital (Million yen)		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 1)
June 1, 2016	Capital increase by public offering	4,290	4,490	45,166	47,166	(Note 2)
July 1, 2016	Capital increase by third-party allotment	214	4,705	2,258	49,424	(Note 3)
June 1, 2017	Capital increase by public offering	5,959	10,665	65,288	114,712	(Note 4)
June 28, 2017	Capital increase by third-party allotment	297	10,963	3,264	117,976	(Note 5)

(Note 1) Upon its establishment, the Investment Corporation issued its investment units at the issue price per unit of 100,000 yen.

(Note 2) 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 3) The Investment Corporation issued new investment units by third-party allotment at the issue price per unit of 95,000 yen.

(Note 4) 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 5) The Investment Corporation issued new investment units by third-party allotment at the issue price per unit of 91,287 yen.

#### 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 June 20, 2017: director (part-time), Yuji Hamaoka

###### (i) Retirement

On June 20, 2017: director (part-time), Takahiko Hasegawa

On October 31, 2017: director and general manager of finance administration, Ryuichi Ema

## 5. Reference information

### (1) State of investment

(As of November 30, 2017)

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	1,188,959	5.2
	Kanto region	15,122,686	65.5
	Kyushu region	736,329	3.2
Subtotal		17,047,974	73.9
Real estate	Tohoku region	260,083	1.1
	Kanto region	3,114,661	13.5
	Kyushu region	155,476	0.7
Subtotal		3,530,222	15.3
Leasehold right	Tohoku region	-	-
	Kanto region	173,105	0.8
	Kyushu region	-	-
Subtotal		173,105	0.8
Renewable energy power facilities, etc.	Tohoku region	1,449,042	6.3
	Kanto region	18,410,453	79.8
	Kyushu region	891,806	3.9
Subtotal		20,751,302	89.9
Total renewable energy power facilities, etc.		20,751,302	89.9
Deposits and other assets		2,320,446	10.1
Total value of assets (Note 2)		23,071,748	100.0

	Amount (Thousand yen)	Ratio of investments to total value of assets (Note 3) (%)
Total value of liabilities (Note 2)	11,740,043	50.9
Total value of net assets (Note 2)	11,331,705	49.1

(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, 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 November 30, 2017. In addition, the total value of investments held for the category of cash and other deposits include construction in progress of 756 thousand 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 November 30, 2017 are summarized below.

Category of facilities	N o.	Name	Location	Date of acquisition (Note)	Land area (m <sup>2</sup> )	Purchase price (Yen)	Date of approval	Expiry date of purchase period
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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
Photovoltaic power facilities	S-14	LS Nasu Nakagawa	1279-17, Hanukisawa, Miwa, Nakagawa-machi, Nasu-gun, Tochigi and 130 other parcels of	June 1, 2017	798,374	36	August 19, 2013	March 30, 2036

			land					
Photovoltaic power facilities	S-15	LS Fujioka A	4402, Shiroyama, Fujioka, Fujioka-machi, Tochigi-shi, Tochigi and 31 other parcels of land	June 1, 2017	20,551	36	March 27, 2014	July 25, 2036
Photovoltaic 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
Photovoltaic 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
Photovoltaic 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

(Note) The Investment Corporation also acquired the additions to LS Chikusei, LS Chiba Wakaba-ku, LS Miho and LS Inashiki Aranuma 1 on October 12, 2017, November 16, 2017, November 27, 2017 and October 2, 2017, respectively.



No.	Name	Name of specified suppliers, etc.	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 5)
S-01	LS Shioya	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	1,315	1,396	1,072	910
						324	325
S-02	LS Chikusei	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	540	594	425	364
						169	158
S-03	LS Chiba Wakaba-ku	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	271	344	229	187
						115	78
S-04	LS Miho	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	498	606	477	377
						129	103
S-05	LS Kirishima Kokubu	Takara Leben Co., Ltd.	Kyushu Electric Power Co., Inc.	937	997	855	736
						142	155
S-06	LS Sosa	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	666	720	676	586
						43	45
S-07	LS Miyagi Osato	Takara Leben Co., Ltd.	Tohoku Electric Power Co., Inc.	818	875	747	653
						128	121
S-08	LS Mito Takada	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	991	1,063	796	699
						267	251
S-09	LS Aomori Hiranai	Takara Leben Co., Ltd.	Tohoku Electric Power Co., Inc.	705	758	613	535
						145	139
S-10	LS Tone Fukawa	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	1,261	1,350	1,025	899
						325	306
S-11	LS Kamisu Hasaki	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	470	508	499	458
						8	7
S-12	LS Tsukuba Bochi	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	890	1,075	1,050	859
						24	27
S-13	LS Hokota	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	735	803	777	705
						25	30

No.	Name	Name of specified suppliers, etc.	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 5)
S-14	LS Nasu Nakagawa	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	8,315	9,304	7,634	6,722
						1,670	1,582
S-15	LS Fujioka A	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	265	284	190	179
						94	94
S-16	LS Inashiki Aranuma 1	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	925	1,092	1,042	891
						49	36
S-17	LS Fujioka B	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	1,091	1,244	1,007	873
						237	225
S-18	LS Inashiki Aranuma 2	Takara Leben Co., Ltd.	TEPCO Energy Partner, Incorporated	422	519	498	406
						20	15
Total		—	—	21,120	23,535	19,617	17,047
						3,918	3,703

(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

4th fiscal period (from June 1, 2017 to November 30, 2017)

(Unit: Thousand yen)

Property number	Total portfolios	S-01	S-02	S-03	S-04	S-05
Name of property		LS Shioya	LS Chikusei	LS Chiba Wakaba-ku	LS Miho	LS Kirishima Kokubu
Lease revenue - renewable energy power production facilities, etc.						
Minimum rent guaranteed	1,015,514	60,043	24,018	11,685	21,098	46,183
Variable rent linked to actual output	46,709	749	206	173	470	451
Incidental revenues	10	-	1	-	0	-
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	1,062,234	60,792	24,226	11,858	21,570	46,634
Lease expenses - renewable energy power production facilities, etc.						
Taxes and other public charges	32,058	7,220	1,831	806	1,648	3,644
(Fixed assets and other related taxes included)	31,994	7,220	1,830	806	1,646	3,644
(Other taxes included)	64	-	1	-	2	-
Sundry expenses	96,850	2,661	1,276	1,035	1,425	2,329
(Outsourcing fees - management)	69,326	1,944	1,088	876	1,250	1,769
(Repair expenses)	-	-	-	-	-	-
(Utilities expenses)	2,865	291	3	3	7	174
(Insurance expenses)	7,159	390	151	70	134	355
(Payment of land rent)	16,737	-	-	-	0	0
(Other lease expenses included)	761	33	33	85	33	29
Depreciation	412,588	29,981	8,747	4,269	8,409	17,797
(Buildings)	159	-	-	-	-	-
(Structures)	150,219	2,906	3,729	1,329	2,013	3,533
(Machinery and equipment)	239,660	19,499	4,940	2,638	6,140	14,264
(Tools, furniture and fixtures)	22,548	7,574	76	300	255	-
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	541,497	39,862	11,855	6,110	11,483	23,771
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	520,736	20,930	12,370	5,748	10,087	22,862

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	37,839	39,685	45,253	39,857	55,531	25,541
Variable rent linked to actual output	1,217	1,453	70	452	1,027	1,563
Incidental revenues	-	-	2	-	-	-
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	39,057	41,138	45,326	40,310	56,558	27,104
Lease expenses - renewable energy power production facilities, etc.						
Taxes and other public charges	2,790	3,256	3,624	2,550	4,628	28
(Fixed assets and other related taxes included)	2,790	3,256	3,624	2,550	4,628	-
(Other taxes included)	-	-	-	-	-	28
Sundry expenses	3,471	2,775	2,199	4,717	2,638	3,353
(Outsourcing fees - management)	1,585	2,228	1,754	4,189	2,110	2,027
(Repair expenses)	-	-	-	-	-	-
(Utilities expenses)	73	157	122	203	152	3
(Insurance expenses)	248	349	285	287	295	168
(Payment of land rent)	1,530	-	-	-	43	1,068
(Other lease expenses included)	33	40	36	36	37	85
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)	20,260	23,292	22,176	19,771	28,800	14,383
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	18,797	17,846	23,150	20,538	27,758	12,721

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	54,658	38,387	373,197	12,548	54,577	49,775
Variable rent linked to actual output	2,955	2,482	23,978	942	3,051	3,703
Incidental revenues	-	-	2	-	-	3
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	57,613	40,870	397,178	13,491	57,628	53,483
Lease expenses - renewable energy power production facilities, etc.						
Taxes and other public charges	3	3	4	4	7	4
(Fixed assets and other related taxes included)	-	-	-	-	-	-
(Other taxes included)	3	3	4	4	7	4
Sundry expenses	8,845	5,031	34,245	2,261	8,673	5,129
(Outsourcing fees - management)	3,301	3,180	29,554	2,095	3,664	4,657
(Repair expenses)	-	-	-	-	-	-
(Utilities expenses)	193	2	1,271	4	96	98
(Insurance expenses)	320	267	2,897	124	291	340
(Payment of land rent)	4,999	1,548	445	-	4,587	-
(Other lease expenses included)	30	32	75	36	32	32
Depreciation	23,046	16,439	155,345	4,595	19,764	20,439
(Buildings)	-	-	159	-	-	-
(Structures)	10,846	9,568	62,407	1,749	7,827	8,153
(Machinery and equipment)	10,871	6,763	89,031	2,190	11,689	11,459
(Tools, furniture and fixtures)	1,327	106	3,746	655	247	826
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	31,895	21,474	189,594	6,860	28,444	25,573
Profit or loss of lease business - renewable energy power production facilities, etc. (A - B)	25,718	19,395	207,583	6,630	29,184	27,909

Property No.	S-18
Name of property	LS Inashiki Aranuma 2
Lease revenue - renewable energy power production facilities, etc.	
Minimum rent guaranteed	25,630
Variable rent linked to actual output	1,758
Incidental revenues	-
Lease revenue - renewable energy power production facilities, etc. (subtotal A)	27,389
Lease expenses - renewable energy power production facilities, etc.	
Taxes and other public charges	5
(Fixed assets and other related taxes included)	-
(Other taxes included)	5
Sundry expenses	4,779
(Outsourcing fees - management)	2,048
(Repair expenses)	-
(Utilities expenses)	4
(Insurance expenses)	178
(Payment of land rent)	2,514
(Other lease expenses included)	32
Depreciation	11,100
(Buildings)	-
(Structures)	3,053
(Machinery and equipment)	4,966
(Tools, furniture and fixtures)	3,080
Lease expenses - renewable energy power production facilities, etc. (subtotal B)	15,885
Profit or loss of lease business - renewable energy power production facilities, etc. (A-B)	11,503