

June 26, 2019

For Immediate Release

Infrastructure Fund Issuer

Takara Leben Infrastructure Fund, Inc.

Representative: Masahide Kikuchi, Executive Director

Security Code: 9281

Management Company

Takara Asset Management Co., Ltd.

Representative: Mamoru Takahashi, President & CEO

Contact: Masahide Kikuchi, Vice President & Director of Infrastructure Fund Division

TEL: +81-3-6262-6402

Notice of Purchase and Lease of Domestic Infrastructure Property

Takara Leben Infrastructure Fund, Inc. (hereinafter referred to as “the Investment Corporation”) hereby announces that Takara Asset Management Co., Ltd., the company that it commissions to conduct asset management (hereinafter referred to as “the Asset Manager”) has today decided to purchase and lease infrastructure property (hereinafter referred to as “Property to be Purchased”) as follows.

The party to which they will be leased fall under the interested person or other close affiliate (hereinafter referred to as “Interested Persons”) pursuant to the Act on Investment Trusts and Investment Corporations (hereinafter referred to as “the Investment Trust Act”) and also fall under the interested parties and equivalent pursuant to the Asset Manager’s internal Regulations on Transactions with Interested Parties, etc. The Asset Manager therefore obtained consent from the Executive Board of Takara Leben Infrastructure Fund at the meeting held on June 26, 2019 in accordance with the Investment Trust Act and the Regulations on Transactions with Interested Parties, etc.

1. Outline of Purchase

Property No.	Property Name (Note 1)	Location (Note 2)	Brokerage	Expected purchase price (MY) (Note 3)	Purchased from
S-26	LS Hanno Misugidai	Hanno, Saitama	None	758	Sanko Office Management Co., Ltd.
Total				758	—

(Note 1) LS stands for “Leben Solar”

(Note 2) The location is based on the statement in the register concerning the land (or one of the pieces of land if there is more than one) where the solar power generation facility concerned with the Property to be Purchased is installed. However, location is no more detailed than the municipality level.

(Note 3) Expected purchase price represents the amount of the transaction specified in the agreement on the transaction of the specific Property to be Purchased that excludes the expenses for purchase such as the property purchase commission, fixed asset taxes, urban planning taxes, the amount equivalent to consumption tax, and other fees, and that is rounded down to the nearest million yen.

(1) Date of conclusion of agreement on transaction: June 26, 2019

(2) Scheduled purchase date: June 28, 2019 (Day of settlement)

(3) Purchased from: Sanko Office Management Co., Ltd.

(4) Funds for purchase: Borrowings approved by a resolution of the Executive Board meeting of the Investment Corporation held on June 26, 2019 (Note) and own funds

(5) Payment method: Payment in full at the time of delivery

(Note) For details of the borrowings, refer to the press release "Notice Concerning the Borrowing of Funds" dated June 26, 2019

2. Descriptions of the Property to be Purchased

(1) Outline of the Property to be Purchased

The outline of the Property to be Purchased are as shown in the tables below. The descriptions in the sections in the tables and the terms used therein are as defined below unless otherwise stated. The information without notes on timing is, in principle, correct as of June 26, 2019.

a. Property Overview

- Outline of Specific Contract represents the details of the specific contract concerning the solar power generation facility concerned with the Property to be Purchased.
- Electricity Generation Utilities Operator, Purchasing Electric Utilities Operator, FIT Price and Expiration Date of Supply Period reflect the details of the Specific Contract that will come into effect on the scheduled date of purchase of the Property to be Purchased. FIT Price represents the amount after the subtraction of the amount equivalent to consumption tax and local consumption tax. The revenue of the Electricity Generation Utilities Operator based on the FIT Price under the specific contract does not mean the revenue of Takara Leben Infrastructure Fund.
- Location represents the land (or one of the pieces of land if there is more than one) where the solar power generation facility concerned with the Property to be Purchased is installed in accordance with the statement in the register.
- Lot number is based on the statement in the register.
- Use District represents the district specified in item (i) of paragraph (1) of Article 8 in the City Planning Act or the area classification specified in Article 7 of the same Act. It indicates non-classified city planning area for any land designated as a city planning area and without area classification under Article 7 of the City Planning Act, and outside the city planning area for any land that is not designated as a city planning area.
- Area is based on the statement in the register and may not reflect the actual area.
- Type of Right to the land represents the type of right to be owned by Takara Leben Infrastructure Fund to the land on which the solar power generation facility concerned with the Property to be Purchased is located.
- Recognition Date represents the date when the solar power generation facility concerned with the Property to be Purchased is recognized.
- Supply Start Date represents the date when the solar power generation facility concerned with the Property to be Purchased commences its operation, excluding trial operation, and its supply of renewable energy electricity in accordance with the specific contract at the relevant time.
- Remaining Procurement Period represents the period in months from the scheduled date of purchase of the solar power generation facility concerned with the Property to be Purchased to the expiration date of the procurement period. Any fractional portion of less than one month is disregarded.
- Expiration Date of Procurement Period represents the date when the procurement period regarding the solar power generation facility concerned with the Property to be Purchased expires.
- Procurement Price represents the procurement price regarding the solar power generation facility concerned with the Property to be Purchased, exclusive of the amount equivalent to consumption tax and local consumption tax.
- Panel Type represents power generation elements incorporated into solar cell modules in the solar power generation facility

concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources.

- Panel Output represents the maximum output of solar cell modules in the solar power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources.
- Number of Panels represents the number of solar cell modules used in the solar power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources.
- Panel Manufacturer represents the manufacturer of the solar cell modules adopted in the solar power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources.
- PCS Manufacturer represents the manufacturer of the power conditioner system (PCS) adopted in the solar power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources. Power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources.
- EPC Operator represents the contracted operator engaging in the construction of the solar power generation facility concerned with the Property to be Purchased.
- Electricity Output represents either the solar cell module capacity or the PCS capacity in the solar power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources, whichever is the smaller.
- Estimated Annual Electricity Generation represents the annual electricity generation of the solar power generation facility concerned with the Property to be Purchased mentioned in the Technical Report prepared by E&E Solutions Inc. as the value in the 50th percentile of excess probability calculated after a statistical analysis of the variation in solar radiation for twenty years at the vicinal meteorological office in the first, 10th and 20th years of the operation of the power plant. The value represented is rounded down to the nearest second decimal place. It is to be noted, however, that the 50th percentile of excess probability differs from the percentile of excess probability that serves as the basis of the calculation of the guaranteed minimum rent that Takara Leben Infrastructure Fund receives from the lessee and the operator in accordance with the agreement on the lease of the power generation facility and others concerned with the Property to be Purchased.
- Estimated Facility Operation Ratio represents the estimated annual operation ratio of the solar power generation facility concerned with the Property to be Purchased mentioned in the Technical Report prepared by E&E Solutions Inc. as the value in the 50th percentile of excess probability calculated after a statistical analysis of the variation in solar radiation for twenty years at the vicinal meteorological office in the first, 10th and 20th years of operation of the power plant. It is to be noted, however, that the 50th percentile of excess probability differs from the percentile of excess probability that serves as the basis of the calculation of the guaranteed minimum rent that Takara Leben Infrastructure Fund receives from the lessee and the operator in accordance with the agreement on the lease of the power generation facility and others concerned with the Property to be Purchased.
- Platform Foundation Structure represents the structure of the foundation for the module platform in the solar power generation facility concerned with the Property to be Purchased according to the statement in the Technical Report prepared by E&E Solutions Inc. and other sources.
- Type of Right to the facility represents the type of right to be owned by Takara Leben Infrastructure Fund to the solar power generation facility concerned with the Property to be Purchased.
- Collateral specifies whether or not there is any asset that Takara Leben Infrastructure Fund will provide as collateral for the Property to be Purchased after the purchase.
- Operator represents the company that will serve as the operator as of the date of purchase of the Property to be Purchased.

- O&M Operator represents the operator that will conclude an effective O&M agreement with respect to major O&M services as of the date of purchase of the Property to be Purchased.
- Notes describe the rights and use of individual property that are regarded as important as well as other matters that are considered significant in view of the impacts on the appraised value, profitability and disposability of the specified property, in principle on the basis of information as of June 26, 2019.

b. Property Characteristics

- Property Characteristics describe the basic features, characteristics and regional peculiarities and other factors of the Property to be Purchased on the basis of the Technical Report prepared by E&E Solutions Inc., the Valuation Report by PricewaterhouseCoopers Sustainability LLC, the Real Estate Appraisal Report by CBRE K.K. and partly on the basis of materials obtained by Takara Leben Infrastructure Fund. These reports and materials merely refer to the judgments and opinions of outside specialists at one point in time, and do not guarantee the appropriateness and accuracy of their information. They do not reflect changes in circumstances after their preparations.

c. Electricity Generation in the Past Year

- Electricity Generation in the Past Year describes the numerical data and information, which are not processed for the accounting audit and other procedures, supplied by the current owner of the Property to be Purchased, in principle as they are without being edited. These data are provided for reference purposes only, and may be incomplete or inaccurate. Electricity Sold represents the total volume of electricity in the specified month after the per-diem calculation of the electricity measured on the meter reading day of the month for the simple number of days and electricity in the specified month after the perdiem calculation of the electricity measured on the meter reading day of the following month for the simple number of days on the basis of electricity purchased stated in the notice of electricity purchased issued by the purchasing electric utilities operator. This value is not an indicator stipulated in the corporate accounting standards that are generally recognized as fair and appropriate in Japan. It is not necessarily
- calculated in the same manner as in the accounting treatment adopted by Takara Leben Infrastructure Fund, and the circumstances surrounding the Property to be Purchased serving as a precondition for the calculation may not be the same as those after the purchase made by Takara Leben Infrastructure Fund. As a result, the electricity generation in the past year is not necessarily identical to the electricity generation in the future. It does not ensure, guarantee or forecast the electricity generation in the future, and may differ significantly from the actual electricity generation in the future depending on the circumstances.

(2) Grounds for Purchasing

The Property to be Purchased are renewable energy generation facilities and others that comply with the conditions and policy for asset management prescribed in the certificate of incorporation of the Investment Corporation. The purchase of these Property is aimed at expanding the scale of the assets of the Investment Corporation and at increasing the net income per unit by improving the profitability of the Investment Corporation and by purchasing them without recourse to fund raising without increasing capital. It is for these reasons that the decision on the purchase in question has been made.

(3) Summary of Specific Property

S-26	LS Hanno Misugidai		Category	Solar power generation facility, etc.		
Property Overview						
Type of Specific Property		Renewable energy power generation facility and superficies				
Scheduled Purchase Date		June 28, 2019	Type of Renewable Energy Power Generation Facility		Solar power generation facility	
Estimated Purchase Price		758,200,000 yen	Outline of Specific Contract	Electricity Generation Utilities Operator	Takara Leben Co., Ltd.	
				Purchasing Electric Utilities Operator	TEPCO Energy Partner, Inc.	
Assessed Value of Power Plant (as-of date)		750,000,000 yen to 1,200,000,000 yen (February 28, 2019)		FIT Price	32 yen per kWh	
Appraised Value of Land (as-of date)		460,000,000 yen (February 28, 2019)		Expiration Date of Supply Receipt Period	The day before the first meter reading day after the lapse of 240 months from December 10, 2015 (including this date)	
Location		Misugidai 6, Hanno, Saitama				
Land	Lot Number	7-1 and others (6 lots)		Panel Type	CIS	
	Use District	Urbanization control area		Panel Output	2,402.40kW	
	Area	48,837 sq. meters		Number of Panels	14,560	
	Type of Right	Ownership		Panel Manufacturer	Solar Frontier K.K	
Facility	Approval Date	February 13, 2015		PCS Manufacturer	Fuji Electric Co., Ltd.	
	Supply Start Date	December 10, 2015		EPC Operator	Sata Construction Co., Ltd	
	Remaining Procurement Period	16 years and 5 months		Electricity Output	1,990.00kW	
	Expiration Date of Procurement Period	December 9, 2035	Facility (Note)	Estimated Annual Electricity Generation	Year 1	2,899.15MWh
				Year 10	2,754.20MWh	
					Year 20	2,609.24MWh
	Procurement Price	32 yen per kWh	Facility (Note)	Estimated Facility Operation Ratio	Year 1	13.78%
				Year 10	13.09%	
Year 20					12.40%	
				Platform Foundation Structure	Screw pile foundation	
				Type of Right	Property Right	
Collateral		None				

Operator	Takara Leben Co., Ltd.	O&M Provider	Toyo Bldg.Maintenance Co.,Ltd.
State of Compliance with Risk Control Policy	<p>This property is invested in independently by Takara Leben Infrastructure Fund and is not jointly invested. Among the risks specified in the risk control policy, the risk of joint investors does not apply. The other risks, such as the business risk, the risk of market and economic conditions and demand change, the risk of demand of specific consumers, the credit risk (risk of limited users), the liquidity risk and the risk of institutional changes apply. The property will be operated in compliance with the control policy specified in the risk control policy in order to properly control these risks.</p>		
Public Traits of Property	<ul style="list-style-type: none"> - Introduction of renewable energy that helps suppress the generation of carbon dioxide, one of the greenhouse gases, at the time of electricity generation to contribute to environmental improvement and increase Japan's presence in the international community - Increase in the use of renewable energy amid significant dependency on the import of fossil fuels from overseas for power generation purposes to improve the energy self-sufficiency rate - Effects of regional revitalization such as the creation of jobs related to renewable energy in the local community and the effective utilization of idle land 		
<p>Notes</p> <ul style="list-style-type: none"> - No check of the boundary between this property and the neighboring land was made with any witness or against any document. However, there had been no conflict with the owner of the neighboring land as of the date of this document. - Two stormwater catch basins on this property cross the boundary with the adjacent land on the west side. Permission for occupancy of the intruding part of the land has been obtained from the mayor of Hanno. - Two fences on this property cross the boundary with the adjacent land on the north side. Permission for occupancy of the intruding part of the land has been obtained from the mayor of Hanno. - Nine gabion baskets and two connection from installed stormwater catch basin to near ditch cross the boundary with the adjacent land on the west side. Permission for occupancy of the intruding part of the land has been obtained from the mayor of Hanno. - A power cable is installed between pieces of land concerned with the property in a manner whereby the cable crosses a road. For this installation, permission for occupancy of the road has been obtained from the mayor of Hanno. 			

(Note) It is stipulated that in the event that the purchasing electric utilities operator gives prior notice of the date when the value of the electricity meter is recorded in the recording-type measuring apparatus (hereinafter referred to as "the date of measurement" in this note), the supply period shall end on the day before the date of measurement.

Property Characteristics				
Property Characteristics				
<Location>				
This property is located in the Hanno, Saitama. It is about 2.8 km south west of Hanno Station on the Seibu Ikebukuro Line, and about 20 km to Tokorozawa Station.				
<Climate Conditions>				
At Ome, which is the nearest point of meteorological observation, the annual sunshine duration is 1,888.6 hours, which is nearly equal to the nationwide average of 1,896.5 hours.				
Its rainfall is not particularly high and wind is not strong. The local climate conditions are considered to have no factor that particularly hinders the implementation of solar power generation.				
<Facility>				
Panels made by Solar Frontier K.K and power conditioner system made by Fuji Electric Co., Ltd. are utilized.				
Electricity Generation in the Past Year				
Period	From: May 1, 2018			
	To: April 30, 2019			
Electricity Sold	May 2018	June 2018	July 2018	August 2018
	325,842KWh	263,443KWh	305,974KWh	290,790KWh
	September 2018	October 2018	November 2018	December 2018
	205,233KWh	193,209KWh	176,477KWh	202,196KWh
	January 2019	February 2019	March 2019	April 2019
	441,927KWh	481,140KWh	545,347KWh	619,642KWh

(4) Outline of Lease

For the Property to be Purchased, the following describes the details of the agreement on the lease of the power generation facility and others that will be concluded by Takara Leben Infrastructure Fund after its purchase.

The descriptions include the sections on Lessee, Lease Period, Rent, Security Deposit, Renewal at Time of Expiration, Rent Revision, Midterm Cancellation, Penalty and Method of Agreement Renewal. These sections reflect the details of the agreement on the lease of the power generation facility and others that will be effective on the scheduled date of purchase of the Property to be Purchased. Guaranteed Minimum Rent represents the total of the guaranteed minimum amount of monthly rent stipulated in the agreement on the lease of the power generation facility and others for each year from the start date of the lease. However, the first year (Year 1) is defined to set from June 28, 2019 to May 31, 2020 and Guaranteed Minimum Rent for Year 1 represents prorated guaranteed minimum rent for June 2019 and the total of the guaranteed minimum amount of monthly rent stipulated in the agreement on the lease of the power generation facility. In addition, the twenty year (Year 20) is set from June 1, 2038 to June 27, 2039, and Guaranteed Minimum Rent for Year 20 represents prorated guaranteed minimum rent for June 2039 and the total of the guaranteed minimum amount of monthly rent stipulated in the agreement on the lease of the power generation facility.

Lessee	Takara Leben Co., Ltd.
Lease Period	From June 28, 2019 to June 27, 2039
Rent	<p>The guaranteed minimum rent and the performance-linked rent are calculated in the manners specified below.</p> <ol style="list-style-type: none"> The guaranteed minimum monthly rent shall be identical to the estimated revenue of electricity sales for each month, exclusive of consumption tax and local consumption tax. The guaranteed minimum rent for any period of less than one month shall be calculated on a per diem basis, and any fraction of less than one yen shall be disregarded. However, the calculation of the security deposit shall use the amount of the guaranteed minimum rent exclusive of consumption tax and local consumption tax. The 75 percentile of excess probability of estimated electricity generation shall be the standard percentile on the basis of which the guaranteed minimum rent is calculated. The monthly performance-linked rent (X), which excludes consumption tax and local consumption tax, shall be calculated using the formula shown below. Any fraction of less than one yen generated in the calculation shall be disregarded <ol style="list-style-type: none"> If the actual power sales amount (x) does not exceed the estimated power sales amount (y) $X = 0$ If the actual power sales amount (x) exceeds the estimated power sales amount (y) $X = (x - y) \times 0.5$ <p>Where X is the monthly performance-linked rent, x is the actual power sales amount for the month concerned and y is the estimated electricity sales revenue for the month concerned.</p> As used in 2 above, the actual power sales amount for the month refers to the amount calculated by adding the following amount to the charge based on the total of the electricity volume for the month calculated on a per diem basis from the volume measured on the meter reading date of the month concerned and that for the following month calculated on a per diem basis from the volume measured on the meter reading date of the said month. <ol style="list-style-type: none"> The amount of compensation for output suppression implemented for the month concerned The insurance benefit received by the lessee (including the amount received by the security interest holder or the holder of the transferred security interest in connection with the security interest set on the insurance benefit claim right of the lessee) under the business interruption insurance policy with the lessee as the insured to cover the lost interest for the month in association with the solar power generation facility, including the incidental substation facility and other related facilities, and to cover the expenses for preventing a decrease in revenue In the event of calculating the performance-linked rent for a period of less than one month in accordance with 2 above, the actual power sales amount for the month calculated in accordance with the objective of 3 above and the estimated power sales amount for the month calculated on a per diem basis shall be used.
Security Deposit	In the event that the operating income stated in the consolidated or non-consolidated statement of income for any fiscal period during the lease period becomes negative for the first time, the lessee shall provide the lessor under the agreement on the lease with the amount equivalent to one quarter of the guaranteed minimum rent (rounded down to the nearest yen) for one calendar year under which the fiscal period falls as a security deposit for the purpose of offering security for all the liabilities of the lessee to the lessor pursuant to the agreement on the lease.
Renewal at Time of Expiration	If the lessor or the lessee intends to extend the agreement on the lease, it shall provide the other party with notice of its intention not later than six months prior to the date of expiration of the lease period. In this event, the lessor and the lessee shall enter into consultations in good faith regarding whether or not to extend the agreement and regarding its terms and conditions, and shall re-execute the agreement if they reach an agreement to do so as a result of the consultations.
Rent Revision	In the event that inflation occurs, thereby lowering the real value of the rent, the lessee shall consider changing or increasing the electricity selling destinations upon request from the lessor. If the selling destinations are changed as a result of consideration, the lessee shall enter into consultations in good faith with the lessor regarding the selling prices applicable to the new selling destinations.
Midterm	1. The lessor or the lessee may request the cancellation of the agreement on the lease at any time after June 30, 2029 by

Cancellation	giving written notice to the other party; provided, however, that the notice of cancellation shall reach the other party on December 31, 2028 (or, if this date is a non-business day of the lessor or the company engaging in asset management of the property, on the previous business day) or earlier, and a notice failing to reach the other party on the said date or earlier shall have no effect for cancellation.				
	2. After the date until which cancellation is possible as specified in 1 above, the lessor and the lessee shall enter into consultations in good faith regarding whether or not it is necessary to establish a provision for the midterm cancellation of the agreement on the lease during the subsequent lease period and, if it is determined to be necessary, regarding its details.				
Penalty	None				
Method of Agreement Renewal	None				
Guaranteed Minimum Rent	Year 1	Year 2	Year 3	Year 4	Year 5
	79,973,127 yen	86,425,915 yen	85,983,786 yen	85,541,658 yen	85,099,546 yen
	Year 6	Year 7	Year 8	Year 9	Year 10
	84,657,434 yen	84,215,323 yen	83,773,211 yen	83,331,099 yen	82,888,987 yen
	Year 11	Year 12	Year 13	Year 14	Year 15
	82,446,875 yen	82,004,764 yen	81,562,651 yen	81,120,539 yen	80,678,410 yen
	Year 16	Year 17	Year 18	Year 19	Year 20
	80,236,284 yen	55,240,588 yen	24,797,512 yen	24,659,354 yen	26,457,102 yen

(5) Outline of Valuation Reports

The following outlines the valuation reports that Takara Leben Infrastructure Fund commissioned

PricewaterhouseCoopers Sustainability LLC to prepare by valuing the Property to be Purchased in accordance with the Investment Trust Act and other laws and ordinances, the regulations established by the Investment Trusts Association and the asset valuation method and standards stipulated in the certificate of incorporation of Takara Leben Infrastructure Fund. Non-Taxation Period refers to the period during which the distributions may be posted as deductible expenses given that Takara Leben Infrastructure Fund fulfills the pay-through requirements of the Act on Special Measures Concerning Taxation, whereas Taxation Period refers to the period during which Takara Leben Infrastructure Fund is unable to fulfill the pay-through requirements of the said Act. The Taxation Period commences on June 1, 2036.

Each of the valuations merely reflects the judgment and opinion of the valuer at a certain time, and does not guarantee its appropriateness, accuracy or possibility of transaction at the price equivalent to the assessed value.

There are no special relationships of interest between PricewaterhouseCoopers Sustainability LLC, which carried out the valuations, and Takara Leben Infrastructure Fund or the Asset Manager.

The position and the responsibility of the valuer are as follows.

(i) The valuation service provided by the valuer does not fall under the guarantee operations. The valuer provides no guarantee whatsoever in respect of the assessed value.

(ii) The assessed value is disclosed to investors at the responsibility of Takara Leben Infrastructure Fund in accordance with the Valuation Report obtained from the valuer. The valuer assumes no obligation or liability to investors.

(iii) The information and materials on the basis of which the valuation is made are supplied by the Asset Manager.

The valuer is not under any obligation to verify their credibility, accuracy or completeness.

S-26 LS Hanno Misugidai

Assessed Value		750,000,000 yen to 1,200,000,000 yen	
Valuer		PricewaterhouseCoopers Sustainability LLC	
As-of Date		February 28, 2019	
Item		Results	Description
Discount Rate (WACC)	Non-Taxation Period	1.3%	The values represent the average of the capital cost and the liability cost estimated from the data of the TOPIX beta values of brands that make up the Tokyo Stock Exchange REIT, used as the peer company, from May 2014 to February 2019 weighted for the period of the valuation
	Taxation Period	1.1%	
Assessed value		1,200,000,000 yen	The value is calculated using the discounted cash flow (DCF) method among different valuation methods of the income approach, according to which the future free cash flow is discounted to the present value
Discount Rate(IRR)	Non-Taxation Period	6.0%	The values are obtained by assuming the rate of 7% as the real IRR, which is estimated to be close to the median based on the number of cases in terms of the internal rate of return (IRR) of facilities with outputs of 1,000 kW and more put into operation in the October-December 2014 period as stated in Reference 10: IRR Level of Facilities Commencing Operation in Opinions on FY2015 Purchase Price and Period and by adjusting it by 1 percentage point, which is the difference between the pre-tax IRRs before and after the profit consideration period under the feed-in tariff scheme projected by the Purchase Price Calculation Committee.
	Taxation Period	6.0%	
Assessed value		750,000,000 yen	The value is calculated using the discounted cash flow (DCF) method among different valuation methods of the income approach, according to which the future free cash flow is discounted to the present value
Other Matters to which the Valuer Paid Special Attention for Valuation Purposes			—

(6) Outline of Real Estate Appraisal Reports

The following outlines the real estate appraisal reports that Takara Leben Infrastructure Fund commissioned CBRE K.K. to prepare by appraising the land in the Property to be Purchased in accordance with the Act on Real Estate Appraisal and with the Real Estate Appraisal Standards and the Matters to Note on Implementation of the Real Estate Appraisal Standards stipulated by the Ministry of Land, Infrastructure, Transport and Tourism. Each of the real estate appraisals merely reflects the judgment and opinion of the appraiser at a certain time and does not guarantee its appropriateness, accuracy or possibility of transaction at the price equivalent to the appraised value.

There are no special relationships of interest between CBRE K.K. which carried out the real estate appraisals, and Takara Leben Infrastructure Fund or the Asset Manager.

S-26 LS Hanno Misugidai

Appraised Value (Land)	460,000,000 yen	
Real Estate Appraiser	CBRE K.K.	
As-of Date	February 28, 2019	
Item	Results	Description
Value by DCF Method (Facility and Land)	924,000,000 yen	—
Discount Rate	4.0%	Appraised in overall consideration of the discount rate based on the accumulated risk premiums, the expected discount rate based on interviews with investors, the location, age, and state of operation of the solar power generation facility, contractual conditions and others
Terminal Capitalization Rate	—	—
Indicated Value Using Cost Approach (Facility and Land)	884,000,000 yen	—
Land to Value Ratio	49.75%	—
Other Matters to Which the Appraiser Paid Special Attention for Appraisal Purposes	—	

(7) Outline of the Opinion Report on the Profitability and Continuity of the Profitability of Infrastructure Investment Property

The opinion reports mentioned in the title above have not been obtained due to fact that the Property to be purchased satisfies the criteria for exemption of the acquisition of these opinions in accordance with the Securities Listing Regulations and their Enforcement Rules of Tokyo Stock Exchange, Inc.

(8) Outline of the Seismic Risk Assessment

As a part of the due diligence process of acquiring the property, TIF has asked Tokio Marine & Nichido Risk Consulting Co., Ltd. to conduct seismic risk assessment. Seismic risk assessment evaluate.

The PML values in the seismic risk analysis assessment for the Property to be Purchased prepared by Tokio Marine & Nichido Risk Consulting Co., Ltd. are provided below. The description of the seismic risk assessment is the solo opinions of survey operator and the Investment Corporation will not guarantee the validity and guarantee of its contents.

There are no special relationships of interest between Tokio Marine & Nichido Risk Consulting Co., Ltd and Takara Leben Infrastructure Fund or the Asset Manager.

Property No.	Property Name	Seismic Risk Assessment Report	
		Survey Operator	PML (note) (%)
S-26	LS Hanno Misugidai	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Below 0.1

(Note) PML stands for probable maximum loss, and represents the ratio of a physical loss at 90% probability of non-exceedance in the event of seismic movement with a 10% excess probability in the next fifty years (equivalent to that at recurrence intervals of 475 years) that is thought to cause the greatest possible loss to the facility or the facilities concerned to the re-procurement price.

(9) Outline of the Party serving as the operator, lessee and electricity generation utilities operator

Takara Leben Co., Ltd., serves as the operator, lessee and electricity generation utilities operator, and its outline is as follows.

Name	Takara Leben Co., Ltd
Location	1-8-2 Marunouchi, Chiyoda-ku, Tokyo, Japan
Representative and Title	Kazuichi Shimada, President and Representative Director, CEO
Business	It engages in sales of newly built condominium units, mainly in the Tokyo region. It embarked on the large-scale solar power plant business in 2013. Capitalizing on its wide-ranging business operation expertise cultivated through the past development of condominiums with solar panels, it managed and operated 33 solar power plants with a total output of 102.78 MW as of the end of May 2019. As of the date of this document, there are 10 personnel engaged in the operation. The person responsible for it has at least two years' experience in management and operation.
Capital	4,819 million yen (as of May 31, 2019)
Date of Establishment	September 21, 1972
Net Asset	47,734 million yen (as of May 31, 2019)
Total Asset	184,893 million yen (as of May 31, 2019)
Major Shareholders and Equity Positions (as of May 31, 2019)	1. Yoshio Murayama: 25,633 thousand shares (23.64%) 2. The Master Trust Bank of Japan, Ltd. (Trust Account): 4,306 thousand (4.43%) 3. JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT: 2,482 thousand (2.29%)

Relationship between Takara Leben Investment Corporation and the Asset Manager and the Company Concerned	
Capital Relationship	The company concerned holds 14.2% of the outstanding investment units in Takara Leben Infrastructure Fund as of the June 26, 2019. The company is the wholly owning parent company of the Asset Manager and falls under the Interested Persons pursuant to the Investment Trust Act.
Personnel Relationship	The Asset Manager has 2 personnel on loan from the company concerned. One director and one auditor of the Asset Manager hold dual posts.
Business Relationship	The company concerned invests in Takara Leben Infrastructure Fund and in the Asset Manager. It has executed an agreement on the lease of power generation facilities and others in association with the Property to be Purchased with Takara Leben Infrastructure Fund. It has also concluded a sponsor support agreement and a trademark license agreement with Takara Leben Infrastructure Fund and with the Asset Manager.
Whether or not it falls under affiliated parties	The company concerned falls under the category of affiliated parties. As mentioned above, it corresponds to an Interested Person for the Asset Manager as stipulated in the Investment Trust Act.

3. Status of Asset Purchaser and Other Parties

(1) Outline of the Party from whom the Property are Purchased

The Property to be Purchased are as follows.

Name	Sanko Office Management Co., Ltd.
Location	4-6-1 Ginza, Chuo-ku, Tokyo, Japan
Representative and Title	Miyo Hajime, President and Representative Director, CEO
Business	Real estate brokerage, asset management, leasing management and consulting.
Capital	100 million yen (as of April 30, 2019)
Date of Establishment	December 13, 2011
Net Asset	Not disclosed (Note)
Total Asset	Not disclosed (Note)
Major Shareholders and Equity Positions	Not disclosed (Note)
Relationship between Takara Leben Investment Corporation and the Asset Manager and the Company Concerned	
Capital Relationship	There is no capital relationship to report.
Personnel Relationship	There is no personnel relationship to report.
Business Relationship	There is no business relationship to report.
Whether or not it falls under affiliated parties	The company concerned does not falls under the category of affiliated parties.

(Note) Net Asset, Total Asset, and Major Shareholders and Equity Positions are not disclosed as consent has not been obtained from the seller

(2) Status of Asset Purchaser and Others

The purchases of property from the party considered to be equivalent of special relationship (Note) are as follows.

(Note) Although the preceding owner is not the party with a special relationship, however the second preceding owner with special relationship had entered into transaction with the preceding owner with premises of delivering to the asset to the Investment Corporation within a year in order to adjust schedules of asset sale as well as acquisition timing for the Investment Corporation, therefore the preceding owner is considered as a party considered to be equivalent of special relationship.

	Preceding Owner	Second Preceding Owner	Third Preceding Owner
Company Name	Sanko Office Management Co., Ltd.	Takara Leben Co., Ltd.	A party not in a special relationship of interest
Relationship with the party in a special relationship of interest	—	It is a major shareholder of the Asset Manager.	—
Background of Purchase	For the purpose of investment	For the purpose of the development of renewable energy power generation facilities	—
Purchase Price	Not disclosed (Note 1)	—(Note 2)	—
Date of Purchase	March 2019	March 2015	—

(Note 1) Purchase price of land and generation facilities are not disclosed as consent has not been obtained from the preceding owner

(Note 2) Purchase price of the second preceding owner is omitted as the second preceding owner had owned the asset for more than a year

4. Outline of Brokerage

There are no relevant matters.

5. Future Outlook

The impacts of purchasing the asset on the forecast of operating result for the fiscal period ending November 30, 2019 (8th Fiscal Period) (June 1, 2019 to November 30, 2019), fiscal period ending May 31, 2020 (9th Fiscal Period) (December 1, 2019 to May 31, 2020) are not significant and there is not revision of the forecast of the operating results. In addition, the forecasts of the operating results for the fiscal period ended May 31, 2019 (7th fiscal period) (December 1, 2018 to May 31, 2019) that were announced on January 15, 2019 have not been revised.

End

TIF Website: <http://tif9281.co.jp/en/>

<Attached Material>

Reference: Portfolio after the Purchase of the Property to be Purchased

The following shows the property owned and the Property to be Purchased and their respective locations, prices, ratios and dates or scheduled dates of purchase.

Property No.	Property Name	Location	Price (MY) (Note 1)	Ratio (%) (Note 2)	(Scheduled) Date of Purchase
S-01	LS Shioya	Shioya, Tochigi	1,356	4.4	June 2, 2016
S-02	LS Chikusei	Chikusei, Ibaraki	575	1.9	June 2, 2016 October 12, 2017
S-03	LS Chiba Wakaba-ku	Chiba, Chiba	337	1.1	June 2, 2016 November 16, 2017
S-04	LS Miho	Miho, Ibaraki	592	1.9	June 2, 2016 November 27, 2017
S-05	LS Kirishima Kokubu	Kirishima, Kagoshima	972	3.1	June 2, 2016
S-06	LS Sosa	Sosa, Chiba	693	2.2	June 2, 2016
S-07	LS Miyagi Osato	Osato, Miyagi	850	2.7	June 2, 2016
S-08	LS Mito Takada	Mito, Ibaraki	1,037	3.3	June 2, 2016
S-09	LS Aomori Hiranai	Hiranai, Aomori	734	2.4	June 2, 2016
S-10	LS Tone Fukawa	Tone, Ibaraki	1,315	4.2	June 2, 2016
S-11	LS Kamisu Hasaki	Kamisu, Ibaraki	491	1.6	February 7, 2017
S-12	LS Tsukuba Bochi	Tsukuba, Ibaraki	1,013	3.3	June 1, 2017
S-13	LS Hokota	Hokota, Ibaraki	760	2.5	June 1, 2017
S-14	LS Nasu Nakagawa	Nakagawa, Tochigi	8,782	28.3	June 1, 2017
S-15	LS Fujioka A	Tochigi, Tochigi	271	0.9	June 1, 2017
S-16	LS Inashiki Aranuma 1	Inashiki, Ibaraki	1,061	3.4	June 1, 2017 October 2, 2017
S-17	LS Fujioka B	Tochigi, Tochigi	1,189	3.8	June 1, 2017
S-18	LS Inashiki Aranuma 2	Inashiki, Ibaraki	483	1.6	June 1, 2017
S-19	LS Sakuragawa Shimoizumi	Sakuragawa, Ibaraki	1,098	3.5	December 1, 2017
S-20	LS Fukushima Yamatsuri	Yamatsuri, Fukushima	532	1.7	December 1, 2017
S-21	LS Shizuoka Omaezaki	Omaezaki, Shizuoka	493	1.6	February 28, 2018
S-22	LS Mie Yokkaichi	Yokkaichi, Mie	805	2.6	June 1, 2018
S-23	LS Sakuragawa Nakaizumi	Sakuragawa, Ibaraki	1,165	3.8	June 1, 2018
S-24	LS Shirahama	Kamitonda, Wakayama	3,146	10.2	June 1, 2018
S-25	LS Takahagi	Takahagi, Ibaraki	485	1.6	June 1, 2018
S-26	LS Hanno Misugidai	Hanno, Saitama	758	2.4	June 28, 2019
Total			31,000	100.0	—

(Note 1) The price for properties represents the central value calculated in accordance with item 1 of paragraph 2 of Article 38 in the certificate of incorporation of Takara Leben Infrastructure Fund within the range of the assessed value of the power plant as of November 30, 2018 specified in the valuation report obtained from PricewaterhouseCoopers Sustainability LLC. The price for the Properties to be Purchased represents purchasing price.

(Note 2) The ratio represents the ratio of the price of the specific property to the total prices of the owned properties and the Property to be Purchased, rounded to the first decimal place. For this reason, the total of the ratios of individual properties may not be identical to the total ratio of the portfolio.