

Presentation Material for 13th Fiscal Period (ended May 31, 2022)

Takara Leben Infrastructure Fund, Inc

Securities code: 9281

<https://tif9281.co.jp/>



Asset Manager



Takara Asset Management Co., Ltd.

<https://takara-am.co.jp/>



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I. Performance Overview for 13th Fiscal Period

II. Major Topics

III. Future Investment Strategies

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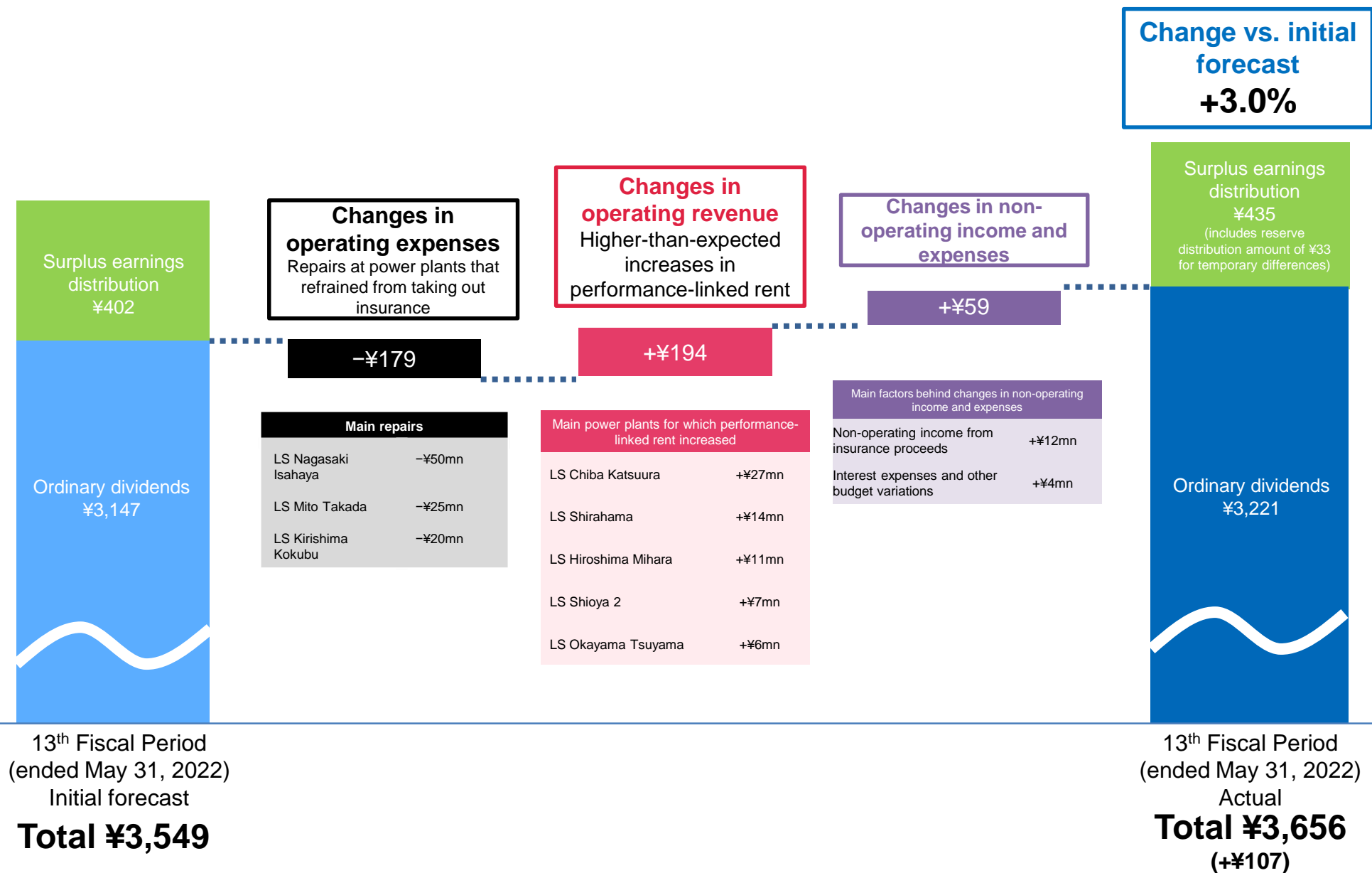
Overview of Financial Results for 13th Fiscal Period (ended May 31, 2022)

Dividends per unit came to ¥3,656 (+¥107 vs. forecast)

| Results | | | | | Previous | Estimates | |
|---|------------|-------------------------|-------------------------|-------|---|--|---|
| 13 th Fiscal Period (ended May 31, 2022) | | | | | 12 th Fiscal Period (ended November 30, 2021) | 14 th Fiscal Period (ending November 30, 2022) | 15 th Fiscal Period (ending May 31, 2023) |
| | A | Initial forecast (B) | Initial forecast A-B | | C | | |
| Operating revenue | ¥3,545mn | ¥3,487mn | +¥57mn | +1.7% | ¥2,622mn | ¥3,469mn | ¥3,469mn |
| Operating expenses | ¥2,375mn | ¥2,322mn | +¥53mn | +2.3% | ¥1,806mn | ¥2,372mn | ¥2,346mn |
| Operating income | ¥1,169mn | ¥1,165mn | +¥4mn | +0.4% | ¥816mn | ¥1,097mn | ¥1,123mn |
| Net income | ¥960mn | ¥939mn | +¥21mn | +2.3% | ¥670mn | ¥874mn | ¥910mn |
| Total dividends per unit | ¥3,656 | ¥3,549 | +¥107 | +3.0% | ¥3,450 | ¥3,301 | ¥3,325 |
| Of which, ordinary dividends | ¥3,221 | ¥3,147 | +¥74 | +2.4% | ¥3,039 | ¥2,931 | ¥3,052 |
| Of which, surplus earnings distribution | ¥435 | 402円 | +¥33 | +8.2% | ¥411 | ¥370 | ¥273 |
| Number of power plants | 42 | | | | 38 | | |
| Total panel output | 171.5MW | | | | 131.0MW | | |
| Total power generated | 103,378MWh | | | | 76,620MWh | | |



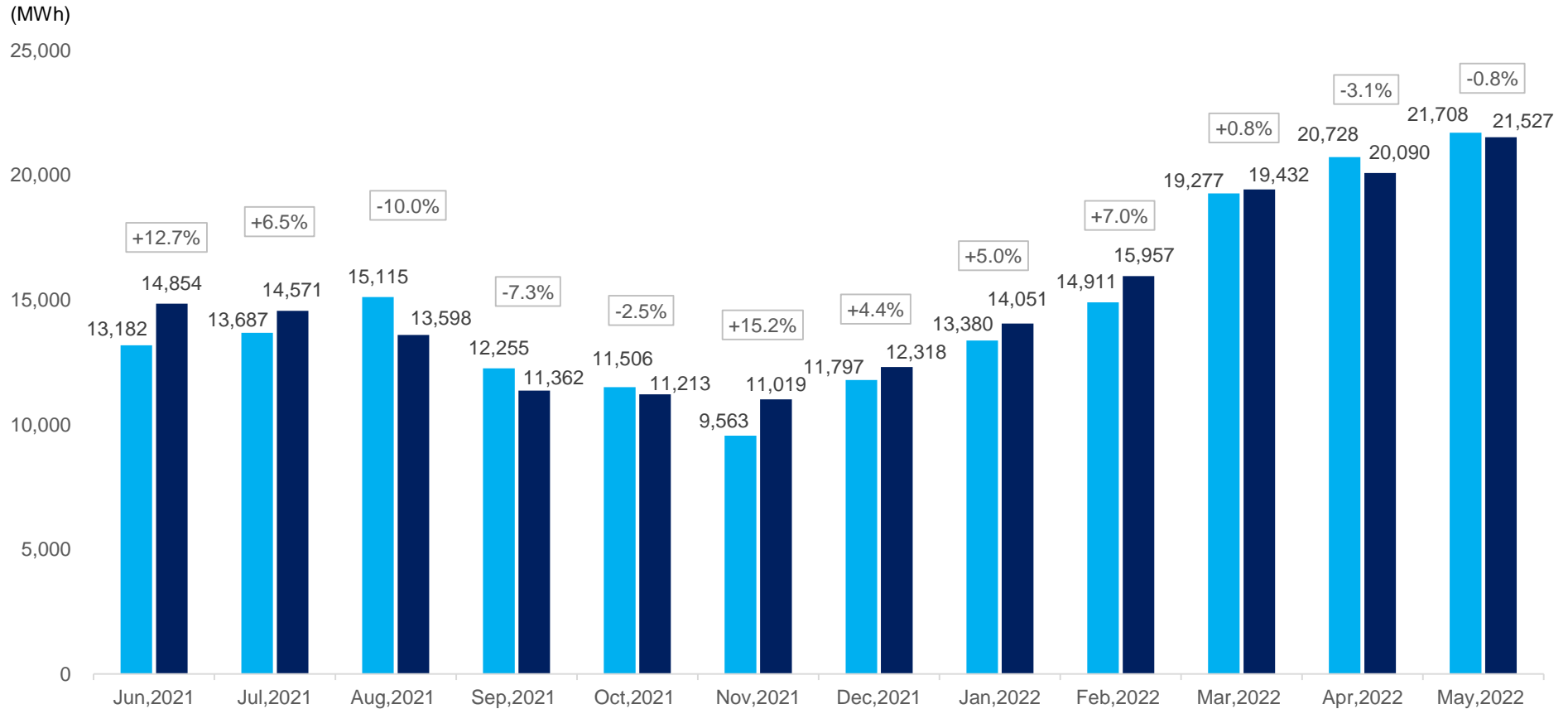
Factors Determining Dividends for 13th Fiscal Period (ended May 31, 2022)



Portfolio Performance

Forecasted and actual power generation for entire portfolio

■ Forecasted power generation ■ Actual power generation



12th Fiscal Period (ended November 30, 2021)

13th Fiscal Period (ended May 31, 2022)

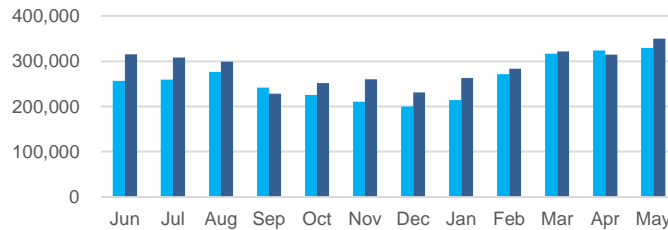
(Note) The estimated generation is the total of the expected amounts of electricity generation in the 50th percentile of probability of exceedance calculated by a third party on the basis of the database for hourly solar radiation for a year and others.

Individual Power Plant Performance

■ Forecasted Power generation ■ Actual power generation

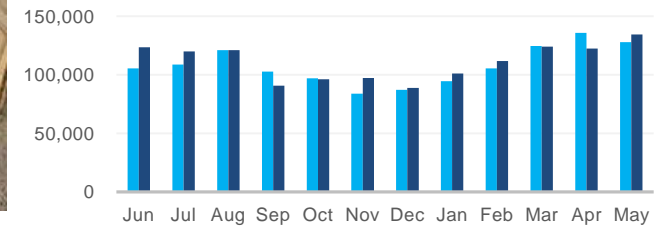
S-01 LS Shioya

Tochigi



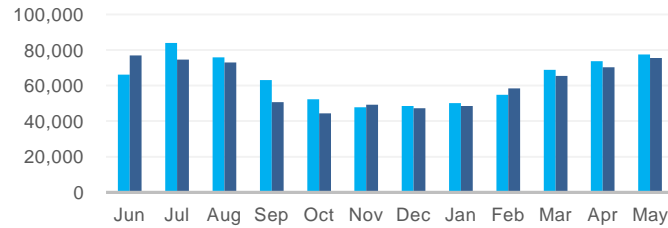
S-02 LS Chikusei

Ibaraki



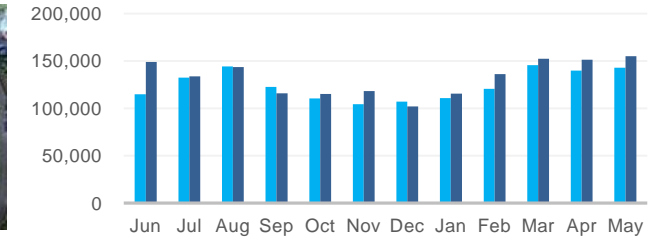
S-03 LS Chiba Wakabaku

Chiba



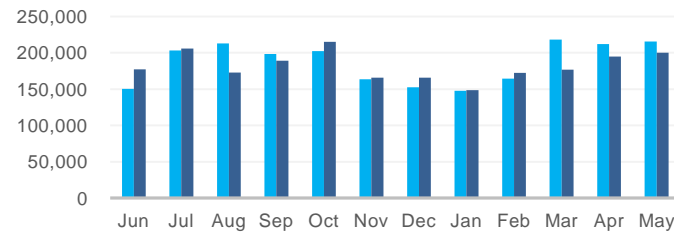
S-04 LS Miho

Ibaraki



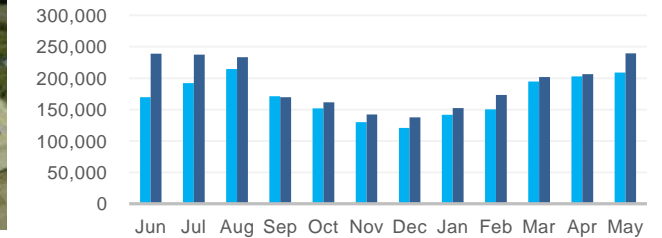
S-05 LS Kirishima Kokubu

Kagoshima



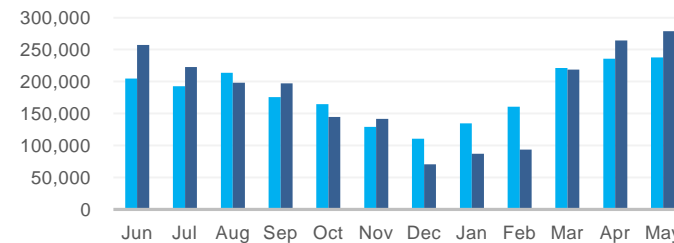
S-06 LS Sosa

Chiba



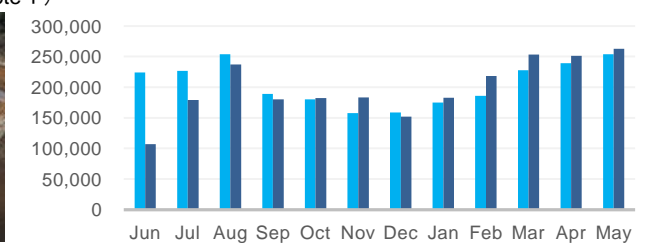
S-07 LS Miyagi Osato

Miyagi



S-08 LS Mito Takada (note 1)

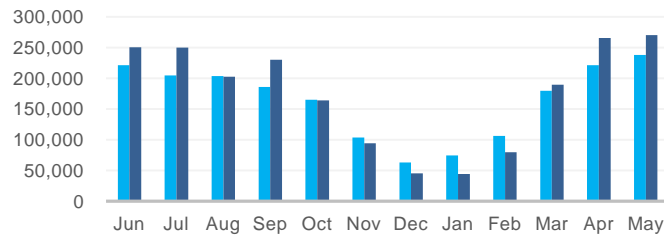
Ibaraki



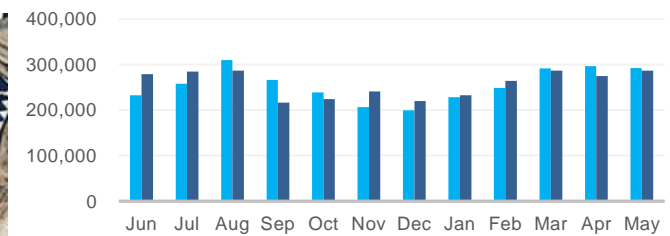
Individual Power Plant Performance

■ Forecasted Power generation ■ Actual power generation

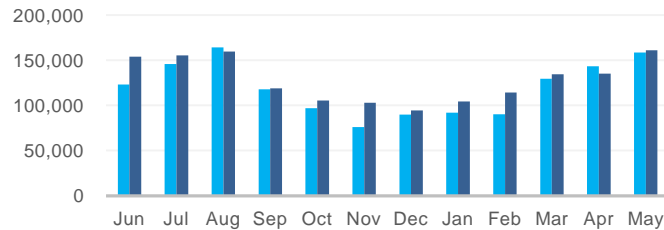
S-09 LS Aomori Hiranai



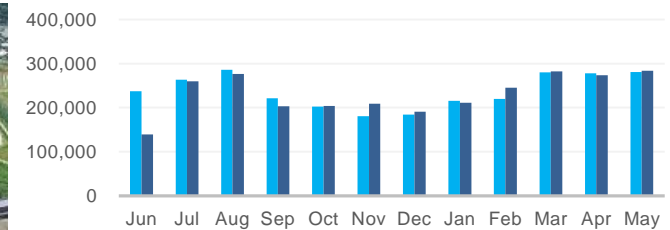
S-10 LS Tone Fukawa



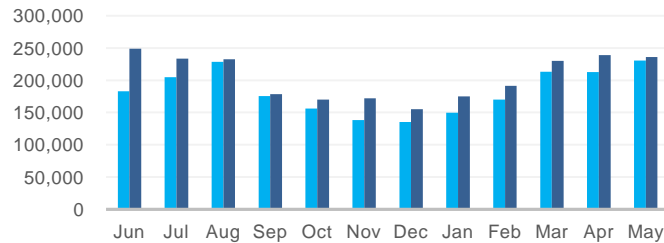
S-11 LS Kamisu Hasaki



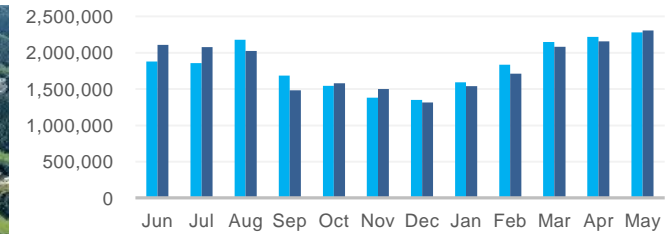
S-12 LS Tsukuba Bouchi



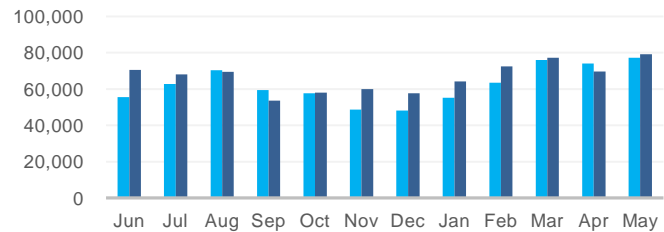
S-13 LS Hokota



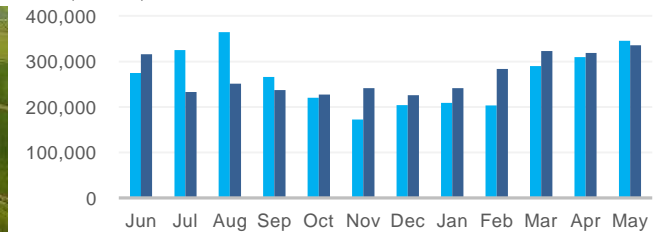
S-14 LS Nasu Nakagawa



S-15 LS Fujioka A



S-16 LS Inashiki Aranuma 1 (note 2)

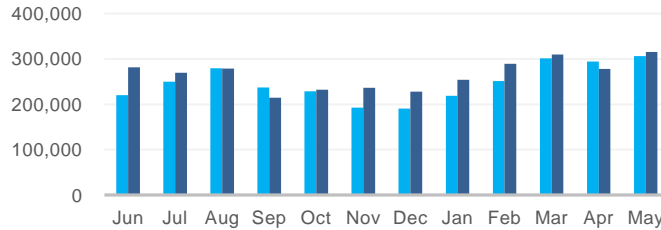


Individual Power Plant Performance

■ Forecasted Power generation ■ Actual power generation

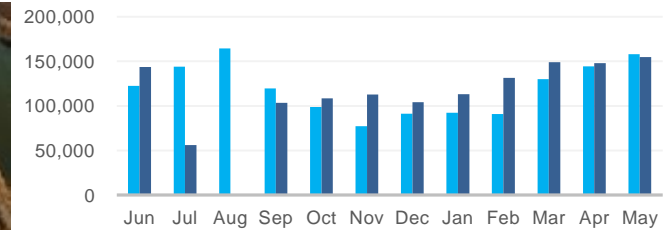
S-17 LS Fujioka B

Tochigi



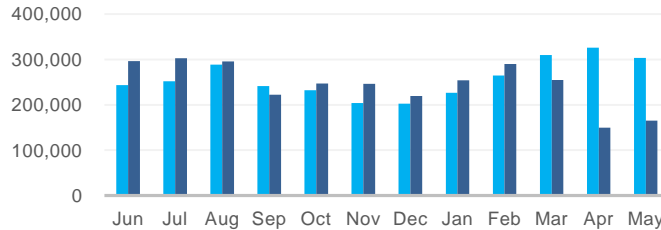
S-18 LS Inashiki Aranuma 2 (note 3)

Ibaraki



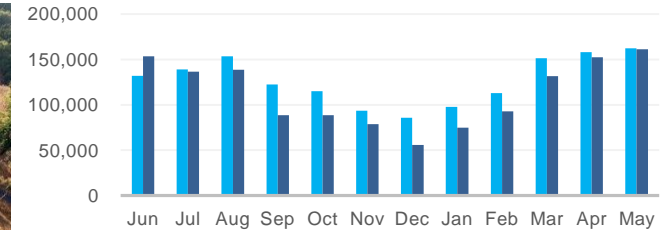
S-19 LS Sakuragawa Shimoizumi (note 4)

Ibaraki



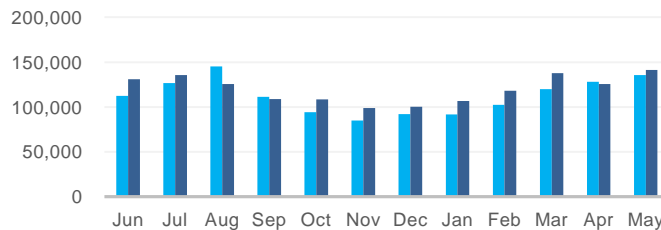
S-20 LS Fukushima Yamatsuri

Fukushima



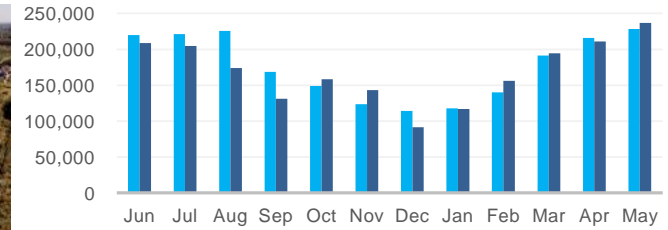
S-21 LS Shizuoka Omaezaki

Shizuoka



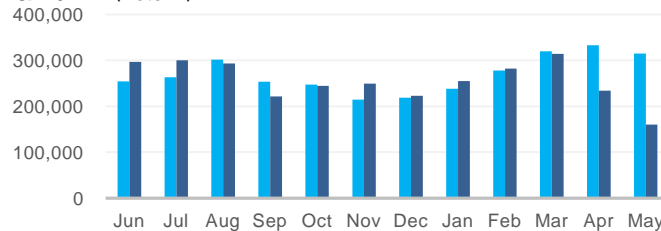
S-22 LS Mie Yokkaichi

Mie



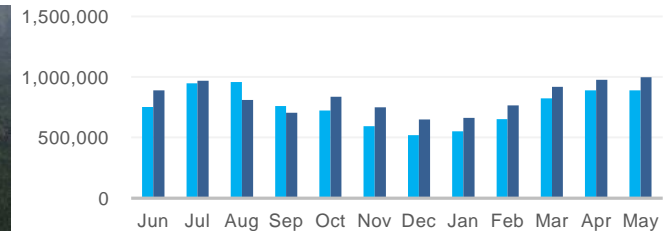
S-23 LS Sakuragawa Nakaizumi (note 5)

Ibaraki



S-24 LS Shirahama

Wakayama

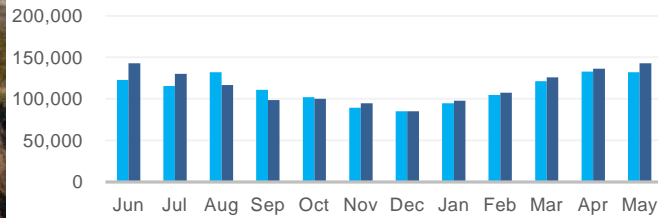


Individual Power Plant Performance

■ Forecasted Power generation ■ Actual power generation

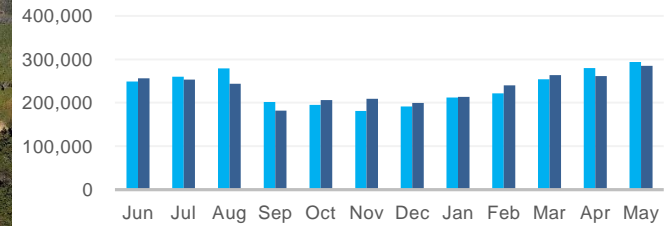
S-25 LS Takahagi

Ibaraki



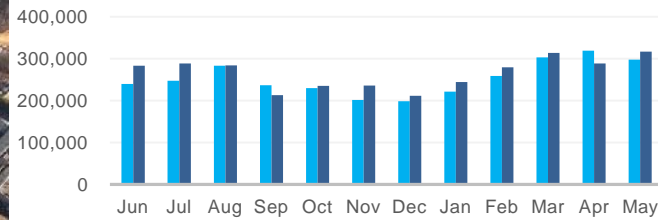
S-26 LS Hanno Misugidai

Saitama



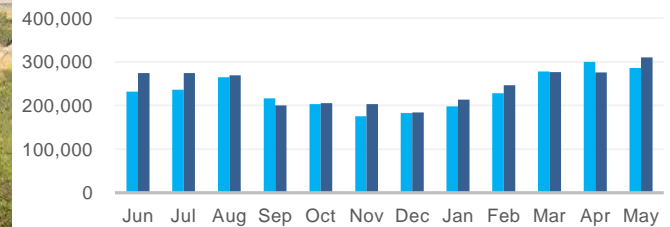
S-27 LS Sakuragawa 1

Ibaraki



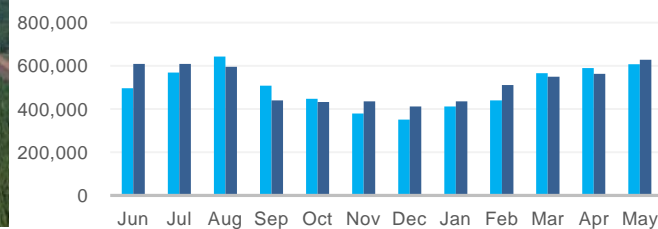
S-28 LS Sakuragawa 4

Ibaraki



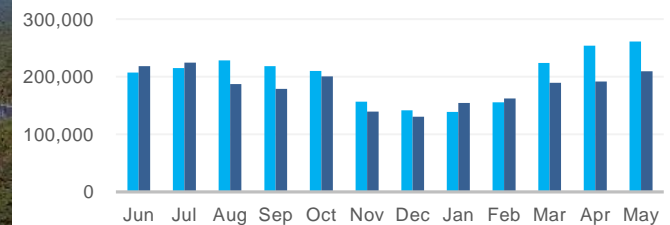
S-29 LS Chiba Sammu, East/West

Chiba



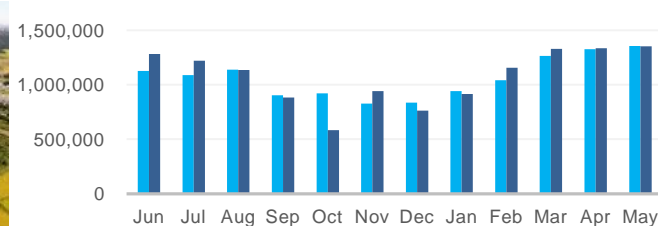
S-30 LS Nagasaki Isahaya

Nagasaki



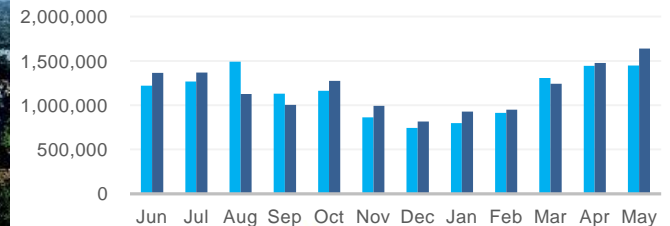
S-31 LS Shioya 2

Tochigi



S-32 LS Hiroshima Mihara

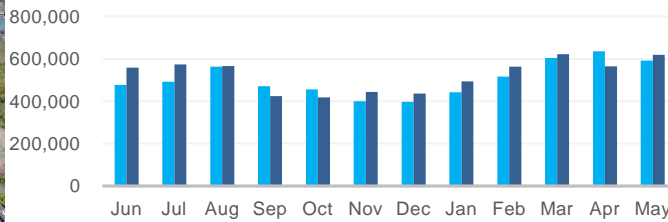
Hiroshima



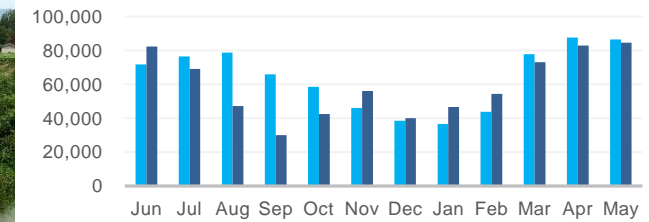
Individual Power Plant Performance

■ Forecasted Power generation ■ Actual power generation

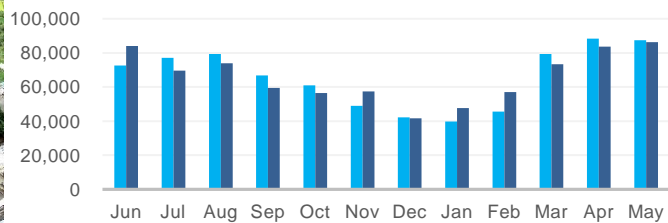
S-33 LS Sakuragawa 2&3



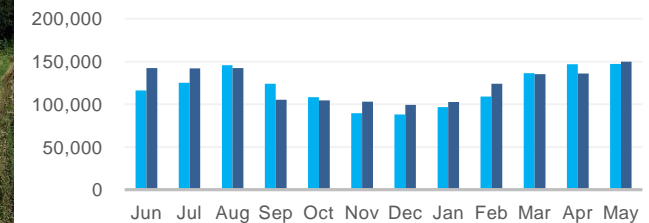
S-34 LS Fukushima Kagamiishi 1 (note 6)



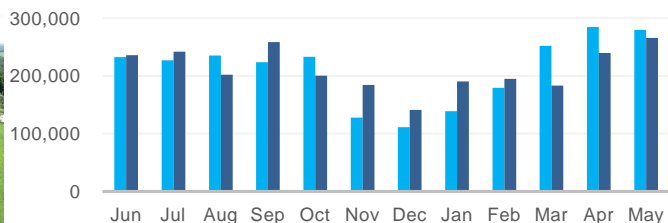
S-35 LS Fukushima Kagamiishi 2



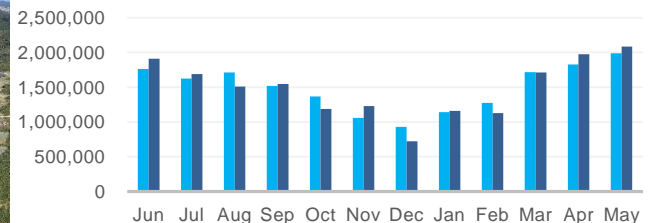
S-36 LS Chiba Narita



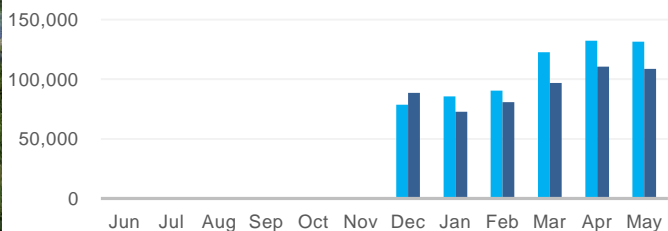
S-37 LS Iwate Hirono



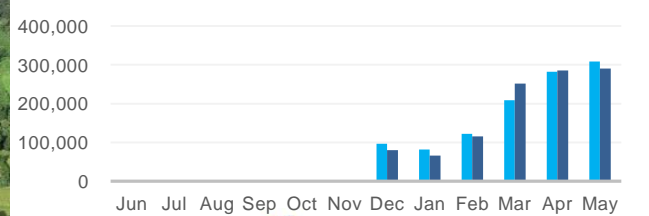
S-38 LS Miyagi Matsushima



S-39 LS Kagoshima Kanoya



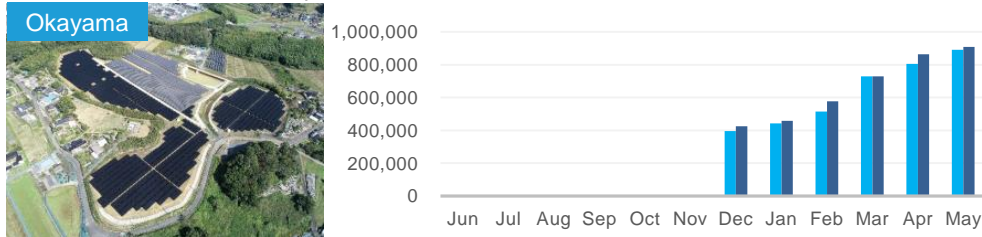
S-40 LS Miyagi Osato 2



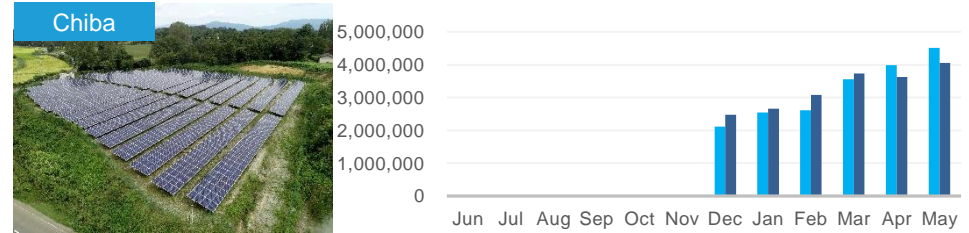
Individual Power Plant Performance

■ Forecasted Power generation ■ Actual power generation

S-41 LS Okayama Tsuyama 1, 2 & 3



S-42 LS Chiba Katsuura



(note) The period covered by the assumed and actual power generation is from June 2021 to May 2022. All units are shown in kWh.

(note 1) S-08 Due to the theft of electric cables and other equipment that occurred in June 2021, power sales at LS Mito Takada was partially suspended from that month until July 2021.

(note 2) Due to a burnout that occurred in July 2021, power sales at LS Inashiki Aranuma 1 was partially suspended from that month until November of the same year

(note 3) Due to the theft of electric cables and other equipment that occurred in July 2021, power sales at LS Inashiki Aranuma 2 was partially suspended from that month until October 2021.

(note 4) Due to the earthquake that occurred in March 2022, LS Sakuragawa Shimoizumi has been partially suspending electricity sales since the same month.

(note 5) Due to the theft of electric cables and other equipment that occurred in April 2022, LS Sakuragawa Nakaizumi has been partially suspending electricity sales since the same month.

(note 6) Due to PCS failure that occurred in August 2021, power sales at LS Fukushima Kagamiishi 1 was partially suspended from that month until October of the same year.



Individual Power Plant Performance

(unit: ¥ thousands)

| No | Name of Power Plant | Minimum Guaranteed Rent Income | Performance-linked Rent Income | Rent Expense (of which, depreciation costs) | | NOI (before depreciation) | NOI (after depreciation) |
|-------|------------------------------|-----------------------------------|-----------------------------------|--|-------------|------------------------------|-----------------------------|
| S-01 | LS Shioya | 66,195 | 745 | 30,371 | (22,504) | 59,073 | 36,569 |
| S-02 | LS Chikusei | 27,007 | -48 | 12,505 | (9,012) | 23,466 | 14,453 |
| S-03 | LS Chiba Wakabaku | 14,950 | - | 7,001 | (4,476) | 12,425 | 7,949 |
| S-04 | LS Miho | 27,598 | 55 | 12,828 | (8,980) | 23,811 | 14,830 |
| S-05 | LS Kirishima Kokubu | 44,421 | - | 46,954 | (18,538) | (※) 1 16,012 | (※) 1 -2,526 |
| S-06 | LS Sosa | 36,693 | 600 | 22,466 | (15,253) | 30,080 | 14,827 |
| S-07 | LS Miyagi Osato | 39,600 | 321 | 21,870 | (15,451) | 33,503 | 18,051 |
| S-08 | LS Mito Takada | 44,646 | 364 | 22,165 | (16,306) | 39,152 | 22,845 |
| S-09 | LS Aomori Hiranai | 31,790 | 378 | 20,298 | (12,931) | 24,802 | 11,871 |
| S-10 | LS Tone Fukawa | 56,026 | -210 | 29,597 | (21,604) | 47,823 | 26,218 |
| S-11 | LS Kamisu Hasaki | 24,316 | 1,341 | 16,657 | (10,744) | 19,744 | 9,000 |
| S-12 | LS Tsukuba Bouchi | 56,139 | 1,730 | 49,323 | (21,751) | 30,298 | 8,547 |
| S-13 | LS Hokota | 38,484 | 2,894 | 25,705 | (16,669) | 32,342 | 15,673 |
| S-14 | LS Nasu Nakagawa | 396,893 | 2,750 | 213,605 | (154,869) | 340,908 | 186,038 |
| S-15 | LS Fujioka A | 13,669 | 768 | 8,364 | (4,653) | 10,726 | 6,072 |
| S-16 | LS Inashiki Aranuma 1 | 54,052 | 4,041 | 34,011 | (20,313) | 44,395 | 24,082 |
| S-17 | LS Fujioka B | 54,127 | 3,185 | 31,257 | (20,472) | 46,529 | 26,056 |
| S-18 | LS Inashiki Aranuma 2 | 24,434 | 2,166 | 18,452 | (11,313) | 19,462 | 8,148 |
| S-19 | LS Sakuragawa Shimoizumi | 56,573 | 1,760 | 33,302 | (20,777) | 45,809 | 25,031 |
| S-20 | LS Fukushima Yamatsuri | 26,764 | 71 | 18,268 | (10,723) | 19,292 | 8,568 |
| S-21 | LS Shizuoka Omaezaki | 23,133 | 1,581 | 15,329 | (9,814) | 19,200 | 9,385 |
| S-22 | LS Mie Yokkaichi | 39,026 | 993 | 28,251 | (17,988) | 29,757 | 11,768 |
| S-23 | LS Sakuragawa Nakaizumi | 58,983 | 949 | 36,513 | (23,148) | 46,567 | 23,418 |
| S-24 | LS Shirahama | 149,641 | 14,657 | 106,426 | (62,278) | 120,150 | 57,872 |
| S-25 | LS Takahagi | 20,641 | 864 | 13,111 | (7,890) | 16,285 | 8,394 |
| S-26 | LS Hanno Misugidai | 44,343 | 1,349 | 19,687 | (7,501) | 33,525 | 26,024 |
| S-27 | LS Sakuragawa 1 | 55,326 | 2,241 | 37,027 | (22,031) | 42,571 | 20,540 |
| S-28 | LS Sakuragawa 4 | 51,032 | 1,943 | 37,115 | (21,264) | 37,125 | 15,860 |
| S-29 | LS Chiba Sammu East and West | 100,946 | 5,146 | 61,165 | (43,048) | 87,974 | 44,926 |
| S-30 | LS Nagasaki Isahaya | 29,691 | 401 | 75,326 | (16,267) | (※) 2 -28,966 | (※) 2 -45,233 |
| S-31 | LS Shioya 2 | 234,598 | 7,393 | 133,710 | (89,232) | 197,513 | 108,281 |
| S-32 | LS Hiroshima Mihara | 229,235 | 11,046 | 150,260 | (95,406) | 185,428 | 90,021 |
| S-33 | LS Sakuragawa 2&3 | 108,701 | 4,610 | 76,181 | (45,631) | 82,762 | 37,131 |
| S-34 | LS Fukushima Kagamiishi 1 | 9,562 | 356 | 7,515 | (4,804) | 7,208 | 2,403 |
| S-35 | LS Fukushima Kagamiishi 2 | 9,872 | 305 | 7,604 | (5,113) | 7,687 | 2,574 |
| S-36 | LS Chiba Narita | 22,850 | 620 | 16,514 | (10,844) | 17,801 | 6,956 |
| S-37 | LS Iwate Hirono | 44,223 | 1,718 | 30,141 | (20,304) | 36,104 | 15,800 |
| S-38 | LS Miyagi Matsushima | 210,028 | 3,135 | 127,357 | (79,215) | 165,022 | 85,806 |
| S-39 | LS Kagoshima Kanoya | 24,316 | 262 | 16,576 | (11,940) | 19,941 | 8,001 |
| S-40 | LS Miyagi Osato 2 | 37,194 | 1,240 | 27,210 | (20,586) | 31,813 | 11,226 |
| S-41 | LS Okayama Tsuyama 1,2&3 | 129,479 | 6,739 | 80,582 | (54,984) | 110,620 | 55,636 |
| S-42 | LS Chiba Katsuura | 660,281 | 27,422 | 316,704 | (240,361) | 611,361 | 370,999 |
| Total | | 3,427,498 | 117,902 | 2,095,324 | (1,347,010) | 2,797,116 | 1,450,105 |

(※) 1 Repair costs for fixing damaged panels totaled ¥20.97mn. (※) 2 Repair costs for fixing slope landslips totaled ¥50.0mn.

The background of the slide features a scenic view of a large concrete dam with a grey, textured surface. In the foreground, there are several branches of cherry blossom trees with light pink flowers. The sky is bright and slightly hazy. The overall composition is peaceful and natural.

I. Performance Overview for 13th Fiscal Period

II. Major Topics

III. Future Investment Strategies

IV. Appendix

Overview of 5th Public Offering (December 2021) 1/5

Total acquisition price
¥18.4bn

Total panel output
40.5MW

Acquisition of third party-developed assets

S-39



LS Kagoshima Kanoya

Acquisition price ¥0.39bn

Panel output 1.1MW

Location Kanoya-shi, Kagoshima

S-40



LS Miyagi Osato 2

Acquisition price ¥0.89bn

Panel output 2.2MW

Location Kurokawa-gun, Miyagi

Acquisition of sponsor-developed assets

S-41



LS Okayama Tsuyama 1, 2 & 3

Acquisition price ¥2.65bn

Panel output 6.4MW

Location Tsuyama-shi, Okayama

Deemed extra high voltage

S-42



LS Chiba Katsuura

Acquisition price ¥14.46bn

Panel output 30.6MW

Location Katsuura-shi, Chiba

Extra high voltage

Total asset value*

As of end-Nov 2021

¥49.47bn



After 5th public offering (Dec 2021)

¥67.87bn

Total panel output

As of end-Nov 2021

131.0MW



After 5th public offering (Dec 2021)

171.5MW

Number of assets

As of end-Nov 2021

38 plants



After 5th public offering (Dec 2021)

42 plants

Total expected power output

As of end-Nov 2021

75,310MWh



After 5th public offering (Dec 2021)

101,803MWh

Note: Total asset value is the sum of (1) appraisal values for portfolio assets (not including assets acquired through the 5th public offering in December 2021) and (2) acquisition prices for assets acquired through the 5th public offering in December 2021. Appraisal value means the median value calculated by the Fund in accordance with Article 36, paragraph 2, item 1 of the Certificate of Incorporation with reference to the appraisal value ranges for each power plant listed in a valuation report dated November 30, 2021 obtained from PricewaterhouseCoopers Sustainability LLC.

Acquisition of LS Chiba Katsuura, a flagship plant developed by the sponsor that coexists with, and contributes to, the local community

Acquisition price
¥14.46bn

Panel output
30.6MW

LS Chiba Katsuura



Characteristics of plant and TIF initiatives

- 1** **Sponsor development / philosophy**
 Expected to contribute to the local community Sponsor-developed flagship plant to coexist with the local community
- 2** **Regional collaboration**
 Balancing environmentally-friendly operations and economic revitalization through partnerships with local companies and public entities
- 3** **Strong demand area**
 Mega solar project, of which there are very few of the same size close to Tokyo, where demand for power is the strongest in Japan
- 4** **Community contribution**
 Contributing to regional economic growth by paying taxes (depreciable assets tax) to local public entities

| | | | | | | | |
|----------------------|--------------------------------|--------------------|----------------------------|-----------------|----------------|---|-------------------------------|
| Operator | Takara Leben Co., Ltd. | FIT purchase price | ¥36/kWh | FIT expiry date | March 30, 2040 | Panel manufacturer | JA Solar |
| O&M provider | Energy O&M | Site area | 1,215,529.07m ² | Panel output | 30.6MW | Power conditioner manufacturer | Huawei Technologies Co., Ltd. |
| EPC service provider | Daiwa House Industry Co., Ltd. | Land title | Ownership, superficies | Power output | 25.0MW | Expected availability factor in first year of operation | 14.90% |

Overview of 5th Public Offering (December 2021) 3/5

Japan's first paperless global offering targeting individual investors to reduce impacts on the environment

- The Japanese government is seeking to go paperless with legislation steadily being put in place. As the shift to a paperless environment gradually gains traction, the volume of printing paper being produced is also in decline.
- To contribute to reducing our impact on the environment, the prospectus for this offering was provided in digital format only.

Electronic provision of prospectus

Only a digital copy of the prospectus for this offering was provided.
Nothing was printed on paper.

Assumed CO₂ emissions and logging volume resulting from the digital provision of a prospectus for an ordinary offering in Japan

CO₂ absorption per tree (cedar): 14kg / year

A4 sheets of paper produced from every plantation tree: 13,000



Source: CO₂ based on Kanto Regional Forest Office data; paper volume based on Nippon Paper Group data

Assuming all the cedar trees required to make the paper on which the prospectus for an ordinary domestic public offering in Japan is printed are not logged...

Assumptions

Number of prospectus copies thought to be required for an ordinary domestic offering: 15,590

Amount of paper needed for one prospectus: 100 A4 sheets

Number of trees saved

120

CO₂ reduced

1.6 tons / year



Social environment around paperless movement

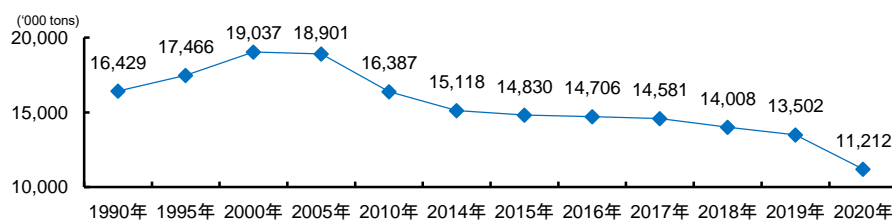
National strategy of promoting paperless

- ▶ Act on Electronic Signatures and Certification Business (Apr 2001)
- ▶ e-document laws (Nov 2004)
- ▶ Basic policy on electronic management of administrative documents (Mar 2019)
 - FY2026 target to completely digitize original copies of administrative documents, including the digital recreation of old archives
- ▶ 1998 Act on Special Provisions concerning Preservation Methods for Books and Documents Related to National Tax Prepared by Means of Computers (amended Oct 2020)
- ▶ [Establishment of Digital Agency \(Sep 1, 2021\)](#)

Initiatives to promote paperless in public and private sectors

- ▶ Ministry of Internal Affairs and Communications
 - Transition to “smart government” with the use of ICT by 2040
 - Digitization of administrative paperwork
- ▶ Nagano city
 - Shifted to paperless meetings by harnessing ICT to conserve labor resources and costs when preparing meeting documents

■ Paper production volume in Japan (newspaper, printing paper, wrapping paper, sanitary paper, etc.)



Source: METI's Current Survey of Production

Overview of 5th Public Offering (December 2021) 4/5

First listed investment corporation in Japan to undertake a public offering and comply with Article 9 of the SFDR, the most stringent of the ESG disclosure requirements

- The Sustainable Finance Disclosure Regulation (SFDR) targeting financial marketing participants, including investment corporations that undertake marketing activities in the EU, came into effect on March 10, 2021.
- TIF is the first listed investment corporation in Japan to comply with Article 9, the most stringent of the ESG disclosure requirements of the SFDR.

Note: Information current as of November 1, 2021 based on information disclosure of listed investment corporations

Sustainable Finance Disclosure Regulation (SFDR)

| Background | Overview | Timeline | | | | | | |
|---|---|--|----------|---|----------|--------------|--------------|------------------|
| <p>► To enhance transparency of sustainable investments</p> <ul style="list-style-type: none">– Creating an environment in which investors can make informed decisions about ESG investing– Preventing the “greenwashing” of investment products (deceptive claims of environmental friendliness) <p>Aligns with “clarifying institutional investors’ and asset managers’ duties,” one of the actions in the European Commission’s 10-point Action Plan on Financing Sustainable Growth</p> | <p>► Targets financial market participants in the EU</p> <p>► Required disclosures</p> <ul style="list-style-type: none">– Businesses: Policies on sustainability risks– Financial products: Disclosure of information that demonstrates which sustainability goals or ESG category requirements are being met | <p>Initiatives have been accelerated in the EU since the Action Plan on Financing Sustainable Growth was released in 2018</p> <div><div><div></div><div></div><div></div></div><table><tr><td>Mar 2018</td><td>Action Plan on Financing Sustainable Growth</td></tr><tr><td>Dec 2019</td><td>SFDR adopted</td></tr><tr><td>Mar 10, 2021</td><td>SFDR took effect</td></tr></table></div> | Mar 2018 | Action Plan on Financing Sustainable Growth | Dec 2019 | SFDR adopted | Mar 10, 2021 | SFDR took effect |
| Mar 2018 | Action Plan on Financing Sustainable Growth | | | | | | | |
| Dec 2019 | SFDR adopted | | | | | | | |
| Mar 10, 2021 | SFDR took effect | | | | | | | |

Framework

Stricter ESG disclosure requirements

| Article 6 | Article 8 | Article 9 |
|----------------|---|--|
| Other products | Products promoting environmental or social attributes | Products that offer sustainable investment or seek to reduce CO2 emissions |

Other investment corporations have disclosed their compliance with Article 8 on their websites



Overview of 5th Public Offering (December 2021) 5/5

ESG-focused validations of the Fund's assets, debt, and equity

Selected as sector leader in Asia in 2021 GRESB Infrastructure Fund Assessment

- TIF has been awarded a 5-star GRESB rating and nominated as a sector leader in Asia. This result reflects the Fund's policies and systems for addressing ESG issues, ESG activity reporting, ESG risk assessment and analysis processes, and the operator's asset assessment results.

**Asia
Sector
Leader**



G R E S B
INFRASTRUCTURE
sector leader 2021



G R E S B
★★★★★ 2021

5 Stars
(out of 5 stars)

GRESB Infrastructure Assets Assessment (2021)

- TIF's infrastructure assets and the ESG measures, policies, targets, and disclosure of ESG initiatives of the operator Takara Leben have been rated highly



G R E S B
★★★★☆ 2021

4 Stars
(out of 5 stars)

Assets
assessment

Fund assessment



**Takara Leben
Infrastructure Fund**



New borrowings

**Investment
securities**

Debt assessments

Shinsei Green Loan assessment
(Shinsei Bank, Limited)

Green finance framework assessment
(as of Nov 9, 2021)

JCR: Green 1 (F) (highest rating possible)

Equity assessments

Green Equity

Green finance framework assessment
(as of Nov 9, 2021)

JCR: Green 1 (F) (highest rating possible)

Note 1: The Fund is scheduled to be assessed by GRESB again in the same categories some time after the end of May 2022, but there is no guarantee that the Fund will be awarded the same ratings.

Note 2: Shinsei Bank developed the Shinsei Green Finance Framework in May 2020 in order to further promote investment and financing initiatives for projects that have a positive social impact. Determining whether or not an investment or loan subject to assessment is in compliance with this framework is based on its alignment with guiding principles of the capital markets, including the Green Bond Principles, the Green Loan Principles, the Green Bond Guidelines, and the Sustainability Linked Loan Guidelines, as well as a clear demonstration of environmental benefits.





I. Performance Overview for 12th Fiscal Period

II. Major Topics

III. Future Investment Strategies

IV. Appendix

The **first** listed infrastructure fund in Japan

I
Sustainable growth
strategy driven by
steady acquisitions

II
Dividends-oriented
returns policy

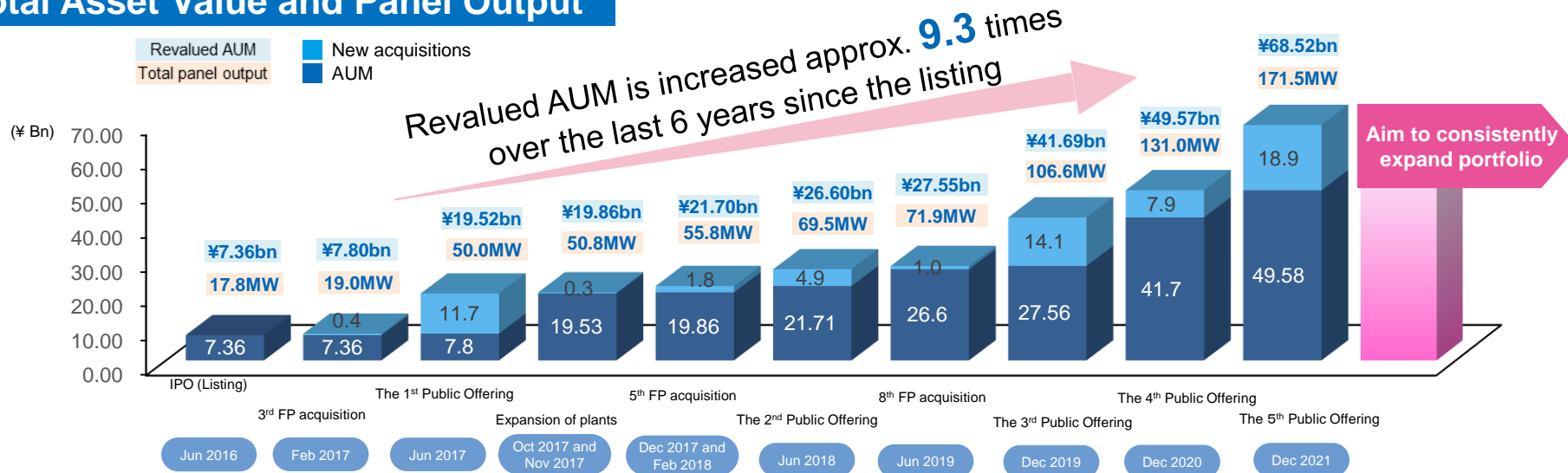
III
Japan-wide portfolio

IV
JCR issuer credit
rating

V
Enhanced ESG
strategies

Continuous Growth through Assets Acquisition

Total Asset Value and Panel Output



(Note) Total asset value is a sum of appraisal value as of May 31, 2022

Actual Results of Dividends: Increased Dividend through Asset Acquisitions, etc.

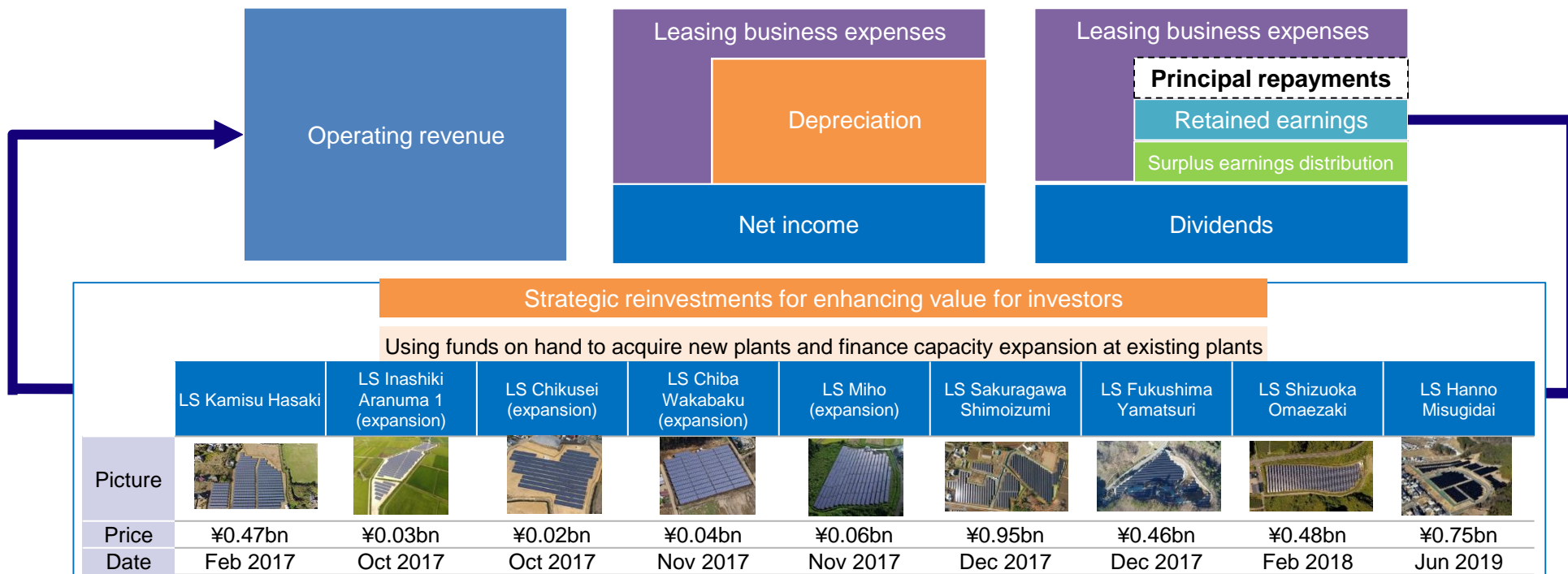


Dividend Policy

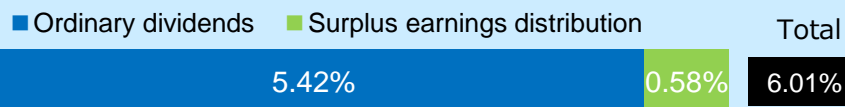
- The Fund considers it best to retain a reasonable amount of funds so that it can carry out strategic reinvestments aimed at improving value for shareholders instead of setting targets for surplus earnings distribution (returns on investments). Our strategic reinvestments mainly take the shape of new plant acquisitions. We believe that focusing on such reinvestments and aiming to maximize dividends based on net profit will ultimately contribute to profit for both the Fund and its investors.

Overview of profit distribution

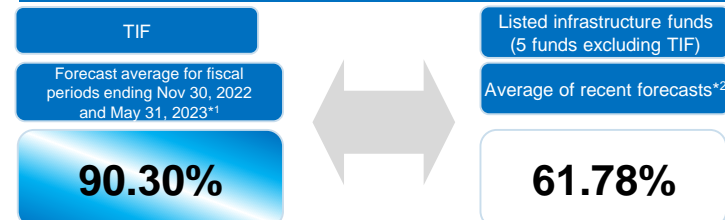
Profit distribution with an emphasis on dividend growth



Dividend yield breakdown (note¹)



High ratio of ordinary dividends



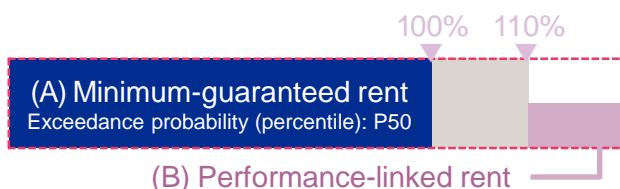
Note 1: Dividend forecasts for fiscal periods ending November 30, 2022 and May 31, 2023 were calculated based on July 4, 2022 closing price.
 Note 2: Dividend forecasts for the two fiscal periods disclosed as of July 4, 2022 by the five listed funds, excluding TIF, were calculated based on July 4, 2022 closing prices.

Rent Mechanism

Minimum-guaranteed rent plus upside potential

10 plants
acquired at IPO

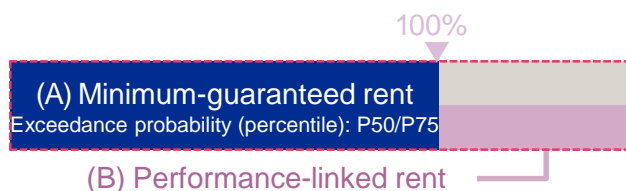
Monthly power sales based on actual power generation as reported by lessees



| | |
|-----|--|
| (A) | Minimum-guaranteed rent |
| | Rent guaranteed regardless of actual amount of power generated |
| (B) | Performance-linked rent |
| | Extra rent to be paid when total power sales exceed 110% of minimum-guaranteed rent; <u>calculated as 50% of the amount in excess of 100% of minimum rent guaranteed</u> |
| (C) | Total rent |
| | The sum of minimum-guaranteed rent (A) and performance-linked rent (B) |

32 plants
acquired after
IPO

Monthly power sales based on actual power generation as reported by lessees



| | |
|-----|--|
| (A) | Minimum-guaranteed rent |
| | Rent guaranteed regardless of actual amount of power generated P50 projected power output: LS Chiba Narita, LS Iwate Hirono, LS Miyagi Matsushima P75 projected power output: 29 plants acquired after IPO |
| (B) | Performance-linked rent |
| | Extra rent to be paid when total power sales exceed 100% of minimum-guaranteed rent; <u>calculated as 50% of amount in excess of 100% of minimum rent guaranteed</u> |
| (C) | Total rent |
| | The sum of minimum-guaranteed rent (A) and performance-linked rent (B) |

Note 1: If output is curtailed at LS Nagasaki Isahaya, LS Fukushima Kagamiishi 1, LS Fukushima Kagamiishi 2, LS Miyagi Matsushima, or LS Miyagi Osato 2 where the designation rule applies, the minimum-guaranteed rent is reduced only by the amount adjusted for uncompensated output curtailment.

Note 2: If the lessee is an SPC, the minimum-guaranteed rent will be subject to the deduction of amounts equivalent to business tax and residence tax on a per capita basis imposed on an amount equivalent to 100% of estimated power sales calculated on the basis of a P75 projected power output for the exceedance probability (percentile). If the power sales amount based on actual power generation is greater than an amount equivalent to 100% of the above estimated power sales amount, the performance-linked rent will be 50% of the amount in excess. However, if the SPC does not have enough power sales income to pay the minimum-guaranteed rent, taxes and other charges, or other expenditures, its payments may fall into arrears because SPCs usually do not have excess capital. For assets the Fund plans to acquire that are operated under an SPC structure, Takara Leben will be jointly and severally responsible for the SPC's minimum-guaranteed rent payment obligations to the Fund and also plans to contribute the necessary funds to the SPC by investing in an anonymous association or through other means if the SPC does not have enough capital to cover taxes or costs that must be paid to third parties. It should be noted, however, that the projected power output used to calculate the minimum-guaranteed rent for LS Chiba Narita, LS Iwate Hirono, and LS Miyagi Matsushima shall be P50 exceedance probability (percentile).

Note 3: For the LS Shizuoka Omaezaki and LS Mie Yokkaichi power plants, the lessee and power producer Takara Leben has entered into a specified wholesale supply agreement with Updater Inc., as has the lessee and power producer Leben Solar Chiba Sammu with both Katsuura Okitsu Solar and Updater for the LS Chiba Sammu, East/West and LS Chiba Katsuura power plants. Under these agreements, 50% of an agreed premium tariff collected from Updater by the lessee and power producer is added to the sum of minimum-guaranteed rent (A) and performance-linked rent (B) for payment to the Fund.

Portfolio Overview

Total owned asset

42 solar power plants

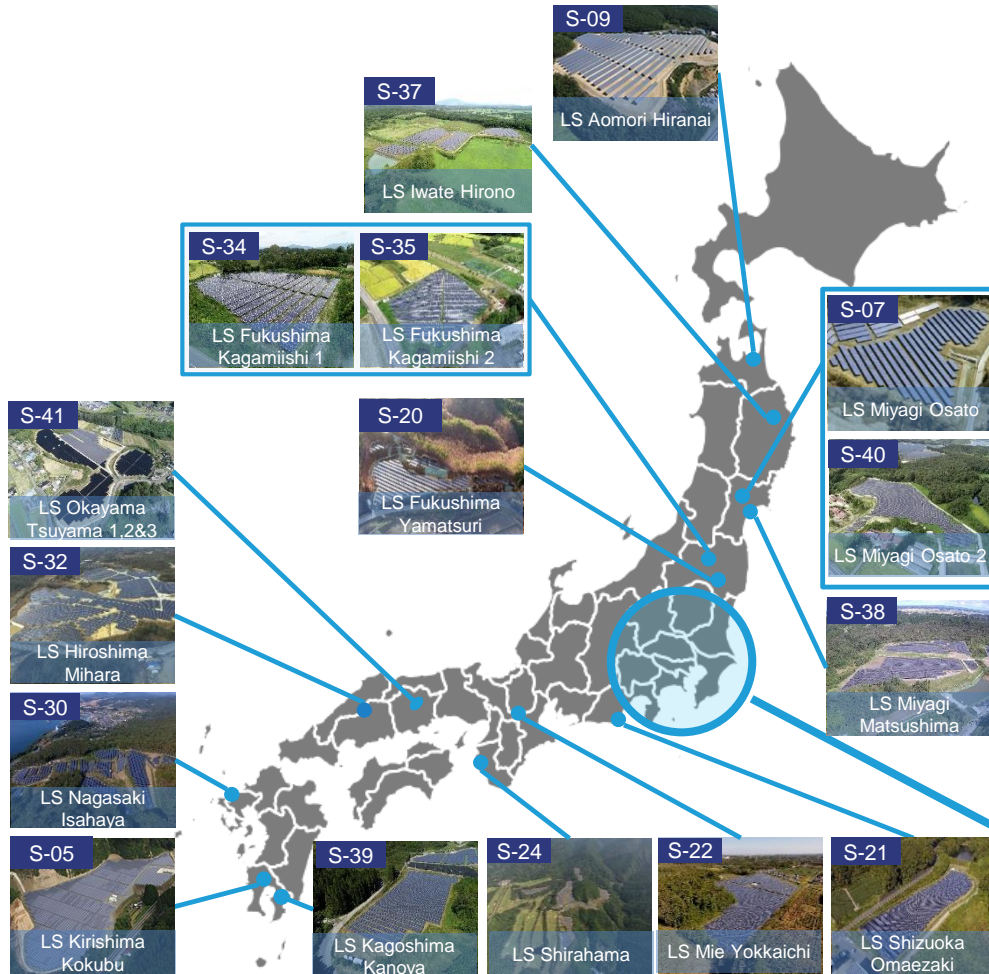
Total asset value

¥68.52 billion

Total panel output

171.5 MW

Kanto Area



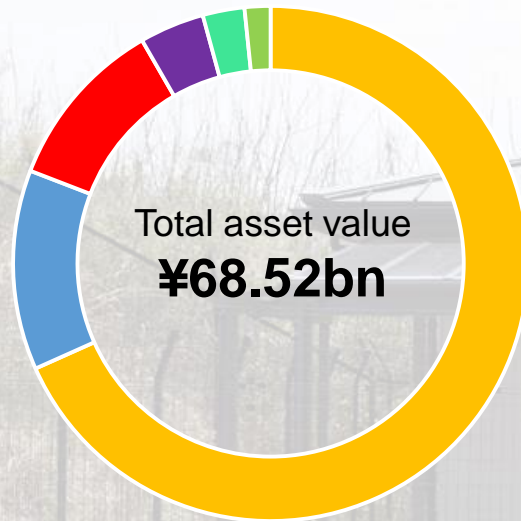
(Note) As of May 31, 2022

Japan-wide Portfolio

Japan-wide portfolio focused on areas characterized by strong demand for electricity

Portfolio distribution by region

As of end-May 2022



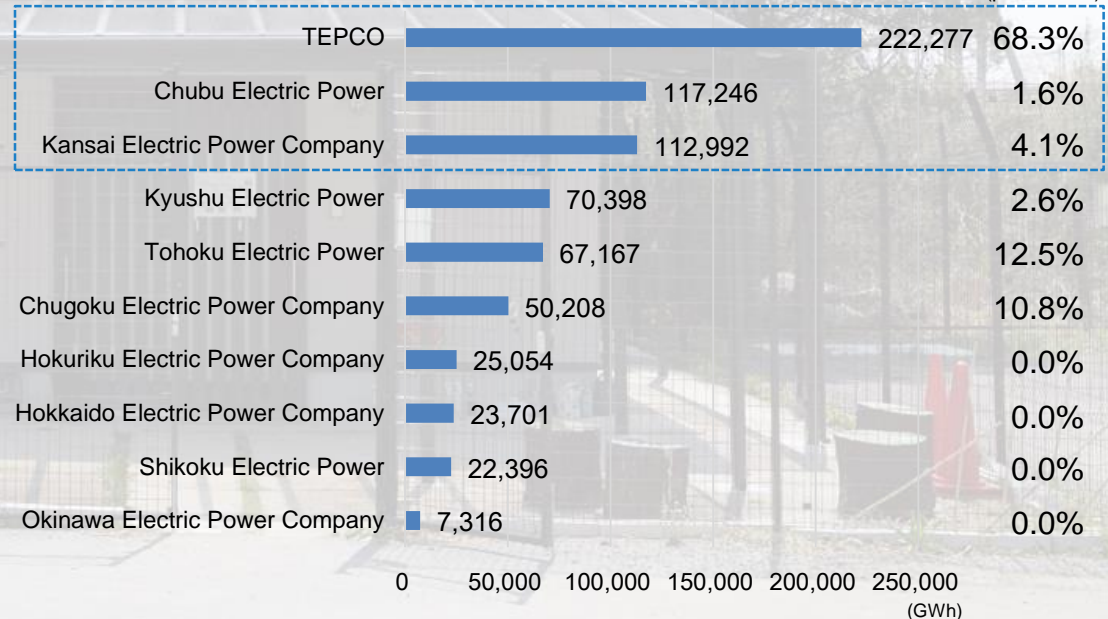
| | | |
|---------|----|-------|
| Kanto | 26 | 68.3% |
| Tohoku | 8 | 12.5% |
| Chugoku | 2 | 10.8% |
| Kansai | 1 | 4.1% |
| Kyushu | 3 | 2.6% |
| Chubu | 2 | 1.6% |

Weighting of investments in jurisdictional areas
of TEPCO, Chubu EP, and KEPCO

74.0%

Amount of power sold in power company jurisdictions (FY2019)

TIF investment weighting
(price basis)



Source: Compiled by the Asset Manager based on data from Kansai Electric Power Company's Fact Book 2020

RATING NOTIFICATION

2021年10月12日

タカラレーベン・インフラ投資法人
執行役員 菊池 正英 様

株式会社 日本格付研究所
代表取締役社長 高木 祥吉



格付のご通知

拝啓 弊社業務に関しまして格別のご高配を賜り、厚く御礼申し上げます。
さて、このたび格付につきまして、次のとおり決定いたしましたので、ご通知申し上げます。

敬具

記

1. 区 分：信用格付
2. 付与日：2021年10月08日
3. 格 付：

発行体： タカラレーベン・インフラ投資法人

【据置】

| 対象 | 格付 | 見通し |
|---------|----|-----|
| 長期発行体格付 | A | 安定的 |

以上



Japan Credit Rating Agency, Ltd.

Japan Credit Rating Agency (JCR)

Long-term issuer rating: A (stable) (as of Oct 12, 2021)

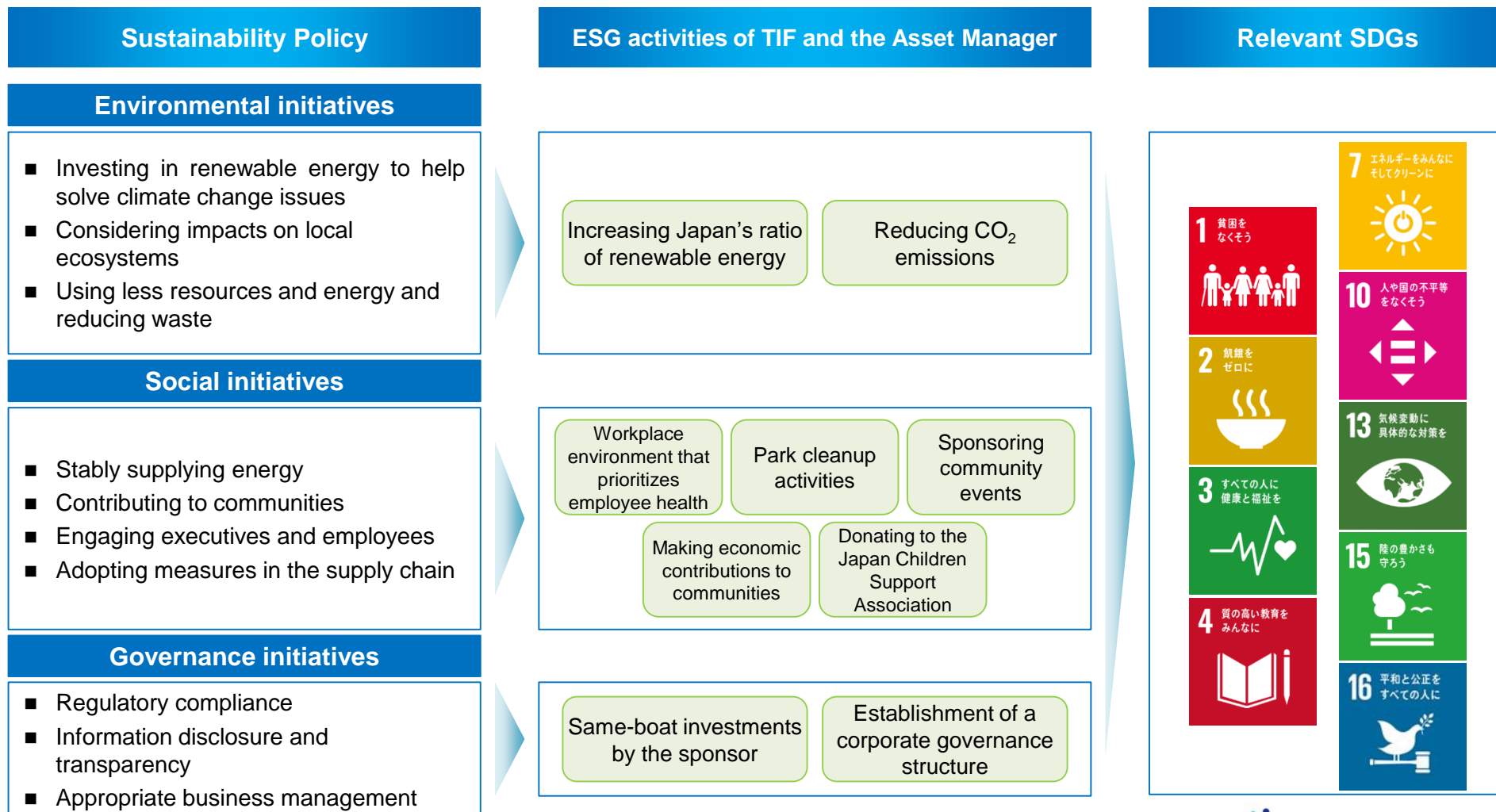
Rating rationale

- Cash flow stability
- Growth in portfolio assets and diversification
- Sponsor's development and operational capabilities
- Good financial soundness sustained through conservative financial management



Helping to realize the SDGs through ESG activities in line with our sustainability policy

The Fund and the Asset Manager established a sustainability policy in May 2019 for the purpose of concretely and proactively addressing ESG issues within the context of their daily operations, based on the thinking that achieving the Fund's basic policy and realizing a sustainable society will contribute to improvements in value for investors.



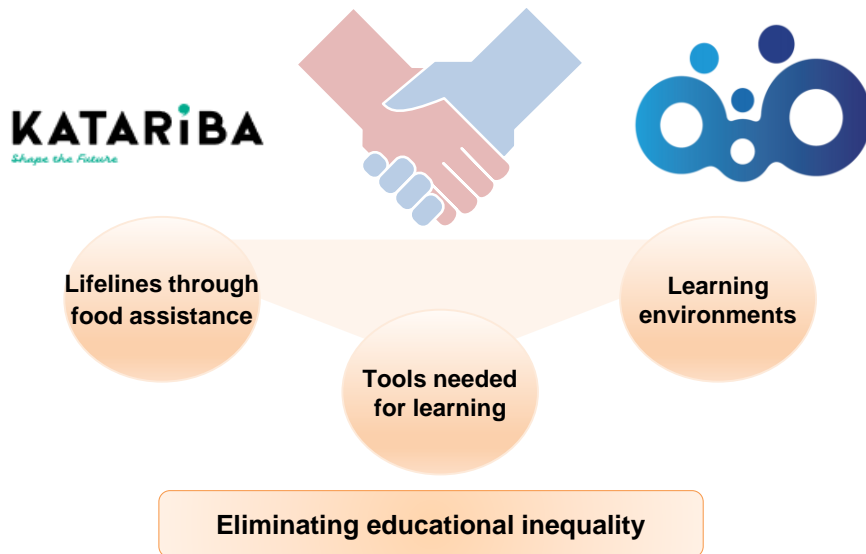
Social contribution activities of TIF and the Asset Manager

Activities reflecting our commitment to the future generation

Donation to NPO Katariba

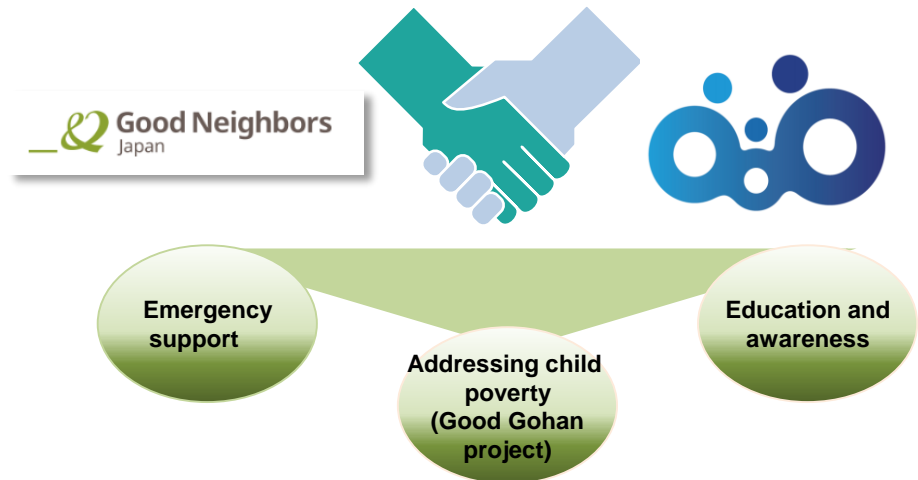
- In March 2022, the Fund and the Asset Manager made a donation to Katariba. Katariba is a certified NPO based in Tokyo that engages in activities nationwide with the aim of providing educational support to children who have missed out on the opportunity to undertake studies as a result of a natural disaster, economic disparity, or some other reason. Katariba runs free after-school programs to create safe places for students, and also offers learning and food support.

Loss of education opportunities owing to disasters or economic disparity



Donation to Good Neighbors Japan

- In June 2022, the Fund and the Asset Manager made a donation to Good Neighbors Japan (GNJP), an organization whose vision is to create a society brimming with the smiling faces of children in which all people can live a life of dignity. Its mission is to eradicate causes of poverty and discrimination, as well as threats from disasters and conflicts together with its partners in Japan and abroad. While GNJP provides support to children in Japan and overseas, our donation this time went to the Good Gohan project, which seeks to address the issue of child poverty in Japan by distributing food to single-parent households.



Supporting the recommendations of the TCFD

The Fund, together with Takara Asset Management, have expressed their support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The TCFD was set up by the Financial Stability Board as a global initiative tasked with investigating climate-related information disclosure and examining what kind of action is being taken by financial institutions. Given that climate change poses a serious risk to the global economy, the recommendations of the TCFD urge companies and organizations to disclose information about governance, strategies, risk management, indicators, and targets pertaining to climate change-related risks and opportunities.



Contributions to the local community in regions where our portfolio has a presence



Power plant development in harmony with the community

Half of the land (roughly 26ha) where the LS Chiba Katsuura power plant is located is utilized in harmony with the environment. We take care of the existing trees and plant new ones in an effort to engage in longer-term forest conservation. We have also developed and laid down a private road to provide access to the site for work vehicles, which we plan to donate to the city of Katsuura in the future so that it can be used by the community as an everyday service road.



Sponsoring of Kishu Kuchikumano Marathon

We have supported, as an official sponsor, the Kishu Kuchikumano Marathon held in Kamitonda Town in Wakayama Prefecture.



Cleanup activities in the neighborhood of the Fund's solar power plants

On June 30, 2020, executives and employees of the Asset Manager participated in a park cleanup event in the city of Hanno in Saitama Prefecture. This event was subsequently postponed due to the COVID-19 pandemic, but is scheduled to be held again in July of this year.

Sustainability initiatives of the Takara Leben Group

Signatory to United Nations Global Compact

Takara Leben, the Fund's sponsor, became a signatory to the United Nations Global Compact (UNGC) in August 2020. The Takara Leben Group supports the 10 principles of the UNGC in the four areas of human rights, labor, the environment, and anti-corruption, and is working to help build a sustainable society in keeping with the Group vision of “think happiness and make the happiness.”



UN Global Compact — 10 Principles

The UNGC is a voluntary initiative for participating in the creation of a global framework whereby companies and organizations act as good members of society to realize sustainable growth by demonstrating responsible and creative leadership.

| | | | | | |
|--------------|-------------|--|-----------------|--------------|---|
| Human rights | Principle 1 | Support and respect the protection of human rights | Environment | Principle 7 | Precautionary approach to environmental challenges |
| | Principle 2 | Ensure non-complicity in human rights abuses | | Principle 8 | Initiatives on environmental responsibility |
| Labor | Principle 3 | Uphold freedom of association and the right to collective bargaining | Anti-corruption | Principle 9 | Development and diffusion of eco-friendly technologies |
| | Principle 4 | Eliminate forced labor | | Principle 10 | Work against corruption in all its forms, including extortion and bribery |
| | Principle 5 | Effective abolition of child labor | | | |
| | Principle 6 | Elimination of discrimination in employment and occupation | | | |

Source: Compiled by the Asset Manager based on information from the Global Compact website and materials publicly disclosed by the sponsor.

Note: The table above describes the sustainability initiatives of the Takara Leben Group and includes information not directly related to the Fund or the Asset Manager.

CSR strategy of the Takara Leben Group

The Takara Leben Group not only strives to achieve its corporate vision of “think happiness and make the happiness,” but also seeks to contribute to solving problems in society and meeting the objectives of the SDGs by undertaking CSR activities through its business operations, including the supply of housing and the rollout of natural energy infrastructure. It aims to gain the trust of society and various stakeholders to deliver perpetual progress.

| No. | Key CSR topic | Relevant SDGs | Policy |
|-----|--|---|--|
| 1 | Creating lifestyles with value | 8 Economic growth, 9 Industry, innovation and infrastructure, 11 Sustainable cities and communities | <ul style="list-style-type: none"> Offer products and services to address social issues and meet changing needs Provide lifestyles that offer harmony between residents and the local environment with our LEBEN/NEBEL brand |
| 2 | Forming communities | 3 Good health and well-being, 5 Gender equality, 10 Reduced inequalities, 11 Sustainable cities and communities, 16 Peace, justice and strong institutions, 17 Partnerships for the goals | <ul style="list-style-type: none"> Contribute to regional revitalization by linking urban centers with regional communities through our regional city regeneration business Improve risk responsiveness with thoroughgoing risk assessment and management Provide opportunities and environments in which a diverse workforce can work with enthusiasm Corporate activities that emphasize stakeholder dialogue to meet societal needs |
| 3 | Providing comfortable spaces of high quality | 3 Good health and well-being, 6 Clean water and sanitation, 12 Responsible consumption and production | <ul style="list-style-type: none"> Improve customer satisfaction with the use of our proprietary Service Quality Management System (SQMS®) Create well-designed, habitable homes in pursuit of living functionality Improve the value of buildings through periodic maintenance and renovations to enhance building comfort, functionality, and safety |
| 4 | Fostering environments and cultures | 4 Quality education, 7 Affordable and clean energy, 13 Climate action, 15 Life on land | <ul style="list-style-type: none"> Reduce GHG emissions through our renewable energy power generation business and by supplying housing with superior environmental performance Provide earthquake-resistant and fire-proof housing that can withstand natural disasters Provide stakeholders with opportunities to participate in cultural activities |

Note: The table above describes the CSR strategy of the Takara Leben Group and includes information not directly related to the Fund or the Asset Manager.

Solid and Sound Financial Base 1/2

■ The Fund engages in stable and sound financial management primarily by controlling its borrowing capacity and LTV and spreading out loan repayment terms. We also keep a close eye on interest rate movements and consider essentially fixing variable interest rates by concluding interest rate swap contracts and the like.

LTV and fixed interest rate ratio

LTV

As of end-November 2021

52.9%

As of end-May 2022

54.1%

Fixed interest rate ratio

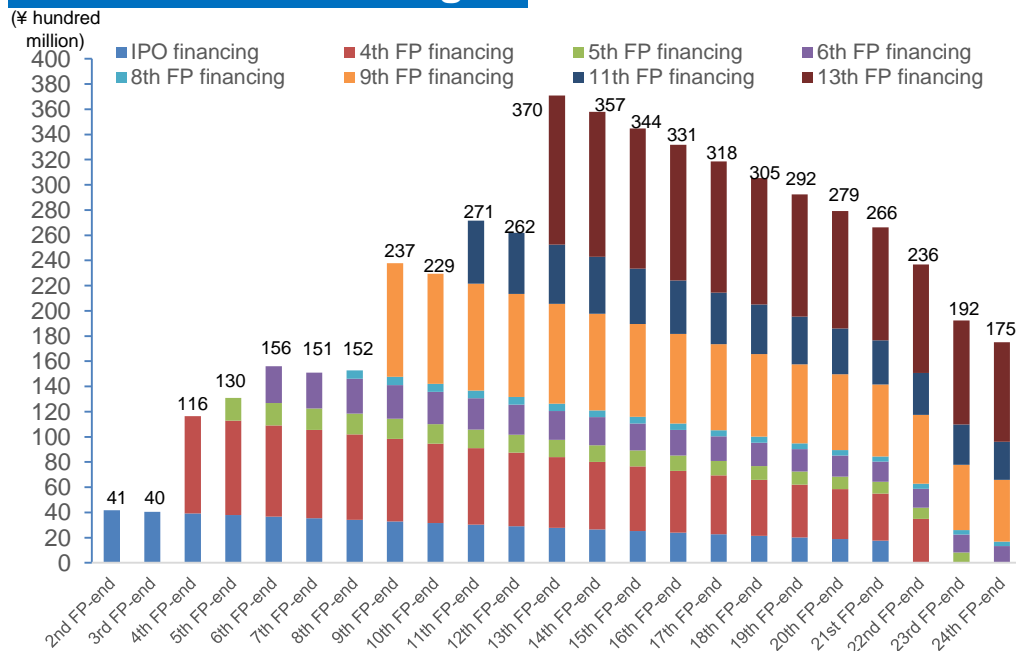
As of end-November 2021

50.6%

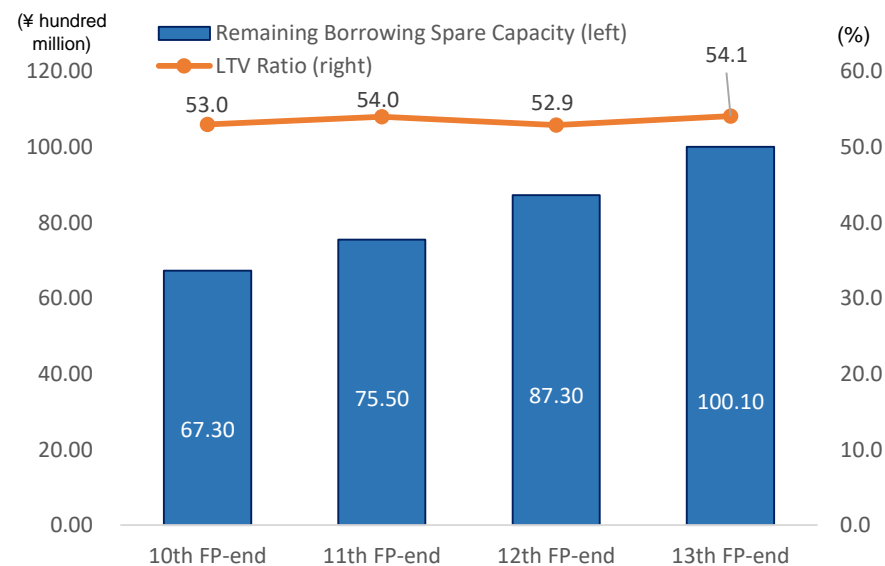
As of end-May 2022

65.5%

Balance of borrowings



LTV and borrowing capacity



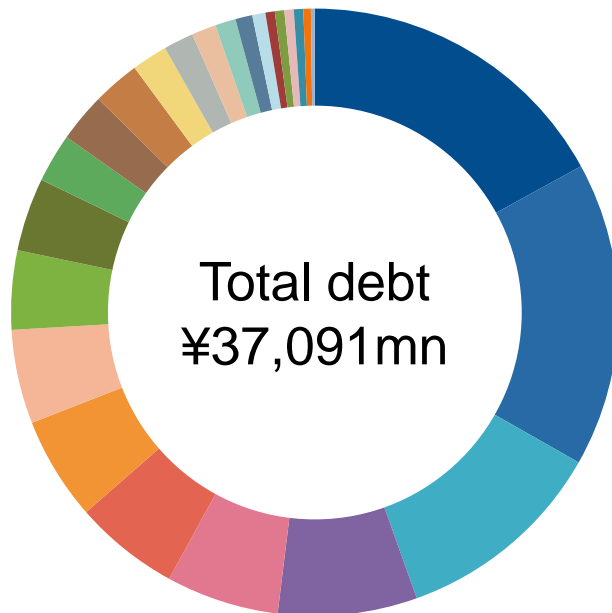
Diversified lender formation

► Overview of new borrowings

| Category | Lender | Amount | Interest rate | Drawdown date | Method | Final repayment | Collateral |
|-----------|--|-----------|--------------------------|------------------|--|--|---------------------------------|
| Long term | Loan syndicate with Sumitomo Mitsui Banking Corporation and Shinsei Bank as lead arrangers | ¥12,200mn | 0.50% added to base rate | December 1, 2021 | Borrowings based on individual term loan commitment line agreements dated November 24, 2021 with the lenders shown to the left | Business day preceding the day corresponding to 10 years after the drawdown date | Unsecured and without guarantee |

Note: To avoid the risk of interest rate fluctuations, a separate interest rate swap contract has been concluded for an estimated principal amount of ¥11,834mn. This essentially fixes the interest rate on the estimated principal amount of the borrowings at 1.000%.

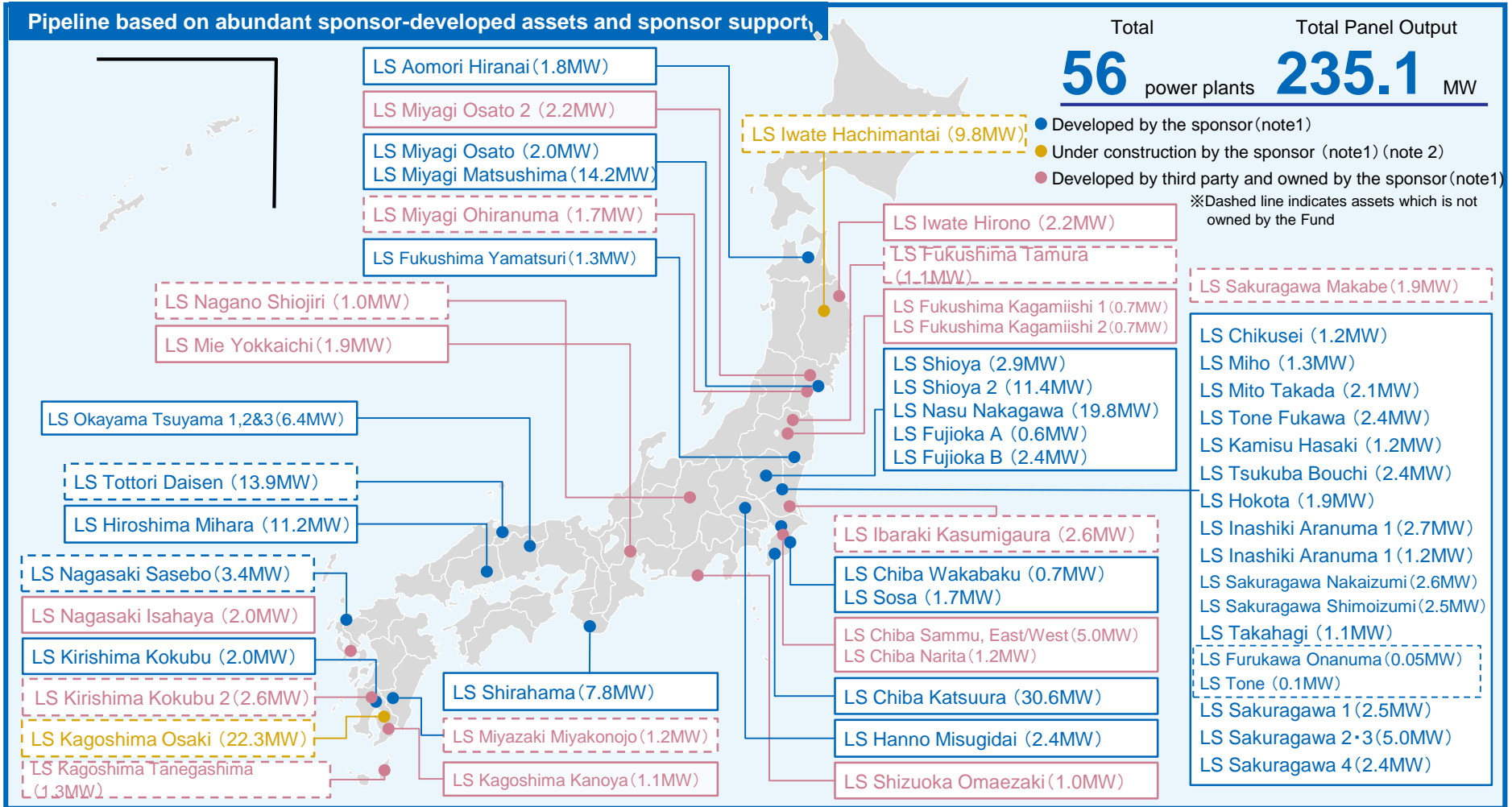
► Breakdown of borrowings (as of end-May 2022)



| | | | |
|-------------------------------------|-------|------------------------|------|
| Sumitomo Mitsui Banking Corporation | 17.0% | Gunma Bank | 1.9% |
| Shinsei Bank | 16.2% | Hyakujushi Bank | 1.6% |
| Asahi Shinkin Bank | 11.3% | Chugoku Bank | 1.3% |
| San Ju San Bank | 7.4% | Tochigi Bank | 1.1% |
| Chiba Bank | 6.0% | Johoku Shinkin Bank | 0.9% |
| Mizuho Bank | 5.6% | Higashi-Nippon Bank | 0.7% |
| Resona Bank | 5.5% | Nishi-Nippon City Bank | 0.5% |
| Hiroshima Bank | 5.0% | Bank of Fukuoka | 0.5% |
| Tsukuba Bank | 4.2% | Michinoku Bank | 0.5% |
| Ashikaga Bank | 3.9% | Kiraboshi Bank | 0.5% |
| Kansai Mirai Bank | 2.6% | Chiba Kogyo Bank | 0.4% |
| Iyo Bank | 2.6% | Joyo Bank | 0.2% |
| Daishi Hokuetsu Bank | 2.5% | | |

Growth opportunities capitalizing on abundant sponsor pipeline

- The Fund will focus on increasing asset size by leveraging the Sponsor pipeline as part of its core strategy for external growth.



(note1): The image shown here depicts, as of the end of May 2022, assets developed by the sponsor, assets currently being developed by the sponsor, and assets developed by a third party that were acquired by the sponsor. The image includes assets held by the Fund, but other than those shown, there are no power plants already acquired, or scheduled to be acquired, by the Fund as of July 2022 and we make no guarantee that other assets will be acquired in the future.

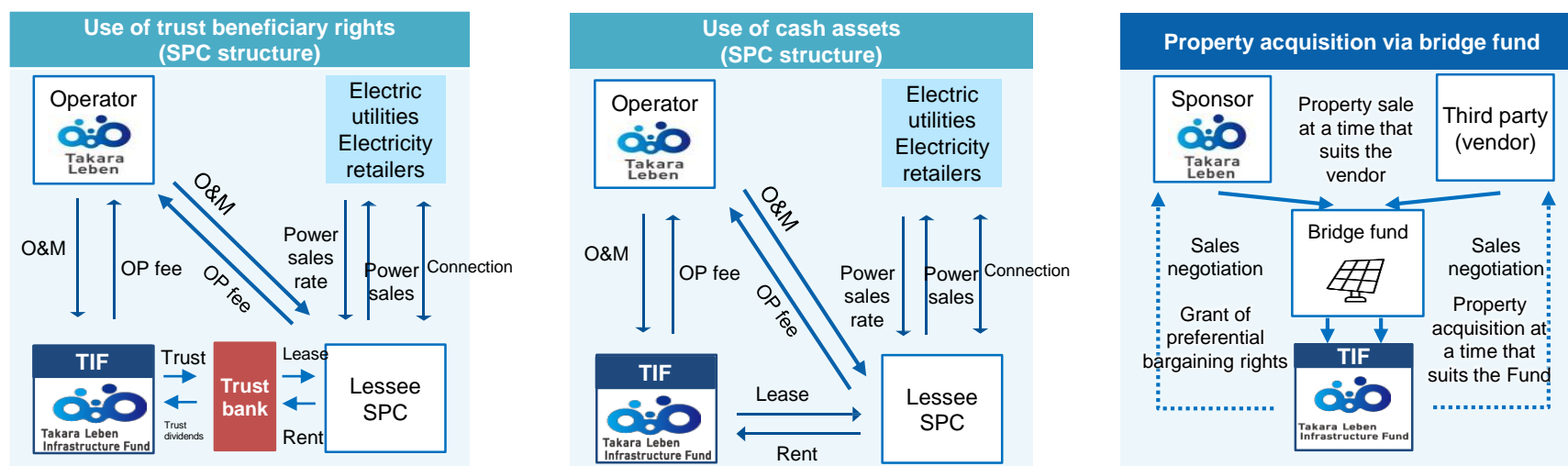
(note 2): Panel output figures for the solar energy projects under construction are based on the construction plans as of May 2022 and may differ from actual output once completed and in operation.

Asset Manager approved to engage in concurrent business

- The operator of the Fund, Takara Asset Management, obtained approval to engage in the concurrent business of acquiring renewable energy power plants and other facilities.
- This means when multiple projects are being considered at the same time, only the power plants that do not satisfy the investment standards of an investment corporation can be acquired by the asset management company. This generates greater interest for the entity acquiring properties, which in turn has the potential to bring more properties into an investment portfolio.^(note 1)

Tapping new growth opportunities by diversifying acquisition methods

- For acquired assets, the impact of operator insolvency can be minimized to some extent with the use of an SPC structure. It can also facilitate smooth and flexible financing from lenders and potentially increase external property acquisition opportunities.
- LS Okayama Tsuyama 1, 2 & 3 and LS Chiba Katsuura were acquired under a method using trust beneficiary rights.
- Even for assets other than those scheduled to be acquired, the use of a bridge fund means a property can be acquired in the future at a time that suits both the Fund and the vendor. This too has the potential to create more property acquisition opportunities.



Note 1: In order to prevent competition for the acquisition of properties between the Fund and the Asset Manager, when commencing this business, the Asset Manager will consider acquiring only properties that do not meet the investment standards of the Fund, or properties the Fund has decided it is unable to acquire because of problems concerning the timing of financing even if they satisfy the investment standards and the Fund uses warehousing or other financing methods. The Fund will be given priority to consider all property acquisition opportunities, therefore the commencement of this business by the Asset Manager will not affect the Fund's property acquisition opportunities. And when the Asset Manager invests in a property for this concurrent business, it will not engage in any acts of competition with an investment project of the Fund that may be damaging to the Fund. It also should be noted that from the perspective of preventing the adverse effects of self-dealing (item 2 of Article 195 of the Act on Investment Trusts and Investment Corporations and item 1 of Article 42-2 of the Financial Instruments and Exchange Act), properties acquired under this concurrent business will not be sold to the Fund.

- **Revenue stability from mainly 20 years of minimum-guaranteed rent and upside potential in performance-linked rent**

Minimum-guaranteed rent based on projected power output

+

Performance-linked rent

Note 1: The calculation of minimum-guaranteed rent and performance-linked rent differs depending on the terms and conditions of the lease agreement for each property.
Note 2: Depending on the actual amount of power generated, the lessee may not be required to pay any performance-linked rent.

- **Planning for repairs and capital expenditure to sustain and improve longer-term asset management revenue**

- Outsourcing operation and maintenance (O&M) of solar power plants to contractors that possess technological know-how
- Formulating repair and capital expenditure plans for each property
- In principle, the lessees bear the costs of day-to-day maintenance, management, and repairs



Financial Results Forecasts

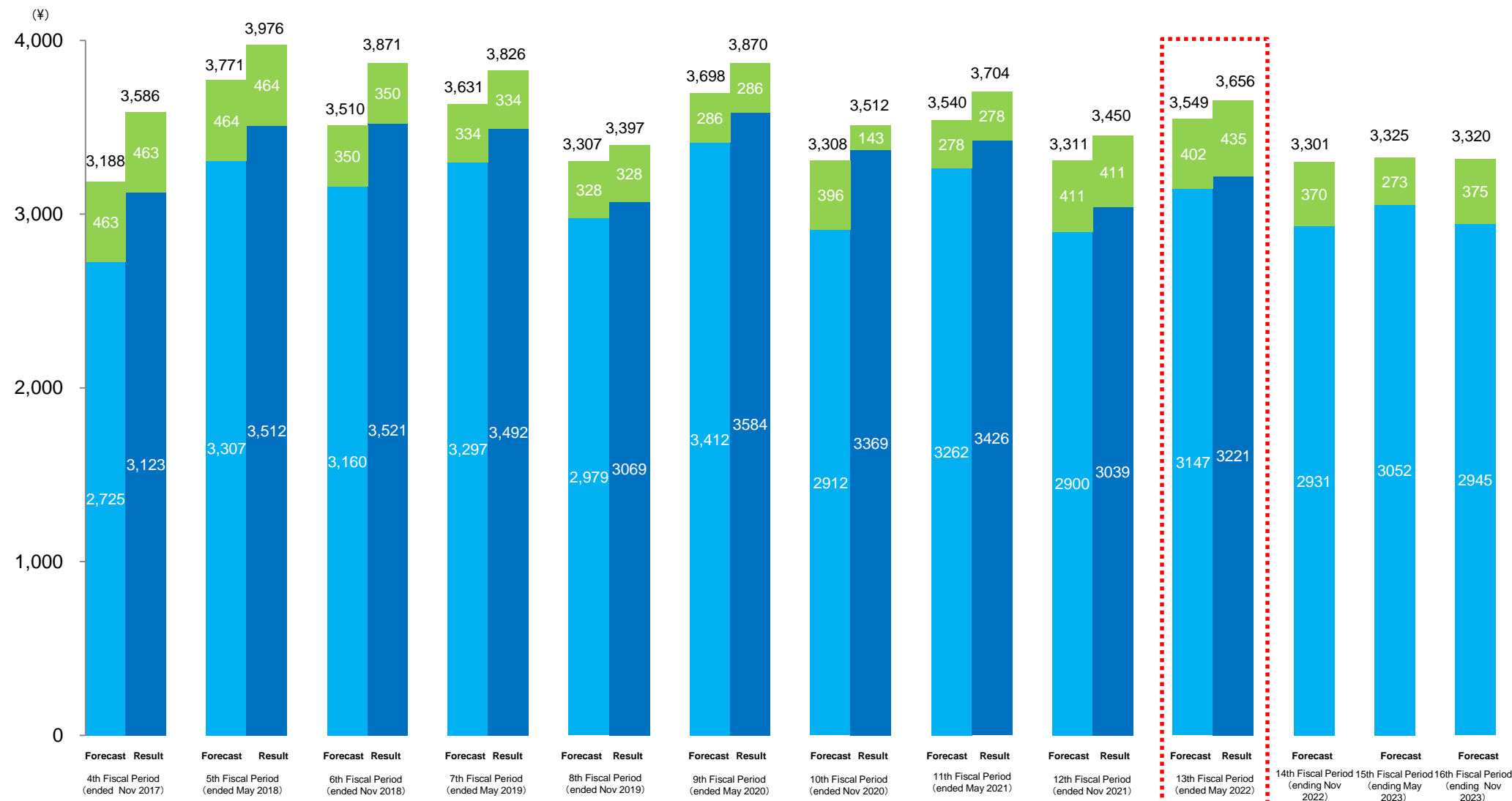
| | 14 th Fiscal Period (ending November 30, 2022) | 15 th Fiscal Period (ending May 31, 2023) | 16 th Fiscal Period (ending November 30, 2023) |
|--|--|---|--|
| Operating results | Forecast as of July 13, 2022 | Forecast as of July 13, 2022 | Forecast as of July 13, 2022 |
| Operating revenue | ¥3,469mn | ¥3,469mn | ¥3,452mn |
| Operating expenses | ¥2,372mn | ¥2,346mn | ¥2,362mn |
| Operating income | ¥1,097mn | ¥1,123mn | ¥1,090mn |
| Ordinary income | ¥875mn | ¥911mn | ¥879mn |
| Net income | ¥874mn | ¥910mn | ¥878mn |
| Total dividends per unit (incl. surplus earnings distribution) | ¥3,301 | ¥3,325 | ¥3,320 |
| Of which, ordinary dividends | ¥2,931 | ¥3,052 | ¥2,945 |
| Of which, surplus earnings distribution (refund of capital) | ¥370 | ¥273 | ¥375 |

Note 1: Amounts shown are rounded down to the nearest million yen.

Note 2: The forecasts are based on those disclosed in the summary of financial results dated July 13, 2022 and offer no guarantee of future distribution amounts.

Dividends Forecast and Result

- Ordinary Dividends per unit (Result)
- Ordinary Dividends per unit (Forecast)
- Excess of retained earnings per unit



Revenue Forecast for 14th Fiscal Period

(unit : ¥ thousands)

| No. | Name of Power Plant | Minimum Guaranteed Rent Income | Performance-linked Rent Income | Rent Expense (of which, depreciation costs) | | NOI (before depreciation) | NOI (after depreciation) |
|-------|------------------------------|--------------------------------|--------------------------------|--|-------------|---------------------------|--------------------------|
| S-01 | LS Shioya | 58,513 | - | 30,044 | (22,462) | 50,930 | 28,468 |
| S-02 | LS Chikusei | 24,631 | - | 12,483 | (9,002) | 21,150 | 12,147 |
| S-03 | LS Chiba Wakabaku | 15,231 | - | 6,830 | (4,457) | 12,858 | 8,401 |
| S-04 | LS Miho | 27,063 | - | 12,803 | (8,988) | 23,248 | 14,259 |
| S-05 | LS Kirishima Kokubu | 45,014 | - | 25,224 | (18,503) | 38,292 | 19,789 |
| S-06 | LS Sosa | 36,884 | - | 21,921 | (15,282) | 30,245 | 14,963 |
| S-07 | LS Miyagi Osato | 38,683 | - | 21,565 | (15,396) | 32,513 | 17,117 |
| S-08 | LS Mito Takada | 44,110 | - | 21,786 | (16,189) | 38,514 | 22,324 |
| S-09 | LS Aomori Hiranai | 38,851 | - | 19,556 | (12,680) | 31,975 | 19,295 |
| S-10 | LS Tone Fukawa | 54,136 | - | 27,724 | (20,231) | 46,642 | 26,411 |
| S-11 | LS Kamisu Hasaki | 24,900 | 663 | 16,265 | (10,417) | 19,715 | 9,297 |
| S-12 | LS Tsukuba Bouchi | 53,272 | 1,370 | 35,162 | (21,776) | 41,256 | 19,479 |
| S-13 | LS Hokota | 37,422 | 963 | 25,426 | (16,536) | 29,495 | 12,959 |
| S-14 | LS Nasu Nakagawa | 363,820 | 8,645 | 224,825 | (151,440) | 299,081 | 147,640 |
| S-15 | LS Fujioka A | 12,233 | 306 | 7,668 | (3,962) | 8,834 | 4,871 |
| S-16 | LS Inashiki Aranuma 1 | 54,909 | 1,394 | 33,683 | (20,070) | 42,691 | 22,621 |
| S-17 | LS Fujioka B | 48,529 | 1,215 | 30,172 | (19,634) | 39,206 | 19,572 |
| S-18 | LS Inashiki Aranuma 2 | 24,990 | 665 | 18,207 | (11,124) | 18,572 | 7,448 |
| S-19 | LS Sakuragawa Shimoizumi | 50,419 | 1,261 | 32,847 | (20,625) | 39,458 | 18,833 |
| S-20 | LS Fukushima Yamatsuri | 26,182 | 564 | 17,301 | (10,646) | 20,092 | 9,445 |
| S-21 | LS Shizuoka Omaezaki | 23,175 | 637 | 14,844 | (9,841) | 18,810 | 8,968 |
| S-22 | LS Mie Yokkaichi | 42,671 | 922 | 26,490 | (17,987) | 35,091 | 17,103 |
| S-23 | LS Sakuragawa Nakaizumi | 52,883 | 1,342 | 34,744 | (21,744) | 41,225 | 19,481 |
| S-24 | LS Shirahama | 162,942 | 4,304 | 105,681 | (62,359) | 123,925 | 61,565 |
| S-25 | LS Takahagi | 20,579 | 534 | 12,834 | (8,048) | 16,327 | 8,279 |
| S-26 | LS Hanno Misugidai | 41,426 | 1,019 | 19,486 | (7,299) | 30,258 | 22,958 |
| S-27 | LS Sakuragawa 1 | 49,546 | 980 | 36,923 | (22,023) | 35,626 | 13,603 |
| S-28 | LS Sakuragawa 4 | 45,780 | 881 | 36,701 | (21,071) | 31,031 | 9,960 |
| S-29 | LS Chiba Sammu East and West | 103,169 | 2,148 | 61,058 | (43,015) | 87,275 | 44,259 |
| S-30 | LS Nagasaki Isahaya | 32,066 | 570 | 24,198 | (15,933) | 24,372 | 8,438 |
| S-31 | LS Shioya 2 | 207,118 | 3,987 | 133,346 | (89,232) | 166,991 | 77,758 |
| S-32 | LS Hiroshima Mihara | 244,846 | 3,618 | 150,040 | (95,406) | 193,831 | 98,424 |
| S-33 | LS Sakuragawa 2&3 | 97,135 | 1,949 | 76,135 | (45,686) | 68,636 | 22,949 |
| S-34 | LS Fukushima Kagamiishi 1 | 10,195 | 161 | 7,571 | (4,753) | 7,538 | 2,785 |
| S-35 | LS Fukushima Kagamiishi 2 | 10,427 | 164 | 7,845 | (5,062) | 7,809 | 2,747 |
| S-36 | LS Chiba Narita | 22,251 | - | 16,455 | (10,867) | 16,664 | 5,796 |
| S-37 | LS Iwate Hirono | 45,164 | - | 30,238 | (20,312) | 35,238 | 14,926 |
| S-38 | LS Miyagi Matsushima | 213,441 | - | 128,007 | (79,212) | 164,646 | 85,433 |
| S-39 | LS Kagoshima Kanoya | 24,648 | 510 | 17,795 | (11,996) | 19,360 | 7,364 |
| S-40 | LS Miyagi Osato 2 | 43,165 | 969 | 28,778 | (19,469) | 34,826 | 15,357 |
| S-41 | LS Okayama Tsuyama 1,2&3 | 140,142 | 2,472 | 94,419 | (55,016) | 103,211 | 48,195 |
| S-42 | LS Chiba Katsuura | 699,246 | 13,575 | 608,704 | (240,560) | 608,704 | 368,143 |
| Total | | 3,411,828 | 57,802 | 2,049,778 | (1,336,330) | 2,756,181 | 1,419,851 |

(Note 1) Number less than one thousand has been omitted.

(Note 2) Revenue for S-01 to S-10, and S-36 to S-38 show minimum guaranteed rent which equals to estimated generation income based on 50th percentile of excess probability mentioned in the third-party report.
Revenue for S-11 to S-35, and S-38 to S-42 show minimum guaranteed rent which equals to estimated generation income based on 75th percentile of excess and performance-linked rent based on 50th percentile of excess probability mentioned in the third-party report.

I. Performance Overview for 12th Fiscal Period

II. Major Topics

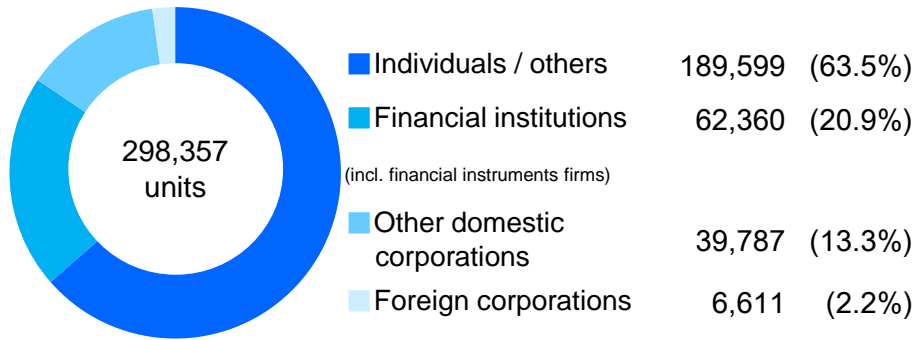
III. Future Investment Strategies

IV. Appendix

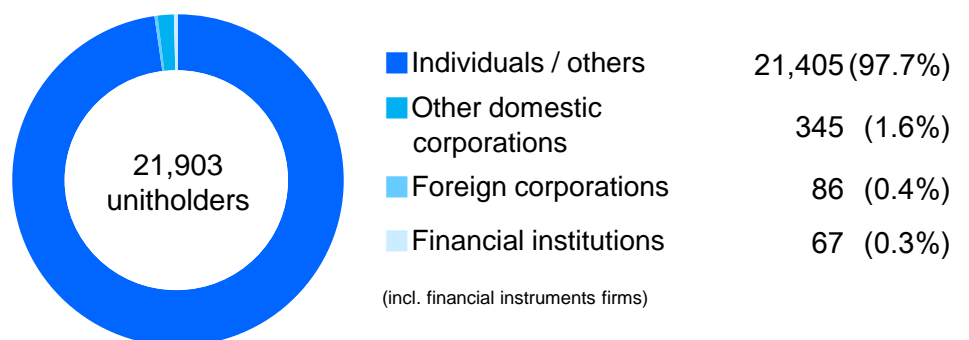


Investors in 13th Fiscal Period (ended May 31, 2022)

Number of investment units



Number of unitholders



Note: Decimals are rounded to the nearest whole number and may not add up to 100%.

| Name | | Number of investment units held | Percentage of units held* |
|-------|--|---------------------------------|---------------------------|
| 1 | Takara Leben Co., Ltd. | 19,686 | 6.59% |
| 2 | The Hachijuni Bank, Ltd. | 6,554 | 2.19% |
| 3 | The Bank of Fukuoka, Ltd. | 6,285 | 2.10% |
| 4 | The Master Trust Bank of Japan, Ltd. (trust account) | 5,091 | 1.70% |
| 5 | The Rokinren Bank | 4,422 | 1.48% |
| 6 | Yamato Shinkin Bank, Ltd. | 3,557 | 1.19% |
| 7 | Aozora Bank, Ltd. | 3,361 | 1.12% |
| 8 | Aichi Bank, Ltd. | 2,668 | 0.89% |
| 9 | The Fukuho Bank, Ltd. | 2,348 | 0.78% |
| 10 | Individuals | 2,037 | 0.68% |
| Total | | 56,009 | 18.77% |

Note: Percentage are rounded down to two decimal places.

Reference: Takara Leben Group's investment in the Fund

21,361

7.16%

Balance Sheet for 13th Fiscal Period (ended May 31, 2022)

Assets

| Current assets | | |
|--|--|------------|
| Cash and deposits | | 3,075,253 |
| Cash and deposits in trust | | 238,841 |
| Operating accounts receivable | | 802,327 |
| Prepaid expenses | | 264,955 |
| Consumption tax refund receivable | | 1,427,428 |
| Other | | 744 |
| Total current assets | | 5,809,551 |
| Fixed assets | | |
| Property, plant, and equipment | | |
| Buildings | | 32,044 |
| Accumulated depreciation | | -2,868 |
| Buildings (net) | | 29,175 |
| Structures | | 16,655,242 |
| Accumulated depreciation | | -2,777,709 |
| Structures (net) | | 13,877,532 |
| Machinery and equipment | | 28,135,029 |
| Accumulated depreciation | | -4,489,281 |
| Machinery and equipment (net) | | 23,645,748 |
| Tools, furniture, and fixtures | | 546,622 |
| Accumulated depreciation | | -402,494 |
| Tools, furniture, and fixtures (net) | | 144,127 |
| Trust structures | | 5,889,541 |
| Accumulated depreciation | | -123,680 |
| Trust structures (net) | | 5,765,861 |
| Trust machinery and equipment | | 7,866,024 |
| Accumulated depreciation | | -165,186 |
| Trust machinery and equipment (net) | | 7,700,837 |
| Trust tools, furniture, and fixtures | | 64,792 |
| Accumulated depreciation | | -6,479 |
| Trust tools, furniture, and fixtures (net) | | 58,313 |
| Land | | 7,502,962 |
| Total property, plant, and equipment | | 58,724,558 |
| Intangible assets | | |
| Leaseholds | | 3,116,086 |
| Trust leaseholds | | 184,724 |
| Software | | 299 |
| Total intangible assets | | 3,301,110 |
| Investments and other assets | | |
| Guarantee money paid | | 21,500 |
| Deferred tax assets | | 13 |
| Long-term prepaid expenses | | 601,644 |

(¥ thousand)

| Other | 20 |
|------------------------------------|------------|
| Total investments and other assets | 623,178 |
| Total fixed assets | 62,648,847 |
| Deferred assets | |
| Investment unit issuance expenses | 40,528 |
| Total deferred assets | 40,528 |
| Total assets | 68,498,928 |

Liabilities and net assets

| Current liabilities | |
|--|------------|
| Operating accounts payable | 85,226 |
| Current portion of long-term loans payable | 2,617,647 |
| Accounts payable—other | 238,736 |
| Accrued expenses | 816 |
| Income taxes payable | 887 |
| Consumption taxes payable | 35,392 |
| Deposits received | 1,205 |
| Total current liabilities | 2,979,911 |
| Long-term liabilities | |
| Long-term borrowings | 34,474,018 |
| Other | 18,994 |
| Total long-term liabilities | 34,493,012 |
| Total liabilities | 37,472,924 |
| Net assets | |
| Unitholders' equity | |
| Unitholders' capital | 30,549,733 |
| Deduction from unitholders' capital | -484,750 |
| Unitholders' capital (net value) | 30,064,983 |
| Surplus | |
| Unappropriated retained earnings or loss (-) | 961,020 |
| Total surplus | 961,020 |
| Total unitholders' equity | 31,026,004 |
| Total net assets | 31,026,004 |
| Total liabilities and net assets | 68,498,928 |

Income Statement for 13th Fiscal Period (ended May 31, 2022)

(¥ thousand)

| | |
|---|-----------|
| Operating revenue | |
| Rent revenue from mainly renewable energy power plants etc. | 3,545,430 |
| Total operating revenue | 3,545,430 |
| Operating expenses | |
| Rent expenses for mainly renewable energy power plants etc. | 2,095,324 |
| Asset management fees | 202,527 |
| Asset custody and general administrative service fees | 14,376 |
| Executive remuneration | 2,400 |
| Other operating expenses | 61,011 |
| Total operating expenses | 2,375,640 |
| Operating income | 1,169,789 |
| Non-operating income | |
| Interest income | 21 |
| Reversal of dividends payable | 632 |
| Insurance proceeds | 12,162 |
| Total non-operating income | 12,817 |
| Non-operating expenses | |
| Interest expenses | 163,443 |
| Financing-related expenses | 43,712 |
| Amortization of investment unit issuance expenses | 13,685 |
| Total non-operating expenses | 220,841 |
| Ordinary income | 961,765 |
| Income before taxes | 961,765 |
| Income taxes—current | 890 |
| Income taxes—deferred | 0 |
| Total income taxes | 891 |
| Net income | 960,874 |
| Retained earnings brought forward | 146 |
| Unappropriated retained earnings | 961,020 |

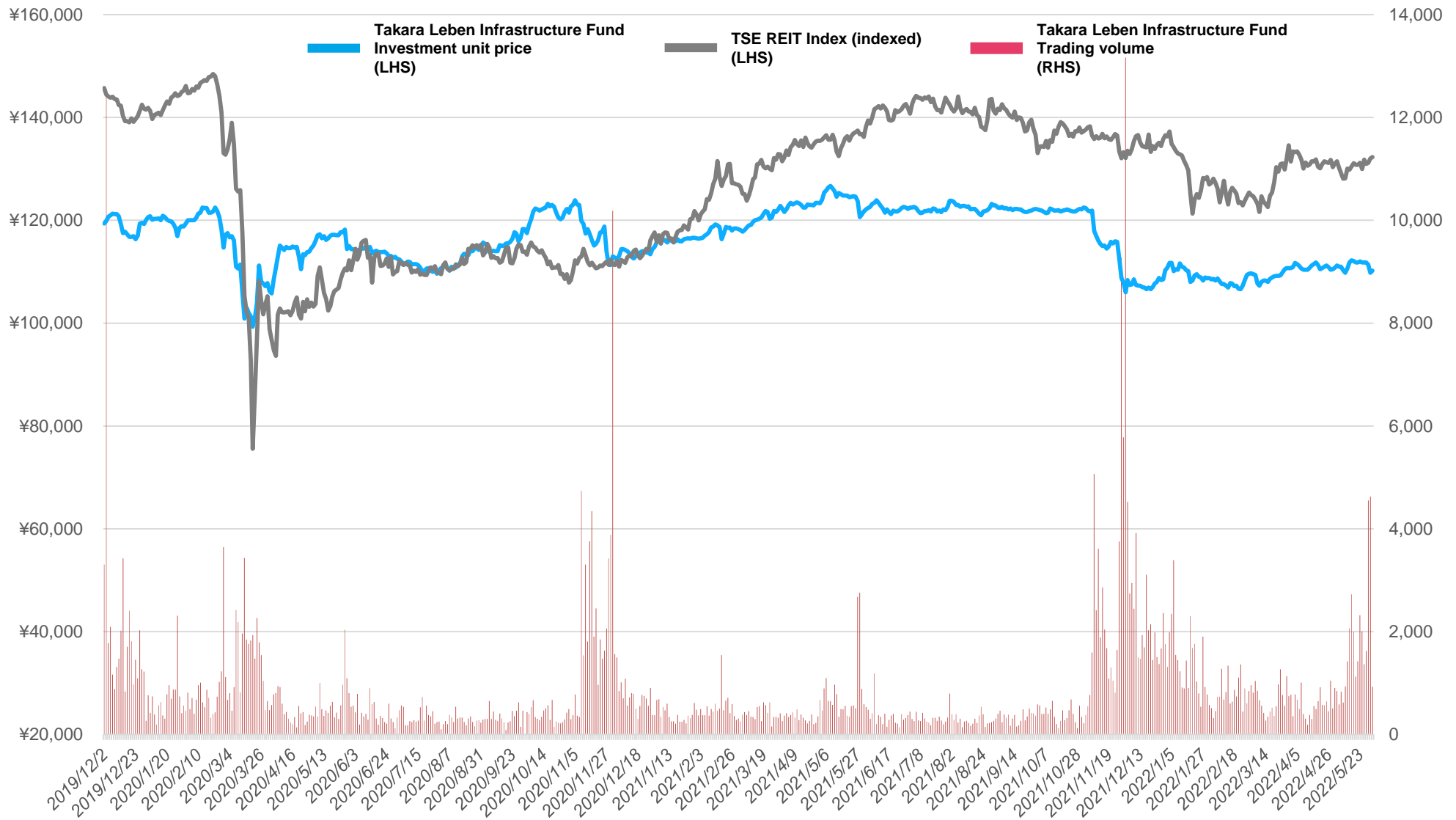
Portfolio Data

| | Name of Power Plant | Location | Purchase price (¥ Million) | Period-end appraisal value (¥ Million) (Note) | Ratio (%) | Panel output (kW) | FIT price (Yen) | Operator |
|-------|------------------------------|----------------------------------|--------------------------------|---|-----------|-------------------|-----------------|--------------|
| S-01 | LS Shioya | Shioya-gun, Tochigi | 1,315 | 1,200 | 1.8% | 2,987.25 | 40 | Takara Leben |
| S-02 | LS Chikusei | Chikusei-shi, Ibaraki | 540 | 514 | 0.8% | 1,205.67 | 40 | Takara Leben |
| S-03 | LS Chiba Wakabaku | Chiba-shi, Chiba | 271 | 300 | 0.4% | 705.10 | 40 | Takara Leben |
| S-04 | LS Miho | Inashiki-gun, Ibaraki | 498 | 528 | 0.8% | 1,373.70 | 36 | Takara Leben |
| S-05 | LS Kirishima Kokubu | Kirishima-shi, Kagoshima | 937 | 869 | 1.3% | 2,009.28 | 40 | Takara Leben |
| S-06 | LS Sosa | Sosa-shi, Chiba | 666 | 591 | 0.9% | 1,796.08 | 36 | Takara Leben |
| S-07 | LS Miyagi Osato | Kurokawa-gun, Miyagi | 818 | 773 | 1.1% | 2,040.00 | 36 | Takara Leben |
| S-08 | LS Mito Takada | Mito-shi, Ibaraki | 991 | 961 | 1.4% | 2,128.00 | 36 | Takara Leben |
| S-09 | LS Aomori Hiranai | Higashi-tsugaru-gun, Aomori | 705 | 682 | 1.0% | 1,820.00 | 36 | Takara Leben |
| S-10 | LS Tone Fukawa | Kita-soma-gun, Ibaraki | 1,261 | 1,211 | 1.8% | 2,467.08 | 36 | Takara Leben |
| S-11 | LS Kamisu Hasaki | Kamisu-shi, Ibaraki | 470 | 440 | 0.6% | 1,200.00 | 36 | Takara Leben |
| S-12 | LS Tsukuba Bouchi | Tsukuba-shi, Ibaraki | 890 | 853 | 1.2% | 2,469.60 | 40 | Takara Leben |
| S-13 | LS Hokota | Hokota-shi, Ibaraki | 735 | 651 | 1.0% | 1,913.60 | 36 | Takara Leben |
| S-14 | LS Nasu Nakagawa | Nasu-gun, Tochigi | 8,315 | 7,584 | 11.1% | 19,800.00 | 36 | Takara Leben |
| S-15 | LS Fujioka A | Tochigi-shi, Tochigi | 265 | 257 | 0.4% | 612.00 | 36 | Takara Leben |
| S-16 | LS Inashiki Aranuma 1 | Inashiki-shi, Ibaraki | 925 | 949 | 1.4% | 2,725.68 | 36 | Takara Leben |
| S-17 | LS Fujioka B | Tochigi-shi, Tochigi | 1,091 | 1,079 | 1.6% | 2,420.80 | 36 | Takara Leben |
| S-18 | LS Inashiki Aranuma 2 | Inashiki-shi, Ibaraki | 422 | 421 | 0.6% | 1,200.00 | 36 | Takara Leben |
| S-19 | LS Sakuragawa Shimoizumi | Sakuragawa-shi, Ibaraki | 955 | 948 | 1.4% | 2,535.04 | 36 | Takara Leben |
| S-20 | LS Fukushima Yamatsuri | Higashi-shirakawa-gun, Fukushima | 468 | 464 | 0.7% | 1,327.36 | 36 | Takara Leben |
| S-21 | LS Shizuoka Omaezaki | Omaezaki-shi, Shizuoka | 484 | 434 | 0.6% | 1,098.24 | 36 | Takara Leben |
| S-22 | LS Mie Yokkaichi | Yokkaichi-shi, Mie | 740 | 678 | 1.0% | 1,984.50 | 40 | Takara Leben |
| S-23 | LS Sakuragawa Nakaizumi | Sakuragawa-shi, Ibaraki | 980 | 991 | 1.4% | 2,698.24 | 36 | Takara Leben |
| S-24 | LS Shirahama | Nishimuro-gun, Wakayama | 2,810 | 2,790 | 4.1% | 7,839.76 | 36 | Takara Leben |
| S-25 | LS Takahagi | Takahagi-shi, Ibaraki | 400 | 435 | 0.6% | 1,194.60 | 32 | Takara Leben |
| S-26 | LS Hanno Misugidai | Hanno-shi, Saitama | 758 | 959 | 1.4% | 2,402.40 | 32 | Takara Leben |
| S-27 | LS Sakuragawa 1 | Sakuragawa-shi, Ibaraki | 870 | 887 | 1.3% | 2,545.92 | 36 | Takara Leben |
| S-28 | LS Sakuragawa 4 | Chikusei-shi, Ibaraki | 826 | 788 | 1.1% | 2,421.12 | 36 | Takara Leben |
| S-29 | LS Chiba Sammu East and West | Sammu-shi, Chiba | 2,290 | 2,246 | 3.3% | 5,059.20 | 36 | Takara Leben |
| S-30 | LS Nagasaki Isahaya | Isahaya-shi, Nagasaki | 575 | 562 | 0.8% | 2,022.46 | 27 | Takara Leben |
| S-31 | LS Shioya 2 | Shioya-gun, Tochigi | 4,797 | 4,873 | 7.1% | 11,469.60 | 36 | Takara Leben |
| S-32 | LS Hiroshima Mihara | Mihara-shi, Hiroshima | 4,500 | 4,782 | 7.0% | 11,216.70 | 36 | Takara Leben |
| S-33 | LS Sakuragawa 2&3 | Sakuragawa-shi, Ibaraki | 1,650 | 1,655 | 2.4% | 5,091.84 | 36 | Takara Leben |
| S-34 | LS Fukushima Kagamiishi 1 | Iwase-gun, Fukushima | 178 | 168 | 0.2% | 712.32 | 27 | Takara Leben |
| S-35 | LS Fukushima Kagamiishi 2 | Iwase-gun, Fukushima | 187 | 175 | 0.3% | 712.32 | 27 | Takara Leben |
| S-36 | LS Chiba Narita | Narita-shi, Chiba | 425 | 402 | 0.6% | 1,296.00 | 32 | Takara Leben |
| S-37 | LS Iwate Hirono | Kunohe-gun, Iwate | 843 | 810 | 1.2% | 2,273.70 | 36 | Takara Leben |
| S-38 | LS Miyagi Matsushima | Miyagi-gun, Miyagi | 4,320 | 4,665 | 6.8% | 14,246.40 | 24 | Takara Leben |
| S-39 | LS Kagoshima Kanoya | Kanoya-shi, Kagoshima | 390 | 366 | 0.5% | 1,172.08 | 40 | Takara Leben |
| S-40 | LS Miyagi Osato 2 | Kurokawa-gun, Miyagi | 894 | 861 | 1.3% | 2,231.10 | 36 | Takara Leben |
| S-41 | LS Okayama Tsuyama 1,2&3 | Tsuyama-shi, Okayama | 2,650 | 2,634 | 3.8% | 6,477.74 | 36 | Takara Leben |
| S-42 | LS Chiba Katsuura | Katsuura-shi, Chiba | 14,466 | 15,081 | 22.0% | 30,636.00 | 36 | Takara Leben |
| Total | | | 68,576 | 68,526 | 100.0% | 171,538.48 | - | |

Investment Unit Price (December 1, 2019 to May 31, 2022)

(investment unit price: ¥)

(trading volume: units)



History

| | |
|-------------------|--|
| August 3, 2015 | Notification of incorporation of the Fund by the organizer (Takara Asset Management Co., Ltd.) pursuant to Article 69, paragraph 1 of the Act on Investment Trusts and Investment Corporations |
| August 5, 2015 | Registration of incorporation and establishment of the Fund pursuant to Article 166 of the Act on Investment Trusts and Investment Corporations |
| August 14, 2015 | Application for registration pursuant to Article 188 of the Act on Investment Trusts and Investment Corporations |
| September 2, 2015 | Registration by the Prime Minister pursuant to Article 187 of the Act on Investment Trusts and Investment Corporations (registration number 105, Director-General, Kanto Finance Bureau) |
| June 2, 2016 | Listing on the infrastructure fund market of the Tokyo Stock Exchange (code: 9281) |
| June 2, 2016 | Acquisition of 10 solar power generation plants (acquisition price: ¥7,870mn; panel output: 17,881.63kW) |
| February 7, 2017 | Acquisition of LS Kamisu Hasaki (acquisition price: ¥470mn; panel output: 1,200.00kW) |
| June 1, 2017 | Acquisition of seven solar power generation plants (acquisition price: ¥12,607mn; panel output: 30,942.00kW) |
| October 2, 2017 | Additional acquisition of extra capacity at LS Inashiki Aranuma 1 (acquisition price: ¥36mn; panel output: 199.68kW) |
| October 12, 2017 | Additional acquisition of extra capacity at LS Chikusei (acquisition price: ¥21mn; panel output: 122.43kW) |
| November 16, 2017 | Additional acquisition of extra capacity at LS Chiba Wakabaku (acquisition price: ¥48mn; panel output: 209.88kW) |
| November 27, 2017 | Additional acquisition of extra capacity at LS Miho (acquisition price: ¥67mn; panel output: 318.00kW) |
| December 1, 2017 | Acquisition of two solar power generation plants (acquisition price: ¥1,423mn; panel output: 3,862.40kW) |
| February 28, 2018 | Acquisition of LS Shizuoka Omaezaki (acquisition price: ¥484mn; panel output: 1,098.24kW) |
| June 1, 2018 | Acquisition of four solar power generation plants (acquisition price: ¥4,930mn; panel output: 13,717.10kW) |
| June 28, 2019 | Acquisition of LS Hanno Misugidai (acquisition price: ¥758mn; panel output: 2,402.40kW) |
| December 2, 2019 | Acquisition of six solar power generation plants (acquisition price: ¥13,858mn; panel output: 34,735.00kW) |
| December 1, 2020 | Acquisition of six solar power generation plants (acquisition price: ¥7,603mn; panel output: 24,332.58kW) |
| December 1, 2021 | Acquisition of four solar power generation plants (acquisition price: ¥18,400mn; panel output: 40,516.92kW) |

Asset Manager Profile

| | |
|----------------|---|
| Name | Takara Asset Management Co., Ltd. |
| Address | Main Office Otemachi Nomura Bldg. 16F 2-1-1 Otemachi, Chiyoda-ku, Tokyo, Japan Shin-Otemachi Building Branch Shin-Otemachi Bldg. 8F 2-1-1 Otemachi, Chiyoda-ku, Tokyo, Japan |
| Established | October 28, 2013 |
| Capital | ¥250,000,000 |
| Representative | Representative Director & President, Mamoru Takahashi |
| Businesses | *Investment management business, type II financial instruments business, investment advisory and consulting |
| Stakeholder | 100% owned by Takara Leben Co., Ltd. (code: 8897, Tokyo Stock Exchange) |
| Licenses | Building Lots and Buildings Transaction Business: No. (2) 96550, Governor of Tokyo Discretionary Transaction Agent: No. 89, Minister of Land, Infrastructure, Transportation and Tourism Financial Instruments Business: No. 2851, Director-General, Kanto Finance Bureau (Financial Instruments and Exchange Act) Permission to engage in a Real Estate Specified Joint Enterprise: No 103, Financial Services Agency Commissioner and Land, Infrastructure, Transport and Tourism Minister |
| Membership | The Investment Trusts Association, Japan Type II Financial Instruments Firms Association Japan Investment Advisers Association The Tokyo Real Estate Public Interest Incorporated Association National Association For Real Estate Transaction Guaranty Japan Association of Asset Management Renewable Energy Association for Sustainable Power Supply |

Enquiries



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Asset Management

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