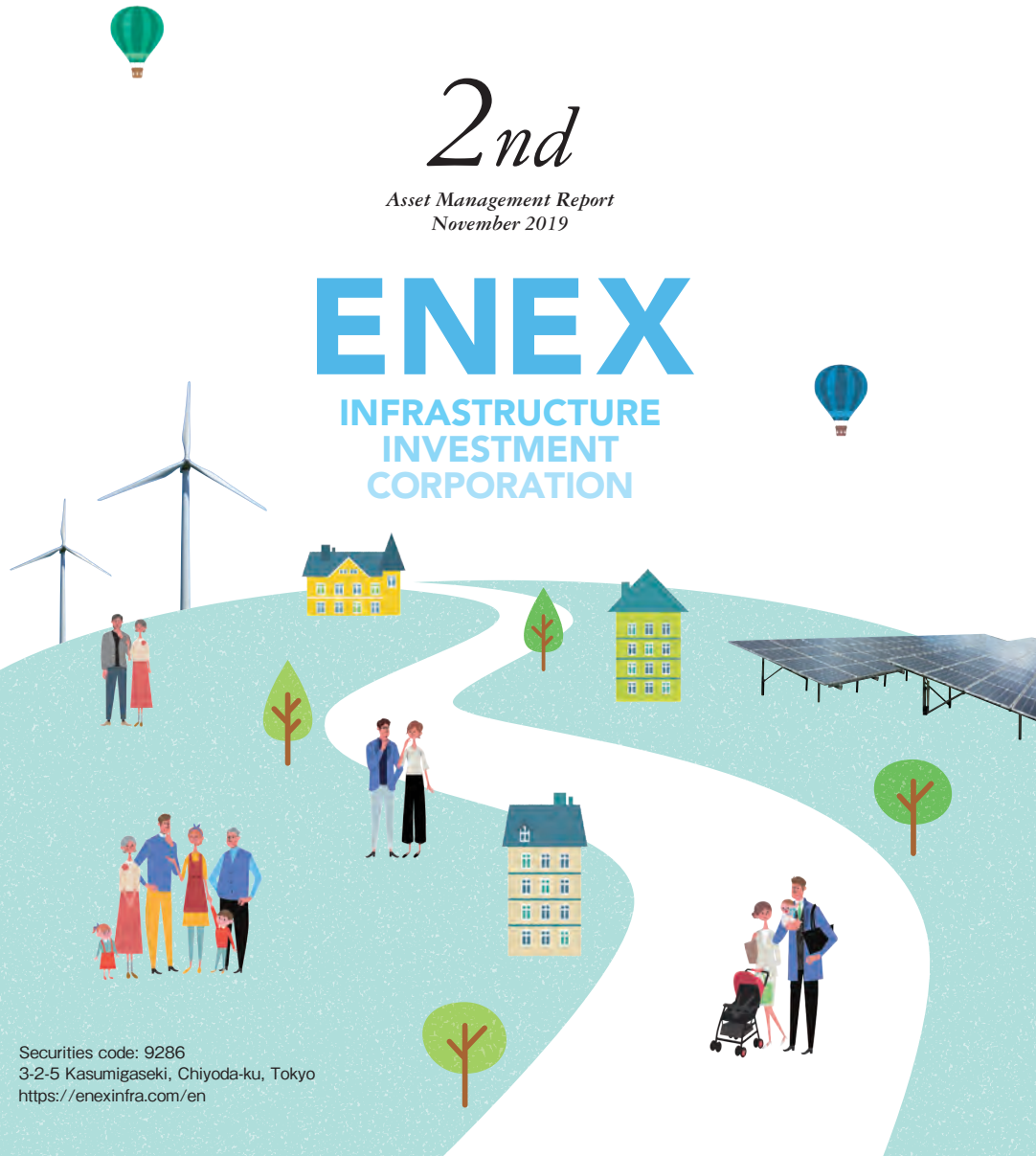


2nd Fiscal Period Annual Report

From December 1, 2018 to November 30, 2019

2nd
Asset Management Report
November 2019
ENEX
INFRASTRUCTURE
INVESTMENT
CORPORATION

2nd
Asset Management Report
November 2019
ENEX
INFRASTRUCTURE
INVESTMENT
CORPORATION



Securities code: 9286
3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo
<https://enexinfra.com/en>

Financial Highlights

Financial highlights
for the 2nd Fiscal period
ended November 2019

Distribution per unit	5,980 _{yen}						
Operating revenue	1,257 _{million yen}	Operating income	427 _{million yen}	Ordinary income	315 _{million yen}	Net income	308 _{million yen}
Total assets	20,096 _{million yen}	Net assets	8,420 _{million yen}	Net assets per unit	91,697 _{yen}		

Forecast distribution
per unit

3rd fiscal period
ending November 2020 **6,000_{yen}**

Acquisition of
credit rating

Enex Infrastructure Investment Corporation acquired a credit rating from Japan Credit Rating Agency, Ltd. (JCR) on August 30, 2019, as described below.

Rating agency	Subject of rating ^(*)	Rating ^(*)	Outlook
JCR	Long-term issuer rating	A-	Stable

*Long-term issuer rating A: High probability of fulfillment of obligations

To Our Unitholders

We aim to create a society considerate
of the global environment and
realize enriched life for people
through investment in renewable energy.



Under the management philosophy of “aiming to create a society considerate of the global environment for realizing enriched life for people through investment in renewable energy,” Enex Infrastructure Investment Corporation (EII) conducts investment management of renewable energy power generation facilities centering on solar power generation facilities in an effort to realize a sustainable society based on social demand. By doing so, EII will provide numerous investors with better opportunities to invest in renewable energy.

Recognizing our social and public mission, we will strictly implement legal compliance and corporate governance while striving to build sound assets from a medium-term to long-term perspective through thorough emphasis on the actual place, actual matter and actual situation. We appreciate your continued support and encouragement going forward.

Takayuki Yamamoto

Executive Officer
Enex Infrastructure Investment Corporation

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Top Interview

Takayuki Yamamoto

Representative Director, President and CEO
Enex Asset Management Co., Ltd.




Q What are the unique features of the investment corporation?


Enex Infrastructure Investment Corporation, or EII, is an investment corporation aiming to achieve growth, comprehensively supported by the sponsors that is led by Itochu Enex and has diverse characteristics and strengths. Itochu Enex is an electric power supplier with a proven track record of integrated operations ranging from development of sources of electricity, including renewable energy, to facility management and sales. Maiora has also been involved in developing renewable energy power generation facilities in and outside Japan. Meanwhile, Sumitomo Mitsui Trust Bank has ample experiences in finance, including accomplishments in conducting financing for renewable energy projects and operating REITs. Mercuria Investment has abundant achievements in investments through its fund management business in and outside Japan as well as in management of listed REITs abroad. We believe that EII's strength lies in the comprehensive capabilities uniting the know-how of these sponsors.

Enex Infrastructure Investment Corporation

Comprehensive support by the sponsors with diverse characteristics and strengths

 ITOCHU ENEX CO., LTD. (Note 1) Equity stake in the Asset Management Company: **50.1%**

 SUMITOMO MITSUI TRUST BANK Equity stake in the Asset Management Company: **22.5%**

 Mercuria Investment Co., Ltd. (Note 2) Equity stake in the Asset Management Company: **22.5%**

 MAIORA Maiora Asset Management Pte. Ltd. Equity stake in the Asset Management Company: **4.9%**

(Note 1) ITOCHU Group's energy trading company (listed on the First Section of the Tokyo Stock Exchange)
(Note 2) Investment management company having Development Bank of Japan Inc., ITOCHU Corporation and Sumitomo Mitsui Trust Bank, Limited as major shareholders. Listed on the Second Section of the Tokyo Stock Exchange in October 2016 and changed listing market to the First Section in December 2017.

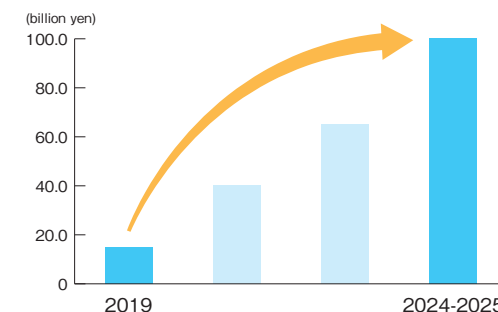
Q What is your investment policy?

Our basic policy is to invest in renewable energy power generation facilities backed by the feed-in tariff scheme that should contribute to stable dividends. Meanwhile, aside from solar power generation facilities, EII has secured wind and hydroelectric power generation facilities in its pipelines and, as our policy, we will aim to incorporate such facilities in the portfolio going forward. Underlying this policy is the achievements as an electric power supplier attained by Itochu Enex, the main sponsor. EII can have sources of electricity not limited to solar power generation in its portfolio. We consider this a strong advantage of EII.

Q What is your growth strategy going forward and medium-term goals?

At first, we will work to acquire pipeline properties owned, developed or being planned by the sponsors and for which EII has acquired preferential negotiation rights for sale and purchase. As for total assets, we aim to achieve a scale of 100 billion yen in five to six years since listing.

Moreover, while focusing on solar power generation facilities, we will work to incorporate wind and hydroelectric power generation facilities into the portfolio by taking advantage of the sourcing channels of the sponsors and the Asset Management Company. By doing so, we will endeavor to build a more diversified portfolio and further expand the asset size.



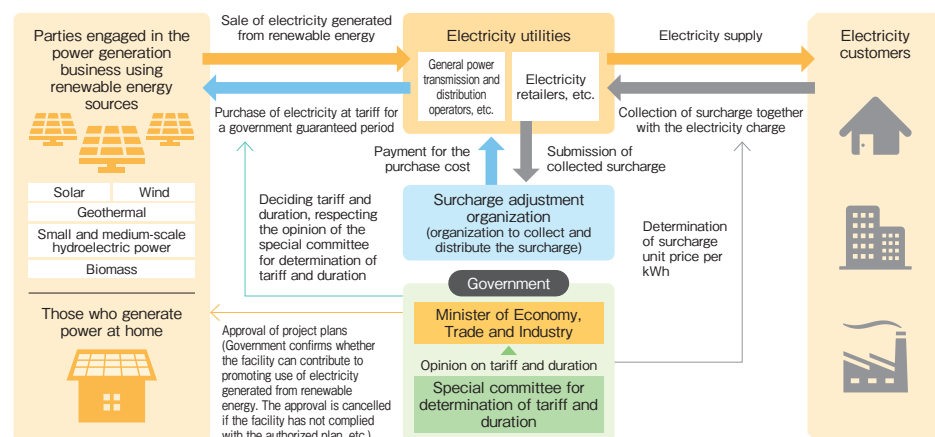
Q What are the characteristics of wind and hydroelectric power generation?

A characteristic of solar power is that there is little or lower power generation expected at night, on rainy days and in winter. In contrast, hydroelectric power can generate electricity at night, on rainy days and in winter as long as the water volume is not reduced. As for wind power, the wind situation in winter becomes favorable due to the distribution of atmospheric pressure in which high pressure lies to the west and low pressure to the east, so power generation tends to increase. As such, hydroelectric and wind power generation is mutually complementary to solar power generation, and should contribute to stabilizing power generation, as we see it.



Q Can you give an overview of the feed-in tariff scheme for renewable energy (FIT scheme)?

The FIT scheme was launched in July 2012 under the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities in order to spread renewable energy. It obliges utilities to purchase electricity generated from renewable energy over a set period of time at an officially certified price of electricity (tariff). The FIT scheme allows power operators to expect stable and continuous revenue from electricity sales.



Source: Prepared by the Asset Management Company based on "Feed-In Tariff Scheme in Japan" (July 2012) by the Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry

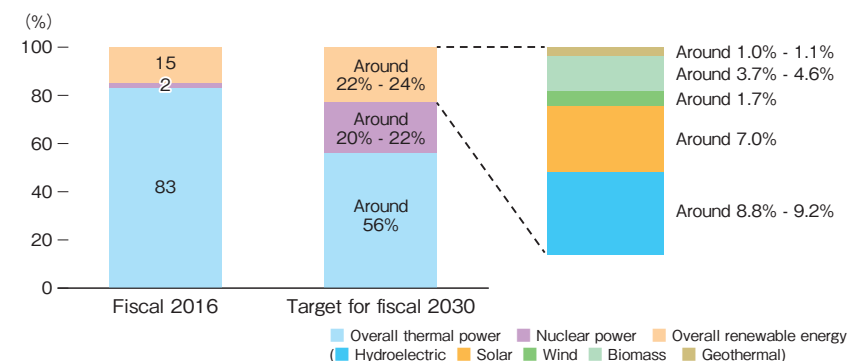
Q How do you intend to address the situation after the end of the FIT period?

Itochu Enex, as an electric power supplier, sells electricity by combining renewable energy, which is an unstable source of electricity, with thermal power generation and other sources of electricity purchased in the market. Accordingly, we can receive support from Itochu Enex for selling electricity even after the FIT period ends for the renewable energy power generation facilities EII has purchased.

Q Could you explain the environment surrounding renewable energy?

Given the global trend of expanding ESG investment, the Japanese market is also witnessing a rapid increase in the percentage of ESG investment. In addition, the cabinet approved the Fifth Strategic Energy Plan in 2018, which commands that the government should continue to proactively promote its initiatives for making renewable energy a major source of electricity to achieve the energy mix for fiscal 2030. Progress is also being made globally in adopting and expanding renewable energy.

■ Increasing Ratio of Renewable Energy in the Power Source Composition



Source: Prepared by the Asset Management Company based on "Policy Issues in the Era of Mass Introduction of Renewable Energy and Principles of Next-Generation Electricity Networks" (December 18, 2017) and "The Fifth Strategic Energy Plan" (July 3, 2018) by the Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry

Q Could you give a message to the unitholders?

EII was listed on the Infrastructure Fund Market at the Tokyo Stock Exchange in February 2019 and, supported by our unitholders and other stakeholders, closed accounts for the 2nd fiscal period (from December 1, 2018 to November 30, 2019), the first settlement since the listing. Introduction of renewable energy power generation facilities, in which EII targets to invest, takes the role of reducing CO₂ emissions and enhancing the energy self-sufficiency ratio, etc., and are highly expected to contribute to solving issues in Japan's energy policy. Based on this recognition, EII has laid out its basic philosophy of "aiming to contribute to the global environment and realize a sustainable society through adoption and expansion of eco-friendly renewable energy." Under this philosophy, we are determined to maximize unitholder value by steadily expanding the asset size and generating stable cash flows.



[Career summary] Takayuki Yamamoto

April 1990	Itochu Fuel Corporation (current: Itochu Enex Co., Ltd.)
April 2013	Assistant Manager of Power Project Department, Itochu Enex Co., Ltd. Director and General Manager of Operation Division, JEN Holdings Co., Ltd. (current: ENEX Electric Power Co., Ltd.)
September 2014	Assistant Manager of Power Project Department, Itochu Enex Co., Ltd. Director and General Manager of Operation Division, JEN Holdings Co., Ltd. (current: ENEX Electric Power Co., Ltd.)
April 2016	Representative Director and President, Sendai Power Station Co., Inc. General Manager for Power & Heat Business Development Department, Itochu Enex Co., Ltd. Representative Director and President, ENEX Electric Power Co., Ltd.
January 2017	Director (part-time), Sendai Power Station Co., Inc.
August 2018	Representative Director and President, Enex Asset Management Co., Ltd. (current position) Executive Director, Enex Infrastructure Investment Corporation (current position)

○ Features of Enex Infrastructure Investment Corporation

Strong and Steadfast Sponsor Support

EII aims to expand the asset size steadily and create stable cash flows by investing in renewable energy power generation facilities, capitalizing on the wide-ranging support from the sponsors centering on Itochu Enex. In addition, EII aims to maximize unitholder value by providing opportunities to invest in renewable energy power generation facilities, which are strongly expected to expand as social infrastructure.

Enex Infrastructure Investment Corporation

ITOCHU ENEX CO., LTD.

Equity stake: **50.1%** ITOCHU Group's energy trading company

SUMITOMO MITSUI TRUST BANK

Equity stake: **22.5%**
One of Japan's largest trust banks

Mercuria Investment Co., Ltd.

Equity stake: **22.5%**
A specialist in real estate and finance

MAJORA Asset Management Pte. Ltd.

Equity stake: **4.9%**
Ample achievements of investing in solar power generation facilities

1 Sponsor Pipelines providing a Variety of Asset Types

Solar power generation



Wind power generation

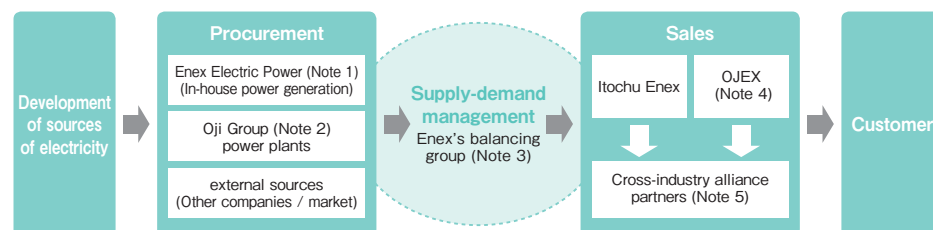


Hydroelectric power generation



2 A Vertically Integrated Model of the Itochu Enex Group Consolidating All Business Units from Power Generation to Sales

The Group has established a business model that vertically integrates and consolidates all business units from development of sources of electricity, supply-demand management to sales, contributing to stable supply of electricity to customers and reduction of electricity charges.



(Note 1) "Enex Electric Power" refers to Enex Electric Power Co., Ltd., a wholly owned subsidiary of Itochu Enex. The same shall apply hereinafter.

(Note 2) "Oji Group" collectively refers to Oji Holdings Corporation and its group companies.

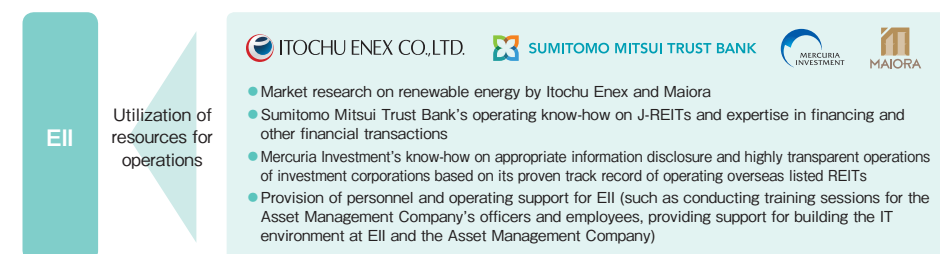
(Note 3) "Balancing group" refers to a mechanism in which multiple electricity retailers and general power transmission and distribution operators enter into a transportation service agreement and select a representative contractor.

(Note 4) "OJEX" is the abbreviation of "Oji-Itochu Enex Power Retailing Co., Ltd.," an electricity sales company jointly established by Itochu Enex and Oji Green Resources Co., Ltd., a subsidiary of Oji Holdings Corporation.

(Note 5) "Cross-industry alliance partners" refer to external broker/agent partners not holding the electricity retail license.

3 Utilization of Resources of Sponsor Companies for EII's Operations

EII believes that it can conduct stable operations after listing by utilizing the resources of the sponsors for EII's operations and for operating and managing renewable energy power generation facilities.



4 Stable Operation of Power Generation Facilities by ENEX Electric Power, the Operator

ENEX Electric Power has stably operated various power generation facilities and provided stable supply of energy since its establishment in 2002. It is an engineering group that provides quality services to customers and has strong awareness of cost control. Taking advantage of the strengths of Enex Power, EII seeks to maximize the power generation performance of its solar power generation facilities in an effort to maintain and improve their revenue and asset value.

Track record of stable operation of thermal/hydroelectric/wind power generation facilities requiring sophisticated operating skills and technology

• Operation and management system running around the clock
• Maintenance • Speedy troubleshooting

A group of engineers having field experience and expert skills and qualifications

• Accumulated know-how based on operating experience
• Analyzing problems and sharing the results

1. EII will seek stable operation of solar power generation facilities and prompt resolution of problems through cooperation with O&M service providers.

• EII will prevent problems (by inspecting/maintaining electricity/machinery, etc.), maintain the site (by mowing, cleaning, etc.), manage spare parts and repair/renew facilities.

2. EII will aim to maximize the power generation performance of its solar power generation facilities.

• EII will aim to maximize the power generation performance by managing/analyzing/reporting data.

Strong Pipeline Support

Major Assets for Investment

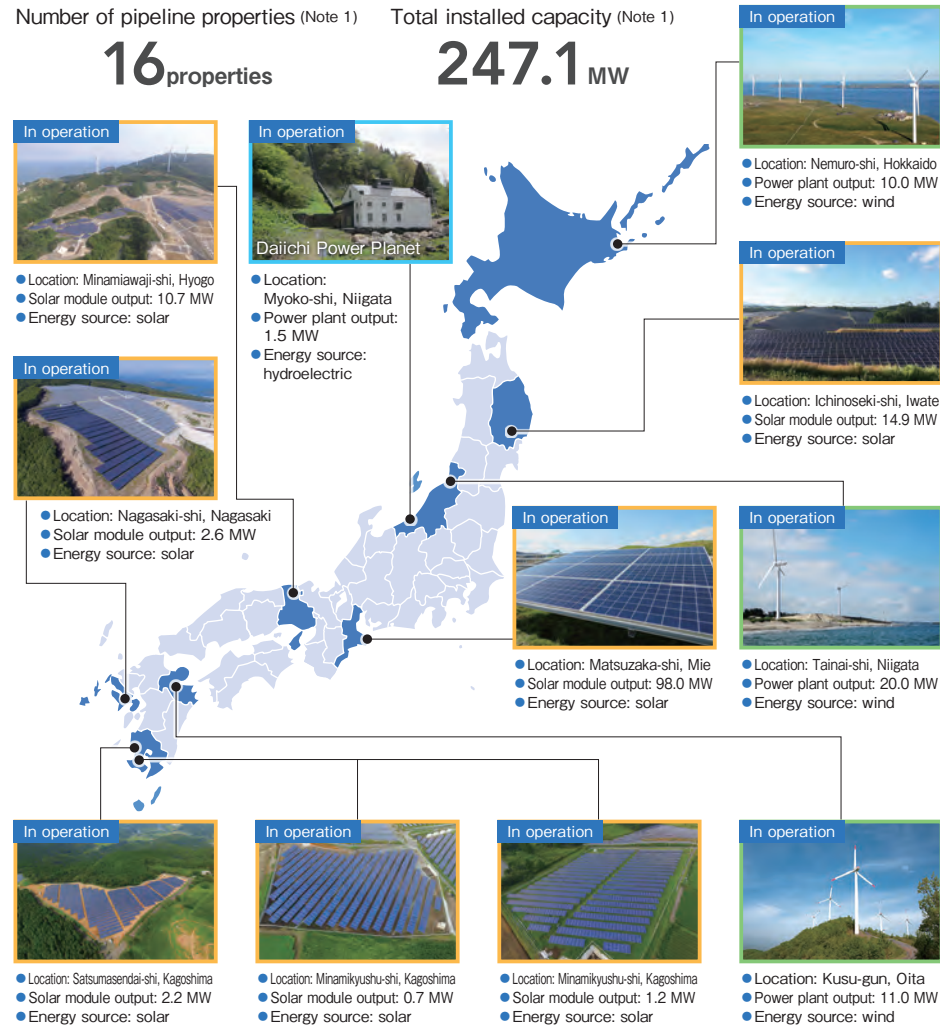
Solar power generation facilities

Investment ratio: 50% or more (based on acquisition price)

Wind power generation facilities, hydroelectric power generation facilities and others

Investment ratio: 50% or less (based on acquisition price)

Various Pipelines Owned by Sponsors (as of November 30, 2019)



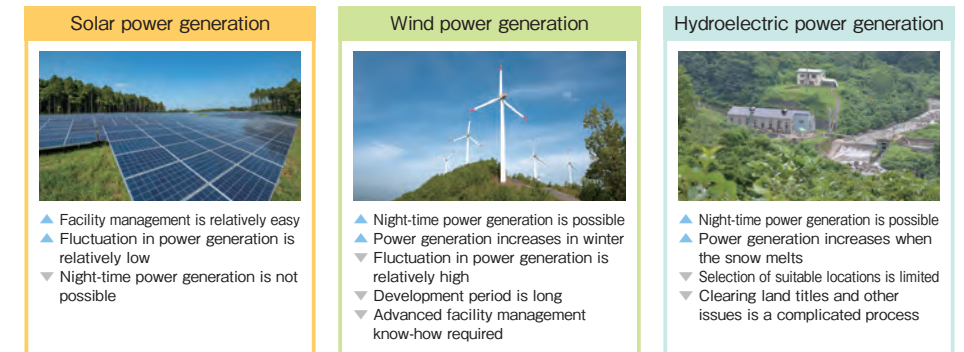
(Note 1) The number of pipeline properties and total installed capacity indicate the sum total of the power generation facilities, either in operation, under construction or being planned, which EII has not acquired.

(Note 2) The pipeline map above indicates only the facilities in operation.

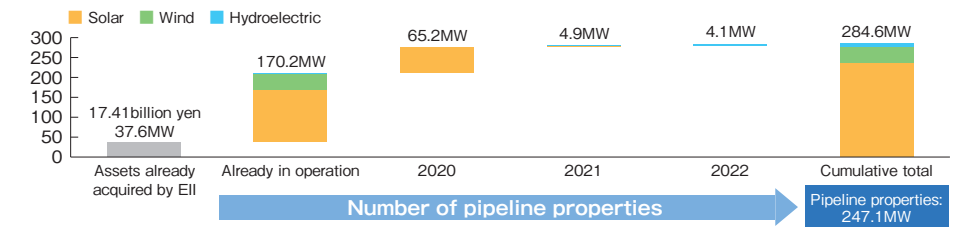
Initiatives for Diversifying Sources of Electricity

Aim to Become a Comprehensive Infrastructure Fund Owning a Variety of Sources of Renewable Energy

Going forward, EII aims to build a more balanced portfolio having wind and hydroelectric power generation facilities as well, instead of managing solar power generation facilities alone.



Scheduled Operations of Pipeline Properties (as of November 30, 2019)



Sound Financial Management

The refinancing risk during the operating period is reduced through long-term borrowings achieved by taking advantage of the strength of having a major trust bank as a sponsor. In addition, the interest rates of borrowings are partly fixed to reduce the risk of interest rate fluctuation while benefiting from the ongoing low interest rate environment.

Borrowing period (Note 1) **17 years**

Fixed interest rate ratio (Note 2) **50%**

Category	Lender	Interest rate	Amount (million yen)	Repayment method	Drawdown date	Repayment date	Borrowing period
Long-term	Sumitomo Mitsui Trust Bank, Limited	Base rate +0.45%	5,237	Installment	February 13, 2019	May 30, 2036	17 years
Long-term	Sumitomo Mitsui Trust Bank, Limited	After fixation 0.95%	5,237	Installment	February 13, 2019	May 30, 2036	17 years
Short-term	Sumitomo Mitsui Trust Bank, Limited	Base rate +0.20%	1,295	Bullet payment	February 13, 2019	March 31, 2020	1 year

(Note 1) Borrowing period at the time of drawdown

(Note 2) Excluding short-term borrowings

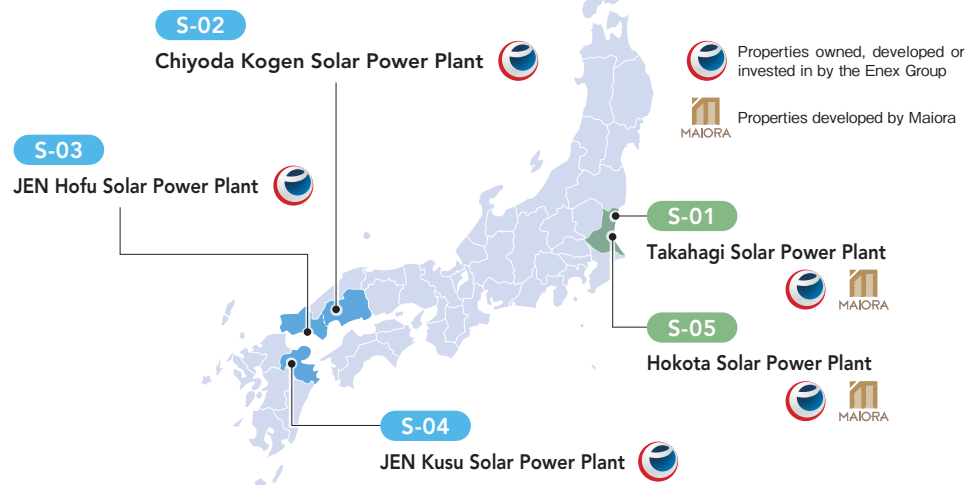
Portfolio Data (as of November 30, 2019)

Total Acquisition Price

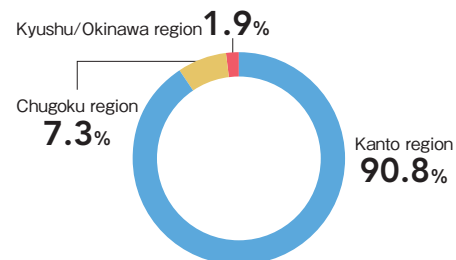
17.413 billion yen

Total Solar Module Output

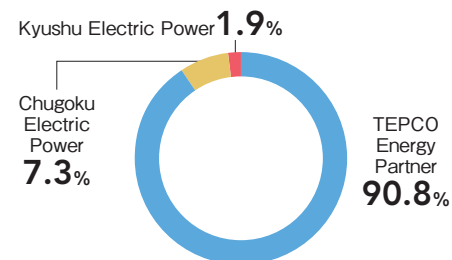
37.6 MW



By Region (based on acquisition price)



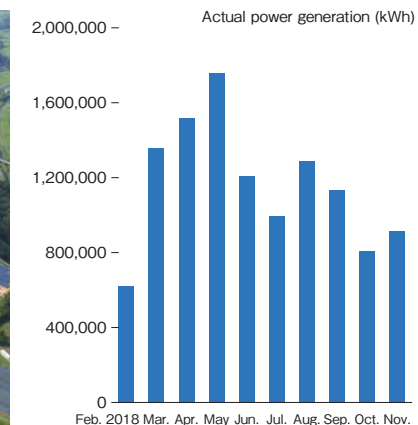
By Electric Power Supplier (based on acquisition price)



Portfolio List

Property No.	Property name	Location	Acquisition price (million yen)	Investment ratio (%)	Solar module output (kW)	Tariff (yen/kWh)
S-01	Takahagi Solar Power Plant	Hitachi-shi, Ibaraki	5,305	30.5	11,544.00	40
S-02	Chiyoda Kogen Solar Power Plant	Yamagata-gun, Hiroshima	590	3.4	1,595.28	40
S-03	JEN Hofu Solar Power Plant	Hofu-shi, Yamaguchi	680	3.9	1,940.64	36
S-04	JEN Kusu Solar Power Plant	Kusu-gun, Oita	324	1.9	1,007.76	40
S-05	Hokota Solar Power Plant	Hokota-shi, Ibaraki	10,514	60.4	21,541.00	36
Total/Average			17,413	100.0	37,628.68	-

S-01 Takahagi Solar Power Plant



Solar module output 11,544.00 kW

Tariff 40 yen/kWh

FIT term end November 20, 2036

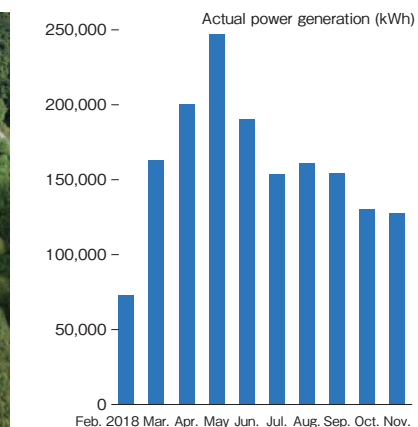
EPC operator MAETEL CONSTRUCTION JAPAN

O&M provider MAETEL CONSTRUCTION JAPAN

Type of rights for site Superficies rights

*The photo above shows the area including Takahagi Solar Power Plant, taken from the air, and includes solar power generation facilities which EII has no plan to acquire as of the date of this document.

S-02 Chiyoda Kogen Solar Power Plant



Solar module output 1,595.28 kW

Tariff 40 yen/kWh

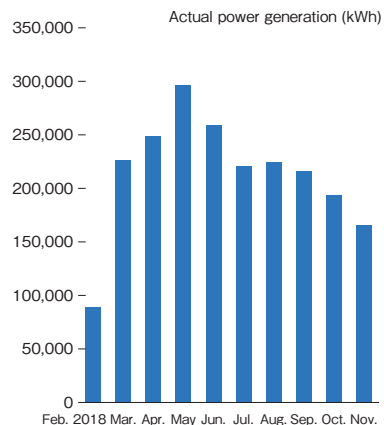
FIT term end November 12, 2034

EPC operator Sanyo Engineering & Construction Inc.

O&M provider Enex Engineering & Service Co., Ltd.

Type of rights for site Leasehold rights

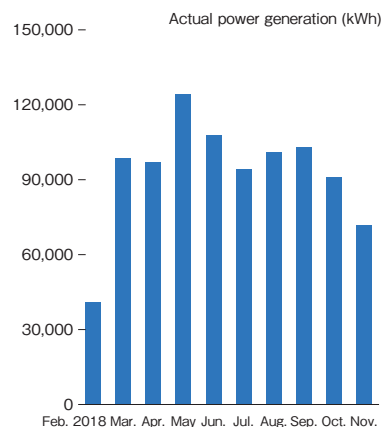
S-03 JEN Hofu Solar Power Plant



Solar module output	1,940.64 kW
Tariff	36 yen/kWh
FIT term end	January 26, 2036

EPC operator	Toshiba Plant Systems & Services Corporation
O&M provider	Enex Engineering & Service Co., Ltd.
Type of rights for site	Leasehold rights

S-04 JEN Kusu Solar Power Plant



Solar module output	1,007.76 kW
Tariff	40 yen/kWh
FIT term end	September 30, 2033

EPC operator	JX Engineering Corporation
O&M provider	Enex Engineering & Service Co., Ltd.
Type of rights for site	Sublease rights

S-05 Hokota Solar Power Plant



Solar module output	21,541.00 kW
Tariff	36 yen/kWh
FIT term end	July 17, 2037

EPC operator	MAETEL CONSTRUCTION JAPAN
O&M provider	MAETEL CONSTRUCTION JAPAN
Type of rights for site	Superficies rights

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Enex Infrastructure Investment Corporation.

We have audited the accompanying financial statements of Enex Infrastructure Investment Corporation., which comprise the balance sheets as at November 30, 2019, and November 30, 2018, and the statements of income, the statements of changes in net asset, the statements of cash flows, and the notes to the financial statements, all expressed in Japanese yen.

Management's Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of



accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Enex Infrastructure Investment Corporation. as at November 30, 2019, and November 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Emphasis of Matter

As discussed in Note 19 Subsequent Events to the financial statements, the Company conducted a new borrowing and acquired a new asset. Our opinion is not modified with respect to this matter.

Grant Thornton LLP

February 14, 2020
Tokyo, Japan

BALANCE SHEETS

As of November 30, 2018 and November 30, 2019

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
ASSETS		
Current assets:		
Cash and deposits (Note 3 and 14)	¥57,013	¥ 943,071
Operating accounts receivable	–	110,183
Prepaid expenses	4,320	29,513
Consumption taxes receivable	1,119	1,219,219
<i>Total current assets</i>	62,453	2,301,988
Non-current assets:		
Property, plant and equipment: (Note 5 and 6)		
Machinery and equipment	–	16,749,935
Construction in progress	14,198	–
Subtotal	14,198	16,749,935
Less: Accumulated depreciation	–	(661,144)
<i>Total property, plant and equipment</i>	14,198	16,088,791
Intangible assets: (Note 5)		
Leasehold rights	–	1,378,753
Right of trademark	–	734
Software	–	5,846
<i>Total intangible assets</i>	–	1,385,334
Investments and other assets:		
Guarantee deposits	10,000	70,000
Long-term prepaid expenses	–	249,955
Deferred tax assets (Note 12)	4,821	32
<i>Total investments and other assets</i>	14,821	319,987
<i>Total non-current assets</i>	29,019	17,794,113
TOTAL ASSETS	¥91,472	¥20,096,101

The accompanying notes to financial statements are an integral part of these statements.

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
LIABILITIES		
Current liabilities:		
Current portion of long-term borrowings (Note 6 and 12)	–	¥ 1,900,866
Operating accounts payable	–	1,741
Accounts payable – other	¥ 1,611	39,569
Income taxes payable	45	1,876
Accrued expenses	–	435
Other	340	547
<i>Total current liabilities</i>	1,996	1,945,035
Non-current liabilities:		
Long-term borrowings (Note 8 and 14)	–	9,265,052
Asset retirement obligations	–	465,894
<i>Total non-current liabilities</i>	–	9,730,946
TOTAL LIABILITIES	1,996	11,675,981
NET ASSETS (Note 9)		
UNITHOLDERS' EQUITY		
Unitholders' capital	100,000	8,121,664
Surplus		
Unappropriated retained earnings	(10,524)	298,455
<i>Total surplus</i>	(10,524)	298,455
<i>Total unitholders' equity</i>	89,475	8,420,119
<i>Total net assets</i>	89,475	8,420,119
TOTAL LIABILITIES AND NET ASSETS	¥91,472	¥20,096,101

The accompanying notes to financial statements are an integral part of these statements.

STATEMENTS OF INCOME

For the fiscal periods ended November 30, 2018 and November 30, 2019

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
OPERATING REVENUE		
Rent revenue – renewable energy power generation facilities <small>(Note 11)</small>	-	¥1,257,264
<i>Total operating revenue</i>	-	1,257,264
OPERATING EXPENSES		
Rent expenses - renewable energy power generation facilities <small>(Note 11)</small>	-	737,539
Asset management fee	-	48,416
Asset custody fees and administrative service fees	¥ 596	14,891
Directors' compensation	2,800	8,400
Other operating expenses	903	20,614
<i>Total operating expenses</i>	4,300	829,861
OPERATING INCOME (LOSS)	(4,300)	427,402
NON-OPERATING REVENUES		
Interest income	-	3
Interest on tax refund	-	1
Miscellaneous income	-	0
<i>Total non-operating revenues</i>	-	4
NON-OPERATING EXPENSES		
Interest expenses	-	65,933
Borrowing related expenses	-	6,230
Amortization of deferred organization expenses	11,000	-
Investment unit issuance expenses	-	39,598
<i>Total non-operating expenses</i>	11,000	111,762
ORDINARY INCOME (LOSS)	(15,300)	315,645
INCOME (LOSS) BEFORE INCOME TAXES	(15,300)	315,645
INCOME TAXES <small>(Note 12)</small>		
Income taxes – Current	45	1,877
Income taxes – Deferred	(4,821)	4,788
<i>Total income taxes</i>	(4,776)	6,665
NET INCOME (LOSS)	(10,524)	308,979
RETAINED EARNINGS BROUGHT FORWARD	-	(10,524)
UNAPPROPRIATED RETAINED EARNINGS AT END OF PERIOD <small>(Note 10)</small>	¥(10,524)	¥ 298,455

The accompanying notes to financial statements are an integral part of these statements.

STATEMENTS OF CHANGES IN NET ASSETS

For the fiscal periods ended November 30, 2018 and November 30, 2019

	Unitholders' equity				
	Unitholders' capital	Surplus		Total Unitholders' Equity	Total Net Assets
	Unitholders' capital	Unappropriated retained earnings	Total surplus		
	(in thousands of yen)				
Balance as of August 3, 2018	-	-	-	-	-
Changes of items during period					
Issuance of new investment units	¥ 100,000	-	-	¥ 100,000	¥ 100,000
Net income (loss)	-	¥ (10,524)	¥ (10,524)	(10,524)	(10,524)
Total changes of items during period	100,000	(10,524)	(10,524)	89,475	89,475
Balance as of November 30, 2018	¥ 100,000	¥ (10,524)	¥ (10,524)	¥ 89,475	¥ 89,475
Changes of items during period					
Issuance of new investment units	8,021,664	-	-	8,021,664	8,021,664
Net income	-	308,979	308,979	308,979	308,979
Total changes of items during period	8,021,664	308,979	308,979	8,330,643	8,330,643
Balance as of November 30, 2019	¥8,121,664	¥298,455	¥298,455	¥8,420,119	¥8,420,119

The accompanying notes to financial statements are an integral part of these statements.

STATEMENTS OF CASH FLOWS

For the fiscal periods ended November 30, 2018 and November 30, 2019

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income taxes	¥(15,300)	¥ 315,645
Depreciation	-	661,144
Investment unit issuance expenses	-	39,598
Interest income	-	(3)
Interest expenses	-	65,933
Decrease (increase) in operating accounts receivable	-	(110,183)
Decrease (increase) in consumption taxes receivable	(1,119)	(1,218,099)
Decrease (increase) in prepaid expenses	(4,320)	(29,193)
Decrease (increase) in long-term prepaid expenses	-	(249,955)
Increase (decrease) in operating accounts payable	-	1,741
Increase (decrease) in accounts payable – other	1,611	37,957
Other	340	1,438
Subtotal	(18,788)	(483,976)
Interest income received	-	3
Interest expense paid	-	(65,497)
Income taxes paid	-	(45)
Net cash provided by (used in) operating activities	(18,788)	(549,516)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(14,198)	(16,270,044)
Purchase of intangible assets	-	(1,386,364)
Payments for guarantee deposits	(10,000)	(60,000)
Net cash provided by (used in) investing activities	(24,198)	(17,716,409)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	11,771,206
Repayments of long-term borrowings	-	(605,288)
Proceeds from issuance of investment units	100,000	7,986,065
Net cash provided by financing activities	100,000	19,151,983
NET INCREASE IN CASH AND CASH EQUIVALENTS	57,013	886,057
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-	57,013
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 3)	¥ 57,013	¥ 943,071

The accompanying notes to financial statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

For the fiscal periods ended November 30, 2018 and November 30, 2019

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

Enex Infrastructure Investment Corporation (the "Investment Corporation") owns and operates renewable energy power generation facilities. The Investment Corporation was established on August 3, 2018, with Enex Asset Management Co. Ltd. as the organizer under the Act on Investment Trusts and Investment Corporations of Japan (the "Investment Trusts Act") and registered with the Kanto Local Finance Bureau on September 5, 2018. On February 13, 2019, the Investment Corporation was listed on the infrastructure fund market of Tokyo Stock Exchange.

Basis of Presentation of Financial Statements

The Investment Corporation maintains its books of accounts in accordance with the provisions set forth in the Investment Trusts Act, the Financial Instruments and Exchange Act of Japan and other related accounting regulations and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards ("IFRS") or accounting principles generally accepted in the United States of America ("U.S. GAAP").

The accompanying financial statements have been compiled from the financial statements of the Investment Corporation, which were in accordance with Japanese GAAP and were filed with the Director of the Kanto Local Finance Bureau as required by the Financial Instruments and Exchange Act of Japan. In preparing the accompanying financial statements, certain rearrangements have been made to the financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan.

The accompanying financial statements are stated in Japanese yen, the currency of the country in which the Investment Corporation is incorporated and operates. As permitted by the regulation under the Financial Instruments and Exchange Act of Japan, amounts of less than one thousand yen have been omitted. As a result, the totals shown in the accompanying financial statements in yen do not necessarily agree with the sums of the individual amounts.

The Investment Corporation does not prepare consolidated financial statements. The Investment Corporation has a one-year fiscal period ending November 30 of each calendar year. In the first year, the first day of the fiscal period is August 3, 2018, and the last day of the fiscal period is November 30, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation of property, plant and equipment is calculated on a straight-line basis over the estimated useful lives as follows:

Machinery and equipment	186-264 months
-------------------------	----------------

Intangible Assets

Amortization of intangible assets is calculated on a straight-line basis.

Right of trademark	10 years
Software	5 years

Long-Term Prepaid Expenses

Long-term prepaid expenses are amortized on a straight-line basis.

Deferred Assets

Investment unit issuance expenses are recognized at the time of occurrence.

Revenue Recognition

The Investment Corporation leases renewable energy power facilities. Revenues from these facilities are recognized on an accrual basis over the life of each lease. Operating revenues include minimum rent guaranteed, variable rent based on actual output and incidental revenues.

Taxes on Property, Plant and Equipment

Taxes imposed on properties such as property tax, city planning tax, and depreciable asset tax are allocated to the amount corresponding to the relevant fiscal period and accounted for as rental expenses.

The amount equivalent to the taxes to be paid by the Investment Corporation in the first year of acquisition relating to the property, plant and equipment is not recorded as an expense, but included in the acquisition costs for the related properties.

Capitalized property taxes amounted to ¥84,755 thousand for the fiscal period ended November 30, 2019.

Cash and Cash Equivalents

Cash and cash equivalents in the statements of cash flows include cash on hand, entrusted cash, demand deposits, entrusted bank deposits, and short-term highly liquid investments that are readily convertible, are subjected to insignificant risk of change in value with original maturities of three months or less.

Hedge Accounting

i) Method of hedge accounting:

Special treatment is applied for interest rate swaps which satisfy the requirements for special treatment.

ii) Hedging instruments and hedged items:

Hedging instruments: Interest rate swap transactions

Hedged items: Interest on borrowings

iii) Hedging policy:

The Investment Corporation conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of the Investment Corporation pursuant to the regulations that stipulate the basic policy of risk management.

iv) Method of assessing hedge effectiveness:

The assessment of hedge effectiveness is omitted for the interest rate swaps which satisfy the requirements for special treatment.

Consumption Taxes

All amounts in the accompanying financial statements exclude consumption taxes.

3. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents at November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Cash and deposits	¥57,013	¥943,071
Cash and cash equivalents	¥57,013	¥943,071

4. COLLATERAL

Details of pledge collateral at November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Cash and deposits	-	¥ 943,071
Operating accounts receivable	-	110,183
Machinery and equipment	-	16,088,791
Leasehold rights	-	1,378,753
Total	-	¥18,520,799

Details of secured borrowings at November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Current portion of long-term borrowings	-	¥ 1,900,866
Long-term borrowings	-	9,265,052
Total	-	¥11,165,918

5. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Change in property, plant and equipment and intangible assets for the fiscal periods ended November 30, 2018 and November 30, 2019 were as follows:

(For the fiscal period ended November 30, 2018)

Type of asset		Balance at beginning of the period	Increase during period	Decrease during period	Balance at end of the period	Depreciation		Net balance at end of the period	Remarks
						Accumulated depreciation	Depreciation for period		
(in thousands of yen)									
Property, plant and equipment	Machinery and Equipment	-	-	-	-	-	-	-	-
	Construction in progress	-	¥14,198	-	¥14,198	-	-	¥14,198	-
Subtotal		-	14,198	-	14,198	-	-	14,198	-
Total		-	¥14,198	-	¥14,198	-	-	¥14,198	-

(For the fiscal period ended November 30, 2019)

Type of asset		Balance at beginning of the period	Increase during period	Decrease during period	Balance at end of the period	Depreciation		Net balance at end of the period	Remarks
						Accumulated depreciation	Depreciation for period		
(in thousands of yen)									
Property, plant and equipment	Machinery and Equipment	–	¥16,749,935	–	¥16,749,935	¥661,144	¥661,144	¥16,088,791	(Note 1)
	Construction in progress	¥14,198	17,660,928	¥17,675,127	–	–	–	–	(Note 2)
Subtotal		14,198	34,410,864	17,675,127	16,749,935	661,144	661,144	16,088,791	–
Intangible assets	Leasehold rights	–	1,378,753	–	1,378,753	–	–	1,378,753	(Note 1)
	Right of trademark	–	812	–	812	78	78	734	–
	Software in progress	–	7,000	–	7,000	1,153	1,153	5,846	–
Subtotal		–	1,386,565	–	1,386,565	1,231	1,231	1,385,334	–
Total		¥14,198	¥35,797,430	¥17,675,127	¥18,136,501	¥662,376	¥662,376	¥17,474,125	–

Notes: 1. The increase during the period is attributable to the acquisition of solar power generation facilities.

2. The decrease during the period is attributable to the transfer to Machinery and Equipment.

6. THE FAIR VALUE OF INVESTMENT AND RENTAL PROPERTIES

The Investment Corporation owns renewable energy power generation facilities. The book value, the amount of change during period and the fair value of rental properties as of November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
(in thousands of yen)		
Book value (Note 2)		
Balance at beginning of period	-	-
Change during period (Note 3)	-	¥17,467,544
Balance at end of period	-	17,467,544
Fair value at end of period (Note 4)	-	¥16,394,500

Notes: 1. The rental properties owned by the Investment Corporation will be used for the operation of the renewable energy power generation facilities. Accordingly, the book value and the fair value at the end of the fiscal period include the total sum of the renewable energy power generation facilities and the relevant rental properties.

2. The book value is calculated by deducting accumulated depreciation from the acquisition cost.

3. The increase for the fiscal period ended November 30, 2019 is mainly attributable to the acquisition of five properties (¥18,128,688 thousand), while the decrease is principally attributable to depreciation.

4. The fair value above is the total sum of the median values calculated by the Investment Corporation according to Item 1, Paragraph 1, Article 41 of its certificate of incorporation from among the range of the assessed values stated in the valuation report indicating the values as of each fiscal period beginning and period end that was obtained from PricewaterhouseCoopers Sustainability LLC. The range of the assessed values is ¥14,347,000 thousand to ¥18,442,000 thousand.

7. ASSET RETIREMENT OBLIGATIONS

Detailed Information on Asset Retirement Obligations

1. Overview of Asset Retirement Obligations

Some of the Investment Corporation's renewable energy power generation facilities have lease agreements with landowners, and are recorded as asset retirement obligations in connection with the obligation to restore the original state accompanying the lease agreements.

2. Calculation Method for Amount of Asset Retirement Obligations

The amount of the asset retirement obligation is calculated using a discount rate of 0.0% over the useful life (186-264 months).

3. Change in Total Amount of Asset Retirement Obligations

	November 30, 2018	November 30, 2019
(in thousands of yen)		
Balance at beginning of period	-	-
Increase due to acquisition of property, plant and equipment	-	¥465,894
Adjustment over time	-	-
Decrease due to fulfillment of asset retirement obligations	-	-
Balance at ending of period	-	¥465,894

8. BORROWINGS

Details of borrowings for the fiscal periods ended November 30, 2018 and November 30, 2019 were as follows:

(For the fiscal period ended November 30, 2018)

There were no such transactions for the fiscal period ended November 30, 2018.

(For the fiscal period ended November 30, 2019)

Classification	Lender	Balance at beginning of period	Increase during period	Decrease during period	Balance at ending of period	Average interest rate (%)	Repayment due date	Method of repayment	Purpose	Remarks
		(in thousands of yen)				(Note 1)				
Long-term borrowings	Sumitomo Mitsui Trust Bank, Limited	-	¥ 5,237,814	¥302,644	¥ 4,935,170	0.57636	May 30, 2036	Installment Repayment	Acquisition of assets and related expenses	Secured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	-	5,237,814	302,644	4,935,170	0.95000 (Note 2)	May 30, 2036	Installment Repayment	Acquisition of assets and related expenses	Secured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	-	1,295,578	-	1,295,578	0.32636	March 31, 2020	Bullet Repayment	Payment of consumption tax on the acquisition of assets	Secured/ Non-guaranteed
Total		-	¥11,771,206	¥605,288	¥11,165,918	-	-	-	-	-

Notes: 1. The average interest rate represents the weighted average during the period based on the number of days.

Amounts are rounded down to the nearest thousand yen.

2. Borrowings for which interest rate swap transactions were implemented in order to hedge the interest rate volatility risk. The average interest rates are reflected the effect of interest rate swaps.

9. NET ASSETS

The Investment Corporation maintains at least ¥50,000 thousand as the minimum amount for net assets as required by the Article 67, Paragraph 4 of Investment Trust Act.

Number of Investment Units Authorized

	November 30, 2018	November 30, 2019
	(units)	
Units authorized	10,000,000	10,000,000

Number of Investment Units Issued and Outstanding

	November 30, 2018	November 30, 2019
	(units)	
Units issued and outstanding	1,000	91,825

10. UNAPPROPRIATED RETAINED EARNINGS

Pursuant to the distribution policy as defined in Article 47, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, the amount of distributions shall be the amount that does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.

The appropriation of retained earnings for the fiscal periods ended November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018		November 30, 2019	
	(in yen)			
	Total	Per unit	Total	Per unit
(1) Unappropriated retained earnings (undisposed loss)	¥(10,524,180)	-	¥298,455,534	-
(2) Distributions in excess of retained earnings				
Allowance for temporary difference adjustment	-	-	18,365,000	-
Other deduction from unitholders' capital	-	-	232,317,250	-
Total distributions in excess of retained earnings	-	-	250,682,250	-
(3) Distributions				
Distributions of retained earnings	-	-	298,431,250	¥3,250
Distributions of allowance for temporary difference adjustment	-	-	18,365,000	200
Other distributions in excess of retained earnings	-	-	232,317,250	2,530
Total distributions	-	-	549,113,500	¥5,980
(4) Retained earnings carried forward	¥(10,524,180)	-	¥ 24,284	-

11. RENT REVENUE AND RENT EXPENSES

Details of rent revenue and rent expenses for the fiscal periods ended November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Operating revenue		
Rent revenue - renewable energy power generation facilities		
Base rent	-	¥1,256,818
Performance-linked rent	-	446
Subtotal	-	1,257,264
Operating expenses		
Rent expenses - renewable energy power generation facilities		
Insurance expenses	-	7,700
Maintenance and repair fees	-	2,015
Depreciation	-	661,144
Payment of land rent	-	66,250
Other	-	428
Subtotal	-	737,539
Profits and losses from the rental business of renewable energy power generation facilities	-	¥519,725

12. INCOME TAXES

Details of deferred tax assets and deferred tax liabilities at November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Deferred tax assets:		
Enterprise tax payable	-	¥ 32
Loss carryforwards	¥4,506	-
Asset retirement obligations	-	152,380
Other	315	-
Subtotal	4,821	152,412
Valuation allowance	-	(5,810)
Total	4,821	146,602
Deferred tax liabilities:		
Fixed assets corresponding to asset retirement obligations	-	(146,570)
Subtotal	-	(146,570)
Net deferred tax assets	¥4,821	¥ 32

Reconciliations of significant differences between the statutory tax rate and the effective tax rate after application of tax effect accounting for the fiscal periods ended November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(%)	
Statutory tax rate	-	31.51
(Adjustment)		
Deductible dividends paid	-	(31.62)
Depreciation of asset retirement obligations	-	1.84
Other	-	0.38
Effective tax rate	-	2.11

Note: Since the Investment Corporation recorded loss before income taxes for the fiscal year ended November 30, 2018, description is omitted.

13. LEASES

The future minimum lease receipt as lessor under operating lease agreements as of November 30, 2018 and November 30, 2019 were as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Due within one year	-	¥ 1,482,820
Due over one year	-	11,609,800
Total	-	¥13,092,620

14. FINANCIAL INSTRUMENTS

Detailed Information on Financial Instruments

1. Policy for Financial Instruments

The Investment Corporation procures funds through borrowings issued by financial institutions or through the issuance of new investment units in order to acquire new assets and conduct repayment of borrowings. Its policy on financial instruments is to improve existing operations to allow for continued growth of its businesses.

2. Nature and Extent of Risks Arising from Financial Instruments and Risk Management

Long-term borrowings are used for the acquisition of properties, although these borrowings are exposed to a variety of financial risk, including market, credit and liquidity risk. The Investment Corporation maintains a relatively long average borrowing period of 17 years and evaluates the balance of its debt by keeping the debt-to-equity ratio below 60%, and prepares contracts when financing is needed to reduce these risks.

3. Supplementary Information on Fair Value of Financial Instruments

The fair value of financial instruments is based on quoted market price, if available. When the fair value based on quoted market price is not available, it is estimated through a reasonable basis. The amounts may change as a result of any changes to the method of estimation.

Estimated Fair Value of Financial Instruments

Book value, fair value, and the difference between the two values are listed in the following table. Financial instruments for which estimation of fair value is extremely difficult are not included.

(as of November 30, 2018)

	Book Value	Fair value (Note 1)	Difference
	(in thousands of yen)		
(1) Cash and deposits	¥57,013	¥57,013	-
Total assets	¥57,013	¥57,013	-

(as of November 30, 2019)

	Book Value	Fair value (Note 1)	Difference
	(in thousands of yen)		
(1) Cash and deposits	¥ 943,071	¥ 943,071	-
(2) Operating accounts receivable	110,183	110,183	-
Total assets	1,053,255	1,053,255	-
(3) Current portion of long-term borrowings	1,900,866	1,906,771	¥ 5,905
(4) Long-term borrowings	9,265,052	9,355,439	90,387
Total liabilities	¥11,165,918	¥11,262,210	¥96,292
(5) Derivative transactions	-	-	-

Notes: 1. Method for estimating fair value of financial instruments:

(1) Cash and deposits / (2) Operating accounts receivable

Due to the short maturities, the book value of these instrument is deemed a reasonable approximation of the fair value, and therefore, the book value is used as the fair value.

(3) Current portion of long-term borrowings / (4) Long-term borrowings

The book value is deemed to approximate the fair value since the floating interest rates on long-term borrowings are revised periodically to reflect market rates. For long-term borrowings with floating interest rates hedged by the interest rate swaps which are subject to the special treatment of interest rate swaps, we discount the total amount of principal and interest rate swapped by estimated interest rates applicable to similar borrowing.

(5) Derivative transactions

Please refer to "15. DERIVATIVE TRANSACTIONS"

2. Redemption schedule for monetary claims after the balance sheet date
(as of November 30, 2018)

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years	Over 5 years
(in thousands of yen)						
Cash and deposits	¥57,013	-	-	-	-	-
Total	¥57,013	-	-	-	-	-

(as of November 30, 2019)

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years	Over 5 years
(in thousands of yen)						
Cash and deposits	¥ 943,071	-	-	-	-	-
Operating accounts receivable	110,183	-	-	-	-	-
Total	¥1,053,255	-	-	-	-	-

3. Repayment schedule of borrowings after the balance sheet date
(as of November 30, 2018)

There were no such transactions for the fiscal period ended November 30, 2018.

(as of November 30, 2019)

	Within one year	Over 1 year, less than 2 years	Over 2 years, less than 3 years	Over 3 years, less than 4 years	Over 4 years, less than 5 years	Over 5 years
(in thousands of yen)						
Long-term borrowings	¥1,900,866	¥605,288	¥605,288	¥605,288	¥605,288	¥6,843,900
Total	¥1,900,866	¥605,288	¥605,288	¥605,288	¥605,288	¥6,843,900

15. DERIVATIVE TRANSACTIONS

1. Derivative Transactions Not Subject to Hedge Accounting

There were no such transactions for the fiscal period ended November 30, 2018 and November 30, 2019.

2. Derivative Transactions Subject to Hedge Accounting

(as of November 30, 2018)

There were no such transactions for the fiscal period ended November 30, 2018.

(as of November 30, 2019)

Hedge accounting method	Type of derivative transaction	Major hedged item	Contracted amount		Fair value	Measurement method for fair value
			Portion due after 1 year			
			(in thousands of yen)			
Special treatment for interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term borrowings	¥4,935,170	¥4,632,526	(Note)	—
Total			¥4,935,170	¥4,632,526	—	—

Note: Fair value for interest rate swaps with this special treatment is included in the fair value of long-term borrowings.

16. TRANSACTIONS WITH RELATED PARTIES

1. Parent Company and Major Corporate Unitholders

(For the fiscal period ended November 30, 2018)

Category	Name	Business	Percentage of investment units (Percentage of investment units held)	Transactions for the period		Balance at the end of period	
				Type of transaction	Amount (in thousands of yen)	Balance sheet account	Amount (in thousands of yen)
Controlling unitholder	ITOCHU ENEX CO., LTD.	Sales of petroleum products and LP gas, electric power and heat supply business	50.1%	Acceptance of unitholders' capital	¥50,100	Unitholders' capital	¥50,100
Major unitholder and asset custody company	Sumitomo Mitsui Trust Bank, Limited	Banking, real estate business	22.5%	Acceptance of unitholders' capital	22,500	Unitholders' capital	22,500
				Payment of asset custody fees and administrative service fees	596	Accounts payable - other	611
Major unitholder	Mercuria Investment Co., Ltd.	Asset management business	22.5%	Acceptance of Unitholders' capital	22,500	Unitholders' capital	¥22,500
Subsidiary of controlling unitholder	Enex Asset Management Co., Ltd.	Investment management business	-	Payment of founder compensation	¥10,000	-	-

Notes: 1. Consumption tax is excluded from transaction amount and included in the end balance.

2. The terms and conditions of the transactions are determined based on market practices.

(For the fiscal period ended November 30, 2019)

Category	Name	Business	Percentage of investment units (Percentage of investment units held)	Transactions for the period		Balance at the end of period	
				Type of transaction	Amount (in thousands of yen)	Balance sheet account	Amount (in thousands of yen)
Asset custody company	Sumitomo Mitsui Trust Bank, Limited	Banking, real estate business	1.2%	Proceeds from long-term borrowings	¥11,771,206	Long-term borrowings	¥9,265,052
						Current portion of long-term borrowings	1,900,866
				Repayments of long-term borrowings	605,288	–	–
				Interest expense paid	65,933	Accrued expenses	435
Interested party of asset management company	Sunrise Megasolar Godo Kaisha	Electric business	–	Acquisition of renewable energy power generation facilities	5,305,000	Machinery and equipment	5,073,119
						Leasehold rights	224,843
Interested party of asset management company	Daini Chiyoda Kogen Taiyoko Godo Kaisha	Electric business	–	Acquisition of renewable energy power generation facilities	590,000	Machinery and equipment	587,917
						Leasehold rights	22,418
Interested party of asset management company	Hofu Solar Power Generation Godo Kaisha	Electric business	–	Acquisition of renewable energy power generation facilities	680,000	Machinery and equipment	638,919
						Leasehold rights	61,616
Interested party of asset management company	Kusu Solar Power Generation Godo Kaisha	Electric business	–	Acquisition of renewable energy power generation facilities	324,000	Machinery and equipment	327,517
						Leasehold rights	10,216
Interested party of asset management company	SOLAR ENERGY Hokota Godo Kaisha	Electric business	–	Acquisition of renewable energy power generation facilities	¥10,514,000	Machinery and equipment	9,461,316
						Leasehold rights	¥1,059,658

Notes: 1. Consumption tax is excluded from transaction amount and included in the end balance.
2. The terms and conditions of the transactions are determined based on market practices.

2. Affiliated Companies

There were no such transactions for the fiscal periods ended November 30, 2018 and November 30, 2019.

3. Companies Under Common Control

There were no such transactions for the fiscal periods ended November 30, 2018 and November 30, 2019.

4. Directors and Major Individual Unitholders

There were no such transactions for the fiscal periods ended November 30, 2018 and November 30, 2019.

17. PER UNIT INFORMATION

Net income per unit is calculated by dividing net income by the weighted average number of investment units for the period. Diluted net income per investment unit is not presented as there is no potential dilutive investment unit.

	November 30, 2018	November 30, 2019
	(yen)	
Net assets per unit	¥ 89,475	¥91,697
Net income (loss) per unit ^(Note)	¥(10,524)	¥ 4,198

Note: If February 13, 2019, which is the effective start date of the asset management period for the period ended November 30, 2019, is regarded as the beginning of the period, net income per unit will be ¥3,367. In that case, the weighted average number of investment units for the period is 91,745.

The basis for calculating net income per unit is as follows:

	November 30, 2018	November 30, 2019
	(in thousands of yen)	
Net income (loss)	¥(10,524)	¥308,979
Amount not attributable to common unitholders	–	–
Net income (loss) attributable to common investment units	¥(10,524)	¥308,979
Average number of investment units for the period (units)	1,000	73,594

18. SEGMENT INFORMATION

1. Segment Information

Disclosure has been omitted since the Investment Corporation is comprised of a single reportable segment engaged in the rent of renewable energy power generation facilities.

2. Related Information

(a) Information about products and services

Disclosure has been omitted since operating revenues from external customers of products and services within a single segment exceeds 90% of operating revenue on the Statements of Income.

(b) Information about geographical area

i) Operating revenue

Disclosure has been omitted since operating revenue from external customers in Japan exceeds 90% of operating revenue on the statements of income and changes in net asset.

ii) Property, plant and equipment

Disclosure has been omitted since the amount of property, plant and equipment located in Japan exceeds 90% of property, plant and equipment on the balance sheets.

(c) Information about major customers

The information about major customers for the fiscal period ended November 30, 2018 and November 30, 2019 were as follows:

Name	Related segments	November 30, 2018	November 30, 2019
		(in thousands of yen)	
Sunrise Megasolar Godo Kaisha	Rent of the renewable energy power generation facilities	-	¥415,207
Daini Chiyoda Kogen Taiyoko Godo Kaisha	Rent of the renewable energy power generation facilities	-	52,813
Hofu Solar Power Generation Godo Kaisha	Rent of the renewable energy power generation facilities	-	63,453
Kusu Solar Power Generation Godo Kaisha	Rent of the renewable energy power generation facilities	-	31,458
SOLAR ENERGY Hokota Godo Kaisha	Rent of the renewable energy power generation facilities	-	¥694,330

19. SUBSEQUENT EVENTS

1. Borrowing

The Investment Corporation conducted a new borrowing under the following conditions for the acquisition of assets carried out on January 17, 2020.

Classification	Lender	Amount (in millions of yen)	Interest rate (Note 2)	Date of borrowing	Repayment due date	Method of repayment	Remarks
Long-term borrowings (Note 1)	Sumitomo Mitsui Trust Bank, Limited	¥605	Base interest rate plus 0.45% (Note 3)	January 17, 2020	May 31, 2038 (Note 4)	Installment repayment (Note 5)	Secured/ Non- guaranteed/
Long-term borrowings	Sumitomo Mitsui Trust Bank, Limited	¥605	Base interest rate plus 0.45% (Note 3) (Note 6)	January 17, 2020	May 31, 2038 (Note 4)	Installment repayment (Note 5)	Secured/ Non- guaranteed/

Notes: 1. Long-term borrowings are borrowings with a borrowing period of more than one year. The same applies hereinafter.

2. Borrowing-related expenses are not included.

3. The base interest rate is the 6-month Japanese Yen TIBOR announced by the Japanese Bankers Association. The Japanese Yen TIBOR can be checked on the website of the Japanese Bankers Association (<http://www.jbatibor.or.jp/>).

4. If the repayment due date falls on a non-business day, the following business day shall be recognized as the repayment due date. In the event the following business day is in the next calendar month, the first business day preceding the repayment due date shall be recognized as the repayment due date.

5. The first repayment date will be May 31, 2020. Subsequent repayment dates will be the last day of November and May of each year. The principal repayment amount is calculated by dividing the total amount of the borrowing by 37. The remaining balance will be paid on the repayment due date.

6. A portion of interest rate risk is hedged through an interest rate swap. The effective interest rate represented is 0.94%.

2. Acquisition of Asset

The Investment Corporation acquired the following solar power generation facilities on January 17, 2020.

Property No. (Note 1)	S-06
Name of the Asset	Nagasaki Kinkai Solar Power Plant (Note 4)
Location (Note 2)	Nagasaki-shi, Nagasaki Prefecture
Acquisition Cost (Note 3)	¥1,097 million
Seller	Kitakyushu Taiyoko Hatsuden Godo Kaisha

Notes: 1. "Property No." classifies and assigns a number to solar power generation facilities under "S." The same applies hereinafter.

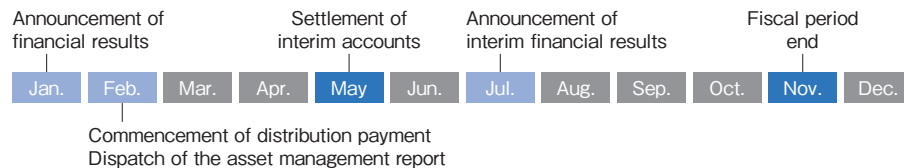
2. "Location" is based on the land registry of the land where the solar power generation facilities related to the acquired asset are installed (if there are multiple sites, one of them). However, in each case, the description is the municipality. The same applies hereinafter.

3. "Acquisition Cost" is the purchase price (excluding acquisition costs such as outsourcing fees, property tax, city planning tax, consumption tax, etc., and commissions etc.) specified in the purchase and sale agreement. The same applies hereinafter.

4. As of the date of this document, the name is "Nagasaki-shi Kinkai Tone-machi Onokiba (1) MS Power Plant," however, it will be changed to "Nagasaki Kinkai Solar Power Plant."

Unitholder Information

IR Calendar



Invitation to EII's Website

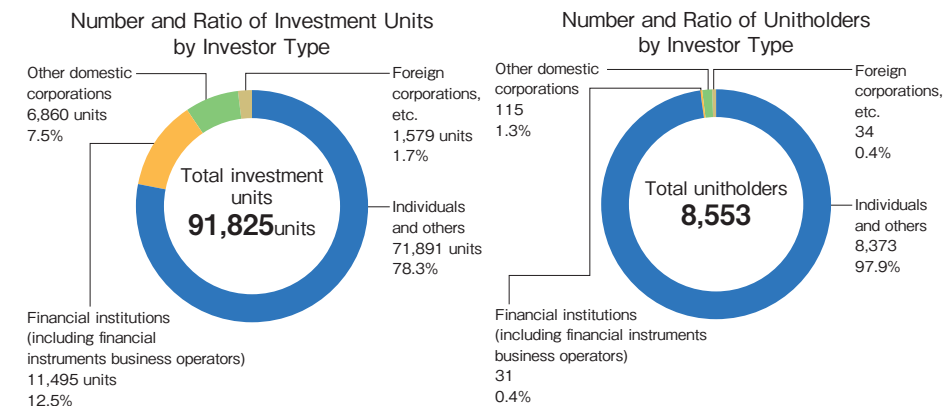
You can obtain the latest information on EII with your PC or smartphone.

<https://enexinfra.com/en/>

EII works to prepare a variety of content on its website and endeavors on investor relations (IR) and information provision through the website in an effort to disclose information to investors in a timely manner and help them better understand EII.



Unitholder Composition



Changes in Investment Unit Price

