

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

JRE Mega Solar Project Bond Trust 1 Class A Beneficial Interest and Class A Trust ABL

<Affirmation>

Beneficial Interest: A-
ABL: A-

Rationale

This is project finance by Japan Renewable Energy Co., Ltd. (sponsor) for the mega solar project that is operated in Osaki City, Miyagi Prefecture. Actual revenue from electricity sales had been above the plan. For the first half of 2021, DSCR slightly declined due mainly to a technical factor that the time of receiving payments for electricity sold was moved back in relation to change of buyers, but the project is being operated smoothly, and there have been no particular events that would affect debt service capacity. The outlook for the future cash flows has not changed significantly since the time of the initial rating. JCR sees that cash flows from this project has a high margin for the redemption and repayment of the beneficial interest and trust ABL.

Kiichi Sugiura, Keiji Takiguchi

Rating

<Affirmation>

Instrument Name	Initial Execution/ Issue Amount	Trust Termination Date	Coupon Type	Rating
Class A Beneficial Interest	JPY 360,000,000	Mar. 31, 2033	Fixed	A-
Class A Trust ABL	JPY 228,000,000	Mar. 31, 2033	Fixed	A-

<Information on Outline of Issue>

Trust Establishment Date: September 30, 2013
Beneficial Interest Assignment/ ABL Execution Date: September 30, 2013
Redemption/ Repayment Method: Scheduled Redemption/ Repayment
Credit Enhancement & Liquidity Facility: NA
* Cash Reserve and Senior-subordinated Structure as Credit Enhancement & Liquidity Facility with respect to loan claims, which are the underlying assets.

<Information on Structure and Stakeholders>

Initial Entrustor: Goldman Sachs Japan Co., Ltd.
Trustee: Shinsei Trust & Banking Co., Ltd.
Mega Solar Project Company: GK JRE Iwadeyama
Sponsor: Japan Renewable Energy Co., Ltd.
Asset Manager: JRE Operations Co., Ltd.
Arranger: Goldman Sachs Japan Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Loan claims against the Mega Solar Project Company

Rating Assignment Date: September 29, 2021

The assumptions for the credit ratings and the definitions of the rating symbols are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

Outline of the rating methodology is shown as "Project Finance" (August 28, 2012) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>). Rating methodologies for other ancillary points such as eligible deposit accounts and bankruptcy remoteness are also shown within the same page.



Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)

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