

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

Daiwa Green Finance Program Beneficial Interest and Trust ABL (Iwamizawa and Kushiro Solar Power Plants)

<Affirmation>

Beneficial Interest: A
ABL: A

Rationale

This is a case of project finance for a mega solar project of Daiwa Energy & Infrastructure Co. Ltd. conducted in Hokkaido. The actual power generation and cash flow performance of the project have been within the range JCR assumes. Although the module manufacture withdrew from the project, and changes were made to the O&M operator and project plan, they do not have a material impact on the project's profitability. JCR assumes the project has sufficient margin in its cash flow to repay/redeem the beneficial interest and ABL.

Kiichi Sugiura, Yudai Matsumoto

Rating

<Affirmation>

Instrument Name	Issue/ Execution Amount	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 1,900,000,000	June 30, 2036	Fixed	A
Trust ABL	JPY 2,200,000,000	June 30, 2036	Fixed	A

<Information on Outline of Issue>

Trust Establishment Date: March 27, 2020
Beneficial Interest Assignment/ ABL Execution Date: March 27, 2020
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>

Entrustor: Daiwa Securities Co. Ltd.
Trustee: Mitsubishi HC Capital Trust Corporation
Mega Solar Project Company: Hokkaido Renewable Energy Initiative Platform LLC
Asset Manager: Daiwa Real Estate Asset Management Co. Ltd.
Arranger: Daiwa Securities Co. Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Loan claims against the mega solar project company

Rating Assignment Date: November 28, 2022

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.

The rating stakeholder participated in the rating process of the aforementioned credit ratings.



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.)
