

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

Canadian Solar Dual Tenor Green Project Bond Trust (Gunma) Beneficial Interest and Trust ABL

<Affirmation>

Beneficial Interest: A
ABL: A

Rationale

This is a case of project finance for mega solar project of Canadian Solar Group operated in Minakami-machi, in Gunma Prefecture.

This project started commercial operation as scheduled and the amount of electricity generated has been above the planned amount. Although there have been minor defects and bad effects from snow, there have been no significant impacts that require change to JCR's initial forecast for income.

Based on the above, JCR affirmed the A ratings on beneficial Interest and trust ABL.

Kiichi Sugiura, Tomohiko Iwasaki

Rating

<Affirmation>

Instrument Name	Initial Issue/Execution Amount (bn)	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 0.5	June 22, 2037	Fixed	A
Trust ABL	JPY 4.9	June 22, 2037	Fixed	A

<Information on Outline of Issue>

Trust Establishment Date: March 31, 2017
Beneficial Interest Delivery/ABL Execution Date: March 31, 2017
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: Goldman Sachs Japan Co., Ltd.
Trustee: Hitachi Capital Trust Corporation
Mega Solar Project Company: Tida Power 83 G.K.
Asset Manager: Canadian Solar Projects K.K.
O&M: Canadian Solar O&M Japan K.K.
Canadian Solar Projects K.K.
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: August 23, 2018

The criteria used for identifying matters which serve as assumptions for the assessment of the credit status, and the criteria used for setting of grades indicating the results of the assessments of the credit status 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 methodology for determination of the credit rating 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.

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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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