

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

JA Solar Green Project Bond Trust (Fukushima) Beneficial Interest and Trust ABL

<Credit Monitor Removal> <Affirmation>
Beneficial Interest: from #BBB-/Negative to BBB-
ABL: from #BBB-/Negative to BBB-

Rationale

These are ratings with regard to a project finance for financing a solar power generation project by a Chinese solar module manufacturer JA Solar Group in Fukushima City, Fukushima Prefecture.

JCR placed the ratings under Credit Monitor with Negative direction as of October 28, 2019. The rating action was mainly caused the following fact: Although the sale of electricity was scheduled to be commenced by the end of March 2020, damage caused by Typhoon No. 19 in October 2019 had negative impact on construction work for the project, and JCR needed to judge the probability and effects of cost and time overruns.

While the commercial operation launch of the project was postponed to the end of November 2020, eight months later from the initial assumption, impact on payments of principal and interest was avoided through use of reserves and additional investment. Moreover, initial costs for the project such as construction cost exceeded its original budget, but the excess amount was fully funded through additional capital investment and damage insurance. Looking ahead, no facts have been confirmed that could have a meaningful impact on our cash flow forecasts and premise for stress tests, among others, on the project. Based on the above, JCR has removed Credit Monitor and affirmed the ratings.

Kiichi Sugiura, Tomohiko Iwasaki and Keiji Takiguchi

Rating

<Credit Monitor Removal> <Affirmation>				
Instrument Name	Initial Issue/ Execution Amount	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 4,300,000,000	Apr. 2, 2040	Fixed	BBB-
Trust ABL	JPY 1,000,000,000	Apr. 2, 2040	Fixed	BBB-

<Information on Outline of Issue/Execution>

Trust Establishment Date:	February 13, 2019
Beneficial Interest Assignment Date:	February 13, 2019
ABL Execution Date:	February 28, 2019
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:	Fukushimanakamori Solar Power LLC
Asset Manager:	JA Solar Japan Asset Management LLC
Arranger:	Goldman Sachs Japan Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets:	Loan claims against the mega solar project company
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,Rating Assignment Date: January 18, 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.

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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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