

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

Hudson Green Project Finance 2020-1 Trust Beneficial Interest and Trust ABL

<Assignment>

Beneficial Interest:	Preliminary BBB
ABL:	Preliminary BBB

Rationale

JCR hereby provides rating to the project finance for multiple solar power projects sponsored by Hudson Sustainable Investment Management, LLC. Relatively stable cash flows can be expected over the life of the project, on the grounds, for instance, that: i) revenue is based on the feed-in tariff system; ii) all of power stations have commenced commercial operations; iii) the portfolio is well-diversified; and iv) a well-experienced asset manager will be responsible for overall control of the projects. Although there are some possible earnings volatility factors, such as changes in solar radiation quantity, output curtailment, greater-than-expected degradation of power generation performance and a rise in operating costs, JCR has confirmed that certainty of principal and interest payments is ensured even when stress is applied by combining multiple factors, thanks to such schemes as joint and several liability, reserves and cash sweep. Based on the above, JCR assigned preliminary BBB ratings to the beneficial interest and trust ABL.

Kiichi Sugiura, Tomohiko Iwasaki

Rating

<Assignment>

Instrument Name	Scheduled Initial Issue/ Execution Amount	Final Redemption/ Repayment Date	Coupon Type	Preliminary Rating
Beneficial Interest	JPY 7,700,000,000*	June 30, 2040	Fixed	BBB
Trust ABL		June 30, 2040	Fixed	BBB

*Total amount of Beneficial Interest and Trust ABL will be 7.7 billion yen.

<Information on Outline of Issue>

Scheduled Trust Establishment Date:	November 25, 2020
Scheduled Beneficial Interest Assignment/ ABL Execution Date:	November 25, 2020
Redemption/ Repayment Method:	Scheduled redemption/ repayment
Credit Enhancement & Liquidity Facility:	None
	- Cash reserves and senior-subordinated structure as a credit enhancement and liquidity facility with respect to loan claims, which are the underlying assets

<Information on Structure and Stakeholders>

Entrustor:	Nomura Securities Co., Ltd.
Trustee:	Hitachi Capital Trust Corporation
Mega Solar Project Companies:	Hudson Solar Japan 1 GK Hudson Solar Japan 2 GK
Asset Manager:	Vector Cuatro Japan K.K.
Arranger:	Nomura Securities Co., Ltd.

<Information on Underlying Assets>

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

Rating Assignment Date: October 1, 2020

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.

Glossary:

A preliminary rating is a credit rating assigned as a preliminary evaluation while material terms for issue to be rated are not yet finalized. When the issuing terms are finalized, JCR will confirm them and will assign a credit rating anew. The rating level of the final rating may be different from that of the preliminary rating, depending on the final content of the terms, etc.

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

Information herein has been obtained by JCR from the issuers and other sources believed to be accurate and reliable. However, because of the possibility of human or mechanical error as well as other factors, JCR makes no representation or warranty, express or implied, as to accuracy, results, adequacy, timeliness, completeness or merchantability, or fitness for any particular purpose, with respect to any such information, and is not responsible for any errors or omissions, or for results obtained from the use of such information. Under no circumstances will JCR be liable for any special, indirect, incidental or consequential damages of any kind caused by the use of any such information, including but not limited to, lost opportunity or lost money, whether in contract, tort, strict liability or otherwise, and whether such damages are foreseeable or unforeseeable. JCR's ratings and credit assessments are statements of JCR's current and comprehensive opinion regarding redemption possibility, etc. of financial obligations assumed by the issuers or financial products, and not statements of opinion regarding any risk other than credit risk, such as market liquidity risk or price fluctuation risk. JCR's ratings and credit assessments are statements of opinion, and not statements of fact as to credit risk decisions or recommendations regarding decisions to purchase, sell or hold any securities such as individual bonds or commercial paper. The ratings and credit assessments may be changed, suspended or withdrawn as a result of changes in or unavailability of information as well as other factors. JCR receives a rating fee paid by issuers for conducting rating services in principle. JCR retains all rights pertaining to this document, including JCR's rating data. Any reproduction, adaptation, alteration, etc. of this document, including such rating data, is prohibited, whether or not wholly or partly, without prior consent of JCR.

JCR is registered as a "Nationally Recognized Statistical Rating Organization" with the U.S. Securities and Exchange Commission with respect to the following four classes. (1) Financial institutions, brokers and dealers, (2) Insurance Companies, (3) Corporate Issuers, (4) Issuers of government securities, municipal securities and foreign government securities.

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.)

Copyright © Japan Credit Rating Agency, Ltd. All rights reserved.