

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

JRE Mega Solar Project Bond Trust 1 Class C Beneficial Interest

<Affirmation>

Beneficial Interest: BBB+

Rationale

This is project finance by Japan Renewable Energy Co., Ltd. (sponsor) for the mega solar project that is operated in Namegata City, Ibaraki Prefecture. The revenue from electricity sales since the start of the sales till May 2019 has been above the planned and there have been no events that have any impact on the project's creditworthiness. This project has been conducted smoothly in general, enabling DSCR to remain at a good level. The outlook for the future cash flow has not significantly changed from the outlook at the time of initially rating. JCR sees that cash flow from this project has a certain margin for redemption of the beneficial interest. Taking the above into consideration, JCR affirmed the BBB+ rating on the beneficial interest.

Kiichi Sugiura, Naoki Okada

Rating

<Affirmation>

Instrument Name	Initial Issue Amount	Trust Termination Date	Coupon Type	Rating
Class C Beneficial Interest	JPY 330,000,000	Mar. 31, 2033	Fixed	BBB+

<Information on Outline of Issue>

Trust Establishment Date: September 30, 2013
Beneficial Interest Assignment Date: September 30, 2013
Redemption Method: Scheduled Redemption
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 Namegata
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: July 26, 2019

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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