

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

Clean Energy Connect Non-FIT Low-voltage Solar Power Plant Green Project Bond Trust Beneficial Interest and Trust ABL

<Assignment>

Beneficial Interest:	Preliminary BBB+
ABL:	Preliminary BBB+

Rationale

This is a rating on the project finance for projects sponsored by Clean Energy Connect Co., Ltd. to develop and operate more than 700 low-voltage solar power plants nationwide. The projects are expected to generate relatively stable cash flows over their life thanks to factors including the following: (i) the projects mitigate the development risk by setting predetermined requirements when the power plants are handed over from the developers; (ii) the projects are based on contracts with highly creditworthy off-takers stipulating that power generated is purchased from the projects at fixed unit prices; and (iii) the power plants consist of multiple low-voltage projects and are well diversified. Although there are some possible earnings volatility factors, such as changes in solar radiation quantity and a rise in operating costs, a reasonably high DSCR level is ensured even when certain stress is applied. Moreover, certainty of principal repayment is raised by the mechanisms such as the reserve, dividend suspension trigger, and accelerated redemption.

Kiichi Sugiura, Tetsuya Nakagawa

Rating

<Assignment>

Instrument Name	Scheduled Initial Issue/ Scheduled Execution Amount*	Final Redemption Date / Final Repayment Date	Coupon Type	Preliminary Rating
Beneficial Interest		Dec. 1, 2052	Fixed	BBB+
Trust ABL	JPY 8,640,000,000	Dec. 1, 2052	Fixed	BBB+

* The amount to be appropriated for Beneficial Interest and Trust ABL are to be decided.

<Information on Outline of Issue>

Trust Establishment Date:	November 30, 2022
Beneficial Interest Assignment Date / ABL Execution Date:	TBD
Redemption/ Repayment Method:	Scheduled Redemption/ Repayment
Credit Enhancement & Liquidity Facility:	NA 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>

Trustee:	J-Value Trust Company, Limited
Project Operating Company:	Godo Kaisha CN Taiyoko
Asset Manager:	Clean Energy Connect Co., Ltd.
Arranger:	Goldman Sachs Japan Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets:	Loan claims against the low-voltage solar power plant project operating company
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Rating Assignment Date: September 20, 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.

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.

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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.)
