

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 Placement>

Beneficial Interest: from BBB- to #BBB-/Negative

ABL: from BBB- to #BBB-/Negative

Rationale

This is project finance for financing a solar power generation project by a Chinese module manufacturer, JA Solar Group, in Fukushima City, Fukushima Prefecture. The project is currently in a construction phase and electricity sales have not yet started. The construction work has been progressing without any significant delay, but recent Typhoon No. 19 caused damage and had an impact on the future project. According to the report, it is said that damage at the construction site has been limited to a manageable level, but the use of the road to the site became difficult and it is currently uncertain whether the road will recover. There were landslides in several places on the road. There are possibilities that the construction period and budget will exceed the initially forecasted, depending on period to be required for the restoration and cost burden. A part of loans has been made to the project SPC which will conduct the solar power generation project and it is already bearing a burden of completion risks.

Taking the above into consideration, JCR placed the ratings under Credit Monitor with Negative direction. There are mechanisms to protect against time overruns in the structure, and the effects from them might be reduced to a limited level, depending on the size of exceeding cost and whether or not there is a sponsor support. Through obtaining additional information on the construction work, JCR will examine the final probabilities of cost and time overruns and their effects on the project to be reflected in the ratings.

Kiichi Sugiura, Tomohiko Iwasaki and Kosuke Kajiwara

Rating

<Credit Monitor Placement>

Instrument Name	Initial Issue/ Execution Amount	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 4,300,000,000	April 2, 2040	Fixed	#BBB-/Negative
Trust ABL	JPY 1,000,000,000	April 2, 2040	Fixed	#BBB-/Negative

<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: October 28, 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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