

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

## JRE Mega Solar Project Bond Trust 1 Class A Beneficial Interest and Class A Trust ABL

<Affirmation>

Beneficial Interest: A-  
ABL: A-

### Rationale

This is a project finance for the mega solar project by Japan Renewable Energy Co., Ltd. (sponsor), which is operated in Osaki City, Miyagi Prefecture. In the project, there has been a damage due to the theft of core cables between junction boxes and power collection boxes in May 2023, but it has been recovered now. Until May 2023 when the damage of cable theft occurred, actual revenue from electricity sales had been above the plan. In the first half of 2021, DSCR slightly declined due to a technical factor that the dates of receiving payments for electricity sold were moved back in relation to change of buyers, but is kept at a favorable level after the resolution of the payment date issue. Although there was a damage of the cable theft, it was not significant as much as having a direct impact on the creditworthiness of the project. JCR hence sees that cash flows from the project has a high margin for the redemption / repayment of the beneficial interest / trust ABL.

Kiichi Sugiura, Yudai Matsumoto

### Rating

<Affirmation>

Instrument Name	Initial Execution/ Issue Amount	Trust Termination Date	Coupon Type	Rating
Class A Beneficial Interest	JPY 360,000,000	Mar. 31, 2033	Fixed	A-
Class A Trust ABL	JPY 228,000,000	Mar. 31, 2033	Fixed	A-

<Information on Outline of Issue>

Trust Establishment Date: September 30, 2013  
Beneficial Interest Assignment/ ABL Execution Date: September 30, 2013  
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>

Initial Entrustor: Goldman Sachs Japan Co., Ltd.  
Trustee: Shinsei Trust & Banking Co., Ltd.  
Mega Solar Project Company: GK JRE Iwadeyama  
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: November 28, 2023

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.

The rating stakeholder participated in the rating process of the aforementioned credit ratings.



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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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