

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

Giga Solar Green Project Bond Trust (Fukushima) Beneficial Interest and Trust ABL

<Affirmation>

Beneficial Interest: BBB-
ABL: BBB-

Rationale

This is a case of project finance for refinancing mega solar project that has been conducted by Giga Solar Materials Corp. and its subsidiary, Eiwa Denryoku Kabushiki Kaisha, in Asakawa-cho, Ishikawa-gun, Fukushima Prefecture.

The actual power generation amount and cash flows are exceeding the planned values. Although changes in the agreement for the right of site are coming ahead, JCR considers that they will not have much impact on the level of credit rating. With regard to the panels of which bus bar was burnt out, attention must be paid to the fact that its product warranty is not satisfied. However, these panels account for only a small portion of the total panels, and JCR performed simulations by putting very strong stresses on the acceleration of panel deterioration, and affirmed that the project's debt service capacity can be maintained. For this reason, JCR affirmed the BBB- ratings on both beneficial interest and trust ABL.

Kiichi Sugiura, Naoki Okada

Rating

<Affirmation>

Instrument Name	Execution/ Issue Amount (bn)	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 5.5	May 21, 2035	Fixed	BBB-
Trust ABL	JPY 1.0	May 21, 2035	Fixed	BBB-

<Information on Outline of Issue>

Trust Establishment Date: March 27, 2018
Beneficial Interest Assignment/ ABL Execution Date: March 27, 2018
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: Shinsei Trust & Banking Co., Ltd.
Mega Solar Project Company: Godo Kaisha MERCHANT ENERGY 8
Asset Manager: BLUE BRIDGE PARTNERS Co.,Ltd.
O&M: Mitsui & Co. Foresight 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: April 18, 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/>).

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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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