

## Introduction of Mega Solar Project Bond Trust

**Goldman Sachs Japan Co., Ltd.**

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- Traditionally bank loans have been the major source for project finance debt in Japan. Project Bond Trust provides solar power plant developers in Japan with a capital markets alternative that can provide debt financing prior to construction completion. It is the world's first rated securities backed by solar renewable power projects.
- Project Bond Trust may provide huge benefits to both issuers and investors.

## Benefits for issuers

1. Access to capital markets for long tenor fixed-rate debt (20 years max.)
2. Complete non-recourse financing

- Rated securitized product provides access to the Japanese capital markets, the second largest in the world
- An asset backed -securitization approach of the Project Bond enables the structure to be totally non-recourse. This is a huge difference from Japanese bank loans whose lending decisions tend to be highly relationship based.

## Benefits for Investors

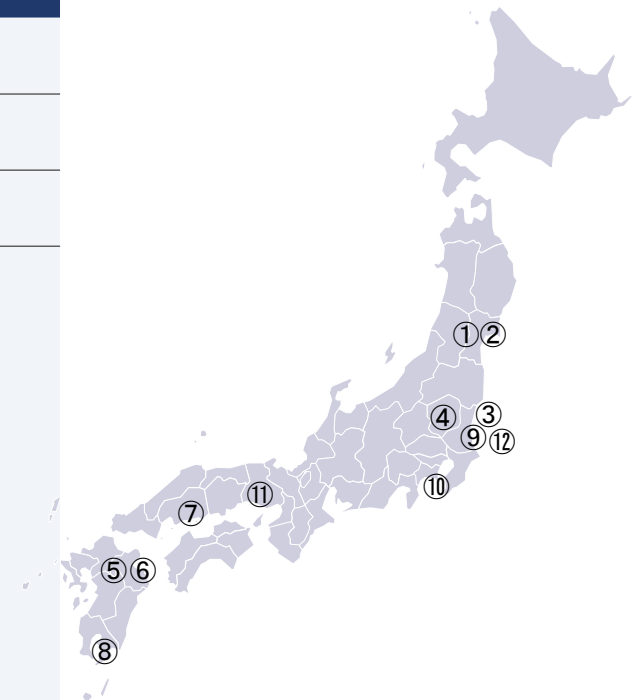
1. Alternative investment to Japanese Government Bonds, Muni Bonds, and Utility bonds
2. Opportunities for institutional investors to have direct exposure to infrastructure projects

- Rated securities are easier to invest for capital markets investors
- Many Japanese investors' exposure to JGBs and Muni bonds are too high and alternative long term investment opportunities are extremely welcome

- **Mega Solar Project Bond Trust is a product designed to raise project finance debt (ABS/ABL) via capital markets. The product enables solar power developers in Japan to raise development money prior to plant completion. This product, which has been developed by Goldman Sachs, is the world's first rated securities backed by solar renewable projects.**
- **The securities issued will be redeemed only through cash flow from the project (non-recourse)**

### Past Achievements (as of August 21, 2014)

<b>Total Issue Amount:</b>	Approximately ¥9.0bn
<b>Principal Repayment:</b>	17-18 Year Amortization
<b>Interest:</b>	Fixed Rate
<b>Power Plants Financed by Project Bonds:</b>	<ul style="list-style-type: none"> <li>① JRE Osato (Kurokawa, Miyagi Pref.)</li> <li>② JRE Iwadeyama (Osaki, Miyagi Pref.)</li> <li>③ JRE Namegata (Namegata, Ibaraki Pref.)</li> <li>④ Saikachi-yama Solarway (Nasu, Tochigi Pref.)</li> <li>⑤ Kitsuki Solarway (Kitsuki, Oita Pref.)</li> <li>⑥ Usa Solarway (Usa, Oita Pref.)</li> <li>⑦ Kurimoto Solar Energy Hachihonmatsu (Higashi-Hiroshima, Hiroshima Pref.)</li> <li>⑧ Shibushi Solarway (Shibushi, Kagoshima Pref.)</li> <li>⑨ Kamagayama Solarway (Inashiki, Ibaraki Pref.)</li> <li>⑩ Ashigara Ooi Solarway (Ashigara, Kanagawa Pref.)</li> <li>⑪ Himeji Solarway (Himeji, Hyogo Pref.)</li> <li>⑫ JRE Hazaki (Kamisu, Ibaraki Pref.)</li> </ul>



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