

CREDIT OPINION

29 January 2026



Send Your Feedback

Contacts

Brittany Burrell Analyst	+1.214.979.6896
brittany.burrell@moodys.com	
Pisei Chea VP – Senior Analyst	+1.212.553.0344

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Midway Independent School District (McLennan County), TX

Update to credit analysis

Summary

[Midway Independent School District](#)'s (Aa2 stable) credit profile benefits from a strong economy located in the [Waco](#) (Aa1 stable) area. The district's credit profile is further bolstered by a very strong revenue-generating base indicated by very high full value per capita and above-average resident income, which help offset flat enrollment. The district also benefits from strong financial performance, including strong reserves and liquidity, as well as manageable fixed costs despite somewhat elevated leverage.

Credit strengths

- » Strong local economy with above-average resident income levels
- » Strong financial performance

Credit challenges

- » Elevated long-term liabilities driven by debt

Rating outlook

The stable outlook on the issuer and underlying ratings reflects the district's strong tax base and financial management, which will lead to balanced operations by fiscal 2027 despite flat enrollment and some cost pressures. Although the district projects an operating deficit in fiscal 2026 driven by changes in the state's funding structure, planned adjustments and expenditure controls will lead to balanced operations by fiscal 2027.

Factors that could lead to an upgrade

- » Reduction in long-term liabilities ratio well below 250% of operating revenue
- » Enrollment growth of at least 2% annually

Factors that could lead to a downgrade

- » Significant erosion of economic indicators
- » Trend of operating imbalance resulting in available fund balance and/or liquidity falling below 25% of operating revenue
- » Growth of long-term liabilities and fixed costs to above 350% and 20% of operating revenue, respectively

Key indicators

Exhibit 1

Midway I.S.D. (McLennan County), TX

	2022	2023	2024	2025	Aa Medians
Economy					
Resident income	129.0%	134.4%	N/A	N/A	118.5%
Full value (\$000)	\$6,288,896	\$7,496,726	\$8,407,871	\$8,278,958	\$4,184,901
Population	50,646	51,581	N/A	N/A	32,217
Full value per capita	\$124,174	\$145,339	N/A	N/A	\$123,578
Enrollment	8,434	8,739	8,849	8,824	4,143
Enrollment trend	0.5%	1.4%	2.4%	1.5%	-1.0%
Financial performance					
Operating revenue (\$000)	\$92,892	\$103,936	\$109,030	\$115,206	\$76,434
Available fund balance (\$000)	\$28,663	\$30,432	\$51,072	\$54,276	\$21,177
Net cash (\$000)	\$31,815	\$31,476	\$50,591	\$57,533	\$26,035
Available fund balance ratio	30.9%	29.3%	46.8%	47.1%	29.2%
Net cash ratio	34.2%	30.3%	46.4%	49.9%	35.9%
Leverage					
Debt (\$000)	\$213,885	\$199,689	\$198,043	\$181,171	\$52,318
ANPL (\$000)	\$70,708	\$56,781	\$54,424	\$56,767	\$107,625
OPEB (\$000)	\$18,542	\$12,129	\$10,749	\$14,544	\$8,874
Long-term liabilities ratio	326.3%	258.4%	241.4%	219.2%	301.4%
Implied debt service (\$000)	\$15,861	\$14,938	\$13,872	\$13,706	\$3,696
Pension tread water (\$000)	\$1,304	\$2,388	\$2,842	N/A	\$1,705
OPEB contributions (\$000)	\$404	\$447	\$522	\$554	\$363
Fixed-costs ratio	18.9%	17.1%	15.8%	14.8%	9.8%

For definitions of the metrics in the table above please refer to the [US K-12 Public School Districts Methodology](#) or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published [K12 Median Report](#).

Sources: US Census Bureau, Midway I.S.D. (McLennan County), TX's financial statements and Moody's Ratings

Profile

Midway ISD (McLennan County) is located in central Texas, approximately five miles southwest of Waco. The district is located in [McLennan County](#) (Aa1) in the southwest portion of the Waco metropolitan area. The district provides K-12 educational services to a current enrollment of approximately 8,700 students.

Detailed credit considerations

Economy

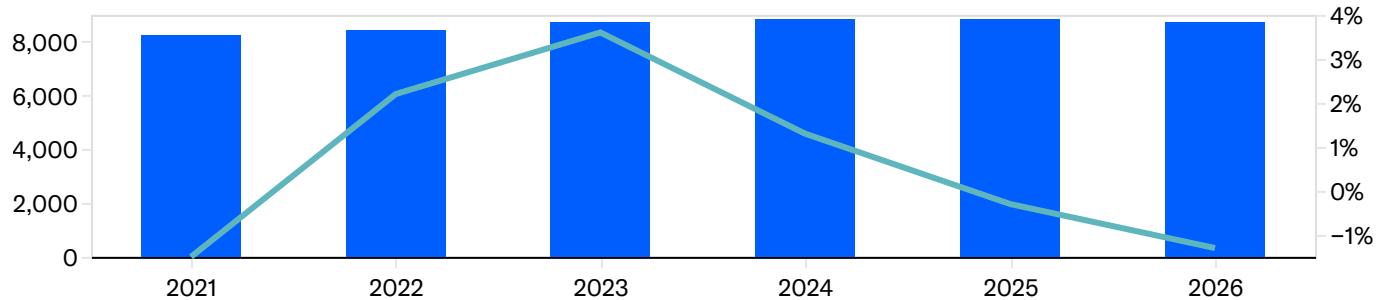
The district's economic base is stable, supported by a diversified tax base that is approximately 55% industrial and 45% residential and has remained relatively consistent over time. Full value per capita is solid at \$181,323, and is expected to grow as there are several housing projects underway and commercial expansion in an industrial district. Taxpayer concentration is moderate, with the top ten taxpayers accounting for 17.3% of assessed valuation consisting of companies with stable operating profiles. The local economy benefits from the presence of Baylor University, which contributes to employment stability and economic diversification. Resident income levels remain favorable, with median household income (MHI) adjusted for regional price parity at 134.4% of the nation's MHI. Following a period of sustained growth, enrollment has leveled off, and the district projects approximately 0.5% annual enrollment growth over the next several years.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moodys.com> for the most updated credit rating action information and rating history.

Exhibit 2

Enrollment levels off following years of steady growth

■ Enrollment ■ YoY % Change (right axis)



Source: Midway I.S.D. bond offering documents, Moody's Ratings

Financial performance

The district's financial position is strong and will remain so based on the district's history of stable finances and conservative budgeting. In fiscal 2024, a large operating funds (including the general and debt service funds) surplus resulted from a one-time change in the district's fiscal year-end to June 30 from August 31, which led to the recognition of ten months of operating expenditures and a full year of state aid revenue. This led to an increase in the available fund balance and net cash balance at year end. The district ended fiscal 2025 with a \$3.2 million operating fund surplus, increasing available operating fund balance to \$54.3 million, or a strong 47.1% of fiscal 2025 operating revenue.

The district's financial position will continue to benefit from strong reserves and management's prudent budgeting practices. Although the district adopted a \$3.4 million deficit in its fiscal 2026 budget, largely because of shifts in the state's funding structure, management expects a lower \$2 million deficit by not filling positions through attrition. Some fund balance will be used in fiscal 2026 to fill the gap, but management expects a return to structural balance in fiscal 2027. While operating pressures persist due to flat enrollment and rising personnel costs, ongoing structural adjustments support the district's strong financial flexibility.

Leverage

The district's leverage is somewhat elevated, with debt accounting for most of its long-term liabilities. Fixed costs, including debt service, pensions, and retiree healthcare (OPEB) are expected to remain manageable at less than 15% of operating revenue.

Pensions and OPEB

K-12 school districts in Texas participate in the Teacher Retirement System (TRS) of Texas and receive substantial pension cost support from the state, which drives down their adjusted net pension liabilities (ANPLs). As of the retirement system's fiscal 2024 reporting, government contributions amounted to about 9% of payroll in aggregate, below our tread water indicator of 12% of payroll. Based on reporting by TRS, we expect Texas school districts' ANPLs to decline by around 3% in fiscal year 2025. While results will vary across US public pension systems, we generally expect local governments' fiscal year 2026 ANPLs to fall by another 20% based on our aggregate estimates, due to rising interest rates and above-target investment returns in 2025.

For fiscal 2025, the district reported a GASB net pension liability of \$25.0 million, based on a 7.00% discount rate. Comparatively, the Moody's adjusted net pension liability (ANPL) based on a 5.02% discount rate was \$56.8 million.

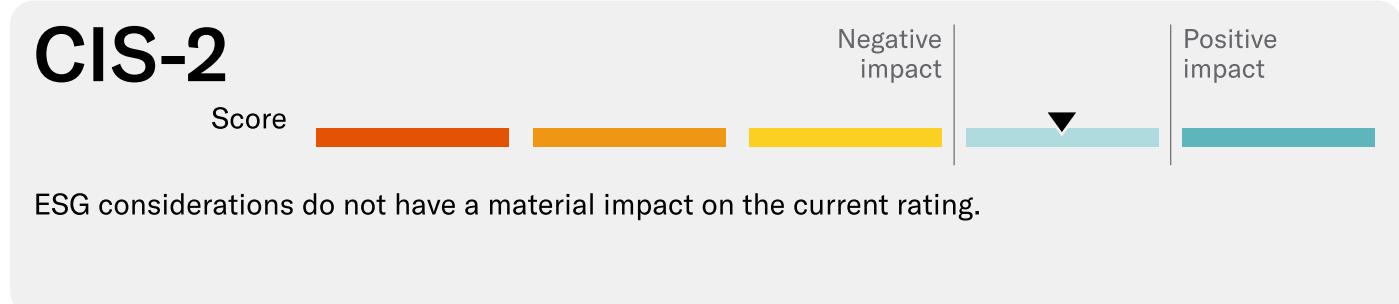
In fiscal 2024, the district made \$2.2 million in pension contributions, net of contributions from the state. This contribution was slightly below the Moody's calculated "tread water" level of \$2.8 million, or a gap equal to 0.5% of operating revenues.

The district funds other post-employment benefits (OPEB) on a pay-as-you-go basis and Moody's adjusted net OPEB liability is \$10.7 million, or a moderate 9.3% of operating revenue.

ESG considerations

Midway I.S.D. (McLennan County), TX's ESG credit impact score is **CIS-2**

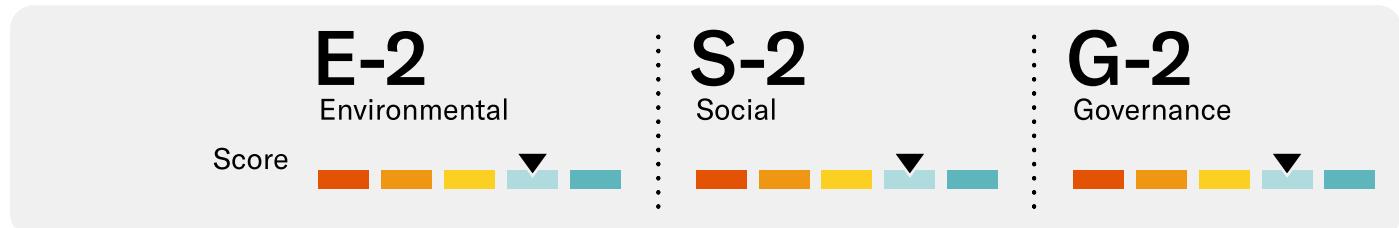
Exhibit 3
ESG credit impact score



Source: Moody's Ratings

Midway ISD's credit impact score of **CIS-2** indicates that ESG factors have a relatively low impact on the rating. This reflects Midway ISD's sound governance and low exposure to environmental and social risks.

Exhibit 4
ESG issuer profile scores



Source: Moody's Ratings

Environmental

Midway ISD's environmental issuer profile score (**E-2**) reflects relatively low exposure to environmental risks across all categories including physical climate risk, carbon transition, water management, natural capital and waste and pollution.

Social

Midway ISD's social issuer profile score (**S-2**) incorporates relatively low exposure to social risks across all categories, including demographics, education, housing and health and safety. The district benefits from high resident income levels and stable population growth, supporting stable school enrollment.

Governance

Midway ISD's governance issuer profile score (**G-2**) reflects conservative budgeting and planning practices, coupled with a favorable history of balanced financial operations. The district is governed by a seven-member board of trustees elected to three-year, staggered terms. The district has an informal target to maintain reserves equivalent to 25% of annual operating expenditures. Texas school districts have a strong ability to control their revenue which is derived from property taxes and state aid under an equalized formula that increased in fiscal 2026. Property tax revenue growth is capped annually at 2.5%, but districts can approach voters for a levy override that can generate meaningful additional revenue.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Rating methodology and scorecard factors

The US K-12 Public School Districts Methodology includes a scorecard, a tool providing a composite score of a school district's credit profile based on the weighted factors we consider most important, universal and measurable, as well as possible notching factors dependent on individual credit strengths and weaknesses. Its purpose is not to determine the final rating, but rather to provide a standard platform from which to analyze and compare school district credits.

Exhibit 5

Midway I.S.D. (McLennan County), TX

	Measure	Weight	Score
Economy			
Resident Income (MHI Adjusted for RPP / US MHI)	134.4%	10.0%	Aaa
Full value per capita (full valuation of the tax base / population)	181,323	10.0%	Aaa
Enrollment trend (three-year CAGR in enrollment)	1.5%	10.0%	Aa
Financial performance			
Available fund balance ratio (available fund balance / operating revenue)	471%	20.0%	Aaa
Net cash ratio (net cash / operating revenue)	49.9%	10.0%	Aaa
Institutional framework			
Institutional Framework	Aa	10.0%	Aa
Leverage			
Long-term liabilities ratio ((debt + ANPL + adjusted net OPEB) / operating revenue)	284.0%	20.0%	A
Fixed-costs ratio (adjusted fixed costs / operating revenue)	14.8%	10.0%	Aaa
Notching factors			
No notchings applied			
Scorecard-Indicated Outcome			Aa1
Assigned Rating			
			Aa2

The complete list of outstanding ratings assigned to the Midway I.S.D. (McLennan County), TX is available on their [issuer page](#). Details on the current ESG scores assigned to the Midway I.S.D. (McLennan County), TX are available on their [ESGView page](#).

Sources: US Census Bureau, Midway I.S.D. (McLennan County), TX's financial statements and Moody's Ratings

Appendix

Exhibit 6 Key Indicators Glossary

	Definition	Typical Source*
Economy		
Resident income	Median Household Income (MHI), adjusted for Regional Price Parity (RPP), as a % of the US	MHI: American Community Survey (US Census Bureau)
Full value (\$000)	Estimated market value of taxable property accessible to the district	RPP: US Bureau of Economic Analysis State repositories, district's audited financial reports, offering documents or continuing disclosure
Population	Population of school district	American Community Survey (US Census Bureau)
Full value per capita	Full value / population of school district	
Enrollment	Student enrollment of school district	State data publications
Enrollment trend	3-year Compound Annual Growth Rate (CAGR) of Enrollment	State data publications; Moody's Investors Service
Financial performance		
Operating revenue (\$000)	Total annual operating revenue in what we consider to be the district's operating funds	Audited financial statements
Available fund balance (\$000)	Committed, assigned and unassigned fund balances in what we consider to be the district's operating funds	Audited financial statements
Net cash (\$000)	Net cash (cash and liquid investments minus short-term debt) in what we consider to be the district's operating funds	Audited financial statements
Available fund balance ratio	Available fund balance / Operating Revenue	Audited financial statements
Net cash ratio	Net Cash / Operating Revenue	Audited financial statements
Leverage		
Debt (\$000)	District's direct gross debt outstanding	Audited financial statements; official statements
ANPL (\$000)	District's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Investors Service
OPEB (\$000)	District's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Investors Service
Long-term liabilities ratio	Debt, ANPL and OPEB liabilities as % of operating revenue	Audited financial statements, official statements; Moody's Investors Service
Implied debt service (\$000)	Annual cost to amortize district's long-term debt over 20 years with level payments	Audited financial statements; official statements; Moody's Investors Service
Pension tread water (\$000)	Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met	Audited financial statements; Moody's Investors Service
OPEB contributions (\$000s)	District's actual contribution in a given period, typically the fiscal year	Audited financial statements; official statements
Fixed-costs ratio	Implied debt service, pension tread water and OPEB contributions as % of operating revenue	Audited financial statements, official statements, pension system financial statements

*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the [US K-12 Public School Districts Methodology](#).

Source: Moody's Investors Service

© 2026 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE LEGAL, COMPLIANCE, INVESTMENT, FINANCIAL OR OTHER PROFESSIONAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating or assessment is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating or assessment process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating or assessment assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moody's.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., Moody's Local PA Clasificadora de Riesgo S.A., Moody's Local CR Clasificadora de Riesgo S.A., Moody's Local ES S.A. de CV Clasificadora de Riesgo, Moody's Local RD Sociedad Clasificadora de Riesgo S.R.L. and Moody's Local GT S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore.

EU: In the European Union, each of Moody's Deutschland GmbH and Moody's France SAS provide services as an external reviewer in accordance with the applicable requirements of the EU Green Bond Regulation. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO:

(1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used

within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

REPORT NUMBER

1472403

Contacts

Pisei Chea <i>VP – Senior Analyst</i> pisei.chea@moodys.com	+1.212.553.0344	Jillian Goveas <i>Ratings Associate</i> jillian.goveas@moodys.com	+1.212.553.4162
Brittany Burrell <i>Analyst</i> brittany.burrell@moodys.com	+1.214.979.6896		