

Assigned J-3 to Narasaki Stax Accounts Receivable ABL10-07

July 13, 2010

JCR has assigned a J-3 rating to a limited recourse asset-backed loan (ABL) backed by accounts receivable.

Instrument Name: Narasaki Stax Accounts Receivable ABL10-07

Rated ABL: Series B ABL-1, Series B ABL-2

Rating: J-3 for both Series B ABL-1 and Series B ABL-2

ABL Execution Amount: Y284,272,488 (ABL-1), Y142,939,380 (ABL-2)

Underlying Assets: Accounts receivable

Credit Enhancement & Liquidity Facility: Senior-subordinated structure

(Subordination Ratio: 17.15%), three-month tale period

ABL Execution Date: July 15, 2010

ABL Repayment Date: November 30, 2010 (ABL-1), January 4, 2011 (ABL-2)

Coupon Type: fixed

Originator & Servicer: Narasaki Stax Co., Ltd.

ABL Borrower: Progress Funding Corporation (Sapporo Branch)

Arranger: North Pacific Bank, Ltd.

<Rationale>

Narasaki Stax securitizes its accounts receivable from the clients. There are no concerns about capabilities of parties to the structure to carry out their administrative duties. Risk with respect to principal repayment has been reduced to a level consistent with J-3 rating through credit enhancement and mechanism of the structure.