

Assigned pre. J-1+ to A&D Bills Receivable Beneficial Int. 10-07
July 20, 2010

JCR has assigned a preliminary J-1+ rating to a senior beneficial interest backed by bills receivable. JCR assigned the preliminary rating based on information that JCR acquired up to July 20, 2010. JCR will determine a final rating later on after going over data and other information conclusively.

Instrument Name: A&D Bills Receivable Senior Beneficial Interest 10-07

Rating: J-1+

Issue Amount: Y269,000,000

Underlying assets: Bills receivable

Credit Enhancement & Liquidity Facility: Senior-subordinated structure,
Subordination Ratio (ratio of subordinated beneficial interest principal
to total amount of receivables in trust): 10.8%

Trust Setting Up Date: July 29, 2010

Senior Beneficial Interest Assignment (Issue) Date: July 29, 2010

Trust Expiration (Legal Final Maturity) Date: December 2, 2010

Coupon Type: fixed

Trustor: A&D Company, Ltd.

Trustee: Resona Bank, Limited

Collecting Bank: Resona Bank, Limited

Arranger and Trust Agreement Agent: Saitama Resona Bank, Limited

<Rationale>

A&D Company securitizes its bills receivable from customers. 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-1+ rating through credit enhancement and mechanism of the structure.