

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

<Asset Securitization Products> REIT2021-001 Beneficial Interest/ABL

<Affirmation>

Beneficial Interest:

Class A Beneficial Interest: AAA

Class B Beneficial Interest: AA-

ABL: AA-

Rationale

This is a rating on a synthetic CLO whose reference obligation is loans to multiple Japanese corporations (debtors). The risks associated with the principal redemption and scheduled dividend payment of the Class A Beneficial Interest under the scheme are considered to have been reduced to a level equivalent to the rating through the credit enhancement and mechanisms under the structure, and therefore JCR has affirmed the rating of AAA on the Class A Beneficial Interest. JCR has affirmed the rating of AA- on the Class B Beneficial Interest, etc.

Yoshinori Namioka, Riho Saiki

Rating

<Affirmation>

Instrument Name	Issue/ Execution Amount (bn)	Subordination Ratio	Scheduled Trust Expiration Date*	Coupon Type	Rating
Class A Beneficial Interest	JPY 25.4	15.33%	June 25, 2024	Fixed	AAA
Class B Beneficial Interest	JPY 3.7	-	June 25, 2024	Fixed	AA-
Class B Trust ABL	JPY 0.9	-	June 25, 2024	Fixed	AA-

<Information on Outline of Issue>

Trust Establishment Date: June 18, 2021

Beneficial Interest Assignment/ ABL

Execution Date**: June 25, 2021

Redemption Method: Bullet Redemption

Credit Enhancement & Liquidity Facility:

Class A Beneficial Interest: Senior-subordinated Structure, Advance Payment of Loss Compensation Fee

Subordination Ratio: 1 - Class A Beneficial Interest/ Initial Principal of Loans Receivables (amount of principal to be compensated)

Class B Beneficial Interest, etc.: Advance Payment of Loss Compensation Fee

Disclosure Requirements for Securitization Transaction Ratings with respect to Basel II have been met.

*Legal Final Maturity Date. However, if the lender's obligation to deliver the refund to the Trustee exists on the Scheduled Trust Expiration Date, it will be the corresponding date 6 months after June 25, 2024.

**Issue Date

<Information on Structure and Stakeholders>

Entrustor: Daiwa Securities Co. Ltd.

Trustee/ Person Who Compensates Loss: Undisclosed

Arranger: Daiwa Securities Co. Ltd.

<Information on Underlying Assets and Reference Portfolio>

Outline of Underlying Assets: Time deposit with pledge

Rating Assignment Date: March 23, 2023

The assumptions for the credit ratings and the definitions of the rating symbols 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 the rating methodology is shown as "Synthetic CDOs" (September 24, 2019) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>). Rating methodologies for other ancillary points such as eligible deposit accounts and bankruptcy remoteness are also shown within the same page.

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

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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.)
