23-D-0090
April 27, 2023

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

Concordia Financial Group, Ltd. (security code: 7186)

<Affirmation>

Long-term Issuer Rating:	AA
Outlook:	Stable
Bonds (Tier 2 with loss absorption clause):	AA-
Shelf Registration:	Preliminary AA

The Bank of Yokohama, Ltd. (security code: -)

<Affirmation>

Long-term Issuer Rating:	AA
Outlook:	Stable

The Higashi-Nippon Bank, Limited (security code: -)

<Affirmation>

Long-term Issuer Rating:	AA
Outlook:	Stable

Rationale

(1) The Concordia Financial Group (the "Group") is a regional financial group having The Bank of Yokohama, Ltd. ("BOY"), The Higashi-Nippon Bank, Limited ("HNB"), THE KANAGAWA BANK, LTD., Hamagin Tokai Tokyo Securities Co., Ltd. and others under the umbrella of the holding company. It has a broad network covering Kanagawa, Tokyo and seven other prefectures with a fund volume of 20 trillion yen, which is one of the largest in the industry. As regards KANAGAWA BANK, it became BOY's subsidiary in April 2023 through a tender offer (ownership ratio of share certificates, etc. after the completion of the tender offer: 84.63%). It is scheduled to become BOY's wholly owned subsidiary with the acquisition of remaining shares going forward.

(2) JCR views the Group's creditworthiness to be equivalent to a AA rating in consideration of the good earnings capacity underpinned by the strong customer base and the provision of diverse solutions, as well as other factors including sound assets supported by disciplined credit risk management and sufficient capital adequacy relative to risks. Because KANAGAWA BANK accounts for only a very small part of the consolidated earnings and finances, its consolidation has a limited impact on the Group's creditworthiness. BOY at the core of the Group ensures a high profit level, while previously ailing HNB is now improving its performance. A key to the future rating decisions will be whether the Group as a whole can maintain and increase basic earnings capacity while retaining asset quality and capital adequacy.

(3) Core net business income of BOY and HNB (the "two banks") combined is on the increase. With growth in loan balance and assets in custody at home and abroad, especially for BOY, both net interest income and net fees/commissions have been robust. While making constant cost-cutting efforts partly through the consolidation of branches, the Group is enhancing customer interactions by, for instance, improving the functions of non-face-to-face channels such as smartphone apps and the portal site for corporations. It is also actively engaging in strategic investment in venture businesses, etc. and collaboration with other banks so as to expand business domains.

(4) Non-performing loans ratio under the Financial Reconstruction Act of the two banks combined is low at around 1.5%, and credit costs are contained. While attention must be paid to the impact of the factors like surging raw material and fuel costs on borrowers, JCR assumes that, given the status of credit diversification, etc., credit costs will stay at a level fully absorbable by core net business income. In the market division, valuation losses on securities have expanded, which however are small relative to capital, and the Group is working to improve the portfolio by replacing assets.

(5) In line with risk governance under the risk appetite framework, the Group adequately controls various risks associated with its assets. Adjusted Tier 1 capital ratio on a consolidated basis is high at around 11%, and capital is sufficient against risks.

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Issuer: Concordia Financial Group, Ltd.

Concordia Financial Group, Ltd. ("Concordia FG") is the financial holding company of the Group. JCR considers Concordia FG's issuer rating to be commensurate with the Group's creditworthiness as Concordia FG's double leverage ratio stays below 100% and also in light of the Group's financial management policy, etc.

Issuer: The Bank of Yokohama, Ltd.

(1) BOY is a regional bank headquartered in Yokohama City, Kanagawa Prefecture with a fund volume of 18 trillion yen. It has a large customer base for both the corporate and retail sectors, as well as a solid business base as the leading bank in the prefecture. Given, among others, that it occupies the core position in the Group, its issuer rating is deemed to be commensurate with the Group's creditworthiness. BOY has successfully enhanced its customer base by, for instance, capitalizing on the Group's functions and business alliance with its partners The Chiba Bank, Ltd. and Kiraboshi Bank, Ltd. KANAGAWA BANK, which became its subsidiary, is a regional bank II with a fund volume of 500 billion yen, and BOY intends to strengthen KANAGAWA BANK's solutions business and increase management efficiency going forward by taking advantage of the Group's functions.

(2) Core net business income excluding gains/losses on cancellation of investment trusts for the nine months through December 2022 came to 67.7 billion yen with a year-on-year increase of 7.6 billion yen, and ROA based on this income was high in the 0.4% range. BOY is boosting interest on loans and fees/commissions in the corporate sector through the enhancement of solutions sales and also other initiatives including structured finance transactions and overseas projects. Interest on loans and fees/commissions in the retail sector also remain steady thanks in part to the stepped-up face-to-face and non-face-to-face approaches and the handling of fund wrap and protection-type insurance products. Currently, BOY is taking such measures as reallocating personnel from the administrative division to the sales division and increasing workforce in the IT and digital division. Given also that further cost reductions can be expected through branch integration, etc., JCR assumes that the good earnings capacity will be maintained.

(3) Loan assets are highly sound. Non-performing loans ratio under the Financial Reconstruction Act is low in the lower 1% range, and the ratio of categorized assets and the risk of concentration to large borrowers are also contained. Although real estate-related loans account for a large part of the total, they mainly target wealthy individuals with asset backgrounds. As regards LBO loans and capital loans, BOY is carefully building up the balance with due consideration given to product characteristics. Credit costs for the nine months through December 2022 amounted to 4.7 billion yen, which is equivalent to only 5 bps of loan balance (annualized) and 7% of core net business income. Given sound assets and strict credit risk management, they will likely be kept low into the future. No excessive risk-taking in the market division is observed. Valuation losses on bonds are growing for both the yen- and foreign currency-denominated bonds due to interest rate hikes in and outside Japan, which however are marginal relative to capital. BOY is increasing its tolerance to interest rate hikes by, for instance, acquiring variable bonds while selling low-yield bonds.

Issuer: The Higashi-Nippon Bank, Limited

(1) HNB is a regional bank II headquartered in Tokyo with a fund volume of 1.8 trillion yen. It is currently revising the branch network, including Ibaraki Prefecture where it originally started, and concentrating management resources in the 23 wards of Tokyo. Its issuer rating is deemed to be commensurate with the Group's creditworthiness, reflecting possible support from the Group. Thanks to successful shift to solutions sales, streamlining of business bases and personnel and other initiatives, core net business income has turned around from its bottom hit in FY2019. Credit costs, which had previously been placing downward pressure on profits, have been leveling off thanks to the enhancement of credit risk management, and thus HNB will likely attain net income for two years in a row in FY2022.

(2) Core net business income excluding gains/losses on cancellation of investment trusts for the nine months through December 2022 came to 5.8 billion yen with a year-on-year increase of 1.4 billion yen, and ROA based on this income stayed at around 0.35%, which is comparable to the average of regional banks in JCR's "A" rating category. HNB is increasing fees and commissions by, for instance, composing finance schemes in line with the customers' business plans and focusing on the value of real estate to meet diverse financing needs so as to boost SME lending while keeping the decrease in interest income due to shrinking yields small. Currently, it is working on increasing sales personnel in the 23 wards of Tokyo and reviewing the headquarters, and JCR assumes that core net business income will remain steady into the future.

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(3) As the Group as a whole is strengthening credit risk management by revising the screening system, improving the support system for the borrowers, etc., credit costs have been curbed since FY2021. Still, non-performing loans ratio under the Financial Reconstruction Act is high, standing in the lower 4% range as of December 31, 2022. Assets requiring caution are on the rise and also account for a large part of total credits. Given also that loans to real estate companies are large relative to capital, future trends in credit costs require attention. Meanwhile, low securities-to-deposit ratio and prudent investment stance indicate that risks in the market division are low.

Hidekazu Sakai, Michiya Kidani

Rating

Issuer: Concordia Financial Group, Ltd.

<Affirmation>

Long-term Issuer Rating: AA Outlook: Stable

Issue	Amount (bn)	Issue Date	Due Date	Coupon	Rating
Callable Bonds no. 3 (Tier 2 with loss absorption clause)	JPY 10	Mar. 13, 2019	Mar. 13, 2029	(Note 1)	AA-
Callable Bonds no. 4 (Tier 2 with loss absorption clause)	JPY 10	Mar. 22, 2019	Mar. 22, 2029	(Note 2)	AA-
Callable Bonds no. 5 (Tier 2 with loss absorption clause)	JPY 10	Sept. 4, 2019	Sept. 4, 2029	(Note 3)	AA-
Callable Bonds no. 6 (Tier 2 with loss absorption clause)	JPY 10	Mar. 19, 2020	Mar. 19, 2030	(Note 4)	AA-
Callable Bonds no. 7 (Tier 2 with loss absorption clause)	JPY 20	Sept. 3, 2020	Sept. 3, 2030	(Note 5)	AA-

Notes:

1. 0.49% until and including March 13, 2024. 6M Euroyen LIBOR + 0.49% after that date.
2. 0.49% until and including March 22, 2024. 5-year yen swap mid-rate + 0.49% after that date, rounded up to the second decimal place.
3. 0.37% until and including September 4, 2024. 6M Euroyen LIBOR + 0.55% after that date.
4. 0.45% until and including March 19, 2025. 5-year yen swap mid-rate + 0.63% after that date, rounded up to the second decimal place.
5. 0.60% until and including September 3, 2025. 6M Euroyen LIBOR + 0.62% after that date.

Shelf Registration: Preliminary AA

Maximum: JPY 200 billion

Valid: two years effective from July 29, 2021

Issuer: The Bank of Yokohama, Ltd.

<Affirmation>

Long-term Issuer Rating: AA Outlook: Stable

Issuer: The Higashi-Nippon Bank, Limited

<Affirmation>

Long-term Issuer Rating: AA Outlook: Stable

Rating Assignment Date: April 25, 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 "JCR's Rating Methodology" (November 7, 2014), "Banks" (October 1, 2021), "Rating Methodology for Financial Groups' Holding Companies and Group Companies" (September 1, 2022) and "Rating Methodology for Financial Institutions' Capital and TLAC Instruments" (April 27, 2017) in Information about JCR Ratings on JCR's website (https://www.jcr.co.jp/en/).

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

A preliminary rating is a credit rating assigned as a preliminary evaluation while material terms for issue to be rated are not yet finalized. When the issuing terms are finalized, JCR will confirm them and will assign a credit rating anew. The rating level of the final rating may be different from that of the preliminary rating, depending on the final content of the terms, etc.

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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.)

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Disclosure Required by Paragraph (a)(1)(ii) of Rule 17g-7

Issuer:	Concordia Financial Group, Ltd.
Issuer:	The Bank of Yokohama, Ltd.
Issuer:	The Higashi-Nippon Bank, Limited
Rating Publication Date:	April 27, 2023

1 The Symbol, Number, or Score in the Rating Scale used to Denote Credit Rating Categories and Notches and, the Identity of the Obligor or the Identity and a Description of the Security or Money Market Instrument as Required by Paragraph (a)(1)(ii)(A) of Rule 17g-7

- Please see the news release. If the credit rating is a private rating, please see the report for private rating.

2 The version of the procedure or methodology used to determine the credit rating; as Required by Paragraph (a)(1)(ii)(B) of Rule 17g-7

- Please see the news release. If the credit rating is a private rating, please see the report for private rating.

3 The Main Assumptions and Principles used in Constructing the Procedures and Methodologies used to Determine the Credit Rating as Required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

- The credit rating methodology assumes, in principle, to be applied to assess the likelihood of a given debt payment in light of its issuer's condition and business environment, etc. in the relevant future. There is certain limitation, however, in the time horizon that the rating foresees.
- The credit rating methodology assumes, in principle, that the factors posted in the below are particularly important for such likelihood to be determined, and that the rating determination is made by evaluating each of them not only quantitatively but also employing qualitative analyses.

A) Business Bases

The likelihood of a given debt payment is highly conditional to its issuer's business bases - how they can be maintained/ expanded into the future and thereby secure earnings and cash flows in adequacy and in a sustainable way.

B) Financial Grounds and Asset Quality

The likelihood of debt payment is highly dependent on the degree of the issuer’s indebtedness and loss absorption capacity in terms of equity capital. Also notable is that a financial institution might see a significant loss of financial grounds as a result of changes in value of the assets under its possession.

C) Liquidity Positions

The likelihood of debt payment is highly dependent on the adequacy of the issuer’s cash and other sources of repayment (liquidity positions).

D) Related Parties’ Status and Stance of Support/ Assistance for the Issuer

The likelihood of debt payment is affected one way or the other by the issuer’s related parties such as parent company, subsidiary, guarantor, and the government of the issuer’s business domicile, etc. - by their own conditions and/ or position of support/ assistance for the issuer.

E) Order of Seniority in Debt Payment

The likelihood of debt payment can be different between given debts of the same issuer. The likelihood of debt payment for an individual debt is dependent on the issuer’s discretion, and/ or its rank relative to other debts of the same issuer in the order of seniority in principal/ interest payment which is determined by design as financial product or by laws, etc.

4 The Potential Limitations of the Credit Rating as Required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

- The credit rating herewith presented by JCR is its summary opinion with regard to the likelihood of given debt payment and hence not necessarily a perfect representation of such likelihood. The credit rating is not intended to estimate the probability of default or the loss on given default, either.
- The objective of the credit rating herewith presented does not include any concerns other than the likelihood of debt payment, such as risks of price changes, market liquidity, etc.
- The credit rating herewith presented is necessary to be reviewed along with possible changes of the issuer of rated objects in its business performance and/ or circumstances which include regulatory environment, and hence subject to possible alteration.

5 Information on the Uncertainty of the Credit Rating as Required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

- The information used for the determination of credit rating as herewith presented is obtained by JCR from the issuer of rated objects and other sources that JCR trusts in terms of accuracy and reliability but possibly contains errors due to human, non-human or other causes. Consequently, the credit rating determined on the grounds of such information does not constitute, explicitly or implicitly, any representation or warrant of JCR on the information itself or any consequences of its use in terms of accuracy, relevance, timeliness, wholeness, market value, or usefulness for any specific purposes.

6 Use of Due Diligence Services of a Third Party in Taking the Rating Action as Required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

- There is no use of any third-party due diligence service in the determination of the credit rating herewith presented.

7 Use of Servicer or Remittance Reports to Conduct Surveillance of the Credit Rating Required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

- There is no use of any servicer or remittance report to conduct surveillance of the credit rating herewith presented.

8 The Types of Data Relied Upon for the Purpose of Determining the Credit Rating as Required by Paragraph (a)(1)(ii)(H) of Rule17g-7

- The information posted in the below, which includes data, is used for the determination of the credit rating herewith presented.

  A) Audited financial statements presented by the rating stakeholders

  B) Explanations of business performance, management plans, etc. presented by the rating stakeholders

9 Overall assessment of the Quality of Information Available and Considered in Determining the Credit Rating as Required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

- JCR holds its basic policies for securing the quality of information as a base of due diligence for the determination of credit ratings. The information used as a base for the determination of credit rating herewith presented satisfies such policies, which include the audit by an independent auditor, the warranty made by the issuer, the publication by the issuer, some independent media or, otherwise, JCR analyst's scrutiny, etc.
- JCR sees no particular weakness in the quality of information used for the determination of the credit rating herewith presented as compared to the information used in other cases of the credit rating for comparable issuers or ratable objects.
- If the credit rating is an Indication, please see the report for Indication.

10 Information Relating to Conflicts of Interest as Required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

- JCR receives payment of compensation for the determination of the credit rating herewith presented from either one of those parties who are issuer, underwriter, depositor or sponsor.
- JCR received in the last fiscal year in the past payment of compensation from The Bank of Yokohama, Ltd. for any kind of JCR's service other than the determination of public or private credit rating, such as one in the ancillary business.
- JCR did not receive in the last fiscal year in the past payment of compensation from Concordia Financial Group, Ltd. and The Higashi-Nippon Bank, Limited for any kind of JCR's service other than the determination of public or private credit rating, such as one in the ancillary business.

11 Explanation or Measure of the Potential Volatility of the Credit Rating as Required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

A) Business Bases

The credit rating is subject to alteration if there is improvement or deterioration of the issuer's business bases, since its revenue, etc. may improve or deteriorate by the change in its business management policies, clients' preferences, competitive situation, or a technological innovation. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change in the business bases is large.

B) Financial Grounds and Asset Quality

The credit rating is subject to alteration if the issuer increases/ decreases its debt/ capital or vice versa and thereby makes its individual debt payment liability less or more bearable and its loss absorption capacity into the future decreased or increased. Also, the changes in the quality of asset under the issuer's holding may affect the credit rating, since such changes could raise or lower the likelihood of future loss of the issuer's financial grounds. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change in the financial grounds and/ or asset quality is large.

C) Liquidity Positions

The credit rating is subject to alteration if there is a change in the issuer's financial management policy or in the relations with fund procurement sources and the change thereby makes its liquidity positions improve or deteriorate. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change is large.

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The credit rating is subject to alteration if there is a change in the issuer's parent company or subsidiary, guarantor or other provider of credit enhancement, or the government of the issuer's business domicile, or other related parties' own conditions and/ or position of support/ assistance for the issuer, and the change thereby makes its business bases, financial grounds and/ or liquidity positions improve or deteriorate, and/ or making the effectiveness of guarantee and other credit enhancement improve or deteriorate. The resultant alteration of the credit rating is usually a notch, with possibility of a few notches if and when the change is large.

E) Order of Seniority in Debt Payment and Non-Payment Forgiven by Contract

The credit rating is subject to alteration if there is a change in the rated debt's status in the order of seniority relative to other debts caused by the improvement/ deterioration of the issuer's financial condition. The resultant alteration of the credit rating is usually a notch, with possibility of a few notches if and when the change is large. Also, in case of the financial products for which non-payment of interest/ principal is contractually permissible, the credit rating is subject to alteration if and when the likelihood of such non-payment is projected to increase or decrease. The resultant alteration of the credit rating could be by a notch but often as much as a few notches.

F) Rise and Fall in General Economy and Markets

The credit rating is subject to alteration if there is a rise/ fall in the general economy and/ or the markets inducing the issuer's revenues/ expenses to increase/ decrease and vice versa, etc. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change is exceptionally large.

12 Information on the Content of the Credit Rating, Including the Historical Performance of the Credit Rating and the Expected Probability of Default and the Expected Loss in the Event of Default as Required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

- Historical records of the credit rating herewith presented are posted in the end of this paper.
- The credit rating herewith presented by JCR is its summary opinion with regard to the likelihood of given debt payment and hence not necessarily a perfect representation of such likelihood. The credit rating is not intended to estimate the probability of default or the loss on given default, either.
- Facts of the probability of default are posted as Form NRSRO Exhibit 1 on the JCR website under the URL:

  https://www.jcr.co.jp/en/service/company/regu/nrsro/

13 Information on the Sensitivity of the Credit Rating to Assumptions Made as Required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

A) Business Bases

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's business bases and powers of earning or cash flow generation, etc. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's business bases on some drastic change in the operational environments, etc.

B) Financial Grounds and Asset Quality

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's financial grounds and asset quality. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's financial grounds and/ or asset quality on some drastic change in its business bases.

C) Liquidity Risks

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's liquidity positions. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's liquidity positions on some drastic change in its financial management policy or relations with fund procurement sources, etc.

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's parent company or subsidiaries, guarantor or other providers of credit enhancement, the government of the issuer's business domicile or other related parties' status and stance of support/ assistance for the issuer. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if there is a major change on the part of related parties, such as replacement, disappearance, some drastic improvement/ deterioration of financial grounds/ balances, etc.

E) Order of Seniority in Debt Payment and Non-Payment Forgiven by Contract

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the order of seniority in repayment of interests and principal. JCR assumes the resultant change of the credit rating is most likely by a notch. The change could be as much as a few notches if the issuer's financial structure differs so much and thereby the balance between debts shifted so greatly. Rating change is also possible in case of the financial products for which non-payment of interest/ principal is contractually permissible, if and when the assumptions made at the time of its determination turns out to be inaccurate. The change of the credit rating is assumed to be by a notch but often as much as a few notches.

F) Rise and Fall in General Economy and Markets

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the prospects of general economy and markets. JCR expects the change should be most likely by a notch but could be as much as a few notches, should the economy or the markets change so greatly.

14 Information on the Representations, Warranties, and Enforcement Mechanisms of an Asset-backed Security as Required by Paragraph (a)(1)(ii)(N) of rule 17g-7

- The credit rating herewith presented is not for an ABS product, and hence no relevant issue.

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The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
Concordia Financial Group, Ltd.	Issuer(Long-term)	March 31, 2016	AA	Stable
Concordia Financial Group, Ltd.	Issuer(Long-term)	December 28, 2016	AA	Stable
Concordia Financial Group, Ltd.	Issuer(Long-term)	March 28, 2018	AA	Stable
Concordia Financial Group, Ltd.	Issuer(Long-term)	May 28, 2019	AA	Stable
Concordia Financial Group, Ltd.	Issuer(Long-term)	March 3, 2020	AA	Stable
Concordia Financial Group, Ltd.	Issuer(Long-term)	April 13, 2021	AA	Stable
Concordia Financial Group, Ltd.	Issuer(Long-term)	April 21, 2022	AA	Stable
Concordia Financial Group, Ltd.	Shelf Registration	July 20, 2021	AA	
Concordia Financial Group, Ltd.	Shelf Registration	April 21, 2022	AA	
Concordia Financial Group, Ltd.	Bonds no.3(Subordinated)	March 6, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.3(Subordinated)	May 28, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.3(Subordinated)	March 3, 2020	AA-	
Concordia Financial Group, Ltd.	Bonds no.3(Subordinated)	April 13, 2021	AA-	
Concordia Financial Group, Ltd.	Bonds no.3(Subordinated)	April 21, 2022	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	March 6, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	May 28, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	March 3, 2020	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	April 13, 2021	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	April 21, 2022	AA-	
Concordia Financial Group, Ltd.	Bonds no.5(Subordinated)	August 28, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.5(Subordinated)	March 3, 2020	AA-	
Concordia Financial Group, Ltd.	Bonds no.5(Subordinated)	April 13, 2021	AA-	
Concordia Financial Group, Ltd.	Bonds no.5(Subordinated)	April 21, 2022	AA-	
Concordia Financial Group, Ltd.	Bonds no.6(Subordinated)	March 6, 2020	AA-	
Concordia Financial Group, Ltd.	Bonds no.6(Subordinated)	April 13, 2021	AA-	
Concordia Financial Group, Ltd.	Bonds no.6(Subordinated)	April 21, 2022	AA-	
Concordia Financial Group, Ltd.	Bonds no.7(Subordinated)	August 27, 2020	AA-	
Concordia Financial Group, Ltd.	Bonds no.7(Subordinated)	April 13, 2021	AA-	
Concordia Financial Group, Ltd.	Bonds no.7(Subordinated)	April 21, 2022	AA-	

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
The Bank of Yokohama, Ltd.	Issuer(Long-term)	March 12, 2007	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	February 17, 2009	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	April 9, 2010	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	September 20, 2011	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	October 3, 2012	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	September 26, 2013	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	September 29, 2014	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	September 18, 2015	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	December 28, 2016	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	March 28, 2018	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	May 28, 2019	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	March 3, 2020	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	April 13, 2021	AA	Stable
The Bank of Yokohama, Ltd.	Issuer(Long-term)	April 21, 2022	AA	Stable

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	September 16, 2004	BBB+	
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	September 14, 2005	A-	
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	September 13, 2006	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	September 18, 2007	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	September 19, 2008	A-	Negative
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	December 17, 2009	A-	Negative
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	December 6, 2010	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	December 1, 2011	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	November 28, 2012	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	October 10, 2013	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	October 29, 2014	A-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	November 14, 2014	#A-	Positive
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	January 27, 2016	AA-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	December 28, 2016	AA-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	March 28, 2018	AA-	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	May 28, 2019	AA	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	March 3, 2020	AA	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	April 13, 2021	AA	Stable
The Higashi-Nippon Bank, Limited	Issuer(Long-term)	April 21, 2022	AA	Stable

Attestation Required by Paragraph (a)(1)(iii) of Rule 17g-7

I, Tomohiro Miyao, have responsibility to this Rating Action and to the best of my knowledge:

A) No part of the credit rating was influenced by any other business activities.

B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated.

C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

宮尾 知浩

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