

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

Zenkyoren 2nd Subordinated Loan Securitization Company Limited

<Assignment>
Bonds: AA-

Rationale

Zenkyoren 2nd Subordinated Loan Securitization Company Limited securitizes a Subordinated Loan to National Mutual Insurance Federation of Agricultural Cooperatives ("Zenkyoren"). JCR assigned an AA- rating to the Subordinated Loan, two notches below the long-term issuer rating of Zenkyoren. With no problems about the structure, JCR has assigned an AA- rating to the Bonds as with the rating for the Subordinated Loan. The ratings on the Subordinated Loan and the Bonds reflect JCR's assessment on the certainty of timely interest payments and principal repayment in full by the final due date.

Hideyuki Shoji, Riho Saiki

Rating

<Assignment>
Instrument Name: Bonds no. 1 (subordinated)
Issue Amount: JPY 48.9 billion
Final Due Date: October 21, 2052
Rating: AA-

<Information on Outline of Issue>

Issue Date: October 18, 2022
Coupon Rate: Until October 21, 2027: 1.100%
From October 22, 2027 to and including October 21, 2032: 5-year JGB interest rate + 1.035%
From October 22, 2032: 5-year JGB interest rate + 2.035% (to be revised on the corresponding date every 5 years)
Coupon Payment Dates: April 21 and October 21 every year
Redemption Method: Bullet Redemption
Early redemption is possible every 5 years from October 21, 2027 onward at the option of National Mutual Insurance Federation of Agricultural Cooperatives
Credit Enhancement & Liquidity Facility: NA

<Information on Structure and Stakeholders>

Issuer: Zenkyoren 2nd Subordinated Loan Securitization Company Limited
Borrower: National Mutual Insurance Federation of Agricultural Cooperatives
Originator: Daiwa Securities Co. Ltd.
Asset Management Company: Sumitomo Mitsui Trust Bank, Limited
Bond Administrator: Sumitomo Mitsui Trust Bank, Limited
Arranger: Daiwa Securities Co. Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Subordinated loan to National Mutual Insurance Federation of Agricultural Cooperatives



Rating Assignment Date: October 18, 2022

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 "Repackaged Financial Instruments" (August 5, 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.

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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.)
