

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

Nissay 7th Subordinated Loan Securitization Company Limited

<Assignment>
Bonds: Preliminary AA-

Rationale

This is securitization of a subordinated loan to Nippon Life Insurance Company. JCR assigned a preliminary AA- rating to the Subordinated Loan to Nippon Life Insurance Company, which is two notches below the long-term issuer rating. There are no concerns about the structure, and JCR has assigned a preliminary AA- rating to the Bonds as with the preliminary rating on the Subordinated Loan. These preliminary ratings reflect JCR's assessments on 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)
Scheduled Issue Amount*: JPY 50 billion
Final Due Date: May 10, 2052
Preliminary Rating: AA-

<Information on Outline of Issue>

Scheduled Issue Date: May 10, 2022
Coupon Rate*: Till May 10, 2032: TBD (Fixed Rate (Note 1))
On and after next day of May 10 2032: TBD (Floating Rate (Note 2))
Coupon Payment Dates: May 10 and Nov. 10 every year
Redemption Method: Bullet Redemption at Maturity
Early redemption is possible every 5 years on and after May 10, 2032 at the option of Nippon Life Insurance Company
Credit Enhancement & Liquidity Facility: NA

*Issue Amount and Coupon Rate are to be decided on Apr. 26, 2022.

(Note 1): (1) Distribution yield on 10-year JGB (compounded twice a year) + spread per annum (TBD), or
(2) an interest rate will be presented.

(Note 2): 5-year JGB interest rate + spread as described in (1) + 1.00% every 5 years after the lapse of 10 years or the interest rate presented by (2) less the distribution yield on 10-year JGB (compounded twice a year) + 1.00%

<Information on Structure and Stakeholders>

Issuer: Nissay 7th Subordinated Loan Securitization Company Limited
Borrower of Subordinated Loan: Nippon Life Insurance Company
Originator: Daiwa Securities Co. Ltd.
Asset Management Company: Mitsubishi UFJ Trust and Banking Corporation
Bond Administrator: MUFG Bank, Ltd.
Arranger: Daiwa Securities Co. Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Subordinated loan to Nippon Life Insurance Company

Rating Assignment Date: April 8, 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.

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.)
