

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

Zenkyoren 1st Subordinated Loan Securitization Company Limited

<Assignment>
Bonds: Preliminary AA-

Rationale

Zenkyoren 1st Subordinated Loan Securitization Company Limited securitizes a Subordinated Loan to National Mutual Insurance Federation of Agricultural Cooperatives ("Zenkyoren"). JCR assigns a preliminary AA- rating to the Subordinated Loan, which is two notches below the long-term issuer rating. With no concerns about the structure, JCR assigned a preliminary AA- rating to the Bonds as with the preliminary rating for 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 80 billion
Final Due Date: October 25, 2051
Preliminary Rating: AA-

<Information on Outline of Issue>

Scheduled Issue Date: October 25, 2021
Coupon Rate*:
Till Oct. 25, 2031: TBD (Fixed Rate (Note 1))
On and after next day of Oct. 25, 2031: TBD (Floating Rate (Note 2))
Coupon Payment Dates: Apr. 25 and Oct. 25 every year
Redemption Method: Bullet Redemption
Early redemption is possible every 5 years on and after Oct. 25, 2031 at the option of National Mutual Insurance Federation of Agricultural Cooperatives
Credit Enhancement & Liquidity Facility: NA

*Issue Amount and Coupon Rate are to be decided on Oct. 15, 2021.

(Note 1): Value to be determined based on preliminary presentations of (1) distribution yield on 10-year JGB (compounded twice a year) + spread per annum (TBD), or (2) an interest rate

(Note 2): Value to be determined by 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: Zenkyoren 1st 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: September 10, 2021

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.

Glossary:

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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