News Release

Japan Credit Rating Agency, Ltd.

19-D-1200
March 3, 2020

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) Concordia Financial Group, Ltd. (“Concordia FG” or the “Group”) is a financial holding company, having under its umbrella The Bank of Yokohama, Ltd. (“BOY”) and The Higashi-Nippon Bank, Limited (“HNB”). The Group has established a wide-area network in Japan covering mainly Kanagawa, Tokyo and seven other prefectures with fund volume reaching approximately 16 trillion yen, one of the largest in the industry. In the prolonged severe management environment such as the continued ultra-low interest rates and fiercer competition in the domestic market, the Group is taking efforts under the medium-term management plan from April 2019. It is building a cross-sectional sales structure for corporate/individual customers in order to offer more sophisticated proposal-based sales targeting corporates, the wealthy class and the asset forming class. It is also working to improve productivity through operational reforms by using digital technology, reforms of the branch channel, etc. Aiming to expand business domains, it is planning to make strategic investments of 50 billion yen in total during the three year. Recently, the Group has invested in P.T. Bank Resona Perdania and StormHarbour Japan Ltd.

(2) As BOY and HNB account for nearly 90% of Concordia FG’s consolidated assets and earnings, JCR’s assessment of the two banks’ combined asset quality and earnings capacity is strongly reflected on the Group’s overall creditworthiness. The two banks’ combined core net business income, excluding gains/losses on cancellation of investment trusts and other income susceptible to changes in market conditions, has been declining over the long term partly because of shrinking profit margins, but toward the present its transition has become more stable, staying at a level sufficient to absorb losses such as credit costs. The level of capital that JCR regards as the core is high, and various risks are appropriately managed. Thus, JCR overall considers the creditworthiness of the Group as a whole to be commensurate with the “AA” rating category. For the ratings of the two banks, the creditworthiness of the Group and possibility of support from the Group are considered, in addition to evaluation of their each non-consolidated profit/loss, financials, etc. For the rating on BOY, the creditworthiness is equivalent to that of the entire Group based on its core position in the Group, among others. For the rating on HNB, the creditworthiness is also equivalent to that of the entire Group, reflecting credit enhancement by the Group, with consideration given to the fact that the bank is judged very important for the group. JCR did not reflect subordinated nature in the ratings on Concordia FG, because there seems to be no problem with its double leverage ratio and others.

(3) BOY is a regional bank that is headquartered in Yokohama City, Kanagawa Prefecture. It has solid business bases as the leading bank in the prefecture with fund volume totaling about 14 trillion yen,

one of the largest in the industry. Its core net business income (excluding gains/losses on cancellation of investment trusts) at the end of the third quarter of FY2019 (year-to-date) was 51 billion yen, up 1.3 billion yen year on year. While the income has been recovering, ROA (in a core net business income basis, excluding gains/losses on cancellation of investment trusts) is around 0.45%, at a higher level relative to peers. The balance of loans to both corporates and individuals is steadily growing and investments by the department engaging in market transactions have been well diversified. As profits from services such as credit-related fees for corporate customers are increasing, expansion of topline earnings is absorbing an increase in costs. Looking ahead, upfront expenses for strategic investments will push up expenses, but BOY has strengthened its functions to provide a variety of solutions related to credit and non-credit under the new sales structure. JCR believes that relatively high profitability is likely to be maintained, partly because of expansion of overseas businesses, such as establishment of a new base in Singapore, and the effects of cooperation measures centered on the sales division operated with The Chiba Bank, Ltd. For the loan portfolio, corporate loans account for about 50% of the whole, and retail loans, mainly housing loans and apartment loans that are diversified in small lots, account for about 50%. Because of the large number of loans related to real estate, it is necessary to pay attention to the effects of changes in the real estate market. That said, BOY has a disciplined approach to credit line management with business characteristics taken into consideration and has been prepared for monitoring of changes in external environment, etc. For apartment loans to individuals, BOY has been increasing assets of good quality centered on loans for the wealthy class with assets. Its non-performing loans ratio under the Financial Reconstruction Act is as low as less than 1.5% and concentration of credits to large borrowers is well controlled. Credit costs have been low and there is little risk to record sizable credit costs. The department engaging in market transactions has increased investments in foreign bonds, foreign/domestic stocks, etc. through investment trusts, and the amount of price fluctuation risk has a tendency to increase. The department, however, reviews the asset portfolio flexibly and expeditiously along the business cycle. Also, given gains on valuation of stocks, the risks associated with securities holdings are likely to remain at a manageable level. Its consolidated Tier 1 ratio as of December 31, 2019 was 13.5%, sufficiently meeting regulatory requirements. Even if accumulated other comprehensive income (AOCI) is excluded, the ratio was in the 12% range, good for regional banks in the “AA” rating category.

(4) HNB, headquartered in Tokyo, is a second-tier bank, with fund volume of approximately 1.8 trillion yen. It is operating in a relatively wide area covering from Tokyo to Ibaraki Prefecture. Its core business net income (excluding gains/losses on cancellation of investment trusts) dropped substantially to 2 billion yen at the end of the third quarter of FY2019 (4.8 billion yen in the same period of the previous year) due to a large drop in top line revenues, and ROA (in a core business net gain basis, excluding gains/losses on cancellation of investment trusts) dropped to the first half of the 0.1% range. In its FY2019 full-year earnings forecast, HNB announced that it will record a net loss on the bottom line because of a decline in interest on loans, a high level of expenses, an increase in credit costs, etc. Against this backdrop, in the "Sunrise Plan," a profitability improvement plan formulated during the FY2019 period, HNB set forth a policy of tackling fundamental structural reforms, such as reducing the number of branches and streamlining the headquarters. Currently, the decline in the balance of loans to SMEs is halting, and efforts are made to increase the number of sales personnel, mainly in Tokyo. As a result, a fall in loan interest income is going to end. JCR expects fundamental earnings to recover from FY2020 onward, as HNB would be able to get much fee income thanks to an increase in headquarters solutions personnel and reduction in expenses associated with structural reforms, among others. Loan portfolios have been affected by the increasing sophistication of financial evaluations of borrowers and the deterioration in business performance of small-lot borrowers, resulting in an increase in non-performing loans and loans to borrowers requiring caution. The current credit costs are greatly squeezing profit/loss. JCR pays attention to whether credit costs can be curbed by tightening credit risk management. Risk-taking in the department engaging in market transactions has been restrained under a prudent management policy. The consolidated core capital ratio was 8.3% at the end of December 2019. While the level of capital is low, JCR believes that appropriate measures will be taken to respond to accumulation of risk assets and interest rate risk regulations, such as provision of capital support within the Group as necessary.

Hajime Oyama, 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. 1 (Tier 2 with loss absorption clause)	JPY 20	Mar. 22, 2017	Mar. 19, 2027	(Note 1)	AA-
Callable Bonds no. 2 (Tier 2 with loss absorption clause)	JPY 20	Feb. 23, 2018	Feb. 23, 2028	(Note 2)	AA-
Callable Bonds no. 3 (Tier 2 with loss absorption clause)	JPY 10	Mar. 13, 2019	Mar. 13, 2029	(Note 3)	AA-
Callable Bonds no. 4 (Tier 2 with loss absorption clause)	JPY 10	Mar. 22, 2019	Mar. 22, 2029	(Note 4)	AA-
Callable Bonds no. 5 (Tier 2 with loss absorption clause)	JPY 10	Sept. 4, 2019	Sept. 4, 2029	(Note 5)	AA-

Notes:

1. 0.50% until and including Mar. 22, 2022. It will switch to 6M Euroyen LIBOR + 0.38% after that date.
2. 0.40% until and including Feb. 23, 2023. It will switch to 6M Euroyen LIBOR + 0.28% after that date.
3. 0.49% until and including Mar. 13, 2024. It will switch to 6M Euroyen LIBOR + 0.49% after that date.
4. 0.49% until and including Mar. 22, 2024. It will switch to 5-year yen swap mid rate + 0.49% after that date, rounded up to the second decimal place.
5. 0.37% until and including Sept. 4, 2024. It will switch to 6M Euroyen LIBOR + 0.55% after that date.

Shelf Registration: Preliminary AA

Maximum: JPY 200 billion

Valid: two years effective from August 15, 2019

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: February 28, 2020

The criteria used for identifying matters which serve as assumptions for the assessment of the credit status, and the criteria used for setting of grades indicating the results of the assessments of the credit status 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 methodology for determination of the credit rating is shown as "JCR's Rating Methodology" (November 7, 2014), "Banks" (May 8, 2014), "Rating Methodology for Financial Groups' Holding Companies and Group Companies" (March 29, 2019) 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/).

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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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:	March 3, 2020

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.

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.

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 publication by the issuer or 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.

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 did not receive in the last fiscal year in the past payment of compensation from the same party for any kind of JCR’s service other than the determination of 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.

G) Various Events

The credit rating is subject to alteration on occurrence of various events, such as change in the issuer's major shareholders, M&A and other organizational change, accident, violation of the law, litigation, legal/ regulatory change, natural disaster, etc., which are unforeseeable at the time when the credit rating is determined, causing a significant change on the issuer's business bases, financial grounds, etc. The resultant alteration of the credit rating could be by a notch but more often than not as much as a few notches.

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.

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.	Shelf Registration	August 7, 2019	AA	
Concordia Financial Group, Ltd.	Bonds no.1(Subordinated)	March 14, 2017	AA-	
Concordia Financial Group, Ltd.	Bonds no.1(Subordinated)	March 28, 2018	AA-	
Concordia Financial Group, Ltd.	Bonds no.1(Subordinated)	May 28, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.2(Subordinated)	February 16, 2018	AA-	
Concordia Financial Group, Ltd.	Bonds no.2(Subordinated)	March 28, 2018	AA-	
Concordia Financial Group, Ltd.	Bonds no.2(Subordinated)	May 28, 2019	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.4(Subordinated)	March 6, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	May 28, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.5(Subordinated)	August 28, 2019	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 Historical Performance of the Credit Rating

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

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

I, Shozo Matsumura, 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.

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Shozo Matsumura
General Manager of Financial Institution Rating Department

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