

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

## HIKARI TSUSHIN, INC. (security code: 9435)

### <Outlook Change>

Long-term Issuer Rating: A  
Outlook: from Stable to Positive

### <Affirmation>

Bonds: A  
Shelf Registration: Preliminary A  
CP: J-1

### Rationale

- (1) HIKARI TSUSHIN, INC. (the "Company") is a general distributor dealing in in-house products such as Internet connection lines, online contents, electricity and delivery water, as well as third-party products like mobile phones and OA equipment. It has a unique sales network including distributors and sales partners and strives to use diverse human resources through the merit-based personnel system, etc. Placing emphasis on stock profits, which are the source of future stable earnings, it is shifting management resources to high-yield products in a timely manner.
- (2) The Company is beginning to see earnings capacity improve thanks to the good customer base, enhanced sales network, etc. It has been focusing on boosting the sales of products with potential for recurring revenue, thereby building up stock profits. While sales are affected by product life cycles, laws/regulations and product suppliers' sales policies, the Company diversifies risks by offering a wide array of products. JCR assumes that overall performance will remain firm, helped by growth in sales of flagship products, such as electricity and delivery water. Meanwhile, the fact that the Company holds a large amount of listed investment securities with market price fluctuation risk requires attention. Yet, given the likelihood of further profit accumulation, the financial structure can probably be maintained at a certain level. Based on the above, JCR, while affirming the ratings on the Company, changed the outlook from Stable to Positive. JCR will watch how far stock profits will increase going forward to be reflected in the future rating.
- (3) Operating income is projected to grow 19.8% over the year to mark a record high at 83 billion yen in the fiscal year ending March 2022. It is expected to turn around in the corporate segment selling in-house products to corporations with an increase in fixed price procurement in the electricity business so as to stabilize procurement prices. In the retail segment selling in-house products to individuals, strong sales of delivery water are driving income growth. The number of contracts with customers for flagship products is expected to keep rising, and JCR assumes that solid performance will continue.
- (4) Financial structure remains unchanged, as indicated by the ratio of equity attributable to owners of the parent to total assets standing at 33.1% as of September 30, 2021 as opposed to 31.3% at March 31, 2021. Also, given the holding of listed investment securities, the Company is net debt free. Capital expenditures are made mainly in the retail segment with limited impacts on finances. That said, as the outstanding balance of listed investment securities has increased to a level above equity capital, continued attention must be paid to future changes in said balance and the risk of price fluctuations.

Akihisa Motonishi, Hiroyoshi Otsuka

### Rating

Issuer: HIKARI TSUSHIN, INC.

### <Outlook Change>

Long-term Issuer Rating: A      Outlook: Positive

### <Affirmation>

Issue	Amount (bn)	Issue Date	Due Date	Coupon	Rating
Bonds no. 14	JPY 12.0	Jan. 26, 2017	Jan. 26, 2022	0.90%	A
Bonds no. 15	JPY 28.0	Jan. 26, 2017	Jan. 26, 2024	1.50%	A
Bonds no. 16	JPY 40.0	Aug. 10, 2017	Aug. 10, 2027	1.78%	A
Bonds no. 17	JPY 10.0	Mar. 23, 2018	Mar. 23, 2023	0.39%	A

Issue	Amount (bn)	Issue Date	Due Date	Coupon	Rating
Bonds no. 18	JPY 40.0	Mar. 23, 2018	Mar. 23, 2033	1.79%	A
Bonds no. 19	JPY 10.0	Sept. 21, 2018	Sept. 21, 2028	0.80%	A
Bonds no. 20	JPY 25.0	Sept. 21, 2018	Sept. 21, 2038	2.12%	A
Bonds no. 21	JPY 5.0	Aug. 8, 2019	Aug. 8, 2024	0.24%	A
Bonds no. 22	JPY 5.0	Aug. 8, 2019	Aug. 7, 2026	0.32%	A
Bonds no. 23	JPY 40.0	Aug. 8, 2019	Aug. 8, 2034	1.38%	A
Bonds no. 24	JPY 9.0	Nov. 8, 2019	Nov. 8, 2029	0.60%	A
Bonds no. 25	JPY 10.0	Nov. 8, 2019	Nov. 8, 2039	1.70%	A
Bonds no. 26	JPY 7.5	Nov. 8, 2019	Nov. 8, 2049	2.50%	A
Bonds no. 27	JPY 10.0	July 14, 2020	July 14, 2025	0.45%	A
Bonds no. 28	JPY 20.0	July 14, 2020	July 12, 2030	1.20%	A
Bonds no. 29	JPY 10.0	Feb. 2, 2021	Feb. 2, 2026	0.38%	A
Bonds no. 30	JPY 15.0	Feb. 2, 2021	Jan. 31, 2031	0.98%	A
Bonds no. 31	JPY 25.0	Feb. 2, 2021	Feb. 1, 2036	1.38%	A
Bonds no. 32	JPY 10.0	June 16, 2021	June 16, 2026	0.30%	A
Bonds no. 33	JPY 15.0	June 16, 2021	June 16, 2031	0.85%	A
Bonds no. 34	JPY 25.0	June 16, 2021	June 14, 2041	1.85%	A
Bonds no. 35	JPY 10.0	Nov. 4, 2021	Nov. 4, 2026	0.20%	A
Bonds no. 36	JPY 30.0	Nov. 4, 2021	Nov. 4, 2031	0.80%	A
Bonds no. 37	JPY 25.0	Nov. 4, 2021	Nov. 4, 2036	1.33%	A

Shelf Registration: Preliminary A

Maximum: JPY 200 billion

Valid: two years effective from September 21, 2021

CP: J-1

Maximum: JPY 50 billion

Rating Assignment Date: January 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 "JCR's Rating Methodology" (November 7, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

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.

## Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan  
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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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.)



## INFORMATION DISCLOSURE FORM

Japan Credit Rating Agency, Ltd.

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

Issuer:	HIKARI TSUSHIN, INC.
Rating Publication Date:	January 21, 2022

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 Rule 17g-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 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 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.

**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) 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.

E) 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.

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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.

**Japan Credit Rating Agency, Ltd.**

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan  
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

## The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
HIKARI TSUSHIN, INC.	Issuer(Long-term)	August 4, 2006	BBB	Negative
HIKARI TSUSHIN, INC.	Issuer(Long-term)	November 9, 2007	BBB	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	December 29, 2008	BBB	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	February 5, 2010	BBB	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	September 2, 2011	BBB	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	November 21, 2012	BBB	Positive
HIKARI TSUSHIN, INC.	Issuer(Long-term)	March 11, 2014	BBB+	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	July 27, 2015	BBB+	Positive
HIKARI TSUSHIN, INC.	Issuer(Long-term)	June 22, 2016	A-	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	November 6, 2017	A-	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	November 29, 2018	A-	Stable
HIKARI TSUSHIN, INC.	Issuer(Long-term)	January 17, 2020	A-	Positive
HIKARI TSUSHIN, INC.	Issuer(Long-term)	January 15, 2021	A	Stable
HIKARI TSUSHIN, INC.	CP	August 24, 2016	J-1	
HIKARI TSUSHIN, INC.	CP	November 6, 2017	J-1	
HIKARI TSUSHIN, INC.	CP	November 29, 2018	J-1	
HIKARI TSUSHIN, INC.	CP	January 17, 2020	J-1	
HIKARI TSUSHIN, INC.	CP	August 14, 2020	J-1	
HIKARI TSUSHIN, INC.	CP	January 15, 2021	J-1	
HIKARI TSUSHIN, INC.	Shelf Registration	September 21, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.14	January 20, 2017	A-	
HIKARI TSUSHIN, INC.	Bonds no.14	November 6, 2017	A-	
HIKARI TSUSHIN, INC.	Bonds no.14	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.14	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.14	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.15	January 20, 2017	A-	
HIKARI TSUSHIN, INC.	Bonds no.15	November 6, 2017	A-	
HIKARI TSUSHIN, INC.	Bonds no.15	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.15	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.15	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.16	August 4, 2017	A-	
HIKARI TSUSHIN, INC.	Bonds no.16	November 6, 2017	A-	
HIKARI TSUSHIN, INC.	Bonds no.16	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.16	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.16	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.17	March 16, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.17	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.17	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.17	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.18	March 16, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.18	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.18	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.18	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.19	September 14, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.19	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.19	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.19	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.20	September 14, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.20	November 29, 2018	A-	
HIKARI TSUSHIN, INC.	Bonds no.20	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.20	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.21	August 2, 2019	A-	
HIKARI TSUSHIN, INC.	Bonds no.21	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.21	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.22	August 2, 2019	A-	
HIKARI TSUSHIN, INC.	Bonds no.22	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.22	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.23	August 2, 2019	A-	
HIKARI TSUSHIN, INC.	Bonds no.23	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.23	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.24	November 1, 2019	A-	
HIKARI TSUSHIN, INC.	Bonds no.24	January 17, 2020	A-	



## The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
HIKARI TSUSHIN, INC.	Bonds no.24	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.25	November 1, 2019	A-	
HIKARI TSUSHIN, INC.	Bonds no.25	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.25	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.26	November 1, 2019	A-	
HIKARI TSUSHIN, INC.	Bonds no.26	January 17, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.26	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.27	July 8, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.27	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.28	July 8, 2020	A-	
HIKARI TSUSHIN, INC.	Bonds no.28	January 15, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.29	January 27, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.30	January 27, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.31	January 27, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.32	June 10, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.33	June 10, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.34	June 10, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.35	October 28, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.36	October 28, 2021	A	
HIKARI TSUSHIN, INC.	Bonds no.37	October 28, 2021	A	

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

I, Shigenobu Tonomura, 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.

殿村 成信

Shigenobu Tonomura

General Manager of Corporate Rating Department II

**Japan Credit Rating Agency, Ltd.**

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan  
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026