News Release

Japan Credit Rating Agency, Ltd.

19-D-0176
May 28, 2019

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: -)

<Rating Change>

Long-term Issuer Rating:	from AA- to 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 as a whole has established a wide-area network covering Kanagawa, Tokyo and five other prefectures with fund volume reaching approximately 16 trillion yen, one of the largest in the industry. The Group, since the management integration about three years ago, has been successful to some degree in early realizing synergies through management infrastructure sharing, such as provision of operations management know-how, opening of joint branches, and mutual use of existing branches. However, the business environment has been severe with continued ultra-low interest rates, fiercer competition, etc. Amid this situation, as well as rebuilding its sales system, Concordia FG is working on drastic streamlining of existing operations by using digital technology, reform of the branch channel, etc. to sophisticate proposal-based sales to corporate customers, wealthy individuals or asset forming people under the medium-term management plan having been implemented since April 2019. JCR will pay attention to progress on and effects of the measures the Group is carrying out.

(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 in the Group's overall creditworthiness. The two banks' combined ROA (based on core net business income) declined to 0.4% for the fiscal year ended March 2019, which is still higher than other banks even excluding gains on cancellation of investment trusts and other income susceptible to changes in market conditions. The capital assessed by JCR as core is at a high level and risks have been managed at a decent level. JCR thus considers the creditworthiness of the Group as a whole to be commensurate with the "AA" rating category. With regard to ratings for the holding company and banks under its umbrella, JCR followed the Rating Methodology for Financial Groups' Holding Companies and Group Companies (the "Methodology") JCR compiled in March 2019. JCR has affirmed the rating on BOY at AA as before, reflecting JCR's assessment of the overall Group's creditworthiness in light of BOY's key position in the Group. JCR upgraded the rating on HNB by one notch to AA, since the Methodology was followed. Though HNB's non-consolidated creditworthiness is slightly inferior to the Concordia FG's overall creditworthiness, factors incorporated in the rating include the considerable importance of HNB in the Group. JCR did not reflect subordinated nature of a holding company in the ratings on Concordia FG, because there seems to be no problem with its double leverage ratio and cash flow balance.

(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. While its core net business profit decreased due partly to a rise in the cost of procuring foreign currencies and a decline in fee income from investment trust sales, interest on loans in the domestic operations turned slightly upward owing to steady growth in its loan balance and the curtailed degree in yield on loans in FY2018. Invest income of the department engaging in market transactions remains stable due to diversification effect of investments, even excluding a decline in gains on cancellation of investment trusts. Expenses will be swollen due to upfront cost of BOY's strategic investment for the time being but are expected to be reduced along with the integration or downsizing of branches, operation reforms by using digital technology, etc. In addition, BOY is likely to retain relatively high earnings capacity through accelerated efforts for sophistication of proposal-based sales, etc. and further expansion of diversified investments by the department engaging in market transactions, in JCR's view. Its loan portfolio is made up of approximately 50% loans to corporate customers and approximately 50% loans to individual customers centering on relatively small diversified housing loans and apartment loans. Since the loans to real estate industry account for a larger part of the total loans, attention should be paid to changes in market conditions surrounding real estate industry. 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. As for apartment loans to individuals, BOY has been increasing assets of good quality by using a dedicated rating system centering on the wealthy individuals with assets. Its non-performing loans ratio under the Financial Reconstruction Act is low in the mid-1.0% range and concentration of credits to large borrowers is well controlled. All in all, BOY is unlikely to record sizable credit costs. The department engaging in market transactions has increased investments in foreign bonds, domestic stocks, etc. through investment trusts, indicating an increasing trend in the amount of price fluctuation risk. Nevertheless, the department reviews the asset portfolio flexibly and expeditiously along the business cycle. Also, given substantial gains on valuation of stocks and its sufficient capital, the risks associated with securities holdings are likely to remain at a level that presents no problems. Its consolidated Tier 1 ratio as at March 31, 2019 was 13.6%, satisfactorily meeting a regulatory requirement. 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 two trillion yen. It is operating preliminarily in relatively wide area covering from Tokyo to Ibaraki Prefecture. In July 2018, it received a business improvement order saying that there had been problems with its legal compliance posture, etc. HNB has been making improvement by reinforcing its posture for internal control and management administration. In FY2018, its sales capacity declined significantly due to a response to the business improvement order and the migration of its core system. The loan balance, in which HNB had enjoyed a substantial growth, turned downward and therefore, interest on loans as the pillar for earnings decreased sharply. Also due to an increase in system cost, the core net business profit decreased by 2.6 billion yen or 29% year on year to 6.2 billion yen, showing a sizable decline in income. Currently, HNB intends to rebuild its business model by increasing the allocation of management resources to the Tokyo office, as well as shifting focus from exploring new business to strengthening relations with existing customers. It is also working on cost reduction through the concentration of back office operations, review of branch functions, etc. JCR has the view that, while it will take time to regain interest on loans, implementing its measures speedily is the key to retention and improvement of HNB's earnings capacity. The loan portfolio shows that loans to the real estate industry is large relative to its capital and therefore, impacts on P/L and B/S in case that market conditions deteriorate must be watched. Attention also needs to be paid to the likelihood that credit cost may put considerable pressure on earnings due to an increase in bad loans and doubtful loans. With small gains on valuation of securities holdings, HNB is faced with an issue of appropriately managing the amount of risk from investment trust price fluctuations. The consolidated shareholders' equity ratio is low at 8.0% as of March 31, 2019.

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-

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.

Shelf Registration: Preliminary AA

Maximum: JPY 200 billion

Valid: two years effective from September 6, 2017

Issuer: The Bank of Yokohama, Ltd.

<Affirmation>

Long-term Issuer Rating: AA Outlook: Stable

Issuer: The Higashi-Nippon Bank, Limited

<Rating Change>

Long-term Issuer Rating: AA Outlook: Stable

Rating Assignment Date: May 24, 2019

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.

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

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:	May 28, 2019

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.

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
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.	Shelf Registration	August 29, 2017	AA	
Concordia Financial Group, Ltd.	Shelf Registration	March 28, 2018	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.2(Subordinated)	February 16, 2018	AA-	
Concordia Financial Group, Ltd.	Bonds no.2(Subordinated)	March 28, 2018	AA-	
Concordia Financial Group, Ltd.	Bonds no.3(Subordinated)	March 6, 2019	AA-	
Concordia Financial Group, Ltd.	Bonds no.4(Subordinated)	March 6, 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 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

Attachment

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.

松村省三

Shozo Matsumura
General Manager of Financial Institution Rating Department

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