

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

## Nissay 5th Subordinated Loan Securitization Company Limited

<Assignment>  
Bonds: Preliminary AA-

### Rationale

Nissay 5th Subordinated Loan Securitization Company Limited securitizes a subordinated loan to Nippon Life Insurance Company ("Nippon Life") (the "Subordinated Loan"). 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 50 billion  
Final Due Date: September 23, 2050  
Preliminary Rating: AA-

#### <Information on Outline of Issue>

Scheduled Issue Date: September 23, 2020  
Coupon Rate\*: Till Sept. 23, 2030: TBD (Fixed Rate (Note 1))  
On and after next day of Sept. 23, 2030: TBD (Floating Rate (Note 2))  
Coupon Payment Dates: March 23 and Sept. 23 every year  
Redemption Method: Bullet Redemption  
Early redemption is possible every 5 years on and after Sept. 23, 2030 at the option of Nippon Life Insurance Company  
Credit Enhancement & Liquidity Facility: NA

\*Issue Amount and Coupon Rate are to be decided on Sept. 11, 2020,

(Note 1): (1) 10-year JGB interest rate + spread per annum, or (2) an interest rate will be presented

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

#### <Information on Structure and Stakeholders>

Issuer: Nissay 5th Subordinated Loan Securitization Company Limited  
Borrower: Nippon Life Insurance Company  
Originator: Daiwa Securities Co. Ltd.  
Asset Management Company: Mitsubishi UFJ Trust and Banking Corporation  
Bond Administrator: MUFG Bank, Ltd.  
Arranger: Daiwa Securities Co. Ltd.

#### <Information on Underlying Assets>

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

Rating Assignment Date: August 26, 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 "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.

**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

---

Information herein has been obtained by JCR from the issuers and other sources believed to be accurate and reliable. However, because of the possibility of human or mechanical error as well as other factors, JCR makes no representation or warranty, express or implied, as to accuracy, results, adequacy, timeliness, completeness or merchantability, or fitness for any particular purpose, with respect to any such information, and is not responsible for any errors or omissions, or for results obtained from the use of such information. Under no circumstances will JCR be liable for any special, indirect, incidental or consequential damages of any kind caused by the use of any such information, including but not limited to, lost opportunity or lost money, whether in contract, tort, strict liability or otherwise, and whether such damages are foreseeable or unforeseeable. JCR's ratings and credit assessments are statements of JCR's current and comprehensive opinion regarding redemption possibility, etc. of financial obligations assumed by the issuers or financial products, and not statements of opinion regarding any risk other than credit risk, such as market liquidity risk or price fluctuation risk. JCR's ratings and credit assessments are statements of opinion, and not statements of fact as to credit risk decisions or recommendations regarding decisions to purchase, sell or hold any securities such as individual bonds or commercial paper. The ratings and credit assessments may be changed, suspended or withdrawn as a result of changes in or unavailability of information as well as other factors. JCR receives a rating fee paid by issuers for conducting rating services in principle. JCR retains all rights pertaining to this document, including JCR's rating data. Any reproduction, adaptation, alteration, etc. of this document, including such rating data, is prohibited, whether or not wholly or partly, without prior consent of JCR.

JCR is registered as a "Nationally Recognized Statistical Rating Organization" with the U.S. Securities and Exchange Commission with respect to the following four classes. (1) Financial institutions, brokers and dealers, (2) Insurance Companies, (3) Corporate Issuers, (4) Issuers of government securities, municipal securities and foreign government securities.

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.)

---

Copyright © Japan Credit Rating Agency, Ltd. All rights reserved.