News Release

Japan Credit Rating Agency, Ltd.

22-D-1199
December 27, 2022

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

Jimoto Holdings, Inc. (security code: 7161)

<Rating Change>
Long-term Issuer Rating: from BBB to BBB-
Outlook: Stable

Kirayaka Bank, Ltd. (security code: -)

<Affirmation>
Long-term Issuer Rating: BBB-
Outlook: Stable

THE SENDAI BANK LTD. (security code: -)

<Rating Change>
Long-term Issuer Rating: from BBB to BBB-
Outlook: Stable

Rationale

(1) The Jimoto Group (the “Group”) is a regional financial group having Kirayaka Bank, Ltd. (“Kirayaka Bank”) in Yamagata Prefecture and THE SENDAI BANK LTD. (“SENDAI BANK”) in Miyagi Prefecture under the umbrella of Jimoto Holdings, Inc. (“Jimoto HD”) as the holding company. It has branches mainly in the adjoining cities of Yamagata and Sendai, and its fund volume of 2.5 trillion yen is midsize for a regional financial group and a bank in the Tohoku region. Aiming at business improvement, the Group is taking such measures as unifying and consolidating sales structures, promoting digital transformation in collaboration with the SBI Group and strengthening the risk management structure.

(2) The Group reported 4.0 billion yen in net loss on a consolidated basis for the first half of the fiscal year ending March 2023 (FY2022) due primarily to a decrease in interest and dividends on securities, increase in credit costs and reversal of deferred tax assets. It has announced the forecast of 4.0 billion yen in loss for the full year. Because of the posting of net loss and also an increase in unrealized losses on securities due to a rise in overseas interest rates, the Group’s financial base has deteriorated significantly. Net interest income has weakened as a result of the restructuring of the securities portfolio, undermining the basic earnings capacity. As such, JCR assumes that it will take time to eliminate large unrealized losses. The level of capital JCR assess as essential has declined, and risk associated with loan assets is also high. Based on the above, JCR changed the Group’s creditworthiness from BBB equivalent to BBB- equivalent. Looking ahead, improving the earnings capacity through the enhancement of SME lending, cost reductions, etc. and strengthening the financial base by eliminating unrealized losses and controlling credit costs while accumulating internal reserves and so forth will be the keys to the future rating decisions.

(3) Core net business income of the two banks combined (excluding gains/losses on cancellation of investment trusts) is currently on the decline, and ROA based on this income is low in the upper 0.1% range. As for the funds managed in collaboration with the SBI Group, interest and dividends on securities have fallen sharply due to the switch to short-term bonds. JCR will watch whether the Group can improve its earnings capacity through business improvement measures, which have been promoted by the Group as one, including increasing loans to target customers and reducing expenses.

(4) Credit costs of the two banks combined increased to as much as 40 bps of the loan balance in the first half of FY2022 due to a slump in the business performance of large borrowers. This is 1.4 times larger than core net business income, which in JCR’s view will drag down the earnings for the full year, too. Non-performing loans ratio under the Financial Reconstruction Act of the two banks combined, which stood at 3.0% as of September 30, 2022, is on a gradual but upward trend. Given the large number of ailing large borrowers and the impact of soaring raw material prices on borrowers’ business results, credit costs may keep putting downward pressure on the earnings into FY2023 and beyond.

(5) In the market division, the foreign bond fund, which is managed in collaboration with the SBI Group, accounts for approximately 70% of the security portfolio. Unrealized gains on available-for-sale securities, mainly for the above fund, grew to as much as 31.1 billion yen as at September 30, 2022, which is equivalent to about 30% of core capital. A further increase in unrealized losses has been curbed as the Group sold bonds with such losses, which are managed under the fund, and switched to short-term bond investment. Going forward, the two banks intend to eliminate unrealized losses using the return on reinvestment within the fund as a source of funds. JCR will closely monitor the possibility of the risk of reinvestment becoming excessive.

(6) The Group's consolidated core capital ratio as of September 30, 2022 was 8.1%. Although this far exceeds the regulatory requirement, when adjusted for unrealized losses on securities, etc., it shows that it has fallen to a level that pales compared to other regional banks in JCR's BBB rating category. Core capital of 111.6 billion includes the public funds of 60 billion yen, 20 billion yen of which has been injected into Kirayaka Bank through Jimoto HD. The Group intends to repay this amount in September 2024. Currently, Jimoto HD and Kirayaka Bank are considering applying for public funds in accordance with COVID-related special measures under the Act on Special Measures for Strengthening Financial Functions, and JCR will closely watch future developments regarding public funds.

Issuer: Jimoto Holdings, Inc.

Jimoto HD is the financial holding company of the Group. JCR deems its issuer rating to be at the same level as the Group's creditworthiness and downgraded the rating by one notch to BBB- accordingly. Given such factors as double leverage ratio staying below 100% and the Group's financial management policy, the rating does not reflect structural subordination.

Issuer: Kirayaka Bank, Ltd.

(1) Kirayaka Bank is a regional bank II headquartered in Yamagata City, Yamagata Prefecture with a fund volume of 1.3 trillion yen. It has a market share of around 15% for deposits (excluding Japan Post Bank) and nearly 20% for loans in the prefecture. It ranks second among three local banks in terms of the share for loans and top in the prefecture for loans outstanding to SMEs. Given its core position in the Group, etc., the issuer rating is deemed to be at the same level as the Group's creditworthiness. Considering the creditworthiness of Kirayaka Bank alone to be equivalent to BBB- as in the past, JCR affirmed the rating on Kirayaka Bank. Kirayaka Bank reported 4.6 billion yen in net loss for the first half of FY2022 due primarily to a decrease in interest and dividends on securities, increase in credit costs and reversal of deferred tax assets. It has announced the forecast of 4.9 billion yen in loss for the full year. Aiming at business improvement, it is focusing on supporting SMEs, drastically reducing expenses and restructuring its securities investment system.

(2) Core net business income (excluding gains/losses on cancellation of investment trusts) for the first half of FY2022 was 1.5 billion yen, down 0.1 billion yen from the same period a year before. ROA based on this income is in the lower 0.2% range, which does not pale compared to other regional banks in JCR's BBB rating category, but JCR predicts that the basic earnings capacity will decline as interest and dividends on securities will keep falling in the second half of FY2022. On the other hand, the decline in interest on loans is beginning to curb. Thanks to successful measures including clarifying target customers and increasing personnel in charge of external affairs, SME lending is growing in the Sendai area. Housing loans also remain robust thanks in part to workplace sales centering on corporate customers. JCR will watch whether Kirayaka Bank can improve its earnings capacity from FY2023 onward by continuing its efforts to reallocate its personnel to priority areas, strengthening cost management, etc.

(3) Credit costs amounted to 3.6 billion yen in the first half of FY2022, rising to as much as over 70 bps of the loan balance due to a slump in the business performance of large borrowers. This is 2.4 times larger than core net business income, which in JCR's view will drag down the earnings for the full year, too. Non-performing loans ratio under the Financial Reconstruction Act has risen to as high as 3.0% as of September 30, 2022, which is a bit high, exceeding the industry average. Because there are some ailing borrowers with large uncovered claims relative to the earnings, credit costs may keep putting downward pressure on the earnings into FY2023 and beyond. As regards the foreign bond fund, which accounts for approximately 70% of the securities portfolio, the risk of additional losses, including the deterioration of unrealized gains/losses, is limited as of now.

(4) Consolidated core capital ratio as of September 30, 2022 was 8.1%, far exceeding the regulatory requirement. Core capital of 59.4 billion yen includes the public funds of 30.0 billion yen. JCR recognizes equity content for public funds in light of factors like the timing of repayment and capital

level after the repayment, but, even with such equity content taken into consideration, the ratio of capital JCR assesses as essential has fallen to a level that pales compared to other regional banks in JCR's BBB rating category. As Kirayaka Bank plans to repay 20.0 billion yen out of the public funds of 30.0 billion yen in September 2024, JCR will keep an eye on future developments, along with the public funds for which application is in process. As regards the remaining 10.0 billion yen, the period to the mandatory conversion date, which provides an indication of the effective maturity date, is long, and thus there is a moratorium on time until the repayment.

Issuer: THE SENDAI BANK LTD.

(1) SENDAI BANK is a regional bank II headquartered in Sendai City, Miyagi Prefecture with a fund volume of 1.2 trillion yen. While its market share for deposits (excluding Japan Post Bank) and loans in the prefecture is small at approximately 10%, it is increasing the share by absorbing strong funding needs of corporate and individual customers by promptly responding to loan transactions. Given its core position in the Group, etc., JCR deems the issuer rating to be at the same level as the Group's creditworthiness and downgraded the rating by one notch to BBB- accordingly. Net income for the first half of FY2022 was 0.6 billion yen, falling short of the initial projection of 0.8 billion yen due primarily to a decrease in interest and dividends on securities. SENDAI BANK forecasts 0.8 billion yen in net income for the full year, which is below the initial projection of 2.0 billion yen. Aiming at business improvement, it is working to increase loans to and expand hybrid transactions with core customers while reducing expenses and restructuring its securities investment system.

(2) Core net business income (excluding gains/losses on cancellation of investment trusts) for the first half of FY2022 was 1.0 billion yen, down 0.5 billion yen from the same period a year before. ROA based on this income is in the mid-0.1% range, which pales compared to other regional banks in JCR's BBB rating category. JCR also predicts that the basic earnings capacity will decline as interest and dividends on securities will keep falling in the second half of FY2022. On the other hand, interest on loans is on an uptrend. Thanks to the favorable business base and also to successful measures including increasing personnel in charge of external affairs and improving product details, SME lending is growing while housing loans has also increased significantly. JCR will watch whether SENDAI BANK can improve its earnings capacity from FY2023 onward by, for instance, improving its ability to respond to funding needs.

(3) Credit costs had remained within 10 bps of the loan balance for ten consecutive years up to FY2021. For the first half of FY2022, too, they amounted only to 0.1 billion yen, which is mere 2 bps of the loan balance. Non-performing loans ratio under the Financial Reconstruction Act has risen to as high as 3.1% as of September 30, 2022, but coverage ratio is extremely high because of conservative provisions. With respect to loans to the real estate and construction industries, where credit is becoming increasingly large, there are no signs that credit costs will grow huge partly because of the enhancement of credit management by industry. As regards the foreign bond fund, which accounts for approximately 70% of the securities portfolio, the risk of additional losses, including the deterioration of unrealized gains/losses, is limited as of now.

(4) Consolidated core capital ratio as of September 30, 2022 was 8.1%, far exceeding the regulatory requirement. For the public funds of 30.0 billion yen included in the core capital of 52.7 billion yen, JCR recognizes equity content because the period to the mandatory conversion date, which provides an indication of the effective maturity date, is long, and thus there is a moratorium on time until the repayment. Yet, even with such equity content taken into consideration, the ratio of capital JCR assesses as essential has fallen to a level that pales compared to other regional banks in JCR's BBB rating category.

Atsushi Kato, Michiya Kidani

Rating

Issuer: Jimoto Holdings, Inc.

<Rating Change>

Long-term Issuer Rating: BBB- Outlook: Stable

Issuer: Kirayaka Bank, Ltd.

<Affirmation>

Long-term Issuer Rating: BBB- Outlook: Stable

Issuer: THE SENDAI BANK LTD.

<Rating Change>

Long-term Issuer Rating: BBB- Outlook: Stable

Rating Assignment Date: December 23, 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), "Banks" (October 1, 2021) and "Rating Methodology for Financial Groups' Holding Companies and Group Companies" (September 1, 2022) in Information about JCR Ratings on JCR's website (https://www.jcr.co.jp/en/).

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

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

Issuer:	Jimoto Holdings, Inc.
Issuer:	Kirayaka Bank, Ltd.
Issuer:	The Sendai Bank, Ltd.
Rating Publication Date:	December 27, 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 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 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) 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) 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.

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
Jimoto Holdings, Inc.	Issuer(Long-term)	October 1, 2012	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	September 6, 2013	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	September 4, 2014	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	October 16, 2015	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	October 7, 2016	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	October 6, 2017	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	October 30, 2018	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	October 18, 2019	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	November 4, 2020	BBB-	Stable
Jimoto Holdings, Inc.	Issuer(Long-term)	October 29, 2021	BBB	Stable

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
Kirayaka Bank, Ltd.	Issuer(Long-term)	February 17, 2006	BBB+	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	February 16, 2007	#BBB+	Negative
Kirayaka Bank, Ltd.	Issuer(Long-term)	May 2, 2007	BBB	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	April 25, 2008	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	May 29, 2009	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	May 19, 2010	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 26, 2010	#BBB-	Positive
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 18, 2011	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 1, 2012	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	September 6, 2013	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	September 4, 2014	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 16, 2015	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 7, 2016	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 6, 2017	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 30, 2018	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 18, 2019	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	November 4, 2020	BBB-	Stable
Kirayaka Bank, Ltd.	Issuer(Long-term)	October 29, 2021	BBB-	Stable

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
THE SENDAI BANK LTD.	Issuer(Long-term)	October 2, 2007	BBB+	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 31, 2008	BBB	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 19, 2009	BBB	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 1, 2010	BBB	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 26, 2010	#BBB	Negative
THE SENDAI BANK LTD.	Issuer(Long-term)	October 18, 2011	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 1, 2012	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	September 6, 2013	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	September 4, 2014	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 16, 2015	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 7, 2016	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 6, 2017	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 30, 2018	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 18, 2019	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	November 4, 2020	BBB-	Stable
THE SENDAI BANK LTD.	Issuer(Long-term)	October 29, 2021	BBB	Stable

Attachment

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

I, Tomohiro Miyao, 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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