

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

Hikari-1 Hikari-2

<Rating Change>

ABL: from A- to A
Beneficial Interest: from A- to A

Hikari-1 and Hikari-2 are ABL and beneficial interest with loans receivable from HIKARI TSUSHIN, INC. ("HIKARI TSUSHIN") set as underlying assets and are affected by creditworthiness of HIKARI TSUSHIN. Following the announcement of upgrading to A long-term issuer rating on HIKARI TSUSHIN as of January 15, JCR has changed the rating from A- to A.

Hideyuki Shoji, Seito Achiha

Rating

<Rating Change>

Instrument name	Issue Amount	Subordination Ratio	Final Repayment/Redemption Date	Coupon Type	Rating
Hikari-1 Beneficial Interest	Undisclosed	-	Oct. 29, 2021	Fixed	A
Hikari-1 ABL		-	Oct. 29, 2021		A
Hikari-2 Beneficial Interest		-	Oct. 31, 2023		A
Hikari-2 ABL		-	Oct. 31, 2023		A

<Information on Outline of Issue>

Trust Establishment Date: October 31, 2016
Beneficial Interest Assignment/ABL Execution Date: October 31, 2016
Repayment/Redemption Method: Bullet Redemption
Credit Enhancement & Liquidity Facility: NA

<Information on Structure and Stakeholders>

Debtor: HIKARI TSUSHIN, INC.
Arranger: ORIX Bank Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Loans receivable from HIKARI TSUSHIN

Rating Assignment Date: January 18, 2021

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 "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.

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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.)

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