

May 22, 2007

## R&I is Recognized as an NRSRO by the U.S. SEC - The First NRSRO Outside of North America

Rating and Investment Information, Inc. (R&I) is pleased to announce that on May 21, 2007, it was recognized by the staff of the U.S. Securities and Exchange Commission (SEC) as a Nationally Recognized Statistical Rating Organization (NRSRO) for purposes of U.S. federal laws and rules. R&I is only the sixth credit rating agency overall, and the first outside of North America, to be recognized as an NRSRO by the SEC. This recognition as an NRSRO precedes the SEC's rules (expected in June 2007) effecting the U.S. Credit Rating Agency Reform Act of 2006 which was enacted in September 2006.

R&I welcomes the SEC staff's decision to grant R&I this important recognition. "We believe recognition of R&I as an NRSRO is an important step toward improving the competition among credit rating agencies in the U.S., and the overall quality of ratings, to the benefit of all investors," said Mr. Yasuhiro Harada, Chairman and Co-C.E.O. of R&I.

As a result of this NRSRO designation, R&I's credit ratings may be relied upon for purposes of numerous U.S. federal and state laws, including providing information about the creditworthiness of the securities held in inventory by U.S. broker-dealers when evaluating their capital adequacy. In the process of the application, R&I has demonstrated that: 1. R&I is broadly acknowledged in the U.S. financial markets as a credible rating agency, 2. R&I has enough financial means to conduct its rating activities independently, 3. R&I employs methodologies and procedures to provide reliable credit ratings, and 4. R&I has reasonable systems in place to prevent the misuse of confidential information. The designation as an NRSRO will have no influence on R&I's existing rating policy. Ratings of NRSROs are well received by the U.S. investment community as a *de facto* criterion in investment decisions.

In addition to this recent SEC staff recognition, other regulatory agencies have also recognized R&I for its issuance of credit ratings. R&I is designated by the Japanese Financial Services Agency and the Hong Kong Monetary Authority as an External Credit Assessment Institution (ECAI) for purposes of using its ratings to determine risk weights to evaluate bank assets under the Basel II Accord. Further, the Securities and Futures Authority Limited of the United Kingdom has recognized R&I's ratings as "relevant" for the purpose of determining "qualified debt securities" which have a lower risk weight that may be applied in calculating the capital adequacy of financial institutions.

R&I was established in 1998 by a merger of Nippon Investors Service (NIS) and Japan Bond Research Institute (JBRI). Since JBRI started its rating activity as the first rating agency in Japan in 1977, R&I has been providing more ratings than any other credit rating agency in Japan. As of April 30, 2007, R&I had 681 issuer ratings with respect to Japanese issuers. In addition to its prominence in the capital markets for its ratings of Japanese issuers, R&I rates securities and issuers on a global basis. For additional information about R&I and R&I's credit ratings, please visit [www.r-i.co.jp](http://www.r-i.co.jp)

The five other NRSROs recognized by the SEC staff are Standard and Poor's (U.S.), Moody's Investors Service (U.S.), Fitch Ratings (U.S.), Dominion Bond Rating Service (Canada), and A.M. Best Co., Inc. (U.S.).

### Profile of Rating and Investment Information, Inc. (R&I)

Headquarters : Tokyo, Japan

Capitalization : 588 million yen

President & C.E.O.: Keiichiro Kuboniwa

Number of employees: 166 (as of April 30, 2007)

Main Shareholder: Nikkei Group (58.52% as of March 31, 2007)

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