

Securitization Market Trends Survey Report  
 —Issuance Trends in the First Half of Fiscal 2012—

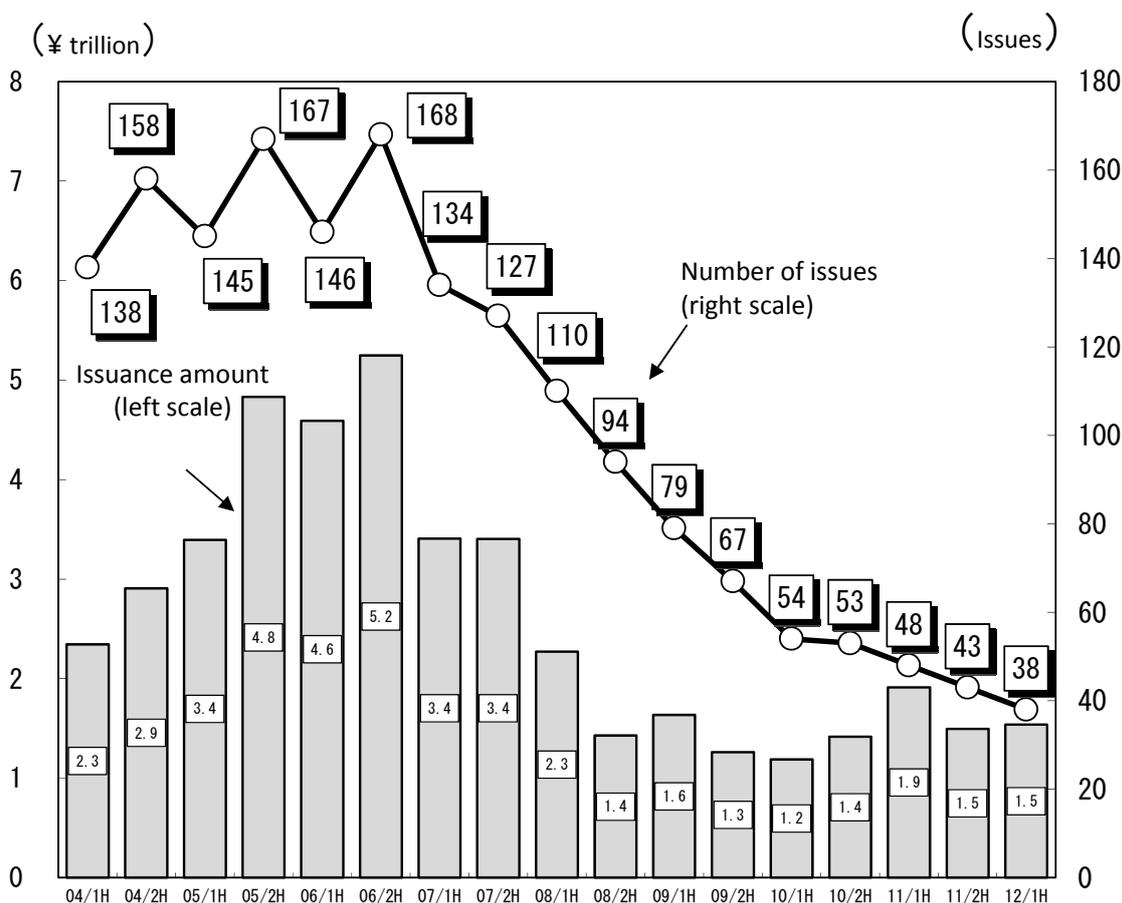
The following report is a summary of the results of the “Securitization Market Trends Survey” (see JSDA’s website at <<http://www.jsda.co.jp>>), conducted monthly by the Japan Securities Dealers Association (JSDA) and the Japanese Bankers Association (JBA), for the first half of fiscal 2012, the period from April 1, 2012 to September 30, 2012. For chart data, please see the appendix “Chart Data at a Glance.”

I. Overall Issuance Trends for Securitization Products

Looking at the issuance trends for securitization products in the first half of 2012, both amount and number of issues declined year on year. Total issuance amount was ¥1,538.5 billion, declining 20% from the first half of fiscal 2011, while the number of issues was 38, down 21% year on year, and the lowest figure since the survey started (Chart 1).

Ref.: The total issuance amount of corporate straight bonds during the first half of fiscal 2012 was ¥4,033.9 billion (provisional figure).

Chart 1. Securitization Product Issuance Amount and Number of Issues



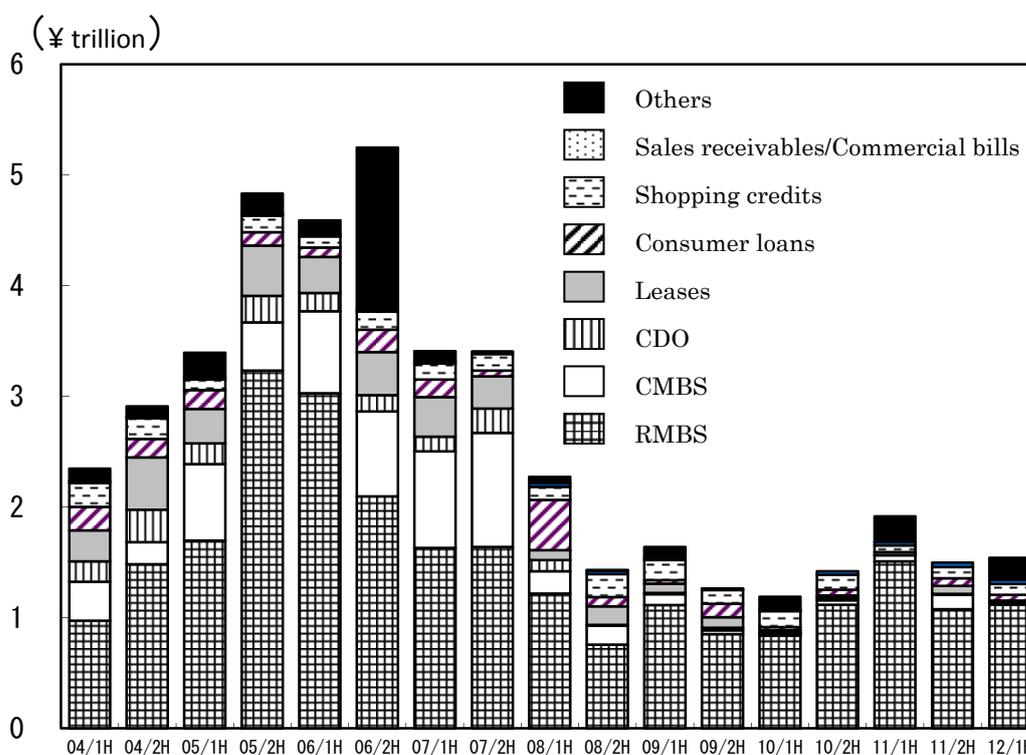
## II. Issuance Trends by Underlying Assets

Looking at the securitization product issuance amount for the first half of fiscal 2012 by underlying assets, the amount of consumer loans, shopping credits, and sales receivables/commercial bills increased. In contrast, RMBS, CMBS, leases, and others decreased. There were no CDO issues (see Chart 2).

Chart 2. Securitization Product Issuance Amount by Underlying Assets

	RMBS	CMBS	CDO	Leases	Consumer loans	Shopping credits	Sales receivables/Commercial bills	Others	Total
Issuance amount (¥100 million)	11,148	140	0	220	520	979	376	2,003	15,385
Year on year change (¥100 million)	▲3,916	▲422	▲25	▲20	+520	+367	+56	▲298	▲3,738
Year on year change (%)	▲26	▲75	▲100	▲8	— (*)	+60	+17	▲13	▲20
% Composition	72	1	0	1	3	6	2	13	100
Ref. Number of issues	11	1	0	1	1	7	14	3	38

\* YoY change in consumer loans is shown as “—” because there were no issues in the same period last year.



Reference: The specific types of underlying assets for each securitization product category are as follows.

RMBS (Residential Mortgage Backed Securities): Housing loans and loans to individuals to build commercial apartments

CMBS (Commercial Mortgage Backed Securities): Commercial real estate collateralized loans, commercial real estate

CDO (Collateralized Debt Obligations): Corporate loans, corporate bonds, credit default swaps, and others

Leases: Lease credits

Consumer loans: Consumer loans, bank card loans

Shopping credits: Shopping loans, credit card loans, automobile loans

Sales receivables/Commercial bills: Sales receivables, commercial bills

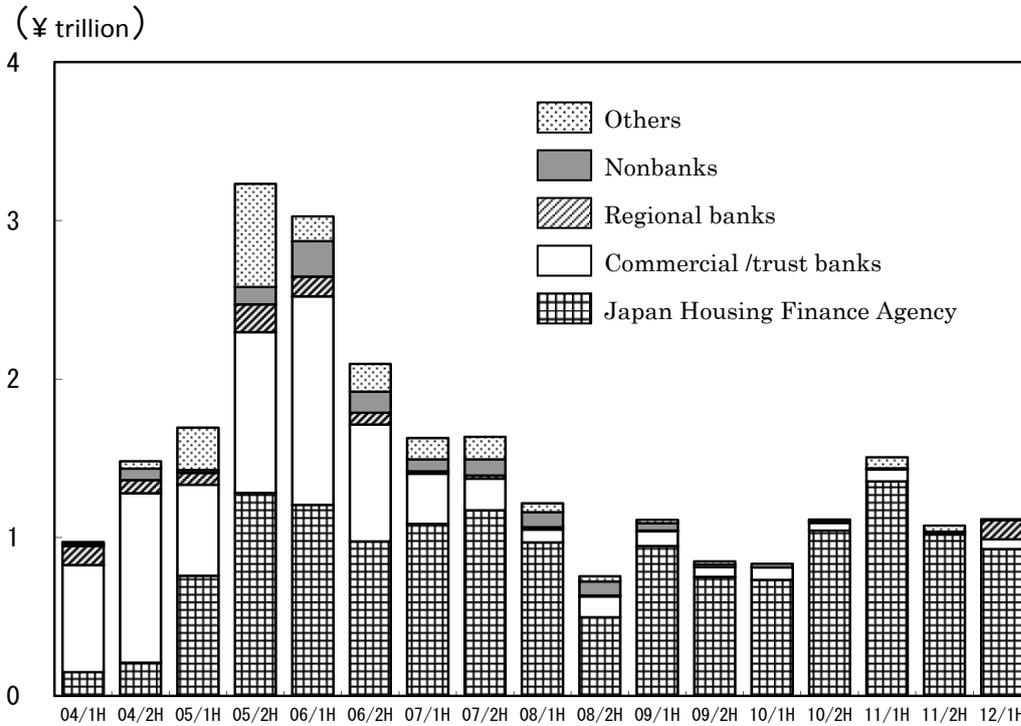
Others: Fund receivables, business cash flow, medical fee receivables, and others

## RMBS Issuance Trends

### (i) By Originator

Looking at the RMBS issuance amount (¥1,114.8 billion) by originator, the Japan Housing Finance Agency (JHF) accounted for 83% (¥925.4 billion) of the total (Chart 3).

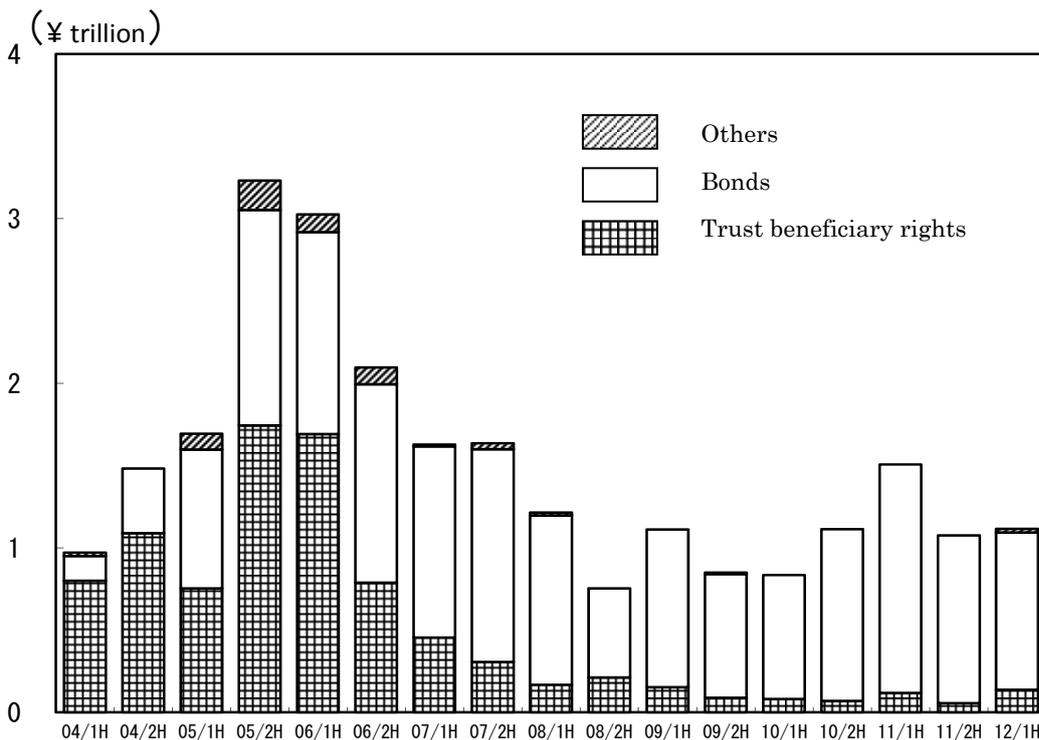
Chart 3. RMBS Issuance Amount by Originator



### (ii) Product Type

Looking at the RMBS issuance amount (¥1,114.8 billion) by product type, public and corporate bonds accounted for 86% (¥954.9 billion) of the total (see Chart 4).

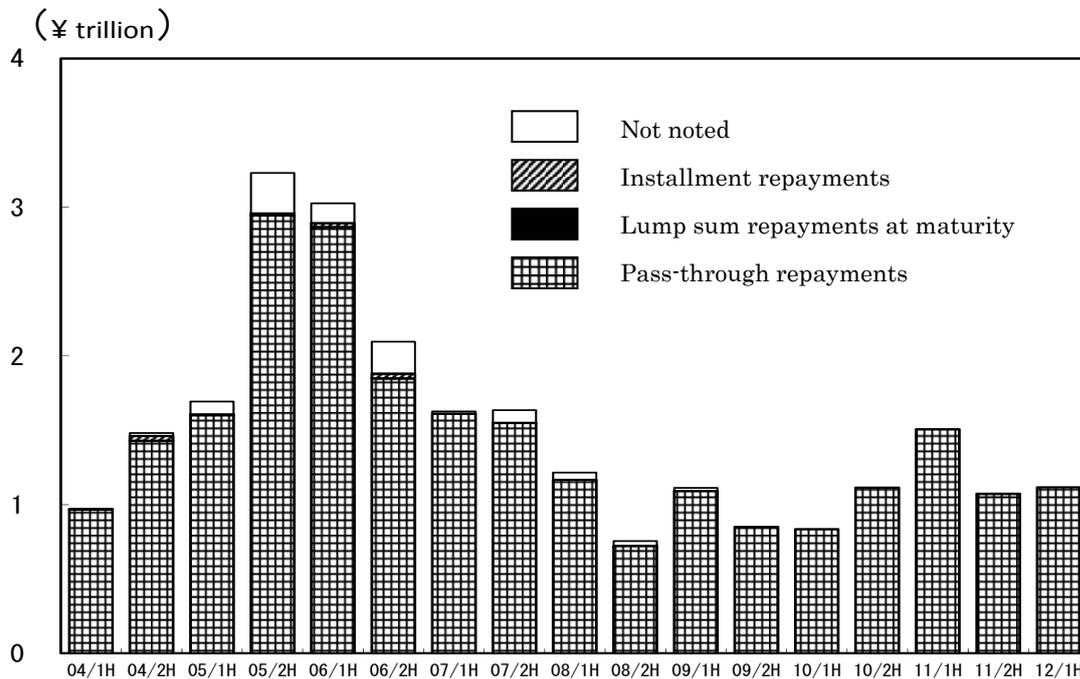
Chart 4. RMBS Issuance Amount by Product Type



(iii) Repayment Method

Looking at the RMBS issuance amount (¥1,114.8 billion) by repayment method, all repayments were pass-through repayments (see Chart 5).

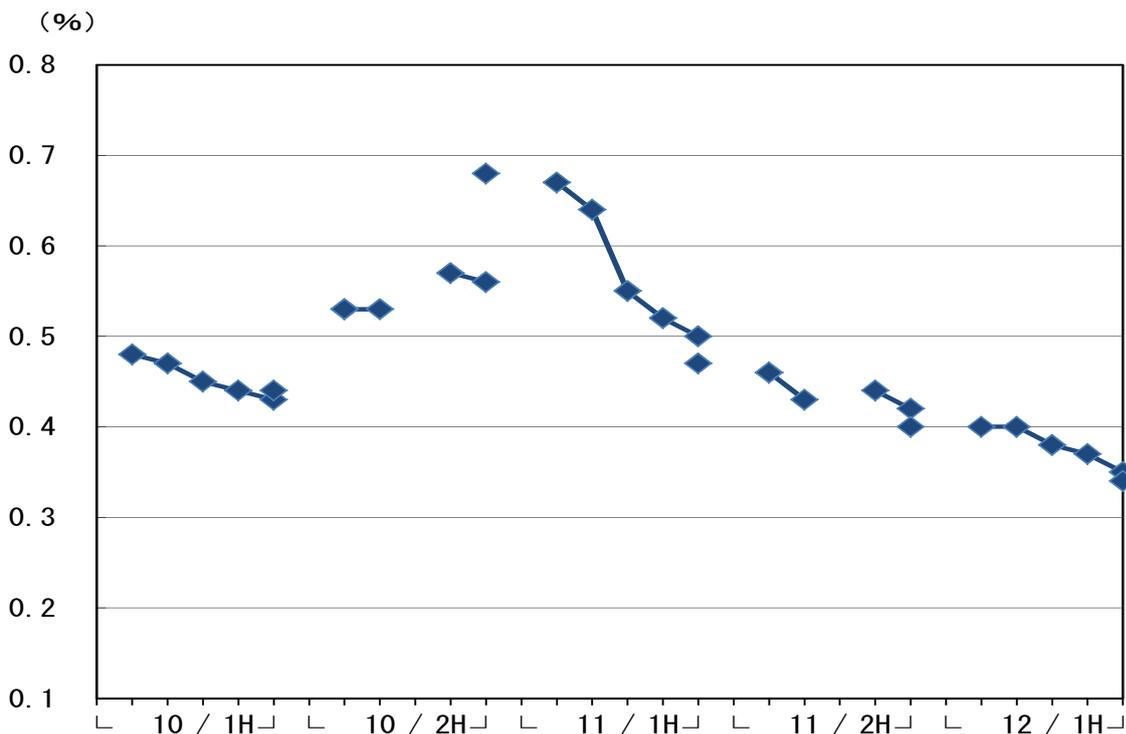
Chart 5. RMBS Issuance Amount by Repayment Method



(iv) Spread at Issuance

The launch spread (difference between the RMBS coupon rate and Japanese government bond yield at time of fixing issuing conditions) for JHF RMBS (monthly issuance bonds) contracted during the first half of fiscal 2012 (see Chart 6).

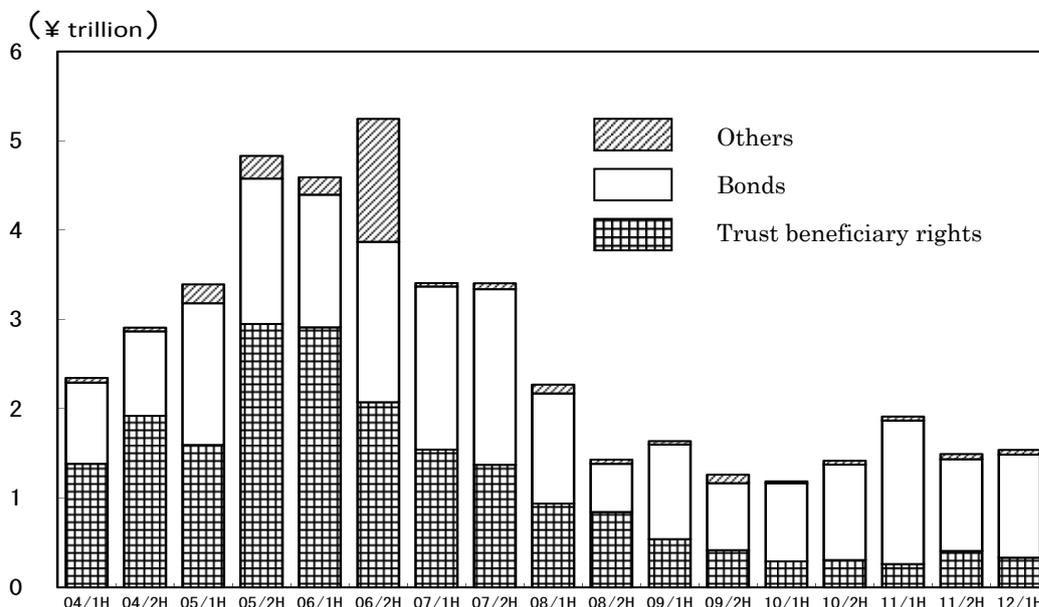
Chart 6. JHF RMBS Launch Spread



### III. Issuance Trends by Product Type

Looking at the securitization product issuance amount (¥1,538.5 billion) by product type, bonds accounted for 75% (¥1,154.9 billion), followed by trust beneficiary rights with 22% (¥332.6 billion) (see Chart 7).

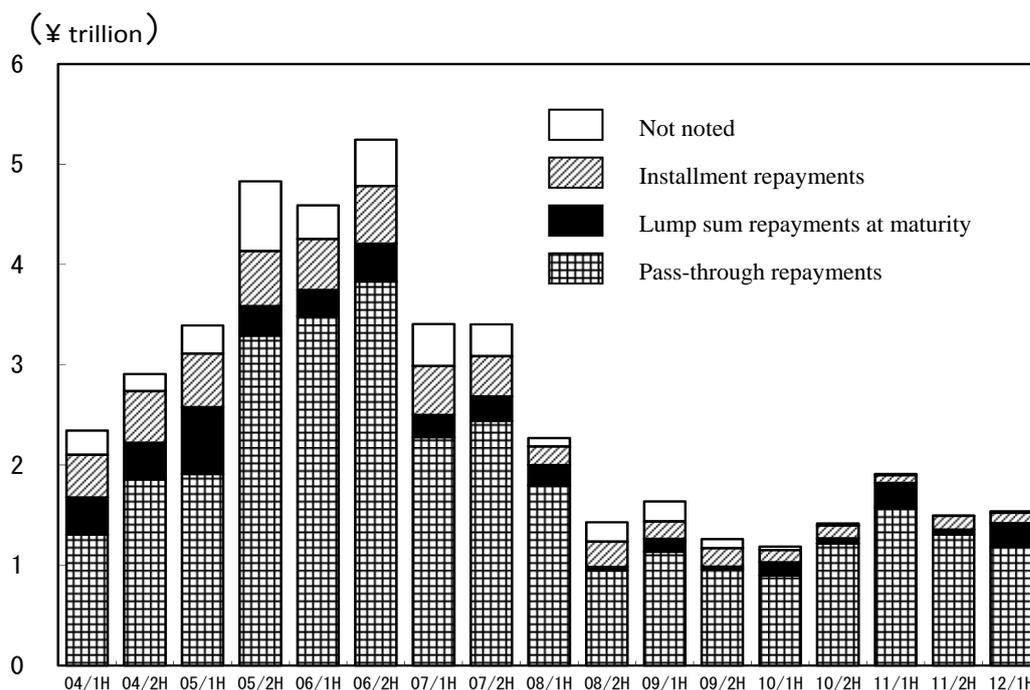
Chart 7. Securitization Product Issuance Amount by Product Type



### IV. Issuance Trends by Repayment Method

Looking at the securitization issuance amount (¥1,538.5 billion) by repayment method, pass-through repayments accounted for 77% (¥1,183.0 billion), followed by lump-sum repayments at maturity with 15% (¥237.6 billion) (see Chart 8).

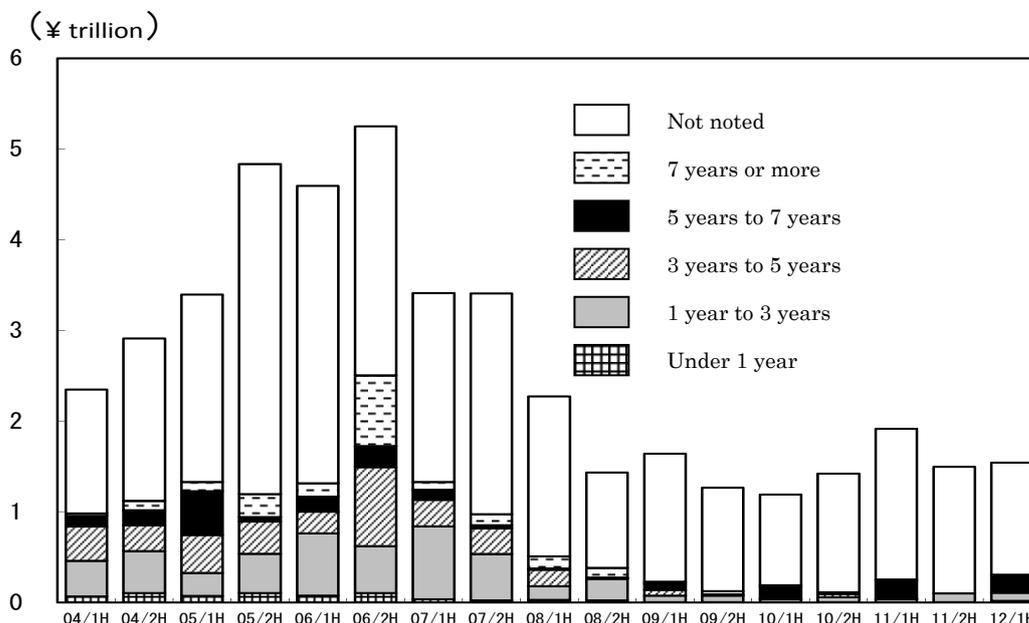
Chart 8. Securitization Product Issuance Amount by Repayment Method



## V. Issuance Trends by Planned/Average Term to Maturity

Looking at the securitization issuance amount (¥1,538.5 billion) by planned/average term to maturity, “Not noted” accounted for 80% (¥1,234.9 billion), followed by “5 years to 7 years” with 13% (¥200.0 billion) (see Chart 9).

Chart 9. Securitization Product Issuance Amount by Planned/Average Term to Maturity



## VI. Issuance Trends by Credit Rating

Looking at the securitization issuance amount (¥1,538.5 billion) by credit rating, AAA accounted for 82% (¥1,255.6 billion) (see Chart 10).

Chart 10. Securitization Product Issuance Amount by Credit Rating

