



NEWS RELEASE

Dec 27, 2011

R&I Assigns AAA Formal: JHF Bonds No.56

Rating and Investment Information, Inc. (R&I) has announced the following formal rating.

A preliminary rating was announced on December 14, 2011. The coupon rate has been set and thereby the preliminary rating is converted to a formal rating.

OUTLINE OF THE ISSUE:

The rating is for the Secured Pass-through Bonds No.56 (JHF Bonds) issued by the Japan Housing Finance Agency (JHF).

ISSUER:	The Japan Housing Finance Agency
INSTRUMENT NAME:	The Japan Housing Finance Agency Secured Pass-through Bonds No.56 (JHF Bonds)
CURRENCY:	JPY
ISSUE AMOUNT:	Yen 164.9 billion
ISSUE DATE:	Dec 27, 2011
LEGAL FINAL MATURITY DATE:	Jan 10, 2047
COUPON TYPE:	Fixed
COUPON RATE:	1.42%
RATING	
DETERMINATION DATE:	Dec 26, 2011
CREDIT RATING:	Long-term Issue Rating
ADMINISTRATIVE AGENT / BENEFICIARY AGENT:	Sumitomo Mitsui Banking Corp.
TRUSTEE:	Mitsubishi UFJ Trust and Banking Corp.
PRINCIPAL AND INTEREST PAYMENT DATE:	The 10th of each month
COLLATERAL:	Entrusted mortgage loans
CREDIT ENHANCEMENT RATIO:	23.2% (Overcollateralization ratio: 30.20%)
TRUST EXECUTION DATE:	Dec 14, 2011
TRUST EXPIRATION DATE:	Jan 10, 2047
TRUSTOR AND SERVICER:	The Japan Housing Finance Agency
BACKUP SERVICER:	Mitsubishi UFJ Trust and Banking Corp.

R&I RATING: AAA (Formal)

NOTE: The rating is an assessment of the probability that the principal of JHF Bonds or Trust Beneficial Interest (in the event JHF Bonds are extinguished) will be fully redeemed by the maturity date (trust expiration date) and of the timely payment of interest/trust interests.

* R&I has confirmed the overcollateralization satisfies the stress resilience requirements for an AAA level. For details, see 2. (6) of the news release for the preliminary rating dated December 14, 2011.

RATING METHODOLOGY:

The primary rating methodologies applied to this rating are:

September 2010
Chapter 1: General

October 2010
Chapter 2: Particulars: Risks regarding structure

■Contact : Investors Service Division TEL. +81-(0)3-3276-3511 E-mail. infodept@r-i.co.jp
■Media Contact : Corporate Planning Division (Public Relations) TEL. +81-(0)3-3276-3438

Rating and Investment Information, Inc. Nihonbashi 1-chome Bldg., 1-4-1, Nihonbashi, Chuo-ku, Tokyo 103-0027, Japan <http://www.r-i.co.jp>

Credit ratings are R&I's opinions on an issuer's general capacity to fulfill its financial obligations and the certainty of the fulfillment of its individual obligations as promised (creditworthiness) and are not statements of fact. Further, R&I does not state its opinions about any risks other than credit risk, give advice regarding investment decisions or financial matters, or endorse the merits of any investment. R&I does not undertake any independent verification of the accuracy or other aspects of the related information when issuing a credit rating and makes no related representations or warranties. R&I is not liable in any way for any damage arising in relation to credit ratings (including amendment or withdrawal thereof). As a general rule, R&I issues a credit rating for a fee paid by the issuer. For details, please refer to <http://www.r-i.co.jp/eng/policy/policy.html>.

©Rating and Investment Information, Inc.



NEWS RELEASE

September 2010
Chapter 3: Particulars: Risks regarding underlying assets
Subchapter 4: Japan Housing Finance Agency MBS

September 2010
Chapter 4: Particulars: Cash flow risk
Subchapter 1: Analysis method for monetary receivables, etc. (Large pool approach)
Subchapter 6: Analysis method using cash flow test
Subchapter 7: Analysis method based on credit ratings of underlying assets and parties involved in the structure

The above rating methodologies are available at R&I's website:

<http://www.r-i.co.jp/eng/sf/about/methodology/index.html>
<http://www.r-i.co.jp/jpn/sf/about/methodology/index.html>

■Contact : Investors Service Division TEL. +81-(0)3-3276-3511 E-mail. infodept@r-i.co.jp
■Media Contact : Corporate Planning Division (Public Relations) TEL. +81-(0)3-3276-3438

Rating and Investment Information, Inc. Nihonbashi 1-chome Bldg., 1-4-1, Nihonbashi, Chuo-ku, Tokyo 103-0027, Japan <http://www.r-i.co.jp>

Credit ratings are R&I's opinions on an issuer's general capacity to fulfill its financial obligations and the certainty of the fulfillment of its individual obligations as promised (creditworthiness) and are not statements of fact. Further, R&I does not state its opinions about any risks other than credit risk, give advice regarding investment decisions or financial matters, or endorse the merits of any investment. R&I does not undertake any independent verification of the accuracy or other aspects of the related information when issuing a credit rating and makes no related representations or warranties. R&I is not liable in any way for any damage arising in relation to credit ratings (including amendment or withdrawal thereof). As a general rule, R&I issues a credit rating for a fee paid by the issuer. For details, please refer to <http://www.r-i.co.jp/eng/policy/policy.html>.

©Rating and Investment Information, Inc.