

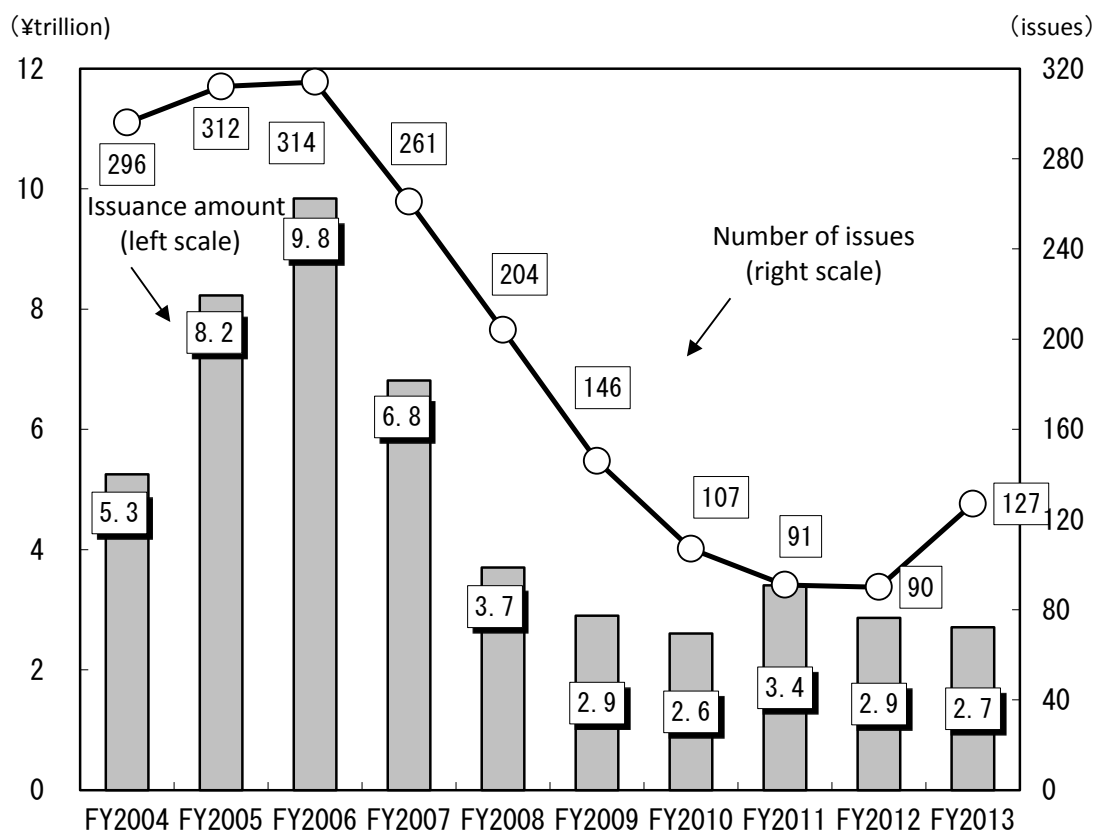
Securitization Market Trends Survey Report
 —Issuance Trends in the Fiscal 2013—

The following report is a summary of the results of the “Securitization Market Trends Survey” (see JSDA’s website at <<http://www.jsda.or.jp/en/index.html>>), conducted monthly by the Japan Securities Dealers Association (JSDA) and the Japanese Bankers Association (JBA), for the fiscal 2013, the period from April 1, 2013 to March 31, 2014. 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 fiscal 2013, amount of issues declined year on year. Total issuance amount was ¥2,708.1 billion, declining 5% from the fiscal 2012, while the number of issues was 127, up 41% year on year (Chart 1).

Chart 1. Securitization Product Issuance Amount and Number of Issues



Ref.: The total issuance amount of corporate straight bonds

(¥trillion)

FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013※
5.9	6.9	6.8	9.4	9.6	10.3	9.9	8.3	8.2	8.1

※ provisional figure

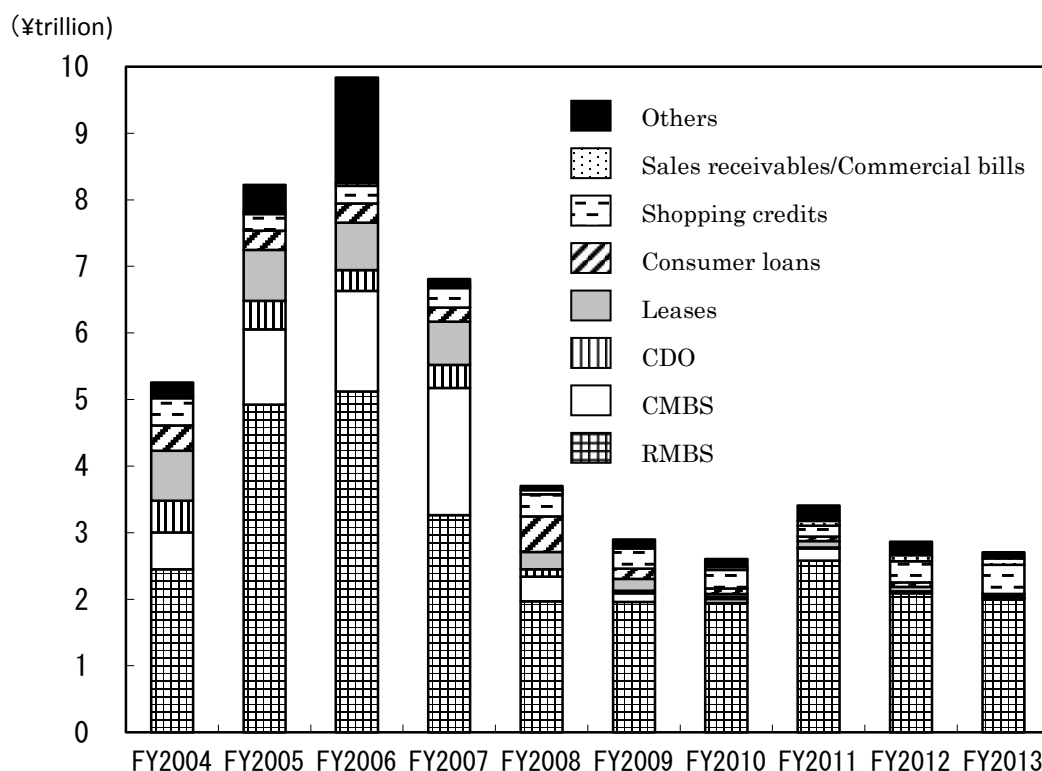
II. Issuance Trends by Underlying Assets

Looking at the securitization product issuance amount for the fiscal 2013 by underlying assets, the amount of CDO increased for the first time in six years. In addition, the amount of sales receivables/commercial bills increased for four consecutive years, and shopping credit increased for two consecutive years. In contrast, RMBS, CMBS, leases, consumer loans, and others decreased (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)	19,955	276	35	386	180	4,371	931	948	27,081
Year on year change(¥100 million)	▲934	▲17	35	▲313	▲470	1,185	34	▲1,079	▲1,559
Year on year change(%)	▲4	▲6	- (※)	▲45	▲72	+37	+4	▲53	▲5
% Composition	74	1	0	1	1	16	3	4	100
Ref. Number of issues	40	3	3	2	2	34	37	6	127

* YoY change in CDO 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

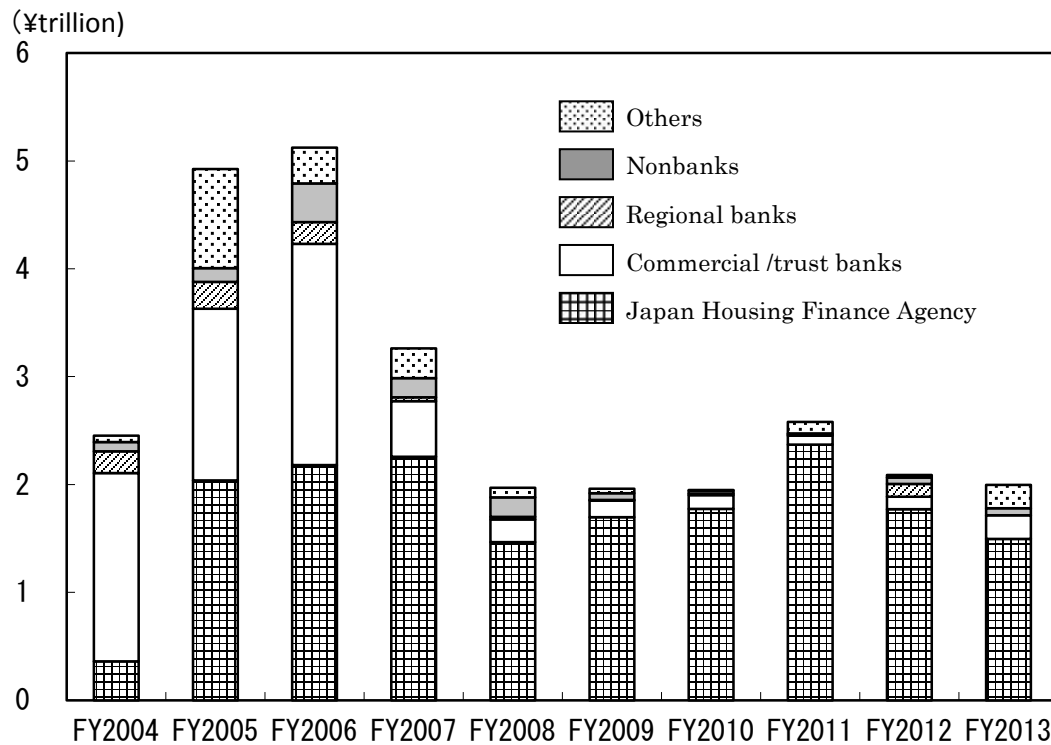
Others: Fund receivables, business cash flow, medical fee receivables, and others

RMBS Issuance Trends

(i) By Originator

Looking at the RMBS issuance amount (¥1,995.5 billion) by originator, the Japan Housing Finance Agency (JHF) accounted for 75% (¥1,494.1 billion) of the total (Chart 3).

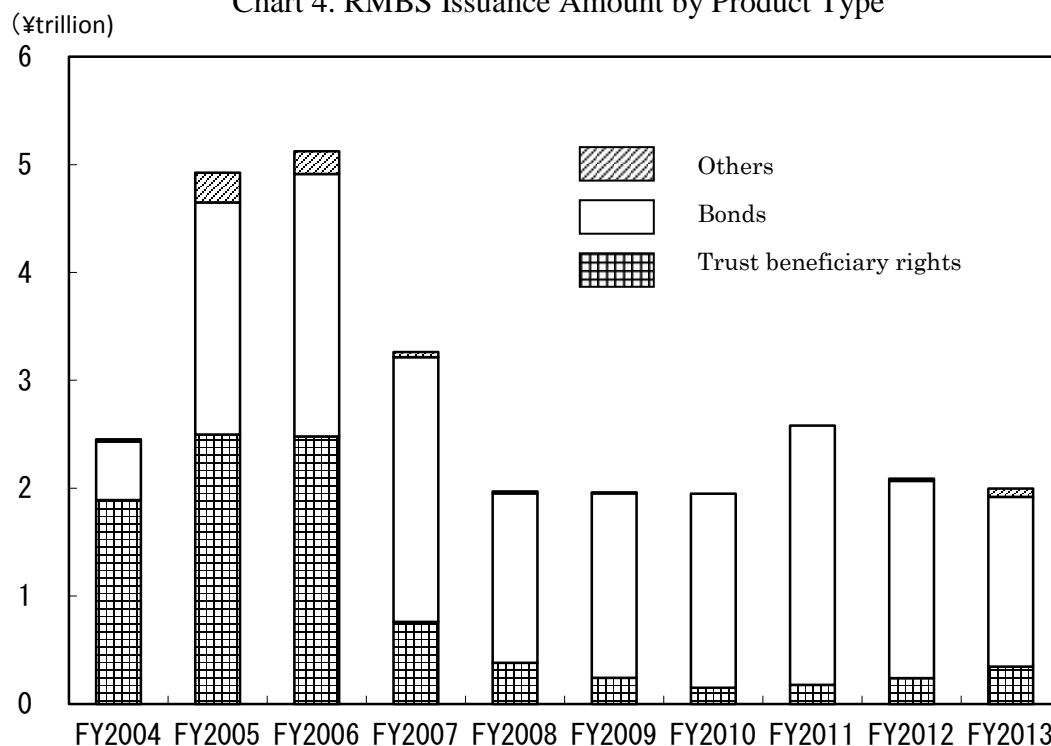
Chart 3. RMBS Issuance Amount by Originator



(ii) Product Type

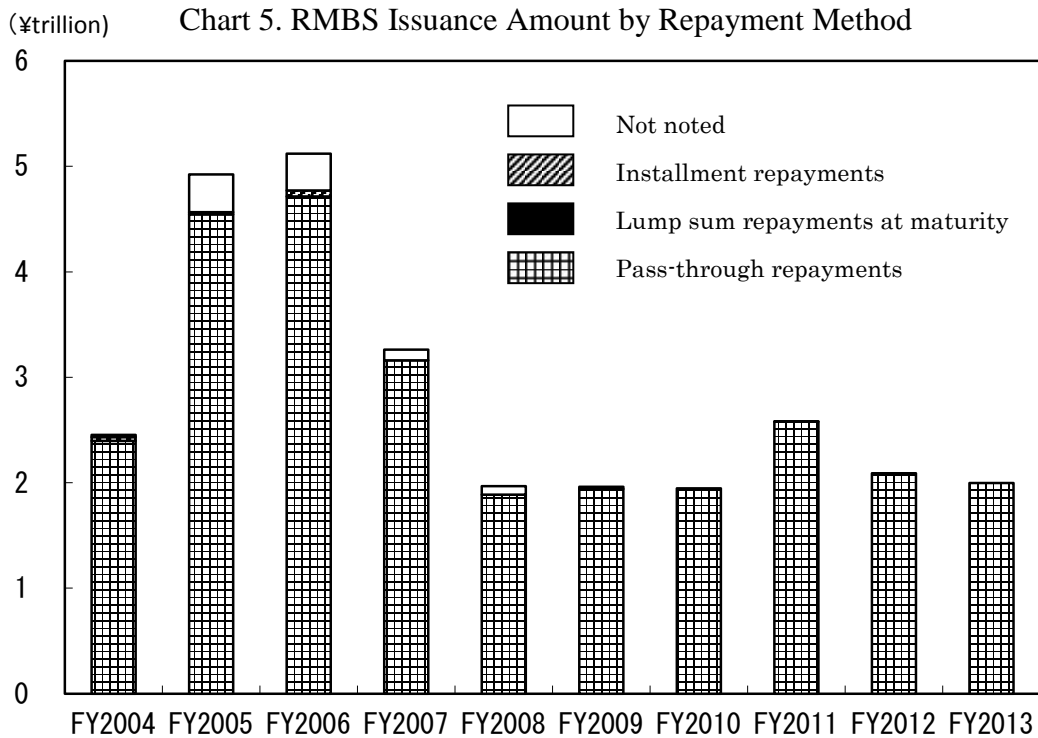
Looking at the RMBS issuance amount (¥1,995.5 billion) by product type, bonds accounted for 79% (¥1,572.6 billion) of the total (Chart 4).

Chart 4. RMBS Issuance Amount by Product Type



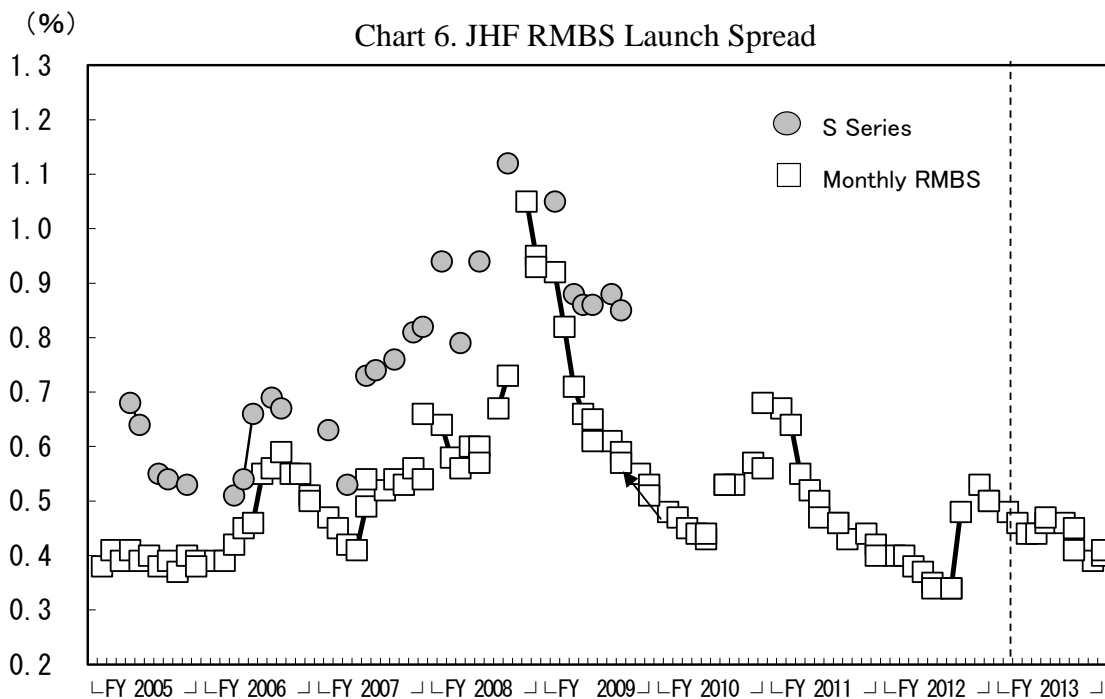
(iii) Repayment Method

Looking at the RMBS issuance amount (¥1,995.5 billion) by repayment method, all repayments were pass-through repayments (Chart 5).



(iv) Spread at Issuance

The launch spread (difference between the RMBS coupon rate and Japanese government bond yield at the time of fixing issuing conditions) for JHF RMBS (monthly issuance bonds) contracted to August 2013, expanded in September 2013, contracted to February 2014 and expanded in March (Chart 6).

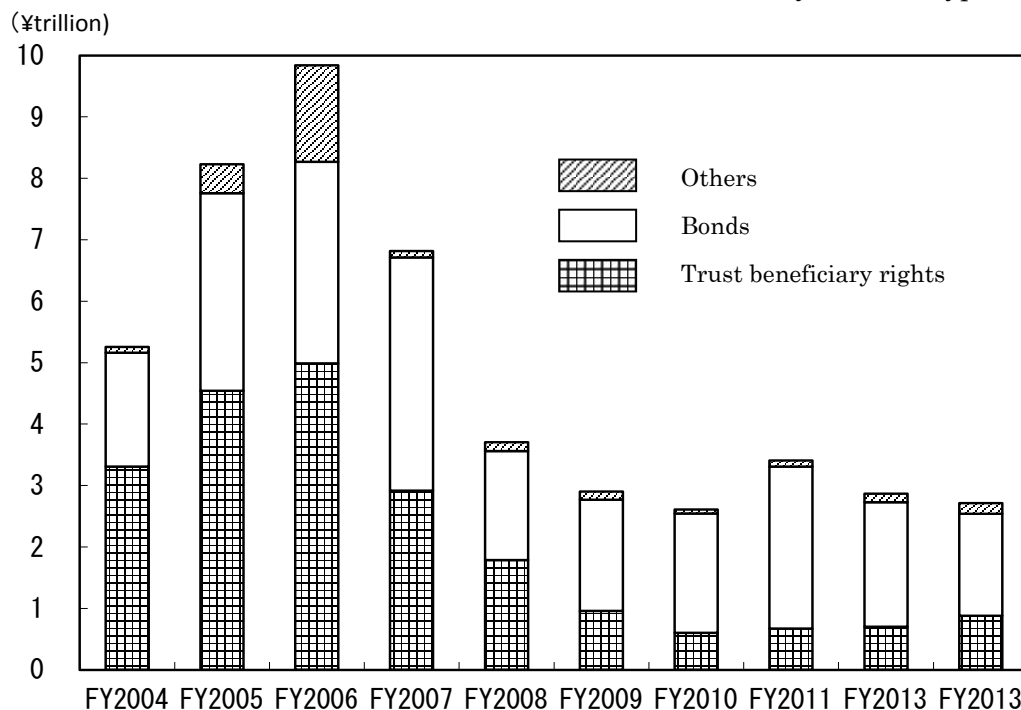


*The S Series (The previous housing loan corporation securitized house loan) have not been issued since December 2009.

III. Issuance Trends by Product Type

Looking at the securitization product issuance amount (¥2,708.1 billion) by product type, bonds accounted for 61% (¥1,662.6 billion), followed by trust beneficiary rights with 32% (¥ 876.1billion) (Chart 7).

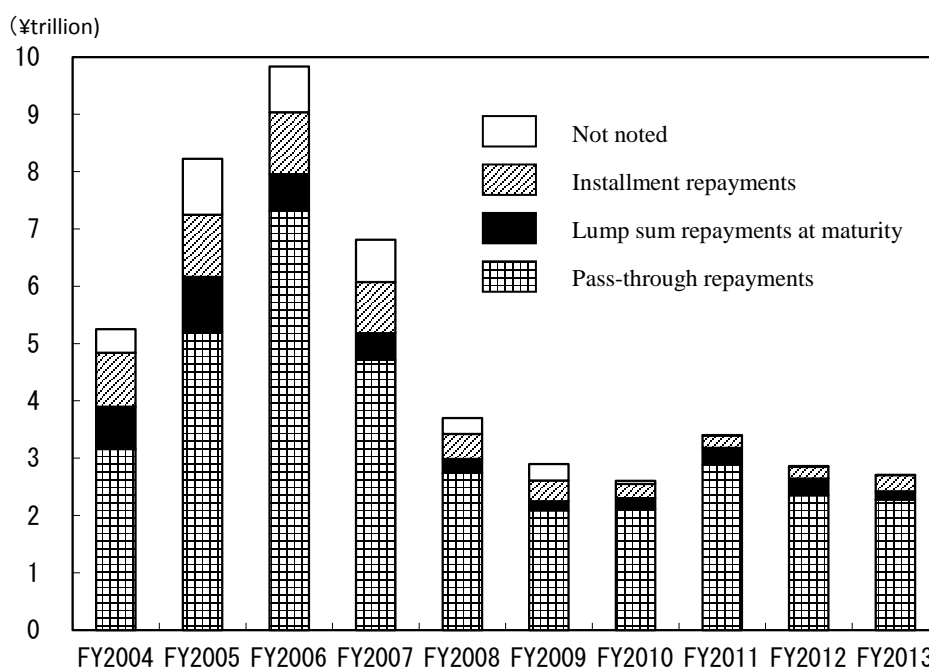
Chart 7. Securitization Product Issuance Amount by Product Type



IV. Issuance Trends by Repayment Method

Looking at the securitization issuance amount (¥2,708.1 billion) by repayment method, pass-through repayments accounted for 84% (¥2,281.3 billion) (Chart 8).

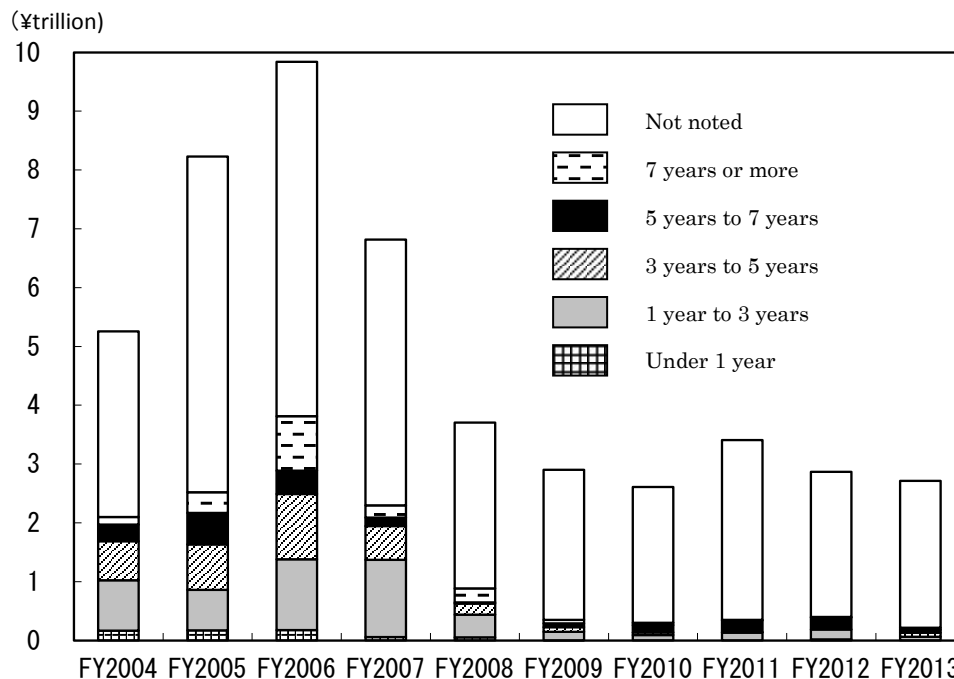
Chart 8. Securitization Product Issuance Amount by Repayment Method



V. Issuance Trends by Planned/Average Term to Maturity

Looking at the securitization issuance amount (¥2,708.1 billion) by planned/average term to maturity, “Not noted” accounted for 92% (¥2,497.0 billion), followed by “3 years to 5 years” with 3% (¥70.0 billion) and “1 year to 3 years” with 2% (¥58.5 billion) (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 (¥2,708.1 billion) by credit rating, AAA accounted for 90% (¥2,426.3 billion) (Chart 10).

Chart 10. Securitization Product Issuance Amount by Credit Rating

