This 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 fiscal 2015, the period from April 1, 2015 to March 31, 2016.

In addition, please refer to an attached sheet for the numerical data used in a chart.

I. Overall Issuance Trends for Securitization Products

Looking at the issuance trends for securitization products in the fiscal 2015, both the amount and number of issues increased year on year. The total issuance amount was ¥3,609.2 billion, increasing 36.3% from the fiscal 2014, while the number of issues was 125, up 0.8% year on year. This amount was the largest since fiscal 2009 (see Chart 1).

Chart 1. Securitization Product Issuance Amount and Number of Issues

Reference: The total issuance amount of corporate straight bonds

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>amount of issues</td>
<td>5.9</td>
<td>6.9</td>
<td>6.8</td>
<td>9.4</td>
<td>9.6</td>
<td>10.3</td>
<td>9.9</td>
<td>8.3</td>
<td>8.2</td>
<td>8.1</td>
<td>8.7</td>
<td>6.9</td>
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</tbody>
</table>

※ provisional figure
II. Issuance Trends by Underlying Assets

Looking at the securitization product issuance amount for the fiscal 2015 by underlying assets, the amount of “RMBS,” “CMBS,” “CDO,” “Consumer loans,” “Shopping credits” and “Sales receivables/Commercial bills” increased, whereas in contrast, “Leases” and “Others” decreased. Above all, the issuance amount of “RMBS” was the largest since fiscal 2008. In addition, “Shopping credits” increased for the fourth consecutive year (see Chart 2).

Chart 2. Securitization Product Issuance Amount by Underlying Assets

<table>
<thead>
<tr>
<th>Underlying Assets</th>
<th>Issuance amount (¥100 million)</th>
<th>Year on year change (¥100 million)</th>
<th>Year on year change (%)</th>
<th>% Composition</th>
<th>Ref. Number of issues (present FY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMBS</td>
<td>26,747</td>
<td>+8,362</td>
<td>+45.5</td>
<td>74.1</td>
<td>40</td>
</tr>
<tr>
<td>CMBS</td>
<td>439</td>
<td>+166</td>
<td>+60.6</td>
<td>1.2</td>
<td>4</td>
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<tr>
<td>CDO</td>
<td>403</td>
<td>+349</td>
<td>+638.3</td>
<td>1.1</td>
<td>6</td>
</tr>
<tr>
<td>Leases</td>
<td>286</td>
<td>▲611</td>
<td>▲67.4</td>
<td>0.8</td>
<td>3</td>
</tr>
<tr>
<td>Consumer loans</td>
<td>413</td>
<td>+348</td>
<td>+535.4</td>
<td>1.1</td>
<td>2</td>
</tr>
<tr>
<td>Shopping credits</td>
<td>6,516</td>
<td>+1,063</td>
<td>+19.5</td>
<td>18.1</td>
<td>49</td>
</tr>
<tr>
<td>Sales receivables/Commercial bills</td>
<td>735</td>
<td>+154</td>
<td>+26.4</td>
<td>2.0</td>
<td>16</td>
</tr>
<tr>
<td>Others</td>
<td>543</td>
<td>▲224</td>
<td>▲29.2</td>
<td>10.0</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>36,092</td>
<td>9,606</td>
<td>+36.3</td>
<td>100.0</td>
<td>125</td>
</tr>
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</table>

- Ref. Number of issues (previous FY): 41 2 3 5 1 41 24 7 124
### III. Issuance Trends by Product Type

Looking at the securitization product issuance amount (¥3,609.2 billion) by product type, the amount of “Bonds” was ¥1,970.2 billion (54.6% of the total), followed by “Trust beneficiary rights” with ¥1,518.0 billion (42.1%) (see Chart 3).

**Chart 3. Securitization Product Issuance Amount by Product Type**

### IV. Issuance Trends by Repayment Method

Looking at the securitization issuance amount (¥3,609.2 billion) by repayment method, the amount of “Pass-through repayments” was ¥3,148.0 billion (87.2% of the total) (see Chart 4).

**Chart 4. Securitization Product Issuance Amount by Repayment Method**
V. Issuance Trends by Planned/Average Term to Maturity

Looking at the securitization issuance amount (¥3,609.2 billion) by planned/average term to maturity, the amount of “Not noted” was ¥3,424.9 billion (94.9% of the total), followed by “1 years to 3 years” with ¥114.4 billion (3.2%) and “3 year to 5 years” with ¥52.3 billion (1.4%) (see Chart 5).

Chart 5. Securitization Product Issuance Amount by Planned/Average Term to Maturity

VI. Issuance Trends by Credit Rating

Looking at the securitization issuance amount (¥3,609.2 billion) by credit rating, the amount of “AAA” was ¥3,042.9 billion (84.3% of the total) (see Chart 6).

Chart 6. Securitization Product Issuance Amount by Credit Rating
(i) RMBS Issuance Trends by Originator

Looking at the RMBS issuance amount (¥2,674.7 billion) by originator, the amount of “Japan Housing Finance Agency” (JHF) was ¥1,875.3 billion (70.1% of the total), followed by “Others” with ¥637.6 billion (23.8%) (see Chart i).

Chart i. RMBS Issuance Amount by Originator

(ii) RMBS Issuance Trends by Product Type

Looking at the RMBS issuance amount (¥2,674.7 billion) by product type, the amount of “Bonds” was ¥1,875.3 billion (70.1% of the total) followed by “Trust beneficiary rights” with ¥799.4 billion (29.9%) (see Chart ii).

Chart ii. RMBS Issuance Amount by Product Type
(iii) RMBS Issuance Trends by Repayment Method

Looking at the RMBS issuance amount (¥2,674.7 billion) by repayment method, all repayments were “Pass-through repayments” (see Chart iii).

Chart iii. RMBS Issuance Amount by Repayment Method

(iv) Launch Spread at Issuance (JHF Monthly MBS)

The launch spread (the spread between the coupon rate of “JHF Monthly MBS” and the yield of the most recently priced 10-year reference JGB) for “JHF Monthly MBS” gradually expanded from July 2015, while contracted in March 2016 (see Chart iv).

Chart iv. JHF Monthly RMBS Launch Spread

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