



## Press Release

### Corporate & Government Ratings & Research

For immediate release

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### *S&P: Outlooks On Five Japanese Public Institutions Revised To Negative On Japan Outlook Revision*

- Following the revision to negative from stable of the outlook on the sovereign rating on Japan, we reviewed the ratings on a number of Japanese government-owned entities, including JFC, JICA, JEHDRA, JHF, and JFM.
- We revised to negative from stable our outlooks on the long-term ratings on JFC, JICA, JEHDRA, JHF, and JFM.
- The outlook revisions on these five entities primarily reflect the rating action on Japan, as these institutions are inevitably subject to the constraints posed by the credit quality of the sovereign.

**Tokyo, Jan. 26, 2010**--Standard & Poor's Ratings Services today said that it had revised to negative from stable the outlooks on the long-term issuer credit ratings on Japan Finance Corporation (JFC, AA/A-1+), Japan International Cooperation Agency (JICA, AA/A-1+), Japan Expressway Holding and Debt Repayment Agency (JEHDRA, AA/--), Japan Housing Finance Agency (JHF, AA/A-1+), and Japan Finance Organization for Municipalities (JFM, AA/A-1+), following the outlook change on Japan (AA/Negative/A-1+). At the same time, Standard & Poor's affirmed its 'AA' long-term and 'A-1+' short-term issuer credit ratings on the five entities.

The outlook revisions on the five entities follows our revision today of the outlook on Japan (AA/Negative/A-1+) to negative from stable (See Standard & Poor's media release "Outlook On Japan Revised To Negative On Diminishing Economic Policy Flexibility; Ratings Affirmed At 'AA/A-1+'").

Although Standard & Poor's does not consider the standalone credit profile of these government-related entities (GRES) to have fundamentally changed, the ratings on GRES are susceptible to changes in the rating on the sovereign, according to the criteria we use to assess GRE credit quality. See "Enhanced Methodology And Assumptions For Rating Government-Related Entities," published on June 29, 2009.

We also affirmed the long- and short-term issuer credit ratings on three other GRES: Development Bank of Japan (DBJ, AA-/Stable/A-1+), Narita International Airport Corp. (NAA, AA-/Stable/A-1+), and INPEX Corp. (A/Negative/A-1). The negative outlook on the long-term issuer rating on INPEX reflects potential deterioration in the company's standalone credit profile from sizable anticipated capital investment requirements. As the ratings on these three GRES are lower than the sovereign, they are not immediately affected by today's rating action on the sovereign.

#### OUTLOOK ACTION; RATINGS AFFIRMED

	To	From
Japan Finance Corporation	AA/Negative/A-1+	AA/Stable/A-1+
Japan International Cooperation Agency	AA/Negative/A-1+	AA/Stable/A-1+
Japan Expressway Holding and Debt Repayment Agency	AA/Negative/--	AA/Stable/--
Japan Housing Finance Agency	AA/Negative A-1+	AA/Stable/A-1+
Japan Finance Organization for Municipalities	AA/Negative/A-1+	AA/Stable/A-1+

**RATINGS AFFIRMED**

Development Bank of Japan  
Narita International Airport Corp.  
INPEX Corp.

AA-/Stable/A-1+  
AA-/Stable/A-1+  
A/Negative/A-1

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