

Six Japanese Public Institutions Downgraded Following Japan Sovereign Action; Outlooks Stable

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- Following the lowering of the sovereign rating on Japan, we reviewed the ratings on a number of Japanese government-related entities.
- We lowered the long-term ratings on JFC, JICA, JEHDRA, JHF, and JFM to 'AA-' from 'AA'. The outlooks are stable.
- We lowered the long-term rating on DBJ to 'A+' from 'AA-' and affirmed the 'A-1+' short-term rating. The outlook is stable.

TOKYO (Standard & Poor's) Jan. 27, 2011--Standard & Poor's Ratings Services today said that it had lowered 'AA-' from 'AA' its long-term issuer credit and debt ratings on Japan Finance Corp. (JFC), Japan International Cooperation Agency (JICA), Japan Expressway Holding and Debt Repayment Agency (JEHDRA), Japan Housing Finance Agency (JHF), and Japan Finance Organization for Municipalities (JFM). The outlooks are stable. At the same time, we lowered the long-term issuer credit and debt ratings on Development Bank of Japan (DBJ) by one notch to 'A+' from 'AA-' and affirmed the short-term issuer credit rating at 'A-1+'. The ratings on debt guaranteed by the Japanese government were lowered to 'AA-' from 'AA'. The outlook is stable.

The rating actions on the six entities follow our lowering of the long-term rating on Japan (AA-/Stable/A-1+). See the media release "Ratings On Japan Lowered To 'AA-'; Outlook Stable," published Jan. 27, 2011.

The ratings on the six entities are based on Standard & Poor's criteria for rating government-related entities (GREs). The differences in rating actions are due to differences in the standalone credit profiles of these GREs, and

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our assessment of the likelihood of extraordinary support from the government. The rating action on the long-term issuer credit rating on DBJ also follows these criteria. DBJ's policy role has been expanding due to the weak economy, however there have been no definite changes to its privatization plan.

RATINGS LOWERED; OUTLOOK REVISION

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

RATINGS LOWERED

Development Bank of Japan Inc.	A+/Stable/A-1+	AA-/Stable/A-1+
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RELATED RESEARCH AND CRITERIA

"Principles Of Corporate And Government Ratings," published June 26, 2007.
"Rating Government-Related Entities: Methodology and Assumptions," published Dec 9, 2010

A Japanese-language version of this media release is available on Standard & Poor's Research Online at www.researchonline.jp, or via CreditWire Japan on Bloomberg Professional at SPCJ <GO>. Complete ratings information is available to RatingsDirect on the Global Credit Portal subscribers at www.globalcreditportal.com and RatingsDirect subscribers at www.ratingsdirect.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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