



## Rating Action: Moody's downgrades 12 Japan government-related issuer ratings to A1 with stable outlook

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Tokyo, December 03, 2014 -- Moody's Japan K.K. has downgraded the ratings of Japanese government-related issuers (GRIs) to A1 from Aa3, subsequent to the sovereign downgrade to A1 from Aa3. The rating outlooks are stable.

- (1) Japan Expressway Holding and Debt Repayment Agency
- (2) East Nippon Expressway Company Limited
- (3) Central Nippon Expressway Company Limited
- (4) West Nippon Expressway Company Limited
- (5) Metropolitan Expressway Company Limited
- (6) Urban Renaissance Agency
- (7) Japan Railway Construction, Transport and Technology Agency
- (8) New Kansai International Airport Company Limited
- (9) Japan Finance Corporation
- (10) Japan Finance Organization for Municipalities
- (11) Japan Housing Finance Agency
- (12) Japan Bank for International Cooperation

### RATINGS RATIONALE

The downgrade reflects the full linkages between the central government and these GRIs. Moody's uses a credit substitution approach as a GRI which is considered to operate under the Zaito system is essentially considered to be an arm of the Government of Japan. As such, the rating action itself does not indicate changes in individual credit strength.

The rating outlooks for these GRIs mirror the stable outlook of the Government of Japan.

### WHAT COULD CHANGE THE RATINGS UP/DOWN

An upgrade/downgrade of the government of Japan's sovereign rating. In addition, a decline in government ownership or an institutional change that would result in lower financial support or weaken the very close relationship with the central government could lead to downward pressure.

The principal methodology used in these ratings was Government-Related Issuers (Japanese) published in November 2014. Please see the Credit Policy page on [www.moodys.com](http://www.moodys.com) for a copy of this methodology.

Below is a list of those entities whose ratings have been downgraded with details of rating actions.

Japan Expressway Holding and Debt Repayment Agency

Senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior unsecured debt ratings (domestic currency): to A1 from Aa3

East Nippon Expressway Company Limited

Long-term issuer rating (domestic currency): to A1 from Aa3

BACKED Senior secured debt ratings (domestic currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

Central Nippon Expressway Company Limited

Long-term issuer rating (domestic currency): to A1 from Aa3

Senior unsecured debt ratings (foreign currency): to A1 from Aa3

BACKED senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior unsecured debt ratings (foreign currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

West Nippon Expressway Company Limited

Long-term issuer rating (domestic currency): to A1 from Aa3

Senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior secured debt ratings (domestic currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

Metropolitan Expressway Company Limited

Long-term issuer rating (domestic currency): to A1 from Aa3

BACKED senior secured debt ratings (domestic currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

Urban Renaissance Agency

Long-term issuer rating (domestic currency): to A1 from Aa3

Senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior secured debt rating (domestic currency): to A1 from Aa3

Japan Railway Construction, Transport and Technology Agency

Long-term issuer rating (domestic currency): to A1 from Aa3

Senior secured debt ratings (domestic currency): to A1 from Aa3

New Kansai International Airport Company Limited

Long-term issuer rating (domestic currency): to A1 from Aa3

Senior secured debt ratings (domestic currency): to A1 from Aa3

Senior unsecured debt ratings (domestic currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

Kansai International Airport Land Company Limited

Senior secured debt ratings (domestic currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

Japan Finance Corporation

Long-term issuer rating (domestic and foreign currency): to A1 from Aa3

Senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior secured debt ratings (domestic currency): to A1 from Aa3

BACKED senior unsecured debt ratings (foreign currency): to A1 from Aa3

Senior secured shelf registration rating (domestic currency): to (P)A1 from (P)Aa3

BACKED senior unsecured debt ratings (domestic): to A1 from Aa3

Japan Finance Organization for Municipalities

Long-term issuer rating (domestic and foreign currency): to A1 from Aa3

Senior secured debt ratings (domestic currency): to A1 from Aa3

Senior unsecured debt ratings (foreign currency): to A1 from Aa3

BACKED senior secured debt rating (domestic currency): to A1 from Aa3

BACKED senior unsecured debt ratings (domestic and foreign currency): to A1 from Aa3

Senior unsecured Medium Term Note Program rating (domestic currency): to (P)A1 from (P)Aa3

BACKED senior unsecured shelf registration rating (foreign currency): to (P)A1 from (P)Aa3

Japan Housing Finance Agency

Long-term issuer rating (domestic currency): to A1 from Aa3

Japan Bank for International Cooperation

Long-term issuer rating (domestic and foreign currency): to A1 from Aa3

BACKED senior unsecured debt ratings (foreign currency): to A1 from Aa3

BACKED senior secured debt ratings (domestic currency): to A1 from Aa3

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