

Main Management Indices

(Unit: 100 million yen)

Category	JHF				
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Ordinary income	13,576	12,893	12,545	12,031	10,490
Include purchased loans and interest on loans	12,316	11,361	10,365	9,481	8,547
Include income from government subsidies (reference to government payment) (*2)	(*1) – (865)	(*1) – (200)	(*1) 512 (200)	(*1) 790 (83)	(*3) – (–)
Ordinary expenses	14,030	14,140	12,985	10,823	8,479
Interest expense on borrowings and bonds	11,658	10,350	9,151	8,910	6,715
Net income (△ loss)	△ 146	△ 1,468	△ 366	1,323	2,092
Balance of loans and purchased loans	32,863	40,540	64,372	86,099	99,827
Outstanding balance of loans, etc.	348,775	300,137	253,473	213,555	180,714
Outstanding balance of borrowings and bonds	388,667	362,714	334,195	307,899	292,937
Capital	4,057	9,013	6,977	6,567	6,706

* 1 While JHF received government subsidies of ¥91.2 billion in FY 2008, ¥111.4 billion in FY 2009, ¥82 billion in FY 2010 and ¥79 billion in FY 2011 in the outstanding loan management account, the figure in the above table is reported in the profit and loss statement because of special accounting treatment with regard to the government subsidies as shown in the table below

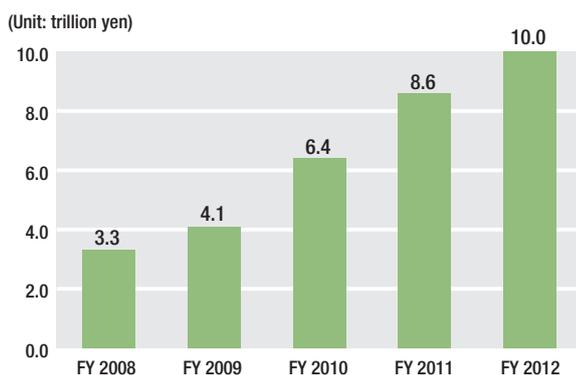
* 2 Government grants are not listed in the statement of profits and losses because special losses (asset) were cut.

* 3 Provisions of government subsidies and government grants ended in the end of FY 2011.

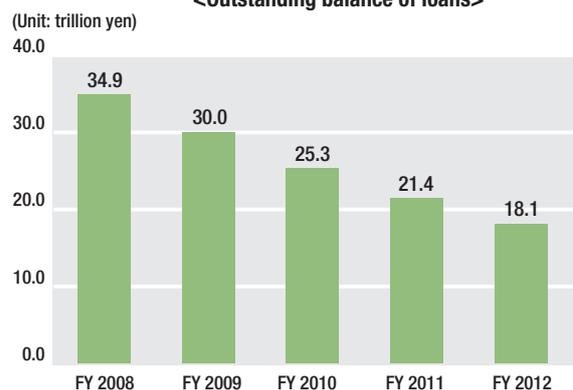
(Unit: 100 million yen)

		FY 2008	FY 2009	FY 2010	FY 2011	
Stocked subsidies from the previous year, etc.⋯①		667	66	26	–	
Expected amount of undisbursed grants and subsidies from the previous year⋯②		3,001	1,487	333	–	
Subsidies received⋯③		912	1,114	820	790	
Required amount of subsidies	Balance of payments⋯④ (disparity between expenditure and revenues excluding the amounts transferred to irrecoverable debt reserves and from guarantee fee repayment reserves)	△ 70	△ 366	△ 620	△ 836	If the balance of payments is positive ④ is included in the income from government subsidies (revenues), and ⑤ is subtracted from the uncollected revenue reserves (assets).
	Write-off of nonperforming loans, repayments of guarantee fees, and reversal of reserve for mortgage transfer registration ⋯⑤	1,584	1,520	1,636	2,152	If the balance of payment is negative ④ is not included in the income from government subsidies, ⑤ is subtracted from the uncollected revenue reserves (assets).
	Total⋯⑥ (= ④ + ⑤)	1,514	1,154	1,016	1,316	
Stocked subsidies for the current year, etc.⋯① + ③ – ⑥		66	26	–	–	Subsidies received, etc., in the fiscal year are not recorded if negative.
Uncollected revenue reserve of the fiscal year⋯② – ⑥		1,487	333	–	–	Uncollected revenue reserve in the fiscal year is not recorded if negative.
Income from government subsidies⋯① + ③ – ②		–	–	512	790	Uncollected revenue reserve in the fiscal year is not recorded if positive. ① + ③ – ② are accounted for as income from government subsidies if uncollected revenue reserve in the fiscal year are negative.

<Outstanding balance of purchased loans>



<Outstanding balance of loans>



Status of Business Execution

Business Plan and Actual Performance

●Securitization support business

Under the FY 2012 business plan for securitization support business (after revision), the number of loans purchased for the Purchase Program was 63,000 units amounting to ¥1,582.9 billion and the insurance value for the Guarantee Program was ¥25.1 billion (for 1,000 units) representing coverage for specific mortgage insurance.

The actual number of loans was 84,345 units amounting to ¥2,184.3 billion and the actual insurance value was ¥5.2 billion for 222 units.

(Unit: houses, million yen)

Item	FY 2011						FY 2012			
	Business plan				Actual record		Business plan		Actual record	
	Initial		After revision				No. of houses	Amount	No. of houses	Amount
	No. of houses	Amount	No. of houses	Amount	No. of houses	Amount				
Purchase Program	108,000	2,304,000	118,000	2,960,900	110,140	2,786,767	63,000	1,582,900	84,345	2,184,300
Guarantee Program	1,000	22,500	1,000	25,100	510	11,712	1,000	25,100	222	5,199

*The FY 2011 business plan (after revision) was formulated based on the third supplementary budget for FY 2011.

●Housing loan insurance business

Under the FY 2012 business plan (after revision), ¥288 billion was authorized for housing loan insurance; however, ¥255.1 billion was actually committed for insurance for 25,519 policies.

(Unit: houses, million yen)

Item		FY 2011	FY 2012
For total insurance value		700,000	288,000
Insurance contracts concluded	No. of contracts	31,422	25,519
	Amount	479,940	255,137

● Housing loan origination business

Under the FY 2012 business plan (after revision), ¥520.1 billion was planned for 38,610 units. Ultimately, the business committed to provide ¥240.6 billion in loans for 15,615 units, and ¥240.6 billion in loans was disbursed.

(Unit: houses, million yen)

Category		FY 2011				
		Business plan		Committed loans		Distributed loans
		No. of houses	Amount	No. of houses	Amount	Amount
Natural disaster, etc.	Post-disaster reconstruction	12,000	210,000	4,340	62,788	16,520
	Disaster prevention	300	2,400	43	69	559
	Subtotal	12,300	212,400	4,383	62,858	17,079
Urban rehabilitation		10,000	254,000	14,841	104,455	108,492
Rental houses		20,000	170,000	10,108	97,254	156,593
Property accumulation saving scheme-tied houses		3,000	56,000	15	246	467
Owner occupied houses (provisional measures)		200	4,000	△ 14	△ 90	9
Total		45,500	696,400	29,333	264,723	282,639

Category		FY 2012				
		Business plan		Committed loans		Distributed loans
		No. of houses	Amount	No. of houses	Amount	Amount
Natural disaster, etc.	Post-disaster reconstruction	17,000	300,000	4,511	70,507	68,442
	Disaster prevention	100	1,000	44	264	361
	Subtotal	17,100	301,000	4,555	70,771	68,803
Urban rehabilitation		5,000	55,000	9,326	69,520	84,498
Rental houses		16,000	155,000	1,713	7,466	87,079
Property accumulation saving scheme-tied houses		500	9,000	16	209	184
Owner occupied houses (provisional measures)		10	100	5	7	6
Total		38,610	520,100	15,615	147,974	240,570

* The FY 2011 business plan for post-disaster reconstruction was revised based on the first supplementary budget for FY 2011.

In the initial FY 2011 business plan for post-disaster reconstruction, ¥30 billion was budgeted for 2,000 units.

* "Committed loans" is the amount of financing the agency approved.

For "committed loans," negative figures represent situations where the actual total of loans such as those that were not accepted (including approved financing for loans such as those that were accepted in previous fiscal years but were not accepted in subsequent years) surpassed the approved financing for the given fiscal year. The FY 2012 committed loans for rental houses exclude those that were not accepted (¥39,495 million for 3,466 houses) while those newly approved financing for loans were ¥46,961 million for 5,179 houses.

● Group credit life insurance business

In FY 2012, the group credit life insurance business held around 1.81 million policies for around ¥20,443.8 billion. The business provided 63,152 new policies for around ¥1,593.2 billion and paid off on 10,745 policies for around ¥89 billion.

(Unit: houses, million yen)

Category		FY 2011		FY 2012	
Policies held as of March, 31st	No. of contracts	1,990,053		1,814,230	
	Amount	22,251,981		20,443,767	
New Policies	No. of contracts	83,162		63,152	
	Amount	2,085,991		1593,188	
Capital Policies paid off on	No. of contracts	11,621		10,745	
	Amount	98,652		88,980	

Result of Funding Activities

In FY 2012, the amount for loan origination and the purchase of loans totaled ¥2.5155 trillion, which was 20.5% less than for the previous fiscal year.

Funding of loan origination and the purchase of loans were raised through the issuance of bonds (¥2.478 trillion, down 15.1% from the previous fiscal year), borrowings from the Fiscal Investment and Loan Program (¥70.2 billion, up 317.9%), borrowings from private institutions (¥110.2 billion, down 9.8%), and repayments from borrowers (¥4.2494 trillion, down 9.1%), less redemption of ¥2.4503 trillion (down 39.6% from the previous fiscal year) on borrowings and ¥1.7007 trillion (up 4.5%) on bonds.

JHF received ¥10.9 billion as capital from government and ¥59.5 billion as treasury subsidies (¥5.6 billion as subsidies for securitization business, ¥53.9 billion as subsidies for emergency measures including loans for disaster mitigation) from the government's general account.

The ¥36.4 billion capital from government's general account was returned to the national treasury in March 2012 in line with the Basic Policies for Reviewing the Clerical and Business Operations of Incorporated Administrative Agencies (approved by the cabinet on December 7, 2010).

The actual figures are shown in the following table.

(Unit: million yen)

Category		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Expenditure	Purchased loans, etc.	986,286	1,326,280	2,907,562	3,164,639	2,515,508
	Repayments of borrowings	4,587,085	3,824,665	3,301,298	4,058,312	2,450,326
		(700,000)	(300,000)	(-)	(-)	(-)
	Redemption of bonds	965,321	1,128,271	2,080,555	1,627,465	1,700,724
	Other	2,669,706	4,942,507	4,128,884	2,188,075	2,217,547
	Total	9,208,398	11,221,722	12,418,298	11,038,491	8,884,106
Income	Capital from the General Account	86,000	495,600	26,355	10,908	50,403
	Capital from the Special Account	-	-	-	-	-
	Collection of loans	4,791,147	5,345,900	5,273,621	4,672,855	4,249,350
	Borrowings	188,187	165,700	143,600	139,000	180,400
	Bonds	1,942,986	2,188,804	2,385,932	2,917,547	2,477,974
	Treasury subsidies, etc.	177,797	531,405	326,666	310,925	59,452
	Other	2,022,281	2,494,314	4,262,124	2,987,255	1,866,526
		Total	9,208,398	11,221,722	12,418,298	11,038,491

*1 The figure in the "purchased loans, etc." item of the expenditure section is the portion of cash flow statement calculated by the sum of purchased loans and loan originations. Amount of purchased loans and loan origination for FY 2012 were ¥2,274,938 million and ¥240,570 million, respectively.

*2 The figure in parenthesis included in the "repayment of borrowing" item of the expenditure section is the portion of outstanding loan management special account's liabilities related to funds lent to the treasury by the government through March 31, 2005, based on paragraph 13, article 7 of the Supplementary Regulation of JHF Law, whose maturity was set based on discussions by the competent minister and the Minister of Finance and will be repaid. JHF was exempted from paying penalties, which amounted to ¥425,688 million in FY 2005, ¥330,866 million in FY 2006, 412,719 million in FY 2007, ¥96,063 million in FY 2008 and ¥45,555 million in FY 2009.

Of the above figures, borrowings and government subsidies, etc. (receipts from the General Account) are as follows:

[Borrowings]

(Unit: million yen)

Category	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Borrowings from Fiscal Investment and Loan Program	600	100	-	16,800	70,200
Borrowing from Private-sector Lenders	187,587	165,600	143,600	122,200	110,200
Total	188,187	165,700	143,600	139,000	180,400

[Government subsidies, etc.]

(Unit: million yen)

Category	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Government subsidies	91,200	111,400	82,000	79,000	-
Government grants	86,500	20,000	20,000	8,325	-
Treasury subsidies	97	400,005	224,666	223,600	59,452
Total	177,797	531,405	326,666	310,925	59,452

* JHF received, from the government's general account, government subsidies to smoothly manage operations, grants to cover extraordinary losses incurred according to Paragraph 17 of the Supplementary Provisions of the GHLC Law before the Law was abolished based on Article 10 of the Supplementary Provisions of JHF Law, and treasury subsidies as subsidies for emergency measures to facilitate housing finance, subsidies for the promotion of activities such as the creation of a housing market, subsidies for securitization business, and subsidies for emergency measures including loans for recovery from disasters based on the provisions of the Law Concerning the Reasonable Execution of Budget Relating to Subsidies, etc. Provisions of government subsidies and government grants ended in the end of FY 2011.

Outstanding Balance of Purchased Loans, etc.

At the end of FY 2012, the outstanding balance of purchased loans, etc., stood at ¥28,159.4 billion (including ¥9,982.7 billion in loans purchased from private lenders under secondary market operation).

(Unit: houses, million yen)

Category	FY 2008		FY 2009		FY 2010	
	No. of houses	Amount	No. of houses	Amount	No. of houses	Amount
Purchased loans	162,324	3,286,301	207,389	4,054,039	308,686	6,437,220
GHLC originated loans	2,816,898	34,877,480	2,492,852	30,013,750	2,200,130	25,347,339
Owner-occupied houses	2,460,843	27,378,170	2,174,362	23,122,595	1,915,274	19,368,794
Rental houses	26,911	3,826,592	26,992	3,592,668	25,145	3,127,197
Urban rehabilitation	72,040	1,651,226	65,826	1,503,607	58,037	1,276,622
Restoration and improvement	151,015	906,818	127,406	801,500	112,092	705,634
Related public facilities, etc.	–	–	–	–	–	–
Subdivision lot development	24	52,364	21	48,777	18	44,654
Property accumulation saving scheme-tied houses	106,065	1,062,311	98,245	944,603	89,564	824,438
Claim on pension transfer	43,964	188,763	39,739	164,037	35,855	141,612
Total	3,023,186	38,352,545	2,739,980	34,231,825	2,544,671	31,926,171

Category	FY 2011		FY 2012	
	No. of houses	Amount	No. of houses	Amount
Purchased loans	401,159	8,609,873	460,819	9,982,719
GHLC originated loans	1,932,765	21,355,489	1,705,408	18,071,402
Owner-occupied houses	1,679,063	16,222,344	1,479,681	13,746,345
Rental houses	22,677	2,692,545	19,542	2,219,987
Urban rehabilitation	50,374	1,067,247	42,177	848,920
Restoration and improvement	99,928	631,830	91,852	621,058
Related public facilities, etc.	–	–	–	–
Subdivision lot development	17	33,879	17	32,655
Property accumulation saving scheme-tied houses	80,706	707,644	72,139	602,437
Claim on pension transfer	32,047	121,690	28,767	105,310
Total	2,365,971	30,087,052	2,194,994	28,159,431

At the end of FY 2012, the outstanding number of guarantees for the securitization business (Guarantee Program, insurance value of loans for which insurance is valid) was 9,116 units for ¥240.7 billion, and the outstanding number of guarantees for the housing loan insurance business (insurance value of loans for which insurance is valid) was 124,915 for ¥2,370.6 billion.