



住宅金融支援機構  
Japan Housing Finance Agency

# Disclosure Booklet 2020

2020  
Disclosure

## Business Overview

JHF focuses on securitization support business, a business to support origination of fixed-rate housing loans by private financial institutions, but also conducts housing loan insurance business to promote smooth origination of housing loans by private financial institutions, and loan origination business in areas important from the policy perspective, yet difficult for private financial institutions to enter.

JHF strives to upgrade the housing life standards and serves its corporate social responsibility (CSR) by smooth and efficient origination of housing loans required to construct houses, the foundations of housing life of the customers.

### **1 Securitization support business (“Flat 35”)**

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Support origination of fully fixed-rate housing loans of private financial institutions by the following programs:

- Flat 35 (Purchase Program): JHF purchases fully fixed-rate housing loans from private financial institutions and securitizes them.
- Flat 35 (Guarantee Program): Private financial institutions securitize fully fixed-rate housing loans insured by JHF, and JHF guarantees interest and principal payment to investors.

### **2 Housing loan insurance business**

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Support smooth origination of housing loans of private financial institutions by establishing a framework to pay insurance monies to private financial institutions pursuant to previously concluded insurance policy that covers housing loan losses due to unexpected events.

### **3 Loan origination business (Policy-related loans including loans for disaster recovery and urban development loans)**

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By providing direct loans from JHF, JHF supports: housing-reconstruction in areas affected by the Great East Japan Earthquake and other natural disasters, the business that facilitates the renewal of urban functions and improves disaster-resilience including urban redevelopment projects and rebuilding of condominiums and implementing work for earthquake-resistant improvement, and promotion of rental housing supply to contribute to stable living for child-rearing households and the elderly.

### **4 Promotion of quality housing**

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Promote installment of quality housing by requiring the house eligible for Flat 35 and JHF loans to fulfil the technical standards.

### **5 Group credit life insurance business**

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Provide security for borrowers of Flat 35 (Purchase Program) and JHF originated loans by applying insurance money payable from the life insurance company in case of borrower’s death or disability and repay the remaining amount of housing loan of the borrower.

### **6 Management of outstanding loans**

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Conduct appropriate management of outstanding loans by carefully responding to loan repayment modification for borrowers facing difficulties in paying back their housing loan, and by reduction of delinquent loans.

### **7 International business**

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Implement research, study, and the dissemination of information pursuant to the Act on Promoting Entry of Japanese Business Operators into Overseas Social capital projects (Act No. 40 of 2018).

### **8 Survey operation concerning domestic housing finance**

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Conduct research and surveys on domestic housing finance markets.

### **9 Financing**

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Financing mainly through the issuance of Mortgage-backed Securities (MBSs) and Straight Bonds (SBs).

## Providing Fixed-rate Housing Loans through Collaboration with Private Financial Institutions

### Security of “Flat 35” by fixing the interest rate until the maturity

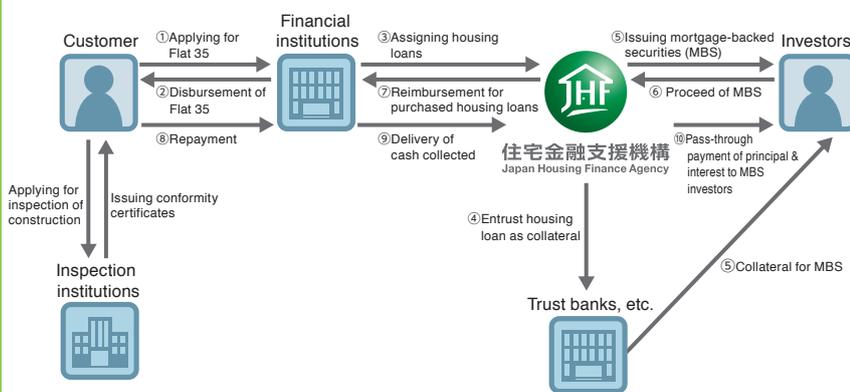
“Flat 35” is a fixed interest rate mortgage that JHF offers to people in collaboration with private financial institutions. Because a fixed interest rate mortgage is a type of loan having the borrowing rate and the amount of installments fixed until the maturity as soon as the loan is closed, which enables customers to make long term plans for living.

Since the start of the program in October 2003, more than 1.1 million customers has used “Flat 35” nationwide.

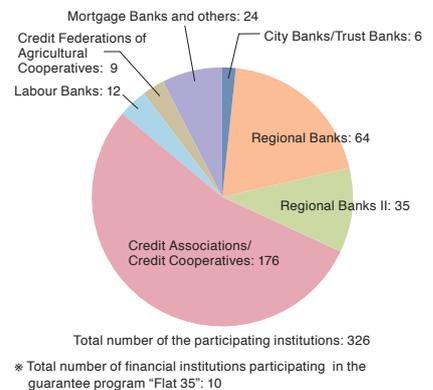
#### Four merits of “Flat 35”

- ① Security of fixed interest rate until the maturity
- ② Support building of secure housing by offering a variety of options.
- ③ Neither a co-signer nor fee for prepayment is needed
- ④ Extend consultation during the repayment period

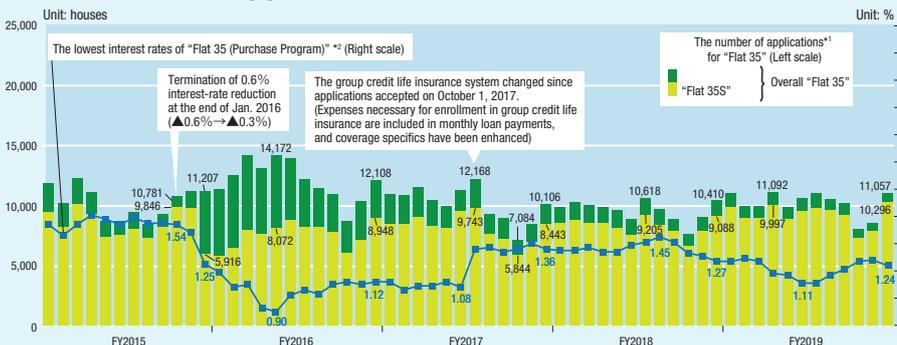
#### Scheme of Purchase Program



#### (Reference) Breakdown of the numbers of financial institutions participating in the purchase program “Flat 35” as of March 31, 2020.



#### 〈Trend of applications for “Flat 35” and interest rates〉



\*1 Total number of houses applying for “Flat 35 (Purchase Program / Guarantee Program)”.

\*2 The lowest interest rates indicated are those offered by financial institutions and applicable to loans having tenors between 21 years and 35 years. Interest rates vary according to loan-to-value ratio (90% or lower, or over 90%) for loans, therefore indicated are interest rates of loan-to-value ratio 90% or lower. In addition, as interest rates differ depending on the type of group credit life insurance, indicated are interest rates of JHF group credit life insurance applied since October 2017.

### Promote dissemination of high quality housing, such as long-life quality housing by introducing “Flat 35S”

JHF introduced “Flat 35S”, a lowered interest rate applied “Flat 35” and applied for a certain period, to customers purchasing high quality housing, such as long-life quality housing, and to contribute to formation of high quality housing stock.

#### 〈Four performance features applicable for “Flat 35S”〉

##### Superior energy-efficient house



- Thermal insulation fully installed
- Double glazed windows and other energy saving features

Increase insulation capacity of houses and reduce consumption of electricity and fossil fuels such as kerosene used in heating and cooling is necessary for conservation of the global environment.

##### Superior earthquake-resilient house



- Secure wall balance and placement
- Enhanced wall joints
- Enhanced housing foundation and others

To prepare for large-scale earthquakes by increasing earthquake-resistance capability and by ensuring the safety of housing is important.

##### Superior barrier-free performance featured house



- Without difference in level on the floor
- Handrail installment
- Enough width of passageways

Housing livable for the elderly with preparation for home nursing care is the fundamental of future housing construction.

##### Superior durability and flexibility featured house



- Anti-decay and anti-termite features
- Attic and under floor ventilations and others

Formation of high quality housing stock is imperative for Japan’s pre-matured society. Building a long-lasting house and using it with care will lead to global environment conservation.

# Financial highlights, points in performance results

## Financial Conditions (FY2019 results)

### Status of profit and loss

#### 〈Securitization Support Account〉

In the Securitization Support Account JHF reported net income of ¥59.6 billion, down ¥22.5 billion YoY due to an increase in allowance for credit losses associated with the COVID-19 pandemic.

As expenses tend to be realized later than earnings due to credit risk, etc. of the Securitization Support Business (Purchase Program), the loss in the latter half will be offset by profit in the first half of the loan period, therefore, in order to prepare against future emergence of credit risk, etc., JHF has carried over the entire amount of net income as reserve funds (Article 44, paragraph 1 of the Act on General Rules for Incorporated Administrative Agencies).

#### 〈Outstanding Loans Management Account\*〉

In the Outstanding Loans Management Account JHF reported net income of ¥79.6 billion, down ¥27.7 billion YoY due to an increase in allowance for credit losses associated with the COVID-19 pandemic.

From the perspective of concluding the business smoothly without incurring new liabilities to National Treasury, and to prepare against future emergence of credit risk, etc., JHF has carried forward the entire amount of surplus as reserves (Article 7, paragraph 7 of supplementary provisions of Act on the Japan Housing Finance Agency, Independent Administrative Agency).

#### 〈Housing Loan Insurance Account〉

In the Housing Loan Insurance Account JHF reported net income of ¥6.9 billion, down ¥0.2 billion YoY and retained earnings of ¥22.6 billion.

#### 〈Property Accumulation Housing Fund Loan Account〉

In the Property Accumulation Housing Loan Fund Account JHF reported net income of ¥0.01 billion, down ¥0.6 billion YoY and retained earnings of ¥36.9 billion.

#### 〈Housing Loan Fund, etc. Account〉

In the Housing Loan Fund, etc. Account JHF reported net income of ¥5.2 billion, down ¥1.9 billion YoY and retained earnings of ¥355.7 billion including reserve of ¥298.3 billion in the group credit life insurance business.

#### 〈The overall net income of the five accounts〉

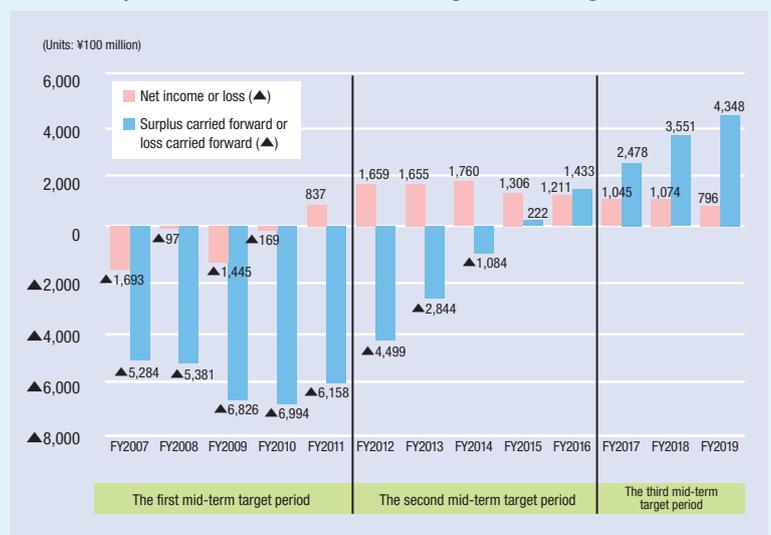
JHF reported net income of ¥151.4 billion as a whole entity merging all of the five above-mentioned accounts.

\* Since the Outstanding Loans Management Account is the account that manages the loans originated by the former Government Housing Loan Corporation before FY2004, therefore, the outstanding loan amount will continue decreasing as no new loans will be originated.

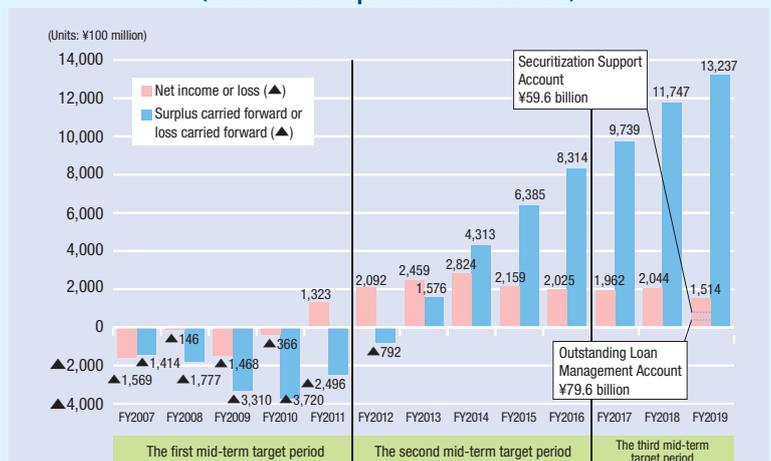
### 〈Status of profit and loss, etc. of Securitization Support Account〉



### 〈Status of profit and loss, etc. of Outstanding Loans Management Account〉



### 〈Whole JHF's profit and loss etc.〉



\* As a result of distributions from the reserve fund (retained earnings) for the previous mid-term target period, JHF paid ¥30.9 billion for FY2012 and ¥44.7 billion for FY2017 to the National Treasury.

### Status of assets and debts

Total assets as of end of FY2019 amounted approximately ¥26 trillion, and total debts amounted approximately ¥24 trillion. Status of major assets and debts is as follows.

#### ▶ Status of outstanding balance of purchased loans and other loans

The outstanding balance of “Flat 35 (purchased loans)” at the end of FY2019 was about ¥17 trillion. The balance of purchased loans has been increasing year after year and now accounts for around 70% of the outstanding housing loans held by JHF.

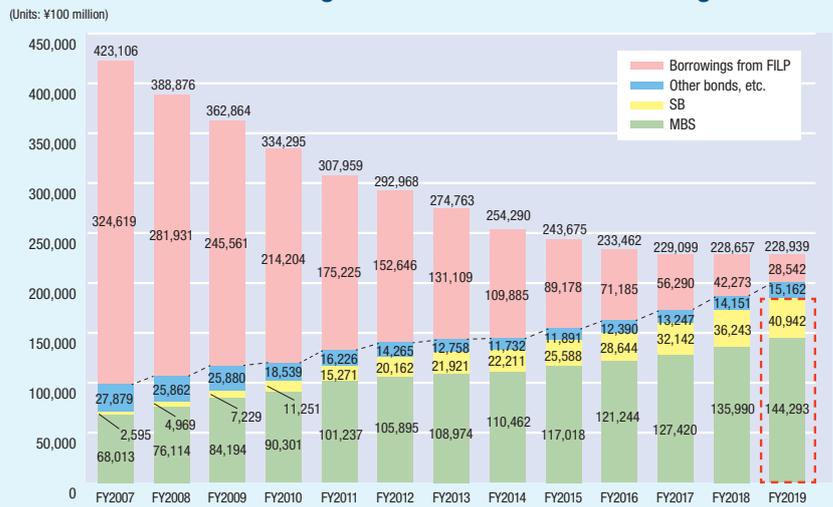
#### ▶ Status of outstanding balance of bonds and borrowings

Fundraising from the financial markets by issuing mortgage-backed securities (MBS) or straight bond (SB) has increased due to business growth of “Flat 35 (purchased loans).” Meanwhile, borrowings from Fiscal Investment and Loan Program (FILP), which are borrowings from the Japanese government, have declined due to the decrease in the balance in the Outstanding Loans Management Account.

### 《Outstanding balance of purchased loans and other loans》

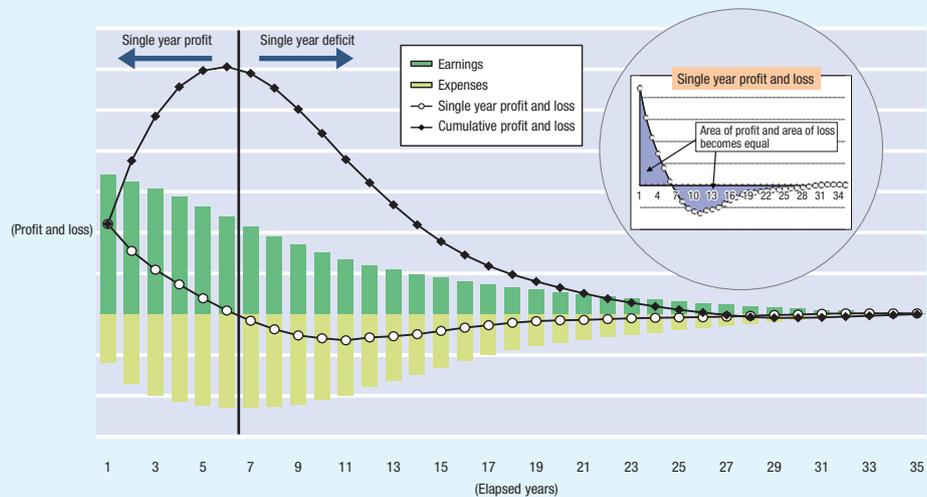


### 《Outstanding balance of bonds and borrowings》



### cf. Credit risk profit loss structure (image)

As expenses tend to be realized later than earnings due to credit risk and interest rate fluctuation risk associated with the Securitization Support Business, etc., the loss in the latter half will be offset by profit in the first half of the loan period.

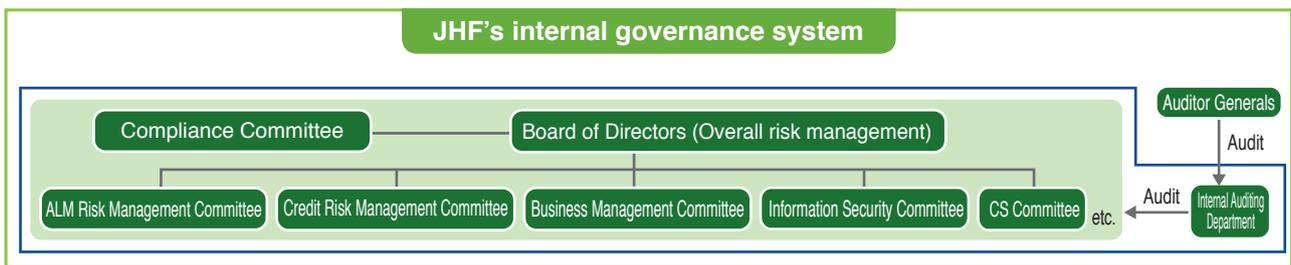
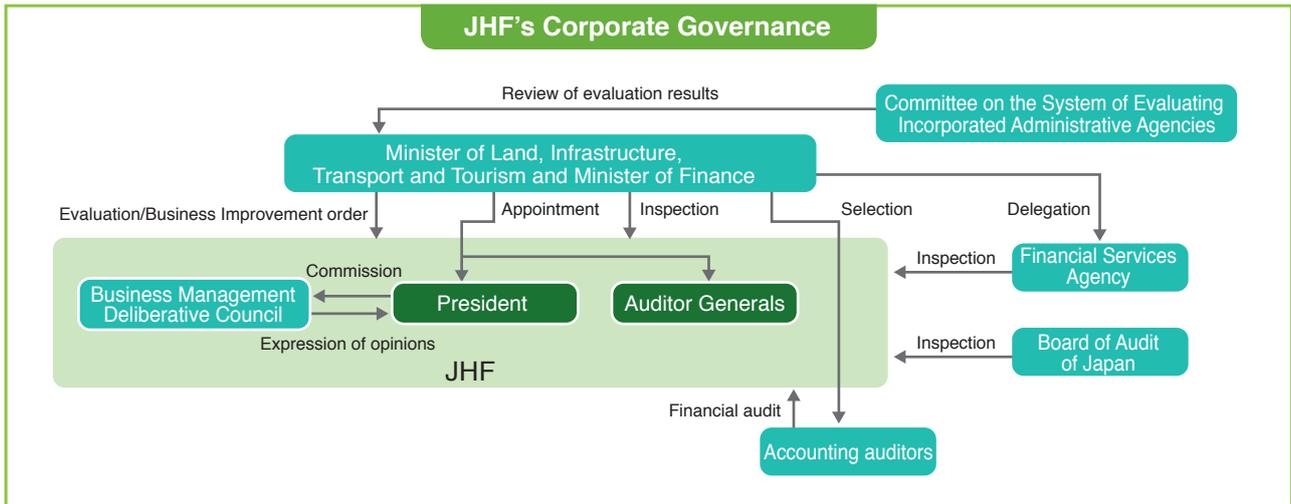


# Corporate Governance

## Governance Structure

Recognizing its basic mission and social responsibility as an Incorporated Administrative Agency, JHF acknowledges strengthening of corporate governance is an important business issue, therefore, actively implements activities to ensure sound and proper conduct of its business with high ethical standards and wisdom under transparent and efficient management based on the Act on General Rules for Incorporated Administrative Agency.

Moreover, in order to develop its internal governance system to assure appropriate business operations, JHF has established the Basic Policy on Internal Governance and promotes appropriate internal governance by the PDCA cycle as well as further sophistication of internal governance by enhancing the governance environment.



## Business Management Deliberative Council

The Business Management Deliberative Council was established to conduct review by external experts regarding the validity of the business management and by a neutral position in accordance with the Basic Policy on Reform of Incorporated Administrative Agencies (Cabinet decision on December 24, 2013).

Since its first meeting held in May 2014, the Council has made to JHF suggestions that would lead to the improvement of the product features of JHF loans and operations of its business. The Council issued a report compiling the suggestions in March 2018. JHF would like the Council to continue deliberating on the appropriateness of its business operations and will take into account the results of the deliberations for its future business operations.

### <Business Management Deliberative Council Members>

As of August 1<sup>st</sup>, 2020

○ Sayuri Kawamura	Chief Economist, Economic Department, The Japan Research Institute, Limited
Toru Kurahashi	Dean, Faculty of Economics, Dokkyo University
Hiroko Saito	Professor, School of International Liberal Arts, Yokohama City University
Tadashi Mizushima	Chief Executive, Consulting One
◎ Takaaki Wakasugi	Co-director, Mitsui Life Financial Research Center, University of Michigan Ross School of Business

(◎: Chairman, ○: Deputy Chairman)

(Honoric titles omitted)

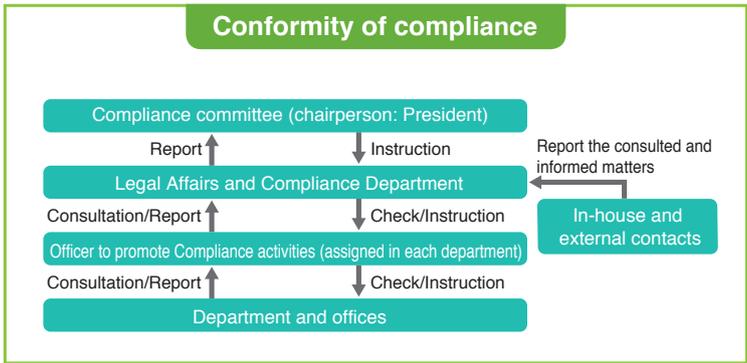


# Compliance

## Conformity of compliance

In order to fulfill the compliance requirements without fail, JHF established the Compliance Committee chaired by its president and comprising all of the executives and directors of the relevant departments. Its task is to discuss and decide on matters including policies related to compliance issues. In addition, JHF established the Compliance and Legal Department as the head department managing compliance and assigned officers to promote compliance activities within each department.

Furthermore, in order to prevent compliance violations within JHF, an in-house contact (Compliance Help Line) and external contact for external persons were established.



JHF distributed a pocket-size edition of compliance manual to all of the executives and employees, which serves as a guide to reconsider the activity of JHF business and to make decision in difficult times.

## Compliance activities

JHF has established the Compliance Charter as its basic principles of compliance and issued a compliance manual that stipulates the laws and regulations, rules, social requirements, and business related and concerned matters to conform, which has been notified to all of the executives and employees.

Every year, JHF stipulates and executes the Compliance Program as an active plan for our compliance.

Concrete activities under the Compliance Program include e-learning available to all of the executives and employees, compliance meeting conducted by each business units (a small group case method discussion will be conducted), and compliance-related information sharing by using the internal LAN, which are dedicated to enhance individual understanding of compliance and promote selfawareness and action by themselves.

In addition, JHF has steadily promoted compliance activities conducting the PDCA cycle in a form of quarterly monitoring of the Compliance Program by the Compliance Committee and modifications of Compliance Program policies, if necessary.

### The Compliance Charter (excerpts)

<ol style="list-style-type: none"> <li>1. We comply with laws, rules and regulations as well as social norms, and strive to undertake all tasks properly in efforts to ensure public confidence.                         <ol style="list-style-type: none"> <li>(1) Compliance with laws and regulations as well as social norms</li> <li>(2) Proactive and fair disclosure of information</li> <li>(3) Strict information management</li> <li>(4) Resistance against all anti-social parties</li> </ol> </li> <li>2. We thoroughly strive to pursue customer confidence and satisfaction.</li> </ol>	<ol style="list-style-type: none"> <li>(1) Provide comprehensive housing loan services</li> <li>(2) Conduct appropriate and sufficient explanations</li> <li>(3) Respond sincerely to customer voices</li> <li>3. We respect the personality of each executive and employee and endeavor to secure a pleasant working environment.                         <ol style="list-style-type: none"> <li>(1) Respect the personality and character of individuals</li> <li>(2) pleasant working environment</li> </ol> </li> </ol>
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## Responses to Anti-social Forces

To reject any relationship with anti-social forces such as organized crime syndicates, JHF has explicitly stated the resistance against all anti-social parties in its compliance charter and established the Basic Policy Against Anti-social Forces, which is available on our website. In addition, regulations and manuals for dealing with such anti-social forces have been prepared. Through these efforts, JHF has established a framework for reporting to and consulting immediately and properly with management and the Legal Affairs and Compliance Department, the department that oversees responses to anti-social forces, in case JHF identifies business related with such anti-social forces or undue claim from such forces.

JHF also conducts training and other sessions to address undue claims in cooperation with the police and other relevant institutions.

JHF stipulates article on rejection of anti-social forces in its business contracts and eliminates any relationship not only with organized crime syndicates but also with individuals coexisting with anti-social forces trying to illegally receive loans for the benefit of anti-social forces related with organized crime syndicates.

As an organization, JHF will continue its commitment towards rejecting relationship with anti-social forces.

### **Basic Policy against Anti-social Forces**

1. JHF commits to have no relationship with any anti-social forces, and the President, including the management and all employees shall never compromise with such forces.
2. JHF commits to establish a framework to reject anti-social forces and distribute to all of the management and employees the manual describing how to deal with such forces.
3. JHF commits to ensure the safety of management and employees who deal with undue claims from anti-social forces.
4. JHF commits to cooperate closely with external institutions, such as the police, National Center for Removal of Criminal Organizations, and lawyers.
5. JHF commits to take both civil and criminal law related actions against undue claims from anti-social forces.
6. JHF commits to never conduct “backstage deals” to conceal facts that undue claims from anti-social forces were made to JHF due to misconduct of JHF’s business activities or its employees.
7. JHF commits to never provide funds to anti-social forces.

## Information Security

JHF has been dedicated to conducting information security measures.

In FY2019, JHF enhanced the framework to promote information security measures as follows:

- JHF established information security measures in accordance with “FY2018 Common Standards for Information Security Measures for Government Agencies and Related Agencies” established by NISC (National Center of Incident Readiness and Strategy for Cyber-security).
- JHF implemented information security measures pursuant to FY2019 Information Security Measures Promotion Plan and defined FY2020 Information security Measures Promotion Plan to continue its effort on information security measures.
- JHF not only conducts training and drills to promote and maintain literacy of JHF’s managers and employees on information security measures but also revise the practice pursuant to self-assessment and other results regarding Information Security Measures Promotion Plan.

# Risk Management

In order to maintain the healthiness of JHF’s business and gain understanding and trust of the general public, JHF sustains an organizational structure to properly manage the various risks associated with its day-to-day operations.

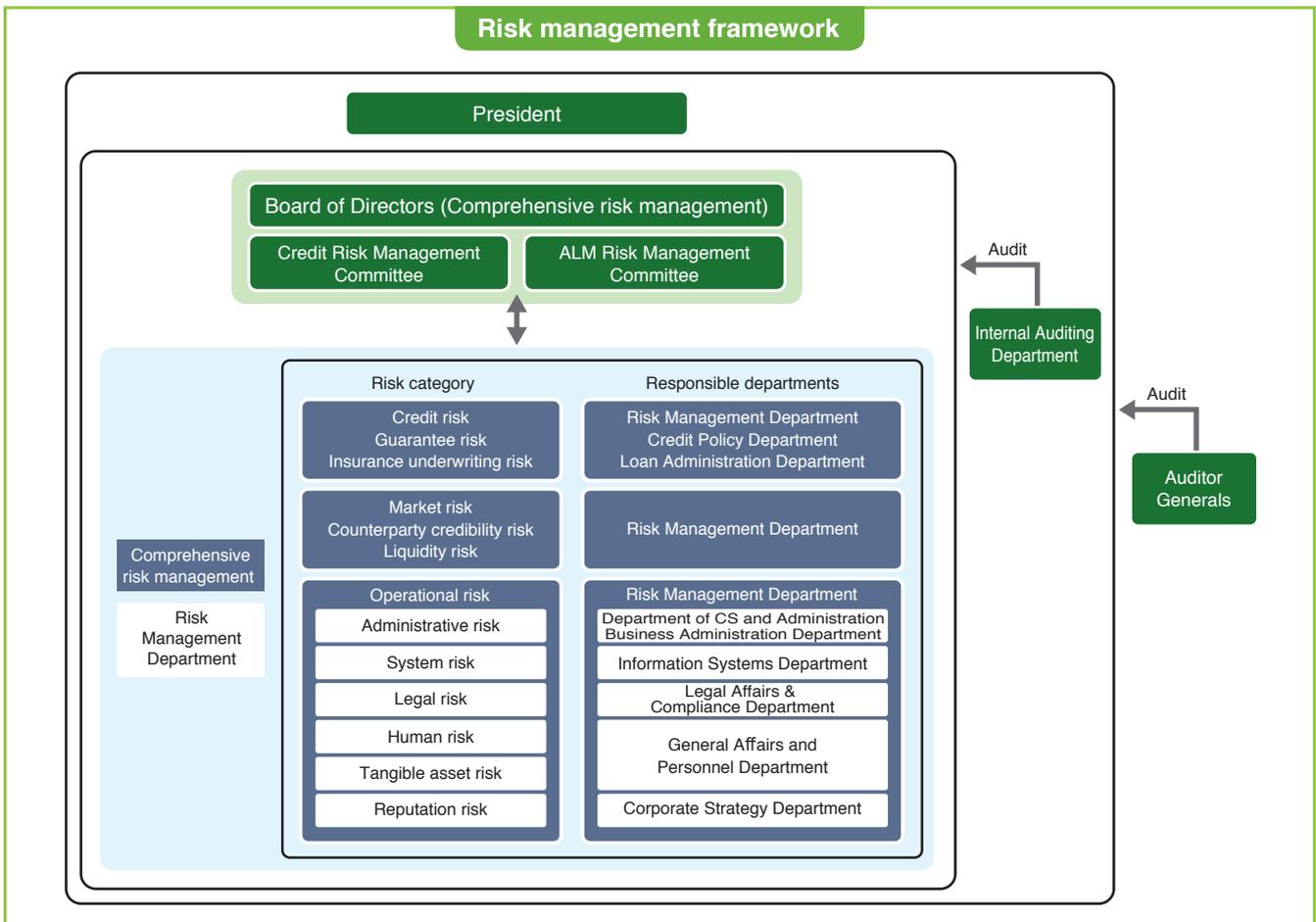
To be specific, JHF has established risk management regulations, such as “Risk Management Basic Rules” that stipulate the purpose of risk management, characteristics and definitions of individual risks, and methods and auditing of the status of risk management implementation and also “Credit Risk Management Rules” that stipulates specific risk management method of individual risks. Based on these rules, JHF implements risk management incorporating features of businesses, such as housing loans and others, and conducts comprehensive risk management by understanding and valuing the individual risks as a whole considering JHF’s business and characteristics.

## Risk management framework

JHF classifies risks as credit risk, guarantee risk, insurance risk, market risk, counterparty credibility risk, liquidity risk, and operational risk. In the event of a significant change in economic situation, JHF will correspondingly specify the new risk to be managed.

JHF sustains the framework to properly manage these risks in qualitative and quantitative aspects by appointing an executive and a department responsible for managing each risks. In particular, the “Credit Risk Management Committee” was established to manage credit risk, guarantee risk, and insurance risk, and the “ALM Risk Management Committee” was established to manage market risk, counterparty credibility risk, and liquidity risk. These committees monitor the status of each risk and discuss the risk arrangement planning and proposals.

In addition, JHF assigns an executive and a department responsible for comprehensive risk management to conduct comprehensive risk management on each risk and maintains the framework to track and evaluate the quantified result and the management status of each risk and periodically report the results to the Board of Directors.



## Risk categories

### Credit risk

Credit risk is defined as the risk of JHF suffering from a loss due to decline or disappearance of asset value caused by deterioration of the creditworthiness of a debtor, which JHF holds as a loan receivable. Since housing loans constitutes major portion of JHF's assets, JHF endeavors to properly underwrite the credit risk of the loans JHF purchases or originates, and properly manage and perform self-assessment of the loans that JHF holds, and track, analyze, and manage the overall credit risk.

#### ▶▶ Underwriting of purchasing and originated loans

JHF defines criteria and methods of underwriting and properly underwrites the credit risk of purchasing and originated loans.

#### ▶▶ Self-assessment

JHF properly manages the credit risk of retained loan claims and conducts self-assessment according to JHF defined self-assessment criteria in order to properly disclose financial information pursuant to the "Accounting Standards for Incorporated Administrative Agencies." To be specific, JHF calculates allowance for credit losses by classifying JHF's assets in accordance with the uncollectibility and loss severity and then multiplying the expected loss given default ratio calculated based on historical performance of non-performing loans.

#### ▶▶ Credit portfolio management

Using the credit portfolio management system for periodical monitoring, JHF analyzes the utilization status of housing loans, forecasts future losses, and reviews the necessary credit risk premium in order to accurately evaluate the overall credit risk of all the debts that JHF holds and the location of risks. JHF also endeavors to further improve risk quantification by utilizing the credit portfolio management system to strengthen credit risk management.

### Guarantee risk

Guarantee risk is defined as risk of JHF suffering from a loss due to opposed fluctuation of a guarantee incident against the estimate made at the time of the guarantee fee calculation. JHF guarantees mortgage-backed securities (MBS) under the securitization support business (guarantee program). JHF performs proper underwriting and endeavors to track, analyze, and manage the overall guarantee risk.

### Insurance underwriting risk

Insurance underwriting risk is defined as the risk of JHF suffering from a loss due to opposed fluctuation of an insurance incident against the estimates made at the time of the insurance premium calculation. JHF underwrites insurance for non-performing housing loans originated by private financial institutions. JHF performs proper underwriting and endeavors to track, analyze, and manage the overall insurance risk by monitoring utilizing the credit portfolio management system and by verifying whether the unused policy reserve is sufficient by conducting future cash flow analysis.

### Market risk

Market risk is defined as the risk of fluctuation of periodic income and loss due to changes in the risk factors, such as the interest rates and others. Since housing loan constitutes major portion of JHF's asset, market risk includes prepayment risk, refinancing and reinvestment risks, and pipeline risk and others.

#### ▶▶ Prepayment risk

Prepayment risk is defined as the risk of deterioration of periodic income and loss due to loss of expected interest income caused by an increase in the loan prepayment amount triggered by a decline in the interest rate. JHF manages the risk by estimating the prepayment amount using the prepayment model and by securitizing the housing loans and by issuing bonds of various maturities.

#### ▶▶ Refinancing and reinvestment risks

Refinancing and reinvestment risks are defined as the risk for deterioration of periodic income and loss due to increased interest payment caused by increased funding cost or due to decreased interest income caused by decreased interest on investment under the circumstances of refinancing or reinvestment. JHF manages the risk by utilizing the interest model to estimate the cash flow of assets and debts incorporating future interest rate fluctuations and forecasting periodical income and loss according to such cash flow, and by periodically monitoring the risk indexes, such as duration and others.

#### ▶▶ Pipeline risk

Pipeline risk is defined as the risk of fluctuation of periodic income and loss due to fluctuation of interest rate between settlement of housing loan interest rate and termination of funding interest rate applicable to such housing loan. JHF manages the risk by conducting interest rate swaps for hedging purpose.

### Counterparty credibility risk

Counterparty credibility risk is defined as the risk of JHF suffering from a loss due to decline or disappearance of asset values caused by financial deterioration of bond issuers which JHF invests its surplus funds and of JHF's interest rate swap transaction counterparties. JHF defines the counterparty credibility risk management methods of bond issuers and interest rate swap transaction counterparties and conducts monitoring.

### Liquidity risk

Liquidity risk is defined as the risk of JHF forced to fund raise necessary monies at cost significantly higher than normal or JHF falls into cash shortage by financial deterioration and incur losses under such situations: or the risk of transaction unavailability in the market due to market turmoil or the risk of JHF forced to conduct transaction at adverse price and incur losses under such situations. JHF sets the minimum retained amount of liquidity assets as a management standard and as a measure against liquidity risk, which JHF conforms to maintain in daily operations, therefore, JHF conducts stable cash management operations. In addition, emergency credit line is set to achieve secured funding source and JHF sets liquidity management classifications (defined as normal, cautious, and crisis situations) according to the urgency of funding needs and sets actions of JHF under "cautious and crisis situations." Furthermore, JHF sustains an organizational structure and defines an action plan so called contingency funding plan to enable prompt response when liquidity risk becomes eminent.

### Operational risk

Operational risk is defined as the risk of JHF suffering from a loss due to improper operational processes, improper behavior of executives and employees, or improper operation of information systems, or an external event. The risk includes administrative risk, system risk, legal risk, human risk, tangible asset risk, and reputation risk. JHF is improving the organizational structure to manage the operational risk by tracking the occurrence of evident risks by collecting information, by defining measures based on causality analysis, by self-analyzing the internal risk of operations and the control method of constraining, and by implementing RCSA (Risk & Control Self-Assessment) to improve operations based on the results of self analysis. The following are the definitions and control methods of main operational risks.

#### ▶ Administrative risk

Administrative risk is defined as the risk of JHF suffer-

ing from a loss due to inaccurate administration work, accident, or misconduct and others by the executives and employees (including others excluding JHF's executives and employees engaged in JHF's operations), or by misconduct of those not engaged in JHF's operations. JHF endeavors to reduce administrative risk by preparing administration work manuals, by improving administrative work, by completing crosschecking between employees, by providing instructions and training on administrative work, by performing internal self-check ups, and by collecting and analyzing information on administrative errors and taking preventive measures against recurrence.

#### ▶ System risk

System risk is defined as the risk of JHF suffering from a loss due to failure, malfunction, defect, or misuse of information systems. JHF endeavors to reduce system risk by taking measures based on classifications according to importance and risk assessment, by developing systems with functionalities, reliability, and information security considered, and by collecting and analyzing information on system failures and taking preventive measures against recurrence. In preparation for serious failures, JHF prepared crisis management manual and endeavors to maintain stable operations by taking necessary measures, such as duplexing systems, establishing backup centers, and conducting emergency drills.

#### ▶ Legal risk

Legal risk is defined as the risk of JHF suffering from a loss due to unlawful acts, inappropriate contracts, or uncertainty in legal matters related to business transactions. JHF endeavors to reduce legal risk by conducting legal check of Legal Affairs & Compliance Department performs before establishing internal regulations, creating contracts, and posting advertisements. JHF also prevents violations of laws and regulations by collecting information on new legislation, amendments and others, and business related legal precedents.

### Others

As a measure for comprehensive risk management, JHF conducts simulation of life-time future income for mid-to-long term.

Based on cash flow incorporating future interest rates fluctuation, the cross-sectional risk simulation calculates whether losses resulting from both credit risk and market risk are covered by interest income.

The simulation also performs stress tests on the two risks to verify financial resilience.



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This booklet is printed on 70% post-consumer recycled paper with vegetable oil ink.  
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1. This booklet is a disclosure material prepared based on the “Law Concerning Access to Information Held by Incorporated Administrative Agencies.” (Law No. 140 of 2001). Moreover, this booklet is designed to enhance understanding on the part of a broad range of JHF’s stakeholders about the contents of its business operations and its efforts to address the creation of sustainable values. This is realized by providing financial and non-financial information as well as by referring to the “International Integrated Reporting Framework” presented in the International Integrated Reporting Council (the IIRC).
2. Figures in this booklet
  - (1) Rounding of figures  
Amounts are rounded to the nearest unit.  
Percentages (%) are rounded off at the second decimal point in principle. Thus, a figure in the total section may not equal the sum of the itemized amounts.
  - (2) Indication method  
Items with values less than the unit are indicated as “0” while items with no statistical figures are indicated as “—.”
3. Information on Japan Housing Finance Agency (JHF), including that on this booklet, is available on JHF’s website (<https://www.jhf.go.jp>).
4. Fiscal year (FY) begins in April and ends in March, therefore, financial results of FY are figures as of March end.
5. If there is any material difference between Japanese original version and this English translation, the Japanese original version shall prevail.