

Correction of JCR Rating Transition Matrices

As there were some errors in JCR rating transition matrices announced annually, JCR corrected them. JCR apologizes for the errors and announces the corrections here.

JCR made corrections to parts of rating transition matrices for asset-backed securities (ABS) published in its press releases "JCR Rating Transition Matrices and Cumulative Default Rates" dated February 28, 2012 (11-D-0928) and March 15, 2013 (12-D-0988).

The corrected rating matrices are shown below. The corrections made are shaded. Historical data used in the calculation are to be posted on JCR's website (<http://www.jcr.co.jp>).

<Corrected Rating Matrices>

1. Tables 7, 10 and 11 in Press Release "JCR Rating Transition Matrices and Cumulative Default Rates" dated February 28, 2012 (11-D-0928)

Rating Transition Matrices for Asset-Backed Securities (ABS)

Rating Transition Matrices by Lapse of Months

Table 7. 12-months Later Rating Transition Matrix

	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B- or lower
AAA	100.00															
AA+		100.00														
AA		6.67	93.33													
AA-				100.00												
A+					100.00											
A					2.44	97.56										
A-							100.00									
BBB+								100.00								
BBB									95.24	4.76						
BBB-										100.00						
BB+											100.00					
BB												100.00				
BB-													100.00			
B+														100.00		
B															100.00	
B- or lower																100.00

One-Year (on a Calendar Year Basis) Rating Transition Matrices

Table 10. One-year (on a Calendar Year Basis) Average Rating Transition Matrix for period 2009 - 2011

	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B- or lower
AAA	100.00															
AA+	33.33	66.67														
AA	9.09	4.55	86.36													
AA-			7.69	92.31												
A+			16.67		66.67	16.67										
A	5.26				15.79	73.68										
A-				11.11			77.78			11.11						
BBB+								100.00								
BBB					20.00				80.00							
BBB-									50.00	50.00						
BB+											100.00					
BB												100.00				
BB-													100.00			
B+														100.00		
B															100.00	
B- or lower																100.00

Table 11. One-year (on a Calendar Year Basis) Rating Transition Matrix for 2011

	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B- or lower
AAA	100.00															
AA+		100.00														
AA		10.00	90.00													
AA-				100.00												
A+					25.00	75.00										
A						12.50	87.50									
A-							33.33	66.67								
BBB+									100.00							
BBB										50.00						
BBB-											100.00					
BB+												100.00				
BB													100.00			
BB-														100.00		
B+															100.00	
B																100.00
B- or lower																100.00

2. Tables 5 and 8 in Press Release "JCR Rating Transition Matrices and Cumulative Default Rates" dated March 15, 2013 (12-D-0988)

Rating Transition Matrices for Asset-Backed Securities (ABS)
Rating Transition Matrices by Lapse of Months

Table 5. 12-months Later Rating Transition Matrix

	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B- or lower
AAA	100.00															
AA+		100.00														
AA		5.88	94.12													
AA-				100.00												
A+					100.00											
A					2.22	97.78										
A-							100.00									
BBB+								100.00								
BBB									95.83	4.17						
BBB-										100.00						
BB+											100.00					
BB												100.00				
BB-													100.00			
B+														100.00		
B															100.00	
B- or lower																100.00

One-Year (on a Calendar Year Basis) Rating Transition Matrices

Table 8. 1-year (on a Calendar Year Basis) Average Rating Transition Matrix for 2010 - 2012

	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B- or lower
AAA	100.00															
AA+	25.00	75.00														
AA	12.12	3.03	81.82			3.03										
AA-			10.53	84.21	5.26											
A+			10.00		70.00	10.00	10.00									
A	7.41		3.70		11.11	70.37	3.70				3.70					
A-				9.09		9.09	63.64			18.18						
BBB+								100.00								
BBB					14.29				85.71							
BBB-									50.00	50.00						
BB+											100.00					
BB												100.00				
BB-													100.00			
B+														100.00		
B															100.00	
B- or lower																100.00

(Financial Technology Division, Rating Administration Division and Structured Finance Dept.)

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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