
Fitch Affirms Sanyo Shinpan Servicer's Special Servicer Rating At 'ABSS1-(JPN)'

Fitch Ratings-Tokyo/Singapore-30 September 2009: Fitch Ratings has today affirmed the asset-backed special servicer rating of Sanyo Shinpan Servicer Co., Ltd (SSS) at 'ABSS1-(JPN)'.

The rating reflects the servicer's well-organised internal control scheme and compliance framework, experienced and stable management, managers and collectors, continued solid collection performance and functional IT systems. Fitch notes the establishment of the Risk Control Department in July 2008 improved SSS's risk management and related reporting framework, which further reinforced the risk control function.

Since July 2008, SSS has put more focus on its core business of acquiring and collecting unsecured loans, and loans with collateral which have been disposed of or are regarded as having no realisable value. In addition, SSS has reinforced the collection capabilities of existing portfolios by rearranging the organisation structure of servicing related departments to improve its profitability and risk management. Also, the company implemented tighter control over the provisioning of purchased loans.

SSS is a wholly-owned subsidiary of Sanyo Shinpan Finance Co., Ltd., a major consumer finance company in Japan. Established in March 1999, it was then licensed as a special servicer by the Minister of Justice two months later. During March 1999 - June 2009, the company has serviced approximately 172,000 loans, with an aggregate unpaid principal balance of JPY5,105bn.

Fitch rates primary, special and master servicers in Japan based on its asset types on a scale of one through five, with one being the highest rating. In addition, Fitch may attach a plus (+) or minus (-) sign to the rating, indicating a relative position within each rating category. "JPN" appears in the Japanese ratings to reflect their relevance in Japan's legal, economic and social context. For further details, please refer to the report titled 'Rating Japanese Servicers', dated 4 September 2009 available on Fitch's websites at 'www.fitchratings.com' in English and 'www.fitchratings.co.jp' in Japanese

The updated report on SSS, in both English and Japanese, will be available shortly on Fitch's websites, or through Fitch Market Services at 1 800 853 4824 in New York or Fitch's Tokyo office at +81 3 3288 2628.

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