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## **Fitch Affirms Capital Servicing's Special Servicer Rating at 'CSS1-(JPN)'**

Fitch Ratings-Tokyo/Singapore-30 April 2009: Fitch Ratings has today affirmed Capital Servicing Co., Ltd.'s (Capital) commercial-mortgage special servicer rating at 'CSS1-(JPN)' (CSS1 minus(JPN)).

The rating reflects the servicer's sustained strengths such as its flexible and well integrated system, highly-experienced and stable asset managers with proven performance, its comprehensive risk management infrastructure, and experienced senior management team.

While Capital has been affected by the failure of Lehman Brothers (Lehman) in September 2008 (Lehman has been its primary source of revenue), its impact on Capital has been limited so far due to the fact that it continues to service most of the Lehman-related assets. In addition, Capital has successfully expanded its client base, a result of its efforts in the last few years. Capital continues its strategy of diversifying its revenue source, and Fitch will monitor the developments regarding these efforts.

Capital received a license from the Ministry of Justice and started its servicing operation in 1999 for collateralised loans. Since then, the company has serviced about 8,000 loans, the unpaid principal balance of which amounted to JPY 4,332bn at December 2008.

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 11 July 2007 available on Fitch's websites at [www.fitchratings.com](http://www.fitchratings.com) in English and [www.fitchratings.co.jp](http://www.fitchratings.co.jp) in Japanese.

The report on Capital 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 through the Fitch Tokyo office at +81 3 3288 2628.

Contacts: Mitsuhiro Ueno, Tokyo, Tel: +81 3 3288 2605; Midori Sakakibara, Tel: +81 3 3288 2670; Masaaki Kudo, Tel: +81 3 3288 2630.

Media Relations: Chinatsu Ozaki, Tokyo, Tel: +81 3 3288 2679.

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