

(Provisional translation)

The Action Plan for the New Growth Strategy (Outline)

Roles of Financial Sector

- **Back up and Support Real Economy and Enterprises**
 - Provide suitable investment opportunities and diverse fundraising methods
- **Lead the economy as a growing industry itself**
 - Utilize opportunities for growth combining fundamental strengths with the nation's individual financial assets (¥1400 trillion), and positioning other parts of Asia and regions inside Japan as growth frontiers.

3 Pillars of the Action Plan

I . Appropriate Supply of Funds Related to the Company's Size and Growth Stage

II . Financial Sector Serving as a Bridge between Asia and Japan

- Establishing Japan's Status as a Main Financial Market in Asia
- Support to Expansion of Japanese Financial Institutions' activities in Asia

III . Asset Management Capable of Effectively Utilizing the Nation's Assets

⇒Line up Measures by FY2013 (as early as possible)

Main Policies of the Action Plan

I . Appropriate Supply of Funds Related to the Company's Size and Growth Stage

(1) Facilitated Supply of Funds for Small-and Medium-sized Enterprises (SMEs), etc.

- » Promotion of Region-based Relationship Banking
- » Review of Guidelines of Accounting Standards for SMEs and Internal Controls Reporting System, including that for SMEs
- » Expansion of a Scope of the Act on Specified Commitment Line Contract
- » Lifting a Ban on Finance Leases and related Transactions by Banks, Insurance Companies, etc.
- » Review of Habitual Practice of the Third Party Joint and Several Guarantee (except managers)

(2) Appropriate Supply of Risk Money for Growing Companies, etc.

- » Restoring Confidence in and Stimulation of Markets for Growing Companies
- » Lifting a Ban on Subordinated Loans, etc. by Subsidiaries of Banks and Insurance Companies which invest in Venture Companies, etc.
- » Promotion of Financial Institutions' Efforts Such as Loans in Consideration of Growth Potential of Companies
- » Encouragement of Proactive Utilization of the "Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth (BOJ's scheme)"
- » Clarification of Application of the Financial Instruments and Exchange Act to Partnerships based on the Civil Code

(3) Flexible Supply of Funds, etc.

- » Development of Debt Capital Markets for Professional Investors
- » Review of Disclosure Rules and Operations
- » Promotion of Addressing and Consideration about the Disclosure of Earnings Forecast by Stock Exchanges and Participants
- » Broader Simplification of Quarterly Securities Reports
- » Development of the Disclosure Rules for Smooth Implementation of "Rights Offering"
- » Vitalization of the Corporate Bond Market
- » Transition to the Notification System Concerning Representative and Alternate Services in the Insurance Group

II . Financial Sector Serving as a Bridge between Asia and Japan

(1) Establishing Japan's Status as a Main Financial Market in Asia

- » Development of Systems and Measures to Promote the Establishment of Integrated Exchanges Handling Securities and Other Financial Instruments as well as Commodities
- » Development of System to Expand the Scope of English Language Disclosure by Foreign Companies, etc.
- » Promotion of Utilization of Accountants in Business
- » Facilitation of Block Trading
- » Support for the Activities towards the International Convergence of Accounting Standards
- » Active Engagement in International Financial Regulatory Reforms
- » Enhancement of Surveillance on Cross-border Trading

(2) Expansion of Japanese Financial Institutions' Activities in Asia

- » Promoting Policy Coordination regarding Financial and Capital Markets in Asia
- » Development and Strengthening System of Support by Financial Institutions for Small and Medium Enterprises' Entry into Asia
- » Review of Regulatory Barriers to Overseas Real Estate Investment and Acquisition of Foreign Insurance Companies by Insurance Companies

III . Asset Management Capable of Effectively Utilizing the Nation's Assets

Development of an Environment for Higher Quality, Reliable Asset Management

- » More Flexible Rules for Asset Securitization Schemes
- » Clarification of Tasks and Consideration of Review of Investment Trust and Investment Corporation System
- » Relaxing the Regulation of Investment Management Businesses
- » Abolishment of the Regulation of the Asset Management Ratio of Insurance Companies
- » Steady Implementation of the Financial Services ADR (Alternative Dispute Resolution)