

The Action Plan for the New Growth Strategy Timetable (1/4)

(Provisional translation)

FY2010	FY2011	FY2012	FY2013
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(1) Supply of Funds to the Companies Commensurate with Borrowers' Size and Stage of Development

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

<ul style="list-style-type: none"> Promotion of Region-based Relationship Banking 	<p>(Revise supervisory guidelines, etc.)</p> <p>(Study and reach a conclusion on enhancement measures to motivate and develop environment)</p>				
<ul style="list-style-type: none"> Review of Guidelines of Accounting Standards for SMEs and Internal Controls Reporting System, including Those for SMEs 	<p>Operation of accounting standards to suit the actual circumstances of SMEs</p> <p>(Support activities of the Accounting Standards Board of Japan (ASBJ) and other private sector accounting bodies)</p> <p>Review of internal controls reporting system to suit the actual circumstances of SMEs</p> <p>(Review related ordinances, review reporting standards and practical standards of the internal controls, and create a casebook)</p>				
<ul style="list-style-type: none"> Expansion of the Scope of the Act on Specified Commitment Line Contract 	<p>(Promptly submit a related bill to the Diet)</p>				
<ul style="list-style-type: none"> Lifting the Ban on Finance Leases and Related Transactions by Banks, Insurance Companies, etc. 	<p>(Promptly submit a related bill to the Diet)</p>				
<ul style="list-style-type: none"> Review of Habitual Practice of Third Party Joint and Several Guarantee (Except Managers') 	<p>(Revise supervisory guidelines, etc.)</p>				

[2] Appropriate Supply of Risk Money for Emerging Companies, etc.

<ul style="list-style-type: none"> Restoring Confidence in and Activating Markets for Emerging Companies 	<p>(Market participants establish and publish a timetable which clarifies deadlines for specific initiatives)</p>				
<ul style="list-style-type: none"> Lifting the Ban on Subordinated Loans, etc. by Subsidiaries of Banks and Insurance Companies which Mainly Invest in Venture Companies, etc. 	<p>(Amend related Cabinet Office Ordinances)</p>				
<ul style="list-style-type: none"> Promotion of Financial Institutions' Efforts such as Loans in Consideration of Growth Potential of Companies 	<p>(Revise supervisory guidelines, etc.)</p>				
<ul style="list-style-type: none"> Encouragement of Proactive Utilization of the "Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth(BOJ's Scheme)" 	<p>(Understand the proper use of the system through holding hearings with financial institutions)</p>				
<ul style="list-style-type: none"> Clarification of Application of the Financial Instruments and Exchange Act to Partnerships Based on the Civil Code 	<p>(Amend related Cabinet Office Ordinances)</p>				

The Action Plan for the New Growth Strategy Timetable (2/4)

(Provisional translation)

FY2010	FY2011	FY2012	FY2013
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[3] Flexible Supply of Funds, etc.

<ul style="list-style-type: none"> Development of Debt Capital Markets for Professional Investors 	<p>(When TOKYO AIM exchange submits an application for authorization, the FSA will examine it promptly to promote the establishment of a new market.)</p>				
<ul style="list-style-type: none"> Review of Disclosure Rules and Operations 	<p>(Promptly submit a related bill to the Diet)</p> <p>(Amend related Cabinet Orders & Cabinet Office Ordinances)</p>				
<ul style="list-style-type: none"> Promotion of Addressing and Consideration about the Disclosure of Earnings Forecast by Stock Exchanges and Participants 	<p>(Perform study)</p> <p>(Recommend execution of initiatives for results forecast disclosure in exchanges)</p>				
<ul style="list-style-type: none"> Relaxing Quarterly Securities Report Requirements 	<p>(Amend related Ordinances together with the amendment of accounting standards)</p>				
<ul style="list-style-type: none"> Development of the Disclosure Rules for Smooth Implementation of "Rights Offering" 	<p>(Promptly submit a related bill to the Diet)</p> <p>(Amend related Ordinances)</p>				
<ul style="list-style-type: none"> Vitalization of the Corporate Bond Market 	<p>(The FSA actively supports initiatives by market participants)</p>				
<ul style="list-style-type: none"> Transition to the Notification System Concerning Representative and Alternate Services in the Insurance Group 	<p>(Promptly submit a related bill to the Diet)</p>				

The Action Plan for the New Growth Strategy Timetable (3/4)

(Provisional translation)

FY2010	FY2011	FY2012	FY2013
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(2) Financial Sector Serving as a Bridge between Asian and Japanese Economies

[1] Establishing Japan's Status as a Main Financial Market in Asia

<ul style="list-style-type: none"> Development of Systems and Measures to Promote the Establishment of an Integrated Exchange Handling Securities and Other Financial Instruments as well as Commodities 	(Prepare as soon as possible to submit a related bill to the Diet no later than in FY2012. However, make efforts to realize it sooner in consideration of global circumstances)			(Aims to establish an integrated market in FY2013)
<ul style="list-style-type: none"> Development of a System to Expand the Scope of English Language Disclosure by Foreign Companies, etc. 	(Promptly submit a related bill to the Diet as necessary, based on the results of a study by the Disclosure System Working Group)			
	(Amend related Cabinet Orders & Cabinet Office Ordinances as necessary, based on the results of a study by the Disclosure System Working Group)			
<ul style="list-style-type: none"> Promotion of Utilization of Accountants in Businesses 	(Promptly submit a related bill to the Diet based on the Interim Report of the Panel on the Certified Public Accountants System)			
	(Take necessary measures including amending related Cabinet Orders and Cabinet Office Ordinances)			
<ul style="list-style-type: none"> Facilitation of Block Trading 		(Amend related Cabinet Orders and Cabinet Office Ordinances)		
<ul style="list-style-type: none"> Response to Possible Unfair Trade Related to Public Offering 		(Amend related Cabinet Orders and Cabinet Office Ordinances)		
<ul style="list-style-type: none"> Change of Tax System for Cross-Border Transactions 	(Implement as a FY2011 tax reforms request item)			
<ul style="list-style-type: none"> Perpetuation and Expansion of the Japanese Bond Income Tax Exemption Scheme (J-BIEM) 	(Implement as a FY2011 tax reforms request item)		(Aim to perpetuate a temporary measure for book-entry transfer corporate bonds in FY2013 tax reforms request)	
<ul style="list-style-type: none"> Support for the Activities towards the International Convergence of Accounting Standards 			(Decide whether to apply the standards)	
<ul style="list-style-type: none"> Active Engagement in International Financial Regulatory Reforms 	(Participate in international meetings more actively)			
<ul style="list-style-type: none"> Enhancement of Surveillance on Cross-Border Trading 	(Develop human resources & the current structure of the Securities and Exchange Surveillance Commission)			

[2] Expansion of Japanese Financial Institutions' Activities in Asia

<ul style="list-style-type: none"> Promoting Policy Coordination regarding Financial and Capital Markets in Asia 	(Conduct a survey on the current status of financial and capital markets in Asian countries)	(Disseminate financial regulatory and supervisory frameworks of Japan, etc.)		
	(Further promote dialogues with the financial authorities of Asian countries)	(Continue to promote dialogues)		
<ul style="list-style-type: none"> Development and Strengthening of Support System by Financial Institutions for Small and Medium-sized Enterprises' Entry into the Asian Area etc. 	(Study a policy of encouraging support by financial institutions for small and medium-sized enterprises' entry into the Asian area, etc.)	(Sequentially implement necessary measures based on the study)		
<ul style="list-style-type: none"> Review of Regulatory Barriers to Overseas Real Estate Investment and Acquisition of Foreign Insurance Companies by Japanese Insurance Companies 	Overseas real estate investment (Revise related regulatory notices)			
	Purchase of overseas insurance companies (Perform study)	(Implement required system developments based on study)		

The Action Plan for the New Growth Strategy Timetable (4/4)

(Provisional translation)

	FY2010	FY2011	FY2012	FY2013
(3) Provision of Asset Management Capabilities to Utilize Japanese National Assets Safely and Effectively				
• More Flexible Rules for Asset Securitization Schemes	(Promptly submit a related bill to the Diet)			
• Clarification of Tasks and Consideration of Review of Investment Trust and Investment Corporation System	(Examine actual states and issues, etc.)			(Implement required system developments)
• Relaxing the Regulation of Investment Management Businesses with Limited Types of Clients such as Professional Investors	(Promptly submit a related bill to the Diet)			
• Abolishment of the Regulation of the Asset Management Ratio of Insurance Companies		(Amend related Cabinet Office Ordinances)		
• Extension of Reduced Tax Rate on Securities	(Implement as a FY2011 tax reforms request item)			
• Expansion of Profit/loss Offset Scope etc. for Financial Instruments	(Aims to implement early through tax reforms request)			
• Change to Separate Self-assessment Taxation for OTC Derivative Transactions, etc.	(Implement as a FY2011 tax reforms request item)			
• Measures Required to Enhance Convenience of Designated Accounts	(Implement as a FY2011 tax reforms request item)			
• Steady Implementation of the Financial Services ADR (Alternative Dispute Resolution)	(Actively perform public relations for solid and wide implementation of this system, and periodically perform follow-ups on the situation of its operation. Investigate points for further improvements as needed.)			