

# Corporate Data

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Timeline . . . . .	114
Board of Directors, Corporate Auditors and Executive Officers . . . . .	115
Organization Chart . . . . .	116
Locations and Directory . . . . .	117
Subsidiaries . . . . .	118
Stock Information . . . . .	119
Excerpt from the New DBJ Law . . . . .	120
Law for Partial Amendment of the Development Bank of Japan Inc. Law . . . . .	123

## The Japan Development Bank, the Hokkaido-Tohoku Development Finance Public Corporation and the Development Bank of Japan

1951	April	Japan Development Bank (JDB) established
1952		Japan Development Bank; branches opened in Osaka (currently, the Kansai Branch), Sapporo (currently, the Hokkaido Branch), Nagoya (currently, the Tokai Branch) and Fukuoka (currently, the Kyushu Branch)
1956	June	Hokkaido Development Finance Public Corporation established
1957	April	Hokkaido Development Finance Public Corporation reorganized as the Hokkaido-Tohoku Development Finance Public Corporation (HTDFP); branches opened in Sapporo (currently, the Hokkaido Branch) and Sendai (currently, the Tohoku Branch)
1960		JDB branch opened in Takamatsu (now the Shikoku Branch)
1961		JDB branches opened in Hiroshima (now the Chugoku Branch) and Kanazawa (now the Hokuriku Branch)
1962	April	JDB representative office opened in New York
1963		JDB representative offices opened in Kagoshima (renamed Minami-Kyushu Branch in October 1999) and Matsue
1964	July	JDB representative office opened in London
1972	January	HTDFP representative office opened in Niigata (renamed Niigata Branch in July 1989)
1985	June	Japan Development Bank Law revised 1) Addition of investment function (pertaining to business in such areas as research and development, urban development and energy use stipulated by government ordinance) 2) Addition of R&D fund investment function
1987	September	JDB and HTDFP creation of low interest rate loan system funded partially by sale of NTT shares
1989		JDB representative offices opened in Oita, Matsuyama, Okayama and Toyama HTDFP representative offices opened in Hakodate and Aomori
1995	February	JDB commenced loans to assist disaster recovery
1997	September	Cabinet approval of bill entitled "Pertaining to Consolidation and Rationalization of Special-Purpose Companies, etc." (decision to dissolve Japan Development Bank and Hokkaido-Tohoku Development Finance Public Corporation and consolidate them as a new bank)
1997	December	JDB and HTDFP commenced loans in response to the financial environment (establishment of March 31, 2004, sunset clause)
1999	June	The Development Bank of Japan Law (Law No. 73 of 1999) established
1999	October	Transfer of approval of all rights and responsibilities of JDB and HTDFP to DBJ Transfer of financing operations from Japan Regional Development Corporation and Japan Environment Corporation Representative offices opened in Kushiro and Singapore
2002	May	Partial revision of the Development Bank of Japan Law (introduction of spot inspections by the Financial Services Agency)
2005	December	Cabinet approval of The Important Policy of Administrative Reform
2006	May	Establishment of the Law concerning Administrative Reform for Realizing the Simple and Effective Government (Law No. 47 of 2006)
2006	June	Policy-Based Financing Reform Plan decided upon by the Headquarters for the Implementation of Policy Finance Reform
2007	June	Establishment of the Development Bank of Japan Inc. Law (New DBJ Law) (Law No. 85 of 2007)

## Development Bank of Japan Inc.

2008	October	Establishment of Development Bank of Japan Inc. (Capital: ¥1 trillion)
2008	December	DBJ Singapore Limited launched
2009	June	Law for Partial Amendment of the Development Bank of Japan Inc. Law (New DBJ Law) (Law No. 67 of 2009)
2009	September	Increase of capital to ¥1,103,232 million
2009	November	DBJ Europe Limited launched
2010	March	Increase of capital to ¥1,181,194 million

**Minoru Murofushi**  
President & CEO

**Hideto Fujii**  
Deputy President

**Mikio Araki**  
Deputy President

**Yo Takeuchi**  
Director and Managing Executive Officer

In charge of Corporate Planning & Coordination Department (Public Relations & Corporate Social Responsibility Office), Treasury Department, Financial Institution Department, International Strategy & Coordination Department

**Masanori Yanagi**  
Director and Managing Executive Officer

In charge of Business Planning & Coordination Department, Research & Design Department, Investment Strategy Department

**Hiroshi Takahashi**  
Director and Managing Executive Officer

In charge of General Affairs Department, Accounting Department, Credit Analysis Department

**Mitsuhiro Usui**  
Director and Managing Executive Officer

In charge of Corporate Planning & Coordination Department (excluding the Public Relations & Corporate Social Responsibility Office), Information Resources Department

**Akio Mimura**  
Director (Outside)

**Kazuo Ueda**  
Director (Outside)

**Tetsuhiko Shindo**  
Full-Time Corporate Auditor

**Yasuhito Mitani**  
Full-Time Corporate Auditor

**Kazuyoshi Arakawa**  
Full-Time Corporate Auditor (Outside)

**Makoto Ito**  
Corporate Auditor (Outside)

**Shinji Hatta**  
Corporate Auditor (Outside)

Notes: 1. Akio Mimura and Kazuo Ueda are outside directors under Article 15 of Section 2 of the Companies Act.

2. Kazuyoshi Arakawa, Makoto Ito and Shinji Hatta are outside corporate auditors under Article 16 of Section 2 of the Companies Act.

**Nozomu Kano**  
Managing Executive Officer  
In charge of Special Missions

**Yoichiro Yokoyama**  
Managing Executive Officer  
In charge of Risk Management Department, Legal Affairs & Compliance Department

**Norihiro Fukunaga**  
Managing Executive Officer  
In charge of Urban Development Department, Corporate Finance Department [Division 3], Asset Finance Group

**Naoto Yamamoto**  
Managing Executive Officer  
In charge of Corporate Finance Department [Division 1 and 2], Kyushu Branch, Minami-Kyushu Branch

**Kenichiro Hirata**  
Managing Executive Officer  
In charge of Corporate Finance Department [Division 4]

**Hisato Nagao**  
Managing Executive Officer  
In charge of Corporate Finance Department [Division 5]

**Hisato Nagaoka**  
Managing Executive Officer  
In charge of Corporate Finance Group, Mid-Size & Growth, Economic & Industrial Research Department, Hokuriku Branch, Tokai Branch

**Takeshi Kobayashi**  
Managing Executive Officer  
In charge of Investment Planning Group, Fund Investment Group, Strategic Finance Group, Growth & Cross Border Investment Group, Structured Finance Group, Syndication Group

**Ryo Ishimori**  
Managing Executive Officer  
In charge of Business Development Department, Regional Planning Department (Public Sector Relationship Management Group, Regional Development Group), Hokkaido Branch, Tohoku Branch, Niigata Branch

**Masanao Maeda**  
Managing Executive Officer, Head of Kansai Branch  
In charge of Kansai Branch, Chugoku Branch, Shikoku Branch

**Yoshinori Fukaya**  
Executive Officer, Head of Internal Audit

**Masafumi Aizawa**  
Executive Officer, Head of Financial Institution

**Kazuhiro Takahashi**  
Executive Officer, Head of Human Resources Management Department

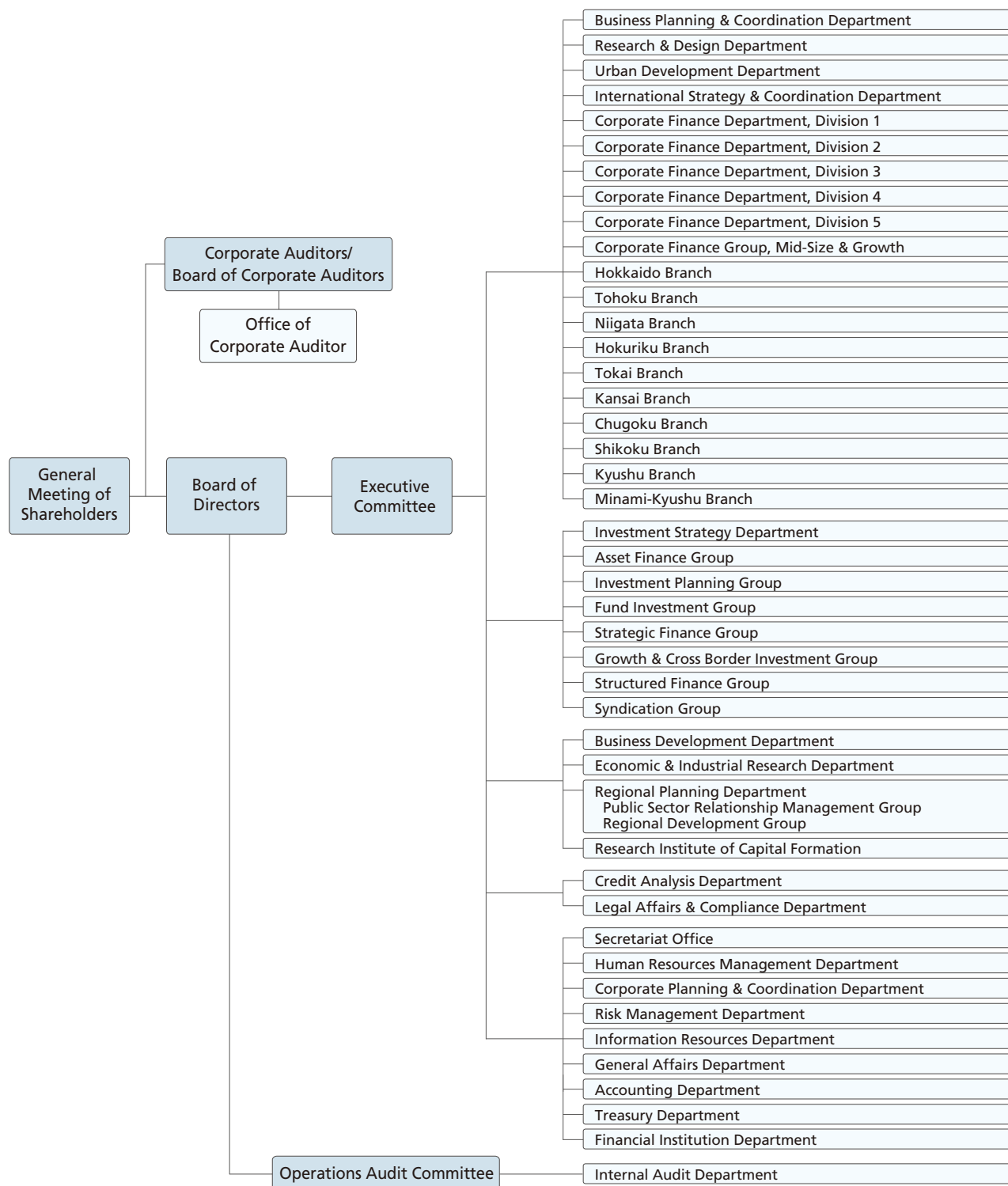
**Hajime Watanabe**  
Executive Officer, Head of Corporate Planning & Coordination Department

**Masaaki Komiya**  
Executive Officer, Head of Business Planning & Coordination Department

**Shin Kikuchi**  
Executive Officer, Head of Investment Planning Group, Growth & Cross Border Investment Group

**Satoshi Tomii**  
Executive Officer, Head of Strategic Finance Group

# Organization Chart (As of July 1, 2010)



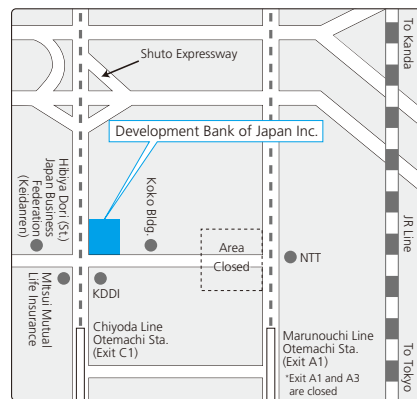
Representative Offices: Hakodate, Kushiro, Aomori, Toyama, Matsue, Okayama, Matsuyama, Oita

Overseas Representative Office: New York

Overseas Subsidiaries: DBJ Singapore Limited, DBJ Europe Limited

## Head Office

9-1, Otemachi 1-chome,  
Chiyoda-ku,  
Tokyo 100-0004, Japan  
Tel: +81-3-3270-3211  
<http://www.dbj.jp/en>



## Domestic Branch Offices, Representative Offices

Branch Offices:	Representative Offices:
Hokkaido	Hakodate
Tohoku	Kushiro
Niigata	Aomori
Hokuriku	Toyama
Tokai	Matsue
Kansai	Okayama
Chugoku	Matsuyama
Shikoku	Oita
Kyushu	
Minami-Kyushu	

## Overseas Representative Office and Subsidiaries



### New York Representative Office

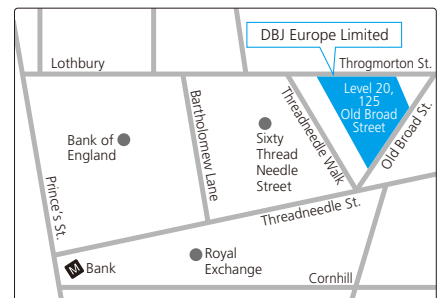
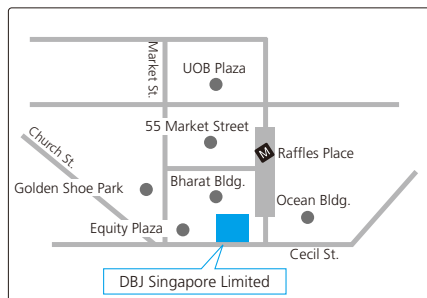
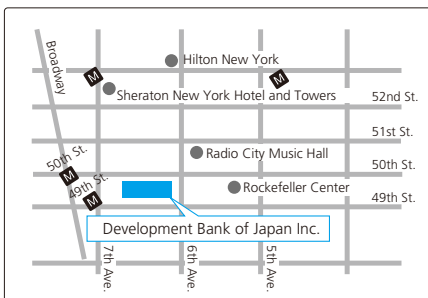
1251 Avenue of the Americas, Suite 830,  
New York, NY 10020, U.S.A.  
Tel: +1-212-221-0708

### DBJ Singapore Limited

9 Raffles Place, #30-03 Republic Plaza,  
Singapore 048619  
Tel: +65-6221-1779

### DBJ Europe Limited

Level 20, 125 Old Broad Street,  
London EC2N 1AR, U.K.  
Tel: +44-20-7507-6070



## Subsidiaries (As of March 31, 2010)

### Consolidated Subsidiaries

Company	Address	Principal Businesses	Established	Capital (Millions of Yen)	Percentage of Total Voting Rights (%)
DBJ Business Investment Co., Ltd.	Chiyoda-ku, Tokyo	Investment consulting	March 10, 2003	40	100.00
New Business Investment Co., Ltd.	Chiyoda-ku, Tokyo	Investment in new businesses startups	June 1, 1990	6,000	100.00
New Business Investment No. 1 Investment Limited Liability Partnership	Chiyoda-ku, Tokyo	Investment associations	June 23, 2006	3,200	100.00 (10.00)
DBJ Credit Line, Ltd.	Chiyoda-ku, Tokyo	Acquisition of beneficiary rights, consigned trusts operation and guidance	April 3, 2006	50	100.00
Japan Economic Research Institute Inc.	Chiyoda-ku, Tokyo	Research, consulting and advisory services	December 13, 1989	479	100.00
DBJ Singapore Limited	Republic of Singapore	Investment and loan support and advisory services	December 16, 2008	\$S1 million	100.00
DBJ Europe Limited	London, United Kingdom	Investment and loan support and advisory services	June 5, 2009	€7 million	100.00
DBJ Real Estate Co., Ltd.	Chiyoda-ku, Tokyo	Real estate leasing	February 1, 2010	80	100.00
DBJ Investment Advisory Co., Ltd.	Chiyoda-ku, Tokyo	Investment advisory and agency services	December 1, 2009	68	50.58
DBJ Corporate Mezzanine Partners Co., Ltd.	Chiyoda-ku, Tokyo	Management of investment associations	June 6, 2003	3	100.00
UDS Corporate Mezzanine Limited Partnership	Chiyoda-ku, Tokyo	Investment associations	January 18, 2006	28,974	50.00 (0.00)
UDS III Corporate Mezzanine Limited Partnership	Chiyoda-ku, Tokyo	Investment associations	February 15, 2008	28,628	50.00 (0.00)
Asuka DBJ Investment LPS	Minato-ku, Tokyo	Investment associations	October 28, 2005	5,130	49.40

#### Notes:

1. Amounts of less than ¥1 million have been omitted in the figures stated above.
2. DBJ's percentage of total voting rights in subsidiaries is shown to three decimal places. Percentages less than that amount have been omitted.
3. Figures indicated within parentheses ( ) in the column showing DBJ's percentage of total voting rights in subsidiaries indicate indirect holdings. Further, for the New Business Investment No.1 Investment Limited Liability Partnership, UDS Corporate Mezzanine Limited Partnership, UDS III Corporate Mezzanine Limited Partnership and Asuka DBJ Investment LPS the percentage of financing is stated.
4. The date of establishment shown for DBJ Singapore Limited indicates the date the company was incorporated.
5. DBJ's equity ownership in Asuka DBJ Investment LPS is less than 50%, but as DBJ effectively controls the company, it is treated as a subsidiary.
6. Regarding DBJ Europe Limited, DBJ Real Estate Co., Ltd. and DBJ Investment Advisory Co., Ltd., due to being newly established, and UDS III Corporate Mezzanine Limited Partnership, will, owing to their increased significance, become consolidated subsidiaries this consolidated fiscal year.
7. There are 13 consolidated subsidiaries and 14 affiliated companies.

## Number of Shares Issued and Paid-in Capital

	Changes in number of shares issued (Thousands of shares)	Number of shares issued (Thousands of shares)	Changes in paid-in capital (Millions of yen)	Paid-in capital (Millions of yen)	Capital surplus (Millions of yen)	Capital surplus (Millions of yen)
October 1, 2008	40,000	40,000	1,000,000	1,000,000	Note 2	Note 2
June 26, 2009	—	40,000	—	1,000,000	(97,248) Note 3	1,060,466 Note 3
September 24, 2009 Note 4	2,064	42,064	103,232	1,103,232	—	1,060,466
March 23, 2010 Note 4	1,559	43,623	77,962	1,181,194	—	1,060,466

### Notes:

- All shares issued on October 1, 2008, were to raise capital corresponding to incorporation.  
In accordance with Article 9 of the Supplementary Provisions to the New DBJ Law, on October 1, 2008, all assets of the predecessor were transferred to the new DBJ as an in-kind contribution (except those prescribed for ongoing use by the Japanese government of under Paragraph 2, Article 15, of the Supplementary Provisions to the Law), and these shares were transferred to the Japanese government, the capital investor in the predecessor, through a gratuitous conveyance.
- As of October 1, 2008, according to the provisions of Article 2 of the Supplementary Provisions to DBJ's Articles of Incorporation, the value of the capital reserve was calculated by evaluation officers as stipulated in Paragraph 1, Article 16, of the Supplementary Provisions to the New DBJ Law to be the value of assets less the value of liabilities less the ¥1 trillion in capital.  
At the third meeting of the Development Bank of Japan, Inc., Asset Evaluation Committee on January 28, 2009, the committee determined the value of assets (as of October 1, 2008) for transfer authorization. The value of these assets less the value of liabilities less ¥1 trillion in capital amounted to ¥1,157,715 million.
- By resolution of the General Meeting of Shareholders on June 26, 2009, and provisions of the Companies Act (Article No. 448, Paragraph 1, and Article 452), the deficit was covered by transfer from capital reserve to other capital surplus and transfer from other capital surplus to retained earnings.
- By way of a rights offering, all shares of common stock were assigned to the Minister of Finance (for consideration). The issue price (amount paid) is ¥50,000 per share; paid-in capital is ¥50,000 per share.

## Shareholder

	Address	Number of shares held (Thousands of shares)	Percentage of total equity (%)
Finance Minister	1-1, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo	43,623	100.00
Total	—	43,623	100.00

## Article 1

### Purpose

The Development Bank of Japan Inc. (hereinafter referred to as the "Corporation") shall be a joint stock company (*kabushiki-kaisha*) whose object is to maintain the foundations of investment and financing functions of long-term business funds as the Development Bank of Japan by conducting business activities utilizing the methods of combining investments and financing and other sophisticated financial methodologies, while maintaining the autonomy of management with the goal of realizing full-scale privatization, thereby contributing to smooth supply of funds to those who need long-term business funds, as well as to the sophistication of financial functions.

## Article 3

### Scope of Business Operations

1. The Corporation shall engage in the following business operations to attain its objectives:

- (1) To accept deposits (limited to certificates of deposit (CDs) and other deposits stipulated in the Cabinet Order);
- (2) To lend money;
- (3) To make capital contributions;
- (4) To guarantee the due performance of debts and obligations;
- (5) To sell and purchase Securities (other than those that fall within monetary claims represented by certificates set forth in Item (7), Short-term Notes, Etc.; the same in Item (8)) (other than those that fall within securities-related derivatives transactions (which mean the securities-related derivatives transactions set forth in Article 28, Paragraph 8, Item (6) of the Financial Instruments and Exchange Law (Law No. 25 of 1948, as amended); hereinafter in this Item and Item 11 the same), or enter into securities-related derivatives transactions (limited to those made for investment purposes), except in cases where these business operations fall within those operations referred to in Item (3);
- (6) To lend Securities;
- (7) To acquire or transfer monetary claims (including claims represented by certificates stipulated in the Ministry of Finance Ordinance such as negotiable bank deposit certificates);
- (8) To subscribe for Specified Debentures or Preferred Investment Securities issued by a Specified Purpose Company (limited to the cases where the Specified Purpose Company acquires only designated monetary claims or beneficial interests in trusts with which designated monetary claims are entrusted with cash proceeds derived from issue of those Specified Debentures or Preferred Investment Securities as set forth in the Asset Liquidation Plans, and except for, in case of Specified Debentures, Specified Short-term Notes), and other similar securities stipulated in the Ministry of Finance (hereinafter in this Item referred to as the "Specified Debentures") (except in cases where it is intended for secondary distribution (*uridashi*)), or to handle primary offering (*boshu*) of the Specified Debentures so subscribed;
- (9) To acquire or transfer Short-term Notes, Etc.;
- (10) To act as an agent or intermediary for execution of agreements which provides for lending money on behalf of banks (the banks set forth in Article 2, Paragraph 1 of the Banking Act (Law No. 59 of 1981, as amended); hereinafter the same) and other entities engaged in the financial business stipulated in the Cabinet Order;
- (11) To enter into derivatives transactions set forth in Article 2, Paragraph 20 of the Financial Instruments and Exchange Law (other than those that fall within the securities-related derivatives transactions), except in cases where these

business operations fall within those operations referred to in Item (7);

- (12) To do the activities referred to in Article 2, Paragraph 8, Item (7) of the Financial Instruments and Exchange Law;
- (13) To do the activities referred to in Article 2, Paragraph 8, Item (9) of the Financial Instruments and Exchange Law (limited, in the case of the handling of primary offering or secondary distribution, to those to be conducted upon entrustment by financial instruments dealers engaged in the type I financial instruments trading business set forth in Article 28, Paragraph 1 of the Financial Instruments and Exchange Law (the financial instruments dealers set forth in Article 2, Paragraph 9 of the Financial Instruments and Exchange Law; hereinafter the same), and for such financial instruments dealers);
- (14) To do the activities referred to in Article 2, Paragraph 8, Item (11) of the Financial Instruments and Exchange Law;
- (15) To do the activities referred to in Article 2, Paragraph 8, Item (13) of the Financial Instruments and Exchange Law;
- (16) To do the activities referred to in Article 2, Paragraph 8, Item (15) of the Financial Instruments and Exchange Law;
- (17) With respect to securities (including, if such securities are not issued, rights to be represented by such securities) or transactions referred to in each Item of Paragraph 2 of Article 33 of the Financial Instruments and Exchange Law, to do the activities set forth in each Item of said Paragraph (other than those referred to in Items 3, 5, 7 through 9, 11 and 13);
- (18) To provide other entities with consulting services regarding business transfer, merger, corporate split, share-for-share exchange (*kabushiki kokan*) or share transfer (*kabushiki iten*), or to act as a broker for these transactions;
- (19) To provide other entities with consulting services regarding management, and to conduct investigations or provide information as required for the business operations of other entities;
- (20) To conduct investigations, research or training regarding financial and other economic issues; and
- (21) To do activities incidental to each of the foregoing Items.

## Article 5

### Issue of the Development Bank of Japan Bonds

1. The Corporation may issue the Development Bank of Japan Bonds.

## Article 9

### Special Rules When Starting Acceptance of Deposits, Etc.

1. If the Corporation intends to start acceptance of deposits set forth in Article 3, Paragraph 1, Item (1) or issue of the Development Bank of Japan Bonds, the Corporation shall obtain the prior approval of the Minister of Finance.
2. If the Minister of Finance intends to give the approval referred to in the preceding Paragraph, the Minister of Finance shall, in advance, have a discussion with the Prime Minister and obtain his/her consent.

## Article 12

### Shares

1. If the Corporation intends to solicit those who will subscribe for shares offered for sale set forth in Article 199, Paragraph 1 of the Companies Act (Law No. 86 of 2005, as amended) (hereinafter in Article 34, Item (4) referred to as the "Shares Offered for Sale") or stock acquisition rights offered set forth in Article 238, Paragraph 1 of the Companies Act (hereinafter in Article 34, Item (4) referred to the "Stock Acquisition Rights Offered"), or to deliver shares or stock acquisition rights in connection with a share-for-share exchange, the Corporation shall obtain authorization of the Minister of Finance.



**Article 13****Corporate Debentures, Development Bank of Japan Bonds and Borrowings**

1. Prior to the beginning of each fiscal year, the Corporation shall prepare its basic policy regarding the issue of corporate debentures (*shasai*) (other than the Development Bank of Japan Bonds, "Corporate Debentures;" hereinafter the same) and the Development Bank of Japan Bonds (excluding the short-term notes set forth in Article 66, Item (1) of the Law Concerning the Central Depository System of Corporate Debentures (Law No. 75 of 2001, as amended) from both the Corporate Debentures and the Development Bank of Japan Bonds, respectively; hereinafter in this Article and Article 18 the same), as well as regarding the borrowings (limited to those with more than one year to maturity; hereinafter in this Article and Article 18 the same), which provides for matters relating to the issue of the Corporate Debentures and the Development Bank of Japan Bonds, and the borrowing of money, such as the amounts of issue and borrowings, denominated currency of the Corporate Debentures, the Development Bank of Japan Bonds and the borrowings, as stipulated in the Ministry of Finance Ordinance, and obtain authorization of the Minister of Finance. If the Corporation intends to revise it, the same shall apply.

**Article 15****Resolution for Election of Representative Directors and Other Officers**

Resolutions for appointment and dismissal of the representative directors or representative executive officers of the Corporation, appointment and dismissal of statutory auditors, or appointment and dismissal of audit committee members (*kansaiin*) shall not become effective without authorization of the Minister of Finance.

**Article 16****Authorization of Concurrent Positions of Directors**

1. Except in cases where the provision of Article 4, Paragraph 2 applies, any director (or, if the Corporation is a company maintaining committees (*iinkai secchi kaisha*), any executive officer) who performs the day-to-day business of the Corporation shall not perform the day-to-day business of any other corporation without authorization of the Minister of Finance.

2. The Minister of Finance shall, upon receipt of an application for the authorization referred to in the preceding Paragraph, grant his/her authorization, except in cases where it is determined that any matter so applied may interfere with sound and proper management of the Corporation.

**Article 17****Business Plan**

Prior to the beginning of each fiscal year, the Corporation shall draw out a business plan for the new fiscal year and obtain authorization of the Minister of Finance, as stipulated in the Ministry of Finance Ordinance. If the Corporation intends to revise it, the same shall apply.

**Article 18****Redemption Plan**

Prior to the beginning of each fiscal year, the Corporation shall draw out redemption plans for the Corporate Debentures, the Development Bank of Japan Bonds and the borrowings and obtain authorization of the Minister of Finance, as stipulated in the Ministry of Finance Ordinance. If the Corporation intends to revise it, the same shall apply.

**Article 19****Subsidiaries Subject to Authorization**

1. If the Corporation intends to make any of the following entities (other than individuals in the cases of those referred to in Items (3), (4) and (7); hereinafter referred to as the "Subsidiaries

Subject to Authorization") its subsidiary (the subsidiary set forth in Article 2, Item (3) of the Companies Act), the Corporation shall obtain authorization of the Minister of Finance in advance:

- (1) Banks;
- (2) Long-term credit banks (the long-term credit banks set forth in Article 2 of the Long-Term Credit Bank Law (Law No. 187 of 1952, as amended));
- (3) Financial Instruments Dealers (limited to those who engage in type I financial instruments trading business set forth in Article 28, Paragraph 1 of the Financial Instruments and Exchange Law);
- (4) Money lenders (the money lenders set forth in Article 2, Paragraph 2 of the Money Lending Business Law (Law No. 32 of 1983, as amended), and exclude those who concurrently conduct the business referred to in the preceding Items or fall within other requirements stipulated in the Ministry of Finance Ordinance);
- (5) Trust companies (the trust companies set forth in Article 2, Paragraph 2 of the Trust Business Law (Law No. 154 of 2004, as amended));
- (6) Insurance companies (the insurance companies set forth in Article 2, Paragraph 2 of the Insurance Business Law (Law No. 105 of 1995, as amended)); and
- (7) Those stipulated by the Ministry of Finance Ordinance as those who are similar to each of the foregoing.

**Article 20****Amendment to the Articles of Incorporation, Etc.**

1. Resolutions for amendment to the Articles of Incorporation of the Corporation, disposition of surplus funds (other than disposition of losses) such as distribution, merger, corporate split, and dissolution shall not become effective without authorization of the Minister of Finance.

**Article 22****Special Exemptions from Management of Fiscal Loan Funds**

Notwithstanding the provisions of Article 10, Paragraph 1 of the Fiscal Loan Funds Law (Law 100 of 1951, as amended), the fiscal loan funds (which means the fiscal loan funds set forth in Article 2 of the Fiscal Loan Funds Law; hereinafter the same) may be appropriated for loans (hereinafter in Article 24 referred to simply as the "Loans") to the Corporation when the Corporation borrows money for appropriation for expenses required for its operations set forth in Article 3, Paragraphs 1 and 2.

**Article 23**

1. Notwithstanding the provision of Article 10, Paragraph 1 of the Fiscal Loan Funds Law, the fiscal loan funds may be appropriated for the Corporate Debentures and the Development Bank of Japan Bonds (hereinafter in the following Paragraph, immediately following Article and Article 25, Paragraph 1 referred to as the "Debentures, Etc.") to be issued by the Corporation to appropriate the resulting proceeds for expenses required for its operations set forth in Article 3, Paragraphs 1 and 2.

**Article 25****Guarantee of Obligations**

1. Notwithstanding the provision of Article 3 of the Law Concerning Restrictions on Fiscal Assistance by the Government to Corporations (Law No. 24 of 1946, as amended), the Government may enter into a guarantee agreement for the obligations relating to the Debentures, Etc., to the extent of the amount approved by the resolutions of the Diet.

**Article 29****Competent Ministers**

1. The competent minister under this Law shall be the Minister of Finance provided, however, that in the case that the Corporation obtains the approval referred to in Article 9,

Paragraph 1, the competent ministers for the following matters shall be the Minister of Finance and the Prime Minister.

## Supplementary Provisions

### Article 2

#### *Disposition of Government-Owned Shares*

1. Pursuant to Article 6, Paragraph 2 of the Law Concerning Promotion of Administrative Reform for Realizing the Simple and Effective Government (Law No. 47 of 2006, as amended), the Government shall make efforts to reduce the number of shares held by it in the Corporation (hereinafter in the following Paragraph and the immediately following Article referred to as "Government-Owned Shares"), taking into account the market situation, and shall dispose all of them in approximately five to seven years from the date set forth in Item (3) of the preceding Article.
2. For a period from the effectuation of this law until the Government disposes of all of the Government-Owned Shares, the Government shall from time to time review matters, such as matters regarding the method in which the Government-Owned Shares should be disposed of and take the required measures based on the result of such review, so that the foundation of the Corporation's investment and financing functions for long-term business funds will be maintained.

### Article 3

#### *Abolition of This Law and Other Measures*

If the Government disposes of all of the Government-Owned Shares, the Government shall immediately take measures to abolish this law, as well as measures necessary to smoothly assign the business operations, functions, and rights and obligations of the Corporation to any organization to be formed as a bearer of the functions commensurate with the investment and financing functions held by the Corporation.

### Article 4

#### *Special Rules for Business Operations during the Preparatory Period*

1. In order for the Corporation to smoothly start the business operations as soon as it is duly organized, The Development Bank of Japan (hereinafter referred to as "DBJ") may borrow Long-term Loans, in addition to those set forth in Article 42, Paragraphs 1 and 2 of the Development Bank of Japan Law (Law No. 73 of 1999, as amended; hereinafter, except for Article 26 of the Supplementary Provisions, referred to as the "DBJ Law"), during the Preparatory Period (the period from the date on which this law comes into force up to September 30, 2008; the same in Paragraph 5).

### Article 9

#### *Capital Contribution*

Upon the incorporation of the Corporation, DBJ shall contribute all of its properties, except assets to be assumed by Japan pursuant to Article 15, Paragraph 2 of the Supplementary Provisions, to the Corporation.

### Article 15

#### *Dissolution of DBJ, Etc.*

1. DBJ shall be dissolved at the time of establishment of the Corporation, whereupon any and all rights and obligations of DBJ shall be taken over by the Corporation, except for those assets to be assumed by the Government as set forth in the following Paragraph.
2. Of the rights actually held by DBJ at the time of establishment of the Corporation, the assets which will be considered no longer necessary for the Corporation to smoothly perform its future business operation shall be assumed by Japan at the time of establishment of the Corporation.

### Article 16

#### *Values of Properties Assumed*

1. The values of assets and liabilities assumed by the Corporation from DBJ (in the immediately following Paragraph referred to as the "Assumed Properties") shall be as evaluated by evaluation officers (*hyoka iin*).

### Article 18

#### *Competent Ministers*

The competent ministers under Article 26, Paragraph 2 and Article 27, Paragraph 1 for management of assets to be assumed by the Corporation pursuant to Article 15, Paragraph 1 of the Supplementary Provisions (hereinafter in this Article referred to as the "Assumed Assets") shall, notwithstanding the provisions of Article 29, Paragraph 1, be as follows:

- (1) For management of the Assumed Assets set forth in the Cabinet Order in the Hokkaido or the Tohoku Region (which means the areas of Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima and Niigata prefectures): Minister of Finance and Minister of Land, Infrastructure and Transport; and
- (2) For management of the Assumed Assets other than the Assumed Assets set forth in the preceding Item: Minister of Finance.

### Article 66

#### *Examinations*

On or prior to the date set forth in Article 1, Item (3) of the Supplementary Provisions, the Government shall examine measures to secure the equal competitive conditions with other business entities, with respect to the systems for which the investment and financing functions of DBJ are utilized pursuant to the provisions of relevant laws (including ordinances under those laws), such as the Law Concerning Collaterals for Borrowings of Electricity Companies from The Development Bank of Japan (Law No. 145 of 1950, as amended), the Law Concerning the Securement of Oil Reserves, Etc. (Law No. 96 of 1975, as amended), the Law Concerning Promotion of Development and Promotion of Introduction of Alternative Energy to Oil (Law No. 71 of 1980, as amended), the Special Measures Law Concerning Promotion of Private Urban Development (Law No. 62 of 1987, as amended), the Extraordinary Measures Law Concerning Promotion of Business Activities for Rationalization of Usage of Energy and Effective Use of Resources (Law No. 18 of 1993, as amended) and the Law Concerning Facilitation of the Improvement, Etc. of Public Facilities, Etc. by Private Fund, Etc. (Law No. 117 of 1999, as amended), while considering the convenience of users of those systems, and take the required measures based on the results of such examination.

### Article 67

#### *Utilization of the Corporation's Investment and Financing Functions for Long-term Business Funds*

If the Government utilizes the Corporation's investment and financing functions for long-term business funds on or after the date set forth in Article 1, Item (3) of the Supplementary Provisions, the Government shall take measures necessary to secure the equal competition conditions, as well as other measures necessary for utilization of such investment and financing functions, paying attention to the Corporation's appropriate competitive relationships with other business entities.

This is an unofficial English translation. Only the original Japanese texts of the law have legal effect and prevail over this translation. This translation has been prepared solely for reference purposes. The reader of this translation should consult the original Japanese text for the purposes of interpreting and applying the law to any legal issues or disputes.

# Law for Partial Amendment of the Development Bank of Japan Inc. Law (Law No. 67 of 2009)

(Unofficial translation)

The Development Bank of Japan Law (Law No. 85 of 2007) shall be partially amended as described below.

In Article 2, paragraph 1 of the Supplementary Provisions, "the following Article" shall be amended to read "Article 3 of the Supplementary Provisions" and "the day stipulated in item 3 of the preceding Article" to read "April 1, 2012". The following five articles shall be added after Article 2.

## **Government Investment**

### **Article 2-2**

During the period ending March 31, 2012, the Government may invest in the Corporation as it deems necessary within the limits set by its budget.

## **Delivery of Government Bonds**

### **Article 2-3**

- 1 During the period ending March 31, 2012, the Government, in implementing the crisis response business specified in Article 2, item 5 of the Japan Finance Corporation Law (Law No. 57 of 2007; hereinafter "Crisis Response Business") may issue government bonds in order to secure the capital required to ensure the soundness of the Corporation's finances.
- 2 The Government, under the provisions of the preceding paragraph and within the limits set by its budget, shall issue government bonds and deliver them to the Corporation.
- 3 Government bonds issued under the provisions of paragraph 1 shall be noninterest-bearing.
- 4 Government bonds issued under the provisions of paragraph 1 may not be transferred, attached as security rights, or otherwise disposed of.
- 5 Necessary matters concerning government bonds issued under the provisions of paragraph 1, other than that provided in paragraph 3, shall be determined by Finance Ministry ordinance.

## **Redemption of Government Bonds**

### **Article 2-4**

- 1 The Corporation, to obtain necessary funds for the capital increase required for its Crisis Response Business (limited to those conducted by March 31, 2012), may request the redemption of government bonds delivered under the provisions of paragraph 2 of the preceding Article, only for amounts calculated according to rules set down in Finance Ministry ordinances.

- 2 The Government, when requested by the Corporation to redeem all or a part of the government bonds delivered under the provisions of paragraph 2 of the preceding Article, must comply without delay.
- 3 When redemption has been made under the provisions of the preceding paragraph, the amount of the Corporation's capital shall be the sum of its capital immediately prior to the redemption and the amount of the money redeemed.
- 4 When the provisions of Article 445, paragraph 1 are applied in applying the provisions of the preceding paragraph, the term "case" in the said paragraph shall be "case, or in cases where Article 2-4, paragraph 3 of the Supplementary Provisions to the Development Bank of Japan Inc. Law (Law No. 85 of 2007) is applied."
- 5 Other than the matters stipulated in each of the preceding paragraphs, necessary matters concerning the redemption of government bonds delivered by the Government under the provisions of paragraph 2 of the preceding Article shall be determined by Finance Ministry ordinance.

## **Return of Government Bonds**

### **Article 2-5**

- 1 In the event that as of July 1, 2012, any government bonds delivered under the provisions of Article 2-3, paragraph 2 of the Supplementary Provisions remain unredeemed, the Corporation must return such unredeemed bonds to the Government.
- 2 The Government must immediately retire any government bonds returned to it under the provisions of the preceding paragraph.
- 3 Other than the matters stipulated in the preceding two paragraphs, necessary matters concerning the return and retirement of government bonds delivered by the Government under the provisions of Article 2-3, paragraph 2 shall be determined by Finance Ministry ordinance.

## **Exception to Imposition of Registration and License Tax**

### **Article 2-6**

When investments are made under the provisions of Article 2-2 of the Supplementary Provisions or redemptions made under the provisions of Article 2-4, paragraph 2 of the Supplementary Provisions, a Registration and License Tax shall not be imposed on the increase in capital received by the Corporation, provided that registration is obtained as specified by Finance Ministry ordinance.

## **Supplementary Provisions**

### **Enforcement Date**

#### **Article 1**

This law shall take effect on the date of its promulgation.

### **Deliberation**

#### **Article 2**

- 1 By the end of fiscal year 2011, the Government shall review the organization of the Corporation, taking into account the status of investments in Development Bank of Japan Inc. (hereinafter "the Corporation") under the provisions of Article 2-2 of the Supplementary Provisions to the Development Bank of Japan Inc. Law as amended by this Law; the redemption of Government bonds under the provisions of Article 2-4, paragraph 2 of the same Supplementary Provisions; the conduct of crisis response business by the Corporation (this refers to Crisis Response Business conducted under the

provisions of Article 2, item 5 of the Japan Finance Corporation Law (Law No. 57 of 2007); same hereinafter); and changes in socioeconomic and other circumstances. This review, from a point of view of the Government's practice of maintaining a certain level of involvement in the Corporation, such as by consistently holding more than one-third of the Corporation's issued shares, is meant to ensure that the Corporation's Crisis Response Business are properly implemented; it shall include a consideration of the Corporation's Crisis Response Business and, based on that, of the Government's holding of stock in the Corporation. The Government shall take necessary measures based on its findings.

- 2 Notwithstanding the provisions of Article 6, paragraph 2 of the Law on Promotion of Administrative Reform for Realizing Simple and Efficient Government (Law No. 47 of 2006) as amended under the provisions of the following Article (the

"Administrative Reform Promotion Law") and of Article 2, paragraph 1 of the Supplementary Provisions to the Development Bank of Japan Inc. Law as amended by this Law, the Government shall not dispose of its shares in the Corporation prior to taking the measures described in the preceding paragraph.

**Partial Amendment of the Law on Promotion of Administrative Reform for Realizing Simple and Efficient Government**

**Article 3**

The Law on Promotion of Administrative Reform for Realizing Simple and Efficient Government shall be partially amended as follows.

"In the measures described in the preceding paragraph" in Article 6, paragraph 2 shall be amended to read "from April 1, 2012."

**Adjusted Provisions**

**Article 4**

- 1 If this Law come into effect prior to the date of enforcement of the Law for Partial Amendment of the Shoko Chukin Bank Law and Other Laws to Facilitate the Supply of Funds to Small and Medium-sized Enterprises (Law No. 54 of 2009; mentioned in

the following paragraph as the "Shoko Chukin Amendment Law"), in regard to the application of the provisions of Article 6, paragraph 2 of the Law on Promotion of Administrative Reform for Realizing Simple and Efficient Government as amended under the provisions of the preceding Article up to the day before the said date, "and" in the said paragraph shall be changed to read, "taking into account the market situation, and shall dispose all such investments in approximately five to seven years after implementation of the measures mentioned in the preceding paragraph, and the Government shall invest in."

- 2 If this Law come into effect after the date of enforcement of the Shoko Chukin Amendment Law, the provisions of the preceding Article shall not apply. In this case, "the following Article" in Article 2, paragraph 2 of the Supplementary Provisions shall be changed to read "Article 4 of the Supplementary Provisions to the Law for Partial Amendment of the Shoko Chukin Bank Law and Other Laws to Facilitate the Supply of Funds to Small and Medium-sized Enterprises (Law No. 54 of 2009)."

**Delegation to Government Ordinance**

**Article 5**

Transitional measures required for the enforcement of this Law shall be determined by government ordinance.

(Unofficial translation)

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**Supplementary Resolutions on the Bill for Partial Amendment of the Development Bank of Japan Inc. Law**

House of Councilors Committee on Financial Affairs  
June 25, 2009

The following matters should receive the Government's careful consideration.

- In implementing Crisis Response Business based on the recent measures for additional investment, Development Bank of Japan Inc. shall ensure the measures result in a smooth supply of funds on the basis of appropriate analysis by drawing upon its accumulated knowledge and skills.
- With the global monetary crisis having serious economic and financial impacts, and the balance of loans to small and medium enterprises falling steadily, efforts must be made to further facilitate loans by the Japan Finance Corporation to small and medium-sized businesses. In implementing Crisis Response Business for large and midscale enterprises, Development Bank of Japan Inc. must be certain to expedite loans to associated small and medium enterprises as well.
- The Government should review its holding of shares in Development Bank of Japan Inc. and take necessary measures

based on its findings. Any such deliberations should take into account the need to ensure that the Corporation acts for the good of the community, that it has a stable source of the funds required to fulfill its functions as a provider of long-term investment and loans, and that it has systems in place to secure competitive officers and employees. The Government should take appropriate measures to prevent any damage to the Corporation's long-term value.

- The Government should reassess the future provision of policy-based finance by Development Bank of Japan Inc. and the Japan Finance Corporation, reaffirming the importance of their roles and functions and paying attention to their relationships not only with private financial institutions but also with the Japanese financial sector as a whole, including affiliated organizations and the Japan Post Bank.

Resolutions passed.