

Performance Evaluation Report for FY2018

1. DICJ's Operations

II. Overview of the DICJ's Activities

1. Failure Resolution

2. Asset Holdings

3. Pursuit of Liability

4. International Cooperation

5. Capital Participation

6. Specified Difficult Recovery Claims

7. Criminal Accounts Damage Recovery

8. Management Operations of Dormant Deposits, etc.

9. Finances

10. PR Activities to Ensure Public Awareness

11. The Medium-Term Goals and Operational Policy

III. Annex

| Task                                                                                                                                                                          | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |
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| <b>1. Improvement and Enhancement on the Preparedness to Deal with Every Situation in the Protection of Depositors and Failure Resolution, etc.</b>                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |
| (i) Maintenance and strengthening of the DICJ's response capability related to failure resolution, and strengthening of the response capability related to orderly resolution | <ul style="list-style-type: none"> <li>○ Strove to maintain and strengthen the response capability related to the failure resolution scheme and financial administrator operations as follows:               <ul style="list-style-type: none"> <li>• Strove to improve practices for resuming operation of failed financial institutions and enhancing financial administrator operations through such necessary improvement of the preparedness as studying the treatment of some less-common deposit products and ways of improving the payment and settlement services of financial institutions</li> <li>• Continuously exchanged opinions with practitioners, etc. and reviewed and studied various challenges in order to improve the preparedness related to the operation of the deposit insurance system in light of the "Activities to Improve Preparedness Related to the Operation of the Deposit Insurance System," published in June 2017</li> <li>• Formulated a training plan (covering the two years from FY2018 to FY2019) for administrative work related to payment of deposits, etc. based on scenarios assumed under various bankruptcy proceedings, and conducted training related to estimated proceeds payment under civil rehabilitation proceedings and insurance payout under bankruptcy proceedings in FY2018</li> </ul> </li> <li>○ Regarding measures for orderly resolution of assets and liabilities of a financial institution, etc., conducted a necessary study on practical affairs while cooperating with relevant authorities, etc. and also exchanged opinions with foreign authorities through participation in international conferences, etc. related to failure resolution</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |
| (ii) Quality improvement of financial administrator operations                                                                                                                | <ul style="list-style-type: none"> <li>○ In order to improve the quality of the financial administrator operations and routinely develop the capability to appropriately respond to emergencies, strove to further deepen cooperative relationships with relevant authorities and financial industry-related organizations, and to enhance practical training and seminars, etc. as follows:               <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="text-align: center;">From May to June 2018</td> <td> <ul style="list-style-type: none"> <li>• Implemented initial response training related to failure resolution of financial institution under multiple scenarios</li> </ul> </td> </tr> <tr> <td style="text-align: center;">July 2018</td> <td> <ul style="list-style-type: none"> <li>• Implemented training related to failure resolution together with organizations providing cooperative systems for financial institutions</li> </ul> </td> </tr> <tr> <td style="text-align: center;">September 2018</td> <td> <ul style="list-style-type: none"> <li>• Implemented basic training related to failure resolution for new DICJ employees etc. in a way that enables trainees to do voluntary learning efficiently after the training through the use of the DICJ LAN/WAN</li> </ul> </td> </tr> <tr> <td style="text-align: center;">October 2018</td> <td> <ul style="list-style-type: none"> <li>• Implemented a seminar on failure resolution for emergency support personnel dispatched by financial industry-related organizations</li> </ul> </td> </tr> <tr> <td style="text-align: center;">November 2018</td> <td> <ul style="list-style-type: none"> <li>• Provided Local Finance Bureaus with training reference materials related to failure resolution</li> </ul> </td> </tr> <tr> <td style="text-align: center;">Almost every month since September 2018</td> <td> <ul style="list-style-type: none"> <li>• Implemented two training programs—basic and applied training—for employees scheduled to be assigned to branch offices of failed financial institutions in accordance with the proficiency level</li> <li>• Developed teaching materials related to failure resolution procedures and provided them to all employees via the DICJ LAN/WAN</li> <li>• Held meetings for employees of the DICJ's other divisions and departments in order to share the role and knowledge of failure resolution in respective subjects</li> </ul> </td> </tr> <tr> <td style="text-align: center;">Almost every month since November 2018</td> <td> <ul style="list-style-type: none"> <li>• Implemented training focusing on initial response related to failure resolution</li> </ul> </td> </tr> </tbody> </table> </li> </ul> | From May to June 2018 | <ul style="list-style-type: none"> <li>• Implemented initial response training related to failure resolution of financial institution under multiple scenarios</li> </ul> | July 2018 | <ul style="list-style-type: none"> <li>• Implemented training related to failure resolution together with organizations providing cooperative systems for financial institutions</li> </ul> | September 2018 | <ul style="list-style-type: none"> <li>• Implemented basic training related to failure resolution for new DICJ employees etc. in a way that enables trainees to do voluntary learning efficiently after the training through the use of the DICJ LAN/WAN</li> </ul> | October 2018 | <ul style="list-style-type: none"> <li>• Implemented a seminar on failure resolution for emergency support personnel dispatched by financial industry-related organizations</li> </ul> | November 2018 | <ul style="list-style-type: none"> <li>• Provided Local Finance Bureaus with training reference materials related to failure resolution</li> </ul> | Almost every month since September 2018 | <ul style="list-style-type: none"> <li>• Implemented two training programs—basic and applied training—for employees scheduled to be assigned to branch offices of failed financial institutions in accordance with the proficiency level</li> <li>• Developed teaching materials related to failure resolution procedures and provided them to all employees via the DICJ LAN/WAN</li> <li>• Held meetings for employees of the DICJ's other divisions and departments in order to share the role and knowledge of failure resolution in respective subjects</li> </ul> | Almost every month since November 2018 | <ul style="list-style-type: none"> <li>• Implemented training focusing on initial response related to failure resolution</li> </ul> |
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| November 2018                                                                                                                                                                 | <ul style="list-style-type: none"> <li>• Provided Local Finance Bureaus with training reference materials related to failure resolution</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |
| Almost every month since September 2018                                                                                                                                       | <ul style="list-style-type: none"> <li>• Implemented two training programs—basic and applied training—for employees scheduled to be assigned to branch offices of failed financial institutions in accordance with the proficiency level</li> <li>• Developed teaching materials related to failure resolution procedures and provided them to all employees via the DICJ LAN/WAN</li> <li>• Held meetings for employees of the DICJ's other divisions and departments in order to share the role and knowledge of failure resolution in respective subjects</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |
| Almost every month since November 2018                                                                                                                                        | <ul style="list-style-type: none"> <li>• Implemented training focusing on initial response related to failure resolution</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |
| (iii) Realization of stable operation and system improvement of the failure resolution operation system                                                                       | <ul style="list-style-type: none"> <li>○ Maintained stable operation of the failure resolution operation system (a system used for name-based aggregation of depositors, financial administrator operations, etc. at the time of a financial institution failure)</li> <li>○ Improved the system in order to facilitate the smooth implementation of the failure resolution operation</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                       |                                                                                                                                                                           |           |                                                                                                                                                                                             |                |                                                                                                                                                                                                                                                                     |              |                                                                                                                                                                                        |               |                                                                                                                                                    |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |                                                                                                                                     |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Responsible unit                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>○ Maintained and strengthened the response capability related to the failure resolution scheme and financial administrator operations by revising practices in consideration of the study on various issues related to the failure resolution of financial institutions</p> <ul style="list-style-type: none"> <li>• Made steady progress in improving preparedness for secure and quick failure resolution through the review and study of various issues related to the operation of the deposit insurance system</li> <li>• Appropriately conducted training for administrative work related to payment based on a training plan</li> </ul> <p>○ Conducted a necessary study on practical affairs related to orderly resolution while cooperating with relevant authorities, etc.</p> | <p>○ Concerning the failure resolution scheme and financial administrator operations, maintain and strengthen the DICJ's capability to deal with the failure resolution of financial institutions, through such measures as continuously improving the operation of the deposit insurance system, while identifying and studying various issues related to the operation of the deposit insurance system so that the DICJ can adapt to the diversification and sophistication of financial products, financial activities, and operations of financial institutions, etc. from the viewpoint of the protection of depositors</p> <p>○ Strengthen response capability in cooperation with relevant authorities, etc.</p> | <p>Resolution and Financial Revitalization Department:<br/>Resolution and Receivership Division</p> <p>Deposit Insurance Department:<br/>Planning Division</p> <p>Special Investigation Department:<br/>Investigation and Recovery Division</p> <p>Inspection Department:<br/>Inspection Planning Division<br/>Evaluation Division</p> <p>Research Department:<br/>Planning and Research Division<br/>Specific Operation Division<br/>Special Recovery and Resolution Division</p> |
| <p>○ Further deepened cooperation and understanding on practical affairs related to failure resolution by implementing a seminar on failure resolution for emergency support personnel dispatched by financial industry-related organizations and providing training reference materials to Local Finance Bureaus so that staff of the bureaus can engage in voluntary learning</p> <p>○ Improved the quality of financial administrator operations by further enhancing and strengthening practical training and seminars</p>                                                                                                                                                                                                                                                              | <p>○ In order to improve the quality of the financial administrator operations and routinely develop the capability to appropriately respond to emergencies, further deepen cooperative relationships with relevant authorities and financial industry-related organizations, and enhance practical training and seminars, etc.</p>                                                                                                                                                                                                                                                                                                                                                                                     | <p>Resolution and Financial Revitalization Department:<br/>Resolution and Receivership Division</p>                                                                                                                                                                                                                                                                                                                                                                                |
| <p>○ Maintained stable operation of the system and improved the system according to plan</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <p>○ Continue to realize stable operation of the failure resolution operation system and improve the system from the perspective of securely and quickly implementing failure resolution</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Planning and Coordination Department:<br/>System Planning Division<br/>System Division I</p> <p>Resolution and Financial Revitalization Department:<br/>Resolution and Receivership Division</p> <p>Deposit Insurance Department:<br/>Planning Division<br/>Advisory Service Division</p>                                                                                                                                                                                       |

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| Task                                                                                                                                           | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             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| <b>2. Follow-up on and Encouragement for the Development of Financial Institutions' Preparedness in Normal Times to Respond to Emergencies</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               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| Follow-up on and encouragement for the development of financial institutions' preparedness in normal times                                     | <p>○ In order to implement failure resolution in a secure and smooth manner, conducted a follow-up-review of response through the following measures with regard to measures required in normal times, after grasping the improvement status of name-based aggregation databases of depositors, systems, procedures and manuals, etc. by financial institutions</p> <p>(On-site inspection, follow-up interview for improvement, etc.)</p> <ul style="list-style-type: none"> <li>Conducted on-site inspection with emphasis on matters which may have a greater impact on failure resolution with respect to the status of improvement of systems related to measures which financial institutions are obligated to implement in order to smoothly reimburse deposits in the event of insurable contingencies</li> </ul> <p>Conducted appropriate follow-up activity after the on-site inspection, such as having DICJ employees responsible for examination attend follow-up interviews for improvement conducted by supervisory authorities, including the Financial Services Agency, with inspected financial institutions, and having them check the status of improvement concerning matters pointed out in the inspection and provide necessary advice</p> <p>Gave selection precedence to entities that have not been inspected since the enforcement of the amended Deposit Insurance Act (May 2012) in order to improve the effectiveness and efficiency of on-site inspections, continued to conduct on-site inspections, with a reduced number of days spent on inspection, and implemented off-site verification of insurance premium payment in addition to fully taking into consideration the matters confirmed through the implementation of various measures, including "follow-up interview for improvement," "database verification," and "training and advice, etc."</p> <p>*Number of entities subjected to off-site verification: FY2018: twenty entities (number on the basis of the date of the document submission request)</p> <p>(Database verification)</p> <ul style="list-style-type: none"> <li>With regard to database verification, in addition to conducting verification intended to promote the improvement of the name-based aggregation databases of depositors as before, implemented the verification of the status of the system for detailed statement files on deposits and withdrawals, which was newly required under the amended Deposit Insurance Act put into force in May 2012</li> </ul> <p>(Training and advice, etc.)</p> <ul style="list-style-type: none"> <li>Provided training, advice, etc. (such as the flow of administrative work related to the failure resolution procedures) to financial institutions, whose results of verification were unfavorable, in order to promote improvement of the accuracy of name-based aggregation databases of depositors and improvement of the system for detailed statement files on deposits and withdrawals</li> </ul> <p>In addition, developed an e-learning system as a tool for financial institutions to implement practical training in administrative work related to the failure resolution operation and the operation of DICJ terminals and provided the system to financial institutions in April 2018</p> <p>In addition, handled inquiries, etc. related to insurable contingencies from financial institutions</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>FY2016<br/>(Conducted number)</th> <th>FY2017<br/>(Conducted number)</th> <th>FY2018<br/>(Conducted number)</th> </tr> </thead> <tbody> <tr> <td>On-site inspection <sup>(Note 1)</sup></td> <td>41 institutions</td> <td>27 institutions</td> <td>41 institutions</td> </tr> <tr> <td>Follow-up interview for improvement <sup>(Note 2)</sup></td> <td>41 institutions</td> <td>21 institutions</td> <td>11 institutions</td> </tr> <tr> <td>Database verification</td> <td>63 institutions</td> <td>44 institutions</td> <td>59 institutions</td> </tr> <tr> <td>Training, advice, etc.</td> <td>Individual: 13<br/>Group: 9</td> <td>Individual: 3<br/>Group: 2</td> <td>Individual: 5<br/>Group: 0</td> </tr> </tbody> </table> <p>Notes: 1. The number of entities on the basis of the starting date of on-site inspection<br/>2. The number of entities with which a follow-up interview for improvement was conducted with the attendance of the DICJ</p> |                              | FY2016<br>(Conducted number) | FY2017<br>(Conducted number) | FY2018<br>(Conducted number) | On-site inspection <sup>(Note 1)</sup> | 41 institutions | 27 institutions | 41 institutions | Follow-up interview for improvement <sup>(Note 2)</sup> | 41 institutions | 21 institutions | 11 institutions | Database verification | 63 institutions | 44 institutions | 59 institutions | Training, advice, etc. | Individual: 13<br>Group: 9 | Individual: 3<br>Group: 2 | Individual: 5<br>Group: 0 |
|                                                                                                                                                | FY2016<br>(Conducted number)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          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| On-site inspection <sup>(Note 1)</sup>                                                                                                         | 41 institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| Follow-up interview for improvement <sup>(Note 2)</sup>                                                                                        | 41 institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| Database verification                                                                                                                          | 63 institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 44 institutions              | 59 institutions              |                              |                              |                                        |                 |                 |                 |                                                         |                 |                 |                 |                       |                 |                 |                 |                        |                            |                           |                           |
| Training, advice, etc.                                                                                                                         | Individual: 13<br>Group: 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Individual: 3<br>Group: 2    | Individual: 5<br>Group: 0    |                              |                              |                                        |                 |                 |                 |                                                         |                 |                 |                 |                       |                 |                 |                 |                        |                            |                           |                           |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Responsible unit                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Through various measures, encouraged financial institutions to take appropriate actions regarding measures necessary in normal times and conducted a follow-up review of the actions taken by financial institutions</li> <li>○ Strove to increase the effectiveness and efficiency of the inspection, for example by deciding the institution to be inspected and the scope of examination, etc. in a prioritized manner</li> </ul> | <ul style="list-style-type: none"> <li>○ In order to implement failure resolution in a secure and smooth manner, continue to appropriately encourage financial institutions to take appropriate actions regarding measures necessary in normal times<br/>Continue to strive to increase the effectiveness and efficiency of the inspection, for example by deciding the institution to be inspected and the scope of examination, etc. in a prioritized manner</li> <li>○ With regard to database verification, continue to conduct verification intended to promote the improvement of the name-based aggregation databases of depositors<br/>With regard to the verification of the improvement of the system for detailed statement files on deposits and withdrawals, further improve the efficiency of the verification while taking into consideration the characteristics, etc. of financial institutions' accounting systems<br/>Regarding training, advice, etc., conduct a follow-up review, mainly with respect to financial institutions for which the results of verification were unfavorable and which made specific requests<br/>Further enhance the e-learning system as a tool for practical training in the failure resolution operation and encourage financial institutions to use the system</li> </ul> | <p>Inspection Department:<br/>Inspection Planning Division<br/>Evaluation Division</p> <p>Deposit Insurance Department:<br/>Advisory Service Division</p> <p>Research Department:<br/>Research and Analysis Division</p> |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
  - 8. Management Operations of Prominent Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

|                                                   |
|---------------------------------------------------|
| 1. DICI's Operations                              |
| II. Overview of the DICI's Activities             |
| 1. Failure Resolution                             |
| 2. Asset Holdings                                 |
| 3. Pursuit of Liability                           |
| 4. International Cooperation                      |
| 5. Capital Participation                          |
| 6. Specified Difficult Recovery Claims            |
| 7. Criminal Accounts Damage Recovery              |
| 8. Management Operators of Dormant Deposits, etc. |
| 9. Finances                                       |
| 10. PR Activities to Ensure Public Awareness      |
| 11. The Medium-Term Goals and Operational Policy  |
| III. Annex                                        |

| Task                                                                                                                                                                                                                                                                | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3. Appropriate Management, Collection and Disposal of Assets Acquired from Failed Financial Institutions, etc. and Pursuit of Liability, etc.</b>                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>(i) Provision of guidance and advice to the RCC to ensure appropriate management and collection of claims acquired from failed financial institutions</p> <p>Appropriate management and disposal of shares, etc. acquired from failed financial institutions</p> | <p>[Management and collection of claims by the RCC]</p> <p>○ The DICJ provided the RCC, to which the debt management and collection operations have been entrusted, with guidance and advice in a timely and appropriate manner so that the RCC would appropriately manage and collect claims in accordance with the nature of the claims and the actual situation of debtors, among other factors, from the viewpoint of the protection of customers with respect to claims acquired by the RCC from failed and sound financial institutions</p> <p>As a result, the RCC strove to collect claims appropriately, accurately understanding the actual situation of debtors, etc.</p> <p>The amounts collected this fiscal year were as follows:</p> <ul style="list-style-type: none"> <li>• Collected a total of ¥22.7 billion in claims purchased from failed financial institutions and Article 53 claims (Financial Revitalization Act) purchased from sound financial institutions (including ¥21.8 billion in claims purchased from failed financial institutions (of which ¥38 million are in claims purchased from banks under special public management) and ¥0.9 billion in claims purchased from sound financial institutions) in FY2018, bringing the cumulative total of claims collected by the end of FY2018 to ¥10,120.7 billion (103.6% of the transfer value (book value))</li> <li>• Profits of ¥13.6 billion from the collection (profit arising from the asset collection minus the losses arising from the collection and collection cost) were paid to the DICJ (paid in June 2019)</li> </ul> <p>[Management and collection of claims subject to the warranty for latent defect provision]</p> <p>○ In FY2018, collected, through entrustment to the RCC, ¥1.8 billion out of the claims the DICJ took over from the former Long-Term Credit Bank of Japan, Limited and the former Nippon Credit Bank, Ltd. based on the warranty for latent defect provision prescribed in the stock purchase agreements (takeover completed in FY2004; the cumulative total of claims collected stands at ¥684.5 billion)</p> <p>[Management and disposal of shares purchased from banks under special public management]</p> <p>○ While suspending the sale of listed shares in the market from October 15, 2008, in principle, in line with the government's policy, disposed of shares worth ¥1.1 billion in application for takeover bids as off-market transactions</p> <p>Regarding unlisted shares, implemented disposal of shares worth ¥2.9 billion through such measures as sales to issuing companies and third parties designated by them</p> <p>[Appropriate management and disposal of shares and other capital-raising instruments for which the DICJ subscribed under the Early Strengthening Act, etc.]</p> <p>○ Implemented the following operations regarding preferred shares and other capital-raising instruments for which the DICJ subscribed in order to implement capital injection</p> <p>&lt;&lt;Number of entities which have been receiving capital injection: One institution (Shinsei Bank)&gt;&gt;</p> <p>(Management operation)</p> <ul style="list-style-type: none"> <li>• Exercised the voting rights and asked questions at regular general meetings of shareholders</li> <li>• Conducted periodic hearings about financial results, dividend policy, accumulation of surpluses and future repayment plans</li> <li>• Received dividends (¥470 million)</li> </ul> <p>(Disposal operation)</p> <ul style="list-style-type: none"> <li>• As there was no application related to the disposal of preferred shares and other capital-raising instruments from financial institutions, there was no disposal in the current fiscal year</li> </ul> <p>The cumulative amount of preferred shares disposed of by the end of March 2019 was ¥12,130.9 billion and the amount outstanding as of the end of March 2019 was ¥250 billion</p> |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Responsible unit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Contributed to the appropriate execution of management and collection operation by the RCC by providing guidance and advice to it</li> <br/> <li>○ Steadily implemented the management and collection of claims subject to the warranty for latent defect provision</li> <br/> <li>○ Strove to steadily dispose of shares purchased from banks under special public management by applying for takeover bids in the case of listed shares and through sales to issuing companies and third parties designated by issuing companies and other measures in the case of unlisted shares</li> <br/> <li>○ Properly grasped the financial results and plans for future repayment of financial institutions, which received capital injection through periodic hearings and other means, in addition to striving to appropriately exercise the voting and other rights at general meetings of shareholders and other meetings</li> </ul> | <ul style="list-style-type: none"> <li>○ Provide guidance and advice to the RCC so that it would proceed with appropriate and efficient management and collection while striving to enhance the protection of customers and comply with laws and regulations, etc.</li> <br/> <li>○ Steadily implement the management and collection of claims subject to the warranty for latent defect provision</li> <br/> <li>○ Regarding the management and disposal of shares purchased from banks under special public management, continue to take appropriate actions from the perspective of minimizing the burden on the people and the impact on the market</li> <br/> <li>○ Implement appropriate management, including appropriately exercising voting and other rights at general meetings of shareholders and identifying the status of management of financial institutions which received capital injection through periodic hearings, etc.</li> <br/> <li>○ As for disposal operation, make smooth disposal in line with the Immediate Guideline for the Disposal of Preferred Shares and other Capital-Raising Instruments Acquired through Capital Injection (hereinafter referred to as "the Immediate Guideline")</li> </ul> | <p>Planning and Coordination Department:<br/>Subsidiary Administration Division</p> <p>Resolution and Financial Revitalization Department:<br/>Planning and Coordination Division<br/>Capital Operation and Management Division</p> <p>Deposit Insurance Department:<br/>Financial Assistance Division</p> <p>Special Investigation Department:<br/>Investigation and Planning Division</p> <p>Osaka Operation Department:<br/>Administration Policy, Planning, and Coordination Division<br/>Financial Assistance Division</p> |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
  - 8. Management Operations of Prominent Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
  - 11. The Medium-Term Goals and Operational Policy
- III. Annex



1. DICI's Operations

II. Overview of the DICI's Activities

1. Failure Resolution

2. Asset Holdings

3. Pursuit of Liability

4. International Cooperation

5. Capital Participation

6. Specified Difficult Recovery Claims

7. Criminal Accounts Damage Recovery

8. Management Operators of Donant Deposits, etc.

9. Finances

10. PR Activities to Ensure Public Awareness

11. The Medium-Term Goals and Operational Policy

III. Annex

| Task                                                                                                                                                                                                                                          | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                                |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
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| <p>(ii) Appropriate selection of cases to be investigated, in-depth asset investigations, and guidance and advice concerning collection</p> <p>Cooperation with the RCC intended to deal with obstructed recovery cases</p>                   | <p>[Selection of cases to be investigated]</p> <p>○ Focusing mainly on cases involving unconscientious debtors who refused to make repayment and disclose asset information and cases involving antisocial forces, etc., strove to select cases for which there was a high necessity for asset investigation by repeatedly holding consultations and deliberations while sharing with the RCC information concerning cases in which the debtor's assets may have been concealed</p> <p>[Consultations and deliberations with the RCC]</p> <table border="1"> <thead> <tr> <th>Category</th> <th>FY2016</th> <th>FY2017</th> <th>FY2018</th> </tr> </thead> <tbody> <tr> <td>Number of consultations</td> <td>31</td> <td>25</td> <td>20</td> </tr> <tr> <td>Number of deliberations</td> <td>186 (84)</td> <td>290 (202)</td> <td>238 (167)</td> </tr> </tbody> </table> <p>Note: Figures in parentheses are for cases involving antisocial forces, etc.</p> <p>[In-depth asset investigation]</p> <p>○ Strove to conduct in-depth investigations in order to clarify the actual situation of debtors' income and expenditure situations and identify concealed assets by closely analyzing the transfer of funds between debtors and relevant parties through inquiries to financial institutions and on-site investigation of debtors, etc.</p> <p>○ By using personnel flexibly in accordance with the scale of cases under investigation and the progress in investigation, carried out thorough investigations and strove to identify assets, including deposits and real estate property, that were concealed through devious methods, such as using the name of a third-party person</p> <p>[Results of asset investigations]</p> <table border="1"> <thead> <tr> <th>Category</th> <th>FY2016</th> <th>FY2017</th> <th>FY2018</th> </tr> </thead> <tbody> <tr> <td>No. of investigations</td> <td>125 (85)</td> <td>148 (99)</td> <td>104 (62)</td> </tr> <tr> <td>No. of investigations launched</td> <td>80 (63)</td> <td>105 (70)</td> <td>46 (25)</td> </tr> <tr> <td>No. of on-site investigations</td> <td>6 (2)</td> <td>4 (2)</td> <td>3 (3)</td> </tr> <tr> <td>Amount of confirmed assets</td> <td>¥4.4 billion<br/>(¥0.2 billion)</td> <td>¥16.2 billion<br/>(¥0.3 billion)</td> <td>¥0.5 billion<br/>(¥0.1 billion)</td> </tr> </tbody> </table> <p>Notes: • The number of investigated cases=the number of investigated cases carried over from the previous year + the number of cases for which investigation started in the current year<br/>• Figures in parentheses are for cases involving antisocial forces, etc.<br/>• The figures were rounded off</p> <p>[Guidance and advice on collection]</p> <p>○ Provided the RCC with the results of asset investigations conducted by the DICJ in a timely manner<br/>Also provided guidance and advice concerning collection, including on how to deal with debtors in accordance with their actual conditions and on legal measures, etc.</p> <p>[Support for strictly dealing with obstructed recovery cases]</p> <p>○ Provided guidance and advice to the RCC in preparation for the filing of a complaint on fraud charges in a case where the debtor of claims transferred from a failed financial institution and other persons underdeclared the sales price of collateral real estate property at the time of a discretionary sale as compared with the actual sales price and obtained illegal asset profits by having the registration of mortgage pledge cancelled without using the amount of money for repayment<br/>Also provided guidance and advice in preparation for the filing of a complaint on the charge of damaging property for the purpose of obstructing compulsory execution in a case in which a debtor who is a crime syndicate member concealed assets by switching the destination of the transfer of monetary claims from an account held in the debtor's name to an account held in an associate's name for the purpose of evading seizing<br/>In FY2018, the DICJ and the RCC filed accusations (complaints) against a total of nine persons in five cases</p> | Category                        | FY2016                         | FY2017 | FY2018 | Number of consultations | 31 | 25 | 20 | Number of deliberations | 186 (84) | 290 (202) | 238 (167) | Category | FY2016 | FY2017 | FY2018 | No. of investigations | 125 (85) | 148 (99) | 104 (62) | No. of investigations launched | 80 (63) | 105 (70) | 46 (25) | No. of on-site investigations | 6 (2) | 4 (2) | 3 (3) | Amount of confirmed assets | ¥4.4 billion<br>(¥0.2 billion) | ¥16.2 billion<br>(¥0.3 billion) | ¥0.5 billion<br>(¥0.1 billion) |
|                                                                                                                                                                                                                                               | Category                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | FY2016                          | FY2017                         | FY2018 |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| Number of consultations                                                                                                                                                                                                                       | 31                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 25                              | 20                             |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| Number of deliberations                                                                                                                                                                                                                       | 186 (84)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 290 (202)                       | 238 (167)                      |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| Category                                                                                                                                                                                                                                      | FY2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | FY2017                          | FY2018                         |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| No. of investigations                                                                                                                                                                                                                         | 125 (85)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 148 (99)                        | 104 (62)                       |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| No. of investigations launched                                                                                                                                                                                                                | 80 (63)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 105 (70)                        | 46 (25)                        |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| No. of on-site investigations                                                                                                                                                                                                                 | 6 (2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 4 (2)                           | 3 (3)                          |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| Amount of confirmed assets                                                                                                                                                                                                                    | ¥4.4 billion<br>(¥0.2 billion)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ¥16.2 billion<br>(¥0.3 billion) | ¥0.5 billion<br>(¥0.1 billion) |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |
| <p>(iii) Appropriate implementation of operations to pursue civil and criminal liability in cases related to former executives of failed financial institutions and preparedness to respond immediately at the time of failure resolution</p> | <p>[Appropriate implementation of operations to pursue civil and criminal liabilities in cases related to former executives of failed financial institutions]</p> <p>○ Regarding the pursuit of liability of former executives of failed financial institutions, conducted continuous investigations and studies on legal affairs in close cooperation with the RCC in order to pursue civil and criminal liability<br/>As a court ruling that approved the claims for damages from the former manager of the failed financial institution became final in FY2017, took legal measures toward the exercise of the claims</p> <p>[Development of preparedness to respond immediately at the time of failure resolution]</p> <p>○ In order to strengthen cooperation between relevant divisions and departments at the time of failure resolution of financial institutions, etc. and enhance individual employees' operational skills, held workshops, etc. concerning specific investigation methods based on past case examples and approaches to share information with relevant divisions</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                 |                                |        |        |                         |    |    |    |                         |          |           |           |          |        |        |        |                       |          |          |          |                                |         |          |         |                               |       |       |       |                            |                                |                                 |                                |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Responsible unit                                                                                                                                                                                                                                                          |
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| <ul style="list-style-type: none"> <li>○ Were able to accurately select cases for which asset investigation was highly necessary as a result of close consultations and deliberations with the RCC</li> <br/> <li>○ Identified assets concealed through devious methods by appropriately conducting in-depth asset investigations</li> <br/> <li>○ Contributed to the appropriate execution of collection activity by the RCC by appropriate and timely guidance and advice concerning collection, including on how to implement legal measures such as providing the RCC with the results of asset investigations,</li> <li>○ Helped to strictly deal with obstructed recovery cases, etc. — accusations (complaints) were filed against nine persons in five cases — by closely and continuously cooperating with the RCC through guidance and advice</li> </ul> | <ul style="list-style-type: none"> <li>○ With a focus on malicious cases, such as those involving unconscientious debtors who refused to make repayment or disclose asset information or those involving antisocial forces, etc., support the maximization of collection of claims by the RCC by appropriately conducting accurate selection of cases to be investigated, in-depth asset investigations, and guidance and advice concerning collection</li> <br/> <li>○ Provide guidance, advice, and necessary support to the RCC in order to ensure strict response to malicious obstructed recovery cases, etc., including cases involving antisocial forces, with a view to possible filing of accusations (complaints)</li> </ul> | <p>Special Investigation Department:<br/>Investigation and Recovery Division<br/>Special Investigation Division I<br/>Special Investigation Division II</p> <p>Osaka Operation Department:<br/>Investigation and Recovery Division<br/>Special Investigation Division</p> |
| <ul style="list-style-type: none"> <li>○ Achieved results by continuing operations for the pursuit of civil liabilities in cooperation with the RCC</li> <br/> <li>○ Developed preparedness to respond immediately at the time of failure resolution by strengthening cooperation between relevant divisions and departments, for example</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>○ By conducting thorough investigations against former executives of failed financial institutions, strive to clarify the backgrounds to the failure and appropriately implement operations for the pursuit of civil and criminal liabilities</li> <br/> <li>○ Enhance the investigation methods and improve the preparedness to respond immediately at the time of failure resolution</li> </ul>                                                                                                                                                                                                                                                                                               | <p>Special Investigation Department:<br/>Investigation and Recovery Division</p> <p>Osaka Operation Department:<br/>Investigation and Recovery Division</p>                                                                                                               |

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- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Recovery
  - 8. Management Operations of Prominent Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
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- III. Annex



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- III. Annex

| Task                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <b>4. Enhancement of Collaboration with Foreign Deposit Insurance Organizations, etc., and Survey and Research Activities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| (i) Improvement of international recognition, and promotion of collaboration and cooperation with foreign deposit insurance organizations<br>Enhancement of mutual cooperation with foreign deposit insurance organizations, and technical assistance to other countries                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <p>○ Proactively took part in the activities, etc. of the International Association of Deposit Insurers (IADI), and grasped international trends concerning deposit insurance systems to use them as a reference in enhancing and strengthening Japan's deposit insurance system</p> <p>DICJ Governor Mikuniya has served as the IADI's president since October 2017</p> <p>In addition to representing the IADI externally, he conducted activities to further promote international cooperation in the field of deposit insurance by concurrently serving as the Chair of the Executive Council, which is in effect the IADI's decision-making body, and attending various conferences held in various regions for deposit insurance organizations</p> <p>The DICJ continued to strenuously conduct activities as one of the main members of the Asia-Pacific Regional Committee (APRC) under the IADI and promoted collaboration and cooperation between deposit insurance organizations</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">                     Participation in the International Association of Deposit Insurers (IADI)                 </td> <td style="width: 50%; vertical-align: top;">                     Posts of DICJ representatives at the IADI<br/>                     Chair of the IADI, Chair of the Executive Council, and member of the Core Principles and Research Council Committee<br/><br/>                     Sent DICJ staff to the IADI Secretariat in Basel<br/>                     Participated in the following IADI-related meetings, etc.:                     <ul style="list-style-type: none"> <li>• Annual General Meeting, etc. (Basel (Switzerland) in October 2018)</li> <li>• Executive Council Meetings, etc. (Moscow (Russia) in May 2018, Basel (Switzerland) in October, and Almaty (Kazakhstan) in February 2019)</li> <li>• Working Group on New Funding Options Meeting (Basel (Switzerland) in December 2018)</li> <li>• Asia-Pacific Regional Committee Annual Meeting, etc. (Hanoi (Vietnam) in April 2018)</li> <li>• Asia-Pacific Regional Committee Technical Assistance Workshop (Taipei (Chinese Taipei) in November 2018)</li> <li>• Americas' Deposit Insurance Forum (Mexico City (Mexico) in April 2018)</li> <li>• Eurasia Regional Committee Annual Meeting, etc. (Istanbul (Turkey) in May 2018)</li> </ul> </td> </tr> </table> | Participation in the International Association of Deposit Insurers (IADI)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Posts of DICJ representatives at the IADI<br>Chair of the IADI, Chair of the Executive Council, and member of the Core Principles and Research Council Committee<br><br>Sent DICJ staff to the IADI Secretariat in Basel<br>Participated in the following IADI-related meetings, etc.: <ul style="list-style-type: none"> <li>• Annual General Meeting, etc. (Basel (Switzerland) in October 2018)</li> <li>• Executive Council Meetings, etc. (Moscow (Russia) in May 2018, Basel (Switzerland) in October, and Almaty (Kazakhstan) in February 2019)</li> <li>• Working Group on New Funding Options Meeting (Basel (Switzerland) in December 2018)</li> <li>• Asia-Pacific Regional Committee Annual Meeting, etc. (Hanoi (Vietnam) in April 2018)</li> <li>• Asia-Pacific Regional Committee Technical Assistance Workshop (Taipei (Chinese Taipei) in November 2018)</li> <li>• Americas' Deposit Insurance Forum (Mexico City (Mexico) in April 2018)</li> <li>• Eurasia Regional Committee Annual Meeting, etc. (Istanbul (Turkey) in May 2018)</li> </ul> |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <p>○ Every year, the DICJ holds an international conference in which representatives from foreign deposit insurance organizations and other entities who have expertise and abundant experiences concerning various issues related to deposit insurance hold discussions and exchange views, and in FY2018, it held the 11th DICJ Round Table in March 2019</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>○ Had the DICJ Governor hold meetings with the leaders and other officials of foreign deposit insurance organizations through every possible opportunity in order to strengthen cooperative relationships</p> <p>In addition, exchanged letters concerning cooperation with the Hong Kong Deposit Protection Board</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>○ In cooperation with relevant organizations in Japan, devoted efforts to technical cooperation (sending staff members (lecturers and acceptance of visitors, etc.) with regions, particularly Asia</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">                     Seminar, etc.                 </td> <td style="width: 50%; vertical-align: top;">                     Participated in the following seminars and other events                     <ul style="list-style-type: none"> <li>• A seminar hosted by the Depositor Protection Fund Lao PDR</li> <li>• A seminar hosted by Deposit Protection Agency of Thailand</li> </ul> </td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Seminar, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Participated in the following seminars and other events <ul style="list-style-type: none"> <li>• A seminar hosted by the Depositor Protection Fund Lao PDR</li> <li>• A seminar hosted by Deposit Protection Agency of Thailand</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Responsible unit                                                                                 |
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| <p>○ Strove to grasp international trends concerning deposit insurance systems through the IADI's activities and utilized the results as a reference for the DICJ's operations<br/>Also, strove to increase the recognition of Japan's deposit insurance system by actively participating in activities hosted by the IADI<br/>In addition, contributed to further promotion of international cooperation in the field of deposit insurance as the chair organization of the IADI<br/>Also, regarding activities at the Asia-Pacific Regional Committee, made considerable contributions to collaboration and cooperation between deposit insurance organizations in the region</p> <p>○ Further deepened mutual understanding through exchanges of information and opinions with relevant parties in and outside Japan</p> <p>○ Strengthened cooperative relationships with foreign deposit insurance organizations by holding meetings and exchanging letters</p> <p>○ Achieved certain results in strengthening the capabilities of deposit insurance organizations, particularly those in Asia, through technical cooperation, and such contributions were highly rated by foreign organizations<br/>In addition, obtained up-to-date information by having DICJ staff members participate in seminars and other events held by international organizations and foreign deposit insurance organizations and strove to use and share the information</p> | <p>○ As the chair organization of the IADI, step up the DICJ's activities in order to further enhance international collaboration and cooperation through further contribution to the IADI's activities in the future and the proactive dissemination of Japan's experiences, among other measures<br/>In addition, deepen mutual understanding with deposit insurance organizations in the Asia-Pacific region and promote intra-regional collaboration and cooperation</p> <p>○ Continue to hold international conferences while exercising greater ingenuity in the selection of themes, speakers, etc.</p> <p>○ Continue efforts to further strengthen collaboration with foreign deposit insurance organizations, etc. through active use of meetings and exchanging letters, among other activities</p> <p>○ Further increase technical cooperation, thereby establishing a framework of collaboration in Asia, etc.<br/>Make active use of seminars and other events held by international organizations and foreign deposit insurance organizations and reflect up-to-date information obtained thereby in the DICJ's activities</p> | <p>International Department<br/><br/>Research Department:<br/>Planning and Research Division</p> |

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| Task                                                                                                                                                                                                    | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                                  |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
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| (ii) Research and studies concerning matters related to the operations of the DICJ, and the provision of results to relevant organizations, etc. in various sectors                                     | <ul style="list-style-type: none"> <li>○ Conducted research on developments related to deposit insurance systems, resolution regimes and crisis management in the U.S. and Europe and the status of international discussions on technological innovation in the financial sector</li> <li>○ Published part of the accomplishments of the DICJ's research and studies through the research journal "Deposit Insurance Review," the DICJ's research and study journal (issue No.22 in FY2018), and on the DICJ's website</li> </ul> <p>(Reference) Published articles titled "U.S. FDIC: Overview of Deposit Insurance Fund" and "Number of Failures of U.S. Financial Institutions" on the DICJ website (Available only in Japanese)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                          |                                  |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| <b>5. Operations Related to Capital Participation</b>                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                                  |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| Appropriate execution of capital participation under the Financial Functions Strengthening Act, and appropriate management and disposals of shares, etc. for which the DICJ subscribed based on the Act | <ul style="list-style-type: none"> <li>○ In FY2018, no capital participation was implemented, as there was not any application related to subscription for preferred shares or other capital-raising instruments from financial institutions, etc. under the Financial Function Strengthening Act</li> <li>○ Made the following amount of capital participation, etc. under the Financial Functions Strengthening Act:<br/>(Units: cases, ¥100 million, rounded off)</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th rowspan="2">Applicable Act</th> <th colspan="2">Amount of capital participation</th> <th colspan="2">Current balance</th> </tr> <tr> <th>Number of financial institutions</th> <th></th> <th>Number of financial institutions</th> <th></th> </tr> </thead> <tbody> <tr> <td>Financial Functions Strengthening Act</td> <td>30</td> <td>6,748</td> <td>27</td> <td>4,743</td> </tr> <tr> <td>Earthquake-related special measures</td> <td>12</td> <td>2,165</td> <td>11</td> <td>1,965</td> </tr> </tbody> </table> <p>Note: The amount of capital participation is the cumulative amount as of the end of March 2019 and the current balance is the balance as of the end of March 2019</p> <ul style="list-style-type: none"> <li>○ Implemented the following operations regarding preferred shares and other capital-raising instruments for which the DICJ subscribed in order to implement capital participation<br/>&lt;&lt;Number of entities which have been receiving capital participation: 27 entities&gt;&gt;<br/>(Management operation) <ul style="list-style-type: none"> <li>• Exercised the rights (exercised voting rights and asked questions) at general meetings of holders of class shares and preferred investment securities investors</li> <li>• Attended the follow-up hearings conducted by supervisory authorities in order to identify the status of management and other matters</li> <li>• Exchanged opinions about the management status of earthquake-affected special financial institutions which received capital participation and other matters with the financial institutions and central cooperative financial institutions at the time of hearings about financial results</li> <li>• Conducted periodic hearings about financial results, dividend policy, accumulation of surpluses and future repayment plans</li> <li>• Received dividends (¥3,050 million)</li> </ul> </li> <li>(Disposal operation) <ul style="list-style-type: none"> <li>• Regarding preferred shares worth ¥20 billion of which The Towa Bank, Ltd. applied for purchase, implemented disposal (repayment amount at ¥22.744 billion) based on "the Immediate Guideline"</li> <li>• At the time of disposal, convened a meeting of the Divestment Examination Board for Preferred Shares and other Capital-Raising Instruments (twice)</li> </ul> </li> </ul> <p>[Disposal amount (on a book value basis)] (Unit: ¥ billion, rounded off)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th rowspan="2">FY</th> <th colspan="3">Disposal amount (book value)</th> </tr> <tr> <th>Preferred shares, etc.</th> <th>Subordinated bonds, etc.</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>FY2016</td> <td>—</td> <td>—</td> <td>—</td> </tr> <tr> <td>FY2017</td> <td>—</td> <td>—</td> <td>—</td> </tr> <tr> <td>FY2018</td> <td>20.0</td> <td>—</td> <td>20.0</td> </tr> <tr> <td>Cumulative total* (FY2004-2018)</td> <td>180.5</td> <td>26.0</td> <td>206.5</td> </tr> </tbody> </table> <p>*The cumulative total includes the disposal amount (book value) of capital participation (subordinated bonds, etc.) based on the Organizational Restructuring Act (the full amount of capital participation, which is ¥6 billion)</p> | Applicable Act           | Amount of capital participation  |       | Current balance |  | Number of financial institutions |  | Number of financial institutions |  | Financial Functions Strengthening Act | 30 | 6,748 | 27 | 4,743 | Earthquake-related special measures | 12 | 2,165 | 11 | 1,965 | FY | Disposal amount (book value) |  |  | Preferred shares, etc. | Subordinated bonds, etc. | Total | FY2016 | — | — | — | FY2017 | — | — | — | FY2018 | 20.0 | — | 20.0 | Cumulative total* (FY2004-2018) | 180.5 | 26.0 | 206.5 |
| Applicable Act                                                                                                                                                                                          | Amount of capital participation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          | Current balance                  |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
|                                                                                                                                                                                                         | Number of financial institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          | Number of financial institutions |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| Financial Functions Strengthening Act                                                                                                                                                                   | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 6,748                    | 27                               | 4,743 |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| Earthquake-related special measures                                                                                                                                                                     | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2,165                    | 11                               | 1,965 |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| FY                                                                                                                                                                                                      | Disposal amount (book value)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |                                  |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
|                                                                                                                                                                                                         | Preferred shares, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Subordinated bonds, etc. | Total                            |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| FY2016                                                                                                                                                                                                  | —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | —                        | —                                |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| FY2017                                                                                                                                                                                                  | —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | —                        | —                                |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| FY2018                                                                                                                                                                                                  | 20.0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | —                        | 20.0                             |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |
| Cumulative total* (FY2004-2018)                                                                                                                                                                         | 180.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 26.0                     | 206.5                            |       |                 |  |                                  |  |                                  |  |                                       |    |       |    |       |                                     |    |       |    |       |    |                              |  |  |                        |                          |       |        |   |   |   |        |   |   |   |        |      |   |      |                                 |       |      |       |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Responsible unit                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <p>○ Appropriately conducted international research</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>○ Continue research and study activities while taking account of developments at home and abroad</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>International Department<br/>Research Department:<br/>Research and Analysis Division</p>              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                          |
| <p>○ Grasped the financial results and plans for future repayment of financial institutions, which received capital participation through periodic hearings and other means, in addition to exercising the voting and other rights at general meetings of shareholders and other meetings<br/>Also strove to grasp the actual status of earthquake-affected special financial institutions which received capital participation in an in-depth manner through exchanges of opinions about their business status and other matters with them and central cooperative financial institutions</p> <p>○ Implemented disposal based on "the Immediate Guideline"</p> | <p>○ Regarding capital participation under the Financial Functions Strengthening Act (the deadline for application: March 31, 2022), continue to strive to take appropriate action in close cooperation with relevant authorities</p> <p>○ Implement appropriate management, including appropriately exercising voting and other rights at general meetings of shareholders and other meetings and identifying the business status of financial institutions which received capital participation through periodic hearings, etc.</p> <p>○ As for disposal operation, strive to make smooth disposal in line with "the Immediate Guideline"</p> | <p>Resolution and Financial Revitalization Department:<br/>Capital Operation and Management Division</p> |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
  - 8. Management Operations of Promart Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

| Task                                                                                     | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                  |                                                                                     |                                                                                     |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------|-------------|----------------------------------|--------------------------------------------------------------------------------|------------------------------------------------|-------------------|------------------|--------|------------------------------------------------------------------------------------|---------|---------------------|-------------------|--------|--------------------------------------------------------------------------------------|---------|-------------------|------------------|----|----|----------|
| <b>6. Operations related to support for financial operations</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                  |                                                                                     |                                                                                     |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| (i) Steady implementation of purchase, etc. of specified difficult recovery claims       | [Steady implementation of purchase of specified difficult recovery claims]<br>○ The decision on purchase had been made three times in FY2018, purchasing claims in a total of 17 cases, including 2 cases in the fifteenth purchase, 3 cases in the sixteenth purchase, and 12 cases in the seventeenth purchase<br><br>[Records of decisions on purchase of specified difficult recovery claims]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                  |                                                                                     |                                                                                     |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
|                                                                                          | <table border="1"> <thead> <tr> <th>Fiscal Year of decision</th> <th>Decisions on purchases</th> <th>Number of claims</th> <th>Total amount of claims</th> <th>Total value</th> </tr> </thead> <tbody> <tr> <td>FY2016</td> <td>Ninth, tenth and eleventh (Decided in September, December 2016 and March 2017)</td> <td>41</td> <td>¥316,413 thousand</td> <td>¥60,773 thousand</td> </tr> <tr> <td>FY2017</td> <td>Twelfth, thirteenth and fourteenth (Decided in July, November 2017 and March 2018)</td> <td>55</td> <td>¥1,088,644 thousand</td> <td>¥372,635 thousand</td> </tr> <tr> <td>FY2018</td> <td>Fifteenth, sixteenth and seventeenth (Decided in June, November 2018 and March 2019)</td> <td>17</td> <td>¥144,289 thousand</td> <td>¥13,343 thousand</td> </tr> </tbody> </table>                                                                                                                                                                          | Fiscal Year of decision          | Decisions on purchases                                                              | Number of claims                                                                    | Total amount of claims | Total value | FY2016                           | Ninth, tenth and eleventh (Decided in September, December 2016 and March 2017) | 41                                             | ¥316,413 thousand | ¥60,773 thousand | FY2017 | Twelfth, thirteenth and fourteenth (Decided in July, November 2017 and March 2018) | 55      | ¥1,088,644 thousand | ¥372,635 thousand | FY2018 | Fifteenth, sixteenth and seventeenth (Decided in June, November 2018 and March 2019) | 17      | ¥144,289 thousand | ¥13,343 thousand |    |    |          |
| Fiscal Year of decision                                                                  | Decisions on purchases                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Number of claims                 | Total amount of claims                                                              | Total value                                                                         |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| FY2016                                                                                   | Ninth, tenth and eleventh (Decided in September, December 2016 and March 2017)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 41                               | ¥316,413 thousand                                                                   | ¥60,773 thousand                                                                    |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| FY2017                                                                                   | Twelfth, thirteenth and fourteenth (Decided in July, November 2017 and March 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 55                               | ¥1,088,644 thousand                                                                 | ¥372,635 thousand                                                                   |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| FY2018                                                                                   | Fifteenth, sixteenth and seventeenth (Decided in June, November 2018 and March 2019)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 17                               | ¥144,289 thousand                                                                   | ¥13,343 thousand                                                                    |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
|                                                                                          | ○ At the time of the decision on the purchase for each time, the Committee for Screening Purchase of Specified Difficult Recovery Claims (a third-party committee including lawyers, real estate appraisers and other experts) deliberated on whether or not to purchase the claims concerned as specified difficult recovery claims and on purchase prices at meetings, and the Policy Board made its decision on the purchases in light of the Committee's opinions<br><br>[Efforts to raise awareness about the program]<br>○ Held seminars concerning the program for purchase of specified difficult recovery claims at offices of bank-police liaison councils throughout Japan (on 68 occasions) to explain the outline and the operational status of the purchase program in order to raise awareness of the program among financial institutions, etc. In addition, responded to 127 questions and requests for consultation from 86 financial institutions, etc. |                                  |                                                                                     |                                                                                     |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
|                                                                                          | <table border="1"> <thead> <tr> <th rowspan="2">FY</th> <th rowspan="2">The number of occasions explained about the program at bank-police liaison councils</th> <th colspan="3">Number of inquiries and requests for consultation from financial institutions, etc.</th> </tr> <tr> <th>Inquiries concerning the program</th> <th>Inquiries concerning specific cases</th> <th>Total (number of financial institutions, etc.)</th> </tr> </thead> <tbody> <tr> <td>FY2016</td> <td>87</td> <td>42</td> <td>54</td> <td>96 (49)</td> </tr> <tr> <td>FY2017</td> <td>42</td> <td>22</td> <td>49</td> <td>71 (33)</td> </tr> <tr> <td>FY2018</td> <td>68</td> <td>63</td> <td>64</td> <td>127 (86)</td> </tr> </tbody> </table>                                                                                                                                                                                                                                              | FY                               | The number of occasions explained about the program at bank-police liaison councils | Number of inquiries and requests for consultation from financial institutions, etc. |                        |             | Inquiries concerning the program | Inquiries concerning specific cases                                            | Total (number of financial institutions, etc.) | FY2016            | 87               | 42     | 54                                                                                 | 96 (49) | FY2017              | 42                | 22     | 49                                                                                   | 71 (33) | FY2018            | 68               | 63 | 64 | 127 (86) |
| FY                                                                                       | The number of occasions explained about the program at bank-police liaison councils                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                  |                                                                                     | Number of inquiries and requests for consultation from financial institutions, etc. |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
|                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Inquiries concerning the program | Inquiries concerning specific cases                                                 | Total (number of financial institutions, etc.)                                      |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| FY2016                                                                                   | 87                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 42                               | 54                                                                                  | 96 (49)                                                                             |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| FY2017                                                                                   | 42                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 22                               | 49                                                                                  | 71 (33)                                                                             |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| FY2018                                                                                   | 68                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 63                               | 64                                                                                  | 127 (86)                                                                            |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |
| (ii) Appropriate management of the operation to provide information on antisocial forces | ○ Regarding the system for providing information on antisocial forces (hereinafter referred to as the "antisocial force information inquiry system"), under which information is provided in response to inquiries from financial institutions, strove to ensure smooth operation by cooperating with the DICJ's system division and business operators involved in the operation and maintenance of the system<br><br>○ Strove to ensure appropriate implementation of inquiries from financial institutions based on the terms of usage, etc. by carefully responding to questions, etc. from financial institutions using this system<br><br>○ Started on-site checks with financial institutions using the system concerning the implementation of inquiries                                                                                                                                                                                                           |                                  |                                                                                     |                                                                                     |                        |             |                                  |                                                                                |                                                |                   |                  |        |                                                                                    |         |                     |                   |        |                                                                                      |         |                   |                  |    |    |          |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Responsible unit                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Steadily implemented purchases of specified difficult recovery claims based on three decisions on the purchases made in FY2018. When purchasing specified difficult recovery claims, followed appropriate procedures, such as listening to the opinion of the Committee for Screening Purchase of Specified Difficult Recovery Claims</li> <li>○ Strove to ensure that the purchase program takes root by implementing awareness-raising activities and encouraged financial institutions to actively use the program, resulting in steady implementation of purchase of specified difficult recovery claims</li> </ul> | <ul style="list-style-type: none"> <li>○ Steadily conduct operations in cooperation with financial institutions and other relevant parties</li> <li>○ When purchasing specified difficult recovery claims, proceed with the appropriate purchase procedures, such as taking into consideration the opinions of the Committee for Screening Purchase of Specified Difficult Recovery Claims</li> <li>○ Improve the operation of the program to purchase specified difficult recovery claims in collaboration with relevant authorities including the FSA, and industry groups, and promote more active use of the program by financial institutions</li> </ul> | Financial Operations Assistance Department:<br>Operations Planning Division                                                                                 |
| <ul style="list-style-type: none"> <li>○ Smoothly operated the antisocial force information inquiry system</li> <li>○ Strove to ensure implementation of inquiries based on the terms of usage, etc. by carefully responding to questions, etc. from financial institutions using the system and providing them with guidance and advice based on the results of on-site checks</li> </ul>                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>○ Regarding the antisocial force information inquiry system, promote collaboration among relevant parties and strive to ensure smooth operation</li> <li>○ Steadily make on-site checks in order to make sure of implementation of inquiries by financial institutions using the system based on the terms of usage, etc.</li> </ul>                                                                                                                                                                                                                                                                                   | Financial Operations Assistance Department:<br>Financial Information Management Division<br><br>Planning and Coordination Department:<br>System Division II |

|                                                    |
|----------------------------------------------------|
| 1. DICJ's Operations                               |
| II. Overview of the DICJ's Activities              |
| 1. Failure Resolution                              |
| 2. Asset Holdings                                  |
| 3. Pursuit of Liability                            |
| 4. International Cooperation                       |
| 5. Capital Participation                           |
| 6. Specified Difficult Recovery Claims             |
| 7. Criminal Accounts Damage Recovery               |
| 8. Management Operations of Prudent Deposits, etc. |
| 9. Finances                                        |
| 10. PR Activities to Ensure Public Awareness       |
| 11. The Medium-Term Goals and Operational Policy   |
| III. Annex                                         |



| Task                                                                                                                                                                              | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                      |                                                                                       |                                                                                       |                                                                             |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |
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| <p>(iii) Appropriate implementation of public notice operations under the Criminal Accounts Damage Recovery Act, and appropriate expenditure of money transferred to the DICJ</p> | <p>○ Handled a variety of inquiries from victims of bank transfer fraud, as well as those from financial institutions, posted public notices as scheduled, and disclosed the status of implementation of public notices as required under law</p> <p>[Status of posting of major public notices]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Public notices on the start of procedures for extinction of claims on deposits, etc.</td> <td style="width: 33%; text-align: center;">⇒</td> <td style="width: 33%;">Public notices on the start of procedures for the payment of damage-recovery benefits</td> <td style="width: 33%; text-align: center;">⇒</td> <td style="width: 33%;">Public notices on the completion of the payment of damage-recovery benefits</td> </tr> <tr> <td>No. of public notices      24</td> <td></td> <td>No. of public notices      24</td> <td></td> <td>No. of public notices      24</td> </tr> <tr> <td>No. of financial institutions    574</td> <td></td> <td>No. of financial institutions    450</td> <td></td> <td>No. of financial institutions    439</td> </tr> <tr> <td>No. of deposit accounts    20,560</td> <td></td> <td>No. of deposit accounts    7,787</td> <td></td> <td>Amount of deposits, etc.<br/>¥1,016 million</td> </tr> <tr> <td>Amount of deposits, etc.<br/>¥999 million</td> <td></td> <td>Amount of deposits, etc.<br/>¥782 million</td> <td></td> <td>Payments of benefits to victims<br/>¥856 million</td> </tr> </table> <p>○ Regarding the public notice, etc. system (system to process public notice data based on laws and regulations), maintained stable operation</p> <p>○ As the “scholarship benefits to children of crime victims” and “subsidies to groups supporting victims of crime” projects launched by the operator in FY2013 continued to be implemented, in March 2019, provided ¥150 million from the money transferred to the DICJ under the Criminal Accounts Damage Recovery Act</p> <p>○ Conducted on-site inspections based on Article 36, paragraph (6) of the Criminal Accounts Damage Recovery Act</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th></th> <th style="text-align: center;">FY2016</th> <th style="text-align: center;">FY2017</th> <th style="text-align: center;">FY2018</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Number of financial institutions on which on-site inspections were conducted</td> <td style="text-align: center;">17 institutions</td> <td style="text-align: center;">13 institutions</td> <td style="text-align: center;">25 institutions</td> </tr> </tbody> </table> <p>Note: Number of entities on the basis of the starting date of on-site inspection</p> | Public notices on the start of procedures for extinction of claims on deposits, etc. | ⇒                                                                                     | Public notices on the start of procedures for the payment of damage-recovery benefits | ⇒                                                                           | Public notices on the completion of the payment of damage-recovery benefits | No. of public notices      24 |  | No. of public notices      24 |  | No. of public notices      24 | No. of financial institutions    574 |  | No. of financial institutions    450 |  | No. of financial institutions    439 | No. of deposit accounts    20,560 |  | No. of deposit accounts    7,787 |  | Amount of deposits, etc.<br>¥1,016 million | Amount of deposits, etc.<br>¥999 million |  | Amount of deposits, etc.<br>¥782 million |  | Payments of benefits to victims<br>¥856 million |  | FY2016 | FY2017 | FY2018 | Number of financial institutions on which on-site inspections were conducted | 17 institutions | 13 institutions | 25 institutions |
|                                                                                                                                                                                   | Public notices on the start of procedures for extinction of claims on deposits, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ⇒                                                                                    | Public notices on the start of procedures for the payment of damage-recovery benefits | ⇒                                                                                     | Public notices on the completion of the payment of damage-recovery benefits |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |
| No. of public notices      24                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No. of public notices      24                                                        |                                                                                       | No. of public notices      24                                                         |                                                                             |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |
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| No. of deposit accounts    20,560                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No. of deposit accounts    7,787                                                     |                                                                                       | Amount of deposits, etc.<br>¥1,016 million                                            |                                                                             |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |
| Amount of deposits, etc.<br>¥999 million                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Amount of deposits, etc.<br>¥782 million                                             |                                                                                       | Payments of benefits to victims<br>¥856 million                                       |                                                                             |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |
|                                                                                                                                                                                   | FY2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | FY2017                                                                               | FY2018                                                                                |                                                                                       |                                                                             |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |
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| <p>(iv) Improvements toward Implementation of Dormant Deposits Management Operation</p>                                                                                           | <p>○ Continued to conduct a study on various issues in order to appropriately conduct receipt of dormant deposits to be transferred from financial institutions and improved the administrative procedures in cooperation with relevant authorities, financial institutions, etc.</p> <p>○ Presented to financial institutions a draft contract for the entrustment of such operations as the payment of substitute money for dormant deposits, etc. (receipt of claims for payment from former depositors, etc. and payment, etc.) and did coordination work concerning the terms of the contract</p> <p>○ Implemented design and development work for the dormant deposits management system according to plan and smoothly proceeded with the system development project in preparation for the start of operation in the autumn of 2019</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                      |                                                                                       |                                                                                       |                                                                             |                                                                             |                               |  |                               |  |                               |                                      |  |                                      |  |                                      |                                   |  |                                  |  |                                            |                                          |  |                                          |  |                                                 |  |        |        |        |                                                                              |                 |                 |                 |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Responsible unit                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Implemented the public notice operations as scheduled and appropriately disclosed the status of implementation of public notices</li> <br/> <li>○ Appropriately managed money transferred from financial institutions to the DICJ and provided funds for the “subsidies to groups supporting victims of crime” project which is prescribed by the orders of the competent ministry</li> <br/> <li>○ Appropriately conducted on-site inspections based on Article 36, paragraph (6) of the Criminal Accounts Damage Recovery Act</li> </ul> | <ul style="list-style-type: none"> <li>○ Appropriately and smoothly implement the public notice operations in order to contribute to the prompt recovery of property damage suffered by victims of bank transfer fraud</li> <br/> <li>○ Regarding money transferred to the DICJ, strive to ensure appropriate expenditure</li> <br/> <li>○ Strive to appropriately conduct on-site inspections based on Article 36, paragraph (6) of the Criminal Accounts Damage Recovery Act</li> </ul>                                                                                                                                                                                                                                                   | <p>Financial Operations Assistance Department:<br/>Bank Transfer Fraud Recovery Division</p> <p>Inspection Department:<br/>Inspection Planning Division<br/>Evaluation Division</p> |
| <ul style="list-style-type: none"> <li>○ Appropriately proceeded with the improvement of administrative procedures concerning the receipt of money for transfer from dormant deposits, etc., coordination work concerning the terms of a contract related to the entrustment of payment and other operations, and development of the dormant deposits management system</li> </ul>                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>○ Improve administrative procedures related to the receipt of money for transfer from dormant deposits, etc. and the payment of grants funded from dormant deposits, etc. and appropriately implement operations, in cooperation with relevant authorities, financial institutions, etc.</li> <br/> <li>○ Obtain relevant authorities’ approval of the contract provisions related to the entrustment of payment and other operations and conclude a contract related to those operations with financial institutions</li> <br/> <li>○ Continue to proceed with the development of the dormant deposits management system in preparation for the start of operation in the autumn of 2019</li> </ul> | <p>Financial Operations Assistance Department:<br/>Dormant Deposits Management Division</p> <p>Planning and Coordination Department:<br/>System Division III</p>                    |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
  - 8. Management Operations of Dormant Deposits, etc.
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  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

| Task                                                                                                      | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
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| <b>7. Development and Improvement of Various Systems and Enhancement of Information Security Measures</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
| <p>(i) Enhancement of IT governance, and development and improvement of various systems</p>               | <p>○ Formulated a three-year plan for system development in FY2019-2021 in accordance with the Procedure for Planning of System Development Measures, which prescribes the procedure for the formulation of system development plans, and improved the DICJ's management procedure related to the development and operation of information systems</p> <p>○ Developed and improved various systems as follows in accordance with the three-year plan for system development and implemented preparatory work for the change of the era name with respect to the systems</p> <p>[Status of development and improvement of major systems]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">System name</th> <th style="width: 50%;">Status of development and improvement</th> </tr> </thead> <tbody> <tr> <td>Failure resolution operation system</td> <td>Maintaining stable operation and continuing system improvement work<br/>Conducting deliberation on the development of an upgraded failure resolution operation system</td> </tr> <tr> <td>Antisocial force information inquiry system</td> <td>Maintaining stable operation and continuing system improvement work</td> </tr> <tr> <td>Dormant deposits management system</td> <td>Continuing development according to plan (scheduled to start operation in the autumn of 2019)</td> </tr> <tr> <td>LAN/WAN (common system)</td> <td>Maintaining stable operation and conducting deliberation on the replacement of the system</td> </tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                              | System name | Status of development and improvement | Failure resolution operation system | Maintaining stable operation and continuing system improvement work<br>Conducting deliberation on the development of an upgraded failure resolution operation system | Antisocial force information inquiry system | Maintaining stable operation and continuing system improvement work | Dormant deposits management system | Continuing development according to plan (scheduled to start operation in the autumn of 2019) | LAN/WAN (common system) | Maintaining stable operation and conducting deliberation on the replacement of the system |
| System name                                                                                               | Status of development and improvement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
| Failure resolution operation system                                                                       | Maintaining stable operation and continuing system improvement work<br>Conducting deliberation on the development of an upgraded failure resolution operation system                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
| Antisocial force information inquiry system                                                               | Maintaining stable operation and continuing system improvement work                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
| Dormant deposits management system                                                                        | Continuing development according to plan (scheduled to start operation in the autumn of 2019)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
| LAN/WAN (common system)                                                                                   | Maintaining stable operation and conducting deliberation on the replacement of the system                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |
| <p>(ii) Improving the level of information security</p>                                                   | <p>○ In order to improve the level of information security at the DICJ, implemented the following measures:</p> <p>(1) Risk assessment of information and information systems owned by the DICJ<br/>Created an inventory of information and information systems to grasp security measures for each of them and conducted security assessment based on the inventory</p> <p>(2) Information security audit<br/>Entrusted an external auditor to conduct information security audit as follows in order to evaluate and grasp risks related to information security at the DICJ</p> <ul style="list-style-type: none"> <li>• Audit of the status of implementation of information security measures<br/>Conducted audits of the status of implementation of information security measures concerning individual divisions and departments and information systems</li> <li>• Diagnosis of vulnerabilities of systems<br/>Conducted diagnosis of vulnerabilities of the systems linked with external networks</li> </ul> <p>(3) Development of standards and procedures related to information security<br/>Regarding information security policy, conducted deliberation on revisions intended to take account of the trends in cyberattacks, etc.</p> <p>(4) Education and training for DICJ executives and employees, etc.<br/>Held e-learning-workshops concerning information security and provided training to strengthen response capability for targeted email attacks in order to increase awareness of information security among executives and employees</p> <p>○ Regarding highly confidential important information, stored under a safer environment (separated LAN/WAN environment) with a higher level of security, thereby ensuring the security of the information<br/>In addition, conducted appropriate operation based on procedures for handling important information on separated LAN/WAN that were formulated by divisions and departments using separated LAN/WAN</p> |             |                                       |                                     |                                                                                                                                                                      |                                             |                                                                     |                                    |                                                                                               |                         |                                                                                           |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Responsible unit                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Enhanced IT governance</li> <br/> <li>○ Strove to develop and improve various systems owned by the DICJ</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>○ Continue to enhance IT governance</li> <br/> <li>○ Strive to develop and improve various systems owned by the DICJ</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Planning and Coordination Department:<br>System Planning Division                                                               |
| <ul style="list-style-type: none"> <li>○ Comprehensively evaluated and grasped risks related to information security at the DICJ by conducting risk assessment and information security audit and improved the level of information security by effectively implementing necessary measures<br/>                     In addition, through implementation of various training programs, exercises and other activities, strove to increase awareness of information security among executives and employees</li> <br/> <li>○ Strove to ensure appropriate management of highly confidential important information by using separated LAN/WAN</li> </ul> | <ul style="list-style-type: none"> <li>○ Improve the level of information security by comprehensively evaluating and grasping risks related to information security at the DICJ in response to the threat of cyberattacks, which have become more sophisticated and complex in recent years and by aptly and effectively implementing necessary measures<br/>                     In addition, increase awareness of information security among executives and employees by implementing various workshops and training programs, etc.</li> <br/> <li>○ Strive to appropriately manage highly confidential important information through the use of separated LAN/WAN</li> </ul> | Planning and Coordination Department:<br>Administration Division<br>Office for Information Security<br>System Planning Division |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
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  - 8. Management Operations of Promort Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
  - 8. Management Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

| Task                                                                                                                                        | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                   |                          |                     |                                   |                              |                                           |                                                           |                                           |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|---------------------|-----------------------------------|------------------------------|-------------------------------------------|-----------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------|------------------|---------------|---------|-------|--------|---------|------|----------------------|----------------------|---------------------|-------|---------------|---------|-------|--------|---------|------|-----------------------|----------------------|---------------------|-------|---------------|---------|-------|--------|---------|------|----------------------|----------------------|---------------------|-------|---------------------------|-------|-------|------|-----|-----|--------------------|--------------------|---------------------|-------|
| <b>8. Strengthening of Finances, Efficient Organizational Management and Enhancement of the Preparedness to Secure Compliance</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                   |                          |                     |                                   |                              |                                           |                                                           |                                           |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
| (i) Formulation and execution management of budgets that can be appropriately adapted to resolution of financial institution failures, etc. | <p>○ When compiling the FY2019 budget, conducted a thorough review and revision, including close examination taking account of rationalization and efficiency improvement of operations and the results of past budget executions<br/>Non-personnel expenses increased compared with the previous fiscal year due to such factors as the start of full-fledged development of a next-generation failure resolution operation system, but personnel expenses decreased due to the reduction of the authorized number of staff members, among other measures<br/>In addition, continued to secure expenses necessary for failure resolution of financial institutions, etc.</p> <p>○ Strove to execute the budget efficiently by closely examining whether funds are really necessary for achieving the business purposes</p> <p>○ Strove to ensure the transparency and competitiveness of the contract method by reviewing discretionary contracts and shifting to competitive contracts except when discretionary contracts are really inevitable</p> <p>○ As for the financial results in FY2018, retained earnings in the DICJ's overall accounts increased due to such factors as an increase in liability reserves (reserves set aside as a fund source for insurance payout from the General Account and financial assistance at the time of a financial institution failure) in the General Account because there was no failure of a financial institution</p> <p>[Increase/decrease in retained earnings (liability reserves for the General Account)/deficits in respective accounts]</p> <p style="text-align: right;">(Unit: ¥ billion; ( ) denotes deficit)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>General</th> <th>Crisis Management</th> <th>Financial Revitalization</th> <th>Early Strengthening</th> <th>Financial Functions Strengthening</th> <th>Damage Recovery Distribution</th> <th>Regional Economy Vitalization Corporation</th> <th>Corporation for Revitalizing Earthquake-Affected Business</th> <th>Dormant Deposits</th> </tr> </thead> <tbody> <tr> <td>End of FY2016</td> <td>3,225.2</td> <td>369.5</td> <td>(88.0)</td> <td>1,592.2</td> <td>43.4</td> <td>(45.3)<br/>(¥million)</td> <td>(34.0)<br/>(¥million)</td> <td>(2.4)<br/>(¥million)</td> <td>(0.0)</td> </tr> <tr> <td>End of FY2017</td> <td>3,614.5</td> <td>369.0</td> <td>(57.5)</td> <td>1,592.5</td> <td>46.9</td> <td>(107.1)<br/>(¥million)</td> <td>(39.6)<br/>(¥million)</td> <td>(3.0)<br/>(¥million)</td> <td>(0.5)</td> </tr> <tr> <td>End of FY2018</td> <td>3,987.6</td> <td>368.5</td> <td>(20.8)</td> <td>1,592.6</td> <td>50.2</td> <td>(60.9)<br/>(¥million)</td> <td>(12.9)<br/>(¥million)</td> <td>(3.5)<br/>(¥million)</td> <td>(1.3)</td> </tr> <tr> <td>Increase/Decrease (18-17)</td> <td>373.1</td> <td>(0.4)</td> <td>36.6</td> <td>0.1</td> <td>3.2</td> <td>46.1<br/>(¥million)</td> <td>26.6<br/>(¥million)</td> <td>(0.5)<br/>(¥million)</td> <td>(0.7)</td> </tr> </tbody> </table> |                   | General                  | Crisis Management   | Financial Revitalization          | Early Strengthening          | Financial Functions Strengthening         | Damage Recovery Distribution                              | Regional Economy Vitalization Corporation | Corporation for Revitalizing Earthquake-Affected Business | Dormant Deposits | End of FY2016 | 3,225.2 | 369.5 | (88.0) | 1,592.2 | 43.4 | (45.3)<br>(¥million) | (34.0)<br>(¥million) | (2.4)<br>(¥million) | (0.0) | End of FY2017 | 3,614.5 | 369.0 | (57.5) | 1,592.5 | 46.9 | (107.1)<br>(¥million) | (39.6)<br>(¥million) | (3.0)<br>(¥million) | (0.5) | End of FY2018 | 3,987.6 | 368.5 | (20.8) | 1,592.6 | 50.2 | (60.9)<br>(¥million) | (12.9)<br>(¥million) | (3.5)<br>(¥million) | (1.3) | Increase/Decrease (18-17) | 373.1 | (0.4) | 36.6 | 0.1 | 3.2 | 46.1<br>(¥million) | 26.6<br>(¥million) | (0.5)<br>(¥million) | (0.7) |
|                                                                                                                                             | General                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Crisis Management | Financial Revitalization | Early Strengthening | Financial Functions Strengthening | Damage Recovery Distribution | Regional Economy Vitalization Corporation | Corporation for Revitalizing Earthquake-Affected Business | Dormant Deposits                          |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
| End of FY2016                                                                                                                               | 3,225.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 369.5             | (88.0)                   | 1,592.2             | 43.4                              | (45.3)<br>(¥million)         | (34.0)<br>(¥million)                      | (2.4)<br>(¥million)                                       | (0.0)                                     |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
| End of FY2017                                                                                                                               | 3,614.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 369.0             | (57.5)                   | 1,592.5             | 46.9                              | (107.1)<br>(¥million)        | (39.6)<br>(¥million)                      | (3.0)<br>(¥million)                                       | (0.5)                                     |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
| End of FY2018                                                                                                                               | 3,987.6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 368.5             | (20.8)                   | 1,592.6             | 50.2                              | (60.9)<br>(¥million)         | (12.9)<br>(¥million)                      | (3.5)<br>(¥million)                                       | (1.3)                                     |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
| Increase/Decrease (18-17)                                                                                                                   | 373.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (0.4)             | 36.6                     | 0.1                 | 3.2                               | 46.1<br>(¥million)           | 26.6<br>(¥million)                        | (0.5)<br>(¥million)                                       | (0.7)                                     |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |
| (ii) Appropriate determination of deposit insurance premium rates                                                                           | <p>○ Regarding the deposit insurance premium rate for FY2019, decided to lower the effective rate from 0.034% in FY2018 to 0.033% as a result of deliberations based on a common understanding on the future of the liability reserves and deposit insurance premium rates from the medium- to long-term perspective, which was obtained when determining the deposit insurance premium rate for FY2015<br/>On the premise of the decision, the deposit insurance premium rates for deposits for payment and settlement purposes and for general deposits, etc. were set as follows (authorization obtained from the FSA Commissioner and the Minister of Finance):</p> <p style="padding-left: 40px;">For deposits for payment and settlement purposes: 0.045%<br/>For general deposits, etc.: 0.032%</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center;"><b>Common understanding on the future of the liability reserves and deposit insurance premium rates from medium- to long-term perspective</b></p> <p>(1) Basic Approach</p> <ul style="list-style-type: none"> <li>○ For the time being, we will aim to set aside the liability reserves so as to raise the level of the liability reserves to approximately ¥5 trillion by the end of FY2021</li> <li>○ From the perspective of maintaining the strong deposit insurance system as the core framework for financial system stability, we will certainly achieve this goal</li> <li>○ Regarding the applicable deposit insurance premium rates, we will determine them at the levels which will certainly enable the goal to be achieved</li> </ul> <p>(2) Framework to review</p> <ul style="list-style-type: none"> <li>○ Regarding the status of the liability reserves level compared with the goal described in (1) above, the Policy Board will monitor it when the Policy Board deliberates the deposit insurance premium rates of the following fiscal year</li> <li>○ During the reserve period (the timeframe to achieve the target level of the liability reserves), we will conduct a review which will take account of changes in the environment surrounding the deposit insurance system<br/>Specifically, we will conduct a review as necessary with regard to the applicable rate, the target level of the liability reserves and the method of setting the target level, and the timing of the target achievement, in light of such factors as actual growth in eligible deposits, international trends related to deposit insurance systems, the status of failure occurrence and the financial and economic situations</li> </ul> </div>                                                                                                                                                                                                                                                                                                                                                                                                                   |                   |                          |                     |                                   |                              |                                           |                                                           |                                           |                                                           |                  |               |         |       |        |         |      |                      |                      |                     |       |               |         |       |        |         |      |                       |                      |                     |       |               |         |       |        |         |      |                      |                      |                     |       |                           |       |       |      |     |     |                    |                    |                     |       |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                | Future policy                                                                                                                                                                                                                                                                                | Responsible unit                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Under the FY2019 budget, reviewed non-personnel and personnel expenses and allocated expenses to prepare for failure resolution of financial institutions, etc.</li> <li>○ Through expense reduction efforts and review of discretionary contracts, etc. appropriately managed the budget execution</li> <li>○ Liability reserves, which are set aside for insurance payout, etc., steadily increased</li> </ul> | <ul style="list-style-type: none"> <li>○ Strengthen the DICJ's financial management, streamline operations related to its finances and ensure budget preparation and execution management that can be appropriately adapted to failure resolution of financial institutions, etc.</li> </ul> | Treasury Department:<br>Budget and Accounting Division I<br>Budget and Accounting Division II<br>Budget and Accounting Division III |
| <ul style="list-style-type: none"> <li>○ Appropriately determined the deposit insurance premium rates based on the common understanding described on the left</li> </ul>                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>○ Appropriately determine the deposit insurance premium rates based on the common understanding described on the left</li> </ul>                                                                                                                      | Deposit Insurance Department:<br>Planning Division                                                                                  |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
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  - 2. Asset Holdings
  - 3. Pursuit of Liability
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  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
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  - 11. The Medium-Term Goals and Operational Policy
- III. Annex



| Task                                                                                                                                                       | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                          |                                |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------|--------|----------------|----------------------------------------------------------------|------------------------------------------|---------|---------|------------------------------------|-----------------|-----------------|-----------------|--------|--------|--------|--------|--------|--------|
|                                                                                                                                                            | <p>[Trends of deposit insurance premium rates]</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Deposit insurance premium rate</th> <th rowspan="2">Effective rate</th> </tr> <tr> <th>Deposits for payment and settlement purposes <sup>(Note)</sup></th> <th>General deposits, etc. <sup>(Note)</sup></th> </tr> </thead> <tbody> <tr> <td>FY2017</td> <td>0.049%</td> <td>0.036%</td> <td>0.037%</td> </tr> <tr> <td>FY2018</td> <td>0.046%</td> <td>0.033%</td> <td>0.034%</td> </tr> <tr> <td>FY2019</td> <td>0.045%</td> <td>0.032%</td> <td>0.033%</td> </tr> </tbody> </table> <p>Note: "Deposits for payment and settlement purposes" comprise deposits meeting three requirements—bearing no interest, payable on demand, and capable of providing payment and settlement services—and specified settlement obligations. "General deposits, etc." comprise deposits, etc. other than deposits for payment and settlement purposes, such as time deposits</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          | Deposit insurance premium rate |        | Effective rate | Deposits for payment and settlement purposes <sup>(Note)</sup> | General deposits, etc. <sup>(Note)</sup> | FY2017  | 0.049%  | 0.036%                             | 0.037%          | FY2018          | 0.046%          | 0.033% | 0.034% | FY2019 | 0.045% | 0.032% | 0.033% |
|                                                                                                                                                            | Deposit insurance premium rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                          | Effective rate                 |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
|                                                                                                                                                            | Deposits for payment and settlement purposes <sup>(Note)</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | General deposits, etc. <sup>(Note)</sup> |                                |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| FY2017                                                                                                                                                     | 0.049%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0.036%                                   | 0.037%                         |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| FY2018                                                                                                                                                     | 0.046%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0.033%                                   | 0.034%                         |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| FY2019                                                                                                                                                     | 0.045%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0.032%                                   | 0.033%                         |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| (iii) Fund management with focus on stability and liquidity, and efficient fundraising taking account of the funding requirements                          | <p>○ Strove to conduct fund management with a focus on safety and liquidity while appropriately grasping the market trends amid the ongoing implementation of the Bank of Japan's monetary easing policy<br/>As a result, did not conduct new fund management operations, such as bond purchase</p> <p>○ In fund-raising activities, issued DICJ bonds totaling ¥400 billion in the Financial Revitalization Account and ¥200 billion in the Financial Functions Strengthening Account in consideration of fund demand and the market environment, among other factors<br/>Moreover, borrowed funds from financial institutions in the Financial Revitalization Account, the Financial Functions Strengthening Account, the Damage Recovery Distribution Account, and the Dormant Deposits Management Account<br/>In addition, strove to enhance dialogue through such measures as holding explanatory meetings for and making visits to bidders for borrowings with the aim of further facilitating fund-raising</p> <p>[Trends of the outstanding balance of funds raised] <span style="float: right;">(Unit: ¥billion)</span></p> <table border="1"> <thead> <tr> <th></th> <th>FY2016</th> <th>FY2017</th> <th>FY2018</th> </tr> </thead> <tbody> <tr> <td>Balance of funding</td> <td>2,089.9</td> <td>2,061.7</td> <td>1,994.4</td> </tr> <tr> <td>Balance of bonds (annual issuance)</td> <td>1,630.0 (680.0)</td> <td>1,780.0 (500.0)</td> <td>1,700.0 (600.0)</td> </tr> </tbody> </table> |                                          | FY2016                         | FY2017 | FY2018         | Balance of funding                                             | 2,089.9                                  | 2,061.7 | 1,994.4 | Balance of bonds (annual issuance) | 1,630.0 (680.0) | 1,780.0 (500.0) | 1,700.0 (600.0) |        |        |        |        |        |        |
|                                                                                                                                                            | FY2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | FY2017                                   | FY2018                         |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| Balance of funding                                                                                                                                         | 2,089.9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,061.7                                  | 1,994.4                        |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| Balance of bonds (annual issuance)                                                                                                                         | 1,630.0 (680.0)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1,780.0 (500.0)                          | 1,700.0 (600.0)                |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| (iv) Appropriate and efficient management of organization and personnel corresponding to the operational policy and changes in the surrounding environment | <p>[Organization and personnel]</p> <p>○ Based on a rationalization plan that is in accordance with the government's rationalization policy on authorized strength of personnel, reduced the authorized number of personnel by eight</p> <p>○ In addition, secured the necessary authorized number of personnel and took measures such as flexible staff allocation in order to maintain and strengthen capabilities related to the DICJ's operations, including failure resolution of financial institutions</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                          |                                |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |
| (v) Enhancement of awareness of compliance among executives and employees                                                                                  | <p>○ Implemented the following measures in order to better ensure that executives and employees understand compliance and take appropriate actions:</p> <ul style="list-style-type: none"> <li>• Executives issued messages related to compliance</li> <li>• Compliance training (training provided by the Legal Affairs Department to respective divisions and departments, and group training using DVD teaching materials)</li> <li>• Training provided by an outside expert (lawyer), etc. regarding legal procedures that must be observed in implementation of operations</li> <li>• Distribution of email magazines concerning compliance</li> <li>• Holding of liaison meetings for persons responsible for compliance at respective divisions and departments to raise awareness about the specifics of those persons' job duties</li> <li>• Holding of Compliance Committee meetings</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                          |                                |        |                |                                                                |                                          |         |         |                                    |                 |                 |                 |        |        |        |        |        |        |

| Evaluation                                                                                                                                                                                                                                                                  | Future policy                                                                                                                                                                                                                                                          | Responsible unit                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                        |                                                                                                   |
| <ul style="list-style-type: none"> <li>○ Appropriately conducted fund management with a focus on safety and liquidity</li> <li>○ In fund-raising activities, raised funds in an appropriate and efficient manner by taking into account the funding requirements</li> </ul> | <ul style="list-style-type: none"> <li>○ In view of the severe fund management environment, appropriately manage funds while continuing to focus on safety and liquidity</li> <li>○ Raise funds in an efficient manner in light of the funding requirements</li> </ul> | Treasury Department:<br>Finance Division I                                                        |
| <ul style="list-style-type: none"> <li>○ Appropriately improved the organization for various operations based on the operational policy under limited manpower</li> </ul>                                                                                                   | <ul style="list-style-type: none"> <li>○ Strive to conduct appropriate and efficient management of organization and personnel in accordance with the operational policy and in response to changes in the surrounding environment</li> </ul>                           | Planning and Coordination Department:<br>Personnel Division<br>Planning and Coordination Division |
| <ul style="list-style-type: none"> <li>○ Strove to enhance awareness of compliance among executives and employees</li> </ul>                                                                                                                                                | <ul style="list-style-type: none"> <li>○ In order to raise awareness about compliance among executives and employees and ensure more appropriate actions, will strive to implement training and other activities</li> </ul>                                            | Legal Affairs Department                                                                          |

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- II. Overview of the DICJ's Activities
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  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

| Task                                                                                                                                                  | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <b>9. Collaboration with Affiliated Companies</b>                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>(i) Guidance and advice to the RCC, and collaboration with the RCC concerning operations of recovering claims against antisocial forces</p>        | <ul style="list-style-type: none"> <li>○ Held hearings on the status of customer protection, compliance with laws and regulations, etc., and provided guidance and advice on business operation improvement at liaison council meetings concerning business operation improvement, etc.<br/>In addition, collaborated with the RCC by having the DICJ's officials attend the Compliance Committee of the RCC and express opinions as committee members</li> <li>○ Regarding the use of the RCC's servicer function, collaborated with the RCC in order to ensure appropriate management of the program, for example by attending meetings of the Accreditation Advisory Committee, which was established in order to secure the appropriateness of judgment as to equivalence to claims against antisocial forces, and by expressing opinions as a committee member, in order to implement measures to promote initiatives to sever relationships with antisocial forces</li> <li>○ Provided advice, etc. concerning measures to secure staff, the method of procuring computer systems, cash management, etc. through close exchanges of information with the RCC</li> </ul>                                                                                                                                                                              |
| <p>(ii) Cooperation with the Regional Economy Vitalization Corporation of Japan and the Corporation for Revitalizing Earthquake-Affected Business</p> | <p>[Regional Economy Vitalization Corporation of Japan (REVIC)]</p> <ul style="list-style-type: none"> <li>○ Received a dividend of surplus from the REVIC and distributed ¥5.34 billion, which is equivalent to the amount of the received dividend of surplus, to the government and contributing financial institutions<br/>In addition, repaid ¥15.32 billion, which is equivalent to the whole of capital held through the Regional Economy Vitalization Corporation Account, to the government upon the government's request for repayment of the capital invested in that account from the Investment Account of Fiscal Investment and Loan Program Special Account</li> </ul> <p>[The Corporation for Revitalizing Earthquake-Affected Business (The Corporation for Revitalizing Business)]</p> <ul style="list-style-type: none"> <li>○ The DICJ newly received ¥9.34 billion in governmental capital in order to continue appropriate and smooth support for earthquake-affected businesses facing the double loan problem by strengthening the financial foundation following the extension of the period of decision on support by the Corporation for Revitalizing Business through a legal amendment and made additional capital investment in the corporation with the received capital minus the necessary management expenses</li> </ul> |
| <p>(iii) Appropriate exercise of voting rights as a shareholder</p>                                                                                   | <p>[Matters common to affiliated companies]</p> <ul style="list-style-type: none"> <li>○ Regarding the exercise of voting rights at ordinary general shareholders' meetings of affiliated companies, exercised voting rights as a shareholder based on explanations received from each of the companies concerning their budgets, settlement of accounts, etc.</li> </ul> <p>[REVIC]</p> <ul style="list-style-type: none"> <li>○ Exercised the voting rights as a shareholder with respect to proposals related to the reduction of the capital amount, the received dividend of surplus, and the disposal of surpluses presented at an extraordinary general shareholders' meeting that was held in February 2019</li> </ul> <p>[The Corporation for Revitalizing Business]</p> <ul style="list-style-type: none"> <li>○ As a shareholder, agreed to a proposal related to the issuance of shares for subscription that was presented in April 2018 based on Article 319 of the Companies Act</li> </ul>                                                                                                                                                                                                                                                                                                                                                 |

| Evaluation                                                                                                                                                                            | Future policy                                                                                                                                                                                                                                                                                                        | Responsible unit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>○ Promoted collaboration with the RCC in addition to providing necessary guidance and advice, from the perspective of ensuring appropriate management of operations by the RCC</p> | <p>○ Follow up on the status of customer protection and compliance with laws and regulations by the RCC and provide necessary guidance and advice so as to ensure appropriate operations</p> <p>○ Regarding the use of the RCC's servicer function, strive to collaborate so as to ensure appropriate operations</p> | <p>Planning and Coordination Department:<br/>Subsidiary Administration Division</p> <p>Treasury Department:<br/>Finance Division I</p> <p>Resolution and Financial Revitalization Department:<br/>Planning and Coordination Division</p> <p>Special Investigation Department:<br/>Investigation and Planning Division</p> <p>Financial Operations Assistance Department:<br/>Operations Planning Division</p> <p>Osaka Operation Department:<br/>Administration, Policy Planning and Coordination Division</p> |
| <p>○ Cooperated with the appropriate and efficient management of operations of both corporations</p>                                                                                  | <p>○ Cooperate in the appropriate and efficient implementation of the operations of both corporations</p>                                                                                                                                                                                                            | <p>Planning and Coordination Department:<br/>Subsidiary Administration Division</p>                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>○ Appropriately exercised voting rights as a shareholder</p>                                                                                                                       | <p>○ Appropriately exercise voting rights as a shareholder while paying attention to such points as whether affiliated companies are conducting operations in line with the purposes of laws and regulations</p>                                                                                                     | <p>Planning and Coordination Department:<br/>Subsidiary Administration Division</p>                                                                                                                                                                                                                                                                                                                                                                                                                            |

- 1. DICJ's Operations
- II. Overview of the DICJ's Activities
  - 1. Failure Resolution
  - 2. Asset Holdings
  - 3. Pursuit of Liability
  - 4. International Cooperation
  - 5. Capital Participation
  - 6. Specified Difficult Recovery Claims
  - 7. Criminal Accounts Damage Recovery
  - 8. Management Operations of Promort Deposits, etc.
  - 9. Finances
  - 10. PR Activities to Ensure Public Awareness
  - 11. The Medium-Term Goals and Operational Policy
- III. Annex

1. DICJ's Operations

II. Overview of the DICJ's Activities

1. Failure Resolution

2. Asset Holdings

3. Pursuit of Liability

4. International Cooperation

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8. Management Operations of Dominant Deposits, etc.

9. Finances

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11. The Medium-Term Goals and Operational Policy

III. Annex

| Task                                                                                                                                                                         | Main business performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                 |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--------|--------|--------------------------------------------|-----------------|-----------------|-----------------|--|--------|--------|--------|--------------------------------------------------------------------|----|----|----|
| <b>10. Establishment of a Framework for Business Continuity at the Time of a Disaster</b>                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                 |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| (i) Establishment of a framework for business continuity intended to smoothly implement the failure resolution operation                                                     | <ul style="list-style-type: none"> <li>○ Strove to maintain the back-up preparedness of facilities so that failure resolution can be smoothly implemented at the time of a disaster and to develop the framework for business continuity in order to smoothly implement the failure resolution operation by conducting system switching training, etc. at the time of a disaster</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                 |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| (ii) Development of a robust framework for business continuity through business continuity training related to the settlement of funds and other measures                    | <ul style="list-style-type: none"> <li>○ In order to make it possible to transfer the settlement of funds and other operations, which should be continued as priority operations at the time of a disaster, from the Treasury Department to the Osaka Operation Department, these two departments consulted with each other, and it was confirmed that five staff members (including two who have the authority over data transmission) will handle data entry at the Osaka Operation Department</li> </ul> <p>(Training, etc.)</p> <ul style="list-style-type: none"> <li>• Implemented training, etc. at the Treasury Department and the Osaka Operation Department in preparation for the implementation of the settlement of funds and other operations at the time of a disaster (June 2018)</li> <li>• Implemented training to check the operation of the Bank of Japan Financial Network System (BOJ-NET) in preparation for a large-scale disaster to coincide with the original training implemented in Osaka that assumed the implementation of failure resolution procedures (October 2018)</li> <li>• The Treasury Department and the Osaka Operation Department participated in BCP training related to the short-term money market held by the Japanese Bankers Association (November 2018)</li> <li>• Conducted BCP training related to such operations as settlement of funds for borrowing from and redemption to financial institutions at the Osaka Operation Department with assistance from the Treasury Department (November 2018)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                 |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| <b>11. Enhancement of Provision of Information to Depositors and Relevant Parties in and outside Japan</b>                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                 |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| (i) Implementation of easy-to-understand PR activities and development of an environment that facilitates two-way exchanges of information with financial institutions, etc. | <p>[Implementation of easy-to-understand PR activities for depositors, etc.]</p> <ul style="list-style-type: none"> <li>○ Made efforts to actively provide information, including posting of new information in a timely manner while preparing the DICJ website in consideration of web accessibility</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>FY2016</th> <th>FY2017</th> <th>FY2018</th> </tr> </thead> <tbody> <tr> <td>The number of visitors to the DICJ website</td> <td>440,260 persons</td> <td>387,159 persons</td> <td>440,633 persons</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>○ Prepared a brochure called “Understanding the Deposit Insurance System with Cartoons” for depositors and distributed it to financial institutions and consumer centers nationwide in order to raise public awareness about the deposit insurance system</li> <li>○ Strove to disclose information through such measures as compiling and publishing an administrative cost statement, including consolidated financial statements that covers subsidiaries in addition to financial statements and other documents prescribed by the Deposit Insurance Act and other laws and regulations</li> </ul> <p>[Development of an environment that enables bilateral exchange of information with financial institutions, etc.]</p> <ul style="list-style-type: none"> <li>○ In order to identify any problems in the implementation of inspections, implemented, as necessary, inspection monitoring, in which the executive in charge of the Inspection Department and the head of the Inspection Department visited financial institutions</li> </ul> <p>In the monitoring, strove to provide information concerning the DICJ’s operations through such measures as distributing the DICJ’s Annual Report and the Deposit Insurance Guidebook</p> <ul style="list-style-type: none"> <li>○ Used a cloud service to provide financial institutions with information related to training, inspection, database verification, failure resolution, insurance premiums and specified difficult recovery claims</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>FY2016</th> <th>FY2017</th> <th>FY2018</th> </tr> </thead> <tbody> <tr> <td>Number of new information items provided through the cloud service</td> <td>16</td> <td>18</td> <td>12</td> </tr> </tbody> </table> |                 | FY2016          | FY2017 | FY2018 | The number of visitors to the DICJ website | 440,260 persons | 387,159 persons | 440,633 persons |  | FY2016 | FY2017 | FY2018 | Number of new information items provided through the cloud service | 16 | 18 | 12 |
|                                                                                                                                                                              | FY2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | FY2017          | FY2018          |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| The number of visitors to the DICJ website                                                                                                                                   | 440,260 persons                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 387,159 persons | 440,633 persons |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
|                                                                                                                                                                              | FY2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | FY2017          | FY2018          |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| Number of new information items provided through the cloud service                                                                                                           | 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 18              | 12              |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |
| (ii) Dissemination of information to relevant parties overseas with respect to Japan’s deposit insurance system and the DICJ’s activities                                    | <ul style="list-style-type: none"> <li>○ Prepared and distributed to relevant organizations in and outside Japan “ANNUAL REPORT 2017/2018,” the English version of the FY2017 annual report of the DICJ, in order to disseminate information concerning Japan’s deposit insurance system and the DICJ’s activities internationally and also used it to explain the DICJ’s activities at seminars and other events held for foreign deposit insurance organizations</li> <li>○ Published articles in English on the DICJ website, thereby continuing efforts to enhance the dissemination of information in English</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                 |        |        |                                            |                 |                 |                 |  |        |        |        |                                                                    |    |    |    |

| Evaluation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Future policy                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Responsible unit                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>○ Strove to develop the framework to ensure business continuity at the time of a disaster</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>○ Continue to strive to establish a framework for business continuity at the time of a disaster</li> </ul>                                                                                                                                                                                                                                                                                                                          | Planning and Coordination Department:<br>Planning and Coordination Division<br>System Planning Division<br><br>Resolution and Financial Revitalization Department:<br>Resolution and Receivership Division<br><br>Deposit Insurance Department:<br>Planning Division                                 |
| <ul style="list-style-type: none"> <li>○ Checked the framework for smooth transfer of the settlement of funds and other operations, which should be continued as priority operations at the time of a disaster, from the Treasury Department to the Osaka Operation Department at the time of a disaster</li> <li>○ Enhanced the disaster response capability by conducting training for such operations as the settlement of funds</li> </ul>                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>○ Continue to strive to develop a robust framework for business continuity in cooperation with relevant organizations so that operations related to the settlement of funds, etc. can be appropriately implemented at the time of a disaster</li> </ul>                                                                                                                                                                             | Planning and Coordination Department:<br>Planning and Coordination Division<br><br>Treasury Department:<br>Financial Planning and Coordination Division<br>Finance Division I<br>Finance Division II<br><br>Osaka Operation Department:<br>Administration, Policy Planning and Coordination Division |
| <ul style="list-style-type: none"> <li>○ Contributed to deepening depositors' and others' understanding of the deposit insurance system and the DICJ's roles and operations through the dissemination of information via the DICJ website and distribution of brochures Regarding the website, developed contents in consideration of web accessibility</li> <li>○ Disclosed information in an easy-to-understand manner with respect to the financial conditions of the whole of the DICJ, including subsidiaries</li> <li>○ Engaged in bilateral exchange of information with financial institutions through inspection monitoring</li> <li>○ Strove to provide information to financial institutions through a cloud service</li> </ul> | <ul style="list-style-type: none"> <li>○ Implement easy-to-understand PR activities from the standpoint of depositors, etc., promote the development of an environment that facilitates interactive exchanges of information with financial institutions, etc. and enhance and improve the DICJ's efforts while listening to the opinions of relevant parties at every available opportunity Regarding the website, strive to further improve web accessibility</li> </ul> | Planning and Coordination Department:<br>Public Relations and Information Management Office<br><br>Treasury Department:<br>Budget and Accounting Division I<br><br>Inspection Department:<br>Inspection Planning Division<br><br>Research Department:<br>Research and Analysis Division              |
| <ul style="list-style-type: none"> <li>○ Provided necessary information to relevant parties in and outside Japan</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>○ Continue efforts to provide information in a timely manner by using the English version of the annual report at international conferences, technical cooperation seminars and other events and by conducting public relations activities using the English version of the website</li> </ul>                                                                                                                                      | International Department                                                                                                                                                                                                                                                                             |

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| 2. Asset Holdings                                    |
| 3. Pursuit of Liability                              |
| 4. International Cooperation                         |
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| 9. Finances                                          |
| 10. PR Activities to Ensure Public Awareness         |
| 11. The Medium-Term Goals and Operational Policy     |
| III. Annex                                           |