

April 27, 2012

Bank of Japan

## **Amendment to "Principal Terms and Conditions for the Asset Purchase Program"**

At the Monetary Policy Meeting held today, the Policy Board of the Bank of Japan decided to take the measures as listed below, with a view to further enhancing monetary easing and thereby ensuring a successful transition to a sustainable growth path with price stability.

1. The Bank shall amend the "Principal Terms and Conditions for the Asset Purchase Program" (see Attachment 1).
2. The Bank shall amend the "Principal Terms and Conditions for Outright Purchases of Japanese Government Bonds and Treasury Discount Bills Conducted through the Asset Purchase Program" (see Attachment 2).
3. The Bank shall amend the "Principal Terms and Conditions for Outright Purchases of CP and Corporate Bonds Conducted through the Asset Purchase Program" (see Attachment 3).
4. The Bank shall seek, from the Minister of Finance and the Commissioner of the Financial Services Agency, authorization regarding the implementation of 1., in accordance with Article 43, Paragraph 1 and Article 61-2 of the Bank of Japan Act.

## Amendment to "Principal Terms and Conditions for the Asset Purchase Program"

- 4. shall be amended as follows.

### 4. Maximum Outstanding Amount of Purchases and Loans

- (1) The maximum outstanding amount of financial assets purchased through the Program shall be about ~~3040~~ trillion yen. The maximum outstanding amount of loans provided through the Program shall be about ~~3530~~ trillion yen.
- (2) The maximum outstanding amount for each financial asset purchased through the Program shall be as follows.
  - a. Japanese government bonds with coupons  
about ~~4929~~ trillion yen
  - b. }  
c. } (No change)  
d. }
  - e. Beneficiary interest in index-linked exchange-traded funds  
about ~~1.41.6~~ trillion yen
  - f. Investment equity issued by real estate investment corporations  
about ~~0.110.12~~ trillion yen

### (Supplementary Provision)

These amendments shall become effective today. However, the Bank shall not apply the amendment regarding the maximum outstanding amount of loans provided through the Program in paragraph 4. (1) until the actual outstanding amount of loans provided through the Program falls below 30 trillion yen. And, amendments regarding purchases of beneficiary interest in index-linked exchange-traded funds and investment equity issued by real estate investment corporations shall become effective on the date the Bank obtains authorization from the Minister of Finance and the Commissioner of

the Financial Services Agency in accordance with Article 43, Paragraph 1 and Article 61-2 of the Bank of Japan Act, Act No. 89, 1997, provided that the Bank obtains such authorization.

**Amendment to "Principal Terms and Conditions for Outright Purchases of Japanese Government Bonds and Treasury Discount Bills Conducted through the Asset Purchase Program"**

- 5. shall be amended as follows.

5. Assets to Be Purchased

JGBs with coupons (2-year bonds, 5-year bonds, 10-year bonds, and 20-year bonds, with a remaining maturity of 1 year or more and up to 23 years) and T-Bills issued on or before the day of auction.

(Supplementary Provision)

This amendment shall become effective today.

**Amendment to "Principal Terms and Conditions for Outright Purchases of CP and Corporate Bonds Conducted through the Asset Purchase Program"**

- 4. (6) shall be amended as follows.

(6) Corporate Bonds

Satisfy either criteria a. or b. below, and with a remaining maturity of 1 year or more and up to 23 years.

(No change)

- 4. (7) shall be amended as follows.

(7) Bonds Issued by Real Estate Investment Corporations

Satisfy either criteria a. or b. below, and with a remaining maturity of 1 year or more and up to 23 years.

(No change)

(Supplementary Provision)

These amendments shall become effective today.