I. Core Purposes

II. Capital

III. The Bank's Officers

IV. Organization
The Bank of Japan is the central bank of Japan. It is a juridical person established based on the Bank of Japan Act (hereafter the Act), and is not a government agency or a private corporation (Table 1).

<table>
<thead>
<tr>
<th>Year</th>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1882</td>
<td>June</td>
<td>The Bank of Japan Act of 1882 is promulgated; the Bank is to have capital of 10 million yen and is given a license to operate for 30 years from the start of business.</td>
</tr>
<tr>
<td></td>
<td>Oct. 10</td>
<td>Business operation begins.</td>
</tr>
<tr>
<td>1887</td>
<td>Mar.</td>
<td>An increase in the Bank’s capital is announced from 10 million yen to 20 million yen.</td>
</tr>
<tr>
<td>1895</td>
<td>Aug.</td>
<td>An increase in the Bank’s capital is announced from 20 million yen to 30 million yen.</td>
</tr>
<tr>
<td>1896</td>
<td>Apr.</td>
<td>The Head Office is moved to a new building at the present location.</td>
</tr>
<tr>
<td>1910</td>
<td>Feb.</td>
<td>The Bank is given a license to operate for 30 more years from October 10, 1912, and an increase in the Bank’s capital is announced from 30 million yen to 60 million yen.</td>
</tr>
<tr>
<td>1942</td>
<td>Feb.</td>
<td>The Bank of Japan Act of 1942 is promulgated; the Bank is to have capital of 100 million yen.</td>
</tr>
<tr>
<td></td>
<td>May 1</td>
<td>The Bank is reorganized under the Bank of Japan Act of 1942.</td>
</tr>
<tr>
<td>1949</td>
<td>June</td>
<td>The Policy Board is established.</td>
</tr>
<tr>
<td>1997</td>
<td>June</td>
<td>The Bank of Japan Act of 1997 is promulgated; the Bank is to have capital of 100 million yen.</td>
</tr>
</tbody>
</table>

**I. Core Purposes**

The Act determines the Bank’s core purposes as follows:

**Article 1**

(1) The purpose of the Bank of Japan, or the central bank of Japan, is to issue banknotes and to carry out currency and monetary control.

(2) In addition to what is prescribed in the preceding paragraph, the Bank of Japan’s purpose is to ensure smooth settlement of funds among banks and other financial institutions, thereby contributing to the maintenance of stability of the financial system.

The Act also stipulates the principle governing the Bank’s currency and monetary control as follows:

**Article 2**

Currency and monetary control by the Bank of Japan shall be aimed at achieving price stability, thereby contributing to the sound development of the national economy.
II. CAPITAL

The Bank is capitalized at 100 million yen in accordance with Article 8, paragraph 1 of the Act. As of the end of March 2017, 55,008,000 yen is subscribed by the government, and the rest by the private sector (Table 2).¹

The Act does not grant holders of subscription certificates the right to participate in the Bank’s management, and, in the case of liquidation, only gives them the right to request distribution of residual assets up to the sum of the paid-up capital and, if any, the special reserve fund.² Dividend payments as a proportion of paid-up capital are limited to 5 percent or below in each fiscal year.³

### Table 2

<table>
<thead>
<tr>
<th>Subscribers</th>
<th>Amount of subscription (thous. yen)</th>
<th>Percentage of the total subscription (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The government</td>
<td>55,008</td>
<td>55.0</td>
</tr>
<tr>
<td>The private sector</td>
<td>44,991</td>
<td>45.0</td>
</tr>
<tr>
<td>Individuals</td>
<td>40,039</td>
<td>40.0</td>
</tr>
<tr>
<td>Financial institutions</td>
<td>2,209</td>
<td>2.2</td>
</tr>
<tr>
<td>Public organizations</td>
<td>191</td>
<td>0.2</td>
</tr>
<tr>
<td>Securities companies</td>
<td>23</td>
<td>0.0</td>
</tr>
<tr>
<td>Other firms</td>
<td>2,526</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>100,000</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Note: 1. Rounded down to the nearest 1,000 yen. As of the end of March 2017.

¹ Article 8, paragraph 2 of the Act states as follows: “Of the amount of stated capital set forth in the preceding paragraph, the amount of contribution by the government shall be no less than fifty-five million yen.”
² Stipulated by Article 60, paragraph 2, and Supplementary Provisions Article 22, paragraph 2.
³ Stipulated by Article 53, paragraph 4.
The Bank's officers are the Governor, Deputy Governors, Members of the Policy Board, Auditors, Executive Directors, and Counsellors. Of the above, the Governor, Deputy Governors, and Members of the Policy Board make up the Policy Board.

The Governor, Deputy Governors, and Members of the Policy Board are appointed by the Cabinet, subject to the consent of the House of Representatives and the House of Councillors. Auditors are appointed by the Cabinet. Executive Directors and Counsellors are appointed by the Minister of Finance based on the Policy Board's recommendation.

The terms of office are five years for the Governor, Deputy Governors, and Members of the Policy Board; four years for Auditors and Executive Directors; and two years for Counsellors. The Bank's officers, excluding Executive Directors, are not dismissed against their will during their terms of office, except in the cases prescribed in the Act, such as the formal commencement of bankruptcy proceedings against them.

For duties and powers of the Bank's officers, see Table 3.

### Table 3

<table>
<thead>
<tr>
<th>Duties and Powers of the Bank's Officers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Duties and powers</strong></td>
</tr>
<tr>
<td>Policy Board members</td>
</tr>
<tr>
<td>Governor</td>
</tr>
<tr>
<td>Deputy Governors</td>
</tr>
<tr>
<td>Members of the Policy Board</td>
</tr>
<tr>
<td>Auditors</td>
</tr>
<tr>
<td>Executive Directors</td>
</tr>
<tr>
<td>Counsellors</td>
</tr>
</tbody>
</table>

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4. Stipulated by Article 21. The officers of the Bank consist of a Governor, two Deputy Governors, six Members of the Policy Board, three or fewer Auditors, six or fewer Executive Directors, and a small number of Counsellors.

5. Stipulated by Article 16, paragraph 2.


7. Stipulated by Article 24.

8. Stipulated by Article 25.

9. Duties and powers are stipulated by Article 16, paragraph 2, and Article 22.
Policy Board Members

Standing from left to right: Hitoshi Suzuki, Makoto Sakurai, Yutaka Harada, Yukitoshi Funo, Takako Masai, and Goushi Kataoka
Seated from left to right: Kikuo Iwata, Haruhiko Kuroda, and Hiroshi Nakaso

Haruhiko Kuroda

**Governor (the 31st) and Chairman of the Policy Board**

**Date of Birth**
October 25, 1944

**Education**
The University of Tokyo
(1967, B.A. in Law)
University of Oxford
(1971, M.Phil. in Economics)

1967: Joined Japan's Ministry of Finance (MOF)
1967: Director, International Organizations Division, International Finance Bureau
1968: Secretary to the Minister of Finance
1989: Director, International Tax Affairs Division, Tax Bureau
1990: Director, Income Tax and Property Tax Policy Division, Tax Bureau
1991: Director, Coordination Division, Tax Bureau
1993: Regional Commissioner, Osaka Regional Taxation Bureau, National Tax Agency
1994: Deputy Director-General, International Finance Bureau, MOF
1996: President, Institute of Fiscal and Monetary Policy
1997: Director-General, International Finance Bureau
1998: Director-General, International Bureau
1998: Vice Minister of Finance for International Affairs
2005: Special Advisor to the Cabinet and Professor, Graduate School of Economics, Hitotsubashi University
2013: President, Asian Development Bank
2013: Present position

Notes:
1. Members are as of August 7, 2017.
2. The texts of speeches by Policy Board members are available on the Bank’s website (http://www.boj.or.jp/en/announcements/press/koen_speaker/index.html).
Kikuo Iwata
Deputy Governor

Date of Birth: October 3, 1942

Education:
The University of Tokyo (1966, B.A. in Economics; 1970, M.A. in Economics; and 1973, withdrew from doctoral program in Economics after completion of course requirements except for dissertation)
Gakushuin University (2012, Ph.D. in Economics)

1973 Lecturer, Sophia University
1977 Assistant Professor, Sophia University
1980 Professor, Sophia University
1996 Professor, Gakushuin University

2013 Present position

Yutaka Harada

Date of Birth: September 1, 1950

Education:
The University of Tokyo (1974, B.A. in Agricultural Economics)
University of Hawaii (1979, M.A. in Economics)
Gakushuin University (2012, Ph.D. in Economics)

1974 Joined the Economic Planning Agency
1995 Director, Social Research Division, Social Policy Bureau
1997 Director, Overseas Research Division, Research Bureau
1996 Director, Policy Coordination, Price Bureau
1999 Vice President, Institute of Fiscal and Monetary Policy, Ministry of Finance
2002 Executive Research Fellow, Economic and Social Research Institute, Cabinet Office
2004 Chief Economist, Daichi Institute of Research, Ltd.
2012 Professor, Waseda University
2015 Present position

Makoto Sakurai

Date of Birth: June 16, 1946

Education:
Chuo University (1969, B.A. in Economics)
The University of Tokyo (1972, M.A. in Economics; and 1976, withdrew from doctoral program in Economics after completion of course requirements except for dissertation)

1976 Joined the Export-Import Bank of Japan
1980 Visiting Fellow, Economic Growth Center, Yale University
1989 Senior Economist, Research Institute for International Investment and Development, Export-Import Bank of Japan
Director General and Chief Economist, Yasuda Marine Research Institute Co., Ltd.
1990 Also served as Senior Research Fellow, Institute of Fiscal and Monetary Policy, Ministry of Finance
1992 President, Research Center for International Finance, Yasuda Marine Research Institute Co., Ltd.
2007 President, Sakurai and Asakawa Economic Research Institute
2016 Present position

Hitosuzu Suzuki

Date of Birth: January 8, 1954

Education:
Keio University (1977, B.A. in Economics)
New York University (1984, MBA)

1977 Joined The Mitsubishi Bank, Ltd.
2005 Executive Officer and General Manager, Treasury Planning Office and Treasury Planning Office, The Bank of Tokyo-Mitsubishi, Ltd. (BTMU)
2008 Executive Officer and General Manager, Global Markets Planning Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)
2007 Executive Officer and General Manager, Strategic Credit Portfolio Management Division, BTMU
2011 Senior Managing Director, Global Markets Unit, BTMU
2012 Deputy President, BTMU
2014 Corporate Auditor, BTMU
2016 Director, Audit and Supervisory Committee Member, BTMU
2017 Advisor, BTMU

Present position

Hiroshi Nakaso
Deputy Governor

Date of Birth: October 12, 1953

Education:
The University of Tokyo (1978, B.A. in Economics)

1978 Joined the Bank of Japan
1997 Director, Head of Financial System Division, Financial and Payment System Department
2000 Deputy Director General, Financial and Payment System Office
Transferred to the Bank for International Settlements
2001 Deputy Director General, Financial Markets Department and International Department, Bank of Japan
2003 Director General, Financial Markets Department
2008 Executive Director
2010 Assistant Governor
2013 Present position

Yukitoshi Funo

Date of Birth: February 1, 1947

Education:
Kobe University (1969, B.A. in Business Administration)
Columbia University (1976, MBA)

1970 Joined Toyota Motor Corporation (TMS)
1978 Joined TOYOTA Motor Sales, U.S.A., Inc. (TMS)
1980 Chairman and Chief Executive Officer, TMS
2000 Chairman and Chief Executive Officer, Toyota Motor North America, Inc. (TMA)
2009 Executive Vice President and Member of the Board, TMC
2013 President, Toyota Motor Corporation
2015 Executive Officer, Institute for International Economic Studies
2016 Executive Officer, Institute for International Economic Studies

Takako Masai

Date of Birth: March 8, 1965

Education:
Jissen Women’s University (1988, B.A. in English Literature)
Hosei University (2007, MBA)

1988 Joined Scionet Bank, Tokyo
1989 Joined the Toronto-Dominion Bank, Tokyo
1998 Joined Credit Agricole Indosuez, Tokyo
2004 Joined Calyon Corporate and Investment Bank, Tokyo
2007 General Manager, Capital Markets Division, Shinsei Bank, Ltd.
2011 General Manager, Markets Sub-Group, Shinsei Bank, Ltd.
2013 Executive Officer, Head of Markets Research Department, Markets Sub-Group, Shinsei Bank, Ltd.
2015 Executive Officer, General Manager of Markets Research Division, Shinsei Bank, Ltd.
2016 Executive Officer, General Manager of Financial Research Division, Shinsei Bank, Ltd.

Goushi Kataoka

Date of Birth: November 30, 1972

Education:
Keio University (1996, B.A. in Business and Commerce; and 2001, M.A. in Business and Commerce)

1998 Senior Economist, Economic Policy Department
2000 Senior Economist, Economic & Social Policy Department, UFJ Institute Ltd.
2006 Senior Economist, Economic & Social Policy Department, Mitsubishi UFJ Research and Consulting Co., Ltd.
2010 Senior Economist, Economic Policy Department, Mitsubishi UFJ Research and Consulting Co., Ltd.
2016 Senior Economist, Economic Policy Department, Mitsubishi UFJ Research and Consulting Co., Ltd.

2017 Present position

Notes: 3. Established in 2004 through merger of Credit Agricole Indosuez and Credit Lyonnais.
4. Established in 1996 through merger of The Mitsubishi Bank, Ltd. and The Bank of Tokyo, Ltd.
5. Established in 2006 through merger of The Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Ltd.
IV. ORGANIZATION

Organization Chart of the Bank

Policy Board Members (9)
- Governor (1)
  - Haruhiko Kuroda
- Deputy Governors (2)
  - Kikuo Iwata
  - Hiroshi Nakaso
- Executive Directors (6)
  - Masayoshi Amamiya
  - Atsushi Miyanoya
  - Shigehiro Kuwabara
  - Eiji Maeda
  - Kimihiro Etoh
  - Nobuyasu Yoshioka

Members of the Policy Board (6)
- Yutaka Harada
- Yukitoshi Funo
- Makoto Sakurai
- Takako Masai
- Hitoshi Suzuki
- Goushi Kataoka

Auditors (3)
- Ryuichi Shogan
- Toshihiko Fujita
- Ryota Yanagihara

Counsellors (10)
- Tsutomu Okuda
- Hiroaki Nakanishi
- Akio Mimura
- Ado Yamamoto
- Sadayuki Sakakibara
- Masayoshi Matsumoto
- Masahiro Kawai
- Shigeharu Suzuki
- Eizo Kobayashi
- Nobuyuki Hirano

Management Committee

Compliance Committee

Head Office Departments (15)

Branches (32)

Local Offices in Japan (14)

Overseas Representative Offices (7)

See next page for details

Notes:
1. As of August 7, 2017.
2. As stipulated by Article 16, paragraph 2 of the Act, the Policy Board shall consist of the Governor, two Deputy Governors, and six Members of the Policy Board.
3. Includes the Computer Center represented by the Director-General of the Information System Services Department, and the Banknote Operations Center represented by the Director-General of the Currency Issue Department.
## Head office departments

| Secretariat of the Policy Board | Yoji Onozawa (Director-General)  
|---------------------------------|---------------------------------|  
|                                 | Ken Matsushita (Director-General, Senior Secretary to the Governor)  
|                                 | Takeshi Nakajima (Director-General for Parliamentary Affairs and Media Relations)  
|                                 | Tetsuya Sakamoto (Director-General for Management Strategy, Budget, and Accounting)  
| Internal Auditors’ Office       | Morichika Hattori (Director-General)  
| Monetary Affairs Department     | Takeshi Kato (Director-General)  
| Financial System and Bank ...  | Yasuhiro Yamada (Director-General)  
| Payment and Settlement Systems  | Hiromi Yamaoka (Director-General)  
| Financial Markets Department    | Seiichi Shimizu (Director-General)  
| Research and Statistics Department | Toshitaka Sekine (Director-General)  
| International Department        | Yoshinori Nakata (Director-General)  
| Currency Issue Department       | Yutaka Okada (Director-General)  
| Operations Department           | Shinichiro Hayashi (Director-General)  
| Information System Services ... | Masayuki Mizuno (Director-General)  
| Public Relations Department     | Seiichi Tsurumi (Director-General)  
| Personnel and Corporate Affairs | Mitsuru Nomura (Director-General)  
| Administration Department       | Taro Teruuchi (Director-General)  
| Institute for Monetary and ...  | Shigenori Shiratsuka (Director-General)  

## Overseas representative offices

<table>
<thead>
<tr>
<th>Overseas representative offices</th>
<th>Telephone numbers</th>
<th>General managers/chief representatives</th>
</tr>
</thead>
</table>
| New York                        | +1-212-269-6566   | Kazushige Kamiyama (General Manager for the Americas and Chief Representative in New York)  
|                                 |                   | Shinichiro Okawa (Chief Representative in Washington, D.C.)  
|                                 | +44-20-7606-2454  | Tokiko Shimizu (General Manager for Europe and Chief Representative in London)  
|                                 | +33-1-4720-7295   | Yui Yokobori (Chief Representative in Paris)  
|                                 | +49-69-9714310    | Jun Mifune (Chief Representative in Frankfurt)  
|                                 | +852-2525-8325    | Ryota Kojima (Chief Representative in Hong Kong)  
|                                 | +86-10-6505-9601  | Kenji Wada (Chief Representative in Beijing)  
|                                 |                   |                                        |
Functions of Committees/Departments/Offices

**COMMITTEES AND HEAD OFFICE DEPARTMENTS**

**Management Committee**
Examines and manages Bank-wide issues regarding the Bank’s operations. The members of this committee comprise the Deputy Governors and all Executive Directors.

**Compliance Committee**
Ensures that the officers and employees perform their duties fairly and in compliance with the relevant laws and regulations. The members of this committee comprise members appointed from among the Deputy Governors and Executive Directors by the Governor, the Director-General of the Internal Auditors’ Office, and one or more legal experts from outside the Bank.

**Secretariat of the Policy Board**
(1) Arranges proceedings for Policy Board meetings, (2) liaises with the Diet and the media, (3) reviews the content and wording of important documents, and offers a legal perspective on them, (4) plans and formulates measures relating to the Bank’s business operations and organizational management, (5) handles the Bank’s budget, settlement, and accounting, (6) provides administrative services for the Bank’s officers, and (7) supports Auditors in auditing.

**Internal Auditors’ Office**
Audits the Bank’s business operations.

**Monetary Affairs Department**
Plans and formulates monetary policy measures.

**Financial System and Bank Examination Department**
(1) Plans and formulates measures that contribute to the maintenance of an orderly financial system, (2) conducts on-site examinations and off-site monitoring of financial institutions that hold current accounts at the Bank, (3) judges financial institutions’ eligibility to hold current accounts at the Bank and to have access to its lending facilities, and (4) determines the specifics of credit extension and discounting of bills by the Bank.

**Payment and Settlement Systems Department**
Plans and formulates measures in the following areas: (1) policy issues relating to payment and settlement systems; (2) financial institutions’ access to payment and settlement services provided by the Bank; and (3) the Bank’s business continuity planning.

**Financial Markets Department**
(1) Determines the specifics of daily market operations, (2) conducts foreign exchange interventions, (3) works toward improving the functioning of Japanese financial markets, including the foreign exchange market, and (4) monitors and analyzes developments in financial markets in Japan as well as overseas, including foreign exchange markets.

**Research and Statistics Department**
(1) Conducts research on the domestic economy and fiscal situation, and (2) compiles and releases statistics.
International Department
(1) Liaises and coordinates with overseas central banks and international organizations, (2) makes arrangements for investment in yen assets by overseas central banks, and conducts operations aimed at providing international financial support, (3) manages foreign currency assets held by the Bank, (4) conducts research on global economic and financial conditions, and (5) compiles Japan’s balance of payments and other such statistics.

Currency Issue Department
(1) Conducts planning and operations relating to banknotes, and (2) conducts payment/receipt of coins, and examines and takes custody of them.

Operations Department
Conducts banking operations including the following: (1) discounting of bills; (2) credit extension; (3) purchasing/selling of bills, Japanese government securities, and other securities; (4) borrowing/lending of securities with cash collateral; (5) accepting of deposits; (6) domestic funds transfers; (7) handling of treasury funds; and (8) operations relating to stocks purchased by the Bank.

Information System Services Department
Manages the development and operation of the Bank’s computer systems.

Public Relations Department
(1) Is responsible for public relations, (2) administers the Bank’s library, and (3) works toward raising the public’s awareness and understanding of financial and economic issues.

Personnel and Corporate Affairs Department
Handles business in corporate affairs, personnel policy issues relating to recruitment, assessment of job performance, career planning and training, wages and salaries, and the Bank’s code of ethics.

Administration Department
Conducts administrative operations relating to the Bank's facilities, supplies, security, and transportation.

Institute for Monetary and Economic Studies
(1) Studies theoretical, institutional, technological, and historical aspects of monetary and economic issues, (2) collects, preserves, and exhibits historical materials and documents related to monetary and economic issues, and (3) exchanges views with academics.

Branches and Offices

Branches
The 32 branches mainly conduct operations relating to currency issue and banking operations, and research on the economic and financial situation in their respective areas.

Local Offices in Japan
The Computer Center in Fuchu City, Tokyo, operates the Bank's systems. The Banknote Operations Center in Toda City, Saitama Prefecture, receives, pays, and stores banknotes. The other 12 local offices handle some of the operations of the Head Office or branches.

Overseas Representative Offices
The seven overseas representative offices perform a liaison function, gather information, and conduct research.
The Bank's Offices

Head Office, Branches, Local Offices, and Museums
Overseas Representative Offices

Note: 1. For details, see page 15.