

February 19, 2009

Bank of Japan

Expansion of Special Funds-Supplying Operations to Facilitate Corporate Financing

At the Monetary Policy Meeting held today, the Policy Board of the Bank of Japan decided, given recent financial and economic conditions, to expand special funds-supplying operations to facilitate corporate financing,¹ with a view to facilitating a decline in longer-term interest rates, which are rates actually applied to firms' fund-raising, and to relieving firms' funding concerns, as follows.

1. The frequency of the operations will be increased to once a week (previously twice a month).
2. The duration of each loan will be extended to three months (previously one to three months).

This applies only to the loans provided in the operations underlined in the table shown below.

3. Loans will be offered through end-September 2009 (previously through end-March 2009).

Reference: Schedule of the Operations for the Immediate Future

Underlined dates have been added.

| Date of Offer | Date of Exercise | Date of Repayment |
|------------------------|------------------------|------------------------|
| <u>Feb. 23 (Mon.)</u> | <u>Feb. 26 (Thur.)</u> | <u>May 26 (Tue.)</u> |
| Feb. 27 (Fri.) | Mar. 4 (Wed.) | Apr. 15 (Wed.) |
| <u>Mar. 4 (Wed.)</u> | <u>Mar. 9 (Mon.)</u> | <u>June 5 (Fri.)</u> |
| Mar. 10 (Tue.) | Mar. 13 (Fri.) | Apr. 21 (Tue.) |
| Mar. 16 (Mon.) | Mar. 19 (Thur.) | Apr. 27 (Mon.) |
| <u>Mar. 23 (Mon.)</u> | <u>Mar. 26 (Thur.)</u> | <u>June 18 (Thur.)</u> |
| <u>Mar. 31 (Tue.)</u> | <u>Apr. 3 (Fri.)</u> | <u>June 25 (Thur.)</u> |
| <u>Apr. 7 (Tue.)</u> | <u>Apr. 10 (Fri.)</u> | <u>July 8 (Wed.)</u> |
| <u>Apr. 16 (Thur.)</u> | <u>Apr. 21 (Tue.)</u> | <u>July 15 (Wed.)</u> |
| <u>Apr. 22 (Wed.)</u> | <u>Apr. 27 (Mon.)</u> | <u>July 22 (Wed.)</u> |
| <u>Apr. 28 (Tue.)</u> | <u>May 7 (Thur.)</u> | <u>July 27 (Mon.)</u> |
| <u>May 7 (Thur.)</u> | <u>May 12 (Tue.)</u> | <u>July 30 (Thur.)</u> |
| <u>May 12 (Tue.)</u> | <u>May 15 (Fri.)</u> | <u>Aug. 6 (Thur.)</u> |
| <u>May 21 (Thur.)</u> | <u>May 26 (Tue.)</u> | <u>Aug. 19 (Wed.)</u> |
| <u>May 26 (Tue.)</u> | <u>May 29 (Fri.)</u> | <u>Aug. 24 (Mon.)</u> |

-- The schedule in and after June will be released upon decision. The above schedule is subject to change, and will be revised and released accordingly.

¹ Operations that provide funds at a fixed rate (currently 0.1 percent) for an unlimited amount against the value of corporate debt pledged to the standing pool of eligible collateral.