

Order on Inward Direct Investment, etc.

(Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 1 of November 20, 1980)

Based on the provisions of Articles 2 to 5 inclusive, Article 8, Article 13 and Article 14 of the Cabinet Order on Inward Direct Investment, etc. (Cabinet Order No. 261 of 1980) and in order to implement the provisions of the Foreign Exchange and Foreign Trade Control Act (Act No. 228 of 1949), the Order on Inward Direct Investment, etc. shall be established as follows.

(Purpose)

Article 1 The purpose of this Order shall be to provide for the procedures of reporting and notification and other necessary matters concerning inward direct investment, etc. and conclusion of a technology introduction contract, etc. prescribed in Chapter V of the Foreign Exchange and Foreign Trade Act (hereinafter referred to as the "Act").

(Matters on the Definition of Inward Direct Investment, etc.)

Article 2 (1) The amount specified by an ordinance of the competent ministry as prescribed in Article 2, paragraph (7), item (i) of the Cabinet Order on Inward Direct Investment, etc. (hereinafter referred to as the "Order") shall be the amount equivalent to 100 million yen.

(2) The amount specified by an ordinance of the competent ministry as prescribed in Article 2, paragraph (7), item (ii) of the Order shall be the total of the amount stated in the liabilities section of the balance sheet at the end of the fiscal year immediately preceding the business year during which loans were provided (in the case where there is no such business year, the final balance sheet) and the amount of said loans; provided, however, that in the case where a balance sheet is not prepared, such amount shall be the total of the total amount of liabilities in the inventory of assets at the end of the business year immediately preceding the business year during which loans were provided (in the case where there is no such business year, the final inventory of assets) and the amount of said loans.

(3) The amount specified by an ordinance of the competent ministry as prescribed in Article 2, paragraph (9), item (i), (d), 1. of the Order shall be the amount equivalent to 100 million yen.

- (4) The amount specified by an ordinance of the competent ministry as prescribed in Article 2, paragraph (9), item (i), (d), 2. of the Order shall be the total of the amount stated in the liabilities section of the balance sheet at the end of the fiscal year immediately preceding the business year during which bonds were acquired (in the case where there is no such business year, the final balance sheet) and the amount of said bonds acquired.

(Notification, etc. of Inward Direct Investment, etc.)

Article 3 (1) Shares specified by an ordinance of the competent ministry as those equivalent to the shares of a listed company, etc. as prescribed in Article 3, paragraph (1), item (iv) of the Order shall be shares pertaining to invitation for subscription or offering prior to the listing to a financial instruments exchange prescribed in Article 2, paragraph (16) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) (limited to the period from the filing of an application for listing until the completion of listing) or prior to registration with an approved financial instruments firms association prescribed in paragraph (13) of the same Article (limited to the period from the filing of an application for registration until the completion of registration).

- (2) Acts specified by an ordinance of the competent ministry as prescribed in Article 3, paragraph (1), item (vii) of the Order shall be the following acts:
- (i) An act where a person who owns shares or equity of a company prior to reorganization acquires shares or equity of the company after the reorganization in place of said shares or equity;
 - (ii) Acquisition of loan receivables, bonds or investment securities which are issued by a juridical person established under a special act by way of inheritance or as a testamentary gift;
 - (iii) Consent given in regard to the substantial change of the business purpose of a company as prescribed in Article 26, paragraph (2), item (iv) of the Act where neither the business purpose of said company prior to said change nor the business purpose of said company after said change falls under the business types specified by the Minister of Finance and the minister having jurisdiction over the business (which means the minister having jurisdiction over the business prescribed in Article 7 of the Order; the same shall apply hereinafter) prescribed in the following paragraph;
 - (iv) Substantial change of the kind or business purpose of branch offices, factories or other offices (hereinafter referred to as "branch offices, etc.") as prescribed in Article 26, paragraph (2), item (v) of the Act where neither the business purpose of said branch offices, etc. prior to said change nor the business purpose of said branch offices after said change falls under the business types specified by the Minister of Finance and the minister having jurisdiction over the business prescribed in the following paragraph;

- (v) Acquisition of shares by way of allotment of shares without contribution prescribed in Article 185 of the Companies Act (Act No. 86 of 2005);
 - (vi) Acquisition of shares, equity, bonds or investment securities issued by a stock company as the consideration for the acquisition of shares subject to call prescribed in Article 2, item (xix) of the Companies Act or share options subject to call prescribed in Article 273, paragraph (1) of the same Act due to occurrence of grounds for acquisition pertaining to such shares or share options.
- (3) Business types specified by an ordinance of the competent ministry as prescribed in Article 3, paragraph (2), item (i) of the Order shall be business types specified by the Minister of Finance and the minister having jurisdiction over the business.
- (4) Those specified by the ordinance of the competent ministry prescribed in Article 3, paragraph (2), item (i) of the Order shall be other companies (limited to those with two or more shareholders or members) for which the number of voting rights equivalent to 50% of the number of voting rights of all shareholders or members is held by a company (including its subsidiary companies (meaning subsidiary companies prescribed in Article 2, item (iii) of the Companies Act; hereinafter the same shall apply in this paragraph)) and which do not fall under a subsidiary company of said company.
- (5) Inward direct investment, etc. specified by an ordinance of the competent ministry as prescribed in Article 3, paragraph (2), item (ii) of the Order shall be inward direct investment, etc. made by a foreign investor in country other than the countries (including regions; the same shall apply hereinafter) listed in appended table 1 (excluding inward direct investment, etc. made by a foreign investor who fall under Article 26, paragraph (1), item (iii) or item (iv)).
- (6) A person who intends to give a notification based on the provisions of Article 3, paragraph (3) of the Order shall submit to the Minister of Finance and the minister having jurisdiction over the business, via the Bank of Japan, a written notice prepared by using the forms respectively specified in the following items for the categories set forth in said items. In this case, the number of copies of written notice to be submitted shall be the number of said ministers having jurisdiction over the business plus three:
- (i) Acquisition of shares or equity prescribed in Article 26, paragraph (2), item (i) or item (iii) of the Act and Article 2, paragraph (9), item (ii) of the Order: Appended form 1;
 - (ii) Transfer of shares or equity prescribed in Article 26, paragraph (2), item (ii) of the Act: Appended form 2;
 - (iii) Consent given in regard to the substantial change of the business purpose of a company prescribed in Article 26, paragraph (2), item (iv) of the Act: Appended form 3;

- (iv) Establishment of branch offices, etc. prescribed in Article 26, paragraph (2), item (v) of the Act: Appended form 4;
 - (v) Substantial change of the kind or business purpose of branch offices, etc. prescribed in Article 26, paragraph (2), item (v) of the Act: Appended form 5;
 - (vi) Loan of money prescribed in Article 26, paragraph (2), item (vi) of the Act: Appended form 6;
 - (vii) Acquisition of bonds prescribed in Article 2, paragraph (9), item (i) of the Order: Appended form 7.
- (7) When the Minister of Finance and the minister having jurisdiction over the business have received a written notice pursuant to the provisions of the preceding paragraph, he/she shall write to that effect in said written notice and deliver one copy of it as a certificate of receipt of the notification to the person who has given the notification.
- (8) A person who intends to give a notice prescribed in Article 27, paragraph (7) of the Act based on the provisions of Article 3, paragraph (14) of the Order shall submit to the Minister of Finance and the minister having jurisdiction over the business, via the Bank of Japan, a written notice prepared by using appended form 8. In this case, the number of copies of written notice to be submitted shall be the number of said ministers having jurisdiction over the business plus one.

Article 4 Deleted.

(Notification, etc. of Conclusion of a Technology Introduction Contract, etc.)

Article 5 (1) Technology specified by an ordinance of the competent ministry as prescribed in Article 5, paragraph (1), item (i) of the Order shall be the technology listed in appended table 2.

- (2) A resident who intends to give a notification based on the provisions of Article 5, paragraph (2) of the Order shall submit to the Minister of Finance and the minister having jurisdiction over the business, via the Bank of Japan, a written notice prepared by using appended form 9. In this case, the provisions of the second sentence of Article 3, paragraph (5) shall apply mutatis mutandis.
- (3) When the Minister of Finance and the minister having jurisdiction over the business have received a written notice pursuant to the preceding paragraph, he/she shall write to that effect in said written notice and deliver one copy of it as a certificate of receipt of the notification to the person who has given the notification.
- (4) A person who intends to give a notice prescribed in Article 27, paragraph (7) of the Act as applied mutatis mutandis pursuant to Article 30, paragraph (7) of the Act based on the provisions of Article 5, paragraph (9) of the Order shall submit to the Minister of Finance and the minister having jurisdiction over the

business, via the Bank of Japan, a written notice prepared by using appended form 10. In this case, the provisions of the second sentence of Article 3, paragraph (7) shall apply mutatis mutandis.

Article 6 Deleted.

(Report of Inward Direct Investment etc.)

Article 6-2 A person who intends to make a report based on the provisions of Article 6-3, paragraph (1) of the Order shall submit to the Minister of Finance and the minister having jurisdiction over the business, via the Bank of Japan, a written report prepared by using the forms respectively specified in the following items for the categories set forth in said items. In this case, the number of copies of written report to be submitted shall be the number of said ministers having jurisdiction over the business plus one:

- (i) Acquisition of shares or equity prescribed in Article 26, paragraph (2), item (i) or item (iii) of the Act and Article 2, paragraph (9), item (ii) of the Order: Appended form 11;
- (ii) Transfer of shares or equity prescribed in Article 26, paragraph (2), item (ii) of the Act: Appended form 12;
- (iii) Consent given in regard to the substantial change of the business purpose of a company prescribed in Article 26, paragraph (2), item (iv): Appended form 13;
- (iv) Establishment of branch offices, etc. prescribed in Article 26, paragraph (2), item (v) of the Act: Appended form 14;
- (v) Substantial change of the kind or business purpose of branch offices, etc. prescribed in Article 26, paragraph (2), item (v) of the Act: Appended form 15;
- (vi) Loan of money prescribed in Article 26, paragraph (2), item (vi) of the Act: Appended form 16;
- (vii) Acquisition of bonds prescribed in Article 2, paragraph (9), item (i) of the Order: Appended form 17.

(Report of Conclusion of a Technology Introduction Contract, etc.)

Article 6-3 A resident who intends to make a report based on the provisions of Article 6-4, paragraph (1) of the Order shall submit to the Minister of Finance and the minister having jurisdiction over the business, via the Bank of Japan, a written report prepared by using appended form 18. In this case, the provisions of the second sentence of the preceding Article shall apply mutatis mutandis.

(Report Based on the Provisions of Article 6-5 of the Order)

Article 7 (1) When a person who has given a notification under Article 27, paragraph (1) of the Act has conducted any of the acts set forth in the following items, he/she shall submit to the Minister of Finance and the minister having jurisdiction over the business, via the Bank of Japan, a written report prepared by using the forms respectively specified in said items for the categories of said acts within 30 days from the day on which said act has been conducted. In this case, the number of copies of written report to be submitted shall be the number of said ministers having jurisdiction over the business plus one:

- (i) Acquisition of shares, equity (including investment securities which are issued by a juridical person established under a special act; the same shall apply hereinafter) or bonds or loan of money pertaining to said notification: Appended form 19;
 - (ii) Disposition of the whole or part of shares or equity pertaining to said notification after the acquisition of said shares or equity: Appended form 20;
 - (iii) Receipt of refund or redemption of the whole or part of the principal of loan of money or bonds pertaining to said notification after said lending of money or acquisition of bonds (including the case of receiving a prepayment or early redemption): Appended form 21;
 - (iv) Discontinuance of establishment of branch offices, etc. pertaining to said notification (excluding discontinuance resulting from acceptance of a recommendation of discontinuance or from an order of discontinuance of inward direct investment, etc. based on the provisions of Article 27, paragraph (7) or Article 27, paragraph (10) of the Act) or abolition of said branch offices, etc.: Appended form 22;
- (2) The Minister of Finance and the minister having jurisdiction over the business shall, in the case where they request the submission of a report as prescribed in Article 6-5, paragraph (1) of the Order, in addition to the case where they request the submission of a report in the form of the written report prescribed in the preceding paragraph, designate the matter to be reported and notify it to the persons prescribed in the same paragraph or persons concerned.
- (3) The procedure specified by the ordinance of the competent ministry prescribed in Article 6-5, paragraph (2) of the Order shall include the location to submit a written report containing the matter designated as prescribed in paragraph (1) of the same Article, the number of copies of a written report to submit and other procedures specified by the Minister of Finance and the minister having jurisdiction over the business.
- (4) The Minister of Finance and the minister having jurisdiction over the business shall, when they give notice as prescribed in paragraph (2), give notice of the procedure prescribed in the preceding paragraph as well.

(Notice, etc. Concerning Shortening of Period)

Article 8 When the Minister of Finance and the minister having jurisdiction over the business shorten the period during which transactions or acts may not be carried out pursuant to the proviso to Article 27, paragraph (2) and Article 27, paragraph 4 of the Act or the proviso to Article 30, paragraph (2) and Article 30, paragraph (4) of the Act, they shall shorten the period by way of writing the period to be shortened in the certificate of receipt of the notification prescribed in Article 3, paragraph (6) or Article 5, paragraph (3) and delivering said certificate of receipt of the notification to the person who has given the notification or by way of delivering a written notice stating the period to be shortened to the person who has given the notification.

(Notice of Rescission of Recommendation or Order)

Article 9 (1) When the Minister of Finance and the minister having jurisdiction over the business rescind, based on the provisions of Article 27, paragraph (11) of the Act, the whole or part of a relevant recommendation or order in regard to a person who has given a notice of acceptance of the recommendation of change of content pertaining to inward direct investment, etc. pursuant to paragraph (7) of the same Article or a person who has been ordered to change the content pertaining to inward direct investment, etc. pursuant to paragraph (10) of the same Article, they shall rescind by way of delivering a written notice stating the details of said rescission to said person who has given a notice of acceptance or said person who has been ordered to make a change.

(2) The provisions of the preceding paragraph shall apply mutatis mutandis to rescission of the whole or part of a recommendation or order prescribed in Article 5, paragraph (7) of the Order based on the provisions of Article 27, paragraph (11) of the Act as applied mutatis mutandis pursuant to Article 30, paragraph (7) of the Act.

(Delegation of Affairs)

Article 10 (1) Affairs that the Minister of Finance and the minister having jurisdiction over the business personally conduct based on the provision of the proviso to Article 10 of the Order shall be affairs concerning the receipt of notice and report pertaining to the provisions of Article 7, paragraph (2) to paragraph (4).

(2) Affairs specified by the Minister of Finance and the minister having jurisdiction over the business as prescribed in Article 10, item (ii) of the Order shall be the following affairs:

(i) The affair of writing in a certificate of receipt of a notification, on the day following the date on which two weeks have passed from the date of receipt of a notification prescribed in Article 27, paragraph (1) of the Act or Article 30, paragraph (1) of the Act, to the effect that transactions or acts pertaining

to said notification may be carried out from said day; provided, however, excluding said affair in the case where the Minister of Finance and the minister having jurisdiction over the business have found a need for examination and notified the Bank of Japan that the period shall not be shortened;

- (ii) In addition to the affair set forth in the preceding item, the affair of writing the period to be shortened in a certificate of receipt of a notification on the day instructed, when the Minister of Finance and the minister having jurisdiction over the business have given an instruction separately.

Supplementary Provisions

- (1) This Order shall come into effect as from the date of enforcement of the Act for Partial Revision of the Foreign Exchange and Foreign Trade Control Act (Act No. 65 of 1979) (December 1, 1980).
- (2) The following ordinances of ministries shall be abolished:
 - (i) The Ordinance for Enforcement of the Act on Foreign Capital (Ordinance of the Foreign Investment Commission No. 2 of 1950);
 - (ii) Ordinance Specifying the Cases of Acquisition of Shares or Equity by Foreign Investors that Are Deemed to be Investment Activities (Ordinance of the Ministry of Finance, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications and Ministry of Construction No. 1 of 1967);
 - (iii) Ordinance Specifying the Scope of Affairs to be Handled by the Bank of Japan Pursuant to the Provisions of the Act on Foreign Capital (Ordinance of the Ministry of Finance, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications and Ministry of Construction No. 2 of 1967);
 - (iv) Ordinance on Approval, etc. of Ownership of Shares Pertaining to Foreign Investors in Line with Reversion of Okinawa (Ordinance of the Ministry of Finance, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications and Ministry of Construction No. 2 of 1972).
- (3) With regard to transactions or acts pertaining to any application or notification that has been made pursuant to the provisions of Article 10, Article 11, paragraph (1), Article 12, paragraph (1), Article 13, paragraph (1), Article 13-2 or Article 13-3 of the Act on Foreign Capital prior to abolition by the Act for Partial Revision of the Foreign Exchange and Foreign Trade

Control Act (said Act on Foreign Capital [Act No. 163 of 1950] shall be hereinafter referred to as the "Old Foreign Capital Act") at the time of enforcement of this Order, the Ordinance for Enforcement of the Act on Foreign Capital, the Ordinance Specifying the Cases of Acquisition of Shares or Equity by Foreign Investors that Are Deemed to be Investment Activities and the Ordinance Specifying the Scope of Affairs to be Handled by the Bank of Japan Pursuant to the Provisions of the Act on Foreign Capital prior to abolition by this Order (said Ordinance for Enforcement of the Act on Foreign Capital shall be hereinafter referred to as the "Old Ordinance for Enforcement") shall remain in force even after the enforcement of this Order.

- (4) With regard to shares, etc. prescribed in Article 13-2 of the Old Foreign Capital Act or consideration, etc. or the right to consideration, etc. prescribed in Article 13-3 of the Old Foreign Capital Act for which the date of acquisition is prior to the date of enforcement of this Order, the provisions of Article 7, Article 8 and Article 14 of the Old Ordinance for Enforcement shall remain in force even after the enforcement of this Order.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 1 of September 26, 1981)

This Order shall come into effect as from October 1, 1981.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 1 of June 19, 1984)

This Order shall come into effect as from the date of enforcement of the provisions of Article 5 of the Act for Partial Revision of the Act on Measures Accompanying the Accession to the International Monetary Fund and International Bank for Reconstruction and Development for the Purpose of Forming a Harmonized Foreign Economic Relationship (July 1, 1984).

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture,

Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 1 of June 20, 1985)

This Order shall come into effect as from July 1, 1985.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 2 of November 20, 1985)

This Order shall come into effect as from December 1, 1985.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 1 of April 6, 1989)

This Order shall come into effect as from the date of promulgation.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 1 of December 21, 1991)

This Order shall come into effect as from the date of enforcement of the Act for Partial Revision of the Foreign Exchange and Foreign Trade Control Act (January 1, 1992).

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of

Labour and Ministry of Construction No. 1 of July 3, 1995)

(Effective Date)

Article 1 This Order shall come into effect as from the date of promulgation.

(Transitional Measure)

Article 2 Except for what is provided for in paragraph (2) of the following Article, with regard to inward direct investment, etc. pertaining to a notification that has been made prior to the date of enforcement of this Order (hereinafter referred to as the "enforcement date") pursuant to the provisions of Article 27, paragraph (1) of the Foreign Exchange and Foreign Trade Control Act (said Act shall be hereinafter referred to as the "Act"; said inward direct investment, etc. shall be hereinafter referred to as the "inward direct investment, etc. pertaining to a notification prior to the enforcement date") for which the period during which inward direct investment, etc. may not be made as prescribed in paragraph (2) of the same Article (in the case where said period has been extended pursuant to the provisions of paragraph (3) or paragraph (6) of the same Article, said extended period) has expired prior to the enforcement date, the provisions then in force shall remain applicable.

Article 3 (1) With regard to inward direct investment, etc. pertaining to a notification prior to the enforcement date for which the period during which inward direct investment, etc. may not be made as prescribed in Article 27, paragraph (2) of the Act has not expired at the time of enforcement of this Order and which falls under inward direct investment, etc. that needs to be reported pursuant to the provisions of Article 26, paragraph (3) of the Act due to its relevance to appended table 1 of the Order on Inward Direct Investment, etc. after the revision by this Order, the foreign investor who has given said notification may make said inward direct investment, etc. on or after the enforcement date by deeming said period to have expired on the day preceding the enforcement date. In this case, said notification shall be deemed to be a report which was made pursuant to the provisions of the main clause of the same paragraph on the day of making said inward direct investment, etc.

(2) With regard to inward direct investment, etc. pertaining to a recommendation prescribed in Article 27, paragraph (5) of the Act, a notice prescribed in paragraph (7) of the same Article or an order prescribed in paragraph (10) of the same Article that has been given prior to the enforcement date, the provisions then in force shall remain applicable.

(Transitional Measure Concerning Penal Provisions)

Article 4 With regard to application of penal provisions to acts committed prior

to the enforcement of this Order and acts committed after the enforcement of this Order pertaining to transactions or acts to which the provisions then in force shall remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

**Supplementary Provisions (Ordinance of the Prime Minister's Office,
Ministry of Finance, Ministry of Education, Science and Culture,
Ministry of Health and Welfare, Ministry of Agriculture, Forestry and
Fisheries, Ministry of International Trade and Industry, Ministry of
Transport, Ministry of Posts and Telecommunications, Ministry of
Labour and Ministry of Construction No. 1 of March 19, 1998)**

(Effective Date)

Article 1 This Order shall come into effect as from the date of enforcement of the Act for Partial Revision of the Foreign Exchange and Foreign Trade Control Act (April 1, 1998).

(Transitional Measure)

Article 2 Except for what is provided for in paragraph (2) of the following Article, with regard to inward direct investment, etc. pertaining to a notification that has been made prior to the date of enforcement of this Order (hereinafter referred to as the "enforcement date") pursuant to the provisions of Article 27, paragraph (1) of the Foreign Exchange and Foreign Trade Control Act (said Act shall be hereinafter referred to as the "Act"; said inward direct investment, etc. shall be hereinafter referred to as the "inward direct investment, etc. pertaining to a notification prior to the enforcement date") for which the period during which inward direct investment, etc. may not be made as prescribed in paragraph (2) of the same Article (in the case where said period has been extended pursuant to the provisions of paragraph (3) or paragraph (6) of the same Article, said extended period) has expired prior to the enforcement date, the provisions then in force shall remain applicable.

Article 3 (1) With regard to inward direct investment, etc. pertaining to a notification prior to the enforcement date for which the period during which inward direct investment, etc. may not be made as prescribed in Article 27, paragraph (2) of the Act has not expired at the time of enforcement of this Order and which falls under inward direct investment, etc. that needs to be reported pursuant to the provisions of Article 55-5, paragraph (1) of the Foreign Exchange and Foreign Trade Act after the revision by the Act for Partial Revision of the Foreign Exchange and Foreign Trade Control Act (said Foreign Exchange and Foreign Trade Act shall be hereinafter referred to as the

"New Act") due to its relevance to a business type specified by the Minister of Finance and the minister having jurisdiction over the business as prescribed in Article 3, paragraph (3) of the Order on Inward Direct Investment, etc. after the revision by this Order (said Order on Inward Direct Investment, etc. shall be hereinafter referred to as the "New Order") or a country set forth in appended table 1 as prescribed in paragraph (4) of the same Article, the foreign investor who has given said notification may make said inward direct investment, etc. on or after the enforcement date by deeming said period to have expired on the day preceding the enforcement date. In this case, said notification shall be deemed to be a report which was made pursuant to the provisions of the main clause of the same paragraph on the day of making said inward direct investment, etc.

- (2) With regard to inward direct investment, etc. pertaining to a recommendation prescribed in Article 27, paragraph (5) of the Old Act, a notice prescribed in paragraph (7) of the same Article or an order prescribed in paragraph (10) of the same Article that has been given prior to the enforcement date, the provisions then in force shall remain applicable.

Article 4 The provisions of Article 3, paragraph (2), item (iii) and item (iv) of the New Order shall apply to consent given in regard to the substantial change of the business purpose of a company prescribed in Article 26, paragraph (2), item (iv) of the New Act and substantial change of the kind or business purpose of the branch offices, etc. in Japan prescribed in item (v) of the same paragraph (hereinafter referred to as the "consent given in regard to the substantial change of the business purpose of a company, etc." in this Article) given or made after the enforcement date, and with regard to consent given in regard to the substantial change of the business purpose of a company, etc. given or made prior to the same date, the provisions then in force shall remain applicable.

Article 5 With regard to written notices, etc. prepared by using appended forms 1 to 22 inclusive of this Order, written notices, etc. prepared by using appended forms 8 to 15 inclusive, appended form 17, appended form 18, appended forms 1 to 7 inclusive, appended form 16 and appended forms 19 to 22 inclusive of the Order on Inward Direct Investment, etc. prior to the revision by this Order may be used with some mending for the time being.

(Transitional Measure Concerning Penal Provisions)

Article 6 With regard to application of penal provisions to acts committed prior to the enforcement of this Order and acts committed after the enforcement of this Order pertaining to matters to which the provisions then in force shall

remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

**Supplementary Provisions (Ordinance of the Prime Minister's Office,
Ministry of Finance, Ministry of Education, Science and Culture,
Ministry of Health and Welfare, Ministry of Agriculture, Forestry and
Fisheries, Ministry of International Trade and Industry, Ministry of
Transport, Ministry of Posts and Telecommunications, Ministry of
Labour and Ministry of Construction No. 1 of May 23, 2000)**

(Effective Date)

Article 1 This Order shall come into effect as from the date of promulgation; provided, however, that the provision that adds item 159 to appended table 1 shall come into for as from the day on which the Agreement Between the Government of Japan and the Government of the Russian Federation Concerning the Promotion and Protection of Investments takes effect (May 27, 2000).

(Transitional Measure)

Article 2 Except for what is provided for in paragraph (2) of the following Article, with regard to inward direct investment, etc. pertaining to a notification that has been made prior to the date of enforcement of this Order (hereinafter referred to as the "enforcement date") pursuant to the provisions of Article 27, paragraph (1) of the Foreign Exchange and Foreign Trade Act (said Act shall be hereinafter referred to as the "Act"; said inward direct investment, etc. shall be hereinafter referred to as the "inward direct investment, etc. pertaining to a notification prior to the enforcement date") for which the period during which inward direct investment, etc. may not be made as prescribed in paragraph (2) of the same Article (in the case where said period has been extended pursuant to the provisions of paragraph (3) or paragraph (6) of the same Article, said extended period) has expired prior to the enforcement date, the provisions then in force shall remain applicable.

Article 3 (1) With regard to inward direct investment, etc. pertaining to a notification prior to the enforcement date for which the period during which inward direct investment, etc. may not be made as prescribed in Article 27, paragraph (2) of the Act has not expired at the time of enforcement of this Order and which falls under inward direct investment, etc. that needs to be reported pursuant to the provisions of Article 55-5, paragraph (1) of the Act due to its relevance to a country set forth in appended table 1 of the Order on Inward Direct Investment, etc. after the revision by this Order, the foreign

investor who has given said notification may make said inward direct investment, etc. on or after the enforcement date by deeming said period to have expired on the day preceding the enforcement date. In this case, said notification shall be deemed to be a report which was made pursuant to the provisions of the main clause of the same paragraph on the day of making said inward direct investment, etc.

- (2) With regard to inward direct investment, etc. pertaining to a recommendation prescribed in Article 27, paragraph (5) of the Act, a notice prescribed in paragraph (7) of the same Article or an order prescribed in paragraph (10) of the same Article that has been given prior to the enforcement date, the provisions then in force shall remain applicable.

(Transitional Measure Concerning Penal Provisions)

Article 4 With regard to application of penal provisions to acts committed prior to the enforcement of this Order and acts committed after the enforcement of this Order pertaining to matters to which the provisions then in force shall remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 2 of August 21, 2000)

- (1) This Order shall come into effect as from the enforcement of the Act for Partial Revision of the Cabinet Act (Act No. 88 of 1999) (January 6, 2001).
- (2) With regard to written notices prepared by using appended forms 1 to 7 inclusive and appended form 9 of this Order, written notices prepared by using appended forms 1 to 7 inclusive and appended form 9 of the Order on Inward Direct Investment, etc. prior to the revision by this Order may be used with some mending for the time being.

Supplementary Provisions (Ordinance of the Prime Minister's Office, Ministry of Finance, Ministry of Education, Science and Culture, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour and Ministry of Construction No. 3 of December 1, 2000)

This Order shall come into effect as from the date of promulgation.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry and Ministry of Land, Infrastructure, Transport and Tourism No. 1 of March 28, 2001)

This Order shall come into effect as from the date of promulgation.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry and Ministry of Land, Infrastructure, Transport and Tourism No. 2 of December 21, 2001)

(Effective Date)

Article 1 This Order shall come into effect as from the date of promulgation.

(Transitional Measure)

Article 2 Except for what is provided for in paragraph (2) of the following Article, with regard to inward direct investment, etc. pertaining to a notification that has been made prior to the date of enforcement of this Order (hereinafter referred to as the "enforcement date") pursuant to the provisions of Article 27, paragraph (1) of the Foreign Exchange and Foreign Trade Act (said Act shall be hereinafter referred to as the "Act"; said inward direct investment, etc. shall be hereinafter referred to as the "inward direct investment, etc. pertaining to a notification prior to the enforcement date") for which the period during which inward direct investment, etc. may not be made as prescribed in paragraph (2) of the same Article (in the case where said period has been extended pursuant to the provisions of paragraph (3) or paragraph (6) of the same Article, said extended period) has expired prior to the enforcement date, the provisions then in force shall remain applicable.

Article 3 (1) With regard to inward direct investment, etc. pertaining to a notification prior to the enforcement date for which the period during which inward direct investment, etc. may not be made as prescribed in Article 27, paragraph (2) of the Act has not expired at the time of enforcement of this Order and which falls under inward direct investment, etc. that needs to be

reported pursuant to the provisions of Article 55-5, paragraph (1) of the Act due to its relevance to a country set forth in appended table 1 of the Order on Inward Direct Investment, etc. after the revision by this Order, the foreign investor who has given said notification may make said inward direct investment, etc. on or after the enforcement date by deeming said period to have expired on the day preceding the enforcement date. In this case, said notification shall be deemed to be a report which was made pursuant to the provisions of the main clause of the same paragraph on the day of making said inward direct investment, etc.

- (2) With regard to inward direct investment, etc. pertaining to a recommendation prescribed in Article 27, paragraph (5) of the Act, a notice prescribed in paragraph (7) of the same Article or an order prescribed in paragraph (10) of the same Article that has been given prior to the enforcement date, the provisions then in force shall remain applicable.

(Transitional Measure Concerning Penal Provisions)

Article 4 With regard to application of penal provisions to acts committed prior to the enforcement of this Order and acts committed after the enforcement of this Order pertaining to matters to which the provisions then in force shall remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry and Ministry of Land, Infrastructure, Transport and Tourism No. 1 of March 28, 2002)

- (1) This Order shall come into effect as from April 1, 2002.
- (2) With regard to written notices, etc. prepared by using appended form 7 and appended form 17 of this Order, written notices, etc. prepared by using appended form 7 and appended form 17 prior to the revision by this Order may be used with some mending for the time being.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism and Ministry of the Environment)

No. 1 of September 20, 2002)

This Order shall come into effect as from October 1, 2002.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism and Ministry of the Environment No. 1 of March 27, 2003)

(Effective Date)

Article 1 This Order shall come into for as from April 1, 2003; provided, however, that the part of the provisions revising appended form 7 and appended form 17 that revises "convertible bonds and bonds with stock acquisition rights" to "bonds with preemptive rights, etc." shall come into effect as from January 1, 2005.

(Transitional Measure)

Article 2 With regard to written notices, etc. prepared by using appended forms 1 to 3 inclusive, appended forms 6 and 7, appended form 9, appended forms 11 to 13 inclusive, appended forms 16 to 18 inclusive and appended form 20 after the revision by this Order, written notices, etc. prepared by using appended forms prior to the revision by this Order may be used with some mending for the time being.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism and Ministry of the Environment No. 1 of March 19, 2004)

This Order shall come into effect as from April 1, 2004.

Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Finance, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries,

**Ministry of Economy, Trade and Industry, Ministry of Land,
Infrastructure, Transport and Tourism and Ministry of the Environment
No. 2 of April 28, 2006)**

This Order shall come into effect as from the date of enforcement of the
Companies Act (May 1, 2006).

**Supplementary Provisions (Ordinance of the Cabinet Office, Ministry of
Internal Affairs and Communications, Ministry of Finance, Ministry of
Education, Culture, Sports, Science and Technology, Ministry of Health,
Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries,
Ministry of Economy, Trade and Industry, Ministry of Land,
Infrastructure, Transport and Tourism and Ministry of the Environment
No. 1 of August 9, 2007)**

This Order shall come into effect as from the date of enforcement of the Act for
Partial Revision of the Securities and Exchange Act.

**Supplementary Provisions (Extract from Ordinance of the Cabinet Office,
Ministry of Internal Affairs and Communications, Ministry of Finance,
Ministry of Education, Culture, Sports, Science and Technology, Ministry
of Health, Labour and Welfare, Ministry of Agriculture, Forestry and
Fisheries, Ministry of Economy, Trade and Industry, Ministry of Land,
Infrastructure, Transport and Tourism and Ministry of the Environment
No. 2 of September 7, 2007)**

(Effective Date)

Article 1 This Order shall come into effect as from September 28, 2007.

Appended table 1 (Re: Art. 3)

- 1 Iceland
- 2 Ireland
- 3 United States of America
- 4 United Arab Emirates
- 5 Algeria
- 6 Argentina
- 7 Albania
- 7-2 Armenia
- 8 Angola
- 9 Antigua and Barbuda
- 10 Israel
- 11 Italy
- 12 Iran

13 India
14 Indonesia
15 Uganda
15-2 Ukraine
16 Uruguay
17 United Kingdom
18 Ecuador
19 Egypt
20 Estonia
21 Ethiopia
22 El Salvador
23 Australia
24 Austria
25 Oman
26 Netherlands
27 Ghana
28 Guyana
29 Qatar
30 Canada
31 Gabon
32 Cameroon
33 Gambia
34 Cambodia
35 Guinea
36 Guinea-Bissau
37 Cyprus
38 Cuba
39 Greece
40 Kyrgyz
41 Guatemala
42 Kuwait
43 Republic of Georgia
44 Grenada
45 Croatia
46 Kenya
47 Côte d'Ivoire
48 Costa Rica
49 Colombia
50 Republic of Congo
51 Democratic Republic of Congo
52 Saudi Arabia
53 Samoa
54 Zambia
55 Sierra Leone
56 Djibouti
57 Jamaica
58 Syria
59 Singapore
60 Zimbabwe
61 Switzerland

62 Sweden
63 Sudan
64 Spain
65 Suriname
66 Sri Lanka
67 Slovakia
68 Slovenia
69 Swaziland
70 Senegal
71 St. Christopher and Nevis
72 St. Vincent
73 St. Lucia
74 Solomon
75 Thailand
76 Republic of Korea
77 Taiwan
78 Tanzania
79 Czech Republic
80 Chad
81 Central Africa
82 People's Republic of China
83 Tunisia
84 Chile
85 Denmark
86 Germany
87 Togo
88 Dominica
89 Dominican Republic
90 Trinidad and Tobago
91 Turkey
91-2 Tonga
92 Nigeria
93 Nauru
94 Namibia
95 Nicaragua
96 Niger
97 New Zealand
98 Nepal
99 Norway
100 Bahrain
101 Haiti
102 Pakistan
103 Panama
104 Vanuatu
105 Bahamas
106 Papua New Guinea
107 Paraguay
108 Barbados
109 Hungary
110 Bangladesh

111 Fiji
112 Philippines
113 Finland
114 Bhutan
115 Brazil
116 France
117 Bulgaria
118 Burkina Faso
119 Brunei
120 Burundi
121 Vietnam
122 Benin
123 Venezuela
124 Belize
125 Peru
126 Belgium
127 Poland
128 Botswana
129 Bolivia
130 Portugal
131 Hong Kong
132 Honduras
133 Marshall
134 Macau
135 Former Yugoslav Republic of Macedonia
136 Madagascar
137 Malawi
138 Mali
139 Malta
140 Malaysia
141 Micronesia
142 Republic of South Africa
143 Myanmar
144 Mexico
145 Mauritius
146 Mauritania
147 Mozambique
148 Monaco
149 Maldives
150 Moldova
151 Morocco
152 Mongolia
153 Jordan
154 Laos
155 Latvia
156 Lithuania
157 Liechtenstein
158 Romania
159 Luxembourg
160 Rwanda

161 Lesotho
 162 Lebanon
 163 Russia

Appended table 2 (Re: Art. 5)

	Technology
(1)	Technology concerning aircraft which falls under any of the following categories (a) Technology concerning design, manufacture or use of aircraft (b) Technology concerning design, manufacture or use of parts or auxiliary equipment of aircraft
(2)	Technology concerning weapons which falls under any of the following categories (a) Technology concerning design, manufacture or use of weapons (b) Technology concerning design, manufacture or use of parts or accessories of weapons (c) Technology concerning manufacture of electronic equipment for military use
(3)	Technology concerning manufacture of explosives
(4)	Technology concerning nuclear power which falls under any of the following categories (a) Technology concerning design, manufacture or use of nuclear reactors (including nuclear fusion reactors; the same shall apply hereinafter) or their parts, auxiliary equipment or components or nuclear turbines or nuclear power generators (b) Technology concerning design, manufacture, use or reprocessing of nuclear fuel or technology concerning design or manufacture of equipment used therefor (c) Technology concerning design, manufacture or use of radiation generators or technology concerning use or processing of radioactive substance or technology concerning design or manufacture of equipment used therefor (d) Technology concerning use of nuclear reaction by means other than nuclear reactors
(5)	Technology concerning space development which falls under any of the following categories (a) Technology concerning design, manufacture or use of spacecraft (excluding meteorological sounding rockets; the same shall apply hereinafter) or equipment specially designed for the launching, guidance control, tracking or use of spacecraft or parts, auxiliary equipment or materials thereof (b) Technology concerning design, manufacture or use of test equipment specially designed for development of aircraft or parts, auxiliary equipment or materials thereof (c) Technology concerning design, manufacture or use of thrust source of spacecraft