The Outline of the 2nd Supplementary Budget of FY2011

Given the recent aspect of recovery from the Great East Japan Earthquake, expenses are budgeted to take all possible recovery measures at hand.

The financial resources for this supplementary budget are covered by carried-over surplus from FY2010, without additional bond issuance.

1. Expenses related to the Act on Compensation for Nuclear Damages 275.4 billion

(1) Expenses related to the Act on Compensation for Nuclear Damages 247.4 billion

- Compensation in accordance with the government compensation contract 120.0 billion
- Expenses related to the mediation of disputes on the compensation for nuclear damages 1.3 billion
- The Fukushima Pref. Nuclear Accident Affected People and Child Health Fund 96.2 billion
- Establishment of the guidelines for decontamination 0.2 billion
- Enhancement of radiation monitoring 23.5 billion
- Radiation-reducing program for schoolyards etc. (including outside of Fukushima Pref.) 5.0 billion
- Expenses for the Investigation Committee on the Accident at the Fukushima Nuclear Power Stations of TEPCO 0.2 billion
- Enhancement of promoting activities in overseas markets to rejuvenate the "Japan Brand" 5.3 billion

(2) Expenses related to the Act on the Nuclear Damages Compensation Support Organization 28.0 billion

- Capitalizing the Nuclear Damages Compensation Support Organization 0.7 billion
- Interest on funds for redemption of subsidy bonds 20.0 billion
  
  In addition, to capitalize the Nuclear Damages Compensation Support Organization in accordance with the Act, a 2 trillion yen ceiling for subsidy bond issuance and the same amount as a ceiling of government guarantees are set in the general provisions of the budget.

- Expenses for the Investigation Committee on the Management and Finance of TEPCO 1.0 billion

* After deducting the overlap with the Fukushima Pref. Nuclear Accident Affected People and Child Health Fund, 19.2 trillion yen would be budgeted.
## 2. Expenses for support to the disaster-affected people

<table>
<thead>
<tr>
<th>(1) Countermeasures to the Overlapping Debt Problem</th>
<th>77.4 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>○ Strengthening the system of consultation services centered around the SME Revitalization Support Council</td>
<td>3.0 billion</td>
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<tr>
<td>○ New structure of investment by the Organization for SMEs and Regional Innovation etc.</td>
<td>0.1 billion</td>
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<tr>
<td>○ Interest burden relief for SMEs in the period of evaluation of potential to revive</td>
<td>18.4 billion</td>
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<tr>
<td>○ Enhancement loan program for SMEs closing business temporally due to the earthquake</td>
<td>1.0 billion</td>
</tr>
<tr>
<td>○ Rebuilding the common facilities for the SMEs cooperatives associations (15.5 billion yen was budgeted in the 1st Sup. Budget)</td>
<td>10.0 billion</td>
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<tr>
<td>○ Redevelopment of the industrial zones in the disaster-affected areas (1 billion yen was budgeted in the 1st Sup. Budget)</td>
<td>21.5 billion</td>
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<tr>
<td>○ Enhancement of maintenance equipment in the common facilities for the marine produce industry (ice machines etc.) (1.8 billion yen was budgeted on 1st Sup. Budget)</td>
<td>19.3 billion</td>
</tr>
<tr>
<td>○ Investigation into the potential utilization of ligneous disaster waste</td>
<td>0.1 billion</td>
</tr>
<tr>
<td>○ Strengthening the fiscal base of the Welfare and Medical Service Agency to promote to revising the terms of loan to welfare/medical institutions with potential to revive</td>
<td>4.0 billion</td>
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</tbody>
</table>

| (2) Subsidies to the Fund for Aid to Rebuild the Lives of the Disaster-affected People | 300.0 billion |

Raising the subsidiary rate to 80% (from 50% at the current rate) for subsidies including those already provided, as a preferential measure applied only in the case of the Great East Japan Earthquake. (This amount is equivalent to the amount needed to provide aid for about 200 thousand households)

### 3. Contingency Reserve for Recovery and Reconstruction from the Great East Japan Earthquake

Expenses related to recovery and reconstruction from the Great East Japan Earthquake, to cover unexpected budget shortfalls immediately.

### 4. Local Allocation Tax Grants

To meet the special financing needs of local governments in the disaster-affected areas, and to cover the increase in the local governments’ burden relevant to use of the Contingency Reserve for Recovery and Reconstruction from the Great East Japan Earthquake and to implement aid programs for rebuilding the lives of people affected by the disaster.

**Total**

1,998.8 billion

(Note 1) Total includes expenses for the Reconstruction Headquarters in response to the Great East Japan Earthquake (0.5 billion yen), in addition to the items listed above.

(Note 2) Figures may not add up to the totals due to rounding.