

**Guarantee for Baht-Denominated Bond Issued  
by Japanese Affiliate in Thailand:  
--First Bond Issue Guarantee under the Asian Bond Markets Initiative--**

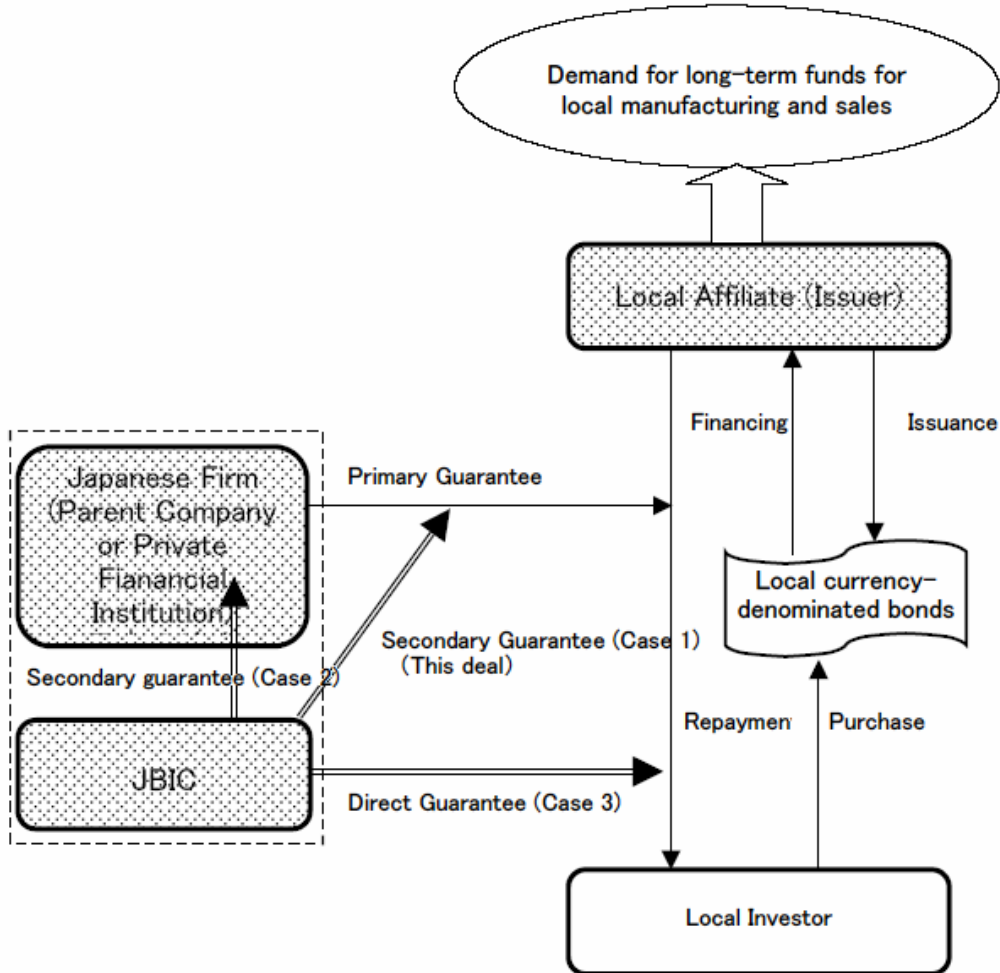
1. Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) signed today an agreement providing a guarantee for a baht-denominated debenture issued by TRI PETCH ISUZU SALES CO., LTD. (TIS), a Thai joint venture of Mitsubishi Corporation and Isuzu Motors. Under this arrangement, JBIC will provide a secondary guarantee on the principal amount for a primary guarantee on the principal and interest amount offered in a 3.5 billion-baht (equivalent to 10 billion yen) corporate debenture issue of TIS by Mitsubishi Corporation, one of TIS's parent companies. The funds raised from this issue will be used for manufacturing and sales of Isuzu-brand pickup trucks in Thailand. This is the first debenture issue of TIS in the Thai capital market.

2. Japanese firms operating in Asian countries need to fund their business operations in local currencies to avoid exchange risks. However, their funding instruments are limited in many of these countries, as underdeveloped securities markets make it difficult for them to issue local currency securities. Since even Japanese firms with good credit standing do not necessarily have high name recognition in local securities markets, there is a need for JBIC, a Japanese governmental financial agency, to complement their efficient bond issuances. To meet such needs of Japanese local firms operating in Asian countries, JBIC is supporting this firm in its efficient bond issuance in the local capital market by utilizing its guarantee facility.

3. Since the Government of Japan proposed the Asian Bond Markets Initiative (ABMI) in December 2002, discussions have been underway among the governments of ASEAN member states, Japan, China and Korea. Conceived as a means to prevent another Asian currency crisis, ABMI aims at developing Asian bond markets to facilitate the ability of private investors to tap into the high level of savings accumulated in Asia for their investments in the region. Thus, ABMI discussions have been focusing on how to foster and invigorate securities markets in Asian countries. As part of efforts to advance ABMI, JBIC launched a new guarantee facility intended for local currency-denominated corporate bonds issued by Japanese firms operating locally (see Appendix for a schematic illustration of this facility). This is the first guarantee JBIC has provided through this facility.

(See Appendix)

< Appendix >  
Schematic Representation of the New Guarantee Facility



Note: Case 3 occurs only when the issuer is wholly owned subsidiary.

For further information  
Mr. Mr.Sekine and Mr.Narumiya  
Capital Market Division  
Tel:03-5218-3304  
Fax:03-5218-3960