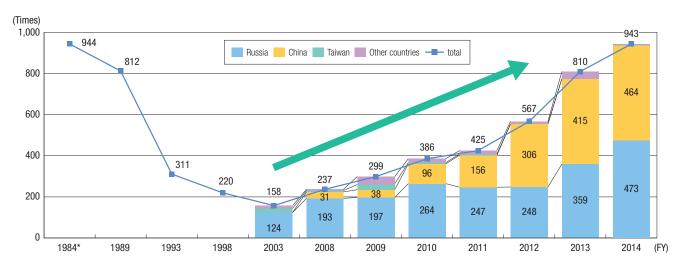
Part III Initiatives to Protect the Lives and Property of the People as well as Securing the Territorial Land, Water and Airspace

Effective Deterrence and Response

Ensuring Security of Sea and Airspace Surrounding Japan

- The SDF persistently engages in warning and surveillance activities in the waters and airspace surrounding Japan in peacetime so that it can respond to various contingencies immediately and seamlessly.
- In FY2014, the ASDF aircraft scrambled 943 times, a significant increase by 133 in comparison with the previous fiscal year. This is the second largest number since 1958 when the ASDF started taking strict anti-territory intrusion measures.
- In 2014, there were seven incidents of activity by Chinese Navy vessels involving the passage through the southwestern islands, and also another incident of such activities confirmed in waters south of Okinawa.
- In December 2012, a fixed-wing aircraft (Y-12) of the Chinese
- State Oceanic Administration intruded into Japan's territorial airspace in the vicinity of Uotsuri-jima, which is part of Senkaku Islands. In addition, on August 22, 2013, a TU-95 bomber of the Russian Air Force intruded into Japanese airspace in the vicinity of Okinoshima, Fukuoka Prefecture. Moreover, September 9 of the same year, an incident where a presumably unmanned aircraft of unidentified nationality flew over the East China Sea. The ASDF urgently scrambled fighters in response to these incidents.
- Even after the establishment of the "East China Sea Air Defense Identification Zone" by China in November 2013, the MOD and the SDF have been implementing warning and surveillance activities, in addition to other existing activities, in the East China Sea. The MOD and the SDF have also decided to continue engaging in strict airspace anti-intrusion measures.

Number of Scrambles since the Period of the Cold War and Its Breakdown

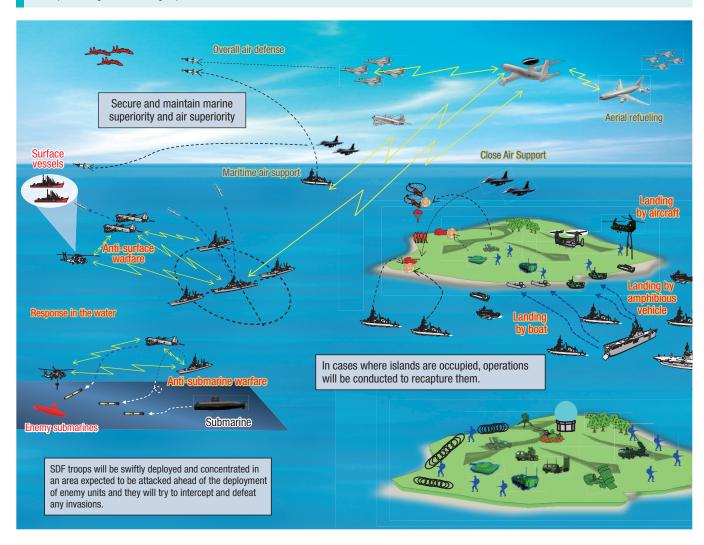


Note: The peak of the cold war

Defense of Japan's Remote Islands

- Japan possesses a number of remote islands. In order to respond to attacks on these islands, the SDF will position units and so forth in the area, and will detect signs at an early stage through Intelligence, Surveillance, and Reconnaissance (ISR) conducted by the SDF in peacetime. By conducting a joint operation involving the GSDF, ASDF, and MSDF, troops will be expeditiously deployed and concentrated in an area expected to be attacked, and will deter and remove enemy attacks. If, by any chance, islands are captured without any signs detected in advance, the enemy will be brought under control by ground fire from aircraft and vessels, and then tactical operations will be implemented to regain the islands by the landing of SDF forces and taking other initiatives.
- The MOD and SDF will strengthen the country's defense foundation from peacetime, by newly forming a coast observation unit in Yonaguni Island and establish an "Amphibious Rapid Deployment

- Brigade (provisional name)" equipped with a full function for amphibious operations, and will establish the 9th Air Wing at Naha Air Base.
- For the purpose of developing a persistent Intelligence, Surveillance, and Reconnaissance (ISR) posture and an immediate response system, acquisition of fixed-wing patrol aircraft (P-1) and aegis equipped destroyers (DDG) will be implemented.
- In order to secure capabilities for swift and large-scale transportation and deployment of units, the improvement of Osumi class transport LST (Landing Ship, Tank) and overseas research to review the role of multipurpose vessels will be conducted, and at the same time, V-22 Ospreys will be introduced to enhance rapid deployment capabilities.
- In January through March of 2015, the GSDF and US Marine Corps conducted a field training exercise (Iron Fist) in California to improve amphibious operational capabilities.





GSDF personnel conducting a landing exercise during the Iron Fist 15, a field training exercise $\,$



LCAC entering into the MSDF transport vessel "Shimokita"

Response to Ballistic Missile Attacks

- Japan's BMD is based on an effective multi-tier defense system using Aegis-equipped destroyers and Patriot PAC-3, interconnected and coordinated by the Japan Aerospace Defense Ground Environment (JADGE).
- The additional TPY-2 radar was deployed to the U.S. Kyogamisaki Communication Site in December 2014.
- North Korea repeatedly engaged in a variety of provocative acts, including an implication of missile launches in both 2014 and 2015. Under such circumstances, the MOD and the SDF continue to be ready to take every necessary measure to protect the lives and properties of the nation in any potential situation.



PAC-3 missile test launch

Initiatives towards Ensuring Maritime Security

 In order to ensure the safety of maritime transport, the MOD and the SDF promote various kinds of initiatives such as implementing counter-piracy activities, providing capacity building assistance to coastal countries, and enhancing joint exercises and practices using a variety of opportunities.

Responses in space

• From the perspective of further promoting cooperation in the space field between the defense authorities in Japan and the U.S., the "Space Cooperation Working Group (SCWG)" was established based on the instruction given in the Japan-U.S. Defense Ministerial Talk in April 2015. Making use of this working group, reviews will be further promoted in broader fields such as: 1. promotion of policy-related consultation regarding space, 2. closer information sharing, 3. cooperation for nurturing and securing experts, 4. implementation of tabletop exercises.

The Whole-of-Government approach

- In March 2014, a "Cyber Defense Group" was established under the SDF C4 (Command, Control, Communication & Computers) Systems Command.
- The "Cyber Defense Policy Working Group" (CDPWG) has been set up as a framework between the defense authorities of the U.S. and Japan, under which opinion exchange is conducted by experts regarding various cooperation fields on Japan-U.S. information-

- sharing, human resources exchanges, and other themes. In May 2015, the Japan-U.S. joint declaration was issued, indicating the specific direction for future Japan-U.S. cooperation.
- In 2013, the "Cyber Defense Council" (CDC) was set up, having around ten companies in the defense industry as its core members, and efforts are being made to improve capacities to counter cyber attacks through joint exercise and other initiatives.

Response to Large-Scale Disasters

- When disasters such as natural disasters occur, the SDF works in collaboration with municipal governments, engaging in various activities such as the search for and rescue of disaster victims or missing ships or aircraft, controlling floods, offering medical treatment, preventing epidemics, supplying water, and transporting personnel and goods.
- In August 2014, a landslide occurred in Hiroshima City in Hiroshima Prefecture due to heavy rain. The SDF conducted lifesaving operations and searches for missing persons deploying approximately 14,970 personnel. In September of the same year, a volcanic eruption occurred on Mount Ontake. In order for the SDF to conduct lifesaving operations and searches for missing persons in cooperation with the municipality, police, fire department, and other relevant organizations, approximately 7,150 personnel were dispatched for disaster relief.



GSDF personnel conducting disaster relief mission related to Mount Ontake Eruption

Transport of Japanese Nationals Overseas, etc.

- The SDF will protect the Japanese nationals and other parties in the destination country of a dispatch operation, and safely guide and transport them to aircraft, ships or vehicles. To this end, the SDF maintains operational readiness, with the GSDF designating helicopter unit and leading transport unit personnel, the MSDF designating vessels such as transport ships (including boarded aircraft), and the ASDF designating airlift units and personnel for dispatch.
- The MOD and the SDF participated in the exercise for the transport
 of Japanese nationals overseas in the annual multinational joint
 exercise "Cobra Gold" and conducted the first ever overseas
 ground transport exercises.

Build-Up of Defense Capability in FY2015

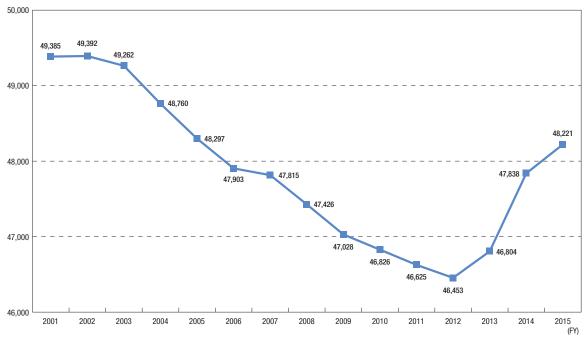
- Japan will steadily build up its defense capability during FY2015, which serves as the second fiscal year under the NDPG and new MTDP, to establish a Dynamic Joint Defense Force, based on these programs.
- · Japan will improve its defense capabilities in order to seamlessly

and dynamically fulfill its defense responsibilities, which include providing an effective deterrence and response to a variety of security situations, and supporting stability in the Asia-Pacific region, as well as improving the global security environment.

Defense-Related Expenditures

 In FY2015, in light of the increasingly harsh security environment, defense-related expenditures were increased for the second consecutive year in a row in order to reinforce preparedness aimed at protecting the lives and property of the people and the nation's land, sea, and airspace.

Trend in defense-related expenditures for the past 15 years



Note: Does not include SACO-related expenses, portion meant to reduce the burden on the local community out of the U.S.forces realignment expenses, and expenses associated with the acquisition of a new government aircraft.

The total defense expenditures when including these items are 4,955.0 billion yen for FY2001, 4,955.7 billion yen for FY2002, 4,952.7 billion yen for FY2003, 4,902.6 billion yen for FY2004, 4,866.0 billion yen for FY2005, 4,813.6 billion yen for FY2006, 4,801.3 billion yen for FY2007, 4,779.6 billion yen for FY2011, 4,753.8 billion yen for FY2011, 4,753.8 billion yen for FY2011, 4,753.8 billion yen for FY2011, 4,763.8 billion yen for FY2011,

Human Foundation and Organization that Supports the Defense Force

- In order to exert their defense capabilities with the maximum effectiveness, it is necessary that the MOD and the SDF enhance and reinforce their human foundation. Since the various activities of the MOD and the SDF are only feasible if understanding and cooperation is received from the Japanese people, as well as local authorities, it is necessary to further deepen the mutual trust between the SDF, and local communities and the people.
- In January 2015, the MOD formulated the "Action Plan for promoting

the Active Participation of the Female Employees and Work-Life Balance," which incorporated three reforms — "Working style reform," "Reform to realize a successful career with a balanced life between child-rearing and nursing, etc.," and "Reform for promoting successful female personnel" — in order to promote the work-life balance of the personnel in a unified manner whilst promoting further recruitment and promotion of female personnel.

Measures on Defense Equipment

The Current Status of Defense Production and Technological Bases, and the Strategy on Defense Production and Technological Bases

 In light of the current severe financial situation and the reorganization of European and American enterprises, as well as progress in international joint development, the "Strategy on Defense Production and Technological Bases" was formulated in June 2014. The Strategy included various measures for maintaining and strengthening Japan's defense production and technological bases, and indicated the current situation and future direction of each defense equipment field.

Improvement of the contract system

- Following the enactment of the "Bill concerning special measures
 on the upper limit of acts that incur national debt with respect to
 specific defense procurement," the MOD will realize the reduction of
 procurement costs for equipment and services associated with the
 introduction of a "long-term contract" as well as stable procurement.
- A cross-functional Integrated Project Team (IPT) headed by a Project Manager (PM) has been established for the acquisition of primary defense equipment, and the development of a system in which projects can be managed in a unified way from conception to disposal is in progress.

Research and Development

 As part of these initiatives, the MOD's own funding program called "Innovative Science & Technology Initiative for Security" (competitive funding) was newly established in FY2015 to discover creative research conducted by the universities, research institutes and companies etc. that are noted for their application of defense equipment, and to nurture emerging research that is deemed promising.

Defense Equipment and Technology Cooperation

- Based on the Three Principles on Transfer of Defense Equipment and Technology, Japan promotes cooperation in defense equipment and technology with other countries in order to contribute to promoting the maintenance and enhancement of defense production and technological bases, as well as contributing to the promotion of peace and international cooperation.
- Since 1992, Japan has implemented 19 joint research projects and 1 joint development project with the U.S. In addition, the Japanese government has been working to enable the involvement of Japanese companies in the manufacturing process of the production of F-35A and to establish upgrading facilities.
- In July 2013, Japan launched a joint research project with the U.K., the first country other than the United States in this regard.
- Japan and France signed the Japan-France Agreement concerning the Transfer of Defense Equipment and Technology in March 2015.

- In May 2015, Japan decided to commence consultations with Australia, together with the participation of companies from the private sector to examine what kind of cooperation Japan can provide for the Australian Future Submarine Program.
- With India, three Joint Working Group (JWG) meetings have been held to facilitate bilateral cooperation for the US-2 aircraft.
- Between the Association of South-East Asia Nations (ASEAN) and Japan, exchanges of views are taking place regarding defense equipment and technology cooperation in non-traditional security sectors.



Japan and India are discussing how to engage in bilateral cooperation in relation to the US-2 amphibian rescue aircraft

Defense Cooperation and Exchanges with Other Countries

The international community today is facing an increasing number of challenges, which are extremely difficult for one country to deal with on its own. Therefore, it is important to strengthen bilateral and multilateral security cooperation, as well as proactively engage in international peace cooperation activities, from the perspective of "proactive contribution to peace" based on the principle of international cooperation.

Initiatives under Multilateral Security Framework and Dialogue

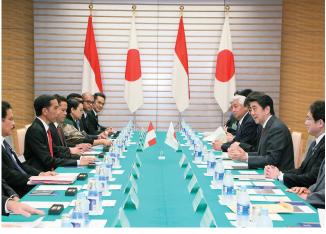
- Based on the proposal by Prime Minister Abe at the ASEAN-Japan Commemorative Summit in December 2013, the Japan-ASEAN Defense Ministers' Roundtable Meeting took place in Myanmar in November 2014. At the Shangri-La Dialogue held in May 2015, Minister of Defense Nakatani delivered a speech at the second plenary session.
- In order to enthusiastically and actively create stability within the region and improve the global security environment, the MOD is actively working on capacity building assistance.

Defense Cooperation and Exchanges with Other Countries

- Australia: At the Japan-Australia Summit Meeting in July 2014, Prime Minister Abe described the relationship between the two countries as a "Special Strategic Partnership for the 21st Century" and signed the Agreement on the Transfer of Defence Equipment and Technology between Japan and Australia.
- South Korea: In December 2014, the defense authorities of Japan, the U.S., and the ROK signed the "Japan-U.S.-ROK Information Sharing Agreement among the Defense Authorities," which has enabled the defense authorities from the three countries to share security secrets regarding the threat of the North Korea's nuclear weapon and missiles.



Japan-ASEAN Round Table Meeting (inaugural)



Japan-Indonesia Summit Meeting [Cabinet Public Relations Office]

- India: In September 2014, Japan and India signed the memorandum
 of defense cooperation and exchanges, and agreed to cooperate
 in service-to-service exchanges such as high level exchanges,
 bilateral maritime training, and consultation between the chiefs of
 staff, as well as in non-traditional security areas.
- China: Consultation between defense authorities to realize the commencement of the early operation of the "Maritime and Air Communication Mechanism" has been restarted.
- Russia: Taking the Ukrainian situation into account, the Government of Japan is taking an appropriate response whilst emphasizing the solidarity of the G7 (Group of Seven).
- Southeast Asian Countries: A memorandum regarding defense cooperation and exchange was signed with the Philippines in January 2015 and with Indonesia in March. At the same time, Japan is working to further strengthen and deepen its relations with Southeast Asian countries through capacity building assistance.
- United Kingdom: In January 2015, the first Foreign and Defense Ministerial Meeting was held. Opinions were exchanged regarding the strengthening of bilateral cooperation in dealing with the issues related to global security.



Ensuring maritime security

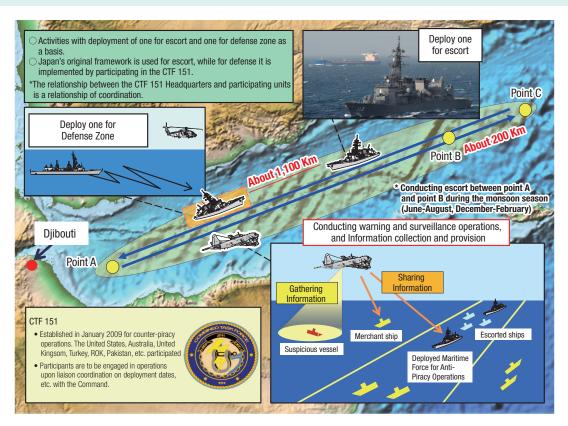
• For Japan, a major maritime state, strengthening order on the seas based on such fundamental principles as the rule of law and the freedom of navigation, as well as ensuring safe maritime transport, is the foundation for its peace and prosperity. For this reason, in cooperation with the relevant countries, Japan will support antipiracy operations, as well as promoting various initiatives including assistance for capacity building in this field for coastal states, and making the most of various opportunities to enhance joint training and exercises in waters other than those in the immediate vicinity



Japan-U.K. Foreign and Defense Ministerial Meeting ("2+2" meeting)

- France: In July 2014, a Statement of Intent regarding defense cooperation and exchanges was signed. In March 2015, the second Foreign and Defense Ministerial Meeting was held.
 - of Japan, including participation in the international minesweeping training hosted by the United States.
- With regard to counter-piracy measures, from December 2013, for the purpose of conducting more flexible and effective unit operations, the SDF surface force has been participating in CTF 151 and has carried out zone defense, in addition to the escort missions that it had already been conducting in the past. The ASDF has also been participating in CTF 151 since February 2014. Furthermore, in July 2014, Japan decided on a policy of dispatching CTF 151 commanders and CTF 151 HQ officers from the SDF.

SDF's Counter-Piracy Operations

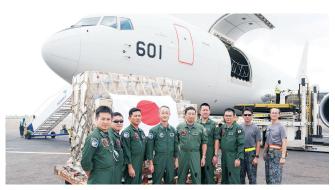


Efforts to Support International Peace Cooperation Activities

- United Nations Mission in the Republic of South Sudan (UNMISS)
 Deployed Engineer Unit (approx. 350 personnel) and Headquarter
 Staff (four personnel) are conducting various activities in the
 Republic of South Sudan.
- International Disaster Relief Operations for the Outbreak of Ebola Hemorrhagic Fever in West Africa
 - At the request from the UN Mission for Ebola Emergency Response (UNMEER), the SDF transported 20,000 pieces of personal protective equipment by KC-767 aerial refueling/transport aircraft.



GSDF personnel conducting ditch construction in South Sudan



ASDF personnel who airlifted personnel protection equipment

- The International Disaster Relief Operations for the Missing AirAsia Airplane
 - Deployment Surface Force Counter Piracy Enforcement, which was returning to Japan following a counter-piracy activity, was dispatched to conduct search and rescue activities for approximately one week.
- International Disaster Relief Activities in Nepal (Earthquake)
 At the request of the Government of Nepal, the MOD swiftly dispatched a medical assistance unit that conducted medical activities for approximately three weeks.



MSDF personnel conducting search and rescue operation for the missing Air Asia airplane



GSDF personnel conducting medical service assistance in Nepal

Collaboration with Local Communities

 The MOD/SDF conducts activities to support the lives of citizens in a range of fields. Such activities help to further deepen the mutual trust between the SDF, and local communities and the people, and contribute significantly to the maintenance and revitalization of the local community.



The SDF Marching Festival held at the Nippon Budokan in FY2014 $\,$

 The MOD/SDF conducts activities to widely inform nationals of the current circumstances of the SDF. For example, as part of the commemoration of the SDF anniversary, the SDF Marching Festival is held at Nippon Budokan arena every year. In FY2014, an air review commemorating the 60th anniversary of the MOD/SDF was also held at Hyakuri Base.



The Air Review Commemorating the 60th Anniversary of the MOD/SDF