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July 7, 2017

Via Email: rule-comments@sec.gov

Mr. Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090
U.S.A.

**Re: Comment on Possible Changes to Industry Guide 3
(Statistical Disclosure by Bank Holding Companies)
File No. S7-02-17**

Dear Mr. Fields:

We are pleased to submit this letter on behalf of Mitsubishi UFJ Financial Group, Inc. ("MUFG") in response to the request for comments made by the U.S. Securities and Exchange Commission (the "Commission") to seek public input on possible changes to the disclosures called for by Industry Guide 3, *Statistical Disclosure by Bank Holding Companies* ("Guide 3").¹

MUFG is a bank holding company incorporated as a joint stock company (*kabushiki kaisha*) under the Company Law of Japan and regulated under the Banking Law of Japan. MUFG is one of the world's largest and most diversified financial groups with total assets of ¥288.9 trillion as of September 30, 2016. MUFG's services include commercial banking, trust banking, securities, credit cards, consumer finance, asset management, leasing and many more fields of financial services, which it provides through a global network of offices and subsidiaries in approximately 50 countries. MUFG's common stock is listed on the Tokyo Stock Exchange and the Nagoya Stock Exchange in Japan. American depositary shares, each representing one share of MUFG common stock, have been listed on the New York Stock Exchange since 1989. Accordingly, MUFG has been making periodic filings pursuant to Section

¹ Release Nos. 33-10321; 34-80131 (Mar. 1, 2017) ("Request for Comment").

13(a) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). For Exchange Act reporting purposes, MUFG prepares its financial statements under accounting principles generally accepted in the United States (“U.S. GAAP”), including for inclusion in its annual reports on Form 20-F, where it also provides selected statistical data in accordance with Guide 3, with certain accommodations granted to it as a foreign private issuer. For Japanese reporting purposes, MUFG publishes its financial information under accounting principles generally accepted in Japan (“Japanese GAAP”) and also discloses various statistical data prepared under Japanese GAAP, which information and data are included in reports submitted on Form 6-K and filed with the Commission, as required.

In this letter, we set forth suggestions that MUFG believes will result in more streamlined disclosure that is more conducive to investors’ assessment of the risk characteristics of bank holding companies. In particular, MUFG wishes to note that certain disclosure requirements under Guide 3 overlap with other financial statement disclosures required under U.S. GAAP² and other Commission disclosure rules, including:

- the book values of investments under Section II.A,
- the period-end balances of loans under Section III.A,
- the period-end amounts of nonaccrual, past due and restructured loans under Section III.C.1,
- the analysis of the allowance for loan losses under Section IV.A and the period-end balance of the allowance for loan losses under Section IV.B,
- the outstanding amounts of time deposits under Sections V.D and V.E, and
- the period-end amounts of short-term borrowings and interest rates thereon under Section VII.(1) and the average amounts of short-term borrowings and interest rates thereon under Section VII.(3).

We discuss each of the comments and suggestions in more detail below.

1. Investment Portfolio (Request for Comment Nos. 21 and 22)

MUFG believes that the investment portfolio disclosure required by Section II.A of Guide 3 is duplicative of the disclosure required by U.S. GAAP and can be streamlined into one set of disclosures. Specifically, Section II.A of Guide 3 requires disclosure of the book value of investments in obligations of (1) the U.S. Treasury and other U.S. Government agencies and corporations, (2) states of the U.S. and political subdivisions, and (3) other securities including bonds, notes, debentures and stock of business corporations, foreign governments and political subdivisions, intergovernmental agencies and the Federal Reserve Bank.

² We note that proposed changes to disclosure requirements by reason of an overlap between Guide 3 and U.S. GAAP would not apply to foreign private issuers that report under International Financial Reporting Standards (as contemplated by the Commission in Note 59 to Release No. 33-10110; 34-78310 (July 13, 2016) (the “Disclosure Update and Simplification Release”).

Rule 9-03.6(a) of Regulation S-X requires, among other things, disclosure of the carrying value of securities of (1) the U.S. Treasury and other U.S. Government agencies and corporations, (2) states of the U.S. and political subdivisions, and (3) other securities.

This requirement under Section II.A of Guide 3 also is substantively duplicative of the requirements of ASC 320-10-50-2 and 50-5 as well as ASC 942-320-50-2. ASC 320-10-50-2 requires disclosure of, among other things, the amortized cost basis of securities classified as available for sale by major security type. ASC 320-10-50-5 requires disclosure of, among other things, the amortized cost basis of securities classified as held to maturity by major security type. Major security types are determined based on the nature and risks of the security. Determinations as to whether disclosure for a particular security type is necessary and whether it is necessary to further separate a particular security type into greater detail must be made based on consideration of (i) (shared) activity or business sector, (ii) vintage, (iii) geographic concentration, (iv) credit quality, and (v) economic characteristic.³

Under ASC 942-320-50-2, in order for financial institutions to comply with ASC 320-10-50-1B and 50-2, financial institutions must disclose all of (1) equity securities segregated by industry type, entity size or investment objective, (2) debt securities issued by the U.S. Treasury and other U.S. government corporations and agencies, (3) debt securities issued by states of the United States and political subdivisions of the states, (4) debt securities issued by foreign governments, (5) corporate debt securities, (6) residential mortgage-backed securities, (7) commercial mortgage-backed securities, (8) collateralized debt obligations, and (9) other debt obligations.

Applying these Guide 3 requirements and U.S. GAAP standards, MUFG provides substantially similar information in the investment portfolio disclosure in the Selected Statistical Data section and the investment securities note to its consolidated financial statements included in its Annual Reports on Form 20-F. Excerpts of these disclosures are set forth in Appendix 1.

MUFG agrees with the proposal set forth in the Disclosure Update and Simplification Release that Rule 9-03.6(a) of Regulation S-X be eliminated because the rule is duplicative of ASC 320-10-50-1B, 50-2 and 50-5 as well as ASC 942-320-50-2. Similarly, MUFG believes that elimination of Section II.A of Guide 3 will not reduce the information available to investors, given that the financial disclosure provided under the U.S. GAAP standards overlaps with the disclosures required under both Section II.A of Guide 3 and Rule 9-03.6(a) of Regulation S-X.

2. Loan Portfolio (Request for Comment Nos. 32 and 33)

MUFG believes that the loan portfolio disclosures required by Sections III.A and III.C.1 of Guide 3 are substantially similar to the disclosures required by U.S. GAAP and can be streamlined into one set of disclosures.

³ ASC 320-10-50-1B.

(a) Types of Loans Disclosure under Section III.A of Guide 3

MUFG believes that the types of loans disclosure required by Section III.A of Guide 3 is similarly required by paragraphs (a) through (c) of Rule 9-03.7 under Regulation S-X, which is codified in ASC 942-210-S99-1. Specifically, Section III.A of Guide 3 requires disclosure of the period-end balance of loans disaggregated into the following categories: (1) domestic (i) commercial, financial and agricultural, (ii) real estate—construction, (iii) real estate—mortgage, (iv) installment loans to individuals, and (v) lease financing, and (2) foreign (i) governments and official institutions, (ii) banks and other financial institutions, (iii) commercial and industrial, and (iv) other loans. A series of categories other than these categories may be used to present details of loans if considered a more appropriate presentation.

Under paragraphs (a) through (c) of Rule 9-03.7 under Regulation S-X, disclosure of the amount of total loans is required for the following categories: (1) commercial, financial and agricultural, (2) real estate—construction, (3) real estate—mortgage, (4) installment loans to individuals, (5) lease financing, (6) foreign (if applicable), and (7) other (any other separate category, regardless of relative size, if necessary to reflect any unusual risk concentration). A series of categories other than these categories may be used to present details of loans if considered a more appropriate presentation.

Applying these Guide 3 requirements and U.S. GAAP standards, MUFG provides identical information in the loan portfolio disclosure in the Selected Statistical Data section and the loans and allowance for credit losses note to its consolidated financial statements included in its Annual Reports on Form 20-F. Excerpts of these disclosures are set forth in Appendix 2.

(b) Nonaccrual, Past Due and Restructured Loans Disclosure under Section III.C.1 of Guide 3

MUFG believes that the disclosures relating to nonaccrual, past due and restructured loans required by Section III.C.1 of Guide 3 provides information similar to that which is required to be disclosed under ASC 310-10-50-7, 50-14A and 50-33. Specifically, Section III.C.1 of Guide 3 requires disclosure of, among other things, the aggregate period-end amounts of domestic and foreign (1) loans accounted for on a nonaccrual basis, (2) accruing loans which are contractually past due 90 days or more as to principal or interest payments, and (3) loans classified as troubled debt restructurings (“TDRs”) that are not otherwise disclosed as being on nonaccrual status or past due 90 days or more. A discussion of the policy for placing loans on nonaccrual status must also be provided.

ASC 310-10-50-7 requires disclosure of (1) the recorded investment in financing receivables on nonaccrual status and (2) the recorded investment in financing receivables past due 90 days or more and still accruing. ASC 310-10-50-14A requires disclosure by class of financing receivable of the amount of impaired loans, which include TDRs under ASC 310-10-35-2. In addition, with respect to TDRs that occurred during the period, disclosure of qualitative and quantitative information is required under ASC 310-10-50-33, including (1) how the financing receivables were modified and (2) the financial effects of the modifications. ASC 310-10-50-6(a) requires disclosure of the policy for placing financial receivables on nonaccrual status.

Applying these Guide 3 requirements and U.S. GAAP standards, MUFG provides similar information in the loan portfolio disclosure in the Selected Statistical Data section and the loans and allowance for credit losses note to its consolidated financial statements included in its Annual Reports on Form 20-F, as discussed in more detail below.

- *Nonaccrual loans.* As shown in Appendix 3, MUFG discloses its nonaccrual loans in the same aggregate amount in the Selected Statistical Data section and in the financial statement note. While the disaggregation in the Selected Statistical Data section is done on a basis consistent with the types of loans disclosure required by Section III.A of Guide 3, the disaggregation in the financial statement note is done by class pursuant to ASC 310-10-55-16,⁴ which requires disaggregation to the level that an entity uses when assessing and monitoring the risk.
- *Restructured loans.* As shown in Appendix 4, MUFG discloses the period-end balance of restructured loans disaggregated into domestic and foreign in the Selected Statistical Data section, while it discloses the pre-modification and post-modification amounts of TDRs that are modified during the reported period by class pursuant to ASC 310-10-55-16.⁵
- *Accruing loans contractually past due 90 days or more.* As shown in Appendix 5, MUFG discloses in the Selected Statistical Data section the period-end balance of accruing loans contractually past due 90 days or more disaggregated into domestic and foreign, while it discloses in the financial statement note the period-end balance of recorded investments past due 90 days or more and accruing disaggregated by class pursuant to ASC 310-10-55-16 as part of its age analysis of past due loans.

With respect to disclosure about its policy for placing financial receivables on nonaccrual status, MUFG provides the same disclosure both in the Selected Statistical Data section and in the financial statement note.

⁴ ASC 310-10-55-16 was adopted in Accounting Standards Update 2010-20, Receivables (Topic 310): *Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses*. ASU 2010-20 was issued with the objective of providing disclosures that facilitate financial statement users' evaluation of the nature of credit risk inherent in the entity's portfolio of financing receivables, which is consistent with a primary goal of Guide 3. See the Request for Comment ("In drafting Guide 3, the staff was 'mindful of the investor's need to assess uncertainties, the need for disclosure with respect to changes in risk characteristics, and specifically the need for substantial and specific disclosure of changes in risk characteristics of loan portfolios.'").

⁵ MUFG currently discloses the period-end balance of impaired loans by class pursuant to ASC 310-10-55-16. However, the concept of impaired loans will be eliminated pursuant to Accounting Standards Update 2016-13, Financial Instruments—Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments*. MUFG also discloses the total period-end balance of TDRs and the amount of TDRs that defaulted during the reporting period, each disaggregated by class, in Note 4 to its audited consolidated financial statements. See, e.g., its Annual Report on Form 20-F filed in July 2016.

3. Summary of Loan Loss Experience (Request for Comment Nos. 44 and 45)

MUFG believes that the analysis of the allowance for loan losses required by Section IV.A of Guide 3 and the allowance for loan losses disclosure required by Section IV.B of Guide 3 are similarly required under ASC 310-10-50-11B(c),⁶ and can be streamlined into one set of disclosures. Specifically, Section IV.A of Guide 3 requires disclosure of, among other things, (1) the balances of allowance for loan losses at the beginning and end of each reported period, (2) charge-offs by loan category, (3) recoveries by loan category, and (4) additions charged to operations. Loan categories include domestic (i) commercial, financial and agricultural, (ii) real estate—construction, (iii) real estate—mortgage, (iv) installment loans to individuals, and (v) lease financing, as well as, if applicable, foreign. Section IV.B of Guide 3 requires disclosure of either (1) a breakdown of the period-end balance of the allowance for loan losses based on the same loan categories as those which are used for the analysis under Section IV.A of Guide 3 or (2) a narrative discussion of (i) the factors considered in determining the amount of the allowance for loan losses and (ii) the risk elements in the loan portfolio as well as information as to the approximate anticipated amount of charge-offs by category during the next full year of operation.

ASC 310-10-50-11B(c) requires disclosure of the activity in the allowance for credit losses for each period by portfolio segment, including (1) the balances in the allowance at the beginning and end of each period, (2) current period provision, (3) direct write-downs charged against the allowance, and (4) recoveries of amounts previously written off. “Portfolio segment” is the level at which an entity develops and documents a systemic methodology to determine its allowance for credit losses.⁷ Examples of portfolio segments include (i) type of financing receivable, (ii) industry sector of the borrower, and (iii) risk rate(s).⁸

Applying these Guide 3 requirements and U.S. GAAP standards, MUFG provides substantively similar information in the loan portfolio disclosure in the Selected Statistical Data section and the loans and allowance for credit losses note to its consolidated financial statements in its Annual Reports on Form 20-F. As shown in Appendix 6, MUFG discloses the allowance for credit losses at the beginning and end of the reported period and the provision, charge-offs and recoveries during the reported period, each in the same aggregate amount in the Selected Statistical Data section and in the financial statement note. The disaggregation in the Selected Statistical Data section is done by loan category, while the disaggregation in the financial statement note is done by portfolio segment, which MUFG reflects the way in which MUFG assesses and monitors the risk relating to its loan portfolio.

⁶ We note that, in the Disclosure Update and Simplification Release, the Commission proposed to eliminate Rule 9-03.7(d) of Regulation S-X, considering the disclosure requirement under the rule duplicative of that which is set forth in ASC 310-10-50-11B(c). Accordingly, we do not discuss the disclosure under Rule 9-03.7(d) in this letter.

⁷ ASC 310-10-20.

⁸ ASC 310-10-55-21.

4. Deposits (Request for Comment Nos. 55 and 56)

MUFG believes that the time deposit disclosures required by Sections V.D and V.E of Guide 3 substantially overlap with the disclosures required by ASC 942-405-50-1(a) and ASC 470-10-50-1 and can be streamlined into one set of disclosures. Specifically, Section V.D of Guide 3 requires disclosure of the amounts outstanding of (1) time certificates of deposit in amounts of \$100,000 or more and (2) other time deposits of \$100,000 or more issued by domestic offices by time remaining until maturity of (i) 3 months or less, (ii) over 3 through 6 months, (iii) over 6 through 12 months, and (iv) over 12 months. Section V.E of Guide 3 requires disclosure of the amounts outstanding of (1) time certificates of deposit and (2) other time deposits in amounts of \$100,000 or more issued by foreign offices.

ASC 942-405-50-1(a) requires disclosure of the aggregate amount of time deposit accounts (including certificates of deposit) in denominations that meet or exceed the FDIC insurance limit at the balance sheet date. ASC 470-10-50-1 requires disclosure of the combined aggregate amount of maturities and sinking fund requirements for all long-term borrowings for each of the five years following the latest balance sheet date. This combined aggregate amount includes domestic and foreign deposits without regard to any threshold amount.

Applying these Guide 3 requirements and U.S. GAAP standards, MUFG provides substantively similar information in the time deposit disclosure in the Selected Statistical Data section and the deposits note to its consolidated financial statements in its Annual Reports on Form 20-F. As shown in Appendix 7, MUFG discloses in the Selected Statistical Data section the balances of domestic time deposits and certificates of deposit in amounts of ¥10 million, which is the amount insured by the Deposit Insurance Corporation of Japan, or more by time remaining until maturity of (i) 3 months or less, (ii) over 3 through 6 months, (iii) over 6 through 12 months, and (iv) over 12 months, and the aggregate amount of foreign time deposits and certificates of deposit in amounts of \$100,000 or more. In the financial statement note, MUFG discloses the balances of domestic and foreign time deposits and certificates of deposit, regardless of any threshold amount, by time remaining until maturity of (i) 1 year or less, (ii) after 1 year through 2 years, (iii) after 2 years through 3 years, (iv) after 3 years through 4 years, (v) after 4 years through 5 years, and (vi) after 5 years. MUFG also textually discloses the balance of domestic time deposits and certificates of deposit in amounts of ¥10 million or more and the balance of foreign time deposits and certificates of deposit in amounts of \$100,000 or more.

5. Short-Term Borrowings (Request for Comment No. 74)

MUFG believes that the period-end short-term borrowing information required by Section VII.(1) of Guide 3 and the average short-term borrowing information required by Section VII.(3) of Guide 3 substantially overlap with the information required under Sections I.A, I.B(1) and I.B(3) of Guide 3 as well as in the balance sheet, and can be streamlined into one set of disclosures. Specifically, Section VII.(1) of Guide 3 requires disclosure, with respect to each category of short-term borrowings, of (1) the amounts outstanding at the end of the reported period, (2) the weighted average interest rate thereon, and (3) the general terms thereof. Section VII.(3) of Guide 3 requires disclosure of (1) the approximate average amounts outstanding

during each reported period and (2) the approximate weighted average interest rate thereon for each category of short-term borrowings set forth in Rule 9-03.13 of Regulation S-X. The categories of short-term borrowings include (i) Federal funds purchased and securities sold under agreements to repurchase; (ii) commercial paper, and (iii) other short-term borrowings.

Section I.A of Guide 3 requires disclosure of average balance sheets, including all major categories of interest-earning assets and interest-bearing liabilities. The major categories of interest-bearing liabilities include savings deposits, other time deposits, short-term debt, long-term debt and other. Sections I.B(1) and I.B(3) of Guide 3 require disclosure, for each major category of interest-bearing liability, of (1) the average amount outstanding during each reported period, (2) the interest paid on such amount, and (3) the average rate paid on such amount.

Applying these requirements, MUFG provides substantively similar information in the short-term borrowing disclosure in the Selected Statistical Data section and in the disclosure relating to average balance sheets, interest and average rates in the same section and the balance sheets included in its Annual Reports on Form 20-F. As shown in Appendix 8, pursuant to Sections VII.(1) and VII.(3) of Guide 3, MUFG discloses in the short-term borrowing disclosure in the Selected Statistical Data section (1) the average balance during the reported period, (2) the maximum month-end balance during the reported period, (3) the period-end balance, (4) the weighted average interest rate during the reported period, and (5) the weighted average interest rate on the period-end balance, of (i) call money, funds purchased, and payables under repurchase agreements and securities lending transactions, (ii) due to trust account, and (iii) other short-term borrowings. Pursuant to Sections I.B(1) and I.B(3) of Guide 3, MUFG also discloses in the disclosure relating to average balance sheets, interest and average rates in the Selected Statistical Data section (1) the weighted average balance during the reported period, (2) the weighted average interest rate thereon, and (3) the amount of interest expense thereon, with respect to (i) call money, funds purchased, and payables under repurchase agreements and securities transactions, (ii) due to trust account, and (iii) other short-term borrowings and trading account liabilities, each disaggregated into domestic and foreign. In addition, MUFG's balance sheet includes the period-end balance of (1) call money and funds purchased, (2) payables under repurchase agreements, (3) payables under securities lending transactions, (4) due to trust account, and (5) other short-term borrowings.

* * * * *

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

We appreciate this opportunity to provide comments in response to the Commission's request and would be happy to discuss any questions the Commission or its staff may have with respect to this letter, which may be directed to the undersigned at +81-3-3597-8101 (fax number +81-3-3597-8120).

Sincerely,

Paul Weiss Rifkind Wharton & Garrison LLP

Paul, Weiss, Rifkind, Wharton & Garrison LLP

cc: Mitsubishi UFJ Financial Group, Inc.

SELECTED STATISTICAL DATA

Investment Portfolio

	At March 31, 2016		
	Amortized cost	Fair value	Net unrealized gains (losses)
		(in millions)	
Available-for-sale securities:			
Domestic:			
Japanese national government and Japanese government agency bonds	¥ 28,427,163	¥ 29,127,841	¥ 700,678
Corporate bonds	795,427	816,984	21,557
Marketable equity securities	2,646,182	5,602,328	2,956,146
Other securities	1,088,843	1,103,232	14,389
Total domestic	32,957,615	36,650,385	3,692,770
Foreign:			
U.S. Treasury and other U.S. government agencies bonds	869,152	880,154	11,002
Other governments and official institutions bonds	1,177,635	1,193,914	16,279
Mortgage-backed securities	1,090,886	1,076,866	(14,020)
Other securities	1,419,445	1,424,912	5,467
Total foreign	4,557,118	4,575,846	18,728
Total	¥ 37,514,733	¥ 41,226,231	¥ 3,711,498
Held-to-maturity securities:			
Domestic:			
Japanese national government and Japanese government agency bonds	¥ 1,101,107	¥ 1,159,115	¥ 58,008
Other securities	200	200	—
Total domestic	1,101,307	1,159,315	58,008
Foreign:			
U.S. Treasury and other U.S. government agencies bonds	62,563	63,965	1,402
Other governments and official institutions bonds	26,772	26,290	(482)
Mortgage-backed securities	1,139,631	1,145,520	5,889
Asset-backed securities	1,536,395	1,536,158	(237)
Other securities	—	—	—
Total foreign	2,765,361	2,771,933	6,572
Total	¥ 3,866,668	¥ 3,931,248	¥ 64,580

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Investment Securities

	At March 31, 2016:			
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
		(in millions)		
Available-for-sale securities:				
Debt securities:				
Japanese national government and Japanese government agency bonds	¥ 28,427,163	¥ 701,250	¥ 572	¥ 29,127,841
Japanese prefectural and municipal bonds	441,720	13,362	84	454,998
Foreign governments and official institutions bonds	2,046,787	28,850	1,569	2,074,068
Corporate bonds	998,616	25,388	724	1,023,280
Residential mortgage-backed securities	898,381	292	11,921	886,752
Commercial mortgage-backed securities	192,585	618	3,074	190,129
Asset-backed securities	1,669,114	1,969	4,301	1,666,782
Other debt securities	180,322	4,657	2,194	182,785
Marketable equity securities	2,660,045	3,000,018	40,467	5,619,596
Total	¥ 37,514,733	¥3,776,404	¥64,906	¥ 41,226,231
Held-to-maturity securities:				
Debt securities:				
Japanese national government and Japanese government agency bonds	¥ 1,101,107	¥ 58,008	¥ —	¥ 1,159,115
Foreign governments and official institutions bonds	89,335	1,344	424	90,255
Corporate bonds	200	—	—	200
Residential mortgage-backed securities	938,505	5,899	4,923	939,481
Commercial mortgage-backed securities	201,126	5,551	638	206,039
Asset-backed securities	1,536,395	8,771	9,008	1,536,158
Total	¥ 3,866,668	¥ 79,573	¥14,993	¥ 3,931,248

SELECTED STATISTICAL DATA

Loan Portfolio

	At March 31, 2016
	(in millions)
Domestic:	
Manufacturing.....	¥ 12,158,642
Construction.....	913,180
Real estate.....	11,175,130
Services.....	2,503,446
Wholesale and retail.....	7,891,364
Banks and other financial institutions ⁽¹⁾	5,146,932
Communication and information services.....	1,509,858
Other industries.....	14,739,826
Consumer.....	16,397,560
Total domestic.....	72,435,938
Foreign:	
Governments and official institutions.....	1,125,031
Banks and other financial institutions ⁽¹⁾	13,654,335
Communication and industrial.....	30,056,474
Other.....	5,818,747
Total foreign.....	50,654,587
Total.....	123,090,525
Unearned income, unamortized premiums—net and deferred loan fees—net.....	(299,567)
Total⁽²⁾.....	¥ 122,790,958

Notes:

- (1) Loans to so-called "non-bank finance companies" are generally included in the "Banks and other financial institutions" category. Non-bank finance companies are primarily engaged in consumer lending, factoring and credit card businesses.
- (2) The above table includes loans held for sale of ... ¥100,889 million at March 31, ... 2016, ..., which are carried at the lower of cost or fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Loans and Allowance for Credit Losses

	2016
	(in millions)
Domestic:	
Manufacturing.....	¥ 12,158,642
Construction.....	913,180
Real estate.....	11,175,130
Services.....	2,503,446
Wholesale and retail.....	7,891,364
Banks and other financial institutions ⁽¹⁾	5,146,932
Communication and information services.....	1,509,858
Other industries.....	14,739,826
Consumer.....	16,397,560
Total domestic.....	72,435,938
Foreign:	
Governments and official institutions.....	1,125,031
Banks and other financial institutions ⁽¹⁾	13,654,335
Communication and industrial.....	30,056,474
Other.....	5,818,747
Total foreign.....	50,654,587
Unearned income, unamortized premiums—net and deferred loan fees—net.....	(299,567)
Total⁽²⁾.....	¥ 122,790,958

Notes:

- (1) Loans to so-called "non-bank finance companies" are generally included in the "Banks and other financial institutions" category. Non-bank finance companies are primarily engaged in consumer lending, factoring and credit card businesses.
- (2) The above table includes loans held for sale of ... ¥100,889 million at March 31, ... 2016, ..., which are carried at the lower of cost or fair value.

SELECTED STATISTICAL DATA

Nonaccrual, Past Due and Restructured Loans

	At March 31, 2016
	(in millions)
Nonaccrual loans:	
Domestic:	
Manufacturing.....	¥ 372,875
Construction.....	15,256
Real estate.....	66,210
Services.....	41,056
Wholesale and retail.....	132,858
Banks and other financial institutions.....	675
Communication and information services.....	20,270
Other industries.....	29,715
Consumer.....	174,106
Total domestic.....	853,021
Foreign:	
Governments and official institutions.....	132
Banks and other financial institutions.....	14,337
Communication and industrial.....	264,163
Other.....	68,514
Total foreign.....	347,146
Total.....	¥ 1,200,167

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nonaccrual Loans

	2016
	(in millions)
Commercial	
Domestic.....	¥ 702,896
Manufacturing.....	372,801
Construction.....	15,207
Real estate.....	60,134
Services.....	40,523
Wholesale and retail.....	132,015
Banks and other financial institutions.....	675
Communication and information services.....	20,270
Other industries.....	29,190
Consumer.....	32,081
Foreign-excluding MUAH and Krungsri.....	189,742
Residential.....	79,817
Card.....	62,546
MUAH.....	66,636
Krungsri.....	85,325
Total ⁽¹⁾	¥ 1,186,962

Note:

- (1) The above table does not include loans held for sale of ... ¥400 million at March 31, ... 2016, respectively, and loans acquired with deteriorated credit quality of ... ¥12,805 million at March 31, ... 2016,

SELECTED STATISTICAL DATA

Nonaccrual, Past Due and Restructured Loans

	At March 31, 2016	
	(in millions)	
Restructured loans:		
Domestic.....	¥	459,294
Foreign.....		166,240
Total.....	¥	625,534

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Troubled Debt Restructurings

	2016	
	Troubled Debt Restructurings	
	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
	(in millions)	
Commercial ⁽¹⁾⁽²⁾		
Domestic.....	¥ 116,299	¥ 76,530
Manufacturing.....	63,304	23,535
Construction.....	2,881	2,881
Real estate.....	7,167	7,167
Services.....	12,226	12,226
Wholesale and retail.....	27,545	27,545
Banks and other financial institutions.....	—	—
Communication and information services.....	869	869
Other industries.....	1,240	1,240
Consumer.....	1,067	1,067
Foreign-excluding MUAH and Krungsri.....	23,849	23,849
Loans acquired with deteriorated credit quality.....	—	—
Residential ⁽¹⁾⁽²⁾	19,316	19,316
Card ⁽²⁾⁽³⁾	16,002	15,670
MUAH ⁽²⁾⁽³⁾	64,064	64,064
Krungsri ⁽²⁾⁽³⁾	17,869	17,781
Total.....	¥ 257,399	¥ 217,210

Notes:

- (1) TDRs for the Commercial and Residential segments include accruing loans with concessions granted, and do not include nonaccrual loans with concessions granted.
- (2) TDRs for the Card, MUAH and Krungsri segments include accrual and nonaccrual loans.
- (3) ... For the fiscal year ended March 31, ... 2016, extension of the stated maturity date of loans was the primary concession type in the Commercial, Residential and Krungsri segments, reduction in the stated rate was the primary concession type in the Card segment and payment deferrals was the primary concession type in the MUAH segment.

SELECTED STATISTICAL DATA

Nonaccrual, Past Due and Restructured Loans

	At March 31, 2016 (in millions)
Accruing loans contractually past due 90 days or more:	
Domestic.....	¥ 47,919
Foreign ⁽¹⁾	314
Total	¥ 48,233

Note:

- (1) Foreign accruing loans contractually past due 90 days or more do not include ... ¥1,930 million of Federal Deposit Insurance Corporation ("FDIC") covered loans held by MUAH which are subject to the guidance on loans and debt securities acquired with deteriorated credit quality at March 31, ... 2016, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Past Due Analysis

At March 31, 2016:	Recorded Investment > 90 Days and Accruing (in millions)
Commercial	
Domestic.....	¥ 6,374
Manufacturing.....	27
Construction.....	—
Real estate.....	1,856
Services.....	106
Wholesale and retail.....	147
Banks and other financial institutions.....	2
Communication and information services.....	73
Other industries.....	—
Consumer.....	4,163
Foreign-excluding MUAH and Krungri.....	—
Residential.....	40,835
Card.....	—
MUAH.....	241
Krungri.....	—
Total	¥ 47,450

SELECTED STATISTICAL DATA

Summary of Loan Loss Experience

	Fiscal year ended March 31, 2016 (in millions, except percentages)
Allowance for credit losses at beginning of fiscal year.....	¥ 1,055,479
Provision (credit) for credit losses.....	231,862
Charge-offs:	
Domestic:	
Manufacturing.....	50,813
Construction.....	1,617
Real estate.....	1,857
Services.....	5,102
Wholesale and retail.....	32,910
Banks and other financial institutions.....	35
Communication and information services.....	1,173
Other industries.....	953
Consumer.....	15,847
Total domestic.....	110,307
Total foreign.....	88,464
Total.....	198,771
Recoveries:	
Domestic.....	22,357
Foreign.....	19,455
Total.....	41,812
Net charge-offs.....	156,959
Others ⁽¹⁾	(19,252)
Allowance for credit losses at end of fiscal year.....	¥ 1,111,130
Allowance for credit losses applicable to foreign activities:	
Balance at beginning of fiscal year.....	¥ 267,293
Balance at end of fiscal year.....	¥ 416,221
Provision (credit) for credit losses.....	¥ 237,189
Ratio of net charge-offs during the fiscal year to average loans outstanding during the fiscal year.....	0.13%

Note:

(1) Others principally include losses (gains) from foreign exchange translation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Allowance for Credit Losses

Fiscal year ended March 31, 2016:	Commercial	Residential	Card	MUAIH	Kransgari	Total
	(in millions)					
Allowance for credit losses:						
Balance at beginning of fiscal year.....	¥ 807,716	¥ 72,366	¥ 35,670	¥ 64,769	¥ 74,958	¥ 1,055,479
Provision (credit) for credit losses.....	117,024	(9,478)	885	47,429	76,002	231,862
Charge-offs.....	116,620	6,691	8,323	5,721	61,416	198,771
Recoveries.....	21,110	2,401	2,955	2,412	12,934	41,812
Net charge-offs.....	95,510	4,290	5,368	3,309	48,482	156,959
Others ⁽¹⁾	(12,671)	—	—	(435)	(6,146)	(19,252)
Balance at end of fiscal year.....	¥ 816,559	¥ 58,598	¥ 31,187	¥ 108,454	¥ 96,332	¥ 1,111,130

Note:

(1) Others are principally comprised of gains or losses from foreign exchange translation.

SELECTED STATISTICAL DATA

Deposits

At March 31, 2016, the balances and remaining maturities of time deposits and certificates of deposit ("CDs") issued by domestic offices in amounts of ¥10 million (approximately U.S.\$89 thousand at the Federal Reserve Bank of New York's noon buying rate on March 31, 2016) or more and total foreign deposits issued in amounts of U.S.\$100,000 or more are shown in the following table:

	Time deposits	Certificates of deposits (in millions)	Total
Domestic offices:			
Three months or less	¥ 6,938,620	¥ 2,721,712	¥ 9,660,332
Over three months through six months	4,478,986	371,640	4,850,626
Over six months through twelve months	9,506,674	354,515	9,861,189
Over twelve months	4,508,186	124,791	4,632,977
Total	¥ 25,432,466	¥ 3,572,658	¥ 29,005,124
Foreign offices			¥ 23,867,036

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Deposits

The balances of time deposits, including CDs, issued in amounts of ¥10 million (approximately U.S.\$89 thousand at the Federal Reserve Bank of New York's noon buying rate on March 31, 2016) or more with respect to domestic deposits and issued in amounts of U.S.\$100,000 or more with respect to foreign deposits were ¥26,741,038 million and ¥27,056,193 million, respectively, at March 31, 2015, and ¥29,005,124 million and ¥23,867,036 million, respectively, at March 31, 2016.

The maturity information at March 31, 2016 for domestic and foreign time deposits, including CDs, is summarized as follows:

	Domestic	Foreign
	(in millions)	
Due in one year or less	¥ 35,553,119	¥ 24,020,814
Due after one year through two years	6,076,048	460,129
Due after two years through three years	2,957,445	280,569
Due after three years through four years	981,293	146,945
Due after four years through five years	998,626	34,147
Due after five years	846,129	6,503
Total	¥ 47,412,660	¥ 24,949,107

SELECTED STATISTICAL DATA

Short-Term Borrowings

	Fiscal year ended March 31, 2016 (in millions, except percentages)
Call money, funds purchased, and payables under repurchase agreements and securities lending transactions:	
Average balance outstanding during the fiscal year	¥ 34,418,693
Maximum balance outstanding at any month-end during the fiscal year	38,054,242
Balance at end of fiscal year	28,213,420
Weighted average interest rate during the fiscal year	0.16%
Weighted average interest rate on balance at end of fiscal year	0.19%
Due to trust account:	
Average balance outstanding during the fiscal year	¥ 1,162,326
Maximum balance outstanding at any month-end during the fiscal year	6,338,154
Balance at end of fiscal year	6,338,154
Weighted average interest rate during the fiscal year	0.04%
Weighted average interest rate on balance at end of fiscal year	0.02%
Other short-term borrowings:	
Average balance outstanding during the fiscal year	¥ 11,030,368
Maximum balance outstanding at any month-end during the fiscal year	11,875,134
Balance at end of fiscal year	9,357,728
Weighted average interest rate during the fiscal year	0.23%
Weighted average interest rate on balance at end of fiscal year	0.36%

SELECTED STATISTICAL DATA

Average Balance Sheets, Interest and Average Rates

	Fiscal year ended March 31, 2016 (in millions, except percentages)		
	Average balance	Interest expense	Average rate
Call money, funds purchased, and payables under repurchase agreements and securities lending transactions:			
Domestic	¥ 23,053,298	¥ 40,202	0.17%
Foreign	11,365,395	13,801	0.12
Total	34,418,693	54,003	0.16
Due to trust account:			
Domestic	1,162,326	505	0.04
Other short-term borrowings and trading account liabilities:			
Domestic	7,945,537	26,145	0.33
Foreign	5,787,927	28,427	0.49
Total	13,733,464	54,572	0.40

CONSOLIDATED BALANCE SHEETS

(in millions)	2016
Call money and funds purchased (Notes 8 and 10)	¥ 1,388,589
Payables under repurchase agreements (Notes 8, 15 and 16)	22,114,424
Payables under securities lending transactions (Notes 8, 15 and 16)	4,710,407
Due to trust account (Note 11)	6,338,154
Other short-term borrowings (including ¥156,703 and ¥110,110 measured at fair value under fair value option in 2015 and 2016) (Notes 8, 12 and 32)	9,357,728