

Key Results of the Survey on the Use of LIBOR

19 May 2021

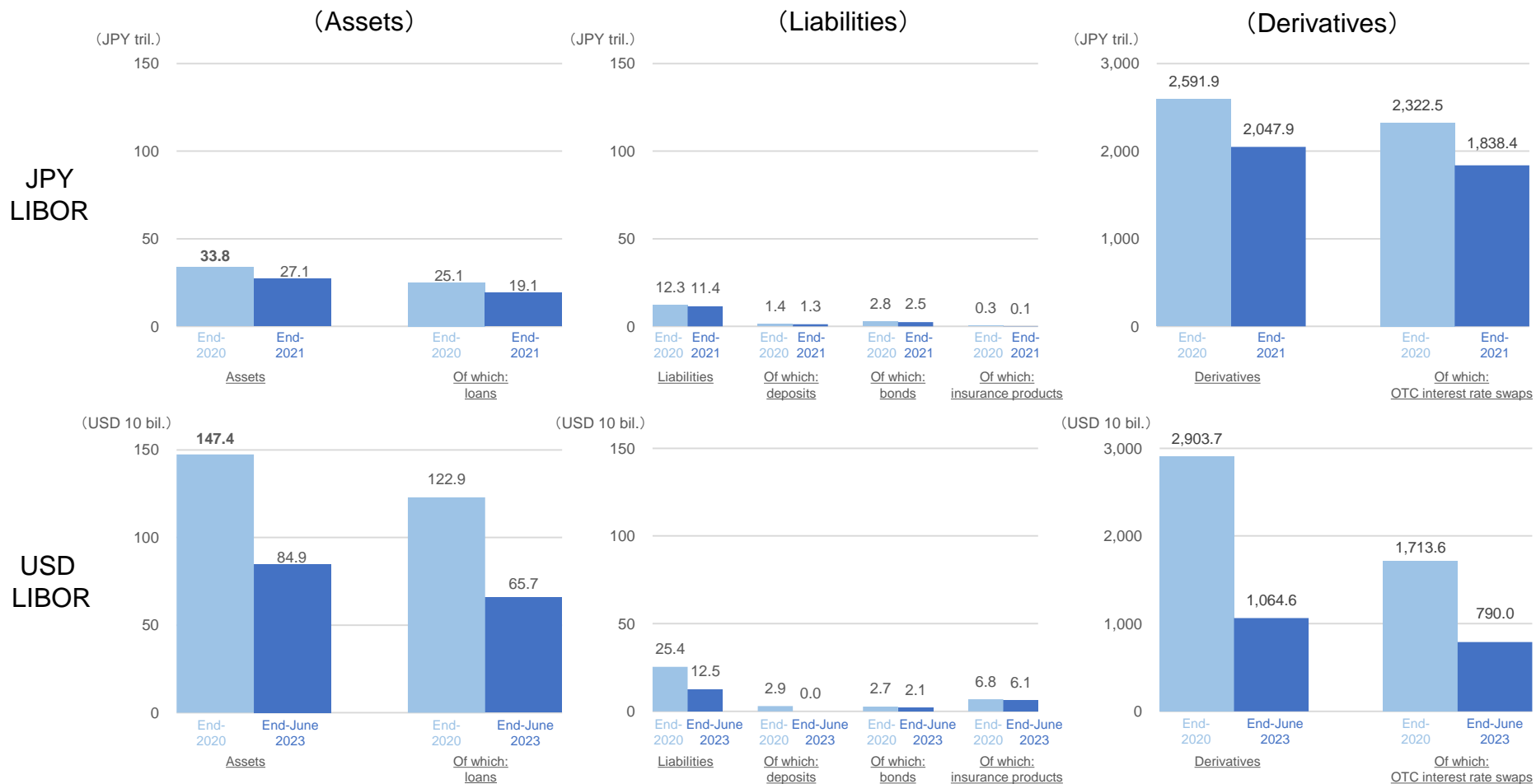
Financial Services Agency and Bank of Japan

Summary of survey

Survey reference date	End-2020
Surveyed financial institutions	This survey covers 274 financial institutions: 9 major banks (Mizuho Bank, MUFG Bank, Sumitomo Mitsui Banking Corporation, Resona Bank, Mitsubishi UFJ Trust and Banking Corporation, Mizuho Trust and Banking Company, Sumitomo Mitsui Trust Bank, Shinsei Bank, and Aozora Bank), 101 regional banks, 37 other banks (8 trust banks that are excluded from the major banks, 12 other Japanese banks, 15 foreign bank branches, Shinkin Central Bank, and Norinchukin Bank), 32 securities companies (19 major Japanese securities companies and 13 foreign securities companies), and 95 insurance companies (42 life insurance companies and 53 non-life insurance companies).
Main survey items	The framework and situation for taking measures to respond to the cessation of LIBOR panel publication, as well as the volume of contracts referencing LIBOR.

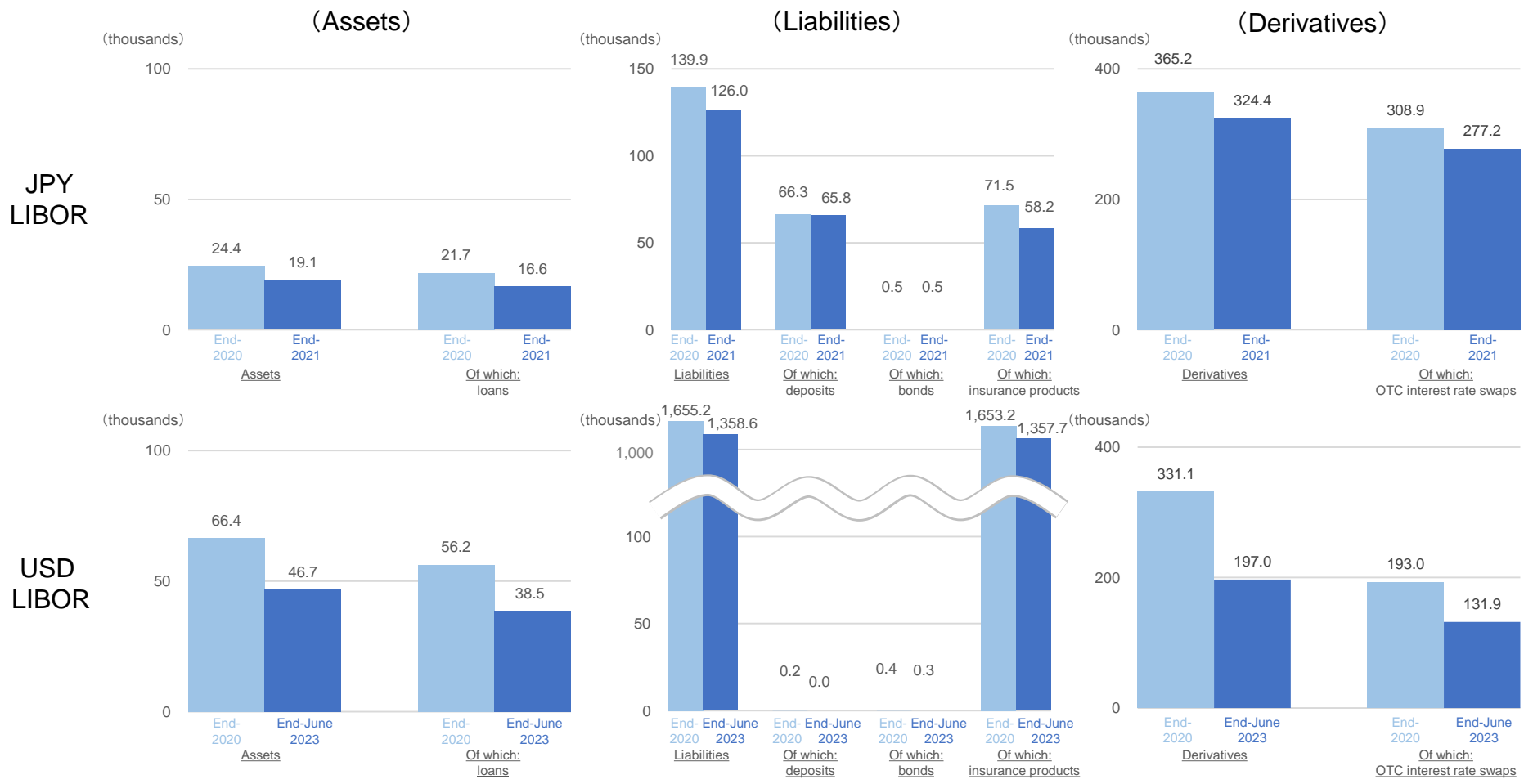
Volume of contracts referencing LIBOR (amounts outstanding, JPY and USD)

- The amounts outstanding of contracts referencing JPY LIBOR (the total of surveyed financial institutions) as at end-2020 are 33 trillion yen of assets (e.g., loans), 12 trillion yen of liabilities (e.g., deposits, bonds, and insurance products), and 2,591 trillion yen of notional amounts of derivatives.
- Of these contracts, 80 percent of assets (27 trillion yen), 92 percent of liabilities (11 trillion yen), and 79 percent of derivatives (2,047 trillion yen of notional amounts) will mature beyond end-2021, that is when the release of JPY LIBOR will be ceased.
- The amounts outstanding of contracts referencing USD LIBOR as at end-2020 are 1.4 trillion U.S. dollars of assets (e.g., loans), 0.2 trillion dollars of liabilities (e.g., deposits, bonds, and insurance products), and 29 trillion dollars of notional amounts of derivatives (see p. 6 for the impact of extending the publication of some USD LIBOR tenors).



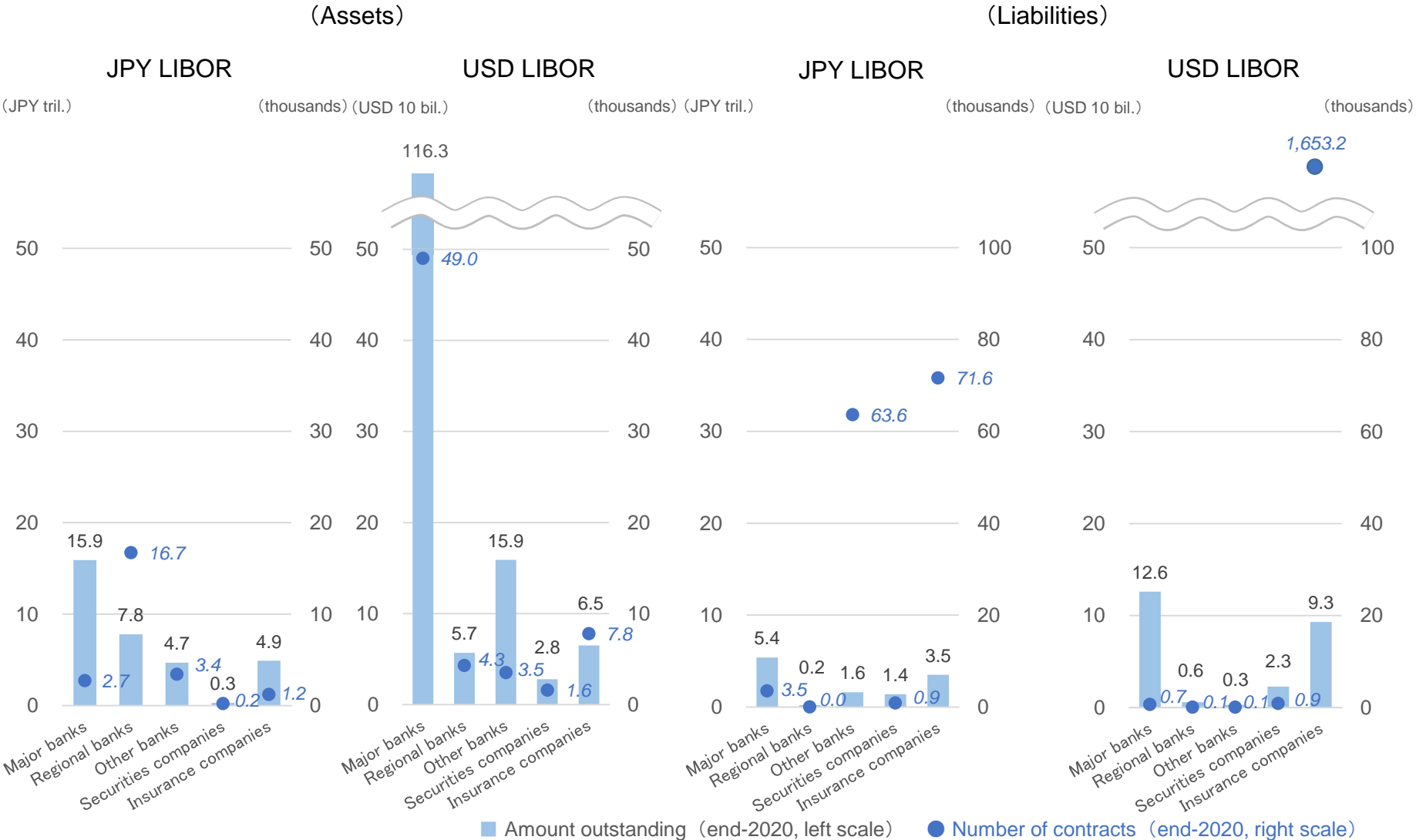
Volume of contracts referencing LIBOR (number of contracts, JPY and USD)

- The number of contracts referencing JPY LIBOR (the total of surveyed financial institutions) as at end-2020 are 24 thousand for assets (e.g., loans), 139 thousand for liabilities (e.g., deposits, bonds, and insurance products), and 365 thousand for derivatives.
- Of these contracts, 78 percent of assets (19 thousand), 90 percent of liabilities (126 thousand), and 88 percent of derivatives (324 thousand) will mature beyond end-2021, that is when the release of JPY LIBOR will be ceased.
- The number of contracts referencing USD LIBOR as at end-2020 are 66 thousand for assets (e.g., loans), 1,655 thousand for liabilities (e.g., deposits, bonds, and insurance products), and 331 thousand for derivatives. The numbers for assets and liabilities exceeded those referencing JPY LIBOR, and were the largest among currencies (see p. 6 for the impact of extending the publication of some USD LIBOR tenors).



Volume of contracts referencing LIBOR (by business type, assets and liabilities, JPY and USD)

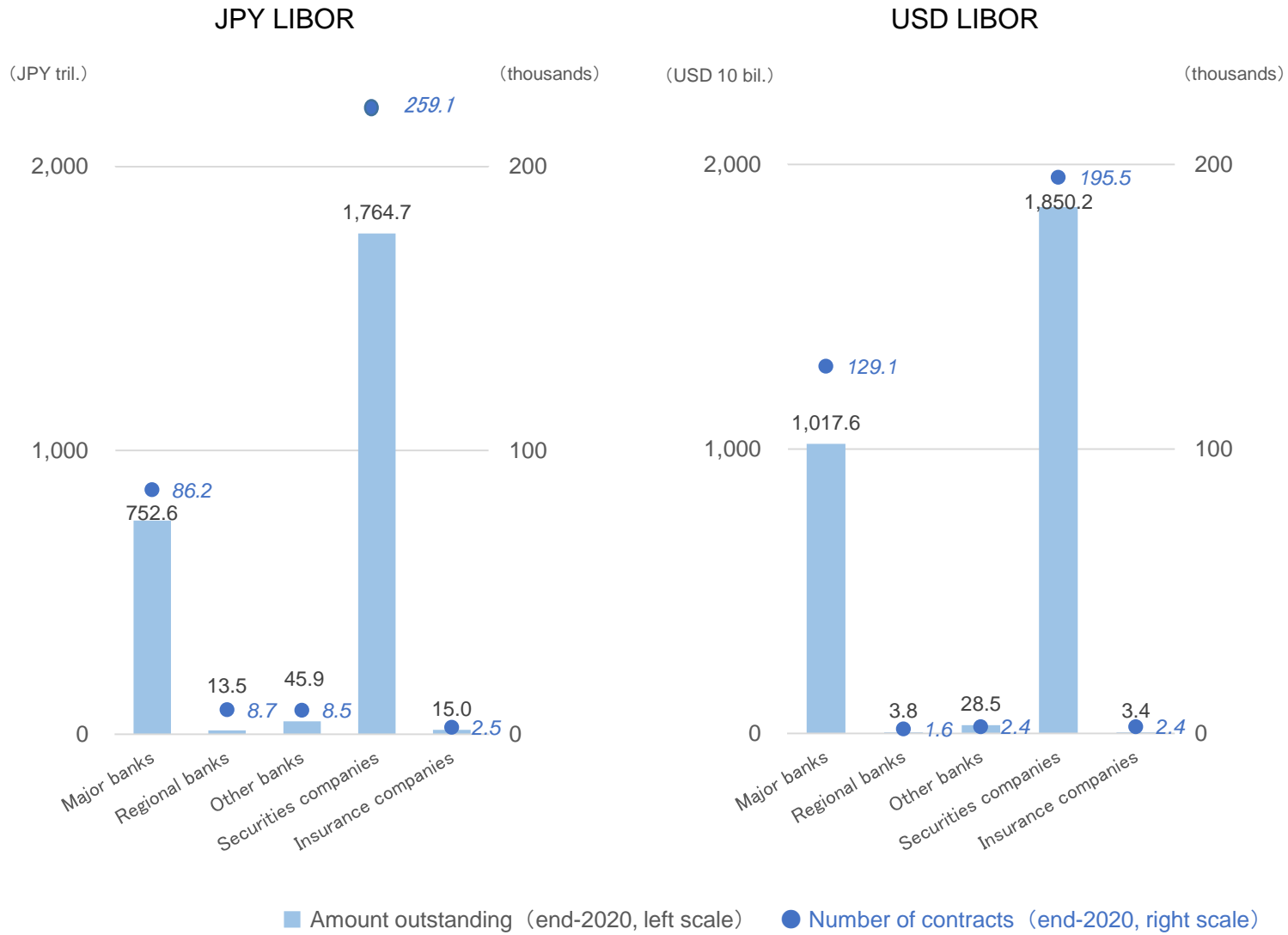
- In terms of the amounts outstanding of contracts referencing JPY or USD LIBOR (left scale), major banks have the largest proportion among all business types. As for the contracts referencing USD LIBOR, most of the assets owned by major banks are loans.
- In terms of the number of contracts (right scale), insurance companies have the largest proportion of contracts both in JPY and USD LIBOR on the liability side. Most of the contracts owned by insurance companies are insurance products.



Volume of contracts referencing LIBOR (by business type, derivatives, JPY and USD)

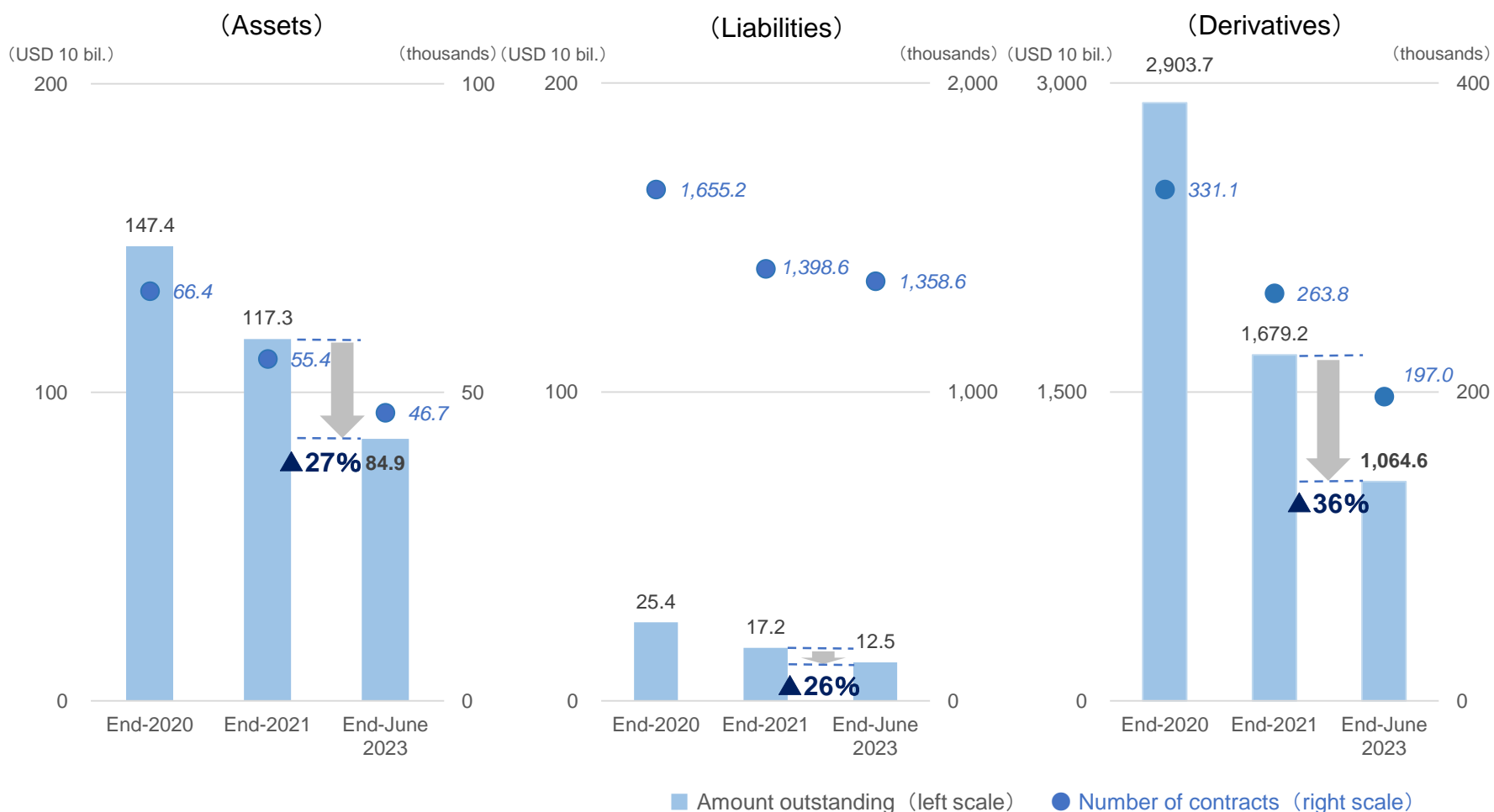
- For derivatives contracts, securities companies have the largest number of contracts both in JPY and USD LIBOR. That is also the case in terms of the amounts outstanding of LIBOR for both currencies. Major banks are the second largest. Most of these contracts are over-the-counter interest rate swaps.

(Derivatives)



Impact of extending the publication of some USD LIBOR tenors

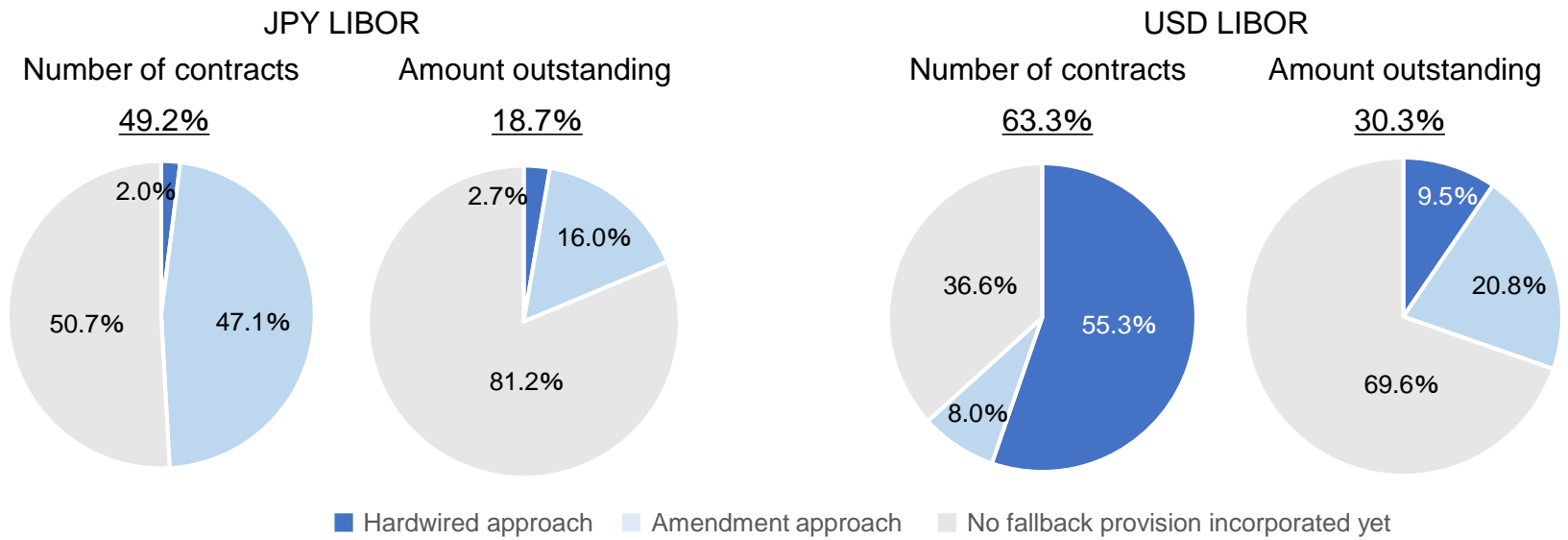
- The publication of USD LIBOR, except for certain tenors, will be ceased immediately after end-June 2023.
- The amount outstanding of contracts referencing USD LIBOR that will mature beyond end-June 2023 is 0.8 trillion dollars of assets (e.g., loans), which is 27 percent down from the amount outstanding as at end-2021 (15 percent down in terms of the number of contracts).
- The amount outstanding of notional amounts of derivatives referencing USD LIBOR that will mature beyond end-June 2023 is 10.6 trillion dollars, which is 36 percent down from the amount outstanding as at end-2021 (25 percent down in terms of the number of contracts).



Incorporating fallback provisions (JPY and USD)

- 49 percent of the contracts referencing JPY LIBOR have already incorporated fallback provisions (either in hardwired or amendment approach). The proportion of the amounts outstanding of such LIBOR is 18 percent. As for USD LIBOR, 63 percent of the contracts have incorporated fallback provisions (30 percent in terms of amounts outstanding). At the time of the previous survey (end-June 2019), very few contracts incorporated fallback provisions.
- As for both JPY and USD LIBOR, the proportions are higher in terms of the number of contracts than in terms of the amounts outstanding. This was mainly because there were cases in which financial institutions incorporated fallback provisions collectively in retail loan contracts.
- On the liabilities front, contracts incorporating fallback provisions were barely observed in terms of the number of contracts, regarding deposits referencing JPY LIBOR and insurance products referencing JPY or USD LIBOR. However, as for most of the insurance products that are subject to responses by financial authorities such as approval, consultations are underway between insurance companies and financial authorities.

Proportion of assets (e.g., loans) incorporating fallback provisions



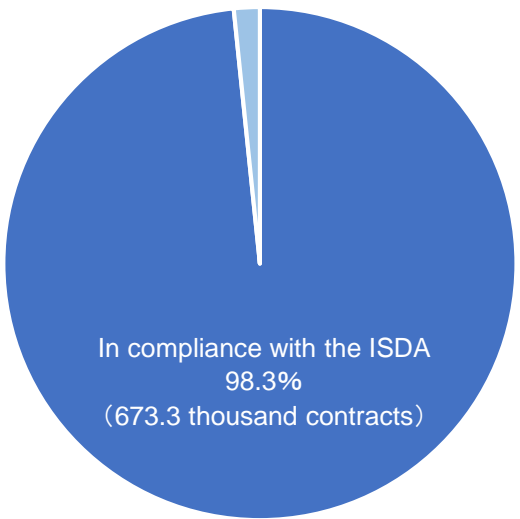
Note: Surveyed items are contracts referencing JPY LIBOR that will mature beyond December 2021 and contracts referencing USD LIBOR that will mature beyond end-June 2021.

Hardwired approach: fallback provisions that specify a single replacement rate or a rate to be determined by waterfall methodology when introducing a fallback provision.
 Amendment approach: fallback provisions other than those in the hardwired approach.

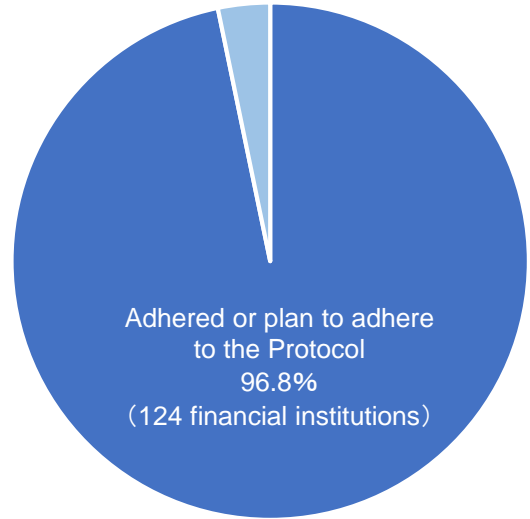
Adhering to the ISDA IBOR Fallbacks Protocol

- International Swaps and Derivatives Association (ISDA)'s fallbacks protocol for derivatives referencing LIBOR came into effect on January 25, 2021.
- 98 percent of LIBOR-referencing derivative contracts as at end-2020 (among all surveyed financial institutions) are either in compliance with the ISDA Master Agreement or centrally cleared.
- 96 percent of 128 financial institutions, which own derivatives in compliance with the ISDA Master Agreement, responded either that the ISDA IBOR Fallbacks Protocol has already been adhered or the protocol is planned to be adhered.

Compliance with the ISDA Master Agreement (derivatives contracts)
Not in compliance with the ISDA
1.6% (11.1 thousand contracts)



Adherence to the ISDA IBOR Fallbacks Protocol
Do not plan to adhere to the Protocol
3.1% (4 financial institutions)



Note: All currencies and all business types combined. Centrally-cleared derivatives are counted as the ISDA Master Agreement-compliant.

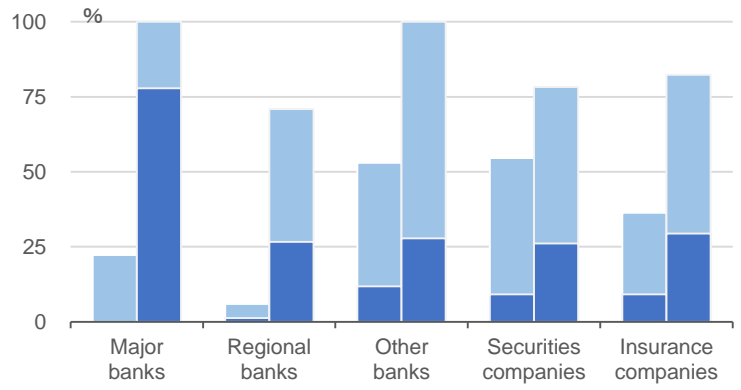
Applying fallbacks to existing derivatives agreements in compliance with the ISDA Master Agreement require ratification by both contracting parties. If a financial institution ratifies and the other contracting party does not, fallbacks will not be applied; thus, fallbacks are not applied to all derivatives agreements in compliance with the ISDA Master Agreement held by 124 financial institutions.

Preparedness of business operations for LIBOR transition in Japan

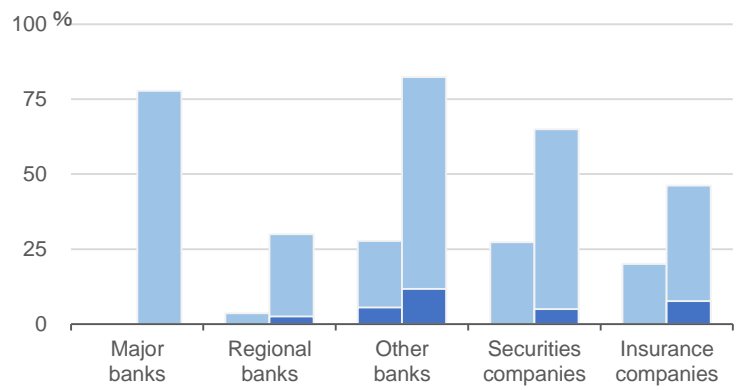
- Turning to communication with customers at each financial institution, many of the major banks finished customer explanation and are making progress in contract modification procedures. Other business types are also making progress in customer explanation and contract modification. As for IT systems, the identification of IT systems requiring upgrades has mostly finished at all business types, and system development is in progress.

Communication with customers

(Explanation to customers)

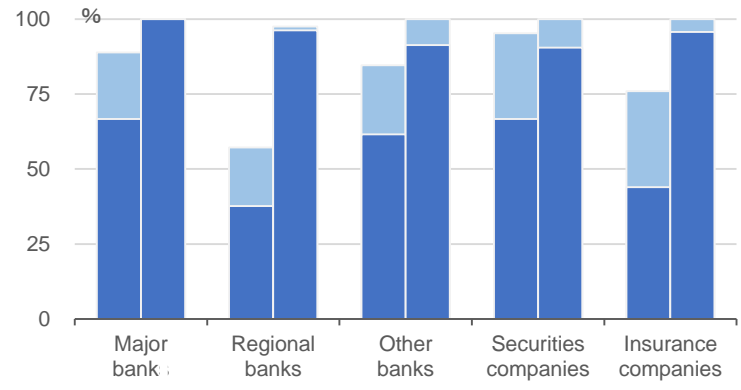


(Revision of contracts)

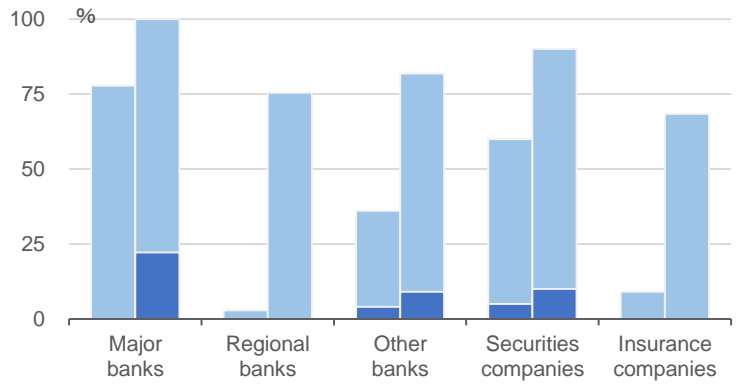


IT systems

(Identification of IT systems requiring upgrades)



(Implementation of IT system upgrades)



■ Action in place ■ Action completed or action almost completed

Note: The cumulative bar graph on the left side shows the proportion of the number of respondents as of the last survey period (end-June 2019), and the cumulative bar graph on the right side shows the proportion of the number of respondents as at this survey period.

【Attachment】

【Attachment 1】 Volume of contracts referencing LIBOR (by currency)

	JPY LIBOR		USD LIBOR		EUR LIBOR		GBP LIBOR		CHF LIBOR	
	Amount outstanding (JPY tril.)	Number of contracts (thousands)	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)	Amount outstanding (EUR 10 bil.)	Number of contracts (thousands)	Amount outstanding (GBP 10 bil.)	Number of contracts (thousands)	Amount outstanding (CHF 10 bil.)	Number of contracts (thousands)
Assets	33.8	24.4	147.4	66.4	4.4	0.6	7.1	2.0	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	27.1	19.1	84.9	46.7	3.3	0.4	5.8	1.7	0.0	0.0
Loans	25.1	21.7	122.9	56.2	4.3	0.6	6.4	1.8	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	19.1	16.6	65.7	38.5	3.2	0.4	5.3	1.6	0.0	0.0
Liabilities	12.3	139.9	25.4	1,655.2	0.0	4.9	0.1	0.0	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	11.4	126.0	12.5	1,358.6	0.0	4.9	0.0	0.0	0.0	0.0
Deposits	1.4	66.3	2.9	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	1.3	65.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	2.8	0.5	2.7	0.4	0.0	0.0	0.0	0.0	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	2.5	0.5	2.1	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Insurance products	0.3	71.5	6.8	1,653.2	0.0	4.9	0.0	0.0	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	0.1	58.2	6.1	1,357.7	0.0	4.9	0.0	0.0	0.0	0.0
Derivatives	2,591.9	365.2	2,903.7	331.1	0.5	0.0	167.2	30.6	2.0	0.4
Of which: contracts maturing beyond cessation of LIBOR publication	2,047.9	324.4	1,064.6	197.0	0.5	0.0	110.0	24.4	1.4	0.3
OTC interest rate swaps	2,322.5	308.9	1,713.6	193.0	0.0	0.0	95.6	21.5	0.4	0.1
Of which: contracts maturing beyond cessation of LIBOR publication	1,838.4	277.2	790.0	131.9	0.0	0.0	73.3	18.5	0.3	0.1
Sales to customers	7.6	189.4	2.6	28.7	0.0	0.0	0.0	0.2	0.0	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	7.3	187.9	2.4	28.2	0.0	0.0	0.0	0.2	0.0	0.0

Notes:

- "Contracts maturing beyond cessation of LIBOR publication" indicates the contracts maturing beyond end-June 2023 for USD and indicates the ones maturing beyond end-2021 for all the other currencies.
- The aggregated data on the table include those reported as approximate by some financial institutions.
- Loans include commitment line agreements.
- Derivatives contracts are based on notional amounts.
- Data for insurance products and sales to customers only cover those of insurance companies and securities companies, respectively.

【Attachment 2】 Volume of contracts referencing LIBOR (by business type, JPY)

	All business types											
	All business types		Major banks		Regional banks		Other banks		Securities companies		Insurance companies	
	Amount outstanding (JPY tril.)	Number of contracts (thousands)	Amount outstanding (JPY tril.)	Number of contracts (thousands)	Amount outstanding (JPY tril.)	Number of contracts (thousands)	Amount outstanding (JPY tril.)	Number of contracts (thousands)	Amount outstanding (JPY tril.)	Number of contracts (thousands)	Amount outstanding (JPY tril.)	Number of contracts (thousands)
Assets	33.8	24.4	15.9	2.7	7.8	16.7	4.7	3.4	0.3	0.2	4.9	1.2
Of which: contracts maturing beyond cessation of LIBOR publication	27.1	19.1	12.2	2.0	6.5	14.9	3.2	0.7	0.3	0.2	4.7	1.2
Loans	25.1	21.7	14.7	2.6	6.7	15.7	2.4	3.1	0.0	0.0	1.1	0.2
Of which: contracts maturing beyond cessation of LIBOR publication	19.1	16.6	10.9	1.9	5.5	14.0	1.4	0.4	0.0	0.0	1.0	0.2
Liabilities	12.3	139.9	5.4	3.5	0.2	0.0	1.6	63.6	1.4	0.9	3.5	71.6
Of which: contracts maturing beyond cessation of LIBOR publication	11.4	126.0	5.2	3.0	0.2	0.0	1.6	63.6	1.2	0.9	3.1	58.3
Deposits	1.4	66.3	1.2	3.1	0.0	0.0	0.1	63.1	-	-	-	-
Of which: contracts maturing beyond cessation of LIBOR publication	1.3	65.8	1.2	2.6	0.0	0.0	0.1	63.1	-	-	-	-
Bonds	2.8	0.5	0.0	0.0	0.1	0.0	0.0	0.0	0.3	0.4	2.3	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	2.5	0.5	0.0	0.0	0.1	0.0	0.0	0.0	0.3	0.4	2.0	0.0
Insurance products	0.3	71.5	-	-	-	-	-	-	-	-	0.3	71.5
Of which: contracts maturing beyond cessation of LIBOR publication	0.1	58.2	-	-	-	-	-	-	-	-	0.1	58.2
Derivatives	2,591.9	365.2	752.6	86.2	13.5	8.7	45.9	8.5	1,764.7	259.1	15.0	2.5
Of which: contracts maturing beyond cessation of LIBOR publication	2,047.9	324.4	621.3	74.8	11.4	7.4	32.0	6.9	1,369.6	232.9	13.4	2.3
OTC interest rate swaps	2,322.5	308.9	655.6	68.7	10.4	7.9	26.0	5.8	1,619.5	224.2	10.9	2.1
Of which: contracts maturing beyond cessation of LIBOR publication	1,838.4	277.2	541.2	59.1	9.3	6.9	20.2	4.8	1,256.9	204.1	10.6	2.0
Sales to customers	7.6	189.4	-	-	-	-	-	-	7.6	189.4	-	-
Of which: contracts maturing beyond cessation of LIBOR publication	7.3	187.9	-	-	-	-	-	-	7.3	187.9	-	-

Notes:

1. "Contracts maturing beyond cessation of LIBOR publication" indicates the contracts maturing beyond end-2021.
2. The aggregated data on the table include those reported as approximate by some financial institutions.
3. Loans include commitment line agreements.
4. Derivatives contracts are based on notional amounts.
5. Data for insurance products and sales to customers only cover those of insurance companies and securities companies, respectively.

【Attachment 3】 Volume of contracts referencing LIBOR (by business type, USD)

	All business types											
	All business types		Major banks		Regional banks		Other banks		Securities companies		Insurance companies	
	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)	Amount outstanding (USD 10 bil.)	Number of contracts (thousands)
Assets	147.4	66.4	116.3	49.0	5.7	4.3	15.9	3.5	2.8	1.6	6.5	7.8
Of which: contracts maturing beyond cessation of LIBOR publication	84.9	46.7	62.6	35.5	3.8	2.4	12.1	2.2	1.2	0.6	5.0	5.7
Loans	122.9	56.2	111.8	48.0	3.9	3.1	3.1	1.6	1.3	0.2	2.6	3.1
Of which: contracts maturing beyond cessation of LIBOR publication	65.7	38.5	59.4	34.7	2.4	1.6	1.7	0.5	0.7	0.1	1.3	1.4
Liabilities	25.4	1,655.2	12.6	0.7	0.6	0.1	0.3	0.1	2.3	0.9	9.3	1,653.2
Of which: contracts maturing beyond cessation of LIBOR publication	12.5	1,358.6	2.9	0.2	0.0	0.0	0.1	0.0	1.5	0.5	7.9	1,357.7
Deposits	2.9	0.2	2.7	0.2	0.0	0.0	0.1	0.0	-	-	-	-
Of which: contracts maturing beyond cessation of LIBOR publication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-
Bonds	2.7	0.4	0.2	0.0	0.0	0.0	0.0	0.0	0.3	0.4	2.1	0.0
Of which: contracts maturing beyond cessation of LIBOR publication	2.1	0.3	0.1	0.0	0.0	0.0	0.0	0.0	0.3	0.3	1.7	0.0
Insurance products	6.8	1,653.2	-	-	-	-	-	-	-	-	6.8	1,653.2
Of which: contracts maturing beyond cessation of LIBOR publication	6.1	1,357.7	-	-	-	-	-	-	-	-	6.1	1,357.7
Derivatives	2,903.7	331.1	1,017.6	129.1	3.8	1.6	28.5	2.4	1,850.2	195.5	3.4	2.4
Of which: contracts maturing beyond cessation of LIBOR publication	1,064.6	197.0	367.5	71.1	1.9	0.7	13.5	1.3	679.0	123.3	2.4	0.6
OTC interest rate swaps	1,713.6	193.0	661.8	88.9	1.2	0.8	10.7	1.3	1,037.5	101.2	2.2	0.6
Of which: contracts maturing beyond cessation of LIBOR publication	790.0	131.9	285.8	55.0	0.8	0.4	7.6	0.8	493.7	75.2	1.9	0.4
Sales to customers	2.6	28.7	-	-	-	-	-	-	2.6	28.7	-	-
Of which: contracts maturing beyond cessation of LIBOR publication	2.4	28.2	-	-	-	-	-	-	2.4	28.2	-	-

Notes:

1. "Contracts maturing beyond cessation of LIBOR publication" indicates the contracts maturing beyond end-June 2023.
2. The aggregated data on the table include those reported as approximate by some financial institutions.
3. Loans include commitment line agreements.
4. Derivatives contracts are based on notional amounts.
5. Data for insurance products and sales to customers only cover those of insurance companies and securities companies, respectively.

【Attachment 4】 Incorporating fallback provisions

Amount outstanding	JPY LIBOR			USD LIBOR			EUR LIBOR			GBP LIBOR			CHF LIBOR		
	Amount outstanding (JPY tril.)	Hardwired	Amendment	Amount outstanding (USD 10 bil.)	Hardwired	Amendment	Amount outstanding (EUR 10 bil.)	Hardwired	Amendment	Amount outstanding (GBP 10 bil.)	Hardwired	Amendment	Amount outstanding (CHF 10 bil.)	Hardwired	Amendment
Assets	27.1	0.7	4.3	84.9	8.1	17.6	3.3	0.0	0.9	5.8	0.2	2.1	0.0	0.0	0.0
Loans	19.1	0.1	2.3	65.7	6.0	8.1	3.2	0.0	0.9	5.3	0.1	1.8	0.0	0.0	0.0
Liabilities	11.4	0.1	0.4	12.5	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	2.5	0.1	0.2	2.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Insurance products	0.1	0.0	0.0	6.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Derivatives	2,047.9	2.5	0.4	1,064.6	6.0	0.1	0.5	0.0	0.0	110.0	0.2	0.0	1.4	0.0	0.0
OTC interest rate swaps	1,838.4	1.5	0.4	790.0	3.1	0.1	0.0	0.0	0.0	73.3	0.0	0.0	0.3	0.0	0.0
Sales to Customers	7.3	0.6	0.4	2.4	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Number of contracts	JPY LIBOR			USD LIBOR			EUR LIBOR			GBP LIBOR			CHF LIBOR		
	Number of contracts (thousands)	Hardwired	Amendment	Number of contracts (thousands)	Hardwired	Amendment	Number of contracts (thousands)	Hardwired	Amendment	Number of contracts (thousands)	Hardwired	Amendment	Number of contracts (thousands)	Hardwired	Amendment
Assets	19.1	0.3	9.0	46.7	25.8	3.7	0.4	0.0	0.1	1.7	0.0	0.6	0.0	0.0	0.0
Loans	16.6	0.0	8.5	38.5	23.8	2.0	0.4	0.0	0.1	1.6	0.0	0.5	0.0	0.0	0.0
Liabilities	126.0	0.0	0.0	1,358.6	0.1	0.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits	65.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	0.5	0.0	0.0	0.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Insurance products	58.2	0.0	0.0	1,357.7	0.0	0.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Derivatives	324.4	0.7	0.0	197.0	1.0	0.0	0.0	0.0	0.0	24.4	0.0	0.0	0.3	0.0	0.0
OTC interest rate swaps	277.2	0.4	0.0	131.9	0.6	0.0	0.0	0.0	0.0	18.5	0.0	0.0	0.1	0.0	0.0
Sales to Customers	187.9	13.0	5.9	28.2	2.0	1.9	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0

Notes:

- For each currencies, data in this table show aggregated volumes of contracts maturing beyond cessation of LIBOR publication, as described in note 1 in Attachment 1. Note 2 to 5 in Attachment 1 applies to this table.
- Derivatives adhering to the ISDA fallback protocols are not regarded as contracts incorporating fallback provisions, since the ISDA fallback protocols was not in effect at this survey reference date.

[Attachment 5] Preparedness of business operations for LIBOR transition in Japan

Number of respondents

	All business types			Major banks			Regional banks			Other banks			Securities companies			Insurance companies		
	1, 2	3	4	1, 2	3	4	1, 2	3	4	1, 2	3	4	1, 2	3	4	1, 2	3	4
i . Customer Services Division																		
Development of customer service manuals	44	39	21	7	2	0	16	16	16	7	9	0	9	9	3	5	3	2
Employee training	55	38	19	8	1	0	24	15	15	6	9	0	9	10	2	8	3	2
Explanation to customers	44	71	31	7	2	0	21	35	23	5	13	0	6	12	5	5	9	3
Discussion with customers on transition	7	82	51	0	8	1	4	34	41	1	16	1	1	15	6	1	9	2
Revision of contracts	6	58	75	0	7	2	2	22	56	2	12	3	1	12	7	1	5	7
ii . IT Systems Division																		
Identification of IT systems requiring upgrades	148	6	2	9	0	0	77	1	2	21	2	0	19	2	0	22	1	0
Identification of requirements for system upgrades	89	42	6	9	0	0	39	24	4	13	9	0	14	5	1	14	4	1
Securing budgets for IT system upgrades	93	33	7	9	0	0	35	26	4	19	3	0	17	1	2	13	3	1
Implementation of IT system upgrades	6	101	28	2	7	0	0	49	16	2	16	4	2	16	2	0	13	6
iii . Administrative Division																		
Identification of administrative rules and operational processes in need of revision	87	45	16	8	0	1	37	26	8	13	8	2	10	10	0	19	1	5
Revision of administrative rules	10	66	45	2	6	1	1	26	30	2	13	7	1	12	1	4	9	6
Revision of operational processes	9	75	45	2	6	1	0	29	28	2	14	6	2	15	2	3	11	8
iv . Financial Accounting Division																		
Identification of issues and concerns for the preparation of financial statements	85	40	13	9	0	0	40	20	9	9	8	1	8	7	0	19	5	3
Discussion with outside auditors (esp. on hedge accounting issues)	36	50	25	5	4	0	15	24	16	5	9	1	5	5	0	6	8	8
Developing policies for the preparation of financial statements	20	74	29	5	4	0	9	35	20	3	12	1	1	10	2	2	13	6
v . IR Division																		
Identification of issues and concerns for own-issued bonds	34	5	2	4	1	0	10	0	1	2	1	0	8	2	0	10	1	1
Development of policy on own-issued bonds (incl. the consideration of the need for bondholders' meetings)	17	13	4	2	2	0	5	0	3	0	2	0	5	3	0	5	6	1
Explanation to investors (holders) of own-issued bonds	3	12	15	0	4	0	1	0	3	0	1	1	0	5	4	2	2	7
Revision of contracts on own-issued bonds	3	11	16	0	4	0	1	0	3	0	1	1	0	4	5	2	2	7
vi . Markets/Risk Management Division																		
Adjustment of quantitative models (e.g., for fair value and VaR)	18	118	35	1	8	0	1	62	24	7	14	3	3	16	2	6	18	6
Review of ALM framework	11	83	31	0	8	0	2	45	25	5	13	2	1	9	1	3	8	3
Review of framework of managing other risks	14	92	27	0	6	0	1	48	20	6	15	2	3	14	2	4	9	3
Development of operational risk framework (e.g., risks associated with business procedures and computer systems)	19	69	29	2	3	0	1	38	20	5	12	3	3	7	2	8	9	4
vii . Legal division																		
Review and amendment of contract format	23	79	40	6	2	1	5	44	30	2	14	0	4	13	3	6	6	6
Preparation for litigation risks (e.g., risks arising from incomplete contracts and insufficient customer explanation, and conduct risks associated with sales of products referencing LIBOR)	26	64	43	6	3	0	8	32	34	3	11	0	4	12	5	5	6	4

Notes:

1. The response options are as follows: 1 = action completed; 2 = action almost completed; 3 = action in process;

4 = action not yet started; and 5 = not applicable.

2. Figures in the table show the number of responses, while the different shades represent the percentage shares of responses 1 to 4.

