

April 8, 2011

Comment from BTMU on IFRS Foundation Monitoring Board
Consultative Report on the Review of the IFRS Foundation's Governance

The Bank of Tokyo-Mitsubishi UFJ,Ltd.

The Bank of Tokyo-Mitsubishi UFJ, Ltd is a commercial bank in Japan operating worldwide. We submits the following comments on “Consultative Report on the Review of the IFRS Foundation’s Governance” .

We hope that the comments below will assist IFRS Foundation Monitoring Board in its further deliberation.

Question 1:

- Do you agree with the proposal to urge concrete efforts to deepen the pool of candidates for IASB membership from diverse geographical and professional backgrounds? Please provide reasons for your agreement/disagreement.

(Comment)

We agree with the proposal considering that each country has its own business model characteristics etc. .

Question 2:

- Do you agree with the proposal to separate the roles of the IASB Chair and the CEO of the IFRS Foundation, and if so would you have suggestions on how to formalize this? Please provide reasons for your agreement/disagreement.

(Comment)

We agree with the proposal as highly independence and mutual supervision of each organization are required with the progress of globalization.

Question 5:

(1) Do you agree with the proposal to provide increased transparency into the process for Trustee nominations? Please provide reasons for your agreement/disagreement.

To what extent should the Monitoring Board be involved in the nomination process?

(2) Do you agree that further clarification of criteria for the Trustees' candidacy would help support confidence of the stakeholders? Please provide reasons for your agreement/disagreement.

(Comment)

(1) We don't have any comments on this question.

(2) We agree with the proposal as further clarification of criteria for the Trustees' candidacy would improve transparency.

Question 6:

(1) Should the membership of the Monitoring Board continue to be confined to capital markets authorities responsible for setting the form and content of financial reporting in respective jurisdictions?

(2) Do you agree with the proposal to expand the Monitoring Board's membership by adding a mix of permanent members ([four]) representing primarily major emerging markets and rotating members ([two]) from all other markets? Please provide reasons for your agreement/disagreement. How should the major markets be selected? Should a jurisdiction's application of IFRSs and financial contribution to standard-setting play a role?

(3) Do you agree that rotating members should be selected through IOSCO? Please provide reasons for your agreement/disagreement.

(Comment)

(2) We agree with the proposal. We believe that the number of the Monitoring Board members needs to be expanded in order to ensure the equality of opportunity with the increase of the countries adopting IFRS.

(3) We agree with the proposal considering that the users of IFRS financial statements are mainly market participants and consistency with the regulations related to accounting.

Question 8:

- To ensure increased involvement of public authorities and other international organizations in Monitoring Board activities, do you support the Monitoring Board (a) expanding the number of Monitoring Board observers, (b) holding more formalized dialogue, or (c) establishing an advisory body, and on what basis? What should be the criteria for selecting participants?

(Comment)

We believe that efficiency of the function of the Monitoring Board shouldn't be decreased because of the expansion of the number of members or the establishment of advisory bodies.

Question 9:

- Do you believe that the current arrangements for the standard-setting process adequately ensure the appropriate involvement of all relevant stakeholders and that all relevant public policy objectives are taken into account? Please provide reasons for your agreement/disagreement.

(Comment)

We agree with the proposal. We think that it is inevitable that the Trustees would cooperate with the IASB to keep transparency including supervision and disclosure of information as it is difficult for the IASB alone to ensure the due process which stakeholders are satisfied with and to improve transparency.

We think the Monitoring Board should monitor the monitoring of the due process by the Trustees on the process of standard setting.

Question 10:

- What are the appropriate means and venues for the Monitoring Board to enhance the visibility and public understanding of its activities?

(Comment)

Information can be disclosed on the Web site by the Monitoring Board regarding activity or supervision of the Monitoring Board.

Question 11:

- Do you believe that the current arrangements for Monitoring Board involvement in the IASB's agenda-setting are appropriate, or should the Monitoring Board have an explicit ability to place an item on the agenda, or would you consider other alternatives that would enhance the Monitoring Board involvement in the IASB agenda setting? Please provide reasons.

(Comment)

We don't agree with the proposal. Though it is preferable to give a proposal or a recommendation to the IASB, the IASB should be highly independent and shouldn't be restricted in its activity by the Monitoring Board.

Question 13:

(1) Do you believe that the Monitoring Board should have a more prominent role in the selection of the IASB Chair? Do you agree with the proposal that the role include involvement in establishing a set of publicly disclosed criteria for the Chair, and assessment of a short list of candidates against those criteria? Please provide reasons.

(2) Do you believe that the Monitoring Board should be given any further, specific role in the selection of the IASB Chair? In particular, should the Monitoring Board approve the Trustees' final selection? Please provide reasons.

(Comment)

We don't agree with the proposal. We believe the selection of the IASB chairperson should be a role of the Trustees. However, the Monitoring Board can exercise the function to give some proposals to the Trustees if it is needed.

Question 14:

- Do you agree that the Monitoring Board's responsibilities should explicitly include consultation with the Trustees as they further develop the framework to ensure proper balance in the composition of the IASB? Please provide reasons for your agreement/ disagreement.

(Comment)

We don't agree with the proposal as above.

Question 16:

- Do you agree with the need for regular reviews, and the interval of five years as a benchmark? Should the reviews be aligned with the timing of the Foundation's mandated Constitution reviews? Please provide reasons for your agreement/ disagreement.

(Comment)

We agree with the proposal on the condition that the interval of reviews is set considering the revision cycle on accounting rules in each country or by other institutions.