



**REGISTERED BANK
DISCLOSURE STATEMENT**



31 DECEMBER 2014



**THE BANK OF TOKYO-MITSUBISHI UFJ, LTD
AUCKLAND BRANCH**

TABLE OF CONTENTS

Disclosure Statement	Page
1. Corporate Information	1
2. Recognition and Priority of Claims of Creditors or Classes in the Event of Insolvency	1
3. Excess of Assets Over Deposit Liabilities	1
4. Guarantee Arrangement	1
5. Directorate	1
6. Auditors	2
7. Conditions of Registration	3
8. Credit Rating	3
9. Other Material Matters	3
10. Financial Statements of the Registered Bank and the Overseas Banking Group	3
11. Directors' and General Manager Auckland Branch's Statement	4
 Condensed Interim Financial Statements	
Condensed Statement of Comprehensive Income	5
Condensed Statement of Changes in Equity	6
Condensed Statement of Financial Position	7
Condensed Statement of Cash Flows	8
 Notes to Condensed Interim Financial Statements	
1. Statement of Significant Accounting Principles	10
2. Profit Before Income Tax Expense	11
3. Property, Plant and Equipment	12
4. Loans and Advances	12
5. Deposits	12
6. Total Liabilities of the Branch Net of Amounts Due to Related Parties	12
7. Other Liabilities	13
8. Commitments and Contingent Liabilities	13
9. Related Party Disclosures	14
10. Fair Value of Financial Instruments	15
11. Liquidity Risk Management	17
12. Profitability and Size	18
13. Asset Quality	18
14. Exposures to Market Risk	20
15. Capital Adequacy	20
16. Credit Exposures to Individual Counterparties	21



17. Insurance Business	21
18. Non-Consolidated Activities	21
19. Securitization, Funds Management, and Other Fiduciary Activities	21
20. Risk Management Policies	22
21. Financial Support	22
22. Subsequent Events	22

Disclosure Statement

For the Nine Months Ended 31 December 2014

This Disclosure Statement contains information as required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 ('the Order').

1. Corporate Information

On 1 January 2006, The Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Limited merged to form a single entity named The Bank of Tokyo-Mitsubishi UFJ, Ltd. (the 'Overseas Bank' and the 'Registered Bank').

The 'Overseas Banking Group' includes all entities consolidated for the purposes of public reporting in Japan including The Bank of Tokyo-Mitsubishi UFJ, Ltd., its subsidiaries, and associated companies.

The Disclosure Statement and Condensed Interim Financial Statements are for the Auckland Branch (the 'Branch') of The Bank of Tokyo-Mitsubishi UFJ, Ltd. It is the only member in the 'Banking Group' in New Zealand.

The Ultimate Holding Company of The Bank of Tokyo-Mitsubishi UFJ, Ltd. is Mitsubishi UFJ Financial Group, Inc. incorporated in Japan.

Since the balance date of the last full year disclosure statement, there has been no change in the Ultimate Holding Company and no material changes in regulations, legislation, or other restrictions of a legally enforceable nature that may materially inhibit the Ultimate Holding Company from providing material financial support to the Banking Group.

2. Recognition and Priority of Claims of Creditors or Classes in the Event of Insolvency

Since the balance date for the last full year Disclosure Statement there have been no material changes in any material legislative or regulatory restrictions in Japan that, in the event of a liquidation of the Registered Bank, subordinate the claims of any class of unsecured creditors of the Branch on the assets of the Registered Bank to those of any other class of unsecured creditors of the Registered Bank

3. Excess of Assets Over Deposit Liabilities

There have been no material changes in any statute that requires the Registered Bank to hold in New Zealand an excess of assets over deposit liabilities since the balance date for the last full year Disclosure Statement.

There have been no material changes in any regulatory or legislative requirements in Japan that require the Registered Bank to maintain sufficient assets in Japan to cover an ongoing obligation to pay deposit liabilities in Japan since the balance date for the last full year Disclosure Statement.

4. Guarantee Arrangement

The obligations of the Banking Group are not guaranteed under any guarantee (including government guarantees and cross guaranteeing arrangements) as at the date of signing this Disclosure Statement.

5. Directorate

5.1 Directors of The Bank of Tokyo-Mitsubishi UFJ, Ltd. as of 31 December 2014:

Name	Occupation	Residence
Katsunori Nagayasu	Chairman	Japan
Kiyoshi Sono	Deputy Chairman	Japan
Nobuyuki Hirano	President	Japan

Disclosure Statement For the Nine Months Ended 31 December 2014

Directors of The Bank of Tokyo-Mitsubishi UFJ, Ltd., (continued)

Takashi Morimura	Deputy President	Japan
Takeshi Ogasawara	Deputy President	Japan
Hidekazu Fukumoto	Deputy President	Japan
Takashi Morisaki	Deputy President	Japan
Takashi Oyamada	Deputy President	Japan
Tadachiyo Osada	Senior Managing Director	Japan
Saburo Araki	Managing Director	Japan
Satoshi Murabayashi	Managing Director	Japan
Shuzo Iwasaki	Managing Director	Japan
Takehiko Shimamoto	Managing Director	Japan
Naoto Hirota	Managing Director	Japan
Taihei Yuki	Director	Japan
Teruo Ozaki	Director	Japan
Shuzo Sumi	Director	Japan

The following changes in Directors of The Bank of Tokyo-Mitsubishi UFJ, Ltd. since the last full year Disclosure Statement were:

Takamune Okihara resigned as Deputy Chairman on 14 May 2014.
 Takashi Nagaoka resigned as Deputy President on 31 May 2014.
 Hitoshi Suzuki resigned as Deputy President on 26 June 2014.
 Kunio Ishihara resigned as Director on 26 June 2014.
 Takashi Oyamada appointed as Deputy President on 26 June 2014.
 Shuzo Iwasaki appointed as Managing Director on 26 June 2014.
 Naoto Hirota appointed as Managing Director on 26 June 2014.
 Shuzo Sumi appointed as Director on 26 June 2014.

- 5.2 Signatories who have signed the Disclosure Statement. Responsible Person signing on behalf of Directors and New Zealand Chief Executive Officer :

Name	Occupation	Residence
Toru Masutani	Regional Head for Australia & New Zealand, General Manager, Sydney Branch (Responsible Person on behalf of the Directors)	Australia
Michael Ryff	General Manager, Auckland Branch (New Zealand Chief Executive Officer)	New Zealand

6. Auditors

Name and address of Auditor whose report is referred to in this Disclosure Statement:

Deloitte
 Deloitte Centre
 80 Queen Street
 Auckland 1010
 New Zealand

Disclosure Statement

For the Nine Months Ended 31 December 2014

7. Conditions of Registration

There have been changes to the conditions of registration since the last Disclosure Statement as at 30 September 2014. Changes mainly referred to a new version of “Framework for Restriction on High-LVR Residential Mortgage Lending” (BS 19) and were applied on and after 1 November 2014.

There has been no impact on the Branch.

8. Credit Rating

The Registered Bank has the following long term credit ratings which are applicable to the Banking Group in New Zealand.

	Current Rating	Previous Rating (if changed in the previous two years)	Date of Change
Standard & Poor's	A+	-	-
Moody's	A1	Aa3	2 December 2014
Fitch	A	A-	4 March 2013

Rating scales are:

Credit Ratings	S&P's	Moody's	Fitch
Highest quality/Extremely strong capacity to pay interest and principal	AAA	Aaa	AAA
High quality/Very strong capacity to pay interest and principal	AA	Aa	AA
Upper medium grade/Strong capacity to pay interest and principal	A	A	A
Medium grade (lowest investment grade)/Adequate to pay interest and principal	BBB	Baa	BBB
Predominantly speculative/Less near term vulnerability to default	BB	Ba	BB
Speculative, low grade/Great vulnerability	B	B	B
Poor to default/identifiable vulnerability	CCC	Caa	CCC
Highest speculations	CC	Ca	CC
Lowest quality, no interest	C	C	C
Defaulted on obligations	D	-	D

Standard & Poor's and Fitch – Ratings are modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Moody's – A numeric modifier is applied to each generic rating category from Aa to B, indicating that the counterparty is (1) in the higher end of its letter-rating category, (2) in mid-range, (3) in lower end.

9. Other Material Matters

There are no matters relating to the business or affairs of the Registered Bank and its Banking Group that are not contained elsewhere in the Disclosure Statement, and would, if disclosed, materially affect the decision of a person to subscribe for debt securities of which the Registered Bank or any member of its Banking Group is the issuer.

10. Financial Statements of the Registered Bank and the Overseas Banking Group

The most recent publicly available Disclosure Statement for the Banking Group can be accessed via the Branch's website: www.nz.bk.mufg.jp. Copies of the most recent publicly available Disclosure Statement for the Banking Group will be provided within two working days at no charge to any person who requests a copy.

The most recent publicly available Financial Statements of the Registered Bank and the Overseas Banking Group may be accessed via the Bank's global website: www.mufg.jp. In addition, Financial Statements are also prepared and filed with the United States Securities and Exchange Commission, Washington, D.C.

Disclosure Statement For the Nine Months Ended 31 December 2014

11. Directors' and General Manager Auckland Branch's Statement

After due enquiry, each Director and the General Manager Auckland Branch believe that:

as at the date on which the Disclosure Statement is signed;

- the Disclosure Statement contains all the information that is required by the Registered Bank Disclosure Statement (Overseas Incorporated Registered Banks) Order 2014;
- the Disclosure Statement is not false or misleading ;

and over the nine-month accounting period ended 31 December 2014;

- The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch had systems in place to monitor and control adequately the material risks of the Banking Group, including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk and other business risks, and that those systems were being properly applied; and
- The Bank of Tokyo-Mitsubishi UFJ, Ltd. has complied with all Conditions of Registration that applied during the period.

Signed for and on behalf of the Board of Directors of The Bank of Tokyo-Mitsubishi UFJ, Ltd. by their agent duly appointed in writing, and by the General Manager, Auckland Branch.



Mr. Toru Masutani
Regional Head for Australia & New Zealand,
General Manager, Sydney Branch
(and Authorised Attorney on behalf of
the Directors)

Dated (Sydney): 19 February 2015



Mr. Michael Ryff
General Manager
Auckland Branch

Dated (Auckland): 19 February 2015

Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

Condensed Statement of Comprehensive Income

	Note	Nine Months ended 31 December 2014 Unaudited NZD	Nine Months ended 31 December 2013 Unaudited NZD
Interest income	2	97,548,517	75,373,885
Interest expense	2	(86,441,181)	(66,922,434)
Net interest income		<u>11,107,336</u>	<u>8,451,451</u>
Fees and commission income	2	11,552,344	12,665,326
Gains less losses on financial instruments	2	(290,256)	89,194
Total other income		<u>11,262,088</u>	<u>12,754,520</u>
Occupancy expenses	2	(194,729)	(140,237)
Personnel expenses	2	(1,920,645)	(1,942,818)
Auditors' remuneration	2	(118,514)	(110,834)
Administration and other expenses	2	(1,063,786)	(658,144)
Profit before provision for credit impairment and income tax expenses		<u>19,071,750</u>	<u>18,353,938</u>
Write back/(Provision) for credit impairment	2	379,015	(41,600,000)
Profit/(Loss) before income tax expense		<u>19,450,765</u>	<u>(23,246,062)</u>
Income tax (expense) / benefit		<u>(3,939,815)</u>	<u>7,603,697</u>
Profit/(Loss) from continuing operations		<u>15,510,950</u>	<u>(15,642,365)</u>
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Available-for-sale securities			
- Gain/(Loss) arising during the year		1,032,802	(1,259,295)
- Less: Reclassification adjustments for loss included in profit or loss		428,701	11,668
		<u>1,461,503</u>	<u>(1,247,627)</u>
Income tax (expense)/benefit on available-for-sale securities		<u>(409,221)</u>	<u>349,336</u>
Other comprehensive income/(loss), net of tax		<u>1,052,282</u>	<u>(898,291)</u>
Total comprehensive income/(loss), net of tax		<u>16,563,232</u>	<u>(16,540,656)</u>

The condensed interim statement of comprehensive income is to be read in conjunction with the accompanying notes to and forming part of the condensed interim financial statements.

Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

Condensed Statement of Changes in Equity

	Unaudited NZD			Total
	Head Office Capital	Retained Earnings	Available-for- sale Revaluation Reserve	
Balance at 1 April 2013	83,000,000	31,559,518	123,457	114,682,975
(Loss) from continuing operations	-	(15,642,365)	-	(15,642,365)
Other comprehensive income, net of tax	-	-	(898,291)	(898,291)
Total comprehensive income, net of tax	-	(15,642,365)	(898,291)	(16,540,656)
Balance at 31 December 2013	83,000,000	15,917,153	(774,834)	98,142,319
Balance at 1 April 2014	83,000,000	15,292,760	(900,459)	97,392,301
Profit from continuing operations	-	15,510,950	-	15,510,950
Other comprehensive income, net of tax	-	-	1,052,282	1,052,282
Total comprehensive income, net of tax	-	15,510,950	1,052,282	16,563,232
Balance at 31 December 2014	83,000,000	30,803,710	151,823	113,955,533

The condensed interim statement of changes in equity is to be read in conjunction with the accompanying notes to and forming part of the condensed interim financial statements.

Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

Condensed Statement of Financial Position

	Note	As at 31 December 2014 Unaudited NZD	As at 31 December 2013 Unaudited NZD	As at 31 March 2014 Audited NZD
Assets				
Cash and short term liquid assets		12,844,987	175,615,690	45,500,952
Amounts due from related parties	9	55,443,770	9,049,242	23,233,711
Amounts due from other financial institutions		54,908,319	89,889,962	89,867,340
Available-for-sale securities		220,696,113	176,985,895	284,319,527
Corporate loans originated by the Bank	4	2,835,872,813	3,038,169,438	2,978,996,910
Acceptances of customers		-	115,801	-
Derivative instruments		12,617,762	11,306,011	14,217,122
Other assets		1,018,867	2,090,367	1,912,306
Current tax asset		-	2,892,603	1,552,241
Deferred tax asset		9,604,709	7,195,218	9,687,163
Property, plant and equipment	3	607,530	892,315	804,592
Total Assets		<u>3,203,614,870</u>	<u>3,514,202,542</u>	<u>3,450,091,864</u>
Liabilities				
Amounts due to related parties	9	2,874,549,088	3,342,875,943	3,211,263,534
Deposits	5	200,151,903	59,315,597	125,099,637
Acceptances		-	115,801	-
Derivative instruments		12,485,135	11,081,402	14,029,074
Other liabilities	7	1,721,670	2,671,480	2,307,318
Current tax payable		751,541	-	-
Total Liabilities		<u>3,089,659,337</u>	<u>3,416,060,223</u>	<u>3,352,699,563</u>
Equity				
Head Office capital	9	83,000,000	83,000,000	83,000,000
Retained earnings		30,803,710	15,917,153	15,292,760
Available-for-sale securities revaluation reserve		151,823	(774,834)	(900,459)
Total Equity		<u>113,955,533</u>	<u>98,142,319</u>	<u>97,392,301</u>
Total Liabilities and Equity		<u>3,203,614,870</u>	<u>3,514,202,542</u>	<u>3,450,091,864</u>
Total Interest Earning and Discount Bearing Assets				
		3,124,322,232	3,480,660,985	3,398,684,729
Total Interest and Discount Bearing Liabilities				
		3,062,404,811	3,388,394,109	3,324,443,417

The condensed interim statement of financial position is to be read in conjunction with the accompanying notes to and forming part of the condensed interim financial statements.

Condensed Interim Financial Statements

For the Nine Months Ended 31 December 2014

Condensed Statement of Cash Flows

	Nine Months ended 31 December 2014 Unaudited NZD	Nine Months ended 31 December 2013 Unaudited NZD
Cash Flows from Operating Activities		
Interest income received	95,132,333	74,644,943
Commission fees & trading income	11,262,088	12,754,520
Interest paid	(84,104,374)	(66,398,586)
Payment to suppliers, employees and others	(1,235,490)	(3,570,006)
Net cash flows from operating activities before changes in operating assets and liabilities	21,054,557	17,430,871
Net (increase) / decrease in operating assets:		
Net decrease / (increase) in corporate loans originated by the Bank	147,575,172	(569,558,023)
Net decrease / (increase) in amounts due from other financial institutions	34,959,021	(974,420)
Net decrease / (increase) in available-for-sale securities	61,588,523	(47,002,296)
Net (increase) / decrease in amounts due from related parties	(32,210,059)	21,627,908
Net decrease / (increase) in other assets	785,563	(4,937,857)
	212,698,220	(600,844,688)
Net increase / (decrease) in operating liabilities:		
Net increase in commercial paper and deposits	74,975,652	19,148,306
Net (decrease) / increase in amounts due to related parties	(338,974,638)	672,987,208
Net (decrease) / increase in other liabilities	(438,476)	2,832,572
	(264,437,462)	694,968,086
Net cash flows from operating activities before income tax	(30,684,685)	111,554,269
Net tax paid	(1,962,800)	(2,000,000)
Net cash flows from operating activities	(32,647,485)	109,554,269
Cash Flows from Investing Activities		
Payment for property, plant and equipment	(8,480)	(41,968)
Net cash flows from investing activities	(8,480)	(41,968)
Cash Flows from Financing Activities		
Remittance to the Overseas Bank	-	-
Capital injection	-	-
Net cash flows from financing activities	-	-
Net (decrease) / increase in Cash and Cash Equivalents		
Net (decrease) / increase in cash and cash equivalents	(32,655,965)	109,512,301
Cash and cash equivalents at beginning of year	45,500,952	66,103,389
Cash and cash equivalents at end of the period	12,844,987	175,615,690
Reconciliation of Closing Cash and Cash Equivalents		
Cash and short term liquid assets	12,844,987	175,615,690
Closing cash and cash equivalents	12,844,987	175,615,690

The condensed interim statement of cash flows is to be read in conjunction with the accompanying notes to and forming part of the condensed interim financial statements.

Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

Condensed Statement of Cash Flows (continued)

	Nine Months ended 31 December 2014 Unaudited NZD	Nine Months ended 31 December 2013 Unaudited NZD
Reconciliation of profit / (loss) from continuing operations to net cash used in operating activities		
Profit/(Loss) from continuing operations	15,510,950	(15,642,365)
Decrease / (Increase) in corporate loans	143,503,112	(571,473,551)
Decrease / (Increase) in amounts due from other financial institutions	34,959,021	(974,420)
Decrease / (Increase) in available-for-sale securities	63,623,414	(45,815,710)
(Increase)/Decrease in amounts due from related parties	(32,210,059)	21,627,908
Decrease / (Increase) in other assets	894,167	(1,227,311)
Increase in commercial paper and deposits	75,052,266	19,143,183
(Decrease) / Increase in amounts due to related parties	(336,714,446)	673,516,179
(Decrease) in other payable (cash)	(946,211)	(380,737)
(Decrease) / Increase in provision for credit impairment	(379,015)	41,600,000
Movement in tax provision	1,977,015	(9,603,697)
Non-cash items:		
Depreciation of property, plant and equipment	205,542	260,064
Other	1,876,759	(1,475,274)
Net cash flows from operating activities	(32,647,485)	109,554,269

The condensed interim statement of cash flows is to be read in conjunction with the accompanying notes to and forming part of the condensed interim financial statements.

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

1. Statement of Significant Accounting Principles

a) Statement of Compliance

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch (“The Branch”) operates in Auckland, New Zealand and the Registered Bank is incorporated in Japan. The Branch is profit-oriented. The condensed interim financial statements of the Branch incorporated in this Disclosure Statement have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (‘NZ GAAP’) and comply with the requirements of NZ IAS 34 Interim Financial Reporting and Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014. These condensed interim financial statements also comply with IAS 34 Interim Financial Reporting. The Branch does not qualify for any differential reporting exemptions and the financial statements should be read in conjunction with the financial statements for the year ended 31 March 2014.

The condensed interim financial statements were authorized for issue by the directors on the date of signing this Disclosure Statement.

b) Basis of preparation

The condensed interim financial statements are presented in New Zealand dollars.

The condensed interim financial statements have been prepared on the historical cost basis, except for the revaluation of certain non-current assets and financial instruments.

Cost is based on the fair-value of the consideration given in exchange for assets.

c) Changes in accounting policy

There have been no material changes in accounting policies since the last financial statement for year ended 31 March 2014.

d) Comparative figures

Certain comparative figures have been re-stated to comply with the current year presentation.

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

2. Profit Before Income Tax Expense

	Nine Months ended 31 December 2014 Unaudited NZD	Nine Months ended 31 December 2013 Unaudited NZD
Operating revenue		
(a) Interest income		
Corporate loans and other accounts	97,548,122	75,364,296
Related parties	395	9,589
	97,548,517	75,373,885
(b) Fees and Commissions income		
Fees and commissions income	11,552,344	12,665,326
	11,552,344	12,665,326
(c) Gains less losses on financial instruments		
Net gain on interest rate derivatives	45,959	84,095
Net (loss) / gain on foreign currency	(8,683)	1,232
Loss on sale of available-for-sale securities	(363,006)	-
Other income	35,474	3,867
	(290,256)	12,754,520
	108,810,605	88,128,405
Total interest income derived from financial assets:		
At amortised cost	91,927,211	72,995,744
Available-for-sale securities	5,621,306	2,378,141
Designated at fair value through profit or loss	-	-
Total fee income derived from financial assets that are not at fair value through profit and loss		
Net (loss) on financial assets/liabilities held for trading	(54,693)	(27,354)
Net realised gain on held for trading	91,969	112,681
Other fee income	304,980	515,057
Loss on sale of available-for-sale securities	(363,006)	-
Other income	35,474	3,867
	108,810,605	88,128,405
Expenses		
(a) Interest expense		
Deposits and other accounts	3,350,523	986,682
Related parties	83,090,658	65,935,752
	86,441,181	66,922,434
Total interest expense was derived from financial liabilities:		
At amortised cost	86,441,181	66,922,434
Designated at fair value through profit and loss	-	-
	86,441,181	66,922,434
(b) Other operating expenses		
Rental & operating lease costs	194,729	140,237
Depreciation		
Furniture, fixtures and fittings	27,199	62,640
Office equipment	168,673	188,250
Motor vehicles	9,669	9,175
Auditors' remuneration		
Audit fees	118,514	110,834
Other non-audit services	-	-
Salaries	1,799,511	1,865,297
Staff related cost	121,134	77,521
General administration and other operating expenses	858,245	398,079
Provision for credit impairment	(379,015)	41,600,000
	2,918,659	44,452,033
Profit/(loss) before income tax expense	19,450,765	(23,246,062)

Total income excluding any net loss for nine months ended 31 December 2014 is NZD 109,182,294 (nine months ended 31 December 2013: NZD 88,128,405)

The condensed interim statement of comprehensive income is to be read in conjunction with the accompanying notes to and form part of the condensed interim financial statements.

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

3. Property, Plant and Equipment

During the nine months ended 31 December 2014 the Branch acquired property, plant and equipment with a cost of NZD 8,561 (nine months ended 31 December 2013: NZD 44,420; twelve months ended 31 March 2014: NZD 44,420).

During the nine months ended 31 December 2014 the Branch disposed of property, plant and equipment with the carrying amount of NZD 82 (nine months ended 31 December 2013: NZD 2,452; twelve months ended 31 March 2014: NZD 37,089).

There was no impairment loss for property, plant and equipment recognized during the nine months ended 31 December 2014 (nine months ended 31 December 2013: Nil; twelve months ended 31 March 2014: Nil).

4. Loans and Advances

	As at 31 December 2014 Unaudited NZD	As at 31 December 2013 Unaudited NZD	As at 31 March 2014 Audited NZD
Corporate loans originated by the bank	2,869,631,509	3,063,465,090	3,013,134,621
Less: individual impairment allowance	(33,758,696)	(25,295,652)	(34,137,710)
	2,835,872,813	3,038,169,438	2,978,996,910

5. Deposits

	As at 31 December 2014 Unaudited NZD	As at 31 December 2013 Unaudited NZD	As at 31 March 2014 Audited NZD
Retail deposit bearing interest	4,907,997	189,498	1,471,320
Retail deposit not bearing interest	12,296,180	13,797,431	11,919,754
Certificate deposit	52,601,961	9,901,389	9,966,401
Call deposit	58,453,532	32,520,955	28,408,271
Term deposit	71,892,233	2,906,324	73,333,891
	200,151,903	59,315,597	125,099,637

6. Total Liabilities of the Branch Net of Amounts Due to Related Parties

	As at 31 December 2014 Unaudited NZD	As at 31 December 2013 Unaudited NZD	As at 31 March 2014 Audited NZD
Total Liabilities	3,089,659,337	3,416,060,223	3,352,699,563
Less: total amounts due to related parties	(2,879,922,476)	(3,346,416,513)	(3,214,821,073)
Total liabilities net of amounts due to related parties	209,736,861	69,643,710	137,878,490

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

7. Other Liabilities

	As at 31 December 2014 Unaudited NZD	As at 31 December 2013 Unaudited NZD	As at 31 March 2014 Audited NZD
Provision	129,872	119,497	112,780
Unearned income	829,386	2,126,334	1,783,386
Others	762,412	425,949	411,152
	1,721,670	2,671,480	2,307,318

8. Commitments and Contingent Liabilities

	As at 31 December 2014 Unaudited NZD	As at 31 December 2013 Unaudited NZD	As at 31 March 2014 Audited NZD
a) Future lease rental commitments			
Operating lease (primarily premises)			
Due within 1 year	203,682	174,618	247,458
Due within 1 - 2 years	60,700	130,842	160,027
Due within 2 - 5 years	-	-	42,490
	264,382	305,460	449,975
b) Other commitments			
Undrawn facility commitments	617,931,725	585,981,322	627,039,889
c) Contingent liabilities			
Guarantees given	1,617,814	1,435,000	1,435,000
Performance related contingencies	8,279,164	4,692,782	4,692,782
Trade related contingencies	-	-	10,687
	9,896,978	6,127,782	6,138,469

The Branch provides guarantees in its normal course of business on behalf of its customers and there are three principal types of guarantee:

- Guarantee given – a financial guarantee that is an agreement by which the Branch agrees to pay an amount of money on demand on behalf of a customer to a third party during the life of the guarantee.
- Performance related contingencies – a guarantee given by the Branch that undertakes to pay a sum of money to a third party where the customer fails to carry out certain terms and conditions of a contract.

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

8. Commitments and Contingent Liabilities (continued)

- Trade related contingencies – contingent liabilities arising from trade-related obligations secured against an underlying shipment of goods to make a payment to a third party if a counterparty fails to perform a contractual non-monetary obligation.

The credit risk involved in issuing guarantees is essentially the same as that involved in extending loan facilities to customers. Apart from the normal documentation for a facility of this type, the customer must also provide the Branch with a written indemnity undertaking that in the event the Branch is called upon to pay the Branch will be fully reimbursed by the customer.

The Branch has no financial assets that have been pledged as collateral for liabilities or contingent liabilities.

9. Related Party Disclosures

The Auckland Branch is a branch of an overseas company, The Bank of Tokyo-Mitsubishi UFJ, Ltd., which is incorporated in Japan and is the ultimate parent bank.

Related party transactions are unsecured and entered into in the normal course of business. During the period there have been dealings between Auckland branch, other overseas branches and Head Office. Amounts due from related parties is only related to the settlement account which is due on demand. Amounts due to related parties are mainly term deposits which are due in accordance with an agreed date. No related party debts have been written off or forgiven during the reporting period.

Derivative instruments with related parties are used to manage interest rate and currency exposures and include foreign exchange forwards, interest rate swaps, and currency options.

	Nine Months ended 31 December 2014 Unaudited NZD	Nine Months ended 31 December 2013 Unaudited NZD	Three Months ended 31 March 2014 Audited NZD
A) Balances			
Assets			
Amounts due from related parties	55,443,770	9,049,242	23,233,711
Derivative instruments	7,200,732	7,682,831	10,611,940
	62,644,502	16,732,073	33,845,651
Liabilities			
Amounts due to related parties	2,874,549,088	3,342,875,943	3,211,263,534
Derivative instruments	5,373,388	3,540,570	3,557,539
	2,879,922,476	3,346,416,513	3,214,821,073
Equity			
Head Office capital	83,000,000	83,000,000	83,000,000
Off Balance Sheet			
Guarantees given	135,000	135,000	135,000
Performance related contingencies	692,782	692,782	692,782
	827,782	827,782	827,782
B) Transactions			
Interest income	395	9,589	14,110
Interest expense	83,090,658	65,935,752	89,180,586
Net (loss) / gain from derivative instruments	(1,798,841)	1,415,000	1,571,300
Fees and commissions income	756	9,796	10,043

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

9. Related Party Disclosures (continued)

The Branch's Head Office capital comprises funds provided by the overseas bank to support the Branch's daily operation and to fulfil local thin capitalisation requirement. It is non-interest bearing and there is no fixed date for repatriation. The capital of the registered bank is managed by the overseas bank. The Branch does not separately manage capital other than for the purpose of the Reserve Bank of New Zealand's requirements as disclosed in Note 14 and Note 15.

Other transactions like sundry administrative charges are not material to the results and are therefore not disclosed separately.

10. Fair Value of Financial Instruments

Quoted market prices, where available, are used to estimate the fair value of financial instruments. However, quoted market prices are not available for a substantial portion of financial instruments and fair value for such financial instruments is estimated using discounted cash flow models that utilise prices from observable current market transactions, or other valuation techniques. The summary table shows the carrying amounts and estimated fair values of financial instruments as at the reporting date. The methodologies and assumptions used to estimate the fair value of the financial instruments are:

- a. For those assets or liabilities that are short term in nature, the related carrying value is equivalent to their fair value.
- b. For floating rate loans and deposits, the carrying amount in the statement of financial position is considered a reasonable estimate of their fair value after making allowances for impairment. For fixed rate loans and deposits, fair value is estimated using discounted cash flow models based on current market rates. The differences between estimated fair value of loans and deposits and carrying value reflect the difference between observable market interest rates and customer rates on day one and changes in interest rates since the loans' and deposits' origination.
- c. The fair values of derivative instruments are calculated using the discounted cash flow model. Swap transactions are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from observable interest rates. Foreign currency forward contracts are measured using observable forward exchange rates and yield curves derived from observable interest rates matching maturities of the contracts.
- d. The fair values of available-for-sales securities are derived from quoted prices in the active market.

31 December 2014 Unaudited	Note	Held for Trading NZD	Available for Sale Securities NZD	Loans and Receivables NZD	Other Amortised Cost NZD	Total Carrying Amount NZD	Fair Value NZD
Assets							
Cash and cash equivalents	a	-	-	12,844,987	-	12,844,987	12,844,987
Amounts due from related parties	a	-	-	55,443,770	-	55,443,770	55,443,770
Amounts due from other financial institutions	a	-	-	54,908,319	-	54,908,319	54,908,319
Available-for-sale securities	d	-	220,696,113	-	-	220,696,113	220,696,113
Corporate loans originated by the Bank	b	-	-	2,835,872,813	-	2,835,872,813	2,842,492,578
Other assets	c, a	12,617,762	-	992,857	-	13,610,619	13,610,619
Total financial assets		12,617,762	220,696,113	2,960,062,746	-	3,193,376,621	3,199,996,386
Liabilities							
Amounts due to related parties	b	-	-	-	2,874,549,088	2,874,549,088	2,893,133,028
Deposits	b	-	-	-	200,151,903	200,151,903	200,151,903
Other liabilities	c, a	12,485,135	-	-	-	12,485,135	12,485,135
Total financial liabilities		12,485,135	-	-	3,074,700,991	3,087,186,126	3,105,770,066

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

10. Fair Value of Financial Instruments (continued)

31 December 2013 Unaudited	Note	Held for Trading NZD	Available for Sale Securities NZD	Loans and Receivables NZD	Other Amortised Cost NZD	Total Carrying Amount NZD	Fair Value NZD
Assets							
Cash and cash equivalents	a	-	-	175,615,690	-	175,615,690	175,615,690
Amounts due from related parties	a	-	-	9,049,242	-	9,049,242	9,049,242
Amounts due from other financial institutions	a	-	-	89,889,962	-	89,889,962	89,889,962
Available-for-sale securities	d	-	176,985,895	-	-	176,985,895	176,985,895
Corporate loans originated by the Bank	b	-	-	3,038,169,438	-	3,038,169,438	3,043,939,241
Other assets	c, a	11,306,011	-	2,183,685	-	13,489,696	13,489,696
Total financial assets		11,306,011	176,985,895	3,314,908,017	-	3,503,199,923	3,508,969,726
Liabilities							
Amounts due to related parties	b	-	-	-	3,342,875,943	3,342,875,943	3,354,802,721
Deposits	b	-	-	-	59,315,597	59,315,597	59,315,597
Other liabilities	c, a	11,081,402	-	-	-	11,081,402	11,081,402
Total financial liabilities		11,081,402	-	-	3,402,191,540	3,413,272,942	3,425,199,720

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability for substantially the entire term of the instrument, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	31 December 2014		31 December 2013	
	Level 1	Level 2	Level 1	Level 2
Derivative financial assets				
Interest rate swaps	-	4,098,819	-	4,334,822
Currency Options	-	436,274	-	591,941
FX forwards	-	8,082,669	-	6,379,248
Total derivative financial assets	-	12,617,762	-	11,306,011
Derivative financial liabilities				
Interest rate swaps	-	3,962,068	-	4,110,213
Currency Options	-	436,274	-	591,941
FX forwards	-	8,086,793	-	6,379,248
Total derivative financial liabilities	-	12,485,135	-	11,081,402
Available-for-sale securities	220,696,113	-	176,985,895	-

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

10. Fair Value of Financial Instruments (continued)

Financial assets and financial liabilities, other than the items on the above table, are carried at amortised cost. Their fair value is represented by level 2 fair value measurements.

There were no financial assets and liabilities which were carried at fair value categorised under Level 3 in this period.

11. Liquidity Risk Management

Liquidity risk is the risk that the Branch will not have sufficient funds to meet its financial obligations. The Branch has policies to ensure that sufficient funds are available to meet its obligations as and when they fall due, and to maintain a prudent level of liquidity buffer to meet unexpected demands for funds under adverse market conditions. To achieve this objective, the Branch adopts a set of liquidity management strategies which limits the liquidity risk to acceptable levels. The compliance with such internal limits is being independently monitored and regularly reported to the Regional Head for Australia and New Zealand. A contingency plan has been developed in the event of a major liquidity problem. The operations of the Branch are subject to these policies.

The Branch measures its liquidity requirements by undertaking scenario analysis under the following two scenarios:

Going-concern – which refers to the normal behaviour of cashflows in the ordinary course of business and would form the day-to-day focus of a bank’s liquidity management.

Bank-specific (“name”) crisis – which covers the behaviour of cash flows where there is some actual or perceived problem with the Branch.

The Branch is committed to raising its liabilities from a wide range of institutional and corporate lenders. This reduces dependence upon certain lenders and the possibility that a large portion of the deposit base will be withdrawn with little notice. As part of its liquidity management policies, the Branch maintains a portfolio of readily liquid assets and has established committed funding arrangements from other institutions. Liquidity is managed by the Treasury Department of the Sydney Branch under the supervision of the Oceania Region Asset and Liability Management Committee. Reports on liquidity are reviewed by the Regional Head for Australia and New Zealand, sent to the Parent Bank weekly and presented to the Oceania Region Asset and Liability Management Committee monthly.

The Branch holds the following liquid assets in order to manage its liquidity risk:

	As at 31 December 2014 NZD	: As at 31 December 2013 NZD
Cash and short term liquid assets	12,844,987	175,615,690
Amounts due from related parties	55,443,770	9,049,242
Amounts due from other financial institutions	54,908,319	89,889,962
Available-for-sale securities	<u>220,696,113</u>	<u>176,985,895</u>
	<u>343,893,189</u>	<u>451,540,789</u>

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

12. Profitability and Size

The Overseas Banking Group

a) Profitability

	Six Months ended 30 September 2014 JPY(000's)	Six Months ended 30 September 2013 JPY(000's)
Net Profit After Tax	405,496,000	339,525,000
Net Profit After Tax over the previous 12 months period as a percentage of average total assets	0.41%	0.19 %

b) Size

	Six Months ended 30 September 2014 JPY(000's)	Six Months ended 30 September 2013 JPY(000's)
Total Assets	204,103,429,000	192,147,651,000
% Change in total assets over the previous 12 months	6.22%	13.33%

13. Asset Quality

(i) The Overseas Banking Group

	As at 30 September 2014 JPY (000's)	As at 30 September 2013 JPY(000's)
Total individual impaired assets (before allowances for credit impairment loss and net of interest held in suspense)	1,297,910,000	1,535,924,000
Total individually impaired assets expressed as a percentage of total assets	0.64%	0.80%
Total individual credit impairment allowance	214,575,000	267,955,000
Total individual credit impairment allowance expressed as a percentage of total individually impaired assets	16.53%	17.45%
Total collective credit impairment allowance	502,942,000	561,978,000

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

13. Asset Quality (continued)

(ii) The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch.

The provision for impairment is made as a result of downgrading the Registered Bank's internal credit rating of customers due to the customers' financial position. The provision represents the Branch's best estimate of the difference between the carrying amount of the corporate loans and the recoverable amount based on expected future cash flows.

	As at 31 December 2014 NZD	As at 31 December 2013 NZD
Individual impaired assets:		
Balance at the beginning of the period	64,410,774	-
Addition during the period	-	63,623,731
Amounts written off	-	-
Deletion	(715,122)	-
Balance at the end of the period	63,695,652	63,623,731
Total individual credit impairment allowance	33,758,695	25,295,652

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch does not have any collective credit impairment allowance, or any past due but not impaired assets as at 31 December 2014. The total collective credit impairment allowance of the Overseas Banking Group covers the assets of the Branch.

The total interest income recognized on impaired asset over the accounting period ended 31 December 2014 is NZD 3,094,302 (interest income ended 31 December 2013: NZD 1,059,977)

Individual provision for loan impairment

	As at 31 December 2014 NZD	As at 31 December 2013 NZD
Balance at the beginning of the period	34,137,710	-
(Credit) / Charge to impairment of loans in profit and loss	(379,015)	41,600,000
Amounts written off	-	(16,304,348)
Balance at the end of the period	33,758,695	25,295,652

Profit or loss charge

	As at 31 December 2014 NZD	As at 31 December 2013 NZD
Specific provision for impairment against advances	(379,015)	41,600,000
Total provision for impairment against advances	(379,015)	41,600,000

There is no undrawn balance on lending commitments to counterparties for whom drawn balances are classified as individually impaired. There are no other amounts under administration.

The Bank of Tokyo-Mitsubishi UFJ Ltd., Auckland Branch does not have any financial assets designated as at fair value through profit or loss on which there have been changes in fair value that are attributable to changes in credit risk of the financial asset.

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

14. Exposures to Market Risk

Aggregate market risk exposures of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch have been derived in accordance with Schedule 9 of the Reserve Bank Order.

	As at 31 December 2014 NZD(000's)	As at 31 December 2013 NZD(000's)
(1) Aggregate Interest Rate Exposure		
(a) Notional Capital Charge *	1,775	1,478
(b) Implied risk weighted exposure	22,188	18,475

(2) Aggregate Foreign Currency Exposure

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch does not have any foreign currency exposures.

(3) Aggregate Equity Exposure

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch does not have any equity exposures.

* The Notional Capital Charge is calculated in accordance with Capital Adequacy Framework (Standardized Approach) BS2A.

15. Capital Adequacy

The table below presents the minimum consolidated risk-based capital ratios from 31 March 2013 . The underlying figures are calculated in accordance with Japanese banking regulations based upon information derived from the consolidated financial statements prepared in accordance with Japanese GAAP, as required by the Financial Services Agency in Japan. It is expected to maintain a minimum ratio up to full implementation of Basel III at 31/3/2019 based on Basel III Internal rating-based approach as follows:

	2013	2014	2015	2016	2017	2018	2019
Minimum Common Equity Tier 1 ratio	3.5%	4.0%	4.5%	4.5%	4.5%	4.5%	4.5%
Capital Conservation Buffer				0.625%	1.25%	1.875%	2.5%
Total	3.5%	4.0%	4.5%	5.125%	5.75%	6.375%	7.0%
Minimum Tier 1 ratio	4.5%	5.5%	6.0%	6.0%	6.0%	6.0%	6.0%
Total (with Capital Conservation Buffer)	4.5%	5.5%	6.0%	6.625%	7.25%	7.875%	8.5%
Minimum Capital ratio	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Total (with Capital Conservation Buffer)	8.0%	8.0%	8.0%	8.625%	9.25%	9.875%	10.5%

Both the Overseas Banking Group and the Overseas Bank met those requirements at the reporting date.

Overseas Banking Group

	As at 31 December 2014	As at 31 December 2013
Capital ratios:		
Common Equity Tier 1 Capital	10.49%	10.84 %
Tier 1 capital	11.84%	11.96 %
Total capital	15.32%	15.66 %

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

15. Capital Adequacy (continued)

Overseas Bank	As at 31 December 2014	As at 31 December 2013
Capital ratios:		
Common Equity Tier 1 Capital	11.35%	11.25 %
Tier 1 capital	13.03%	13.28 %
Total capital	16.92%	17.36 %

The most recent publicly available information related to the capital adequacy framework implemented by the Overseas Bank and Overseas Banking Group are disclosed under the Ultimate Holding Company's report which can be accessed via the Bank's global website: www.mufig.jp.

16. Credit Exposures to Individual Counterparties

Based on actual credit exposures, there is no credit exposure to any individual counterparty (excluding any booking outside New Zealand) of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch equal to or exceeding 10% of the Overseas Banking Group's equity as at the nine months ended 31 December 2014.

During this accounting period there was no peak end-of-day aggregate credit exposure to any individual counterparty (excluding any booking outside New Zealand) of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch equal to or exceeding 10% of the Overseas Banking Group's equity as at 31 December 2014.

The credit exposure to individual counterparties was calculated on the basis of actual end-of-day aggregate amounts of credit exposure by using investment grade credit rating over the period.

17. Insurance Business

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch *does not* conduct any insurance business in or outside New Zealand.

18. Non-Consolidated Activities

The Bank of Tokyo-Mitsubishi UFJ, Ltd. *does not* conduct any insurance business or non-financial activities in New Zealand outside The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch.

19. Securitization, Funds Management, and Other Fiduciary Activities

- The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch is not involved in any establishment, marketing or sponsorship of trust, custodial, funds management or other fiduciary activities.
- The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch is not involved in any origination of securitized assets, or in the marketing or servicing of securitization schemes.
- The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch is not involved in the marketing and distribution of insurance products.

Notes to the Condensed Interim Financial Statements For the Nine Months Ended 31 December 2014

20. Risk Management Policies

The risk management policies and procedures of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Auckland Branch conform with those of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (the “Overseas Banking Group”).

The Branch's application of risk management systems is subject to review by the Overseas Banking Group Audit Office on a periodic basis.

There have been no material changes to the above policies since publication of the previous Disclosure Statement.

21. Financial Support

The Auckland Branch is part of The Bank of Tokyo-Mitsubishi UFJ, Ltd. The assets of the Branch are legally available for the satisfaction of debts of the entire company, not solely those appearing in the accompanying statement of financial position, and its debts may result in claims against assets not appearing thereon.

22. Subsequent Events

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the three months ended 31 December 2014, that has significantly affected, or may significantly affect, the operations of the branch, the results of the operations, or the state of affairs of the branch in future financial years.