



**REGISTERED BANK
DISCLOSURE STATEMENT**



30 JUNE 2015



**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 Three Months Ended 30 June 2015

This Disclosure Statement contains information as required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) ('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 30 June 2015:

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

Disclosure Statement

For the Three Months Ended 30 June 2015

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
Saburo Araki	Senior Managing Director	Japan
Naoto Hirota	Senior Managing Director	Japan
Tadashi Kuroda	Senior Managing Director	Japan
Satoshi Murabayashi	Senior Managing Director	Japan
Shuzo Iwasaki	Managing Director	Japan
Muneaki Tokunari	Managing Director	Japan
Takahiro Yanai	Managing Director	Japan
Akira Hamamoto	Managing Director	Japan
Masamichi Yasuda	Managing 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:

Tadachiyo Osada resigned as Senior Managing Director on 24 June 2015.
Takehiko Shimamoto resigned as Managing Director on 24 June 2015.
Taihei Yuki resigned as Director on 24 June 2015.
Tadashi Kuroda appointed as Senior Managing Director on 24 June 2015.
Muneaki Tokunari appointed as Managing Director on 24 June 2015.
Takahiro Yanai appointed as Managing Director on 24 June 2015.
Akira Hamamoto appointed as Managing Director on 24 June 2015.
Masamichi Yasuda appointed as Managing Director on 24 June 2015

- 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 Oceania, General Manager, (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 Three Months Ended 30 June 2015

7. Conditions of Registration

There has been no change to the conditions of registration since the last Disclosure Statement as at 31 March 2015.

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	-	-

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 Three Months Ended 30 June 2015

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 (as amended);
- the Disclosure Statement is not false or misleading ;

and over the three-month accounting period ended 30 June 2015;

- 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 Oceania,
General Manager
(and Authorised Attorney on behalf of
the Directors)

Dated (Sydney): 24 August 2015



Mr. Michael Ryff
General Manager
Auckland Branch

Dated (Auckland): 24 August 2015

Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

Condensed Statement of Comprehensive Income

	Note	Three Months ended 30 June 2015 Unaudited NZD	Three Months ended 30 June 2014 Unaudited NZD
Interest income	2	30,500,257	32,244,660
Interest expense	2	(27,327,307)	(28,286,253)
Net interest income		<u>3,172,950</u>	<u>3,958,407</u>
Fees and commission income	2	2,945,228	3,657,670
Gains less losses on financial instruments	2	(52,452)	(95,011)
Total operating income and losses		<u>2,892,776</u>	<u>3,562,659</u>
Occupancy expenses	2	(68,519)	(65,441)
Personnel expenses	2	(549,903)	(489,466)
Auditors' remuneration	2	(44,220)	(44,417)
Administration and other expenses	2	(246,044)	(282,017)
Profit before income tax expense		<u>5,157,040</u>	<u>6,369,725</u>
Income tax expense		<u>(909,171)</u>	<u>(1,450,323)</u>
Profit from continuing operations		<u>4,247,869</u>	<u>5,189,402</u>
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Available-for-sale securities			
- Profit arising during the year		646,885	133,074
- Less: Reclassification adjustment for loss included in profit or loss		<u>281,505</u>	<u>142,437</u>
		928,390	275,511
Income tax expense on available-for-sale securities		<u>(259,949)</u>	<u>(77,143)</u>
Other comprehensive income, net of tax		<u>668,441</u>	<u>198,368</u>
Total comprehensive income, net of tax		<u>4,916,310</u>	<u>5,387,770</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 Three Months Ended 30 June 2015

Condensed Statement of Changes in Equity

Unaudited NZD	Head Office Capital	Retained Earnings	Available-for- sale Revaluation Reserve	Total
Balance at 1 April 2014	83,000,000	15,292,760	(900,459)	97,392,301
Profit from continuing operations	-	5,189,402	-	5,189,402
Other comprehensive income, net of tax	-	-	198,368	198,368
Total comprehensive income, net of tax	-	5,189,402	198,368	5,387,770
Balance at 30 June 2014	83,000,000	20,482,162	(702,091)	102,780,071
Balance at 1 April 2015	83,000,000	14,793,234	652,528	98,445,762
Profit from continuing operations	-	4,247,869	-	4,247,869
Other comprehensive income, net of tax	-	-	668,441	668,441
Total comprehensive income, net of tax	-	4,247,869	668,441	4,916,310
Balance at 30 June 2015	83,000,000	19,041,103	1,320,969	103,362,072

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 Three Months Ended 30 June 2015

Condensed Statement of Financial Position

	Note	As at 30 June 2015 Unaudited NZD	As at 30 June 2014 Unaudited NZD	As at 31 March 2015 Audited NZD
Assets				
Cash and short term liquid assets		24,969,270	60,174,121	22,447,350
Amounts due from related parties	9	77,393,397	28,301,540	60,335,239
Amounts due from other financial institutions		94,606,579	99,655,401	54,578,617
Available-for-sale securities		160,057,943	247,316,897	223,252,028
Corporate loans originated by the Bank	4	2,653,716,586	3,147,841,039	2,624,567,904
Acceptances of customers		213,216	-	-
Derivative instruments		22,596,110	11,211,193	12,618,722
Other assets		1,047,933	1,980,151	2,277,953
Current tax asset		1,047,689	14,515	447,881
Deferred tax asset		17,887,829	9,697,423	17,885,055
Property, plant and equipment	3	502,329	736,394	575,310
Total Assets		<u>3,054,038,881</u>	<u>3,606,928,674</u>	<u>3,018,986,059</u>
Liabilities				
Amounts due to related parties	9	2,675,272,284	3,356,760,000	2,705,545,367
Deposits	5	251,611,459	134,721,532	201,275,541
Acceptances		213,216	-	-
Derivative instruments		22,518,512	10,998,012	12,456,131
Other liabilities	7	1,061,338	1,669,059	1,263,258
Total Liabilities		<u>2,950,676,809</u>	<u>3,504,148,603</u>	<u>2,920,540,297</u>
Equity				
Head Office capital	9	83,000,000	83,000,000	83,000,000
Retained earnings		19,041,103	20,482,162	14,793,234
Available-for-sale securities revaluation reserve		1,320,969	(702,091)	652,528
Total Equity		<u>103,362,072</u>	<u>102,780,071</u>	<u>98,445,762</u>
Total Liabilities and Equity		<u>3,054,038,881</u>	<u>3,606,928,674</u>	<u>3,018,986,059</u>
Total Interest Earning and Discount Bearing Assets				
		2,933,350,378	3,554,987,458	2,924,845,899
Total Interest and Discount Bearing Liabilities				
		2,910,356,485	3,472,378,877	2,890,153,464

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 Three Months Ended 30 June 2015

Condensed Statement of Cash Flows

	Three Months ended 30 June 2015 Unaudited NZD	Three Months ended 30 June 2014 Unaudited NZD
Cash Flows from Operating Activities		
Interest income received	34,196,302	31,379,660
Commission fees & trading income	2,892,776	3,562,659
Interest paid	(26,434,073)	(27,891,879)
Payment to suppliers, employees and others	(838,786)	(480,388)
Net cash flows from operating activities before changes in operating assets and liabilities	9,816,219	6,570,052
Net (increase) / decrease in operating assets:		
Net (increase) in corporate loans originated by the Bank	(27,579,545)	(166,458,537)
Net (increase) in amounts due from other financial institutions	(40,027,962)	(9,788,061)
Net decrease in available-for-sale securities	57,928,903	35,482,037
Net (increase) in amounts due from related parties	(17,058,158)	(5,067,829)
Net (increase) in other assets	(927,360)	(210,106)
	(27,664,122)	(146,042,496)
Net increase / (decrease) in operating liabilities:		
Net increase in commercial papers and deposits	49,603,039	9,676,551
Net (decrease) / increase in amounts due to related parties	(30,433,439)	145,047,436
Net increase / (decrease) in other liabilities	2,971,925	(578,374)
	22,141,525	154,145,613
Net cash flows from operating activities before income tax	4,293,622	14,673,169
Net tax paid	(1,771,702)	-
Net cash flows from operating activities	2,521,920	14,673,169
Cash Flows from Investing Activities		
Payment for property, plant and equipment	-	-
Net cash flows from investing activities	-	-
Cash Flows from Financing Activities		
Remittance to the Overseas Bank	-	-
Capital injection	-	-
Net cash flows from financing activities	-	-
Net change in Cash and Cash Equivalents		
Net increase in cash and cash equivalents	2,521,920	14,673,169
Cash and cash equivalents at beginning of year	22,447,350	45,500,952
Cash and cash equivalents at end of the period	24,969,270	60,174,121
Reconciliation of Closing Cash and Cash Equivalents		
Cash and short term liquid assets	24,969,270	60,174,121
Closing cash and cash equivalents	24,969,270	60,174,121

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 Three Months Ended 30 June 2015

Condensed Statement of Cash Flows (continued)

	Three Months ended 30 June 2015 Unaudited NZD	Three Months ended 30 June 2014 Unaudited NZD
Reconciliation of profit from continuing operations to net cash used in operating activities		
Profit from continuing operations	4,247,869	5,189,402
(Increase) in corporate loans	(29,148,682)	(168,844,129)
(Increase) in amounts due from other financial institutions	(40,027,962)	(9,788,061)
Decrease in available-for-sale securities	63,194,085	37,002,630
(Increase) in amounts due from related parties	(17,058,158)	(5,067,829)
Decrease / (increase) in other assets	1,016,804	(69,990)
Increase in commercial papers and deposits	50,335,918	9,621,895
(Decrease) / increase in amounts due to related parties	(30,273,083)	145,496,466
(Decrease) in other payable (cash)	(21,670)	(444,147)
Movement in tax provision	(602,582)	1,450,323
Non-cash items:		
Depreciation of property, plant and equipment	65,670	68,198
Other	793,711	58,411
Net cash flows from operating activities	2,521,920	14,673,169

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 Three Months Ended 30 June 2015

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 and is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013. 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 (as amended). 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 2015.

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 2015.

d) Comparative figures

Certain comparative figures have been re-stated to comply with the current year presentation. There has been no re-statement on comparative figures for this condensed interim financial statement.

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

2. Profit Before Income Tax Expense

	Three Months ended 30 June 2015 Unaudited NZD	Three Months ended 30 June 2014 Unaudited NZD
Operating revenue		
(a) Interest income		
Corporate loans and other accounts	30,492,202	32,244,265
Related parties	8,055	395
	30,500,257	32,244,660
(b) Fees and Commissions income		
Fees and commission income	2,945,228	3,657,670
	2,945,228	3,657,670
(c) Gains less losses on financial instruments		
Net (loss) / gain on interest rate derivatives	(34,661)	54,762
Net (loss) / gain on foreign currency	(17,791)	3,184
Other (loss)	-	(152,957)
	(52,452)	(95,011)
	33,393,033	35,807,319
Total interest income derived from financial assets:		
At amortised cost	29,439,629	30,381,269
Available-for-sale securities	1,060,628	1,863,391
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	2,919,941	3,622,417
Net (loss) / gain on financial assets/liabilities held for trading	(65,124)	22,986
Net realised gain on held for trading	12,672	34,960
Other fee income	25,287	35,253
Loss on sale of available-for-sale securities	-	(152,996)
Other income	-	39
	33,393,033	35,807,319
Expenses		
(a) Interest expense		
Deposits and other accounts	2,392,864	638,760
Related parties	24,934,443	27,647,493
	27,327,307	28,286,253
Total interest expense was derived from financial liabilities:		
At amortised cost	27,327,307	28,286,253
Designated at fair value through profit and loss	-	-
	27,327,307	28,286,253
(b) Other operating expenses		
Rental & operating lease costs	68,519	65,441
Depreciation		
Furniture, fixtures and fittings	7,959	9,066
Office equipment	55,537	55,909
Motor vehicles	2,174	3,223
Auditors' remuneration		
Audit fees	44,220	44,417
Other non-audit services	-	-
Salaries	504,546	459,446
Staff related cost	45,357	30,020
Net losses from the disposal of fixed assets	7,311	-
General administration and other operating expenses	173,063	213,819
	908,686	881,341
Profit/(loss) before income tax expense	5,157,040	6,639,725

Total income excluding any net loss for three months ended 30 June 2015 is NZD 33,445,485 (three months ended 30 June 2014: NZD 35,960,276)

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 Three Months Ended 30 June 2015

3. Property, Plant and Equipment

During the three months ended 30 June 2015 the Branch did not acquire property, plant and equipment (three months ended 30 June 2014: Nil; twelve months ended 31 March 2015: NZD 46,600).

During the three months ended 30 June 2015 the Branch disposed of property, plant and equipment with the carrying amount of NZD 7,311 (three months ended 30 June 2014: Nil; twelve months ended 31 March 2015: NZD 81).

There was no impairment loss for property, plant and equipment recognized during the three months ended 30 June 2015 (three months ended 30 June 2014: Nil; twelve months ended 31 March 2015: Nil).

4. Loans and Advances

	As at 30 June 2015 Unaudited NZD	As at 30 June 2014 Unaudited NZD	As at 31 March 2015 Audited NZD
Corporate loans originated by the bank	2,717,412,238	3,181,978,749	2,688,263,556
Less: individual impairment allowance	<u>63,695,652</u>	<u>34,137,710</u>	<u>63,695,652</u>
	<u>2,653,716,586</u>	<u>3,147,841,039</u>	<u>2,624,567,904</u>

5. Deposits

	As at 30 June 2015 Unaudited NZD	As at 30 June 2014 Unaudited NZD	As at 31 March 2015 Audited NZD
Retail deposit bearing interest	5,810,472	521,228	4,213,543
Retail deposit not bearing interest	16,527,258	19,102,654	15,572,646
Certificate deposit	3,474,183	4,852,325	48,086,360
Call deposit	90,911,660	34,235,494	49,176,102
Term deposit	<u>134,887,886</u>	<u>76,009,831</u>	<u>84,226,890</u>
	<u>251,611,459</u>	<u>134,721,532</u>	<u>201,275,541</u>

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

	As at 30 June 2015 Unaudited NZD	As at 30 June 2014 Unaudited NZD	As at 31 March 2015 Audited NZD
Total Liabilities	2,950,676,809	3,504,148,603	2,920,540,297
Less: total amounts due to related parties (Note : 9)	<u>(2,691,829,325)</u>	<u>(3,359,104,674)</u>	<u>(2,710,028,333)</u>
Total liabilities net of amounts due to related parties	<u>258,847,484</u>	<u>145,043,929</u>	<u>210,511,964</u>

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

7. Other Liabilities

	As at 30 June 2015 Unaudited NZD	As at 30 June 2014 Unaudited NZD	As at 31 March 2015 Audited NZD
Provision	137,547	127,117	120,895
Unearned income	679,734	1,338,636	923,390
Others	244,057	203,306	218,973
	1,061,338	1,669,059	1,263,258

8. Commitments and Contingent Liabilities

	As at 30 June 2015 Unaudited NZD	As at 30 June 2014 Unaudited NZD	As at 31 March 2015 Audited NZD
a) Future lease rental commitments			
Operating lease (primarily premises)			
Due within 1 year	241,828	247,458	160,027
Due within 1 - 2 years	195,318	116,373	42,490
Due within 2 - 5 years	544,520	24,280	-
Due over 5 years	240,983	-	-
	1,222,649	388,111	202,517
b) Other commitments			
Undrawn facility commitments	814,188,043	666,722,038	599,565,862
c) Contingent liabilities			
Guarantees given	410,595	1,517,813	710,595
Performance related contingencies	6,435,542	4,692,782	6,342,505
Trade related contingencies	22,712	10,565	93,243
	6,868,849	6,221,160	7,146,343

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 fulfil certain terms and conditions of a contract.

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

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 fulfil 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.

	Three Months ended 30 June 2015 Unaudited NZD	Three Months ended 30 June 2014 Unaudited NZD	Three Months ended 31 March 2015 Audited NZD
A) Balances			
Assets			
Amounts due from related parties	77,393,397	28,301,540	60,335,239
Derivative instruments	6,045,340	8,815,610	8,039,325
	83,438,737	37,117,150	68,374,564
Liabilities			
Amounts due to related parties	2,675,272,284	3,356,760,000	2,705,545,367
Derivative instruments	16,557,041	2,344,674	4,482,966
	2,691,829,325	3,359,104,674	2,710,028,333
Equity			
Head Office capital	83,000,000	83,000,000	83,000,000
Off Balance Sheet			
Guarantees given	227,782	135,000	227,782
Performance related contingencies	400,000	692,782	600,000
	627,782	827,782	827,782
B) Transactions			
Interest income	8,055	395	395
Interest expense	24,934,443	27,647,493	109,352,896
Net (loss) / profit from derivative instruments	(587,338)	8,523	(2,323,056)
Fees and commissions income	125	250	960

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

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.

30 June 2015 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	-	-	24,969,270	-	24,969,270	24,969,270
Amounts due from related parties	a	-	-	77,393,397	-	77,393,397	77,393,397
Amounts due from other financial institutions	a	-	-	94,606,579	-	94,606,579	94,606,579
Available-for-sale securities	d	-	160,057,943	-	-	160,057,943	160,057,943
Corporate loans originated by the Bank	b	-	-	2,653,716,586	-	2,653,716,586	2,660,518,843
Other assets	c, a	22,596,110	-	1,247,110	-	23,843,220	23,843,220
Total financial assets		22,596,110	160,057,943	2,851,932,942	-	3,034,586,995	3,041,389,252
Liabilities							
Amounts due to related parties	b	-	-	-	2,675,272,284	2,675,272,284	2,687,411,973
Deposits	a, b	-	-	-	251,611,459	251,611,459	251,611,459
Other liabilities	c	22,518,512	-	-	-	22,518,512	22,518,512
Total financial liabilities		22,518,512	-	-	2,926,883,743	2,949,402,255	2,961,541,944

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

10. Fair Value of Financial Instruments (continued)

30 June 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	-	-	60,174,121	-	60,174,121	60,174,121
Amounts due from related parties	a	-	-	28,301,540	-	28,301,540	28,301,540
Amounts due from other financial institutions	a	-	-	99,655,401	-	99,655,401	99,655,401
Available-for-sale securities	d	-	247,316,897	-	-	247,316,897	247,316,897
Corporate loans originated by the Bank	b	-	-	3,147,841,039	-	3,147,841,039	3,154,558,767
Other assets	c, a	11,211,193	-	1,961,044	-	13,172,237	13,172,237
Total financial assets		11,211,193	247,316,897	3,337,933,145	-	3,596,461,235	3,603,178,963
Liabilities							
Amounts due to related parties	b	-	-	-	3,356,760,000	3,356,760,000	3,368,701,084
Deposits	a, b	-	-	-	134,721,532	134,721,532	134,721,532
Other liabilities	c	10,998,012	-	-	125,786	11,123,798	11,123,798
Total financial liabilities		10,998,012	-	-	3,491,607,318	3,502,605,330	3,514,546,414

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).

	30 June 2015		30 June 2014	
	Level 1	Level 2	Level 1	Level 2
Derivative financial assets				
Interest rate swaps	-	7,133,022	-	3,753,093
Currency Options	-	-	-	813,514
FX forwards	-	15,463,088	-	6,644,586
Total derivative financial assets	-	22,596,110	-	11,211,193
Derivative financial liabilities				
Interest rate swaps	-	7,027,970	-	3,538,662
Currency Options	-	-	-	813,514
FX forwards	-	15,490,542	-	6,645,836
Total derivative financial liabilities	-	22,518,512	-	10,998,012
Available-for-sale securities	160,057,943	-	247,316,897	-

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

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 30 June 2015 NZD	:	As at 30 June 2014 NZD
Cash and short term liquid assets	24,969,270		60,174,121
Amounts due from related parties	77,393,397		28,301,540
Amounts due from other financial institutions	94,606,579		99,655,401
Available-for-sale securities	<u>160,057,943</u>		<u>247,316,897</u>
	<u>357,027,189</u>		<u>435,447,959</u>

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

12. Profitability and Size

The Overseas Banking Group

a) Profitability

	Twelve Months ended 31 March 2015 JPY(000's)	Twelve Months ended 31 March 2014 JPY(000's)
Net Profit After Tax	731,622,000	754,323,000
Net Profit After Tax over the previous 12 months period as a percentage of average total assets	0.35%	0.39%

b) Size

	Twelve Months ended 31 March 2015 JPY(000's)	Twelve Months ended 31 March 2014 JPY(000's)
Total Assets	219,313,264,000	201,614,685,000
% Change in total assets over the previous 12 months	8.78%	11.01%

13. Asset Quality

(i) The Overseas Banking Group

	As at 31 March 2015 JPY (000's)	As at 31 March 2014 JPY(000's)
Total individually impaired assets (before allowances for credit impairment loss and net of interest held in suspense)	1,320,063,000	1,484,342,000
Total individually impaired assets expressed as a percentage of total assets	0.60%	0.74%
Total individual credit impairment allowance	191,886,000	269,762,000
Total individual credit impairment allowance expressed as a percentage of total individually impaired assets	14.54%	18.17%
Total collective credit impairment allowance	667,527,000	535,357,000

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

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' cash flow problem that affects the customers' going concern. 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 under liquidation.

	As at 30 June 2015 NZD	As at 30 June 2014 NZD
Individually impaired assets – Gross amounts before provision for loan impairment :		
Balance at the beginning of the period	63,695,652	64,410,774
Addition during the period	-	-
Amounts written off	-	-
Deletion	-	-
Balance at the end of the period	63,695,652	64,410,774
Total individual credit impairment allowance	63,695,652	34,137,710

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 30 June 2015. 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 30 June 2015 is NZD 1,055,149 (interest income ended 30 June 2014: NZD 980,581)

Individual provision for loan impairment

	As at 30 June 2015 NZD	As at 30 June 2014 NZD
Balance at the beginning of the period	63,695,652	34,137,710
Charge to impairment of loans in profit and loss	-	-
Amounts written off	-	-
Balance at the end of the period	63,695,652	34,137,710

Profit or loss charge

	As at 30 June 2015 NZD	As at 30 June 2014 NZD
Specific provision for impairment against advances	-	-
Total provision for impairment against advances	-	-

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 Three Months Ended 30 June 2015

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 30 June 2015 NZD(000's)	As at 30 June 2014 NZD(000's)
(1) Aggregate Interest Rate Exposure		
(a) Notional Capital Charge *	936	2,108
(b) Implied risk weighted exposure	11,700	26,350

(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 2015. 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:

	2014	2015	2016	2017	2018	2019
Minimum Common Equity Tier 1 ratio	4.0%	4.5%	4.5%	4.5%	4.5%	4.5%
Capital Conservation Buffer			0.625%	1.25%	1.875%	2.5%
Total	4.0%	4.5%	5.125%	5.75%	6.375%	7.0%
Minimum Tier 1 ratio	5.5%	6.0%	6.0%	6.0%	6.0%	6.0%
Total (with Capital Conservation Buffer)	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%
Total (with Capital Conservation Buffer)	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 30 June 2015	As at 30 June 2014
Capital ratios:		
Common Equity Tier 1 Capital	10.62%	10.91%
Tier 1 capital	12.04%	12.18%
Total capital	15.25%	15.66%

Notes to the Condensed Interim Financial Statements For the Three Months Ended 30 June 2015

15. Capital Adequacy (continued)

Overseas Bank	As at 30 June 2015	As at 30 June 2014
Capital ratios:		
Common Equity Tier 1 Capital	11.56%	11.91%
Tier 1 capital	13.13%	13.74%
Total capital	16.67%	17.60%

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 three months ended 30 June 2015.

There has been 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 30 June 2015 during this accounting period.

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

- (a) 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.
- (b) 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.
- (c) 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 Three Months Ended 30 June 2015

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 30 June 2015, 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.