REGISTERED BANK DISCLOSURE STATEMENT

31 MARCH 2025

MUFG

MUFG BANK, LTD.
AUCKLAND BRANCH

TABLE OF CONTENTS

Disclosure Statements — Page

Financial Statements

Notes to Financial Statements

TABLE OF CONTENTS

Notes to Financial Statements

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

1.1 Registered Bank (The 'Overseas Bank')

MUFG Bank, Ltd.
7-1, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-8388, Japan

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

1.2 New Zealand Branch

MUFG Bank, Ltd., Auckland Branch
Level 19, 151 Queen Street
Auckland, New Zealand

It is the only member of the 'Banking Group' in New Zealand

1.3 The Ultimate Parent Bank

MUFG Bank, Ltd.
7-1, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-8388, Japan

1.4 The Ultimate Holding Company

Mitsubishi UFJ Financial Group, Inc.
7-1, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-8388, Japan

1.5 Summary of Regulations

There are no regulations, legislation or other restrictions of a legally enforceable nature which may materially inhibit the legal ability of MUFG Bank, Ltd., or Mitsubishi UFJ Financial Group, Inc. to provide material financial support to MUFG Bank, Ltd. Auckland Branch.

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

The Deposit Insurance Law of Japan is intended to protect depositors if a financial institution fails to meet its obligations. The Deposit Insurance Corporation of Japan (DICJ) was established in accordance with that law. The Deposit Insurance System (DIS) is administered by the DICJ. The DICJ is a semi-government organization that was established in 1971 with the purpose of operating Japan's deposit insurance system, in compliance with the Deposit Insurance Law. Banks and certain other credit institutions participate in the DIS on a compulsory basis.

All deposits are protected and subject to the JPY 10 million maximum per customer. The only exception is for non interest deposits that are redeemable on demand and used by the depositor primarily for payment and settlement functions. The deposits in settlement accounts are fully protected without a maximum amount limitation. The DICJ charges insurance premiums on an annual basis on all deposits for the protection.

Certain types of deposits such as foreign currency deposits (currencies other than JPY), negotiable certificates of deposit, and deposit in overseas branches are outside the scope of protection under the DIS. Liquidation dividends will be payable in accordance with the asset situation of the failing financial institution. The following deposits of MUFG Bank, Ltd., Auckland Branch are not protected:

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Amount due to related parties	2,961,442,796	3,831,683,699
Retail deposit	127,167,430	102,290,184
Certificate deposit	1,481,341,316	1,488,126,678
Call deposit	479,137,225	76,806,944
Term deposit	732,345,662	709,273,505
	5,781,434,429	6,208,181,010

In the event of a bank default, except for the above protection afforded by the DIS, all creditors will rank equally.

3. Excess of Assets Over Deposit Liabilities

MUFG Bank, Ltd., Auckland Branch is not required by any statute to hold in New Zealand an excess of assets over deposit liabilities.

In Japan, under Japanese law for the Reserve Requirement System, Japanese banks (including MUFG Bank, Ltd.) are required to maintain certain reserves on deposit with the Bank of Japan based on the amount of deposit balances and certain other factors. This requirement has potential impact on the management of the liquidity of the New Zealand operations.

4. Guarantee Arrangement

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

5. Directorate

5.1 Address to which communications to the Directors and Responsible Persons may be sent:

C/- Mr Takahiro Iino,
Managing Director, Head of Oceania, Head of Sydney Branch
(and Authorised Attorney on behalf of the Directors)
MUFG Bank, Ltd., Sydney Branch
Level 25, Gateway Building, 1 Macquarie Place
Sydney, NSW 2000, AUSTRALIA

C/- Mr Nick Congdon
Managing Director, Head of Auckland Branch
MUFG Bank, Ltd., Auckland Branch
Level 19, 151 Queen Street
Auckland, NEW ZEALAND

5.2 Directors of MUFG Bank, Ltd. On the date of signing this Disclosure Statement:

Name:	Naoki Hori	**Name:**	Junichi Hanzawa
Occupation:	Chairman	**Occupation:**	President & CEO
Residence:	Japan	**Residence:**	Japan
Executive or Independent director:	Executive director	**Executive or Independent director:**	Executive director
Qualification:	Faculty of Law Kyoto University, Japan	**Qualification:**	BA in Economics The University of Tokyo, Japan

Name:	Yasushi Itagaki	**Name:**	Seiichiro Akita
Occupation:	Deputy President	**Occupation:**	Deputy President
Residence:	Japan	**Residence:**	Japan
Executive or Independent director:	Executive director	**Executive or Independent director:**	Executive director
Qualification:	Bachelor of Law Kyoto University, Japan	**Qualification:**	BA in Law Keio University, Japan; Arthur D. Little School of Management, USA; Carroll Graduate School of Management Boston College USA

Name:	Ichiro Takahara	**Name:**	Minoru Soutome
Occupation:	Deputy President	**Occupation:**	Deputy President
Residence:	Japan	**Residence:**	Japan
Executive or Independent director:	Executive director	**Executive or Independent director:**	Executive director
Qualification:	Faculty of Law Nanzan University, Japan	**Qualification:**	BA in Economics Waseda University, Japan

5. Directorate (continued)

Name: Yutaka Miyashita
Occupation: Senior Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Law
Kyoto University, Japan

Name: Fumitaka Nakahama
Occupation: Senior Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Foreign Studies
Sophia University, Japan

Name: Hiroyuki Seki
Occupation: Senior Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Business and Commerce
Keio University, Japan

Name: Hiroshi Mori
Occupation: Senior Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Law
The University of Tokyo, Japan
Duke University School of Law, USA
Attorney

Name: Jun Togawa
Occupation: Senior Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Economics
Kobe University, Japan

Name: Hideaki Takase
Occupation: Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Economics
Hitotsubashi University, Japan
MBA
Massachusetts Institute of Technology, USA

Name: Keitaro Tsukiyama
Occupation: Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Commerce
Doshisha University, Japan

Name: Toshiki Ochi
Occupation: Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: Faculty of Commerce and Management
Hitotsubashi University, Japan

Name: Tadashi Yamamoto
Occupation: Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: BA in Economics
The University of Tokyo, Japan

Name: Katsunori Yokomaku
Occupation: Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: BA in Economics
Waseda University, Japan
MBA
Massachusetts Institute of Technology, USA

Name: Takefumi Tango
Occupation: Managing Executive Officer
Residence: Japan
Executive or Independent director: Executive director
Qualification: BA in Economics
The University of Tokyo, Japan

Name: Yulia Toyokawa
Occupation: Director
Residence: Japan
Executive or Independent director: Executive director
Qualification: The College of Arts and Sciences
The University of Tokyo, Japan
MBA
Stanford Graduate School of Business, USA

5. Directorate (continued)

Name: Keiichi Shiotsuka
Occupation: Director
Residence: Japan
Executive or Independent director: Independent director
Qualification: BA in Economics, Chuo University, Japan

Name: Koichiro Tanaka
Occupation: Director
Residence: Japan
Executive or Independent director: Executive director
Qualification: Bachelor of Agricultural Sciences, Nagoya University, Japan

Name: Shinichi Koide
Occupation: Director
Residence: Japan
Executive or Independent director: Independent director
Qualification: College of Economics, Aoyama Gakuin University, Japan

Name: Toshifumi Kitazawa
Occupation: Director
Residence: Japan
Executive or Independent director: Independent director
Qualification: BA in Economics, The University of Tokyo, Japan

Name: Masahiko Kato
Occupation: Director
Residence: Japan
Executive or Independent director: Executive director
Qualification: School of Law, Nagoya University, Japan

Name: Tadayuki Matsushige
Occupation: Director
Residence: Japan
Executive or Independent director: Independent director
Qualification: School of Political Science and Economics, Waseda University, Japan; CPA

Name: Hiroshi Goto
Occupation: Director
Residence: Japan
Executive or Independent director: Independent director
Qualification: Faculty of Law, The University of Tokyo, Japan; Attorney

Name: Akio Negishi
Occupation: Director
Residence: Japan
Executive or Independent director: Independent director
Qualification: Faculty of Science and Engineering, Waseda University, Japan

Name: Hironori Kamezawa
Occupation: Director
Residence: Japan
Executive or Independent director: Executive director
Qualification: Master of Science, The University of Tokyo, Japan

Name: Shigeru Yoshifuji
Occupation: Director
Residence: Japan
Executive or Independent director: Executive director
Qualification: Bachelor of Engineering, Master of Engineering, Ph.D. Engineering, Tokyo Institute of Technology, Japan

5. Directorate (continued)

Hironori Kamezawa, Naoki Hori, Junichi Hanzawa, Yasushi Itagaki, Hiroshi Mori, Seiichiro Akita Yutaka Miyashita, Fumitaka Nakahama, Hiroyuki Seki, Hideaki Takase, Jun Togawa, Keitaro Tsukiyama, Toshiki Ochi, Tadashi Yamamoto, Katsunori Yokomaku, and Takefumi Tango have other directorships as follows:

i. Mitsubishi UFJ Financial Group, Inc.

Shinichi Koide has other directorships as follows:

i. Chairman, President and CEO of Salesforce Japan Co., Ltd.

Akio Negishi has other directorships as follows:

i. Chairman of the Board, Meiji Yasuda Life Insurance Company.

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

Name	**Occupation**	**Residence**	**Qualification**
Takahiro Iino	Managing Director, Head of Oceania, Head of Sydney Branch (Responsible Person on behalf of the Directors)	Australia	BA in Economics Waseda University, Japan; MBA Purdue University, West Lafayette USA
Nick Congdon	Managing Director, Head of Auckland Branch (New Zealand Chief Executive Officer)	New Zealand	Bachelor of Commerce University of Canterbury, NZ

5.4 Director and New Zealand Chief Executive Officer related transactions

A related transaction is out of the normal course of business, is entered into on terms other than those that would be given to any other person or could be reasonably likely to influence materially the exercise of the Directors' or New Zealand Chief Executive Officer's duties. There have been no related transactions for year ended 31 March 2025 (2024: Nil).

5.5 MUFG Bank, Ltd. does not have a board audit committee. However, the Bank has elected to adopt a corporation governance system based on corporate auditors which includes ten corporate auditors, six of whom are external corporate auditors as of 31 March 2025.

5. Directorate (continued)

5.6 Dealing with Conflicts of Interest arising from personal, professional or business interests

When a Director or a Corporate Executive Officer engages in a transaction involving a conflict of interest, the Director or the Corporate Executive Office must receive the approval of the Board of Directors.

When there is a risk of an unavoidable conflict of interest with a different division that the director in charge of the Compliance Division is also in charge of, to ensure the independence of the Compliance Division, the general manager of the Compliance Division shall report to the President and CEO. The President and CEO will report to the Board of Directors of Executive Committee as necessary.

When a conflict of interest arises in connection with an operation involving any of the MUFG Group companies, Directors or employees, on one hand, and a customer or other third-party, the Director or employee, the MUFG Group company to which such Director or employee belongs, or any other MUFG Group company, on the other, the MUFG Group company, Director or employee must perform the operation in a proper manner.

6. Auditors

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

Deloitte Limited
Deloitte Centre
1 Queen Street
Auckland 1010
New Zealand

7. Conditions of Registration

There have been no changes to the conditions of registration since the last disclosure statement as at 30 September 2024.

These conditions of registration apply on and after 1 July 2024.

The registration of MUFG Bank, Ltd. (“the registered bank”) in New Zealand is subject to the following conditions:

1. That the banking group does not conduct any non-financial activities that in aggregate are material relative to its total activities.

   In this condition of registration, the meaning of “material” is based on generally accepted accounting practice.

2. That the banking group’s insurance business is not greater than 1% of its total consolidated assets.

For the purposes of this condition of registration, the banking group’s insurance business is the sum of the following amounts for entities in the banking group:

(a) if the business of an entity predominantly consists of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total consolidated assets of the group headed by the entity; and

7. Conditions of Registration (continued)

(b) if the entity conducts insurance business and its business does not predominantly consist of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total liabilities relating to the entity's insurance business plus the equity retained by the entity to meet the solvency or financial soundness needs of its insurance business.

In determining the total amount of the banking group's insurance business—

(a) all amounts must relate to on balance sheet items only, and must comply with generally accepted accounting practice; and

(b) if products or assets of which an insurance business is comprised also contain a non-insurance component, the whole of such products or assets must be considered part of the insurance business.

For the purposes of this condition of registration,—

"insurance business" means the undertaking or assumption of liability as an insurer under a contract of insurance:

"insurer" and "contract of insurance" have the same meaning as provided in sections 6 and 7 of the Insurance (Prudential Supervision) Act 2010.

3. That the business of the registered bank in New Zealand does not constitute a predominant proportion of the total business of the registered bank.

4. That no appointment to the position of the New Zealand chief executive officer of the registered bank shall be made unless:

   (a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and

   (b) the Reserve Bank has advised that it has no objection to that appointment.

5. That MUFG Bank, Ltd. complies with the requirements imposed on it by the Japanese Financial Services Agency.

6. That, with reference to the following table, each capital adequacy ratio of MUFG Bank, Ltd. must be equal to or greater than the applicable minimum requirement.

Capital adequacy ratio	Minimum requirement on and after 31 March 2015
Common Equity Tier 1 capital	4.5%
Tier 1 capital	6%
Total capital	8%

7. Conditions of Registration (continued)

For the purposes of this condition of registration, the capital adequacy ratios—

(a) must be calculated as a percentage of the registered bank's risk weighted assets; and

(b) are otherwise as administered by the Japanese Financial Services Agency.

7. That liabilities of the registered bank in New Zealand, net of amounts due to related parties (including amounts due to a subsidiary or affiliate of the registered bank), do not exceed NZ$15 billion.

8. That retail deposits of the registered bank in New Zealand do not exceed $200 million. For the purposes of this condition of registration retail deposits are defined as deposits by natural persons, excluding deposits with an outstanding balance which exceeds $250,000.

9. That, for a loan-to-valuation measurement period ending on or after 31 December 2024, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a loan-to-valuation ratio of more than 70%, must not exceed 5% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the loan-to-valuation measurement period.

10. That, for a loan-to-valuation measurement period ending on or after 31 December 2024, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a loan-to-valuation ratio of more than 80%, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the loan-to-valuation measurement period.

11. That, for a debt-to-income measurement period, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a debt-to-income ratio of more than 7, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the debt-to- income measurement period.

12. That, for a debt-to-income measurement period, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a debt-to-income ratio of more than 6, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the debt-to-income measurement period

13. That the business of the registered bank in New Zealand must not make a residential mortgage loan unless the terms and conditions of the loan contract or the terms and conditions for an associated mortgage require that a borrower obtain the registered bank's agreement before the borrower can grant to another person a charge over the residential property used as security for the loan.

In these conditions of registration,—

"banking group" means the New Zealand business of the registered bank and its subsidiaries as required to be reported in group financial statements for the group's New Zealand business under section 461B(2) of the Financial Markets Conduct Act 2013.

7. Conditions of Registration (continued)

“business of the registered bank in New Zealand” means the New Zealand business of the registered bank as defined in the requirement for financial statements for New Zealand business in section 461B(1) of the Financial Markets Conduct Act 2013.

“generally accepted accounting practice” has the same meaning as in section 8 of the Financial Reporting Act 2013.

“liabilities of the registered bank in New Zealand” means the liabilities that the registered bank would be required to report in financial statements for its New Zealand business if section 461B(1) of the Financial Markets Conduct Act 2013 applied.

In conditions of registration 9 to 10,—

“loan-to-valuation ratio”, “non property-investment residential mortgage loan”, “property-investment residential mortgage loan”, “qualifying new mortgage lending amount in respect of property-investment residential mortgage loans”, “qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans”, and “residential mortgage loan” have the same meaning as in the Reserve Bank of New Zealand document entitled “Framework for Restrictions on High-LVR Residential Mortgage Lending” (BS19) dated October 2021, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS19 for the purpose of defining these terms are—

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 July 2024
BPR001: Glossary	1 October 2023

“loan-to-valuation measurement period” means a period of six calendar months ending on the last day of the sixth calendar month.

In conditions of registration 11 and 12, —

"debt-to-income ratio”, “debt-to-income measurement period”, “non property- investment residential mortgage loan”, “property-investment residential mortgage loan”, “qualifying new mortgage lending amount in respect of property-investment residential mortgage loans”, and “qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans” have the same meaning as in the Reserve Bank of New Zealand document entitled “Framework for Restrictions on High Debt-To-Income Residential Mortgage lending” (BS20) dated 3 April 2023, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS20 for the purpose of defining these terms are—

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 July 2024
BPR001: Glossary	1 October 2023

7. Conditions of Registration (continued)

"debt-to-income measurement period" means—

(a) the initial period of six calendar months from the date of this conditions of registration (1 July 2024) ending on 31 December 2024; and

(b) thereafter, a rolling period of six calendar months ending on the last day of the sixth calendar month, the first of which ends on 31 January 2025 and covers the months of August, September, October, November and December 2024 and January 2025.

In condition of registration 13, —

"residential mortgage loan" has the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High Debt-To-Income Residential Mortgage lending" (BS20) dated 3 April 2023, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS20 for the purpose of defining these terms are—

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 July 2024
BPR001: Glossary	1 October 2023

8. Pending Proceedings or Arbitration

There are no pending proceedings or arbitration concerning MUFG Bank, Ltd., Auckland Branch, or MUFG Bank, Ltd. Group that may have a material adverse effect on the Auckland Branch, or MUFG Bank, Ltd.

9. Credit Rating

The Registered Bank has the following long term credit ratings which are applicable to the Banking Group in New Zealand as at the date signing of this Disclosure Statement.

	Current Rating	Previous Rating (if changed in the previous two years)
Standard & Poor's	A	-
Moody's	A1	-
Fitch	A	A-

Rating scales are:

Credit Ratings	S&P's	Moody's	Fitch
Highest quality/Extremely strong capacity to pay its financial commitments	AAA	Aaa	AAA
High quality/Very strong capacity to pay its financial commitments	AA	Aa	AA
Upper medium grade/Strong capacity to pay its financial commitments	A	A	A
Medium grade (lowest investment grade)/Adequate to pay its financial commitments	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

9. Credit Rating (continued)

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.

10. Historical Summary of Financial Statements

The following table is a historical summary taken from audited financial statements of MUFG Bank, Ltd., Auckland Branch.

		Year ended 31 March 2025 NZD(000's)	Year ended 31 March 2024 NZD(000's)	Year ended 31 March 2023 NZD(000's)	Year ended 31 March 2022 NZD(000's)	Year ended 31 March 2021 NZD(000's)
(a)	Total interest revenue	384,697	395,459	240,422	79,302	68,619
(b)	Total interest expense	303,789	322,073	215,571	46,645	44,017
(c)	Total other revenue	27,855	31,910	31,912	29,154	32,403
(d)	Total expected credit loss charged to the income statement	44	5,057	2,679	3,307	274
(e)	Total other expenses	22,689	21,510	17,842	14,435	10,341
(f)	Net profit before taxation	86,029	78,728	36,242	44,070	46,390
(g)	Taxation	18,889	18,088	6,615	9,134	9,804
(h)	Net profit after taxation	67,140	60,641	29,627	34,936	36,585
(i)	Net profit attributable to non-controlling interests	-	-	-	-	-
(j)	The amount of branch profits repatriated	-	-	-	-	-
(k)	Total assets	6,436,574	6,770,341	6,864,097	6,428,257	6,459,693
(l)	Total individually impaired assets	-	-	-	-	-
(m)	Total liabilities	5,988,569	6,389,114	6,547,928	6,141,433	6,202,097
(n)	Head office capital	83,000	83,000	83,000	83,000	83,000
(o)	Retained earnings and reserve	365,005	298,227	233,168	203,824	174,597

11. Climate Disclosure Statement

The Branch is a climate reporting entity for the purposes of the Financial Market Conduct Act 2013. A copy of the climate statements will be available via the Branch's website: www.nz.bk.mufg.jp by 31 July 2025.

12. 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.

13. 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.

14. Directors' and Managing Director Auckland Branch's Statements

After due enquiry, each Director and the Managing Directors 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 Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended);
- the Disclosure Statement is not false or misleading;

and over the twelve-month accounting period ended 31 March 2025;

- MUFG Bank, 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
- MUFG Bank, Ltd. has complied with all Conditions of Registration that applied during the period.

Signed for and on behalf of the Board of Directors of MUFG Bank, Ltd. by their agent duly appointed in writing, and by the Managing Director, Auckland Branch.

Takahiro Iino

Mr. Takahiro Iino
Managing Director, Head of Oceania
Head of Sydney Branch
(and Authorised Attorney on behalf of
the Directors)

Dated (Sydney): 26 June 2025

N R Congdon

Mr. Nick Congdon
Managing Director,
Head of Auckland Branch
(New Zealand Chief Executive Officer)

Dated (Auckland): 26 June 2025

Statement of Comprehensive Income

	Note	Twelve Months ended 31 March 2025 NZD	Twelve Months ended 31 March 2024 NZD
Interest income	4	384,696,724	395,458,895
Interest expense	4	(303,789,580)	(322,072,957)
Net interest income		80,907,144	73,385,938
Fees and commission income	4	27,201,333	27,845,716
Net gain on financial instruments	4	653,874	4,064,279
		27,855,207	31,909,995
Occupancy expenses	4	(81,091)	(77,299)
Personnel expenses	4	(4,780,700)	(4,218,898)
Auditor's remuneration	4	(225,750)	(246,500)
Administration and other expenses	4	(17,601,755)	(16,968,010)
Profit before expected credit losses and income tax expense		86,073,055	83,785,226
Expected credit losses		(44,135)	(5,056,738)
Profit before income tax expense		86,028,920	78,728,488
Income tax expense	6	(18,889,222)	(18,087,726)
Profit from continuing operations		67,139,698	60,640,762
Other Comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Debt instruments measured at FVOCI			
- (Loss) / profit arising during the year		(611,709)	6,135,451
- Less: Reclassification adjustment for loss on sale of debt instrument included in profit or loss		109,634	-
		(502,075)	6,135,451
- Income tax benefit / (expense) on debt instruments measured at FVOCI		140,581	(1,717,926)
Other comprehensive (expense) / income net of tax		(361,494)	4,417,525
Total comprehensive income, net of tax		66,778,204	65,058,287

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

Statement of Changes in Equity

NZD

	Head Office Capital	Retained Earnings	Investment Revaluation Reserve	Total
Balance at 1 April 2023	83,000,000	237,053,258	(3,884,565)	316,168,693
Profit from continuing operations	-	60,640,762	-	60,640,762
Other comprehensive income, net of tax	-	-	4,417,525	4,417,525
Total comprehensive income, net of tax	-	60,640,762	4,417,525	65,058,287
Balance at 31 March 2024	83,000,000	297,694,020	532,960	381,226,980
Balance at 1 April 2024	83,000,000	297,694,020	532,960	381,226,980
Profit from continuing operations	-	67,139,698	-	67,139,698
Other comprehensive income, net of tax	-	-	(361,494)	(361,494)
Total comprehensive income, net of tax	-	67,139,698	(361,494)	66,778,204
Balance at 31 March 2025	83,000,000	364,833,718	171,466	448,005,184

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

Statement of Financial Position

	Note	As at 31 March 2025	As at 31 March 2024
		NZD	NZD
Assets			
Cash and short term liquid assets	16	37,800,924	72,826,571
Amounts due from related parties	14	17,273,185	101,056,300
Amounts due from other financial institutions	16	1,164,863,249	885,119,167
Investment in debt instruments	16	131,587,528	508,409,810
Corporate loans originated by the Bank	10, 16	4,905,276,772	5,046,546,963
Acceptances of customers	16	14,406,730	3,699,354
Derivative instruments	15	156,939,042	143,253,675
Other assets		4,942,905	5,676,929
Deferred tax asset	6	2,613,165	2,722,301
Property, plant and equipment	5, 25	870,457	1,029,907
Total Assets		6,436,573,957	6,770,340,977
Liabilities			
Amounts due to related parties	14	2,961,442,796	3,831,683,699
Deposits	7	2,819,991,633	2,376,497,311
Acceptances		14,406,730	3,699,354
Derivative instruments	15	155,878,733	142,736,017
Other liabilities	11	23,503,366	22,480,207
Current tax liability	6	13,345,515	12,017,409
Total Liabilities		5,988,568,773	6,389,113,997
Equity			
Head Office capital	14	83,000,000	83,000,000
Retained earnings		364,833,718	297,694,020
Investment revaluation reserve		171,466	532,960
Total Equity		448,005,184	381,226,980
Total Liabilities and Equity		6,436,573,957	6,770,340,977
Total Interest Earning and Discount Bearing Assets	18	6,248,601,674	6,522,412,774
Total Interest and Discount Bearing Liabilities	18	5,767,912,218	6,144,941,639

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

Statement of Cash Flows

	Twelve Months ended 31 March 2025 NZD	Twelve Months ended 31 March 2024 NZD
Cash Flows from Operating Activities		
Interest income received	392,728,329	397,153,618
Commission fees & trading income	26,463,760	27,936,863
Interest paid	(319,594,478)	(317,179,545)
Lease interest payment	(17,884)	(21,202)
Payments to suppliers, employees and others	(21,588,417)	(17,149,991)
Net cash flows from operating activities before changes in operating assets and liabilities	77,991,310	90,739,743
Net (increase) / decrease in operating assets:		
Net decrease / (increase) in corporate loans originated by the Bank	134,361,316	(376,980,534)
Net (increase) in amounts due from other financial Institutions	(279,744,082)	(283,568,268)
Net decrease / (increase) in investment in debt instruments	375,637,091	(32,345,553)
Net decrease in amounts due from related parties	83,783,115	592,376,176
Net (increase) in other assets	(8,840,479)	(2,196,642)
	305,196,961	(102,714,821)
Net increase / (decrease) in operating liabilities:		
Net increase in commercial papers and deposits	448,462,120	213,111,660
Net (decrease) in amounts due to related parties	(859,385,920)	(348,361,516)
Net increase / (decrease) in other liabilities	10,223,627	(723,467)
	(400,700,173)	(135,973,323)
Net cash flows (used in) operating activities before income tax	(17,511,902)	(147,948,401)
Income tax paid	(21,425,966)	(6,567,314)
Income tax refund	4,114,566	-
Net cash flows (used in) operating activities	(34,823,302)	(154,515,715)
Cash Flows from / (used in) Investing Activities		
Payment for property, plant and equipment	(68,927)	(124,234)
Net cash flows (used in) investing activities	(68,927)	(124,234)
Cash Flows from / (used in) Financing Activities		
Lease payment	(133,418)	(125,769)
Net cash flows (used in) financing activities	(133,418)	(125,769)
Net Change in Cash and Cash Equivalents		
Net (decrease) in cash and cash equivalents	(35,025,647)	(154,765,718)
Cash and cash equivalents at beginning of year	72,826,571	227,592,289
Cash and cash equivalents at end of the year	37,800,924	72,826,571
Reconciliation of Closing Cash and Cash Equivalents		
Cash and short term liquid assets	37,800,924	72,826,571
Closing cash and cash equivalents	37,800,924	72,826,571

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

Statement of Cash Flows (continued)

	Twelve Months ended 31 March 2025 NZD	Twelve Months ended 31 March 2024 NZD
Reconciliation of profit from continuing operations to net cash used in operating activities		
Profit from continuing operations	67,139,698	60,640,762
Decrease / (increase) in corporate loans	141,709,804	(380,698,446)
(Increase) in due from other financial institutions	(279,744,082)	(283,568,268)
Decrease / (increase) in investment in debt instruments	376,320,208	(26,932,919)
Decrease in due from related parties	83,783,115	592,376,176
Decrease in acceptances of customers	10,707,376	206,942
Decrease / (increase) in other assets	734,380	(3,227,666)
(Decrease) / increase in certificate of deposit	(6,785,363)	854,437,552
Increase / (decrease) in commercial paper and deposits	450,279,684	(642,365,562)
(Decrease) in due to related parties	(870,240,903)	(342,449,636)
(Decrease) in acceptances	(10,707,376)	(206,942)
Increase in other liabilities	662,391	4,195,459
Increase in provision for expected credit losses	44,135	5,056,738
Movement in tax provision and deferred tax*	17,311,400	(6,567,314)
Non-Cash items:		
Depreciation of property, plant and equipment	228,377	225,479
Movement in tax payable	(15,733,577)	18,087,726
Other	(532,569)	(3,725,796)
Net cash flows from operating activities	(34,823,302)	(154,515,715)

* The Branch did not have any imputation credits as at twelve months ended 31 March 2025 (2024: Nil).

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

1. Statement of Material Accounting Polices

a) Reporting entity and Statement of Compliance

MUFG Bank, 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. The 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 the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended). They comply with New Zealand Equivalents to IFRS Accounting Standards ("NZ IFRS") and other applicable financial reporting standards as appropriate for profit-orientated entities. The financial statements also comply with IFRS Accounting Standards ("IFRS").

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

b) Basis of Preparation

The financial statements are presented in New Zealand dollars.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain non-current assets and financial instruments. The going concern assumption and the accrual basis of accounting have been adopted.

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

c) Changes in Accounting Policy

The accounting policies used by the Branch are consistent with those used in previous period.

d) Comparative Figures

There has been no re-statement on comparatives figures for this financial statement.

e) Use of Estimates and Judgments

The preparation of financial statements requires the management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. The management has reviewed and applied its estimation and judgment on an ongoing basis.

2. Material Accounting Policies

a) Standards and Interpretations approved but not yet effective

The Branch has not yet assessed the impact of IFRS 18 Presentation and Disclosure in Financial Statements, IFRS 9 Financial Instruments, and IFRS 7 Financial Instruments: Disclosures but the standard is expected to impact the way the disclosure statements are presented.

At the date of authorisation of this disclosure statement, the Branch has not applied new and revised NZ IFRS standards and amendments that have been issued but are not yet effective. It is not expected that the adoption of any other standards and amendments will have a material impact on the disclosure statements of the Branch.

b) Foreign Currency

(i) ***Functional and presentation currency***
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in New Zealand dollars, which is the Branch's functional and presentation currency.

(ii) ***Transactions and balances***
Foreign currency balances are translated into the functional currency using the rates of exchange ruling at balance date. Transactions denominated in foreign currency are translated into their reporting currency using the exchange rate in effect at the close of the transaction date. Gains and losses on foreign exchange dealings and differences are recognised in the profit or loss in the period in which they arise.

c) Interest

For all interest bearing financial instruments, interest income and expense are recognised in the profit and loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment or receipts through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, cash flows are estimated based upon contractual terms and behavioural aspects of the financial instrument (e.g. prepayment options), but do not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

d) Fee and Commission Income

Fee income integral to the loan categorised as loans and receivables are accounted for under NZ IFRS 9 and included in the effective interest rate, and recognised in profit and loss over the expected life of the instrument.

Fees and commissions that related to the execution of a significant act (for example, advisory or arrangement services) are recognised when the significant act has been completed. Fees charged for providing ongoing services (for example, maintaining and administering existing facilities) are recognised as income over the period the service is provided.

2. Material Accounting Policies (continued)

e) Other expense

Operating and administration expenses are recognized on an accrual basis.

Management expenses are charged by the Overseas Banking Group to reflect the cost of resources and services provided by related party.

f) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- Where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

- For receivables and payables which are recognised inclusive of GST (the net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables).

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing which is recovered from, or paid to, the taxation authority is classified as operating cash flow.

g) Property, Plant and Equipment and Depreciation

Property, plant and equipment owned, and right-of-use assets under leasing arrangement are stated at cost less accumulated depreciation and impairment. Cost includes expenditures that are directly attributable to the acquisition of the item. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any initial direct costs incurred by the Branch, and any lease payments made in advance of the lease commencement date (net of any incentives received). In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment.

Depreciation is calculated on a straight line or diminishing value basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements and right-of-use assets are depreciated over the period of lease or estimated useful life, whichever is the shorter, using the straight line or diminishing value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Property, plant and equipment is depreciated at appropriate rates so as to write off the cost of each asset during its effective useful life using following methods:

Asset value	Method	Period
Less than or equal to NZD equivalent of JPY 200,000	Straight Line	1 – 3 years
More than NZD equivalent of JPY 200,000	Diminishing value	estimated useful life as follows
Furniture Fixtures and Fittings		3 – 15 years
Office Equipment		3 – 20 years
Motor Vehicles		6 years

2. **Material Accounting Policies (continued)**

h) Financial Assets

The Branch classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income "FVOCI", or through profit and loss "FVTPL"), and
- those to be measured at amortised cost.

The classification depends on the Branch's business model for managing the financial assets and their contractual cash flow characteristics.

The business model reflects how the Branch manages the assets in order to generate cash flows. The Branch determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Branch's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a high level of aggregation rather than on an individual instrument basis.

The Branch determines the contractual cash flow characteristics are based on the contractual cash flow test which is referred to as 'solely payment of principal and interest' "SPPI". Under the SPPI test, the principal amount may change over the life of the financial assets. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of them and for other basic lending risks and as well as a profit margin.

At initial recognition, the Branch measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at fair value through profit or loss are expensed in profit or loss. Derivative financial instruments are recognised initially at fair value and are subsequently measured at fair value through profit or loss.

Subsequently, financial assets are then measured according to the following classifications:

- Financial assets that fail the SPPI test will be measured at FVTPL;
- Financial assets passing the SPPI test, a business model test is preformed to assess the objective of holding the assets:
  - Financial assets will be measured at amortised cost if they are held within a business model where the objective is to hold financial assets in order to collect contractual cash flows;
  - Financial assets will be measured as FVOCI if they are held within a business model where the objective is achieved by both collecting contractual cash flows and selling financial assets
  - Financial assets will be measured at FVTPL if they do not meet either of the criteria's above.

(1) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include derivative instruments. Derivative instruments are used to manage exposures to interest rate, foreign currency and credit risks, including exposures arising from forecast transactions.

The Branch also enters into derivative instruments for trading purposes, including foreign exchange contracts, options, interest rate swaps, and currency swaps. All derivative instruments are recognized at fair value. The fair value is determined using listed market prices or cash flow discounting models based on current market prices and contracted prices for the underlying instruments, as well as the time value of money and yield curves.

All derivative financial instruments are included under assets if their fair value is positive and under liabilities if their fair value is negative.

2. Material Accounting Policies (continued)

(2) Financial assets at fair value through other comprehensive income

Investment in debt instruments are measured at fair value through other comprehensive income where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- are held within business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognized at fair value plus direct attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment gains and losses and interest revenue are recognized in profit and loss. Upon disposal, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the profit and loss.

(3) Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost and presented as cash and cash equivalents, amounts due from related parties, amount due from other financial institutions, and corporate loans originated by the Bank. At initial recognition, the Branch measures these financial assets at its fair value plus transaction cost that are directly attributable to the acquisition of the financial assets.

Interest income from these financial assets is using the effective interest rate method. Impairment losses are included in credit impairment losses in the Statement of Comprehensive income.

(4) Acceptances

Acceptances are financial assets used to facilitate trade settlements on behalf of customer.

Acceptances are recognised in the Statement of Financial Position as both assets and liabilities. Both asset and liability are measured at amortised cost using the effective interest method.

(5) Offsetting of income and expenses

Income and expenses are not offset unless required or permitted by an accounting standard. It generally arises in the following circumstances:

- where transaction costs form an integral part of the effective interest rate of a financial instrument which is measured at amortised cost, these are offset against the interest income generated by the financial instrument; or

- where gains and loss arise from a group of similar transactions, such as foreign exchange gains and losses.

(6) Offsetting Financial Assets

Financial assets and liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously. In all other situations they are presented gross.

2. Material Accounting Policies (continued)

(7) Derecognition of financial assets and financial liabilities

The Branch derecognises financial assets when the rights to receive cash flows from the asset have expired or when the Branch transfers its rights to receive cash flows from the asset together with substantially all the risks and rewards of the asset. If all or substantially all risks and rewards are retained, the financial assets are not derecognised from the statement of financial position.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

i) Other assets

Other assets include all other financial assets and non-financial assets. All other financial assets are measured at amortised cost using the effective interest method. All other non-financial assets are recorded at cost.

j) Financial Liabilities

The Branch classifies significant financial liabilities in the following categories: Amounts due to related parties and deposits. They are recognised when an obligation arises. They are initially recognised at fair value less transaction costs and subsequently measured at amortised cost.

k) Other Liabilities

Other liabilities include accrued interest, other accrued expense payable and all other financial liabilities. They are recognised initially at their fair value, and subsequently measured at amortised cost.

Other liabilities also include lease liabilities which are initially measured at the present value of the lease payments as per lease contracts, discounted using the interest rate determined by the Branch's incremental borrowing rate.

l) Impairment of financial assets, financial guarantee and undrawn loan commitment

Impairment allowances apply to financial assets at amortised cost, financial assets at fair value through OCI, financial guarantee, and undrawn loan commitment. The Branch recognises expected credit losses (ECL) based on unbiased forward looking information as impairment allowance. The Branch calculates the ECL by three stages:

- Stage I: "12-months ECL"
  The financial instruments without significant increases in credit risk after initial recognition are included in Stage I to calculate their impairment allowance at an amount equivalent to the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months;

- Stage II: "Lifetime ECL – not credit impaired"
  Financial instruments that have had a significant increase in credit risk since initial recognition but have no objective evidence of impairment are included in Stage II, with their impairment allowance measured at an amount equivalent to the ECL that will result from all possible default events over the expected life of financial instruments;

- Stage III: "Lifetime ECL – credit impaired"
  Financial instruments with objective evidence of impairment at the balance sheet date are included in stage III, with their impairment allowance measured at the lifetime ECL.

2. Material Accounting Policies (continued)

Financial instruments can be transferred between the different stages depending on their relative increase in credit risk since initial recognition.

Measurement of ECL

The assessment of credit risk, and the estimation of ECL, are unbiased and probability-weighted, and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date.

The Branch calculates ECL using 3 main components, a borrower rating (BR), a probability of default (PD) and an expected recovery ratio (ER).

The BR represents the credit risk level of the borrower. It is designed to assess the medium-to long-term creditworthiness of the borrower based on the quantitative analysis (financial analysis, etc.) and qualitative analysis (industry trend, corporate competitiveness, management policy, etc). Assigning a rating is not a mechanical work: it is necessary to identify the creditworthiness of the borrower through research and analysis and to reflect the result in the rating. In addition, the local economic environment, local business environment, and future macroeconomic conditions are also considered and reflected in the rating. They are based on current economic forecasts including (but are not limited to) GDP growth rate, and CPI rate. The estimation of forward looking information is a critical accounting judgement. For example, if there are 2 customers who have the same level of creditworthiness but they are in different industries, the local economic impact on these industries will also affect the BR rating of these 2 customers. If there are 2 customers who have the same level of creditworthiness but they are in different countries, the countries' economic impact will also affect the BR rating of these 2 customers. All the analysis and factors are reviewed annually and the BR is updated accordingly. For ECL calculation, a stress test model is used to forecast the movement of BR in 1 year, 2 years and 3 years under difference scenarios assumption and data. The BR under 1 year estimation is used for ECL calculation.

PD is the ratio of default for a certain period. "Default" is referred to the downgrade of BR to rating 9 or below. "PD rate" is extracted from the registered bank's PD model date which are based on real default data under MUFG group in past years. A local economic factor based on Moody's analysis for MUFG Bank Oceania Region from 2022 to 2024 is added in to "PD rate" in order to include local economic factors in to ECL calculation.

ER is the collection ratio from each collateral, guarantee and unsecured portion. The determination of current ER is based on weighted average balance after March 2001.

The ECL should be calculated by PD on individual borrower rating and following formula:

ECL = Credit amount x PD x (1-ER)

The 3 stages for calculating ECL is based on following matrix with borrower rating:

Stages	Borrower Rating
I	1 to 8.2
II	8.3
III	9

2. Material Accounting Policies (continued)

Assets may move in both directions through the stages of the impairment model due to the creditworthiness of the borrower. Assets previously in stage 1 may move to stage 2 if it is considered that there has been a significant increase in credit risk. Similarly, assets in stage 2 may move to stage 3 if they are assessed to be non-performing.

For Borrower rating 10, 100% exposure will be written off from financial asset as credit loss.

The calculation of ECL incorporate forward-looking information. The Bank assesses ECL in 3 scenarios: Main, Stress, and Head Office (HO) which are based on different assumptions to forecast the 1-year BR under a stress test model.

Under the stress test model, the assumption for Main and Stress scenarios are based on factors on Japanese and global economy. For the Main scenario, the assumptions are in line with the existing forecasts for economic factors over the next 12 months, For the Stress scenario, assumptions used are based on negative economic factors forecasted over the next 12 months. For the Head Office scenario, assumptions used are based on current economic factors with no forecasting next 12 months.

There is one set of PD ratios applied to all 3 scenarios. The PD ratios are extracted from the Registered Bank's PD model data on reporting date and an Oceanic economic factor is added in to derive "PD rate" for the Main and Stress scenarios. Following this assessment, the Branch measures ECL as a weighted average probability of ECL in the next 12-month under the three scenarios for Stage 1 financial instruments. The weighted average probability which is determined by the likeness on prediction in next 12 months for each scenario is summarised as follows:

Scenario	WA Probability
Main	60%
Stress	35%
HO	5%

m) Provisions

Provisions are recognised when the Branch has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

n) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Provisions for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Provisions for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts redundancy in exchange for these benefits. The Branch recognises termination benefits when it is demonstrably committed to terminate the employment of current employees. The Branch does not have a formal plan for termination benefits.

2. Material Accounting Policies (continued)

o) Leasing

Lease arrangements entered into by the Branch are for the purpose of accommodating the Branch's needs. These include lease arrangement over premises and office equipment used by staff in conducting business activities.

Rental payments are determined in terms of the relevant lease requirements, usually reflecting market rentals during the time when the Branch is negotiating the lease with the lessor. The Branch as lessee has no purchase options over premises occupied. There are no restrictions imposed on the Branch's lease of space other than those forming part of the negotiated lease arrangement for the premise.

Extension option is included in the property lease but there is no termination option. This extension option is used to maximize operational flexibility in terms of managing contracts. The extension option is exercisable only by the Branch and not by the lessor.

At lease commencement date, the Branch recognizes a right-of-use asset and a lease liability in the statement of financial position. The right-of-use asset is measured at cost, which is made up the initial measurement of the lease liability, any initial direct costs incurred by the Branch, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Branch depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the end of the lease term in line with lease payment excluding interest factor. The Branch also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Branch measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Branch's incremental borrowing rate being the rate that the Branch would have to borrow the funds necessary to obtain an asset of similar value with similar terms.

Lease payments included in the measurement of the lease liability includes fixed payments as per lease contracts. Subsequent to initial measurement, the lease liability will be reduced for lease payment made and increased for interest. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Branch has elected to account for short-term leases (less than 12 months) and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit and loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in other liabilities.

Interest expense on lease liability and depreciation on right-of-use assets are recognized in the profit and loss as an expense.

p) Contingent Liabilities and Credit Commitments

The Branch is involved in a range of transactions that give rise to contingent and/or future liabilities. The Branch discloses a contingent liability when it has a possible obligation arising from past events that will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Branch's control. A contingent liability is disclosed when a present obligation is not recognised because it is not probable that an outflow of resources will be required to settle an obligation, or the amount of the obligation cannot be measured with sufficient reliability.

2. Material Accounting Policies (continued)

The Branch issues commitments to extend credit and guarantees. These financial instruments attract service charges in line with market practice for similar arrangements. They are not sold or traded. The items generally do not involve cash payments other than in the event of default. The charge pricing is set as part of the broader customer credit process and reflects the probability of default. They are disclosed as contingent liabilities at their face value.

q) Taxation

Income tax on the profit and loss for the year comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at balance date after taking advantage of all allowable deductions under current taxation legislation and any adjustment to tax payable in respect of previous years.

Deferred tax is accounted for using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at balance date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

r) Investment Revaluation Reserve

This reserve includes changes in fair value of financial asset which are recorded in Other Comprehensive income (OCI) rather than directly in profit and loss, net of tax. These changes are transferred to the profit and loss when the asset is derecognised or impaired.

s) Statement of Cash Flows

The Statement of Cash Flows is prepared inclusive of GST.

Cash flows arising from commercial paper, customer deposits to and withdrawals from deposit accounts, acceptances, borrowings, repayments on loans and other receivables and acceptances of customers are presented on a net basis.

Definitions of the terms used in the Statement of Cash Flows are:

“Cash and cash equivalents” includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash. At balance date all cash is held in a bank account.

“Operating activities” include all transactions and other events that are not investing or financing activities.

“Investing activities” are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

“Financing activities” are those activities relating to changes in equity and debt capital structure of the company and those activities relating to the cost of servicing the company’s equity capital.

3. Risk Management Policies

The risk management policies and procedures of the Branch conform to those of the ultimate parent bank, MUFG Bank, Ltd. ("the Parent Bank").

The Branch's application of risk management systems is subject to review by the Parent Bank Internal Audit Office on a regular basis.

a) Credit Risk

The MUFG Group RAS has industry risk appetite framework , including prohibited and "high caution" industries as well as a country and large exposure limit framework. These are monitored and controlled at the Group level.

Credit risk is defined as the risk of incurring a deficit due to a decrease or loss of value of assets (including off-balance-sheet assets) because of the deterioration of the borrower's financial condition.

In alignment with the Group, the Branch adopts a conservative approach to credit risk with the focus on lending to institutions of high creditworthiness, typically investment grade borrowers. In addition, there is selective appetite for sub-investment grade lending, supporting key business strategies such as acquisition finance and non-recourse project, infrastructure and real estate finance. This is achieved through:

- Rigorous credit risk assessment, including an internal borrower rating and review process.
- Pricing risk appropriately through the Group's return policy and pricing model (RORA)
- Diversification of credit risk, controlled by establishing Branch level industry and obligor limits Additionally, portfolio risk is controlled through the establishment of limits for various portfolio metrics such as:

    - Criticised assets
    - WABR
    - Higher risk exposures

The Branch's overseas exposures are monitored closely and country exposure limits, based upon the controls used by the Parent Bank, will be adopted where necessary.

The Branch's exposures to financial institutions and corporates are controlled and monitored by the appropriate credit division of the Parent Bank on a consolidated basis. The limits are reviewed and approved by the Branch annually in consultation with the Parent Bank. Formal limits have been established for subsidiaries and branches of the Parent Bank and are subject to annual review. Credit risk exposures are monitored on a daily basis and any irregularities are reported to the Regional Head for Oceania immediately as they are identified.

b) Foreign Currency Risk

Foreign currency risk is the risk of loss to the Branch arising from fluctuations in foreign exchange rates. Foreign currency exposures and risks arise from the Branch undertaking foreign exchange transactions with customers as well as from loans and deposits undertaken in foreign currencies. The Branch does not act as a price maker for other institutions in the interbank foreign exchange market and does not take speculative trading positions in foreign exchange.

The currency risks arising from foreign exchange transactions with customers and from loans and deposits undertaken in foreign currencies are immediately transferred to the Sydney Branch by entering into back to back foreign exchange transactions. These risks are managed within the Sydney Branch's foreign exchange risk limits. The Sydney Branch has a set of formal policies and limits governing transaction limits, daylight limits, overnight position limits and foreign currency options portfolio limits. Overnight, currency option risk and forward limits are set and monitored by the Parent Bank.

3. Risk Management Policies (continued)

c) Interest Rate Risk

Interest rate risk is the risk of loss to the Branch arising from movements in interest rates. The Branch's activities in the following areas will expose it to interest rate risk: borrowing from and lending to customers and related parties; issuing securities such as commercial paper and medium term notes; trade finance transactions; investing in securities such as commercial paper, bank bills and government stock; and offering instruments such as FRAs and swaps to customers. The Branch does not act as a price maker for other institutions in the interbank market and does not take a speculative trading position in interest rate instruments.

Any long term interest rate risks of the Branch arising from the above activities are immediately transferred to the Sydney Branch by entering into back to back transactions. Short term interest rate risk of the Branch will be monitored and managed daily by the Sydney Branch. An interest rate position analysis is performed on a daily basis. The risks are managed within the guidelines and limits set by the Parent Bank. The Oceania Region’s Asset and Liability Management Committee comprising senior management meets monthly to monitor the Branch’s interest rate and liquidity risk positions.

d) Traded Equity Risk

Traded equity risk is the risk of loss arising from adverse movements in the prices of traded equities. The Branch does not undertake any activities exposing it to traded equity risk.

e) Liquidity Risk

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 of such internal limits are being independently monitored and regularly reported to the Regional Head for Oceania. 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 three scenarios:

Going-concern – which refers to the normal behavior of cash flows in the ordinary course of business and would form the day-to-day focus of the Branch’s liquidity management.

5 Day stress tests – which covers the behavior of cash flows where there is an immediate actual or perceived problem with the Branch

Liquidity Coverage Ratio – a one month liquidity stress described in the APRA APS 210 standard

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 with oversight from the Oceania Region Asset and Liability Management Committee. Reports on liquidity are reviewed by the Regional Head for Oceania, sent to the Parent Bank daily and presented to the Oceania Region Asset and Liability Management Committee monthly.

3. Risk Management Policies (continued)

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

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Cash and cash equivalents	37,800,924	72,826,571
Amounts due from related parties	17,273,185	101,056,300
Amounts due from other financial institutions	1,164,863,249	885,119,167
Investment in debt instruments	131,587,528	508,409,810
	1,351,524,886	1,567,411,848

f) Commodity Risk

Commodity risk is the risk of loss arising from adverse movements in the prices of commodities. The Branch does not undertake any activities exposing it to commodity risk.

g) Operational Risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes credit, market, strategic and reputation risk. However the cultural nature of the Branch is such that reputational risk arising from operational risk events is considered within our operational risk management frameworks.

Oceania branch utilises the three lines of defence approach to the management of risk, with the business lines accountable for the application of the Operational Risk framework, and the management of risks. The dedicated second line function is accountable for the design of the Operational Risk Framework and provision of assurance over the application.

The primary method the Branch uses to manage Operational Risk is by having a robust suite of controls. The Branch also has operating procedures that have been established to conform to the Parent Bank's guidelines. Operational procedures are documented in procedural manuals for each department and approved variances to these procedures are noted and tracked.

h) Climate Risk

Climate risk, or the risks driven by climate change, is also managed under the Policies and Procedures of the Parent Bank. Climate risk is recognised by Mitsubishi UFJ Financial Group, Inc (MUFG Group) as one of the top systemic risks faced by the MUFG Group and impacts, amongst others; credit, operational, legal / compliance and reputational risks. The Policies and Procedures pertaining to Climate Risk are driven by the MUFG Group Purpose: "Committed to empowering a brighter future" and the Carbon Neutrality Declaration to be carbon neutral by 2050. To achieve this, and ultimately manage the risks associated with climate change, the Group has 4 key strategies:

- Reducing emissions from own operations
- Reducing emissions from our financed portfolio
- Engagement and support with our clients
- Risk management and governance

These strategies are overseen at MUFG Group level by a Sustainability Committee reporting directly to the MUFG Group Executive Committee and are implemented throughout the MUFG Group and overseen at New Zealand Branch level by the Oceania Executive Committee.

3. Risk Management Policies (continued)

i) Internal Audit Function

Audit teams from the Parent Bank conduct on-site audits of the Branch's procedures including loans, treasury and general office inspections on regular basis in accordance with the banks Internal Audit methodology. These are based on the Branch's risk profile under the Parent Bank risk based approach to scoping audits, and also based on the local regulatory requirement. The result of all internal audits are reported to corporate auditors who report to the Board of Directors under the Parent Bank's corporation governance systems.

j) Self Inspection

Self Inspection (SI) from Sydney Branch provides a limited procedural assurance to the Branch. The locally appointed Self Inspection Checker conducts the monthly tests and reports to the SI team in Sydney Planning Department at the beginning of the month following the month in which the applicable test was conducted. The matters raised by SI are discussed and actioned by the Branch as soon as practicable but not later than a month after identification of any risks (non-compliance of policies and procedures and/or any process gaps/weaknesses). All SI findings are reported monthly to local management and to the Parent Bank on a quarterly basis.

k) Access to parental disclosures

The most recent publicly available information in relation to capital adequacy requirements or risk management processes implemented by the ultimate holding company are disclosed under the ultimate holding company's annual report which can be accessed via the Bank's global website: www.mufg.jp.

4. Profit Before Income Tax Expense

	Twelve Months ended 31 March 2025 NZD	Twelve Months ended 31 March 2024 NZD
Operating revenue		
(a) Interest income		
Corporate loans and other accounts	384,513,935	395,390,228
Related parties	182,789	68,667
	384,696,724	395,458,895
(b) Fees and commissions income		
Fees and commissions income	27,201,333	27,845,716
	27,201,333	27,845,716
(c) Gains less losses on financial instruments		
Net gain on interest rate derivatives	5,439	2,519,832
Net gain on currency derivatives	877,801	1,289,259
Net (loss) / gain on foreign currency	(125,591)	255,188
Reclassification from other comprehensive income	(109,634)	-
Other income	5,859	-
	653,874	4,064,279
	412,551,931	427,368,890
Total interest income derived from financial assets:		
At amortised cost	375,178,098	381,391,174
Investment in debt instruments (FVOCI)	9,518,626	14,067,721
Total fee income derived from financial assets that are not at fair value through profit or loss	26,996,590	27,629,830
Net unrealised gain / (loss) on financial assets/liabilities (FVTPL)	542,739	3,687,617
Net realised gain on financial assets/liabilities (FVTPL)	214,910	376,662
Other fee income	204,743	215,886
Reclassification from other comprehensive income	(109,634)	-
Other income	5,859	-
	412,551,931	427,368,890
Expenses		
(a) Interest expense		
Deposits and other accounts	131,895,330	137,014,253
Related parties	171,894,250	185,058,704
	303,789,580	322,072,957
Total interest expense was derived from financial liabilities:		
At amortised cost	303,789,580	322,072,957
	303,789,580	322,072,957
(b) Other operating expense		
Rental & lease costs	81,091	77,299
Depreciation		
Furniture, fixtures and fittings	40,612	41,894
Office equipment	52,319	51,457
Right-of-use assets depreciation	135,445	132,128
Auditor’s remuneration (see note 9)	225,750	246,500
Salaries	4,732,741	4,161,677
Staff related costs	47,959	57,221
Net losses from the disposal of fixed assets	354	-
General administration and other operating expenses	17,373,025	16,742,531
Provision for credit impairment	44,135	5,056,738
	22,733,431	26,567,445
Profit before income tax expense	86,028,920	78,728,488

Total income excluding any net loss for twelve months ended 31 March 2025 is NZD 412,787,156 (twelve months ended 31 March 2024: NZD 427,368,890).

5. Property, Plant and Equipment

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Furniture, fixtures and fittings:		
Cost as at 1 April	315,173	315,173
Additions	13,018	-
Disposals	-	-
Cost as at 31 March	328,191	315,173
Accumulated depreciation		
Opening balance	(129,798)	(87,904)
Depreciation during the year	(40,612)	(41,894)
Disposals	-	-
Closing balance	(170,410)	(129,798)
	157,781	185,375
Office equipment:		
Cost as at 1 April	1,252,574	1,128,341
Additions	55,909	124,234
Disposals	-	-
Cost as at 31 March	1,308,483	1,252,575
Accumulated depreciation		
Opening balance	(1,136,727)	(1,085,270)
Depreciation during the year	(52,319)	(51,457)
Disposals	-	-
Closing balance	(1,189,046)	(1,136,727)
	119,437	115,848

6. Income Tax

Income Tax recognised in profit and loss

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Tax expense comprises:		
Current tax expense	19,469,777	18,699,798
Adjustments recognised in the current year in relation to the tax of prior years	(580,555)	(612,072)
Deferred tax expense relating to the origination and reversal of temporary differences	-	-
	18,889,222	18,087,726

The prima facie income tax benefit on pre-tax accounting profit from operation reconciles to the income tax benefit in the financial statement as follows:

Profit from operations	86,028,920	78,728,488
Income tax expense calculated at 28%	24,088,098	22,043,977
Effect of other assessable incomes	960,399	842,801
Effect of other deductible expenses	(5,687,920)	(4,377,380)
Effect of expenses that are not deductible in determining taxable profit	109,200	190,400
	19,469,777	18,699,798
Adjustment recognised in the current year in relation to the tax and deferred tax of prior years	(580,555)	(612,072)
	18,889,222	18,087,726

6. Income Tax (continued)

The prima facie income tax expense on pre-tax accounting other comprehensive income reconciles to the income tax expense in the financial statement as follows:

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
(Loss) / Profit from other comprehensive income	(502,075)	6,135,451
Income tax (benefit) /expense calculated at 28%	(140,581)	1,717,926

The Branch did not have any imputation credits as at the year ended 31 March 2025 (2024: Nil).

The Branch had no current tax asset at the year ended 31 March 2025 (2024: Nil).

The branch had NZD 13,345,515 as current tax liability at the year ended 31 March 2025 (2024: 12,017,409).

Deferred tax balance

Deferred tax assets arise from the following

31 March 2025

Temporary differences	NZD Opening balance*	NZD Charged to profit and loss	NZD Charged to other comprehensive income	NZD Changes in tax rate	NZD Closing balance
Provision for employee entitlement	32,868	2,922	-	-	35,790
Property, plant & equipment	16,231	7,024	-	-	23,255
Provision for ECL	2,664,342	(123,092)	-	-	2,541,250
Others	8,860	4,010	-	-	12,870
	2,722,301	(109,136)	-	-	2,613,165

31 March 2024

Temporary differences	NZD Opening balance	NZD Charged to profit and loss	NZD Charged to other comprehensive income	NZD Changes in tax rate	NZD Closing balance
Provision for employee entitlement	43,559	(10,691)	-	-	32,868
Property, plant & equipment	16,682	(451)	-	-	16,231
Provision for ECL	1,508,970	1,155,372	-	-	2,664,342
Others	5,039	3,821	-	-	8,860
	1,574,250	1,148,051	-	-	2,722,301

All deferred tax on temporary difference is recognised in the profit and loss. Based on current forecast, it is expected to crystallize in future to offset tax liabilities.

7. Deposits

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Retail deposit bearing interest	119,275,886	97,927,375
Retail deposit not bearing interest	7,891,544	4,362,809
Certificate deposit	1,481,341,316	1,488,126,678
Call deposit	479,137,225	76,806,944
Term deposit	732,345,662	709,273,505
	2,819,991,633	2,376,497,311

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

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Total Liabilities	5,988,568,773	6,389,113,997
Less: total amounts due to related parties (Note: 14)	(3,047,085,657)	(3,887,939,746)
Total liabilities net of amounts due to related parties	2,941,483,116	2,501,174,251

9. Fees paid to auditor

During the period the following fees were paid or payable for services provided by the auditor of the Branch:

	Twelve Months ended 31 March 2025 NZD	Twelve Months ended 31 March 2024 NZD
Audit and review of financial statement*		
Audit of financial statements	175.350	198.500
Half year review fees	50,400	48,000
Total fees paid to auditor	225,750	246,500

The auditor of the Branch is Deloitte Limited, Auckland.

* Fees for the annual audit and review of financial statements, and limited assurance over the disclosure of capital adequacy and regulatory liquidity ratios

10. Provision for expected credit losses

The following table reconciles the 31 March 2025 provision for expected credit losses on loan, financial guarantee and commitments based on the requirements of NZ IFRS 9.

Stage 1 31 March 2025	Loan NZD	Financial guarantee and commitments NZD	Total NZD
Provision for impairment charges as at 31 March 2024	9,515,507	3,008,972	12,524,479
Net transfers in / (out) of stages *	-	-	-
New financial assets originated	2,331,168	861,402	3,192,570
Financial assets derecognized during the period	(2,635,492)	(863,057)	(3,498,549)
Change in ECL due to net further lending / repayment	(135,290)	485,404	350,114
Change in ECL due to amounts written-off	-	-	-
Total provision for ECL as at 31 March 2025	9,075,893	3,492,721	12,568,614
31 March 2024			
Provision for impairment charges as at 31 March 2023	5,389,178	2,078,563	7,467,741
Net transfers in / (out) of stages *	-	-	-
New financial assets originated	3,943,115	1,331,062	5,274,177
Financial assets derecognized during the period	(1,918,889)	(507,058)	(2,425,947)
Change in ECL due to net further lending / repayment	2,102,103	106,405	2,208,508
Change in ECL due to amounts written-off	-	-	-
Total provision for ECL as at 31 March 2024	9,515,507	3,008,972	12,524,479

* Represents the transfers between stages

The Branch does not have stage 2 and stage 3 collective provision, and individual provision during the period.

The provisions for ECL on loan, financial guarantee, and commitments disaggregated into types of credit exposures have been disclosed in note 22.

The following table details changes in the gross carrying amounts of loans during the period that have contributed to changes in the provisions for expected credit losses.

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Total gross carrying amount at the beginning of the period	5,056,062,470	4,675,364,024
Net transfers in / (out) of stages *	-	-
New financial assets originated	1,463,021,136	2,131,388,404
Financial assets derecognized during the period	(1,559,953,568)	(1,765,486,371)
Net further lending / repayment	(44,777,373)	14,796,413
Amounts written-off	-	-
Total gross carrying amount	4,914,352,665	5,056,062,470
Provision for ECL	(9,075,893)	(9,515,507)
Total net carrying amount	4,905,276,772	5,046,546,963

11. Other Liabilities

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Provision for employee entitlements	127,824	117,388
Unearned income	3,452,163	3,172,321
Management fee charged by related parties	11,876,822	11,074,359
Provisions for ECL on financial guarantee and commitment	3,492,721	3,008,972
Lease Liabilities	619,739	753,157
Others	3,934,097	4,354,010
	23,503,366	22,480,207

12. Commitments and Contingent Liabilities

	Note	As at 31 March 2025 NZD	As at 31 March 2024 NZD
a) Other commitments			
Undrawn facility commitments	16	2,305,792,223	1,785,893,383
b) Contingent liabilities			
Guarantees given	16	47,742,314	77,691,824
Performance related contingencies	16	431,515,100	386,466,560
Trade related contingencies	16	49,520,384	50,764,886
		528,777,798	514,923,270

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 fulfill certain terms and conditions of a contract; and

- 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 fulfill 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.

The Branch has no short term lease contracts entered into as at 31 March 2025 (2024: Nil).

13. Key Management Personnel Compensation

The compensation of the executives, being the key management personnel of the Branch, is set out below:

	Twelve Months ended 31 March 2025 NZD	Twelve Month ended 31 March 2024 NZD
Short term benefits	1,367,930	1,386,360
	1,367,930	1,386,360
Loan Disclosure		
Loan Outstanding	-	-
Interest charged	-	-

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch.

14. Related Party Disclosures

The Auckland Branch is a branch of an overseas company, MUFG Bank, 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 related to the settlement account which is due on demand and term loans which are due in accordance with an agreed date. Amounts due to related parties are mainly term deposits which are due in accordance with an agreed date. The maturity analysis for these balances are presented in Note 19. The interest rate risk analysis for these balances are presented in Note 18. No related party debts have been written off, forgiven or calculated ECL 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, currency swaps, and currency options.

a) Balances	Twelve Months ended 31 March 2025 NZD	Twelve Months ended 31 March 2024 NZD
Assets		
Amounts due from related parties	17,273,185	101,056,300
Derivative instruments	82,553,384	97,793,122
Others	2,922,514	9,578
	102,749,083	198,859,000
Liabilities		
Amounts due to related parties	2,961,442,796	3,831,683,699
Derivative instruments	73,718,210	45,085,380
Other	11,924,651	11,170,667
	3,047,085,657	3,887,939,746
Equity		
Head Office capital	83,000,000	83,000,000
Off balance sheet		
Guarantees given	5,683,941	5,683,941
Performance related contingencies	1,950,000	1,950,000
	7,633,941	7,633,941

14. Related Party Disclosures (continued)

b) Transactions	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Interest income	182,789	68,667
Interest expense	171,894,250	185,058,704
Net profit from derivative instruments	26,040,745	12,972,376
Fees and commissions income	5,748	2,366
Management fee expense	11,777,541	10,884,973

The Branch's Head Office capital comprises funds provided by the overseas bank to support the Branch's daily operation and to fulfill 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 23 and Note 24.

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

15. Derivative Financial Instruments

The Branch uses derivatives to manage its financial position and to service the needs of its clients. Such derivative financial instruments include swaps, and forwards based on interest rates and exchange rates. The following table summarises the notional amounts and fair value by maturity date of the Branch's derivatives at 31 March 2025.

The notional principal amounts below represent the face value of the transaction.

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Foreign Exchange Contracts		
Spot and forward contracts:		
Notional principal amount < 1 year	3,408,485,446	2,052,192,048
Notional principal amount 1 to 2 years	419,174,707	508,098,807
Notional principal amount 2 to 3 years	157,947,448	44,295,738
Notional principal amount 4 to 5 years	203,451,961	53,525,271
Notional principal amount more than 5 years	86,043,039	77,780,240
Total notional principal	4,275,102,601	2,735,892,104
Fair value < 1 year	(26,286)	(7,569)
Fair value 1 to 2 years	(5,514)	(1,262)
Fair value 2 to 3 years	300	1,628
Fair value 4 to 5 years	1,059	2,556
Fair value more than 5 years	(1,869)	(284)
Total fair value	(32,310)	(4,931)

15. Derivative Financial Instruments (continued)

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Interest Rate Swap Contracts		
Notional principal amount < 1 year	1,312,549,965	1,278,267,261
Notional principal amount 1 to 2 years	758,418,745	1,061,977,146
Notional principal amount 2 to 3 years	478,697,568	867,016,557
Notional principal amount 3 to 4 years	607,254,842	434,405,092
Notional principal amount 4 to 5 years	214,863,133	505,597,192
Notional principal amount more than 5 years	350,798,152	430,798,152
Total notional principal	3,722,582,405	4,578,061,400
Fair value < 1 year	77,021	10,391
Fair value 1 to 2 years	5,322	26,739
Fair value 2 to 3 years	71,892	16,812
Fair value 3 to 4 years	119,776	79,609
Fair value 4 to 5 years	83,536	210,780
Fair value more than 5 years	452,522	717,939
Total fair value	810,069	1,062,270
Currency Swap Contracts		
Notional principal amount < 1 year	-	-
Notional principal amount 1 to 2 years	237,930,193	-
Notional principal amount 2 to 3 years	139,359,075	249,940,861
Notional principal amount 3 to 4 years	192,382,638	135,605,117
Notional principal amount 4 to 5 years	168,781,527	187,302,093
Notional principal amount more than 5 years	688,732,174	604,267,451
Total notional principal	1,427,185,607	1,177,115,522
Fair value < 1 year	-	-
Fair value 1 to 2 years	149	-
Fair value 2 to 3 years	4,771	(5,191)
Fair value 3 to 4 years	8,541	7,471
Fair value 4 to 5 years	1,798	17,344
Fair value more than 5 years	267,291	(559,305)
Total fair value	282,550	(539,681)

16. Concentration of Credit Risk

Credit risk is the risk of loss to the Branch arising from the failure of a counterparty to repay principal and/or interest under a commitment entered into with the Branch. Credit risk arises from the lending, treasury and trade finance activities of the Branch. Credit risk also arises from the possibility that the counterparty to a derivative financial instrument will not adhere to the terms of the contract with the Branch when settlement becomes due.

Corporate loans originated by the Bank are secured partially by following collateral/credit enhancements:

i. financial guarantee by either third parties or customer's parent company
ii. deposit assignment
iii. asset assignment such as aircraft

Concentration of credit risk is determined by management to be by industry sector, geographical location and customer credit rating. Industry sectors are determined by reference to the categories in the RBNZ Bank Balance Sheet Survey. The geographical locations reflect the primary location of the underlying borrower.

The following table details the Branch's maximum credit risk exposure without taking account of any collateral/credit enhancement held in respect of recognised financial assets and derivative financial instruments as at the reporting date.

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Notional principal		
On Balance Sheet		
Cash and short term liquid assets	37,800,924	72,826,571
Amounts due from related parties	17,273,185	101,056,300
Amounts due from other financial institutions	1,164,863,249	885,119,167
Investment in debt instruments	131,587,528	508,409,810
Corporate loans originated by the Bank*	4,914,352,665	5,056,062,470
Acceptance of customers	14,406,730	3,699,354
Other assets	4,826,872	5,560,427
Total	6,285,111,153	6,632,734,099
Off Balance Sheet (Note 12)		
Guarantees given	47,742,314	77,691,824
Performance related contingencies	431,515,100	386,466,560
Trade related contingencies	49,520,384	50,764,886
Undrawn facility commitments	2,305,792,223	1,785,893,383
Total	2,834,570,021	2,300,816,653
Fair value		
Derivative Instruments	156,939,042	143,253,675

* Total gross loans, excluding provision (note 10).

16. Concentration of Credit Risk (continued)

i. Concentration of Credit Risk by Customers Industry Sector

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
On Balance Sheet		
Automobiles	104,410,280	121,730,745
Construction	99,195,108	339,196,946
Energy	49,863,732	233,317,994
Food and Beverage	1,092,199,685	877,898,422
Finance	2,379,747,625	2,461,354,961
Health Care	138,157,482	266,113,358
Materials, Metals, & Mining	173,429,723	240,884,564
Others	45,482,400	92,795,456
Professional Services	206,350,216	219,005,681
Real Estate	344,120,972	182,283,531
Telecommunication	434,348,173	446,370,886
Utilities	638,443,896	634,801,709
Trading	274,890,329	275,818,776
Transport	304,471,532	241,161,070
Total	6,285,111,153	6,632,734,099

Notional principal

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Off Balance Sheet		
Automobiles	84,599,097	82,662,648
Construction	141,518,528	57,832,170
Energy	22,635,507	-
Finance	515,558,665	294,061,309
Food and Beverage	277,680,353	382,629,863
Health Care	107,604,089	39,687,781
Materials, Metals, & Mining	83,638,143	82,190,509
Others	92,000,000	92,000,000
Professional Services	61,878,352	62,303,352
Real Estate	31,684,250	36,000,000
Telecommunication	127,033,501	108,254,081
Trading	60,000,000	35,000,000
Transport and Distributors	126,100,000	201,566,667
Utilities	1,102,639,536	826,628,273
Total	2,834,570,021	2,300,816,653

16. Concentration of Credit Risk (continued)

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Fair value		
Derivative Instrument		
Automobiles	1,583,446	507,276
Construction	29,809	8,575
Energy	1,678,433	1,043,579
Finance	88,037,724	99,268,221
Food and Beverage	39,216,894	6,970,815
Health Care	7,296,548	814,639
Materials, Metals, & Mining	586,280	203,001
Others	4,050,273	2,133,711
Professional Services	4,892	-
Telecommunication	5,893,149	4,786,372
Trading	36,563	303,647
Transport and Distributors	1,904,152	1,869,093
Utilities	6,620,879	25,344,746
Total	156,939,042	143,253,675

ii. Concentration of Credit Risk by Customers Geographic Location

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Notional principal		
On Balance Sheet		
New Zealand	5,749,670,479	6,159,091,482
Japan	20,195,699	101,065,878
Australia	512,304,614	330,060,749
France	21,821	-
Malaysia	-	37,847,724
Other	2,915,848	4,668,266
Denmark	2,692	-
Total	6,285,111,153	6,632,734,099
Off Balance Sheet		
New Zealand	2,717,815,207	2,208,381,576
Japan	7,633,941	7,633,941
Australia	60,000,000	46,566,667
Other	49,120,873	38,234,469
Total	2,834,570,021	2,300,816,653
Fair value		
Derivative Instrument		
New Zealand	73,959,119	45,167,344
Japan	82,553,384	97,793,121
Australia	426,539	293,210
Total	156,939,042	143,253,675

16. Concentration of Credit Risk (continued)

iii. Concentration of Credit Risk by Customer Credit Rating

The following tables set out credit quality information for balances which are neither past due nor impaired. The credit rating numbers are the Banking Group's internal borrower ratings which are mapped to S&P ratings in accordance with the credit quality of customers for financial assets and derivative financial instruments. Please refer to Note 22 for impaired assets.

31 March 2025

Credit Rating	S&P Rating	Notional principal On balance Sheet	Notional principal Off balance Sheet	Derivative financial instruments
1-2	A- and above	2,342,785,787	733,773,746	42,591,323
3-7	B- to BBB+	3,894,012,578	2,091,362,334	31,380,489
8-9	CCC+/-	28,117,089	1,800,000	413,846
Not rated*		20,195,699	7,633,941	82,553,384
		6,285,111,153	2,834,570,021	156,939,042

31 March 2024

Credit Rating	S&P Rating	Notional principal On balance Sheet	Notional principal Off balance Sheet	Derivative financial instruments
1-2	A- and above	2,502,922,681	475,727,367	5,523,290
3-7	B- to BBB+	4,000,587,478	1,815,655,345	39,780,610
8-9	CCC+/-	28,158,062	1,800,000	156,654
Not rated*		101,065,878	7,633,941	97,793,121
		6,632,734,099	2,300,816,653	143,253,675

* The 'not rated' exposure is related to inter-branch exposure.

There is no period end aggregate exposure equal to or exceeding 10% of the global equity of the Overseas Banking Group.

Collateral and other credit enhancements

The general nature and amount of collateral or other credit enhancements taken to mitigate the credit risk of each financial asset class are summarized as follows:

a. Cash and short term liquid assets

These exposures are mainly to relatively low risk banks (rate A+, AA- or better). These balances are not collateralized.

b. Amounts due from related parties

These exposures are generally considered to be low risk due to the nature of the counterparties. There are typically no collateral or other credit enhancements obtained in respect of amounts due from related parties.

16. Concentration of Credit Risk (continued)

c. Amounts due from other financial institutions

The balance is short term deposit to other financial institutions. Collateral is not generally sought on these balances as exposures are considered to be of low risk.

d. Investment in debt instruments

These exposures are with the New Zealand government. Collateral is not sought directly with respect to these exposures.

e. Derivative instruments

The Branch is exposed to credit risk on derivative contracts, which arises as a result of counterparty credit risk. This credit risk from derivatives is mitigated where possible through master netting agreements whereby derivative assets and liabilities with the same counterparty can be offset. A master netting agreement provides the contractual framework within which dealing activities across a range of over-the-counter products are conducted and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement if either party defaults or other predetermined events occur. There have been no amounts set off in the statement of financial position for derivative assets and derivative liabilities as at 31 March 2025 (2024: Nil).

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

As at 31 March 2025
NZD

	Gross amounts of recognised financial assets (a)	Gross amounts of recognised financial liabilities set off in the statement of financial position (b)	Net amounts of financial assets presented in the statement of financial position (c) = (a) – (b)	Related amounts not setoff in the statement of financial position (d)	Net amount (e) = (c) – (d)
Derivatives	156,939,042	-	156,939,042	10,161,809	146,777,233

As at 31 March 2024
NZD

	Gross amounts of recognised financial assets (a)	Gross amounts of recognised financial liabilities set off in the statement of financial position (b)	Net amounts of financial assets presented in the statement of financial position (c) = (a) – (b)	Related amounts not setoff in the statement of financial position (d)	Net amount (e) = (c) – (d)
Derivatives	143,253,675	-	143,253,675	17,945,296	125,308,379

16. Concentration of Credit Risk (continued)

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements:

As at 31 March 2025
NZD

	Gross amounts of recognised financial liabilities (a)	Gross amounts of recognised financial assets set off in the statement of financial position (b)	Net amounts of financial liabilities presented in the statement of financial position (c) = (a) – (b)	Related amounts not setoff in the statement of financial position (d)	Net amount (e) = (c) – (d)
Derivatives	155,878,733	-	155,878,733	10,161,809	145,716,924

As at 31 March 2024
NZD

	Gross amounts of recognised financial liabilities (a)	Gross amounts of recognised financial assets set off in the statement of financial position (b)	Net amounts of financial liabilities presented in the statement of financial position (c) = (a) – (b)	Related amounts not setoff in the statement of financial position (d)	Net amount (e) = (c) – (d)
Derivatives	142,736,017	-	142,736,017	17,945,296	124,790,721

There has been no collateral obtained against derivative assets for the year end 31 March 2025 (Mar 2024: Nil).

f. Acceptance of Customer and Other Assets

Collateral is generally not sought on these balances.

g. Corporate loans originated by the Bank

The Branch assesses the integrity and ability of counterparties to meet their contracted financial obligation for repayment. Principal collateral types for corporate loan include:

i. Cash (usually in the form of a charge over a deposit)
ii. Guarantee received from third parties
iii. Charges over business assets such as real estate, aircraft and ships

In other instances, a client's facilities may be secured by collateral with value less than the carrying amount of the credit exposure. These facilities are deemed secured, partially secured or unsecured.

The Branch lending is generally to large corporate counterparties of strong financial standing, the majority of which borrow on unsecured terms. If there is collateral received during loan drawdown, the value of the collateral will be checked against the agreement to ensure that it is either equal to or over the agreed value. The total collateral value as at 31 March 2025 is over NZD 1,109,221,345 (2024: NZD 1,052,850,583) which is based on guarantees received from third parties and market value of business assets.

16. Concentration of Credit Risk (continued)

On Balance Sheet	As at 31 March 2025		As at 31 March 2024	
	NZD	**%**	**NZD**	**%**
Maximum Exposure	6,285,111,153	100.00	6,632,734,099	100.00
Collateral classification				
Secured	972,347,225	15.47	898,942,700	13.55
Partially secured	63,915,747	1.02	-	0.00
Unsecured	5,248,848,181	83.51	5,733,791,399	86.45

h. Undrawn facility commitments and contingent liabilities

The Branch applies the same principle for off balance sheet risk as it does for its on balance sheet risks. In the case of undrawn facility commitments, counterparties will be subject to the same principle as corporate loans and collateral may be sought depending on the strength of the counterparty and the nature of the transaction.

Off Balance Sheet	As at 31 March 2025		As at 31 March 2024	
	NZD	**%**	**NZD**	**%**
Maximum Exposure	2,834,570,021	100.00	2,300,816,653	100.00
Collateral classification				
Secured	72,958,373	2.57	153,907,883	6.69
Partially secured	-	-	-	-
Unsecured	2,761,611,648	97.43	2,146,908,770	93.31

17. Concentration of Funding

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
a) Category analysis		
Customer deposits	2,819,991,633	2,376,497,311
Due to related parties	2,961,442,796	3,831,683,699
	5,781,434,429	6,208,181,010
b) Industry analysis		
Accommodation & Food services	982	-
Agriculture	83,484,213	3,857,493
Constructions	71,874,357	111,457,276
Electricity, gas and water	266,166,766	2,698,953
Finance	4,196,586,383	5,361,870,920
Food manufacturing	37,065,983	22,263,772
Fishing	23,518	9,375
Forestry	8,361,189	4,002,946
Insurance	31,592,511	30,162,214
Other industries	92,664,357	87,588,249
Other manufacturing	56,152,097	18,101,459
Property and business services	3,439,430	-
Public administration and safety	260,593,426	80,204,059
Retail trade	70,397	37,346
Transport and storage	582,930,664	405,234,784
Wholesale trading	77,159,281	65,337,610
Wood and paper manufacturing	13,268,875	15,354,554
	5,781,434,429	6,208,181,010
c) Geographical analysis		
Australia	2,579,727,779	2,855,724,412
New Zealand	2,676,309,675	2,243,169,534
Japan	402,512,352	913,010,025
Singapore	23,479,426	73,424,294
Fiji	44,171,562	24,485,428
Belgium	53,311,299	98,367,317
Hong Kong	1,922,336	-
	5,781,434,429	6,208,181,010

18. Interest Rate Risk

Interest rate risk is the risk of loss to the Branch arising from movements in interest rates thereby having an adverse effect on the net interest earnings of the Branch in the current reporting period and in future years.

The following table represents the interest rate sensitivity gap of the Branch as at the reporting date. It analyses the Branch's assets and liabilities in relevant maturity groupings based on the earlier of residual contractual maturity or interest repricing date. One of the major causes of the mismatches is timing differences in the repricing of the assets and liabilities. These mismatches are managed by the Sydney Branch as part of the overall risk management process conducted in accordance with strict policy guidelines.

18. Interest Rate Risk (continued)

31 March 2025

	Up to 3 months NZD	Over 3 months and up to 6 months NZD	Over 6 months and up to 1 year NZD	Over 1 year and up to 2 years NZD	Over 2 years NZD	NON INTEREST SENSITIVE NZD	TOTAL NZD	WEIGHTED AVE. EFF. RATE %
ASSETS								
Cash and short term liquid assets	37,800,924	-	-	-	-	-	37,800,924	3.25%
Amounts due from related parties	-	-	-	-	-	17,273,185	17,273,185	0.00%
Amounts due from other financial institutions	1,164,860,557	-	-	-	-	2,692	1,164,863,249	3.82%
Investment in debt instruments	131,587,528	-	-	-	-	-	131,587,528	5.47%
Corporate loans originated by the Bank	4,833,832,143	54,839,524	20,024,931	5,656,067	-	(9,075,893)	4,905,276,772	5.06%
Acceptance of customers	-	-	-	-	-	14,406,730	14,406,730	
Property, Plant and Equipment	-	-	-	-	-	870,457	870,457	
Other assets	-	-	-	-	-	164,495,112	164,495,112	
Total assets	6,168,081,152	54,839,524	20,024,931	5,656,067	-	187,972,283	6,436,573,957	
LIABILITIES								
Amounts due to related parties	2,941,536,300	13,656,090	-	-	-	6,250,406	2,961,442,796	3.93%
Deposits	2,474,388,080	278,659,034	59,052,975	-	-	7,891,544	2,819,991,633	4.00%
Lease liability	34,020	34,774	70,225	294,027	186,693	-	619,739	2.61%
Acceptance	-	-	-	-	-	14,406,730	14,406,730	
Other liabilities	-	-	-	-	-	192,107,875	192,107,875	
Total liabilities	5,415,958,400	292,349,898	59,123,200	294,027	186,693	220,656,555	5,988,568,773	

31 March 2024

	Up to 3 months NZD	Over 3 months and up to 6 months NZD	Over 6 months and up to 1 year NZD	Over 1 year and up to 2 years NZD	Over 2 years NZD	NON INTEREST SENSITIVE NZD	TOTAL NZD	WEIGHTED AVE. EFF. RATE %
ASSETS								
Cash and short term liquid assets	72,826,571	-	-	-	-	-	72,826,571	5.00%
Amounts due from related parties	-	-	-	-	-	101,056,300	101,056,300	0.00%
Amounts due from other financial institutions	885,113,923	-	-	-	-	5,244	885,119,167	5.59%
Investment in debt instruments	324,742,528	-	-	128,497,690	55,169,592	-	508,409,810	5.30%
Corporate loans originated by the Bank	4,844,290,161	191,372,095	10,651,182	9,749,032	-	(9,515,507)	5,046,546,963	6.89%
Acceptance of customers	-	-	-	-	-	3,699,354	3,699,354	
Property, Plant and Equipment	-	-	-	-	-	1,029,907	1,029,907	
Other assets	-	-	-	-	-	151,652,905	151,652,905	
Total assets	6,126,973,183	191,372,095	10,651,182	138,246,722	55,169,592	247,928,203	6,770,340,977	
LIABILITIES								
Amounts due to related parties	3,354,371,165	417,682,815	-	-	-	59,629,719	3,831,683,699	5.67%
Deposits	1,987,480,414	384,654,088	-	-	-	4,362,809	2,376,497,311	5.80%
Lease liability	32,490	33,427	67,501	139,019	480,720	-	753,157	2.61%
Acceptance	-	-	-	-	-	3,699,354	3,699,354	
Other liabilities	-	-	-	-	-	176,480,476	176,480,476	
Total liabilities	5,341,884,069	802,370,330	67,501	139,019	480,720	244,172,358	6,389,113,997	

At 31 March 2025, assuming that all other variables held constant, if interest rates had been 50 basis points higher, post-tax profit for the year would have been NZD 2.8 million higher (2024: NZD 1.7M lower) due to increase in net interest income. It is due to the decrease in funding cost by using longer term of funding to shorter term of lending. If interest rate had been 50 basis points lower with all the variables held constant, post-tax profit would have been NZD 2.8 million lower (2024: NZD 1.7M lower) due to decrease in net interest income as a result of the funding gap. The impact of interest rate movement on pre-tax profit is immaterial due to the back to back transactions with Sydney Branch to minimize any long term interest rate risk (Note 3(c)).

19. Maturity Analysis for Assets and Liabilities

The tables below analyse the Branch's financial assets and liabilities, as required by NZ IFRS 7 "Financial Instruments: Disclosures", in relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which the obligation is crystallised. There is no expectation that the principal or interest will be repaid or received earlier than the obligation. The table includes both interest and principal cash flows. Therefore, they may differ to the carrying amounts on the statement of financial position.

31 March 2025

	On Demand NZD	To 1 Month NZD	1 to 3 Months NZD	3 to 12 Months NZD	1 to 5 Years NZD	Over 5 Years NZD	Total NZD
ASSETS							
Cash and short term liquid assets	37,800,924	-	-	-	-	-	37,800,924
Amounts due from related parties	17,273,185	-	-	-	-	-	17,273,185
Amounts due from other financial institutions	631,111,815	435,000,000	100,000,000	-	-	-	1,166,111,815
Investment in debt instruments	-	133,575,000	-	-	-	-	133,575,000
Corporate loans originated by the Bank	-	2,246,169,473	883,154,326	527,159,916	1,684,368,188	94,803,456	5,435,655,359
Acceptance of customers	-	7,081,751	7,284,959	40,020	-	-	14,406,730
Derivative instruments	-	8,175,387	28,230,063	73,990,157	134,553,026	40,423,419	285,372,052
Other assets	-	4,826,872	-	-	-	-	4,826,872
Total assets	686,185,924	2,834,828,483	1,018,669,348	601,190,093	1,818,921,214	135,226,875	7,095,021,937
LIABILITIES							
Amounts due to related parties	5,997,429	1,570,909,353	1,183,519,542	20,443,313	211,293,808	-	2,992,163,445
Deposits	606,304,655	783,050,106	801,204,570	353,783,652	310,310,425	-	2,854,653,408
Acceptance	-	7,081,751	7,284,959	40,020	-	-	14,406,730
Other Liabilities	127,824	68,061	15,620,083	63,303	32,228	-	15,911,499
Derivative instruments	-	8,143,598	27,984,316	73,160,493	133,195,114	39,903,566	282,387,087
Lease liability	-	11,335	22,685	104,999	480,720	-	619,739
Gross loan commitment	2,305,792,223	-	-	-	-	-	2,305,792,223
Guarantees given	-	5,149,077	126,500	41,723,510	743,227	-	47,742,314
Performance related contingencies	-	132,073,021	20,855,203	262,670,882	15,915,994	-	431,515,100
Trade related contingencies	-	-	-	49,520,384	-	-	49,520,384
Total liabilities	2,918,222,131	2,506,486,302	2,056,617,858	801,510,556	671,971,516	39,903,566	8,994,711,929

31 March 2024

	On Demand NZD	To 1 Month NZD	1 to 3 Months NZD	3 to 12 Months NZD	1 to 5 Years NZD	Over 5 Years NZD	Total NZD
ASSETS							
Cash and short term liquid assets	72,826,571	-	-	-	-	-	72,826,571
Amounts due from related parties	101,056,300	-	-	-	-	-	101,056,300
Amounts due from other financial institutions	487,809,222	85,000,000	315,000,000	-	-	-	887,809,222
Investment in debt instruments	-	1,787,500	326,965,002	1,937,500	192,237,500	-	522,927,502
Corporate loans originated by the Bank	10,611,291	814,211,608	241,009,145	1,121,173,255	3,450,688,278	37,798,855	5,675,492,432
Acceptance of customers	-	3,364,127	335,227	-	-	-	3,699,354
Derivative instruments	-	11,106,203	19,472,822	77,066,176	211,087,360	58,669,443	377,402,004
Other assets	-	5,560,427	-	-	-	-	5,560,427
Total assets	672,303,384	921,029,865	902,782,196	1,200,176,931	3,854,013,138	96,468,298	7,646,773,812
LIABILITIES							
Amounts due to related parties	59,629,649	2,050,868,799	620,864,886	759,598,033	432,469,151	-	3,923,430,518
Deposits	179,097,129	373,057,467	903,170,335	664,159,199	331,501,606	-	2,450,985,736
Acceptance	-	3,364,127	335,227	-	-	-	3,699,354
Other Liabilities	117,388	329,630	96,308	14,820,041	-	20,000	15,383,367
Derivative instruments	-	11,078,147	19,442,290	76,888,949	210,269,456	58,167,336	375,846,178
Lease liability	-	10,686	21,804	100,928	592,609	27,130	753,157
Gross loan commitment	1,785,893,383	-	-	-	-	-	1,785,893,383
Guarantees given	-	5,284,077	-	57,538,020	14,399,864	469,863	77,691,824
Performance related contingencies	-	276,300,414	38,892,599	49,345,110	21,928,437	-	386,466,560
Trade related contingencies	-	-	29,149,122	21,615,764	-	-	50,764,886
Total liabilities	2,024,737,549	2,720,293,347	1,611,972,571	1,644,066,044	1,011,161,123	58,684,329	9,070,914,963

19. Maturity Analysis for Assets and Liabilities (Continued)

The balances in the table above will not necessarily agree to the amounts presented on the face of the statement of financial position as the amounts in the table incorporate cash flows on an undiscounted basis and include both principal and associated future interest payments, and in respect of derivatives:

- Interest rate swaps are settled net and therefore the net cash flows (before discounting) are included in the liquidity table above; and
- Foreign exchange contracts are settled gross and therefore the gross cash flows (before discounting) are included in the liquidity table above.

As disclosed in note 3, although the bank has liquid assets over various different terms, the Branch can draw down on these liquid assets before the expected maturity as needed. The Branch has loan commitments which are on demand, the Branch has historically managed loan commitments as required based on the available liquid assets.

20. 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 foreign exchange and interest rates. Foreign currency forward contracts are measured using observable forward exchange rates.

d. The fair values of investment in debt instruments are derived from quoted prices in the active market.

20. Fair Value of Financial Instruments (continued)

31 March 2025	Note	FVTPL	FVOCI	Amortised Cost	Total Carrying Amount	Fair Value
		NZD	NZD	NZD	NZD	NZD
Assets						
Cash and cash equivalents	a	-	-	37,800,924	37,800,924	37,800,924
Amounts due from related parties	a	-	-	17,273,185	17,273,185	17,273,185
Amounts due from other financial institutions	a	-	-	1,164,863,249	1,164,863,249	1,164,863,249
Investment in debt instruments	d	-	131,587,528	-	131,587,528	131,587,528
Corporate loans originated by the Bank	b	-	-	4,905,276,772	4,905,276,772	4,911,532,191
Other assets	c, a	156,939,042	-	19,233,602	176,172,644	176,172,644
Total financial assets		156,939,042	131,587,528	6,144,447,732	6,432,974,302	6,439,229,721
Liabilities						
Amounts due to related parties	b	-	-	2,961,442,796	2,961,442,796	2,965,979,721
Deposits	a, b	-	-	2,819,991,633	2,819,991,633	2,827,329,604
Other liabilities	c, a	155,878,733	-	44,283,483	200,162,216	200,162,216
Total financial liabilities		155,878,733	-	5,825,717,912	5,981,596,645	5,993,471,541

31 March 2024	Note	FVTPL	FVOCI	Amortised Cost	Total Carrying Amount	Fair Value
		NZD	NZD	NZD	NZD	NZD
Assets						
Cash and cash equivalents	a	-	-	72,826,571	72,826,571	72,826,571
Amounts due from related parties	a	-	-	101,056,300	101,056,300	101,056,300
Amounts due from other financial institutions	a	-	-	885,119,167	885,119,167	885,119,167
Investment in debt instruments	d	-	508,409,810	-	508,409,810	508,409,810
Corporate loans originated by the Bank	b	-	-	5,046,546,963	5,046,546,963	5,051,144,338
Other assets	c, a	143,253,675	-	9,259,781	152,513,456	152,513,456
Total financial assets		143,253,675	508,409,810	6,114,808,782	6,766,472,267	6,771,069,642
Liabilities						
Amounts due to related parties	b	-	-	3,831,683,699	3,831,683,699	3,846,591,384
Deposits	a, b	-	-	2,376,497,311	2,376,497,311	2,396,741,592
Other liabilities	c, a	142,736,017	-	31,853,286	174,589,303	174,589,303
Total financial liabilities		142,736,017	-	6,240,034,296	6,382,770,313	6,417,922,279

20. Fair Value of Financial Instruments (continued)

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 March 2025		31 March 2024	
	Level 1	**Level 2**	**Level 1**	**Level 2**
Derivative financial assets				
Interest rate swaps	-	40,307,032	-	81,636,216
Currency swaps	-	47,636,762	-	37,550,314
FX forwards	-	68,995,248	-	24,067,145
Total derivative financial assets	-	156,939,042	-	143,253,675
Derivative financial liabilities				
Interest rate swaps	-	39,496,964	-	80,573,948
Currency swaps	-	47,354,212	-	38,089,994
FX forwards	-	69,027,557	-	24,072,075
Total derivative financial liabilities	-	155,878,733	-	142,736,017
Investment in debt instruments	131,587,528	-	508,409,810	-

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 are carried at fair value categorised under Level 3 in this year and prior year.

21. Profitability and Size

The Overseas Banking Group

a) Profitability

	Twelve Months ended 31 March 2025 JPY(000's)	**Twelve Months ended 31 March 2024 JPY(000's)**
Net Profit After Tax	1,277,077,000	973,515,000
Net Profit After Tax over the previous 12 months period as a percentage of average total assets	0.39%	0.31%

b) Size

	Twelve Months ended 31 March 2025 JPY(000's)	**Twelve Months ended 31 March 2024 JPY(000's)**
Total Assets	331,606,405,000	323,861,142,000
% Change in total assets over the previous 12 months	2.39%	3.19%

22. Asset Quality

(i) The Overseas Banking Group

	As at 31 March 2025 JPY(000's)	As at 31 March 2024 JPY(000's)
Total individually impaired assets (before allowances for credit impairment loss and net of interest held in suspense)	1,329,981,000	1,816,632,000
Total individually impaired assets expressed as a percentage of total assets	0.40%	0.56%
Total individual credit impairment allowance	402,503,000	642,929,000
Total individually credit impairment allowance expressed as a percentage of total individually impaired assets	30.26%	35.39%
Total collective credit impairment allowance	662,079,000	759,098,000

(ii) MUFG Bank, Ltd., Auckland Branch.

The provision for impairment is based on NZ IFRS 9's impairment model which requires the Branch to recognised expected credit losses (ECL) based on unbiased forward looking information. The Branch will incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of economic conditions at the reporting date.

The Branch does not have any individually impaired assets that have been recognised, any individual credit impairment allowances, and any assets that are less than 30 days past due; at least 30 days but less than 60 days past due; at least 60 days but less than 90 days past due; and at least 90 days past due but not impaired as at 31 March 2025 (31 March 2024: Nil).

The Branch did not charge or credit the statement of comprehensive income for any increase or decrease in individual credit impairment allowance during this accounting period ended 31 March 2025 (31 March 2024: Nil).

The total interest income recognised on impaired asset over this accounting period ended 31 March 2025 is Nil (31 March 2024: Nil).

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 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.

The Branch has only one type of credit exposure: Corporate exposures. The movement in balance of collective provision for expected credit loss and the impacts of changes in gross carrying amounts of loan by expected credit loss allowance are disclosed in note 10.

23. Exposures to Market Risk

Aggregate market risk exposures of MUFG Bank, Ltd., Auckland Branch have been derived in accordance with Schedule 9 of the Reserve Bank Order.

		Twelve Months Ended 31 March 2025 NZD (000's)	Twelve Months Ended 31 March 2024 NZD (000's)
(1) Aggregate Interest Rate Exposure			
(a)	Notional Capital Charge *	3,738	4,160
(b)	Implied risk weighted exposure	46,725	52,000

* The Notional Capital Charge is calculated in accordance with BPR 140: Market Risk.

		Peak End of Day Ending 31 March 2025 NZD (000's)	Peak End of Day Ending 31 March 2024 NZD (000's)
(1) Aggregate Interest Rate Exposure (continued)			
(a)	Notional Capital Charge **	7,329	5,710
(b)	Implied risk weighted exposure	91,613	71,375

** The peak end of day Notional Capital Charge has been derived by determining the maximum over the period at the close of each business day derived in accordance with BPR 140: Market Risk.

(2) Aggregate Foreign Currency Exposure
MUFG Bank, Ltd., Auckland Branch does not have any foreign currency exposures.

(3) Aggregate Equity Exposure
MUFG Bank, Ltd., Auckland Branch does not have any equity exposures.

By entering into foreign exchange transactions, interest rate swap transactions, currency swap transactions and long term fixed interest deposits with the Sydney Branch, the Branch does not hold any significant foreign exchange exposure and long term interest rate exposure. Please refer to Note 3 (b) and (c) for detail. Under this arrangement, the Branch is exposed to limited market risk which is immaterial.

24. Capital Adequacy

The capital adequacy guidelines adopted by the Financial Services Agency (FSA) in Japan that are applicable to Japanese bank holding companies and banks with international operations closely follow the risk-weighted approach introduced by the Basel Committee on Banking Supervision of the Bank for International Settlements.

Basel II, as adopted by the FSA, has been applied to Japanese banks since 31 March, 2007. Certain provisions of Basel III have been adopted by the FSA for Japanese banking institutions with international operations conducted through their foreign offices and became effective 31 March 2013. As a result, the minimum capital required by FSA is at least equal to Basel II.

24. Capital Adequacy (continued)

The Financial Stability Board identified the Overseas Banking Group as a global systematically important bank, or G-SIB, in its most recent annual report published in November 2017.

Effective 31 March, 2016, the FSA's capital conservation buffer, countercyclical buffer and G-SIB surcharge requirements became applicable to Japanese banking institutions with international operations conducted through foreign offices. As a result, starting from 31 March 2016, Overseas Banking Group is required to maintain a capital conservation buffer of 0.625% and a G-SIB surcharge of 0.375% in addition to the 4.50% minimum Common Equity Tier 1 capital ratio. As of the same date, no countercyclical buffer is applicable. From 31 March 2019, the Overseas Banking Group will be required to maintain a capital conservation buffer of 2.5%, a countercyclical buffer of up to 2.5%, and a G-SIB surcharge of 1.5%, assuming the Overseas Banking Group will be in Bucket 2 of the G-SIB list.

The table below presents the minimum consolidated risk-based capital ratios from:

	31March 2025	31March 2024
Minimum Common Equity Tier 1 ratio	4.50%	4.50%
Capital Conservation Buffer	2.50%	2.50%
Countercyclical Buffer	0.16%	0.16%
G-SIB Surcharge	1.50%	1.50%
Total	8.66%	8.66%
Minimum Tier 1 ratio	10.16%	10.16%
Minimum Capital ratio	12.16%	12.16%

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

Overseas Banking Group	**As at 31 March 2025**	**As at 31 March 2024**
Capital ratios:		
Common Equity Tier 1 capital	15.10%	13.80%
Tier 1 capital	17.68%	16.11%
Total capital	19.63%	18.11%

Overseas Bank	**As at 31 March 2025**	**As at 31 March 2024**
Capital ratios:		
Common Equity Tier 1 capital	12.30%	11.77%
Tier 1 capital	15.24%	14.38%
Total capital	17.07%	16.29%

The most recent publicly available information in relation to capital adequacy framework implemented by the overseas bank and overseas banking group are disclosed under the ultimate holding company's annual report which can be accessed via the Bank's global website: www.mufg.jp.

25. Lease

The statement of financial position shows the following Right-of-use assets amounts relating to leases:

	As at 31 March 2025 NZD	As at 31 March 2024 NZD
Property:		
Cost as at 1 April	1,085,245	1,085,245
Additions	-	-
Disposals	-	-
Cost as at 31 March	1,085,245	1,085,245
Accumulated depreciation		
Opening balance	359,326	229,706
Depreciation during the year	132,894	129,620
Disposals	-	-
Closing balance	492,220	359,326
	593,025	725,919
Office equipment:		
Cost as at 1 April	9,962	9,962
Additions	-	-
Disposals	-	-
Cost as at 31 March	9,962	9,962
Accumulated depreciation		
Opening balance	7,197	4,689
Depreciation during the year	2,551	2,508
Disposals	-	-
Closing balance	9,748	7,197
	214	2,765
Net book value as at 31 March	593,239	728,684

The statement of financial position shows the following lease liabilities amounts:

Current lease liabilities	139,019	133,418
Non current lease liabilities	480,720	619,739
Total lease liabilities	619,739	753,157

The following are the amounts recognized in profit and loss:

Depreciation expense of right-of-use assets	135,445	132,128
Interest expense on lease liability	17,884	21,202
Total right-of-use assets	153,329	153,330

The total cash outflow for lease in 2025 was $151,302 (2024: was $146,971).

26. Insurance Business

MUFG Bank, Ltd., Auckland Branch does not conduct any insurance business in or outside New Zealand.

27. Non-Consolidated Activities

MUFG Bank, Ltd. does not conduct any insurance business or non-financial activities in New Zealand outside MUFG Bank, Ltd., Auckland Branch.

28. Securitisation, Funds Management, and Other Fiduciary Activities

(a) MUFG Bank, Ltd., Auckland Branch is not involved in any establishment, marketing, or sponsorship of trust, custodial, funds management or other fiduciary activities.

(b) MUFG Bank, Ltd., Auckland Branch is not involved in any origination of securitized assets or in the marketing or servicing of securitization schemes.

(c) MUFG Bank, Ltd., Auckland Branch is not involved in the marketing and distribution of insurance products.

29. Financial Support

The Auckland Branch is part of MUFG Bank, 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.

30. 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 31 March 2025, 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.

Deloitte.

Independent Auditor's Report

To the Directors of MUFG Bank, Ltd. – Auckland Branch

Opinion

We have audited the financial statements and the supplementary information (excluding the information relating to Credit and Market Risk Exposures and Capital Adequacy on pages 60 to 61) of MUFG Bank, Ltd. – Auckland Branch (the 'Branch' and 'the Banking Group') for the year ended 31 March 2025.

The financial statements comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

The supplementary information (excluding the information relating to Credit and Market Risk Exposures and Capital Adequacy) comprise the information required to be disclosed under Schedules 4, 7, 11, and 13 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the 'Order').

In our opinion, the accompanying financial statements, on pages 17 to 63, present fairly, in all material respects, the financial position of the Company as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

In our opinion, the supplementary information (excluding the information relating to Credit and Market Risk Exposures and Capital Adequacy) disclosed in accordance with Schedules 4, 7, 11 and 13 of the Order (the 'Supplementary Information'):

- has been prepared, in all material respects, in accordance with the guidelines issued pursuant to Section 78(3) of the Banking (Prudential Supervision) Act 1989 and any Conditions of Registration;
- is in accordance with the books and records of the Branch in all material respects; and
- fairly states in all material respects the matters to which it relates in accordance with those Schedules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Branch in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the Branch.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>

Expected credit loss on loans and advances to customers

As described in note 10, the expected credit loss has been determined as $12,568,614.

We considered this a Key Audit Matter due to the significant judgement made by management in determining when to recognize an allowance for impairment losses on loans and advances to customers and in estimating the provision.

As detailed in note 10, the Branch has gross loans and advances of $4,914,352,665 and impairment allowances of $9,075,893 on loans and advances and $3,492,721 on undrawn commitments and guarantees.

Key areas of judgement include:

- Determination of the requirements under NZ IFRS 9 when calculating the impairment allowance, which is reflected in the Branch's expected credit loss model; and
- Assumptions used in the expected credit loss model such as credit risk level of the borrower and macro economic environment as described in note 2.

</td><td>

We have performed the following audit procedures:

- Evaluated the systems, processes and controls in place over the critical data elements used in the ECL model;
- Assessed the Branch's material accounting policies and ECL methodologies against the requirements of NZ IFRS 9;
- Engaged our credit risk specialists to build an independent model;
- Evaluated probability of default rates used by management;
- Evaluated the probability weightings allocated to the multiple economic scenarios by benchmarking against industry trends and considering the appropriateness of selected weightings;
- Challenged management on the appropriateness of the overlays (if applicable) applied including the scope of their application, and test the completeness and accuracy of the overlay calculations;
- On a sample basis, tested exposures for objective evidence of impairment through evaluation of the latest financial information provided from the borrower to the Branch and other relevant industry information, to conclude on the appropriateness of the customer -credit rating allocated; and
- Assessed disclosures in the disclosure statement against the requirements of NZ IFRS.

</td></tr>
</table>

Emphasis of matter - Branch

The Branch is part of MUFG Bank, Ltd. As described in Note 29, the assets of the Branch are legally available for the satisfaction of debts of the entire Branch, not solely those appearing on the accompanying statement of financial position and its debts may result in claims against assets not appearing thereon. Our opinion is not qualified in respect of this matter.

Other information

The directors are responsible on behalf of the Branch for the other information. The other information comprises the information in the financial statements in accordance with Schedule 2 of the Order on pages [1 to 16] that accompanies the financial statements, supplementary information, and the audit report and the Climate Report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Our responsibility is to read the other information identified above when it becomes available and consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Climate Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and consider further appropriate actions.

Directors' responsibilities for the financial statements

The directors are responsible on behalf of the Branch for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are also responsible on behalf of the Branch for the preparation of Supplementary Information which fairly states the matters required to be disclosed under Schedules 2, 4, 7, 11 and 13 of the Order and which is prepared in accordance with any guidelines issued pursuant to Section 78(3) of the Banking (Prudential Supervision) Act 1989 ; any Conditions of Registration; and in accordance with the books and records of the Branch.

In preparing the financial statements, the directors are responsible on behalf of the Branch for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-2

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Branch's Directors, as a body. Our audit has been undertaken so that we might state to the Branch's Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Branch's Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Bindi Shah,
Partner
for Deloitte Limited
Auckland, New Zealand
26 June 2025

This audit report relates to the financial statements of MUFG Bank, Ltd. – Auckland Branch (the 'Branch') for the year ended 31 March 2025 included on the Company's website. The Directors are responsible for the maintenance and integrity of the Company's website. We have not been engaged to report on the integrity of the Company's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 26 June 2025 to confirm the information included in the audited financial statements presented on this website.

Deloitte.

INDEPENDENT ASSURANCE REPORT
TO THE DIRECTORS OF MUFG BANK, LTD. – AUCKLAND BRANCH

LIMITED ASSURANCE REPORT ON THE INFORMATION REQUIRED ON CREDIT AND MARKET RISK EXPOSURES AND CAPITAL ADEQUACY

Conclusion

We have undertaken a limited assurance engagement on the MUFG Bank, Ltd. – Auckland Branch's (the '**Branch**') compliance, in all material respects, with clause 22 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the '**Order**') which requires information prescribed in Schedule 9 of the Order relating to credit and market risk exposures and capital adequacy to be disclosed in its Disclosure Statement for the year ended 31 March 2025.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes use to believe that the Branch's information relating to credit and market exposures and capital adequacy disclosed in note 24 of the Disclosure Statement in compliance with clause 22 of the Order, does not comply, in all material respects, with Schedule 9 of the Order for the year ended 31 March 2025.

Basis of conclusion

We have conducted our engagement in accordance with Standard on Assurance Engagement (SAE) 3100 (Revised) Compliance Engagements ('**SAE 3100**') issued by the New Zealand Auditing and Assurance Standards Board ('**NZAuASB**').

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis of our conclusion.

Directors' Responsibilities

The Directors of the Branch are responsible on behalf of the Branch for compliance with the Order, including Clause 22 of the order which requires information relating to credit and market risk exposures and capital adequacy prescribed in Schedule 9 of the Order to be included in the Branch's Disclosure Statement. This responsibility includes the identification of risks that may threaten compliance requirements identified above being met and the design, implementation and maintenance of internal controls relevant to mitigating those risks and monitoring ongoing compliance.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the NZAuASB, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Other than in our capacity as auditor, we have no relationship with or interests in the Branch.

Our firm applies Professional and Ethical Standard 3: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on whether the Branch's information relating to credit and market risk exposures and capital adequacy, included in the Disclosure Statement in compliance with the Clause 22 of the Order is not, in all material respects, disclosed in accordance with Schedule 9 of the Order. SAE 3100 requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Branch's information relating to the credit and market risk exposures and capital adequacy, included in the Disclosure Statement in compliance with clause 22 of the Order is not, in all material respects, disclosed in accordance with Schedule 9 of the Order.

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the Branch, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material non-compliance with clause 22 of the Order in respect of the information relating to credit and market risk exposures and capital adequacy is likely to arise.

Deloitte.

Our procedures included:

- Obtained an understanding of the process, models, data and internal controls implemented over the preparation of the information relating to credit and market exposures and capital adequacy;
- Obtained an understanding of the Branch's compliance framework and internal control environment to ensure the information relating to credit and market risk exposures and capital adequacy is in compliance with the Reserve Bank of New Zealand;
- Performed analytical and other procedures on the information relating to credit and market risk exposures and capital adequacy disclosed in accordance with Schedule 9 of the Order, and considered its consistency with the financial statements; and
- Agreed the information relating to credit and market risk exposures and capital adequacy disclosed in accordance with schedule 9 of the Order to information extracted from the Branch's models, accounting records or other supporting documentation, which included publicly available information as prescribed by clauses 5 and 6 of Schedule 9 of the Order.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on compliance with the compliance requirements.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the inherent limitations of any systems of internal control, it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected even though the engagement is properly planned and performed in accordance with Standards on Assurance Engagements.

A limited assurance engagement of the Branch's information relating to credit and market risk exposures and capital adequacy prescribed in Schedule 9 of the Order to be included in the Disclosure Statement in compliance with clause 22 of the Order does not provide assurance on whether compliance will continue in the future.

Use of Report

Our assurance report is made solely for the Directors for the purpose of establishing that these compliance requirements have been met. Our work has been undertaken so that we might state to the Directors those matters we have been engaged to state in this assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of the Branch for our work, for this assurance report, or for the conclusions we have reached.

Deloitte Limited

Bindi Shah,
Partner
for Deloitte Limited
Auckland, New Zealand
26 June 2025