

Semi-annual Securities Report

“Hanki Hokokusho”

(Excerpt)

for the six-month period ended September 30, 2015

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

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I. Overview of the Company

1. Key Financial Data and Trends

(1) Key consolidated financial data and trends over the recent three semi-annual periods and two fiscal years

(Millions of yen, unless otherwise stated)

	Semi-annual Period of Fiscal 2013	Semi-annual Period of Fiscal 2014	Semi-annual Period of Fiscal 2015	Fiscal 2013	Fiscal 2014
	From April 1, 2013 to September 30, 2013	From April 1, 2014 to September 30, 2014	From April 1, 2015 to September 30, 2015	From April 1, 2013 to March 31, 2014	From April 1, 2014 to March 31, 2015
Consolidated ordinary income	1,765,676	1,951,743	2,074,286	3,599,428	4,028,944
Consolidated ordinary profit	574,599	663,401	637,926	1,217,534	1,221,200
Semi-annual net income attributable to owners of the parent	339,525	405,496	408,599	–	–
Net income attributable to owners of the parent	–	–	–	754,323	731,622
Semi-annual consolidated comprehensive income	520,098	928,855	(60,018)	–	–
Consolidated comprehensive income	–	–	–	1,157,696	2,622,793
Consolidated total equity	11,124,540	11,866,186	12,857,352	11,741,453	13,201,844
Consolidated total assets	192,147,651	204,103,429	220,723,906	201,614,685	219,313,264
Total equity per share (yen)	763.27	842.68	926.84	798.38	954.03
Semi-annual net income per common share (yen)	26.76	32.83	33.08	–	–
Net income per common share (yen)	–	–	–	59.62	59.24
Diluted semi-annual net income per common share (yen)	26.76	32.83	33.08	–	–
Diluted net income per common share (yen)	–	–	–	59.62	59.23
Capital ratio (%)	5.11	5.09	5.18	5.08	5.37
Net cash used in operating activities	(394,082)	(4,094,924)	(4,380,775)	(5,283,802)	(6,631,043)
Net cash provided by investing activities	560,911	4,243,307	4,670,804	6,257,777	7,237,326
Net cash used in financing activities	(534,784)	(658,447)	(305,707)	(918,046)	(1,061,490)
Cash and cash equivalents at end of semi-annual period	3,469,125	3,452,257	3,689,990	–	–
Cash and cash equivalents at end of period	–	–	–	3,998,556	3,712,330
Number of employees [Besides the above, average number of temporary employees]	59,750 [20,800]	77,727 [23,000]	80,620 [22,900]	78,105 [21,000]	79,146 [23,000]

(Notes) 1. National and local consumption taxes of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (hereinafter referred to as the “Bank”) and its domestic consolidated subsidiaries are accounted for using the tax-excluded method.

2. The basis of calculation of Per Share Information for the semi-annual period is described in “PER SHARE INFORMATION” under the Section entitled “Notes to Semi-annual Consolidated Financial Statements” of “IV. Financial Information.”

3. Capital ratio is calculated by dividing (“total equity at the end of fiscal year (semi-annual period)” - “subscription rights to shares at the end of fiscal year (semi-annual period)” - “non-controlling interests at the end of fiscal year (semi-annual period)”) by “total assets at the end of fiscal year (semi-annual period).”
4. From the current semi-annual period, the Bank has applied the provisions set forth in Paragraph 39 of the “Revised Accounting Standard for Consolidated Financial Statements” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 22 issued on September 13, 2013) and others. In accordance with these provisions, “Semi-annual consolidated net income (Consolidated net income)” has been presented as “Semi-annual net income (Net income) attributable to owners of the parent.”
5. The average number of temporary employees includes contractors and figures are rounded to the nearest hundred.

(2) Key non-consolidated financial data and trends of the Bank over the recent three semi-annual periods and two fiscal years

(Millions of yen, unless otherwise stated)

Fiscal period	9th Semi-annual Period	10th Semi-annual Period	11th Semi-annual Period	9th Term	10th Term
Period of account	September 2013	September 2014	September 2015	March 2014	March 2015
Ordinary income	1,431,853	1,496,665	1,563,186	2,921,537	2,856,450
Ordinary profit	455,168	547,253	538,379	1,002,109	902,632
Semi-annual net income	269,962	354,458	379,654	–	–
Net income	–	–	–	650,257	571,778
Capital stock	1,711,958	1,711,958	1,711,958	1,711,958	1,711,958
Total number of shares issued (thousands of shares)	Common stock 12,350,038 1st series Class 2 preferred stock 100,000 1st series Class 4 preferred stock 79,700 1st series Class 6 preferred stock 1,000 1st series Class 7 preferred stock 177,000	Common stock 12,350,038 1st series Class 2 preferred stock 100,000 1st series Class 4 preferred stock 79,700 1st series Class 6 preferred stock 1,000 1st series Class 7 preferred stock 177,000	Common stock 12,350,038 1st series Class 2 preferred stock 100,000 1st series Class 4 preferred stock 79,700 1st series Class 6 preferred stock 1,000 1st series Class 7 preferred stock 177,000	Common stock 12,350,038 1st series Class 2 preferred stock 100,000 1st series Class 4 preferred stock 79,700 1st series Class 6 preferred stock 1,000 1st series Class 7 preferred stock 177,000	Common stock 12,350,038 1st series Class 2 preferred stock 100,000 1st series Class 4 preferred stock 79,700 1st series Class 6 preferred stock 1,000 1st series Class 7 preferred stock 177,000
Total equity	9,087,127	9,706,403	10,131,730	9,398,694	10,488,611
Total assets	177,492,440	184,976,644	197,720,795	181,692,063	194,652,431
Balance of deposits	114,284,127	119,175,824	126,316,782	119,636,522	124,590,909
Balance of loans and bills discounted	76,327,721	79,977,449	84,834,422	79,495,010	82,740,384
Balance of securities	61,260,401	54,659,402	47,875,327	56,790,753	52,873,408
Dividends per share (yen)	Common stock 7.35 1st series Class 7 preferred stock 57.50	Common stock 13.18	Common stock 14.07	Common stock 17.85 1st series Class 7 preferred stock 115.00	Common stock 32.57
Capital ratio (%)	5.11	5.24	5.12	5.17	5.38
Number of employees [Besides the above, average number of temporary employees]	37,798 [12,512]	36,518 [12,626]	35,534 [12,453]	37,527 [12,603]	35,214 [12,486]

- (Notes)
1. National and local consumption taxes are accounted for using the tax-excluded method.
 2. Dividends per share for the 10th Term and the 11th Semi-annual Period include special dividends of ¥6.27.
 3. The Bank paid dividends in kind in the 9th Term and in the 11th Semi-annual Period but these dividends are not included in the dividends per share mentioned above.
 4. Capital ratio is calculated by dividing (“total equity at the end of fiscal year (semi-annual period)” - “subscription rights to shares at the end of fiscal year (semi-annual period)”) by “total assets at the end of fiscal year (semi-annual period).”
 5. The average number of temporary employees includes contractors.

2. Business Outline

Under its parent company, Mitsubishi UFJ Financial Group, Inc., the Group (The Bank of Tokyo-Mitsubishi UFJ, Ltd. and its subsidiaries and affiliates) comprises the Bank, 129 consolidated subsidiaries, and 58 equity-method affiliates, and is engaged in banking and other financial services (including trading of financial instruments and leasing).

There were no significant changes in the nature of business operated by the Group during the current semi-annual period.

Changes in major subsidiaries and affiliates are stated in “3. Information on Subsidiaries and Affiliates.”

Meanwhile, the Bank has changed its classification of reportable segments. Details are explained in “SEGMENT INFORMATION (1) Reportable segments” under the Section entitled “Notes to Semi-annual Consolidated Financial Statements” of “IV. Financial Information.”

3. Information on Subsidiaries and Affiliates

During the current semi-annual period, the following company was excluded from the scope of the Bank’s subsidiaries and affiliates.

(Retail Banking Business Unit)

As of April 1, 2015, kabu. com Securities Co., Ltd., a consolidated subsidiary of the Bank, became a consolidated subsidiary of Mitsubishi UFJ Securities Holdings Co., Ltd. due to a change in shareholdings within the MUFG Group and has thus been excluded from the scope of the Bank’s subsidiaries and affiliates.

4. Employees

(1) Number of employees in consolidated companies

As of September 30, 2015

	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit	Global Markets Unit	Other units	Total
Number of employees	16,353 [9,200]	9,557 [2,100]	44,880 [4,000]	1,239 [100]	8,591 [7,600]	80,620 [22,900]

- (Notes)
1. Number of employees includes locally hired overseas staff members, but excludes 3,891 contract employees and 22,800 temporary employees.
 2. Numbers within brackets indicate average number of temporary employees over the current semi-annual period.
 3. Number of temporary employees includes contractors and is rounded to the nearest hundred for the end of the current semi-annual period as well as for an average over the half year.
 4. Number of contractors counted as temporary employees was 5,400 at the end of the current semi-annual period while 5,400 on average over the half year (both numbers are rounded to the nearest hundred).

(2) Employees of the Bank

As of September 30, 2015

	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit	Global Markets Unit	Other units	Total
Number of employees	15,355 [8,547]	8,272 [1,633]	6,063 [386]	1,239 [51]	4,605 [1,836]	35,534 [12,453]

- (Notes)
1. Number of employees excludes employees loaned to other companies but includes employees loaned to the Bank, while it includes locally hired overseas staff members, but excludes 1,786 contract employees and 12,428 temporary employees.
 2. Number within brackets indicates average number of temporary employees for the current semi-annual period.
 3. Number of temporary employees includes contractors. Number of contractors was 2,823 at the end of the current semi-annual period and 2,824 on average over the half year.
 4. Number of employees excludes 89 Executive Officers (16 of whom serving as Directors concurrently).
 5. Employees union of the Bank is called The Bank of Tokyo-Mitsubishi UFJ Union with the membership of 32,494. No significant issues exist between the union and the management.

II. Business Overview

1. Summary of Results

(Financial and economic conditions)

With regard to financial and economic conditions during the current consolidated semi-annual period, although the global economy maintained a gradual recovery trend mainly among developed countries, uncertainty grew amid certain factors including a worldwide drop in stock prices against the background of concerns about the outlook in the Chinese economy as well as continuing stagnation in prices of resources including crude oil. In the United States, a self-sustaining recovery continued mainly in domestic demand due to steady improvement in the job market, despite signs of weakness in some areas including a downturn in the energy industry. Europe continued to show signs of recovery, backed by the tailwind of the weaker euro, even with the ongoing financial crisis in Greece and increasing problem loans in Southern European countries. In Asia, although China's economy continued to slow under the impact of restraint on investment, and in other Asian regions a slump in exports put downward pressure on the economy, personal consumption remained firm overall in each region partly due to a decrease in the inflation rate. Under these circumstances, the Japanese economy as a whole continued on its moderate recovery trend, with some swings. Personal consumption, while not strong, tended toward a gradual recovery reflecting an increase in employee income. Capital expenditures continued to increase gradually backed by solid corporate earnings as concerns about overcapacity were resolved. Meanwhile, exports were largely flat amid a slowdown in the global economy.

On the financial front, although the United States continued to leave policy interest rates at record low levels, a potential rise in interest rates came into view due to improvement in the job market and other factors. On the other hand, the Euro-zone saw the continuation of monetary easing measures such as asset purchase programs, including the purchase of government bonds. Amidst all this, in Japan, the Bank of Japan continued its "quantitative and qualitative monetary easing," in an effort to achieve the "consumer price stability goal" of a positive 2% year-on-year rate of change in the consumer price index. Long-term rates rose temporarily at certain points during the first half of the current semi-annual period, but later continued on a gradual downward trend. In the foreign exchange market, the yen continued to trade generally in the lower 120-yen range to the dollar.

(Management policy)

The Bank continued its efforts to achieve its vision of becoming "a reliable financial group of choice on a global scale." In order to realize this goal and respond to the expectations and trust of its customers and other concerned parties, the Bank achieved the results set out below in collaboration with Mitsubishi UFJ Financial Group, Inc. (hereinafter referred to as "MUFG") and MUFG Group companies.

The Retail Banking Business Unit performed strongly in the growing sales of fund management products and its consumer finance business. In the Corporate Banking Business Unit, the outstanding balance of loans grew steadily amid tight loan spreads. In the Global Business Unit, despite the impact of the economic slowdown in Asia, performance in the Americas was solid. In the Global Markets Unit, sales and trading were strong, mainly in Japan, and income from fund management services grew as a result of agile management in response to market changes.

In addition, the Bank set out the "Principles of Ethics and Conduct" as the guidelines on decisions and actions for officers and employees to carry out in order to fulfill the management vision of the MUFG Group, under which each and every employee is instilled with the concept of "Customer Focus," "Responsibility as a Corporate Citizen" and "Ethical and Dynamic Workplace" in order to contribute to customers and the society. Furthermore, the Bank intends to gain greater customer satisfaction by swiftly responding to the opinions and requests of customers collected through call centers or "customer voice cards" put in the lobby of each business office or elsewhere.

Separately, in an effort to implement corporate social responsibility (CSR)-focused management in the financial sector, its main business, the Bank has been providing products and services to assist customers in dealing with environmental issues, in addition to actively involving itself in various social welfare programs.

The Bank continues its commitment to enhancing and reinforcing the management, internal control and compliance, and is also aiming to earn customers' further confidence.

(Results for the current consolidated semi-annual period)

Results for the current consolidated semi-annual period are as follows.

Assets increased by ¥16,620.4 billion compared to the same period of the previous fiscal year to ¥220,723.9 billion. Major components were loans and bills discounted of ¥99,414.0 billion and securities of ¥49,185.4 billion. Liabilities increased by ¥15,629.3 billion compared to the same period of the previous fiscal year to ¥207,866.5 billion. Major components were deposits and negotiable certificates of deposit of ¥151,088.6 billion.

As for profits and losses, net operating income increased by ¥0.6 billion compared to the same period of the previous fiscal year to ¥580.5 billion, ordinary profit decreased by ¥25.4 billion compared to the same period of the previous fiscal year to ¥637.9 billion, and semi-annual net income attributable to owners of the parent increased by ¥3.1 billion compared to the same period of the previous fiscal year to ¥408.5 billion.

Results by reportable segment are as follows.

1. Retail Banking Business Unit

Net operating income was ¥55.4 billion, with a decrease of ¥13.0 billion from the same period of the previous fiscal year.

2. Corporate Banking Business Unit

Net operating income was ¥160.4 billion, with a decrease of ¥14.6 billion from the same period of the previous fiscal year.

3. Global Business Unit

Net operating income was ¥230.4 billion, with an increase of ¥32.9 billion from the same period of the previous fiscal year.

4. Global Markets Unit

Net operating income was ¥179.0 billion, with a decrease of ¥29.6 billion from the same period of the previous fiscal year.

5. Other units

Net operating loss was ¥44.7 billion, with an increase of ¥25.0 billion from the same period of the previous fiscal year.

From the current semi-annual period, the Bank changed its classification of reportable segments and “Bank of Ayudhya,” which was separately reported as an independent reportable segment in the past, has been included in the “Global Business Unit.”

In addition, the Bank has changed the calculation method of business segment profit according to the changes in the internal performance management methods such as revision of jurisdiction of each business unit and changes in allocation method of income and expenses of business segments.

Segment information for the previous semi-annual period that was prepared in accordance with the restated reportable segment and calculation method is provided in “SEGMENT INFORMATION” under the Section entitled “Notes to Semi-annual Consolidated Financial Statements” of “IV. Financial Information.”

(Summary of cash flows)

With regard to cash flows, operating activities used net cash of ¥4,380.7 billion, with a ¥285.8 billion increase in cash outflows from the same period of the previous fiscal year. Investing activities generated net cash of ¥4,670.8 billion, with a ¥427.4 billion increase in cash inflows from the same period of the previous fiscal year. Financing activities used net cash of ¥305.7 billion, with a ¥352.7 billion decrease in cash outflows from the same period of the previous fiscal year.

Cash and cash equivalents at the end of the current semi-annual period were ¥3,689.9 billion, with a ¥237.7 billion increase from the same period of the previous fiscal year.

The consolidated risk-adjusted capital ratio based on uniform international standards as of September 30, 2015 was 15.39%.

There may be restatements in the consolidated capital ratios, due to possible amendments of certain figures used for the calculation of the floor adjustment, which forms part of the risk-weighted assets.

(1) Income and expenses for domestic and overseas operations

Details of income and expenses for domestic and overseas operations are as follows:

The total amount of net interest income, net fees and commissions, net trading income and net other operating income for the current semi-annual period was ¥1,457.9 billion, with a ¥32.7 billion increase from the same period of the previous fiscal year. Of this, domestic operations posted an income of ¥863.2 billion, with a decrease of ¥38.1 billion from the same period of the previous fiscal year, and overseas operations posted an income of ¥740.2 billion, with an increase of ¥134.2 billion from the same period of the previous fiscal year.

(Millions of yen)

Item	Semi-annual period	Domestic	Overseas	Amount of elimination	Total
		Amount	Amount	Amount	Amount
Net interest income	Previous semi-annual period	493,594	429,516	(46,401)	876,710
	Current semi-annual period	482,830	486,180	(65,294)	903,716
Of which, interest income	Previous semi-annual period	556,206	646,032	(92,011)	1,110,226
	Current semi-annual period	552,537	719,557	(106,732)	1,165,362
Of which, interest expenses	Previous semi-annual period	62,611	216,515	(45,610)	233,516
	Current semi-annual period	69,707	233,376	(41,438)	261,645
Net fees and commissions	Previous semi-annual period	238,077	129,543	(33,253)	334,367
	Current semi-annual period	229,968	187,178	(80,016)	337,130
Of which, fees and commissions income	Previous semi-annual period	308,857	150,262	(53,033)	406,085
	Current semi-annual period	303,052	216,315	(93,772)	425,595
Of which, fees and commissions expenses	Previous semi-annual period	70,779	20,718	(19,779)	71,718
	Current semi-annual period	73,083	29,137	(13,756)	88,465
Net trading income	Previous semi-annual period	48,421	(3,299)	(848)	44,272
	Current semi-annual period	46,930	12,305	(1,494)	57,741
Of which, trading income	Previous semi-annual period	49,049	16,308	(21,085)	44,272
	Current semi-annual period	46,930	24,043	(13,232)	57,741
Of which, trading expenses	Previous semi-annual period	628	19,608	(20,236)	–
	Current semi-annual period	–	11,738	(11,738)	–
Net other operating income	Previous semi-annual period	121,257	50,215	(1,553)	169,919
	Current semi-annual period	103,482	54,546	1,379	159,407
Of which, other operating income	Previous semi-annual period	163,970	97,888	(40,954)	220,904
	Current semi-annual period	196,884	211,676	(153,110)	255,451
Of which, other operating expenses	Previous semi-annual period	42,712	47,672	(39,400)	50,984
	Current semi-annual period	93,402	157,130	(154,489)	96,043

(Notes) 1. “Domestic” includes offices of the Bank (excluding its overseas offices) and consolidated subsidiaries whose principal offices are located in Japan (hereinafter referred to as “domestic consolidated subsidiaries”). “Overseas” includes the Bank’s overseas offices and consolidated subsidiaries whose principal offices are located abroad (hereinafter referred to as “overseas consolidated subsidiaries”).

2. Interest expenses are stated excluding expenses related to money held in trust.

3. “Amount of elimination” is the total amount of elimination associated with the internal transactions, etc. between consolidated companies.

(2) Interest-earning assets and interest-bearing liabilities for domestic and overseas offices

1) Domestic

Status of interest-earning assets and interest-bearing liabilities in domestic offices are shown below:

The average balance of interest-earning assets in the current semi-annual period increased by ¥7,502.6 billion compared to the same period of the previous fiscal year to ¥134,740.5 billion. Yield on interest-earning assets declined by 0.05% to 0.81% and total interest income stood at ¥552.5 billion, with a decrease of ¥3.6 billion from the same period of the previous fiscal year. The average balance of interest-bearing liabilities in the current semi-annual period increased by ¥7,636.3 billion compared to the same period of the previous fiscal year to ¥129,195.6 billion. Yield on interest-bearing liabilities rose by 0.00% to 0.10% and total interest expenses stood at ¥69.7 billion, with an increase of ¥7.0 billion from the same period of the previous fiscal year.

(Millions of yen)

Item	Semi-annual period	Average balance	Interest	Yield
		Amount	Amount	(%)
Interest-earning assets	Previous semi-annual period	127,237,876	556,206	0.87
	Current semi-annual period	134,740,522	552,537	0.81
Of which, loans and bills discounted	Previous semi-annual period	59,106,625	305,186	1.02
	Current semi-annual period	60,639,481	287,580	0.94
Of which, securities	Previous semi-annual period	47,506,887	213,799	0.89
	Current semi-annual period	45,398,121	228,271	1.00
Of which, call loans and bills bought	Previous semi-annual period	86,507	98	0.22
	Current semi-annual period	29,483	20	0.14
Of which, receivables under resale agreements	Previous semi-annual period	29,009	5	0.04
	Current semi-annual period	26,948	8	0.06
Of which, receivables under securities borrowing transactions	Previous semi-annual period	335,762	1,644	0.97
	Current semi-annual period	171,521	44	0.05
Of which, due from banks	Previous semi-annual period	16,314,189	7,845	0.09
	Current semi-annual period	24,103,253	11,768	0.09
Interest-bearing liabilities	Previous semi-annual period	121,559,283	62,611	0.10
	Current semi-annual period	129,195,606	69,707	0.10
Of which, deposits	Previous semi-annual period	102,089,141	22,590	0.04
	Current semi-annual period	106,490,120	23,845	0.04
Of which, negotiable certificates of deposit	Previous semi-annual period	2,675,975	1,261	0.09
	Current semi-annual period	2,959,066	1,119	0.07
Of which, call money and bills sold	Previous semi-annual period	3,013,214	1,556	0.10
	Current semi-annual period	2,564,267	1,351	0.10
Of which, payables under repurchase agreements	Previous semi-annual period	7,637,885	6,922	0.18
	Current semi-annual period	7,833,392	10,743	0.27
Of which, payables under securities lending transactions	Previous semi-annual period	374,460	809	0.43
	Current semi-annual period	1,617,796	671	0.08
Of which, commercial paper	Previous semi-annual period	–	–	–
	Current semi-annual period	–	–	–
Of which, borrowed money	Previous semi-annual period	9,792,120	41,797	0.85
	Current semi-annual period	12,129,911	42,709	0.70

- (Notes)
1. The average balance of each asset and liability was generally computed based on an average of daily balances, but figures for certain consolidated subsidiaries were calculated based on an average of month-end balances.
 2. “Domestic” includes offices of the Bank (excluding its overseas offices) and domestic consolidated subsidiaries.
 3. The amount of interest-earning assets is stated excluding the average balance of interest-free due from banks. The amount of interest-bearing liabilities is stated excluding the average balance of money held in trust and the corresponding interest payments.

2) Overseas

Status of interest-earning assets and interest-bearing liabilities in overseas offices are shown below:

The average balance of interest-earning assets in the current semi-annual period increased by ¥8,823.1 billion compared to the same period of the previous fiscal year to ¥63,168.3 billion. Yield on interest-earning assets declined by 0.09% to 2.27% and total interest income stood at ¥719.5 billion, with an increase of ¥73.5 billion from the same period of the previous fiscal year. The average balance of interest-bearing liabilities in the current semi-annual period increased by ¥8,310.8 billion compared to the same period of the previous fiscal year to ¥60,694.8 billion. Yield on interest-bearing liabilities declined by 0.05% to 0.76% and total interest expenses stood at ¥233.3 billion, with an increase of ¥16.8 billion from the same period of the previous fiscal year.

(Millions of yen)

Item	Semi-annual period	Average balance	Interest	Yield
		Amount	Amount	(%)
Interest-earning assets	Previous semi-annual period	54,345,197	646,032	2.37
	Current semi-annual period	63,168,363	719,557	2.27
Of which, loans and bills discounted	Previous semi-annual period	35,718,710	456,727	2.55
	Current semi-annual period	41,373,964	527,220	2.54
Of which, securities	Previous semi-annual period	5,975,528	66,937	2.23
	Current semi-annual period	6,553,694	72,726	2.21
Of which, call loans and bills bought	Previous semi-annual period	465,911	5,137	2.19
	Current semi-annual period	674,985	5,525	1.63
Of which, receivables under resale agreements	Previous semi-annual period	1,179,749	20,155	3.40
	Current semi-annual period	708,595	15,027	4.22
Of which, receivables under securities borrowing transactions	Previous semi-annual period	–	–	–
	Current semi-annual period	–	–	–
Of which, due from banks	Previous semi-annual period	7,399,584	22,708	0.61
	Current semi-annual period	9,878,023	27,715	0.55
Interest-bearing liabilities	Previous semi-annual period	52,383,964	216,515	0.82
	Current semi-annual period	60,694,854	233,376	0.76
Of which, deposits	Previous semi-annual period	29,621,446	101,330	0.68
	Current semi-annual period	35,848,696	116,468	0.64
Of which, negotiable certificates of deposit	Previous semi-annual period	7,924,565	15,089	0.37
	Current semi-annual period	6,957,624	16,753	0.48
Of which, call money and bills sold	Previous semi-annual period	258,908	893	0.68
	Current semi-annual period	346,887	1,473	0.84
Of which, payables under repurchase agreements	Previous semi-annual period	715,148	3,467	0.96
	Current semi-annual period	589,329	3,346	1.13
Of which, payables under securities lending transactions	Previous semi-annual period	–	–	–
	Current semi-annual period	–	–	–
Of which, commercial paper	Previous semi-annual period	1,225,308	1,093	0.17
	Current semi-annual period	1,434,155	1,577	0.21
Of which, borrowed money	Previous semi-annual period	1,638,208	13,488	1.64
	Current semi-annual period	2,436,491	13,554	1.10

- (Notes)
1. The average balance of each asset and liability was generally computed based on an average of daily balances, but figures for certain consolidated subsidiaries were calculated based on an average of month-end balances.
 2. “Overseas” includes overseas offices of the Bank and overseas consolidated subsidiaries.
 3. The amount of interest-earning assets is stated excluding the average balance of interest-free due from banks. The amount of interest-bearing liabilities is stated excluding the average balance of money held in trust and the corresponding interest payments.

3) Total

(Millions of yen)

Item	Semi-annual period	Average balance			Interest			Yield (%)
		Subtotal	Amount of elimination	Total	Subtotal	Amount of elimination	Total	
Interest-earning assets	Previous semi-annual period	181,583,073	(6,631,246)	174,951,827	1,202,238	(92,011)	1,110,226	1.26
	Current semi-annual period	197,908,886	(8,185,619)	189,723,266	1,272,095	(106,732)	1,165,362	1.22
Of which, loans and bills discounted	Previous semi-annual period	94,825,335	(2,356,553)	92,468,782	761,913	(36,134)	725,779	1.56
	Current semi-annual period	102,013,446	(3,021,579)	98,991,866	814,801	(35,277)	779,523	1.57
Of which, securities	Previous semi-annual period	53,482,415	(2,564,565)	50,917,850	280,736	(48,211)	232,525	0.91
	Current semi-annual period	51,951,816	(2,849,346)	49,102,470	300,998	(65,063)	235,935	0.95
Of which, call loans and bills bought	Previous semi-annual period	552,419	(42,433)	509,986	5,235	(18)	5,217	2.04
	Current semi-annual period	704,468	(238,466)	466,002	5,546	(89)	5,457	2.33
Of which, receivables under resale agreements	Previous semi-annual period	1,208,758	–	1,208,758	20,160	–	20,160	3.32
	Current semi-annual period	735,544	–	735,544	15,036	–	15,036	4.07
Of which, receivables under securities borrowing transactions	Previous semi-annual period	335,762	–	335,762	1,644	–	1,644	0.97
	Current semi-annual period	171,521	–	171,521	44	–	44	0.05
Of which, due from banks	Previous semi-annual period	23,713,774	(1,552,862)	22,160,911	30,553	(4,731)	25,822	0.23
	Current semi-annual period	33,981,277	(1,734,988)	32,246,288	39,484	(5,228)	34,256	0.21
Interest-bearing liabilities	Previous semi-annual period	173,943,248	(4,149,864)	169,793,383	279,127	(45,610)	233,516	0.27
	Current semi-annual period	189,890,461	(5,358,986)	184,531,475	303,084	(41,438)	261,645	0.28
Of which, deposits	Previous semi-annual period	131,710,587	(1,055,192)	130,655,395	123,920	(3,410)	120,510	0.18
	Current semi-annual period	142,338,817	(1,285,475)	141,053,342	140,314	(2,725)	137,588	0.19
Of which, negotiable certificates of deposit	Previous semi-annual period	10,600,540	–	10,600,540	16,351	–	16,351	0.30
	Current semi-annual period	9,916,690	–	9,916,690	17,872	–	17,872	0.35
Of which, call money and bills sold	Previous semi-annual period	3,272,122	(89,523)	3,182,599	2,450	(123)	2,326	0.14
	Current semi-annual period	2,911,155	(86,714)	2,824,440	2,824	(121)	2,703	0.19
Of which, payables under repurchase agreements	Previous semi-annual period	8,353,034	–	8,353,034	10,390	–	10,390	0.24
	Current semi-annual period	8,422,721	–	8,422,721	14,090	–	14,090	0.33
Of which, payables under securities lending transactions	Previous semi-annual period	374,460	–	374,460	809	–	809	0.43
	Current semi-annual period	1,617,796	–	1,617,796	671	–	671	0.08
Of which, commercial paper	Previous semi-annual period	1,225,308	–	1,225,308	1,093	–	1,093	0.17
	Current semi-annual period	1,434,155	–	1,434,155	1,577	–	1,577	0.21
Of which, borrowed money	Previous semi-annual period	11,430,329	(2,890,400)	8,539,928	55,285	(36,358)	18,927	0.44
	Current semi-annual period	14,566,402	(3,433,576)	11,132,826	56,264	(36,595)	19,668	0.35

(Note) “Amount of elimination” is the total amount of elimination associated with the internal transactions, etc. between consolidated companies.

(3) Fees and commissions by domestic and overseas office

Net fees and commissions income is as follows:

Fees and commissions income of domestic offices for the current semi-annual period was ¥303.0 billion, with a decrease of ¥5.8 billion from the same period of the previous fiscal year. Fees and commissions expenses were ¥73.0 billion, with an increase of ¥2.3 billion from the same period of the previous fiscal year, resulting in a net fees and commissions income of ¥229.9 billion, with a decrease of ¥8.1 billion from the same period of the previous fiscal year. Fees and commissions income of overseas offices during the current semi-annual period was ¥216.3 billion, with an increase of ¥66.0 billion from the same period of the previous fiscal year, while fees and commissions expenses were ¥29.1 billion, with an increase of ¥8.4 billion from the same period of the previous fiscal year, resulting in a net fees and commissions income of ¥187.1 billion, with an increase of ¥57.6 billion from the same period of the previous fiscal year.

Consequently, total net fees and commissions income for the current semi-annual period stood at ¥337.1 billion, with an increase of ¥2.7 billion from the same period of the previous fiscal year.

(Millions of yen)

Item	Semi-annual period	Domestic	Overseas	Amount of elimination	Total
		Amount	Amount	Amount	Amount
Fees and commissions income	Previous semi-annual period	308,857	150,262	(53,033)	406,085
	Current semi-annual period	303,052	216,315	(93,772)	425,595
Of which, domestic and foreign exchange services	Previous semi-annual period	76,321	6,600	(177)	82,744
	Current semi-annual period	75,830	7,110	(160)	82,780
Of which, other commercial banking services	Previous semi-annual period	136,407	118,467	(1,337)	253,537
	Current semi-annual period	124,791	135,107	(1,485)	258,414
Of which, guarantee services	Previous semi-annual period	26,999	11,921	(8,820)	30,100
	Current semi-annual period	25,734	12,939	(8,503)	30,170
Of which, securities-related services	Previous semi-annual period	23,593	1,152	(29)	24,716
	Current semi-annual period	30,724	1,948	(19)	32,653
Fees and commissions expenses	Previous semi-annual period	70,779	20,718	(19,779)	71,718
	Current semi-annual period	73,083	29,137	(13,756)	88,465
Of which, domestic and foreign exchange services	Previous semi-annual period	16,890	3,041	(195)	19,736
	Current semi-annual period	17,014	3,668	(78)	20,604

- (Notes)
1. “Domestic” includes offices of the Bank (excluding its overseas offices) and domestic consolidated subsidiaries. “Overseas” includes the Bank’s overseas offices and overseas consolidated subsidiaries.
 2. “Other commercial banking services” includes deposit-taking and lending services, agency services, custody and safe deposit services, trust-related services and others.
 3. “Amount of elimination” is the total amount of elimination associated with the internal transactions, etc. between consolidated companies.

(4) Trading results by domestic and overseas office

Details of trading income and expenses

Net trading incomes of domestic and overseas offices are as follows:

Trading income of domestic offices for the current semi-annual period was ¥46.9 billion, with a decrease of ¥2.1 billion from the same period of the previous fiscal year. Trading expenses of domestic offices for the current semi-annual period decreased by ¥0.6 billion from the same period of the previous fiscal year, resulting in a net trading income of ¥46.9 billion, accompanied by a decrease of ¥1.4 billion from the same period of the previous fiscal year. Trading income of overseas offices for the current semi-annual period was ¥24.0 billion, with an increase of ¥7.7 billion from the same period of the previous fiscal year. Trading expenses of overseas offices was ¥11.7 billion, a decrease of ¥7.8 billion from the same period of the previous fiscal year. As a result, net trading income for the current semi-annual period was ¥12.3 billion, with an increase of ¥15.6 billion from the same period of the previous fiscal year.

Consequently, total net trading income posted by both domestic and overseas offices for the current semi-annual period stood at ¥57.7 billion, with an increase of ¥13.4 billion from the same period of the previous fiscal year.

(Millions of yen)

Item	Semi-annual period	Domestic	Overseas	Amount of elimination	Total
		Amount	Amount	Amount	Amount
Trading income	Previous semi-annual period	49,049	16,308	(21,085)	44,272
	Current semi-annual period	46,930	24,043	(13,232)	57,741
Of which, income from trading securities	Previous semi-annual period	12	1,699	(720)	991
	Current semi-annual period	1,610	2,107	(1)	3,715
Of which, income from securities related to trading transactions	Previous semi-annual period	2,028	(202)	(46)	1,779
	Current semi-annual period	3,572	145	(88)	3,630
Of which, income from trading-related financial derivatives	Previous semi-annual period	45,856	14,811	(20,314)	40,353
	Current semi-annual period	40,609	21,789	(13,142)	49,256
Of which, income from other trading transactions	Previous semi-annual period	1,151	–	(3)	1,147
	Current semi-annual period	1,137	1	–	1,138
Trading expenses	Previous semi-annual period	628	19,608	(20,236)	–
	Current semi-annual period	–	11,738	(11,738)	–
Of which, expenses on trading securities	Previous semi-annual period	628	91	(720)	–
	Current semi-annual period	–	1	(1)	–
Of which, expenses on securities related to trading transactions	Previous semi-annual period	–	46	(46)	–
	Current semi-annual period	–	88	(88)	–
Of which, expenses on trading-related financial derivatives	Previous semi-annual period	–	19,466	(19,466)	–
	Current semi-annual period	–	11,648	(11,648)	–
Of which, expenses on other trading transactions	Previous semi-annual period	–	3	(3)	–
	Current semi-annual period	–	–	–	–

- (Notes) 1. “Domestic” includes offices of the Bank (excluding its overseas offices) and domestic consolidated subsidiaries.
“Overseas” includes the Bank’s overseas offices and overseas consolidated subsidiaries.
2. “Amount of elimination” is the total amount of elimination associated with the internal transactions, etc. between consolidated companies.

(5) Balance of deposits by domestic and overseas office
 ・ Deposits by classification (ending balance)

(Millions of yen)

Item	Semi-annual period	Domestic	Overseas	Amount of elimination	Total
		Amount	Amount	Amount	Amount
Total deposits	Previous semi-annual period	103,570,953	29,662,711	(1,189,080)	132,044,584
	Current semi-annual period	107,043,545	36,276,009	(1,283,523)	142,036,032
Of which, liquid deposits	Previous semi-annual period	68,195,125	14,356,505	(578,464)	81,973,166
	Current semi-annual period	72,080,766	20,074,909	(546,067)	91,609,608
Of which, fixed-term deposits	Previous semi-annual period	29,449,259	15,071,287	(577,146)	43,943,400
	Current semi-annual period	28,676,619	15,975,840	(721,192)	43,931,267
Of which, other deposits	Previous semi-annual period	5,926,568	234,918	(33,469)	6,128,017
	Current semi-annual period	6,286,159	225,260	(16,262)	6,495,156
Negotiable certificates of deposit	Previous semi-annual period	2,648,948	9,087,489	–	11,736,437
	Current semi-annual period	2,874,740	6,177,880	–	9,052,621
Total	Previous semi-annual period	106,219,901	38,750,201	(1,189,080)	143,781,022
	Current semi-annual period	109,918,286	42,453,889	(1,283,523)	151,088,653

- (Notes)
1. “Domestic” includes offices of the Bank (excluding its overseas offices) and domestic consolidated subsidiaries. “Overseas” includes the Bank’s overseas offices and overseas consolidated subsidiaries.
 2. “Amount of elimination” is the total amount of elimination associated with internal transactions, etc. between consolidated companies.
 3. Liquid deposits = Current deposits + Ordinary deposits + Savings deposits + Deposits at notice
 4. Fixed-term deposits = Time deposits + Installment savings

(6) Balance of loans and bills discounted at domestic and overseas offices
 ・ Loans by type of industry (outstanding balances, composition ratios)

Industry	Previous semi-annual period		Current semi-annual period	
	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Composition ratio (%)
Domestic (excluding Japan offshore market account)	57,589,723	100.00	59,936,139	100.00
Manufacturing	8,106,809	14.08	8,148,568	13.60
Construction	739,693	1.28	688,655	1.15
Wholesale and retail	5,522,032	9.59	5,622,972	9.38
Finance and insurance	5,924,844	10.29	5,843,770	9.75
Real estate, goods rental and leasing	7,847,425	13.63	7,878,747	13.14
Services	2,441,603	4.24	2,348,211	3.92
Other industries	27,007,315	46.89	29,405,213	49.06
Overseas and Japan offshore market account	33,866,159	100.00	39,477,898	100.00
Governments and public organizations	774,336	2.29	869,398	2.20
Financial institutions	6,892,955	20.35	8,179,343	20.72
Others	26,198,867	77.36	30,429,156	77.08
Total	91,455,883	–	99,414,037	–

(Note) “Domestic” includes offices of the Bank (excluding its overseas offices) and domestic consolidated subsidiaries.
 “Overseas” includes the Bank’s overseas offices and overseas consolidated subsidiaries.

(Status of Risk-Adjusted Capital Ratio)

(Reference)

In accordance with the provisions of Article 14-2 of the Banking Law, the Bank calculates both consolidated and non-consolidated risk-adjusted capital ratios, based on the computation method defined by the Standards to Determine the Adequacy of its Capital Base in Light of the Assets Held by the Bank (Financial Services Agency Notification No. 19, 2006, hereinafter referred to as the “Notification”).

Upon the adoption of uniform international standards, the Bank applies the Advanced Internal Ratings-Based Approach for the computation of the value of credit risk-weighted assets. For the computation of the equivalent amount of operational risks, the Bank employs the Advanced Measurement Approach, as well as implementing the Market Risk Regulation.

Consolidated risk-adjusted capital ratios (under uniform international standards)

(Billions of yen, %)

	As of September 30, 2015
1. Consolidated Total Capital Ratio (4/7)	15.39
2. Consolidated Tier 1 Capital Ratio (5/7)	12.23
3. Consolidated Common Equity Capital Ratio (6/7)	10.77
4. Consolidated Total Capital	13,622.3
5. Consolidated Tier 1 Capital	10,821.3
6. Consolidated Common Equity Capital	9,530.0
7. Risk-weighted Assets	88,464.9
8. Consolidated Total Capital Requirements	7,077.1

Non-consolidated risk-adjusted capital ratios (under uniform international standards)

(Billions of yen, %)

	As of September 30, 2015
1. Non-consolidated Total Capital Ratio (4/7)	16.91
2. Non-consolidated Tier 1 Capital Ratio (5/7)	13.37
3. Non-consolidated Common Equity Capital Ratio (6/7)	11.76
4. Non-consolidated Total Capital	12,365.0
5. Non-consolidated Tier 1 Capital	9,777.6
6. Non-consolidated Common Equity Capital	8,598.2
7. Risk-weighted Assets	73,104.1
8. Non-consolidated Total Capital Requirements	5,848.3

(Note) There may be restatements in the consolidated capital ratios and the stand-alone capital ratios, due to possible amendments of certain figures used for the calculation of the floor adjustment, which forms part of the risk-weighted assets.

(Assessment of asset quality)

(Reference information)

In accordance with Article 6 of the Act on Emergency Measures for the Reconstruction of the Financial Functions (Act No. 132 of 1998), the Bank assesses assets stated on its balance sheets and classifies them as shown below, based on the financial condition and business performance, etc. of the borrowers. These assets include corporate bonds (limited to the corporate bonds on which the payment of all or part of the principal and interest is guaranteed by financial institutions holding such bonds and which were issued through private placement as defined in Article 2, Paragraph 3 of the Financial Instruments and Exchange Act (Act No. 25 of 1948)), loans and bills discounted, foreign exchange assets, other assets booked as accrued interests, suspense payments or customers' liabilities for acceptance and guarantee, and securities if the Bank lent such securities which are required to be disclosed in a note to its balance sheets (they are limited to loans for use or lending under rental contract).

1. Claims against bankrupt or de facto bankrupt borrowers

Claims against bankrupt or de facto bankrupt borrowers represent claims held against borrowers who have been declared insolvent or in a substantially similar condition, on the grounds of the commencement of bankruptcy or restructuring proceedings, filing for the proceedings of rehabilitation or other similar legal proceedings.

2. Doubtful claims

Doubtful claims are those against borrowers who have not yet failed but their financial condition and business performance have deteriorated, with a high possibility that the principal and interest on these claims will not be received as per agreement.

3. Claims in need of special attention

These claims include those for which payments of principal or interest are three months or more in arrears or for which terms and conditions have been relaxed.

4. Normal claims

Claims held against borrowers who are not experiencing particular problems in respect of their financial position or management performance, hence classified as claims other than the preceding three categories.

2. Issues to be Addressed

Anticipating environmental changes within the timeframe of the next ten years, the Bank has initiated a new Medium-term Business Plan (term: fiscal 2015 to fiscal 2017) as the strategy to be implemented in the first three years of the coming decade. During fiscal 2015, as the first year of the new Medium-term Business Plan, the Bank will focus on the following priority tasks as it moves ahead swiftly to lay the foundation for achievement of the Plan, while steadily carrying out concrete new initiatives.

(Growth strategies)

The Bank, as the core bank of MUFG Group, will provide the highest quality services with precision and promptness by demonstrating the Group's integrated strength by capitalizing on its operational network both at home and abroad, which is the most extensive among the Japanese banks. In addition, further collaboration with other group companies will be expanded upon, in order to satisfy the increasingly diversified and sophisticated financial needs of customers in the face of turbulent changes in the business environment. More specifically, for retail customers, we will provide services that meet their diversified needs in areas including asset management and borrowing that correspond to their individual life stages, taking full advantage of the capabilities of MUFG group companies including the trust banking and securities businesses, and we will promote balanced transactions that integrate "earnings base, business volume and income." For corporate customers, from promising startups to established large corporations in Japan and overseas, we will provide various solutions and products, including syndicated loans, along with transaction-oriented banking and market-related services, through active presentation of proposals for solutions to their issues. Furthermore, we will continue to strengthen our global business base through collaboration with Bank of Ayudhya Public Company Limited ("Bank of Ayudhya") and Vietnam Joint Stock Commercial Bank for Industry and Trade in Asia, and in the Americas by enhancing the effects of integration with MUFG Americas Holdings Corporation.

(Strengthening of operation basis)

We will stay engaged in the effort to strengthen the basis of management.

The Bank will strive to achieve adequate control and management of its own funds including their effective utilization in order to meet the strengthening of global financial regulations not the least of which is capital adequacy regulations while reinforcing governance outside Japan to keep pace with the expansion of its overseas operations. In addition, the Bank will further refine its operational strategy from the perspective of improving productivity, risk-return profile, and cost effectiveness.

In terms of human resources as an element of competitive advantage, we will further focus on promoting professionalism and globalization. Meanwhile, enhancement of the internal controls, including compliance will be maintained in response to changes in the business environment and transformations in our business model.

(Pursuit of management based on CSR and strengthening of MUFG brand)

The Bank, as a member of MUFG Group, will be focused on corporate social responsibility (CSR) in its management, while endeavoring to enhance customer satisfaction (CS) by providing services unique to MUFG.

The Bank has established the three tasks of "Pursuing Customer-Centered Quality," "Contributing to the Community," and "Realizing a Sustainable Environment and Society" as the priority areas of its CSR activities. Under the theme of "Pursuing Customer-Centered Quality," we will continue our efforts to promptly grasp customers' diverse needs, opinions, and requests and to reflect them in products and services, in order to be chosen by customers and to build lasting relationships with them. Under the theme of "Contributing to the Community," we will strengthen our ties with local communities, and will enhance the corporate value of MUFG by working to earn trust and confidence, not only from customers, but also from local communities in Japan and overseas. Under the theme of "Realizing a Sustainable Environment and Society," we will contribute to the realization of a sustainable environment and society through measures such as providing financial support to companies that consider the environment and society in dealing with constantly changing social issues.

Meanwhile, we will continue to act upon our commitment to providing reconstruction assistance to the areas affected by the Great East Japan Earthquake by utilizing resources from our main business as well as through our social contribution activities. The Bank established "MUFG NFUAJ East Japan Earthquake Recovery and Scholarship Fund" in cooperation with National Federation of UNESCO Associations in JAPAN as part of our medium-to-long-term support for reconstruction related to the aftermath of the earthquake. This fund is operated through schools, providing primarily scholarship programs for elementary

school, middle school and high school students whose parents have passed away as a result of the Great East Japan Earthquake, along with various related activities.

Through the above measures, the Bank will strive to maintain and enhance the MUFG brand that can be appreciated and supported by the wider general public.

3. Risks Related to Business

Of the risks related to business, as stated in the annual securities report of the previous fiscal year, the following are the emerging risks or significant changes in the existing risks that are deemed to have potential significant impact on the judgment of investors as perceived by the Bank. Forward-looking statements contained in this section are, unless otherwise specifically stated, based on judgments of conditions as of the date of submission of this semi-annual securities report.

The numbers assigned to the following paragraph correspond to the numbering of “II. Business Overview, 3. Risks Related to Business” of the annual securities report of the previous fiscal year.

(16) Risks relating to competitive pressures

Competition in the Japanese financial services industry may intensify as regional financial institutions further integrate and reorganize their operations and Japan Post Holdings Co., Ltd. and its two financial subsidiaries listed their respective shares on the Tokyo Stock Exchange in November 2015. Competition in financial markets outside of Japan are also expected to increase as U.S. and European financial institutions regain their competitive strength, while local financial institutions in Asia grow their business. In addition, recent advances in information and communication technology have allowed non-financial institutions to enter the financial services industry, and such new entrants could become substantial competition to the Bank. The ongoing global financial regulatory reforms may also lead to changes in the competitive environment for financial institutions. If the Bank is unable to compete effectively in the increasingly competitive business environment, our business, financial condition and results of operations may be adversely affected.

4. Analyses of Financial Position, Results of Operations and Cash Flows

The Bank's financial position, results of operations and cash flows for the current consolidated semi-annual period are as follows:

Consolidated gross operating income for the current semi-annual period increased by ¥34.0 billion from the same period of the previous fiscal year, primarily reflecting the improvements in net interest income and net trading income. Meanwhile, general and administrative expenses also increased by ¥24.6 billion from the same period of the previous fiscal year, primarily reflecting increases in expenses of overseas subsidiaries. As a result, consolidated net business profit (before provision for general allowance for credit losses) for the current semi-annual period was ¥600.6 billion, with an increase of ¥9.3 billion from the same period of the previous fiscal year.

Meanwhile, semi-annual net income attributable to owners of the parent was ¥408.5 billion, with an increase of ¥3.1 billion from the same period of the previous fiscal year.

The main items for the current consolidated semi-annual period are shown in the table below.

(Billions of yen)				
		Previous semi-annual period (A)	Current semi-annual period (B)	Change (B - A)
Interest income	(1)	1,110.2	1,165.3	55.1
Interest expenses (after deduction of expenses related to money held in trust)	(2)	233.5	261.6	28.1
Trust fees	(3)	5.2	6.6	1.3
Of which, credit costs for trust accounts	(4)	–	–	–
Fees and commissions income	(5)	406.0	425.5	19.5
Fees and commissions expenses	(6)	71.7	88.4	16.7
Trading income	(7)	44.2	57.7	13.4
Trading expenses	(8)	–	–	–
Other operating income	(9)	220.9	255.4	34.5
Other operating expenses	(10)	50.9	96.0	45.0
Consolidated gross operating income (= (1) - (2) + (3) + (5) - (6) + (7) - (8) + (9) - (10))	(11)	1,430.5	1,464.6	34.0
General and administrative expenses (after deduction of non-recurring expenses)	(12)	839.3	864.0	24.6
Consolidated net business profit (loss) (before provision for general allowance for credit losses = (11) + (4) - (12))		591.2	600.6	9.3
Other ordinary expenses (Provision for general allowance for credit losses)	(13)	–	–	–
Consolidated net business profit (loss) (= (11) - (12) - (13))		591.2	600.6	9.3
Other ordinary income	(14)	164.9	163.5	(1.4)
Of which, reversal of allowance for credit losses		80.3	50.4	(29.9)
Of which, gains on collection of bad debts		17.6	17.8	0.1
Of which, gains on sales of equity securities and other securities		15.9	52.5	36.5
Interest expenses (expenses related to money held in trust)	(15)	0.0	0.0	(0.0)
General and administrative expenses (non-recurring expenses)	(16)	13.9	9.7	(4.1)
Other ordinary expenses (after deduction of provision for general allowance for credit losses)	(17)	78.7	116.3	37.5
Of which, credit costs		48.1	77.3	29.1
Of which, losses on sales of equity securities and other securities		5.7	8.8	3.0
Of which, losses on write-down of equity securities and other securities		2.4	6.9	4.4
Net non-recurring gains (losses) (= (14) - (15) - (16) - (17))		72.1	37.3	(34.8)
Ordinary profit		663.4	637.9	(25.4)
Net extraordinary gains (losses)		(39.6)	9.9	49.5
Of which, impairment loss of long-lived assets		(0.6)	(1.1)	(0.4)

	Previous semi-annual period (A)	Current semi-annual period (B)	Change (B - A)
Income before income taxes and non-controlling interests	623.7	647.8	24.0
Total income taxes	184.3	203.8	19.5
Net income	439.4	444.0	4.5
Net income attributable to non-controlling interests	33.9	35.4	1.4
Net income attributable to owners of the parent	405.4	408.5	3.1

1. Analysis of Results of Operations

(1) Total credit costs

Total credit costs for the current semi-annual period increased by ¥63.3 billion compared to the same period of the previous fiscal year to ¥9.0 billion, primarily reflecting a decrease of reversal of allowance for credit losses.

(Billions of yen)

	Previous semi-annual period (A)	Current semi-annual period (B)	Change (B - A)
Of the trust fees, credit costs for trust accounts (1)	–	–	–
Of other ordinary income, reversal of allowance for credit losses (2)	80.3	50.4	(29.9)
Of other ordinary income, reversal of reserve for contingent losses (3)	4.4	–	(4.4)
Of other ordinary income, gains on collection of bad debts (4)	17.6	17.8	0.1
Of other ordinary expenses, provision for general allowance for credit losses (5)	–	–	–
Of other ordinary expenses, credit costs (6)	48.1	77.3	29.1
Write-offs of loans	34.0	38.1	4.0
Provision for specific allowance for credit losses	–	–	–
Other credit costs	14.1	39.1	25.0
Total credit costs (= (1) - (2) - (3) - (4) + (5) + (6))	(54.2)	9.0	63.3
Consolidated net business profit (loss) (before credit costs for trust accounts and provision for general allowance for credit losses)	591.2	600.6	9.3
Consolidated net business profit (loss) (after deduction of total credit costs)	645.4	591.5	(53.9)

(2) Net gains (losses) on equity securities and other securities

The Bank posted ¥36.7 billion gains on equity securities and other securities for the current semi-annual period with an increase of ¥28.9 billion from the same period of the previous fiscal year.

Gains on sales of equity securities and other securities increased by ¥36.5 billion compared to the same period of the previous fiscal year to ¥52.5 billion while losses on sales of equity securities and other securities increased by ¥3.0 billion compared to the same period of the previous fiscal year to ¥8.8 billion. Losses on write-down of equity securities and other securities increased by ¥4.4 billion compared to the same period of the previous fiscal year to ¥6.9 billion.

(Billions of yen)

	Previous semi-annual period (A)	Current semi-annual period (B)	Change (B - A)
Net gains (losses) on equity securities and other securities	7.8	36.7	28.9
Of other ordinary income, gains on sales of equity securities and other securities	15.9	52.5	36.5
Of other ordinary expenses, losses on sales of equity securities and other securities	5.7	8.8	3.0
Of other ordinary expenses, losses on write-down of equity securities and other securities	2.4	6.9	4.4

2. Analysis of Financial Position

(1) Loans

(For reference) Status of claims disclosed under the Financial Reconstruction Act

Claims disclosed under the Financial Reconstruction Act decreased by ¥53.2 billion from the end of the previous fiscal year to ¥1,123.7 billion.

The percentage of disclosed claims to total claims fell by 0.07 percentage points from the end of the previous fiscal year to 1.19%.

Claims by borrowers' classification show claims against bankrupt or de facto bankrupt borrowers increased by ¥33.1 billion, doubtful claims fell by ¥21.2 billion, and claims in need of special attention fell by ¥65.0 billion.

With regard to the status of coverage at the end of the current semi-annual period for these disclosed claims totaling ¥1,123.7 billion, the amount secured by allowance for credit losses was ¥301.3 billion and the amount secured by collaterals, guarantees and others was ¥588.4 billion, representing a percentage of covered claims to total disclosed claims (coverage ratio) of 79.18%.

The Bank has been addressing non-performing loans and other claims as an important issue. It continues efforts to reduce these assets through disposals, by write-offs and sales or the implementation of turnaround programs for recoverable borrowers.

Claims disclosed under the Financial Reconstruction Act (non-consolidated)

(Billions of yen)

Category	Loan amount (A)	Allowance for credit losses (B)	Covered by collateral and/or guarantees (C)	Allowance ratio for unsecured portion (B) / [(A) - (C)]	Coverage ratio [(B) + (C)] / (A)
Claims against bankrupt or de facto bankrupt borrowers	121.0 (87.9)	19.6 (1.1)	101.4 (86.7)	100.00% (100.00%)	100.00% (100.00%)
Doubtful claims	528.3 (549.6)	142.0 (147.0)	273.6 (288.7)	55.76% (56.35%)	78.67% (79.28%)
Claims in need of special attention	474.2 (539.3)	139.6 (160.2)	213.3 (221.6)	53.52% (50.44%)	74.43% (70.80%)
Subtotal	1,123.7 (1,176.9)	301.3 (308.4)	588.4 (597.1)	56.29% (53.20%)	79.18% (76.94%)
Normal claims	92,825.5 (91,117.0)	—	—	—	—
Total	93,949.2 (92,293.9)	—	—	—	—
Percentage of disclosed claims to total claims	1.19% (1.27%)	—	—	—	—

(Note) The upper figures are as of September 30, 2015. The lower figures with parentheses are as of March 31, 2015.

(2) Securities

Securities at the end of the current semi-annual period decreased by ¥4,984.4 billion to ¥49,185.4 billion compared to the end of the previous fiscal year. Government bonds, equity securities and other securities decreased by ¥4,531.4 billion, ¥367.6 billion and ¥89.1 billion, respectively.

(Billions of yen)

	As of March 31, 2015 (A)	As of September 30, 2015 (B)	Change (B) - (A)
Securities	54,169.9	49,185.4	(4,984.4)
Government bonds	28,955.8	24,424.4	(4,531.4)
Municipal bonds	188.1	191.2	3.1
Corporate bonds	1,926.5	1,927.2	0.7
Equity securities	4,931.9	4,564.3	(367.6)
Other securities	18,167.3	18,078.2	(89.1)

(Note) "Other securities" include foreign bonds and equity securities.

3. Cash Flows

As stated in “II. Business Overview, 1. Summary of Results (Summary of cash flows).”

4. Results of Operations by Business Unit

Results of operations for the current consolidated semi-annual period posted by business units which are segmented based on the internal management classification.

[Principal business conducted by each business unit]

- Retail Banking Business Unit : Providing financial services to individual customers in Japan
 Corporate Banking Business Unit: Providing financial services to corporate customers in Japan
 Global Business Unit : Providing financial services to overseas individual and corporate customers
 Of which, MUAH : MUFG Americas Holdings Corporation (including its banking subsidiary, MUFG Union Bank, N.A.)
 Of which, Bank of Ayudhya : Commercial bank in Thailand
 Global Markets Unit : Foreign exchange, funds and securities transactions for customers and markets, liquidity and cash management
 Other units : Settlement and custody services, investments, internal coordination, etc.

(Billions of yen)

	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit	Global Business Unit		Global Markets Unit	Other units (Note 3)	Total
				MUAH	Bank of Ayudhya (Note 2)			
Gross operating income	264.1	321.7	639.4	218.2	137.9	220.1	10.7	1,456.2
Non-consolidated	242.0	311.3	227.2	–	–	198.3	66.0	1,045.0
Net interest income	168.8	140.1	109.6	–	–	78.1	110.4	607.2
Net non-interest income	73.1	171.2	117.5	–	–	120.2	(44.4)	437.8
Subsidiaries	22.1	10.4	412.1	218.2	137.9	21.7	(55.2)	411.1
Expenses	208.7	161.3	409.0	158.0	68.4	41.0	55.5	875.6
Net operating income (Note 1)	55.4	160.4	230.4	60.1	69.5	179.0	(44.7)	580.5

(Notes) 1. Net operating income is the consolidated net business profit (loss) before consolidation adjustments (eliminating dividends from subsidiaries only).

Above profits and losses are computed for the purpose of internal management and differ from those for financial accounting.

2. Amounts related to Bank of Ayudhya are calculated based on the accounting standards in Thailand.

3. Other units' gross operating income excludes dividends from subsidiaries and income from the loans to Mitsubishi UFJ Financial Group, Inc.

(1) Retail Banking Business Unit

Income from customer deposits in yen continued to decrease due to market rates staying at low levels, while income from the consumer finance business and income from the sales of fund management products remained strong, and the unit continued its efforts to reduce expenses.

(2) Corporate Banking Business Unit

Income from customer deposits in yen and income from loans fell due to the impact of market rates staying at low levels and continued declines in loan spreads, while income from fund management services grew, and the unit continued its efforts to reduce expenses.

(3) Global Business Unit

The unit's income exceeded that of the previous period thanks to increases in income from lending operations and fees and commissions in the Americas as well as the expansion of operations in Bank of Ayudhya.

(4) Global Markets Unit

The unit suffered lower income than that of the previous period due to the impact of rising interest rates in Europe and the U.S., but strived for agile management in response to changes in the external environment.

III. Company Information

1. Information on the Company's shares

(1) Total number of shares, etc.

1) Total number of shares

Class	Total number of shares authorized to be issued
Common stock	33,000,000,000
Class 2 preferred stock	100,000,000
Class 4 preferred stock	79,700,000
Class 6 preferred stock	1,000,000
Class 7 preferred stock	177,000,000
1st series of Class 8 preferred stock	400,000,000 (Note 1)
2nd series of Class 8 preferred stock	400,000,000 (Note 1)
3rd series of Class 8 preferred stock	400,000,000 (Note 1)
4th series of Class 8 preferred stock	400,000,000 (Note 1)
1st series of Class 9 preferred stock	200,000,000 (Note 2)
2nd series of Class 9 preferred stock	200,000,000 (Note 2)
3rd series of Class 9 preferred stock	200,000,000 (Note 2)
4th series of Class 9 preferred stock	200,000,000 (Note 2)
1st series of Class 10 preferred stock	200,000,000 (Note 3)
2nd series of Class 10 preferred stock	200,000,000 (Note 3)
3rd series of Class 10 preferred stock	200,000,000 (Note 3)
4th series of Class 10 preferred stock	200,000,000 (Note 3)
Total	34,157,700,000

- (Notes)
1. Total number of shares authorized to be issued in a class of the 1st to 4th series of Class 8 preferred stock shall not exceed 400,000,000.
 2. Total number of shares authorized to be issued in a class of the 1st to 4th series of Class 9 preferred stock shall not exceed 200,000,000.
 3. Total number of shares authorized to be issued in a class of the 1st to 4th series of Class 10 preferred stock shall not exceed 200,000,000.

2) Total number of shares issued

Class	Number of shares issued as of the end of the current semi-annual period (September 30, 2015)	Number of shares issued as of the date of submission (November 27, 2015)	Financial instruments exchange on which the stock is listed or other market	Description
Common stock	12,350,038,122	Same as left	–	(Notes) 1, 2, 3
1st series of Class 2 preferred stock	100,000,000	Same as left	–	(Notes) 1, 2
1st series of Class 4 preferred stock	79,700,000	Same as left	–	(Notes) 1, 2
1st series of Class 6 preferred stock	1,000,000	Same as left	–	(Notes) 1, 2
1st series of Class 7 preferred stock	177,000,000	Same as left	–	(Notes) 1, 2
Total	12,707,738,122	Same as left	–	–

- (Notes)
1. Number of shares constituting one unit is 1,000 for both common stock and preferred stock, and there are no provisions in the Articles of Incorporation in respect of Article 322, Paragraph 2 of the Companies Act.
 2. Different provisions in respect of matters including voting rights apply to common stock and preferred stock, to allow our financial policy to operate in a flexible manner.
 3. Standard stock involving no restriction on shareholders' rights.

(2) Status of the total number of shares issued and the amount of capital stock and other

Date	Change in total number of shares issued (Thousands of shares)	Total number of shares issued (Thousands of shares)	Change in capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Change in capital reserve (Millions of yen)	Balance of capital reserve (Millions of yen)
From April 1, 2015 to September 30, 2015	–	12,707,738	–	1,711,958	–	1,711,958

(3) Status of major shareholders

By number of shares held

As of September 30, 2015

Company name	Address	Number of shares held (Thousands of shares)	Ratio of number of shares held against total number of shares issued (%)
Mitsubishi UFJ Financial Group, Inc.	2-7-1, Marunouchi, Chiyoda-ku, Tokyo	12,350,038	97.18
(Treasury stock) The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2-7-1, Marunouchi, Chiyoda-ku, Tokyo	357,700	2.81
Total	–	12,707,738	100.00

By number of voting rights held

As of September 30, 2015

Company name	Address	Number of voting rights held	Ratio of number of voting rights held against total number of shareholders' voting rights (%)
Mitsubishi UFJ Financial Group, Inc.	2-7-1, Marunouchi, Chiyoda-ku, Tokyo	12,350,038	100.00
Total	–	12,350,038	100.00

(4) Status of voting rights

1) Issued shares

As of September 30, 2015

Class	Number of shares		Number of voting rights	Description
Shares with no voting rights	1st series of Class 2 preferred stock	100,000,000	–	As stated in “1. Information on the Company’s Shares, (1) Total number of shares, etc.”
	1st series of Class 4 preferred stock	79,700,000	–	
	1st series of Class 6 preferred stock	1,000,000	–	
	1st series of Class 7 preferred stock	177,000,000	–	
Shares with restricted voting rights (treasury stock, etc.)	–	–	–	–
Shares with restricted voting rights (others)	–	–	–	–
Shares with full voting rights (treasury stock, etc.)	–	–	–	–
Shares with full voting rights (others)	Common stock	12,350,038,000	12,350,038	Standard stock involving no restriction on shareholders’ rights
Shares of less than one unit	Common stock	122	–	–
Total number of shares issued		12,707,738,122	–	–
Total number of shareholders’ voting rights		–	12,350,038	–

2) Treasury stock, etc.

As of September 30, 2015

Company name	Address	Number of shares held in its own name	Number of shares held in other than its own name	Total number of shares held	Ratio of number of shares held against total number of shares issued (%)
–	–	–	–	–	–
Total	–	–	–	–	–

(Note) Of the shares with no voting rights above, 100,000,000 shares of 1st series of Class 2 preferred stock, 79,700,000 shares of 1st series of Class 4 preferred stock, 1,000,000 shares of 1st series of Class 6 preferred stock, and 177,000,000 shares of 1st series of Class 7 preferred stock are treasury stock.

2. Changes in Share Prices

Not applicable as the Bank's stock is not listed.

3. Directors and Corporate Auditors

The following are the changes in Directors and Corporate Auditors by the date of submission of this semi-annual securities report after the date of submission of the annual securities report for the previous fiscal year.

(1) Newly appointed Directors and Corporate Auditors

Title	Position	Name	Date of birth	Term	Number of shares of the Company held	Date of assumption of office
Corporate Auditor (full-time)		Yukiyasu Nishio	September 15, 1961	Three years and eleven months from July 2015	—	July 31, 2015

(2) Retired Directors and Corporate Auditors

Not applicable

(3) Changes in title and position of Directors and Corporate Auditors

Not applicable

(4) Number of Directors and Corporate Auditors by gender and proportion of female after the changes

Male: 27, Female: 0 (Proportion of female among Directors and Corporate Auditors is 0%)

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of The Bank of Tokyo-Mitsubishi UFJ, Ltd.:

We have reviewed the accompanying semi-annual consolidated balance sheet of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (the "Bank") and its subsidiaries as of September 30, 2015, and the related semi-annual consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month periods ended September 30, 2015 and 2014, all expressed in Japanese yen, and the related notes.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these semi-annual consolidated financial statements in accordance with accounting principles for semi-annual consolidated financial statements generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of semi-annual consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to express a conclusion on these semi-annual consolidated financial statements based on our reviews. We conducted our reviews in accordance with review standards for semi-annual financial statements generally accepted in Japan. A review of semi-annual financial statements consists of making inquiries, primarily of management and persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We believe that we have obtained the evidence to provide a basis for our review conclusion.

Accountant's Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying semi-annual consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Bank and its subsidiaries as of September 30, 2015, and the consolidated results of their operations and their cash flows for the six-month periods ended September 30, 2015 and 2014, in accordance with accounting principles for semi-annual consolidated financial statements generally accepted in Japan.

We have previously audited, in accordance with auditing standards generally accepted in Japan, the consolidated balance sheet of the Bank and its subsidiaries as of March 31, 2015, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended (not presented herein); and in our report dated June 23, 2015, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of March 31, 2015, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Our reviews also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, based upon our reviews, nothing has come to our attention that causes us to believe that such translation has not been made in accordance with the basis stated in Note 1 to the semi-annual consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

November 26, 2015

**Semi-annual Consolidated Financial Statements (Unaudited) and
Consolidated Financial Statements**

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

**Semi-annual Consolidated Balance Sheet (Unaudited) as of September 30, 2015 and
Consolidated Balance Sheet as of March 31, 2015**

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	September 30	March 31	September 30
	<u>2015</u>	<u>2015</u>	<u>2015</u>
ASSETS:			
Cash and due from banks (Notes 3, 4, 12 and 20)	¥ 39,330,004	¥ 33,673,932	\$ 327,859
Call loans and bills bought (Note 20)	455,806	475,508	3,800
Receivables under resale agreements (Note 20)	604,589	890,453	5,040
Receivables under securities borrowing transactions (Note 20)	679,437	341,200	5,664
Monetary claims bought (Notes 4, 12 and 20)	4,496,349	4,529,624	37,482
Trading assets (Notes 12 and 20)	6,145,800	6,129,468	51,232
Money held in trust (Notes 5 and 20)	59,830	509,848	499
Securities (Notes 4, 6, 11, 12 and 20)	49,185,495	54,169,900	410,016
Loans and bills discounted (Notes 7, 12, 13 and 20)	99,414,037	97,616,193	828,726
Foreign exchange assets (Note 20)	1,893,600	2,162,950	15,785
Tangible fixed assets (Note 8)	1,092,251	1,091,778	9,105
Intangible fixed assets	961,331	1,003,296	8,014
Asset for retirement benefits	259,093	217,781	2,160
Deferred tax assets	23,661	37,421	197
Customers' liabilities for acceptances and guarantees (Note 11)	8,600,027	8,861,416	71,691
Other assets	8,305,600	8,461,903	69,236
Allowance for credit losses	(783,010)	(859,415)	(6,527)
Total assets	¥ 220,723,906	¥ 219,313,264	\$ 1,839,979

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

Semi-annual Consolidated Balance Sheet (Unaudited) as of September 30, 2015 and Consolidated Balance Sheet as of March 31, 2015

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	September 30	March 31	September 30
	2015	2015	2015
LIABILITIES:			
Deposits (Notes 12 and 20)	¥ 142,036,032	¥ 140,954,695	\$ 1,184,028
Negotiable certificates of deposit (Note 20)	9,052,621	11,255,770	75,464
Call money and bills sold (Notes 12 and 20)	1,784,665	1,189,037	14,877
Payables under repurchase agreements (Note 20)	10,270,699	9,069,496	85,618
Payables under securities lending transactions (Note 20)	3,194,713	2,450,901	26,631
Commercial paper (Note 20)	1,793,056	1,578,138	14,947
Trading liabilities (Notes 12 and 20)	4,688,222	4,610,339	39,082
Borrowed money (Notes 10, 12 and 20)	11,374,569	10,976,409	94,820
Foreign exchange liabilities (Note 20)	1,771,702	1,555,703	14,769
Bonds payable (Notes 10 and 20)	5,635,945	6,031,660	46,982
Reserve for employee bonuses	32,881	38,992	274
Reserve for bonuses to directors	83	143	1
Liability for retirement benefits	52,155	53,632	435
Reserve for retirement benefits to directors	395	404	3
Reserve for loyalty award credits	9,832	9,303	82
Reserve for contingent losses	52,510	53,533	438
Reserve under the special laws	—	2,046	—
Acceptances and guarantees (Note 11)	8,600,027	8,861,416	71,691
Deferred tax liabilities	505,505	671,144	4,214
Deferred tax liabilities for land revaluation (Note 9)	132,945	133,940	1,108
Other liabilities	6,877,988	6,614,708	57,335
Total liabilities	¥ 207,866,554	¥ 206,111,420	\$ 1,732,799
EQUITY (Notes 14, 15 and 19):			
Common stock:			
Authorized, 33,000,000 thousand shares;			
Issued, 12,350,038 thousand shares as of September 30 and			
March 31, 2015, with no stated value			
	¥ 1,586,958	¥ 1,586,958	\$ 13,229
Preferred stock:			
Authorized, 1,157,700 thousand shares;			
Issued, 357,700 thousand shares as of September 30 and			
March 31, 2015, with no stated value			
	125,000	125,000	1,042
Capital surplus	3,657,626	3,657,632	30,491
Retained earnings	4,237,198	4,071,062	35,322
Treasury stock—at cost 357,700 thousand shares as of September 30 and			
March 31, 2015	(645,700)	(645,700)	(5,383)
Total shareholders' equity	8,961,083	8,794,952	74,701
Accumulated other comprehensive income:			
Unrealized gain on available-for-sale securities (Note 6)	1,562,182	2,099,172	13,022
Deferred gain on derivatives under hedge accounting	202,157	161,446	1,685
Land revaluation surplus (Note 9)	234,960	236,022	1,959
Foreign currency translation adjustments	567,798	578,523	4,733
Defined retirement benefit plans	(81,601)	(87,694)	(680)
Total accumulated other comprehensive income	2,485,496	2,987,470	20,719
Non-controlling interests	1,410,771	1,419,421	11,760
Total equity	12,857,352	13,201,844	107,180
Total liabilities and equity	¥ 220,723,906	¥ 219,313,264	\$ 1,839,979

See the accompanying notes to semi-annual consolidated financial statements.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

**Semi-annual Consolidated Statements of Income (Unaudited)
For the Six-Month Periods Ended September 30, 2015 and 2014**

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six-Month Periods Ended September 30		Six-Month Period Ended September 30
	<u>2015</u>	<u>2014</u>	<u>2015</u>
INCOME:			
Interest income:	¥	1,110,226	\$ 9,715
Interest on loans and bills discounted		779,523	6,498
Interest and dividends on securities		232,525	1,967
Trust fees		5,286	55
Fees and commissions		406,085	3,548
Trading income		44,272	481
Other operating income		220,904	2,130
Other income (Note 16)		166,077	1,504
Total income		1,952,854	17,433
EXPENSES:			
Interest expenses:		233,573	2,181
Interest on deposits		120,510	1,147
Fees and commissions		71,718	737
Other operating expenses		50,984	801
General and administrative expenses		853,269	7,284
Other expenses (Note 17)		119,509	1,029
Total expenses		1,329,055	12,032
Income before income taxes and non-controlling interests		623,798	5,401
Income taxes:			
Current		156,789	1,121
Deferred		27,563	579
Total income taxes		184,353	1,700
Net income	¥	439,445	\$ 3,701
Net income attributable to:			
Owners of the parent	¥	405,496	\$ 3,406
Non-controlling interests		33,949	295
		Yen	U.S. Dollars
		Six-Month Periods Ended September 30	Six-Month Period Ended September 30
		<u>2015</u>	<u>2015</u>
Per share of common stock (Notes 19 and 24):			
Basic net income per common share	¥	32.83	\$ 0.28
Diluted net income per common share		32.83	0.28
Cash dividends applicable to the reporting period per common share		13.18	0.07

See the accompanying notes to semi-annual consolidated financial statements.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

**Semi-annual Consolidated Statements of Comprehensive Income (Unaudited)
For the Six-Month Periods Ended September 30, 2015 and 2014**

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six-Month Periods Ended September 30		Six-Month Period Ended September 30
	2015	2014	2015
Net income	¥ 444,001	¥ 439,445	\$ 3,701
Other comprehensive income (loss):			
Unrealized (loss) gain on available-for-sale securities	(534,440)	474,614	(4,455)
Deferred gain on derivatives under hedge accounting	40,279	75,986	336
Land revaluation surplus	314	–	3
Foreign currency translation adjustments	(14,646)	(67,468)	(122)
Defined retirement benefit plans	6,117	8,102	51
Share of other comprehensive loss in associates accounted for using the equity method	(1,645)	(1,824)	(14)
Total other comprehensive (loss) income	(504,019)	489,409	(4,201)
Comprehensive (loss) income	¥ (60,018)	¥ 928,855	\$ (500)
Total comprehensive (loss) income attributable to:			
Owners of the parent	¥ (91,843)	¥ 898,830	\$ (765)
Non-controlling interests	31,824	30,024	265

See the accompanying notes to semi-annual consolidated financial statements.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

Semi-annual Consolidated Statements of Changes in Equity (Unaudited)
For the Six Months Ended September 30, 2015 and 2014

	Millions of Yen												
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Accumulated other comprehensive income						Non-controlling interests	Total equity
						Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Land revaluation surplus	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income		
BALANCE, APRIL 1, 2014 (as previously reported)	¥ 1,711,958	¥ 3,878,275	¥ 3,728,642	¥ (255,700)	¥ 9,063,175	¥ 851,931	¥ 38,866	¥ 224,619	¥ 180,691	¥ (100,200)	¥ 1,195,908	¥ 1,482,369	¥ 11,741,453
Cumulative effects of changes in accounting policies	-	(209,273)	(12,613)	-	(221,886)	-	-	-	-	-	-	159	(221,727)
BALANCE, APRIL 1, 2014 (as restated)	¥ 1,711,958	¥ 3,669,001	¥ 3,716,029	¥ (255,700)	¥ 8,841,288	¥ 851,931	¥ 38,866	¥ 224,619	¥ 180,691	¥ (100,200)	¥ 1,195,908	¥ 1,482,529	¥ 11,519,726
Cash dividends	-	-	(138,645)	-	(138,645)	-	-	-	-	-	-	-	(138,645)
Net income attributable to owners of the parent	-	-	405,496	-	405,496	-	-	-	-	-	-	-	405,496
Purchase of treasury stock	-	-	-	(390,000)	(390,000)	-	-	-	-	-	-	-	(390,000)
Reversal of land revaluation surplus	-	-	740	-	740	-	-	-	-	-	-	-	740
Changes in equity of consolidated subsidiaries	-	(147)	-	-	(147)	-	-	-	-	-	-	-	(147)
Other changes in the period	-	-	-	-	-	478,107	76,103	(740)	(69,042)	8,166	492,593	(23,578)	469,015
BALANCE, SEPTEMBER 30, 2014	¥ 1,711,958	¥ 3,668,854	¥ 3,983,620	¥ (645,700)	¥ 8,718,732	¥ 1,330,038	¥ 114,969	¥ 223,878	¥ 111,648	¥ (92,033)	¥ 1,688,501	¥ 1,458,951	¥ 11,866,186
BALANCE, APRIL 1, 2015	¥ 1,711,958	¥ 3,657,632	¥ 4,071,062	¥ (645,700)	¥ 8,794,952	¥ 2,099,172	¥ 161,446	¥ 236,022	¥ 578,523	¥ (87,694)	¥ 2,987,470	¥ 1,419,421	¥ 13,201,844
Cash dividends	-	-	(241,693)	-	(241,693)	-	-	-	-	-	-	-	(241,693)
Net income attributable to owners of the parent	-	-	408,599	-	408,599	-	-	-	-	-	-	-	408,599
Reversal of land revaluation surplus	-	-	1,376	-	1,376	-	-	-	-	-	-	-	1,376
Change of scope of consolidation	-	-	(170)	-	(170)	-	-	-	-	-	-	-	(170)
Changes in equity of consolidated subsidiaries	-	(5)	-	-	(5)	-	-	-	-	-	-	-	(5)
Adjustment on loss due to disposal of shares of equity method investee	-	-	(1,976)	-	(1,976)	-	-	-	-	-	-	-	(1,976)
Other changes in the period	-	-	-	-	-	(536,990)	40,711	(1,061)	(10,725)	6,092	(501,973)	(8,649)	(510,623)
BALANCE, SEPTEMBER 30, 2015	¥ 1,711,958	¥ 3,657,626	¥ 4,237,198	¥ (645,700)	¥ 8,961,083	¥ 1,562,182	¥ 202,157	¥ 234,960	¥ 567,798	¥ (81,601)	¥ 2,485,496	¥ 1,410,771	¥ 12,857,352

See the accompanying notes to semi-annual consolidated financial statements.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

**Semi-annual Consolidated Statements of Changes in Equity (Unaudited)
For the Six Months Ended September 30, 2015 and 2014**

Millions of U.S. Dollars (Note 1)

	Accumulated other comprehensive income													Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized gain on available-for- sale securities	Deferred gain on derivatives under hedge accounting	Land revaluation surplus	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income				
BALANCE, APRIL 1, 2015	\$ 14,271	\$ 30,491	\$ 33,937	\$ (5,383)	\$ 73,316	\$ 17,499	\$ 1,346	\$ 1,968	\$ 4,822	\$ (731)	\$ 24,904	\$ 11,832	\$ 110,052		
Cash dividends	-	-	(2,015)	-	(2,015)	-	-	-	-	-	-	-	(2,015)		
Net income attributable to owners of the parent	-	-	3,406	-	3,406	-	-	-	-	-	-	-	3,406		
Reversal of land revaluation surplus	-	-	11	-	11	-	-	-	-	-	-	-	11		
Change of scope of consolidation	-	-	(1)	-	(1)	-	-	-	-	-	-	-	(1)		
Changes in equity of consolidated subsidiaries	-	(0)	-	-	(0)	-	-	-	-	-	-	-	(0)		
Adjustment on loss due to disposal of shares of equity method investee	-	-	(16)	-	(16)	-	-	-	-	-	-	-	(16)		
Other changes in the period	-	-	-	-	-	(4,477)	339	(9)	(89)	51	(4,185)	(72)	(4,257)		
BALANCE, SEPTEMBER 30, 2015	\$ 14,271	\$ 30,491	\$ 35,322	\$ (5,383)	\$ 74,701	\$ 13,022	\$ 1,685	\$ 1,959	\$ 4,733	\$ (680)	\$ 20,719	\$ 11,760	\$ 107,180		

See the accompanying notes to semi-annual consolidated financial statements.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

Semi-annual Consolidated Statements of Cash Flows (Unaudited)
For the Six-Month Periods Ended September 30, 2015 and 2014

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six-Month Periods Ended September 30		Six-Month Period Ended September 30
	2015	2014	2015
OPERATING ACTIVITIES:			
Income before income taxes and non-controlling interests	¥ 647,871	¥ 623,798	\$ 5,401
Adjustments for:			
Income taxes-paid, net of refund	(199,531)	(214,121)	(1,663)
Depreciation and amortization	103,817	105,743	865
Impairment loss on long-lived assets	1,101	689	9
Amortization of goodwill	8,353	7,177	70
Equity in earnings of the equity method investees	(16,751)	(13,549)	(140)
Decrease in allowance for credit losses	(74,765)	(84,678)	(623)
Decrease in reserve for employee bonuses	(6,006)	(2,561)	(50)
Decrease in reserve for bonuses to directors	(59)	(99)	(0)
Increase in asset for retirement benefits	(40,022)	(12,261)	(334)
Increase in liability for retirement benefits	107	650	1
Decrease in reserve for retirement benefits to directors	(9)	(89)	(0)
Increase in reserve for loyalty award credits	637	807	5
(Decrease) increase in reserve for contingent losses	(1,095)	24,352	(9)
Interest income (accrual basis)	(1,165,362)	(1,110,226)	(9,715)
Interest expenses (accrual basis)	261,658	233,573	2,181
Gains on securities	(134,856)	(95,187)	(1,124)
(Gains) losses on money held in trust	(7,502)	1,317	(63)
Foreign exchange losses (gains)	135,970	(407,410)	1,133
Losses on disposition of fixed assets	4,660	915	39
Increase in trading assets	(15,061)	(184,775)	(126)
Increase in trading liabilities	79,759	753,975	665
Adjustment of unsettled trading accounts	59,590	(39,627)	497
Net increase in loans and bills discounted	(1,906,002)	(881,285)	(15,889)
Net increase (decrease) in deposits	933,886	(166,220)	7,785
Net (decrease) increase in negotiable certificates of deposit	(2,207,415)	980,244	(18,401)
Net increase in borrowed money (excluding subordinated borrowings)	267,341	1,637,338	2,229
Net increase in due from banks (excluding cash equivalents)	(5,688,960)	(5,263,525)	(47,424)
Net decrease (increase) in call loans, bills bought and receivables under resale agreements	318,998	(60,261)	2,659
Net (increase) decrease in receivables under securities borrowing transactions	(338,236)	2,174,340	(2,820)
Net increase (decrease) in call money, bills sold and payables under repurchase agreements	1,839,353	(2,592,288)	15,333
Net increase in commercial paper	209,992	217,965	1,751
Net increase (decrease) in payables under securities lending transactions	825,334	(599,256)	6,880
Net decrease (increase) in foreign exchange assets	264,587	(210,212)	2,206
Net increase in foreign exchange liabilities	207,274	112,342	1,728
(Decrease) increase in straight bonds issuance and redemption	(219,454)	526,296	(1,829)
Interest and dividends received (cash basis)	1,248,315	1,155,922	10,406
Interest paid (cash basis)	(258,428)	(239,367)	(2,154)
Other-net	480,134	(475,366)	4,003
Total adjustments	(5,028,646)	(4,718,723)	(41,919)
Net cash used in operating activities	¥ (4,380,775)	¥ (4,094,924)	\$ (36,518)

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

**Semi-annual Consolidated Statements of Cash Flows (Unaudited)
For the Six-Month Periods Ended September 30, 2015 and 2014**

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six-Month Periods Ended September 30		Six-Month Period Ended September 30
	<u>2015</u>	<u>2014</u>	<u>2015</u>
INVESTING ACTIVITIES:			
Purchases of securities	¥ (46,750,027)	¥ (74,020,788)	\$ (389,713)
Proceeds from sales of securities	38,882,515	64,209,092	324,129
Proceeds from redemption of securities	12,617,858	14,093,374	105,184
Increase in money held in trust	(21,206)	(70,438)	(177)
Decrease in money held in trust	–	145,731	–
Purchases of tangible fixed assets	(33,695)	(68,993)	(281)
Purchases of intangible fixed assets	(61,545)	(71,404)	(513)
Proceeds from sales of tangible fixed assets	2,680	3,646	22
Proceeds from sales of intangible fixed assets	–	31	–
Proceeds from sales of subsidiaries' equity affecting the scope of consolidation	34,341	23,155	286
Other-net	(116)	(99)	(1)
Net cash provided by investing activities	<u>4,670,804</u>	<u>4,243,307</u>	<u>38,936</u>
FINANCING ACTIVITIES:			
Increase in subordinated borrowings	145,000	50,000	1,209
Decrease in subordinated borrowings	–	(10,000)	–
Proceeds from issuance of subordinated bonds and bonds with subscription rights to shares	383	–	3
Payments for redemption of subordinated bonds and bonds with subscription rights to shares	(179,100)	(125,000)	(1,493)
Proceeds from issuance of common stock to non-controlling interests	1,490	745	12
Repayments to non-controlling interests	–	(40)	–
Payments for redemption of preferred stocks and others	–	(7,400)	–
Cash dividends paid	(239,467)	(138,645)	(1,996)
Cash dividends paid to non-controlling interests	(34,014)	(37,221)	(283)
Purchase of treasury stock	–	(390,000)	–
Payments for purchases of subsidiaries' equity not affecting the scope of consolidation	–	(884)	–
Net cash used in financing activities	<u>(305,707)</u>	<u>(658,447)</u>	<u>(2,548)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(6,661)</u>	<u>(36,234)</u>	<u>(56)</u>
Net decrease in cash and cash equivalents	(22,340)	(546,298)	(186)
Cash and cash equivalents, beginning of period	<u>3,712,330</u>	<u>3,998,556</u>	<u>30,946</u>
Cash and cash equivalents, end of period (Note 3)	<u>¥ 3,689,990</u>	<u>¥ 3,452,257</u>	<u>\$ 30,760</u>

See the accompanying notes to semi-annual consolidated financial statements.

The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Subsidiaries

Notes to Semi-annual Consolidated Financial Statements (Unaudited) for the six months ended September 30, 2015 and 2014 and Consolidated Financial Statements for the year ended March 31, 2015

1. BASIS OF PRESENTING SEMI-ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

The accompanying semi-annual consolidated financial statements of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (the "Bank"), which is a wholly owned subsidiary of Mitsubishi UFJ Financial Group, Inc., have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations concerning preparation of semi-annual consolidated financial statements, Ordinance for Enforcement of the Banking Law and in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards ("IFRSs").

In preparing these semi-annual consolidated financial statements, certain reclassifications and rearrangements have been made to the semi-annual consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications and rearrangements have been made in the consolidated balance sheet as of March 31, 2015 and the semi-annual consolidated financial statements for the six-month period ended September 30, 2014 (except for balance sheet related items) to conform to the classifications used in the semi-annual consolidated financial statements as of September 30, 2015 and for the six-month period then ended.

These semi-annual consolidated financial statements should be read in conjunction with the Bank's consolidated financial statements and notes thereto included in the Bank's Annual report for the year ended March 31, 2015.

All Japanese yen figures in the semi-annual consolidated financial statements have been rounded down to the nearest million yen, except for per share information. Accordingly, the total of each account may not be equal to the combined total of individual items.

The semi-annual consolidated financial statements are stated in Japanese yen, the currency of the country in which the Bank is incorporated and mainly operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥119.96 to U.S. \$1, the approximate rate of exchange as of September 30, 2015. Such translations should not be construed as representations that the Japanese yen amounts can be converted into U.S. dollars at that or any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Consolidation

The semi-annual consolidated financial statements include the accounts of the Bank and its subsidiaries (together, the "Group"). There were 129 and 130 subsidiaries as of September 30, 2015 and March 31, 2015, respectively.

Under the control or influence concept, the companies over which the Bank, directly or indirectly, is able to exercise control are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for using the equity method.

Investments in 58 affiliates were accounted for using the equity method as of September 30, 2015 and March 31, 2015.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profits and losses resulting from intercompany transactions were eliminated.

1) Scope of consolidation

A) Major subsidiaries as of September 30, 2015 and March 31, 2015 were as follows:

As of September 30, 2015:

MU Frontier Servicer Co., Ltd.

Bank of Ayudhya Public Company Limited (“Bank of Ayudhya”)

As of March 31, 2015:

kabu.com Securities Co., Ltd.

Bank of Ayudhya Public Company Limited (“Bank of Ayudhya”)

Changes in the subsidiaries for the six-month period ended September 30, 2015 were as follows:

Mitsubishi UFJ Capital V Limited Partnership was newly included in the scope of consolidation due to new establishment from the six-month period ended September 30, 2015. In addition, kabu.com Securities Co., Ltd. and another company were excluded from the scope of consolidation due to the decrease in ownerships of voting rights resulting from the sales of shares.

Changes in the subsidiaries in the fiscal year ended March 31, 2015 were as follows:

Two companies including BTMU Liquidity Reserve Investment 2 Limited were newly included in the scope of consolidation due to new establishment. In addition, Beacon Rail Leasing, Inc. and other thirty-one companies were excluded from the scope of consolidation due to the decrease in ownerships of voting rights resulting from the sales of shares.

- B) There were no unconsolidated subsidiaries as of September 30, 2015 and March 31, 2015.
- C) There were no companies which were not regarded as subsidiaries, although the majority of voting rights was owned by the Bank as of September 30, 2015 and March 31, 2015.
- D) There were no special purpose entities which were excluded from the scope of consolidation pursuant to Article 8, Paragraph 7 of the “Financial Statements Regulations for Terminology, Forms and Preparation of Financial Statements” (the “Financial Statements Regulations”), which does not regard a special purpose entity as a subsidiary of an investor irrespective of indicators of control if the entity was established and operated for the purpose of asset securitization and satisfied certain eligible criteria as of September 30, 2015 and March 31, 2015.

2) Application of the equity method

A) Major affiliates accounted for using the equity method as of September 30, 2015 and March 31, 2015 were as follows:

The Chukyo Bank, Ltd.

Jibun Bank Corporation

There were no changes in the affiliates accounted for using the equity method for the six-month period ended September 30, 2015.

Changes in the affiliates accounted for using the equity method in the fiscal year ended March 31, 2015 were as follows:

BOTL Factoring (Shanghai) Co., Ltd. was newly included in affiliates accounted for using the equity method due to new establishment. In addition, two companies including Emerald Engine Leasing Limited were excluded from affiliates accounted for using the equity method since these companies have not met the definition of affiliates due to the decrease in ownerships resulting from the sales of shares.

- B) There were no unconsolidated subsidiaries which were accounted for using the equity method as of September 30, 2015 and March 31, 2015.
- C) There were no unconsolidated subsidiaries which were not accounted for using the equity method as of September 30, 2015 and March 31, 2015.
- D) There were no affiliates which were not accounted for using the equity method as of September 30,

2015 and March 31, 2015.

- E) The following companies as of September 30, 2015 and March 31, 2015 of which the Group owned the voting rights between 20% and 50% were not recognized as affiliates accounted for using the equity method, since the Bank's subsidiaries held such ownerships as venture capital for the purpose of incubating their investees or earning capital gains through business revitalization, not for the purpose of controlling those entities:

As of September 30, 2015:

TECHTOM Ltd.
Osteopharma, Inc.
EDB, Inc.

As of March 31, 2015:

Kyoto Constella Technologies Co., Ltd.
TECHTOM Ltd.
Osteopharma, Inc.
EDB, Inc.

- 3) The first six-month period ending dates and fiscal year ending dates of subsidiaries
A) The first six-month period ending dates of subsidiaries as of September 30, 2015 were as follows:

	Number of subsidiaries
April 30	1
June 30	88
July 24	8
September 30	32

The fiscal year ending dates of subsidiaries as of March 31, 2015 were as follows:

	Number of subsidiaries
October 31	1
December 31	87
January 24	8
March 31	34

- B) The subsidiary with first six-month period ending April 30 is consolidated based on the preliminary financial statements for the six-month period ended July 31. The subsidiary with fiscal year ending October 31 is consolidated based on the preliminary financial statements for the fiscal year ended January 31.

Other subsidiaries are consolidated based on the financial information as of their first six-month period ending dates or fiscal year ending dates.

Adjustments were made in the semi-annual consolidated financial statements to reflect significant transactions occurring in the period between the six-month period ending dates of subsidiaries and September 30, 2015, and in the consolidated financial statements to reflect significant transactions occurring in the period between the fiscal year ending dates of subsidiaries and March 31, 2015.

(2) Accounting Policies Applied to Foreign Subsidiaries for the Semi-annual Consolidated Financial Statements

The Accounting Standards Board of Japan ("ASBJ") issued Practical Issues Task Force ("PITF") No. 18 "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (ASBJ PITF No. 18, May 17, 2006). This PITF permits foreign subsidiaries' financial statements prepared in accordance with either IFRSs or accounting principles generally accepted in the United States of America ("US GAAP") to be used for the consolidation process with certain limitations.

Financial statements of foreign subsidiaries prepared in accordance with either IFRSs or US GAAP are used in the consolidation. However, when the financial statements of foreign subsidiaries are prepared in accordance with the generally accepted accounting principles in each domicile country which are different from IFRSs or US GAAP, they are adjusted to conform to US GAAP. In addition, necessary adjustments for

consolidation are made, if any.

(3) Cash and Cash Equivalents

For the purpose of the semi-annual consolidated statements of cash flows, “Cash and cash equivalents” represent “Cash and due from banks” excluding time deposits and negotiable certificates of deposit included in “Due from banks.”

(4) Trading Assets or Liabilities, Securities and Money Held in Trust

Securities other than investments in affiliates are classified into three categories, based principally on the Group’s intent, as follows:

- 1) Trading assets or liabilities, which are held for the purpose of earning capital gains arising from short-term fluctuations in interest rates, currency exchange rates or market prices and other market indices in the financial instruments or from variation among markets, are reported as “Trading assets” or “Trading liabilities” in the semi-annual consolidated balance sheet at fair value. The related unrealized or realized gains and losses are included in “Trading income (expenses)” in the semi-annual consolidated statements of income.
- 2) Held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold to maturity, are reported at amortized cost (using the straight-line method) based on the moving-average method.
- 3) Available-for-sale securities, which are not classified as either of the aforementioned securities, are reported principally at fair value, with unrealized gain (loss), net of applicable taxes, reported in a separate component of equity, except for unrealized gain (loss) which is recognized in profit or loss by applying the fair value hedge accounting.

The cost of available-for-sale securities sold is determined based on the moving-average method.

Available-for-sale securities whose fair value cannot be reliably determined are reported at acquisition cost or amortized cost using the moving-average method.

For declines in fair value that are not recoverable, securities are reduced to net realizable value by a charge to income.

Securities included in “Money held in trust” are also classified into the three categories outlined above.

The components of trust assets in “Money held in trust” are accounted for based on the standard appropriate for each asset type. Instruments held in trust for trading purposes are recorded at fair value and unrealized gain (loss) is recorded in “Other income (expenses).” Instruments held in trust classified as held-to-maturity are carried at amortized cost. Securities as components of trust assets in “Money held in trust” which are held for purposes other than trading or held-to-maturity are recorded at fair value with the unrealized gain (loss) recorded in a separate component of equity.

(5) Tangible Fixed Assets

“Tangible fixed assets” are stated at cost less accumulated depreciation. Depreciation of “Tangible fixed assets” of the Bank, except for “Lease assets,” is recorded based on the semi-annual period allocation of the estimated depreciation amount for the full year computed using the declining-balance method over the estimated useful lives of the assets. The range of useful lives is principally from 15 to 50 years for “Buildings” and from 2 to 20 years for equipment included in “Other tangible fixed assets.”

Depreciation of “Tangible fixed assets” of the subsidiaries is mainly computed using the straight-line method over the estimated useful lives.

Depreciation of “Lease assets” included in “Tangible fixed assets” is computed using the straight-line method over respective lease periods. The residual value of “Lease Assets” is determined using the guaranteed residual value provided by the lease contracts or otherwise no value.

(6) Intangible Fixed Assets

Amortization of “Intangible fixed assets,” except for “Lease assets,” is calculated using the straight-line method. The capitalized cost of computer software developed/obtained for internal use is amortized using the straight-line method over the estimated useful lives (mainly 3 to 10 years) determined by the Bank or its subsidiaries.

Amortization of “Lease assets” included in “Intangible fixed assets” is computed using the straight-line method over respective lease periods.

(7) *Deferred Charges*

Bond and stock issuance costs are charged to expense as incurred.

(8) *Allowance for Credit Losses*

The Bank and its domestic subsidiaries determine the amount of the “Allowance for credit losses” in accordance with the predetermined self-assessment standards and internal standards for write-offs and provisions.

For claims on borrowers that have entered into bankruptcy, special liquidation proceedings or similar legal proceedings (“bankrupt borrowers”) or borrowers that are not legally or formally insolvent but are regarded as substantially in a similar situation (“virtually bankrupt borrowers”), an allowance is provided based on the amount of claims, after the write-offs as stated below, net of the expected amounts of recoveries from collateral and guarantees.

For claims on borrowers that are not currently bankrupt but are perceived to have a high risk of falling into bankruptcy (“likely to become bankrupt borrowers”), where cash flows from collection of principal and interest cannot be reasonably estimated, an allowance is provided in the amount deemed necessary based on an overall solvency assessment of the claims, net of the expected amount of recoveries from collateral and guarantees.

For claims on borrowers that are likely to become bankrupt and borrowers requiring close watch whose cash flows from collection of principal and interest can be reasonably estimated, an allowance is provided based on the difference between the relevant cash flows discounted by the initial contractual interest rate and the carrying value of the claims.

For other claims, an allowance is provided based on the historical credit losses ratio during the defined periods.

For specified overseas claims, an additional allowance is provided based on the estimated loss resulting from the political and economic conditions of those countries.

The operating branches and assessment divisions implement self-assessments for all claims in accordance with the Bank’s self-assessment standards. The Internal Audit & Credit Examination Division, which is independent from operating divisions, conducts verifications of these assessments.

For collateralized or guaranteed claims of bankrupt borrowers or virtually bankrupt borrowers, the amount of claims less estimated value of collateral or guarantees is deemed to be uncollectible and written off against the outstanding amount of claims. The amount of write-offs was ¥374,049 million (\$3,118 million) and ¥390,549 million as of September 30, 2015 and March 31, 2015, respectively.

Other subsidiaries determine the “Allowance for credit losses” based on the necessary amounts considering the historical loss ratio for general claims and the uncollectible amount estimated considering the specific collectability for specific deteriorated claims.

(9) *Reserve for Employee Bonuses*

“Reserve for employee bonuses” is provided for estimated payment of bonuses to employees attributable to the respective semi-annual periods.

(10) *Reserve for Bonuses to Directors*

“Reserve for bonuses to directors” is provided for estimated payment of bonuses to directors attributable to the respective semi-annual periods.

(11) *Retirement Benefits and Pension Plans*

Effective April 1, 2000, the Bank adopted a new accounting standard for retirement benefits and accounted for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The projected benefit obligations are attributed to periods on a benefit formula basis.

Past service costs are amortized on a straight-line basis for a period within the employees’ average

remaining service period primarily over 10 years, commencing in the fiscal year in which the cost is incurred.

Actuarial gains and losses are amortized on a straight-line basis for a period within the employees' average remaining service period, primarily over 10 years, commencing in the fiscal year immediately following the fiscal year in which the gains or losses incurred.

Some overseas branches of the Bank and some subsidiaries adopt the simplified method in determining liability for retirement benefits and net periodic benefit costs.

(12) Reserve for Retirement Benefits to Directors

“Reserve for retirement benefits to directors,” which is provided for payments of retirement benefits to directors of certain subsidiaries, is recorded in the amount deemed accrued at the semi-annual consolidated balance sheet date based on the estimated amount of benefits.

(13) Reserve for Loyalty Award Credits

“Reserve for loyalty award credits,” which is provided to meet future use of points granted to “Super IC Card” customers, is recorded based on the estimated future use of unused points.

(14) Reserve for Contingent Losses

“Reserve for contingent losses,” which is provided for possible losses from contingent events related to off-balance sheet and other transactions, is calculated by estimating the impact of such contingent events.

(15) Reserve under the Special Laws

“Reserve under the special laws” represents a reserve for contingent liabilities from financial instruments transactions set aside in accordance with Article 46–5, Paragraph 1 and Article 48–3, Paragraph 1 of the Financial Instruments and Exchange Act and Articles 175 and 189 of the Cabinet Office Ordinance on Financial Instruments Business.

(16) Assets and Liabilities Denominated in Foreign Currencies

Assets and liabilities denominated in foreign currencies and accounts of the overseas branches of the Bank are translated into Japanese yen primarily at exchange rates in effect on the semi-annual consolidated balance sheet date, except for investments in affiliates which are translated into Japanese yen at exchange rates in effect on the acquisition dates.

Assets and liabilities denominated in foreign currencies of the subsidiaries are translated into Japanese yen at the exchange rates in effect on the respective semi-annual period end dates.

(17) Leases

(As lessee)

The Bank's and its domestic subsidiaries' finance leases, other than those that are deemed to transfer the ownership of leased property to the lessees, are accounted for in a similar way to purchases and depreciation of “Lease assets” is computed using the straight-line method over the lease term with zero residual value unless residual value is guaranteed in the corresponding lease contracts.

Finance leases other than those that are deemed to transfer the ownership of leased property to the lessees, which commenced in fiscal years beginning prior to April 1, 2008, are accounted for in a similar way to operating leases.

(As lessor)

Finance leases other than those that are deemed to transfer the ownership of leased property to the lessees are accounted for in a similar way to sales, and income and expenses related to such leases are recognized by allocating interest equivalents to applicable fiscal periods instead of recording sales and costs of goods sold.

(18) Derivatives and Hedging Activities

Derivatives are stated at fair value.

1) Hedge accounting for interest rate risks

The Bank has adopted the deferred hedge accounting method for hedging transactions for interest rate risks arising from monetary assets and liabilities. Portfolio hedging or individual hedging, as described in the Japanese Institute of Certified Public Accountants (“JICPA”) Industry Audit Committee Report No.

24 “Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry” (February 13, 2002) and JICPA Accounting Committee Report No. 14 “Practical Guidelines for Accounting for Financial Instruments” (January 31, 2000), are primarily applied to determine hedged items.

With respect to hedging transactions to offset fluctuations in the fair value of fixed rate deposits, loans and other instruments, hedging instruments (e.g. interest rate swaps) are designated to hedged items individually or collectively by their maturities in accordance with Industry Audit Committee Report No. 24. With respect to hedging transactions to offset fluctuations in fair value of fixed rate bonds classified as available-for-sale securities, hedging instruments (e.g. interest rate swaps) are designated to hedged items collectively by bond type.

Since material terms related to hedged items and hedging instruments are substantially identical and such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms.

With respect to hedging transactions to fix the cash flows of forecasted transactions related to floating rate deposits and loans as well as short-term fixed rate deposits, loans and other instruments, hedging instruments (e.g. interest rate swaps) are designated to hedged items collectively by interest rate indices and definite interest rate reset terms in accordance with Industry Audit Committee Report No. 24. Since material terms related to hedged items and hedging instruments are substantially identical and such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms. The effectiveness of hedging transactions is also assessed by verifying the correlation of interest rate movement factors.

2) Hedge accounting for foreign currency risks

The Bank has adopted the deferred hedge accounting method for hedging transactions for foreign currency risks arising from monetary assets and liabilities denominated in foreign currencies. Portfolio hedging is applied to determine hedged items as described in JICPA Industry Audit Committee Report No. 25 “Treatment of Accounting and Auditing concerning Accounting for Foreign Currency Transactions in the Banking Industry” (July 29, 2002). Hedging instruments (e.g. currency swaps and forward exchange contracts) are designated to hedged items collectively by currency.

The Bank has applied portfolio hedging and individual hedging using monetary assets and liabilities denominated in the same foreign currencies and forward exchange contracts for the purpose of hedging foreign currency risks arising from investments in interests in foreign subsidiaries and affiliates and foreign currency denominated securities (other than bonds). The Bank has recorded foreign currency translation differences arising from hedging instruments for investments in interests in foreign subsidiaries and affiliates in the account of foreign currency translation adjustments under other comprehensive income and has applied the fair value hedge accounting to foreign currency denominated securities (other than bonds).

3) Hedge accounting for share price fluctuation risks

The Bank has applied individual hedging using total return swaps as hedging instruments for the purpose of hedging share price fluctuation risks arising from shares that are held for the purpose of strategic investment under available-for-sale securities. The effectiveness of hedging transactions is assessed by verifying the correlation of fair value fluctuations or others of hedged items and hedging instruments.

The Bank has applied the fair value hedge accounting method for these hedging transactions.

4) Transactions among consolidated companies

Derivative transactions, including interest rate swaps and currency swaps which are designated as hedging instruments, among consolidated companies or between trading accounts and other accounts (or among internal sections) are not eliminated from the semi-annual consolidated statements of income and related gains and losses are recognized or deferred under hedge accounting because these derivative transactions are executed, meeting certain criteria under JICPA Industry Audit Committee Reports No. 24 and No. 25 to be regarded as equivalent to external third party transactions.

(19) Consumption Taxes

National and local consumption taxes are excluded from transaction amounts. Non-deductible portions of consumption taxes on the purchases of “Tangible fixed assets” are expensed when incurred.

(20) Application of Consolidated Taxation System

The Bank and certain domestic subsidiaries applied the consolidated taxation system with Mitsubishi UFJ Financial Group, Inc. as the parent for tax consolidation purposes.

(21) Per Share Information

Basic net income per common share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted net income per common share reflects the potential dilution that could occur if securities were exercised or converted into common shares. Diluted net income per common share assumes full conversion of the outstanding convertible notes and bonds at the beginning of the fiscal year (or at the time of issuance) with an applicable adjustment for related interest expense, net of tax, and full exercise of outstanding warrants.

Cash dividends per common share presented in the accompanying semi-annual consolidated statements of income are dividends applicable to the respective semi-annual periods including dividends to be paid after the end of the semi-annual period.

(22) Changes in Accounting Policies

(Changes in Accounting Policies due to Revision of Accounting Standards)

Accounting Standard for Retirement Benefits—The ASBJ issued ASBJ Statement No. 26, “Accounting Standard for Retirement Benefits” (revised on May 17, 2012) and ASBJ Guidance No. 25, “Guidance on Accounting Standard for Retirement Benefits” (revised on March 26, 2015), which replaced the Accounting Standard for Retirement Benefits that had been issued by the Business Accounting Council in 1998 with an effective date of April 1, 2000, and the other related practical guidance, and were followed by partial amendments from time to time through 2009.

- (a) Under the revised accounting standard, actuarial gains and losses and past service cost that are yet to be recognized in profit or loss are recognized within equity (accumulated other comprehensive income), after adjusting for tax effects, and any resulting deficit or surplus is recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits).
- (b) The revised accounting standard does not change how to recognize actuarial gains and losses and past service cost in profit or loss. Those amounts are recognized in profit or loss over a certain period no longer than the expected average remaining service period of the employees. However, actuarial gains and losses and past service cost that arose in the current period and have not yet been recognized in profit or loss are included in other comprehensive income and actuarial gains and losses and past service cost that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period shall be treated as reclassification adjustments.
- (c) The revised accounting standard also made certain amendments relating to the method of attributing expected benefit to periods and relating to the discount rate and prospective future salary increases.

This accounting standard and the guidance for (a) and (b) above are effective for the end of fiscal years beginning on or after April 1, 2013, and for (c) above are effective for the beginning of fiscal years beginning on or after April 1, 2014, or for the beginning of fiscal years beginning on or after April 1, 2015, subject to certain disclosure in March 2015, both with earlier application being permitted from the beginning of fiscal years beginning on or after April 1, 2013. However, no retrospective application of this accounting standard to consolidated financial statements in prior periods is required.

The Bank applied the revised accounting standard and guidance for retirement benefits for (a) and (b) above effective from March 31, 2014.

The Bank also applied the revised accounting standard and guidance for retirement benefits for (c) above effective from April 1, 2014, and changed the method of determining the portion of projected benefit obligation attributed to periods from a straight-line basis to a benefit formula basis. In addition, the method of determining the discount rates applied in the calculation of projected benefit obligation was changed from the method using the average period up to estimated benefit payment date to the method using the single-weighted average discount rate that reflects the estimated period and amount of benefit payment in each period. The revised accounting standard and guidance for retirement benefits were applied in accordance with the transitional treatment set forth in Paragraph 37 of the Accounting Standard for Retirement Benefits, and the amount of the change in calculation methods for retirement benefit obligation and service cost were reflected in retained earnings as of April 1, 2014. As a result, asset for retirement benefits decreased by ¥57,266 million, liability for retirement benefits decreased by ¥1,729 million, and retained earnings decreased by ¥35,862 million as of April 1, 2014. Income before income taxes and minority interests for the six months ended September 30, 2014 increased by ¥633 million. The effect on per share information is stated in Note 19 “PER SHARE INFORMATION.”

Accounting Standards for Business Combinations—As the “Revised Accounting Standard for Business Combinations” (ASBJ Statement No. 21 issued on September 13, 2013, hereinafter “Business Combinations Accounting Standard”), “Revised Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on September 13, 2013, hereinafter “Consolidation Accounting Standard”), “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7 issued on September 13, 2013, hereinafter “Business Divestitures Accounting Standard”) and other standards became effective for the fiscal years beginning on or after April 1, 2014, these standards were adopted from the interim reporting period ended September 30, 2014 (except for the provisions set forth in Paragraph 39 of the Consolidation Accounting Standard). Accordingly, the accounting method was changed to record the difference arising from changes in the Bank’s equity interest in subsidiaries which the Bank continues to control as capital surplus and to record business acquisition costs as expenses in the fiscal year in which they occur. For business combinations which became or will become effective on or after April 1, 2014, the accounting method was changed to reflect adjustments to the amount allocated to acquisition cost under provisional accounting treatment on the consolidated financial statements of the interim reporting period in which the relevant business combinations became or will become effective.

The Business Combinations Accounting Standard and other standards were applied in accordance with the transitional treatment set forth in Paragraph 58-2 (3) of the Business Combinations Accounting Standard, Paragraph 44-5 (3) of the Consolidation Accounting Standard and Paragraph 57-4 (3) of the Business Divestitures Accounting Standard. The cumulative effects arising from the retroactive application of these new accounting policies to all the previous fiscal years were added to or deducted from capital surplus and retained earnings as of April 1, 2014.

As a result, goodwill under intangible fixed assets decreased by ¥180,657 million, capital surplus decreased by ¥209,273 million, and retained earnings increased by ¥23,249 million as of April 1, 2014. In addition, income before income taxes and minority interests for the six months ended September 30, 2014 increased by ¥6,510 million. The effect on per share information is stated in Note 19 “PER SHARE INFORMATION.”

As for the consolidated statement of cash flows for the six months ended September 30, 2014, cash flows related to purchases or sales of subsidiaries’ equity not affecting the scope of consolidation are classified into “FINANCING ACTIVITIES.” Cash flows related to expenses arising from purchases of subsidiaries’ equity affecting the scope of consolidation, or cash flows related to expenses arising from purchases or sales of subsidiaries’ equity not affecting the scope of consolidation are classified into “OPERATING ACTIVITIES.” The effect on per share information is stated in Note 19 “PER SHARE INFORMATION.”

(23) Changes in Presentation

The Bank applied the provision set forth in Paragraph 39 of “Revised Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on September 13, 2013) and changed the presentation of net income and other certain items and also changed the presentation of minority interests to non-controlling interests. In order to reflect these changes, semi-annual consolidated financial statements for the previous semi-annual period and consolidated financial statements for the previous fiscal year were reclassified.

3. CASH AND CASH EQUIVALENTS

The reconciliation of “Cash and cash equivalents” in the semi-annual consolidated statements of cash flows and “Cash and due from banks” in the semi-annual consolidated balance sheet as of September 30, 2015 and 2014 was as follows:

	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	September 30, 2014	September 30, 2015
Cash and due from banks	¥ 39,330,004	¥ 25,718,074	\$ 327,859
Less: Time deposits and negotiable certificates of deposit included in due from banks	(35,640,014)	(22,265,816)	(297,099)
Cash and cash equivalents	<u>¥ 3,689,990</u>	<u>¥ 3,452,257</u>	<u>\$ 30,760</u>

4. SECURITIES

Securities as of September 30, 2015 and March 31, 2015 include equity securities in affiliates of ¥300,518 million (\$2,505 million) and ¥300,836 million, respectively and capital subscriptions to entities such as limited liability companies of ¥1,514 million (\$13 million) and ¥1,729 million, respectively.

Securities loaned under unsecured securities lending transactions amounted to ¥210,585 million (\$1,755 million) and ¥270,155 million as of September 30, 2015 and March 31, 2015, respectively.

For securities borrowed and purchased under resale agreements where the secured parties are permitted to sell or re-pledge the securities without restrictions, ¥2,663,112 million (\$22,200 million) and ¥2,448,461 million of such securities were re-pledged as of September 30, 2015 and March 31, 2015, respectively, and ¥70,978 million were re-loaned as of March 31, 2015.

The remaining ¥2,223,778 million (\$18,538 million) and ¥2,333,331 million of these securities were held without disposition as of September 30, 2015 and March 31, 2015, respectively.

The following tables include negotiable certificates of deposit in “Cash and due from banks” and beneficial interests in trusts in “Monetary claims bought” in addition to “Securities.”

(1) Held-to-maturity debt securities with fair value:

	Millions of Yen				
	September 30, 2015				
	Carrying amount	Fair value	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Japanese government bonds	¥ 1,101,145	¥ 1,124,120	¥ 22,974	¥ 22,974	¥ –
Foreign bonds	1,228,577	1,242,140	13,563	17,278	(3,715)
Other	1,684,277	1,694,244	9,966	13,980	(4,014)
Total	<u>¥ 4,014,000</u>	<u>¥ 4,060,505</u>	<u>¥ 46,504</u>	<u>¥ 54,234</u>	<u>¥ (7,729)</u>

	Millions of Yen				
	March 31, 2015				
	Carrying amount	Fair value	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Japanese government bonds	¥ 1,101,209	¥ 1,115,710	¥ 14,500	¥ 16,036	¥ (1,535)
Foreign bonds	1,003,298	1,019,071	15,773	17,200	(1,426)
Other	2,001,043	2,024,402	23,359	25,745	(2,386)
Total	<u>¥ 4,105,550</u>	<u>¥ 4,159,184</u>	<u>¥ 53,633</u>	<u>¥ 58,982</u>	<u>¥ (5,348)</u>

	Millions of U.S. Dollars				
	September 30, 2015				
	Carrying amount	Fair value	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Japanese government bonds	\$ 9,179	\$ 9,371	\$ 192	\$ 192	\$ –
Foreign bonds	10,242	10,355	113	144	(31)
Other	14,040	14,123	83	116	(33)
Total	<u>\$ 33,461</u>	<u>\$ 33,849</u>	<u>\$ 388</u>	<u>\$ 452</u>	<u>\$ (64)</u>

Note: Fair value is stated using mainly quoted market prices at semi-annual period end.

The estimated values of the securitized products collateralized by corporate loans are obtained using both the amounts calculated using discounted future cash flows estimated based on the probability of default of the borrowers and prepayment on the loans and other factors such as liquidity premiums obtained from historical market data and prices quoted by brokers or other sources.

(2) Available-for-sale securities with fair value:

	Millions of Yen				
	September 30, 2015				
	Carrying amount	Acquisition cost	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Domestic equity securities	¥ 4,261,661	¥ 2,362,356	¥ 1,899,304	¥ 1,963,253	¥ (63,948)
Domestic bonds	25,441,645	25,178,164	263,481	264,853	(1,371)
Japanese government bonds	23,323,258	23,110,096	213,161	213,704	(542)
Municipal bonds	191,279	186,594	4,685	4,735	(50)
Corporate bonds	1,927,107	1,881,473	45,634	46,413	(779)
Foreign equity securities	134,487	133,353	1,133	20,491	(19,357)
Foreign bonds	14,285,009	14,124,477	160,531	188,182	(27,650)
Other	2,832,124	2,903,637	(71,512)	27,038	(98,551)
Total	¥ 46,954,929	¥ 44,701,990	¥ 2,252,938	¥ 2,463,818	¥ (210,879)

	Millions of Yen				
	March 31, 2015				
	Carrying amount	Acquisition cost	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Domestic equity securities	¥ 4,685,372	¥ 2,384,148	¥ 2,301,223	¥ 2,339,652	¥ (38,428)
Domestic bonds	29,969,246	29,694,073	275,173	278,043	(2,870)
Japanese government bonds	27,854,683	27,631,476	223,206	224,599	(1,392)
Municipal bonds	188,152	182,788	5,363	5,431	(67)
Corporate bonds	1,926,411	1,879,809	46,602	48,012	(1,410)
Foreign equity securities	192,017	134,693	57,323	58,252	(928)
Foreign bonds	13,855,636	13,502,210	353,425	377,113	(23,688)
Other	3,411,837	3,316,181	95,655	125,209	(29,554)
Total	¥ 52,114,110	¥ 49,031,308	¥ 3,082,801	¥ 3,178,271	¥ (95,469)

	Millions of U.S. Dollars				
	September 30, 2015				
	Carrying amount	Acquisition cost	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Domestic equity securities	\$ 35,526	\$ 19,693	\$ 15,833	\$ 16,366	\$ (533)
Domestic bonds	212,085	209,888	2,197	2,208	(11)
Japanese government bonds	194,425	192,648	1,777	1,782	(5)
Municipal bonds	1,595	1,556	39	39	(0)
Corporate bonds	16,065	15,684	381	387	(6)
Foreign equity securities	1,121	1,112	9	171	(162)
Foreign bonds	119,081	117,743	1,338	1,569	(231)
Other	23,609	24,205	(596)	225	(821)
Total	\$ 391,422	\$ 372,641	\$ 18,781	\$ 20,539	\$ (1,758)

Notes:

- Carrying amount, which is recorded on the semi-annual consolidated balance sheet, is determined based on the fair value calculated using mainly quoted market price at the semi-annual consolidated balance sheet date.
Securitized products which were collateralized by corporate loans are evaluated based on reasonably estimated amounts derived using the Bank's models.
The estimated values of the securitized products collateralized by corporate loans are obtained using both the amounts calculated using discounted future cash flows estimated based on the probability of default of the borrowers and prepayment on the loans and other factors such as liquidity premiums obtained from historical market data and prices quoted by brokers or other sources.
Other securitization products are reported at reasonably estimated amounts based on the price quoted by brokers. For some instances, other sources are used as a substitute for market values and are based on various periodical monitoring methods, including price comparison among similar products, price trend analysis on individual products, compatibility analysis against market indices or for other methods.
- Securities with the fair value determined using the quoted market prices or reasonable estimates, whose fair value significantly declined compared with the acquisition cost, and is considered to be other than recoverable decline, are written down to the respective fair value which is recorded as the carrying amount on the semi-annual consolidated balance sheet.

Impairment loss for the six-month period ended September 30, 2015 was ¥6,304 million (\$53 million), consisting of equity securities in an amount of ¥6,080 million (\$51 million) and debt securities and others in an amount of ¥223 million (\$2 million).

Impairment loss for the year ended March 31, 2015 was ¥3,815 million, consisting of equity securities in an amount of ¥1,434 million and debt securities and others in an amount of ¥2,380 million.

The criteria for determining whether the fair value is “significantly declined” are defined based on the asset classification of the issuer in the Bank’s internal standards for asset quality self-assessment as follows:

- (a) Bankrupt, virtually bankrupt, likely to become bankrupt issuers: Fair value is lower than acquisition cost.
- (b) Issuers requiring close watch: Fair value has declined by 30% or more of the acquisition cost.
- (c) Normal issuers: Fair value has declined by 50% or more of the acquisition cost.

“Bankrupt issuers” mean issuers who have entered into bankruptcy, special liquidation proceedings or similar legal proceedings or whose notes have been dishonored and suspended from processing through clearing houses. “Virtually bankrupt issuers” mean issuers who are not legally or formally bankrupt but are regarded as substantially in a similar condition. “Likely to become bankrupt issuers” mean issuers who are not legally bankrupt but deemed to have high possibility of becoming bankrupt. “Issuers requiring close watch” mean issuers who require close watch of the management. “Normal issuers” mean issuers other than “Bankrupt issuers,” “Virtually bankrupt issuers,” “Likely to become bankrupt issuers” or “Issuers requiring close watch.”

- 3. “Net unrealized gain (loss)” included gains of ¥25,605 million (\$213 million) and ¥64,106 million for the six-month period ended September 30, 2015 and for the year ended March 31, 2015, respectively, which were recognized in profit by applying the fair value hedge accounting.

5. MONEY HELD IN TRUST

There was no “Money held in trust” classified as held-to-maturity as of September 30, 2015 and March 31, 2015.

“Money held in trust” classified as other than trading and held-to-maturity as of September 30, 2015 and March 31, 2015 was as follows:

	Millions of Yen				
	September 30, 2015				
	Carrying amount	Acquisition cost	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Money held in trust classified as other than trading and held-to-maturity	¥ 500	¥ 500	¥ –	¥ –	¥ –

	Millions of Yen				
	March 31, 2015				
	Carrying amount	Acquisition cost	Net unrealized gain	Unrealized gain	Unrealized loss
Money held in trust classified as other than trading and held-to-maturity	¥ 479,216	¥ 478,330	¥ 885	¥ 885	¥ –

	Millions of U.S. Dollars				
	September 30, 2015				
	Carrying amount	Acquisition cost	Net unrealized gain (loss)	Unrealized gain	Unrealized loss
Money held in trust classified as other than trading and held-to-maturity	\$ 4	\$ 4	\$ –	\$ –	\$ –

6. UNREALIZED GAIN ON AVAILABLE-FOR-SALE SECURITIES

Unrealized gain on available-for-sale securities as of September 30, 2015 and March 31, 2015 consisted of the following:

	Millions of Yen		Millions of
	September 30, 2015	March 31, 2015	U.S. Dollars September 30, 2015
Unrealized gain:	¥ 2,214,019	¥ 2,995,850	\$ 18,456
Available-for-sale securities	2,249,048	3,041,951	18,748
Money held in trust except for trading and held-to-maturity purpose	–	885	–
Securities reclassified from available-for-sale securities into held-to-maturity debt securities	(35,029)	(46,986)	(292)
Deferred tax liabilities:	(666,025)	(910,672)	(5,552)
Unrealized gain on available-for-sale securities before adjustments by ownership share	1,547,993	2,085,177	12,904
Non-controlling interests	12,966	9,673	108
Bank's ownership share in unrealized gain on available-for-sale securities held by affiliates accounted for using the equity method	1,221	4,321	10
Unrealized gain on available-for-sale securities	¥ 1,562,182	¥ 2,099,172	\$ 13,022

Notes:

1. Unrealized gain in the table above excludes ¥25,605 million (\$213 million) and ¥64,106 million of gains which were recognized in profit or loss by the fair value hedge accounting as of September 30, 2015 and March 31, 2015, respectively.
2. Unrealized gain in the table above includes ¥21,715 million (\$181 million) and ¥23,257 million of unrealized gain on available-for-sale securities invested in limited partnerships as of September 30, 2015 and March 31, 2015, respectively.

7. LOANS AND BILLS DISCOUNTED

Bills discounted and rediscounted are accounted for as financial transactions in accordance with “Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in the Banking Industry” (JICPA Industry Audit Committee Report No. 24). The Bank has rights to sell or pledge these bills discounted. The total face value of bills discounted was ¥1,141,548 million (\$9,516 million) and ¥1,369,332 million as of September 30, 2015 and March 31, 2015, respectively. The total face value of foreign exchange bills bought which were transferred due to rediscounts of bills amounted to ¥4,631 million (\$39 million) and ¥8,167 million as of September 30, 2015 and March 31, 2015, respectively.

“Loans and bills discounted” as of September 30, 2015 and March 31, 2015 included the following loans:

	Millions of Yen		Millions of
	September 30, 2015	March 31, 2015	U.S. Dollars September 30, 2015
Loans to bankrupt borrowers	¥ 18,450	¥ 19,058	\$ 154
Non-accrual delinquent loans	726,515	709,481	6,056
Loans past due for three months or more	49,035	46,404	409
Restructured loans	481,325	545,120	4,012
Total	¥ 1,275,325	¥ 1,320,064	\$ 10,631

Note:

Amounts above are stated before the reduction of the allowance for credit losses.

Loans to bankrupt borrowers are loans, after write-offs, to bankrupt borrowers as defined in Article 96, Paragraph 1, Item 3, a. to e. or Article 96, Paragraph 1, Item 4 of “the Order for Enforcement of the Corporation Tax Act” (No. 97 in 1965) on which accrued interest income is not recognized (“Non-accrual loans”) as there is substantial doubt as to the collection of principal and/or interest because of delinquencies in payment of principal and/or interest for a significant period of time or for some other reasons.

Non-accrual delinquent loans represent non-accrual loans other than loans to bankrupt borrowers and loans renegotiated at concessionary terms, which include reduction or deferral of interest due to the borrower's weakened financial condition.

Loans past due for three months or more represent loans whose principal and/or interest payments have been past due for three months or more, excluding loans to bankrupt borrowers and non-accrual delinquent loans.

Restructured loans represent loans renegotiated at concessionary terms, including reduction or deferral of interest or principal and waiver of the claims, due to the borrower's weakened financial condition, excluding loans to bankrupt borrowers, non-accrual delinquent loans and loans past due for three months or more.

8. TANGIBLE FIXED ASSETS

The accumulated depreciation of "Tangible fixed assets" as of September 30, 2015 and March 31, 2015 amounted to ¥963,233 million (\$8,030 million) and ¥947,736 million, respectively.

9. LAND REVALUATION SURPLUS

In accordance with the "Act on Revaluation of Land" (the "Act") (No. 34, March 31, 1998), land used for business operations of the Bank has been revalued as of the dates indicated below. The excess of revaluation to carrying value at the time of revaluation, net of income taxes corresponding to the excess which are recognized as "Deferred tax liabilities for land revaluation," is stated as "Land revaluation surplus" in equity.

Date of revaluation: March 31, 1998

The method of revaluation of assets is set forth in Article 3, Paragraph 3 of the "Act":

Fair values are determined based on (1) "Published land price under the Land Price Publication Law" stipulated in Article 2, Item 1 of the "Order for Enforcement on Law on Revaluation of Land" ("Order") (No. 119, March 31, 1998), (2) "Standard land price determined on measurement spots under Order for Enforcement of the National Land Planning Law" stipulated in Article 2, Item 2 of the "Order," (3) "Land price determined using the method established and published by the Commissioner of National Tax Agency of Japan in order to calculate land value which is used for determining taxable amounts subject to landholding tax articulated in Article 16 of the Landholding Tax Law" stipulated in Article 2, Item 4 of "Order" with price adjustments by shape and time.

10. BORROWED MONEY AND BONDS PAYABLE

"Borrowed money" and "Bonds payable" included the following subordinated borrowings or subordinated bonds as of September 30, 2015 and March 31, 2015:

	Millions of Yen		Millions of
	September 30, 2015	March 31, 2015	U.S. Dollars September 30, 2015
Subordinated borrowings included in "Borrowed money"	¥ 674,500	¥ 529,500	\$ 5,623
Subordinated bonds included in "Bonds payable"	1,393,497	1,573,592	11,616

11. CUSTOMERS' LIABILITIES FOR ACCEPTANCES AND GUARANTEES

All contingent liabilities arising from acceptances and guarantees are reflected in "Acceptances and guarantees." "Customers' liabilities for acceptances and guarantees" are shown as contra assets, representing the Bank's right to receive indemnity from the applicants.

Guarantee obligations for private placement bonds included in "Securities" (provided in accordance with the Article 2, Paragraph 3 of the "Financial Instruments and Exchange Act") as of September 30, 2015 and March 31, 2015 were ¥622,170 million (\$5,186 million) and ¥687,951 million, respectively.

12. ASSETS PLEDGED AS COLLATERAL

Assets pledged as collateral and their relevant liabilities as of September 30, 2015 and March 31, 2015 were as follows:

	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
Assets pledged as collateral:			
Securities	¥ 1,570,906	¥ 2,885,541	\$ 13,095
Loans and bills discounted	9,342,396	7,824,567	77,879
Total	¥ 10,913,302	¥ 10,710,108	\$ 90,974
Relevant liabilities to above assets:			
Deposits	¥ 577,187	¥ 685,940	\$ 4,811
Call money and bills sold	530,000	530,000	4,418
Trading liabilities	14,886	22,131	124
Borrowed money	9,372,666	9,144,831	78,132
Total	¥ 10,494,739	¥ 10,382,903	\$ 87,485

In addition to the above, the following assets were pledged as collateral for cash settlements and other transactions or as deposits for margin accounts of futures and other transactions:

	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
Assets pledged as collateral:			
Cash and due from banks	¥ 2,795	¥ 2,571	\$ 23
Monetary claims bought	1,139,742	1,438,879	9,501
Securities	7,596,464	9,597,735	63,325
Loans and bills discounted	8,095,302	7,596,070	67,484
Total	¥ 16,834,304	¥ 18,635,257	\$ 140,333

Furthermore, trading assets and securities sold under repurchase agreements or loaned under securities lending with cash collateral were ¥1,062,070 million (\$8,854 million), and ¥11,119,132 million (\$92,690 million), respectively, as of September 30, 2015 and ¥990,998 million and ¥8,807,623 million, respectively, as of March 31, 2015.

Relevant payables under repurchase agreements were ¥7,711,552 million (\$64,284 million) and ¥6,802,379 million as of September 30, 2015 and March 31, 2015, respectively.

Relevant payables under securities lending transactions were ¥3,179,544 million (\$26,505 million) and ¥2,364,519 million as of September 30, 2015 and March 31, 2015, respectively.

13. LOAN COMMITMENTS

Overdraft facilities and commitment lines of credit are binding contracts under which the Group has obligations to disburse funds up to predetermined limits upon the borrower's request as long as there has been no breach of contract. The total amount of the unused portion of these facilities was ¥76,474,621 million (\$637,501 million) and ¥72,638,234 million as of September 30, 2015 and March 31, 2015, respectively.

The total amount of the unused portion does not necessarily represent actual future cash requirements because many of these contracts are expected to expire without being drawn upon. In addition, most of these contracts include clauses which allow the Group to decline the borrower's request for disbursement or decrease contracted limits for cause, such as changes in financial conditions or deterioration in the borrower's creditworthiness. The Group may request the borrowers to pledge real property and/or securities as collateral upon signing of the contract and will perform periodic monitoring on the borrower's business conditions in accordance with internal procedures, which may lead to renegotiation of the terms and conditions of the contracts and/or initiate the request for additional collateral and/or guarantees.

14. CAPITAL REQUIREMENT

Japanese banks are subject to the Banking Law and to the Companies Act.

The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(1) *Dividends*

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria such as: (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. However, the Bank cannot do so because it does not meet all of the above criteria. The Companies Act permits companies to distribute dividends in kind (non-cash assets) to shareholders subject to certain limitations and additional requirements. Interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Bank can do so because it stipulates this in its articles of incorporation. The Companies Act provides certain limitations on the amounts available for dividends or the purchases of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of equity after dividends must be maintained at no less than ¥3 million.

(2) *Increases/Decreases and Transfer of Capital Stock, Reserve and Surplus*

The Banking Law requires that an amount equal to 20% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as capital reserve (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of the aggregate amount of legal reserve and capital reserve equals 100% of capital stock.

Under the Companies Act and the Banking Law, the aggregate amount of capital reserve and legal reserve that exceeds 100% of the capital stock may be made available for dividends by resolution of the shareholders after transferring such excess to other capital surplus and other retained earnings in accordance with the Companies Act. Under the Companies Act, the total amount of capital reserve and legal reserve may be reversed without limitation. The Companies Act also provides that capital stock, legal reserve, capital reserve, other capital surplus and other retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(3) *Treasury Stock and Treasury Stock Acquisition Rights*

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula. Under the Companies Act, stock acquisition rights are now presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

15. CAPITAL STOCK AND DIVIDENDS PAID

Capital stock consists of common stock and preferred stock. The changes in the number of issued shares of common stock and preferred stock during the six-month periods ended September 30, 2015 and 2014 were as follows:

	Number of shares in thousands			
	April 1, 2015	Increase	Decrease	September 30, 2015
Outstanding shares issued:				
Common stock	12,350,038	—	—	12,350,038
Preferred stock—first series of Class 2	100,000	—	—	100,000
Preferred stock—first series of Class 4	79,700	—	—	79,700
Preferred stock—first series of Class 6	1,000	—	—	1,000
Preferred stock—first series of Class 7	177,000	—	—	177,000
Total	12,707,738	—	—	12,707,738
Treasury stock:				
Preferred stock—first series of Class 2	100,000	—	—	100,000
Preferred stock—first series of Class 4	79,700	—	—	79,700
Preferred stock—first series of Class 6	1,000	—	—	1,000
Preferred stock—first series of Class 7	177,000	—	—	177,000
Total	357,700	—	—	357,700

	Number of shares in thousands			
	April 1, 2014	Increase	Decrease	September 30, 2014
Outstanding shares issued:				
Common stock	12,350,038	—	—	12,350,038
Preferred stock—first series of Class 2	100,000	—	—	100,000
Preferred stock—first series of Class 4	79,700	—	—	79,700
Preferred stock—first series of Class 6	1,000	—	—	1,000
Preferred stock—first series of Class 7	177,000	—	—	177,000
Total	12,707,738	—	—	12,707,738
Treasury stock:				
Preferred stock—first series of Class 2	100,000	—	—	100,000
Preferred stock—first series of Class 4	79,700	—	—	79,700
Preferred stock—first series of Class 6	1,000	—	—	1,000
Preferred stock—first series of Class 7	21,000	156,000	—	177,000
Total	201,700	156,000	—	357,700

Note:

An increase of 156,000 thousand shares in treasury stock of preferred-first series of Class 7 is due to acquisition of a part of preferred stock pursuant to the acquisition clause.

There was no issuance of stock acquisition rights and treasury stock acquisition rights during the six-month periods ended September 30, 2015 and 2014.

The Bank paid the following cash dividends and distributed dividends in kind (securities) during the six-month periods ended September 30, 2015 and 2014:

For the six-month period ended September 30, 2015:

1. Cash dividends

Cash dividends approved at the shareholders' meeting held on June 24, 2015:	Total amount (Millions of Yen)	Per share amount (Yen)	Dividend record date	Effective date
Common stock	¥ 162,032	¥ 13.12	Mar. 31, 2015	Jun. 24, 2015

Cash dividends approved at the shareholders' meeting held on June 24, 2015:	Total amount (Millions of U.S. Dollars)	Per share amount (U.S. Dollar)	Dividend record date	Effective date
Common stock	\$ 1,351	\$ 0.11	Mar. 31, 2015	Jun. 24, 2015

Cash dividends approved at the Board of Directors' meeting held on July 30, 2015:	Total amount (Millions of Yen)	Per share amount (Yen)	Dividend record date	Effective date
Common stock	¥ 77,434	¥ 6.27	–	Aug. 3, 2015

Cash dividends approved at the Board of Directors' meeting held on July 30, 2015:	Total amount (Millions of U.S. Dollars)	Per share amount (U.S. Dollar)	Dividend record date	Effective date
Common stock	\$ 645	\$ 0.05	–	Aug. 3, 2015

2. Dividends in kind

Dividends in kind approved at the shareholders' meeting held on June 24, 2015:	Property dividends	Total carrying amount of property dividends (Millions of Yen)	Per share amount (Yen)	Dividend record date	Effective date
Common stock	Securities	¥ 2,226	¥ –	–	Jun. 24, 2015

Dividends in kind approved at the shareholders' meeting held on June 24, 2015:	Property dividends	Total carrying amount of property dividends (Millions of U.S. Dollars)	Per share amount (U.S. Dollar)	Dividend record date	Effective date
Common stock	Securities	\$ 19	\$ –	–	Jun. 24, 2015

Note:

All of the property dividends were distributed to Mitsubishi UFJ Financial Group, a sole shareholder of common stock (12,350,038 thousand shares) of the Bank, and per share amount was not defined.

For the six-month period ended September 30, 2014:

Cash dividends approved at the shareholders' meeting held on June 26, 2014:	Total amount (Millions of Yen)	Per share amount (Yen)	Dividend record date	Effective date
Common stock	¥ 129,675	¥ 10.50	Mar. 31, 2014	Jun. 26, 2014
Preferred stock—first series of Class 7	8,970	57.50	Mar. 31, 2014	Jun. 26, 2014
Total	<u>¥ 138,645</u>			

Subject to approval at the Board of Directors' meeting, the Bank will pay the following cash dividends on November 13, 2015, to shareholders of record as of September 30, 2015:

Cash dividends to be approved at the Board of Directors' meeting to be held on November 12, 2015:	Total amount (Millions of Yen)	Per share amount (Yen)	Dividend record date	Effective date
Common stock	¥ 96,330	¥ 7.80	Sep. 30, 2015	Nov. 13, 2015

Cash dividends to be approved at the Board of Directors' meeting to be held on November 12, 2015:	Total amount (Millions of U.S. Dollars)	Per share amount (U.S. Dollar)	Dividend record date	Effective date
Common stock	\$ 803	\$ 0.07	Sep. 30, 2015	Nov. 13, 2015

Subject to approval at the Board of Directors' meeting, the Bank will pay the following cash dividends on November 17, 2014, to shareholders of record as of September 30, 2014:

Cash dividends to be approved at the Board of Directors' meeting to be held on November 14, 2014:	Total amount (Millions of Yen)	Per share amount (Yen)	Dividend record date	Effective date
Common stock	¥ 162,773	¥ 13.18	Sep. 30, 2014	Nov. 17, 2014

16. OTHER INCOME

Other income for the six-month periods ended September 30, 2015 and 2014 consisted of the following:

Six-month periods ended September 30	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Gain on disposal of fixed assets	¥ 1,234	¥ 1,111	\$ 10
Gain on sales of shares of a subsidiary	15,595	–	130
Gain on change in equity	112	–	1
Reversal of allowance for credit losses	50,403	80,325	420
Gains on collection of bad debts	17,859	17,680	149
Gains on sales of equity securities and other securities	52,509	15,999	438
Lease income of consolidated subsidiaries operating leasing business	3,057	18,868	25
Equity in earnings of the equity method investees	16,751	13,549	140
Other	22,919	18,541	191
Total	¥ 180,443	¥ 166,077	\$ 1,504

17. OTHER EXPENSES

Other expenses for the six-month periods ended September 30, 2015 and 2014 consisted of the following:

Six-month periods ended September 30	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Loss on disposal of fixed assets	¥ 5,895	¥ 2,026	\$ 49
Impairment loss on long-lived assets	1,101	689	9
Provision for reserve under the special laws	–	239	–
Reserve for contingent losses	–	34,477	–
Loss on sales of shares of subsidiaries	–	3,280	–
Write-offs of loans	38,164	34,093	318
Losses on waiver of claims	40,681	15,935	339
Outsourcing expenses of consolidated subsidiaries operating information services	11,335	12,426	95
Lease expenses of consolidated subsidiaries operating leasing business	762	8,404	7
Other	25,445	7,935	212
Total	<u>¥ 123,386</u>	<u>¥ 119,509</u>	<u>\$ 1,029</u>

Note:

“Reserve for contingent losses” was recorded to provide for payments expected to be consented with the New York State Department of Financial Services in relation to the voluntary investigation, reporting and other compliance procedures regarding settlement transactions for countries under U.S. economic sanctions in the six-month period ended September 30, 2014.

18. LEASES

(1) Lessee

Operating leases

Future lease payments including interest payable under non-cancelable operating leases as of September 30, 2015 and March 31, 2015 were as follows:

	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
Due within one year	¥ 62,665	¥ 47,902	\$ 522
Due after one year	265,601	270,088	2,214
Total	<u>¥ 328,266</u>	<u>¥ 317,991</u>	<u>\$ 2,736</u>

(2) Lessor

Operating leases

Future lease receivables including interest receivables under non-cancelable operating leases as of September 30, 2015 and March 31, 2015 were as follows:

	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
Due within one year	¥ 5,268	¥ 3,809	\$ 44
Due after one year	67,022	84,126	559
Total	<u>¥ 72,290</u>	<u>¥ 87,935</u>	<u>\$ 603</u>

19. PER SHARE INFORMATION

Six-month periods ended September 30	Yen		U.S. Dollars
	2015	2014	2015
Net income per common share	¥ 33.08	¥ 32.83	\$ 0.28
Diluted net income per common share	33.08	32.83	0.28

Total equity per common share	Yen		U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
	¥ 926.84	¥ 954.03	\$ 8

Notes:

1. Net income per common share and diluted net income per common share are calculated based on the following:

Six-month periods ended September 30	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Net income attributable to owners of the parent	¥ 408,599	¥ 405,496	\$ 3,406
Net income attributable to owners of the parent related to common shares	408,599	405,496	3,406

Six-month periods ended September 30	Number of shares in thousands	
	2015	2014
Average number of common shares during the period	12,350,038	12,350,038

Six-month periods ended September 30	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Diluted net income per common share			
Adjustment to net income attributable to owners of the parent	¥ (5)	¥ (2)	\$ (0)

2. Total equity per common share is calculated based on the following:

Total equity	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
Total equity	¥ 12,857,352	¥ 13,201,844	\$ 107,180
Deductions from total equity:			
Non-controlling interests	1,410,771	1,419,421	11,760
Total	1,410,771	1,419,421	11,760
Total equity attributable to common shares	¥ 11,446,580	¥ 11,782,423	\$ 95,420

Number of common shares used in computing total equity per common share	Number of shares in thousands	
	September 30, 2015	March 31, 2015
	12,350,038	12,350,038

3. As noted in Note 2, the Bank has applied the Accounting Standard for Retirement Benefits and the related guidance in accordance with the transitional treatment set forth in Paragraph 37 of the Accounting Standard for Retirement Benefits. As a result, total equity per share as of April 1, 2014 decreased by ¥2.90. The effects of this change on net income per common share and diluted net income per common share for the six-month period ended September 30, 2014 were immaterial.

4. As noted in Note 2, the Bank has applied the Business Combinations Accounting Standard and other standards in accordance with the transitional treatment set forth in Paragraph 58-2 (3) of the Business Combinations Accounting Standard, Paragraph 44-5 (3) of the Consolidation Accounting Standard and Paragraph 57-4 (3) of the Business Divestitures Accounting Standard. As a result, total equity per share as of April 1, 2014 decreased by ¥15.06 and net income per common share and diluted net income per common share for the six-month period ended September 30, 2014 increased by ¥0.52.

20. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Fair value of financial instruments

The following table summarizes the carrying amount and the fair value of financial instruments as of September 30, 2015 and March 31, 2015 together with their differences. Note that the following table does not include unlisted equity securities or certain other securities whose fair value cannot be reliably determined (see Note 2).

	Millions of Yen		
	September 30, 2015		
	Carrying amount	Fair value	Difference
(1) Cash and due from banks	¥ 39,330,004	¥ 39,330,004	¥ –
(2) Call loans and bills bought	455,806	455,806	–
(3) Receivables under resale agreements	604,589	604,589	–
(4) Receivables under securities borrowing transactions	679,437	679,437	–
(5) Monetary claims bought (*1)	4,496,349	4,506,316	9,966
(6) Trading assets	1,380,526	1,380,526	–
(7) Money held in trust	59,830	59,830	–
(8) Securities:			
Held-to-maturity securities	2,329,723	2,366,260	36,537
Available-for-sale securities	46,310,882	46,310,882	–
(9) Loans and bills discounted	99,414,037		
Allowance for credit losses (*1)	(673,563)		
	<u>98,740,474</u>	<u>99,840,450</u>	<u>1,099,976</u>
(10) Foreign exchange assets (*1)	1,893,600	1,893,600	–
Total assets	<u>¥ 196,281,224</u>	<u>¥ 197,427,705</u>	<u>¥ 1,146,481</u>
(1) Deposits	¥ 142,036,032	¥ 142,058,406	¥ 22,374
(2) Negotiable certificates of deposit	9,052,621	9,055,174	2,553
(3) Call money and bills sold	1,784,665	1,784,665	–
(4) Payables under repurchase agreements	10,270,699	10,270,699	–
(5) Payables under securities lending transactions	3,194,713	3,194,713	–
(6) Commercial paper	1,793,056	1,793,056	–
(7) Trading liabilities	11,042	11,042	–
(8) Borrowed money	11,374,569	11,414,376	39,806
(9) Foreign exchange liabilities	1,771,702	1,771,702	–
(10) Bonds payable	5,635,945	5,733,131	97,186
Total liabilities	<u>¥ 186,925,048</u>	<u>¥ 187,086,969</u>	<u>¥ 161,921</u>
Derivatives (*2):			
To which hedge accounting is not applied	¥ (37,291)	¥ (37,291)	¥ –
To which hedge accounting is applied	422,918	422,918	–
Total derivatives	<u>¥ 385,626</u>	<u>¥ 385,626</u>	<u>¥ –</u>

Millions of Yen

March 31, 2015

	Carrying amount	Fair value	Difference
(1) Cash and due from banks	¥ 33,673,932	¥ 33,673,932	¥ -
(2) Call loans and bills bought	475,508	475,508	-
(3) Receivables under resale agreements	890,453	890,453	-
(4) Receivables under securities borrowing transactions	341,200	341,200	-
(5) Monetary claims bought (*1)	4,529,624	4,552,984	23,359
(6) Trading assets	1,710,896	1,710,896	-
(7) Money held in trust	509,848	509,848	-
(8) Securities:			
Held-to-maturity securities	2,104,507	2,134,781	30,274
Available-for-sale securities	51,472,665	51,472,665	-
(9) Loans and bills discounted	97,616,193		
Allowance for credit losses (*1)	(732,685)		
	<u>96,883,508</u>	<u>98,028,267</u>	<u>1,144,759</u>
(10) Foreign exchange assets (*1)	2,162,950	2,162,950	-
Total assets	<u>¥ 194,755,096</u>	<u>¥ 195,953,489</u>	<u>¥ 1,198,392</u>
(1) Deposits	¥ 140,954,695	¥ 140,970,026	¥ 15,330
(2) Negotiable certificates of deposit	11,255,770	11,259,493	3,723
(3) Call money and bills sold	1,189,037	1,189,037	-
(4) Payables under repurchase agreements	9,069,496	9,069,496	-
(5) Payables under securities lending transactions	2,450,901	2,450,901	-
(6) Commercial paper	1,578,138	1,578,138	-
(7) Trading liabilities	18,185	18,185	-
(8) Borrowed money	10,976,409	11,012,506	36,096
(9) Foreign exchange liabilities	1,555,703	1,555,703	-
(10) Bonds payable	6,031,660	6,174,152	142,491
Total liabilities	<u>¥ 185,079,998</u>	<u>¥ 185,277,641</u>	<u>¥ 197,642</u>
Derivatives (*2):			
To which hedge accounting is not applied	¥ 406	¥ 406	¥ -
To which hedge accounting is applied	28,874	28,874	-
Total derivatives	<u>¥ 29,281</u>	<u>¥ 29,281</u>	<u>¥ -</u>

Millions of U.S. Dollars
September 30, 2015

	Carrying amount	Fair value	Difference
(1) Cash and due from banks	\$ 327,859	\$ 327,859	\$ –
(2) Call loans and bills bought	3,800	3,800	–
(3) Receivables under resale agreements	5,040	5,040	–
(4) Receivables under securities borrowing transactions	5,664	5,664	–
(5) Monetary claims bought (*1)	37,482	37,565	83
(6) Trading assets	11,508	11,508	–
(7) Money held in trust	499	499	–
(8) Securities:			
Held-to-maturity securities	19,421	19,725	304
Available-for-sale securities	386,053	386,053	–
(9) Loans and bills discounted	828,726		
Allowance for credit losses (*1)	(5,615)		
	<u>823,111</u>	<u>832,281</u>	<u>9,170</u>
(10) Foreign exchange assets (*1)	15,785	15,785	–
Total assets	<u>\$ 1,636,222</u>	<u>\$ 1,645,779</u>	<u>\$ 9,557</u>
(1) Deposits	\$ 1,184,028	\$ 1,184,215	\$ 187
(2) Negotiable certificates of deposit	75,464	75,485	21
(3) Call money and bills sold	14,877	14,877	–
(4) Payables under repurchase agreements	85,618	85,618	–
(5) Payables under securities lending transactions	26,631	26,631	–
(6) Commercial paper	14,947	14,947	–
(7) Trading liabilities	92	92	–
(8) Borrowed money	94,820	95,152	332
(9) Foreign exchange liabilities	14,769	14,769	–
(10) Bonds payable	46,982	47,792	810
Total liabilities	<u>\$ 1,558,228</u>	<u>\$ 1,559,578</u>	<u>\$ 1,350</u>
Derivatives (*2):			
To which hedge accounting is not applied	\$ (311)	\$ (311)	\$ –
To which hedge accounting is applied	3,526	3,526	–
Total derivatives	<u>\$ 3,215</u>	<u>\$ 3,215</u>	<u>\$ –</u>

(*1) General and specific allowances for credit losses corresponding to loans are deducted. However, with respect to items other than loans, the carrying amount is shown because the amount of allowance for credit losses corresponding to these items is insignificant.

(*2) Derivatives in trading assets and liabilities and in other assets and liabilities are shown together. Assets and liabilities arising from derivative transactions are presented on a net basis. Net liabilities are presented in parentheses.

Notes:

1. Methods used for determining the fair value of financial instruments are as follows:

Assets

(1) “Cash and due from banks”

For deposits without maturity, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount. For deposits with maturity, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because the remaining maturity periods of the majority of such deposits are short (maturity within one year).

(2) “Call loans and bills bought,” (3) “Receivables under resale agreements,” and (4) “Receivables under securities borrowing transactions”

For each of these items, the majority of transactions are short contract terms (one year or less). Thus, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.

(5) “Monetary claims bought”

The fair value of “Monetary claims bought” is determined based on the price quoted by the financial institutions from which these claims were purchased or on the amount reasonably calculated based on the reasonable estimation.

For certain securitized products whose underlying assets are corporate loan receivables, the fair value is determined by taking into account an amount calculated by discounting the expected future cash flow, which is derived from such factors as default probability and prepayment rate derived from analyses of the underlying assets and discounted at a rate, which is the yield of such securitized products adjusted for the liquidity premium based on the actual historical market data, as well as the price obtained from external parties (brokers or others). For other securitized products, the fair value is determined based on the price obtained from external parties after considering the result of periodic confirmation of the current status of these products, including price comparison with similar products, time series data comparison of the same product, and analysis of consistency with publicly available market indices.

For other monetary claims bought to which these methods do not apply, the carrying amount is presented as the fair value, as the fair value approximates such carrying value from their qualitative viewpoint.

(6) "Trading assets"

For securities such as bonds that are held for trading purposes, the fair value is determined based on the market price at the exchange, the price quoted by the financial institutions from which these securities were purchased or the present value of the expected future cash flows discounted at the interest rate which is the adjusted market interest rate on the evaluation date.

(7) "Money held in trust"

For securities that are part of trust property in an independently managed monetary trust with the primary purpose to manage securities, the fair value is determined based on the price quoted by the financial institutions from which these securities were purchased.

See Note 5 "MONEY HELD IN TRUST" for notes on "Money held in trust" by categories based on different holding purposes.

(8) "Securities"

The fair value of equity securities is determined based on the price quoted by the exchange. The fair value of bonds is determined based on the price quoted by the exchange, the financial institutions from which they were purchased or on the amount reasonably calculated. The fair value of investment trusts is determined based on the publicly available price. For privately placed guaranteed bonds held by the Bank, the fair value is determined based on the present value of expected future cash flows, which is adjusted to reflect default risk, amount to be collected from collateral, guarantees, guarantee fees and discounted at an interest rate based on the market interest rate as of the date of evaluation with certain adjustments. The value of variable rate Japanese government bonds is determined by discounting the expected future cash flow estimated based on factors such as the yield of government bonds, and the discounting rate is based on the yield of such government bonds, the value of embedded options and the liquidity premium based on the actual market premiums observed in the past.

See Note 4 "SECURITIES" for notes on securities by categories based on holding purposes.

(9) "Loans and bills discounted"

With respect to loans, for each category of loans based on types of loans, internal ratings and maturity length, the fair value is determined based on the present value of expected future cash flows, which is adjusted to reflect default risk and expected amount to be collected from collateral and guarantees and discounted at an interest rate based on the market interest rate as of the date of evaluation with certain adjustments. For loans with variable interest rates such as certain residential loans provided to individual homeowners, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount, unless the creditworthiness of the borrower has changed significantly since the loan origination. For receivables from "bankrupt," "virtually bankrupt" and "likely to become bankrupt" borrowers, credit loss is estimated based on factors such as the present value of expected future cash flow or the expected amount to be collected from collateral and guarantees. Since the fair value of these items approximates the net amount of receivables after the deduction of allowance for credit losses on the consolidated balance sheet as of the consolidated balance sheet date, such amount is presented as the fair value.

(10) "Foreign exchange assets"

"Foreign exchange assets" consist of foreign currency deposits with other banks (due from foreign banks (our accounts)), short-term loans involving foreign currencies (due from foreign banks (their accounts)), export bills, traveler's checks and others (foreign bills bought), and loans on notes using import bills (foreign bills receivable). For these items, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because most of these items are deposits without maturity or have short contract terms (one year or less).

Liabilities

(1) "Deposits" and (2) "Negotiable certificates of deposit"

For demand deposits, the amount payable on demand as of the annual/semi-annual consolidated balance sheet date (i.e., the carrying amount) is considered to be the fair value. For variable rate time deposits, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because the market interest rate is reflected in such deposits within a short time period. Fixed rate time deposits are grouped by certain maturity lengths. The fair value of such deposits is the present value of discounted expected future cash flow. The discount rate used is the interest rate that would be applied to newly accepted deposits.

(3) "Call money and bills sold," (4) "Payables under repurchase agreements," (5) "Payables under securities lending transactions" and (6) "Commercial paper"

For these items, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because the majority of them are short contract terms (one year or less).

(7) "Trading liabilities"

For securities such as bonds that are sold short for trading purposes, the fair value is determined based on the price quoted by the exchange or the financial institutions to which these securities were sold.

(8) "Borrowed money"

For floating rate borrowings, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount. This is done so on the basis that the market interest rate is reflected in the fair value set within a short time period for such floating rate borrowings and that there has been no significant change in the Bank's nor the subsidiaries' creditworthiness after such borrowings were made. For fixed rate borrowings, the fair value is calculated as the present value of expected future cash flow from these borrowings grouped by certain maturity lengths, which is discounted at an interest rate generally applicable to similar borrowings reflecting the premium applicable to the Bank or its subsidiaries.

(9) “Foreign exchange liabilities”

Among foreign exchange contracts, foreign currency deposits accepted from other banks and non-resident Japanese yen deposits (due to other foreign banks) are deposits without maturity. Moreover, foreign currency short-term borrowings have short contract terms (one year or less). Thus, the carrying amount is presented as the fair value for these contracts as the fair value approximates such carrying amount.

(10) “Bonds payable”

The fair value of corporate bonds issued by the Group is determined based on their market price. For certain corporate bonds, the fair value is calculated as the present value of expected future cash flow discounted at an interest rate generally applicable to issuance of similar corporate bonds. For variable rate corporate bonds without market prices, the carrying amount of such bonds is presented as the fair value, as the fair value approximates such carrying amount. This is on the basis that the market interest rate is reflected in the fair value of such corporate bonds because such bond terms were set within a short time period and that there has been no significant change in the creditworthiness of the Group after the issuance. For fixed rate corporate bonds, the fair value is the present value of expected future cash flow from these borrowings, which is discounted at an interest rate generally applicable to similar borrowings reflecting the premium applicable to the Bank or its subsidiaries.

2. The following table summarizes financial instruments whose fair value cannot be reliably determined. These securities are not included in the amount presented under the line item “Assets-Available-for-sale securities” in the table summarizing fair value of financial instruments.

	Carrying amount		
	Millions of Yen		Millions of U.S. Dollars
	September 30, 2015	March 31, 2015	September 30, 2015
Unlisted equity securities (*1) (*2)	¥ 169,966	¥ 110,507	\$ 1,417
Investment in partnerships and others (*2) (*3)	72,542	179,351	605
Other (*2)	347	302	3
Total	¥ 242,856	¥ 290,162	\$ 2,025

(*1) Unlisted equity securities do not carry quoted market prices. Since fair values of these securities cannot be reliably determined, their fair value is not disclosed.

(*2) With respect to unlisted equity securities, an impairment loss of ¥833 million (\$7 million) and ¥2,301 million was recorded for the six-month period ended September 30, 2015 and for the year ended March 31, 2015, respectively.

(*3) Investments in partnerships mainly include anonymous partnerships, investment business partnerships and others. Since fair values of these securities cannot be reliably determined, their fair value is not disclosed.

21. DERIVATIVES

The Bank had the following derivative contracts outstanding as of September 30, 2015 and March 31, 2015:

Derivatives to which hedge accounting is not applied:

With respect to derivatives to which hedge accounting is not applied, contract amount or notional principal, fair value and the related valuation gain (loss) at the semi-annual consolidated balance sheet date by transaction type and valuation method of fair value are as follows: Note that contract amounts do not represent the market risk exposure associated with derivatives. Derivatives to which hedge accounting is applied are not required to be disclosed in the semi-annual financial statements.

(1) Interest rate-related derivatives

		Millions of Yen				
		September 30, 2015				
		Contract amount		Fair value	Valuation gain (loss)	
		Total	Over one year	Fair value	Valuation gain (loss)	
Transactions listed on exchange:						
Interest rate futures	Sold	¥ 875,054	¥ 337,178	¥ (1,787)	¥ (1,787)	
	Bought	579,171	393,155	2,001	2,001	
Over-the-counter ("OTC") transactions:						
Forward rate agreement	Sold	5,519,359	–	205	205	
	Bought	5,599,252	–	(212)	(212)	
Interest rate swaps	Receivable fixed rate/ Payable floating rate	153,460,697	132,560,136	4,045,858	4,045,858	
	Receivable floating rate/ Payable fixed rate	155,226,591	130,204,540	(3,838,166)	(3,838,166)	
	Receivable floating rate/ Payable floating rate	45,027,109	38,092,567	27,575	27,575	
	Receivable fixed rate/ Payable fixed rate	39,376	19,376	124	124	
	Interest rate swaptions	Sold	4,465,223	2,481,141	(97,219)	(69,245)
		Bought	5,017,273	1,648,167	39,754	22,254
Other	Sold	1,859,874	1,454,392	(5,153)	(397)	
	Bought	2,046,225	1,678,838	12,757	8,724	
Total		–	–	¥ 185,738	¥ 196,936	

		Millions of Yen				
		March 31, 2015				
		Contract amount		Fair value	Valuation gain (loss)	
		Total	Over one year	Fair value	Valuation gain (loss)	
Transactions listed on exchange:						
Interest rate futures	Sold	¥ 921,436	¥ 391,699	¥ (2,069)	¥ (2,069)	
	Bought	1,010,313	653,899	2,574	2,574	
Interest rate options	Sold	613,891	–	(122)	4	
	Bought	670,340	–	69	(108)	
OTC transactions:						
Interest rate swaps	Receivable fixed rate/ Payable floating rate	156,452,154	133,438,080	3,864,342	3,864,342	
	Receivable floating rate/ Payable fixed rate	156,591,537	131,728,890	(3,651,643)	(3,651,643)	
	Receivable floating rate/ Payable floating rate	43,112,354	36,120,740	28,540	28,540	
	Receivable fixed rate/ Payable fixed rate	290,616	39,416	(4,931)	(4,931)	
	Interest rate swaptions	Sold	4,310,788	2,095,665	(82,328)	(59,654)
		Bought	4,243,473	1,554,725	39,217	23,175
Other	Sold	1,783,765	1,484,344	(4,123)	1,310	
	Bought	2,064,074	1,789,331	11,894	7,030	
Total		–	–	¥ 201,421	¥ 208,572	

		Millions of U.S. Dollars			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Interest rate futures	Sold	\$ 7,295	\$ 2,811	\$ (15)	\$ (15)
	Bought	4,828	3,277	17	17
OTC transactions:					
Forward rate agreement	Sold	46,010	–	2	2
	Bought	46,676	–	(2)	(2)
Interest rate swaps	Receivable fixed rate/ Payable floating rate	1,279,266	1,105,036	33,727	33,727
	Receivable floating rate/ Payable fixed rate	1,293,986	1,085,400	(31,996)	(31,996)
	Receivable floating rate/ Payable floating rate	375,351	317,544	230	230
	Receivable fixed rate/ Payable fixed rate	328	162	1	1
Interest rate swaptions	Sold	37,223	20,683	(810)	(577)
	Bought	41,825	13,739	331	185
Other	Sold	15,504	12,124	(43)	(3)
	Bought	17,058	13,995	106	73
Total		–	–	\$ 1,548	\$ 1,642

Notes:

- The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
- Fair values of transactions listed on exchange are determined using the closing price at the Tokyo Financial Exchange or other exchanges at the annual/semi-annual consolidated balance sheet date.
Fair values of OTC transactions are calculated using the discounted present value, option-pricing models or other methods.

(2) Currency-related derivatives

		Millions of Yen			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Currency futures	Sold	¥ 368,644	¥ 1,764	¥ 1,957	¥ 1,957
	Bought	498,965	283,088	(2,627)	(2,627)
OTC transactions:					
Currency swaps		30,262,389	24,660,806	(240,186)	(240,186)
Forward contracts on foreign exchange	Sold	48,219,716	2,568,192	195,770	195,770
	Bought	47,271,694	2,423,935	(51,016)	(51,016)
Currency options	Sold	7,115,256	2,633,087	(403,153)	(44,535)
	Bought	7,280,999	2,575,135	271,073	(7,535)
Total		–	–	¥ (228,182)	¥ (148,173)

		Millions of Yen			
		March 31, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Currency futures	Sold	¥ 190,462	¥ –	¥ 860	¥ 860
	Bought	96,078	–	(494)	(494)
OTC transactions:					
Currency swaps		27,986,410	22,778,667	(150,827)	(150,827)
Forward contracts on foreign exchange	Sold	43,144,079	2,557,939	32,552	32,552
	Bought	42,421,779	2,386,251	79,416	79,416
Currency options	Sold	6,969,525	3,041,495	(466,671)	(81,070)
	Bought	6,983,360	3,026,135	305,334	(1,708)
Total		–	–	¥ (199,828)	¥ (121,270)

		Millions of U.S. Dollars			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Currency futures	Sold	\$ 3,073	\$ 15	\$ 16	\$ 16
	Bought	4,159	2,360	(22)	(22)
OTC transactions:					
Currency swaps		252,271	205,575	(2,002)	(2,002)
Forward contracts on	Sold	401,965	21,409	1,632	1,632
foreign exchange	Bought	394,062	20,206	(425)	(425)
Currency options	Sold	59,314	21,950	(3,361)	(371)
	Bought	60,695	21,467	2,260	(63)
Total		-	-	\$ (1,902)	\$ (1,235)

Notes:

1. The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
2. Fair values are calculated using the discounted present value or other methods.

(3) Equity-related derivatives

		Millions of Yen			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Stock index futures	Sold	¥ 1,275	¥ -	¥ (13)	¥ (13)
	Bought	1,437	-	(19)	(19)
Stock index options	Sold	2,762	-	(12)	16
	Bought	8,106	-	73	(53)
OTC transactions:					
OTC options on securities	Sold	217,725	174,748	(33,532)	(33,532)
	Bought	217,725	174,748	33,625	33,625
Total return swaps	Sold	-	-	-	-
	Bought	7,296	7,296	(268)	(268)
Total		-	-	¥ (149)	¥ (246)

		Millions of Yen			
		March 31, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Stock index futures	Sold	¥ 881	¥ -	¥ (4)	¥ (4)
	Bought	1,774	-	18	18
OTC transactions:					
OTC options on securities	Sold	228,850	199,818	(36,004)	(36,004)
	Bought	228,850	199,818	36,146	36,146
Total return swaps	Sold	-	-	-	-
	Bought	6,723	6,723	(211)	(211)
Total		-	-	¥ (55)	¥ (55)

		Millions of U.S. Dollars			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Stock index futures	Sold	\$ 11	\$ -	\$ (0)	\$ (0)
	Bought	12	-	(0)	(0)
Stock index options	Sold	23	-	(0)	0
	Bought	68	-	1	(0)
OTC transactions:					
OTC options on securities	Sold	1,815	1,457	(280)	(280)
	Bought	1,815	1,457	280	280
Total return swaps	Sold	-	-	-	-
	Bought	61	61	(2)	(2)
Total		-	-	\$ (1)	\$ (2)

Notes:

1. The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
2. Fair values of transactions listed on exchange are determined using the closing price at the Osaka Exchange or other exchanges at the annual/semi-annual consolidated balance sheet date.
Fair values of OTC transactions are calculated using option-pricing models or other methods.

(4) Bond-related derivatives

		Millions of Yen			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Bond futures	Sold	¥ 281,471	¥ –	¥ (1,195)	¥ (1,195)
	Bought	183,972	–	1,005	1,005
Bond futures options	Sold	49,414	–	(65)	42
	Bought	56,590	–	172	(47)
Total		–	–	¥ (83)	¥ (195)

		Millions of Yen			
		March 31, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Bond futures	Sold	¥ 311,432	¥ –	¥ 161	¥ 161
	Bought	217,559	–	100	100
Bond futures options	Sold	428,772	–	(1,119)	105
	Bought	333,854	–	735	(1,485)
OTC transactions:					
Bond OTC options	Sold	207,440	–	(2,549)	(1,160)
	Bought	109,700	–	1,654	1,169
Total		–	–	¥ (1,017)	¥ (1,108)

		Millions of U.S. Dollars			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
Transactions listed on exchange:					
Bond futures	Sold	\$ 2,346	\$ –	\$ (10)	\$ (10)
	Bought	1,534	–	8	8
Bond futures options	Sold	412	–	(0)	0
	Bought	472	–	1	(0)
Total		–	–	\$ (1)	\$ (2)

Notes:

1. The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
2. Fair values of transactions listed on exchange are determined using the closing price at the Osaka Exchange or other exchanges at the annual/semi-annual consolidated balance sheet date.
Fair values of OTC transactions are calculated using option-pricing models or other methods.

(5) Commodity-related derivatives

		Millions of Yen			
		September 30, 2015			
		Contract amount			Valuation gain (loss)
		Total	Over one year	Fair value	
OTC transactions:					
Commodity swaps	Receivable index volatility/ Payable floating rate	¥ 195,830	¥ 111,389	¥ (13,091)	¥ (13,091)
	Receivable floating rate/ Payable index volatility	229,667	119,846	14,398	14,398
Commodity options	Sold	136,465	97,238	(6,833)	(6,831)
	Bought	136,465	97,238	6,838	6,837
Total		–	–	¥ 1,313	¥ 1,313

		Millions of Yen					
		March 31, 2015					
		Contract amount			Valuation gain (loss)		
		Total	Over one year	Fair value			
Transactions listed on exchange:							
Commodity futures	Sold	¥	–	¥	–	¥	–
	Bought		145		–	(9)	(9)
OTC transactions:							
Commodity swaps	Receivable index volatility/ Payable floating rate		198,619		92,270	(23,803)	(23,803)
	Receivable floating rate/ Payable index volatility		247,841		104,108	23,946	23,946
Commodity options	Sold		163,798		98,904	(10,253)	(10,220)
	Bought		163,793		98,904	10,259	10,242
Total			–		–	¥ 139	¥ 155

		Millions of U.S. Dollars					
		September 30, 2015					
		Contract amount			Valuation gain (loss)		
		Total	Over one year	Fair value			
OTC transactions:							
Commodity swaps	Receivable index volatility/ Payable floating rate	\$	1,632	\$	929	\$ (109)	\$ (109)
	Receivable floating rate/ Payable index volatility		1,915		999	120	120
Commodity options	Sold		1,138		811	(57)	(57)
	Bought		1,138		811	57	57
Total			–		–	\$ 11	\$ 11

Notes:

- The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
- Fair values of transactions listed on exchange are determined using the closing price at Inter Continental Exchange Futures and others at the annual/semi-annual consolidated balance sheet date.
Fair values of OTC transactions are calculated using the prices, contract periods of the underlying transactions and other factors comprising the transactions.
- Commodity is mainly related to oil.

(6) Credit-related derivatives

		Millions of Yen					
		September 30, 2015					
		Contract amount			Valuation gain (loss)		
		Total	Over one year	Fair value			
OTC transactions:							
Credit default options	Sold	¥	665,051	¥	577,535	¥ 2,445	¥ 2,445
	Bought		905,343		721,812	354	354
Total			–		–	¥ 2,800	¥ 2,800

		Millions of Yen					
		March 31, 2015					
		Contract amount			Valuation gain (loss)		
		Total	Over one year	Fair value			
OTC transactions:							
Credit default options	Sold	¥	616,724	¥	539,963	¥ 8,469	¥ 8,469
	Bought		849,300		676,078	(9,130)	(9,130)
Total			–		–	¥ (660)	¥ (660)

		Millions of U.S. Dollars					
		September 30, 2015					
		Contract amount			Valuation gain (loss)		
		Total	Over one year	Fair value			
OTC transactions:							
Credit default options	Sold	\$	5,544	\$	4,814	\$ 20	\$ 20
	Bought		7,547		6,017	3	3
Total			–		–	\$ 23	\$ 23

Notes:

1. The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
2. Fair values are calculated using discounted present value, option-pricing models or other methods.
3. "Sold" refers to transactions underwriting credit risk and "Bought" refers to transactions delivering credit risk.

(7) Other derivatives

		Millions of Yen			
		September 30, 2015			
		Contract amount			Valuation gain
		Total	Over one year	Fair value	(loss)
OTC transactions:					
Earthquake derivatives	Sold	¥ 34,794	¥ 26,997	¥ (1,109)	¥ (767)
	Bought	35,497	27,359	1,819	927
SVF Wrap Products	Sold	2,217,972	437,769	(0)	(0)
	Bought	-	-	-	-
Other	Sold	-	-	-	-
	Bought	5,664	5,664	562	562
Total		-	-	¥ 1,271	¥ 721

		Millions of Yen			
		March 31, 2015			
		Contract amount			Valuation gain
		Total	Over one year	Fair value	(loss)
OTC transactions:					
Earthquake derivatives	Sold	¥ 34,823	¥ 27,823	¥ (1,615)	¥ (72)
	Bought	34,823	27,823	1,615	670
SVF Wrap Products	Sold	2,214,874	1,228,514	(0)	(0)
	Bought	-	-	-	-
Other	Sold	-	-	-	-
	Bought	5,674	3,571	408	408
Total		-	-	¥ 408	¥ 1,005

		Millions of U.S. Dollars			
		September 30, 2015			
		Contract amount			Valuation gain
		Total	Over one year	Fair value	(loss)
OTC transactions:					
Earthquake derivatives	Sold	\$ 290	\$ 225	\$ (9)	\$ (7)
	Bought	296	228	15	8
SVF Wrap Products	Sold	18,489	3,649	(0)	(0)
	Bought	-	-	-	-
Other	Sold	-	-	-	-
	Bought	47	47	5	5
Total		-	-	\$ 11	\$ 6

Notes:

1. The transactions above are stated at fair value and the related valuation gain (loss) is reported in the annual/semi-annual consolidated statements of income.
2. Fair values are calculated using option-pricing models or other methods.
3. SVF Wrap Products are derivative instruments that the Bank guarantees payment of the principal to the 401(k) investors who invest in Stable Value Fund.

22. BUSINESS COMBINATION

Business Combination of a Subsidiary

The Bank has signed a share transfer agreement regarding kabu.com Securities Co., Ltd. (“kabu.com”), which was a consolidated subsidiary of the Bank, and Mitsubishi UFJ Securities Holdings Co., Ltd. (“MUSHD”) as a part of efforts how to maximize growth and synergies to further MUFG Group’s financial instruments business and on April 1, 2015, the transfer of those shares was completed. As a result, kabu.com became a subsidiary of MUSHD, and was excluded from the scope of consolidation.

1. Overview of the business combination

(1) Name and business description of the acquiring company and acquired company

Name of the acquiring company:	Mitsubishi UFJ Securities Holdings Co., Ltd.
Description of business:	Holding company of securities business
Name of the acquired company:	kabu.com Securities Co., Ltd.
Description of business:	Financial instruments business

(2) Reason for the business combination

As Japanese investors evolve their portfolios from savings to investment, by positioning kabu.com as a subsidiary of MUSHD, kabu.com can expand its business through MUSHD’s know-how and customer base in the financial instruments business, which is expected to contribute to its growth and development over the long-term.

(3) Date of the business combination

April 1, 2015

(4) Legal form of the business combination

Transfer of shares in exchange for cash

2. Outline of accounting methods applied

“Revised Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on September 13, 2013) and the “Practical Guidance on Consolidation Procedures in the Consolidated Financial Statements” (JICPA Accounting System Committee Report No. 7, issued November 28, 2014) were applied. As a result, gain on sales of shares of a subsidiary amounted to ¥15,595 million (\$130 million).

3. Name of the segment to which the acquired company belonged to in the disclosure of segment information

Retail Banking Business Unit

23. SEGMENT INFORMATION

Notes:

- (1) “Ordinary income (expenses)” and “Ordinary profit (loss)” are defined as follows:
 - 1) “Ordinary profit (loss)” means “Ordinary income” less “Ordinary expenses.”
 - 2) “Ordinary income” means total income less certain special income included in “Other income” in the accompanying semi-annual consolidated statements of income.
 - 3) “Ordinary expenses” means total expenses less certain special expenses included in “Other expenses” in the accompanying semi-annual consolidated statements of income.
- (2) A reconciliation of the ordinary profit (loss) under the internal management reporting system for the six-month periods ended September 30, 2015 and 2014 to income before income taxes and non-controlling interests shown in the accompanying semi-annual consolidated statements of income was as follows:

Six-month periods ended September 30	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Ordinary profit (loss):	¥ 637,926	¥ 663,401	\$ 5,318
Gain on disposal of fixed assets	1,234	1,111	10
Gain on sales of shares of a subsidiary	15,595	–	130
Gain on change in equity	112	–	1
Loss on disposal of fixed assets	(5,895)	(2,026)	(49)
Impairment loss on long-lived assets	(1,101)	(689)	(9)
Provision for reserve under the special laws	–	(239)	–
Reserve for contingent losses	–	(34,477)	–
Loss on sales of shares of subsidiaries	–	(3,280)	–
Income before income taxes and non-controlling interests	¥ 647,871	¥ 623,798	\$ 5,401

For the six-month periods ended September 30, 2015 and 2014:

(1) Reportable segments

The reportable segments of the Bank are subject to the periodical review by the Board of Directors, which is the chief operating decision maker to determine the allocation of management resources and assess performances.

The Bank has established its business units according to the characteristics of customers and the nature of business. Each business unit engages in business activities based on comprehensive strategies developed for and aimed at respective targeted customers and businesses. Accordingly, the Bank’s operation comprises segments classified by customers and business, and “Retail Banking Business Unit,” “Corporate Banking Business Unit,” “Global Business Unit,” “Global Markets Unit” and “Other units” are identified as the reportable segments.

Retail Banking Business Unit	: Providing financial services to individual customers in Japan
Corporate Banking Business Unit	: Providing financial services to corporate customers in Japan
Global Business Unit	: Providing financial services to overseas individual and corporate customers
Global Markets Unit	: Foreign exchange, funds and securities transactions for customers and markets, liquidity and cash management
Other units	: Settlement and custody services, investments, internal coordination, and other services

(Changes in reportable segments):

From the six-month period ended September 30, 2015, the Bank changed the segmentation method and “Bank of Ayudhya,” which was separately reported as an independent reportable segment in the past, has been included in “Global Business Unit.”

Accordingly, segment information for the six-month period ended September 30, 2014 stated below in “(3) Reportable segment information” is prepared based on the segmentation method after the change.

(2) Calculation method of gross operating income and net operating income

Accounting policies adopted by the reportable segments are almost the same as those described in Note 2 “SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,” except for the scope of consolidation. The scope of consolidation is limited to the major subsidiaries. The figures used are based on the internal administration basis before consolidation adjustments including elimination of internal profits. The accounting methods for income and expenses over the multiple segments are based on the internal management accounting standards which are based on the market values.

(Changes in calculation method of operating income (loss)):

From the six-month period ended September 30, 2015, the Bank has changed the calculation method of business segment profit according to the changes in the internal performance management methods such as revision of jurisdiction of each business unit and changes in allocation method of income and expenses of business segments.

Accordingly, reportable segment information for the six-month period ended September 30, 2014 stated below in “(3) Reportable segment information” has been restated based on the calculation method reflecting such changes.

(3) Reportable segment information

Six-month period ended September 30, 2015	Millions of Yen							
	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit			Global Markets Unit	Other units	Total
			Total	(of which MUAH)	(of which Bank of Ayudhya)			
Gross operating income	¥ 264,156	¥ 321,763	¥ 639,466	¥ 218,275	¥ 137,957	¥ 220,124	¥ 10,761	¥ 1,456,272
Non-consolidated	242,015	311,325	227,291	–	–	198,398	66,051	1,045,082
Net interest income	168,826	140,121	109,692	–	–	78,108	110,459	607,208
Net non-interest income	73,188	171,203	117,599	–	–	120,290	(44,408)	437,873
Subsidiaries	22,140	10,438	412,175	218,275	137,957	21,725	(55,289)	411,190
Expenses	208,732	161,362	409,043	158,080	68,431	41,043	55,504	875,686
Net operating income	¥ 55,423	¥ 160,401	¥ 230,422	¥ 60,195	¥ 69,525	¥ 179,081	¥ (44,742)	¥ 580,586

Six-month period ended September 30, 2014	Millions of Yen							
	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit			Global Markets Unit	Other units	Total
			Total	(of which MUAH)	(of which Bank of Ayudhya)			
Gross operating income	¥ 288,235	¥ 340,698	¥ 550,027	¥ 184,903	¥ 98,856	¥ 248,886	¥ (112)	¥ 1,427,735
Non-consolidated	255,708	330,771	222,898	–	–	234,903	31,536	1,075,818
Net interest income	181,148	148,753	113,529	–	–	93,089	84,892	621,413
Net non-interest income	74,559	182,018	109,368	–	–	141,814	(53,356)	454,404
Subsidiaries	32,527	9,927	327,128	184,903	98,856	13,983	(31,648)	351,917
Expenses	219,767	165,636	352,579	126,764	51,518	40,168	69,665	847,817
Net operating income	¥ 68,467	¥ 175,062	¥ 197,447	¥ 58,138	¥ 47,337	¥ 208,718	¥ (69,777)	¥ 579,918

Six-month period ended September 30, 2015	Millions of U.S. Dollars							
	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit			Global Markets Unit	Other units	Total
			Total	(of which MUAH)	(of which Bank of Ayudhya)			
Gross operating income	\$ 2,202	\$ 2,682	\$ 5,331	\$ 1,820	\$ 1,150	\$ 1,835	\$ 90	\$ 12,140
Non-consolidated	2,017	2,595	1,895	–	–	1,654	551	8,712
Net interest income	1,407	1,168	915	–	–	651	921	5,062
Net non-interest income	610	1,427	980	–	–	1,003	(370)	3,650
Subsidiaries	185	87	3,436	1,820	1,150	181	(461)	3,428
Expenses	1,740	1,345	3,410	1,318	570	342	463	7,300
Net operating income	\$ 462	\$ 1,337	\$ 1,921	\$ 502	\$ 580	\$ 1,493	\$ (373)	\$ 4,840

Notes:

1. “Gross operating income” corresponds to net sales of non-banking industries.
2. “Gross operating income” includes net interest income, net fees and commission, net trading income and net other operating income.
3. “Expenses” includes personnel expenses and premise expenses.
4. Assets or liabilities by reportable segment are not shown since the Bank does not allocate assets or liabilities to segments for the purpose of internal control.
5. MUFG Americas Holdings Corporation (“MUAH”) is a financial holding company for local banking companies and the Bank’s branches in the United States of America as well as local companies and the Bank’s branches in Latin America and Canada and manages the Americas business of the Bank.
6. Figures from Bank of Ayudhya are calculated based on the accounting standards in Thailand.

Bank of Ayudhya and the former BTMU Bangkok branch were integrated on January 5, 2015, but the figures of the former Bangkok branch for the six-month period ended September 30, 2014 are not included in “Bank of Ayudhya.” Figures of the former Bangkok branch for the six-month period ended September 30, 2014 are included in “Total” of “Global Business Unit” and “Global Markets Unit.” Gross operating income, expenses and net operating income of the former Bangkok branch were ¥13,650 million, ¥4,304 million and ¥9,345 million, respectively.

7. Amortization of goodwill of MUAH and Bank of Ayudhya are included in “Expenses” of “Total” of “Global Business Unit.”

- (4) A reconciliation of the ordinary profit under the internal management reporting system and “Net operating income” in the table above was as follows:

Six-month periods ended September 30	Millions of Yen		Millions of U.S. Dollars
	2015	2014	2015
Net operating income per reportable segment information	¥ 580,586	¥ 579,918	\$ 4,840
Net business profit of subsidiaries excluded from the reportable segment information	29,178	30,287	243
Credit related expenses	(77,327)	(48,194)	(645)
Reversal of allowance for credit losses	50,403	80,325	420
Reversal of reserve for contingent losses (credit related)	–	4,453	–
Gains on collection of bad debts	17,859	17,680	149
Gains on equity securities and other securities	36,785	7,802	307
Equity in earnings of the equity method investees	16,751	13,549	140
Amortization of net unrecognized actuarial gain or loss	(14,256)	(14,455)	(119)
Other	(2,055)	(7,965)	(17)
Ordinary profit under the internal management reporting system	¥ 637,926	¥ 663,401	\$ 5,318

Notes:

- “Credit related expenses” includes write-offs of loans.
- “Gains on equity securities and other securities” includes gains or losses on sales of equity securities and losses on write-down of equity securities.

- (5) Other segment related information

- 1) Information by service

Six-month period ended September 30, 2015	Millions of Yen		
	Banking	Other	Total
Ordinary income from external customers	¥ 2,051,027	¥ 23,259	¥ 2,074,286

Six-month period ended September 30, 2014	Millions of Yen		
	Banking	Other	Total
Ordinary income from external customers	¥ 1,903,710	¥ 48,032	¥ 1,951,743

Six-month period ended September 30, 2015	Millions of U.S. Dollars		
	Banking	Other	Total
Ordinary income from external customers	\$ 17,097	\$ 194	\$ 17,291

Note: “Ordinary income” corresponds to net sales of non-banking industries.

- 2) Information by geographic region

- A) Ordinary income

Millions of Yen						
Six-month period ended September 30, 2015						
Japan	USA	North America (except for USA)	Latin America	Europe/Middle East	Asia/Oceania	Total
¥ 1,171,252	¥ 373,659	¥ 6,929	¥ 20,123	¥ 96,216	¥ 406,104	¥ 2,074,286

Millions of Yen						
Six-month period ended September 30, 2014						
Japan	USA	North America (except for USA)	Latin America	Europe/Middle East	Asia/Oceania	Total
¥ 1,101,200	¥ 325,708	¥ 6,633	¥ 15,709	¥ 117,622	¥ 384,868	¥ 1,951,743

Millions of U.S. Dollars						
Six-month period ended September 30, 2015						
Japan	USA	North America (except for USA)	Latin America	Europe/Middle East	Asia/Oceania	Total
\$ 9,763	\$ 3,115	\$ 58	\$ 168	\$ 802	\$ 3,385	\$ 17,291

Notes:

- “Ordinary income” corresponds to net sales of non-banking industries.
- “Ordinary income” is classified into counties or geographic regions based on the locations of the head office or branches of the Bank and subsidiaries.

B) Tangible fixed assets

Millions of Yen							
As of September 30, 2015							
Japan	USA	North America (except for USA)	Latin America	Europe/Middle East	Asia/Oceania	Total	
¥ 854,796	¥ 139,669	¥ 136	¥ 2,228	¥ 9,119	¥ 86,299	¥ 1,092,251	

Millions of Yen							
As of September 30, 2014							
Japan	USA	North America (except for USA)	Latin America	Europe/Middle East	Asia/Oceania	Total	
¥ 847,900	¥ 367,202	¥ 94	¥ 2,820	¥ 7,931	¥ 73,717	¥ 1,299,667	

Millions of U.S. Dollars							
As of September 30, 2015							
Japan	USA	North America (except for USA)	Latin America	Europe/Middle East	Asia/Oceania	Total	
\$ 7,126	\$ 1,164	\$ 1	\$ 19	\$ 76	\$ 719	\$ 9,105	

3) Information on impairment loss on long-lived assets by reportable segment

Impairment loss on long-lived assets is not allocated to the reportable segments. The impairment loss was ¥1,101 million (\$9 million) and ¥689 million for the six-month periods ended September 30, 2015 and 2014, respectively.

4) Information on amortization and unamortized balance of goodwill by reportable segment

Six-month period ended September 30, 2015	Millions of Yen							
	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit			Global Markets Unit	Other units	Total
			Total	(of which MUAH)	(of which Bank of Ayudhya)			
Amortization	¥ -	¥ -	¥ 8,353	¥ -	¥ -	¥ -	¥ -	¥ 8,353
Unamortized balance	0	13	281,627	-	-	-	-	281,641

Six-month period ended September 30, 2014	Millions of Yen							
	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit			Global Markets Unit	Other units	Total
			Total	(of which MUAH)	(of which Bank of Ayudhya)			
Amortization	¥ 92	¥ -	¥ 7,084	¥ -	¥ -	¥ -	¥ -	¥ 7,177
Unamortized balance	2,410	24	253,498	-	-	-	-	255,933

Six-month period ended September 30, 2015	Millions of U.S. Dollars							
	Retail Banking Business Unit	Corporate Banking Business Unit	Global Business Unit			Global Markets Unit	Other units	Total
			Total	(of which MUAH)	(of which Bank of Ayudhya)			
Amortization	\$ -	\$ -	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ 70
Unamortized balance	0	0	2,348	-	-	-	-	2,348

Note:

Amortization of goodwill and unamortized balance of goodwill of MUAH and Bank of Ayudhya are included in "Total" of "Global Business Unit."

24. SUBSEQUENT EVENT

Borrowing of Perpetual Subordinated Loan with Write-down Clause

The Bank has determined a borrowing under the following terms and conditions on October 23, 2015, based on the resolution made at the Board of Directors' meeting held on March 26, 2015, and executed the borrowing on October 29, 2015:

(1)Type of borrowing:	Perpetual subordinated loan with write-down clause
(2)Amount of borrowing:	¥150.0 billion (\$1,250 million)
(3)Term:	Perpetual Provided, however, that the Bank may, at its discretion, repay the loan on any interest payment date on January 15, 2026 or thereafter or upon the occurrence of a tax event or a capital event.
(4)Interest rate:	From the day immediately following October 29, 2015 until January 15, 2026: 2.50% per annum From the day immediately following January 15, 2026: 6-month euro-yen LIBOR + 2.00%
(5)Execution date:	October 29, 2015
(6)Interest payment dates:	January 15 and July 15 of each year
(7)Use of proceeds:	To enhance the regulatory capital of the Bank. The perpetual subordinated loans will be qualified as the Bank's Tier 1 capital under the current applicable capital adequacy requirements.
(8)Liquidation preference:	The loan ranks, as to the payment of liabilities in the Bank's liquidation proceedings (excluding special liquidation proceedings), effectively, junior to the general creditors and dated subordinated creditors of the Bank, senior to the Bank's common shares, and <i>pari passu</i> with the Bank's preferred shares and preferred securities.
(9)Loan lender:	Mitsubishi UFJ Financial Group, Inc.

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