

Semi-annual Securities Report

“Hanki Hokokusho”

(Excerpt)

for the six-month period ended September 30, 2023

MUFG Bank, Ltd.

1. Semi-annual Consolidated Financial Statements and Notes (Unaudited)

(1) Semi-annual Consolidated Balance Sheets (Unaudited)

(in millions of yen)	As of March 31, 2023	As of September 30, 2023
Assets:		
Cash and due from banks (Note 4)	92,016,699	87,975,310
Call loans and bills bought	1,048,223	1,281,352
Receivables under resale agreements (Note 2)	4,388,214	4,516,140
Receivables under securities borrowing transactions (Note 2)	895,359	1,159,710
Monetary claims bought (Note 2)	4,664,580	4,915,860
Trading assets (Note 4)	7,391,824	8,840,663
Money held in trust	46,753	43,841
Securities (Notes 1, 2, 3, 4 and 11)	72,239,502	68,403,240
Loans and bills discounted (Notes 2, 3, 4, 5 and 6)	106,474,163	110,954,691
Foreign exchanges (Notes 2 and 3)	2,051,851	1,627,029
Other assets (Notes 3 and 4)	11,383,199	14,989,505
Tangible fixed assets (Note 7 and 8)	897,648	903,817
Intangible fixed assets	699,763	792,840
Net defined benefit assets	839,105	866,633
Deferred tax assets	336,606	436,410
Customers' liabilities for acceptances and guarantees (Note 3)	9,598,727	10,333,991
Allowance for credit losses	(1,123,017)	(1,253,584)
Total assets	313,849,208	316,787,454
Liabilities:		
Deposits	202,318,702	205,540,585
Negotiable certificates of deposit	8,972,362	10,272,889
Call money and bills sold	35,069	77,939
Payables under repurchase agreements (Note 4)	28,045,447	18,733,505
Payables under securities lending transactions (Note 4)	222,656	46,845
Commercial papers	1,834,968	2,843,945
Trading liabilities	3,256,319	4,323,578
Borrowed money (Notes 4, 5 and 9)	33,614,592	35,088,195
Foreign exchanges (Note 2)	2,631,571	2,781,564
Bonds payable (Notes 4 and 10)	2,129,686	1,907,397
Other liabilities	8,541,070	11,537,053
Reserve for bonuses	109,066	73,715
Reserve for bonuses to directors	2,937	1,491
Reserve for stocks payment	3,705	3,434
Net defined benefit liabilities	77,795	87,167
Reserve for retirement benefits to directors	462	454
Reserve for loyalty award credits	11,931	11,473
Reserve for contingent losses (Note 12)	81,897	76,376
Deferred tax liabilities	15,911	15,722
Deferred tax liabilities for land revaluation (Note 7)	85,736	83,842
Acceptances and guarantees	9,598,727	10,333,991
Total liabilities	301,590,620	303,841,171

(in millions of yen)	As of March 31, 2023	As of September 30, 2023
Net assets:		
Capital stock	1,711,958	1,711,958
Capital surplus	3,662,223	3,660,984
Retained earnings	5,403,610	5,941,523
Treasury stock	(645,700)	(645,700)
Total shareholders' equity	10,132,092	10,668,765
Net unrealized gains (losses) on available-for-sale securities	743,636	685,199
Net deferred gains (losses) on hedging instruments	(473,280)	(775,840)
Land revaluation excess (Note 7)	168,507	164,481
Foreign currency translation adjustments	1,055,848	1,576,978
Remeasurements of defined benefit plans	128,840	114,066
Total accumulated other comprehensive income	1,623,554	1,764,885
Non-controlling interests	502,941	512,631
Total net assets	12,258,588	12,946,283
Total liabilities and net assets	313,849,208	316,787,454

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

(2) Semi-annual Consolidated Statements of Income and
Semi-annual Consolidated Statements of Comprehensive Income (Unaudited)
Semi-annual Consolidated Statements of Income (Unaudited)

(in millions of yen)	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Ordinary income	3,016,381	4,053,129
Interest income	1,843,075	2,883,045
Interest on loans and bills discounted	1,050,797	1,767,869
Interest and dividends on securities	507,097	412,912
Trust fees	7,082	-
Fees and commissions	481,821	529,500
Trading income	130,379	113,984
Other operating income	311,826	308,553
Other ordinary income (Note 1)	242,195	218,045
Ordinary expenses	2,857,990	3,211,537
Interest expenses	567,609	1,817,421
Interest on deposits	256,664	847,414
Fees and commissions	90,264	95,729
Trading expenses	63,238	-
Other operating expenses (Note 4)	757,702	119,908
General and administrative expenses (Note 2)	987,326	936,456
Other ordinary expenses (Note 3 and 4)	391,849	242,020
Ordinary profits	158,391	841,591
Extraordinary gains	5,843	6,701
Gains on disposition of fixed assets	5,843	6,701
Extraordinary losses	38,565	26,808
Losses on disposition of fixed assets	4,430	4,661
Losses on impairment of fixed assets	4,149	22,147
Losses on sales of shares of affiliates	29,985	-
Profits before income taxes	125,669	821,484
Income taxes-current	144,784	157,114
Income taxes-deferred	42,097	47,803
Total taxes	186,881	204,917
Profits (Losses)	(61,212)	616,567
Profits (Losses) attributable to non-controlling interests	(17,352)	13,026
Profits (Losses) attributable to owners of parent	(43,859)	603,540

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

Semi-annual Consolidated Statements of Comprehensive Income (Unaudited)

(in millions of yen)	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profits (Losses)	(61,212)	616,567
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	(841,494)	(58,114)
Net deferred gains (losses) on hedging instruments	(366,793)	(302,585)
Foreign currency translation adjustments	948,433	535,149
Remeasurements of defined benefit plans	(20,998)	(14,698)
Share of other comprehensive income of associates accounted for using equity method	19,194	18,903
Total other comprehensive income	<u>(261,659)</u>	<u>178,655</u>
Comprehensive income	<u>(322,871)</u>	<u>795,222</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(355,779)	748,898
Comprehensive income attributable to non-controlling interests	32,908	46,323

(3) Semi-annual Consolidated Statements of Changes in Net Assets (Unaudited)

For the six months ended September 30, 2022

(in millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedging instruments
Balance at the beginning of the period	1,711,958	3,669,248	5,127,252	(645,700)	9,862,758	1,230,161	(115,487)
Changes during the period							
Cash dividends			(336,415)		(336,415)		
Losses attributable to owners of parent			(43,859)		(43,859)		
Reversal of land revaluation excess			4,902		4,902		
Changes in subsidiaries' equity		(1,566)			(1,566)		
Net changes of items other than shareholders' equity						(845,076)	(366,087)
Total changes during the period	—	(1,566)	(375,372)	—	(376,938)	(845,076)	(366,087)
Balance at the end of the period	1,711,958	3,667,681	4,751,880	(645,700)	9,485,820	385,085	(481,574)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Land revaluation excess	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	179,246	454,804	175,242	1,923,967	456,174	12,242,901
Changes during the period						
Cash dividends						(336,415)
Losses attributable to owners of parent						(43,859)
Reversal of land revaluation excess						4,902
Changes in subsidiaries' equity						(1,566)
Net changes of items other than shareholders' equity	(4,902)	920,244	(21,000)	(316,822)	34,092	(282,729)
Total changes during the period	(4,902)	920,244	(21,000)	(316,822)	34,092	(659,667)
Balance at the end of the period	174,344	1,375,048	154,241	1,607,144	490,267	11,583,233

For the six months ended September 30, 2023

(in millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedging instruments
Balance at the beginning of the period	1,711,958	3,662,223	5,403,610	(645,700)	10,132,092	743,636	(473,280)
Changes during the period							
Cash dividends			(69,654)		(69,654)		
Profits attributable to owners of parent			603,540		603,540		
Reversal of land revaluation excess			4,025		4,025		
Changes in subsidiaries' equity		(1,239)			(1,239)		
Net changes of items other than shareholders' equity						(58,436)	(302,560)
Total changes during the period	—	(1,239)	537,912	—	536,672	(58,436)	(302,560)
Balance at the end of the period	1,711,958	3,660,984	5,941,523	(645,700)	10,668,765	685,199	(775,840)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Land revaluation excess	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the period	168,507	1,055,848	128,840	1,623,554	502,941	12,258,588
Changes during the period						
Cash dividends						(69,654)
Profits attributable to owners of parent						603,540
Reversal of land revaluation excess						4,025
Changes in subsidiaries' equity						(1,239)
Net changes of items other than shareholders' equity	(4,025)	521,129	(14,774)	141,331	9,690	151,021
Total changes during the period	(4,025)	521,129	(14,774)	141,331	9,690	687,694
Balance at the end of the period	164,481	1,576,978	114,066	1,764,885	512,631	12,946,283

(4) Semi-annual Consolidated Statements of Cash Flows (Unaudited)

(in millions of yen)	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from operating activities:		
Profits before income taxes	125,669	821,484
Depreciation and amortization	98,012	104,166
Impairment losses	4,149	22,147
Amortization of goodwill	3,749	2,917
Equity in losses (gains) of equity method investees	(23,118)	(22,320)
Increase (decrease) in allowance for credit losses	(106,869)	71,665
Increase (decrease) in reserve for bonuses	5,106	(39,799)
Increase (decrease) in reserve for bonuses to directors	1,405	(1,839)
Increase (decrease) in reserve for stocks payment	(224)	(271)
Decrease (increase) in net defined benefit assets	(26,122)	(17,257)
Increase (decrease) in net defined benefit liabilities	588	1,774
Increase (decrease) in reserve for retirement benefits to directors	(31)	(8)
Increase (decrease) in reserve for loyalty award credits	(18)	(1,238)
Increase (decrease) in reserve for contingent losses	(32,465)	(6,850)
Interest income recognized on statement of income	(1,843,075)	(2,883,045)
Interest expenses recognized on statement of income	567,609	1,817,421
Losses (gains) on securities	633,983	(73,181)
Losses (gains) on money held in trust	4,913	3,280
Foreign exchange losses (gains)	(2,125,088)	(2,132,645)
Losses (gains) on sales of fixed assets	(1,413)	(2,040)
Net decrease (increase) in trading assets	(2,518,100)	(1,340,751)
Net increase (decrease) in trading liabilities	1,725,829	1,021,243
Adjustment of unsettled trading accounts	221,900	(320,730)
Net decrease (increase) in loans and bills discounted	(6,794,138)	(3,643,483)
Net increase (decrease) in deposits	2,328,660	2,288,219
Net increase (decrease) in negotiable certificates of deposit	2,130,968	1,281,075
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(7,330,266)	113,470
Net decrease (increase) in call loans and bills bought and others	(1,488,105)	(311,139)
Net decrease (increase) in receivables under securities borrowing transactions	406,174	(181,327)
Net increase (decrease) in call money and bills sold and others	8,386,363	(9,523,768)
Net increase (decrease) in commercial papers	847,911	1,008,976
Net increase (decrease) in payables under securities lending transactions	(108,443)	(176,663)
Net decrease (increase) in foreign exchanges (assets)	(96,296)	457,532
Net increase (decrease) in foreign exchanges (liabilities)	177,301	148,550
Net increase (decrease) in issuance and redemption of unsubordinated bonds payable	3,920	(283,242)
Interest income (cash basis)	1,802,785	2,799,579
Interest expenses (cash basis)	(463,871)	(1,750,062)
Others	311,677	(596,739)
Sub-total	(3,168,968)	(11,344,900)
Income taxes	(237,367)	(337,702)
Refund of income taxes	18,343	38,816
Net cash provided by (used in) operating activities	(3,387,991)	(11,643,786)

(in millions of yen)	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from investing activities:		
Purchases of securities	(44,594,786)	(37,260,720)
Proceeds from sales of securities	24,503,118	30,295,714
Proceeds from redemption of securities	16,268,508	12,872,154
Payments for increase in money held in trust	(77,919)	(1,759)
Proceeds from decrease in money held in trust	75,732	1,594
Purchases of tangible fixed assets	(25,342)	(25,333)
Purchases of intangible fixed assets	(72,712)	(86,453)
Proceeds from sales of tangible fixed assets	12,719	16,402
Proceeds from sales of intangible fixed assets	12	28
Payments for acquisition of subsidiaries' equity affecting the scope of consolidation	—	(79,841)
Others	(1,269)	(592)
Net cash provided by (used in) investing activities	<u>(3,911,939)</u>	<u>5,731,195</u>
Cash flows from financing activities:		
Proceeds from subordinated borrowings	2,299,206	1,261,950
Repayments of subordinated borrowings	(666,341)	(907,679)
Proceeds from issuance of subordinated bonds payable and bonds with warrants	1,926	—
Payments for redemption of subordinated bonds payable and bonds with warrants	(60,128)	(141)
Proceeds from issuance of common stock to non-controlling shareholders	1,305	2,044
Dividends paid by MUFG Bank	(336,415)	(69,654)
Dividends paid by subsidiaries to non-controlling shareholders	(5,390)	(5,192)
Payments for purchases of subsidiaries' equity not affecting the scope of consolidation	(373)	(1,592)
Net cash provided by (used in) financing activities	<u>1,233,788</u>	<u>279,734</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>1,441,277</u>	<u>1,586,872</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,624,864)</u>	<u>(4,045,984)</u>
Cash and cash equivalents at the beginning of the period	<u>89,394,022</u>	<u>92,016,699</u>
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	<u>—</u>	<u>4,595</u>
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	<u>(1,925)</u>	<u>—</u>
Cash and cash equivalents at the end of the period (Note 1)	<u>84,767,232</u>	<u>87,975,310</u>

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

1. Significant Accounting Policies Applied to the Semi-Annual Consolidated Financial Statements

I. Scope of consolidation

(1) Number of consolidated subsidiaries: 113

Principal companies:

Bank of Ayudhya Public Company Limited (“Krungsri”)

PT Bank Danamon Indonesia, Tbk. (“Bank Danamon”)

(a) Changes in the scope of consolidation in the six months ended September 30, 2023

Kanmu, Inc. and six other companies were newly included in the scope of consolidation due to the transfer from the scope of application of the equity method, acquisition of shares, or other reasons.

Otemachi Guarantee Co., Ltd. and one other company were excluded from the scope of consolidation due to termination accompanied with a merger or other reasons.

(2) Non-consolidated subsidiaries: None

(3) Entities not regarded as subsidiaries even though the Bank owns the majority of voting rights in its own account:

HISHOH Biopharma Co., Ltd.

(a) Reasons for excluding from the scope of consolidation

HISHOH Biopharma Co., Ltd. was not regarded as a subsidiary since the Bank’s consolidated subsidiaries in the venture capital business held its shares for the purpose of incubating their investees or earning capital gains through business revitalization, and not for the purpose of controlling the entity.

(4) Special purpose entities subject to disclosure: None

II. Application of the equity method

(1) Number of non-consolidated subsidiaries accounted for under the equity method: None

(2) Number of equity method affiliates: 41

Principal companies:

Vietnam Joint Stock Commercial Bank for Industry and Trade

Security Bank Corporation

(a) Changes in the scope of application of the equity method in the six months ended September 30, 2023

Groovenauts, Inc. and one other company were newly included in the scope of application of the equity method due to acquisition of shares or other reason.

Kanmu, Inc. and two other companies were excluded from the scope of application of the equity method due to the transfer to the scope of consolidation or other reasons.

- (3) Number of non-consolidated subsidiaries not accounted for under the equity method: None
- (4) Number of affiliates not accounted for under the equity method: None
- (5) Entities not regarded as affiliates in which the Bank owns 20% to 50% of their voting rights in its own account:

Kamui Pharma Co., Ltd.
GEXVal Inc.
Alchemedicine, Inc.
DT Axis Inc.
Feliqs Corporation

(a) Reasons for excluding from the scope of affiliates

These entities were not regarded as affiliates because the Bank's consolidated venture capital subsidiaries owned 20% to 50% of voting rights primarily to benefit from the appreciation of their investments resulting from growth or restructuring of the investees' businesses without any intent to control.

III. Semi-annual balance sheet dates of consolidated subsidiaries

- (1) The semi-annual balance sheet dates of the consolidated subsidiaries were as follows:

The end of April:	1 subsidiary
The end of June:	78 subsidiaries
The end of September:	34 subsidiaries

- (2) The subsidiary whose six-month period end date is April 30 is consolidated based on the preliminary financial statements as of July 31.

Other subsidiaries are consolidated based on the financial information as of their six-month period end dates.

Adjustments were made in the semi-annual consolidated financial statements to reflect significant transactions within the Group occurring in the period between the six-month period end dates of subsidiaries and September 30, 2023.

IV. Accounting policies

(1) Trading assets and Trading liabilities; Trading income and expenses

Transactions involving short-term fluctuations or arbitrage opportunities in interest rates, currency exchange rates, market prices of financial instruments or other market indices (“trading purposes”) are presented in “Trading assets” and “Trading liabilities” on the consolidated balance sheet on a trade-date basis, and gains and losses from trading transactions (interest and dividends, gains or losses on sales and gains or losses on valuation) are presented in “Trading income” and “Trading expenses” on the consolidated statement of income.

Trading assets and trading liabilities are stated at fair value as of the consolidated balance sheet date.

With respect to derivative transactions for trading purposes, specific market risk and counterparty credit risk exposures are measured in groups of trading assets and trading liabilities, and fair value is determined for each such group of trading assets and trading liabilities on a net basis.

(2) Securities

- (a) Debt securities being held to maturity are stated at amortized cost (using the straight-line method) computed using the moving-average method. Available-for-sale securities are stated at their quoted market prices (cost of securities sold is calculated primarily using the moving-average method), and equity securities with no quoted market price available are stated at acquisition cost computed using the moving-average method.

Net unrealized gains (losses) on available-for-sale securities are included directly in net assets, net of applicable income taxes, except in the case of application of the fair value hedge accounting method, in which the change in the fair value recognized is recorded in current earnings.

- (b) Securities included in trust assets in money held in trust are accounted for on the same basis as noted above in Notes (1) and (2)(a).

Net unrealized gains (losses) on securities in money held in trust which are not held for trading purposes or held to maturity are included directly in net assets, net of applicable income taxes.

(3) Derivatives

Derivative transactions (excluding those for trading purposes) are stated at fair value as of the consolidated balance sheet date. With respect to derivative transactions, specific market risk and counterparty credit risk exposures are measured in groups of trading assets and trading liabilities, and fair value is determined for each such group of trading assets and trading liabilities on a net basis.

(4) Depreciation and amortization of fixed assets

- (a) Tangible fixed assets (except for lease assets)

Depreciation of tangible fixed assets of the Bank is computed using the declining-balance method, and is recorded by allocating the estimated annual depreciation amount evenly to each reporting period. The useful lives are primarily estimated as follows:

Buildings: 15 to 50 years
Other tangible fixed assets: 2 to 20 years

Depreciation of tangible fixed assets of the subsidiaries is computed primarily using the straight-line method based on their estimated useful lives and other factors.

- (b) Intangible fixed assets (except for lease assets)

Amortization of intangible fixed assets is computed using the straight-line method.

Development costs for internally used software are amortized using the straight-line method over the estimated useful lives of primarily 3 to 10 years.

(c) Lease assets

Depreciation or amortization of lease assets in “Tangible fixed assets” or “Intangible fixed assets” under finance leases other than those that are deemed to transfer the ownership of leased property to the lessees is computed using the straight-line method over the lease periods with zero residual value unless residual value is guaranteed by the corresponding lease contracts, in which case the residual value equals the guaranteed amount.

(5) Deferred assets

Bond issuance costs and stock issuance costs are expensed as incurred.

(6) Allowance for credit losses

The Bank and its domestic consolidated subsidiaries determine the amount of allowance for credit losses in accordance with the internal standards for self-assessment of asset quality and the internal standards for write-offs and provisions.

For claims on borrowers that have entered into bankruptcy, special liquidation proceedings or similar legal proceedings or whose notes have been dishonored and suspended from processing through clearing houses (“bankrupt borrowers”) or borrowers that are not legally or formally bankrupt but are regarded as substantially in similar condition (“virtually bankrupt borrowers”), allowances are provided based on the amount of claims, after the write-offs as stated below, net of expected amounts to be collected through the disposal of collateral and the execution of guarantees.

For claims on borrowers that are not yet legally or formally bankrupt but deemed to have a high possibility of becoming bankrupt (“likely to become bankrupt borrowers”), where the amounts of principal repayments and interest payments cannot be reasonably estimated from the borrowers’ cash flows, allowances are provided based on an overall solvency assessment of the claims, net of expected amounts to be collected through the disposal of collateral and the execution of guarantees.

For claims on likely to become bankrupt borrowers and claims on borrowers requiring close monitoring, where the amounts of principal repayments and interest payments can be reasonably estimated from the borrowers’ cash flows, allowances are provided in an amount equal to the difference between the book value of the claims and the relevant cash flows discounted by the initial contractual interest rates.

For other claims, allowances are provided based mainly on expected losses for the immediately following one-year period or the average remaining term to maturity of loans. Expected losses are calculated by applying a loss rate, which is obtained based on the average rate of historical credit loss experience or historical default probability experience over a certain period, which is derived from actual credit losses or actual defaults over a one-year period or over a period equal to the average remaining term to maturity of loans, with necessary adjustments for future loss projections and other factors.

For claims originated in certain foreign countries, additional allowances are provided based on an assessment of political and economic conditions of these countries.

All claims are assessed by the relevant branches and the credit supervision departments in accordance with the internal standards for self-assessment of asset quality. The credit review department, which is independent from those operating sections, subsequently audits these assessments.

For claims on bankrupt borrowers and virtually bankrupt borrowers, the amount of claims exceeding the estimated value of collateral and guarantees, which is deemed uncollectible, is written off. The total amount of write-offs was ¥200,952 million as of September 30, 2023(¥193,218 million as of March 31, 2023).

Consolidated subsidiaries not adopting the procedures stated above provide for allowances based on their historical credit loss experience or other factors for collectively assessed claims and based on individual assessments of the possibility of collection for specific deteriorated claims.

(Additional information)

(Allowance for credit losses of certain overseas subsidiaries which apply Generally Accepted Accounting Principles in the United States (“U.S. GAAP”))

Certain overseas subsidiaries which apply U.S. GAAP have adopted U.S. Accounting Standards Codification (“ASC”) Topic 326, “Financial Instruments—Credit losses,” provide for allowance for credit losses by estimating credit losses currently expected for the remaining term of the relevant contract. Expected credit losses are calculated collectively for each portfolio of loans with similar risk characteristics based on the loss rates derived from past credit loss experience or bankruptcy experience through the application of a model that incorporates future forecast information, such as macroeconomic variables, into the probability of bankruptcy, etc. In addition, adjustments are made in the calculation of allowance for credit losses for qualitative factors relating to current conditions and future forecasts which may not be sufficiently captured in such model but should be appropriately taken into account.

With respect to loan assets with deteriorated credit risk that are deemed not to entail risks in common with other loan assets, allowance for credit losses is recognized individually for each loan asset based on risks that are particular to the asset. This credit loss provisioning is done through certain methodologies, including calculating the difference between the carrying amount of the loan asset and the amount of estimated cash flows from the loan asset discounted by the effective interest rate as well as using the fair value of the collateral for the loan asset.

(Information relevant to an understanding by GAAPs of the consolidated financial statements regarding the calculation of allowance for credit losses)

The process of calculating allowance for credit losses in the Bank and its consolidated domestic subsidiaries involves various estimates such as determination of counterparty credit ratings which are based on evaluation and classification of counterparties’ debt-service capacity, assessment of the value of collateral provided by borrowers, and adjustments for future loss projections and other factors to the loss rates calculated based on historical credit loss experience.

Among these, internal credit ratings are assigned to counterparties based on qualitative factors such as the current and expected future business environment of the industry to which they belong as well as their management and funding risks in addition to quantitative financial evaluations through an analysis of their financial results. In particular, Determination of internal credit ratings for some counterparties may be highly dependent on our assessment of the prospects of improvements in their operating results and their ability to continue as going concerns.

When calculating allowance for credit losses, the Bank determines expected loss rates primarily by calculating a rate of loss based on a historical average of the credit loss rate or a historical average of the default probability derived from actual credit loss experience or actual bankruptcy experience and making necessary adjustments based on future projections and other factors. The Bank makes such adjustments based on future loss projections and other factors to loss rates calculated based on historical loss experience, when and to the extent such adjustments are deemed appropriate, by taking into account additional expected losses that are not reflected in such loss rates calculated based on historical loss experience and other factors, especially in light of the Russia-Ukraine situation. The amount of impact of these adjustments was ¥63,094 million as of September 30, 2023 (¥69,569 million as of March 31, 2023).

Given that actual loss information after the expansion of COVID-19 has been accumulated and the impact of COVID-19 is reflected in the loss rates calculated based on historical loss experience, starting in the current semi-annual reporting period, no adjustment are made based on future projections that take into account the rate of increase in the credit loss rate or the default probability in a recent period.

In addition, certain overseas subsidiaries which apply Generally Accepted Accounting Principles in the United States (“U.S. GAAP”) have adopted ASC Topic 326, “Financial Instruments—Credit losses,” provide for allowance for credit losses by estimating credit losses currently expected for the remaining term of the relevant contracts. Expected credit losses are calculated using a quantitative model that reflects economic forecast scenarios based on macroeconomic variables. The calculation process includes determination of macroeconomic variables used in multiple economic forecast scenarios and the weightings applied to each economic forecast scenario. Expected credit losses are adjusted for qualitative factors to compensate for expected credit losses that are not reflected in a quantitative model.

Significant assumptions used in our calculation of allowance for credit losses, including those described above, are subject to uncertainty. In particular, some counterparties’ prospects of improvements in their operating results and expectations as to their ability to continue as going concerns, and adjustments to the rate of loss calculated based on actual experience for future projections and other factors, as well as determination of the macroeconomic variables used in, and the weightings applied to,

multiple economic forecast scenarios, and adjustments thereto for qualitative factors, by certain subsidiaries which apply U.S. GAAP, are based on estimation relating to factors with respect to which objective data are not readily available such as changes in the economic environment, commodity prices, monetary policy and geopolitical situation in each country.

In particular, the outlook relating to the Russia-Ukraine situation remains subject to significant uncertainty. Accordingly, we make certain assumptions, including that the current Russia-Ukraine situation will remain for some time. The recorded allowance for credit losses represents our best estimation made in a manner designed to ensure objectivity and rationality.

For the six-month period ended September 30, 2023, the assumptions for making estimates relating to allowance for credit losses remained substantially unchanged because the observable changes subsequent to the end of the previous fiscal year in the factors and circumstances underlying the outlook relating to the Russia-Ukraine situation were not sufficiently significant to cause such change in the assumptions. However, these assumptions are highly uncertain, and significant additional provision for credit losses may be recognized for the the fiscal year ending March 31, 2024 and subsequent reporting periods due to these and other factors and circumstances affecting the financial performance of counterparties or the economic environment.

(7) Reserve for bonuses

Reserve for bonuses, which is provided for future bonus payments to employees, is recorded in the amount deemed to have accrued based on the estimated amount of bonuses as of the consolidated balance sheet date.

(8) Reserve for bonuses to directors

Reserve for bonuses to directors, which is provided for future bonus payments to directors, is recorded in the amount deemed to have accrued based on the estimated amount of bonuses as of the consolidated balance sheet date.

(9) Reserve for stocks payment

Reserve for stocks payment, which is provided for future payments of compensation under the stock compensation plan for directors and other executives, is recorded in the amount deemed to have accrued based on the estimated amount of compensation as of the consolidated balance sheet date.

(10) Reserve for retirement benefits to directors

Reserve for retirement benefits to directors, which is provided for future payments of retirement benefits to directors of consolidated subsidiaries, is recorded in the amount deemed to have accrued based on the estimated amount of benefits as of the consolidated balance sheet date.

(11) Reserve for loyalty award credits

Reserve for loyalty award credits, which is provided for the future redemption of points awarded to customers of consolidated subsidiaries, is calculated by estimating the amount that will be redeemed in the future based on the monetary amount converted from the awarded but unused points, and is recorded in the appropriate amount as a reserve.

(12) Reserve for contingent losses

Reserve for contingent losses, which is provided for possible losses from contingent events related to off-balance sheet transactions and various litigation and regulatory matters, is calculated by estimating the impact of such contingent events.

(13) Retirement benefits

In calculating the amount of benefit obligation, the portion of projected benefit obligation attributed to the six-month period ended September 30, 2023 is determined using the benefit formula basis.

Prior service cost is amortized using the straight-line method over a fixed period, primarily over 10 years, within the employees' average remaining service period.

Net actuarial gains (losses) are amortized using the straight-line method over a fixed period, primarily over 10 years, within the employees' average remaining service period, primarily beginning in the subsequent fiscal year after such gains (losses) are recognized.

For certain overseas branches of the Bank and some consolidated subsidiaries, net defined benefit liability and retirement benefit expenses are calculated using the simplified method.

(14) Revenue Recognition

(a) Revenue recognition

Revenues arising from contracts with customers are recognized in the consolidated statements of income based on the status of fulfillment of the performance obligations identified in each contract, depending on the actual nature of the transactions under the contract.

(b) Revenue Recognition for Principal Categories of Transactions

Revenue arising from contracts with customers is recognized using a method that is designed to closely reflect economic reality, with the timing of fulfillment of performance obligations, which is an important factor in determining the timing of revenue recognition, assessed as described below.

In most cases, the consideration for a transaction is settled in cash at the time of the transaction. In other cases, receivables recognized in connection with transactions are generally collected within one year.

Of the fees and commissions, those on remittances and transfers consist mainly of remittance and transfer fees and are recognized as revenue at the time of settlement.

Of the fees and commissions, those on deposits consist mainly of ATM usage fees and periodic account management service fees. ATM usage fees are recognized as revenue at the time of execution of transactions, and periodic account management service fees are recorded as revenue over the service period.

Of the fees and commissions, those on loans consist mainly of the consideration for administration and management services during the tenors of syndicated loans and the consideration for financial and financing advice to clients, and are recorded as revenue over the service period.

Of the fees and commissions, those on securities-related services consist primarily of consideration for referral of the Bank's customers to securities companies and transaction mediation services and revenue is recognized at the point in time when the related services are provided to the Bank's customers by the securities company.

Of the fees and commissions, those on credit card business consist mainly of credit card merchant fees and royalty fees from franchised merchants. Merchant fees are recorded as revenue at the time when the credit sale data is received, and royalty fees from franchised merchants are recorded as revenue over the service period.

(15) Translation of assets and liabilities denominated in foreign currencies

Assets and liabilities denominated in foreign currencies or booked at overseas branches of the Bank are translated into yen primarily at exchange rates prevailing at the consolidated balance sheet date, except for investments in non-consolidated affiliates which are translated into yen at exchange rates prevailing at the acquisition dates.

Assets and liabilities denominated in foreign currencies of other consolidated subsidiaries are translated into yen at exchange rates prevailing at the respective balance sheet date.

(16) Leasing transactions

(As Lessees)

The Bank's and its domestic consolidated 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 by the corresponding lease contracts, in which case the residual value equals the guaranteed amount.

(As Lessors)

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 as "Other ordinary income."

(17) Hedge accounting

(a) Hedge accounting for interest rate risks

The Bank has adopted the deferred hedge accounting method for hedging transactions to hedge interest rate risks arising from financial assets and liabilities, except for certain transactions qualifying for special hedge accounting treatment of interest rate swaps. Portfolio hedging or individual hedging, as described in the Japanese Institute of Certified Public Accountants (“JICPA”) Industry Committee Practical Guidelines No. 24, “Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry” (March 17, 2022), and JICPA Accounting Committee Report No. 14 “Practical Guidelines for Accounting for Financial Instruments” (January 31, 2000), is 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 JICPA Industry Committee Practical Guidelines No. 24. With respect to hedging transactions to offset fluctuations in the 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 the type of bond. 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, loans and other instruments as well as forecasted transactions related to 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 tenors in accordance with JICPA Industry Committee Practical Guidelines 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 the correlation between factors that cause fluctuations in interest rates of hedged items and those of hedging instruments.

(b) Hedge accounting for foreign currency risks

The Bank has adopted the deferred hedge accounting method for hedging foreign currency risks arising from financial assets and liabilities denominated in foreign currencies, except for certain transactions qualifying for the allocation method applicable to forward exchange contracts and other contracts. Portfolio hedging is applied to determine hedged items as described in JICPA Industry Committee Practical Guidelines No. 25 “Treatment of Accounting and Auditing concerning Accounting for Foreign Currency Transactions in the Banking Industry” (October 8, 2020). Hedging instruments (e.g., currency swaps and forward exchange contracts) are designated to hedged items collectively by currencies.

Portfolio hedging or individual hedging is applied to hedge foreign currency risks arising from equity investments in foreign subsidiaries and foreign affiliates and from available-for-sale securities (other than bonds) denominated in foreign currencies. Monetary claims and liabilities denominated in the same foreign currencies or forward exchange contracts are used as hedging instruments. As for the hedge accounting method applied to equity investments in foreign subsidiaries and foreign affiliates, foreign currency translation differences arising from hedging instruments are recorded as foreign currency translation adjustments. The fair value hedge accounting method is applied to available-for-sale securities (other than bonds) denominated in foreign currencies.

(c) Hedge accounting for stock price fluctuation risks

Individual hedging is applied to hedge market fluctuation risks arising from strategic equity securities held by the Bank. Instruments such as total return swaps are used as hedging instruments. The effectiveness of hedging transactions is assessed by the correlation between changes in the fair value of hedged items and changes in the fair value of hedging instruments. The fair value hedge accounting method is applied.

(d) Transactions among consolidated subsidiaries

Derivative transactions including interest rate swaps and currency swaps which are designated as hedging instruments among consolidated subsidiaries or between trading accounts and other accounts (or among internal sections) are not eliminated from the consolidated statements of income or valuation difference, but are recognized as related gains or losses or deferred under hedge accounting because these derivative transactions meet non-arbitrariness and certain other criteria under JICPA Industry Committee Practical Guidelines No. 24 and No. 25 and are regarded as equivalent to external third-party cover transactions.

(18) Cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows are defined as “Cash and due from banks” on the consolidated balance sheet.

(19) Consumption taxes

National and local consumption taxes are primarily excluded from transaction amounts of the Bank and its domestic consolidated subsidiaries. Non-deductible portions of consumption taxes on the purchases of tangible fixed assets are expensed when incurred.

(20) Adoption of the Group Tax Sharing System

The Bank and some of its domestic consolidated subsidiaries have adopted the group tax sharing system in which Mitsubishi UFJ Financial Group is the tax sharing parent company.

(21) Accounting of bills discounted and rediscounted

Bills discounted and rediscounted are accounted for as financial trading in accordance with JICPA Industry Committee Practical Guidelines No. 24.

(22) Accounting standards for foreign subsidiaries

If the financial statements of foreign subsidiaries are prepared in accordance with the International Financial Reporting Standards (“IFRS”) or U.S. GAAP, such financial statements are used in the consolidated accounting process.

If the financial statements of foreign subsidiaries are prepared in accordance with generally accepted accounting principles in each domicile country and not in accordance with IFRS or U.S. GAAP, the financial statements of foreign subsidiaries are mainly rearranged in accordance with U.S. GAAP.

Adjustments are also made when necessary in the consolidated accounting process.

2. Semi-annual Consolidated Balance Sheets

I. Equity securities and other capital investments in affiliates

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Equity securities in affiliates	¥ 385,339	¥ 413,629
Other capital investments in affiliates	34,826	51,101

The amount of investments in jointly controlled companies included in the amounts in the above table was as follows:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Investments in jointly controlled companies	¥ 5,956	¥ 6,923

II. Securities loaned under unsecured and secured securities lending transactions included in “Securities” and “Monetary claims bought”.

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Securities loaned under unsecured and secured securities lending transactions	¥ 67,668	¥ 303,278

Securities borrowed under securities borrowing transactions and securities purchased under resale agreements where the borrowers or purchasers have the right to dispose of the securities through sale or re-pledging without any restrictions

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Securities re-pledged	¥ 6,163,061	¥ 3,815,731
Securities re-loaned	—	839,237
Securities held without disposition	5,212,622	8,976,258

Bank acceptance bills discounted, commercial bills discounted and foreign currency bills bought discounted with the right to dispose of the bills discounted through sale or re-pledging without any restrictions

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Bills discounted (face value)	¥ 1,114,509	¥ 923,759

Foreign currency bills bought which were re-discounted upon transfer

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Foreign currency bills re-discounted (face value)	¥ 8,289	¥ 3,079

III. Loans to be disclosed under the Banking Act and the Financial Reconstruction Act (the “FRA”) were as follows. Disclosed loans include corporate bonds included in Securities (to the extent that such bonds were issued through private placements as stipulated in Article 2-3 of the Financial Instruments and Exchange Act and that the principal of and interest on such bonds are partly or fully guaranteed by the Bank), Loans and bills discounted, Foreign exchanges, accrued interest and suspense payments included in Other assets, and Customers' liabilities for acceptances and guarantees, each as included in the consolidated balance sheets, and securities loaned (to the extent borrowers have the right to sell or pledge such securities) as included in the notes to the consolidated balance sheets.

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Bankrupt or De facto Bankrupt	¥ 190,802	¥ 197,116
Doubtful	¥ 632,733	¥ 578,003
Special Attention	¥ 554,588	¥ 568,029
Accruing loans contractually past due 3 months or more	¥ 17,031	¥ 18,876
Restructured loans	¥ 537,556	¥ 549,152
Subtotal	¥ 1,378,123	¥ 1,343,149
Normal	¥ 117,505,927	¥ 122,430,753
Total	¥ 118,884,050	¥ 123,773,903

Bankrupt or De facto Bankrupt represents loans to borrowers that are bankrupt or in substantially similar condition due to reasons including a petition being filed to commence bankruptcy, reorganization or rehabilitation proceedings.

Doubtful represents loans to borrowers that are not yet in a state of bankruptcy but that are in deteriorated financial condition, with deteriorated operating results, and with a high likelihood of loan principal and interest not being collected or received in accordance with contractual terms, other than loans included in the Bankrupt or De facto Bankrupt category.

Accruing loans contractually past due 3 months or more represent loans with respect to which principal repayments or interest payments have been past due for 3 months or more, other than loans included in the Bankrupt or De facto Bankrupt category or the Doubtful category.

Restructured loans represent loans that have been modified with concessionary terms, including interest rate reductions, deferral of interest payments, deferral of principal repayments, waivers of loan claims and other renegotiated terms, that are favorable to borrowers, for the purpose of assisting such borrowers in improving their financial condition, other than loans included in the Bankrupt or De facto Bankrupt category, the Doubtful category or the Accruing loans contractually past due 3 months or more category.

Normal represents loans with no particular issues identified in terms of the financial condition and results of operations of borrowers and thus not included in the Bankrupt or De facto Bankrupt category, the Doubtful category, the Accruing loans contractually past due 3 months or more category or the Restructured loan category.

The amounts provided in the table above represent gross amounts before deduction of allowance for credit losses.

IV. Assets pledged as collateral

Assets pledged as collateral and their relevant liabilities as of March 31, 2023 and September 30, 2023 were as follows:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Assets pledged as collateral:		
Cash and due from banks	¥ 3,948	¥ 4,354
Securities	9,934,986	9,922,552
Loans and bills discounted	11,424,500	11,822,444
Other assets	—	686
Total	¥ 21,363,435	¥ 21,750,037
Relevant liabilities to above assets:		
Borrowed money	¥ 21,340,193	¥ 21,707,350
Bonds payable	15,499	15,835

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

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Cash and due from banks	¥ 33,382	¥ —
Trading assets	956,696	1,330,758
Securities	14,856,257	14,719,188
Loans and bills discounted	1,107,742	1,614,366

Furthermore, the following assets were sold under repurchase agreements or loaned under securities lending transactions with cash collateral as of March 31, 2023 and September 30, 2023:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Trading assets	¥ 1,142,517	¥ 1,484,115
Securities	19,596,761	10,772,076
Total	¥ 20,739,279	¥ 12,256,192
Relevant liabilities to above assets:		
Payables under repurchase agreements	¥ 21,911,599	¥ 14,336,660
Payables under securities lending transactions	222,656	46,628

In addition, the following assets were pledged under general collateral repurchase agreements using the subsequent collateral allocation method as of March 31, 2023 and September 30, 2023:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Securities	¥ 1,668,012	¥ 2,580,728

V. Non-recourse debt of consolidated special purpose companies was as follows.

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Non-recourse debt		
Borrowed money	¥ 2,100	¥ 2,100
Relevant assets to above non-recourse debt:		
Loans and bills discounted	¥ 20,000	¥ 20,000

The above table includes certain assets reported in the immediately preceding Item IV.

VI. Overdraft facilities and commitment lines of credit are binding contracts under which the Bank's consolidated subsidiaries have obligations to disburse funds up to predetermined limits upon the borrower's request as long as there has been no breach of contracts. The total amount of the unused portion of these facilities as of March 31, 2023 and September 30, 2023 was as follows:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Unused overdraft facilities and commitment lines of credit	¥ 89,945,234	¥ 93,403,697

The total amount of the unused portion does not necessarily represent the 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 borrowers' request for disbursement or decrease contracted limits for cause, such as changes in financial market conditions or deterioration in the borrowers' 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 borrowers' business conditions in accordance with internal procedures, which may lead to renegotiation of the terms and conditions of the contracts and/or initiation of the request for additional collateral and/or guarantees.

- VII. In accordance with the “Law concerning Revaluation of Land” (the “Land Revaluation Law”) (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” in liabilities, is stated as “Land revaluation excess” in equity.

Date of revaluation: March 31, 1998

The method of revaluation of assets is set forth in Article 3-3 of the “Act”:

Fair values are determined based on (1) “Published land price under the Land Price Publication Law” stipulated in Article 2-1 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 2-2 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 2-4 of “Order” with price adjustments by shape and time.

- VIII. Accumulated depreciation on tangible fixed assets

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Accumulated depreciation	¥ 806,641	¥ 820,106

- IX. Subordinated borrowings with special contractual provisions which rank below other debts with regard to the fulfillment of obligations included in “Borrowed money”

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Subordinated borrowings	¥ 11,145,282	¥ 12,398,469

- X. Subordinated bonds included in “Bonds payable”

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Subordinated bonds	¥ 459,719	¥ 476,777

- XI. Guarantee obligations for private placement bonds (provided in accordance with the Article 2-3 of the Financial Instruments and Exchange Law) among the bonds and other securities included in “Securities”

	(in millions of yen)	
	March 31, 2023	September 30, 2023
	¥ 313,903	¥ 337,657

XII. Contingent liabilities

(Litigation)

In the ordinary course of business, the Group is subject to various litigation and regulatory matters. In accordance with applicable accounting guidance, the Group establishes a Reserve for Contingent Losses arising from litigation and regulatory matters when they are determined to be probable in their occurrences and the probable loss amount can be reasonably estimated. Based upon current knowledge and consultation with counsel, management believes the eventual outcome of such litigation and regulatory matters, where losses are probable and the probable loss amounts can be reasonably estimated, would not have a material adverse effect on the Group's financial position, results of operations or cash flows.

Management also believes the amount of loss that is reasonably possible, but not probable, from various litigation and regulatory matters is not material to the Group's financial position, results of operations or cash flows.

3. Semi-annual Consolidated Statements of Income

I. “Other ordinary income” for the periods indicated included the following:

	(in millions of yen)			
	For the six months ended September 30,			
	2022		2023	
Gain on collection of bad debts	¥	34,276	¥	36,848
Gains on sales of equity securities		126,250		116,523
Equity in earnings of the equity method investees		23,118		22,320
Gains on reversal of reserve for contingent losses		28,687		884

II. “General and administrative expenses” for the periods indicated included the following:

	(in millions of yen)			
	For the six months ended September 30,			
	2022		2023	
Personnel expenses	¥	468,379	¥	451,991
Depreciation and amortization		98,012		104,166

III. “Other ordinary expenses” for the periods indicated included the following:

	(in millions of yen)			
	For the six months ended September 30,			
	2022		2023	
Write-offs of loans	¥	255,988	¥	33,726
Provision for allowance for credit losses		5,131		133,229
Write-offs of equity securities		54,143		2,803

IV. (Additional information)

In connection with the planned sale of the shares in MUFG Union Bank, N.A. (hereinafter referred to as “MUB”), MUFG Americas Holdings Corporation recognized an aggregate of ¥631,861 million of losses for the six months ended June 30, 2022, primarily in accordance with ASC Topic 326, “Financial Instruments—Credit losses,” and ASC Topic 310, “Receivables.” The aggregate losses reflected ¥385,215 million of valuation losses related to securities held for sale recorded as Other operating expenses and ¥232,571 million of valuation losses related to loans held for sale recorded as Other ordinary expenses.

4. Semi-annual Consolidated Statements of Changes in Net Assets

For the six months ended September 30, 2022

I. Information on the class and number of issued shares and treasury stock

	(Thousand shares)				
	Number of shares as of April 1, 2022	Number of shares increased	Number of shares decreased	Number of shares as of September 30, 2022	Note
Issued shares:					
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	

II. Information on share subscription rights

None.

III. Information on cash dividends

(1) Cash dividends paid during the six-month period ended September 30, 2022

Date of approval	Type of stock	Total dividends (in millions of yen)	Dividend per share (in yen)	Dividend record date	Effective date
Meeting of Board of Directors on May 16, 2022	Common stock	156,474	12.67	March 31, 2022	May 17, 2022
Meeting of Board of Directors on July 29, 2022	Common stock	179,940	14.57	–	August 1, 2022

(2) Dividends the record date for which fell within the six-month period ended September 30, 2022 and the effective date of which was after the six-month period

None.

For the six months ended September 30, 2023

I. Information on the class and number of issued shares and treasury stock

	(Thousand shares)				
	Number of shares as of April 1, 2023	Number of shares increased	Number of shares decreased	Number of shares as of September 30, 2023	Note
Issued shares:					
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	

II. Information on share subscription rights

None.

III. Information on cash dividends

(1) Cash dividends paid during the six-month period ended September 30, 2023

Date of approval	Type of stock	Total dividends (in millions of yen)	Dividend per share (in yen)	Dividend record date	Effective date
Meeting of Board of Directors on May 15, 2023	Common stock	69,654	5.64	March 31, 2023	May 16, 2023

(2) Dividends the record date for which fell within the six-month period ended September 30, 2023 and the effective date of which was after the six-month period

Date of approval	Type of stock	Total dividends (in millions of yen)	Source of dividends	Dividend per share (in yen)	Dividend record date	Effective date
Meeting of Board of Directors on November 14, 2023	Common stock	111,767	Retained earnings	9.05	September 30, 2023	November 15, 2023

5. Semi-annual Consolidated Statements of Cash Flows

- I. “Cash and cash equivalents” compared to items presented on the Semi-annual consolidated balance sheet
The amount of “Cash and cash equivalents” is equal to the amount of “Cash and due from banks” on the Semi-annual consolidated balance sheet.

6. Leases

Operating leases

I. Lessee

Future lease payments, including interest expenses, under non-cancelable operating leases as of March 31, 2023 and September 30, 2023 were as follows:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Due within one year	¥ 22,743	¥ 25,070
Due after one year	67,784	76,484
Total	¥ 90,527	¥ 101,554

(Note) The above table does not include lease payments that are booked as "Right-of-use assets" at overseas subsidiaries.

II. Lessor

Future lease receivables, including interest receivables, under non-cancelable operating leases as of March 31, 2023 and September 30, 2023 were as follows:

	(in millions of yen)	
	March 31, 2023	September 30, 2023
Due within one year	¥ 1,877	¥ 2,153
Due after one year	36,259	37,679
Total	¥ 38,137	¥ 39,832

7. Financial Instruments

I. Matters concerning fair value of financial instruments and breakdown by input level

The amounts on the semi-annual consolidated balance sheet (the amounts on the consolidated balance sheet), the fair value of financial instruments, the difference between them as well as a breakdown of financial instruments by input level are as follows.

The following tables do not include investment trusts which are accounted for in accordance with Paragraphs 24-3 and 24-9 of ASBJ Implementation Guidance No. 31, "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ, June 17, 2021) ("Implementation Guidance on Fair Value Measurement"), stocks with no market price, etc. and investments in partnerships and others which are accounted for in accordance with Paragraph 24-16 of the Implementation Guidance on Fair Value Measurement. (See Note (*2) to each of the tables in (1), (Note 3) and (Note 4) below.)

The fair values of financial instruments are classified into the following three levels depending on the observability and significance of the input used in the fair value calculation.

Level 1: Fair value determined based on (unadjusted) quoted prices in active markets for identical assets or liabilities

Level 2: Fair value determined based on directly or indirectly observable inputs other than the Level 1 inputs

Level 3: Fair value determined based on significant unobservable inputs

Where multiple inputs are used with a significant impact on the fair value calculation, the fair value of a financial instrument is classified based on the lowest of the priority levels to which any of those inputs belongs.

(1) Financial assets and liabilities at fair value on the semi-annual consolidated balance sheets (consolidated balance sheets)
As of March 31, 2023

(in millions of yen)

Category	Amount on consolidated balance sheet			
	Level 1	Level 2	Level 3	Total
Monetary claims bought (*1)	–	502,405	287,429	789,834
Trading assets	393,685	4,311,851	50,572	4,756,110
Money held in trust (Trading purpose / Other)	–	46,753	–	46,753
Securities (Available-for-sale securities)	36,635,924	15,597,451	400,023	52,633,399
Domestic equity securities	3,554,393	19,488	2,389	3,576,270
Government bonds	22,031,110	200,001	–	22,231,112
Municipal bonds	–	2,563,668	–	2,563,668
Corporate bonds	–	3,231,370	–	3,231,370
Foreign equity securities	363,842	4,416	39,065	407,324
Foreign bonds	10,638,211	4,795,828	2,165	15,436,204
Investment trusts (*2)	43,686	4,699,479	2,189	4,745,355
Other securities	4,679	83,199	354,213	442,092
Total assets	37,029,610	20,458,462	738,025	58,226,098
Trading liabilities	328,528	69,343	–	397,872
Total liabilities	328,528	69,343	–	397,872
Derivatives (*3) (*4) (*5)	3,621	(601,802)	145,142	(453,037)
Interest rate-related derivatives	1,315	(720,843)	137,885	(581,642)
Currency-related derivatives	2,229	166,938	3,714	172,882
Equity-related derivatives	(98)	(17,375)	–	(17,473)
Bond-related derivatives	174	(6,805)	3,178	(3,451)
Commodity-related derivatives	–	–	–	–
Credit-related derivatives	–	(23,716)	–	(23,716)
Other derivatives	–	–	364	364

(*1) Monetary claims bought consist of securitized products, etc. of ¥789,834 million accounted for in the same manner as available-for-sale securities.

(*2) The amount of investment trusts which are accounted for in accordance with Paragraphs 24-3 and 24-9 of the Implementation Guidance on Fair Value Measurement is not included in the table above. The amount of such investment trusts on the consolidated balance sheets is ¥238,967 million of financial assets.

(*3) 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. Total amounts which are net liabilities are presented in parentheses.

(*4) Derivative transactions to which hedge accounting is applied are reported on the consolidated balance sheet at ¥(456,322) million.

(*5) Transactions to which hedge accounting is applied include interest rate swap transactions designated as hedging instruments for the purpose of fixing cash flows from hedged loans and other assets. Deferred hedge accounting is applied to these transactions. Of these hedge relationships, all hedge relationships to which "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF No.40, March 17, 2022) applies are accounted for under the standard.

As of September 30, 2023

(in millions of yen)

Category	Amount on semi-annual consolidated balance sheet			
	Level 1	Level 2	Level 3	Total
Monetary claims bought (*1)	–	432,106	654,506	1,086,612
Trading assets	530,766	4,971,301	56,873	5,558,941
Money held in trust (Trading purpose / Other)	–	43,841	–	43,841
Securities (Available-for-sale securities)	31,551,827	13,562,746	581,033	45,695,607
Domestic equity securities	3,998,767	16,966	1,935	4,017,669
Government bonds	20,199,788	–	–	20,199,788
Municipal bonds	–	1,241,760	–	1,241,760
Corporate bonds	–	2,763,871	19	2,763,891
Foreign equity securities	505,897	42,764	35,203	583,865
Foreign bonds	6,737,213	5,174,725	2,285	11,914,224
Investment trusts (*2)	105,431	4,244,489	2,297	4,352,218
Other securities	4,729	78,168	539,291	622,189
Total assets	32,082,594	19,009,994	1,292,413	52,385,002
Trading liabilities	300,910	91,147	–	392,058
Total liabilities	300,910	91,147	–	392,058
Derivatives (*3) (*4) (*5)	3,431	(926,483)	(35,047)	(958,099)
Interest rate-related derivatives	(511)	(881,019)	(37,986)	(919,517)
Currency-related derivatives	(225)	(36,010)	1,714	(34,521)
Equity-related derivatives	54	18,983	–	19,038
Bond-related derivatives	4,112	(5,289)	1,220	44
Commodity-related derivatives	0	–	–	0
Credit-related derivatives	–	(23,154)	–	(23,154)
Other derivatives	–	6	4	11

(*1) Monetary claims bought consist of securitized products, etc. of ¥1,086,612 million accounted for in the same manner as available-for-sale securities.

(*2) The amount of investment trusts which are accounted for in accordance with Paragraphs 24-3 and 24-9 of the Implementation Guidance on Fair Value Measurement is not included in the table above. The amount of such investment trusts on the semi-annual consolidated balance sheet is ¥324,615 million of financial assets.

(*3) 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. Total amounts which are net liabilities are presented in parentheses.

(*4) Derivative transactions to which hedge accounting is applied are reported on the semi-annual consolidated balance sheet at ¥(1,365,700) million.

(*5) Transactions to which hedge accounting is applied include interest rate swap transactions designated as hedging instruments for the purpose of fixing cash flows from hedged loans and other assets. Deferred hedge accounting is applied to these transactions. Of these hedge relationships, all hedge relationships to which "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF No.40, March 17, 2022) applies are accounted for under the standard.

(2) Financial assets and liabilities which are not stated at fair value on the semi-annual consolidated balance sheets(consolidated balance sheets)

Cash and due from banks, Call loans and bills bought, Receivables under resale agreements, Receivables under securities borrowing transactions, Foreign exchanges (assets and liabilities), Call money and bills sold, Payables under repurchase agreements, Payables under securities lending transactions, and Commercial papers, are not included in the following tables since they are predominantly short-term (within one year), and their fair values approximate their carrying amounts.

As of March 31, 2023

(in millions of yen)

Category	Fair value				Amount on consolidated balance sheet	Difference
	Level 1	Level 2	Level 3	Total		
Monetary claims bought (*1)	–	–	3,865,961	3,865,961	3,874,745	(8,783)
Securities (held to maturity)	13,526,750	4,954,850	–	18,481,601	18,551,315	(69,713)
Government bonds	13,526,750	–	–	13,526,750	13,513,972	12,778
Municipal bonds	–	1,139,490	–	1,139,490	1,144,825	(5,334)
Corporate bonds	–	393,783	–	393,783	393,214	568
Foreign bonds	–	3,421,576	–	3,421,576	3,499,302	(77,726)
Other securities	–	–	–	–	–	–
Loans and bills discounted (*2)	–	207	105,564,976	105,565,183	105,574,292	(9,109)
Total assets	13,526,750	4,955,057	109,430,938	127,912,746	128,000,353	(87,607)
Deposits	–	202,452,795	–	202,452,795	202,318,702	134,093
Negotiable certificates of deposit	–	9,007,658	–	9,007,658	8,972,362	35,295
Borrowed money	–	33,007,308	–	33,007,308	33,614,592	(607,283)
Bonds payable	–	2,135,763	–	2,135,763	2,129,686	6,076
Total liabilities	–	246,603,526	–	246,603,526	247,035,344	(431,817)

(*1) Monetary claims bought include securitized products, etc. of ¥496,069 million accounted for in the same manner as securities held to maturity.

(*2) General and specific allowances for credit losses of ¥899,870 million corresponding to loans are deducted. However, with respect to items other than loans, the amount stated on the consolidated balance sheet is shown since the amount of allowance for credit losses corresponding to these items is insignificant.

As of September 30, 2023

(in millions of yen)

Category	Fair value				Amount on semi-annual consolidated balance sheet	Difference
	Level 1	Level 2	Level 3	Total		
Monetary claims bought (*1)	–	–	3,823,138	3,823,138	3,829,247	(6,108)
Securities (held to maturity)	14,653,685	6,356,483	–	21,010,169	21,444,542	(434,372)
Government bonds	14,653,685	–	–	14,653,685	14,767,776	(114,090)
Municipal bonds	–	1,717,390	–	1,717,390	1,742,822	(25,432)
Corporate bonds	–	591,276	–	591,276	593,864	(2,588)
Foreign bonds	–	4,047,817	–	4,047,817	4,340,078	(292,261)
Other securities	–	–	–	–	–	–
Loans and bills discounted (*2)	–	42	109,830,492	109,830,535	109,942,244	(111,708)
Total assets	14,653,685	6,356,526	113,653,631	134,663,843	135,216,033	(552,189)
Deposits	–	205,723,202	–	205,723,202	205,540,585	182,616
Negotiable certificates of deposit	–	10,333,336	–	10,333,336	10,272,889	60,446
Borrowed money	–	34,319,760	–	34,319,760	35,088,195	(768,435)
Bonds payable	–	1,903,869	–	1,903,869	1,907,397	(3,528)
Total liabilities	–	252,280,169	–	252,280,169	252,809,069	(528,899)

(*1) Monetary claims bought include securitized products, etc. of ¥487,941 million accounted for in the same manner as securities held to maturity.

(*2) General and specific allowances for credit losses of ¥1,012,447 million corresponding to loans are deducted. However, with respect to items other than loans, the amount stated on the semi-annual consolidated balance sheet is shown since the amount of allowance for credit losses corresponding to these items is insignificant.

(Note 1) Description of the valuation techniques and inputs used to measure fair value

Monetary claims bought

The fair value of monetary claims bought is determined using prices obtained from third-party vendors (broker-dealers, etc.) or the prices estimated based on internal models.

With respect to some securitized products backed by general corporate loans, the fair value is measured by considering the estimated fair value amounts determined using projected cash flows through an analysis of the underlying loans, probability of default, prepayment rates, etc. and discounting the projected cash flows using discount rates reflecting the liquidity premium based on historical market data and the prices obtained from independent broker-dealers. These products are classified into Level 3.

For other securitized products, the fair value is determined based on the prices obtained from independent third parties after considering the results 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. These products are classified into Level 2 or Level 3 depending on the inputs used for the prices obtained from independent third parties.

For other monetary claims bought to which these methods do not apply, the carrying amount is presented as the fair value, as they are mainly short term from their qualitative viewpoint, and therefore, such carrying value approximates the fair value. Accordingly, they are classified into Level 3.

Trading assets

For securities such as bonds that are held for trading purposes, the fair value is determined based on the market price, 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 rate on the evaluation date, and classified principally into Level 2.

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 prices quoted by the financial institutions from which these securities are purchased, and these securities are classified into Level 2 depending on the fair value hierarchy of the component assets.

See "Money Held in Trust" for notes on money held in trust by category based on each purpose of holding the money held in trust.

Securities

The fair value of equity securities is determined based on the prices quoted by stock exchanges and equity securities are primarily classified into Level 1 as the quoted prices are available in active markets. The fair value of bonds is determined based on the market price or the price quoted by the financial institutions from which they are purchased or based on the price reasonably calculated using internal models. Government bonds are primarily classified into Level 1, other bonds are primarily classified into Level 2, and foreign equity securities with maturity as well as preferred securities included in other securities are primarily classified into Level 3.

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 are adjusted to reflect credit risk, the amounts expected to be collected from collateral and guarantees and guarantee fees, and discounted at an interest rate based on the market interest rates as of the date of evaluation with certain adjustments. These bonds are classified into Level 2 depending on credit risk, etc.

The fair value of investment trusts is determined based on the closing market price or other publicly available net asset value. Listed investment trusts and listed real estate investment trusts, which have closing market prices, are primarily classified into Level 1, and other investment trusts are primarily classified into Level 2. Investment trusts which are accounted for at net asset value in accordance with Paragraphs 24-3 and 24-9 of the Implementation Guidance on Fair Value Measurement are not classified into any fair value hierarchy.

See "Securities" for notes on securities by category based on each purpose of holding the securities.

Loans and bills discounted

With respect to loans, for each category of loans based on their types, credit ratings and maturity periods, the fair value is determined based on the present value of expected future cash flows, which are adjusted to reflect default risk and the amount expected to be collected from collateral and guarantees and discounted at an interest rate based on the market interest rates as of the date of evaluation with certain adjustments. These loans are classified into Level 3. For certain loans with floating interest rates, 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. These loans are classified as Level 3.

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 flows or the amount expected 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. These receivables are classified into Level 3.

Deposits and Negotiable certificates of deposit

For demand deposits, the amount payable on demand as of the consolidated balance sheet date (i.e., the carrying amount) is considered to be the fair value. For floating rate time deposits, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because the market interest rates are reflected in such deposits within a short time period. The fair value of most fixed rate time deposits is the present value of expected future cash flows grouped by certain maturity periods discounted at the market interest rates. These are classified into Level 2.

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 on the basis that the interest rates on such floating rate borrowings reflect the market interest rates in a short time period and that there has been no significant change in the creditworthiness of the Bank or its consolidated subsidiaries after such borrowings were made. For fixed rate borrowings, the fair value is calculated as the present value of expected future cash flows from these borrowings grouped by certain maturity periods, which are discounted at the market interest rates reflecting the premium applicable to the Bank or its consolidated subsidiaries. These are classified as Level 2.

Bonds payable

The fair value of corporate bonds issued by the Bank or its consolidated subsidiaries is determined based on their market price. For certain corporate bonds, the fair value is calculated as the present value of expected future cash flows discounted at the market interest rates. For floating 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 interest rates on such floating rate corporate bonds reflect the market interest rates in a short time period and that there has been no significant change in the creditworthiness of the Bank or its consolidated subsidiaries after the issuance. For fixed rate corporate bonds without market prices, the fair value is the present value of expected future cash flows from these borrowings, which are discounted at the market interest rates reflecting the premium applicable to the Bank or its consolidated subsidiaries. These are classified as Level 2.

Derivative transactions

Derivative transactions are ones involving interest rates (interest futures, interest options, interest swaps and other transactions), ones involving foreign currencies (currency futures, currency options, currency swaps and other transactions), and ones involving bonds (bond futures, bond future options and other transactions). The fair value of exchange-traded derivative transactions is based on the prices posted by exchanges. The fair value of over-the-counter derivative transactions is based on the discounted present value or amount calculated under the option-price calculation model.

The key inputs used in the valuation techniques for over-the-counter derivative transactions include interest rate yield curves, foreign currency exchange rates and volatility. For over-the-counter derivative transactions, adjustments are made for counterparty credit risk adjustments (credit valuation adjustments (CVA)) and adjustments are also made to reflect the impact of uncollateralized funding (funding valuation adjustments (FVA)). The calculation of CVA takes into account the probability of a default event occurring for each counterparty which is primarily derived from an observed or estimated spread on credit default swaps. In addition, the calculation of CVA takes into account the effect of credit risk mitigation such as pledged collateral and the legal right of offset with the counterparty. The calculation of FVA takes into account the Bank's market funding spread reflecting the credit risk of the Bank and the funding exposure of any uncollateralized component of an over-the-counter derivative instrument entered into with the counterparty.

Exchange-traded derivative transactions valued using quoted prices are classified into Level 1. Over-the-counter derivative transactions are classified into Level 2 if their fair value is not measured based on significant unobservable inputs. Over-the-counter derivative transactions whose fair value is measured based on significant unobservable inputs are classified into Level 3.

(Note 2) Quantitative information about financial assets and liabilities measured and presented on the semi-annual consolidated balance sheets at fair value and classified in Level 3

(1) Quantitative information on significant unobservable inputs

As of March 31, 2023

Category	Valuation technique	Signification unobservable inputs	Range	Weighted average (*1)
Monetary claims bought				
Securitized products	Internal model (*2)	Correlation between underlying assets	3.0%	3.0%
		Liquidity premium	2.0%	2.0%
		Prepayment rate	13.1%	13.1%
		Probability of default	0.0%~99.0%	—
		Recovery rate	72.2%	72.2%
Securities				
Foreign equity securities	Present value technique	Liquidity premium	0.8%~1.7%	1.3%
Other	Present value technique	Liquidity premium	1.1%~3.2%	2.9%
Derivatives				
Interest rate-related derivatives	Option model	Correlation between interest rates	38.6%~51.9%	—
		Correlation between interest rate and foreign exchange rate	1.9%~42.0%	—
		Volatility	62.2%~75.8%	—

(*1) The weighted average is calculated by weighing each input by the relative fair value of the respective financial assets.

(*2) For further details of Internal model, refer to “Monetary claims bought” in “(Note 1) Description of the valuation techniques and inputs used to measure fair value” under “I. Matters concerning fair value of financial instruments and breakdown by input level” above.

As of September 30, 2023

Category	Valuation technique	Signification unobservable inputs	Range	Weighted average (*1)
Monetary claims bought				
Securitized products	Internal model (*2)	Correlation between underlying assets	3.0%	3.0%
		Liquidity premium	1.7%	1.7%
		Prepayment rate	13.9%	13.9%
		Probability of default	0.0%~99.0%	—
		Recovery rate	57.7%	57.7%
Securities				
Foreign equity securities	Present value technique	Liquidity premium	0.8%~1.7%	1.4%
Other	Present value technique	Liquidity premium	1.1%~3.2%	2.9%
Derivatives				
Interest rate-related derivatives	Option model	Correlation between interest rates	36.3%~48.5%	—
		Correlation between interest rate and foreign exchange rate	1.2%~48.3%	—
		Volatility	77.0%~96.9%	—

(*1) The weighted average is calculated by weighing each input by the relative fair value of the respective financial assets.

(*2) For further details of Internal model, refer to “Monetary claims bought” in “(Note 1) Description of the valuation techniques and inputs used to measure fair value” under “I. Matters concerning fair value of financial instruments and breakdown by input level” above.

(2) Table showing reconciliation between the opening balance and the closing balance during the reporting period, and unrealized gains (losses) recognized in net income (loss)

For the fiscal year ended March 31, 2023

(in millions of yen)

Category	March 31, 2022	Included in net income (loss) (*1)	Included in other comprehensive income (*2)	Purchases, Issues, Sales, Settlements	Transfers into Level 3 (*3)	Transfers out of Level 3 (*4)	March 31, 2023	Change in unrealized gains (losses) included in net income (loss) on assets and liabilities still held at March 31, 2023 (*1)
Monetary claims bought	32,121	3,980	(5,368)	256,695	–	–	287,429	3,980
Trading assets	46,277	4,295	–	(0)	–	–	50,572	4,295
Securities	452,350	30,367	3,795	(89,146)	6,322	(3,665)	400,023	33,894
Domestic equity securities	–	1,901	20	274	192	–	2,389	1,294
Corporate bonds	2,519	2	(158)	(67)	1,255	(3,552)	–	–
Foreign equity securities	32,471	1,739	3,087	(915)	2,683	–	39,065	2,114
Foreign bonds	77,265	(4,470)	9,410	(80,092)	166	(113)	2,165	(6)
Investment trusts	–	264	–	–	1,925	–	2,189	264
Other securities	340,092	30,930	(8,564)	(8,345)	100	–	354,213	30,226
Total assets	530,749	38,643	(1,572)	167,549	6,322	(3,665)	738,025	42,169
Derivatives (*5)	50,509	4,058	–	72,685	15,500	2,389	145,142	14,328
Interest rate-related derivatives	44,633	(412)	–	76,775	15,304	1,584	137,885	9,822
Currency-related derivatives	3,734	3,706	–	(3,984)	195	61	3,714	3,744
Equity-related derivatives	(625)	(117)	–	–	–	743	–	(117)
Bond-related derivatives	2,770	774	–	(365)	–	–	3,178	774
Commodity-related derivatives	–	–	–	–	–	–	–	–
Other derivatives	(3)	107	–	259	–	–	364	104

(*1) Mainly included in Trading income and Other operating income in the consolidated statements of income.

(*2) Mainly Included in Net unrealized gains (losses) on available-for-sale securities in Other comprehensive income in the consolidated statements of comprehensive income.

(*3) Transfers into Level 3 from Level 2 were made primarily based on the significance of unobservable inputs for valuation of interest rate-related derivatives, taking into account credit valuation adjustments (CVA) for counterparty credit risk and funding valuation adjustments (FVA) for unsecured financing. These transfers were made at the beginning of the fiscal year.

(*4) Transfers out of Level 3 and into Level 2 for corporate bonds (privately placed guaranteed bonds held by the Bank) were due to decreased significance of unobservable credit risks. This transfer was implemented at the beginning of the fiscal year ended March 31, 2023.

(*5) Derivatives in trading assets and liabilities and in other assets and liabilities are shown together. Assets or liabilities and profit or loss arising from derivative transactions are presented on a net basis. Total amounts which are net liabilities or net loss are presented in parentheses.

For the six months ended September 30, 2023

(in millions of yen)

Category	March 31, 2023	Included in net income (loss) (*1)	Included in other comprehensive income (*2)	Purchases, Issues, Sales, Settlements	Transfers into Level 3 (*3)	Transfers out of Level 3 (*4)	September 30, 2023	Change in unrealized gains (losses) included in net income (loss) on assets and liabilities still held at September 30, 2023 (*1)
Monetary claims bought	287,429	54,757	4,451	307,867	–	–	654,506	54,757
Trading assets	50,572	6,301	–	–	–	–	56,873	6,301
Securities	400,023	45,518	(6,648)	142,114	25	–	581,033	44,713
Domestic equity securities	2,389	(568)	102	12	–	–	1,935	(568)
Corporate bonds	–	(2)	0	(3)	25	–	19	(2)
Foreign equity securities	39,065	3,652	(40)	(7,473)	–	–	35,203	2,848
Foreign bonds	2,165	(96)	216	–	–	–	2,285	(96)
Investment trusts	2,189	(47)	155	–	–	–	2,297	(47)
Other securities	354,213	42,580	(7,082)	149,580	–	–	539,291	42,580
Total assets	738,025	106,577	(2,197)	449,982	25	–	1,292,413	105,772
Derivatives (*5)	145,142	(114,836)	–	84,432	7,395	(157,180)	(35,047)	(117,268)
Interest rate-related derivatives	137,885	(113,006)	–	84,998	7,395	(155,257)	(37,986)	(115,813)
Currency-related derivatives	3,714	(1,858)	–	–	–	(141)	1,714	(1,489)
Equity-related derivatives	–	–	–	–	–	–	–	–
Bond-related derivatives	3,178	33	–	(210)	–	(1,781)	1,220	33
Commodity-related derivatives	–	–	–	–	–	–	–	–
Other derivatives	364	(5)	–	(354)	–	–	4	(0)

(*1) Mainly included in Trading income, Trading expenses and Other operating income in the semi-annual consolidated statements of income.

(*2) Mainly Included in Net unrealized gains (losses) on available-for-sale securities in Other comprehensive income in the semi-annual consolidated statements of comprehensive income.

(*3) Transfers into Level 3 from Level 2 were made primarily based on the significance of unobservable inputs considering CVA on the counterparty's credit risk and FVA on unsecured funding principally in interest rate related transactions. This transfer was implemented at the beginning of the six-month period ended September 30, 2023.

(*4) Transfers into Level 2 from Level 3 were made primarily based on declines in the significance of unobservable inputs for valuation of interest rate-related derivatives, taking into account credit valuation adjustments (CVA) for counterparty credit risk and funding valuation adjustments (FVA) for unsecured financing. These transfers were made at the beginning of the six-month period ended September 30, 2023.

(*5) Derivatives in trading assets and liabilities and in other assets and liabilities are shown together. Assets or liabilities and profit or loss arising from derivative transactions are presented on a net basis. Total amounts which are net liabilities or net loss are presented in parentheses.

(3) Description of the fair value valuation process

The Financial Planning Division has established the Group policy and procedures regarding fair value measurement, the Corporate Risk Management Division has implemented procedures regarding the use of the fair value valuation model, and the division in charge of the product develops the fair value valuation models in line with the policy and procedures. The models are confirmed by the Corporate Risk Management Division for validity and by the Financial Planning Division for whether the inputs used and the fair value calculated complies with the policy and procedures. The Financial Planning Division also determines the classification of fair value levels based on the outcome of the said confirmation. When quoted prices obtained from third parties are used as fair value, their validity is verified taking appropriate methods such as confirming the valuation techniques and inputs used and comparing with the fair value of similar financial instruments.

(4) Description of the sensitivity of the fair value to changes in significant unobservable inputs

Probability of default

Probability of default is an estimate of the likelihood that the default event will occur and the Bank will be unable to collect the contractual amounts. A significant increase (decrease) in the default rate would result in a significant decrease (increase) in a fair value.

Recovery rate and prepayment rate

Recovery rate is the proportion of the total outstanding balance of a bond or loan that is expected to be collected in a liquidation scenario. Prepayment rate represents the proportion of principal that is expected to be paid prematurely in each period on a security or pool of securities. Recovery rate and prepayment rate would affect estimation of future cash flows to a certain extent and changes in these inputs could result in a significant increase or decrease in fair value.

Liquidity premium

Liquidity premium is an adjustment to discount rates to reflect uncertainty of cash flows and liquidity of the financial instruments.

When recent prices of similar instruments are unobservable in inactive or less active markets, discount rates are adjusted based on the facts and circumstances of the markets including the availability of quotes and the time since the latest available quotes. A significant increase (decrease) in discount rates would result in a significant decrease (increase) in a fair value.

Volatility

Volatility is a measure of the speed and severity of market price changes and is a key factor in pricing. A significant increase (decrease) in volatility would cause a significant increase (decrease) in the value of an option resulting in a significant increase (decrease) in fair value. The level of volatility generally depends on the tenor of the underlying assets and the strike price or level defined in the contract. Volatilities for certain combinations of tenor and strike price are not observable.

Correlation

Correlation is a measure of the relationship between the movements of two variables. A variety of correlation-related assumptions are required for a wide range of instruments including derivative transactions. In most cases, correlations used are not observable in the market and must be estimated using historical information. Changes in correlation inputs can have a major impact, favorable or unfavorable, on the value of an instrument, depending on its nature. In addition, the wide range of correlation inputs are primarily due to the complex and unique nature of these instruments. There are many different types of correlation inputs, including cross-asset correlation (such as correlation between interest rate), and same-asset correlation (such as correlation between interest rates).

Correlation levels are highly dependent on market conditions and could have a relatively wide range of levels within different currencies financial instruments or across different types of financial instruments.

For interest rate-related derivatives, the diversity in the portfolio held by the Bank is reflected in wide ranges of correlation, as the fair values of transactions with a variety of currencies and tenors are determined using several foreign exchange and interest rate curves.

(Note 3) Quantitative information about investment trusts which are accounted for in accordance with Paragraphs 24-3 and 24-9 of the Implementation Guidance for on Fair Value Measurement

Table showing reconciliation between the opening balance and the closing balance during the reporting period, and unrealized gains (losses) recognized in net income (loss)

For the fiscal year ended March 31, 2023

(in millions of yen)

Category	March 31, 2022	Included in net income (*1)	Included in other comprehensive income (*2)	Changes due to purchases, sales and redemption	Standard price deemed to be fair value	Standard price not deemed to be fair value	March 31, 2023	Change in unrealized gains (losses) included in net income (loss) on Investment trusts still held at March 31, 2023 (*1)
Investment trusts (Available-for-sale securities)	46,871	1,061	10	191,024	—	—	238,967	1,061
Paragraph 24-3 (*3)	44,884	1,061	(71)	191,029	—	—	236,904	1,061
Paragraph 24-9	1,987	—	81	(5)	—	—	2,063	—

(*1) Principally included in “Other operating income” of the consolidated statement of income.

(*2) Principally included in “Net unrealized gain on available-for-sale securities” under “Other comprehensive income” of the consolidated statements of comprehensive income.

(*3) Major components of restrictions on cancellation or buy-back requests as of the fiscal closing date are non-cancellable of ¥9,166 million, restricted period of cancellation of ¥5,687 million and maximum limits on redemption of ¥222,050 million.

For the six months ended September 30, 2023

(in millions of yen)

Category	March 31, 2023	Included in net income (loss) (*1)	Included in other comprehensive income (*2)	Purchases, Sales, Redemptions	Transfers into Paragraphs 24-3 and 24-9	Transfers out of Paragraphs 24-3 and 24-9	September 30, 2023	Change in unrealized gains (losses) included in net income (loss) on Investment trusts still held at September 30, 2023 (*1)
Investment trusts (Available-for-sale securities)	238,967	30,196	1,296	56,218	—	(2,063)	324,615	30,196
Paragraph 24-3 (*3)	236,904	30,196	1,296	54,218	—	—	322,615	30,196
Paragraph 24-9	2,063	—	—	2,000	—	(2,063)	2,000	—

(*1) Mainly included in Other operating income in the semi-annual consolidated statements of income.

(*2) Included in Net unrealized gains (losses) on available-for-sale securities in Other comprehensive income in the semi-annual consolidated statements of comprehensive income.

(*3) Major components of restrictions on cancellation or buy-back requests as of the semi-annual fiscal closing date are non-cancellable of ¥14,582 million, restricted period of cancellation of ¥6,478 million and maximum limits on redemption of ¥301,554 million.

(Note 4) The following table sets forth the amounts of equity securities with no market price available and investments in partnerships and others on the semi-annual consolidated balance sheets. These securities and investments are not included in “Trading assets” or “Securities” in the tables presented under the section captioned “Matters concerning fair value of financial instruments and breakdown by input level”.

	(in millions of yen)			
	Amount on consolidated balance sheet			
		March 31, 2023		September 30, 2023
Equity securities with no quoted market price available (*1) (*3)	¥	180,054	¥	220,521
Investments in partnerships and others (*2) (*3)		215,598		253,223

(*1) Equity securities with no market price available include unlisted equity securities, etc. and are not subject to fair value disclosure in accordance with Paragraph 5 of ASBJ Implementation Guidance No. 19 “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ, March 31, 2020).

(*2) Investments in partnerships and others mainly include silent partnerships and investment partnerships and other partnerships. These investments are accounted for in accordance with Paragraph 24-16 of the Implementation Guidance on Fair Value Measurement and are not subject to fair value disclosure.

(*3) An impairment loss of ¥10,526 million and ¥2,801 million was recorded on unlisted equity securities and other investments for the fiscal year ended March 31, 2023 and for the six months ended September 30, 2023, respectively.

8. Securities

In addition to “Securities” on the consolidated balance sheet, the figures in the following tables include negotiable certificates of deposit in “Cash and due from banks,” securitized products in “Monetary claims bought” and others.

I. Debt securities being held to maturity

(in millions of yen)

	March 31, 2023		
	Amount on consolidated balance sheet	Fair value	Difference
Securities whose fair value exceeds amount on consolidated balance sheet:			
Domestic bonds	¥ 10,376,390	¥ 10,412,002	¥ 35,612
Government bonds	9,759,930	9,792,060	32,129
Municipal bonds	371,872	374,345	2,473
Corporate bonds	244,587	245,596	1,009
Other securities	1,332,347	1,345,934	13,586
Foreign bonds	1,318,674	1,332,242	13,568
Other	13,672	13,691	18
Subtotal	¥ 11,708,737	¥ 11,757,936	¥ 49,199
Securities whose fair value does not exceed amount on consolidated balance sheet:			
Domestic bonds	¥ 4,675,622	¥ 4,648,022	¥ (27,599)
Government bonds	3,754,041	3,734,689	(19,351)
Municipal bonds	772,953	765,145	(7,808)
Corporate bonds	148,627	148,186	(440)
Other securities	2,663,025	2,562,928	(100,096)
Foreign bonds	2,180,628	2,089,334	(91,294)
Other	482,396	473,594	(8,802)
Subtotal	¥ 7,338,647	¥ 7,210,950	¥ (127,696)
Total	¥ 19,047,385	¥ 18,968,887	¥ (78,497)

(in millions of yen)

	September 30, 2023		
	Amount on consolidated balance sheet	Fair value	Difference
Securities whose fair value exceeds amount on consolidated balance sheet:			
Domestic bonds	¥ 4,685,564	¥ 4,694,896	¥ 9,331
Government bonds	4,538,664	4,547,731	9,066
Municipal bonds	57,613	57,682	69
Corporate bonds	89,286	89,482	196
Other securities	27,500	27,590	90
Foreign bonds	-	-	-
Other	27,500	27,590	90
Subtotal	¥ 4,713,064	¥ 4,722,486	¥ 9,422
Securities whose fair value does not exceed amount on consolidated balance sheet:			
Domestic bonds	¥ 12,418,899	¥ 12,267,455	¥ (151,443)
Government bonds	10,229,111	10,105,954	(123,157)
Municipal bonds	1,685,209	1,659,707	(25,501)
Corporate bonds	504,578	501,793	(2,784)
Other securities	4,800,519	4,502,059	(298,460)
Foreign bonds	4,340,078	4,047,817	(292,261)
Other	460,441	454,242	(6,199)
Subtotal	¥ 17,219,419	¥ 16,769,515	¥ (449,903)
Total	¥ 21,932,483	¥ 21,492,002	¥ (440,481)

II. Available-for-sale securities

(in millions of yen)

	March 31, 2023		
	Amount on consolidated balance sheet	Acquisition cost	Difference
Securities whose fair value exceeds the acquisition cost:			
Domestic equity securities	¥ 3,482,203	¥ 1,243,032	¥ 2,239,170
Domestic bonds	16,910,648	16,889,507	21,141
Government bonds	14,720,221	14,712,102	8,119
Municipal bonds	957,419	955,359	2,059
Corporate bonds	1,233,007	1,222,045	10,962
Other securities	7,740,819	7,609,040	131,778
Foreign equity securities	84,564	61,533	23,030
Foreign bonds	6,111,759	6,060,033	51,725
Other	1,544,496	1,487,473	57,022
Subtotal	¥ 28,133,671	¥ 25,741,580	¥ 2,392,090
Securities whose fair value does not exceed the acquisition cost:			
Domestic equity securities	¥ 94,067	¥ 114,727	¥ (20,660)
Domestic bonds	11,115,502	11,215,794	(100,292)
Government bonds	7,510,890	7,572,763	(61,873)
Municipal bonds	1,606,249	1,618,655	(12,405)
Corporate bonds	1,998,362	2,024,376	(26,013)
Other securities	14,703,058	15,790,891	(1,087,832)
Foreign equity securities	322,759	411,761	(89,001)
Foreign bonds	9,324,445	10,155,807	(831,362)
Other	5,055,853	5,223,321	(167,468)
Subtotal	¥ 25,912,629	¥ 27,121,414	¥ (1,208,784)
Total	¥ 54,046,300	¥ 52,862,994	¥ 1,183,305

(Note) The total difference amount shown in the table above includes ¥139,862 million revaluation gains on securities by application of the fair value hedge accounting method.

(in millions of yen)

	September 30, 2023		
	Amount on consolidated balance sheet	Acquisition cost	Difference
Securities whose fair value exceeds the acquisition cost:			
Domestic equity securities	¥ 3,956,394	¥ 1,236,633	¥ 2,719,760
Domestic bonds	6,423,622	6,413,698	9,924
Government bonds	5,514,965	5,511,706	3,258
Municipal bonds	211,396	210,868	528
Corporate bonds	697,261	691,123	6,137
Other securities	4,174,996	4,068,378	106,617
Foreign equity securities	83,939	59,091	24,848
Foreign bonds	1,329,628	1,322,084	7,543
Other	2,761,428	2,687,201	74,226
Subtotal	¥ 14,555,013	¥ 11,718,710	¥ 2,836,302
Securities whose fair value does not exceed the acquisition cost:			
Domestic equity securities	¥ 61,275	¥ 76,494	¥ (15,219)
Domestic bonds	17,781,817	17,927,808	(145,990)
Government bonds	14,684,823	14,775,399	(90,575)
Municipal bonds	1,030,364	1,038,007	(7,642)
Corporate bonds	2,066,630	2,114,402	(47,772)
Other securities	15,072,358	16,492,499	(1,420,140)
Foreign equity securities	499,925	632,069	(132,143)
Foreign bonds	10,584,595	11,714,182	(1,129,586)
Other	3,987,837	4,146,247	(158,410)
Subtotal	¥ 32,915,451	¥ 34,496,802	¥ (1,581,350)
Total	¥ 47,470,465	¥ 46,215,513	¥ 1,254,951

(Note) The total difference amount shown in the table above includes ¥272,996 million revaluation gains on securities by application of the fair value hedge accounting method.

III. Securities with impairment losses

Securities other than trading securities and investments in affiliates (excluding non-marketable equity securities or investment in partnerships and others), whose fair value significantly declined compared with the acquisition cost, and is considered to be other than recoverable decline, were written down to the respective fair value, which is recorded as the carrying amount on the consolidated balance sheet.

Impairment losses on such securities for the fiscal year ended March 31, 2023 were ¥2,483 million consisting of ¥2,342 million on equity securities and ¥141 million on bonds and other securities.

Impairment losses on such securities for the six-month period ended September 30, 2023 were ¥8 million consisting of ¥6 million on equity securities and ¥2 million on bonds and other securities.

Whether there is any “significant decline in the fair value” is determined for each category of issuers in accordance with the internal standards for self-assessment of asset quality as provided below:

Bankrupt issuers, virtually bankrupt issuers and likely to become bankrupt issuers:

The fair value is lower than the acquisition cost.

Issuers requiring close watch:

The fair value has declined 30% or more from the acquisition cost.

Normal issuers:

The fair value has declined 50% or more from the acquisition cost.

“Bankrupt issuers” means 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” means issuers who are not legally or formally bankrupt but are regarded as substantially in similar condition. “Likely to become bankrupt issuers” means issuers who are not yet legally or formally bankrupt but deemed to have a high possibility of becoming bankrupt. “Issuers requiring close watch” means issuers who require close watch of the management.

“Normal issuers” means issuers other than those who are categorized in the four categories of issuers mentioned above.

9. Money Held in Trust

I. Money held in trust being held to maturity

None.

II. Money held in trust not for trading purposes or being held to maturity

(in millions of yen)

March 31, 2023					
	(a) Amount on the consolidated balance sheet	(b) Acquisition cost	Difference (a) - (b)	Money held in trust with respect to which (a) exceeds (b)	Money held in trust with respect to which (a) does not exceed (b)
Money held in trust not for trading purposes or being held to maturity	¥ 2,599	¥ 2,599	¥ -	¥ -	¥ -

(Note) "Money held in trust with respect to which (a) exceeds (b)" and "Money held in trust with respect to which (a) does not exceed (b)" show the breakdown of "Difference (a) - (b)".

(in millions of yen)

September 30, 2023					
	(a) Amount on the consolidated balance sheet	(b) Acquisition cost	Difference (a) - (b)	Money held in trust with respect to which (a) exceeds (b)	Money held in trust with respect to which (a) does not exceed (b)
Money held in trust not for trading purposes or being held to maturity	¥ 2,972	¥ 2,972	¥ -	¥ -	¥ -

(Note) "Money held in trust with respect to which (a) exceeds (b)" and "Money held in trust with respect to which (a) does not exceed (b)" show the breakdown of "Difference (a) - (b)".

10. Net Unrealized Gains (Losses) on Available-for-Sale Securities

Net unrealized gains (losses) on available-for-sale securities recorded on the consolidated balance sheet as of the dates indicated consisted of the following:

As of March 31, 2023

	(in millions of yen)
Net unrealized gains (losses)	¥ 1,052,822
Available-for-sale securities	1,052,822
Money held in trust not for trading purpose or being held to maturity	–
Deferred tax liabilities	(294,600)
Net unrealized gains (losses) on available-for-sale securities, net of deferred tax liabilities (before adjustments for non-controlling interests)	758,221
Non-controlling interests	(4,535)
The Bank's ownership share in equity method investees' unrealized gains (losses) on available-for-sale securities	(10,049)
Total	¥ 743,636

(Notes)

1. "Net unrealized gains (losses)" shown in the above table excludes ¥139,862 million of revaluation gains on securities as a result of application of the fair value hedge accounting method, which are recorded in current earnings.
2. "Net unrealized gains (losses)" shown in the above table includes ¥9,378 million of unrealized gains on available-for-sale securities in investment limited partnerships.

As of September 30, 2023

	(in millions of yen)
Net unrealized gains (losses)	¥ 994,732
Available-for-sale securities	994,732
Money held in trust not for trading purpose or being held to maturity	–
Deferred tax liabilities	(294,623)
Net unrealized gains (losses) on available-for-sale securities, net of deferred tax liabilities (before adjustments for non-controlling interests)	700,108
Non-controlling interests	(4,073)
The Bank's ownership share in equity method investees' unrealized gains (losses) on available-for-sale securities	(10,835)
Total	¥ 685,199

(Notes)

1. "Net unrealized gains (losses)" shown in the above table excludes ¥272,996 million of revaluation gains on securities as a result of application of the fair value hedge accounting method, which are recorded in current earnings.
2. "Net unrealized gains (losses)" shown in the above table includes ¥12,777 million of unrealized gains on available-for-sale securities in investment limited partnerships.

11. Derivatives

Derivatives to which hedge accounting is not applied

With respect to derivatives to which hedge accounting is not applied, the contract amounts or notional principal amounts and the fair values and related valuation gains (losses) as of the end of the reporting period by transaction type were as follows. The contract and other amounts do not represent the market risk exposures associated with the relevant derivatives.

I. Interest rate-related derivatives

		(in millions of yen)			
		March 31, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Interest rate futures	Sold	¥ 288,935	¥ 100,907	¥ (5,845)	¥ (5,845)
	Bought	414,454	8,565	13,037	13,037
Over-the-counter (“OTC”) transactions:					
Forward rate agreements	Sold	75,059	–	(8)	(8)
	Bought	38,833	–	–	–
Interest rate swaps	Receivable fixed rate/ Payable floating rate	197,337,307	156,532,313	(573,232)	(573,232)
	Receivable floating rate/ Payable fixed rate	197,288,281	155,454,480	393,872	393,872
	Receivable floating rate/ Payable floating rate	25,441,876	17,683,137	30,322	30,322
	Receivable fixed rate/ Payable fixed rate	1,082,415	979,027	8,195	8,195
Interest rate swaptions	Sold	2,649,665	1,506,099	(44,312)	3,464
	Bought	1,713,461	1,483,001	40,304	(5,892)
Other	Sold	2,116,765	1,796,218	(27,617)	(12,157)
	Bought	3,040,648	2,539,507	18,380	(7,573)
Total		—	—	¥ (146,905)	¥ (155,819)

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

(in millions of yen)

		September 30, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Interest rate futures	Sold	¥ 656,412	¥ 400,790	¥ 5,615	¥ 5,615
	Bought	733,291	619,293	(1,960)	(1,960)
Interest rate options	Sold	217,082	—	2	2
	Bought	98,404	—	48	48
OTC transactions:					
Forward rate agreements	Sold	547,987	—	(2,009)	(2,009)
	Bought	1,193,587	—	4,827	4,827
Interest rate swaps	Receivable fixed rate/ Payable floating rate	232,441,298	174,990,888	(3,061,406)	(3,061,406)
	Receivable floating rate/ Payable fixed rate	227,793,773	174,474,472	3,401,320	3,401,320
	Receivable floating rate/ Payable floating rate	24,591,199	17,537,586	24,117	24,117
	Receivable fixed rate/ Payable fixed rate	1,365,498	1,249,533	5,545	5,545
Interest rate swaptions	Sold	1,656,791	1,600,654	(47,209)	(491)
	Bought	2,123,963	1,562,969	58,106	1,373
Other	Sold	3,105,245	2,729,265	(37,259)	(17,356)
	Bought	4,069,718	3,464,280	14,446	(15,810)
Total		—	—	¥ 364,184	¥ 343,815

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.

II. Currency-related derivatives

(in millions of yen)

		March 31, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Currency futures	Sold	¥ 80,331	¥ —	¥ 181	¥ 181
	Bought	477,916	63,107	2,047	2,047
OTC transactions:					
Currency swaps		40,712,162	29,716,854	(13,165)	(13,165)
Forward contracts on foreign exchange		166,688,384	11,899,820	165,215	165,215
Currency options	Sold	7,918,022	1,682,217	(90,372)	16,783
	Bought	7,985,503	1,755,529	112,425	(33,155)
Total		—	—	¥ 176,333	¥ 137,908

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

(in millions of yen)

		September 30, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Currency futures	Sold	¥ 75,282	¥ —	¥ 567	¥ 567
	Bought	640,031	75,907	(793)	(793)
OTC transactions:					
Currency swaps		43,363,040	32,286,339	(79,838)	(79,838)
Forward contracts on foreign exchange		169,540,923	13,598,381	151,460	151,460
Currency options	Sold	8,228,825	1,622,968	(176,629)	(37,821)
	Bought	8,074,556	1,716,740	170,613	16,573
Total		—	—	¥ 65,381	¥ 50,150

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.

III. Equity-related derivatives

		(in millions of yen)			
		March 31, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Stock index futures	Sold	¥ 67	¥ –	¥ (2)	¥ (2)
	Bought	3,627	–	0	0
Stock index options	Sold	15,497	–	(96)	(9)
	Bought	–	–	–	–
OTC transactions:					
OTC securities index swap transactions	Receivable index volatility/ Payable interest rate	3,251	–	759	759
	Receivable interest rate/ Payable index volatility	–	–	–	–
Total		—	—	¥ 661	¥ 748

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

		(in millions of yen)			
		September 30, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Stock index futures	Sold	¥ 3,158	¥ –	¥ 33	¥ 33
	Bought	1,725	–	1	1
Stock index options	Sold	1,426	–	(0)	15
	Bought	3,014	–	20	(28)
OTC transactions:					
OTC securities index swap transactions	Receivable index volatility/ Payable interest rate	3,251	3,251	1,078	1,078
	Receivable interest rate/ Payable index volatility	–	–	–	–
Total		—	—	¥ 1,133	¥ 1,099

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.

IV. Bond-related derivatives

		(in millions of yen)			
		March 31, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Bond futures	Sold	¥ 180,946	¥ –	¥ 139	¥ 139
	Bought	276,265	–	(42)	(42)
Bond futures options	Sold	65,939	–	(198)	161
	Bought	58,411	–	276	(15)
OTC transactions:					
Bond OTC options	Sold	1,610,202	–	(3,604)	(689)
	Bought	1,610,202	–	2,842	(452)
Total return swaps	Sold	–	–	–	–
	Bought	158,625	158,625	(2,865)	(2,865)
Total		—	—	¥ (3,451)	¥ (3,764)

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

		(in millions of yen)			
		September 30, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
Transactions listed on exchanges:					
Bond futures	Sold	¥ 709,778	¥ –	¥ 4,544	¥ 4,544
	Bought	83,971	–	(493)	(493)
Bond futures options	Sold	188,578	–	(150)	(20)
	Bought	153,085	–	454	(14)
OTC transactions:					
Bond OTC options	Sold	1,790,666	–	(1,374)	2,262
	Bought	1,790,666	–	5,807	1,486
Total return swaps	Sold	–	–	–	–
	Bought	158,625	158,625	(8,744)	(8,744)
Total		—	—	¥ 44	¥ (980)

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.

V. Commodity-related derivatives

As of March 31, 2023

None.

		(in millions of yen)				
		September 30, 2023				
		Contract amount		Fair value	Valuation gains (losses)	
		Total	Over one year			
Transactions listed on exchanges:						
Commodity futures	Sold	¥	– ¥	– ¥	– ¥	–
	Bought		0	–	0	0
Total			—	– ¥	0 ¥	0

(Notes)

1. The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.
2. The commodities are mainly those related to oil.

VI. Credit-related derivatives

		(in millions of yen)			
		March 31, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
OTC transactions:					
Credit default options	Sold	¥ 1,006,763	¥ 976,712	¥ (16,344)	¥ (16,344)
	Bought	1,395,426	1,295,909	(7,371)	(7,371)
Total		—	—	¥ (23,716)	¥ (23,716)

(Notes)

1. The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.
2. “Sold” refers to transactions where the credit risk is assumed, and “Bought” refers to transactions where the credit risk is transferred.

		(in millions of yen)			
		September 30, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
OTC transactions:					
Credit default options	Sold	¥ 1,325,931	¥ 1,297,435	¥ (13,581)	¥ (13,581)
	Bought	1,415,668	1,302,459	(9,572)	(9,572)
Total		—	—	¥ (23,154)	¥ (23,154)

(Notes)

1. The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.
2. “Sold” refers to transactions where the credit risk is assumed, and “Bought” refers to transactions where the credit risk is transferred.

VII. Other derivatives

		(in millions of yen)			
		March 31, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
OTC transactions:					
Earthquake derivatives	Sold	¥ 7,000	¥ 7,000	¥ (1)	¥ 332
	Bought	7,354	7,000	357	(236)
Other	Sold	5,129	5,129	(62)	(62)
	Bought	7,466	7,466	70	70
Total		—	—	¥ 364	¥ 104

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

		(in millions of yen)			
		September 30, 2023			
		Contract amount		Fair value	Valuation gains (losses)
		Total	Over one year		
OTC transactions:					
Earthquake derivatives	Sold	¥ 7,000	¥ —	¥ (210)	¥ 478
	Bought	7,000	—	207	(370)
Other	Sold	6,914	5,019	(71)	(71)
	Bought	9,377	5,019	84	84
Total		—	—	¥ 11	¥ 120

(Note)

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the semi-annual consolidated statements of income.

12. Stock Options

None.

13. Revenue Recognition

Disaggregated information on revenues from contracts with customers

	(in millions of yen)	
	For the six months ended September 30,	
	2022	2023
Fees and commissions	¥ 481,821	529,500
Fees and commissions on remittances and transfers	81,224	81,964
Fees and commissions on deposits	31,614	20,958
Fees and commissions on loans (*1)	156,455	198,325
Fees and commissions on security-related services	40,083	37,208
Fees and commissions on credit card business (*1)	28,849	29,898
Guarantee fees (*2)	35,835	38,181
Other fees and commissions (*1)	107,759	122,963
Trust fees	7,082	–

(Notes)

1. Include revenues that are not within the scope of ASBJ Statement No.29, “Accounting Standard for Revenue Recognition.”
2. Represents revenue that are not included within the scope of ASBJ Statement No.29, “Accounting Standard for Revenue Recognition.”
3. Fees and commissions income on domestic and foreign exchange services are primarily generated from Digital Service Business Unit, Retail & Commercial Banking Business Unit, Japanese Corporate & Investment Banking Business Unit, Global Commercial Banking Business Unit and Global Corporate & Investment Banking Business Unit; fees and commissions income on deposit-taking services are generated primarily from Digital Service Business Unit and Global Commercial Banking Business Unit; fees and commissions income on lending services are generated primarily from Digital Service Business Unit, Retail & Commercial Banking Business Unit, Japanese Corporate & Investment Banking Business Unit and Global Corporate & Investment Banking Business Unit; fees and commissions income on securities-related services are generated primarily from Retail & Commercial Banking Business Unit, Japanese Corporate & Investment Banking Business Unit and Global Corporate & Investment Banking Business Unit; fees and commissions income on credit card-related services are generated primarily from Digital Service Business Unit and Global Commercial Banking Business Unit; and trust fees are generated primarily from Global Commercial Banking Business Unit.
4. For details of the performance obligations and the timing of revenue recognition for each revenue category, refer to “(14) Revenue Recognition” under “IV. Accounting policies” under “1. Significant Accounting Policies Applied to the Semi-Annual Consolidated Financial Statements.”

14. Segment Information

I. Business segment information

(1) Summary of reporting segments

The Bank's reporting segments are business units of the Bank whose Executive Committee, the decision-making body for the execution of its business operations, regularly reviews to make decisions regarding allocation of management resources and evaluate performance.

The Bank makes and executes unified group-wide strategies based on customer characteristics and the nature of business. Accordingly, the Bank has adopted customer-based and business-based segmentation, which consists of the following reporting segments: Digital Service Business Unit, Retail & Commercial Banking Business Unit, Japanese Corporate & Investment Banking Business Unit, Global Commercial Banking Business Unit, Global Corporate & Investment Banking Business Unit, Global Markets Business Unit and Other units.

Digital Service Business Unit:	Providing financial services mainly in non-face-to-face transactions to individual and corporate customers, and promoting MUFG-wide digital transformation
Retail & Commercial Banking Business Unit:	Providing financial services to Japanese individual and small to medium-sized corporate customers
Japanese Corporate & Investment Banking Business Unit:	Providing financial services to major Japanese corporate customers
Global Commercial Banking Business Unit:	Providing financial services to individual and small to medium-sized corporate customers of overseas commercial bank investees of the Group
Global Corporate & Investment Banking Business Unit:	Providing financial services to major non-Japanese corporations
Global Markets Business Unit:	Providing services relating to foreign currency exchange, funds and investment securities to customers, as well as conducting market transactions and managing liquidity and cash for the Group
Other units:	Other than the businesses mentioned above

(2) Methods of calculation of gross operating income, operating profit (loss), and fixed assets for each reporting segment

The accounting methods applied to the reported business segments, except the scope of consolidation, are generally consistent with the methods described in "1. Significant Accounting Policies Applied to the Semi-Annual Consolidated Financial Statements" above. The scope of consolidation includes the Bank's major subsidiaries. The reported figures are generally prepared based on internal managerial accounting rules before elimination of inter-segment transactions and other consolidation adjustments. Net revenue and operating expenses attributable to multiple segments are reported in accordance with internal managerial accounting rules generally calculated based on market value.

Fixed assets for each reporting segment disclosed below represent the tangible fixed assets and intangible fixed assets related to the Bank as allocated to each reporting segment.

(Changes in the method of calculation of operating profit (loss) of each reporting segment)

From the six months ended September 30, 2023, the Bank has changed the method of allocation of revenue and operating expenses among reporting segments and has accordingly changed the method of calculation of operating profit (loss) of each reporting segment.

The business segment information for the six months ended September 30, 2022 has been restated based on the new calculation method.

(3) Information on net revenue, operating profit (loss), and fixed assets for each reporting segment

For the six months ended September 30, 2022

(in millions of yen)

	For the six months ended September 30, 2022								
	Digital Service	Retail & Commercial Banking	Japanese Corporate & Investment Banking	Global Commercial Banking	Global Corporate & Investment Banking	Customer business units subtotal	Global Markets	Other units	Total
Gross operating income	¥ 141,720	¥ 175,132	¥ 294,140	¥ 447,356	¥ 336,014	¥ 1,394,364	¥ 208,658	¥ 11,053	¥ 1,614,076
Non-consolidated	127,217	162,571	250,092	27,253	247,436	814,571	155,539	(10,160)	959,950
Net interest income	106,744	86,291	152,247	27,326	114,465	487,076	309,380	24,428	820,885
Net non-interest income	20,472	76,280	97,844	(73)	132,971	327,495	(153,841)	(34,588)	139,065
Subsidiaries	14,503	12,560	44,047	420,102	88,578	579,793	53,118	21,213	654,125
Operating expenses	112,448	143,641	133,712	304,966	156,895	851,665	61,086	38,551	951,303
Operating profit (loss)	¥ 29,272	¥ 31,490	¥ 160,427	¥ 142,389	¥ 179,119	¥ 542,699	¥ 147,571	¥ (27,498)	¥ 662,772
Fixed assets at period end	147,479	163,381	150,069	1,189	134,465	596,585	82,744	410,347	1,089,676
Increase in fixed assets	15,186	13,966	15,309	425	9,690	54,579	8,537	4,482	67,599
Depreciation and amortization	5,145	7,259	16,709	92	15,459	44,667	11,049	3,985	59,703

(Notes)

1. "Gross operating income" is used in lieu of net sales generally used by Japanese non-financial companies.
2. "Gross operating income" includes net interest income, net fees and commission, net trading income and net other operating income.
3. "Operating expenses" includes personnel expenses and premise expenses.
4. The amount of fixed assets by segment is shown using the amount of fixed assets of the Bank. Fixed assets of consolidated subsidiaries not allocated and consolidation adjustments amount to ¥658,317 million. With respect to some fixed assets which are not allocated to each segment, some related expenses are allocated to each segment on a reasonable allocation basis.
5. Regarding increase in fixed assets, the amount of increase in fixed assets of the Bank is presented.
6. Regarding depreciation, the amount of depreciation attributable to the Bank is presented.

For the six months ended September 30, 2023

(in millions of yen)

	For the six months ended September 30, 2023								
	Digital Service	Retail & Commercial Banking	Japanese Corporate & Investment Banking	Global Commercial Banking	Global Corporate & Investment Banking	Customer business units subtotal	Global Markets	Other units	Total
Gross operating income	¥ 137,070	¥ 201,820	¥ 398,807	¥ 310,910	¥ 402,183	¥ 1,450,791	¥ 246,037	¥ 39,107	¥ 1,735,936
Non-consolidated	124,346	188,313	347,144	19,571	376,632	1,056,009	195,590	86,880	1,338,479
Net interest income	106,854	110,031	236,697	19,054	195,639	668,278	73,078	67,493	808,850
Net non-interest income	17,491	78,281	110,447	517	180,993	387,730	122,511	19,386	529,629
Subsidiaries	12,723	13,507	51,662	291,338	25,550	394,782	50,447	(47,772)	397,457
Operating expenses	108,159	140,673	131,758	174,949	161,459	717,000	64,636	87,199	868,835
Operating profit (loss)	¥ 28,910	¥ 61,147	¥ 267,048	¥ 135,960	¥ 240,724	¥ 733,791	¥ 181,400	¥ (48,091)	¥ 867,100
Fixed assets at period end	172,797	175,119	151,435	1,353	168,391	669,097	81,356	408,664	1,159,118
Increase in fixed assets	19,063	15,497	18,613	197	15,855	69,228	9,658	8,585	87,472
Depreciation and amortization	6,987	7,370	19,542	114	21,780	55,797	12,613	4,747	73,155

(Notes)

1. “Gross operating income” is used in lieu of net sales generally used by Japanese non-financial companies.
2. “Gross operating income” includes net interest income, net fees and commission, net trading income and net other operating income.
3. “Operating expenses” includes personnel expenses and premise expenses.
4. The amount of fixed assets by segment is shown using the amount of fixed assets of the Bank. Fixed assets of consolidated subsidiaries not allocated and consolidation adjustments amount to ¥537,538 million. With respect to some fixed assets which are not allocated to each segment, some related expenses are allocated to each segment on a reasonable allocation basis.
5. Regarding increase in fixed assets, the amount of increase in fixed assets of the Bank is presented.
6. Regarding depreciation, the amount of depreciation attributable to the Bank is presented.

(4) Reconciliation of the total operating profit in each of the above tables to the ordinary profit in the semi-annual consolidated statement of income

	(in millions of yen)			
	For the six months ended September 30,			
	2022		2023	
Total operating profit of reporting segments	¥	662,772	¥	867,100
Operating profit of consolidated subsidiaries excluded from reporting segments		3,927		11,099
Provision for general allowance for credit losses		42,919		(118,145)
Credit related expenses		(314,345)		(54,663)
Gains on reversal of reserve for contingent losses included in credit costs		27,960		–
Gains on loans written-off		34,276		36,848
Net gains on equity securities and other securities		57,583		104,305
Equity in earnings of equity method investees		23,118		22,320
Amortization of net unrecognized actuarial gain or loss		22,007		19,207
Others		(401,829)		(46,482)
Ordinary profit in the consolidated statement of income	¥	158,391	¥	841,591

(Note)

1. “Credit-related expenses” includes write-offs of loans and provision of specific allowance for credit losses.
2. “Gains on equity securities and other securities” includes gains or losses on sales of equity securities and losses on write-down of equity securities.
3. In connection with the then planned sale of the shares in MUB, an aggregate of ¥631,861 million of losses were recognized for the six months ended September 30, 2022, primarily in accordance with ASC Topic 326, “Financial Instruments—Credit losses,” and ASC Topic 310, “Receivables.” These losses consisted mainly of ¥385,215 million of valuation losses related to securities held for sale, which were included in “Others,” and ¥232,571 million of valuation losses related to loans held for sale, which were included in “Credit related expenses.”

II. Related information

For the six months ended September 30, 2022

(1) Information by type of service

Omitted because it is similar to the above-explained reporting segment information.

(2) Geographical information

(a) Ordinary income

(in millions of yen)

For the six months ended September 30, 2022							
Japan	United States	North America (except for United States)	Latin America	Europe/Middle East	Thailand	Asia/Oceania (except for Thailand)	Total
¥ 1,372,884	¥ 718,910	¥ 17,495	¥ 37,538	¥ 141,132	¥ 275,297	¥ 453,123	¥ 3,016,381

(Notes)

1. Ordinary income is used in lieu of net sales generally used by Japanese non-financial companies.
2. Ordinary income is categorized by either country or region based on the location of the head office or branches of the Bank and subsidiaries.

(b) Tangible fixed assets

(in millions of yen)

For the six months ended September 30, 2022							
Japan	North America	Latin America	Europe/Middle East	Thailand	Asia/Oceania (except for Thailand)	Total	
¥ 696,512	¥ 108,040	¥ 325	¥ 4,422	¥ 88,176	¥ 60,463	¥	¥ 957,942

(3) Information by major customer

None.

For the six months ended September 30, 2023

(1) Information by type of service

Omitted because it is similar to the above-explained reporting segment information.

(2) Geographical information

(a) Ordinary income

(in millions of yen)

For the six months ended September 30, 2023							
Japan	United States	North America (except for United States)	Latin America	Europe/Middle East	Thailand	Asia/Oceania (except for Thailand)	Total
¥ 1,375,257	¥ 1,121,825	¥ 40,731	¥ 50,993	¥ 361,766	¥ 352,162	¥ 750,392	¥ 4,053,129

(Notes)

1. Ordinary income is used in lieu of net sales generally used by Japanese non-financial companies.
2. Ordinary income is categorized by either country or region based on the location of the head office or branches of the Bank and subsidiaries.

(b) Tangible fixed assets

(in millions of yen)

For the six months ended September 30, 2023							
Japan	North America	Latin America	Europe/Middle East	Thailand	Asia/Oceania (except for Thailand)	Total	
¥ 673,434	¥ 61,739	¥ 270	¥ 6,210	¥ 97,859	¥ 64,301	¥ 903,817	

(Changes in Presentation)

The amount of tangible fixed assets with respect to “United States” as of September 30, 2022, which was previously presented as a separate line-item, is included in “North America” as of September 30, 2023 due to its decreased significance. In order to apply this change in presentation, the information in “(b) Tangible fixed assets” under “(2) Geographical information” as of September 30, 2022 has been retroactively reclassified.

As a result, the previously presented amount with respect to “United States” as of September 30, 2022, which was ¥107,798 million, and “North America (except for United States)” as of September 30, 2022, which was ¥242 million, has been reclassified into ¥108,040 million for “North America.”

In addition, the amount of tangible fixed assets with respect to “Thailand,” which was previously included in “Asia/Oceania” as of September 30, 2022, is presented as a separate line-item as of September 30, 2023 due to its relative increased significance in light of the decreased significance of “United States.” In order to apply this change in presentation, the information in “(b) Tangible fixed assets” under “(2) Geographical information” as of September 30, 2022 has been retroactively reclassified.

As a result, the previously presented amount with respect to “Asia/Oceania” as of September 30, 2022, which was ¥148,640 million, has been disaggregated and reclassified into ¥88,176 million for “Thailand” and ¥60,463 million for “Asia/Oceania(except for Thailand)”

(3) Information by major customer

None.

III. Information on impairment losses on fixed assets by reporting segment

For the six months ended September 30, 2022

(in millions of yen)

Six-month period ended September 30, 2022	For the six months ended September 30, 2022								
	Digital Service	Retail & Commercial Banking	Japanese Corporate & Investment Banking	Global Commercial Banking	Global Corporate & Investment Banking	Customer business units subtotal	Global Markets	Other units	Total
Impairment loss	¥ 1,093	¥ 1,114	¥ 13	¥ 0	¥ 3	¥ 2,224	¥ 5	¥ 355	¥ 2,585

(Note)

Impairment loss on fixed assets of the Bank's subsidiaries is not allocated to the reportable segments. The impairment loss was ¥1,563 million for the six-month period ended September 30, 2022.

For the six months ended September 30, 2023

(in millions of yen)

Six-month period ended September 30, 2023	For the six months ended September 30, 2023								
	Digital Service	Retail & Commercial Banking	Japanese Corporate & Investment Banking	Global Commercial Banking	Global Corporate & Investment Banking	Customer business units subtotal	Global Markets	Other units	Total
Impairment loss	¥ 408	¥ 486	¥ 3,366	¥ 0	¥ 7,101	¥ 11,362	¥ 1,505	¥ 171	¥ 13,039

(Note)

Impairment loss on fixed assets of the Bank's subsidiaries is not allocated to the reportable segments. The impairment loss was ¥9,108 million for the six-month period ended September 30, 2023.

IV. Information on amortization and unamortized balance of goodwill by reporting segment

For the six months ended September 30, 2022

(in millions of yen)

	For the six months ended September 30, 2022								
	Digital Service	Retail & Commercial Banking	Japanese Corporate & Investment Banking	Global Commercial Banking	Global Corporate & Investment Banking	Customer business units subtotal	Global Markets	Other units	Total
Amortization	¥ –	¥ 130	¥ –	¥ 1,894	¥ 1,724	¥ 3,749	¥ –	¥ –	¥ 3,749
Unamortized balance at period end	–	1,109	–	41,601	40,530	83,241	–	–	83,241

For the six months ended September 30, 2023

(in millions of yen)

	For the six months ended September 30, 2023								
	Digital Service	Retail & Commercial Banking	Japanese Corporate & Investment Banking	Global Commercial Banking	Global Corporate & Investment Banking	Customer business units subtotal	Global Markets	Other units	Total
Amortization	¥ –	¥ 130	¥ –	¥ 936	¥ 1,850	¥ 2,917	¥ –	¥ –	¥ 2,917
Unamortized balance at period end	12,609	848	–	54,668	40,074	108,200	–	–	108,200

V. Information on gains on negative goodwill by reporting segment

None.

15. Business Combinations

None.

16. Per Share Information

I. Total equity per common share and the bases for the calculation for the periods indicated were as follows:

	(in yen)	
	As of March 31, 2023	As of September 30, 2023
Total equity per common share	¥ 951.87	¥ 1,006.77

	(in millions of yen)	
	As of March 31, 2023	As of September 30, 2023
Total equity	¥ 12,258,588	¥ 12,946,283
Deductions from total equity:		
Non-controlling interests	502,941	512,631
Total equity attributable to common shares	¥ 11,755,646	¥ 12,433,651

	(in thousands)	
	As of March 31, 2023	As of September 30, 2023
Number of common shares at period end used for the calculation of total equity per common share	12,350,038	12,350,038

II. Basic earnings per common share and diluted earnings per common share and the bases for the calculation for the periods indicated were as follows:

	(in yen)	
	For the six months ended September 30,	
	2022	2023
Basic earnings per common share	¥ (3.55)	¥ 48.86

	(in millions of yen)	
	For the six months ended September 30,	
	2022	2023
Net (loss) income attributable to the shareholders of the Bank	¥ (43,859)	¥ 603,540
Net (loss) income attributable to the shareholders of the Bank related to common shares	¥ (43,859)	¥ 603,540

	(in thousands)	
	For the six months ended September 30,	
	2022	2023
Average number of common shares during the periods	12,350,038	12,350,038

	(in yen)	
	For the six months ended September 30,	
	2022	2023
Diluted earnings per common share	-	48.86

	(in millions of yen)	
	For the six months ended September 30,	
	2022	2023
Adjustments to profits attributable to owners of parent	¥ -	¥ (9)

(Note) Diluted earnings per common share for the previous interim consolidated accounting period is not described because it represents an interim net loss per share, although there are diluted shares.