



# Mitsubishi UFJ Trust and Banking Corporation

(Incorporated in Japan with limited liability)

## ¥500,000,000,000

### Euro Medium Term Note Programme

This document (the "Prospectus") is issued to update, amend and restate, and supersedes, the Prospectus of the Mitsubishi UFJ Trust and Banking Corporation and MTBC Finance (Aruba) A.E.C. dated 10 December 2010. MTBC Finance (Aruba) A.E.C. is no longer an Issuer under the Euro Medium Term Note (the "Programme"). Under the Programme, Mitsubishi UFJ Trust and Banking Corporation (the "Issuer" or the "Bank"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Senior Notes (as defined below), Subordinated Dated Notes (as defined below) or Subordinated Perpetual Notes (as defined below), (together the "Notes"). The Notes may rank as senior obligations of the Issuer (the "Senior Notes") or subordinated obligations of the Issuer (i) with a minimum maturity of five years up to 30 years (the "Subordinated Dated Notes") or (ii) without a specified maturity date (the "Subordinated Perpetual Notes" and together with the Subordinated Dated Notes, the "Subordinated Notes").

The aggregate nominal amount of Notes outstanding will not exceed ¥500,000,000,000 (or the equivalent in other currencies calculated at the date of each issue).

The Notes will be issued to one or more of the Dealers specified below and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together the "Dealers").

Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the "UK Listing Authority") for Notes issued under the Programme for the period of 12 months from the date of this Prospectus to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Notes to be admitted to trading on the London Stock Exchange's Regulated Market (the "Market"). References in this Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Market and have been admitted to the Official List. The Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC of the European Parliament and of the Council on Markets in financial instruments). However, unlisted Notes may be issued pursuant to the Programme. The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Market (or any other stock exchange).

**Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Prospectus.**

The Notes of each Series will initially be represented (as indicated in the relevant Final Terms) by either a temporary global Note or a permanent global Note (each a "Global Note") which will be deposited on the issue date with a common depository on behalf of Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") or otherwise delivered as agreed between the Issuer and the relevant Dealer. Interests in temporary Global Notes will be exchangeable for interests in permanent Global Notes or, if so stated in the relevant Final Terms, for definitive Notes after the date falling 40 days after the issue date, upon certification as to non-U.S. beneficial ownership and interests in permanent Global Notes may be exchangeable for definitive Notes, in each case as described under "Summary of Provisions relating to the Notes while in Global Form".

As at the date of this Prospectus, the Issuer has been assigned a credit rating of AA (stable) by Japan Credit Rating Agency, Ltd.

Tranches of Notes (as defined in "General Description of the Programme") may be rated or unrated. Where a Tranche of Notes is rated, it will be rated AA for Senior Notes, AA- for Subordinated Dated Notes qualifying as Lower Tier 2 capital and, A+ for Subordinated Perpetual Notes by Japan Credit Rating Agency, Ltd. and such rating will be specified in the relevant Final Terms, Japan Credit Rating Agency, Ltd. is not established in the European Union but is certified under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions.

*Arranger*

**Mitsubishi UFJ Trust International Limited**

*Dealers*

**Mitsubishi UFJ Trust International Limited**

**BofA Merrill Lynch  
Daiwa Capital Markets Europe  
J.P. Morgan**

**Citigroup  
Goldman Sachs International  
Morgan Stanley**

**Nomura**

The date of this Prospectus is 16 December 2011.

This Prospectus comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "Prospectus Directive") and for the purpose of giving information with regard to the Bank and the Bank's subsidiaries and affiliates which, according to the particular nature of the Bank and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Bank.

The Bank accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Bank (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference").

In connection with the issue and offering of the Notes no person has been authorised to give any information or to make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Bank, BNY Mellon Corporate Trustee Services (the "Trustee") or the Dealers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to its date. The Arranger, the Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Bank during the life of the Programme.

To the fullest extent permitted by law, none of the Dealers, the Arranger nor the Trustee accept any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Bank or the issue and offering of the Notes. The Arranger and each Dealer and the Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement. Neither the Arranger, the Dealers nor the Trustee accept any liability in relation to the information contained in this Prospectus or any other information provided by the Bank in connection with the Programme.

Neither this Prospectus nor any other information supplied in connection with the Programme (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Bank or any of the Arranger, the Dealers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Programme should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Bank. Neither this Prospectus nor any other information supplied in connection with the Programme constitutes any offer or invitation by or on behalf of the Issuer, or any of the Arranger, the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States of America, the United Kingdom, Japan and the Netherlands (see "Plan of Distribution"). Furthermore, this Prospectus does not constitute, and may not be used for the purposes of, an offer, invitation or solicitation by anyone in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, (the "Securities Act") and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

**BY PURCHASING THE NOTES, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED THAT IT IS A GROSS RECIPIENT (AS DEFINED IN "PLAN OF DISTRIBUTION").**

A prospective investor should consult with its own professional advisers on its tax position as to whether it is a Specially Related Party.

*In this Prospectus, references to "EUR" and "€" are to the lawful currency of those members of the European Union which are participating in the European Economic and Monetary Union pursuant to the Treaty on European Union, to "U.S. dollars", "U.S. \$" and "\$" are to United States dollars and to "yen" and "¥" are to Japanese yen.*

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## **DOCUMENTS INCORPORATED BY REFERENCE**

This Prospectus should be read and construed in conjunction with the audited consolidated annual financial statements of the Bank for the financial years ended 31 March 2010 and 31 March 2011 respectively together in each case with the independent auditors' report thereon, each of which have been previously published or are published simultaneously with this Prospectus and which have been approved by the Financial Services Authority or filed with it. Such documents shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus. The parts of the above mentioned documents which are not incorporated by reference into this Prospectus are either not relevant for investors or are covered elsewhere within this Prospectus.

The financial statements and independent auditors' reports referred to above are direct and accurate translations of the original Japanese reports.

The financial information of the Bank included in this Prospectus has not been prepared in accordance with International Financial Reporting Standards ("IFRS") and there may be material differences in the financial information had IFRS been applied to the financial information.

The Bank will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of such documents incorporated herein by reference unless such documents have been modified or superseded as specified above. Written or telephone requests for such documents should be directed to the Bank at its office set out at the end of this Prospectus.

## **SUPPLEMENTAL PROSPECTUS**

If at any time the Issuer shall be required to prepare a supplemental prospectus pursuant to Section 87G of the Financial Services and Markets Act 2000, the Issuer will prepare and make available an appropriate amendment or supplement to this Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Market, shall constitute a supplemental prospectus as required by the UK Listing Authority and Section 87G of the Financial Services and Markets Act 2000.

If at any time during the duration of the Programme there is a significant new factor, mistake or material inaccuracy relating to information contained in this Prospectus which is capable of affecting the assessment of any Notes whose inclusion would reasonably be required by investors and their professional advisers, and would reasonably be expected by them to be found in this Prospectus, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare an amendment or supplement to this Prospectus or publish a replacement Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer and the Trustee such number of copies of such supplement hereto as such Dealer and the Trustee may reasonably request.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, Senior Notes (as defined under the Terms and Conditions of the Notes), in the case of Subordinated Dated Notes, Notes having a maturity of more than five years to 30 years from the date of original issue and/or Subordinated Perpetual Notes as defined under the Terms and Conditions of the Notes without a specified maturity date, subject as set out herein. An overview of the Programme appears on pages 6 to 9. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer(s) prior to the issue of the Notes and will be set out in the terms and conditions of the Notes endorsed on the Notes, as modified and supplemented by the relevant Final Terms with respect to a specific tranche of Notes (each a “Tranche”).

This Prospectus and any supplement will only be valid for listing Notes on the Official List and admitted to trading on the Market in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed ¥500,000,000,000 or its equivalent in other currencies, subject to increase as provided in the Dealer Agreement (as defined in “Plan of Distribution”). For the purpose of calculating the yen equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

(a) the yen equivalent of Notes denominated in another Specified Currency (as specified in the relevant Final Terms) shall be determined by The Bank of New York Mellon (the “Agent”) on behalf of the Issuer, either as of the date of the agreement to issue such Notes (the “Agreement Date”) or, if such determination cannot be made as of such Agreement Date, on the first succeeding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of yen against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the Agent on the relevant day of calculation;

(b) the yen equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the relevant Final Terms) shall be calculated in the manner specified above by reference to the original nominal amount of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and

(c) the yen equivalent of Zero Coupon Notes and other Notes issued at a discount or premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

## OVERVIEW OF THE PROGRAMME

*The following does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of, this document and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms. Words and expressions defined or used in “Terms and Conditions of the Notes” which includes the provisions of the relevant Final Terms shall have the same meaning herein:*

<b>Issuer</b>	Mitsubishi UFJ Trust and Banking Corporation
<b>Arranger</b>	Mitsubishi UFJ Trust International Limited
<b>Dealers</b>	Mitsubishi UFJ Trust International Limited Citigroup Global Markets Limited Daiwa Capital Markets Europe Limited Goldman Sachs International J.P. Morgan Securities Ltd. Merrill Lynch International Morgan Stanley & Co. International plc Nomura International plc  and any additional Dealer appointed from time to time by the Issuer for a specific issue or on an ongoing basis.
<b>Trustee</b>	BNY Mellon Corporate Trustee Services Limited
<b>Agent</b>	The Bank of New York Mellon
<b>Paying Agent</b>	The Bank of New York Mellon (Luxembourg) S.A.
<b>Amount</b>	Up to and including ¥500,000,000,000 (or its equivalent in other currencies calculated as set out herein) outstanding. Under the Dealer Agreement the nominal amount of Notes outstanding under the Programme may be increased, subject to the satisfaction of certain conditions set out therein.
<b>Description</b>	Euro Medium Term Note Programme
<b>Distribution</b>	Notes may be distributed by way of private or public placement and in each case on a non-syndicated or a syndicated basis. The method of distribution of each Tranche will be stated in the relevant Final Terms.
<b>Method of Issue</b>	Notes will be issued on a continuous basis in series (each a “Series”). The Notes comprising each Series will have one or more Issue Dates, the same Maturity Date and will bear interest (if any) on the same basis and at the same rate (except in respect of the first payment of interest) and on terms otherwise identical. The Notes of any Series with the same Issue Date will comprise a Tranche. Final Terms will be published in respect of each Tranche.
<b>Currencies</b>	Japanese yen, U.S. dollars, or such currency or currencies as may be agreed between the Issuer and the relevant Dealer(s). Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time. See “Plan of Distribution”.
<b>Maturities</b>	As at the date hereof, the minimum maturity of Senior Notes is one year, the minimum and maximum maturity for Subordinated Dated Notes is five years and up to 30 years, respectively and, in the case of Subordinated Perpetual Notes, with no specified maturity (as indicated in the relevant Final Terms). Under current requirements in the case of Subordinated Dated Notes which qualify as Lower Tier 2 capital in accordance with the requirements of the Financial Services Agency of Japan, the minimum maturity is five years and one day. Such maturities may be subject to increase or decrease from time to time as a result of changes in applicable legal or regulatory requirements.

<b>Issue Price</b>	Notes may be issued at their nominal amount or at a discount to, or a premium over, their nominal amount. Partly paid Notes may be issued, the issue price of which will be payable in two or more instalments.
<b>Form of Notes</b>	The Notes will be issued in bearer form only. Each Tranche will initially be represented by either a temporary Global Note, or a permanent Global Note which will be deposited (a) in the case of a Tranche intended to be cleared through Euroclear or Clearstream, Luxembourg, on the Issue Date with a common depository on behalf of Euroclear and Clearstream, Luxembourg or (b) in the case of a Tranche intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg or delivered outside a clearing system, as agreed between the Issuer, the Agent, the Trustee and the relevant Dealer(s). No interest will be payable in respect of a temporary Global Note except as described under “Summary of Provisions Relating to the Notes while in Global Form”. Interests in temporary Global Notes will be exchangeable for interests in permanent Global Notes or, if so stated in the relevant Final Terms, for definitive Notes after the date falling 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interests in permanent Global Notes will be exchangeable for definitive Notes in the circumstances described under “Summary of Provisions Relating to the Notes while in Global Form”.
<b>Fixed Rate Notes</b>	Fixed interest will be payable in arrear on such day(s) as agreed between the Issuer and the relevant Dealer(s) (as indicated in the relevant Final Terms).
<b>Floating Rate Notes</b>	Floating Rate Notes will bear interest determined separately for each Series as follows: <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or</li> <li>(ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin.</li> </ul> Interest periods will be specified in the relevant Final Terms.
<b>Zero Coupon Notes</b>	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Dual Currency Notes</b>	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Final Terms.
<b>Index Linked Notes</b>	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms.
<b>Other Notes</b>	Terms applicable to high interest Notes, low interest Notes, Step-up Notes, Step-down Notes, Reverse Dual Currency Notes, Optional Dual Currency Notes, Partly Paid Notes, or any combination thereof and any other type of Note which the Issuer, and any Dealer(s) may agree to issue under the Programme will be set out in the relevant Final Terms and supplemental prospectus.
<b>Change of Interest Basis</b>	Notes may be converted from one interest basis to another in the manner set out in the relevant Final Terms.
<b>Denominations</b>	Notes must at all times have a minimum denomination of €100,000 (or its equivalent at the date of issue in other currencies) unless the Issuer and the relevant Dealer(s) agree otherwise save that in the case of any Notes which are to be admitted to trading on a regulated market within the European

Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes). The minimum denomination will be set out in the relevant Final Terms, subject to compliance with all legal and/or regulatory requirements applicable to the Specified Currency.

**Taxation**

All payments of principal and interest will be made without withholding or deduction for any taxes or duties of whatever nature imposed by Japan, unless any such withholding or deduction is required by law whereupon, subject to certain exceptions, the Issuer will pay such additional amount as will result in the receipt by the payee of such amounts as would have been received by it had no withholding or deduction been required, in accordance with the provisions described in “Terms and Conditions of the Notes — 6. Taxation”.

Interest payments will be subject to Japanese withholding tax unless the holder thereof establishes that the Note is held by or for the account of a holder who (i) is not an individual resident of Japan or a Japanese corporation for Japanese tax purposes and is not a specially related person of the Issuer as provided in Article 6, Paragraph 4 of the Special Taxation Measures Law of Japan or (ii) is a designated financial institution as provided in Article 6 of the Special Taxation Measures Law of Japan. See Condition 6 of the Terms and Conditions of the Notes and “Taxation – Japanese Taxation”.

**Status of the Notes**

*Senior Notes* – The Senior Notes will be direct, unsecured (subject to Condition 3), unconditional and unsubordinated obligations of the Bank ranking *pari passu* and without any preference among themselves.

*Subordinated Dated Notes* — The Subordinated Dated Notes will be direct, unsecured, unconditional and subordinated obligations of the Bank ranking *pari passu* and without any preference among themselves.

*Subordinated Perpetual Notes* — The Subordinated Perpetual Notes will be direct, unsecured, conditional and subordinated obligations of the Bank ranking *pari passu* and without any preference among themselves.

**Claims in respect of the Notes will rank in priority to the rights and claims of holders of all classes of equity (including holders of preference shares (if any)) of the Bank.**

**Cross Default**

The Terms and Conditions of the Senior Notes will contain a cross-default provision for the Issuer relating to indebtedness for money borrowed having an aggregate outstanding principal amount of at least U.S.\$10,000,000 (or its equivalent in any other currency or currencies) as further described in Condition 8(a).

The Terms and Conditions of the Subordinated Notes will not contain a cross-default provision.

**Negative Pledge**

The Terms and Conditions of the Senior Notes will contain a negative pledge provision as described in Condition 3. The Terms and Conditions of the Subordinated Notes will not contain a negative pledge provision.

**Limited Rights of Acceleration**

The Trustee may only accelerate the Subordinated Notes if any of the following limited events shall occur and be continuing (each an “Acceleration Event”):

- (i) a Subordination Event (as defined in Condition 2); or
- (ii) an order is made or an effective resolution is passed for the winding up or dissolution of the Issuer except for the purposes of an amalgamation, merger or reconstruction, the terms whereof have previously been approved by the Trustee or by an Extraordinary



Resolution of Noteholders (as defined in the Trust Deed, such approval not to be unreasonably withheld).

**Neither the Terms and Conditions of the Subordinated Notes nor the Trust Deed will contain any provision whereby an Acceleration Event will arise upon a default in the payment of principal of or interest on the Subordinated Notes.**

**Rating**

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, it will be rated AA for Senior Notes, AA- for Subordinated Dated Notes qualifying as Lower Tier 2 capital and A+ for Subordinated Perpetual Notes by Japan Credit Rating Agency, Ltd. and such rating will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

**Listing**

Application has been made to list Notes issued under the Programme on the Official List and to admit them to trading on the Market or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, unlisted Notes may also be issued.

**Governing Law**

English.

**Selling Restrictions**

There are restrictions on the sale of Notes and the distribution of offering material. See "Plan of Distribution".

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

#### ***Equity portfolio***

The Bank holds a substantial amount of equity securities with market value. Declines in the stock market may reduce the value of the Bank's equity securities portfolio and may necessitate impairment of such assets, causing the Bank's results of operations and financial condition to be adversely affected.

#### ***Risks relating to lending business***

While the Bank's problem claims (being its non-performing claims as disclosed under the relevant laws) had been declining in recent years, however, problem claims, as well as credit costs, may increase if:

- economic conditions in and out of Japan deteriorate, adversely affecting the Bank's borrowers;
- real estate prices or stock prices in Japan decline;
- financial conditions of the Bank's borrowers (in particular the large borrowers) may deteriorate; or
- the global economic environment deteriorates generally.

Such increase in problem claims and credit costs may adversely affect the results of operations, financial condition and capital ratios of the Bank.

#### ***Insufficiency of allowance for possible loan losses and difficulties in realising collateral***

The Bank's allowance for possible loan losses is based on the Bank's past experience of credit losses and assumptions and estimates about its loan portfolio, the value of collateral guarantees, general business and economic conditions and other pertinent indicators. The Bank's actual loan losses on claims and pertinent factors could prove to be materially different from its assumptions and estimates at the time such allowance was made, and the losses could materially exceed its allowance. If general economic conditions deteriorate, causing the Bank to change its assumptions and estimates, if the value of collateral it holds declines or it is adversely affected by other factors to an extent that is worse than anticipated, the Bank may have to increase its allowance for possible loan losses or otherwise incur additional credit costs.

In addition, the Bank may experience difficulties in realising collateral due to the relative illiquidity of the Japanese real estate market or declines in real estate or stock prices.

#### ***Continuing financial difficulties faced by the Bank's borrowers***

Certain of the Bank's borrowers continue to face difficult financial or management conditions. Such borrowers are under support by other creditors or under restructuring, and should such support be withdrawn, or should such restructuring prove unsuccessful, they may face bankruptcy. If management or other difficulties faced by certain of the Bank's borrowers continue or increase, it may become necessary for the Bank to forgive or otherwise dispose of such claims, which may increase the Bank's credit costs and may adversely affect the Bank's financial condition.

### ***Policy of dealing with problem claims***

The Bank makes its decisions relating to the treatment of defaults by borrowers depending on likelihood of recovery and other factors, and may not necessarily always take all legal action possible in the case of any such defaults. Depending on circumstances, the Bank may reasonably support such borrowers by way of debt forgiveness, additional lending or capital injection, which may have the effect of increasing the Bank's exposure to such companies as well as increases in credit costs or risks relating to declines in value of any such capital injected.

### ***Interest rate risk***

The Bank holds substantial investments in debt securities, including Japanese government bonds. An increase in interest rates could substantially decrease the value of the Bank's fixed income portfolio. In addition, increases in interest rates may cause difficulties for the Bank's borrowers and cause their financial condition to deteriorate, in turn increasing the Bank's credit costs.

### ***Foreign exchange rates fluctuation***

If foreign exchange rates fluctuate substantially in the future this may lead to an increase in costs, a decrease in sales and a financial burden due to appraisal loss from exchange derivatives including currency options. This may lead to a deterioration in the financial condition of the Bank's borrowers and the number of borrowers who are unable to settle the derivative transaction may increase, which will in turn adversely affect the Bank's financial condition and the results of its operations.

### ***Price increase of raw materials***

If the Bank's problem claims increase due to inability of the Bank's borrowers to pass on to their customers increased costs and expenses arising from price increase of crude oil, steel and other raw materials, it may adversely affect the results of operations and financial conditions of the Bank.

### ***Troubled financial institutions***

Some financial institutions in Japan (including banks, non-banks, credit institutions, financial affiliates of securities companies and insurance companies) facing difficulties have often received support from larger banks in order to avoid business disruption, at times with the encouragement of regulatory authorities. Any such support may create unanticipated negative consequences for the Bank due to direct lending exposure to such institutions, exposure due to shareholdings and requests for financial support, as well as increased competition caused by governmental capital injection to such institutions. Furthermore, such troubled financial institutions may withdraw support to its borrowers, which may also be borrowers of the Bank, and thus adversely affect the Bank's financial condition and results of operations. In addition, if the Japanese government deems the amount of deposit insurance for protection of depositors is insufficient in the light of such troubled financial institutions, the deposit insurance premium payable by the Bank may increase. Press coverage on banking business indicating negativism or scepticism to the banking industry may adversely affect the reputation of the Bank.

### ***Trading and investment risk***

The Bank is involved in a wide range of trading and investing activities, including those involving financial instruments such as derivatives. As such, the Bank's results or operations and financial condition are affected by risks relating to its trading activities, including interest rate, foreign exchange rate, stock and bond price volatility.

### ***A significant downgrade of the Bank's credit ratings***

A significant downgrade of the Bank's credit ratings by one or more credit rating agencies could have a negative effect on the Bank's treasury operations, procurement of funds and other aspects of the Bank's business. A significant downgrade may also result in the Bank having to accept less favourable terms in transactions or prevent it from entering into some transactions, and may adversely affect the funding and capital requirements of the Bank.

### ***Risks relating to consumer loan business***

The Bank holds loans from borrowers involved in the consumer loan business and also holds shares in consumer business companies. The consumer loan business market has been deteriorating

gradually due to the reduction of the maximum allowable interest rate from 29.2 per cent. to 20 per cent., a recent judgement concerning deemed repayment, introduction of total volume control and abolition of deemed repayment. Should borrowers involved in the consumer loan business be adversely affected, the value of the Bank's loans to borrowers involved in the consumer loan business and shares in consumer business companies may be adversely affected.

#### ***Risks relating to global financial crisis and recession***

While the world economy is on its way to recovery from the global financial crisis and recession originating in the United States and European Countries, there are new destabilising factors to be considered, such as a high unemployment rate and deflation in developed countries, and overheated economy and inflationary pressures in emerging countries. Lapsing into recession again may have a negative effect on the Bank's investment portfolio and lending business. For example, further decline in the market price of the securities including securitised instruments currently held by the Bank may increase the Bank's exposure. The deteriorating credit environment may induce financial problems or events of default by the Bank's borrowers. If the decline in the market price of the securities and the trend of defaults affects the whole market, it may cause cash-flow problems or bankruptcy problems in financial institutions around the world. If the Bank has exposure to any financial institution involved in these problems, it may cause the Bank loss and adversely affect the Bank's financial condition and results of operations. If the market turmoil has a long term impact on the global economy, the adverse effect on the Bank may become more serious. Most of the Bank's assets on its balance sheet are financial instruments recognised in current value referring to a market price. If current value of such financial instruments decreases, the Bank will record losses. If financial market deteriorates or reference price cannot be found due to the global financial crisis, it may have material adverse effect on the value of financial instruments held by the Bank. Further, accounting treatment in respect of the current value accounting has been under a review and a future revision of the accounting system and standard may adversely affect the value of the financial instruments held by the Bank.

#### ***Risks relating to business suspension due to external factors***

The Bank's measures to prevent business suspension due to external factors (such as natural disasters) may not be effective in every situation. The Bank may not be able to avoid any adverse effect on its business and financial condition caused by any such unexpected situations.

Rotating blackout and electricity conservation efforts due to the Great East Japan Earthquake in March 2011 may affect the Bank's office, ATM and other operations. The aftermath of the earthquake may increase the Bank's credit cost and the number of bad loans due to deteriorating economic conditions, borrowers businesses and depressing stock prices, and may cause appraisal loss in financial products held by the Bank, which will in turn adversely affect the business, financial condition and performance of the Bank.

#### ***Risks relating to the information and telecommunication system***

The Bank's information and telecommunication system, which is one of the most important elements of the Bank, may have a problem or may break down and suspend its operation. This may be due to external factors including, without limitation to, natural disasters such as earthquakes, terrorism, the outbreak of a pandemic disease, human error, blackout, hacking, computer virus or error of other service providers. In such cases, the Bank's business operations may be suspended and the Bank may become subject to liability, compensation or regulatory action and may lose its reputation, which will in turn adversely affect the business, financial condition and performance of the Bank.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the Bank or the MUFG Group companies will be unable to comply with their obligations as a company with securities admitted to the Official List, or as a supervised firm regulated by the Financial Services Authority.

#### ***Competition***

In recent years, the Japanese financial system has been increasingly deregulated and barriers to competition have been reduced. In addition, the Japanese financial industry has been undergoing significant consolidation, as a result of which larger and more integrated financial institutions have emerged as competitors. If the Bank is unable to compete effectively in this more competitive and

deregulated business environment, its business, results of operations and financial condition will be adversely affected.

#### ***Risks relating to violations of various laws and regulations***

The Bank's legal risk management structures are designed to prevent breaches of ongoing laws and regulations, and they may not be effective in preventing all future breaches. Future breaches of laws and regulations could result in regulatory action and have an adverse effect on the Bank's reputation and the Bank's business, financial condition and result of operations could be materially and adversely affected.

#### ***Changes in regulation***

The Bank conducts its business subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations in Japan and the other markets in which it operates. Future developments or changes in laws, regulations, policies, voluntary codes of practice, fiscal or other policies and their effects are unpredictable and beyond its control. Any such developments or changes or any action that must be taken by the Bank could negatively affect its business and results of operations.

#### ***Risks relating to trading with terrorism-supporting states***

The Bank of Tokyo-Mitsubishi UFJ, Ltd., an important subsidiary of MUFG, has traded with a legal entity of certain terrorism-supporting states designated by U.S. Government such as the Islamic Republic of Iran ("Iran") or affiliates thereof and has a representative office in Iran. The U.S. Government regulates any transactions between U.S. citizens and such designated terrorism-supporting states. There is a possibility that any trading or investment between U.S. Government or U.S. Institutional Investors and any person dealing with such designated terrorism-supporting states will be regulated in the future. Under such circumstances, MUFG Group companies including the Bank may not take on or maintain U.S. Government or U.S. Institutional Investors and such other regulated persons as its customers or investors.

A law restricting economic and financial transactions with Iran was enacted in the United States in July 2010 and the freezing of funds for banks which may be contributing to nuclear activities of Iran was implemented in Japan in September 2010. In addition, the governments of the United States, the United Kingdom and Canada announced further sanctions on Iran in November 2011. In particular, the United States identified Iran as a jurisdiction of "primary money laundering concern". While MUFG is taking measures in response to these circumstances, the MUFG Group companies, including the Bank, and their business may to an extent, be adversely affected, and in a worst case scenario may become subject to regulatory actions if the U.S. Government or other governments consider such measures to be insufficient.

#### ***Capital adequacy***

The rules of Basel II have been applicable to the Bank since the 2007 fiscal year and the Bank is required to maintain risk-weighted capital adequacy ratios above the levels specified in the capital adequacy guidelines of the Japanese Financial Services Agency (the "FSA"). Although the Bank currently maintains a capital adequacy ratio above the required minimum level of 8 per cent., such ratio could decline as a result of a number of factors, including but not limited to the following:

- Increase in credit costs due to disposals of problem claims or worsening loan portfolio;
- Declines in value of its securities portfolio;
- Changes in the minimum required capital adequacy ratio or the method of calculation thereof;
- Adverse movements in foreign exchange rates;
- Adoption of new stricter regulations on capital adequacy ratio and liquidity, which were published as a part of Basel III and will apply in phases from 2013;
- A reduction in the value, or changes in the assumptions underlying the calculation, of the Bank's deferred tax assets (which form a part of the Bank's capital), or the regulations or guidelines relating to the recognition of deferred tax assets as part of capital; and
- The Bank's inability due to market conditions to refinance its existing subordinated debt with new subordinated debt with equivalent terms.

If the Bank's capital adequacy ratios fall below required levels, the FSA could require it to implement a variety of corrective measures, including the suspension of all or part of the Bank's business operations outside Japan. In addition, the Bank and its foreign subsidiaries are subject to capital adequacy requirements in relevant foreign jurisdictions. If the Bank's capital adequacy ratio falls below the required levels in each such jurisdiction, the Bank may be subject to orders by regulatory authorities in the foreign jurisdictions.

#### ***Pension plans***

The Bank's pension costs may increase if the fair value of the Bank's plans' assets declines or if there is a change in the actuarial assumptions on which the calculations of the projected pension obligations are based. Changes in the interest rate environment and other factors may also adversely affect the amount of unfunded pension obligations and the resulting annual amortisation expense, thus adversely affecting the Bank's results of operations.

#### ***Protection of personal and other confidential information***

In recent years, there have been many cases of personal information and records in the possession of corporations and institutions being leaked or improperly accessed. The Personal Information Protection Act and other laws applicable to the Bank calls for a more stringent control of such personal information. In the event that personal information about customers in the Bank's possession is leaked or improperly accessed and subsequently misused, the Bank may be subject to liability and compensation as well as regulatory action. In addition, such incidents could create a negative public perception of the Bank's operations or its brand, which may in turn decrease customer and market confidence and thereby materially adversely affect the Bank's business, operating results and financial condition.

#### ***Risks relating to reputation***

The reputation is important for the Bank to maintain a good relationship with a customer, investor and regulatory authority. If the Bank fails to avoid the reputation being impaired by various factors, the Bank may lose the current and future customers and investors and it may adversely affect the Bank's business, financial condition and results of operations.

#### ***Risks relating to human resources development***

Although the Bank makes best efforts to maintain and develop the capable human resources, the Bank's failure to maintain and develop the required human resources may adversely affect the Bank's business operation and its results.

#### **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

#### ***Risks related to the structure of a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

#### ***Notes subject to optional redemption by the Issuer***

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer (in the case of Subordinated Notes subject to prior consent of the Financial Services Agency of Japan) may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### ***Index Linked Notes and Dual Currency Notes***

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange

rates or other factors (each, a “Relevant Factor”). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

#### *Partly-paid Notes*

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

#### *Variable rate Notes with a multiplier or other leverage factor*

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

#### *Inverse Floating Rate Notes*

If so indicated in the relevant Final Terms, Floating Rate Notes may have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms) because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

#### *Fixed/Floating Rate Notes*

If so indicated in the relevant Final Terms, Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

*The obligations under the Subordinated Notes are subordinated*

The obligations under the Subordinated Notes will be unsecured and subordinated in the manner set out in “Terms and Conditions of the Notes — Condition 2. Status of the Notes and Subordination”. In addition, in relation to Subordinated Perpetual Notes, claims in respect thereof are conditional upon the Bank being solvent at the time of payment. Although Subordinated Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the Bank become insolvent.

***Risks related to Notes generally***

Set out below is a brief description of certain risks relating to the Notes generally:

*Modification, waivers and substitution*

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or the Trust Deed except for any modification to Condition 2 or the provisions as to subordination in Clause 5 of the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or (ii) any modification (including Condition 2 and the provisions as to subordination in Clause 5 of the Trust Deed) which is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of Japanese law, or (iii) the substitution of another entity as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 12(c) of the Terms and Conditions of the Notes.

*EU Savings Directive*

The European Union has adopted a Directive (2003/48/EC) (the “EU Savings Directive”) regarding the taxation of savings income. Subject to a number of important conditions being met, Member States are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual or to certain other persons in another Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise. The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. A number of non-EU countries and territories have adopted similar measures to the EU Savings Directive.

If a payment were to be made or collected through a Member State of the European Union which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to the EU Savings Directive.

*Change of law*

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

*Integral multiples of less than €100,000*

Although Notes which are admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive are required to have a minimum Specified Denomination of €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes), it is possible that the Notes may be traded in the clearing systems in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such a case, should definitive Notes be required to be issued,



Noteholders who hold Notes in the relevant clearing system in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the relevant Exchange Date, a principal amount of Notes such that their holding is an integral multiple of a Specified Denomination.

***Risks related to the market generally***

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

*Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

*Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

## TERMS AND CONDITIONS OF THE NOTES

*The following (save for this paragraph) is the text of the terms and conditions (the "Conditions") which, subject to completion and amendments and as supplemented, varied or modified in accordance with the provisions of Part A of the relevant Final Terms in respect of a Series of Notes, will be applicable to the Notes. Either (i) the full text of the Conditions together with the relevant provisions of Part A of the relevant Final Terms or (ii) the Conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions) will be endorsed on the Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not all Notes which may be issued under the Programme. References in the Conditions to the "Issuer" shall be references to the party specified as such in Part A of the relevant Final Terms.*

The Notes are constituted by an amended and restated trust deed dated 16 December 2011, as amended and/or supplemented from time to time or as at the date of issue of the Notes (the "Issue Date") (the "Trust Deed") and made between Mitsubishi UFJ Trust and Banking Corporation (the "Issuer") and BNY Mellon Corporate Trustee Services Limited (the "Trustee", which expression includes any successor trustee) as trustee for the holders of the Notes (the "Noteholders"). These terms and conditions (the "Conditions") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which also contains provisions which are not summarised in these Conditions), and payments under the Notes will be made in accordance with an amended and restated agency agreement dated 16 December 2011 and as amended and/or supplemented from time to time (the "Agency Agreement") relating to the Notes between the Issuer, the Trustee, The Bank of New York Mellon as issuing and paying agent and as agent bank (the "Agent", which expression includes any successor agent) and The Bank of New York Mellon (Luxembourg) S.A. as paying agent and the other paying agents from time to time appointed as such (together with the Agent, the "Paying Agents", which expression includes any successor and additional paying agents). A calculation agent (the "Calculation Agent"), if any, will be specified in the relevant final terms (each a "Final Terms") relating to each series of Notes (each a "Series"). Copies of the Trust Deed, incorporating the terms of the Notes and the related coupons (the "Coupons") and of the Agency Agreement are available for inspection at One Canada Square, Canary Wharf, London E14 5AL, principal office of the Trustee, and at the specified office of each of the Paying Agents. The holders of the Notes and Coupons (if any), the holders of the instalment receipts (the "Receipts") and, where applicable, the talons for further Coupons (the "Talons") are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and those applicable to them of the Agency Agreement.

Capitalised terms set out in these Conditions but not defined herein will be the final terms applicable to each Series of Notes and will have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes, provided that, in the event of inconsistency, the relevant Final Terms will prevail.

### **1. Form, Denomination and Title**

The Notes are issued in bearer form in the Specified Denomination(s) provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes). Notes of any Series shall be serially numbered. Notes of one Denomination may not be exchanged for Notes of another Denomination. This Note is a Senior Note, a Subordinated Dated Note or a Subordinated Perpetual Note as specified hereon. The Subordinated Dated Notes and the Subordinated Perpetual Notes are together referred to in these Conditions as "Subordinated Notes".

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

The Notes are issued with Coupons (and, where appropriate, a Talon) attached save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Title to the Notes, Receipts, Coupons and Talons shall pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon by anyone.

In these Conditions, "Noteholder" means the bearer of any Note and "holder" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Note, Receipt, Coupon or Talon (as the case may be).

## 2. Status of the Notes and Subordination

### (a) Senior Notes

The obligations of the Issuer under the Senior Notes, relative Receipts (if any) and Coupons are irrevocable, direct, (subject to Condition 3) unsecured, unconditional and unsubordinated obligations of the Issuer ranking *pari passu* and without any preference among themselves and, with the exception of obligations in respect of national and local taxes in Japan and certain other statutory exceptions under Japanese law, with all other unsecured obligations of the Issuer (other than subordinated obligations).

### (b) Subordinated Notes

- (i) The obligations of the Issuer under the Subordinated Notes, relative Receipts (if any) and Coupons are irrevocable, direct, unsecured, general, unconditional (in the case of Subordinated Dated Notes) or conditional (in the case of Subordinated Perpetual Notes) and subordinated (as described below) obligations. Claims in respect of the Subordinated Perpetual Notes shall constitute subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and after claims of the holders of Subordinated Dated Notes and in priority to the rights and claims of holders of all classes of equity (including holders of preference shares (if any)) of the Issuer. Claims in respect of the Subordinated Dated Notes shall constitute subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preferences among themselves and will, upon the occurrence of a Subordination Event, be subordinated in right of payment to all Senior Indebtedness of the Issuer, and in priority to claims of the holders of the Subordinated Perpetual Notes and to the rights and claims of holders of all classes of equity (including holders of preference shares (if any)) of the Issuer.
- (ii) Claims in respect of Subordinated Perpetual Notes are conditional upon the Issuer being solvent at the time of payment by the Issuer and no amount which would otherwise be due and payable by the Issuer in respect of Subordinated Perpetual Notes under the other provisions of these Conditions shall be due and payable by the Issuer except to the extent that the Issuer could make such payment in whole or in part, rateably with Other Note Claims, and payment in respect of Other *Pari Passu* Claims (each as defined below) against the Issuer, and still be solvent immediately thereafter and any amount which is not due and payable by reason of the provisions of this Condition 2(b)(ii) shall instead become due and payable together with accrued interest (if any) thereon only if and when and to the extent that the Issuer could make payment in respect thereof in whole or in part, rateably with payments in respect of Other Note Claims and Other *Pari Passu* Claims against the Issuer, and still be solvent immediately thereafter, provided that upon the occurrence of a Subordination Event any claim under the Subordinated Perpetual Notes may be made but such claim will be subordinated in accordance with Condition 2(b)(iii).

For the purpose of this Condition 2, "Other Note Claims" means all payments in respect of the payments in respect of Subordinated Perpetual Notes which have not been made by reason of the provisions of this Condition 2(b)(ii) together with accrued interest (if any) thereon and, "Other *Pari Passu* Claims" means claims of creditors of the Issuer which are subordinated so as to rank *pari passu* with the claims against the Issuer in respect of Subordinated Perpetual Notes.

- (iii) The Subordinated Notes will, upon the occurrence of the following events, be a subordinated obligation of the Issuer:

- (a) If on or prior to any date on which a payment of interest or principal becomes due, a competent court in Japan shall have adjudicated the Issuer to be bankrupt pursuant to the provisions of the Japanese Bankruptcy Law (Law No. 75 of 2004, as amended) or successor legislation thereto, and so long as such bankruptcy proceedings shall continue (a “Japanese Bankruptcy Event”), any amounts having become due before then but remaining unpaid or which become due after then under the Subordinated Notes shall only become payable upon the following condition being fulfilled:

The total amount of any and all Senior Indebtedness (including subordinate bankruptcy claims defined in the Japanese Bankruptcy Law) of the Issuer which is listed on the final distribution list submitted to the court in such bankruptcy proceedings shall have been assured to be paid in full out of the amounts available for distribution in such bankruptcy proceedings (including distributions and escrow in the competent authority).

- (b) If on or prior to any date on which a payment of interest or principal becomes due, a competent court in Japan shall have adjudicated the Issuer to be subject to the corporate reorganisation proceedings pursuant to the provisions of the Japanese Corporate Reorganisation Law (Law No. 154 of 2002, as amended) or successor legislation thereto, and so long as such corporate reorganisation proceedings shall continue (a “Japanese Reorganisation Event”), any amounts having become due before then but remaining unpaid or which become due after then under the Subordinated Notes shall only become payable upon the following condition being fulfilled:

The total amount of any and all Senior Indebtedness of the Issuer which is listed in the reorganisation plan of the Issuer at the time when the court’s approval of such plan becomes final and conclusive shall have been paid in full in such proceedings to the extent that such liabilities shall have been fixed.

- (c) If on or prior to any date on which a payment of interest or principal becomes due, a competent court in Japan shall have adjudicated the Issuer to be subject to the civil rehabilitation proceedings pursuant to the provisions of the Japanese Civil Rehabilitation Law (Law No. 225 of 1999, as amended) or successor legislation thereto, and so long as such civil rehabilitation proceedings shall continue (a “Japanese Civil Rehabilitation Event”) (except in the case of such civil rehabilitation proceedings pursuant to Articles 211 through 220 of the Japanese Civil Rehabilitation Law), any amounts having become due before then but remaining unpaid or which become due after then under the Subordinated Notes shall only become payable upon the following conditions being fulfilled:

The total amount of any and all Senior Indebtedness of the Issuer which is listed in the rehabilitation plan of the Issuer at the time when the court’s approval of such plan becomes final and conclusive shall have been paid in full in such proceedings to the extent that such liabilities shall have been fixed.

- (d) If on or prior to any date on which a payment of interest or principal becomes due in any jurisdiction other than Japan, the Issuer shall become subject to bankruptcy, corporate reorganisation or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, and so long as such proceedings shall continue (a “Foreign Event”), any amounts having become due before then but remaining unpaid or which become due after then under the Subordinated Notes shall only become payable upon conditions equivalent to those enumerated in (a), (b) or (c) above having been fulfilled; provided that notwithstanding any provision herein to the contrary if the imposition of any such conditions is not allowed under such proceedings, any amounts which become due under the Subordinated Notes shall become payable in accordance with the terms herein provided and not subject to such conditions.

- (iv) Any Japanese Bankruptcy Event, Japanese Reorganisation Event, Japanese Civil Rehabilitation Event or Foreign Event is referred to as a “Subordination Event” in these Conditions.

- (v) As used herein, “Senior Indebtedness of the Issuer” means (a) with respect to Subordinated Dated Notes, all deposits and other liabilities of the Issuer other than any obligations which rank or are expressed to rank either *pari passu* with or junior to the claims of the holders of Subordinated Dated Notes and (b) with respect to Subordinated Perpetual Notes, all deposits and other liabilities of the Issuer (including those in respect of Subordinated Dated Notes) other than any obligations which rank or are expressed to rank either *pari passu* with or junior to the claims of the holders of Subordinated Perpetual Notes.
- (vi) The rights of the holders under the Subordinated Notes will be reinstated with respect to any payments made to holders that are subsequently avoided in the bankruptcy or insolvency or reorganisation of the Issuer, as though such payments had not been made.
- (vii) A holder by his acceptance of a Note, Receipt or Coupon thereby agrees that (i) if any payment of principal or interest on the Subordinated Note is made to such holder under the Subordinated Notes after the occurrence of a Subordination Event and the amount of such payment exceeds the amount, if any, that should have been paid to such holder upon the proper application of the subordination provisions of the Subordinated Notes, the payment of such excess amount shall be deemed null and void and such holder shall be obliged to return the amount of the excess payment within 10 days of receiving notice of the excess payment, and (ii) upon the occurrence of a Subordination Event and so long as such Subordination Event shall continue such holder shall not exercise any right to set off any liabilities of the Issuer to such holder under the Subordinated Notes which become so payable on or after the date on which such Subordination Event occurs against any liabilities of such holder owed to the Issuer unless, until and only in such amount as the liabilities of the Issuer under the Subordinated Notes become payable pursuant to the proper application of the subordination provisions of the Subordinated Notes.
- (viii) It is expressly agreed that no amendment shall be made to this Condition 2 in any respect.

(c) *Optional Payment of Interest on Subordinated Perpetual Notes*

Interest on Subordinated Perpetual Notes shall accrue from day to day and shall (subject to Condition 2(b)) be payable on each Compulsory Interest Date (as defined below) in respect of the interest accrued in the interest period ending on the day immediately preceding such date. On an Optional Interest Date (as defined below) there may be paid (if the Issuer so elects but subject to Condition 2(b)) the interest accrued in the interest period ending on the day immediately preceding such date, but the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer for any purpose.

- (i) Any interest not paid on an Optional Interest Date whether or not by reason of Condition 2(b) and any interest not paid on a Compulsory Interest Date by reason of Condition 2(b) shall, so long as the same remains unpaid, constitute “Arrears of Interest”. Arrears of Interest may at the option of the Issuer be paid in whole or in part at any time upon the expiration of not less than seven days’ notice to such effect (which notice shall specify the amount of such Arrears of Interest) given by the Issuer to the Noteholders in accordance with Condition 14, but all Arrears of Interest on all Subordinated Perpetual Notes outstanding shall (subject to Condition 2(b)) become due in full on whichever is the earliest of (A) the Interest Payment Date immediately following the date of that annual ordinary general meeting of Shareholders next approves audited non-consolidated financial statements with regard to the last fiscal year of the Issuer as of the last day of which there existed Distributable Profits of the Issuer (B) the date set for any redemption pursuant to Condition 5, (C) the occurrence of any Subordination Event or an order being made or any effective resolution being passed for the winding-up or dissolution of the Issuer, except for the purposes of an amalgamation, merger or reconstruction the terms whereof have previously been approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders (such approval not to be unreasonably withheld) and (D) where any payment which would otherwise have been due in respect of the Notes has not been made by reason of the solvency condition referred to in Condition 2(b) not being met, (subject to Condition 2(b)) the Interest Payment Date immediately following the first date on which, if such payment were then to be made, such condition would be met. If notice is given by the Issuer of its intention to pay the whole or any part

of Arrears of Interest, the Issuer shall be obliged (subject to Condition 2(b)) to do so upon the expiration of such notice. Where Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest accrued in respect of the earliest interest period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall bear no interest. However, where default is made in the payment of any interest due and payable on an Interest Payment Date or other date upon which the same becomes due and payable and such default continues for a period of 30 days or more, interest shall accrue on any such amount in respect of which default has been made (as well after as before any judgment) from and including the due date for payment thereof at the Rate of Interest (as defined below) applicable from time to time to the nominal amount of the Subordinated Perpetual Notes then outstanding until either (i) such amount together with accrued interest payable pursuant to this paragraph (c) is paid to the holders of the Subordinated Perpetual Notes or (ii) the date on which notice has been given to the holders of the Subordinated Perpetual Notes to the effect that the funds for the payment thereof have been received by the Issuing and Paying Agent, whichever is earlier.

- (ii) If as of the relevant Interest Payment Date the Issuer does not satisfy fifty per cent. (50%) of the Required Capital Ratio, all Arrears of Interest on all Subordinated Perpetual Notes outstanding shall (subject to the Condition 2) become due in full on whichever is the earliest of (A) the Interest Payment Date immediately following the date on which the Issuer satisfies fifty per cent. (50%) of the Required Capital Ratio, (B) the date set for any redemption pursuant to Condition 5 and (C) the occurrence of any Subordination Event or an order being made or any effective resolution being passed for the winding-up or dissolution of the Issuer, except for the purposes of an amalgamation, merger or reconstruction the terms whereof have previously been approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

For the purposes of this Condition 2 the following expressions have the following meanings:

“Compulsory Interest Date” means any Interest Payment Date if, based upon the audited non-consolidated financial statements of the Issuer for a fiscal year which have been most recently approved by the Issuer’s general shareholders meeting immediately preceding such Interest Payment Date, there existed Distributable Profits (as to which a Certificate of the Issuer’s Auditors shall be conclusive and binding);

“Distributable Profits” of the Issuer means, with respect to any fiscal year of the Issuer, the Issuer’s non-consolidated profits (including earned surplus from prior years) permitted to be distributed to shareholders pursuant to Article 446 of the Japanese Companies Act (Law No. 86 of 2005) and Japanese banking regulations as derived from the Issuer’s audited non-consolidated financial statements prepared in accordance with Japanese law, including the requirements and guidelines of the Financial Services Agency of Japan;

“Optional Interest Date” means any Interest Payment Date other than a Compulsory Interest Date; and

“Required Capital Ratio” is each minimum total risk-based capital ratio calculated on a consolidated and non-consolidated basis respectively which the Issuer under Article 14-2 of the Banking Law of Japan (Law No. 59 of 1981, as amended) is required to have achieved as of the last day of the fiscal year being 31 March and the last day of the six-month period being 30 September. Currently, the Issuer is required to have a Required Capital Ratio of eight per cent. (8%) or more under Article 14-2 of the Banking Law.

- (iii) The Issuer shall give at least seven days’ prior notice to the holders of Subordinated Perpetual Notes in accordance with Condition 14 of any Interest Payment Date on which, pursuant to these provisions, interest will not be paid.
- (iv) For the purposes of these Conditions, the term “interest” includes, unless the context requires otherwise, Arrears of Interest.

### 3. Negative Pledge

If this Note is a Senior Note, the Issuer will not, so long as any of the Senior Note or Coupon remains outstanding, create or permit to subsist any mortgage, pledge, security transfer, charge or other security interest (“Encumbrance”) for the benefit of holders of any bonds upon the whole or any part of its property, assets or revenues (other than those accepted by the Issuer in trust), present or future, to secure (i) payment of any sum due in respect of any bonds issued by it or in respect of any guarantee by it of any bonds issued by any person or (ii) any payment under any indemnity or like obligations relating to any bonds or guarantee unless, in each case at the same time, (a) the Senior Notes and the Coupons are equally and rateably secured so as to rank *pari passu* with such bonds or guarantee or indemnity or like obligations or provided with such other security as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the holders of the Senior Notes or (b) as shall be approved by an Extraordinary Resolution of the holders of the Senior Notes or (c) it is Permitted Encumbrance.

For the purpose of this Condition, the term “bonds” shall mean any indebtedness in the form of, or represented by, bonds, notes, debentures or other securities which (i) (A) are by their terms payable, or may be required to be paid, in, or by reference to, any currency other than Japanese Yen and (B) more than 50 per cent. of the aggregate principal amount whereof is initially distributed outside Japan by or with the authorisation of the Issuer, and (ii) are quoted, listed or ordinarily traded on any stock exchange or over-the-counter market or other similar securities market outside Japan. A “Permitted Encumbrance” means any Encumbrance existing on the date on which the first Tranche of the Senior Notes is issued.

### 4. Interest and other Calculations

#### (a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its nominal amount from, and including, the Issue Date (or, if different, the Interest Commencement Date) to, but excluding, the Maturity Date at the rate(s) per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(h).

#### (b) Interest on Floating Rate Notes and Index Linked Interest Notes

##### (i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, the Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

##### (ii) Business Day Convention

If any date referred to in these Conditions or any Final Terms, which is specified to be subject to adjustment in accordance with a Business Day Convention, would otherwise fall on a day which is not a Business Day (as defined in Condition 4(j)), then, if the Business Day Convention specified in the relevant Final Terms is (A) the Floating Rate Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day which is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business

Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period:

will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page as in each case at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of



the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Rate Multiplier or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Rate Multiplier or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin, Rate Multiplier or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Interest Notes*

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) *Zero Coupon Notes*

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(b)(i)).

(d) *Dual Currency Notes*

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

*(e) Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

*(f) Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).

*(g) Minimum/Maximum Rate of Interest, Instalment Amounts and Redemption Amounts*

If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

*(h) Calculations*

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

*(i) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts*

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtained any quotation or make any determination or calculation, (i) determine such rate and calculate the Interest Amounts in respect of such Specified Denomination of the Notes for the relevant Interest Accrual Period; (ii) calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount; (iii) obtain such quotation or make such determination or calculation, as the case may be, and (iv) cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is required to make a further calculation upon receipt of such information. If the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, (if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount), or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 8, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In this Condition:

“Business Day” means

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “TARGET Business Day”); and/or
- (iii) in the case of a currency and/or one or more Additional Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the “Calculation Period”):

- (i) if “Actual/Actual” or “Actual/Actual — ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided 360;
- (iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.

- (v) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30.

- (vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

- (vii) if “Actual/Actual-ICMA” is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“Determination Date” means the date specified as such hereon or, if none is so specified, the Interest Payment Date.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union;

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon;

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro;

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon;

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon;

“Payment Date” means, in relation to Day Count Fraction above, the date on which interest for the relevant period falls due;

“Rate of Interest” means the rate of interest payable from time to time in respect of the relevant Note and that is either specified or calculated in accordance with the provisions hereon;

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon;

“Reference Rate” means the rate specified as such hereon;

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon;

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated; and

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

*(k) Calculation Agent*

The Issuer will procure that there shall at all times be one or more Calculation Agents (in their capacity as agent banks) if provision is made for them in the Conditions applicable to this Note and for so long as it is outstanding. If the Agent is unable or unwilling to act as agent bank or if the Agent fails duly to establish the Rate of Interest for any Interest Accrual Period or to calculate the Interest Amount or any other requirements, the Issuer will appoint a leading bank engaged in the London interbank market to act as such in its place. The Agent may not resign its duties as agent bank without a successor having been appointed as aforesaid.

*(l) Determinations Binding*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4, whether by the Reference Banks (or any of them) or the Agent or the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Reference Banks, the Agent, the Trustee, the Paying Agents and all Noteholders and all holders of Receipts and Coupons and (subject as aforesaid) no liability to the holders shall attach to the Reference Banks, the Agent, the Calculation Agent or the Trustee in connection with the exercise by them of their powers, duties and discretions.

**5. Redemption, Purchase and Options**

*(a) Redemption by Instalments and Final Redemption*

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed or purchased and cancelled as provided in this Condition 5 or in Condition 8, each Senior Note will be redeemed at its Final Redemption Amount on the Maturity Date and each Subordinated Dated Note will be redeemed at its Final Redemption Amount on the Maturity Date, which shall be at any time on or after the fifth anniversary, in the case of Lower Tier 2 Notes, but no later than the thirtieth anniversary of the issue of the relevant Subordinated Dated Notes. Subordinated Perpetual Notes are undated and accordingly they will have no maturity date and will be only redeemable or repayable in accordance with following provisions of this Condition 5 and Condition 8.

*(b) Early Redemption*

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 8 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 8 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 8, shall be the Final Redemption Amount unless otherwise specified hereon.

*(c) Redemption for Taxation Reasons*

If on the occasion of the next payment in respect of the Notes the Trustee is satisfied that the Issuer would be unable to make such payment without being required to pay additional amounts as described in Condition 7 and the Trustee is satisfied that such requirement cannot be avoided by the Issuer taking reasonable measures (such measures not involving any material additional payments by, or expense for, the Issuer) the Issuer may, having obtained the prior consent of the Financial Services Agency of Japan (in the case of Subordinated Notes) and having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14, redeem all, but not some only, of the Notes at any time (in the case of a Note other than a Floating Rate Note or an Index Linked Note) or on any Interest Payment Date (in the case of Floating Rate Notes and Index Linked Notes) at their Early Redemption Amount provided that in the case of a Note other than a Floating Rate Note no such notice of redemption may be given earlier than 90 days' prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were payment in respect of the Notes then due. In the case of a Floating Rate Note, the date fixed for redemption shall not be earlier than the latest practicable date before the date on which the Issuer would become obliged to pay such additional amounts. Prior to the giving of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee (A) an opinion of independent legal or tax counsel of international repute satisfactory to the Trustee stating that the circumstances specified herein exist and (B) a certificate signed by an authorised officer of the Issuer stating that the requirement cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such opinion and certificate as sufficient evidence of the satisfaction of the conditions precedent referred to above, in which case the same shall be conclusive and binding on the Noteholders and the holders of the Receipts, Talons and Coupons.

Notes redeemed pursuant to this Condition 5(c) will be redeemed at their Early Redemption Amount together (if appropriate) with interest accrued to, but excluding, the date of redemption.

*(d) Redemption at the Option of the Issuer*

If Call Option is specified hereon, the Issuer may, having obtained the prior consent of the Financial Services Agency of Japan (in the case of the Subordinated Notes) and, on giving not less than 25 nor more than 60 days' notice (or such other notice period as indicated in the relevant Final Terms) to the Noteholders and the Trustee, in accordance with Condition 14, redeem, all or, if so provided in the relevant Final Terms, some of the Notes on any Optional Redemption Date so provided in the relevant Final Terms which, in the case of Subordinated Dated Notes that qualify as Lower Tier 2 capital, shall not be on or prior to the fifth anniversary of the Issue Date. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the serial numbers of the Notes to be redeemed, which have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with applicable laws and stock exchange or other relevant authority requirements.

*(e) Redemption at the Option of the holders of Senior Notes*

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Senior Note, upon the holder of such Senior Note giving not less than 25 nor more than 60 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Senior Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit such Senior Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent at its specified office, together with a duly completed option exercise notice (the "Exercise Notice") in the form obtainable from any Paying Agent within the notice period. No Senior Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

*(f) Partly Paid Notes*

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and as specified hereon.

*(g) Purchases*

The Issuer and any subsidiary of the Issuer may at any time purchase or procure the purchase for its account of Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached if the Notes are to be surrendered for cancellation) in the open market or otherwise at any price, subject to the prior consent of the Financial Services Agency of Japan, if necessary. Any such Notes purchased by the Issuer, or any such subsidiary may at the option of the Issuer, or any such subsidiary be held, resold or, surrendered by the Issuer, or such subsidiary, as the case may be, to the Paying Agent for cancellation.

*(h) Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to paragraph (g) above (together with all unmatured Receipts and Coupons and unexchanged Talons cancelled therewith) shall be forwarded to the Agent and cannot be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

**6. Payments and Talons**

*(a) Payments*

Payments of principal and interest in respect of Notes will, subject as mentioned below, be made against presentation or surrender (or, in the case of partial payment only, endorsement) of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 6(e)(vi)) and relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), or Coupons (in the case of interest, save as specified in Condition 6(e)(vi)), as the case may be, at the specified office of any Paying Agent (subject to paragraph (b) below) by a cheque payable in such relevant currency, or, at the option of the holders, by transfer to an account in such currency with, a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System provided that in the case of Japanese yen to a non-resident of Japan, payment will be by yen cheque drawn on, or by transfer to a non-resident Japanese yen account with, a bank in Japan.



*(b) Payments in the United States*

Notwithstanding the foregoing, if any Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts due on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law without involving, in the opinion of the Issuer (acting on the advice of legal advisers as to United States law selected by the Trustee), adverse tax consequences to the Issuer.

*(c) Payments subject to law etc.*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

*(d) Appointment and Termination of Appointment of Agents*

The Agent initially appointed by the Issuer and its specified office are listed below. The Agent, the other Paying Agents and any Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right, with the prior written approval of the Trustee, at any time to vary or terminate the appointment of the Agent, any other Paying Agent or any Calculation Agent and to appoint additional or other Paying Agents, provided that the Issuer will, for so long as any Notes are outstanding, maintain (i) an Agent, (ii) a Calculation Agent where the Conditions so require one, (iii) where the Notes are listed on any stock exchange, a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange and (iv) a Paying Agent with a specified office in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the EU Savings Directive or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, any such Directive.

In addition, the Issuer shall forthwith, but with the prior written approval of the Trustee, appoint a Paying Agent in New York City in respect of any Notes denominated in U.S. dollars in the circumstances described in paragraph (b) above.

Notice of any such change or any change of any specified office will promptly be given by the Issuer to the Noteholders in accordance with Condition 14.

*(e) Unmatured Coupons, Receipts and Unexchanged Talons*

- (i) Upon the due date for redemption of Bearer Notes, which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes), such Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Interest Note or Index Linked Note, unmatured Coupons relating to such Notes (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

- (iv) Upon the due date for redemption in full of any Instalment Note, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Note which provides that the relative Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Issue Date, unless there is a different Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note which bears interest after its Maturity Date shall be payable on redemption of such Note against presentation thereof.

*(f) Talons*

On or after the Interest Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 10).

*(g) Business Days*

If any date for payment in respect of any Note, Receipt or Coupon is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment. In this Condition 6, "Business Day" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation in such jurisdictions as shall be specified as "Financial Centres" hereon and (i) (in the case of payment on a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in euro) which is a TARGET Business Day.

**7. Taxation**

Payments of principal and interest by or on behalf of the Issuer in respect of the Notes and Coupons held by a Japanese non-resident (not being a specially-related person of the Issuer) or a designated financial institution will be made without withholding of, or deduction for or on account of, any present or future taxes imposed or levied by or on behalf of Japan, or any authority therein or thereof having power to tax if the holder thereof establishes that the Note or Coupon is held by or for the account of a Japanese non-resident (not being a specially-related person of the Issuer) or a designated financial institution in compliance with requirements under Japanese tax laws. If such withholding or deduction in respect of the Notes and Coupons held by such Japanese non-resident or designated financial institution is required by law, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by such Noteholders and Couponholders after such withholding or deduction shall equal the amounts of principal and interest which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon presented for payment:

- (a) by or on behalf of a holder (i) who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation or (ii) who fails to comply with the Japanese tax law requirements in respect of the exemption from such withholding or deduction or (iii) who is otherwise subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Japan otherwise than by reason only of the holding of any Note or Coupon or the receipt of principal or interest in respect of any Note or Coupon;
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment as at the expiry of such 30-day period;

- (c) where such withholding or deduction is imposed on payment to an individual and is required to be made pursuant to the EU Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, any such Directive; or
- (d) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used herein, a “Japanese non-resident” means a person that is not an individual resident of Japan or a Japanese corporation for Japanese tax purposes, a “designated financial institution” means a Japanese financial institution or a Japanese financial instruments business operator as provided in Article 6 of the Special Taxation Measures Law of Japan and a “specially-related person of the Issuer” means a person having a special relationship with the Issuer as prescribed in Article 6, Paragraph 4 of the Special Taxation Measures Law of Japan.

As used in these Conditions, “Relevant Date” in respect of any Note, Receipt or Coupon means the date on which payment in respect thereof first becomes due except that if the full amount of the monies payable has not been duly received by the Agent or the Trustee on or prior to such date, it means the date on which the full amount of such monies having been received, notice to that effect shall have been duly given to the Noteholders in accordance with Condition 14. References in this Condition to “principal” and/or “interest” shall be deemed to include any additional amounts which may be payable under this Condition or any undertakings or covenants given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **8. Events of Default and Limited Rights of Acceleration**

### *(a) Events of Default in respect of Senior Notes*

The provisions of this Condition 8(a) apply only to Senior Notes.

If any one or more of the following events (each an “Event of Default”) shall have occurred and be continuing:

- (i) default is made for more than 30 days in the payment of any amount of principal or any interest due in respect of any of the Notes when and as the same ought to be paid in accordance with these Conditions; or
- (ii) default is made in the performance or observance by the Issuer of any obligation, condition or provision under the Notes or the Trust Deed (other than any obligation for the payment of any amount due in respect of any of the Notes) and (unless the Trustee reasonably considers such default to be incapable of being remedied) such default shall not be remedied to the Trustee’s satisfaction within 90 days (or such longer period as the Trustee may permit) of first written notification from the Trustee to the Issuer, requiring the same to be remedied; or
- (iii) (a) the maturity of any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of either money borrowed, liabilities under or in respect of any acceptance or acceptance credit, or any notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition, consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash (“Indebtedness”) by the Issuer, having an aggregate nominal amount of at least U.S.\$10,000,000 (or the equivalent in any other currency or currencies) shall have been accelerated by or on behalf of the holder(s) of such Indebtedness in accordance with the terms thereof or any agreement relating thereto or (b) any such Indebtedness shall not have been paid when due on maturity and such failure shall have not been cured within the grace period, if any, applicable thereto; or
- (iv) a decree or order by a court having jurisdiction in the premises shall have been entered adjudging the Issuer, bankrupt or insolvent or approving as properly filed a petition seeking reorganisation of the Issuer under any applicable bankruptcy or reorganisation law of Japan and such decree or order shall have continued undischarged and unstayed for a period of 60 days; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or

insolvency of the Issuer or of all or substantially all of the property of the Issuer or for the winding-up or liquidation of the affairs of the Issuer shall have been entered under any applicable bankruptcy or reorganisation law of Japan and such decree or order shall have continued undischarged and unstayed for a period of 60 days; or

- (v) the Issuer shall institute proceedings to be adjudicated a voluntary bankrupt or shall consent to the filing of a bankruptcy proceeding against it or shall file a petition or answer or consent seeking reorganisation or arrangement under any applicable bankruptcy or reorganisation law of Japan, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of all or substantially all of its property, or shall make an assignment for the benefit of its creditors or shall make any composition with its creditors or shall admit in writing its inability to pay its debts generally as they become due, or corporate action shall be taken by the Issuer in furtherance of any of the aforesaid purposes; or
- (vi) the Issuer shall cease to carry on the whole or substantially the whole of its business or shall dispose of the whole or a substantial part of its assets, in each case except for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction the terms whereof have been approved by the Trustee or approved by an Extraordinary Resolution of the Noteholders or except for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction under which the continuing entity effectively assumes the entire obligation of the Issuer under the Notes;

then the Trustee at its discretion may, and if so requested in writing by Noteholders holding at least 25 per cent. in aggregate nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified to its satisfaction), (provided that, except in the case of the occurrence of any of the event mentioned in sub-paragraph (i) above, the Trustee shall have certified that, in its opinion, such event is materially prejudicial to the interests of the Noteholders) give notice to the Issuer that the Notes are, and they shall thereby forthwith become, immediately due and repayable at their Early Redemption Amount together (if applicable) with accrued interest.

*(b) Limited Rights of Acceleration in respect of Subordinated Notes*

The provisions of this Condition 8(b) apply only to Subordinated Notes.

If (i) any Subordination Event shall occur and be continuing or (ii) an order is made or any effective resolution is passed for the winding-up or dissolution of the Issuer, except for the purposes of an amalgamation, merger or reconstruction the terms whereof have previously been approved by the Trustee or by an Extraordinary Resolution of Noteholders (such approval not to be unreasonably withheld), then, in either such event (each an "Acceleration Event"), the Trustee at its discretion may, or if so requested by the holders of not less than 25 per cent. in aggregate nominal amount of the Notes of any Series then outstanding or by an Extraordinary Resolution of Noteholders of any Series shall, by written notice to the Issuer declare the principal of and all interest then accrued on the Notes of that Series to be forthwith due and payable upon receipt of such notice by the Issuer. Immediately upon delivery of such notice, the Notes of that Series shall become due and repayable at their Early Redemption Amount plus accrued interest.

The only action the Trustee or the holders may take against the Issuer on acceleration of the Notes is to petition for the winding-up of the Issuer in Japan or to prove in the winding-up of the Issuer in Japan.

## **9. Enforcement**

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders and the Couponholders and no such holder is entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable time and such failure or neglect is continuing.

The Trustee need not take any steps to enforce the terms of the Trust Deed unless (i) it shall either have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in nominal amount of the Notes outstanding and (ii) it shall have been indemnified to its satisfaction.

## **10. Prescription**

Claims against the Issuer (if any) for payment in respect of the Notes, Receipts and Coupons (which, for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof. Talons shall become void five years after the first date upon which they may be exchanged for Coupons.

## **11. Replacement of Notes, Receipts, Coupons and Talons**

If a Note, Receipt, Coupon or Talon is mutilated, defaced, stolen, destroyed or lost, it may be replaced, subject to applicable laws and stock exchange regulations, at the specified office of the Agent or such other Paying Agent as may be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 14 upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and reasonable indemnity as the Issuer (if any) may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **12. Meetings of Noteholders, Modification, Waiver and Substitution**

### *(a) Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders to consider matters affecting their interests, including modification by Extraordinary Resolution (as defined in the Trust Deed), of any of these Conditions or any provisions of the Trust Deed. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not and on all relevant holders of Receipts and Coupons, except that any Extraordinary Resolution proposed, *inter alia* (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts thereon, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) except as otherwise provided in these Conditions, to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if there is a Minimum Rate of Interest and/or a Maximum Rate of Interest in respect of the Notes, to reduce such Minimum Rate of Interest and/or such Maximum Rate of Interest, (v) to change the currency or currencies of payment of the Notes, or (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

### *(b) Modification and Waiver*

These Conditions (other than Condition 2) may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

The Trustee may agree, without the consent of the Noteholders of such Series to the waiver or authorisation of any breach or proposed breach of or any modification of, any of these Conditions or the Trust Deed (except for any modification to Condition 2) or the provisions as to subordination in Clause 5 of the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders of such Series or to any modification (including Condition 2 and the provisions as to subordination in Clause 5) which is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of Japanese law. Any such modification, waiver or authorisation shall be binding on the Noteholders of such Series and, unless the Trustee agrees otherwise, any such modification shall be notified by the Issuer to the Noteholders of such Series as soon as practicable thereafter in accordance with Condition 14.

### *(c) Substitution*

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders, to the substitution of the Issuer or the Issuer's successor in business or any subsidiary of

the Issuer in place of the Issuer, provided that the obligation of the Notes should be guaranteed by the Issuer in terms of payment obligation under the Notes, or of any provisions substituted company, as principal debtor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes, the Receipts, the Coupons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

*(d) Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders of any Series as a class and shall not have regard to the consequences of such exercise for individual holders and the Trustee shall not be entitled to require, nor shall any holder be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual holders.

**13. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified to its satisfaction. The Trustee and any of its affiliates is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting to the holders for profit resulting therefrom.

**14. Notices**

Notices to the holders of the Notes will be valid if published in a daily newspaper of general circulation in the United Kingdom (which is expected to be the Financial Times) or, if such publication shall not be practicable in the case of the Notes listed on any stock exchange other than London or in the case of unlisted Notes, in an English language newspaper of general circulation in Europe. Notices will, if published more than once, be deemed to have been given on the date of the first publication as provided above.

Holders of Receipts and Coupons shall be deemed for all purposes to have notice of the contents of any notice to the holders of the Notes in accordance with this Condition.

**15. Further Issues**

The Issuer may from time to time without the consent of the holders create and issue further notes, having the same terms and conditions as the Notes (apart from the Issue Date) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

**16. Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

**17. Governing Law and Jurisdiction**

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

Subject to Condition 8(b) the Issuer irrevocably agrees for the benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, "Proceedings" and "Disputes") and, for such purposes, irrevocably submits to the jurisdiction of such courts. Subject to Condition 8(b) the Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

The submission to the jurisdiction of the courts of England shall not be construed so as to limit the right of the Noteholders or any of them to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Each Tranche will initially be represented by either a temporary Global Note or a permanent Global Note in bearer form without Coupons, which will be deposited on behalf of the subscribers of the relevant Notes with a common depository (the "Common Depository") for Euroclear and/or Clearstream, Luxembourg or otherwise delivered as agreed between the Issuer and the relevant Dealer on or about the Issue Date of the relevant Notes. No interest will be payable in respect of a temporary Global Note, except as provided below. Upon deposit of the Global Note(s) with the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with the nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Note must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of the Euroclear Operator and Clearstream, Luxembourg. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note in respect of each amount so paid.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. Noteholders who hold Notes in the relevant clearing system in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the relevant Exchange Date, a principal amount of Notes such that their holding is an integral multiple of a Specified Denomination.

The temporary Global Note and the permanent Global Note contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:

### 1. Exchange

Each temporary Global Note will be exchangeable in whole or in part for interests in a permanent Global Note or, if so provided in a temporary Global Note, for Definitive Notes (as described in the next paragraph) after the date falling 40 days after the Issue Date of the Notes upon certification as to non-U.S. beneficial ownership in the form set out in the Trust Deed. Each permanent Global Note is exchangeable in whole (at the cost and expense of the Issuer) for Definitive Notes by the holder (in the case of (a) and (b) below) or the Issuer (in the case of (c) below) giving notice to the Agent, the Trustee and the Noteholders, of its intention to exchange such permanent Global Note for Definitive Notes on or after the Exchange Date specified in the notice if:

- (a) the permanent Global Note is held on behalf of one or more clearing systems and each such clearing system is closed for business for a continuous period of 14 days (other than by reason of statutory and/or regular holidays) or permanently ceases, or announces an intention to permanently cease, business; or
- (b) any notice declaring a Note due and payable is given pursuant to Condition 8; or
- (c) the Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction referred to in Condition 7 which would not be suffered were the Notes in definitive form (unless a notice declaring a Note due and payable has been given pursuant to Condition 8).

On or after any Exchange Date (as defined below) the holder of a permanent Global Note may surrender such permanent Global Note to or to the order of the Agent. In exchange for any permanent Global Note, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes (if appropriate, having attached to them all Coupons in respect of interest), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 2 to the Trust Deed. On exchange of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

"Exchange Date" means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Agent is located and in the cities in which the relevant clearing system is located.

## **2. Payments**

No payment falling due more than 40 days after the Issue Date will be made on a temporary Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note during the period up to 40 days after its Issue Date will only be made against presentation of a certificate as to non-U.S. beneficial ownership in the form set out in the Trust Deed. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 6(g).

## **3. Notices**

So long as any Notes are represented by a permanent Global Note and such permanent Global Note is held on behalf of a clearing system, notices to Noteholders of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions. Notices to be given by any holder of the Notes to the Issuer or to the Agent may be given via a clearing system in such manner as the Agent and the relevant clearing system may approve for this purpose.

## **4. Prescription**

Claims against the Issuer in respect of Notes which are represented by a permanent Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

## **5. Meetings**

The holder of a permanent Global Note will (unless the permanent Global Note represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

## **6. Purchase and Cancellation**

Cancellation of any Note surrendered for cancellation following its purchase will be effected by reduction in the nominal amount of the relevant Global Note.

## **7. Trustee's Powers**

In considering the interests of Noteholders while any permanent Global Note is held on behalf of a clearing system the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such permanent Global Note and may consider such interests as if such accountholders were the holder of such permanent Global Note.

## **8. Issuer's Option**

No drawing of Notes will be required under Condition 5 in the event that the Issuer exercises any option relating to those Notes while all such Notes which are outstanding are represented by a permanent Global Note. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with Euroclear and Clearstream, Luxembourg in respect of the Notes will be governed by the standard procedures of Euroclear and Clearstream, Luxembourg.



## **9. Noteholders' Options**

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation.

## **USE OF PROCEEDS**

The net proceeds of the issues of Notes issued by the Issuer will be used by the Issuer for its working capital.

## MITSUBISHI UFJ TRUST AND BANKING CORPORATION

### General

Mitsubishi UFJ Trust and Banking Corporation (the “Bank” or “MUTBC”) was incorporated for an unlimited duration on 10 March 1927 in Japan under the Japanese Commercial Code (Law No. 48 of 1899) (which was replaced by the Japanese Companies Act (Law No. 86 of 2005) in 2005). The Bank is a wholly-owned subsidiary of Mitsubishi UFJ Financial Group, Inc. (“MUFG”).

The members of the board of directors of the Bank, in taking any decisions in their capacity as a member of the board, do so after taking into account the best interests of the Bank and their responsibilities as directors.

The registered head office of the Bank is at 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan, telephone +81-3-3212-1211.

As at 30 September 2011 the Bank had 64 domestic branches, 5 overseas branches, 1 representative offices, 37 subsidiaries (30 of which were consolidated) and a total of approximately 8,090 employees in Japan and overseas.

While the Bank’s principal business has been the provision of trust and trust-related services, the Bank also engages in a full range of commercial banking activities, both in Japan and abroad. The Bank is a major dealer in the Tokyo foreign exchange market.

The description of the Bank’s business activities herein is on a consolidated basis, unless stated otherwise.

The following tables set out in summary form the Bank’s financial highlights for MUTBC for the years ended 31 March 2010 and 31 March 2011 and the six months ended 30 September 2010 and 30 September 2011 in relation to its income and expenses. In accordance with usual Japanese accounting practices only trust-related income is included in the “Trust Fees”, as all of the profit on the trust account belongs to the trust beneficiaries. The consolidated financial statements of the Bank reflect solely its respective Banking Accounts, except where stated otherwise.

## Consolidated Summary Financial Information of the Bank

	For the year		(Unaudited)	
	ended and as at		For the six months	
	31 March		ended and as at	
	2010	2011	2010	2011
	(Millions of Yen)			
<b>For the Year</b>				
Total Income:				
Trust Fees .. .. .	¥91,693	¥89,848	¥44,807	¥43,876
Interest Income .. .. .	252,587	233,615	111,672	110,906
Fees and Commissions .. .. .	122,421	126,345	62,817	86,295
Trading profits .. .. .	22,520	10,380	10,070	12,631
Other Business Income .. .. .	42,622	92,113	44,841	45,952
Other Ordinary Income .. .. .	24,186	16,924	8,453	19,544
	<u>556,032</u>	<u>569,227</u>	<u>282,664</u>	<u>319,206</u>
Total Expenses:				
Interest Expense .. .. .	90,420	70,565	35,760	36,238
Fees and Commissions .. .. .	12,406	13,046	7,124	20,389
Trading Expenses .. .. .	–	205	–	–
Other Business Expenses .. .. .	74,726	84,449	38,557	42,536
General and Administrative Expenses	265,884	242,546	122,273	127,969
Provision for allowance for loan losses	21,455	7,403	–	–
Other Ordinary Expenses .. .. .	52,721	46,228	14,354	18,882
	<u>496,158</u>	<u>457,041</u>	<u>218,071</u>	<u>246,016</u>
Income before Income Taxes and Minority Interests .. .. .	<u>58,370</u>	<u>109,211</u>	<u>66,635</u>	<u>76,466</u>
Net Income .. .. .	<u>¥66,325</u>	<u>¥76,227</u>	<u>¥39,753</u>	<u>¥47,761</u>
<b>At the Year-End</b>				
Total Funds <sup>(2)</sup> :				
Deposits <sup>(2)</sup> .. .. .	12,512,053	12,433,196	12,277,031	12,351,596
Negotiable certificates of deposit <sup>(2)</sup> .. .. .	1,811,209	2,931,733	2,558,706	3,040,923
Money Trusts <sup>(2)</sup> .. .. .	16,807,865	17,122,381	17,004,068	17,280,015
Pension Trusts <sup>(2)</sup> .. .. .	12,167,441	12,224,957	11,953,646	12,230,308
Property Formation Benefit Trusts <sup>(2)</sup> .. .. .	12,866	13,516	12,790	13,238
Loan Trusts <sup>(2)</sup> .. .. .	42,604	–	–	–
	<u>¥43,354,040</u>	<u>¥44,725,785</u>	<u>¥43,806,244</u>	<u>¥44,916,083</u>
Total Loans and Bills Discounted <sup>(2)</sup> .. .. .	10,413,052	10,736,462	10,501,763	10,711,347
Net Assets (Equity) .. .. .	1,449,384	1,413,486	1,435,642	1,515,073
Total Assets, Banking Account .. .. .	22,707,238	25,280,070	24,064,650	26,028,298
Total Assets, Trust Account <sup>(3)</sup> .. .. .	49,971,208	52,106,531	51,565,729	53,205,595
Risk-Adjusted Capital Ratio (%) .. .. .	16.02%	15.93%	17.28%	18.00%

Note:

(1) Source: The information contained in the consolidated summary financial information of the Bank shown above, except for the amounts related to Money Trusts, Pension Trusts, Property Formation Benefit Trusts, Loan Trusts, Total Loans and Bills Discounted and Risk-Adjusted Capital Ratio, has been extracted from the Bank's audited financial statements for the two years ended 31 March 2010 and 2011, the unaudited interim financial statements for the six months ended 30 September 2010 and the unaudited interim financial information for the six months ended 30 September 2011 without material adjustment.

The information related to Money Trusts, Pension Trusts, Property Formation Benefit Trusts, Loan Trusts, Total Loans and Bills Discounted and Risk-Adjusted Capital Ratio has been extracted from the Bank's annual securities report for the years ended 31 March 2010 and 31 March 2011, the Interim Summary Report for the six months ended 30 September 2010, and 30 September 2011.

(2) Figures are on non-consolidated basis including the trust assets of the Master Trust Bank of Japan, Ltd.

(3) The total does not include the trust assets of the Master Trust Bank of Japan, Ltd.

## **Recent Developments**

### **Chinese Asset Management Company Becoming an Affiliated Company**

In March 2011, the Chinese authorities approved the Bank's acquisition from BNP Paribas Asset Management PLC of 33 per cent. of total outstanding shares in SYWG BNP Paribas Asset Management (current company name is SWS MU Fund Management Co., Ltd.) ("SWS MU"), an asset management company based in Shanghai, China. An executive officer of the Bank and a chief representative of the Bank's Beijing representative office were appointed as directors of SWS MU. Through these procedures, SWS MU has become an affiliated company of the Bank accounted for by the equity method. Through its investment in SWS MU, the Bank has entered the asset management business in China and will soon be able to meet its customers' asset management needs there.

### **Strategic Capital and Business Alliance with AMP Capital Holdings Limited**

In December 2011, as a part of the Bank's business growth strategy to enhance its asset management business globally, it entered into a strategic business and capital alliance with AMP Capital Holdings Limited ("AMP Capital Holdings"), a subsidiary of AMP Limited, the largest independent financial services provider in Australia. AMP Capital Holdings is a leader in global infrastructure products, property fund management and Australian asset management, and manages assets of approximately AUD120 billion. Under the alliance, the Bank will acquire a 15 per cent. interest in AMP Capital Holdings, subject to regulatory approvals, and appoint a non-executive director of the board of AMP Capital Holdings. The Bank will adopt the equity accounting method for the investment.

### **Business Model Patent for Asset Management Product for Defined Contribution Plan**

In December 2010, a business model patent was granted to an asset management product in relation to corporate-type defined contribution plans called "Mitsubishi UFJ DC Interest Interlock Allocation Type Balance Fund (nickname: DC Automa-kun)". This product was co-developed by Mitsubishi UFJ Asset Management Co., Ltd. and the Bank and was launched in August 2007. It is the first asset management product in Japan which automatically changes allocation ratios between balanced type investments (namely, investments in shares and bonds in Japan and abroad) and stable type investments (namely, investments mainly in short-term government or corporate bonds in Japan) in accordance with short-term interest rate fluctuation.

### **Starting of Trustee Service for ETN-JDRs**

In July 2011, the Bank started a trustee service for ETN-JDRs. Exchange Traded Notes ("ETNs") are a type of corporate bond issued outside Japan and their prices are linked to specific indicators, such as commodity indices or stocks price indices. Under this service, the Bank receives ETNs in trust through its overseas custody agent and in turn issues trust beneficial interests represented by Japanese Depository Receipts ("JDRs"), which are to be listed on the Tokyo Stock Exchange ("TSE"). Japanese investors can invest in ETNs by investing in such JDRs listed on the TSE. Japanese investors can invest in ETHs by investing in such JDRs listed in TSE. The Bank is the first provider of the ETN-JDR service in Japan. This is a part of the Bank's efforts to expand its listed trust business, following its listing of Japan Physical Precious Metal ETF (Exchange Traded Fund) (nickname: "Fruits of Gold" series) launched in July 2010.

### **New Trustee Service for Decedent's Estate**

In August 2011, the Bank started an inheritance-related trustee service called "*Uketori Anshin Shintaku* (smooth transfer of funds to heirs for their immediate expenses upon inheritance)". In this service, the Bank acts as trustee of customer's deposits in or trust assets held by the Bank, and upon the occurrence of inheritance, transfers such deposits and trust assets to a person designated by the customer in advance. This service is the first service in Japan to meet the needs of such customers who have concerns about heirs' inconvenience in immediately withdrawing funds for, among others, funeral expenses and heirs' living expenses from such deposits or trust assets upon occurrence of inheritance since the withdrawal of such deposits or trust assets is generally suspended until consents of all heirs to the withdrawal are obtained.

### Risk-Managed Assets of the Bank

The following tables set out an analysis of the Bank's risk-managed assets in accordance with the Banking Law and related regulations in Japan:

#### (Consolidated Banking Account)

	As at 31 March 2011	(Unaudited) As at 30 September 2011
	(Millions of Yen except for percentages)	
Loans to customers in bankruptcy .. .. .	1,801	668
Past due loans .. .. .	38,548	34,064
Accruing loans contractually past due three months or more ..	599	674
Restructured loans .. .. .	10,474	15,065
<b>Total (A) .. .. .</b>	<b>51,423</b>	<b>50,472</b>
Total loans and bills discounted (B) .. .. .	10,633,282	10,603,485
Coverage ratio (%) (A)/(B) .. .. .	0.48%	0.48%
Allowance for loan losses (C) .. .. .	55,438	48,206
Reserves coverage ratio (%) (C)/(A).. .. .	107.81%	95.51%

Note:

(1) Source: The Bank's annual securities report for the year ended 31 March 2011 and the MUFG Consolidation Package for the six months ended 30 September 2011. The figures are extracted without material adjustment.

#### (Trust Guaranteed for the Repayment of Principal (Non-Consolidated))

	(Unaudited) As at 31 March 2011	(Unaudited) As at 30 September 2011
	(Millions of Yen except for percentages)	
Loans to customers in bankruptcy .. .. .	90	85
Past due loans .. .. .	27	-
Accruing loans contractually past due three months or more ..	102	73
Restructured loans .. .. .	811	788
<b>Total (A) .. .. .</b>	<b>1,031</b>	<b>949</b>
Total loans and bills discounted (B) .. .. .	113,533	107,545
Coverage ratio (%) (A)/(B) .. .. .	0.90%	0.88%
Special internal reserves in accordance with the Loan Trust Law ..	-	-
Allowance for bad debts .. .. .	341	325

The following tables set out an analysis of the Bank's non-performing exposure under the criteria in accordance with the Law Concerning Emergency Measures for Reconstructing Financial Function:

**(Non-Consolidated Banking Account)**

	(Unaudited) As at 31 March 2011	(Unaudited) As at 30 September 2011
	(Millions of Yen except for percentages)	
Claims to bankrupt and substantially bankrupt debtors .. ..	3,881	2,275
Claims under high risk .. ..	36,047	31,811
Claims under close observation .. ..	11,073	15,739
<b>Total (A) .. ..</b>	<b>51,001</b>	<b>49,826</b>
Allowances for loan losses .. ..	13,230	11,212
Collateral, guarantees etc... ..	30,639	32,109
Reserves for financial support to specific borrowers .. ..	-	-
<b>Secured Coverage Amount (B) .. ..</b>	<b>43,870</b>	<b>43,322</b>
<b>Coverage Ratio (%) (B)/(A) .. ..</b>	<b>86.01%</b>	<b>86.94%</b>

**(Non-Consolidated Trust Account)**

	(Unaudited) As at 31 March 2011	(Unaudited) As at 30 September 2011
	(Millions of Yen except for percentages)	
Claims to bankrupt and substantially bankrupt debtors .. ..	149	115
Claims under high risk .. ..	95	59
Claims under close observation .. ..	785	774
<b>Total (A) .. ..</b>	<b>1,031</b>	<b>949</b>
Collateral, guarantees etc .. ..	846	695
<b>Secured Coverage Amount (B) .. ..</b>	<b>846</b>	<b>695</b>
<b>Coverage Ratio (%) (B)/(A) .. ..</b>	<b>82.09%</b>	<b>73.31%</b>

Note:

(1) Source: The Bank's annual securities report for the year ended 31 March 2011 and the Interim Summary Report for the six months ended 30 September 2011. The figures are extracted without material adjustment.

## Capital Adequacy Ratio of the Bank

### *The Bank*

The Bank's consolidated total capital adequacy ratio was 18.00 per cent. as of 30 September 2011 which was calculated pursuant to the guidelines of the Financial Services Agency of Japan based on the capital adequacy standards set by the Bank for International Settlements. Set out below is a table of the Bank's consolidated qualifying capital:

	(Unaudited)		(Unaudited)	
	As at 31 March		As at 30 September	
	2010	2011	2010	2011
Capital Adequacy Ratio	..	..	..	..
	16.02%	15.93%	17.28%	18.00%
	(Billions of Yen)			
Tier I Capital <sup>(1)</sup>	..	..	..	..
Tier II Capital <sup>(2)</sup>	..	..	..	..
Total <sup>(3)</sup>	..	..	..	..
Risk-Adjusted Assets	..	..	..	..
	¥1,352.0	¥1,392.7	¥1,379.6	¥1,451.4
	478.8	395.2	432.0	443.8
	1,737.2	1,704.2	1,731.3	1,806.2
	10,841.9	10,693.5	10,017.0	10,032.9

Notes:

- (1) Tier I capital is substantially equal to the stockholders' equity of the Bank. Tier II capital is mainly composed of subordinated borrowings of the Bank.  
(2) Source: The Bank's annual securities report for the year ended 31 March 2011, the Interim Securities Report for the six months ended 30 September 2010, and Interim Summary Report for the six months ended 30 September 2011. The figures are extracted without material adjustment.  
(3) Total represents the balance excluding the deductions.



## MANAGEMENT

The Bank's Articles of Incorporation provide that the number of Directors shall not exceed 20 and the number of Statutory Auditors shall not exceed eight. Directors and Statutory Auditors are elected by a general meeting of shareholders. The Board of Directors has ultimate responsibility for the administration of the affairs of the Bank. Representative Directors each have the power individually to represent the Bank.

The Members of the Board of Directors and Statutory Auditors of the Bank as of the date of the Prospectus are as follows:

<u>Name</u>	<u>Title</u>	<u>Principal Activities outside the Bank</u>
Haruya Uehara Kinya Okauchi	Chairman* President*	Deputy Chairman of Mitsubishi UFJ Financial Group Inc. ("MUFG") Managing Officer of MUFG
Yuji Suzuki	Deputy President*	
Shunsuke Teraoka Tatsuo Wakabayashi Yoshiyuki Hirano Kaoru Wachi	Deputy President* Senior Managing Director* Senior Managing Director* Senior Managing Director*	Director of MUFG Director of MUFG Managing Officer of MUFG
Takashi Mikumo Toru Matsuda Mikio Ikeagaya	Managing Director Managing Director Managing Director	Managing Officer of MUFG
Hiroshi Naruse Mutsumi Matsushita	Managing Director Managing Director	Managing Officer of MUFG
Hidegori Mizuno Ichiro Hamakawa	Managing Director Director	Managing Director of MUFG
Tadao Takashima Shingo Asakura Kenichi Ihara Shigetsugu Nakata Shigeru Takagi	Director Statutory Auditor Statutory Auditor Statutory Auditor Statutory Auditor	Certified Public Accountant  Senior Adviser to the Board of Mitsubishi Estate Co., Ltd
Eiji Katayama	Statutory Auditor	Attorney at Abe Ikubo & Katayama Law Office
Yoshinobu Shimizu	Statutory Auditor	Certified Public Accountant

The business address of the Directors and the Statutory Auditors is 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan.

All the Directors of the Bank are engaged in the business of the Bank and its subsidiaries on a full-time basis other than Mr. Hamakawa and Mr. Takashima who are engaged in the business of the Bank on a part-time basis. Mr. Takagi, the Senior Adviser to the Board of Mitsubishi Estate Co., Ltd., Mr. Katayama, an Attorney at Abe Ikubo & Katayama Law Office and Mr. Shimizu, a Certified Public Accountant are engaged in the business of the Bank on a part-time basis.

None of the directors of the Bank have any potential conflicts of interest between their duties to the Bank and their private interests or other duties.

\* Representative Director (ie. a director who is for the time being a representative director of the Bank within the meaning of the Companies Act of Japan).

## TAXATION

*The Information provided below does not purport to be a complete summary of Japanese or Aruban tax laws and practice currently applicable. Prospective investors should consult their tax position with their own professional advisers.*

### Japanese Taxation

Interest payments on the Notes issued by the Bank to an individual resident of Japan or a Japanese corporation (except for a designated financial institution or financial instrument business operator which has complied with the requirements under the Special Taxation Measures Law (as defined below)), or a non-resident of Japan or foreign corporation which has special relationship with the Bank set forth in the Order for Enforcement of Special Taxation Measures Law (Cabinet Order No. 43 of 1957, as amended) (“Specially Related Party(ies)”) will be subject to Japanese income tax on the amount specified in sub-paragraph (a) or (b) below, as applicable:

- (a) if interest is paid to an individual resident of Japan or to a Japanese corporation or a non-resident of Japan or foreign corporation which is a Specially Related Party of the Bank (except as provided in sub-paragraph (b) below), the amount of such interest; or
- (b) if interest is paid to a public corporation, a financial institution or a financial instruments business operator set forth in the Special Taxation Measures Law (which has complied with the Japanese tax exemption requirements under the Special Taxation Measures Law) through its payment handling agent in Japan, the amount of such interest minus the amount accrued during the period held by such entities.

Under the Special Taxation Measures Law of Japan (including the cabinet orders and ministerial ordinances thereunder, the “Special Taxation Law”) which was amended and effective as of 1 April 2010, payment of interest on the Notes issued by the Bank outside Japan to the beneficial holders of such Notes which are non-residents of Japan or foreign corporations and which are not Specially Related Parties of the Bank for Japanese tax purposes will not be subject to withholding of Japanese income tax, provided that such beneficial holders of such Notes establish that they are non-residents of Japan or foreign corporations in compliance with the requirements under the Special Taxation Law as summarised below:

- (1) if the Note certificates are deposited with a financial institution which handles the interest payments on the Notes issued by the Bank as defined in the Special Taxation Law (the “payment handling agent”), (a) such payment handling agent which holds the Note certificates in its custody (the “financial intermediary”) notifies the Bank of “Interest Recipient Information” (including (i) whether all beneficial holders of the Notes issued by the Bank deposited with the financial intermediary are non-residents of Japan or foreign corporations which are not Specially Related Parties of the Bank; or (ii) if there is any individual resident of Japan or Japanese corporation, or any non-resident of Japan or foreign corporation is a Specially Related Party of the Bank amongst the beneficial Noteholders, the amount of interest payments on the Notes issued by the Bank for non-residents of Japan or foreign corporations which are not Specially Related Parties) prepared by such financial intermediary based on the information provided by the beneficial Noteholders, or (b) (if the Note certificates are further sub-deposited with another payment handling agent including a clearing organisation (“sub-depositary”) by the financial intermediary) the financial intermediary notifies the Bank of Interest Recipient Information through such sub-depositary, at the latest one day prior to the Interest Payment Date, and the Bank prepares “Interest Recipient Confirmation” based upon Interest Recipient Information and submit it to the competent Japanese tax authority at the place of the registered head office of the Bank (the “tax authority”); or
- (2) upon each payment of the interest on the Notes issued by the Bank, the Noteholder files a “Claims for Exemption from Taxation” (providing, *inter alia*, the name and address of the beneficial Noteholder) with the tax authority through the Bank or (if payment of interest is made through the payment handling agent) through the payment handling agent and the Bank.

Payment of interest on the Notes issued by the Bank will be exempt from Japanese income or corporation taxes payable by withholding if the holder thereof has complied with the requirements as provided above. However, such payment will be subject to Japanese income or corporation taxes

payable otherwise than by way of withholding if such non-resident of Japan or foreign corporation has a permanent establishment in Japan and payment of such interest is attributable to the business of such non-resident of Japan or foreign corporation carried on in Japan through such permanent establishment.

The above exception from the withholding of income tax on the interest payments of the Notes is also applied to a Japanese financial institution or a Japanese financial instruments business operator designated in Article 6, paragraph 9 of the Special Taxation Measures Law.

Article 6 of the Special Taxation Measures Law provides that the above exception from the withholding of income tax on the interest payments of the Notes is available with respect to the Notes to be issued on or after 1 April 1998.

Gains derived from sales outside Japan of Notes by a non-resident of Japan or a non-Japanese corporation, or from sales within Japan of Notes by a non-resident of Japan or a non-Japanese corporation not having a permanent establishment in Japan, are in general not subject to Japanese income or corporation taxes.

No stamp, issue, registration or similar taxes or duties will, under present Japanese law, be payable in Japan by the Noteholders in connection with the issue of the Notes.

Japanese inheritance and gift taxes at progressive rates may be payable by an individual who has acquired Notes as legatee, heir or donee.

#### **EU Council Directive on the Taxation of Savings Income**

Directive 2003/48/EC (the "EU Savings Directive") provides for the tax authorities of the Member States to provide each other with details of payments of interest and similar income made by a person to an individual or to certain other persons in another Member State but permits Austria and Luxembourg instead to impose a withholding tax on the payments concerned for a "transitional period", the ending of such "transitional period" being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries (although it also provides that no such withholding tax should be levied where the beneficial owner of the payment authorises an exchange of information and/or where the beneficial owner presents a certificate from the tax authority of the Member State in which the beneficial owner is resident). The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. A number of non-EU countries and dependent territories have adopted similar measures to the EU Savings Directive. The EU Savings Directive does not preclude Member States from levying other types of withholding tax.

## PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in an Amended and Restated Dealer Agreement dated 16 December 2011 (the "Dealer Agreement") between the Issuer and the Dealers, the Notes will be offered on a continuous basis by the Issuer to the Dealers which expression shall include any person appointed as a Dealer for a specific issue. Such Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer, who have agreed to make all reasonable efforts to solicit offers to purchase the Notes as are consistent with best market practice in the international medium term note market. The Issuer will have the sole right to accept such offers to purchase Notes and may reject any proposed purchase of Notes as a whole or, subject to the terms of the offer, in part. The Dealers shall have the right, in their discretion, without notice to the Issuer, to reject any proposed purchase of the Notes made to them as a whole or, subject to the terms of the offer, in part. The Dealer Agreement also provides for Notes to be issued in Tranches which are jointly and severally underwritten by two or more Dealers.

The Issuer will pay a Dealer a commission agreed between the Issuer and the Dealer in respect of Notes solicited for purchase or purchased by it.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself and the Issuer only, by any Dealer, at any time on giving not less than 15 days' notice.

### **United States**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Agent or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any identifiable tranches of Notes, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### **Public Offer Selling Restriction under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Dealer has represented and agreed, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a

“Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issue for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes referred to in (b) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the “Prospectus Directive” or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

#### **Additional Selling Restrictions addressing United Kingdom Securities Laws**

Each Dealer has represented and agreed that (1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of such Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer, and (2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

#### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1958, as amended) (the “FIEL”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes (including Notes denominated in Japanese yen or in respect of which amounts may be payable in Japanese yen) in Japan or to or for the benefit of any resident of Japan, or to others for re-offering or re-sale directly or indirectly in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEL and other relevant laws, regulations and ministerial guidelines of Japan. As used in this paragraph, “resident of Japan” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

The Notes are subject to the Special Taxation Measures Law. Each Dealer has represented and agreed that it (I) has not, directly or indirectly, offered or sold any Notes to, or for the benefit of, any person other than a Gross Recipient (as hereinafter defined), and (II) will not, directly or indirectly, offer or sell any Notes, (1) as part of its distribution at any time, to, or for the benefit of, any person other than a Gross Recipient, and (2) otherwise until 40 days after the date of issue of the Notes, to, or for the benefit of, any individual resident of Japan or Japanese corporation for Japanese tax purposes (except for a Japanese financial institution, designated in Article 3-2-2, Paragraph (29) of the Order for Enforcement of Special Taxation Measures Law that will hold Notes for its own proprietary

account (“a Designated Financial Institution”), and an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes will be made through a payment handling agent in Japan as defined in Article 2-2, Paragraph (2) of the Order for Enforcement of Special Taxation Measures Law (an “Article 3-3 Japanese Resident”). A “Gross Recipient” means (a) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Bank as described in Article 6, Paragraph (4) of the Special Taxation Measures Law, (b) a Designated Financial Institution, or (c) an Article 3-3 Japanese Resident.

By purchasing the Notes, an investor will be deemed to have represented that it is a Gross Recipient.

Where Notes are to be subscribed by a relevant Dealer that is also a party having a special relationship with the Issuer as described in Article 6, Paragraph 4 of the Special Taxation Measures Law, such relevant Dealer confirms that Notes that are subscribed by such relevant Dealer will, as part of the initial distribution, be subscribed for resale in an offering contemplated by the Dealer Agreement.

### **Netherlands**

Each Dealer has represented and agreed that the Notes (or any interest therein) may not, directly or indirectly, be offered, sold, pledged, delivered or transferred in the Netherlands, on their issue date or at any time thereafter, and neither this Prospectus or any other document in relation to any offering of the Notes (or any interest therein) may be distributed or circulated in the Netherlands, other than to professional market parties (“PMPs”) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (which includes, *inter alia*, qualified investors as defined in the Prospectus Directive such as banks, insurance companies, securities firms, collective investment undertakings and pension funds), provided that these parties acquire the relevant Notes for their own account or that of another PMP. This restriction does not apply in respect of Notes having a denomination of at least EUR 50,000 (or equivalent thereof in foreign currency) or, after, the Amendment Decree Financial Markets 2012 has entered into force, EUR 100,000 (or equivalent thereof in foreign currency).

### **General**

These selling restrictions may be modified by the agreements of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Prospectus.

Save as expressly stated on the front page hereof, no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus, any other offering material or any Final Terms.

Some of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its respective affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in Issuer’s securities, including potentially the Notes issued under the

Programme. Any such short positions could adversely affect future trading prices of the Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## FORM OF FINAL TERMS

The form of Final Terms that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below.

Final Terms dated [●]

### Mitsubishi UFJ Trust and Banking Corporation

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the ¥500,000,000,000  
**Euro Medium Term Note Programme**

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated ● [and the supplemental Prospectus dated ●] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the Prospectus Directive). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. [The Prospectus [and the supplemental Prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the Conditions) contained in the Trust Deed dated [original date] and set forth in the Prospectus dated [original date] [and the supplemental Prospectus dated ●] and incorporated by reference into the Prospectus dated [current date] and which are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the Prospectus Directive) and must be read in conjunction with the Prospectus dated [current date] [and the supplemental Prospectus dated ●], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. [The Prospectuses [and the supplemental Prospectus] are available for viewing at [address] [and] [website] and copies may be obtained from [address].]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]*

1. Issuer: Mitsubishi UFJ Trust and Banking Corporation
2. Specified Currency or Currencies: [●]
3. Aggregate Nominal Amount of Notes: [●]
  - [(i)] Series: [●]
  - [(ii)] Tranche: [●]
4. Issue Price: [●] per cent of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. [(i)] Specified Denominations: [Specify]



*(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*

*[N.B. For Bearer Notes with a Specified Denomination and higher integral multiples above the minimum denomination, consider including language substantially to the following effect (however, appropriate amendments shall be made for different currencies):*

*“[€100,000] and integral multiples of [€1,000] in excess thereof, up to and including [€199,000] and, for so long as the Notes are represented by a Global Note (as defined below) and Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in the minimum authorised denomination of [€100,000] and higher integral multiples of [€1,000], notwithstanding that no definitive notes will be issued with a denomination above [€199,000].”]*

- [(ii)] Calculation Amount: [Specify]
- [If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor.][Note: There must be a common factor in the case of two or more Specified Denominations]*
6. [(i)] Issue Date: [●]
- [(ii)] Interest Commencement Date [●]
7. Maturity Date: [specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
8. Interest Basis: [●% Fixed Rate]  
[[specify reference rate] +/- ●% Floating Rate]  
[Zero Coupon]  
[Index Linked Interest]  
[Other (specify)]  
(further particulars specified below)
9. Redemption/Payment Basis<sup>7</sup>: [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency]  
[Partly Paid]  
[Instalment]  
[Other (specify)]
- [(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No.809/2004 will apply and the Issuer will prepare and publish a supplement to the Prospectus.)]*
10. Change of Interest or Redemption/Payment Basis: [Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis]
11. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]

12. (i) Status of the Notes: Senior/Subordinated Dated/Subordinated Perpetual
- (ii) [Date [Board] approval for issuance of Notes obtained:  [and , respectively]]  
*(N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]*
13. Method of distribution:  [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Fixed Rate Note Provisions  [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest:  per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
- (ii) Interest Payment Date(s):  in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]:  per Calculation Amount
- (iv) Broken Amount(s):  per Calculation Amount payable on the Interest Payment Date falling [in/on]
- (v) Day Count Fraction:  [30/360 / Actual/Actual (ICMA/ISDA)/other]
- (vi) Determination Dates:  in each year *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:  [Not Applicable/give details]
15. Floating Rate Note Provisions  [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s)
- (ii) Specified Interest Payment Dates:
- (iii) First Interest Payment Date
- (iv) Interest Period Date   
*(Not applicable unless different from Interest Payment Date)*
- (v) Business Day Convention:  [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]
- (vi) Business Centre(s):
- (vii) Manner in which the Rate(s) of Interest is/are to be determined:  [Screen Rate Determination/ISDA Determination/other (give details)]

- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]):
- (ix) Screen Rate Determination:
- Reference Rate:
  - Interest Determination Date(s):
  - Relevant Screen Page:
- (x) ISDA Determination:
- Floating Rate Option:
  - Designated Maturity:
  - Reset Date:
  - ISDA Definitions: [2000/2006]
- (xi) Margin(s): [+/-][ ] per cent per annum
- (xii) Minimum Rate of Interest:  per cent per annum
- (xiii) Maximum Rate of Interest:  per cent per annum
- (xiv) Day Count Fraction:
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:
16. Zero Coupon Note Provisions  [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Amortisation Yield:  per cent per annum
  - (ii) Any other formula/basis of determining amount payable:
17. Index-Linked Interest Note/other variable-linked interest Note Provisions  [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Formula/other variable: *[give or annex details]*
  - (ii) Calculation Agent responsible for calculating the interest due:
  - (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:
  - (iv) Interest Determination Date(s):   
[Include a description of any market disruption or settlement disruption events that effect the underlying and adjustment rules in relation to events concerning the underlying]

- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:
- (vi) Interest Period(s):
- (vii) Specified Interest Payment Dates:
- (viii) Business Day Convention:  [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (ix) Business Centre(s):
- (x) Minimum Rate of Interest:  per cent per annum
- (xi) Maximum Rate of Interest:  per cent per annum
- (xii) Day Count Fraction:
18. Dual Currency Note Provisions  [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange:  *[give details]*
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:
- (iv) Person at whose option Specified Currency(ies) is/are payable:

#### PROVISIONS RELATING TO REDEMPTION

19. Call Option  [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s):
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):  per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount:  per Calculation Amount
- (b) Maximum Redemption Amount:  per Calculation Amount
- (iv) Notice period

20. Put Option [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) Notice period [●]
21. Final Redemption Amount of each Note [●] per Calculation Amount
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked: *(Note: If the Final Redemption Amount is linked to an underlying reference or security, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation No. 809/2004 will apply.)*
- (i) Index/Formula/variable: *[give or annex details]*
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [●]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]
- (iv) Determination Date(s): [●]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Payment Date: [●]
- (vii) Minimum Final Redemption Amount: [●] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [●] per Calculation Amount
22. Early Redemption Amount [●]
- Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes: Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]
- [Permanent Global Note exchangeable for Definitive in the limited circumstances specified in the Permanent Global Note]
- (In relation to any issue of Notes which are expressed to be Temporary Global Notes exchangeable for Definitive Notes in accordance with this option, such Notes may only be issued in denominations equal to, or greater than €100,000 (or equivalent) and integral multiples thereof.)*
24. Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 14(ii), 15(iv) and 17(ix) relates]
25. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
26. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details]
27. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/give details]
28. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition [●]] apply]
29. Consolidation provisions: [Not Applicable/The provisions [in Condition [●]] apply]
30. Other final terms: [Not Applicable/give details]
- (When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)*

## DISTRIBUTION

31. (i) If syndicated, names of Managers: [Not Applicable/give names]
- (ii) Stabilising Manager(s) (if any): [Not Applicable/give name]

32. If non-syndicated, name of Dealer: [Not Applicable/*give name*]
33. U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/  
TEFRA D/TEFRA not applicable]
34. Additional selling restrictions: [Not Applicable/*give details*]

**PURPOSE OF THE FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the Regulated Market of the London Stock Exchange plc of the Notes described herein pursuant to the ¥500,000,000,000 Euro Medium Term Note Programme of Mitsubishi UFJ Trust and Banking Corporation.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [● has been extracted from ●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by ●, no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Issuer:

By: .....

Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: [London/Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made by the Issuer/or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.]
- (iii) Estimate of total expenses related to admission to trading: [●]

### 2. RATINGS

Ratings: The Notes to be issued have been rated:  
[Rating Agent]: [●]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

*Insert one (or more) of the following options, as applicable:*

**Option 1: CRA is (i) established in the EU and (ii) registered under the CRA Regulation:**

*[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and registered under Regulation (EC) No 1060/2009 (the “CRA Regulation”).*

**Option 2: CRA is (i) established in the EU, (ii) not registered under the CRA Regulation; but (iii) has applied for registration:**

*[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009 (the “CRA Regulation”), although notification of the registration decision has not yet been provided.*

**Option 3: CRA is not established in the EU but the relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation:**

*[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but the rating it has given to the [Notes] is endorsed by [insert legal name of credit rating agency], which is established in the EU and registered under Regulation (EC) No 1060/2009 (the “CRA Regulation”).*

**Option 4: CRA is not established in the EU and the relevant rating is not endorsed under the CRA Regulation, but the CRA is certified under the CRA Regulation:**

*[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but is certified under Regulation (EC) No 1060/2009 (the “CRA Regulation”).*



**Option 5: CRA is neither established in the EU nor certified under the CRA Regulation and the relevant rating is not endorsed under the CRA Regulation:**

*[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU and is not certified under Regulation (EC) No 1060/2009 the “CRA Regulation”) and the rating it has given to the [Notes] is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.*

**3. [NOTIFICATION]**

The [include name of competent authority in EEA home Member State] [has been requested to provide/has provided – include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.]

**4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Plan of Distribution”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

**5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer

[●]

*(See “Use of Proceeds” wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

[(ii)] Estimated net proceeds:

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii)] Estimated total expenses:

[●] [Include breakdown of expenses.]

*(Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]*

**6. [Fixed Rate Notes only – YIELD]**

Indication of yield:

[●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**7. [Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING]**

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by Paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

*[The Issuer [intends to provide past-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].*

**8. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]*

*[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

**9. OPERATIONAL INFORMATION**

ISIN Code:

Common Code:

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s):  [Not Applicable/give name(s) and number(s)]

Delivery:  Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):

## GENERAL INFORMATION

1. The listing of the Notes on the Official List and admission to trading on the Market will be expressed as a percentage of their nominal amount (exclusive of accrued interest). It is expected that listing of the Programme on the Official List and admission to trading on the Market will be granted on or about 20 December 2011, subject only to the issue of a temporary Global Note in respect of each Tranche. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction. However, Notes may be issued pursuant to the Programme which will not be listed on the Official List and admitted to trading on the London Stock Exchange's market for listed securities or any other stock exchange.

2. The Bank has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The issuance of the Notes by the Bank was authorised by a resolution of the Board of Directors of the Bank on 22 November 2000 and such authorisation was re-confirmed by the Bank on 16 December 2011 with respect to the issuance of the Notes (including Senior Notes) and the amendment and update of the Programme.

3. The Programme contemplates that the Issuer will issue Notes with a minimum denomination of EUR100,000. In the event that the Issuer issues Notes admitted to trading on the Market with lower denominations, the EU Transparency Obligations Directive ("TOD") will apply to the Issuer. Where relevant, the Issuer will be required to prepare its financial statements in accordance with, or reconciled to, International Financial Reporting Standards for accounting periods on or after 1 January 2005, unless Japanese GAAP are deemed equivalent standards for the purpose of such Directive.

4. Each Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.

Interest payments on the Notes to an individual resident of Japan or a Japanese corporation (except for a designated financial institution or financial instrument business operator which has complied with the requirements under the Special Taxation Measures Law), or a non-resident of Japan or foreign corporation which has special relationship with the issuer of the Note set forth in the Order for Enforcement of Special Taxation Measures Law (Cabinet Order No. 43 of 1957, as amended) ("Specially Related Party(ies)") will be subject to Japanese income tax on the amount specified in sub-paragraph (A) or (B) below, as applicable:

- (A) if interest is paid to an individual resident of Japan or to a Japanese corporation or a non-resident of Japan or foreign corporation which is a Specially Related Party of the issuer of the Note (except as provided in sub-paragraph (B) below), the amount of such interest; or
- (B) if interest is paid to a public corporation, a financial institution or a financial instruments business operators set forth in the Special Taxation Measures Law (which has complied with the Japanese tax exemption requirements under the Special Taxation Measures Law) through its payment handling agent in Japan, the amount of such interest minus the amount accrued during the period held by such entities."

5. Neither the Bank or any of its subsidiaries is or have been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware) during the 12 months preceding the date of this Prospectus may have or have had in the recent past, significant effects on the Bank and its subsidiaries' financial position or profitability.

6. There has been no significant change in the financial or trading position of the Bank and its subsidiaries as a whole since 31 March 2011.

There has been no material adverse change in the prospects of the Bank and its subsidiaries as a whole since 31 March 2011.

7. The Notes have been accepted for clearance through the systems of Euroclear or Clearstream, Luxembourg. The Common Code and ISIN for each Series of Notes will be set out in the relevant Final Terms. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.

8. Each Final Terms will contain the relevant information in respect of each Tranche of Notes.

9. From the date hereof during the life of the Programme and for so long as any Notes remain outstanding thereunder, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the London office of the Agent and the registered office of the Bank:

- (i) the Amended and Restated Trust Deed (which includes the form of the Global Notes, the Definitive Notes, the Coupons, Receipts and Talons) dated 16 December 2011;
- (ii) the Amended and Restated Dealer Agreement dated 16 December 2011;
- (iii) the Amended and Restated Agency Agreement dated 16 December 2011;
- (iv) the Amended and Restated Procedures Memorandum (which sets out certain ancillary matters, including settlement procedures and the form of Final Terms) dated 16 December 2011;
- (v) the Articles of Incorporation of the Bank, together with an English translation thereof;
- (vi) the Bank's Interim Summary Report for the six months ended 30 September 2010 and 30 September 2011;
- (vii) each Final Terms and each Syndication Agreement (if any) for Notes which are listed on the Official List and admitted to trading on the Market or any other stock exchange; and
- (viii) a copy of the Prospectus together with any supplement to the Prospectus or further Prospectus.

10. Independent certified public accountants Deloitte Touche Tohmatsu LLC ("DTT", authorised and regulated under the Japanese Certified Public Accountant Law (Law No. 103 of 1948, as amended) (the "JCPAL")), auditors of the Bank, have audited the consolidated financial statements of MUTBC for the years ended 31 March 2010 and 31 March 2011 and their reports expressed unqualified opinions.

11. Nikko Cordial Corporation and Citigroup Inc. have established a series of business alliances in respect of Japan-related activities. Citigroup Global Markets Limited is authorised to conduct Japan-related business under the name Nikko Citigroup.

**REGISTERED HEAD OFFICE  
OF THE BANK**

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**LEGAL ADVISERS  
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*as to Japanese law*

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**TO THE DEALERS AND THE TRUSTEE**

*as to English law*

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**ISSUING AND PAYING AGENT**

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