



Mitsubishi UFJ Lease & Finance Co. Ltd.

MITSUBISHI UFJ LEASE & FINANCE COMPANY LIMITED

(incorporated with limited liability in Japan)

U.S.\$4,000,000,000

Euro Medium Term Note Programme

This Base Prospectus supersedes any previous offering circular or base prospectus describing the Programme (as defined below). Any Notes (as defined below) issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described herein. This does not affect any Notes issued before the date of this Base Prospectus.

Under this Euro Medium Term Note Programme (the “Programme”), Mitsubishi UFJ Lease & Finance Company Limited (the “Issuer”) may from time to time issue notes (the “Notes”) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). Notes may be issued in bearer or registered form.

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$4,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “Summary of the Programme” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a “Dealer” and together the “Dealers”), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the “relevant Dealer” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

Application has been made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing and quotation of any Notes to be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Base Prospectus. Admission of any Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or the Notes.

The Issuer may also issue unlisted Notes not admitted to trading on any market.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes intended to be listed on the SGX-ST) a supplementary Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Programme has been rated AA- by Japan Credit Rating Agency, Ltd., A+ by Rating and Investment Information, Inc. and A3 by Moody’s Japan K.K. Tranches of Notes issued under the Programme may be rated or unrated.

Arranger

Mitsubishi UFJ Securities

Dealers

BNP PARIBAS
Citigroup
Daiwa Capital Markets Europe
HSBC
Mitsubishi UFJ Securities
Morgan Stanley

BofA Merrill Lynch
Crédit Agricole CIB
Goldman Sachs International
J.P. Morgan
Mizuho Securities
Nomura

The Royal Bank of Scotland

The Issuer, having made all reasonable enquiries, confirms that this Base Prospectus contains or incorporates all information which is material in the context of the issuance and offering of Notes, that the information contained or incorporated in this Base Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Base Prospectus are honestly held and that there are no other facts the omission of which would make this Base Prospectus or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes 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 Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

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

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”) and are subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended, the “Act on Special Taxation Measures”). Subject to certain exemptions, the Notes may not be offered or sold and will not, directly or indirectly, be offered or sold in Japan or to any person resident in Japan. In addition, the Notes have not been, indirectly or directly, offered or sold to, or for the benefit of any person other than a Gross Recipient (as defined in “Taxation – Japanese Taxation”). Furthermore, the Notes will not be, directly or indirectly, offered or sold, (a) as part of the distribution by the Dealers, or for the benefit of to any person other than a Gross Recipient and (b) otherwise until 40 days after the date of issue to, or for the benefit of, any individual resident of Japan or Japanese corporation for Japanese tax purposes subject to certain exemptions. For more details, see “Subscription and Sale.”

BY SUBSCRIBING FOR THE NOTES, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED THAT IT IS A GROSS RECIPIENT.

With respect to interest due on or before 31 December 2015:

Interest payments on the Notes to an individual resident of Japan, to a Japanese corporation (excluding a Japanese designated financial institution described in Article 6, Paragraph (9) of the Act on Special Measures Concerning Taxation of Japan, which has complied with the requirements for tax exemption under said paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Issuer as described in Paragraph (4) of said article (a “Specially-Related Party”) will be subject to Japanese income tax (including surtax, if applicable) on the amount specified in sub-paragraph (a) or (b) below, as applicable:

- (a) if interest is paid to an individual resident of Japan, to a Japanese corporation, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a Specially-Related Party (except as described 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, each described in Article 3-3, Paragraph (6) of the Act on Special Measures Concerning Taxation of Japan (which has complied with the requirement for tax exemption under said paragraph) through a Japanese payment handling agent as described in the said paragraph (6), the amount of such interest minus the amount described in the Cabinet Order relating to said paragraph.

With respect to interest due on or after 1 January 2016:

Interest payments on the Notes to an individual resident of Japan, to a Japanese corporation (excluding (i) a Japanese designated financial institution described in Article 6, Paragraph (9) of the Act on Special Measures Concerning Taxation of Japan, which has complied with the requirements for tax exemption under said paragraph and (ii) a Japanese Corporation, a Financial Institution or a Financial Instruments Business Operator described in Article 3-3, Paragraph (6) of said act, which receives interest payments on the Notes through a Japanese payment handling agent as described in paragraph (1) of said article and which has complied with the requirements for tax exemption under paragraph (6) of said article), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a party having a special relationship with the issuer as described in Article 6, Paragraph (4) of said act, will be subject to Japanese income tax (including surtax, if applicable) on the amount of such interest.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the European Economic Area (including The Netherlands, France and the United Kingdom), Japan and the United States, see “Subscription and Sale”.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this

Base Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish a prospectus for such offer.

This Base Prospectus is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC, as amended, and may only be used for the purposes for which it has been published.

References in this Base Prospectus to the “Group” mean the Issuer together with its subsidiaries and affiliates.

All references in this document to “U.S. dollars”, “U.S.\$” and “\$” refer to the currency of the United States of America and to “Yen” and “¥” refer to the currency of Japan. In addition, references to “Sterling” and “£” refer to the currency of the United Kingdom, to “euro” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended and to “Renminbi” and “CNY” are to the currency of the People’s Republic of China.

In this document, where information is presented in millions, amounts less than one million, or where presented in billions, amounts less than one billion, may have been rounded up or down. Accordingly, the total of each column of figures may not be equal to the total of individual items. All other percentages and figures, including operating data, have been rounded up or down unless otherwise specified.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons 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 persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes 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 of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be incorporated in, and form part of, this Base Prospectus:

- (a) the independent auditor's report and audited consolidated annual financial statements for the Issuer for the financial year ended 31 March 2013, in English, including the information set out at the following pages in particular:

Consolidated Balance Sheets	Pages 28 to 29
Consolidated Statements of Income	Page 30
Consolidated Statements of Comprehensive Income	Page 31
Consolidated Statements of Changes in Equity	Page 32
Consolidated Statements of Cash Flows	Page 33
Notes to Consolidated Financial Statements	Pages 35 to 62
Independent Auditor's Report.....	Page 63

The above information is contained in the Annual Report 2013 of the Issuer. Any other information not listed above but contained in such document is incorporated by reference for information purposes only;

- (b) the independent auditor's report and audited consolidated annual financial statements for the Issuer for the financial year ended 31 March 2012, in English, including the information set out at the following pages in particular:

Consolidated Balance Sheet	Pages 28 to 29
Consolidated Statement of Income	Page 36
Consolidated Statement of Comprehensive Income	Page 31
Consolidated Statement of Changes in Equity	Page 32
Consolidated Statement of Cash Flows	Page 33
Notes to Consolidated Financial Statements	Pages 34 to 62
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The above information is contained in the Annual Report 2012 of the Issuer. Any other information not listed above but contained in such document is incorporated by reference for information purposes only; and

- (c) the unaudited interim consolidated financial information for the three months ended 30 June 2013 of the Issuer.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents incorporated herein by reference. Requests for such documents should be directed to the Issuer at its office set out at the end of this Base Prospectus.

The Issuer will, in connection with the listing of the Notes on the SGX-ST, so long as any Note remains outstanding and listed on such exchange and the rules of the SGX-ST so require, in the event of any material change in the condition of the Issuer which is not reflected in this Base Prospectus, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of the Notes to be listed on the SGX-ST.

If the terms of the Programme are modified or amended in a manner which would make this Base Prospectus, as so modified or amended, inaccurate or misleading, a new Base Prospectus will be prepared.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under “Form of the Notes”.

For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

1. the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms in relation to the relevant Notes, described under “Form of the Notes”) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding 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 the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;
2. the U.S. dollar equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Final Terms in relation to the relevant Notes, described under “Form of the Notes”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and
3. the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the relevant Notes, described under “Form of the Notes”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meanings in this summary.

Issuer:	Mitsubishi UFJ Lease & Finance Company Limited
Description:	Euro Medium Term Note Programme
Arranger:	Mitsubishi UFJ Securities International plc
Dealers:	BNP PARIBAS Citigroup Global Markets Limited Crédit Agricole Corporate and Investment Bank Daiwa Capital Markets Europe Limited Goldman Sachs International The Hongkong and Shanghai Banking Corporation Limited J.P. Morgan Securities plc Merrill Lynch International Mitsubishi UFJ Securities International plc Mizuho International plc Morgan Stanley & Co. International plc Nomura International plc The Royal Bank of Scotland plc and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	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 “Subscription and Sale”) including the following restrictions applicable at the date of this Base Prospectus. Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “Subscription and Sale”.
Issuing and Principal Paying Agent:	The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch.
Registrar and Transfer Agent:	The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch.
Programme Size:	Up to U.S.\$4,000,000,000 (or its equivalent in other currencies calculated as described under “General Description of the Programme”) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer and the relevant Dealer.

Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in euro.
Maturities:	Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer form or registered form as described in “Form of the Notes”.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> (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 either the 2000 ISDA Definitions or the 2006 ISDA Definitions (in each case, as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer. <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
Index Linked Notes:	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 or to changes in the prices of securities or commodities or to such other factors as the Issuer and the relevant Dealer may agree.
Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:	<p>Floating Rate Notes and Index Linked Interest Notes may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both.</p> <p>Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.</p>
Dual Currency Notes:	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 the Issuer and the relevant Dealer may agree.

Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
Redemption:	<p>The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.</p> <p>The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.</p> <p>Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “Subscription and Sale”.</p>
Denomination of Notes:	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. See “Certain Restrictions” above.
Taxation:	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction, subject as provided in Condition 7. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.
Negative Pledge:	The terms of the Notes will contain a negative pledge provision as further described in Condition 3.
Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 9(iii).
Status of the Notes:	The Notes will constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 3, unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.
Ratings:	The Programme is rated AA- by Japan Credit Rating Agency, Ltd., A+ by Rating and Investment Information, Inc. and A3 by Moody’s Japan K.K. Tranches of Notes issued under the Programme may be rated or unrated. Where a tranche of Notes issued under the Programme is rated, such rating will not necessarily be the same as the rating(s) assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to supervision, reduction or withdrawal at any time by the assigning rating agency.

Listing:

Application has been made to the SGX-ST for the listing and quotation of any Notes to be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST.

Any application for the listing of Notes on the SGX-ST will be made separately with respect to each such issue of the Notes.

For so long as the rules of the SGX-ST so require, Notes which are listed on the SGX-ST will be traded with a minimum board lot size of U.S.\$200,000 with a minimum of 100 lots to be traded in a single transaction (or the equivalent in other currencies).

Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

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

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the European Economic Area (including The Netherlands, France and the United Kingdom), Japan and the United States and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "Subscription and Sale".

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 believes 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 Base Prospectus and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's Ability to fulfil its Obligations under the Notes issued by it under the Programme.

Credit risk

The Group's principal business activities involve extending credit to its customers and recovering lease, instalment and loan payments over the medium to long term. These activities expose the Group to credit risks arising from any non-payment of leases, instalment sales or loan receivables, or other similar failures, in the event of a deterioration in the creditworthiness of the Group's customer or, in particular, as a consequence of a bankruptcy or similar insolvency proceeding affecting a counterparty. In addition, since the Group's credit exposure extends over the medium and long term, changes in the economic conditions prevailing at the time a transaction is commenced may result in a subsequent weakening in the creditworthiness of the Group's customers, which in turn may result in a deterioration in the quality of the Group's receivables and have an impact on the financial performance of the Group.

The Group undertakes a careful assessment before entering into any new transaction. Thereafter, the Group continues to monitor its counterparty risk, credit exposure and the markets to assess its exposure and credit risks. In the event of a counterparty bankruptcy, or similar insolvency proceeding affecting a counterparty, the Group takes steps to minimise any potential losses, for example, by selling the leased property or other assets or by setting up a secondary lease of the property with a new counterparty. The Group also takes the measure to quantify the credit risk in its credit portfolio using external data on corporate bankruptcy trends, and related statistical data, supplemented by independent internal calculations of the likelihood of bankruptcy based on individual corporate credit ratings and data on property values by elapsed years of the transaction, which the Group has accumulated to date. This identification of the quantitative extent of credit risk is used to accurately assess risk, and the relevant data is also used as feedback in business strategy to promote portfolio management aimed at minimising risk and maximising returns.

To the extent that the Group's credit assessments (described above) prove inadequate to assess the risks involved in transactions, or in the event that the creditworthiness of the Group's customers deteriorates, the level of the Group's delinquent or uncollectable receivables will increase, which may have an adverse impact on the Group's financial condition and results of operations.

Interest rate risk

The Group obtains funds for its principal activities of leasing, instalment sales and loan transactions at both fixed and floating rates of interest primarily through borrowings from banks and other financial institutions, funds raised from the capital markets in the form of commercial paper and bonds, as well as through securitisation of future rentals on certain lease contracts. As a consequence the Group is subject to the risk of any imbalance between the return on its invested assets and its financing liabilities. In addition, interest-bearing debt accounts for a high proportion of the Group's balance sheet, and any change in prevailing interest rates may have a significant impact on the Group's funding costs and reduce its profitability.

The Group seeks to minimise interest rate risks by seeking to match the interest basis and maturities of its financial assets and liabilities and by monitoring its exposure. The Group also operates an Asset Liability

Management Committee (the “ALM Committee”) consisting of directors and managers to review market conditions, analyse the Group’s asset and liability position and coordinate the Group’s risk management. Nonetheless, the Group remains exposed to interest rate risk, and any imbalance between the return on invested assets and its financing liabilities or variation in prevailing interest rates may have a significant impact on the Group’s financial condition and results of operations.

Risk of changes in laws and regulations and accounting and tax regimes

The Group’s businesses are subject to a number of laws and regulations in Japan and overseas. In addition, parts of the Group’s businesses, including the leasing business, are particularly susceptible to changes in applicable accounting and tax regimes.

These and other laws and regulations and accounting and tax regimes applicable to the Group may be subject to changes in the future. Circumstances arising from future amendments to these laws and regulations and accounting and tax regimes, or changes to the interpretation or application thereof, may adversely affect the Group’s business, financial condition and results of operations. Although the Group maintains compliance procedures and systems to monitor developments in this regard, if the Group should violate such laws or regulations, significant sanctions may be imposed on the Group, which would have a significant detrimental impact on the Group’s reputation and business and may adversely affect its financial condition and results of operations.

Risk from natural disasters

The Group primarily operates in Japan, which has historically experienced, and the Group’s operations may be affected by, earthquakes and other natural disasters, including tidal waves, typhoons and floods. In addition, other events that are also outside the Group’s control, such as deliberate acts of sabotage or industrial accidents, fire, explosions and nuclear power plant disruptions (whether due to human or equipment error), could adversely affect the Group’s activities, as well as potentially causing injury or death to its personnel.

In particular, in the event of a natural disaster or other uncontrollable events or accident, the equipment leased by the Group to its customers may experience a loss, customers’ operations may be halted, and losses and expenses may be incurred to repair or replace the equipment being leased. Any of these events could have a significant impact on the Group’s revenues or result in impairment or write-off of receivables for the Group.

The Group has in place a business continuation plan in anticipation of such problems, such as entering into insurance policies covering damage caused by various types of disasters. However, there can be no assurance as to whether the procedures that the Group has implemented will be sufficient to cover all possible losses and expenses.

Funding

The Group obtains funds for its principal activities of leasing, instalment sale and loan transactions primarily through borrowings from banks and other financial institutions, funds raised from the capital markets in the form of commercial paper and bonds, as well as through securitisation of future rentals on certain lease contracts. The Group will require liquidity in order to refinance maturing debt and to fund its operations. While the Group has policies and measures in place to diversify its funding sources in order to mitigate funding risk, and has not experienced any material difficulty in procuring funds, there can be no assurance that the Group’s existing major lenders will not change their lending policies, increase the rates they charge on loans, or adopt a more cautious credit stance as a result of:

- the challenging financial environment that has impacted global financial markets and credit institutions;
- any adverse change in the operating results, financial condition or cash flows of the Group;
- any deterioration in the Group’s creditworthiness;

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- other factors that may limit the Group's options for obtaining liquidity;
 - an increase in interest rates due to a deterioration of the financial status of the Japanese government; and
 - a decrease in bank appetite for taking on credit risks.

The rate of interest which the Group is required to pay on its debt securities depends significantly on the credit ratings assigned to such securities or other securities issued by the Group by the relevant credit rating agencies. Lenders may also refer to the Group's credit ratings in determining the rate of interest for any loans extended to the Group. Any downgrade in the Group's credit ratings could result in an increase in the Group's interest expenses and could have an adverse impact on funding costs and the Group's ability to access the capital markets or procure additional borrowings.

Internal controls

The Group has established and operates internal controls with the aim of ensuring the effectiveness and efficiency of business administration and operations, reliability of financial reporting, compliance with applicable laws and regulations relevant to business activities and safeguarding of assets. However, there can be no assurance that the Group will be able to successfully establish and operate effective internal controls since there are inherent limitations to such controls. This is particularly the case as the Group has undergone significant changes as part of its Medium-Term Management Plan (see "Description of the Issuer—Business—Strategy") and as the Group intends on continuing to expand its businesses and enter into new markets in which it has not operated in the past. If the internal controls that the Group implements fail to function effectively, if there are deficiencies or material weaknesses in such internal controls or if they fail to address the changing scope of the Group's business, it may adversely affect the reliability of the Group's compliance, operational and administrative processes.

Merger and acquisition activities

As part of the Group's strategy to expand its business, in January 2013 the Group completed the acquisition of JSA International Holdings, L.P., making it a wholly-owned subsidiary, and continues to seek opportunities to engage in further mergers, acquisitions and other business consolidations. The Group may face risks arising from mergers, acquisitions, business consolidations and reorganisations, which could adversely affect its ability to effectively implement its strategies. For example:

- the Group may be unable to realise growth opportunities and other expected benefits of such mergers, acquisitions, business consolidations and reorganisations in the expected time period or at all;
- unanticipated problems could also arise in the integration process, including unanticipated restructuring or integration expenses and liabilities, as well as delays or other difficulties in coordinating, consolidating and integrating personnel and information technology and management systems;
- the combined or reorganised entities may require additional financial support from the Group;
- the attention of management and key employees' attention may be distracted;
- the goodwill and other intangible assets arising from the acquisitions and business reorganisations are subject to amortisation and impairment charges; and
- the transactions may result in other unanticipated adverse consequences.

Although the Group carries out thorough due diligence and analysis prior to engaging in any merger and acquisition activity, there can be no assurance that any such activity will reap the intended benefits. If the Group is

not able to effectively manage or mitigate these risks, such risks may adversely affect the Group's financial condition and results of operations.

Diversification

As part of its growth strategy, the Group intends on continuing to expand to provide a growing list of financial and leasing services. In addition, the Group is planning to expand its operations, in conjunction with the increasing needs of its customers. The Group's efforts to diversify its businesses expose it to various risks, including risks related to the following:

- new business areas or markets that the Group enters into may have less growth or profit potential than Group projections;
- the Group may face increased competition from local financial and leasing institutions, which may have greater domestic brand recognition, domestic resources and a wider scope of domestic operations;
- the Group may face competitors with substantially greater experience and resources in relation to new businesses or geographic areas it enters into, as compared to competition it currently faces in Japan;
- the Group may incur substantial costs when initially entering into a new business or geographic area;
- the entry into new business areas or geographic markets may be affected by laws, rules or regulations which are not currently applicable to the Group; and
- any new business may require the establishment of new systems and the integration of such systems within the Group's existing network, which may cause disruptions to the Group's systems and networks.

Any expansion undertaken by the Group is carefully considered in light of the Group's overall strategy (including anticipated benefits and possible risks). However, there can be no assurance that the Group will be able to successfully compete in new businesses or geographic markets and no assurance that the Group will be able to successfully expand its operations. If the Group is not able to effectively manage or mitigate these risks, such risks may adversely affect the Group's financial condition and results of operations.

Overseas operations

The Group is continuing to expand its businesses overseas and is also looking for opportunities to further expand its businesses in Asia, as an increasing number of Japanese customers look to expand their businesses overseas. In particular, the Group believes that its presence in the emerging economies in Asia provides many advantages. For example, it enables the Group to undertake marketing activities aligned with the consumer preferences of each individual market and allows the Group to take advantage of the growth opportunities in such markets. There are, however, unavoidable risks associated with overseas operations. These include, but are not limited to, local laws, ordinances or regulations and changes thereto; insufficient infrastructure; foreign investment restrictions; currency exchange fluctuations; insufficient skilled management; changes in taxes; natural disasters; outbreak of war or terrorist activities; and strikes and labour disputes.

Macroeconomic conditions

As the Group's revenue streams are reliant on customer capital expenditures, the Group's operating results and financial condition are particularly vulnerable to changes in macroeconomic conditions. Macroeconomic conditions in Japan have shown encouraging signs of recovery, such as the improvement in the export environment following the reversal of the yen's rising trend, but conditions remain challenging. Any weakness or deterioration in macroeconomic conditions prevailing in Japan, or any of the countries in which the Group operates, could result in a reduction in capital expenditure, which in turn may result in a decrease in the number of new leases, an increase

in payment defaults and reduced usage of other financial services provided by the Group. In order to mitigate such risks, the Group has recently focused on diversifying and expanding its operations, particularly overseas. However, there can be no assurance that the Group will be successful in these efforts, which may have a material adverse impact on the Group's financial condition and results of operations.

Competition in the leasing industry

Competition in the leasing industry in Japan has intensified in recent years as a result of a continued contraction in the overall size of the leasing market over five consecutive years until 2010, only with a slight recovery in 2011. While there has been a certain degree of consolidation and restructuring in the leasing industry in Japan in recent years, resulting in fewer competitors in the market the Group expects this intense competition to continue. In light of these challenging conditions, the Group has adopted various initiatives to maintain its competitiveness (see "Description of the Issuer—Business—Strategy"). However, there can be no assurance that the Group will be successful in these efforts, which in turn may have a significant impact on the Group's financial condition and results of operations.

Exchange rate

While the Group aims to manage its exposure to exchange rate fluctuations by matching the amounts and terms of its foreign currency denominated assets with its foreign currency denominated borrowings in each individual transaction where possible or practicable and makes use of currency swaps for hedging purposes, any exchange rate fluctuation may nonetheless have an impact on the Group's financial condition and results of operations.

IT systems

The Group relies on internal and external information and technology systems to provide services to customers, administer customer data and manage the Group's operations. The Group also relies on internal and external information and technology systems to generate new business since an increasing number of customers now take advantage of the Group's online systems to manage their accounts and process transactions. The Group uses increasingly advanced software, systems and networks to carry out inventory and asset management, such as the e-Leasing Direct system (see "Description of the Issuer—Business—Strategy"). This hardware and software is vulnerable to damage or interruption by natural disasters, hacking and other criminal activities, human error, misconduct, malfunction, power loss, sabotage, computer viruses and similar events, or the interruption or loss of support services from third parties.

Any disruption, outage, delay or other difficulty experienced by any of these information or technology systems could result in a decrease in transactions, delays in processing transactions, or a decrease in customer confidence in the Group's business, or otherwise adversely affect the Group's results of operations. Furthermore, any systems failure or human error may result in the leakage of personal information, which may result in significant negative publicity as well as administrative or regulatory action being taken against the Group.

The Group believes that it maintains secure information systems and processes in an effective manner. Moreover, due to the rapidly evolving nature of such systems, the Group ensures that its information systems and processes are regularly tested and updated. Notwithstanding these efforts, risk of systems failure cannot be entirely eliminated and any such failure could materially harm the Group's reputation, financial condition and results of operations.

Factors which are Material for the Purpose of Assessing the Notes

Modification and waivers

The 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.

EU Directive on the taxation of savings income

The European Union has adopted a Directive regarding the taxation of savings income. The Directive requires Member States to provide to the tax authorities of other Member States with details of payments of interest and other similar income paid by a person established within its jurisdiction to (or for the benefit of) an individual or to certain other persons in another Member State, except that Austria and Luxembourg will impose a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise. The Luxembourg government has announced its intention to elect out of the withholding system in favour of an automatic exchange of information with effect from 1 January 2015. The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

A number of third countries and territories, including Switzerland, have agreed to adopt similar measures (a withholding system in the case of Switzerland) to the Directive.

U.S. Foreign Account Tax Compliance withholding

The United States has passed legislation referred to as Foreign Account Tax Compliance Act (“FATCA”) which will impose new information reporting requirements and in some cases 30 per cent. withholding with respect to, among other things, payments made by certain entities. Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”) (together, the “ICSDs”), in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the ICSDs. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer’s obligations under the Notes are discharged once it has paid the common depositary for the ICSDs (as holder of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the ICSDs and custodians or intermediaries (See “Taxation—U.S. Foreign Account Tax Compliance Withholding”)

Change of law

The Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. 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 this Base Prospectus.

Risks Related to the Market Generally

Set out below is a brief description of certain market risks with respect to an investment in the Notes:

The Notes may not be suitable for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks pertaining to an investment in the Notes;
- (iv) thoroughly understand the terms and conditions of the Notes and be familiar with the behaviour of any relevant markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors including those set forth in these “Risk Factors” that may affect its investment and its ability to bear the applicable risks.

The secondary market generally

The 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 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. In addition, although approval in-principle has been received for the listing of the Notes on the SGX-ST, there is no assurance that an active trading market will develop. Illiquidity may have a severely adverse effect on the market value of the Notes.

Interest rate

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

Certain currencies are not freely convertible; are subject to restrictions on transfer; and/or may be subject to other limitations

Notes may be issued in one or more currencies that are not freely convertible into other currencies, or are subject to restrictions on remittance and transfer. Notes may also be issued in one or more currencies that are limited in their availability, which in turn may affect the liquidity of Notes denominated in such currencies and the Issuer's ability to source such currencies to service the Notes. In addition, unanticipated changes in government regulation can, and may, further impact the availability and convertibility of certain currencies, which will impact the suitability of such Notes as well as the Issuer's ability to source such currencies to service the Notes.

In particular, Renminbi is not freely convertible and is subject to certain conversion requirements. Subject to limited exceptions, the remittance of Renminbi into the PRC for settlement of capital account items is subject to restrictions, and foreign investors may only remit offshore Renminbi into the PRC for capital account purposes, such as shareholders' loan or capital contributions, upon completing certain regulatory procedures. The Renminbi is also a developing market and the liquidity of the Renminbi market remains limited. There can be no assurances that further government regulation will not cause a contraction in such market. Renminbi products may suffer significant losses in liquidating the underlying investments if such investments do not have an active secondary market and their prices have large bid/offer spreads.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the 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.

FORM OF THE NOTES

General

Notes which are represented by a global note in bearer or registered form (each, a “Global Note”) will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under “Terms and Conditions of the Notes”), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 9. In such circumstances, where any Note is still represented by a Global Note and the Note (or any part thereof) have become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, unless within the period of seven days commencing on the relevant due date payment in full of the amount due in respect of the Global Note is received by the holder in accordance with the provisions of the Global Note, the Global Note will become void at 8.00 p.m (London time) on such day. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the “Deed of Covenant”) dated 28 August 2013 and executed by the Issuer.

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 following legend will also appear on all Global Notes, definitive Notes, coupons, receipts and talons:

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN (ACT NO. 25 OF 1948, AS AMENDED, THE “FINANCIAL INSTRUMENTS AND EXCHANGE ACT”) AND EACH DEALER HAS AGREED AND EACH FURTHER DEALER APPOINTED UNDER THE PROGRAMME WILL BE REQUIRED TO AGREE THAT IT WILL NOT OFFER OR SELL ANY NOTES, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN (WHICH TERM AS USED HEREIN MEANS ANY PERSON RESIDENT IN JAPAN, INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANISED UNDER THE LAWS OF JAPAN), OR TO OTHERS FOR REOFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO A RESIDENT OF JAPAN, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FINANCIAL INSTRUMENTS AND EXCHANGE ACT AND ANY OTHER APPLICABLE LAWS, REGULATIONS AND MINISTERIAL GUIDELINES OF JAPAN.

WITH RESPECT TO INTEREST DUE ON OR BEFORE 31 DECEMBER 2015:

INTEREST PAYMENTS ON THIS SECURITY TO AN INDIVIDUAL RESIDENT OF JAPAN, TO A JAPANESE CORPORATION (EXCLUDING A JAPANESE DESIGNATED FINANCIAL INSTITUTION DESCRIBED IN ARTICLE 6, PARAGRAPH (9) OF THE ACT ON SPECIAL MEASURES CONCERNING TAXATION OF JAPAN, WHICH HAS COMPLIED WITH THE REQUIREMENTS FOR TAX

EXEMPTION UNDER SAID PARAGRAPH), OR TO AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A PERSON HAVING A SPECIAL RELATIONSHIP WITH THE ISSUER AS DESCRIBED IN PARAGRAPH (4) OF SAID ARTICLE (A "SPECIALLY-RELATED PARTY") WILL BE SUBJECT TO JAPANESE INCOME TAX (INCLUDING SURTAX, IF APPLICABLE) ON THE AMOUNT SPECIFIED IN SUB-PARAGRAPH (A) OR (B) BELOW, AS APPLICABLE:

- (A) IF INTEREST IS PAID TO AN INDIVIDUAL RESIDENT OF JAPAN, TO A JAPANESE CORPORATION, OR TO AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A SPECIALLY-RELATED PARTY (EXCEPT AS DESCRIBED 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, EACH DESCRIBED IN ARTICLE 3-3, PARAGRAPH (6) OF THE ACT ON SPECIAL MEASURES CONCERNING TAXATION OF JAPAN (WHICH HAS COMPLIED WITH THE REQUIREMENT FOR TAX EXEMPTION UNDER SAID PARAGRAPH) THROUGH A JAPANESE PAYMENT HANDLING AGENT AS DESCRIBED IN THE SAID PARAGRAPH (6), THE AMOUNT OF SUCH INTEREST MINUS THE AMOUNT DESCRIBED IN THE CABINET ORDER RELATING TO SAID PARAGRAPH.

WITH RESPECT TO INTEREST DUE ON OR AFTER 1 JANUARY 2016:

INTEREST PAYMENTS ON THIS SECURITY TO AN INDIVIDUAL RESIDENT OF JAPAN, TO A JAPANESE CORPORATION (EXCLUDING (I) A JAPANESE DESIGNATED FINANCIAL INSTITUTION DESCRIBED IN ARTICLE 6, PARAGRAPH (9) OF THE ACT ON SPECIAL MEASURES CONCERNING TAXATION OF JAPAN, WHICH HAS COMPLIED WITH THE REQUIREMENTS FOR TAX EXEMPTION UNDER SAID PARAGRAPH AND (II) A JAPANESE CORPORATION, A FINANCIAL INSTITUTION OR A FINANCIAL INSTRUMENTS BUSINESS OPERATOR DESCRIBED IN ARTICLE 3-3, PARAGRAPH (6) OF SAID ACT, WHICH RECEIVES INTEREST PAYMENTS ON THIS SECURITY THROUGH A JAPANESE PAYMENT HANDLING AGENT AS DESCRIBED IN PARAGRAPH (1) OF SAID ARTICLE AND WHICH HAS COMPLIED WITH THE REQUIREMENTS FOR TAX EXEMPTION UNDER PARAGRAPH (6) OF SAID ARTICLE), OR TO AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A PARTY HAVING A SPECIAL RELATIONSHIP WITH THE ISSUER AS DESCRIBED IN ARTICLE 6, PARAGRAPH (4) OF SAID ACT, WILL BE SUBJECT TO JAPANESE INCOME TAX (INCLUDING SURTAX, IF APPLICABLE) ON THE AMOUNT OF SUCH INTEREST.

Bearer Notes

Each Tranche of Notes in bearer form (a "Bearer Note") will be initially issued in the form of a temporary bearer Global Note (a "Temporary Bearer Global Note") or if so specified in the applicable Final Terms, a permanent bearer Global Note (a "Permanent Bearer Global Note") which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depository (the "Common Depository") for Euroclear and Clearstream, Luxembourg. Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Temporary Bearer Global Note due prior to the Exchange Date (as defined below) will be made only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the “Exchange Date”) which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) definitive Notes in bearer form (“Definitive Bearer Notes”) of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of Definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for Definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon either (i) not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Agent as described therein or (ii) only upon the occurrence of an Exchange Event. For these purposes, “Exchange Event” means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all Bearer Notes which have an original maturity of more than 365 days and on all receipts and interest coupons relating to such Notes:

“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.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts or interest coupons.

Registered Notes

Each Tranche of Notes in registered form (“Registered Notes”), will initially be represented by a Global Note in registered form (a “Registered Global Note”) or, if so specified in the applicable Final Terms, definitive Notes in registered form (“Definitive Registered Notes”).

Registered Global Notes will be deposited with a common depository for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms. Persons holding beneficial interests in the Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Definitive Registered Notes in fully registered form.

Payments of principal, interest and any other amount in respect of a Registered Global Note will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 5(d)) as the registered holder of the relevant Registered Global Note. None of the Issuer, the Agent, any Paying Agent or the Registrar or Transfer Agent will have any responsibility or liability for any aspect of the records relating to or

payments or deliveries made on account of beneficial ownership interests in a Registered Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of a Definitive Registered Note will, in the absence of provision to the contrary, be made to the person(s) shown on the Register on the relevant Record Date (as defined in Condition 5(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Registered Notes without receipts, interest coupons or talons attached either (i) upon not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) to the Registrar as described therein), (ii) upon the occurrence of an Exchange Event (as defined above) or (iii) at any time at the request of the Issuer, in each case as specified in the applicable Final Terms.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme [Date]

mitsubishi UFJ LEASE & FINANCE COMPANY LIMITED
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.\$4,000,000,000
Euro Medium Term Note Programme

This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●]. This document contains the final terms of the Notes and must be read in conjunction with such Base Prospectus.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular or Base Prospectus with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular or Base Prospectus dated [original date]. This document constitutes the Final Terms of the Notes and must be read in conjunction with the Base Prospectus dated [●], save in respect of the Conditions which are extracted from the Offering Circular or Base Prospectus dated [original date] and are attached hereto. 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 Offering Circular or Base Prospectus dated [original date] and the Base Prospectus dated [●].

[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 directions for completing the Final Terms.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1. Issuer: []
 2. Series Number: []
Tranche Number: []
(if fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
 3. Specified Currency or Currencies: []
 4. Aggregate Nominal Amount:
Series: []
Tranche: []
 5. Issue Price: []% of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in case of fungible issues only, if applicable)]
Net proceeds (Required only for listed issues): []
 6. (a) Specified Denominations: []
(b) Calculation Amount: []
(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.)
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7. Issue Date: []
Interest Commencement Date: []
[specify/Issue Date/Not Applicable]
(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)
8. Maturity Date: [Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to [specify month and year]]¹
9. Interest Basis: [[]% Fixed Rate]
[[LIBOR/EURIBOR] +/- []% Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Dual Currency Interest]
[specify other]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Dual Currency Redemption]
[Partly Paid]
[Instalment]
[specify other]
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Issuer Call]
[Investor Put]
[(further particulars specified below)]
13. (i) Status of the Notes: [Senior]
(ii) [Date [Board] approval for issuance of Notes obtained:] [] (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)
14. (i) Listing: [Singapore Exchange Securities Trading Limited (the “SGX-ST”)/specify other/None]
(ii) Admission to trading: [Application has been made for the Notes to be listed and quoted on [the SGX-ST/specify other] with effect from []/Not Applicable]
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: []% per annum [payable [annually/semi-annually/quarterly] in arrear]
(If payable other than annually, consider amending Condition 4)

¹ Note that for fixed rate Notes denominated in CNY and HK\$, where the interest payment dates and maturity date are subject to a business day convention, specify an Interest Payment Date falling in or nearest to the relevant month and year.

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- (ii) Interest Payment Date(s): in each year up to and including the Maturity Date/
[specify other]]²
(N.B. this will need to be amended in the case of long or short coupons)
- (iii) Fixed Coupon Amount(s): per Calculation Amount
(Applicable to Notes in definitive form.)
- (iv) Broken Amount(s): per Calculation Amount, payable on the Interest Payment Date falling [in/on]
(Applicable to Notes in definitive form.)
- (v) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
(N.B.: if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) may not be a suitable Day Count Fraction)³
- (vi) [Determination Date(s): 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 Fractions is Actual/Actual (ICMA))]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
17. **Floating Rate Note Provisions** Applicable/Not Applicable
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Specified Period(s)/Specified Interest Payment Dates:
- (ii) First Interest Payment Date:
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (iv) Additional Business Centre(s):
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/[specify other]]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):
- (vii) Screen Rate Determination: Yes/No
- Reference Rate:

2 For fixed rate Notes denominated in CNY and HK\$, specify: “[] in each year adjusted in accordance with Modified Following Business Day Convention.”

3 For fixed rate Notes denominated in CNY and HK\$, specify: “Actual/365 (Fixed).”

(Either LIBOR, EURIBOR or other, although additional information is required if other - including fallback provisions in the Agency Agreement)

- Interest Determination Date(s):
(Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or euro LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
 - Relevant Screen Page:
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions approximately)
- (viii) ISDA Determination: [Yes/No]
- Floating Rate Option:
 - Designated Maturity:
 - Reset Date:
- (ix) Margin(s): [+/-] [% per annum]
- (x) Minimum Rate of Interest: [% per annum]
- (xi) Maximum Rate of Interest: [% per annum]
- (xii) Applicable ISDA Definitions: [2000/2006] ISDA Definitions apply
(for the purpose of Condition 4)
- (xiii) Day Count Fraction: [Actual/365
Actual/Actual
Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
30E/360 (ISDA)
Other]
(See Condition 4 for alternatives)
(N.B. Floating Day Count Fractions should be consistent with the applicable ISDA Definitions specified in sub-paragraph (xii) above.)
- (xiv) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:

18. **Zero Coupon Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

-
- (i) Accrual Yield: []% per annum
- (ii) Reference Price: []
- (iii) Any other formula/basis of determining amount payable: []
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 6(e)(iii) and (j) apply/specify other]
(Consider applicable day count fraction if not U.S. dollar denominated)
19. **Index Linked Interest Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/Formula: [give or annex details]
- (ii) Name and address of Calculation Agent: []
- (iii) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): []
- (iv) Provisions for determining coupon where calculation by reference to Index and/or Formula is impossible or impracticable: []
- (v) Specified Period(s)/Specified Interest Payment Dates: []
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (vii) Additional Business Centre(s): []
- (viii) Minimum Rate of Interest: []% per annum
- (ix) Maximum Rate of Interest: []% per annum
- (x) Day Count Fraction: []
20. **Dual Currency Interest 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) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): []
- (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

21. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount [] per Calculation Amount
and method, if any, of calculation
of such amount(s):
- (iii) If redeemable in part:
- (a) Minimum Redemption []
Amount:
- (b) Maximum Redemption []
Amount:
- (iv) Notice period (if other than as []
set out in the Conditions): *(N.B. If setting notice periods which are different to those provided in
the Conditions, the Issuer is advised to consider the practicalities of
distribution of information through intermediaries, for example, clearing
systems and custodians, as well as any other notice requirements which
may apply, for example, as between the Issuer and the Agent)*
22. Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount [] per Calculation Amount
and method, if any, of
calculation of such amount(s):
- (iii) Notice period (if other than as []
set out in the Conditions): *(N.B. If setting notice periods which are different to those provided in
the Conditions, the Issuer is advised to consider the practicalities of
distribution of information through intermediaries, for example, clearing
systems and custodians, as well as any other notice requirements which
may apply, for example, as between the Issuer and the Agent)*
23. Final Redemption Amount: [[] per Calculation Amount/specify other/see Appendix]
24. Early Redemption Amount payable on [] per Calculation Amount/specify other/see Appendix
redemption for taxation reasons or on
event of default and/or the method of
calculating the same (if required or if
different from that set out in
Condition 6(e)):
-

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: Bearer:
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event].]
[Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date.]
[Permanent Bearer Global Note exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves
N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for Definitive Bearer Notes.)
- Registered:
[Registered Global Note exchangeable for Definitive Registered Notes [on 60 days' notice/[only] upon an Exchange Event]/[Definitive Registered Notes]
26. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/*give details*]
(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 17(iv) and 19(vii) relate)
27. 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*]
28. 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 of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details. N.B.: a new form of Temporary Bearer Global Note and/or Permanent Bearer Global Note may be required for Partly Paid issues*]
29. Details relating to Instalment Notes: amount of each instalment (Instalment Amount), date on which each payment is to be made (Instalment Date): [Not Applicable/*give details*]
-

30. Redenomination applicable: Redenomination [not] applicable (*If Redenomination is applicable, specify the terms of the redenomination in an Annex to the Final Terms*)

31. Other terms or special conditions: [Not Applicable/*give details*]

DISTRIBUTION

32. If syndicated, names of Managers: [Not Applicable/*give names*]

Stabilising Manager(s) (if any): [Not Applicable/*give name*]

33. If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]

34. U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA D/TEFRA C/TEFRA not applicable]

35. Additional selling restrictions: [Not Applicable/*give details*]

OPERATIONAL INFORMATION

36. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]

37. Delivery: Delivery [against/free of] payment

38. Additional Paying Agent(s) (if any): []

ISIN: []

Common Code: []

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms, which when read together with the Base Prospectus referred to above, contains all information that is material in the context of the issue of the Notes. [The SGX-ST assumes no responsibility for any of the statements made or opinions expressed in reports contained in these Final Terms. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or the Notes.]

Signed on behalf of Mitsubishi UFJ Lease & Finance Company Limited:

By:.....

Duly authorised

If the applicable Final Terms specify any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 4, 5, 6, (except Condition 6(b)), 10, 11, 12, 13 (insofar as such Notes are not listed on any stock exchange) or 15, they will not necessitate the preparation of a supplement to this Base Prospectus. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Base Prospectus will be prepared, if appropriate.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each Definitive Note (as defined below), in the latter case only if permitted by the rules of the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and Definitive Note. Reference should be made to “Form of the Notes” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Mitsubishi UFJ Lease & Finance Company Limited (the “Issuer”) pursuant to an Amended and Restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the “Agency Agreement”) dated 28 August 2013, and made between the Issuer, The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch as issuing and principal paying agent and agent bank (the “Agent”, which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the “Paying Agents”, which expression shall include any additional or successor paying agents) and The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch as registrar (the “Registrar”, which expression shall include any successor registrar) and the other transfer agents named therein (the “Transfer Agents”, which expression shall include any additional or successor transfer agents).

References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

1. in relation to any Notes represented by a global Note (a “Global Note”), units of each Specified Denomination in the Specified Currency;
2. any Global Note;
3. any definitive Notes in bearer form (“Definitive Bearer Notes”) issued in exchange for a Global Note in bearer form; and
4. any definitive Notes in registered form (“Definitive Registered Notes”) issued in exchange for a Global Note in registered form (a “Registered Global Note”),

in each case for the time being outstanding, or as the context may require or specific number of them.

Notes in definitive form are referred to collectively as “Definitive Notes”.

Interest bearing Definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“Coupons”) and, if indicated in the applicable Final Terms, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments have receipts (“Receipts”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are attached to or endorsed on this Note and supplement these Terms and Conditions (the “Conditions”) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the “applicable Final Terms” are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to “Noteholders” or “holders” in relation to any Notes shall mean the bearer of any Bearer Notes (as defined below) or the person in whose name a Registered Note (as defined below) is registered, and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to “Receiptholders” shall mean the holders of the Receipts and any reference herein to “Couponholders” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing and admission to trading) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the “Deed of Covenant”) dated 28 August 2013 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the specified office of each Paying Agent and the Registrar. Copies of the applicable Final Terms are obtainable during normal business hours at the specified office of each Paying Agent and the Registrar by a Noteholder holding one or more Notes provided that such Noteholder must produce evidence satisfactory to the Issuer and the relevant Paying Agent or the Registrar as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

(a) Form, Denomination and Title

The Notes are in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”) as specified in applicable Final Terms in the Specified Currency and the Specified Denomination(s). Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final Terms.

Definitive Bearer Notes are serially numbered and issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers of title in the register that the Issuer shall cause to be kept in accordance with the provisions of the Agency Agreement. The Issuer, the Registrar, any Transfer Agents and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./ N.V. (“Euroclear”) and/or Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”), each person (other than

Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Registrar, any Transfer Agents and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note in bearer form or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Registrar, any Transfer Agents and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

(b) Transfers of Registered Notes

(i) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Definitive Registered Notes or for a beneficial interest in another Registered Global Note only in the Specified Denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the Agency Agreement.

(ii) Transfers of interests in Definitive Registered Notes

Subject as provided in Condition 1(b)(iv) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer (A) the holder or holders must (i) surrender the Definitive Registered Note for registration of the transfer of the Note(s) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (B) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in schedule 6 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Definitive Registered Note of a like aggregate nominal amount to the Note(s) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Note(s) not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(iii) *Costs of registration*

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(iv) *Exchanges and transfers of Registered Notes generally*

Holders of Definitive Registered Notes may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(v) *Closed periods*

No Noteholder may require the transfer of a Registered Note to be registered (A) during the period of 15 days ending on the date for redemption of, or payment of any Instalment Amount in respect of, that Note, (B) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(c), (C) after any such Note has been called for redemption or (D) during the period of seven days ending on (and including) any Record Date.

2. Status of the Notes

The Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

3. Negative Pledge

So long as any of the Notes remains outstanding (as defined in the Agency Agreement), the Issuer will not create or permit to be outstanding any pledge, lien, mortgage, charge or other security interest for the benefit of the holders of any Securities upon the whole or any part of the property or assets, present or future, of the Issuer to secure (i) payment of any sum due in respect of any Securities or (ii) any payment under any guarantee of Securities or (iii) any payment under any indemnity or other like obligation in respect of Securities, in any such case in which:

- (a) either such Securities are by their terms payable, or confer a right to receive payment, in any currency other than yen, or such Securities are denominated in yen and more than 50% of the aggregate principal amount thereof is initially distributed outside Japan by or with the authorisation of the issuer thereof; and
- (b) such Securities are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other similar securities market outside Japan,

without in any such case at the same time according to the Notes the same security as is granted to or is outstanding in respect of such Securities or such guarantee, indemnity or other like obligation or such other security or guarantee as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

As used herein, "Securities" means bonds, debentures, notes or other similar securities of the Issuer or any other person.

4. Interest

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Conditions, “Fixed Interest Period” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (a) in the case of Notes where the number of days in the relevant period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and

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- (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360.

In these Conditions:

“Determination Period” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date; and

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

(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 from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, 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 (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment 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 Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, “Business Day” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro and CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively), (2) in relation to any sum payable in euro, a day on which Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the “TARGET2 System”) is open or (3) in relation to any sum payable in CNY, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments of Renminbi and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Hong Kong.

“CNY” or “Renminbi” means the lawful currency of the PRC

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating either the 2000 ISDA Definitions or the 2006 ISDA Definitions (as specified in the applicable Final Terms) as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) and under which:

1. the Floating Rate Option is as specified in the applicable Final Terms;
2. the Designated Maturity is a period specified in the applicable Final Terms; and
3. the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London interbank offered rate (“LIBOR”) or on the Euro-zone interbank offered rate (“EURIBOR”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

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

(B) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) 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 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 plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the 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 Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

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.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the “Interest Amount”) payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

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- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

- (A) if the 2000 ISDA Definitions and either “Actual/365” or “Actual/Actual” are specified in the applicable Final Terms, or if the 2006 ISDA Definitions and either “Actual/Actual (ISDA)” or “Actual/Actual” are specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (B) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (C) if “Actual/365 (sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (D) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (E) (x) if the 2000 ISDA Definitions and any of “30/360”, “360/360” or “Bond Basis” are specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)) or (y) if the 2006 ISDA Definitions and any of “30/360”, “360/360” or “Bond Basis” are specified in the applicable Final Terms, the number of days in the Interest 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:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (F) (x) if the 2000 ISDA Definitions and either “30E/360” or “Eurobond Basis” are specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month) or (y) if the 2006 ISDA Definitions and either “30E/360” or “Eurobond Basis” are specified in the applicable Final Terms, the number of days in the Interest 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:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30; and

- (G) if the 2006 ISDA Definitions and “30E/360 (ISDA)” are specified in the applicable Final Terms, the number of days in the Interest 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:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D₂ will be 30.

(v) *Notification of Rate of Interest and Interest Amounts*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent (if applicable), the other Paying Agents and the Registrar and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Dual Currency Notes*

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Final Terms.

(d) *Interest on 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 in the applicable Final Terms.

(e) *Accrual of interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

1. the date on which all amounts due in respect of such Note have been paid; and
2. five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

5. Payments

(a) *Method of payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro and CNY will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a nonresident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively);
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in respect of Notes denominated in, or in the case of Dual Currency Notes payable in, CNY, will be made by transfer to an account with a bank in Hong Kong.

All payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(b) *Presentation of Definitive Bearer Notes, Receipts and Coupons*

Payments of principal and interest (if any) in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Notes or Coupons, as the case may be, at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the relevant Definitive Bearer Note to which it appertains. Unmatured Receipts and Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmaturing Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmaturing Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmaturing Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmaturing Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid

in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmaturing Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Interest Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmaturing Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "Long Maturity Note" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

(c) *Payments in respect of Global Notes in bearer form*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided in paragraph (c) below) be made in the manner specified above in relation to Definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of such Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented for the purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

(d) *Payments in respect of Registered Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Definitive Registered Note will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Registered Note at the specified office of the Registrar. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Definitive Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "Register") at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, "Designated Account" means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and "Designated Bank" means (1) in the case of payment in a Specified Currency other than euro and CNY, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively), (2) in the case of a payment in euro, any bank which processes payments in euro and (3) in the case of a payment in CNY, a bank in Hong Kong.

Payments of interest and payments of instalments of principal (other than the final instalment and other than payments in CNY) in respect of each Registered Note will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of

the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Definitive Registered Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the “Record Date”) at his address shown in the Register on the Record Date and at his risk. In the case of CNY, or for any other Specified Currency upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest or an instalment of principal (other than the final instalment) in respect of a Registered Note, the payment will be made by transfer on the due date in the manner provided in the preceding paragraph of this Condition 5(d). Any application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Definitive Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Definitive Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the nominal amount of such Definitive Registered Note as set out in the first paragraph of this Condition 5(d).

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of any cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post.

No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

So long as the Registered Notes are in global form and such Registered Notes are held on behalf of a clearing system, the requirement that the relevant Global Notes in registered form shall be surrendered in order to receive payment shall not apply. Each payment in respect of Global Registered Notes shall be made in the manner specified in this Condition 5(d) above provided that such payments will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

(e) General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(f) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "Payment Day" means any day which (subject to Condition 8) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) in the case of Definitive Notes only, the relevant place of presentation and;
 - (B) each Additional Financial Centre specified in the applicable Final Terms, and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro and CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively), (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open or (3) in relation to any sum payable in CNY, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments of Renminbi and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Hong Kong.

(g) *Interpretation of principal and interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

6. Redemption and Purchase

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) *Redemption for tax reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note, an Index Linked Interest Note nor a Dual Currency Interest Note) or on any

Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Agent (and in the case of a redemption of Registered Notes, the Registrar) and, in accordance with Condition 13 the Noteholders (which notice shall be irrevocable), if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any political subdivision of, or any authority in, or of, a Tax Jurisdiction having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) *Redemption at the option of the Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13; and
- (ii) not less than 15 days before the giving of the notice referred to in (i) above, notice to the Agent (and in the case of a redemption of Registered Notes, the Registrar);

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount equal to the Minimum Redemption Amount and not more than the Maximum Redemption Amount. In the case of a partial redemption of Notes, the Notes to be redeemed ("Redeemed Notes") will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Bearer Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date"). In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes and, in the case of Definitive Registered Notes, the nominal amount of Registered Notes and the holders thereof will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

(d) *Redemption at the option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than 15 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of the Note the holder of this Note must, if this Note is in definitive form, deliver at the specified office of any Paying Agent (in the case of Definitive Bearer Notes) or the Registrar (in the case of Definitive Registered Notes) at any time during normal business hours of such Paying Agent or the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "Put Notice") and (in the case of Definitive Bearer Notes) in which the holder must specify a bank account (or, if payment is required to be made by cheque pursuant to Condition 5, an address) to which payment is to be made under this Condition and, in the case of Definitive Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Definitive Registered Notes so surrendered is to be redeemed, an address to which a new Definitive Registered Note in respect of the balance of such Definitive Registered Notes is to be sent subject to and in accordance with the provisions of Condition 1(b)(ii). If the Note is represented by a Global Note, held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Note the holder of this Note must, within the notice period, give notice to the Agent) of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and at the same time present or procure the presentation of the relevant Global Note to a Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 9.

(e) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the "Amortised Face Amount") equal to the sum of:
 - (A) the Reference Price; and
 - (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the

date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each or on such other calculation basis as may be specified in the applicable Final Terms.

(f) Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

(g) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

(h) Purchases

The Issuer or any Subsidiary of the Issuer may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

(i) Cancellation

All Notes which are redeemed will forthwith be cancelled (together, in the case of Definitive Bearer Notes with all unmatured Receipts, Coupons and Talons presented therewith to a Paying Agent. All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) cannot be reissued or resold.

(j) Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

7. Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties or government charges of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable

in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment 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 who is not an individual resident of Japan or a Japanese corporation but is a person having a special relationship as described in Article 6, Paragraph (4) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended, the “Special Taxation Measures Act”) with the Issuer for purposes of the exemption from Japanese income tax, including withholding tax, applicable to private foreign issued notes (*minkan kokugaisai*) under Article 6 of the Special Taxation Measures Act in effect at the time of issuance of the relevant Notes or (ii) who is subject to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding or ownership of such Note, Receipt or Coupon; or
- (b) on which the amount of interest is to be calculated by reference to certain indexes (as prescribed under the Cabinet Order related to the Special Taxation Measures Act (Cabinet Order No. 43 of 1957, as amended, the “Cabinet Order”) relating to the Issuer or a specially-related person except where the recipient of interest is a Japanese designated financial institution falling under certain categories prescribed by the Special Taxation Measures Act and the Cabinet Order who complies with the Japanese law requirements in respect of the exemption from such withholding or deduction; or
- (c) to, or to a third party on behalf of, a holder who fails to comply with the Japanese law requirements in respect of the exemption from such withholding or deduction; or
- (d) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(f)); or
- (e) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (f) in the case of Bearer Notes, presented for payment by or on behalf of a holder who would be 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:

- (i) “Tax Jurisdiction” means Japan or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) the “Relevant Date” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

8. Prescription

Claims for payment of principal in respect of the Notes shall be prescribed upon the expiry of 10 years and claims for payment of interest (if any) in respect of the Notes shall be prescribed up on the expiry of five years, in each case from the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

9. Events of Default

If any one or more of the following events (each an “Event of Default”) shall occur:

- (i) if default is made in the payment of any principal, premium (if any) or interest due in respect of the Notes or any of them and the default continues for a period of 14 days in the case of principal or premium (if any) and 14 days in the case of interest; or
- (ii) if the Issuer fails to perform or observe any of its other obligations under these Conditions and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer of notice requiring the same to be remedied; or
- (iii) any bonds, debentures, notes or other instruments of indebtedness or any loan indebtedness (hereinafter individually or collectively called “Indebtedness”) of the Issuer or any of its Principal Subsidiaries having a total outstanding principal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies) becomes prematurely repayable as a result of a default in respect of the terms thereof or any security therefor is enforced or the Issuer or any of its Principal Subsidiaries defaults in the repayment of its Indebtedness having a total outstanding principal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies) at the maturity thereof or at the expiration of any applicable grace period therefor (or, in the case of such Indebtedness due on demand, defaults in the repayment of such Indebtedness on demand or on the expiration of any applicable grace period therefor) or any guarantee of or indemnity in respect of any Indebtedness of others having a total outstanding principal amount of at least U.S.\$5,000,000 (or its equivalent in any other currency or currencies) given by the Issuer or any of its Principal Subsidiaries is not honoured when due and called upon; or
- (iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any of its Principal Subsidiaries, save for the purpose of or pursuant to a reorganisation, restructuring, merger or consolidation which either: (A) is on terms approved by an Extraordinary Resolution of the Noteholders, or (B) involves the transfer of the whole or a substantial part of the business, undertaking or assets of the Issuer or such Principal Subsidiary to the Issuer or any other subsidiary of the Issuer; or
- (v) if the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purpose of or pursuant to a reorganisation, restructuring, merger or consolidation which are either: (A) on terms approved by an Extraordinary Resolution of the Noteholders; or (B) involves the transfer of the whole or a substantial part of its business, undertaking or assets of the Issuer or such Principal Subsidiary to the Issuer or any other subsidiary of the Issuer; or the Issuer or any of its Principal Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (vi) if (A) proceedings are initiated against the Issuer or any of its Principal Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any of its Principal Subsidiaries or, as the case may be, in relation to the whole or a part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a part of the undertaking or assets

of it, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a part of the undertaking or assets of it and (B) in any case (other than the appointment of an administrator) is not discharged within 14 days; or

- (vii) if the Issuer or any of its Principal Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors),

then any holder of a Note may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 6(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of this Condition:

“Principal Subsidiary” at any time shall mean a Subsidiary of the Issuer:

- (A) whose outstanding common shares are not less than 50% owned (either directly or indirectly) by the Issuer; and
- (B) whose gross revenues and total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 5.0% of the consolidated gross revenues and total assets of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries, provided that in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, the reference to the then latest audited consolidated accounts of the Issuer and its Subsidiaries for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the auditors of the Issuer,

all as more particularly defined in the Agency Agreement.

A report by two Authorised Signatories of the Issuer that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest or proven error, be conclusive and binding on all parties.

10. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

11. Agents

The names of the initial Paying Agents, the initial Registrar and initial Transfer Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent, the Registrar or Transfer Agent and/or appoint additional or other Paying Agents or Transfer Agents and/or approve any change in the specified office through which any Paying Agent or Transfer Agent acts, provided that:

- (a) there will at all times be an Agent;
- (b) a Paying Agent having a specified office in Singapore so long as the Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of the exchange so require;
- (c) so long as the Notes are listed on any other stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (d) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (e) there will at all times be a Registrar.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(b). Any variation, termination, appointment or change of a Paying Agent or the Registrar or other Transfer Agent, as the case may be, shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

In acting under the Agency Agreement, the Paying Agents, the Registrar and the Transfer Agents will act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent, Registrar or Transfer Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent, registrar or transfer agent.

12. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Bearer Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

13. Notices

All notices regarding Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the *Financial Times* in London and the *Asian Wall Street Journal*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by (first class) mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing.

Until such time as any Definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg

for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

14. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than 5% in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50% in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Receipts, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

15. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes whether in bearer or registered form having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

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

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. **Governing Law and Submission to Jurisdiction**

(a) *Governing law*

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

(b) *Submission to jurisdiction*

The Issuer agrees, for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Receipts and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes, the Receipts and/or the Coupons) and that accordingly any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection with the Notes, the Receipts and the Coupons may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Notes, the Receipts and the Coupons) against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(c) *Appointment of Process Agent*

The Issuer appoints The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch at its registered office at Ropemaker Place, 25 Ropemaker Street, London EC2Y 9AN as its agent for service of process, and undertakes that, in the event of The Bank of Tokyo-Mitsubishi UFJ, Ltd., London Branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(d) *Other documents*

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes.

DESCRIPTION OF THE ISSUER

MITSUBISHI UFJ LEASE & FINANCE COMPANY LIMITED

The financial figures appearing herein have been prepared in accordance with accounting principles generally accepted in Japan.

A. Business

Overview

The Issuer is a leading comprehensive financial company in Japan in terms of operating asset size and offers finance leases, operating leases, rentals and other financial services. Furthermore, the Issuer also offers a diverse range of products and services including eco-related services, real estate-related services, factoring, PFIs, overseas development support and trading used equipment through the Issuer's global network.

The Issuer is an equity method affiliate of both Mitsubishi Corporation and Mitsubishi UFJ Financial Group (which includes The Bank of Tokyo-Mitsubishi UFJ, Ltd.), which owns 20 per cent. and 23 per cent., respectively, of the Issuer's shares (both as of 31 March 2013, on a consolidated basis).

The Issuer was established in 1971 as Diamond Lease Company Limited by the Mitsubishi group companies and was listed on the Tokyo Stock Exchange in March 1985. On 1 April 2007, Diamond Lease Company Limited and UFJ Central Leasing Co., Ltd. merged and changed its corporate name to its current Mitsubishi UFJ Lease & Finance Company Limited.

Strategy

In the fiscal year ended 31 March 2013, the Japanese economy began to show encouraging signs of recovery. Chief among these were the improvement in the export environment following the reversal of the yen's rising trend in the second half of the fiscal year, and the emergence of new demand in areas such as renewable energy. At the same time, an increasingly conspicuous feature among Japanese enterprises is the borderlessness of their business activity, which is no longer limited to the domestic market. This development arises from factors such as the globalization of the supply chain and changes in consumption patterns, and is particularly marked in the manufacturing industry.

In response to this, the Group progressed with the steady implementation of the range of measures and strategies set out in its Medium-Term Management Plan, *Vision 2013*. These targeted our continued evolution as a comprehensive finance company that responds to diverse customer needs by adapting swiftly and flexibly to changes in the business environment.

Growth strategy

As a strategy to drive sustainable growth, the Group aims to achieve service expansion by expanding the functions it provides in the value chain and by taking a diverse range of asset and business risks. In the leasing sector, for instance, which constitutes the Group's core business, services tailored to the needs of individual customers are constantly being developed while maintaining a close eye on commercial distribution and product value. In particular, the Group has responded to the growing demand for energy-saving solutions by promoting its eco-related businesses (the Group entered into a project finance type lease contract for a mega-solar project in Thailand).

Overseas growth

The Group's growth initiatives also take into account the shifting focus towards overseas investments. The Group had already anticipated overseas expansion of Japanese enterprises by putting in place overseas bases, strengthening alliances with local enterprises, and taking measures to proactively support corporate global investment activities. By building on the framework established by such initiatives, the Group continues to work to build up its overseas credentials. For businesses needing to introduce flexibility with respect to its facilities, the Group uses its global network to offer services that trade used equipment. The Group also offers transnational transfer of business facilities and bases as part of its comprehensive support for corporate capital expenditure. One particular example of a service provided by the Group, which illustrates its global reach and the manner in which this is brought together to provide

solutions for customers, is e-Leasing Direct, a web-based asset management service provided to businesses looking for a suitable solution to their global asset management operations. The service allows all procedures involved in lease transactions to be completed online and in the relevant local currency (allowing reconciliation of domestic and overseas assets), leading to improved operational efficiency. The Group has developed an English-language version of e-Leasing Direct, which allows users to unify asset management globally and to facilitate accurate identification of investment activity costs and asset management across borders.

In particular, as part of the establishment of a global network, a number of significant steps have been recently taken by the Group. In January 2012, the Group activated a business site in Ireland for the promotion of aviation finance (MUL Aviation Capital Limited). In January 2013, the Issuer acquired all of the outstanding equity interests of JSA International Holdings, L.P., a leading aircraft leasing company that as a group has a fleet of approximately 70 aircraft, through its affiliates such as Jackson Square Aviation, LLC. The Issuer intends on leveraging this acquisition to improve its presence and its capabilities in the aviation business, as well as to fully utilize its strong business platform in the global markets. In addition, the Issuer will expand its global reach to cover territories serviced by Mitsubishi UFJ Financial Group, ultimately enhancing customer satisfaction by establishing new markets through asset finance.

The Group aims to continue to build on its global footprint, to provide finance and leasing solutions to its customers which align with the ever increasing global needs of such customers.

Other opportunities for growth

Outside of overseas growth opportunities, the domestic market also continues to offer avenues for growth for the Group's finance services. In particular, finance services in connection with public infrastructure services offer opportunities for the Group. Facilities, roads, and other elements of the public infrastructure that were put in place during Japan's period of rapid economic growth are now reaching the end of their useful life, and the question of how to manage and upgrade these facilities has become a pressing one for central and local governments. This is because, while funds available for public investment are limited, the maintenance of infrastructure is essential for local communities. Against this background, increasing hopes are being put on PFIs, in which private-sector funds and managerial expertise are harnessed to put in place efficient and effective social capital and deliver public services. In this connection, the Act on Promotion of the Development of Public Facilities Using Private-Sector Funds (the "PFI Act") was amended in May 2011, greatly extending the scope of applicability of PFIs.

The Group sees the enactment of the amended PFI Act as a strong opportunity for business growth, and in November 2011, established the Public Private Partnership Business Department. In addition to consolidating the business implementation structure, the unit will draw on the expertise and networks the Group has built up to expand the PFI business, where opportunities are expected to grow.

Corporate responsibility

As part of its risk management and corporate governance development, the Group continues to develop increasingly sophisticated risk management operations. Learning lessons from the unprecedented devastation of the Great East Japan Earthquake, the Group reviewed its business continuity capabilities and took necessary action to reinforce its systems. To strengthen and promote its business and operations, the Group undertook a redistribution of human resources. In addition, the Group established a Diversity Promotion Office to implement a program of proactive recruitment and development of global human resources. In response to the earthquake, as well as by making monetary donations, the Group used the combined strength of the Group to provide relief through its business operations.

Operations

Business segments

The Group's business is currently divided into the following two business segments for reporting purposes: (i) customer finance and (ii) asset finance. Customer finance is attributable to financial transactions relating to overall

credit risk management such as finance leases, instalment sales and corporate loans. Asset finance involves financial transactions relating to individual asset or project management, including operating leases, investments or loans related to real estate, financing related to aircrafts and leasing of office buildings.

The following tables set forth the revenue from external customers, segment profit, segment assets and certain other financial data for each of the Group's business segments for the years ended 31 March 2012 and 2013:

<u>Year ended 31 March 2012</u>	<i>Reportable segment</i>			<u>Adjustments</u>	<u>Consolidated</u>
	<u>Customer finance</u>	<u>Asset finance</u>	<u>Total</u>		
	<i>Millions of yen</i>				
Revenues:					
Revenue from external customers	¥572,325	¥152,286	¥724,611	¥-	¥724,611
Intersegment revenue or transfers	44	243	287	(287)	-
Total	572,369	152,529	724,898	(287)	724,611
Segment profit	¥42,478	¥17,738	¥60,216	¥(7,059)	¥53,157
Segment assets	¥2,406,422	¥1,150,442	¥3,556,864	¥125,435	¥3,682,299
Other items:					
Depreciation	¥11,380	¥70,966	¥82,346	¥444	¥82,790
Amortization of goodwill	2,918	-	2,918	-	2,918
Investments in equity method affiliates ..	9,296	6,309	15,605	-	15,605
Increase in property and equipment and intangible assets	589	78,829	79,418	2,992	82,410

<u>Year ended 31 March 2013</u>	<i>Reportable segment</i>			<u>Adjustments</u>	<u>Consolidated</u>
	<u>Customer finance</u>	<u>Asset finance</u>	<u>Total</u>		
	<i>Millions of yen</i>				
Revenues:					
Revenues from external customers	¥558,339	¥139,816	¥698,155	¥-	¥698,155
Intersegment revenue or transfers	35	267	302	(302)	-
Total	558,374	140,083	698,457	(302)	698,155
Segment profit	¥45,680	21,423	¥67,103	¥(7,116)	¥59,987
Segment assets	¥2,538,507	¥1,493,042	¥4,031,549	¥146,235	¥4,177,784
Other items:					
Depreciation	¥11,074	¥60,771	¥71,845	¥417	¥72,262
Amortization of goodwill	2,918	-	2,918	-	2,918
Investments in equity method affiliates ..	10,848	7,365	18,213	-	18,213
Increase in property and equipment and intangible assets	526	136,656	137,182	2,828	140,010

Transaction types

The Group's business is divided into two business segments for reporting purposes. Both business segments cover a broad and overlapping range of products and services, which are categorised into four transaction types: (i) leases, (ii) instalment sales, (iii) loans and (iv) others. Leases and loans comprise the majority of the Group's operations by transaction type. For the year ended 31 March 2013, leases accounted for 78.3 per cent., instalment sales accounted for 12.2 per cent., loans accounted for 5.1 per cent. and others accounted for 4.4 per cent., respectively, of the Group's overall revenue.

The following tables sets forth transaction volume and operating assets for each of the transaction types for the years ended/as of 31 March 2012 and 2013:

Transaction volume

	Year ended 31 March	
	2012	2013
	Billions of yen	
Leases	¥472.8	¥581.4
Instalment sales	67.2	78.2
Loans	694.6	674.4
Others	41.6	22.0
Total	<u>¥1,276.4</u>	<u>¥1,356.2</u>

Operating assets

	Year ended 31 March	
	2012	2013
	Billions of yen	
Leases	¥1,667	¥2,054
Instalment sales	222	217
Loans	1,194	1,256
Others	252	187
Total	<u>¥3,336</u>	<u>¥3,714</u>

Lease transaction

The Group provides a wide range of leasing services and solutions encompassing a broad range of underlying assets. The two key leasing solutions offered by the Group are finance leases and operating leases, the key distinction between the two being that the former is primarily a method of raising finance to pay for assets, whilst the latter is more similar to genuine rental arrangements.

Finance leases involve customers choosing the assets they require. The Group then purchases the asset on such customer's behalf for leasing to them. During the relevant finance lease period, customers make fixed lease payments covering all expenses, including the cost of the asset, interest, various taxes, and insurance premiums.

Operating leases offered by the Group involve the Group leasing various types of equipment such as industrial machinery and machine tools for leasing periods that suit customers' production plans. The total operating leasing fee paid by a customer is based upon an amount calculated by subtracting a prior estimate of the used value (or residual value) of the lease asset once its lease has expired, from the asset's original value.

The Group also provides leasing services in a variety of other niche fields, including the following:

Real Estate Leases: Real estate leases involve an arrangement where the Group leases land from landowners through commercial leaseholds, constructs buildings on site to customer specifications, and finally subleases the property to such customers. This arrangement enables tenants to open stores with relatively small upfront investment and is therefore optimal for client retailers planning to expand store networks and logistics operators.

Auto Leases: The Group rationalizes vehicle management operations by constructing optimal vehicle management systems that reduce costs, clarify cost structures and save labour costs. As at 31 March 2013, the Group operated approximately 276,000 vehicles in the Japanese market.

Aircraft Leases: The Group provides aircraft leasing services, primarily through JSA International Holdings, L.P. (see "Business – Strategy"), driven by the airlines' need to manage their capital expenditures and to enhance fleet management flexibility.

Machine Tool Speed Leases: Through partnerships with numerous leading machinery manufacturers, the Group promptly leases machine tools required by customers who are considering capital investments.

The following table sets forth a breakdown of lease transaction volume by asset type for the years ended 31 March 2012 and 2013:

	<i>Year ended 31 March</i>	
	<u>2012</u>	<u>2013</u>
	<i>Billions of yen</i>	
IT/Office Equipment	¥131.1	¥131.7
Industrial Machinery	104.8	124.2
Civil Eng. & Construction Machinery	18.0	31.6
Transportation Equipment	46.7	76.7
Medical Equipment	43.6	47.7
Commercial & Service Equipment	60.6	66.7
Others	67.8	102.6
Total	<u>¥472.8</u>	<u>¥581.4</u>

The Group offers its leasing services and products through a number of proprietary systems and solutions developed by the Group. In particular, its online asset management service, e-Leasing Direct, enables customers to perform an entire range of procedures via the internet, including requesting and viewing estimates, as well as completing lease contracts and certificates of completion of lease inspections. Customers can also verify transaction details online during lease periods. From October 2012, the Group released “e-Leasing Direct Platinum”, which is a platform for asset management which customers can use to manage assets from introduction to disposal through an “asset life log”.

Instalment sales

Instalment sales constitute a small portion of the Group’s overall business. Instalment sales involve the sale of facilities or equipment that customers have chosen, where payments are collected in instalments over the contract period. Instalment sales are preferred by certain customers for facilities and equipment that are more conducive to ownership than leasing.

The following table sets forth a breakdown of instalment sales by asset type for the years ended 31 March 2012 and 2013:

	<i>Year ended 31 March</i>	
	<u>2012</u>	<u>2013</u>
	<i>Billions of yen</i>	
IT/Office Equipment	¥2.7	¥2.9
Industrial Machinery	9.6	8.0
Civil Eng. & Construction Machinery	15.0	19.3
Transportation Equipment	2.9	3.8
Medical Equipment	6.1	8.2
Commercial & Service Equipment	15.5	19.7
Others	15.1	16.1
Total	<u>¥67.2</u>	<u>¥78.2</u>

Loan transactions

The Group offers a wide range of finance solutions, primarily centred around loans offered by the Group in a number of different business sectors as follows:

Real Estate Finance: The Group goes beyond leasing operations to provide various types of structured finance solutions to meet market needs related to the opening and relocation of stores, offices buildings, logistic centres, residences and other facilities. In particular, the Group offers non-recourse loans in connection with real estate projects.

Private Finance Initiative: PFI businesses make use of private sector funds and management expertise to develop and operate public infrastructure. The Group acts not only as debt provider but also as representative on behalf of project consortiums.

Eco-Finance: The Group's customers have varied finance-related needs, arising from plans ranging from the purchase of business sites to the construction of plants. The Group offers total solutions to its customers to enable them to achieve their business plans in the form of financing.

Factoring: The Group offers a range of factoring services in respect of sales receivables and medical fee receivables. Customers are able to capitalise such receivables before the relevant settlement dates by taking advantage of the Group's factoring services.

The following table sets forth a breakdown of outstanding loans by loan type as of 31 March 2013:

Business Categories	As at 31 March 2013			
	Number of loans	Percentage	Outstanding balance (Millions of yen)	Percentage
Manufacturing	350	19.22%	¥64,007	5.07%
Construction	42	2.31	11,510	0.91
Electricity, Gas, Heat Supply, Water	14	0.77	13,322	1.05
Transportation, Communications	67	3.68	234,666	18.57
Wholesale, Retail, Catering and Restaurants	453	24.88	31,245	2.47
Finance, Insurance	30	1.65	24,109	1.91
Real Estate	237	13.01	267,690	21.19
Services	546	29.98	576,466	45.63
Individuals	—	—	—	—
Others	82	4.50	40,424	3.20
Total	<u>1,821</u>	<u>100.00%</u>	<u>¥1,263,443</u>	<u>100.00%</u>

Other transactions

In addition to the three transaction types set forth above, the Group offers a wide range of other services and products which are collectively grouped under the rubric of "others". These include the following:

Used equipment trade: In addition to various leasing services and products, the Group also engages in trading of used equipment which are the subject of a lease. Leveraging its track record in the operating lease and the used machinery field, the Group handles a broad range of machinery and equipment. This includes machine tools, plastic processing machinery and printing plates. The Group also appraises and purchases machinery and equipment no longer needed due to equipment upgrades, plant relocations or idle machinery and equipment.

Insurance service: The Group designs, sells and consults on business insurance policies that fit the needs of business leaders and personal insurance policies.

IT service: The Group offers integrated management of all IT assets ranging from the deployment of IT assets, including not only rented but also existing assets, to operations, license management, data removal and equipment disposal.

Tenant management: The Group provides deposits (including security deposits and construction support funds) on behalf of customers leasing buildings, stores in shopping centres, land or other properties. This scheme helps to give customers more asset liquidity and to raise their funding efficiency.

Overseas facilities: The Group provides financing to help fund capital expenditures at the overseas bases of customers doing business abroad or those planning to do so. The Group's overseas offices provide financing support for customers worldwide.

Overseas operations

In line with Vision 2013, the Group has and continues to diversify its earnings sources to include overseas operations, with many of its leasing and other financing solutions tailored to fit the needs of customers with increasing needs in overseas markets. Transaction volumes generated by the Group's overseas operations amounted to 11.7 per cent. of the Group's overall transaction volumes for the year ended 31 March 2013. Operating assets of consolidated overseas subsidiaries increased from ¥269.3 billion to ¥635.3 billion from 31 March 2012 to 31 March 2013.

Collection and Credit Losses

Collection procedures

The Group has standardised collection procedures for its lease receivables and loans in compliance with applicable laws. In particular, the Group establishes internal standards for non-performing loans and loan loss reserving for such purposes.

Allowance for credit losses

An allowance for doubtful receivables is established from time to time as a reserve against potential losses on delinquent and uncollectible receivables. The allowance is stated in amounts considered to be appropriate based on past credit loss experience and an evaluation of potential losses in the receivables outstanding.

Compliance and Internal Controls

The Issuer regards compliance as one of its most important management issues. The Compliance Committee, which is an advisory body to the Management Committee, meets every three months to check the level of implementation of compliance and to formulate action to strengthen compliance and ensure that it is firmly established.

The committee is chaired by the chief compliance officer, a role filled by the executive officer in charge of the Legal & Compliance Department. The Legal & Compliance Department provides other departments and branches with support, instruction, and training, the implementation of which is checked regularly by the Internal Audit Department. The Issuer also draws up a Compliance Risk Map, which analyzes compliance risk in terms of its potential frequency and degree of impact, and uses it to reinforce the compliance system.

From an internal controls perspective, the Issuer is progressing with the development of an internal control system to ensure the appropriate and efficient conduct of operations. The Accounting Department, which coordinates the internal control system, receives reports from other departments and branches on the implementation status of internal control. These are then summarized in a quarterly report to the Disclosure Committee, which is presented to the accounting auditor. To increase the reliability of financial reports, the Issuer promotes the documentation of

operational processes. The establishment of the internal control system has been carried out in accordance with the Financial Instruments and Exchange Act. The Issuer also distributes the Internal Controls Handbook to all employees as part of efforts to improve staff awareness of internal control.

Risk Management

Credit risk management

The Group manages credit risk of individual customers, based on overall strategy, financial position, credit rating portfolio characteristics, and other factors in accordance with internal credit management rules. This credit management is conducted by the business departments and the credit departments, with regular reporting to the Risk Management Committee, the Management Committee and the Board of Directors. In addition, the Internal Audit Department monitors and audits credit administration and management status. Such credit management is implemented by each branch as well as by the Group's credit and management division. In addition, as part of the portfolio management, the Group's integrated risk management office conducts quantitative assessment of its credit risk exposure and regularly reports its findings to the integrated risk management committee.

Market risk management

The Group manages exposure to interest rate fluctuation risk, foreign exchange risk and price fluctuation risk according to internal rules for market risk management.

In relation to interest rate fluctuation risk, in order to properly manage interest rate fluctuation risk, the Group not only monitors interest rate movements, but also monitors any mismatches of interest conditions and that of durations between invested assets and financing liabilities. With respect to interest rate fluctuation risk, the Group regularly convenes the ALM Committee, attended by the officers and the managers of related departments, to review market conditions and asset/liability portfolio analysis. The ALM Committee deliberates and decides on policies with regard to current risk management and new financing. In addition, the Group reports on a quarterly basis to the Risk Management Committee.

Liquidity risk management

The Group manages liquidity risk by constantly monitoring the cash management status of the Group as a whole, and by controlling the duration mix of financing. Through maintaining commitment lines with multiple financial institutions and diversification of financing methods, the Group aims to secure liquidity. Liquidity risk management related to financing is carried out based on the Group's internal liquidity risk management rules monitoring the probability of realisation of risks under the current financing environment and monthly reports on liquidity risk status. The Group has also prepared a contingency plan for each stage of liquidity risk, and has been prepared for appropriate action addressing any such contingency.

Information security

The Group appreciates the importance of information protection in business management and takes steps to ensure that information security management is strictly implemented and to strengthen the personal information management system. The Group has put in place a set of information security management rules and a procedural manual, backed by a security policy, a system for categorizing the degree of importance of information assets, and rules for the use, management, and disposal of information. In addition to these measures for enforcing security, the Group is working to create an information security environment, for example, by introducing a system to prevent misdirection of e-mails and stepping up security protection on its web site.

For the protection of personal information and to ensure appropriate handling in line with relevant legislation, the Group has formulated a set of personal information protection rules that regulate methods of obtaining and managing information. Moreover, all personnel, including temporary staff, are subject to information security check-ups based on e-learning methods, while strict information security audits are also carried out at regular intervals.

Litigation

The Group is a party to routine litigation incidental to its business. The Group is currently aware of no particular litigation or category of litigation that is expected to have a material adverse effect on its financial conditions or results of operations.

Regulation

Domestic operations

The Group's core lease and finance operations are subject to various regulations and oversight by relevant authorities, including the Financial Services Agency of Japan (the "FSA"). Among other laws and regulations, the principal laws that generally apply to the Group's core lease and finance operations in Japan are as follows:

- the Money-Lending Business Act (Act No. 32 of 1983, as amended);
- the Interest Rate Restriction Act (Act No. 100 of 1954, as amended);
- the Instalment Sales Act (Act No. 159 of 1961, as amended);
- the Secondhand Articles Dealer Act (Act No. 108 of 1949, as amended);
- the Financial Instruments and Exchange Act; and
- the Pharmaceutical Affairs Act (Act No. 145 of 1960, as amended).

Other laws, rules and regulations

Other industry rules and regulations deal with the certain aspects of the lease and finance operations, stipulate certain contractual arrangements and procedures, control advertisement and publicity, and regulate modes of debt collection. As a money lending business operator, the Group is also subject to the Act on Issuance, etc. of Bonds for Financial Corporations' Loan Business (Act No. 32 of 1999, as amended) in relation to bond issuances to raise funds for the money lending business operation. In addition, the tightening of regulations prohibiting transactions with so-called "anti-social forces" (criminal elements of society) may have further effects on the Group's business operations.

The Group is also subject to the Personal Information Protection Act (Act No. 57 of 2003, as amended) and the FSA's guidelines related thereto. Under this legislation, companies that utilise databases containing a significant amount of personal information must generally notify persons whose personal information will be entered into such databases of the specific uses of such information and must not handle such personal information beyond the extent necessary to achieve such specified uses or provide such personal information to third parties without obtaining consent from such persons. Given the nature of the Group's operations, data protection is of particular concern to the Group.

Overseas operations

The Group is subject to rules and regulations in each of the overseas jurisdictions in which it operates. In addition to lease and finance regulations (for example, licensing requirements), of particular concern to the Group are regulations which restrict the way in which foreign lease and finance providers may operate in any given jurisdiction.

The Japanese Leasing Industry

The history of the Japanese leasing industry dates from 1963 when the first three leasing companies were established by groups of commercial banks and general trading and manufacturing companies. After an initial period during which these companies successfully established themselves, the growth of the industry has rapidly attracted a large

number of new participants to the industry, many of which are supported by major commercial banks (whose own direct participation in leasing or other activities akin to banking is restricted by banking regulations) and the general trading and manufacturing companies (attracted by the service characteristics of the industry in relation to their own equipment sales).

In 1971, a group of the largest Japanese leasing companies established the Japan Leasing Association (the “JLA”), which had 91 regular members and 158 associated members as of 1 August 2013. Members of the JLA now account for almost all leasing business in Japan.

The primary leasing arrangement for leasing companies in Japan is the “direct financing lease” on a full pay-out basis by which the total lease payments received cover the total cost of the leased equipment, including the interest and maintenance costs. In addition, “operating lease” is used in such areas as industrial machinery, computers and measuring equipment. The categories of equipment made available by Japanese leasing companies cover most areas of commercial and industrial activities.

B. Management

Board of Directors

The Board of Directors of the Issuer determines the fundamental management policy and other important matters of management of the Issuer and supervises the performance of duties of the Directors. All Directors and Corporate Auditors are elected at the general meeting of shareholders. The normal term of office of the Directors expires at the close of the ordinary general meeting of shareholders held with respect to the last fiscal year ended within one year after such Director’s election although each Director may serve any number of consecutive years. The normal term of office of Corporate Auditors expires at the close of the ordinary general meeting of shareholders held with respect to the last fiscal year ended within four years after such Corporate Auditor’s election although each Corporate Auditor may serve any number of consecutive years.

The Board of Directors elects from among its members Representative Directors, who have the authority individually to represent the Issuer. Under the articles of incorporation of the Issuer, the Board of Directors elects the President and Managing Directors. In addition, the Board of Directors may elect the Chairman, Deputy Chairmen, Executive Vice Presidents and Senior Managing Directors under certain circumstances.

Board of Corporate Auditors

The Corporate Auditors are not required to be certified public accountants, but may not serve as directors, accounting assistants, officers or employees of the Issuer or any of its subsidiaries at the same time. In addition, not less than half of the Corporate Auditors must be outside Corporate Auditors who have never been directors, accounting assistants, officers or employees of the Issuer or any of its subsidiaries. The Board of Corporate Auditors is required to elect from among its members one or more full-time Corporate Auditors.

The Corporate Auditors have the statutory duty of supervising the administration of the Issuer’s affairs by the Directors and also of examining the financial statements and business reports to be submitted by a Representative Director to general meetings of shareholders. The Corporate Auditors must attend meetings of the Board of Directors and express opinions thereat, if necessary, but they are not entitled to vote.

The Corporate Auditors constitute the Board of Corporate Auditors. The Board of Corporate Auditors has a statutory duty to prepare its audit report based on audit reports issued by individual statutory auditors and such audit report is to be submitted to a specified director and (only with regard to the audit report related to financial statements) the independent auditors each year. The Board of Corporate Auditors is empowered to establish audit principles, the method of examination by Corporate Auditors of the Issuer’s affairs and the financial position and other matters concerning the performance of the Corporate Auditors’ duties.

The Issuer must appoint by a resolution of a general meeting of shareholders, an independent auditor in addition to Corporate Auditors. Such independent auditor has the statutory duty of examining the financial statements,

prepared in accordance with the Companies Act of Japan (Act No. 86 of 2005, as amended) (the “Companies Act”), to be submitted by a Representative Director to general meetings of shareholders and reporting its opinion thereon to the relevant Corporate Auditors and the relevant Directors, and examining the financial statements to be included in periodic reports to be filed by the Issuer with the Director of the Kanto Local Finance Bureau. Currently, the Issuer’s independent auditors are Deloitte Touche Tohmatsu LLC.

In addition, under the Securities Listing Regulations of the Tokyo Stock Exchange, companies listed on the Tokyo Stock Exchange, including the Issuer, are required to have at least one independent officer. Such independent officer is required to be an outside director or outside corporate auditor (as defined under the Companies Act) who is unlikely to have conflicts of interest with shareholders of the relevant company.

The articles of incorporation of the Issuer provide for no more than twenty-two Directors and no less than three Corporate Auditors. The names of the Directors and Corporate Auditors of the Issuer as at the date of this Base Prospectus are as follows:

Name	Title
Ryuichi Murata	Chairman*
Tadashi Shiraishi	President & CEO*
Kazuo Seki	Managing Director
Koichi Sakamoto	Managing Director
Taichi Ito	Managing Director
Nobuyoshi Itshii	Managing Director
Osamu Miki	Managing Director
Kiyoshi Tada	Managing Director
Hideki Kobayakawa	Managing Director
Tsuyoshi Nonoguchi	Managing Director
Teruyuki Minoura	Outside Director
Eiichi Tanabe	Outside Director
Hajime Inomata	Outside Director
Takami Matsubayashi	Outside Director
Masashi Oonuki	Corporate Auditor
Naoto Okamoto	Corporate Auditor
Keiji Funahashi	Corporate Auditor
Tatsunori Imagawa	Outside Corporate Auditor
Shoji Tokumitsu	Outside Corporate Auditor
Shinichiro Hayakawa	Outside Corporate Auditor
Shigeru Tsuburaya	Outside Corporate Auditor

* Representative Director

None of the Directors have any conflict between their duty to the Issuer and any private interests and/or other duties.

The aggregate remuneration paid to the Directors (excluding Outside Directors) by the Issuer in their capacity as such was ¥489 million for the year ended 31 March 2013. The aggregate remuneration paid to the Corporate Auditors (excluding Outside Corporate Auditors) by the Issuer was ¥60 million for the year ended 31 March 2013. The aggregate remuneration paid to the Outside Directors and Outside Corporate Auditors by the Issuer was ¥57 million for the year ended 31 March 2013.

The articles of incorporation of the Issuer provide that the Issuer may enter into liability limitation contracts with any of its Outside Directors and Outside Corporate Auditors in order to limit the maximum amount of such damages to the amount provided by applicable laws and regulations.

C. Subsidiaries and Affiliates

As of 31 March 2013, MUL's principal subsidiaries and affiliates are as set out below:

<i>Name of subsidiary or affiliate</i>	<i>Issued share capital (Millions)</i>	<i>Percentage directly or indirectly owned by the Issuer</i>	<i>Major lines of business</i>
Japan Medical Lease Corporation	¥100	100%	Customer finance business
DFL Lease Company Limited	¥2,500	95%	Customer finance business
Shinko Lease Co., Ltd.	¥743	80%	Customer finance business
The Casio Lease Company Limited	¥1,100	80%	Customer finance business
Hirogin Lease Co. Ltd.	¥2,070	80%	Customer finance business
Shutoken Leasing Co., Ltd.	¥2,710	75.70%	Customer finance business
Chukyo General Lease Co., Ltd.	¥50	70%	Customer finance business
MMC Diamond Finance Corporation	¥3,000	50%	Customer finance business
Diamond Rental System Company Limited	¥816	100%	Customer finance business
Central Compass Co., Ltd.	¥251	100%	Asset finance business
Diamond Asset Finance Company Limited	¥8,575	100%	Customer finance business
Miyuki Building Co., Ltd.	¥61	98.30%	Asset finance business
MUL Insurance Company Limited	¥10	100%	Customer finance business
Diamond Equipment, Inc.	¥50	100%	Asset finance business
U-Machine Inc.	¥10	90%	Customer finance business
MUL Principal Investments Company Limited	¥235	100%	Asset finance business
Mitsubishi UFJ Lease & Finance (Hong Kong) Limited	HK\$120.037	100%	Customer finance business
Mitsubishi UFJ Lease & Finance (China) Co. Ltd.	US\$30	100%	Customer finance business
Bangkok Mitsubishi UFJ Lease Co., Ltd.	THB 60	44%	Customer finance business
PT. Mitsubishi UFJ Lease & Finance Indonesia	Rp200,000	100%	Customer finance business
Mitsubishi UFJ Lease (Singapore) Pte. Ltd.	SG\$20.411	100%	Customer finance business
Mitsubishi UFJ Lease & Finance (U.S.A.) Inc.	US\$27	100%	Customer finance business
JSA International Holdings, L.P. and its 108 subsidiaries	US\$732.096	100%	Asset finance business
Mitsubishi UFJ Lease & Finance (Ireland) Limited	EUR0.038 US\$12	100%	Asset finance business
MUL Aviation Capital Limited	US\$10	100%	Asset finance business

RECENT BUSINESS

Summary Financial Information

The following is a summary of certain consolidated financial information as of 31 March 2012 and 31 March 2013 for the years then ended (extracted from the audited consolidated financial statements of the Issuer), and as of 30 June 2013 for the three months then ended (extracted from the unaudited first quarter consolidated financial information for the three months ended 30 June 2013 of the Issuer):

	<i>Millions of Yen</i>		
	<i>Year ended / as of 31 March</i>		<i>as of</i>
	<i>(Consolidated)</i>	<i>(audited)</i>	<i>30 June</i>
	<u>2012</u>	<u>2013</u>	<u>(Consolidated)</u>
			<i>(unaudited)</i>
			<u>2013</u>
Total current assets	¥2,830,451	¥3,005,208	¥3,007,977
Total leased assets	468,105	768,170	801,278
Total assets	3,682,299	4,177,784	4,200,043
Total current liabilities	2,069,092	2,297,191	2,162,206
Total long-term liabilities.. .. .	1,192,343	1,412,531	1,548,672
Total equity	420,864	468,062	489,165
Total revenues	724,611	698,155	178,634
Operating income	53,157	59,987	14,049
Income before income taxes and minority interest	62,049	62,465	16,316
Net income	34,641	36,039	9,513

Recent Business

Overview

The Issuer is a leading comprehensive financial company in Japan in terms of operating asset size and offers finance leases, operating leases, rentals and other financial services. Furthermore, the Issuer also offers a diverse range of products and services including eco-related services, real estate-related services, factoring, PFIs, overseas development support and trading used equipment through the Issuer's global network.

Results

Consolidated results for the year ended 31 March 2013 compared to the year ended 31 March 2012

The volume of new transactions for the year ended 31 March 2013 was ¥1,356.2 billion, a 6.3 per cent. increase compared to the year ended 31 March 2012. By transaction type, the volume of new transactions increased by 23.0 per cent. in the leasing business to ¥581.4 billion, by 16.3 per cent. in the instalment sale business to ¥78.2 billion, and decreased by 2.9 per cent. in the loan business to ¥674.4 billion, by 47.0 per cent. in other businesses to ¥22.0 billion compared to the year ended 31 March 2012.

Total revenues

Total revenues of the Group for the year ended 31 March 2013 decreased by ¥26,456 million, or 3.7 per cent., to ¥698,155 million, compared to ¥724,611 million for the year ended 31 March 2012.

Gross profit

The Group's gross profit for the year ended 31 March 2013 increased by ¥2,955 million, or 2.6 per cent., to ¥118,033 million, compared to ¥115,078 million for the year ended 31 March 2012.

Selling, general and administrative expenses

The Group's selling, general and administrative expenses for the year ended 31 March 2013 decreased by ¥3,875 million, or 6.3 per cent., to ¥58,046 million, compared to ¥61,921 million for the year ended 31 March 2012.

Operating income

The Group's operating income for the year ended 31 March 2013 increased by ¥6,830 million, or 12.8 per cent., to ¥59,987 million, compared to ¥53,157 million for the year ended 31 March 2012.

Other income

The Group's other income for the year ended 31 March 2013 decreased by ¥6,414 million, or 72.1 per cent., to ¥2,478 million, compared to ¥8,892 million for the year ended 31 March 2012.

Net income

The Group's net income for the year ended 31 March 2012 increased by ¥1,398 million, or 4.0 per cent., to ¥36,039 million, compared to ¥34,641 million for the year ended 31 March 2012.

Financial Condition

Consolidated balance sheet as of 31 March 2013 compared to consolidated balance sheet as of 31 March 2012

The Group's total current assets as of 31 March 2013 increased by ¥174,757 million, or 6.2 per cent., to ¥3,005,208 million, compared to ¥2,830,451 million as of 31 March 2012. Cash and cash equivalents increased by ¥21,188 million, or 40.9 per cent. to ¥72,954 million.

Total leased assets as of 31 March 2012 increased by ¥300,065 million, or 64.1 per cent., to ¥768,170 million, compared to ¥468,105 million, as of 31 March 2012.

Total investments and other assets as of 31 March 2013 increased by ¥21,274 million, or 5.7 per cent., to ¥392,752 million, compared to ¥371,478 million as of 31 March 2012.

Net property and equipment as of 31 March 2013 decreased by ¥611 million, or 5.0 per cent., to ¥11,654 million, compared to ¥12,265 million as of 31 March 2012.

Total assets as of 31 March 2013 increased by ¥495,485 million, or 13.5 per cent., to ¥4,177,784 million, compared to ¥3,682,299 million as of 31 March 2012.

Total current liabilities as of 31 March 2013 increased by ¥228,099 million, or 11.0 per cent., to ¥2,297,191 million, compared to ¥2,069,092 million as of 31 March 2012.

Total long-term liabilities as of 31 March 2013 increased by ¥220,188 million, or 18.5 per cent., to ¥1,412,531 million, compared to ¥1,192,343 million as of 31 March 2012.

The Group's total equity as of 31 March 2013 increased by ¥47,198 million, or 11.2 per cent., to ¥468,062 million, compared to ¥420,864 million as of 31 March 2012.

Liquidity and Capital Resources

Cash flows for the year ended 31 March 2013 compared to cash flows for the year ended 31 March 2012

The Group's net cash used in operating activities for the year ended 31 March 2013 was ¥63,408 million. Net cash provided by for the year ended 31 March 2012 was ¥87,941 million, and this change was mainly due to the increased purchases of leased assets.

Net cash used in investing activities by the Group for the year ended 31 March 2013 increased by ¥94,742 million, to ¥102,373 million, compared to ¥7,631 million for the year ended 31 March 2012.

Net cash provided by financing activities for the year ended 31 March 2013 was ¥183,561 million. Net cash used in for the year ended 31 March 2012 was ¥68,631 million.

As a result of the above, cash and cash equivalents as of 31 March 2013 increased by ¥21,188 million, or 40.9 per cent., to ¥72,954 million, compared to ¥51,766 million as of 31 March 2012.

Funding

The Group's policy concerning the procurement of funds to support business activities is to procure funds in a stable and cost-effective manner. For funding purposes, the Issuer selects and utilises, as needed, both direct financing, such as commercial paper and corporate bonds, and indirect financing, including bank loans. The Group seeks to use the most advantageous means and suitable terms, according to market conditions at the time. As of 31 March 2013, the Issuer's short-term borrowings amounted to ¥1,584,949 million, while current maturities of long-term debt amounted to ¥490,216 million. Substantially all of the Issuer's short-term bank loans are made under agreements as is customary in Japan, which provide that, at the request of such banks, the Issuer will provide additional collateral or guarantors with respect to the loan. As of 31 March 2013, the Issuer has not received any such request.

As of 31 March 2013, the Issuer's long-term debt, less current maturities amounted to ¥1,284,743 million. Annual maturities of long-term debt as of 31 March 2013 for the years indicated and thereafter were as follows:

	<i>Years ending 31 March</i>
	<i>Millions of yen</i>
2014	¥490,216
2015	386,306
2016	277,174
2017	272,318
2018	192,705
Thereafter	156,240
Total	<u>¥1,774,959</u>

The following table sets forth a breakdown of the Issuer's funding structure for the years ended 31 March 2012 and 2013:

	<i>Year ended 31 March</i>	
	<u>2012</u>	<u>2013</u>
	<i>Billions of yen</i>	
Corporate Bonds (including current maturities)	¥438	¥477
Securitization (including current maturities) ⁽¹⁾	104	140
Commercial Papers	719	806
Long-term Loans ⁽²⁾	767	822
Short-term Loans ⁽³⁾	865	1,070
Total	<u>¥2,894</u>	<u>¥3,315</u>

Notes:

- (1) "Securitization" is loans from the securitization of minimum future rentals of the lease contracts.
- (2) "Long-term Loans" is long-term loans from banks and other financial institutions, less current maturities.
- (3) "Short-term Loans" is short-term loans from banks and other financial institutions and current maturities of long-term loans from banks and other financial institutions.

CAPITALISATION AND INDEBTEDNESS

The following table sets out the consolidated capitalisation and indebtedness of the issuer as of 30 June 2013.

	<i>as of</i> <i>30 June 2013</i> <i>(Consolidated)</i> <i>(unaudited)</i>
	<i>Millions</i> <i>of Yen</i>
Long-term debt	
Current maturities of long-term debt	499,322
Long-term debt, less current maturities	1,415,555
Total long-term debt	1,914,877
Equity	
Common stock	
Authorized – 3,200,000,000 shares	
Issued – 895,834,160 shares	33,196
Capital surplus	166,784
Stock acquisition rights.. .. .	713
Retained earnings	244,325
Treasury stock, at cost – 7,208,737 shares	(2,522)
Accumulated other comprehensive income	
Net unrealized gain on available-for-sale securities	10,373
Deferred gain on derivatives under hedge accounting.. .. .	598
Foreign currency translation adjustments	15,600
Total	469,067
Minority interests	20,098
Total equity.. .. .	489,165
Total capitalisation and indebtedness*	2,383,944

Notes:

*Total capitalisation and indebtedness is a total of long-term debt and equity, but excludes minority interests.

JAPANESE TAXATION

The following general description of certain aspects of Japanese taxation (limited to those regarding national taxes) is applicable to the Notes. It is not intended to constitute a complete analysis of all the tax consequences relating to the purchase, ownership and disposition of the Notes. Prospective purchasers should consult their own tax advisers as to the exact tax consequences of their particular situations.

With respect to interest due on or before 31 December 2015:

Interest payments on the Notes to an individual resident of Japan or a Japanese corporation (except for a Japanese financial institution or a Japanese financial instruments business operator designated by the Cabinet Order relating to the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957, as amended, the “Cabinet Order”) pursuant to Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended, the “Act on Special Taxation Measures”), which has complied with the requirement for tax exemption under that paragraph), or an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Issuer as described in Article 6, paragraph (4) of the Act on Special Taxation Measures (a “specially-related person”), will be subject to withholding tax pursuant to the Income Tax Act of Japan (Act No. 33 of 1965, as amended) and other applicable Japanese tax law (collectively, the “Income Tax Law”) at a rate of 15.315 per cent. until 31 December 2037 and 15 per cent. thereafter of the amount specified in sub-paragraph (a) or (b) below, as applicable:

- (a) if interest is paid to an individual resident of Japan, to a Japanese corporation, or to an individual nonresident of Japan or a non-Japanese corporation that in either case is a specially-related person (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 through a Japanese payment handling agent as provided in Article 3-3, paragraph (6) of the Act on Special Taxation Measures in compliance with the requirement for tax exemption under that paragraph, the amount of such interest minus the amount accrued during the period in which the Notes have been held by such recipient as provided in the Cabinet Order relating to the said paragraph 6.

With respect to interest due on or after 1 January 2015:

Interest payments on the Notes to an individual resident of Japan or a Japanese corporation (except for (i) a Japanese financial institution or a Japanese financial instruments business operator designated by the Cabinet Order relating to the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957, as amended, the “Cabinet Order”) pursuant to Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended, the “Act on Special Taxation Measures”), which has complied with the requirement for tax exemption under that paragraph, and (ii) a Japanese corporation, a financial institution or a financial instruments business operator described in Article 3-3, paragraph (6) of the Act on Special Measures which receives interest payments on the Notes through a Japanese payment handling agent as described in paragraph (1) of said article and which has complied with the requirement for tax exemption under that paragraph (6) of said article), or an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Issuer as described in Article 6, paragraph (4) of the Act on Special Taxation Measures (a “specially-related person”), will be subject to withholding tax pursuant to the Income Tax Act of Japan (Act No. 33 of 1965, as amended) and other applicable Japanese tax law (collectively, the “Income Tax Law”) at a rate of 15.315 per cent. until 31 December 2037 and 15 per cent. thereafter on the amount of such interest:

It should be noted that (i) if the recipient of interest on the Notes is a Japanese corporation the amount of such interest will be included in the recipient’s income which is subject to Japanese corporate tax (including surtax, if applicable, hereinafter the same) under the Corporate Tax Act of Japan (Act No. 34 of 1965, as amended) and other applicable Japanese tax law (collectively, the “Corporate Tax Law”), provided that the amount of Japanese

income tax (including surtax, if applicable, hereinafter the same) withheld under the Income Tax Law will generally be credited against the amount of Japanese corporate tax; and (ii) if the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation that is a specially-related person and has any kind of permanent establishment in Japan, all or a certain amount of such interest will be included in the recipient's income which is subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding tax, with any necessary adjustment, if applicable, pursuant to the Income Tax Law or the Corporate Tax Law, as appropriate, in consideration of the amount of the Japanese income tax withheld under the Income Tax Law.

Under the Act on Special Taxation Measures, payment of interest on the Notes outside Japan to a beneficial owner that is an individual non-resident of Japan or a non-Japanese corporation, other than a specially-related person, will not be subject to Japanese withholding tax, provided that the beneficial owner complies with procedures for establishing its eligibility for exemption from the imposition of Japanese income tax, including withholding tax, pursuant to the Act on Special Taxation Measures, as summarised below:

- (1) if the Notes or Coupons are deposited with an agent which handles the interest payments on the Notes as defined in the Cabinet Order (the "payment handling agent") in accordance with the Cabinet Order, (A) the recipient of the interest provides such payment handling agent which holds the Notes or Coupons in its custody (the "payment handling custodian") with information including, inter alia, its name and address, and obtains confirmation from the payment handling custodian of the correctness of such information by presenting certain documentary or other evidence to such payment handling custodian; (B) such payment handling custodian notifies the Issuer of the interest recipient information (the "Interest Recipient Information") (providing, inter alia, (i) that all recipients are individual non-residents of Japan or non-Japanese corporations other than specially-related persons (if applicable); or (ii) the amount of the interest payable to the recipients which are individual non-residents of Japan or non-Japanese corporations other than specially-related persons), which is prepared by such payment handling custodian based on the information provided by the recipient, or (if the Notes or Coupons are further sub-deposited with another payment handling agent including a clearing organisation (the "sub-depositary") by such payment handling custodian) notifies the Issuer of the interest recipient information through the sub-depositary), at the latest one day prior to the date on which such payment handling custodian receives from the Issuer the amount of the interest for the payment to the recipients; and (C) the Issuer prepares an interest recipient confirmation based upon Interest Recipient Information and submits it to the relevant Japanese tax authority; or
- (2) if the Notes or Coupons are held otherwise than through a payment handling custodian, upon each payment of interest on the Notes the recipient files a claim for exemption from taxation (a "Claim for Exemption from Taxation") (providing, inter alia, the name and address of the recipient) with the relevant Japanese tax authority through the Issuer or (if payment of interest is made through the payment handling agent) through the payment handling agent and the Issuer.

If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation other than a specially-related person, failure by such individual non-resident of Japan or non-Japanese corporation to comply with the above requirements will result in the withholding of Japanese income tax. The above exemption from the withholding of Japanese income tax also applies to any Japanese financial institution or Japanese financial instruments business operator designated by Article 3-2-2, paragraph (29) of the Cabinet Order pursuant to Article 6, paragraph (9) of the Act on Special Taxation Measures which receives the interest on the Notes otherwise than through the payment handling agent in Japan.

However, the interest on the Notes in respect of which the amount of the interest is to be calculated by reference to certain indexes (as prescribed under the Cabinet Order relating to Article 6, paragraph (4) of the Act on Special Taxation Measures) relating to the Issuer or a specially-related person will be subject to withholding tax at 15.315 per cent. until 31 December, 2037 and 15 per cent. thereafter even if paid to an individual non-resident of Japan or a non-Japanese corporation that is not a specially-related person.

If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation other than a specially-related person which complies with the above requirements and if such individual non-resident of Japan or non-Japanese corporation has a permanent establishment in Japan and the receipt of interest is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such interest will be subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding.

If the recipient of the issue discount is an individual non-resident of Japan or a non-Japanese corporation other than a specially-related person having no permanent establishment within Japan or having a permanent establishment within Japan but the receipt of such issue discount is not attributable to the business carried on within Japan by such individual non-resident of Japan or non-Japanese corporation through such permanent establishment, no income tax or corporate tax is payable with respect to the issue discount. If the receipt of such issue discount is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on in Japan through a permanent establishment maintained by it within Japan, such issue discount will be subject to Japanese income tax or corporate tax, as appropriate, payable other than by way of withholding. If the recipient of the issue discount is an individual non-resident of Japan or a non-Japanese corporation other than a specially-related person, income tax or corporate tax, as appropriate, other than by way of withholding, is payable with respect to such issue discount. The foregoing description does not address the tax treatment of the original issue discount of the Notes that fall under “discounted bonds” as presented by the Act on Special Taxation Measures.

Representation of Gross Recipient Status upon Initial Distribution

BY SUBSCRIBING FOR THE NOTES, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED THAT IT IS A “GROSS RECIPIENT,” i.e., (i) 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 Issuer as described in Article 6, paragraph (4) of the Act on Special Taxation Measures, (ii) a Japanese financial institution, designated in Article 3-2-2 paragraph (29) of the Cabinet Order that will hold Notes for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest of the Notes will be made through a payment handling agent in Japan as defined in Article 2-2 paragraph (2) of the Cabinet Order.

JAPANESE FOREIGN EXCHANGE REGULATIONS

The Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949, as amended), and the cabinet orders and ministerial ordinances thereunder (collectively, the “Foreign Exchange Act”), govern certain matters relating to the issue of the Notes by the Issuer.

The Issuer may issue and offer the Notes outside Japan, except in certain limited exceptional circumstances, without any prior filing with any government authorities in Japan under the Foreign Exchange Act. Payments of principal and interest in respect of the Notes and any additional amounts payable pursuant to the terms and conditions of the Notes may be made when due, except in certain limited exceptional circumstances, without any restriction under the Foreign Exchange Act.

EU SAVINGS DIRECTIVE

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person established within its jurisdiction to (or for the benefit of) an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). The Luxembourg government has announced its intention to elect out of the withholding system in favour of an

automatic exchange of information with effect from 1st January, 2015. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

U.S. FOREIGN ACCOUNT TAX COMPLIANCE WITHHOLDING

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL INCOME TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY ANY PERSON FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH PERSON UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE PURCHASERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

Pursuant to the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010, the Issuer and other non-U.S. financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Notes issued or materially modified on or after the later of (a) 1 July 2014, and (b) the date that is six months after the date on which the final regulations applicable to “foreign passthru payments” are filed in the Federal Register and (ii) any Notes which are treated as equity for U.S. federal tax purposes, whenever issued. Under existing guidance, this withholding tax may be triggered on payments on the Notes if (i) the Issuer is a foreign financial institution (“FFI”) (as defined in FATCA) which enters into and complies with an agreement (an “FFI Agreement”) with the U.S. Internal Revenue Service (“IRS”) to provide certain information on its account holders (making the Issuer a “Participating FFI”), (ii) the Issuer is required to withhold on “foreign passthru payments”, and (iii)(a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is subject to withholding under FATCA, or (b) any FFI to or through which payment on such Notes is made is not a Participating FFI or otherwise exempt from FATCA withholding.

Whilst the Notes are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes issued by the Issuer, any paying agent and the Common Depositary, given that each of the entities in the payment chain beginning with the Issuer and ending with the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an intergovernmental agreement will be unlikely to affect the securities. It is possible that the Notes may be exchanged into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to withholding. However, definitive Notes will only be printed in remote circumstances.

THE PROPOSED FINANCIAL TRANSACTIONS TAX (“FTT”)

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “participating Member States”).

The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under current proposals, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one

party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Dealers have in a Programme Agreement dated 28 August 2013 (as amended or supplemented from time to time, the “Programme Agreement”), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

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.

The Notes 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 a United States person, 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 represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any 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. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms. The relevant Dealer has agreed that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

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, and each further Dealer appointed under the Programme will be required to represent and agree, 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 Base Prospectus 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 such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

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- (b) 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 Issuer for any such offer; or
 - (c) 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 (a) 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 the Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes having a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an 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 any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such 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 Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”), and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold, and will not, directly or indirectly, offer or sell, any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used in this paragraph means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, 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 Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

In addition, the Notes will be subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended, the “Act on Special Taxation Measures”). Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it (i) has not, directly or indirectly, offered or sold any of the 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 of the Notes, (a) as part of its distribution at any time, to, or for the benefit of, any person other than a Gross Recipient, and (b) otherwise until 40 days after the date of issue, to, or for the benefit of, any individual resident of Japan or Japanese corporation for Japanese tax purposes (except for (i) a Japanese financial institution, designated in Article 3-2-2 paragraph (29) of the Cabinet Order relating to the Act on Special Taxation Measures (Cabinet Order No. 43 of 1957, as amended, the “Cabinet Order”) that will hold the Notes for its own proprietary account (a “Designated Financial Institution”) and (ii) 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 Cabinet Order (an “Article 3-3 Japanese Resident”). A “Gross Recipient” as used herein 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 Issuer as described in Article 6, paragraph (4) of the Act on Special Taxation Measures, (b) a Designated Financial Institution, or (c) an Article 3-3 Japanese Resident.

France

Each of the Dealers and the Issuer has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L.411-1 and L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

The Netherlands

The Notes may not be offered to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined under “Public Offer Selling Restriction under the Prospectus Directive” above) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Directive or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), provided that no such offer of Notes shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Hong Kong

Each Dealer has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of

only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes may not be circulated or distributed, nor may any Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers and Investments) (Shares and Debentures) Regulations 2005 of Singapore.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base

Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

Authorisation

The establishment of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 10 September 1999. The update of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 2 August 2013 (the “Board Resolution”).

Listing of Notes on the SGX-ST

Application has been made to the SGX-ST for the listing and quotation of any Notes to be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. So long as any Notes are listed on the SGX-ST and the rules of SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore where such Notes may be presented or surrendered for payment or redemption, in the event that any of the Global Notes representing such Notes is exchanged for Definitive Notes. In addition, if any Global Notes representing such Notes is exchanged for Definitive Notes, an announcement of such exchange shall be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the Definitive Notes, including details of the paying agent in Singapore.

Documents Available

So long as Notes are outstanding, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified offices of the Paying Agent:

- (i) a certified copy of the Articles of Incorporation and Regulations of the Board of Directors (with an English translation thereof) of the Issuer;
- (ii) the most recently published audited annual consolidated and non-consolidated financial statements and the most recently published quarterly financial statements, in English, of the Issuer;
- (iii) the Agency Agreement, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;
- (iv) a copy of this Base Prospectus; and
- (v) any future base prospectus, prospectuses, information memoranda and supplements including Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Significant or Material Change

Save as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 30 June 2013 (the date of the most recent unaudited consolidated financial statements of the Issuer) and there has been no material adverse change in the financial position or prospects of the Issuer since 31 March 2013 (the date of the most recent audited annual consolidated financial statements of the Issuer).

Litigation

The Issuer is not and has not been involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position of the Issuer.

Auditors

The independent auditors of the Issuer are Deloitte Touche Tohmatsu LLC (a Japanese member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee) who are the independent auditors of the Issuer within the meaning of the Certified Public Accountants Law of Japan and the applicable rules and regulations thereunder.

Deloitte Touche Tohmatsu LLC has audited the consolidated financial statements of the Issuer, without qualification, in accordance with generally accepted auditing standards in Japan for the financial year ended on 31 March 2012.

Deloitte Touche Tohmatsu LLC has audited the consolidated financial statements of the Issuer, without qualification, in accordance with generally accepted auditing standards in Japan for the financial year ended on 31 March 2013.

Conflicts of interest

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, and/or its affiliates in the ordinary course of business. 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 lending relationships 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 the Issuer's securities, including potentially any Notes to be offered under the Programme. Any such short positions could adversely affect future trading prices of the Notes. 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 (including the Notes).

THE ISSUER

Mitsubishi UFJ Lease & Finance Company Limited

5-1 Marunouchi 1-chome
Chiyoda-ku
Tokyo 100-6525 Japan

ISSUING AND PRINCIPAL PAYING AGENT

The Bank of Tokyo-Mitsubishi UFJ, Ltd.,

London Branch

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AN
England

PAYING AGENT

Mitsubishi UFJ Global Custody S.A.

287-289 route d'Arlon
L-1150 Luxembourg

REGISTRAR AND TRANSFER AGENT

The Bank of Tokyo-Mitsubishi UFJ, Ltd.,

London Branch

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London EC2Y 9AN
England

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To the Issuer as to Japanese law

Nishimura & Asahi

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Minato-ku, Tokyo 107-6029 Japan

To the Dealers as to English law

**Gaikokuho Kyodo – Jigyo
Horitsu Jimusho Linklaters**

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Tokyo 100-0005 Japan

INDEPENDENT AUDITORS

To the Issuer

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(a Japanese member firm of Deloitte Touche Tohmatsu Limited)

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13-23, Shibaura 4-chome
Minato-ku
Tokyo 108-8530 Japan

DEALERS

BNP PARIBAS

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London NW1 6AA

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Crédit Agricole Corporate and Investment Bank

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92920 Paris La Défense
France

Daiwa Capital Markets Europe Limited

5 King William Street
London EC4N 7AX

Goldman Sachs International

Peterborough Court
133 Fleet Street
London EC4A 2BB

The Hongkong and Shanghai Banking

Corporation Limited
Level 17, HSBC Main Building
1 Queen's Road Central
Hong Kong

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ

Mitsubishi UFJ Securities International plc

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ

Mizuho International plc

Bracken House
One Friday Street
London EC4M 9JA

Morgan Stanley & Co. International plc

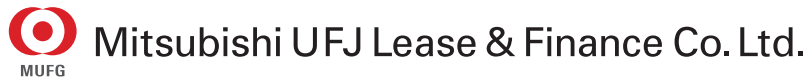
25 Cabot Square
London E14 4OA

Nomura International plc

1 Angel Lane
London EC4R 3AB

The Royal Bank of Scotland plc

135 Bishopsgate
London EC2M 3UR





Mitsubishi UFJ Lease & Finance Co. Ltd.

MITSUBISHI UFJ LEASE & FINANCE COMPANY LIMITED

(incorporated with limited liability in Japan)

U.S.\$4,000,000,000

Euro Medium Term Note Programme

This supplement (the “Supplement”) to the base prospectus (the “Base Prospectus”) dated 28 August 2013 is prepared in connection with the Euro Medium Term Note Programme of Mitsubishi UFJ Lease & Finance Company Limited (the “Issuer”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

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

The unaudited interim consolidated financial information of the Issuer for the nine months ended 31 December 2013 (such financial information, the “Document”), is hereby incorporated in, and forms part of, the Base Prospectus.

The Issuer will provide, without charge, to each person to whom a copy of the Base Prospectus and this Supplement has been delivered, upon the request of such person, a copy of any or all of the documents incorporated herein by reference. Requests for such documents should be directed to the Issuer at its office set out at the end of the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail with effect from the date hereof.

The date of this Supplement is 13 February 2014

FINAL TERMS

20 February 2014

MITSUBISHI UFJ LEASE & FINANCE COMPANY LIMITED
Issue of CNY500,000,000 3.28 per cent. Notes due 2017
under the U.S.\$4,000,000,000
Euro Medium Term Note Programme

This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 28 August 2013 as supplemented by the Supplement dated 13 February 2014. This document contains the final terms of the Notes and must be read in conjunction with such Base Prospectus and Supplement.

1	Issuer:	Mitsubishi UFJ Lease & Finance Company Limited
2	Series Number:	459
	Tranche Number:	1
3	Specified Currency or Currencies:	Renminbi ("CNY")
4	Aggregate Nominal Amount:	
	Series:	CNY500,000,000
	Tranche:	CNY500,000,000
5	Issue Price:	100% of the Aggregate Nominal Amount
	Net proceeds:	CNY499,000,000
6	(a) Specified Denominations:	CNY1,000,000 and integral multiples of CNY10,000 in excess thereof
	(b) Calculation Amount:	CNY10,000
7	Issue Date:	27 February 2014
	Interest Commencement Date:	Issue Date
8	Maturity Date:	27 February 2017
9	Interest Basis:	3.28% Fixed Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	(i) Status of the Notes:	Senior
	(ii) Date Board approval for issuance of Notes obtained:	2 August 2013
14	(i) Listing:	Singapore Exchange Securities Trading Limited (the "SGX-ST")

(ii) Admission to trading: Application has been made for the Notes to be listed and quoted on the SGX-ST with effect from 28 February 2014

15 Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16 Fixed Rate Note Provisions Applicable

(iii) Rate of Interest: 3.28% per annum payable semi-annually in arrear

(iv) Interest Payment Date(s): 27 February and 27 August in each year, adjusted in accordance with the Modified Following Business Day Convention beginning on the Interest Payment Date falling on or nearest to 27 August 2014 in respect of the period from and including the Issue Date to but excluding 27 August 2014 (subject to adjustment in accordance with the Modified Following Business Day Convention), except that the last Interest Payment Date shall fall on the Maturity Date

(v) Fixed Coupon Amount(s): Not Applicable

(vi) Broken Amount(s): Not Applicable

(vii) Day Count Fraction: Actual/365 (Fixed)

(viii) Determination Date(s): Not Applicable

(ix) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable

17 Floating Rate Note Provisions Not Applicable

18 Zero Coupon Note Provisions Not Applicable

19 Index Linked Interest Note Provisions Not Applicable

20 Dual Currency Interest Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

21 Issuer Call: Not Applicable

22 Investor Put: Not Applicable

23 Final Redemption Amount: CNY10,000 per Calculation Amount

- 24** Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(e)): CNY10,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25** Form of Notes: Registered Global Note exchangeable for Definitive Registered Notes only upon an Exchange Event
- 26** Additional Financial Centre(s) or other special provisions relating to Payment Dates: London and Tokyo
- 27** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
- 28** 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 of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
- 29** Details relating to Instalment Notes: amount of each instalment (Instalment Amount), date on which each payment is to be made (Instalment Date): Not Applicable
-
- 30** Redenomination applicable: Redenomination not applicable
- 31** Other terms or special conditions: Not Applicable

DISTRIBUTION

- 32** If syndicated, names of Managers: Joint Lead Managers:
Morgan Stanley & Co. International plc
The Hongkong and Shanghai Banking Corporation Limited
The Royal Bank of Scotland plc
- Stabilising Manager(s) (if any): Morgan Stanley & Co. International plc
- 33** If non-syndicated, name of relevant Dealer: Not Applicable
- 34** U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable

35 Additional selling restrictions: Not Applicable

OPERATIONAL INFORMATION

36 Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable

37 Delivery: Delivery against payment

38 Additional Paying Agent(s) (if any): Not Applicable

ISIN: XS1038635030

Common Code: 103863503

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms, which when read together with the Base Prospectus referred to above, as supplemented, contains all information that is material in the context of the issue of the Notes. The SGX-ST assumes no responsibility for any of the statements made or opinions expressed in reports contained in these Final Terms. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or the Notes.

Signed on behalf of Mitsubishi UFJ Lease & Finance Company Limited:

By: Shinoda

Duly authorised