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January 31, 2014

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2014 [under Japanese GAAP]

Company name: **Mitsubishi UFJ Securities Holdings Co., Ltd.**

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Supplementary material on quarterly financial results: Yes

Quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts disregarded)

1. Consolidated performance for the third quarter of fiscal year 2013 (from April 1, 2013 to December 31, 2013)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First nine months of FY2013	366,902	58.6	342,119	71.8	110,256	376.3	136,843	195.3
First nine months of FY2012	231,359	4.9	199,130	18.5	23,146	–	46,336	141.5

	Net income		Net income per share	Diluted net income per share
	Millions of yen	%	Yen	Yen
First nine months of FY2013	86,975	209.5	118.02	–
First nine months of FY2012	28,100	588.3	38.13	–

(Note) Comprehensive income First nine months of FY2013: 159,357 million yen 184.0 %
First nine months of FY2012: 56,119 million yen – %

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2013	26,529,547	1,037,080	2.9
As of March 31, 2013	26,506,478	924,400	2.5

(Reference) Equity As of December 31, 2013: 757,648 million yen As of March 31, 2013: 666,461 million yen

(Note) "Equity ratio" is computed under the formula shown below:

(Total net assets – Subscription rights to shares – Minority interests) / Total assets

***Notes**

- (1) **Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in the change in scope of consolidation):** None
- (2) **Application of particular accounting for preparing quarterly consolidated financial statements:** None
- (3) **Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections**
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement of prior period financial statements after error corrections: None

(4) **Number of issued shares (common stock)**

- a. Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2013	736,985,496 shares
As of March 31, 2013	736,985,496 shares

- b. Number of shares of treasury stock at the end of the period

As of December 31, 2013	– shares
As of March 31, 2013	– shares

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

First nine months of the fiscal year ending March 31, 2014	736,985,496 shares
First nine months of the fiscal year ended March 31, 2013	736,985,496 shares

<* Indication regarding execution of quarterly review procedures >

This quarterly financial results report is exempt from the review procedures for Quarterly Securities Report pursuant to the Financial Instruments and Exchange Act.

<* Other special matters>

None

Attached Material

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Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2014

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Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
ASSETS		
Current assets		
Cash and deposits	719,879	941,098
Cash segregated as deposits	148,307	176,800
Trading products	15,530,676	12,832,526
Trading securities and other	6,006,975	5,264,721
Derivatives	9,523,700	7,567,804
Trade date accrual	—	373,530
Private equity and other securities	21,199	109
Margin transaction assets	56,470	65,900
Loans secured by securities	8,194,267	10,394,251
Short-term guarantee deposits	782,160	679,047
Short-term investment securities	181,082	203,420
Income taxes receivable	3,110	10,715
Other current assets	116,984	209,512
Allowance for doubtful accounts	(21)	(25)
Total current assets	<u>25,754,116</u>	<u>25,886,887</u>
Noncurrent assets		
Property, plant and equipment	27,777	30,836
Intangible assets	43,783	47,640
Investments and other assets	680,800	564,183
Total noncurrent assets	<u>752,361</u>	<u>642,659</u>
Total assets	<u>26,506,478</u>	<u>26,529,547</u>

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
LIABILITIES		
Current liabilities		
Trading products	12,471,740	10,300,612
Trading securities and other	2,864,481	2,808,606
Derivatives	9,607,258	7,492,006
Trade date accrual	68,720	—
Margin transaction liabilities	18,911	20,644
Loans payable secured by securities	9,142,300	10,734,549
Short-term loans payable	996,569	1,073,135
Current portion of long-term loans payable	26,046	71,106
Commercial papers	446,700	497,200
Current portion of bonds	161,719	104,179
Income taxes payable	8,700	10,535
Asset retirement obligations	278	939
Other current liabilities	1,030,444	1,277,743
Total current liabilities	24,372,132	24,090,647
Noncurrent liabilities		
Bonds payable	803,310	996,453
Long-term loans payable	379,572	380,160
Provision for retirement benefits	10,960	10,534
Provision for directors' retirement benefits	489	201
Asset retirement obligations	4,093	4,391
Other noncurrent liabilities	10,498	8,832
Total noncurrent liabilities	1,208,924	1,400,573
Reserves under the special laws		
Reserve for financial products transaction liabilities	1,021	1,244
Total reserves under the special laws	1,021	1,244
Total liabilities	25,582,077	25,492,466
NET ASSETS		
Shareholders' equity		
Capital stock	75,518	75,518
Capital surplus	426,948	426,948
Retained earnings	185,613	256,043
Total shareholders' equity	688,081	758,511
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,067	6,762
Deferred gains or losses on hedges	36	7
Foreign currency translation adjustment	(27,724)	(7,633)
Total accumulated other comprehensive income	(21,620)	(863)
Minority interests	257,939	279,432
Total net assets	924,400	1,037,080
Total liabilities and net assets	26,506,478	26,529,547

(2) Consolidated statements of income and Consolidated statements of comprehensive income
Consolidated statements of income (cumulative)

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)
Operating revenue		
Commission received	108,564	182,228
Net trading income	73,711	161,100
Net gain on private equity and other securities	(2,075)	(911)
Other net gain on goods trading	95	123
Financial revenue	51,063	24,360
Total operating revenue	231,359	366,902
Financial expenses	32,228	24,783
Net operating revenue	199,130	342,119
Selling, general and administrative expenses	175,984	231,863
Operating income	23,146	110,256
Non-operating income		
Equity in earnings of affiliates	13,931	23,499
Other	9,930	4,681
Total non-operating income	23,862	28,180
Non-operating expenses		
Loss on valuation of investment securities	—	400
Foreign exchange losses	277	631
Other	395	561
Total non-operating expenses	672	1,593
Ordinary income	46,336	136,843
Extraordinary income		
Gain on sales of investment securities	3,398	8,219
Gain on sales of subsidiaries and affiliates' stocks	—	103
Gain on redemption of investment securities	—	226
Gain on sales of noncurrent assets	455	0
Reversal of reserve for financial products transaction liabilities	30	—
Total extraordinary income	3,884	8,549
Extraordinary loss		
Loss on sales of investment securities	168	143
Loss on valuation of investment securities	105	14
Loss on sales of noncurrent assets	19	18
Impairment loss	1,060	583
Provision of reserve for financial products transaction liabilities	—	223
Extra retirement payments	246	—
Total extraordinary losses	1,600	983
Income before income taxes and minority interests	48,621	144,408
Income taxes-current	4,352	17,266
Income taxes-deferred	(3,820)	(12,254)
Total income taxes	532	5,011
Income before minority interests	48,089	139,397
Minority interests in income	19,988	52,421
Net income	28,100	86,975

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)
Income before minority interests	48,089	139,397
Other comprehensive income		
Valuation difference on available-for-sale securities	1,785	(525)
Deferred gains or losses on hedges	934	(29)
Foreign currency translation adjustment	5,311	20,518
Share of other comprehensive income of associates accounted for using equity method	(1)	(3)
Total other comprehensive income	8,030	19,960
Comprehensive income	56,119	159,357
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	36,480	107,732
Comprehensive income attributable to minority interests	19,638	51,625

(3) Notes to consolidated financial statements

(Notes on premise of going concern)

None

(Notes on significant changes in the amount of shareholders' equity)

None

Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending March 31, 2014

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Commission to consignees	12,359	37,301	24,941	22,694
Stocks	12,083	36,605	24,521	22,242
Bonds	110	187	77	163
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	19,471	27,933	8,461	29,233
Stocks	4,658	11,308	6,649	7,261
Bonds	14,812	16,625	1,812	21,971
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	25,755	48,660	22,904	47,470
Beneficiary certificates	25,621	48,160	22,539	46,792
Other fees received	50,977	68,333	17,356	72,559
Beneficiary certificates	33,717	41,057	7,340	46,927
Total	108,564	182,228	73,664	171,957

(2) Breakdown by product

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Stocks	17,929	52,022	34,093	31,624
Bonds	15,926	18,060	2,134	23,991
Beneficiary certificates	59,479	89,681	30,201	93,970
Other	15,228	22,463	7,234	22,371
Total	108,564	182,228	73,664	171,957

2. Net trading income

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Stocks	(343)	55,591	55,934	8,502
Bonds	88,272	120,783	32,511	122,490
Other	(14,217)	(15,273)	(1,056)	(23,663)
Total	73,711	161,100	87,389	107,329

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	3Q of FY2012 (October 1 to December 31, 2012)	4Q of FY2012 (January 1 to March 31, 2013)	1Q of FY2013 (April 1 to June 30, 2013)	2Q of FY2013 (July 1 to September 30, 2013)	3Q of FY2013 (October 1 to December 31, 2013)
Operating revenue	76,074	119,164	134,808	111,276	120,817
Commission received	39,472	63,393	69,814	56,340	56,072
Commission to consignees	5,006	10,334	16,254	9,734	11,312
Stocks	4,909	10,158	16,035	9,482	11,087
Bonds	29	52	35	98	53
Commission for underwriting secondary distribution and solicitation for selling and others for professional investors	6,722	9,762	8,867	8,543	10,521
Stocks	1,316	2,602	3,469	3,527	4,311
Bonds	5,406	7,159	5,398	5,016	6,210
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	10,759	21,714	21,294	13,783	13,581
Beneficiary certificates	10,727	21,170	21,124	13,552	13,483
Other fees received	16,983	21,582	23,398	24,278	20,656
Beneficiary certificates	11,165	13,210	14,265	13,415	13,377
Net trading income	24,304	33,617	55,031	52,153	53,915
Net trading income from securities (stocks)	9,019	8,845	16,645	19,340	19,604
Net trading income from bonds	22,491	34,218	42,911	38,808	39,063
Other net trading income	(7,206)	(9,446)	(4,525)	(5,995)	(4,752)
Net gain on private equity and other securities	(2,036)	(2,659)	(2,000)	(572)	1,661
Other net gain on goods trading	51	30	105	3	14
Financial revenue	14,282	24,782	11,856	3,350	9,153
Financial expenses	6,062	12,212	8,662	7,554	8,565
Net operating revenue	70,011	106,951	126,145	103,722	112,251
Selling, general and administrative expenses	58,436	80,896	83,623	72,558	75,681
Trading related expenses	16,559	24,982	25,833	23,041	22,557
Personnel expenses	25,378	36,833	33,525	29,913	33,758
Real estate expenses	4,799	5,363	5,102	5,705	5,443
Office cost	6,335	6,840	6,902	7,708	7,649
Depreciation	3,360	3,949	3,249	3,363	3,385
Taxes and dues	651	617	7,308	849	863
Other	1,351	2,309	1,701	1,975	2,023
Operating income	11,574	26,054	42,521	31,163	36,570
Non-operating income	4,065	12,855	15,032	5,775	7,373
Non-operating expenses	(193)	1,018	487	51	1,054
Ordinary income	15,834	37,891	57,066	36,887	42,888
Extraordinary income	1,273	1,270	8,043	118	387
Extraordinary loss	110	1,930	136	402	444
Income before income taxes and minority interests	16,997	37,230	64,972	36,603	42,831
Income taxes-current	1,982	5,393	6,726	4,815	5,723
Income taxes-deferred	(1,260)	(3,008)	(1,331)	(9,191)	(1,731)
Total income taxes	722	2,384	5,395	(4,376)	3,992
Income before minority interests	16,275	34,846	59,577	40,979	38,839
Minority interests in income	6,192	15,999	20,010	17,377	15,034
Net income	10,082	18,846	39,567	23,602	23,805

<Reference>

Non-consolidated Financial Results of
Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.
for the Third Quarter of the Fiscal Year Ending March 31, 2014

(1) Non-consolidated operating results

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Operating revenue	153,656	247,687	94,031	230,427
Commission received	69,958	125,123	55,165	110,137
Net trading income	68,430	109,540	41,109	97,254
Net operating revenue	145,850	241,301	95,451	220,268
Operating income	23,621	96,985	73,364	47,849
Ordinary income	25,169	98,086	72,917	49,472
Net income	31,158	109,840	78,681	56,098

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Commission to consignees	9,934	35,366	25,432	19,072
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	8,011	12,849	4,837	11,151
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	25,755	39,556	13,800	42,459
Other fees received	26,257	37,351	11,094	37,454
Total	69,958	125,123	55,165	110,137

<Breakdown by product of commission received>

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Stocks	15,662	48,720	33,057	28,087
Bonds	4,767	4,181	(585)	5,971
Beneficiary certificates	36,579	52,485	15,906	57,419
Other	12,949	19,735	6,786	18,658
Total	69,958	125,123	55,165	110,137

<Net trading income>

(Millions of yen)

	First nine months of FY2012 (From April 1, 2012 to December 31, 2012)	First nine months of FY2013 (From April 1, 2013 to December 31, 2013)	Increase (Decrease)	FY2012 (From April 1, 2012 to March 31, 2013)
Stocks	12,818	41,970	29,152	19,555
Bonds	62,951	75,379	12,428	85,539
Other	(7,339)	(7,810)	(470)	(7,840)
Total	68,430	109,540	41,109	97,254

(2) Non-consolidated financial position

(Millions of yen)

	As of December 31, 2012	As of December 31, 2013	Increase (Decrease)	As of March 31, 2013
Total assets	12,477,036	12,897,894	(1,241,720)	14,139,614
Net assets	256,721	367,623	79,099	288,524

Note: The net capital adequacy ratio as of December 31, 2013 is 402%.