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October 28, 2011

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2012 [under Japanese GAAP]

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

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Supplementary material on quarterly financial results: None

Quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts disregarded)

1. Consolidated performance for the second quarter of fiscal year 2011 (from April 1, 2011 to September 30, 2011)

(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 six months of FY2011	152,800	(3.6)	114,079	(10.4)	(7,887)	–	17,743	–
First six months of FY2010	158,502	(17.6)	127,291	(18.0)	(6,944)	–	(2,273)	–

	Net income		Net income per share	Diluted net income per share
	Millions of yen	%	Yen	Yen
First six months of FY2011	16,353	(15.8)	22.81	–
First six months of FY2010	19,430	(13.4)	27.10	27.10

(Note) Comprehensive income First six months of FY2011: 30,989 million yen (– %)
First six months of FY2010: -1,059 million yen (– %)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2011	24,363,668	813,341	2.4
As of March 31, 2011	20,486,251	802,106	2.7

(Reference) Equity As of September 30, 2011: 582,635 million yen As of March 31, 2011: 557,913 million yen

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

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

2. Other

(1) Changes in significant subsidiaries during the current period: 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: Yes
- c. Changes in accounting estimates: Yes
- d. Restatement of prior period financial statements after error corrections: None

(Note) Determination of changes is based on applicability to Article 10-5 of the "Regulations on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements." For details, please refer to "1. Matters regarding summary information (others)—Changes in accounting policies and changes in accounting estimates" on page 1 of the "Attached Material."

(4) Number of issued shares (common stock)

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

As of September 30, 2011	716,985,496 shares
As of March 31, 2011	716,985,496 shares

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

As of September 30, 2011	– shares
As of March 31, 2011	– shares

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

First six months of the fiscal year ending March 31, 2012	716,985,496 shares
First six months of the fiscal year ended March 31, 2011	716,985,496 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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1. Matters regarding summary information (others)

Changes in accounting policies and changes in accounting estimates

(Changes in method of depreciation of property, plant and equipment)

Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd., a subsidiary of the Company, previously applied the declining balance method for its method of depreciation of property, plant and equipment (the straight-line method was applied for buildings acquired on or after April 1, 1998 (with the exception of items listed as buildings and accompanying facilities)). However, effective from the first quarter of this fiscal year, the subsidiary has changed to the straight-line method of depreciation accounted for prospectively.

This change was implemented for the following reason. The subsidiary has undertaken capital investment to reorganize its branch network and transfer the head office functions. As a result of reviewing the actual circumstances of use of property, plant and equipment after the capital investment had run its course, estimates were made as to the average actual use for each period. As a result it was deemed that a more rational cost allocation could be achieved by implementing this change in accounting.

As a result of this change, compared with the previous method, depreciation and amortization and operating loss for the first six months of this fiscal year each declined by 804 million yen; ordinary income and income before income taxes and minority interests increased by 804 million yen and 788 million yen, respectively.

2. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2011	As of September 30, 2011
ASSETS		
Current assets		
Cash and deposits	618,340	447,156
Cash segregated as deposits	79,899	95,640
Trading products	10,196,705	12,661,737
Trading securities and other	3,927,867	5,676,806
Derivatives	6,268,837	6,984,930
Trade date accrual	23,400	–
Private equity and other securities	65,901	58,794
Margin transaction assets	53,577	52,069
Loans secured by securities	7,835,342	9,308,918
Short-term guarantee deposits	500,844	621,490
Short-term investment securities	182,384	183,823
Income taxes receivable	1,282	8,055
Other current assets	60,382	64,747
Allowance for doubtful accounts	(449)	(118)
Total current assets	19,617,609	23,502,315
Noncurrent assets		
Property, plant and equipment	23,843	28,662
Intangible assets	39,805	29,958
Investments and other assets	804,992	802,731
Total noncurrent assets	868,641	861,353
Total assets	20,486,251	24,363,668

(Millions of yen)

	As of March 31, 2011	As of September 30, 2011
LIABILITIES		
Current liabilities		
Trading products	8,908,654	10,991,352
Trading securities and other	2,847,019	4,168,476
Derivatives	6,061,635	6,822,876
Trade date accrual	–	90,480
Margin transaction liabilities	11,220	3,824
Loans payable secured by securities	6,782,909	8,560,256
Short-term loans payable	1,369,308	1,310,031
Current portion of long-term loans payable	32,300	67,598
Commercial papers	438,800	470,200
Current portion of bonds	131,106	64,135
Income taxes payable	4,716	3,869
Asset retirement obligations	895	2,031
Other current liabilities	930,455	912,673
Total current liabilities	18,610,367	22,476,453
Noncurrent liabilities		
Bonds payable	638,231	679,728
Long-term loans payable	409,799	370,076
Provision for retirement benefits	10,718	11,227
Provision for directors' retirement benefits	487	445
Asset retirement obligations	4,209	3,432
Other noncurrent liabilities	8,959	7,975
Total noncurrent liabilities	1,072,405	1,072,886
Reserves under the special laws		
Reserve for financial products transaction liabilities	1,371	987
Total reserves under the special laws	1,371	987
Total liabilities	19,684,144	23,550,326
NET ASSETS		
Shareholders' equity		
Capital stock	65,518	65,518
Capital surplus	416,948	416,948
Retained earnings	126,812	143,165
Total shareholders' equity	609,280	625,633
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(7,682)	(5,474)
Deferred gains or losses on hedges	6	36
Foreign currency translation adjustment	(43,690)	(37,559)
Total accumulated other comprehensive income	(51,366)	(42,998)
Subscription rights to shares	4	4
Minority interests	244,188	230,701
Total net assets	802,106	813,341
Total liabilities and net assets	20,486,251	24,363,668

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

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)
Operating revenue		
Commission received	80,416	73,089
Net trading income	44,479	36,511
Net gain on private equity and other securities	831	(1,422)
Other net gain on goods trading	3	6
Financial revenue	32,771	44,616
Total operating revenue	158,502	152,800
Financial expenses	31,211	38,721
Net operating revenue	127,291	114,079
Selling, general and administrative expenses	134,235	121,966
Operating loss	(6,944)	(7,887)
Non-operating income		
Equity in earnings of affiliates	1,009	19,745
Other	5,063	7,863
Total non-operating income	6,072	27,608
Non-operating expenses		
Foreign exchange losses	485	1,067
Other	915	910
Total non-operating expenses	1,401	1,978
Ordinary income (loss)	(2,273)	17,743
Extraordinary income		
Gain on sales of investment securities	56	4,134
Gain on sales of subsidiaries and affiliates' stocks	–	12,318
Gain on sales of noncurrent assets	–	17
Reversal of reserve for financial products transaction liabilities	489	384
Reversal of allowance for doubtful accounts	56	–
Gain on change in equity	27,913	–
Total extraordinary income	28,515	16,853

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)
Extraordinary loss		
Loss on sales of investment securities	279	335
Loss on sales of stocks of subsidiaries and affiliates	–	75
Loss on valuation of investment securities	130	7,955
Loss on sales of noncurrent assets	2	107
Impairment loss	1,594	177
Integration-related expenses	193	–
Head office transfer cost	–	1,396
Loss on adjustment for changes of accounting standard for asset retirement obligations	2,473	–
Total extraordinary losses	4,673	10,048
Income before income taxes and minority interests	21,568	24,548
Income taxes-current	4,073	3,795
Income taxes-deferred	206	(2,223)
Total income taxes	4,279	1,571
Income before minority interests	17,288	22,976
Minority interests in income (loss)	(2,141)	6,622
Net income	19,430	16,353

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)
Income before minority interests	17,288	22,976
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,052)	1,809
Deferred gains or losses on hedges	(23)	29
Foreign currency translation adjustment	(12,650)	3,580
Share of other comprehensive income of associates accounted for using equity method	(621)	2,593
Total other comprehensive income	(18,348)	8,013
Comprehensive income	(1,059)	30,989
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	2,057	24,721
Comprehensive income attributable to minority interests	(3,116)	6,268

(3) Notes on premise of going concern

None

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

None

<Reference>

Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2012

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Commission to consignees	10,747	9,227	(1,519)	22,226
Stocks	10,511	9,011	(1,500)	21,699
Bonds	107	98	(9)	281
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	9,596	6,640	(2,955)	20,048
Stocks	3,095	1,156	(1,938)	6,878
Bonds	6,501	5,484	(1,016)	13,169
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	16,164	17,952	1,788	31,415
Beneficiary certificates	16,104	17,847	1,742	31,306
Other fees received	43,909	39,268	(4,640)	87,804
Beneficiary certificates	35,056	29,569	(5,486)	66,679
Total	80,416	73,089	(7,327)	161,494

(2) Breakdown by product

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Stocks	14,751	10,855	(3,896)	31,725
Bonds	7,174	6,120	(1,054)	15,180
Beneficiary certificates	51,288	47,532	(3,756)	98,230
Other	7,202	8,581	1,379	16,356
Total	80,416	73,089	(7,327)	161,494

2. Net trading income

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Securities	(632)	(9,049)	(8,416)	(6,953)
Bonds	79,104	74,347	(4,757)	(46,027)
Other	(33,992)	(28,786)	5,205	25,784
Total	44,479	36,511	(7,968)	(27,195)

<Reference>

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	2Q of FY2010 (July 1 to September 30, 2010)	3Q of FY2010 (October 1 to December 31, 2010)	4Q of FY2010 (January 1 to March 31, 2011)	1Q of FY2011 (April 1 to June 30, 2011)	2Q of FY2011 (July 1 to September 30, 2011)
Operating revenue	74,661	80,976	(37,216)	79,590	73,209
Commission received	42,628	41,576	39,500	36,564	36,524
Commission to consignees	5,337	4,933	6,545	4,897	4,330
Stocks	5,222	4,777	6,409	4,810	4,201
Bonds	57	107	65	42	55
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	6,605	5,553	4,898	3,180	3,460
Stocks	1,984	1,760	2,022	373	783
Bonds	4,621	3,793	2,875	2,807	2,677
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	8,159	7,912	7,339	9,367	8,584
Beneficiary certificates	8,133	7,887	7,314	9,313	8,534
Other fees received	22,526	23,177	20,717	19,119	20,149
Beneficiary certificates	17,219	16,395	15,226	15,284	14,285
Net trading income	14,791	21,789	(93,463)	22,599	13,911
Net trading income from securities	2,166	(1,645)	(4,675)	(1,610)	(7,438)
Net trading income from bonds	36,047	1,847	(126,978)	40,651	33,695
Other net trading income	(23,422)	21,587	38,189	(16,441)	(12,344)
Net gain on private equity and other securities	7	52	(697)	290	(1,713)
Other net gain on goods trading	11	(0)	1	12	(6)
Financial revenue	17,221	17,557	17,442	20,122	24,493
Financial expenses	13,772	18,040	13,143	19,377	19,343
Net operating revenue	60,888	62,936	(50,360)	60,213	53,866
Selling, general and administrative expenses	68,474	63,958	56,700	63,507	58,459
Trading related expenses	20,185	18,026	16,686	17,382	15,583
Personal expenses	27,187	25,964	19,582	24,258	24,181
Real estate expenses	6,744	6,464	6,634	6,721	6,657
Office cost	6,801	5,689	6,166	5,392	6,611
Depreciation	5,651	5,327	5,312	5,283	3,458
Taxes and dues	614	829	480	2,428	871
Other	1,290	1,655	1,838	2,039	1,095
Operating loss	(7,585)	(1,022)	(107,061)	(3,294)	(4,593)
Non-operating income	(11)	3,093	12,948	18,388	9,219
Non-operating expenses	1,151	527	1,017	688	1,289
Ordinary income (loss)	(8,748)	1,544	(95,130)	14,406	3,336
Extraordinary income	3,897	538	554	12,803	4,050
Extraordinary loss	1,901	624	7,900	6,172	3,875
Income (loss) before income taxes and minority interests	(6,752)	1,457	(102,476)	21,036	3,511
Income taxes-current	2,420	1,542	2,129	2,083	1,712
Income taxes-deferred	(2,493)	3,595	9,583	(1,032)	(1,190)
Income taxes	(72)	5,137	11,712	1,050	521
Income (loss) before minority interests	(6,680)	(3,680)	(114,189)	19,986	2,989
Minority interests in income (loss)	(3,311)	(2,645)	(45,353)	3,128	3,494
Net income (loss)	(3,368)	(1,034)	(68,835)	16,858	(504)

<Reference>

Non-consolidated Financial Results of
Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.
for the Second Quarter of the Fiscal Year Ending March 31, 2012

(1) Non-consolidated operating results

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Operating revenue	96,803	87,055	(9,748)	75,752
Commission received	45,513	44,676	(836)	97,394
Net trading income	38,654	31,284	(7,370)	(48,643)
Net operating revenue	89,811	81,454	(8,357)	61,443
Operating loss	(7,740)	(5,202)	2,537	(128,567)
Ordinary loss	(6,271)	(4,387)	1,884	(126,709)
Net loss	(9,140)	(3,158)	5,982	(144,940)

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Commission to consignees	9,682	7,628	(2,054)	21,253
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	3,323	3,001	(321)	8,901
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	16,164	17,952	1,788	31,415
Other fees received	16,344	16,094	(249)	35,823
Total	45,513	44,676	(836)	97,394

<Breakdown by product of commission received>

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Stocks	12,002	8,828	(3,173)	29,058
Bonds	2,493	2,823	329	5,507
Beneficiary certificates	24,787	25,978	1,191	48,502
Other	6,230	7,046	816	14,326
Total	45,513	44,676	(836)	97,394

<Net trading income>

(Millions of yen)

	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	First six months of FY2011 (From April 1, 2011 to September 30, 2011)	Increase (Decrease)	FY2010 (From April 1, 2010 to March 31, 2011)
Securities	(3,470)	(2,065)	1,404	888
Bonds	70,306	57,735	(12,570)	(26,636)
Other	(28,180)	(24,385)	3,795	(22,894)
Total	38,654	31,284	(7,370)	(48,643)

(2) Non-consolidated financial position

(Millions of yen)

	As of September 30, 2010	As of September 30, 2011	Increase (Decrease)	As of March 31, 2011
Total assets	15,348,949	14,796,863	3,127,401	11,669,461
Net assets	303,759	195,101	26,310	168,791

Note: The net capital adequacy ratio as of September 30, 2011 is 277.8%.