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October 27, 2010

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2011 [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 2010 (from April 1, 2010 to September 30, 2010)

(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 FY2010	158,502	(17.6)	127,291	(18.0)	(6,944)	–	(2,273)	–
First six months of FY2009	192,322	(33.3)	155,297	7.8	25,880	405.5	31,960	–

	Net income		Net income per share	Diluted net income per share
	Millions of yen	%	Yen	Yen
First six months of FY2010	19,430	(13.4)	27.10	27.10
First six months of FY2009	22,448	–	31.31	31.31

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2010	24,730,764	935,702	2.6	882.43
As of March 31, 2010	20,134,713	701,654	3.2	889.78

Reference: Equity As of September 30, 2010: 632,691 million yen As of March 31, 2010: 637,962 million yen

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

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

2. Matters on preparing the quarterly consolidated financial statements and others
(For details, please refer to “Matters on preparing the quarterly consolidated financial statements and others” on page 1 of the “Attached Material.”)

(1) Changes in significant subsidiaries during the current quarter: None

Note: Changes in specified subsidiaries resulting in the change in scope of consolidation during the current quarter

(2) Application of simplified accounting and particular accounting: None

Note: Application of simplified accounting and particular accounting for preparing the quarterly consolidated financial statements

(3) Changes in accounting policies, procedures, and methods of presentation

- a. Changes due to revisions to accounting standards: Yes
- b. Changes due to other reasons: 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 September 30, 2010	716,985,496 shares
As of March 31, 2010	716,985,496 shares

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

As of September 30, 2010	– shares
As of March 31, 2010	– 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, 2011:	716,985,496 shares
First six months of the fiscal year ended March 31, 2010:	716,985,496 shares

<* Indication regarding execution of quarterly review procedures>

This quarterly financial results report is not subject to the quarterly review procedures in accordance with the Financial Instruments and Exchange Act.

<* Other special matters>

None

Attached Material

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1. Matters on preparing the quarterly consolidated financial statements and others

(1) Summary of changes in significant subsidiaries during the current quarter

None

(2) Summary of simplified accounting and particular accounting

None

(3) Summary of changes in accounting policies, procedures, and methods of presentation

- a. Effective from the first quarter of this fiscal year, the Company adopted “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008), “Partial amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23, December 26, 2008), “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, December 26, 2008), “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16, Released on December 26, 2008) and “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008).
- b. Effective from the first quarter of this fiscal year, the Company adopted “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008).

As a result, Operating loss and Ordinary loss increased respectively by 337 million yen and Income before income taxes and minority interests decreased by 2,811 million yen. The change in Asset retirement obligations due to the adoption of this accounting standard, etc. was 3,892 million yen.

2. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
ASSETS		
Current assets		
Cash and deposits	159,222	168,469
Cash segregated as deposits	92,478	91,588
Trading products	14,593,215	11,395,146
Trading securities and other	7,447,636	6,538,721
Derivatives	7,145,578	4,856,424
Trade date accrual	–	109,281
Private equity and other securities	65,501	67,650
Margin transaction assets	63,476	59,020
Loans secured by securities	8,072,801	6,765,283
Short-term guarantee deposits	496,248	435,248
Short-term investment securities	272,711	327,962
Income taxes receivable	1,473	1,482
Other current assets	87,524	130,229
Allowance for doubtful accounts	(883)	(967)
Total current assets	23,903,770	19,550,395
Noncurrent assets		
Property, plant and equipment	24,125	23,441
Intangible assets	41,388	45,508
Investments and other assets	761,479	515,368
Total noncurrent assets	826,993	584,318
Total assets	24,730,764	20,134,713

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
LIABILITIES		
Current liabilities		
Trading products	9,826,259	7,540,898
Trading securities and other	2,955,627	2,932,436
Derivatives	6,870,631	4,608,461
Trade date accrual	447,844	–
Margin transaction liabilities	11,426	23,908
Loans payable secured by securities	9,446,614	8,307,900
Short-term loans payable	1,702,150	1,367,784
Current portion of long-term loans payable	48,821	108,058
Commercial papers	460,400	374,700
Current portion of bonds	130,493	85,130
Income taxes payable	5,106	5,901
Asset retirement obligations	443	–
Other current liabilities	692,244	651,219
Total current liabilities	22,771,805	18,465,501
Noncurrent liabilities		
Bonds payable	643,909	681,530
Long-term loans payable	357,485	266,947
Provision for retirement benefits	11,772	10,773
Provision for directors' retirement benefits	396	415
Asset retirement obligations	3,747	–
Other noncurrent liabilities	4,573	6,029
Total noncurrent liabilities	1,021,885	965,696
Reserves under the special laws		
Reserve for financial products transaction liabilities	1,371	1,861
Total reserves under the special laws	1,371	1,861
Total liabilities	23,795,062	19,433,059
NET ASSETS		
Shareholders' equity		
Capital stock	65,518	65,518
Capital surplus	416,948	416,948
Retained earnings	196,682	184,580
Total shareholders' equity	679,150	667,047
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(9,717)	(5,382)
Deferred gains or losses on hedges	1	24
Foreign currency translation adjustment	(36,743)	(23,726)
Total valuation and translation adjustments	(46,458)	(29,085)
Subscription rights to shares	4	0
Minority interests	303,005	63,691
Total net assets	935,702	701,654
Total liabilities and net assets	24,730,764	20,134,713

(2) Consolidated statements of of income (cumulative)

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)
Operating revenue		
Commission received	91,082	80,416
Net trading income	66,554	44,479
Net gain on private equity and other securities	(833)	831
Other net gain on goods trading	(10)	3
Financial revenue	35,528	32,771
Total operating revenue	192,322	158,502
Financial expenses	37,024	31,211
Net operating revenue	155,297	127,291
Selling, general and administrative expenses	129,417	134,235
Operating income (loss)	25,880	(6,944)
Non-operating income		
Interest income	4,480	1,751
Equity in earnings of affiliates	–	1,009
Gain on valuation of investment securities	2,865	1,212
Other	734	2,099
Total non-operating income	8,081	6,072
Non-operating expenses		
Interest expenses	–	336
Equity in losses of affiliates	264	–
Foreign exchange losses	725	417
Loss on retirement of noncurrent assets	–	485
Other	1,011	161
Total non-operating expenses	2,001	1,401
Ordinary income (loss)	31,960	(2,273)
Extraordinary income		
Gain on sales of investment securities	988	56
Gain on sales of noncurrent assets	0	–
Reversal of reserve for financial products transaction liabilities	3	489
Reversal of allowance for doubtful accounts	–	56
Gain on change in equity	–	27,913
Total extraordinary income	991	28,515

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)
Extraordinary loss		
Loss on sales of investment securities	8	279
Loss on valuation of investment securities	412	130
Loss on sales of noncurrent assets	–	2
Impairment loss	138	1,594
Compensation for damage, etc.	726	–
Loss related to M&A	469	–
Integration-related expenses	176	193
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	2,473
Total extraordinary loss	1,932	4,673
Income before income taxes and minority interests	31,019	21,568
Income taxes-current	7,424	4,073
Income taxes-deferred	(2,584)	206
Income taxes	4,839	4,279
Income before minority interests	–	17,288
Minority interests in income (loss)	3,731	(2,141)
Net income	22,448	19,430

(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, 2011

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Commission to consignees	14,440	10,747	(3,693)	25,227
Stocks	14,216	10,511	(3,704)	24,843
Bonds	164	107	(56)	253
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	17,026	9,596	(7,430)	39,373
Stocks	6,772	3,095	(3,677)	24,358
Bonds	10,254	6,501	(3,752)	15,014
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	13,293	16,164	2,870	26,663
Beneficiary certificates	13,159	16,104	2,945	26,468
Other fees received	46,322	43,909	(2,413)	94,404
Beneficiary certificates	38,405	35,056	(3,348)	75,902
Total	91,082	80,416	(10,666)	185,669

(2) Breakdown by product

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Stocks	21,100	14,751	(6,349)	49,935
Bonds	10,950	7,174	(3,776)	16,415
Beneficiary certificates	51,623	51,288	(334)	102,501
Other	7,408	7,202	(206)	16,816
Total	91,082	80,416	(10,666)	185,669

2. Net trading income

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Securities	7,700	(632)	(8,333)	10,653
Bonds	58,378	79,104	20,726	102,340
Other	476	(33,992)	(34,468)	(12,575)
Total	66,554	44,479	(22,075)	100,418

<Reference>

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	2Q of FY2009 (July 1 to September 30, 2009)	3Q of FY2009 (October 1 to December 31, 2009)	4Q of FY2009 (January 1 to March 31, 2010)	1Q of FY2010 (April 1 to June 30, 2010)	2Q of FY2010 (July 1 to September 30, 2010)
Operating revenue	89,512	73,663	77,838	83,840	74,661
Commission received	50,193	48,112	46,474	37,787	42,628
Commission to consignees	6,712	5,178	5,608	5,409	5,337
Stocks	6,568	5,064	5,562	5,288	5,222
Bonds	119	77	11	50	57
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	12,957	13,977	8,369	2,990	6,605
Stocks	6,459	11,570	6,016	1,110	1,984
Bonds	6,498	2,407	2,353	1,880	4,621
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	7,236	6,418	6,951	8,004	8,159
Beneficiary certificates	7,181	6,376	6,932	7,971	8,133
Other fees received	23,286	22,537	25,544	21,382	22,526
Beneficiary certificates	19,453	19,293	18,204	17,837	17,219
Net trading income	22,485	7,350	26,513	29,687	14,791
Net trading income from securities	13,869	(383)	3,336	(2,799)	2,166
Net trading income from bonds	43,292	17,779	26,182	43,056	36,047
Other net trading income	(34,676)	(10,045)	(3,006)	(10,569)	(23,422)
Net gain on private equity and other securities	(1,026)	252	(2,068)	823	7
Other net gain on goods trading	(13)	1	(0)	(8)	11
Financial revenue	17,873	17,947	6,920	15,550	17,221
Financial expenses	14,040	9,864	9,782	17,438	13,772
Net operating revenue	75,472	63,799	68,055	66,402	60,888
Selling, general and administrative expenses	67,150	61,988	71,698	65,760	68,474
Trading related expenses	19,622	17,617	19,803	19,149	20,185
Personal expenses	26,666	26,114	30,825	26,858	27,187
Real estate expenses	6,904	6,052	6,627	6,239	6,744
Office cost	6,037	4,967	6,098	5,653	6,801
Depreciation	5,536	5,391	5,763	5,361	5,651
Taxes and dues	527	457	680	813	614
Other	1,855	1,386	1,899	1,685	1,290
Operating income (loss)	8,321	1,810	(3,642)	641	(7,585)
Non-operating income	4,930	6,362	4,715	6,084	(11)
Non-operating expenses	1,029	(93)	279	250	1,151
Ordinary income (loss)	12,221	8,267	794	6,475	(8,748)
Extraordinary income	985	49	474	24,618	3,897
Extraordinary loss	832	370	1,137	2,772	1,901
Income (loss) before income taxes and minority interests	12,375	7,946	130	28,321	(6,752)
Income taxes-current	4,000	2,610	2,803	1,652	2,420
Income taxes-deferred	(2,439)	602	(7,901)	2,699	(2,493)
Income taxes	1,561	3,213	(5,098)	4,352	(72)
Income (loss) before minority interests	10,813	4,733	5,229	23,968	(6,680)
Minority interests in income (loss)	1,628	2,042	1,619	1,169	(3,311)
Net income (loss)	9,184	2,690	3,609	22,799	(3,368)

<Reference>

Non-consolidated Financial Results of
Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.
for the Second Quarter of the Fiscal Year Ending March 31, 2011

(1) Non-consolidated operating results

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Operating revenue	112,363	96,803	(15,559)	218,163
Commission received	49,633	45,513	(4,119)	109,342
Net trading income	47,629	38,654	(8,974)	78,918
Net operating revenue	104,327	89,811	(14,515)	202,965
Operating income (loss)	7,346	(7,740)	(15,086)	9,327
Ordinary income (loss)	8,580	(6,271)	(14,852)	11,094
Net income (loss)	9,672	(9,140)	(18,812)	11,008

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Commission to consignees	14,038	9,682	(4,355)	25,441
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	8,175	3,323	(4,852)	25,042
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	13,293	16,164	2,870	26,663
Other fees received	14,126	16,344	2,218	32,195
Total	49,633	45,513	(4,119)	109,342

<Breakdown by product of commission received>

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Stocks	19,194	12,002	(7,192)	46,980
Bonds	3,738	2,493	(1,244)	6,370
Beneficiary certificates	21,073	24,787	3,713	42,515
Other	5,626	6,230	604	13,475
Total	49,633	45,513	(4,119)	109,342

<Net trading income>

(Millions of yen)

	First six months of FY2009 (From April 1, 2009 to September 30, 2009)	First six months of FY2010 (From April 1, 2010 to September 30, 2010)	Increase (Decrease)	FY2009 (From April 1, 2009 to March 31, 2010)
Securities	4,664	(3,470)	(8,134)	11,267
Bonds	48,907	70,306	21,398	82,149
Other	(5,942)	(28,180)	(22,238)	(14,497)
Total	47,629	38,654	(8,974)	78,918

(2) Non-consolidated financial position

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)	As of September 30, 2009
Total assets	15,348,949	12,752,634	2,596,315	12,063,276
Net assets	303,759	626,646	(322,887)	632,724
Net capital regulation ratio (%)	358.6	342.9	15.7	330.9

Note 1: The performance results stated for the first six months of FY2009, as of September 30, 2009, FY2009 and as of March 31, 2010 are the performance results of Mitsubishi UFJ Securities Co., Ltd. (current Mitsubishi UFJ Securities Holdings Co., Ltd.)

Note 2: On April 1, 2010, the domestic business operations of the current Mitsubishi UFJ Securities Holdings Co., Ltd. were transferred to Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. by a way of a company split. Furthermore, on May 1, 2010, the investment banking division of Morgan Stanley Japan Securities Co., Ltd. was integrated.