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April 27, 2010

Consolidated Financial Results for the Fiscal Year Ended March 31, 2010

Company name: **Mitsubishi UFJ Securities Holdings Co., Ltd.**
(Previous trade name: Mitsubishi UFJ Securities Co., Ltd.)
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 Scheduled date of General Shareholders' Meeting June 28, 2010
 Scheduled date to file Securities Report June 28, 2010

(Millions of yen with fractional amounts disregarded)

1. Consolidated performance for the fiscal year 2009 (from April 1, 2009 to March 31, 2010)

(1) Consolidated operating results

(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	%
FY2009	343,824	(26.2)	287,153	24.9	24,049	–	41,022	–
FY2008	465,850	(12.8)	229,972	(5.6)	(28,547)	–	(22,788)	–

	Net income		Net income per share	Diluted net income per share	Net income /equity
	Millions of yen	%	Yen	Yen	%
FY2009	28,748	–	40.10	40.09	4.7
FY2008	(45,417)	–	(63.34)	–	(6.9)

Reference: Equity in earnings (losses) of affiliates As of March 31, 2010: 228 million yen
 As of March 31, 2009: (4,697) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2010	20,134,713	701,654	3.2	889.78
As of March 31, 2009	19,030,280	657,438	3.1	833.60

Reference: Equity As of March 31, 2010: 637,962 million yen As of March 31, 2009: 597,679 million yen

Note: "Equity ratio" is computed under the formula shown below:
 (Total net assets – Subscription rights to shares – Minority interests) / Total assets

(3) Consolidated cash flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
As of March 31, 2010	(605,490)	(26,401)	650,194	132,196
As of March 31, 2009	346,907	(68,203)	(292,513)	109,213

2. Other

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, procedures, and methods of presentation for preparing the consolidated financial statements (changes described in the section indicating changes in significant matters forming the basis of preparing the consolidated financial statements)
 - a. Changes due to revisions to accounting standards: Yes
 - b. Changes due to other reasons: None

Note: For more details, please refer to the section of “Key items forming the basis of preparation of consolidated financial statements” on page 14.

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

As of March 31, 2010:	716,985,496 shares
As of March 31, 2009:	716,985,496 shares
 - b. Number of shares of treasury stock at the end of the period

As of March 31, 2010:	– shares
As of March 31, 2009:	– shares

Note: With regard to the number of shares as the basis of calculation for basic net income or loss per share (Consolidated basis), please refer to the section of “Per Share Information” on page 21.

(Reference) Overview of Non-consolidated performance**1. Non-consolidated performance for the fiscal year 2009
(from April 1, 2009 to March 31, 2010)****(1) Non-consolidated operating results**

(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	%
FY2009	218,163	14.5	202,965	36.1	9,327	–	11,094	–
FY2008	190,503	(25.3)	149,087	(29.9)	(42,354)	–	(40,581)	–

	Net income		Net income per share	Diluted net income per share
	Millions of yen	%	Yen	Yen
FY2009	11,008	–	15.35	–
FY2008	(57,385)	–	(80.04)	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share	Net capital regulation ratio
	Millions of yen	Millions of yen	%	Yen	%
As of March 31, 2010	12,752,634	626,646	4.9	874.00	342.9
As of March 31, 2009	12,952,628	628,084	4.8	876.01	353.7

Reference: Equity As of March 31, 2010: 626,646 million yen As of March 31, 2009: 628,084 million yen

[Consolidated Balance Sheets]

(Millions of yen)

	As of March 31, 2009	As of March 31, 2010
ASSETS		
Current assets		
Cash and deposits	154,772	168,469
Cash segregated as deposits	77,545	91,588
Trading products	1,0851,001	11,395,146
Trading securities and other	5,003,515	6,538,721
Derivatives	5,847,486	4,856,424
Trade date accrual	350,229	109,281
Private equity and other securities	71,432	67,650
Operating loans	1,640	1,448
Margin transaction assets	43,264	59,020
Loans on margin transactions	34,371	45,958
Cash collateral pledged for securities borrowing on margin transactions	8,893	13,062
Loans secured by securities	5,957,071	6,765,283
Cash collateral pledged for securities borrowed	2,798,359	3,180,267
Loans on Gensaki transactions	3,158,712	3,585,015
Advances paid	1,991	4,962
Short-term guarantee deposits	483,408	435,248
Short-term loans receivable	1,469	111
Stocks of parent company	293	302
Short-term investment securities	89,827	327,962
Income taxes receivable	1,722	1,482
Deferred tax assets	11,049	19,473
Other current assets	144,602	103,931
Allowance for doubtful accounts	(138)	(967)
Total current assets	18,241,186	19,550,395
Noncurrent assets		
Property, plant and equipment	28,280	23,441
Buildings	11,719	10,391
Equipment	9,428	7,626
Land	6,995	5,357
Construction in progress	133	60
Lease assets	3	5
Intangible assets	50,128	45,508
Software	48,574	44,165
Other	1,554	1,343
Investments and other assets	710,685	515,368
Investment securities	687,310	489,398
Long-term loans receivable	3,474	3,395
Long-term guarantee deposits	17,733	—
Deferred tax assets	813	5,546
Other	5,460	20,989
Allowance for doubtful accounts	(4,106)	(3,962)
Total noncurrent assets	789,094	584,318
Total assets	19,030,280	20,134,713

(Millions of yen)

	As of March 31, 2009	As of March 31, 2010
LIABILITIES		
Current liabilities		
Trading products	7,881,704	7,540,898
Trading securities and other	2,213,678	2,932,436
Derivatives	5,668,025	4,608,461
Margin transaction liabilities	24,409	23,908
Borrowings on margin transactions	17,487	18,254
Cash received for securities lending on margin transactions	6,922	5,653
Loans payable secured by securities	7,443,137	8,307,900
Cash received on debt credit transaction of securities	3,237,182	3,038,736
Borrowings on Gensaki transactions	4,205,954	5,269,163
Deposits received	76,310	132,382
Guarantee deposits received	524,360	438,558
Short-term loans payable	996,304	1,367,784
Current portion of long-term loans payable	58,653	108,058
Commercial papers	146,500	374,700
Current portion of bonds	53,453	85,130
Income taxes payable	6,931	5,901
Provision for bonuses	9,194	20,630
Other current liabilities	139,941	59,648
Total current liabilities	17,360,901	18,465,501
Noncurrent liabilities		
Bonds payable	650,370	681,530
Long-term loans payable	346,185	266,947
Deferred tax liabilities	2,055	4,363
Provision for retirement benefits	9,168	10,773
Provision for directors' retirement benefits	411	415
Other noncurrent liabilities	1,883	1,665
Total noncurrent liabilities	1,010,076	965,696
Reserves under the special laws		
Reserve for financial products transaction liabilities	1,864	1,861
Total reserves under the special laws	1,864	1,861
Total liabilities	18,372,842	19,433,059

(Millions of yen)

	As of March 31, 2009	As of March 31, 2010
NET ASSETS		
Shareholders' equity		
Capital stock	65,518	65,518
Capital surplus	416,948	416,948
Retained earnings	170,580	184,580
Total shareholders' equity	653,047	667,047
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(19,687)	(5,382)
Deferred gains or losses on hedges	–	24
Foreign currency translation adjustment	(35,680)	(23,726)
Total valuation and translation adjustments	(55,368)	(29,085)
Subscription rights to shares	0	0
Minority interests	59,758	63,691
Total net assets	657,438	701,654
Total liabilities and net assets	19,030,280	20,134,713

[Consolidated Statements of Income]

(Millions of yen)

	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Operating revenue		
Commission received	168,124	185,669
Net trading income	81,718	100,418
Net gain on private equity and other securities	402	(2,649)
Other net gain on goods trading	4	(9)
Financial revenue	215,600	60,396
Total operating revenue	465,850	343,824
Financial expenses	235,878	56,671
Net operating revenue	229,972	287,153
Selling, general and administrative expenses		
Trading related expenses	86,392	74,852
Personal expenses	90,538	110,023
Real estate expenses	26,008	25,728
Office cost	24,206	21,729
Depreciation	20,035	21,859
Taxes and dues	2,485	2,485
Provision of allowance for doubtful accounts	2,288	999
Other	6,565	5,425
Total selling, general and administrative expenses	258,520	263,103
Operating income (loss)	(28,547)	24,049
Non-operating income		
Interest income	14,704	8,379
Equity in earnings of affiliates	–	228
Gain on valuation of investment securities	–	8,053
Other	3,136	2,498
Total non-operating income	17,841	19,160
Non-operating expenses		
Interest expenses	–	713
Loss on valuation of investment securities	2,053	–
Equity in losses of affiliates	4,697	–
Loss on retirement of noncurrent assets	–	443
Foreign exchange losses	–	256
Other	5,330	773
Total non-operating expenses	12,081	2,187
Ordinary income (loss)	(22,788)	41,022

(Millions of yen)

	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Extraordinary income		
Gain on sales of investment securities	70	1,511
Gain on sales of noncurrent assets	7,446	0
Reversal of reserve for financial products transaction liabilities	874	3
Total extraordinary income	8,391	1,515
Extraordinary loss		
Loss on sales of investment securities	24	9
Loss on valuation of investment securities	12,056	660
Loss on sales of noncurrent assets	23	71
Impairment loss	4,695	1,082
Compensation for damage, etc.	–	726
Loss related to M&A	–	469
Integration-related expenses	–	289
Loss on liquidation of subsidiaries	–	129
Total extraordinary loss	16,799	3,440
Income (loss) before income taxes and minority interests	(31,196)	39,097
Income taxes-current	12,769	12,838
Income taxes-deferred	(6,580)	(9,883)
Income taxes	6,189	2,954
Minority interests in income	8,032	7,394
Net income (loss)	(45,417)	28,748

[Consolidated Statements of Changes in Net Assets]

	(Millions of yen)	
	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Shareholders' equity		
Capital stock		
Balance at end of previous period	65,518	65,518
Changes of items during the period		
Total changes of items during the period	—	—
Balance at end of current period	65,518	65,518
Capital surplus		
Balance at end of previous period	416,948	416,948
Changes of items during the period		
Total changes of items during the period	—	—
Balance at end of current period	416,948	416,948
Retained earnings		
Balance at end of previous period	219,721	170,580
Effect of changes in accounting policies applied to foreign subsidiaries	240	—
Changes of items during the period		
Dividends from surplus	(4,137)	(14,748)
Net income (loss)	(45,417)	28,748
Change of scope of consolidation	172	—
Total changes of items during the period	(49,381)	13,999
Balance at end of current period	170,580	184,580
Total shareholders' equity		
Balance at end of previous period	702,188	653,047
Effect of changes in accounting policies applied to foreign subsidiaries	240	—
Changes of items during the period		
Dividends from surplus	(4,137)	(14,748)
Net income (loss)	(45,417)	28,748
Change of scope of consolidation	172	—
Total changes of items during the period	(49,381)	13,999
Balance at end of current period	653,047	667,047

(Millions of yen)

	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at end of previous period	1,533	(19,687)
Changes of items during the period		
Net changes of items other than shareholders' equity	(21,221)	14,304
Total changes of items during the period	(21,221)	14,304
Balance at end of current period	(19,687)	(5,382)
Deferred gains or losses on hedges		
Balance at end of previous period	—	—
Changes of items during the period		
Net changes of items other than shareholders' equity	—	24
Total changes of items during the period	—	24
Balance at end of current period	—	24
Foreign currency translation adjustment		
Balance at end of previous period	10,712	(35,680)
Changes of items during the period		
Net changes of items other than shareholders' equity	(46,392)	11,953
Total changes of items during the period	(46,392)	11,953
Balance at end of current period	(35,680)	(23,726)
Total valuation and translation adjustments		
Balance at end of previous period	12,246	(55,368)
Changes of items during the period		
Net changes of items other than shareholders' equity	(67,614)	26,282
Total changes of items during the period	(67,614)	26,282
Balance at end of current period	(55,368)	(29,085)
Subscription rights to shares		
Balance at end of previous period	100	0
Changes of items during the period		
Net changes of items other than shareholders' equity	(100)	—
Total changes of items during the period	(100)	—
Balance at end of current period	0	0

(Millions of yen)

	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Minority interests		
Balance at end of previous period	57,046	59,758
Changes of items during the period		
Net changes of items other than shareholders' equity	2,711	3,933
Total changes of items during the period	2,711	3,933
Balance at end of current period	59,758	63,691
Total net assets		
Balance at end of previous period	771,582	657,438
Effect of changes in accounting policies applied to foreign subsidiaries	240	—
Changes of items during the period		
Dividends from surplus	(4,137)	(14,748)
Net income (loss)	(45,417)	28,748
Change of scope of consolidation	172	—
Net changes of items other than shareholders' equity	(65,003)	30,216
Total changes of items during the period	(114,384)	44,216
Balance at end of current period	657,438	701,654

[Consolidated Statements of Cash Flows]

	(Millions of yen)	
	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Cash flows from operating activities		
Income (loss) before income taxes and minority interests	(31,196)	39,097
Depreciation and amortization	20,035	21,859
Amortization of goodwill	(86)	(233)
Increase (decrease) in provision for retirement benefits	(2,146)	1,605
Increase (decrease) in provision for directors' retirement benefits	(288)	4
Increase (decrease) in allowance for doubtful accounts	2,174	685
Increase (decrease) in reserve for financial products transaction liabilities	(874)	(3)
Interest and dividends income	(231,870)	(69,664)
Interest expenses	236,557	57,385
Equity in losses (earnings) of affiliates	4,697	(228)
Loss (gain) on sales of investment securities	(46)	(1,501)
Loss (gain) on sales of noncurrent assets	(7,423)	71
Loss on valuation of investment securities	12,056	(7,393)
Impairment loss	4,695	1,082
Compensation for damage, etc.	-	726
Loss related to M&A	-	469
Integration-related expenses	-	289
Loss on liquidation of subsidiaries	-	129
Decrease (increase) in cash segregated as deposits for customers	33,179	(12,940)
Decrease (increase) in trading products-assets (liabilities)	(1,534,310)	(854,795)
Decrease (increase) in trade date accrual	(331,498)	235,534
Decrease/increase in assets/liabilities for margin transaction	45,826	(16,244)
Decrease/increase in loans/borrowings secured by securities	2,254,534	19,959
Decrease/increase in advance paid/deposits received	(12,758)	52,122
Decrease (increase) in short-term guarantee deposits	(348,345)	77,543
Increase (decrease) in guarantee deposits received	220,279	(114,821)
Other, net	42,159	(38,589)
Subtotal	375,349	(607,851)
Interest and dividends income received	233,141	75,617
Interest expenses paid	(253,838)	(57,860)
Compensation for damage, etc. paid	-	(726)
Payments for loss related to M&A	-	(469)
Integration-related expenses paid	-	(260)
Payments for loss on liquidation of subsidiaries	-	(58)
Income taxes paid	(7,744)	(13,881)
Net cash provided by (used in) operating activities	346,907	(605,490)

(Millions of yen)

	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Cash flows from investing activities		
Payments into time deposits	(2,667)	(3,558)
Proceeds from withdrawal of time deposits	24,214	12,293
Purchase of short-term investment securities	(6,897)	(225,307)
Proceeds from sales and redemption of securities	18,999	157,910
Purchase of investment securities	(101,367)	(46,810)
Proceeds from sales and redemption of investment securities	19,574	91,727
Purchase of property, plant and equipment	(5,556)	(3,006)
Proceeds from sales of property, plant and equipment	8,530	1,532
Purchase of intangible assets	(23,818)	(12,625)
Decrease (increase) in call and other loans	(372)	1,453
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	—	(10)
Other, net	1,156	—
Net cash provided by (used in) investing activities	(68,203)	(26,401)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(485,167)	374,043
Increase (decrease) in commercial papers	5,200	228,200
Proceeds from long-term loans payable	60,850	79,583
Repayment of long-term loans payable	(44,155)	(108,110)
Proceeds from issuance of bonds	239,568	255,167
Redemption of bonds	(64,269)	(162,850)
Cash dividends paid	(4,137)	(14,748)
Payments of cash dividends to minority shareholders	(969)	(1,208)
Proceeds from stock issuance to minority shareholders	566	117
Net cash provided by (used in) financing activities	(292,513)	650,194
Effect of exchange rate change on cash and cash equivalents	(37,484)	4,680
Net increase (decrease) in cash and cash equivalents	(51,293)	22,982
Cash and cash equivalents at beginning of period	160,743	109,213
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(236)	—
Cash and cash equivalents at end of period	109,213	132,196

[Notes on premise of going concern]

None

[Key items forming the basis of preparation of consolidated financial statements]

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 30 companies (previous year: 30 companies)

Names of principal consolidated subsidiaries

KOKUSAI Asset Management Co., Ltd.

MUS Principal Investments Co., Ltd.

MU Hands-on Capital Ltd.

MUS Business Service Co., Ltd.

MUS Information Systems Co., Ltd.

MUS Facility Service Co., Ltd.

Big Wing Investment Co., Ltd.

Mitsubishi UFJ Securities Spin-off Preparation Co., Ltd.

Mitsubishi UFJ Securities International plc

Mitsubishi UFJ Wealth Management Bank (Switzerland), Ltd.

Mitsubishi UFJ Securities (USA), Inc.

Mitsubishi UFJ Securities (HK) Holdings, Limited

Mitsubishi UFJ Securities (HK) Capital, Limited

Mitsubishi UFJ Securities (HK), Limited

Mitsubishi UFJ Securities (Singapore), Limited

Ling Zheng Investment Consulting (Shanghai) Co., Ltd.

TMI Nominees Limited

MFHK Nominees Limited

MUS Roosevelt Capital Partners, Ltd.

MUS Roosevelt Capital Advisers (HK), Limited

MUS Roosevelt China Pacific Fund, L.P.

Corporate Value Up Fund Investment Limited Liability Partnership

THC Millennium Venture Capital Investment Limited Partnership

THC Phoenix Japan Venture Capital Investment Limited Partnership

Hands-on No.1 Venture Capital Investment Limited Partnership

Hands-on No.1-2 Venture Capital Investment Limited Partnership

NCS Holdings Co., Ltd.

Fukuin Co., Ltd

(Note) Palace Capital Partners Co., Ltd. has changed its trade name to NCS Holdings Co., Ltd. as of May 1, 2009.

(Addition)

Mitsubishi UFJ Securities Spin-off Preparation Co., Ltd.

The above company was newly consolidated upon its establishment.

(Exclusion)

Mitsubishi UFJ Securities (India) Private Limited

The above company was excluded from the scope of consolidations since the Company sold its holding shares.

- (2) Names of companies or other entities not considered to be subsidiaries although the Company holds, in its own calculation, the majority of voting rights (business execution rights) of the companies and entities

THC AP Venture Capital Investment Limited Partnership

Shonan Industry-University Joint Incubation Fund Venture Capital Investment Limited Partnership

Gunma Challenge Fund Venture Capital Investment Limited Partnership

FOODSNET Corporation

YAMAGATA FOODS Co., Ltd.

GREEN BELL Co., Ltd.

PATLITE Corporation

Besta Foods Co., Ltd.

Dream Infinity Inc.

Nippon Computer Systems Corp.

(Reasons for not treating as subsidiaries)

The companies were not treated as subsidiaries because they were held by the Company's consolidated subsidiaries engaged in the venture capital business that maintained the position of general partner in those partnerships in order to render quasi-administrative services as their main businesses, or because their shares and other instruments were held as business transactions for such purposes of incubation business, business revitalization and acquiring capital gains thereby and were not intended to place the companies under control.

2. Application of equity method

- (1) Seventeen affiliates are under the equity method (seventeen in previous fiscal year)

Names of principal equity-method affiliates

Works Capital Inc.

Marunouchi Capital Co., Ltd.

KE Capital Partners Pte. Ltd.

Kim Eng Holdings Limited

Sino Roosevelt Investment Partners Limited

- (2) Names of companies or other entities not treated as affiliates although the Company holds, in its own calculation, between 20% and 50% of the voting rights of the companies and entities

SuperIndex inc.

Street Design Corp.

MARS ltd.

Cifra inc.

Centillion II Venture Capital Corporation

REVO TRADING Co., Ltd.

(Reason for not treating as affiliates)

The companies were not treated as affiliates because their shares and other instruments were held as business transactions by the Company's consolidated subsidiaries engaged in the venture capital business for such purposes of incubation business, business revitalization and acquiring capital gains thereby and were not intended to place the companies under control.

3. Financial closing dates and other details of consolidated subsidiaries

The financial closing dates of consolidated subsidiaries are as follows.

End of August	1 subsidiary
End of December	21 subsidiaries
End of February	1 subsidiary
End of March	7 subsidiaries

Of the consolidated subsidiaries whose financial closing date differs from the consolidated financial closing date, 22 subsidiaries for which the difference in closing dates was three months or less were accounted for based on the financial statements as of the financial closing date of each subsidiary. However, necessary adjustments were made to the consolidated financial statements for any significant transactions that took place between the end of the fiscal year of each subsidiary and the end of the consolidated fiscal year. With regard to the one subsidiary for which the difference in closing dates exceeded three months, the accounts were provisionally closed at the end of the consolidated fiscal year for the preparation of financial statements.

4. Accounting standards for primary allowances

Provision for retirement benefits

In order to prepare for the payment of retirement benefits to employees, the amount of an estimate of the projected benefit obligation and the fair value of employees' pension plan assets as of the fiscal year ended March 31, 2010, is booked. Prior service cost is amortized by the straight-line method over a certain term within the average remaining service period of the eligible employees (12 years). With regard to unrecognized net actuarial gain or loss, the amount is amortized by the straight-line method over certain terms within the average remaining service period of the eligible employees (primarily 12 years) for each applicable consolidated fiscal year, and expensed mainly from the following fiscal year in which the gain or loss is recognized.

(Change of Accounting Policy)

Effective from the fiscal year ended March 31, 2010, the Company adopted Partial Amendments to "Accounting Standard for Retirement Benefits" (Part 3) (ASBJ Statement No. 19, July 31, 2008). Since the actuarial differences are amortized starting from the next fiscal year, the adoption of this amendment does not give any impact on Operating income, Ordinary income and Income before income taxes and minority interests. Besides, the unrecognized differences of projected benefit obligation, which are arisen upon the adoption of this accounting policy, are 576 million yen.

5. Major hedge accounting

(1) Hedge accounting

Fair value hedge and deferred hedge that specifies foreign exchange contracts (foreign exchange swap transactions) and interest rate swaps as hedging instruments were adopted. Exceptional accounting treatment was applied to interest rate swap transactions that meet necessary criteria.

(2) Hedging instruments and hedged items

a. Exchange rate volatility risk

Hedging instruments:	foreign exchange contracts (foreign exchange swap transactions)
Hedged items:	foreign currency denominated financial assets (other securities and ownership in investments in overseas subsidiaries, etc.)

b. Interest rate volatility risk

Hedging instrument:	interest rate swaps
Hedged items:	investment securities (other securities) and loans payable

(3) Hedging policy

Foreign exchange contracts (foreign exchange swap transactions) are used to avoid the exchange rate volatility risk in part of foreign currency denominated financial assets, while interest rate swaps are used to evade the interest rate volatility risk in certain investment securities (other securities) and loans payable. As such, hedged items are identified on an individual contract basis.

(4) Method for assessing the effectiveness of hedging activities

The effectiveness of hedged items and hedging instruments is periodically assessed.

For transactions that meet the criteria for applying the exceptional accounting treatment for interest rate swaps, the evaluation for the effectiveness of the hedging activities is omitted.

Disclosure of the items other than above was omitted because there were no significant changes from the latest securities report (submitted on June 26, 2009).

[Changes in the Method of Presentation]

(Consolidated balance sheets)

“Long-term guarantee deposits” (balance as of March 31, 2010: 15,797 million yen), separately classified and presented until the previous fiscal year, is included in “Other” of investments and other assets as a result of decreased accountability in the total assets as of the fiscal year under review.

(Consolidated statements of income)

1. “Interest expenses,” previously included in “Other” of non-operating expenses, is separately classified and presented effective the fiscal year under review as a result of its increase to over 10% of the total non-operating expenses. For the previous fiscal year, “Interest expenses” included in “Other” of non-operating expenses was 678 million yen.
2. “Loss on retirement of noncurrent assets,” previously included in “Other” of non-operating expenses, is separately classified and presented effective the fiscal year under review as a result of its increase to over 10% of the total non-operating expenses. For the previous fiscal year, “Loss on retirement of noncurrent assets” included in “Other” of non-operating expenses was 704 million yen.
3. “Foreign exchange losses,” previously included in “Other” of non-operating expenses, is separately classified and presented effective the fiscal year under review as a result of its increase to over 10% of the total non-operating expenses. For the previous fiscal year, “Foreign exchange losses” included in “Other” of non-operating expenses was 975 million yen.

[Omission of disclosure]

Disclosure of items relating to Lease transactions, Related-party transaction, Tax effect accounting, Financial instruments, Securities, Derivative transaction, Retirement benefits, Stock options, Business combination and Rental property were omitted because they were considered immaterial for this financial statement purpose.

Segment Information

1. Segment information by business type

The Company and its group is engaged in business activities centered on the financial instruments transaction business including 1) trading of securities, 2) brokering of securities purchases and sales, 3) underwriting and secondary distribution of securities, 4) public offering and distribution of securities and 5) private placements of securities. These business activities are associated with the provision of financing and other services and the group earns a profit from offering a unified service. Hence, the Company and its group believe that our business belongs to a single segment of “investment and financing services.”

2. Segment information by geographic area

For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)

Net operating revenue, selling, general and administrative expenses, operating income and assets by location are as follows.

							(Millions of yen)						
							Elimination or						
							Unallocated	Consolidated					
							Japan	Europe	Asia	North America	Subtotal		
I.	Net operating revenue and operating income (loss)												
	Net operating revenue												
	Net operating revenue from external customers	203,745	21,652	2,413	2,161	229,972	–					229,972	
	Inter-segment net operating revenue	8,871	1,493	383	5,820	16,568	(16,568)					–	
	Total	212,616	23,145	2,797	7,981	246,541	(16,568)					229,972	
	Selling, general and administrative expenses	235,862	31,821	2,226	5,731	275,641	(17,121)					258,520	
	Operating income (loss)	(23,245)	(8,676)	570	2,250	(29,100)	553					(28,547)	
II.	Assets	12,351,276	6,719,992	26,928	595,036	19,693,234	(662,953)					19,030,280	

(Note) Method of classification by country or region and major countries or regions belonging to each classification

(1) Method of classification by country or region By geographical proximity

(2) Countries or regions under each classification

Europe U. K., Switzerland, Germany

Asia China (Hong Kong, Shanghai), Singapore, India

North America U. S. A.

For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)

Net operating revenue, selling, general and administrative expenses, operating income and assets by location are as follows.

	(Millions of yen)						
	Japan	Europe	Asia	North America	Subtotal	Elimination or Unallocated	Consolidated
I. Net operating revenue and operating income (loss)							
Net operating revenue							
Net operating revenue from external customers	254,602	20,795	1,009	10,745	287,153	—	287,153
Inter-segment net operating revenue	6,296	4,593	395	5,199	16,484	(16,484)	—
Total	260,898	25,389	1,404	15,945	303,637	(16,484)	287,153
Selling, general and administrative expenses	232,395	34,101	2,433	10,962	279,892	(16,788)	263,103
Operating income (loss)	28,503	(8,712)	(1,029)	4,983	23,745	304	24,049
II. Assets	12,878,616	6,817,596	21,394	1,637,066	21,354,673	(1,219,959)	20,134,713

(Note) Method of classification by country or region and major countries or regions belonging to each classification
 (1) Method of classification by country or region By geographical proximity
 (2) Countries or regions under each classification
 Europe U. K., Switzerland, Germany
 Asia China (Hong Kong, Shanghai), Singapore, India
 North America U. S. A.

3. Overseas sales (Net operating revenue)

For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)

Net operating revenue (excluding internal revenues between consolidated companies) earned by the Company and its consolidated subsidiaries in countries or regions other than Japan are as follows:

	Europe	Others	Total
I. Overseas net operating revenue	20,209	4,170	24,380
II. Consolidated net operating revenue			229,972
III. Overseas sales as a percentage of consolidated net operating revenue	8.8%	1.8%	10.6%

(Note) Method of classification by country or region and major countries or regions belonging to each classification
 (1) Method of classification by country or region By geographical proximity
 (2) Countries or regions under each classification
 Europe U. K., Switzerland, Germany
 Others U. S. A., China (Hong Kong, Shanghai), Singapore

For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)

Net operating revenue (excluding internal revenues between consolidated companies) earned by the Company and its consolidated subsidiaries in countries or regions other than Japan are as follows:

	Europe	Others	(Millions of yen) Total
I. Overseas net operating revenue	18,941	12,023	30,964
II. Consolidated net operating revenue			287,153
III. Overseas sales as a percentage of consolidated net operating revenue	6.6%	4.2%	10.8%

- (Note) Method of classification by country or region and major countries or regions belonging to each classification
- (1) Method of classification by country or region By geographical proximity
 - (2) Countries or regions under each classification
 - Europe U. K., Switzerland, Germany
 - Others U. S. A., China (Hong Kong, Shanghai), Singapore

Per Share Information

For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Net assets per share 833.60 yen	Net assets per share 889.78 yen
Basic net income (loss) per share (63.34) yen	Basic net income per share 40.10 yen
Diluted net income per share is not presented because, in spite of the existence of potential shares, net loss was recorded for the fiscal year.	Diluted net income per share 40.09 yen

(Note) The basis of calculation for basic net income or loss per share and diluted net income per share is as follows.

(Millions of yen)

	For the fiscal year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	For the fiscal year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)
Basic net income or loss per share		
Net income (loss)	(45,417)	28,748
Net income not attributable to common stockholder	-	-
Net income (loss) attributable to common stock	(45,417)	28,748
Average number of common shares (Thousand shares)	716,985	716,985
Diluted net income per share		
Adjustments of net income	-	(1)
(Adjustments due to potential shares issued by affiliates)	(-)	(1)
Increase in common stock (Thousand shares)	-	-
Summary of potential shares that are not included in calculation of diluted net income per shares due to a lack of dilution effect	<p>Subscription rights to shares issued by consolidated subsidiaries MU Hands-on Capital Ltd. Number of types 2 Number of units 620</p> <p>Palace Capital Partners A Co., Ltd. The number of types and units of subscription rights of Palace Capital Partners A Co., Ltd. were not presented because it was excluded from consolidation as of January 1, 2009. Capital Partners A Co., Ltd. changed its company name to Foodsnet Corporation on the same date.</p> <p>Subscription rights to shares issued by affiliated company. Kim Eng Securities (Thailand) Public Company Limited Number of types 1 Number of units 5,457,200</p>	<p>Subscription rights to shares issued by consolidated subsidiaries MU Hands-on Capital Ltd. Number of types 2 Number of units 620</p>

Reference: Consolidated Financial Results
for the Fiscal Year Ended March 31, 2010

1. Commission received

(1) Breakdown by item

(Millions of yen)

	FY2008 (From April 1, 2008 to March 31, 2009)	FY2009 (From April 1, 2009 to March 31, 2010)	Increase (Decrease)
Commission to consignees	29,911	25,227	(4,684)
Stocks	29,311	24,843	(4,467)
Bonds	423	253	(170)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	18,753	39,373	20,619
Stocks	6,893	24,358	17,465
Bonds	11,860	15,014	3,154
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	18,428	26,663	8,235
Beneficiary certificates	17,937	26,468	8,530
Other fees received	101,031	94,404	(6,626)
Beneficiary certificates	85,877	75,902	(9,974)
Total	168,124	185,669	17,544

(2) Breakdown by product

(Millions of yen)

	FY2008 (From April 1, 2008 to March 31, 2009)	FY2009 (From April 1, 2009 to March 31, 2010)	Increase (Decrease)
Stocks	36,598	49,935	13,337
Bonds	13,228	16,415	3,186
Beneficiary certificates	103,990	102,501	(1,489)
Other	14,307	16,816	2,509
Total	168,124	185,669	17,544

2. Net trading income

(Millions of yen)

	FY2008 (From April 1, 2008 to March 31, 2009)	FY2009 (From April 1, 2009 to March 31, 2010)	Increase (Decrease)
Securities	(37,763)	10,653	48,417
Bonds	138,843	102,340	(36,502)
Other	(19,360)	(12,575)	6,785
Total	81,718	100,418	18,699

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	4Q of FY2008 (January 1 to March 31, 2009)	1Q of FY2009 (April 1 to June 30, 2009)	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)
Operating revenue	92,641	102,809	89,512	73,663	77,838
Commission received	37,107	40,889	50,193	48,112	46,474
Commission to consignees	5,801	7,727	6,712	5,178	5,608
Stocks	5,696	7,648	6,568	5,064	5,562
Bonds	61	44	119	77	11
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	6,598	4,068	12,957	13,977	8,369
Stocks	2,099	313	6,459	11,570	6,016
Bonds	4,498	3,755	6,498	2,407	2,353
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	2,708	6,056	7,236	6,418	6,951
Beneficiary certificates	2,652	5,977	7,181	6,376	6,932
Other fees received	21,999	23,036	23,286	22,537	25,544
Beneficiary certificates	18,376	18,951	19,453	19,293	18,204
Net trading income	20,051	44,068	22,485	7,350	26,513
Net trading income from securities	(21,885)	(6,169)	13,869	(383)	3,336
Net trading income from bonds	45,367	15,085	43,292	17,779	26,182
Other net trading income	(3,431)	35,153	(34,676)	(10,045)	(3,006)
Net gain on private equity and other securities	(4,001)	192	(1,026)	252	(2,068)
Other net gain on goods trading	4	2	(13)	1	(0)
Financial revenue	39,480	17,655	17,873	17,947	6,920
Financial expenses	35,251	22,983	14,040	9,864	9,782
Net operating revenue	57,389	79,825	75,472	63,799	68,055
Selling, general and administrative expenses	58,629	62,266	67,150	61,988	71,698
Trading related expenses	22,628	17,809	19,622	17,617	19,803
Personal expenses	16,188	26,416	26,666	26,114	30,825
Real estate expenses	6,395	6,143	6,904	6,052	6,627
Office cost	6,151	4,625	6,037	4,967	6,098
Depreciation	4,989	5,167	5,536	5,391	5,763
Taxes and dues	606	819	527	457	680
Other	1,668	1,284	1,855	1,386	1,899
Operating income (loss)	(1,239)	17,559	8,321	1,810	(3,642)
Non-operating income	(17,239)	3,060	4,756	6,482	4,860
Equity in earnings of affiliates	412	(91)	(173)	120	372
Other	(17,651)	3,151	4,930	6,362	4,487
Non-operating expenses	4,063	880	856	26	423
Ordinary income (loss)	(22,542)	19,739	12,221	8,267	794
Extraordinary income	66	5	985	49	474
Extraordinary loss	4,772	1,100	832	370	1,137
Income (loss) before income taxes and minority interests	(27,247)	18,644	12,375	7,946	130
Income taxes-current	4,181	3,423	4,000	2,610	2,803
Income taxes-deferred	(228)	(145)	(2,439)	602	(7,901)
Minority interests in income	729	2,102	1,628	2,042	1,619
Net income (loss)	(31,929)	13,263	9,184	2,690	3,609