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July 30, 2008

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2009

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

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(Millions of yen with fractional amounts disregarded)

1. Consolidated performance for the first quarter of fiscal year 2008 (from April 1, 2008 to June 30, 2008)

(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 three months of FY2008	143,467	–	67,527	–	(138)	–	(448)	–
First three months of FY2007	136,336	62.4	80,911	29.7	22,781	97.3	24,329	80.1

	Net income		Net income per share	Diluted net income per share
	Millions of yen	%	Yen	Yen
First three months of FY2008	(6,909)	–	(9.64)	–
First three months of FY2007	16,343	128.2	22.79	22.77

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2008	20,684,716	747,030	3.3	962.49
As of March 31, 2008	19,190,293	771,582	3.7	996.44

Reference: Equity As of June 30, 2008: 690,089 million yen As of March 31, 2008: 714,434 million yen

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

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

Note: For more details, please refer to the section of “1. Matters on preparing the quarterly consolidated financial statements and others” of [Financial Statements] on page 3.

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

As of June 30, 2008:	716,985,496 shares
As of March 31, 2008:	716,985,496 shares
 - b. Number of shares of treasury stock at the end of the period

As of June 30, 2008:	– shares
As of March 31, 2008:	– shares
 - c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

First three months of the fiscal year ending March 31, 2009:	716,985,496 shares
First three months of the fiscal year ended March 31, 2008:	717,044,774 shares

* Other special matters

Commencing with the current fiscal year, the “Accounting Standard for Quarterly Financial Reporting” (ASBJ [Accounting Standards Board of Japan] Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14) are applied. The quarterly consolidated financial statements are prepared in accordance with the “Cabinet Office Ordinance Concerning Financial Instruments Business” (Cabinet Office Ordinance No. 52 of 2007) and “Rule Concerning Uniform Accounting Standards for Securities Dealers” (Self-Regulatory Rule of Japan Securities Dealers Association, November 14, 1974) and pursuant to the provisions of the “Regulation for Quarterly Consolidated Financial Statements” and Articles 61 and 82 thereof.

[Financial Statements]

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

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation)

None

(2) Application of simplified accounting and particular accounting for preparing the quarterly consolidated financial statements

None

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

a. Commencing with the current fiscal year, the “Accounting Standard for Quarterly Financial Reporting” (ASBJ [Accounting Standards Board of Japan] Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14) are applied. The Quarterly consolidated financial statements are prepared in accordance with the “Cabinet Office Ordinance Concerning Financial Instruments Business” (Cabinet Office Ordinance No. 52 of 2007) and "Rule Concerning Uniform Accounting Standards for Securities Dealers" (Self-Regulatory Rule of Japan Securities Dealers Association, November 14, 1974) and pursuant to the provisions of the “Regulation for Quarterly Consolidated Financial Statements” and Articles 61 and 82 thereof.

b. Before the change, the accounting treatment for finance lease transactions not involving the transfer of ownership followed mutatis mutandis the method for operating lease transactions, but now after the application of the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13 [Business Accounting Council Committee No. 1, June 17, 1993; revised March 30, 2007]) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No. 16 [the Japanese Institute of Certified Public Accountants, Accounting Committee, January 18, 1994; revised March 30, 2007]) became possible starting from quarterly consolidated financial statements for the fiscal year beginning April 1, 2008 or later, we apply this standard and guidance from the first quarter under review, and the accounting treatment for such transactions follows the method for ordinary purchase and sales transactions. Meanwhile, depreciation of leased property pertaining to finance lease transactions not involving the transfer of ownership is computed on a straight-line method over the lease period as durable period, assuming the residual value is zero.

The impact of this change on profit is immaterial.

Also, the accounting treatment for finance lease transactions not involving the transfer of ownership whose transaction commenced before the first fiscal year in which the accounting standard is applied, continues to follow mutatis mutandis the ordinary method for operating lease transactions.

c. From the first quarter under review, the Company applies the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF Practical Solution No. 18, May 17, 2006), and necessary amendments for consolidated financial statements are made.

There are no impacts of this change on profit.

The amount of impact that the application of the revised accounting standard at the beginning of term has on the prior period’s profit is added to retained earnings. The impact, however, is immaterial.

d. Before the change of presentation, financial assets and financial liabilities at fair value based on derivative transactions with the same counterparty with whom a legally binding master netting contract is entered, were presented as the amount of difference arising from the offsetting between both amounts. Our parent company, however, changed the presentation method to demonstrate the total amounts of these financial assets and financial liabilities from the first quarter under review. After the evaluation of this method from the perspective of proper presentation of credit risk in order to conform our accounting policy to that of our parent company, we now believe that there is a weakening of reasonable grounds for presentation only for financial assets and financial liabilities of derivatives at fair value after offsetting between both amounts and have changed the presentation method to demonstrate the total amounts of these financial assets and financial liabilities in accordance with principle.

As a result of this change, derivatives (assets) and derivatives (liabilities) each increased by ¥2,634,914 million as compared to the case where the previous presentation method was adopted.

e. Before the change, reserve for securities transaction liabilities was posted to provide for losses from problems with securities at the amount calculated as prescribed in Article 35 of the former “Cabinet Office Ordinance on Securities Corporation” and pursuant to the provisions in Article 51 of the former Securities and Exchange Law. However, following the enforcement of the Financial Instruments and Exchange Law, reserve for financial products transaction liabilities is posted at the amount calculated as prescribed in Article 175 of the “Cabinet Office Ordinance Concerning Financial Instruments Transaction Business” and pursuant to the provisions in Article 46-5 of the Financial Instruments and Exchange Law from the first quarter under review. Due to this change, extraordinary income (reversal of reserve for financial products transaction liabilities) increased by ¥214 million, and loss before income taxes decreased by ¥214 million, as compared to the case where the previous regulations were applied.

2. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008 (Summary)
ASSETS		
Current assets		
Cash and deposits	221,422	237,449
Cash segregated as deposits	94,250	110,810
Trading products	10,783,412	7,238,431
Trading securities and other	7,170,272	6,427,856
Derivatives	3,613,140	810,574
Trade date accrual	374,668	26,617
Private equity and other securities	80,415	89,619
Margin transaction assets	98,190	93,647
Loans secured by securities	8,374,544	10,876,464
Short-term guarantee deposits	254,528	169,669
Income taxes receivable	8,997	8,479
Short-term investment securities	33,309	34,942
Other current assets	151,552	113,854
Allowance for doubtful accounts	(93)	(99)
Total current assets	20,475,200	18,999,887
Noncurrent assets		
Property, plant and equipment	35,264	36,638
Intangible assets	46,169	42,110
Investments and other assets	128,081	111,656
Total noncurrent assets	209,516	190,406
Total assets	20,684,716	19,190,293

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008 (Summary)
LIABILITIES		
Current liabilities		
Trading products	8,321,664	5,013,062
Trading securities and other	4,908,676	4,337,853
Derivatives	3,412,988	675,208
Margin transaction liabilities	23,619	28,750
Loans payable secured by securities	8,491,969	10,107,493
Short-term loans payable	1,194,426	1,507,264
Current portion of long-term loans payable	39,929	24,000
Commercial papers	168,500	141,300
Current portion of bonds	38,664	19,361
Income taxes payable	2,768	9,644
Other current liabilities	662,326	556,367
Total current liabilities	18,943,868	17,407,245
Noncurrent liabilities		
Bonds payable	619,284	616,518
Long-term loans payable	353,821	373,906
Provision for retirement benefits	11,281	11,315
Provision for directors' retirement benefits	284	700
Other noncurrent liabilities	7,280	6,286
Total noncurrent liabilities	991,953	1,008,727
Reserves under the special laws		
Reserve for securities transaction liabilities	–	2,738
Reserve for financial products transaction liabilities	1,864	–
Total reserves under the special laws	1,864	2,738
Total liabilities	19,937,686	18,418,711
NET ASSETS		
Shareholders' equity		
Capital stock	65,518	65,518
Capital surplus	416,948	416,948
Retained earnings	208,915	219,721
Total shareholders' equity	691,382	702,188
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,406	1,533
Foreign currency translation adjustment	(2,698)	10,712
Total valuation and translation adjustments	(1,292)	12,246
Subscription rights to shares	106	100
Minority interests	56,833	57,046
Total net assets	747,030	771,582
Total liabilities and net assets	20,684,716	19,190,293

(2) Consolidated statement of income

(Millions of yen)

	First three months of FY2008 (From April 1, 2008 to June 30, 2008)
Operating revenue	
Commission received	43,921
Net trading income	34,228
Net gain on private equity and other securities	1,379
Other net gain on goods trading	0
Financial revenue	63,939
Total operating revenue	143,467
Financial expenses	75,939
Net operating revenue	67,527
Selling, general and administrative expenses	67,666
Operating income (loss)	(138)
Non-operating income	
Dividends income	918
Equity in earnings of affiliates	23
Other	644
Total non-operating income	1,586
Non-operating expenses	1,895
Ordinary income (loss)	(448)
Extraordinary income	
Gain on sales of investment securities	17
Reversal of reserve for financial products transaction liabilities	873
Total extraordinary income	891
Extraordinary loss	
Loss on valuation of investment securities	640
Impairment loss	781
Total extraordinary loss	1,421
Income (loss) before income taxes	(978)
Income taxes-current	2,715
Income taxes-deferred	673
Income taxes	3,388
Minority interests in income	2,542
Net income (loss)	(6,909)

Commencing with the current fiscal year, the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14) are applied. The Quarterly consolidated financial statements are prepared in accordance with the “Cabinet Office Ordinance Concerning Financial Instruments Business” (Cabinet Office Ordinance No. 52 of 2007) and "Rule Concerning Uniform Accounting Standards for Securities Dealers" (Self-Regulatory Rule of Japan Securities Dealers Association, November 14, 1974) and pursuant to the provisions of the “Regulation for Quarterly Consolidated Financial Statements” and Articles 61 and 82 thereof.

(3) Notes on premise of going concern

None

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

None

Reference:**Financial statements for the first quarter of the fiscal year ended March 31, 2008****(Summary) Consolidated statement of income**

	(Millions of yen)
	First three months of FY2007 (From April 1, 2007 to June 30, 2007)
Operating revenue	136,336
Commission received	37,785
Net trading income	40,850
Net gain on private equity and other securities	2,000
Other net gain on goods trading	0
Financial revenue	55,699
Financial expenses	55,424
Net operating revenue	80,911
Selling, general and administrative expenses	58,130
Trading related expenses	15,837
Personal expenses	25,800
Real estate expenses	6,323
Office cost	4,742
Depreciation	3,216
Taxes and dues	800
Other	1,409
Operating income	22,781
Non-operating income	3,229
Equity in earnings of affiliates	1,564
Other	1,664
Non-operating expenses	1,681
Ordinary income	24,329
Extraordinary income	135
Gain on sales of investment securities	53
Reversal of allowance for doubtful accounts	40
Gain on sales of noncurrent assets	41
Extraordinary loss	534
Loss on valuation of investment securities	181
Provision of reserve for securities transaction liabilities	121
Provision for directors' retirement benefits	222
Loss on sales of noncurrent assets	0
Impairment loss	8
Income before income taxes	23,930
Income taxes-current	6,004
Income taxes-deferred	1,647
Minority interests in income (loss)	(65)
Net income	16,343

Reference: Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2009

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Commission to consignees	13,813	9,146	(4,667)	43,642
Stocks	13,751	8,971	(4,779)	43,358
Bonds	40	138	97	143
Underwriting and distribution commission	4,086	1,909	(2,177)	12,647
Stocks	2,157	44	(2,113)	5,012
Bonds	1,929	1,865	(63)	7,635
Flotation and distribution fee	9,293	4,486	(4,807)	24,957
Beneficiary certificates	8,698	4,219	(4,479)	23,668
Other fees received	10,591	28,378	17,787	43,946
Beneficiary certificates	5,002	23,868	18,865	21,479
Total	37,785	43,921	6,135	125,194

(2) Breakdown by product

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Stocks	16,030	9,074	(6,955)	50,001
Bonds	2,734	2,409	(324)	9,734
Beneficiary certificates	13,721	28,123	14,401	45,284
Other	5,299	4,312	(986)	20,174
Total	37,785	43,921	6,135	125,194

2. Net trading income

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Securities	7,716	(597)	(8,313)	13,927
Bonds	(5,405)	(4,930)	474	135,274
Other	38,539	39,756	1,217	(23,693)
Total	40,850	34,228	(6,621)	125,508

Quarterly trends in consolidated statements of income

(Millions of yen)

	1Q of FY2007 (April 1 to June 30, 2007)	2Q of FY2007 (July 1 to September 30, 2007)	3Q of FY2007 (October 1 to December 31, 2007)	4Q of FY2007 (January 1 to March 31, 2008)	1Q of FY2008 (April 1 to June 30, 2008)
Operating revenue	136,336	138,578	121,614	137,563	143,467
Commission received	37,785	29,799	24,371	33,238	43,921
Commission to consignees	13,813	11,919	10,163	7,745	9,146
Stocks	13,751	11,839	10,087	7,679	8,971
Bonds	40	35	37	28	138
Underwriting and distribution commission	4,086	2,542	1,178	4,840	1,909
Stocks	2,157	1,153	670	1,030	44
Bonds	1,929	1,388	507	3,810	1,865
Flotation and distribution fee	9,293	5,192	2,350	8,120	4,486
Beneficiary certificates	8,698	4,813	2,153	8,002	4,219
Other fees received	10,591	10,144	10,679	12,531	28,378
Beneficiary certificates	5,002	5,832	5,209	5,434	23,868
Net trading income	40,850	38,270	25,948	20,440	34,228
Net trading income from securities	7,716	1,667	13,710	(9,167)	(597)
Net trading income from bonds	(5,405)	60,556	18,690	61,433	(4,930)
Other net trading income	38,539	(23,953)	(6,452)	(31,825)	39,756
Net gain on private equity and other securities	2,000	347	(228)	(329)	1,379
Other net gain on goods trading	0	0	0	0	0
Financial revenue	55,699	70,161	71,523	84,214	63,939
Financial expenses	55,424	68,501	74,923	91,631	75,939
Net operating revenue	80,911	70,077	46,691	45,931	67,527
Selling, general and administrative expenses	58,130	62,574	58,387	59,945	67,666
Trading related expenses	15,837	18,403	15,065	17,140	22,152
Personal expenses	25,800	25,484	23,602	22,004	26,272
Real estate expenses	6,323	6,884	6,602	6,643	6,266
Office cost	4,742	5,644	6,625	7,099	5,839
Depreciation	3,216	3,885	4,312	4,625	4,683
Taxes and dues	800	539	706	237	848
Other	1,409	1,733	1,473	2,195	1,603
Operating income (loss)	22,781	7,502	(11,696)	(14,013)	(138)
Non-operating income	3,229	2,515	2,446	2,683	1,586
Equity in earnings of affiliates	1,564	1,544	1,718	1,577	23
Other	1,664	971	728	1,106	1,563
Non-operating expenses	1,681	522	687	1,541	1,895
Ordinary income (loss)	24,329	9,495	(9,937)	(12,871)	(448)
Extraordinary income	135	180	10	7,522	891
Extraordinary loss	534	1,055	211	7,540	1,421
Income (loss) before income taxes	23,930	8,620	(10,138)	(12,890)	(978)
Income taxes-current	6,004	3,851	(4,262)	(771)	2,715
Income taxes-deferred	1,647	(4,364)	1,860	(1,673)	673
Minority interests in income (loss)	(65)	(321)	(136)	(383)	2,542
Net income (loss)	16,343	9,455	(7,599)	(10,062)	(6,909)

Reference: Non-Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2009

[Quarterly performance trends]

(1) Non-consolidated operating results

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Operating revenue	74,429	59,795	(14,633)	255,024
Commission received	34,307	23,966	(10,340)	117,318
Net trading income	28,996	26,656	(2,340)	85,255
Net operating revenue	65,767	49,386	(16,381)	212,690
Operating income (loss)	15,777	(667)	(16,444)	6,858
Ordinary income	16,707	2,030	(14,677)	6,202
Net income (loss)	9,417	1,907	(7,510)	(4,169)

(2) Non-consolidated financial position

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008	Increase (Decrease)	As of June 30, 2007
Total assets	12,775,069	9,986,090	2,788,979	10,927,386
Net assets	688,390	690,418	(2,027)	714,399
Net capital regulation ratio (%)	306.6	299.4	7.2	366.1

[Breakdown of operating revenue]
<Breakdown by item of commission received>

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Commission to consignees	13,380	9,006	(4,373)	42,628
Underwriting and distribution commission	2,825	1,162	(1,662)	8,106
Flotation and distribution fee	9,293	4,479	(4,813)	24,947
Other fees received	8,807	9,316	509	41,636
Total	34,307	23,966	(10,340)	117,318

<Breakdown by product of commission received>

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Stocks	15,592	9,038	(6,554)	49,050
Bonds	1,575	1,553	(22)	5,366
Beneficiary certificates	13,729	9,503	(4,225)	45,276
Other	3,409	3,871	462	17,625
Total	34,307	23,966	(10,340)	117,318

<Net trading income>

(Millions of yen)

	First three months of FY2007 (From April 1, 2007 to June 30, 2007)	First three months of FY2008 (From April 1, 2008 to June 30, 2008)	Increase (Decrease)	FY2007 (From April 1, 2007 to March 31, 2008)
Securities	6,617	5,419	(1,197)	11,819
Bonds	(12,121)	3,306	15,427	135,957
Other	34,500	17,930	(16,570)	(62,521)
Total	28,996	26,656	(2,340)	85,255