



Mitsubishi UFJ Securities Holdings

2Q FY2012 Financial Summary

Mitsubishi UFJ Securities Holdings Co., Ltd.

October, 2012

Consolidated Financial Results

- Consolidated Performance Highlights P2
1H Performance Trends / Quarterly Performance Trends
- Net Operating Revenue and SG & A P3
Net Operating Revenue / SG & A
- Net Operating Revenue Breakdown P4
Commission Received / Net Trading Income
- Consolidated Statement of Income P5
- Consolidated Balance Sheet P6

Financial Results of Significant Subsidiaries

- Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (MUMSS) P7
Quarterly Performance Trends / Trends of AUM
Statement of Income / Balance Sheet
- Overseas Subsidiaries and KOKUSAI Asset Management Co., Ltd. (KAM) P9
Overseas Subsidiaries Quarterly Trends / KAM Quarterly Trends

Information Relating to Financial Stability

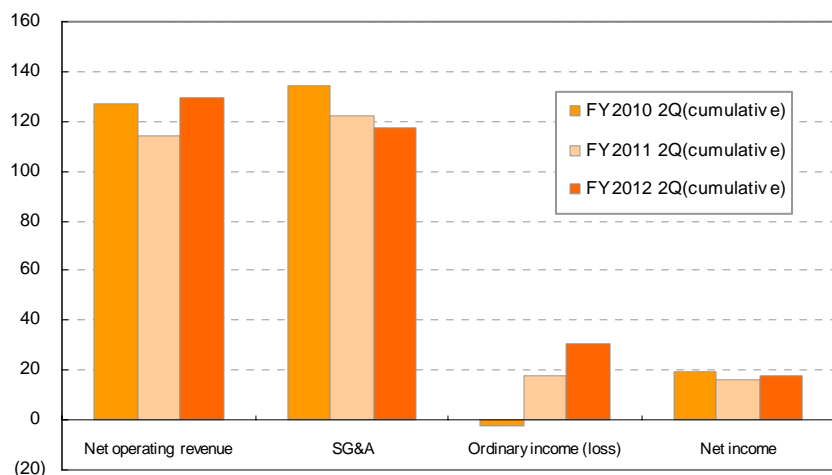
- Financial Soundness Indicators (Credit Rating, Capital Adequacy Ratio, etc.) P10
Credit Rating (MUMSS, MUSHD) / Capital Adequacy

1H Performance Trends

- Ordinary income exceeded the JPY 30 billion mark due to the recovery in net operating revenue and the steady reduction in SG&A.
- Net income also exceeded the previous corresponding period and reached the JPY 18 billion level, as a result of the substantial increase in ordinary income.

1H Trends

(JPY billion)



JPY billion

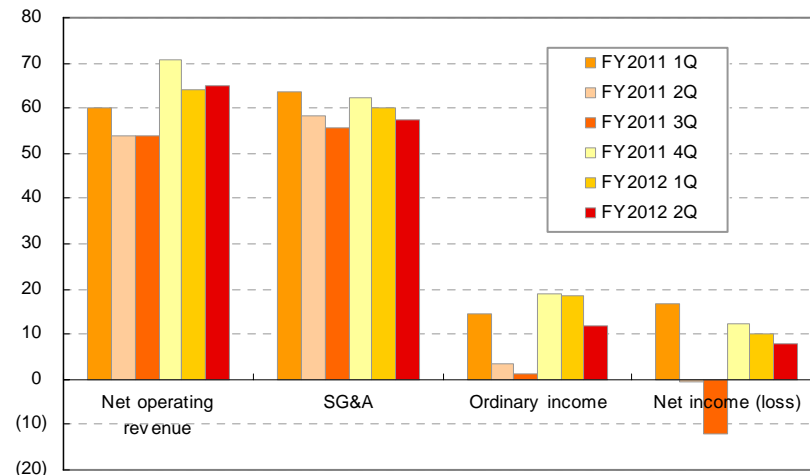
	FY2010 2Q(cumulative)	FY2011 2Q(cumulative)	FY2012 2Q(cumulative)
Net operating revenue	127.2	114.0	129.1
SG&A	134.2	121.9	117.5
Ordinary income (loss)	(2.2)	17.7	30.5
Net income	19.4	16.3	18.0

Quarterly Performance Trends

- BTMU collaboration and the alliance with Morgan Stanley produced tangible results, which enabled MUSHD to maintain high levels of net operating revenue.
- SG&A decreased due to continued efforts to cut back on expenses. Although profits were recorded on the ordinary income level for six consecutive quarters, a decrease was recorded in the 2Q due to various factors including the performance by overseas subsidiaries.

Quarterly Trends

(JPY billion)



JPY billion

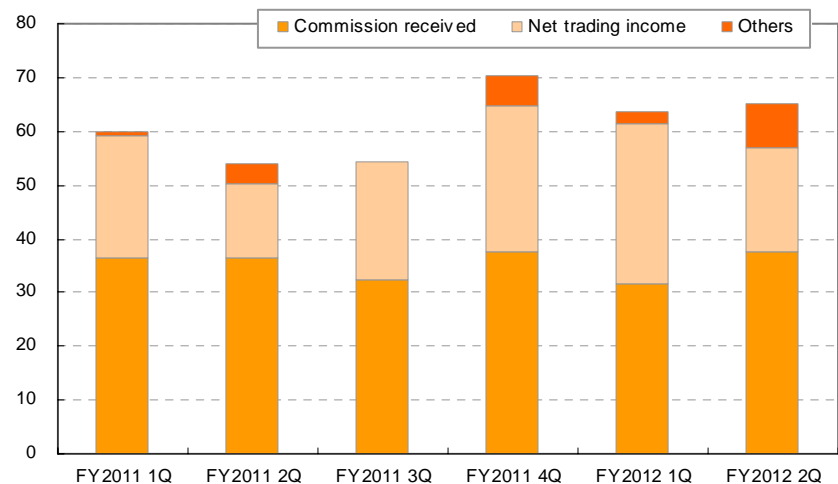
	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Net operating revenue	60.2	53.8	53.8	70.6	63.9	65.1
SG&A	63.5	58.4	55.5	62.5	59.9	57.5
Ordinary income	14.4	3.3	1.4	18.9	18.6	11.8
Net income (loss)	16.8	(0.5)	(12.2)	12.5	10.0	8.0

Net Operating Revenue

- Commission received in the 2Q regained strong levels of the previous 4Q, despite having temporarily fallen in the 1Q due to the deterioration of the market environment.
- Net trading income remained more or less stable, as bond-related trading continued to perform strongly while stock-related trading decreased compared to the 1Q.

Quarterly Trends

(JPY billion)



JPY billion

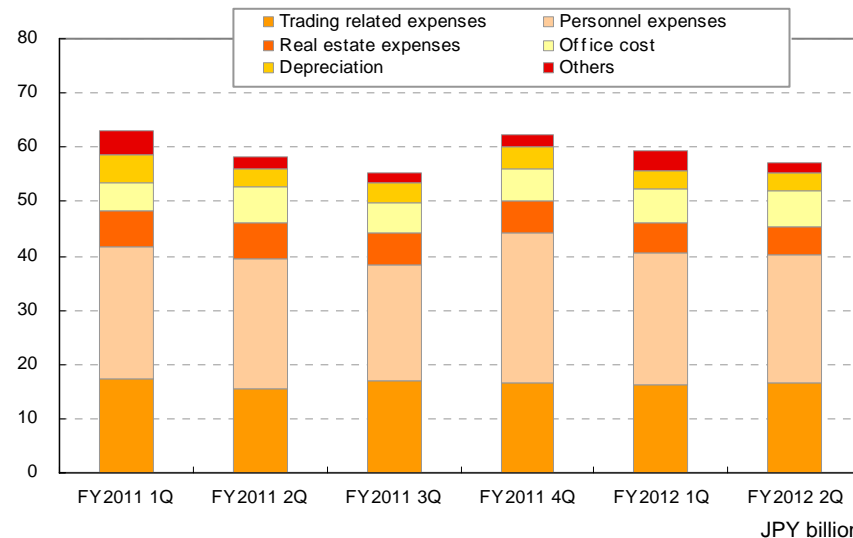
	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Commission received	36.5	36.5	32.3	37.5	31.6	37.4
Net trading income	22.5	13.9	22.2	27.3	29.9	19.4
Others	1.0	3.4	(0.6)	5.7	2.3	8.2
Total	60.2	53.8	53.8	70.6	63.9	65.1

SG & A

- SG&A decreased by approximately JPY 4.4 billion compared to the previous corresponding period (vs 1-2Q FY2011).
- Fixed costs such as real estate expenses and depreciation decreased against the back drop of various measures implemented in the previous fiscal year, which has been instrumental in the lowering of total SG&A.

Quarterly Trends

(JPY billion)



JPY billion

	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Trading related expenses	17.3	15.5	16.9	16.7	16.1	16.6
Personnel expenses	24.2	24.1	21.3	27.4	24.5	23.6
Real estate expenses	6.7	6.6	6.0	5.9	5.5	5.1
Office cost	5.3	6.6	5.7	6.2	6.1	6.6
Depreciation	5.2	3.4	3.7	3.8	3.5	3.4
Others	4.4	1.9	1.7	2.2	3.8	2.0
Total	63.5	58.4	55.5	62.5	59.9	57.5

Net Operating Revenue Breakdown



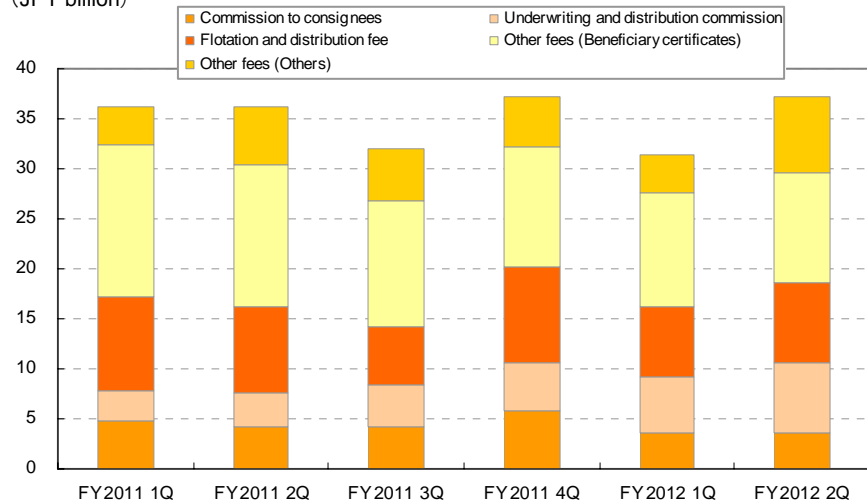
Mitsubishi UFJ Securities Holdings

Commission Received

- Underwriting and distribution commission reached the highest levels in the last six quarters as a result of strong performances in the bond underwriting business in addition to a large transaction administered as a lead manager.
- Flotation and distribution fee recovered due to the strong sales of emerging markets investment trusts.
- Other fees received (Others) marked the highest levels in the last six quarters primarily due to capturing various M&A transactions and other factors.

Quarterly Trends

(JPY billion)



JPY billion

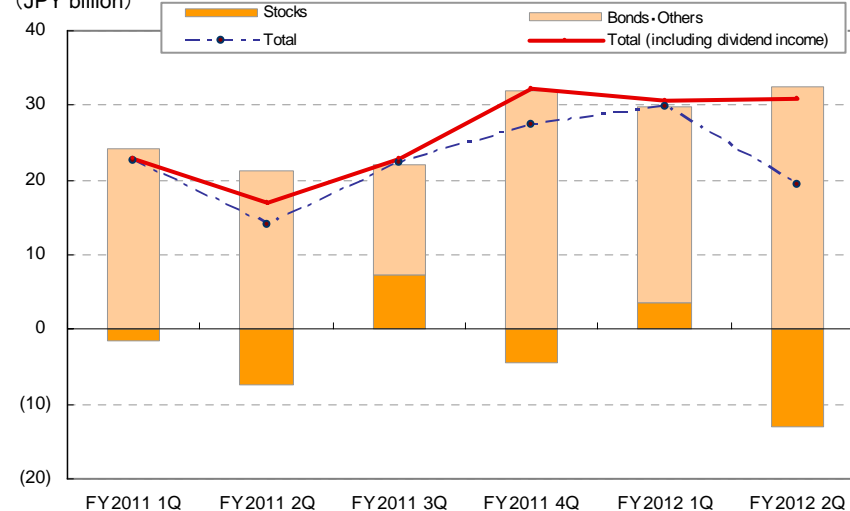
	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Commission to consignees	4.8	4.3	4.2	5.8	3.6	3.7
Underwriting and distribution commission	3.1	3.4	4.2	4.9	5.7	7.0
Flotation and distribution fee	9.3	8.5	5.8	9.5	6.9	8.0
Other fees received (Beneficiary certificates)	15.2	14.2	12.6	12.0	11.4	11.0
Other fees received (Others)	3.8	5.8	5.3	5.0	3.9	7.5
Total	36.5	36.5	32.3	37.5	31.6	37.4

Net Trading Income

- Net trading income from bonds performed strongly as a result of increased revenue from foreign bonds in addition to the major market share maintained in yen bonds.
- The range in fluctuations in net trading income relating to stocks has narrowed when taken together with the dividend income from stocks held as trading products.

Quarterly Trends

(JPY billion)



JPY billion

	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Stocks	(1.6)	(7.4)	7.4	(4.5)	3.6	(13.0)
Bonds • Others	24.2	21.3	14.7	31.9	26.2	32.5
Total	22.5	13.9	22.2	27.3	29.9	19.4
Dividend income *	0.2	3.0	0.6	4.9	0.5	11.6

*Dividend income from trading products (in financial revenue)

Consolidated Statement of Income

(JPY million)

	Full year	
	FY2010	FY2011
Operating revenue	202,262	306,926
Commission received	161,494	143,016
Net trading income	(27,195)	86,031
Net gain on private equity and other securities	186	(2,173)
Other net gain on goods trading	4	(486)
Financial revenue	67,772	80,538
Financial expenses	62,395	68,341
Net operating revenue	139,866	238,585
Selling, general and administrative expenses	254,894	240,124
Operating income (loss)	(115,027)	(1,539)
Non-operating income	22,114	42,473
Non-operating expenses	2,946	2,756
Ordinary income (loss)	(95,859)	38,177
Extraordinary income	29,608	18,238
Extraordinary loss	13,199	31,859
Income taxes	21,130	1,782
Minority interests in income (loss)	(50,140)	6,190
Net income (loss)	(50,440)	16,583

Quarter					
FY2011				FY2012	
1Q	2Q	3Q	4Q	1Q	2Q
79,590	73,209	67,838	86,287	76,379	78,906
36,564	36,524	32,343	37,583	31,659	37,432
22,599	13,911	22,201	27,319	29,939	19,468
290	(1,713)	191	(942)	49	(88)
12	(6)	2	(495)	12	31
20,122	24,493	13,099	22,822	14,718	22,063
19,377	19,343	13,939	15,680	12,452	13,714
60,213	53,866	53,899	70,607	63,926	65,192
63,507	58,459	55,586	62,571	59,949	57,597
(3,294)	(4,593)	(1,687)	8,035	3,977	7,594
18,388	9,219	3,946	10,917	15,351	4,445
688	1,289	817	(38)	654	211
14,406	3,336	1,442	18,992	18,674	11,828
12,803	4,050	8	1,375	609	2,001
6,172	3,875	20,926	884	851	638
1,050	521	418	(207)	1,189	(1,379)
3,128	3,494	(7,623)	7,190	7,237	6,558
16,858	(504)	(12,270)	12,501	10,005	8,012

Consolidated Balance Sheet

(JPY billion)

	As of Mar. 31, 2012	As of Sep. 30, 2012	Change
ASSETS			
Current assets	21,728	24,157	2,429
Cash and deposits	452	332	(120)
Trading products	12,183	13,798	1,615
Loans secured by securities	7,684	8,766	1,082
Others	1,407	1,259	(148)
Noncurrent assets	707	772	64
Property, plant and equipment	29	27	(1)
Intangible assets	26	24	(1)
Investments and other assets	652	719	67
Total assets	22,436	24,929	2,493

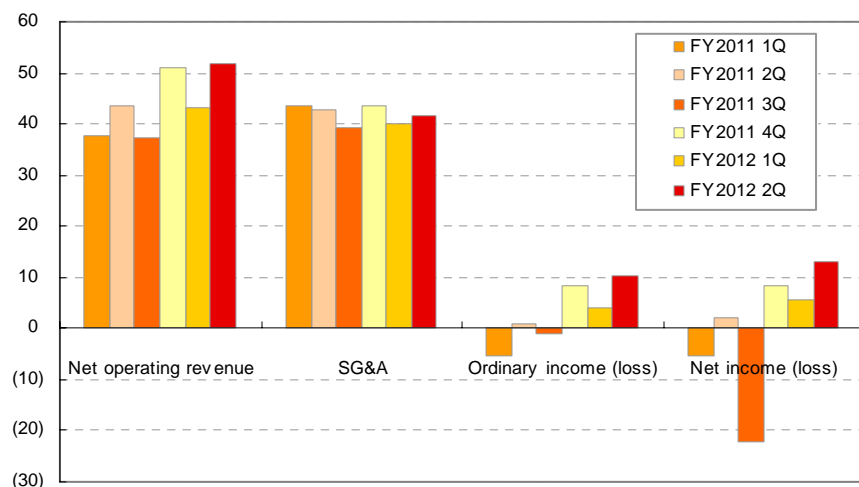
	As of Mar. 31, 2012	As of Sep. 30, 2012	Change
LIABILITIES			
Current liabilities	20,595	23,018	2,423
Trading products	10,762	11,635	873
Loans payable secured by securities	7,486	8,607	1,120
Short-term loans payable	617	903	285
Others	1,729	1,872	143
Noncurrent liabilities	1,020	1,066	46
Bonds payable	689	725	35
Long-term loans payable	310	322	11
Others	20	19	(0)
Total liabilities	21,616	24,086	2,469
NET ASSETS			
Shareholders' equity	648	666	18
Accumulated other comprehensive income	(52)	(50)	1
Minority interests	224	227	3
Total net assets	819	843	23
Total liabilities and net assets	22,436	24,929	2,493

Quarterly Performance Trends

- Earning capacity that is less susceptible to environment changes has been achieved by responding to customer needs in an appropriate manner through deepening "BTMU collaboration" together with building of a solid financial foundation as well as the refinement of the risk management structure.
- In the 2Q, the highest levels of net operating revenue, ordinary income and net income of the last six quarters were reported due to capturing the lead manager position in a major IPO transaction in addition to strong performances in trading.

Quarterly Trends

(JPY billion)



JPY billion

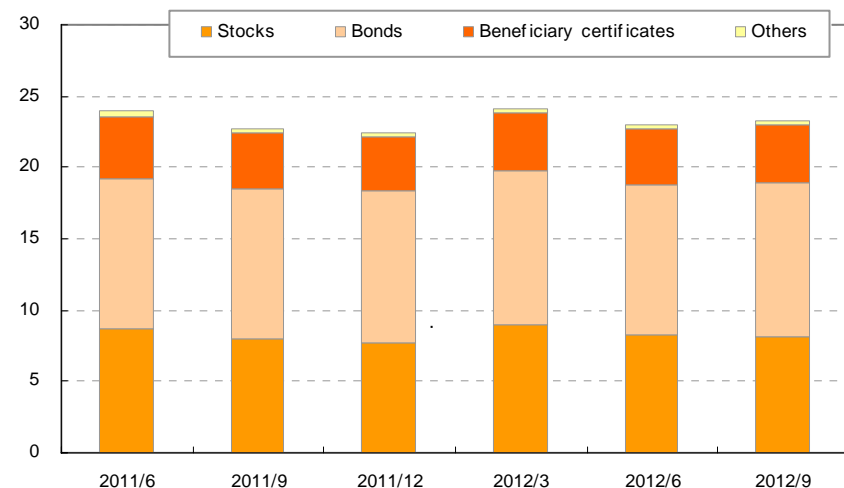
	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Net operating revenue	37.6	43.7	37.5	51.0	43.1	51.6
SG&A	43.6	42.9	39.2	43.7	40.0	41.5
Ordinary income (loss)	(5.5)	1.1	(1.1)	8.3	3.9	10.4
Net income (loss)	(5.4)	2.2	(22.1)	8.4	5.7	13.1

Trends of AUM

- AUM regained the JPY 24 trillion levels due to the temporary increases at the end of March of the previous fiscal year. As the stock market slumped and the investment environment worsened at the end of June, slight decreases were recorded mainly in stocks linked to stock prices. However, slight increases in AUM were recorded at the end of September due to the increase in bonds.

Quarterly Trends

(JPY trillion)



JPY trillion

	2011/6	2011/9	2011/12	2012/3	2012/6	2012/9
Stocks	8.7	8.1	7.7	9.0	8.3	8.1
Bonds	10.5	10.4	10.6	10.7	10.5	10.9
Beneficiary certificates	4.4	3.9	3.9	4.1	3.9	3.9
Others	0.4	0.4	0.3	0.3	0.3	0.3
Total	23.9	22.7	22.5	24.1	22.9	23.2

(JPY million)

Statement of Income

Full year

	FY2010	FY2011
Operating revenue	75,752	181,157
Commission received	97,394	90,022
Net trading income	(48,643)	69,664
Others	12	(479)
Financial revenue	26,988	21,949
Financial expenses	14,309	11,027
Net operating revenue	61,443	170,130
Selling, general and administrative expenses	190,010	169,631
Operating income (loss)	(128,567)	498
Non-operating income (expenses)	1,857	2,277
Ordinary income (loss)	(126,709)	2,776
Extraordinary income (loss)	(11,624)	(21,977)
Income taxes	6,606	(2,405)
Net income (loss)	(144,940)	(16,794)

Quarter

FY2011				FY2012	
1Q	2Q	3Q	4Q	1Q	2Q
40,334	46,721	40,333	53,768	46,043	54,273
22,238	22,438	19,053	26,291	18,357	25,285
14,703	16,580	18,472	19,907	23,554	21,786
14	(4)	4	(493)	15	32
3,376	7,707	2,802	8,062	4,116	7,169
2,638	2,962	2,744	2,681	2,886	2,629
37,695	43,758	37,589	51,086	43,156	51,644
43,682	42,974	39,268	43,705	40,043	41,564
(5,986)	783	(1,678)	7,380	3,113	10,079
413	402	522	939	834	322
(5,573)	1,186	(1,155)	8,319	3,948	10,402
(316)	797	(20,887)	(1,570)	(585)	1,522
(448)	(299)	62	(1,720)	(2,407)	(1,241)
(5,441)	2,283	(22,106)	8,469	5,769	13,166

Balance Sheet

(JPY billion)

	As of Mar. 31, 2012	As of Sep. 30, 2012	Change
Current assets	12,740	13,740	999
Cash and deposits	349	252	(96)
Trading products	8,299	9,084	785
Loans secured by securities	3,376	3,884	507
Others	715	518	(197)
Noncurrent assets	65	58	(6)
Property, plant and equipment	16	15	(1)
Intangible assets	22	21	(1)
Investments and other assets	25	22	(3)
Total assets	12,805	13,799	993

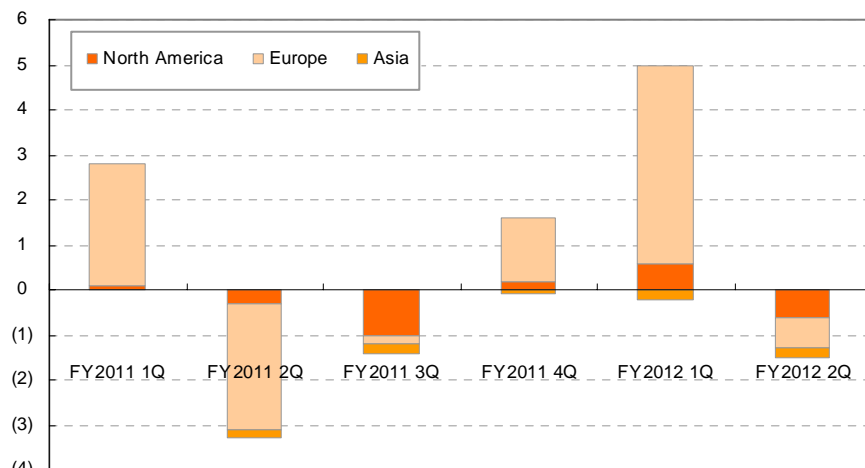
	As of Mar. 31, 2012	As of Sep. 30, 2012	Change
Current liabilities	12,282	13,322	1,039
Trading products	7,109	7,376	267
Loans payable secured by securities	3,460	3,670	209
Short-term loans payable	749	1,142	393
Others	964	1,133	169
Noncurrent liabilities	295	231	(63)
Long-term loans payable	280	217	(63)
Others	14	13	(0)
Total liabilities	12,579	13,555	975
Net assets	226	243	17
Total liabilities and net assets	12,805	13,799	993

Overseas Subsidiaries Quarterly Trends

- Minor losses were reported in the 2Q due to the re-emergence of the European debt crisis. However, combined with the strong performance of the 1Q, profits of JPY 3.2 billion were maintained over the full six months.
- Securities services matching customer needs were expanded, and BTMU collaboration overseas was also deepened. In addition to the management by each overseas subsidiary, a management structure that links the operations axis and the administrative functions of those subsidiaries in the international division is being developed.

Ordinary income (loss): Quarterly Trends

(JPY billion)



JPY billion

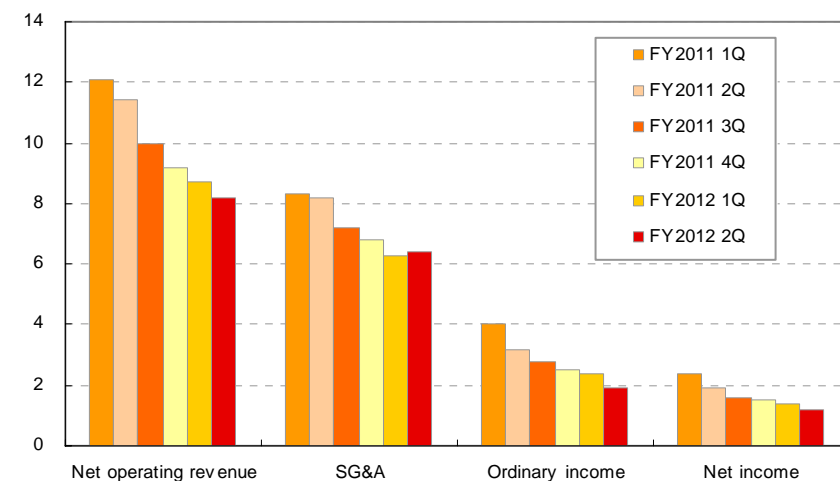
	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
North America	0.1	(0.3)	(1.0)	0.2	0.6	(0.6)
Europe	2.7	(2.8)	(0.2)	1.4	4.4	(0.7)
Asia	(0.0)	(0.2)	(0.2)	(0.1)	(0.2)	(0.2)
Total	2.7	(3.4)	(1.4)	1.5	4.8	(1.6)

KAM Quarterly Trends

- Although a downward trend has been prevailing in conjunction with the decrease in the balance of the Global Sovereign Open and other AUM, the rate of decline has been diminishing. Meanwhile, KAM has steadily secured profit both on the ordinary income and net income levels and has been making stable contributions to consolidated profits.
- KAM is currently aiming to improve its earning capacity by diversifying its products and strengthening its sales channels.

Quarterly Trends

(JPY billion)



JPY billion

	FY2011 1Q	FY2011 2Q	FY2011 3Q	FY2011 4Q	FY2012 1Q	FY2012 2Q
Net operating revenue	12.1	11.4	10.0	9.2	8.7	8.2
SG&A	8.3	8.2	7.2	6.8	6.3	6.4
Ordinary income	4.0	3.2	2.8	2.5	2.4	1.9
Net income	2.4	1.9	1.6	1.5	1.4	1.2

Financial Soundness Indicators (Credit Rating, Capital Adequacy Ratio, etc.)



Mitsubishi UFJ Securities Holdings

Credit Rating (MUMSS^{*1}/MUSHD^{*2})

- As the core securities company of the MUFG Group, MUMSS and MUSHD have maintained stable credit rating levels. Furthermore, new credit ratings were acquired from S&P in May this year.
- The credit rating outlooks are also stable.
(R&I rating was a positive evaluation.)

Credit Rating MUMSS

As of Sep. 14, 2012

Rating Agency	Long-term	Short-term
R&I	A+	a-1 *
JCR	AA	-
Moody's	A1	P-1
S&P	A+	A-1

*CP rating

Credit Rating MUSHD

As of Sep. 14, 2012

Rating Agency	Long-term	Short-term
R&I	A+	-
JCR	AA	-
Moody's	A2	P-1
S&P	A	A-1

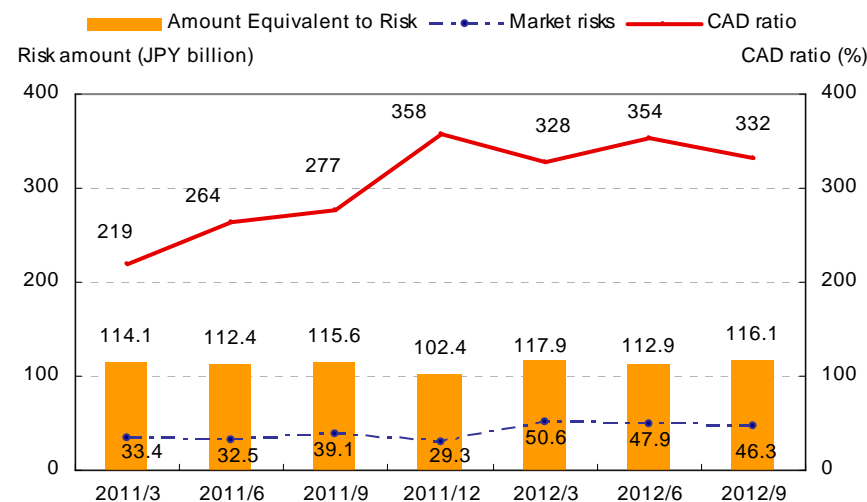
*1 MUMSS : Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

*2 MUSHD : Mitsubishi UFJ Securities Holdings Co., Ltd.

Capital Adequacy

- Due to the changes in the method of calculation of market risks in conjunction with the amendment to administrative notice on capital adequacy rules for securities companies (applicable from the end of March 2012), MUMSS' market risk increased at the end of the previous fiscal year.
- As a result of the capital increase executed by MUMSS in the previous fiscal year (JPY 75 billion) and the measures implemented to reduce various risks and noncurrent assets, satisfactory capital adequacy ratios are being maintained.
- The recent accumulation of profits has also contributed to the increase in net assets.

Capital Adequacy Ratio MUMSS



Net Assets MUSHD (Consolidated) / MUMSS

(JPY billion)

MUSHD (Consolidated)	2011/3	2011/6	2011/9	2011/12	2012/3	2012/6	2012/9
Capital stock	65.5	65.5	65.5	75.5	75.5	75.5	75.5
Net assets (Total)	802.1	814.3	813.3	799.4	819.6	838.3	843.4

MUMSS	2011/3	2011/6	2011/9	2011/12	2012/3	2012/6	2012/9
Capital stock	3.0	18.0	18.0	40.5	40.5	40.5	40.5
Net assets (Total)	168.7	193.4	195.1	218.3	226.4	231.8	243.9



Mitsubishi UFJ Securities Holdings

This document has been compiled solely for the purpose of providing information regarding the financial results for the second quarter of the fiscal year ending March 31, 2013, and is not intended as a solicitation or recommendation to invest in or dispose of the securities issued by the Company. This document was prepared based on information available as of October 30, 2013. Financial information and other information contained in this document are not subject to reviews by the accounting auditors. The facts and opinions presented in this document are facts that the Company acknowledged and opinions held by the Company as of the time of the preparation of this document. No guarantees or warranties are made by the Company as to the accuracy or completeness of the information contained therein, and such information is subject to change without notice. In addition, the Company is not liable for any omissions or errors in the data or representations contained in this document. Please note that all rights, including copyrights, to this document, in whole or in part, belong to Mitsubishi UFJ Securities Holdings Co., Ltd., and are not permitted to reproduce, distribute or transmit this document, digitally or otherwise in any format, for any purpose, without the express consent of Mitsubishi UFJ Securities Holdings Co., Ltd.