

3QFY2014 Financial Summary

Mitsubishi UFJ Securities Holdings Co., Ltd.

January, 2015

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Information Relating to Financial Stability

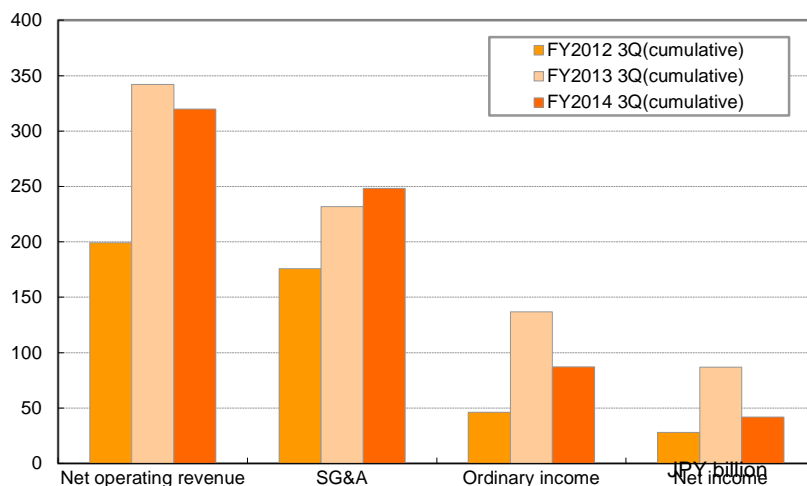
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3Q(cumulative) Performance Trends

- Net operating revenue JPY 319.8 billion ($\Delta 6\%$ YoY), ordinary income JPY 87.1 billion ($\Delta 36\%$ YoY) and net income JPY 41.8 billion ($\Delta 51\%$)
- Revenue and profit decreased significantly from those in FY 2013 3Q, which were record high, but ordinary income and net income were maintained at much higher level than those in FY2012 3Q.

3Q (cumulative) Trends

(JPY billion)



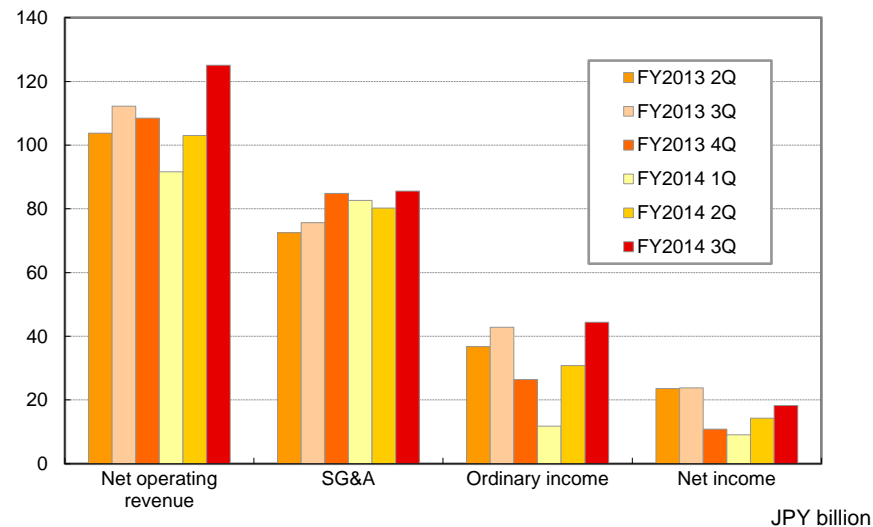
	FY2012 3Q (cumulative)	FY2013 3Q (cumulative)	FY2014 3Q (cumulative)
Net operating revenue	199.1	342.1	319.8
SG&A	175.9	231.8	248.4
Ordinary income	46.3	136.8	87.1
Net income	28.1	86.9	41.8

Quarterly Performance Trends

- Compared with performance in the previous quarter, both commission received and net trading income showed notable growth, with ordinary income and net income increasing by 44% and 28% respectively.
- Amid volatile market after additional monetary easing by the Bank of Japan, both revenue and profit increased by well capturing customer flow.

Quarterly Trends

(JPY billion)



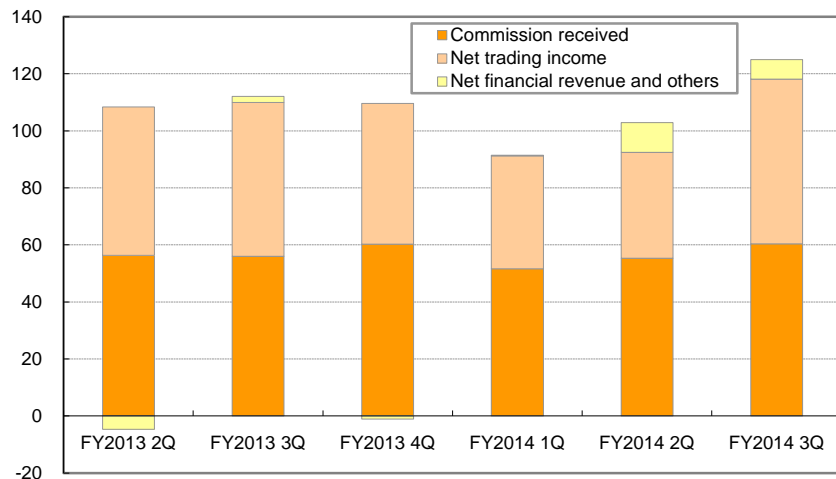
	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
Net operating revenue	103.7	112.2	108.5	91.6	103.0	125.1
SG&A	72.5	75.6	84.8	82.6	80.2	85.6
Ordinary income	36.8	42.8	26.4	11.8	30.8	44.4
Net income	23.6	23.8	10.8	9.1	14.3	18.3

Net Operating Revenue

- Thanks to the recovery in the domestic stock volume and increased volatility, revenues increased mainly in the domestic securities business, and net operating revenue recorded higher than that of FY 2013 3Q by exceeding JPY 120 billion after six quarters.

Quarterly Trends

(JPY billion)



JPY billion

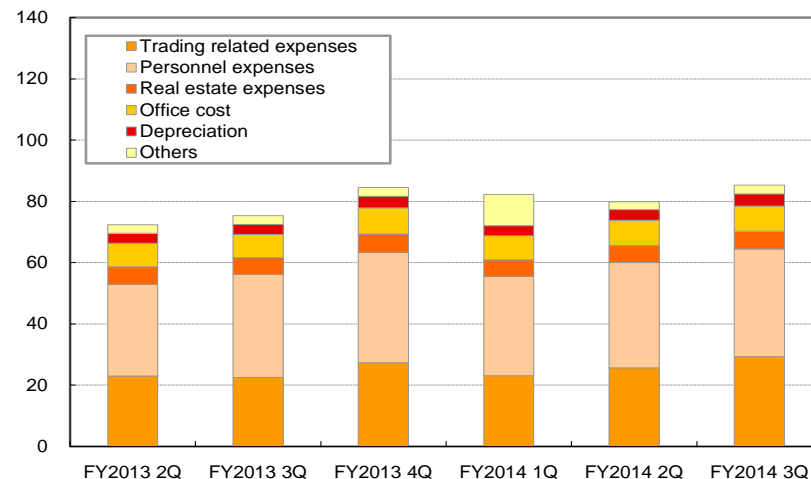
	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
Commission received	56.3	56.0	60.3	51.6	55.3	60.4
Net trading income	52.1	53.9	49.3	39.6	37.1	57.7
Net financial revenue and others	(4.7)	2.2	(1.1)	0.2	10.5	6.9
Total	103.7	112.2	108.5	91.6	103.0	125.1

SG & A

- Revenue related expenses such as trading related and personnel expenses increased from the previous quarter, but fixed costs such as real estate expenses and depreciation were kept at low levels and the expense as a whole was controlled.

Quarterly Trends

(JPY billion)



JPY billion

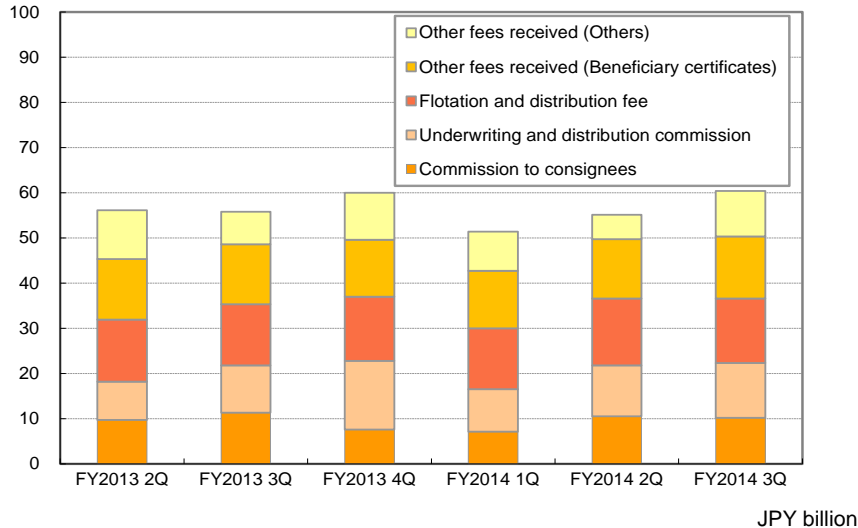
	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
Trading related expenses	23.0	22.5	27.3	23.1	25.6	29.3
Personnel expenses	29.9	33.7	36.1	32.5	34.4	35.2
Real estate expenses	5.7	5.4	5.9	5.3	5.6	5.8
Office cost	7.7	7.6	8.6	7.9	8.2	8.2
Depreciation	3.3	3.3	3.7	3.3	3.5	3.9
Others	2.8	2.8	2.9	10.1	2.6	2.9
Total	72.5	75.6	84.8	82.6	80.2	85.6

Commission Received

- Commission to consignees: Continued to exceed JPY 10 billion due to steady domestic stock market.
- Underwriting and distribution commission: Continued to increase, principally contributed by robust performance in the U.S. bond underwriting business.
- Floatation and distribution fee: Remained stable mainly due to sales of investment trusts remained stable.
- Other fees received: Increased QoQ due largely to M&A related fees.

Quarterly Trends

(JPY billion)



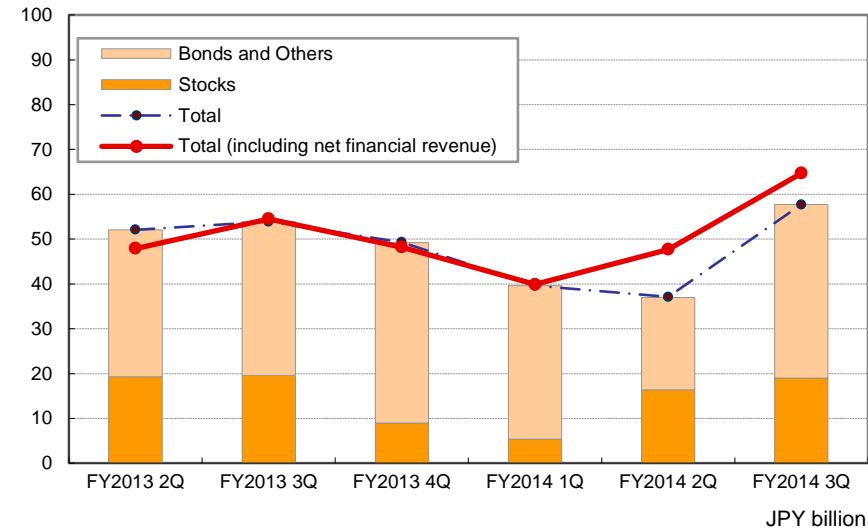
	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
Commission to consignees	9.7	11.3	7.6	7.1	10.5	10.2
Underwriting and distribution commission	8.5	10.5	15.2	9.4	11.3	12.1
Flotation and distribution fee	13.7	13.5	14.2	13.5	14.8	14.3
Other fees received (Beneficiary certificates)	13.4	13.3	12.6	12.7	13.1	13.7
Other fees received (Others)	10.8	7.2	10.4	8.7	5.4	10.1
Total	56.3	56.0	60.3	51.6	55.3	60.4

Net Trading Income

- Bond trading contributed to high level of income, with capturing customer flow for structured bonds and government bonds caused by weaker JPY and higher domestic stock prices.
- Stock trading was also strong and total income including net financial revenue exceeded JPY 60 billion.

Quarterly Trends

(JPY billion)



	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
Stocks	19.3	19.6	9.0	5.4	16.4	19.0
Bonds and Others	32.8	34.3	40.2	34.2	20.6	38.7
Total	52.1	53.9	49.3	39.6	37.1	57.7
Net financial revenue	(4.2)	0.5	(1.0)	0.2	10.5	6.9
Total (including net financial revenue)	47.9	54.5	48.2	39.9	47.7	64.7

Consolidated Statement of Income (Full year, Quarter)

JPY million

	Full year		Quarter					
	FY2012	FY2013	FY2013			FY2014		
			2Q	3Q	4Q	1Q	2Q	3Q
Operating revenue	350,524	487,796	111,276	120,817	120,894	103,159	112,996	139,365
Commission received	171,957	242,578	56,340	56,072	60,350	51,654	55,341	60,481
Net trading income	107,329	210,448	52,153	53,915	49,347	39,652	37,114	57,789
Net gain on private equity and other securities	(4,735)	(1,045)	(572)	1,661	(134)	1	(17)	0
Other net gain on goods trading	125	123	3	14	-	-	1	-
Financial revenue	75,846	35,692	3,350	9,153	11,332	11,850	20,556	21,093
Financial expenses	44,441	37,163	7,554	8,565	12,380	11,553	9,969	14,171
Net operating revenue	306,082	450,633	103,722	112,251	108,514	91,605	103,027	125,193
SG & A	256,881	316,710	72,558	75,681	84,846	82,615	80,248	85,634
Operating income	49,201	133,923	31,163	36,570	23,667	8,990	22,778	39,559
Non-operating income	36,717	32,121	5,775	7,373	3,940	3,165	9,186	5,655
Non-operating expenses	1,690	2,740	51	1,054	1,146	292	1,121	801
Ordinary income	84,228	163,304	36,887	42,888	26,461	11,863	30,842	44,413
Extraordinary income	5,154	8,807	118	387	257	4,025	3,976	808
Extraordinary loss	3,531	3,263	402	444	2,279	90	240	130
Income taxes	2,916	12,386	(4,376)	3,992	7,375	7,123	9,656	14,181
Minority interests in income (loss)	35,988	58,679	17,377	15,034	6,258	(433)	10,563	12,523
Net income	46,946	97,781	23,602	23,805	10,806	9,109	14,359	18,387

Consolidated Balance Sheet

JPY billion

	As of Mar. 31, 2014	As of Dec. 31, 2014	Change
ASSETS			
Current assets	29,753	28,723	(1,029)
Cash and deposits	1,133	1,082	(50)
Trading products	14,867	15,706	+839
Loans secured by securities	12,176	10,397	(1,778)
Others	1,576	1,536	(39)
Noncurrent assets	665	612	(53)
PP & E	31	32	+0
Intangible assets	60	54	(5)
Investments and other assets	573	524	(48)
Total assets	30,418	29,335	(1,083)

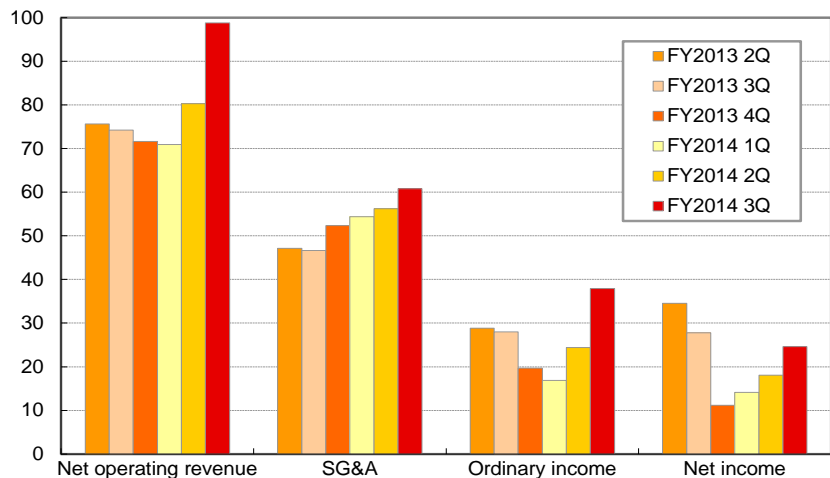
	As of Mar. 31, 2014	As of Dec. 31, 2014	Change
LIABILITIES			
Current liabilities	27,779	26,923	(855)
Trading products	11,501	10,397	(1,103)
Loans payable secured by securities	13,148	12,034	(1,114)
Short-term loans payable	1,047	1,251	+203
Others	2,081	3,240	+1,159
Noncurrent liabilities	1,569	1,414	(155)
Bonds payable	1,124	1,019	(104)
Long-term loans payable	428	378	(49)
Others	17	15	(1)
Total liabilities	29,350	28,339	(1,010)
NET ASSETS			
Shareholders' equity	769	734	(35)
Accumulated other comprehensive income	16	22	+6
Minority interests	282	239	(43)
Total net assets	1,068	995	(72)
Total liabilities and net assets	30,418	29,335	(1,083)

Quarterly Performance Trends

- Strong secondary business caused by increased trading volume and higher volatility contributed to revenue increase. Ordinary income and net income in 3Q marked JPY 37.9 billion and JPY 24.6 billion respectively.
- Mitsubishi UFJ Morgan Stanley PB Securities (MUMS-PB), which became a consolidated subsidiary, achieved stable revenue and contributed to MUMSS's performance.

Quarterly Trends

(JPY billion)



JPY billion

	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q *1	FY2014 2Q	FY2014 3Q
Net operating revenue	75.6	74.2	71.6	70.9	80.3	98.8
SG&A	47.1	46.6	52.3	54.4	56.2	60.8
Ordinary income	28.8	28.0	19.7	16.9	24.4	37.9
Net income	34.5	27.8	11.2	14.1	18.1	24.6

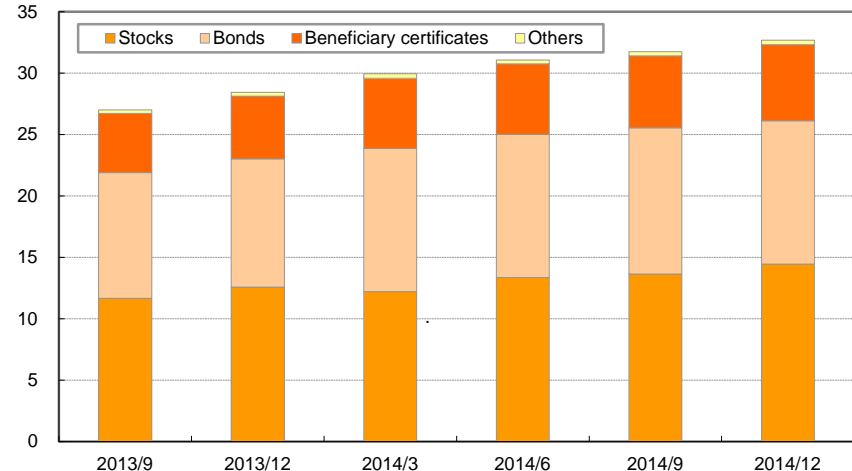
*1 Figures for 1Q FY2014 and later period are on a consolidated basis, which include those of MUMS-PB.

Trends of AUM

- Approximately JPY 32.7 trillion at the end of December 31, 2014, which had been increased QoQ increase due to an increase in stocks.
- Of the above, AUM for the domestic Retail and Middle Market Unit was JPY 26.2 trillion (JPY 25.6 trillion at the end of September 2014)

Quarterly Trends

(JPY trillion)



JPY trillion

	2013/9	2013/12	2014/3	2014/6 *2	2014/9	2014/12
Stocks	11.7	12.6	12.2	13.3	13.6	14.4
Bonds	10.2	10.4	11.7	11.7	11.9	11.7
Beneficiary certificates	4.8	5.1	5.7	5.7	5.9	6.2
Others	0.3	0.3	0.3	0.3	0.3	0.3
Total	27.0	28.4	29.9	31.1	31.7	32.7

*2 Figures at the end of March 31, 2014 and later dates represent simple aggregation of MUMSS and MUMS-PB.

JPY million

MUMSS
Statement of Income

	Full year	
	FY2012	FY2013
Operating revenue	230,427	321,842
Commission received	110,137	165,465
Net trading income	97,254	136,984
Others	125	124
Financial revenue	22,909	19,268
Financial expenses	10,158	8,857
Net operating revenue	220,268	312,984
SG & A	172,418	196,644
Operating income	47,849	116,340
Non-operating income	1,622	1,468
Ordinary income	49,472	117,808
Extraordinary income (loss)	1,177	5,386
Income taxes	(5,448)	2,071
Net income	56,098	121,123

Balance Sheet

	As of Mar. 31, 2014	As of Dec. 31, 2014	Change
Current assets	16,144	15,597	(547)
Cash and deposits	980	942	(38)
Trading products	10,076	11,068	+991
Loans secured by securities	4,339	2,877	(1,462)
Others	747	709	(38)
Noncurrent assets	115	114	(0)
PP & E	16	18	+1
Intangible assets	22	27	+5
Investments and other assets	75	68	(7)
Total assets	16,260	15,712	(547)

Quarter

	FY2013			FY2014		
	2Q	3Q	4Q	1Q	2Q	3Q
	77,608	76,487	74,154	64,515	72,872	90,548
	38,739	37,436	40,341	32,719	34,076	37,194
	32,619	35,372	27,443	26,702	30,003	48,399
	6	15	(4)	1	2	0
	6,242	3,662	6,373	5,092	8,789	4,954
	1,930	2,231	2,471	2,668	2,781	2,558
	75,678	74,255	71,682	61,846	70,090	87,990
	47,134	46,612	52,327	48,059	49,316	54,113
	28,543	27,643	19,354	13,787	20,773	33,876
	334	438	366	665	639	3,432
	28,878	28,082	19,721	14,452	21,412	37,308
	(286)	15	(2,143)	3,682	2,702	(24)
	(5,987)	291	6,294	5,005	7,177	11,092
	34,579	27,807	11,283	13,129	16,937	26,192

JPY billion

	As of Mar. 31, 2014	As of Dec. 31, 2014	Change
Current liabilities	15,521	14,966	(554)
Trading products	7,231	6,602	(629)
Loans payable secured by securities	5,854	5,027	(827)
Short-term loans payable	1,407	1,601	+194
Others	1,026	1,735	+708
Noncurrent liabilities	358	374	+15
Long-term loans payable	345	362	+17
Others	13	11	(2)
Total liabilities	15,881	15,342	(538)
Net assets	378	369	(9)
Total liabilities and net assets	16,260	15,712	(547)

JPY million

MUMSPB
Statement of Income

	Full year	
	FY2012 *	FY2013
Net operating revenue	28,489	36,944
Ordinary income	13,396	13,093
Net income	8,240	7,999

Quarter

	FY2013			FY2014		
	2Q	3Q	4Q	1Q	2Q	3Q
	8,240	9,546	8,896	9,106	10,221	10,856
	2,679	3,460	2,866	2,852	3,467	4,284
	1,646	2,133	1,681	1,818	2,213	2,749

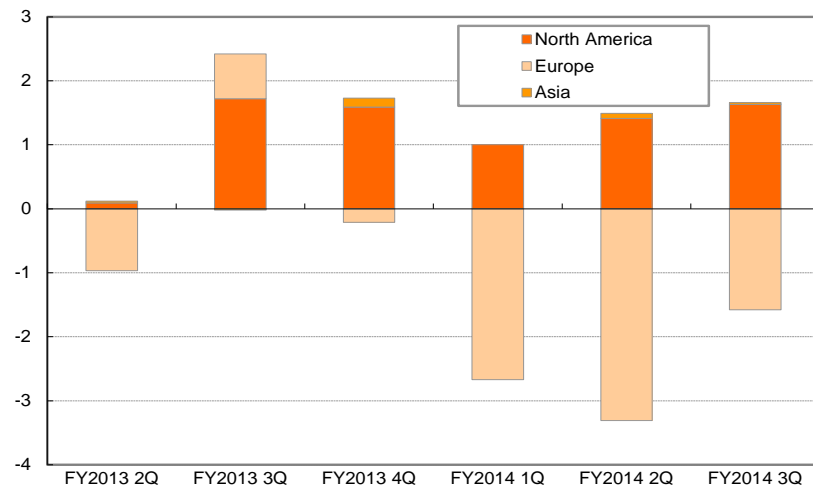
* MUMS-PB became a subsidiary of MUSHD Group in the middle of FY2012 (on December 26, 2012), but the above figures for FY2012 represent its full-year results.

Overseas Subsidiaries Quarterly Trends

- Overseas subsidiaries turned profitable overall.
- Business in North America secured profits for nine consecutive quarters led by the ongoing robust performance in the primary business.
- In spite of continued slump in the European market, business in Europe reduced losses through efforts to cut back expenses

Ordinary income (loss): Quarterly Trends

(JPY billion)



JPY billion

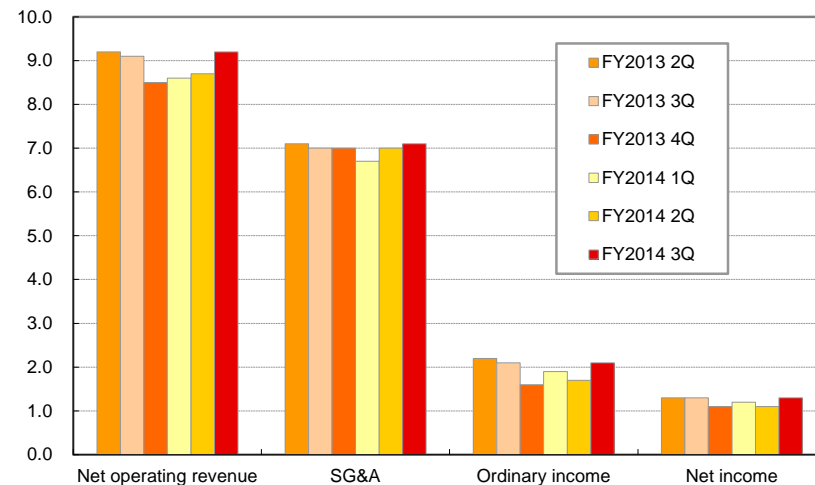
	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
North America	0.09	1.72	1.59	1.00	1.41	1.63
Europe	(0.97)	0.70	(0.21)	(2.67)	(3.31)	(1.58)
Asia	0.03	(0.02)	0.14	0.00	0.08	0.03
Total	(0.84)	2.41	1.53	(1.67)	(1.81)	0.09

KAM Quarterly Trends

- Revenues remained stable due to the expansion of its product lineups.
- Assets under management at the end of December 31, 2014 was JPY 3.7 trillion (increased JPY 0.2 trillion from the end of previous quarter).

Quarterly Trends

(JPY billion)



JPY billion

	FY2013 2Q	FY2013 3Q	FY2013 4Q	FY2014 1Q	FY2014 2Q	FY2014 3Q
Net operating revenue	9.2	9.1	8.5	8.6	8.7	9.2
SG&A	7.1	7.0	7.0	6.7	7.0	7.1
Ordinary income	2.2	2.1	1.6	1.9	1.7	2.1
Net income	1.3	1.3	1.1	1.2	1.1	1.3

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

Credit Rating

- Moody's dropped credit rating for each company by one notch due to the downgrade of Japanese government bond. Credit rating outlooks remained stable. Credit ratings by other rating agencies remained unchanged (as of December 31, 2014)

Capital Adequacy

- Capital adequacy ratio at the end of December 31, 2014 stood at 289%, maintaining a sufficient level of capital base
- Capital base of MUSHD (consolidated) marked no major change.

Mitsubishi UFJ Securities Holdings (MUSHD)

	R&I	JCR	Moody's	S&P
Long-term	AA-	AA	A3	A
Short-term	-	-	P-2	A-1

Mitsubishi UFJ Morgan Stanley Securities (MUMSS)

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

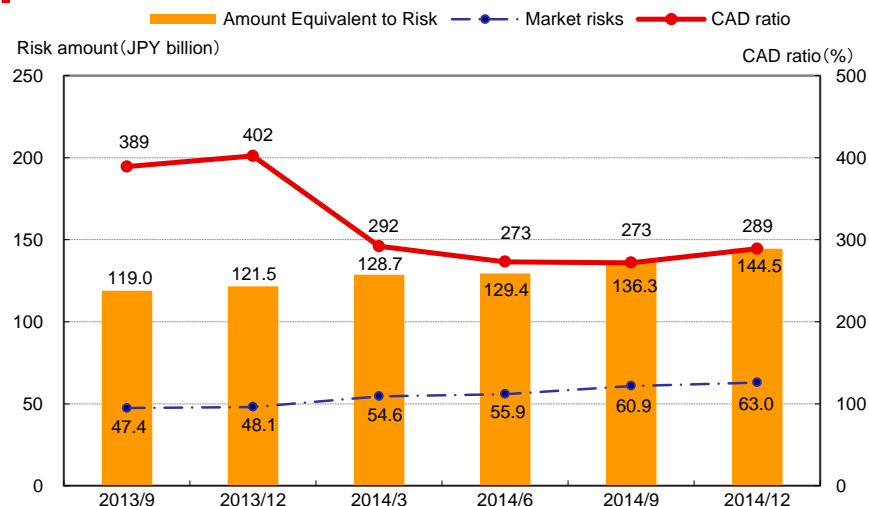
*CP rating

Mitsubishi UFJ Securities International plc (MUSI)

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

**Euro Medium Term Note Programme rating (senior bonds)

Capital Adequacy Ratio MUMSS



Net Assets MUSHD (Consolidated) / MUMSS

JPY billion

MUSHD (Consolidated)	2013/9	2013/12	2014/3	2014/6	2014/9	2014/12
Capital stock	75.5	75.5	75.5	75.5	75.5	75.5
Net assets (Total)	1,000.6	1,037.0	1,068.0	972.7	968.7	995.9

MUMSS	2013/9	2013/12	2014/3	2014/6	2014/9	2014/12
Capital stock	40.5	40.5	40.5	40.5	40.5	40.5
Net assets (Total)	339.9	367.6	378.9	327.8	343.2	369.6

Value at Risk (VaR) associated with the trading activities

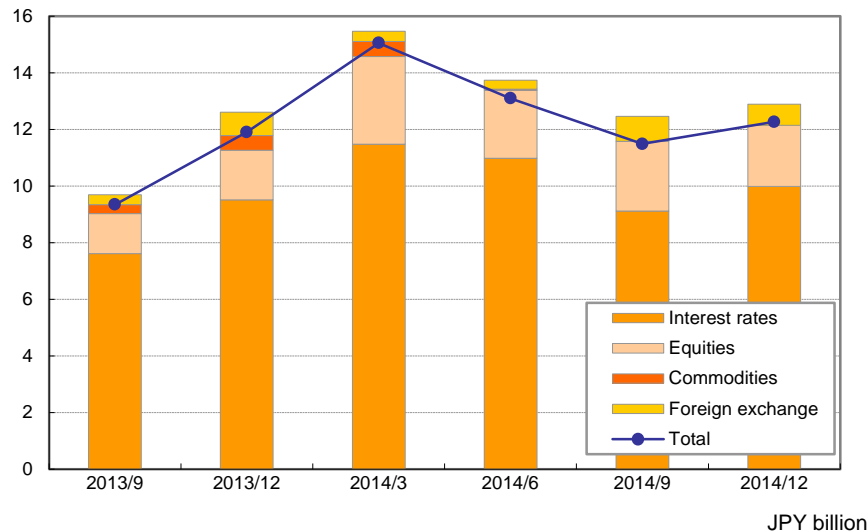
- Overall no major changes were made. Interest rate risks increased slightly due mainly to the increase in bond trading flow at domestic subsidiaries.

Methodology of VaR

Historical simulation method (10-day holding period, 99% of confidence interval and 701-business day observation period)

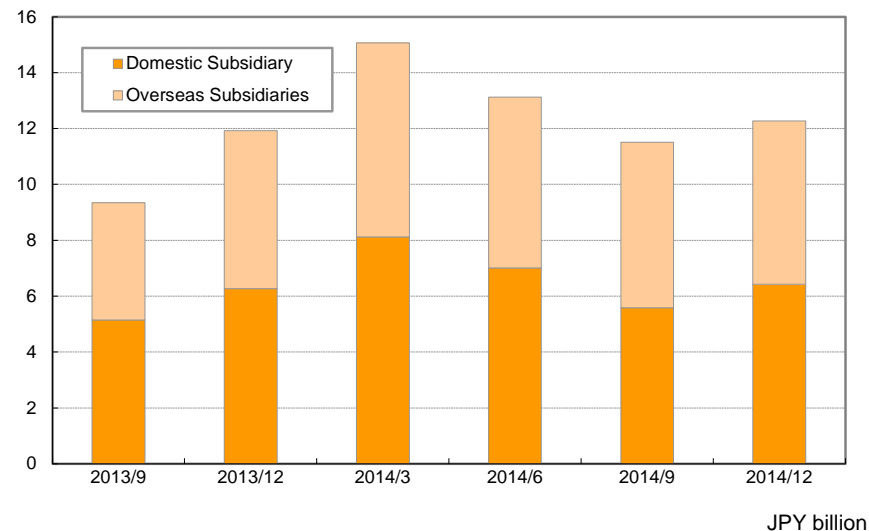
Quarterly trends of VaR by risk category

(JPY billion)



Quarterly trends of VaR by type of subsidiary

(JPY billion)



	2013/9	2013/12	2014/3	2014/6	2014/9	2014/12
Interest rates	7.6	9.5	11.5	11.0	9.1	10.0
Equities	1.4	1.8	3.1	2.4	2.5	2.2
Commodities	0.3	0.5	0.5	0.0	0.0	—
Foreign exchange	0.3	0.8	0.4	0.3	0.9	0.7
Total	9.3	11.9	15.0	13.1	11.5	12.3

	2013/9	2013/12	2014/3	2014/6	2014/9	2014/12
Domestic Subsidiary	5.1	6.3	8.1	7.0	5.6	6.4
Overseas Subsidiaries	4.2	5.7	6.9	6.1	5.9	5.9
Total	9.3	11.9	15.0	13.1	11.5	12.3

Domestic Subsidiary: Mitsubishi UFJ Morgan Stanley Securities
 Overseas Subsidiaries: Mitsubishi UFJ Securities International, Mitsubishi UFJ Securities (USA), Mitsubishi UFJ Securities (HK)



Mitsubishi UFJ Securities Holdings

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