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July 28, 2017

## Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2018 [under Japanese GAAP]

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

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Supplementary material on quarterly financial results: Yes

Quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts disregarded)

### 1. Consolidated performance for the first quarter of fiscal year 2017 (from April 1, 2017 to June 30, 2017)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three months of FY2017	86,684	(12.3)	83,378	(4.8)	9,718	6.8	15,181	(29.5)
First three months of FY2016	98,805	(32.7)	87,592	(36.5)	9,103	(73.6)	21,536	(46.6)

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Yen	Yen
First three months of FY2017	9,817	(34.0)	13.32	13.32
First three months of FY2016	14,872	(16.2)	20.18	20.18

(Note) Comprehensive income First three months of FY2017: 8,731 million yen —%  
First three months of FY2016: (7,102) million yen —%

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	26,765,922	955,004	2.5
As of March 31, 2017	30,493,167	959,450	2.2

(Reference) Equity As of June 30, 2017: 670,702million yen As of March 31, 2017: 674,860 million yen

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

(Total net assets – Subscription rights to shares – Non-controlling interests) / Total assets

**\*Notes**

- (1) **Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in the change in scope of consolidation):** None
- (2) **Application of particular accounting for preparing quarterly consolidated financial statements:** None
- (3) **Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections**
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - b. Changes in accounting policies due to other reasons: None
  - c. Changes in accounting estimates: None
  - d. Restatement of prior period financial statements after error corrections: None

(4) **Number of issued shares (common stock)**

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

As of June 30, 2017	736,985,496 shares
As of March 31, 2017	736,985,496 shares

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

As of June 30, 2017	– shares
As of March 31, 2017	– 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, 2018	736,985,496 shares
First three months of the fiscal year ended March 31, 2017	736,985,496 shares

< \* >

This quarterly financial results report is not subject to quarterly review.

< \* **Other special matters** >

None

## Attached Material

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### <Reference>

#### Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2018

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### <Reference>

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## 1. Consolidated financial statements

## (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
<b>ASSETS</b>		
Current assets		
Cash and deposits	1,620,266	1,754,170
Cash segregated as deposits	768,679	819,191
Trading products	14,756,676	13,609,651
Trading securities and other	3,381,146	3,396,314
Derivatives	11,375,529	10,213,337
Trade date accrual	238,148	—
Margin transaction assets	287,718	241,546
Loans secured by securities	10,826,770	8,458,851
Short-term guarantee deposits	1,026,110	886,002
Short-term investment securities	56,697	79,251
Income taxes receivable	629	3,105
Other current assets	226,292	321,748
Allowance for doubtful accounts	(0)	—
Total current assets	29,807,989	26,173,519
Non-current assets		
Property, plant and equipment	39,954	39,534
Intangible assets	109,110	108,243
Investments and other assets	536,113	444,626
Total non-current assets	685,178	592,403
Total assets	30,493,167	26,765,922

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
<b>LIABILITIES</b>		
Current liabilities		
Trading products	14,156,731	11,724,716
Trading securities and other	2,925,489	1,751,692
Derivatives	11,231,241	9,973,023
Trade date accrual	—	764,101
Margin transaction liabilities	229,484	180,056
Loans payable secured by securities	8,462,325	6,437,056
Short-term loans payable	1,855,938	1,861,602
Current portion of bonds	137,573	179,916
Current portion of long-term loans payable	122,820	91,733
Commercial papers	592,078	555,734
Income taxes payable	11,192	4,684
Provision for contingent loss	1,336	45
Asset retirement obligations	6	7
Other current liabilities	2,416,904	2,456,376
Total current liabilities	27,986,392	24,256,031
Non-current liabilities		
Bonds payable	1,022,165	1,014,107
Long-term loans payable	505,000	520,800
Net defined benefit liability	3,249	3,004
Provision for directors' retirement benefits	30	25
Asset retirement obligations	7,634	7,644
Other non-current liabilities	5,170	5,287
Total non-current liabilities	1,543,249	1,550,870
Reserves under the special laws		
Reserve for financial products transaction liabilities	4,075	4,016
Total reserves under the special laws	4,075	4,016
Total liabilities	29,533,717	25,810,918
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	75,518	75,518
Capital surplus	438,916	438,805
Retained earnings	185,688	185,276
Total shareholders' equity	700,123	699,601
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	840	1,148
Deferred gains or losses on hedges	43	97
Foreign currency translation adjustment	(26,992)	(30,920)
Remeasurements of defined benefit plans	846	775
Total accumulated other comprehensive income	(25,262)	(28,898)
Subscription rights to shares	16	19
Non-controlling interests	284,574	284,282
Total net assets	959,450	955,004
Total liabilities and net assets	30,493,167	26,765,922

(2) Consolidated statements of income and Consolidated statements of comprehensive income  
Consolidated statements of income (cumulative)

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)
Operating revenue		
Commission received	39,633	36,821
Net trading income	42,557	36,943
Financial revenue	16,613	12,918
Other operating revenue	0	0
Total operating revenue	98,805	86,684
Financial expenses	11,213	3,305
Net operating revenue	87,592	83,378
Selling, general and administrative expenses	78,489	73,660
Operating profit	9,103	9,718
Non-operating income		
Share of profit of entities accounted for using equity method	9,838	3,912
Other	2,702	2,283
Total non-operating income	12,541	6,195
Non-operating expenses		
Loss on sales of investment securities	1	556
Other	106	176
Total non-operating expenses	107	733
Ordinary profit	21,536	15,181
Extraordinary income		
Gain on sales of investment securities	2	24
Reversal of reserve for financial products transaction liabilities	194	59
Total extraordinary income	196	83
Extraordinary losses		
Loss on sales of investment securities	5	—
Loss on valuation of investment securities	—	0
Impairment loss	—	7
Head office transfer cost	449	—
Total extraordinary losses	455	7
Profit before income taxes	21,278	15,257
Income taxes-current	137	2,890
Income taxes-deferred	1,671	(97)
Total income taxes	1,808	2,792
Profit	19,469	12,464
Profit attributable to non-controlling interests	4,597	2,646
Profit attributable to owners of parent	14,872	9,817

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)
Profit	19,469	12,464
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,556)	216
Deferred gains or losses on hedges	53	54
Foreign currency translation adjustment	(24,652)	(3,993)
Remeasurements of defined benefit plans, net of tax	(134)	(130)
Share of other comprehensive income of entities accounted for using equity method	(282)	120
Total other comprehensive income	<u>(26,572)</u>	<u>(3,733)</u>
Comprehensive income	<u>(7,102)</u>	<u>8,731</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(11,176)	6,181
Comprehensive income attributable to non-controlling interests	4,073	2,549

(3) Notes to consolidated financial statements

(Notes on premise of going concern)

None

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

None



<Reference>

**Consolidated Financial Results**  
**for the First Quarter of the Fiscal Year Ending March 31, 2018**

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Commission to consignees	8,836	9,848	1,012	39,056
Stocks	8,274	9,502	1,228	37,253
Bonds	23	7	(15)	78
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	10,130	4,553	(5,577)	36,696
Stocks	2,548	1,499	(1,048)	11,537
Bonds	7,581	3,053	(4,528)	25,158
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	7,657	8,716	1,059	35,623
Beneficiary certificates	6,789	7,875	1,086	31,860
Other fees received	13,009	13,702	693	61,901
Beneficiary certificates	5,408	5,810	402	22,299
<b>Total</b>	<b>39,633</b>	<b>36,821</b>	<b>(2,812)</b>	<b>173,279</b>

(2) Breakdown by product

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Stocks	11,172	11,624	451	52,448
Bonds	8,721	3,871	(4,850)	30,997
Beneficiary certificates	12,663	13,980	1,317	55,678
Other	7,075	7,344	268	34,153
<b>Total</b>	<b>39,633</b>	<b>36,821</b>	<b>(2,812)</b>	<b>173,279</b>

2. Net trading income

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Stocks	(14,133)	7,096	21,229	29,210
Bonds and other	56,690	29,847	(26,843)	149,902
<b>Total</b>	<b>42,557</b>	<b>36,943</b>	<b>(5,613)</b>	<b>179,112</b>

<Reference>

### Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	1Q of FY2016 (April 1 to June 30, 2016)	2Q of FY2016 (July 1 to September 30, 2016)	3Q of FY2016 (October 1 to December 31, 2016)	4Q of FY2016 (January 1 to March 31, 2017)	1Q of FY2017 (April 1 to June 30, 2017)
Operating revenue	98,805	101,774	87,038	116,879	86,684
Commission received	39,633	45,883	38,779	48,983	36,821
Commission to consignees	8,836	9,108	11,062	10,049	9,848
Stocks	8,274	8,697	10,546	9,735	9,502
Bonds	23	24	15	14	7
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	10,130	13,195	5,299	8,071	4,553
Stocks	2,548	3,131	2,636	3,221	1,499
Bonds	7,581	10,063	2,662	4,850	3,053
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	7,657	8,058	7,953	11,955	8,716
Beneficiary certificates	6,789	7,107	7,351	10,612	7,875
Other fees received	13,009	15,521	14,463	18,906	13,702
Beneficiary certificates	5,408	5,486	5,761	5,643	5,810
Net trading income	42,557	38,889	41,524	56,141	36,943
Net trading income from securities (stocks)	(14,133)	2,508	12,407	28,427	7,096
Net trading income from bonds and other	56,690	36,380	29,117	27,714	29,847
Financial revenue	16,613	17,001	6,735	11,755	12,918
Other operating revenue	0	0	—	—	0
Financial expenses	11,213	4,341	4,018	5,687	3,305
Net operating revenue	87,592	97,432	83,020	111,191	83,378
Selling, general and administrative expenses	78,489	82,486	69,607	84,542	73,660
Trading related expenses	23,190	23,962	21,281	30,001	22,013
Personnel expenses	30,535	34,317	25,661	29,900	26,920
Real estate expenses	6,800	7,015	5,888	6,386	6,205
Office cost	7,764	7,971	7,795	8,076	7,960
Depreciation	5,957	5,475	5,472	6,113	6,565
Taxes and dues	2,118	1,333	2,031	1,695	2,246
Other	2,122	2,410	1,475	2,369	1,748
Operating profit	9,103	14,946	13,413	26,648	9,718
Non-operating income	12,541	11,942	5,380	7,210	6,195
Non-operating expenses	107	680	(30)	833	733
Ordinary profit	21,536	26,208	18,823	33,026	15,181
Extraordinary income	196	(1)	19	(34)	83
Extraordinary losses	455	427	1,806	775	7
Profit before income taxes	21,278	25,779	17,037	32,215	15,257
Income taxes-current	137	5,165	5,540	9,325	2,890
Income taxes-deferred	1,671	296	(1,266)	825	(97)
Total income taxes	1,808	5,461	4,274	10,150	2,792
Profit	19,469	20,318	12,763	22,064	12,464
Profit attributable to non-controlling interests	4,597	7,990	3,840	9,099	2,646
Profit attributable to owners of parent	14,872	12,327	8,922	12,964	9,817

<Reference>

Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.  
for the First Quarter of the Fiscal Year Ending March 31, 2018

(1) Consolidated operating results

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Operating revenue	63,876	63,353	(522)	303,649
Commission received	27,860	31,616	3,755	139,146
Net trading income	32,261	25,352	(6,909)	142,930
Net operating revenue	61,815	61,494	(320)	295,082
Operating profit	5,606	2,849	(2,756)	52,440
Ordinary profit	5,887	3,152	(2,734)	53,802
Profit attributable to owners of parent	3,550	1,879	(1,670)	34,429

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Commission to consignees	6,497	7,731	1,234	29,991
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	2,518	2,544	25	16,400
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	7,618	8,684	1,066	35,479
Other fees received	11,226	12,655	1,429	57,275
Total	27,860	31,616	3,755	139,146

<Breakdown by product of commission received>

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Stocks	7,936	9,447	1,510	41,402
Bonds	2,079	1,912	(167)	12,934
Beneficiary certificates	12,473	13,786	1,312	54,918
Other	5,371	6,470	1,099	29,891
Total	27,860	31,616	3,755	139,146

<Net trading income>

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Stocks	5,452	7,850	2,397	36,875
Bonds and other	26,808	17,501	(9,307)	106,054
Total	32,261	25,352	(6,909)	142,930

(2) Consolidated financial position

(Millions of yen)

	As of June 30, 2016	As of June 30, 2017	Increase (Decrease)	As of March 31, 2017
Total assets	16,389,187	13,982,985	(981,297)	14,964,282
Net assets	395,706	428,948	1,419	427,529

<Reference>

(3) Non-consolidated operating results

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Operating revenue	57,005	53,133	(3,871)	270,069
Commission received	24,383	26,862	2,479	122,569
Net trading income	28,898	19,927	(8,970)	126,070
Net operating revenue	55,016	51,338	(3,677)	261,784
Operating profit (loss)	4,287	(549)	(4,837)	43,564
Ordinary profit	7,271	2,912	(4,358)	50,482
Profit	5,645	3,347	(2,297)	35,720

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Commission to consignees	6,365	7,581	1,215	29,156
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	2,518	2,544	25	16,400
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	5,668	5,701	33	25,695
Other fees received	9,829	11,034	1,204	51,317
Total	24,383	26,862	2,479	122,569

<Breakdown by product of commission received>

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Stocks	7,856	9,338	1,482	40,741
Bonds	1,733	1,470	(263)	10,664
Beneficiary certificates	9,487	9,675	188	41,560
Other	5,306	6,378	1,071	29,602
Total	24,383	26,862	2,479	122,569

<Net trading income>

(Millions of yen)

	First three months of FY2016 (From April 1, 2016 to June 30, 2016)	First three months of FY2017 (From April 1, 2017 to June 30, 2017)	Increase (Decrease)	FY2016 (From April 1, 2016 to March 31, 2017)
Stocks	4,351	7,123	2,771	32,137
Bonds and other	24,546	12,804	(11,742)	93,932
Total	28,898	19,927	(8,970)	126,070

(4) Non-consolidated financial position

(Millions of yen)

	As of June 30, 2016	As of June 30, 2017	Increase (Decrease)	As of March 31, 2017
Total assets	16,330,461	13,918,442	(982,374)	14,900,816
Net assets	393,921	427,641	3,363	424,278