



Mitsubishi UFJ Securities Holdings

1QFY2017

Financial Summary

Mitsubishi UFJ Securities Holdings Co., Ltd.

July, 2017

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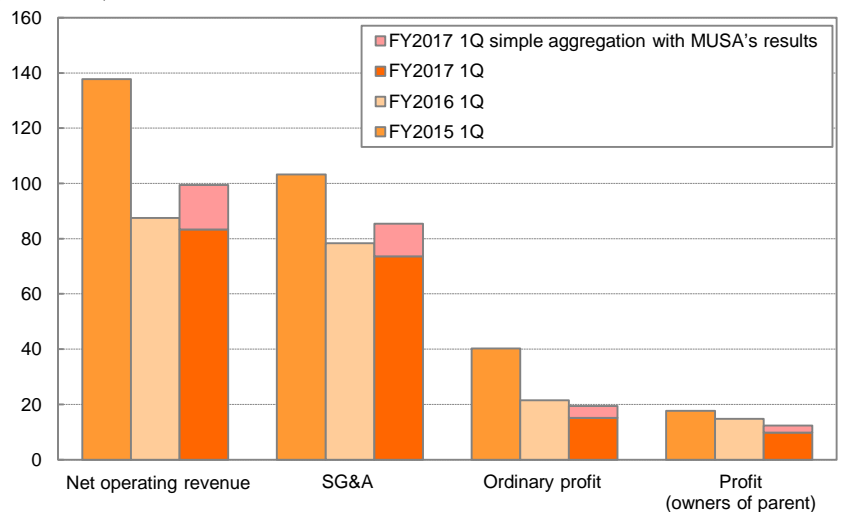
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1Q Performance Trends

- Both revenue and profit decreased from those in FY2016 1Q, with net operating revenue of JPY 83.3 billion (-4% YoY), ordinary profit of JPY 15.1 billion (-29% YoY) and profit attributable to owners of parent of JPY 9.8 billion (-34% YoY).
- Net operating revenue for 1Q in a simple aggregation with the results of MUFG Securities Americas Inc. (hereinafter "MUSA"), which was deconsolidated from FY2016 3Q, was JPY 99.5 billion (+13% YoY).

1Q Trends

(JPY billion)



	FY2015 1Q	FY2016 1Q	FY2017 1Q
Net operating revenue	137.8	87.5	83.3
SG&A	103.2	78.4	73.6
Ordinary profit	40.2	21.5	15.1
Profit (owners of parent)	17.7	14.8	9.8

Simple aggregation with MUSA's results

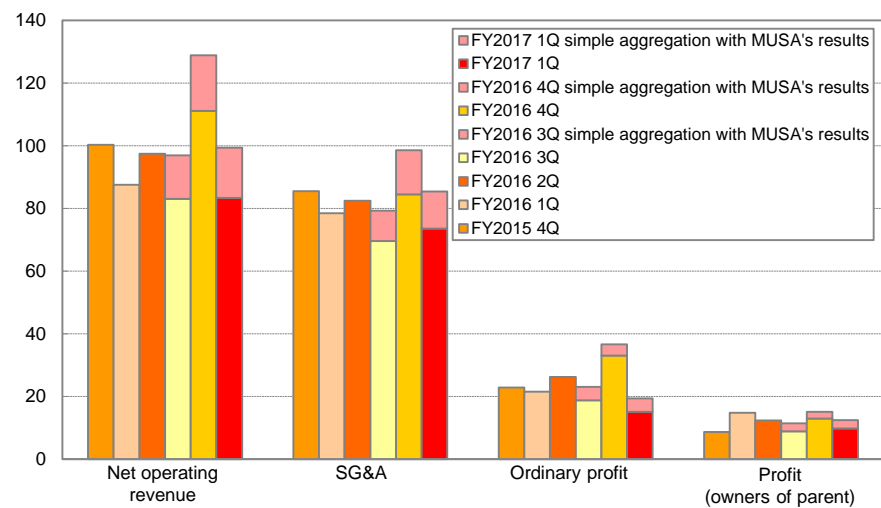
Net operating revenue	—	—	99.5
SG&A	—	—	85.4
Ordinary profit	—	—	19.5
Profit (owners of parent)	—	—	12.4

Quarterly Performance Trends

- While domestic subsidiaries struggled due to low customer flow caused by rising geopolitical risks and decreasing volatilities, the performance of overseas subsidiaries grew. Although both revenue and profit decreased from the previous quarter, when performance was strong, net operating revenue was on par with FY2016 2Q and 3Q (after aggregation with MUSA).
- Ordinary profit in a simple aggregation with the results of MUSA was JPY 19.5 billion and profit attributable to owners of parent was JPY 12.4 billion.

Quarterly Trends

(JPY billion)



	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Net operating revenue	100.3	87.5	97.4	83.0	111.1	83.3
SG&A	85.5	78.4	82.4	69.6	84.5	73.6
Ordinary profit	22.8	21.5	26.2	18.8	33.0	15.1
Profit (owners of parent)	8.7	14.8	12.3	8.9	12.9	9.8

Simple aggregation with MUSA's results

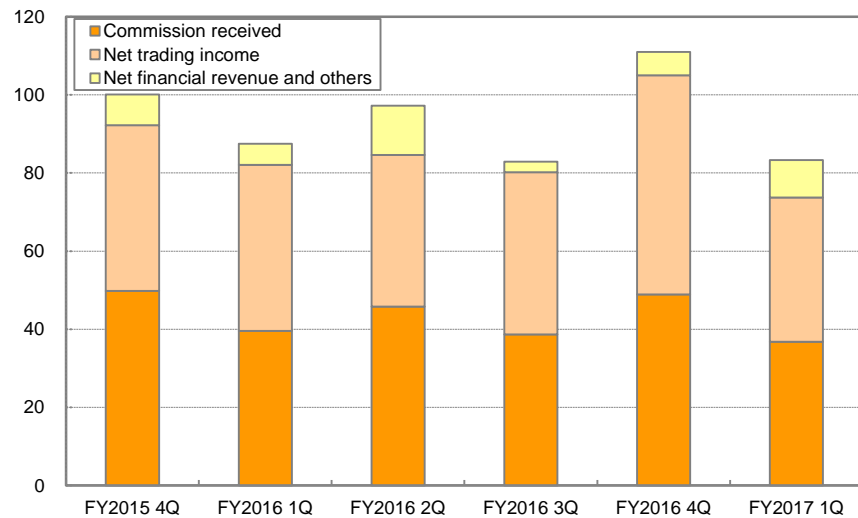
Net operating revenue	—	—	—	97.0	128.9	99.5
SG&A	—	—	—	79.3	98.6	85.4
Ordinary profit	—	—	—	23.0	36.7	19.5
Profit (owners of parent)	—	—	—	11.4	15.1	12.4

Net Operating Revenue

- Both commission received and net trading income decreased significantly from the previous quarter, when performance was strong. Net operating revenue was JPY 83.3 billion, almost the same level as in FY2016 3Q.

Quarterly Trends

(JPY billion)



JPY billion

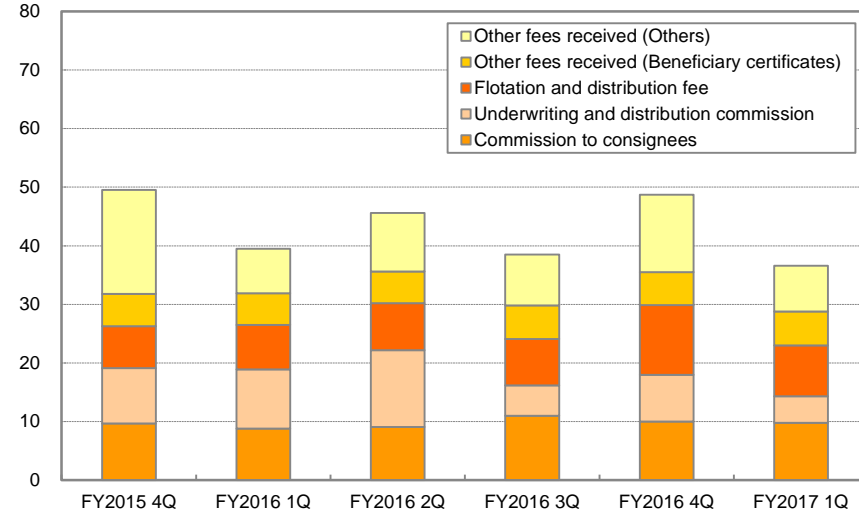
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Commission received	49.8	39.6	45.8	38.7	48.9	36.8
Net trading income	42.4	42.5	38.8	41.5	56.1	36.9
Net financial revenue and others	7.9	5.4	12.6	2.7	6.0	9.6
Total	100.3	87.5	97.4	83.0	111.1	83.3

Commission Received

- Commission to consignees: Remained flat from the previous quarter. Weak market in the beginning of the term was on a recovery track by the second half of the term.
- Underwriting and distribution commission: Decreased from the previous quarter due to contraction of the primary stock market. Revenue scale decreased since FY2016 3Q due to the deconsolidation of MUSA.
- Flotation and distribution fee: Increased from FY2016 1Q despite decreased revenue in sales of investment trusts from the previous quarter.
- Other fees received: Maintained a stable level due to continuing strong performance in M&As, despite decreased revenue from the previous quarter.

Quarterly Trends

(JPY billion)



JPY billion

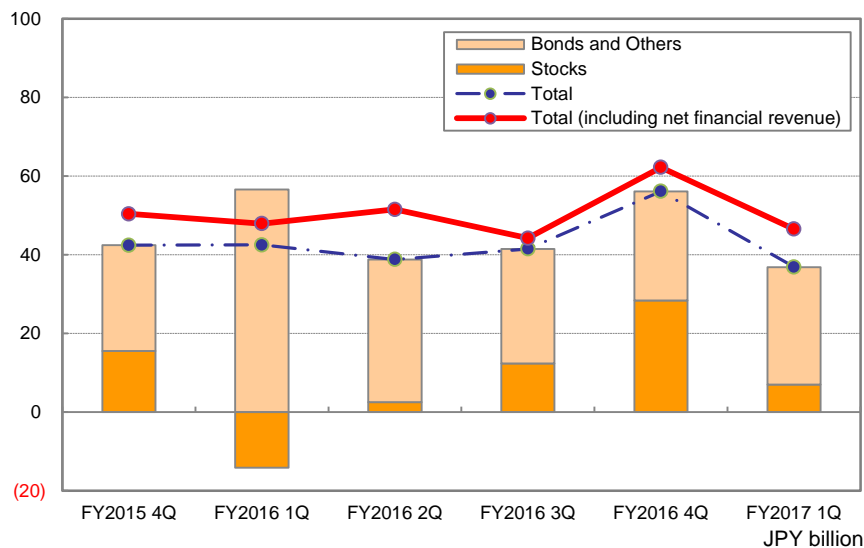
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Commission to consignees	9.7	8.8	9.1	11.0	10.0	9.8
Underwriting and distribution commission	9.4	10.1	13.1	5.2	8.0	4.5
Flotation and distribution fee	7.2	7.6	8.0	7.9	11.9	8.7
Other fees received (Beneficiary certificates)	5.5	5.4	5.4	5.7	5.6	5.8
Other fees received (Others)	17.7	7.6	10.0	8.7	13.2	7.8
Total	49.8	39.6	45.8	38.7	48.9	36.8

Net Trading Income

- Domestic subsidiaries struggled due to low customer flow amid unclear market environment and decreasing volatility in both bonds and stocks. Meanwhile, revenue increased in overseas subsidiaries thanks to strong performance in interest rate trading and others, which were attributable to expansion of infrastructure led by bank/securities collaboration and other efforts. Total trading income including net financial revenue maintained a stable level.

Quarterly Trends

(JPY billion)



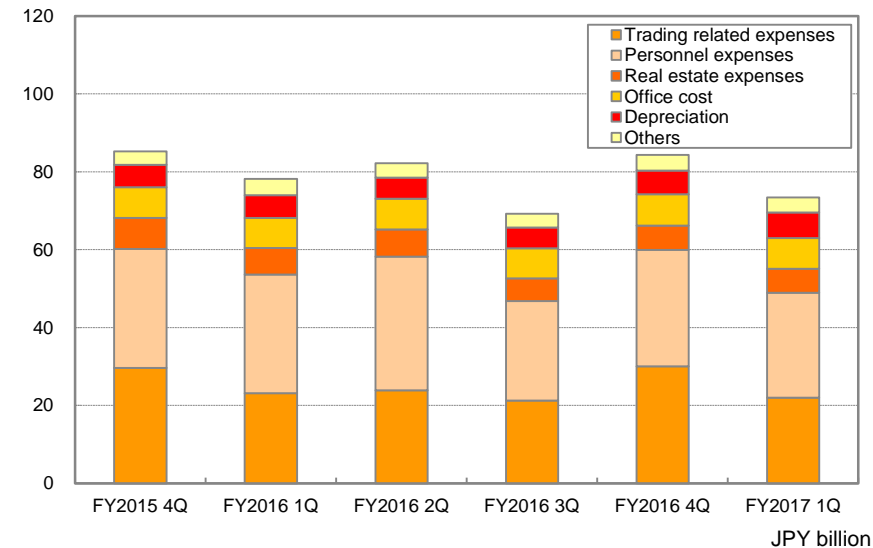
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Stocks	15.5	(14.1)	2.5	12.4	28.4	7.0
Bonds and Others	26.9	56.6	36.3	29.1	27.7	29.8
Total	42.4	42.5	38.8	41.5	56.1	36.9
Net financial revenue	7.9	5.4	12.6	2.7	6.0	9.6
Total (including net financial revenue)	50.4	47.9	51.5	44.2	62.2	46.5

SG & A

- Decreased mainly in trading related expenses, which are strongly linked to revenues. Fixed costs also continued to be curbed in domestic and overseas subsidiaries.

Quarterly Trends

(JPY billion)



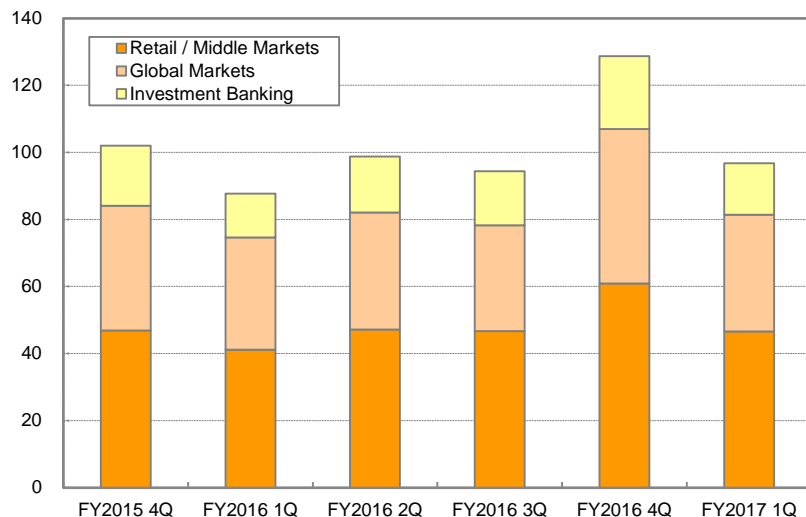
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Trading related expenses	29.6	23.1	23.9	21.2	30.0	22.0
Personnel expenses	30.6	30.5	34.3	25.6	29.9	26.9
Real estate expenses	7.9	6.8	7.0	5.8	6.3	6.2
Office cost	7.9	7.7	7.9	7.7	8.0	7.9
Depreciation	5.8	5.9	5.4	5.4	6.1	6.5
Others	3.4	4.2	3.7	3.5	4.0	3.9
Total	85.5	78.4	82.4	69.6	84.5	73.6

Overview by Business Segments

- Retail / Middle Markets, Global Markets and Investment Banking decreased revenue from the previous quarter, but increased revenue from FY2016 1Q.
- Retail / Middle Markets: Gradually recovered after struggling with the sluggish stock prices at the beginning of the period. MUMSPB also showed solid performance, achieving steady results from portfolio proposals.
- Global Markets: For domestic revenue, fixed income business struggled with low customer flow under low interest rates. For overseas revenue, interest rate trading and structured products business showed a strong performance.
- Investment Banking: Increased domestic revenue driven steadily by M&A business, while securing overseas revenue exceeding the level in FY2016 1Q due to a solid performance in underwriting business.

Quarterly Trends

(JPY billion)



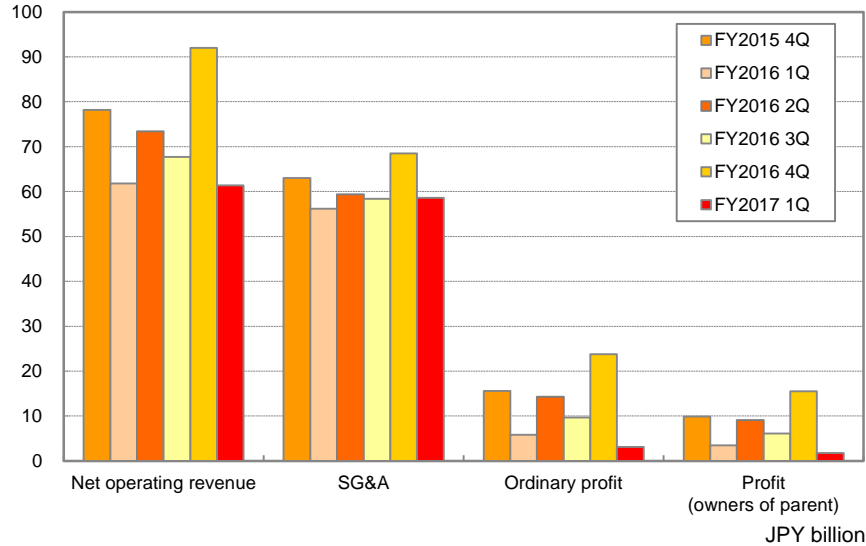
* Figures are based on management accounting basis (before internal transaction elimination) including MUSA which was deconsolidated since FY2016 3Q.

Quarterly Performance Trends

- Although the Nikkei Average recovered to the JPY 20,000 level, continuing economic uncertainties led to unstable investor confidence. This, along with lower volatility, decreased revenue mainly in the secondary business. Ordinary profit was JPY 3.1 billion, and profit attributable to owners of parent was JPY 1.8 billion, both decreasing from the previous quarter and from FY2016 1Q.
- Strong revenues by MUMSPB, which accurately anticipated customer needs, contributed to the performance results.

Quarterly Trends

(JPY billion)



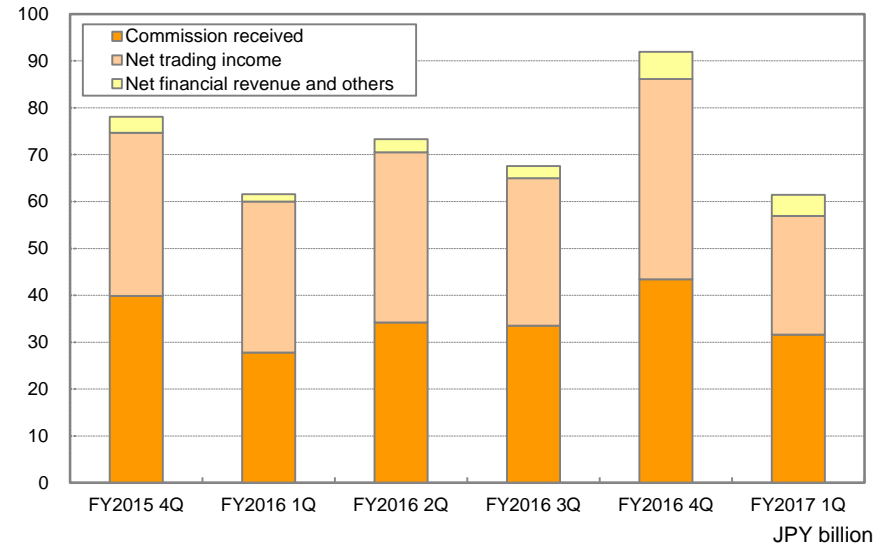
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Net operating revenue	78.2	61.8	73.4	67.7	92.0	61.4
SG&A	63.0	56.2	59.4	58.4	68.5	58.6
Ordinary profit	15.6	5.8	14.3	9.7	23.8	3.1
Profit (owners of parent)	9.9	3.5	9.1	6.1	15.5	1.8

Net Operating Revenue

- Revenue decreased significantly from the previous quarter, when performance was strong, and remained almost flat from FY2016 1Q. Individual investors business expanded, supported by an increase in individual trading amount, and underwriting and M&A businesses showed a moderate performance. Meanwhile, net trading income decreased mainly for bonds with lower customer flow.

Quarterly Trends

(JPY billion)



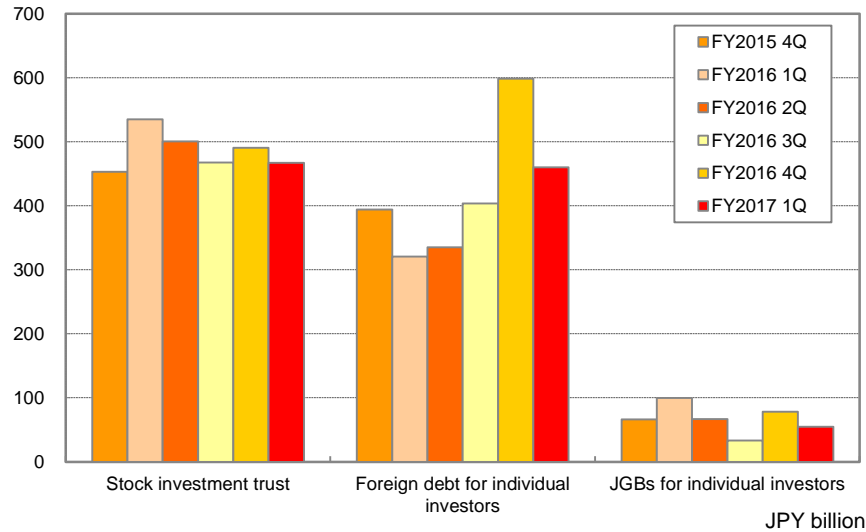
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Commission received	39.9	27.8	34.2	33.5	43.4	31.6
Net Trading income	34.8	32.2	36.3	31.5	42.7	25.3
Net financial revenue and others	3.4	1.6	2.8	2.6	5.8	4.5
Total	78.2	61.8	73.4	67.7	92.0	61.4

Sales of Retail / Middle Market Division

- Investment trusts, mainly Australian and AI related stock investment trusts, were robust.
- Although foreign bonds for individual investors decreased from the previous quarter, when performance was strong, the financial instrument intermediary channel and sales of structured bonds showed solid performances enough to maintain a recovery trend.

Quarterly Trends

(JPY billion)



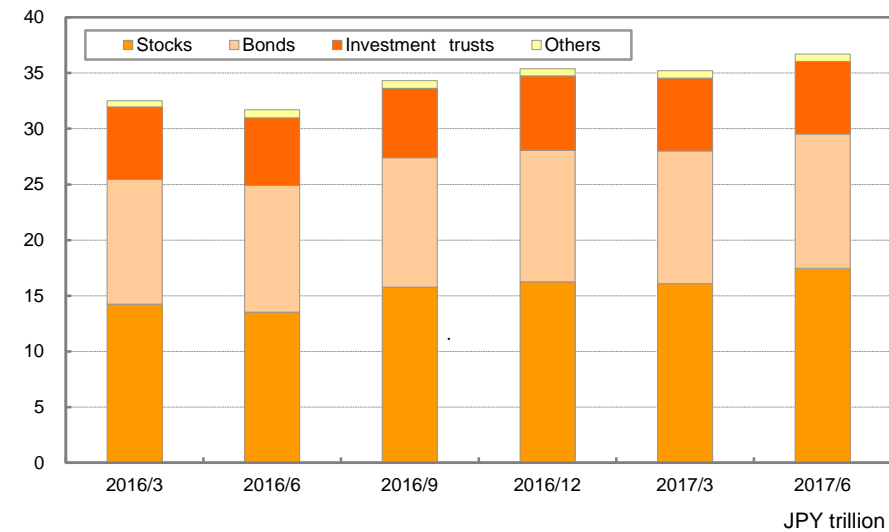
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Stock investment trusts	453.1	535.1	500.4	467.4	490.7	466.9
Foreign bonds for individual investors	394.1	320.7	335.1	403.4	598.3	460.0
JGBs for individual investors	66.3	99.6	66.7	33.4	78.3	54.7

Trends of AUM

- AUM recorded approximately JPY 36.7 trillion at the end of June, 2017. The amount of fund infusions was also positive, increasing from the previous quarter.
- Of the above, AUM for the Retail / Middle Market Division recorded JPY 28.6 trillion (JPY 27.5 trillion at the end of March, 2017).

Quarterly Trends

(JPY trillion)



	2016/3	2016/6	2016/9	2016/12	2017/3	2017/6
Stocks	14.2	13.5	15.8	16.3	16.1	17.5
Bonds	11.2	11.4	11.6	11.8	11.9	12.1
Investment trusts	6.5	6.1	6.2	6.7	6.5	6.5
Others	0.6	0.7	0.7	0.7	0.7	0.7
Total	32.5	31.7	34.3	35.4	35.2	36.7

* Simple aggregation of MUMSS and MUMSPB

Investment banking business ~ League Table (from April, 2017 to June, 2017)
Japan Domestic Debt*¹

Rank	Securities Firm	Share (%)
1	Mizuho Securities	19.9
2	Daiwa Securities	19.6
3	Nomura Securities	19.0
4	Mitsubishi UFJ Morgan Stanley	18.5
5	SMBC Nikko Securities	16.6
6	Tokai Tokyo Securities	1.8
7	Goldman Sachs Japan	1.7
8	Shinkin Securities	1.1
9	Okasan Securities	0.5
10	Merrill Lynch Japan Securities	0.4

Japan Equity and Equity-linked*²

Rank	Securities Firm	Share (%)
1	Mitsubishi UFJ Morgan Stanley	25.9
2	Daiwa Securities Group	18.6
3	Nomura	16.7
4	Bank of America Merrill Lynch	12.6
5	JP Morgan	10.4
6	Sumitomo Mitsui Financial Group	7.5
7	Mizuho Financial Group	5.4
8	Deutsche Bank Group	1.2
9	Goldman Sachs & Co	0.5
10	SBI Holdings	0.4

M&A Advisory / Based on Rank Value*³

Rank	Financial Advisor	JPY billion
1	Nomura	961
2	Sumitomo Mitsui Financial Group	502
3	JP Morgan	481
4	Bank of America Merrill Lynch	437
5	Mizuho Financial Group	408
6	Citi	255
7	PricewaterhouseCoopers	246
8	UBS	233
9	Credit Suisse	233
10	KPMG	188
13	Mitsubishi UFJ Morgan Stanley	170

*1 Source: Thomson Reuters, Thomson Reuters DealWatch (data compiled by Mitsubishi UFJ Morgan Stanley)
Includes Japanese Straight Bonds, Ex-FILP Agency Bonds (incl. Expressway company's Bonds) and Municipal Bonds Related. Based on lead manager's credit.

*2 Source: Thomson Reuters (data compiled by Mitsubishi UFJ Morgan Stanley)
Mitsubishi UFJ Morgan Stanley includes domestic offerings of Japanese issuers underwritten by Morgan Stanley MUFG Securities as well as global offerings of Japanese issuers underwritten by Morgan Stanley. Based on underwriting amount.

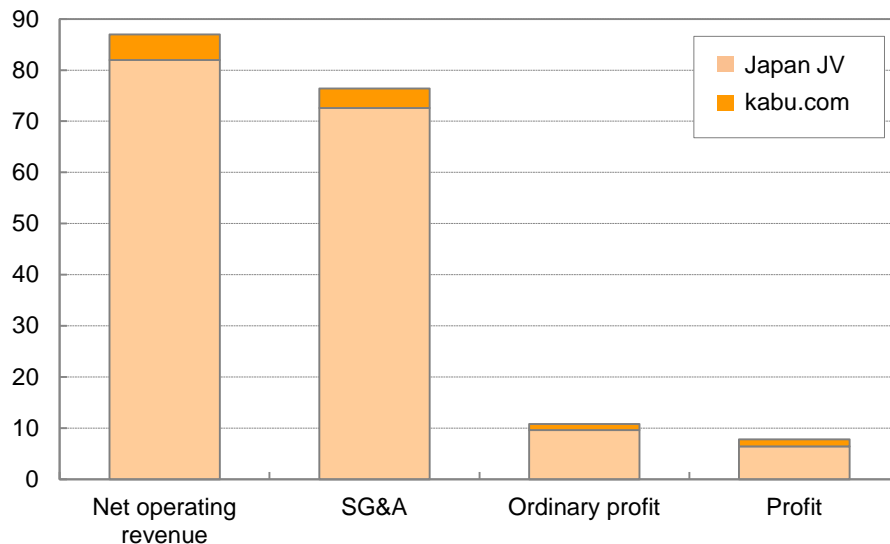
*3 Source: Thomson Reuters (data compiled by Mitsubishi UFJ Morgan Stanley)
Any Japanese involvement announced including property acquisitions. Mitsubishi UFJ Morgan Stanley includes deals advised by Morgan Stanley.

Securities Companies' Performance

- Net operating revenue of Domestic Securities Companies is over JPY 80 billion on a simple sum basis. It includes the full net operating revenue from Morgan Stanley MUFG Securities Co., Ltd. ("MSMS"); this is one of the joint venture securities companies with Morgan Stanley in Japan and an associated company accounted for by using the equity-method.
- Domestic Securities Companies consist of four companies including three joint venture companies with Morgan Stanley ("Japan JV") and kabu.com Securities Co., Ltd.

Performance of FY 1Q 2017

(JPY billion)



* The figures in the graph above represent the simple sum of the Domestic Securities Companies.

(JPY billion)

(Simple sum of the figures for Domestic Securities Companies)	FY 2017 1Q
Net Operating Revenue	87.0
Japan JV	82.0
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Consolidated base ("MUMSS" + "MUMSPB") *1	61.4
Morgan Stanley MUFG Securities Co., Ltd. ("MSMS") *2	20.5
kabu.com Securities Co., Ltd. ("kabu.com")	5.0
SG & A	76.5
Japan JV	72.6
MUMSS Consolidated base	58.6
MSMS	14.0
kabu.com	3.8
Ordinary profit	10.8
Japan JV	9.6
MUMSS Consolidated base	3.1
MSMS	6.4
kabu.com	1.2
Profit	7.8
Japan JV	6.4
MUMSS Consolidated base (Profit attributable to owners of parent)	1.8
MSMS	4.5
kabu.com	1.4

*1 MUMSS consolidated base which includes Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd. (MUMSPB).

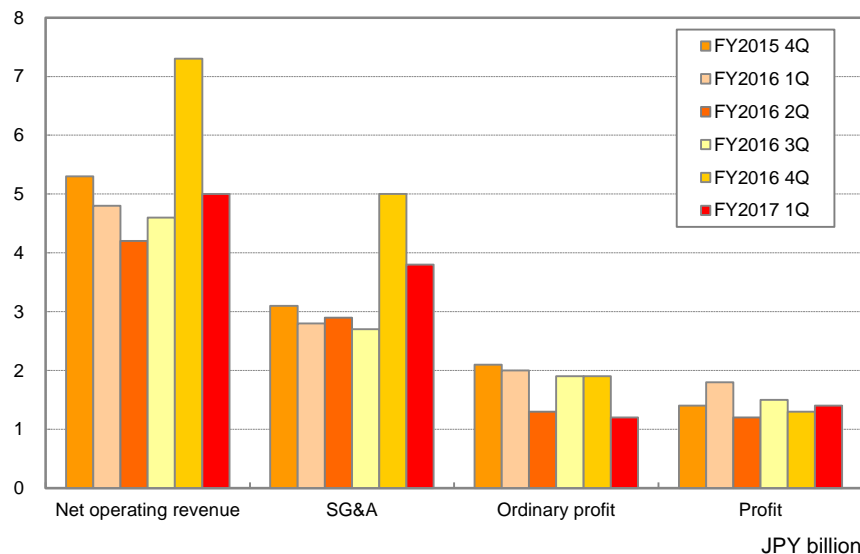
*2 MSMS is an associated company accounted for by using the equity-method.

kabu.com Quarterly Trends

- Profit remained flat due mainly to an increase in SG&A attributable to temporary causes, despite solid performances in spot trading due to an increase in individual trade amount. Both net operating revenue and SG&A decreased from the previous quarter, when net revenue of system related sale was recorded.

Quarterly Trends

(JPY billion)



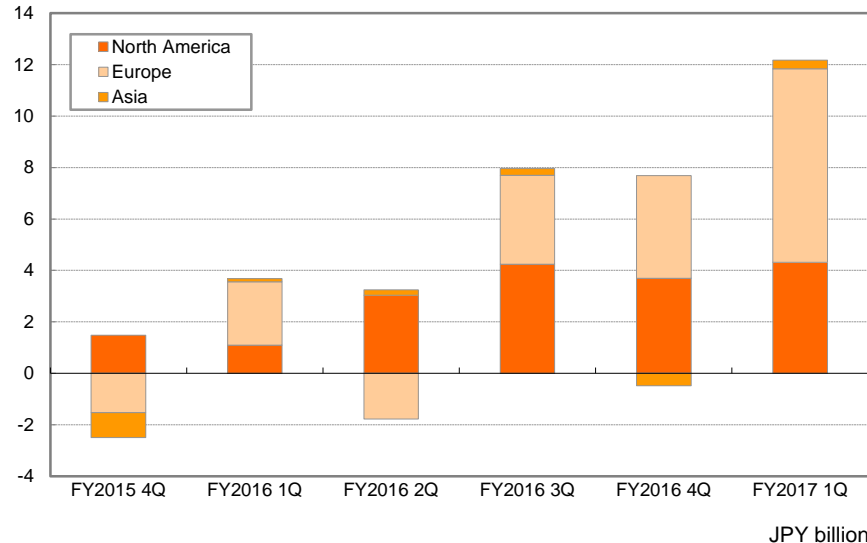
	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q
Net operating revenue	5.3	4.8	4.2	4.6	7.3	5.0
SG&A	3.1	2.8	2.9	2.7	5.0	3.8
Ordinary profit	2.1	2.0	1.3	1.9	1.9	1.2
Profit	1.4	1.8	1.2	1.5	1.3	1.4

Overseas Business Quarterly Trends

- Business in Europe recorded ordinary profit of JPY 7.5 billion, the highest level in the past six quarters, as revenue was driven by the secondary business due to expanded customer flow and appropriate risk control.
- Business in Asia became profitable again due to a steady expansion in investor base.
- Business in North America saw a growth in underwriting business, with an increase in revenue from the previous quarter. Overseas business as a whole including business in North America recorded ordinary profit of JPY 12.1 billion, achieving a significant profit growth.

Ordinary profit (loss): Quarterly Trends

(JPY billion)



	FY2015 4Q	FY2016 1Q	FY2016 2Q	FY2016 3Q *	FY2016 4Q *	FY2017 1Q *
North America	1.48	1.09	3.04	4.24	3.69	4.32
Europe	(1.53)	2.47	(1.78)	3.46	4.00	7.52
Asia	(0.97)	0.12	0.21	0.26	(0.49)	0.34
Total	(1.03)	3.70	1.48	7.97	7.20	12.19

* Figures represent the aggregation with MUSA's results.

JPY million

	Full year		Quarter					
	FY2015	FY2016	FY2015	FY2016				FY2017
			4Q	1Q	2Q	3Q	4Q	1Q
Operating revenue	474,449	404,497	109,218	98,805	101,774	87,038	116,879	86,684
Commission received	226,105	173,279	49,844	39,633	45,883	38,779	48,983	36,821
Net trading income	178,770	179,112	42,498	42,557	38,889	41,524	56,141	36,943
Other operating revenue	0	0	-	0	0	-	-	0
Financial revenue	69,573	52,105	16,876	16,613	17,001	6,735	11,755	12,918
Financial expenses	36,706	25,260	8,888	11,213	4,341	4,018	5,687	3,305
Net operating revenue	437,742	379,237	100,329	87,592	97,432	83,020	111,191	83,378
SG & A	357,055	315,125	85,507	78,489	82,486	69,607	84,542	73,660
Operating profit	80,687	64,111	14,822	9,103	14,946	13,413	26,648	9,718
Non-operating income	27,885	37,075	8,160	12,541	11,942	5,380	7,210	6,195
Non-operating expenses	715	1,591	102	107	680	(30)	833	733
Ordinary profit	107,857	99,595	22,880	21,536	26,208	18,823	33,026	15,181
Extraordinary income	275	180	-	196	(1)	19	(34)	83
Extraordinary losses	3,513	3,465	545	455	427	1,806	775	7
Income taxes	33,971	21,695	6,226	1,808	5,461	4,274	10,150	2,792
Profit attributable to non-controlling interests	27,384	25,529	7,364	4,597	7,990	3,840	9,099	2,646
Profit attributable to owners of parent	43,262	49,085	8,743	14,872	12,327	8,922	12,964	9,817

Appendix

Consolidated Balance Sheet

	As of Mar. 31, 2017	As of Jun. 30, 2017	Change
ASSETS			
Current assets	29,807	26,173	(3,634)
Cash and deposits	1,620	1,754	+133
Trading products	14,756	13,609	(1,147)
Loans secured by securities	10,826	8,458	(2,367)
Others	2,604	2,350	(253)
Non-current assets	685	592	(92)
PP & E	39	39	(0)
Intangible assets	109	108	(0)
Investments and other assets	536	444	(91)
Total assets	30,493	26,765	(3,727)

JPY billion

	As of Mar. 31, 2017	As of Jun. 30, 2017	Change
LIABILITIES			
Current liabilities	27,986	24,256	(3,730)
Trading products	14,156	11,724	(2,432)
Loans payable secured by securities	8,462	6,437	(2,025)
Short-term loans payable	1,855	1,861	+5
Others	3,511	4,232	+721
Non-current liabilities	1,543	1,550	+7
Bonds payable	1,022	1,014	(8)
Long-term loans payable	505	520	+15
Others	16	15	(0)
Total liabilities	29,533	25,810	(3,722)
NET ASSETS			
Shareholders' equity	700	699	(0)
Accumulated other comprehensive income	(25)	(28)	(3)
Subscription rights to shares	0	0	+0
Non-controlling interests	284	284	(0)
Total net assets	959	955	(4)
Total liabilities and net assets	30,493	26,765	(3,727)

Appendix

Mitsubishi UFJ Morgan Stanley Securities (MUMSS)

MUMSS (non-consolidated)

JPY million

Statement of Income

	Full year	
	FY2015	FY2016
Operating revenue	302,534	270,069
Commission received	149,536	122,569
Net trading income	132,248	126,070
Others	0	0
Financial revenue	20,748	21,428
Financial expenses	9,636	8,284
Net operating revenue	292,897	261,784
SG & A	225,938	218,219
Operating profit	66,958	43,564
Net non-operating income (expenses)	10,885	6,918
Ordinary profit	77,844	50,482
Net extraordinary income (losses)	0	(1,945)
Income taxes	22,095	12,817
Profit	55,749	35,720

Balance Sheet

	As of	As of	Change
	Mar. 31, 2017	Jun. 30, 2017	
Current assets	14,742	13,760	(981)
Cash and deposits	1,254	1,414	+159
Trading products	8,254	8,141	(113)
Loans secured by securities	4,051	3,326	(725)
Others	1,180	879	(301)
Non-current assets	158	157	(0)
PP& E	27	26	(0)
Intangible assets	61	60	(0)
Investments and other assets	70	70	+0
Total assets	14,900	13,918	(982)

MUMSPB (non-consolidated)

Statement of Income

	Full year	
	FY2015	FY2016
Net operating revenue	38,642	33,375
Ordinary profit	12,703	9,493
Profit	8,582	6,510

	Quarter					
	FY2015	FY2016				FY2017
	4Q	1Q	2Q	3Q	4Q	1Q
	73,098	57,005	66,641	61,750	84,672	53,133
	36,640	24,383	30,373	29,765	38,047	26,862
	30,610	28,898	31,581	27,668	37,922	19,927
	—	0	0	—	—	0
	5,847	3,723	4,686	4,316	8,702	6,342
	2,349	1,989	1,748	1,667	2,879	1,794
	70,748	55,016	64,892	60,082	81,792	51,338
	57,480	50,728	53,138	52,792	61,560	51,888
	13,267	4,287	11,753	7,290	20,232	(549)
	658	2,983	579	2,772	582	3,462
	13,926	7,271	12,333	10,062	20,815	2,912
	(498)	(449)	(385)	(379)	(730)	(7)
	4,277	1,176	3,617	2,142	5,881	(442)
	9,150	5,645	8,331	7,540	14,203	3,347

JPY billion

	As of	As of	Change
	Mar. 31, 2017	Jun. 30, 2017	
Current liabilities	14,108	13,106	(1,001)
Trading products	7,819	6,543	(1,275)
Loans payable secured by securities	2,795	2,381	(413)
Short-term loans payable	2,174	2,167	(7)
Others	1,319	2,015	+695
Non-current liabilities	366	382	+15
Long-term loans payable	355	371	+15
Others	10	11	+0
Total liabilities	14,476	13,490	(985)
Net assets	424	427	+3
Total liabilities and net assets	14,900	13,918	(982)

JPY million

	Quarter					
	FY2015	FY2016				FY2017
	4Q	1Q	2Q	3Q	4Q	1Q
	7,538	6,812	8,595	7,725	10,241	10,170
	2,163	1,468	2,463	2,135	3,426	3,535
	1,608	1,008	1,685	1,461	2,354	2,435

Credit Rating

- Credit ratings remained unchanged. Stable credit rating levels were maintained in light of the fact that the Company is the core general securities company of the MUFG Group.
- MUMSS received a Fitch rating in July 2017.

Capital Adequacy

- Capital adequacy ratio at the end of June, 2017 maintained 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	A1	A
Short-term	a-1+ *	-	P-1	A-1

*CP rating

Mitsubishi UFJ Morgan Stanley Securities (MUMSS)

	R&I	JCR	Moody's	S&P	Fitch
Long-term	AA-	AA	A1	A+	A
Short-term	a-1+ *	-	P-1	A-1	F1

*CP rating

MUFG Securities EMEA plc (MUS(EMEA))

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

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

Capital Adequacy Ratio MUMSS (non-consolidated)

Capital adequacy ratio of MUMSS at 1Q FY2017 can be found on the following URL.

http://www.sc.mufig.jp/company/finance/cp_ratio.html

Net Assets MUSHD (Consolidated) / MUMSS

JPY billion

MUSHD (Consolidated)		2016/3	2016/6	2016/9	2016/12	2017/3	2017/6
Capital stock		75.5	75.5	75.5	75.5	75.5	75.5
Net assets (Total)		1,033.0	1,012.9	932.3	924.1	959.4	955.0
MUMSS		2016/3	2016/6	2016/9	2016/12	2017/3	2017/6
Capital stock		40.5	40.5	40.5	40.5	40.5	40.5
Net assets (Total)	Consolidated	392.9	395.7	405.0	411.1	427.5	428.9
	Non-consolidated	388.3	393.9	402.1	409.9	424.2	427.6

Value at Risk (VaR) associated with the trading activities

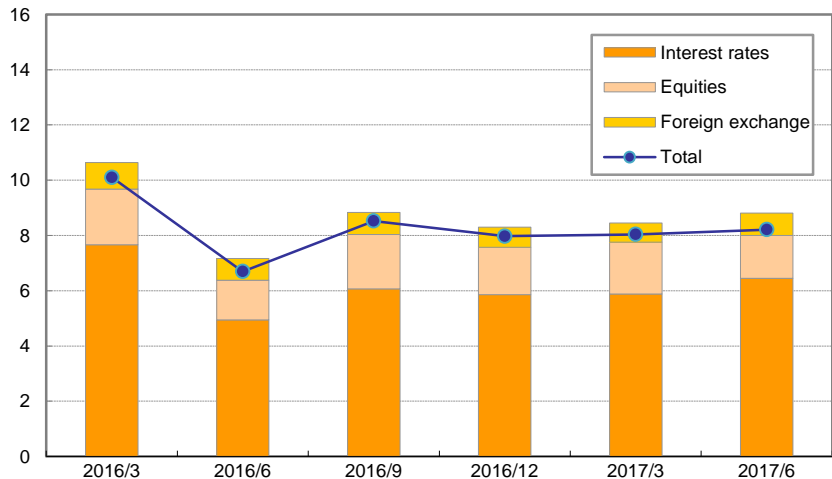
- Amount of risks for both domestic and overseas subsidiaries remained almost unchanged.

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)

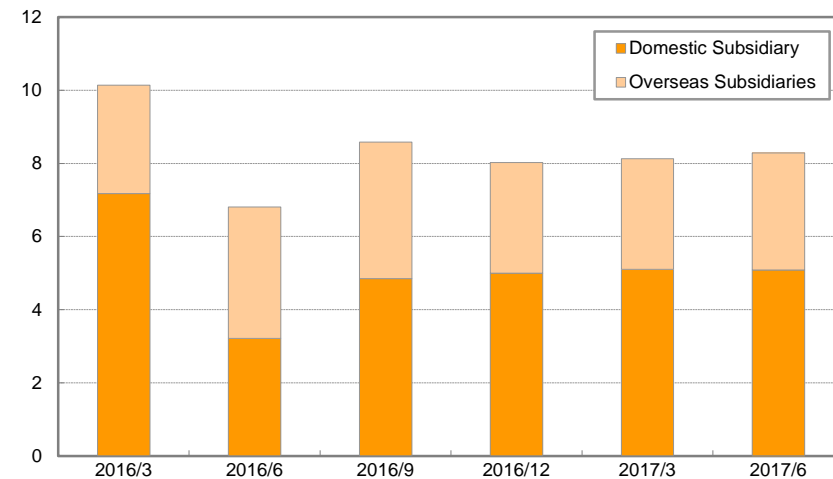


JPY billion

	2016/3	2016/6	2016/9	2016/12	2017/3	2017/6
Interest rates	7.7	4.9	6.1	5.9	5.9	6.5
Equities	2.0	1.4	2.0	1.7	1.9	1.5
Foreign exchange	1.0	0.8	0.8	0.7	0.7	0.8
Total	10.1	6.7	8.5	8.0	8.0	8.2

Quarterly trends of VaR by type of subsidiary

(JPY billion)



JPY billion

	2016/3	2016/6	2016/9	2016/12	2017/3	2017/6
Domestic Subsidiary	7.2	3.2	4.9	5.0	5.1	5.1
Overseas Subsidiaries	3.0	3.6	3.7	3.0	3.0	3.2
Total	10.1	6.7	8.5	8.0	8.0	8.2

Domestic Subsidiary: Mitsubishi UFJ Morgan Stanley Securities

Overseas Subsidiaries: MUFG Securities EMEA plc, MUFG Securities Asia Limited



Mitsubishi UFJ Securities Holdings

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