



Mitsubishi UFJ Securities Holdings

3QFY2017 Financial Summary

Mitsubishi UFJ Securities Holdings Co., Ltd.

January, 2018

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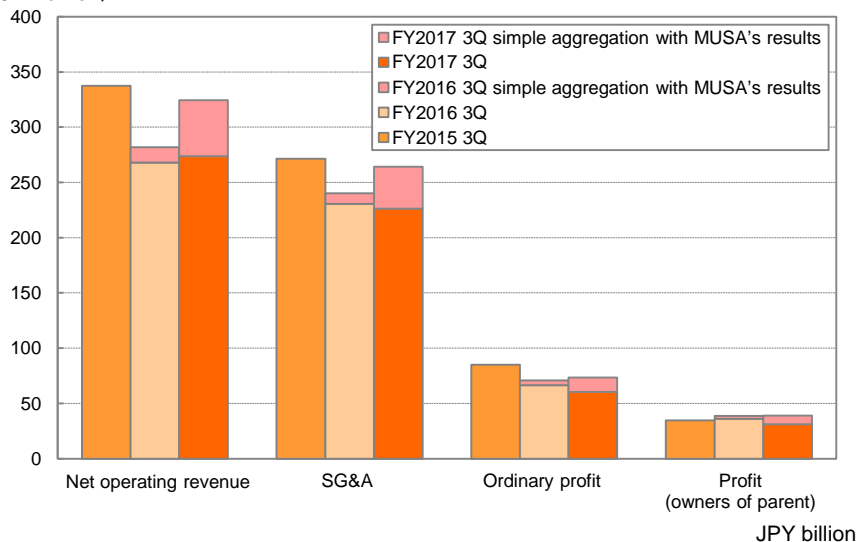
Consolidated Performance Highlights

3Q (cumulative) Performance Trends

- Net operating revenue of JPY 273.6 billion (+2% YoY), ordinary profit of JPY 60.5 billion (-9% YoY) and profit attributable to owners of parent of JPY 31.1 billion (-13% YoY). Net operating revenue increased but profit decreased from those in FY 2016 3Q mainly due to the deconsolidation of MUFG Securities Americas Inc. (hereinafter "MUSA") and a decrease in share of profit of entities accounted for using equity method.
- Both revenue and profit for 3Q in a simple aggregation with the results of MUSA which was deconsolidated from FY2016 3Q, increased from those in FY2016 3Q.

3Q (cumulative) Trends

(JPY billion)



	FY2015 3Q (cumulative)	FY2016 3Q (cumulative)	FY2017 3Q (cumulative)
Net operating revenue	337.4	268.0	273.6
SG&A	271.5	230.5	226.4
Ordinary profit	84.9	66.5	60.5
Profit (owners of parent)	34.5	36.1	31.1

[Substantial basis] * Simple aggregation with MUSA's results which was deconsolidated from FY2016 3Q

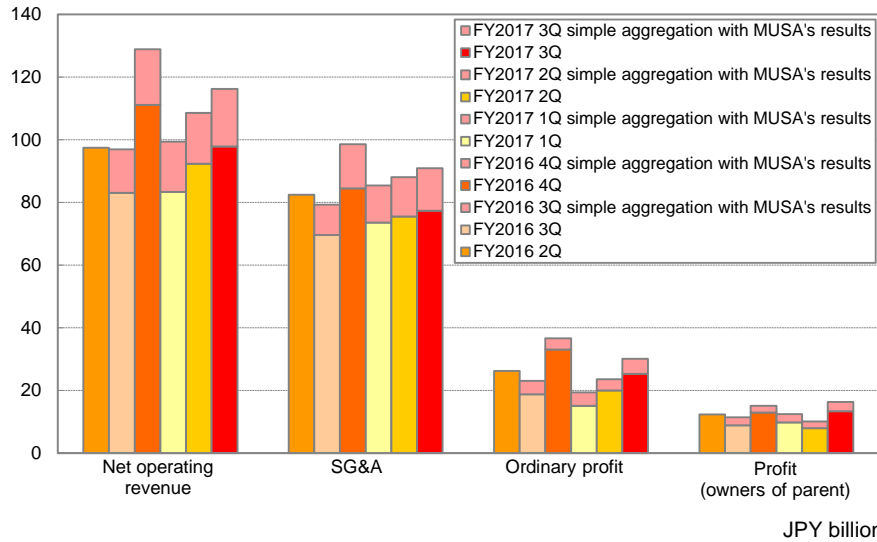
Net operating revenue	—	282.0	324.4
SG&A	—	240.3	264.4
Ordinary profit	—	70.8	73.3
Profit (owners of parent)	—	38.6	38.9

Quarterly Performance Trends

- Domestic subsidiaries increased its revenue and profit due to the growth in the retail business and net trading income supported by the favorable market conditions, while overseas subsidiaries also continued to be strong and increased its revenue and profit from the previous quarter. Ordinary profit was JPY 25.3 billion, and profit attributable to owners of parent was JPY 13.4 billion.
- Ordinary profit in a simple aggregation with the results of MUSA was JPY 30.1 billion and profit attributable to owners of parent was JPY 16.3 billion.

Quarterly Trends

(JPY billion)



	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Net operating revenue	97.4	83.0	111.1	83.3	92.3	97.8
SG&A	82.4	69.6	84.5	73.6	75.5	77.3
Ordinary profit	26.2	18.8	33.0	15.1	20.0	25.3
Profit (owners of parent)	12.3	8.9	12.9	9.8	7.9	13.4

[Substantial basis] * Simple aggregation with MUSA's results which was deconsolidated from FY2016 3Q

Net operating revenue	—	97.0	128.9	99.5	108.6	116.3
SG&A	—	79.3	98.6	85.4	88.0	90.9
Ordinary profit	—	23.0	36.7	19.5	23.6	30.1
Profit (owners of parent)	—	11.4	15.1	12.4	10.1	16.3

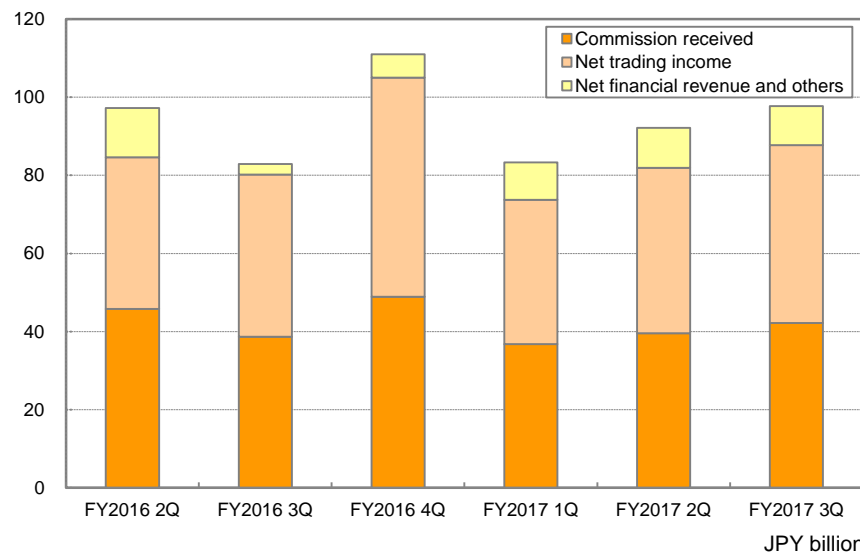
Net Operating Revenue and SG & A (1)

Net Operating Revenue

- Both commission received and net trading income increased from the previous quarter. Net operating revenue increased by 5% from the previous quarter to JPY 97.8 billion.

Quarterly Trends

(JPY billion)



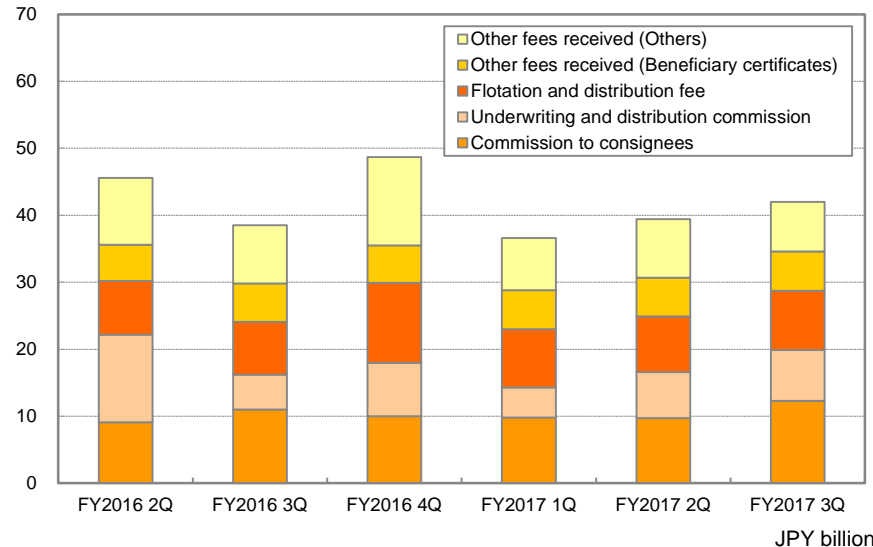
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Commission received	45.8	38.7	48.9	36.8	39.6	42.2
Net trading income	38.8	41.5	56.1	36.9	42.3	45.5
Net financial revenue and others	12.6	2.7	6.0	9.6	10.2	10.0
Total	97.4	83.0	111.1	83.3	92.3	97.8

Commission Received

- Commission to consignees: Recorded JPY 12.3 billion, the highest in the past six quarters, due to increased stock trading volume.
- Underwriting and distribution commission: Increased from the previous quarter due to big deals in stocks.
- Flotation and distribution fee: Increased from the previous quarter due to sales of AI related investment trusts and India related investment trusts.
- Other fees received: Decreased from the previous quarter due to a decrease in revenue from arranging finance deals, etc. while performance in M&A continued to be strong.

Quarterly Trends

(JPY billion)



	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Commission to consignees	9.1	11.0	10.0	9.8	9.7	12.3
Underwriting and distribution commission	13.1	5.2	8.0	4.5	6.9	7.6
Flotation and distribution fee	8.0	7.9	11.9	8.7	8.3	8.8
Other fees received (Beneficiary certificates)	5.4	5.7	5.6	5.8	5.8	5.9
Other fees received (Others)	10.0	8.7	13.2	7.8	8.7	7.4
Total	45.8	38.7	48.9	36.8	39.6	42.2

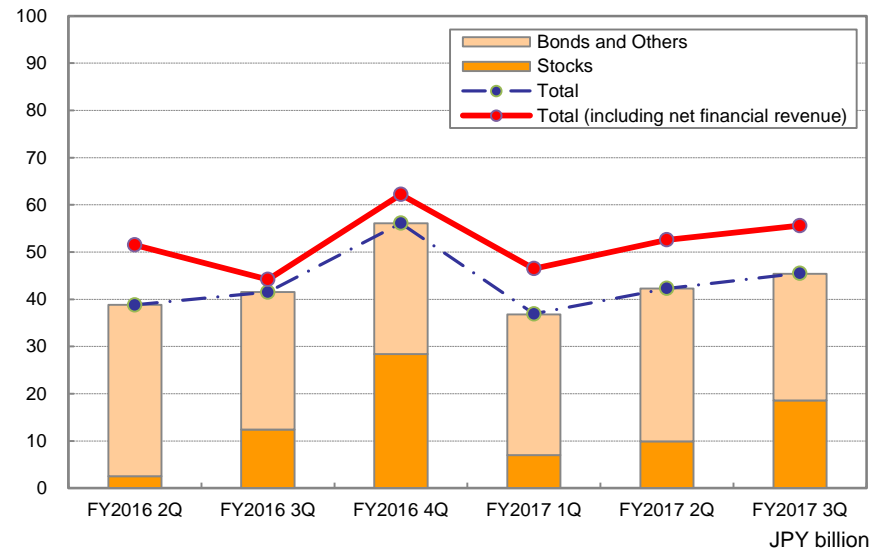
Net Operating Revenue and SG & A (2)

Net Trading Income

- Despite continuously decreased revenue opportunities under low volatility for net trading income (bonds), net trading income (stocks) increased significantly thanks to the booming stock market in Japan and overseas including the U.S. stock market which hit all-time high, and total net trading income increased from the previous quarter.

Quarterly Trends

(JPY billion)



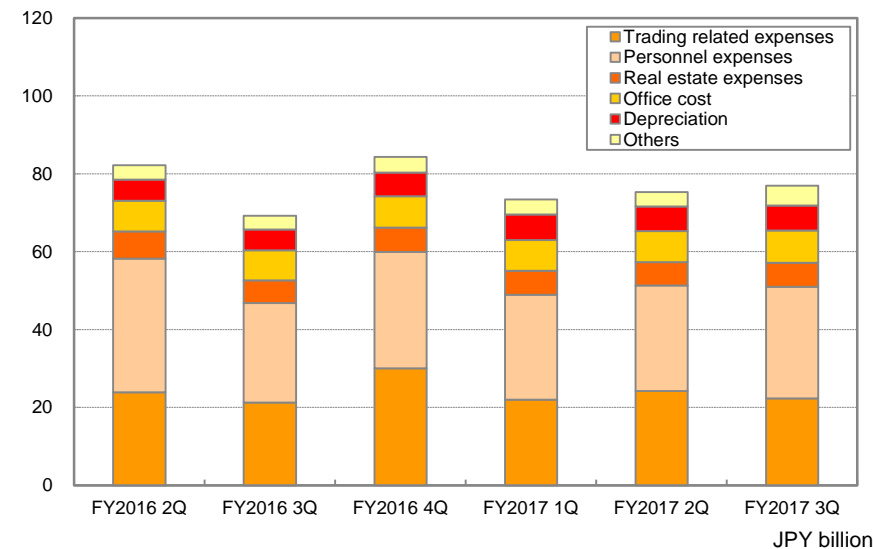
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Stocks	2.5	12.4	28.4	7.0	9.9	18.6
Bonds and Others	36.3	29.1	27.7	29.8	32.4	26.8
Total	38.8	41.5	56.1	36.9	42.3	45.5
Net financial revenue	12.6	2.7	6.0	9.6	10.2	10.0
Total (including net financial revenue)	51.5	44.2	62.2	46.5	52.6	55.6

SG & A

- Although personnel expenses increased linked to revenues, fixed costs continued to be curbed in domestic and overseas subsidiaries.

Quarterly Trends

(JPY billion)



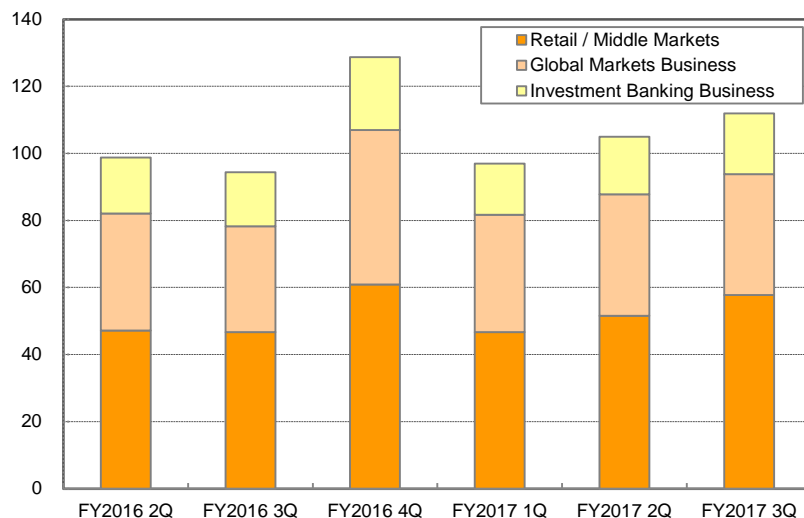
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Trading related expenses	23.9	21.2	30.0	22.0	24.2	22.3
Personnel expenses	34.3	25.6	29.9	26.9	27.1	28.7
Real estate expenses	7.0	5.8	6.3	6.2	6.0	6.1
Office cost	7.9	7.7	8.0	7.9	8.0	8.3
Depreciation	5.4	5.4	6.1	6.5	6.3	6.4
Others	3.7	3.5	4.0	3.9	3.7	5.1
Total	82.4	69.6	84.5	73.6	75.5	77.3

Overview by Business Segments

- Retail / Middle Markets and Investment Banking increased revenue from the previous quarter, while Global Markets remained unchanged.
- Retail / Middle Markets: Increased revenue for two consecutive quarters due to strong performance in stocks and structured bonds in Japan and overseas supported by the favorable stock prices.
- Global Markets: For domestic revenue, fixed income business struggled amid continuously decreased revenue opportunities under low volatility. Overseas revenue (July - September) continued to be strong with steady accumulation in structured business.
- Investment Banking: Increased both domestic and overseas revenue for two consecutive quarters driven by strong performances in underwriting business.

Quarterly Trends

(JPY billion)



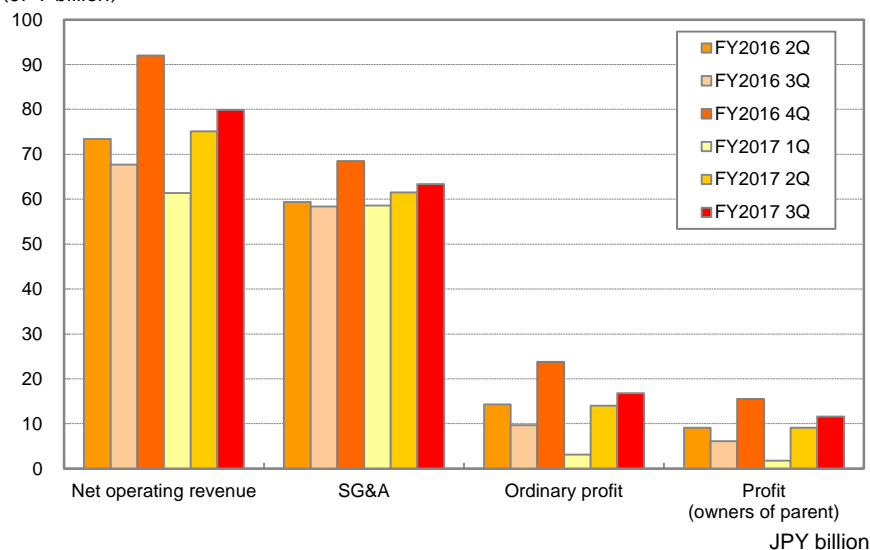
* Figures are based on management accounting basis (before internal transaction elimination) including MUSA which was deconsolidated since FY2016 3Q.

Quarterly Performance Trends

- Increased both revenue and profit from the previous quarter due to strong performance in stocks and structured bonds supported by the favorable stock prices, as well as growth in the underwriting business and net trading income. Ordinary profit was JPY 16.8 billion, and profit attributable to owners of parent was JPY 11.6 billion.
- MUMSPB slowed down slightly from the previous quarter, but secured increased revenue from those in FY2016 3Q, which contributed to the consolidated performance results.

Quarterly Trends

(JPY billion)



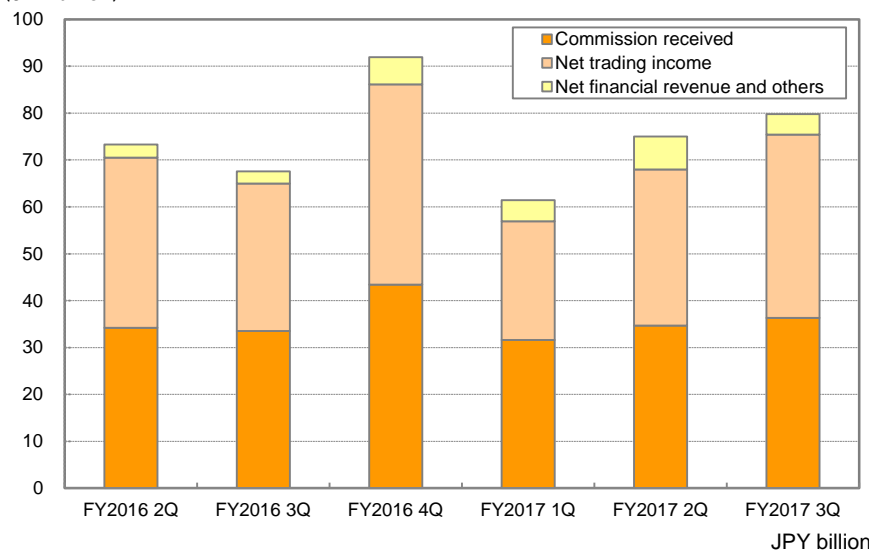
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Net operating revenue	73.4	67.7	92.0	61.4	75.1	79.9
SG&A	59.4	58.4	68.5	58.6	61.5	63.4
Ordinary profit	14.3	9.7	23.8	3.1	14.0	16.8
Profit (owners of parent)	9.1	6.1	15.5	1.8	9.1	11.6

Net Operating Revenue

- Revenue increased for two consecutive quarters, recording JPY 79.9 billion, second only to FY2016 4Q, which recorded a strong performance of the past six quarters.
- Significant growth in the commission to consignment transactions of domestic stocks and trading of stocks resulted in increases in commission received and net trading income.

Quarterly Trends

(JPY billion)



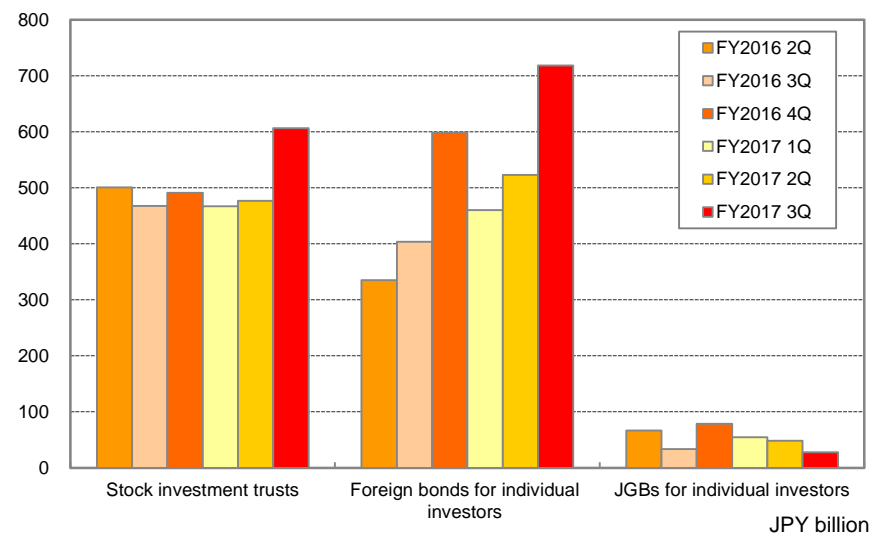
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Commission received	34.2	33.5	43.4	31.6	34.7	36.3
Net trading income	36.3	31.5	42.7	25.3	33.3	39.1
Net financial revenue and others	2.8	2.6	5.8	4.5	7.0	4.4
Total	73.4	67.7	92.0	61.4	75.1	79.9

Sales of Retail / Middle Market Division

- Stock investment trusts increased from the previous quarter, driven by lower risk investment trusts that invest mainly in corporate and public bonds, etc. in Japan and overseas. AI related investment trusts were also robust.
- Foreign bonds for individual investors increased significantly from the previous quarter due to redemption flow of structure bonds supported by the rise in stock prices.

Quarterly Trends

(JPY billion)



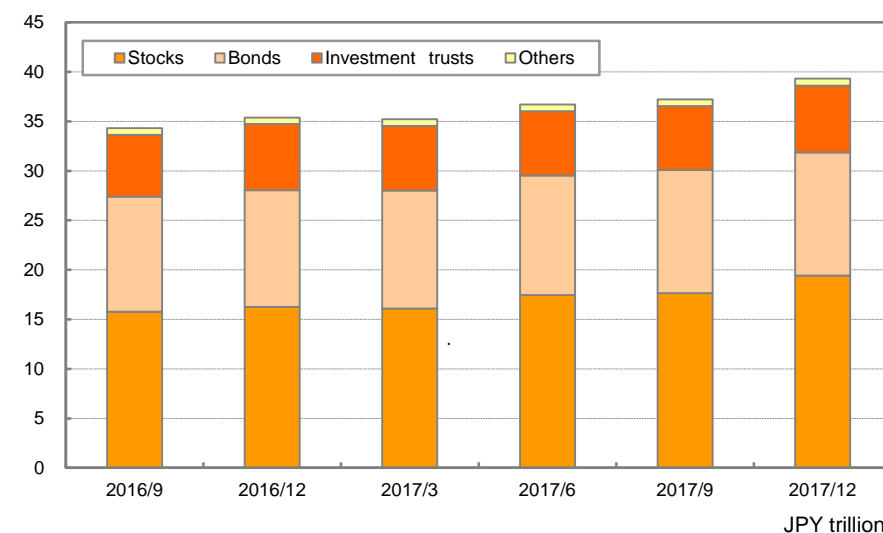
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Stock investment trusts	500.4	467.4	490.7	466.9	476.7	606.3
Foreign bonds for individual investors	335.1	403.4	598.3	460.0	522.7	718.2
JGBs for individual investors	66.7	33.4	78.3	54.7	48.5	27.7

Trends of AUM

- AUM recorded approximately JPY 39.3 trillion at the end of December, 2017, increasing from the previous quarter by JPY 2.1 trillion mainly due to increased stocks.
- Of the above, AUM for the Retail / Middle Market Division recorded JPY 32.2 trillion (JPY 30.6 trillion at the end of September, 2017).

Quarterly Trends

(JPY trillion)



	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12
Stocks	15.8	16.3	16.1	17.5	17.6	19.4
Bonds	11.6	11.8	11.9	12.1	12.5	12.5
Investment trusts	6.2	6.7	6.5	6.5	6.4	6.7
Others	0.7	0.7	0.7	0.7	0.7	0.7
Total	34.3	35.4	35.2	36.7	37.2	39.3

Investment banking business ~ League Table (from April, 2017 to December, 2017)

Japan Domestic Debt*¹

Rank	Securities Firm	Share (%)
1	Mitsubishi UFJ Morgan Stanley	22.1
2	Mizuho Securities	20.8
3	Nomura Securities	19.2
4	SMBC Nikko Securities	16.6
5	Daiwa Securities	16.4
6	Tokai Tokyo Securities	1.4
7	Shinkin Securities	1.2
8	Goldman Sachs Japan	1.0
9	Okasan Securities	0.3
10	Citigroup Global Markets Japan	0.3

Japan Equity and Equity-linked*²

Rank	Securities Firm	Share (%)
1	Nomura	25.2
2	Daiwa Securities Group	23.3
3	Mitsubishi UFJ Morgan Stanley	13.0
4	Sumitomo Mitsui Financial Group	12.3
5	Mizuho Financial Group	8.8
6	Goldman Sachs & Co	5.4
7	Bank of America Merrill Lynch	3.1
8	JP Morgan	2.9
9	SBI Holdings	1.0
10	OKASAN Securities Group	0.7

M&A Advisory / Based on Rank Value*³

Rank	Financial Advisor	JPY billion
1	Nomura	3,913
2	Mitsubishi UFJ Morgan Stanley	3,116
3	Goldman Sachs & Co	2,719
4	Credit Suisse	2,520
5	Sumitomo Mitsui Financial Group	1,113
6	Bank of America Merrill Lynch	982
7	Mizuho Financial Group	823
8	Citi	644
9	JP Morgan	638
10	Daiwa Securities Group	472

*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)

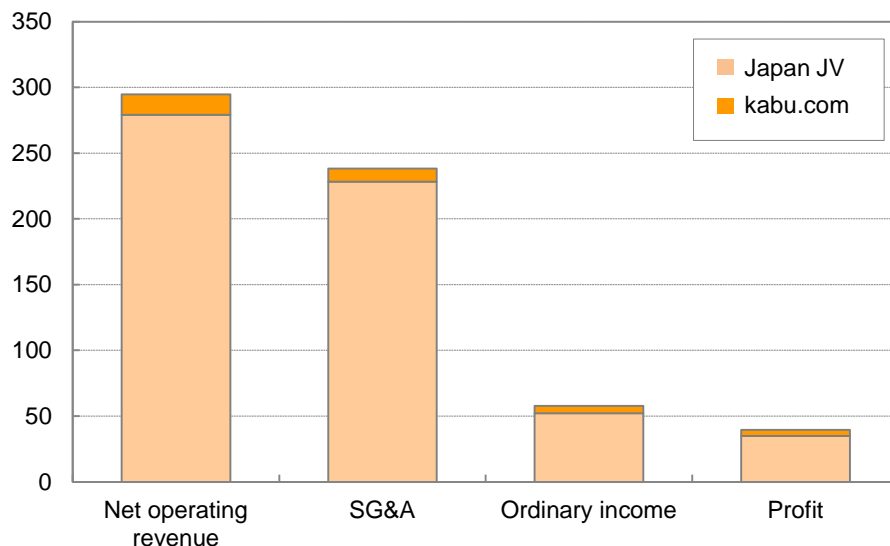
Any Japanese involvement announced including property acquisitions. Mitsubishi UFJ Morgan Stanley includes deals advised by Morgan Stanley.

Domestic Securities Companies' Performance

- Net operating revenue of the Domestic Securities Companies is over JPY 290 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 3Q (cumulative) 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 the Domestic Securities Companies)	FY 2017 3Q(cumulative)
Net Operating Revenue	294.8
Japan JV	279.2
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Consolidated base ("MUMSS" + "MUMSPB") *1	216.5
Morgan Stanley MUFG Securities Co., Ltd. ("MSMS") *2	62.7
kabu.com Securities Co., Ltd. ("kabu.com")	15.5
SG & A	238.2
Japan JV	228.2
MUMSS Consolidated base	183.6
MSMS	44.5
kabu.com	10.0
Ordinary profit	57.8
Japan JV	52.2
MUMSS Consolidated base	34.0
MSMS	18.1
kabu.com	5.6
Profit	39.6
Japan JV	35.0
MUMSS Consolidated base (Profit attributable to owners of parent)	22.6
MSMS	12.3
kabu.com	4.6

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

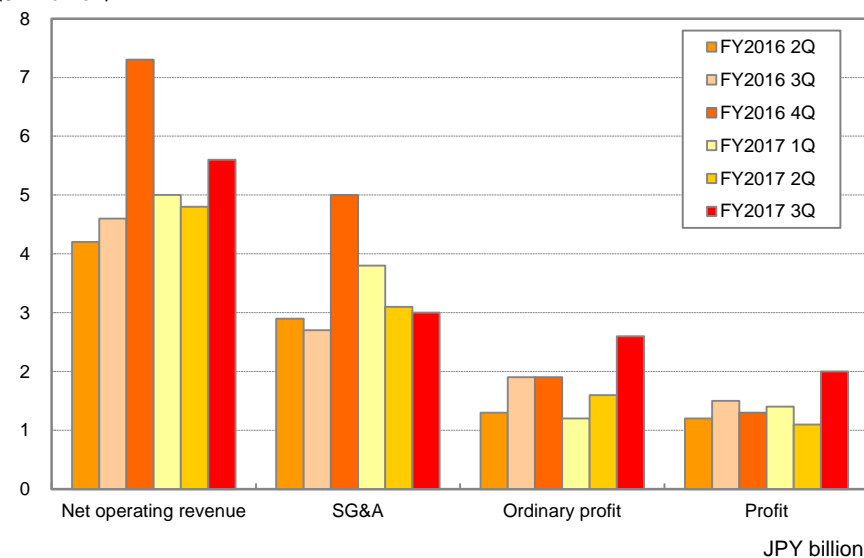
*2 MSMS is an associated company accounted for by using the equity-method.

kabu.com Quarterly Trends

- Commission income increased supported by an increase in individual trading value. Both revenue and profit increased from the previous quarter, with net operating revenue of JPY 5.6 billion and ordinary profit of JPY 2.6 billion.

Quarterly Trends

(JPY billion)



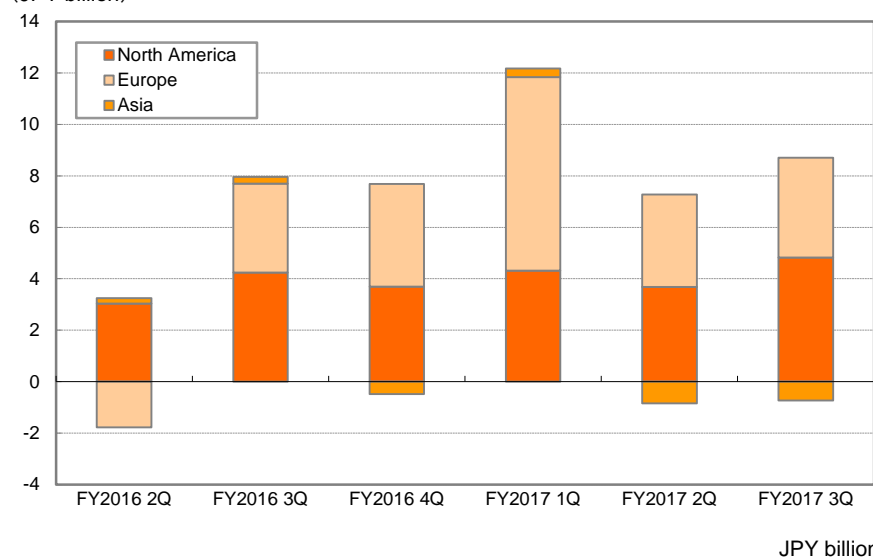
	FY2016 2Q	FY2016 3Q	FY2016 4Q	FY2017 1Q	FY2017 2Q	FY2017 3Q
Net operating revenue	4.2	4.6	7.3	5.0	4.8	5.6
SG&A	2.9	2.7	5.0	3.8	3.1	3.0
Ordinary profit	1.3	1.9	1.9	1.2	1.6	2.6
Profit	1.2	1.5	1.3	1.4	1.1	2.0

Overseas Business Quarterly Trends

- Business in Europe remained steady from the beginning of FY2017 due to strong performance in the structuring business such as arranging structured bonds, and underwriting business.
- Business in Asia recorded a loss due to lower customer flow as it did in 2Q.
- Business in North America recorded an increase in profit from the previous quarter mainly due to the growth in the underwriting business. Overseas business as a whole including business in North America recorded JPY 7.9 billion of ordinary profit.

Ordinary profit (loss): Quarterly Trends

(JPY billion)



	FY2016 2Q	FY2016 3Q *	FY2016 4Q *	FY2017 1Q *	FY2017 2Q *	FY2017 3Q *
North America	3.04	4.24	3.69	4.32	3.68	4.83
Europe	(1.78)	3.46	4.00	7.52	3.59	3.88
Asia	0.21	0.26	(0.49)	0.34	(0.84)	(0.73)
Total	1.48	7.97	7.20	12.19	6.43	7.98

* Figures represent the aggregation with MUSA's results.

JPY million

	Full year		Quarter					
	FY2015	FY2016	FY2016			FY2017		
			2Q	3Q	4Q	1Q	2Q	3Q
Operating revenue	474,449	404,497	101,774	87,038	116,879	86,684	94,947	100,449
Commission received	226,105	173,279	45,883	38,779	48,983	36,821	39,692	42,234
Net trading income	178,770	179,112	38,889	41,524	56,141	36,943	42,389	45,551
Other operating revenue	0	0	0	—	—	0	0	—
Financial revenue	69,573	52,105	17,001	6,735	11,755	12,918	12,865	12,663
Financial expenses	36,706	25,260	4,341	4,018	5,687	3,305	2,568	2,584
Net operating revenue	437,742	379,237	97,432	83,020	111,191	83,378	92,379	97,864
SG & A	357,055	315,125	82,486	69,607	84,542	73,660	75,528	77,305
Operating profit	80,687	64,111	14,946	13,413	26,648	9,718	16,850	20,559
Non-operating income	27,885	37,075	11,942	5,380	7,210	6,195	3,185	5,291
Non-operating expenses	715	1,591	680	(30)	833	733	25	523
Ordinary profit	107,857	99,595	26,208	18,823	33,026	15,181	20,010	25,326
Extraordinary income	275	180	(1)	19	(34)	83	11	—
Extraordinary losses	3,513	3,465	427	1,806	775	7	9	304
Income taxes	33,971	21,695	5,461	4,274	10,150	2,792	6,667	5,357
Profit attributable to non-controlling interests	27,384	25,529	7,990	3,840	9,099	2,646	5,413	6,229
Profit attributable to owners of parent	43,262	49,085	12,327	8,922	12,964	9,817	7,930	13,435

Appendix

Consolidated Balance Sheet

JPY billion

	As of Mar. 31, 2017	As of Dec. 31, 2017	Change
ASSETS			
Current assets	29,807	25,576	(4,231)
Cash and deposits	1,620	1,865	+245
Trading products	14,756	13,080	(1,675)
Loans secured by securities	10,826	8,202	(2,624)
Others	2,604	2,427	(176)
Non-current assets	685	575	(110)
PP & E	39	38	(1)
Intangible assets	109	108	(0)
Investments and other assets	536	428	(107)
Total assets	30,493	26,151	(4,341)

	As of Mar. 31, 2017	As of Dec. 31, 2017	Change
LIABILITIES			
Current liabilities	27,986	23,708	(4,277)
Trading products	14,156	10,667	(3,489)
Loans payable secured by securities	8,462	6,498	(1,963)
Short-term loans payable	1,855	1,847	(8)
Others	3,511	4,695	+1,184
Non-current liabilities	1,543	1,452	(90)
Bonds payable	1,022	852	(169)
Long-term loans payable	505	585	+80
Others	16	14	(1)
Total liabilities	29,533	25,165	(4,368)
NET ASSETS			
Shareholders' equity	700	710	+10
Accumulated other comprehensive income	(25)	(15)	+10
Subscription rights to shares	0	0	+0
Non-controlling interests	284	290	+5
Total net assets	959	986	+26
Total liabilities and net assets	30,493	26,151	(4,341)

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 Mar. 31, 2017	As of Dec. 31, 2017	Change
Current assets	14,742	13,403	(1,338)
Cash and deposits	1,254	1,499	+245
Trading products	8,254	8,112	(142)
Loans secured by securities	4,051	2,905	(1,146)
Others	1,180	885	(295)
Non-current assets	158	155	(3)
PP& E	27	24	(2)
Intangible assets	61	59	(1)
Investments and other assets	70	70	+0
Total assets	14,900	13,559	(1,341)

Quarter					
FY2016			FY2017		
2Q	3Q	4Q	1Q	2Q	3Q
66,641	61,750	84,672	53,133	66,746	72,335
30,373	29,765	38,047	26,862	29,716	31,683
31,581	27,668	37,922	19,927	28,589	34,441
0	—	—	0	0	—
4,686	4,316	8,702	6,342	8,439	6,211
1,748	1,667	2,879	1,794	1,394	1,716
64,892	60,082	81,792	51,338	65,351	70,619
53,138	52,792	61,560	51,888	54,722	56,883
11,753	7,290	20,232	(549)	10,629	13,736
579	2,772	582	3,462	721	3,057
12,333	10,062	20,815	2,912	11,350	16,794
(385)	(379)	(730)	(7)	(9)	—
3,617	2,142	5,881	(442)	3,351	3,877
8,331	7,540	14,203	3,347	7,989	12,917

JPY billion

	As of Mar. 31, 2017	As of Dec. 31, 2017	Change
Current liabilities	14,108	12,722	(1,385)
Trading products	7,819	5,996	(1,822)
Loans payable secured by securities	2,795	2,980	+185
Short-term loans payable	2,174	2,129	(44)
Others	1,319	1,616	+296
Non-current liabilities	366	411	+45
Long-term loans payable	355	400	+45
Others	10	10	+0
Total liabilities	14,476	13,136	(1,340)
Net assets	424	423	(1)
Total liabilities and net assets	14,900	13,559	(1,341)

JPY million

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					
FY2016			FY2017		
2Q	3Q	4Q	1Q	2Q	3Q
8,595	7,725	10,241	10,170	9,816	9,348
2,463	2,135	3,426	3,535	3,109	2,853
1,685	1,461	2,354	2,435	2,127	1,954

Credit Rating

- Stable credit rating levels were maintained in light of the fact that the Company is the core general securities company of the MUFG Group, although the credit rating by S&P was lowered by one notch in line with the rating downgrade of the MUFG Group.

Capital Adequacy

- Capital adequacy ratio at the end of December, 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-2

*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 3Q 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)		2016/9	2016/12	2017/3	2017/6	2017/9	2017/12
Capital stock		75.5	75.5	75.5	75.5	75.5	75.5
Net assets (Total)		932.3	924.1	959.4	955.0	974.0	986.2
MUMSS		2016/9	2016/12	2017/3	2017/6	2017/9	2017/12
Capital stock		40.5	40.5	40.5	40.5	40.5	40.5
Net assets	Consolidated	405.0	411.1	427.5	428.9	438.4	424.3
(Total)	Non-consolidated	402.1	409.9	424.2	427.6	435.5	423.1

Value at Risk (VaR) associated with the trading activities

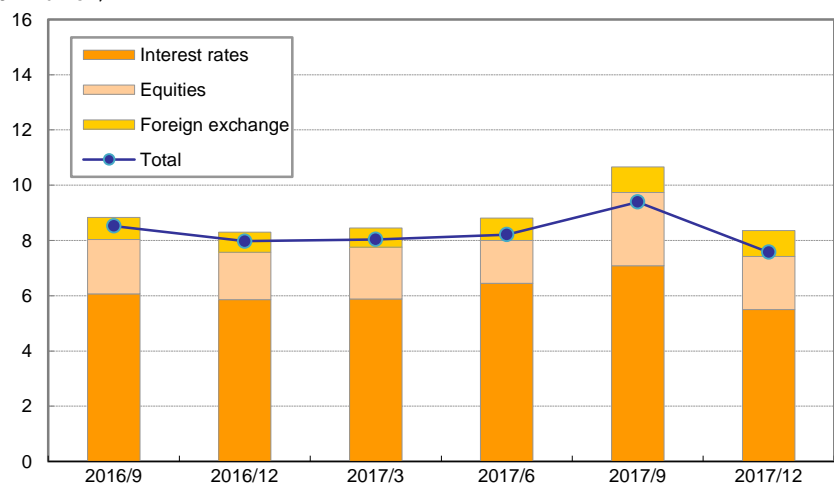
- Amount of risks for domestic subsidiaries decreased in interest rate risks and stock risks. Amount of risks for overseas subsidiaries decreased in interest risks.
- This is mainly because of a decrease in positions, which were temporarily increased at the end of September due to the customer flow.

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)

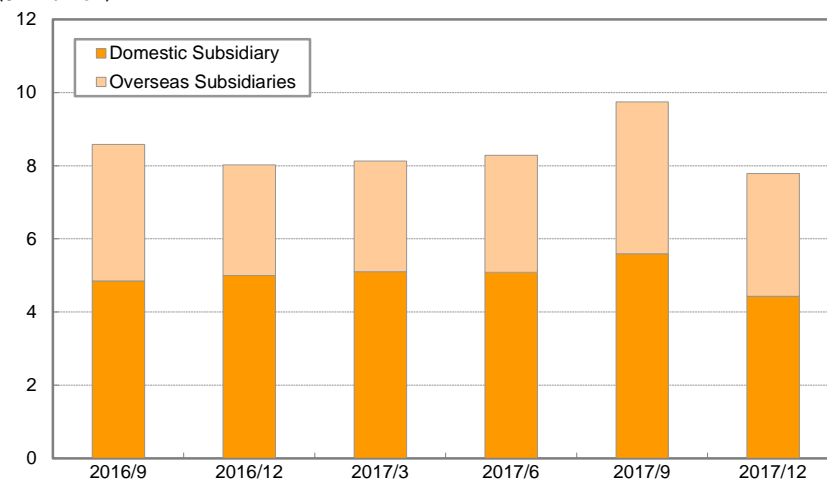


JPY billion

	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12
Interest rates	6.1	5.9	5.9	6.5	7.1	5.5
Equities	2.0	1.7	1.9	1.5	2.7	1.9
Foreign exchange	0.8	0.7	0.7	0.8	0.9	0.9
Total	8.5	8.0	8.0	8.2	9.4	7.6

Quarterly trends of VaR by type of subsidiary

(JPY billion)



JPY billion

	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12
Domestic Subsidiary	4.9	5.0	5.1	5.1	5.6	4.4
Overseas Subsidiaries	3.7	3.0	3.0	3.2	4.1	3.4
Total	8.5	8.0	8.0	8.2	9.4	7.6

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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