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April 26, 2019

Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 [under Japanese GAAP]

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

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Scheduled date of General Shareholders' Meeting: June 26, 2019

Scheduled date to file Securities Report: June 26, 2019

Supplementary material on financial results: Yes

Financial results presentation meeting: None

(Millions of yen with fractional amounts disregarded)

1. Consolidated performance for the fiscal year 2018 (from April 1, 2018 to March 31, 2019)

(1) Consolidated operating results

(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	%
FY2018	371,484	(1.4)	313,399	(14.3)	25,586	(59.5)	42,363	(49.7)
FY2017	376,901	(6.8)	365,825	(3.5)	63,222	(1.4)	84,206	(15.5)

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share	Profit attributable to owners of parent /equity
	Millions of yen	%	Yen	Yen	%
FY2018	25,141	(41.8)	34.11	34.11	3.6
FY2017	43,192	—	58.61	58.61	6.2

(Note) Comprehensive income FY2018: 18,320 million yen (75.5%) FY2017: 74,902 million yen —%

(Reference) Equity in earnings (losses) of affiliates FY2018: 14,586 million yen FY2017: 17,302 million yen

(Note) The year-on-year change of FY2017 is not presented because results have been retrospectively adjusted in accordance with changes in accounting policies.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2019	24,508,629	948,743	2.7	911.63
As of March 31, 2018	22,344,541	996,688	3.2	966.07

(Reference) Equity As of March 31, 2019: 671,855 million yen As of March 31, 2018: 711,978 million yen

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

(Total net assets – Share acquisition rights – Non-controlling interests) / Total assets

(Note) Figures as of March 31, 2018 have been retrospectively adjusted in accordance with changes in accounting policies.

<* Notes>

(1) **Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):** None

(2) **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: Yes

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

(Note) For details, please refer to "Consolidated financial statements and primary notes (4) Notes to consolidated financial statements (Changes in accounting policies)" on page 7 of the "Attached Material".

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

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

As of March 31, 2019	736,985,496 shares
As of March 31, 2018	736,985,496 shares

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

As of March 31, 2019	– shares
As of March 31, 2018	– shares

c. Average number of shares during the period

Fiscal year ended March 31, 2019	736,985,496 shares
Fiscal year ended March 31, 2018	736,985,496 shares

<*>

This financial results report is not subject to audit.

<* Other special matters >

None

Attached Material

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Consolidated financial statements and primary notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
ASSETS		
Current assets		
Cash and deposits	2,148,003	1,977,895
Cash segregated as deposits	795,610	767,298
Trading products	9,665,903	10,607,932
Trading securities and other	2,812,701	3,107,927
Derivatives	6,853,202	7,500,004
Trade date accrual	230,932	163,530
Margin transaction assets	364,858	285,914
Loans on margin transactions	279,722	187,982
Cash collateral pledged for securities borrowing on margin transactions	85,135	97,931
Loans secured by securities	7,266,553	8,981,121
Cash collateral pledged for securities borrowed	4,122,970	2,041,274
Loans on Gensaki transactions	3,143,582	6,939,847
Short-term guarantee deposits	1,013,202	959,409
Short-term loans receivable	117,231	85,415
Short-term investment securities	35,250	2,053
Income taxes receivable	—	6,780
Other current assets	124,022	119,656
Total current assets	<u>21,761,569</u>	<u>23,957,007</u>
Non-current assets		
Property, plant and equipment	37,756	28,038
Buildings	21,348	17,966
Equipment	11,140	9,867
Construction in progress	195	1
Other	5,072	202
Intangible assets	109,172	108,602
Software	75,553	77,100
Other	33,619	31,502
Investments and other assets	436,042	414,980
Investment securities	380,845	355,013
Long-term loans receivable	2,948	9,996
Net defined benefit asset	9,396	9,755
Deferred tax assets	21,456	17,086
Other	22,319	24,350
Allowance for doubtful accounts	(924)	(1,223)
Total non-current assets	<u>582,971</u>	<u>551,621</u>
Total assets	<u>22,344,541</u>	<u>24,508,629</u>

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
LIABILITIES		
Current liabilities		
Trading products	8,608,126	9,321,472
Trading securities and other	2,078,853	2,098,132
Derivatives	6,529,273	7,223,339
Margin transaction liabilities	244,266	243,758
Borrowings on margin transactions	48,675	29,071
Cash received for securities lending on margin transactions	195,590	214,687
Loans payable secured by securities	5,040,012	6,173,612
Cash received on debt credit transaction of securities	1,699,216	916,667
Borrowings on Gensaki transactions	3,340,796	5,256,944
Deposits received	597,218	586,987
Guarantee deposits received	1,820,188	1,753,143
Short-term loans payable	2,155,366	2,517,557
Current portion of bonds	241,499	202,775
Current portion of long-term loans payable	69,238	171,814
Commercial papers	811,926	598,625
Income taxes payable	11,058	4,508
Provision for bonuses	26,828	17,618
Provision for contingent loss	27	716
Asset retirement obligations	177	67
Other current liabilities	86,759	77,567
Total current liabilities	19,712,696	21,670,225
Non-current liabilities		
Bonds payable	1,013,449	1,244,543
Long-term loans payable	604,849	628,792
Net defined benefit liability	2,301	2,390
Provision for directors' retirement benefits	33	35
Asset retirement obligations	7,704	7,875
Other non-current liabilities	2,497	1,759
Total non-current liabilities	1,630,836	1,885,396
Reserves under the special laws		
Reserve for financial instruments transaction liabilities	4,319	4,263
Total reserves under the special laws	4,319	4,263
Total liabilities	21,347,852	23,559,885
NET ASSETS		
Shareholders' equity		
Share capital	75,518	75,518
Capital surplus	438,808	438,808
Retained earnings	211,478	188,309
Total shareholders' equity	725,806	702,636
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,703	1,484
Deferred gains or losses on hedges	85	7
Foreign currency translation adjustment	(17,179)	(33,532)
Remeasurements of defined benefit plans	1,562	1,258
Total accumulated other comprehensive income	(13,827)	(30,781)
Share acquisition rights	19	27
Non-controlling interests	284,690	276,860
Total net assets	996,688	948,743
Total liabilities and net assets	22,344,541	24,508,629

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

	(Millions of yen)	
	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)
Operating revenue		
Commission received	158,576	148,788
Commission to consignees	42,501	31,744
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	24,619	32,568
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	34,713	18,819
Other fees received	56,741	65,655
Net trading income	171,147	119,559
Financial revenue	47,176	103,133
Other operating revenue	0	3
Total operating revenue	<u>376,901</u>	<u>371,484</u>
Financial expenses	<u>11,075</u>	<u>58,085</u>
Net operating revenue	<u>365,825</u>	<u>313,399</u>
Selling, general and administrative expenses		
Trading related expenses	93,449	81,613
Personnel expenses	109,170	104,692
Real estate expenses	23,695	24,177
Office cost	32,112	31,958
Depreciation	25,901	28,134
Taxes and dues	10,560	8,402
Other	7,714	8,835
Total selling, general and administrative expenses	<u>302,603</u>	<u>287,812</u>
Operating profit	<u>63,222</u>	<u>25,586</u>
Non-operating income		
Interest income	2,662	1,906
Share of profit of entities accounted for using equity method	17,302	14,586
Other	2,517	2,371
Total non-operating income	<u>22,482</u>	<u>18,863</u>
Non-operating expenses		
Loss on sales of investment securities	671	874
Loss on retirement of non-current assets	111	452
Foreign exchange losses	428	—
Loss on investments in money held in trust	75	611
Other	212	148
Total non-operating expenses	<u>1,498</u>	<u>2,086</u>
Ordinary profit	<u>84,206</u>	<u>42,363</u>
Extraordinary income		
Gain on sales of investment securities	179	32
Gain on sales of non-current assets	—	4,177
Reversal of reserve for financial instruments transaction liabilities	—	56
Gain on liquidation of subsidiaries and associates	—	1,611
Total extraordinary income	<u>179</u>	<u>5,877</u>
Extraordinary losses		
Loss on sales of investment securities	459	—
Loss on valuation of investment securities	0	—
Impairment loss	123	268
Provision of reserve for financial instruments transaction liabilities	244	—
Provision for contingent loss	—	808
Other	—	302
Total extraordinary losses	<u>827</u>	<u>1,379</u>
Profit before income taxes	<u>83,558</u>	<u>46,861</u>
Income taxes-current	19,924	5,415
Income taxes-deferred	1,022	5,158
Total income taxes	<u>20,946</u>	<u>10,574</u>
Profit	<u>62,611</u>	<u>36,287</u>
Profit attributable to non-controlling interests	19,419	11,145
Profit attributable to owners of parent	<u>43,192</u>	<u>25,141</u>

Consolidated statements of comprehensive income

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)
Profit	62,611	36,287
Other comprehensive income		
Valuation difference on available-for-sale securities	1,174	(614)
Deferred gains or losses on hedges	42	(77)
Foreign currency translation adjustment	9,852	(16,481)
Remeasurements of defined benefit plans, net of tax	1,147	(792)
Share of other comprehensive income of entities accounted for using equity method	74	—
Total other comprehensive income	<u>12,290</u>	<u>(17,966)</u>
Comprehensive income	<u>74,902</u>	<u>18,320</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	54,627	7,850
Comprehensive income attributable to non-controlling interests	20,274	10,470

(3) Consolidated statements of changes in equity

FY2017 (From April 1, 2017 to March 31, 2018)

(Millions of yen)

	Shareholders' equity				Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	75,518	438,916	185,688	700,123	840	43	(26,992)	846	(25,262)	16	284,574	959,450
Cumulative effects of changes in accounting policies			2,916	2,916								2,916
Restated balance	75,518	438,916	188,604	703,039	840	43	(26,992)	846	(25,262)	16	284,574	962,367
Changes of items during the period												
Dividends from surplus			(20,318)	(20,318)								(20,318)
Profit attributable to owners of parent			43,192	43,192								43,192
Change of scope consolidation			—	—								—
Additional purchase of shares of subsidiaries		(111)		(111)								(111)
Partial sale of shares of subsidiaries		1		1								1
Change in ownership interest of parent due to transactions with non-controlling interests		2		2								2
Net changes of items other than shareholders' equity					863	42	9,813	715	11,435	3	116	11,554
Total changes of items during the period	—	(107)	22,874	22,766	863	42	9,813	715	11,435	3	116	34,321
Balance at the end of current period	75,518	438,808	211,478	725,806	1,703	85	(17,179)	1,562	(13,827)	19	284,690	996,688

FY2018 (From April 1, 2018 to March 31, 2019)

(Millions of yen)

	Shareholders' equity				Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	75,518	438,808	211,478	725,806	1,703	85	(17,179)	1,562	(13,827)	19	284,690	996,688
Cumulative effects of changes in accounting policies			—	—								—
Restated balance	75,518	438,808	211,478	725,806	1,703	85	(17,179)	1,562	(13,827)	19	284,690	996,688
Changes of items during the period												
Dividends from surplus			(52,472)	(52,472)								(52,472)
Profit attributable to owners of parent			25,141	25,141								25,141
Change of scope consolidation			4,161	4,161								4,161
Additional purchase of shares of subsidiaries		(0)		(0)								(0)
Partial sale of shares of subsidiaries		—		—								—
Change in ownership interest of parent due to transactions with non-controlling interests		—		—								—
Net changes of items other than shareholders' equity					(219)	(77)	(16,352)	(303)	(16,953)	8	(7,830)	(24,775)
Total changes of items during the period	—	(0)	(23,169)	(23,169)	(219)	(77)	(16,352)	(303)	(16,953)	8	(7,830)	(47,945)
Balance at the end of current period	75,518	438,808	188,309	702,636	1,484	7	(33,532)	1,258	(30,781)	27	276,860	948,743

(4) Notes to consolidated financial statements
(Notes on premise of going concern)
None

(Changes in accounting policies)

The Group has applied the “Guidance on Accounting Standard for Tax Effect Accounting” (The Accounting Standards Board of Japan (ASBJ) Guidance No. 28, revised on February 16, 2018) effective from the beginning of the fiscal year ended March 31, 2019. Accordingly, the treatment of taxable temporary differences related to shares and investments in subsidiaries in the non-consolidated financial statements were reviewed. The changes in accounting policies in line with this revision of the Guidance were retrospectively applied, and the consolidated financial statements as of and for the fiscal year ended March 31, 2018, reflect the effects of the retrospective application.

As a result of the reflection of the cumulative effects on the net assets balance at the beginning of the previous fiscal year, the retained earnings balance at the beginning of the previous fiscal year increased by 2,916 million yen.

(Segment information)

FY2018 (From April 1, 2018 to March 31, 2019)

1. Overview of reportable segments

The Group identifies a reportable segment as a component unit that constitutes a business for which discrete financial information is available and is regularly reviewed by the Board of Directors to make decisions about the allocation of resources to the segment and assess its performance.

The Group is engaged in business activities centered on the financial instruments business in many areas and provides investment and financing-related services. While promoting cooperation among Group companies under control, the Company, as a holding company, makes decisions about the allocation of resources and assesses the performance of each Group company by type of service.

Therefore, the Group's segments are distinguished by the type of service and the geographic area, and thus the following is identified as reportable segments: "Securities Brokerage (Japan)," "Securities Brokerage (Europe)" and "Securities Brokerage (Americas)."

"Securities Brokerage" provides customers with broader investment and financing services from both funding and investment aspects.

Although MUFG Securities Americas Inc. ("MUSA") was excluded from the Company's scope of consolidation on July 1, 2016, the Company continues to identify "Securities Brokerage (Americas)" as reportable segment because it will continue to include MUSA in its internal revenue management. The Company reconciles the difference between the total amounts in reportable segments and the amount on the consolidated financial statements by using the "Adjustment."

2. The calculation method of net operating revenue, profit or loss, assets and other items by reportable segment

Accounting policies for business segment reported are consistent with the accounting policies adopted for the preparation of consolidated financial statements. Profit or loss of a reportable segment is the amount based on the profit or loss after applicable taxes. Inter-segment net operating revenue and transfers are based on actual market prices.

3. Information about net operating revenue, profit or loss, assets and other items by reportable segment

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amounts on consolidated financial statements (Note 3)
	Securities Brokerage (Japan)	Securities Brokerage (Europe)	Securities Brokerage (Americas)	Total				
Net operating revenue								
Net operating revenue from external customers	265,184	40,698	52,924	358,806	1,605	360,412	(47,013)	313,399
Inter-segment net operating revenue or transfers	1,933	4,647	4,068	10,649	32,169	42,818	(42,818)	—
Total	267,117	45,345	56,992	369,456	33,774	403,230	(89,831)	313,399
Segment profit	18,868	5,202	4,776	28,848	40,388	69,236	(44,094)	25,141
Segment assets	14,485,599	8,528,765	5,774,655	28,789,020	2,892,221	31,681,242	(7,172,612)	24,508,629
Other items:								
Depreciation	24,346	3,054	1,442	28,844	1,100	29,944	(1,810)	28,134
Amortization of goodwill	—	—	—	—	—	—	2,077	2,077
Interest income	0	1,906	—	1,906	0	1,906	—	1,906
Interest expenses	—	—	—	—	33	33	(33)	—
Share of profit (loss) of entities accounted for using equity method	—	—	—	—	—	—	14,586	14,586
Extraordinary income	338	—	—	338	5,820	6,158	(281)	5,877
Gain on sales of non-current assets	—	—	—	—	3,364	3,364	812	4,177
Gain on liquidation of subsidiaries and associates	—	—	—	—	2,331	2,331	(720)	1,611
Extraordinary losses	619	—	—	619	17,352	17,971	(16,592)	1,379
Impairment loss	53	—	—	53	279	332	(63)	268
Provision for contingent loss	211	—	—	211	105	317	490	808
Taxes	10,952	1,938	1,942	14,832	(1,457)	13,374	(2,800)	10,574
Investment to entities accounted for using the equity method	—	—	—	—	412,554	412,554	(158,751)	253,803
Increase in property, plant and equipment and intangible assets	22,010	4,137	2,409	28,557	1,169	29,727	(1,658)	28,068

(Notes) 1. "Other" includes the holding company of securities companies and others.

2. Adjustment includes the following:

- (1) Adjustment to net operating revenue from external customers, amounting to (47,013) million yen, is mainly the adjustments of net operating revenue from external customers in relation to MUSA, which was excluded from the scope of consolidation of the Company.
- (2) Adjustment to segment profit, amounting to (44,094) million yen, is mainly eliminations of inter-segment transactions.
- (3) Adjustment to segment assets, amounting to (7,172,612) million yen, includes (3,756,631) million yen of assets in relation to MUSA., which was excluded from the scope of consolidation of the Company, and (3,382,386) million yen of eliminations of assets and liabilities between segments.

3. Segment profit is adjusted to be consistent with profit attributable to owners of parent for the fiscal year ended March 31, 2019.

(Per share information)

	FY2018 (From April 1, 2018 to March 31, 2019)
Net assets per share (Yen)	911.63
Basic earnings per share (Yen)	34.11
Diluted earnings per share (Yen)	34.11

(Notes)1. The basis of calculation for basic earnings per share and diluted earnings per share is as follows.
(Millions of yen)

	FY2018 (From April 1, 2018 to March 31, 2019)
(1) Basic earnings per share (Yen)	34.11
Profit attributable to owners of parent	25,141
Amounts not attributable to common shareholders	-
Profit attributable to owners of parent related to common stock	25,141
Average number of common shares (Thousands of shares)	736,985
(2) Diluted earnings per share (Yen)	34.11
Adjustments of profit attributable to owners of parent	(0)
Adjustments due to potential shares issued by consolidated subsidiaries	(0)
Increase in common share (Thousands of shares)	-
Summary of potential shares that are not included in calculation of diluted earnings per share due to a lack of dilution effect	-

2. The basis of calculation for net assets per share is as follows.

(Millions of yen)

	As of March 31, 2019
Total net assets	948,743
Amounts to be deducted from total net assets	276,888
Non-controlling interests	276,860
Net assets at the end of the period related to common stock	671,855
Number of common shares outstanding at the end of the period used to calculate net assets per share (Thousands of shares)	736,985

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2019

1. Commission received

(1) Breakdown by item

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Commission to consignees	42,501	31,744	(10,756)
Stocks	41,150	30,665	(10,484)
Bonds	20	8	(11)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	24,619	32,568	7,949
Stocks	9,912	14,697	4,785
Bonds	14,707	17,871	3,163
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	34,713	18,819	(15,894)
Beneficiary certificates	31,359	15,233	(16,126)
Other fees received	56,741	65,655	8,913
Beneficiary certificates	23,379	22,563	(816)
Total	158,576	148,788	(9,787)

(2) Breakdown by product

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Stocks	52,974	49,326	(3,647)
Bonds	20,548	24,032	3,484
Beneficiary certificates	55,921	38,803	(17,118)
Other	29,132	36,626	7,493
Total	158,576	148,788	(9,787)

2. Net trading income

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Stocks	39,297	3,592	(35,705)
Bonds and other	131,849	115,967	(15,882)
Total	171,147	119,559	(51,587)

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	4Q of FY2017 (January 1 to March 31, 2018)	1Q of FY2018 (April 1 to June 30, 2018)	2Q of FY2018 (July 1 to September 30, 2018)	3Q of FY2018 (October 1 to December 31, 2018)	4Q of FY2018 (January 1 to March 31, 2019)
Operating revenue	94,820	92,611	92,925	91,152	94,794
Commission received	39,828	40,974	32,379	38,218	37,216
Commission to consignees	10,573	8,926	8,261	8,008	6,548
Stocks	10,154	8,702	8,001	7,584	6,377
Bonds	1	2	4	1	0
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	5,435	7,013	5,531	12,110	7,913
Stocks	2,191	2,742	1,351	7,183	3,420
Bonds	3,244	4,271	4,179	4,927	4,492
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	8,740	5,929	5,404	3,850	3,635
Beneficiary certificates	7,832	5,124	4,562	2,885	2,661
Other fees received	15,079	19,105	13,182	14,249	19,119
Beneficiary certificates	5,772	5,964	5,842	5,502	5,253
Net trading income	46,262	37,354	31,575	24,606	26,022
Net trading income from securities (stocks)	3,612	(5,878)	4,444	(235)	5,262
Net trading income from bonds and other	42,650	43,233	27,130	24,842	20,760
Financial revenue	8,728	14,279	28,970	28,327	31,555
Other operating revenue	0	3	—	—	—
Financial expenses	2,616	6,608	13,414	16,815	21,248
Net operating revenue	92,203	86,003	79,511	74,337	73,546
Selling, general and administrative expenses	76,109	75,042	69,473	73,535	69,760
Trading related expenses	24,835	20,591	20,068	20,742	20,210
Personnel expenses	26,282	28,063	25,261	26,424	24,942
Real estate expenses	5,322	6,078	6,082	6,128	5,887
Office cost	7,778	8,259	8,046	8,324	7,327
Depreciation	6,528	6,768	6,759	7,377	7,228
Taxes and dues	3,755	3,466	1,255	2,555	1,124
Other	1,606	1,815	2,000	1,980	3,039
Operating profit	16,094	10,960	10,037	801	3,785
Non-operating income	7,810	5,616	3,892	4,997	4,357
Non-operating expenses	216	1,380	262	(103)	547
Ordinary profit	23,688	15,196	13,668	5,903	7,595
Extraordinary income	84	53	1,611	(1)	4,213
Extraordinary losses	505	218	68	46	1,046
Profit before income taxes	23,266	15,031	15,211	5,855	10,763
Income taxes-current	5,552	1,220	1,684	1,562	947
Income taxes-deferred	574	2,247	2,577	(2,137)	2,470
Total income taxes	6,127	3,468	4,262	(575)	3,418
Profit	17,138	11,563	10,948	6,430	7,345
Profit attributable to non-controlling interests	5,129	3,091	4,055	1,293	2,704
Profit attributable to owners of parent	12,009	8,471	6,892	5,137	4,640

Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.
for the Fiscal Year Ended March 31, 2019

(1) Consolidated operating results

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Operating revenue	300,043	254,350	(45,692)
Commission received	136,559	126,969	(9,589)
Net trading income	136,620	99,550	(37,070)
Net operating revenue	293,290	249,150	(44,140)
Operating profit	47,894	20,491	(27,402)
Ordinary profit	49,352	22,432	(26,919)
Profit attributable to owners of parent	32,470	11,546	(20,924)

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Commission to consignees	33,322	24,443	(8,879)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	14,934	20,499	5,565
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	34,513	18,673	(15,840)
Other fees received	53,788	63,353	9,564
Total	136,559	126,969	(9,589)

<Breakdown by product of commission received>

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Stocks	43,588	41,752	(1,836)
Bonds	11,328	12,480	1,151
Beneficiary certificates	55,068	37,994	(17,074)
Other	26,572	34,742	8,170
Total	136,559	126,969	(9,589)

<Net trading income>

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Stocks	38,084	21,885	(16,198)
Bonds and other	98,536	77,664	(20,871)
Total	136,620	99,550	(37,070)

(2) Consolidated financial position

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019	Increase (Decrease)
Total assets	12,977,558	13,515,842	538,283
Net assets	406,608	398,497	(8,111)

<Reference>

(3) Non-consolidated operating results

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Operating revenue	261,997	227,925	(34,071)
Commission received	117,905	113,273	(4,632)
Net trading income	116,744	83,066	(33,678)
Net operating revenue	254,866	218,923	(35,943)
Operating profit	36,134	13,584	(22,550)
Ordinary profit	43,964	22,806	(21,158)
Profit	33,060	15,564	(17,495)

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Commission to consignees	32,583	23,756	(8,826)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	14,934	20,499	5,565
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	23,354	12,721	(10,633)
Other fees received	47,033	56,295	9,261
Total	117,905	113,273	(4,632)

<Breakdown by product of commission received>

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Stocks	43,002	41,162	(1,839)
Bonds	9,657	10,855	1,198
Beneficiary certificates	39,092	27,411	(11,680)
Other	26,153	33,843	7,689
Total	117,905	113,273	(4,632)

<Net trading income>

(Millions of yen)

	FY2017 (From April 1, 2017 to March 31, 2018)	FY2018 (From April 1, 2018 to March 31, 2019)	Increase (Decrease)
Stocks	36,431	20,972	(15,458)
Bonds and other	80,313	62,093	(18,219)
Total	116,744	83,066	(33,678)

(4) Non-consolidated financial position

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019	Increase (Decrease)
Total assets	12,868,908	13,421,179	552,271
Net assets	402,418	399,878	(2,539)