



Mitsubishi UFJ Securities Holdings

FY2018 Financial Summary

Mitsubishi UFJ Securities Holdings Co., Ltd.

April, 2019

Consolidated Financial Results

- Consolidated Performance Highlights P2
- Net Operating Revenue and SG & A P3
- Overview by Business Segments P5

Financial Results of Significant Subsidiaries

- Mitsubishi UFJ Morgan Stanley Securities (MUMSS) P6
- 【Reference】 Domestic Securities Companies P9
- kabu.com Securities Co., Ltd. (kabu.com) and Overseas Business P10

Appendix

- Consolidated Statement of Income (Full year, Quarter) P11
- Consolidated Balance Sheet P12
- Mitsubishi UFJ Morgan Stanley Securities (MUMSS) P13
- Financial Soundness Indicators (Credit Rating, Capital Adequacy Ratio, etc.) P14
- Market Risks P15

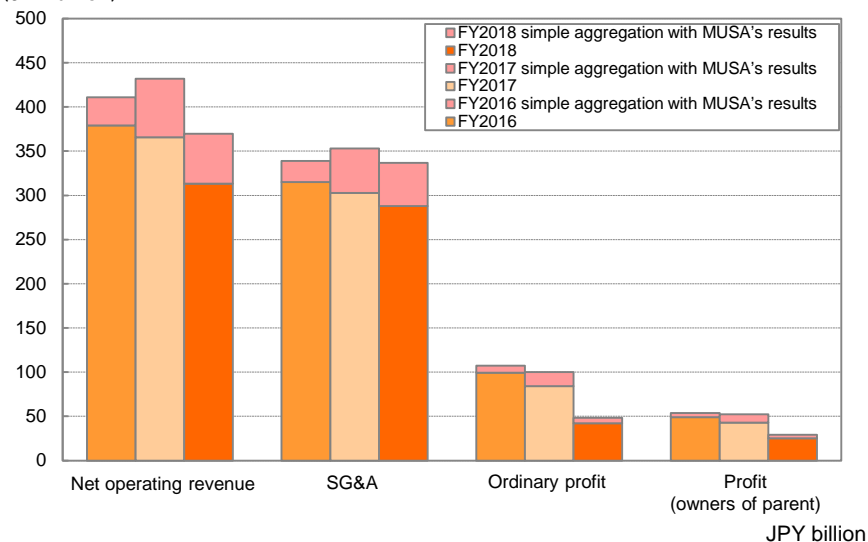
Consolidated Performance Highlights

Annual Performance Trends

- Net operating revenue of JPY 313.3 billion (-14% YoY), ordinary profit of JPY 42.3 billion (-49% YoY) and profit attributable to owners of parent of JPY 25.1 billion (-41% YoY).
- Net operating revenue for FY2018 in a simple aggregation with the results of MUFG Securities Americas Inc. (hereinafter "MUSA"), which was deconsolidated from 3Q16, was JPY 369.8 billion. Ordinary profit was JPY 48.6 billion.
- Mitsubishi UFJ Kokusai Asset Management Co., Ltd. was excluded from the scope of equity-method affiliates due to the functional realignment of MUFG.

Annual Trends

(JPY billion)



	FY2016	FY2017	FY2018
Net operating revenue	379.2	365.8	313.3
SG&A	315.1	302.6	287.8
Ordinary profit	99.5	84.2	42.3
Profit (owners of parent)	49.0	43.1	25.1

[Substantial basis] * Figures represent the aggregation with MUSA's results

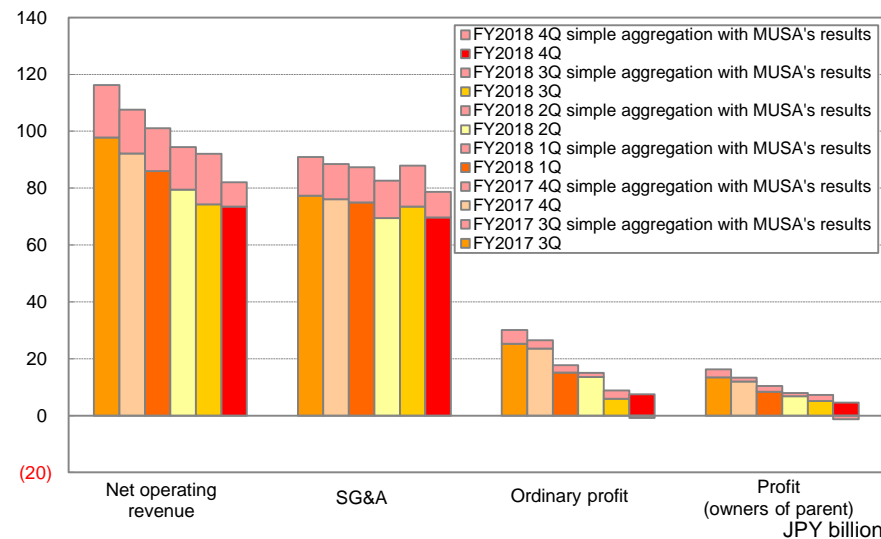
Net operating revenue	411.0	432.0	369.8
SG&A	338.9	353.0	336.9
Ordinary profit	107.5	100.0	48.6
Profit (owners of parent)	53.8	52.3	29.2

Quarterly Performance Trends

- While overseas subsidiaries decreased both revenue and profit from the previous quarter mainly attributed to decline in customer flow resulting from unfavourable market condition such as decline in stock prices amid rising concerns about economic slowdown, domestic subsidiaries increased both revenue and profit from the previous quarter thanks to good performance of investment banking business including M&A business and recovery of trading business, which struggled in the previous quarter.
- Ordinary profit in a simple aggregation with the results of MUSA was JPY 6.7 billion and profit attributable to owners of parent was JPY 3.3 billion.

Quarterly Trends

(JPY billion)



	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q
Net operating revenue	97.8	92.2	86.0	79.5	74.3	73.5
SG&A	77.3	76.1	75.0	69.4	73.5	69.7
Ordinary profit	25.3	23.6	15.1	13.6	5.9	7.5
Profit (owners of parent)	13.4	12.0	8.4	6.8	5.1	4.6

[Substantial basis] * Figures represent the aggregation with MUSA's results

Net operating revenue	116.3	107.6	101.1	94.4	92.0	82.1
SG&A	90.9	88.5	87.4	82.7	87.9	78.8
Ordinary profit	30.1	26.6	17.8	15.1	8.8	6.7
Profit (owners of parent)	16.3	13.3	10.4	8.0	7.4	3.3

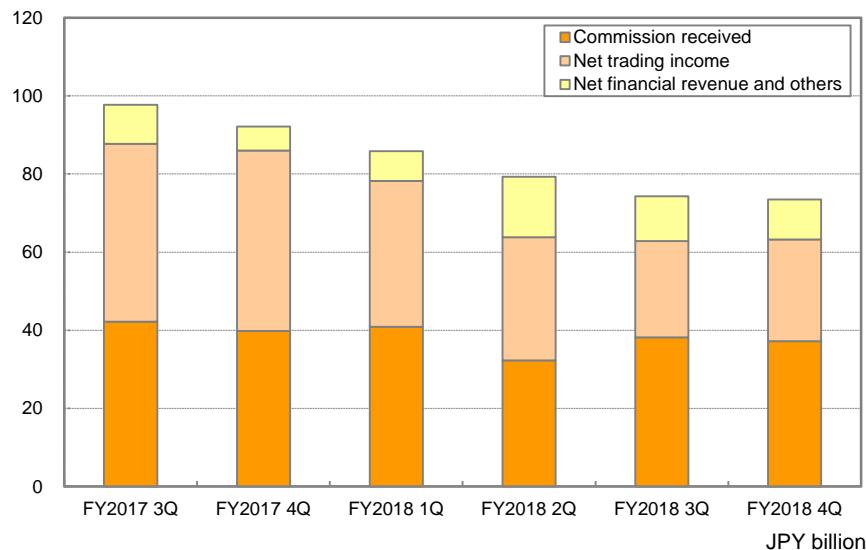
Net Operating Revenue and SG & A (1)

Net Operating Revenue

- Net operating revenue of JPY 73.5 billion (-1% QoQ), of which commission received was JPY 37.2 billion (-2% QoQ) and net trading income including net financial revenue was JPY 36.3 billion (+0% QoQ).
- While net trading income including net financial revenue slightly increased from the previous quarter, commission received decreased from the previous quarter, resulting in decrease in net operating revenue.

Quarterly Trends

(JPY billion)



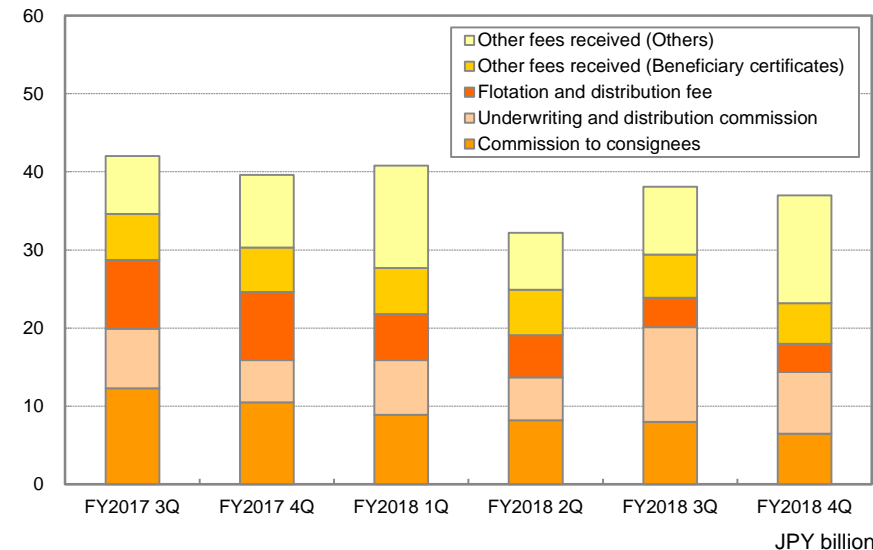
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q
Commission received	42.2	39.8	40.9	32.3	38.2	37.2
Net trading income	45.5	46.2	37.3	31.5	24.6	26.0
Net financial revenue and others	10.0	6.1	7.6	15.5	11.5	10.3
Total	97.8	92.2	86.0	79.5	74.3	73.5

Commission Received

- Commission to consignees: Decreased from the previous quarter due to low stock trading volume.
- Underwriting and distribution commission: Decreased from the previous quarter due to a decline in deals in equity, which benefited from large-scale deals in the previous quarter, but secured the second highest level in the past six quarters.
- Flotation and distribution fee: Continued to be sluggish as in the previous quarter due to contraction of the sales market impacted by inactive investor activities.
- Other fees received: Significantly increased from the previous quarter mainly due to strong M&A business. Recorded the highest revenue in the past six quarters.

Quarterly Trends

(JPY billion)



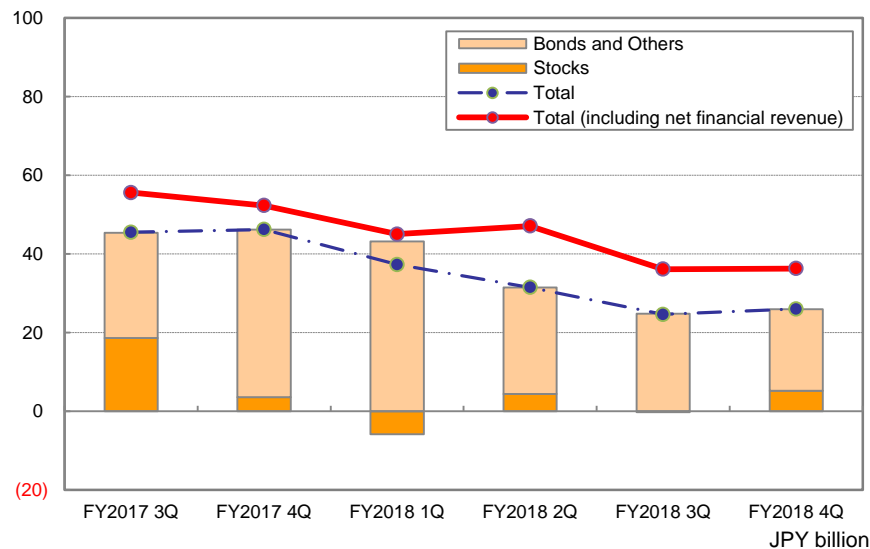
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q
Commission to consignees	12.3	10.5	8.9	8.2	8.0	6.5
Underwriting and distribution commission	7.6	5.4	7.0	5.5	12.1	7.9
Flotation and distribution fee	8.8	8.7	5.9	5.4	3.8	3.6
Other fees received (Beneficiary certificates)	5.9	5.7	5.9	5.8	5.5	5.2
Other fees received (Others)	7.4	9.3	13.1	7.3	8.7	13.8
Total	42.2	39.8	40.9	32.3	38.2	37.2

Net Trading Income

- Domestic subsidiaries increased revenue from the previous quarter thanks to recovery of fixed income and equity businesses, which performed poorly in the previous quarter.
- Overseas subsidiaries decreased revenue from the previous quarter due to struggling credit and rates businesses.

Quarterly Trends

(JPY billion)



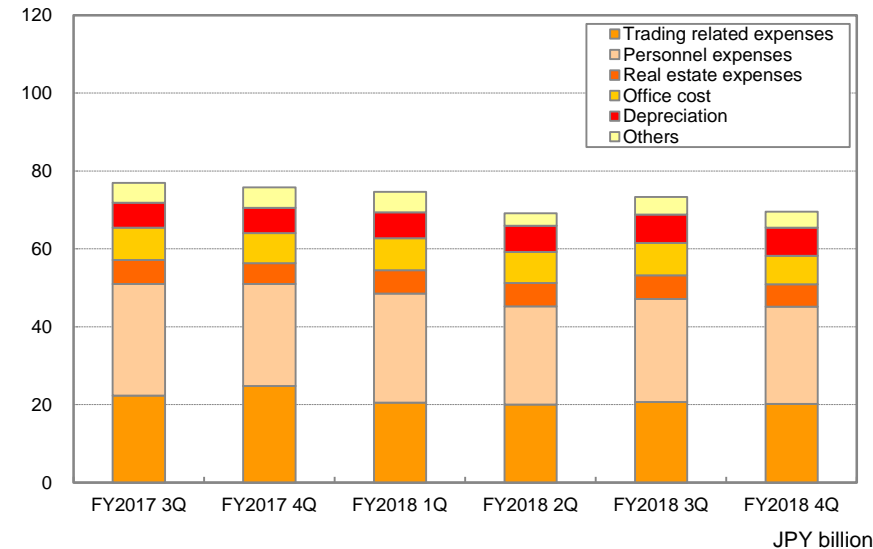
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q
Stocks	18.6	3.6	(5.8)	4.4	(0.2)	5.2
Bonds and Others	26.8	42.6	43.2	27.1	24.8	20.7
Total	45.5	46.2	37.3	31.5	24.6	26.0
Net financial revenue	10.0	6.1	7.6	15.5	11.5	10.3
Total (including net financial revenue)	55.6	52.3	45.0	47.1	36.1	36.3

SG & A

- The strengthened curbing of fixed costs in domestic and overseas subsidiaries led to declines in all items of SG&A from the previous quarter, reaching to the second lowest level in the past six quarters. SG&A decreased by JPY 6.3 billion YoY (4Q17).

Quarterly Trends

(JPY billion)



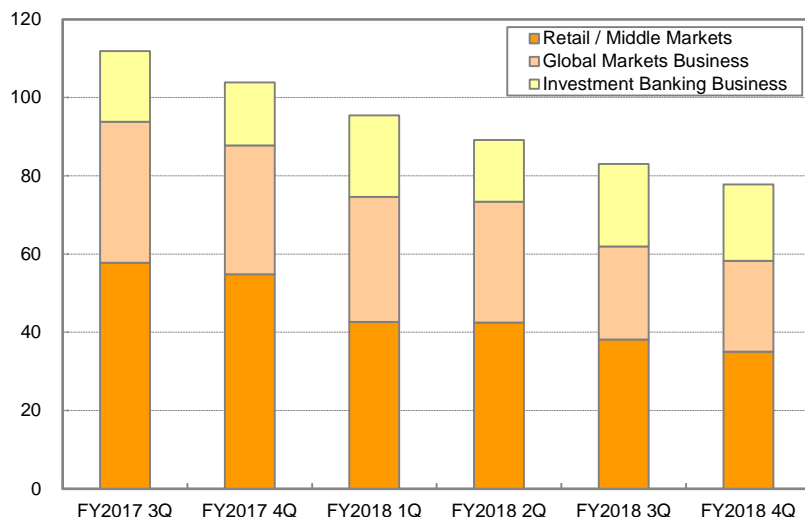
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q
Trading related expenses	22.3	24.8	20.5	20.0	20.7	20.2
Personnel expenses	28.7	26.2	28.0	25.2	26.4	24.9
Real estate expenses	6.1	5.3	6.0	6.0	6.1	5.8
Office cost	8.3	7.7	8.2	8.0	8.3	7.3
Depreciation	6.4	6.5	6.7	6.7	7.3	7.2
Others	5.1	5.3	5.2	3.2	4.5	4.1
Total	77.3	76.1	75.0	69.4	73.5	69.7

Overview by Business Segments

- While Global Markets secured the same level of revenue as the previous quarter, Retail / Middle Markets and Investment Banking decreased revenue.
- Retail / Middle Markets: Revenue decreased from the previous quarter due to struggling MUMSS and kabu.com amid weak stock prices and decline in individual stock trading volume.
- Global Markets: Domestic revenue increased from the previous quarter mainly due to recovery of fixed income business. Meanwhile, overseas subsidiaries (October - December) decreased revenue from the previous quarter due to struggling position management in flow products business.
- Investment Banking: Domestic subsidiaries increased revenue from the previous quarter driven by M&A and real estate businesses. Meanwhile, overseas subsidiaries (October - December) decreased revenue toward the end of the year due to factors including seasonality.

Quarterly Trends

(JPY billion)



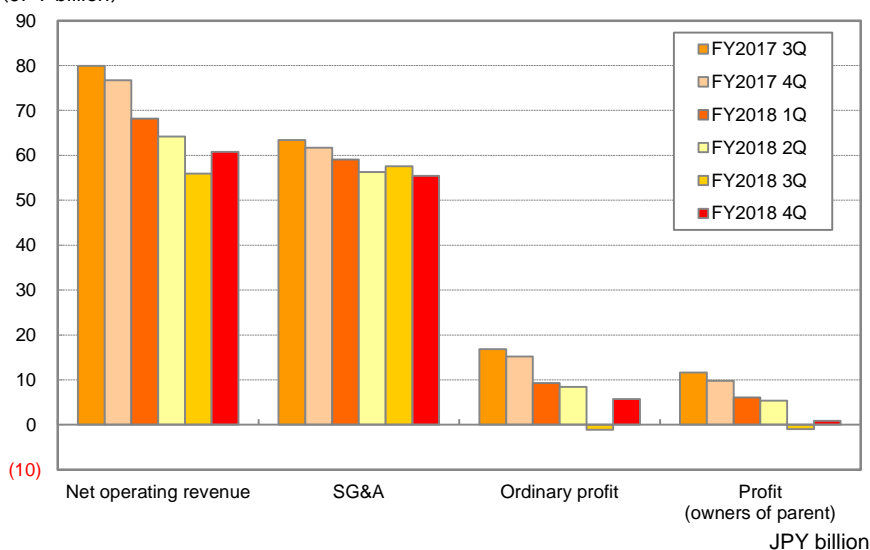
* Figures are based on management accounting basis (before internal transaction elimination) including MUSA.

Quarterly Performance Trends

- Net operating revenue of JPY 60.8 billion (+8% QoQ), ordinary profit of JPY 5.7 billion (JPY -1.1 billion at the previous quarter) and profit attributable to owners of parent of JPY 0.9 billion (JPY -1.0 billion at the previous quarter).
- Although Retail / Middle Market Division struggled, MUMSS increased both revenue and profit from the previous quarter thanks to good performance of investment banking business including strong M&A business and recovery of trading business.
- Revenue of Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd. (MUMSPB) was unchanged due to unrecovered investor activities.

Quarterly Trends

(JPY billion)



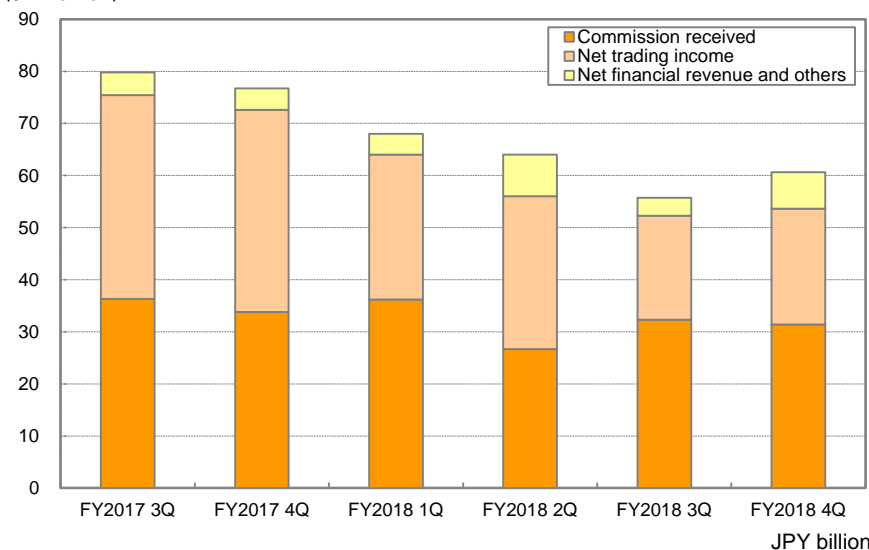
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q	FY2018	YoY
Net operating revenue	79.9	76.7	68.2	64.2	55.9	60.8	249.1	(44.1)
SG&A	63.4	61.7	59.1	56.3	57.6	55.4	228.6	(16.7)
Ordinary profit	16.8	15.2	9.3	8.4	(1.1)	5.7	22.4	(26.9)
Profit (owners of parent)	11.6	9.8	6.1	5.4	(1.0)	0.9	11.5	(20.9)

Net Operating Revenue

- Net operating revenue of JPY 60.8 billion, of which commission received was JPY 31.4 billion and net trading income including net financial revenue was JPY 29.3 billion.
- While commission received decreased from the previous quarter, net trading income including net financial revenue increased from the previous quarter.

Quarterly Trends

(JPY billion)



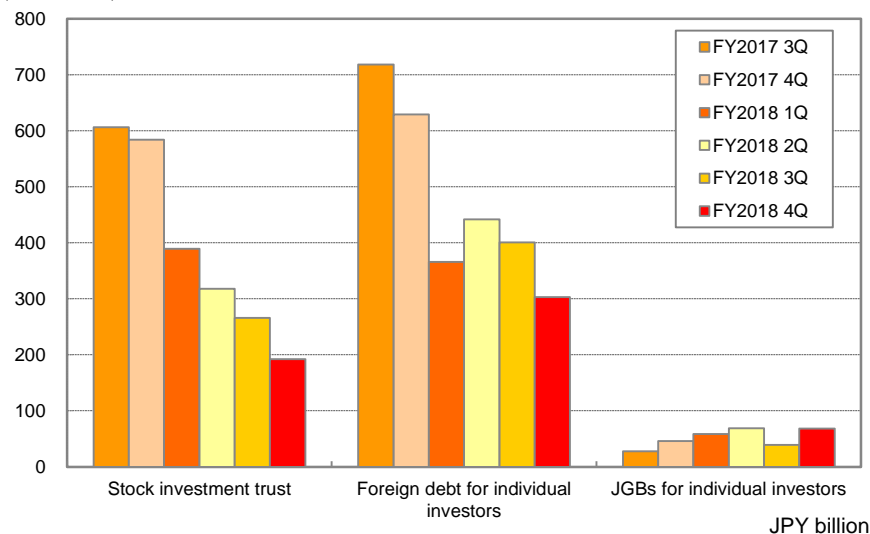
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q	FY2018	YoY
Commission received	36.3	33.8	36.2	26.7	32.3	31.4	126.9	(9.5)
Net trading income	39.1	38.8	27.8	29.3	20.0	22.2	99.5	(37.0)
Net financial revenue and others	4.4	4.1	4.0	8.0	3.4	7.0	22.6	2.5
Total	79.9	76.7	68.2	64.2	55.9	60.8	249.1	(44.1)

Sales of Retail / Middle Market Division

- Revenue from sales of stock investment trusts decreased from the previous quarter partly due to a slump in the investment trust sales market, despite efforts to focus on investment trusts that invest in domestic owner-operator companies with unique strength.
- Revenue from sales of foreign bonds for individual investors decreased from the previous quarter due to decrease in sales of structured notes at MUMSS.

Quarterly Trends

(JPY billion)



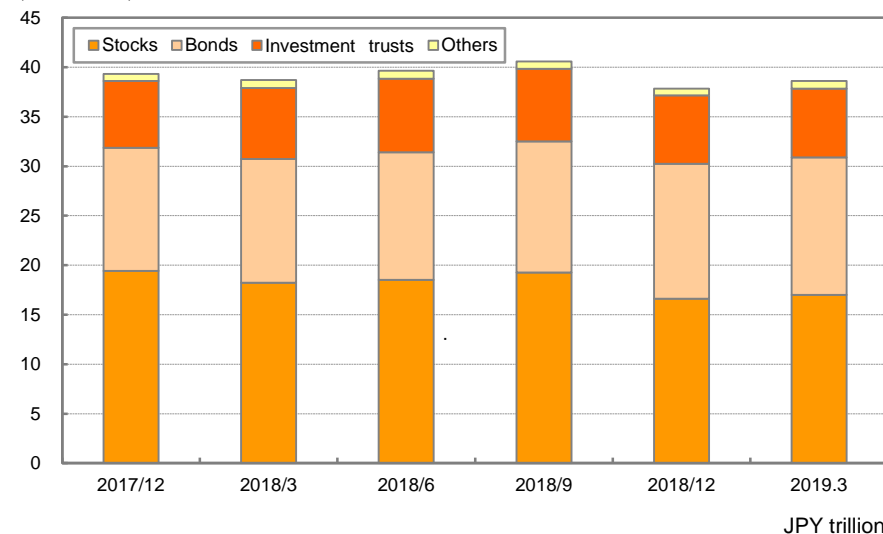
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q
Stock investment trusts	606.3	583.8	389.4	317.6	266.1	192.1
Foreign bonds for individual investors	718.2	628.8	365.5	441.9	400.9	303.0
JGBs for individual investors	27.7	46.1	58.4	68.7	39.0	68.5

Trends of AUM

- AUM recorded approximately JPY 38.6 trillion at the end of March 2019, increasing from the previous quarter. Net money inflow was also positive.
- Of the above, AUM for the Retail / Middle Market Division recorded JPY 31.1 trillion (JPY 30.6 trillion at the end of December, 2018).

Quarterly Trends

(JPY trillion)



	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Stocks	19.4	18.2	18.5	19.3	16.6	17.0
Bonds	12.5	12.5	12.9	13.2	13.6	13.9
Investment trusts	6.7	7.2	7.4	7.3	6.9	6.9
Others	0.7	0.8	0.8	0.7	0.7	0.8
Total	39.3	38.7	39.6	40.6	37.8	38.6

Investment banking business ~ League Table (from April, 2018 to March, 2019)

- In collaboration with Morgan Stanley, engaged mainly in cross-border trading, and ranked top in the M&A Advisory. In equity, maintained high presence in investment banking business through involvement in large-scale deals for SoftBank, Mercari, Renesas Electronics and other companies.
 - Highly evaluated by leading media
 - ▣ Awarded the Japan Green Bond Awards in the Japan Green Contributor category by *the Japan Ministry of Environment*
 - ▣ Awarded the Best International Bank by *Asiamoney* (*)
 - ▣ Awarded the Outbound M&A Financial Adviser of the Year by *Mergermarket* (*)
- (*) Awarded as Japanese Securities Joint Venture between MUFG and Morgan Stanley (comprising Mitsubishi UFJ Morgan Stanley Securities and Morgan Stanley MUFG Securities)

Japan Domestic Debt*¹

Rank	Securities Firm	Share (%)
1	Mizuho Securities	23.6
2	Nomura Securities	20.4
3	Daiwa Securities	17.6
4	Mitsubishi UFJ Morgan Stanley	16.9
5	SMBC Nikko Securities	16.8
6	Tokai Tokyo Securities	1.4
7	Shinkin Securities	1.1
8	Goldman Sachs Japan	0.8
9	SBI Securities	0.4
10	Okasan Securities	0.2

Japan Equity and Equity-linked*²

Rank	Securities Firm	Share (%)
1	Nomura	23.1
2	Daiwa Securities Group	17.5
3	Sumitomo Mitsui Financial Group	15.6
4	Mizuho Financial Group	14.7
5	Mitsubishi UFJ Morgan Stanley	14.3
6	SBI Holdings	4.5
7	JP Morgan	2.2
8	Bank of America Merrill Lynch	2.1
9	Citi	1.3
10	Goldman Sachs & Co	0.9

M&A Advisory / Based on Rank Value*³

Rank	Financial Advisor	JPY billion
1	Mitsubishi UFJ Morgan Stanley	21,917
2	Goldman Sachs & Co	19,714
3	JP Morgan	18,221
4	Evercore Partners	14,935
5	Nomura	11,878
6	Mizuho Financial Group	11,097
7	Citi	9,410
8	Credit Suisse	8,708
9	Sumitomo Mitsui Financial Group	8,469
10	Deutsche Bank Group	7,572

*1 Source: REFINITIV, REFINITIV 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: REFINITIV (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: REFINITIV (data compiled by Mitsubishi UFJ Morgan Stanley)

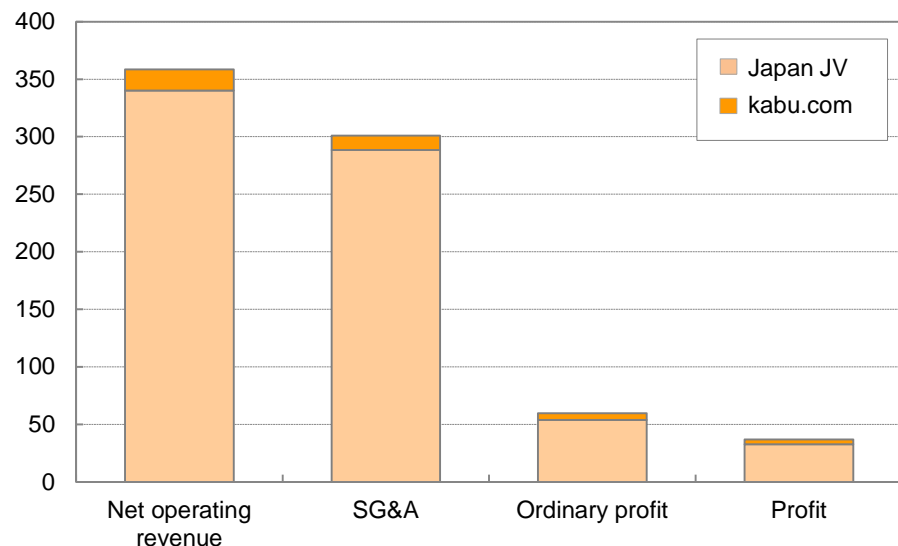
Any Japanese involvement announced including property acquisitions. Mitsubishi UFJ Morgan Stanley includes deals advised by Morgan Stanley.

Domestic Securities Companies' Performance

- Net operating revenue of the Domestic Securities Companies is over JPY 350 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" consists of four companies including three joint venture companies with Morgan Stanley ("Japan JV") and kabu.com Securities Co., Ltd.

Performance of FY 2018

(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 2018
Net operating revenue	358.7
Japan JV	340.2
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Consolidated base ("MUMSS" + "MUMSPB") *1	249.1
Morgan Stanley MUFG Securities Co., Ltd. ("MSMS") *2	91.1
kabu.com Securities Co., Ltd. ("kabu.com")	18.4
SG & A	301.1
Japan JV	288.5
MUMSS Consolidated base	228.6
MSMS	59.9
kabu.com	12.5
Ordinary profit	59.8
Japan JV	53.9
MUMSS Consolidated base	22.4
MSMS	31.5
kabu.com	5.9
Profit	37.1
Japan JV	32.8
MUMSS Consolidated base (Profit attributable to owners of parent)	11.5
MSMS	21.2
kabu.com	4.2

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

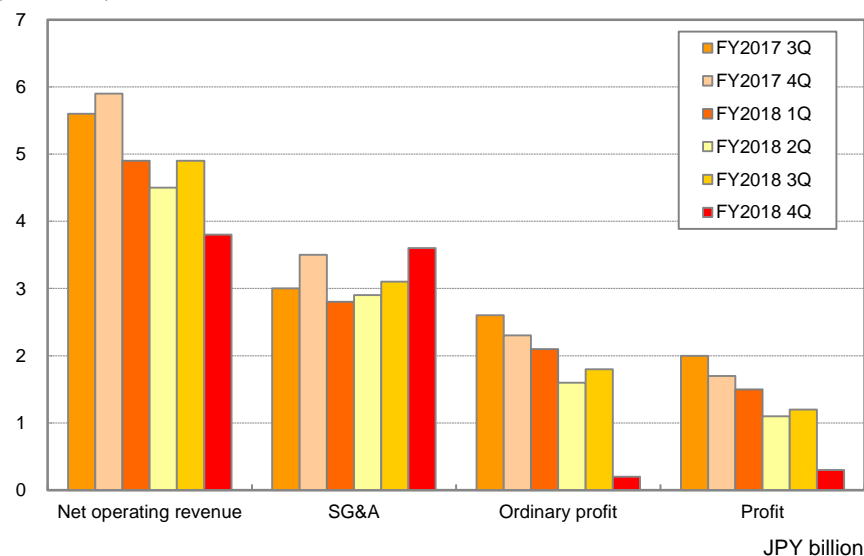
*2 MSMS is an associated company accounted for by using the equity-method.

kabu.com Quarterly Trends

- Revenue decreased from the previous quarter due to a decrease in commission fee on the back of decline in individual stock trading volume. Partly due to a temporary increase in SG&A, while securing profit, ordinary profit decreased to JPY 0.2 billion.

Quarterly Trends

(JPY billion)



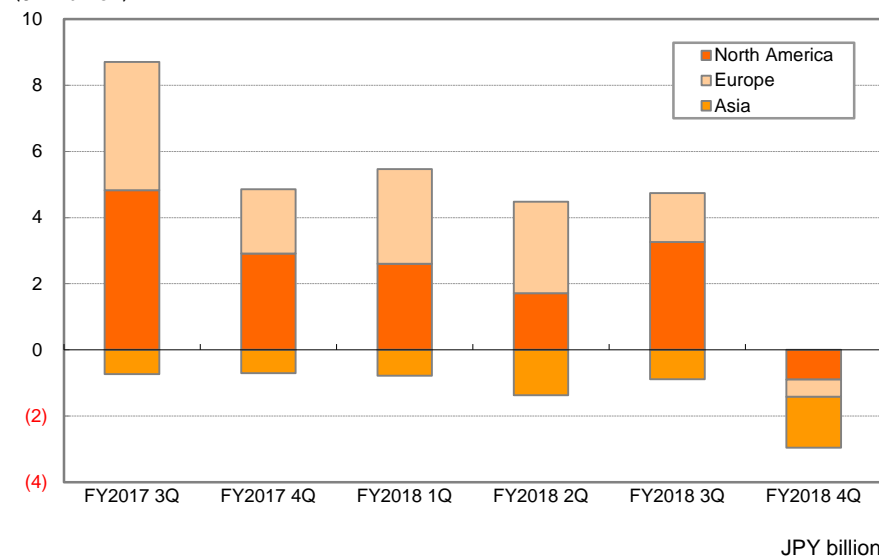
	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q	FY2018	YoY
Net operating revenue	5.6	5.9	4.9	4.5	4.9	3.8	18.4	(3.0)
SG&A	3.0	3.5	2.8	2.9	3.1	3.6	12.5	(0.9)
Ordinary profit	2.6	2.3	2.1	1.6	1.8	0.2	5.9	(2.0)
Profit	2.0	1.7	1.5	1.1	1.2	0.3	4.2	(2.0)

Overseas Business Quarterly Trends

- Overseas business as a whole recorded a loss for the first time since 4Q15, with JPY 2.9 billion of ordinary loss.
- Business in Europe recorded a loss. Although underwriting business increased revenue from the previous quarter, credit and rates businesses decreased revenue due to a decline in customer flow.
- Business in Asia continued to record a loss due to lack of deals.
- Business in North America recorded a loss due to decline in revenue in underwriting and credit businesses.

Ordinary profit (loss): Quarterly Trends

(JPY billion)



	FY2017 3Q	FY2017 4Q	FY2018 1Q	FY2018 2Q	FY2018 3Q	FY2018 4Q	FY2018	YoY
North America	4.83	2.91	2.60	1.71	3.26	(0.90)	6.68	(9.07)
Europe	3.88	1.95	2.87	2.77	1.48	(0.52)	6.61	(10.33)
Asia	(0.73)	(0.71)	(0.78)	(1.37)	(0.89)	(1.54)	(4.59)	(2.65)
Total	7.98	4.14	4.69	3.11	3.86	(2.97)	8.70	(22.06)

* Figures represent the aggregation with MUSA's results.

JPY million

	Full year		Quarter					
	FY2017	FY2018	FY2017		FY2018			
			3Q	4Q	1Q	2Q	3Q	4Q
Operating revenue	376,901	371,484	100,449	94,820	92,611	92,925	91,152	94,794
Commission received	158,576	148,788	42,234	39,828	40,974	32,379	38,218	37,216
Net trading income	171,147	119,559	45,551	46,262	37,354	31,575	24,606	26,022
Other operating revenue	0	3	—	0	3	—	—	—
Financial revenue	47,176	103,133	12,663	8,728	14,279	28,970	28,327	31,555
Financial expenses	11,075	58,085	2,584	2,616	6,608	13,414	16,815	21,248
Net operating revenue	365,825	313,399	97,864	92,203	86,003	79,511	74,337	73,546
SG & A	302,603	287,812	77,305	76,109	75,042	69,473	73,535	69,760
Operating profit	63,222	25,586	20,559	16,094	10,960	10,037	801	3,785
Non-operating income	22,482	18,863	5,291	7,810	5,616	3,892	4,997	4,357
Non-operating expenses	1,498	2,086	523	216	1,380	262	(103)	547
Ordinary profit	84,206	42,363	25,326	23,688	15,196	13,668	5,903	7,595
Extraordinary income	179	5,877	—	84	53	1,611	(1)	4,213
Extraordinary losses	827	1,379	304	505	218	68	46	1,046
Income taxes	20,946	10,574	5,357	6,127	3,468	4,262	(575)	3,418
Profit attributable to non-controlling interests	19,419	11,145	6,229	5,129	3,091	4,055	1,293	2,704
Profit attributable to owners of parent	43,192	25,141	13,435	12,009	8,471	6,892	5,137	4,640

Appendix

Consolidated Balance Sheet

JPY billion

	As of Mar. 31, 2018	As of Mar. 31, 2019	Change
ASSETS			
Current assets	21,761	23,957	+2,195
Cash and deposits	2,148	1,977	(170)
Trading products	9,665	10,607	+942
Loans secured by securities	7,266	8,981	+1,714
Others	2,681	2,390	(291)
Non-current assets	582	551	(31)
PP & E	37	28	(9)
Intangible assets	109	108	(0)
Investments and other assets	436	414	(21)
Total assets	22,344	24,508	+2,164

	As of Mar. 31, 2018	As of Mar. 31, 2019	Change
LIABILITIES			
Current liabilities	19,712	21,670	+1,957
Trading products	8,608	9,321	+713
Loans payable secured by securities	5,040	6,173	+1,133
Short-term loans payable	2,155	2,517	+362
Others	3,909	3,657	(251)
Non-current liabilities	1,630	1,885	+254
Bonds payable	1,013	1,244	+231
Long-term loans payable	604	628	+23
Others	12	12	(0)
Total liabilities	21,347	23,559	+2,212
NET ASSETS			
Shareholders' equity	725	702	(23)
Accumulated other comprehensive income	(13)	(30)	(16)
Share acquisition rights	0	0	+0
Non-controlling interests	284	276	(7)
Total net assets	996	948	(47)
Total liabilities and net assets	22,344	24,508	+2,164

Appendix

Mitsubishi UFJ Morgan Stanley Securities (MUMSS)

MUMSS (non-consolidated)

JPY million

■ Statement of Income

	Full year	
	FY2017	FY2018
Operating revenue	261,997	227,925
Commission received	117,905	113,273
Net trading income	116,744	83,066
Others	0	3
Financial revenue	27,345	31,582
Financial expenses	7,130	9,001
Net operating revenue	254,866	218,923
SG & A	218,732	205,339
Operating profit	36,134	13,584
Net non-operating income (expenses)	7,830	9,222
Ordinary profit	43,964	22,806
Net extraordinary income (losses)	(160)	(434)
Income taxes	10,744	6,807
Profit	33,060	15,564

■ Balance Sheet

	As of Mar. 31, 2018	As of Mar. 31, 2019	Change
Current assets	12,699	13,260	+561
Cash and deposits	1,775	1,647	(128)
Trading products	6,561	7,359	+797
Loans secured by securities	3,250	3,279	+28
Others	1,111	975	(136)
Non-current assets	169	160	(9)
PP& E	24	22	(2)
Intangible assets	59	58	(1)
Investments and other assets	85	79	(5)
Total assets	12,868	13,421	+552

Quarter					
FY2017		FY2018			
3Q	4Q	1Q	2Q	3Q	4Q
72,335	69,781	61,911	58,639	51,228	56,145
31,683	29,642	32,398	23,167	29,342	28,365
34,441	33,786	23,717	25,146	15,819	18,382
—	0	3	—	—	—
6,211	6,351	5,792	10,324	6,066	9,398
1,716	2,224	1,769	2,284	2,617	2,330
70,619	67,557	60,142	56,354	48,610	53,815
56,883	55,238	53,084	50,402	51,918	49,933
13,736	12,318	7,058	5,952	(3,307)	3,881
3,057	588	4,606	918	3,039	657
16,794	12,907	11,665	6,870	(268)	4,538
—	(143)	(218)	(56)	(45)	(113)
3,877	3,958	1,944	2,015	(1,031)	3,878
12,917	8,805	9,502	4,798	717	546

JPY billion

	As of Mar. 31, 2018	As of Mar. 31, 2019	Change
Current liabilities	12,007	12,576	+569
Trading products	6,243	6,490	+247
Loans payable secured by securities	2,012	2,242	+230
Short-term loans payable	2,324	2,639	+314
Others	1,427	1,204	(222)
Non-current liabilities	456	442	(14)
Long-term loans payable	445	431	(14)
Others	11	10	(0)
Total liabilities	12,466	13,021	+554
Net assets	402	399	(2)
Total liabilities and net assets	12,868	13,421	+552

JPY million

MUMSPB (non-consolidated)

■ Statement of Income

	Full year	
	FY2017	FY2018
Net operating revenue	38,519	30,358
Ordinary profit	12,312	7,520
Profit	8,447	5,168

Quarter					
FY2017		FY2018			
3Q	4Q	1Q	2Q	3Q	4Q
9,348	9,184	8,107	7,878	7,361	7,011
2,853	2,814	2,161	2,019	1,696	1,642
1,954	1,929	1,487	1,384	1,155	1,141

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.

R&I

JCR

Moody's

S&P

Fitch

Mitsubishi UFJ Securities Holdings

Long-term	AA-	AA	A1	A-	-
Short-term	a-1+ *	-	P-1	A-2	-

Mitsubishi UFJ Morgan Stanley Securities

Long-term	AA-	AA	A1	A	A
Short-term	a-1+ *	-	P-1	A-1	F1

MUFG Securities EMEA plc

Long-term	AA- **	AA **	A1	A	-
Short-term	-	-	P-1	A-1	-

MUFG Securities (Canada), Ltd.

Long-term	-	-	-	A	A
Short-term	-	-	-	A-1	F1

MUFG Securities (Europe) N.V.

Long-term	-	-	-	A	-
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*CP rating

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

Capital Adequacy

- Capital adequacy ratio at the end of March, 2019 maintained a sufficient level of capital base.
- Capital base of MUSHD (consolidated) marked no major change.

Capital Adequacy Ratio MUMSS (non-consolidated)

Capital adequacy ratio of MUMSS at FY2018 can be found on the following URL.

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

Net Assets MUSHD (Consolidated) / MUMSS

JPY billion

MUSHD (Consolidated)	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Share capital	75.5	75.5	75.5	75.5	75.5	75.5
Net assets (Total)	989.1	996.6	963.1	961.4	960.0	948.7

MUMSS	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Share capital	40.5	40.5	40.5	40.5	40.5	40.5
Net assets (Total)	Consolidated 424.3	406.6	400.8	407.2	397.8	398.4
	Non-consolidated 423.1	402.4	401.0	406.4	399.2	399.8

Value at Risk (VaR) associated with the trading activities

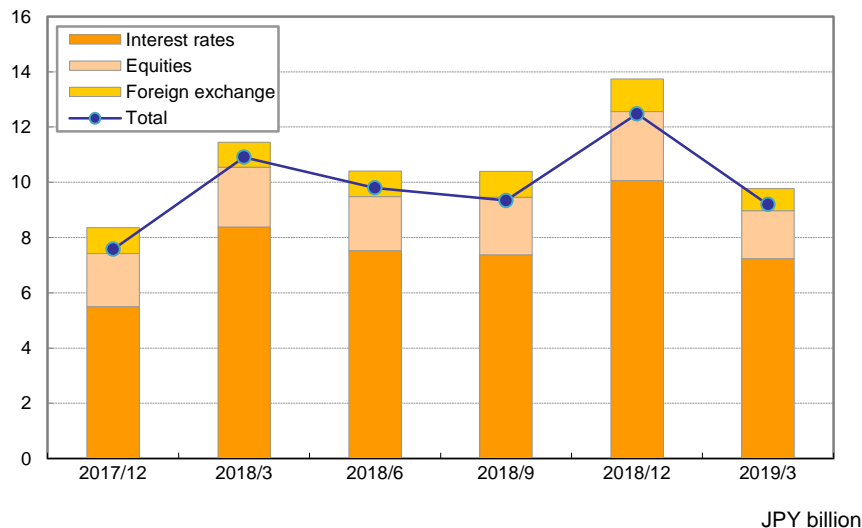
- Interest rate risks for domestic subsidiaries decreased due mainly to a decrease in positions of JGBs.

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)

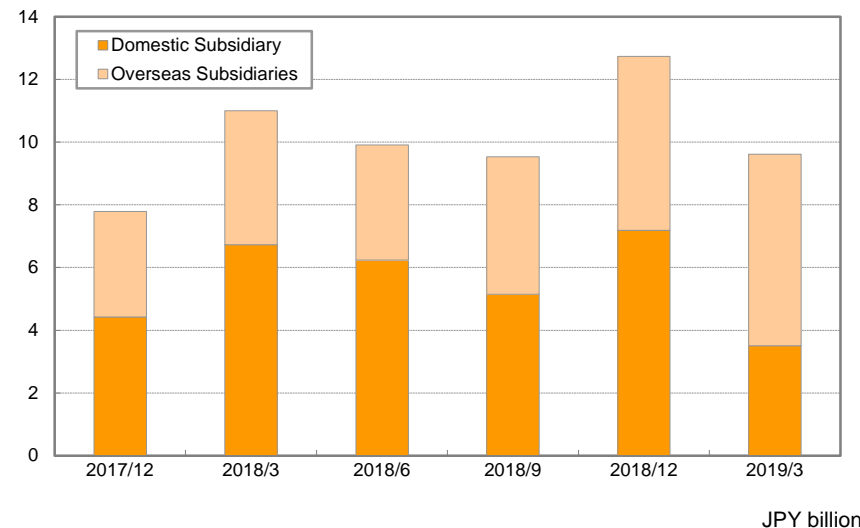


JPY billion

	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Interest rates	5.5	8.4	7.5	7.4	10.1	7.2
Equities	1.9	2.2	2.0	2.1	2.5	1.7
Foreign exchange	0.9	0.9	0.9	0.9	1.2	0.8
Total	7.6	10.9	9.8	9.3	12.5	9.2

Quarterly trends of VaR by type of subsidiary

(JPY billion)



JPY billion

	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Domestic Subsidiary	4.4	6.7	6.2	5.1	7.2	3.5
Overseas Subsidiaries	3.4	4.3	3.7	4.4	5.5	6.1
Total	7.6	10.9	9.8	9.3	12.5	9.2

Domestic Subsidiary: Mitsubishi UFJ Morgan Stanley Securities
 Overseas Subsidiaries: MUFG Securities EMEA plc, MUFG Securities Asia Limited, MUFG Securities (Canada), Ltd.



Mitsubishi UFJ Securities Holdings

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