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January 31, 2020

## Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2020 [under Japanese GAAP]

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

URL: <https://www.hd.sc.mufg.jp/>

Representative: Saburo Araki, President & CEO

Contact: Hiroyuki Ogata, General Manager, Financial Planning Division

TEL: (03) 6213-2550

Supplementary material on quarterly financial results: Yes

Quarterly financial results presentation meeting: None

(Millions of yen with fractional amounts disregarded)

### 1. Consolidated performance for the third quarter of fiscal year 2019 (from April 1, 2019 to December 31, 2019)

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

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First nine months of FY2019	322,655	16.6	227,696	(5.1)	10,097	(53.7)	24,332	(30.0)
First nine months of FY2018	276,689	(1.9)	239,852	(12.3)	21,800	(53.7)	34,767	(42.5)

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Yen	Yen
First nine months of FY2019	10,548	(48.5)	14.31	—
First nine months of FY2018	20,501	(34.3)	27.82	27.82

(Note) Comprehensive income First nine months of FY2019: 3,749 million yen (83.4)%  
First nine months of FY2018: 22,567 million yen (59.7)%

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	27,307,252	916,299	2.4
As of March 31, 2019	24,508,629	948,743	2.7

(Reference) Equity As of December 31, 2019: 649,576 million yen As of March 31, 2019: 671,855 million yen

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

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

**\*Notes**

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

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

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

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

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

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

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

First nine months of the fiscal year ending March 31, 2020	736,985,496 shares
First nine months of the fiscal year ended March 31, 2019	736,985,496 shares

<\*>

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

**<\* Other special matters>**

None

## **Attached Material**

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Consolidated financial statements and primary notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
<b>ASSETS</b>		
Current assets		
Cash and deposits	1,977,895	1,614,641
Cash segregated as deposits	767,298	923,313
Trading products	10,607,932	12,361,507
Trading securities and other	3,107,927	4,766,324
Derivatives	7,500,004	7,595,183
Trade date accrual	163,530	17,357
Margin transaction assets	285,914	231,832
Loans secured by securities	8,981,121	10,298,876
Short-term guarantee deposits	959,409	934,334
Short-term investment securities	2,053	137
Income taxes receivable	6,780	6,412
Other current assets	205,071	318,354
Total current assets	23,957,007	26,706,768
Non-current assets		
Property, plant and equipment	28,038	32,907
Intangible assets	108,602	106,784
Investments and other assets	414,980	460,791
Total non-current assets	551,621	600,484
Total assets	24,508,629	27,307,252

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
<b>LIABILITIES</b>		
Current liabilities		
Trading products	9,321,472	10,165,165
Trading securities and other	2,098,132	2,814,262
Derivatives	7,223,339	7,350,902
Margin transaction liabilities	243,758	163,354
Borrowings secured by securities	6,173,612	9,104,348
Short-term borrowings	2,517,557	1,617,552
Current portion of bonds	202,775	331,489
Current portion of long-term borrowings	171,814	91,411
Commercial papers	598,625	540,118
Income taxes payable	4,508	4,196
Provision for contingent loss	716	578
Asset retirement obligations	67	292
Other current liabilities	2,435,317	2,679,093
Total current liabilities	21,670,225	24,697,602
Non-current liabilities		
Bonds payable	1,244,543	1,013,549
Long-term borrowings	628,792	656,586
Net defined benefit liability	2,390	2,543
Provision for directors' retirement benefits	35	101
Asset retirement obligations	7,875	7,769
Other non-current liabilities	1,759	8,538
Total non-current liabilities	1,885,396	1,689,088
Reserves under special laws		
Reserve for financial instruments transaction liabilities	4,263	4,262
Total reserves under special laws	4,263	4,262
Total liabilities	23,559,885	26,390,953
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	75,518	75,518
Capital surplus	438,808	434,441
Retained earnings	188,309	182,819
Total shareholders' equity	702,636	692,779
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,484	1,052
Deferred gains or losses on hedges	7	21
Foreign currency translation adjustment	(33,532)	(45,555)
Remeasurements of defined benefit plans	1,258	1,277
Total accumulated other comprehensive income	(30,781)	(43,203)
Share acquisition rights	27	—
Non-controlling interests	276,860	266,723
Total net assets	948,743	916,299
Total liabilities and net assets	24,508,629	27,307,252

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

	(Millions of yen)	
	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)
Operating revenue		
Commission received	111,572	105,850
Net trading income	93,536	102,832
Financial revenue	71,577	113,968
Other operating revenue	3	4
Total operating revenue	276,689	322,655
Financial expenses	36,837	94,958
Net operating revenue	239,852	227,696
Selling, general and administrative expenses	218,051	217,599
Operating profit	21,800	10,097
Non-operating income		
Share of profit of entities accounted for using equity method	10,270	10,009
Other	4,235	4,406
Total non-operating income	14,506	14,416
Non-operating expenses		
Loss on retirement of non-current assets	378	102
Other	1,160	77
Total non-operating expenses	1,538	180
Ordinary profit	34,767	24,332
Extraordinary income		
Gain on sales of investment securities	—	471
Reversal of reserve for financial instruments transaction liabilities	52	1
Gain on liquidation of subsidiaries and associates	1,611	—
Other	—	59
Total extraordinary income	1,663	533
Extraordinary losses		
Loss on valuation of investment securities	—	37
Loss on sales of non-current assets	—	8
Impairment loss	42	336
Other	291	269
Total extraordinary losses	333	650
Profit before income taxes	36,097	24,215
Income taxes-current	4,467	5,095
Income taxes-deferred	2,688	2,862
Total income taxes	7,155	7,958
Profit	28,941	16,256
Profit attributable to non-controlling interests	8,440	5,708
Profit attributable to owners of parent	20,501	10,548

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)
Profit	28,941	16,256
Other comprehensive income		
Valuation difference on available-for-sale securities	(741)	(527)
Deferred gains or losses on hedges	(77)	13
Foreign currency translation adjustment	(5,468)	(12,023)
Remeasurements of defined benefit plans, net of tax	(86)	30
Total other comprehensive income	(6,374)	(12,507)
Comprehensive income	22,567	3,749
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	14,604	(1,863)
Comprehensive income attributable to non-controlling interests	7,962	5,612

(3) Notes to consolidated financial statements

(Notes on premise of going concern)

None

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

None

**Consolidated Financial Results**  
**for the Third Quarter of the Fiscal Year Ending March 31, 2020**

## 1. Commission received

## (1) Breakdown by item

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Brokerage commission	25,196	19,306	(5,890)	31,744
Stocks	24,287	18,649	(5,638)	30,665
Bonds	8	2	(5)	8
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	24,655	22,844	(1,811)	32,568
Stocks	11,276	4,959	(6,316)	14,697
Bonds	13,378	17,884	4,505	17,871
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	15,184	13,109	(2,074)	18,819
Beneficiary certificates	12,572	11,559	(1,012)	15,233
Other fees received	46,536	50,590	4,053	65,655
Beneficiary certificates	17,309	16,189	(1,120)	22,563
Total	111,572	105,850	(5,722)	148,788

## (2) Breakdown by product

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Stocks	39,044	26,180	(12,863)	49,326
Bonds	17,960	20,484	2,524	24,032
Beneficiary certificates	30,732	28,331	(2,400)	38,803
Other	23,835	30,853	7,017	36,626
Total	111,572	105,850	(5,722)	148,788

## 2. Net trading income

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Stocks	(1,669)	47,684	49,354	3,592
Bonds and other	95,206	55,147	(40,058)	115,967
Total	93,536	102,832	9,295	119,559



## Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	3Q of FY2018 (October 1 to December 31, 2018)	4Q of FY2018 (January 1 to March 31, 2019)	1Q of FY2019 (April 1 to June 30, 2019)	2Q of FY2019 (July 1 to September 30, 2019)	3Q of FY2019 (October 1 to December 31, 2019)
Operating revenue	91,152	94,794	97,828	106,826	117,999
Commission received	38,218	37,216	32,012	36,117	37,720
Brokerage commission	8,008	6,548	5,771	6,281	7,253
Stocks	7,584	6,377	5,558	6,040	7,051
Bonds	1	0	0	0	0
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	12,110	7,913	8,805	7,174	6,864
Stocks	7,183	3,420	2,614	1,241	1,103
Bonds	4,927	4,492	6,190	5,932	5,760
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	3,850	3,635	3,366	4,778	4,964
Beneficiary certificates	2,885	2,661	2,757	4,356	4,445
Other fees received	14,249	19,119	14,068	17,882	18,638
Beneficiary certificates	5,502	5,253	5,291	5,422	5,475
Net trading income	24,606	26,022	32,114	33,555	37,162
Net trading income from securities (stocks)	(235)	5,262	26,458	6,041	15,183
Net trading income from bonds and other	24,842	20,760	5,655	27,513	21,978
Financial revenue	28,327	31,555	33,698	37,153	43,116
Other operating revenue	—	—	4	0	—
Financial expenses	16,815	21,248	30,997	32,023	31,937
Net operating revenue	74,337	73,546	66,830	74,802	86,062
Selling, general and administrative expenses	73,535	69,760	71,132	71,370	75,096
Trading related expenses	20,742	20,210	17,687	19,297	21,876
Personnel expenses	26,424	24,942	26,183	27,543	27,944
Real estate expenses	6,128	5,887	6,296	5,983	6,051
Office cost	8,324	7,327	8,475	7,665	8,001
Depreciation	7,377	7,228	7,654	7,505	7,478
Taxes and dues	2,555	1,124	3,046	1,376	1,819
Other	1,980	3,039	1,788	1,997	1,925
Operating profit (loss)	801	3,785	(4,301)	3,432	10,966
Non-operating income	4,997	4,357	4,934	6,055	3,426
Non-operating expenses	(103)	547	32	75	72
Ordinary profit	5,903	7,595	599	9,412	14,320
Extraordinary income	(1)	4,213	1	531	—
Extraordinary losses	46	1,046	265	345	40
Profit before income taxes	5,855	10,763	336	9,598	14,280
Income taxes-current	1,562	947	416	1,590	3,088
Income taxes-deferred	(2,137)	2,470	(858)	1,276	2,443
Total income taxes	(575)	3,418	(441)	2,867	5,532
Profit	6,430	7,345	777	6,731	8,747
Profit attributable to non-controlling interests	1,293	2,704	24	3,297	2,385
Profit attributable to owners of parent	5,137	4,640	753	3,433	6,362

<Reference>

Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.  
for the Third Quarter of the Fiscal Year Ending March 31, 2020

(1) Consolidated operating results

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Operating revenue	192,127	176,307	(15,820)	254,350
Commission received	95,472	90,519	(4,953)	126,969
Net trading income	77,321	69,691	(7,630)	99,550
Net operating revenue	188,343	172,209	(16,133)	249,150
Operating profit	15,171	6,476	(8,695)	20,491
Ordinary profit	16,684	8,191	(8,492)	22,432
Profit attributable to owners of parent	10,577	5,272	(5,304)	11,546

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Brokerage commission	19,654	14,630	(5,024)	24,443
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	15,783	13,759	(2,023)	20,499
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	15,058	13,023	(2,035)	18,673
Other fees received	44,975	49,105	4,130	63,353
Total	95,472	90,519	(4,953)	126,969

<Breakdown by product of commission received>

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Stocks	33,272	21,256	(12,016)	41,752
Bonds	9,486	11,940	2,453	12,480
Beneficiary certificates	30,095	27,784	(2,311)	37,994
Other	22,616	29,537	6,920	34,742
Total	95,472	90,519	(4,953)	126,969

<Net trading income>

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Stocks	18,281	17,465	(815)	21,885
Bonds and other	59,040	52,225	(6,815)	77,664
Total	77,321	69,691	(7,630)	99,550

(2) Consolidated financial position

(Millions of yen)

	As of December 31, 2018	As of December 31, 2019	Increase (Decrease)	As of March 31, 2019
Total assets	13,599,081	15,539,828	2,023,985	13,515,842
Net assets	397,837	387,178	(11,318)	398,497

<Reference>

(3) Non-consolidated operating results

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Operating revenue	171,779	156,350	(15,428)	227,925
Commission received	84,908	79,399	(5,508)	113,273
Net trading income	64,683	57,852	(6,830)	83,066
Net operating revenue	165,107	149,202	(15,905)	218,923
Operating profit	9,702	1,069	(8,633)	13,584
Ordinary profit	18,267	5,250	(13,017)	22,806
Profit	15,018	4,807	(10,210)	15,564

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Brokerage commission	19,094	14,179	(4,914)	23,756
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	15,783	13,759	(2,023)	20,499
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	10,395	7,847	(2,547)	12,721
Other fees received	39,635	43,612	3,976	56,295
Total	84,908	79,399	(5,508)	113,273

<Breakdown by product of commission received>

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Stocks	32,798	20,857	(11,940)	41,162
Bonds	8,223	11,294	3,071	10,855
Beneficiary certificates	21,879	18,708	(3,170)	27,411
Other	22,007	28,538	6,530	33,843
Total	84,908	79,399	(5,508)	113,273

<Net trading income>

(Millions of yen)

	First nine months of FY2018 (From April 1, 2018 to December 31, 2018)	First nine months of FY2019 (From April 1, 2019 to December 31, 2019)	Increase (Decrease)	FY2018 (From April 1, 2018 to March 31, 2019)
Stocks	17,542	17,158	(383)	20,972
Bonds and other	47,141	40,694	(6,447)	62,093
Total	64,683	57,852	(6,830)	83,066

(4) Non-consolidated financial position

(Millions of yen)

	As of December 31, 2018	As of December 31, 2019	Increase (Decrease)	As of March 31, 2019
Total assets	13,504,258	15,440,637	2,019,458	13,421,179
Net assets	399,220	403,947	4,069	399,878