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February 1, 2023

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2023 [under Japanese GAAP]

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

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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 2022 (from April 1, 2022 to December 31, 2022)

(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 FY2022	415,900	62.8	258,134	17.5	36,596	208.5	53,104	74.3
First nine months of FY2021	255,525	(8.9)	219,774	(7.2)	11,861	(67.6)	30,460	(38.0)

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Yen	Yen
First nine months of FY2022	28,962	265.9	39.30	—
First nine months of FY2021	7,916	(68.6)	10.74	—

(Note) Comprehensive income First nine months of FY2022: 58,254 million yen 36.8%
First nine months of FY2021: 42,593 million yen 105.2%

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	33,240,953	1,021,109	2.2
As of March 31, 2022	31,724,685	1,004,589	2.3

(Reference) Equity As of December 31, 2022: 741,045 million yen As of March 31, 2022: 721,351 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, 2022	736,985,496 shares
As of March 31, 2022	736,985,496 shares

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

As of December 31, 2022	– shares
As of March 31, 2022	– 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, 2023	736,985,496 shares
First nine months of the fiscal year ended March 31, 2022	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, 2022	As of December 31, 2022
ASSETS		
Current assets		
Cash and deposits	2,186,635	2,414,162
Segregated deposits	1,095,282	1,157,939
Trading products	12,870,522	14,158,141
Trading securities and other	7,541,142	5,176,820
Derivatives	5,329,379	8,981,320
Margin transaction assets	280,345	270,912
Loans secured by securities	13,227,301	12,727,232
Short-term guarantee deposits	1,279,259	1,537,694
Short-term investment securities	35,129	54,115
Income taxes refund receivable	8,358	15,536
Other current assets	181,733	246,510
Total current assets	31,164,569	32,582,246
Non-current assets		
Property, plant and equipment	26,616	25,088
Intangible assets	101,335	107,739
Investments and other assets	432,162	525,879
Total non-current assets	560,115	658,707
Total assets	31,724,685	33,240,953

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
LIABILITIES		
Current liabilities		
Trading products	10,432,788	13,792,670
Trading securities and other	5,142,024	4,715,437
Derivatives	5,290,764	9,077,233
Trade date accrual	887,566	75,103
Margin transaction liabilities	155,144	121,748
Borrowings secured by securities	10,702,300	9,058,532
Short-term borrowings	2,874,370	2,795,563
Current portion of bonds payable	163,249	233,822
Current portion of long-term borrowings	98,626	177,703
Commercial papers	996,708	927,800
Income taxes payable	6,748	3,913
Asset retirement obligations	95	102
Other current liabilities	2,518,246	3,217,089
Total current liabilities	28,835,844	30,404,051
Non-current liabilities		
Bonds payable	896,801	888,240
Long-term borrowings	964,618	905,172
Retirement benefit liability	2,755	2,609
Provision for retirement benefits for directors	7	15
Asset retirement obligations	7,390	7,390
Other non-current liabilities	8,022	7,703
Total non-current liabilities	1,879,594	1,811,132
Reserves under special laws		
Reserve for financial instruments transaction liabilities	4,656	4,660
Total reserves under special laws	4,656	4,660
Total liabilities	30,720,096	32,219,844
NET ASSETS		
Shareholders' equity		
Share capital	75,518	75,518
Capital surplus	434,441	434,441
Retained earnings	212,759	216,494
Total shareholders' equity	722,720	726,455
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,045	948
Deferred gains or losses on hedges	27	(4)
Foreign currency translation adjustment	(5,433)	10,931
Remeasurements of defined benefit plans	2,992	2,715
Total accumulated other comprehensive income	(1,368)	14,590
Non-controlling interests	283,237	280,063
Total net assets	1,004,589	1,021,109
Total liabilities and net assets	31,724,685	33,240,953

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

	(Millions of yen)	
	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)
Operating revenue		
Commission received	128,455	111,590
Net trading income	62,165	196,204
Financial revenue	64,900	108,100
Other operating revenue	4	4
Total operating revenue	255,525	415,900
Financial expenses	35,750	157,766
Net operating revenue	219,774	258,134
Selling, general and administrative expenses	207,913	221,537
Operating profit	11,861	36,596
Non-operating income		
Interest income	2,111	4,301
Share of profit of entities accounted for using equity method	9,870	14,975
Other	7,301	1,607
Total non-operating income	19,284	20,884
Non-operating expenses		
Loss on sale of investment securities	205	2,376
Foreign exchange losses	—	1,380
Other	479	619
Total non-operating expenses	685	4,376
Ordinary profit	30,460	53,104
Extraordinary income		
Gain on sale of investment securities	126	1,077
Total extraordinary income	126	1,077
Extraordinary losses		
Loss on valuation of investment securities	3	—
Impairment losses	515	1,554
Provision of reserve for financial instruments transaction liabilities	4	3
Business restructuring expenses	836	172
Other	—	286
Total extraordinary losses	1,359	2,017
Profit before income taxes	29,227	52,164
Income taxes-current	9,727	11,730
Income taxes-deferred	(1,759)	(1,951)
Total income taxes	7,968	9,778
Profit	21,258	42,385
Profit attributable to non-controlling interests	13,342	13,423
Profit attributable to owners of parent	7,916	28,962

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)
Profit	21,258	42,385
Other comprehensive income		
Valuation difference on available-for-sale securities	805	(3)
Deferred gains or losses on hedges	(3)	(31)
Foreign currency translation adjustment	20,314	16,364
Remeasurements of defined benefit plans, net of tax	219	(460)
Total other comprehensive income	21,335	15,868
Comprehensive income	42,593	58,254
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	28,718	44,921
Comprehensive income attributable to non-controlling interests	13,875	13,332

(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, 2023

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Brokerage commission	20,058	16,799	(3,258)	26,642
Stocks	19,424	16,163	(3,261)	25,755
Bonds	1	1	0	2
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	30,101	18,999	(11,101)	36,698
Stocks	8,590	3,243	(5,347)	10,034
Bonds	21,510	15,756	(5,754)	26,663
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	21,147	13,965	(7,182)	26,750
Beneficiary certificates	19,452	12,075	(7,377)	24,344
Other commission received	57,148	61,825	4,677	76,324
Beneficiary certificates	16,926	17,816	889	22,536
Total	128,455	111,590	(16,865)	166,415

(2) Breakdown by product

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Stocks	33,266	20,958	(12,307)	42,156
Bonds	25,279	20,034	(5,244)	31,114
Beneficiary certificates	36,906	30,405	(6,501)	47,606
Other	33,003	40,191	7,187	45,538
Total	128,455	111,590	(16,865)	166,415

2. Net trading income

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Stocks	(44,163)	(68,029)	(23,865)	417
Bonds and other	106,328	264,233	157,904	92,212
Total	62,165	196,204	134,039	92,630

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	3Q of FY2021 (October 1 to December 31, 2021)	4Q of FY2021 (January 1 to March 31, 2022)	1Q of FY2022 (April 1 to June 30, 2022)	2Q of FY2022 (July 1 to September 30, 2022)	3Q of FY2022 (October 1 to December 31, 2022)
Operating revenue	94,276	95,756	86,759	130,330	198,810
Commission received	46,050	37,959	30,070	35,865	45,654
Brokerage commission	7,317	6,583	5,570	5,836	5,392
Stocks	7,102	6,331	5,344	5,626	5,192
Bonds	0	0	0	1	—
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	9,600	6,596	5,974	7,308	5,717
Stocks	3,006	1,443	280	1,207	1,755
Bonds	6,594	5,152	5,693	6,101	3,961
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	7,609	5,602	4,677	5,530	3,757
Beneficiary certificates	6,580	4,892	4,329	4,359	3,385
Other commission received	21,522	19,176	13,847	17,191	30,787
Beneficiary certificates	5,929	5,609	5,898	6,097	5,820
Net trading income	29,889	30,464	27,413	68,589	100,201
Net trading income from securities (stocks)	(41,477)	44,581	(10,825)	(56,435)	(768)
Net trading income from bonds and other	71,367	(14,116)	38,238	125,024	100,970
Financial revenue	18,336	27,331	29,271	25,875	52,954
Other operating revenue	—	—	4	0	—
Financial expenses	10,484	7,405	6,899	46,213	104,653
Net operating revenue	83,792	88,351	79,860	84,116	94,157
Selling, general and administrative expenses	71,220	77,192	73,311	70,725	77,499
Trading related expenses	14,188	13,451	13,723	15,484	19,526
Personnel expenses	28,722	36,797	31,363	28,354	29,833
Real estate expenses	5,746	5,836	5,878	5,722	5,997
Office cost	8,968	9,453	8,443	9,328	10,271
Depreciation	7,686	7,839	7,611	7,621	7,539
Taxes and dues	4,227	1,295	4,329	1,275	3,004
Other	1,680	2,517	1,961	2,937	1,325
Operating profit	12,572	11,158	6,548	13,390	16,657
Non-operating income	6,090	7,221	7,046	9,881	3,956
Non-operating expenses	331	757	1,122	1,159	2,094
Ordinary profit	18,331	17,622	12,472	22,112	18,519
Extraordinary income	—	5	0	123	954
Extraordinary losses	940	50	520	5	1,491
Profit before income taxes	17,391	17,578	11,952	22,229	17,982
Income taxes-current	6,619	3,300	878	4,913	5,937
Income taxes-deferred	(2,303)	(683)	(845)	95	(1,201)
Total income taxes	4,316	2,616	33	5,008	4,736
Profit	13,075	14,961	11,918	17,221	13,245
Profit attributable to non-controlling interests	3,724	5,666	3,397	6,966	3,059
Profit attributable to owners of parent	9,350	9,294	8,520	10,254	10,186

<Reference>

Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.
for the Third Quarter of the Fiscal Year Ending March 31, 2023

(1) Non-consolidated operating results

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Operating revenue	205,138	204,440	(698)	272,042
Commission received	109,628	93,663	(15,964)	141,523
Net trading income	77,513	78,199	686	100,958
Net operating revenue	196,589	185,750	(10,838)	258,098
Operating profit	40,884	26,549	(14,334)	49,783
Ordinary profit	43,325	28,771	(14,554)	52,332
Profit	30,976	23,279	(7,696)	36,739

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Brokerage commission	15,888	12,479	(3,409)	21,122
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	19,270	9,951	(9,319)	22,317
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	21,147	13,965	(7,182)	26,750
Other commission received	53,321	57,267	3,946	71,333
Total	109,628	93,663	(15,964)	141,523

<Breakdown by product of commission received>

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Stocks	28,865	16,487	(12,378)	36,366
Bonds	15,450	12,177	(3,272)	17,884
Beneficiary certificates	36,387	29,861	(6,526)	46,918
Other	28,924	35,137	6,212	40,352
Total	109,628	93,663	(15,964)	141,523

<Net trading income>

(Millions of yen)

	First nine months of FY2021 (From April 1, 2021 to December 31, 2021)	First nine months of FY2022 (From April 1, 2022 to December 31, 2022)	Increase (Decrease)	FY2021 (From April 1, 2021 to March 31, 2022)
Stocks	18,108	5,076	(13,031)	17,260
Bonds and other	59,404	73,123	13,718	83,697
Total	77,513	78,199	686	100,958

(2) Non-consolidated financial position

(Millions of yen)

	As of December 31, 2021	As of December 31, 2022	Increase (Decrease)	As of March 31, 2022
Total assets	17,713,674	19,445,609	461,511	18,984,098
Net assets	414,660	420,247	(205)	420,453