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July 31, 2023

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2024 [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 first quarter of fiscal year 2023 (from April 1, 2023 to June 30, 2023)

(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 three months of FY2023	146,225	68.5	98,590	23.5	14,168	116.4	24,138	93.5
First three months of FY2022	86,759	25.7	79,860	62.4	6,548	—	12,472	—

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Yen	Yen
First three months of FY2023	13,893	63.0	18.85	—
First three months of FY2022	8,520	—	11.56	—

(Note) Comprehensive income First three months of FY2023: 28,869 million yen 22.1%
First three months of FY2022: 23,636 million yen 78.5%

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	34,087,600	1,051,092	2.3
As of March 31, 2023	32,459,225	1,040,551	2.3

(Reference) Equity As of June 30, 2023: 771,440 million yen As of March 31, 2023: 750,851 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 June 30, 2023	736,985,496 shares
As of March 31, 2023	736,985,496 shares

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

As of June 30, 2023	– shares
As of March 31, 2023	– shares

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

First three months of the fiscal year ending March 31, 2024	736,985,496 shares
First three months of the fiscal year ended March 31, 2023	736,985,496 shares

< * >

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

< * Other special matters >

None

Attached Material

Index

Consolidated financial statements and primary notes

(1) Consolidated balance sheets	1
(2) Consolidated statements of income and Consolidated statements of comprehensive income	
Consolidated statements of income (cumulative)	3
Consolidated statements of comprehensive income (cumulative)	4
(3) Notes to consolidated financial statements	
(Notes on premise of going concern)	4
(Notes on significant changes in the amount of shareholders' equity)	4

<Reference>

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2024

1. Commission received	
(1) Breakdown by item	5
(2) Breakdown by product	5
2. Net trading income	5
Quarterly Trends in Consolidated Statements of Income	6

<Reference>

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. for the First Quarter of the Fiscal Year Ending March 31, 2024

(1) Non-consolidated operating results	7
(2) Non-consolidated financial position	7

Consolidated financial statements and primary notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
ASSETS		
Current assets		
Cash and deposits	2,866,906	2,735,305
Segregated deposits	1,053,452	1,270,032
Trading products	11,936,959	14,134,702
Trading securities and other	4,610,425	7,075,636
Derivatives	7,326,533	7,059,065
Trade date accrual	81,430	—
Margin transaction assets	295,567	252,255
Loans secured by securities	13,954,461	13,491,121
Short-term guarantee deposits	1,350,932	1,337,775
Securities	16,977	62,610
Income taxes refund receivable	12,214	20,800
Other current assets	231,239	173,708
Total current assets	31,800,140	33,478,311
Non-current assets		
Property, plant and equipment	24,316	23,823
Intangible assets	109,163	112,561
Investments and other assets	525,604	472,904
Total non-current assets	659,084	609,288
Total assets	32,459,225	34,087,600

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
LIABILITIES		
Current liabilities		
Trading products	12,412,654	12,598,741
Trading securities and other	4,950,647	5,571,835
Derivatives	7,462,006	7,026,905
Trade date accrual	—	113,717
Margin transaction liabilities	167,316	116,799
Borrowings secured by securities	8,552,144	9,905,078
Short-term borrowings	4,451,360	4,227,073
Current portion of bonds payable	237,356	285,768
Current portion of long-term borrowings	169,270	127,603
Commercial papers	878,154	882,000
Income taxes payable	6,674	3,249
Asset retirement obligations	73	78
Other current liabilities	2,634,151	2,981,043
Total current liabilities	29,509,157	31,241,155
Non-current liabilities		
Bonds payable	841,706	710,644
Long-term borrowings	1,046,074	1,062,752
Retirement benefit liability	2,622	2,616
Provision for retirement benefits for directors	18	21
Asset retirement obligations	7,364	7,346
Other non-current liabilities	7,070	7,136
Total non-current liabilities	1,904,856	1,790,516
Reserves under special laws		
Reserve for financial instruments transaction liabilities	4,659	4,835
Total reserves under special laws	4,659	4,835
Total liabilities	31,418,673	33,036,507
NET ASSETS		
Shareholders' equity		
Share capital	75,518	75,518
Capital surplus	434,441	434,441
Retained earnings	232,334	242,808
Total shareholders' equity	742,295	752,768
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	933	1,097
Deferred gains or losses on hedges	8	9
Foreign currency translation adjustment	5,373	15,424
Remeasurements of defined benefit plans	2,240	2,141
Total accumulated other comprehensive income	8,555	18,672
Non-controlling interests	289,700	279,651
Total net assets	1,040,551	1,051,092
Total liabilities and net assets	32,459,225	34,087,600

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

	(Millions of yen)	
	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)
Operating revenue		
Commission received	30,070	46,156
Net trading income	27,413	41,906
Financial revenue	29,271	58,157
Other operating revenue	4	4
Total operating revenue	86,759	146,225
Financial expenses	6,899	47,634
Net operating revenue	79,860	98,590
Selling, general and administrative expenses	73,311	84,421
Operating profit	6,548	14,168
Non-operating income		
Share of profit of entities accounted for using equity method	5,191	8,517
Other	1,855	2,513
Total non-operating income	7,046	11,031
Non-operating expenses		
Foreign exchange losses	1,058	—
Loss on investments in money held in trust	—	1,001
Other	64	60
Total non-operating expenses	1,122	1,061
Ordinary profit	12,472	24,138
Extraordinary income		
Gain on sale of investment securities	0	—
Total extraordinary income	0	—
Extraordinary losses		
Impairment losses	472	—
Provision of reserve for financial instruments transaction liabilities	24	176
Other	23	20
Total extraordinary losses	520	196
Profit before income taxes	11,952	23,942
Income taxes-current	878	2,464
Income taxes-deferred	(845)	2,673
Total income taxes	33	5,138
Profit	11,918	18,804
Profit attributable to non-controlling interests	3,397	4,911
Profit attributable to owners of parent	8,520	13,893

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)
Profit	11,918	18,804
Other comprehensive income		
Valuation difference on available-for-sale securities	(182)	178
Deferred gains or losses on hedges	(6)	0
Foreign currency translation adjustment	12,060	10,050
Remeasurements of defined benefit plans, net of tax	(153)	(163)
Total other comprehensive income	11,717	10,065
Comprehensive income	23,636	28,869
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	20,325	24,009
Comprehensive income attributable to non-controlling interests	3,310	4,860

(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 First Quarter of the Fiscal Year Ending March 31, 2024

1. Commission received

(1) Breakdown by item

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Brokerage commission	5,570	7,321	1,750	23,241
Stocks	5,344	7,114	1,769	22,423
Bonds	0	—	(0)	1
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	5,974	9,789	3,814	26,896
Stocks	280	1,433	1,152	6,793
Bonds	5,693	8,355	2,661	20,102
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	4,677	5,152	474	18,628
Beneficiary certificates	4,329	5,048	718	16,068
Other commission received	13,847	23,893	10,045	83,085
Beneficiary certificates	5,898	6,255	357	23,681
Total	30,070	46,156	16,086	151,850

(2) Breakdown by product

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Stocks	5,822	9,913	4,091	31,324
Bonds	6,565	9,053	2,488	25,680
Beneficiary certificates	10,413	11,460	1,046	40,396
Other	7,269	15,728	8,459	54,449
Total	30,070	46,156	16,086	151,850

2. Net trading income

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Stocks	(10,825)	7,445	18,270	(9,883)
Bonds and other	38,238	34,460	(3,777)	192,450
Total	27,413	41,906	14,493	182,567

Quarterly Trends in Consolidated Statements of Income

(Millions of yen)

	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)	4Q of FY2022 (January 1 to March 31, 2023)	1Q of FY2023 (April 1 to June 30, 2023)
Operating revenue	86,759	130,330	198,810	76,906	146,225
Commission received	30,070	35,865	45,654	40,260	46,156
Brokerage commission	5,570	5,836	5,392	6,441	7,321
Stocks	5,344	5,626	5,192	6,260	7,114
Bonds	0	1	—	0	—
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	5,974	7,308	5,717	7,896	9,789
Stocks	280	1,207	1,755	3,550	1,433
Bonds	5,693	6,101	3,961	4,345	8,355
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	4,677	5,530	3,757	4,662	5,152
Beneficiary certificates	4,329	4,359	3,385	3,992	5,048
Other commission received	13,847	17,191	30,787	21,259	23,893
Beneficiary certificates	5,898	6,097	5,820	5,864	6,255
Net trading income	27,413	68,589	100,201	(13,637)	41,906
Net trading income from securities (stocks)	(10,825)	(56,435)	(768)	58,145	7,445
Net trading income from bonds and other	38,238	125,024	100,970	(71,782)	34,460
Financial revenue	29,271	25,875	52,954	50,283	58,157
Other operating revenue	4	0	—	0	4
Financial expenses	6,899	46,213	104,653	(17,216)	47,634
Net operating revenue	79,860	84,116	94,157	94,123	98,590
Selling, general and administrative expenses	73,311	70,725	77,499	76,203	84,421
Trading related expenses	13,723	15,484	19,526	18,046	21,053
Personnel expenses	31,363	28,354	29,833	30,297	31,289
Real estate expenses	5,878	5,722	5,997	5,767	6,214
Office expenses	8,443	9,328	10,271	10,720	10,636
Depreciation	7,611	7,621	7,539	7,569	7,281
Taxes and dues	4,329	1,275	3,004	1,700	5,838
Other	1,961	2,937	1,325	2,102	2,107
Operating profit	6,548	13,390	16,657	17,919	14,168
Non-operating income	7,046	9,881	3,956	14,538	11,031
Non-operating expenses	1,122	1,159	2,094	1,020	1,061
Ordinary profit	12,472	22,112	18,519	31,436	24,138
Extraordinary income	0	123	954	114	—
Extraordinary losses	520	5	1,491	730	196
Profit before income taxes	11,952	22,229	17,982	30,820	23,942
Income taxes-current	878	4,913	5,937	6,226	2,464
Income taxes-deferred	(845)	95	(1,201)	(1,153)	2,673
Total income taxes	33	5,008	4,736	5,072	5,138
Profit	11,918	17,221	13,245	25,747	18,804
Profit attributable to non-controlling interests	3,397	6,966	3,059	9,907	4,911
Profit attributable to owners of parent	8,520	10,254	10,186	15,840	13,893

<Reference>

Mitsubishi UFJ Morgan Stanley Securities, Co., Ltd.
for the First Quarter of the Fiscal Year Ending March 31, 2024

(1) Non-consolidated operating results

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Operating revenue	62,709	85,280	22,570	291,397
Commission received	23,109	37,793	14,684	129,389
Net trading income	30,514	32,667	2,153	114,524
Net operating revenue	58,203	72,228	14,024	261,100
Operating profit	7,350	15,043	7,692	44,263
Ordinary profit	8,097	15,656	7,558	46,982
Profit	8,258	11,880	3,621	36,341

(Breakdown of operating revenue)

<Breakdown by item of commission received>

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Brokerage commission	4,144	5,237	1,093	17,281
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	2,546	4,894	2,347	15,943
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	4,677	5,152	474	18,628
Other commission received	11,740	22,509	10,768	77,535
Total	23,109	37,793	14,684	129,389

<Breakdown by product of commission received>

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Stocks	4,340	7,756	3,416	25,177
Bonds	3,373	4,526	1,152	16,242
Beneficiary certificates	10,238	11,265	1,026	39,671
Other	5,156	14,245	9,089	48,297
Total	23,109	37,793	14,684	129,389

<Net trading income>

(Millions of yen)

	First three months of FY2022 (From April 1, 2022 to June 30, 2022)	First three months of FY2023 (From April 1, 2023 to June 30, 2023)	Increase (Decrease)	FY2022 (From April 1, 2022 to March 31, 2023)
Stocks	5,865	2,420	(3,444)	308
Bonds and other	24,648	30,247	5,598	114,216
Total	30,514	32,667	2,153	114,524

(2) Non-consolidated financial position

(Millions of yen)

	As of June 30, 2022	As of June 30, 2023	Increase (Decrease)	As of March 31, 2023
Total assets	18,280,595	21,461,221	2,712,928	18,748,293
Net assets	412,642	424,965	(8,606)	433,572