

April 28, 2009

Consolidated Financial Summary

(for the year ended March 31, 2009)

Company's name: **Mizuho Securities Co., Ltd. ("the Company")**
 (URL <http://www.mizuho-sc.com>)
 Representative: **Keisuke Yokoo, President**
 For inquiry: **Kiyokata Somekawa, Managing Director,**
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1. Business performance for the year ended March 31, 2009 (April 1, 2008 through March 31, 2009)

(note) a. All amounts have been rounded down to the nearest one million yen

b. The percentage in the column of operating revenues, net operating revenues, operating profit, ordinary profit and net profit indicate percentage of change compared to the same period in the previous year.

(1) Consolidated operating results

	Operating revenues		Net operating revenues		Operating profit		Ordinary profit	
	mil. yen	%	mil. yen	%	mil. yen	%	mil. yen	%
Year ended March 31, 2009	304,252	(36.0)	98,335	(-)	-21,756	(-)	-20,486	(-)
Year ended March 31, 2008	223,677	(-65.4)	-296,567	(-)	-430,293	(-)	-433,672	(-)

	Net profit		Net profit per share	Diluted net profit per share
	mil. yen	%	yen	yen
Year ended March 31, 2009	-34,497	-	-5,160 .39	- -
Year ended March 31, 2008	-418,669	-	-96,512 .02	- -

(note) Equity in profit of affiliated companies: Year ended March 31, 2009: -63 mil. yen
 Year ended March 31, 2008: 390 mil. yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	mil. yen	mil. yen	%	yen
As of March 31, 2009	16,443,324	279,043	1.6	39,368 .47
As of March 31, 2008	21,122,253	331,031	1.6	49,437 .93

(note) Net assets As of March 31, 2009 263,178 mil. yen As of March 31, 2008 330,492 mil. yen

2. Dividend condition

	Dividend per share					Total Dividends (Annual) mil. yen	Dividend Payout (Consolidated) %	Dividend on Equity (Consolidated) %
	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Mar. 31	Full Year			
Year ended March 31, 2008	yen - . -	yen 0 . 00	yen - . -	yen 0 . 00	yen 0 . 00	-	-	-
Year ended March 31, 2009	yen - . -	yen 0 . 00	yen - . -	yen 0 . 00	yen 0 . 00	-	-	-

3. Others

(1) Change in number of material subsidiaries during the fiscal year: None

(2) Change in accounting principle, procedure and presentation preparing the consolidated financial statements

(noted in "Change in the basis of consolidated financial statements")

a. Change due to revision of accounting standards: Yes

b. Other changes: Yes

(Note) Refer to page 11 "Change in the basis of consolidated financial statements" for details.

(3) Number of shares issued and outstanding (Common stock)

a. Number of shares issued and outstanding (incl. treasury stock)

As of March 31, 2009	6,685,000 shares
As of March 31, 2008	6,685,000 shares

b. Number of treasury stock

As of March 31, 2009	- shares
As of March 31, 2008	- shares

(Note) Summary of nonconsolidated business performance

1. Business performance for the year ended March 31, 2009 (April 1, 2008 through March 31, 2009)

(note) The percentage in the column of operating revenues, net operating revenues, operating profits, ordinary income and net profits indicate percentage of change compared to the same period in the previous year.

(1) Nonconsolidated operating results

	Operating revenues		Net operating revenues		Operating profits		Ordinary income	
	mil. yen	%	mil. yen	%	mil. yen	%	mil. yen	%
Year ended March 31, 2009	108,127	(15.1)	64,505	(29.7)	-3,703	(-)	5,570	(-)
Year ended March 31, 2008	93,916	(-30.9)	49,716	(-56.9)	-30,252	(-)	-25,633	(-)

	Net profit		Net profit per share		Diluted net profit per share	
	mil. yen	%	yen		yen	
Year ended March 31, 2009	4,082	(-)	610	. 66	-	. -
Year ended March 31, 2008	-437,860	(-)	-100,935	. 91	-	. -

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share	Capital adequacy ratio
	mil. yen	mil. yen	%	yen	%
As of March 31, 2009	8,654,988	328,780	3.8	49,181 . 78	273.4
As of March 31, 2008	12,695,032	326,151	2.6	48,788 . 55	266.9

(Note) Net Assets As of March 31, 2009: 328,780 mil. yen As of March 31, 2008: 326,151 mil. yen

[Overview of group structure]

The core business areas of the Company and its group are securities and investment banking business, such as debt and equity securities, M&A, structured finance. The Company serves its customer base which includes corporate clients, financial institutions and public sector organizations, by offering high-quality, value-added financial products and services which meet wide variety of customers' needs.

The Company has presence in major financial centers in the UK, Switzerland, the United States, Hong Kong and Singapore through its subsidiaries, which enables the Company to provide globally its services and products such as equities and underwriting.

The major companies in the Company's group are as follows:

Name of Companies	Location	Capital	Major Operations	Ownership Percentage
(Parent Companies)				
Mizuho Financial Group, Inc.	Chiyoda-ku, Tokyo	mil. Yen 1,540,965	Financial holding company	-
Mizuho Corporate Bank, Ltd.	Chiyoda-ku, Tokyo	mil. Yen 1,070,965	Commercial banking	-
(Consolidated Subsidiaries)				
Mizuho Securities Asia Limited	Hong Kong, People's Republic of China	mil. HK\$ 330	Securities	70.00%
Japan Investor Relations and Investor Support, Inc.	Chiyoda-ku, Tokyo	mil. Yen 100	Consulting services and information providing services	97.00%
The Bridgeford Group, Inc.	New York, USA	US\$ 1,000,000	M&A business	100.00%
Mizuho Bank (Switzerland) Ltd	Zurich, Switzerland	mil. SFR 53	Commercial banking and fiduciary services	70.00%
Mizuho International plc	London, UK	mil. £ 2,426	Securities and commercial banking	100.00%
Mizuho Securities USA Inc.	New York, USA	US\$ 231,300	Securities	70.00%
Basic Capital Management, Limited	Chiyoda-ku, Tokyo	mil. Yen 100	Financial services	100.00%
Mizuho Investment Consulting (Shanghai) Co., Ltd.	Shanghai, People's Republic of China	mil. CNY 10	Consulting services	100.00%
Industrial Decisions, Inc.	Shinagawa-ku, Tokyo	mil. Yen 40	Consulting services	50.00%
Mizuho Securities Shinko Principal Investment Co., Ltd.	Cyuo-ku, Tokyo	mil. Yen 5,000	Investment services	99.21%
Mizuho Securities (Singapore) Pte., Ltd	Singapore, Republic of Singapore	US\$ 2,488,785	Securities	100.00%
(Affiliates)				
Mobile Internet Capital Inc.	Minato-ku, Tokyo	mil. Yen 100	Venture capital	30.00%
Japan Industrial Partners Inc.	Chiyoda-ku, Tokyo	mil. Yen 100	Financial services	25.00%
Energy & Environment Investment, Inc.	Shinagawa-ku, Tokyo	mil. Yen 100	Financial services	50.00%

(Note) a. Mizuho Securities Shinko Principal Investment Co., Ltd. increased its capital from 1,000 million yen to 5,000 million yen through new share issuance to the Company in July, 2008 and February, 2009. As a result, the Company's holding in MSPI's voting rights increased from 90% to 99.21%.

b. Mizuho Securities Co., Ltd. sold some of its shares of Mizuho Securities Asia Limited, Mizuho Bank (Switzerland) Ltd and Mizuho Securities USA Inc. in March, 2009. As a result, the Company's holding in each subsidiaries' voting rights decreased from 100% to 70%, respectively.

Consolidated Balance Sheets**(As of March 31, 2009)**

(Unit : Millions of yen)

Descriptions	As of March 31, 2008	As of March 31, 2009
Assets		
Current assets	21,038,371	16,348,495
Cash and deposits	148,286	90,503
Cash segregated as deposits	16,915	23,605
Securities	7,967	216
Trading assets	8,531,592	6,199,620
Trading securities and others	7,850,567	5,044,715
Operating loan assets	40,279	37,929
Derivatives transactions	640,746	1,116,976
Operating investment securities	74,157	78,296
Operating loan receivables	2,012	2,040
Margin transaction assets	4,177	1,688
Loans secured by securities	11,423,819	9,361,365
Payments for subscription	820	596
Guarantee deposits	274,601	346,505
Securities: fail to deliver	413,407	193,197
Variation margin paid	58,051	-
Short-term loans receivable	2,076	3,138
Accrued income	48,807	30,172
Short-term deferred tax assets	11,900	7,835
Others	19,830	9,768
Allowance for doubtful accounts	(55)	(56)
Fixed assets	83,882	94,828
Tangible fixed assets	14,822	11,625
Buildings	5,762	4,675
Furniture and fixtures	9,060	6,949
Intangible fixed assets	14,223	13,817
Software	14,163	13,758
Others	60	59
Investments	54,836	69,385
Investment securities	22,664	23,528
Other equity investments	591	231
Long-term guarantee deposits	6,441	7,072
Long-term prepaid expenses	1,397	1,037
Long-term deferred tax assets	20,472	28,460
Others	3,269	11,209
Allowance for doubtful accounts		(2,155)
Total assets	21,122,253	16,443,324

(Unit: Millions of yen)

Descriptions	As of March 31, 2008	As of March 31, 2009
Liabilities		
Current liabilities	19,713,733	15,134,679
Trading liabilities	4,845,986	3,670,098
Trading securities and others	4,034,648	2,561,978
Derivative transactions	811,338	1,108,120
Payable - unsettled trades	206,352	373,740
Margin transaction liabilities	7,771	2,619
Borrowings secured by securities	10,697,060	7,590,888
Deposits received	20,525	18,556
Cash collateral received from customers	202,727	264,486
Securities: fails to receive	436,170	289,090
Variation margin received	-	9,066
Short-term borrowings	2,830,083	2,542,049
Commercial paper	287,900	218,400
Short-term bonds and notes	104,472	92,313
Accrued expenses	46,783	24,116
Income taxes payable	1,128	1,288
Reserve for bonuses	21,345	18,809
Short-term deferred tax liabilities	6	7
Others	5,420	19,150
Fixed liabilities	1,075,460	1,028,184
Bonds and notes	597,701	486,824
Long-term borrowings	469,287	534,406
Deferred tax liabilities	641	25
Reserve for retirement benefits	7,315	6,343
Reserve for retirement benefits for directors, operating officers and corporate auditors	468	509
Others	46	75
Statutory reserves	2,027	1,416
Financial Instruments Business liability reserve	-	1,416
Securities transaction liability reserve	1,922	-
Futures transaction liability reserve	104	-
Total liabilities	20,791,222	16,164,281
Net Assets		
Shareholders' equity	360,796	326,298
Common stock	395,146	250,000
Capital surplus	325,288	75,742
Retained earnings	(359,638)	556
Revaluation / translation difference	(30,303)	(63,120)
Unrealized gains (or losses) on other securities, net of taxes	1,185	3
Foreign currency translation adjustments	(31,489)	(63,124)
Minority interests	538	15,864
Total net assets	331,031	279,043
Total liabilities, minority interests and net assets	21,122,253	16,443,324

Consolidated Statements of Operations
(for the year ended March 31, 2009)

(Unit : Millions of yen)

Descriptions	Year ended March 31, 2008	Year ended March 31, 2009
Operating Revenues	223,677	304,252
Commission	75,241	53,598
Trading profits (losses)	(413,259)	540
Net gains (losses) on operating investment securities	3,388	(7,160)
Interest and dividend income	558,306	257,273
Interest expense	520,244	205,916
Net operating revenues (losses)	(296,567)	98,335
Selling, general and administrative expenses	133,725	120,092
Commissions and other transaction- related expenses	27,573	24,112
Compensation and benefits	64,798	57,456
Occupancy	17,781	16,003
Data processing and office supplies	7,877	4,760
Depreciation	7,671	8,320
Amortization of goodwill	52	17
Taxes and dues other than income taxes	2,094	1,785
Others	5,877	7,637
Operating losses	430,293	21,756
Non-operating revenues	3,026	2,111
Equity in profit of affiliated companies	390	-
Others	2,635	2,111
Non-operating expenses	6,406	840
Equity in loss of affiliated companies	-	63
Others	6,406	776
Ordinary losses	433,672	20,486
Non-ordinary profits	19,881	2,942
Non-ordinary losses	13,160	8,640
Losses before income taxes and minority interests in net losses	426,951	26,184
Income taxes - current	4,800	11,460
Income taxes - deferred	(13,043)	(3,084)
Minority interests in net losses	(38)	(63)
Net losses	418,669	34,497

Consolidated Statements of Changes in Net Assets

(for the year ended March 31, 2009)

(Unit: Millions of yen)

	〔 As of March 31, 2008 〕	〔 As of March 31, 2009 〕
Shareholders' equity		
Common stock		
Beginning balance	195,146	395,146
Change in this period		
New shares issued	200,000	-
Capital reduction	-	(145,146)
Total change in this period	200,000	(145,146)
Ending balance	395,146	250,000
Capital surplus		
Beginning balance	125,288	325,288
Change in this period		
New shares issued	200,000	-
Capital reduction	-	145,146
Deficit compensation	-	(394,692)
Total change in this period	200,000	(249,546)
Ending balance	325,288	75,742
Retained earnings		
Beginning balance	72,399	(359,638)
Effect of unification of accounting policies applied to foreign subsidiaries	634	-
Change in this period		
Dividend paid	(14,003)	-
Net losses	418,669	34,497
Deficit compensation	-	394,692
Total change in this period	(432,672)	360,195
Ending balance	(359,638)	556
Total shareholders' equity		
Beginning balance	392,833	360,796
Effect of unification of accounting policies applied to foreign subsidiaries	634	-
Change in this period		
New shares issued	400,000	-
Dividend paid	(14,003)	-
Net losses	418,669	34,497
Total change in this period	(32,672)	(34,497)
Ending balance	360,796	326,298

(Unit: Millions of yen)

	〔 As of March 31, 2008 〕	〔 As of March 31, 2009 〕
Revaluation/translation difference		
Net unrealized gains (or losses) on other securities, net of taxes		
Beginning balance	29,579	1,185
Change in this period		
Net change in items other than shareholders' equity	(28,393)	(1,182)
Total change in this period	(28,393)	(1,182)
Ending balance	1,185	3
Foreign currency translation adjustments		
Beginning balance	16,837	(31,489)
Change in this period		
Net change in items other than shareholders' equity	(48,326)	(31,634)
Total change in this period	(48,326)	(31,634)
Ending balance	(31,489)	(63,124)
Total revaluation/translation difference		
Beginning balance	46,416	(30,303)
Change in this period		
Net change in items other than shareholders' equity	(76,719)	(32,817)
Total change in this period	(76,719)	(32,817)
Ending balance	(30,303)	(63,120)
Minority interests		
Beginning balance	7	538
Change in this period		
Net change in items other than shareholders' equity	531	15,326
Total change in this period	531	15,326
Ending balance	538	15,864
Total net assets		
Beginning balance	439,257	331,031
Effect of unification of accounting policies applied to foreign subsidiaries	634	-
Change in this period		
New shares issued	400,000	-
Dividend paid	(14,003)	-
Net losses	418,669	34,497
Net change in items other than shareholders' equity	(76,188)	(17,491)
Total change in this period	(108,861)	(51,988)
Ending balance	331,031	279,043

Note to consolidated financial statements

The Company's consolidated financial statements are prepared in accordance with the "Regulations of Consolidated Financial Statements" (Ministry of Finance (MoF) Ordinance No.28, 1976) (the "Regulations"), as well as with the "Cabinet Office Ordinance Concerning Financial Instruments Business " (Cabinet Office Ordinance No.52, 2007), "Uniform Accounting Standards of Securities Companies" (approved by the board of directors of Japan Securities Dealers Association, November 14, 1974), and the "Cabinet Office Ordinance Concerning Financial Accounting and Reporting for Special Finance Company" (Prime Minister's Office and MoF Ordinance No. 32, 1999), subject to the provisions of Article 46 and Article 68 of the Regulations.

Basis of consolidated financial statements

1. Scope of consolidation

Consolidated subsidiaries: 22 companies

Name of major subsidiaries

Mizuho Securities Asia Limited
 Japan Investor Relations and Investor Support, Inc.
 The Bridgeford Group, Inc.
 Mizuho Bank (Switzerland) Ltd
 Mizuho International plc
 Mizuho Securities USA Inc.
 Basic Capital Management, Limited
 Mizuho Investment Consulting (Shanghai) Co., Ltd.
 Industrial Decisions, Inc.
 Mizuho Securities Shinko Principal Investment Co., Ltd.
 Mizuho Securities (Singapore) Pte., Ltd

2. Application of equity method

Affiliates accounted for under equity method: 8 companies

Name of major affiliates

Mobile Internet Capital Inc.
 Japan Industrial Partners Inc.
 Energy & Environment Investment, Inc.

3. Year ends of subsidiaries

Our subsidiaries have coterminous March 31 year end with the Company, except for Mizuho Investment Consulting (Shanghai) Co., Ltd. and other three subsidiaries, who have December 31 year end. Except for one company, December 31 financial statements are used for these subsidiaries with non-conterminous year end, with necessary adjustments made for the effect of significant transactions or events, if any, that occurred between the reporting date of the subsidiaries and that of the Company.

4. Accounting policies

(1) Valuation of trading account securities and derivatives

The Company and its subsidiaries, through its trading activities, intend to contribute to the market for their liquidity and price discovery process.

The Company holds trading positions for the purpose of : 1) responding to counterparties' needs to invest or hedge risk, and 2) gaining profit or mitigating loss due to fluctuations of market prices and differences of prices in various markets.

Securities, derivative transactions, and assets or liabilities in trading account are recorded at fair value.

(2) Valuation of non-trading securities

Non-trading securities are valued as follows:

- A. Other securities with market value
Recorded at market value. Difference between the cost, using the moving average method, and market value is recorded as net unrealized gains (or losses) on other securities, net of taxes in net assets on the balance sheet.
- B. Other securities without market value
Recorded at cost using moving average method.
- C. Investment in Investment Associations (Treated as securities by Article 2(2) of Securities and Exchange Law)
Initially recorded at cost and subsequently adjusted to reflect the Company's share of the net profit or loss of the partnership based on the latest financial reports available.

(3) Depreciation method of significant assets

A. Tangible fixed assets

The Company and its domestic subsidiaries apply the declining-balance method except for buildings (excluding leasehold improvement) acquired after March 31, 1998, for which the straight-line method is used. Overseas subsidiaries mainly apply the straight-line method.

B. Intangible fixed assets

The straight-line method is primarily applied.

The amortization period of software for internal use (2-10 years) is determined based on estimated internal useful lives.

(4) Deferred assets

Bond issuance cost is charged to income when incurred.

(5) Accounting policies for reserves

A. Allowance for doubtful accounts

The Company provides the allowance for possible losses on doubtful accounts. For performing assets, allowance is calculated based on the past loss experience. For non-performing assets, it is based on the management's assessment of recoverability of the assets, and amount expected to be non-recoverable is provided for.

B. Reserve for bonuses

Reserve is provided for bonus payments to employees and corporate officers at the amount accrued at the end of the period, based on the estimated future payments and service periods.

C. Reserve for retirement benefits

Reserve for retirement benefits is provided for future retirement benefits to employees and corporate officers based on actuarial retirement benefits and plan assets at end of year.

Prior service cost is charged to income in the period which the cost is recognized.

Net actuarial gains or losses are recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the current employees.

D. Reserve for retirement benefits for directors, operating officers and corporate auditors

Reserve for retirement benefits for directors, operating officers and corporate auditors is provided for future retirement benefits for them at the amount accrued at the end of the period, based on prescribed calculation method.

(6) Accounting for hedging transactions

Borrowings in foreign currency entered into to hedge exchange risk of foreign currency denominated operating investment securities are accounted for under fair value hedge accounting.

Interest rate swaps to hedge interest rate rise of borrowings are, when they qualify for exceptional treatment, accounted for under exceptional method as permitted under Japanese GAAP.

(7) Other significant accounting policies

Consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

5. Valuation of assets and liabilities of subsidiaries acquired

All assets and liabilities consolidated subsidiaries are valued at fair value and included in the consolidated financial statements when acquired.

Change in the basis of consolidated financial statements

1. Lease transactions

Financing leases other than those for which the ownership of the leased property transfers to the lessee were previously accounted for as ordinary rental transactions.

The company applied from this fiscal year "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13) and "the Guidance on Accounting Standards for Lease Transactions" (ASBJ Guidance No. 16), which is applicable to the fiscal period commencing on or after April 1, 2009, but early adoption is allowed.

Depreciation of assets under financing leases other than those for which the ownership of the leased property transfers to the lessee is calculated on declining-balance method over the period equal to lease period with the residual value of nil. Impact of change on such lease transactions commenced before adoption of this new rule is accounted for as non-ordinary profits or losses, and is not material.

2. Reserves under statutory requirements

With the introduction of Financial Instruments and Exchange Act, reserves previously provided for under "Securities transaction liability reserve" and "Futures transaction liability reserve" are now provided under "Financial Instruments Business liability reserve". This resulted in reduction of net losses by 113 million yen.

3. Interest expenses on subordinated debt

Interest expenses on subordinated debts are previously reported as non-operating expenses. In order to reflect changes in the use of funds, they are now reported as interest expense.

Operating losses would have been smaller by 4,577 million yen if we had accounted it for as we have done previously. There is no impact on ordinary losses and net losses for the period.

Notes

(Notes on going concern)

There are no applicable items

(Notes on significant subsequent events)

The merger agreement with Shinko Securities Co., Ltd., signed by the Company on 4 Mar 2009 with effective date 7 May 2009, was approved in special shareholders' meeting held on 3 April 2009.

Note to consolidated statement of change in net assets

Previous fiscal year (for the year ended March 31, 2008)

1. Number of shares outstanding

(unit: shares)

	As of March 31, 2007	Increase	Decrease	As of March 31, 2008
Common stock	3,685,000	3,000,000	-	6,685,000

(note)

Increase in the period is to Mizuho Corporate Bank, Ltd new share issuance through a third-party allocation.

2. Treasury stock

The Company has no treasury stock at the end of the period.

3. Dividends

(1) Dividend paid

Resolution	Type of shares	Amount of dividend	Dividend per share	Record date	Effective date
General shareholders' meeting on June 25, 2007	Common stock	14,003 million yen	3,800 yen	March 31, 2007	June 26, 2007

(2) Dividend to be paid in the following year

There are no applicable items

This fiscal year (for the year ended March 31, 2009)

1. Number of shares outstanding

(unit: shares)

	As of March 31, 2008	Increase	Decrease	As of March 31, 2009
Common stock	6,685,000	-	-	6,685,000

2. Treasury stock

The Company has no treasury stock at the end of the period.

3. Dividends

(1) Dividend paid

There are no applicable items

(2) Dividend to be paid in the following year

There are no applicable items

Consolidated Financial Data
(for the year ended March 31, 2009)

1. Commission Income

(1) Breakdown by categories

(Unit: Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Period-to-period comparison(%)
Brokerage commission	20,039	15,158	75.6%
(Stocks)	(13,326)	(8,984)	(67.4%)
(Bonds)	(6,701)	(6,167)	(92.0%)
Commission from underwriting, selling, and professional investors solicitation for sales	16,345	13,740	84.1%
(Stocks)	(4,790)	(3,899)	(81.4%)
(Bonds)	(10,651)	(9,585)	(90.0%)
Commission from subscription, distribution, and professional investors solicitation for sales	2,134	513	24.0%
(Stocks)	(855)	(95)	(11.2%)
(Bonds)	(371)	(39)	(10.6%)
(Investment trusts)	(500)	(87)	(17.6%)
Other commissions received	36,722	24,186	65.9%
Total	75,241	53,598	71.2%

(2) Breakdown by products

(Unit: Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Period-to-period comparison(%)
Stocks	19,591	13,137	67.1%
Bonds	20,197	16,114	79.8%
Investment trusts	4,959	2,207	44.5%
Others	30,492	22,138	72.6%
Total	75,241	53,598	71.2%

2. Trading profit / loss

(Unit: Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Period-to-period comparison(%)
Stocks	(16,077)	(16,806)	-
Bonds, Foreign exchange and Others	(397,182)	17,347	-
Total	(413,259)	540	-

(Reference Data)

Quarterly Trends in Consolidated Statements of Operations

(Unit: Millions of yen)

Description	Three months ended Mar. 31, 2008	Three months ended Jun. 30, 2008	Three months ended Sep. 30, 2008	Three months ended Dec. 31, 2008	Three months ended Mar. 31, 2009
Operating Revenues	(123,590)	110,503	96,689	46,953	50,104
Commissions	24,105	14,196	13,921	10,292	15,187
Trading profits (losses)	(222,274)	2,258	(6,272)	13,980	(9,425)
Net gains (losses) on operating investment	241	1,589	(3,323)	(1,780)	(3,645)
Interest and dividend income	74,337	92,459	92,364	24,461	47,987
Interest Expense	57,436	82,022	79,418	12,770	31,704
Net operating revenues (losses)	(181,026)	28,481	17,271	34,183	18,399
Selling, general and administrative expenses	30,626	31,844	31,147	25,299	31,801
Commissions and other transaction-related expenses	7,209	5,924	7,012	3,302	7,873
Compensation and benefits	11,404	15,720	12,894	15,006	13,834
Occupancy	4,609	4,531	4,084	3,573	3,813
Data processing and office supplies	2,054	1,445	1,641	652	1,019
Depreciation	2,059	2,272	2,036	1,832	2,178
Amortization of goodwill	7	-	23	-	(6)
Taxes and dues other than income taxes	725	390	520	586	287
Others	2,557	1,557	2,934	345	2,799
Operating Profits (losses)	(211,652)	(3,363)	(13,876)	8,884	(13,401)
Non-operating Revenues	729	362	598	1,406	(255)
Equity in profit of affiliated companies	(181)	32	(32)	-	-
Others	910	330	630	1,406	(255)
Non-operating expenses	2,051	4	708	89	38
Equity in losses of affiliated companies	-	-	25	4	33
Others	2,051	4	682	85	4
Ordinary Profits (losses)	(212,974)	(3,004)	(13,986)	10,201	(13,695)
Non-ordinary profits	(190)	1,208	1,221	(108)	620
Non-ordinary losses	6,169	3,059	244	247	5,088
Profits (losses) before income taxes and minority interests in net profits (losses)	(219,334)	(4,856)	(13,010)	9,845	(18,163)
Income taxes - current	1,215	1,090	1,995	4,745	3,629
Income taxes - deferred	1,453	1,906	(2,971)	1,474	(3,493)
Minority interests in net profits (losses)	(43)	(49)	(25)	(12)	24
Net profits (losses)	(221,960)	(7,802)	(12,007)	3,638	(18,324)

Reference

Nonconsolidated Balance Sheets
(As of March 31, 2009)

(Unit: Millions of yen)

Descriptions	As of March 31, 2008	As of March 31, 2009
Assets		
Current assets	12,476,240	8,433,183
Cash and deposits	39,462	31,363
Cash segregated as deposits	16,915	23,605
Trading assets	7,543,860	5,083,231
Trading securities and others	7,002,202	4,053,687
Loan assets	40,279	37,929
Derivative transactions	501,379	991,614
Operating investment securities	33,433	28,513
Operating loan receivables	2,012	0
Margin transaction assets	1,974	432
Loans secured by securities	4,657,424	3,019,692
Payments for subscription	820	596
Guarantee deposits	99,606	163,172
Variation margin paid	8,644	-
Short-term loans	27,915	57,775
Accrued income	22,460	14,900
Tax refundable	5,949	775
Short-term deferred tax assets	11,497	7,199
Others	4,267	1,925
Allowance for doubtful accounts	(4)	(0)
Fixed assets	218,791	221,804
Tangible fixed assets	10,435	8,499
Buildings	2,846	2,655
Furniture and fixtures	7,588	5,844
Intangible fixed assets	12,370	12,822
Software	12,320	12,776
Others	49	46
Investments and other assets	195,986	200,482
Investment securities	7,260	3,071
Investment in affiliates	148,781	159,546
Long-term loan to affiliates	8,970	-
Long-term guarantee deposits	6,197	6,772
Long-term prepaid expenses	1,397	1,037
Long-term deferred tax assets	22,018	28,742
Others	1,361	2,955
Allowance for doubtful accounts	0	(1,643)
Total assets	12,695,032	8,654,988

(Unit: Millions of yen)

Descriptions	As of March 31, 2008	As of March 31, 2009
Liabilities		
Current liabilities	11,561,216	7,579,363
Trading liabilities	4,155,816	3,116,491
Trading securities and others	3,655,375	2,247,360
Derivative transactions	500,440	869,130
Payable - unsettled trades	197,253	18,048
Margin transaction liabilities	7,771	2,619
Borrowings secured by securities	4,118,380	1,635,110
Deposits received	14,974	10,325
Cash collateral received from customers	34,789	67,788
Securities: fails to receive	6	-
Variation margin received	-	494
Short-term borrowings	2,658,236	2,428,175
Commercial paper	287,900	218,400
Short-term bonds and notes	65,700	62,620
Advance receipt	11	0
Accrued expenses	16,698	13,529
Reserve for bonuses	3,243	4,226
Others	433	1,534
Fixed liabilities	805,636	745,427
Bonds and notes	331,100	227,900
Long-term borrowings	244,878	242,955
Long-term borrowings from affiliates	222,000	268,000
Reserve for retirement benefits	7,189	5,985
Reserve for retirement benefits for directors, operating officers and corporate auditors	468	508
Others	-	78
Statutory reserves	2,027	1,416
Financial Instruments Business liability reserve	-	1,416
Securities transaction liability reserve	1,922	-
Futures transaction liability reserve	104	-
Total liabilities	12,368,880	8,326,207
Net Assets		
Shareholders' equity	325,742	329,824
Common stock	395,146	250,000
Capital surplus	325,288	75,742
Additional paid-in capital	325,288	-
Other capital surplus	-	75,742
Retained earnings	(394,692)	4,082
Legal earned reserve	870	-
Voluntary reserve	(395,562)	4,082
Other reserve	1,500	-
Unappropriated retained earnings	(397,062)	4,082
Revaluation/translation difference	409	(1,044)
Net unrealized gains (or losses) on other securities, net of taxes	409	(572)
Net deferred hedge gains (or losses), net of taxes	-	(472)
Total net assets	326,151	328,780
Total liabilities and net assets	12,695,032	8,654,988

Nonconsolidated Statements of Operations(for the year ended March 31, 2009)

(Unit: Millions of yen)

Descriptions	Year ended March 31, 2008	Year ended March 31, 2009
Operating Revenues	93,916	108,127
Commissions	59,813	41,538
Trading profits (losses)	(26,393)	15,010
Net gains (losses) on operating investment securities	5,626	(1,615)
Interest and dividend income	54,869	53,194
Interest expenses	44,200	43,621
Net operating revenues	49,716	64,505
Selling, general and administrative expenses	79,968	68,209
Commissions and other transaction-related expenses	21,657	13,502
Compensation and benefits	28,013	25,681
Occupancy	15,122	13,836
Data processing and office supplies	5,405	3,452
Depreciation	5,486	6,635
Amortization of goodwill	60	-
Taxes and dues other than income taxes	2,012	1,634
Others	2,209	3,467
Operating losses	30,252	3,703
Non-operating revenues	10,788	9,303
Non-operating expenses	6,169	29
Ordinary income (losses)	(25,633)	5,570
Non-ordinary profits	18,452	6,122
Non-ordinary losses	439,074	8,787
Profits (losses) before income taxes	(446,256)	2,904
Income taxes - current	978	251
Income taxes - deferred	(9,373)	(1,429)
Net profits (losses)	(437,860)	4,082

Nonconsolidated Statements of Changes in Net Assets

(for the year ended March 31, 2009)

(Unit: Millions of yen)

	〔 As of March 31, 2008 〕	〔 As of March 31, 2009 〕
Shareholders' equity		
Common stock		
Beginning balance	195,146	395,146
Change in this period		
New shares issued	200,000	-
Capital reduction	-	(145,146)
Total change in this period	200,000	(145,146)
Ending balance	395,146	250,000
Capital surplus		
Additional paid-in capital		
Beginning balance	125,288	325,288
Change in this period		
New shares issued	200,000	-
Release of additional paid-in capital	-	(325,288)
Total change in this period	200,000	(325,288)
Ending balance	325,288	-
Other capital surplus		
Beginning balance	-	-
Change in this period		
Capital reduction	-	145,146
Release of additional paid-in capital	-	325,288
Deficit compensation	-	(394,692)
Total change in this period	-	75,742
Ending balance	-	75,742
Capital surplus total		
Beginning balance	125,288	325,288
Change in this period		
New shares issued	200,000	-
Capital reduction	-	145,146
Deficit compensation	-	(394,692)
Total change in this period	200,000	(249,546)
Ending balance	325,288	75,742
Retained earnings		
Legal earned reserve		
Beginning balance	870	870
Change in this period		
Release of legal earned reserve	-	(870)
Total change in this period	-	(870)
Ending balance	870	-
Voluntary reserve		
Reserve for special depreciation		
Beginning balance	12	-
Change in this period		
Release of reserve for special depreciation	(12)	-
Total change in this period	(12)	-
Ending balance	-	-
Other reserve		
Beginning balance	1,500	1,500
Change in this period		
Deficit compensation	-	(1,500)
Total change in this period	-	(1,500)
Ending balance	1,500	-

Unappropriated retained earnings		
Beginning balance	54,788	(397,062)
Change in this period		
Dividend paid	(14,003)	-
Net profits(losses)	(437,860)	4,082
Release of reserve for special depreciation	12	-
Release of legal earned reserve	-	870
Deficit compensation	-	396,192
Total change in this period	(451,851)	401,144
Ending balance	(397,062)	4,082
Retained earnings total		
Beginning balance	57,171	(394,692)
Change in this period		
Dividend paid	(14,003)	-
Net profits(losses)	(437,860)	4,082
Deficit compensation	-	394,692
Total change in this period	(451,863)	398,774
Ending balance	(394,692)	4,082
Shareholders' equity total		
Beginning balance	377,605	325,742
Change in this period		
New shares issued	400,000	-
Dividend paid	(14,003)	-
Net profits(losses)	(437,860)	4,082
Total change in this period	(51,863)	4,082
Ending balance	325,742	329,824
Revaluation/translation difference		
Net unrealized gains (or losses) on other securities, net of taxes		
Beginning balance	29,174	409
Change in this period		
Net change in items other than shareholders' equity	(28,765)	(981)
Total change in this period	(28,765)	(981)
Ending balance	409	(572)
Net deferred hedge gains (or losses), net of taxes		
Beginning balance	(3,154)	-
Change in this period		
Net change in items other than shareholders' equity	3,154	(472)
Total change in this period	3,154	(472)
Ending balance	-	(472)
Revaluation/translation difference total		
Beginning balance	26,020	409
Change in this period		
Net change in items other than shareholders' equity	(25,611)	(1,453)
Total change in this period	(25,611)	(1,453)
Ending balance	409	(1,044)
Net Assets total		
Beginning balance	403,626	326,151
Change in this period		
New shares issued	400,000	-
Dividend paid	(14,003)	-
Net profits(losses)	(437,860)	4,082
Net change in items other than shareholders' equity	(25,611)	(1,453)
Total change in this period	(77,474)	2,628
Ending balance	326,151	328,780

Notes to nonconsolidated financial statements

The Company's financial statements are prepared in accordance with the "Regulations Concerning the Terminology, Forms and Preparation Methods of Financial Statements" (Ministry of Finance (MoF) Ordinance No.59, 1963) (the "Regulations"), as well as with the "Cabinet Office Ordinance Concerning Financial Instruments Business" (Cabinet Office Ordinance No.52, 2007), "Uniform Accounting Standards of Securities Companies" (approved by the board of directors of Japan Securities Dealers Association, November 14, 1974), and the "Cabinet Office Ordinance Concerning Financial Accounting and Reporting for Special Finance Company" (Prime Minister's Office and MoF Ordinance No. 32, 1999), subject to the provisions of Article 2 of the Regulations.

Basis of nonconsolidated financial statements

1. Valuation of trading account securities and derivatives

The Company holds trading positions for the purpose of: 1) responding to counterparties' needs to invest or hedge risk, and 2) gaining profit or mitigating loss due to fluctuations of market prices and differences of prices in various markets.

Securities, derivative transactions, and assets or liabilities in trading account are recorded at fair value.

2. Valuation of non-trading securities

(1) Investments in subsidiaries and affiliates are stated at cost, using the moving average method.

(2) Other securities:

A) Other securities with market value

Recorded at market value. Difference between the cost, using the moving average method, and market value is recorded as net unrealized gains (or losses) on other securities, net of taxes in net assets on the balance sheet.

B) Other securities without market value

Recorded at cost using the moving average method.

C) Investment in Investment Associations (Treated as securities by Article 2(2) of Financial Instruments and Exchange Law)

Initially recorded at cost and subsequently adjusted to reflect the Company's share of the net profit or loss of the partnership based on the latest financial reports available.

3. Depreciation and amortization

(1) Tangible fixed assets

The Company applies the declining-balance method except for buildings (excluding leasehold improvement) acquired after March 31, 1998, for which the straight-line method is used.

(2) Intangible fixed assets

The straight-line method is applied. The amortization period of software for internal use (5-10 years) is determined based on estimated internal useful lives.

4. Deferred assets

Bond issuance cost is charged to income when incurred.

5. Accounting policies for reserves

(1) Allowance for doubtful accounts

The Company provides the allowance for possible losses on doubtful accounts. For performing assets, allowance is calculated based on the past loss experience. For non-performing assets, it is based on the management's assessment of recoverability of the assets, and amount expected to be non-recoverable is provided for.

(2) Reserve for bonuses

Reserve is provided for bonus payments to employees and operating officers at the amount accrued at the end of the period, based on the estimated future payments and service periods.

(3) Reserve for retirement benefits

Reserve for retirement benefits is provided for future retirement benefits to employees based on actuarial retirement benefits and plan assets at end of year.

Prior service cost is charged to income in the period which the cost is recognized.

Net actuarial gains or losses are recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the current employees.

(4) Reserve for retirement benefits for directors, operating officers and corporate auditors

Reserve for retirement benefits for directors, operating officers and corporate auditors is provided for future retirement benefits for them at the amount accrued at the end of the period, based on prescribed calculation method.

6. Accounting for hedging transactions

Borrowings in foreign currency entered into to hedge exchange risk of foreign currency denominated operating investment securities are accounted for under fair value hedge accounting.

Interest rate swaps to hedge interest rate rise of borrowings are, when they qualify for exceptional treatment, accounted for under exceptional method as permitted under Japanese GAAP.

Loans in foreign currencies, with currency swap to hedge the foreign currency risk, are treated as if they were loans in JPY, provided certain conditions are met.

7. Consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

Change in the basis of nonconsolidated financial statement

1. Lease transactions

Financing leases other than those for which the ownership of the leased property transfers to the lessee were previously accounted for as ordinary rental transactions.

The company applied from this fiscal year "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13) and "the Guidance on Accounting Standards for Lease Transactions" (ASBJ Guidance No. 16), which is applicable to the fiscal period commencing on or after April 1, 2009, but early adoption is allowed.

Depreciation of assets under financing leases other than those for which the ownership of the leased property transfers to the lessee is calculated on declining-balance method over the period equal to lease period with the residual value of nil.

Impact of change on such lease transactions commenced before adoption of this new rule is accounted for as non-ordinary profits or losses, and is not material.

2. Reserves under statutory requirements

With the introduction of Financial Instruments and Exchange Act, reserves previously provided for under "Securities transaction liability reserve" and "Futures transaction liability reserve" are now provided under "Financial Instruments Business liability reserve". This resulted in reduction of net losses by 113 million yen.

3. Interest expenses on subordinated debt

Interest expenses on subordinated debts are previously reported as non-operating expenses. In order to reflect changes in the use of funds, they are now reported as interest expense.

Operating losses would have been smaller by 4,577 million yen if we had accounted it for as we have done previously.

There is no impact on ordinary income and net profits for the period.

Notes

(Notes on going concern)

There are no applicable items

(Notes on significant subsequent events)

The merger agreement with Shinko Securities Co., Ltd., signed by the Company on 4 Mar 2009 with effective date 7 May 2009, was approved in special shareholders' meeting held on 3 April 2009.

Notes to nonconsolidated balance sheets

1. Accumulated depreciation of tangible fixed assets

	<u>As of Mar. 31, 2008</u>	<u>(Unit: millions of yen) As of Mar. 31, 2009</u>
	9,266	11,663

2. Subordinated debt

Bonds, notes, long-term and short-term borrowings, and long-term borrowings from affiliates include Subordinated debts provided in Article 176 of "Cabinet Office Ordinance Concerning Financial Instruments Business" (Cabinet Office Ordinance No.52, 2007), and the amounts are as follows.

	<u>As of Mar. 31, 2008</u>	<u>(Unit: millions of yen) As of Mar. 31, 2009</u>
Subordinated bonds (Bonds and notes)	40,000	-
Subordinated borrowings (Long-term and Short-term borrowings, Long-term borrowings from affiliates)	236,000	276,000

3. Loan balance as per "Money Lending Business Law" (Law 32, 1983)

	<u>As of Mar. 31, 2008</u>	<u>(Unit: millions of yen) As of Mar. 31, 2009</u>
	2,028	2,899

Notes to nonconsolidated statements of operations

1. Net profits (or losses) per share

	Year ended Mar. 31, 2008	(Unit: yen) Year ended Mar. 31, 2009
	(100,935.91)	610.66

2. Details of non-ordinary profits / losses

	Year ended Mar. 31, 2008	(Unit: millions of yen) Year ended Mar. 31, 2009
Non-ordinary profits		
Gain from sales of investment securities	18,442	5,340
Reversal of Financial Instruments Business liability reserve	-	611
Compensation received for early termination of office lease	-	161
Reversal of allowance for doubtful accounts	0	3
Others	9	5
Non-ordinary losses		
Loss on sale or disposal of fixed assets	662	207
Loss on sale of leased assets	-	40
Loss on sale of investment securities	-	1,076
Valuation loss on investment securities	4,535	3,138
Liquidation loss on investment securities	8	-
Valuation loss on subsidiary stock	431,011	-
Loss on impairment of fixed assets	4	-
Valuation loss on golf membership	5	10
Merger-related expenses	2,847	2,439
Early retirement plan benefit	-	1,874

Notes to nonconsolidated statements of changes in net assets

Treasury stock:

The Company has no treasury stocks at the end of both previous and this period.

Nonconsolidated Financial Data
(for the year ended March 31, 2009)

1. Commission Income

(1) Breakdown by categories

(Unit: Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Period-to-period comparison(%)
Brokerage commission	6,274	4,264	68.0%
(Stocks)	(5,823)	(4,065)	(69.8%)
(Bonds)	(431)	(186)	(43.2%)
Commission from underwriting, selling, and professional investors solicitation for sales	14,725	10,869	73.8%
(Stocks)	(4,537)	(3,208)	(70.7%)
(Bonds)	(9,284)	(7,405)	(79.8%)
Commission from subscription, distribution, and professional investors solicitation for sales	2,145	513	23.9%
(Stocks)	(866)	(95)	(11.0%)
(Bonds)	(371)	(39)	(10.6%)
(Investment trusts)	(500)	(87)	(17.6%)
Other commissions received	36,668	25,890	70.6%
Total	59,813	41,538	69.4%

(2) Breakdown by products

(Unit: Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Period-to-period comparison(%)
Stocks	13,976	9,306	66.6%
Bonds	18,108	11,779	65.1%
Investment trusts	4,968	2,212	44.5%
Others	22,759	18,238	80.1%
Total	59,813	41,538	69.4%

2. Trading profit / loss

(Unit: Millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009	Period-to-period comparison(%)
Stocks	(12,362)	(18,018)	-
Bonds	(26,813)	119,101	-
Others	12,783	(86,073)	-
(of which Foreign exchange)	(13,737)	(82,640)	(-)
Total	(26,393)	15,010	-

3. Capital adequacy ratio

(Unit: Millions of yen)

		Year ended March 31, 2008	Year ended March 31, 2009	
Basic capital	(A)	325,742	329,252	
Supplementary Capital	Unrealized gains (or losses) on other securities, net of taxes	409	(472)	
	Statutory reserves	2,027	1,416	
	Allowance for doubtful accounts	4	0	
	Long-term subordinated debt	153,000	153,000	
	Short-term subordinated debt	123,000	123,000	
	Total	(B)	278,441	276,945
Deduction: Disallowed assets	(C)	228,333	233,854	
Capital after deduction	(A) + (B) - (C)	(D)	375,849	372,343
Amount of risks	Market risk	90,833	70,482	
	Counterparty risk	21,171	39,119	
	Basic risk	28,802	26,577	
	Total	(E)	140,808	136,180
Capital adequacy ratio	(D)/(E)	266.9%	273.4%	

(note) 1. Market risk is calculated with internal market risk model.

2. Details of long-term and short-term subordinated debts are as below:

(Unit: Millions of yen)

	Date of issue/borrowing	Maturity/Due date	Amount	Short/Long	Notes	
Subordinated borrowings	March 29, 2005	April 20, 2015	20,000	Long-term	Lump sum	
	May 30, 2006	May 30, 2016	10,000	Long-term	Lump sum	
	May 30, 2006	March 31, 2010	5,000	5,000	Short-term	Installment
		March 31, 2011	5,000			
		March 31, 2012	3,000			
		March 31, 2012	2,000		Long-term	
		March 31, 2013	6,000		Short-term	
	September 28, 2006	September 28, 2010	5,000	5,000	Short-term	Installment
		September 28, 2011	5,000			
		September 28, 2012	2,000			
		September 28, 2012	3,000		Long-term	
		September 28, 2013	3,000		Short-term	
	January 31, 2007	September 28, 2013	15,000	15,000	Short-term	Final payment
		January 31, 2011	5,000			
		January 31, 2012	5,000			
		January 31, 2013	2,000			
		January 31, 2014	3,000		Long-term	
	July 20, 2007	January 31, 2014	15,000	15,000	Short-term	Final payment
		July 20, 2011	5,000			
		July 20, 2012	5,000			
		July 20, 2013	1,000			
		July 20, 2014	4,000		Long-term	
	March 28, 2008	July 20, 2014	35,000	10,000	Short-term	Installment
		April 28, 2013	2,000			
		April 28, 2014	8,000			
		April 28, 2015	10,000		Long-term	
March 28, 2008	April 28, 2015	10,000	10,000	Short-term	Final payment	
	February 28, 2012	10,000				
September 30, 2008	February 28, 2013	15,000	15,000	Short-term	Final payment	
	September 28, 2012	15,000				
September 30, 2008	September 28, 2012	15,000	15,000	Short-term	Lump sum	
September 30, 2008	September 30, 2014	15,000	15,000	Long-term	Lump sum	
March 19, 2009	September 30, 2011	21,000	21,000	Short-term	Lump sum	
Long-term subordinated debts total			153,000			
Short-term subordinated debts total			123,000			

Quarterly Trends in Nonconsolidated States of Operations

(Unit: Millions of yen)

Descriptions	Three months ended Mar. 31, 2008	Three months ended Jun. 30, 2008	Three months ended Sep. 30, 2008	Three months ended Dec. 31, 2008	Three months ended Mar. 31, 2009
Operating Revenues	9,460	33,739	24,003	32,154	18,230
Commission	18,074	9,427	11,239	9,632	11,238
Trading profits (losses)	(29,496)	10,977	(2,631)	10,673	(4,009)
Net gains (losses) on operating investment securities	2,220	474	(742)	(709)	(638)
Interest and dividend income	18,662	12,858	16,137	12,557	11,640
Interest expense	13,122	11,595	11,358	11,645	9,022
Net operating revenues (losses)	(3,661)	22,143	12,644	20,508	9,208
Selling, general and administrative expenses	19,986	18,125	17,412	16,144	16,526
Commissions and other transaction- related expenses	4,544	3,504	3,642	3,319	3,036
Compensation and benefits	7,006	7,290	5,571	6,303	6,515
Occupancy	4,197	3,888	3,557	3,206	3,184
Data processing and office supplies	1,244	785	1,069	637	959
Depreciation	1,740	1,729	1,543	1,673	1,688
Amortization of goodwill	15	-	-	-	-
Taxes and dues other than income taxes	697	360	466	549	257
Others	541	567	1,561	453	885
Operating profits (losses)	(23,648)	4,018	(4,767)	4,363	(7,318)
Non-operating revenues	923	3,582	309	423	4,987
Non-operating expenses	2,125	1	6	20	0
Ordinary income (losses)	(24,850)	7,599	(4,464)	4,766	(2,331)
Non-ordinary profits	83	1,210	162	10	4,738
Non-ordinary losses	247,047	3,055	238	238	5,255
Profits (losses) before income taxes	(271,813)	5,755	(4,540)	4,539	(2,848)
Income taxes - current	(116)	29	206	1	14
Income taxes - deferred	(8,591)	2,359	(2,795)	1,688	(2,681)
Net profits (losses)	(263,106)	3,366	(1,951)	2,848	(181)

[Reference] Breakdown of securitization products

1. Foreign currency denominated securitization products

(JPY Bn, round figures)
 [Managerial accounting basis]
 Mizuho Securities (including overseas subsidiaries)
 =Trading account

	Balances as of Mar. 31, 2008	Marks (%) as of Mar. 31, 2008	Balances as of Mar. 31, 2009	Marks (%) as of Mar. 31, 2009	Realized Gains/Losses for FY2008
	(Fair Value)	(=Fair Value/ Face Value)	(Fair Value)	(=Fair Value/ Face Value)	
1 Foreign currency denominated securitization products	105	22	*1 39	12	-12
2 ABSCDOs, CDOs	50	18	6	2	-6
3 CDOs backed by RMBS	24	10	*2 6	2	-6
4 Hedged by CDS with a non-investment grade financial guarantor	*3 11	*3 17	*3 -	*3 -	*3 -
5 CDOs except above	*4,5 26	*5 83	*5 -	*5 -	*5 0
6 CDOs backed by claims against corporations	16	92	-	-	-
7 Hedged by CDS with a non-investment grade financial guarantor	*3 -	*3 -	*3 -	*3 -	*3 -
8 CDOs backed by CMBS	0	8	-	-	0
9 RMBS	53	27	1	1	-1
10 RMBS backed by US subprime mortgage loans	15	31	0	2	-0
11 RMBS except above (RMBS backed by mid-prime loans, prime loans and others)	*6 38	*6 26	*6 1	*6 1	*6 -1
12 RMBS backed by mid-prime loans (Alt-A)	19	26	0	1	-1
13 ABS, CLOs and others	2	67	32	79	-5
14 CLOs	*5 2	*5 73	*5 24	*5 83	*5 -3
15 CMBS	0	43	0	14	-0
16 SIV-related	-	-	*7 8	72	-2

*1 The change in balance from Mar. 31, 2008 (approximately JPY -66 billion) included approximately JPY 2 billion decrease in balance due to foreign exchange translation impact primarily caused by appreciation of Japanese yen against the US dollar.

*2 The proportion of US subprime mortgage loan-related assets to the total underlying assets was approximately 10%. Approximately 50% of the balance (fair value) consisted of Super Senior tranche.

*3 CDO exposures hedged by CDS with a non-investment grade[†] US financial guarantor (monoline), net of allowances. (The hedging transaction was terminated in Aug. 2008.)

† based on external ratings as of Mar. 31, 2008

*4 The entire balance consisted of securitization products backed by original assets (non-securitized assets).

*5 Re-classified the securitization products, which had been categorized in line 5 in the above table as of Mar. 31, 2008, to line 14 after a review of the definition of each category since our first quarter disclosure.

*6 Excluded US government-owned corporation bonds and government-sponsored enterprise bonds (please see "2. Other information" below for the balances of those bonds).

*7 Obtained senior bonds issued by a SIV, in settlement of CDS transactions where such bonds were treated as collateral. These CDS transactions were related to CDO structuring business.

(Reference) Credit Default Swaps related to securitization products (as of Mar. 31, 2009)

- The notional amount of credit default swaps (CDS^{†1}) referring to securitization products at Mizuho Securities was approximately JPY 298 billion (JPY 366 billion as of Mar. 31, 2008), and the fair value of the relevant reference assets (securitization products) was approximately JPY 208 billion (JPY 302 billion as of Mar. 31, 2008). NPV, or the estimated amount claimable for the settlement of the CDS, was approximately JPY 70 billion, which was the difference between the notional amount and the fair value (excluding approximately JPY 20 billion^{†2} that had already been received in cash from a CDS protection seller). The net estimated amount claimable for the settlement of the CDS after deducting reserves for counterparty risks (approximately JPY 20 billion) was approximately JPY 50 billion.

(The above included CDS contracts with a US monoline (external ratings as of Mar. 31, 2009: AA-^{†3}), of which the notional amount was approximately JPY 27 billion and the fair value of the relevant reference assets was approximately JPY 20 billion.)

†1 Excluded CDS shown in line 4 and 7 of the above table

†2 Translated the relevant amount of cash in foreign currency at the exchange rate in effect at the end of Mar, 2009

†3 Based on the lowest external ratings as of Mar. 31, 2009

- The majority of the above CDS contracts were with counterparties with external ratings of "AA" range or higher (as of Mar. 31, 2009), and the relevant reference assets were securitization products backed mainly by claims against corporations.

2. Other information (March 31, 2009)

➤ **US government-owned corporation (Ginnie Mae) bonds and GSE (government-sponsored enterprises: Fannie Mae, Freddie Mac) bonds (Trading Account)**

- The total balance of RMBS, which were issued or guaranteed by the US government-owned corporation or GSE, was minimal.
- Approximately JPY 38 billion of the corporate bonds issued by Fannie Mae and Freddie Mac was held for the purpose of, among other things, market-making activities in the US, and all the bonds were subject to mark-to-market accounting so that there were no unrealized losses (the recorded gains/losses for fiscal 2008 were approximately JPY -2 billion).

There was no holding of stocks of these entities.