



July 31, 2009

Summary of Financial Statements for the Three Months Ended June 30, 2009

Listed company's name: **Mizuho Securities Co., Ltd.**

Listed on: 1st sections of TSE, OSE, NSE

Stock code: 8606

URL: <http://www.mizuho-sc.com/>

Representative: Keisuke Yokoo, President

Contact: Tetsuya Gonda, General Manager of Accounting Dept. on +81 3-5208-3210

The quarterly financial report is scheduled to be submitted on August 14, 2009

Scheduled date of dividend payment: -

1. Consolidated Financial Results for the Three Months Ended June 30, 2009

(April 1, 2009 to June 30, 2009)

(Amounts rounded down to the nearest million yen)

(1) Consolidated operating results

(Percentage figures represent year-on-year changes)

	Operating revenue		Net operating revenue		Operating income		Ordinary income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2009	95,325	-	77,361	-	28,030	-	28,891	-
Three months ended June 30, 2008	36,617	-	32,353	-	3,392	-	3,997	-

	Net income		Net income per share	Net income per share - fully diluted
	million yen	%	yen	yen
Three months ended June 30, 2009	129,514	-	97.31	-
Three months ended June 30, 2008	2,704	-	3.50	3.50

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
June 30, 2009	19,679,459	606,251	3.0	367.02
March 31, 2009	2,713,634	249,921	9.0	315.13

Reference: Equity (Net assets less minority interests): June 30, 2009: 583,031 million yen

March 31, 2009: 243,595 million yen

2. Dividends

Record date	Dividend per share				
	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Mar. 31	Full year
Year ended March 31, 2009	yen -	yen -	yen -	yen 3.00	yen 3.00
Year ending March 31, 2010	-				
Year ending March 31, 2010 (forecast)		-	-	-	-

Notes: Revision of dividend forecast during the three months ended June 30, 2009: None
Dividends for the year ending March 31, 2010, are yet to be determined.

3. Forecast of Consolidated Earnings for the Year Ending March 31, 2010 (April 1, 2009 to March 31, 2010)

Notes: Revision of earnings forecast during the three months ended June 30, 2009: None
Because the Company's earnings are strongly influenced by market conditions, we do not produce forecasts of business results.

4. Other Information

- (1) Change in significant subsidiaries (changes to the scope of consolidation) during the period:
Newly consolidated: 1 company (Mizuho International plc)
Excluded from the scope of consolidation: None
Note: For details, see "4. Other information" on page 5 in the "Business Results and Financial Statements" section.
- (2) Application of simplified accounting methods and/or accounting methods specific to the preparation of quarterly consolidated financial statements: Yes
Note: For details, see "4. Other information" on page 5 in the "Business Results and Financial Statements" section.
- (3) Changes in accounting principles, procedures, and methods of presentation applicable to the preparation of quarterly consolidated financial statements:
 - 1) Changes in accordance with revisions to accounting standards: None
 - 2) Changes other than 1) above: Yes
Note: For details, see "4. Other information" on page 5 in the "Business Results and Financial Statements" section.
- (4) Number of shares issued and outstanding (common stock)
 - 1) Number of shares issued at end of the period (treasury stock included):

June 30, 2009:	1,626,688,683 shares
March 31, 2009:	811,118,683 shares
 - 2) Number of treasury stock at end of the period:

June 30, 2009:	38,142,449 shares
March 31, 2009:	38,116,521 shares
 - 3) Average number of shares outstanding (for the three months):

Three months ended June 30, 2009:	1,330,886,039 shares
Three months ended June 30, 2008:	773,173,952 shares

* Appropriate Use of Financial Forecasts and Other Important Matters

1. The company's basic dividend policy calls for dividends to be determined flexibly based on earnings. However, producing adequate forecasts of earnings is difficult since the Group companies are mainly involved in the securities business, and earnings are significantly affected by changes in market conditions and other factors. Dividends forecasts are therefore not available as of the date of this report.
2. For this quarter (April 1, 2009 to June 30, 2009), the consolidated financial statements are prepared in accordance with the revised Accounting Standard for Quarterly Financial Reporting based on "Cabinet Office Ordinance for Amendments to the Regulations on the Terminology, Format, and Preparation of Financial Statements" (Cabinet Office Ordinance No. 5, March 24, 2009) with its supplementary provision Art. 7 (proviso to 1-1 and 1-4).

Notes:

1. Consolidated results of operations

On May 7, 2009, the Company merged with former Mizuho Securities Co., Ltd.

Because the merger was accounted for as a reverse acquisition under the accounting standards for business combinations, the results for the three months ended June 30, 2009 were calculated as the sum of the consolidated results of the former Mizuho Securities Co., Ltd. for up to May 6, 2009 of the fiscal year and the consolidated results of new Mizuho Securities Co., Ltd for after May 7, 2009 of the fiscal year.

As a result, year-on-year comparisons are not provided.

2. Net income per share for the three months ended June 30, 2009

The average number of shares during the period is calculated using the number of issued shares allocated to shareholders of the former Mizuho Securities Co., Ltd. at the time of the merger on May 7, 2009 (from April 1, 2009 to May 6, 2009), and that of shares outstanding by new Mizuho Securities Co., Ltd. (from May 7, 2009 to June 30, 2009).

Business Results and Financial Statements

1. Analysis of consolidated business results

Despite the continuing economic downturn due to the global financial crisis, the Japanese economy in the first quarter of fiscal 2009 showed its first signs of recovery, as exports and production activities rebounded on the back of increased inventory adjustments in Japan and overseas and the positive effects of government economic stimulus packages. Overall, the Japanese economy appears to have halted its slide deeper into recession, although consumer demand is expected to take longer to recover due to lingering corporate investment and employment surpluses. The Japanese stock market has also begun to recover following the worldwide decline in stock values in early spring. The Nikkei Stock Average started the quarter around the 8,300 yen range, but by early June was back above the 10,000 yen barrier for the first time in 8 months due to the effects of the financial stabilization measures in the United States and growing signs of the anticipated economic recovery. By the end of the first quarter, this figure has fallen back to the 9,900 yen range upon appreciation of the yen. In the bond market, there is increased speculation that the current rebound in the stock market and rising long-term interest rates in the United States will lead to higher interest rates in Japan. This is evidenced by 10-year Japanese government bond (JGB) yields which temporarily reached the mid-1.5% range before a boost in the supply-demand relationship pushed yields back down to the mid-1.3% range by the end of the first quarter.

Overseas, the U.S. economy has seen improved business sentiment as expectations grow that substantial economic stimulus measures will soon take effect and turmoil in the financial markets eases. Housing sales have also begun to bottom out as an early sign of economic recovery. In Europe, increased inventory adjustments are also indicating improved corporate business sentiment. In the stock markets, the rebound continued in the United States until early June, before caution returned at the end of the quarter, while in Europe, the first quarter revival of the stock market mirrored stock price trends in the United States. In the bond market, rising oil prices and concern over the growing fiscal deficit saw long-term interest rates continue to rise in Europe and the United States, but this trend had eased by the end of the quarter on the back of high stock prices and limited investment risk appetite.

A new page was opened in the history of the Company on May 7, 2009 with the merger with the former Mizuho Securities and the changing of our trade name to "Mizuho Securities Co., Ltd". The most pressing issue for our new firm is to achieve greater profitability through the rapid realization of merger synergies and establishment of more efficient organizational and business structures.

Under such business environment in the first quarter of year ending March 31, 2010, our Group achieved consolidated operating revenue of 95,325 million yen, ordinary income of 28,891 million yen and a net income of 129,514 million yen. An overview of our financial performance is shown below.

(1) Commissions and fees received

Total commissions and fees for the three months ended June 30, 2009, totaled 33,649 million yen. A breakdown of this income appears below.

• Brokerage commissions

Daily trading volume on the First and Second Sections of the Tokyo Stock Exchange averaged 1,705.6 billion yen in the three months ended June 30, 2009. The Company's brokerage trading volume was 3,365 million shares, with an aggregate value of 2,454.9 billion yen and the Group's brokerage commissions on equity trades totaled 6,503 million yen.

• Underwriting and selling fees, and commissions from solicitation to qualifying investors

In the equity issuance market, we were lead underwriters for public offering and placement of shares for two companies, including one initial public offering. As a result, the Group's underwriting commissions on equity totaled 4,039 million yen.

Meanwhile, in the bond issuance market, we were sole lead or joint lead underwriters for 34 straight corporate bond issues, and we were lead underwriters for 14 FILP Agency Bonds issues. As a result, underwriting commissions on bonds totaled 5,122 million yen.

• **Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors**

This income principally comes from distribution commissions on investment trusts.

Against a background of stabilization of financial market and expectation of economic recovery, we marketed a newly launched world-wide convertible bond investment trusts aiming to earn benefit at a lowering phase of credit risk.

We also continued to market existing investment trusts, including ones specialized in financial sector and those related to emerging markets such as BRICs. In the three months ended June 30, 2009, commissions and fees in this segment totaled 3,083 million yen.

• **Other commissions and fees**

Other fees and commissions include investment trust service fees, sales commissions on wrap accounts and annuities, and M&A and IPO advisory fees. In the three months ended June 30, 2009, other commissions totaled 13,377 million yen.

(2) Gains on trading

Net trading gains on equities were 1,382 million yen, and net trading gains on bonds and others were 31,209 million yen. Net trading gains for the first three months of the fiscal year totaled 32,592 million yen.

(3) Financial income and expenses

Financial income amounted to 29,220 million yen, and financial expenses totaled 17,963 million yen, resulting in net financial income of 11,256 million yen.

(4) Selling, general and administrative expenses

Selling, general and administrative expenses totaled 49,331 million yen.

(5) Extraordinary gains and losses

Extraordinary gains for the three months ended June 30, 2009, includes a 110,219 million yen gain on the negative goodwill. Extraordinary losses in the period include 2,919 million yen in merger-related expenses and a 605 million yen loss on disposal of fixed assets. The net resulted in extraordinary gains of 106,671 million yen.

2. Analysis of consolidated financial position

Total consolidated assets at June 30, 2009, stood at 19,679,459 million yen, an increase of 16,965,825 million yen from the end of last fiscal year (March 31, 2009) due to merger with former Mizuho Securities. Consolidated current assets at June 30, 2009, stood at 19,417,567 million yen, an increase of 16,817,648 million yen from the end of last fiscal year. Total consolidated liabilities at June 30, 2009, stood at 19,073,208 million yen, an increase of 16,609,494 million yen from the end of last fiscal year.

Net assets ended the period at 606,251 million yen, an increase of 356,330 million yen from the end of last fiscal year. As a result, equity ratio was 3.0%.

3. Consolidated earnings forecast

Because the main business of the Group is the securities business, our earnings are significantly influenced by market conditions and other factors. For this reason, we do not produce forecasts of our business results.

4. Other information

(1) Change in significant subsidiaries (changes to the scope of consolidation) during the period

As a result of merger with former Mizuho Securities Co., Ltd on May 7, 2009, one of its subsidiaries, Mizuho International plc is now added to the scope of consolidation from this quarter.

(2) Application of simplified accounting methods and/or accounting methods specific to the preparation of quarterly consolidated financial statements

- 1) Use of simplified accounting methods

Depreciation of fixed assets

For fixed assets that are depreciated by declining-balance method or other methods we calculate quarterly depreciation expense by prorating the annual depreciation expense.

- 2) Accounting methods specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting principles, procedures, and methods of presentation applicable to the preparation of quarterly consolidated financial statements
- 1) Changes in accordance with revisions to accounting standards: None
 - 2) Other changes
 - (i) Accounting Standard for Business Combinations (ASBJ Statement No.21 December 26, 2008), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No.22 December 26, 2008), Partial amendments to Accounting Standard for Research and Development Costs (ASBJ Statement No.23 December 26, 2008), Revised Accounting Standard for Business Divestitures (ASBJ Statement No.7 December 26, 2008), Revised Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No.16 (Revised 2008)) and Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No.10 (Revised 2008)) are issued and are allowed to be applied to business combinations or business divestitures occurred after the financial period starting on or after April 1, 2009. The Company applied these standards and guidance from this quarter.
 - (ii) “Cabinet Office Ordinance for Amendments to the Regulations on the Terminology, Format, and Preparation of Financial Statements” (Cabinet Office Ordinance No. 5, March 24, 2009) is applicable to the financial period starting on or after April 1, 2009 as per Accounting Standard for Consolidated Financial Statements (ASBJ Statement No.22). As a result “Income before minority interests” is shown in statement of income from this quarter.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(In million yen)

	As of June 30, 2009	As of March 31, 2009
Assets		
Current assets		
Cash on hand and bank deposits	148,383	172,838
Cash segregated as deposits related to securities transactions	82,300	42,297
Trading assets	6,828,799	1,317,692
Trading securities and others	5,905,962	1,294,088
Operating loan assets	36,583	-
Derivatives	886,253	23,603
Receivables - unsettled trades	-	39,289
Operating investment securities	86,825	9,551
Operating loan receivables	2,051	-
Receivables related to margin transactions	50,997	31,502
Customers' loans receivable under margin transactions	24,751	13,075
Collateral for borrowed securities under margin transactions	26,245	18,426
Collateralized short-term financing agreements	11,857,313	948,137
Deposits paid for securities borrowed	2,975,670	796,087
Securities purchased under agreements to resell	8,881,643	152,050
Advances	3,201	739
Securities: fail to deliver	26,375	-
Short-term loans receivable	8,002	70
Securities	8,464	7,627
Deferred tax assets	11,511	4,130
Other current assets	303,897	26,571
Less: Allowance for doubtful accounts	(556)	(530)
Total current assets	19,417,567	2,599,918
Fixed assets		
Tangible fixed assets	45,224	33,400
Intangible fixed assets	112,990	28,221
Investments and other assets	103,677	52,094
Investment securities	74,153	30,605
Log-term deposits	19,344	10,453
Deferred tax assets	723	791
Other	14,031	13,171
Less: Allowance for doubtful accounts	(4,575)	(2,926)
Total fixed assets	261,892	113,716
Total assets	19,679,459	2,713,634

(In million yen)

	As of June 30, 2009	As of March 31, 2009
Liabilities		
Current liabilities		
Trading liabilities	3,592,679	636,694
Trading securities and others	2,744,969	609,335
Derivatives	847,710	27,358
Payable – unsettled trades	134,460	-
Payables related to margin transactions	25,434	12,286
Customers' loans payable under margin transactions	13,757	7,193
Collateral for loaned securities under margin transactions	11,676	5,092
Collateralized short-term financing agreements	11,436,998	1,014,579
Deposits received for securities loaned	1,834,929	667,767
Securities sold under agreements to repurchase	9,602,068	346,811
Deposits received	63,645	31,976
Received margins	215,365	17,527
Securities: fail to receive	38,353	-
Short-term borrowings	2,145,745	571,770
Commercial paper	188,900	81,500
Short-term bonds and notes	88,546	-
Lease obligation	1,319	96
Income taxes payable	1,222	487
Accrued employee's bonuses	9,286	2,754
Accrued directors' bonuses	-	23
Deferred tax liabilities	6	-
Allowance for bonus points redemption	1,200	1,136
Other current liabilities	53,721	6,680
Total current liabilities	17,996,885	2,377,514
Fixed liabilities		
Corporate bonds	478,296	33,000
Long-term borrowings	574,423	40,300
Lease obligation	1,789	351
Deferred tax liabilities	3,273	3,452
Reserve for retirement benefits	13,857	5,604
Reserve for directors' retirement benefits	291	796
Reserve for executive officers' retirement benefits	172	1,059
Other fixed liabilities	2,356	1,212
Total fixed liabilities	1,074,460	85,776
Statutory reserve		
Reserve for financial instrument transaction liabilities	1,862	422
Total statutory reserve	1,862	422
Total liabilities	19,073,208	2,463,713

(In million yen)

	As of June 30, 2009	As of March 31, 2009
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	389,660	82,973
Retained earnings	130,071	41,570
Treasury stock	(7,434)	(7,426)
	<u>637,464</u>	<u>242,284</u>
	Total shareholders' equity	
Valuation and translation adjustments		
Net unrealized gains on other securities, net of taxes	3,258	1,214
Foreign currency translation adjustments	(57,691)	95
	<u>(54,433)</u>	<u>1,310</u>
	Total valuation and translation adjustments	
Minority interests	23,220	6,325
Total net assets	<u>606,251</u>	<u>249,921</u>
Total net assets and liabilities	<u>19,679,459</u>	<u>2,713,634</u>

(2) Consolidated Statements of Income

	(In million yen)	
	Three months ended June 30, 2008	Three months ended June 30, 2009
Operating revenues		
Commissions and fees	15,396	33,649
Brokerage commissions	5,748	7,937
Underwriting and selling fees, and commissions from solicitation to qualifying investors	415	9,250
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	3,192	3,083
Other commissions and fees	6,040	13,377
Gain on trading, net	17,040	32,592
Loss on sales of operating investment securities	(17)	(136)
Interest and dividend income	4,197	29,220
	Total operating revenues	36,617
Financial expenses	4,263	17,963
Net operating revenues	32,353	77,361
Selling, general and administrative expenses	28,961	49,331
Transaction expenses	4,425	7,570
Personnel expenses	13,257	24,797
Real estate expenses	4,056	6,059
Office expenses	2,462	3,896
Depreciation and amortization	3,314	5,021
Taxes and dues	367	510
Provision of allowance for doubtful accounts	21	-
Other	1,055	1,475
Operating income	3,392	28,030
Non-operating revenues	1,153	1,481
Non-operating expenses	548	619
Ordinary income	3,997	28,891
Extraordinary gains	361	110,257
Gain on sale of investment securities, net	3	1
Gain on negative goodwill	-	110,219
Reversal of foreign currency translation adjustments due to liquidation of overseas subsidiaries	357	-
Reversal of allowance for doubtful accounts	-	37
Extraordinary losses	316	3,586
Loss on disposition of fixed assets	33	605
Loss on sale of investment securities, net	0	1
Loss on valuation of investment securities	6	8
Loss on valuation of golf club membership	-	28
Expenses related to merger	254	2,919
Provision for reserve for financial instrument transaction liabilities	20	23
Income before income taxes and minority interests	4,042	135,563
Income taxes - current	151	1,684
Income taxes - deferred	1,086	3,907
Total income taxes	1,238	5,591
Income before minority interests	-	129,971
Minority interests	99	456
Net income	2,704	129,514

(3) Note on the going-concern assumption: Not applicable**(4) Note on significant changes in the amount of shareholders' equity:**

On May 7, 2009, the Company merged with former Mizuho Securities Co., Ltd.

Because the merger was accounted for as a reverse acquisition under the accounting standards for business combinations, the beginning balance of shareholders' equity is that of former Mizuho Securities Co., Ltd.

Major items and amounts of changes for each components in shareholders' equity are as follows:

	Shareholders' equity (In million yen)				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2009 (note.1)	250,000	75,742	556	-	326,298
Changes during the period					
Net income for the quarter			129,514		129,514
Acquisition of treasury stock				(5)	(5)
Retirement of treasury stock		1		2	4
Increase due to merger (note.2)		313,916		(7,431)	306,484
Decrease due to merger (note.2)	(124,832)				(124,832)
Total changes during the period	(124,832)	313,917	129,514	(7,434)	311,166
Balance at June 30, 2009	125,167	389,660	130,071	(7,434)	637,464

Notes:

1. The balance as of March 31, 2009 is the consolidated beginning balance of former Mizuho Securities Co., Ltd.
2. "Increase due to merger" and "decrease due to merger" are caused due to the application of acquisition method for the merger, and mainly the acquisition cost and related costs of acquired company.

(Additional Information)

Matters related to Combination

On May 7, 2009, the Company merged with former Mizuho Securities Co., Ltd. (“former MHSC”), following “Basic Agreement for Merger” signed on April 28, 2008 and “Merger Agreement” signed on March 4, 2009.

1. Name of the acquired company, business type, major reasons for the combination, date of the combination, legal form of the combination, name of the company after the combination and grounds for determination of the acquiring company

a. Acquired company	The Company
b. Business type	Financial Instruments Business
c. Major reasons for the combination	It was determined that it is necessary, as a member of the Mizuho Financial Group, to leverage the Company’s strength as a securities arm of a banking institution, to become more competitive in a market where there is now greater uncertainty, to improve our service providing-capabilities to our clients and furthermore to reestablish our business to enable us to offer competitive cutting-edge financial services on a global basis.
d. Date of the combination	May 7, 2009
e. Legal form of the combination	The Company is the surviving entity, and the former MHSC is the dissolving entity.
f. Name of the company after the combination	Mizuho Securities, Co., Ltd.
g. Grounds for determination of the acquiring company	As Mizuho Corporate Bank, Ltd., a shareholder of the former MHSC which is the legal dissolving entity, holds over half of the new company’s voting rights as a result of the Merger, the former MHSC is considered to be the acquiring company and the Company is the acquired company under Accounting Standards for Business Combination.

2. Period of the acquired company’s results included in the quarterly consolidated financial statements
From May 7, 2009 to June 30, 2009

3. Acquisition cost and its breakdown of the acquired company

Consideration for acquisition: Common stock of the former MHSC	181,658 million yen
Expenses directly attributable to the combination: Advisory fees and others	118 million yen
Total Acquisition cost:	181,777 million yen

4. Merger ratio, calculation method, number of new shares to be issued

a. Merger ratio:

Type of share issued	The Company (surviving entity)	Former MHSC (dissolving entity)
Common stock	1	122

b. Calculation method of merger ratio:

In calculating the merger ratio, the Company and former MHSC appointed third-party appraisers respectively for the sake of fairness. Both parties concluded the above merger ratio is appropriate, considering the valuation of respective appraisers, financial condition and asset situation of each parties, and other factors in a comprehensive manner.

c. Number of new shares to be issued:

Common stock: 815,570,000 shares

5. Amount, cause and accounting method of negative goodwill recognized

a. Amount of negative goodwill recognized: 110,219 million yen

b. Cause:

The fair value of the Company's net assets at the time of merger exceeded the acquisition cost, and the difference was recognized as a negative goodwill in the consolidated financial statements.

c. Accounting method:

Recorded as income for the fiscal year in which the negative goodwill is recognized, with early adoption of "Accounting Standard for Business Combinations" (ASBJ Statement No.21, December 26, 2008).

6. Amount and breakdown of assets received and liabilities undertaken on the combination date

a. Assets:

Current assets:	2,132,487 million yen
Trading assets included in the above:	1,008,003 million yen
Fixed assets:	190,825 million yen
Total assets:	2,323,312 million yen

b. Liabilities:

Current liabilities:	1,911,981 million yen
Trading liabilities included in the above:	671,840 million yen
Fixed liabilities:	111,036 million yen
Total liabilities:	2,023,440 million yen

7. Amount allocated to intangible fixed assets other than goodwill, breakdown by major type, and weighted-average amortization period in total and by major type

a. Amount allocated to intangible fixed assets: 73,949 million yen

b. Breakdown by major type:

Customer-Related Assets: 73,949 million yen

c. Weighted-average amortization period in total and by major type:

Customer-Related Assets: 16 years

6. Other information

(1) Commissions and fees

1) Breakdown by items

(In million yen)

	Three months ended June 30, 2008	Three months ended June 30, 2009
	former Shinko Securities	
Brokerage commissions	5,748	7,937
Equities	5,727	6,503
Bonds	8	1,419
Underwriting and selling fees, and commissions from solicitation to qualifying investors	415	9,250
Equities	72	4,039
Bonds	343	5,122
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	3,192	3,083
Other commissions and fees	6,040	13,377
Total	15,396	33,649

2) Breakdown by instruments

(In million yen)

	Three months ended June 30, 2008	Three months ended June 30, 2009
	former Shinko Securities	
Equities	5,859	10,779
Bonds	530	6,559
Beneficiary certificates	7,412	5,399
Others	1,593	10,911
Total	15,396	33,649

(2) Gain (loss) on trading, net

(In million yen)

	Three months ended June 30, 2008	Three months ended June 30, 2009
	former Shinko Securities	
Equities	5,602	1,382
Bonds, others	11,438	31,209
Bonds	14,124	34,029
Others	(2,686)	(2,819)
Total	17,040	32,592

(3) Capital adequacy requirement ratio

(In million yen)

		As of June 30, 2009	As of March 31, 2009 former Shinko Securities
Basic items	Total capital (A)	575,420	231,191
Supplemental items	Difference in valuation (valuation gains) of other securities	2,898	1,544
	Reserve for financial instrument transaction liabilities, etc.	1,839	397
	Allowance for doubtful accounts	60	87
	Subordinated long-term borrowings	166,000	17,000
	Subordinated short-term borrowings	170,650	43,650
	Total (B)	341,448	62,679
	Deducted assets (C)	334,450	88,274
Equity after deduction	(A) + (B) - (C) (D)	582,417	205,596
Amount equivalent to risk	Amount equivalent to market risk	82,008	25,767
	Amount equivalent to counterparty risk	35,104	7,076
	Amount equivalent to fundamental risk	49,841	26,653
	Total (E)	166,953	59,497
Capital adequacy requirement ratio (D)/(E) * 100 (%)		348.8%	345.5%

Note: The capital adequacy requirement ratio above is based on non-consolidated figures.

(4) Consolidated Quarterly Statements of Operations

(In million yen)

	First quarter ended June 2008	Second quarter ended September 2008	Third quarter ended December 2008	Fourth quarter ended March 2009	First quarter ended June 2009
	Apr. 1, 2008 - Jun. 30, 2008	Jul. 1, 2008 - Sep. 30, 2008	Oct. 1, 2008 - Dec. 31, 2008	Jan. 1, 2009- Mar. 31, 2009	Apr. 1, 2009- Jun. 30, 2009
	former Shinko Securities				
Operating revenues	36,617	26,783	21,681	21,999	95,325
Commissions and fees	15,396	13,998	11,877	11,727	33,649
Brokerage commissions	5,748	3,769	4,142	3,285	7,937
Equities	5,727	3,749	4,064	3,229	6,503
Bonds	8	5	26	22	1,419
Underwriting and selling fees, and commissions from solicitation to qualifying investors	415	498	904	378	9,250
Equities	72	181	72	45	4,039
Bonds	343	316	832	333	5,122
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	3,192	4,030	2,635	4,193	3,083
Other commissions and fees	6,040	5,700	4,195	3,869	13,377
Gain (loss) on trading, net	17,040	9,047	6,628	6,826	32,592
Equities	5,602	408	598	1,624	1,382
Bonds, other	11,438	8,638	6,030	5,202	31,209
Bonds	14,124	4,995	(955)	9,072	34,029
Other	(2,686)	3,643	6,985	(3,870)	(2,819)
Loss on sales operating investment securities	(17)	(533)	(278)	(426)	(136)
Interest and dividend income	4,197	4,270	3,454	3,872	29,220
Financial expenses	4,263	3,874	3,384	2,057	17,963
Net operating revenues	32,353	22,908	18,297	19,941	77,361
Selling, general and administrative expenses	28,961	27,317	26,973	26,134	49,331
Transaction expenses	4,425	4,000	3,923	3,254	7,570
Personnel expenses	13,257	12,184	11,979	11,876	24,797
Real estate expenses	4,056	3,845	3,603	3,753	6,059
Office expenses	2,462	2,612	2,497	2,231	3,896
Depreciation and amortization	3,314	3,333	3,417	3,636	5,021
Taxes and dues	367	276	199	186	510
Other	1,077	1,064	1,352	1,195	1,475
Operating income (losses)	3,392	(4,408)	(8,676)	(6,192)	28,030
Non-operating revenues	1,153	1,162	564	1,059	1,481
Non-operating expenses	548	551	418	778	619
Ordinary income (losses)	3,997	(3,797)	(8,530)	(5,912)	28,891
Extraordinary gains	361	1,892	4,084	248	110,257
Extraordinary losses	316	1,805	1,890	1,365	3,586
Income (losses) before income taxes and minority interests	4,042	(3,710)	(6,335)	(7,028)	135,563
Income taxes - current	151	254	(74)	192	1,684
Income taxes - deferred	1,086	(1,411)	215	(116)	3,907
Income before minority interests	-	-	-	-	129,971
Minority interests	99	94	(23)	(32)	456
Net income (losses)	2,704	(2,647)	(6,453)	(7,071)	129,514

Reference: Non-Consolidated Financial Results for the three months ended June 30, 2009**Non-consolidated Balance Sheet**

(In million yen)

As of June 30, 2009

Assets	
Current assets	
Cash on hand and bank deposits	76,317
Cash segregated as deposits related to securities transactions	78,874
Trading assets	5,459,048
Trading securities and others	4,625,268
Operating loan assets	36,583
Derivatives	797,196
Receivables - unsettled trades	72,127
Operating investment securities	32,660
Receivables related to margin transactions	47,151
Customers' loans receivable under margin transactions	21,416
Collateral for borrowed securities under margin transactions	25,735
Collateralized short-term financing agreements	3,075,131
Deposits paid for securities borrowed	2,975,974
Securities purchased under agreements to resell	99,157
Advances	845
Securities: fail to deliver	0
Short-term loans receivable	67,210
Deferred tax assets	10,383
Other current assets	140,392
Less: Allowance for doubtful accounts	(539)
Total current assets	9,059,606
Fixed assets	
Tangible fixed assets	17,408
Intangible fixed assets	38,632
Investments and other assets	284,270
Investment securities	223,998
Log-term deposits	16,675
Deferred tax assets	31,387
Other	16,123
Less: Allowance for doubtful accounts	(3,914)
Total fixed assets	340,310
Total assets	9,399,916

(In million yen)

As of June 30, 2009

Liabilities	
Current liabilities	
Trading liabilities	3,236,077
Trading securities and others	2,560,810
Derivatives	675,266
Payables related to margin transactions	23,828
Customers' loans payable under margin transactions	12,630
Collateral for loaned securities under margin transactions	11,198
Collateralized short-term financing agreements	2,318,064
Deposits received for securities loaned	1,837,391
Securities sold under agreements to repurchase	480,672
Deposits received	49,592
Received margins	76,672
Securities: fail to receive	8
Short-term borrowings	2,016,025
Commercial paper	188,900
Short-term bonds and notes	57,272
Lease obligation	1,248
Income taxes payable	299
Accrued employee's bonuses	3,025
Allowance for bonus points redemption	1,200
Reserve for affiliate reorganization loss	890
Other current liabilities	20,850
Total current liabilities	7,993,955
Fixed liabilities	
Corporate bonds	255,890
Long-term borrowings	555,231
Lease obligation	1,720
Reserve for retirement benefits	11,098
Other fixed liabilities	1,863
Total fixed liabilities	825,803
Statutory reserve	
Reserve for financial instrument transaction liabilities	1,839
Total statutory reserve	1,839
Total liabilities	8,821,597

(In million yen)

As of June 30, 2009

Net assets	
Shareholders' equity	
Common stock	125,167
Capital surplus	411,310
Retained earnings	46,375
Treasury stock	(7,432)
	Total shareholders' equity
	575,420
Valuation and translation adjustments	
Net unrealized gains on other securities, net of taxes	4,258
Net deferred hedge gains (losses), net of taxes	(1,359)
	Total valuation and translation adjustments
	2,898
Total net assets	578,318
Total net assets and liabilities	9,399,916

(Notes)

Non-consolidated balance sheet above is produced based on quarterly financial statements, but is not subject to auditor's reviews for statutory reporting purpose.

Non-consolidated Statement of Income

	(In million yen)
	Three months ended June 30, 2009
Operating revenues	
Commissions and fees	29,028
Gain on trading, net	19,541
Loss on sales of operating investment securities	(168)
Interest and dividend income	6,554
	<u>54,957</u>
Financial expenses	4,698
Net operating revenue	<u>50,258</u>
Selling, general and administrative expenses	36,888
Transaction expenses	5,290
Personnel expenses	15,408
Real estate expenses	5,702
Office expenses	4,759
Depreciation and amortization	4,406
Taxes and dues	433
Other	887
Operating income	<u>13,369</u>
Non-operating revenues	887
Non-operating expenses	81
Ordinary income	<u>14,175</u>
Extraordinary gains	78
Gain on sale of investment securities, net	14
Reversal of allowance for doubtful accounts	64
Extraordinary losses	4,856
Loss on sale of fixed assets	0
Loss on disposition of fixed assets	610
Loss on sale of investment securities, net	3
Loss on valuation of investment securities	6
Loss on valuation of golf club membership	28
Prior year adjustment - Depreciation	1,634
Expenses related to merger	2,547
Provision for reserve for financial instrument transaction liabilities	24
Income before income taxes	<u>9,397</u>
Income taxes - current	30
Income taxes - deferred	(6,079)
Net income	<u>15,447</u>

(Notes)

Non-consolidated statement of income above is produced based on quarterly financial statements, but is not subject to auditor's reviews for statutory reporting purpose.

[Reference] Breakdown of securitization products

1. Foreign currency denominated securitization products

[Managerial accounting basis]

(JPY Bn, round figures)

Mizuho Securities (including overseas subsidiaries)
=Trading account

	Balances as of Mar. 31, 2009	Marks (%) as of Mar. 31, 2009	Balances as of Jun. 30, 2009	Marks (%) as of Jun. 30, 2009	Realized Gains/Losses for 1Q FY2009 (Apr.1-Jun.30,2009)
	(Fair Value)	(=Fair Value/ Face Value)	(Fair Value)	(=Fair Value/ Face Value)	
1 Foreign currency denominated securitization products	39	12	*1 36	11	1
2 ABSCDOs, CDOs	6	2	1	0	-0
3 CDOs backed by RMBS	6	2	*2 1	0	-0
4 CDOs except above	-	-	-	-	0
5 CDOs backed by claims against corporations	-	-	-	-	-
6 CDOs backed by CMBS	-	-	-	-	0
7 RMBS	1	1	0	1	0
8 RMBS backed by US subprime mortgage loans	0	2	0	1	-0
9 RMBS except above (RMBS backed by mid-prime loans, prime loans and others)	*3 1	*3 1	*3 0	*3 1	*3 0
10 RMBS backed by mid-prime loans (Alt-A)	0	1	0	1	0
11 ABS, CLOs and others	32	79	35	80	1
12 CLOs	24	83	24	82	-0
13 CMBS	0	14	0	14	-0
14 SIV-related	*4 8	72	*4 11	78	1

*1 The change in balance from Mar. 31, 2009 (approximately JPY -3 billion) included approximately JPY 1 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 20%. Approximately 40% of the balance (fair value) consisted of Super Senior tranche.

*3 Excluded US government-owned corporation bonds and government-sponsored enterprise bonds (please refer to page 2-8 for the balances of those bonds held by Mizuho Financial Group).

*4 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 Jun. 30, 2009)

- The notional amount of CDS referring to securitization products at Mizuho Securities was approximately JPY 265 billion (JPY 298 billion as of Mar. 31, 2009), and the fair value of the relevant reference assets (securitization products) was approximately JPY 222 billion (JPY 208 billion as of Mar. 31, 2009). NPV, or the estimated amount claimable for the settlement of the CDS, was approximately JPY 43 billion, which was the difference between the notional amount and the fair value. The net estimated amount claimable for the settlement of the CDS after deducting reserves for counterparty risks (approximately JPY 10 billion) was approximately JPY 33 billion. (The above included CDS contracts with a US monoline (external ratings as of Jun. 30, 2009: AA-*1), of which the notional amount was approximately JPY 21 billion and the fair value of the relevant reference assets was approximately JPY 16 billion.)

*1 Based on the lowest external ratings as of Jun. 30, 2009

- More than 40% of the notional amount of the above CDS contracts was with counterparties with external ratings in the "AA" range or higher (as of Jun. 30, 2009), and the relevant reference assets were securitization products backed mainly by claims against corporations.

(The figures below are rounded to JPY 1 Bn)

2. Other information (June 30, 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 137 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 losses in the first quarter of fiscal 2009 were minimal).

There was no holding of stocks of these entities.