



October 30, 2009

Summary of Financial Statements for the Six months ended September 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 November 13, 2009

Scheduled date of dividend payment: -

1. Consolidated Financial Results for the Six months ended September 30, 2009

(April 1, 2009 to September 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	%
Six months ended September 30, 2009	175,698	-	143,263	-	37,745	-	39,012	-
Six months ended September 30, 2008	63,400	-	55,262	-	(994)	-	221	-

	Net income		Net income per share	Net income per share - fully diluted
	million yen	%	yen	yen
Six months ended September 30, 2009	135,711	-	92.97	92.95
Six months ended September 30, 2008	56	-	0.07	0.07

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
September 30, 2009	22,975,475	607,058	2.5	367.63
March 31, 2009	2,713,634	249,921	9.0	315.13

Reference: Equity (Net assets less minority interests): September 30, 2009: 583,987 million yen

March 31, 2009: 243,595 million yen

2. Dividends

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

Notes: Revision of dividend forecast during the six months ended September 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 six months ended September 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 (1)" 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 (2)" 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 (3)" on page 6 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):

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

September 30, 2009:	38,168,068 shares
March 31, 2009:	38,116,521 shares
 - 3) Average number of shares outstanding (for the six months):

Six months ended September 30, 2009:	1,459,707,017 shares
Six months ended September 30, 2008:	773,139,996 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 half (April 1, 2009 to September 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 six months ended September 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 six months ended September 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 September 30, 2009).

Business Results and Financial Statements

1. Analysis of consolidated business results

The Japanese economy showed signs of recovery in the first half of fiscal 2009, as exports and production activity 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's slide into recession appears to have halted, although private-sector demand recovered only moderately due to continuing curtailment of corporate investment and employment cutbacks. The Japanese stock market has begun to recover from the worldwide decline in stock values in early spring. The Nikkei Stock Average started the fiscal 2009 around 8,300 yen level, and was back above 10,000 yen by early June for the first time in 8 months thanks to the regained financial stability in the United States and to expectations of economic recovery in Japan. Although the Index fell back to just above 9,000 yen in early July as the yen appreciated, it then recovered to 10,639 yen in late August, a level comparable with October last year. However, upside resistance persisted through to the end of the fiscal first half due to uncertainty over Japan's new ruling party and concern over the negative impact of strong yen on corporate earnings. The Nikkei Stock Average ended the fiscal first half above 10,100 yen. The bond market saw increased expectation that interest rates in Japan will rise, considering the current stock market rebound and rising long-term interest rates in the United States. This was evidenced by 10-year Japanese government bond (JGB) yields that temporarily reached mid-1.5% range before improved supply-demand balance and now stabilized overseas interest rates held down yields through to the end of the fiscal first half. They ended in the upper 1.2% range.

Overseas, the U.S. economy saw business sentiment improve as financial markets stabilized somewhat and expectations grew that substantial economic stimulus measures will soon take effect. Housing sales increasingly showed signs of bottoming out, an early sign of economic recovery. In Europe, continued inventory adjustments are indicating improved business sentiment. Stock markets in the United States went through temporary corrections in the period through early July but continued to advance, with support line on continued rise, as investors' appetite for risk returned. Stock markets in Europe continued to pick up, mirroring stock price trends in the United States. In the bond market, rising oil prices and concern over growing fiscal deficit saw long-term interest rates rise momentarily in Europe and the United States, but this trend had eased by the end of the fiscal first half with the ease of inflationary expectations and with a view of prolonged monetary easing.

Under such business environment, in the first six months of the fiscal year, our Group achieved consolidated operating revenue of 175,698 million yen, ordinary income of 39,012 million yen and a net income of 135,711 million yen. An overview of our financial performance is shown below.

(1) Commissions and fees received

Total commissions and fees for the six months ended September 30, 2009, totaled 73,128 million yen. A breakdown appears below.

• Brokerage commissions

Daily trading volume on the First and Second Sections of the Tokyo Stock Exchange averaged 1,602.6 billion yen in the six months ended September 30, 2009. The Company's brokerage trading volume was 7,428 million shares, with an aggregate value of 5,356.3 billion yen and the Group's brokerage commissions on equity trades totaled 14,330 million yen.

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

In the equity primary market, we were lead underwriters for public offering and placement of shares for 4 companies, including one initial public offering. As a result, the Group's underwriting commissions on equity totaled 12,131 million yen.

Meanwhile, in the bond issuance market, we were sole lead or joint lead underwriters for 69 straight corporate bond issues. As a result, underwriting commissions on bonds totaled 9,519 million yen.

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

This income principally comes from distribution commissions of investment trusts.

We started offering "Global CB (Convertible Bonds) Fund", which aimed to benefit from the correction of widened credit spread in expectation of economic recovery from the serious financial turmoil in 2008.

We also started offering "Principal Protected Performance of dbX-Paulson Linked Fund (2009-10) (AUD)", which

aimed to benefit mainly from event driven strategy, and maintenance of AUD principal at redemption. In addition, we continued to market existing investment trusts, including ones specialized in financial sector and those related to emerging markets such as BRICs. In the six months ended September 30, 2009, commissions and fees in this category totaled 9,631 million yen.

• **Other commissions and fees**

Other commissions and fees include investment trust service fees, sales commissions on wrap accounts and annuities, and M&A and IPO advisory fees. In the six months ended September 30, 2009, other commissions totaled 24,721 million yen.

(2) Gains on trading

Net trading gains on equities were 4,244 million yen, and net trading gains on bonds and others were 44,698 million yen. Net trading gains for the first half of the fiscal year totaled 48,943 million yen.

(3) Financial income and expenses

Financial income amounted to 53,648 million yen, and financial expenses totaled 32,434 million yen, resulting in net financial income of 21,214 million yen.

(4) Selling, general and administrative expenses

Selling, general and administrative expenses totaled 105,517 million yen.

(5) Extraordinary gains and losses

Extraordinary gains of 110,223 million include a 110,219 million yen gain on the negative goodwill recognized in the first quarter. Extraordinary losses in the period include 4,179 million yen in merger-related expenses and a 822 million yen loss on disposal of fixed assets. The net resulted in extraordinary gains of 105,052 million yen.

2. Analysis of consolidated financial position

Total consolidated assets at September 30, 2009, stood at 22,975,475 million yen, an increase of 20,261,840 million yen from the end of last fiscal year (March 31, 2009) due to merger with former Mizuho Securities. Consolidated current assets at September 30, 2009, stood at 22,715,655 million yen, an increase of 20,115,737 million yen from the end of last fiscal year.

Total consolidated liabilities at September 30, 2009, stood at 22,368,417 million yen, an increase of 19,904,703 million yen from the end of last fiscal year.

Net assets ended the period at 607,058 million yen, an increase of 357,136 million yen from the end of last fiscal year.

As a result, equity ratio was 2.5%.

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 fiscal year.

(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 fiscal year.
 - (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 fiscal year.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(In million yen)

	As of September 30, 2009	As of March 31, 2009
Assets		
Current assets		
Cash on hand and bank deposits	119,245	172,838
Cash segregated as deposits related to securities transactions	94,044	42,297
Trading assets	7,757,529	1,317,692
Trading securities and others	6,823,958	1,294,088
Operating loan assets	26,604	-
Derivatives	906,966	23,603
Receivables - unsettled trades	-	39,289
Operating investment securities	86,672	9,551
Operating loan receivables	3,551	-
Receivables related to margin transactions	52,313	31,502
Customers' loans receivable under margin transactions	29,899	13,075
Collateral for borrowed securities under margin transactions	22,414	18,426
Collateralized short-term financing agreements	14,261,363	948,137
Deposits paid for securities borrowed	4,080,640	796,087
Securities purchased under agreements to resell	10,180,722	152,050
Advances	3,797	739
Securities: fail to deliver	1,466	-
Short-term loans receivable	8,302	70
Securities	29,174	7,627
Deferred tax assets	17,609	4,130
Other current assets	281,135	26,571
Less: Allowance for doubtful accounts	(551)	(530)
Total current assets	22,715,655	2,599,918
Fixed assets		
Tangible fixed assets	45,069	33,400
Intangible fixed assets	109,748	28,221
Investments and other assets	105,002	52,094
Investment securities	75,257	30,605
Long-term deposits	19,161	10,453
Deferred tax assets	1,805	791
Other	13,132	13,171
Less: Allowance for doubtful accounts	(4,354)	(2,926)
Total fixed assets	259,819	113,716
Total assets	22,975,475	2,713,634

(In million yen)

	As of September 30, 2009	As of March 31, 2009
Liabilities		
Current liabilities		
Trading liabilities	4,495,747	636,694
Trading securities and others	3,636,065	609,335
Derivatives	859,681	27,358
Payable – unsettled trades	299,348	-
Payables related to margin transactions	21,014	12,286
Customers' loans payable under margin transactions	12,722	7,193
Collateral for loaned securities under margin transactions	8,292	5,092
Collateralized short-term financing agreements	12,976,988	1,014,579
Deposits received for securities loaned	2,172,778	667,767
Securities sold under agreements to repurchase	10,804,210	346,811
Deposits received	64,678	31,976
Received margins	222,326	17,527
Securities: fail to receive	13,620	-
Short-term borrowings	2,753,071	571,770
Commercial paper	304,600	81,500
Short-term bonds and notes	72,281	-
Lease obligation	1,177	96
Income taxes payable	1,200	487
Accrued employee's bonuses	15,738	2,754
Accrued directors' bonuses	-	23
Deferred tax liabilities	243	-
Allowance for bonus points redemption	1,156	1,136
Other current liabilities	40,318	6,680
Total current liabilities	21,283,513	2,377,514
Fixed liabilities		
Corporate bonds	485,260	33,000
Long-term borrowings	567,797	40,300
Lease obligation	1,561	351
Deferred tax liabilities	11,339	3,452
Reserve for retirement benefits	14,187	5,604
Reserve for directors' retirement benefits	300	796
Reserve for executive officers' retirement benefits	181	1,059
Other fixed liabilities	2,352	1,212
Total fixed liabilities	1,082,981	85,776
Statutory reserve		
Reserve for financial instrument transaction liabilities	1,922	422
Total statutory reserve	1,922	422
Total liabilities	22,368,417	2,463,713

(In million yen)

	As of September 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	136,268	41,570
Treasury stock	(7,442)	(7,426)
	<u>643,653</u>	<u>242,284</u>
Valuation and translation adjustments		
Net unrealized gains on other securities, net of taxes	3,440	1,214
Foreign currency translation adjustments	(63,106)	95
	<u>(59,666)</u>	<u>1,310</u>
Stock subscription rights	372	-
Minority interests	22,697	6,325
Total net assets	<u>607,058</u>	<u>249,921</u>
Total net assets and liabilities	<u>22,975,475</u>	<u>2,713,634</u>

(2) Consolidated Statements of Income

(In million yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Operating revenues		
Commissions and fees	29,395	73,128
Brokerage commissions	9,517	16,992
Underwriting and selling fees, and commissions from solicitation to qualifying investors	914	21,782
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	7,223	9,631
Other commissions and fees	11,740	24,721
Gain on trading, net	26,088	48,943
Loss on sales of operating investment securities	(551)	(21)
Interest and dividend income	8,467	53,648
	<u>63,400</u>	<u>175,698</u>
Financial expenses	8,138	32,434
Net operating revenues	<u>55,262</u>	<u>143,263</u>
Selling, general and administrative expenses	56,256	105,517
Transaction expenses	8,425	16,047
Personnel expenses	25,442	51,784
Real estate expenses	7,902	13,009
Office expenses	5,074	8,558
Depreciation and amortization	6,647	11,251
Taxes and dues	644	1,233
Provision of allowance for doubtful accounts	-	0
Other	2,120	3,631
Operating income (losses)	<u>(994)</u>	<u>37,745</u>
Non-operating revenues	2,316	2,225
Non-operating expenses	1,100	959
Ordinary income	<u>221</u>	<u>39,012</u>
Extraordinary gains	2,211	110,223
Gain on sale of investment securities, net	1,590	3
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	1	-
Reversal of reserve for financial instruments transaction liabilities	261	-
Extraordinary losses	2,101	5,170
Loss on disposal of fixed assets	260	822
Loss on sale of investment securities, net	4	13
Loss on valuation of investment securities	971	40
Loss on valuation of golf club membership	9	31
Expenses related to merger	855	4,179
Provision for reserve for financial instrument transaction liabilities	-	83
Income before income taxes and minority interests	<u>331</u>	<u>144,064</u>
Income taxes - current	405	2,701
Income taxes - deferred	(325)	4,927
Total income taxes	<u>80</u>	<u>7,628</u>
Income before minority interests	<u>-</u>	<u>136,435</u>
Minority interests	194	724
Net income	<u>56</u>	<u>135,711</u>

(3) Note on the going-concern assumption: Not applicable**(4) Segment Information****1. Business segment information**

For the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008) and for the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

The Companies' business operations, rolled out on global basis, encompass 1) trading of securities, 2) securities brokerage, 3) underwriting and distribution of securities, 4) subscription and distribution of securities, and 5) private placement of securities. These businesses together with ancillary services comprise the Companies' source of earnings. Thus, the Companies' businesses all fall under the "investment/financial service" category. Accordingly, business segment information is omitted.

2. Geographical segment information

For the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

Geographical segment information is omitted, as sales and assets in Japan accounted for more than 90% of consolidated amounts.

For the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

(In million yen)

	Japan	Asia	Europe	North America	Subtotal	Elimination	Consolidated
Net operating revenues							
(1) Net operating revenues from third parties	97,055	1,385	26,740	18,082	143,263	-	143,263
(2) Inter-segment net operating revenues	3,224	786	1,710	446	6,167	(6,167)	-
Total	100,280	2,171	28,450	18,528	149,431	(6,167)	143,263
Operating income (losses)	18,248	(30)	13,822	5,418	37,458	287	37,745

(Note)

- Criteria for classification of country or region: Geographical proximity
- Major countries or regions which belong to segments other than Japan are as follows:
 - Asia: China and Singapore
 - Europe: U.K. and Switzerland
 - North America: U.S.A.

3. Overseas Sales (Net operating revenues)

For the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

A breakdown of overseas sales is omitted, as overseas net operating revenues accounted for less than 10% of consolidated net operating revenues.

For the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

(In million yen)

	Asia	Europe	North America	Total
Overseas net operating revenues	1,257	24,633	19,779	45,671
Consolidated net operating revenues				143,263
Overseas net operating revenues as a percentage of consolidated net operating revenues	0.9%	17.2%	13.8%	31.9%

(Note)

- Criteria for classification of country or region: Geographical proximity
- Major countries or regions which belong to segments other than Japan are as follows:
 - Asia: China and Singapore
 - Europe: U.K. and Switzerland
 - North America: U.S.A.
- "Overseas net operating revenues" consists of the net operating revenues of the Company and its consolidated subsidiaries in countries or regions other than Japan.

(5) 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 component 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 period			135,711		135,711
Acquisition of treasury stock				(14)	(14)
Retirement of treasury stock		2		2	5
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)	313,918	135,711	(7,442)	317,354
Balance at September 30, 2009	125,167	389,660	136,268	(7,442)	643,653

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 the result of the application of acquisition method for the merger, and consist mainly of the acquisition cost and related costs.

6. Other information

(1) Commissions and fees

1) Breakdown by items

(In million yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	former Shinko Securities	
Brokerage commissions	9,517	16,992
Equities	9,477	14,330
Bonds	13	2,626
Underwriting and selling fees, and commissions from solicitation to qualifying investors	914	21,782
Equities	253	12,131
Bonds	660	9,519
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	7,223	9,631
Other commissions and fees	11,740	24,721
Total	29,395	73,128

2) Breakdown by instruments

(In million yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	former Shinko Securities	
Equities	9,844	27,221
Bonds	881	12,796
Beneficiary certificates	15,377	15,346
Others	3,291	17,763
Total	29,395	73,128

(2) Gain on trading, net

(In million yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	former Shinko Securities	
Equities	6,011	4,244
Bonds, others	20,076	44,698
Bonds	19,119	42,319
Others	957	2,379
Total	26,088	48,943

(3) Capital adequacy requirement ratio

(In million yen)

		As of September 30, 2009	As of March 31, 2009 former Shinko Securities
Basic items	Total capital (A)	578,344	231,191
Supplemental items	Difference in valuation (valuation gains) of other securities	4,450	1,544
	Reserve for financial instrument transaction liabilities, etc.	1,899	397
	Allowance for doubtful accounts	66	87
	Subordinated long-term borrowings	151,000	17,000
	Subordinated short-term borrowings	185,600	43,650
	Total (B)	343,067	62,679
	Deducted assets (C)	336,434	88,274
	Equity after deduction (A) + (B) - (C) (D)	584,977	205,596
Amount equivalent to risk	Amount equivalent to market risk	88,782	25,767
	Amount equivalent to counterparty risk	35,349	7,076
	Amount equivalent to fundamental risk	47,885	26,653
	Total (E)	172,018	59,497
	Capital adequacy requirement ratio (D)/(E) * 100 (%)	340.0%	345.5%

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

(4) Consolidated Quarterly Statements of Operations

(In million yen)

	Second quarter ended September 2008	Third quarter ended December 2008	Fourth quarter ended March 2009	First quarter ended June 2009	Second quarter ended September 2009
	Jul. 1, 2008 - Sep. 30, 2008	Oct. 1, 2008 - Dec. 31, 2008	Jan. 1, 2009 - Mar. 31, 2009	Apr. 1, 2009 - Jun. 30, 2009	Jul. 1, 2009 - Sep. 30, 2009
	former Shinko Securities				
Operating revenues	26,783	21,681	21,999	95,325	80,372
Commissions and fees	13,998	11,877	11,727	33,649	39,478
Brokerage commissions	3,769	4,142	3,285	7,937	9,055
Equities	3,749	4,064	3,229	6,503	7,826
Bonds	5	26	22	1,419	1,207
Underwriting and selling fees, and commissions from solicitation to qualifying investors	498	904	378	9,250	12,532
Equities	181	72	45	4,039	8,092
Bonds	316	832	333	5,122	4,396
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	4,030	2,635	4,193	3,083	6,547
Other commissions and fees	5,700	4,195	3,869	13,377	11,343
Gain on trading, net	9,047	6,628	6,826	32,592	16,350
Equities	408	598	1,624	1,382	2,862
Bonds, other	8,638	6,030	5,202	31,209	13,488
Bonds	4,995	(955)	9,072	34,029	8,289
Other	3,643	6,985	(3,870)	(2,819)	5,199
Gain (loss) on sales of operating investment securities	(533)	(278)	(426)	(136)	115
Interest and dividend income	4,270	3,454	3,872	29,220	24,428
Financial expenses	3,874	3,384	2,057	17,963	14,470
Net operating revenues	22,908	18,297	19,941	77,361	65,901
Selling, general and administrative expenses	27,317	26,973	26,134	49,331	56,186
Transaction expenses	4,000	3,923	3,254	7,570	8,477
Personnel expenses	12,184	11,979	11,876	24,797	26,987
Real estate expenses	3,845	3,603	3,753	6,059	6,950
Office expenses	2,612	2,497	2,231	3,896	4,661
Depreciation and amortization	3,333	3,417	3,636	5,021	6,230
Taxes and dues	276	199	186	510	722
Other	1,064	1,352	1,195	1,475	2,156
Operating income (losses)	(4,408)	(8,676)	(6,192)	28,030	9,715
Non-operating revenues	1,162	564	1,059	1,481	744
Non-operating expenses	551	418	778	619	339
Ordinary income (losses)	(3,797)	(8,530)	(5,912)	28,891	10,120
Extraordinary gains	1,892	4,084	248	110,257	(34)
Extraordinary losses	1,805	1,890	1,365	3,586	1,584
Income (losses) before income taxes and minority interests	(3,710)	(6,335)	(7,028)	135,563	8,501
Income taxes - current	254	(74)	192	1,684	1,017
Income taxes - deferred	(1,411)	215	(116)	3,907	1,019
Income before minority interests	-	-	-	129,971	6,464
Minority interests	94	(23)	(32)	456	267
Net income (losses)	(2,647)	(6,453)	(7,071)	129,514	6,196

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

(In million yen)

As of September 30, 2009

Assets	
Current assets	
Cash on hand and bank deposits	82,337
Cash segregated as deposits related to securities transactions	91,282
Trading assets	6,483,573
Trading securities and others	5,630,150
Operating loan assets	26,604
Derivatives	826,818
Operating investment securities	31,023
Receivables related to margin transactions	48,065
Customers' loans receivable under margin transactions	25,920
Collateral for borrowed securities under margin transactions	22,144
Collateralized short-term financing agreements	4,132,370
Deposits paid for securities borrowed	4,083,080
Securities purchased under agreements to resell	49,289
Advances	655
Short-term loans receivable	65,267
Deferred tax assets	16,506
Other current assets	137,562
Less: Allowance for doubtful accounts	(540)
Total current assets	<u>11,088,103</u>
Fixed assets	
Tangible fixed assets	17,792
Intangible fixed assets	36,244
Investments and other assets	273,795
Investment securities	222,540
Long-term deposits	16,557
Deferred tax assets	23,130
Other	15,296
Less: Allowance for doubtful accounts	(3,729)
Total fixed assets	<u>327,832</u>
Total assets	<u>11,415,936</u>

(In million yen)

As of September 30, 2009

Liabilities	
Current liabilities	
Trading liabilities	4,010,868
Trading securities and others	3,298,005
Derivatives	712,862
Payable – unsettled trades	35,913
Payables related to margin transactions	19,615
Customers' loans payable under margin transactions	11,581
Collateral for loaned securities under margin transactions	8,033
Collateralized short-term financing agreements	2,785,064
Deposits received for securities loaned	2,176,479
Securities sold under agreements to repurchase	608,585
Deposits received	50,737
Received margins	102,166
Securities: fail to receive	0
Short-term borrowings	2,601,242
Commercial paper	304,600
Short-term bonds and notes	45,600
Lease obligation	1,111
Income taxes payable	729
Accrued employee's bonuses	6,327
Allowance for bonus points redemption	1,156
Reserve for affiliate reorganization loss	5
Other current liabilities	21,354
	Total current liabilities
	<u>9,986,493</u>
Fixed liabilities	
Corporate bonds	277,310
Long-term borrowings	552,207
Lease obligation	1,507
Reserve for retirement benefits	11,858
Other fixed liabilities	1,864
	Total fixed liabilities
	<u>844,747</u>
Statutory reserve	
Reserve for financial instrument transaction liabilities	1,899
	Total statutory reserve
	<u>1,899</u>
Total liabilities	<u>10,833,140</u>

(In million yen)

As of September 30, 2009

Net assets		
Shareholders' equity		
Common stock		125,167
Capital surplus		411,310
Retained earnings		49,307
Treasury stock		(7,440)
	Total shareholders' equity	<u>578,344</u>
Valuation and translation adjustments		
Net unrealized gains on other securities, net of taxes		4,079
Net deferred hedge gains (losses), net of taxes		(1)
	Total valuation and translation adjustments	<u>4,078</u>
Total net assets		<u>582,795</u>
Total net assets and liabilities		<u>11,415,936</u>

(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)

	Six months ended September 30, 2009
Operating revenues	
Commissions and fees	60,645
Gain on trading, net	35,655
Loss on sales of operating investment securities	(1,223)
Interest and dividend income	16,718
	<u>111,796</u>
Financial expenses	11,669
Net operating revenue	<u>100,126</u>
Selling, general and administrative expenses	81,456
Transaction expenses	12,597
Personnel expenses	33,695
Real estate expenses	12,308
Office expenses	10,551
Depreciation and amortization	9,344
Taxes and dues	1,093
Other	1,865
Operating income	<u>18,670</u>
Non-operating revenues	1,585
Non-operating expenses	37
Ordinary income	<u>20,217</u>
Extraordinary gains	45
Gain on sale of investment securities, net	14
Reversal of allowance for doubtful accounts	30
Extraordinary losses	6,514
Loss on sale of fixed assets	0
Loss on disposal of fixed assets	813
Loss on sale of investment securities, net	14
Loss on valuation of investment securities	122
Loss on valuation of golf club membership	31
Prior year adjustment - Depreciation	1,634
Expenses related to merger	3,814
Provision for reserve for financial instrument transaction liabilities	84
Income before income taxes	<u>13,748</u>
Income taxes - current	60
Income taxes - deferred	(4,690)
Total income taxes	<u>(4,630)</u>
Net income	<u>18,379</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 (Fair Value)	Marks (%) as of Mar. 31, 2009 (=Fair Value/ Face Value)	Balances as of Sep. 30, 2009 (Fair Value)	Marks (%) as of Sep. 30, 2009 (=Fair Value/ Face Value)	Realized Gains/Losses for 1H FY2009 (Apr.1-Sep.30,2009)
1 Foreign currency denominated securitization products	39	12	*1 35	12	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	0	0
8 RMBS backed by US subprime mortgage loans	0	2	0	0	-0
9 RMBS except above (RMBS backed by mid-prime loans, prime loans and others)	*3 1	*3 1	*3 0	*3 0	*3 0
10 RMBS backed by mid-prime loans (Alt-A)	0	1	0	0	0
11 ABS, CLOs and others	32	79	34	81	1
12 CLOs	24	83	22	79	-1
13 CMBS	0	14	0	14	-0
14 SIV-related	*4 8	72	*4 12	86	2

*1 The change in balance from Mar. 31, 2009 (approximately JPY -4 billion) included approximately JPY 3 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 30% of the balance (fair value) consisted of Super Senior tranche.

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

*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 Sep. 30, 2009)

- The notional amount of hedging transactions by CDS referring to securitization products at Mizuho Securities was approximately JPY 172 billion (JPY 298 billion as of Mar. 31, 2009), and the fair value of the relevant reference assets (securitization products) was approximately JPY 139 billion (JPY 208 billion as of Mar. 31, 2009). NPV, or the estimated amount claimable for the settlement of the CDS, was approximately JPY 33 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 4 billion) was approximately JPY 29 billion.

(The above included CDS contracts with a US monoline (external ratings as of Sep. 30, 2009: AA-*1), of which the notional amount was approximately JPY 19 billion and the fair value of the relevant reference assets was approximately JPY 16 billion.)

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

- More than 60% of the notional amount of the above CDS contracts was with counterparties with external ratings in the "AA" range or higher (as of Sep. 30, 2009), and the relevant reference assets were securitization products backed mainly by claims against corporations.

2. Other information (September 30, 2009)

- US government-owned corporation (Ginnie Mae) bonds and GSE (government-sponsored enterprises: Fannie Mae, Freddie Mac) bonds (Trading Account)
 - Approximately JPY 34 billion of RMBS issued or guaranteed by the US government-owned corporation or GSE and approximately JPY 107 billion of the corporate bonds issued by Fannie Mae and Freddie Mac were held for the purpose of, among other things, market-making activities in the US.
 - All the bonds mentioned above were subject to mark-to-market accounting so that there were no unrealized losses (the recorded gains/losses in the first half of fiscal 2009 were minimal).

There was no holding of stocks of these entities.