

[Updated] Correction in "Summary of Consolidated Financial Statements
for the Fiscal Year Ended March 31, 2011 Under Japanese GAAP"

Mizuho Securities Co., Ltd. hereby announces partial corrections in its "Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2011 Under Japanese GAAP".

[Updated]

"Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2011 Under Japanese GAAP"
disclosed on April 28, 2011

Page 49

(3) Capital adequacy requirement ratio

(before correction)

(Millions of yen)

		As of March 31, 2011	As of March 31, 2010
Basic items	Total capital (A)	478,134	570,211
Supplemental items	Difference in valuation (valuation gains) of other securities	5,665	5,271
	Reserve for financial instruments transaction liabilities, etc.	1,173	1,860
	Allowance for doubtful accounts	39	62
	Subordinated long-term borrowings	108,000	142,000
	Subordinated short-term borrowings	200,300	181,300
	Total (B)	315,179	330,494
	Deducted assets (C)	249,627	341,040
Equity after deduction	(A) + (B) - (C) (D)	543,686	559,665
Amount equivalent to risk	Amount equivalent to market risk	68,493	79,291
	Amount equivalent to counterparty risk	<u>30,497</u>	33,797
	Amount equivalent to fundamental risk	46,569	45,761
	Total (E)	<u>145,559</u>	158,850
Capital adequacy requirement ratio	(D)/(E) * 100	373.5%	352.3%

(after correction)

		As of March 31, 2011	As of March 31, 2010
Basic items	Total capital (A)	478,134	570,211
Supplemental items	Difference in valuation (valuation gains) of other securities	5,665	5,271
	Reserve for financial instruments transaction liabilities, etc.	1,173	1,860
	Allowance for doubtful accounts	39	62
	Subordinated long-term borrowings	108,000	142,000
	Subordinated short-term borrowings	200,300	181,300
	Total (B)	315,179	330,494
Deducted assets	(C)	249,627	341,040
Equity after deduction	(A) + (B) - (C) (D)	543,686	559,665
Amount equivalent to risk	Amount equivalent to market risk	68,493	79,291
	Amount equivalent to counterparty risk	<u>30,488</u>	33,797
	Amount equivalent to fundamental risk	46,569	45,761
	Total (E)	<u>145,551</u>	158,850
Capital adequacy requirement ratio	(D)/(E) * 100	373.5%	352.3%



April 28, 2011

Summary of Financial Statements for the Fiscal Year Ended March 31, 2011 Under Japanese GAAP

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: Takeo Konishi, General Manager of Accounting Dept. on +81 3-5208-3210

Scheduled date of annual shareholders meeting: June, 22, 2011

Scheduled date of dividend payment: -

Scheduled date of filing of financial report: June 23, 2011

Preparation of supplemental explanatory documents: Yes

Holding of presentation meeting: Yes (for investment analysts and institutional investors)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Amounts are rounded down to the nearest millions of yen)

(1) Consolidated operating results

(Percentage figures represent year-on-year changes)

	Operating revenues		Net operating revenues		Operating income		Ordinary income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2011	268,595	(14.0)	192,827	(23.0)	(36,945)	-	(33,720)	-
Year ended March 31, 2010	312,161	-	250,401	-	30,887	-	33,073	-

(Note) Comprehensive income: Year ended March 31, 2011: (36,930) million yen (- %)

Year ended March 31, 2010: 129,904 million yen (- %)

	Net income		Net income per share	Net income per share	Return on Equity
	millions of yen	%	per share	- fully diluted	%
Year ended March 31, 2011	(29,312)	-	yen	yen	
			(18.45)	-	(5.3)
Year ended March 31, 2010	127,064	-	83.37	83.33	30.3

Reference: Equity in net earnings (losses) of affiliated companies: Year ended March 31, 2011: 73 million yen

Year ended March 31, 2010: (293) million yen

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen
March 31, 2011	21,784,855	553,973	2.4	334.82
March 31, 2010	20,951,031	598,988	2.7	361.84

Reference: Equity (i.e. "Shareholders' equity" and "Accumulated other comprehensive income"):

March 31, 2011: 532,011 million yen

March 31, 2010: 574,775 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	millions of yen	millions of yen	millions of yen	millions of yen
Year ended March 31, 2011	(1,124,956)	4,296	1,303,981	370,241
Year ended March 31, 2010	56,574	(30,323)	(72,176)	195,206

2. Dividends

	Dividend per share					Total cash dividends	Dividends Pay-out Ratio (Consolidated basis)	Dividends on Net Assets (Consolidated basis)
	As of Jun.30	As of Sep.30	As of Dec.31	As of Mar.31	Total			
	yen	yen	yen	yen	yen	millions of yen	%	%
Year ended March 31, 2010	-	-	-	5.00	5.00	7,942	6.0	1.5
Year ended March 31, 2011	-	-	-	0.00	0.00	-	-	-
Year ending March 31, 2012 (forecast)	-	-	-	-	-		-	

Dividends for the year ending March 31, 2012 are yet to be determined.

3. Forecast of Consolidated Earnings for the year ending March 31, 2012 (April 1, 2011 to March 31, 2012)

Because the main business activity of the Mizuho Securities Co., Ltd (the "Company") and its subsidiaries (collectively, the "Companies") is the securities business, the Companies' earnings are strongly influenced by market conditions, therefore the Company does not announce earnings forecasts.

4. Other Information

(1) Changes in significant subsidiaries (changes to the scope of consolidation) during the period: None

(2) Changes in accounting principles, procedures and methods of presentation

1) Changes in accordance with revisions of accounting standards: Yes

2) Changes other than 1) above: None

Note: Please refer to "Changes in significant accounting policies in the preparation of consolidated financial statements" on page 22 for further information.

(3) Number of outstanding shares (common stock)

1) Number of shares issued at end of the period (including treasury stock):

March 31, 2011: 1,626,688,683 shares

March 31, 2010: 1,626,688,683 shares

2) Number of treasury stock at end of the period:

March 31, 2011: 37,749,070 shares

March 31, 2010: 38,190,470 shares

3) Average number of outstanding shares for the period:

March 31, 2011: 1,588,881,444 shares

March 31, 2010: 1,524,105,153 shares

Note: Please refer to "Per share information" on page 32 for further information.

(Reference) Summary of Non-consolidated Financial Statements for the year ended March 31, 2011

1. Financial highlights for the year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(1) Non-consolidated operating results

(Percentage figures represent year-on-year changes)

	Operating revenues		Net operating revenues		Operating income		Ordinary income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2011	193,692	(10.7)	162,556	(14.7)	(10,824)	-	(8,393)	-
Year ended March 31, 2010	216,979	-	190,658	-	20,967	-	22,998	-

	Net income		Net income per share	Net income per share
	millions of yen	%	per share	- fully diluted
Year ended March 31, 2011	(92,212)	-	(58.04)	-
Year ended March 31, 2010	18,195	-	11.97	11.96

(2) Non-consolidated financial positions

	Total assets	Net assets	Equity ratio	Net assets per share	Capital adequacy requirement ratio
	millions of yen	millions of yen	%	yen	%
March 31, 2011	12,299,300	483,800	3.9	304.11	373.5
March 31, 2010	11,253,928	583,425	5.2	367.05	352.3

Reference: Equity (i.e. "Shareholders' equity" and "Valuation and translation adjustments"):

March 31, 2011: 483,217 million yen March 31, 2010: 583,058 million yen

* Note on the status of audit procedures

This summary of financial statements is exempt from the audit procedures based on "Financial Instruments and Exchange Act", while the consolidated financial statements are being reviewed at the time of disclosure of this report.

* Appropriate use of financial forecasts and other important matters

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 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.

(Notes)

1. Results of operations

The Company merged with the former Mizuho Securities on May 7, 2009. Due to the fact that the merger is categorized as a reverse acquisition, the consolidated business results for the year ended March 31, 2010 (April 1, 2009 to March 31, 2010) were prepared by combining the consolidated business results of the former Mizuho Securities for the period from April 1, 2009 to May 6, 2009 with the consolidated business results of the Company for the period from May 7, 2009 to March 31, 2010. The non-consolidated business results for the last fiscal year were prepared by combining the business results of the former Shinko Securities for the period from April 1, 2009 through May 6, 2009 with the business results of the Company for the period from May 7, 2009 through March 31, 2010. Therefore, the year-on-year changes in both consolidated and non-consolidated financial results for the year ended March 31, 2011 (April 1, 2010 to March 31, 2011) are comparison to the business results above.

2. Net income per share for the fiscal year ended March 31, 2010

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 March 31, 2010).

**APPENDIX
[INDEX]**

I.	Business Results	p.2
	1. Analysis of consolidated operating results	p.2
	2. Analysis of consolidated financial position	p.3
	3. Basic policy regarding profit distribution and dividends for the current/next year	p.4
	Corporate Group	p.5
	Management Policies	p.6
	1. Fundamental management policies	p.6
	2. Benchmark management target	p.6
	3. Medium/long-term management strategy	p.6
	4. Issues to be addressed	p.7
	Consolidated Financial Statements	p.8
	1. Consolidated Balance Sheets	p.8
	2. Consolidated Statements of Operations and Comprehensive Income	p.11
	3. Consolidated Statements of Changes in Shareholders' Equity	p.14
	4. Consolidated Cash Flow Statements	p.17
	5. Note on the going-concern assumption	p.19
	6. Consolidated financial statements	p.19
	7. Significant accounting policies in the preparation of consolidated financial statements	p.19
	8. Changes in significant accounting policies in the preparation of consolidated financial statements	p.22
	9. Additional information	p.22
	10. Notes to Consolidated Financial Statements	p.22
	(Consolidated Balance Sheets)	p.22
	(Consolidated Statements of Comprehensive Income)	p.23
	(Consolidated Statements of Changes in Shareholders' Equity)	p.23
	(Consolidated Cash Flow Statements)	p.25
	(Segment information)	p.26
	(Fair value of securities and derivatives)	p.28
	(Per share information)	p.32
	(Significant subsequent events)	p.33
V.	Supplemental Information (Consolidated)	p.35
	1. Commissions	p.35
	2. Net gain on trading	p.35
	3. Quarterly Consolidated Statements of Operations	p.36
	Non-consolidated Financial Statements	p.37
	1. Non-consolidated Balance Sheets	p.37
	2. Non-consolidated Statements of Operations	p.40
	3. Non-consolidated Statements of Changes in Shareholders' Equity	p.41
	4. Note on the going-concern assumption	p.44
	5. Non-consolidated financial statements	p.44
	6. Significant accounting policies	p.44
	7. Changes in significant accounting policies	p.45
	8. Notes to Non-consolidated Financial Statements	p.46
	(Non-consolidated Balance Sheets)	p.46
	(Non-consolidated Statements of Changes in Shareholders' Equity)	p.46
	(Significant subsequent events)	p.47
	Supplemental Information (Non-consolidated)	p.48
	1. Commissions	p.48
	2. Net gain on trading	p.48
	3. Capital adequacy requirement ratio	p.49
	4. Quarterly Non-consolidated Statements of Operations	p.50
	Other	p.51
	Changes in directors	p.51

I. Business Results

1. Analysis of consolidated operating results

The Japanese economy continued on a path to recovery in early fiscal 2010, led by a rebounding corporate sector. From autumn, however, the economy entered a temporary standstill amid falling exports and a reflexive decline in demand following the end of eco-car subsidies. After absorbing the impact of these trends, manufacturing output was showing signs of recovery in early 2011 until the Great Eastern Japan Earthquake struck in March, leaving vast destruction in its wake and growing uncertainty about the future. The equity market started fiscal 2010 on an upswing, and the Nikkei 225 Average hit its year-to-date high of 11,339 yen early in the fiscal year. Thereafter, however, share prices corrected amid the European sovereign fiscal crisis, growing concerns of a slowdown in the US economy, and an appreciating yen, eventually pushing the Nikkei 225 to its year-to-date low of 8,824 yen. Toward the end of the calendar year the equity market staged a sharp rally, as a second round of quantitative easing (QE2) in the US halted the yen's rise and laggard Japanese stocks prompted strong buying by foreign investors. As a result, the Nikkei 225 rebounded to 10,857 yen. The upward momentum came to a sudden end on investor concerns in the aftermath of the earthquake and the crisis at the Fukushima Daiichi nuclear power plant, and the Nikkei 225 quickly fell to 8,605 yen. It corrected somewhat thereafter and finished fiscal 2010 at 9,755 yen. In the bond market, the benchmark 10-year JGB yield rose to 1.355% early in the fiscal year, but the yield quickly reversed direction through autumn as investors' increased risk aversion and domestic financial institutions' lack of alternative investment options channeled investment funds into the JGB market and heightened expectations for lower interest rates. As a result, the benchmark yield fell to 0.845% in early October, the lowest level since summer 2003. Yields were drawn upward toward the end of the calendar year by the sharp rebound in share prices and rising long-term US interest rates, and the benchmark JGB yield rallied temporarily to 1.345%. Thereafter, a recurrence of risk aversion following the earthquake drove investors back to JGBs, temporarily driving the yield downward, but it climbed back to 1.255% by the end of fiscal 2010.

Overseas, the US economy appeared to be slowing down through summer, but expectations of a recovery took hold in response to additional quantitative easing and agreement on economic stimulus measures centered on an extension of the George W. Bush-era tax cuts. During fiscal 2010, the European economy, led by Germany and other core eurozone economies, continued to improve moderately, with support from export expansion. However, continuing economic weakness in countries with sovereign debt problems has led to a growing sense of bipolarity in the European economic situation. The sovereign fiscal problems did, however, trigger a correction in the US and European equity markets that continued until summer. But the markets then posted some moderate gains from autumn, buoyed by the US additional quantitative easing. In the US bond market, growing expectation of lower interest rates persisted into early autumn, but economic recovery prospects then spurred anticipation of higher interest rates through the end of fiscal 2010. Trends in European bond markets were widely divergent across countries amid ongoing sovereign risk issues.

Under such business environment, for the year ended March 31, 2011, the Companies posted consolidated operating revenues of 268,595 million yen (86.0% of the corresponding period in the previous year), consolidated ordinary loss of 33,720 million yen and consolidated net loss of 29,312 million yen. An overview of the Companies' financial performance is shown below.

(1) Commissions

Total commissions for the fiscal year ended March 31, 2011, totaled 135,991 million yen (93.3% of the corresponding period in the previous year). A breakdown appears below.

• Brokerage commissions

Daily trading volume on the First and Second Sections of the Tokyo Stock Exchange averaged 1,536.6 billion yen for the fiscal year ended March 31, 2011 (100.1% of the corresponding period in the previous year). The Company's brokerage trading volume was 15,087 million shares (101.7%), with an aggregate value of 10,855.8 billion yen (104.2%) and the Companies' brokerage commissions on equity trades totaled 26,784 million yen (97.5%).

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

In the equity issuance market, the Company was lead underwriters for public offerings and placements of shares for 16 companies, including three initial public offerings. As a result, the Companies earned 22,413 million yen (84.5% of the corresponding period in the previous year) in equity underwriting and selling fees, and commissions from solicitation to qualifying investors.

In the fixed income securities issuance market, the Company was sole lead or joint lead underwriters for 179 straight corporate bond issues. As a result, bond underwriting and selling fees, and commissions from solicitation to qualifying investors were 13,347 million yen (79.2%).

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

These fees and commissions predominately comprise fees and commissions on investment trust sales and secondary offerings.

During fiscal 2010, the Company launched the Mizuho Global Macro Fund (2010-04), which targets strong returns generated by a global macro strategy. The Company also launched the Asia ex-Japan Large-Cap Infrastructure Fund and the Asia ex-Japan Small-Mid Cap Growth Fund, two funds that seek to capitalize on the strong growth potential and soundness of the Asian economy, which is currently driving global economic growth. The Company also offered the Global High Yielding Pure Infrastructure Fund and the Global High Yielding Advanced Infrastructure Fund (Currency Select Type), which invests in companies owning or operating infrastructure assets.

In addition, the Company began taking new subscriptions to the Mizuho Global High Yield Bond Fund (Currency Select Type), the Mizuho GS Hybrid Securities Fund, and the Mizuho RMB Bond Fund.

Finally, the Company began marketing the Pan African Equity Fund, which aims to essentially invest in companies that stand to benefit from growth in Africa, as well as the Chuo Mitsui J-REIT Fund, the MHAM J-REIT Index Fund, the Mizuho Australian Dollar Bond Fund, the Black Rock Gold Fund, and DIAM China A-Share Equity Open Fund.

For the fiscal year ended March 31, 2011, offering, selling, and other fees and commissions totaled 26,846 million yen (120.1% of the corresponding period in the previous year).

• **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. For the fiscal year ended March 31, 2011, other commissions totaled 40,635 million yen (87.4% of the corresponding period in the previous year).

(2) Net gain on trading

Net trading gains on equities were 4,582 million yen (18.1% of the corresponding period in the previous year), and net trading gains on bonds and others were 8,041 million yen (20.7%). Net gain on trading for the fiscal year ended March 31, 2011 totaled 12,624 million yen (19.7%).

(3) Net interest income

Interest and dividend income totaled 117,883 million yen (114.6% of the corresponding period in the previous year), and interest expenses totaled 75,768 million yen (122.7%), resulting in net interest income of 42,115 million yen (102.4%).

(4) Selling, general and administrative expenses

Selling, general and administrative expenses totaled 229,773 million yen (104.7% of the corresponding period in the previous year).

(5) Extraordinary gain and loss

Extraordinary gain of 1,333 million yen includes a 689 million yen gain on reversal of reserve for financial instruments transaction liabilities and a 636 million yen gain on sales of investment securities. Extraordinary losses include 1,759 million yen in extraordinary depreciation on fixed assets and a 821 million yen loss on disposal of fixed assets. The net resulted in extraordinary losses of 3,234 million yen.

2. Analysis of consolidated financial position

(1) Analysis of assets, liabilities and net assets

Total assets at March 31, 2011, stood at 21,784,855 million yen, an increase of 833,824 million yen from the end of the last fiscal year (March 31, 2010). The main reasons are that trading assets and collateralized short-term financing agreements-receivable increased by 439,697 million yen and 347,373 million yen, respectively. Total liabilities at March 31, 2011, stood at 21,230,882 million yen, an increase of 878,839 million yen from the end of the last fiscal year. The main reasons are that payables-unsettled trades and collateralized short-term financing agreements-payable decreased by 267,918 million yen and 626,130 million yen, respectively while trading liabilities and short-term borrowings increased by 653,082 million yen and 1,100,037 million yen, respectively.

Net assets at March 31, 2011, stood at 553,973 million yen, a decrease of 45,014 million yen from the end of the last fiscal year. The main reasons are that retained earnings and net unrealized gains on (operating) investment securities, net of taxes decreased by 37,342 million yen and 2,860 million yen, respectively. As a result, equity ratio was 2.4%.

(2) Analysis of cash flow

Net cash used in operating activities totaled 1,124,956 million yen mainly due to a 997,806 million yen increase in collateralized short-term financing agreements-receivable and a 106,093 million yen increase in trading assets. Net cash provided by investing activities totaled 4,296 million yen, reflecting proceeds from sales and redemptions of securities of 8,512 million yen, collection of long-term loans receivable of 4,709 million yen, and a payment of 9,296 million yen to acquire intangible assets. Net cash provided by financing activities amounted to 1,303,981 million yen due to a 1,053,216 million yen increase in short-term borrowings and a 152,400 million yen increase in commercial paper. As a result, cash and cash equivalents at fiscal year end totaled at 370,241 million yen.

3. Basic policy regarding profit distribution and dividends for the current/next year

The Company will continue to maximize its corporate value and pursue steady and higher rates of returns to shareholders by putting more priority on enriching retained earnings in order to prepare for further business development in the turbulent market environment.

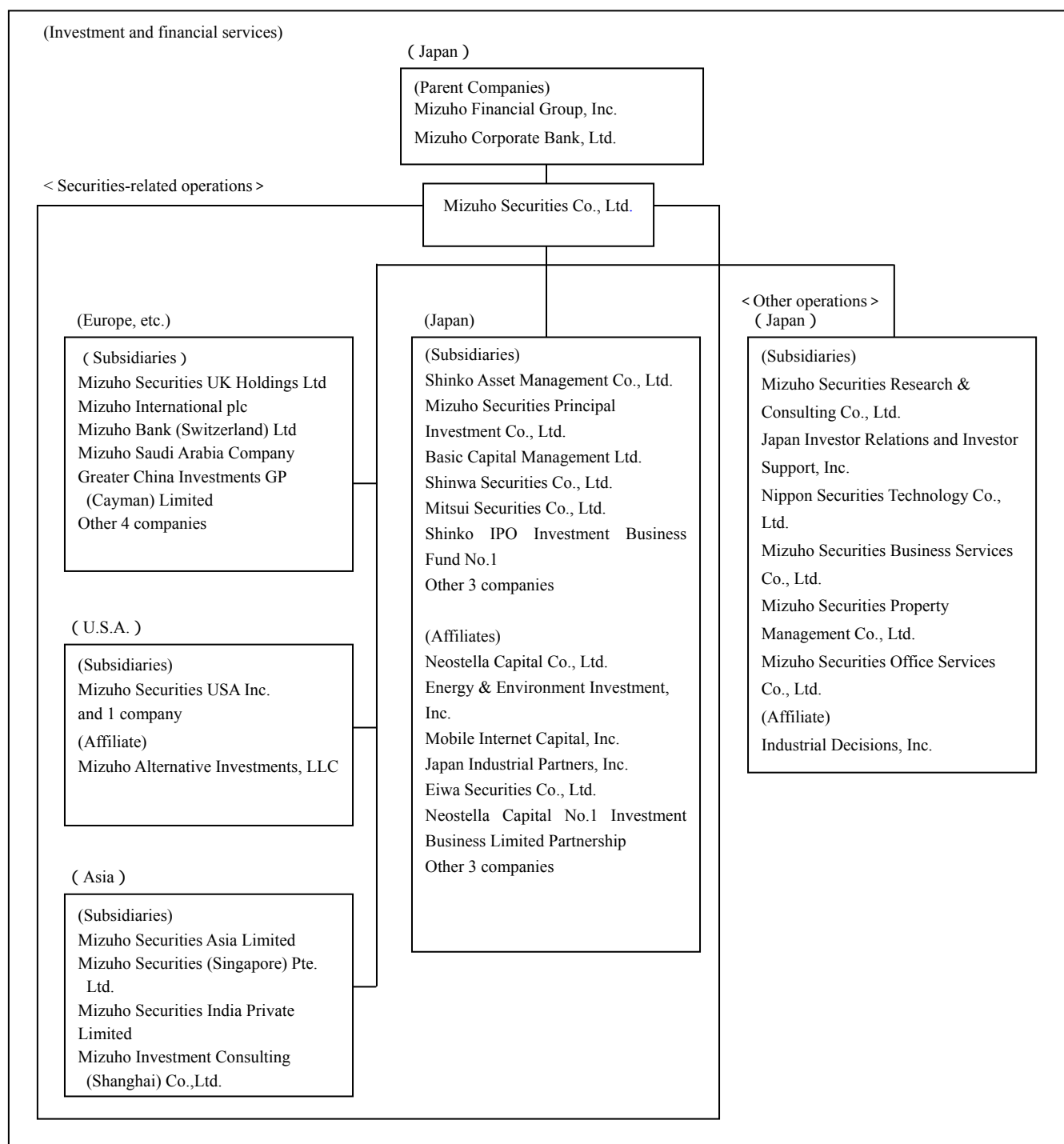
For the fiscal year ended March 31, 2011, however, the Company was unable to avoid posting losses due to the severe earnings environment surrounding the Company, and the loss on impairment of entity in affiliated companies. In considering the Company's net assets, the Company most regrettably plans to forego paying dividends.

II. Corporate Group

The Company's corporate group is composed of 30 subsidiaries and 11 affiliates. The business activities of the company and of 24 of the subsidiaries and 10 of the affiliates consist mainly of trading securities, the commissioning of securities trading, the underwriting and selling of securities, offering and selling of securities, handling of private offerings, and other securities and finance-related activities. The Company offers a wide range of services in the areas of raising and operating funds for customers. The other companies provide services related to and supportive of the companies' activities, conduct market surveys and research, manage real estate, and more. Therefore, the Company's corporate group's business activities all come under the single business segment of "investment and financial services."

All of the Company's subsidiaries are consolidated companies, and the equity method is applied to all of the affiliates.

Organizational Diagram of the Corporate Group



. Management policies

1. Fundamental management policies

Based on a philosophy of being “Fair & Positive,” the Company has adopted a Mission Statement of becoming a full-service securities brokerage and investment bank with global reach that is trusted by clients, always offering the best professional services, and contributing to society’s perpetual development as a responsible capital markets player. In accord with such management principles, the Company has formulated a two-pronged business strategy of building a client-oriented business model and realizing a strong management base resilient to changes in the business environment. The Company will pursue growth by implementing various initiatives to strengthen its management structure (financial foundation, risk management and internal controls, etc.) and enhance its profitability and product and service capabilities with respect to client transactions.

2. Benchmark management target

The Company set a target of earning consolidated ordinary income of 60-75 billion yen for fiscal 2011, assuming that the market is slowly recovering from the second half of fiscal 2010. For fiscal 2010, resulted in severe consequences, the Company will implement various management measures to achieve its target for fiscal 2011.

3. Medium/long-term management strategy

The Company is currently implementing various medium-term management measures in accord with its vision of joining the ranks of the top-three domestic investment banks and becoming a flagship company that plays a key leadership role in Asian capital markets by successfully executing its two-pronged business strategy.

These medium-term management measures aimed at realizing the Company’s business strategy comprise comprehensive improvements in the following four areas.

(1) Regulatory compliance

The Company will closely follow future trends in the regulatory environment (including increased domestic and international capital requirements) and, by taking appropriate responses in advance, build a robust management structure.

(2) Realization of synergies

The Company aims to reap additional merger synergies by continuing to streamline operations and improve operating efficiency and further strengthening cooperation among organizational units. The Company will also aggressively endeavor to amplify synergies between banking and securities operations through cooperation with other Mizuho Financial Group companies.

(3) Strategic initiatives to strengthen sales force

The Company will continue to endeavor to strengthen front-office sales units’ earnings power. The Company will pursue strategic initiatives across its entire front-office operations, including by building a global network and global business model with an emphasis on Asia, implementing cross-organizational measures to radically strengthen the retail sales force’s foundation, improving electronic equity trade execution capabilities, and strengthening global institutional investor sales capabilities by expanding offerings of incidental services.

(4) Development of operational infrastructure

The Company will upgrade its operational infrastructure to a level befitting Japan’s leading full-service securities brokerage and investment bank. The Company will strengthen its management structure through such means as staffing branch offices with institutional sales personnel, strengthening risk management and internal controls on a global basis, preparing to adopt international accounting standards, integrating and consolidating IT systems, and streamlining its organization.

Medium-term management measures taken during fiscal 2009 and 2010 focused on promoting comprehensive strengthening policies in the four areas outlined above. In fiscal 2010, the Company made steady progress in the following three areas in particular: improving basic profitability, strengthening internal controls, and enhancing the Company’s global business capabilities. In light of progress made in recent years, in fiscal 2011 the Company will put priority on initiatives to create more efficient operations and streamline organizational structures, strengthen management controls, and establish a more solid earnings base. While pursuing well-defined efforts in each area, the Company will further strengthen ties with Mizuho Corporate Bank as the Company strives to realize its goal of being one of the top three domestic investment banks and a flagship company in the Asian capital markets.

4. Issues to be addressed

At the start of 2011, the global economy was showing signs of staging a widespread recovery, with Japan and other developed countries starting to shed shackles that had brought their economies to a standstill and emerging countries expected to continue growing at a high pace, despite some concerns of inflation. However, the Great East Japan Earthquake disaster in March has severely damaged Japan's economic infrastructure, including electric power and distribution networks. The domestic economy most likely will be severely negatively affected as the disruption of key infrastructure slows the pace of recovery in manufacturing output and curtails economic activity. Overseas, the prospect of prolonged political turmoil in North Africa and the Middle East adds to uncertainty about the future and requires that the Company closely monitors the direction of business conditions and the markets.

Amid such an environment, the Company will redouble efforts to steadily and expeditiously implement the medium-term management measures outlined above, as it strives to establish a stronger management platform. Specifically, the Company will drastically strengthen its income and cost structures to help the Company build a robust profit structure capable of withstanding changes in its operating environment. The Company will also reinforce its global operations so that the Company can seize more opportunities in overseas markets and respond proactively to consolidated capital requirements that took effect from April 2011. The Company believes that by pursuing such efforts and by efficiently conducting its many businesses while adapting to constant changes in its external and internal environments, the Company will steadily solidify its business base and expand market share.

The Company believes the organizational restructuring will support its efforts to integrate group-wide operations and optimize management resources, such as the workforce and branch networks, thereby enabling the Company to accelerate implementation of the Transformation Program announced as part of the Mizuho Group's medium-term management policy in May 2010. Through such initiatives, the Company plans to further enhance group collective capabilities.

IV. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and bank deposits	162,392	377,668
Cash segregated as deposits for customers and others	96,812	103,765
Trading assets	7,595,671	8,035,368
Trading securities and others	6,848,579	7,274,959
Loans and receivables	26,448	10,000
Derivatives	720,643	750,408
Operating investment securities	88,957	84,106
Operating loans receivable	5,772	6,075
Receivables related to margin transactions	58,031	46,503
Loans receivable under margin transactions	30,349	26,028
Collateral for borrowed securities under margin transactions	27,682	20,475
Collateralized short-term financing agreements-receivable	12,369,779	12,717,153
Deposits paid for securities borrowed	3,960,261	4,732,533
Securities purchased under agreements to resell	8,409,518	7,984,619
Advances paid	4,188	1,094
Securities: fail to deliver	14,477	10,249
Short-term loans receivable	7,775	4,596
Securities	47,469	10,681
Deferred tax assets	17,691	13,914
Other current assets	221,745	143,821
Less: Allowance for doubtful accounts	(76)	(62)
Total current assets	20,690,688	21,554,937
Fixed assets		
Property and equipment	44,110	40,771
Buildings	15,013	13,482
Equipment	9,478	7,955
Land	18,746	18,746
Leased assets	871	409
Construction in progress		177
Intangible fixed assets	104,156	92,566
Software	32,999	26,562
Customer related assets	70,756	65,602
Other	401	401
Investments and other assets	112,074	96,580
Investment securities	76,780	58,495
Long-term loans receivable	12,657	7,915
Long-term guarantee deposits	15,187	14,437
Deferred tax assets	1,013	5,813
Other	10,250	13,539
Less: Allowance for doubtful accounts	(3,815)	(3,619)
Total fixed assets	260,342	229,917
Total assets	20,951,031	21,784,855

(Millions of yen)

As of March 31, 2010

As of March 31, 2011

Liabilities

	As of March 31, 2010	As of March 31, 2011
Current liabilities		
Trading liabilities	3,610,332	4,263,415
Trading securities and others	2,923,830	3,621,920
Derivatives	686,502	641,494
Payables— unsettled trades	591,810	323,891
Payables related to margin transactions	21,354	24,103
Loans payable under margin transactions	12,578	10,829
Collateral for loaned securities under margin transactions	8,775	13,274
Collateralized short-term financing agreements-payable	11,267,090	10,640,959
Deposits received for securities loaned	2,019,454	1,746,838
Securities sold under agreements to repurchase	9,247,635	8,894,121
Deposits received	272,610	80,454
Guarantee deposits received	210,970	217,211
Securities: fail to receive	16,022	18,558
Short-term borrowings	2,766,084	3,866,122
Commercial paper	331,700	484,100
Bonds and notes due within one year	80,755	49,169
Lease obligations	937	632
Income taxes payable	1,654	1,534
Reserve for employees' bonuses	22,434	14,706
Reserve for directors' bonuses	38	45
Deferred tax liabilities	119	522
Allowance for bonus point redemption	376	440
Other current liabilities	39,203	48,465
Total current liabilities	19,233,494	20,034,332
Long-term liabilities		
Bonds	508,122	554,068
Long-term borrowings	578,563	621,361
Lease obligations	1,191	519
Deferred tax liabilities	11,093	2,564
Reserve for retirement benefits	14,765	14,566
Reserve for directors' retirement benefits	355	337
Reserve for executive officers' retirement benefits	199	215
Other long-term liabilities	2,373	1,721
Total long-term liabilities	1,116,664	1,195,354
Statutory reserve		
Reserve for financial instruments transaction liabilities	1,883	1,194
Total statutory reserve	1,883	1,194
Total liabilities	20,352,043	21,230,882

(Millions of yen)

As of March 31, 2010 As of March 31, 2011

Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	389,662	389,716
Retained earnings	127,621	90,278
Treasury stock	(7,450)	(7,367)
Total shareholders' equity	<u>635,000</u>	<u>597,794</u>
Accumulated other comprehensive income		
Net unrealized gains on (operating) investment securities, net of taxes	4,628	1,768
Foreign currency translation adjustments	(64,853)	(67,551)
Total accumulated other comprehensive income	<u>(60,225)</u>	<u>(65,783)</u>
Stock subscription rights	367	582
Minority interests	23,845	21,380
Total net assets	<u>598,988</u>	<u>553,973</u>
Total liabilities and net assets	<u>20,951,031</u>	<u>21,784,855</u>

2. Consolidated Statements of Operations and Comprehensive Income

Consolidated Statements of Operations

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Operating revenues		
Commissions	145,822	135,991
Brokerage commissions	33,236	32,466
Underwriting and selling fees, and commissions from solicitation to qualifying investors	43,751	36,043
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	22,348	26,846
Other commissions and fees	46,486	40,635
Net gain on trading	64,124	12,624
Net gain (loss) on operating investment securities	(653)	2,096
Interest and dividend income	102,868	117,883
Total operating revenues	<u>312,161</u>	<u>268,595</u>
Interest expenses	<u>61,760</u>	<u>75,768</u>
Net operating revenues	<u>250,401</u>	<u>192,827</u>
Selling, general and administrative expenses	219,513	229,773
Transaction-related expenses	34,495	38,512
Personnel expenses	103,829	104,178
Real estate expenses	26,787	28,006
Administrative expenses	19,707	22,316
Depreciation and amortization	23,838	23,825
Taxes and dues	2,537	3,349
Amortization of goodwill	591	72
Other	7,725	9,512
Operating income (loss)	<u>30,887</u>	<u>(36,945)</u>
Non-operating income	4,266	4,557
Dividend income	749	630
Equity in earnings of affiliated companies		73
Rent revenue	954	864
Foreign exchange gains		520
Other	2,562	2,468
Non-operating expenses	2,080	1,331
Equity in losses of affiliated companies	293	
Rent expenses	701	602
Foreign exchange losses	540	
Other	545	729
Ordinary income (loss)	<u>33,073</u>	<u>(33,720)</u>

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Extraordinary gain	111,236	1,333
Gain on sales of fixed assets	8	
Gain on sales of investment securities	971	636
Gain on negative goodwill	110,219	
Reversal of reserve for financial instruments transaction liabilities		689
Reversal of allowance for doubtful accounts	36	7
Extraordinary loss	8,392	4,567
Loss on sales of fixed assets	0	
Loss on disposal of fixed assets	1,735	821
Loss on sales of investment securities	16	698
Loss on impairment of investment securities	246	93
Loss on impairment of golf club membership	35	63
Merger expenses	5,892	
Extraordinary depreciation on fixed assets	420	1,759
Cumulative effect of adoption of accounting standard for asset retirement obligations		36
Litigation-related loss		1,094
Provision of reserve for financial instruments transaction liabilities	44	
Income (loss) before income taxes and minority interests	135,917	(36,954)
Income taxes - current	4,165	954
Income taxes - deferred	4,536	(7,832)
Total income taxes	8,701	(6,878)
Income (loss) before minority interests		(30,076)
Minority interests	151	(763)
Net income (loss)	127,064	(29,312)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Income (loss) before minority interests	-	(30,076)
Other comprehensive income		
Net unrealized gains (losses) on (operating) investment securities, net of taxes	-	(2,872)
Foreign currency translation adjustments	-	(3,868)
Share in other comprehensive income of affiliates accounted for using equity method	-	(114)
Total other comprehensive income (loss)	-	(6,854)
Comprehensive income (loss) (Breakdown)	-	(36,930)
Attributable to:		
The Company's shareholders	-	(34,870)
Minority interests	-	(2,060)

3. Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Shareholders' equity		
Common stock		
Balance at the end of the previous period	125,167	125,167
Changes during the period		
Balance at the end of the previous period of acquired company	(125,167)	
Balance at the end of the previous period of acquiring company	250,000	
Increase due to merger	(124,832)	
Total changes during the period	<u> </u>	<u> </u>
Balance at the end of the period	<u>125,167</u>	<u>125,167</u>
Capital surplus		
Balance at the end of the previous period	82,973	389,662
Changes during the period		
Balance at the end of the previous period of acquired company	(82,973)	
Balance at the end of the previous period of acquiring company	75,742	
Disposal of treasury stocks	4	53
Increase due to merger	313,916	
Total changes during the period	<u>306,689</u>	<u>53</u>
Balance at the end of the period	<u>389,662</u>	<u>389,716</u>
Retained earnings		
Balance at the end of the previous period	41,570	127,621
Changes during the period		
Balance at the end of the previous period of acquired company	(41,570)	
Balance at the end of the previous period of acquiring company	556	
Dividends		(7,942)
Net income (loss)	127,064	(29,312)
Changes in scope of equity method		(87)
Total changes during the period	86,050	(37,342)
Balance at the end of the period	127,621	90,278
Treasury stock		
Balance at the end of the previous period	(7,426)	(7,450)
Changes during the period		
Balance at the end of the previous period of acquired company	7,426	
Acquisition of treasury stocks	(26)	(28)
Disposal of treasury stocks	6	110
Increase due to merger	(7,431)	
Changes in scope of equity method		0
Total changes during the period	<u>(24)</u>	<u>82</u>
Balance at the end of the period	<u>(7,450)</u>	<u>(7,367)</u>

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Total shareholders' equity		
Balance at the end of the previous period	242,284	635,000
Changes during the period		
Balance at the end of the previous period of acquired company	(242,284)	
Balance at the end of the previous period of acquiring company	326,298	
Dividends		(7,942)
Net income (loss)	127,064	(29,312)
Acquisition of treasury stocks	(26)	(28)
Disposal of treasury stocks	11	163
Increase due to merger	181,652	
Change in scope of equity method		(86)
Total changes during the period	392,715	(37,206)
Balance at the end of the period	635,000	597,794
Accumulated other comprehensive income		
Net unrealized gains on (operating) investment securities, net of taxes		
Balance at the end of the previous period	1,214	4,628
Changes during the period		
Balance at the end of the previous period of acquired company	(1,214)	
Balance at the end of the previous period of acquiring company	3	
Net changes during the period except for shareholders' equity	4,625	(2,860)
Total changes during the period	3,414	(2,860)
Balance at the end of the period	4,628	1,768
Foreign currency translation adjustments		
Balance at the end of the previous period	95	(64,853)
Changes during the period		
Balance at the end of the previous period of acquired company	(95)	
Balance at the end of the previous period of acquiring company	(63,124)	
Net changes during the period except for shareholders' equity	(1,729)	(2,697)
Total changes during the period	(64,949)	(2,697)
Balance at the end of the period	(64,853)	(67,551)
Total accumulated other comprehensive income		
Balance at the end of the previous period	1,310	(60,225)
Changes during the period		
Balance at the end of the previous period of acquired company	(1,310)	
Balance at the end of the previous period of acquiring company	(63,120)	
Net changes during the period except for shareholders' equity	2,895	(5,558)
Total changes during the period	(61,535)	(5,558)
Balance at the end of the period	(60,225)	(65,783)

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Stock subscription rights		
Balance at the end of the previous period		367
Changes during the period		
Net changes during the period except for shareholders' equity	367	215
Total changes during the period	367	215
Balance at the end of the period	367	582
Minority interests		
Balance at the end of the previous period	6,325	23,845
Changes during the period		
Balance at the end of the previous period of acquired company	(6,325)	
Balance at the end of the previous period of acquiring company	15,864	
Net changes during the period except for shareholders' equity	7,980	(2,465)
Total changes during the period	17,519	(2,465)
Balance at the end of the period	23,845	21,380
Total net assets		
Balance at the end of the previous period	249,921	598,988
Changes during the period		
Balance at the end of the previous period of acquired company	(249,921)	
Balance at the end of the previous period of acquiring company	279,043	
Dividends		(7,942)
Net income (loss)	127,064	(29,312)
Acquisition of treasury stocks	(26)	(28)
Disposal of treasury stocks	11	163
Increase due to merger	181,652	
Change in scope of equity method		(86)
Net changes during the period except for shareholders' equity	11,243	(7,808)
Total changes during the period	349,066	(45,014)
Balance at the end of the period	598,988	553,973

4. Consolidated Cash Flow Statements

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from operating activities		
Income (loss) before income taxes and minority interests	135,917	(36,954)
Depreciation and amortization	23,838	23,825
Amortization of goodwill	591	72
Increase (decrease) in allowance for doubtful accounts	(1,283)	(199)
Increase (decrease) in reserve for employees' bonuses	1,061	(6,666)
Increase (decrease) in reserve for retirement benefits	(965)	(3,328)
Increase (decrease) in reserve for directors' retirement benefits	(742)	(1)
Increase (decrease) in reserve for financial instruments transaction liabilities	44	(689)
Foreign exchange losses (gains)	435	(314)
Interest and dividend income	(103,951)	(118,867)
Interest expenses	62,209	75,768
Equity in (earnings) losses of affiliated companies	293	(73)
Loss (gain) on sales of fixed assets	(7)	
Loss on disposal of fixed assets	1,735	821
Extraordinary depreciation on fixed assets	420	1,759
Loss (gain) on sales of investment securities, net	(954)	61
Loss on impairment of investment securities	246	93
Loss on impairment of golf club membership	35	63
Gain on negative goodwill	(110,219)	
Cumulative effect of adoption of accounting standard for asset retirement obligations		36
Decrease (increase) in cash segregated as deposits for customers and others	(30,486)	(6,953)
Decrease (increase) in trading assets and liabilities, net	(910,110)	(106,093)
Decrease (increase) in receivables related to margin transactions	(24,446)	11,259
Increase (decrease) in payables related to margin transactions	5,225	2,749
Decrease (increase) in collateralized short-term financing agreements-receivable	(2,405,121)	(997,806)
Increase (decrease) in collateralized short-term financing agreements - payable	3,122,706	66,831
Increase (decrease) in advances paid and deposits received	218,954	(189,105)
Other, net	29,717	116,913
Subtotal	15,143	(1,166,796)
Interest and dividends received	104,893	113,495
Interest paid	(59,234)	(70,340)
Income taxes paid	(4,228)	(1,314)
Net cash provided by (used in) operating activities	56,574	(1,124,956)

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from investing activities		
Payments for time deposits	(9,655)	(8,912)
Proceeds from withdrawal of time deposits	5,952	9,421
Payments for purchase of securities	(1,918)	(5,000)
Proceeds from sales and redemptions of securities	5,847	4,515
Payments for purchases of property and equipment	(6,718)	(2,517)
Proceeds from sales of property and equipment	128	1
Payments for purchases of intangible fixed assets	(7,610)	(9,296)
Payments for purchases of investment securities	(11,603)	(329)
Proceeds from sales and redemptions of investment securities	2,845	8,512
Payments for long-term loans receivable	(8,749)	
Collection of long-term loans receivable	1,557	4,709
Decrease (increase) in short-term loans receivable	(1,504)	3,095
Payments for long-term guarantee deposits	(2,094)	(585)
Proceeds from long-term guarantee deposits	3,560	1,290
Other	(361)	(608)
Net cash provided by (used in) investing activities	(30,323)	4,296
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(133,439)	1,053,216
Increase (decrease) in commercial paper	34,100	152,400
Proceeds from issuance of long-term borrowings	91,749	170,600
Repayments of long-term borrowings	(43,944)	(74,873)
Proceeds from issuance of bonds	157,712	123,510
Payments for redemption of bonds	(174,945)	(111,715)
Acquisition of treasury stocks	(26)	(28)
Proceeds from reissuance of treasury stocks	6	6
Payments of cash dividends	(2,318)	(7,963)
Proceeds from stock issuance to minority interests	540	
Payments of cash dividends to minority interests	(175)	(150)
Payments of lease obligations	(1,434)	(1,021)
Net cash provided by (used in) financing activities	(72,176)	1,303,981
Effect of exchange rate changes on cash and cash equivalents	1,376	(8,150)
Net increase (decrease) in cash and cash equivalents	(44,549)	175,171
Cash and cash equivalents at beginning of period	171,890	195,206
Beginning balance of cash and cash equivalents: Acquired company	(171,890)	
Beginning balance of cash and cash equivalents: Acquiring company	89,560	
Increase in cash and cash equivalents from merger	150,195	
Decrease in cash and cash equivalents related to changes in scope of consolidation		(136)
Cash and cash equivalents at end of period	195,206	370,241

5. [Note on the going-concern assumption]

Not applicable

6. [Consolidated financial statements]

1. These consolidated financial statements were prepared pursuant to "Regulation for Terminology, Forms, and Preparation of Consolidated Financial Statements" (Ordinance of the Ministry of Finance No.28 of 1976, the "Regulation") and in accordance with Article 46 and 68 of the Regulation, pursuant to the "Cabinet Office Ordinance on the Financial Instruments and Exchange Business" (Cabinet Office Ordinance No. 52 of 2007) and the "Regulations Concerning the Unification of Accounting for Securities-Related Business" (Self-regulatory Regulation of Japan Securities Dealers Association, November 14, 1974). The above statements for the last fiscal year were prepared pursuant to the pre-amended Regulation, and the statements for this fiscal year were prepared pursuant to the amended Regulation.
2. 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 consolidated results for the fiscal year ended March 31, 2010 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.

7. [Significant accounting policies in the preparation of consolidated financial statements]

1. Scope of consolidation

Consolidated subsidiaries (30 subsidiaries)

Major subsidiaries

Mizuho Securities UK Holdings Ltd.
Mizuho International plc
Mizuho Bank (Switzerland) Ltd
Mizuho Saudi Arabia Company
Greater China Investments GP (Cayman) Limited
Mizuho Securities USA Inc.
Mizuho Securities Asia Limited
Mizuho Securities (Singapore) Pte. Ltd.
Mizuho Securities India Private Limited
Mizuho Investment Consulting (Shanghai) Co., Ltd.
Shinko Asset Management Co., Ltd.
Mizuho Securities Principal Investment Co., Ltd.
Basic Capital Management Ltd.
Mizuho Securities Research & Consulting Co., Ltd.
Japan Investor Relations and Investor Support, Inc.
Nippon Securities Technology Co., Ltd.
Mizuho Securities Business Services Co., Ltd.
Mizuho Securities Property Management Co., Ltd.
Mizuho Securities Office Services Co., Ltd.
Shinwa Securities Co., Ltd.
Mitsui Securities Co., Ltd.
Shinko IPO Investment Business Fund No.1
Other 8 companies

Newly consolidated:

Mizuho Securities India Private Limited

Excluded from the scope of consolidation:

Mizuho Securities Investment Services Co., Ltd.
Tokyo Valuation Research Co., Ltd.
Industrial Decisions, Inc.
Other 4 companies

2. Matters concerning the application of equity method

Equity-method affiliates (11 affiliates)

Mizuho Alternative Investments, LLC
Neostella Capital Co., Ltd.
Energy & Environment Investment, Inc.
Mobile Internet Capital, Inc.
Japan Industrial Partners, Inc.
Eiwa Securities Co., Ltd.
The Neostella Capital No.1 Investment Business Limited Partnership
Industrial Decisions, Inc.
Other 3 companies

Newly applied:

Industrial Decisions, Inc.

Excluded from the scope of application:

Mitoyo Securities Co., Ltd.

3. Matters related to the period of consolidated subsidiaries

The closing dates of consolidated subsidiaries are as follows:

March 31, 2011	21 subsidiaries
December 31, 2010	9 subsidiaries

For nine consolidated subsidiaries with different closing dates to the consolidated closing date, financial statements as of each subsidiary's closing date were used. However, for important transactions that took place between the last closing date of each company and the consolidated closing date, adjustments necessary for the consolidation were performed.

4. Matters related to the accounting standards

(1) Valuation method for significant assets

1) Valuation method for securities classed as trading products (securities held for trading purpose):

Securities and derivative contracts classed as trading products and held by the parent company and subsidiaries are recorded at fair value.

2) Valuation method for securities not classed as trading products:

The following valuation methods are applied to securities that are not held for trading purposes:

a) Bonds that are to be held to maturity

The amortized cost (straight-line) method is used.

b) Other securities

Other securities with fair value:

Those are recorded at fair value on the consolidated balance sheets. Differences between the cost, using the moving average method, and fair value are recorded as net unrealized gains (or losses) on investment securities.

Other securities those are difficult to calculate fair value:

Those are recorded at cost using moving average method.

Moreover, with regard to contributions to investment business limited partnerships and similar partnerships (according to Article 2, Paragraph 2 of the Financial Instruments and Exchange Law, such contributions are regarded as negotiable securities), the Company mainly uses, as the book value, the value of its holdings of partnership assets as designated on the partnership's most recent statement of accounts that the Company is able to obtain as of the day - stipulated in the partnership agreement - on which the latest statement of accounts is reported. With regard to profit and loss obtained from the operations of the partnership, etc., the Company uses a method whereby the Company records the value of its holdings.

(2) Depreciation methods used for significant depreciable assets

1) Property and equipment

Both the Company and domestic consolidated subsidiaries mainly use declining-balance method.

However, buildings acquired after 1 April 1998 (excluding the equipment, etc. they contain) are depreciated using the straight-line method.

- 2) Intangible fixed assets and long-term prepaid expenses

The straight-line method is mainly used.

Moreover, software for own use is depreciated using a straight-line method determined by the duration of its potential internal use (up to 5 years).
- 3) Leased Assets

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.
- (3) Accounting standards for significant reserves and allowances
 - 1) Allowance for doubtful accounts

In preparation for possible loss from bad debt in loans and receivables, etc., allowance for general receivables is provided based on the ratio of past loss experience and also specific receivables such as non-recoverable receivables is provided for the estimated uncollectible amounts after reviewing collectability of receivables individually.
 - 2) Reserve for employees' bonuses

To prepare for the payment of bonuses to employees, the Company calculates the estimated value of future payments and charges an appropriate portion of this obligation to the period.
 - 3) Reserve for directors' bonuses

To prepare for the payment of bonuses to directors, the Company calculates the estimated value of future payments and charges an appropriate portion of this obligation to the period.
 - 4) Allowance for bonus point redemption

To prepare for the cost burden for use of the Mizuho Point Service in the future, the expected required amount is calculated for this period based on the usage rate.
 - 5) Reserve for retirement benefits

To prepare for the payment of employee retirement benefits, the amount considered to have arisen within the period is charged to the period on the basis of the estimated value of projected retirement benefit obligations and pension assets at the end of this period. Prior service cost is charged to expenses using the lump-sum or the straight-line method based on determined years (10 years) within average remaining service year of the employees when incurred. Actuarial differences are also charged to expenses from the following fiscal year using the straight-line method based on determined years (10 years) within average remaining service year of the employees when incurred.
 - 6) Reserve for directors' retirement benefits

To prepare for the payment of retirement benefits for directors, the necessary amount for the end of this period is recorded in accordance with the in-house regulations.
 - 7) Reserve for executive officers' retirement benefits

To prepare for the payment of retirement benefits for executive officers, the necessary amount for the end of this period is recorded in accordance with the in-house regulations.
 - 8) Reserve for financial instruments transaction liabilities

Reserve for financial instruments transaction liabilities is provided for potential loss from accidents in security transactions in accordance with Article 46, Paragraph 5 of the Financial Instruments and Exchange Act, and Article 175 of "Cabinet Office Ordinance on the Financial Instruments and Exchange Business"
- (4) Standards for translating significant assets or liabilities denominated in foreign currencies into Japanese yen

Foreign currency denominated claims and obligations are translated into Japanese yen at the spot rate prevailing on the closing day of this period. Currency translation losses or gains are recorded on the statements of operations as such.

The assets, liabilities, revenues, and expenses of foreign subsidiaries are also translated into Japanese yen at the spot rate prevailing on the closing day of this period. Any translation losses or gains are recorded in the net assets under the account "Foreign currency translation adjustment" and "Minority interests".
- (5) Amortization method and period used for goodwill

Goodwill is expensed in the year in which it is incurred.
- (6) Method of significant hedge accounting

Gains or losses resulting from forward foreign exchange transactions entered to hedge the exchange-rate risk of foreign-currency-dominated equity investments in subsidiaries, to the extent effective, are included in the foreign exchange translation adjustments in net assets.

The method of fair value hedge is applied for foreign borrowing exposures in order to minimize the risk of exchange-rate fluctuations for foreign-currency-denominated securities and others. Further, a special disposition method is applied for interest-rate swap agreements, which are adopted to reduce interest-rate risks of subordinated borrowings, under a condition that these agreements meet the requirements of the method.

- (7) Accounting for consumption tax
The tax exclusion method is applied.

5. Scope of cash and cash equivalents included in the consolidated cash flow statements

The cash movements recorded in the consolidated cash flow statements are those of cash and cash equivalents. Assets classed as cash or cash equivalents are cash on hand, deposits for which no notice of withdrawal is required, and highly liquid short-term investments that carry next to no price risk and have a maturity of less than three months.

8. [Changes in significant accounting policies in the preparation of consolidated financial statements]

- The Company applied "Accounting Standard for Equity Method of Accounting for Investment" (Accounting Standards Board of Japan ("ASBJ") Statement No.16, March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No.24, March 10, 2008) from this fiscal year. There is no impact of adopting these accounting standards to the consolidated financial statements.
- The Company applied "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21, March 31, 2008) from this fiscal year. The impact of applying these accounting standards to Operating Loss, Ordinary Loss and Loss before Income Taxes and Minority Interests is immaterial.

9. [Additional information]

The Company applied "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, June 30, 2010) from this fiscal year. The amount of Accumulated Other Comprehensive Income and Total Accumulated Other Comprehensive Income for the year ended March 31, 2010 represents the amounts of Valuation and Translation Adjustments and Total Valuation and Translation Adjustments, respectively.

10. [Notes to Consolidated Financial Statements]

(Consolidated Balance Sheets)

	Year ended March 31, 2010	Year ended March 31, 2011 (Millions of yen)
1. Accumulated depreciation deducted from property and equipment	41,486	45,453
2. Obligations under guarantees	763	528
(potential guarantee obligation)	(578)	(425)

In accordance with Report No. 61 of the Auditing Committee of the Japanese Institute of Certified Public Accountants, titled "Auditing Procedures Concerning the Accounting for Guarantee Obligations and Quasi-Guarantees," those obligations of the Company deemed to cause the Company to be held liable as a guarantor are to be treated as quasi-guarantees and stated in notes.

3. The balance for affiliate companies are as follows:

	March 31, 2010	March 31, 2011 (Millions of yen)
Investment Securities	3,290	2,951

(Consolidated Statements of Comprehensive Income)

Fiscal Year Ended March 31, 2011 (April 1, 2010 - March 31, 2011)

Comprehensive income for the year ended March 31, 2010	(Millions of yen)
Attributable to:	
The Company's shareholders	129,960
Minority interests	(56)
<hr/>	
Total	129,904
Other comprehensive income for the year ended March 31, 2010	(Millions of yen)
Net unrealized gains (losses) on investment securities, net of taxes	4,730
Foreign currency translation adjustments	(2,106)
Share in other comprehensive income of affiliates accounted for using equity method	63
<hr/>	
Total	2,688

(Consolidated Statements of Changes in Shareholders' Equity)

Fiscal Year Ended March 31, 2010 (April 1, 2009 - March 31, 2010)

The Company merged with the former Mizuho Securities Co., Ltd. on May 7, 2009. Because the merger is accounted for as a reverse acquisition under the accounting standards for business combinations, the beginning balance of consolidated shareholders' equity at April 1, 2009, is that of the former Mizuho Securities Co., Ltd. Consequently, the ending balance of consolidated shareholders' equity at March 31, 2010, does not correspond to the beginning balance of consolidated shareholders' equity at April 1, 2009.

- (1) "Acquired company's beginning balance" is the Company's (consolidated) ending balance for the previous fiscal year.
- (2) "Acquiring company's beginning balance" is the former Mizuho Securities' (consolidated) ending balance for the previous fiscal year.
- (3) "Increase due to merger" resulted from the application of the acquisition method for the acquisition of the Company (acquired company) by the former Mizuho Securities (acquiring company).
- (4) An amount of -2,318 million yen for dividends paid from retained earnings was included in "Increase due to merger" under "Retained earnings" as the Company's dividend record date is March 31, 2009 (effective June 26, 2009).

1. Matters related to issued shares

	(Thousands of shares)			
	Shares at March 31, 2009	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2010
Shares outstanding				
Common stock	6,685	1,620,003		1,626,688
Total	6,685	1,620,003		1,626,688

(Notes)

1. As the merger is categorized as a reverse acquisition, the number of shares at the end of previous fiscal year is that of the former Mizuho Securities.
2. The number of shares outstanding (common stock) increased by 1,620,003 thousand shares due to the merger.

2. Matters related to treasury stock

(Thousands of shares)

	Shares at March 31, 2009	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2010
Treasury stock Common stock	-	38,226	35	38,190
Total	-	38,226	35	38,190

(Notes)

- As the merger is categorized as a reverse acquisition, the number of shares at the end of previous fiscal year is that of the former Mizuho Securities.
- The number of common stock held in treasury stock increased by 38,226 thousand shares. This increase is mainly resulting from a 38,135 thousand shares of increase due to merger and resulted from a 90 thousand shares of increase due to the purchase of odd-lot shares.
- The number of common stock held in treasury stock decreased by 35 thousand shares. A decrease of 5 thousand shares resulted from a request to increase a purchase of odd-lot shares, while a decrease of 30 thousand shares resulted from the exercise of stock option rights.

3. Stock subscription rights for the year ended March 31, 2010

Stock subscription rights (stock option) 367 million yen (Filing company: 367 million yen)

4. Matters related to dividends

(1) Dividends paid

Date of resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting held on June 25, 2009	Common shares	2,318	3.00	March 31, 2009	June 26, 2009

(2) Dividends for which the record date falls within the current period (April 1, 2009 through March 31, 2010) and the effective date falls in the next period.

Date of resolution	Class of shares	Total amount of dividends (Millions of yen)	Source of funds	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting held on June 22, 2010 (scheduled)	Common shares	7,942	Retained earnings	5.00	March 31, 2010	June 23, 2010

(Note) A dividend per share includes ordinary dividend 3 yen and commemorative dividend 2 yen.

Fiscal Year Ended March 31, 2011 (April 1, 2010 - March 31, 2011)

1. Matters related to issued shares

(In thousands of shares)

	Shares at March 31, 2010	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2011
Shares outstanding Common stock	1,626,688			1,626,688
Total	1,626,688			1,626,688

2. Matters related to treasury stock

(In thousands of shares)

	Shares at March 31, 2010	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2011
Treasury stock				
Common stock	38,190	127	569	37,749
Total	38,190	127	569	37,749

(Notes)

- The number of common stock held in treasury stock increased by 127 thousand shares. This increase resulted from the purchase of odd-lot shares.
- The number of common stock held in treasury stock decreased by 569 thousand shares. A decrease of 28 thousand shares resulted from a request to increase a purchase of odd-lot shares, while a decrease of 536 thousand shares resulted from the exercise of stock option rights.

3. Matters related to stock subscription rights

Stock subscription rights (stock option) 582 million yen (Filing company: 582 million yen)

4. Matters related to dividends

(1) Dividends paid

Date of resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting held on June 22, 2010	Common shares	7,942	5.00	March 31, 2010	June 23, 2010

(Note) A dividend per share includes ordinary dividend 3 yen and commemorative dividend 2 yen.

(2) Dividends for which the record date falls within the current period (April 1, 2010 to March 31, 2011) and the effective date falls in the next period

Not applicable

(Consolidated Cash Flow Statements)

Reconciliation of the amounts of cash and cash equivalents at end of the period stated in the consolidated cash flow statements with the amounts stated in the consolidated balance sheets.

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash and bank deposits	162,392	377,668
Time deposits with original maturity over three months	(8,635)	(7,426)
MMF	41,449	-
Cash and cash equivalents	195,206	370,241

(Segment information)

(Additional information)

The Company applied "Accounting Standard for Disclosure about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20, March 21, 2008) from this fiscal year.

1) General information regarding reportable segments

The Companies report their operations in four segments: the Global Investment Banking Division, the Global Markets & Products Division, the Corporate Investment Services & Retail Business Division, and the Overseas Subsidiaries. These segments are components of the Company for which discrete financial information is available and whose operating results are regularly reviewed by the Company's board of directors to make decisions about resources to be allocated to the segment and assess its performance.

- The Global Investment Banking Division provides underwriting, M&A, securitization, and other advisory services to institutional clients.
- The Global Markets & Products Division serves institutional clients through sales and trading of equities, bonds, and other market instruments and provides services related to asset management.
- The Corporate Investment Services & Retail Business Division markets equities, bonds, investment trusts, and other instruments to clients, primarily individuals, mid-tier small and medium-sized companies and provides services related to financing and business succession to institutional clients.
- The Overseas Subsidiaries provides services related to securities outside of Japan.

2) Information regarding reported segment profit and loss

For the year ended March 31, 2010 (April 1, 2009 to March 31, 2010)

(Millions of yen)

	Global Investment Banking Div.	Global Markets & Products Div.	Corporate Investment Services & Retail Business Div.	Overseas Subsidiaries	Other	Amount recorded on consolidated statements of operations
Net operating revenues	45,552	69,891	85,420	69,406	(19,869)	250,401
Income before income taxes and minority interests	11,302	22,217	4,852	12,248	85,296	135,917

(Notes)

1. "Other" includes operating segments not included in reportable segments and head office expense.
2. Information on segment assets is omitted from this disclosure because the Company does not allocate assets to operating segments.

For the year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Global Investment Banking Div.	Global Markets & Products Div.	Corporate Investment Services & Retail Business Div.	Overseas Subsidiaries	Other	Amount recorded on consolidated statements of operations
Net operating revenues	32,718	56,756	74,770	33,290	(4,708)	192,827
Income (loss) before income taxes and minority interests	3,298	7,890	(6,143)	(28,121)	(13,877)	(36,954)

(Notes)

1. "Other" includes operating segments not included in reportable segments and head office expense.
2. Information on segment assets is omitted from this disclosure because the Company does not allocate assets to operating segments.

3) Reconciliation of the segments' aggregate income (loss) to the consolidated statements of operations

For the year ended March 31, 2010 (April 1, 2009 to March 31, 2010)

(Millions of yen)

	Amount
Income before income taxes and minority interests	
Reportable segments total	50,621
Head office expense (Note)	(15,751)
Gain on negative goodwill	110,219
Amortization of goodwill	(591)
Other adjustments	(8,580)
Income (loss) before income taxes and minority interests recorded on the consolidated statements of operations	135,917

Note: "Head Office Expense" comprises mainly selling, general and administrative expenses not attributable to reportable segments.

For the year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Amount
Income before income taxes and minority interests	
Reportable segments total	(23,076)
Head office expense (Note)	(10,137)
Amortization of goodwill	(72)
Other adjustments	(3,667)
Income (loss) before income taxes and minority interests recorded on the consolidated statements of operations	(36,954)

Note: "Head Office Expense" comprises mainly selling, general and administrative expenses not attributable to reportable segments.

4) Geographic segment information

For the year ended March 31, 2010 (April 1, 2009 to March 31, 2010)

(Millions of yen)

	Japan	Asia	Europe	North America	Consolidated
Net operating revenues	192,296	2,520	25,216	30,366	250,401

(Notes)

1. Criterion for classification of countries and regions into geographical segments: geographical proximity
2. Major countries or regions in segments other than Japan:
 - (1) Asia: China, Singapore
 - (2) Europe: United Kingdom, Switzerland etc.
 - (3) North America: United States of America

For the year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Japan	Asia	Europe	North America	Consolidated
Net operating revenues	173,509	3,473	(2,877)	18,722	192,827

(Notes)

1. Criterion for classification of countries and regions into geographical segments: geographical proximity
2. Major countries or regions in segments other than Japan:
 - (1) Asia: China, Singapore etc.
 - (2) Europe: United Kingdom, Switzerland etc.
 - (3) North America: United States of America

(Fair Value of Securities and Derivatives)

1. Trading activities

(1) Fair value of trading securities and others (trading assets and trading liabilities)

(Millions of yen)

Type	As of March 31, 2010		As of March 31, 2011	
	Assets	Liabilities	Assets	Liabilities
Equities and warrants	242,662	56,317	503,599	36,232
Bonds	6,298,389	2,867,492	6,624,323	3,585,639
Commercial paper and certificates of deposit	150,608		53,994	
Beneficiary certificates	19,358	20	8,083	48
Other	164,008		94,957	

(2) Notional amounts and fair value of derivative contracts

(Millions of yen)

Type	As of March 31, 2010				As of March 31, 2011			
	Assets		Liabilities		Assets		Liabilities	
	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value
Option contracts	2,353,468	148,131	2,460,238	177,808	2,239,103	153,950	2,372,098	161,214
Forward exchange contracts	91,359	757	248,547	6,364	86,495	1,057	201,575	6,091
Future/forward contracts	440,431	3,099	379,158	4,459	492,187	7,557	752,210	6,269
Swap contracts	20,769,335	577,882	20,127,658	497,868	32,966,645	595,838	31,334,430	467,918
Mark-to-market reserve		(9,227)				(7,994)		

Note: Valuation gain or loss of futures and forward contracts are recorded in the fair value column.

2. Other than trading activities

(1) Fair value of held-to-maturity debt securities

(Millions of yen)

Type	As of March 31, 2010			As of March 31, 2011		
	Carrying amount	Fair value	Differences	Carrying amount	Fair value	Differences
Fair value higher than value recorded on consolidated balance sheets	4,945	4,975	29	3,519	3,534	15
Government and municipal bonds						
Corporate bonds	4,945	4,975	29	3,519	3,534	15
Other						
Fair value lower than or equal to value recorded on consolidated balance sheets						
Governmental / municipal bonds						
Corporate bonds						
Other						

(2) Other securities with readily determinable fair value

(Millions of yen)

Type	As of March 31, 2010			As of March 31, 2011		
	Acquisition cost	Carrying amount	Differences	Acquisition cost	Carrying amount	Differences
Value recorded on consolidated balance sheets higher than acquisition cost	34,877 [4,104]	42,442 [4,251]	7,565 [147]	24,475 []	28,239 []	3,763 []
Equities	14,549 []	21,262 []	6,712 []	9,247 []	12,621 []	3,373 []
Bonds	16,223	16,928	705	14,204	14,561	356
Government and municipal bonds						
Corporate bonds	2,315	2,318	2	1,007	1,011	3
Others	13,907	14,609	702	13,197	13,550	353
Other	4,104 [4,104]	4,251 [4,251]	147 [147]	1,023 []	1,055 []	32 []
Value recorded on consolidated balance sheets lower than or equal to acquisition cost	75,454 [13,801]	74,059 [13,480]	(1,395) [(320)]	38,694 [18,480]	35,813 [18,140]	(2,880) [(339)]
Equities	6,342 [410]	5,698 [410]	(643) []	10,390 [1,500]	8,268 [1,500]	(2,122) []
Bonds	13,804	13,374	(430)	4,585	4,585	(0)
Government and municipal bonds						
Corporate bonds	1,313	1,311	(1)	705	705	(0)
Others	12,491	12,063	(428)	3,879	3,879	
Other	55,307 [13,391]	54,986 [13,070]	(320) [(320)]	23,717 [16,980]	22,959 [16,640]	(758) [(339)]

(Note) Figures in [brackets] refer to "operating investment securities" in "Current assets" on consolidated balance sheets.

(3) Securities without readily determinable market values and their recorded values on the consolidated balance sheets

(Millions of yen)

Type	As of March 31, 2010	As of March 31, 2011
	Value on consolidated balance sheets	Value on consolidated balance sheets
Bonds to be held to maturity		
Government and municipal bonds		
Corporate bonds		
Other		
Other securities	91,760 [71,225]	85,712 [65,966]
Unlisted equities	29,530 [10,674]	27,441 [9,229]
Unlisted bonds	0 [0]	0 [0]
Other	62,230 [60,551]	58,270 [56,736]

(Note) Figures in [brackets] refer to "operating investment securities" in "Current assets" on consolidated balance sheets.

(4) Notional amounts, fair value, and valuation gains and losses on derivative contracts

(Millions of yen)

Type	As of March 31, 2010					
	Assets			Liabilities		
	Notional amount	Fair value	Valuation gains/losses	Notional amount	Fair value	Valuation gains/losses
Option contracts	15,208	412	412	15,208	412	(412)
Forward exchange contracts	20,371	432	432	60,828	1,778	(1,778)
Future/forward contracts	3,999	68	68	3,797	65	(65)

(Millions of yen)

Type	As of March 31, 2011					
	Assets			Liabilities		
	Notional amount	Fair value	Valuation gains/losses	Notional amount	Fair value	Valuation gains/losses
Option contracts	1,394	23	23	1,394	23	(23)
Forward exchange contracts	1,344	4	4	70,014	1,011	(1,011)
Future/forward contracts	2,093	35	35	2,148	34	(34)

(Per share information)

(yen)

Year ended March 31, 2010		Year ended March 31, 2011	
Net assets per share	361.84	Net assets per share	334.82
Net income per share	83.37	Net income per share	(18.45)
Net income per share – fully diluted	83.33	Diluted net income per share was not shown due to the net loss per share for the year ended March 31, 2011.	

(Note) Net income per share and net income per share (diluted) were calculated based on the following:

	Year ended March 31, 2010	Year ended March 31, 2011
Net income (loss) per share		
Net income (loss) (Millions of yen)	127,064	(29,312)
Amount not attributable to common stock shareholders (Millions of yen)		
Net income (loss) attributable to common stock (Millions of yen)	127,064	(29,312)
Average number of common shares outstanding (Thousands of shares)	1,524,105	1,588,881
Net income per share (diluted)		
Adjustment amounts to net income (Millions of yen)		
Increase in common stock (Thousands of shares)	746	2,255
(Those with stock subscription rights (thousands of shares))	(746)	(2,255)
Outline of significant change from the end of the previous fiscal year in potential common shares that were not included in the calculation of net income per share (diluted) due to anti-dilutive effect		

(Significant subsequent events)

Mizuho Financial Group, Inc. (“MHFG”), Mizuho Corporate Bank, Ltd. (“MHCB”), and Mizuho Securities Co., Ltd. (“MHSC”) have determined, at their respective meeting of the board of directors held on April 28, 2011, to make MHSC a wholly-owned subsidiary through a share exchange. The share exchange contract was signed by the parties on the same day.

Before the effective date of the share exchange, the common stock of MHSC will be delisted from the Tokyo Stock Exchange, the Osaka Stock Exchange, and the Nagoya Stock Exchange on August 29, 2011 (with the final trading day scheduled to be August 26, 2011).

(1) Name of company subject to share exchange; nature of business; effective date, legal framework and main purpose of the share exchange

- 1) Company to be made wholly owned subsidiary via share exchange Mizuho Securities
- 2) Business Financial Instruments Business
- 3) Effective date of share exchange September 1, 2011 (planned)
- 4) Legal framework In accordance with Article 767 of Japan’s Companies Act, the share exchange will be conducted between MHCB, which will become a wholly-owning parent, and MHSC, which will become a wholly-owned subsidiary of MHCB.
- 5) Main purpose of share exchange MHFG announced the Transformation Program as the Medium-term Management Policy of Mizuho in May 2010, in order to respond promptly and appropriately to the new business environment that surrounds financial institutions, including changes in economic and social structures and revisions of international financial supervision and regulations after the global financial crisis. Mizuho has conducted a fundamental review of the management challenges it faces, and the entire group is now implementing measures to achieve sustainable growth through initiatives for further enhancement of three areas, “profitability,” “financial base” and “front-line business capabilities,” while pursuing the group’s “customer first policy”.

The transaction turning MHSC into a wholly owned-subsiary is intended to further enhance the “group collective capabilities” by integrating group-wide business operations, optimizing management resources, such as workforces and branch networks, and accelerating the implementation of the Transformation Program. Specifically, the transaction aims to (i) ensure a prompt decision-making process and flexibility of strategies and establish a group management structure that can respond with greater flexibility to the changes in the external business environment and challenges of the group as a whole as well as of each group company, (ii) further enhance Mizuho’s comprehensive financial services capabilities, which are Mizuho’s strengths, and reinforce group collaboration that provides seamless full-line services that include banking, trust and securities functions, and (iii) pursue improvement of group management efficiency by thoroughly promoting the consolidation of operations and the cost structure reforms.

(2) Share exchange ratio, calculation method, number of shares to be delivered

1) Share exchange ratio

Company	MHFG (holding company and sole parent company of MHCB)	MHSC (company becoming a wholly-owned subsidiary)
Share exchange ratio breakdown	1	1.48

2) Calculation method

MHFG, MHC B, and MHSC have determined on the above share exchange ratio at their respective meetings of the board of directors held on April 28, 2011. The ratio takes into consideration the results of analyses of the share exchange ratio presented by Merrill Lynch Japan Securities Co., Ltd., and JP Morgan Securities Japan Co., Ltd., and is the result of negotiations and consultations among the parties that considered the financial conditions, earnings trends, and share price trends of MHFG and MHSC. Due consideration was also given to the interests of shareholders of MHFG and MHSC.

3) Number of shares to be transferred

Common shares of MHFG: 958,035,295 shares (subject to change)

. Supplemental Information (Consolidated)

1. Commissions

1) Breakdown by items

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Year on year	
			Increase/ Decrease	Comparison (%)
Brokerage commissions	33,236	32,466	(770)	97.7
Equities	27,468	26,784	(683)	97.5
Bonds	5,686	5,604	(81)	98.6
Underwriting and selling fees, and commissions from solicitation to qualifying investors	43,751	36,043	(7,707)	82.4
Equities	26,531	22,413	(4,118)	84.5
Bonds	16,854	13,347	(3,507)	79.2
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	22,348	26,846	4,497	120.1
Other commissions and fees	46,486	40,635	(5,850)	87.4
Total	145,822	135,991	(9,830)	93.3

2) Breakdown by instruments

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Year on year	
			Increase/ Decrease	Comparison (%)
Equities	55,311	51,339	(3,971)	92.8
Bonds	23,844	19,521	(4,322)	81.9
Beneficiary certificates	35,385	43,689	8,304	123.5
Other	31,282	21,441	(9,840)	68.5
Total	145,822	135,991	(9,830)	93.3

2. Net gain on trading

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Year on year	
			Increase/ Decrease	Comparison (%)
Equities	25,341	4,582	(20,758)	18.1
Bonds, others	38,782	8,041	(30,740)	20.7
Bonds	36,418	(1,628)	(38,047)	-
Other	2,363	9,669	7,306	409.1
Total	64,124	12,624	(51,499)	19.7

3. Quarterly Consolidated Statements of Operations

(Millions of yen)

	Fourth quarter ended March 2010	First quarter ended June 2010	Second quarter ended September 2010	Third quarter ended December 2010	Fourth quarter ended March 2011
	Jan. 1, 2010 - Mar. 31, 2010	Apr. 1, 2010 - Jun. 30, 2010	Jul. 1, 2010 - Sep. 30, 2010	Oct. 1, 2010 - Dec. 31, 2010	Jan. 1, 2011 - Mar. 31, 2011
Operating revenues	70,960	71,165	91,978	62,758	42,694
Commissions	40,932	30,516	39,246	32,116	34,112
Brokerage commissions	8,333	9,444	6,011	7,206	9,803
Equities	6,916	7,638	4,796	5,784	8,565
Bonds	1,400	1,784	1,202	1,408	1,209
Underwriting and selling fees, and commissions from solicitation to qualifying investors	13,640	6,025	15,972	5,900	8,144
Equities	10,532	2,751	12,134	2,293	5,233
Bonds	2,955	3,215	3,720	3,549	2,860
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	6,196	6,031	6,561	7,420	6,832
Other commissions and fees	12,762	9,014	10,701	11,588	9,331
Net gain on trading	5,783	15,139	15,908	3,053	(21,477)
Equities	9,207	(1,468)	(3,541)	5,740	3,853
Bonds, other	(3,423)	16,608	19,450	(2,686)	(25,331)
Bonds	(322)	6,983	13,997	(2,837)	(19,772)
Other	(3,101)	9,625	5,452	150	(5,558)
Net gain (loss) on operating investment securities	(542)	(978)	3,433	(350)	(8)
Interest and dividend income	24,786	26,487	33,389	27,938	30,067
Interest expenses	14,955	15,855	23,963	17,069	18,879
Net operating revenues	56,004	55,309	68,015	45,689	23,814
Selling, general and administrative expenses	57,143	56,712	58,172	54,888	60,000
Transaction-related expenses	9,154	9,760	10,110	8,947	9,693
Personnel expenses	25,624	25,409	26,406	24,659	27,702
Real estate expenses	6,934	6,808	7,305	7,066	6,825
Administrative expenses	6,152	5,591	5,410	5,487	5,826
Depreciation and amortization	6,162	6,061	5,765	5,889	6,109
Taxes and dues	543	712	667	699	1,270
Other	2,571	2,367	2,506	2,138	2,572
Operating income (loss)	(1,138)	(1,402)	9,842	(9,199)	(36,185)
Non-operating income	1,375	2,219	960	143	1,233
Non-operating expenses	840	331	465	159	375
Ordinary income (loss)	(604)	486	10,337	(9,214)	(35,328)
Extraordinary gain	84	947	32	96	256
Extraordinary loss	1,622	155	553	400	3,458
Income (loss) before income taxes and minority interests	(2,142)	1,278	9,816	(9,518)	(38,530)
Income taxes - current	641	148	922	218	(334)
Income taxes - deferred	201	672	2,951	(2,609)	(8,846)
Income (loss) before minority interests	(2,985)	457	5,942	(7,127)	(29,348)
Minority interests	(137)	(12)	15	(297)	(468)
Net income (loss)	(2,847)	470	5,926	(6,829)	(28,880)

. Non-consolidated Financial Statements

1. Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and bank deposits	88,488	325,808
Cash segregated as deposits for customers and others	94,669	101,074
Trading assets	6,447,833	6,494,813
Trading securities and others	5,747,883	5,761,206
Loans and receivables	26,448	10,000
Derivatives	673,502	723,607
Operating investment securities	28,722	28,129
Receivables related to margin transactions	52,864	42,866
Loans receivable under margin transactions	25,317	22,478
Collateral for borrowed securities under margin transactions	27,547	20,387
Collateralized short-term financing agreements-receivable	3,983,524	4,887,413
Deposits paid for securities borrowed	3,962,121	4,733,409
Securities purchased under agreements to resell	21,402	154,003
Advances paid	54	65
Advances from customers	38	14
Others	16	50
Short-term guarantee deposits	101,173	60,819
Securities: fail to deliver		2,040
Variation margin paid	538	
Short-term loans receivable	62,917	57,839
Advance payments	230	233
Prepaid expenses	2,119	2,400
Receivables	1,218	1,753
Accrued income	21,244	22,419
Deferred tax assets	16,589	12,286
Other current assets	424	28
Less: Allowance for doubtful accounts	(62)	(39)
Total current assets	10,902,551	12,039,952
Fixed assets		
Property and equipment		
Buildings	17,047	14,235
Equipment	6,960	6,215
Land	8,040	6,416
Leased assets	1,209	1,209
Leased assets	835	393
Intangible fixed assets	32,773	23,729
Software	32,419	23,373
Tenancy rights	81	84
Telephone subscription rights	273	271
Investments and other assets	301,556	221,383
Investment securities	32,358	24,574
Investments in subsidiaries and affiliates	221,707	138,567
Long-term guarantee deposits	13,780	13,565
Long-term prepaid expenses	2,170	1,934
Deferred tax assets	22,707	31,939
Other	12,389	14,177
Less: Allowance for doubtful accounts	(3,557)	(3,374)
Total fixed assets	351,377	259,348
Total assets	11,253,928	12,299,300

As of March 31, 2010

As of March 31, 2011

Liabilities		
Current liabilities		
Trading liabilities	3,248,184	3,791,467
Trading securities and others	2,654,010	3,184,530
Derivatives	594,174	606,936
Payables – unsettled trades	466,478	144,389
Payables related to margin transactions	19,933	23,083
Loans payable under margin transactions	11,289	9,889
Collateral for loaned securities under margin transactions	8,643	13,193
Collateralized short-term financing agreements-payable	2,626,986	2,425,765
Deposits received for securities loaned	2,022,938	1,750,751
Securities sold under agreements to repurchase	604,048	675,013
Deposits received	251,726	63,318
Deposits from customers	39,825	40,892
Subscription deposits received	192,426	
Other	19,474	22,425
Guarantee deposits received	84,099	63,136
Securities: fail to receive		1,884
Variation margin received		4,939
Short-term borrowings	2,655,549	3,745,572
Commercial paper	331,700	484,100
Bonds and notes due within one year	62,532	31,970
Lease obligations	887	608
Advances received	311	393
Payables	941	1,050
Accrued expenses	19,181	19,279
Income taxes payable	933	768
Reserve for employees' bonuses	7,577	6,050
Allowance for bonus point redemption	376	440
Reserve for loss on liquidation of affiliated companies	2	
Other current liabilities	1,770	1,041
	Total current liabilities	9,779,174
		10,809,261
Long-term liabilities		
Bonds	320,485	390,642
Long-term borrowings	292,886	405,343
Long-term borrowings from affiliated companies	260,800	194,100
Lease obligations	1,156	505
Reserve for retirement benefits	12,295	13,206
Other long-term liabilities	1,844	1,268
	Total long-term liabilities	889,468
		1,005,065
Statutory reserve		
Reserve for financial instruments transaction liabilities	1,860	1,173
	Total statutory reserve	1,860
		1,173
Total liabilities	10,670,503	11,815,500

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus		
Additional paid in capital	380,194	380,194
Other capital surplus	31,117	31,171
Total capital surplus	411,312	411,366
Retained earnings		
Other retained earnings		
Retained earnings brought forward	49,123	(51,032)
Total retained earnings	49,123	(51,032)
Treasury stock	(7,449)	(7,367)
Total shareholders' equity	578,154	478,134
Valuation and translation adjustments		
Net unrealized gains on (operating) investments securities, net of taxes	5,439	2,935
Net deferred gains or losses on hedges, net of taxes	(535)	2,147
Total valuation and translation adjustments	4,903	5,083
Stock subscription rights	367	582
Total net assets	583,425	483,800
Total liabilities and net assets	11,253,928	12,299,300

2. Non-consolidated Statements of Operations

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Operating revenues		
Commissions	119,872	107,690
Brokerage commissions	23,734	20,967
Underwriting and selling fees, and commissions from solicitation to qualifying investors	32,889	27,540
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	23,520	26,002
Other commissions and fees	39,728	33,179
Net gain on trading	62,394	37,782
Net gain (loss) on operating investment securities	(2,838)	(1,146)
Interest and dividend income	37,551	49,365
Total operating revenues	<u>216,979</u>	<u>193,692</u>
Interest expenses	<u>26,321</u>	<u>31,136</u>
Net operating revenues	<u>190,658</u>	<u>162,556</u>
Selling, general and administrative expenses	169,690	173,380
Transaction-related expenses	28,071	31,481
Personnel expenses	67,243	66,608
Real estate expenses	25,004	25,014
Administrative expenses	24,073	26,964
Depreciation and amortization	19,159	16,742
Taxes and dues	2,247	2,307
Other	3,891	4,262
Operating income (loss)	<u>20,967</u>	<u>(10,824)</u>
Non-operating income	2,355	2,528
Dividend income	1,017	1,075
Other	1,338	1,453
Non-operating expenses	325	97
Ordinary income (loss)	<u>22,998</u>	<u>(8,393)</u>
Extraordinary gain	254	1,311
Gain on sales of investment securities	183	609
Reversal of reserve for financial instruments transaction liabilities	—	687
Reversal of allowance for doubtful accounts	70	14
Extraordinary loss	9,808	90,113
Loss on sales of fixed assets	0	—
Loss on disposal of fixed assets	1,585	660
Loss on sales of investment securities	14	433
Loss on impairment of investment securities	483	1,073
Loss on impairment of equity in affiliated companies	—	85,832
Loss on impairment of golf club membership	35	57
Merger expenses	5,587	—
Extraordinary depreciation on fixed assets	420	1,626
Prior year adjustment - Depreciation	1,634	—
Cumulative effect of adoption of accounting standard for asset retirement obligations	—	36
Loss on cancellation of system agreement	—	392
Provision of reserve for financial instruments transaction liabilities	46	—
Income (loss) before income taxes	<u>13,445</u>	<u>(97,196)</u>
Income taxes-current	137	120
Income taxes-deferred	(4,887)	(5,103)
Total income taxes	<u>(4,749)</u>	<u>(4,983)</u>
Net income (loss)	<u>18,195</u>	<u>(92,212)</u>

3. Non-consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Shareholders' equity		
Common stock		
Balance at the end of the previous period	125,167	125,167
Changes during the period		
Total changes during the period		
Balance at the end of the period	125,167	125,167
Capital surplus		
Additional paid in capital		
Balance at the end of the previous period	51,407	380,194
Changes during the period		
Increase due to merger	328,787	
Total changes during the period	328,787	
Balance at the end of the period	380,194	380,194
Other capital surplus		
Balance at the end of the previous period	31,113	31,117
Changes during the period		
Disposal of treasury stocks	4	53
Total changes during the period	4	53
Balance at the end of the period	31,117	31,171
Total capital surplus		
Balance at the end of the previous period	82,521	411,312
Changes during the period		
Disposal of treasury stocks	4	53
Increase due to merger	328,787	
Total changes during the period	328,791	53
Balance at the end of the period	411,312	411,366
Retained earnings		
Other retained earnings		
Retained earnings brought forward		
Balance at the end of the previous period	33,246	49,123
Changes during the period		
Dividends	(2,318)	(7,942)
Net income (loss)	18,195	(92,212)
Total changes during the period	15,876	(100,155)
Balance at the end of the period	49,123	(51,032)
Total retained earnings		
Balance at the end of the previous period	33,246	49,123
Changes during the period		
Dividends	(2,318)	(7,942)
Net income (loss)	18,195	(92,212)
Total changes during the period	15,876	(100,155)
Balance at the end of the period	49,123	(51,032)

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Treasury stocks		
Balance at the end of the previous period	(7,425)	(7,449)
Changes during the period		
Acquisition of treasury stocks	(31)	(28)
Disposal of treasury stocks	7	110
Total changes during the period	(24)	82
Balance at the end of the period	(7,449)	(7,367)
Total shareholders' equity		
Balance at the end of the previous period	233,509	578,154
Changes during the period		
Dividends	(2,318)	(7,942)
Net income (loss)	18,195	(92,212)
Acquisition of treasury stocks	(31)	(28)
Disposal of treasury stocks	11	163
Increase due to merger	328,787	
Total changes during the period	344,644	(100,019)
Balance at the end of the period	578,154	478,134
Valuation and translation adjustments		
Net unrealized gains on (operating) investment securities		
Balance at the end of the previous period	1,544	5,439
Changes during the period		
Net changes during the period except for shareholders' equity	3,895	(2,504)
Total changes during the period	3,895	(2,504)
Balance at the end of the period	5,439	2,935
Net deferred hedge gain (loss), net of taxes		
Balance at the end of the previous period		(535)
Changes during the period		
Net changes during the period except for shareholders' equity	(535)	2,683
Total changes during the period	(535)	2,683
Balance at the end of the period	(535)	2,147
Total valuation and translation adjustments		
Balance at the end of the previous period	1,544	4,903
Changes during the period		
Net changes during the period except for shareholders' equity	3,359	179
Total changes during the period	3,359	179
Balance at the end of the period	4,903	5,083
Stock subscription rights		
Balance at the end of the previous period		367
Changes during the period		
Net changes during the period except for shareholders' equity	367	215
Total changes during the period	367	215
Balance at the end of the period	367	582

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Total net assets		
Balance at the end of the previous period	235,053	583,425
Changes during the period		
Dividends	(2,318)	(7,942)
Net income (loss)	18,195	(92,212)
Acquisition of treasury stocks	(31)	(28)
Disposal of treasury stocks	11	163
Increase due to merger	328,787	
Net changes during the period except for shareholders' equity	3,727	394
Total changes during the period	348,371	(99,625)
Balance at the end of the period	583,425	483,800

4. [Note on the going-concern assumption]

Not applicable

5. [Non-consolidated financial statements]

1. These non-consolidated financial statements follow the provisions of Ministry of Finance (MoF) Ordinance No.59 (1963) entitled “The Rules for Terms, Formats, and Preparation Method of Financial Statements” (“Rules for Non-consolidated Financial Statements”) and also comply with the provisions stipulated in Articles 2 of said ordinance. In addition, they are compiled in accordance with Cabinet Office Ordinance No.52 (2007) entitled “Cabinet Office Ordinance Concerning Financial Instruments Business” and the resolution entitled “Uniform Accounting Standards of Securities Companies” approved by the board of directors of the Japan Securities Dealers Association on 14 November 1974. The above statements for the last fiscal year were prepared pursuant to the pre-amended Regulation, and the statements for this fiscal year were prepared pursuant to the amended Regulation.

2. The Company merged with the former Mizuho Securities on May 7, 2009. The non-consolidated business results for the last fiscal year were prepared by combining the business results of the former Shinko Securities for the period from April 1, 2009 through May 6, 2009 with the business results of the Company for the period from May 7, 2009 through March 31, 2010.

6. [Significant accounting policies]

1. Valuation method for securities

- (1) Valuation method for securities classed as trading products (securities held for trading purpose):

Securities and derivative contracts classed as trading products are recorded at fair value.

- (2) Valuation method for securities not classed as trading products:

- 1) Shares of subsidiaries and affiliates

The cost method by the moving-average method is used.

- 2) Other securities

- a) Other securities with fair values:

Those are recorded at fair value on the consolidated balance sheets. Differences between the cost, using the moving average method, and fair value are recorded as net unrealized gains (losses) on investment securities.

- b) Other securities those are difficult to calculate fair value:

Those are recorded at cost using moving average method.

Moreover, with regard to contributions to investment business limited partnerships and similar partnerships (according to Article 2, Paragraph 2 of the Financial Instruments and Exchange Law, such contributions are regarded as negotiable securities), the Company mainly uses, as the book value, the value of its holdings of partnership assets as designated on the partnership’s most recent statement of accounts that the Company is able to obtain as of the day - stipulated in the partnership agreement - on which the latest statement of accounts is reported. With regard to profit and loss obtained from the operations of the partnership, etc., the Company uses a method whereby the Company records the value of its holdings.

2. Depreciation methods used for fixed assets

- (1) Property and equipment

The declining-percentage method is mainly used.

However, buildings acquired after 1 April 1998 (excluding the equipment, etc. they contain) are depreciated using the straight-line (fixed amount) method.

- (2) Intangible fixed assets and long-term prepaid expenses

The straight-line method is used.

Moreover, software for own use is depreciated using a straight-line method with the fixed amount of depreciation being determined by the duration of its potential internal use (up to 5 years).

- (3) Leased Assets

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.

3. Accounting policies for reserves and allowances

(1) Allowance for bad debts

To prepare for possible loss from bad debt in loans and receivables, etc., allowance for general receivables is provided based on the ratio of past loss experience and also specific receivables such as non-recoverable receivables is provided for the estimated uncollectible amounts after reviewing collect ability of receivables individually.

(2) Reserve for employees' bonuses

To prepare for the payment of bonuses to employees, the Company calculated the estimated value of future payments and charged this obligation to this period.

(3) Allowance for bonus point redemption

To prepare for the cost burden for use of the Mizuho Point Service in the future, the expected required amount is calculated for this period based on the usage rate.

(4) Reserve for loss on liquidation of affiliated companies

To prepare for the cost burden for liquidation of the Shinko Securities (Europe) Limited, allowance for the estimated amount is provided.

(5) Reserve for retirement benefits

To prepare for the payment of employee retirement benefits, the amount considered to have arisen within the period was charged to the period on the basis of the estimated value of projected retirement benefit obligations and the Company's pension assets at the end of this period.

Prior service cost is charged to expenses using the lump-sum or the straight-line method based on determined years (10 years) within average remaining service year of the employees when incurred.

Actuarial differences are also charged to expenses from the following fiscal year using the straight-line method based on determined years (10 years) within average remaining service year of the employees when incurred.

(6) Reserve for financial instrument transaction liabilities

Reserve for financial instruments transaction liabilities is provided for potential loss from accidents in security transactions in accordance with Article 46, Paragraph 5 of the Financial Instruments and Exchange Act, and Article 175 of "Cabinet Office Ordinance on the Financial Instruments and Exchange Business"

4. Method of hedge accounting

The method of deferred hedge is applied for forward foreign exchange transactions in order to minimize the risk of exchange-rate fluctuations for foreign-currency-dominated equity investments in subsidiaries.

The method of fair value hedge is applied for foreign borrowing exposures in order to minimize the risk of exchange-rate fluctuations for foreign-currency-denominated securities and others. Further, a special disposition method is applied for interest-rate swap agreements, which are adopted to reduce interest-rate risks of subordinated borrowings, under a condition that these agreements meet the requirements of the method.

5. Accounting for consumption tax

The tax exclusion method is applied.

7. [Changes in significant accounting policies]

Adoption of accounting standards for asset retirement obligations

The Company applied "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21, March 31, 2008) from this fiscal year.

The impact of applying these accounting standards to Operating Loss, Ordinary Loss and Loss before Income Taxes is immaterial.

8. [Notes to Non-consolidated Financial Statements]

(Non-consolidated Balance Sheets)

	March 31, 2010	March 31, 2011
		(Millions of yen)
1. Accumulated depreciation deducted from property and equipment	25,304	28,190
2. Obligations under guarantees	2,657	7,941
(potential guarantee obligation)	(2,378)	(875)

In accordance with Report No. 61 of the Auditing Committee of the Japanese Institute of Certified Public Accountants, titled "Auditing Procedures Concerning the Accounting for Guarantee Obligations and Quasi-Guarantees," those obligations of the Company deemed to cause the Company to be held liable as a guarantor are to be treated as quasi-guarantees and stated in notes.

3. Subordinated corporate bonds and borrowings

Among the Company's corporate bonds and long-term borrowings (including those that mature within one year), there are the following subordinated obligations (corporate bonds and borrowings with special subordinating conditions) as defined in Article 176 of Cabinet Office Ordinance No.52 (2007) entitled "Cabinet Office Ordinance Concerning Financial Instruments Business".

	March 31, 2010	March 31, 2011
		(Millions of yen)
Bonds	13,000	13,000
Long-term borrowings (including those that mature within one year)	310,300	295,300

(Non-consolidated Statements of Changes in Shareholders' Equity)

Fiscal Year Ended March 31, 2010 (April 1, 2009 - March 31, 2010)

Matters related to type and quantities of treasury stock

(Thousands of shares)

	Shares at March 31, 2009	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2010
Treasury stock				
Common stock	38,105	112	38	38,179
Total	38,105	112	38	38,179

1. The number of common stock held in treasury stock increased by 112 thousand shares. This increase resulted from the purchase of odd-lot of shares.
2. The number of common stock held in treasury stock decreased by 38 thousand shares. A decrease of 8 thousand shares resulted from a request to increase a purchase of odd-lot shares, while a decrease of 30 thousand shares resulted from the exercise of stock option rights.

Fiscal Year Ended March 31, 2011 (April 1, 2010 - March 31, 2011)

Matters related to type and quantities of treasury stock

(Thousands of shares)

	Shares at March 31, 2010	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2011
Treasury stock				
Common stock	38,179	127	564	37,742
Total	38,179	127	564	37,742

1. The number of common stock held in treasury stock increased by 127 thousand shares. This increase resulted from the purchase of odd-lot of shares.
2. The number of common stock held in treasury stock decreased by 564 thousand shares. A decrease of 28 thousand shares resulted from a request to increase a purchase of odd-lot shares, while a decrease of 536 thousand shares resulted from the exercise of stock option rights.

(Significant subsequent events)

MHFG, MHC B, and MHSC have determined, at their respective meeting of the board of directors held on April 28, 2011, to make MHSC a wholly-owned subsidiary through a share exchange. The share exchange contract was signed by the parties on the same day.

Before the effective date of the share exchange, the common stock of MHSC will be delisted from the Tokyo Stock Exchange, the Osaka Stock Exchange, and the Nagoya Stock Exchange on August 29, 2011 (with the final trading day scheduled to be August 26, 2011).

Please refer to "Note to the consolidated financial statements (Significant subsequent events)" on page 33 for further information.

. Supplemental Information (Non-consolidated)

1. Commissions

(1) Breakdown by items

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Year on year	
			Increase/ Decrease	Comparison (%)
Brokerage commissions	23,734	20,967	(2,767)	88.3
Equities	23,199	20,664	(2,535)	89.1
Bonds	447	227	(219)	50.9
Underwriting and selling fees, and commissions from solicitation to qualifying investors	32,889	27,540	(5,348)	83.7
Equities	20,632	17,116	(3,515)	83.0
Bonds	11,891	10,140	(1,751)	85.3
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	23,520	26,002	2,482	110.6
Other commissions and fees	39,728	33,179	(6,549)	83.5
Total	119,872	107,690	(12,182)	89.8

(2) Breakdown by instruments

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Year on year	
			Increase/ Decrease	Comparison (%)
Equities	48,975	42,865	(6,109)	87.5
Bonds	13,774	11,786	(1,988)	85.6
Beneficiary securities	31,825	35,791	3,965	112.5
Other	25,297	17,247	(8,050)	68.2
Total	119,872	107,690	(12,182)	89.8

2. Net gain on trading

(Millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011	Year on year	
			Increase/ Decrease	Comparison (%)
Equities	28,231	2,280	(25,950)	8.1
Bonds, others	34,162	35,502	1,339	103.9
Bonds	33,884	25,832	(8,052)	76.2
Other	278	9,669	9,391	
Total	62,394	37,782	(24,611)	60.6

3. Capital adequacy requirement ratio

(Millions of yen)

		As of March 31, 2011	As of March 31, 2010
Basic items	Total capital (A)	478,134	570,211
Supplemental items	Difference in valuation (valuation gains) of other securities	5,665	5,271
	Reserve for financial instruments transaction liabilities, etc.	1,173	1,860
	Allowance for doubtful accounts	39	62
	Subordinated long-term borrowings	108,000	142,000
	Subordinated short-term borrowings	200,300	181,300
	Total (B)	315,179	330,494
	Deducted assets (C)	249,627	341,040
Equity after deduction	(A) + (B) - (C) (D)	543,686	559,665
Amount equivalent to risk	Amount equivalent to market risk	68,493	79,291
	Amount equivalent to counterparty risk	30,488	33,797
	Amount equivalent to fundamental risk	46,569	45,761
	Total (E)	145,551	158,850
Capital adequacy requirement ratio (D)/(E) * 100		373.5%	352.3%

4. Quarterly Non-consolidated Statements of Operations

(Millions of yen)

	Fourth quarter ended March 2010	First quarter ended June 2010	Second quarter ended September 2010	Third quarter ended December 2010	Fourth quarter ended March 2011
	Jan. 1, 2010 - Mar. 31, 2010	Apr. 1, 2010 - Jun. 30, 2010	Jul. 1, 2010 - Sep. 30, 2010	Oct. 1, 2010 - Dec. 31, 2010	Jan. 1, 2011 - Mar. 31, 2011
Operating revenues	55,492	53,457	61,429	44,087	34,719
Commissions	33,229	24,274	31,108	25,589	26,717
Brokerage commissions	5,625	5,636	3,750	5,033	6,547
Equities	5,492	5,560	3,687	4,952	6,463
Bonds	117	54	50	67	55
Underwriting and selling fees, and commissions from solicitation to qualifying investors	9,917	5,365	11,190	4,754	6,230
Equities	7,573	2,551	8,373	1,969	4,223
Bonds	2,192	2,756	2,699	2,727	1,956
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	6,085	5,972	6,365	6,672	6,991
Other commissions and fees	11,601	7,299	9,802	9,128	6,947
Net gain on trading	11,030	19,736	15,026	8,507	(5,487)
Equities	9,006	(1,906)	(5,435)	6,114	3,509
Bonds, other	2,023	21,643	20,461	2,393	(8,996)
Bonds	5,128	12,015	15,009	2,256	(3,449)
Other	(3,104)	9,627	5,452	136	(5,547)
Net gain (loss) on operating investment securities	(1,323)	(47)	(126)	(476)	(495)
Interest and dividend income	12,555	9,493	15,420	10,466	13,984
Interest expenses	8,400	6,173	10,438	6,476	8,047
Net operating revenues	47,091	47,283	50,990	37,610	26,671
Selling, general and administrative expenses	43,518	44,381	43,607	42,167	43,224
Transaction-related expenses	7,361	9,114	7,865	7,072	7,428
Personnel expenses	15,964	16,477	16,912	16,446	16,772
Real estate expenses	6,407	5,981	6,427	6,335	6,271
Administrative expenses	7,338	6,816	6,745	6,697	6,705
Depreciation and amortization	4,805	4,333	4,062	4,187	4,158
Taxes and dues	484	637	571	595	502
Other	1,155	1,020	1,023	833	1,385
Operating income (loss)	3,573	2,902	7,382	(4,556)	(16,553)
Non-operating income	544	1,152	810	(64)	630
Non-operating expenses	161	29	34	66	(32)
Ordinary income (loss)	3,956	4,026	8,158	(4,688)	(15,890)
Extraordinary gains	76	816	(1)	129	367
Extraordinary losses	1,545	1,031	555	355	88,171
Income (loss) before income taxes	2,487	3,810	7,601	(4,914)	(103,693)
Income taxes - current	47	30	30	30	30
Income taxes - deferred	322	1,176	2,778	(1,698)	(7,359)
Net income (loss)	2,117	2,604	4,793	(3,245)	(96,364)

. Other

Changes of directors

Information concerning the assignment of officers was disclosed on March 7, 2011.