

# Financial Results

Third Quarter  
Fiscal Year ending March 2015

Mizuho Securities

**JAN 2015**

**One MIZUHO**  
Building the future with you

# Contents

■ Financial Statements - Consolidated	2
■ Earnings Summary - Consolidated	3
■ Commissions	4
■ Net Gain on Trading	5
■ SG&A Expenses	6
■ Business Segments	7
✓ League Tables	8
✓ Product Sales, etc.	9
■ B/S Summary	10
■ Key Initiatives / Topics	11

## Reference Data

■ Consolidated Results – P/L	13
■ Reference – Former Mizuho Investors Securities P/L – Consolidated Results	14
■ Non-consolidated Data	
✓ P/L	15
✓ Market Share Assets under Management	16
✓ Number of Accounts and Product Sales	17
■ Capital Adequacy Ratio	18
■ Number of Employees and Offices	19

\* “Underwriting and selling fees and commissions from solicitation to qualifying investors” and “offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors” are described as “underwriting and selling fees and commissions” and “offering, selling, and other commissions and fees,” respectively in this material.

# Financial Statements - Consolidated

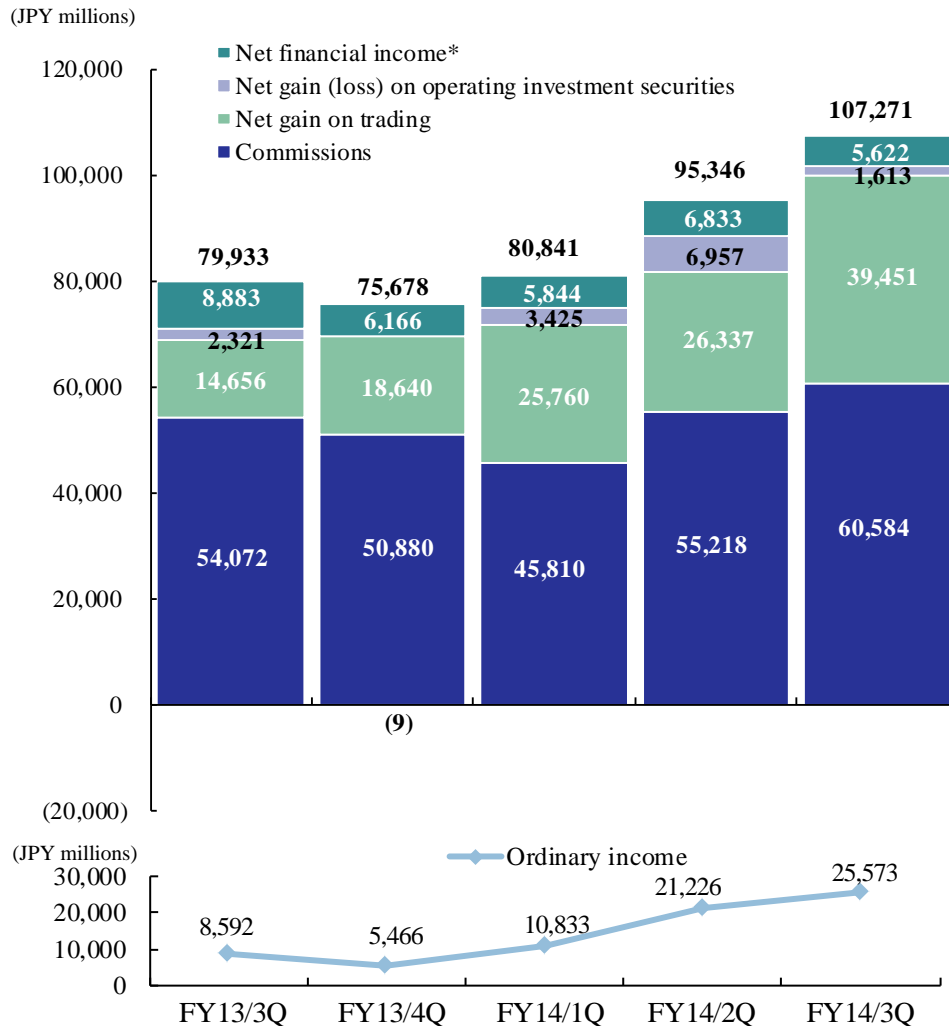
	Quarterly			
	FY2014 2Q	FY2014 3Q	QoQ change	QoQ %
	(JPY millions)			
<b>Operating revenues</b>	107,039	<b>119,179</b>	<b>12,139</b>	<b>11.3%</b>
Commissions	55,218	<b>60,584</b>	<b>5,366</b>	<b>9.7%</b>
Net gain on trading	26,337	<b>39,451</b>	<b>13,113</b>	<b>49.7%</b>
Net gain on operating investment securities	6,957	<b>1,613</b>	<b>(5,344)</b>	<b>(76.8%)</b>
Interest and dividend income	18,526	<b>17,530</b>	<b>(996)</b>	<b>(5.3%)</b>
Interest expenses	11,693	<b>11,908</b>	<b>215</b>	<b>1.8%</b>
<b>Net operating revenues</b>	95,346	<b>107,271</b>	<b>11,924</b>	<b>12.5%</b>
SG&A expenses	74,898	<b>82,573</b>	<b>7,674</b>	<b>10.2%</b>
<b>Operating income</b>	20,448	<b>24,698</b>	<b>4,249</b>	<b>20.7%</b>
<b>Ordinary income</b>	21,226	<b>25,573</b>	<b>4,346</b>	<b>20.4%</b>
<i>excluding amortization of customer-related assets*</i>	22,551	26,898	4,346	19.2%
<b>Income before tax**</b>	20,697	<b>25,387</b>	<b>4,689</b>	<b>22.6%</b>
<b>Net income</b>	17,036	<b>19,326</b>	<b>2,290</b>	<b>13.4%</b>
<i>excluding amortization of customer-related assets*</i>	17,888	20,179	2,290	12.8%
	<b>2014/9</b>	<b>2014/12</b>		
<b>Total assets</b>	25,298,571	<b>24,186,220</b>		
<b>Total net assets</b>	656,785	<b>678,885</b>		

\* Former Shinko Securities' customer-related assets were allocated to intangible fixed assets due to the merger with former Shinko Securities in May 2009

\*\* Income before tax: Income before income taxes and minority interests

# Earnings Summary - Consolidated

## Net Operating Revenues



## Summary

### ✓ Quarterly (FY2014/3Q)

#### ➤ Financial Results

**Net operating revenues:** JPY107.2bn (+11.9bn QoQ)  
**Ordinary income:** JPY25.5bn (+4.3bn QoQ)  
**Income before tax\*\*:** JPY25.3bn (+4.6bn QoQ)  
**Net income:** JPY19.3bn (+2.2bn QoQ)

- Ordinary income increased JPY4.3 billion QoQ to JPY25.5 billion thanks to solid commission and fee inflows from large underwriting deals in addition to gains on trading. As a result, recorded net income of JPY19.3 billion.

#### ➤ Business segments (on ordinary income basis)

- Income increased in Global Investment Banking, Global Markets, and CIS & RB.\*\*\*

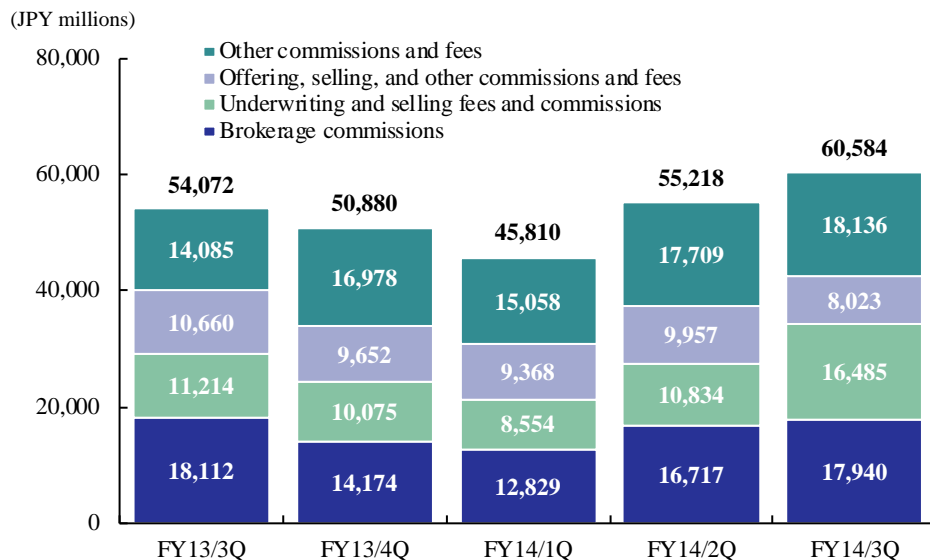
\*\* Income before tax: Income before income taxes and minority interests

\*\*\* CIS & RB: Corporate Investment Services & Retail Business

# Commissions

	(JPY millions)			
	FY2014	FY2014	QoQ	QoQ
	2Q	3Q	change	%
<b>Total</b>	55,218	<b>60,584</b>	<b>5,366</b>	<b>9.7%</b>
<b>Brokerage commissions</b>	16,717	<b>17,940</b>	<b>1,222</b>	<b>7.3%</b>
<b>Underwriting and selling fees and commissions</b>	10,834	<b>16,485</b>	<b>5,650</b>	<b>52.1%</b>
<b>Offering, selling, and other commissions and fees</b>	9,957	<b>8,023</b>	<b>(1,934)</b>	<b>(19.4%)</b>
<b>Other commissions and fees</b>	17,709	<b>18,136</b>	<b>426</b>	<b>2.4%</b>

## Commissions



### ✓ Highlights (FY2014/3Q)

#### Commissions: JPY60.5bn (+5.3bn QoQ)

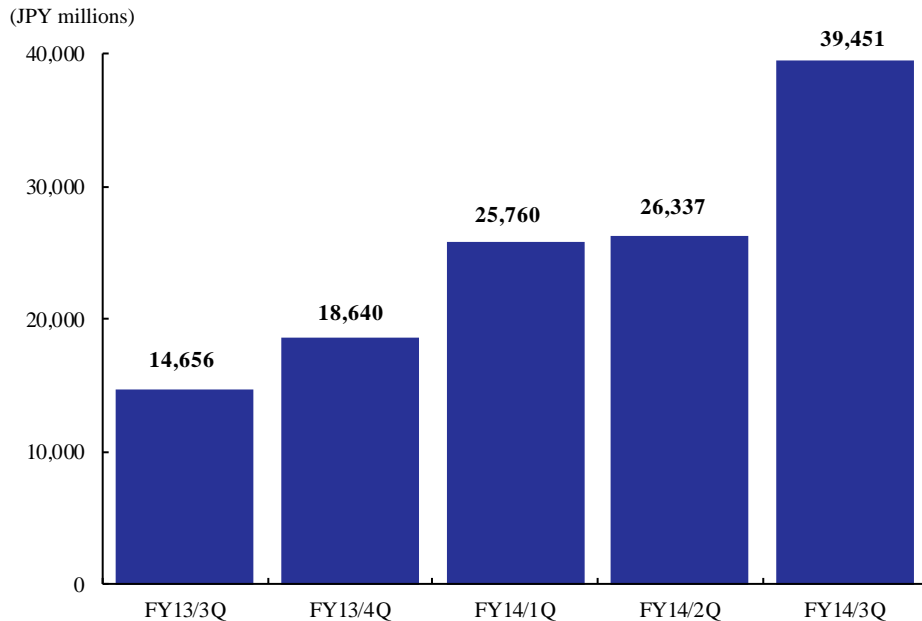
- **Increase in brokerage commissions:**
  - Both equity and fixed income brokerage commissions increased QoQ.
- **Increase in underwriting and selling fees and commissions:**
  - Revenues from both equity and debt primary business increased QoQ thanks to solid fee inflows from large underwriting deals both in Japan and overseas.
- **Decrease in offering, selling, and other commissions and fees:**
  - QoQ decline posted due to a drop in sales of publicly-offered equity investment trusts.
- **Increase in other commissions and fees:**
  - QoQ increase achieved thanks to increases in investment trust brokerage fees as well as fees from M&A activities despite declines in structured-finance-related fees.

# Net Gain on Trading

(JPY millions)

	FY2014 2Q	FY2014 3Q	QoQ change	QoQ %
<b>Total</b>	26,337	<b>39,451</b>	<b>13,113</b>	<b>49.7%</b>
Equities, etc.	3,527	<b>14,638</b>	<b>11,111</b>	<b>314.9%</b>
Bonds, etc. and others	22,810	<b>24,812</b>	<b>2,002</b>	<b>8.7%</b>
Bonds, etc.	27,127	<b>36,651</b>	<b>9,524</b>	<b>35.1%</b>
Others	(4,317)	<b>(11,839)</b>	<b>(7,521)</b>	—

## Net Gain on Trading



### ✓ Highlights (FY2014/3Q)

**Net Gain on Trading: JPY39.4bn (+13.1bn QoQ)**

- Increase in net gain on trading of equities etc.:
  - QoQ increase achieved thanks to agile position management focusing on market movements while reducing risk.
  
- Increase in net gain on trading of bonds and others:
  - Net gains on trading of bonds and others increased QoQ thanks to significantly higher bond prices while revenues from sales of structured bond-related derivatives remained strong.

# SG&A Expenses

(JPY millions)

	FY2014 2Q	FY2014 3Q	QoQ change	QoQ %
<b>Total</b>	74,898	<b>82,573</b>	<b>7,674</b>	<b>10.2%</b>
Transaction-related	15,813	17,445	1,632	10.3%
Personnel	34,507	38,911	4,403	12.7%
Real estate	8,211	8,703	492	5.9%
Administrative	6,193	6,479	286	4.6%
Depreciation and amortization	5,182	5,762	579	11.1%
Taxes and dues	1,077	1,307	229	21.2%
Other	3,912	3,963	50	1.3%

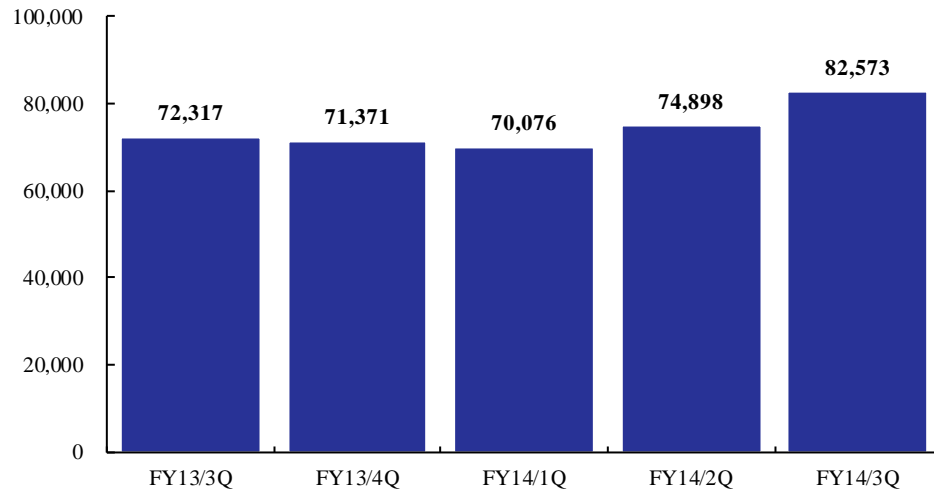
## ✓ Highlights (FY2014/3Q)

**SG&A Expenses: JPY82.5bn (+7.6bn QoQ)**

- Personnel and transaction-related expenses increased, resulting in a QoQ increase in consolidated SG&A expenses.
- Non-consolidated SG&A expenses (excluding transaction-related expenses) increased QoQ due to increased personnel costs associated with a rise in bonus-related expenses.

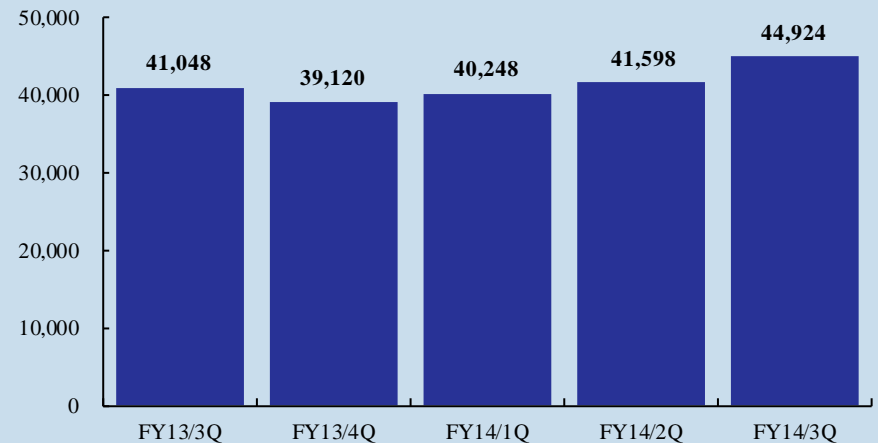
## Consolidated SG&A Expenses

(JPY millions)



## Non-consolidated SG&A Expenses (Excluding transaction-related expenses)

(JPY millions)



# Business Segments

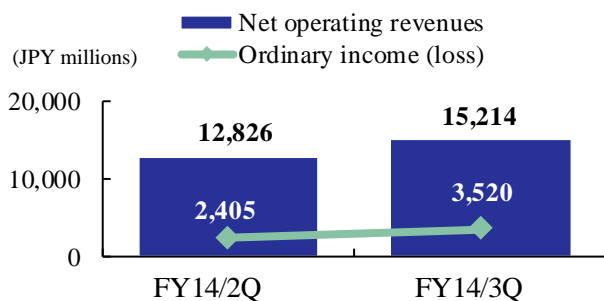
	(JPY millions)			
	FY2014 2Q	FY2014 3Q	QoQ change	QoQ %
<b>Net operating revenues</b>	95,346	<b>107,271</b>	<b>11,924</b>	<b>12.5%</b>
Global Investment Banking	12,826	<b>15,214</b>	<b>2,388</b>	<b>18.6%</b>
Global Markets	33,202	<b>45,387</b>	<b>12,185</b>	<b>36.6%</b>
CIS & RB*	34,992	<b>37,369</b>	<b>2,376</b>	<b>6.7%</b>
Other	14,325	<b>9,300</b>	<b>(5,025)</b>	<b>(35.0%)</b>
<b>Ordinary income (loss)</b>	21,226	<b>25,573</b>	<b>4,346</b>	<b>20.4%</b>
Global Investment Banking	2,405	<b>3,520</b>	<b>1,115</b>	<b>46.3%</b>
Global Markets	7,572	<b>16,573</b>	<b>9,001</b>	<b>118.8%</b>
CIS & RB*	7,664	<b>8,568</b>	<b>903</b>	<b>11.7%</b>
Other	3,584	<b>(3,088)</b>	<b>(6,673)</b>	—

## ✓ Highlights (FY2014/3Q)

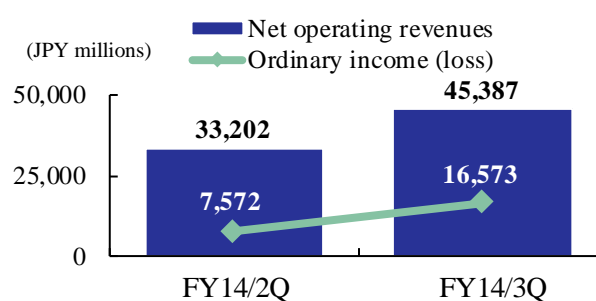
**Total ordinary income from the three business segments (Global Investment Banking, Global Markets, and CIS & RB\*) amounted to JPY 28.6bn (+11.0bn QoQ)**

- **Global Investment Banking (Ordinary income: +1.1bn QoQ)**
  - Ordinary income increased QoQ thanks to the steady accumulation of equity and fixed income underwriting fees in Japan and overseas as a result of winning major deals.
- **Global Markets (Ordinary income: +9.0bn QoQ)**
  - Ordinary income increased QoQ in part thanks to steady sales revenue accumulation but primarily driven by trading gains on Japanese fixed income and equity trading by accurately reading market fluctuations resulting from additional easing.
- **CIS & RB\* (Ordinary income: +0.9bn QoQ)**
  - Ordinary income increased QoQ thanks both to increases in fixed income and equity underwriting fees as a result of winning major deals and the accumulation of equity brokerage commissions based on a strong domestic equity market.

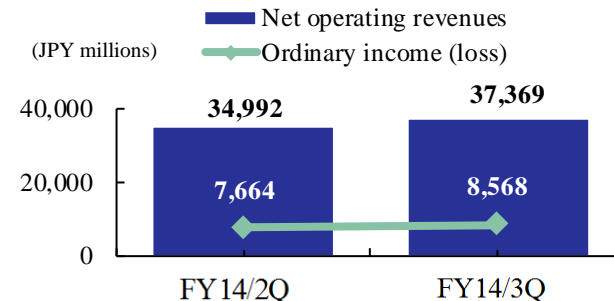
### Global Investment Banking



### Global Markets



### CIS & RB\*



\*CIS & RB: Corporate Investment Services & Retail Business



# Business Segments – League Tables

## Major League Tables

### Total Japan Equity Underwriting (2014/4/1-2014/12/31)

Rank	Company Name	Amount (JPY bn)	Share (%)
1	Nomura Sec.	523.8	32.0
2	SMBC Nikko Sec.	269.6	16.5
3	Daiwa Sec.	223.3	13.6
4	<b>Mizuho Sec.</b>	<b>222.7</b>	<b>13.6</b>
5	Mitsubishi UFJ Morgan Stanley Sec.	155.7	9.5

Based on underwriting amount and pricing date basis  
Deals including initial public offerings, public offerings, convertible bonds and REITs  
Source: Prepared by Mizuho Securities based on data from I-N Information Systems

### Total Japan Publicly Offered Bonds (2014/4/1-2014/12/31)

Rank	Company Name	Amount (JPY bn)	Share (%)
1	<b>Mizuho Sec.</b>	<b>2,538.3</b>	<b>20.0</b>
2	Nomura Sec.	2,262.7	17.8
3	Mitsubishi UFJ Morgan Stanley Sec.	2,212.3	17.4
4	Daiwa Sec.	2,079.1	16.4
5	SMBC Nikko Sec.	1,914.2	15.1

Based on underwriting amount and pricing date basis  
Deals including straight bonds, investment corporation bonds, zaito institution bonds, municipal bonds (lead manager method only), samurai bonds and preferred securities  
Source: Prepared by Mizuho Securities based on data from I-N Information Systems

### M&A Advisory for Announced deals (2014/4/1-2014/12/31)

Rank	Company Name	No. of transactions	Amount (JPY bn)
1	<b>Mizuho Financial Group</b>	<b>116</b>	<b>1,151.9</b>
2	Sumitomo Mitsui Financial Group	87	548.5
3	Nomura Sec.	78	1,760.8
4	Daiwa Securities Group Inc.	51	608.9
5	Deloitte	50	83.5

Based on number of deals  
Any Japanese related deals (excluding real estate deals)  
Source: Prepared by Mizuho Securities based on data from THOMSON REUTERS



### ABS Lead Manager (2014/4/1-2014/12/31)

Rank	Company Name	No. of transactions	Amount (JPY bn)
1	<b>Mizuho Financial Group</b>	<b>128</b>	<b>868.2</b>
2	Sumitomo Mitsui Financial Group	6	304.5
3	Morgan Stanley	12	281.6
4	Nomura Sec.	5	194.8
5	Daiwa Securities Group Inc.	7	144.1

Based on deal amounts and settlement date basis  
Source: Prepared by Mizuho Securities based on data from THOMSON REUTERS



## Major Deals (FY2014/3Q)

### ECM

- Jowa Holdings
- SAC'S BAR HOLDINGS
- DKS
- MEDIUS HOLDINGS
- Recruit Holdings
- SFP Dining
- Watahan & Co
- The Imamura Securities
- Nagoya Railroad
- Kyodo Printing
- Activia Properties
- Hulic Reit
- Sekisui House SI Residential
- Starts Proceed

### DCM

#### Japan

- SoftBank
- Sekisui House
- NISSAN FINANCIAL SERVICES
- Central Japan Railway
- Marubeni
- Century Tokyo Leasing
- Credit Saison
- SHIMIZU CORPORATION
- Sumitomo Real Estate Sales
- IJB Leasing
- Fuyo General Lease
- DOWAHD
- Kyushu Electric Power
- Hokkaido Electric Power
- Chugoku Electric Power
- Japan Finance Corporation
- TOKYO METROPORITAN GOVERNMENT
- Mizuho Bank

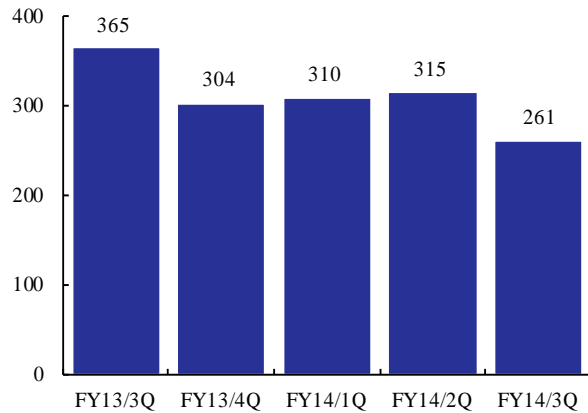
#### Global

- Bayer US Finance
- Verizon Communications
- GlaxoSmithKline Capital
- Dai-ichi Life Insurance
- Parker Hannifin
- Volkswagen Group of America Finance
- AFLAC
- Cox Communications
- Freeport-McMoRan Copper & Gold
- Consolidated Edison Co of New York
- American Honda Finance
- adidas
- Akzo Nobel
- Corporacion Nacional del Cobre de Chile
- Pirelli International
- Georgia-Pacific
- Nissan Auto Receivables (ABS)
- Kommunalbanken

# Business Segments – Product Sales, etc.

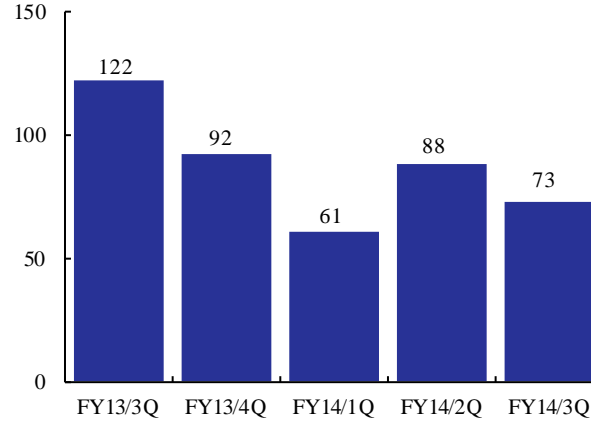
## Sales of Publicly-offered Equity Investment Trusts

(Retail, JPY billions)



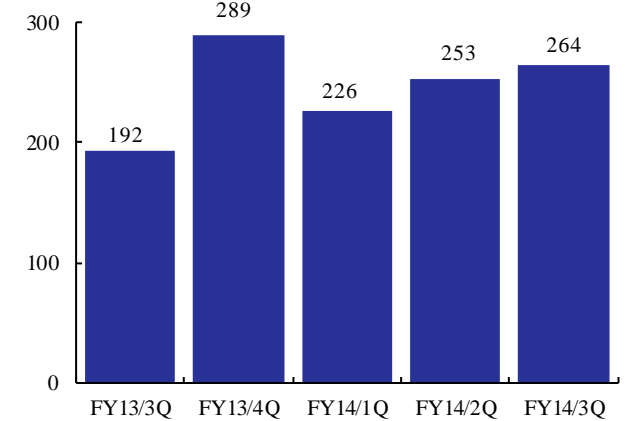
## Trading Volume of Foreign Equity

(Retail, JPY billions)



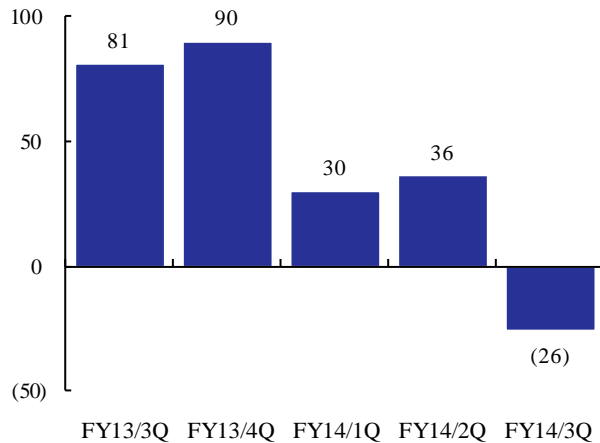
## Sales of Foreign Bonds

(Retail, JPY billions)



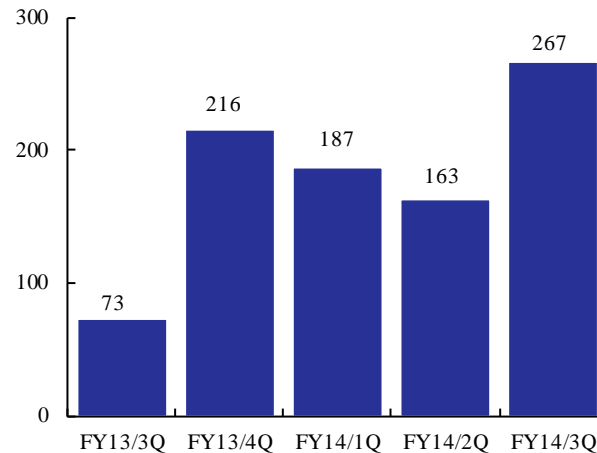
## Net Increase of Publicly-offered Equity Investment Trusts

(Retail, JPY billions)



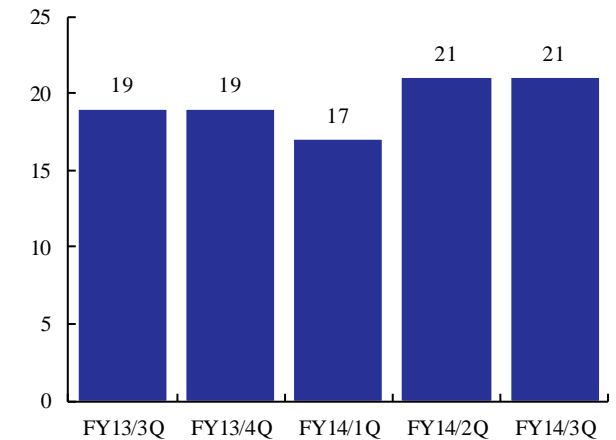
## Net Inflow of Client Assets

(Retail, JPY billions)



## Number of New Retail Client Accounts

(Thousands)

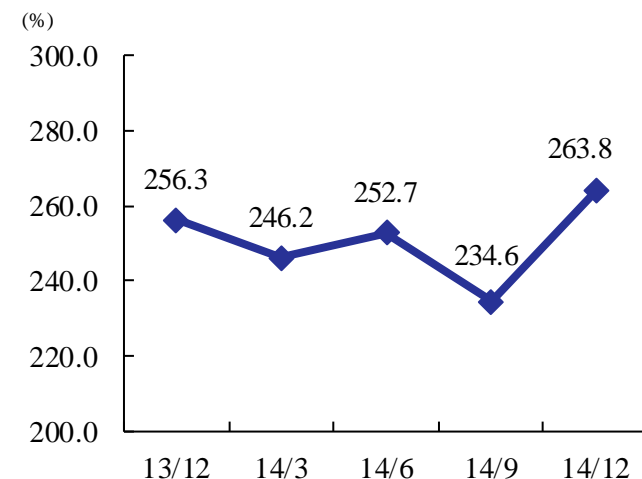


# B/S Summary

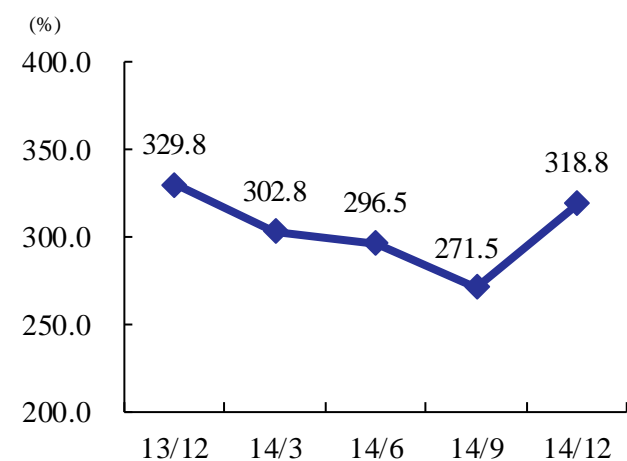
## Balance Sheets (Consolidated)

	2014		(JPY billions)	
	Sep.	Dec.	2014 Sep.	2014 Dec.
<b>Assets</b>				
<b>Total current assets</b>	25,066	23,951		
Cash and bank deposits	314	476		
Trading assets	8,843	7,644		
Operating investment securities	61	57		
Collateralized short-term financing agreements-receivable	15,136	14,996		
<b>Total noncurrent assets</b>	232	234		
Property and equipment	39	39		
Intangible assets	84	84		
Investments and other assets	107	110		
Investment securities	66	70		
<b>Total assets</b>	25,298	24,186		
<b>Liabilities</b>				
<b>Total current liabilities</b>			23,435	22,333
Trading liabilities			6,131	5,364
Collateralized short-term financing agreements-receivable			14,879	14,185
Short-term borrowings			753	730
Commercial paper			455	430
<b>Total noncurrent liabilities</b>			1,205	1,172
Bonds and notes			591	580
Long-term borrowings			575	546
<b>Total liabilities</b>			24,641	23,507
<b>Net assets</b>				
Total shareholders' equity			677	696
Accumulated other comprehensive income			(41)	(40)
Minority interests			21	22
<b>Total net assets</b>			656	678
<b>Total liabilities and net assets</b>			25,298	24,186

## Capital Adequacy Requirement Ratio (Consolidated)



## Capital Adequacy Requirement Ratio (Non-consolidated)



# Key Initiatives and Topics

## Wholesale

### (1) Expanded Share of Japanese Equity Research

- Japanese equity research advisory:
  - 10.70% share (+1.90% YoY) / Ranked 3<sup>rd</sup> (also ranked 3<sup>rd</sup> in 2013)
- Japanese equity trading:
  - 8.20% share (+2.00% YoY) / Ranked 3<sup>rd</sup> (ranked 6<sup>th</sup> in 2013)
  - (Source) 2014 Greenwich Share Leaders: Equities, Greenwich Associates

### (2) Deal of the Year 2014 --- *Nikkei Veritas* magazine ---

- Deals handled by MHSC ranked 1<sup>st</sup> in 4 out of 6 categories.

## Initiatives to Support Finance & Investment Education

### (1) Investment Education Promotion Office Initiatives

- The Investment Education Promotion Office was established within the Strategic Research Department in April 2014 to promote finance and investment education by encouraging interest in and knowledge of finance among high school and university students as well as adults. Activities include corporate seminars as well as visiting lectures for schools.

### (2) Activities Undertaken

- Examples of visiting lectures and sponsored field trips
  - October – January: Lectures at the University of Tokyo, Kyoto University, Hitotsubashi University, etc. (endowed courses)
  - November 13: Lecture at Osaka University of Economics and Law (attended by approx. 60)
  - November 28: Lecture at Kurodahara Junior High School, Nasu, Tochigi Prefecture (attended by approx. 120 students)
  - December 8: Hosted students from Showa Women's University (approx. 60 students)
  - December 17: Hosted students from Yamamura Gakuen High School (approx. 25 students)

## Corporate Investment Services & Retail Business Division

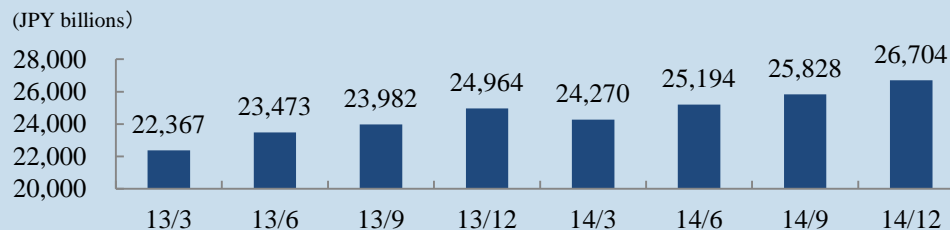
### (1) Branch initiatives aimed at accelerating bank-trust-securities collaboration and enhancing services

- Carried out organizational restructuring via ongoing promotion of branch sharing and enhanced integration among bank, trust-banking and securities entities to improve convenience for clients and provide comprehensive services which inherently meet their financial needs.
  - A. Tama Plaza Sales Office (shared with BK and TB): upgraded to branch (December 2014)
  - B. Abeno Branch: slated relocation and conversion into BK/TB shared branch (March 2015)
  - C. Slated merger of Osaka Branch and Osaka West Branch and organizational restructuring at Shinjuku Branch (scheduled for April 2015)
    - Frameworks to be established to achieve highly-responsive collaboration with BK
      - Osaka West Branch to be consolidated into Osaka Branch and Osaka Sales Department I and II, Osaka Corporate Services Department, and Osaka Corporate Finance Department to be established in the new Osaka Branch
      - Shinjuku Branch to be reorganized into Shinjuku Sales Department I and II

### (2) Efforts to enhance sales

- Transformation of sales approach
  - Shifted to sales approach based on information provided by clients and promoted initiatives to increase AUM (i.e. “M-AcSel”)
- Enhancement of sales framework
  - iPads playing an increasingly prominent role. Plan to provide one to every sales representative.

### (Reference) Changes in CIS & RB Division\* AUM



\* CIS & RB Division: Corporate Investment Services & Retail Business Division

# Reference Data

- \* **Mizuho Securities and Mizuho Investors Securities merged on January 4, 2013**
- \* **The results from 1Q to 3Q FY2012 (from April to December 2012) on both a consolidated and non-consolidated basis represent the performance of the former Mizuho Securities, and the full year results are the combined figures of performance of the former Mizuho Securities from 1Q to 3Q FY 2012 and that of the post-merger Mizuho Securities for Q4 FY2012 (from January to March 2013).**

# P/L – Consolidated Results

Former Mizuho Securities ←

(JPY millions)

	FY12/1Q-4Q				FY13/1Q-4Q	FY13/1Q-4Q							
	FY12/1Q	FY12/2Q	FY12/3Q	FY12/4Q		FY13/1Q	FY13/2Q	FY13/3Q	FY13/4Q	FY14/1Q	FY14/2Q	FY14/3Q	
Operating revenues	331,646	67,077	71,023	77,322	116,223	367,702	96,999	96,996	87,214	86,492	90,085	107,039	119,179
Commissions	142,716	26,345	31,427	32,460	52,482	209,709	54,707	50,048	54,072	50,880	45,810	55,218	60,584
Brokerage commissions	39,997	6,049	6,096	9,556	18,295	68,224	21,414	14,522	18,112	14,174	12,829	16,717	17,940
Equities	25,763	3,367	3,368	5,272	13,755	53,733	17,524	11,523	14,555	10,129	9,142	12,805	12,836
Bonds	14,063	2,650	2,700	4,248	4,464	14,052	3,755	2,905	3,454	3,937	3,581	3,802	4,872
Underwriting and selling fees and commissions	26,109	4,151	8,419	6,099	7,438	37,641	8,262	8,090	11,214	10,075	8,554	10,834	16,485
Equities	8,996	634	3,953	1,468	2,940	13,968	2,573	2,365	4,221	4,808	2,177	3,534	4,469
Bonds	16,719	3,469	4,295	4,550	4,405	22,892	5,377	5,687	6,921	4,905	6,376	7,284	12,000
Offering, selling, and other commissions and fees	28,804	5,188	4,709	6,003	12,903	41,044	10,522	10,208	10,660	9,652	9,368	9,957	8,023
Beneficiary certificates	27,797	5,112	4,662	5,938	12,083	35,640	9,882	8,981	9,108	7,668	8,304	8,569	7,098
Other commissions and fees	47,805	10,956	12,202	10,800	13,844	62,799	14,508	17,226	14,085	16,978	15,058	17,709	18,136
Beneficiary certificates	25,152	5,930	5,810	5,828	7,582	37,412	8,957	9,153	9,599	9,701	10,357	11,084	11,889
Other (excl. equities and bonds)	20,671	4,605	5,505	4,735	5,825	22,494	4,632	7,527	4,067	6,267	4,221	5,611	5,314
Net gain on trading	68,288	19,239	12,291	9,080	27,676	69,849	18,375	18,177	14,656	18,640	25,760	26,337	39,451
Equities, etc.	10,418	(3,370)	(987)	10,045	4,730	26,063	13,570	3,440	9,401	(348)	2,313	3,527	14,638
Bonds, etc. and Others	57,870	22,610	13,278	(965)	22,946	43,786	4,804	14,737	5,254	18,989	23,446	22,810	24,812
Net gain (loss) on operating investment securities	1,425	1,530	(1,096)	332	658	3,836	(789)	2,314	2,321	(9)	3,425	6,957	1,613
Interest and dividend income	119,216	19,961	28,400	35,448	35,405	84,306	24,705	26,456	16,164	16,980	15,088	18,526	17,530
Interest expenses	74,391	14,136	17,221	21,731	21,301	44,504	12,559	13,851	7,280	10,813	9,244	11,693	11,908
Net operating revenues	257,255	52,940	53,801	55,591	94,921	323,197	84,439	83,145	79,933	75,678	80,841	95,346	107,271
SG&A expenses	227,194	48,106	49,594	55,047	74,446	282,645	69,057	69,898	72,317	71,371	70,076	74,898	82,573
Operating income (loss)	30,060	4,833	4,207	543	20,475	40,552	15,382	13,247	7,615	4,307	10,764	20,448	24,698
Non-operating income	4,263	785	1,107	836	1,534	4,223	1,117	901	889	1,313	851	905	770
Non-operating expenses	1,885	275	909	372	328	1,622	822	731	(87)	154	781	127	(104)
Ordinary income (loss)	32,438	5,344	4,404	1,007	21,681	43,153	15,677	13,417	8,592	5,466	10,833	21,226	25,573
Extraordinary gains	5,020	3,506	447	408	658	4,258	1,974	1,248	564	471	313	100	51
Extraordinary losses	12,402	3,768	2,496	1,018	5,118	5,226	382	1,354	1,621	1,867	764	629	237
Net income (loss)	28,698	5,440	2,920	1,098	19,238	51,247	17,363	20,709	9,128	4,046	6,282	17,036	19,326

# [Reference - Former Mizuho Investors Securities] P/L - Consolidated Results

(JPY millions)

	FY12/1Q-3Q			
	FY12/1Q	FY12/2Q	FY12/3Q	
Operating revenue	37,947	11,244	12,886	13,816
Commissions	18,238	5,211	5,722	7,304
Brokerage commissions	5,397	1,586	1,435	2,375
Underwriting and selling fees, and commissions	969	331	222	416
Offering, selling, and other commissions and fees	8,959	2,357	3,079	3,521
Other commissions and fees	2,912	936	985	990
Net gain on trading	18,426	5,568	6,683	6,173
Equities, etc.	8,145	2,870	2,773	2,502
Bonds, etc.	11,082	2,451	4,389	4,242
Others	(801)	247	(478)	(570)
Interest and dividend income	1,282	463	480	338
Interest expenses	477	199	171	106
Net operating revenue	37,470	11,044	12,715	13,709
SG&A expenses	32,965	10,811	10,888	11,283
Operating income (loss)	4,504	233	1,827	2,426
Non-operating income	336	149	119	85
Non-operating expenses	261	127	42	90
Ordinary income (loss)	4,580	254	1,903	2,421
Extraordinary gains	624	230	185	358
Extraordinary losses	8,794	873	1,336	6,733
Net income (loss)	(2,526)	(522)	1,466	(3,470)

# P/L – Non-consolidated Results

Former Mizuho Securities ←

(JPY millions)

	FY12/1Q-4Q				FY13/1Q-4Q								
	FY12/1Q	FY12/2Q	FY12/3Q	FY12/4Q	FY13/1Q	FY13/2Q	FY13/3Q	FY13/4Q	FY14/1Q	FY14/2Q	FY14/3Q		
Operating revenues	221,102	45,198	47,753	42,331	85,819	279,085	76,593	73,465	64,552	64,473	61,442	73,770	86,766
Commissions	101,652	17,450	23,019	21,591	39,590	148,149	40,073	36,213	36,947	34,914	30,427	37,567	39,470
Brokerage commissions	21,219	2,685	2,698	3,990	11,844	43,105	15,244	8,981	11,141	7,738	6,646	9,509	9,165
Equities	20,853	2,606	2,622	3,908	11,716	42,440	15,047	8,833	10,982	7,576	6,506	9,379	8,905
Bonds	201	51	49	47	53	247	63	57	62	64	38	39	45
Underwriting and selling fees and commissions	18,890	2,988	7,200	3,898	4,802	24,470	6,209	4,193	6,715	7,352	5,368	6,338	10,734
Equities	8,725	548	3,909	1,379	2,887	13,471	2,475	2,266	4,011	4,718	2,022	3,255	4,353
Bonds	9,771	2,391	3,120	2,437	1,822	10,218	3,422	1,890	2,632	2,273	3,345	3,068	6,365
Offering, selling, and other commissions and fees	28,586	5,093	4,670	5,975	12,847	37,131	9,918	9,185	9,700	8,326	8,727	9,331	7,316
Beneficiary certificates	27,649	5,032	4,633	5,922	12,061	35,487	9,854	8,961	9,060	7,611	8,242	8,517	7,038
Other commissions and fees	32,956	6,682	8,449	7,727	10,095	43,442	8,701	13,853	9,389	11,497	9,685	12,388	12,253
Beneficiary certificates	11,589	2,629	2,547	2,609	3,803	17,032	4,166	4,174	4,365	4,326	4,438	4,685	4,872
Other (excl. equities and bonds)	17,799	3,251	4,845	4,414	5,287	20,258	3,263	8,010	3,487	5,497	3,846	5,645	4,731
Net gain on trading	76,640	18,961	14,095	10,265	33,317	95,563	28,693	24,292	21,662	20,915	24,798	24,745	39,706
Equities, etc.	10,053	(3,353)	(1,345)	9,858	4,893	25,806	13,458	2,027	11,140	(820)	2,174	3,858	14,657
Bonds, etc. and Others	66,586	22,315	15,441	406	28,424	69,757	15,235	22,264	10,522	21,735	22,623	20,887	25,049
Net gain (loss) on operating investment securities	(2,128)	358	(1,873)	94	(708)	1,998	(41)	676	1,411	(48)	69	92	1,654
Interest and dividend income	44,937	8,427	12,511	10,379	13,618	33,373	7,867	12,282	4,531	8,691	6,146	11,364	5,934
Interest expenses	32,006	6,269	8,796	6,951	9,988	26,345	5,845	8,152	4,565	7,782	5,082	7,835	5,612
Net operating revenues	189,095	38,928	38,957	35,379	75,831	252,739	70,748	65,312	59,987	56,690	56,359	65,934	81,154
SG&A expenses	155,554	33,915	34,629	34,434	52,574	202,775	49,763	51,355	51,320	50,334	49,846	52,591	55,863
Operating income (loss)	33,541	5,012	4,327	945	23,256	49,964	20,985	13,956	8,666	6,355	6,512	13,342	25,290
Non-operating income	5,870	1,079	331	2,716	1,742	5,148	1,279	598	2,481	789	1,102	488	2,337
Non-operating expenses	392	158	206	17	10	792	74	396	17	304	192	42	113
Ordinary income (loss)	39,019	5,933	4,452	3,643	24,989	54,320	22,190	14,159	11,129	6,840	7,422	13,788	27,515
Extraordinary gains	1,731	459	415	360	495	5,705	2,032	1,559	1,716	396	311	65	17
Extraordinary losses	12,746	2,476	3,879	1,252	5,138	5,983	706	1,465	1,664	2,147	763	563	230
Net income (loss)	31,395	4,338	346	3,856	22,853	60,121	21,590	20,676	12,868	4,985	4,578	12,928	21,720



# Market Share, Assets Under Management – Non-consolidated

(JPY billions)

		FY12/4Q	FY13/1Q	FY13/2Q	FY13/3Q	FY13/4Q	FY14/1Q	FY14/2Q	FY14/3Q
Equity Trading Volume	Total	7,223	9,811	7,054	8,982	8,129	7,838	8,759	11,838
	Dealing	2,705	3,646	2,534	3,375	3,025	3,354	3,637	5,472
	Brokerage	4,518	6,165	4,519	5,606	5,103	4,484	5,121	6,365
Share in TSE		2.31%	2.05%	2.10%	2.49%	2.27%	2.58%	2.71%	2.98%
Equity Brokerage Commission Ratio		0.22%	0.25%	0.20%	0.20%	0.15%	0.15%	0.19%	0.14%
Individual Equity Transaction Share		1.62%	1.41%	1.28%	1.77%	1.16%	1.18%	1.33%	1.46%
Underwriting related	Equities	141	43	72	92	115	54	69	100
	Bonds	1,505	2,056	1,961	2,216	1,928	2,045	1,826	2,000
Distribution related	Equities	174	85	99	103	148	57	81	175
	Bonds	511	868	630	784	768	976	824	933
	Investment Trusts	1,780	1,950	1,545	2,035	1,434	1,417	1,646	1,900

(JPY billions)

		13/3	13/6	13/9	13/12	14/3	14/6	14/9	14/12
AUM		31,789	33,103	34,181	35,400	34,049	35,109	35,722	36,995
Equities		14,997	15,815	16,934	17,692	16,802	17,606	18,298	19,628
Bonds		11,696	12,156	11,860	11,882	11,681	11,817	11,560	11,309
Investment Trusts		4,943	4,960	5,226	5,647	5,396	5,488	5,651	5,843
Others		151	171	160	178	168	196	211	214
CIS & RB Division* AUM		22,367	23,473	23,982	24,964	24,270	25,194	25,828	26,704
Equities		9,170	9,779	10,384	10,813	10,357	11,115	11,550	12,293
Bonds		9,614	10,079	9,777	10,051	9,903	9,948	10,046	9,827
Investment Trusts		3,477	3,537	3,775	4,035	3,963	4,079	4,227	4,487

\* CIS & RB Division: Corporate Investment Services & Retail Business Division

# Number of Accounts and Product Sales – Non-consolidated

(Thousand accounts)

	13/3	13/6	13/9	13/12	14/3	14/6	14/9	14/12
Cash management accounts	1,553	1,565	1,570	1,575	1,581	1,585	1,592	1,602
Online trading accounts	881	900	913	926	938	950	965	980
New NISA accounts				251	294	310	321	333
Applications to open NISA accounts				309	337	343	355	368

(JPY billions, Thousand accounts)

	FY12/4Q	FY13/1Q	FY13/2Q	FY13/3Q	FY13/4Q	FY14/1Q	FY14/2Q	FY14/3Q
Number of New Client Accounts (retail)	21	22	18	19	19	17	21	21
Net Inflow of Client Assets (retail)	31	71	59	73	216	187	163	267
Online trading ratio based on transactions	36.8%	42.4%	43.3%	42.4%	45.4%	43.5%	45.4%	46.1%
Online trading ratio based on amount	14.5%	19.9%	19.1%	19.3%	21.3%	20.8%	21.1%	25.1%

(JPY billions)

	FY12/4Q	FY13/1Q	FY13/2Q	FY13/3Q	FY13/4Q	FY14/1Q	FY14/2Q	FY14/3Q
Sales of Publicly-offered Equity Investment Trusts (retail)	466.9	362.6	353.1	365.1	304.9	310.5	315.6	261.3
Trading Volume of Foreign Equity (retail)	130.1	80.7	93.6	122.9	92.5	61.0	88.2	73.9
Sales of Foreign Bonds* (retail)	227.0	250.5	226.6	192.1	289.7	226.5	253.9	264.4

\*Including preferred securities

# Capital Adequacy Ratio

(JPY billions)

Consolidated	13/3	13/6	13/9	13/12	14/3	14/6	14/9	14/12
Basic Items	578	596	617	628	605	614	633	655
Supplemental Items	348	326	313	315	306	296	309	369
Deducted Assets	208	214	206	207	209	213	212	213
Equity after Deductions	718	708	723	737	703	697	730	812
Amount Equivalent to Risk	280	290	280	287	285	275	311	307
Capital Adequacy Ratio	255.7%	243.7%	258.3%	256.3%	246.2%	252.7%	234.6%	263.8%

(JPY billions)

Non-consolidated	13/3	13/6	13/9	13/12	14/3	14/6	14/9	14/12
Basic Items	538	559	580	593	572	579	592	614
Supplemental Items	333	307	301	296	285	275	282	336
Deducted Assets	304	306	313	325	327	329	323	320
Equity after Deductions	566	560	567	564	529	525	551	630
Amount Equivalent to Risk	169	167	163	171	174	177	202	197
Capital Adequacy Ratio	335.1%	334.0%	346.8%	329.8%	302.8%	296.5%	271.5%	318.8%

# Number of Employees and Offices

	13/3	13/6	13/9	13/12	14/3	14/6	14/9	14/12
Consolidated Number of Employees	9,213	9,229	9,118	9,079	8,910	9,055	9,041	8,985
Non-consolidated	7,295	7,285	7,198	7,096	6,925	7,049	7,007	6,922
Domestic Affiliate Companies	850	877	837	871	875	913	932	935
Overseas Subsidiaries	1,068	1,067	1,083	1,112	1,110	1,093	1,102	1,128
Number of Offices	325	300	298	290	282	282	282	281
Domestic	315	290	288	280	273	273	273	272
Overseas (Rep. Offices and Subsidiaries)	10	10	10	10	9	9	9	9