

[Updated] Correction in "Summary of Consolidated Financial Statements  
for the Six Months Ended September 30, 2013 Under Japanese GAAP"

Mizuho Securities Co., Ltd. hereby announces partial corrections in its "Summary of Consolidated Financial Statements for the Six Months Ended September 30, 2013 Under Japanese GAAP".

[Updated]

"Summary of Consolidated Financial Statements for the Six Months Ended September 30, 2013 Under Japanese GAAP" disclosed on October 31, 2013 and corrected on December 19, 2013 and May 7, 2014

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**(3) Capital adequacy requirement ratio**

**1) Consolidated base**

(before correction)

(Millions of yen)

		As of March 31, 2013	As of September 30, 2013
Basic items	Total capital (A)	578,254	617,312
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	14,145	16,163
	Reserve for financial instruments transaction liabilities, etc.	1,203	1,049
	Allowance for doubtful accounts	60	65
	Subordinated long-term borrowings	134,000	100,000
	Subordinated short-term borrowings	199,399	196,000
	Total (B)	348,808	313,278
Deducted assets	(C)	208,853	206,900
Equity after deduction	(A) + (B) - (C) (D)	718,209	723,691
Amount equivalent to risk	Amount equivalent to market risk	<u>157,772</u>	<u>142,799</u>
	Amount equivalent to counterparty risk	<u>56,377</u>	<u>67,519</u>
	Amount equivalent to fundamental risk	66,458	69,880
	Total (E)	<u>280,608</u>	<u>280,199</u>
Capital adequacy requirement ratio	(D)/(E) * 100	<u>255.9%</u>	<u>258.2%</u>

(after correction)

(Millions of yen)

		As of March 31, 2013	As of September 30, 2013
Basic items	Total capital (A)	578,254	617,312
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	14,145	16,163
	Reserve for financial instruments transaction liabilities, etc.	1,203	1,049
	Allowance for doubtful accounts	60	65
	Subordinated long-term borrowings	134,000	100,000
	Subordinated short-term borrowings	199,399	196,000
	Total (B)	348,808	313,278
	Deducted assets (C)	208,853	206,900
	Equity after deduction (A) + (B) - (C) (D)	718,209	723,691
Amount equivalent to risk	Amount equivalent to market risk	<u>157,912</u>	<u>142,910</u>
	Amount equivalent to counterparty risk	<u>56,469</u>	<u>67,310</u>
	Amount equivalent to fundamental risk	66,458	69,880
	Total (E)	<u>280,840</u>	<u>280,102</u>
	Capital adequacy requirement ratio (D)/(E) * 100	<u>255.7%</u>	<u>258.3%</u>

2) Non-consolidated base

(before correction)

(Millions of yen)

		As of March 31, 2013	As of September 30, 2013
Basic items	Total capital (A)	538,212	580,479
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	8,205	4,109
	Reserve for financial instruments transaction liabilities, etc.	1,185	1,030
	Allowance for doubtful accounts	16	17
	Subordinated long-term borrowings	134,000	100,000
	Subordinated short-term borrowings	190,000	196,000
	Total (B)	333,406	301,157
Deducted assets	(C)	304,856	313,693
Equity after deduction	(A) + (B) - (C) (D)	566,762	567,943
Amount equivalent to risk	Amount equivalent to market risk	<u>90,504</u>	<u>83,503</u>
	Amount equivalent to counterparty risk	<u>28,842</u>	<u>28,653</u>
	Amount equivalent to fundamental risk	49,519	51,656
	Total (E)	<u>168,865</u>	<u>163,813</u>
Capital adequacy requirement ratio	(D)/(E) * 100	<u>335.6%</u>	<u>346.7%</u>

(after correction)

(Millions of yen)

		As of March 31, 2013	As of September 30, 2013
Basic items	Total capital (A)	538,212	580,479
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	8,205	4,109
	Reserve for financial instruments transaction liabilities, etc.	1,185	1,030
	Allowance for doubtful accounts	16	17
	Subordinated long-term borrowings	134,000	100,000
	Subordinated short-term borrowings	190,000	196,000
	Total (B)	333,406	301,157
Deducted assets	(C)	304,856	313,693
Equity after deduction	(A) + (B) - (C) (D)	566,762	567,943
Amount equivalent to risk	Amount equivalent to market risk	<u>90,643</u>	<u>83,614</u>
	Amount equivalent to counterparty risk	<u>28,924</u>	<u>28,451</u>
	Amount equivalent to fundamental risk	49,519	51,656
	Total (E)	<u>169,087</u>	<u>163,722</u>
Capital adequacy requirement ratio	(D)/(E) * 100	<u>335.1%</u>	<u>346.8%</u>



October 31, 2013

## Summary of Consolidated Financial Statements for the Six Months Ended September 30, 2013 Under Japanese GAAP

Company's name: **Mizuho Securities Co., Ltd.**

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

Representative: Hiroshi Motoyama, President

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

Preparation of supplemental explanatory documents: Yes

Holding of quarterly presentation meeting: No

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2013 (April 1, 2013 to September 30, 2013)

(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	%
Six months ended								
September 30, 2013	193,996	40.5	167,585	57.0	28,629	216.7	29,094	198.4
September 30, 2012	138,100	17.1	106,742	20.7	9,041	-	9,748	-

(Note) Comprehensive income: September 30, 2013: 41,113 million yen (635.9%)  
September 30, 2012: 5,586 million yen (- %)

	Net income		Net income per share	Net income per share
	millions of yen	%	per share	- fully diluted
Six months ended			yen	yen
September 30, 2013	38,072	355.4	18.89	-
September 30, 2012	8,361	-	5.28	-

#### (2) Consolidated financial positions

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
September 30, 2013	26,311,158	633,476	2.3
March 31, 2013	23,433,395	592,420	2.4

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

September 30, 2013: 613,230 million yen  
March 31, 2013: 572,494 million yen

## 2. Notes

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

(2) Application of specific accounting methods in the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, estimates, and restatements:

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

2) Changes other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(Note) Changes in accounting policies in accordance with revisions of accounting standards are described in Changes in accounting policies, estimates, and restatements in "Summary Information (Notes)" on page 2.

(4) Number of outstanding shares (common stock)

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

September 30, 2013:	2,015,102,652 shares
March 31, 2013:	2,015,102,652 shares

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

September 30, 2013:	- shares
March 31, 2013:	- shares

3) Average number of outstanding shares for the six months:

Six months ended September 30, 2013	2,015,102,652 shares
Six months ended September 30, 2012	1,584,312,962 shares

\* Other important matters

Former Mizuho Securities Co., Ltd. and Mizuho Investors Securities Co., Ltd. merged on January 4, 2013 and numbers as of the date of or before the merger and those for the period ended on or before the merger are the closing numbers of former Mizuho Securities Co., Ltd.

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## **1. Summary Information (Notes)**

### **Changes in accounting policies, estimates, and restatements**

(Changes in accounting policies)

The Company applied "Revised Accounting Standard for Consolidated Financial Statements" (Accounting Standards Board of Japan ("ASBJ") Statement No.22, March 25, 2011), "Revised Guidance on Disclosures about Certain Special Purpose Entities" (ASBJ Guidance No.15, March 25, 2011), "Revised Guidance on Determining a Subsidiary and an Affiliate" (ASBJ Guidance No.22, March 25, 2011) and "Revised Practical Solution on Application of the Control Criteria and Influence Criteria to Investment Associations" (ASBJ Practical Issues Task Force No.20, March 25, 2011) from the first quarter period of this fiscal year. The impact of applying these accounting standards to Retained earnings at the beginning of this fiscal year is nil.

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
<b>Assets</b>		
Current assets		
Cash and bank deposits	236,210	297,642
Cash segregated as deposits for customers and others	97,467	130,769
Trading assets	8,326,052	8,514,967
Trading securities and others	7,187,913	7,438,554
Derivatives	1,138,138	1,076,413
Operating investment securities	70,201	61,249
Operating loans receivable	7,967	7,591
Receivables related to margin transactions	63,393	79,731
Loans receivable under margin transactions	50,675	63,073
Cash collateral for borrowed securities under margin transactions	12,718	16,658
Collateralized short-term financing agreements-receivable	14,134,016	16,622,027
Deposits paid for securities borrowed	4,646,357	4,609,271
Securities purchased under agreements to resell	9,487,658	12,012,756
Advances paid	2,298	4,935
Securities: fail to deliver	15,682	48,663
Short-term loans receivable	3,975	5,826
Securities	9,102	8,347
Deferred tax assets	16,069	21,320
Other current assets	235,297	285,613
Less: Allowance for doubtful accounts	(68)	(69)
Total current assets	23,217,666	26,088,618
Noncurrent assets		
Property and equipment	41,805	42,284
Intangible assets	84,580	82,580
Investments and other assets	89,342	97,675
Investment securities	59,780	61,975
Long-term guarantee deposits	16,990	18,064
Deferred tax assets	904	989
Other	16,211	21,186
Less: Allowance for doubtful accounts	(4,543)	(4,542)
Total noncurrent assets	215,728	222,540
<b>Total assets</b>	<b>23,433,395</b>	<b>26,311,158</b>



(Millions of yen)

As of March 31, 2013 As of September 30, 2013

	As of March 31, 2013	As of September 30, 2013
<b>Liabilities</b>		
Current liabilities		
Trading liabilities	4,323,674	4,229,005
Trading securities and others	3,292,009	3,261,232
Derivatives	1,031,665	967,772
Payables – unsettled trades	410,651	444,809
Payables related to margin transactions	24,287	24,743
Borrowings on margin transactions	9,279	12,840
Cash collateral for loaned securities under margin transactions	15,007	11,903
Collateralized short-term financing agreements-payable	14,513,681	18,037,990
Deposits received for securities loaned	2,430,334	3,903,358
Securities sold under agreements to repurchase	12,083,346	14,134,632
Deposits received	134,403	194,166
Guarantee deposits received	303,496	344,918
Securities: fail to receive	14,171	48,714
Short-term borrowings	1,462,169	687,469
Commercial paper	312,400	312,400
Bonds and notes due within one year	82,071	81,654
Lease obligations	525	472
Income taxes payable	4,142	4,856
Accrued employees' bonuses	20,358	14,732
Accrued directors' bonuses	70	27
Provision for bonus point redemption	498	701
Other current liabilities	48,864	51,523
Total current liabilities	21,655,466	24,478,187
Noncurrent liabilities		
Bonds and notes	478,565	538,385
Long-term borrowings	668,397	626,397
Lease obligations	2,171	1,971
Deferred tax liabilities	13,309	10,168
Provision for retirement benefits	16,607	17,228
Provision for directors' retirement benefits	267	208
Provision for executive officers' retirement benefits	166	160
Other noncurrent liabilities	4,818	3,923
Total noncurrent liabilities	1,184,304	1,198,444
Statutory reserves		
Reserve for financial instruments transaction liabilities	1,203	1,049
Total statutory reserves	1,203	1,049
<b>Total liabilities</b>	<b>22,840,974</b>	<b>25,677,681</b>

(Millions of yen)

As of March 31, 2013 As of September 30, 2013

	As of March 31, 2013	As of September 30, 2013
<b>Net assets</b>		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	359,999	359,999
Retained earnings	140,554	178,626
Total shareholders' equity	<u>625,720</u>	<u>663,793</u>
Accumulated other comprehensive income (loss)		
Net unrealized gains on (operating) investment securities, net of tax	14,145	16,163
Foreign currency translation adjustments	(67,372)	(66,726)
Total accumulated other comprehensive income (loss)	<u>(53,226)</u>	<u>(50,562)</u>
Minority interests	19,926	20,246
<b>Total net assets</b>	<u>592,420</u>	<u>633,476</u>
<b>Total liabilities and net assets</b>	<u>23,433,395</u>	<u>26,311,158</u>

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income**

Quarterly Consolidated Statements of Income

For the six months ended September 30, 2012 and 2013

	(Millions of yen)	
	Six months ended September 30, 2012	Six months ended September 30, 2013
Operating revenues		
Commissions	57,772	104,756
Brokerage commissions	12,145	35,937
Underwriting and selling fees, and commissions from solicitation to qualifying investors	12,570	16,352
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	9,897	20,731
Other commissions and fees	23,159	31,735
Net gain on trading	31,531	36,552
Net gain on operating investment securities	434	1,524
Interest and dividend income	48,362	51,162
Total operating revenues	<u>138,100</u>	<u>193,996</u>
Interest expenses	<u>31,358</u>	<u>26,410</u>
Net operating revenues	<u>106,742</u>	<u>167,585</u>
Selling, general and administrative expenses	97,701	138,955
Transaction-related expenses	19,862	27,886
Personnel expenses	41,398	64,469
Real estate expenses	13,506	16,223
Administrative expenses	7,277	10,472
Depreciation and amortization	9,551	11,236
Taxes and dues	1,744	2,343
Provision of allowance for doubtful accounts	-	38
Other	4,362	6,285
Operating income	<u>9,041</u>	<u>28,629</u>
Non-operating income	1,892	2,019
Non-operating expenses	1,185	1,554
Ordinary income	<u>9,748</u>	<u>29,094</u>
Extraordinary gain	3,953	3,222
Gain on sales of noncurrent assets	46	20
Gain on sales of investment securities	399	3,047
Reversal of reserve for financial instruments transaction liabilities	17	154
Gain on transfer of business	3,490	-
Extraordinary loss	6,265	1,737
Loss on disposal of noncurrent assets	157	70
Loss on sales of investment securities	277	119
Loss on impairment of investment securities	2,089	-
Loss on impairment of golf club membership	3	3
Impairment losses	455	148
Merger expenses	1,852	1,395
Provision for contingencies	1,430	-
Income before income taxes and minority interests	<u>7,437</u>	<u>30,580</u>
Income taxes – current	2,240	2,668
Income taxes – deferred	(2,378)	(9,534)
Total income taxes	<u>(138)</u>	<u>(6,866)</u>
Income before minority interests	<u>7,575</u>	<u>37,446</u>
Minority interests	(785)	(626)
Net income	<u>8,361</u>	<u>38,072</u>

Quarterly Consolidated Statements of Comprehensive Income  
For the six months ended September 30, 2012 and 2013

	(Millions of yen)	
	Six months ended September 30, 2012	Six months ended September 30, 2013
Income before minority interests	7,575	37,446
Other comprehensive income (loss)		
Net unrealized gains (losses) on (operating) investment securities, net of tax	(649)	1,990
Foreign currency translation adjustments	(1,349)	1,675
Share in other comprehensive income of affiliates accounted for using equity method	9	0
Total other comprehensive income (loss)	(1,988)	3,666
Comprehensive income	5,586	41,113
(Breakdown)		
Attributable to:		
Owners of the parent	7,023	40,736
Minority interests	(1,436)	376

**(3) Note on the going-concern assumption**

Not applicable

**(4) Note on material changes in shareholders' equity**

Not applicable

**3. Supplemental Information****(1) Commissions**

## 1) Breakdown by items

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013	Year on year	
			Increase/ (Decrease)	Comparison (%)
Brokerage commissions	12,145	35,937	23,791	195.9
Equities	6,735	29,048	22,312	331.2
Bonds	5,351	6,660	1,309	24.5
Underwriting and selling fees, and commissions from solicitation to qualifying investors	12,570	16,352	3,781	30.1
Equities	4,587	4,938	350	7.6
Bonds	7,764	11,064	3,300	42.5
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	9,897	20,731	10,833	109.5
Other commissions and fees	23,159	31,735	8,576	37.0
Total	57,772	104,756	46,983	81.3

## 2) Breakdown by instruments

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013	Year on year	
			Increase/ (Decrease)	Comparison (%)
Equities	12,050	34,514	22,464	186.4
Bonds	13,807	20,475	6,668	48.3
Beneficiary certificates	21,555	37,187	15,632	72.5
Others	10,359	12,578	2,218	21.4
Total	57,772	104,756	46,983	81.3

**(2) Net gain on trading**

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013	Year on year	
			Increase/ (Decrease)	Comparison (%)
Equities, etc.	(4,357)	17,010	21,368	-
Bonds, etc. · Others	35,888	19,542	(16,346)	(45.5)
Bonds, etc.	(28,874)	19,832	48,706	-
Others	64,762	(290)	(65,053)	-
Total	31,531	36,552	5,021	15.9

**(3) Capital adequacy requirement ratio****1) Consolidated base**

(Millions of yen)

		As of March 31, 2013	As of September 30, 2013
Basic items	Total capital (A)	578,254	617,312
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	14,145	16,163
	Reserve for financial instruments transaction liabilities, etc.	1,203	1,049
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	Amount equivalent to counterparty risk	56,469	67,310
	Amount equivalent to fundamental risk	66,458	69,880
	Total (E)	280,840	280,102
Capital adequacy requirement ratio	(D)/(E) * 100	255.7%	258.3%

**2) Non-consolidated base**

(Millions of yen)

		As of March 31, 2013	As of September 30, 2013
Basic items	Total capital (A)	538,212	580,479
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	8,205	4,109
	Reserve for financial instruments transaction liabilities, etc.	1,185	1,030
	Allowance for doubtful accounts	16	17
	Subordinated long-term borrowings	134,000	100,000
	Subordinated short-term borrowings	190,000	196,000
	Total (B)	333,406	301,157
Deducted assets	(C)	304,856	313,693
Equity after deduction	(A) + (B) - (C) (D)	566,762	567,943
Amount equivalent to risk	Amount equivalent to market risk	90,643	83,614
	Amount equivalent to counterparty risk	28,924	28,451
	Amount equivalent to fundamental risk	49,519	51,656
	Total (E)	169,087	163,722
Capital adequacy requirement ratio	(D)/(E) * 100	335.1%	346.8%

(4) Quarterly Consolidated Statements of Income

(Millions of yen)

	Second quarter ended September 2012	Third quarter ended December 2012	Fourth quarter ended March 2013	First quarter ended June 2013	Second quarter ended September 2013
	Jul. 1, 2012 - Sep. 30, 2012	Oct. 1, 2012 - Dec. 31, 2012	Jan. 1, 2013 - Mar. 31, 2013	Apr. 1, 2013 - Jun. 30, 2013	Jul. 1, 2013 - Sep. 30, 2013
Operating revenues	71,023	77,322	116,223	96,999	96,996
Commissions	31,427	32,460	52,482	54,707	50,048
Brokerage commissions	6,096	9,556	18,295	21,414	14,522
Equities	3,368	5,272	13,755	17,524	11,523
Bonds	2,700	4,248	4,464	3,755	2,905
Underwriting and selling fees, and commissions from solicitation to qualifying investors	8,419	6,099	7,438	8,262	8,090
Equities	3,953	1,468	2,940	2,573	2,365
Bonds	4,295	4,550	4,405	5,377	5,687
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	4,709	6,003	12,903	10,522	10,208
Other commissions and fees	12,202	10,800	13,844	14,508	17,226
Net gain on trading	12,291	9,080	27,676	18,375	18,177
Equities, etc.	(987)	10,045	4,730	13,570	3,440
Bonds, etc. · Others	13,278	(965)	22,946	4,804	14,737
Bonds, etc.	12,305	13,560	32,797	7,379	12,453
Others	972	(14,525)	(9,851)	(2,574)	2,283
Net gain (loss) on operating investment securities	(1,096)	332	658	(789)	2,314
Interest and dividend income	28,400	35,448	35,405	24,705	26,456
Interest expenses	17,221	21,731	21,301	12,559	13,851
Net operating revenues	53,801	55,591	94,921	84,439	83,145
Selling, general and administrative expenses	49,594	55,047	74,446	69,057	69,898
Transaction-related expenses	10,134	11,191	13,646	14,560	13,325
Personnel expenses	21,097	25,030	37,039	31,950	32,518
Real estate expenses	6,597	7,165	9,053	8,114	8,109
Administrative expenses	3,831	3,923	4,631	4,901	5,571
Depreciation and amortization	4,844	4,513	5,905	5,426	5,810
Taxes and dues	866	1,010	1,419	1,257	1,085
Other	2,222	2,211	2,750	2,847	3,476
Operating income	4,207	543	20,475	15,382	13,247
Non-operating income	1,107	836	1,534	1,117	901
Non-operating expenses	909	372	328	822	731
Ordinary income	4,404	1,007	21,681	15,677	13,417
Extraordinary gain	447	408	658	1,974	1,248
Extraordinary loss	2,496	1,018	5,118	382	1,354
Income before income taxes and minority interests	2,355	398	17,221	17,268	13,311
Income taxes - current	978	1,015	3,825	1,054	1,614
Income taxes - deferred	(865)	(1,890)	(5,862)	(720)	(8,814)
Income before minority interests	2,242	1,272	19,258	16,934	20,511
Minority interests	(677)	174	19	(428)	(197)
Net income	2,920	1,098	19,238	17,363	20,709

#### 4. (Reference) Quarterly Non-consolidated Financial Statements

##### (1) (Reference) Quarterly Non-consolidated Balance Sheets

(Millions of yen)

As of March 31, 2013 As of September 30, 2013

	As of March 31, 2013	As of September 30, 2013
<b>Assets</b>		
Current assets		
Cash and bank deposits	149,917	215,058
Cash segregated as deposits for customers and others	94,508	125,408
Trading assets	6,496,354	6,549,743
Trading securities and others	5,384,711	5,504,187
Derivatives	1,111,642	1,045,555
Operating investment securities	22,902	19,278
Operating loans receivable	4,098	3,800
Receivables related to margin transactions	60,389	76,095
Loans receivable under margin transactions	47,791	59,470
Cash collateral for borrowed securities under margin transactions	12,597	16,625
Collateralized short-term financing agreements-receivable	4,850,073	4,795,420
Deposits paid for securities borrowed	4,654,470	4,620,956
Securities purchased under agreements to resell	195,602	174,464
Advances paid	80	534
Securities: fail to deliver	6,275	724
Short-term loans receivable	38,818	38,285
Deferred tax assets	13,989	17,846
Other current assets	114,117	123,608
Less: Allowance for doubtful accounts	(18)	(17)
Total current assets	11,851,505	11,965,787
Noncurrent assets		
Property and equipment	17,942	18,734
Intangible assets	26,987	27,150
Investments and other assets	275,834	293,463
Investment securities	213,200	214,285
Long-term guarantee deposits	16,202	17,230
Deferred tax assets	13,388	19,188
Other	37,580	47,295
Less: Allowance for doubtful accounts	(4,537)	(4,536)
Total noncurrent assets	320,764	339,348
<b>Total assets</b>	<b>12,172,269</b>	<b>12,305,135</b>



(Millions of yen)

As of March 31, 2013 As of September 30, 2013

<b>Liabilities</b>		
Current liabilities		
Trading liabilities	3,770,998	3,562,922
Trading securities and others	2,774,144	2,630,504
Derivatives	996,853	932,418
Payables – unsettled trades	382,812	151,376
Payables related to margin transactions	22,912	23,371
Borrowings on margin transactions	8,021	11,498
Cash collateral for loaned securities under margin transactions	14,890	11,873
Collateralized short-term financing agreements-payable	4,487,174	5,791,807
Deposits received for securities loaned	2,430,352	3,904,179
Securities sold under agreements to repurchase	2,056,821	1,887,628
Deposits received	106,928	158,774
Guarantee deposits received	73,257	54,976
Securities: fail to receive	2,310	1,675
Short-term borrowings	1,301,000	504,197
Commercial paper	312,400	312,400
Bonds and notes due within one year	54,371	34,492
Lease obligations	519	468
Income taxes payable	2,545	3,229
Accrued employees' bonuses	8,965	8,851
Provision for bonus point redemption	498	701
Other current liabilities	27,730	27,825
<b>Total current liabilities</b>	<b>10,554,423</b>	<b>10,637,069</b>
Noncurrent liabilities		
Bonds and notes	382,338	437,314
Long-term borrowings	668,400	626,400
Lease obligations	2,162	1,963
Provision for retirement benefits	15,282	15,814
Other noncurrent liabilities	2,058	953
<b>Total noncurrent liabilities</b>	<b>1,070,243</b>	<b>1,082,445</b>
Statutory reserves		
Reserve for financial instruments transaction liabilities	1,185	1,030
Total statutory reserves	1,185	1,030
<b>Total liabilities</b>	<b>11,625,851</b>	<b>11,720,546</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	381,649	381,649
Retained earnings	31,395	73,662
<b>Total shareholders' equity</b>	<b>538,212</b>	<b>580,479</b>
Valuation and translation adjustments		
Net unrealized gains on (operating) investment securities, net of tax	15,021	16,920
Net deferred gains (losses) on hedges, net of tax	(6,816)	(12,810)
<b>Total valuation and translation adjustments</b>	<b>8,205</b>	<b>4,109</b>
<b>Total net assets</b>	<b>546,417</b>	<b>584,588</b>
<b>Total liabilities and net assets</b>	<b>12,172,269</b>	<b>12,305,135</b>

**(2) (Reference) Quarterly Non-consolidated Statements of Income**

For the six months ended September 30, 2012 and 2013

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013
Operating revenues		
Commissions	40,469	76,287
Net gain on trading	33,057	52,986
Net gain (loss) on operating investment securities	(1,514)	635
Interest and dividend income	20,939	20,149
Total operating revenues	92,951	150,059
Interest expenses	15,066	13,997
Net operating revenues	77,885	136,061
Selling, general and administrative expenses	68,545	101,119
Transaction-related expenses	14,445	19,819
Personnel expenses	24,582	43,078
Real estate expenses	11,830	13,094
Administrative expenses	9,196	14,433
Depreciation and amortization	5,620	7,091
Taxes and dues	1,003	1,392
Provision of allowance for doubtful accounts	-	38
Other	1,867	2,171
Operating income	9,339	34,942
Non-operating income	1,410	1,878
Non-operating expenses	364	470
Ordinary income	10,385	36,350
Extraordinary gain	875	3,591
Gain on sales of investment securities	857	3,437
Reversal of reserve for financial instruments transaction liabilities	17	154
Extraordinary loss	6,355	2,171
Loss on disposal of noncurrent assets	147	70
Loss on sales of investment securities	145	125
Loss on sales of investments in subsidiaries and affiliates	55	24
Loss on impairment of investment securities	1,468	-
Loss on impairment of investments in subsidiaries and affiliates	2,091	388
Loss on impairment of golf club membership	3	3
Impairment losses	430	148
Merger expenses	2,013	1,411
Income before income taxes	4,905	37,770
Income taxes – current	659	2,789
Income taxes – deferred	(439)	(7,286)
Total income taxes	220	(4,496)
Net income	4,685	42,267