

**Consolidated Financial Summary
(for the year ended March 31, 2004)**

Company's name: **Mizuho Securities Co., Ltd. ("the Company")**

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

Location: Tokyo

Representative: Name: Yoshio Osawa

Title: President

For inquiry: Name: Keisuke Yokoo

Title: Managing Director, Head of Planning Group

Phone: (03) 5208-3212

Date of resolution of Board of Directors with respect to

the consolidated financial statements: April 28, 2004

Parent company: Mizuho Financial Group, Inc.

(Stock code number: 8411)

The percentage of stock held by the
parent company: 100%

Application of US GAAP: No

(Including indirect holding by)
the parent company: 100%

Business performance for the year ended March 31, 2004 (April 1, 2003 through March 31, 2004)

(note) Any fraction of less than ¥1 million in each indicated amount is rounded down.

(1) Consolidated operating results

	Operating revenues		Net operating revenues		Operating profit	
	mil. yen	%	mil. yen	%	mil. yen	%
Fiscal year (2004/3)	224,704 (	-22.6)	123,947 (	-9.2)	37,646 (	-7.3)
Fiscal year (2003/3)	290,379 (	540.9)	136,446 (	221.6)	40,624 (	190.5)

	Ordinary profit		Net profit	
	mil. yen	%	mil. yen	%
Fiscal year (2004/3)	40,234 (	-6.9)	19,622 (	87.8)
Fiscal year (2003/3)	43,232 (	202.8)	10,448 (—)

(note) ① Equity in earnings from investments in affiliates: Fiscal 2004 42
Fiscal 2003 12

② Change in accounting policies: No change

③ The percentage in the column of operating revenues, net operating revenues, operating profit, ordinary profit, and net profit indicate percentage changes from the year in the previous year.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Shareholders' equity to total assets
	mil. yen	mil. yen	%
Fiscal year(2004/3)	12,217,142	289,677	2.4
Fiscal year(2003/3)	11,967,597	249,910	2.1

(note) Shareholders' equity to total assets = Total shareholders' equity ÷ (Liabilities + Stocks held by Minority Shareholders + Total shareholders' equity) × 100

(3) Scope of Consolidation and Application of the Equity Method

Number of Consolidated Subsidiaries: 8
Nonconsolidated subsidiaries accounted for by the Equity Method: -
Affiliates accounted for by the Equity Method: 4

(4) Change in Scope of Consolidation and Application of the Equity Method

Consolidation		Equity Method	
Newly Consolidated:	-	Newly applied:	-
Excluded:	1	Ceased:	-

【Overview of Group Structures】

The Company and its subsidiaries and affiliates mainly operate debt and equity securities, M&A, structured finance and other businesses in securities and investment banking field and offer to corporate investors and customers including corporations, financial institutions and public-sector organizations, the high-quality financial products and services by conducting advanced financial technologies suitable for a wide range of customers' needs.

The Company has a presence in major financial centers in the UK, Switzerland, the United States and Hong Kong as a global investment banking firm focusing on trading and underwriting securities.

In March 2004, the company bought stocks of subsidiaries in the UK(Mizuho international plc), Switzerland(Mizuho Bank (Switzerland) Ltd.) and the United States(Mizuho Securities USA Inc.) from Mizuho Corporate Bank, Ltd., Mizuho Bank Ltd. and other group company. As a result, these companies became wholly-owned subsidiaries of the Company.

The Mizuho Financial Group, which the Company belongs to carried out a business reorganization on March 12, 2003. As a result, Mizuho Holdings, Inc. became a wholly-owned subsidiary of Mizuho Financial Group, Inc. and the Company became a wholly-owned subsidiary of Mizuho Corporate Bank, Ltd.

The major companies in the Company's group are as follows:

Name of Companies	Location	Capital	Major Operation	Ownership Percentage
(Parent company)				
Mizuho Financial Group, Inc.	Chiyoda-ku, Tokyo	mil.yen 1,540,965	Bank holding company	—
Mizuho Holdings, Inc.	Chiyoda-ku, Tokyo	mil.yen 1,000,000	Bank holding company	—
Mizuho Corporate Bank, Ltd.	Chiyoda-ku, Tokyo	mil.yen 1,070,965	Commercial banking	—
(Consolidated subsidiaries)				
Mizuho Securities Asia Limited	Hong Kong, People's Republic of China	mil. HK\$ 330	Securities	100.0%
Japan Investor Relations and Investor Support, Inc.	Chiyoda-ku, Tokyo	mil.yen 100	IR consulting services	97.0%
The Bridgeford Group, Inc.	New York, USA	US\$ 1,000,000	M&A business	100.0%
Mizuho Bank (Switzerland)Ltd.	Zurich, Switzerland	mil.SFR 159	Securities, commercial banking and private banking	100.0%
Mizuho International plc	London, UK	mil. £ 257	Securities, commercial banking and custody services	100.0%
Mizuho Securities USA Inc.	Hoboken, New Jersey, USA	US\$ 231,300	Securities and derivatives brokerage	100.0%
(Other affiliates)				
Mobile Internet Capital Inc.	Minato-ku, Tokyo	mil.yen 100	Venture capital	30.0%
Japan Industrial Partners Inc.	Minato-ku, Tokyo	mil.yen 100	Investment advisory services	33.75%
Basic Capital Management, Limited	Chiyoda-ku, Tokyo	mil.yen 100	Investment advisory services	50.0%
Industrial Decisions, Inc.	Minato-ku, Tokyo	mil.yen 40	Consulting services	50.0%

Consolidated Balance Sheets
(As of March 31, 2004)

(Unit: Millions of yen)

Description	As of March 31, 2004	As of March 31, 2003	Change
Assets			
Current assets	12,066,882	11,857,140	209,741
Cash and deposits	78,624	75,671	2,953
Cash segregated as deposits	7,276	1,481	5,795
Securities	19,497	22,561	(3,063)
Trading assets	4,489,409	4,769,653	(280,244)
Trading securities and others	4,387,170	4,676,328	(289,158)
Derivative transactions	102,238	93,324	8,913
Operational securities	4,572	792	3,779
Margin transaction assets	7,002	7,044	(42)
Loans secured by securities	7,363,844	6,855,160	508,683
Guarantee deposits	23,382	37,803	(14,421)
Securities fails to deliver	8,504	19,146	(10,641)
Valuation margin paid	14,455	-	14,455
Short-term loans receivable	5,918	5,375	542
Accrued income	33,923	36,571	(2,647)
Short-term deferred tax assets	5,074	2,510	2,563
Others	5,419	23,399	(17,979)
Allowance for doubtful accounts	(22)	(32)	9
Fixed assets	150,259	110,456	39,802
Tangible fixed assets	10,107	11,588	(1,481)
Buildings	6,045	6,961	(916)
Furniture and fixture	4,062	4,627	(564)
Intangible fixed assets	8,912	8,344	567
Goodwill	277	112	164
Software	8,572	8,138	434
Others	62	93	(30)
Investments	131,238	90,522	40,716
Investment Securities	126,445	83,733	42,712
Other equity investments	763	303	460
Long-term guarantee deposits	2,837	2,871	(33)
Long-term prepaid expenses	8	11	(3)
Long-term deferred tax assets	620	3,096	(2,475)
Others	562	506	55
Total assets	12,217,142	11,967,597	249,544

(Mizuho Securities)

(Unit: Millions of yen)

Description	As of March 31, 2004	As of March 31, 2003	Change
Liabilities			
Current liabilities	11,714,899	11,561,732	153,167
Trading liabilities	3,461,925	2,690,094	771,830
Trading securities and others	3,341,236	2,624,529	716,706
Derivative transactions	120,688	65,564	55,124
Payable-unsettled trades	21,187	595,773	(574,586)
Borrowings secured by securities	6,929,820	7,490,959	(561,139)
Deposits received	16,870	9,945	6,924
Cash collateral received from customers	28,802	34,761	(5,959)
Securities fails to receive	1,457	25,791	(24,333)
Valuation margin received	—	4,463	(4,463)
Short-term borrowings	901,643	514,894	386,748
Commercial paper	237,800	91,400	146,400
Short-term bonds and notes	43,266	43,739	(472)
Accrued expenses	25,791	29,006	(3,215)
Income taxes payable	16,366	7,860	8,505
Reserve for bonuses	20,154	16,926	3,227
Others	9,813	6,115	3,698
Fixed liabilities	211,756	69,237	142,518
Bonds and Notes	122,619	46,124	76,495
Long-term borrowings	71,648	19,222	52,426
Deferred tax liabilities	14,430	408	14,022
Reserve for retirement benefits	2,496	954	1,541
Others	561	2,528	(1,966)
Statutory reserves	804	439	364
Total liabilities	11,927,460	11,631,409	296,050
Minority interests	4	86,277	(86,273)
Shareholders' equity			
Common stock	150,200	150,200	-
Capital surplus	95,324	95,324	-
Retained earnings	25,427	5,804	19,622
Unrealized gains (losses) on other securities, net of taxes	21,262	(1,943)	23,205
Foreign currency translation adjustments	(2,537)	523	(3,061)
Total shareholders' equity	289,677	249,910	39,767
Total liabilities, minority interests and shareholders' equity	12,217,142	11,967,597	249,544

Consolidated Statements of Operations
(for the year ended March 31, 2004)

(Unit : Millions of yen)

Description	Year ended Mar.31, 2004	Year ended Mar.31, 2003	Period to period comparison (%)
Operating revenues	224,704	290,379	77.4%
Commission	42,975	40,070	107.2%
Trading profit	49,290	58,696	84.0%
Net gains on operational securities	815	41	—
Financial income	131,623	191,571	68.7%
Financial expenses	100,757	153,932	65.5%
Net operating revenues	123,947	136,446	90.8%
Selling, general and administrative expenses	86,300	95,822	90.1%
Commissions and other transaction-related expenses	20,351	20,071	101.4%
Compensation and benefits	46,974	56,175	83.6%
Real estate expenses	6,868	6,601	104.0%
Data processing and office supplies	3,245	3,315	97.9%
Depreciation	6,073	5,368	113.1%
Taxes and dues other than income taxes	581	569	102.1%
Amortization of consolidation differences	525	1,766	29.8%
Others	1,680	1,953	86.0%
Operating profit	37,646	40,624	92.7%
Non-operating revenues	2,844	4,801	59.2%
Equity in earnings from investments in affiliates	42	12	355.0%
Others	2,801	4,789	58.5%
Non-operating expenses	255	2,193	11.7%
Ordinary profit	40,234	43,232	93.1%
Non-ordinary profits	554	1,137	48.7%
Non-ordinary losses	1,227	13,930	8.8%
Net profit before income taxes and minority interests	39,561	30,438	130.0%
Income taxes-current	19,657	10,467	187.8%
Income taxes-deferred	(2,064)	(1,906)	108.3%
Minority interests in net profit	2,346	11,428	20.5%
Net profit	19,622	10,448	187.8%

Consolidated Statements of Capital Surplus and Retained Earnings
(for the year ended March 31, 2004)

(Unit: Millions of yen)

Description	Year ended Mar.31, 2004	Year ended Mar.31, 2003
Capital surplus		
Consolidated capital surplus at beginning	95,324	95,324
Consolidated capital surplus at end	95,324	95,324
Retained earnings		
Consolidated retained earnings(deficit) at beginning	5,804	(4,643)
Increase in retained earnings	19,622	10,448
Net profit	19,622	10,448
Consolidated retained earnings at end	25,427	5,804

Notes to consolidated financial statements

The Company's consolidated financial statements are prepared based on the "Regulations of Consolidated Financial Statements" (Ministry of Finance (MoF) Ordinance No.28, 1976) and its Article 46 and 68, in accordance with the "Cabinet Office Ordinance Concerning Securities Companies"(Prime Minister's Office and MoF Ordinance No.32, 1998), and the "Uniform Accounting Standards of Securities Companies"(approved by the board of directors of the Japan Securities Dealers Association, September 28, 2001).

Based on the note in additional clause2 of the "Partial Amendments of the Regulations Concerning the terminology, Forms and Preparation Methods of Financial Statements"(the Prime Ministers Office Ordinance No.5, January30, 2004), the consolidated financial statements for the year ended March31, 2004 are prepared in accordance with the former "Regulations of Consolidated Financial Statements".

Basis of consolidated financial statements

1.Scope of consolidation

Consolidated subsidiaries : 8 Companies

Name of major subsidiaries :

Mizuho Securities Asia Limited
Japan Investor Relations and Investor Support, Inc.
The Bridgeford Group, Inc.
Mizuho Bank (Switzerland) Ltd.
Mizuho International plc
Mizuho Securities USA Inc.

2.Application of the equity method

Affiliates accounted for by the equity method : 4 Companies

Name of the affiliates :

Mobile Internet Capital Inc.
Japan Industrial Partners Inc.
Basic Capital Management, Limited
Industrial Decisions, Inc.

3.Yearends of subsidiaries

The financial statements for consolidated subsidiaries are based on the same closing date as the Company uses.

4.Accounting policies

(1) Valuation of trading account

The Company and its subsidiaries are trading financial instruments to contribute for the markets to have proper prices and liquidities.

The Company and subsidiaries hold trading positions for the purpose of :

1) responding to customers' needs to invest or hedge risk, and 2) gaining profits or mitigating losses due to fluctuations of market prices and differences of prices in various markets.

Securities, derivative transactions, and assets or liabilities in trading account are recorded at fair value, considering liquidity risk.

(2) Valuation of non-trading securities

Non-trading securities are valued as follows :

- ① Other securities, which have readily determinable fair value are stated at fair value with changes in differences between fair value and cost or amortized cost determined by the moving average method, net of the applicable income taxes, included directly in shareholders' equity.
- ② Other securities, which do not have readily determinable fair value are stated at cost determined by the moving average method.

- (3) Depreciation method of significant assets
- ① Tangible fixed assets
The Company and domestic consolidated subsidiary mainly apply the declining-balance method except for buildings (excluding leasehold improvement) acquired after March 31, 1998, which are applied the straight-line method. Overseas subsidiaries mainly apply the straight-line method.
 - ② Intangible fixed assets
The straight-line method is primarily applied to amortization of intangible asset. The amortization period of software for internal use are determined based on estimated internal useful lives.
- (4) Deferred assets
Bond issuance cost is charged to income when incurred.
- (5) Accounting policies for reserves
- ① Allowance for doubtful accounts
The Company provides the allowance for possible losses on impaired at the amount estimated based on the management's assessments of asset quality and the allowance for other receivables at the amount estimated based on past experiences.
 - ② Reserve for bonuses
Reserve is provided for bonus payments to employees at the amount attributable to the year of the future payments estimated based on the company's internal rules.
 - ③ Reserve for retirement benefits
Reserve for retirement benefits is provided for future retirement benefits to employees based on actuarial retirement benefits and plan assets.
Prior service cost is charged to income in the period which the cost is recognized.
Net actuarial gain or loss is amortized in the years following the year in which the gain or loss is recognized over the period within the employees average remaining service period on a straight-line basis.
- (6) Accounting for lease transactions
Except for finance lease agreements, under which the ownership of the leased assets is deemed to be transferred to the lessee, lease fees are mainly charged to income, when incurred.
- (7) Accounting for hedging transactions
Gains or losses on forward foreign exchange contracts hedging foreign exchange risk associated with investment in subsidiaries denominated in foreign currencies are deferred as assets or liabilities until related gains or losses of the hedged instruments are recognized.
- (8) Other significant accounting policies
Consumption taxes
Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

5.Valuation of assets and liabilities of subsidiaries acquired

All assets and liabilities of consolidated subsidiaries are valued at fair value and included in the consolidated financial statements when acquired.

6.Amortization of consolidation differences

Consolidation differences are charged to income in the consolidated fiscal year of the acquisition due to immaterial amount.

7.Appropriation of earnings

Consolidated statement of capital surplus and retained earnings are prepared based on appropriation of earnings settled by the end of year.

Quarterly trends in Consolidated Statement of Operations

(Unit: Millions of yen)

	Three months ended Jun.30, 2003	Three months ended Sep.30, 2003	Three months ended Dec.31, 2003	Three months ended Mar.31, 2004
Operating revenues	65,705	51,906	51,108	55,984
Commission	12,053	9,759	8,755	12,406
Trading profit	8,240	15,280	12,624	13,145
Net gains on operational securities	—	52	846	(83)
Financial income	45,411	26,813	28,881	30,516
Financial expenses	35,363	18,887	22,584	23,922
Net operating revenues	30,342	33,018	28,523	32,062
Selling, general and administrative expenses	21,858	19,504	19,879	25,058
Commissions and other transaction- related expenses	7,086	3,918	3,781	5,564
Compensation and benefits	9,985	10,936	11,584	14,467
Real estate expenses	1,830	1,712	1,631	1,694
Data processing and office supplies	745	773	728	998
Depreciation	1,342	1,592	1,485	1,652
Taxes and dues other than income taxes	126	164	138	152
Amortization of consolidation differences	—	—	—	525
Others	741	406	529	2
Operating profit	8,483	13,514	8,644	7,004
Non-operating revenues	1,204	1,908	(1,124)	856
Equity in earnings from investments in affiliates	29	21	18	(26)
Others	1,174	1,887	(1,142)	882
Non-operating expenses	16	28	10	199
Ordinary profit	9,671	15,394	7,508	7,660
Non-ordinary profits	38	303	(12)	224
Non-ordinary losses	148	592	4	481
Net profit before income taxes and minority interests	9,561	15,104	7,492	7,403
Income taxes-current	3,371	7,761	4,267	4,256
Income taxes-deferred	668	(1,860)	(1,062)	189
Minority interests in net profit	366	1,053	326	599
Net profit	5,153	8,151	3,959	2,358