

Consolidated Financial Summary
(for the three months ended June 30, 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

Parent company: Mizuho Financial Group, Inc. The percentage of stock held by the
(Stock code number : 8411) parent company: 100%

Application of US GAAP : No (Including indirect holding by)
the parent company 100%

Business performance for the three months ended June 30, 2004 (April 1, 2004 through June 30, 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	%
3 months ended June 30, 2004	66,895	(1.6)	41,837	(37.2)	19,062	(120.9)
3 months ended June 30, 2003	65,851		30,488		8,629	
Year ended March 31, 2004	225,023		123,947		37,646	

	Ordinary profit		Net profit	
	mil. yen	%	mil. yen	%
3 months ended June 30, 2004	19,359	(100.2)	11,381	(120.8)
3 months ended June 30, 2003	9,671		5,153	
Year ended March 31, 2004	40,234		19,622	

(note) ① Equity in earnings from investments in affiliates: 3 months ended June 30, 2004 (14)
3 months ended June 30, 2003 29
Year ended March 31, 2004 42

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 first quarter in the previous year.

(2) Consolidated financial position

	Total assets	Shareholder's equity	Shareholder's equity to total assets
	mil. yen	mil. yen	%
As of June 30, 2004	15,379,357	287,343	1.9
As of June 30, 2003	12,621,483	261,483	2.1
As of March 31, 2004	12,217,836	289,677	2.4

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

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

Number of Consolidated Subsidiaries: 9
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: 1	Newly applied: -
Excluded: -	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 major companies in the Company's group are as follows:

Name of Companies	Location	Capital	Major Operation	Ownership Percentage
(Parent companies)				
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	100.00%
Japan Investor Relations and Investor Support, Inc.	Chiyoda-ku, Tokyo	mil.yen 100	IR consulting services	97.00%
The Bridgeford Group, Inc.	New York, USA	US\$ 1,000,000	M&A business	100.00%
Mizuho Bank (Switzerland)Ltd.	Zurich, Switzerland	mil.SFR 53	Securities, commercial banking and private banking	100.00%
Mizuho International plc	London, UK	mil. £ 257	Securities, commercial banking and custody services	100.00%
Mizuho Securities USA Inc.	Hoboken, New Jersey, USA	US\$ 231,300	Securities and derivatives brokerage	100.00%
(Other affiliates)				
Mobile Internet Capital Inc.	Minato-ku, Tokyo	mil.yen 100	Venture capital	30.00%
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	50.00%
Industrial Decisions, Inc.	Minato-ku, Tokyo	mil.yen 40	Consulting services	50.00%

Consolidated Balance Sheets
(As of June 30, 2004)

(Unit: Millions of yen)

Description	As of June 30, 2004	As of June 30, 2003	Change	As of March 31, 2004
Assets				
Current assets	15,237,743	12,513,917	2,723,826	12,067,577
Cash and deposits	92,043	74,847	17,196	78,624
Cash segregated as deposits	7,201	6,517	684	7,276
Securities	7,524	23,062	(15,538)	19,497
Trading assets	5,583,319	5,031,657	551,662	4,489,771
Trading securities and others	5,470,771	4,944,068	526,703	4,387,170
Derivative transactions	112,548	87,589	24,959	102,600
Operational securities	4,657	871	3,786	4,572
Receivable-unsettled trades	123,110	—	123,110	—
Margin transaction assets	7,743	9,068	(1,324)	7,002
Loans secured by securities	9,219,970	6,989,739	2,230,230	7,363,844
Guarantee deposits	35,032	31,148	3,883	23,382
Securities fails to deliver	74,593	244,195	(169,602)	8,504
Valuation margin paid	26,376	—	26,376	14,455
Short-term loans receivable	4,742	35,483	(30,740)	5,918
Accrued income	37,364	37,190	174	33,923
Short-term deferred tax assets	3,243	1,845	1,397	5,074
Others	10,842	28,316	(17,473)	5,752
Allowance for doubtful accounts	(22)	(26)	4	(22)
Fixed assets	141,613	107,566	34,047	150,259
Tangible fixed assets	12,429	11,544	885	10,107
Buildings	5,909	6,871	(961)	6,045
Furniture and fixture	3,861	4,672	(811)	4,062
Others	2,658	—	2,658	—
Intangible fixed assets	9,002	8,747	254	8,912
Goodwill	253	94	159	277
Software	8,687	8,590	96	8,572
Others	61	63	(1)	62
Investments	120,181	87,274	32,907	131,238
Investment securities	114,529	81,602	32,927	126,119
Other equity investments	662	1,293	(631)	1,090
Long-term guarantee deposits	2,880	2,973	(92)	2,837
Long-term prepaid expenses	7	10	(3)	8
Long-term deferred tax assets	1,430	766	663	620
Others	671	627	43	562
Total assets	15,379,357	12,621,483	2,757,873	12,217,836

(Unit: Millions of yen)

Description	As of June 30, 2004	As of June 30, 2003	Change	As of March 31, 2004
Liabilities				
Current liabilities	14,782,705	11,805,804	2,976,901	11,715,593
Trading liabilities	5,015,211	3,220,554	1,794,656	3,462,620
Trading securities and others	4,900,087	3,121,341	1,778,746	3,341,236
Derivative transactions	115,123	99,213	15,910	121,383
Payable-unsettled trades	—	269,045	(269,045)	21,187
Borrowings secured by securities	8,268,789	7,617,519	651,270	6,929,820
Deposits received	23,999	16,520	7,478	16,870
Cash collateral received from customers	56,025	32,367	23,657	28,802
Securities fails to receive	71,901	44,319	27,582	1,457
Valuation margin received	8	8,670	(8,662)	—
Short-term borrowings	1,032,509	364,232	668,276	901,643
Commercial paper	204,000	133,900	70,100	237,800
Short-term bonds and notes	47,242	43,638	3,603	43,266
Accrued expenses	39,007	36,848	2,158	25,791
Income taxes payable	7,482	4,774	2,708	16,366
Reserve for bonuses	7,054	6,057	997	20,154
Others	9,474	7,354	2,119	9,813
Fixed liabilities	308,408	464,430	(156,022)	211,756
Bonds and notes	168,832	50,143	118,688	122,619
Long-term borrowings	124,383	411,178	(286,794)	71,648
Deferred tax liabilities	11,415	1,495	9,919	14,430
Reserve for retirement benefits	3,194	1,009	2,184	2,496
Others	582	603	(20)	561
Statutory reserves	894	486	407	804
Total liabilities	15,092,008	12,270,721	2,821,286	11,928,155
Minority interests	5	89,278	(89,272)	4
Shareholder's equity				
Common stock	150,200	150,200	—	150,200
Capital surplus	95,324	95,324	—	95,324
Retained earnings	26,294	10,958	15,336	25,427
Unrealized gain on other securities, net of taxes	15,813	2,843	12,969	21,262
Foreign currency translation adjustments	(288)	2,157	(2,445)	(2,537)
Total shareholder's equity	287,343	261,483	25,860	289,677
Total liabilities, minority interests and shareholder's equity	15,379,357	12,621,483	2,757,873	12,217,836

Consolidated Statements of Operations
(for the three months ended June 30, 2004)

(Unit: Millions of yen)

Description	Three months ended June 30, 2004	Three months ended June 30, 2003	Comparison (%)	Year ended March 31, 2004
Operating revenues	66,895	65,851	101.6%	225,023
Commission	13,100	12,053	108.7%	42,975
Trading profit	24,417	8,386	291.2%	49,609
Net gains on operational securities	750	—	—	815
Financial income	28,628	45,411	63.0%	131,623
Financial expenses	25,058	35,363	70.9%	101,076
Net operating revenues	41,837	30,488	137.2%	123,947
Selling, general and administrative expenses	22,775	21,858	104.2%	86,300
Commissions and other transaction-related expenses	4,730	7,086	66.8%	20,351
Compensation and benefits	12,285	9,985	123.0%	46,974
Real estate expenses	1,782	1,830	97.4%	6,868
Data processing and office supplies	817	745	109.6%	3,245
Depreciation	1,572	1,342	117.1%	6,073
Taxes and dues other than income taxes	978	126	775.4%	581
Amortization of consolidation differences	—	—	—	525
Others	608	741	82.0%	1,680
Operating profit	19,062	8,629	220.9%	37,646
Non-operating revenues	921	1,058	87.1%	2,844
Equity in earnings from investments in affiliates	—	29	—	42
Others	921	1,028	89.6%	2,801
Non-operating expenses	624	16	—	255
Equity in losses from investments in affiliates	14	—	—	—
Others	610	16	—	255
Ordinary profit	19,359	9,671	200.2%	40,234
Non-ordinary profits	0	38	1.6%	577
Non-ordinary losses	101	148	68.2%	1,250
Net profit before income taxes and minority interests	19,258	9,561	201.4%	39,561
Income taxes-current	6,371	3,371	189.0%	19,657
Income taxes-deferred	1,504	668	225.0%	(2,064)
Minority interests in net profit	0	366	0.3%	2,346
Net profit	11,381	5,153	220.8%	19,622

Notes to consolidated financial statements

The Company's quarterly consolidated financial statements are prepared based on the "Regulations of Interim Consolidated Financial Statements" (Ministry of Finance (MoF) Ordinance No.24, 1999) and its Article 48 and 69, 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).

Certain reclassifications have been made to the prior year's consolidated financial statements to conform them to the current year's presentation.

Basis of consolidated financial statements

1.Scope of consolidation

Consolidated subsidiaries : 9 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.Quarter ends of subsidiaries

The quarterly financial statements for consolidated subsidiaries are based on the same quarter end date as the parent company uses.

4.Accounting policies

(1) Valuation of securities and trading account

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 :

(a) 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 shareholder's equity.

(b) Other securities, which do not have readily determinable fair value are stated at cost determined by the moving average method.

(2) 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.

(3) Deferred assets

Bond issuance cost is charged to income when incurred.

(4) Accounting policies for reserves

① Allowance for doubtful accounts

The allowance is provided for impaired loans and accounts at the amount estimated based on the management's assessments of asset quality and 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 quarter 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 actual retirement benefits and plan assets as of consolidated fiscal year.

Prior service cost is charged to income in the consolidated fiscal year which the cost is recognized.

Net actuarial gain or loss is amortized in the years following the consolidated fiscal year of incurrence in which the gain or loss is recognized over the period within the employees average remaining service period on a straight-line basis.

(5) 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 charged to income when incurred.

(6) Accounting for hedging transactions

Gains or losses resulting from forward foreign exchange transactions entered into in order to hedge the foreign exchange risk of foreign currency denominated equity investments in subsidiaries is accounted for as foreign currency translation adjustments to the extent that the hedge is effective.

(7) 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.

Financial Data for the three months ended June 30, 2004

1. Commission Income

(1) Breakdown for accounts

(Unit : Millions of yen)

	Three months ended June 30, 2004	Three months ended June 30, 2003	Comparison (%)	Year ended March 31, 2004
Brokerage commission	4,716	6,259	75.3%	16,959
(Stocks)	(3,174)	(1,625)	(195.4%)	(8,042)
(Bonds)	(1,520)	(4,634)	(32.8%)	(8,712)
Underwriting and selling commissions	3,393	2,803	121.1%	8,473
(Stocks)	(1,379)	(346)	(398.7%)	(3,098)
(Bonds)	(2,013)	(2,457)	(82.0%)	(5,181)
Offering and selling commissions	1,239	126	981.8%	1,605
(Bonds)	(64)	(116)	(55.2%)	(1,170)
(Beneficiary securities)	(145)	(9)	(—)	(99)
Other commissions received	3,750	2,864	130.9%	15,936
Total	13,100	12,053	108.7%	42,975

(2) Breakdown by products

(Unit : Millions of yen)

	Three months ended June 30, 2004	Three months ended June 30, 2003	Comparison (%)	Year ended March 31, 2004
Stocks	4,636	1,979	234.3%	11,359
Bonds	4,305	7,395	58.2%	17,859
Beneficiary securities	584	105	551.7%	766
Others	3,572	2,573	138.8%	12,989
Total	13,100	12,053	108.7%	42,975

2. Trading profit/loss

(Unit : Millions of yen)

	Three months ended June 30, 2004	Three months ended June 30, 2003	Comparison (%)	Year ended March 31, 2004
Stocks	11,071	2,237	494.8%	20,852
Bonds and others	13,345	6,148	217.1%	28,756
Total	24,417	8,386	291.2%	49,609

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	Three months ended Jun.30, 2004
Operating revenues	65,851	53,466	49,402	56,303	66,895
Commission	12,053	9,759	8,755	12,406	13,100
Trading profit	8,386	16,840	10,918	13,463	24,417
Net gains on operational securities	—	52	846	(83)	750
Financial income	45,411	26,813	28,881	30,516	28,628
Financial expenses	35,363	18,887	22,584	24,240	25,058
Net operating revenues	30,488	34,578	26,817	32,062	41,837
Selling, general and administrative expenses	21,858	19,504	19,879	25,058	22,775
Commissions and other transaction-related expenses	7,086	3,918	3,781	5,564	4,730
Compensation and benefits	9,985	10,936	11,584	14,467	12,285
Real estate expenses	1,830	1,712	1,631	1,694	1,782
Data processing and office supplies	745	773	728	998	817
Depreciation	1,342	1,592	1,485	1,652	1,572
Taxes and dues other than income taxes	126	164	138	152	978
Amortization of consolidation differences	—	—	—	525	—
Others	741	406	529	2	608
Operating profit	8,629	15,074	6,938	7,004	19,062
Non-operating revenues	1,058	348	581	856	921
Equity in earnings from investments in affiliates	29	21	18	(26)	—
Others	1,028	327	563	882	921
Non-operating expenses	16	28	10	199	624
Equity in losses from investments in affiliates	—	—	—	—	14
Others	16	28	10	199	610
Ordinary profit	9,671	15,394	7,508	7,660	19,359
Non-ordinary profits	38	303	(12)	248	0
Non-ordinary losses	148	592	4	505	101
Net profit before income taxes and minority interests	9,561	15,104	7,492	7,403	19,258
Income taxes-current	3,371	7,761	4,267	4,256	6,371
Income taxes-deferred	668	(1,860)	(1,062)	189	1,504
Minority interests in net profit	366	1,053	326	599	0
Net profit	5,153	8,151	3,959	2,358	11,381