

October 26, 2007

Consolidated Financial Summary (for the half year ended September 30, 2007)

Company's name: **Mizuho Securities Co., Ltd. ("the Company")**
(URL <http://www.mizuho-sc.com>)

Representative: **Keisuke Yokoo, President**

For inquiry: **Yoshiaki Ohashi, Managing Director,**
Head of Risk Management and Finance Group Phone: (Country Code81) 3- 5208-2030

1. Business performance for the half year ended September 30, 2007 (April 1, 2007 through September 30, 2007)

- (note) a. All amounts have been rounded down to the nearest one million yen
b. The percentage in the column of operating revenues, net operating revenues, operating profit, ordinary profit and net profit indicate percentage of change compared to the same period in the previous year.

(1) Consolidated operating results

	Operating revenues		Net operating revenues		Operating profit		Ordinary profit	
	mil. yen	%	mil. yen	%	mil. yen	%	mil. yen	%
Half year (2007/9)	342,801	(23.8)	36,258	(-51.8)	-32,524	(-)	-33,425	(-)
Half year (2006/9)	276,840	(39.0)	75,210	(-7.9)	19,651	(-32.9)	19,591	(-35.2)
Fiscal year (2007/3)	647,292		165,494		45,845		46,315	

	Net profit		Net profit per share	Diluted net profit per share
	mil. yen	%	yen	yen
Half year (2007/9)	-27,061	(-)	-7,343 . 71	- . -
Half year (2006/9)	11,000	(-43.5)	2,985 . 26	- . -
Fiscal year (2007/3)	26,951		7,313 . 79	- . -

(note) Equity in profit of affiliated companies:

Half year (2007/9)	386 mil yen	Half year (2006/9)	52 mil yen
Fiscal year (2007/3)	113 mil yen		

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	mil. yen	mil. yen	%	yen
As of September 30, 2007	22,823,479	389,988	1.7	105,829 . 05
As of September 30, 2006	19,786,993	407,325	2.1	110,534 . 26
As of March 31, 2007	21,035,385	439,257	2.1	119,199 . 55

(note) Net asset As of September 30, 2007: 389,980 mil yen As of September 30, 2006: 407,318 mil yen
As of March 30, 2007: 439,250 mil yen

2. Dividend condition

	Dividend per share		
	As of Sep. 30	As of Mar. 31	Full Year
Year ended March 31, 2007	yen - . -	yen 3,800 . 00	yen 3,800 . 00
Year ended March 31, 2008	yen - . -		Not yet determined
Year ended March 31, 2008 (forecast)		Not yet determined	

3. Others

- (1) Change in number of material subsidiaries during the fiscal year: **None**
- (2) Change in accounting principle, procedure and presentation preparing the consolidated financial statements :
- a. Change due to revision of accounting standards: **Yes**
- b. Other changes: **No**
- (Note) Refer to page 11 "Change in the basis of consolidated financial statements" for details.

(3) Number of shares issued and outstanding (Common stock)

- a. Numbers of shares issued and outstanding (incl. treasury stock)
- | | | |
|--------------------------|-----------|--------|
| As of September 30, 2007 | 3,685,000 | shares |
| As of September 30, 2006 | 3,685,000 | shares |
- As of March 31, 2007: 3,685,000 shares
- b. Number of treasury stock
- | | | |
|--------------------------|---|--------|
| As of September 30, 2007 | - | shares |
| As of September 30, 2006 | - | shares |
- As of March 31, 2007: - shares

(Reference) Summary of nonconsolidated business performance

1. Business performance for the half year ended September 30, 2007 (April 1, 2007 through September 30, 2007)

(note) The percentage in the column of operating revenues, net operating revenues, operating profit, ordinary profit and net profit indicate percentage of change compared to the same period in the previous year.

(1) Nonconsolidated operating results

	Operating revenues		Net operating revenues		Operating profit		Ordinary profit	
	mil yen	%	mil yen	%	mil yen	%	mil yen	%
Half year (2007/9)	57,736	(-1.3)	38,957	(-23.0)	-1,852	(-)	5,474	(-71.6)
Half year (2006/9)	58,513	(-9.1)	50,611	(-14.5)	17,070	(-41.5)	19,262	(-37.5)
Fiscal year (2007/3)	135,932		115,300		43,529		45,267	

	Net profit		Net profit per share		Diluted net profit per share	
	mil yen	%	yen		yen	
Half year (2007/9)	3,673	(-70.4)	996 . 90		- . -	
Half year (2006/9)	12,408	(-39.6)	3,367 . 31		- . -	
Fiscal year (2007/3)	27,835		7,553 . 61		- . -	

(2) Nonconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share		Capital adequacy ratio
	mil yen	mil yen	%	yen		%
As of September 30, 2007	11,879,315	383,530	3.2	104,078	84	259.5
As of September 30, 2006	9,708,052	378,436	3.9	102,696	61	317.9
As of March 31, 2007	10,536,114	403,626	3.8	109,532	18	263.1

(note) Net asset As of September 30, 2007: 383,530 mil yen As of September 30, 2006: 378,436 mil yen
As of March 31, 2007: 403,626 mil yen

[Overview of group structure]

The core business areas of the Company and its group are securities and investment banking business, such as debt and equity securities, M&A, structured finance. The Company serves its customer base which includes corporate clients, financial institutions and public sector organizations, by offering high-quality, value-added financial products and services which meet wide variety of customers' needs.

The Company has presence in major financial centers in the UK, Switzerland, the United States and Hong Kong through its subsidiaries, which enables the Company to provide globally its services and products such as equities and underwriting.

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

Name of Companies	Location	Capital	Major Operations	Ownership Percentage
(Parent Companies)				
Mizuho Financial Group, Inc.	Chiyoda-ku, Tokyo	mil. Yen 1,540,965	Financial 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	Consulting services and information providing 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	Commercial banking and fiduciary services	100.00%
Mizuho International plc	London, UK	mil. £ 257	Securities and commercial banking	100.00%
Mizuho Securities USA Inc.	New York, USA	US\$ 231,300	Securities	100.00%
Basic Capital Management, Limited	Chiyoda-ku, Tokyo	mil. Yen 100	Financial services	100.00%
Mizuho Investment Consulting (Shanghai) Co., Ltd.	Shanghai, People's Republic of China	mil. CNY 10	Consulting services	100.00%
(Affiliates)				
Mobile Internet Capital Inc.	Minato-ku, Tokyo	mil. Yen 100	Venture capital	30.00%
Japan Industrial Partners Inc.	Chiyoda-ku, Tokyo	mil. Yen 100	Financial services	33.75%
Industrial Decisions, Inc.	Shinagawa-ku, Tokyo	mil. Yen 40	Consulting services	50.00%
Max Investment Advisory Co., Ltd.	Chuo-ku, Tokyo	mil. Yen 80	Consulting services	25.00%
Energy & Environment Investment, Inc.	Shinagawa-ku, Tokyo	mil. Yen 100	Financial services	50.00%

(Note) a. Mizuho Investment Consulting (Shanghai) Co., Ltd. was founded in April 2007 as a 100% subsidiary of the Company.

b. The name of Japan Energy Investment, Inc. is changed to Energy & Environment Investment, Inc. and ownership percentage is increased from 35% to 50%.

Consolidated Balance Sheets

(As of September 30, 2007)

(Unit: Millions of Yen)

Descriptions	As of September 30, 2006	As of September 30, 2007	Change	As of March 31, 2007
Assets				
Current assets	19,664,961	22,693,459	3,028,498	20,909,417
Cash and deposits	94,982	61,928	(33,054)	90,872
Cash segregated as deposits	19,448	15,419	(4,028)	18,198
Securities	7,190	16,371	9,180	16,323
Trading assets	5,942,133	8,051,679	2,109,545	6,846,573
Trading securities and others	5,704,071	7,645,389	1,941,317	6,631,179
Loan assets	4,574	67,379	62,804	8,421
Derivative transactions	233,487	338,910	105,423	206,971
Operating investment securities	36,737	63,121	26,383	50,317
Operating loan receivables	-	500	500	500
Receivable-unsettled trades	69,305	-	(69,305)	-
Margin transaction assets	11,395	2,707	(8,687)	2,699
Loans secured by securities	13,328,917	14,228,931	900,014	13,721,584
Payments for subscription	1,533	-	(1,533)	329
Guarantee deposits	68,644	120,953	52,308	65,823
Securities : fail to deliver	615	7,319	6,703	2,053
Variation margin paid	19,129	32,090	12,961	11,574
Short-term loans receivable	2,331	2,945	613	2,421
Accrued income	48,680	68,459	19,778	58,262
Short-term deferred tax assets	2,609	5,138	2,529	4,001
Others	11,322	15,968	4,645	17,898
Allowance for doubtful accounts	(16)	(73)	(56)	(17)
Fixed assets	122,032	130,019	7,987	125,968
Tangible fixed assets	10,099	12,415	2,316	11,050
Buildings	5,544	6,072	527	5,302
Furniture and fixtures	4,555	6,343	1,788	5,747
Intangible fixed assets	8,989	10,844	1,854	10,118
Goodwill	90	30	(60)	60
Software	8,842	10,748	1,906	9,997
Others	57	65	8	60
Investments and other assets	102,943	106,759	3,816	104,799
Investment securities	94,403	75,745	(18,657)	94,459
Other equity investments	878	668	(209)	781
Long-term guarantee deposits	3,592	5,935	2,342	3,795
Long-term prepaid expenses	7	270	263	5
Long-term deferred tax assets	2,840	22,384	19,543	4,496
Others	1,221	1,758	537	1,261
Allowance for doubtful accounts	-	(3)	(3)	-
Total assets	19,786,993	22,823,479	3,036,485	21,035,385

(Unit: Millions of Yen)

Descriptions	As of September 30, 2006	As of September 30, 2007	Change	As of March 31, 2007
Liabilities				
Current liabilities	18,669,093	21,443,347	2,774,254	19,743,475
Trading liabilities	5,371,407	5,122,822	(248,585)	5,799,324
Trading securities and others	5,130,667	4,761,213	(369,454)	5,568,115
Derivative transactions	240,739	361,609	120,869	231,208
Payable - unsettled trades	-	257,217	257,217	245,731
Margin transaction liabilities	9,682	8,788	(894)	8,563
Borrowings secured by securities	10,783,840	13,043,459	2,259,618	11,144,962
Deposits received	36,233	20,309	(15,924)	27,416
Cash collateral received from customers	73,150	141,573	68,423	76,200
Securities : fail to receive	13,183	2,538	(10,645)	2,518
Short-term borrowings	1,862,931	2,340,465	477,533	1,926,542
Commercial paper	425,100	384,700	(40,400)	390,200
Short-term bonds and notes	15,166	30,841	15,674	24,893
Accrued expenses	56,388	66,840	10,451	65,168
Income taxes payable	2,200	1,637	(562)	693
Reserve for bonuses	10,802	11,871	1,069	21,655
Short-term deferred tax liabilities	20	1	(18)	24
Others	8,984	10,280	1,295	9,579
Fixed liabilities	708,717	988,115	279,398	850,624
Bonds and notes	442,182	578,157	135,974	522,005
Long-term borrowings	259,814	402,375	142,560	320,194
Long-term deferred tax liabilities	22	5	(16)	475
Reserve for retirement benefits	6,521	7,072	551	7,473
Reserve for retirement benefits for directors and operating	-	482	482	451
Others	175	22	(153)	23
Statutory reserves	1,858	2,027	169	2,027
Securities transaction liability reserve	1,774	1,922	148	1,922
Futures transaction liability reserve	83	104	21	104
Total liabilities	19,379,668	22,433,491	3,053,822	20,596,128
Net assets				
Shareholders' equity	376,883	352,404	(24,479)	392,833
Common Stock	195,146	195,146	-	195,146
Capital Surplus	125,288	125,288	-	125,288
Retained earnings	56,448	31,969	(24,479)	72,399
Revaluation / translation difference	30,435	37,575	7,140	46,416
Unrealized gains (or losses) on other securities, net of taxes	18,020	20,106	2,085	29,579
Net deferred hedge gains (or losses), net of taxes	7	-	(7)	-
Foreign currency translation adjustments	12,407	17,469	5,062	16,837
Minority interests	6	8	1	7
Total net assets	407,325	389,988	(17,337)	439,257
Total liabilities and net assets	19,786,993	22,823,479	3,036,485	21,035,385

Consolidated Statements of Operations

(for the half year ended September 30, 2007)

(Unit: Millions of Yen)

Descriptions	Half year ended September 30, 2006	Half year ended September 30, 2007	Period to period comparison (%)	Year ended March 31, 2007
Operating revenues	276,840	342,801	123.8	647,292
Commission	35,630	35,027	98.3	77,905
Trading profit	29,920	(15,992)	-	63,245
Net gains on operating investment securities	(403)	4,035	-	(414)
Interest and dividend income	211,693	319,731	151.0	506,555
Interest expense	201,630	306,542	152.0	481,798
Net operating revenues	75,210	36,258	48.2	165,494
Selling, general and administrative expenses	55,559	68,783	123.8	119,649
Commissions and other transaction-related expenses	11,560	15,454	133.7	26,786
Compensation and benefits	29,032	34,449	118.7	61,103
Occupancy	5,949	8,545	143.6	13,298
Data processing and office supplies	2,882	3,979	138.0	6,673
Depreciation	2,991	3,452	115.4	6,301
Taxes and dues other than income taxes	741	862	116.4	1,619
Amortization of goodwill	679	30	4.4	739
Others	1,721	2,009	116.8	3,126
Operating profits (losses)	19,651	(32,524)	-	45,845
Non-operating revenues	1,240	1,672	134.8	3,937
Equity in profit of affiliated companies	52	386	736.8	113
Others	1,187	1,285	108.2	3,824
Non-operating expenses	1,299	2,573	198.0	3,467
Ordinary income (losses)	19,591	(33,425)	-	46,315
Non-ordinary profits	494	1,713	346.2	769
Non-ordinary losses	349	6,219	-	831
Profits (losses) before income taxes and minority interests in net profits (losses)	19,736	(37,932)	-	46,253
Income taxes - current	1,946	2,082	107.0	14,108
Income taxes - deferred	6,788	(12,954)	-	5,193
Minority interests in net profits	0	0	399.2	1
Net profits (losses)	11,000	(27,061)	-	26,951

Consolidated Statement of Change in Net Assets

(for the half year ended September 30, 2006)

(Unit: Millions of Yen)

	Shareholders' equity			
	Common stock	Capital Surplus	Retained earnings	Total shareholders' equity
Beginning balance as of March 31, 2006	195,146	125,288	52,081	372,515
Change in the period				
Dividend paid	-	-	(6,633)	(6,633)
Net profit of the period	-	-	11,000	11,000
Net change in items other than shareholders' equity	-	-	-	-
Total change in the period	-	-	4,367	4,367
Ending balance as of September 30, 2006	195,146	125,288	56,448	376,883

	Revaluation / translation difference				Minority interests	Total net assets
	Net unrealized gains (or losses) on other securities, net of taxes	Net deferred hedge gains (losses), net of taxes	Translation difference	Total revaluation / translation difference		
Beginning balance as of March 31, 2006	35,471	-	5,677	41,148	6	413,670
Change in the period						
Dividend paid	-	-	-	-	-	(6,633)
Net profit of the period	-	-	-	-	-	11,000
Net change in items other than shareholders' equity	(17,450)	7	6,729	(10,713)	0	(10,713)
Total change in the period	(17,450)	7	6,729	(10,713)	0	(6,345)
Ending balance as of September 30, 2006	18,020	7	12,407	30,435	6	407,325

Consolidated Statements of Changes in Net Assets

(for the half year ended September 30, 2007)

(Unit: Millions of Yen)

	Shareholders' equity			
	Common stock	Capital surplus	Retained earnings	Total shareholders' equity
Beginning balance as of March 31, 2007	195,146	125,288	72,399	392,833
Increase due to change in accounting policies in foreign subsidiary	-	-	634	634
Change in the period				
Dividend paid	-	-	(14,003)	(14,003)
Net losses of the period	-	-	(27,061)	(27,061)
Net change in items other than shareholders' equity	-	-	-	-
Total change in the period	-	-	(41,064)	(41,064)
Ending balance as of September 30, 2007	195,146	125,288	31,969	352,404

	Revaluation / translation difference			Minority interests	Total net assets
	Net unrealized gains (or losses) on other securities, net of taxes	Translation difference	Total revaluation / translation difference		
Beginning balance as of March 31, 2007	29,579	16,837	46,416	7	439,257
Increase due to change in accounting policies in foreign subsidiary	-	-	-	-	634
Change in the period					
Dividend paid	-	-	-	-	(14,003)
Net losses of the period	-	-	-	-	(27,061)
Net change in items other than shareholders' equity	(9,473)	632	(8,840)	0	(8,839)
Total change in the period	(9,473)	632	(8,840)	0	(49,904)
Ending balance as of September 30, 2007	20,106	17,469	37,575	8	389,988

Consolidated Statements of Changes in Net Assets

(for the year ended March 31, 2007)

(Unit: Millions of Yen)

	Shareholders' equity			
	Common stock	Capital surplus	Retained earnings	Total shareholders' equity
Beginning balance as of March 31, 2006	195,146	125,288	52,081	372,515
Change in the period				
Dividend paid	-	-	(6,633)	(6,633)
Net profit of the period	-	-	26,951	26,951
Net change in items other than shareholders' equity	-	-	-	-
Total change in the period	-	-	20,318	20,318
Ending balance as of March 31, 2007	195,146	125,288	72,399	392,833

	Revaluation / translation difference			Minority interests	Total net assets
	Net unrealized gains (or losses) on other securities, net of taxes	Translation difference	Total revaluation / translation difference		
Beginning balance as of March 31, 2006	35,471	5,677	41,148	6	413,670
Change in the period					
Dividend paid	-	-	-	-	(6,633)
Net profit of the period	-	-	-	-	26,951
Net change in items other than shareholders' equity	(5,891)	11,159	5,267	1	5,268
Total change in the period	(5,891)	11,159	5,267	1	25,586
Ending balance as of March 31, 2007	29,579	16,837	46,416	7	439,257

Notes to consolidated financial statements

The Company's interim consolidated financial statements are prepared in accordance with the "Regulations of Interim Consolidated Financial Statements" (Ministry of Finance (MoF) Ordinance No.24, 1999) (the "Regulations"), as well as with the "Cabinet Office Ordinance Concerning Financial Instruments Business" (Cabinet Office Ordinance No.52, 2007), "Uniform Accounting Standards of Securities Companies" (approved by the board of directors of Japan Securities Dealers Association, September 18, 2007), and the "Cabinet Office Ordinance Concerning Financial Accounting and Reporting for Special Finance Company" (Prime Minister's Office and MoF Ordinance No. 32, 1999), subject to the provisions of Article 48 and Article 69 of the Regulations.

Basis of consolidated financial statements

1. Scope of consolidation

Consolidated subsidiaries : 17 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.
 Basic Capital Management, Limited
 Mizuho Investment Consulting (Shanghai) Co., Ltd.
 (note) Mizuho Investment Consulting (Shanghai) Co., Ltd., Greater China Investments GP (Cayman) Ltd. and Greater China PE Fund L.P. were newly founded as subsidiaries of the Company in this interim period. Due to application of Practical Issue Task Force No.18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Accounting Standards Board of Japan, May 17, 2006), 4 special purpose companies owned by Mizuho International plc became consolidated subsidiaries from this period.

2. Application of equity method

Affiliates accounted for under equity method : 10 companies

Name of major affiliates

Mobile Internet Capital Inc.
 Japan Industrial Partners Inc.
 Industrial Decisions, Inc.
 Max Investment Advisory Co., Ltd.
 Energy & Environment Investment, Inc.
 (note) Mizuho Alternative Investments, LLC and Energy & Environment First Investment Limited Partnership which were founded in this interim period, have been newly accounted for under equity method. Holdings in Polaris Principal Finance Co., Ltd. which was previously accounted for under equity method, was divested and excluded from consolidation from this period. As a result, the fund whose general partner was Polaris Principal Finance Co., Ltd. was also excluded from consolidation from this period.

3. Year ends of subsidiaries

Our subsidiaries have coterminous March 31 year end with the Company, except for Mizuho Investment Consulting (Shanghai) Co., Ltd. and other three subsidiaries, who have December 31 year end. Financial statements of these four, which are used for this consolidation, have June 30 quarter end, with necessary adjustments made for the effect of significant transactions or events, if any, that occurred between the reporting date of the subsidiaries and that of the Company.

4. Accounting policies

(1) Valuation of trading account securities and derivatives

The Company and its subsidiaries, through its trading activities, intend to contribute to the market for their liquidity and price discovery process.

The Company holds trading positions for the purpose of: 1) responding to counterparties' needs to invest or hedge risk, and 2) gaining profit or mitigating loss 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.

(2) Valuation of non-trading securities

Non-trading securities are valued as follows:

A) Other securities with market value

Recorded at market value. Difference between the cost, using the moving average method, and market value is recorded as net unrealized gains (or losses) on other securities, net of taxes in net assets on the balance sheet.

B) Other securities without market value

Recorded at cost using moving average method.

C) Investment in Investment Association (Treated as securities by Article 2(2) of Securities and Exchange Law)

Initially recorded at cost and subsequently adjusted to reflect the Company's share of the net profit or loss of the partnership based on the latest financial reports available.

- (3) Depreciation method of significant assets
- A) Tangible fixed assets
The Company and its domestic subsidiaries apply the declining-balance method except for buildings (excluding leasehold improvement) acquired after March 31, 1998, for which the straight-line method is used. Overseas subsidiaries mainly apply the straight-line method.
- B) Intangible fixed assets
The straight-line method is primarily applied. The amortization period of software for internal use (5-10 years) is determined based on estimated internal useful lives.
- (4) Deferred assets
Bond issuance cost is charged to income when incurred.
- (5) Accounting policies for reserves
- A) Allowance for doubtful accounts
The Company provides the allowance for possible losses on doubtful accounts. For performing assets, allowance is calculated based on the past loss experience. For non-performing assets, it is based on the management's assessment of recoverability of the assets, and amount expected to be non-recoverable is provided for.
- B) Reserve for bonuses
Reserve is provided for bonus payments to employees and operating officers at the amount accrued at the end of the period, based on the estimated future payments and service periods.
- C) Reserve for retirement benefits
Reserve for retirement benefits is provided for future retirement benefits to employees based on actuarial retirement benefits and plan assets at end of year.
Prior service cost is charged to income in the period which the cost is recognized.
Net actuarial gains or losses are recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the current employees.
- D) Reserve for retirement benefits for directors and operating officers
Reserve for retirement benefits for directors and operating officers is provided for future retirement benefits for directors and operating officers at the amount accrued at the end of the period, based on prescribed calculation method.
- (6) Accounting for lease transactions
Financing leases other than those for which the ownership of the leased property transfers to the lessee are mainly accounted for as ordinary rental transactions.
- (7) Accounting for hedging transactions
Gains or losses resulting from forward foreign exchange transactions used 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.
Borrowings in foreign currency entered into to hedge exchange risk of foreign currency denominated operating investment securities are accounted for under fair value hedge accounting.
Interest rate swaps to hedge interest rate rise of borrowings are, when they qualify for exceptional treatment, accounted for under exceptional method as permitted under Japanese GAAP.
- (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.

Change in the basis of consolidated financial statements

1. Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries

The Company applied from this period "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (PITF No.18, Accounting Standards Board of Japan, May 17, 2006), which is applicable to the fiscal period commencing on or after April 1, 2008, but early adoption is allowed. The effect on the consolidated financial statements is immaterial.

2. Application of new depreciation method

The company and its subsidiaries in Japan changed its depreciation method for assets acquired on or after April 1, 2007 to comply with Tax Reform Act 2007 and "The treatment of depreciation for audit purpose at the present stage" (JICPA Audit and Assurance Practice Committee Report No.81, April 25, 2007). The effect on the consolidated financial statements is immaterial.

Note to consolidated statements of changes in net assets

for the half year ended September 30, 2006

1. Number of shares outstanding

(Unit: Shares)

	As of March 31, 2006	Increase	Decrease	As of September 30, 2006
Common Stock	3,685,000	-	-	3,685,000

2. Treasury Stock

The company has no treasury stock at the end of the period.

3. Dividends

Resolution	Type of shares	Amount of dividend	Dividend per share	Record date	Effective date
General shareholders' meeting on June 26, 2006	Common stock	6,633 million yen	1,800 yen	March 31, 2006	June 27, 2006

for the half year ended September 30, 2007

1. Number of shares outstanding

(Unit: Shares)

	As of March 31, 2007	Increase	Decrease	As of September 30, 2007
Common Stock	3,685,000	-	-	3,685,000

2. Treasury Stock

The company has no treasury stock at the end of the period.

3. Dividends

Resolution	Type of shares	Amount of dividend	Dividend per share	Record date	Effective date
General shareholders' meeting on June 25, 2007	Common stock	14,003 million yen	3,800 yen	March 31, 2007	June 26, 2007

for the year ended March 31, 2007

1. Number of shares outstanding

(Unit: Shares)

	As of March 31, 2006	Increase	Decrease	As of March 31, 2007
Common Stock	3,685,000	-	-	3,685,000

2. Treasury Stock

The company has no treasury stock at the end of the period.

3. Dividends

(1) Dividend paid

Resolution	Type of shares	Amount of dividend	Dividend per share	Record date	Effective date
General shareholders' meeting on June 26, 2006	Common stock	6,633 million yen	1,800 yen	March 31, 2006	June 27, 2006

(2) Dividend to be paid

The following dividend was resolved at the general shareholders' meeting held on June 25, 2007.

Type of shares	Amount of dividend	Resource of dividend	Dividend per share	Record date	Effective date
Common stock	14,003 million yen	Retained earnings	3,800 yen	March 31, 2007	June 26, 2007

Consolidated Financial Data
(for the half year ended September 30, 2007)

1. Commission Income

(1) Breakdown by categories

(Unit: Millions of Yen)

	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Brokerage commission	11,415	12,223	107.1%	23,788
(Stocks)	(8,267)	(8,023)	(97.1%)	(16,813)
(Bonds)	(3,141)	(4,191)	(133.4%)	(6,964)
Underwriting and selling commission	10,882	9,083	83.5%	24,831
(Stocks)	(7,532)	(2,140)	(28.4%)	(16,123)
(Bonds)	(3,204)	(6,380)	(199.1%)	(8,321)
Subscription and distribution commission	557	516	92.6%	1,355
(Bonds)	(276)	(125)	(45.5%)	(552)
(Investment trusts)	(153)	(325)	(212.2%)	(382)
Other commissions received	12,775	13,203	103.4%	27,929
Total	35,630	35,027	98.3%	77,905

(2) Breakdown by products

(Unit: Millions of Yen)

	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Stocks	16,011	10,307	64.4%	33,526
Bonds	8,171	12,069	147.7%	18,839
Investment trusts	1,814	2,109	116.2%	3,689
Others	9,633	10,540	109.4%	21,849
Total	35,630	35,027	98.3%	77,905

2. Trading profit / loss

(Unit: Millions of Yen)

	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Stocks	7,927	(3,883)	-	20,510
Bonds and others	21,992	(12,108)	-	42,734
Total	29,920	(15,992)	-	63,245

(Reference Data)

Quarterly Trends in Consolidated Statements of Operations

(Unit: Millions of Yen)

Descriptions	Three months ended Sep. 30, 2006	Three months ended Dec. 31, 2006	Three months ended Mar. 31, 2007	Three months ended Jun. 30, 2007	Three months ended Sep. 30, 2007
Operating revenues	151,812	186,830	183,620	207,687	135,114
Commission	18,412	21,634	20,640	17,200	17,827
Trading profit	11,908	17,157	16,168	27,434	(43,427)
Net gain on operating investment securities	(292)	150	(161)	776	3,258
Interest and dividend income	121,785	147,888	146,973	162,276	157,455
Interest expense	115,392	141,052	139,115	157,629	148,913
Net operating revenues (losses)	36,420	45,778	44,505	50,058	(13,799)
Selling, general and administrative expenses	28,215	31,368	32,721	35,336	33,447
Commissions and other transaction-related expenses	6,065	8,002	7,223	7,279	8,174
Compensation and benefits	14,566	15,162	16,908	17,602	16,847
Occupancy	3,185	3,457	3,892	4,412	4,133
Data processing and office supplies	1,601	1,693	2,097	2,484	1,495
Depreciation	1,551	1,629	1,680	1,714	1,737
Taxes and dues other than income taxes	324	415	462	495	367
Amortization of goodwill	-	45	15	15	15
Others	920	963	442	1,332	676
Operating profits (losses)	8,205	14,409	11,783	14,721	(47,246)
Non-operating revenues	480	736	1,961	825	847
Equity in profit of affiliated companies	40	51	9	28	358
Others	439	684	1,951	797	488
Non-operating expenses	725	833	1,334	1,116	1,456
Ordinary profits (losses)	7,959	14,312	12,410	14,430	(47,856)
Non-ordinary profits	10	(9)	284	777	935
Non-ordinary losses	119	113	368	305	5,914
Profits (losses) before income taxes and minority interests in net profits (losses)	7,851	14,190	12,326	14,902	(52,834)
Income taxes - current	773	5,988	6,172	7,946	(5,864)
Income taxes - deferred	2,160	458	(2,054)	828	(13,782)
Minority interests in net profits	(0)	0	0	1	(0)
Net profits (losses)	4,917	7,742	8,208	6,125	(33,186)

Nonconsolidated Balance Sheets

(As of September 30, 2007)

(Unit: Millions of yen)

Descriptions	As of September 30, 2006	As of September 30, 2007	Change	As of March 31, 2007
Assets				
Current assets	9,472,945	11,604,219	2,131,273	10,278,106
Cash and deposits	38,121	22,854	(15,267)	38,665
Cash segregated as deposits	19,125	15,419	(3,705)	18,198
Trading assets	4,911,976	6,635,350	1,723,374	5,671,001
Trading securities and others	4,754,937	6,340,094	1,585,156	5,485,135
Loan assets	4,574	67,379	62,804	8,421
Derivative transactions	152,464	227,877	75,412	177,443
Operating investment securities	27,544	47,520	19,975	40,091
Operating loan receivables	-	500	500	500
Receivable-unsettled trades	147,009	-	(147,009)	-
Margin transaction assets	8,664	266	(8,397)	870
Loans secured by securities	4,246,393	4,638,325	391,931	4,422,012
Payments for subscription	1,533	-	(1,533)	329
Guarantee deposits	49,074	49,290	215	54,738
Securities : fail to deliver	73	9,808	9,734	991
Variation margin paid	-	11,846	11,846	2,674
Short-term loans	-	150,000	150,000	-
Accrued income	17,014	17,468	453	19,976
Tax refundable	-	305	305	1,704
Short-term deferred tax assets	2,564	2,865	300	3,951
Others	3,854	2,410	(1,444)	2,405
Allowance for doubtful accounts	(6)	(12)	(5)	(5)
Fixed assets	235,106	275,096	39,989	258,008
Tangible fixed assets	5,941	7,406	1,464	6,182
Buildings	2,739	2,735	(4)	2,724
Furniture and fixtures	3,201	4,671	1,469	3,458
Intangible fixed assets	7,502	8,912	1,410	8,314
Goodwill	90	30	(60)	60
Software	7,359	8,831	1,472	8,202
Others	53	50	(2)	52
Investments and other assets:	221,662	258,777	37,114	243,510
Investment securities	63,117	55,478	(7,639)	72,042
Investment in affiliates	132,025	133,520	1,495	132,035
Long-term loan to affiliates	13,000	43,970	30,970	23,000
Long-term guarantee deposits	3,460	5,769	2,308	3,660
Long-term prepaid expenses	7	270	263	5
Long-term deferred tax assets	8,846	18,495	9,648	11,544
Others	1,205	1,276	70	1,221
Allowance for doubtful accounts	-	(3)	(3)	-
Total assets	9,708,052	11,879,315	2,171,263	10,536,114

(Unit: Millions of yen)

Descriptions	As of September 30, 2006	As of September 30, 2007	Change	As of March 31, 2007
Liabilities				
Current liabilities	8,814,334	10,739,441	1,925,106	9,513,310
Trading liabilities	3,946,218	4,401,973	455,755	4,328,457
Trading securities and others	3,792,132	4,157,769	365,637	4,139,223
Derivative transactions	154,085	244,203	90,118	189,233
Payable - unsettled trades	-	231,865	231,865	132,845
Margin transaction liabilities	9,743	8,835	(908)	8,716
Borrowings secured by securities	2,668,840	3,649,441	980,600	2,834,477
Deposits received	24,936	12,481	(12,454)	18,689
Cash collateral received from customers	5,381	17,413	12,032	9,247
Securities : fail to receive	-	9,843	9,843	989
Variation margin received	1,784	-	(1,784)	-
Short-term borrowings	1,706,415	1,988,613	282,197	1,754,276
Commercial paper	425,100	384,700	(40,400)	390,200
Short-term bonds and notes	6,500	14,500	8,000	11,200
Advance receipt	1,005	256	(748)	765
Accrued expenses	13,895	17,170	3,274	16,069
Income taxes payable	745	-	(745)	-
Reserve for bonuses	3,074	1,645	(1,428)	6,682
Others	693	701	7	694
Fixed liabilities	513,422	754,316	240,893	617,149
Bonds and notes	260,700	337,500	76,800	302,800
Long-term borrowings	163,857	231,408	67,550	190,560
Long-term borrowings from affiliates	82,700	178,000	95,300	116,400
Reserve for retirement benefits	6,010	6,924	914	6,938
Reserve for retirement benefits for directors and operating officers	-	482	482	451
Others	154	-	(154)	-
Statutory reserves	1,858	2,027	169	2,027
Securities transaction liability reserve	1,774	1,922	148	1,922
Futures transaction liability reserve	83	104	21	104
Total liabilities	9,329,615	11,495,785	2,166,169	10,132,488
Net assets				
Shareholders' equity	362,179	367,276	5,097	377,605
Common stock	195,146	195,146	-	195,146
Capital surplus	125,288	125,288	-	125,288
Additional paid-in capital	125,288	125,288	-	125,288
Retained earnings	41,744	46,841	5,097	57,171
Legal earned reserve	870	870	-	870
Voluntary reserve	40,874	45,971	5,097	56,300
Reserve for special depreciation	24	-	(24)	12
Other reserve	1,500	1,500	-	1,500
Unappropriated retained earnings	39,349	44,471	5,121	54,788
Revaluation / translation difference	16,257	16,254	(3)	26,020
Net unrealized gains (or losses) on other securities, net of taxes	18,447	19,614	1,167	29,174
Net deferred hedge gains (or losses), net of taxes	(2,189)	(3,360)	(1,171)	(3,154)
Total net assets	378,436	383,530	5,093	403,626
Total liabilities and net assets	9,708,052	11,879,315	2,171,263	10,536,114

Nonconsolidated Statements of Operations

(for the half year ended September 30, 2007)

(Unit: Millions of yen)

Descriptions	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Operating revenues	58,513	57,736	98.7	135,932
Commissions	33,443	29,511	88.2	72,221
Trading profit	13,823	2,080	15.0	34,967
Net gains on operating investment securities	97	4,249	-	555
Interest and dividend income	11,149	21,895	196.4	28,188
Interest expenses	7,902	18,779	237.6	20,631
Net operating revenues	50,611	38,957	77.0	115,300
Selling, general and administrative expenses	33,540	40,809	121.7	71,771
Commissions and other transaction-related expenses	8,695	12,273	141.1	18,071
Compensation and benefits	14,689	14,216	96.8	30,298
Occupancy	4,583	7,002	152.8	10,634
Data processing and office supplies	2,229	2,995	134.3	5,239
Depreciation	1,929	2,271	117.7	4,047
Amortization of goodwill	-	30	-	60
Taxes and dues other than income taxes	722	833	115.3	1,587
Others	689	1,188	172.3	1,831
Operating profits (losses)	17,070	(1,852)	-	43,529
Non-operating revenues	3,503	9,558	272.8	4,817
Non-operating expenses	1,311	2,231	170.1	3,079
Ordinary profits	19,262	5,474	28.4	45,267
Non-ordinary profits	8	6	70.1	9
Non-ordinary losses	322	648	200.9	768
Profits before income taxes	18,948	4,832	25.5	44,508
Income taxes - current	903	322	35.7	12,892
Income taxes - deferred	5,636	836	14.8	3,780
Net profits	12,408	3,673	29.6	27,835

Nonconsolidated Statements of Changes in Net Assets

(half year ended September 30, 2006)

(Unit: Millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus		Legal earned reserve	Retained earnings			Total retained earnings	Total shareholders' equity
		Additional paid-in capital	Total capital surplus		Voluntary reserve				
					Reserve for special depreciation	Other reserve	Un-appropriated retained earnings		
Beginning balance as of March 31, 2006	195,146	125,288	125,288	870	61	1,500	33,536	35,969	356,403
Change in the period									
Dividend paid	-	-	-	-	-	-	(6,633)	(6,633)	(6,633)
Net profit of the period	-	-	-	-	-	-	12,408	12,408	12,408
Release of reserve for special depreciation	-	-	-	-	(37)	-	37	-	-
Net change in items other than shareholders' equity	-	-	-	-	-	-	-	-	-
Total change in the period	-	-	-	-	(37)	-	5,812	5,775	5,775
Ending balance as of September 30, 2006	195,146	125,288	125,288	870	24	1,500	39,349	41,744	362,179

	Revaluation / translation difference			Total net asset
	Net unrealized gains (or losses) on other securities, net of taxes	Net deferred hedge gains (or losses), net of taxes	Total revaluation/translation difference	
Beginning balance as of March 31, 2006	35,451	-	35,451	391,854
Change in the period				
Dividend paid	-	-	-	(6,633)
Net profit of the period	-	-	-	12,408
Release of reserve for special depreciation	-	-	-	-
Net change in items other than shareholders' equity	(17,003)	(2,189)	(19,193)	(19,193)
Total change in the period	(17,003)	(2,189)	(19,193)	(13,417)
Ending balance as of September 30, 2006	18,447	(2,189)	16,257	378,436

Nonconsolidated Statements of Changes in Net Assets

(half year ended September 30, 2007)

(Unit: Millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus		Legal earned reserve	Retained earnings			Total retained earnings	Total shareholders' equity
		Additional paid-in capital	Total capital surplus		Voluntary reserve				
					Reserve for special depreciation	Other reserve	Un-appropriated retained earnings		
Beginning balance as of March 31, 2007	195,146	125,288	125,288	870	12	1,500	54,788	57,171	377,605
Change in the period									
Dividend paid	-	-	-	-	-	-	(14,003)	(14,003)	(14,003)
Net profit of the period	-	-	-	-	-	-	3,673	3,673	3,673
Release of reserve for special depreciation	-	-	-	-	(12)	-	12	-	-
Net change in items other than shareholders' equity	-	-	-	-	-	-	-	-	-
Total change in the period	-	-	-	-	(12)	-	(10,317)	(10,329)	(10,329)
Ending balance as of September 30, 2007	195,146	125,288	125,288	870	-	1,500	44,471	46,841	367,276

	Revaluation / translation difference			Total net asset
	Net unrealized gains (or losses) on other securities, net of taxes	Net deferred hedge gains (or losses), net of taxes	Total revaluation/translation difference	
Beginning balance as of March 31, 2007	29,174	(3,154)	26,020	403,626
Change in the period				
Dividend paid	-	-	-	(14,003)
Net profit of the period	-	-	-	3,673
Release of reserve for special depreciation	-	-	-	-
Net change in items other than shareholders' equity	(9,559)	(206)	(9,766)	(9,766)
Total change in the period	(9,559)	(206)	(9,766)	(20,095)
Ending balance as of September 30, 2007	19,614	(3,360)	16,254	383,530

Nonconsolidated Statements of Changes in Net Assets

(for the year ended March 31, 2007)

(Unit: Millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus		Legal earned reserve	Retained earnings			Total retained earnings	Total shareholders' equity
		Additional paid-in capital	Total capital surplus		Voluntary reserve				
					Reserve for special depreciation	Other reserve	Un-appropriated retained earnings		
Beginning balance as of March 31, 2006	195,146	125,288	125,288	870	61	1,500	33,536	35,969	356,403
Change in the period									
Dividend paid	-	-	-	-	-	-	(6,633)	(6,633)	(6,633)
Net profit of the period	-	-	-	-	-	-	27,835	27,835	27,835
Release of reserve for special depreciation	-	-	-	-	(49)	-	49	-	-
Net change in items other than shareholders' equity	-	-	-	-	-	-	-	-	-
Total change in the period	-	-	-	-	(49)	-	21,251	21,202	21,202
Ending balance as of March 31, 2007	195,146	125,288	125,288	870	12	1,500	54,788	57,171	377,605

	Revaluation / translation difference			Total net asset
	Net unrealized gains (or losses) on other securities, net of taxes	Net deferred hedge gains (or losses), net of taxes	Total revaluation/translation difference	
Beginning balance as of March 31, 2006	35,451	-	35,451	391,854
Change in the period				
Dividend paid	-	-	-	(6,633)
Net profit of the period	-	-	-	27,835
Release of reserve for special depreciation	-	-	-	-
Net change in items other than shareholders' equity	(6,276)	(3,154)	(9,430)	(9,430)
Total change in the period	(6,276)	(3,154)	(9,430)	11,771
Ending balance as of March 31, 2007	29,174	(3,154)	26,020	403,626

Notes to nonconsolidated financial statements

The Company's interim financial statements are prepared in accordance with the "Regulations Concerning the Terminology, Forms and Preparation Methods of Interim Financial Statements" (Ministry of Finance (MoF) Ordinance No.38, 1977) (the "Regulations"), as well as with the "Cabinet Office Ordinance Concerning Financial Instruments Business " (Cabinet Office Ordinance No.52, 2007), "Uniform Accounting Standards of Securities Companies" (approved by the board of directors of Japan Securities Dealers Association, September 18, 2007), and the "Cabinet Office Ordinance Concerning Financial Accounting and Reporting for Special Finance Company" (Prime Minister's Office and MoF Ordinance No. 32, 1999), subject to the provisions of Article 38 and Article 57 of the Regulations.

Basis of nonconsolidated financial statements

1. Valuation of trading account securities and derivatives

The Company holds trading positions for the purpose of: 1) responding to counterparties' needs to invest or hedge risk, and 2) gaining profit or mitigating loss 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.

2. Valuation of non-trading securities

(1) Investments in subsidiaries and affiliates are stated at cost, using the moving average method.

(2) Other securities:

A) Other securities with market value

Recorded at market value. Difference between the cost, using the moving average method, and market value is recorded as net unrealized gains (or losses) on other securities, net of taxes in net assets on the balance sheet.

B) Other securities without market value

Recorded at cost using the moving average method.

C) Investment in Investment Associations (Treated as securities by Article 2(2) of Financial Instruments and Exchange Law)

Initially recorded at cost and subsequently adjusted to reflect the Company's share of the net profit or loss of the partnership based on the latest financial reports available.

3. Depreciation and amortization

(1) Tangible fixed assets

The Company applies the declining-balance method except for buildings (excluding leasehold improvement) acquired after March 31, 1998, for which the straight-line method is used.

(2) Intangible fixed assets

The straight-line method is applied. The amortization period of software for internal use (5-10 years) is 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 doubtful accounts. For performing assets, allowance is calculated based on the past loss experience. For non-performing assets, it is based on the management's assessment of recoverability of the assets, and amount expected to be non-recoverable is provided for.

(2) Reserve for bonuses

Reserve is provided for bonus payments to employees and operating officers at the amount accrued at the end of the period, based on the estimated future payments and service periods.

(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 at end of year.

Prior service cost is charged to income in the period which the cost is recognized.

Net actuarial gains or losses are recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the current employees.

(4) Reserve for retirement benefits for directors and operating officers

Reserve for retirement benefits for directors and operating officers is provided for future retirement benefits for directors and operating officers at the amount accrued at the end of the period, based on prescribed calculation method.

6. Accounting of lease transactions

Financing leases other than those for which the ownership of leased property transfers to the lessee are accounted for as ordinary rental transactions.

7. Accounting for hedging transactions

Gains or losses resulting from forward foreign exchange transactions entered into in order to hedge the exchange risk of foreign currency denominated equity investments in subsidiaries are deferred when they qualify for hedge accounting.

Borrowings in foreign currency entered into to hedge exchange risk of foreign currency denominated operating investment securities are accounted for under fair value hedge accounting.

Interest rate swaps to hedge interest rate rise of borrowings are, when they qualify for exceptional treatment, accounted for under exceptional method as permitted under Japanese GAAP.

Loans in foreign currencies, with currency swap to hedge the foreign currency risk, are treated as if they were loans in JPY, provided certain conditions are met.

8. Consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

Change in the basis of consolidated financial statements

1. Application of new depreciation method

The company changed its depreciation method for assets acquired on or after April 1, 2007 to comply with Tax Reform Act 2007 and "the treatment of depreciation for audit purpose at the present stage" (JICPA Audit and Assurance Practice Committee Report No.81, April 25, 2007). The effect on the consolidated financial statements is negligible

Notes to nonconsolidated balance sheets

	(Unit: Millions of yen)		
	As of Sep. 30, 2006	As of Sep. 30, 2007	As of Mar. 31, 2007
1. Accumulated depreciation of tangible fixed assets	6,999	7,988	7,332
2. Subordinated debts			
Bonds, notes, long-term borrowings, and long-term borrowings from affiliates include Subordinated debts provided in Article 2 of "The Orders Concerning the Capital Requirement of Securities Companies" (Cabinet Office Ordinance No.23, 2001), and the amounts are as follows.			
	As of Sep. 30, 2006	As of Sep. 30, 2007	As of Mar. 31, 2007
Subordinated bonds (Bonds and notes)	40,000	40,000	40,000
Subordinated borrowings (Long-term and Short-term borrowings, Long-term borrowings from affiliates)	115,000	188,000	138,000
3. Loan balance as per "Money Lending Business Law" (Law 32, 1983)			
	As of Sep. 30, 2006	As of Sep. 30, 2007	As of Mar. 31, 2007
	1,092	7,487	5,000

Notes to nonconsolidated statements of operations

	Half year ended Sep. 30, 2006	Half year ended Sep. 30, 2007	Year ended March 31, 2007
1. Net profit per share	yen 3,367	yen 996	yen 7,553
2. Details of non-ordinary profits / losses			
	(Unit: Millions of yen)		
	Half year ended Sep. 30, 2006	Half year ended Sep. 30, 2007	Year ended March 31, 2007
Non-ordinary profits			
Gain from sales of investment securities	-	6	-
Gain on liquidation of investment securities	3	-	3
Release of allowance for doubtful accounts	4	-	5
Non-ordinary losses			
	Half year ended Sep. 30, 2006	Half year ended Sep. 30, 2007	Year ended March 31, 2007
Loss on sale or disposal of fixed assets	70	17	107
Valuation loss on investment securities	90	0	102
Loss on impairment of fixed assets	-	4	-
Provision for securities transaction liability reserve	158	-	307
Provision for futures transaction liability reserve	-	-	21
Merger-related expenses	-	625	-
Provisions for reserve for retirement benefits for directors and operating officers for past fiscal year	-	-	225
Others	3	-	3

Notes to nonconsolidated statements of changes in net assets

(As of Sep 30, 2006)

Treasury stock

The Company has no treasury stocks at the end of the period.

(As of Sep 30, 2007)

Treasury stock

The Company has no treasury stocks at the end of the period.

(As of March 31, 2007)

Treasury stock

The Company has no treasury stocks at the end of the period.

Nonconsolidated Financial Data for the Half Year Ended September 30, 2007

(note) The percentage in the column of Period-to-to period comparison indicates percentage of change compared to the same period in the previous year.

1. Commission Income

(1) Breakdown by categories

(Unit: Millions of Yen)

	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Brokerage Commission	4,525	3,551	78.5	8,476
(Stocks)	(4,203)	(3,282)	(78.1)	(7,889)
(Bonds)	(310)	(254)	(81.9)	(563)
Underwriting and selling commission	10,882	8,150	74.9	24,831
(Stocks)	(7,532)	(2,140)	(28.4)	(16,123)
(Bonds)	(3,204)	(5,446)	(169.9)	(8,321)
Subscription and distribution commission	557	516	92.6	1,355
(Bonds)	(276)	(125)	(45.5)	(552)
(Investment trusts)	(153)	(325)	(212.2)	(382)
Other commissions received	17,477	17,293	98.9	37,556
Total	33,443	29,511	88.2	72,221

(2) Breakdown by products

(Unit: Millions of Yen)

	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Stocks	13,902	6,955	50.0	28,023
Bonds	9,165	11,036	120.4	20,910
Investment trusts	1,820	2,116	116.2	3,703
Others	8,554	9,403	109.9	19,583
Total	33,443	29,511	88.2	72,221

2. Trading profit / loss

(Unit: Millions of Yen)

	Half year ended September 30, 2006	Half year ended September 30, 2007	Period-to-period comparison (%)	Year ended March 31, 2007
Stocks	6,656	-1,189	-	12,953
Bonds	5,909	1,646	27.9	18,405
Others	1,257	1,623	129.1	3,608
(of which Foreign exchange)	(109)	(2,362)	(-)	(1,718)
Total	13,823	2,080	15.0	34,967

3. Trading volume of stocks (excluding futures transactions)

(Unit: Millions of stocks, Millions of Yen)

	Half year ended September 30, 2006		Half year ended September 30, 2007		Period-to-period comparison (%)		Year ended March 31, 2007	
	stocks	Amount	stocks	Amount	stocks	Amount	stocks	Amount
Total	7,553	12,383,448	8,550	14,650,324	113.2	118.3	14,896	24,915,253
(Proprietary) a	(3,203)	(5,132,436)	(3,938)	(6,740,246)	(122.9)	(131.3)	(6,153)	(10,059,930)
(Brokerage) b	(4,349)	(7,251,012)	(4,612)	(7,910,078)	(106.0)	(109.1)	(8,742)	(14,855,323)
b/(a+b)	57.6%	58.6%	53.9%	54.0%			58.7%	59.6%
TSE share	1.5%	1.7%	1.5%	1.8%			1.4%	1.7%

4. Volume of underwriting, subscription and distribution

(Unit: Millions of stocks, Millions of Yen)

		Half year ended September 30, 2006	Half year ended September 30, 2007	Period to period comparison (%)	Year ended March 31, 2007
Underwriting	Stocks (No. of stocks)	361	51	14.2	499
	Stocks (Amount)	247,742	71,770	29.0	500,346
	Bonds (Face amount)	1,991,256	2,645,590	132.9	4,664,939
Subscription and distribution*	Stocks (No. of stocks)	353	52	14.8	492
	Stocks (Amount)	289,968	87,474	30.2	963,788
	Bonds (Face amount)	886,919	1,543,253	174.0	2,286,959
	trusts (Face amount)	393,937	551,349	140.0	780,188

* Including selling and distribution of private placement.

5. Capital adequacy ratio

(Unit: Millions of stocks, Millions of Yen)

		Half year ended September 30, 2006	Half year ended September 30, 2007	Year ended March 31, 2007
Basic Capital		(A)	362,179	367,276
Supplementary Capital	Unrealized gain on other securities, net of taxes		16,257	16,254
	Statutory reserves		1,858	2,027
	Allowance for doubtful accounts		6	12
	Long-term subordinated debt		70,000	128,000
	Short-term subordinated debt		85,000	100,000
Total		(B)	173,122	206,053
Deduction : Disallowed assets		(C)	220,296	274,365
Capital after deduction (A) + (B) - (C)		(D)	315,005	339,204
Amount of risks	Market risk		69,593	89,834
	Counterparty risk		10,586	14,842
	Basic risk		18,895	25,992
	Total	(E)	99,075	130,668
Capital adequacy ratio (D)/(E)			317.9%	259.5%
				263.1%

(note) 1. Market risk is calculated with internal market risk model.

2. Details of long-term and short-term subordinated debts are as below:

(Unit: Millions of Yen)

	Date of issue/borrowing	Maturity/Due date	Amount	Short/ Long	Notes
Subordinated bonds	March 19, 2004	March 19, 2009	40,000	Short-term	Bullet
Subordinated borrowings	March 19, 2004	March 19, 2008	7,000	Short-term	Repayment
		March 19, 2009	11,000	Short-term	Final payment
	March 29, 2005	April 20, 2015	20,000	Long-term	Bullet
	May 30, 2006	May 30, 2016	10,000	Long-term	Bullet
	May 30, 2006	March 31, 2010	5,000	Short-term	Repayment
		March 31, 2011	5,000	Short-term	
		March 31, 2012	5,000	Short-term	
		March 31, 2013	5,000	Short-term	
	September 28, 2006	September 28, 2010	5,000	Short-term	Repayment
		September 28, 2011	5,000	Short-term	
		September 28, 2012	5,000	Short-term	
		September 28, 2013	5,000	Short-term	
	January 31, 2007	January 31, 2011	5,000	Short-term	Repayment
		January 31, 2012	5,000	Short-term	
		January 31, 2013	5,000	Short-term	
		January 31, 2014	5,000	Short-term	
	July 20, 2007	July 20, 2011	5,000	Short-term	Repayment
July 20, 2012		5,000	Short-term		
July 20, 2013		5,000	Short-term		
July 20, 2014		35,000	Short-term		
Long-term subordinated debts total			128,000		
Short-term subordinated debts total			100,000		

6. Number of directors and employees

	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Directors	9	9	9
Employees	1,756	1,936	1,775

(Reference Data)

Quarterly Trends in Nonconsolidated Statements of Operations

(Unit: Millions of yen)

Descriptions	Three months ended Sep. 30, 2006	Three months ended Dec. 31, 2006	Three months ended Mar. 31, 2007	Three months ended Jun. 30, 2007	Three months ended Sep. 30, 2007
Operating revenues	29,967	39,068	38,349	42,446	15,290
Commission	17,978	19,458	19,319	14,109	15,402
Trading profit	3,716	12,297	8,846	18,213	(16,132)
Net gain on operating investment securities	(17)	461	(3)	937	3,311
Interest and dividend income	8,290	6,850	10,187	9,185	12,710
Interest expense	5,283	5,495	7,233	8,752	10,027
Net operating revenues	24,683	33,572	31,116	33,693	5,263
Selling, general and administrative expenses	17,917	18,194	20,035	20,805	20,004
Commissions and other transaction-related expenses	4,558	4,622	4,753	5,572	6,700
Compensation and benefits	7,870	7,596	8,012	8,002	6,214
Occupancy	2,501	2,726	3,324	3,639	3,362
Data processing and office supplies	1,297	1,417	1,592	1,449	1,545
Depreciation	989	1,042	1,075	1,077	1,193
Amortization of goodwill	-	-	60	15	15
Taxes and dues other than income taxes	309	404	459	489	343
Others	389	383	758	558	630
Operating profits (losses)	6,766	15,378	11,080	12,888	(14,741)
Non-operating revenues	34	193	1,120	9,351	207
Non-operating expenses	730	835	932	1,016	1,214
Ordinary profits (losses)	6,070	14,735	11,268	21,223	(15,748)
Non-ordinary profits	(0)	0	0	6	(0)
Non-ordinary losses	117	110	335	187	460
Profits (losses) before income taxes	5,952	14,625	10,933	21,042	(16,209)
Income taxes - current	228	5,874	6,114	6,798	(6,475)
Income taxes - deferred	1,662	282	(2,138)	962	(126)
Net profits (losses)	4,061	8,468	6,957	13,280	(9,607)