



July 30, 2010

Summary of Consolidated Financial Statements for the Three Months Ended June 30, 2010 Under Japanese GAAP

Listed company's name: **Mizuho Securities Co., Ltd.**

Listed on: 1st sections of TSE, OSE, NSE

Stock code: 8606

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

Representative: Keisuke Yokoo, President

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

Scheduled date of filing of the quarterly financial report: August 13, 2010

Scheduled date of dividend payment:

Preparation of supplemental explanatory documents: Yes

Holding of presentation meeting: Yes (for investment analysts and institutional investors)

1. Consolidated Financial Results for the Three Months ended June 30, 2010 (April 1, 2010 to June 30, 2010)

(Amounts are rounded down to the nearest million yen)

(1) Consolidated operating results

(Percentage figures represent year-on-year changes)

	Operating revenue		Net operating revenue		Operating income (loss)		Ordinary income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended								
June 30, 2010	71,165	(25.3)	55,309	(28.5)	(1,402)	-	486	(98.3)
June 30, 2009	95,325	-	77,361	-	28,030	-	28,891	-

	Net income		Net income per share	Net income per share
	million yen	%	per share	- fully diluted
Three months ended			yen	yen
June 30, 2010	470	(99.6)	0.30	0.30
June 30, 2009	129,514	-	97.31	-

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
June 30, 2010	21,346,781	586,509	2.6	354.63
March 31, 2010	20,951,031	598,988	2.7	361.84

Reference: Equity (i.e. "Shareholders' equity" and "Valuation and translation adjustments"):

June 30, 2010: 563,475 million yen

March 31, 2010: 574,775 million yen

2. Dividends

	Dividend per share				
	As of Jun.30	As of Sep.30	As of Dec.31	As of Mar.31	Total
Year ended	yen	yen	yen	yen	yen
March 31, 2010	-	-	-	5.00	5.00
Year ending					
March 31, 2011	-				
March 31, 2011 (forecast)		-	-	-	-

Note 1: Revision of dividend forecast during the three months ended June 30, 2010: None

Note 2: Dividends for the year ending March 31, 2011 are yet to be determined.

3. Forecast of Consolidated Earnings for the year ending March 31, 2011 (April 1, 2010 to March 31, 2011)

Note 1: Revision of the consolidated earnings forecast during the three months ended June 30, 2010: None

Note 2: Because the main business activity of the Mizuho Securities Co., Ltd (the "Company") and its subsidiaries (collectively the "Group") is the securities business, our earnings are strongly influenced by market conditions, therefore we do not announce earnings forecasts.

4. Other Information (For details, please see "2. Other information" on page 4 of the appendix)

(1) Changes in significant subsidiaries during the period: None

Newly consolidated: None

Excluded from the scope of consolidation: None

Note: Changes in significant subsidiaries which result in changes in the consolidation scope during the period

(2) Simplified accounting methods and specific accounting methods: Yes

Note: Application of simplified accounting methods and/or accounting methods specific to the preparation of quarterly consolidated financial statements

(3) Changes in accounting principles, procedures and methods of presentation:

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

2) Changes other than 1) above: None

Note: Changes in accounting principles, procedures and methods of presentation applicable to the preparation of quarterly consolidated financial statements which should be described in "Changes in Basic Important Matters for Preparation of Quarterly Consolidated Financial Statements".

(4) Number of outstanding shares (common stock)

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

June 30, 2010: 1,626,688,683 shares

March 31, 2010: 1,626,688,683 shares

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

June 30, 2010: 37,788,049 shares

March 31, 2010: 38,190,470 shares

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

Three months ended June 30, 2010 1,588,775,948 shares

Three months ended June 30, 2009 1,330,886,039 shares

* Note on the status of quarterly review process

This summary of quarterly financial statements is exempt from the quarterly review process based on "Financial Instruments and Exchange Act", while the quarterly consolidated financial statements are being reviewed at the time of disclosure of this report.

* Appropriate use of financial forecasts and other important matters

The company's basic dividend policy calls for dividends to be determined flexibly based on earnings. However, producing adequate forecasts of earnings is difficult since the Group is mainly involved in the securities business, and earnings are significantly affected by changes in market conditions and other factors. Dividends forecasts are therefore not available as of the date of this report.

(Note) The Company merged with the former Mizuho Securities on May 7, 2009. Due to the fact that the merger is categorized as a reverse acquisition, the consolidated business results for the three months ended June 30, 2009 (April 1, 2009 to June 30, 2009) were prepared by combining the consolidated business results of the former Mizuho Securities for the period from April 1, 2009 to May 6, 2009 with the consolidated business results of the Company for the period from May 7, 2009 to June 30, 2009. The year-on-year changes in "1. Consolidated Financial Results for the Three Months ended June 30, 2010 (April 1, 2010 to June 30, 2010) (1) Consolidated operating results" are comparison to the business results above.

APPENDIX

[INDEX]

1	Qualitative information on quarterly consolidated financial results	p.2
	(1) Qualitative information on consolidated operating results	p.2
	(2) Qualitative information on consolidated financial position	p.3
	(3) Qualitative information on consolidated earnings forecast	p.4
2	Other information	p.4
	(1) Changes in significant subsidiaries during the period	p.4
	(2) Simplified accounting methods and specific accounting methods	p.4
	(3) Changes in accounting principles, procedures, and methods of presentation	p.4
	(4) Note on the going-concern assumption	p.4
3	Quarterly consolidated financial statements	p.5
	(1) Consolidated balance sheets	p.5
	(2) Consolidated statements of operations	p.8
	(3) Note on the going-concern assumption	p.10
	(4) Segment information	p.10
	(5) Note on material changes in Shareholders' Equity	p.11
4	Supplemental information	p.12
	(1) Commissions and fees	p.12
	(2) Gain on trading, net	p.12
	(3) Capital adequacy requirement ratio	p.13
	(4) Quarterly consolidated statements of operations	p.14
5	(Reference) Quarterly Non-consolidated financial statements	p.15
	(1) (Reference) Non-consolidated balance sheets	p.15
	(2) (Reference) Non-consolidated statements of operations	p.18

1. Qualitative information on quarterly consolidated financial results

(1) Qualitative information on consolidated operating results

In the first quarter of fiscal 2010, the Japanese economy continued to recover despite financial market turmoil triggered by European sovereign debt woes. The recovery was driven largely by buoyant exports against a backdrop of better-than-projected economic growth in emerging market economies. Another tailwind that aided the recovery was that Japanese companies eased up on headcount reductions and capital spending cutbacks in response to steady improvement in earnings. The equity market began the quarter amid an ongoing rally fueled by yen depreciation and expectations of recovery in the economy and corporate earnings. The rally propelled the Nikkei 225 Average to a year-to-date high of 11,339 yen in early April. Subsequently, however, the equity market underwent a correction amid a global flare-up in financial market volatility in response to mounting concerns over the risk of a European sovereign debt crisis triggered by problems in Greece. The Nikkei consequently ended the first quarter at a year-to-date low around 9,300 yen. The bond market saw a brief pickup in expectations of rising interest rates in the first days of the fiscal year, but JGB yields ended up continuing to decline throughout first quarter in parallel with interest rates overseas, particularly in the US. The JGB market was supported by favorable supply-demand fundamentals by virtue of strong investment demand for government debt stemming from a surfeit of liquidity among domestic financial institutions. The 10-year JGB yield ended the first quarter below 1.1%, its lowest level since August 2003.

Overseas, the US economy continued to recover gradually, driven by production growth fueled by inventory restocking and a pickup in consumer spending reflecting improvement in the employment and income environments. European economies continued to improve, led by resurgent exports, but the European economic outlook was clouded by concerns about downside economic risks stemming from fiscal woes. The US equity market rallied through late April on mounting expectations of economic and corporate earnings recovery, with the major US equity indices all rising to new year-to-date highs. Subsequently, however, the US equity market rolled over into a correction in response to European sovereign debt problems. Major European equity markets tracked roughly in parallel with US equities. The US bond market was supported by risk-averse money flows and expectations of a prolonged period of low interest rates. US Treasury yields continued to decline against the backdrop of mounting expectations of lower interest rates ahead. In Europe, government bond yields diverged among countries in conjunction with sovereign risk concerns fueled by fiscal strains in certain countries.

Under such business environment, for the three months ended June 30, 2010, our Group achieved consolidated operating revenue of 71,165 million yen (74.7% of the corresponding period in the previous year), ordinary income of 486 million yen (1.7%) and a net income of 470 million yen (0.4%). An overview of our financial performance is shown below.

(Note) The Company merged with the former Mizuho Securities on May 7, 2009. Due to the fact that the merger is categorized as a reverse acquisition, the consolidated business results for the three months ended June 30, 2009 (April 1, 2009 to June 30, 2009) were prepared by combining the consolidated business results of the former Mizuho Securities for the period from April 1, 2009 to May 6, 2009 with the consolidated business results of the Company for the period from May 7, 2009 to June 30, 2010. The year-on-year changes are comparison to the business results above.

1) Commissions and fees received

Total commissions and fees for the three months ended June 30, 2010, totaled 30,516 million yen (90.7% of the corresponding period in the previous year). A breakdown appears below.

• Brokerage commissions

Daily trading volume on the First and Second Sections of the Tokyo Stock Exchange averaged 1,646.8 billion yen for the three months ended June 30, 2010 (96.6% of the corresponding period in the previous year). The Company's brokerage trading volume was 3,639 million shares (105.8%), with an aggregate value of 3,097.1 billion yen (112.5%). The Group's brokerage commissions on equity trades totaled 7,638 million yen (117.5%).

• Underwriting and placement fees

In the equity issuance market, we were lead underwriters for public offerings and placements of shares for 5 companies, including one initial public offering. As a result, the Group derived 2,751 million yen (68.1% of the corresponding period in the previous year) in stock underwriting and placement fees.

In the fixed income securities issuance market, we were sole lead or joint lead underwriters for 60 straight corporate bond issues. As a result, bond underwriting and placement fees were 3,215 million yen (62.8%).

- Offering, selling, and other fees and commissions

These fees and commissions predominately comprise fees and commissions on investment trust sales and secondary offerings.

With regulators groping for an exit strategy and implementing unprecedented fiscal and financial measures in the wake of Lehman Brothers' collapse, we began offering the Mizuho Global Macro Fund (2010-04), which aims to earn investment returns using a global macro strategy.

In view of the strong growth potential and health of the Asian economy, which is driving the global economy, we offered the Asia ex Japan Large-Cap Infrastructure Fund and the Asia ex Japan Small-Mid Growth Fund in the aim of benefiting broadly from expanding internal demand in Asia.

We also newly offered the Mizuho GS Hybrid Securities Fund and began marketing the DIAM Emerging Resources Fixed-Income Fund and the Mizuho Australian Dollar Fixed-Income Fund.

For the three months ended June 30, 2010, offering, selling and other fees and commissions totaled 6,031 million yen (195.6% of the corresponding period in the previous year).

- Other commissions and fees

Other fees and commissions include investment trust service fees, sales commissions on wrap accounts and annuities, and M&A and IPO advisory fees. In the three months ended June 30, 2010, other commissions and fees totaled 9,014 million yen (67.4% of the corresponding period in the previous year).

2) Gains on trading

Net trading losses on equities were 1,468 million yen, and net trading gains on bonds and other instruments were 16,608 million yen (53.2% of the corresponding period in the previous year). Net trading gains for the three months ended June 30, 2010, totaled 15,139 million yen (46.5%).

3) Financial income and expenses

Financial income totaled 26,487 million yen (90.6% of the corresponding period in the previous year), and financial expenses totaled 15,855 million yen (88.3%), resulting in net financial income of 10,632 million yen (94.5%).

4) Selling, general and administrative expenses

Selling, general and administrative expenses totaled 56,712 million yen (115.0% of the corresponding period in the previous year).

5) Extraordinary gain and loss

Extraordinary gains included a 692 million yen gain on reversal of reserve for financial instruments transaction liabilities and a 242 million gain on sale of investment securities. Extraordinary losses included a 56 million yen loss on disposal of fixed assets. This resulted in net extraordinary gains of 792 million yen.

(2) Qualitative information on consolidated financial position

Total consolidated assets at June 30, 2010, stood at 21,346,781 million yen, an increase of 395,750 million yen from the end of last fiscal year (March 31, 2010) mainly due to a 591,294 million decrease of collateralized short-term financing agreements and a 1,036,400 million increase of trading assets.

Total consolidated liabilities at June 30, 2010, stood at 20,760,271 million yen, an increase of 408,228 million yen from the end of last fiscal year. The main reasons are that payable-unsettled trades and short-term borrowings decreased by 243,123 million yen and 968,862 million yen respectively while trading liabilities and collateralized short-term financing agreements increased by 504,183 million yen and 1,186,091 million yen respectively.

Net assets ended the period at 586,509 million yen, a decrease of 12,478 million yen from the end of last fiscal year. The main reasons are that retained earnings decreased by 7,472 million yen due to dividend payment, and net unrealized gains on other securities, net of taxes decreased by 1,985 million yen. As a result, equity ratio was 2.6%.

(3) Qualitative information on consolidated earnings forecast

Because the main business of the Group is the securities business, our earnings are significantly influenced by market conditions and other factors. For this reason, we do not produce forecasts of our business results.

2. Other information

(1) Changes in significant subsidiaries during the period

Not applicable

(2) Simplified accounting methods and specific accounting methods

1) Use of simplified accounting methods

Depreciation of fixed assets

For fixed assets that are depreciated by declining-balance method or other methods we calculate quarterly depreciation expense by prorating the annual depreciation expense.

2) Accounting methods specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles, procedures, and methods of presentation

1) Changes in accordance with revisions to accounting standards

i) The Company applied "Accounting Standards for Equity Method of Accounting for Investment" (Accounting Standards Board of Japan ("ASBJ") Statement No.16, March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No.24, March 10, 2008) from this quarter period. The impact of adopting these accounting standards to the consolidated financial statements is nil.

ii) The Company applied "Accounting Standards for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and "Guidance on Accounting Standards for Asset Retirement Obligations" (ASBJ Guidance No.21, March 31, 2008) from this quarter period. The impact of applying these accounting standards to Operating Income, Ordinary Income and Income before Income Taxes and Minority Interests is immaterial.

2) Other changes except 1)

Not applicable

(4) Note on the going-concern assumption

Not applicable

3. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Assets		
Current assets		
Cash on hand and bank deposits	145,938	162,392
Cash segregated as deposits related to customer assets	67,922	96,812
Trading assets	8,632,071	7,595,671
Trading securities and others	7,718,918	6,848,579
Operating loan assets	26,465	26,448
Derivatives	886,687	720,643
Operating investment securities	89,093	88,957
Operating loan receivables	6,882	5,772
Receivables related to margin transactions	54,724	58,031
Loans receivable under margin transactions	41,238	30,349
Collateral for borrowed securities under margin transactions	13,486	27,682
Collateralized short-term financing agreements	11,778,485	12,369,779
Deposits paid for securities borrowed	3,339,114	3,960,261
Securities purchased under agreements to resell	8,439,371	8,409,518
Advances	3,059	4,188
Securities: fail to deliver	47,198	14,477
Short-term loans receivable	4,553	7,775
Securities	22,430	47,469
Deferred tax assets	18,032	17,691
Other current assets	230,578	221,745
Less: Allowance for doubtful accounts	(73)	(76)
Total current assets	21,100,899	20,690,688
Fixed assets		
Tangible fixed assets	43,221	44,110
Intangible fixed assets	100,983	104,156
Investments and other assets	101,676	112,074
Investment securities	67,555	76,780
Long-term deposits	15,110	15,187
Deferred tax assets	2,793	1,013
Other fixed assets	19,933	22,907
Less: Allowance for doubtful accounts	(3,716)	(3,815)
Total fixed assets	245,881	260,342
Total assets	21,346,781	20,951,031

(Millions of yen)

As of June 30, 2010 As of March 31, 2010

	As of June 30, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Trading liabilities	4,114,515	3,610,332
Trading securities and others	3,316,831	2,923,830
Derivatives	797,683	686,502
Payable – unsettled trades	348,686	591,810
Payables related to margin transactions	20,688	21,354
Loans payable under margin transactions	13,434	12,578
Collateral for loaned securities under margin transactions	7,253	8,775
Collateralized short-term financing agreements	12,453,181	11,267,090
Deposits received for securities loaned	3,025,848	2,019,454
Securities sold under agreements to repurchase	9,427,332	9,247,635
Deposits received	86,354	272,610
Received margins	193,885	210,970
Securities: fail to receive	55,498	16,022
Short-term borrowings	1,797,222	2,766,084
Commercial paper	373,900	331,700
Short-term bonds and notes	70,858	80,755
Lease obligation	811	937
Income taxes payable	534	1,654
Accrued employee's bonuses	6,799	22,434
Accrued directors' bonuses		38
Deferred tax liabilities	512	119
Allowance for bonus points redemption	438	376
Other current liabilities	38,776	39,203
Total current liabilities	19,562,663	19,233,494
Long-term liabilities		
Corporate bonds	552,152	508,122
Long-term borrowings	613,923	578,563
Lease obligation	973	1,191
Deferred tax liabilities	12,184	11,093
Reserve for retirement benefits	14,822	14,765
Reserve for directors' retirement benefits	330	355
Reserve for executive officers' retirement benefits	198	199
Other long-term liabilities	1,832	2,373
Total long-term liabilities	1,196,417	1,116,664
Statutory reserve		
Reserve for financial instrument transaction liabilities	1,191	1,883
Total statutory reserve	1,191	1,883
Total liabilities	20,760,271	20,352,043

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	389,709	389,662
Retained earnings	120,149	127,621
Treasury stock	(7,372)	(7,450)
Total shareholders' equity	<u>627,652</u>	<u>635,000</u>
Valuation and translation adjustments		
Net unrealized gains on other securities, net of taxes	2,642	4,628
Foreign currency translation adjustments	(66,819)	(64,853)
Total valuation and translation adjustments	<u>(64,177)</u>	<u>(60,225)</u>
Stock subscription rights	240	367
Minority interests	22,793	23,845
Total net assets	<u>586,509</u>	<u>598,988</u>
Total net assets and liabilities	<u>21,346,781</u>	<u>20,951,031</u>

(2) Consolidated Statements of Operations

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
Operating revenues		
Commissions and fees	33,649	30,516
Brokerage commissions	7,937	9,444
Underwriting and selling fees, and commissions from solicitation to qualifying investors	9,250	6,025
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	3,083	6,031
Other commissions and fees	13,377	9,014
Gain on trading, net	32,592	15,139
Loss on sales of operating investment securities	(136)	(978)
Interest and dividends income	29,220	26,487
Total operating revenues	95,325	71,165
Financial expenses	17,963	15,855
Net operating revenues	77,361	55,309
Selling, general and administrative expenses	49,331	56,712
Transaction expenses	7,570	9,760
Personnel expenses	24,797	25,409
Real estate expenses	6,059	6,808
Office expenses	3,896	5,591
Depreciation and amortization	5,021	6,061
Taxes and dues	510	712
Other	1,475	2,367
Operating income (loss)	28,030	(1,402)
Non-operating revenues	1,481	2,219
Non-operating expenses	619	331
Ordinary income	28,891	486

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
Extraordinary gain	110,257	947
Gain on sale of investment securities	1	242
Gain on negative goodwill	110,219	
Reversal of reserve for financial instruments transaction liabilities		692
Reversal of allowance for doubtful accounts	37	11
Extraordinary loss	3,586	155
Loss on disposal of fixed assets	605	56
Loss on sale of investment securities	1	48
Loss on valuation of investment securities	8	7
Loss on valuation of golf club membership	28	6
Expenses related to merger	2,919	
Loss on adjustment for changes of accounting standard for asset retirement obligations		36
Provision for reserve for financial instrument transaction liabilities	23	
Income before income taxes and minority interest	135,563	1,278
Income taxes – current	1,684	148
Income taxes – deferred	3,907	672
Total income taxes	5,591	820
Income before minority interests	129,971	457
Minority interests	456	(12)
Net income	129,514	470

(3) Note on the going-concern assumption

Not applicable

(4) Segment Information

For the three months ended June 30, 2009 (April 1 to June 30, 2009)

1) Business segment information

Business operations of the Group, conducted on a global basis, encompass i) securities trading, ii) securities brokerage, iii) underwriting and distribution of securities, iv) offering and distribution of securities, and v) the private placement of securities. These businesses, together with ancillary financial services, comprise the Companies' source of earnings. Thus, the Companies' businesses all fall under the "investment/financial services" category. Business segment information is therefore omitted.

2) Geographical segment information

For the three months ended June 30, 2009 (April 1, 2009 to June 30, 2009)

(Millions of yen)

	Japan	Asia	Europe	North America	Subtotal	Elimination	Consolidated
Net operating revenues							
(1) Net operating revenues from third parties	46,473	784	19,450	10,653	77,361		77,361
(2) Inter-segment net operating revenues	1,316	237	354	60	1,968	(1,968)	
Total	47,789	1,022	19,804	10,713	79,330	(1,968)	77,361
Operating income (loss)	11,970	(83)	12,172	3,704	27,764	265	28,030

(Notes)

1. Criteria for classification of countries and regions into geographical segments: geographical proximity
2. Major countries or regions in segments other than Japan:
 - (1) Asia: China, Singapore
 - (2) Europe: the United Kingdom, Switzerland
 - (3) North America: the United States of America

3) Overseas sales (Net operating revenues)

For the three months ended June 30, 2009 (April 1, 2009 to June 30, 2009)

(Millions of yen)

	Asia	Europe	North America	Total
Overseas net operating revenues	681	18,195	11,981	30,857
Consolidated net operating revenues				77,361
Overseas net operating revenues as a percentage of consolidated net operating revenues	0.9%	23.5%	15.5%	39.9%

(Notes)

1. Criteria for classification of countries and regions into geographical segments: geographical proximity
2. Major countries or regions in segments other than Japan:
 - (1) Asia: China, Singapore
 - (2) Europe: the United Kingdom, Switzerland
 - (3) North America: United States of America
3. Overseas net operating revenues consist of the net operating revenues of the Company and its consolidated subsidiaries in countries and regions other than Japan.

For the three months ended June 30, 2010 (April 1, 2010 to June 30, 2010)

1) General information about reportable segments

The Group reports its operations in four segments: the Global Investment Banking Division, the Global Markets & Products Division, the Corporate Investment Services & Retail Business Division, and the Overseas Subsidiaries. These segments are components of the Company for which discrete financial information is available and whose operating results are regularly reviewed by the Company's board of directors to make decisions about resources to be allocated to the segment and assess its performance.

- The Global Investment Banking Division provides underwriting, M&A, securitization, and other advisory services to institutional clients.
- The Global Markets & Products Division serves institutional clients through sales and trading of equities, bonds, and other market instruments and provides services related to asset management.
- The Corporate Investment Services & Retail Business Division markets equities, bonds, investment trusts, and other instruments to clients, primarily individuals, mid-tier small and medium-sized companies and provides services related to financing and business succession to institutional clients.
- The Overseas Subsidiaries provides services related to securities outside of Japan.

2) Information about reported segment profit and loss

For the three months ended June 30, 2010 (April 1, 2010 to June 30, 2010)

(Millions of yen)

	Global Investment Banking Div.	Global Markets & Products Div.	Corporate Investment Services & Retail Business Div.	Overseas Subsidiaries	Other	Amount recorded on consolidated financial statements
Net operating revenues	8,285	19,941	18,610	10,572	(2,100)	55,309
Net income (loss) before income taxes and minority interests	843	7,399	(1,836)	(2,921)	(2,205)	1,278

(Notes)

1. "Other" includes operating segments not included in reportable segments and Head Office Expense.
2. Information on segment assets is omitted from this disclosure because the Company does not allocate assets to operating segments.

3) Reconciliation of the segments' aggregate profit to the quarterly consolidated statements of operations

(Millions of yen)

Net income before income taxes and minority interests	Amount
Reportable segments total	3,484
Head Office Expense	(2,251)
Other adjustments	45
Income before income taxes and minority interests recorded on the quarterly consolidated statements of operations	1,278

Note: "Head Office Expense" comprises mainly selling, general and administrative expenses not attributable to main reportable segments.

4) Geographic segment information

For the three months ended June 30, 2010 (April 1, 2010 to June 30, 2010)

(Millions of yen)

	Japan	Asia	Europe	North America	Consolidated
Net operating revenues	48,339	791	1,753	4,424	55,309

(Notes)

1. Criteria for classification of countries and regions into geographical segments: geographical proximity
2. Major countries or regions in segments other than Japan:
 - (1) Asia: China, Singapore
 - (2) Europe: United Kingdom, Switzerland etc.
 - (3) North America: United States of America

5) Additional information

The Company applied "Accounting Standard for Disclosure about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, March 27, 2009) and its accompanying "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20, March 21, 2008) from this quarter period.

(5) Note on material changes in Shareholders' Equity

Not applicable

4. Supplemental information

(1) Commissions and fees

1) Breakdown by items

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010	Year on year	
			Increase/ (Decrease)	Comparison (%)
Brokerage commissions	7,937	9,444	1,506	119.0
Equities	6,503	7,638	1,135	117.5
Bonds	1,419	1,784	365	125.8
Underwriting and selling fees, and commissions from solicitation to qualifying investors	9,250	6,025	(3,224)	65.1
Equities	4,039	2,751	(1,287)	68.1
Bonds	5,122	3,215	(1,907)	62.8
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	3,083	6,031	2,947	195.6
Other commissions and fees	13,377	9,014	(4,363)	67.4
Total	33,649	30,516	(3,133)	90.7

2) Breakdown by instruments

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010	Year on year	
			Increase/ (Decrease)	Comparison (%)
Equities	10,779	10,559	(220)	98.0
Bonds	6,559	5,210	(1,348)	79.4
Beneficiary certificates	5,399	10,050	4,651	186.1
Others	10,911	4,695	(6,215)	43.0
Total	33,649	30,516	(3,133)	90.7

(2) Gain on trading, net

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010	Year on year	
			Increase/ (Decrease)	Comparison (%)
Equities	1,382	(1,468)	(2,851)	
Bonds, others	31,209	16,608	(14,601)	53.2
Bonds	34,029	6,983	(27,046)	20.5
Others	(2,819)	9,625	12,445	
Total	32,592	15,139	(17,452)	46.5

(3) Capital adequacy requirement ratio

(Millions of yen)

		As of June 30, 2010	As of March 31, 2010
Basic items	Total capital (A)	572,940	570,211
Supplemental items	Difference in valuation (valuation gains) of other securities	5,598	5,271
	Reserve for financial instrument transaction liabilities, etc.	1,167	1,860
	Allowance for doubtful accounts	40	62
	Subordinated long-term borrowings	132,000	142,000
	Subordinated short-term borrowings	191,300	181,300
	Total (B)	330,106	330,494
	Deducted assets (C)	337,600	341,040
	Equity after deduction (A) + (B) - (C) (D)	565,446	559,665
Amount equivalent to risk	Amount equivalent to market risk	71,936	79,291
	Amount equivalent to counterparty risk	31,320	33,797
	Amount equivalent to fundamental risk	46,066	45,761
	Total (E)	149,323	158,850
	Capital adequacy requirement ratio (D)/(E) * 100	378.6%	352.3%

(Note) Capital adequacy requirement ratio is calculated based on the Company's financials.

(4) Quarterly Consolidated Statements of Operations

(Millions of yen)

	First quarter ended June 2009 Apr. 1, 2009 - Jun. 30, 2009	Second quarter ended September 2009 Jul. 1, 2009 - Sep. 30, 2009	Third quarter ended December 2009 Oct. 1, 2009 - Dec. 31, 2009	Fourth quarter ended March 2010 Jan. 1, 2010 - Mar. 31, 2010	First quarter ended June 2010 Apr. 1, 2010 - Jun. 30, 2010
Operating revenues	95,325	80,372	65,503	70,960	71,165
Commissions and fees	33,649	39,478	31,761	40,932	30,516
Brokerage commissions	7,937	9,055	7,910	8,333	9,444
Equities	6,503	7,826	6,221	6,916	7,638
Bonds	1,419	1,207	1,658	1,400	1,784
Underwriting and selling fees, and commissions from solicitation to qualifying investors	9,250	12,532	8,328	13,640	6,025
Equities	4,039	8,092	3,866	10,532	2,751
Bonds	5,122	4,396	4,379	2,955	3,215
Offering, selling, and other fees and commissions, and commissions from solicitation to qualifying investors	3,083	6,547	6,521	6,196	6,031
Other commissions and fees	13,377	11,343	9,002	12,762	9,014
Gain on trading, net	32,592	16,350	9,397	5,783	15,139
Equities	1,382	2,862	11,890	9,207	(1,468)
Bonds, other	31,209	13,488	(2,492)	(3,423)	16,608
Bonds	34,029	8,289	(5,577)	(322)	6,983
Other	(2,819)	5,199	3,085	(3,101)	9,625
Gain (loss) on sales of operating investment securities	(136)	115	(89)	(542)	(978)
Interest and dividend income	29,220	24,428	24,433	24,786	26,487
Financial expenses	17,963	14,470	14,370	14,955	15,855
Net operating revenues	77,361	65,901	51,132	56,004	55,309
Selling, general and administrative expenses	49,331	56,186	56,851	57,143	56,712
Transaction expenses	7,570	8,477	9,293	9,154	9,760
Personnel expenses	24,797	26,987	26,420	25,624	25,409
Real estate expenses	6,059	6,950	6,843	6,934	6,808
Office expenses	3,896	4,661	4,995	6,152	5,591
Depreciation and amortization	5,021	6,230	6,424	6,162	6,061
Taxes and dues	510	722	760	543	712
Other	1,475	2,156	2,113	2,571	2,367
Operating income (loss)	28,030	9,715	(5,719)	(1,138)	(1,402)
Non-operating revenues	1,481	744	665	1,375	2,219
Non-operating expenses	619	339	280	840	331
Ordinary income (loss)	28,891	10,120	(5,334)	(604)	486
Extraordinary gains	110,257	(34)	928	84	947
Extraordinary loss	3,586	1,584	1,598	1,622	155
Income (loss) before income taxes and minority interests	135,563	8,501	(6,004)	(2,142)	1,278
Income taxes - current	1,684	1,017	821	641	148
Income taxes - deferred	3,907	1,019	(591)	201	672
Income loss minority interests	129,971	6,464	(6,234)	(2,985)	457
Minority interests	456	267	(435)	(137)	(12)
Net income (loss)	129,514	6,196	(5,799)	(2,847)	470

5. (Reference) Quarterly Non-consolidated Financial Statements

(1) (Reference) Non-consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Assets		
Current assets		
Cash on hand and bank deposits	96,285	88,488
Cash segregated as deposits related to securities transactions	65,869	94,669
Trading assets	7,247,404	6,447,833
Trading securities and others	6,396,451	5,747,883
Operating loan assets	26,465	26,448
Derivatives	824,487	673,502
Operating investment securities	28,470	28,722
Margin transaction assets	49,529	52,864
Customers' loans receivable under margin transactions	36,144	25,317
Collateral for borrowed securities under margin transaction	13,385	27,547
Loans receivable secured by securities	3,364,358	3,983,524
Collateral for borrowed securities	3,339,947	3,962,121
Loans receivable in Gensaki transaction	24,410	21,402
Advances	415	54
Short-term loans deposits	63,901	62,917
Deferred tax assets	16,863	16,589
Other current assets	141,113	126,949
Less: Allowance for doubtful accounts	(47)	(62)
Total current assets	11,074,163	10,902,551
Fixed assets		
Tangible fixed assets	16,467	17,047
Intangible fixed assets	30,507	32,773
Investments and other assets	295,728	301,556
Investment securities	250,473	254,066
Long-term deposits	13,710	13,780
Deferred tax assets	20,891	22,707
Other fixed assets	14,116	14,559
Less: Allowance for doubtful accounts	(3,463)	(3,557)
Total fixed assets	342,702	351,377
Total assets	11,416,866	11,253,928

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Trading liabilities	3,627,092	3,248,184
Trading securities and others	2,919,035	2,654,010
Derivatives	708,056	594,174
Payable – unsettled trades	183,789	466,478
Payables related to margin transactions	19,053	19,933
Customers' loans payable under margin transactions	11,899	11,289
Collateral for loaned securities under margin transactions	7,154	8,643
Collateralized short-term financing agreements	3,763,926	2,626,986
Deposits received for securities loaned	3,030,266	2,022,938
Securities sold under agreements to repurchase	733,660	604,048
Deposits received	65,279	251,726
Received margins	67,396	84,099
Short-term borrowings	1,676,255	2,655,549
Commercial paper	373,900	331,700
Short-term bonds and notes	57,251	62,532
Lease obligation	770	887
Income taxes payable	381	933
Accrued employee's bonuses	2,211	7,577
Allowance for bonus points redemption	438	376
Reserve for loss on liquidation of affiliated companies	—	2
Other current liabilities	27,557	22,205
Total current liabilities	9,865,305	9,779,174
Fixed liabilities		
Corporate bonds	364,992	320,485
Long-term borrowings	592,175	553,686
Lease obligation	945	1,156
Reserve for retirement benefits	12,458	12,295
Other fixed liabilities	1,283	1,844
Total fixed liabilities	971,855	889,468
Statutory reserve		
Reserve for financial instrument transaction liabilities	1,167	1,860
Total statutory reserve	1,167	1,860
Total liabilities	10,838,328	10,670,503

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	411,359	411,312
Retained earnings	43,785	49,123
Treasury stocks	(7,371)	(7,449)
Total shareholder's equity	<u>572,940</u>	<u>578,154</u>
Valuation and translation adjustments		
Valuation and translation adjustments of other securities	3,773	5,439
Net deferred hedge gain (loss), net of taxes	1,584	(535)
Total valuation and translation adjustments	<u>5,357</u>	<u>4,903</u>
Stock subscription rights	240	367
Total net assets	<u>578,538</u>	<u>583,425</u>
Total net assets and liabilities	<u>11,416,866</u>	<u>11,253,928</u>

(2) (Reference) Non-consolidated Statements of Operations

(Millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
Operating revenues		
Commissions and fees	29,028	24,274
Gain on trading, net	19,541	19,736
Loss on sales of operating investment securities	(168)	(47)
Interest and dividend income	6,554	9,493
Total operating revenues	54,957	53,457
Financial expenses	4,698	6,173
Net operating revenues	50,258	47,283
Selling, general and administrative expenses	36,888	44,381
Transaction expenses	5,290	9,114
Personnel expenses	15,408	16,477
Real estate expenses	5,702	5,981
Office expenses	4,759	6,816
Depreciation and amortization	4,406	4,333
Taxes and dues	433	637
Other	887	1,020
Operating income	13,369	2,902
Non-operating revenues	887	1,152
Non-operating expenses	81	29
Ordinary income	14,175	4,026
Extraordinary gain	78	816
Gain on sale of investment securities	14	96
Reversal of reserve for financial instruments transaction liabilities		692
Reversal of allowance for doubtful accounts	64	27
Extraordinary loss	4,856	1,031
Loss on sale of fixed assets	0	
Loss on disposal of fixed assets	610	51
Loss on sale of investment securities	3	1
Loss on valuation of investment securities	6	935
Loss on valuation of golf club membership	28	6
Expenses related to merger	2,547	
Prior year adjustment - Depreciation	1,634	
Impact of adopting accounting standard for asset retirement obligations		36
Provision for reserve for financial instruments transaction liabilities	24	
Income before income taxes	9,397	3,810
Income taxes – current	30	30
Income taxes – deferred	(6,079)	1,176
Net income	15,447	2,604

(Note)

The non-consolidated business results for the three months ended June 30, 2009 (April 1, 2009 to June 30, 2009) were prepared by combining the business results of the former Shinko Securities for the period from April 1, 2009 to May 6, 2009 with the business results of the Company for the period from May 7, 2009 to June 30, 2009.