

July 31, 2009

To whom it may concern:

Company Name: Mizuho Securities, Co., Ltd.
Representative: Keisuke Yokoo, President & CEO
Head Office: 1-5-1 Otemachi, Chiyoda-ku, Tokyo
Code Number: 8606 (First Section of Tokyo Stock Exchange, First Section of Osaka Stock Exchange, First Section of Nagoya Stock Exchange)

The Recording of Extraordinary Profits (Negative Goodwill Incurred Profits) and The Decrease in the Adjustment Amount for Income Taxes

Mizuho Securities Co., Ltd. (“MHSC”) announces that extraordinary profits (negative goodwill incurred profits) will have been incurred on the consolidated financial statements and the adjustment amount for income taxes will be decreased on the separate financial statements in the first quarter of the fiscal year ending in March 2010. Please refer to the following information.

Note

1. Recording of extraordinary profits (negative goodwill incurred profits) (in consolidated financial statements only)

In connection with the consummation of merger between Shinko Securities Co., Ltd. and Mizuho Securities Co., Ltd. (pre-merger) on May 7, 2009 (Please note that, upon the merger, Shinko Securities Co., Ltd. was renamed to Mizuho Securities Co., Ltd.), the extraordinary profits (negative goodwill incurred profits) are recorded in the first quarter of the fiscal year ending in March 2010 on the consolidated financial statements.

<Amount, Cause of Incidence, Accounting Treatment of Negative Goodwill Incurred>

- (i) Amount of negative goodwill: 110,219 million yen
- (ii) Cause of Incidence

In the merger with Mizuho Securities Co., Ltd. (pre-merger), MHSC was the surviving company. However, the merger was determined to be the reverse acquisition by Mizuho Securities Co., Ltd. (pre-merger), and because MHSC’s net assets in market value as of the business combination exceeded the acquisition cost, such balance was recognized as negative goodwill on the consolidated financial statements.

- (iii) Accounting Treatment

“Accounting Standards for Business Combinations” (ASBJ Statement No. 21 (December 26, 2008)) are applied at an early date, and the extraordinary profits (negative goodwill incurred profits) for the consolidated accounting year when the negative goodwill occurs are recorded.

(Reference)

Acquisition cost, the amount of the assets received, the liabilities undertaken on the date of the business combination, and the major breakdowns thereof, etc. are as follows:

Acquisition cost:	181,777	million yen
Total assets:	2,323,312	million yen
trading products among them:	1,008,003	million yen
Total liabilities:	2,023,440	million yen
trading products among them:	671,840	million yen
Net assets in market value: ^{Note}	299,872	million yen

Note) Including 7,875 million yen of minority shareholder interests (291,996 million yen after the deduction of minority shareholder interests)

2. Decrease in the adjustment amount for income taxes (in separate financial statements only)

In connection with the merger with Mizuho Securities Co., Ltd. (pre-merger) with May 7, 2009, being the effective date, as a result of careful revision and review of the feasibility of collecting deferred tax assets, the adjustment amount for income taxes is decreased by 9,771 million yen in the separate financial statements, and the current net income is increased by the same amount. (These adjustments are included in the adjustment amount for income taxes and the current quarterly net income, respectively, on the separate financial statements in the first quarter of the fiscal year ending in March 2010.)

The above decrease is reflected in the net assets in market value on the consolidated financial statements as of the business combination date. Therefore, such changes are included in the extraordinary profits (negative goodwill incurred profits) on the consolidated financial statements.

End

Please refer to the materials for announcements of Mizuho Financial Group, Inc. about the company's financial statements in the first quarter of the fiscal year ending in March 2010 disclosed in public today for the reflections regarding this matter in the company's consolidated financial statements in the quarter.