

# Financial Results

**Third Quarter**

**Fiscal Year ending March 2021**

January 2021

Mizuho Securities

**MIZUHO**

# Contents

■ Quarterly highlights (aggregate basis inclusive of US entities)	2
■ Earnings summary—Consolidated	3
■ Business segments	4
✓ Global Investment Banking	5
✓ Retail & Business Banking	6
■ Non-consolidated accounting topics	7
■ Ordinary income—Overseas entities	8

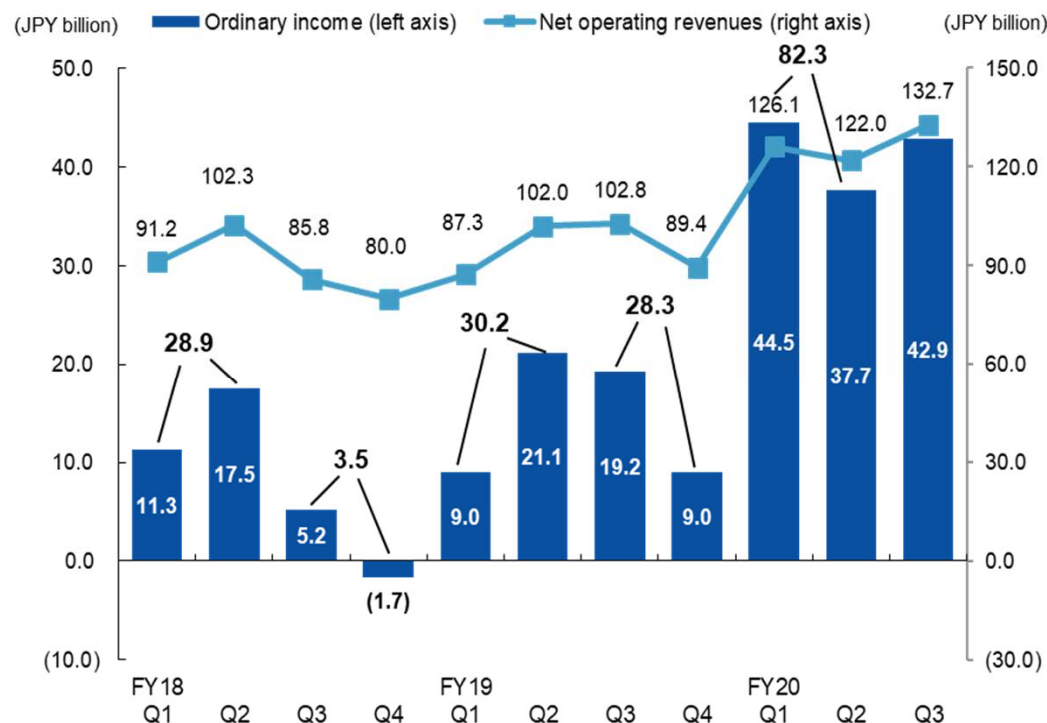
## Reference Data

■ Commissions & fees and SG&A expense— Consolidated	10
■ Balance sheet summary	11
■ Non-consolidated data	
✓ Profit and Loss Statement	12
✓ Product sales and number of accounts	13
✓ Market share assets under management	14
■ Number of employees and offices	15

\* The information herein is being provided solely for informational purposes in relation to the Company's FY20 Q3 financial results, not for investment purposes or advice regarding securities issued by the Company. The information herein is based on data as of January 29, 2021. The Company makes no claims, promises or guarantees about the accuracy, completeness, or adequacy of this information which may change at any time without prior notice.

# Quarterly highlights (aggregate basis inclusive of US entities\*)

## Financial results (aggregate basis)



Financial result (JPY billion)	FY2020		QoQ	FY2019		YoY
	Q2	Q3	%	Q3YTD	Q3YTD	%
(Aggregate basis)						
Net operating revenues	122.0	132.7	+9%	292.2	380.9	+30%
Ordinary income	37.7	42.9	+14%	49.5	125.2	+153%

### Q3 external environment

- Tokyo Stock Exchange trading volume increased as domestic and overseas stock exchanges remained strong due to positive corona vaccine news and expectations for an economic recovery
- While the US primary bond market experienced a QoQ decline, Japan's primary market experienced growing demand for fund raising resulting from the corona pandemic and experienced active secondary market trading as well

### (Aggregated) ordinary income as of Q3 (cumulative) was JPY 125.2bn, an all-time high, and was JPY 42.9bn for Q3, representing a QoQ increase

- Ordinary income increased QoQ thanks to our Japan-based (non-consolidated) business which achieved revenue well-balanced across each division—more than offsetting the deceleration experienced by our overseas entities which had previously driven our strong performance
  - GIB: Won deals across a wide range of markets including ECM, subordinated bonds, etc.
  - GMK: Successfully acquired client business across foreign equities, equities derivatives, etc.
  - R&BB: Achieved strong sales across stock investment trusts, structured bonds, and foreign equities
- While our overseas business experienced deceleration across primary and secondary markets (mostly in the US), the derivatives business of our overseas subsidiaries (a major focus of our business development efforts) achieved strong performance
  - Equities and derivatives businesses both achieved ordinary income increases

\*"Aggregate basis" is the simple aggregate of P/L Statement-reported: net operating revenues and ordinary income along with net operating revenues and ordinary income (both calculated on an internal management basis) of our US-based entities (such as MSUSA, etc.) which are not consolidated subsidiaries of Mizuho Securities.

# Earnings summary—Consolidated

## Net income attributable to owners of parent

- Recorded JPY 61bn for Q3 (cumulative) representing a three-fold increase YoY, and JPY 30.7bn for Q3 (non-consolidated basis) representing a two-fold increase QoQ

## Ordinary income

- Q3 (cumulative) ordinary income was JPY 68.7bn and Q3 (non-consolidated basis) was JPY 29.7bn both figures are the highest on record since our US overseas entities became non-consolidated subsidiaries (in FY16 2H)
- On an aggregate basis inclusive of US entities as well, achieved record high of JPY 125.2bn

Financial results (JPY billion)	FY2020		QoQ	FY2019		YoY
	Q2 (a)	Q3 (b)	% (c)	Q3YTD (d)	Q3YTD (e)	% (f)
Commissions	47.1	56.2	+19.3%	120.2	145.7	+21.2%
Net gain on trading	31.6	39.5	+24.6%	83.9	103.8	+23.7%
Net gain (loss) on operating investment securities	0.0	1.6	+9459.4%	3.7	3.0	( 19.6%)
Net financial income	5.9	5.0	( 14.8%)	6.3	14.9	+134.7%
<b>Net operating revenues</b>	84.7	<b>102.3</b>	<b>+20.8%</b>	214.3	<b>267.6</b>	<b>+24.8%</b>
SG & A expenses	65.4	72.0	+10.1%	190.6	198.8	+4.3%
Operating income	19.2	30.2	+57.3%	23.7	68.7	+190.0%
<b>Ordinary income (A)</b>	19.2	<b>29.7</b>	<b>+54.7%</b>	25.7	<b>68.7</b>	<b>+166.6%</b>
Income before tax	18.2	34.6	+90.1%	25.7	71.8	+178.9%
<b>Net income attributable to owners of parent</b>	15.7	<b>30.7</b>	<b>+95.1%</b>	20.2	<b>61.0</b>	<b>+201.5%</b>
< Aggregate basis inclusive of US entities * >						
<b>Mizuho Securities USA ordinary income (B)</b>	18.4	13.1	( 29.0%)	23.7	56.4	+138.0%
<b>Ordinary income calculated on simple aggregate basis (A+B)</b>	37.7	<b>42.9</b>	<b>+13.7%</b>	49.5	<b>125.2</b>	<b>+152.9%</b>

\* "Aggregate basis" is the simple aggregate of P/L Statement-reported: net operating revenues and ordinary income along with net operating revenues and ordinary income (both calculated on an internal management basis) of our US-based entities (such as MSUSA, etc.) which are not consolidated subsidiaries of Mizuho Securities.

# Business segments

(JPY billion)

	FY2019		FY2020			QoQ	FY2019	FY2020	YoY
	Q3	Q4	Q1	Q2	Q3	Change	Q3YTD	Q3YTD	Change
	(a)	(b)	(c)	(d)	(e)	(f) = (e) - (d)	(g)	(h)	(i) = (h) - (g)
【Global Investment Banking】									
Net operating revenues	19.9	18.5	26.0	23.7	23.5	(0.2)	57.7	73.2	+15.4
SG & A expenses	14.0	12.4	13.6	13.1	13.3	+0.2	39.4	40.0	+0.6
Ordinary income	5.9	6.0	12.3	10.6	10.1	(0.4)	18.3	33.1	+14.8
【Global Markets】									
Net operating revenues	51.1	39.6	70.4	62.6	65.7	+3.1	144.8	198.8	+53.9
SG & A expenses	40.4	35.1	43.6	41.9	42.1	+0.2	115.6	127.7	+12.0
Ordinary income	10.7	4.4	26.8	20.7	23.5	+2.8	29.2	71.1	+41.8
【Retail & Business Banking (R&BB)】									
Net operating revenues	33.7	32.8	32.1	40.3	44.2	+3.9	91.5	116.7	+25.1
SG & A expenses	29.9	30.6	27.4	29.7	31.0	+1.2	87.6	88.3	+0.6
Ordinary income	3.8	2.1	4.6	10.4	13.2	+2.7	3.9	28.3	+24.4
(Aggregate basis <sup>*1</sup> )									
Net operating revenues	102.8	89.4	126.1	122.0	132.7	+10.7	292.2	380.9	+88.6
Ordinary income	19.2	9.0	44.5	37.7	42.9	+5.1	49.5	125.2	+75.7

## Global Investment Banking

- US DCM decelerated as previously-strong US fixed income markets began to cool
- Our Japan operations, on the other hand, boosted revenue by winning a wide range of deals, including subordinated bond and large-scale ECM deals by carefully uncovering needs of clients impacted by the corona pandemic
- Achieved new all time highs<sup>\*2</sup> for Q3 (cumulative) both in terms of net operating revenues (JPY 73.2bn) and ordinary income (JPY 33.1bn)

## Global Markets

- While fixed income revenue declined primarily in the US, equities revenue increased QoQ thanks to strong equities performance both in Japan and overseas
- Achieved new all time highs<sup>\*2</sup> for Q3 (cumulative) both in terms of net operating revenues and ordinary income
- Expanded revenue thanks to additional advances in relation to Mizuho's ongoing banking-securities derivatives platform integration

## Retail & Business Banking

- Steadily expanded sales both in terms of foreign equities and equity investment trusts thanks to promoting built-in-gains-centric sales & Mktg. based on our "global equities strategy"
- Achieved new all time highs<sup>\*2</sup> for Q3 (cumulative) both in terms of net operating revenues (JPY 116.7bn) and ordinary income (JPY 28.3bn)

<sup>\*1</sup> "Aggregate basis" is the simple aggregate of P/L Statement-reported: net operating revenues and ordinary income along with net operating revenues and ordinary income (both calculated on an internal management basis) of our US-based entities (such as MSUSA, etc.) which are not consolidated subsidiaries of Mizuho Securities.

<sup>\*2</sup> "New all time high" since the 2013 merger of the former Mizuho Securities and former Mizuho Investors Securities.

# Business segments—Global Investment Banking

## Major league tables

### Total Japan publicly offered bonds (2020/4/1-2020/12/31)

Rank	Company Name	Amount (JPY bn)	Share (%)
1	<b>Mizuho Sec.</b>	<b>3,925.3</b>	<b>21.1</b>
2	SMBC Nikko Sec.	3,493.9	18.8
3	Nomura Sec.	3,477.0	18.7
4	Mitsubishi UFJ Morgan Stanley Sec.	3,337.6	18.0
5	Daiwa Sec.	3,210.6	17.3

Based on underwriting amount and pricing date basis  
Deals including straight bonds, investment corporation bonds, zaito institution bonds, municipal bonds (lead manager method only), samurai bonds and preferred securities, but excluding own debt  
Source: Prepared by Mizuho Securities based on data from Refinitiv

### Total equity underwriting worldwide (2020/4/1-2020/12/31)

Rank	Company Name	Amount (JPY bn)	Share (%)
1	Nomura Holdings	890.4	23.2
2	<b>Mizuho Financial Group</b>	<b>570.7</b>	<b>14.9</b>
3	Daiwa Securities Group	564.8	14.7
4	Sumitomo Mitsui Financial Group	517.6	13.5
5	BofA Securities	306.8	8.0

Based on underwriting amount and pricing date basis  
Deals including initial public offerings, public offerings, convertible bonds and REITs  
Source: Refinitiv

### M&A Advisory for announced deals (2020/4/1-2020/12/31)

Rank	Company Name	No. of transactions	Amount (JPY bn)
1	Mitsubishi UFJ Morgan Stanley Sec.	30	10,991.7
2	Nomura Sec.	69	10,643.6
3	Goldman Sachs	14	6,084.6
4	Deloitte	70	5,872.4
15	<b>Mizuho Financial Group</b>	<b>51</b>	<b>559.2</b>

Based on deal amounts  
Any Japanese related deals (excluding real estate deals)  
Source: Prepared by Mizuho Securities based on data from Refinitiv

### ABS lead manager (Prelim. figures) (2020/4/1-2020/12/31)

Rank	Company Name	No. of transactions	Amount (JPY bn)
1	<b>Mizuho Financial Group</b>	<b>113</b>	<b>1,001.0</b>
2	Sumitomo Mitsui Financial Group	21	466.1
3	Daiwa Securities Group	8	327.8
4	Mitsubishi UFJ Financial Group	17	290.4
5	Sumitomo Mitsui Trust Holdings	25	261.3

Based on deal amounts and settlement date basis  
Source: Prepared by Mizuho Securities based on data (as of 9:00am, Jan. 19, 2021) from Refinitiv  
(Preliminary figures prior to release)

## Major deals underwritten (FY20/Q3)

### DCM

#### Japan

- NTT FINANCE CORPORATION
- Asahi Group Holdings, Ltd.
- Seven & i Holdings Co., Ltd.
- Panasonic Corporation
- SoftBank Corp.
- Rakuten, Inc.
- East Japan Railway Company
- AEON CO.,LTD.
- Tokyu Fudosan Holdings Corporation
- Kyushu Electric Power Company, Incorporated
- TEPCO Power Grid, Incorporated
- Rakuten Card Co.,Ltd.
- Japan Housing Finance Agency.
- East Nippon Expressway Company Limited
- The University of Tokyo
- Aichi prefecture

#### Global

- Berkshire Hathaway Energy Co
- Boeing
- BP Capital Markets plc
- Cellnex Telecom SA
- China Development Bank Corp
- CODELCO
- Galaxy Pipeline Assets Bidco Ltd
- GLP Pte Ltd
- Iberdrola International BV
- Korea Development Bank - KDB
- MassMutual Global Funding II
- Mexico
- Ministry of Finance (China)
- Petroleos Mexicanos - PEMEX
- Toyota Motor Credit Corp
- Veolia Environment

### ECM

- SHIFT
- Japan Airlines Co., Ltd.
- Welbe, Inc.
- Shinnihonseiyaku Co., Ltd.
- PLAID, Inc.
- BALMUDA Inc.
- itsumo.inc.
- Yappli, Inc.
- Pirelli & C SpA

- SOSILA Logistics REIT, Inc.
- GLP j-REIT
- ENEX INFRASTRUCTURE INVESTMENT CORPORATION.
- Japan Infrastructure Fund Investment Corporation Investment Corporation
- MARUWA UNYU KIKAN CO.,LTD.
- McAfee Corp
- Airbnb Inc

## SDG bond and hybrid bond league tables

### SDG bonds

Rank	Company Name	Amount (JPY bn)	Share (%)
1	Mizuho Sec.	490.0	28.9
2	Mitsubishi UFJ Morgan Stanley Sec.	323.9	19.1
3	SMBC Nikko Sec.	305.9	18.0
4	Nomura Sec.	290.0	17.1
5	Daiwa Sec.	247.4	14.6

Total 1,697.9 100.0

Source: Prepared by Mizuho Securities based on data from Refinitiv

### Corp. hybrid bonds

Rank	Company Name	Amount (JPY bn)	Share (%)
1	Mizuho Sec.	504.4	36.1
2	Daiwa Sec.	226.5	16.2
3	SMBC Nikko Sec.	220.7	15.8
4	Nomura Sec.	204.8	14.7
5	Mitsubishi UFJ Morgan Stanley Sec.	196.8	14.1

Total 1,395.5 100.0

Source: Prepared by Mizuho Securities based on data from Refinitiv



# Business segments—Retail & Business Banking (R&BB)

## I. Asset inflow

- FY20 Q3 cumulative **JPY 1.7967 trillion** (64% increase YoY), **exceeding JPY 1 trillion for 6th year in a row**

## II. Equity investment trusts

- Achieved definitive progress on “global equities strategy” (themes: long-term, diversified, and ongoing)
  - Bal. as of end of Dec. 2020: **JPY 4.2 trillion** (+JPY 1.8 trillion (+79%) vs end of Mar. 2020)
  - Net increase\*1: FY20 Q3 cumulative **JPY 445.4bn** (+281% YoY) (**net increase for 7<sup>th</sup> Qtr. in a row**)
  - Global equities strategy funds\*2 balance: **JPY 3.5 trillion and built-in gains (net unrealized gains/losses + realized gains losses) of JPY 1.4 trillion** (based on Jan. 21)
  - Holding period\*3 has increased to **3.99 years** (as of end of Dec. 2020) representing an increase of **1.6 years** vs end of Mar. 2016
  - KPI-based ratio of clients according to managed asset P/L\*4 as of end of Dec. 2020: **88%** with P/L of 0% or better
- Stable revenue ratio\*5 **jumped to 23.2%** (as of FY20 Q3) representing a **10.7% increase** vs FY16 Q1

## III. IPOs

- Number of lead manager deals FY20 Q3 (cumulative): 14 (No. 2 in the industry)
  - Of those, **7** were IPOs with Mkt. Cap. of at least JPY 10bn (No.1 in the industry)
- Underwriting: FY20 Q3 (cumulative) **JPY 47.8bn** (+JPY 22.3bn YoY) (No. 3 in the industry)

## IV. Client service enhancements

- First in the industry to be awarded an “S+”** by Rating and Investment Information, Inc. (“R&I”) ratings for “client-first” investment trust sales approach\*6
- For the **fourth year in a row**, granted COPC® CX CSP\*7 certification by US-based COPC
- Awarded the “**excellence in operations**” award by the Contact Center Awards 2020\*8
- Awarded **2nd Place** in the 59th Japan Call Center Competition\*9

Fig. 1 Shift in asset inflow

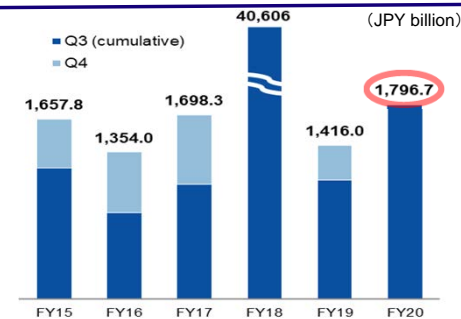


Fig. 3 Incr. Bal. and built-in gains

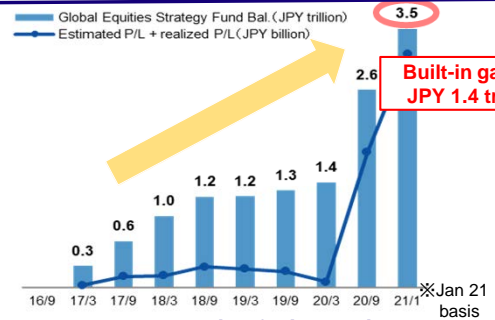


Fig. 5 KPI-based ratio of clients with managed asset P/L of 0% or better\*4 (Invst. trusts)

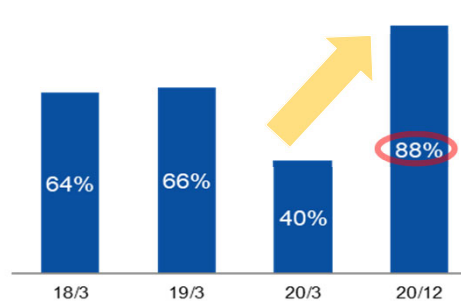


Fig. 2 Shift in equities & wrap Accts. (Mizuho's share)

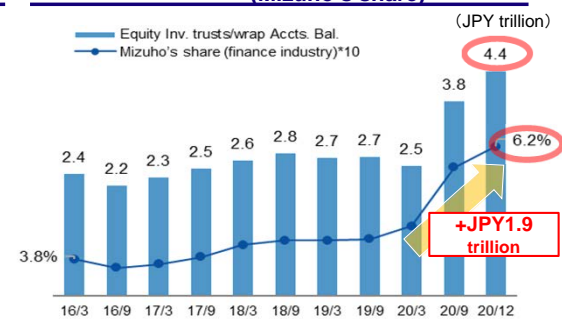


Fig. 4 Holding period\*3

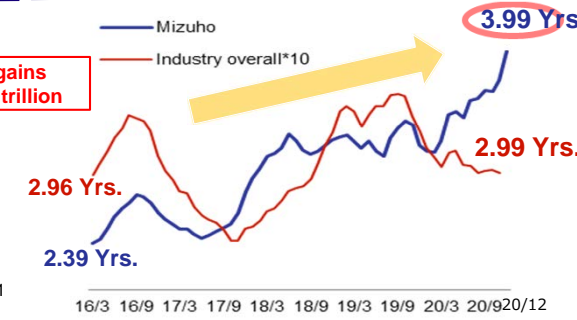
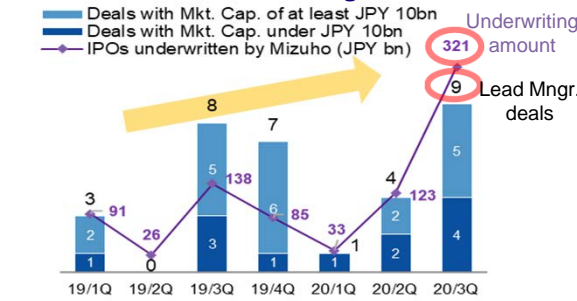


Fig. 6 Number of lead manager IPOs & underwriting amount

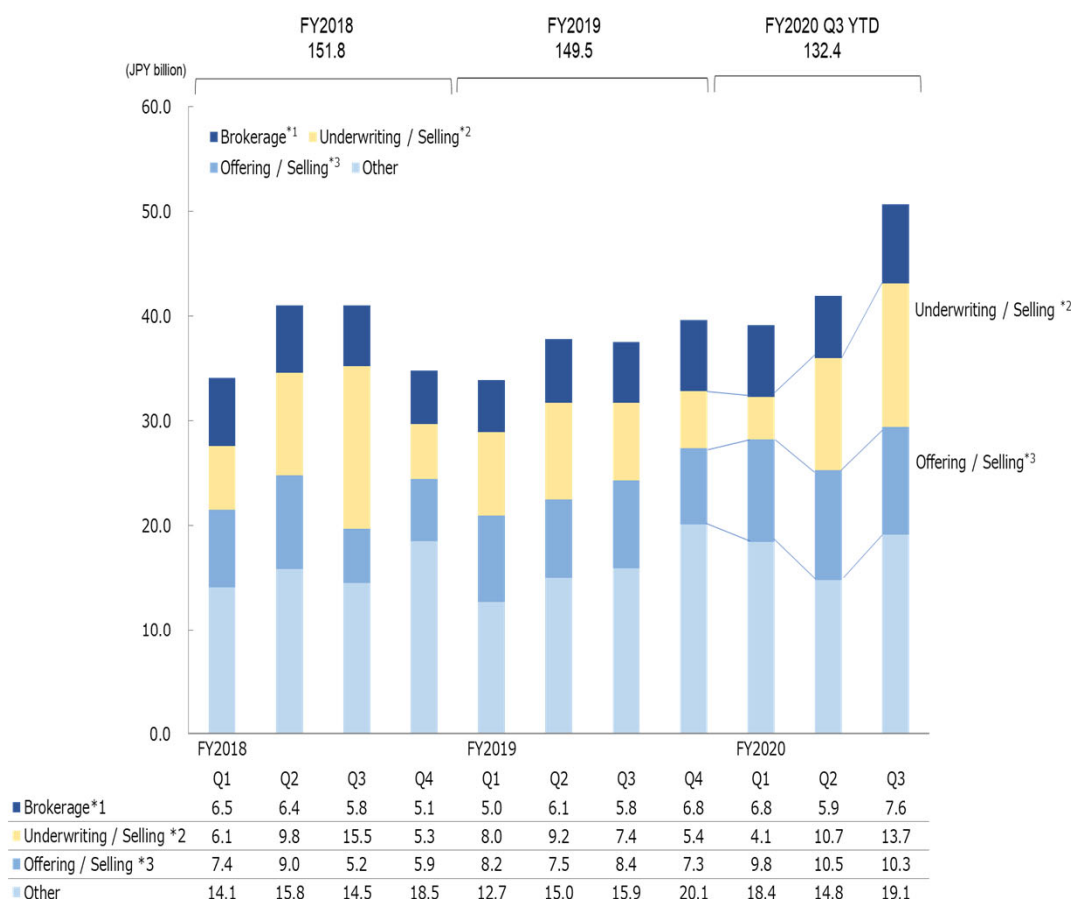


\*1 Incl. reinvested dividends. \*2 Sixteen investment funds investing in global emerging markets and US equities (targeting 15 funds from Oct. 2020). \*3 Calculated by dividing average holdings balance over past year by amount of cancellations and redemptions (having reached maturity). \*4 Calculated based on Japan's Financial Services Agency's common-use KPI (ratio of clients according to revenue generated from investment trusts and fund wrap Accts). \*5 "Stable revenue ratio" is calculated by dividing R&BB Div.'s stable revenue (investment trust brokerage fees & revenue from fund wrap accounts) by expenses. \*6 R&I's "Client-first" Investment Trust Sales Company Evaluations ("Evaluations") represent R&I's opinions regarding fiduciary duty-related initiatives of sales companies engaged in sales of investment trusts and are not statements of fact. Although the information used by R&I to make Evaluations has been deemed credible by R&I at its own discretion, R&I has not independently verified the accuracy of such information. The accuracy and completeness of such evaluations are not guaranteed by R&I and R&I does not endorse the purchase, sale, or holding of specified financial instruments nor guarantee their future performance. Intellectual property rights, including copyrights and all other rights relating to Evaluations, are the sole property of R&I and any unauthorized copying or other means of reproduction are strictly prohibited. \*7 COPC Standards are international quality assurance standards for contact centers with certification granted only to those organizations which have achieved excellent performance and have realized incomparably high levels of customer satisfaction. \*8 The "Contact Center Awards" was launched in 2004 by Ric Telecom which publishes the trade journal "Call Center Japan." \*9 Competition sponsored by the Japan Telecom Users Association (JTUA) recognizing excellence in business-related call center performance. \*10 Calculated based on statistics from The Investment Trusts Association, Japan's "Changes in Assets of Publicly Offered Open-Type Stock Investment Trusts" (Excl. ETFs).

# Non-consolidated accounting topics

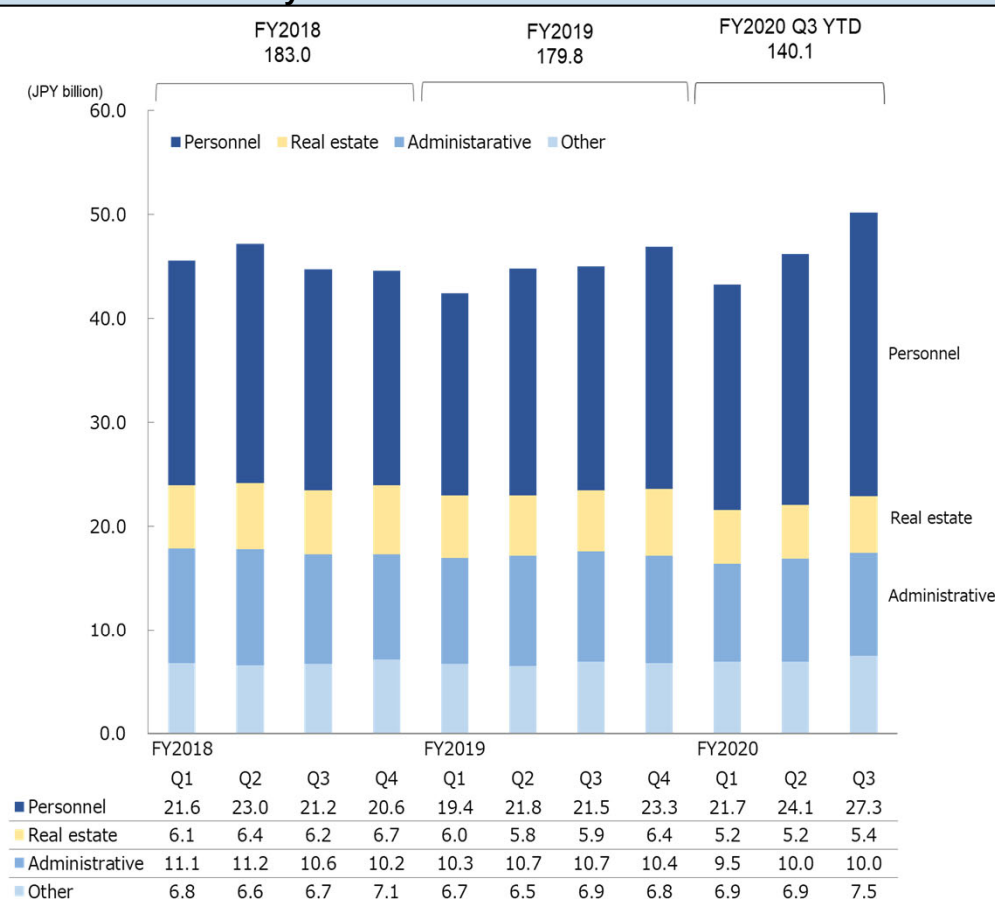
## Commissions & fees

- Underwriting and sales commissions/fees rose in response to growing need for corporate financing during corona pandemic
- Stock and investment trust brokerage fees rose in response to increased asset management needs of investors



## SG&A expenses (Excl. transaction-related)

- SG&A expenses (Excl. transaction-related expenses) show gradual decline in light of reduced real estate and office expenses thanks to successful structural reforms thus far
  - Ignoring performance-based outlays, personnel expenses as well basically remained flat



\*1 "Brokerage commissions" is described as "Brokerage"

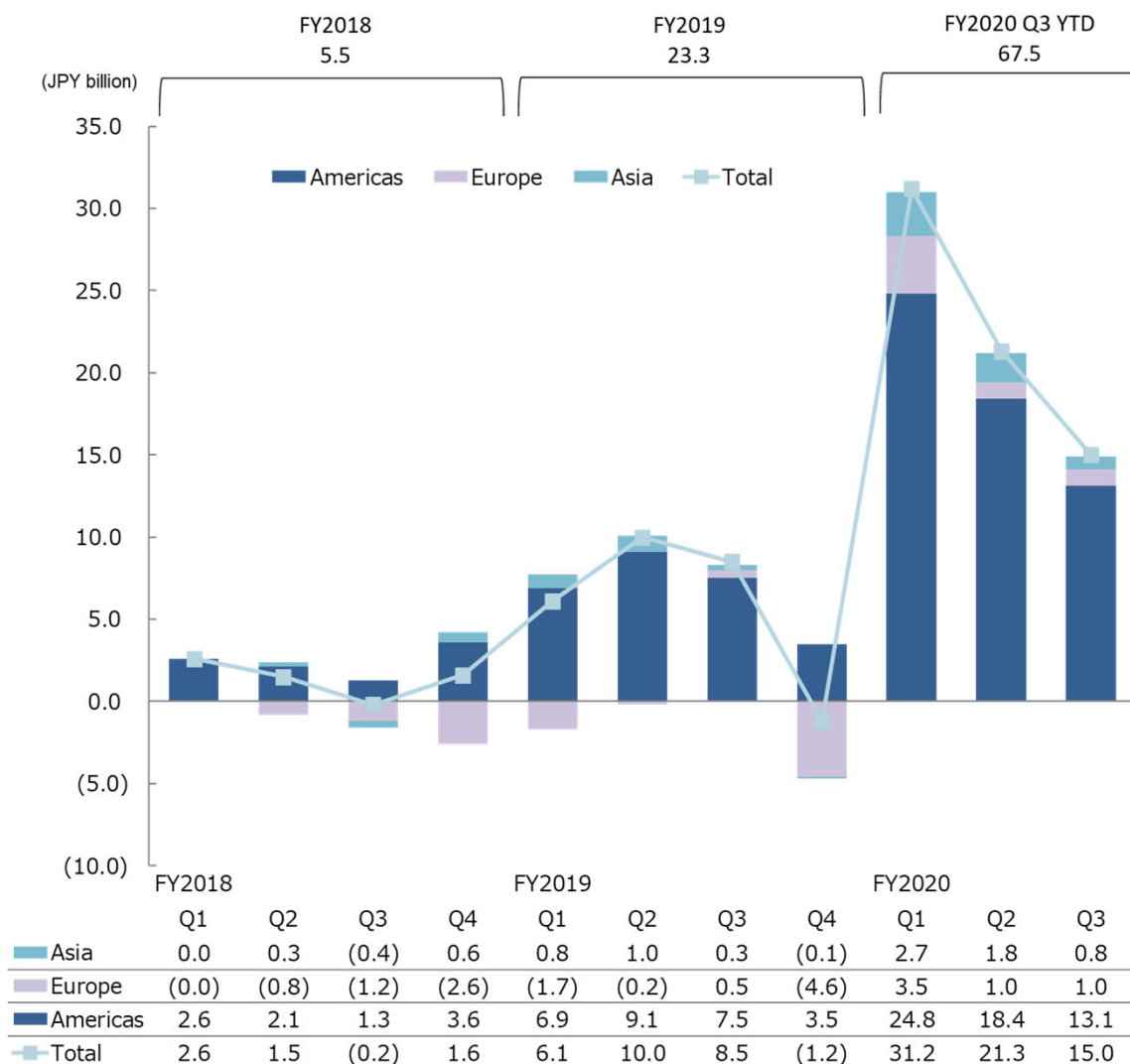
\*2 "Underwriting and selling fees and commissions from solicitation to qualifying investors" is described as "Underwriting / Selling"

\*3 "Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors" is described as "Offering / Selling"



# Ordinary income\*—Overseas entities

## Ordinary income of overseas entities by region



## Ordinary income of overseas entities by region

- Ordinary income declined QoQ as bond-issuance (which previously experienced worldwide boom at the beginning of the year) began to cool.
- Yet overall level remained high
- Americas
  - In the Americas, despite decline in DCM ordinary income, equities business and derivatives business (both of which have remained strategic focus thus far) served as driving force for ordinary income
  - Maintained high rankings across primary market league tables
    - US DCM league tables: 8th place (IG bonds)
    - US ECM league tables: 16th place
- Europe
  - Business remained strong in Europe, primarily led by DCM and credit trading

\*Figures for the above graph are those calculated on an internal management basis prior to subtracting internal transaction figures.

Note that ordinary income for "Americas" includes that of our US entities (such as MSUSA, etc.) which are not consolidated subsidiaries of Mizuho Securities.

# Reference Data

# Commissions & fees and SG&A expense—Consolidated

(JPY billion)

Commissions & fees	FY2019				FY2020					YoY Change
	Q1	Q2	Q3	YTD	Q1	Q2	Q3	QoQ Change	YTD	
Equities	9.4	10.9	11.1	31.5	10.6	13.6	20.0	+6.3	44.4	+12.9
Brokerage commissions	6.0	7.0	7.2	20.2	7.8	7.0	8.8	+1.7	23.7	+3.4
Underwriting and selling fees and commissions <sup>*1</sup>	2.5	2.6	2.6	7.8	0.4	4.8	7.8	+2.9	13.0	+5.1
Offering, selling, and other commissions and fees <sup>*2</sup>	0.0	0.5	0.1	0.8	0.0	0.6	1.7	+1.0	2.3	+1.5
Other commissions and fees	0.7	0.7	1.0	2.5	2.3	1.1	1.7	+0.5	5.2	+2.7
Bond	10.4	12.0	10.2	32.7	8.7	10.8	11.8	+0.9	31.5	(1.1)
Brokerage commissions	0.2	0.2	0.2	0.6	0.2	0.2	0.2	(0.0)	0.8	+0.1
Underwriting and selling fees and commissions <sup>*1</sup>	6.1	8.0	5.4	19.6	4.4	7.0	7.9	+0.9	19.4	(0.2)
Offering, selling, and other commissions and fees <sup>*2</sup>	2.2	2.8	3.2	8.4	2.7	2.7	2.4	(0.3)	8.0	(0.4)
Other commissions and fees	1.7	0.9	1.3	3.9	1.3	0.7	1.2	+0.4	3.2	(0.6)
Beneficiary certificates	11.4	10.3	11.4	33.2	14.3	16.1	16.2	+0.1	46.7	+13.4
Brokerage commissions	0.1	0.1	0.0	0.2	0.2	0.1	0.1	+0.0	0.4	+0.1
Offering, selling, and other commissions and fees <sup>*2</sup>	7.0	5.7	6.7	19.5	9.6	10.3	9.7	(0.6)	29.7	+10.1
Agency commissions	4.3	4.4	4.5	13.4	4.5	5.6	6.4	+0.8	16.6	+3.1
Other	5.8	8.5	8.3	22.7	8.5	6.4	7.9	+1.5	23.0	+0.2
Fees on Insurance Business Related	0.0	0.0	0.0	0.2	0.0	0.0	0.0	+0.0	0.2	(0.0)
Fees on Wrap Accounts Services	0.7	0.7	0.7	2.3	0.6	0.6	0.6	(0.0)	1.9	(0.3)
Financial advisory Fee - M&A	1.9	2.5	3.9	8.4	3.6	1.3	1.9	+0.6	6.9	(1.4)
Financial advisory Fee - Structured Finance	1.2	2.1	1.4	4.8	2.5	1.7	2.7	+1.0	7.0	+2.2
Financial advisory Fee - Other consulting	0.8	1.1	0.6	2.5	0.8	1.4	1.2	(0.1)	3.5	+0.9
Other commissions and fees	1.0	1.7	1.5	4.3	0.8	1.2	1.1	(0.0)	3.2	(1.1)
<b>Total</b>	<b>37.2</b>	<b>41.8</b>	<b>41.1</b>	<b>120.2</b>	<b>42.4</b>	<b>47.1</b>	<b>56.2</b>	<b>+9.0</b>	<b>145.7</b>	<b>+25.4</b>

\*1 "Underwriting and selling fees and commissions from solicitation to qualifying investors" is described as "underwriting and selling fees and commissions".

\*2 "Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors" is described as "offering, selling, and other commissions and fees".

(JPY billion)

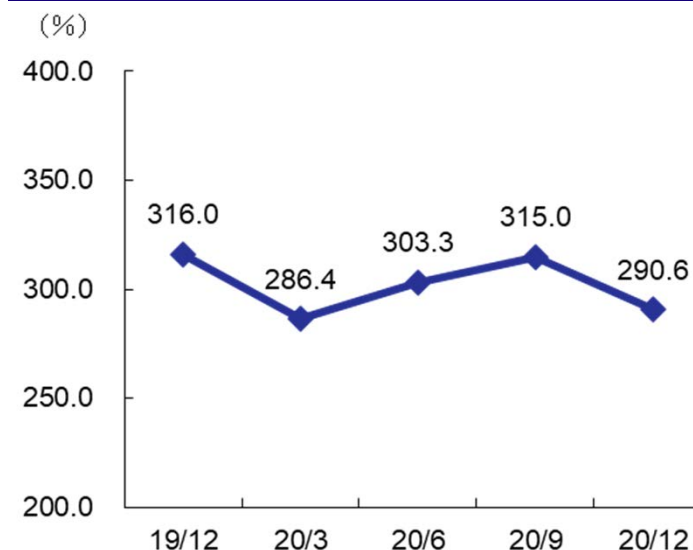
SG&A expenses	FY2019				FY2020					YoY Change
	Q1	Q2	Q3	YTD	Q1	Q2	Q3	QoQ Change	YTD	
Transaction-related	10.4	11.1	11.1	32.7	9.3	10.6	12.6	+2.0	32.5	(0.2)
Personnel	26.8	30.2	30.0	87.1	28.6	31.4	34.8	+3.4	94.9	+7.8
Real estate	7.5	7.1	7.6	22.3	6.5	6.6	6.9	+0.2	20.1	(2.2)
Administrative	6.6	6.5	6.5	19.7	7.4	7.4	7.7	+0.2	22.6	+2.9
Depreciation and amortization	7.0	7.4	8.0	22.5	7.0	7.3	7.0	(0.2)	21.4	(1.0)
Other	2.6	1.0	2.4	6.0	2.2	1.9	2.8	+0.8	7.0	+0.9
<b>Total</b>	<b>61.1</b>	<b>63.7</b>	<b>65.8</b>	<b>190.6</b>	<b>61.2</b>	<b>65.4</b>	<b>72.0</b>	<b>+6.6</b>	<b>198.8</b>	<b>+8.1</b>

# Balance sheet summary

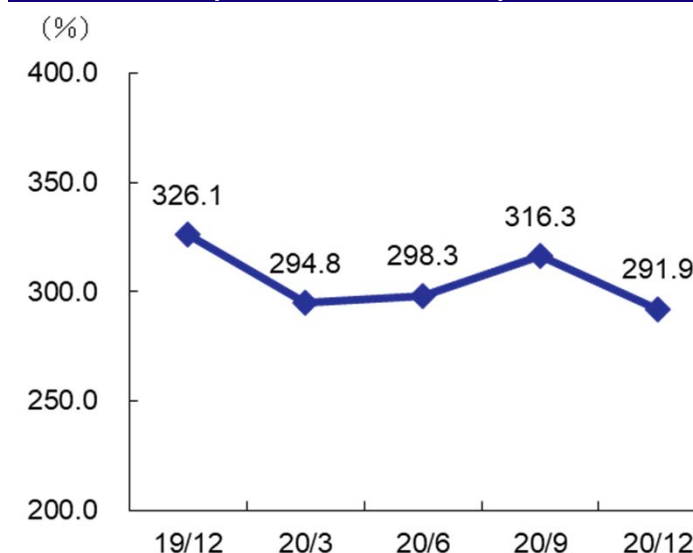
## Balance sheets (consolidated)

			(JPY billion)		
			2020	2020	
			Sep.	Dec.	
Assets			Liabilities		
<b>Total current assets</b>	18,347	16,660	<b>Total current liabilities</b>	16,826	15,120
Cash and bank deposits	374	525	Trading liabilities	7,084	6,240
Trading assets	10,093	8,380	Collateralized short-term financing agreements-receivable	7,031	5,976
Operating investment securities	71	74	Short-term borrowings	1,001	900
Collateralized short-term financing agreements-receivable	6,618	6,550	Commercial paper	297	334
<b>Total noncurrent assets</b>	217	223	<b>Total noncurrent liabilities</b>	812	806
Property and equipment	27	27	Bonds and notes	645	639
Intangible assets	86	88	Long-term borrowings	138	139
Investments and other assets	102	107	<b>Total liabilities</b>	17,641	15,929
Investment securities	60	62	<b>Net assets</b>		
			Total shareholders' equity	967	997
			Accumulated other comprehensive income	(45)	(45)
			Non-controlling interests	1	1
			<b>Total net assets</b>	923	954
<b>Total assets</b>	18,564	16,883	<b>Total liabilities and net assets</b>	18,564	16,883

## Capital adequacy ratio (consolidated)



## Capital adequacy ratio (non-consolidated)



# Profit and Loss Statement—Non-consolidated results

(JPY million)

	FY19					FY20			
	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q3	Q1	Q2	Q3
Operating revenues	354,192	74,896	96,862	87,541	94,891	290,450	83,434	100,049	106,967
Commissions	149,514	34,070	37,933	37,753	39,756	132,423	39,308	42,209	50,905
Brokerage commissions	23,881	5,051	6,117	5,868	6,844	20,427	6,814	5,998	7,614
Equities	23,263	4,926	5,979	5,755	6,601	19,948	6,580	5,877	7,489
Bonds	102	21	23	30	26	60	18	18	22
Underwriting and selling fees and commissions	30,166	8,032	9,206	7,429	5,498	28,681	4,195	10,716	13,769
Equities	10,086	2,413	2,254	2,501	2,917	10,838	358	4,173	6,306
Bonds	19,406	5,552	6,889	4,823	2,142	17,452	3,814	6,214	7,423
Offering, selling, and other commissions and fees	31,525	8,242	7,515	8,457	7,310	30,811	9,842	10,597	10,370
Beneficiary certificates	25,562	7,021	5,733	6,774	6,032	29,728	9,605	10,389	9,734
Other commissions and fees	63,940	12,744	15,094	15,998	20,103	52,504	18,455	14,897	19,150
Beneficiary certificates	18,156	4,372	4,485	4,596	4,702	16,611	4,561	5,609	6,440
Other (excl. equities and bonds)	24,898	4,734	6,794	6,868	6,501	19,422	7,573	5,009	6,839
Net gain on trading	111,981	20,401	29,767	30,556	31,256	104,110	28,761	32,976	42,371
Equities, etc.	40,262	5,385	10,219	13,690	10,966	48,231	12,104	15,919	20,207
Bonds, etc. and Others	71,719	15,015	19,548	16,865	20,289	55,878	16,657	17,056	22,164
Net gain (loss) on operating investment securities	2,621	1,293	870	386	71	1,071	305	(83)	849
Interest and dividend income	90,075	19,132	28,290	18,845	23,806	52,844	15,058	24,946	12,839
Interest expenses	82,590	16,759	28,167	15,582	22,081	40,050	11,666	19,730	8,653
Net operating revenues	271,602	58,137	68,695	71,959	72,809	250,400	71,768	80,318	98,313
SG&A expenses	237,737	55,177	58,511	61,946	62,103	192,908	58,966	63,575	70,367
Operating income	33,864	2,960	10,184	10,013	10,706	57,491	12,801	16,743	27,946
Non-operating income	4,744	2,863	615	642	622	3,559	2,632	692	235
Non-operating expenses	179	57	10	53	58	170	32	42	95
Ordinary income	38,429	5,766	10,789	10,601	11,270	60,880	15,401	17,393	28,085
Extraordinary gains	1,110	181	4	759	165	12,049	6,655	85	5,309
Extraordinary losses	2,860	261	203	94	2,301	1,844	740	846	258
Net income	29,210	4,717	7,557	10,384	6,551	61,472	17,587	14,415	29,470

\*“Underwriting and selling fees and commissions from solicitation to qualifying investors” and “offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors” are described as “underwriting and selling fees and commissions” and “offering, selling, and other commissions and fees,” respectively.

# Product sales and number of accounts—Non-consolidated

	(JPY billion)						
	FY2019				FY2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Equity sales	69	39	26	26	2	153	105
Foreign bond sales	164	207	277	273	120	199	225
Japan domestic bond sales	272	283	352	275	2	11	302
Equity investment trust sales	263	205	257	235	346	371	351
*R & BB Division figures							
	(Thousand account)						
	19/6	19/9	19/12	20/3	20/6	20/9	20/12
Cash management accounts	1,785	1,790	1,801	1,812	1,815	1,818	1,828
Online trading accounts	1,254	1,263	1,281	1,298	1,304	1,315	1,332
Number of new client accounts (R & BB Division)	18	18	26	24	12	19	24
New NISA accounts	354	354	353	353	353	353	353
	FY2019				FY2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
% of # of transactions traded online (equities)	56.5%	55.1%	58.0%	61.8%	64.9%	64.4%	63.4%
% of transaction value traded online (equities)	16.2%	20.9%	16.4%	27.8%	9.8%	20.4%	21.4%



# Market share and assets under management—Non-consolidated

		(JPY billion)						
		FY2019				FY2020		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3
Equity trading volume	Total	10,714	11,662	13,000	13,254	13,809	11,913	14,342
	Dealing	4,355	5,792	5,601	5,748	4,962	4,972	6,123
	Brokerage	6,359	5,870	7,398	7,505	8,846	6,941	8,218
Share in TSE		3.19%	3.40%	3.35%	3.07%	2.79%	3.06%	3.33%
Underwriting	Equities	68	73	37	46	3	158	125
	Bonds	1,959	2,309	2,030	1,271	1,829	2,484	2,380
Distribution	Equities	78	86	70	104	10	167	147
	Bonds	1,324	1,837	1,390	871	1,188	1,723	1,625
	Investment Trusts	1,384	1,355	1,614	1,476	985	1,667	1,714

		(JPY billion)						
		19/6	19/9	19/12	20/3	20/6	20/9	20/12
AUM		45,737	46,322	48,213	42,317	45,050	47,494	49,403
Equities		26,072	26,515	28,056	23,087	24,979	26,893	27,783
Bonds		13,864	13,985	13,985	13,671	13,882	13,759	13,810
Investment trusts		5,257	5,297	5,630	4,958	5,534	6,192	6,984
Others		543	524	541	599	654	648	825
R & BB AUM		40,938	41,232	43,417	37,637	40,596	42,653	44,451
Equities		23,354	23,535	25,254	20,365	22,540	24,078	24,924
Bonds		12,502	12,618	12,684	12,374	12,473	12,335	12,468
Investment trusts		4,932	4,943	5,327	4,712	5,471	5,954	6,749
Net inflow of client assets (R & BB Division)		435	169	489	321	1,142	301	352

# Number of employees and offices

	19/6	19/9	19/12	20/3	20/6	20/9	20/12
Consolidated number of employees	10,318	10,196	9,779	9,662	9,866	9,849	9,741
Non-consolidated	7,812	7,684	7,575	7,397	7,592	7,554	7,464
Domestic affiliate companies	702	675	338	323	292	265	259
Overseas subsidiaries	1,804	1,837	1,866	1,942	1,982	2,030	2,018
Number of offices	269	269	267	266	264	254	252
Japan	259	259	258	256	254	244	242
Overseas (Rep. offices and subsidiaries)	10	10	9	10	10	10	10

\*Figures for number of employees and number of offices include those of Mizuho Securities USA (996 employees as of the end of Jun. 2019, 1,050 employees as of the end of Sep. 2019, 1,082 employees as of the end of Dec. 2019, 1,132 employees as of the end of Mar. 2020, 1,153 employees as of the end of Jun. 2020 , 1,182 employees as of the end of Sep. 2020, 1,177 employees as of the end of Dec. 2020).