

Mizuho Markets Americas LLC

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## Statement of Financial Condition

September 30, 2025

(Unaudited)



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**Contents**

Statement of Financial Condition .....	1
Notes to Statement of Financial Condition .....	2

## Mizuho Markets Americas LLC

### Statement of Financial Condition

*(In Thousands of U.S. dollars)*

*(Unaudited)*

#### **Assets**

Cash and cash equivalents	\$	560,216
Securities purchased under agreement to resell		520,974
Securities borrowed		4,716,440
Securities owned, at fair value (including securities pledged of \$3,735,536		4,167,335
Derivatives		386,767
Receivables from brokers/dealers, clearing organizations and customers		199,486
Other assets		<u>5,952</u>
<b>Total assets</b>	<b>\$</b>	<b><u>10,557,170</u></b>

#### **Liabilities and member's equity**

Securities loaned	\$	4,407,095
Securities sold, not yet purchased, at fair value		4,044,824
Derivatives		1,436,648
Payables to brokers/dealers, clearing organizations and customers		221,094
Accrued expenses and other liabilities		<u>34,527</u>
<b>Total liabilities</b>	<b>\$</b>	<b><u>10,144,188</u></b>

Subordinated borrowing		130,000
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Member's equity		<u>282,982</u>
<b>Total liabilities and member's equity</b>	<b>\$</b>	<b><u>10,557,170</u></b>

*The accompanying notes are an integral part of the Statement of Financial Condition*

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**1. Organization and Description of Business**

Mizuho Markets Americas LLC (the “Company”), a Delaware limited liability company, is a wholly owned subsidiary of Mizuho Americas LLC (“MHA”). MHA is an intermediate holding company in the U.S., which is wholly-owned by Mizuho Bank Ltd (“MHBK”) and ultimately wholly owned by Mizuho Financial Group, Inc. (“MHFG”). MHFG is a holding company listed on the Tokyo, Osaka, and New York Stock Exchanges that provides comprehensive financial services through its subsidiaries. The Company participates in the purchase and sale of equity derivatives and is registered with the Securities and Exchange Commission (“SEC”) as an Over-the-Counter derivatives dealer.

The Company’s operations are managed by an affiliated entity, Mizuho Securities USA LLC (“MSUSA”). MSUSA’s activities include securities and futures brokerage, origination and trading of debt and equity securities, and mergers and acquisitions advisory services. As part of this arrangement, the Company and MSUSA utilize common personnel and facilities with applicable reimbursement arrangements.

**2. Summary of Significant Accounting Policies**

*Basis of presentation*

The Statement of Financial Condition is presented in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”).

*Use of estimates*

The preparation of the Statement of Financial Condition in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts and related disclosures. Specific areas, among others, requiring the application of management’s estimates and judgment pertain to certain fair value measurements, valuation of current and deferred income taxes and provisions for losses that may arise from litigation and regulatory proceedings. Actual results could differ from those estimates.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**2. Summary of Significant Accounting Policies (continued)**

*Cash and cash equivalents*

The Company defines cash equivalents as highly liquid investments with initial maturities of three months or less, that are not used for trading purposes.

*Fair value measurements*

The Company reports certain assets and liabilities at fair value on the Statement of Financial Condition in accordance with Accounting Standards Codification (“ASC”) 820, *Fair Value Measurements and Disclosures* (“ASC 820”).

*Credit Losses*

The Company accounts for estimated credit losses on financial assets measured at an amortized cost basis in accordance with ASC 326, Financial Instruments – Credit Losses (“ASC 326”). ASC 326 requires the Company to estimate expected credit losses over the life of its financial assets and certain off-balance sheet exposures as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts. The Company calculated estimated credit losses for the six months ended September 30, 2025, and the calculation did not have a material impact on its Statement of Financial Condition. The Company continually reviews the credit quality of its counterparties and has not experienced any significant defaults.

*Securities transactions*

Securities owned and securities sold, not yet purchased, are recorded on a trade date basis at fair value. Fair value is generally based upon quoted market prices, when available. When quoted market prices are not available, the Company uses other market data, such as transacted prices for the same or similar securities.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**2. Summary of Significant Accounting Policies (continued)**

*Collateralized agreements*

The Company's collateralized agreements include securities purchased under agreements to resell ("resale agreements"), securities sold under agreements to repurchase ("repurchase agreements"), and securities borrowed and loaned transactions. Resale agreements or repurchase agreements are collateralized by U.S. government securities, municipal securities, and corporate debt. The Company records resale and repurchase agreements at contract price, plus accrued interest. The amounts reported for resale and repurchase agreements approximate fair value as these are generally short term in nature and interest rate movements have not resulted in a material change in fair value.

It is the Company's general policy to obtain possession of collateral with a market value equal to or in excess of the principal amount loaned under resale agreements. The Company reviews collateral daily to ensure that the market value of the underlying collateral remains sufficient, and when appropriate, may require counterparties to deposit additional collateral or return collateral pledged. In the same manner, the Company provides securities to counterparties in order to collateralize repurchase agreements.

Securities borrowed and loaned transactions are generally recognized on the Statement of Financial Condition except where other securities are used as collateral. When the Company acts as a lender in a securities lending agreement and receives collateral in the form of securities that can be re-pledged or sold, it recognizes securities received as collateral and a corresponding obligation to return securities received as collateral at fair value in the Statement of Financial Condition. At September 30, 2025, the Company had no such transactions.

In securities borrowed transactions, the Company is required to deposit cash or other collateral with the lender in an amount generally in excess of the market value of securities borrowed. In securities loaned transactions, the Company receives collateral in the form of cash or securities in an amount generally in excess of the market value of securities loaned. The Company monitors the market value of securities borrowed and loaned on a daily basis and obtains or returns additional collateral as necessary.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**2. Summary of Significant Accounting Policies (continued)**

*Derivative financial instruments*

The Company recognizes all derivative financial instruments in the Statement of Financial Condition as either assets or liabilities at fair value. Transactions in derivative instruments are recorded on a trade date basis. In accordance with ASC 815, *Derivatives and Hedging* (“ASC 815”), the Company nets certain derivative contracts with the same counterparty and eligible collateral in the Statement of Financial Condition. The Company does not apply hedge accounting as defined in ASC 815. Therefore, certain of the disclosures required under ASC 815 are generally not applicable with respect to these financial instruments.

*Foreign exchange*

Assets and liabilities denominated in foreign currencies are revalued into U.S. dollars using the spot foreign exchange rate at the date of the Statement of Financial Condition.

*Income taxes*

The Company accounts for income taxes in accordance with ASC 740, *Income Taxes* (“ASC 740”). ASC 740 prescribes the method to account for uncertainty in income tax positions taken or expected to be taken in a tax return by applying a “more-likely-than-not” (“MLTN”) criteria as to whether a tax position will be sustained upon examination, based on the technical merits of the position. Accordingly, the Company assesses this likelihood based on the facts, circumstances, and information available at the end of each period. A tax position that meets the MLTN recognition threshold is measured initially and subsequently as the largest amount of tax benefit that will likely be realized upon settlement with a taxing authority that has full knowledge of all the relevant information. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. The Company recognizes the current and deferred tax consequences of all transactions in the Statement of Financial Condition using the provisions of the currently enacted tax laws.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**2. Summary of Significant Accounting Policies (continued)**

***Recent accounting pronouncements***

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740). The amendments in this ASU apply to all entities that are subject to Topic 740, Income Taxes. The main provisions of the amendments in this ASU require that public business entities disclose additional information, qualitative and/or quantitative, in the effective tax rate reconciliation and income tax paid on an annual basis. In addition, the amendments update other disclosures, including the elimination of requirement disclosing possible change in the unrecognized tax benefits balance in the next 12 months; and the elimination of disclosing certain deferred tax liability because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries and corporate joint ventures. This ASU will be applicable for the Statement of Financial Condition issued for fiscal years beginning after December 15, 2024. The Company plans to adopt the ASU for the annual reporting period beginning on April 1, 2025, with no material impact on the Statement of Financial Condition.

**3. Collateralized Agreements**

The Company enters into securities financing agreements to, among other things, acquire securities to cover short positions and settle other securities obligations, to accommodate customers' needs and to finance its inventory positions.

In accordance with ASC 210, the Company offsets repurchase and resale agreements as well as securities borrowed and securities loaned on the Statement of Financial Condition with the same counterparty where they have a legally enforceable master netting agreement and all criteria for netting have been met.



**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**3. Collateralized Agreements (continued)**

The following tables present collateralized agreements on both gross and net basis at September 30, 2025:

	(a)	(b)	(c)=(a)-(b)	(d)	(e)=(c)-(d)
	Gross Amounts	Gross Amounts Offset in the Statement of Financial Condition (1)	Net Amounts Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition (2)	Net Amount
<b>Assets</b>					
Securities borrowed	4,716,440	-	4,716,440	4,716,440	-
Securities purchased under agreement to resell	520,974	-	520,974	520,974	-
<b>Liabilities</b>					
Securities loaned	4,407,095	-	4,407,095	4,407,095	-

- (1) Amounts relate to master netting agreements, which have been determined by the Company to be legally enforceable in the event of default and where certain other criteria are met in accordance with applicable offsetting guidance or clearing organization agreements.
- (2) For some counterparties, the financial instruments and collateral not net on the Statement of Financial Condition may exceed the net asset recognized. Where this is the case, the total amounts reported in this column are limited to the balance of the net assets/liabilities recognized.

The following table presents the Company's gross obligation disaggregated by the class of collateral pledged and the remaining maturity of securities loaned at September 30, 2025:

	<b>Remaining Contractual Maturity of Agreements</b>		
	<b>Open</b>	<b>Overnight</b>	<b>Total</b>
<b>Securities loaned</b>			
<i>Collateral pledged:</i>			
Equities	\$ 4,407,095	\$ -	\$ 4,407,095
Total	\$ 4,407,095	\$ -	\$ 4,407,095

At September 30, 2025, the Company had obtained securities as collateral with a fair value of \$520,974, which could be re-pledged under secured financing agreements. To satisfy MMA's collateral requirements with clearinghouses and other counterparties, \$520,666 of such securities was re-pledged.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**4. Derivative Financial Instruments**

The Company transacts in derivative instruments to meet the financing and hedging needs of customers and to manage exposures to market and interest rate risk in connection with normal trading activities. These derivative instruments mainly include equity forwards, total return swaps, option contracts and futures contracts. These instruments involve, to varying degrees, elements of credit, interest rate, and currency risk.

Equity forwards consist of a delayed delivery of equity securities at a specified future date and price. Such equity forwards are bilateral and face the counterparty directly.

Total return swap contracts include payments based on a set rate in exchange for a return on an underlying stock or equity index.

Option contracts include OTC and exchange-traded options. Option contracts allow the holder to purchase or sell financial instruments for cash at a specified price and within a specified period of time. When the Company is a seller of options, the Company receives a premium at the outset and then bears the risk of unfavorable changes in the price of the financial instruments underlying the option. OTC options consist primarily of call spreads. A call spread overlay is the use of the call spread option strategy by issuers of convertible bonds. By overlaying a call spread option over a convertible bond the issuer can synthetically alter the exercise price of the convertible bond. The call spread is a relatively simple derivative structure that can alter the structure of a convertible bond from the perspective of the issuer.

Futures contracts are exchange traded and cash settlement is made on a daily basis for market movements.

*Offsetting assets and liabilities*

For those derivative activities transacted under legally enforceable master netting agreements, the Company has the right, in the event of default by the counterparty, to liquidate collateral and to offset receivables and payables with the same counterparty. For purposes of the Statement of Financial Condition, and in accordance with ASC 210-20, *Offsetting*, and ASC 815, *Derivatives and Hedging*, the Company offsets derivatives assets, liabilities, and cash collateral, except on initial margin, held with the same counterparty where it has such a legally enforceable master netting agreement.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**4. Derivative Financial Instruments (continued)**

The following table summarizes the notional and fair value amounts of derivative instruments outstanding at September 30, 2025. Fair value balances are presented net of derivative valuation adjustments, but prior to the application of counterparty and cash collateral netting. Total derivative assets and liabilities on the Statement of Financial Condition are adjusted on an aggregate basis to take into effect the legally enforceable master netting agreements with netting due to cash collateral received or paid.

	Notional amount	Fair value	
		Derivative receivables	Derivative payables
Option Contracts	\$ 44,610,406	\$ 905,276	\$ 2,482,661
Equity Forwards	5,646,133	264,671	322,163
Total Return Swaps	4,713,966	160,930	81,466
Interest Rate Swaps	460,000	618	277
Equity Variance Swaps	4,150	104	5,544
<b>Offset in the Statement of Financial Condition</b>			
Less: Counterparty Netting (1)		(859,929)	(859,929)
Less: Cash Collateral Netting (2)		(84,903)	(595,534)
<b>Derivatives</b>	<b>\$ 55,434,655</b>	<b>\$ 386,767</b>	<b>\$ 1,436,648</b>
Less: Amounts not offset in the Statement of Financial Condition (3)		110,294	309
<b>Total net derivative receivables/payables</b>	<b>\$ 55,434,655</b>	<b>\$ 276,473</b>	<b>\$ 1,436,339</b>

- (1) Amounts relate to the netting of derivative receivable and payable balances with the same counterparty under enforceable netting agreements.
- (2) Amounts relate to the netting of cash collateral paid and received by counterparties under enforceable credit support agreements with appropriate legal opinion supporting enforceability of netting. Substantially all netting of cash collateral received and paid is against OTC derivative assets and liabilities, respectively.
- (3) For some counterparties, the financial instruments and collateral not net on the Statement of Financial Condition may exceed the net asset/liability recognized. Where this is the case, the total amounts reported in this row are limited to the balance of the net assets/liabilities recognized.

# **Mizuho Markets Americas LLC**

## **Notes to Statement of Financial Condition (continued)**

*(In Thousands of U.S. dollars)*

*(Unaudited)*

### **5. Risk Management**

Risk is an inherent part of the Company's business and activities. The Company has established risk management policies and procedures to measure and monitor each of the various types of significant risks. The Company's ability to properly and effectively identify, assess, monitor, and manage its risk is critical to the overall execution of the Company's strategy and its profitability.

Risk management at the Company requires independent Company-level oversight. Effective risk practices are carried out through constant communication, exercise of professional judgement, and knowledge of specialized products and markets. The Company's senior management takes an active role in the identification, assessment, and management of risks at the Company level.

#### *Credit risk management*

Credit risk is the risk of loss resulting from a counterparty's failure to meet its obligations. The Company is engaged in various trading and brokerage activities with brokers/dealers, banks, and other institutions. The risk of default depends on the creditworthiness of the counterparty. It is the Company's policy to manage credit risk based on the risk profile of the borrower or counterparty, repayment sources, the nature of underlying collateral, and other support given current events, conditions, and expectations. The credit risk for derivatives is limited to the unsettled fair valuation gains recorded in the Company's Statement of Financial Condition. With respect to collateralized financing transactions, the Company continually monitors the value and adequacy of the collateral pledged by its counterparties.

In addition, the Company enters into netting agreements to mitigate the credit risk and reduce the maximum amount of loss. For financial and non- financial institutions with which collateral agreements have not been established, the Company assumes the counterparty risk. However, some of those counterparties provide a parent guarantee under an ISDA Master Agreement or letters of credit to manage the Company's credit risk.

Management believes the risk of credit loss from counterparties' failure to perform in connection with collateralized trading activities is low. There was no credit risk that had a material impact on the Company's Statement of Financial Condition.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**5. Risk Management (continued)**

The distribution of the Company's credit risk (excluding transactions with affiliates and clearinghouses) by region and by using the lower of Standard & Poor's, Moody's or equivalent rating category was as follows:

<b>Region</b>		<b>Carrying Value</b>
North America	99.98 %	\$ 161,510
Europe	0.02 %	33
Others	0.00 %	3
<b>Credit ratings</b>		
A/A-/A+	23.87 %	
BBB/BBB-/BBB+	74.17 %	
BB/BB-/BB+	1.96 %	

*Market risk management*

Market risk is the potential loss the Company may incur as a result of changes in the market value of a particular instrument. All financial instruments, including derivatives and securities, are subject to market risk. The Company's exposure to market risk is determined by a number of factors, including the size, duration, composition, and diversification of positions held, the absolute and relative levels of equity prices, interest rates, foreign currency exchange rates, market volatility and liquidity. The Company manages market risk primarily by setting and monitoring market risk limits, scenario analysis (for historical events, as well as, potential adverse market conditions), review and analysis of large potential trades, regular review of the desk level portfolio and firm wide exposures to various risk factors, including hedging its exposure to risk factors. The Company does not take inventory risk on its balance sheet; hence market risk does not arise.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**5. Risk Management (continued)**

*Liquidity risk management*

Liquidity risk is the risk that an institution's financial condition or overall safety and soundness is adversely affected by the inability, or perceived inability to meet its contractual, including contingent, obligations. The Company's potential risks remain that its liquidity, business activities and profitability may be adversely affected by inability to access the debt capital market and funds from its affiliates or to sell assets during periods of market-wide or firm-specific liquidity constraints. This situation may arise due to circumstances unrelated to its businesses such as current geopolitical or macroeconomic conditions and hence outside of its control. The objective of liquidity risk management is to maintain a sufficient amount of liquidity and diversity of funding sources to allow an institution to meet obligations in both stable and adverse conditions using liquidity stress models. The Company manages liquidity risk mainly through its Treasury function and has established policies and strategies to identify, manage and report on liquidity risk.

*Non-Financial risk management*

Non-Financial risk is the risk of loss, whether direct or indirect, to which the Company is exposed due to inadequate or failed internal processes or systems, human error or misconduct, or external events. Non-Financial risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, cybersecurity, financial crime, environmental risk, strategic, and reputational risk. Non-Financial risk, in some form exists in each of the Company's business and support activities, and can result in financial loss, regulatory sanctions and damage to the Company's reputation. The Company has developed policies, processes, and assessment methodologies to ensure that non-financial risk is appropriately identified. There was no non-financial risk that had a material impact on the Company's Statement of Financial Condition.

**6. Fair Value Measurements**

The Company applies the methods of calculating fair value defined in ASC 820, *Fair Value Measurements and Disclosure*, to value its financial assets and liabilities, where applicable. ASC 820 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date" or an "exit price".

The valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs, using techniques that are appropriate and for which sufficient data is available. For inputs based on bid and ask prices, the price within the bid-ask spread that is most representative of fair value is used to measure fair value.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**6. Fair Value Measurements (continued)**

*Fair value hierarchy*

ASC 820 prioritizes the inputs used to measure fair value into three broad levels, assigning the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest to unobservable inputs (Level 3 measurements). If the inputs used to measure an asset or liability fall into different levels within the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

The three categories are as follows:

Level 1- Assets and liabilities whose values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Assets and liabilities whose values are based on inputs that are observable either directly or indirectly, but do not qualify as Level 1 inputs. If no quoted market prices are available, the fair values of OTC derivative contracts in this category are determined using a pricing model with inputs that are observable in the market or can be derived from or corroborated by observable market data. Level 2 assets and liabilities consist of equity forwards and total return swaps.

Level 3 - Assets and liabilities whose values are based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. Level 3 assets and liabilities consist of certain call spread options.

In determining the appropriate measurement levels, the Company performs analyses on the assets and liabilities subject to ASC 820 at the end of each reporting period. Changes in the observability of significant valuation inputs during the reporting period may result in a reclassification of certain assets and liabilities within the fair value hierarchy.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**6. Fair Value Measurements (continued)**

*Valuation techniques*

Equity securities are measured at fair value using quoted prices for identical securities traded on exchanges. Derivative contracts can be exchange-traded or OTC. The Company classifies exchange-traded contracts typically within Level 1 of the fair value hierarchy. OTC derivatives that trade in liquid markets, such as forwards, swaps, and options, are classified within Level 2 of the fair value hierarchy when all of the significant inputs can be corroborated to market evidence.

If quoted market prices are not available, fair value is based upon internally developed valuation models that use current market-based or independently sourced market parameters, such as interest rates, currency rates, credit spreads, and option volatilities. Such models are often based on a discounted cash flow analysis.

The following table presents the Company's major categories of assets and liabilities that are measured at fair value on a recurring basis using the above fair value hierarchy at September 30, 2025.

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Counterparty and Cash Collateral Netting</b>	<b>Balance as of September 30, 2025</b>
<b>Assets</b>					
Securities owned, at fair value					
Equity securities	\$ 4,167,335	\$ –	\$ –	\$ –	\$ 4,167,335
Derivatives	–	1,331,413	186	(944,832)	386,767
	<u>\$ 4,167,335</u>	<u>\$ 1,331,413</u>	<u>\$ 186</u>	<u>\$ (944,832)</u>	<u>\$ 4,554,102</u>
<b>Liabilities</b>					
Securities sold, not yet purchased, at fair value					
Equity securities	\$ 4,044,824	\$ –	\$ –	\$ –	\$ 4,044,824
Derivatives	–	1,957,488	934,623	(1,455,463)	1,436,648
	<u>\$ 4,044,824</u>	<u>\$ 1,957,488</u>	<u>\$ 934,623</u>	<u>\$(1,455,463)</u>	<u>\$ 5,481,472</u>



**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**6. Fair Value Measurements (continued)**

The following table presents the valuation technique covering the majority of Level 3 assets and liabilities and the most significant unobservable input used in Level 3 fair value measurement.

*Significant Unobservable Input*

Category	Product	Principal Valuation Technique	Significant Unobservable Valuation Input	Min	Max	Weighted Average	Median	
Derivatives	Equity-Related Contracts	Call Spread	Model-based	Equity volatility	22%	108%	60%	47%

*Uncertainty of Fair Value Measurements Relating to Unobservable Inputs*

Valuation uncertainty arises when there is insufficient or disperse market data to allow a precise determination of the exit value of a fair-valued position or portfolio in today's market. This is especially prevalent in Level 3 fair value instruments, where uncertainty exists in valuation inputs that may be both unobservable and significant to the instrument's (or portfolio's) overall fair value measurement. The uncertainties associated with key unobservable inputs on the Level 3 fair value measurements may not be independent of one another. In addition, the amount and direction of the uncertainty on a fair value measurement for a given change in an unobservable input depends on the nature of the instrument as well as whether the Company holds the instrument as an asset or a liability. For certain instruments, the pricing, hedging and risk management are sensitive to the correlation between various inputs rather than on the analysis and aggregation of the individual inputs. The following section describes the most significant unobservable input used by the Company in Level 3 fair value measurements.

*Volatility*

Volatility represents the speed and severity of market price changes and is a key factor in pricing options. Volatility generally depends on the tenor of the underlying instrument and the strike price or level defined in the contract. Volatilities for certain combinations of tenor and strike are not observable and need to be estimated using alternative methods, such as using comparable instruments, historical analysis or other sources of market information. This leads to uncertainty around the final fair value measurement of instruments with unobservable volatilities.

The following tables present increases and decreases of financial instruments measured at fair value on a recurring basis which the Company classified in Level 3 for the six months ended September 30, 2025.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**6. Fair Value Measurements (continued)**

<b>Fair Value Measurements Using Significant Unobservable Inputs (Level 3)</b>	
	<u>Assets</u>
Balance at April 1, 2025	\$ 485
Realized gains, net	8,388
Unrealized losses, net	(8,687)
Balance at September 30, 2025	<u>\$ 186</u>
	<u>Liabilities</u>
Balance at April 1, 2025	\$ 448,079
Realized losses, net	192,299
Unrealized losses, net	294,245
Balance at September 30, 2025	<u>\$ 934,623</u>

*Transfers into/out of Level 3*

There have been no transfers into or out of Level 3 for the six months ended September 30, 2025.

*Valuation adjustments*

Valuation adjustments are integral to determining the fair value of derivative portfolios and are achieved by developing and calibrating sophisticated pricing models to determine the fair value and appropriate exit price. The Company utilizes a valuation methodology that incorporates various valuation adjustments (“XVA”) in the valuation of open derivative trades.

XVA is comprised of credit valuation adjustment (“CVA”), which accounts for the counterparty credit risk inherent in the uncollateralized portion of derivative portfolios, funding cost adjustment (“FCA”), which accounts for the impact to the Company’s funding cost on uncollateralized derivative trades and associated with balance sheet assets and funding benefit adjustment (“FBA”), which accounts for the impact to the Company’s funding cost on uncollateralized derivative trades and associated with balance sheet liabilities. Market-based inputs are generally used when calibrating valuation adjustments to market-clearing levels. For derivatives that include significant unobservable inputs, the Company makes model or exit price adjustments to account for the valuation uncertainty present in the transaction.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**6. Fair Value Measurements (continued)**

The portfolio is made up of equity option trades that have vega risk exposures. Due to the growth of the portfolio, the Company has to take additional bid or offer reserves for these trades to reflect fair value on these trades. Implicit valuation adjustments arise when positions are valued directly to bid or offer levels, the valuation implicitly containing the mid to bid/offer valuation adjustment. The books and records prices are mid-market values, and additional bid or offer reserves are taken on these trades to get to exit fair values in the market.

**7. Receivables from and Payables to brokers/dealers, clearing organizations and customers**

Amounts receivable from and payable to brokers/dealers, clearing organizations and customers at September 30, 2025 consist of the following:

	Receivables	Payables
Receivables and payables for trades pending settlement	\$ 193,572	\$ 110,979
Future margin	5,784	-
Variation margin	130	110,115
Total	\$ 199,486	\$ 221,094

Receivables and payables for trades pending settlement are determined by the contract prices of securities to be delivered or received by the Company. If a counterparty fails to deliver securities pending settlement to the Company, the Company may be required to purchase identical securities on the open market. Trades pending settlement at September 30, 2025 were settled without a material effect on the Company's Statement of Financial Condition.

Variation margin balances represent excess net variation margin resulting from changes in the fair value of derivatives as well as variation margin not eligible for offsetting.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**8. Subordinated borrowing**

As of September 30, 2025, the Company has a \$130,000 subordinated note payable to MHA that is set to mature in September 2027. The interest rate on the note is based on one-month cost of funds plus 0.705%. This borrowing is subordinated to claims of general creditors, is covered by an agreement approved by the SEC, and is included in computing net capital under the SEC's Uniform Net Capital Rule. To the extent that this borrowing is required for the Company's continued compliance with minimum net capital requirements, it cannot be repaid without SEC approval.

In addition, the Company has a \$175,000 revolving subordinated loan facility with Mizuho Bank Ltd, London branch ("MHBK London"), which can be utilized to meet regulatory capital requirements. The Company has not utilized this loan facility as of September 30, 2025.

**9. Related-Party Transactions**

In the normal course of business, the Company transacts with affiliated companies as part of its trading, clearing, financing, and general operations. At September 30, 2025, the Statement of Financial Condition included the following balances with affiliates:

**Statement of Financial Condition**

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**Assets**

Securities borrowed	\$ 4,716,440
Securities purchased under agreements to resell	120,900
Receivables from brokers/dealers, clearing organizations and customers	6,499
Other assets	3,723

**Liabilities**

Securities loaned	\$ 4,407,095
Subordinated borrowing	130,000
Payables to brokers/dealers, clearing organizations and customers	109,659
Accrued expenses and other liabilities	7,865
Derivatives	516

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**9. Related-Party Transactions (continued)**

*Collateralized agreements*

At September 30, 2025, the collateralized agreements balances are comprised of resale agreements, securities borrowed, and securities loaned with MSUSA.

*Receivables from and payable to brokers/dealers, clearing organizations and customers*

The receivables from and payable to brokers/dealers, clearing organizations and customers are primarily with MSUSA and Mizuho Capital Markets LLC (“MCM”).

*Subordinated borrowing*

The Company had a \$130,000 subordinated note payable to MHA. Please refer to Note 8.

*Guarantees from affiliates*

The Company has a \$1,200,000 guarantee from MHBK on its negative exposure on derivatives transactions with counterparties. At September 30, 2025, \$950,854 was utilized.

**10. Income Taxes**

The Company is a single member limited liability company, and as such, is a disregarded entity owned by Mizuho Americas LLC (“MHA”) for U.S. corporation income tax purposes. The Company is included in MHA’s federal, state and local income tax returns. In addition, the Company, as a division of MHA, files certain combined or unitary group tax return filings for state and local income tax purposes. MHA’s Federal income tax returns beginning with tax year ended March 31, 2022 remain subject to examination by the Internal Revenue Service.

The difference between taxes at the U.S. federal statutory rate and the effective rate is primarily due to the effects of state and local taxes.

Pursuant to a federal, state and local tax sharing agreement, the Company computes its federal, state and local tax provision on a separate return basis, which is then adjusted for the effect of filing in the combined or unitary group. This adjustment is computed on a consistent and equitable basis among the members of the combined or unitary tax groups. At September 30, 2025, the Company had an income tax receivable of \$3,723 due from an affiliate, which was recorded under other assets in the Statement of Financial Condition.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**11. Segment Reporting**

The Company has identified two operating and reportable segments on the basis of the way in which internally reported financial information is regularly reviewed by the Financial and Operations Principal, who is Chief Financial Officer (“CFO”) of the Company and determined to be the Chief Operating Decision Maker (“CODM”). The following is a brief description of each reportable segment. Additionally, the CODM uses excess net capital which is not a measure of profit and loss, to make operational decisions while maintaining capital adequacy.

**Markets Division** – this segment provides clients with a range of sales and trading services across cash equities and equity-link products. This segment also provides futures execution and clearing platform services for corporate and institutional clients.

**Support/Other Function** – this segment provides support to the core business activities of the above divisions, which primarily consists of treasury and corporate services.

Segment-level asset information is not regularly provided to the CODM for performance evaluation.

**12. Commitments and Contingencies**

*Litigation*

In accordance with the provisions of ASC 450, *Contingencies*, the Company accrues for a litigation-related liability when the assessed likelihood of realizing a future loss is probable and the amount of loss can be reasonably estimated. In applying these principles, the information available may indicate that the estimated amount of loss is within a certain range. When an amount within a range of loss is identified as the most likely result within the range, that amount is accrued by the Company. It is the opinion of management, after consultation with counsel, that there are no matters pending against the Company that could have a material adverse effect on the Company’s Statement of Financial Condition.

**Mizuho Markets Americas LLC**  
**Notes to Statement of Financial Condition (continued)**  
*(In Thousands of U.S. dollars)*  
*(Unaudited)*

**13. Net Capital Requirements**

As a registered OTC derivatives-dealer, the Company is subject to the SEC's Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum tentative net capital and minimum net capital. This method requires that the Company maintain tentative net capital of at least \$100,000 and net capital of at least \$20,000, plus excess margin collected on securities received on resale agreements, as defined.

At September 30, 2025, the Company's net capital of \$100,508 was \$80,508 in excess of the required amount of \$20,000. Advances to affiliates, repayment of subordinated liabilities, dividend payments, and other equity withdrawals are subject to certain limitations and other provisions of the SEC.

**14. Subsequent events**

Under the provisions of ASC 855, *Subsequent Events* ("ASC 855"), companies are required to evaluate events and transactions that occur after the balance sheet date but before the date the Statement of Financial Condition is issued. As such, the Company is required to evaluate and recognize in the Statement of Financial Condition the effect of all events or transactions that provide additional evidence of conditions that existed at the balance sheet date, including estimates inherent in the preparation of the Statement of Financial Condition .

The Company evaluated all events subsequent to September 30, 2025, through December 4, 2025, the date on which the Statement of Financial Condition was issued. There were no material recognizable or non-recognizable subsequent events during this period.