

Financial Analysis of Mizuho

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Financial Analysis of Mizuho
Key Indicators of Mizuho Financial Group, Inc.

● **Key Indicators of Mizuho Financial Group, Inc. (Consolidated)**

As of or for the Fiscal Years ended March 31,	Billions of yen	
	2004	2003
Total Income	¥ 3,342.9	¥ 3,441.8
Net Income (Loss)	406.9	(2,377.1)
Total Shareholders' Equity	3,644.3	2,861.0
Total Assets	137,750.0	134,032.7
Deposits	77,487.4	72,222.6
Debentures	9,459.5	11,696.3
Loans and Bills Discounted	66,205.8	69,210.0
Securities	32,071.6	23,816.5
Total Shareholders' Equity per Share (Yen) ^(Note 1)	61,980.34	(20,376.71)
Net Income (Loss) per Share (Yen) ^(Note 1)	36,153.27	(254,524.65)
Diluted Net Income per Share (Yen) ^{(Note 1) (Note 2)}	18,754.94	—
Risk-based Capital Ratio (BIS Capital Ratio)	11.35%	9.53%
Net Return on Equity	135.2%	(183.7)%
PER (Times) ^(Note 2)	12.39 x	— x
Cash Flows from Operating Activities	6,014.9	(2,196.1)
Cash Flows from Investing Activities	(7,402.2)	(206.3)
Cash Flows from Financing Activities	(130.9)	(394.0)
Cash and Cash Equivalent at the End of the Year	5,529.6	7,048.5

Notes: 1. "Total Shareholders' Equity per Share", "Net Income (Loss) per Share" and "Diluted Net Income per Share" are calculated in accordance with "Accounting Standard for Earnings per Share" (Financial Accounting Standard No. 2) and "Implementation Guidance for Accounting Standard for Earnings per Share" (Financial Accounting Standards Implementation Guidance No. 4).
 2. "Diluted Net Income per Share" and "PER" for the fiscal year ended March 31, 2003 are not required to be disclosed due to loss position.

Key Indicators of Mizuho Financial Group, Inc. (Non-Consolidated)

Billions of yen

As of or for the Fiscal Years ended March 31,	2004	2003																																																				
Operating Income	¥ 25.7	¥ 0.9																																																				
Net Income	9.9	0.0																																																				
Common Stock and Preferred Stock	1,540.9	1,540.9																																																				
Number of Shares Issued and Outstanding	<table border="1"> <thead> <tr> <th>Common Stock</th> <th>11,926,964.67 shares</th> </tr> </thead> <tbody> <tr><td>First Series Class I Preferred Stock</td><td>33,000 shares</td></tr> <tr><td>Second Series Class II Preferred Stock</td><td>100,000 shares</td></tr> <tr><td>Third Series Class III Preferred Stock</td><td>100,000 shares</td></tr> <tr><td>Fourth Series Class IV Preferred Stock</td><td>150,000 shares</td></tr> <tr><td>Sixth Series Class VI Preferred Stock</td><td>150,000 shares</td></tr> <tr><td>Seventh Series Class VII Preferred Stock</td><td>125,000 shares</td></tr> <tr><td>Eighth Series Class VIII Preferred Stock</td><td>125,000 shares</td></tr> <tr><td>Ninth Series Class IX Preferred Stock</td><td>140,000 shares</td></tr> <tr><td>Tenth Series Class X Preferred Stock</td><td>140,000 shares</td></tr> <tr><td>Eleventh Series Class XI Preferred Stock</td><td>943,740 shares</td></tr> <tr><td>Twelfth Series Class XI Preferred Stock</td><td>5,500 shares</td></tr> <tr><td>Thirteenth Series Class XIII Preferred Stock</td><td>36,690 shares</td></tr> </tbody> </table>	Common Stock	11,926,964.67 shares	First Series Class I Preferred Stock	33,000 shares	Second Series Class II Preferred Stock	100,000 shares	Third Series Class III Preferred Stock	100,000 shares	Fourth Series Class IV Preferred Stock	150,000 shares	Sixth Series Class VI Preferred Stock	150,000 shares	Seventh Series Class VII Preferred Stock	125,000 shares	Eighth Series Class VIII Preferred Stock	125,000 shares	Ninth Series Class IX Preferred Stock	140,000 shares	Tenth Series Class X Preferred Stock	140,000 shares	Eleventh Series Class XI Preferred Stock	943,740 shares	Twelfth Series Class XI Preferred Stock	5,500 shares	Thirteenth Series Class XIII Preferred Stock	36,690 shares	<table border="1"> <thead> <tr> <th>Common Stock</th> <th>10,582,426.71 shares</th> </tr> </thead> <tbody> <tr><td>First Series Class I Preferred Stock</td><td>33,000 shares</td></tr> <tr><td>Second Series Class II Preferred Stock</td><td>100,000 shares</td></tr> <tr><td>Third Series Class III Preferred Stock</td><td>100,000 shares</td></tr> <tr><td>Fourth Series Class IV Preferred Stock</td><td>150,000 shares</td></tr> <tr><td>Sixth Series Class VI Preferred Stock</td><td>150,000 shares</td></tr> <tr><td>Seventh Series Class VII Preferred Stock</td><td>125,000 shares</td></tr> <tr><td>Eighth Series Class VIII Preferred Stock</td><td>125,000 shares</td></tr> <tr><td>Ninth Series Class IX Preferred Stock</td><td>140,000 shares</td></tr> <tr><td>Tenth Series Class X Preferred Stock</td><td>140,000 shares</td></tr> <tr><td>Eleventh Series Class XI Preferred Stock</td><td>943,740 shares</td></tr> <tr><td>Twelfth Series Class XI Preferred Stock</td><td>101,500 shares</td></tr> <tr><td>Thirteenth Series Class XIII Preferred Stock</td><td>36,690 shares</td></tr> </tbody> </table>	Common Stock	10,582,426.71 shares	First Series Class I Preferred Stock	33,000 shares	Second Series Class II Preferred Stock	100,000 shares	Third Series Class III Preferred Stock	100,000 shares	Fourth Series Class IV Preferred Stock	150,000 shares	Sixth Series Class VI Preferred Stock	150,000 shares	Seventh Series Class VII Preferred Stock	125,000 shares	Eighth Series Class VIII Preferred Stock	125,000 shares	Ninth Series Class IX Preferred Stock	140,000 shares	Tenth Series Class X Preferred Stock	140,000 shares	Eleventh Series Class XI Preferred Stock	943,740 shares	Twelfth Series Class XI Preferred Stock	101,500 shares	Thirteenth Series Class XIII Preferred Stock	36,690 shares
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2. "Diluted Net Income per Share" and "PER" for the fiscal year ended March 31, 2003 and 2004 are not required to be disclosed due to loss position.

3. Dividend Propensity: Cash Dividends Declared per Share (Common Stock) / Net Income per Share (Common Stock). The Dividend Propensity for the fiscal year ended March 31, 2003 and 2004 are not required to be disclosed due to passing dividends for common stock and loss position of earnings per share, respectively.

● Economic Conditions in Japan and Overseas

Looking at global economic conditions in the fiscal year ended March 31, 2004, the U.S. economy initially appeared somewhat weak as a result of the Iraq War and other factors. From mid-year onward, however, demand centered on consumer spending and capital expenditure expanded and a recovery trend became increasingly apparent. The European economies gradually recovered as exports increased. In Asia, the end of the SARS epidemic and increase in exports fueled a sharp economic recovery, and the Chinese economy in particular maintained its high growth rate. From the second half onwards, the overall recovery in the global economy strengthened and took on a firmer tone.

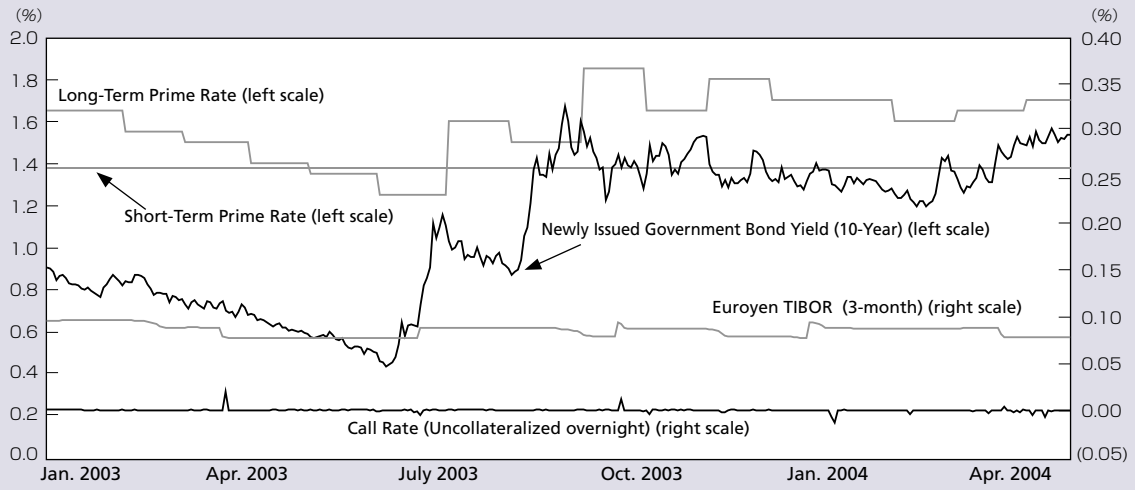
The Japanese economy remained weak through the first half, but rising production driven by higher exports, clearer signs of growth in capital expenditure and improvement in corporate earnings in the second half led to an overall recovery. However, several risk factors clouded hopes for full-scale economic growth, including a slower recovery in regional economies, continuing deflation and sluggish growth in household incomes.

● Financial Sector

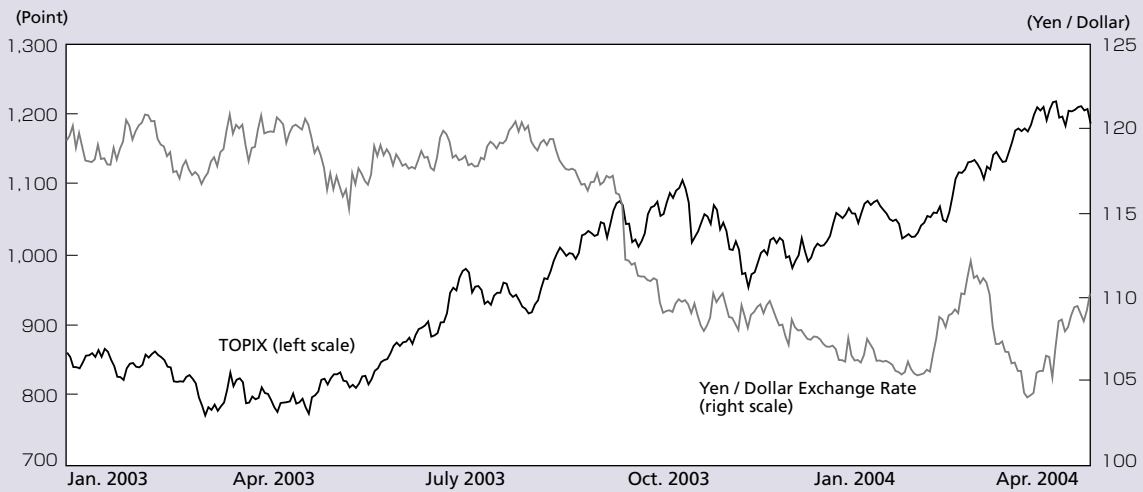
Looking back at the financial markets in fiscal 2003, long-term interest rates went below 0.5% in June 2003, but generally fluctuated in the range of 1.0-1.5% level after climbing again on the back of the economic recovery toward mid-fiscal year. The stock market generally followed an upward trend after mid-May. Faced with these conditions, the Bank of Japan maintained its easy money policies and in July 2003 took a new initiative of purchasing asset-backed securities (ABS).

The government adhered to its policy of promoting financial and industrial revitalization as a single package and adopted several new measures, including the establishment of the Industrial Revitalization Corporation of Japan. There has also been progress in deregulation, including the removal of the ban on banks engaging in the stock-broking business and the entry of other types of industries into the trust business. In light of these environmental changes, bringing the NPL issue closer to closure, ensuring competitive advantage, and further strengthening profitability were all matters of considerable importance for financial institutions.

Trends in Interest Rates in Japan



Trends in TOPIX and Yen / Dollar Exchange Rate



Financial Analysis of Mizuho
Results for the Fiscal Year ended March 31, 2004

● **Consolidated Accounts of Mizuho Financial Group, Inc. (MHFG)**

1. Scope of Consolidation and Application of the Equity Method

MHFG's consolidated subsidiaries decreased by 20 to 118, and the number of affiliates accounted for under the equity method decreased by 5 to 28 from the end of previous fiscal year.

The major consolidated subsidiaries are Mizuho Corporate Bank, Ltd. (MHCB), Mizuho Bank, Ltd. (MHBK), Mizuho Trust & Banking Co., Ltd. (MHTB), and Mizuho Securities Co., Ltd. The major affiliates accounted for by the equity method are The Chiba Kogyo Bank, Ltd. and Shinko Securities Co., Ltd.

At March 31,	2004	2003	Change
Number of consolidated subsidiaries	118	138	(20)
Number of affiliates accounted for under the equity method	28	33	(5)

companies

2. Consolidated Profits and Losses

For the Fiscal Years ended March 31,	2004	2003	Change
Consolidated Gross Profits	¥ 2,112.4	¥ 2,233.6	¥ (121.2)
Net Interest Income	1,185.0	1,256.3	(71.3)
Net Fiduciary Income	62.0	55.4	6.6
Net Fee and Commission Income	426.6	410.5	16.0
Net Trading Income	231.8	244.5	(12.7)
Net Other Operating Income	206.9	266.7	(59.8)
General and Administrative Expenses	(1,125.9)	(1,237.6)	111.7
Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans	(292.8)	(2,092.3)	1,799.4
Net Gains (Losses) related to Stocks	190.8	(924.9)	1,115.7
Equity in Earnings (Losses) from Investment in Affiliates	1.7	(3.4)	5.2
Other	(4.9)	(237.3)	232.3
Income (Loss) before Income Taxes and Minority Interests	881.2	(2,262.1)	3,143.4
Income Taxes—Current	28.0	22.2	5.7
Income Taxes—Deferred	387.8	30.5	357.3
Minority Interests in Net Income (Loss)	58.3	62.2	(3.8)
Net Income (Loss)	406.9	(2,377.1)	2,784.1
Net Income (Loss) per Share of Common Stock (Yen)	36,153.27	(254,524.65)	290,677.92
Credit-related Costs	¥ (298.8)	¥ (2,111.5)	¥ 1,812.6

Billions of yen

Notes: 1. Consolidated Gross Profits = Net Interest Income + Net Fiduciary Income + Net Fee and Commission Income + Net Trading Income + Net Other Operating Income.

2. Credit-related Costs = Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans + Credit Costs for Trust Accounts.

(1) Consolidated Gross Profits

Consolidated Gross Profits decreased by ¥121.2 billion to ¥2,112.4 billion in comparison with the previous fiscal year.

Net Interest Income decreased by ¥71.3 billion to ¥1,185.0 billion as weak domestic funding demand led to a decline in average outstanding loans.

Net Fiduciary Income increased by ¥6.6 billion to ¥62.0 billion.

Net Fee and Commission Income rose by ¥16.0 billion to ¥426.6 billion owing to increases in securities-related and trust-related commissions.

Although gains on trading income increased, gains on derivatives decreased, causing Net Trading Income to decline by ¥12.7 billion to ¥231.8 billion.

Net Other Operating Income decreased by ¥59.8 billion to ¥206.9 billion as Net Gains related to Bonds declined, reflecting market conditions.

(2) General and Administrative Expenses

General and Administrative Expenses fell by ¥111.7 billion to ¥1,125.9 billion as a result of rigorous cost reviews and cutbacks at home and overseas. These included reductions in personnel expenses through reassessments of salary and bonus levels and personnel reduction, and in non-personnel expenses through consolidations and closures of offices.

(3) Credit-related Costs

As a result of the acceleration of the final disposal of non-performing loans (NPLs) and an aggressive attitude to provisions against the deterioration of asset quality in the previous fiscal year, Credit-related Costs decreased sharply by ¥1,812.6 billion to ¥298.8 billion.

Expenses Related to Portfolio Problems plus Provision for General Reserve for Possible Losses on Loans also decreased by ¥1,799.4 billion to ¥292.8 billion.

(4) Net Gains related to Stocks

Net Gains related to Stocks rose by ¥1,115.7 billion to ¥190.8 billion as a result of gains on sales of stockholdings in an improving stock market and a lower amortization burden.

(5) Equity in Earnings from Investment in Affiliates

Equity in Earnings from Investment in Affiliates benefited from an improvement in the performance of companies accounted for under the equity method, increasing by ¥5.2 billion to ¥1.7 billion.

(6) Net Income and Other

As a result of the above, Income before Income Taxes and Minority Interests amounted to ¥881.2 billion.

Net Income increased by ¥2,784.1 billion to ¥406.9 billion after reflecting Income Taxes—Current, Income Taxes—Deferred and Minority Interests in Net Income in Income before Income Taxes and Minority Interests.

Financial Analysis of Mizuho
Results for the Fiscal Year ended March 31, 2004

Use and Source of Funds (Consolidated)

Billions of yen

For the Fiscal Years ended March 31,	Average balance			Interest		
	2004	2003	Change	2004	2003	Change
Use of Funds	¥ 111,512.0	¥ 125,177.1	¥ (13,665.0)	¥ 1,622.7	¥ 1,991.2	¥ (368.5)
Loans and Bills Discounted	67,464.4	77,957.3	(10,492.8)	1,183.7	1,433.9	(250.2)
Securities	27,241.9	25,456.0	1,785.9	296.7	347.9	(51.1)
Call Loans and Bills Purchased	1,717.1	5,867.1	(4,150.0)	5.1	11.1	(5.9)
Receivables under Resale Agreements	4,173.4	4,234.6	(61.1)	74.2	113.9	(39.6)
Guarantee Deposit Paid under Securities Borrowing Transactions	7,048.8	2,846.6	4,202.2	1.7	0.7	0.9
Due from Banks	1,721.4	5,506.9	(3,785.5)	24.8	42.8	(17.9)
Source of Funds	¥ 113,899.6	¥ 126,911.2	¥ (13,011.5)	¥ 437.6	¥ 734.4	¥ (296.8)
Deposits	73,418.0	79,247.3	(5,829.3)	112.8	193.9	(81.0)
Debentures	10,648.5	13,767.2	(3,118.6)	92.7	120.9	(28.1)
Call Money and Bills Sold	10,251.5	15,027.0	(4,775.5)	2.8	7.0	(4.1)
Payables under Repurchase Agreements	8,300.2	8,365.4	(65.1)	116.3	189.9	(73.6)
Guarantee Deposit Received under Securities Lending Transactions	5,682.4	3,500.2	2,182.1	12.1	8.7	3.4
Commercial Paper	831.6	418.6	412.9	1.0	0.8	0.1
Borrowed Money	1,515.8	2,245.3	(729.5)	34.5	44.2	(9.6)

For the Fiscal Years ended March 31,	Yield		
	2004	2003	Change
Use of Funds	1.45%	1.59%	(0.14)%
Loans and Bills Discounted	1.75	1.83	(0.08)
Securities	1.08	1.36	(0.28)
Call Loans and Bills Purchased	0.30	0.19	0.11
Receivables under Resale Agreements	1.78	2.69	(0.91)
Guarantee Deposit Paid under Securities Borrowing Transactions	0.02	0.02	0.00
Due from Banks	1.44	0.77	0.67
Source of Funds	0.38%	0.57%	(0.19)%
Deposits	0.15	0.24	(0.09)
Debentures	0.87	0.87	0.00
Call Money and Bills Sold	0.02	0.04	(0.02)
Payables under Repurchase Agreements	1.40	2.27	(0.87)
Guarantee Deposit Received under Securities Lending Transactions	0.21	0.24	(0.03)
Commercial Paper	0.12	0.20	(0.08)
Borrowed Money	2.27	1.97	0.30

Net Fee and Commission Income (Consolidated)

	Billions of yen		
For the Fiscal Years ended March 31,	2004	2003	Change
Net Fee and Commission Income	¥ 426.6	¥ 410.5	¥ 16.0
Fee and Commission Income	¥ 515.3	¥ 490.1	¥ 25.1
Deposits, Debentures and Lending Business	106.1	102.7	3.3
Remittance Business	116.4	113.4	2.9
Securities-related Business	92.4	75.5	16.8
Agency Business	36.7	35.3	1.3
Safe Custody and Safety Deposit Box Business	6.9	8.7	(1.8)
Guarantee Business	22.9	35.6	(12.7)
Trust-related Business	37.1	23.1	14.0
Fee and Commission Expenses	¥ 88.7	¥ 79.6	¥ 9.1
Remittance Business	28.9	27.9	0.9

3. Consolidated Assets and Liabilities

Consolidated Assets and Liabilities (Consolidated)

	Billions of yen		
At March 31,	2004	2003	Change
Total Assets	¥ 137,750.0	¥ 134,032.7	¥ 3,717.3
Cash and Due from Banks	6,813.5	7,849.7	(1,036.2)
Trading Assets	8,016.5	9,919.0	(1,902.5)
Securities	32,071.6	23,816.5	8,255.0
Loans and Bills Discounted	66,205.8	69,210.0	(3,004.1)
Total Liabilities	133,069.5	130,133.6	2,935.9
Deposits	77,487.4	72,222.6	5,264.8
Debentures	9,459.5	11,696.3	(2,236.8)
Call Money and Bills Sold	8,680.5	11,185.8	(2,505.2)
Minority Interests	1,036.1	1,038.0	(1.8)
Shareholders' Equity	¥ 3,644.3	¥ 2,861.0	¥ 783.3
Net Unrealized Gains (Losses) on other Securities, net of Taxes	392.7	(24.6)	417.3

(1) Assets

Securities increased by ¥8,255.0 billion from the end of the previous fiscal year to ¥32,071.6 billion. Unrealized Gains on Other Securities amounted to ¥720.4 billion.

Loans and Bills Discounted fell by ¥3,004.1 billion to ¥66,205.8 billion. Non-Accrual, Past Due & Restructured Loans amounted to ¥3,181.1 billion, or 4.80% of total Loans and Bills Discounted.

Total Assets increased by ¥3,717.3 billion to ¥137,750.0 billion.

(2) Liabilities and Minority Interests

Deposits increased by ¥5,264.8 billion to ¥77,487.4 billion. Debentures decreased by ¥2,236.8 billion to ¥9,459.5 billion. Total Liabilities increased by ¥2,935.9 billion to ¥133,069.5 billion.

Minority interests decreased by ¥1.8 billion to ¥1,036.1 billion.

(3) Shareholders' Equity

Shareholders' Equity increased by ¥783.3 billion to ¥3,644.3 billion because of the Net Income posted and the increase in Unrealized Gains on Other Securities that resulted from the turnaround in the stock market.

The consolidated Capital Adequacy Ratio (BIS standard) stood at 11.35%, continuing at a satisfactory level.

Financial Analysis of Mizuho
Results for the Fiscal Year ended March 31, 2004

Fair Value of Other Securities (Consolidated)

Billions of yen

At March 31, 2004	Cost	Fair Value	Gross Unrealized		Net Unrealized Gains (Losses)
			Gains	Losses	
Other Securities*1	¥ 27,895.2	¥ 28,615.6	¥ 1,018.8	¥ 298.4	¥ 720.4
Stocks*2	3,477.1	4,361.7	967.2	82.6	884.5
Bonds	20,185.9	19,994.7	9.3	200.5	(191.1)
Other	4,232.1	4,259.2	42.2	15.1	27.0

Billions of yen

At March 31, 2003	Cost	Fair Value	Gross Unrealized		Net Unrealized Gains (Losses)
			Gains	Losses	
Other Securities*1	¥ 21,804.5	¥ 21,784.9	¥ 359.3	¥ 378.9	¥ (19.5)
Stocks*2	3,946.4	3,755.8	166.0	356.6	(190.5)
Bonds	12,289.0	12,376.5	88.5	1.0	87.4
Other	5,569.0	5,652.5	104.7	21.2	83.5

Billions of yen

Change	Cost	Fair Value	Gross Unrealized		Net Unrealized Gains (Losses)
			Gains	Losses	
Other Securities*1	¥ 6,090.7	¥ 6,830.7	¥ 659.4	¥ (80.5)	¥ 740.0
Stocks*2	(469.2)	605.8	801.1	(273.9)	1,075.1
Bonds	7,896.8	7,618.1	(79.2)	199.4	(278.6)
Other	(1,336.8)	(1,393.3)	(62.4)	(6.0)	(56.4)

*1 In addition to the balances shown in the above table, Other Securities included securities without fair values such as unlisted stock (excluding OTC stock) of ¥837.2 billion and non-publicly offered bonds of ¥1,299.5 billion as of March 31, 2004.

*2 Fair value of Stocks is determined based on the average market prices during one-month periods before the balance sheet date.

Consolidated Capital Adequacy Ratio (BIS)

Billions of yen

At March 31,		2004	2003	Change
Capital Adequacy Ratio		11.35%	9.53%	1.82%
Tier I Ratio		5.75%	4.86%	0.89%
Tier I	(A)	¥ 3,941.1	¥ 3,495.4	¥ 445.7
Capital Stock		1,540.9	1,540.9	—
Capital Surplus		1,262.5	2,599.5	(1,337.0)
Retained Earnings (Deficit)		386.6	(1,427.9)	1,814.5
Minority Interest in Consolidated Subsidiaries		995.7	1,036.4	(40.6)
Preferred Stock issued by Overseas SPC		923.3	960.2	(36.9)
Unrealized Losses on Other Securities		—	(23.0)	23.0
Treasury Stock		(134.1)	(134.1)	(0.0)
Foreign Currency Translation Adjustments		(110.5)	(96.2)	(14.3)
Goodwill Equivalent		(0.0)	(0.1)	0.0
Consolidation Differences Equivalent		—	—	—
Tier II	(B)	3,941.1	3,495.4	445.7
45% of Unrealized Gains on Securities		325.4	—	325.4
45% of Revaluation Reserve for Land, net of Taxes		175.5	287.3	(111.7)
General Reserve for Possible Losses on Loans		1,175.8	1,515.4	(339.5)
Debt Capital		2,803.9	2,877.9	(74.0)
Perpetual Subordinated Debt and Other Debt Capital		948.7	1,270.7	(321.9)
Subordinated Debt and Redeemable Preferred Stock		1,855.1	1,607.2	247.8
Deductions from Capital	(C)	112.2	143.4	(31.2)
Capital	(A)+(B)-(C)	¥ 7,770.0	¥ 6,847.4	¥ 922.6
Risk-adjusted Assets		¥ 68,424.1	¥ 71,823.5	¥ (3,399.3)
Assets Exposed to Credit Risk		67,368.7	71,144.9	(3,776.1)
On-balance-sheet Items		63,093.7	66,644.0	(3,550.3)
Off-balance-sheet Items		4,275.0	4,500.8	(225.8)
Market Risk Equivalent Divided by 8%		1,055.4	678.6	376.8
(Reference) Market Risk Equivalent		84.4	54.2	30.1

Results for the Fiscal Year ended March 31, 2004

● Aggregated Figures of the Three Banks

For an early achievement of corporate revitalization, loans and stocks of customers in need of revitalization/restructuring held by MHCBC, MHBK and MHTB were transferred to their financial subsidiaries specializing in corporate revitalization in July 2003.

Aggregated figures of the Three Banks for the fiscal year ended March 31, 2003 are the aggregated non-consolidated figures of MHCBC, MHBK and MHTB.

Aggregated figures of the Three Banks for the fiscal year ended March 31, 2004 are the aggregated non-consolidated figures of MHCBC, MHBK, MHTB and their financial subsidiaries specializing in corporate revitalization.

1. Differences between Consolidated Figures and Aggregated Figures of the Three Banks

For the Fiscal Years ended March 31,	Billions of yen							
	2004				2003			
	MHFG (Consolidated) (a)	Aggregated Figures of the Three Banks (b)	(a) – (b)	(b) / (a)	MHFG (Consolidated) (a)	Aggregated Figures of the Three Banks (b)	(a) – (b)	(b) / (a)
Gross Profits	¥ 2,112.4	¥ 1,805.6	¥ 306.8	85.4%	¥ 2,233.6	¥ 1,837.8	¥ 395.8	82.2%
Net Interest Income	1,185.0	1,130.7	54.2	95.4	1,256.3	1,167.9	88.4	92.9
Net Fiduciary Income	62.0	62.0	0.0	99.9	55.4	55.0	0.4	99.2
Net Fee and Commission Income	426.6	268.5	158.0	62.9	410.5	249.3	161.1	60.7
Net Trading Income	231.8	111.9	119.8	48.2	244.5	109.9	134.6	44.9
Net Other Operating Income	206.9	232.3	(25.4)	112.3	266.7	255.5	11.1	95.8
Credit-related Costs	(298.8)	(237.9)	(60.8)	79.6	(2,111.5)	(2,095.2)	(16.2)	99.2
Net Income (Loss)	¥ 406.9	¥ 447.9	¥ (40.9)	110.0%	¥ (2,377.1)	¥ (2,398.1)	¥ 20.9	100.8%

Note: Credit-related Costs = Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans + Credit Costs for Trust Accounts.

At March 31,	Billions of yen							
	2004				2003			
	MHFG (Consolidated) (a)	Aggregated Figures of the Three Banks (b)	(a) – (b)	(b) / (a)	MHFG (Consolidated) (a)	Aggregated Figures of the Three Banks (b)	(a) – (b)	(b) / (a)
Total Assets	¥ 137,750.0	¥ 137,897.7	¥ (147.6)	100.1%	¥ 134,032.7	¥ 134,976.9	¥ (944.2)	100.7%
Securities	32,071.6	35,359.9	(3,288.3)	110.2	23,816.5	24,550.4	(733.8)	103.0
Loans and Bills Discounted	66,205.8	66,132.4	73.4	99.8	69,210.0	68,932.1	277.8	99.5

2. Profits and Losses

Profits and Losses (the Three Banks)

		Billions of yen		
For the Fiscal Years ended March 31,		2004	2003	Change
Domestic Gross Profits	¥	1,327.8	¥ 1,463.5	¥ (135.6)
International Gross Profits		477.7	374.3	103.4
Gross Profits		1,805.6	1,837.8	(32.2)
Net Interest Income		1,130.7	1,167.9	(37.2)
Net Fiduciary Income		62.0	55.0	6.9
Net Fee and Commission Income		268.5	249.3	19.1
Net Trading Income		111.9	109.9	2.0
Net Other Operating Income		232.3	255.5	(23.1)
Net Gains related to Bonds		115.1	204.4	(89.2)
General and Administrative Expenses (Excluding Non-recurring Losses)		(857.4)	(966.0)	108.6
Net Business Profits (before Provision for General Reserve for Possible Losses on Loans)		954.1	890.9	63.1
Excluding Net Gains related to Bonds		838.9	686.5	152.4
Provision for General Reserve for Possible Losses on Loans		131.5	(427.4)	559.0
Net Business Profits		1,079.7	444.3	635.4
Net Non-recurring Losses		(221.4)	(2,857.7)	2,636.3
Net Gains (Losses) related to Stocks and Other Securities		189.3	(905.8)	1,095.1
Expenses related to Portfolio Problems		(363.6)	(1,648.6)	1,285.0
Other		(47.1)	(303.3)	256.1
Income (Loss) before Income Taxes		858.3	(2,413.4)	3,271.7
Income Taxes—Current		0.6	1.0	(0.4)
Income Taxes—Deferred		409.7	(16.2)	426.0
Net Income (Loss)	¥	447.9	¥ (2,398.1)	¥ 2,846.1
Credit-related Costs	¥	(237.9)	¥ (2,095.2)	¥ 1,857.2

Notes: 1. Net Business Profits (before Provision for General Reserve for Possible Losses on Loans) of MHTB denotes amounts before Provision for General Reserve for Possible Losses on Loans and Credit Costs for Trust Accounts.

2. Credit-related Costs = Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans + Credit Costs for Trust Accounts.

Breakdown of Gross Profits (the Three Banks)

		Billions of yen		
For the Fiscal Years ended March 31,		2004	2003	Change
Net Interest Income	¥	1,130.7	¥ 1,167.9	¥ (37.2)
Domestic Operations		918.3	1,006.1	(87.8)
International Operations		212.3	161.7	50.6
Net Fiduciary Income		62.0	55.0	6.9
Domestic Operations		62.0	55.0	6.9
International Operations		/	/	/
Net Fee and Commission Income		268.5	249.3	19.1
Domestic Operations		210.9	194.8	16.1
International Operations		57.5	54.5	3.0
Net Trading Income		111.9	109.9	2.0
Domestic Operations		42.9	68.2	(25.2)
International Operations		68.9	41.7	27.2
Net Other Operating Income		232.3	255.5	(23.1)
Domestic Operations		93.4	139.2	(45.7)
International Operations		138.9	116.3	22.5
Gross Profits	¥	1,805.6	¥ 1,837.8	¥ (32.2)

Financial Analysis of Mizuho
Results for the Fiscal Year ended March 31, 2004

Breakdown of Net Interest Income (MHCB and MHBK excluding Financial Subsidiaries for Corporate Revitalization)

Billions of yen

For the Fiscal Years ended March 31,	Average balance			Yield		
	2004	2003	Change	2004	2003	Change
Total						
Use of Funds	¥ 107,036.7	¥ 120,756.9	¥ (13,720.2)	1.36%	1.46%	(0.10)%
Loans and Bills Discounted	61,422.8	73,805.6	(12,382.7)	1.67	1.77	(0.09)
Securities	28,122.6	24,201.1	3,921.4	1.19	1.35	(0.15)
Source of Funds	111,464.2	122,159.4	(10,695.1)	0.36	0.53	(0.16)
Deposits and Debentures	83,013.4	90,589.5	(7,576.0)	0.22	0.32	(0.10)
Interest Margins	/	/	/	1.00	0.93	0.06
Loan and Deposit Margin	/	/	/	1.44	1.44	0.00
Domestic Operations						
Use of Funds	90,985.6	102,299.9	(11,314.2)	1.10	1.17	(0.06)
Loans and Bills Discounted	55,626.9	64,707.5	(9,080.6)	1.56	1.57	(0.00)
Securities	23,018.3	18,807.5	4,210.7	0.52	0.71	(0.19)
Source of Funds	95,696.1	103,913.3	(8,217.2)	0.16	0.22	(0.06)
Deposits and Debentures	74,100.0	79,994.7	(5,894.6)	0.14	0.19	(0.04)
Interest Margins	/	/	/	0.94	0.94	(0.00)
Loan and Deposit Margin	/	/	/	1.41	1.37	0.04
International Operations						
Use of Funds	16,516.1	20,390.0	(3,873.9)	2.78	2.97	(0.18)
Loans and Bills Discounted	5,795.8	9,098.0	(3,302.1)	2.72	3.20	(0.47)
Securities	5,104.2	5,393.5	(289.3)	4.23	3.57	0.65
Source of Funds	16,233.1	20,179.0	(3,945.8)	1.55	2.18	(0.63)
Deposits and Debentures	8,913.3	10,594.7	(1,681.4)	0.90	1.32	(0.41)
Interest Margins	/	/	/	1.22	0.78	0.44
Loan and Deposit Margin	/	/	/	1.81	1.88	(0.06)

Breakdown of Net Fee and Commission Income (the Three Banks)

Billions of yen

For the Fiscal Years ended March 31,	2004	2003	Change
Net Fee and Commission Income	¥ 268.5	¥ 249.3	¥ 19.1
Fee and Commission Income	¥ 380.3	¥ 349.8	¥ 30.4
Deposits, Debentures and Lending Business	100.9	94.2	6.6
Remittance Business	116.1	112.4	3.6
Securities-related Business	36.0	30.7	5.3
Agency Business	26.3	25.5	0.8
Safe Custody and Safety Deposit Box Business	6.9	6.7	0.1
Guarantee Business	18.0	18.7	(0.6)
Fee and Commission Expenses	¥ 111.7	¥ 100.4	¥ 11.3
Remittance Business	28.8	27.8	0.9

Breakdown of Net Other Operating Income (the Three Banks)

	Billions of yen		
For the Fiscal Years ended March 31,	2004	2003	Change
Net Other Operating Income	¥ 232.3	¥ 255.5	¥ (23.1)
Total	¥ 232.3	¥ 255.5	¥ (23.1)
Profits on Foreign Exchange Transactions	93.2	69.4	23.8
Net Gains related to Bonds	115.1	204.4	(89.2)
Domestic Operations	93.4	139.2	(45.7)
Net Gains related to Bonds	61.5	137.8	(76.2)
International Operations	138.9	116.3	22.5
Profits on Foreign Exchange Transactions	93.2	69.4	23.8
Net Gains related to Bonds	53.5	66.5	(13.0)

Breakdown of General and Administrative Expenses (Excluding Non-recurring Losses) (the Three Banks)

	Billions of yen		
For the Fiscal Years ended March 31,	2004	2003	Change
Personnel Expenses	¥ 277.6	¥ 338.5	¥ (60.8)
Non-personnel Expenses	533.7	577.6	(43.8)
Miscellaneous Taxes	45.9	49.8	(3.9)
Total	¥ 857.4	¥ 966.0	¥ (108.6)

Breakdown of Net Non-Recurring Losses (the Three Banks)

	Billions of yen		
For the Fiscal Years ended March 31,	2004	2003	Change
Net Losses related to Stocks and Other Securities	¥ 189.3	¥ (905.8)	¥ 1,095.1
Gains on Sales of Stocks and Other Securities	247.9	75.3	172.5
Losses on Sales of Stocks and Other Securities	(21.8)	(385.5)	363.6
Losses on Devaluation of Stocks and Other Securities	(20.2)	(591.2)	571.0
Provision for Reserves for Possible Losses on Investments	(1.8)	(4.8)	2.9
Gains (Losses) on Derivatives other than for Trading	(14.5)	0.4	(15.0)
Expenses related to Portfolio Problems	(363.6)	(1,648.6)	1,285.0
Losses on Write-offs of Loans	(173.1)	(673.1)	499.9
Provision for Specific Reserve for Possible Losses on Loans	(184.3)	(383.5)	199.1
Losses on Sales of Loans to CCPC	(0.7)	(18.2)	17.5
Reversal of (Provision for) Reserve for Possible Losses on Loans Sold	5.0	(10.7)	15.8
Losses on Support of Specific Borrowers	—	(0.5)	0.5
Reversal of Reserve for Possible Losses on Support of Specific Borrowers	3.2	—	3.2
Reversal of Reserve for Possible Losses on Loans to Restructuring Countries	7.2	15.0	(7.8)
Reversal of (Provision for) Reserve for Contingencies	4.7	(6.3)	11.0
Other Losses on Sales of Loans	(25.6)	(571.1)	545.4
Other	(47.1)	(303.3)	256.1
Net Non-recurring Losses	¥ (221.4)	¥ (2,857.7)	¥ 2,636.3

Note: CCPC is the abbreviation for the Cooperative Credit Purchasing Company, Ltd.

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Results for the Fiscal Year ended March 31, 2004

3. Aggregated Assets and Liabilities

Assets and Liabilities (the Three Banks) (Banking Accounts)

At March 31,	2004	2003	Billions of yen Change
Total Assets	¥ 137,897.7	¥ 134,976.9	¥ 2,920.7
Cash and Due from Banks	9,240.5	9,390.6	(150.1)
Call Loans	3,883.4	7,410.5	(3,527.1)
Securities	35,359.9	24,550.4	10,809.5
Loans and Bills Discounted	66,132.4	68,932.1	(2,799.6)
Customers' Liabilities for Acceptances and Guarantees	4,858.0	5,371.4	(513.3)
Total Liabilities	131,021.5	131,623.2	(601.7)
Deposits	79,895.8	73,728.9	6,166.8
Debentures	9,554.7	11,797.6	(2,242.9)
Call Money	9,746.6	13,215.6	(3,469.0)
Bills Sold	2,369.4	4,933.7	(2,564.3)
Acceptances and Guarantees	4,858.0	5,371.4	(513.3)
Shareholders' Equity	6,876.1	3,353.7	3,522.4
Net Unrealized Gains (Losses) on other Securities, net of Taxes	387.0	(29.0)	416.1

Balance of Housing and Consumer Loans (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	2004	2003	Billions of yen Change
Housing and Consumer Loans	¥ 12,335.6	¥ 12,848.7	¥ (513.1)
Housing Loans for Owner's Residential Housing	9,398.0	9,529.2	(131.1)

Note: Above figures are aggregated banking and trust accounts. (Trust Accounts denotes trust accounts with contracts indemnifying the principal amount.)

Loans to Both Small and Medium-Sized Enterprises and Individual Customers (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	2004	2003	Billions of yen Change
Loans to Both Small and Medium-sized Enterprises and Individual Customers	¥ 39,456.4	¥ 39,791.7	¥ (335.3)
Percentage of Loans to Both Small and Medium-sized Enterprises and Individual Customers of Total Domestic Loans	62.0%	61.2%	0.8%

Fair Value of Other Securities (the Three Banks) (Banking Accounts)

Billions of yen

At March 31, 2004	Cost	Fair Value	Gross Unrealized		Net Unrealized Gains (Losses)
			Gains	Losses	
Other Securities* ¹	¥ 27,458.8	¥ 28,133.6	¥ 973.0	¥ 298.2	¥ 674.8
Stocks* ²	3,460.7	4,302.3	924.9	83.3	841.6
Bonds	20,056.9	19,866.0	9.3	200.2	(190.9)
Other	3,941.1	3,965.2	38.7	14.6	24.1

Billions of yen

At March 31, 2003	Cost	Fair Value	Gross Unrealized		Net Unrealized Gains (Losses)
			Gains	Losses	
Other Securities* ¹	¥ 21,342.1	¥ 21,314.1	¥ 348.9	¥ 376.9	¥ (28.0)
Stocks* ²	3,948.0	3,753.2	160.4	355.2	(194.8)
Bonds	12,130.6	12,218.1	88.5	1.0	87.4
Other	5,263.4	5,342.7	99.9	20.6	79.3

Billions of yen

Change	Cost	Fair Value	Gross Unrealized		Net Unrealized Gains (Losses)
			Gains	Losses	
Other Securities* ¹	¥ 6,116.6	¥ 6,819.5	¥ 624.1	¥ (78.7)	¥ 702.8
Stocks* ²	(487.3)	549.0	764.4	(271.9)	1,036.4
Bonds	7,926.3	7,647.9	(79.1)	199.2	(278.3)
Other	(1,322.2)	(1,377.4)	(61.1)	(5.9)	(55.2)

*1 In addition to the balances shown in the above table, Other Securities includes securities without market values.

*2 Fair value of Stocks is determined based on the average market prices during one-month periods before the balance sheet dates.

Financial Analysis of Mizuho Improvement of Asset Quality

For an early achievement of corporate revitalization, loans and stocks of customers in need of revitalization/restructuring held by MHCBC, MHBK and MHTB were transferred to their financial subsidiaries specializing in corporate revitalization in July 2003.

Consolidated figures are those for MHFG.

Aggregated figures of the Three Banks for the fiscal year ended March 31, 2003 are the aggregated non-consolidated figures of MHCBC, MHBK and MHTB.

Aggregated figures of the Three Banks for the fiscal year ended March 31, 2004 are the aggregated non-consolidated figures of MHCBC, MHBK, MHTB and their financial subsidiaries specializing in corporate revitalization.

Figures on the tables of "Trust Account" denote trust accounts with contracts indemnifying the principal amount, except for the figures on the tables of Status of Loans by Industry and Status of Loans by Nationality of Borrowers.

○ Disposal of Non-Performing Loans in the Fiscal Year ended March 31, 2004

Credit-related Costs in the aggregated figures of the Three Banks amounted to ¥237.9 billion, or approximately ¥100 billion less than the ¥340 billion forecast made at the beginning of the fiscal year. This was due to the positive effect of the group taking steps to accelerate the early disposal of a significant portion of its non-performing loans (NPLs) in fiscal 2002, and the decrease in the occurrence of new NPLs owing to the steady recovery of the Japanese economy.

The outstanding balance of NPLs decreased by ¥1.6 trillion compared to the end of the previous fiscal year to ¥3.2 trillion. At the same time, the ratio of NPLs stood at 4.40%, or a 1.88% decrease from that at March 31, 2003. These figures indicate that the group is on track to meet its goal of reducing the outstanding balance of NPLs to about half of that at September 2002 by the end of March 2005.

Discounted Cash Flow Method (the "DCF Method")

The DCF method is a means of measuring the Reserve for Possible Losses on Loans, where future cash flows to be received from repayment of principle of and interest on loans are estimated and discounted to a present value, and the difference between that present value and the book value of the loan is recorded in the Reserve for Possible Losses on Loans.

The group has continuously adopted this method for the fiscal year ended March 31, 2004, for about 60% of the claims against Special Attention Obligors, and for approximately 85% in the case of MHCBC alone. The average reserve ratio for the claims to which the DCF method is applied is about 50% against the uncovered portion. This ratio is considerably higher than the 40%, average reserve ratio among major banks for claims subject to special examination exerted and announced by the Financial Services Agency.

○ Credit-Related Costs

Credit-Related Costs (Consolidated)

For the Fiscal Years ended March 31,	2004	2003	Billions of yen Change
Credit-related Costs	¥ (298.8)	¥ (2,111.5)	¥ 1,812.6
Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans	(292.8)	(2,092.3)	1,799.4
Losses on Write-offs of Loans	(209.5)	(735.1)	525.6
Net Provision for Reserve for Possible Losses on Loans	(65.4)	(914.7)	849.2
Credit Costs for Trust Accounts	(5.9)	(19.1)	13.2

Note: Credit-related Costs = Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans + Credit Costs for Trust Accounts

Credit-Related Costs (the Three Banks)

Billions of yen

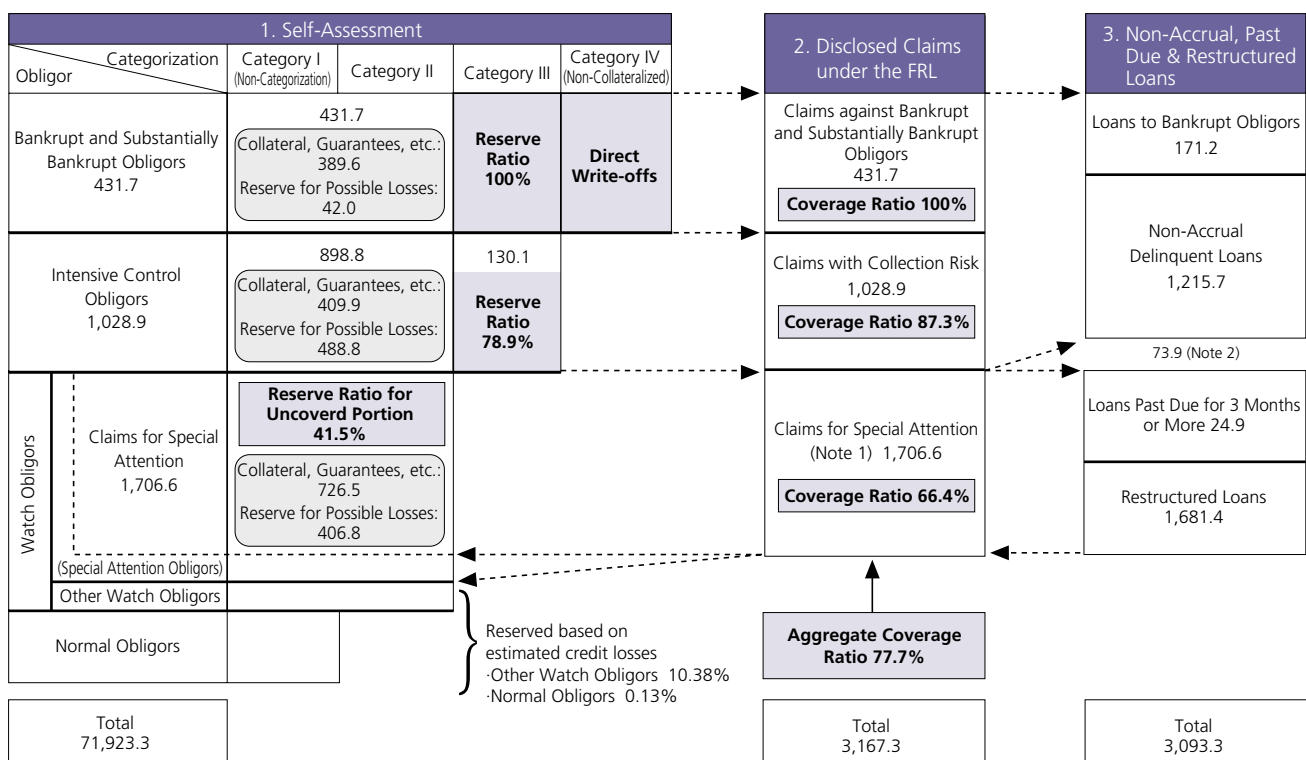
For the Fiscal Years ended March 31,	2004	2003	Change
Credit-related Costs	¥ (237.9)	¥ (2,095.2)	¥ 1,857.2
Expenses related to Portfolio Problems	(363.6)	(1,648.6)	1,285.0
Losses on Write-offs of Loans	(173.1)	(673.1)	499.9
Provision for Specific Reserve for Possible Losses on Loans	(184.3)	(383.5)	199.1
Losses on Sales of Loans to CCPC	(0.7)	(18.2)	17.5
Reversal of (Provision for) Reserve for Possible Losses on Loans Sold	5.0	(10.7)	15.8
Losses on Support of Specific Borrowers	—	(0.5)	0.5
Reversal of Reserve for Possible Losses on Support of Specific Borrowers	3.2	—	3.2
Reversal of Reserve for Possible Losses on Loans to Restructuring Countries	7.2	15.0	(7.8)
Reversal of (Provision for) Reserve for Contingencies	4.7	(6.3)	11.0
Other Losses on Sales of Loans	(25.6)	(571.1)	545.4
Reversal of (Provision for) General Reserve for Possible Losses on Loans	131.5	(427.4)	559.0
Credit Costs for Trust Accounts	(5.9)	(19.1)	13.2

Notes: 1. CCPC is the abbreviation for the Cooperative Credit Purchasing Company, Ltd.

2. Credit-related Costs = Expenses related to Portfolio Problems + Provision for General Reserve for Possible Losses on Loans + Credit Costs for Trust Accounts

Overview of Disclosure of NPLs at March 31, 2004 (the Three Banks) (Banking Accounts)

Billions of yen



Notes: 1. Claims for Special Attention includes loans only and is equal to the total amount of Loans Past Due for 3 Months or More and Restructured Loans.

Claims against Special Attention Obligors includes all claims, not limited to loans, against Special Attention Obligors.

2. The difference between total Non-Accrual, Past Due and Restructuring Loans and total Disclosed Claims under the FRL represents claims other than loans included in Disclosed Claims under the FRL.

○ Outstanding Balance of NPLs

Status of Disclosed Claims

The Three Banks' aggregated figures of Disclosed Claims under the Financial Reconstruction Law (FRL) decreased by ¥1,594.9 billion (an approximately 33% decrease) from the end of the previous fiscal year to ¥3,191.0 billion. The classifications of those loans are shown in the table on page 74.

Of the total, Claims with Collection Risk or worse claims decreased by ¥411.4 billion from the previous year to ¥1,468.7 billion as a result of such measures for corporate revitalization and removal of NPLs.

At the same time, Claims for Special Attention decreased by ¥1,183.5 billion (an approximately 40% decrease) compared to the end of the previous fiscal year to ¥1,722.2 billion, as the classification of some portion of Claims with Collection Risk improved due to active efforts to proceed with corporate revitalization.

NPL Ratio

The aggregated NPL ratio for the Three Banks at the end of March 2004 decreased by 1.88% from the end of the previous fiscal year to 4.40%.

As set forth in the Program for Financial Revival announced in October 2002, major Japanese banks must reduce their NPL ratios by half by the end of March 2005. The group has already surpassed its target for reducing NPLs as set down in its initial plans. Also, it is progressing steadily toward meeting its planned goal of bringing its outstanding balance of NPL down to the mid-two trillion yen range, or an NPL ratio in the range of 3%, by the end of fiscal 2004. In order to achieve the goal, the group continues its efforts to make the most of its financial subsidiaries specialized in corporate revitalization and to remove NPLs from its balance sheet.

○ Management of Loans

Credit Ratings

A 16-grade unified credit rating system is one of the most important elements of MHC and MHBK's risk management infrastructure (MHTB has also adopted this system starting in the fiscal year beginning April 2004).

In principle, credit ratings apply to all borrowers and are subject to regular reviews at least once a year to promptly reflect their term-end corporate results, as well as to special reviews required whenever a borrower's credit standing changes. This enables the group to monitor both individual borrowers and the status of the overall portfolio in a timely fashion. Since credit ratings are a primary phase of the self-assessment process described below, they are linked to the obligor classifications used in the self-assessment of assets.

Self-Assessment of Assets

Self-assessment of assets is one of the credit risk management measures that enables the group to ascertain actual asset status for the preparation for appropriate write-offs and provisions based on accounting principles.

Specifically, borrowers are categorized into five obligor classifications according to creditworthiness, then assets are classified into four categories according to asset recovery risk and risk of impairment (please refer to the Definition of Obligor Classifications and Definition of Categories of Self-Assessment on the next page for details).

Write-Offs and Reserves

Write-offs and reserves are made according to obligor classifications and asset categories on the basis of results of the self-assessment.

The results of write-offs and reserves at the end of March 2004 are described on page 69.

Definition of Obligor Classifications and Definition of Categories of Self-Assessment

	Definition of Obligor Classifications	Category I (Non-Categorized)	Category II	Category III	Category IV (Non-Collateralized)
Normal Obligators	Obligors whose business conditions are favorable and who are deemed not to have any particular problems in terms of their financial position.	All credit given to Normal Obligators.			
Watch Obligators	Obligors who require close watching going forward because there are problems with their borrowings, such as reduced or suspended interest payments, problems with fulfillment such as de facto postponements of principal or interest payments, or problems with their financial positions as a result of their poor or unstable business conditions.	Credit to obligors which has pledged collateral or is covered by guarantees, considered of high quality, such as deposit collateral.	Credit given to Watch Obligators other than those included in Category I.		
Intensive Control Obligators	Obligors who are not yet bankrupt but are in financial difficulties and are deemed to be very likely to go bankrupt in the future because they are finding it difficult to make progress in implementing their management improvement plans (including obligors who are receiving ongoing support from financial institutions).		Credit to obligors which is covered by general collateral, such as real estate and guarantees.	Credit given to Intensive Control Obligators other than those included in Category I and Category II.	
Substantially Bankrupt Obligators	Obligors who have not yet gone legally or formally bankrupt but who are substantially bankrupt because they are in serious financial difficulties and are not deemed to be capable of restructuring.		The difference between the assessed value and market value of collateral on credit to Bankrupt and Substantially Bankrupt Obligators (i.e., the portion of loans for which final collection problems or losses are anticipated).		Credit to Bankrupt and Substantially Bankrupt Obligators, other than those in Category I, Category II and Category III (credit that is judged to be unrecoverable or without value).
Bankrupt Obligators	Obligors who have already gone bankrupt, from both a legal and/or formal perspective.				

Method for Write-Offs and Reserves

Normal Obligators	Calculate the value of estimated loss based on the probability of failure over the coming year for loans by credit rating and appropriate it for the General Reserve for Possible Losses on Loans.
Watch Obligators	Calculate the estimated loss on loans based on the probability of failure over the next three years and appropriate it for the General Reserve for Possible Losses on Loans. Further, in regards to Special Attention Obligators, for obligors with large claims more than a certain amount, if the cash flow from the return of principal and interest payments can reasonably be estimated, set up a reserve under the DCF method.
Intensive Control Obligators	Provide an amount for Specific Reserve for Possible Losses on Loans as calculated by one of the following methods after deducting amounts anticipated to be recoverable from the sale of collateral held against the claims and from guarantors of the claims: a) an amount calculated based on the overall ability of the borrower to pay, or b) the estimated loss calculated on the basis of the balance and the probability of failure over the next three years. Further, for obligors with large claims more than a certain amount, if the cash flow from the return of principal and interest payments can reasonably be estimated, set up a reserve under the DCF method.
Substantially Bankrupt Obligators	Provide the entire balance after deducting amounts anticipated to be recoverable from the sale of collateral held against the claims and from guarantors of the claims for Specific Reserve for Possible Losses on Loans, or write-off the entire balance.
Bankrupt Obligators	

○ Credit Management

Credit Operations Standard

The Credit Operations Standard stipulates the basic stance for all senior executive officers and employees of the group engaged in credit operations. Fundamental credit operations policies are determined therein in light of the appropriate public and social roles of the bank, including social principles, safety principles, growth principles and earnings principles.

Credit Examination

In order to improve the quality of assets, it is extremely important to manage credit on a daily basis so as to prevent the occurrence of NPLs.

Basically each business promotion division and branch responsible is to conduct an impartial analysis and examination of each credit application separately, and matters that exceed the authority of the division or branch general manager are to be examined by head office credit divisions. Industry-specific, customer size-specific and region-specific credit divisions have been established, and they are able to promptly conduct specialized examinations depending on the characteristics of the customer and market, and provide business promotion divisions and branches with appropriate advice.

From the point of view of preventing the occurrence of new NPLs, particularly where there is a low credit rating indicating high downside risk, the business promotion division and branch work jointly with the credit divisions to clarify credit policy, and at the same time, work to provide support for the early revitalization of the customer.

○ Treatment of NPLs

Centralized management of recovery and final disposal of NPLs by a specialized division facilitate continued efforts to revitalize corporations and collect debts through a disposal of collateral.

The division works to strengthen management and collection systems and realize efficient and expeditious disposals by utilizing schemes for corporate revitalization including transfer of business and M&A, bulk sales of NPLs and working with the RCC (Resolution and Collection Corporation).

Mizuho Saiken Kaishu Co., Ltd., a servicer of the group, mainly collects NPLs for the group banks and affiliated companies, and the group intends to gradually expand the scope of collection services in the future and to consider accepting requests from non-group entities.

○ Activities in Corporate Revitalization

The group considers support for corporate revitalization to be an important mission for a financial institution, and it is doing its utmost as a group to provide that.

In May 2003, Mizuho announced its Corporate Revitalization Project, a comprehensive effort of the group to support corporate revitalization. The Three Banks transferred their loans and stocks of the customers in need of revitalization/restructuring to their financial subsidiaries for corporate revitalization, and established an advisory company for corporate revitalization that possesses a high level of financial expertise. As a result, the group has made steady progress in corporate revitalization by offering corporate revitalization schemes backed by a combination of internal and external know-how in such areas as M&As, transfer of operations and corporate reconstruction through corporate splits.

○ Status of Disclosed Claims under the Financial Reconstruction Law (FRL)

Disclosed Claims under the FRL (Consolidated)

(Consolidated)

At March 31,	Billions of yen		
	2004	2003	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 466.1	¥ 680.1	¥ (214.0)
Claims with Collection Risk	1,084.1	1,300.7	(216.6)
Claims for Special Attention	1,719.4	2,883.6	(1,164.2)
Total	¥ 3,269.7	¥ 4,864.6	¥ (1,594.9)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

Amount of Partial Direct Write-offs	Billions of yen		
	2004	2003	Change
	¥ 1,379.0	¥ 1,832.8	¥ (453.7)

(Trust Accounts)

At March 31,	Billions of yen		
	2004	2003	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 4.2	¥ 11.1	¥ (6.9)
Claims with Collection Risk	3.8	5.4	(1.6)
Claims for Special Attention	15.5	24.9	(9.3)
Total	¥ 23.6	¥ 41.5	¥ (17.9)

(Consolidated and Trust Accounts)

At March 31,	Billions of yen		
	2004	2003	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 470.3	¥ 691.3	¥ (220.9)
Claims with Collection Risk	1,087.9	1,306.2	(218.2)
Claims for Special Attention	1,735.0	2,908.6	(1,173.6)
Total	¥ 3,293.3	¥ 4,906.1	¥ (1,612.8)

Financial Analysis of Mizuho Improvement of Asset Quality

Disclosed Claims under the FRL (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	Billions of yen		
	2004	2003	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 435.9	¥ 615.1	¥ (179.1)
Claims with Collection Risk	1,032.8	1,265.0	(232.2)
Claims for Special Attention	1,722.2	2,905.7	(1,183.5)
Subtotal	3,191.0	4,785.9	(1,594.9)
Normal Claims	69,313.7	71,298.9	(1,985.1)
Total	¥ 72,504.7	¥ 76,084.8	¥ (3,580.0)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

Amount of Partial Direct Write-offs	Billions of yen		
	2004	2003	Change
	¥ 1,176.1	¥ 1,586.0	¥ (409.9)

Ratio of Disclosed Claims under the FRL (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	Billions of yen		
	2004	2003	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	0.60%	0.80%	(0.20)%
Claims with Collection Risk	1.42	1.66	(0.23)
Claims for Special Attention	2.37	3.81	(1.44)
Subtotal	4.40	6.29	(1.88)
Normal Claims	95.59	93.70	1.88
Total	100.00%	100.00%	/

Disclosed Claims under the FRL and Coverage Amount (the Three Banks) (Banking Accounts)

At March 31,	Billions of yen		
	2004	2003	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 431.7	¥ 603.9	¥ (172.2)
Collateral, Guarantees, and equivalent	389.6	525.9	(136.2)
Reserve for Possible Losses	42.0	77.9	(35.9)
Claims with Collection Risk	1,028.9	1,259.6	(230.6)
Collateral, Guarantees, and equivalent	409.9	573.5	(163.6)
Reserve for Possible Losses	488.8	511.4	(22.5)
Claims for Special Attention	1,706.6	2,880.8	(1,174.1)
Collateral, Guarantees, and equivalent	726.5	1,051.5	(324.9)
Reserve for Possible Losses	406.8	694.7	(287.8)
Total	¥ 3,167.3	¥ 4,744.4	¥ (1,577.0)
Collateral, Guarantees, and equivalent	1,526.2	2,151.0	(624.8)
Reserve for Possible Losses	937.8	1,284.1	(346.3)

Status of Coverage on Disclosed Claims under the FRL (the Three Banks) (Banking Accounts)

Billions of yen

At March 31,	2004	2003	Change
Coverage Amount	¥ 2,464.0	¥ 3,435.2	¥ (971.2)
Reserve for Possible Losses on Loans	937.8	1,261.3	(323.5)
Reserve for Possible Losses on Support of Specific Borrowers	—	22.8	(22.8)
Collateral, Guarantees, and equivalent	1,526.2	2,151.0	(624.8)
Coverage Ratio (after Partial Direct Write-offs of Category IV Loans)	77.7%	72.4%	5.3%
Claims against Bankrupt and Substantially Bankrupt Obligors	100.0	100.0	—
Claims with Collection Risk	87.3	86.1	1.2
Claims for Special Attention	66.4	60.6	5.7
Reserve Ratio against Non-collateralized Claims			
Claims against Bankrupt and Substantially Bankrupt Obligors	100.0%	100.0%	—%
Claims with Collection Risk	78.9	74.5	4.4
Claims for Special Attention	41.5	37.9	3.5
(Reserve Ratio regarding Total Claims for Special Attention)	23.8	24.1	(0.2)
Reserve Ratio regarding Other Claims			
Claims against Watch Obligors excluding Claims against Special Attention Obligors	10.38%	7.53%	2.84%
Normal Claims	0.13	0.15	(0.01)

Financial Analysis of Mizuho

Improvement of Asset Quality

○ Status of Non-Accrual, Past Due & Restructured Loans (Consolidated)

(Consolidated)

Non-Accrual, Past Due & Restructured Loans (After Partial Direct Write-offs of Category IV Loans)

At March 31,	2004	2003	Billions of yen Change
Loans to Bankrupt Obligors	¥ 177.8	¥ 288.6	¥ (110.8)
Non-Accrual Delinquent Loans	1,284.0	1,598.5	(314.5)
Loans Past Due for 3 Months or More	24.9	50.6	(25.7)
Restructured Loans	1,694.2	2,832.0	(1,137.7)
Total	¥ 3,181.1	¥ 4,769.9	¥ (1,588.8)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	2004	2003	Billions of yen Change
Amount of Partial Direct Write-offs	¥ 1,353.2	¥ 1,767.7	¥ (414.5)

Ratio to Total Loans (After Partial Direct Write-offs of Category IV Loans)

At March 31,	2004	2003	Change
Loans to Bankrupt Obligors	0.26%	0.41%	(0.14)%
Non-Accrual Delinquent Loans	1.93	2.30	(0.37)
Loans Past Due for 3 Months or More	0.03	0.07	(0.03)
Restructured Loans	2.55	4.09	(1.53)
Non-Accrual, Past Due & Restructured Loans / Total Loans	4.80%	6.89%	(2.08)%

Status of Reserves for Possible Losses on Loans

At March 31,	2004	2003	Billions of yen Change
Reserves for Possible Losses on Loans (After Partial Direct Write-offs of Category IV Loans)	¥ 1,850.5	¥ 2,211.3	¥ (360.7)
General Reserve for Possible Losses on Loans	1,175.8	1,515.4	(339.5)
Specific Reserve for Possible Losses on Loans	666.2	678.5	(12.3)
Reserve for Possible Losses on Loans to Restructuring Countries	8.4	17.3	(8.9)
Reserve for Possible Losses on Loans Sold	—	25.5	(25.5)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	2004	2003	Billions of yen Change
Amount of Partial Direct Write-offs	¥ 1,379.6	¥ 1,832.9	¥ (453.2)

Reserve Ratios for Non-Accrual, Past Due & Restructured Loans

At March 31,	2004	2003	Change
After Partial Direct Write-offs of Category IV Loans	58.17%	46.36%	11.81%

Note: Reserve Ratio = (Reserve for Possible Losses on Loans + Reserve for Possible Losses on Support of Specific Borrowers) / Total Non-Accrual, Past Due & Restructured Loans.

(Trust Accounts)

Non-Accrual, Past Due & Restructured Loans

At March 31,	Billions of yen		
	2004	2003	Change
Loans to Bankrupt Obligors	¥ 2.0	¥ 5.1	¥ (3.1)
Non-Accrual Delinquent Loans	6.1	12.5	(6.4)
Loans Past Due for 3 Months or More	0.2	0.7	(0.4)
Restructured Loans	15.2	23.0	(7.7)
Total	¥ 23.6	¥ 41.5	¥ (17.9)

Ratio to Total Loans

At March 31,	2004	2003	Change
Loans to Bankrupt Obligors	0.34%	0.71%	(0.36)%
Non-Accrual Delinquent Loans	1.04	1.73	(0.69)
Loans Past Due for 3 Months or More	0.04	0.10	(0.06)
Restructured Loans	2.62	3.18	(0.55)
Non-Accrual, Past Due & Restructured Loans / Total Loans	4.06%	5.74%	(1.67)%

(Consolidated and Trust Accounts)

Non-Accrual, Past Due & Restructured Loans (After Partial Direct Write-offs of Category IV Loans)

At March 31,	Billions of yen		
	2004	2003	Change
Loans to Bankrupt Obligors	¥ 179.9	¥ 293.8	¥ (113.9)
Non-Accrual Delinquent Loans	1,290.1	1,611.1	(320.9)
Loans Past Due for 3 Months or More	25.1	51.4	(26.2)
Restructured Loans	1,709.5	2,855.1	(1,145.5)
Total	¥ 3,204.7	¥ 4,811.4	¥ (1,606.7)

Ratio to Total Loans (After Partial Direct Write-offs of Category IV Loans)

At March 31,	2004	2003	Change
Loans to Bankrupt Obligors	0.26%	0.42%	(0.15)%
Non-Accrual Delinquent Loans	1.93	2.30	(0.37)
Loans Past Due for 3 Months or More	0.03	0.07	(0.03)
Restructured Loans	2.55	4.08	(1.52)
Non-Accrual, Past Due & Restructured Loans / Total Loans	4.79%	6.88%	(2.08)%

Financial Analysis of Mizuho Improvement of Asset Quality

○ Status of Non-Accrual, Past Due & Restructured Loans (the Three Banks)

(Banking Accounts and Trust Accounts)

Non-Accrual, Past Due & Restructured Loans (After Partial Direct Write-offs of Category IV Loans)

At March 31,			Billions of yen
	2004	2003	Change
Loans to Bankrupt Obligors	¥ 173.3	¥ 278.1	¥ (104.8)
Non-Accrual Delinquent Loans	1,221.8	1,528.5	(306.7)
Loans Past Due for 3 Months or More	25.1	50.1	(24.9)
Restructured Loans	1,696.7	2,853.5	(1,156.7)
Total	¥ 3,117.0	¥ 4,710.3	¥ (1,593.3)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

			Billions of yen
	2004	2003	Change
Amount of Partial Direct Write-offs	¥ 1,152.5	¥ 1,528.2	¥ (375.7)

Ratio to Total Loans (After Partial Direct Write-offs of Category IV Loans)

At March 31,			Change
	2004	2003	
Loans to Bankrupt Obligors	0.25%	0.39%	(0.13)%
Non-Accrual Delinquent Loans	1.83	2.19	(0.36)
Loans Past Due for 3 Months or More	0.03	0.07	(0.03)
Restructured Loans	2.54	4.09	(1.55)
Non-Accrual, Past Due & Restructured Loans / Total Loans	4.67%	6.76%	(2.09)%

Status of Reserves for Possible Losses on Loans

At March 31,			Billions of yen
	2004	2003	Change
Reserve for Possible Losses on Loans (After Partial Direct Write-offs of Category IV Loans)	¥ 1,653.5	¥ 1,969.0	¥ (315.4)
General Reserve for Possible Losses on Loans	1,109.3	1,273.0	(163.6)
Specific Reserve for Possible Losses on Loans	535.7	678.6	(142.8)
Reserve for Possible Losses on Loans to Restructuring Countries	8.4	17.3	(8.9)
Reserve for Possible Losses on Support of Specific Borrowers	—	27.0	(27.0)
Reserve for Possible Losses on Loans Sold	—	25.5	(25.5)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

			Billions of yen
	2004	2003	Change
Amount of Partial Direct Write-offs	¥ 1,176.6	¥ 1,587.3	¥ (410.7)

Reserve Ratios for Non-Accrual, Past Due & Restructured Loans

At March 31,			Change
	2004	2003	
After Partial Direct Write-offs of Category IV Loans	53.45%	42.75%	10.70%

Note: Reserve Ratio = (Reserve for Possible Losses on Loans + Reserve for Possible Losses on Support of Specific Borrowers) / Total Non-Accrual, Past Due & Restructured Loans.

○ Status of Loans by Industry

Outstanding Loans by Industry (Consolidated)

At March 31,	Billions of yen					
	2004		2003		Change	
	Outstanding Balance	Composition	Outstanding Balance	Composition	Outstanding Balance	Composition
Domestic Total (excluding Loans Booked Offshore)	¥ 62,071.4	100.00%	¥ 63,201.9	100.00%	¥ (1,130.4)	/
Manufacturing	8,759.8	14.11	9,380.0	14.84	(620.2)	(0.73)%
Agriculture	55.1	0.09	67.5	0.11	(12.4)	(0.02)
Forestry	1.9	0.00	3.0	0.00	(1.1)	0.00
Fishery	8.3	0.01	9.8	0.02	(1.4)	(0.01)
Mining	123.7	0.20	124.0	0.20	(0.3)	0.00
Construction	1,939.6	3.12	2,173.6	3.44	(234.0)	(0.32)
Utilities	943.9	1.52	931.9	1.47	11.9	0.05
Communication	1,101.3	1.78	1,125.9	1.78	(24.5)	0.00
Transportation	3,066.8	4.94	2,977.7	4.71	89.0	0.23
Wholesale & Retail	7,824.2	12.61	8,171.1	12.93	(346.8)	(0.32)
Finance & Insurance	6,885.8	11.09	6,911.2	10.94	(25.4)	0.15
Real Estate	6,862.0	11.06	7,206.8	11.40	(344.7)	(0.34)
Service Industries	10,299.9	16.59	10,167.2	16.09	132.7	0.50
Local Government	365.0	0.59	271.8	0.43	93.2	0.16
Other	13,833.7	22.29	13,679.7	21.64	153.9	0.65
Overseas Total (including Loans Booked Offshore)	4,134.4	100.00	6,008.1	100.00	(1,873.6)	/
Governments	148.0	3.58	200.4	3.34	(52.3)	0.24
Financial Institutions	367.3	8.89	512.0	8.52	(144.7)	0.37
Other	3,618.9	87.53	5,295.5	88.14	(1,676.6)	(0.61)
Total	¥ 66,205.8	/	¥ 69,210.0	/	¥ (3,004.1)	/

Note: Domestic Total = MHFG and its domestic consolidated subsidiaries (excluding their overseas offices).

Overseas Total = Overseas offices of MHFG's domestic consolidated subsidiaries and MHFG's overseas consolidated subsidiaries.

Outstanding Loans by Industry (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	Billions of yen					
	2004		2003		Change	
	Outstanding Balance	Composition	Outstanding Balance	Composition	Outstanding Balance	Composition
Domestic Total (excluding Loans Booked Offshore)	¥ 63,570.9	100.00%	¥ 64,974.3	100.00%	¥ (1,403.3)	/
Manufacturing	8,860.3	13.94	9,595.0	14.77	(734.7)	(0.83)%
Agriculture	55.1	0.09	67.5	0.10	(12.4)	(0.01)
Forestry	1.9	0.00	3.0	0.00	(1.1)	0.00
Fishery	8.8	0.01	10.4	0.02	(1.5)	(0.01)
Mining	125.8	0.20	128.5	0.20	(2.6)	0.00
Construction	1,963.0	3.09	2,211.5	3.40	(248.4)	(0.31)
Utilities	1,031.4	1.62	1,044.7	1.61	(13.3)	0.01
Communication	1,111.3	1.75	1,252.7	1.93	(141.3)	(0.18)
Transportation	3,151.1	4.96	3,111.8	4.79	39.2	0.17
Wholesale & Retail	7,834.7	12.33	8,201.0	12.62	(366.3)	(0.29)
Finance & Insurance	7,445.7	11.71	7,484.4	11.52	(38.6)	0.19
Real Estate	6,931.2	10.90	7,316.6	11.26	(385.3)	(0.36)
Service Industries	10,368.7	16.31	10,292.9	15.84	75.7	0.47
Local Government	413.3	0.65	323.8	0.50	89.5	0.15
Other	14,267.8	22.44	13,929.7	21.44	338.1	1.00
Overseas Total (including Loans Booked Offshore)	3,815.2	100.00	5,516.3	100.00	(1,701.1)	/
Governments	143.9	3.77	172.0	3.12	(28.1)	0.65
Financial Institutions	401.2	10.52	517.3	9.38	(116.0)	1.14
Other	3,270.0	85.71	4,826.9	87.50	(1,556.9)	(1.79)
Total	¥ 67,386.2	/	¥ 70,490.7	/	¥ (3,104.4)	/

Financial Analysis of Mizuho
Improvement of Asset Quality

Disclosed Claims under the FRL by Industry and Coverage Ratio (the Three Banks) (Banking Accounts and Trust Accounts)

Billions of yen

At March 31,	2004		2003		Change	
	Disclosed Claims under the FRL	Coverage on Disclosed Claims under the FRL	Disclosed Claims under the FRL	Coverage on Disclosed Claims under the FRL	Disclosed Claims under the FRL	Coverage on Disclosed Claims under the FRL
Domestic Total (excluding Loans Booked Offshore)	¥ 3,057.8	78.0%	¥ 4,367.2	72.9%	¥ (1,309.4)	5.0%
Manufacturing	517.8	85.3	702.5	71.6	(184.7)	13.6
Agriculture	2.6	97.2	2.2	90.3	0.3	6.9
Forestry	0.2	50.7	0.4	82.6	(0.2)	(31.8)
Fishery	2.2	92.0	2.5	93.3	(0.3)	(1.2)
Mining	0.8	99.3	3.5	111.9	(2.6)	(12.6)
Construction	194.2	68.4	407.6	77.2	(213.3)	(8.8)
Utilities	1.2	93.7	11.6	96.9	(10.4)	(3.1)
Communication	34.9	76.3	33.1	79.5	1.8	(3.1)
Transportation	56.0	72.7	105.8	77.4	(49.7)	(4.6)
Wholesale & Retail	846.2	77.9	993.9	69.3	(147.7)	8.6
Finance & Insurance	55.9	54.0	183.3	55.0	(127.4)	(0.9)
Real Estate	502.3	82.4	865.7	76.5	(363.4)	5.9
Service Industries	480.5	67.8	674.1	70.1	(193.6)	(2.3)
Local Government	—	—	0.3	66.5	(0.3)	(66.5)
Other	362.4	84.4	379.9	82.4	(17.4)	1.9
Overseas Total (including Loans Booked Offshore)	133.1	74.1	418.6	68.0	(285.4)	6.1
Governments	10.7	25.4	12.2	32.1	(1.4)	(6.7)
Financial Institutions	1.0	83.3	2.0	64.3	(1.0)	18.9
Other	121.3	78.4	404.4	69.1	(283.0)	9.2
Total	¥ 3,191.0	77.7%	¥ 4,785.9	72.4%	¥ (1,594.9)	5.3%

Non-Accrual, Past Due and Restructured Loans by Industry (the Three Banks) (Banking Accounts and Trust Accounts)

Billions of yen

At March 31,	2004	2003	Change
Domestic Total (excluding Loans Booked Offshore)	¥ 2,988.8	¥ 4,322.1	¥ (1,333.2)
Manufacturing	515.7	681.5	(165.8)
Agriculture	2.6	2.2	0.3
Forestry	0.2	0.4	(0.2)
Fishery	2.2	2.5	(0.3)
Mining	0.3	2.9	(2.6)
Construction	174.5	402.6	(228.0)
Utilities	0.4	10.8	(10.3)
Communication	32.2	31.9	0.3
Transportation	55.8	105.5	(49.6)
Wholesale & Retail	829.3	989.3	(160.0)
Finance & Insurance	55.8	183.2	(127.3)
Real Estate	500.4	861.6	(361.1)
Service Industries	474.9	667.4	(192.5)
Local Government	—	0.3	(0.3)
Other	343.9	379.3	(35.4)
Overseas Total (including Loans Booked Offshore)	128.1	388.2	(260.0)
Governments	10.7	12.2	(1.4)
Financial Institutions	0.3	1.2	(0.8)
Other	117.0	374.7	(257.7)
Total	¥ 3,117.0	¥ 4,710.3	¥ (1,593.3)

○ Status of Loans by Nationality of Borrowers

Loans to Foreign Governments, and equivalent, by Country (Consolidated)

At March 31,	Billions of yen		At March 31,	Billions of yen	
	2004			2003	
Indonesia	¥ 51.0		Indonesia	¥ 73.6	
Others (5 Countries)	0.3		Others (7 Countries)	4.6	
Total	¥ 51.4		Total	¥ 78.2	
(Ratio to Total Assets)	(0.03%)		(Ratio to Total Assets)	(0.05%)	

Notes: Listed are loans to the government and related agents in restructuring countries for which Reserves for Possible Losses on Loans to Restructuring Countries are accounted as stipulated under JICPA Banking Audit Committee Report No. 4.

Balance of Loans to Restructuring Countries (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	Billions of yen, Number of Countries		
	2004	2003	Change
Loan Amount	¥ 54.9	¥ 97.1	¥ (42.1)
Number of Restructuring Countries	6	8	(2)

Notes: 1. Loans are subject to Reserve for Possible Losses on Loans to Restructuring Countries under JICPA Banking Audit Committee Report No. 4.

2. "Number of Restructuring Countries" indicates the number of the countries whose loans are subject to the above Reserves and are accounted for on the balance sheets of the Three Banks.

Status of Loans by Nationality of Borrowers (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	Billions of yen					
	2004		2003		Change	
	Outstanding Balance	Non-Accrual, Past Due & Restructured Loans	Outstanding Balance	Non-Accrual, Past Due & Restructured Loans	Outstanding Balance	Non-Accrual, Past Due & Restructured Loans
Asia	¥ 1,159.3	¥ 40.5	¥ 1,348.1	¥ 82.7	¥ (188.7)	¥ (42.2)
China	199.3	2.4	203.7	6.1	(4.3)	(3.6)
Hong Kong	198.2	2.5	260.1	4.1	(61.9)	(1.6)
Thailand	195.5	10.1	227.6	21.1	(32.1)	(10.9)
Singapore	137.4	3.0	161.8	4.1	(24.4)	(1.0)
Republic of Korea	99.1	0.0	112.9	0.6	(13.8)	(0.6)
Indonesia	82.2	15.9	121.7	40.0	(39.4)	(24.1)
Central and South America	775.9	5.7	883.2	39.0	(107.2)	(33.2)
Mexico	53.4	—	63.1	—	(9.7)	—
Brazil	35.6	0.8	44.4	1.2	(8.8)	(0.3)
Argentina	7.5	1.5	15.0	6.1	(7.4)	(4.6)
North America	1,641.3	150.8	2,664.2	268.0	(1,022.8)	(117.2)
Eastern Europe	29.4	0.9	64.0	3.3	(34.6)	(2.3)
Western Europe	815.9	20.5	966.7	18.7	(150.8)	1.8
Other	379.5	7.4	452.5	32.5	(73.0)	(25.1)
Total	¥ 4,801.6	¥ 226.0	¥ 6,378.9	¥ 444.5	(1,577.3)	(218.4)

Financial Analysis of Mizuho Improvement of Asset Quality

○ Results of Removal of NPLs from the Balance Sheet

Outstanding Balances of Claims against Bankrupt and Substantially Bankrupt Obligors and Claims with Collection Risk (under the FRL) (the Three Banks) (Banking Accounts and Trust Accounts)

Billions of yen

	At September 30, 2000	At March 31, 2001	At September 30, 2001	At March 31, 2002	At September 30, 2002	At March 31, 2003	At September 30, 2003 (a)	At March 31, 2004 (b)	Change (b)-(a)
Amount Categorized as Problem Assets before September 30, 2000	¥ 2,718.7	¥ 1,912.3	¥ 1,510.4	¥ 864.2	¥ 622.5	¥ 155.6	¥ 109.0	¥ 63.4	¥ (45.6)
<i>of which the amount in the process of being removed from the balance sheet</i>					265.6	103.8	73.2	45.0	(28.2)
Claims against Bankrupt and Substantially Bankrupt Obligors	1,183.9	755.3	697.6	438.5	342.7	112.9	78.9	49.8	(29.0)
Claims with Collection Risk	1,534.7	1,157.0	812.7	425.6	279.7	42.7	30.1	13.5	(16.5)
Amount Newly Categorized as Problem Assets during the Second Half of Fiscal 2000		700.8	494.6	322.1	255.9	104.5	67.8	39.2	(28.6)
<i>of which the amount in the process of being removed from the balance sheet</i>					49.1	25.8	17.9	12.6	(5.2)
Claims against Bankrupt and Substantially Bankrupt Obligors		150.1	81.1	95.6	67.2	34.4	24.9	13.3	(11.5)
Claims with Collection Risk		550.6	413.5	226.4	188.6	70.0	42.9	25.9	(17.0)
Amount Newly Categorized as Problem Assets during the First Half of Fiscal 2001			1,385.0	927.3	727.4	347.5	278.7	158.6	(120.0)
<i>of which the amount in the process of being removed from the balance sheet</i>					199.7	136.4	125.5	75.2	(50.3)
Claims against Bankrupt and Substantially Bankrupt Obligors			261.8	277.9	230.1	183.6	157.5	85.3	(72.1)
Claims with Collection Risk			1,123.1	649.3	497.3	163.9	121.1	73.2	(47.8)
Amount Newly Categorized as Problem Assets during the Second Half of Fiscal 2001				1,236.6	664.4	236.4	168.7	89.4	(79.3)
<i>of which the amount in the process of being removed from the balance sheet</i>					165.4	88.8	61.1	33.8	(27.2)
Claims against Bankrupt and Substantially Bankrupt Obligors				313.3	172.8	124.7	90.1	56.8	(33.3)
Claims with Collection Risk				923.3	491.6	111.7	78.5	32.5	(46.0)
Amount Newly Categorized as Problem Assets during the First Half of Fiscal 2002					589.1	226.5	149.2	78.9	(70.2)
<i>of which the amount in the process of being removed from the balance sheet</i>					71.8	44.8	45.9	27.3	(18.5)
Claims against Bankrupt and Substantially Bankrupt Obligors					85.0	70.2	69.0	31.4	(37.5)
Claims with Collection Risk					504.0	156.2	80.2	47.5	(32.7)
Amount Newly Categorized as Problem Assets during the Second Half of Fiscal 2002						809.5	603.5	321.0	(282.5)
<i>of which the amount in the process of being removed from the balance sheet</i>						57.0	74.0	45.2	(28.8)
Claims against Bankrupt and Substantially Bankrupt Obligors						89.1	82.1	83.4	1.3
Claims with Collection Risk						720.3	521.4	237.6	(283.8)
Amount Newly Categorized as Problem Assets during the First Half of Fiscal 2003							390.3	192.0	(198.2)
<i>of which the amount in the process of being removed from the balance sheet</i>							40.9	23.4	(17.4)
Claims against Bankrupt and Substantially Bankrupt Obligors							45.7	28.1	(17.6)
Claims with Collection Risk							344.5	163.9	(180.6)
Amount Newly Categorized as Problem Assets during the Second Half of Fiscal 2003								525.9	525.9
<i>of which the amount in the process of being removed from the balance sheet</i>								83.7	83.7
Claims against Bankrupt and Substantially Bankrupt Obligors								87.3	87.3
Claims with Collection Risk								438.5	438.5
Total	¥ 2,718.7	¥ 2,613.2	¥ 3,390.1	¥ 3,350.3	¥ 2,859.6	¥ 1,880.2	¥ 1,767.6	¥ 1,468.7	¥ (298.8)
<i>of which the amount in the process of being removed from the balance sheet</i>					751.8	456.9	438.8	346.6	(92.1)
Claims against Bankrupt and Substantially Bankrupt Obligors	1,183.9	905.4	1,040.6	1,125.5	898.1	615.1	548.6	435.9	(112.6)
Claims with Collection Risk	1,534.7	1,707.7	2,349.5	2,224.8	1,961.4	1,265.0	1,218.9	1,032.8	(186.1)

**Progress in Removal of Problem Assets from the Balance Sheet (Accumulated Removal Amount and Removal Ratio)
(the Three Banks) (Banking Accounts and Trust Accounts)**

	Billions of yen			Accumulated Removal Ratio	Modified Accumulated Removal Ratio	Target of the Emergency Economic Policy Package
	Amount	Balance at March 31, 2004	Accumulated Removal Amount			
As of September 30, 2000	¥ 2,718.7	¥ 63.4	¥ 2,655.3	97.6%	99.3%	Almost Completed
Second Half of Fiscal 2000	700.8	39.2	661.6	94.3	96.2	Almost Completed
First Half of Fiscal 2001	1,385.0	158.6	1,226.3	88.5	93.9	more than 80%
Second Half of Fiscal 2001	1,236.6	89.4	1,147.2	92.7	95.5	more than 80%
First Half of Fiscal 2002	589.1	78.9	510.1	86.5	91.2	more than 50%
Second Half of Fiscal 2002	809.5	321.0	488.4	60.3	65.9	more than 50%
First Half of Fiscal 2003	390.3	192.0	198.2	50.7	56.7	/
Second Half of Fiscal 2003	525.9	525.9	/	/	/	/
Total	¥ 8,356.1	¥ 1,468.7	/	/	/	/

Note: Modified accumulated removal ratios are based on the accumulated removal amount including the amount which was in the process of being removed from the balance sheet.

Under the government's Emergency Economic Policy Package announced in April 2001, major banks are required to remove Claims against Intensive Control Obligors or worse (under the FRL, Claims with Collection Risk or worse claims) from their balance sheets by the end of March 2003 for claims originated before the first half of 2000. For new claims, half are required to be removed within one year, 80% within two years and complete removal is required within three years.

Therefore, the group has proceeded with thorough collection and final disposal of NPLs as well as improvement of classifications by corporate revitalization.

The results of removal were approximately ¥1.3 trillion in fiscal 2003. As a result, based on the Emergency Economic Policy Package, the removal ratio for loans due for disposal by the end of March 2004 has reached 96%, including the amount which was in the process of being removed from the balance sheet, and removal from the balance sheet is complete.

The group surpassed its targets for the first two consecutive fiscal years by a significant amount, and it continues to take aggressive measures to accelerate the final disposal of NPLs.

The group will steadily proceed with removal and reduce the balance of NPLs.

Financial Analysis of Mizuho Improvement of Asset Quality

Breakdown of Reasons for Removal of Problem Assets from the Balance Sheet (the Three Banks) (Banking Accounts and Trust Accounts)

	Problem Assets Newly Categorized as Problem Assets							Amount Removed from BS in the Second Half of Fiscal 2003
	Accumulated as of September 30, 2000	Second Half of Fiscal 2000	First Half of Fiscal 2001	Second Half of Fiscal 2001	First Half of Fiscal 2002	Second Half of Fiscal 2002	First Half of Fiscal 2003	
Liquidation	¥ (71.9)	¥ (3.2)	¥ (20.7)	¥ (7.9)	¥ (15.9)	¥ (9.5)	¥ (0.2)	¥ (129.5)
Restructuring	(13.7)	(0.0)	(257.4)	(9.2)	(9.5)	(11.9)	(18.8)	(320.8)
Improvement in Business Performance due to Restructuring	(0.5)	—	(3.7)	—	—	(14.7)	(24.9)	(43.9)
Securitization	(83.7)	(37.1)	(68.0)	(52.0)	(52.5)	(84.5)	(33.8)	(411.9)
Direct Write-off	143.7	21.5	292.4	27.4	56.3	(9.8)	(12.0)	519.6
Other	(19.4)	(9.6)	(62.5)	(37.5)	(48.5)	(151.9)	(108.3)	(438.1)
Debt Recovery	(14.0)	(6.9)	(56.1)	(27.7)	(37.8)	(89.5)	(81.3)	(313.7)
Improvement in Business Performance	(5.3)	(2.6)	(6.3)	(9.8)	(10.7)	(62.3)	(27.0)	(124.4)
Total	¥ (45.6)	¥ (28.6)	¥ (120.0)	¥ (79.3)	¥ (70.2)	¥ (282.5)	¥ (198.2)	¥ (824.7)

(Reference) Breakdown of Accumulated Amount Removed from the Balance Sheet (the Three Banks) (Banking Accounts and Trust Accounts)

	Breakdown of Amount Removed							Accumulated from Second Half of Fiscal 2000
	Second Half of Fiscal 2000	First Half of Fiscal 2001	Second Half of Fiscal 2001	First Half of Fiscal 2002	Second Half of Fiscal 2002	First Half of Fiscal 2003	Second Half of Fiscal 2003	
Liquidation	¥ (229.4)	¥ (155.0)	¥ (173.0)	¥ (190.2)	¥ (214.5)	¥ (20.6)	¥ (129.5)	¥ (1,112.4)
Restructuring	(84.6)	(310.1)	(47.9)	(235.2)	(316.5)	(46.4)	(320.8)	(1,361.8)
Improvement in Business Performance due to Restructuring	/	(9.9)	(4.7)	(47.8)	(58.7)	(6.4)	(43.9)	(171.7)
Securitization	(170.5)	(259.0)	(312.0)	(237.9)	(1,658.1)	(116.0)	(411.9)	(3,165.6)
Direct Write-off	69.2	455.5	(98.3)	324.6	1,010.7	19.3	519.6	2,300.8
Other	(391.1)	(329.5)	(640.2)	(693.2)	(551.5)	(332.6)	(438.1)	(3,376.5)
Debt Recovery	/	(305.5)	(506.1)	(387.5)	(390.8)	(224.2)	(313.7)	/
Improvement in Business Performance	/	(23.9)	(134.0)	(305.7)	(160.7)	(108.3)	(124.4)	/
Total	¥ (806.4)	¥ (608.0)	¥(1,276.4)	¥(1,079.8)	¥(1,788.8)	¥ (502.9)	¥ (824.7)	¥ (6,887.4)

Write-offs of Loans (the Three Banks) (Banking Accounts)

At March 31,	2004		2003	Change
Write-offs of Loans	¥ 173.1	¥ 673.1	¥ (499.9)	

Principal Amounts of NPLs Sold (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	2004		2003	Change
Principal Amounts of NPLs Sold	¥ 548.1	¥ 2,033.6	¥ (1,485.4)	
Sales of Loans to RCC	54.4	619.6	(565.2)	
Other Sales	493.7	1,414.0	(920.2)	

Note: RCC is the abbreviation for the Resolution and Collection Corporation.

Debt Forgiveness (the Three Banks) (Banking Accounts and Trust Accounts)

At March 31,	2004		2003	Change
Number of Cases of Forgiveness	22	22	—	
Book Value	¥ 58.0	¥ 283.9	¥ (225.8)	

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Shin Nihon & Co.

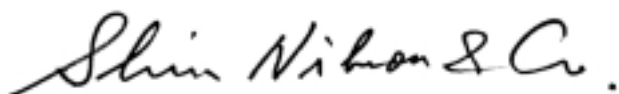
The Board of Directors
Mizuho Financial Group, Inc.

We have audited the accompanying consolidated balance sheets of Mizuho Financial Group, Inc. and consolidated subsidiaries (the "Company") as of March 31, 2004 and 2003, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mizuho Financial Group, Inc. and consolidated subsidiaries at March 31, 2004 and 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2004 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1.



Shin Nihon & Co.

June 25, 2004

Financial Data of Mizuho Financial Group, Inc.
Consolidated Financial Statements

Consolidated Balance Sheets

At March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	2004	2003	2004
Assets			
Cash and Due from Banks (Notes 12 and 37)	¥ 6,813,510	¥ 7,849,717	\$ 64,503,559
Call Loans and Bills Purchased	1,008,716	641,908	9,549,524
Receivables under Resale Agreements	4,392,105	3,736,424	41,580,098
Guarantee Deposit Paid under Securities Borrowing Transactions	7,970,608	6,297,721	75,457,815
Other Debt Purchased (Note 37)	835,573	1,209,540	7,910,376
Trading Assets (Notes 4, 12 and 37)	8,016,509	9,919,083	75,892,359
Money Held in Trust (Note 37)	27,863	33,540	263,788
Securities (Notes 5, 12 and 37)	32,071,624	23,816,574	303,622,311
Loans and Bills Discounted (Notes 6 and 12)	66,205,868	69,210,035	626,771,450
Foreign Exchange Assets (Notes 7 and 12)	608,792	720,519	5,763,441
Other Assets (Notes 8 and 12)	5,496,845	4,904,656	52,038,679
Premises and Equipment (Notes 9, 12 and 24)	1,143,807	1,632,851	10,828,438
Deferred Debenture Charges (Note 10)	446	1,041	4,229
Deferred Tax Assets (Note 34)	1,361,766	2,130,243	12,891,850
Customers' Liabilities for Acceptances and Guarantees (Note 23)	3,647,613	4,145,411	34,531,981
Reserves for Possible Losses on Loans (Note 11)	(1,850,586)	(2,211,366)	(17,519,517)
Reserve for Possible Losses on Investments	(975)	(5,156)	(9,238)
Total Assets	¥ 137,750,091	¥ 134,032,747	\$ 1,304,081,143
Liabilities, Minority Interests and Shareholders' Equity			
Liabilities			
Deposits (Notes 12 and 13)	¥ 77,487,475	¥ 72,222,642	\$ 733,574,510
Debentures (Note 14)	9,459,514	11,696,391	89,553,292
Call Money and Bills Sold (Notes 12 and 15)	8,680,595	11,185,809	82,179,259
Payables under Repurchase Agreements (Note 12)	8,031,106	8,209,283	76,030,550
Guarantee Deposit Received under Securities Lending Transactions (Note 12)	8,161,802	4,140,383	77,267,847
Commercial Paper (Note 16)	837,800	627,400	7,931,459
Trading Liabilities (Note 4)	6,070,833	6,278,262	57,472,630
Borrowed Money (Notes 12 and 17)	1,643,343	1,454,826	15,557,548
Foreign Exchange Liabilities (Note 7)	352,136	190,878	3,333,676
Short-term Bonds (Note 18)	180,000	—	1,704,061
Bonds and Notes (Note 19)	2,359,370	2,468,606	22,336,180
Bonds with Stock Options (Note 19)	—	3,858	—
Due to Trust Accounts	1,360,532	1,489,463	12,880,169
Other Liabilities (Notes 12 and 20)	4,406,174	5,526,554	41,713,288
Reserve for Bonus Payments	37,917	36,969	358,963
Reserve for Employee Retirement Benefits (Note 21)	31,979	26,562	302,747
Reserve for Possible Losses on Loans Sold	—	25,561	—
Reserve for Contingencies (Note 22)	132,739	141,124	1,256,643
Reserve under Special Laws (Note 22)	1,372	884	12,995
Deferred Tax Liabilities (Note 34)	28,792	4,276	272,579
Deferred Tax Liabilities for Revaluation Reserve for Land (Note 24)	158,467	258,515	1,500,211
Acceptances and Guarantees (Note 23)	3,647,613	4,145,411	34,531,981
Total Liabilities	133,069,567	130,133,666	1,259,770,588
Minority Interests	1,036,127	1,038,013	9,809,031
Shareholders' Equity			
Common Stock and Preferred Stock (Note 25)	1,540,965	1,540,965	14,588,327
Capital Surplus	1,262,526	2,599,552	11,952,344
Retained Earnings (Deficit)	462,594	(1,404,992)	4,379,388
Revaluation Reserve for Land, net of Taxes (Note 24)	231,739	380,120	2,193,878
Net Unrealized Gains (Losses) on Other Securities, net of Taxes (Note 37)	392,772	(24,600)	3,718,380
Foreign Currency Translation Adjustments	(112,067)	(95,786)	(1,060,942)
Treasury Stock	(134,134)	(134,190)	(1,269,851)
Total Shareholders' Equity	3,644,396	2,861,066	34,501,524
Total Liabilities, Minority Interests and Shareholders' Equity	¥ 137,750,091	¥ 134,032,747	\$ 1,304,081,143

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Financial Data of Mizuho Financial Group, Inc.
Consolidated Financial Statements

Consolidated Statements of Operations

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars (Note 1)
			2004
Income			
Interest Income (Note 26)	¥ 1,622,704	¥ 1,991,236	\$ 15,362,157
Fiduciary Income	62,064	55,460	587,566
Fee and Commission Income	515,377	490,182	4,879,080
Trading Income (Note 27)	232,455	244,524	2,200,662
Other Operating Income (Note 28)	406,481	416,972	3,848,167
Other Income (Note 29)	503,872	243,434	4,770,168
Total Income	3,342,957	3,441,810	31,647,800
Expenses			
Interest Expenses (Note 26)	437,703	734,859	4,143,738
Fee and Commission Expenses	88,762	79,647	840,317
Trading Expenses	651	—	6,165
Other Operating Expenses (Note 30)	199,620	150,217	1,889,809
General and Administrative Expenses	1,125,905	1,237,641	10,658,959
Other Expenses (Note 31)	609,073	3,501,617	5,766,100
Total Expenses	2,461,716	5,703,982	23,305,088
Income (Loss) before Income Taxes and Minority Interests	881,240	(2,262,172)	8,342,712
Income Taxes:			
Current	28,055	22,288	265,604
Deferred	387,855	30,505	3,671,830
Minority Interests in Net Income (Loss)	58,347	62,205	552,376
Net Income (Loss)	¥ 406,982	¥ (2,377,172)	\$ 3,852,902

Per Share of Common Stock

At March 31,	Yen		U.S. dollars (Note 1)
	2004	2003	2004
Shareholders' Equity	¥ 61,980.34	¥ (20,376.71)	\$ 586.77
Net Income (Loss):			
Basic	36,153.27	(254,524.65)	342.26
Diluted	18,754.94	—	177.55
Cash Dividends	3,000.00	—	28.40

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Shareholders' Equity

Millions of yen

For the Fiscal Years ended March 31, 2004 and 2003	Common Stock and Preferred Stock	Capital Surplus	Retained Earnings (Deficit)	Revaluation Reserve for Land	Net Unrealized Gains (Losses) on Other Securities, net of Taxes	Foreign Currency Translation Adjustments	Treasury Stock	Total Shareholders' Equity
Balance at April 1, 2002	¥ 2,572,000	¥ 353,765	¥ 997,265	¥ 422,786	¥ (558,485)	¥ (69,121)	¥ (1,255)	¥ 3,716,954
Transfer from Revaluation Reserve for Land	—	—	29,899	(29,899)	—	—	—	—
Effect of the Change in Foreign Exchange Rate	—	—	—	—	—	(26,665)	—	(26,665)
Net Change in Unrealized Gains (Losses) on Other Securities, net of Taxes	—	—	—	—	533,884	—	—	533,884
Transfer to Deferred Tax Liabilities Related to Land Revaluation	—	—	—	(12,766)	—	—	—	(12,766)
Cash Dividends	—	—	(54,985)	—	—	—	—	(54,985)
Bonuses to Directors and Statutory Auditors	—	—	(0)	—	—	—	—	(0)
Net Loss	—	—	(2,377,172)	—	—	—	—	(2,377,172)
Treasury Stock Transactions	—	—	—	—	—	—	(113)	(113)
Issuance of Preferred Stock	540,965	540,965	—	—	—	—	—	1,081,930
Effect of the Business Reorganization on March 12, 2003	(1,572,000)	1,704,822	—	—	—	—	(132,822)	—
Balance at March 31, 2003	¥ 1,540,965	¥ 2,599,552	¥(1,404,992)	¥ 380,120	¥ (24,600)	¥ (95,786)	¥(134,190)	¥ 2,861,066
Sale of Treasury Stock	—	269	—	—	—	—	56	325
Effect of the Change in Foreign Exchange Rate	—	—	—	—	—	(16,280)	—	(16,280)
Net Change in Unrealized Gains (Losses) on Other Securities, net of Taxes	—	—	—	—	417,373	—	—	417,373
Transfer from Revaluation Reserve for Land	—	—	145,456	(145,456)	—	—	—	—
Transfer to Deferred Tax Liabilities Related to Land Revaluation	—	—	—	(2,924)	—	—	—	(2,924)
Transfer to Retained Earnings	—	(1,337,295)	1,337,295	—	—	—	—	—
Cash Dividends	—	—	(22,147)	—	—	—	—	(22,147)
Net Income	—	—	406,982	—	—	—	—	406,982
Balance at March 31, 2004	¥ 1,540,965	¥ 1,262,526	¥ 462,594	¥ 231,739	¥ 392,772	¥ (112,067)	¥ (134,134)	¥ 3,644,396

Notes: 1. The balance of Capital Surplus at April 1, 2002 includes a decrease of ¥1,849,982 million arising from the corporate split and merger process of DKB, Fuji Bank and IBI which took place on that date (the Combination and Reorganization).

2. The balance of Retained Earnings at April 1, 2002 includes an increase of ¥896,131 million arising from the corporate split and merger process of DKB, Fuji Bank and IBI which took place on that date (the Combination and Reorganization).

Thousands of U.S. dollars (Note 1)

For the Fiscal Year ended March 31, 2004	Common Stock and Preferred Stock	Capital Surplus	Retained Earnings (Deficit)	Revaluation Reserve for Land	Net Unrealized Gains (Losses) on Other Securities, net of Taxes	Foreign Currency Translation Adjustments	Treasury Stock	Total Shareholders' Equity
Balance at March 31, 2003	\$ 14,588,327	\$ 24,609,983	\$(13,301,075)	\$ 3,598,605	\$ (232,897)	\$ (906,816)	\$(1,270,385)	\$ 27,085,742
Sale of Treasury Stock	—	2,552	—	—	—	—	534	3,086
Effect of the Change in Foreign Exchange Rate	—	—	—	—	—	(154,126)	—	(154,126)
Net Change in Unrealized Gains (Losses) on Other Securities, net of Taxes	—	—	—	—	3,951,277	—	—	3,951,277
Transfer from Revaluation Reserve for Land	—	—	1,377,042	(1,377,042)	—	—	—	—
Transfer to Deferred Tax Liabilities Related to Land Revaluation	—	—	—	(27,685)	—	—	—	(27,685)
Transfer to Retained Earnings	—	(12,660,191)	12,660,191	—	—	—	—	—
Cash Dividends	—	—	(209,672)	—	—	—	—	(209,672)
Net Income	—	—	3,852,902	—	—	—	—	3,852,902
Balance at March 31, 2004	\$ 14,588,327	\$ 11,952,344	\$ 4,379,388	\$ 2,193,878	\$ 3,718,380	\$(1,060,942)	\$(1,269,851)	\$ 34,501,524

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Financial Data of Mizuho Financial Group, Inc.
Consolidated Financial Statements

Consolidated Statements of Cash Flows

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars (Note 1)
			2004
I. Cash Flows from Operating Activities			
Income (Loss) before Income Taxes and Minority Interests	¥ 881,240	¥ (2,262,172)	\$ 8,342,712
Depreciation	139,863	144,182	1,324,088
Amortization of Consolidation Differences	(239)	68,597	(2,270)
Equity in Losses (Income) from Investments in Affiliates	(1,761)	3,491	(16,675)
Increase (Decrease) in Reserves for Possible Losses on Loans	(360,299)	263,907	(3,410,961)
Decrease in Reserve for Possible Losses on Investments	(4,180)	(1,682)	(39,578)
Decrease in Reserve for Possible Losses on Loans Sold	(25,561)	(24,085)	(241,995)
Increase (Decrease) in Reserve for Contingencies	(8,384)	6,920	(79,380)
Increase in Reserve for Bonus Payments	1,105	15,167	10,470
Increase (Decrease) in Reserve for Employee Retirement Benefits	18,876	(36,501)	178,701
Interest Income—accrual basis	(1,622,704)	(1,991,236)	(15,362,157)
Interest Expenses—accrual basis	437,703	734,859	4,143,738
Losses (Gains) on Securities	(336,609)	708,795	(3,186,688)
Losses (Gains) from Money Held in Trust	(417)	988	(3,948)
Foreign Exchange Losses—Net	10,190	116,110	96,478
Losses on Disposal of Premises and Equipment	120,592	100,818	1,141,654
Gains on Establishment of Employee Retirement Benefit Trusts	(60,677)	(43,847)	(574,435)
Net Decrease (Increase) in Trading Assets	1,991,740	(2,111,812)	18,855,818
Net Increase (Decrease) in Trading Liabilities	(270,856)	1,508,735	(2,564,198)
Net Decrease in Loans and Bills Discounted	2,911,383	15,264,686	27,562,092
Net Increase (Decrease) in Deposits	5,605,562	(13,346,746)	53,067,904
Net Decrease in Debentures (excluding Subordinated Debentures)	(2,236,876)	(3,614,499)	(21,176,531)
Net Increase in Borrowed Money (excluding Subordinated Borrowed Money)	100,974	23,356	955,923
Net Decrease (Increase) in Due from Banks (excluding Deposits with Central Banks)	(648,501)	1,027,730	(6,139,367)
Net Increase in Call Loans etc.	(485,485)	(2,509,156)	(4,596,097)
Net Decrease in Cash Placed as Collateral on Securities Borrowed	—	3,313,727	—
Net Increase in Guarantee Deposits Paid under Securities Borrowing Transactions	(1,672,887)	(6,297,721)	(15,837,234)
Net Increase (Decrease) in Call Money, etc.	(2,816,946)	5,294,445	(26,668,053)
Net Increase (Decrease) in Commercial Paper	210,400	(77,856)	1,991,858
Net Decrease in Cash Received as Collateral for Securities Lent	—	(4,050,050)	—
Net Increase in Guarantee Deposits Received under Securities Lending Transactions	4,021,419	4,140,383	38,070,808
Net Decrease in Foreign Exchange Assets	93,566	463,947	885,793
Net Increase (Decrease) in Foreign Exchange Liabilities	163,902	(517,285)	1,551,669
Net Increase in Short-term Bonds (Liabilities)	180,000	—	1,704,061
Net Increase (Decrease) in Bonds and Notes	34,078	(50,228)	322,621
Net Decrease in Due to Trust Accounts	(128,931)	(286,941)	(1,220,593)
Interest and Dividend Income—cash basis	1,664,000	2,085,777	15,753,105
Interest Expenses—cash basis	(488,800)	(844,916)	(4,627,474)
Other—net	(1,373,879)	671,265	(13,006,525)
Subtotal	6,042,599	(2,108,846)	57,205,334
Cash Paid in Income Taxes	(27,657)	(87,315)	(261,831)
Net Cash Provided by (Used in) Operating Activities	¥ 6,014,942	¥ (2,196,162)	\$ 56,943,503

	Millions of yen		Thousands of
	2004	2003	U.S. dollars (Note 1)
			2004
II. Cash Flows from Investing Activities			
Payments for Purchase of Securities	¥ (71,932,830)	¥ (59,435,925)	\$ (680,988,649)
Proceeds from Sale of Securities	46,486,466	48,003,018	440,087,728
Proceeds from Redemption of Securities	17,704,694	11,261,664	167,610,475
Payments for Increase in Money Held in Trust	(14,899)	(20,364)	(141,052)
Proceeds from Decrease in Money Held in Trust	25,784	54,340	244,100
Payments for Purchase of Premises and Equipment	(95,971)	(94,326)	(908,567)
Proceeds from Sale of Premises and Equipment	374,085	25,257	3,541,466
Payments for Purchase of Stocks of Subsidiaries (affecting the scope of consolidation)	(258)	—	(2,447)
Proceeds from Sales of Stocks of Subsidiaries (affecting the scope of consolidation)	50,716	—	480,138
Net Cash Used in Investing Activities	(7,402,213)	(206,336)	(70,076,808)
III. Cash Flows from Financing Activities			
Proceeds from Issuance of Subordinated Borrowed Money	90,000	243,000	852,031
Repayments for Subordinated Borrowed Money	(15,000)	(1,335,000)	(142,005)
Proceeds from Issuance of Subordinated Bonds, Notes and Bonds with Stock Options	601,406	75,000	5,693,515
Payments for Redemption of Subordinated Bonds, Notes and Bonds with Stock Options	(731,797)	(485,778)	(6,927,935)
Proceeds from Issuance of Stocks	—	1,081,930	—
Proceeds from Investments in Minority Interests	—	118,500	—
Dividends Paid	(22,147)	(54,985)	(209,672)
Dividends Paid to Minority Interests	(53,497)	(36,424)	(506,459)
Payments for Purchase of Treasury Stock	(166)	(263)	(1,576)
Proceeds from Sales of Treasury Stock	208	—	1,975
Net Cash Used in Financing Activities	(130,994)	(394,021)	(1,240,126)
IV. Effects of Foreign Exchange Rate Changes on Cash and Cash Equivalents	(381)	72	(3,615)
V. Net Decrease in Cash and Cash Equivalents	(1,518,647)	(2,796,448)	(14,377,046)
VI. Cash and Cash Equivalents at the Beginning of the Year	7,048,505	9,847,366	66,728,251
VII. Net Decrease in Cash and Cash Equivalents Resulted from Exclusion of Subsidiaries from the Scope of Consolidation	(193)	(2,413)	(1,828)
VIII. Cash and Cash Equivalents at the End of the Year (Note 32)	¥ 5,529,664	¥ 7,048,505	\$ 52,349,377

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

1. Basis of Presentation

The accompanying consolidated financial statements have been prepared from the accounts maintained by Mizuho Financial Group, Inc. ("MHFG") and its consolidated subsidiaries in accordance with the provisions set forth in the Commercial Code of Japan and the Securities and Exchange Law, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP") which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements filed with the Director of the Kanto Finance Bureau are reclassified for the convenience of readers outside Japan. In addition, the Consolidated Statements of Shareholders' Equity are presented and included in the consolidated financial statements, though they are not required to be filed with the Director of the Kanto Finance Bureau. The notes to the consolidated financial statements include information which is not required under Japanese GAAP but is presented herein as additional information.

The amounts indicated in millions of yen are rounded down by truncating the figures below one million. Totals may not add up exactly because of such truncation. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

2. Principles of Consolidation

(1) Scope of Consolidation

The consolidated financial statements include the accounts of MHFG and its subsidiaries (collectively, the "Group"), including Mizuho Corporate Bank, Ltd. ("MHCB"), Mizuho Bank, Ltd. ("MHBK"), Mizuho Securities Co., Ltd., Mizuho Trust & Banking Co., Ltd. and other subsidiaries. The number of consolidated subsidiaries as of March 31, 2004 and 2003 was 118 and 138, respectively. In the fiscal year ended March 31, 2004, Mizuho Advisory, Inc. and 9 other companies were newly consolidated as a result of incorporation and other reasons, and Chekiang First Bank Ltd. and 29 other companies were excluded from the scope of consolidation as a result of disposal by sale and other reasons. The consolidated financial statements for the fiscal years ended March 31, 2004 and 2003 do not include the accounts of ONKD, Inc. and other subsidiaries, as they are considered immaterial in terms of the respective group ownerships of Total Assets, Net Income / Net Loss and Retained Earnings.

The number of affiliates accounted for under the equity method as of March 31, 2004 and 2003 was 28 and 33, respectively. Investments in affiliates include The Chiba Kogyo Bank, Ltd., Shinko Securities Co., Ltd., Japan Mortgage Co., Ltd., Fuyo General Lease Co., Ltd., IJB Leasing Co., Ltd. and other affiliates. In the fiscal year ended March 31, 2004, World Gateway, Inc. and 4 other companies were excluded from the scope of the equity method as a result of liquidation and other reasons. Non-consolidated subsidiaries, including ONKD, Inc. and certain affiliates, are not accounted for under the equity method, as they are not significant for the consolidated financial statements of MHFG.

On consolidation, significant intercompany accounts and transactions have been eliminated. In addition, all significant unrealized profit included in assets resulting from transactions within the Group has been eliminated.

The accounting standard for the consolidated financial statements requires a company to consolidate all subsidiaries of which the company controls the operations, irrespective of whether or not the company owns a majority of their shares. Control is considered to exist where the company has (a) the power to appoint or remove the majority of the Board of Directors or an equivalent governing body, and/or (b) the power to cast the majority of the votes at a meeting of the Board of Directors or an equivalent governing body.

(2) Year-end Dates of Consolidated Subsidiaries

The accompanying consolidated financial statements include the accounts of subsidiaries whose fiscal year-ends are other than March 31. Fiscal year-ends of such subsidiaries are principally December 31.

Consolidated subsidiaries with fiscal year-ends of the day before the last business day of June, or October 31 performed tentative closings and prepared financial statements as of and for the period ended December 31.

Other consolidated subsidiaries are consolidated based on their respective fiscal year-ends after making necessary adjustments for significant transactions recorded during the period between these subsidiaries' fiscal year-ends and the date of the consolidated financial statements.

(3) Combinations and Reorganizations

On September 29, 2000, The Dai-Ichi Kangyo Bank, Limited ("DKB"), The Fuji Bank, Limited ("Fuji Bank") and The Industrial Bank of Japan, Limited ("IBJ") (collectively, the "Three Banks") established Mizuho Holdings, Inc. ("MHHD") by way of stock transfers ("*kabushiki-iten*"). As a result of this transaction, each of the Three Banks has become a wholly-owned subsidiary of MHHD.

The formation of MHHD and the stock-for-stock transfers of the Three Banks (the "Initial Combination") were accounted for using the pooling-of-interests method in accordance with "Accounting for the Consolidation of a Holding Company Established by Stock Exchange or Stock Transfers" (JICPA Accounting Committee Research Report No. 6) and, as such, the assets and liabilities of the Three Banks were combined at book value.

On April 1, 2002, the Three Banks were combined and reorganized (the "Combination and Reorganization") into two banks, MHCB and MHBK, by means of corporate split and merger. As a result of the Combination and Reorganization, MHFG's capital surplus decreased by ¥1,849,982 million and retained earnings increased by ¥896,131 million. The decrease in capital surplus and the increase in retained earnings were reflected in the April 1, 2002 balances shown in the statements of shareholders' equity.

On January 8, 2003, MHFG was incorporated and a stock-for-stock exchange ("*kabushiki-kokan*") was carried out by and between MHHD and MHFG on March 12, 2003, as a result of which MHHD became a wholly-owned subsidiary of MHFG (the "Business Reorganization"). In the Business Reorganization, certain subsidiaries of MHHD, MHCB and MHBK such as trust banking subsidiaries were transferred to MHFG primarily by means of corporate splits. The Business Reorganization was accounted for using the pooling-of-interests method in accordance with the JICPA Accounting Committee Research Report No. 6.

(4) Amortization of Difference between Cost and Underlying Interests

In principle, the difference between the fair value of net assets and the cost of the acquired subsidiary is being amortized over a period within 20 years from the date of acquisition, and the unamortized balance is recorded as "Consolidation Differences" on the Consolidated Balance Sheets. If these amounts have no material impact on the consolidated financial statements of MHFG, they are charged or credited to income in the year of acquisition.

3. Summary of Significant Accounting Policies

(1) Trading Assets and Trading Liabilities

Trading transactions intended to take advantage of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices are recognized on a trade date basis and recorded in Trading Assets or Trading Liabilities on the Consolidated Balance Sheets.

Securities and other short-term credit instruments held for trading purposes are stated at fair value at the consolidated balance sheet date. Derivative financial products, such as swaps, forward contracts and option transactions, are stated at their fair values, assuming that such transactions were terminated and settled at the consolidated balance sheet date.

Trading Income and Trading Expenses include the interest received and interest paid during the fiscal year, the gains or losses resulting from any change in the value of securities and monetary claims between the beginning and the end of the fiscal year and the gains or losses resulting from any change in the value of financial derivatives between the beginning and the end of the fiscal year, assuming they were settled at the end of the fiscal year.

(2) Securities

In accordance with the Accounting Standard for Financial Instruments (the Business Accounting Deliberation Council, January 1998), MHFG classifies securities into three categories based upon management's intent. These securities are accounted for as follows:

- (i) Trading securities are carried at market value and included in Trading Assets.
- (ii) Bonds held to maturity are stated at amortized cost as determined by the moving average method.
- (iii) Other securities are securities which are not classified as either trading securities or bonds held to maturity. Other securities which have readily determinable fair value are stated at fair value with changes in net unrealized gains or losses, net of applicable income taxes, included directly in shareholders' equity. Fair value of domestic equity securities with a quoted market price are determined based on the average quoted market price over the month preceding the consolidated balance sheet date. Fair value of securities other than domestic equity securities with a quoted market price are determined at the quoted market price or other reasonable value at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method). Other securities which do not have readily determinable fair values are stated at cost or amortized cost as determined by the moving average method.

In addition, investments in non-consolidated subsidiaries and affiliates which are not accounted for under the equity method are valued at cost as determined by the moving average method.

Securities entrusted in Money Held in Trust which is managed independently and whose primary objective is to manage securities investment are accounted for at fair value.

(3) Securities Lending and Borrowing Transactions

Unsecured securities loaned that allow borrowers to sell the borrowed securities, amounted to ¥20,023 million (\$189,565 thousand) and ¥8,585 million as of March 31, 2004 and 2003, respectively, and are included in Trading Securities in Trading Assets. Securities loaned that do not allow borrowers to sell the borrowed securities, amounted to ¥9 million (\$95 thousand) and ¥1,448 million as of March 31, 2004 and 2003, respectively, and are included in Japanese National Government Bonds, Japanese Local Government Bonds, or other categories in Securities. Subsidiaries have borrowed securities that may be sold or pledged, securities borrowed with cash collateral, and securities purchased with resale agreements. Borrowed securities pledged as collateral amounted to ¥4,519,460 million (\$42,785,769 thousand) and ¥4,135,372 million as of March 31, 2004 and 2003, respectively. Borrowed securities re-loaned amounted to ¥1,947 million (\$18,435 thousand) and ¥2,140 million as of March 31, 2004 and 2003, respectively. Borrowed securities held without being pledged or sold amounted to ¥4,757,422 million (\$45,038,550 thousand) and ¥3,499,257 million as of March 31, 2004 and 2003, respectively.

In addition, securities received as collateral for margin transactions in the amount of ¥1,911 million have been re-pledged as collateral for Borrowed Money as of March 31, 2003.

(4) Bills Discounted

In accordance with "Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Financial Instruments for Banks" (JICPA Industry Audit Committee Report No. 24), Bills Discounted are accounted for as financing transactions, although the subsidiary banks have rights to sell or pledge certain commercial bills and foreign exchange bills discounted. The principal amount of these bills amounted to ¥963,147 million (\$9,118,121 thousand) and ¥1,162,352 million as of March 31, 2004 and 2003, respectively.

(5) Derivatives

Derivative transactions are valued at fair value with changes in fair value included in current income. Derivatives qualified as hedges are mainly accounted for using the deferral method of hedge accounting (see the following note).

(6) Hedge Accounting

Domestic consolidated banking subsidiaries and domestic trust banking subsidiaries apply the deferred method as hedge accounting for the interest rate risk accompanying various financial assets and liabilities. Until the fiscal year ended March 31, 2003, as permitted by the transitional treatment in JICPA Industry Audit Committee Report No. 24, hedge accounting was applied to macro hedges under which overall interest rate risks inherent in loans, deposits and other instruments were managed on a net basis using derivatives.

Effective the fiscal year ended March 31, 2004, the general provisions of JICPA Industry Audit Committee Report No. 24 are applied.

Under the general provision, the effectiveness of a fair value hedge is assessed by each of identified (i) group of hedged deposits, loans or similar instruments and (ii) corresponding group of hedging instruments such as interest rate swaps in the same maturity bucket. Also, under the general provisions, the effectiveness of a cash flow hedge is assessed based on the correlation between a base interest rate index of the hedged cash flow and that of the hedging instrument.

Deferred hedge gains/losses on the macro hedges recognized in the previous periods are amortized as interest income/expenses or other income/expenses over the remaining maturity of the respective hedging instrument.

The unamortized amounts of Gross Deferred Hedge Losses and Gross Deferred Hedge Gains of the macro-hedges as of March 31, 2004 were ¥1,246,462 million (\$11,800,272 thousand) and ¥1,177,257 million (\$11,145,103 thousand), respectively.

Domestic consolidated banking subsidiaries and domestic trust banking subsidiaries also apply the deferred method as hedge accounting to hedges of foreign exchange risks associated with various foreign currency denominated monetary assets and liabilities. Until the fiscal year ended March 31, 2003, the transitional treatment in "Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks" (JICPA Industry Audit Committee Report No. 25) was applied to these transactions. Effective the fiscal year ended March 31, 2004, in accordance with the general provisions of JICPA Industry Audit Committee Report No. 25, hedge accounting is applied to currency-swap transactions, exchange swap transactions and similar transactions intended to hedge risks of borrowing and lending in different currencies by swapping the borrowing currency for the lending currency.

The effectiveness of the above described currency-swap transactions, exchange swap transactions and similar transactions hedging the foreign exchange risks of monetary assets and liabilities denominated in foreign currencies is assessed based on comparison of foreign currency position of the hedged monetary assets and liabilities and the hedging instruments.

In addition to the above methods, the domestic consolidated banking subsidiaries apply the deferred method or the fair-value hedge method to portfolio hedges of the foreign exchange risks associated with foreign securities (except for bonds) identified as hedged items in advance, as long as the amount of foreign currency payables of spot and forward foreign exchange contracts exceeds the amount of acquisition cost of the hedged foreign securities in foreign currency.

Until the fiscal year ended March 31, 2003, gains and losses relating to foreign exchange swaps of some of the domestic banking subsidiaries were reported in gross amounts in the statements of operations. However, effective the fiscal year ended March 31, 2004, the net amount of gains and losses are presented as a result of the application of hedge accounting in accordance with JICPA Industry Audit Committee Report No. 25. Compared to the corresponding amounts under the previously applied method, Interest Income and Interest Expenses, and Ordinary Income and Ordinary Expense each decreased by ¥13,254 million (\$125,481 thousand).

Intercompany interest rate swaps, currency swaps and similar derivatives among consolidated companies or between trading accounts and other accounts, which are designated as hedges, are not eliminated and related gains and losses are recognized in the statements of operations or deferred under hedge accounting because these intercompany derivatives are covered by outside third-party transactions executed in appropriate hedge operations without subjectivities in accordance with JICPA Industry Audit Committee Reports Nos. 24 and 25.

Other subsidiaries also apply the deferred method, the fair-value method or the exceptional accrual method for interest rate swaps as hedge accounting methods as described above.

(7) Translation of Foreign Currencies

Assets and Liabilities denominated in foreign currencies and accounts of overseas branches of domestic banking subsidiaries and a domestic trust banking subsidiary are translated into Japanese yen primarily at the exchange rates in effect at the consolidated balance sheet date, with the exception of the investments in non-consolidated subsidiaries and affiliates not accounted for by the equity method, which are translated at historical exchange rates.

Until the fiscal year ended March 31, 2003, the transitional treatment permitted by JICPA Industry Audit Committee Report No. 25 was applied to foreign currency transactions. However, effective the fiscal year ended March 31, 2004, in accordance with the general provisions of JICPA Industry Audit Committee Report No. 25, hedge accounting is applied to currency-swap transactions, exchange swap transactions and similar transactions intended to hedge risks of borrowing and lending in different currencies by swapping the borrowing currency for the lending currency. A summary of the hedge accounting applied in these transactions is explained in 3 (6) above.

As a result of the application of the hedge accounting, currency-swap transactions and exchange swap transactions, which were accounted for on an accrual basis, are valued at fair value and the gross amount of the credit balance and the debt balance are recorded on the balance sheet in Other Assets and Other Liabilities. Other Assets and Other Liabilities increased by ¥1,458 million (\$13,805 thousand) and ¥1,415 million (\$13,404 thousand), respectively, compared with the corresponding amounts under the previous methods. Additionally, as a result of this change, Ordinary Profit and Income before Income Taxes and Minority Interests both increased by ¥42 million (\$401 thousand).

Until the fiscal year ended March 31, 2003, the net fair value of forward foreign exchange transactions other than those for the above hedging purposes was recorded in Other Assets or Other Liabilities on the balance sheets. However, effective the fiscal year ended March 31, 2004, in accordance with JICPA Industry Audit Committee Report No. 25, the gross of fair value amounts are presented in (i) Trading Assets and Trading Liabilities as Trading-Related Financial Derivatives and (ii) Other Assets and Other Liabilities as Derivatives other than for Trading on the balance sheets. As a result, Trading Assets, Trading Liabilities, Other Assets, and Other Liabilities increased by ¥101,928 million (\$964,956 thousand), ¥234,226 million (\$2,217,425 thousand), ¥780,758 million (\$7,391,448 thousand), and ¥648,460 million (\$6,138,979 thousand), respectively, compared with the corresponding amounts under the previous method.

The consolidated subsidiaries' assets and liabilities denominated in foreign currencies, except for the above transactions, are translated primarily at the exchange rates in effect at each balance sheet date.

(8) Premises and Equipment

Depreciation of buildings is computed mainly by the straight-line method, and that of equipment is computed mainly by the declining-balance method with the following range of useful lives:

Buildings	3 years to 50 years
Equipment	2 years to 20 years

(9) Software

Development costs for internally used software are capitalized and amortized under the straight-line method over their estimated useful lives of mainly five years.

(10) Deferred Debenture Charges

Deferred Debenture Charges are amortized as follows:

Debenture discounts are amortized over the term of the debenture.

Debenture issuance costs are amortized over the term of the debentures, up to the maximum of three years, which is the longest period permitted under the Enforcement Regulations of the Commercial Code of Japan.

(11) Stock Issuance Costs

Stock issuance costs are recognized as expenses when incurred.

(12) Bond Issuance Costs

Bond issuance costs are recognized as expenses when incurred.

(13) Reserves for Possible Losses on Loans

The Reserve for Possible Losses on Loans of major domestic consolidated subsidiaries is maintained in accordance with internally established standards for write-offs and provisions:

- For credit extended to obligors that are legally bankrupt under the Bankruptcy Law, Special Liquidation in the Commercial Code or other similar laws ("Bankrupt Obligor"), and to obligors that are effectively in similar conditions ("Substantially Bankrupt Obligor"), reserves are maintained at 100% of amounts of claims net of expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees.
- For credit extended to obligors that are not yet legally or formally bankrupt but who are likely to be bankrupt ("Intensive Control Obligor"), reserves are maintained at the amount deemed necessary based on overall solvency analyses of the amount of claims less expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees.
- For Intensive Control Obligors and Obligors with Restructured Loans as defined in Note 6 below, if the exposure to an obligor exceeds a certain specific amount, reserves are provided as follows:
 - (i) if future cashflows of the principal and interest can be reasonably estimated, the discounted cash flow method is applied, under which method reserve is determined at the difference between the book value of the loan and its present value of future cash flows discounted using the contractual interest rate before the loan was classified as a Restructured Loan, and
 - (ii) if future cashflows of the principal and interest cannot be reasonably estimated, losses are estimated for each individual loan.
- For credit extended to other obligors, reserves are maintained at rates derived from historical credit loss experiences, etc.
- Reserves for Possible Losses on Loans to Restructuring Countries (including Reserves for Losses on Overseas Investments prescribed in Article 55-2 of the Exceptions to the Tax Laws Act) are maintained in order to cover possible losses based on analyses of the political and economic climates of the countries.

All credit is assessed by each credit origination department, and the results of the assessments are verified and examined by the independent examination department. Reserves for Possible Losses on Loans are provided for on the basis of such verified assessments.

In the case of loans to Bankrupt Obligors or Substantially Bankrupt Obligors, which are collateralized or guaranteed by a third party, the amounts deemed uncollectible are written off against the respective loan balances. The total write-off amounts were ¥1,379,693 million (\$13,061,571 thousand) and ¥1,832,935 million at March 31, 2004 and 2003, respectively.

Other consolidated subsidiaries provide the amount necessary to cover the loan losses based upon past experience for general claims and their management's assessment for other claims.

(14) Reserve for Possible Losses on Investments

The Reserve for Possible Losses on Investments is maintained to provide against possible losses on investments, after taking into consideration the financial conditions and other relevant factors concerning the investee company.

(15) Reserve for Bonus Payments

Reserve for Bonus Payments, which is provided for future bonus payments to employees, is maintained at the amount accrued at the end of the fiscal year, based on the estimated future payments and service periods.

(16) Reserve for Employee Retirement Benefits

The Reserve for Employee Retirement Benefits, which is provided for future pension payments to employees, is recorded as the amount accrued at the end of the fiscal year, based on the projected benefit obligation and the estimated plan asset amounts at the end of the consolidated fiscal year. Prior service cost and unrecognized actuarial gains (losses) are recognized mainly as follows:

Prior service cost (Gain on plan amendment) is recognized as income in the period of occurrence.

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

Unrecognized net obligation at the date of initial application of the accounting standard for retirement benefits has been recognized equally as an expense primarily over five years.

On September 25, 2003 MHFG and certain of its domestic consolidated subsidiaries received approvals for an exemption from payments of benefits related to future employee services in respect of the substitutional portion of their pension funds

from the Minister of Health, Labor and Welfare, based on the Law Concerning Defined Benefit Corporate Pension Plans. In accordance with the transitional treatment permitted by Paragraph 2 of Article 47 of "Practical Guidelines for Accounting for Retirement Benefits (Interim Report)" (JICPA Accounting Committee Report No. 13), MHFG and certain of its domestic consolidated subsidiaries derecognized the future retirement benefit obligations relating to the substitutional portion of the pension funds and the pension assets on the date of the approvals. In consequence of the above, ¥45,169 million (\$427,621 thousand) of extraordinary gain was recorded.

The amount of the substitutional amount of the retirement benefit obligations as of the consolidated balance sheet date was ¥210,451 million (\$1,992,344 thousand).

(17) Reserve for Possible Losses on Loans Sold

The Reserve for Possible Losses on Loans Sold is provided to cover possible losses on loans sold to the Cooperative Credit Purchasing Company, Limited, taking into account the value of collateral pledged.

(18) Lease Transactions

Finance leases of MHFG and domestic consolidated subsidiaries that do not involve the transfer of ownership to the lessee at the end of the lease term are accounted for as operating leases.

Lease transactions of foreign consolidated subsidiaries are principally accounted for as either finance leases or operating leases.

(19) Scope of Cash and Cash Equivalents in Consolidated Statement of Cash Flows

In the Consolidated Statements of Cash Flows, Cash and Cash Equivalents consist of cash and due from central banks.

(20) Income Taxes

Deferred income taxes are recorded for the corporate tax, the inhabitants' taxes and the enterprise taxes based on the differences between the tax bases of assets and liabilities and those as reported in the consolidated financial statements, using enacted tax rates which will be in effect when the differences are expected to reverse. The assets and liabilities method is used to determine deferred income taxes.

(21) Consumption Taxes

MHFG and its domestic consolidated subsidiaries are subject to Japanese consumption taxes. Japanese consumption taxes are excluded from the transaction amounts.

(22) Enterprise Taxes

With the promulgation of "Revision of Law regarding Regional Taxation, etc." (Law No. 9 of 2003) on March 31, 2002, enterprise taxes imposed on banks through external standards taxation from the consolidated fiscal year beginning April 1, 2004 will be levied on "added value," "amount of capital, etc." and "income and liquidation income," as compared with the previous legislation ("Law Regarding Regional Taxation" of 2003 before amendment, Article 72-12) under which enterprise taxes were levied on "income and liquidation income." It follows that enterprise taxes imposed through external standards taxation levied on added value and amount of capital, etc., are not in keeping with a tax which is imposed through on income. As a result, as of March 31, 2003, there was a decrease in Deferred Tax Assets of ¥9,382 million, and an increase in Income Taxes-Deferred of ¥8,531 million. There was also an increase in Deferred Tax Liabilities on Land Revaluation of ¥14,027 million, and an equivalent decrease in the Revaluation Reserve for Land, net of Taxes of same amount, in addition to a decrease in the Unrealized Losses on Other Securities, net of Taxes of ¥27 million at March 31, 2003.

With the implementation of the "Metropolitan Ordinance regarding the Imposition of Enterprise Taxes through External Standards Taxation on Banks in Tokyo" (Tokyo Metropolitan Ordinance No. 145, April 1, 2000) ("the metropolitan ordinance"), enterprise taxes which were levied on *gyomu ararieki* (Gross Profits) and enterprise taxes relating to banks in Tokyo were recorded in Other Expenses in the amount of ¥27,948 million for the year ended March 31, 2003. As a result of lawsuits with the Tokyo Metropolitan Government related to the metropolitan ordinance, MHFG's three banking subsidiaries reached a basic agreement with the Tokyo Metropolitan Government and the Tokyo Governor to make settlement-at-court at the Supreme Court. On October 2, 2004, the banking subsidiaries received the tax refund and the interest on the refund of ¥58,198 million (\$550,966 thousand), in aggregate, which is Other Income for the year ended March 31, 2004.

(23) Appropriation of Retained Earnings

Cash dividends and bonuses to directors and statutory auditors are recorded in the fiscal year in which the proposed appropriation of Retained Earnings is approved by the Board of Directors and/or by the general meeting of the shareholders.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

(24) Net Income (Loss) per Share

Consolidated Net Income (Loss) per Share for the fiscal years ended March 31, 2004 and 2003 and related information are as follows:

	(Yen)		(U.S. dollars)
	2004	2003	2004
Consolidated Net Income (loss) per Share	¥ 36,153.27	¥ (254,524.65)	\$ 342.26
Consolidated Net Income (loss)	¥ 406,982 million	¥ (2,377,172) million	\$ 3,852,902 thousand
Consolidated Net Income (loss) attributable to common shareholders	¥ 365,012 million	¥ (2,399,319) million	\$ 3,455,573 thousand
Consolidated Net Income (loss) not attributable to common shareholders	¥ 41,969 million	¥ 22,147 million	\$ 397,330 thousand
Average number of shares of common stock	10,096 thousand	9,426 thousand	/
Consolidated Net Income per Share (Diluted)	¥ 18,754.94	¥ —	\$ 177.55

Common stock equivalents to be used to calculate diluted per share information are as follows:

Class I, II, III, VII, VIII, IX, X, and XI Preferred Shares

Bonds with Stock Options

Diluted Net Income per Share for the fiscal year ended March 31, 2003 is not disclosed due to a loss position (anti-dilutive).

4. Trading Assets and Liabilities

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Trading Assets:			
Trading Securities	¥ 4,654,300	¥ 5,273,367	\$ 44,062,296
Derivatives for Trading Securities	32,821	6,216	310,721
Securities Held to Hedge Trading Transactions	84,475	167,479	799,730
Derivatives for Securities Held to Hedge Trading Transactions	1,051	2,077	9,958
Derivatives for Trading Transactions	2,390,452	3,527,856	22,630,433
Other Trading Assets	853,408	942,084	8,079,221
Total	¥ 8,016,509	¥ 9,919,083	\$ 75,892,359
Trading Liabilities:			
Trading Securities Sold Short	¥ 3,659,244	¥ 2,960,091	\$ 34,642,100
Derivatives for Trading Securities	43,127	2,466	408,285
Securities Oversold to Hedge Trading Transactions	89,473	130,057	847,048
Derivatives for Securities Held to Hedge Trading Transactions	1,072	288	10,149
Derivatives for Trading Transactions	2,277,916	3,185,358	21,565,048
Total	¥ 6,070,833	¥ 6,278,262	\$ 57,472,630

5. Securities

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Japanese National Government Bonds	¥ 20,431,753	¥ 11,968,696	\$ 193,427,562
Japanese Local Government Bonds	125,820	128,837	1,191,145
Japanese Corporate Bonds	1,652,262	1,305,316	15,641,981
Japanese Stocks and Shares*1	5,275,248	4,439,291	49,940,818
Other*2	4,586,539	5,974,433	43,420,805
Total	¥ 32,071,624	¥ 23,816,574	\$ 303,622,311

*1 Japanese Stocks and Shares included investments in non-consolidated subsidiaries and affiliates of ¥76,289 million (\$722,229 thousand) and ¥101,841 million at March 31, 2004 and 2003, respectively.

*2 Other included investments in non-consolidated subsidiaries and affiliates of ¥16,460 million (\$155,828 thousand) and ¥16,970 million at March 31, 2004 and 2003, respectively.

6. Loans and Bills Discounted

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Bills Discounted	¥ 610,001	¥ 797,919	\$ 5,774,885
Loans on Notes	4,969,989	5,823,170	47,050,926
Loans on Deeds	47,602,650	50,304,770	450,654,648
Overdrafts	12,738,383	12,052,935	120,594,373
Financing Receivables, including Factoring, Leasing and Property Financing	284,843	231,239	2,696,618
Total	¥ 66,205,868	¥ 69,210,035	\$ 626,771,450

Loans and Bills Discounted at March 31, 2004 and 2003 include the following:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Loans to Bankrupt Obligors*1	¥ 177,883	¥ 288,686	\$ 1,684,024
Non-Accrual Delinquent Loans*2	1,284,036	1,598,542	12,155,984
Loans Past Due for 3 Months or More*3	24,910	50,670	235,831
Restructured Loans*4	1,694,269	2,832,049	16,039,665
Total*5	¥ 3,181,100	¥ 4,769,949	\$ 30,115,504

*1 Loans to Bankrupt Obligors represent non-accrual loans to obligors who are legally bankrupt as defined in Article 96-1-3 and 4 of the Japanese Tax Law Enforcement Regulation (Article 97 of 1965 Cabinet Order).

*2 Non-Accrual Delinquent Loans represent non-accrual loans other than (i) Loans to Bankrupt Obligors and (ii) loans of which payments of interest are deferred in order to assist or facilitate the restructuring of obligors in financial difficulties.

*3 Loans to Bankrupt Obligors or Non-Accrual Delinquent Loans, both of which are classified as non-accrual, are not included in this category.

*4 Restructured Loans represent loans on which contracts were amended in favor of obligors (e.g., the reduction of or exemption from stated interest, the deferral of interest payments, the extension of maturity dates, or renunciation of claims) in order to assist or facilitate the restructuring of obligors in financial difficulties.

*5 ¥2,246 million (\$21,265 thousand) and ¥9,988 million of those amounts are placed in an administrative trust established by the Resolution and Collection Corporation for eventual final disposal at March 31, 2004 and 2003, respectively.

Sales of Loans to Participants

The total amount of loan participations outstanding as of March 31, 2004 and 2003, which was accounted for as sales of loans to participants in accordance with the JICPA Accounting Standard Committee Report No. 3 issued June 1, 1995, was ¥583,005 million (\$5,519,318 thousand) and ¥1,431,461 million, respectively.

Commitment Line for Loans

Overdraft protection on current accounts and contracts for the commitment line for loans are contracts by which consolidated subsidiaries are bound to extend loans up to the prearranged amount, at the request of customers, unless the customer is in breach of contract conditions. The unutilized balance of these contracts amounted to ¥43,249,003 million (\$409,438,643 thousand) and ¥43,195,571 million as of March 31, 2004 and 2003, respectively. ¥39,966,604 million (\$378,364,148 thousand) and ¥39,548,144 million of these amounts relate to contracts of which original contractual terms are of a term of one year or less, or which are unconditionally cancelable at any time as of March 31, 2004 and 2003, respectively.

Since many of these contracts expire without the rights exercised, the unutilized balance itself does not necessarily affect future cash flows of MHFG and its consolidated subsidiaries. A provision is included in many of these contracts that entitles the consolidated subsidiaries to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to preserve a claim, or other similar reasons. The consolidated subsidiaries obtain, moreover, real estate or securities as collateral at the time the contracts are entered into, if needed, and subsequently monitor a customer's business condition periodically, based on and in accordance with established procedures, and take measures to control credit risks such as amendments to contracts, if needed.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

7. Foreign Exchange Assets and Liabilities

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Foreign Exchange Assets:			
Foreign Bills Bought	¥ 362,446	¥ 368,586	\$ 3,431,284
Foreign Bills Receivable	181,520	218,676	1,718,452
Advance to Foreign Banks	61,178	84,756	579,176
Due from Banks (Foreign)	3,647	48,500	34,529
Total	¥ 608,792	¥ 720,519	\$ 5,763,441
Foreign Exchange Liabilities:			
Foreign Bills Sold	¥ 10,837	¥ 6,780	\$ 102,596
Foreign Bills Payable	6,544	9,576	61,952
Advance from Foreign Banks	265,220	149,148	2,510,842
Due to Banks (Foreign)	69,534	25,372	658,286
Total	¥ 352,136	¥ 190,878	\$ 3,333,676

8. Other Assets

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Accrued Income	¥ 260,729	¥ 296,089	\$ 2,468,329
Prepaid Expenses	18,646	14,307	176,527
Deferred Hedge Losses*1	209,010	96,569	1,978,702
Derivatives	1,945,646	1,350,282	18,419,449
Other*2	3,062,812	3,147,407	28,995,672
Total	¥ 5,496,845	¥ 4,904,656	\$ 52,038,679

*1 Deferred Hedge Losses is the net realized or unrealized losses from hedging instruments. The gross amounts of deferred hedge gains and losses before netting are ¥1,516,244 million (\$14,354,302 thousand) and ¥1,725,255 million (\$16,333,003 thousand), respectively, at March 31, 2004, and ¥1,827,820 million and ¥1,924,390 million, respectively, at March 31, 2003.

*2 Other included provisional tax payments of ¥222,682 million (\$2,108,137 thousand) made by a certain domestic subsidiary. These payments were made upon receipt of the Correction Notice from the Tokyo Regional Taxation Bureau ("TRTB") on August 23, 1996 in connection with the write-off of credits due from Japan Housing Loan, Inc., amounting to ¥376,055 million (\$3,560,115 thousand) recorded in the fiscal year ended March 1996. The subsidiary disputed the rationale for the proposed correction and filed an application seeking to void the proposed correction to the National Tax Tribunal for administrative review. This was dismissed on October 28, 1997. On October 30, 1997, the subsidiary filed a lawsuit with the Tokyo District Court seeking to void the TRTB's administrative action against the subsidiary and won the case entirely on March 2, 2001. However, this was appealed to the Tokyo High Court on March 16, 2001 and the subsidiary lost the case on March 14, 2002. On March 27, 2002, the subsidiary filed an appeal to the Supreme Court. The subsidiary believes that its claim is appropriate. Nevertheless, the subsidiary accrued Reserve for Contingency amounting to ¥131,159 million (\$1,241,691 thousand) and ¥134,806 million from the viewpoint of financial soundness and prudent accounting at March 31, 2004 and 2003, respectively.

9. Premises and Equipment

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Land	¥ 596,753	¥ 1,002,080	\$ 5,649,468
Buildings	266,129	308,089	2,519,447
Equipment	124,848	159,009	1,181,944
Other	156,076	163,672	1,477,579
Total	¥ 1,143,807	¥ 1,632,851	\$ 10,828,438
Accumulated Depreciation	¥ 695,663	¥ 735,934	\$ 6,585,854

10. Deferred Debenture Charges

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Deferred Discount on Debentures	¥ 244	¥ 510	\$ 2,315
Deferred Debenture Issuance Costs	202	530	1,914
Total	¥ 446	¥ 1,041	\$ 4,229

11. Reserves for Possible Losses on Loans

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
General Reserve for Possible Losses on Loans	¥ 1,175,873	¥ 1,515,414	\$ 11,131,999
Specific Reserve for Possible Losses on Loans	666,255	678,593	6,307,445
Reserve for Possible Losses on Loans to Restructuring Countries	8,458	17,358	80,073
Total	¥ 1,850,586	¥ 2,211,366	\$ 17,519,517

12. Assets Pledged as Collateral

The following assets were pledged as collateral:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Trading Assets	¥ 4,107,695	¥ 3,879,743	\$ 38,887,581
Securities	13,086,449	13,001,395	123,889,514
Loans and Bills Discounted	4,973,990	4,134,653	47,088,806
Premises and Equipment	—	63	—

The following liabilities were collateralized by the above assets:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Deposits	¥ 613,370	¥ 706,101	\$ 5,806,788
Call Money and Bills Sold	4,763,500	7,672,000	45,096,090
Payables under Repurchase Agreements	4,552,666	5,554,998	43,100,129
Guarantee Deposit Received under Securities Lending Transactions	7,561,629	3,940,824	71,586,007
Borrowed Money	497,696	331,760	4,711,695
Other Liabilities	137	—	1,302

In addition, the settlement accounts of foreign and domestic exchange transactions or margins for futures transactions are collateralized or substituted by Cash and Due from Banks of ¥6,755 million (\$63,950 thousand) and ¥7,814 million, Trading Assets of ¥365,978 million (\$3,464,724 thousand) and ¥15,205 million, Securities of ¥2,297,837 million (\$21,753,648 thousand) and ¥1,792,238 million and Loans and Bills Discounted of ¥330,416 million (\$3,128,058 thousand) and ¥466,821 million as of March 31, 2004 and 2003, respectively and Other Assets of ¥8,220 million as of March 31, 2003. None of the assets are pledged as collateral in connection with borrowings by the unconsolidated subsidiaries and affiliates.

Guarantee deposits amounting to ¥153,125 million (\$1,449,637 thousand) and ¥151,387 million were included in Premises and Equipment as of March 31, 2004 and 2003, respectively. Margins for futures transactions amounting to ¥25,596 million (\$242,321 thousand) and ¥42,031 million were included in Other Assets as of March 31, 2004 and 2003, respectively. Collateral Pledged for derivatives transactions amounting to ¥321,544 million (\$3,044,066 thousand) were included in Other Assets as of March 31, 2004.

Bills re-discounted are treated as financial transactions in accordance with the Industry Audit Committee Report No. 24. The total face value of commercial bills and foreign bills of exchange bought as a result of rediscounting as of March 31, 2004 and 2003 was ¥12,379 million (\$117,195 thousand) and ¥14,399 million, respectively.

13. Deposits

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Current Deposits	¥ 6,233,189	¥ 4,413,253	\$ 59,009,655
Ordinary Deposits*1	30,939,628	28,802,608	292,905,697
Deposits at Notice	990,969	1,263,237	9,381,519
Time Deposits	24,818,453	26,265,714	234,956,481
Certificates of Deposit	9,958,644	6,964,740	94,278,565
Other	4,546,589	4,513,086	43,042,593
Total	¥ 77,487,475	¥ 72,222,642	\$ 733,574,510

*1 Ordinary Deposits include savings deposits.

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14. Debentures

MHCB and MHBK issue debentures and offer them to institutional and private investors as a main source of funds for their operations. They provide debentures with a variety of different terms in order to attract investors.

At March 31, Description of Debentures	Millions of yen		Thousands of U.S. dollars	Interest rates	
	2004	2003	2004	2004	2003
One-Year Discount Debentures	¥ 929,240 [929,240]	¥ 1,898,586	\$ 8,797,127 [8,797,127]	0.05%	0.05%–0.08%
One-Year Discount Debentures (custody only)	256,842 [256,842]	302,992	2,431,526 [2,431,526]	0.02%	0.02%–0.06%
Five-Year Coupon Debentures (Series A)	6,351,800 [1,703,530]	7,421,340	60,132,538 [16,127,331]	0.35%–1.50%	0.65%–2.00%
Five-Year Coupon Debentures (Series B)	98,316 [22,310]	118,067	930,763 [211,216]	0.10%–1.00%	0.14%–1.20%
Five-Year Coupon Debentures (with compound interest)	725,067 [120,279]	775,821	6,864,220 [1,138,689]	0.10%–1.00%	0.14%–1.20%
Five-Year Coupon Debentures (savings-type)	715,929 [95,427]	734,233	6,777,711 [903,416]	0.10%–1.00%	0.14%–1.10%
Five-Year Coupon Debentures (savings-type with compound interest)	85,375 [15,109]	89,003	808,247 [143,045]	0.10%–1.00%	0.14%–1.10%
Two-year Coupon Debentures	151,400 [151,400]	304,600	1,433,305 [1,433,305]	0.65%	0.35%–0.65%
Three-year Coupon Debentures	115,800 [15,000]	15,000	1,096,280 [142,005]	0.35%–0.90%	0.90%
Debentures Denominated in Foreign Currencies	29,742 [21,714]	36,745	281,575 [205,573]	0.46%–9.37%	1.00%–9.37%
	(US\$97,000 thousand)	(US\$57,000 thousand)	(US\$97,000 thousand)		
Total	¥ 9,459,514	¥ 11,696,391	\$ 89,553,292		

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. The amount of foreign currency denominated bonds is shown in original currency in parentheses ().

3. Repayments for Debentures are scheduled for the next five years as follows:

Fiscal 2004	¥3,330,855 million	(\$31,533,232 thousand)
2005	¥2,136,076 million	(\$20,222,253 thousand)
2006	¥1,664,066 million	(\$15,753,734 thousand)
2007	¥1,326,228 million	(\$12,555,412 thousand)
2008	¥ 994,787 million	(\$ 9,417,658 thousand)

4. No collateral was provided for the above Debentures.

15. Call Money and Bills Sold

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Call Money	¥ 6,311,195	¥ 6,252,109	\$ 59,748,132
Bills Sold	2,369,400	4,933,700	22,431,127
Total	¥ 8,680,595	¥ 11,185,809	\$ 82,179,259

16. Commercial Paper

At March 31,	Millions of yen		Thousands of U.S. dollars	Average Interest rates*1	
	2004	2003	2004	2004	2003
Commercial Paper	¥ 837,800	¥ 627,400	\$ 7,931,459	0.10%	0.24%

*1 The average interest rates are the weighted-average interest rates of debts calculated from the interest rates and outstanding balances at the end of the year.

17. Borrowed Money

At March 31,	Millions of yen		Thousands of U.S. dollars	Average Interest rates*1	
	2004	2003	2004	2004	2003
Bills Rediscounted	¥ 12,379	¥ 14,399	\$ 117,195	4.10%	3.65%
Other Borrowings*2,3	1,630,964	1,440,427	15,440,353	1.43	2.28
Total	¥ 1,643,343	¥ 1,454,826	\$ 15,557,548	1.45%	2.29%

*1 Average interest rates are weighted-average interest rates of debts calculated from the interest rates and outstanding balances at the end of the year.

*2 Other Borrowings included subordinated debt of ¥722,294 million (\$6,837,966 thousand) and ¥647,431 million at March 31, 2004 and 2003, respectively.

*3 Repayments for Other Borrowings are scheduled for the next five years as follows:

Fiscal 2004	¥853,392 million (\$8,079,069 thousand)
2005	¥104,205 million (\$ 986,511 thousand)
2006	¥ 27,575 million (\$ 261,058 thousand)
2007	¥ 31,976 million (\$ 302,724 thousand)
2008	¥ 28,839 million (\$ 273,020 thousand)

18. Short-term Bonds

Issued or purchased dematerialized commercial paper under the Law Concerning Book-Entry Transfer of Corporate and Other Debt Securities (Law No. 75 of 2001) which came into effect on January 6, 2003 are presented in Short-term Bonds on the liability side or in Securities on the asset side as short-term bonds purchased. Commercial paper issued or purchased in the form of promissory notes is included in Commercial Paper on the liability side or in Other Debt Purchased on the asset side.

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19. Bonds and Notes and Bonds with Stock Options

Major components of Bonds and Notes at March 31, 2004 were as follows:

Issuer	Description	Issue	Millions of yen	Thousands of U.S. dollars	Interest rates	Due
Mizuho Holdings	Straight Bonds	Nov. 2000	¥ 300,000 [—]	\$ 2,840,102 [—]	0.72%–0.82%	Mar. 2010 –
*1	Straight Bonds	Mar. 1998– Mar. 2004	89,100 [—]	843,510 [—]	1.21%–4.01%	Dec. 2010 –
*2	Straight Bonds	Sept. 1997– Feb. 2004	63,100 [—]	597,368 [—]	2.10%–3.00%	Nov. 2012 –
*3	Straight Bonds	Jan. 2004– Mar. 2004	413,438 [—]	3,914,025	4.75%–8.37%	Apr. 2014 –
			(US\$3,000,000 thousand)			
			(EUR 750,000 thousand)			
*4	Straight Bonds	Dec. 1995– Apr. 2001	89,100 [—]	843,510 [—]	0.57%–3.59%	Apr. 2010 –
*5	Straight Bonds	Feb. 1995– Mar. 2004	639,719 [—]	6,056,228 [—]	0.00%–5.10%	Dec. 2005 –
			(US\$110,000 thousand)			
*6	Straight Bonds	Jun. 1995– Dec. 2003	636,562 [2,123]	6,026,338 [20,102]	0.37%–8.80%	Jun. 2004 –
			(US\$1,125,000 thousand)			
*7	Straight Bonds	Nov. 1994– Mar. 2004	128,350 [43,679]	1,215,099 [413,515]	0.00%–8.00%	Apr. 2004 – Dec. 2033
			(US\$89,000 thousand)			
			(EUR 9,130 thousand)			
Total			¥ 2,359,370	\$ 22,336,180		

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. The amount of foreign currency denominated bonds is shown in the original currencies in parentheses ().

3. Repayments for Bonds and Notes are scheduled for the next five years as follows:

Fiscal 2004	¥45,802 million (\$433,617 thousand)
2005	¥12,054 million (\$114,119 thousand)
2006	¥29,938 million (\$283,426 thousand)
2007	¥ 6,545 million (\$ 61,968 thousand)
2008	¥16,616 million (\$157,307 thousand)

4. Bonds and Notes at March 31, 2004 included subordinated bonds and notes of ¥2,211,785 million (\$20,938,987 thousand).

*1 Indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, Mizuho Trust and Banking Co., Ltd.

*2 Indicates the total amount of straight bonds issued by MHC.B.

*3 Indicates the total amount of straight bonds issued by the overseas consolidated subsidiary, Mizuho Financial Group (Cayman) Limited.

*4 Indicates the total amount of straight bonds issued by the overseas consolidated subsidiary, MHAT Finance (Aruba) A.E.C..

*5 Indicates the total amount of straight bonds issued by the overseas consolidated subsidiary, Mizuho Finance (Aruba) A.E.C..

*6 Indicates the total amount of straight bonds issued by overseas consolidated subsidiaries, Mizuho Finance (Cayman) Limited and Mizuho Finance (Curaçao) N.V.

*7 Indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, Mizuho Securities Co., Ltd. and overseas consolidated subsidiaries, Mizuho Corporate Asia (HK) Limited, Mizuho International plc and Mizuho Corporate Bank (USA).

Major components of Bonds and Notes at March 31, 2003 were as follows:

Issuer	Description	Issue	Millions of yen	Interest rates	Due
Mizuho Holdings	Straight Bonds	Nov. 2000	¥ 850,000 [—]	0.62%–2.67%	Mar. 2008–
*1	Straight Bonds	Mar. 1998– Aug. 2001	127,900 [—]	1.32%–4.02%	Dec. 2010–
*2	Straight Bonds	Sept. 1997	3,100 [—]	3.00%	Nov. 2012
*3	Straight Bonds	Dec. 1995– Apr. 2001	89,100 [—]	0.57%–3.59%	Apr. 2010–
*4	Straight Bonds	Mar. 1993– Sep. 2002	655,794 [—] (US\$110,000 thousand)	0.00%–5.10%	Dec. 2005
*5	Straight Bonds	Jun. 1995– Mar. 2000	649,490 [—] (US\$1,283,374 thousand)	0.00%–8.80%	Apr. 2004
*6	Straight Bonds	Aug. 1995– Mar. 2003	93,220 [44,337] (US\$81,922 thousand) (EUR9,130 thousand)	0.00%–9.00%	Apr. 2003– Feb. 2021
Total			¥ 2,468,606		

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. The amount of foreign currency denominated bonds is shown in the original currencies in parentheses ().

3. Bonds and Notes at March 31, 2003 included subordinated bonds and notes of ¥2,355,788 million.

*1 Indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, Mizuho Trust and Banking Co., Ltd.

*2 Indicates the amount of straight bonds issued by MHC.B.

*3 Indicates the total amount of straight bonds issued by the overseas consolidated subsidiary, MHAT Finance (Aruba) A.E.C..

*4 Indicates the total amount of straight bonds issued by the overseas consolidated subsidiary, Mizuho Finance (Aruba) A.E.C..

*5 Indicates the total amount of straight bonds issued by overseas consolidated subsidiaries, Mizuho Finance (Cayman) Limited and Mizuho Finance (Curaçao) N.V.

*6 Indicates the total amount of straight bonds issued by overseas consolidated subsidiaries, Mizuho Corporate Australia Ltd., Mizuho Corporate Asia (HK) Limited, Mizuho International plc and Mizuho Corporate Bank (USA).

Bonds with Stock Options at March 31, 2003 were as follows:

Issuer	Description of Debentures	Issue	Millions of yen	Interest rates	Due
*	Bonds with Stock Options	Jul. 1988	¥ 3,858 [3,858] (US\$32,103 thousand)	2.87%	Sep. 2003

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. The amount of foreign currency denominated bonds is shown in the original currency in parentheses ().

3. * indicates the total amount of bonds with stock options issued by the domestic consolidated subsidiary Mizuho Trust and Banking Co., Ltd.

4. Details are as follows:

Description	Convertible period	Conversion price	Issuing share	Capitalization
US\$ denominated Bonds with Stock Options due Sept. 30, 2003	Aug. 15, 1988–Sept. 22, 2003	¥1,814.90	Common stock	¥ 908/share

20. Other Liabilities

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Accrued Expenses	¥ 183,532	¥ 228,144	\$ 1,737,500
Unearned Income	138,347	160,337	1,309,739
Income Taxes Payable	84,910	97,910	803,848
Securities Borrowed	—	136	—
Derivatives	1,814,635	1,379,903	17,179,165
Other	2,184,749	3,660,121	20,683,036
Total	¥ 4,406,174	¥ 5,526,554	\$ 41,713,288

21. Reserve for Employee Retirement Benefits

(1) Employees of major domestic consolidated subsidiaries are entitled, with some conditions, to receive lump-sum indemnities or annuity payments for life upon their termination of employment. The amount of the benefits is determined by the current rate of pay, length of service and the conditions under which their termination occurs.

The major domestic consolidated subsidiaries have contributory funded defined benefit pension plans under the Japanese Welfare Pension Insurance Law (the "JWPIL") which are qualified by the tax authority and severance indemnity plans. The pension plans under the JWPIL cover a portion of the governmental welfare pension program, under which the contributions are made by such subsidiaries and their employees.

Certain domestic consolidated banking subsidiaries have established self-insured pension plans.

In addition, domestic banking and certain trust banking consolidated subsidiaries have established employee retirement benefit trusts.

(2) Reserve for Employee Retirement Benefits was reconciled as follows:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Projected Benefit Obligations	¥ (1,141,686)	¥ (1,491,244)	\$ (10,808,357)
Plan Assets	1,067,726	1,008,021	10,108,175
Unfunded Retirement Benefit Obligations	(73,960)	(483,223)	(700,183)
Unrecognized Net Obligation at Date of Initial Application	24,550	63,219	232,422
Unrecognized Actuarial Differences	580,419	733,415	5,494,836
Net Amounts	531,010	313,410	5,027,076
Prepaid Pension Cost	562,989	339,973	5,329,823
Reserve for Employee Retirement Benefits	¥ (31,979)	¥ (26,562)	\$ (302,747)

Notes: 1. The above Projected Benefit Obligations does not include additional retirement benefits paid to employees.

2. The above Projected Benefit Obligations includes the amount measured by certain consolidated subsidiaries under the non-actuarial method.

3. The above figures at March 31, 2003 includes the substitutional Portion of Mizuho Pension Fund.

4. The above Plan Assets at March 31, 2004 does not include ¥281,509 million (\$2,665,055 thousand) of unrecognized plan assets.

(3) Breakdown of Retirement Benefit Expenses was as follows:

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Service Cost*1	¥ 27,983	¥ 27,200	\$ 264,917
Interest Cost	32,778	40,817	310,313
Expected Return on Plan Assets	(39,828)	(41,080)	(377,058)
Gain on Plan Amendment (Prior Service Cost)	(14,426)	(571)	(136,572)
Amortization of Actuarial Differences	69,423	38,279	657,235
Amortization of Unrecognized Net Obligation at Date of Initial Application	28,081	32,967	265,852
Other (such as Extra Retirement Benefit)	1,915	6,945	18,135
Net Retirement Benefit Expenses	105,928	104,557	1,002,822
Gains on Return of Substitutional Portion of Mizuho Pension Fund	(45,169)	—	(427,621)
Net Expenses related to Retirement Benefit	¥ 60,758	¥ 104,557	\$ 575,201

*1 Retirement benefit expenses of some consolidated subsidiaries which adopt the non-actuarial method for calculating projected benefit obligations are included in Service Cost in full.

(4) Assumptions used in calculation of the above information were as follows:

	2004	2003
Discount rate	mainly 2.5%	2.1–2.5%
Expected rate of return on plan assets	mainly 3.5%	1.3–6.2%
Method of attributing the projected benefits to periods of services	Straight-line basis	Straight-line basis
Prior Service Cost	Charged to Income (Loss) in the year	Charged to Income (Loss) in the year
Amortization of unrecognized actuarial differences	Primarily 10-12 years	Primarily 10-12 years
Amortization of unrecognized net obligation at date of initial application	Primarily 5 years	Primarily 5 years

22. Other Reserves

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Reserve for Contingencies*1	¥ 132,739	¥ 141,124	\$ 1,256,643
Reserve for Contingent Liabilities from Futures Transactions	80	64	761
Reserve for Contingent Liabilities from Securities Transactions	1,292	819	12,234
Total	¥ 134,111	¥ 142,008	\$ 1,269,638

*1 Reserve for Contingencies is maintained to cover losses arising from matters not covered by other specific reserves that are probable to take place and that are determinable in amounts.

23. Acceptances and Guarantees

(1) All commitments and contingent liabilities of a material nature resulting from guarantees or otherwise are included in the contra-accounts "Acceptances and Guarantees" and "Customers' Liabilities for Acceptances and Guarantees."

The outstanding balance of the accounts were as follows:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Acceptances	¥ 7,023	¥ 10,110	\$ 66,490
Letters of Credit	69,844	42,004	661,221
Guarantees	3,570,745	4,093,296	33,804,270
Total	¥ 3,647,613	¥ 4,145,411	\$ 34,531,981

(2) The principal amounts promised to be indemnified for money trusts and loan trusts, which are entrusted to domestic consolidated trust banking subsidiaries, were ¥824,741 million (\$7,807,839 thousand) and ¥869,287 million (\$8,229,553 thousand) as of March 31, 2004, respectively, and ¥886,055 million and ¥1,167,331 million as of March 31, 2003, respectively.

24. Revaluation of Land

In accordance with the Land Revaluation Law, land used for business operations of domestic consolidated banking subsidiaries was revalued on March 31, 1998. In accordance with Article 119 of the 1998 Cabinet Order Article 2-4 of the Enforcement Ordinance relating to the Land Revaluation Law, the revaluation was performed by the method of calculating the value along with reasonable adjustments, such as for the condition of the land.

The income tax on the entire excess of revaluation is included in Deferred Tax Liabilities for Revaluation Reserve for Land, and the remainder, net of the tax, is stated as Revaluation Reserve for Land in Shareholders' Equity.

The difference at the balance sheet date between the total fair value of land for business operation purposes, which has been revalued in accordance with Article 10 of the above-mentioned law, and the total book value of the land after such revaluation was ¥253,406 million (\$2,398,997 thousand) and ¥303,917 million as of March 31, 2004 and 2003, respectively.

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25. Common Stock and Preferred Stock

Common Stock and Preferred Stock at March 31, 2004 and 2003 were as follows:

As of March 31, 2004 Class of stock	Number of shares		Per share (Yen)			Convertible or not	With redemption or not
	Authorized	Issued and outstanding	Interim cash dividend	Year-end cash dividend	Liquidation value		
Common Stock	25,000,000	11,926,964.67	¥ —	¥ 3,000	¥ —	No	No
First Series Class I Preferred Stock	33,000	33,000	—	22,500	3,000,000	Yes	No
Second Series Class II Preferred Stock	100,000	100,000	—	8,200	2,000,000	Yes	No
Third Series Class III Preferred Stock	100,000	100,000	—	14,000	2,000,000	Yes	No
Fourth Series Class IV Preferred Stock	150,000	150,000	—	47,600	2,000,000	No	Yes
Fifth Series Class V Preferred Stock	/	/	—	/	/	/	/
Sixth Series Class VI Preferred Stock	150,000	150,000	—	42,000	2,000,000	No	Yes
Seventh Series Class VII Preferred Stock	125,000	125,000	—	11,000	2,000,000	Yes	Yes
Eighth Series Class VIII Preferred Stock	125,000	125,000	—	8,000	2,000,000	Yes	Yes
Ninth Series Class IX Preferred Stock	140,000	140,000	—	17,500	1,250,000	Yes	No
Tenth Series Class X Preferred Stock	140,000	140,000	—	5,380	1,250,000	Yes	No
Eleventh Series Class XI Preferred Stock	1,404,000	943,740	—	20,000	1,000,000	Yes	No
Twelfth Series Class XI Preferred Stock		5,500	—	2,500	1,000,000	Yes	No
Thirteenth Series Class XIII Preferred Stock	1,500,000	36,690	—	30,000	1,000,000	No	Yes

As of March 31, 2003 Class of stock	Number of shares		Per share (Yen)			Convertible or not	With redemption or not
	Authorized	Issued and outstanding	Interim cash dividend	Year-end cash dividend	Liquidation value		
Common Stock	25,000,000	10,582,426.71	¥ —	¥ —	¥ —	No	No
First Series Class I Preferred Stock	33,000	33,000	—	22,500	3,000,000	Yes	No
Second Series Class II Preferred Stock	100,000	100,000	—	8,200	2,000,000	Yes	No
Third Series Class III Preferred Stock	100,000	100,000	—	14,000	2,000,000	Yes	No
Fourth Series Class IV Preferred Stock	150,000	150,000	—	47,600	2,000,000	No	Yes
Fifth Series Class V Preferred Stock	/	/	—	/	/	/	/
Sixth Series Class VI Preferred Stock	150,000	150,000	—	42,000	2,000,000	No	Yes
Seventh Series Class VII Preferred Stock	125,000	125,000	—	11,000	2,000,000	Yes	Yes
Eighth Series Class VIII Preferred Stock	125,000	125,000	—	8,000	2,000,000	Yes	Yes
Ninth Series Class IX Preferred Stock	140,000	140,000	—	17,500	1,250,000	Yes	No
Tenth Series Class X Preferred Stock	140,000	140,000	—	5,380	1,250,000	Yes	No
Eleventh Series Class XI Preferred Stock	1,500,000	943,740	—	165	1,000,000	Yes	No
Twelfth Series Class XI Preferred Stock		101,500	—	21	1,000,000	Yes	No
Thirteenth Series Class XIII Preferred Stock	1,500,000	36,690	—	247	1,000,000	No	Yes

Note: All the outstanding Fifth Series Class V Preferred Stock was converted into Common Stock on February 1, 2002.

Holders or registered pledgees of Preferred Stocks are entitled to receive annual dividends, and distribution of residual assets of MHFG, as set out above in priority to holders of Common Stocks but *pari passu* among themselves.

MHFG may pay up to one-half of the annual dividend payable on each class of Preferred Stocks as an interim dividend.

Dividends on the Preferred Stocks are not cumulative. Holders of Preferred Stocks are not entitled to vote at a general meeting of shareholders except where the articles of incorporation entitle holders of Preferred Stocks to vote.

All Preferred Stocks except Class IV Preferred Stocks, Class VI Preferred Stocks and Class XIII Preferred Stocks are convertible into Common Stocks at the option of the holder. Material terms and conditions of conversion are as follows:

	Conversion period*1	Conversion ratio*2
First Series Class I Preferred Stocks	March 12, 2003 to July 31, 2005	4.000 to be reset on August 1 of each year between 2003 and 2004 (each, a "Reset Date") as ¥3,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the Tokyo Stock Exchange (the "TSE") for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to the Reset Date, provided that the reset conversion ratio shall be neither less than the conversion ratio applicable on the date immediately prior to the Reset Date nor more than 4.000.
Second Series Class II Preferred Stocks	August 1, 2004 to July 31, 2006	¥2,000,000/(current market price x 1.025), where the current market price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to August 1, 2004 and (y) ¥637,600, to be reset on August 1, 2005 using the same formula <i>mutatis mutandis</i> .
Third Series Class III Preferred Stocks	August 1, 2005 to July 31, 2008	¥2,000,000/(current market price x 1.025), where the current market price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to August 1, 2005 and (y) ¥637,600, to be reset on August 1, 2006 and August 1, 2007 using the same formula <i>mutatis mutandis</i> .
Seventh Series Class VII Preferred Stocks	October 1, 2006 to January 31, 2011	¥2,000,000/(conversion price), where the conversion price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to October 1, 2006 multiplied by 1.025 and (y) ¥420,000; to be reset on October 1 of each year between 2007 and 2010 (each, a "Reset Date") as ¥2,000,000/(conversion price), where the conversion price is the lower of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to the Reset Date and (y) the conversion price effective as of the Reset Date, provided that the conversion price shall not be less than 80% of the initial conversion price.

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Eighth Series Class VIII Preferred Stocks	October 1, 2004 to January 31, 2009	¥2,000,000/(conversion price), where the conversion price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to October 1, 2004 multiplied by 1.025 and (y) ¥540,000; to be reset on October 1 of each year between 2005 and 2008 (each, a "Reset Date") as ¥2,000,000/(conversion price), where the conversion price is the lower of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to the Reset Date and (y) the conversion price effective as of the Reset Date, provided that the conversion price shall not be less than 70% of the initial conversion price.
Ninth Series Class IX Preferred Stocks	September 1, 2003 to August 31, 2009	¥1,250,000/(conversion price), where the current conversion price is ¥331,000, and thereafter the conversion price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to September 1 of each year between 2004 and 2008 multiplied by 1.025 and (y) ¥331,000.
Tenth Series Class X Preferred Stocks	July 1, 2003 to August 31, 2009	¥1,250,000/(conversion price), where the current conversion price is ¥331,000, and thereafter the conversion price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to September 1 of each year between 2003 and 2008 multiplied by 1.025 and (y) ¥331,000.
Eleventh Series Class XI Preferred Stocks	July 1, 2008 to June 30, 2016	¥1,000,000/(conversion price), where the conversion price is the higher of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to July 1, 2008 and (y) ¥50,000; to be reset on July 1 of each year between 2009 and 2015 (each, a "Reset Date") as ¥1,000,000/(conversion price), where the conversion price is the lower of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to the Reset Date and (y) the conversion price effective as of the Reset Date, provided that the conversion price shall not be less than 60% of the initial conversion price or ¥50,000.
Twelfth Series Class XI Preferred Stocks	July 1, 2003 to June 30, 2011	¥1,000,000/(conversion price), where the current conversion price is ¥71,400, and thereafter the conversion price is the lower of (x) the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to July 1 of each year between 2004 and 2010 (each a "Reset Date") and (y) the conversion price effective as of the Reset Date, provided that the conversion price shall not be less than 60% of the initial conversion price.

Notes: 1. If the date to determine the shareholders entitled to exercise their voting rights at a general meeting of the shareholders of MHFG (the "Record Date") is prescribed, the period from and including the date immediately following such Record Date to and including the date on which such general meeting is concluded shall be excluded.

2. Subject to adjustment, where allotment of new Common Stocks for a subscription price below the "current market price" or "conversion price," a stock split, allotment of securities convertible into Common Stocks at a conversion ratio more favorable than the Preferred Stocks, merger or amalgamation, or a capital decrease or consolidation occurs and in certain other circumstances.

Each Preferred Stock which has not been converted as described above by the end of the relevant conversion period will be converted into Common Stocks on the day following the end of the conversion period on the following terms:

First Series Class I Preferred Stocks	August 1, 2005	¥3,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to August 1, 2005, provided that the conversion ratio shall not be more than 4.000 (*).
Second Series Class II Preferred Stocks	August 1, 2006	¥2,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to August 1, 2006, provided that the conversion ratio shall not be more than 3.137 (*).
Third Series Class III Preferred Stocks	August 1, 2008	¥2,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to August 1, 2008, provided that the conversion ratio shall not be more than 3.137 (*).
Seventh Series Class VII Preferred Stocks	February 1, 2011	¥2,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to February 1, 2011, provided that the conversion ratio shall not be more than the figure obtained by dividing ¥2,000,000 by the amount equal to 60% of the amount obtained by dividing ¥2,000,000 by the initial conversion ratio.
Eighth Series Class VIII Preferred Stocks	February 1, 2009	¥2,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to February 1, 2009, provided that the conversion ratio shall not be more than the figure obtained by dividing ¥2,000,000 by the amount equal to 60% of the amount obtained by dividing ¥2,000,000 by the initial conversion ratio.
Ninth Series Class IX Preferred Stocks	September 1, 2009	¥1,250,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to September 1, 2009, provided that the conversion ratio shall not be more than the number obtained by dividing ¥1,250,000 by ¥331,000.

* Subject to adjustment, where a stock split or consolidation of share capital occurs.

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Tenth Series Class X Preferred Stocks	September 1, 2009	¥1,250,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to September 1, 2009, provided that the conversion ratio shall not be more than the number obtained by dividing ¥1,250,000 by ¥331,000.
Eleventh Series Class XI Preferred Stocks	July 1, 2016	¥1,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to July 1, 2016, provided that the current market price shall not be less than 60% of initial conversion price or ¥50,000.
Twelfth Series Class XI Preferred Stocks	July 1, 2011	¥1,000,000/(current market price), where the current market price is the average price of daily closing prices (including closing bid or offered price) of Common Stocks as reported by the TSE for the 30 consecutive trading days (excluding trading days on which no closing price, closing bid or offered price is reported) commencing on the 45th trading day prior to July 1, 2011, provided that the current market price shall not be less than 60% of initial conversion price or ¥50,000.

The number of common stocks held by subsidiaries and affiliates is 1,163 thousand and 1,166 thousand as of March 31, 2004 and 2003, respectively.

26. Interest Income and Interest Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Interest Income:			
Loans and Bills Discounted	¥ 1,183,736	¥ 1,433,961	\$ 11,206,440
Securities	296,733	347,927	2,809,174
Call Loans and Bills Purchased	5,176	11,125	49,006
Due from Banks	24,840	42,801	235,161
Receivables under Resale Agreements	74,290	113,940	703,311
Securities Borrowing Transactions	1,718	770	16,269
Other Interest Income	36,209	40,710	342,796
Total	1,622,704	1,991,236	15,362,157
Interest Expenses:			
Deposits	112,878	193,915	1,068,626
Debentures	92,744	117,776	878,017
Amortization of Deferred Debenture Charges	—	3,146	—
Call Money and Bills Sold	2,858	7,024	27,060
Payables under Repurchase Agreements	116,306	189,919	1,101,070
Securities Lending Transactions	12,130	8,724	114,836
Commercial Paper	1,006	841	9,531
Borrowed Money	34,548	44,228	327,073
Bonds and Notes	45,914	59,883	434,670
Bonds with Stock Options	47	179	452
Other Interest Expenses	19,267	109,219	182,403
Total	437,703	734,859	4,143,738
Net	¥ 1,185,001	¥ 1,256,377	\$ 11,218,419

Note: In accordance with revision of the Enforcement Regulations of the Long-term Credit Bank Law, Amortization of Deferred Debenture Charges for the fiscal year ended March 31, 2004 is included in Interest Expenses under Debentures.

27. Trading Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Trading Income:			
Net Gains on Trading Securities and Derivatives	¥ 138,846	¥ 65,294	\$ 1,314,458
Net Gains on Securities Held to Hedge Trading Transactions	—	5,777	—
Net Gains on Derivatives for Trading Transactions	91,753	171,487	868,634
Other Trading Income	1,855	1,965	17,570
Total	¥ 232,455	¥ 244,524	\$ 2,200,662

28. Other Operating Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Gains on Foreign Exchange Transactions	¥ 96,058	¥ 74,342	\$ 909,389
Gains on Sales of Bonds	249,037	276,107	2,357,636
Other	61,386	66,523	581,142
Total	¥ 406,481	¥ 416,972	\$ 3,848,167

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29. Other Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Gains on Sales of Stock and Other Securities	¥ 251,929	¥ 75,862	\$ 2,385,014
Gains on Money Held in Trust	526	792	4,989
Gains on Sales of Premises and Equipment	8,413	1,285	79,651
Recovery on Written-off Claims	2,555	4,210	24,190
Gains on Securities Contributed to Employee Retirement Benefit Trust	60,735	43,847	574,983
Enterprise Tax Refund and Interest on the Refund	58,198	—	550,966
Gains on Return of Substitutional Portion of Mizuho Pension Fund	45,169	—	427,621
Amortization of Prior Service Costs	14,426	—	136,572
Other	61,918	117,434	586,182
Total	¥ 503,872	¥ 243,434	\$ 4,770,168

30. Other Operating Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Amortization of Debenture Issuance Costs	¥ 777	¥ 2,326	\$ 7,362
Losses on Sales of Bonds	116,146	60,917	1,099,557
Losses on Devaluation of Bonds	1,670	2,897	15,811
Other	81,026	84,075	767,079
Total	¥ 199,620	¥ 150,217	\$ 1,889,809

31. Other Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Provision for Reserve for Possible Losses on Loans	¥ 65,424	¥ 932,421	\$ 619,375
Write-offs of Claims	209,509	735,111	1,983,426
Losses on Sales of Stocks and Other Securities	27,639	389,498	261,667
Losses on Devaluation of Stocks and Other Securities	18,900	607,474	178,932
Losses on Money Held in Trust	109	1,780	1,040
Provision for Reserve for Possible Losses on Loans Sold	—	10,763	—
Losses on Dispositions of Premises and Equipment	129,006	102,104	1,221,305
Equity in Losses from Investment in Affiliates	—	3,491	—
Amortization of Unrecognized Net Obligation at Date of Initial Application of the Accounting Standard for Employee Retirement Benefits	28,081	32,967	265,852
Transfer to Reserve for Contingencies	—	6,920	—
Other	130,400	679,082	1,234,503
Total	¥ 609,073	¥ 3,501,617	\$ 5,766,100

32. Cash Flows

Cash and Cash Equivalents reconciles to Cash and Due from Banks on the Consolidated Balance Sheets as follows:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Cash and Due from Banks	¥ 6,813,510	¥ 7,849,717	\$ 64,503,559
Less: Due from Banks except for due from Central Banks	(1,283,846)	(801,212)	(12,154,182)
Cash and Cash Equivalents	¥ 5,529,664	¥ 7,048,505	\$ 52,349,377

33. Lease Transactions

Finance Leases (Lessees)

The Acquisition Cost Equivalents, Accumulated Depreciation Equivalents and Book Value Equivalents relating to finance lease transactions accounted for as operating leases were summarized as follows:

At March 31,	2004			2003		
	Equipment	Others	Total	Equipment	Others	Total
Acquisition Cost Equivalents	¥ 83,140	¥ 4,706	¥ 87,847	¥ 70,731	¥ 2,250	¥ 72,982
Accumulated Depreciation Equivalents	(52,233)	(2,921)	(55,154)	(46,566)	(1,175)	(47,742)
Book Value Equivalents	¥ 30,907	¥ 1,785	¥ 32,692	¥ 24,164	¥ 1,074	¥ 25,239

At March 31,	2004		
	Equipment	Others	Total
Acquisition Cost Equivalents	\$ 787,095	\$ 44,556	\$ 831,651
Accumulated Depreciation Equivalents	(494,498)	(27,653)	(522,151)
Book Value Equivalents	\$ 292,597	\$ 16,903	\$ 309,500

Future lease payments subsequent to the end of the fiscal year for finance leases accounted for as operating leases (including the interest portion thereon) were summarized as follows:

At March 31,	Millions of yen		Thousands of U.S. dollars	
	2004	2003	2004	2004
Due in One Year or Less	¥ 14,477	¥ 12,031	\$ 137,060	
Due after One Year	35,072	29,809	332,031	
Total	¥ 49,550	¥ 41,841	\$ 469,091	

Lease expense, depreciation equivalents and interest expense equivalents relating to finance leases accounted for as operating leases amounted to ¥14,433 million (\$136,639 thousand), ¥13,754 million (\$130,210 thousand), and ¥1,161 million (\$10,992 thousand), respectively for the fiscal year ended March 31, 2004, and ¥13,242 million, ¥16,132 million, and ¥1,313 million, respectively for the fiscal year ended March 31, 2003.

- Notes: 1. The computing method for the amount of depreciation equivalents is as follows:
 Depreciation equivalents are calculated by the declining-balance method, computed by multiplying the amounts by 10/9, which itself is computed assuming that the useful life is the lease term and that the residual value at the end of the lease term is 10% of the acquisition cost.
2. The computing method for the amount of interest expenses equivalents is as follows:
 The amounts are defined as the difference between total lease payments and acquisition cost equivalents, which are allocated over the lease term by the interest method.

Operating Leases

The future lease payments subsequent to the end of fiscal year for operating lease transactions were summarized as follows:

Lessees:

At March 31,	Millions of yen		Thousands of U.S. dollars	
	2004	2003	2004	2004
Due in One Year or Less	¥ 25,563	¥ 12,828	\$ 242,014	
Due after One Year	159,353	90,492	1,508,602	
Total	¥ 184,917	¥ 103,320	\$ 1,750,616	

Lessors:

At March 31,	Millions of yen		Thousands of U.S. dollars	
	2004	2003	2004	2004
Due in One Year or Less	¥ —	¥ 79	\$ —	
Due after One Year	—	106	—	
Total	¥ —	¥ 186	\$ —	

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34. Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities consisted of the following:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Deferred Tax Assets:			
Tax Losses Carried Forward	¥ 2,088,231	¥ 2,257,910	\$ 19,769,308
Securities	1,011,479	515,460	9,575,684
Reserve for Possible Losses on Loans	805,786	1,026,644	7,628,386
Securities Contributed to Employee Retirement Benefit Trust	210,715	132,214	1,994,847
Other	242,353	219,325	2,294,361
Deferred Tax Assets Subtotal:	4,358,566	4,151,554	41,262,586
Valuation Allowance	(2,461,786)	(1,809,550)	(23,305,748)
Net	¥ 1,896,780	¥ 2,342,003	\$ 17,956,838
Deferred Tax Liabilities:			
Prepaid Pension Cost	¥ (213,062)	¥ (126,167)	\$ (2,017,066)
Net Unrealized Gains on Other Securities	(308,578)	—	(2,921,317)
Other	(42,165)	(89,869)	(399,184)
Total	¥ (563,807)	¥ (216,036)	\$ (5,337,567)
Net Deferred Tax Assets	¥ 1,332,973	¥ 2,125,967	\$ 12,619,271

Balances reported on the Consolidated Balance Sheets:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Deferred Tax Assets	¥ 1,361,766	¥ 2,130,243	\$ 12,891,850
Deferred Tax Liabilities	(28,792)	(4,276)	(272,579)
Net Deferred Tax Assets	¥ 1,332,973	¥ 2,125,967	\$ 12,619,271

MHFG and domestic subsidiaries are subject to a number of different income taxes.

As at March 31, 2004 and 2003 the reconciliation of the statutory tax rate of MHFG to the effective income tax rate was as follows. No figures are shown for 2003 as a net loss was recorded.

At March 31,	2004	2003
Statutory tax rate	42.05 %	— %
Changes in Valuation Allowance	12.11	—
Effect of tax rates of domestic subsidiaries	(3.83)	—
Investment in subsidiaries	(1.30)	—
Other	(1.83)	—
Effective income tax rate	47.19 %	— %

35. Segment Information

(1) Segment Information by Type of Business

Segment information by type of business at March 31, 2003 and for the fiscal year ended March 31, 2003 has not been presented, as the percentages of those activities are insignificant. Segment information by type of business at March 31, 2004 and for the fiscal year ended March 31, 2004 was as follows:

Millions of yen								
2004 Type of Business	Ordinary Income from Outside Customers	Inter-segment Ordinary Income	Ordinary Income	Ordinary Expenses	Ordinary Profit	Total Asset	Depreciation Expense	Capital Expenditure
Banking Business	¥ 2,752,455	¥ 26,740	¥ 2,779,196	¥ 1,953,785	¥ 825,411	¥ 127,414,246	¥ 121,592	¥ 161,011
Securities Business	273,290	28,821	302,111	233,057	69,054	13,111,932	8,398	6,449
Other	174,880	115,341	290,221	270,505	19,716	1,152,880	9,872	5,667
Total	3,200,626	170,903	3,371,529	2,457,348	914,181	141,679,059	139,863	173,127
Elimination	—	(170,903)	(170,903)	(153,208)	(17,694)	(3,928,967)	—	—
Consolidated Results	¥ 3,200,626	¥ —	¥ 3,200,626	¥ 2,304,139	¥ 896,486	¥ 137,750,091	¥ 139,863	¥ 173,127

Thousands of U.S. dollars								
2004 Type of Business	Ordinary Income from Outside Customers	Inter-segment Ordinary Income	Ordinary Income	Ordinary Expenses	Ordinary Profit	Total Asset	Depreciation Expense	Capital Expenditure
Banking Business	\$26,057,520	\$ 253,152	\$26,310,672	\$18,496,499	\$7,814,173	\$1,206,231,625	\$1,151,114	\$1,524,295
Securities Business	2,587,240	272,851	2,860,091	2,206,354	653,737	124,130,759	79,512	61,054
Other	1,655,594	1,091,939	2,747,533	2,560,879	186,654	10,914,329	93,462	53,651
Total	30,300,354	1,617,942	31,918,296	23,263,732	8,654,564	1,341,276,713	1,324,088	1,639,000
Elimination	—	(1,617,942)	(1,617,942)	(1,450,425)	(167,517)	(37,195,570)	—	—
Consolidated Results	\$30,300,354	\$ —	\$30,300,354	\$21,813,307	\$8,487,047	\$1,304,081,143	\$1,324,088	\$1,639,000

Notes: 1. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.

2. Ordinary Profit represents Ordinary Income less Ordinary Expenses.

3. Major components of Type of Business are as follows:

(1) Banking Business: banking and trust banking business

(2) Securities Business: securities business

(3) Other: credit card business, investment advisory business and other

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(2) Segment Information by Geographic Area

Segment information by geographic area at March 31, 2004 and 2003 and for the fiscal years ended March 31, 2004 and 2003 was as follows:

							Millions of yen
2004 Geographic Area	Ordinary Income from Outside Customers	Inter-segment Ordinary Income	Ordinary Income	Ordinary Expenses	Ordinary Profit	Total Assets	
Japan	¥ 2,760,211	¥ 143,450	¥ 2,903,662	¥ 2,063,911	¥ 839,751	¥ 128,677,634	
Americas	177,703	89,879	267,582	194,577	73,005	12,172,914	
Europe	185,295	9,557	194,852	181,283	13,568	6,824,656	
Asia / Oceania excluding Japan	77,415	1,006	78,422	38,997	39,424	4,037,664	
Total	3,200,626	243,893	3,444,519	2,478,769	965,750	151,712,869	
Elimination and General Corporate Assets	—	(243,893)	(243,893)	(174,630)	(69,263)	(13,962,777)	
Consolidated Results	¥ 3,200,626	¥ —	¥ 3,200,626	¥ 2,304,139	¥ 896,486	¥ 137,750,091	

							Millions of yen
2003 Geographic Area	Ordinary Income from Outside Customers	Inter-segment Ordinary Income	Ordinary Income	Ordinary Expenses	Ordinary Profit (Loss)	Total Assets	
Japan	¥ 2,716,129	¥ 25,237	¥ 2,741,366	¥ 4,914,101	¥ (2,172,734)	¥ 126,050,751	
Americas	327,148	92,806	419,954	349,570	70,384	13,504,905	
Europe	278,081	54,865	332,947	383,136	(50,188)	7,543,064	
Asia / Oceania excluding Japan	114,637	17,314	131,952	98,838	33,114	5,016,293	
Total	3,435,997	190,224	3,626,221	5,745,645	(2,119,424)	152,115,014	
Elimination and General Corporate Assets	—	(190,224)	(190,224)	(179,101)	(11,122)	(18,082,267)	
Consolidated Results	¥ 3,435,997	¥ —	¥ 3,435,997	¥ 5,566,544	¥ (2,130,547)	¥ 134,032,747	

							Thousands of U.S. dollars
2004 Geographic Area	Ordinary Income from Outside Customers	Inter-segment Ordinary Income	Ordinary Income	Ordinary Expenses	Ordinary Profit	Total Assets	
Japan	\$ 26,130,943	\$ 1,358,049	\$ 27,488,992	\$ 19,539,062	\$ 7,949,930	\$ 1,218,192,126	
Americas	1,682,318	850,888	2,533,206	1,842,065	691,141	115,241,070	
Europe	1,754,195	90,477	1,844,672	1,716,214	128,458	64,609,070	
Asia / Oceania excluding Japan	732,898	9,525	742,423	369,190	373,233	38,224,601	
Total	30,300,354	2,308,939	32,609,293	23,466,531	9,142,762	1,436,266,867	
Elimination and General Corporate Assets	—	(2,308,939)	(2,308,939)	(1,653,224)	(655,715)	(132,185,724)	
Consolidated Results	\$ 30,300,354	\$ —	\$ 30,300,354	\$ 21,813,307	\$ 8,487,047	\$ 1,304,081,143	

- Notes: 1. Geographic analyses are presented based on geographic contiguity, similarities in economic activities, and relation of business operations.
2. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.
3. Ordinary Profit (Loss) represents Ordinary Income less Ordinary Expenses.
4. Americas includes the United States of America and Canada. Europe includes the United Kingdom. Asia / Oceania includes Hong Kong and the Republic of Singapore.
5. Until the fiscal year ended March 31, 2003, gains and losses relating to foreign exchange swaps for some of the domestic banking subsidiaries were reported in gross amounts on the statements of operations. However, effective the fiscal year ended March 31, 2004, the net amount of gains and losses are presented on the statements of operations as a result of the application of hedge accounting in accordance with JICPA Industry Audit Committee Report No. 25. As a result, for the fiscal year ended March 31, 2004, compared to the corresponding amounts under the previously applied method, Ordinary Income and Ordinary Expenses decreased by ¥6,798 million (\$64,361 thousand), ¥4,666 million (\$44,182 thousand), and ¥1,789 million (\$16,939 thousand) for Japan, Europe, and Asia/Oceania excluding Japan, respectively.

6. Until the fiscal year ended March 31, 2003, the transitional treatment permitted by JICPA Industry Audit Committee Report No. 25 was applied to foreign currency transactions. However, effective the fiscal year ended March 31, 2004, in accordance with the general provisions of JICPA Industry Audit Committee Report No. 25, hedge accounting is applied to currency-swap transactions, exchange swap transactions and similar transactions for domestic banking and trust banking subsidiaries.

As a result of the application of hedge accounting, as of March 31, 2004, currency-swap transactions and exchange swap transactions, which were accounted for on an accrual basis, are valued at fair value and the gross amount of the credit balance and the debt balance are recorded on the balance sheet in Other Assets and Other Liabilities, resulting in a decrease of Total Assets of ¥320 million (\$3,033 thousand) and ¥43 million (\$415 thousand) for Japan and Americas, respectively and an increase of Total Assets of ¥126 million (\$1,198 thousand) and ¥1,695 million (\$16,054 thousand) for Europe and Asia/Oceania excluding Japan, respectively, compared with the corresponding amounts under the previous methods.

Until the fiscal year ended March 31, 2003, the net fair value of forward foreign exchange transactions other than those for the above hedging purposes was recorded in Other Assets or Other Liabilities on the balance sheets. However, effective the fiscal year ended March 31, 2004, the gross of fair value amounts are recorded on the balance sheet. As a result, as of March 31, 2004, Total Assets increased by ¥782,767 million (\$7,410,464 thousand), ¥25,964 million (\$245,808 thousand), ¥44,623 million (\$422,453 thousand), and ¥29,331 million (\$277,679 thousand) for Japan, Americas, Europe, and Asia/Oceania excluding Japan, respectively, compared with the corresponding amounts under the previous method.

(3) Ordinary Income from Overseas Entities

Ordinary Income from Overseas Entities for the fiscal years ended March 31, 2004 and 2003 consisted of the following:

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Ordinary Income from Overseas Entities	¥ 440,414	¥ 719,867	\$ 4,169,411
Total Ordinary Income	3,200,626	3,435,997	30,300,354
Ordinary Income from Overseas Entities' Ratio	13.76%	20.95%	/

Notes: 1. Ordinary Income from Overseas Entities represents Ordinary Income recorded by overseas branches of MHCB, MHBK and other overseas subsidiaries excluding Inter-segment Ordinary Income. Ordinary Income from international operations is presented in lieu of Sales as is the case for non-financial companies.

2. Segment information on Ordinary Income from Overseas Entities is not presented as no such information is compiled.

36. Subsequent Events

(1) Appropriation of Retained Earnings

The following Appropriation of Retained Earnings was approved at the shareholders' meeting held on June 25, 2004.

		Millions of yen	Thousands of U.S. dollars
Cash Dividends:			
First Series Class I Preferred Shares	¥ 22,500 per Share	¥ 742	\$ 7,029
Second Series Class II Preferred Shares	¥ 8,200 per Share	820	7,763
Third Series Class III Preferred Shares	¥ 14,000 per Share	1,400	13,254
Fourth Series Class IV Preferred Shares	¥ 47,600 per Share	7,140	67,594
Sixth Series Class VI Preferred Shares	¥ 42,000 per Share	6,300	59,642
Seventh Series Class VII Preferred Shares	¥ 11,000 per Share	1,375	13,017
Eighth Series Class VIII Preferred Shares	¥ 8,000 per Share	1,000	9,467
Ninth Series Class IX Preferred Shares	¥ 17,500 per Share	2,450	23,194
Tenth Series Class X Preferred Shares	¥ 5,380 per Share	753	7,131
Eleventh Series Class XI Preferred Shares	¥ 20,000 per Share	18,874	178,688
Twelfth Series Class XI Preferred Shares	¥ 2,500 per Share	13	130
Thirteenth Series Class XIII Preferred Shares	¥ 30,000 per Share	1,100	10,420
Common Shares	¥ 3,000 per Share	35,778	338,715

(2) Other

One of MHFG's domestic banking subsidiaries concluded the agreement of financial assistance to the business restructuring of Kowa Real Estate Co., Ltd. (the "Company") and its subsidiary Kowa Real Estate Sales Co., Ltd. on June 18, 2004. After the corporate split in the business restructuring, the loan to the Company in the amount of ¥175,700 million (\$1,663,353 thousand) is expected to remain. However since the Company will continue its business, the recoverable amount will fluctuate, and therefore the loss amount for MHFG has not yet been determined.

37. Fair Value of Securities and Money Held in Trust

The following tables contain information relating to Securities, Cash and Due from Banks (negotiable certificates of deposit) and Other Debt Purchased (commercial paper, etc.) at March 31, 2004 and 2003.

					Millions of yen
At March 31, 2004		Gross unrealized			Fair value
Cost	Gains		Losses		
Bonds Held-to-Maturity:	¥ 915,604	¥ 1,147	¥ 482	¥ 916,270	
Japanese National Government Bonds	897,546	1,119	482	898,183	
Japanese Local Government Bonds	18,058	28	—	18,087	
Other Securities* ² :	27,895,257	1,018,867	298,435	28,615,689	
Stocks* ³	3,477,151	967,246	82,677	4,361,720	
Bonds:	20,185,912	9,366	200,561	19,994,717	
Japanese National Government Bonds	19,725,985	5,699	197,477	19,534,207	
Japanese Local Government Bonds	97,725	2,321	844	99,202	
Corporate Bonds	362,201	1,345	2,239	361,307	
Other	4,232,193	42,254	15,196	4,259,251	

					Millions of yen
At March 31, 2003		Gross unrealized			Fair value
Cost	Gains		Losses		
Other Securities* ² :	¥ 21,804,533	¥ 359,370	¥ 378,942	¥ 21,784,962	
Stocks* ³	3,946,430	166,085	356,656	3,755,859	
Bonds:	12,289,041	88,571	1,073	12,376,539	
Japanese National Government Bonds	11,889,955	79,316	575	11,968,696	
Japanese Local Government Bonds	110,364	6,703	40	117,027	
Corporate Bonds	288,721	2,550	457	290,815	
Other	5,569,061	104,713	21,212	5,652,563	
Money Held in Trust					
Other Money Held in Trust	1,786	—	15	1,771	

					Thousands of U.S. dollars
At March 31, 2004		Gross unrealized			Fair value
Cost	Gains		Losses		
Bonds Held-to-Maturity:	\$ 8,668,038	\$ 10,864	\$ 4,565	\$ 8,674,337	
Japanese National Government Bonds	8,497,076	10,594	4,565	8,503,105	
Japanese Local Government Bonds	170,962	270	—	171,232	
Other Securities* ² :	264,084,610	9,645,627	2,825,290	270,904,947	
Stocks* ³	32,918,218	9,156,934	782,712	41,292,440	
Bonds:	191,100,185	88,671	1,898,717	189,290,139	
Japanese National Government Bonds	186,746,048	53,960	1,869,522	184,930,486	
Japanese Local Government Bonds	925,172	21,975	7,995	939,152	
Corporate Bonds	3,428,965	12,736	21,200	3,420,501	
Other	40,066,207	400,022	143,861	40,322,368	

*1 A summary of Trading Securities and Money Held in Trust for Investment Purposes and related unrealized gains and losses is as follows:

	Millions of yen				Thousands of U.S. dollars	
	2004		2003		2004	
	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)
At March 31,						
Trading Securities	¥ 5,592,183	¥ (2,702)	¥ 6,382,931	¥ 4,976	\$ 52,941,247	\$ (25,589)
Money Held in Trust for Investment Purposes	27,863	132	31,769	(26)	263,789	1,252

*2 In addition to the balances shown in the above table, Other Securities included securities without fair values such as unlisted stock (excluding OTC stock) of ¥837,239 million (\$7,926,148 thousand) and ¥581,590 million and non-publicly offered bonds of ¥1,299,514 million (\$12,302,510 thousand) and ¥1,026,310 million as of March 31, 2004 and 2003, respectively.

*3 Fair value of Stocks is determined based on the average market prices during one-month periods before the balance sheet dates.

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Projected Redemption Amounts for Securities

At March 31, 2004	Millions of yen			
	Within 1 year	1-5 years	5-10 years	Over 10 years
Bonds:	¥ 10,212,773	¥ 7,348,507	¥ 3,892,826	¥ 735,730
Japanese National Government Bonds	9,965,129	6,183,640	3,656,500	626,483
Japanese Local Government Bonds	2,200	39,105	73,798	10,716
Corporate Bonds	245,443	1,125,761	162,527	98,530
Other	873,745	2,032,448	791,538	679,982
Total	¥ 11,086,518	¥ 9,380,955	¥ 4,684,364	¥ 1,415,712

At March 31, 2003	Millions of yen			
	Within 1 year	1-5 years	5-10 years	Over 10 years
Bonds:	¥ 3,677,837	¥ 5,138,277	¥ 4,420,842	¥ 165,867
Japanese National Government Bonds	3,567,541	4,143,028	4,148,350	109,776
Japanese Local Government Bonds	7,691	36,671	71,943	12,530
Corporate Bonds	102,604	958,576	200,548	43,561
Other	745,266	3,192,613	575,322	1,256,281
Total	¥ 4,423,104	¥ 8,330,890	¥ 4,996,165	¥ 1,422,149

At March 31, 2004	Thousands of U.S. dollars			
	Within 1 year	1-5 years	5-10 years	Over 10 years
Bonds:	\$ 96,684,400	\$ 69,568,371	\$ 36,853,413	\$ 6,965,164
Japanese National Government Bonds	94,339,953	58,540,567	34,616,113	5,930,929
Japanese Local Government Bonds	20,832	370,213	698,650	101,450
Corporate Bonds	2,323,615	10,657,591	1,538,650	932,785
Other	8,271,755	19,241,208	7,493,500	6,437,396
Total	\$104,956,155	\$ 88,809,579	\$ 44,346,913	\$ 13,402,560

Other Securities Sold during the Fiscal Year

For the Fiscal Years ended March 31,	2004			2003		
	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales
Other Securities	¥ 46,704,782	¥ 483,208	¥ 130,946	¥ 48,709,089	¥ 352,189	¥ 435,822

For the Fiscal Year ended March 31,	Thousands of U.S. dollars		
	2004	2003	2002
	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales
Other Securities	\$442,154,529	\$ 4,574,536	\$1,239,673

Net Unrealized Gains (Losses) on Other Securities

Net Unrealized Gains (Losses) on Other Securities as of March 31, 2004 and 2003 are as follows:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Difference between cost and fair value	¥ 720,256	¥ (19,752)	\$ 6,818,678
Other Securities	720,256	(19,737)	6,818,678
Other Money Held in Trust	—	(15)	—
Deferred Tax Assets	105	560	997
Deferred Tax Liabilities	305,409	3,891	2,891,312
Difference between cost and fair value, net of Taxes	414,952	(23,084)	3,928,363
Amount corresponding to Minority Interests	23,862	1,592	225,905
Amount corresponding to Net Unrealized Gains on Other Securities owned by affiliated companies, which corresponds to the shareholdings of their investor companies	1,681	75	15,922
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	¥ 392,772	¥ (24,600)	\$ 3,718,380

38. Derivatives Information

(1) Risk Control for Derivatives

(a) Details of Derivative Financial Products

MHFG transacts primarily in the following derivative financial products:

- (i) **Interest rate-related products**
Swaps, interest rate guarantees (FRA options), futures, futures options, and options
- (ii) **Currency-related products**
Futures, futures options, options, swaps, and forward trading
- (iii) **Bond-related products**
Futures, futures options, and over-the-counter options
- (iv) **Stock-related products**
Index futures, index futures options, and over-the-counter options
- (v) **Other products**
Credit derivatives, commodity derivatives, weather derivatives, etc.

(b) Purposes for Using Derivative Financial Products

MHFG uses derivative financial products in response to the diverse needs of customers, for risk controls related to the assets and liabilities of MHFG as a part of asset and liability management (“ALM”), and for trading purposes.

As risk controls related to assets and liabilities, MHFG primarily utilizes portfolio-hedges, grouping numerous financial assets and liabilities, such as loans and deposits, with similar interest risk in accordance with risk management policies, by using interest rate swaps, etc., as hedging methods for cash-flow hedge or fair value hedge. MHFG applies hedge accounting to the majority of these products, treating them as deferred hedges. The effectiveness of the hedges are assessed by periodically checking, by regression analysis and other methods, whether the derivative financial products highly reduce the exposure to changes in fair values and variable cash flows from hedged items.

(c) Trading Guidelines

In accordance with the purposes of using derivative financial products, MHFG deals in derivative financial products based on the following guidelines:

- (i) **Responding to customer needs**
After obtaining an adequate understanding of customer requirements, the group follows a common policy on selling financial products by recommending the most appropriate financial vehicle according to each customer's knowledge, experience and asset position. When actually making a sale, the group endeavors to give full explanations to its customers to ensure that they clearly understand the nature of each product, the risks involved and other important matters.
- (ii) **Risk control of assets and liabilities of MHFG (ALM)**
MHFG's ALM & Market Risk Committee meets periodically to confirm or revise the trading guidelines for the purposes of securing stable income while appropriately controlling risk.
- (iii) **Trading activities**
MHFG engages in trading activities to maximize income under reasonable risk limits and strict management.

(d) Details of Trading-Related Risk

The following are the main risks, inherent in derivatives trading.

- (i) **Credit risk:**
The risk of incurring a loss because the counter-parties are unable to fulfill their obligations due to bankruptcy or other reasons.
- (ii) **Market risk:**
The risk of incurring a loss because the value of the derivative products decreases due to fluctuations in market risk factors such as interest rates, foreign exchange rates and bond and stock prices.
- (iii) **Market liquidity risk:**
The risk of incurring a loss from the inability to execute transactions in the market and/or execution at unfavorable prices due to illiquidity of the products.

(e) Derivative Trading Risk Control Structure

(i) Credit risk management structure

The Board of Directors determines important items concerning credit risk in accordance with the Basic Policy for Credit Risk Management. MHFG has established the Portfolio Management Committee as one of its business policy committees. This committee conducts overall deliberation on and adjustment of MHFG's credit portfolio management procedures. Under the authority of the Chief Risk Officer, the Risk Management Department and the Credit Risk Management Department jointly formulate and implement plans for basic matters related to credit risk management.

The amount of credit risk on derivatives trading (credit risk equivalent) calculated into the BIS capital adequacy ratio (international capital adequacy standards) is ¥3,291,479 million (\$31,160,464 thousand) and ¥3,159,626 million on March 31, 2004 and 2003, respectively.

(ii) Market risk management structure

The Basic Policies for Market and Liquidity Risk Management are determined by the Board of Directors. MHFG's Risk Management Department is responsible for monitoring market risk, reports and analyses, proposals, setting limits, and for formulating and implementing plans relating to market risk management as a specialized risk management section.

MHFG and its consolidated subsidiaries have established a solid management structure for market risk including comprehensive management (ALM) of interest rate risk and other types of risk. Through this structure, they comprehensively ascertain and manage risk, while managing assets to secure stable income and appropriately controlling risk.

MHFG has established the ALM & Market Risk Committee as one of the business policy committees charged with conducting overall deliberation on and adjustment of market risk management procedures. The committee decides the entire group's monthly funding and investment policies, discusses and coordinates matters relating to ALM policies, risk planning and market risk management, and responds to emergencies such as sudden market changes.

In regard to reporting, the Risk Management Department receives the relevant data from the five core subsidiaries, as well as reports on risk profile and compliance with risk limits, both on a regular basis and as considered necessary. Based on these reports, MHFG obtains a solid grasp of the market risk management situation. Reports on the status of market risk and compliance with risk limits are submitted to the President on a daily basis, and to the Board of Directors and the Executive Management Committee on a regular basis and as considered necessary.

Value at Risk

Value at Risk (VAR) related to MHFG's trading activities is as follows:

(a) The standards used for calculating VAR

- Confidence interval: one-tailed 99.0% (two-tailed 98%)
- Holding period: 1 day
- Historical observation period: 1 year (265 business days, 264 return)

(b) VAR results during the period covered

- Maximum: ¥4.7 billion and ¥4.1 billion for the fiscal years ended March 31, 2004 and 2003, respectively
- Average: ¥3.1 billion and ¥2.9 billion for the fiscal years ended March 31, 2004 and 2003, respectively

The period covered is from April 1, 2002 to March 31, 2003 (MHFD's VAR results were used during the period from April 1, 2002 to January 7, 2003), and April 1, 2003 to March 31, 2004, respectively.

Note: Value at Risk (VAR) is a method of measuring market risk. It is defined as the maximum possible loss that could be incurred on the portfolio as a result of market movements within a certain period (holding period) and degree of probability (confidence interval). The actual amount of the VAR may vary according to the length of the holding periods and the confidence interval, as well as the models used for measuring the volatility of market risk factors.

Credit Risk Equivalent Amounts

Credit risk equivalent amounts at March 31, 2004 and 2003 consisted of the following:

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Interest Rate Swaps	¥ 8,081,842	¥ 10,206,400	\$ 76,510,863
Currency Swaps	859,968	869,011	8,141,325
Foreign Exchange Forward Transactions	810,997	550,671	7,677,722
Interest Rate Options (Buy)	190,952	137,792	1,807,746
Currency Options (Buy)	457,033	277,023	4,326,743
Other Financial Derivative Products	154,693	136,174	1,464,488
Effect of Reduction in the Credit Risk Equivalent Amount due to Lump-sum Settlement Netting Contracts	(7,264,008)	(9,017,447)	(68,768,423)
Total	¥ 3,291,479	¥ 3,159,626	\$ 31,160,464

Note: The above credit risk equivalent amounts are based on the consolidated capital adequacy ratio (a uniform international standard).

(2) Market Value of Derivatives

The market value of derivatives at March 31, 2004 and 2003 was as follows:

In the following tables:

- (i) Contract value represents notional amounts for swap transactions and contract amounts for other transactions.
- (ii) Market values of listed contracts are based on the closing prices of the Tokyo Stock Exchange and the Tokyo International Financial Futures Exchange and others. Market values of over-the-counter contracts are based on the discounted value of future cash flows or option pricing models.

(a) Interest Rate-Related Transactions

At March 31, 2004	Contract value		Market value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥ 30,704,796	¥ 7,241,477	¥ (180,409)	¥ (180,409)
Bought	25,770,710	6,728,393	178,386	178,386
Options:				
Sold	18,791,169	2,598,498	(28,215)	11,994
Bought	19,322,815	2,527,514	41,067	23,832
Over-the-Counter:				
FRAs:				
Sold	26,462,539	2,509,421	11,306	11,306
Bought	22,583,896	1,784,556	(9,149)	(9,149)
Swaps:				
Receive Fixed / Pay Float	306,639,056	222,428,023	5,411,524	5,411,524
Receive Float / Pay Fixed	302,833,897	215,681,821	(5,223,310)	(5,223,310)
Receive Float / Pay Float	50,957,741	35,837,250	(875)	(875)
Receive Fixed / Pay Fixed	185,056	164,027	3,900	3,900
Options:				
Sold	10,045,468	4,260,798	(78,495)	(78,425)
Bought	10,184,210	4,170,538	83,418	83,199
Total	/	/	/	¥ 231,973

At March 31, 2003	Contract value		Market value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥ 30,372,072	¥ 2,736,609	¥ (218,281)	¥ (218,281)
Bought	31,180,316	2,709,882	222,582	222,582
Options:				
Sold	7,036,119	666,435	4,877	1,118
Bought	7,959,168	429,337	6,931	3,352
Over-the-Counter:				
FRAs:				
Sold	32,797,851	7,228,548	32,768	32,768
Bought	29,982,492	5,090,079	(33,979)	(33,979)
Swaps:				
Receive Fixed / Pay Float	264,936,816	178,494,093	8,028,427	8,028,427
Receive Float / Pay Fixed	263,164,417	178,174,511	(7,601,998)	(7,601,998)
Receive Float / Pay Float	40,855,230	31,519,466	(13,189)	(13,189)
Receive Fixed / Pay Fixed	149,593	137,750	4,349	4,349
Options:				
Sold	9,144,409	5,836,780	(64,593)	(64,593)
Bought	9,476,903	5,875,857	68,092	68,092
Total	/	/	/	¥ 428,650

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At March 31, 2004	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Futures:				
Sold	\$ 290,682,542	\$ 68,555,120	\$ (1,707,940)	\$ (1,707,940)
Bought	243,971,506	63,697,755	1,688,787	1,688,787
Options:				
Sold	177,896,141	24,600,000	(267,121)	113,556
Bought	182,929,243	23,928,000	388,785	225,624
Over-the-Counter:				
FRAs:				
Sold	250,521,062	23,756,714	107,039	107,039
Bought	213,801,918	16,894,413	(86,617)	(86,617)
Swaps:				
Receive Fixed / Pay Float	2,902,954,239	2,105,727,764	51,230,940	51,230,940
Receive Float / Pay Fixed	2,866,930,776	2,041,861,421	(49,449,124)	(49,449,124)
Receive Float / Pay Float	482,417,316	339,271,516	(8,288)	(8,288)
Receive Fixed / Pay Fixed	1,751,929	1,552,848	36,930	36,930
Options:				
Sold	95,100,524	40,337,015	(743,120)	(742,459)
Bought	96,413,994	39,482,515	789,722	787,649
Total	/	/	/	\$ 2,196,097

Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.

2. Derivative transactions qualifying for hedge accounting are excluded from the above table.

(b) Currency-Related Transactions

At March 31, 2004	Contract value		Market value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥ 26,554	¥ —	¥ (39)	¥ (39)
Bought	20,122	—	7	7
Over-the-Counter:				
Currency Swaps	18,494,511	12,943,329	(218,039)	(48,329)
Forwards:				
Sold	16,819,197	426,491	325,585	325,585
Bought	13,440,495	736,990	(324,841)	(324,841)
Options:				
Sold	5,651,246	2,001,092	(186,009)	18,700
Bought	5,445,823	1,986,604	237,121	84,568
Total	/	/	/	¥ 55,652

At March 31, 2004	Contract value		Market value	Thousands of U.S. dollars
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	\$ 251,394	\$ —	\$ (373)	\$ (373)
Bought	190,504	—	73	73
Over-the-Counter:				
Currency Swaps	175,087,675	122,534,593	(2,064,179)	(457,535)
Forwards:				
Sold	159,227,467	4,037,600	3,082,322	3,082,322
Bought	127,241,267	6,977,099	(3,075,279)	(3,075,279)
Options:				
Sold	53,500,397	18,944,357	(1,760,953)	177,039
Bought	51,555,651	18,807,203	2,244,830	800,611
Total	/	/	/	\$ 526,858

- Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.
2. Derivative transactions qualifying for hedge accounting and the following transactions are excluded from the above table.
- Transactions which are specified for certain financial assets and liabilities denominated in foreign currencies and reflected on the consolidated balance sheets.
 - Transactions denominated in foreign currencies which are eliminated in consolidation.
3. Transactions such as currency forwards and currency options, which had been marked to market, are included in the above table from this fiscal year.
4. Currency Swap Transactions which qualify for hedge accounting in accordance with "Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks" (JICPA Industry Audit Committee Report No. 25) are excluded from the above table.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

At March 31, 2003	Contract value		Market value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Over-the-Counter:				
Currency Swaps	¥ 19,455,734	¥ 12,610,653	¥ (134,626)	¥ (163,955)

- Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.
2. Derivative transactions qualifying for hedge accounting and the following transactions described in note 4 are excluded from the above table.
3. Currency Swap Transactions which are accounted for on an accrual basis in accordance with "Tentative Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Foreign Currency Transaction' for Banks" (JICPA Industry Audit Committee Report No. 20) or "Accounting and Auditing Concerning Accounting for Foreign Currency Transactions for Banks" (JICPA Industry Audit Committee Report No. 25), are excluded from the above table.

Currency swap transactions accounted for under the accrual method are as follows:

At March 31, 2003	Contract value		Market value	Millions of yen
				Unrealized gains (losses)
Currency Swaps	¥ 370,040		¥ 1,893	¥ (1,622)

4. The following currency forwards, currency options and other transactions are excluded from the above table:
- * Transactions which are marked to market and of which changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.
 - * Transactions which are for financial assets and liabilities denominated in foreign currencies and recognized on the Consolidated Balance Sheets.
 - * Transactions denominated in foreign currencies which are eliminated in the consolidation process.

Currency-related derivatives which are marked to market are as follows:

At March 31, 2003	Contract value		Market value	Millions of yen
				Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥	2,644		
Bought		3,173		
Over-the-Counter:				
Forwards:				
Sold		13,474,009		
Bought		17,495,358		
Options:				
Sold		4,065,115		
Bought		4,124,246		

(c) Stock-Related Transactions

Millions of yen

At March 31,	2004				2003			
	Contract value		Market value	Unrealized gains (losses)	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year			Total	Over one year		
Listed:								
Index Futures:								
Sold	¥ 331,922	¥ —	¥ (16,288)	¥ (16,288)	¥ 61,583	¥ —	¥ 1,641	¥ 1,641
Bought	48,149	—	2,874	2,874	3,170	—	(105)	(105)
Index Futures Options:								
Sold	54,186	—	(1,355)	3	17,671	—	256	(0)
Bought	64,703	—	1,899	430	50,796	—	390	33
Over-the-Counter:								
Options:								
Sold	363,284	107,326	(16,774)	367	40,095	2,081	1,664	116
Bought	418,229	112,618	25,613	5,295	74,223	6,893	3,527	(938)
Forwards:								
Sold	5,998	—	91	91	—	—	—	—
Bought	3,925	2,600	233	233	2,233	—	(142)	(142)
Total	/	/	/	¥ (6,992)	/	/	/	¥ 604

Thousands of U.S. dollars

At March 31,	2004			
	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Index Futures:				
Sold	\$3,142,309	\$ —	\$(154,203)	\$(154,203)
Bought	455,833	—	27,211	27,211
Index Futures Options:				
Sold	512,981	—	(12,829)	37
Bought	612,550	—	17,985	4,077
Over-the-Counter:				
Options:				
Sold	3,439,218	1,016,061	(158,806)	3,475
Bought	3,959,381	1,066,157	242,487	50,131
Forwards:				
Sold	56,784	—	866	866
Bought	37,164	24,616	2,209	2,209
Total	/	/	/	\$ (66,197)

Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.

2. Derivative transactions qualifying for hedge accounting are excluded from the above table.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

(d) Bond-Related Transactions

Millions of yen

At March 31,	2004				2003			
	Contract value		Market value	Unrealized gains (losses)	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year			Total	Over one year		
Listed:								
Index Futures:								
Sold	¥ 407,599	¥ —	¥ (1,661)	¥ (1,661)	¥ 624,250	¥ —	¥ (503)	¥ (503)
Bought	1,001,632	—	1,151	1,151	852,153	—	3,293	3,293
Index Futures Options:								
Sold	192,651	—	(1,805)	(728)	173,073	—	409	164
Bought	175,447	—	1,610	79	133,577	—	465	(129)
Over-the-Counter:								
Options:								
Sold	833,058	5,455	(6,562)	(2,762)	31,513	—	114	41
Bought	800,945	—	2,069	(1,016)	68,548	707	563	144
Total	/	/	/	¥ (4,937)	/	/	/	¥ 3,011

Thousands of U.S. dollars

At March 31,	2004			
	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Index Futures:				
Sold	\$3,858,751	\$ —	\$(15,728)	\$(15,728)
Bought	9,482,463	—	10,905	10,905
Index Futures Options:				
Sold	1,823,833	—	(17,092)	(6,893)
Bought	1,660,962	—	15,251	753
Over-the-Counter:				
Options:				
Sold	7,886,574	51,649	(62,128)	(26,155)
Bought	7,582,556	—	19,595	(9,623)
Total	/	/	/	\$(46,741)

Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.

2. Derivative transactions qualifying for hedge accounting are excluded from the above table.

(e) Commodity-Related Transactions

Millions of yen

At March 31,	2004				2003			
	Contract value		Market value	Unrealized gains (losses)	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year			Total	Over one year		
Over-the-Counter:								
Options:								
Sold	¥ 190,382	¥ 134,895	¥ (8,777)	¥ (8,777)	¥ 131,197	¥ 77,335	¥ 6,174	¥ 1,779
Bought	190,382	134,895	14,713	14,713	131,197	77,335	3,607	1,004
Total	/	/	/	¥ 5,935	/	/	/	¥ 2,784

Thousands of U.S. dollars

At March 31,	2004			
	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year		
Over-the-Counter:				
Options:				
Sold	\$1,802,348	\$1,277,060	\$ (83,100)	\$ (83,100)
Bought	1,802,348	1,277,060	139,289	139,289
Total	/	/	/	\$ 56,189

Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.

2. Derivative transactions qualifying for hedge accounting are excluded from the above table.

3. Commodities are oil, copper, aluminium and others.

(f) Credit Derivative Transactions

Millions of yen

At March 31,	2004				2003			
	Contract value		Market value	Unrealized gains (losses)	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year			Total	Over one year		
Over-the-Counter:								
Credit Derivatives:								
Sold	¥ 272,177	¥ 161,783	¥ 1,434	¥ 1,434	¥ 19,669	¥ 16,278	¥ 17	¥ 17
Bought	784,247	705,377	32,305	32,305	502,951	498,680	84,555	84,555
Total	/	/	/	¥ 33,740	/	/	/	¥ 84,572

Thousands of U.S. dollars

At March 31,	2004			
	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year		
Over-the-Counter:				
Credit Derivatives:				
Sold	\$2,576,706	\$1,531,610	\$ 13,578	\$ 13,578
Bought	7,424,474	6,677,816	305,841	305,841
Total	/	/	/	\$ 319,419

Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.

2. Derivative transactions qualifying for hedge accounting are excluded from the above table.

3. "Sold" and "Bought" indicate assumption and cession of credit risk, respectively.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

(g) Weather Derivative Transactions

Millions of yen

At March 31,	2004				2003			
	Contract value		Market value	Unrealized gains (losses)	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year			Total	Over one year		
Over-the-Counter:								
Weather Derivatives:								
Sold	¥ 934	¥ —	¥ (106)	¥ (106)	¥ 166	¥ —	¥ 8	¥ (2)
Bought	674	—	102	102	166	—	7	5
Total	/	/	/	¥ (3)	/	/	/	¥ 2

Thousands of U.S. dollars

At March 31,	2004			
	Contract value		Market value	Unrealized gains (losses)
	Total	Over one year		
Over-the-Counter:				
Weather Derivatives:				
Sold	\$ 8,844	\$ —	\$ (1,008)	\$ (1,008)
Bought	6,387	—	974	974
Total	/	/	/	\$ (34)

Notes: 1. The above transactions are marked to market, and changes in unrealized gains (losses) are included in the Consolidated Statements of Operations.

2. Transactions are related to temperature, etc.

Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Four Subsidiaries

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Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Four Subsidiaries
Mizuho Financial Group, Inc.

Non-Consolidated Balance Sheets

At March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars
			2004
Assets			
Current Assets	¥ 3,940	¥ 5,766	\$ 37,309
Cash and Due from Banks	1,231	3,538	11,654
Other Current Assets	2,709	2,228	25,655
Non-current Assets	3,595,229	3,588,658	34,036,067
Tangible Assets	1,014	—	9,601
Intangible Assets	3,903	187	36,950
Investments in Subsidiaries and Affiliates (Stocks)	3,588,866	3,588,471	33,975,826
Other Investments	1,446	0	13,690
Deferred Assets	914	1,219	8,656
Total Assets	¥ 3,600,085	¥ 3,595,643	\$ 34,082,032
Liabilities and Shareholders' Equity			
Liabilities			
Current Liabilities	¥ 66,018	¥ 49,758	\$ 624,997
Commercial Paper	65,000	49,000	615,356
Other Current Liabilities	1,018	758	9,641
Non-Current Liabilities	568	—	5,384
Total Liabilities	66,587	49,758	630,381
Shareholders' Equity			
Common Stock and Preferred Stock	1,540,965	1,540,965	14,588,327
Capital Surplus	1,752,885	1,752,885	16,594,580
Retained Earnings	239,832	252,043	2,270,496
Appropriated Reserves	4,350	4,350	41,181
Unappropriated Retained Earnings	235,482	247,693	2,229,315
Net Unrealized Losses on Other Securities, net of Taxes	(10)	—	(98)
Treasury Stock	(174)	(8)	(1,654)
Total Shareholders' Equity	3,533,497	3,545,885	33,451,651
Total Liabilities and Shareholders' Equity	¥ 3,600,085	¥ 3,595,643	\$ 34,082,032

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Statements of Operations

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars
			2004
Operating Income	¥ 25,748	¥ 957	\$ 243,758
Cash Dividend Received from Subsidiaries and Affiliates (Stocks)	14,836	—	140,461
Fees and Commissions Received from Subsidiaries and Affiliates	10,911	957	103,297
Operating Expenses	11,761	604	111,349
General and Administrative Expenses	11,761	604	111,349
Operating Profits	13,986	353	132,409
Non-operating Income	432	1,137	4,098
Non-operating Expenses	3,588	1,435	33,970
Income before Income Taxes	10,831	55	102,537
Income Taxes:			
Current	559	27	5,301
Deferred	334	(2)	3,164
Net Income	¥ 9,936	¥ 30	\$ 94,072

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Four Subsidiaries
Mizuho Corporate Bank, Ltd.

Non-Consolidated Balance Sheets

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Assets			
Cash and Due from Banks	¥ 3,468,597	¥ 3,086,437	\$ 32,837,237
Call Loans	283,436	410,575	2,683,298
Receivables under Resale Agreements	1,273,316	833,285	12,054,493
Guarantee Deposit Paid under Securities Borrowing Transactions	2,725,918	2,241,428	25,806,294
Other Debts Purchased	120,726	73,620	1,142,918
Trading Assets	2,973,185	3,877,428	28,147,171
Money Held in Trust	4,754	19,754	45,013
Securities	18,482,622	14,716,782	174,975,124
Loans and Bills Discounted	23,703,886	27,632,516	224,404,867
Foreign Exchange Assets	457,593	540,131	4,332,045
Other Assets	3,387,387	2,839,321	32,068,420
Premises and Equipment	166,614	264,634	1,577,339
Deferred Debenture Charges	18	38	172
Deferred Tax Assets	534,477	1,064,486	5,059,903
Customers' Liabilities for Acceptances and Guarantees	2,773,479	3,073,167	26,256,548
Reserves for Possible Losses on Loans	(434,250)	(1,075,211)	(4,111,054)
Reserve for Possible Losses on Investments	(67)	(4,995)	(642)
Total Assets	¥ 59,921,696	¥ 59,593,402	\$ 567,279,146
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥ 22,157,982	¥ 18,386,659	\$ 209,769,788
Debentures	6,743,929	7,878,927	63,844,827
Call Money and Bills Sold	9,743,569	13,967,075	92,242,445
Payables under Repurchase Agreements	3,567,653	4,568,114	33,775,001
Guarantee Deposit Received under Securities Lending Transactions	4,781,320	2,191,613	45,264,796
Commercial Paper	215,000	62,000	2,035,407
Trading Liabilities	2,131,091	2,789,451	20,175,055
Borrowed Money	2,302,632	2,036,031	21,799,034
Foreign Exchange Liabilities	355,264	183,016	3,363,295
Short-term Bonds	180,000	—	1,704,061
Bonds and Notes	263,100	653,100	2,490,770
Other Liabilities	2,405,055	2,190,013	22,768,674
Reserve for Bonus Payments	2,418	3,192	22,898
Reserve for Employee Retirement Benefits	—	1,435	—
Reserve for Contingencies	131,749	141,124	1,247,270
Deferred Tax Liabilities for Revaluation Reserve for Land	35,300	63,978	334,191
Acceptances and Guarantees	2,773,479	3,073,167	26,256,548
Total Liabilities	57,789,545	58,188,903	547,094,060
Shareholders' Equity			
Common Stock and Preferred Stock	1,070,965	1,070,965	10,138,834
Capital Surplus	258,247	1,271,230	2,444,830
Retained Earnings (Deficit):	388,783	(1,012,982)	3,680,616
Appropriated Reserves	—	207,761	—
Unappropriated Retained Earnings (Deficit)	388,783	(1,220,744)	3,680,616
Revaluation Reserve for Land, net of Taxes	51,539	104,740	487,928
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	362,614	(29,453)	3,432,878
Total Shareholders' Equity	2,132,150	1,404,499	20,185,086
Total Liabilities and Shareholders' Equity	¥ 59,921,696	¥ 59,593,402	\$ 567,279,146

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Statements of Operations

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars
			2004
Income			
Interest Income	¥ 742,275	¥ 980,833	\$ 7,027,132
<i>Loans and Bills Discounted</i>	408,942	621,727	3,871,462
<i>Securities</i>	260,485	256,108	2,466,022
Fee and Commission Income	129,877	129,065	1,229,549
Trading Income	55,192	65,031	522,511
Other Operating Income	197,586	180,666	1,870,553
Other Income	297,935	131,839	2,820,557
Total Income	1,422,867	1,487,436	13,470,302
Expenses			
Interest Expenses	329,575	549,642	3,120,091
<i>Deposits</i>	72,712	132,470	688,368
<i>Debentures</i>	84,942	112,226	804,149
Fee and Commission Expenses	40,514	32,265	383,552
Trading Expenses	465	—	4,403
Other Operating Expenses	91,626	72,884	867,428
General and Administrative Expenses	226,254	290,539	2,141,955
Other Expenses	145,808	2,118,475	1,380,371
Total Expenses	834,244	3,063,806	7,897,800
Income (Loss) before Income Taxes	588,623	(1,576,370)	5,572,502
Income Taxes:			
Current	71	39	678
Deferred	248,363	57,032	2,351,257
Net Income (Loss)	¥ 340,188	¥ (1,633,441)	\$ 3,220,567

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Four Subsidiaries
Mizuho Bank, Ltd.

Non-Consolidated Balance Sheets

At March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Assets			
Cash and Due from Banks	¥ 4,695,419	¥ 5,767,724	\$ 44,451,572
Call Loans and Bills Purchased	4,269,900	7,000,000	40,423,175
Guarantee Deposit Paid under Securities Borrowing Transactions	3,175,215	3,434,253	30,059,792
Other Debts Purchased	182,827	631,480	1,730,831
Trading Assets	720,641	1,261,417	6,822,315
Securities	15,238,948	8,535,213	144,267,235
Loans and Bills Discounted	37,001,430	37,885,417	350,292,821
Foreign Exchange Assets	146,193	156,348	1,384,015
Other Assets	1,551,238	1,448,203	14,685,583
Premises and Equipment	867,535	1,200,354	8,212,969
Deferred Debenture Charges	428	1,002	4,058
Deferred Tax Assets	707,488	913,837	6,697,799
Customers' Liabilities for Acceptances and Guarantees	1,912,132	2,082,156	18,102,175
Reserves for Possible Losses on Loans	(460,530)	(829,621)	(4,359,850)
Reserve for Possible Losses on Investments	(179,384)	(182,013)	(1,698,235)
Total Assets	¥ 69,829,484	¥ 69,305,777	\$ 661,076,255
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥ 54,647,737	¥ 52,165,166	\$ 517,350,540
Debentures	2,810,806	3,918,740	26,609,926
Call Money and Bills Sold	2,135,200	3,741,700	20,213,954
Payables under Repurchase Agreements	7,119	42,967	67,405
Guarantee Deposit Received under Securities Lending Transactions	2,932,870	953,358	27,765,509
Trading Liabilities	600,955	1,101,390	5,689,254
Borrowed Money	1,538,115	1,495,032	14,561,347
Foreign Exchange Liabilities	14,989	10,712	141,908
Other Liabilities	1,344,260	1,860,847	12,726,126
Reserve for Bonus Payments	7,298	8,072	69,095
Reserve for Possible Losses on Loans Sold	—	24,936	—
Reserve for Possible Losses on Support of Specific Borrowers	—	22,840	—
Reserve under Special Laws	2	2	22
Deferred Tax Liabilities for Revaluation Reserve for Land	123,166	189,371	1,166,020
Acceptances and Guarantees	1,912,132	2,082,156	18,102,175
Total Liabilities	68,074,656	67,617,297	644,463,281
Shareholders' Equity			
Common Stock and Preferred Stock	650,000	650,000	6,153,555
Capital Surplus	762,345	981,668	7,217,133
Retained Earnings (Deficit):	195,070	(219,322)	1,846,737
Appropriated Reserves	—	135,749	—
Unappropriated Retained Earnings (Deficit)	195,070	(355,071)	1,846,737
Revaluation Reserve for Land, net of Taxes	180,199	277,061	1,705,950
Net Unrealized Losses on Other Securities, net of Taxes	(32,787)	(927)	(310,401)
Total Shareholders' Equity	1,754,828	1,688,479	16,612,974
Total Liabilities and Shareholders' Equity	¥ 69,829,484	¥ 69,305,777	\$ 661,076,255

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Statements of Operations

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Income			
Interest Income	¥ 722,349	¥ 793,797	\$ 6,838,488
<i>Loans and Bills Discounted</i>	619,248	686,102	5,862,428
<i>Securities</i>	75,511	71,355	714,867
Fee and Commission Income	208,774	184,973	1,976,466
Trading Income	57,982	41,291	548,917
Other Operating Income	165,625	166,381	1,567,973
Other Income	192,491	63,390	1,822,319
Total Income	1,347,222	1,249,834	12,754,163
Expenses			
Interest Expenses	79,710	98,556	754,619
<i>Deposits</i>	23,929	39,046	226,541
<i>Debentures</i>	8,759	11,532	82,923
Fee and Commission Expenses	55,309	53,144	523,612
Trading Expenses	1,491	60	14,120
Other Operating Expenses	47,189	29,268	446,741
General and Administrative Expenses	617,252	635,314	5,843,534
Other Expenses	307,440	1,147,765	2,910,541
Total Expenses	1,108,393	1,964,108	10,493,167
Income (Loss) before Income Taxes	238,829	(714,273)	2,260,996
Income Taxes:			
Current	476	938	4,513
Deferred	140,143	(86,656)	1,326,739
Net Income (Loss)	¥ 98,208	¥ (628,556)	\$ 929,744

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Four Subsidiaries
Mizuho Trust & Banking Co., Ltd.

Non-Consolidated Balance Sheets

At March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars
			2004
Assets			
Cash and Due from Banks	¥ 290,394	¥ 536,469	\$ 2,749,162
Call Loans	100,000	—	946,701
Other Debts Purchased	102,704	84,111	972,302
Trading Assets	58,720	124,720	555,904
Money Held in Trust	—	441	—
Securities	1,382,692	1,298,410	13,089,957
Loans and Bills Discounted	3,093,331	3,414,209	29,284,592
Foreign Exchange Assets	1,808	1,565	17,122
Other Assets	165,070	269,148	1,562,726
Premises and Equipment	42,919	55,722	406,318
Deferred Tax Assets	89,259	141,092	845,016
Customers' Liabilities for Acceptances and Guarantees	161,981	216,089	1,533,483
Reserves for Possible Losses on Loans	(23,551)	(64,183)	(222,960)
Reserve for Possible Losses on Investments	(676)	—	(6,405)
Total Assets	¥ 5,464,653	¥ 6,077,797	\$ 51,733,918
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥ 3,090,103	¥ 3,177,171	\$ 29,254,033
Call Money and Bills Sold	237,244	440,600	2,245,991
Guarantee Deposit Received under Securities Lending Transactions	181,831	325,055	1,721,402
Trading Liabilities	64,250	114,751	608,258
Borrowed Money	101,273	142,835	958,753
Foreign Exchange Liabilities	9	10	89
Bonds and Notes	89,100	127,900	843,510
Bonds with Stock Options	—	4,731	—
Due to Trust Account	1,158,712	1,094,630	10,969,538
Other Liabilities	34,707	159,402	328,578
Reserve for Bonus Payments	1,249	1,475	11,834
Reserve for Employee Retirement Benefits	8,747	7,589	82,816
Reserve for Possible Losses on Loans Sold	—	624	—
Reserve for Possible Losses on Support of Specific Borrowers	—	4,200	—
Acceptances and Guarantees	161,981	216,089	1,533,483
Total Liabilities	5,129,211	5,817,067	48,558,285
Shareholders' Equity			
Common Stock and Preferred Stock	247,231	247,231	2,340,546
Capital Surplus	12,213	117,203	115,627
Retained Earnings (Deficit):	30,018	(104,990)	284,187
Appropriated Reserves	—	90	—
Unappropriated Retained Earnings (Deficit)	30,018	(105,080)	284,187
Net Unrealized Gains on Other Securities, net of Taxes	46,008	1,299	435,559
Treasury Stock	(30)	(15)	(286)
Total Shareholders' Equity	335,442	260,729	3,175,633
Total Liabilities and Shareholders' Equity	¥ 5,464,653	¥ 6,077,797	\$ 51,733,918

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥105.63=US\$1.00, the foreign exchange rate on March 31, 2004, has been used for translation.

Non-Consolidated Statements of Operations

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Income			
Trust Fees	¥ 62,045	¥ 35,551	\$ 587,385
Interest Income	70,602	80,011	668,393
<i>Loans and Bills Discounted</i>	51,928	61,509	491,610
<i>Securities</i>	16,471	16,540	155,935
Fee and Commission Income	40,566	22,215	384,042
Trading Income	707	3,656	6,699
Other Operating Income	11,970	11,289	113,326
Other Income	41,364	27,240	391,597
Total Income	227,256	179,963	2,151,442
Expenses			
Interest Expenses	33,441	38,538	316,591
<i>Deposits</i>	9,981	11,558	94,496
<i>Borrowings and Rediscounts</i>	2,034	2,102	19,260
Fee and Commission Expenses	15,929	3,847	150,804
Trading Expenses	2	—	27
Other Operating Expenses	2,794	995	26,456
General and Administrative Expenses	79,255	54,380	750,312
Other Expenses	44,498	169,703	421,267
Total Expenses	175,922	267,464	1,665,457
Income (Loss) before Income Taxes	51,334	(87,500)	485,985
Income Taxes:			
Current	47	21	454
Deferred	21,268	17,558	201,345
Net Income (Loss)	¥ 30,018	¥ (105,080)	\$ 284,186

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Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Four Subsidiaries
Mizuho Securities Co., Ltd.

Non-Consolidated Balance Sheets

At March 31,	Millions of yen		Thousands of
	2004	2003	U.S. dollars
			2004
Assets			
Cash and Cash Equivalents	¥ 35,211	¥ 36,562	\$ 333,350
Cash and Cash Equivalents Segregated as Deposits	6,086	1,304	57,617
Receivables:			
Unsettled—Trades	121,534	—	1,150,564
Short-term Loans	—	70	—
Accrued Income	8,876	8,890	84,035
Other	20,091	3,480	190,204
Trading Assets	2,889,826	3,373,694	27,358,011
Securities Borrowed	3,011,229	2,438,639	28,507,332
Property, Equipment and Leasehold Improvements, at Cost	10,167	8,826	96,259
Less: Accumulated Depreciation	(4,762)	(3,715)	(45,083)
Investments in Securities	198,875	71,861	1,882,760
Deferred Tax Assets	3,815	3,668	36,117
Other Assets	30,342	12,679	287,251
Total Assets	¥ 6,331,295	¥ 5,955,961	\$ 59,938,417
Liabilities and Shareholders' Equity			
Liabilities			
Short-term Borrowings	¥ 767,056	¥ 391,255	\$ 7,261,728
Commercial Paper	237,800	91,400	2,251,254
Payables:			
Unsettled—Trades	—	426,960	—
Other Payables to Customers	3,100	129	29,355
Other	3,435	1,704	32,521
Trading Liabilities	2,644,249	1,894,275	25,033,130
Securities Sold under Repurchase Agreements	206,771	419,584	1,957,509
Securities Loaned	2,024,617	2,475,373	19,167,072
Accrued Liabilities and Other:			
Income Taxes Payable	15,862	4,326	150,175
Other	17,005	7,652	160,991
Long-term Borrowings	35,500	—	336,079
Bonds Issued	75,400	—	713,812
Deferred Tax Liabilities	12,700	—	120,236
Statutory Reserves	804	439	7,616
Total Liabilities	6,044,304	5,713,102	57,221,478
Shareholders' Equity			
Common Stock	150,200	150,200	1,421,945
Capital Surplus	95,324	95,324	902,438
Retained Earnings (Deficit)	20,387	(419)	193,006
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	21,078	(2,245)	199,550
Total Shareholders' Equity	286,990	242,859	2,716,939
Total Liabilities and Shareholders' Equity	¥ 6,331,295	¥ 5,955,961	\$ 59,938,417

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Non-Consolidated Statements of Operations

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Income			
Commission Income	¥ 34,162	¥ 32,747	\$ 323,421
Trading Income	40,265	16,406	381,189
Interest and Dividend Income	8,460	9,553	80,098
Other Income	903	96	8,558
Subtotal	83,792	58,804	793,266
Less: Interest Expenses	(4,618)	(2,461)	(43,725)
Total Income	79,174	56,342	749,541
Expenses			
Selling, General and Administrative Expenses	42,117	33,589	398,722
Other Expenses	822	13,685	7,790
Total Expenses	42,939	47,274	406,512
Income before Income Taxes	36,234	9,067	343,029
Income Taxes:			
Current	18,877	5,767	178,709
Deferred	(3,449)	(742)	(32,660)
Net Income	¥ 20,807	¥ 4,043	\$ 196,980

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