

Status of Capital Adequacy

Capital Adequacy Ratio Highlights	192
Status of Consolidated Capital Adequacy of Mizuho Financial Group, Inc.	194
Scope of Consolidation	194
Consolidated Capital Adequacy Ratio	196
Risk-Based Capital	198
Credit Risk	208
Methods for Credit Risk Mitigation	220
Counterparty Risk in Derivatives Transactions and Long-Settlement Transactions	222
Securitization Exposure	224
Market Risk	233
Operational Risk	233
Equity Exposure in Banking Book	233

Status of Capital Adequacy

Capital Adequacy Ratio Highlights

The Basel II Framework, based on the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework" issued by the Basel Committee on Banking Supervision, requires the disclosure of capital adequacy information to ensure the enhanced effectiveness of market discipline. Our disclosure is made under the "Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Capital Adequacy Conditions, etc. pursuant to Article 19-2, Paragraph 1, Item 5, Subitem (d), etc. of the Ordinance for Enforcement of the Banking Law (Ministry of Finance Ordinance No.10 of 1982)" (FSA Notice No.15 of 2007). As a method to calculate the amount of credit risk-weighted assets under the Basel II Framework, we have adopted the advanced internal ratings-based approach since March 31, 2009 in place of the foundation internal ratings-based approach that we had been using previously. The figures disclosed herein are therefore based on the foundation internal ratings-based approach for the fiscal year ended March 31, 2008, and the advanced internal ratings-based approach for the fiscal year ended March 31, 2009.

● Capital Adequacy Ratio Highlights

Mizuho Financial Group (Consolidated)

As of March 31,	Billions of yen	
	2009	2008
Consolidated Capital Adequacy Ratio (BIS Standard)	10.53%	11.70%
Tier 1 Capital Ratio	6.37%	7.40%
Tier 1 Capital	¥ 3,765.0	¥ 4,880.1
Tier 2 Capital	2,793.1	3,221.8
Deductions for Total Risk-based Capital	334.5	393.6
Total Risk-based Capital	¥ 6,223.6	¥ 7,708.3
Risk-weighted Assets	¥ 59,056.2	¥ 65,872.8

(Reference)

Mizuho Corporate Bank (Consolidated)

As of March 31,	Billions of yen	
	2009	2008
Consolidated Capital Adequacy Ratio (BIS Standard)	11.89%	12.17%
Tier 1 Capital Ratio	8.48%	8.48%
Tier 1 Capital	¥ 2,697.8	¥ 2,982.4
Tier 2 Capital	1,345.3	1,620.5
Deductions for Total Risk-based Capital	261.3	324.1
Total Risk-based Capital	¥ 3,781.8	¥ 4,278.8
Risk-weighted Assets	¥ 31,790.8	¥ 35,147.3

Mizuho Corporate Bank (Non-Consolidated)

As of March 31,	Billions of yen	
	2009	2008
Non-consolidated Capital Adequacy Ratio (BIS Standard)	11.75%	13.99%
Tier 1 Capital Ratio	6.05%	7.95%
Tier 1 Capital	¥ 1,862.6	¥ 2,505.9
Tier 2 Capital	1,862.6	2,082.3
Deductions for Total Risk-based Capital	111.9	177.1
Total Risk-based Capital	¥ 3,613.3	¥ 4,411.1
Risk-weighted Assets	¥ 30,742.3	¥ 31,514.6

Mizuho Bank (Consolidated)

Billions of yen

As of March 31,	2009	2008
Consolidated Capital Adequacy Ratio (Domestic Standard)	11.77%	11.97%
Tier 1 Capital Ratio	6.65%	7.28%
Tier 1 Capital	¥ 1,696.5	¥ 2,032.4
Tier 2 Capital	1,382.6	1,378.6
Deductions for Total Risk-based Capital	77.3	71.3
Total Risk-based Capital	¥ 3,001.8	¥ 3,339.6
Risk-weighted Assets	¥ 25,497.9	¥ 27,888.8
(Reference) Consolidated Capital Adequacy Ratio (BIS Standard)	10.56%	11.87%

Mizuho Bank (Non-Consolidated)

Billions of yen

As of March 31,	2009	2008
Non-consolidated Capital Adequacy Ratio (Domestic Standard)	11.76%	11.70%
Tier 1 Capital Ratio	6.63%	7.00%
Tier 1 Capital	¥ 1,644.9	¥ 1,887.1
Tier 2 Capital	1,368.3	1,377.9
Deductions for Total Risk-based Capital	98.1	111.3
Total Risk-based Capital	¥ 2,915.2	¥ 3,153.8
Risk-weighted Assets	¥ 24,776.0	¥ 26,935.8
(Reference) Non-consolidated Capital Adequacy Ratio (BIS Standard)	10.45%	11.63%

Scope of Consolidation

1. Scope of Consolidation for Calculating Consolidated Capital Adequacy Ratio

(a) Difference from the Companies Included in the Scope of Consolidation Based on Consolidation Rules for Preparation of Consolidated Financial Statements

None as of March 31, 2009 and 2008.

(b) Number of Consolidated Subsidiaries

As of March 31,	2009	2008
Consolidated Subsidiaries	145	146

Our major consolidated subsidiaries are Mizuho Corporate Bank, Ltd., Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd.

The following table sets forth information with respect to our principal consolidated subsidiaries as of March 31, 2009:

Name	Country of Organization	Main Business	Proportion of Ownership Interest (%)	Proportion of Voting Interest (%)
Domestic				
Mizuho Corporate Bank, Ltd.	Japan	Banking	100.0%	100.0%
Mizuho Bank, Ltd.	Japan	Banking	100.0	100.0
Mizuho Trust & Banking Co., Ltd.	Japan	Trust and banking	74.7	70.0
Mizuho Securities Co., Ltd.	Japan	Securities	89.8	89.8
Mizuho Investors Securities Co., Ltd.	Japan	Securities	66.5	66.8
Trust & Custody Services Bank, Ltd.	Japan	Trust and banking	54.0	54.0
Mizuho Asset Management Co., Ltd.	Japan	Investment management	98.7	98.7
Mizuho Research Institute Ltd.	Japan	Research and consulting	98.4	98.6
Mizuho Information & Research Institute Inc.	Japan	Information technology	91.5	91.5
Mizuho Financial Strategy Co., Ltd.	Japan	Consulting	100.0	100.0
Mizuho Private Wealth Management Co., Ltd.	Japan	Consulting	100.0	100.0
Mizuho Factors, Limited	Japan	Factoring	100.0	100.0
Mizuho Credit Guarantee Co., Ltd.	Japan	Credit guarantee	100.0	100.0
Mizuho Capital Co., Ltd.	Japan	Venture capital	50.0	50.0
Defined Contribution Plan Services Co., Ltd.	Japan	Pension plan-related business	60.0	60.0
Overseas				
Mizuho Bank (Switzerland) Ltd.	Switzerland	Trust and banking	100.0%	100.0%
Mizuho Capital Markets Corporation	U.S.A.	Derivatives	100.0	100.0
Mizuho Corporate Bank (Canada)	Canada	Banking	100.0	100.0
Mizuho Corporate Bank (China), Ltd.	China	Banking	100.0	100.0
Mizuho Corporate Bank (Germany) Aktiengesellschaft	Germany	Banking and securities	83.3	83.3
Mizuho Corporate Bank (USA)	U.S.A.	Banking	100.0	100.0
Mizuho Corporate Bank Nederland N.V.	Netherlands	Banking and securities	100.0	100.0
Mizuho International plc	U.K.	Securities and banking	100.0	100.0
Mizuho Securities USA Inc.	U.S.A.	Securities	100.0	100.0
Mizuho Trust & Banking (Luxembourg) S.A.	Luxembourg	Trust and banking	100.0	100.0
Mizuho Trust & Banking Co. (USA)	U.S.A.	Trust and banking	100.0	100.0
PT. Bank Mizuho Indonesia	Indonesia	Banking	99.0	99.0

Notes: 1. Mizuho Trust & Banking and Mizuho Investors Securities are listed on the Tokyo Stock Exchange.

2. In addition to the principal consolidated subsidiaries shown in the above table, as of March 31, 2009, we owned 27.3% of the outstanding shares of Shinko Securities Co., Ltd., an equity-method affiliate of ours listed on the Tokyo Stock Exchange which was engaged in wholesale and retail securities businesses. Mizuho Securities and Shinko Securities merged on May 7, 2009. The corporate name of the merged company is Mizuho Securities Co., Ltd.

(c) Corporations Providing Financial Services for which Article 9 of the Consolidated Capital Adequacy Ratio Notice is Applicable

None as of March 31, 2009 and 2008.

(d) Related Companies for which Deductions Set Forth in Article 8, Paragraph 1, Item 2, Subsections 1 to 3 of the Consolidated Capital Adequacy Ratio Notice are Applicable

None as of March 31, 2009 and 2008.

(e) Companies described in Article 52-23, Paragraph 1, Item 10 of the Banking Law that are Mainly Engaged in Businesses as Described in Subsection 1 of Such Item or Companies Set Forth in Item 11 of Such Paragraph, but that are not in the Holding Company's Corporate Group

None as of March 31, 2009 and 2008.

(f) Restrictions on Transfer of Funds or Capital within the Holding Company's Corporate Group

None as of March 31, 2009 and 2008.

Consolidated Capital Adequacy Ratio

2. Summary Table of Consolidated Capital Adequacy Ratio (BIS Standard)

%, Billions of yen

As of March 31,		2009	2008
Tier 1 Capital			
Common Stock and Preferred Stock		¥ 1,540.9	¥ 1,540.9
<i>Non-cumulative Perpetual Preferred Stock</i>		—	—
Advance Payment for New Shares		—	—
Capital Surplus		411.3	411.0
Retained Earnings		607.9	1,475.7
Less: Treasury Stock		6.2	2.5
Advance Payment for Treasury Stock		—	—
Less: Dividends (Estimate), etc		131.0	133.8
Less: Unrealized Losses on Other Securities		516.0	—
Foreign Currency Translation Adjustments		(114.7)	(78.3)
Stock Acquisition Rights		1.1	—
Minority Interest in Consolidated Subsidiaries		2,036.8	1,733.4
<i>Preferred Securities Issued by Overseas SPCs</i>		1,886.8	1,539.7
Less: Goodwill Equivalent		—	—
Less: Intangible Fixed Assets Recognized as a Result of a Merger		—	—
Less: Capital Increase due to Securitization Transactions		9.1	11.3
Less: 50% of Excess of Expected Losses relative to Eligible Reserves by Banks Adopting Internal Ratings-based Approach		55.9	54.9
Total of Tier 1 Capital before Deduction of Deferred Tax Assets (Total of the Above Items)		3,765.0	4,880.1
Deduction for Deferred Tax Assets		—	—
Total	(A)	3,765.0	4,880.1
<i>Preferred Securities with a Step-up Interest Rate Provision</i>	(B)	524.0	653.5
Ratio to Tier 1 = (B) / (A) X 100		13.91%	13.39%
Tier 2 Capital			
45% of Unrealized Gains on Other Securities		—	289.7
45% of Revaluation Reserve for Land		112.8	113.6
General Reserve for Possible Losses on Loans		7.9	7.9
Excess of Eligible Reserves relative to Expected Losses by Banks Adopting Internal Ratings-based Approach		—	—
Debt Capital, etc.		2,759.0	2,810.4
<i>Perpetual Subordinated Debt and Other Debt Capital</i>		789.8	662.0
<i>Dated Subordinated Debt and Redeemable Preferred Stock</i>		1,969.2	2,148.3
Total		2,879.9	3,221.8
<i>Tier 2 Capital Included as Qualifying Capital</i>	(C)	2,793.1	3,221.8
Tier 3 Capital			
Short-term Subordinated Debt		—	—
<i>Tier 3 Capital Included as Qualifying Capital</i>	(D)	—	—
Deductions for Total Risk-based Capital	(E)	334.5	393.6
Total Risk-based Capital (A) + (C) + (D) - (E)	(F)	¥ 6,223.6	¥ 7,708.3
Risk-weighted Assets			
Credit Risk-weighted Assets	(G)	54,231.6	60,183.8
On-balance-sheet Items		43,629.3	48,988.0
Off-balance-sheet Items		10,602.3	11,195.8
Market Risk Equivalent Assets [(I) / 8%]	(H)	1,342.1	2,052.9
(Reference) Market Risk Equivalent	(I)	107.3	164.2
Operational Risk Equivalent Assets [(K) / 8%]	(J)	3,482.3	3,636.0
(Reference) Operational Risk Equivalent	(K)	278.5	290.8
Adjusted Floor Amount	(L)	—	—
Total (G) + (H) + (J) + (L)	(M)	¥ 59,056.2	¥ 65,872.8
Consolidated Capital Adequacy Ratio (BIS Standard) = (F) / (M) X 100		10.53%	11.70%
Tier 1 Capital Ratio = (A) / (M) X 100		6.37%	7.40%

- Notes: 1. The above figures are calculated based on the BIS standard applied on a consolidated basis under the “Standards for Determining the Status of Capital Adequacy in consideration of assets held by a bank holding company and by its subsidiaries, in accordance with Banking Law Article 52-25” (FSA Notice No.20 of 2006 (the “Notice”). For the figures as of March 31, 2009, we did not apply the exception to the Notice (FSA Notice No.79 of 2008).
2. As it is not possible to break down common stock and preferred stock of Mizuho Financial Group, Inc. according to classes of stock, no value for non-cumulative perpetual preferred stock is stated separately from capital.
3. In calculating the consolidated capital adequacy ratio, we underwent an examination following the procedures agreed with Ernst & Young ShinNihon LLC, on the basis of “Treatment in implementing examination by agreed-upon procedures for calculating capital adequacy ratio” (Industry Committee Report No.30 of the Japanese Institute of Certified Public Accountants). Note that this is not a part of the accounting audit performed on our consolidated financial statements. This consists of an examination under agreed-upon procedures performed by Ernst & Young ShinNihon LLC on a portion of the internal control structure concerning the calculation of the capital adequacy ratio and a report of the results to us. As such, they do not represent an opinion regarding the capital adequacy ratio itself nor the internal controls related to the calculation of the capital adequacy ratio.
4. The amounts of net deferred tax assets as of March 31, 2009 and 2008 were ¥714.6 billion and ¥596.5 billion, respectively, and the maximum amounts of deferred tax assets that can be recorded without diminishing the amount of Tier 1 capital for the purpose of calculating capital adequacy ratio as of March 31, 2009 and 2008 were ¥753.0 billion and ¥976.0 billion, respectively.
5. The “adjusted floor amount” is the amount obtained by multiplying (i) 12.5 by (ii) the excess, if any, of the required capital under the foundation internal ratings-based approach multiplied by the rate prescribed in the Notice over the required capital under the advanced internal ratings-based approach.

Risk-Based Capital

3. Summary of Types of Capital Instruments

(a) Summary of Preferred Securities

We have included each of the following preferred securities issued by our overseas special purpose companies as Tier 1 capital for the purposes of our consolidated capital adequacy ratios. Preferred securities issued by Mizuho Preferred Capital (Cayman) Limited were redeemed in full on June 30, 2009.

Preferred securities issued by SPCs of Mizuho Financial Group

Issuer	Mizuho Preferred Capital (Cayman) Limited ("MPC," and the preferred securities described below are referred to as the "MPC Preferred Securities.")	Mizuho Preferred Capital (Cayman) 1 Limited (as "MPC1," and the preferred securities described below are referred to as the "MPC1 Preferred Securities.")
Type of securities	Non-cumulative perpetual preferred securities	Non-cumulative perpetual preferred securities
Mandatory redemption date	None	None
Optional redemption	Optionally redeemable on each dividend payment date falling in or after June 2009 (subject to prior approval from regulatory authorities)	Optionally redeemable on each dividend payment date falling in or after June 2012 (subject to prior approval from regulatory authorities)
Dividends	Floating dividend rate (No dividend rate step-up. As stated in "Dividend suspension events" below, dividend payments that are suspended are non-cumulative.)	Floating dividend rate (No dividend rate step-up. As stated in "Dividend suspension events" below, dividend payments that are suspended are non-cumulative.)
Dividend payment date	Last business day of June in each year	Last business day of June in each year
Total amount issued	¥176.0 billion	¥171.0 billion
Issue date	March 15, 1999	February 14, 2002
Dividend suspension events	If any of the following events arise, dividend payments are suspended on a non-cumulative basis: (1) when Mizuho Financial Group issues to MPC a Loss Absorption Certificate ⁽¹⁾ ; (2) when dividends on Mizuho Financial Group's Preferred Stock ⁽²⁾ are suspended; (3) when Mizuho Financial Group issues to MPC a Distributable Amounts Limitation Certificate ⁽⁴⁾ stating that there are no Available Distributable Amounts ⁽³⁾ ; and (4) when the dividend payment date is not a Mandatory Dividend Payment Date ⁽⁵⁾ , and Mizuho Financial Group issues to MPC a dividend instruction instructing it not to pay any dividends on such dividend payment date.	If any of the following events arise, dividend payments are suspended on a non-cumulative basis: (1) when Mizuho Financial Group issues to MPC1 a Loss Absorption Certificate ⁽¹⁾ ; (2) when dividends on Mizuho Financial Group's Preferred Stock ⁽²⁾ are suspended; (3) when Mizuho Financial Group issues to MPC1 a Distributable Amounts Limitation Certificate ⁽⁴⁾ stating that there are no Available Distributable Amounts ⁽³⁾ ; and (4) when the dividend payment date is not a Mandatory Dividend Payment Date ⁽⁵⁾ , and Mizuho Financial Group issues to MPC1 a dividend instruction instructing it not to pay any dividends on such dividend payment date.
Mandatory dividend event	If Mizuho Financial Group pays any dividends on its common stock with respect to a fiscal year, full dividends must be paid on Parity Preferred securities ⁽⁶⁾ in June of the calendar year in which such fiscal year ends. However, it is subject to the following conditions: (1) no Loss Absorption Certificate ⁽¹⁾ has been issued; (2) no preferred stock dividend limitation has arisen with respect thereto (partial dividend payments are made to the extent applicable); and (3) no Distributable Amounts Limitation Certificate ⁽⁴⁾ has been issued with respect thereto (partial dividends are paid to the extent applicable).	If Mizuho Financial Group pays any dividends on its common stock with respect to a fiscal year, full dividends must be paid on Parity Preferred securities ⁽⁶⁾ in June of the calendar year in which such fiscal year ends. However, it is subject to the following conditions: (1) no Loss Absorption Certificate ⁽¹⁾ has been issued; (2) no preferred stock dividend limitation has arisen with respect thereto (partial dividend payments are made to the extent applicable); and (3) no Distributable Amounts Limitation Certificate ⁽⁴⁾ has been issued with respect thereto (partial dividends are paid to the extent applicable).
Distributable amounts limitation	When Mizuho Financial Group issues a Distributable Amounts Limitation Certificate ⁽⁴⁾ to MPC, dividends are limited to the Available Distributable Amounts ⁽³⁾ .	When Mizuho Financial Group issues a Distributable Amounts Limitation Certificate ⁽⁴⁾ to MPC1, dividends are limited to the Available Distributable Amounts ⁽³⁾ .
Dividend limitations	When dividends on Mizuho Financial Group's Preferred Stock ⁽²⁾ are reduced, dividends on Parity Preferred Securities ⁽⁶⁾ are also reduced by an equal percentage.	When dividends on Mizuho Financial Group's Preferred Stock ⁽²⁾ are reduced, dividends on Parity Preferred Securities ⁽⁶⁾ are also reduced by an equal percentage.
Claims on residual assets	Same priority as Mizuho Financial Group's Preferred Stock ⁽²⁾	Same priority as Mizuho Financial Group's Preferred Stock ⁽²⁾

Issuer	Mizuho Capital Investment (USD) 1 Limited (“MCI (USD) 1,” and the preferred securities described below are referred to as “MCI (USD) 1 Preferred Securities.”)	Mizuho Capital Investment (EUR) 1 Limited (“MCI (EUR) 1,” and the preferred securities described below are referred to as “MCI (EUR) 1 Preferred Securities.”)
Type of securities	Non-cumulative perpetual preferred securities	Non-cumulative perpetual preferred securities
Mandatory redemption date	None	None
Optional redemption	Starting from the dividend payment date falling in June 2016, optionally redeemable on each dividend payment date in five-year intervals (subject to prior approval from regulatory authorities)	Starting from the dividend payment date falling in June 2011, optionally redeemable on each dividend payment date in five-year intervals (subject to prior approval from regulatory authorities)
Dividends	Fixed dividend rate for the first ten years (although a floating dividend rate is applied with respect to dividend payment dates after June 2016. Dividend payments that are suspended are non-cumulative.)	Fixed dividend rate for the first five years (although a floating dividend rate is applied with respect to dividend payment dates after June 2011. Dividend payments that are suspended are non-cumulative.)
Dividend payment date	June 30th and December 30th of each year	June 30th of each year until June 2011, and June 30th and December 30th of each year thereafter
Total amount issued	US\$600 million	€500 million
Issue date	March 13, 2006	March 13, 2006
Dividend suspension events	<p>(Mandatory dividend suspension or reduction event)</p> <p>(1) When a Liquidation Event⁽⁷⁾, Reorganization Event⁽⁸⁾, Insolvency Event⁽⁹⁾ or Governmental Action⁽¹⁰⁾ has occurred to Mizuho Financial Group;</p> <p>(2) when Mizuho Financial Group's Available Distributable Amounts⁽¹¹⁾ is insufficient, or dividends on its preferred stock⁽¹³⁾ are suspended or reduced;</p> <p>(Optional dividend suspension or reduction event)</p> <p>(3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (USD) 1 Preferred Securities, and Mizuho Financial Group issues a dividend suspension notice to MCI (USD) 1; and</p> <p>(4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (USD) 1.</p>	<p>(Mandatory dividend suspension or reduction event)</p> <p>(1) When a Liquidation Event⁽⁷⁾, Reorganization Event⁽⁸⁾, Insolvency Event⁽⁹⁾ or Governmental Action⁽¹⁰⁾ has occurred to Mizuho Financial Group;</p> <p>(2) when Mizuho Financial Group's Available Distributable Amounts⁽¹²⁾ is insufficient, or dividends on its preferred stock⁽¹³⁾ are suspended or reduced;</p> <p>(Optional dividend suspension or reduction event)</p> <p>(3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (EUR) 1 Preferred Securities, and Mizuho Financial Group issues a dividend suspension notice to MCI (EUR) 1; and</p> <p>(4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (EUR) 1</p>
Mandatory dividend event	If Mizuho Financial Group pays any dividends on its common stock with respect to a fiscal year, dividend payments for the full amount of MCI (USD) 1 Preferred Securities must be made on the dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.	If Mizuho Financial Group pays any dividends on its common stock with respect to a fiscal year, dividend payments for the full amount of MCI (EUR) 1 Preferred Securities must be made on dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.
Distributable amounts limitation	Dividends for the MCI (USD) 1 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹¹⁾ .	Dividends for the MCI (EUR) 1 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹²⁾ .
Dividend limitations	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (USD) 1 Preferred Securities are also reduced by an equal percentage.	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (EUR) 1 Preferred Securities are also reduced by an equal percentage.
Claims for residual assets	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾

Status of Capital Adequacy
Status of Consolidated Capital Adequacy of Mizuho Financial Group, Inc.

Issuer	Mizuho Capital Investment (JPY) 1 Limited ("MCI (JPY) 1," and the preferred securities described below are referred to as "MCI (JPY) 1 Preferred Securities.")	Mizuho Capital Investment (JPY) 2 Limited ("MCI (JPY) 2," and the preferred securities described below are referred to as "MCI (JPY) 2 Preferred Securities.")	Mizuho Capital Investment (JPY) 3 Limited ("MCI (JPY) 3," and the preferred securities described below (Series A and Series B) are collectively referred to as "MCI (JPY) 3 Preferred Securities.")
Type of securities	Non-cumulative perpetual preferred securities	Non-cumulative perpetual preferred securities	Non-cumulative perpetual preferred securities
Mandatory redemption date	None	None	None
Optional redemption	Starting from the dividend payment date falling in June 2016, optionally redeemable on each dividend payment date in five-year intervals (subject to prior approval from regulatory authorities)	Starting from the dividend payment date falling in June 2018, optionally redeemable on each dividend payment date (subject to prior approval from regulatory authorities)	Starting from the dividend payment date falling in June 2019, optionally redeemable on each dividend payment date (subject to prior approval from regulatory authorities)
Dividends	Fixed dividend rate for the first ten years (although a floating dividend rate is applied with respect to dividend payment dates after June 2016. Dividend payments that are suspended are non-cumulative.)	Fixed dividend rate for the first ten years (although a floating dividend rate is applied with respect to dividend payment dates after June 2018. Dividend payments that are suspended are non-cumulative.)	Series A Fixed dividend rate for the first ten years (although a floating dividend rate is applied with respect to dividend payment dates after June 2019. Dividend payments that are suspended are non-cumulative.) Series B Fixed dividend rate for the first ten years (although a floating dividend rate is applied with respect to dividend payment dates after June 2019. Dividend payments that are suspended are non-cumulative.)
Dividend payment date	June 30th and December 30th of each year	June 30th and December 30th of each year	June 30th and December 30th of each year
Total amount issued	¥400 billion	¥274.5 billion	Series A ¥249.5 billion Series B ¥ 53.5 billion
Issue date	January 12, 2007	January 11, 2008	July 11, 2008
Dividend suspension events	(Mandatory dividend suspension or reduction event) (1) When a Liquidation Event ⁽⁷⁾ , Reorganization Event ⁽⁸⁾ , Insolvency Event ⁽⁹⁾ or Governmental Action ⁽¹⁰⁾ has occurred to Mizuho Financial Group; (2) when Mizuho Financial Group's Available Distributable Amounts ⁽¹⁴⁾ is insufficient, or dividends on its preferred stock ⁽¹³⁾ are suspended or reduced; (Optional dividend suspension or reduction event) (3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (JPY) 1 Preferred Securities and when Mizuho Financial Group issues a dividend suspension notice to MCI (JPY) 1; and (4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (JPY) 1	(Mandatory dividend suspension or reduction event) (1) When a Liquidation Event ⁽⁷⁾ , Reorganization Event ⁽⁸⁾ , Insolvency Event ⁽⁹⁾ or Governmental Action ⁽¹⁰⁾ has occurred to Mizuho Financial Group; (2) when Mizuho Financial Group's Available Distributable Amounts ⁽¹⁵⁾ is insufficient, or dividends on its preferred stock ⁽¹³⁾ are suspended or reduced; (Optional dividend suspension or reduction event) (3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (JPY) 2 Preferred Securities and when Mizuho Financial Group issues a dividend suspension notice to MCI (JPY) 2; and (4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (JPY) 2	(Mandatory dividend suspension or reduction event) (1) When a Liquidation Event ⁽⁷⁾ , Reorganization Event ⁽⁸⁾ , Insolvency Event ⁽⁹⁾ or Governmental Action ⁽¹⁰⁾ has occurred to Mizuho Financial Group; (2) when Mizuho Financial Group's Available Distributable Amounts ⁽¹⁶⁾ is insufficient, or dividends on its preferred stock ⁽¹³⁾ are suspended or reduced; (Optional dividend suspension or reduction event) (3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (JPY) 3 Preferred Securities and when Mizuho Financial Group issues a dividend suspension notice to MCI (JPY) 3; and (4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (JPY) 3

Mandatory dividend event	If Mizuho Financial Group pays any dividends on its common stock to holders of record as of a prescribed record date in the immediately preceding fiscal year, dividend payments for the full amount of MCI (JPY) 1 Preferred Securities must be made on dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.	If Mizuho Financial Group pays any dividends on its common stock to holders of record as of a prescribed record date in the immediately preceding fiscal year, dividend payments for the full amount of MCI (JPY) 2 Preferred Securities must be made on dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.	If Mizuho Financial Group pays any dividends on its common stock to holders of record as of a prescribed record date in the immediately preceding fiscal year, dividend payments for the full amount of MCI (JPY) 3 Preferred Securities must be made on dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.
Distributable amounts limitation	Dividends for the MCI (JPY) 1 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹⁴⁾ .	Dividends for the MCI (JPY) 2 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹⁵⁾ .	Dividends for the MCI (JPY) 3 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹⁶⁾ .
Dividend limitations	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (JPY) 1 Preferred securities are also reduced by an equal percentage.	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (JPY) 2 Preferred securities are also reduced by an equal percentage.	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (JPY) 3 Preferred securities are also reduced by an equal percentage.
Claims for residual assets	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾

Issuer	Mizuho Capital Investment (JPY) 4 Limited ("MCI (JPY) 4," and the preferred securities described below are referred to as "MCI (JPY) 4 Preferred Securities.")	Mizuho Capital Investment (USD) 2 Limited ("MCI (USD) 2," and the preferred securities described below are referred to as "MCI (USD) 2 Preferred Securities.")
Type of securities	Non-cumulative perpetual preferred securities	Non-cumulative perpetual preferred securities
Mandatory redemption date	None	None
Optional redemption	Starting from the dividend payment date falling in June 2015, optionally redeemable on each dividend payment date (subject to prior approval from regulatory authorities)	Starting from the dividend payment date falling in June 2014, optionally redeemable on each dividend payment date (subject to prior approval from regulatory authorities)
Dividends	Fixed dividend rate for the first seven years (although a floating dividend rate is applied with respect to dividend payment dates after June 2015. Dividend payments that are suspended are non-cumulative.)	Fixed dividend rate for the first five years (although a floating dividend rate is applied with respect to dividend payment dates after June 2014. Dividend payments that are suspended are non-cumulative.)
Dividend payment date	March 31, 2009 and June 30th and December 30th of each year	June 30th and December 30th of each year
Total amount issued	¥355 billion	\$850 million
Issue date	December 29, 2008	February 27, 2009
Dividend suspension events	<p>(Mandatory dividend suspension or reduction event)</p> <p>(1) When a Liquidation Event⁽⁷⁾, Reorganization Event⁽⁸⁾, Insolvency Event⁽⁹⁾ or Governmental Action⁽¹⁰⁾ has occurred to Mizuho Financial Group;</p> <p>(2) when Mizuho Financial Group's Available Distributable Amounts⁽¹⁷⁾ is insufficient, or dividends on its preferred stock⁽¹³⁾ are suspended or reduced;</p> <p>(Optional dividend suspension or reduction event)</p> <p>(3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (JPY) 4 Preferred Securities and when Mizuho Financial Group issues a dividend suspension notice to MCI (JPY) 4; and</p> <p>(4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (JPY) 4</p>	<p>(Mandatory dividend suspension or reduction event)</p> <p>(1) When a Liquidation Event⁽⁷⁾, Reorganization Event⁽⁸⁾, Insolvency Event⁽⁹⁾ or Governmental Action⁽¹⁰⁾ has occurred to Mizuho Financial Group;</p> <p>(2) when Mizuho Financial Group's Available Distributable Amounts⁽¹⁸⁾ is insufficient, or dividends on its preferred stock⁽¹³⁾ are suspended or reduced;</p> <p>(Optional dividend suspension or reduction event)</p> <p>(3) when the capital adequacy ratio of Mizuho Financial Group or its Tier 1 capital ratio fails to meet the minimum requirement, or would fall short as a result of the dividend payments on the MCI (USD) 2 Preferred Securities and when Mizuho Financial Group issues a dividend suspension notice to MCI (USD) 2; and</p> <p>(4) when Mizuho Financial Group fails to pay dividends on its common stock and issues a dividend suspension notice to MCI (USD) 2</p>

Mandatory dividend event	If Mizuho Financial Group pays any dividends on its common stock to holders of record as of a prescribed record date in the immediately preceding fiscal year, dividend payments for the full amount of MCI (JPY) 4 Preferred Securities must be made on dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.	If Mizuho Financial Group pays any dividends on its common stock to holders of record as of a prescribed record date in the immediately preceding fiscal year, dividend payments for the full amount of MCI (USD) 2 Preferred Securities must be made on dividend payment dates during the subsequent fiscal year; provided that no event for the mandatory suspension or reduction of dividends has occurred and that no dividend suspension notice has been issued in conjunction with the occurrence of an optional dividend suspension or reduction event.
Distributable amounts limitation	Dividends for the MCI (JPY) 4 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹⁷⁾ .	Dividends for the MCI (USD) 2 preferred securities are paid to the extent of Mizuho Financial Group's Available Distributable Amounts ⁽¹⁸⁾ .
Dividend limitations	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (JPY) 4 Preferred securities are also reduced by an equal percentage.	When dividends on Mizuho Financial Group's Preferred Stock ⁽¹³⁾ are reduced, dividends on MCI (USD) 2 Preferred securities are also reduced by an equal percentage.
Claims for residual assets	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾	Same priority as Mizuho Financial Group's Preferred Stock ⁽¹³⁾

Notes:

(1) Loss Absorption Certificate

Refers to a certificate that Mizuho Financial Group delivers to the issuer (in case of the loss absorption event set forth in clause (iv) below, the issuance thereof is at our discretion) upon any of the following events with respect to Mizuho Financial Group: (i) liquidation event that shall be deemed to occur where a liquidation proceeding is commenced by or against Mizuho Financial Group or a competent court in Japan shall have (a) adjudicated Mizuho Financial Group to be subject to bankruptcy proceedings or (b) approved a preparation of a reorganization plan for abolishment of all business of Mizuho Financial Group; (ii) reorganization event that shall be deemed to occur if a competent court in Japan shall have adjudicated (a) the commencement of a corporate reorganization proceeding of Mizuho Financial Group under the Corporate Reorganization Law or (b) the commencement of a civil rehabilitation proceeding of Mizuho Financial Group under the Civil Rehabilitation Law; (iii) governmental action that shall be deemed to occur if the government authority in Japan (a) publicly declares Mizuho Financial Group is not able to pay its debts as they become due, (b) publicly declares Mizuho Financial Group's liabilities exceed its assets, (c) publicly declares Mizuho Financial Group to be under public management or (d) issues an order that Mizuho Financial Group be transferred to a third party; (iv) inadequate ratio event that shall be deemed to occur if capital adequacy ratio or Tier 1 capital ratio fails to meet the minimum requirement or would fall short as a result of a dividend payment on the relevant preferred securities; (v) default event that shall be deemed to occur if Mizuho Financial Group is not able to pay its debts as they become due or would not be able to do so as a result of a dividend payment on the relevant preferred securities; or (vi) insolvency event shall be deemed to occur if the liabilities of Mizuho Financial Group exceeds its assets or would exceed its assets as a result of a dividend payment on the relevant preferred securities.

(2) Preferred Stock

Refers to preferred stock of Mizuho Financial Group qualifying as Tier 1 capital and ranking most senior compared to other preferred stock of Mizuho Financial Group as to dividend payments. It includes such preferred stocks that are issued in the future.

(3) Available Distributable Amounts

Refers to the maximum amount available for dividends ("Distributable Amounts") calculated based on the immediately preceding fiscal year's financial statements, less the aggregate amount of dividends paid previously during the current fiscal year and scheduled to be paid thereafter in respect of such fiscal year in respect of any Preferred Stock (provided that each interim dividend payment on Preferred Stock to be paid during such current Fiscal Year shall be excluded in calculating Available Distributable Amounts). Notwithstanding the foregoing, if there are securities issued by a company other than Mizuho Financial Group of which the rights to dividends and the rights at the time of liquidation, etc., are determined by reference to the financial condition and results of operation of Mizuho Financial Group and which rank, in relation to MPC (with respect to the columns for MPC1, MPC5, MPC6 and MPC7, "MPC" refers to MPC1, MPC5, MPC6 and MPC7, respectively), equal in point of subordination as the Parity Preferred Securities ("Parallel Preferred Securities"), the Available Distributable Amounts are adjusted as follows:

$$\text{Available Distributable Amounts after the adjustment} = \text{Available Distributable Amounts} \times \frac{(\text{Total of full dividend payment amount for Parity Preferred Securities in such fiscal year}) / (\text{Total of full dividend payment amount for Parity Preferred Securities in such fiscal year} + \text{Total amount of full dividend payment amount for Parallel Securities in such fiscal year})}{1}$$

(4) Distributable Amounts Limitation Certificate

Refers to a certificate issued by Mizuho Financial Group on or before the annual general meeting of shareholders to issuers if Available Distributable Amounts falls short of total dividends to be paid on the dividend payment date, which shall set forth the Available Distributable Amounts of such fiscal year.

(5) Mandatory Dividend Payment Date

Refers to a dividend payment date in June of a calendar year when a fiscal year of Mizuho Financial Group ends with respect to which it paid dividends on its common stock.

(6) Parity Preferred Securities

Refers to the collective designation for preferred securities and MPC Preferred Securities issued by MPC (with respect to the columns for MPC1, MPC5, MPC6 and MPC7, "MPC" refers to MPC1, MPC5, MPC6 and MPC7, respectively) which are perpetual and the dividend payment dates and the use of proceeds are the same as that of the relevant MPC Preferred Securities (or MPC1 Preferred Securities, MPC5 Preferred Securities, MPC6 Preferred Securities or MPC7 Preferred Securities, as the case may be). (In the case of MPC6, for example, Parity Preferred Securities are the collective designation that includes Series A, Series B as well as other preferred securities that satisfy the above conditions if newly issued in the future.)

(7) Liquidation Event

Shall be deemed to occur where a liquidation proceeding is commenced by or against Mizuho Financial Group or a competent court in Japan shall have (i) adjudicated Mizuho Financial Group to be subject to bankruptcy proceedings or (ii) approved a preparation of a reorganization plan for abolishment of all business of Mizuho Financial Group.

(8) Reorganization Event

Shall be deemed to occur if a competent court in Japan shall have adjudicated (i) the commencement of a corporate reorganization proceeding of Mizuho Financial Group under the Corporate Reorganization Law or (ii) the commencement of a civil rehabilitation proceeding of Mizuho Financial Group under the Civil Rehabilitation Law.

(9) Insolvency Event

Shall be deemed to occur if (i) Mizuho Financial Group is not able to pay its debts as they become due or would not be able to do so as a result of a dividend payment on the relevant preferred securities, or (ii) if the liabilities of Mizuho Financial Group exceeds its assets or would exceed its assets as a result of a dividend payment on the relevant preferred securities.

(10) Governmental Action

Shall be deemed to occur if the government authority in Japan (i) publicly declares Mizuho Financial Group is not able to pay its debts as they become due, (ii) publicly declares Mizuho Financial Group's liabilities exceed its assets, (iii) publicly declares Mizuho Financial Group to be under public management or (iv) issues an order that Mizuho Financial Group be transferred to a third party.

(11) Available Distributable Amounts for MCI (USD) 1 Preferred Securities

(i) Amount available in June

Refers to Distributable Amounts of Mizuho Financial Group calculated based on the financial statements for the immediately preceding fiscal year, less the amount of dividend payments on Preferred Stock⁽¹³⁾ (excluding interim dividend payments), pro-rated between the full dividend amount on MCI (USD) 1 Preferred Securities and the full dividend amount on preferred securities that are equivalently subordinated in nature with MCI (USD) 1 Preferred Securities ("Equivalent Securities") to which dividends are paid in whole or in part or declared to be paid on or prior to the relevant dividend payment date of MCI (USD) 1 Preferred Securities.

(ii) Amount available in December

Refers to Distributable Amounts of Mizuho Financial Group calculated based on the financial statements for the immediately preceding fiscal year, less (A) the amount of dividend payments on Preferred Stock⁽¹³⁾ (excluding interim dividend payments), (B) the amount of dividend payments on MCI (USD) 1 Preferred Securities made or declared to be made on or prior to the dividend payment date falling in June and (C) the dividends on Equivalent Securities paid or declared to be paid on or prior to the dividend payment date falling in June, pro-rated between full dividends on MCI (USD) 1 Preferred Securities for the dividend payment date falling in December and full dividends on Equivalent Securities paid in whole or in part or declared to be paid from the day after the dividend payment date of MCI (USD) 1 Preferred Securities falling in June up to the dividend payment date falling in December.

(12) Available Distributable Amounts for MCI (EUR) 1 Preferred Securities

(Up to the dividend payment date falling in June 2011)

Refers to Distributable Amounts of Mizuho Financial Group calculated based on the financial

(b) Summary of Preferred Stock

The preferred stocks that have been issued as stated below are included in Tier 1 capital of Mizuho Financial Group's consolidated capital adequacy ratio.

		Eleventh Series Class XI Preferred Stock	Thirteenth Series Class XIII Preferred Stock
Amount outstanding as of fiscal year end (excluding treasury stock)		¥911.95 billion	¥36.69 billion
Preferred dividend payment		An annual dividend payment of ¥20 per preferred share to holders of preferred stock in priority to dividend payments to holders of common stock.	An annual dividend payment of ¥30 per preferred share to holders of preferred stock in priority to dividend payments to holders of common stock.
Non-cumulative clause		In the event that all or part of the preferred dividends are not paid during a given fiscal year, the shortfall is not accumulated in or beyond the following fiscal year.	In the event that all or part of the preferred dividends are not paid during a given fiscal year, the shortfall is not accumulated in or beyond the following fiscal year.
Non-participation clause		No distribution of surplus exceeding the preferred dividend payment is made to holders of preferred stock.	No distribution of surplus exceeding the preferred dividend payment is made to holders of preferred stock.
Preferred interim dividend payment		If an interim dividend payment is made, ¥10 per share is to be paid in priority to holders of common stock.	If an interim dividend payment is made, ¥15 per share is to be paid in priority to holders of common stock.
Distribution of residual assets		¥1,000 per preferred share is to be paid in priority to holders of common stock and no other distribution of residual assets is to be made.	¥1,000 per preferred share is to be paid in priority to holders of common stock and no other distribution of residual assets is to be made.
Conversion ⁽¹⁾ request	Conversion period	From July 1, 2008 to June 30, 2016.	n.a.
	Conversion price	¥322.00	n.a.
	Reset of conversion price	On July 1 of each year from July 1, 2009 to July 1, 2015 (hereafter, "Conversion Price Reset Date"), in the event the market price of common stock on such date is below the effective conversion price on the day before the relevant Conversion Price Reset Date, the reset price is to be adjusted as of the relevant Conversion Price Reset Date to such market price (minimum: ¥322), where market price is defined as the average of the daily closing prices of common stock as reported by the Tokyo Stock Exchange for the 30 consecutive trading days commencing on the 45th trading day prior to the Conversion Price Reset Date.	n.a.
	Adjustment of the conversion price	Adjustments to the conversion price are to be made upon the issuance or disposition of common stock at a price lower than the market price and in other specified circumstances.	n.a.
	Number of shares of common stock to be provided upon conversion	The number obtained by dividing (i) the total issue price of the preferred stock submitted in connection with the conversion request by the holders of such preferred stock by (ii) the conversion price.	n.a.
Mandatory conversion of preferred stock		Mizuho Financial Group shall acquire on July 1, 2016 any preferred stock in respect of which a request for conversion has not been made by June 30, 2016 and deliver common stock to the holder of such preferred stock. The number of shares of common stock to be delivered is obtained by dividing ¥1,000 by the average of the daily closing prices of common stock as reported by the Tokyo Stock Exchange for the 30 consecutive trading days commencing on the 45th trading day prior to July 1, 2016 (minimum: ¥322).	n.a.

Conversion clause	n.a.	On or after April 1, 2013, as determined by a resolution of the general meeting of shareholders, all or a portion of the preferred stock can be repurchased at the conversion price set forth below. The conversion price per share will be the sum of ¥1,000 and the preferred dividend pro-rated for the number of days from the first day of the fiscal year during which the conversion date falls; provided, however, that if preferred interim dividends are paid, the conversion price per share is to be reduced by the amount of such interim dividend.
Voting rights	The holders of preferred stock shall not have voting rights at a general meeting of shareholders; provided, however, that the holders of preferred stock may have voting rights from the date of a general meeting of shareholders if a proposal for the payment of preferred dividends is not submitted to such general meeting of shareholders, or immediately after the closing of a general meeting of shareholders if a proposal on the preferred dividends is rejected at such general meeting of shareholders, until, in either case, such time as a resolution of a general meeting of shareholders for the payment of preferred dividends is approved.	The holders of preferred stock shall not have voting rights at a general meeting of shareholders; provided, however, that the holders of preferred stock may have voting rights from the date of a general meeting of shareholders if a proposal for the payment of preferred dividends is not submitted to such general meeting of shareholders, or immediately after the closing of a general meeting of shareholders if a proposal on the preferred dividends is rejected at such general meeting of shareholders, until, in either case, such time as a resolution of a general meeting of shareholders for the payment of preferred dividends is approved.
Preferential status	All classes of preferred stock rank <i>pari passu</i> with respect to preferred dividends, preferred interim dividends and residual assets.	All classes of preferred stock rank <i>pari passu</i> with respect to preferred dividends, preferred interim dividends and residual assets.

Notes:

(1) Conversion of the preferred stock is conducted through the acquisition of the relevant shares of preferred stock by Mizuho Financial Group followed by the delivery of the applicable number of shares of common stock. As such, the word "acquisition" is used in lieu of "conversion" in our articles of incorporation. Conversion price (¥322.00) refers to the effective conversion price as of July 1, 2009.

(c) Summary of Debt Capital Instruments

1. Summary

The following debt capital instruments are included in Tier 2 capital:

- Perpetual subordinated debt;
- Dated subordinated debt; and
- Dated preferred stock.

Of the above, perpetual subordinated debt and dated subordinated debt are in the form of subordinated bonds with subordination clause (corporate bonds with subordination clause) or subordinated loans (borrowing by means of loan agreement with subordination clause) (collectively, "Subordinated Bonds, Etc."). Specifically, such debt capital is raised as follows:

- (1) Subordinated bonds offered to investors in Japan and abroad;
- (2) Subordinated bonds using a Euro MTN program, etc.; and
- (3) Subordinated loans.

The Subordinated Bonds, Etc., are issued by or loaned to Mizuho Financial Group, its banking subsidiaries or overseas consolidated SPC subsidiaries.

In each case, the above instruments are based on terms that are in accordance with relevant public notices and supervisory guidelines of the Financial Services Agency so as to ensure eligibility as Tier 2 capital.

At present, we have no dated preferred stock outstanding.

2. Subordination clause

Subordinated Bonds, Etc., include subordination clauses pursuant to which, in the event that certain grounds for subordination arise, payments of principal and interest on the relevant Subordinated Bonds, Etc., are ranked lower in priority compared to the execution of obligations relating to more senior claims which are obligations other than those that rank *pari passu* or junior to such Subordinated Bonds, Etc. (concerning the rights of holders of Subordinated Bonds, Etc., that seek payment, the order of priority in receiving payments in bankruptcy proceedings is junior to subordinated bankrupt claims as set forth in the Bankruptcy Law). As a result, senior creditors have priority over holders of Subordinated Bonds, Etc., in the event of bankruptcy, corporate reorganization and civil rehabilitation proceedings, etc.

3. Perpetual subordinated debt

Perpetual subordinated debt is a debt capital instrument with all of the following features:

- (1) Unsecured, fully paid and subordinated to other obligations;
- (2) Not redeemable or repayable, except when it is optional and the debtor anticipates that a sufficient capital adequacy ratio will be maintained after such redemption or repayment or in connection with the raising of capital in an amount equal to or in excess of the amount to be redeemed or repaid;
- (3) Applicable to absorb losses while the obligor continues to do business; and
- (4) Contains a provision that allows a deferred payment of interest.

4. Dated subordinated debt

Dated subordinated debt differs from perpetual subordinated debt in that it has a fixed redemption or repayment term of more than five years.

In the case of both perpetual subordinated debt and dated subordinated debt, if a step-up in interest is provided for, the application of such step-up must be made at a time five years or more from the issue or loan date so as to prevent the interest to be paid after step-up from being excessive, and the amount of step-up must be within the limit that the Financial Services Agency determines in supervisory guidelines.

4. Summary of Approach to Assessing Capital Adequacy

In order to ensure that risk-based capital is sufficiently maintained in light of the risk held by us, we regularly conduct the following assessment of capital adequacy in addition to adopting a suitable and effective capital adequacy monitoring structure.

Maintaining a Sufficient BIS Capital Adequacy Ratio and Tier 1 Capital Ratio

We confirm our maintenance of a high level of financial soundness by conducting regular evaluations to examine whether our risk-based capital is adequate in qualitative as well as quantitative terms, in the light of our business plans and strategic targets to match the increase in risk-weighted assets acquired for growth, in addition to maintaining risk-based capital that exceeds the minimum requirements (8% under BIS standards, 4% under domestic standards).

Balancing Risk and Capital

On the basis of the framework for allocating risk capital, after obtaining the clearest possible grasp of the group's overall risk exposure, we endeavor to control risk so as to keep it within the range of our business capacity by means of allocating capital that corresponds to the amount of risk to the business groups and units of our banking subsidiaries, etc. within the bounds of our capital, and we conduct regular assessments to ensure that a sufficient level of capital is maintained for our risk profile. When making these assessments, we examine whether an appropriate return on risk is maintained in addition to considering the effects that interest rate risk related to our banking book, credit concentration risk and stress tests have on our capital.

5. Required Capital by Portfolio Classification

Billions of yen

As of March 31,	2009		2008	
	EAD	Required Capital	EAD	Required Capital
Credit Risk	¥ 155,523.8	¥ 5,915.4	¥ 148,523.2	¥ 6,261.6
Internal Ratings-based Approach	146,711.0	5,610.3	138,667.2	5,931.0
Corporate (except Specialized Lending)	55,192.8	3,445.7	55,036.7	3,470.1
Corporate (Specialized Lending)	2,968.4	314.3	2,909.7	279.0
Sovereign	54,333.2	64.0	41,705.9	63.7
Bank	6,557.2	188.6	7,914.3	118.0
Retail	13,144.5	552.4	12,943.7	555.3
Residential Mortgage	10,555.5	366.0	10,309.2	386.7
Qualifying Revolving Loans	336.7	29.9	329.0	23.0
Other Retail	2,252.2	156.4	2,305.5	145.5
Equities, etc.	3,538.9	425.5	5,086.8	628.0
PD/LGD Approach	817.4	133.5	1,060.9	234.3
Market-based Approach (Simple Risk Weight Method)	332.0	89.4	277.6	75.8
Market-based Approach (Internal Models Approach)	—	—	—	—
Transitional Measure Applied	2,389.5	202.6	3,748.2	317.8
Regarded-method Exposure	882.1	246.7	1,511.9	359.1
Purchase Receivables	2,071.3	102.0	2,852.6	118.8
Securitizations	5,645.3	80.5	6,484.6	160.5
Others	2,376.7	190.3	2,220.5	178.0
Standardized Approach	8,812.8	305.0	9,855.9	330.6
Sovereign	3,510.6	2.1	3,672.2	3.3
Bank	2,302.8	41.2	2,841.0	48.8
Corporate	2,405.6	182.0	2,455.3	183.2
Residential Mortgage	0.0	0.0	0.0	0.0
Securitizations	37.1	35.9	67.2	30.4
Others	556.5	43.6	819.9	64.8
Market Risk	/	107.3	/	164.2
Standardized Approach	/	64.1	/	112.9
Interest Rate Risk	/	53.3	/	84.1
Equities Risk	/	1.8	/	18.1
Foreign Exchange Risk	/	1.7	/	4.1
Commodities Risk	/	7.1	/	6.4
Option Transactions	/	—	/	—
Internal Models Approach	/	43.2	/	51.2
Operational Risk (Standardized Approach)	/	278.5	/	290.8
Total Required Capital (Consolidated)	¥ /	¥ 4,724.4	¥ /	¥ 5,269.8

Notes: 1. EAD: Exposure at default.

2. PD: Probability of default.

3. LGD: Loss given default.

4. Required capital: For credit risk, the sum of (i) 8% of credit risk-weighted assets, (ii) expected losses and (iii) deduction from capital. For market risk, the market risk equivalent amount. For operational risk, the operational risk equivalent amount.

5. Total required capital (consolidated): 8% of the denominator of the capital adequacy ratio.

6. The major exposures included in each portfolio classification of internal ratings-based approach are as follows:

 Corporate (excluding Specialized Lending): Credit to corporations and sole proprietors (excluding credit to retail customers)

 Corporate (Specialized Lending): Credit that limits interest and principal repayment sources to cash flow derived from specific real estate, chattel, businesses, etc.

 Sovereign: Credit to central governments, central banks and local governmental entities

 Bank: Credits to banks and securities companies, etc.

 Retail: Housing loans (residential mortgage), credit card loans (qualifying revolving retail loans) and other individual consumer loans and loans to business enterprises with total credit amount of less than ¥100 million (other retail), etc.

 Equities, etc.: Capital stock, preferred securities, perpetual subordinated debt, etc. (excluding trading assets)

* The transitional measure applies to those held from September 30, 2004 or earlier, and others are applied either the PD/LGD approach or the market-based approach.

 Regarded-method Exposure: Investment trusts and funds, etc.

 Purchase Receivables: Receivables purchased from third parties excluding securities (excluding securitizations)

 Securitizations: Transactions in the form of "non-recourse" or having a "senior/subordinated structure" (excluding specialized lending)

7. EAD calculated using the standardized approach for credit risk represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs.

● Credit Risk

6. Credit Risk Management

Summary of Credit Risk Management

See pages 57 to 61 for a summary of our credit risk management policies and procedures.

We have adopted the advanced internal ratings-based approach since March 31, 2009 in place of the foundation internal ratings-based approach that we had been using previously to calculate credit risk-weighted assets under Basel II. With regard to some business units or asset classes that are deemed to be immaterial for purposes of calculating credit risk-weighted assets, we apply the standardized approach.

In connection with the adoption of the advanced internal ratings-based approach, we use our estimates of LGD (loss given default), in addition to PD (probability of default). We use these estimates not only to calculate credit risk-weighted assets but also for purposes of internal credit risk measurement and risk capital allocations. In accordance with regulations, we estimate PD by using long-term averages of actual defaults, to which conservative adjustments are made, based on internal data, and make adjustments to LGD in light of recessionary periods. We regularly perform verifications of PD and LGD through back testing and other methods.

Status of Portfolios to which the Standardized Approach is Applied

Eligible external credit assessment institutions used for determining the risk weight for portfolios to which the standardized approach is applied are Rating and Investment Information, Inc. (R&I) in Japan and Standard & Poor's Ratings Services (S&P) overseas.

We apply a 100% risk weight for all of our corporate exposure.

Summary of Our Internal Rating System

See pages 58 to 59 for a summary of our internal rating system and rating assignment procedures.

7. Credit Risk Exposure, etc.

We exclude regarded-method exposure and securitization exposure from the amount of credit risk exposure.

The outstanding balance is based on exposure at default.

No significant difference exists between period-end credit risk position and the average credit risk position during the fiscal years ended March 31, 2009 and 2008.

Status of Credit Risk Exposure

(a) Breakdown by Geographical Area

Billions of yen

As of March 31, 2009	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Domestic	¥ 81,273.6	¥ 24,104.3	¥ 2,533.7	¥ 5,460.4	¥ 113,372.2
Overseas	16,523.9	3,911.3	3,033.5	3,342.4	26,811.3
Asia	2,938.3	451.5	164.3	448.6	4,002.8
Central and South America	1,987.5	148.3	196.8	6.1	2,338.9
North America	6,114.8	2,072.6	943.7	2,010.7	11,142.0
Eastern Europe	80.9	—	0.1	1.3	82.4
Western Europe	4,077.0	1,104.9	1,596.1	809.8	7,587.9
Others	1,325.2	133.9	132.2	65.6	1,657.1
Total	¥ 97,797.6	¥ 28,015.7	¥ 5,567.3	¥ 8,802.8	¥ 140,183.5
Exempt Portion	/	/	/	/	8,775.6

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. Exposure to non-Japanese residents is included in "Overseas."

3. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

Billions of yen

As of March 31, 2008	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Domestic	¥ 70,384.1	¥ 24,070.6	¥ 2,333.3	¥ 5,338.5	¥ 102,126.6
Overseas	16,931.7	6,822.8	3,578.0	1,211.3	28,544.0
Asia	3,199.2	426.1	125.2	457.4	4,208.1
Central and South America	1,721.4	108.0	182.5	7.6	2,019.7
North America	5,659.0	4,237.5	1,204.8	196.7	11,298.1
Eastern Europe	86.1	—	0.3	2.7	89.2
Western Europe	4,669.5	1,862.5	1,984.8	415.0	8,931.9
Others	1,596.3	188.5	80.2	131.5	1,996.7
Total	¥ 87,315.9	¥ 30,893.5	¥ 5,911.3	¥ 6,549.8	¥ 130,670.6
Exempt Portion	/	/	/	/	9,788.6

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. Exposure to non-Japanese residents is included in "Overseas."

3. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

(b) Breakdown by Industry

Billions of yen

As of March 31, 2009	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Manufacturing	¥ 15,472.0	¥ 2,067.8	¥ 694.3	¥ 199.8	¥ 18,434.1
Construction	1,946.9	218.4	22.1	13.9	2,201.4
Real Estate	6,919.1	561.4	57.0	53.1	7,590.7
Service Industries	7,325.7	553.8	249.8	22.8	8,152.2
Wholesale and Retail	8,190.2	590.4	746.8	364.4	9,891.8
Finance and Insurance	10,186.4	1,457.2	3,066.4	1,355.3	16,065.5
Individuals	13,042.1	—	0.3	17.0	13,059.5
Others	12,367.8	4,070.4	724.4	4,957.8	22,120.5
Japanese Government; Bank of Japan	22,347.0	18,495.8	5.8	1,818.5	42,667.3
Total	¥ 97,797.6	¥ 28,015.7	¥ 5,567.3	¥ 8,802.8	¥ 140,183.5
Exempt Portion	/	/	/	/	8,775.6

- Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.
2. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.
3. We partially changed the method of industry breakdown as of March 31, 2009. As a result, ¥384.1 billion was recategorized from "Services Industries" to "Finance and insurance."

Billions of yen

As of March 31, 2008	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Manufacturing	¥ 14,412.7	¥ 2,973.5	¥ 626.9	¥ 275.2	¥ 18,288.4
Construction	1,900.5	201.7	25.0	14.8	2,142.1
Real Estate	7,526.9	604.4	54.1	93.5	8,279.0
Service Industries	7,461.4	538.7	244.8	150.2	8,395.3
Wholesale and Retail	8,356.7	804.4	793.4	447.4	10,402.1
Finance and Insurance	9,922.3	2,284.8	3,656.6	1,778.8	17,642.7
Individuals	12,839.8	—	0.3	18.0	12,858.2
Others	11,756.7	6,778.7	504.9	2,846.0	21,886.5
Japanese Government; Bank of Japan	13,138.4	16,706.8	5.1	925.4	30,775.9
Total	¥ 87,315.9	¥ 30,893.5	¥ 5,911.3	¥ 6,549.8	¥ 130,670.6
Exempt Portion	/	/	/	/	9,788.6

- Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.
2. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

(c) Breakdown by Residual Contractual Maturity

Billions of yen

As of March 31, 2009	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Less than One Year	¥ 34,163.4	¥ 8,750.1	¥ 611.8	¥ 1,424.2	¥ 44,949.7
From One Year to Less than Three Years	14,676.3	7,772.1	2,562.4	37.9	25,048.9
From Three Years to Less than Five Years	11,854.1	3,354.8	1,209.7	8.1	16,426.9
Five Years or More	21,898.0	4,707.3	1,077.0	24.5	27,707.1
Others	15,205.5	3,431.0	106.1	7,307.9	26,050.7
Total	¥ 97,797.6	¥ 28,015.7	¥ 5,567.3	¥ 8,802.8	¥ 140,183.5
Exempt Portion	/	/	/	/	8,775.6

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

Billions of yen

As of March 31, 2008	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Less than One Year	¥ 29,969.0	¥ 9,586.2	¥ 492.3	¥ 1,652.0	¥ 41,699.6
From One Year to Less than Three Years	12,883.0	7,082.8	2,717.9	796.0	23,479.9
From Three Years to Less than Five Years	13,297.5	3,397.0	1,510.3	47.9	18,252.8
Five Years or More	21,922.5	5,810.5	1,074.2	34.1	28,841.4
Others	9,243.6	5,016.7	116.5	4,019.6	18,396.6
Total	¥ 87,315.9	¥ 30,893.5	¥ 5,911.3	¥ 6,549.8	¥ 130,670.6
Exempt Portion	/	/	/	/	9,788.6

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

Status of Exposure Past Due Three Months or More or in Default

(d) Breakdown by Geographical Area

Billions of yen

As of March 31, 2009	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Domestic	¥ 1,763.3	¥ 70.4	¥ 36.1	¥ 70.3	¥ 1,940.3
Overseas	225.5	0.2	2.9	25.9	254.6
Asia	43.5	0.0	0.0	4.6	48.2
Central and South America	0.4	0.0	—	0.0	0.4
North America	50.8	0.2	1.2	16.8	69.2
Eastern Europe	6.8	—	—	0.0	6.8
Western Europe	95.1	—	0.4	4.3	99.9
Others	28.6	—	1.2	0.0	29.9
Total	¥ 1,988.8	¥ 70.7	¥ 39.0	¥ 96.3	¥ 2,194.9
Exempt Portion	/	/	/	/	5.8

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. Exposure to non-Japanese residents is included in "Overseas."

3. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

Billions of yen

As of March 31, 2008	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Domestic	¥ 1,735.2	¥ 187.2	¥ 25.6	¥ 38.7	¥ 1,986.8
Overseas	114.5	0.0	0.3	5.1	120.0
Asia	27.3	0.0	0.0	4.2	31.6
Central and South America	0.1	0.0	—	0.0	0.1
North America	22.5	—	—	0.0	22.5
Eastern Europe	0.5	—	—	—	0.5
Western Europe	58.7	—	0.3	0.7	59.8
Others	5.3	—	—	—	5.3
Total	¥ 1,849.7	¥ 187.2	¥ 26.0	¥ 43.8	¥ 2,106.8
Exempt Portion	/	/	/	/	3.6

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. Exposure to non-Japanese residents is included in "Overseas."

3. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

(e) Breakdown by Industry

Billions of yen

As of March 31, 2009	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Manufacturing	¥ 388.9	¥ 6.6	¥ 6.1	¥ 18.5	¥ 420.2
Construction	129.1	11.3	0.7	2.7	144.0
Real Estate	428.8	2.9	1.1	10.8	443.8
Service Industries	320.7	9.9	3.8	7.2	341.9
Wholesale and Retail	243.5	6.7	14.7	29.5	294.5
Finance and Insurance	56.7	0.8	1.0	19.1	77.6
Individuals	169.4	—	0.0	1.4	170.9
Others	251.3	32.1	11.3	6.7	301.7
Total	¥ 1,988.8	¥ 70.7	¥ 39.0	¥ 96.3	¥ 2,194.9
Exempt Portion	/	/	/	/	5.8

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

3. We partially changed the method of industry breakdown as of March 31, 2009. As a result, ¥15.0 billion was recategorized from "Services Industries" to "Finance and insurance."

Billions of yen

As of March 31, 2008	Loans, commitments and other non-OTC derivative off-balance-sheet exposures	Securities	OTC derivatives	Others	Total
Manufacturing	¥ 246.6	¥ 8.2	¥ 3.7	¥ 10.7	¥ 269.4
Construction	105.8	12.9	1.1	0.9	120.8
Real Estate	298.3	0.5	0.3	0.6	299.9
Service Industries	277.1	4.4	0.8	6.4	288.8
Wholesale and Retail	326.1	9.0	8.5	11.1	354.8
Finance and Insurance	209.7	117.9	2.5	7.0	337.2
Individuals	191.3	—	—	1.5	192.8
Others	194.5	34.0	8.7	5.3	242.8
Total	¥ 1,849.7	¥ 187.2	¥ 26.0	¥ 43.8	¥ 2,106.8
Exempt Portion	/	/	/	/	3.6

Notes: 1. Exempt portion represents the amount before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs, calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit risk-weighted assets.

2. "Others" include deposits, call loans, other debt purchased, money held in trust, foreign exchange assets, other assets, etc.

Status of Reserves for Possible Losses on Loans

(f) Fiscal Year-End Balances of Reserves for Possible Losses on Loans and Changes during the Fiscal Year
 (after Partial Direct Write-Offs)

As of, or for the Fiscal Years ended March 31,		Billions of yen	
		2009	2008
General Reserve for Possible Losses on Loans	Beginning Balance	¥ 510.9	¥ 500.8
	Increase during the Fiscal Year	583.2	510.9
	Decrease during the Fiscal Year	510.9	500.8
	Ending Balance	583.2	510.9
Specific Reserve for Possible Losses on Loans	Beginning Balance	173.4	352.3
	Increase during the Fiscal Year	305.6	173.4
	Decrease during the Fiscal Year	173.4	352.3
	Ending Balance	305.6	173.4
Reserve for Possible Losses on Loans to Restructuring Countries	Beginning Balance	0.0	3.1
	Increase during the Fiscal Year	5.0	0.0
	Decrease during the Fiscal Year	0.0	3.1
	Ending Balance	5.0	0.0
Total	Beginning Balance	¥ 684.4	¥ 856.3
	Increase during the Fiscal Year	889.5	684.4
	Decrease during the Fiscal Year	684.4	856.3
	Ending Balance	889.5	684.4

(g) Specific Reserve for Possible Losses on Loans by Geographical Area and Industry

As of March 31,		Billions of yen		
		2009	2008	Change
Domestic		¥ 218.7	¥ 144.6	¥ 74.0
Manufacturing		16.1	12.0	4.0
Construction		5.4	5.3	0.0
Real Estate		50.2	10.3	39.9
Service Industries		34.6	24.7	9.8
Wholesale and Retail		35.0	24.9	10.1
Finance and Insurance		2.8	4.3	(1.4)
Individuals		60.0	56.8	3.2
Others		14.1	5.9	8.2
Overseas		80.5	24.7	55.7
Exempt Portion		6.4	3.9	2.4
Total		¥ 305.6	¥ 173.4	¥ 132.2

Note: Exempt portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for purposes of calculating credit risk-weighted assets.

As of March 31,		Billions of yen		
		2008	2007	Change
Domestic		¥ 144.6	¥ 332.8	¥ (188.1)
Manufacturing		12.0	15.4	(3.3)
Construction		5.3	3.2	2.1
Real Estate		10.3	11.3	(1.0)
Service Industries		24.7	16.8	7.8
Wholesale and Retail		24.9	21.6	3.2
Finance and Insurance		4.3	178.5	(174.2)
Individuals		56.8	64.6	(7.8)
Others		5.9	20.9	(14.9)
Overseas		24.7	15.9	8.8
Exempt Portion		3.9	3.5	0.3
Total		¥ 173.4	¥ 352.3	¥ (178.8)

Note: Exempt portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for purposes of calculating credit risk-weighted assets.

(h) Write-Offs of Loans by Industry

Billions of yen

For the Fiscal Years ended March 31,	2009	2008
Manufacturing	¥ 32.4	¥ 23.1
Construction	20.8	7.4
Real Estate	86.2	2.7
Service Industries	10.6	13.1
Wholesale and Retail	47.7	35.0
Finance and Insurance	17.5	5.4
Individuals	3.2	2.7
Others	53.0	37.7
Exempt portion	0.6	0.5
Total	¥ 272.3	¥ 128.0

Notes: 1. The above table shows the breakdown of losses on write-offs of loans in our consolidated statement of income.

2. Exempt portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for purposes of calculating credit risk-weighted assets.

3. "Others" include overseas and non-Japanese resident portions.

Status of Exposure to which the Standardized Approach is Applied

(i) Exposure by Risk Weight Category after Applying Credit Risk Mitigation

Billions of yen

As of March 31, 2009		On-balance Sheet	Off-balance Sheet	Total	With external rating
Risk Weight	0%	¥ 701.9	¥ 2,699.7	¥ 3,401.7	¥ 102.2
	10%	29.4	0.0	29.5	—
	20%	439.0	1,827.7	2,266.8	27.9
	35%	0.0	—	0.0	—
	50%	48.6	13.2	61.8	10.5
	100%	2,027.9	987.5	3,015.4	9.5
	150%	0.1	0.0	0.2	0.0
	350%	—	—	—	—
	625%	—	—	—	—
	937.5%	—	—	—	—
	1,250%	—	0.0	0.0	—
Total		¥ 3,247.2	¥ 5,528.4	¥ 8,775.6	¥ 150.4

Notes: 1. The amounts in the above table are before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs.

2. Off-balance-sheet exposure shows credit equivalent amount.

Billions of yen

As of March 31, 2008		On-balance Sheet	Off-balance Sheet	Total	With external rating
Risk Weight	0%	¥ 629.1	¥ 2,946.8	¥ 3,576.0	¥ 71.5
	10%	12.4	—	12.4	—
	20%	644.9	2,137.9	2,782.8	0.6
	35%	0.0	—	0.0	—
	50%	95.8	1.2	97.0	5.9
	100%	2,515.8	804.1	3,319.9	28.5
	150%	0.0	—	0.0	—
	350%	—	—	—	—
	625%	—	—	—	—
	937.5%	—	—	—	—
	1,250%	—	0.0	0.0	—
Total		¥ 3,898.3	¥ 5,890.2	¥ 9,788.6	¥ 106.7

Notes: 1. The amounts in the above table are before the deduction of specific reserve for possible losses on loans, reserve for possible losses on loans to restructuring countries and partial direct write-offs.

2. Off-balance-sheet exposure shows credit equivalent amount.

(j) Deduction from Capital

		Billions of yen	
As of March 31,		2009	2008
Deduction from Capital		¥ 35.8	¥ 29.4

Status of Exposure to which the Internal Ratings-Based Approach is Applied

(k) Specialized Lending Exposure under Supervisory Slotting Criteria by Risk Weight Category

		Billions of yen	
As of March 31,		2009	2008
Risk Weight	50%	¥ 168.7	¥ 180.6
	70%	860.3	809.9
	90%	216.9	219.2
	95%	121.8	99.4
	115%	307.2	291.9
	120%	4.5	5.0
	140%	17.2	2.7
	250%	363.6	279.5
	Default	13.4	8.2
Total		¥ 2,074.0	¥ 1,896.7

(l) Equities Exposure under Simple Risk Weight Method by Risk Weight Category

		Billions of yen	
As of March 31,		2009	2008
Risk Weight	300%	¥ 273.3	¥ 216.0
	400%	58.7	61.5
Total		¥ 332.0	¥ 277.6

Note: Of the equity exposure under the simple risk weight method, 300% risk weight is applied for listed equities and 400% for unlisted equities.

(m) Portfolio by Asset Class and Ratings Segment (Corporate)

Billions of yen

As of March 31, 2009	PD (EAD Weighted Average) (%)	LGD (EAD Weighted Average) (%)	EL Default (EAD Weighted Average) (%)	Risk Weight (EAD Weighted Average) (%)	EAD	On-balance Sheet	Off-balance Sheet	Amount of Undrawn Commitments	Weighted Average of Credit Conversion Factor(%)
Corporate	4.78%	36.19%	/%	50.20%	¥ 57,948.7	¥ 43,672.7	¥ 14,276.0	¥ 10,118.6	75.37%
Investment Grade Zone	0.14	37.30	/	26.40	31,784.8	21,538.5	10,246.2	8,123.3	75.39
Non-investment Grade Zone	3.64	33.26	/	81.96	24,325.2	20,388.1	3,937.1	1,967.5	75.27
Default	100.00	55.69	52.55	41.58	1,838.6	1,745.9	92.6	27.7	76.76
Sovereign	0.01	39.15	/	1.45	54,390.8	38,534.3	15,856.5	81.0	75.00
Investment Grade Zone	0.00	39.15	/	1.22	54,251.4	38,398.7	15,852.6	80.6	75.00
Non-investment Grade Zone	1.59	39.13	/	93.74	139.1	135.3	3.8	0.3	75.00
Default	100.00	45.32	41.17	54.90	0.2	0.2	0.0	—	—
Bank	0.71	38.16	/	29.14	6,709.6	2,508.7	4,200.8	481.6	77.10
Investment Grade Zone	0.11	37.71	/	23.91	6,180.4	2,254.0	3,926.3	419.1	77.41
Non-investment Grade Zone	2.21	40.12	/	93.94	499.3	226.0	273.2	62.4	75.00
Default	100.00	98.61	96.46	28.50	29.8	28.6	1.2	—	—
Equity exposure under PD/LGD approach	3.20	90.00	/	168.11	817.4	817.4	—	—	—
Investment Grade Zone	0.07	90.00	/	119.15	570.2	570.2	—	—	—
Non-investment Grade Zone	2.38	90.00	/	306.34	226.7	226.7	—	—	—
Default	100.00	90.00	90.00	—	20.3	20.3	—	—	—
Total	2.38%	38.01%	/%	27.71%	¥ 119,866.5	¥ 85,533.2	¥ 34,333.3	¥ 10,681.2	75.45%
Investment Grade Zone	0.06	38.73	/	12.08	92,786.8	62,761.6	30,025.2	8,623.1	75.48
Non-investment Grade Zone	3.59	33.94	/	84.28	25,190.5	20,976.3	4,214.2	2,030.3	75.27
Default	100.00	56.73	53.64	40.93	1,889.1	1,795.2	93.9	27.7	76.76

Notes: 1. Investment grade zone includes obligor ratings A1 to B2, non-investment grade zone includes C1 to E2 (excluding E2R), and default includes E2R to H1 (see page 59 for details of obligor ratings).

2. "Corporate" does not include specialized lending exposure under supervisory slotting criteria.

3. Each asset class includes purchased receivables.

4. The commitments that can be terminated at any time without condition or terminated automatically are not included in the amount of undrawn commitments and weighted average of credit conversion factor.

Billions of yen

As of March 31, 2008	PD	LGD	EL Default	Risk Weight	EAD	On-balance Sheet	Off-balance Sheet	Amount of Undrawn Commitments	Weighted Average of Credit Conversion Factor(%)
	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)					
Corporate	4.09%	43.06%	/%	54.17%	¥ 58,585.6	¥ 42,899.7	¥ 15,685.8	¥ /	/%
Investment Grade Zone	0.11	42.95	/	27.07	32,145.2	20,723.9	11,421.2	/	/
Non-investment Grade Zone	2.58	42.99	/	93.22	24,713.9	20,544.0	4,169.8	/	/
Default	100.00	46.28	/	—	1,726.4	1,631.7	94.7	/	/
Sovereign	0.01	44.99	/	1.90	41,795.4	33,095.0	8,700.3	/	/
Investment Grade Zone	0.00	44.99	/	1.63	41,658.4	32,964.6	8,693.7	/	/
Non-investment Grade Zone	1.05	44.98	/	84.33	136.8	130.2	6.6	/	/
Default	100.00	45.00	/	—	0.1	0.1	—	/	/
Bank	0.10	42.13	/	18.41	8,141.6	3,062.4	5,079.2	/	/
Investment Grade Zone	0.07	42.16	/	17.13	7,934.3	2,948.8	4,985.4	/	/
Non-investment Grade Zone	1.05	41.00	/	67.68	206.9	113.1	93.7	/	/
Default	100.00	45.00	/	—	0.3	0.3	—	/	/
Equity exposure under PD/LGD approach	12.93	90.00	/	130.66	1,060.9	1,060.9	—	/	/
Investment Grade Zone	0.06	90.00	/	139.41	864.3	864.3	—	/	/
Non-investment Grade Zone	3.75	90.00	/	291.43	62.1	62.1	—	/	/
Default	100.00	90.00	/	—	134.3	134.3	—	/	/
Total	2.32%	44.19%	/%	32.32%	¥ 109,583.6	¥ 80,118.2	¥ 29,465.4	¥ /	/%
Investment Grade Zone	0.05	44.40	/	14.46	82,602.4	57,501.9	25,100.4	/	/
Non-investment Grade Zone	2.56	43.10	/	93.45	25,119.9	20,849.7	4,270.2	/	/
Default	100.00	49.43	/	—	1,861.2	1,766.5	94.7	/	/

Notes: 1. Investment grade zone includes obligor ratings A1 to B2, non-investment grade zone includes C1 to E2 (excluding E2R), and default includes E2R to H1 (see page 59 for details of obligor ratings).

2. "Corporate" does not include specialized lending exposure under supervisory slotting criteria.

3. Each asset class includes purchased receivables.

(n) Portfolio by Asset Class and Ratings Segment (Retail)

Billions of yen

As of March 31, 2009	PD	LGD	EL Default	Risk Weight	EAD	On-balance Sheet	Off-balance Sheet	Amount of Undrawn Commitments	Weighted Average of Credit Conversion Factor(%)
	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)					
Residential Mortgage	1.99%	41.76%	/%	31.99%	¥ 10,555.5	¥ 10,114.0	¥ 441.5	¥ 11.2	75.00%
Non-default	0.84	41.65	/	31.98	10,433.3	9,997.5	435.7	11.2	75.00
Default	100.00	51.09	48.57	33.17	122.2	116.4	5.7	—	—
Qualifying Revolving Loans (Retail)	3.63	85.54	/	72.67	336.7	234.4	102.2	1,418.2	7.19
Non-default	3.16	85.55	/	72.79	335.1	233.1	102.0	1,415.7	7.19
Default	100.00	84.26	80.40	48.31	1.6	1.3	0.2	2.5	11.39
Other Retail	4.20	57.27	/	58.31	2,252.2	2,225.8	26.3	33.4	68.08
Non-default	1.86	57.36	/	58.89	2,198.6	2,176.0	22.6	29.3	64.89
Default	100.00	53.55	50.89	34.60	53.5	49.7	3.7	4.1	90.88
Total	2.41%	45.54%	/%	37.54%	¥ 13,144.5	¥ 12,574.3	¥ 570.2	¥ 1,462.8	9.11%
Non-default	1.07	45.45	/	37.59	12,967.1	12,406.7	560.4	1,456.2	8.87
Default	100.00	52.14	49.57	33.74	177.3	167.5	9.8	6.6	60.60

Notes: 1. Each asset class includes purchased receivables.

2. The commitments that can be terminated at any time without condition or terminated automatically are not included in the amount of undrawn commitments and weighted average of credit conversion factor.

Billions of yen

As of March 31, 2008	PD	LGD	EL Default	Risk Weight	EAD	On-balance Sheet	Off-balance Sheet	Amount of Undrawn Commitments	Weighted Average of Credit Conversion Factor(%)
	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)	(EAD Weighted Average) (%)					
Residential Mortgage	1.76%	46.35%	/%	36.39%	¥ 10,309.2	¥ 9,814.9	¥ 494.3	¥ 6.1	100.00%
Non-default	0.91	46.29	/	36.29	10,221.2	9,732.4	488.8	6.1	100.00
Default	100.00	53.07	49.42	48.31	87.9	82.4	5.5	—	—
Qualifying Revolving Loans (Retail)	3.42	69.87	/	57.44	329.0	232.8	96.1	1,406.4	6.81
Non-default	2.97	69.83	/	57.44	327.4	231.5	95.8	1,404.2	6.80
Default	100.00	77.70	73.36	57.42	1.5	1.2	0.2	2.2	11.29
Other Retail	4.29	49.23	/	50.72	2,305.5	2,255.8	49.6	58.9	76.58
Non-default	1.79	49.09	/	50.74	2,246.8	2,201.5	45.2	54.4	74.89
Default	100.00	54.62	50.83	50.13	58.7	54.2	4.4	4.5	96.80
Total	2.25%	47.46%	/%	39.48%	¥ 12,943.8	¥ 12,303.6	¥ 640.1	¥ 1,471.5	9.99%
Non-default	1.12	47.39	/	39.37	12,795.5	12,165.6	629.9	1,464.7	9.72
Default	100.00	53.93	50.23	49.13	148.2	138.0	10.1	6.8	68.42

Notes: 1. Each asset class includes purchased receivables.

2. The commitments that can be terminated at any time without condition or terminated automatically are not included in the amount of undrawn commitments and weighted average of credit conversion factor.

(o) Actual Losses by Asset Class

For the Fiscal Years ended March 31,	Billions of yen	
	2009 Actual Losses	2008 Actual Losses
Corporate	¥ 1,137.4	¥ 1,001.0
Sovereign	0.0	0.0
Bank	29.5	0.4
Residential Mortgage	79.9	75.7
Qualifying Revolving Loans (Retail)	6.8	4.7
Other Retail	39.2	41.7
Total	¥ 1,293.1	¥ 1,123.8

- Notes: 1. Actual losses are the sum of tax-qualified direct write-offs, losses from sales of non-performing loans, losses from debt forgiveness, losses from debt-equity swaps, partial direct write-offs during the fiscal year, as well as specific reserves for possible losses on loans, general reserves for possible losses on loans (for claims for special attention and lower), etc., as of the end of the fiscal year.
 2. The data of actual losses by asset class has been accumulated since the fiscal year ended March 31, 2007.
 3. Equity exposure under the PD/LGD approach is not included within the amount of actual losses because losses related thereto are not recorded as a credit-related cost and it is difficult to determine whether the losses are due to credit risk.

<Analysis>

Actual losses increased by ¥169.3 billion from the previous fiscal year to ¥1,293.1 billion in the fiscal year ended March 31, 2009. The increase was due mainly to the increase in losses from exposures to corporations reflecting the increase in the number of corporate bankruptcies as a result of the economic downturn.

(p) Comparison of Estimated and Actual Losses by Asset Class

For the Fiscal Years ended March 31,	Billions of yen					
	2009		2008		2007	
	Estimated Losses	Actual Losses	Estimated Losses	Actual Losses	Estimated Losses	Actual Losses
Corporate	¥ 1,121.0	¥ 1,137.4	¥ 1,086.0	¥ 1,001.0	¥ /	¥ 1,126.5
Sovereign	1.3	0.0	5.4	0.0	/	0.9
Bank	2.9	29.5	6.4	0.4	/	3.8
Residential Mortgage	86.6	79.9	78.2	75.7	/	110.5
Qualifying Revolving Loans (Retail)	7.9	6.8	7.2	4.7	/	4.9
Other Retail	51.9	39.2	52.9	41.7	/	63.1
Total	¥ 1,271.8	¥ 1,293.1	¥ 1,236.5	¥ 1,123.8	¥ /	¥ 1,309.9

- Notes: 1. Estimated losses are expected losses as of March 31, 2009 and March 31, 2008.
 2. We began estimating expected losses by asset class from March 31, 2007.
 3. Actual losses are the sum of tax-qualified direct write-offs, losses from sales of non-performing loans, losses from debt forgiveness, losses from debt-equity swaps, partial direct write-offs during the fiscal year, as well as specific reserves for possible losses on loans, general reserves for possible losses on loans (for claims for special attention and lower), etc., as of the end of the fiscal year.
 4. The data of actual losses by asset class has been accumulated since the fiscal year ended March 31, 2007.
 5. Equity exposure under the PD/LGD approach is not included within the amount of estimated and actual losses because losses related thereto are not recorded as a credit-related cost and it is difficult to determine whether the losses are due to credit risk.

● Methods for Credit Risk Mitigation

8. Risk Management Regarding Credit Risk Mitigation

We obtain collateral and guarantees as a means of securing credit. In obtaining the collateral and guarantees, we evaluate the value of the collateral, guarantee performance capability of guarantor and legal enforceability, and we also conduct periodical subsequent re-evaluations. Furthermore, we monitor the state of concentration of collateral type and concentration of credit risks in individual companies, including indirect credit exposure such as guarantees.

When calculating the credit risk weighted assets for capital adequacy ratio regulations, the effect of credit risk mitigation through financial collateral (mainly deposits and securities), other collateral (mainly real estate) and guarantees by "sovereign, banks or corporations above a certain credit rating" is reflected.

For derivatives transactions and repurchase transactions, in cases in which a bilateral netting contract is valid in light of the legal system of the relevant jurisdiction, we take its effect into consideration.

9. Credit Risk Mitigation by Portfolio Classification

The amounts of exposure to which the method of credit risk mitigation through collateral and guarantees is applied are as follows: Note that, with respect to amounts as of March 31, 2009, with the adoption of the advanced internal ratings-based approach, the items that reflect the effect of credit risk mitigation was partially changed.

Billions of yen

As of March 31, 2009	Financial Collateral	Other Collateral	Guarantees	Credit Derivatives	Total
Internal Ratings-based Approach	¥ 2,480.5	¥ 4,869.5	¥ 5,248.3	¥ 405.1	¥ 13,003.7
Corporate	2,065.8	4,800.5	2,783.0	405.1	10,054.6
Sovereign	0.3	16.4	1,433.2	—	1,450.0
Bank	400.3	0.8	219.8	—	621.0
Retail	13.9	51.7	812.2	—	878.0
Residential Mortgage	—	—	300.0	—	300.0
Qualifying Revolving Loans	—	—	0.9	—	0.9
Other Retail	13.9	51.7	511.3	—	577.0
Others	—	—	—	—	—
Standardized Approach	2,218.2	/	54.5	—	2,272.8
Sovereign	2,107.9	/	28.8	—	2,136.7
Bank	1.9	/	0.0	—	1.9
Corporate	108.3	/	25.7	—	134.1
Residential Mortgage	—	/	—	—	—
Securitized	0.0	/	—	—	0.0
Others	—	/	—	—	—
Total	¥ 4,698.8	¥ 4,869.5	¥ 5,302.9	¥ 405.1	¥ 15,276.5

Billions of yen

As of March 31, 2008	Eligible Financial Collateral	Other Eligible IRB Collateral	Guarantees	Credit Derivatives	Total
Internal Ratings-based Approach	¥ 2,700.0	¥ 4,388.1	¥ 3,486.6	¥ 713.5	¥ 11,288.4
Corporate	2,130.3	4,282.5	1,809.6	693.5	8,916.1
Sovereign	0.2	28.1	624.8	—	653.2
Bank	542.3	7.6	234.7	20.0	804.8
Retail	27.0	69.7	817.4	—	914.2
Residential Mortgage	—	—	328.0	—	328.0
Qualifying Revolving Loans	—	—	1.0	—	1.0
Other Retail	27.0	69.7	488.3	—	585.2
Others	—	—	—	—	—
Standardized Approach	2,508.2	/	94.1	34.2	2,636.6
Sovereign	2,428.8	/	11.6	—	2,440.5
Bank	5.2	/	0.8	—	6.1
Corporate	73.2	/	81.7	34.2	189.2
Residential Mortgage	—	/	—	—	—
Securitized	0.7	/	—	—	0.7
Others	0.0	/	—	—	0.0
Total	¥ 5,208.2	¥ 4,388.1	¥ 3,580.8	¥ 747.8	¥ 13,925.1

Counterparty Risk in Derivatives Transactions and Long-Settlement Transactions

10. Management of Counterparty Risk in Derivatives Transactions and Long-Settlement Transactions

See pages 161 to 162 for a summary of our risk management policy for counterparty risk in derivative transactions, etc.

11. Status of Counterparty Risk in Derivatives Transactions and Long-Settlement Transactions

(a) Status of Derivatives Transactions and Long-Settlement Transactions

Derivative Transactions

As of March 31,	2009			2008		
	Gross Replacement Cost	Gross Add-on	Credit Equivalent Amount	Gross Replacement Cost	Gross Add-on	Credit Equivalent Amount
Foreign Exchange-related Transactions	¥ 3,019.6	¥ 2,201.2	¥ 5,220.9	¥ 2,978.0	¥ 2,222.2	¥ 5,200.3
Interest rate-related Transactions	15,127.0	4,275.4	19,402.5	9,621.1	5,252.5	14,873.7
Gold-related Transactions	0.1	0.0	0.1	0.1	0.0	0.2
Equity-related Transactions	148.6	45.9	194.5	109.2	81.6	190.9
Transactions related to Precious Metals (Other than Gold)	0.4	0.2	0.7	0.5	0.2	0.7
Other Commodity-related Transactions	203.2	130.7	334.0	212.8	114.6	327.5
Credit Derivatives Transactions	499.0	1,101.0	1,600.1	313.6	2,055.5	2,369.2
Subtotal (A)	18,998.2	7,754.8	26,753.0	13,235.7	9,727.0	22,962.8
Effect of Credit Equivalent Amounts Mitigation by Close-out Netting Settlement Contracts (B)	/	/	18,408.6	/	/	14,285.5
Subtotal (C)=(A)+(B)	/	/	8,344.3	/	/	8,677.2
Effect of Credit Risk Mitigation by Collateral (D)	/	/	1,030.6	/	/	926.2
Total (C)+(D)	¥ /	¥ /	¥ 7,313.7	¥ /	¥ /	¥ 7,750.9

Note: The current exposure method is used as the method of calculating credit equivalent amounts.

Long-Settlement Transactions

As of March 31,	2009			2008		
	Gross Replacement Cost	Gross Add-on	Credit Equivalent Amount	Gross Replacement Cost	Gross Add-on	Credit Equivalent Amount
Long-Settlement Transactions	¥ 11.7	¥ 0.5	¥ 12.2	¥ 2.9	¥ 10.6	¥ 13.6

Notes: 1. The current exposure method is used as the method to calculate credit equivalent amounts.

2. Neither the "effect of credit equivalent amounts mitigation by close-out netting settlement contracts" nor the "effect of credit risk mitigation by collateral" applies to long-settlement transactions.

(b) Amounts of Credit Risk Mitigation by Type

		Billions of yen	
As of March 31,		2009	2008
Financial Collateral		¥ 42.2	¥ 47.6
Other Collateral		75.8	63.7
Guarantees, Others		20.2	2.1
Total		¥ 138.2	¥ 113.5

(c) Notional Amount of Credit Derivatives Subject to Credit Equivalent Amount Calculations

		Billions of yen	
As of March 31,		2009	2008
		Notional Amount	Notional Amount
Credit Derivatives Type:			
Credit Default Swap	Bought	¥ 7,796.4	¥ 13,324.6
	Sold	6,962.8	12,314.5
Total Return Swap	Bought	—	—
	Sold	—	—
Total	Bought	¥ 7,796.4	¥ 13,324.6
	Sold	6,962.8	12,314.5

Note: Credit derivatives used for credit risk mitigation are as follows:

		Billions of yen	
As of March 31,		2009	2008
Credit Derivatives Used for Credit Risk Mitigation		¥ 489.6	¥ 956.5

● Securitization Exposure

We classify transactions as securitization exposure based on two characteristics, “non-recourse” and “senior/subordinated structure,” pursuant to the definitions set forth in the Consolidated Capital Adequacy Ratio Notice, etc.; provided that the transactions do not include those which fall within specialized lending exposure.

Disclosed figures on securitization exposure in this section are based on transactions that are subject to the calculation of the amount of credit risk-weighted assets and do not include assets held in our (including our securities company subsidiaries) trading account.

See pages 86 to 95 for the status of our group's securitization products (based on a definition thereof pursuant to our managerial accounting which differs from the definition set forth in the Consolidated Capital Adequacy Ratio Notice, etc.), including those held in our trading account and the status of our overseas ABCP programs, etc.

12. Summary of Securitization Exposure and Its Risk Management

We are associated with securitization transactions from various perspectives and positions. With respect to quantitative information related to (a) to (c) below, see “Quantitative disclosure items for securitization exposure” described beginning from the next page that follows the definition set forth in the Consolidated Capital Adequacy Ratio Notice, etc.

(a) Securitization of Our Assets (“Securitization as Originator”)

For the purposes of mitigating credit concentration risk and controlling economic capital, etc., we engage in securitization transactions (such as synthetic CDOs) of which underlying assets include mortgage loans, exposure to our corporate customers and securitization exposure. When conducting a securitization as originator, we consider various sides of such transaction, including the effects of reduction of economic capital and improvement of return on risk as well as the practical effects of risk transfers, and make a comprehensive judgment on structure and appropriateness of transaction.

(b) Securitization Program (ABCP/ABL) Sponsor

As a means of supporting our customers in their securitization of account receivables and trade notes, etc., held by our customers, we retain securitization exposure by providing the asset-backed loan, or ABL, or providing an asset-backed commercial paper, or ABCP, backup line, as sponsor. In such cases, in addition to gaining firm understanding of the actual risk profile through due diligence from the viewpoint of investors, we apply internal ratings and make evaluations by assessing such transactions and carefully managing the exposure together with other direct loan assets.

(c) Investment in Alternative Credit Risk Assets (“Securitization Transactions as Investor”)

We hold securitization instruments, such as ABS, CMBS, RMBS, and CDO, for the purpose of investing in alternative credit risk assets that are different from conventional credit risk assets in order to diversify our investment portfolio. The Portfolio Management Committee, etc., establish investment limits for securitization transactions as investor, and we maintain a stringent structure for management of such transactions. In addition, we implement stress tests based on scenarios under the market liquidity depletion and sharp price declines.

In addition, we undertake various securitization program arrangements such as ABL, ABCP and trust schemes, etc., as a means of financing for our customers. We endeavor to understand the actual risk profile, including the underlying assets, and to disclose appropriately the risks and terms of the program to the investing customer.

Furthermore, we actively act as servicer for securitization transactions, offer settlement account facilities (servicer cash advance) and provide interest rate swaps to securitization conduits.

We conduct credit risk measurements on all credit transactions, including securitization transactions, and carry out periodic monitoring on investment balance and performance on securitization transactions, etc., and report results to our Portfolio Management Committee, etc.

Status of Response to Basel II

In calculating credit risk-weighted assets of securitization exposure under the internal ratings-based approach, we apply the ratings-based approach ("RBA") if the asset has a rating obtained from eligible external credit assessment institutions and apply the supervisory formula approach ("SF") in other cases pursuant to Consolidated Capital Adequacy Ratio Notice. We deduct securitization exposure from our capital when neither RBA nor SF can be applied.

In addition, in calculating credit risk-weighted assets of securitization exposure under the standardized approach, we calculate based on risk weight according to ratings by eligible external credit assessment institutions and weighted average risk weight of underlying assets.

As for the eligible external credit assessment institutions, we refer to Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service (Moody's), Standard & Poor's (S&P) and Fitch Ratings, Ltd. in determining securitization exposure risk weight (We do not separately designate eligible external credit assessment institutions for each type of securitization exposure).

13. Accounting Policies for Securitization Transactions

The point at which financial assets and liabilities relating to securitization transactions begin or cease to be recognized, their evaluation and accounting treatment are pursuant to Business Accounting Standards No.10, "Accounting Standards Relating to Financial Products" (Business Accounting Deliberation Council, January 22, 1999).

In addition, in consideration of global convergence of accounting standards, we conduct valuations based on market price or other reasonably calculated price (such as a price quoted by a broker or an information vender) unless valuation is extremely difficult in practice. With respect to the credit investments in securitization products made as an alternative to loans by the European and North American offices of domestic consolidated banking subsidiaries, we had previously applied as fair value the valuations obtained from brokers and information vendors based on our determination that such valuations constitute reasonably calculated prices that can be used as a proxy for market prices. Given the current situation in which the volume of actual transactions is extremely limited and there exists a considerable gap between the offers and bids of sellers and buyers, we determined that valuations obtained from brokers and information vendors cannot be deemed to be the fair value, and we applied reasonably calculated prices based on the reasonable estimates of our management as fair value. In deriving reasonably calculated prices based on the reasonable estimates of our management, we used the Discounted Cash Flow Method, and the price decision variables include default rates, recovery rates, pre-payment rates and discount rates.

Furthermore, we apply appropriate accounting treatment on compound financial products based on "Report on Auditing Securitized Instruments" announced by the Japanese Institute of Certified Public Accountants on March 26, 2008.

14. Quantitative Disclosure Items for Securitization Exposure

Securitization Exposure as Originator

(a) Information by Type of Underlying Assets

	Billions of yen							
As of, or For the Fiscal Year ended, March 31, 2009	Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Securitization Products	Total
Conventional Securitizations								
Amount of Underlying Assets (a)	¥ —	¥ 271.9	¥ —	¥ —	¥ 14.8	¥ 5.4	¥ —	¥ 292.3
<i>Default Exposure</i>	—	2.6	—	—	1.3	—	—	4.0
Losses during the Fiscal Year	—	0.5	—	—	0.1	—	—	0.6
Amount of Exposures Securitized during the Fiscal Year	—	—	—	—	—	—	—	—
Gains and Losses Recognized on Sales during the Fiscal Year	—	—	—	—	—	—	—	—
Securitization Subject to Early Amortization Treatment	—	—	—	—	—	—	—	—
Synthetic Securitizations								
Amount of Underlying Assets (b)	—	—	—	—	832.6	20.2	—	852.9
<i>Default Exposure</i>	—	—	—	—	—	—	—	—
Losses during the Fiscal Year	—	—	—	—	—	—	—	—
Amount of Exposures Securitized during the Fiscal Year	—	—	—	—	580.6	20.2	—	600.9
Total Amount of Underlying Assets (a)+(b)	¥ —	¥ 271.9	¥ —	¥ —	¥ 847.5	¥ 25.7	¥ —	¥1,145.2

Notes: 1. Items that refer to "during the fiscal year" show amounts accumulated during the fiscal year ended March 31, 2009.

2. "Amount of underlying assets" and "Losses during the fiscal year" include those related to, in addition to exposure originated by us, exposure to assets originated by other financial institutions if they are contained in the same securitization program.

3. "Default exposure" and "Losses during the fiscal year" with respect to synthetic securitization transactions are based on the definition of default as set forth in the respective transactions.

4. Classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction.

5. "Credit cards" include shopping credit receivables, card loans, etc.

6. The risk mitigating effects, in the context of calculating capital adequacy ratio, of transfers (hedges) of risk through synthetic securitization transactions are reflected in "Required capital" of "(B) Information of securitization exposure retained or purchased."

7. Of the securitization exposure retained or purchased whose risk has been transferred (hedged) through securitization schemes, we have categorized as securitization exposure as investor if the risk transfer (hedge) effects are not reflected in the calculation of capital adequacy ratio, following the definition for classification of securitization exposure set forth in the Consolidated Capital Adequacy Ratio Notice, etc. In making such categorization, classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction, and transactions that are difficult to classify are included under "Others."

Billions of yen

As of, or For the Fiscal Year ended, March 31, 2008	Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Securitization Products	Total
Conventional Securitizations								
Amount of Underlying Assets (a)	¥ —	¥ 313.0	¥ —	¥ —	¥ 27.8	¥ 22.1	¥ —	¥ 363.0
<i>Default Exposure</i>	—	2.4	—	—	1.4	—	—	3.8
Losses during the Fiscal Year	—	0.9	—	—	0.2	—	—	1.2
Amount of Exposures Securitized during the Fiscal Year	—	—	—	—	—	—	—	—
Gains and Losses Recognized on Sales during the Fiscal Year	—	—	—	—	—	—	—	—
Securitization Subject to Early Amortization Treatment	—	—	—	—	—	—	—	—
Synthetic Securitizations								
Amount of Underlying Assets (b)	—	—	—	—	776.3	—	269.5	1,045.8
<i>Default Exposure</i>	—	—	—	—	—	—	—	—
Losses during the Fiscal Year	—	—	—	—	—	—	—	—
Amount of Exposures Securitized during the Fiscal Year	—	—	—	—	329.1	—	22.9	352.0
Total Amount of Underlying Assets (a)+(b)	¥ —	¥ 313.0	¥ —	¥ —	¥ 804.1	¥ 22.1	¥ 269.5	¥ 1,408.9

Notes: 1. Items that refer to "during the fiscal year" show amounts accumulated during the fiscal year ended March 31, 2008.

- "Amount of underlying assets" and "Losses during the fiscal year" include those related to, in addition to exposure originated by us, exposure to assets originated by other financial institutions if they are contained in the same securitization program.
- "Default exposure" and "Losses during the fiscal year" with respect to synthetic securitization transactions are based on the definition of default as set forth in the respective transactions.
- Classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction.
- "Credit cards" include shopping credit receivables, card loans, etc.
- The risk mitigating effects, in the context of calculating capital adequacy ratio, of transfers (hedges) of risk through synthetic securitization transactions are reflected in "Required capital" of "(B) Information of securitization exposure retained or purchased."
- Of ¥269.5 billion in synthetic securitization transactions with underlying assets classified as "Securitization products," the underlying assets of such securitization products that are subject to transfers (hedges) of risk consist mainly of "residential mortgage loans" and also include "real estate" and "corporate loans," etc.

(b) Information of Securitization Exposure Retained or Purchased

Exposure by Risk Weight Category and Underlying Asset Type and Amount of Required Capital

As of March 31, 2009		Billions of yen							Required Capital	
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Securitized Products	Total	
Risk Weight	Up to 20%	¥ —	¥ —	¥ —	¥ —	¥ 785.1	¥ —	¥ —	¥ 785.1	¥ 6.1
	Up to 50%	—	—	—	—	9.6	14.1	—	23.8	0.7
	Up to 100%	—	—	—	—	—	1.5	—	1.5	0.0
	Up to 250%	—	41.2	—	—	—	—	—	41.2	3.4
	Up to 650%	—	—	—	—	17.8	—	—	17.8	0.0
	Over 650%	—	—	—	—	17.5	3.0	—	20.5	2.0
Deduction from Capital		—	0.0	—	—	5.3	3.0	—	8.3	3.4
Total		¥ —	¥ 41.3	¥ —	¥ —	¥ 835.5	¥ 21.8	¥ —	¥ 898.6	¥ 16.1

As of March 31, 2008		Billions of yen							Required Capital	
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Securitized Products	Total	
Risk Weight	Up to 20%	¥ —	¥ —	¥ —	¥ —	¥ 733.2	¥ 3.0	¥ 256.9	¥ 993.2	¥ 6.4
	Up to 50%	—	—	—	—	—	—	—	—	—
	Up to 100%	—	—	—	—	—	—	—	—	—
	Up to 250%	—	42.8	—	—	5.6	—	—	48.4	5.7
	Up to 650%	—	—	—	—	3.7	—	11.9	15.6	0.3
	Over 650%	—	—	—	—	19.9	—	—	19.9	4.5
Deduction from Capital		—	0.0	—	—	17.1	—	0.7	17.8	13.1
Total		¥ —	¥ 42.8	¥ —	¥ —	¥ 779.6	¥ 3.0	¥ 269.5	¥ 1,095.1	¥ 30.2

Capital Increase Due to Securitization Transactions

As of March 31, 2009		Billions of yen							Total
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Securitized Products	
Capital Increase due to Securitization Transactions		¥ —	¥ 7.8	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 7.8

As of March 31, 2008		Billions of yen							Total
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Securitized Products	
Capital Increase due to Securitization Transactions		¥ —	¥ 9.3	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 9.3

Credit Risk-Weighted Assets Calculated Pursuant to Article 15 of Supplementary Provisions of the FSA Capital Adequacy Ratio Notice

As of March 31,		Billions of yen	
		2009	2008
Credit Risk-weighted Assets Calculated Pursuant to Article 15 of Supplementary Provisions of the FSA Capital Adequacy Ratio Notice		¥ —	¥ —

Securitization Exposure as Sponsor of Securitization Programs (ABCP/ABL)

(c) Information by Type of Underlying Assets

Billions of yen

As of, or For the Fiscal Year ended, March 31, 2009	Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Account and Note Receivables	Real Estate	Others	Total
Amount of Underlying Assets	¥ 171.0	¥ —	¥ 135.2	¥ 401.5	¥ 650.6	¥ —	¥ 86.4	¥ 1,444.9
<i>Default Exposure</i>	—	—	—	0.5	2.5	—	0.0	3.1
Estimated Loss Amount related to Underlying Assets	4.2	—	2.9	2.8	10.8	—	3.1	24.0
Amount of Exposures Securitized during the Fiscal Year	¥ 1,083.4	¥ —	¥ 1,018.4	¥ 2,696.8	¥ 3,769.2	¥ —	¥ 638.9	¥ 9,207.0

- Notes: 1. Items that refer to “during the fiscal year” show amounts accumulated during the fiscal year ended March 31, 2009.
2. Securitization exposure that is acquired in securitization of customer's claims other than as sponsor (in the form of asset-backed securities, trust beneficiary rights and other transferable instruments) is categorized as securitization exposure as investor.
3. The amount of default exposure is the amount of the underlying assets recognized as default in the calculation of capital adequacy ratio.
4. Estimated loss amount related to underlying assets is based on the amount of the underlying assets as of the relevant date and the following parameters that are used in the calculation of capital adequacy ratio:
- parameters used in the calculation of required capital for an underlying asset when applying the supervisory formula (e.g., PD); and
 - with respect to underlying assets classified as securitization exposure, the conservative application of risk weights used in the ratings-based approach.
5. Classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction. Transactions that are difficult to classify are included under “Others.”
6. “Credit cards” include shopping credit receivables, card loans, etc.

Billions of yen

As of, or For the Fiscal Year ended, March 31, 2008	Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Account and Note Receivables	Real Estate	Others	Total
Amount of Underlying Assets	¥ 180.9	¥ —	¥ 110.9	¥ 298.8	¥ 722.9	¥ —	¥ 52.3	¥ 1,366.0
<i>Default Exposure</i>	—	—	—	8.5	9.5	—	—	18.0
Estimated Loss Amount related to Underlying Assets	8.6	—	0.3	5.0	22.6	—	6.2	42.9
Amount of Exposures Securitized during the Fiscal Year	¥ 504.6	¥ 131.5	¥ 652.2	¥ 2,363.2	¥ 3,020.7	¥ —	¥ 362.3	¥ 7,034.8

- Notes: 1. Items that refer to “during the fiscal year” show amounts accumulated during the fiscal year ended March 31, 2008.
2. Securitization exposure that is acquired in securitization of customer's claims other than as sponsor (in the form of asset-backed securities, trust beneficiary rights and other transferable instruments) is categorized as securitization exposure as investor.
3. The amount of default exposure is the amount of the underlying assets recognized as default in the calculation of capital adequacy ratio.
4. Estimated loss amount related to underlying assets is based on the amount of the underlying assets as of the relevant date and the following parameters that are used in the calculation of capital adequacy ratio:
- parameters used in the calculation of required capital for an underlying asset when applying the supervisory formula (e.g., PD); and
 - with respect to underlying assets classified as securitization exposure, the conservative application of risk weights used in the ratings-based approach.
5. Classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction. Transactions that are difficult to classify are included under “Others.”
6. “Credit cards” include shopping credit receivables, card loans, etc.
7. Of “Amount of exposures securitized during the fiscal year,” a securitization product in the amount of ¥131.5 billion classified as “Residential mortgage loans” was acquired as a substitution payment of loans provided by Mizuho Corporate Bank, Ltd. to its sponsoring overseas ABCP conduit. As we consolidated a special purpose company that issued such acquired securitization product as of the end of the fiscal year, we include the securitization exposure held by such special purpose company in “Securitization exposure as investor.”

(d) Information of Securitization Exposure Retained or Purchased

Exposure by Risk Weight Category and Underlying Asset Type and Amount of Required Capital

As of March 31, 2009		Billions of yen							Required Capital	
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Account and Note Receivables	Real Estate	Others	Total	
Risk Weight	Up to 20%	¥ 143.3	¥ —	¥ 97.8	¥ 384.9	¥ 559.0	¥ —	¥ 81.2	¥ 1,266.3	¥ 8.3
	Up to 50%	30.0	—	—	4.4	17.4	—	2.2	54.1	1.3
	Up to 100%	11.4	—	—	7.8	0.5	—	8.4	28.3	1.7
	Up to 250%	0.7	—	30.4	—	1.4	—	—	32.5	3.3
	Up to 650%	—	—	—	—	22.5	—	—	22.5	6.3
	Over 650%	—	—	—	—	—	—	—	—	—
Deduction from Capital		—	—	—	—	—	—	—	—	—
Total		¥ 185.5	¥ —	¥ 128.2	¥ 397.2	¥ 601.0	¥ —	¥ 92.0	¥ 1,404.0	¥ 21.0
Exposure whose Underlying Assets are Foreign Assets		78.8	—	—	21.6	56.0	—	77.0	233.4	/

- Notes: 1. Securitization exposure retained or purchased includes unused portions of securitization programs that are subject to allocation of required capital.
 2. The classification of transactions of which the underlying assets are foreign assets is conducted according to the principal underlying assets of each transaction.

As of March 31, 2008		Billions of yen							Required Capital	
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Account and Note Receivables	Real Estate	Others	Total	
Risk Weight	Up to 20%	¥ 27.4	¥ —	¥ 13.6	¥ 177.6	¥ 436.4	¥ —	¥ 39.0	¥ 694.2	¥ 5.2
	Up to 50%	—	—	30.0	65.9	30.5	—	15.7	142.2	4.4
	Up to 100%	11.7	—	64.7	27.8	174.7	—	1.2	280.3	15.4
	Up to 250%	159.3	—	—	—	31.8	—	—	191.1	25.0
	Up to 650%	—	—	0.7	—	4.5	—	—	5.3	2.5
	Over 650%	31.3	—	—	—	—	—	—	31.3	22.1
Deduction from Capital		—	—	—	—	—	—	—	—	—
Total		¥ 229.7	¥ —	¥ 109.1	¥ 271.4	¥ 678.0	¥ —	¥ 56.0	¥ 1,344.5	¥ 74.8
Exposure whose Underlying Assets are Foreign Assets		165.4	—	—	57.4	79.7	—	46.0	348.7	/

- Notes: 1. Securitization exposure retained or purchased includes unused portions of securitization programs that are subject to allocation of required capital.
 2. The classification of transactions of which the underlying assets are foreign assets is conducted according to the principal underlying assets of each transaction.

Credit Risk-Weighted Assets Calculated Pursuant to Article 15 of Supplementary Provisions of the FSA Capital Adequacy Ratio Notice

As of March 31,		Billions of yen	
		2009	2008
Credit Risk-weighted Assets Calculated Pursuant to Article 15 of Supplementary Provisions of the FSA Capital Adequacy Ratio Notice		¥ —	¥ —

Securitization Exposure as Investor

(e) Information of Securitization Exposure Retained or Purchased

Exposure by Risk Weight Category and Underlying Asset Type and Amount of Required Capital

As of March 31, 2009									Billions of yen	
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Others	Total	Required Capital
Risk Weight	Up to 20%	¥ 60.4	¥ 1,347.2	¥ 329.6	¥ 295.1	¥ 299.0	¥ 576.2	¥ 135.0	¥ 3,042.8	¥ 29.5
	Up to 50%	—	14.1	—	2.7	38.7	150.8	11.2	217.7	5.8
	Up to 100%	5.9	21.3	0.1	0.9	11.6	17.8	1.0	58.9	3.8
	Up to 250%	—	0.9	—	—	0.9	—	—	1.9	0.3
	Up to 650%	—	1.3	—	—	2.3	0.2	0.0	3.9	1.6
	Over 650%	—	—	—	—	—	—	—	—	—
Deduction from Capital		—	3.9	—	—	13.7	28.5	8.1	54.3	37.9
Total		¥ 66.4	¥ 1,388.9	¥ 329.7	¥ 298.7	¥ 366.4	¥ 773.6	¥ 155.6	¥ 3,379.7	¥ 79.2
Exposure whose Underlying Assets are Foreign Assets		23.6	193.8	53.4	18.3	254.7	54.7	16.9	615.8	/
Exposure on Resecuritizations		—	0.3	—	—	8.0	0.0	3.1	11.5	/

- Notes: 1. Subordinated contributions for managed collateralized loan obligations ("CLO"), etc., are included in the above table as exposure as investor even when the assets underlying those CLOs, etc., include exposures that were originated by us. Our subordinated contributions for those managed CLOs, etc., were ¥6.5 billion (treated as deduction from capital for purpose of capital adequacy ratio calculation), and our sale of assets to such managed CLOs, etc., during the fiscal year was ¥0.8 billion.
2. Classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction. Transactions that are difficult to classify are included under "Others."
3. "Credit cards" include shopping credit receivables, card loans, etc.
4. The classification of transactions of which the underlying assets are foreign assets is conducted according to the principal underlying assets of each transaction.
5. Securitization exposure retained or purchased whose risk transfer (hedge) effects are reflected in the calculation of capital adequacy ratio is categorized as securitization exposure as originator.
6. Securitization exposure as investor includes ¥45.4 billion liquidity facilities that we provide to ABCP programs sponsored by other companies. Note that such transactions are not included in the amounts disclosed in pages 86 to 95.
7. We classify securitization products whose underlying assets are securitization products such as ABS, etc. (e.g., ABS CDO) as "resecuritizations."

Status of Capital Adequacy
Status of Consolidated Capital Adequacy of Mizuho Financial Group, Inc.

As of March 31, 2008		Billions of yen								Required Capital
		Credit Cards	Residential Mortgage Loans	Auto Loans	Lease Payment Receivables	Corporate	Real Estate	Others	Total	
Risk Weight	Up to 20%	¥ 126.4	¥ 1,626.8	¥ 318.7	¥ 428.1	¥ 355.5	¥ 629.1	¥ 187.0	¥ 3,671.9	¥ 35.1
	Up to 50%	1.9	17.2	—	16.9	55.1	166.1	10.7	268.3	7.3
	Up to 100%	56.1	18.9	0.3	4.0	2.3	23.9	3.5	109.4	6.9
	Up to 250%	—	—	—	2.5	0.2	—	—	2.7	0.2
	Up to 650%	—	1.3	—	—	—	—	—	1.3	0.3
	Over 650%	—	—	—	—	—	—	—	—	—
Deduction from Capital		—	13.3	—	—	16.8	20.6	7.7	58.5	35.8
Total		¥ 184.6	¥ 1,677.8	¥ 319.0	¥ 451.6	¥ 430.1	¥ 839.8	¥ 209.1	¥ 4,112.3	¥ 85.8
Exposure whose Underlying Assets are Foreign Assets		98.5	198.3	81.3	42.7	296.0	44.7	21.4	783.2	/
Exposure on Resecuritizations		—	13.9	—	—	8.3	2.3	3.7	28.3	/

- Notes: 1. Subordinated contributions for managed collateralized loan obligations (“CLO”), etc., are included in the above table as exposure as investor even when the assets underlying those CLOs, etc., include exposures that were originated by us. Our subordinated contributions for those managed CLOs, etc., were ¥8.0 billion (treated as deduction from capital for purpose of capital adequacy ratio calculation), and our sale of assets to such managed CLOs, etc., during the fiscal year was ¥14.4 billion.
2. Classification based on type of underlying assets is conducted according to the principal underlying asset type for each transaction. Transactions that are difficult to classify are included under “Others.”
3. “Credit cards” include shopping credit receivables, card loans, etc.
4. The classification of transactions of which the underlying assets are foreign assets is conducted according to the principal underlying assets of each transaction.
5. Securitization exposure retained or purchased whose risk transfer (hedge) effects are reflected in the calculation of capital adequacy ratio is categorized as securitization exposure as originator.
6. Securitization exposure as investor includes ¥85.9 billion liquidity facilities that we provide to ABCP programs sponsored by other companies.
7. We classify securitization products whose underlying assets are securitization products such as ABS, etc. (e.g., ABS CDO) as “resecuritizations.”

Credit Risk-Weighted Assets Calculated Pursuant to Article 15 of Supplementary Provisions of the FSA Capital Adequacy Ratio Notice

As of March 31,		Billions of yen			
		2009		2008	
Credit Risk-weighted Assets Calculated Pursuant to Article 15 of Supplementary Provisions of the FSA Capital Adequacy Ratio Notice		¥	—	¥	—

Note that, in addition to the above, within the provision of credit in the form of eligible servicer cash advance, set forth in Article 246 of the Notice, there was an undrawn portion to which no required capital is allocated.

The balances of such portion as of March 31, 2009 and 2008 were ¥28.3 billion and ¥39.1 billion, respectively.

● Market Risk

See pages 61 to 66 for information regarding market risk.

● Operational Risk

See pages 66 to 67 for information regarding operational risk.

● Equity Exposure in Banking Book

15. Risk Management Related to Equity Exposure in Banking Book

With regard to equities in our banking book, we manage default risk through our credit risk management structure and price fluctuation risk through our market risk management structure.

With regard to subsidiaries and related companies in which we invest, we manage their risks on a consolidated basis, and manage them appropriately in accordance with their management classification.

In addition, securities, a part of equity exposure, are valued as follows: Japanese stocks with quoted market prices are valued based on the average quoted market price over the month preceding the consolidated balance sheet date; other securities which have readily determinable fair values are valued at the quoted market price if available, or otherwise based on their reasonable value at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method); and other securities which do not have readily determinable fair values are stated at acquisition cost or amortized cost as determined by the moving average method.

16. Status of Equity Exposure in Banking Book

(a) Amounts Stated in Consolidated Balance Sheet

As of March 31,	2009		2008		Billions of yen
	Consolidated Balance Sheet Amount	Fair Value	Consolidated Balance Sheet Amount	Fair Value	
Exposure of Listed Stock, etc.	¥ 2,625.2	¥ 2,625.2	¥ 4,178.6	¥ 4,178.6	
Other Equity Exposure	461.3	/	559.6	/	
Total	¥ 3,086.6	¥ /	¥ 4,738.3	¥ /	

Note: The above figures include only Japanese and foreign stocks.

(b) Gains and Losses on Sales Related to Equity Exposure

For the Fiscal Years ended March 31,	2009			2008			Billions of yen
	Gains and Losses on Sales	Gains on Sales	Losses on Sales	Gains and Losses on Sales	Gains on Sales	Losses on Sales	
Sale of Equity Exposure	¥ 53.7	¥ 100.2	¥ 46.5	¥ 335.0	¥ 343.9	¥ 8.8	

Note: The above figures represent gains and losses on sales of stocks in our consolidated statement of income.

(c) Gains and Losses from Write-Offs Related to Equity Exposure

	Billions of yen	
	2009	2008
For the Fiscal Years ended March 31,	Gains and Losses from Write-offs	Gains and Losses from Write-offs
Write-offs of Equity Exposure	¥ (482.1)	¥ (102.6)

Note: The above figures represent gains and losses on devaluation of stocks in our consolidated statement of income.

(d) Unrealized Gains and Losses Recognized in the Consolidated Balance Sheet and Not Recognized in the Consolidated Statement of Income

	Billions of yen					
	2009			2008		
As of March 31,	Net Unrealized Gains	Unrealized Gains	Unrealized Losses	Net Unrealized Gains	Unrealized Gains	Unrealized Losses
Equity exposure	¥ (178.6)	¥ 290.5	¥ 469.2	¥ 986.6	¥ 1,200.6	¥ 213.9

Note: The above figures include only Japanese and foreign stocks.

(e) Unrealized Gains and Losses Not Recognized in the Consolidated Balance Sheet or in the Consolidated Statement of Income

None as of March 31, 2009 and 2008.

(f) Equity Exposure by Portfolio Classification

	Billions of yen	
As of March 31,	2009	2008
PD/LGD Approach	¥ 817.4	¥ 1,060.9
Market-based Method (Simple Risk Weight Method)	332.0	277.6
Market-based Method (Internal Models Approach)	—	—
Transitional Measure Applied	2,389.5	3,748.2
Total	¥ 3,538.9	¥ 5,086.8