For Immediate Release: May 23, 2005

Consolidated Financial Statements for Fiscal 2004

Company name: **Mizuho Financial Group, Inc. ("MHFG")**

Stock code number: 8411
Stock Exchanges: Tokyo Stock Exchange (First Section), Osaka Securities Exchange (First Section)
URL: http://www.mizuho-fg.co.jp/english/
Address: 5-5 Otemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan
Representative: Name: Terunobu Maeda
Title: President & CEO
For inquiry: Name: Tsunenori Suzuk
Title: General Manager, Accounting Department
Phone: 03-5224-2030

Meeting of Board of Directors for Financial Results: May 23, 2005
Trading Accounts : Established
US GAAP : Not applied

1. Financial Highlights for Fiscal 2004 (for the year ended March 31, 2005)

(1) Consolidated Operating Results

Amounts less than one million yen are rounded down.

	Ordinary Income		Ordinary Profits		Net Income	
	\ million	%	\ million	%	\ million	%
Fiscal 2004	3,039,186	*(5.0)*	657,459	*(26.7)*	627,383	*54.2*
Fiscal 2003	3,200,626	*(6.9)*	896,486	—	406,982	—

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock	Net Income on Equity	Ordinary Profits to Total Assets	Ordinary Profits to Operating Income
	¥	¥	%	%	%
Fiscal 2004	54,625.61	37,719.13	54.4	0.5	21.6
Fiscal 2003	36,153.27	18,754.94	135.3	0.7	28.0

Notes: 1.Equity in Earnings from Investments in Affiliates :
Fiscal 2004 ¥1,429 million, Fiscal 2003 ¥1,761million
2. Average Outstanding Shares of Common Stock (consolidated basis) :
Fiscal 2004 10,790,947 shares, Fiscal 2003 10,096,240 shares
3. Change in Accounting Method: Yes
4. Percentage figures in Ordinary Income, Ordinary Profits, and Net Income represent changes in the respective accounts compared to the previous year.

(2) Consolidated Financial Conditions

	Total Assets	Total Shareholders' Equity	Total Shareholders' Equity to Total Assets	Total Shareholders' Equity per Share of Common Stock	Consolidated Capital Adequacy Ratio (BIS)
	\ million	\ million	%	¥	%
Fiscal 2004	143,076,236	3,905,726	2.7	131,016.16	11.91*
Fiscal 2003	137,750,091	3,644,396	2.6	61,980.34	11.35

Note: Outstanding Shares of Common Stock at the End of Year (consolidated basis) : * Preliminary
As of March 31, 2005 10,845,801 shares, As of March 31, 2004 10,769,480 shares

(3) Conditions of Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Year
	\ million	\ million	\ million	\ million
Fiscal 2004	4,418,011	(3,788,105)	(557,729)	5,602,062
Fiscal 2003	6,014,942	(7,402,213)	(130,994)	5,529,664

(4) Scope of Consolidation and Application of the Equity Method

Number of consolidated subsidiaries: 118, Number of non-consolidated subsidiaries under the equity method: -,
Number of affiliates under the equity method: 20

(5) Change in Scope of Consolidation and Application of the Equity Method

(Consolidation) Newly Consolidated: 4, Excluded: 4, (Equity Method) Newly Applied: 3, Excluded: 11

2. Earnings Estimates for Fiscal 2005 (for the year ending March 31, 2006)

	Ordinary Income	Ordinary Profits	Net Income
	\ million	\ million	\ million
First Half of Fiscal 2005	1,450,000	380,000	220,000
Fiscal 2005	3,000,000	860,000	500,000

Reference: Net Income per Share of Common Stock (Fiscal 2005 estimate): ¥42,604.36

Above estimates are based on information, which is available at this moment, and assumptions of uncertain factors, which may have an influence on future operating results. Actual results may differ materially from these estimates, depending on future events.

Number of Shares

	Fiscal 2004		Fiscal 2003	
	Average Outstanding Shares	Year-end Outstanding Shares	Average Outstanding Shares	Year-end Outstanding Shares
Common Stock	10,790,947	10,845,801	10,096,240	10,769,480
First series Class Ⅰ Preferred Stock	13,742	-	33,000	33,000
Second series Class Ⅱ Preferred Stock	97,356	61,400	100,000	100,000
Third series Class Ⅲ Preferred Stock	100,000	100,000	100,000	100,000
Fourth series Class Ⅳ Preferred Stock	150,000	150,000	150,000	150,000
Sixth series Class Ⅵ Preferred Stock	150,000	150,000	150,000	150,000
Seventh series Class VII Preferred Stock	125,000	125,000	125,000	125,000
Eighth series Class VIII Preferred Stock	120,500	59,300	125,000	125,000
Ninth series Class Ⅸ Preferred Stock	75,298	-	140,000	140,000
Tenth series Class Ⅹ Preferred Stock	140,000	140,000	140,000	140,000
Eleventh series Class XI Preferred Stock	943,740	943,740	943,740	943,740
Twelfth series Class XI Preferred Stock	3,947	-	53,535	5,500
Thirteenth series Class XIII Preferred Stock	36,690	36,690	36,690	36,690

Note: 1. Minimum Shares for Trading for Common and Preferred Stock : 1 share

2. Treasury Stock is excluded from Number of Outstanding Shares.

3. Increase in Number of Common Stock is due to the conversion of 5,500 shares of Twelfth series Class XI Preferred Stock.

4. Decrease in stocks below is due to repurchase and cancellation. (in shares)

Stocks	Repurchase	Repurchase & Cancellation	
			Acquisition (\million)
First series Class Ⅰ Preferred Stock	-	33,000	59,489
Second series Class Ⅱ Preferred Stock	38,600	-	-
Eighth series Class Ⅷ Preferred Stock	65,700	-	-
Ninth series Class Ⅸ Preferred Stock	33,000	107,000	180,482

Formulae for indices - Financial Highlights for Fiscal 2004

Net Income per Share of Common Stock

$$\frac{\text{Net Income - Amount Not Available to Common Shareholders (*1)}}{\text{Average Outstanding Shares of Common Stock (*2)}}$$

Diluted Net Income per Share of Common Stock

$$\frac{\text{Net Income - Amount Not Available to Common Shareholders (*1) + Adjustments}}{\text{Average Outstanding Shares of Common Stock(*2) + Increasing Shares of Common Stock for Dilutive Securities (*3)}}$$

Net Income on Equity

$$\frac{\text{Net Income -Amount Not Available to Common Shareholders (*1)}}{\begin{array}{c}\text{[(Total Shareholders' Equity (Beginning) -Outstanding Shares of Preferred Stock (Beginning) x Issued Price)}\\ \text{+(Total Shareholders' Equity (Year-end) -Outstanding Shares of Preferred Stock (Year-end) (*2) x Issued Price)]/ 2}\end{array}} \text{ x100}$$

Total Shareholders' Equity to Total Assets

$$\frac{\text{Total Shareholders' Equity (Year-end)}}{\text{Total Liabilities + Minority Interests + Total Shareholders' Equity (Year-end)}} \text{ x100}$$

Shareholders' Equity per Share of Common Stock

$$\frac{\text{Shareholders' Equity (Year-end) -Deduction from Shareholders' Equity (*4)}}{\text{Outstanding Shares of Common Stock (Year-end) (*2)}}$$

Formula for index - Earnings Estimates for Fiscal 2005

Net Income per Share of Common Stock (Fiscal 2005 estimate)

$$\frac{\text{Net Income (estimate) -Cash Dividends on Preferred Stock (estimate)}}{\text{Outstanding Shares of Common Stock (Year-end) (*2)}}$$

*1 Dividends on Preferred Stock and other.

*2 Treasury Stock is excluded from outstanding shares of Stock.

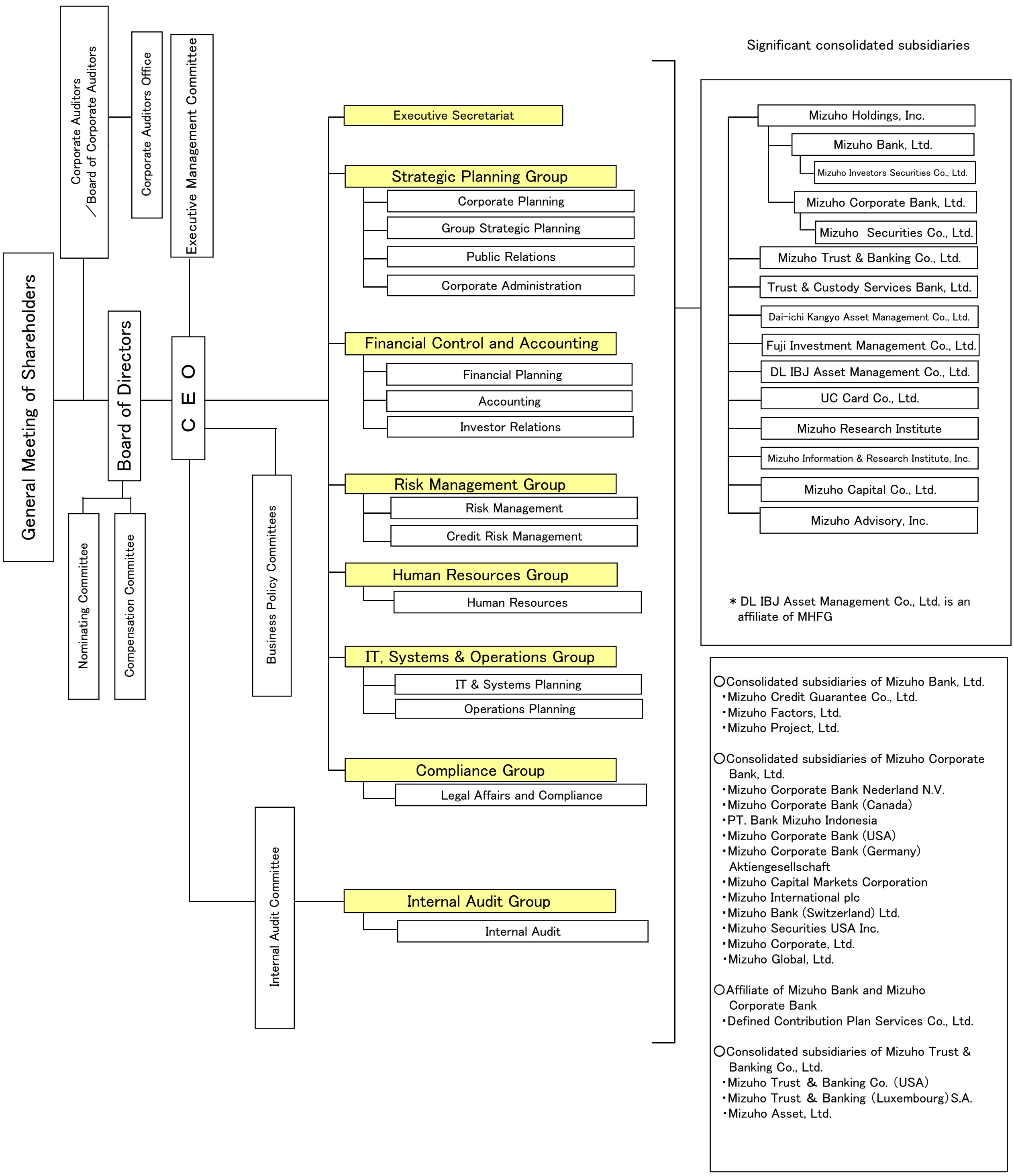
*3 Increasing Shares of Common Stock for Dilutive Securities is calculated under the assumption that dilutive options regarding dilutive securities are exercised at the beginning of the year, in accordance with accounting standards. That is, all dilutive convertible securities, including those before the conversion period, are assumed to be converted at the price calculated based on market price at the beginning of the year.

*4 Issue amount of Preferred Stock, dividends on Preferred Stock and other.

1. ORGANIZATION STRUCTURE OF MIZUHO FINANCIAL GROUP

Mizuho Financial Group (the "Group") is composed of Mizuho Financial Group, Inc. (“MHFG”) and its affiliates. The Group provides various financial services, principally banking services, together with securities business, trust and asset management services among others.

(as of March 31, 2005)



Of the major domestic subsidiaries, the following companies are listed on Japanese domestic stock exchanges.

Company Name	Location	Main Business	Ownership Percentage %	Listed Stock Exchanges
Mizuho Trust & Banking Co., Ltd.	Chuo-Ku, Tokyo	Trust and Banking Business	74.9 *0.2*	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section)
Mizuho Investors Securities Co., Ltd.	Chuo-Ku, Tokyo	Securities Business	66.8 *66.8*	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section) Nagoya Stock Exchange (First Section)

Italic figures of Ownership Percentage denote percentage of interest held by subsidiaries.

2. MANAGEMENT POLICY

(1) Principal Management Policy

MHFG pursues its goals of being held in high regard by its shareholders and the financial markets as Japan's leading comprehensive financial services group on the basis of the three fundamental management philosophies below that form the foundation of the Group's management strategies and decision-making process.

a) To provide the highest level of comprehensive financial services to our customers and clients.

b) To provide an attractive, inspiring workplace for our employees where each can demonstrate their rich individuality and ability to meet their respective challenges.

c) To enable each group company to demonstrate to the utmost its own particular characteristics and strengths in its respective business field and function.

(2) Policy on Profit Distribution

MHFG decides its cash dividend policy considering its operational performance, while bearing in mind the need to increase retained earnings from the viewpoint of sound financial position.

(3) Management's Benchmark

MHFG aims to maintain a steady profit base and accumulate retained earnings to allow us to maintain a sufficient capital adequacy ratio after the repayment of all public funds. We intend to complete repayment of remaining public funds by the end of FY2006.

(4) Management's Medium/Long-term Targets and Issues to be Resolved

MHFG has now moved beyond the emergency-reaction phase aiming at financial stability and will now move on to implement a new business strategy, the "Channel to Discovery" Plan. Our aim is to be "a financial partner that helps customers shape their future and achieve their dreams", that is to say an "enterprising, open and leading-edge" financial group from the customers' point of view.

The key concept of the "Channel to Discovery" Plan is "customer needs". The underlying vision of the "Channel to Discovery" Plan is to organize a globally competitive financial group. In order to do this, we intend to develop an action program based on the "Business Portfolio Strategy" and "Corporate Management Strategy" which we have formulated.

New Dimension to Business Portfolio Strategy

In order to pursue the Business Portfolio Strategy, we will realign our business into three Global Groups: the Global Corporate Group, the Global Retail Group and the Global Asset & Wealth Management Group (please refer to "Overview of Reorganization –Formation of Global Group-" on pages 1-13.

The Global Corporate Group provides highly-specialized and cutting-edge products and services by leveraging Mizuho's comprehensive financial ability, with close cooperation between the global corporate banking sector and the whole sale securities sector in response to the needs of large and global corporations.

The core group company in the Global Corporate Group, MHCB will work to expand its business globally providing its customers with services with competitive strength at a global level, including not just loans but premium financial products, integrating the financial service strengths of the entire group to provide total solutions on a global basis to meet customer's needs. MHCB will also draw on its overwhelming position in the domestic syndicated loan market to support its customers to the full in their financing needs, and specialized sections will work to further expand the newly-evolved credit market, setting its sights on a syndicated loan market which is expected to quadruple in size to ¥ 100 trillion.

MHSC will aim to become a market leader in securities and investment banking business offering a wide range of integrated financial products and services. It will increase its market presence in securities-related business, securing a position as underwriter in large issues and increasing market share in stock trading volume. MHSC also intends to respond fully to our customers' M&A needs, strengthen its principal finance business and seize business chances such as initial public offerings of shares in the relevant invested companies.

The Global Retail Group provides top-level products and services on a global scale, with the close cooperation of leading domestic and international companies in response to the diversified and globalized needs of individuals and SMEs.

The core group company in the Global Retail Group, MHBK will continue to have a strategic focus on consulting business and loan business in the individual customer market, developing new financial products and responding to its customers' needs with establishing 2,000-strong force of financial consultants and through its alliance with Orient Corporation. MHBK intends to improve security measures using IC card and further enhance services of "Mizuho Mileage Club", a new ATM card with credit card functions through the alliance with Credit Saison Co., Ltd. and others. It will aim to be No. 1 in market share and best solution provider in the primary battlefields of the SME market. MHBK will increase Mizuho Business Finance Center to 100 thus expanding its loan business, and strengthen its fee-earning business by providing further business solutions. In April 2005, MHBK entered into separate business collaborations with two of the best U.S. super-regional banks, Wachovia Bank, N.A. ("Wachovia") and Wells Fargo Bank, N.A. ("Wells Fargo") respectively, aiming to reinforce the channel network and products/services internationalized to the highest standard for our retail banking businesses. MHBK will collaborate with Wachovia and Wells Fargo in the following five areas: referral of customers, cash management products, trade finance, distribution of investment trust in Japan, and website collaboration (only with Wachovia).

In pursuit of further synergies in the retail banking business, the two strategic retail subsidiaries, UC Card Co., Ltd. and Mizuho Capital Co. Ltd., currently under MHFG will be reorganized as subsidiaries of MHBK.

The Global Asset and Wealth Management Group provides top-level products and services on a global scale in response to diversified and advanced customers' needs in the business areas of trust and custody, and private banking.

The core group company in the Global Asset and Wealth Management Group, MHTB, plans to take advantage of the new business opportunities which are likely to arise with various legal amendments, including trust business legislation, and plans to embark on various new types of trust business as it develops new products and reinforces its consulting strengths. In April of this year, a business collaboration was set up between MHTB and a global leader in trust banking business, The Bank of New York. The collaboration includes launching of a business collaboration with the establishment of "Mizuho – The Bank of New York Global Management", the distribution of investment trusts in Japan and global custody business related to the above. Through these measures, MHTB will reinforce asset management capabilities, expertise in execution, and asset administration to a global top level. MHBK also entered into business collaboration with The Bank of New York in the area of sales of investment trust in Japan.

Mizuho Private Wealth Management Co., Ltd. will be established to provide Japan's first fully-fledged private banking services. It will provide the same type of comprehensive and integrative services as those found in the U.S. and Europe in compliance with Japanese legal regulations.

We will re-form Mizuho Holdings, Inc. (MHHD) into a new advisory company for offering advice to financial institutions.

The company will integrate the expertise of MHHD regarding group management and coordination between bank subsidiaries, as well as between the bank subsidiaries and the securities subsidiaries as a bank holding company, and will combine these with the expertise regarding corporate revitalization of Mizuho Advisory, Inc.

and we will re-form MHHD into a new advisory company for offering advice to financial institutions. The company will provide Mizuho's full-scale and advanced expertise as a leading Japanese financial group, which we will consequently contribute to the revitalization of the regional economy in Japan, and furthermore, to realize a financial services nation.

By steadily carrying out this "Business Portfolio Strategy", we aim to ensure a stable profit basis supported by customers. By steadily continuing to accumulate retained earnings, we will be able to ensure a good capital adequacy ratio even after we have repaid in full the public funds. With this in mind, we aim to repay the remaining portion of the public funds in full by the end of FY 2006.

The above statements are made on the assumption that we will receive the necessary regulatory approval from the relevant domestic and overseas authorities.

New Corporate Management Strategy

MHFG will aim to apply for listing on the NYSE, enhance the Corporate Social Responsibility ("CSR") activities and strengthen its branding strategy for its corporate management strategy.

MHFG has begun preparations to apply for listing on the NYSE as early as is feasible, as a key move in its corporate strategy.

By listing on the NYSE, MHFG will further improve the transparency of our corporate governance as well as our investors' trust. MHFG will seek to provide investors with disclosure based on U.S.generally-accepted accounting principles, which are deemed to be one of the global standards for leading global companies, and to establish disclosure and internal control practices in compliance with the U.S. Sarbanes-Oxley Act which is recognized as the strictest standard in the world today.

MHFG, as a globally-active financial group, reinforce its commitment to CSR activities, being aware of its mission to contribute to the development of the economy through active social participation.

In particular, we position CSR activities as one of the main pillars in our group business strategy, in order to create a new corporate value and hence achieve sustainable growth. CSR activities will be promoted on a group-wide basis, and the CSR committee is established accordingly at the Group's holding company, MHFG, in order to enhance the CSR activities (e.g. environmental issues, supporting financial education) of the group companies.

MHFG has decided to strengthen its branding strategy in order to build a Mizuho brand befitting a global financial services group advancing into a new, future-minded and customer-oriented base. MHFG, whose commitment is reflected in its new slogan "Channel to Discovery", will become a financial partner that helps customers shape their future and achieve their dreams.

MHFG, as a holding company, will fulfill appropriate management functions through planning of group business portfolio strategy, promotion of the synergies among the group companies and enhancement of risk management, compliance and internal control to steadily grapple with the management issues of the entire group and to achieve high results.

With the growing general awareness of the importance of personal data management arising from the enforcement of the Personal Information Protection Act, MHFG is continuing to strengthen its information management system still further by establishing the related regulations and setting up a group management control infrastructure. Mizuho officers and employees all fully respect the related laws and regulations, and MHFG will strengthen its internal control over the disclosure of information through its newly established Disclosure Committee.

MHFG will make every effort to enhance our competitiveness and profitability and to further increase our corporate value by steadily implementing "Channel to Discovery" Plan.

(5) Corporate Governance Policy and Current Implementation Status

Corporate Governance Policy

MHFG has been working to achieve a streamlined and speedy management structure while strengthening its corporate governance by inviting outside directors to join our board and establishing an advisory board. We continue our efforts to make management transparent and efficient through corporate governance, with strict observance of all laws and regulations, pursuing our business activities in a fair and honest manner in conformance with the norms accepted by society.

The above management philosophy is the basic policy for forming management strategies and all activities relating to the business decisions MHFG makes. The Group also established the "MHFG Code of Ethics" which is a set of common values and ethical principles shared by the corporate officers and the employees of the Group.

Social Responsibility and Public Mission:

We are acutely conscious at all times of our social responsibilities and public mission as Japan's leading comprehensive financial services group. We therefore work to ensure that we observe all laws and regulations, and pursue corporate activities in a fair and honest manner that conforms to the norms accepted by society.

Placing Our "Customer First":

We place our customers first, and always offer the best service possible. We believe that being trusted by our customers is the basis of the trust of our shareholders, society and all other stakeholders.

Strict Compliance with Laws, Regulations and Internal Rules:

We are committed to strict observance of all laws and regulations pursuing our business in a fair and honest manner in conformance with the norms accepted by society. We also strive to respect the laws and customs of all countries as a global financial services group.

Respect for Human Rights:

We respect the human rights of our customers, corporate officers and employees and society at large and strive to achieve a corporate culture which promotes human rights.

Disavowal of Anti-Social Elements:

We firmly state our opposition to the activities of any entity that threatens the rule of law and public order or safety.

Current Implementation Status

1. Status regarding corporate governance structure as it affects management decision-making, implementation and supervision, etc.

a) Organization

MHFG has adopted the holding company structure to ensure that it has the flexible and mobile management structure necessary to cope with the changing economic environment, split for legal purposes between the customer sector and the business function sector so that group companies can strengthen further their capabilities in their respective strategic business areas, meeting the needs of their customers and increasing corporate value to its fullest extent.

MHFG's board of directors consists of eight members, who determine important matters pertaining to the management policy of MHFG and its group companies, and monitor the directors and executive officers. Two of the directors are outside directors independent of the day-to-day management of the company. Their participation serves to strengthen the management and monitoring functions of the board of directors. MHFG has introduced the executive officer system in order to separate managerial decision-making and its implementation, and to clarify levels of authority and responsibility.

In order to ensure transparency and impartiality in matters of personnel movements affecting the board of directors and directors' compensation, a Nomination Committee and a Compensation Committee made up of directors including outside directors has been established to advise the board of directors on these matters.

The Board of Corporate Auditors comprises five Corporate Auditors who check that the directors carry out their duties in an appropriate manner by taking part in board meetings and giving their opinion. Three of the five auditors are outside auditors.

In respect of the execution of duties, the President & CEO manages MHFG according to the fundamental management policies determined by the board of directors. The Executive Management Committee was established to serve as an advisory body for the President & CEO and discusses important matters concerning the execution of business operations. Business Policy Committees such as the Compliance Committee, Information Security Management Committee and the Disclosure Committee etc. were established to discuss cross-sectional issues.

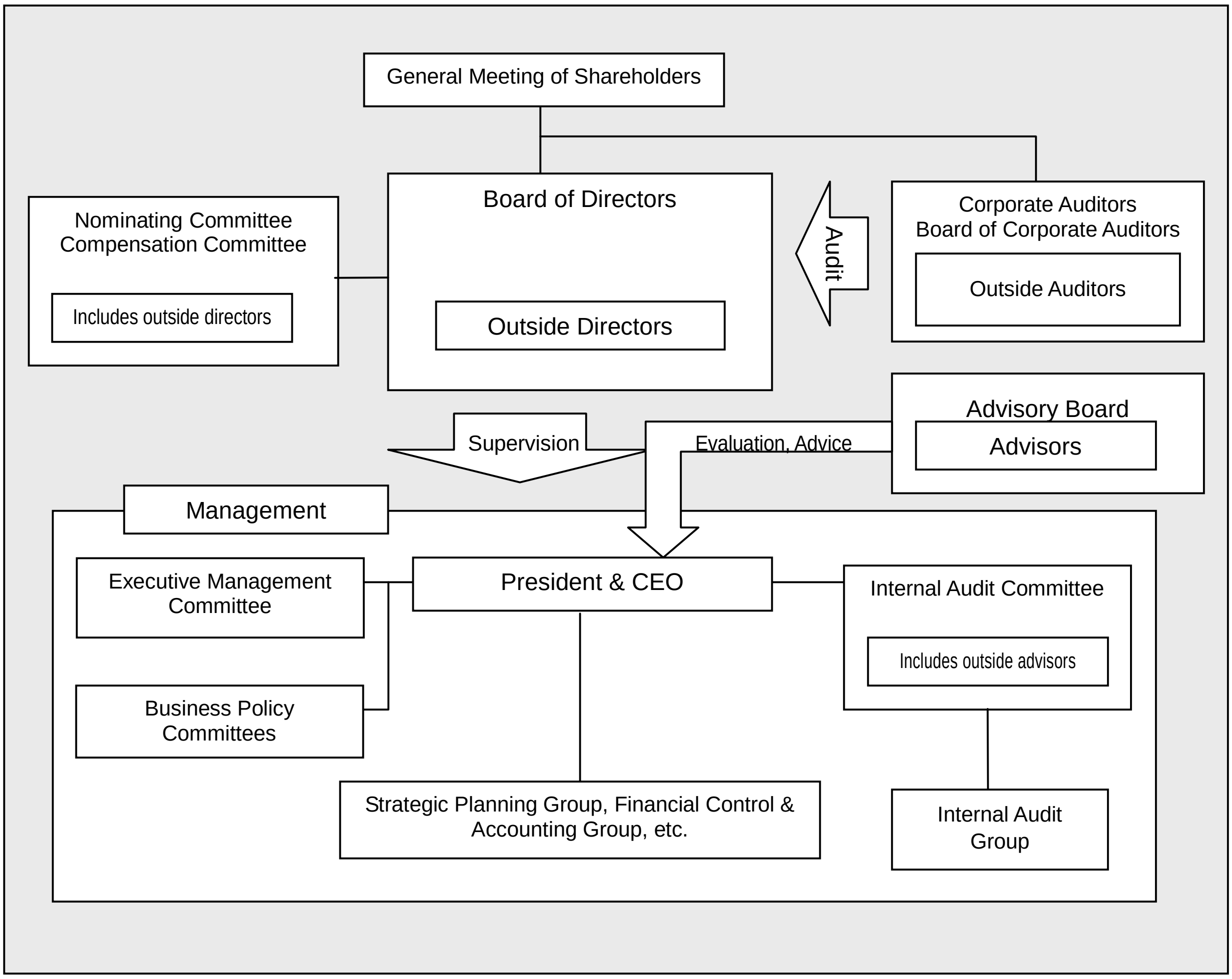
The Internal Audit Committee fulfills an internal audit function under the President & CEO. The committee discusses and determines important matters concerning internal audit on the basis of the basic policy determined by the board and reports all decisions made by the committee to the board.

We have reorganized the compliance structure in order to ensure even greater independence of the internal audit function from the audited sections. We have separated the Internal Audit Group from the groups which it audits, and established it as an independent group in its own right under the control of the Internal Audit Committee.

External experts in their field (consisting at present of one lawyer and one CPA) are also on the Internal Audit Committee and Compliance Committee to strengthen the specialist nature and impartiality of the committee.

MHFG has also established an advisory board of outside experts that will offer objective evaluations and advice from an independent standpoint, aiming for a more open style of management.

MHFG's Corporate Governance Structure



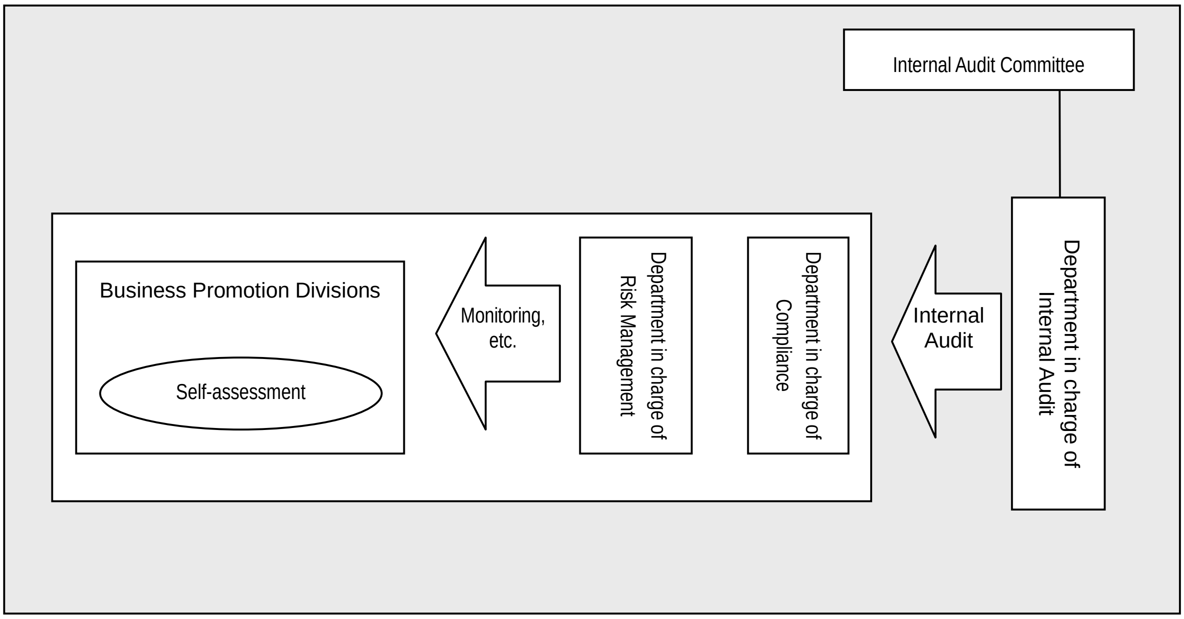
b) MHFG's Internal Control Framework

The divisions in charge of Compliance and Risk Monitoring at MHFG monitor operations and the self-assessment carried out at domestic and overseas business offices, providing a system of checks and balances.

MHFG has also established an Internal Audit Committee separate from the business promotion divisions to ensure the independence of the internal audit divisions belonging to the Internal Audit Group and that the internal audit is reasonable, adequate and effective.

With the growing general awareness of the importance of personal data management arising from the enforcement of the Personal Information Protection Act, MHFG is continuing to strengthen its information management system still further by establishing the related regulations and setting up a group management control infrastructure in the form of the Information Security Management Committee and the implementation organization. Furthermore, as part of the consolidation of the internal administration organization, MHFG has set up a Disclosure Committee as part of its plans to consolidate the general control of information.

MHFG's Framework of Operations and Audit and Internal Control Framework



c) Status of Internal Audit and Corporate Auditors (Board of Corporate Auditors), Accounting Audit

The internal audit infrastructure MHFG has established is as follows: MHFG has set up an Internal Audit Division to carry out the basic audit policies and the internal audit regulations determined by the board of directors. It also checks the internal control structure of the various companies on the basis of the reports it receives from the major group companies of the results of internal audits and problems and issues which have been investigated by them. Thus all information on the status of the major group companies' internal audit is held and controlled by MHFG's Internal Audit Division.

The results of both MHFG's and the major group companies' internal audits are reported to the Internal Audit Committee on a regular basis and at other times as necessary by the head of the Internal Audit Group who is the director with responsibility for internal audit.

Three of the five Corporate Auditors carrying out company audits are outside auditors. A Corporate Audit Office devoted full-time to audit duties is provided to support the five Corporate Auditors. The Corporate Auditors are closely involved in the progress of audits taking part in the regular meetings between the Internal Audit Division and the Accounting Auditors etc.

The Internal Audit Division intends to further the efficacy and efficiency of the overall audit function in relation to the internal audit and the corporate audit and external audits such as the accounting audit through reciprocity and cooperation, providing regular opportunities for the exchange of opinions and information between the Corporate Auditors and the external auditors, and at other times as necessary.

A total of four CPAs were in charge of executing MHFG's accounting audit during the fiscal year:
Yoshio Kohra, Kazumi Narisawa, Naoki Matsumura and Mutsuo Emi, who belong to Shin Nihon & Co.
Personal profiles are not provided as none of the above has a record of more than seven years' continuous service as an auditor of MHFG. Shin Nihon & Co. has taken measures of its own to ensure that the above auditors belonging to it are not assigned to the audit of MHFG for more than a stipulated period. There are also 13 CPAs who assist them in the audit of MHFG and 6 other assistant CPAs.

2. Summary of related party transactions between MHFG and outside directors and outside auditors

There are no related party transactions to note between MHFG and its outside directors and its outside auditors.

3. Summary of progress over the past fiscal year by the company in working to ensure the full application of corporate governance

Twenty six board meetings were convened during the past fiscal year, and various important matters affecting the management of MHFG and its subsidiaries were decided.

The Nominating Committee was convened twice to review candidates for directorships, after which the Committee reported to the board with its recommendations.

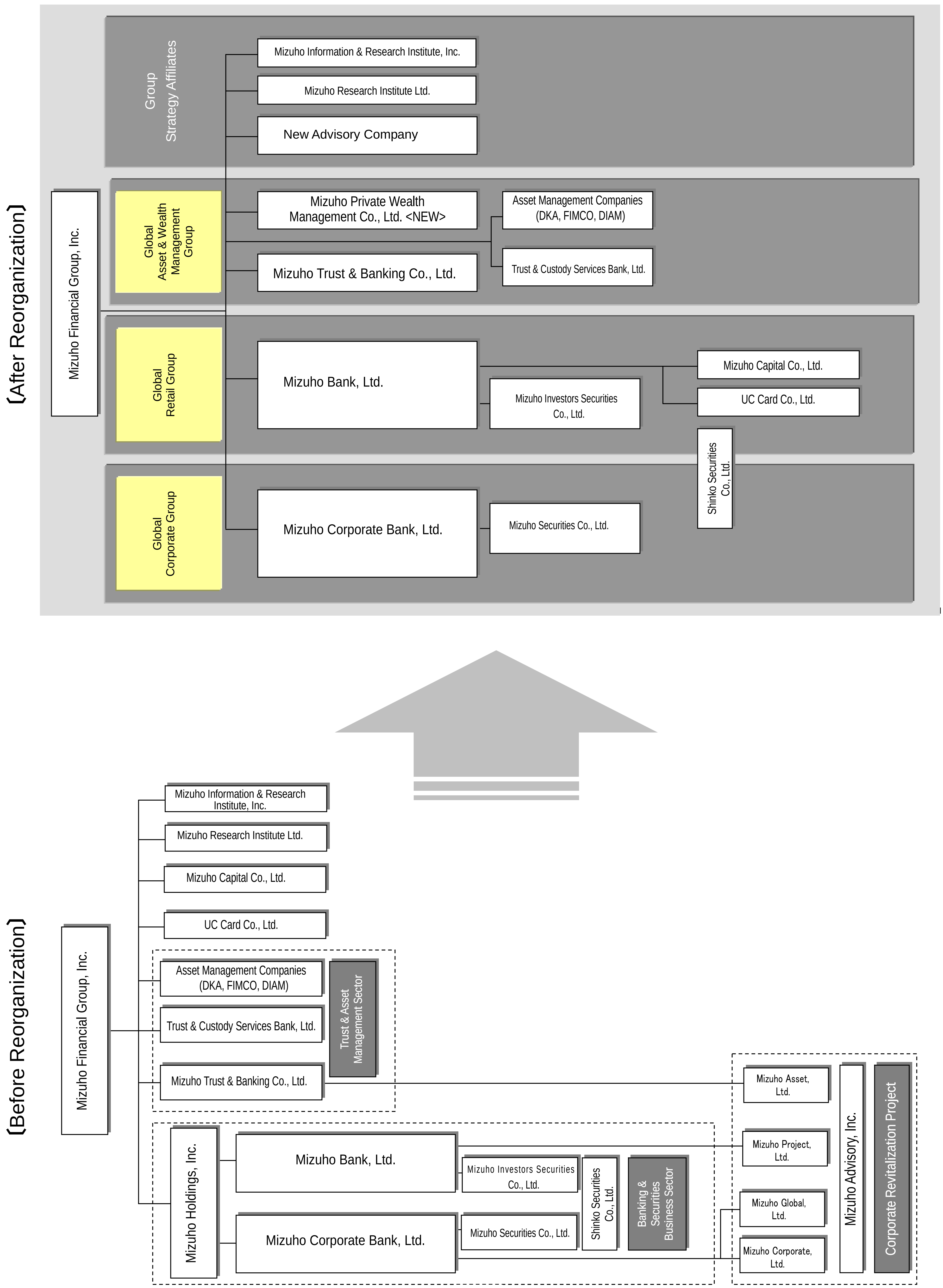
The Board of Corporate Auditors determines auditing policy and planning, and MHFG's Corporate Auditors monitor operational execution by directors by attending board meetings and expressing their views.

MHFG's Internal Audit Committee was convened five times, to deliberate and report to the Board of Directors on important matters affecting compliance and internal audit.

Three meetings of the advisory board of outside experts were convened to offer objective evaluations and advice from an independent standpoint on the Group's business strategy.

In addition to the above, senior management of MHFG actively participated in investor relations activities such as the regular semi-annual presentations of financial results to analysts and investors both in Japan and overseas so that investors can deepen their understanding of MHFG's business strategy and financial position and exchanged opinions directly with institutional investors.

Overview of Reorganization ~Formation of Global Group~



3. CONSOLIDATED RESULTS OF OPERATIONS

(1) Results of Operations

(a) Financial and Economic Environment

Looking back over the economic conditions during the last twelve months, the overall trend for the global economy was one of improvement, in spite of concerns about how the rise in oil prices and the Chinese government's astringency policies would affect the global economy. The Japanese economy was in a recovery trend, as while there were various inventory adjustments in IT-related areas during the latter half of the year, industrial performance improved throughout the year with an accompanying increase in capital expenditure and employment growth.

As for the Japanese financial markets, stocks showed a weak performance over the first half of the fiscal year but picked up towards the end of the year on expectations of an improvement in the Japanese domestic economy. There was a jump in long-term interest rates during the first half of the year with later falls on concerns over a slowing in the economy, after which there was a halt to the downward trend with the start of the new calendar year. In the financial sector, most of the financial points to be dealt with, such as the disposal of NPLs and so on, had been cleared up by the end of the fiscal year. There was increasing activity in the areas of business amalgamations and alliances. Financial deregulation continued with the lifting of the ban on banks' carrying out securities business, etc. In the prevailing economic environment, a financial institution's ability to secure a competitive edge over its rivals and to consolidate profitability even further are likely to become ever more important.

(b) Outline of Results

Fiscal 2004 was the "Year of Proving the True Value of Mizuho" for Mizuho, and all corporate officers and employees worked together to strengthen further Mizuho's financial soundness, increase corporate value and maximize the Group's total strength. As a result, we realized a further improvement in profitability on the previous year recording Consolidated Net Income for fiscal 2004 of ¥627.3 billion, building on our results for the previous year.

Consolidated Gross Profits: Consolidated Gross Profits for fiscal 2004 were ¥1,993.0 billion, decrease of ¥119.2 billion from fiscal 2003, mainly due to reduction of Net Gains related to Bonds.

Net Interest Income was ¥1,106.4 billion, decreasing by ¥78.5 billion from the previous period resulting from a weak demand for funds among other factors. Net Fee and Commission Income was ¥472.6 billion, increasing by ¥46.0 billion from the previous period. This was as a result of increases in fees from loan syndication-related business, sales of investment trusts and insurance, etc. Net Trading Income was ¥165.0 billion, decreasing by ¥66.7 billion and Net Other Operating Income was ¥185.7 billion, decreasing by ¥21.1 billion from the previous period. This was as a result of unfavorable Net Gains related to Bonds which reflect market conditions.

General and Administrative Expenses: General and Administrative Expenses for fiscal 2004 amounted to ¥1,091.3 billion, decreasing by ¥34.5 billion from the previous period. This was as a result of ongoing cost-cutting measures. Personnel Expenses amounted to ¥482.2 billion, a decrease of ¥46.5 billion from the previous period, resulting from a decrease in Expenses related to Employee Retirement Benefits, etc. Miscellaneous Taxes were ¥59.4 billion, increasing by ¥7.6 billion from the previous period. This was by way of the effect of the enterprise taxes imposed through external standards taxation.

Credit Related Costs
Credit Related Costs for fiscal 2004 amounted to ¥93.9 billion, decrease of ¥204.9 billion from the previous period. This was as a result of reduction of new NPLs and as a result of reversal of reserves because of the strengthening of Mizuho's asset quality.

Net Gains related to Stocks and Equity in Income from Investments in Affiliates:
Net Gains related to Stocks amounted to ¥210.3 billion. This was as a result of ongoing efforts to decrease stock holdings to reduce stock-holding risk, and of decrease stock holdings as a consequence of the general improvement in the performance of our corporate clients.
Equity in Income from Investments in Affiliates amounted to ¥1.4 billion, decreasing by ¥0.3 billion from the previous period.
In addition to the above, processing expenses on Deferred Hedge Losses and valuation losses on investments in overseas subsidiaries were posted.

Ordinary Profits: After reflecting the above, Ordinary Profit was ¥657.4 billion, decreasing by ¥239.0 billion from the previous period.

Extraordinary Gains and Losses: Net Extraordinary Gains (Losses) amounted to a gain of ¥285.5 billion, increasing by ¥300.8 billion from the previous period. This was due to recording Reversal of Reserves for Possible Losses on Loans in addition to a reversal of the Reserve for Contingencies and the receipt of interest attached to the refund of provisional tax payments as Extraordinary Gains, after a ruling in support of a petition for rescission of a correction notice from the Tokyo Regional Taxation Bureau (Mizuho Corporate Bank, Ltd / December 2004); and recording Loss on Impairment of Fixed Assets which was applied beginning this fiscal year, together with Amortization of Net Obligation at Date of Initial Application of the New Accounting Standard for Employee Retirement Benefits, etc. as Extraordinary Losses.

Tax Expenses: Income Tax Expenses - Current amounted to ¥19.8 billion, including ¥21.2 billion of Reversal of Income Taxes. Tax Expenses - Deferred amounted to ¥235.2 billion decreasing by ¥152.6 billion from the previous period.

Net Income: After reflecting the above, Net Income amounted to ¥627.3 billion, a new record, increasing by ¥220.4 billion from the previous period.

Year-end Dividends: MHFG plans to pay a year-end dividend of ¥ 3,500 per share of common stock, as estimated at November 2004. MHFG also plans to pay dividends on preferred stocks as prescribed.

(c) Segment Information

In addition to banking business (banking and trust banking business), MHFG and its consolidated subsidiaries are engaged in securities business and other business (credit card business, investment advisory business and other). The proportion of these activities accounting for Ordinary Income before excluding inter-segment Ordinary Income was 74.1 % for banking business, 16.2 % for securities business and 9.6 % for other.

Segments of operations by geographic area are Japan, Americas, Europe and Asia/Oceania. Ordinary Income from International Operations of ¥447.8 billion accounts for 14.7 % of Consolidated Ordinary Income of ¥3,039.1 billion.

(d) *Estimates for the Fiscal 2005 (for the year ending March 31, 2006)*

Earnings Estimates: As for earnings estimates for fiscal 2005, we estimate Ordinary Income of ¥ 3,000 billion, Ordinary Profits of ¥ 860 billion and Net Income of ¥ 500 billion on a consolidated basis.

The above estimates are based on the information which is available at this moment, and assumptions of factors which have an influence on future operating results. Actual results may differ materially from these estimates, depending on future events.

Dividend Payment Estimates: MHFG estimates payment of ¥ 3,500 of annual dividends per share on common stock taking into consideration the reduction of the total amount of dividends because of the prepayment of public fund.

(2) Financial Conditions

(a) Assets, Liabilities and Shareholders' Equity

Loans and Bills Discounted as of the end of fiscal 2004 amounted to ¥62,917.3 billion, decreasing by ¥3,288.5 billion from the end of the previous period as a result of the weak demand for funds and review of portfolio.

With respect to portfolio problem, the Group actively proceeded with the removal of problem loans from the balance sheet and company revitalization, and appropriate credit monitoring to prevent an increase in the problem loan balance. Of Loans, the Non-Accrual, Past Due and Restructured Loans balance amounted to ¥1,537.9 billion, decreasing by ¥1,643.1 billion and accounting for 2.44% of the total Loans balance, with an improvement of 2.36%. Loans to Bankrupt Borrowers were ¥89.7 billion, decreasing by ¥88.1 billion, Non-Accrual Delinquent Loans were ¥971.8 billion, decreasing by ¥312.1 billion, Loans Past Due for 3 Months or More were ¥27.7 billion, increasing by ¥2.8 billion and Restructured Loans were ¥448.5 billion, decreasing by ¥1,245.7 billion. Reserves for Possible Losses on Loans amounted to ¥1,146.7 billion, decreasing by ¥703.7 billion from the previous period. The reserve ratio of Non-Accrual, Past Due and Restructured Loans is 74.56%.

Securities were ¥36,047.0 billion, increasing by ¥3,975.4 billion from the end of the previous period. This reflected an increase in Japanese government bonds.

Deferred Tax Assets were ¥1,036.9 billion, decreasing by ¥324.8 billion from the previous period as a result of recording taxable income and strict assessment of asset recoverability.

Deposits and Negotiable Certificates of Deposit amounted to ¥80,368.0 billion, increasing by ¥2,880.5 billion from the end of the previous period.

(b) Cash Flows

Cash Flow from Operating Activities was ¥4,418.0 billion, as a result of increase in Deposits and Negotiable Certificates of Deposit, etc. Cash Flow from Investing Activities was ¥(3,788.1) billion as a result of acquisition of securities, etc. and Cash Flow from Financing Activities was ¥(557.7) billion as a result of repurchasing Treasury Stocks, etc.

As a result, Cash and Cash Equivalents as of March 31, 2005 was ¥5,602.0 billion.

(c) Consolidated Capital Adequacy Ratio (Preliminary)

Consolidated qualified capital amounted to ¥8,020.2 billion, increasing by ¥250.1 billion from the previous period as a result of high income, a new record, etc. With the improvement in the financial condition and the raising of qualified capital during the period, we repurchased preferred stock of ¥482.6 billion and redeemed ¥325.0 billion of subordinated bonds.

The Risk Asset balance was ¥67,324.9 billion, decreasing by ¥1,099.1 billion from the end of fiscal 2003 due to the continuing efficient management of risk assets, etc. As a result the Consolidated Capital Adequacy Ratio (BIS) increased by 0.56% on the previous period to 11.91 %.

March 31, 2002	March 31, 2003	March 31, 2004	March,31 2005
10.56%	9.53%	11.35%	11.91% (Preliminary)

*Figures for March 31, 2002 are those of Mizuho Holdings, Inc. (consolidated basis).

(3) Major risk factors related to MHFG's business and results of operations

Major risk factors related to MHFG's business and results of operations which may have material impact on investors' judgments are as follows: (The followings are based on the information which is available at this moment. Actual factors may differ materially from these factors, depending on future events).

・Risks relating to disposal of problem loans, etc.
・Risk of price fluctuation affecting our assets
・Risks arising from lowering of BIS capital adequacy ratio
・Risks arising from downgrade of MHFG's credit ratings
・Problems arising from funding difficulties
・Risks accompanying MHFG's business strategy and business operations
・Changes in the financial business environment.

BASIS FOR PRESENTATION AND PRINCIPLES OF CONSOLIDATION

1. Scope of Consolidation

a) Number of consolidated subsidiaries: 118

Names of principal companies:
Mizuho Holdings, Inc.
Mizuho Bank, Limited
Mizuho Corporate Bank, Limited
Mizuho Trust & Banking Co., Ltd.
Mizuho Securities Co., Ltd.

During the consolidated fiscal year, Polaris Principal Finance Co., Ltd. and 3 other companies were newly consolidated on their establishment and so on.
During the consolidated fiscal year, DKB Information Systems Inc. and 3 other companies were excluded from the scope of consolidation as the result of a merger and so on.

b) Non-consolidated subsidiaries

Name of principal company:
IBJ Australia Bank Limited

Non-consolidated subsidiaries are excluded from the scope of consolidation because they do not have such a material effect as to hinder the rational assessment of the financial position and business performance of the corporate group in terms of total assets, ordinary income, net income (the amounts corresponding to MHFG’s equity position), and retained earnings (the amounts corresponding to MHFG’s equity position) when excluded from the scope of consolidation.

2. Application of the Equity Method

a) Number of affiliates under the equity method: 20

Names of principal companies:
The Chiba Kogyo Bank, Ltd.
Shinko Securities Co., Ltd.
Japan Mortgage Co., Ltd.

During the consolidated fiscal year, Max Investment Advisory Co., Ltd. and 2 other companies were newly included in the scope of the equity method on their establishment.
During the consolidated fiscal year, IBJ Leasing Co., Ltd., Fuyo General Lease Co., Ltd. and 9 other companies were excluded from the scope of the equity method as a result of listing, etc.

b) Non-consolidated subsidiaries and affiliates not accounted for by the equity method

Names of principal company:
IBJ Australia Bank Limited
Hanto Real Estate Management Co., Ltd.

The equity method was not applied to the above non-consolidated subsidiaries and affiliates because their net income (the amounts corresponding to MHFG’s equity position), and retained earnings (the amounts corresponding to MHFG’s equity position) do not have a material effect on MHFG’s consolidated financial statements when excluded from the scope of companies accounted for by the equity method.

3. Balance Sheet Dates of Consolidated Subsidiaries

a) Balance sheet dates of consolidated subsidiaries are as follows:

October 31	:	1 company
December 31	:	40 companies
March 31	:	63 companies
The day before the last business day of June	:	14 companies

b) Consolidated subsidiaries whose balance sheet date falls on October 31 and the day before the last business day of June were consolidated based on their assumed financial statements as of December 31, 2004. Other consolidated subsidiaries were consolidated based on their assumed financial statements as of their respective balance sheet dates.
The necessary adjustments have been made to the financial statements for any significant transactions that took place between their respective balance sheet dates and the date of the consolidated financial statements.

4. Evaluation of Consolidated Subsidiaries' Assets and Liabilities

Assets and liabilities of consolidated subsidiaries are valued at fair value at the respective date of acquisition.

5. Amortization of Consolidation Differences

As a rule, consolidation differences are amortized over a period of 20 years using the straight-line method. If the amount has no material impact on the consolidated financial statements of MHFG, the entire difference amount is amortized in the fiscal year that the difference arises.

6. Consolidated Statement of Retained Earnings

The Consolidated Statement of Retained Earnings is prepared based on the appropriation of retained earnings confirmed during the consolidated accounting period.

Consolidated Balance Sheet

As of March 31, 2005

Mizuho Financial Group, Inc.

(Millions of yen)

Assets		
Cash and Due from Banks	\	6,808,965
Call Loans and Bills Purchased		397,507
Receivables under Resale Agreements		5,004,683
Guarantee Deposit Paid under Securities Borrowing Transactions		8,680,334
Other Debt Purchased		1,007,826
Trading Assets		11,047,601
Money Held in Trust		28,679
Securities		36,047,035
Loans and Bills Discounted		62,917,336
Foreign Exchange Assets		716,907
Other Assets		5,577,985
Premises and Equipment		1,028,082
Deferred Debenture Charges		303
Deferred Tax Assets		1,036,907
Customers' Liabilities for Acceptances and Guarantees		3,928,176
Reserves for Possible Losses on Loans		(1,146,797)
Reserve for Possible Losses on Investments		(5,300)
Total Assets	****	**143,076,236**
Liabilities, Minority Interests and Shareholders' Equity		
Liabilities		
Deposits	\	69,499,567
Negotiable Certificates of Deposit		10,868,491
Debentures		7,795,073
Call Money and Bills Sold		8,359,912
Payables under Repurchase Agreements		8,357,544
Guarantee Deposit Received under Securities Lending Transactions		7,635,035
Commercial Paper		1,397,200
Trading Liabilities		7,942,784
Borrowed Money		2,634,433
Foreign Exchange Liabilities		292,905
Short-term Bonds		260,300
Bonds and Notes		2,356,972
Due to Trust Account		1,367,569
Other Liabilities		5,092,621
Reserve for Bonus Payments		34,475
Reserve for Employee Retirement Benefits		37,137
Reserve for Contingencies		10,108
Reserve under Special Law		1,834
Deferred Tax Liabilities		34,016
Deferred Tax Liabilities for Revaluation Reserve for Land		135,984
Acceptances and Guarantees		3,928,176
Total Liabilities		**138,042,144**
Minority Interests		**1,128,364**
Shareholders' Equity		
Common Stock and Preferred Stock		1,540,965
Capital Surplus		1,022,571
Retained Earnings		1,048,530
Revaluation Reserve for Land, net of Taxes		198,945
Net Unrealized Gains on Other Securities, net of Taxes		538,027
Foreign Currency Translation Adjustments		(48,757)
Treasury Stock		(394,555)
Total Shareholders' Equity		**3,905,726**
Total Liabilities, Minority Interests and Total Shareholders' Equity	****	**143,076,236**

NOTES TO CONSOLIDATED BALANCE SHEET

1. Amounts less than one million yen are rounded down.

2. Trading Transactions
Trading transactions intended to take advantage of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices are recognized on a trade date basis and recorded in Trading Assets or Trading Liabilities on the consolidated balance sheet.
Securities and other short-term credit instruments held for trading purposes are stated at fair value at the consolidated balance sheet date. Derivative financial products, such as swaps, forward contracts and option transactions, are stated at their fair values, assuming that such transactions were terminated and settled at the consolidated balance sheet date.

3. Securities
Bonds held to maturity are valued on an amortized cost basis using the moving average method (straight-line method). Investments in stocks of non-consolidated subsidiaries and affiliates, which are not accounted for by the equity method, are valued on a cost basis using the moving average method. Regarding Other Securities, Japanese stocks with market prices are valued on a mark-to-market basis using the average market price over the month preceding the consolidated balance sheet date, others with market prices are valued on a mark-to-market basis at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method) and securities without a market price are stated at cost as determined by the moving average method or amortized cost. The net unrealized gains on Other Securities are booked directly to Shareholders' Equity, net of applicable income taxes after excluding gains and losses as a result of fair-value hedges.

4. Securities which are held as trust assets in Money Held in Trust accounts are valued in the same way as in paragraph 3. above.

5. Derivative transactions (other than transactions for trading purposes) are valued on a mark-to-market basis.

6. Premises and Equipment
Depreciation of Buildings is computed mainly by the straight-line method, and that of Equipment is computed mainly by the declining-balance method. The useful lives for buildings and equipment are as follows:

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

7. Development costs for software internally used are capitalized and amortized using the straight-line method over the estimated useful lives (primarily 5 years) determined by MHFG and its consolidated subsidiaries.

8. Bond issuance costs are recognized as expenses when incurred.

9. Deferred Debenture Charges are amortized as follows:
   (1) Discounts of debentures are amortized over the term of the debenture.
   (2) Debenture issuance costs are amortized over the term of the debentures up to a maximum of 3 years, which is the longest period permitted under the Enforcement Regulations of the Commercial Code of Japan.

10. Foreign Currency Items

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

Assets and Liabilities denominated in foreign currencies of consolidated subsidiaries except for the above are translated primarily at the exchange rates in effect at each balance sheet date.

11. Reserves for Possible Losses on Loans

Reserves for Possible Losses on Loans of major domestic consolidated subsidiaries are provided as follows in accordance with internally developed standards for write-offs and providing reserves for possible losses on loans.

The reserve for claims to obligors which are classified as substantially bankrupt ("substantially bankrupt obligors") or which are legally bankrupt, as evidenced by a declaration of bankruptcy, special liquidation, or other similar circumstances ("bankrupt obligors"), is provided at 100% of the amount remaining after direct write-offs and deduction of the amount expected to be collected from the disposal of collateral and the amount recoverable from guarantees. Also a reserve is provided for claims to obligors which are not currently bankrupt but are likely to become bankrupt ("intensive control obligors"). In this case, the reserve is provided at the amount deemed necessary based on overall solvency analyses, on the amount remaining after deducting the expected amount recoverable from disposal of collateral and amounts under guarantees.

In the case of intensive control obligors and obligors with Restructured Loans as per paragraph 28 below, if the exposure exceeds a certain specific amount, reserves are provided as follows: (i) if future cash flows of the principal and interest can be reasonably estimated, the discounted cash flow method is applied, where the reserve is determined as the difference between the book value of the loan and its present value of expected future cash flows discounted by the contractual interest rate before the loan was classified as a restructured loan, and (ii) if future cash flows of the principal and interest cannot be reasonably estimated, a reserve is provided for the estimated loss amount individually.

In the case of all other claims, a reserve is provided at the estimated credit loss rate calculated using the amount of actual credit loss etc. during a specific period in the past.

Reserve for Loans to Restructuring Countries is provided based on the prospective loss after consideration of the relevant country's political and economic situation, etc.

All claims are assessed by the business promotion division, office or branch where the credit originated based on the internal rules for self-assessment of assets. A credit review and auditing section, which is independent of the originating sections, reviews the results of the self-assessment of assets for all claims based on the internal rules. The above Reserves for Possible Losses on Loans are provided based on the results of the review.

For claims to bankrupt obligors and substantially bankrupt obligors which are collateralized or guaranteed by a third party etc., the amounts deemed uncollectible (calculated by deducting the anticipated proceeds from the sale of collateral pledged against the claims and amounts that are expected to be recovered from guarantors of the claims) are charged off against the respective loan balances. The total amounts directly written-off are ¥1,042,790 million.

With respect to the Reserves for Possible Losses on Loans of other consolidated subsidiaries, for normal obligors the amounts deemed necessary are provided in the reserve based on the actual ratio of failure in the past, etc. In the case of intensive control obligors or similar obligors, the expected uncollectible amounts are provided in the reserve after considering the creditworthiness of each claim.

12. Reserve for Possible Losses on Investments

This reserve is provided to cover any future potential losses on investments. It is booked as the amount deemed necessary taking into consideration the financial situation and other relevant factors of the investment securities' issuers.

13. Reserve for Bonus Payments
    This reserve is provided for future bonus payments to employees. It is booked as the amount deemed necessary for employees' bonuses at the end of the consolidated fiscal year.

14. Reserve for Employee Retirement Benefits
    This reserve is provided for future pension payments to employees. It is recorded as the amount accrued at the end of the consolidated fiscal year, based on the estimated benefit obligation and plan asset amounts at the end of the consolidated fiscal year. Prior service cost and unrecognized actuarial gains (losses) are expensed mainly as follows:
    Prior service cost: Recognized as income or expenses in the year in which it arises
    Unrecognized actuarial gains (losses): Recognized as income or expenses starting from the following consolidated fiscal year and amortized over a fixed number of years within the average remaining service period of the current employees using the straight-line method.
    With respect to the unrecognized net obligation of the domestic consolidated subsidiaries at the date of amendment of the pension accounting policy, the amount is to be amortized principally over 5 years.
    In previous years, the excess fair value of the plan assets over the benefit obligation of the pension plan （"unrecognized plan assets"）, which is resulted from actuarial gains such as an excess of actual return over expected return on plan assets or a gain on plan amendment due to reduction of plan benefits, had not been recognized as an asset or a gain in accordance with Note 1, 1 to the Accounting Standards for Retirement Benefits (Business Accounting Deliberation Council, June 16, 1998). Effective March 16, 2005, the Accounting Standards for Retirement Benefits was amended and recognition of the former unrecognized plan assets as an asset or a gain was permitted, effective the consolidated fiscal year ended March 31, 2005 as an early adoption. MHFG adopted the Interpretation of Amendment of Accounting Standards for Retirement Benefits (Guidelines on Implementation of Business Accounting Standard No.7, March 16, 2005) effective this consolidated fiscal year and the former unrecognized plan assets allocated to actuarial gains and gains on plan amendment were recognized as gains or reduction from expenses. As a result, Other Assets and Income before Income Taxes and Minority Interests were both increased by ¥31,523 million.

15. Reserve for Contingencies
    This reserve is provided to cover possible losses against contingencies which are not covered by other specific reserves. The balance is an estimation of possible future losses considered necessary to be reserved. This reserve is provided in accordance with Enforcement Regulation Article 43 of the Commercial Code of Japan.

16. MHFG and its domestic consolidated subsidiaries treat finance leases which do not involve the transfer of ownership to the lessee at the end of lease terms, are accounted for in the same manner as operating leases.

17. In order to hedge the interest rate risk associated with various financial assets and liabilities, domestic consolidated banking subsidiaries and domestic trust banking subsidiaries apply either the fair-value hedge method or the deferred method which is stipulated in "Accounting and Auditing Treatment of Accounting Standards for Financial Instruments in Banking Industry" (JICPA Industry Audit Committee Report No.24). The effectiveness of the hedge is assessed for each of identified (i) group of hedged deposits, loans and similar instruments and (ii) corresponding group of hedging instruments such as interest rate swaps in the same maturity bucket. Also, the effectiveness of a cash flow hedge is assessed based on the correlation between a base interest rate index of the hedged cash flow and that of the hedging instrument.
    Up to the end of the fiscal year ended March 31, 2004 the deferred method has been applied to the hedge of interest rate risk associated with various financial assets and liabilities. In response to the price fluctuations in the bond market effective this consolidated fiscal year, the fair-value hedge method has been applied to hedge transactions which eliminates the effect of fluctuations in bond prices for Other Securities so that the effect of hedge transactions will be reflected more fairly in the financial statements. As a result of the application of the fair-value

hedge method, Interest and Dividends on Securities decreased by ¥3,810 million, Other Operating Expenses increased by ¥7,297 million and Other Extraordinary Losses increased by ¥14,412 million, and, as a consequence, Ordinary Profits and Income before Income Taxes and Minority Interests decreased by ¥11,108 million and ¥25,520 million, respectively as compared with the corresponding amounts under the previously applied method. In addition, Other Assets decreased by ¥79,471 million, Deferred Tax Assets increased by ¥21,898 million, and Net Unrealized Gains on Other Securities, net of Taxes decreased by ¥32,052 million. Certain domestic consolidated banking subsidiaries have not yet changed the hedge accounting method in this consolidated fiscal year, but are applying the fair-value hedge method gradually.

Since it was expected that significant losses will be incurred at maturity of the hedge accounting due to changes in interest rate trends during this consolidated fiscal year, Deferred Hedge Losses of ¥67,089 million were charged to Other Expenses.

Deferred hedge gains/losses recorded on the Consolidated Balance Sheet resulted from the application of the macro-hedge method based on "Tentative Accounting and Auditing Treatment relating to Adoption of 'Accounting for Financial Instruments' for Banks" (JICPA Industry Audit Committee Report No.15), under which the overall interest rate risks inherent in loans, deposits and other instruments are controlled on a macro-basis using derivatives. These deferred hedge gains/losses are amortized as interest income or interest expenses over the average remaining maturity of the respective hedging instruments.

The unamortized amounts of Gross Deferred Hedge Losses and Gross Deferred Hedge Gains under the macro-hedge method at the end of this consolidated fiscal year are ¥556,029 million and ¥545,978 million, respectively.

18. Domestic consolidated banking subsidiaries and certain domestic trust banking subsidiaries apply the deferred method of hedge accounting to hedge foreign exchange risks associated with various foreign currency denominated monetary assets and liabilities as stipulated in "Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No.25). The effectiveness of the currency-swap transactions, exchange swap transactions and similar transactions hedging the foreign exchange risks of monetary assets and liabilities denominated in foreign currencies is assessed based on comparison of foreign currency position of the hedged monetary assets and liabilities and the hedging instruments.

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

19. Inter-company interest rate swaps, currency swaps and similar derivatives among consolidated companies or between trading accounts and other accounts, which are designated as hedges, are not eliminated and related gains and losses are recognized in the statement of operations or deferred under hedge accounting because these inter-company derivatives are covered with outside third parties and appropriate hedge operations without subjectivities can be conducted in accordance with JICPA Industry Audit Committee Reports Nos. 24 and 25.

    The deferred method, the fair-value hedge method or the exceptional accrual method for interest rate swaps are applied as hedge accounting methods of consolidated subsidiaries.

20. Consumption Taxes and Local Consumption Taxes

    With respect to MHFG and its domestic consolidated subsidiaries, consumption taxes and local consumption taxes are excluded from the transaction amounts.

21. Reserves under Special Laws are recorded as follows:

    Reserve for Contingent Liabilities from Broking of Financial Futures Transactions: ¥83 million

    This reserve is maintained pursuant to Article 82 of the Financial Futures Transaction Law.

Reserve for Contingent Liabilities from Broking of Securities Transactions: ¥1,750 million
This reserve is maintained pursuant to Article 51 of the Securities & Exchange Law.

22. Loans to Directors and Corporate Auditors of MHFG amounted to ¥26 million.

23. Accumulated depreciation of Premises and Equipment amounted to ¥687,085 million.

24. The book value of Premises and Equipment adjusted for gains on sales of replaced assets amounted to ¥90,406 million.

25. In addition to Premises and Equipment booked on the balance sheet, certain computers are used on the basis of lease contracts.

26. Loans and Bills Discounted include Loans to Bankrupt Borrowers of ¥89,743 million and Non-Accrual Delinquent Loans of ¥971,895 million. Of the above loan amounts, ¥1,992 million comprises loans entrusted to the Resolution and Collection Corporation ("RCC") which leads to removal from the balance sheet.
Loans to Bankrupt Borrowers are loans, excluding loans written-off, on which delinquencies in payment of principal and/or interest have continued for a significant period of time or for some other reason there is no prospect of collecting principal and/or interest ("Non-Accrual Loans"), as per Article 96 Paragraph 1 No. 3, subsections 1 to 5 or No. 4 of the Implementation Ordinances for the Corporate Tax Law (Government Ordinance No. 97, 1965).
Non-Accrual Delinquent Loans represent non-accrual loans other than (i) Loans to Bankrupt Borrowers and (ii) loans for which interest payments have been deferred in order to assist or facilitate the restructuring of the borrowers.

27. Balance of Loans Past Due for 3 Months or More: ¥27,735 million.
Loans Past Due for 3 Months or More are loans for which payments of principal and/or interest have not been received for a period of three months or more beginning with the next day following the last due date for such payments, and which are not included in Loans to Bankrupt Borrowers, or Non-Accrual Delinquent Loans.

28. Balance of Restructured Loans: ¥448,569 million.
Restructured Loans represent loans on which contracts were amended in favor of borrowers (e.g. reduction of, or exemption from, stated interest, deferral of interest payments, extension of maturity dates, renunciation of claims) in order to assist or facilitate the restructuring of the borrowers. Loans to Bankrupt Borrowers, Non-Accrual Delinquent Loans and Loans Past Due for 3 Months or More are not included.

29. Total balance of Loans to Bankrupt Borrowers, Non-accrual Delinquent Loans, Loans Past Due for 3 Months or More and Restructured Loans: ¥1,537,944 million.
Of the above loan amounts, ¥1,992 million comprises loans entrusted to the RCC which leads to removal from the balance sheet.
The amounts given in paragraphs 26. through 29. are gross amounts before deduction of amounts for the Reserves for Possible Losses on Loans.

30. Bills discounted are treated as financial transactions on the basis of JICPA Industry Audit Committee Report No. 24. The banking subsidiaries have rights to sell or pledge the bankers' acceptances, commercial bills, documentary bills and foreign bills bought discounted. The principal amount of these bills amounted to ¥930,853 million.

31. Breakdown of assets pledged as collateral
The following assets have been pledged as collateral:

Trading Assets:	¥6,263,905 million
Securities:	¥11,651,064 million
Loans and Bills Discounted:	¥5,630,348 million
Premises and Equipment	¥157 million

The following liabilities are collateralized by the above assets:

Deposits:	¥1,221,225 million
Call Money and Bills Sold:	¥4,960,500 million
Payables under Repurchase Agreements:	¥4,435,138 million
Guarantee Deposit Received under Securities Lending Transactions:	¥7,413,857million
Borrowed Money:	¥1,330,193 million

In addition to the above, Cash and Due from Banks amounting to ¥10,301 million, Trading Assets amounting to ¥305,764 million, Securities amounting to ¥2,311,761 million, and Loans and Bills Discounted amounting to ¥290,716 million are pledged as collateral in connection with foreign exchange settlement transactions, derivatives transactions etc. or as a substitute for margin payments for futures transactions.

None of the assets has been pledged as collateral in connection with borrowings by non-consolidated subsidiaries or affiliates.

Premises and Equipment include Security Deposits of ¥142,143 million, and Other Assets include Collateral Payments for Derivative Transactions of ¥341,458 million, Margin Payments for Futures Transactions of ¥34,207 million, Guarantee money deposited on when-issued transactions of ¥600 million and Guarantee money deposited on margin transactions of ¥258 million.

Bills re-discounted are accounted for as financial transactions on the basis of Industry Audit Committee Report No. 24. The total face value of commercial bills and foreign bills bought as a result of re-discounting is ¥6,208 million.

32. The net realized and unrealized gains (losses) from hedging instruments are included in Other Assets as Deferred Hedge Losses. The gross amounts of deferred hedge losses and gains before netting were as follows:

Total Deferred Hedge Losses:	¥891,317 million
Total Deferred Hedge Gains:	¥810,865 million

33. In accordance with the Law Concerning Land Revaluation (Proclamation No.34 dated March 31, 1998), land used for business activities has been revalued. The amount of tax payable on the amount of the revaluation differences has been shown in the item Deferred Tax Liabilities for Revaluation Reserve for Land indicated under Liabilities. In addition, the amount of revaluation differences less this tax liability has been shown in the item Revaluation Reserve for Land, net of Taxes indicated under Shareholders' Equity.

Revaluation Date: March 31, 1998

Revaluation method as stated in Article 3-3 of the above law:

Land used for business activities was revalued by calculating the value on the basis of the valuation by road rating stipulated in Article 2-4 of the Enforcement Ordinance relating to the Land Revaluation Law (Government Ordinance No.119 promulgated on March 31, 1998) with reasonable adjustments to compensate for sites with long depth, etc. and also on the basis of the appraisal valuation stipulated in Article 2-5.

The difference at the consolidated balance sheet date between the total market value of land used for business activities revalued as stipulated in Article 10 of the above law, and the total book value of land used for business activities after revaluation: ¥222,110 million

34. Borrowed Money includes subordinated borrowed money of ¥820,988 million.

35. Bonds and Notes include subordinated bonds of ¥2,118,575 million.

36. The principal amounts indemnified for money trusts and loan trusts with contracts guaranteeing the principal, which are entrusted to domestic trust banking subsidiaries, are ¥812,747 million and ¥708,684 million, respectively.

37. Net asset per share: ¥131,016.15

38. Figures for the market price and unrealized gains (losses) on securities are as follows. In addition to Securities, Trading Securities, Trading Related Securities, NCDs, Commercial Paper and Short-term Bonds in Trading Assets, NCDs in Cash and Due From Banks, and certain items in Other Debt Purchased are also included. The same applies up to and including paragraph 41.

Trading Securities

Balance of trading securities at the consolidated balance sheet date: ¥8,829,136 million

Unrealized gains recorded on the consolidated statement of operations: ¥23,528 million

Bonds Held to Maturity which have a market price:

Millions of yen

	Amount on Consolidated BS	Fair Value	Unrealized Gains / Losses		
			Net	Gains	Losses
Japanese Government Bonds	¥1,117,495	¥1,124,118	¥6,622	¥6,622	-
Japanese Municipal Bonds	52,911	53,482	570	570	-
Other	289,159	283,204	(5,954)	-	5,954
Total	¥1,459,567	¥1,460,805	¥1,237	¥7,192	¥5,954

Other Securities which have a market price:

Millions of yen

	Cost	Amount on Consolidated BS	Unrealized Gains / Losses		
			Net	Gains	Losses
Japanese Stocks	¥3,087,917	¥4,197,523	¥1,109,605	¥1,174,385	¥64,780
Japanese Bonds Total	22,170,287	22,094,068	(76,218)	15,873	92,092
Japanese Government Bonds	*21,615,580*	*21,534,341*	*(81,239)*	*9,891*	*91,131*
Japanese Municipal Bonds	*89,433*	*91,222*	*1,789*	*2,144*	*354*
Japanese Short-term Bonds	*2,999*	*2,999*	*(0)*	*-*	*0*
Japanese Corporate Bonds	*462,273*	*465,505*	*3,231*	*3,837*	*606*
Other	5,296,303	5,259,618	(36,685)	42,369	79,054
Total	¥30,554,509	¥31,551,210	¥996,700	¥1,232,628	¥235,927

¥54,074 million of the above Net Unrealized Gains is reflected in the Statement of Operations by applying the fair-value hedge method and other. As a result, the amount to be recorded directly to Shareholders' Equity was ¥942,625 million. ¥537,630 million of the amount after adjustments of the following was included in Net Unrealized Gains (Losses) on Other Securities, net of Taxes:

Net Unrealized Gains:	¥942,625 million
Deferred Tax Assets:	144 million
Less: Deferred Tax Liabilities:	(377,837) million
Less: Amount corresponding to Minority Interests:	(29,532) million
Amount corresponding to Net Unrealized Gains on Other Securities owned by affiliates, which corresponds to the holding shares of their investor companies:	2,230 million
Amount included in Net Unrealized Gains on Other Securities, net of Taxes:	¥537,630 million

Certain Other Securities which have a market price is devalued to the market price on the consolidated balance sheet (book value) and the difference between the acquisition cost and the market price is treated as the loss for the consolidated fiscal year ("devaluation"), if the

market price (primarily the closing price on the last day of the consolidated fiscal year) has significantly deteriorated compared with the acquisition cost (including amortized cost) unless it is deemed that there is a possibility of a recovery in the market price, the market price is taken as the amount recorded. The amount of devaluation for the consolidated fiscal year was ¥355 million.
The criteria for determining whether a security's market price has "significantly deteriorated" are outlined as follows:
Securities whose market price is 50% or less of the acquisition cost
Securities whose market price exceeds 50% but is 70% or less of the acquisition cost and the quoted price maintains a certain level or lower.

39. Other Securities sold during the consolidated fiscal year are as follows:

Amount Sold	Gains on Sales	Losses on Sales
¥34,932,326 million	¥354,893 million	¥53,044 million

40. Major components of securities without a market price and their book value are as follows:

Millions of yen

Details	Amount on Consolidated BS
Other Securities :	
Unlisted Japanese Stocks (other than OTC stocks)	¥814,761
Private Bonds	1,617,364

41. The redemption schedule by term for Bonds Held to Maturity and Other Securities with maturities is as follows:

Millions of yen

	1 year or less	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years
Japanese Bonds Total	¥13,547,124	¥6,479,224	¥3,913,699	¥921,792
Japanese Government Bonds	*13,283,905*	*4,984,641*	*3,596,479*	*786,810*
Japanese Municipal Bonds	*2,258*	*97,401*	*41,327*	*10,079*
Japanese Short-term Bonds	*2,999*	-	-	-
Japanese Corporate Bonds	*257,961*	*1,397,181*	*275,893*	*124,901*
Other	588,578	2,480,708	820,550	1,868,267
Total	¥14,135,702	¥8,959,933	¥4,734,250	¥2,790,059

42. Details of Money Held in Trust are as follows:

For the Purpose of Investing in Securities

Book value on the consolidated balance sheet:	¥28,509 million
Net Unrealized Gains (Losses) recognized in the consolidated statement of operations:	¥ - million

Other

Cost		¥169 million
Amount on Consolidated BS		¥169 million
Unrealized Gains (Losses) : Net		¥ - million
	Gains	¥ - million
	Losses	¥ - million

43. Unsecured lending transactions which allow borrowers to re-sell securities, amounting to ¥28,605 million, are included in Trading Securities under Trading Assets.
In certain transactions subsidiaries have the right to re-sell or re-pledge securities held under securities borrowing agreements, cash-collateralized securities borrowing agreements and securities purchased with resale agreements. Of these, securities re-pledged as collateral, re-sold, and held without being re-pledged or re-sold at the end of the consolidated fiscal year amounted to ¥4,242,038 million, ¥2,355 million and ¥5,911,831 million, respectively.

44. Overdraft protection on current accounts and contracts for the commitment line for loans are contracts by which consolidated subsidiaries are bound to extend loans up to the prearranged amount, at the request of customers, unless the customer is in breach of contract conditions. The unutilized balance of these contracts amounts to ¥46,348,812 million. Of this amount, ¥42,227,207 million relates to contracts of which the original contractual term is one year or less, or unconditionally cancelable at any time.
Since many of these contracts expire without the rights exercised, the unutilized balance itself does not necessarily affect future cash flows of MHFG and its consolidated subsidiaries. A provision is included in many of these contracts that entitles the consolidated subsidiaries to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to preserve a claim, or other similar reasons. The consolidated subsidiaries obtain, moreover, real estate or securities as collateral at the time the contract is entered into, if needed, and subsequently monitor customers' business condition periodically, based on and in accordance with procedures established, and take measures to control credit risks such as amendments to contracts, if needed.

45. Projected pension benefit obligation etc. as of the consolidated balance sheet date are as follows:

	Millions of yen
Projected Benefit Obligation	¥ (1,117,907)
Plan Assets (fair value)	1,381,356
Unfunded Retirement Benefit Obligation	263,448
Unrecognized Actuarial Losses	287,633
Net Amounts on Consolidated Balance Sheet	¥551,082
Prepaid Pension Cost	588,219
Reserve for Employee Retirement Benefits	(37,137)

46. Until the previous fiscal year, for fixed assets whose expected disposable price substantially fell below their book value, the difference between the expected disposal price and the book value was directly depreciated. However, as permitted by "Accounting Standard for Impairment of Fixed Assets" ("Opinion Concerning Establishment of Accounting Standard for Impairment of Fixed Assets" (Business Accounting Deliberation Council report, August 9, 2002)) and "Guidelines on Implementation of Accounting Standard for Impairment of Fixed Assets" (Guidelines on Implementation of Business Accounting Standard No. 6, October 31, 2003) effective the consolidated fiscal year beginning April 1, 2004, the impairment accounting is early adopted in accordance with these standard and guidelines. As a result, Income before Income Taxes and Minority Interests decreased by ¥39,318 million.
As amounts on the balance sheet are indicated after the deduction of amounts of accumulated depreciation in accordance with the "Banking Law Enforcement Regulations" (Ministry of Finance Ordinance No. 10, 1982). The total accumulated depreciation amount is also directry deducted from each asset amount.

Consolidated Statement of Operations

From April 1, 2004 to March 31, 2005

Mizuho Financial Group, Inc.

(Millions of yen)

Ordinary Income		3,039,186
Interest Income	1,584,415	
Interest on Loans and Bills Discounted	*1,065,198*	
Interest and Dividends on Securities	*290,665*	
Interest on Call Loans and Bills purchased	*5,082*	
Interest on Receivables Under Resale Agreements	*110,248*	
Interest on Securities Borrowing Transactions	*3,612*	
Interest on Due from Banks	*29,738*	
Other Interest Income	*79,869*	
Fiduciary Income	*63,253*	
Fee and Commission Income	*566,120*	
Trading Income	*165,059*	
Other Operating Income	*341,506*	
Other Income	*318,830*	
Ordinary Expenses		2,381,726
Interest Expenses	*477,983*	
Interest on Deposits	*119,202*	
Interest on Negotiable Certificates of Deposit	*6,766*	
Interest on Debentures	*68,669*	
Interest on Call money and Bills sold	*2,922*	
Interest on Payable under Repurchase Agreements	*154,003*	
Interest on Securities Lending Transactions	*12,754*	
Interest on Commercial Paper	*1,033*	
Interest on Borrowed Money	*26,594*	
Interest on Short-term Corporate Bonds	*35*	
Interest on Bonds and Notes	*65,299*	
Other Interest Expenses	*20,702*	
Fee and Commission Expenses	93,492	
Other Operating Expenses	155,781	
General and Administrative Expenses	1,091,348	
Other Expenses	563,121	
Ordinary Profits		657,459
Extraordinary Gains		416,467
Gains on Disposal of Premises and Equipment	29,501	
Recovery of Written-off Claims	7,054	
Reversal of Reserves for Possible Losses on Loans	143,215	
Other Extraordinary Gains	236,696	
Extraordinary Losses		130,868
Losses on Disposal of Premises and Equipment	24,167	
Loss on Impairment of Fixed Assets	67,143	
Transfer to Reserve for Contingent Liabilities from Broking of Future transactions	3	
Transfer to Reserve for Contingent Liabilities from Broking of Securities transactions	470	
Other Extraordinary Losses	39,083	
Income before Income Taxes and Minority Interests		943,059
Income Taxes:		
Current		41,045
Refund of Income Taxes		21,228
Deferred		235,227
Minority Interests in Net Income		60,630
Net Income		627,383

NOTES TO CONSOLIDATED STATEMENT OF OPERATIONS

1. Amounts less than one million yen are rounded down.

2. Net income per share of Common Stock: ¥54,625.61

3. Diluted net income per share of Common Stock: ¥37,719.13

4. Income or expenses on trading transactions are recognized on a trade date basis and recorded in Trading Income or Trading Expenses on the consolidated statement of operations. Trading Income and Trading Expenses represent the interest received/paid during the consolidated fiscal year plus (1) the gains or losses resulting from any change in the value of securities and monetary claims in this consolidated fiscal year and (2) the gains or losses resulting from any change in the value of derivative financial instruments in this consolidated fiscal year, assuming that they were settled at term end.

5. Other Income includes Gains on Sales of Stocks of ¥276,772 million.

6. Other Expenses include Losses on Write-offs of Loans of ¥161,461 million, Write-offs of Deferred Hedge Losses Processing Expenses of ¥67,089 million, Losses on Sales of Loans of ¥61,921 million, Valuation Losses on investments in subsidiaries of ¥59,666 million, Expenses on IT system integration and Losses on Disposal of software of ¥55,509 million, and Losses on Devaluation of Stocks of ¥48,752 million.

7. Other Extraordinary Gains include Reversal of Reserve for Contingencies of ¥131,159 million and the receipt of interest on the refund of provisional tax payments of ¥102,105 million, resulting from a ruling by the Supreme Court in favor of the petition of a certain domestic subsidiary for rescission of a correction notice from the Tokyo Regional Taxation Bureau.

8. Other Extraordinary Losses include Amortization of Net Obligation at Date of Initial Application of the New Accounting Standard for Employee Retirement Benefits of ¥24,550 million, and the effect of applying the fair-value hedge method from this consolidated fiscal year of ¥14,412 million.

9. With the enactment of “Revision of Law regarding Regional Taxation, etc.” (Law No.9 of March 2003) on March 31, 2003, certain parts of the basis of the enterprise taxes imposed on banks were changed effective the consolidated fiscal year beginning April 1, 2004 to “added value” and “amount of capital, etc.” As a result, effective this consolidated fiscal year, domestic banking subsidiaries, certain domestic trust banking subsidiaries and certain domestic subsidiaries included the enterprise taxes based on “added value” and “amount of capital, etc.” in “General and Administrative Expenses” on the Consolidated Statement of Operations, in accordance with “Practical Treatment of Presentation of External Standards Taxation portion of Enterprise Taxes on the Statement of Operations ” (the Accounting Standards Board of Japan (the “ASBJ”) Report of Practical Issues No. 12).

10. The difference between the recoverable amount and the book value of the following assets was recognized as Loss on Impairment of Fixed Assets in this consolidated fiscal year:

Area	Principal purpose of use		Type	Impairment loss (¥ million)
Tokyo Metropolitan Area	Branch premises to be closed Idle assets Assets to be disposed	40 branches 108 items	Land and premises, etc.	44,096
Other	Branch premises Branch premises to be closed Idle assets	1 branch 5 branches 118 items	Land and premises, etc.	23,047

Certain domestic subsidiaries recognize the estimated unrecoverable amount of their investment in their branch premises as Loss on Impairment of Fixed Assets. For the purposes of identifying impaired assets, assets of an individual branch are grouped as a unit. The relevant domestic subsidiary calculates the recoverable value by measuring value of use, applying a discount rate of 8.8%.

Domestic banking subsidiaries, certain domestic trust banking subsidiaries and certain domestic subsidiaries recognize Loss on Impairment of Fixed Assets for branch premises to be closed, assets to be disposed, and idle assets. For the purposes of identifying impaired assets in such a case, the individual asset is assessed as a unit. The recoverable amount is calculated based on net realizable value. Net realizable value is calculated based on the valuation by road rating with reasonable adjustments to compensate for sites with long depth, etc. and on the appraisal value, etc., less estimated cost of disposal.

Consolidated Statement of Capital Surplus and Retained Earnings

From April 1, 2004 to March 31, 2005

Mizuho Financial Group, Inc.

(Millions of yen)

Capital Surplus	
Beginning Balance	**1,262,526**
Increase	28
Gains on Sale of Treasury Stock	28
Decrease	239,982
Retirement of Treasury Stock	239,971
Decrease of amount corresponding to Gains on Sales of Treasury Stock due to decrease of affiliates accounted for by the equity method	11
Ending Balance	**1,022,571**
Retained Earnings	
Beginning Balance	**462,594**
Increase	660,216
Net Income	627,383
Transfer from Revaluation Reserve for Land, net of Taxes	32,833
Decrease	74,280
Dividends	74,280
Ending Balance	**1,048,530**

Note Amounts less than one million yen are rounded down.

Consolidated Statement of Cash Flows

From April 1, 2004 to March 31, 2005

Mizuho Financial Group, Inc.

(Millions of yen)

I. Cash Flow from Operating Activities	
Income before Income Taxes and Minority Interests	943,059
Depreciation	129,567
Loss on Impairment of Fixed Assets	67,143
Amortization of Consolidation Differences	426
Equity in Income from Investments in Affiliates	(1,429)
Decrease in Reserves for Possible Losses on Loans	(703,361)
Increase in Reserve for Possible Losses on Investments	4,324
Decrease in Reserve for Contingencies	(122,631)
Decrease in Reserve for Bonus Payments	(4,157)
Increase in Reserve for Employee Retirement Benefits	5,143
Interest Income - accrual basis	(1,584,415)
Interest Expenses - accrual basis	477,983
Gains on Securities	(243,429)
Gains on Money Held in Trust	(306)
Foreign Exchange Losses - Net	6,646
Gains on Disposal of Premises and Equipment	(5,334)
Net Increase in Trading Assets	(2,982,338)
Net Increase in Trading Liabilities	1,848,161
Net Decrease in Loans and Bills Discounted	3,334,370
Net Increase in Deposits	1,964,015
Net Increase in Negotiable Certificates of Deposit	909,848
Net Decrease in Debentures	(1,664,440)
Net Increase in Borrowed Money (excluding Subordinated Borrowed Money)	877,030
Net Decrease in Due from Banks (excluding Deposits with Central Banks)	81,198
Net Increase in Call Loans etc.	(16,245)
Net Increase in Guarantee Deposits Paid under Securities Borrowing Transactions	(709,725)
Net Decrease in Call Money etc.	(164,974)
Net Increase in Commercial Paper	559,400
Net Decrease in Guarantee Deposits Received under Securities Lending Transactions	(526,766)
Net Increase in Foreign Exchange Assets	(107,737)
Net Decrease in Foreign Exchange Liabilities	(59,235)
Net Increase in Short-term Bonds (Liabilities)	80,300
Net Increase in Bonds and Note	86,320
Net Increase in Due to Trust Account	7,037
Interest and Dividend Income-cash basis	1,622,787
Interest Expenses - cash basis	(458,667)
Other-net	905,750
Subtotal	4,555,314
Cash Paid in Income Taxes	(137,303)
Net Cash Provided by Operating Activities	**4,418,011**
II. Cash Flow from Investing Activities	
Payments for Purchase of Securities	(69,640,865)
Proceeds from Sales of Securities	34,321,694
Proceeds from Redemption of Securities	31,505,073
Payments for Increase in Money Held in Trust	(19,605)
Proceeds from Decrease in Money Held in Trust	19,104
Payments for Purchase of Premises and Equipment	(71,486)
Proceeds from Sales of Premises and Equipment	98,715
Payments for Purchase of Stocks of Subsidiaries (affecting the scope of consolidation)	(734)
Net Cash Used in Investing Activities	**(3,788,105)**
III. Cash Flow from Financing Activities	
Proceeds from Issuance of Subordinated Borrowed Money	140,000
Repayments of Subordinated Borrowed Money	(41,914)
Proceeds from Issuance of Subordinated Bonds	462,674
Payments for Redemption of Subordinated Bonds	(570,886)
Proceeds from Investments in Minority Interests	75,010
Dividends Paid	(74,280)
Dividends Paid to Minority Interests	(47,915)
Payments for Purchase of Treasury Stock	(500,476)
Proceeds from Sales of Treasury Stock	60
Net Cash Used in Financing Activities	**(557,729)**
Ⅳ. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	**220**
Ⅴ. Net Increase in Cash and Cash Equivalents	**72,397**
Ⅵ. Cash and Cash Equivalents at the Beginning of the Year	**5,529,664**
Ⅶ. Cash and Cash Equivalents at the End of the Year	**5,602,062**

NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

1. Amounts less than one million yen are rounded down.

2. For the purpose of the Consolidated Statement of Cash Flows, Cash and Cash Equivalents consist of cash and deposits with the central banks included in "Cash and Due from Banks" on the Consolidated Balance Sheet.

3. Cash and Cash Equivalents at the balance sheet date were reconciled to Cash and Due from Banks on the Consolidated Balance Sheet as follows:

	Millions of yen
Cash and Due from Banks	6,808,965
Due from banks except for deposits with the central banks	(1,206,902)
Cash and Cash Equivalents	5,602,062

SEGMENT INFORMATION

1. Segment Information by Type of Business

Fiscal 2003 (for the year ended March 31, 2004) (Millions of yen)

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

Notes: 1. Ordinary Income and Ordinary Profit/Loss are presented in lieu of Sales and Operating Profit/Loss as is the case for non-financial companies.
2. Major components of Type of Business are as follows:
(1) Banking Business: banking and trust banking business
(2) Securities Business: securities business
(3) Other: credit card business, investment advisory business and other

Fiscal 2004 (for the year ended March 31, 2005) (Millions of yen)

	Banking Business	Securities Business	Other	Total	Elimination	Consolidated Results
Ⅰ Ordinary Income						
(1) Ordinary Income from outside customers	2,509,411	344,439	185,334	3,039,186	-	3,039,186
(2) Inter-segment Ordinary Income	13,452	27,139	106,538	147,129	(147,129)	-
Total	2,522,864	371,578	291,872	3,186,315	(147,129)	3,039,186
Ordinary Expenses	2,031,898	264,333	228,229	2,524,461	(142,734)	2,381,726
Ordinary Profit	490,965	107,245	63,643	661,854	(4,394)	657,459
Ⅱ Asset, Depreciation Expense, and Capital Expenditure						
Asset	126,488,096	18,453,700	1,243,822	146,185,618	(3,109,382)	143,076,236
Depreciation Expense	111,499	8,775	9,291	129,567	-	129,567
Capital Expenditure	202,937	12,783	10,871	226,592	-	226,592

Notes: 1. Ordinary Income and Ordinary Profit/Loss are presented in lieu of Sales and Operating Profit/Loss as is the case for non-financial companies.
2. Major components of Type of Business are as follows:
(1) Banking Business: banking and trust banking business
(2) Securities Business: securities business
(3) Other: credit card business, investment advisory business and other

2. Segment Information by Geographic Area

Fiscal 2003 (for the year ended March 31, 2004) (Millions of yen)

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

Notes: 1. Geographic analyses of the Mizuho Financial Group's operations are presented based on geographic contiguity, similarities in economic activities, and relation of business operations. Ordinary Income and Ordinary Profit/Loss are presented in lieu of Sales and Operating Profit/Loss as is the case for non-financial companies.

2. Americas includes the United States of America and Canada, etc., Europe includes the United Kingdom, etc. and Asia/Oceania includes Hong Kong and the Republic of Singapore, etc.

3. In the previous fiscal years, gains and losses relating to foreign exchange swaps for some of the domestic banking subsidiaries were recorded in gross amounts. However, effective this consolidated fiscal year, the net amount of gains and losses is presented on the statements of operations as a result of the application of hedge accounting in accordance with the general provisions of JICPA Industry Audit Committee Report No. 25. As a result, compared with the corresponding amounts under the previously applied method, Ordinary Income and Ordinary Expenses decreased by ¥6,798 million, ¥4,666 million, and ¥1,789 million for Japan, Europe, and Asia/Oceania, excluding Japan, respectively.

4. Effective this consolidated fiscal year, in accordance with the general provisions of JICPA Industry Audit Committee Report No. 25, hedge accounting is applied to currency-swap transactions, exchange swap transactions and similar transactions for domestic banking and trust banking subsidiaries.
As a result of the application of hedge accounting, as of March 31, 2004 curency-swap transactions and exchange swap transactions, which were accounted for on an accrual basis, are valued at fair value and the gross amount of the credit balance and the debt balance are recorded on the balance sheet in Other Assets and Other Liabilities, resulting in a decrease in Total Assets of ¥ 320 million and ¥ 43 million for Japan and the Americas, respectively, and an increase in Total Assets of ¥126 million and ¥1,695 million for Europe and Asia/Oceania excluding Japan, respectively, compared with the corresponding amounts under the previous methods.
Until the fiscal year ended March 31, 2003, the net fair value of forward foreign exchange transactions other than those for the above hedging purposes was recorded in Other Assets or Other Liabilities on the balance sheets. However, effective this consolidated fiscal year the gross fair value amount is recorded on the balance sheet. As a result, as of March 31, 2004 Total Assets increased by ¥782,767 million, ¥ 25,964 million, ¥44,623 million and ¥29,331 million for Japan, Americas, Europe and Asia/Oceania excluding Japan, respectively, compared with the corresponding amounts under the previous method.

Fiscal 2004 (for the year ended March 31, 2005) (Millions of yen)

	Japan	Americas	Europe	Asia/Oceania, excluding Japan	Total	Elimination	Consolidated Results
Ⅰ Ordinary Income							
(1) Ordinary Income from outside customers	2,591,325	197,894	177,012	72,952	3,039,186	-	3,039,186
(2) Inter-segment Ordinary Income	46,268	115,641	19,296	11,724	192,930	(192,930)	-
Total	2,637,593	313,536	196,308	84,677	3,232,116	(192,930)	3,039,186
Ordinary Expenses	2,048,630	246,115	181,478	64,577	2,540,802	(159,076)	2,381,726
Ordinary Profit	588,963	67,420	14,830	20,099	691,313	(33,853)	657,459
Ⅱ Asset	132,776,520	12,391,021	6,916,115	4,501,289	156,584,945	(13,508,709)	143,076,236

Notes: 1. Geographic analyses of the Mizuho Financial Group's operations are presented based on geographic contiguity, similarities in economic activities, and relation of business operations. Ordinary Income and Ordinary Profit/Loss are presented in lieu of Sales and Operating Profit/Loss as is the case for non-financial companies.

2. Americas includes the United States of America and Canada, etc., Europe includes the United Kingdom, etc. and Asia/Oceania includes Hong Kong and the Republic of Singapore, etc.

3. Ordinary Income from Overseas Entities

Fiscal 2003 (for the year ended March 31, 2004) (Millions of yen)

Ⅰ Ordinary Income from Overseas Entities	440,414
Ⅱ Consolidated Ordinary Income	3,200,626
Ⅲ Ordinary Income from Overseas Entities / Consolidated Ordinary Income (%)	13.7

Notes: 1. Ordinary Income from Overseas Entities is presented in lieu of Sales as is the case for non-financial companies.
2. Ordinary Income from Overseas Entities represents Ordinary Income recorded by overseas branches of domestic subsidiaries and overseas subsidiaries excluding inter-segment Ordinary Income. Geographical analyses of Ordinary Income from Overseas Entities are not presented as no such information is available.

Fiscal 2004 (for the year ended March 31, 2005) (Millions of yen)

Ⅰ Ordinary Income from Overseas Entities	447,860
Ⅱ Consolidated Ordinary Income	3,039,186
Ⅲ Ordinary Income from Overseas Entities / Consolidated Ordinary Income (%)	14.7

Notes: 1. Ordinary Income from Overseas Entities is presented in lieu of Sales as is the case for non-financial companies.
2. Ordinary Income from Overseas Entities represents Ordinary Income recorded by overseas branches of domestic subsidiaries and overseas subsidiaries excluding inter-segment Ordinary Income. Geographical analyses of Ordinary Income from Overseas Entities are not presented as no such information is available.

MANUFACTURING, ORDER-BOOK AND RETAIL SITUATION

There is no information on “Manufacturing, order-book and retail situation.”

MARKET VALUE INFORMATION ON DERIVATIVE TRANSACTIONS

Please refer to EDINET system.

RELATED PARTY TRANSACTIONS

Fiscal 2003 (for the year ended March 31, 2004)
There are no relevant transactions with related parties to report.

Fiscal 2004 (for the year ended March 31, 2005)
There are no relevant transactions with related parties to report.

Comparison of Consolidated Balance Sheets (Selected Items)

Mizuho Financial Group, Inc.

(Millions of yen)

Balance Sheets	March 31, 2005 (A)	March 31, 2004 (B)	Comparison (A - B)
ASSETS			
Cash and Due from Banks	6,808,965	6,813,510	(4,545)
Call Loans and Bills Purchased	397,507	1,008,716	(611,208)
Receivables under Resale Agreements	5,004,683	4,392,105	612,577
Guarantee Deposit Paid under Securities Borrowing Transactions	8,680,334	7,970,608	709,725
Other Debt Purchased	1,007,826	835,573	172,253
Trading Assets	11,047,601	8,016,509	3,031,091
Money Held in Trust	28,679	27,863	815
Securities	36,047,035	32,071,624	3,975,410
Loans and Bills Discounted	62,917,336	66,205,868	(3,288,531)
Foreign Exchanges Assets	716,907	608,792	108,115
Other Assets	5,577,985	5,496,845	81,139
Premises and Equipment	1,028,082	1,143,807	(115,725)
Deferred Debenture Charges	303	446	(142)
Deferred Tax Assets	1,036,907	1,361,766	(324,858)
Customers' Liabilities for Acceptances and Guarantees	3,928,176	3,647,613	280,563
Reserves for Possible Losses on Loans	(1,146,797)	(1,850,586)	703,788
Reserve for Possible Losses on Investments	(5,300)	(975)	(4,324)
Total Assets	143,076,236	137,750,091	5,326,145
LIABILITIES			
Deposits	69,499,567	67,528,830	1,970,736
Negotiable Certificates of Deposit	10,868,491	9,958,644	909,846
Debentures	7,795,073	9,459,514	(1,664,440)
Call Money and Bills Sold	8,359,912	8,680,595	(320,682)
Payables under Repurchase Agreements	8,357,544	8,031,106	326,437
Guarantee Deposit Received under Securities Lending Transactions	7,635,035	8,161,802	(526,766)
Commercial Paper	1,397,200	837,800	559,400
Trading Liabilities	7,942,784	6,070,833	1,871,950
Borrowed Money	2,634,433	1,643,343	991,089
Foreign Exchanges Liabilities	292,905	352,136	(59,230)
Short-term Bonds	260,300	180,000	80,300
Bonds and Notes	2,356,972	2,359,370	(2,398)
Due to Trust Account	1,367,569	1,360,532	7,037
Other Liabilities	5,092,621	4,406,174	686,447
Reserve for Bonus Payments	34,475	37,917	(3,441)
Reserve for Employee Retirement Benefits	37,137	31,979	5,157
Reserve for Contingencies	10,108	132,739	(122,631)
Reserves under Special Laws	1,834	1,372	461
Deferred Tax Liabilities	34,016	28,792	5,224
Deferred Tax Liabilities for Revaluation Reserve for Land	135,984	158,467	(22,482)
Acceptances and Guarantees	3,928,176	3,647,613	280,563
Total Liabilities	138,042,144	133,069,567	4,972,577
MINORITY INTERESTS			
Minority Interests	1,128,364	1,036,127	92,236
SHAREHOLDERS' EQUITY			
Total Shareholders' Equity	3,905,726	3,644,396	261,330
Total Liabilities, Minority Interests and Shareholders' Equity	143,076,236	137,750,091	5,326,145

Note : Amounts less than one million yen are rounded down.

Comparison of Consolidated Statements of Operations (Selected Items)

Mizuho Financial Group, Inc.
(Millions of yen)

Statements of Operations	Fiscal 2004 (A)	Fiscal 2003 (B)	Comparison (A-B)
Ordinary Income	3,039,186	3,200,626	(161,440)
Interest Income :	1,584,415	1,622,704	(38,289)
Interest on Loans and Bills Discounted	*1,065,198*	*1,183,736*	*(118,537)*
Interest and Dividends on Securities	*290,665*	*296,733*	*(6,067)*
Fiduciary Income	63,253	62,064	1,189
Fee and Commission Income	566,120	515,377	50,743
Trading Income	165,059	232,455	(67,396)
Other Operating Income	341,506	406,481	(64,975)
Other Income	318,830	361,542	(42,711)
Ordinary Expenses	2,381,726	2,304,139	77,586
Interest Expenses :	477,983	437,703	40,280
Interest on Deposits	*119,202*	*107,294*	*11,907*
Interest on Debentures	*68,669*	*92,744*	*(24,075)*
Fee and Commissions Expenses	93,492	88,762	4,729
Trading Expenses	—	651	(651)
Other Operating Expenses	155,781	199,620	(43,839)
General and Administrative Expenses	1,091,348	1,125,905	(34,557)
Other Expenses	563,121	451,496	111,624
Ordinary Profits	657,459	896,486	(239,027)
Extraordinary Gains	416,467	142,330	274,137
Extraordinary Losses	130,868	157,576	(26,708)
Income before Income Taxes and Minority Interests	943,059	881,240	61,818
Income Tax Expenses :			
Current	41,045	28,055	12,990
Refund of Income Taxes	21,228	—	21,228
Deferred	235,227	387,855	(152,627)
Minority Interests in Net Income	60,630	58,347	2,283
Net Income	627,383	406,982	220,401

Note : Amounts less than one million yen are rounded down.

Comparison of Consolidated Statements of Capital Surplus and Retained Earnings (Selected Items)

Mizuho Financial Group, Inc.
(Millions of yen)

Statements of Capital Surplus and Retained Earnings	Fiscal 2004 (A)	Fiscal 2003 (B)	Comparison (A-B)
CAPITAL SURPLUS			
Beginning Balance	1,262,526	2,599,552	(1,337,026)
Increase	28	269	(241)
Decrease	239,982	1,337,295	(1,097,313)
Ending Balance	1,022,571	1,262,526	(239,954)
RETAINED EARNINGS			
Beginning Balance	462,594	(1,404,992)	1,867,587
Increase	660,216	1,889,734	(1,229,518)
Decrease	74,280	22,147	52,133
Ending Balance	1,048,530	462,594	585,936

Note : Amounts less than one million yen are rounded down.

Comparison of Consolidated Statements of Cash Flows (Selected Items)

Mizuho Financial Group, Inc.
(Millions of yen)

Statements of Cash Flows	Fiscal 2004 (A)	Fiscal 2003 (B)	Comparison (A-B)
I. Cash Flow from Operating Activities			
Income before Income Taxes and Minority Interests	943,059	881,240	61,818
Depreciation	129,567	139,863	(10,296)
Loss on Impairment of Fixed Assets	67,143	-	67,143
Amortization of Consolidation Differences	426	(239)	665
Equity in Earnings from Investments in Affiliates	(1,429)	(1,761)	331
Decrease in Reserves for Possible Losses on Loans	(703,361)	(360,299)	(343,061)
Increase (Decrease) in Reserve for Possible Losses on Investments	4,324	(4,180)	8,505
Decrease in Reserve for Possible Losses on Loans Sold	-	(25,561)	25,561
Decrease in Reserve for Contingencies	(122,631)	(8,384)	(114,246)
Incease(Decrease) in Reserve for Bonus Payments	(4,157)	1,105	(5,263)
Increase in Reserve for Employee Retirement Benefits	5,143	18,876	(13,733)
Interest Income - accrual basis	(1,584,415)	(1,622,704)	38,289
Interest Expenses - accrual basis	477,983	437,703	40,280
Gains on Securities	(243,429)	(336,609)	93,179
Gains on Money Held in Trust	(306)	(417)	110
Foreign Exchange Losses - Net	6,646	10,190	(3,544)
Losses (Gains) on Disposal of Premises and Equipment	(5,334)	120,592	(125,927)
Gains on Establishment of Employee Retirement Benefit Trusts	-	(60,677)	60,677
Net Decrease(Increase) in Trading Assets	(2,982,338)	1,991,740	(4,974,078)
Net Increase (Decrease) in Trading Liabilities	1,848,161	(270,856)	2,119,017
Net Decrease in Loans and Bills Discounted	3,334,370	2,911,383	422,986
Net Increase in Deposits	1,964,015	2,614,688	(650,673)
Net Increase in Negotiable Certificates of Deposit	909,848	2,990,873	(2,081,025)
Net Decrease in Debentures	(1,664,440)	(2,236,876)	572,435
Net Increase in Borrowed Money (excluding Subordinated Borrowed Money)	877,030	100,974	776,056
Net Decrease (Increase) in Due from Banks (excluding Deposits with Central Banks)	81,198	(648,501)	729,699
Net Increase in Call Loans etc.	(16,245)	(485,485)	469,240
Net Increase in Guarantee Deposits Paid under Securities Borrowing Transactions	(709,725)	(1,672,887)	963,161
Net Decrease in Call Money etc.	(164,974)	(2,816,946)	2,651,971
Net Increase in Commercial Paper	559,400	210,400	349,000
Net Increase (Decrease) in Guarantee Deposits Received under Securities Lending Transactions	(526,766)	4,021,419	(4,548,186)
Net Decrease (Increase) in Foreign Exchange Assets	(107,737)	93,566	(201,303)
Net Increase (Decrease) in Foreign Exchange Liabilities	(59,235)	163,902	(223,138)
Net Increase in Short-term Bonds (Liabilities)	80,300	180,000	(99,700)
Net Increase in Bonds and Note	86,320	34,078	52,242
Net Increase (Decrease) in Due to Trust Account	7,037	(128,931)	135,968
Interest and Dividend Income - cash basis	1,622,787	1,664,000	(41,212)
Interest Expenses - cash basis	(458,667)	(488,800)	30,132
Other-net	905,750	(1,373,879)	2,279,629
Subtotal	4,555,314	6,042,599	(1,487,284)
Cash Paid in Income Taxes	(137,303)	(27,657)	(109,646)
Net Cash Used in Operating Activities	4,418,011	6,014,942	(1,596,930)
II. Cash Flow from Investing Activities			
Payments for Purchase of Securities	(69,640,865)	(71,932,830)	2,291,965
Proceeds from Sales of Securities	34,321,694	46,486,466	(12,164,772)
Proceeds from Redemption of Securities	31,505,073	17,704,694	13,800,378
Payments for Increase in Money Held in Trust	(19,605)	(14,899)	(4,706)
Proceeds from Decrease in Money Held in Trust	19,104	25,784	(6,680)
Payments for Purchase of Premises and Equipment	(71,486)	(95,971)	24,485
Proceeds from Sales of Premises and Equipment	98,715	374,085	(275,369)
Payments for Purchase of Stocks of Subsidiaries (affecting the scope of consolidation)	(734)	(258)	(476)
Proceeds from Sales of Stocks of Subsidiaries (affecting the scope of consolidation)	-	50,716	(50,716)
Net Cash Used in Investing Activities	(3,788,105)	(7,402,213)	3,614,108
III. Cash Flow from Financing Activities			
Proceeds from Issuance of Subordinated Borrowed Money	140,000	90,000	50,000
Repayments of Subordinated Borrowed Money	(41,914)	(15,000)	(26,914)
Proceeds from Issuance of Subordinated Bonds	462,674	601,406	(138,731)
Payments for Redemption of Subordinated Bonds	(570,886)	-	(570,886)
Payments for Redemption of Subordinated Bonds, Notes and Bonds with Stock Option	-	(731,797)	731,797
Proceeds from Investments in Minority Interests	75,010	-	75,010
Dividends Paid	(74,280)	(22,147)	(52,133)
Dividends Paid to Minority Interests	(47,915)	(53,497)	5,581
Payments for Purchase of Treasury Stock	(500,476)	(166)	(500,310)
Proceeds from Sales of Treasury Stocks	60	208	(148)
Net Cash Used in Financing Activities	(557,729)	(130,994)	(426,734)
Ⅳ. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	220	(381)	602
Ⅴ. Net Increase in Cash and Cash Equivalents	72,397	(1,518,647)	1,591,045
VI. Cash and Cash Equivalents at the Beginning of the Year	5,529,664	7,048,505	(1,518,840)
VII. Net Decrease in Cash and Cash Equivalents Resulting from Exclusion of Subsidiaries from the Scope of Consolidation	-	(193)	193
VIII. Cash and Cash Equivalents at the End of the Year	5,602,062	5,529,664	72,397

Note : Amounts less than one million yen are rounded down.