

November 22, 2004

For Immediate Release:

## Non-consolidated Financial Statements for the First Half of 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 Suzuki  
Title: General Manager, Accounting Department  
Phone: 03-5224-2030

Meeting of Board of Directors for Financial Results: November 22, 2004

Interim Dividends System: Established

Special Round Lot: Not applicable



### 1. Financial Highlights for the First Half of Fiscal 2004 (from April 1, 2004 to September 30, 2004)

#### (1) Operating Results

Amount less than one million yen are rounded down

	Operating Income		Operating Profits		Ordinary Profits	
	¥million	%	¥million	%	¥million	%
First Half of Fiscal 2004	19,760	(3.1)	14,035	(7.7)	13,875	(7.7)
First Half of Fiscal 2003	20,393	-	15,202	-	15,036	-
Fiscal 2003	25,748		13,986		13,665	

	Net Income		Net Income (Loss)
	¥million	%	per Share of Common Stock
First Half of Fiscal 2004	20,536	82.5	1,720.84
First Half of Fiscal 2003	11,251	-	1,035.84
Fiscal 2003	9,936		(2,846.42)

Notes: 1. Average Outstanding Shares of Common Stock (excl. Treasury Stock):

First Half of Fiscal 2004	11,934,266
First Half of Fiscal 2003	10,861,709
Fiscal 2003	11,253,798

2. Change in Accounting Method: None

3. Percentages on the above table represent changes of Operating Income, Operating Profits, Ordinary Profits and Net Income to the respective amounts of the corresponding period of the previous year.

#### (2) Cash Dividends Declared for Common Shareholders

	Interim Cash Dividends	Cash Dividends
	Declared per Share	Declared per Share (Annual)
First Half of Fiscal 2004	0	
First Half of Fiscal 2003	0	
Fiscal 2003		3,000

#### (3) Financial Conditions

	Total Assets	Total Shareholders' Equity	Shareholders' Equity to Total Assets	Shareholders' Equity per Share of Common Stock
	¥million	¥million	%	¥
First Half of Fiscal 2004	3,402,916	3,236,173	95.1	44,801.10
First Half of Fiscal 2003	3,598,545	3,534,947	98.2	49,129.79
Fiscal 2003	3,600,085	3,533,497	98.2	46,670.34

Notes: 1. Outstanding Shares of Common Stock (excl. Treasury Stock):

As of September 30, 2004	11,937,054
As of September 30, 2003	11,294,921
As of March 31, 2004	11,926,161

2. Outstanding Shares of Treasury Stock:

As of September 30, 2004	1,114
As of September 30, 2003	390
As of March 31, 2004	802

### 2. Earnings Estimates for Fiscal 2004 (for the year ending March 31, 2005)

	Operating Income	Ordinary Profits	Net Income	Cash Dividends per Share	
				Year-end Cash Dividends	(Annual)
Fiscal 2004	¥million 25,000	¥million 13,500	¥million 20,500	¥ 3,500	¥ 3,500

Reference: Net Income per Share of Common Stock (Fiscal 2004 estimate) (1,579.36)

Above estimates are based on information, which is available at this moment, and assumption 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** (in shares)

	First Half of Fiscal 2004		First Half of Fiscal 2003		Fiscal 2003	
	Average Outstanding Shares	Term-end Outstanding Shares	Average Outstanding Shares	Term-end Outstanding Shares	Average Outstanding Shares	Year-end Outstanding Shares
Common Stock	11,934,266	11,937,054	10,861,709	11,294,921	11,253,798	11,926,161
First series Preferred Stock (Class I)	27,409	—	33,000	33,000	33,000	33,000
Second series Preferred Stock (Class II)	100,000	100,000	100,000	100,000	100,000	100,000
Third series Preferred Stock (Class III)	100,000	100,000	100,000	100,000	100,000	100,000
Fourth series Preferred Stock (Class IV)	150,000	150,000	150,000	150,000	150,000	150,000
Sixth series Preferred Stock (Class VI)	150,000	150,000	150,000	150,000	150,000	150,000
Seventh series Preferred Stock (Class VII)	125,000	125,000	125,000	125,000	125,000	125,000
Eighth series Preferred Stock (Class VIII)	125,000	125,000	125,000	125,000	125,000	125,000
Ninth series Preferred Stock (Class IX)	121,874	33,000	140,000	140,000	140,000	140,000
Tenth series Preferred Stock (Class X)	140,000	140,000	140,000	140,000	140,000	140,000
Eleventh series Preferred Stock (Class XI)	943,740	943,740	943,740	943,740	943,740	943,740
Twelfth series Preferred Stock (Class XI)	4,910	4,700	81,544	50,600	53,535	5,500
Thirteenth series Preferred Stock (Class XIII)	36,690	36,690	36,690	36,690	36,690	36,690

Notes: 1. Minimum shares for trading for common and preferred stock: 1 share

2. Treasury stock is excluded from number of common stock.

3. Increase in number of common stock is due to the conversion of 800 shares of Twelfth series Preferred Stock (Class XI).

4. Decrease in number of First series Preferred Stock (Class I) is due to the repurchase and cancellation of 33,000 shares (Total amount of acquisition is 59,489 millions of yen).

5. Decrease in number of Ninth series Preferred Stock (Class IX) is due to the repurchase and cancellation of 107,000 shares (Total amount of acquisition is 180,482 millions of yen).

**Cash Dividends Declared for Shareholders**

	First Half of Fiscal 2004	Fiscal 2003	
	Interim Cash Dividends Declared per Share	Cash Dividends Declared per Share	
		Interim Cash Dividends	(Annual)
Common Stock	¥ 0	¥ 0	¥ 3,000
First series Preferred Stock (Class I)	—	0	22,500
Second series Preferred Stock (Class II)	0	0	8,200
Third series Preferred Stock (Class III)	0	0	14,000
Fourth series Preferred Stock (Class IV)	0	0	47,600
Sixth series Preferred Stock (Class VI)	0	0	42,000
Seventh series Preferred Stock (Class VII)	0	0	11,000
Eighth series Preferred Stock (Class VIII)	0	0	8,000
Ninth series Preferred Stock (Class IX)	0	0	17,500
Tenth series Preferred Stock (Class X)	0	0	5,380
Eleventh series Preferred Stock (Class XI)	0	0	20,000
Twelfth series Preferred Stock (Class XI)	0	0	2,500
Thirteenth series Preferred Stock (Class XIII)	0	0	30,000

**Estimates for Cash Dividends per Share in Fiscal 2004**

	Cash Dividends (Annual)	
	Year-end Cash Dividends	
Common Stock	¥ 3,500	¥ 3,500
Second series Preferred Stock (Class II)	8,200	8,200
Third series Preferred Stock (Class III)	14,000	14,000
Fourth series Preferred Stock (Class IV)	47,600	47,600
Sixth series Preferred Stock (Class VI)	42,000	42,000
Seventh series Preferred Stock (Class VII)	11,000	11,000
Eighth series Preferred Stock (Class VIII)	8,000	8,000
Ninth series Preferred Stock (Class IX)	17,500	17,500
Tenth series Preferred Stock (Class X)	5,380	5,380
Eleventh series Preferred Stock (Class XI)	20,000	20,000
Twelfth series Preferred Stock (Class XI)	2,500	2,500
Thirteenth series Preferred Stock (Class XIII)	30,000	30,000

**Reference****Formulae for indices - Financial Highlights for the First Half of Fiscal 2004**

Net Income (Loss) per Share of Common Stock

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

Shareholders' Equity per Share of Common Stock

$$\frac{\text{Shareholders' Equity (Term-end) - Deduction from Shareholders' Equity (*3)}}{\text{Outstanding Shares of Common Stock (Term-end) (*2)}}$$

**Formula for index - Earnings Estimates for Fiscal 2004**

Net Income per Share of Common Stock (Fiscal 2004 estimate)

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

\*1 Dividends on Preferred Stock and other.

\*2 Treasury Stock is excluded from shares of Common Stock.

\*3 Issue amount of Preferred Stock, dividends on Preferred Stock and other.

## NON-CONSOLIDATED BALANCE SHEETS

	As of September 30, 2004		As of September 30, 2003		As of March 31, 2004		
	Millions of yen	%	Millions of yen	%	Millions of yen	%	
<b>Assets</b>							
<b>Current Assets</b>							
Cash and Due from Banks	¥	924	¥	2,164	¥	1,231	
Other Current Assets		38,412		1,671		2,709	
<b>Total Current Assets</b>		<b>39,337</b>		<b>3,835</b>		<b>3,940</b>	
		1.2		0.1		0.1	
<b>Non-current Assets</b>							
Tangible Assets		882		658		1,014	
Intangible Assets		3,812		3,697		3,903	
Investments		3,358,121		3,589,288		3,590,312	
<i>Investments in Subsidiaries and Affiliates</i>		<i>3,356,116</i>		<i>3,588,487</i>		<i>3,588,866</i>	
<i>Other Investments</i>		<i>2,004</i>		<i>801</i>		<i>1,446</i>	
<b>Total Non-current Assets</b>		<b>3,362,816</b>		<b>3,593,643</b>		<b>3,595,229</b>	
		98.8		99.9		99.9	
<b>Deferred Assets</b>		<b>761</b>		<b>1,066</b>		<b>914</b>	
		0.0		0.0		0.0	
<b>Total Assets</b>	¥	<b>3,402,916</b>	100.0	¥	<b>3,598,545</b>	100.0	
				¥	<b>3,600,085</b>	100.0	
<b>Liabilities and Shareholders' Equity</b>							
<b>Liabilities</b>							
<b>Current Liabilities</b>							
Commercial Paper	¥	165,000		¥	60,000	¥	65,000
Reserve for Bonus Payments		139		150		150	
Other Current Liabilities		732		3,147		867	
<b>Total Current Liabilities</b>		<b>165,872</b>		<b>63,298</b>		<b>66,018</b>	
		4.9		1.8		1.8	
<b>Non-current Liabilities</b>							
Reserve for Employee Retirement Benefits		198		69		77	
Other Non-Current Liabilities		671		229		491	
<b>Total Non-current Liabilities</b>		<b>870</b>		<b>299</b>		<b>568</b>	
		0.0		0.0		0.0	
<b>Total Liabilities</b>		<b>166,742</b>		<b>63,598</b>		<b>66,587</b>	
		4.9		1.8		1.8	
<b>Shareholders' Equity</b>							
<b>Common Stock and Preferred Stock</b>		<b>1,540,965</b>		<b>1,540,965</b>		<b>1,540,965</b>	
		45.3		42.8		42.8	
<b>Capital Surplus</b>							
Capital Reserve		385,241		1,752,885		1,752,885	
Other Capital Surplus		1,127,689		-		-	
<b>Total Capital Surplus</b>		<b>1,512,930</b>		<b>1,752,885</b>		<b>1,752,885</b>	
		44.4		48.7		48.7	
<b>Retained Earnings</b>							
Legal Earned Reserve		4,350		4,350		4,350	
Voluntary Reserve		47,662		147,662		147,662	
Unappropriated Retained Earnings		130,608		89,134		87,820	
<b>Total Retained Earnings</b>		<b>182,621</b>		<b>241,146</b>		<b>239,832</b>	
		5.4		6.7		6.7	
<b>Net Unrealized Losses on Other Securities Available for Sale, net of Taxes</b>		<b>(10)</b>	<b>(0.0)</b>	<b>(5)</b>	<b>(0.0)</b>	<b>(10)</b>	
		<b>(0.0)</b>		<b>(0.0)</b>		<b>(0.0)</b>	
<b>Treasury Stock</b>		<b>(333)</b>	<b>(0.0)</b>	<b>(44)</b>	<b>(0.0)</b>	<b>(174)</b>	
		<b>(0.0)</b>		<b>(0.0)</b>		<b>(0.0)</b>	
<b>Total Shareholders' Equity</b>		<b>3,236,173</b>		<b>3,534,947</b>		<b>3,533,497</b>	
		95.1		98.2		98.2	
<b>Total Liabilities and Shareholders' Equity</b>	¥	<b>3,402,916</b>	100.0	¥	<b>3,598,545</b>	100.0	
				¥	<b>3,600,085</b>	100.0	

## NON-CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Six-month Period ended September 30, 2004		For the Six-month Period ended September 30, 2003		For the Year ended March 31, 2004	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Operating Income</b>	¥ 19,760	100.0	¥ 20,393	100.0	¥ 25,748	100.0
<b>Operating Expenses</b>	5,724	29.0	5,191	25.5	11,761	45.7
General and Administrative Expenses	5,724		5,191		11,761	
<b>Operating Profits</b>	14,035	71.0	15,202	74.5	13,986	54.3
<b>Non-operating Income</b>	92	0.5	256	1.3	428	1.7
<b>Non-operating Expenses</b>	252	1.3	421	2.1	749	2.9
<b>Ordinary Profits</b>	13,875	70.2	15,036	73.7	13,665	53.1
<b>Extraordinary Gains</b>	46,732	236.5	-	-	4	0.0
<b>Extraordinary Losses</b>	39,727	201.0	466	2.3	2,839	11.0
<b>Income Before Income Taxes</b>	20,879	105.7	14,570	71.4	10,831	42.1
Income Taxes						
Current	2		3,368		559	
Deferred	340		(48)		334	
Total Income Taxes	342	1.8	3,319	16.2	894	3.5
<b>Net Income</b>	20,536	103.9	11,251	55.2	9,936	38.6
Retained Earnings Brought Forward from Previous Fiscal Year	110,071		77,883		77,883	
Unappropriated Retained Earnings	¥ 130,608		¥ 89,134		¥ 87,820	

## **BASIS FOR PRESENTATION AND PRINCIPLES OF FINANCIAL STATEMENTS**

### 1. Valuation of Securities

Investments in Subsidiaries and Affiliates and Other Securities that do not have readily determinable fair values are valued at cost determined by the moving average method.

### 2. Depreciation and Amortization of Non-current Assets

#### (a) Tangible Assets

Depreciation of Buildings is computed by the straight-line method, and that of Equipment is computed by the declining-balance method using the following estimated useful lives.

Buildings: 8 to 47 years

Equipment: 2 to 17 years

#### (b) Intangible Assets

Trademark is amortized by the straight-line method over 10 years.

Development costs for internally-used software are capitalized and amortized by the straight-line method over their estimated useful lives of mainly 5 years.

### 3. Capitalization and Amortization of Deferred Assets

Establishment Costs and Start-up Costs are capitalized and amortized by the straight-line method over 5 years, in accordance with the Enforcement Regulations of the Commercial Code of Japan.

### 4. Reserves

(a) Reserve for Bonus Payments, which is provided for the future bonus payments to employees, is maintained at the amount accrued at the end of the interim period, based on the estimated future payment.

(b) Reserve for Employee Retirement Benefits, which is provided for the future retirement benefit to employees, is maintained at the amount accrued at the end of the interim period, based on estimated balances of the projected benefit obligation and the plan assets at the end of this fiscal year.

Unrecognized actuarial gains or losses are recognized as income or expenses from the following fiscal year under the straight-line method over certain term (10 years) within the average remaining service period of the current employees.

### 5. Leases

Finance leases that 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.

6. Consumption Taxes and Local Consumption Taxes paid are excluded from transaction amounts.

## **CHANGE IN BASIS FOR PRESENTATION AND PRINCIPLES OF FINANCIAL STATEMENTS**

### Accounting Standard for Impairment of Fixed Assets

As permitted by “Accounting Standard for Impairment of Fixed Assets” (“Opinion Concerning Establishment of Accounting Standard for Impairment of Fixed Assets” (Business Accounting 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 fiscal year beginning April 1, 2004, the impairment accounting in accordance with the above standard and guidelines are applied.

There is no effect of this change on operations.

**NOTES TO NON-CONSOLIDATED BALANCE SHEET**

1. Accumulated depreciation of tangible assets amounts to ¥ 537 million.
2. MHFG has guaranteed on a subordinated basis the principal or interest on the subordinated notes issued by Mizuho Financial Group (Cayman) Limited. Amount of the subordinated guarantee at the end of the interim period is ¥ 446,507 million.

**NOTES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS**

1. Depreciation and Amortization expenses:
 

Tangible Assets	¥ 163 million
Intangible Assets	¥ 446 million
2. Major item in Non-operating Expenses:
 

Interest on Commercial Paper	¥ 66 million
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3. Major item in Extraordinary Gains:
 

Gains on Disposition of Investments in Subsidiaries (Stocks)	¥ 46,732 million
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4. Major item in Extraordinary Losses:
 

Losses on Disposition of Investments in Subsidiaries (Stocks)	¥ 39,510 million
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**SECURITIES**

Unrealized gains on stocks of subsidiaries and affiliates that have fair values are as follows:

	Balance Sheet Amount	Fair Value	Unrealized Gains
Stocks of Subsidiaries	¥ 146,968 million	¥ 710,324 million	¥ 563,355 million