

SELECTED FINANCIAL INFORMATION

First Half of Fiscal 2004

REGARDING DEFERRED TAXES

MIZUHO

A thick, black, curved underline that spans the width of the word 'MIZUHO' above it.

Mizuho Financial Group, Inc.

DEFERRED TAXES

1. Change in Deferred Tax Assets, etc.

CONSOLIDATED

Billions of yen

	As of September 30, 2004			As of March 31, 2004	As of September 30, 2003
		Change from March 31, 2004	Change from September 30, 2003		
Net Deferred Tax Assets (A)	1,208.4	(124.5)	(447.9)	1,332.9	1,656.4
(Reference)					
Tier I (B)	4,044.1	102.9	251.2	3,941.1	3,792.9
(A)/(B) (%)	29.8	(3.9)	(13.7)	33.8	43.6

NON-CONSOLIDATED

Billions of yen

Mizuho Bank	As of September 30, 2004			As of March 31, 2004	As of September 30, 2003
		Change from March 31, 2004	Change from September 30, 2003		
Total Deferred Tax Assets (A)	1,124.0	(51.6)	(216.6)	1,175.7	1,340.6
Total Deferred Tax Liabilities (B)	(173.8)	4.1	60.6	(178.0)	(234.5)
(A) + (B)	950.1	(47.4)	(155.9)	997.6	1,106.0
Valuation Allowance	(307.0)	(16.8)	(1.1)	(290.1)	(305.8)
Net Deferred Tax Assets (C)	643.1	(64.3)	(157.0)	707.4	800.1
(Reference)					
Tier I (D)	1,868.7	57.0	242.7	1,811.6	1,626.0
(C)/(D) (%)	34.4	(4.6)	(14.7)	39.0	49.2

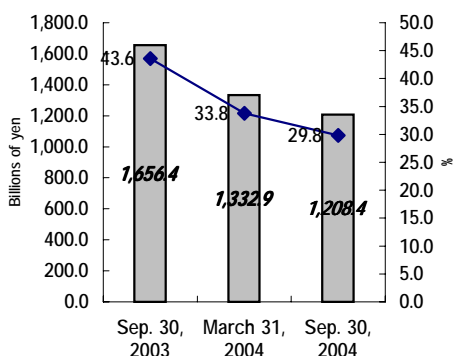
Mizuho Corporate Bank

Total Deferred Tax Assets (A)	1,943.2	(62.5)	(162.4)	2,005.8	2,105.6
Total Deferred Tax Liabilities (B)	(288.4)	38.5	(50.4)	(326.9)	(238.0)
(A) + (B)	1,654.7	(24.0)	(212.8)	1,678.8	1,867.6
Valuation Allowance	(1,170.8)	(26.5)	(41.2)	(1,144.3)	(1,129.6)
Net Deferred Tax Assets (C)	483.8	(50.5)	(254.1)	534.4	738.0
(Reference)					
Tier I (D)	2,363.6	88.8	272.1	2,274.7	2,091.4
(C)/(D) (%)	20.4	(3.0)	(14.8)	23.4	35.2

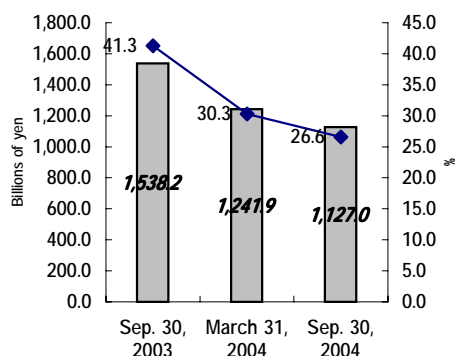
Aggregated Figures of the Two Banks

Total Deferred Tax Assets (A)	3,067.3	(114.2)	(379.0)	3,181.5	3,446.3
Total Deferred Tax Liabilities (B)	(462.3)	42.6	10.2	(505.0)	(472.6)
(A) + (B)	2,604.9	(71.5)	(368.8)	2,676.4	2,973.7
Valuation Allowance	(1,477.9)	(43.4)	(42.4)	(1,434.5)	(1,435.5)
Net Deferred Tax Assets (C)	1,127.0	(114.9)	(411.2)	1,241.9	1,538.2
(Reference)					
Tier I (D)	4,232.3	145.9	514.8	4,086.4	3,717.4
(C)/(D) (%)	26.6	(3.7)	(14.7)	30.3	41.3

Consolidated



Aggregated Figures of the Two Banks



2. Estimation of Deferred Tax Assets, etc.

NON-CONSOLIDATED

(1) Calculation Policy

Recoverability of Deferred Tax Assets is basically assessed based on future taxable income derived from future profitability, considering that Mizuho Bank and Mizuho Corporate Bank's fundamental profitability enabled the two banks to consistently report an appropriate level of Net Business Profits in previous periods. Mizuho Bank and Mizuho Corporate Bank's loss carry-forwards and future deductible temporary differences in the past resulted from nonrecurring special causes, e.g. losses from extraordinary and significant waiver of claims due to the crash of the bubble economy, acceleration of disposal of problem loans and stock holdings in accordance with government policy to promptly stabilize the financial system under the long deflationary depression, and the restructuring of businesses to meet the severe management environment. Since the two banks could have reported positive taxable income every year except for the losses from these special factors, the conditions under the provisory clause of 5. (1) ④ of "Audit Guideline for Considering Recoverability of Deferred Tax Assets (JICPA Audit Committee Report No.66) have been fulfilled. Period for future taxable income considered in the assessment is five years.

(Reference) Past results of taxable income (loss)

(Billions of yen)

	Mizuho Bank	Mizuho Corporate Bank
First Half of Fiscal 2004 (estimate)	100.0	160.0
Fiscal 2003	396.3	423.4
Fiscal 2002	(976.5)	(2,326.9)
Fiscal 2001	(408.0)	(185.0)
Fiscal 2000	89.1	127.2
Fiscal 1999	177.1	226.0

(Notes)

- Figures are taxable income (tax loss) amounts per the final corporation tax returns before deducting tax losses carried forward from prior years. Subsequent amendments have not been reflected.
- Figures for First Half of Fiscal 2004 are estimates of taxable income before deducting tax losses carried forward from prior years for the interim period.
- Above figures are those before deducting losses due to nonrecurring special reasons stipulated in Section 5. of JICPA Audit Committee Report No.66.
If these nonrecurring factors are excluded, positive taxable income would have been recorded in each term.
- Figures for the periods before the Corporate Split and Merger are those of the legally surviving banks.

(2) Estimation for Calculating Deferred Tax Assets**Mizuho Bank**

(Billions of yen)

1. Estimate of future taxable income

(Reference)

		Total amount for five years (from October 1, 2004 to September 30, 2009)	First Half of Fiscal 2004
Gross Profits	1	5,183.1	441.6
General and Administrative Expenses	2	(2,395.4)	(279.3)
Net Business Profits (Before Provision for General Reserve for Possible Losses on Loans)	3	2,787.7	162.3
Credit Related Costs	4	(657.7)	(1.1)
Income before Income Taxes	5	1,783.4	98.2
Future Tax Adjustments	6	326.0	
Taxable Income before Current Temporary Differences	7	2,109.4	

Effective tax rates	8	40.60%	
Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences [7 x 8]	9	856.4	=>Equal to Line 25

Notes:

- Future Tax Adjustments are estimated future book-tax differences under the provisions of the corporation tax law and others.
- Taxable Income before Current Temporary Differences is an estimate of taxable income before reversal of temporary differences as of September 30, 2004.

2. Breakdown of Deferred Tax Assets

September 30, 2004

Reserves for Possible Losses on Loans	10	176.0
Write-down of securities	11	368.2
Net Unrealized Losses on Other Securities, net of Taxes	12	9.4
Reserve for Employee Retirement Benefits	13	—
Loss Carry-forwards	14	356.8
Other	15	213.4
Total Deferred Tax Assets	16	1,124.0
Valuation Allowance	17	(307.0)
Sub Total [16 + 17]	18	817.0
Amount related to Retirement Benefits Accounting	19	(152.8)
Unrealized Profits related to Lease Transactions	20	—
Net Unrealized Gains on Other Securities, net of Taxes	21	—
Other	22	(21.0)
Total Deferred Tax Liabilities	23	(173.8)
Net Deferred Tax Assets [16 + 17 + 23]	24	643.1
<i>Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences [9]</i>	<i>25</i>	<i>856.4</i>
<i>Net Unrealized Gains on Other securities, net of taxes [21]</i>	<i>26</i>	<i>—</i>
<i>Others including Deferred Tax Assets corresponding to Remaining Taxable Income before Current Temporary Differences</i>	<i>27</i>	<i>(213.3)</i>

< Explanation >

Future taxable income was estimated using a more conservative assumption than that used in the business revitalization plan in September 2003, which was "zero growth until fiscal 2004 and economic recovery after fiscal 2005". To put it concretely, as five-year totals, Gross Profits was estimated to be ¥5,183.1 billion [1], General and Administrative Expenses to be ¥2,395.4 billion [2] after taking into account a significant reduction of expenses primarily due to consolidation of branches, and Net Business Profits to be ¥2,787.7 billion [3]. Credit related costs and gains (losses) related to stocks and other securities were estimated based on the business revitalization plan stated above. This led to estimated Income before Income Taxes of ¥1,783.4 billion [5] and estimated Taxable Income before Current Temporary Differences of ¥2,109.4 billion [7].

On the other hand, deferred tax assets which are tax deductible in the future, such as Reserves for Possible Losses on Loans, loss carry-forwards and others amount to ¥1,124.0 billion [16]. However, after considering temporary differences which are not expected to be reversed in the next five years, Valuation Allowance of ¥(307.0) billion [17] was provided, therefore after offsetting deferred tax liabilities of ¥(173.8) billion [23], ¥643.1 billion [24] of net deferred tax assets was recorded on the balance sheet.

This net deferred tax assets of ¥643.1 billion [24] is within the amount of Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences of ¥856.4 billion [9], which was calculated based on Taxable Income before Current Temporary Differences for the next five years (¥2,109.4 billion [7]) and future effective tax rates.

Note: Amount Related to Retirement Benefits Accounting includes deferred tax liabilities related to gains from establishment of retirement benefits trust of ¥(97.1) billion.

Mizuho Corporate Bank

(Billions of yen)

1. Estimate of future taxable income

(Reference)

		Total amount for five years (from October 1, 2004 to September 30, 2009)	First Half of Fiscal 2004	
	Gross Profits	1	2,937.2	262.5
	General and Administrative Expenses	2	(957.6)	(101.7)
	Net Business Profits (Before Provision for General Reserve for Possible Losses on Loans)	3	1,979.6	160.8
	Credit Related Costs	4	(420.0)	(55.2)
	Income before Income Taxes	5	1,447.1	141.3
	Future Tax Adjustments	6	357.6	
	Taxable Income before Current Temporary Differences	7	1,804.7	
	Effective tax rate	8	40.64%	
	Deferred Tax Assets corresponding to Taxable Income before Adjustment (7 x 8)	9	733.4	=>Equal to Line 25

Notes:

- Future Tax Adjustments are estimated future book-tax differences under the provisions of the corporation tax law and others.
- Taxable Income before Current Temporary Differences is an estimate of taxable income before reversal of temporary differences as of September 30, 2004.

2. Breakdown of Deferred Tax Assets

September 30, 2004

	Reserves for Possible Losses on Loans	10	102.7
	Write-down of securities	11	627.2
	Net Unrealized Losses on Other Securities, net of Taxes	12	—
	Reserve for Employee Retirement Benefits	13	—
	Loss Carry-forwards	14	1,085.1
	Other	15	128.1
	Total Deferred Tax Assets	16	1,943.2
	Valuation Allowance	17	(1,170.8)
	Sub Total [16 + 17]	18	772.3
	Amount related to Retirement Benefits Accounting	19	(68.4)
	Unrealized Profits related to Lease Transactions	20	—
	Net Unrealized Gains on Other Securities, net of Taxes	21	(214.8)
	Other	22	(5.1)
	Total Deferred Tax Liabilities	23	(288.4)
	Net Deferred Tax Assets [16 + 17 + 23]	24	483.8
	Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences [9]	25	733.4
	Net Unrealized Gains on Other securities, net of taxes [21]	26	(214.8)
	Others including Deferred Tax Assets corresponding to Remaining Taxable Income before Current Temporary Differences	27	(34.6)

< Explanation >

Future taxable income was estimated using a more conservative assumption than that used in the business revitalization plan in September 2003, which was "zero growth until fiscal 2004 and economic recovery after fiscal 2005". Gross Profits is estimated to be ¥2,937.2 billion [1] for a total of five years, primarily due to early realization of the new business model, General and Administrative Expenses to be ¥957.6 billion [2] after taking into account a significant reduction of expenses, and Net Business Profits to be ¥1,979.6 billion [3]. Credit related costs and gains (losses) related to stocks and other securities were estimated based on the business revitalization plan stated above. This led to estimated Income before Income Taxes of ¥1,447.1 billion [5] and estimated Taxable Income before Current Temporary Differences of ¥1,804.7 billion [7].

The amount of Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences is ¥733.4 billion [9], which was calculated based on Taxable Income before Current Temporary Differences for the next five years (¥1,804.7 billion [7]) and future effective tax rates.

On the other hand, deferred tax assets which are tax deductible in the future, such as Reserves for Possible Losses on Loans, loss carry-forwards and others amount to ¥1,943.2 billion [16]. However, Valuation Allowance of ¥(1,170.8) billion [17] was provided, therefore after offsetting deferred tax liabilities of ¥(288.4) billion [23], ¥483.8 billion [24] of net deferred tax assets was recorded on the balance sheet.

Note: Amount Related to Retirement Benefits Accounting includes deferred tax liabilities related to gains from establishment of retirement benefits trust of ¥(36.7) billion.

Aggregated Figures of the Two Banks

(Billions of yen)

1. Estimate of future taxable income

(Reference)

		Total amount for five years (from October 1, 2004 to September 30, 2009)	First Half of Fiscal 2004	
	Gross Profits	1	8,120.3	704.2
	General and Administrative Expenses	2	(3,353.0)	(381.0)
	Net Business Profits (Before Provision for General Reserve for Possible Losses on Loans)	3	4,767.3	323.1
	Credit Related Costs	4	(1,077.7)	(56.3)
	Income before Income Taxes	5	3,230.5	239.5
	Future Tax Adjustments	6	683.7	
	Taxable Income before Current Temporary Differences	7	3,914.2	
	Effective tax rate	8	40.60% - 40.64%	
	Deferred Tax Assets corresponding to Taxable Income before Adjustment (7 x 8)	9	1,589.9	=>Equal to Line 25

Notes:

- Future Tax Adjustments are estimated future book-tax differences under the provisions of the corporation tax law and others.
- Taxable Income before Current Temporary Differences is an estimate of taxable income before reversal of temporary differences as of September 30, 2004.

2. Breakdown of Deferred Tax Assets

		September 30, 2004	
	Reserves for Possible Losses on Loans	10	278.8
	Write-down of securities	11	995.4
	Net Unrealized Losses on Other Securities, net of Taxes	12	9.4
	Reserve for Employee Retirement Benefits	13	—
	Loss Carry-forwards	14	1,441.9
	Other	15	341.6
	Total Deferred Tax Assets	16	3,067.3
	Valuation Allowance	17	(1,477.9)
	Sub Total [16 + 17]	18	1,589.3
	Amount related to Retirement Benefits Accounting	19	(221.2)
	Unrealized Profits related to Lease Transactions	20	—
	Net Unrealized Gains on Other Securities, net of Taxes	21	(214.8)
	Other	22	(26.2)
	Total Deferred Tax Liabilities	23	(462.3)
	Net Deferred Tax Assets [16 + 17 + 23]	24	1,127.0
	Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences [9]	25	1,589.9
	Net Unrealized Gains on Other securities, net of taxes [21]	26	(214.8)
	Others including Deferred Tax Assets corresponding to Remaining Taxable Income before Current Temporary Differences	27	(248.0)

Note: Amount Related to Retirement Benefits Accounting includes deferred tax liabilities related to gains from establishment of retirement benefits trust of ¥(133.8) billion.