



For Immediate Release:

## Non-consolidated Financial Statements for Fiscal 2005

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: Mamoru Kishida  
Title: General Manager, Accounting Department  
Phone: 03-5224-2030

Meeting of Board of Directors for Financial Results: May 22, 2006

Ordinary General Meeting of Shareholders: June 27, 2006

Scheduled Dividend Payment Commencement Date: June 27, 2006

Interim Dividends System: Established

Special Round Lot: Not applicable

### 1. Financial Highlights for Fiscal 2005 (for the fiscal year ended March 31, 2006)

#### (1) Operating Results

Amounts less than one million yen are rounded down

	Operating Income		Operating Profits		Ordinary Profits	
	¥million	%	¥million	%	¥million	%
Fiscal 2005	128,990	386.9	115,512	686.1	113,452	693.1
Fiscal 2004	26,493	2.9	14,694	5.1	14,304	4.7

	Net Income		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
	¥million	%	¥	¥	%	%	%
Fiscal 2005	790,240	-	63,040.65	53,235.99	88.4	2.8	88.0
Fiscal 2004	30,886	210.8	(588.85)	-	(1.2)	0.4	54.0

Notes: 1. Average outstanding shares of common stock (excl. Treasury stock): Fiscal 2005 12,001,823 shares, Fiscal 2004 11,947,488 shares

2. Change in accounting method: None

3. Percentage figures in Operating Income, Operating Profits, Ordinary Profits and Net Income represent changes in the respective accounts compared with the previous fiscal year.

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

	Cash Dividends Declared per Share (Annual)			Amount of Cash Dividends Declared (Annual)	Dividends Pay-out Ratio	Dividends as a Percentage of Common Shareholders' Equity
	Interim Cash Dividends	Year-end Cash Dividends				
	¥	¥	¥	¥million	%	%
Fiscal 2005	4,000	0	4,000	81,421	6.3	4.1
Fiscal 2004	3,500	0	3,500	79,929	-	7.8

Note: Amount of Cash Dividends Declared (Annual) is the aggregated amount of those on common stock and preferred stock.

#### (3) Financial Conditions

	Total Assets	Total Shareholders' Equity	Total Shareholders' Equity to Total Assets	Total Shareholders' Equity per Share of Common Stock
	¥million	¥million	%	¥
Fiscal 2005	4,793,061	2,752,319	57.4	94,861.81
Fiscal 2004	3,178,608	2,986,230	93.9	41,782.20

Notes: 1. Outstanding shares of common stock (excl. treasury stock): As of March 31, 2006 12,001,399 shares As of March 31, 2005 12,002,202 shares

2. Outstanding shares of treasury stock (common stock): As of March 31, 2006 2,596 shares As of March 31, 2005 1,793 shares

### 2. Earnings Estimates for Fiscal 2006 (for the fiscal year ending March 31, 2007)

	Operating Income	Ordinary Profits	Net Income	Cash Dividends Declared per Share (Annual)		
				Interim Cash Dividends	Year-end Cash Dividends	
	¥million	¥million	¥million	¥	¥	¥
First Half of Fiscal 2006	1,230,000	1,220,000	1,210,000	0	-	-
Fiscal 2006	1,250,000	1,220,000	1,230,000	-	4,000	4,000

Reference: Net Income per Share of Common Stock (Fiscal 2006 estimate): ¥ 99,703.75

\*The above estimates are forward-looking statements that are based on our current expectations and are subject to significant risks and uncertainties. Actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, changes in overall economic conditions, changes in market rates of interest, declines in the value of equity securities or real estate, the deterioration of the quality of loans to certain borrowers and industry sectors, the effect of new legislation or government directives and fluctuations in foreign currency exchange rates. We disclaim any obligation to update or revise the forward-looking statements, except as may be required by the rules of the Tokyo Stock Exchange and any applicable laws and regulations.

## Number of Shares

	Fiscal 2005		Fiscal 2004	
	Average Outstanding Shares	Year-end Outstanding Shares	Average Outstanding Shares	Year-end Outstanding Shares
Common Stock	12,001,823	12,001,399	11,947,488	12,002,202
First Series Class I Preferred Stock	-	-	13,742	-
Second Series Class II Preferred Stock	25,232	-	97,356	61,400
Third Series Class III Preferred Stock	41,095	-	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	66,438	-	125,000	125,000
Eighth Series Class VIII Preferred Stock	24,369	-	120,500	59,300
Ninth Series Class IX Preferred Stock	-	-	75,298	-
Tenth Series Class X Preferred Stock	57,534	-	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	-
Thirteenth Series Class XIII Preferred Stock	36,690	36,690	36,690	36,690

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

2. Treasury stock is excluded from the number of outstanding shares. Treasury Stock: Fiscal 2005 Common Stock 2,596shares Preferred Stock -  
Fiscal 2004 Common Stock 1,793shares Preferred Stock 137,300shares

3. Decrease in stocks below is due to repurchase and cancellation.

	Cancellation		Repurchase & Cancellation	
	Number of Shares	Acquisition Cost (¥million)	Number of Shares	Acquisition Cost (¥million)
Second Series Class II Preferred Stock	38,600	60,524	61,400	115,292
Third Series Class III Preferred Stock	-	-	100,000	187,578
Seventh Series Class VII Preferred Stock	-	-	125,000	250,735
Eighth Series Class VIII Preferred Stock	65,700	148,784	59,300	156,376
Ninth Series Class IX Preferred Stock	33,000	50,650	-	-
Tenth Series Class X Preferred Stock	-	-	140,000	233,706

## Cash Dividends Declared for Shareholders

	Cash Dividends Declared per Share (Annual)			Amount of Cash Dividends Declared (Annual)
		Interim Cash Dividends	Year-end Cash Dividends	
<b>Fiscal 2005</b>	¥	¥	¥	¥million
Common Stock	4,000	-	4,000	48,005
Fourth Series Class IV Preferred Stock	47,600	-	47,600	7,140
Sixth Series Class VI Preferred Stock	42,000	-	42,000	6,300
Seventh Series Class VII Preferred Stock	-	-	-	-
Eleventh Series Class XI Preferred Stock	20,000	-	20,000	18,874
Thirteenth Series Class XIII Preferred Stock	30,000	-	30,000	1,100
<b>Fiscal 2004</b>	¥	¥	¥	¥million
Common Stock	3,500	-	3,500	42,007
First Series Class I Preferred Stock	-	-	-	-
Second Series Class II Preferred Stock	8,200	-	8,200	503
Third Series Class III Preferred Stock	14,000	-	14,000	1,400
Fourth Series Class IV Preferred Stock	47,600	-	47,600	7,140
Sixth Series Class VI Preferred Stock	42,000	-	42,000	6,300
Seventh Series Class VII Preferred Stock	11,000	-	11,000	1,375
Eighth Series Class VIII Preferred Stock	8,000	-	8,000	474
Ninth Series Class IX Preferred Stock	-	-	-	-
Tenth Series Class X Preferred Stock	5,380	-	5,380	753
Eleventh Series Class XI Preferred Stock	20,000	-	20,000	18,874
Twelfth Series Class XI Preferred Stock	-	-	-	-
Thirteenth Series Class XIII Preferred Stock	30,000	-	30,000	1,100

## Estimates for Cash Dividends per Share for the Fiscal 2006

	Cash Dividends Declared per Share (Annual)	
	Interim Cash Dividends	Year-end Cash Dividends
	¥	¥
Common Stock	-	4,000
Fourth Series Class IV Preferred Stock	-	47,600
Sixth Series Class VI Preferred Stock	-	42,000
Eleventh Series Class XI Preferred Stock	-	20,000
Thirteenth Series Class XIII Preferred Stock	-	30,000

**Reference****Formulae for indices - Financial Highlights for Fiscal 2005****Net Income per Share of Common Stock**

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

**Diluted Net Income per Share of Common Stock**

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

**Net Income on Equity**

$$\frac{\text{Net Income} - \text{Amount Not Available to Common Shareholders (*1)}}{[(\text{Total Shareholders' Equity (Beginning)} - \text{Outstanding Shares of Preferred Stock (Beginning)} \times \text{Issued Price}) + (\text{Total Shareholders' Equity (fiscal year-end)} - \text{Outstanding Shares of Preferred Stock (fiscal year-end)} \times \text{Issued Price})] / 2}} \times 100$$

**Dividends Pay-Out Ratio**

$$\frac{\text{Cash Dividends Declared per Share of Common Stock}}{\text{Net Income per Share of Common Stock}} \times 100$$

**Dividends as a Percentage of Common Shareholders' Equity**

$$\frac{\text{Amount of Cash Dividends Declared (Common Stock)}}{\text{Shareholders' Equity (fiscal year-end)} - \text{Outstanding Shares of Preferred Stock (fiscal year-end)} \times \text{Issued Price}} \times 100$$

**Shareholders' Equity per Share of Common Stock**

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

**Formula for index - Earnings Estimates for Fiscal 2006****Net Income per Share of Common Stock (Fiscal 2006 estimate)**

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

\*1 Dividends on Preferred Stock and others.

\*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 fiscal 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 the market price at the beginning of the fiscal year.

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

## NON-CONSOLIDATED BALANCE SHEETS

As of March 31,	2006 (A)		2005 (B)		(A) - (B)
	Millions of yen	%	Millions of yen	%	Millions of yen
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Due from Banks	¥ 2,361		¥ 2,601		¥ (239)
Advances	6		4		1
Prepaid Expenses	1,514		336		1,178
Accounts Receivable	272,328		75,487		196,841
Other Current Assets	3,023		1,352		1,671
<b>Total Current Assets</b>	<b>279,234</b>	<b>5.8</b>	<b>79,782</b>	<b>2.5</b>	<b>199,452</b>
<b>Non-Current Assets</b>					
<b>Tangible Assets</b>	<b>771</b>		<b>925</b>		<b>(154)</b>
Buildings	229		225		4
Equipment	541		699		(158)
<b>Intangible Assets</b>	<b>4,304</b>		<b>4,477</b>		<b>(173)</b>
Trademarks	140		142		(2)
Software	4,095		3,894		200
Other Intangible Fixed Assets	68		440		(371)
<b>Investments</b>	<b>4,508,445</b>		<b>3,092,812</b>		<b>1,415,633</b>
Investment Securities	2		-		2
Investments in Subsidiaries and Affiliates	4,505,283		3,089,775		1,415,508
Other Investments	3,159		3,037		122
<b>Total Non-Current Assets</b>	<b>4,513,521</b>	<b>94.2</b>	<b>3,098,215</b>	<b>97.5</b>	<b>1,415,305</b>
<b>Deferred Assets</b>					
Establishment Costs	0		1		(0)
Start-Up Costs	304		608		(304)
<b>Total Deferred Assets</b>	<b>304</b>	<b>0.0</b>	<b>609</b>	<b>0.0</b>	<b>(304)</b>
<b>Total Assets</b>	<b>¥ 4,793,061</b>	<b>100.0</b>	<b>¥ 3,178,608</b>	<b>100.0</b>	<b>¥ 1,614,453</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Short-term Borrowings	¥ 965,000		¥ -		¥ 965,000
Commercial Paper	-		152,000		(152,000)
Short-term Bonds	1,072,000		-		1,072,000
Accounts Payable	172		629		(456)
Accrued Expenses	2,082		753		1,329
Accrued Corporate Taxes	3		3		-
Deposits Received	58		37,713		(37,654)
Reserve for Bonus Payments	161		147		14
<b>Total Current Liabilities</b>	<b>2,039,479</b>	<b>42.6</b>	<b>191,247</b>	<b>6.0</b>	<b>1,848,231</b>
<b>Non-Current Liabilities</b>					
Deferred Tax Liabilities	857		888		(30)
Reserve for Employee Retirement Benefits	389		242		147
Other Non-Current Liabilities	14		-		14
<b>Total Non-Current Liabilities</b>	<b>1,261</b>	<b>0.0</b>	<b>1,130</b>	<b>0.1</b>	<b>131</b>
<b>Total Liabilities</b>	<b>2,040,741</b>	<b>42.6</b>	<b>192,378</b>	<b>6.1</b>	<b>1,848,363</b>
<b>Shareholders' Equity</b>					
<b>Common Stock and Preferred Stock</b>	<b>1,540,965</b>	<b>32.1</b>	<b>1,540,965</b>	<b>48.5</b>	<b>-</b>
<b>Capital Surplus</b>					
Capital Reserve	385,241		385,241		-
Other Capital Surplus	50		1,127,700		(1,127,650)
Transfer from Capital Stock and Capital Reserve	-		1,127,672		(1,127,672)
Gains on Sales of Treasury Stock	50		28		22
<b>Total Capital Surplus</b>	<b>385,291</b>	<b>8.0</b>	<b>1,512,942</b>	<b>47.6</b>	<b>(1,127,650)</b>
<b>Retained Earnings</b>					
Appropriated Reserve	4,350		4,350		-
Voluntary Reserve	-		47,662		(47,662)
Special Voluntary Earned Reserve	-		47,662		(47,662)
Unappropriated Retained Earnings	822,956		140,957		681,998
<b>Total Retained Earnings</b>	<b>827,306</b>	<b>17.3</b>	<b>192,970</b>	<b>6.0</b>	<b>634,335</b>
Net Unrealized Gains(Losses) on Other Securities, net of Taxes	12	<b>0.0</b>	(24)	<b>(0.0)</b>	37
<b>Treasury Stock</b>	<b>(1,255)</b>	<b>(0.0)</b>	<b>(260,622)</b>	<b>(8.2)</b>	<b>259,367</b>
<b>Total Shareholders' Equity</b>	<b>2,752,319</b>	<b>57.4</b>	<b>2,986,230</b>	<b>93.9</b>	<b>(233,910)</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>¥ 4,793,061</b>	<b>100.0</b>	<b>¥ 3,178,608</b>	<b>100.0</b>	<b>¥ 1,614,453</b>

## NON-CONSOLIDATED INCOME STATEMENTS

For the fiscal years ended March 31,	2006 (A)		2005 (B)		(A) - (B)
	Millions of yen	%	Millions of yen	%	Millions of yen
<b>Operating Income</b>					
Cash Dividend Received from Subsidiaries and Affiliates	¥ 112,528		¥ 13,736		¥ 98,791
Fees and Commission Received from Subsidiaries and Affiliates	16,461		12,757		3,704
<b>Total Operating Income</b>	<b>128,990</b>	<b>100.0</b>	<b>26,493</b>	<b>100.0</b>	<b>102,496</b>
<b>Operating Expenses</b>					
General and Administrative Expenses	13,477		11,799		1,678
<b>Total Operating Expenses</b>	<b>13,477</b>	<b>10.4</b>	<b>11,799</b>	<b>44.5</b>	<b>1,678</b>
<b>Operating Profits</b>	<b>115,512</b>	<b>89.6</b>	<b>14,694</b>	<b>55.5</b>	<b>100,817</b>
<b>Non-Operating Income</b>					
Rent Received	42		68		(25)
Other Non-Operating Income	209		67		142
<b>Total Non-Operating Income</b>	<b>252</b>	<b>0.2</b>	<b>135</b>	<b>0.5</b>	<b>116</b>
<b>Non-Operating Expenses</b>					
Interest Expenses	261		-		261
Interest on Commercial Paper	40		174		(133)
Interest on Short-term Bonds	1,696		-		1,696
Amortization of Start-Up Costs	304		304		-
Other Non-Operating Expenses	8		47		(39)
<b>Total Non-Operating Expense</b>	<b>2,311</b>	<b>1.8</b>	<b>526</b>	<b>2.0</b>	<b>1,785</b>
<b>Ordinary Profits</b>	<b>113,452</b>	<b>88.0</b>	<b>14,304</b>	<b>54.0</b>	<b>99,148</b>
<b>Extraordinary Gains</b>					
Gains on Disposal of Investments in Subsidiaries	679,000		73,546		605,454
Other Extraordinary Gains	3,934		11		3,922
<b>Total Extraordinary Gains</b>	<b>682,934</b>	<b>529.4</b>	<b>73,557</b>	<b>277.6</b>	<b>609,377</b>
<b>Extraordinary Losses</b>					
Losses on Disposal of Investments in Subsidiaries	-		56,186		(56,186)
Other Extraordinary Losses	6,154		228		5,926
<b>Total Extraordinary Losses</b>	<b>6,154</b>	<b>4.8</b>	<b>56,414</b>	<b>212.9</b>	<b>(50,259)</b>
<b>Income Before Income Taxes</b>	<b>790,232</b>	<b>612.6</b>	<b>31,447</b>	<b>118.7</b>	<b>758,785</b>
Income Taxes:					
Current	30		4		25
Deferred	(38)		556		(595)
<b>Total Income Taxes</b>	<b>(8)</b>	<b>(0.0)</b>	<b>561</b>	<b>2.1</b>	<b>(569)</b>
<b>Net Income</b>	<b>790,240</b>	<b>612.6</b>	<b>30,886</b>	<b>116.6</b>	<b>759,354</b>
Retained Earnings Brought Forward from Previous Fiscal Year	108,691		110,071		(1,380)
Cancellation of Treasury Stock	75,976		-		75,976
<b>Unappropriated Retained Earnings</b>	<b>¥ 822,956</b>		<b>¥ 140,957</b>		<b>¥ 681,998</b>

## **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 value are stated at acquisition cost as 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 with the following range of useful lives.

Buildings: 4 to 47 years

Equipment: 2 to 17 years

#### **(b) Intangible Assets**

Trademarks are amortized under 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 (primarily 5 years).

### **3. Capitalization and Amortization of Deferred Assets**

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

### **4. Reserves**

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

(b) Reserve for Employee Retirement Benefits, which is provided for future pension payments to employees, is recorded as the required amount based on the projected benefit obligation and the estimated plan asset amounts at the end of the fiscal year.

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

### **5. Leases**

Finance leases which do not involve the transfer of ownership to the lessee are accounted for as operating leases.

### **6. Consumption Taxes and Local Consumption Taxes**

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

**NOTES TO NON-CONSOLIDATED BALANCE SHEET**

1. Accumulated depreciation of tangible assets amounted to ¥972 million.
2. Liabilities towards affiliates
 

Short-term borrowings:	¥965,000 million
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3. Number of shares
 

Authorized:	Common Stock 25,000,000	Preferred Stock 4,698,500
Outstanding:	Common Stock 12,003,995.49	Preferred Stock 1,280,430
4. The number of shares of Treasury Stock : Common Stock 2,596.41
5. MHFG has guaranteed on a subordinated basis the principal of and interest on the subordinated notes issued by Mizuho Financial Group (Cayman) Limited. Amount of the subordinated guarantee at the end of the fiscal year is ¥471,489 million.
6. Dividend restrictions
  - (a) The increased net asset amount resulting from the application of fair value as stipulated in Article 124 no.3 of the Enforcement Regulations of the Commercial Code of Japan is ¥12 million.
  - (b) In compliance with the Articles of Incorporation of MHFG, dividends to be distributed to preferred shareholders shall not exceed the following amounts:
 

Fourth series Class IV Preferred Stock	¥47,600 per share
Sixth series Class VI Preferred Stock	¥42,000 per share
Eleventh series Class XI Preferred Stock	¥20,000 per share
Thirteenth series Class XIII Preferred Stock	¥30,000 per share

**NOTES TO NON-CONSOLIDATED INCOME STATEMENT**

1. Operating Income from transactions with subsidiaries and affiliates
 

Cash dividend received from subsidiaries and affiliates	¥112,528 million
Fee and commission received from subsidiaries and affiliates	¥16,461 million
2. Major items, which are all classified as general expenses, in General and Administrative Expenses:
 

Salaries	¥3,553 million
Entrusted business commissions	¥2,263 million
Rent (land, buildings and equipment)	¥1,856 million
Depreciation	¥1,494 million
Advertising expenses	¥1,202 million
Expenses on Employee retirement benefits	¥850 million
3. Operating Expenses from transactions with subsidiaries and affiliates
 

General and Administrative Expenses	¥3,756 million
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4. Non-Operating Income from transactions with subsidiaries and affiliates
 

Rent	¥42 million
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5. Other Non-Operating Income includes interest on the refund of withholding tax and others of ¥166 million.
6. Non-Operating Expenses from transactions with subsidiaries and affiliates  
Interest Expenses ¥261 million
7. Extraordinary Gains from transactions with subsidiaries and affiliates  
Gains on Disposal of Investments in Subsidiaries ¥642,696 million
8. Extraordinary Losses from transactions with subsidiaries and affiliates  
Losses on transfer of business ¥1,227 million
9. Other Extraordinary Losses include expenses of ¥4,806 million related to preparations for a planned listing on the New York Stock Exchange and losses on transfer of business of ¥1,227 million.

## SECURITIES

Unrealized gains on investments in subsidiaries and affiliates that have fair value are as follows:

	Amount on Balance Sheet	Fair Value	Unrealized Gains
Investments in Subsidiaries	¥137,171 million	¥1,245,019 million	¥1,107,847 million

## DEFERRED TAXES

### 1. Components of Deferred Tax Assets and Liabilities

#### Deferred Tax Assets

Investments in Subsidiaries	¥ 1,386,257 million
Tax Losses Carried Forward	525,667 million
Others	<u>278 million</u>
Gross Deferred Tax Assets (Subtotal)	1,912,202 million
Valuation Allowance	<u>(1,912,003)million</u>
Gross Deferred Tax Assets	199 million

#### Deferred Tax Liabilities

Prepaid Pension Cost	(1,048)million
Others	<u>(8)million</u>
Gross Deferred Tax Liabilities	<u>(1,057)million</u>
<b>Net Deferred Tax Liabilities</b>	<u><u>¥ (857)million</u></u>



2. Difference between the normal statutory tax rate and the ratio of Income Tax Expenses after deferred tax accounting to Income before Income Taxes (“Effective Tax Rate”) is as follows:

Normal Statutory Tax Rate	40.69 %
Adjustments	
Permanent differences (e.g. cash dividends received)	(70.08) %
Increase and Decrease of Valuation Allowance	29.76 %
Others	<u>(0.37) %</u>
<b>Effective Tax Rate</b>	<b><u>(0.00) %</u></b>

## PER SHARE INFORMATION

Total Shareholders’ Equity per share of Common Stock	¥94,861.81
Net Income per share of Common Stock	¥63,040.65
Diluted Net Income per share of Common Stock	¥53,235.99

Net Income per share of common stock was computed using the following information:

Net income	¥790,240 million
Amount not available to common shareholders	¥33,638 million
<i>Preferred dividends</i>	¥33,415 million
<i>Excess of consideration paid to cancel preferred stock over capital surplus</i>	¥222 million
Net Income related to common stock	¥756,602 million
Average outstanding shares of common stock	12,001 thousand

Diluted Net Income per share of common stock was computed using the following information:

Adjustments	¥19,097 million
<i>Preferred dividends</i>	¥18,874 million
<i>Excess of consideration paid to cancel preferred stock over capital surplus</i>	¥222 million
Increasing shares of common stock for dilutive securities	2,569 thousand
<i>Preferred stock</i>	2,569 thousand

## PROPOSED APPROPRIATION OF RETAINED EARNINGS

	<i>in millions of yen except for per share amounts</i>	
	Fiscal 2005	Fiscal 2004
<b>Unappropriated Retained Earnings at the end of the fiscal year</b>	<b>¥ 822,956</b>	¥ 140,957
Transfer from Voluntary Reserve	-	47,662
Transfer from Special Voluntary Earned Reserve	-	47,662
Appropriations for Unappropriated Retained Earnings:	<b>81,421</b>	79,929
Cash Dividends for Second Series ClassII Preferred Stock	-	¥ 8,200 per Share 503
Cash Dividends for Third Series ClassIII Preferred Stock	-	¥ 14,000 per Share 1,400
Cash Dividends for Fourth Series Class IV Preferred Stock	¥ 47,600 per Share <b>7,140</b>	¥ 47,600 per Share 7,140
Cash Dividends for Sixth Series Class VI Preferred Stock	¥ 42,000 per Share <b>6,300</b>	¥ 42,000 per Share 6,300
Cash Dividends for Seventh Series Class VII Preferred Stock	-	¥ 11,000 per Share 1,375
Cash Dividends for Eighth Series Class VIII Preferred Stock	-	¥ 8,000 per Share 474
Cash Dividends for Tenth Series Class X Preferred Stock	-	¥ 5,380 per Share 753
Cash Dividends for Eleventh Series Class XI Preferred Stock	¥ 20,000 per Share <b>18,874</b>	¥ 20,000 per Share 18,874
Cash Dividends for Thirteenth Series Class XIII Preferred Stock	¥ 30,000 per Share <b>1,100</b>	¥ 30,000 per Share 1,100
Cash Dividends for Common Stock	¥ 4,000 per Share <b>48,005</b>	¥ 3,500 per Share 42,007
<b>Unappropriated Retained Earnings Carried Forward</b>	<b>¥ 741,535</b>	¥ 108,691