

For Immediate Release:

May 15, 2008

**Financial Statements for Fiscal 2007**  
**<under Japanese GAAP>**



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

Stock Code Number (Japan): 8411  
 Stock Exchanges (Japan): 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 Ordinary General Meeting of Shareholders (scheduled): June 26, 2008  
 Title: President & CEO Filing of Yuka Shoken Hokokusho to the Kanto Local  
 For Inquiry: Name: Mamoru Kishida Finance Bureau (scheduled): June 27, 2008  
 Title: General Manager, Accounting Commencement of Dividend Payment (scheduled): June 26, 2008  
 Phone: +81-3-5224-2030 Trading Accounts : Established

Amounts less than one million yen and one decimal place are rounded down.

**1. Financial Highlights for Fiscal 2007 (for the fiscal year ended March 31, 2008)**

**(1) Consolidated Results of Operations** (%: Changes from previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal 2007	4,523,510	10.3	397,120	(46.9)	311,224	(49.8)
Fiscal 2006	4,099,654	15.2	748,170	(18.7)	620,965	(4.4)

	Net Income	Diluted Net Income	Net Income	Ordinary Profits	Ordinary Profits
	per Share of Common Stock	per Share of Common Stock	on Own Capital	to Total Assets	to Ordinary Income
	¥	¥	%	%	%
Fiscal 2007	25,370.25	24,640.00	8.5	0.2	8.7
Fiscal 2006	51,474.49	48,803.07	16.7	0.4	18.2

Reference: Equity in Income from Investments in Affiliates:  
 Fiscal 2007: ¥9,083 million; Fiscal 2006: ¥9,324 million

**(2) Consolidated Financial Conditions**

	Total Assets	Total Net Assets	Own Capital Ratio	Total Net Assets	Consolidated Capital
	¥ million	¥ million	%	per Share of Common Stock	Adequacy Ratio (BIS)
Fiscal 2007	154,412,105	5,694,159	2.5	254,722.01	11.70*
Fiscal 2006	149,880,031	6,724,408	3.2	336,937.64	12.48

Reference: Own Capital: \* Preliminary  
 As of March 31, 2008: ¥ 3,902,114 million; As of March 31, 2007: ¥ 4,911,293 million

Notes: 1. Own Capital Ratio was calculated as follows: (Total Net Assets - Minority Interests) / Total Assets × 100  
 2. Consolidated Capital Adequacy Ratio (BIS) is based on the "Standards for Bank Holding Company to Consider the Adequacy of Its Capital Based on Assets and Others Held by It and Its Subsidiaries Pursuant to Article 52-25 of the Banking Law" (Financial Services Agency Ordinance Announcement No. 20, March 27, 2006).

**(3) Conditions of Consolidated Cash Flows**

	Cash Flows from	Cash Flows from	Cash Flows from	Cash and Cash Equivalents
	Operating Activities	Investing Activities	Financing Activities	at the end of the fiscal year
	¥ million	¥ million	¥ million	¥ million
Fiscal 2007	170,714	(1,118,704)	(85,087)	2,055,793
Fiscal 2006	(3,104,934)	3,221,212	(417,280)	3,089,030

**2. Cash Dividends for Shareholders of Common Stock**

(Record Date)	Cash Dividends per Share			Total Cash Dividends (Annual)	Dividends Pay-out Ratio (Consolidated basis)	Dividends on Net Assets (Consolidated basis)
	Interim period-end	Fiscal year-end	Annual			
	¥	¥	¥	¥ million	%	%
Fiscal 2006	—	7,000	7,000	83,081	13.5	2.2
Fiscal 2007	—	10,000	10,000	113,922	39.4	3.3
Fiscal 2008 (estimate)	—	10,000	10,000		21.0	

Note: 1. Please refer to p.1-3 for cash dividends for shareholders of classified stock (unlisted), the rights of which are different from those of common stock.  
 2. Please refer to p.1-3 for Cash Dividends per Share for Fiscal 2008 (estimate).

**3. Earnings Estimates for Fiscal 2008 (for the fiscal year ending March 31, 2009)**

(%: Changes from corresponding period of previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income		Net Income
	¥ million	%	¥ million	%	¥ million	%	per Share of Common Stock
1H F2008	2,100,000	(6.9)	350,000	(12.3)	250,000	(23.5)	21,945.86
Fiscal 2008	4,300,000	(4.9)	770,000	93.8	560,000	79.9	47,405.21

Note: The number of shares of common stock used in calculating the above Net Income per Share of Common Stock is based on the number of outstanding shares of common stock as of March 31, 2008. It does not take into account the eventuality of a decrease in the number of shares of common stock as a result of the repurchase of own shares (common shares) announced today (May 15, 2008) or any increase in the number of outstanding shares of common stock due to requests for acquisition (conversion) of the Eleventh Series Class XI Preferred Stock or any other factors.

## 4. Others

### (1) Changes in Significant Subsidiaries during the Fiscal Year

(changes in specified subsidiaries accompanying changes in scope of consolidation): No

### (2) Changes in Accounting Methods and Presentation of Consolidated Financial Statements

(a) Changes due to revisions of accounting standards etc.: Yes

(b) Changes other than (a) above: Yes

Please refer to:

Standards of Accounting Method 2,4,11,13,14,15

Changes in the Basis for Presentation of Consolidation

Note to consolidated statement of cash flows 2

### (3) Issued Shares

	Fiscal 2007		Fiscal 2006	
	Average Outstanding Shares	Year-end Outstanding Shares	Average Outstanding Shares	Year-end Outstanding Shares
Common Stock	11,542,597	11,396,254	11,907,221	11,872,195
(Treasury Stock)	62,655	4,585	299,671	265,040
Common Stock (excluding Treasury Stock)	11,479,941	11,391,669	11,607,550	11,607,155
Fourth Series Class IV Preferred Stock	—	—	38,630	—
Sixth Series Class VI Preferred Stock	—	—	38,630	—
Eleventh Series Class XI Preferred Stock	943,740	943,740	943,740	943,740
Thirteenth Series Class XIII Preferred Stock	36,690	36,690	36,690	36,690

Note: Listed above is the number of shares, based on which Net Income per share of common stock (consolidated basis) was calculated.

## (Reference) Non-consolidated Financial Statements for Fiscal 2007

### 1. Financial Highlights for Fiscal 2007 (for the fiscal year ended March 31, 2008)

#### (1) Non-Consolidated Results of Operations

(%: Changes from previous fiscal year)

	Operating Income		Operating Profits		Ordinary Profits		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal 2007	806,519	(35.4)	787,155	(36.0)	772,635	(36.5)	811,002	(34.5)
Fiscal 2006	1,250,099	869.1	1,230,893	965.5	1,218,468	973.9	1,239,710	56.8

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock
	¥	¥
Fiscal 2007	68,658.41	64,138.22
Fiscal 2006	102,168.76	95,550.05

#### (2) Non-Consolidated Financial Conditions

	Total Assets	Total Net Assets	Own Capital Ratio	Total Net Assets per Share of Common Stock
	¥ million	¥ million	%	¥
Fiscal 2007	4,658,922	3,512,845	75.4	220,538.65
Fiscal 2006	4,764,036	3,176,404	66.6	183,338.04

Reference: 1. Own Capital:

As of March 31, 2008: ¥3,512,845 million; As of March 31, 2007: ¥3,176,404 million

2. Maximum amount available for dividends as of March 31, 2008: ¥1,582,289 million

(note) "Maximum amount available for dividends" is calculated pursuant to Article 461, Paragraph 2 of the Company Law.

### 2. Earnings Estimates for Fiscal 2008 (for the fiscal year ending March 31, 2009)

(%: Changes from corresponding period of previous fiscal year)

	Operating Income		Operating Profits		Ordinary Profits		Net Income		Net Income per Share of Common Stock
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
1H F2008	430,000	(28.9)	420,000	(29.5)	410,000	(30.3)	450,000	(28.1)	39,500.39
Fiscal 2008	450,000	(44.2)	430,000	(45.3)	410,000	(46.9)	450,000	(44.5)	37,746.97

Note: The number of shares of common stock used in calculating the above Net Income per Share of Common Stock is based on the number of outstanding shares of common stock as of March 31, 2008. It does not take into account the eventuality of a decrease in the number of shares of common stock as a result of the repurchase of own shares (common shares) announced today (May 15, 2008) or any increase in the number of outstanding shares of common stock due to requests for acquisition (conversion) of the Eleventh Series Class XI Preferred Stock or any other factors.

### Cash Dividends for Shareholders of Classified Stock

Breakdown of cash dividends per share and total cash dividends related to classified stock, the rights of which are different from those of common stock is as follows:

	Cash Dividends per Share			Total Cash Dividends (Annual) (¥ million)
	Interim period-end	Fiscal year-end	Annual	
	¥	¥	¥	
<b>Eleventh Series Class XI Preferred Stock</b>				
Fiscal 2006	—	20,000	20,000	18,874
Fiscal 2007	—	20,000	20,000	18,874
Fiscal 2008 (estimate)	—	20,000	20,000	
<b>Thirteenth Series Class XIII Preferred Stock</b>				
Fiscal 2006	—	30,000	30,000	1,100
Fiscal 2007	—	30,000	30,000	1,100
Fiscal 2008 (estimate)	—	30,000	30,000	

\* As for the Note 2 in 2. Cash Dividends for Shareholders of Common Stock

As a result of Abolishment of the Fractional Share System and Lowering of the Minimum Investment Amount announced today (May 15, 2008), if we conduct the allotment of shares or fractions of a share without consideration that will be effective on January 4, 2009, after such allotment of shares or fractions of a share without consideration, the year-end cash dividend per share of common stock will be ¥10, the cash dividend per share for the Eleventh Series Class XI Preferred Stock will be ¥20, and the cash dividend per share for the Thirteenth Series Class XIII Preferred Stock will be ¥30.

### Per Share Information (consolidated basis)

		Fiscal 2006	Fiscal 2007
Total Net Assets per Share of Common Stock	¥	336,937.64	254,722.01
Net Income per Share of Common Stock	¥	51,474.49	25,370.25
Diluted Net Income per Share of Common Stock	¥	48,803.07	24,640.00

1. Total Net Assets per Share of Common Stock is based on the following information.

		Fiscal 2006	Fiscal 2007
Total Net Assets per Share of Common Stock			
Total Net Assets	¥ million	6,724,408	5,694,159
Deductions from Total Net Assets	¥ million	2,813,521	2,792,451
<i>Paid-in Amount of Preferred Stock</i>	¥ million	980,430	980,430
<i>Cash Dividends on Preferred Stock</i>	¥ million	19,975	19,975
<i>Minority Interests</i>	¥ million	1,813,115	1,792,045
Net Assets (year-end) related to Common Stock	¥ million	3,910,887	2,901,708
Year-end Outstanding Shares of Common Stock, based on which Total Net Assets per Share of Common Stock was calculated	Thousands of shares	11,607	11,391

2. Net Income per Share of Common Stock is based on the following information.

		Fiscal 2006	Fiscal 2007
Net Income per Share of Common Stock			
Net Income	¥ million	620,965	311,224
Amount not attributable to Common Stock	¥ million	23,472	19,975
<i>Cash Dividends on Preferred Stock</i>	¥ million	19,975	19,975
<i>Deemed Dividends on Cancellation of Preferred Stock</i>	¥ million	3,497	—
Net Income related to Common Stock	¥ million	597,492	291,249
Average Outstanding Shares of Common Stock (during the period)	Thousands of shares	11,607	11,479

3. Diluted Net Income per Share of Common Stock is based on the following information.

		Fiscal 2006	Fiscal 2007
Diluted Net Income per Share of Common Stock			
Adjustment to Net Income	¥ million	18,874	18,874
<i>Cash Dividends on Preferred Stock</i>	¥ million	18,874	18,874
Increased Number of Shares of Common Stock	Thousands of shares	1,022	1,106
<i>Preferred Stock</i>	Thousands of shares	1,022	1,106
Description of dilutive securities which were not included in the calculation of Diluted Net Income per Share of Common Stock as they have no dilutive effects		—	—

*This immediate release contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including estimates, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management of future performance.*

*In many cases, but not all, we use such words as “aim,” “anticipate,” “believe,” “endeavor,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “project,” “risk,” “seek,” “should,” “strive,” “target” and similar expressions in relation to us or our management to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions.*

*We may not be successful in implementing our business strategies, and management may fail to achieve its targets, for a wide range of possible reasons, including, without limitation, incurrence of significant credit-related costs; declines in the value of our securities portfolio including as a result of the impact of the dislocation in the global financial markets stemming from U.S. subprime loan issues; changes in interest rates; foreign currency fluctuations; revised assumptions or other changes related to our pension plans; failure to maintain required capital adequacy ratio levels; downgrades in our credit ratings; the effectiveness of our operational, legal and other risk management policies; our ability to avoid reputational harm; and effects of changes in general economic conditions in Japan.*

*Further information regarding factors that could affect our financial condition and results of operations is included in “Item 3.D. Key Information—Risk Factors,” and “Item 5. Operating and Financial Review and Prospects” in our most recent Form 20-F filed with the U.S. Securities and Exchange Commission (“SEC”) which is available in the Financial Information section of our web page at [www.mizuho-fg.co.jp/english/](http://www.mizuho-fg.co.jp/english/) and also at the SEC’s web site at [www.sec.gov](http://www.sec.gov).*

*We do not intend to update our forward-looking statements. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by the rules of the Tokyo Stock Exchange*

# 1. CONSOLIDATED RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

(Please refer to Summary of Financial Results for Fiscal 2007 for more information)

## (1) Analysis of Results of Operations

Looking back over the global economic climate during the fiscal year ended March 31, 2008, in addition to the sharp slowdown of the U.S. economy due to slower growth in personal consumption, declines in housing investment or other causes attributable mainly to the subprime loan problem, the European economy also seems to be slowing down and there has been concern about its effect on the world economy, including Asia. Especially during the latter half of the fiscal year, the turmoil caused by the subprime loan problem, such as rapidly rising concerns over liquidity risks on securitized instruments, expanded in the international financial and capital markets. As a result, global financial institutions announced one after another significant losses and their capital reinforcement to cover such losses, and the unstable situation still continues. As for the Japanese economy, while soaring prices of crude oil and raw materials are damping growth of corporate earnings, the turmoil in the financial and capital markets and the rapid rise in the yen's exchange rate started to have an influence on the actual economy in 2008. As a result, business sentiment is worsening.

Japanese stock prices held firm during the first half of the fiscal year but dropped substantially during the latter half of the period in the wake of an increasingly intensified downturn in the U.S. economy. In spite of a temporary rise in long-term yen interest rates at the beginning of the fiscal year, the rates turned downward during the latter half of the period due to the declining trends in U.S. interest rates, etc., and remained below the levels at the beginning of the fiscal year.

Financial institutions are required to further strengthen the system of internal controls in response to global concerns over the economic slowdown and turmoil in the financial and capital markets, especially at a time when financial deregulation, including the broadening of the scope of services that may be offered, is being promoted. In this changing economic environment, it becomes ever more important for Mizuho Financial Group (the "Group") to secure a competitive edge over our rivals and further strengthen profitability while further enhancing corporate governance such as risk management.

Reflecting the above economic environment, suffering from the dislocation in the global financial market which stemmed from the US subprime loan problem, Net Income amounted to ¥311.2 billion, decreasing by ¥309.7 billion from the previous fiscal year.

Taking segment information by type of business for MHFG and its consolidated subsidiaries categorized under banking business (banking and trust banking business), securities business and other, Ordinary Profits before excluding inter-segment Ordinary Profits was ¥774.0 billion for banking business, ¥(400.5) billion for securities business and ¥29.7 billion for other. Looking at segment information by geographic area categorized under Japan, the Americas, Europe and Asia/Oceania, Ordinary Profits before excluding inter-segment Ordinary Profits was ¥681.7 billion for Japan, ¥33.5 billion for the Americas, ¥(353.7) billion for Europe and ¥46.6 billion for Asia/Oceania.

As for earnings estimates for fiscal 2008, we estimate Ordinary Income of ¥4,300.0 billion, Ordinary Profits of ¥770.0 billion and Net Income of ¥560.0 billion on a consolidated basis.

*The above estimates are based on information that is available at this moment and assumptions of factors that have an influence on future results of operations. Actual results may differ materially from these estimates, depending on future events. Please refer to "forward-looking statements" on page 1-4.*

## (2) Analysis of Financial Conditions

Consolidated total assets as of March 31, 2008 amounted to ¥154,412.1 billion, increasing by ¥4,532.0 billion from the end of the previous fiscal year, mainly due to increases in Trading Assets of ¥3,441.6 billion and others.

Securities were ¥33,958.5 billion, decreasing by ¥2,091.4 billion from the end of the previous fiscal year.

The balance of Loans and Bills Discounted amounted to ¥65,608.7 billion, decreasing by ¥355.5 billion from the end of the previous fiscal year.

Deposits amounted to ¥76,175.3 billion, increasing by ¥1,372.2 billion from the end of the previous fiscal year

as a result of the steady growth in personal deposits.

Net Cash Provided in Operating Activities was ¥170.7 billion mainly due to increased Deposits. Net Cash Used by Investing Activities was ¥1,118.7 billion mainly due to repurchase of securities, and Net Cash Used in Financing Activities was ¥85.0 billion mainly due to repurchase of treasury stock and Cash Dividends Paid. As a result, Cash and Cash Equivalents as of March 31, 2008 was ¥2,055.7 billion.

The Consolidated Capital Adequacy Ratio (Basel II BIS Standard) was 11.70%.(Preliminary)

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008
Basel I	11.35%	11.91%	11.59%	11.58%	10.84%
Basel II				12.48%	11.70%

### (3) Basic Policy on Profit Distribution, Proposed Dividend Payment for Fiscal 2007 and Forecast Dividend Payment for Fiscal 2008

We will place our management emphasis on ROE from the perspective of effective utilization of our capital and consider returning profits to the shareholders while maintaining and strengthening our capital base.

Based on this policy, in view of our consolidated financial results, the level of Retained Earnings and other factors, we proposed increasing the year-end cash dividend per share of common stock for fiscal 2007 by ¥3,000 from the previous fiscal year to ¥10,000 as estimated before. We also proposed making dividend payments on preferred stock as prescribed (i.e, a cash dividend of ¥20,000 per share for the Eleventh Series Class XI Preferred Stock and a cash dividend of ¥30,000 per share for the Thirteenth Series Class XIII Preferred Stock).

As for the dividend forecast for fiscal 2008, we estimate a dividend payment of ¥10,000 per share of common stock, considering the aforementioned earnings estimates for fiscal 2008 and other factors\*.

We started to repurchase and cancel our own shares (common shares) in fiscal 2007 for the purpose of, among other things, offsetting the potential dilutive effects, relating to the possibility that the number of issued and outstanding shares of our common stock will increase after the commencement of the conversion period (from July 1, 2008) of the Eleventh Series Class XI Preferred Stock (the “convertible preferred stock issued to the private sector”, ¥943.7 billion issue amount in aggregate). We will continue to address the potential dilutive effects in relation to the convertible preferred stock issued to the private sector, aiming to complete the process in about two years, by establishing additional repurchase limits and repurchasing and canceling our own shares based on market conditions, our earning trends and other factors.

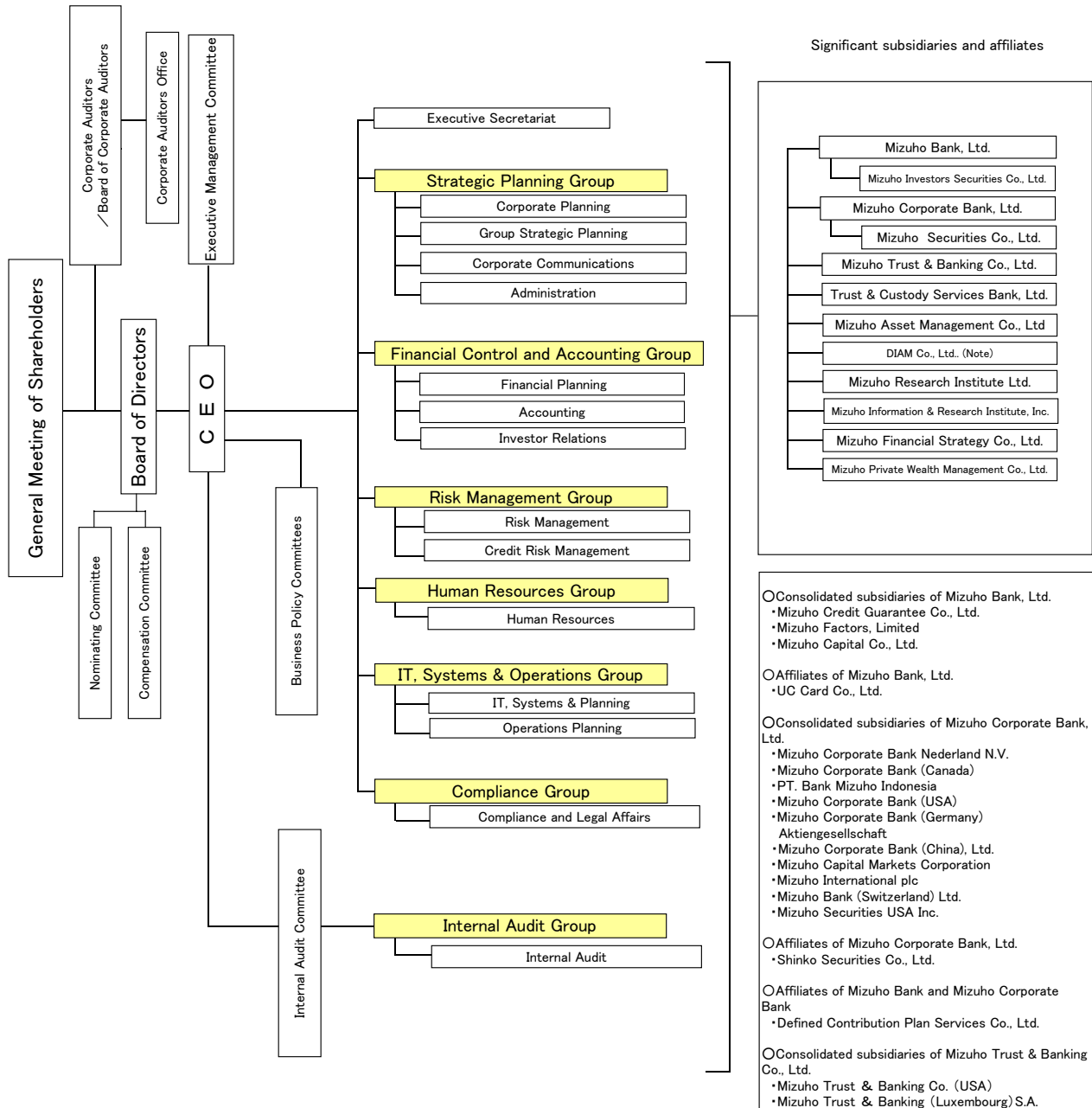
\* As we announced today, if we conduct the allotment of shares or fractions of a share without consideration that will be effective on January 4, 2009, the year-end cash dividend per share of common stock after the allotment of shares or fractions of a share without consideration will be ¥10.

*The above dividend estimate is based on information that is currently available to us and on assumptions of factors that have an influence on future results of operations. Actual results may differ materially from these estimates. Please refer to “forward-looking statements” on page 1-4.*

## 2. 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 business, together with securities business, trust and asset management business among others.

(as of March 31, 2008)



(Note) DIAM Co., Ltd. is an affiliate of MHFG.

Of the major domestic subsidiaries and affiliates, 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	69.9 <i>0.2</i>	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section)
Mizuho Investors Securities Co., Ltd.	Chuo-Ku, Tokyo	Securities Business	66.8 <i>66.8</i>	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section) Nagoya Stock Exchange (First Section)
Shinko Securities Co., Ltd	Chuo-Ku, Tokyo	Securities Business	27.4 <i>27.4</i>	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.



### 3. MANAGEMENT POLICY

#### (1) Principal Management Policy

Mizuho Financial Group (the “Group”) pursues our goals of being held in high regard by our shareholders and the financial markets and earning widespread trust from the community as Japan’s leading comprehensive financial services group on the basis of the three fundamental management philosophies below.

- 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 they can each 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) Management’s Medium/Long-term Targets and Issues to be Resolved

The three global groups organized on the basis of customer needs within the Group will steadily implement the business strategies while maximizing their respective characteristics. The Group companies will work to strengthen profitability by providing the best financial services to their customers through utilization of their respective strengths and promotion of mutual collaboration within the Group. We will also strive to win the further confidence of domestic and overseas customers by establishing a solid compliance structure and advanced risk management system.

**[Business Strategy]** (Please refer to “Management Structure of Mizuho” on page 1-11)

(The Global Corporate Group)

Mizuho Corporate Bank, Ltd. (“MHC B”) will promote its “investment banking strategy” and “global strategy,” with a selective and agile allocation of management resources through careful assessment of the uncertain market conditions. In addition, establishing its global business platform, including risk management, MHC B will aim to become Japan’s top global investment bank by working in collaboration with Mizuho Securities Co. Ltd. (“MHSC”). Specifically, based on the Financial Holding Company (“FHC”) status under the U.S. Bank Holding Company Act which it acquired in December 2006, MHC B will develop its comprehensive investment banking business by combining its banking and securities capabilities in the United States, the world’s largest financial market. With the establishment of Mizuho Corporate Bank (China), which began operations in June 2007, we will further develop business bases in China and expand the network strategically and responsively in the Americas, Asia, Europe and the Middle East. We have been establishing cooperative business relationships with major financial institutions in countries such as China and India through alliances and investments in these financial institutions. We will continuously promote strategic business cooperation with overseas financial institutions in order to complement our branch networks and to support our customers with more fine-tuned services as they expand their businesses globally.

MHSC has already reviewed its internal control systems, including risk management, and worked on strengthening such systems. Moreover, MHSC will strive to reform drastically its business operations by promptly implementing the “Business Restructuring Program” announced in April 2008. In particular, MHSC will aim to restore and strengthen profitability by selectively allocating management resources. In addition, MHSC will steadily promote its plan to strengthen its risk management and overseas office management system for market related business operations. Further, in order to ensure efficient and agile organizational operation, MHSC will promptly streamline its organizational structure by cutting the number of departments in half, while implementing a reduction in workforce of around 300 employees, including voluntary resignations, a 20% reduction in various costs compared with fiscal year 2007 and a reduction of board members’ compensation. Following these actions, MHSC will proceed with thorough preparations necessary

to conclude smoothly its merger with Shinko Securities Co., Ltd. in May 2009 (scheduled).

(The Global Retail Group)

Aiming to become the “strongest retail bank in Japan,” based on its strong customer base and human resources, Mizuho Bank, Ltd. (“MHBK”) will establish a strong revenue base and a highly efficient business model by strategically allocating management resources to promising business areas, managing its loan business by taking credit costs into consideration and further enhancing group collaboration within the Group. Specifically, MHBK will enhance consulting services to individual customers and improve its assets under management by having 500 manned business offices, increasing the number of financial consultants to 4,000, actively establishing “Planet Booths” and building a support system at all branches by the Trust Business Office, all of which are scheduled to be completed by the fiscal year 2010. For corporate customers, MHBK will provide top quality solutions to its customers by re-distributing management resources to high-priority business areas in each locale and customer segment, developing professional personnel through training programs, etc., and strengthening collaboration with the banks, securities companies and trust banks within the Group while reinforcing its system of credit control.

(The Global Asset & Wealth Management Group)

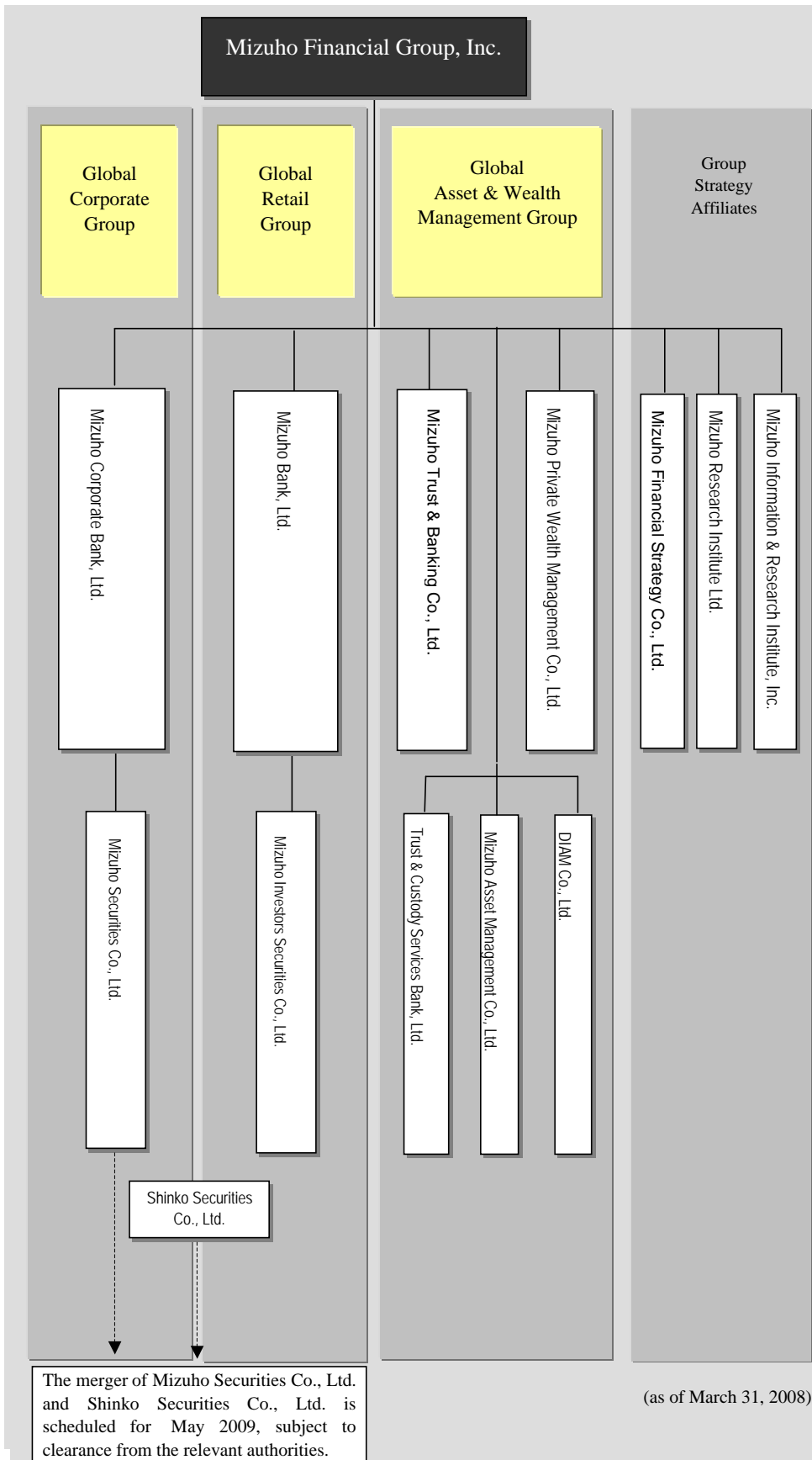
Mizuho Trust & Banking Co., Ltd. (“MHTB”) aims to become “a top brand in asset & wealth management” by further strengthening its consulting and product development capabilities, providing trust services to customers of MHBK and other group companies, promoting business based on the customers’ confidence, thoroughly carrying out internal controls and developing highly professional personnel.

Mizuho Private Wealth Management Co., Ltd. will promote high-quality wealth management and establish its status as a pioneer by further strengthening owner consulting capabilities, developing new products and services tailored to the needs of individual customers and developing professional personnel.

As core companies in the asset management business of the Group, Mizuho Asset Management Co., Ltd. and DIAM Co., Ltd. will respond to the diversified needs of customers.

In our efforts to become “a financial partner that helps customers shape their future and achieve their dreams,” which is an ideal implicit in the Group brand slogan, “Channel to Discovery”, the Group will work to fulfill our social responsibilities and public duties and further promote our corporate values by steadily pursuing business strategies under a solid internal control system and promoting CSR (corporate social responsibility) activities including support for financial education and environmental efforts.

## Management Structure of Mizuho



### Global Corporate Group:

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

### Global Retail Group:

The Global Retail Group provides top-level products and services, in close cooperation with domestic and international companies throughout the group in response to the diversified and globalized needs of individuals as well as SMEs and middle-market corporations in Japan.

### Global Asset & Wealth Management Group:

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

### Group Strategy Affiliates:

**Mizuho Financial Strategy Co., Ltd.:**  
An advisory company for financial institutions regarding corporate management and corporate revitalization.

**Mizuho Research Institute Ltd.:**  
A think tank.

**Mizuho Information & Research Institute, Inc.:**  
An IT-related company.

## 4. Consolidated Financial Statements

### BASIS FOR PRESENTATION AND PRINCIPLES OF CONSOLIDATION

#### 1. Scope of Consolidation

a) Number of consolidated subsidiaries: 146

Names of principal companies:

Mizuho Bank, Ltd.  
Mizuho Corporate Bank, Ltd.  
Mizuho Trust & Banking Co., Ltd.  
Mizuho Securities Co., Ltd.

During the period, Mizuho Corporate Bank (China), Ltd. and twenty-two other companies were newly consolidated upon their establishment and so on.

During the period, UC Card Co., Ltd. and nine other companies were excluded from the scope of consolidation as a result of partial disposal of their shares, and other factors.

b) Number of non-consolidated subsidiaries: 0

#### 2. Application of the Equity Method

a) Number of non-consolidated subsidiaries under the equity method: 0

b) Number of affiliates under the equity method: 21

Names of principal companies:

The Chiba Kogyo Bank, Ltd.  
Shinko Securities Co., Ltd.

During the period, UC Card Co., Ltd. and four other companies were newly included in the scope of the equity method.

During the period, Japan Mortgage Co., Ltd. and two other companies were excluded from the scope of the equity method as a result of the disposal of its shares, and other factors.

c) Number of non-consolidated subsidiaries not under the equity method: 0

d) Affiliates not under the equity method:

Name of principal company:

Asian-American Merchant Bank Limited

Non-consolidated subsidiaries and affiliates not under the equity method are excluded from the scope of the equity method since such exclusion has no material effect on MHFG's consolidated financial statements in terms of Net Income/Net Loss (amount corresponding to MHFG's equity position), Retained Earnings (amount corresponding to MHFG's equity position), Net Deferred Hedge

Gains(Losses), net of Taxes (amount corresponding to MHFG's equity position) and others.

### 3. Balance Sheet Dates of Consolidated Subsidiaries

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

October 31	1 company
December 31	58 companies
March 31	63 companies
The day before the last business day of June	24 companies

b) Consolidated subsidiaries with balance sheet dates of October 31 and the day before the last business day of June were consolidated based on their tentative financial statements as of and for the period ended December 31. Other consolidated subsidiaries were consolidated based on their financial statements as of and for the period ended 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 Assets and Liabilities of Consolidated Subsidiaries

Assets and liabilities of consolidated subsidiaries, including the portion attributable to minority shareholders, are valued at fair value as of the respective date of acquisition.

### 5. Amortization of Goodwill and Negative Goodwill

Goodwill of Mizuho Securities Co., Ltd. was entirely amortized in the fiscal year ended March 31, 2008, in accordance with the devaluation of its stocks. As for other Goodwill and Negative Goodwill, the entire amount is amortized in the period of occurrence as the amount has no material impact on MHFG's consolidated financial statements.

**CONSOLIDATED BALANCE SHEET**  
**AS OF MARCH 31, 2008**

*Millions of yen*

<b>Assets</b>		
Cash and Due from Banks	¥	3,483,802
Call Loans and Bills Purchased		248,728
Receivables under Resale Agreements		7,233,199
Guarantee Deposits Paid under Securities Borrowing Transactions		9,069,138
Other Debt Purchased		3,388,461
Trading Assets		13,856,237
Money Held in Trust		32,827
Securities		33,958,537
Loans and Bills Discounted		65,608,705
Foreign Exchange Assets		803,141
Other Assets		10,984,529
Tangible Fixed Assets		802,692
Buildings		274,751
Land		395,873
Construction in Progress		7,044
Other Tangible Fixed Assets		125,023
Intangible Fixed Assets		284,825
Software		228,412
Other Intangible Fixed Assets		56,413
Deferred Tax Assets		607,920
Customers' Liabilities for Acceptances and Guarantees		4,733,852
Reserves for Possible Losses on Loans		(684,465)
Reserve for Possible Losses on Investments		(30)
<b>Total Assets</b>	<b>¥</b>	<b>154,412,105</b>
<b>Liabilities</b>		
Deposits	¥	76,175,319
Negotiable Certificates of Deposit		10,088,721
Debentures		3,159,443
Call Money and Bills Sold		6,693,712
Payables under Repurchase Agreements		11,511,019
Guarantee Deposits Received under Securities Lending Transactions		6,927,740
Commercial Paper		30,000
Trading Liabilities		8,313,072
Borrowed Money		4,818,895
Foreign Exchange Liabilities		222,652
Short-term Bonds		787,784
Bonds and Notes		4,052,189
Due to Trust Accounts		1,119,946
Other Liabilities		9,795,054
Reserve for Bonus Payments		43,375
Reserve for Employee Retirement Benefits		36,019
Reserve for Director and Corporate Auditor Retirement Benefits		7,057
Reserve for Possible Losses on Sales of Loans		50,895
Reserve for Contingencies		14,095
Reserve for Frequent Users Services		8,349
Reserve for Reimbursement of Deposits		9,614
Reserves under Special Laws		2,680
Deferred Tax Liabilities		11,354
Deferred Tax Liabilities for Revaluation Reserve for Land		105,096
Acceptances and Guarantees		4,733,852
<b>Total Liabilities</b>		<b>148,717,945</b>
<b>Net Assets</b>		
Common Stock and Preferred Stock		1,540,965
Capital Surplus		411,093
Retained Earnings		1,476,129
Treasury Stock		(2,507)
<b>Total Shareholders' Equity</b>		<b>3,425,680</b>
Net Unrealized Gains on Other Securities, net of Taxes		401,375
Net Deferred Hedge Gains, net of Taxes		5,985
Revaluation Reserve for Land, net of Taxes		147,467
Foreign Currency Translation Adjustments		(78,394)
<b>Total Valuation and Translation Adjustments</b>		<b>476,434</b>
Minority Interests		1,792,045
<b>Total Net Assets</b>		<b>5,694,159</b>
<b>Total Liabilities and Net Assets</b>	<b>¥</b>	<b>154,412,105</b>

**CONSOLIDATED STATEMENT OF INCOME  
FOR THE FISCAL YEAR ENDED MARCH 31, 2008**

	<i>Millions of yen</i>	
<b>Ordinary Income</b>	¥	¥ 4,523,510
Interest Income	2,864,796	
<i>Interest on Loans and Bills Discounted</i>	1,507,449	
<i>Interest and Dividends on Securities</i>	671,783	
<i>Interest on Call Loans and Bills Purchased</i>	12,847	
<i>Interest on Receivables under Resale Agreements</i>	460,390	
<i>Interest on Securities Borrowing Transactions</i>	46,492	
<i>Interest on Due from Banks</i>	73,783	
<i>Other Interest Income</i>	92,049	
Fiduciary Income	64,355	
Fee and Commission Income	596,759	
Trading Income	249,076	
Other Operating Income	294,356	
Other Ordinary Income	454,165	
<b>Ordinary Expenses</b>		4,126,390
Interest Expenses	1,801,156	
<i>Interest on Deposits</i>	581,601	
<i>Interest on Negotiable Certificates of Deposit</i>	127,984	
<i>Interest on Debentures</i>	23,746	
<i>Interest on Call Money and Bills Sold</i>	58,020	
<i>Interest on Payables under Repurchase Agreements</i>	606,806	
<i>Interest on Securities Lending Transactions</i>	70,596	
<i>Interest on Commercial Paper</i>	78	
<i>Interest on Borrowed Money</i>	70,255	
<i>Interest on Short-term Bonds</i>	7,970	
<i>Interest on Bonds and Notes</i>	90,253	
<i>Other Interest Expenses</i>	163,841	
Fee and Commission Expenses	102,233	
Trading Expenses	192,927	
Other Operating Expenses	312,094	
General and Administrative Expenses	1,124,527	
Other Ordinary Expenses	593,450	
<b>Ordinary Profits</b>		397,120
<b>Extraordinary Gains</b>		125,571
Gains on Disposition of Tangible Fixed Assets	9,915	
Recovery on written-off Claims	39,832	
Reversal of Reserves for Possible Losses on Loans	75,779	
Other Extraordinary Gains	43	
<b>Extraordinary Losses</b>		36,629
Losses on Disposition of Tangible Fixed Assets	8,215	
Losses on Impairment of Fixed Assets	2,698	
Provision for Reserve for Contingent Liabilities from Financial Instruments and Exchange	0	
Amortization of Goodwill of Security Subsidiary	25,715	
<b>Income before Income Taxes and Minority Interests</b>		486,062
Income Taxes:		
Current		32,212
Deferred		118,546
<b>Minority Interests in Net Income</b>		24,079
<b>Net Income</b>	¥	¥ 311,224

## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE FISCAL YEAR ENDED MARCH 31, 2008

Millions of yen

	Shareholders' Equity					Valuation and Translation Adjustments					Minority Interests	Total Net Assets
	Common Stock and Preferred Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Other Securities, net of Taxes	Net Deferred Hedge Losses, net of Taxes	Revaluation Reserve for Land, net of Taxes	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments		
<b>Balance as of March 31, 2007</b>	¥ 1,540,965	¥ 411,110	¥ 1,440,310	¥ (32,330)	¥ 3,360,055	¥ 1,550,628	¥ (111,042)	¥ 150,616	¥ (38,964)	¥ 1,551,237	¥ 1,813,115	¥ 6,724,408
Effect of Unification of Accounting Policies Applied to Foreign Subsidiaries	¥ -	¥ -	¥ 2,867	¥ -	¥ 2,867	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ 2,867
<b>Changes during the fiscal year</b>												
Cash Dividends	-	-	(101,229)	-	(101,229)	-	-	-	-	-	-	(101,229)
Net Income	-	-	311,224	-	311,224	-	-	-	-	-	-	311,224
Repurchase of Treasury Stock	-	-	-	(150,464)	(150,464)	-	-	-	-	-	-	(150,464)
Disposition of Treasury Stock	-	-	(1)	100	98	-	-	-	-	-	-	98
Cancellation of Treasury Stock	-	-	(180,189)	180,189	-	-	-	-	-	-	-	-
Transfer from Revaluation Reserve for Land, net of Taxes	-	-	3,148	-	3,148	-	-	-	-	-	-	3,148
Effect of Exclusion of an Affiliate from the Scope of the Equity Method	-	(16)	-	-	(16)	-	-	-	-	-	-	(16)
Effect of Decrease in the Equity Position of an Affiliate	-	(0)	-	-	(0)	-	-	-	-	-	-	(0)
Increase in Stock issued by MHFG held by Equity-Method Affiliates	-	-	-	(3)	(3)	-	-	-	-	-	-	(3)
Net Changes in Items other than Shareholders' Equity	-	-	-	-	-	(1,149,253)	117,028	(3,148)	(39,429)	(1,074,803)	(21,070)	(1,095,873)
<b>Total Changes during the fiscal year</b>	-	(16)	32,951	29,822	62,757	(1,149,253)	117,028	(3,148)	(39,429)	(1,074,803)	(21,070)	(1,033,116)
<b>Balance as of March 31, 2008</b>	¥ 1,540,965	¥ 411,093	¥ 1,476,129	¥ (2,507)	¥ 3,425,680	¥ 401,375	¥ 5,985	¥ 147,467	¥ (78,394)	¥ 476,434	¥ 1,792,045	¥ 5,694,159



# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED MARCH 31, 2008

Mizuho Financial Group, Inc.

*Millions of yen*

<b>I. Cash Flow from Operating Activities</b>		
Income before Income Taxes and Minority Interests	¥	486,062
Depreciation		132,721
Losses on Impairment of Fixed Assets		2,698
Amortization of Goodwill		27,688
Equity in Income from Investments in Affiliates		(9,083)
Increase (Decrease) in Reserves for Possible Losses on Loans		(163,096)
Increase (Decrease) in Reserve for Possible Losses on Investments		(144)
Increase (Decrease) in Reserve for Possible Losses on Sales of Loans		50,895
Increase (Decrease) in Reserve for Contingencies		1,048
Increase (Decrease) in Reserve for Bonus Payments		5,152
Increase (Decrease) in Reserve for Employee Retirement Benefits		(655)
Increase (Decrease) in Reserve for Director and Corporate Auditor Retirement Benefits		565
Increase (Decrease) in Reserve for Frequent Users Services		4,575
Increase (Decrease) in Reserve for Reimbursement of Deposits		9,614
Interest Income - accrual basis		(2,864,796)
Interest Expenses - accrual basis		1,801,156
Losses (Gains) on Securities		(180,014)
Losses (Gains) on Money Held in Trust		(238)
Foreign Exchange Losses (Gains) - net		998,555
Losses (Gains) on Disposition of Fixed Assets		(1,700)
Decrease (Increase) in Trading Assets		(3,723,814)
Increase (Decrease) in Trading Liabilities		299,439
Decrease (Increase) in Loans and Bills Discounted		(590,397)
Increase (Decrease) in Deposits		2,299,855
Increase (Decrease) in Negotiable Certificates of Deposit		1,528,780
Increase (Decrease) in Debentures		(1,563,995)
Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowed Money)		225,338
Decrease (Increase) in Due from Banks (excluding Due from Central Banks)		(523,301)
Decrease (Increase) in Call Loans, etc.		845,166
Decrease (Increase) in Guarantee Deposits Paid under Securities Borrowing Transactions		(444,926)
Increase (Decrease) in Call Money, etc.		266,469
Increase (Decrease) in Guarantee Deposits Received under Securities Lending Transactions		980,959
Decrease (Increase) in Foreign Exchange Assets		51,635
Increase (Decrease) in Foreign Exchange Liabilities		(99,831)
Increase (Decrease) in Short-term Bonds (Liabilities)		(54,086)
Increase (Decrease) in Bonds and Notes		825,207
Increase (Decrease) in Due to Trust Accounts		(15,412)
Interest and Dividend Income - cash basis		2,922,168
Interest Expenses - cash basis		(1,803,557)
Other - net		(1,603,353)
Subtotal		123,352
Cash Paid in Income Taxes		47,362
<b>Net Cash Provided in Operating Activities</b>		<b>170,714</b>
<b>II. Cash Flow from Investing Activities</b>		
Payments for Purchase of Securities		(83,933,854)
Proceeds from Sale of Securities		66,532,713
Proceeds from Redemption of Securities		16,585,885
Payments for Increase in Money Held in Trust		(23,000)
Proceeds from Decrease in Money Held in Trust		39,869
Payments for Purchase of Tangible Fixed Assets		(84,804)
Payments for Purchase of Intangible Fixed Assets		(128,392)
Proceeds from Sale of Tangible Fixed Assets		18,450
Proceeds from Sale of Intangible Fixed Assets		10,216
Payments for Purchase of Stocks of Subsidiaries (affecting the scope of consolidation)		(136,627)
Proceeds from Sale of Stocks of Subsidiaries (affecting the scope of consolidation)		838
<b>Net Cash Used by Investing Activities</b>		<b>(1,118,704)</b>
<b>III. Cash Flow from Financing Activities</b>		
Proceeds from Subordinated Borrowed Money		129,859
Repayments of Subordinated Borrowed Money		(83,000)
Proceeds from Issuance of Subordinated Bonds		239,704
Payments for Redemption of Subordinated Bonds		(142,589)
Proceeds from Investments by Minority Shareholders		288,196
Repayments to Minority Shareholders		(185,500)
Cash Dividends Paid		(101,115)
Cash Dividends Paid to Minority Shareholders		(80,277)
Payments for Repurchase of Treasury Stock		(150,464)
Proceeds from Sale of Treasury Stock		98
<b>Net Cash Used in Financing Activities</b>		<b>(85,087)</b>
<b>IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents</b>		<b>(160)</b>
<b>V. Net Decrease in Cash and Cash Equivalents</b>		<b>(1,033,237)</b>
<b>VI. Cash and Cash Equivalents at the beginning of the fiscal year</b>		<b>3,089,030</b>
<b>VII. Cash and Cash Equivalents at the end of the fiscal year</b>	¥	<b>2,055,793</b>

Amounts less than one million yen are rounded down.

## I. Standards of Accounting Method

### 1. Valuation of Trading Assets & Liabilities and Recording of Income & Expenses

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. Income or expenses generated on the relevant trading transactions are recorded in Trading Income or Trading Expenses on the consolidated statement of income.

Securities and other monetary claims held for trading purposes are stated at fair value at the consolidated balance sheet date. Derivative financial products, such as swaps, futures and option transactions, are stated at fair values, assuming that such transactions are terminated and settled at the consolidated balance sheet date.

Trading Income and Trading Expenses include the interest received and the interest paid during the fiscal year, the gains or losses resulting from any change in the value of securities and other monetary claims between the beginning and the end of the fiscal year, and the gains or losses resulting from any change in the value of financial derivatives between the beginning and the end of the fiscal year, assuming they were settled at the end of the fiscal year.

### 2. Securities

(i) Bonds held to maturity are stated at amortized cost (straight-line method) and determined by the moving average method. Investments in non-consolidated subsidiaries and affiliates, which are not under the equity method, are stated at acquisition cost and determined by the moving average method. Other Securities which have readily determinable fair value are stated at fair value. Fair value of Japanese stocks with a quoted market price is determined based on the average quoted market price over the month preceding the consolidated balance sheet date. Fair value of securities other than Japanese stocks is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method). Other Securities which do not have readily determinable fair value are stated at acquisition cost or amortized cost and determined by the moving average method.

The net unrealized gains on Other Securities are included directly in Net Assets, net of applicable income taxes after excluding gains and losses as a result of the fair-value hedge method.

(Additional Information)

Net Unrealized Gains/ Losses on Other Securities, net of Taxes have been receiving greater focus because of the considerable change in the market circumstances these days, and the values of securities deemed as market prices such as those obtained from brokers and financial information vendors have been more available. Hence, taking into account the convergence of global accounting standards, if the values deemed as market prices could be obtained by the reasonable estimate, Other Securities formerly measured at acquisition cost as securities without fair values are measured at such values. This valuation decreases Securities by ¥49,948 million, Net unrealized Gains/Losses on Other Securities, net of Taxes by ¥36,246 million, respectively, and increases Other Debt Purchased by ¥152 million and Deferred Tax Assets by ¥13,549 million, respectively, on the consolidated balance sheet. Among Other Securities valued at acquisition cost, Reserves for Possible Losses on Loans are provided for the bonds which are issued by private placement (Article 2 Paragraph 3 of the Financial Instruments and Exchange Law) .

(ii) Securities which are held as trust assets in Money Held in Trust accounts are valued in the same way as given in (i) above.

### 3. Derivative Transactions

Derivative transactions (other than transactions for trading purposes) are valued at fair value.

#### 4. Depreciation

##### (1) Tangible Fixed Assets

Depreciation of buildings is computed mainly by the straight-line method, and that of equipment is computed mainly by the declining-balance method, and the applicable share of estimated annual depreciation costs for the period is recorded based on the following range of useful lives.

Buildings: 3 years to 50 years

Equipment: 2 years to 20 years

##### (Changes in Basis for Presentation and Principles of Preparation of Financial Statements)

In accordance with the revision of the Corporate Tax Law of 2007, depreciation of the tangible fixed assets acquired on or after April 1, 2007 is computed by the procedure stipulated in the revised law. As a result, Ordinary Profits and Income before Income Taxes and Minority Interests decreased by ¥2,211 million compared with the corresponding amounts under the previously applied method.

##### (Additional Information)

As for the tangible fixed assets acquired before April 1, 2007 and depreciated to their final depreciable limit, the salvage values of them are depreciated using the straight-line method in the following five fiscal years. As a result, Ordinary Profits and Income before Income Taxes and Minority Interests both decreased by ¥1,687 million compared with the corresponding amounts under the previously applied method.

##### (2) Intangible Fixed Assets

Amortization of Intangible Fixed Assets is computed by the straight-line method. Development costs for internally-used software are capitalized and amortized over their estimated useful lives of mainly five years as determined by MHFG and consolidated subsidiaries.

#### 5. Deferred Assets

##### (1) Bond issuance costs

Bond issuance costs are expensed at issuance of each bond.

##### (2) Debenture issuance costs

Debenture issuance costs are expensed as incurred. Debenture issuance costs booked on the consolidated balance sheet as of March 31, 2006 are amortized under the straight-line method within a certain period by applying the previous accounting method based on the tentative measure stipulated in "Tentative Solution on Accounting for Deferred Assets" (the Accounting Standards Board of Japan ("ASBJ") Report No. 19, August 11, 2006).

##### (3) Bond discounts

Bonds are stated at amortized costs computed by the straight-line method on the consolidated balance sheet.

Bond discounts booked on the consolidated balance sheet as of March 31, 2006 are amortized under the straight-line method over the term of the bond by applying the previous accounting method and the unamortized balance is directly deducted from bonds, based on the tentative measure stipulated in the "Tentative Solution on Accounting for Deferred Assets" (ASBJ Report No. 19, August 11, 2006).

#### 6. Reserves for Possible Losses on Loans

Reserves for Possible Losses on Loans of major domestic consolidated subsidiaries are maintained in accordance with internally established standards for write-offs and reserve provisions.

For claims extended to obligors that are legally bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws ("Bankrupt Obligor"), and to obligors that are effectively in similar conditions ("Substantially Bankrupt Obligor"), reserves are maintained at the amounts of claims net of direct write-offs described below and expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees. For claims extended to obligors that are not

yet legally or formally bankrupt but are likely to be bankrupt (“Intensive Control Obligors”), reserves are maintained at the amounts deemed necessary based on overall solvency analyses of the amounts of claims net of expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.

For claims extended to Intensive Control Obligors and Obligors with Restructured Loans and others, if the exposure to an obligor 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, under which the reserve is determined as the difference between the book value of the loan and its present value of future cash flows discounted using 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, reserves are provided for the losses estimated for each individual loan.

For claims extended to other obligors, reserves are maintained at rates derived from historical credit loss experience and other factors. Reserve for Possible Losses on Loans to Restructuring Countries is maintained in order to cover possible losses based on analyses of the political and economic climates of the countries.

All claims are assessed by each claim origination department in accordance with the internally established “Self-assessment Standard,” and the results of the assessments are verified and examined by the independent examination departments. Reserves for Possible Losses on Loans are provided for on the basis of such verified assessments.

In the case of claims to Bankrupt Obligors and Substantially Bankrupt Obligors, which are collateralized or guaranteed by a third party, 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 written off against the respective claims balances. The total directly written-off amount was ¥515,809 million.

The claims above include corporate bonds which are issued by private placement (Article 2, Paragraph 3 of the Financial Instruments and Exchange Law) and others.

Other consolidated subsidiaries provide the amount necessary to cover the loan losses based upon past experience and other factors for general claims and the assessment for each individual loan for other claims.

#### 7. Reserve for Possible Losses on Investments

Reserve for Possible Losses on Investments is maintained to provide against possible losses on investments in securities, after taking into consideration the financial condition and other factors concerning the investee company. Except for securitization products which are included as reference assets of another securitization schemes of the Group’s domestic banking subsidiary, Reserve for Possible Losses on Investments is provided against unrealized losses on securitization products related with the discontinuation of business regarding credit investments primarily in Europe which was made as an alternative to loans by the Group’s domestic banking subsidiary. Since securities are recognized at fair value on the consolidated balance sheet, the balance of Securities is offset against that of Reserve for Possible Losses on Investments by ¥45,939 million.

#### 8. Reserve for Bonus Payments

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.

#### 9. Reserve for Employee Retirement Benefits

Reserve for Employee Retirement Benefits (including Prepaid Pension Cost), which is provided for future benefit 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 differences are recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the employees of the respective fiscal year.

10. Reserve for Director and Corporate Auditor Retirement Benefits

Reserve for Director and Corporate Auditor Retirement Benefits, which is provided for future retirement pension payments to directors, corporate auditors, and executive officers, is recognized at the amount accrued at the end of the respective fiscal year, based on the internally established standards.

11. Reserve for Possible Losses on Sales of Loans

(Additional Information)

Reflecting the considerable changes in the market circumstances these days, Reserve for Possible Losses on Sales of Loans is provided for possible future losses on sales of loans at the amount deemed necessary based on a reasonable estimate of possible future losses.

12. Reserve for Contingencies

Reserve for Contingencies is maintained to provide against possible losses from contingencies, which are not covered by other specific reserves in off-balance transactions, trust transactions and others. The balance is an estimate of possible future losses, on an individual basis, considered to require a reserve.

13. Reserve for Frequent Users Services

Reserve for Frequent Users Services is provided mainly to meet the future use of points of Mizuho Mileage Club at the amount deemed necessary based on the reasonable estimate of the future usage of points.

(Changes in Presentation of Financial Statements)

While the Reserve was formerly included within Other Liabilities because of its limited materiality, it has been stated independently from this fiscal year due to its increased materiality with the increase in the number of members.

Reserve for Frequent Users Services formerly included within Other Liabilities on the consolidated balance sheet as of March 31, 2007 was ¥ 3,773 million.

14. Reserve for Reimbursement of Deposits

Reserve for Reimbursement of Deposits is provided for the deposits derecognized from the liabilities at the estimated amount of future claims for withdrawal.

(Changes in Basis for Presentation and Principles of Preparation of Financial Statements)

In accordance with "Auditing Treatment relating to Reserve defined under the Special Tax Measurement Law, Reserves defined under the Special Law and Reserve for Directors and Corporate Auditor Retirement Benefits" (The Japanese Institute of Certified Public Accountants ("JICPA") Auditing and Assurance Practice Committee report No.42, April 13, 2007) effective from the fiscal year 2007, MHFG has adopted the report from this fiscal year. As a result, Ordinary Profits and Income before Income Taxes and Minority Interests both decreased by ¥9,614 million compared with the corresponding amounts under the previously applied method.

15. Reserve under Special Laws

Reserve under Special Laws is Reserve for Contingent Liabilities from Financial Instruments and Exchange of ¥2,680 million. This is the reserve pursuant to Article 46-5, Paragraph 1 and Article 48-3, Paragraph 1 of the Financial Instruments and Exchange Law to indemnify the losses incurred from accidents in the purchase and sale of securities, other transactions or derivative transactions.

Reserve for Contingent Liabilities from Futures Transactions and Reserve for Contingent Liabilities from Securities Transactions, which were recognized under Article 81 of the Financial Futures Transaction Law and under Article 51 of the Securities and Exchange Law respectively, are stated as

Reserve for Contingent Liabilities from Financial Instruments and Exchange from this fiscal year because of the enforcement of the Financial Instruments and Exchange Law on September 30, 2007.

(Changes in Presentation of Financial Statements)

With the revision of the appendix forms of “Banking Law Enforcement Regulations” (Ministry of Finance Ordinance No. 10, 1982) by the “Cabinet Office Ordinance to Amend Part of Banking Law Enforcement Regulations” (Cabinet Office Ordinance No. 60, August 8, 2007) and the enforcement of the revision on September 30, 2007, Reversal of Reserve for Contingent Liabilities from Futures Transactions, formerly recorded in Extraordinary Gains, and Provision for Reserve for Contingent Liabilities from Securities Transactions, formerly recorded in Extraordinary Losses, are recorded in Extraordinary Losses as Provision for Reserve for Contingent Liabilities from Financial Instruments and Exchange from this consolidated fiscal year.

#### 16. Assets and Liabilities denominated in foreign currencies

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

Assets and Liabilities denominated in foreign currencies of the consolidated subsidiaries, except for the transactions mentioned above, are translated into Japanese yen primarily at the exchange rates in effect at the consolidated balance sheet dates.

#### 17. Lease Transactions

Finance leases of MHFG and domestic consolidated subsidiaries that do not involve transfer of ownership to the lessee are accounted for as operating leases.

#### 18. Hedge Accounting

##### (1) Interest Rate Risk

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

The portfolio hedge for a large volume of small-value monetary claims and liabilities of domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries is accounted for by the method stipulated in the “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Audit Committee Report No.24).

The effectiveness of hedging activities for the portfolio hedge for a large volume of small-value monetary claims and liabilities is assessed as follows:

- (i) as for hedging activities to offset market fluctuation risks, the effectiveness is assessed by bracketing both the hedged instruments, such as deposits and loans, and the hedging instruments, such as interest-rate swaps, in the same maturity bucket.
- (ii) as for hedging activities to fix the cash flows, the effectiveness is assessed based on the correlation between a base interest rate index of the hedged cash flow and that of the hedging instrument.

The effectiveness of the individual hedge is assessed based on the correlation between the fluctuation in the market or cash flows of the hedged instruments and that of the hedging instruments.

Net Deferred Hedge Losses, net of Taxes recorded on the consolidated balance sheet resulted from the application of the macro-hedge method based on the “Tentative Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Audit Committee Report No.15), under which the overall interest rate risks inherent in loans, deposits and others are controlled on a macro-basis using derivatives transactions. These deferred hedge gains/losses are amortized as interest income or interest expenses over the remaining maturity and average remaining maturity of the respective hedging instruments. The unamortized amounts of gross

deferred hedge losses and gross deferred hedge gains on the macro-hedges, before net of applicable income taxes, at the end of the fiscal year were ¥154,316 million and ¥143,643 million, respectively.

(2) Foreign Exchange Risk

Domestic consolidated banking subsidiaries and a domestic consolidated trust banking subsidiary apply the deferred method of hedge accounting to hedge foreign exchange risks associated with various financial assets and liabilities denominated in foreign currencies as stipulated in the “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks” (JICPA Industry Audit Committee Report No.25). The effectiveness of the hedge is assessed by confirming both the amount for the foreign currency position of the hedging instruments of currency-swap transactions, exchange swap transactions and similar transactions as the method of hedging the foreign exchange risks of monetary claims and liabilities denominated in foreign currencies and the amount for the foreign currency position of the hedged monetary claims and liabilities denominated in foreign currency are equivalent.

In addition to the above methods, these subsidiaries apply the deferred method or the fair-value hedge method to portfolio hedges of the foreign exchange risks associated with investments in subsidiaries and affiliates in foreign currency and Other Securities in foreign currency (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.

(3) Inter-company Transactions

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 income or deferred under hedge accounting, because these inter-company derivatives are executed according to the criteria for appropriate outside third-party cover operations which are treated as hedge transactions objectively in accordance with JICPA Industry Audit Committee Reports Nos. 24 and 25.

19. Consumption Taxes and other

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

II. Scope of Cash and Cash Equivalents on Consolidated Statements of Cash Flows

For the purpose of the consolidated statement of cash flows, Cash and Cash Equivalents consists of cash and due from central banks included in Cash and Due from Banks on the consolidated balance sheet.

III. Changes in the Basis for Presentation of Consolidation

1. Practical Solutions on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

Given that the “Practical Solutions on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”(ASBJ Report No. 18, May 17, 2006) can be adopted from the fiscal year beginning on or before March 31, 2008, MHFG has adopted the new standards commencing with this fiscal year. The effect of this adoption on the consolidated statement of income is immaterial.

2. Accounting Standards for Financial Instruments

The definitions of securities in “Accounting Standards for Financial Instruments” (ASBJ Statement No. 10) and in “Practical Guidelines on Accounting Standards for Financial Instruments” (JICPA Laws and Regulations Committee Report No. 14) were partially revised on June 15, 2007 and on July 4, 2007 respectively, which is applicable from the fiscal year ending on or after the enforcement date of the Financial Instruments and Exchange Law. MHFG has adopted the revised standards and guidelines

commencing with this fiscal year.

3. Practical Guidelines for Tax Effects on Consolidated Financial Statements

As for the tax effects of sales of investments (such as subsidiaries' stocks) within the Group, MHFG has adopted Paragraph 30-2 of "Practical Guidelines for Tax Effects on Consolidated Financial Statements" (JICPA Laws and Regulations Committee Report No. 6, March 29, 2007) from this fiscal year. The effect of this application on the consolidated balance sheet is immaterial.



## (NOTES TO CONSOLIDATED BALANCE SHEET)

1. Securities include shares of ¥95,493 million and investments of ¥421 million in non-consolidated subsidiaries and affiliates.
2. Unsecured loaned securities which the borrowers have the right to sell or repledge amounted to ¥4,794 million and are included in trading securities under Trading Assets. MHFG has the right to sell or repledge some of unsecured borrowed securities, securities purchased under resale agreements and securities borrowed with cash collateral. Among them, the total of securities repledged was ¥7,435,947 million, securities re-loaned was ¥24 million and securities neither repledged nor re-loaned was ¥6,535,867 million, respectively.
3. Loans and Bills Discounted include Loans to Bankrupt Obligor of ¥27,769 million and Non-Accrual Delinquent Loans of ¥434,330 million.  
Loans to Bankrupt Obligor 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 Item 3, Subsections 1 to 5 or Item 4 of the Corporate Tax Law Enforcement Ordinance (Government Ordinance No. 97, 1965).  
Non-Accrual Delinquent Loans represent Non-Accrual Loans other than (i) Loans to Bankrupt Obligor and (ii) loans on which interest payments have been deferred in order to assist or facilitate the restructuring of the obligors.
4. Balance of Loans Past Due for Three Months or More: ¥8,492 million  
Loans Past Due for Three Months or More are loans on which payments of principal and/or interest have not been made for a period of three months or more since the next day following the last due date for such payments, and which are not included in Loans to Bankrupt Obligor, or Non-Accrual Delinquent Loans.
5. Balance of Restructured Loans: ¥695,144 million  
Restructured Loans represent loans of which contracts were amended in favor of obligors (e.g. reduction of, or exemption from, stated interest, deferral of interest payments, extension of maturity dates and renunciation of claims) in order to assist or facilitate the restructuring of the obligors. Loans to Bankrupt Obligor, Non-Accrual Delinquent Loans and Loans Past Due for Three Months or More are not included.
6. Total balance of Loans to Bankrupt Obligor, Non-Accrual Delinquent Loans, Loans Past Due for Three Months or More and Restructured Loans: ¥1,165,736 million  
The amounts given in Notes 3 through 6 are gross amounts before deduction of amounts for the Reserves for Possible Losses on Loans.
7. In accordance with JICPA Industry Audit Committee Report No. 24, bills discounted are accounted for as financing transactions. The banking subsidiaries have rights to sell or pledge these bankers’ acceptances, commercial bills, documentary bills and foreign exchange bills. The face value of these bills amounted to ¥826,360 million.
8. The following assets were pledged as collateral:

Trading Assets:	¥5,395,565 million
Securities:	¥12,510,007 million
Loans and Bills Discounted:	¥5,347,130 million
Other Assets:	¥13,565 million
Tangible Fixed Assets:	¥133 million

The following liabilities were collateralized by the above assets:

Deposits:	¥921,280million
Call Money and Bills Sold:	¥2,230,560million
Payables under Repurchase Agreements:	¥5,877,444million
Guarantee Deposits Received under Securities Lending Transactions:	¥6,174,017million
Borrowed Money:	¥2,975,997million

In addition to the above, the settlement accounts of foreign and domestic exchange transactions or derivatives transactions and others were collateralized, and margins for futures transactions were substituted by Cash and Due from Banks of ¥9,185 million, Trading Assets of ¥421,623 million, Securities of ¥2,529,793 million and Loans and Bills Discounted of ¥604,444 million.

None of the assets was pledged as collateral in connection with borrowings by the non-consolidated subsidiaries and affiliates.

Other Assets includes guarantee deposits of ¥122,807 million, collateral pledged for derivatives transactions of ¥1,172,978 million, margins for futures transactions of ¥20,782 million and other guarantee deposits of ¥13,448 million.

9. Overdraft protection on current accounts and contracts of the commitment line for loans are contracts by which banking 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 amounted to ¥55,431,471 million. Of this amount, ¥46,637,717 million relates to contracts of which the original contractual maturity is one year or less, or which are unconditionally cancelable at any time.

Since many of these contracts expire without being exercised, the unutilized balance itself does not necessarily affect future cash flows. A provision is included in many of these contracts that entitles the banking 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 banking subsidiaries require collateral such as real estate and securities when deemed necessary at the time the contract is entered into. In addition, they periodically monitor customers' business conditions in accordance with internally established standards and take necessary measures to manage credit risks such as amendments to contracts.

10. In accordance with the Land Revaluation Law (Proclamation No.34 dated March 31, 1998), land used for business operations of domestic consolidated banking subsidiaries was revalued. The applicable income taxes on the entire excess of revaluation are included in Deferred Tax Liabilities for Revaluation Reserve for Land under Liabilities, and the remainder, net of applicable income taxes, is stated as Revaluation Reserve for Land, net of Taxes included in Net Assets.

Revaluation date: March 31, 1998

Revaluation method as stated in Article 3 Paragraph 3 of the above law: Land used for business operations was revalued by calculating the value on the basis of the valuation by road rating stipulated in Article 2 Paragraph 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 and other factors, and also on the basis of the appraisal valuation stipulated in Paragraph 5.

The difference at the consolidated balance sheet date between the total fair value of land for business operation purposes, which has been revalued in accordance with Article 10 of the above-mentioned law, and the total book value of the land after such revaluation was ¥114,251 million.

11. Accumulated Depreciation of Tangible Fixed Assets amounted to ¥704,635 million.
12. The book value of Tangible Fixed Assets adjusted for gains on sales of replaced assets and others amounted to ¥40,229 million.
13. Borrowed Money includes subordinated borrowed money of ¥791,061 million with a covenant that performance of the obligation is subordinated to that of other obligations.

14. Bonds and Notes include subordinated bonds of ¥2,135,234 million.
15. The principal amounts of money trusts and loan trusts with contracts indemnifying the principal amounts, which are entrusted to domestic consolidated trust banking subsidiaries, are ¥908,537 million and ¥86,775 million, respectively.
16. Liabilities for guarantees on corporate bonds included in Securities, which were issued by private placement (Article 2, Paragraph 3 of the Financial Instruments and Exchange Law) amounted to ¥1,438,495 million.
17. Net Assets per share of common stock: ¥254,722.01
18. In addition to Fixed Assets booked on the consolidated balance sheet, certain computers are used on the basis of finance lease contracts that do not involve transfer of ownership to the lessee.
19. Projected pension benefit obligations etc. as of the consolidated balance sheet date are as follows:

	<i>Millions of yen</i>
Projected Benefit Obligations	¥(1,171,273)
Plan Assets (fair value)	1,295,219
Unfunded Retirement Benefit Obligations	123,946
Unrecognized Actuarial Differences	405,558
Net Amounts on Consolidated Balance Sheet	¥ 529,505
Prepaid Pension Cost	565,524
Reserve for Employee Retirement Benefits	(36,019)

20. (Subsequent events) The redemption of Preferred Securities  
The Board of Directors of MHFG resolved on April 18, 2008 to redeem preferred securities issued by MHFG's overseas special purpose subsidiaries, as described below.
  - (1) Issuer
    - (a) Mizuho Preferred Capital (Cayman) 5 Limited
    - (b) Mizuho Preferred Capital (Cayman) 6 Limited
    - (c) Mizuho Preferred Capital (Cayman) 7 Limited
    - (d) Mizuho Preferred Capital Company L.L.C.
    - (e) Mizuho JGB Investment L.L.C.
  - (2) Type of securities  
Non-cumulative Perpetual Preferred Securities
  - (3) Aggregate redemption amount
    - (a) ¥45,500 million
    - (b) ( i ) Series A ¥19,500 million
    - ( ii ) Series B ¥ 2,500 million
    - (c) ¥ 51,000 million
    - (d) US\$1,000 million
    - (e) US\$ 1,600 million
  - (4) Scheduled redemption date  
June 30, 2008
  - (5) Reason for the redemption  
Arrival of optional redemption date
21. (Subsequent events) The postponement of merger of Securities Subsidiaries  
Shinko Securities Co., Ltd. and Mizuho Securities Co., Ltd. have been postponing the effective date of merger based on the merger agreement signed on March 29, 2007, initially from January 1, 2008 to May 7, 2008, and then to the earliest possible date in 2009.  
Further, the respective board meetings of the two companies held on April 28, 2008, reconfirmed the basic policies and points in relation to proceeding with the merger, canceled the agreement mentioned above, and decided to sign a new "Basic Agreement for Merger" which sets the effective date of merger on May 7, 2009.

(NOTES TO CONSOLIDATED STATEMENT OF INCOME)

1. Other Ordinary Income includes gains on sales of stocks of ¥343,965 million.
2. Other Ordinary Expenses includes losses on write-offs of loans of ¥128,089 million, losses on devaluation of stocks of ¥102,621 million, a loss of ¥95,289 million incurred in relation to receipt of securitized products as a substitution payment of loans provided by the Group's domestic banking subsidiary to an overseas ABCP conduit, provision for Reserve for Possible Losses on Sales of Loans of ¥50,895 million, provision for Reserve for Possible Losses on Investments of ¥45,939 million, related with the discontinuation of business regarding credit investments primarily in Europe which was made as an alternative to loans by the Group's domestic banking subsidiary.
3. Amortization of Goodwill of Securities Subsidiary included in Extraordinary Losses is the amortization of Goodwill of Mizuho Securities Co., Ltd. in accordance with the devaluation of its stocks.
4. Net Income per share of common stock for the fiscal year: ¥25,370.25
5. Diluted Net Income per share of common stock for the fiscal year: ¥24,640.00

## (NOTES TO CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS)

1. Types and number of issued shares and of treasury stock are as follows:

	<i>Thousands of Shares</i>				
	As of March 31, 2007	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2008	Remarks
<b>Issued shares</b>					
Common stock	11,872	—	475	11,396	*1
Eleventh Series Class XI Preferred Stock	943	—	—	943	
Thirteenth Series Class XIII Preferred Stock	36	—	—	36	
Total	12,852	—	475	12,376	
<b>Treasury stock</b>					
Common stock	265	215	476	4	*2
Total	265	215	476	4	

\*1. Decreases are due to cancellation of treasury stock (common stock).

\*2. Increases are due to repurchase of treasury stock (215 thousand shares of common stock) and repurchase of fractional shares (0 thousand shares), decreases are due to cancellation of treasury stock (475 thousand shares of common stock) and additional purchase of fractional shares (0 thousand shares).

2. Cash dividends distributed by MHFG are as follows (non-consolidated basis):

Cash dividends paid during the fiscal year ended March 31, 2008

Resolution	Types	Cash Dividends (Millions of yen)	Cash Dividends per Share (Yen)	Record Date	Effective Date
June 26, 2007	Common Stock	83,081	7,000	March 31, 2007	
( Ordinary General Meeting of Shareholders )	Eleventh Series Class XI Preferred Stock	18,874	20,000	March 31, 2007	June 26, 2007
	Thirteenth Series Class XIII Preferred Stock	1,100	30,000	March 31, 2007	
	Total	103,056			

Cash dividends with record dates falling in the fiscal year ended March 31, 2008 and effective dates coming after the end of the fiscal year

Resolution	Types	Cash Dividends (Millions of yen)	Resource of Dividends	Cash Dividends per Share (Yen)	Record Date	Effective Date
June 26, 2008	Common Stock	113,922	Retained Earnings	10,000	March 31, 2008	
( Ordinary General Meeting of Shareholders )	Eleventh Series Class XI Preferred Stock	18,874	Retained Earnings	20,000	March 31, 2008	June 26, 2008
	Thirteenth Series Class XIII Preferred Stock	1,100	Retained Earnings	30,000	March 31, 2008	

Cash dividends on common stock and preferred stock are proposed as above as a matter to be resolved at the ordinary general meeting of shareholders scheduled to be held on June 26, 2008.

## (NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS)

1. Cash and Cash Equivalents at the end of the fiscal year on the consolidated statement of cash flows reconciles to Cash and Due from Banks on the consolidated balance sheet as follows:

	<i>Millions of yen</i>
Cash and Due from Banks	¥3,483,802
<u>Due from Banks excluding central banks</u>	<u>(1,428,009)</u>
Cash and Cash Equivalents	¥ 2,055,793

2. (Change in Presentation of Financial Statements)  
 Increase (Decrease) in Reserve for Frequent Users Services (¥3,143million for the previous fiscal year), formerly included in “Other – net” under “Cash Flow from Operating Activities”, is stated independently as “Increase (Decrease) in Reserve for Frequent Users Services” commencing with this fiscal year, due to the materiality of the amount.

## (NOTES TO SECURITIES)

In addition to “Securities” on the consolidated balance sheet, trading securities, negotiable certificates of deposit (“NCDs”), commercial paper and certain other items in “Trading Assets,” NCDs in “Cash and Due from Banks,” certain items in “Other Debt Purchased” and certain items in “Other Assets” are also included.

## 1. Trading Securities:

As of March 31, 2008	<i>Millions of yen</i>	
	Amount on Consolidated BS	Net Unrealized Gains / Losses Recorded on the Consolidated Statement of Income
Trading Securities	¥10,004,618	¥(10,143)

## 2. Bonds Held to Maturity which have readily determinable fair value:

As of March 31, 2008	<i>Millions of yen</i>				
	Amount on Consolidated BS	Fair Value	Unrealized Gains / Losses		
			Net	Gains	Losses
Japanese Government Bonds	¥489,921	¥490,078	¥156	¥204	¥47
Japanese Local Government Bonds	48,547	48,549	2	15	12
Other	240,344	245,143	4,799	4,799	—
Total	¥778,813	¥783,771	¥4,958	¥5,018	¥60

\*1. Fair value is primarily based on the market price at the end of this fiscal year.

\*2. Unrealized Gains/Losses are the details of Net.

## 3. Other Securities which have readily determinable fair value:

As of March 31, 2008	<i>Millions of yen</i>				
	Acquisition Cost	Amount on Consolidated BS	Unrealized Gains / Losses		
			Net	Gains	Losses
Japanese Stocks	¥3,149,964	¥4,126,691	¥976,727	¥1,188,056	¥211,328
Japanese Bonds	17,557,001	17,458,889	(98,111)	21,603	119,715
Japanese Government Bonds	16,321,913	16,222,574	(99,339)	15,813	115,152
Japanese Local Government Bonds	67,439	68,198	759	966	206
Japanese Short-term Bonds	5,997	5,997	(0)	—	0
Japanese Corporate Bonds	1,161,650	1,162,118	468	4,823	4,355
Other	11,192,025	10,991,290	(200,735)	76,926	277,661
Foreign Bonds	7,524,572	7,459,314	(65,258)	48,747	114,006
Other Debt Purchased	2,427,346	2,427,498	152	8,910	8,757
Other	1,240,107	1,104,476	(135,630)	19,268	154,898
Total	¥31,898,991	¥32,576,871	¥677,880	¥1,286,586	¥608,706

\*1. Net Unrealized Gains include ¥37,202 million, which was recognized in the consolidated statement of income by applying the fair-value hedge method.

\*2. Fair value of Japanese stocks is determined based on the average quoted market price over the month preceding the consolidated balance sheet date. Fair value of securities other than Japanese stocks is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date.

\*3. Unrealized Gains/Losses are the details of Net.

\*4. Certain Other Securities which have readily determinable fair value are devalued to the fair value, and the difference between the acquisition cost and the fair value is treated as the loss for the fiscal year (“devaluation”), if the fair value (primarily the closing market price at the consolidated balance sheet date) has significantly deteriorated compared with the acquisition cost (including amortized cost), and unless it is deemed that there is a possibility of a recovery in the fair value. The amount of devaluation for the fiscal year was ¥79,482 million.

The criteria for determining whether a security’s fair value has “significantly deteriorated” are outlined as follows:

Securities whose fair value is 50% or less of the acquisition cost

Securities whose fair value exceeds 50% but is 70% or less of the acquisition cost and the quoted market price maintains a certain level or lower.

4. Bonds Held to Maturity which were sold during the consolidated fiscal year ended March 31, 2008:

There were no Bonds Held to Maturity which were sold.

5. Other securities sold during the fiscal year ended March 31, 2008:

	<i>Millions of yen</i>		
	Amount Sold	Gains on Sales	Losses on Sales
Other Securities	¥67,364,166	¥584,138	¥140,224

6. Major components of securities not stated at fair value and their amount on the consolidated balance sheet:

As of March 31, 2008	<i>Millions of yen</i>
	Amount
Other Securities:	
Non-publicly Offered Bonds	¥1,912,519
Unlisted Stocks	427,849
Unlisted Foreign Securities	554,581
Other	¥262,756

7. The redemption schedule by term for Bonds Held to Maturity and Other Securities with maturities:

As of March 31, 2008	<i>Millions of yen</i>			
	Within 1 year	1-5 years	5-10 years	Over 10 years
Japanese Bonds	¥8,962,093	¥7,134,763	¥1,905,074	¥1,907,946
Japanese Government Bonds	8,485,205	5,518,927	1,234,163	1,474,199
Japanese Local Government Bonds	47,049	37,362	27,849	7,801
Japanese Short-term Bonds	5,997	—	—	—
Japanese Corporate Bonds	423,841	1,578,473	643,060	425,944
Other	1,213,128	4,733,116	1,877,175	2,849,376
Total	¥10,175,222	¥11,867,879	¥3,782,249	¥4,757,322



**(NOTES TO MONEY HELD IN TRUST)**

## 1. Details of Money Held in Trust for Investment Purposes:

As of March 31, 2008	<i>Millions of yen</i>	
	Amount on Consolidated BS	Net Unrealized Gains / Losses Recorded on the Consolidated Statement of Income
Investment Purposes	¥31,326	—

## 2. Money Held in Trust Held to Maturity: (As of March 31, 2008)

There was no Money Held in Trust held to maturity.

## 3. Other (other than for investment purposes and held to maturity purposes)

As of March 31, 2008	<i>Millions of yen</i>				
	Acquisition Cost	Amount on Consolidated BS	Unrealized Gains / Losses		
			Net	Gains	Losses
Other	¥1,507	¥1,500	¥(6)	—	¥6

\*1. Fair value of Other is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet.

\*2. Unrealized Gains/Losses are the details of Net.

## SEGMENT INFORMATION

## 1. Segment Information by Type of Business

For the fiscal year ended March 31, 2007

	<i>Millions of yen</i>					
	Banking Business	Securities Business	Other	Total	Elimination	Consolidated Results
<b>I Ordinary Income</b>						
(1) Ordinary Income from outside customers	3,236,020	688,225	175,408	4,099,654	—	4,099,654
(2) Inter-segment Ordinary Income	33,728	77,954	125,328	237,011	( 237,011 )	—
<b>Total</b>	<b>3,269,748</b>	<b>766,180</b>	<b>300,736</b>	<b>4,336,666</b>	<b>( 237,011 )</b>	<b>4,099,654</b>
Ordinary Expenses	2,672,194	646,254	263,359	3,581,808	( 230,323 )	3,351,484
Ordinary Profits	597,554	119,925	37,377	754,857	( 6,687 )	748,170
<b>II Assets, Depreciation Expense, Losses on Impairment of Fixed Assets and Capital Expenditure</b>						
Assets	129,910,635	22,232,798	1,272,374	153,415,808	( 3,535,777 )	149,880,031
Depreciation Expense	115,394	9,037	7,796	132,228	—	132,228
Losses on Impairment of Fixed Assets	4,070	—	211	4,281	—	4,281
Capital Expenditure	158,439	13,459	11,045	182,944	—	182,944

## Notes:

1. Ordinary Income and Ordinary Profits are presented in lieu of Sales and Operating Profits as utilized by 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: investment advisory business and others

3. Until the previous fiscal year, MHFG and certain domestic consolidated subsidiaries recognized director and corporate auditor retirement benefits as expenses at the time of payment. However, in accordance with the public announcement of the "Accounting Standard for Directors' Bonus" (ASBJ Statement No. 4, November 29, 2005) and the "Auditing Treatment relating to Reserve defined under the Special Tax Measurement Law, Reserve defined under the Special Law and Reserve for Director and Corporate Auditor Retirement Benefits" (JICPA Auditing and Assurance Practice Committee Report No. 42, April 13, 2007), these benefits are recorded as Reserve for Director and Corporate Auditor Retirement Benefits at the required amount at the end of the fiscal year, based on internally established standards. As a result, Ordinary Expenses increased by ¥5,144 million, ¥506 million and ¥137 million for Banking Business, Securities Business and Other, respectively, and Ordinary Profits decreased by the same amounts for the respective business, compared with the corresponding amounts under the previously applied method.

For the fiscal year ended March 31, 2008

	<i>Millions of yen</i>					
	Banking Business	Securities Business	Other	Total	Elimination	Consolidated Results
<b>I Ordinary Income</b>						
(1) Ordinary Income from outside customers	3,950,412	428,488	144,609	4,523,510	—	4,523,510
(2) Inter-segment Ordinary Income	38,719	88,094	140,531	267,345	( 267,345 )	—
<b>Total</b>	<b>3,989,132</b>	<b>516,583</b>	<b>285,141</b>	<b>4,790,856</b>	<b>( 267,345 )</b>	<b>4,523,510</b>
Ordinary Expenses	3,215,067	917,178	255,372	4,387,618	( 261,228 )	4,126,390
Ordinary Profits	774,064	(400,595)	29,768	403,237	( 6,117 )	397,120
<b>II Assets, Depreciation Expense, Losses on Impairment of Fixed Assets and Capital Expenditure</b>						
Assets	136,224,235	22,359,454	1,070,089	159,653,779	( 5,241,674 )	154,412,105
Depreciation Expense	118,034	10,938	3,747	132,721	—	132,721
Losses on Impairment of Fixed Assets	2,591	4	102	2,698	—	2,698
Capital Expenditure	166,150	30,819	17,940	214,910	—	214,910

## Notes:

1. Ordinary Income and Ordinary Profits are presented in lieu of Sales and Operating Profits as utilized by 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: investment advisory business and others

3. In accordance with the revision of the Corporate Tax Law of 2007, depreciation of the tangible fixed assets acquired on or after April 1, 2007 is computed by the procedure stipulated in the revised law. As a result, Ordinary Profits decreased by ¥1,749 million, ¥363 million and ¥97 million for Banking Business, Securities Business and Other, respectively, compared with the corresponding amounts under the previously applied method. As for the tangible fixed assets acquired before April 1, 2007 and depreciated to their final depreciable limit, the salvage values of them are depreciated using the straight-line method in the following five fiscal years. As a result, Ordinary Profits decreased by ¥1,621 million, ¥30 million and ¥35 million for Banking Business, Securities Business and Other, respectively, compared with the corresponding amounts under the previously applied method.

## 2. Segment Information by Geographic Area

For the fiscal year ended March 31, 2007

	<i>Millions of yen</i>						
	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total	Elimination	Consolidated Results
<b>I Ordinary Income</b>							
(1) Ordinary Income from outside customers	2,822,824	614,136	445,162	217,530	4,099,654	—	4,099,654
(2) Inter-segment Ordinary Income	33,941	166,460	51,229	4,495	256,126	( 256,126 )	—
<b>Total</b>	<b>2,856,765</b>	<b>780,597</b>	<b>496,392</b>	<b>222,026</b>	<b>4,355,781</b>	<b>( 256,126 )</b>	<b>4,099,654</b>
Ordinary Expenses	2,276,141	700,757	441,505	183,878	3,602,283	( 250,798 )	3,351,484
Ordinary Profits	580,623	79,840	54,886	38,148	753,498	( 5,328 )	748,170
<b>II Assets</b>	<b>130,400,488</b>	<b>17,968,153</b>	<b>13,415,749</b>	<b>7,217,744</b>	<b>169,002,136</b>	<b>( 19,122,104 )</b>	<b>149,880,031</b>

Notes:

- Geographic analyses are presented based on geographic contiguity, similarities in economic activities, and correlation between business operations. Ordinary Income and Ordinary Profits are presented in lieu of Sales and Operating Profits as utilized by non-financial companies.
- 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.

For the fiscal year ended March 31, 2008

	<i>Millions of yen</i>						
	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total	Elimination	Consolidated Results
<b>I Ordinary Income</b>							
(1) Ordinary Income from outside customers	3,301,156	642,019	368,397	211,937	4,523,510	—	4,523,510
(2) Inter-segment Ordinary Income	39,867	174,985	61,875	2,232	278,960	( 278,960 )	—
<b>Total</b>	<b>3,341,023</b>	<b>817,004</b>	<b>430,273</b>	<b>214,170</b>	<b>4,802,471</b>	<b>( 278,960 )</b>	<b>4,523,510</b>
Ordinary Expenses	2,659,266	783,432	784,035	167,553	4,394,287	( 267,897 )	4,126,390
Ordinary Profits	681,756	33,571	(353,761)	46,616	408,183	( 11,063 )	397,120
<b>II Assets</b>	<b>135,347,671</b>	<b>18,913,933</b>	<b>13,830,061</b>	<b>7,092,483</b>	<b>175,184,150</b>	<b>( 20,772,044 )</b>	<b>154,412,105</b>

Notes:

- Geographic analyses are presented based on geographic contiguity, similarities in economic activities, and correlation between business operations. Ordinary Income and Ordinary Profits are presented in lieu of Sales and Operating Profits as utilized by non-financial companies.
- 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

For the fiscal year ended March 31, 2007

	<i>Millions of yen</i>
Ordinary Income from Overseas Entities	1,276,830
Total Ordinary Income	4,099,654
Ordinary Income of Overseas Entities' Ratio	31.1%

Notes:

- Ordinary Income from Overseas Entities is presented in lieu of Sales as utilized by non-financial companies.
- 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.

For the fiscal year ended March 31, 2008

	<i>Millions of yen</i>
Ordinary Income from Overseas Entities	1,222,354
Total Ordinary Income	4,523,510
Ordinary Income of Overseas Entities' Ratio	27.0%

Notes:

- Ordinary Income from Overseas Entities is presented in lieu of Sales as utilized by non-financial companies.
- 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.

(Information not presented)

Please refer to EDINET system for information on lease transactions and derivative transactions.

For deferred taxes, securities and employee retirement benefits, please refer to the attached "Selected Financial Information For Fiscal 2007."

## COMPARISON OF CONSOLIDATED BALANCE SHEETS (selected items)

Millions of yen

	As of March 31, 2008	As of March 31, 2007	Change
<b>Assets</b>			
Cash and Due from Banks	¥ 3,483,802	¥ 3,993,362	¥ (509,559)
Call Loans and Bills Purchased	248,728	302,336	(53,608)
Receivables under Resale Agreements	7,233,199	9,430,397	(2,197,197)
Guarantee Deposits Paid under Securities Borrowing Transactions	9,069,138	8,624,211	444,926
Other Debt Purchased	3,388,461	3,351,499	36,962
Trading Assets	13,856,237	10,414,573	3,441,663
Money Held in Trust	32,827	49,558	(16,731)
Securities	33,958,537	36,049,983	(2,091,446)
Loans and Bills Discounted	65,608,705	65,964,301	(355,595)
Foreign Exchange Assets	803,141	894,797	(91,655)
Other Assets	10,984,529	5,739,458	5,245,071
Tangible Fixed Assets	802,692	796,746	5,946
Intangible Fixed Assets	284,825	255,695	29,129
Deferred Debenture Charges	-	22	(22)
Deferred Tax Assets	607,920	389,024	218,895
Customers' Liabilities for Acceptances and Guarantees	4,733,852	4,480,551	253,301
Reserves for Possible Losses on Loans	(684,465)	(856,314)	171,848
Reserve for Possible Losses on Investments	(30)	(174)	144
<b>Total Assets</b>	<b>¥ 154,412,105</b>	<b>¥ 149,880,031</b>	<b>¥ 4,532,074</b>
<b>Liabilities</b>			
Deposits	¥ 76,175,319	¥ 74,803,064	¥ 1,372,255
Negotiable Certificates of Deposit	10,088,721	8,805,239	1,283,481
Debentures	3,159,443	4,723,806	(1,564,363)
Call Money and Bills Sold	6,693,712	6,924,136	(230,423)
Payables under Repurchase Agreements	11,511,019	12,821,752	(1,310,732)
Guarantee Deposits Received under Securities Lending Transactions	6,927,740	5,946,781	980,959
Commercial Paper	30,000	30,000	-
Trading Liabilities	8,313,072	8,297,301	15,771
Borrowed Money	4,818,895	4,563,438	255,457
Foreign Exchange Liabilities	222,652	339,817	(117,164)
Short-term Bonds	787,784	849,870	(62,086)
Bonds and Notes	4,052,189	3,237,525	814,663
Due to Trust Accounts	1,119,946	1,135,358	(15,412)
Other Liabilities	9,795,054	5,770,656	4,024,397
Reserve for Bonus Payments	43,375	40,972	2,403
Reserve for Employee Retirement Benefits	36,019	37,641	(1,622)
Reserve for Director and Corporate Auditor Retirement Benefits	7,057	6,484	572
Reserve for Possible Losses on Sales of Loans	50,895	-	50,895
Reserve for Contingencies	14,095	13,046	1,048
Reserve for Frequent Users Services	8,349	-	8,349
Reserve for Reimbursement of Deposits	9,614	-	9,614
Reserves under Special Laws	2,680	2,680	0
Deferred Tax Liabilities	11,354	218,224	(206,870)
Deferred Tax Liabilities for Revaluation Reserve for Land	105,096	107,272	(2,175)
Acceptances and Guarantees	4,733,852	4,480,551	253,301
<b>Total Liabilities</b>	<b>148,717,945</b>	<b>143,155,622</b>	<b>5,562,323</b>
<b>Net Assets</b>			
<b>Total Shareholders' Equity</b>	<b>3,425,680</b>	<b>3,360,055</b>	<b>65,624</b>
<b>Total Valuation and Translation Adjustments</b>	<b>476,434</b>	<b>1,551,237</b>	<b>(1,074,803)</b>
Minority Interests	1,792,045	1,813,115	(21,070)
<b>Total Net Assets</b>	<b>5,694,159</b>	<b>6,724,408</b>	<b>(1,030,248)</b>
<b>Total Liabilities and Net Assets</b>	<b>¥ 154,412,105</b>	<b>¥ 149,880,031</b>	<b>¥ 4,532,074</b>

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

## COMPARISON OF CONSOLIDATED STATEMENTS OF INCOME (selected items)

	<i>Millions of yen</i>		
	For the fiscal year ended March 31, 2008	For the fiscal year ended March 31, 2007	Change
<b>Ordinary Income</b>	¥ 4,523,510	¥ 4,099,654	¥ 423,855
Interest Income	2,864,796	2,562,642	302,153
<i>Interest on Loans and Bills Discounted</i>	1,507,449	1,302,102	205,347
<i>Interest and Dividends on Securities</i>	671,783	592,863	78,920
Fiduciary Income	64,355	66,958	(2,603)
Fee and Commission Income	596,759	658,899	(62,139)
Trading Income	249,076	265,802	(16,726)
Other Operating Income	294,356	270,945	23,411
Other Ordinary Income	454,165	274,405	179,760
<b>Ordinary Expenses</b>	4,126,390	3,351,484	774,905
Interest Expenses	1,801,156	1,472,378	328,778
<i>Interest on Deposits</i>	581,601	477,042	104,559
<i>Interest on Debentures</i>	23,746	34,083	(10,336)
Fee and Commission Expenses	102,233	107,775	(5,541)
Trading Expenses	192,927	4,258	188,668
Other Operating Expenses	312,094	123,438	188,656
General and Administrative Expenses	1,124,527	1,091,602	32,925
Other Ordinary Expenses	593,450	552,032	41,418
<b>Ordinary Profits</b>	397,120	748,170	(351,049)
<b>Extraordinary Gains</b>	125,571	248,411	(122,839)
<b>Extraordinary Losses</b>	36,629	21,682	14,946
<b>Income before Income Taxes and Minority Interests</b>	486,062	974,898	(488,836)
Income Taxes:			
Current	32,212	43,267	(11,055)
Deferred	118,546	223,699	(105,153)
<b>Minority Interests in Net Income</b>	24,079	86,965	(62,886)
<b>Net Income</b>	¥ 311,224	¥ 620,965	¥ (309,741)

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

## CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

### FOR THE FISCAL YEAR ENDED MARCH 31, 2007

Millions of yen

	Shareholders' Equity					Valuation and Translation Adjustments					Minority Interests	Total Net Assets
	Common Stock and Preferred Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Other Securities, net of Taxes	Net Deferred Hedge Losses, net of Taxes	Revaluation Reserve for Land, net of Taxes	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments		
<b>Balance as of March 31, 2006</b>	¥ 1,540,965	¥ 411,160	¥ 1,498,143	¥ (46,814)	¥ 3,403,455	¥ 1,279,216	¥ -	¥ 170,384	¥ (48,062)	¥ 1,401,538	¥ 1,359,122	¥ 6,164,116
<b>Changes during the fiscal year</b>												
Cash Dividends *1	-	-	(79,849)	-	(79,849)	-	-	-	-	-	-	(79,849)
Board Members' Bonuses *1	-	-	(36)	-	(36)	-	-	-	-	-	-	(36)
Net Income	-	-	620,965	-	620,965	-	-	-	-	-	-	620,965
Repurchase of Treasury Stock	-	-	-	(604,331)	(604,331)	-	-	-	-	-	-	(604,331)
Disposition of Treasury Stock	-	32	-	50	83	-	-	-	-	-	-	83
Cancellation of Treasury Stock	-	(83)	(618,680)	618,763	-	-	-	-	-	-	-	-
Transfer from Revaluation Reserve for Land, net of Taxes	-	-	19,768	-	19,768	-	-	-	-	-	-	19,768
Decrease in Stock issued by MHFG held by Equity-Method Affiliates	-	-	-	0	0	-	-	-	-	-	-	0
Net Changes in Items other than Shareholders' Equity	-	-	-	-	-	271,411	(111,042)	(19,768)	9,098	149,698	453,992	603,691
<b>Total Changes during the fiscal year</b>	-	(50)	(57,832)	14,483	(43,399)	271,411	(111,042)	(19,768)	9,098	149,698	453,992	560,292
<b>Balance as of March 31, 2007</b>	¥ 1,540,965	¥ 411,110	¥ 1,440,310	¥ (32,330)	¥ 3,360,055	¥ 1,550,628	¥ (111,042)	¥ 150,616	¥ (38,964)	¥ 1,551,237	¥ 1,813,115	¥ 6,724,408

\*1 Appropriation of Retained Earnings approved at the ordinary general meeting of shareholders in June 2006.

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

## FOR THE FISCAL YEAR ENDED MARCH 31, 2008

Millions of yen

	Shareholders' Equity					Valuation and Translation Adjustments					Minority Interests	Total Net Assets
	Common Stock and Preferred Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Other Securities, net of Taxes	Net Deferred Hedge Losses, net of Taxes	Revaluation Reserve for Land, net of Taxes	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments		
<b>Balance as of March 31, 2007</b>	¥ 1,540,965	¥ 411,110	¥ 1,440,310	¥ (32,330)	¥ 3,360,055	¥ 1,550,628	¥ (111,042)	¥ 150,616	¥ (38,964)	¥ 1,551,237	¥ 1,813,115	¥ 6,724,408
Effect of Unification of Accounting Policies Applied to Foreign Subsidiaries	¥ -	¥ -	¥ 2,867	¥ -	¥ 2,867	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ 2,867
<b>Changes during the fiscal year</b>												
Cash Dividends	-	-	(101,229)	-	(101,229)	-	-	-	-	-	-	(101,229)
Net Income	-	-	311,224	-	311,224	-	-	-	-	-	-	311,224
Repurchase of Treasury Stock	-	-	-	(150,464)	(150,464)	-	-	-	-	-	-	(150,464)
Disposition of Treasury Stock	-	-	(1)	100	98	-	-	-	-	-	-	98
Cancellation of Treasury Stock	-	-	(180,189)	180,189	-	-	-	-	-	-	-	-
Transfer from Revaluation Reserve for Land, net of Taxes	-	-	3,148	-	3,148	-	-	-	-	-	-	3,148
Effect of Exclusion of an Affiliate from the Scope of the Equity Method	-	(16)	-	-	(16)	-	-	-	-	-	-	(16)
Effect of Decrease in the Equity Position of an Affiliate	-	(0)	-	-	(0)	-	-	-	-	-	-	(0)
Increase in Stock issued by MHFG held by Equity-Method Affiliates	-	-	-	(3)	(3)	-	-	-	-	-	-	(3)
Net Changes in Items other than Shareholders' Equity	-	-	-	-	-	(1,149,253)	117,028	(3,148)	(39,429)	(1,074,803)	(21,070)	(1,095,873)
<b>Total Changes during the fiscal year</b>	-	(16)	32,951	29,822	62,757	(1,149,253)	117,028	(3,148)	(39,429)	(1,074,803)	(21,070)	(1,033,116)
<b>Balance as of March 31, 2008</b>	¥ 1,540,965	¥ 411,093	¥ 1,476,129	¥ (2,507)	¥ 3,425,680	¥ 401,375	¥ 5,985	¥ 147,467	¥ (78,394)	¥ 476,434	¥ 1,792,045	¥ 5,694,159

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

# COMPARISON OF CONSOLIDATED STATEMENTS OF CASH FLOWS

Mizuho Financial Group, Inc.  
Millions of yen

	For the fiscal year ended March 31, 2008	For the fiscal year ended March 31, 2007	Change
<b>I. Cash Flow from Operating Activities</b>			
Income before Income Taxes and Minority Interests	¥ 486,062	¥ 974,898	¥ (488,836)
Depreciation	132,721	132,228	492
Losses on Impairment of Fixed Assets	2,698	4,281	(1,583)
Amortization of Goodwill	27,688	758	26,929
Equity in Income from Investments in Affiliates	(9,083)	(9,324)	241
Increase (Decrease) in Reserves for Possible Losses on Loans	(163,096)	34,099	(197,195)
Increase (Decrease) in Reserve for Possible Losses on Investments	(144)	(1,034)	889
Increase (Decrease) in Reserve for Possible Losses on Sales of Loans	50,895	—	50,895
Increase (Decrease) in Reserve for Contingencies	1,048	(32,520)	33,569
Increase (Decrease) in Reserve for Bonus Payments	5,152	4,385	766
Increase (Decrease) in Reserve for Employee Retirement Benefits	(655)	(1,076)	421
Increase (Decrease) in Reserve for Director and Corporate Auditor Retirement Benefits	565	6,484	(5,919)
Increase (Decrease) in Reserve for Frequent Users Services	4,575	—	4,575
Increase (Decrease) in Reserve for Reimbursement of Deposits	9,614	—	9,614
Interest Income - accrual basis	(2,864,796)	(2,562,642)	(302,153)
Interest Expenses - accrual basis	1,801,156	1,472,378	328,778
Losses (Gains) on Securities	(180,014)	84,020	(264,035)
Losses (Gains) on Money Held in Trust	(238)	(41)	(196)
Foreign Exchange Losses (Gains) - net	998,555	(180,289)	1,178,844
Losses (Gains) on Disposition of Fixed Assets	(1,700)	428	(2,129)
Losses (Gains) on Cancellation of Employee Retirement Benefit Trust	—	(125,961)	125,961
Decrease (Increase) in Trading Assets	(3,723,814)	(255,216)	(3,468,598)
Increase (Decrease) in Trading Liabilities	299,439	246,107	53,332
Decrease (Increase) in Loans and Bills Discounted	(590,397)	(153,790)	(436,607)
Increase (Decrease) in Deposits	2,299,855	1,310,550	989,304
Increase (Decrease) in Negotiable Certificates of Deposit	1,528,780	(588,911)	2,117,691
Increase (Decrease) in Debentures	(1,563,995)	(1,884,284)	320,289
Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowed Money)	225,338	1,841,174	(1,615,835)
Decrease (Increase) in Due from Banks (excluding Due from Central Banks)	(523,301)	751,656	(1,274,957)
Decrease (Increase) in Call Loans, etc.	845,166	(3,267,835)	4,113,002
Decrease (Increase) in Guarantee Deposits Paid under Securities Borrowing Transactions	(444,926)	19,358	(464,285)
Increase (Decrease) in Call Money, etc.	266,469	(446,971)	713,440
Increase (Decrease) in Commercial Paper	—	(20,000)	20,000
Increase (Decrease) in Guarantee Deposits Received under Securities Lending Transactions	980,959	(1,354,758)	2,335,718
Decrease (Increase) in Foreign Exchange Assets	51,635	(75,975)	127,611
Increase (Decrease) in Foreign Exchange Liabilities	(99,831)	(50,229)	(49,601)
Increase (Decrease) in Short-term Bonds (Liabilities)	(54,086)	(535,229)	481,142
Increase (Decrease) in Bonds and Notes	825,207	753,664	71,542
Increase (Decrease) in Due to Trust Accounts	(15,412)	(219,530)	204,118
Interest and Dividend Income - cash basis	2,922,168	2,482,364	439,803
Interest Expenses - cash basis	(1,803,557)	(1,387,389)	(416,167)
Board Members' Bonuses	—	(70)	70
Other - net	(1,603,353)	(19,684)	(1,583,668)
Subtotal	123,352	(3,053,924)	3,177,277
Cash Paid in Income Taxes	47,362	(51,009)	98,371
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>170,714</b>	<b>(3,104,934)</b>	<b>3,275,648</b>
<b>II. Cash Flow from Investing Activities</b>			
Payments for Purchase of Securities	(83,933,854)	(59,052,804)	(24,881,049)
Proceeds from Sale of Securities	66,532,713	35,176,618	31,356,095
Proceeds from Redemption of Securities	16,585,885	27,231,259	(10,645,373)
Payments for Increase in Money Held in Trust	(23,000)	(56,289)	33,289
Proceeds from Decrease in Money Held in Trust	39,869	56,401	(16,532)
Payments for Purchase of Tangible Fixed Assets	(84,804)	(77,699)	(7,105)
Payments for Purchase of Intangible Fixed Assets	(128,392)	(104,524)	(23,867)
Proceeds from Sale of Tangible Fixed Assets	18,450	48,000	(29,550)
Proceeds from Sale of Intangible Fixed Assets	10,216	1,050	9,166
Payments for Purchase of Stocks of Subsidiaries (affecting the scope of consolidation)	(136,627)	(800)	(135,827)
Proceeds from Sales of Stocks of Subsidiaries (affecting the scope of consolidation)	838	—	838
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(1,118,704)</b>	<b>3,221,212</b>	<b>(4,339,916)</b>
<b>III. Cash Flow from Financing Activities</b>			
Proceeds from Subordinated Borrowed Money	129,859	64,600	65,258
Repayments of Subordinated Borrowed Money	(83,000)	(112,000)	29,000
Proceeds from Issuance of Subordinated Bonds	239,704	309,334	(69,630)
Payments for Redemption of Subordinated Bonds	(142,589)	(350,000)	207,410
Proceeds from Investments by Minority Shareholders	288,196	415,734	(127,537)
Repayments to Minority Shareholders	(185,500)	—	(185,500)
Cash Dividends Paid	(101,115)	(79,793)	(21,321)
Cash Dividends Paid to Minority Shareholders	(80,277)	(60,908)	(19,368)
Payments for Repurchase of Treasury Stock	(150,464)	(604,331)	453,866
Proceeds from Sale of Treasury Stock	98	83	15
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(85,087)</b>	<b>(417,280)</b>	<b>332,192</b>
<b>IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(160)</b>	<b>2,103</b>	<b>(2,263)</b>
<b>V. Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,033,237)</b>	<b>(298,898)</b>	<b>(734,338)</b>
<b>VI. Cash and Cash Equivalents at the beginning of the fiscal year</b>	<b>3,089,030</b>	<b>3,387,929</b>	<b>(298,898)</b>
<b>VII. Increase (Decrease) in Cash and Cash Equivalents for Exclusion from Scope of Consolidation</b>	<b>—</b>	<b>(0)</b>	<b>0</b>
<b>VIII. Cash and Cash Equivalents at the end of the fiscal year</b>	<b>¥ 2,055,793</b>	<b>¥ 3,089,030</b>	<b>¥ (1,033,237)</b>

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

## NON-CONSOLIDATED BALANCE SHEETS

*Millions of yen, %*

	As of March 31, 2007		As of March 31, 2008		Change	
		%		%		
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Due from Banks	¥	2,726	¥	10,440	¥ 7,714	
Advances		6		4	(2)	
Prepaid Expenses		3,434		3,527	92	
Accounts Receivable		248,480		160,990	(87,489)	
Other Current Assets		3,701		1,131	(2,569)	
<b>Total Current Assets</b>		258,349	5.4	176,094	3.8	(82,254)
<b>Fixed Assets</b>						
<b>Tangible Fixed Assets</b>						
Buildings		227		221	(5)	
Equipment		724		1,062	337	
<b>Intangible Fixed Assets</b>		4,199		3,972	(226)	
Trademarks		117		94	(23)	
Software		3,848		3,510	(337)	
Other Intangible Fixed Assets		233		367	134	
<b>Investments</b>		4,500,535		4,477,571	(22,964)	
Investment Securities		2		2	-	
Investments in Subsidiaries and Affiliates		4,496,431		4,471,185	(25,245)	
Other Investments		4,102		6,383	2,281	
<b>Total Fixed Assets</b>		4,505,687	94.6	4,482,828	96.2	(22,859)
<b>Total Assets</b>	¥	4,764,036	100.0	¥ 4,658,922	100.0	¥ (105,113)
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Short-term Borrowings	¥	1,380,000		¥ 1,000,000	¥ (380,000)	
Short-term Bonds		203,000		140,000	(63,000)	
Accounts Payable		658		902	243	
Accrued Expenses		1,052		774	(277)	
Accrued Corporate Taxes		138		128	(9)	
Deposits Received		57		222	164	
Reserve for Bonus Payments		187		248	61	
<b>Total Current Liabilities</b>		1,585,093	33.3	1,142,276	24.5	(442,816)
<b>Non-Current Liabilities</b>						
Deferred Tax Liabilities		777		638	(138)	
Reserve for Employee Retirement Benefits		704		963	259	
Reserve for Director and Corporate Auditor Retirement Benefits		648		527	(121)	
Other Non-Current Liabilities		407		1,669	1,262	
<b>Total Non-Current Liabilities</b>		2,538	0.0	3,800	0.1	1,261
<b>Total Liabilities</b>		1,587,631	33.3	1,146,076	24.6	(441,555)
<b>Net Assets</b>						
<b>Shareholders' Equity</b>						
Common Stock and Preferred Stock		1,540,965	32.3	1,540,965	33.1	-
<b>Capital Surplus</b>						
Capital Reserve		385,241		385,241	-	-
Total Capital Surplus		385,241	8.1	385,241	8.3	-
<b>Retained Earnings</b>						
Appropriated Reserve		4,350		4,350	-	-
Other Retained Earnings		1,247,876		1,584,764	336,888	
Retained Earnings Brought Forward		1,247,876		1,584,764	336,888	
Total Retained Earnings		1,252,226	26.3	1,589,114	34.1	336,888
Treasury Stock		(2,037)	(0.0)	(2,447)	(0.1)	(409)
<b>Total Shareholders' Equity</b>		3,176,394	66.7	3,512,873	75.4	336,478
<b>Valuation and Translation Adjustments</b>						
Net Unrealized Gains on Other Securities, net of Taxes		9	0.0	(27)	(0.0)	(37)
<b>Total Valuation and Translation Adjustments</b>		9	0.0	(27)	(0.0)	(37)
<b>Total Net Assets</b>		3,176,404	66.7	3,512,845	75.4	336,441
<b>Total Liabilities and Net Assets</b>	¥	4,764,036	100.0	¥ 4,658,922	100.0	¥ (105,113)



## NON-CONSOLIDATED STATEMENTS OF INCOME

	For the fiscal year ended March 31, 2007		For the fiscal year ended March 31, 2008		Change
	¥	%	¥	%	
<i>Millions of yen, %</i>					
<b>Operating Income</b>					
Cash Dividends Received from Subsidiaries and Affiliates	1,220,997		<b>770,832</b>		(450,164)
Fee and Commission Income Received from Subsidiaries and Affiliates	29,102		<b>35,686</b>		6,584
<b>Total Operating Income</b>	1,250,099	100.0	<b>806,519</b>	100.0	(443,580)
<b>Operating Expenses</b>					
General and Administrative Expenses	19,205		<b>19,364</b>		158
<b>Total Operating Expenses</b>	19,205	1.5	<b>19,364</b>	2.4	158
<b>Operating Profits</b>	1,230,893	98.5	<b>787,155</b>	97.6	(443,738)
<b>Non-Operating Income</b>					
Interest on Deposits	—		<b>100</b>		100
Interest on Securities	—		<b>69</b>		69
Rent Received	2		<b>2</b>		0
Other Non-Operating Income	212		<b>133</b>		(79)
<b>Total Non-Operating Income</b>	214	0.0	<b>306</b>	0.0	91
<b>Non-Operating Expenses</b>					
Interest Expenses	11,256		<b>13,363</b>		2,106
Interest on Short-term Bonds	1,052		<b>1,432</b>		379
Amortization of Start-Up Costs	304		—		(304)
Other Non-Operating Expenses	26		<b>29</b>		2
<b>Total Non-Operating Expenses</b>	12,640	1.0	<b>14,825</b>	1.8	2,185
<b>Ordinary Profits</b>	1,218,468	97.5	<b>772,635</b>	95.8	(445,832)
<b>Extraordinary Gains</b>					
Gains on Disposition of Investments in Subsidiaries	24,195		<b>38,254</b>		14,059
Other Extraordinary Gains	614		<b>361</b>		(252)
<b>Total Extraordinary Gains</b>	24,809	2.0	<b>38,616</b>	4.8	13,806
<b>Extraordinary Losses</b>					
Other Extraordinary Losses	3,640		<b>370</b>		(3,270)
<b>Total Extraordinary Losses</b>	3,640	0.3	<b>370</b>	0.0	(3,270)
<b>Income before Income Taxes</b>	1,239,637	99.2	<b>810,882</b>	100.6	(428,755)
Income Taxes:					
Current	5		<b>11</b>		6
Deferred	(78)		<b>(131)</b>		(53)
Total Income Taxes	(73)	(0.0)	<b>(120)</b>	(0.0)	(47)
<b>Net Income</b>	¥ 1,239,710	99.2	¥ <b>811,002</b>	100.6	¥ (428,707)

## NON-CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Millions of yen

	Shareholders' Equity									Valuation and Translation Adjustments	Total Net Assets	
	Capital Surplus				Retained Earnings				Treasury Stock	Total Shareholders' Equity		Net Unrealized Gains on Other Securities, net of Taxes
	Common Stock and Preferred Stock	Capital Reserve	Other Capital Surplus	Total Capital Surplus	Appropriated Reserve	Other Retained Earnings	Total Retained Earnings	Retained Earnings Brought Forward				
<b>Balance as of March 31, 2006</b>	¥ 1,540,965	¥ 385,241	¥ 50	¥ 385,291	¥ 4,350	¥ 822,956	¥ 827,306	¥ (1,255)	¥ 2,752,307	¥ 12	¥ 2,752,319	
<b>Changes during the fiscal year</b>												
Cash Dividends *	—	—	—	—	—	(81,421)	(81,421)	—	(81,421)	—	(81,421)	
Net Income	—	—	—	—	—	1,239,710	1,239,710	—	1,239,710	—	1,239,710	
Repurchase of Treasury Stock	—	—	—	—	—	—	—	(734,285)	(734,285)	—	(734,285)	
Disposition of Treasury Stock	—	—	32	32	—	—	—	50	83	—	83	
Cancellation of Treasury Stock	—	—	(83)	(83)	—	(733,369)	(733,369)	733,452	—	—	—	
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—	—	—	—	—	(2)	(2)	
<b>Total Changes during the fiscal year</b>	—	—	(50)	(50)	—	424,920	424,920	(782)	424,087	(2)	424,084	
<b>Balance as of March 31, 2007</b>	¥ 1,540,965	¥ 385,241	—	¥ 385,241	¥ 4,350	¥ 1,247,876	¥ 1,252,226	¥ (2,037)	¥ 3,176,394	¥ 9	¥ 3,176,404	

\* Appropriation of Retained Earnings approved at the ordinary general meeting of shareholders in June 2006.

Millions of yen

	Shareholders' Equity									Valuation and Translation Adjustments	Total Net Assets	
	Capital Surplus				Retained Earnings				Treasury Stock	Total Shareholders' Equity		Net Unrealized Gains on Other Securities, net of Taxes
	Common Stock and Preferred Stock	Capital Reserve	Total Capital Surplus	Appropriated Reserve	Other Retained Earnings	Total Retained Earnings	Retained Earnings Brought Forward					
<b>Balance as of March 31, 2007</b>	¥ 1,540,965	¥ 385,241	¥ 385,241	¥ 4,350	¥ 1,247,876	¥ 1,252,226	¥ (2,037)	¥ 3,176,394	¥ 9	¥ 3,176,404		
<b>Changes during the fiscal year</b>												
Cash Dividends	—	—	—	—	(103,056)	(103,056)	—	(103,056)	—	(103,056)		
Net Income	—	—	—	—	811,002	811,002	—	811,002	—	811,002		
Repurchase of Treasury Stock	—	—	—	—	—	—	(371,565)	(371,565)	—	(371,565)		
Disposition of Treasury Stock	—	—	—	—	(1)	(1)	100	98	—	98		
Cancellation of Treasury Stock	—	—	—	—	(371,055)	(371,055)	371,055	—	—	—		
Net Changes in Items other than Shareholders' Equity	—	—	—	—	—	—	—	—	(37)	(37)		
<b>Total Changes during the fiscal year</b>	—	—	—	—	336,888	336,888	(409)	336,478	(37)	336,441		
<b>Balance as of March 31, 2008</b>	¥ 1,540,965	¥ 385,241	¥ 385,241	¥ 4,350	¥ 1,584,764	¥ 1,589,114	¥ (2,447)	¥ 3,512,873	¥ (27)	¥ 3,512,845		