

SUMMARY OF FINANCIAL RESULTS

For Fiscal 2008

< under Japanese GAAP >

MIZUHO



Mizuho Financial Group, Inc.

Summary Results for Fiscal 2008

I. Summary of Income Analysis

➤ Consolidated Net Business Profits

- Consolidated Gross Profits for fiscal 2008 increased by JPY 146.0 billion on a year-on-year basis, due to the recovery in performance of Mizuho Securities which had recorded significant losses for the previous fiscal year.

Gross Profits of the banking subsidiaries decreased mainly because of decreases in income related to business with domestic corporate customers (SMEs), fee income associated with sales of investment trusts and individual annuities, fee and commission income from overseas business which was affected by the turmoil in the global financial markets, and income from the trust and asset management business of Mizuho Trust & Banking which was affected by domestic real estate market conditions.

- Consolidated Net Business Profits increased by JPY 111.4 billion to JPY 622.6 billion compared with the previous fiscal year, despite an increase in G&A Expenses, mainly those associated with employee retirement benefits.

➤ Consolidated Net Income

- Consolidated Net Income for fiscal 2008 amounted to JPY -588.8 billion, a year-on-year decrease of JPY 900.0 billion. This was primarily due to, in addition to the aforementioned factors, an increase in both domestic and overseas Credit-related Costs mainly against the backdrop of the sharp economic downturn as well as the conservative provision of reserves in light of the unforeseeable future of the economic environment, the recording of one-time losses associated with the sharp declines in both domestic and overseas stock prices (JPY 514.1 billion of devaluation of stocks for the 3 Banks; of which JPY 418.5 billion was recorded in the second half), continuously recorded losses on securitization products and others resulting from the global financial market turmoil, and the effect of conservative estimates of future profits in relation to the calculation of deferred income taxes.
- As for the effect from our securitization products and others due to the global financial market turmoil, the consolidated P&L impact in fiscal 2008 was a loss of approximately JPY 135.0 billion.

[Breakdown of the P&L impact of JPY 135.0 billion (including overseas subsidiaries)]

3 Banks

- Losses on sales of securitization products, etc. (incl. devaluation): approx. JPY -126.0 Bn
(of which foreign currency denominated^{*1}: approx. JPY -101.0 Bn)
- Net losses on provision of Reserve for Possible Losses on Sales of Loans^{*2}: approx. JPY -12.0 Bn
- Provision of Reserve for Contingencies associated with ABCP Programs: approx. JPY -4.0 Bn
- Profits from hedging by CDS: approx. JPY 23.0 Bn

Mizuho Securities^{*3}

- Trading losses on securitization products: approx. JPY -16.0 Bn
(of which foreign currency denominated: approx. JPY -12.0 Bn)

*1 For the vast majority of foreign currency denominated securitization products, we applied reasonably calculated prices based on the reasonable estimates of our management as fair value at the end of fiscal 2008. (P&L impact: approx. JPY +107.0 Bn).

*2 Separately recorded approximately JPY -19.0 billion of Credit-related Costs in fiscal 2008 due to downgrading of some obligors to the Intensive Control Obligors classification or below.
We reclassified a part of Loans Held for Sale as loans other than Loans Held for Sale, based on the reasonably calculated prices, at the end of December 2008.

*3 Excludes reserves for counterparty risks associated with the estimated amount claimable for the settlement of the CDS related to securitization products described in “(Reference) Credit Default Swaps related to securitization products (as of Mar. 31, 2009)” on page 2-6.

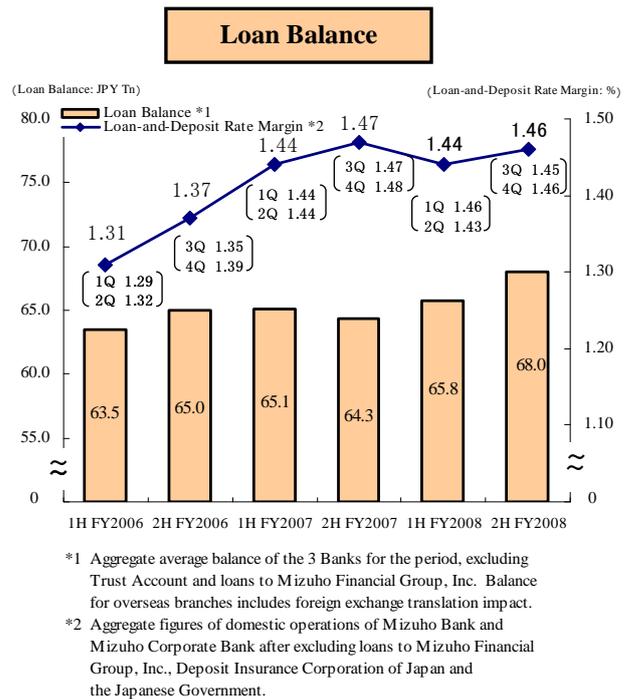
(Consolidated) (JPY Bn)	FY2008	
		Change from FY2007
Consolidated Gross Profits	1,806.9	146.0
Consolidated Net Business Profits *	622.6	111.4
Credit-related Costs	-536.7	-453.6
Net Gains (Losses) related to Stocks	-400.2	-653.5
Ordinary Profits	-395.1	-792.2
Net Income	-588.8	-900.0

* Consolidated Gross Profits - General and Administrative Expenses (excluding Non-Recurring Losses) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments

(Reference) 3 Banks (JPY Bn)	FY2008	
		Change from FY2007
Gross Profits	1,485.9	-235.8
G&A Expenses (excluding Non-Recurring Losses)	-909.3	-49.1
Net Business Profits	576.6	-285.0
Credit-related Costs	-539.3	-446.7
Net Gains (Losses) related to Stocks	-444.2	-684.4
Ordinary Profits	-520.2	-1,192.6
Net Income	-576.9	-770.5

➤ Net Interest Income

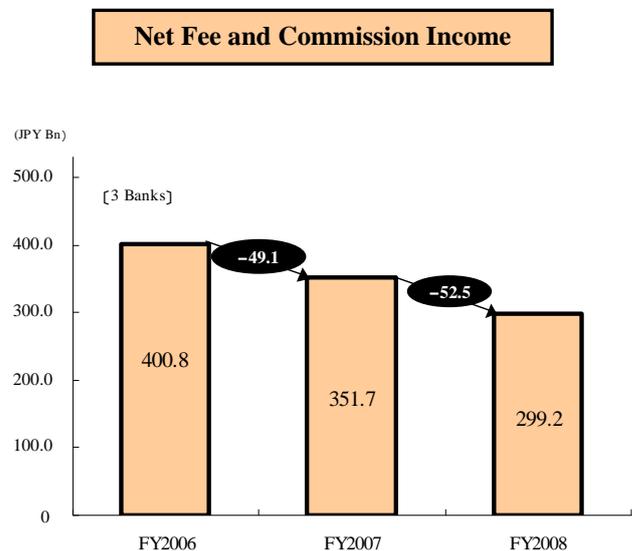
- The average loan balance for the first half and the second half of fiscal 2008 increased respectively, mainly driven by the growth in the balance of domestic branches.
- Although the domestic loan-and-deposit rate margin for the second half of fiscal 2008 was 1.46%, an improvement on the first half mainly enhanced by increased margins at Mizuho Corporate Bank, the figure for the full fiscal year remained almost flat on a year-on-year basis.
- Net Interest Income of the 3 Banks for fiscal 2008 amounted to JPY 968.8 billion (a year-on-year increase of JPY 14.8 billion) due to the growth in our international operations, while that in our domestic operations slightly declined due to factors including decreased returns on securities.



➤ Non-Interest Income

- Net Fee and Commission Income of the 3 Banks for fiscal 2008 decreased to JPY 299.2 billion by JPY 52.5 billion compared with the previous fiscal year.
- As for our business with individual customers, fee income associated with sales of investment trusts and individual annuities was significantly lower than that in the previous fiscal year, due to stagnant stock market conditions and other factors.

As for our business with corporate customers, although fee and commission income associated with domestic syndicated loans increased year-on-year, that primarily from solution-related business for SMEs, foreign exchange business, and overseas business decreased. Profits from trust and asset management business of Mizuho Trust & Banking also decreased.



II. Financial Soundness

- Although our NPL Ratio was 1.77%, an increase on a year-on-year basis, our Net NPL Ratio, reflecting the effects of Reserves for Possible Losses on Loans, remained at a low level of 0.73% (a year-on-year decrease of 0.10%). We maintained sufficient financial soundness.
- We recorded Unrealized Losses on Other Securities due to the declines in the stock markets.
- We maintained our Consolidated BIS Capital Adequacy Ratio at above the 10% level as of March 31, 2009. We have applied the Advanced Internal Ratings-Based (AIRB) Approach to the measurement of credit risk from March 31, 2009.
- The total balance of securitization products and details as of March 31, 2009 are shown in the right table. Please refer to the attachment, “Summary of the impact of the dislocation in the global financial markets on our foreign currency denominated exposures”.

(JPY Bn)	March 31, 2009	
		Change from March 31, 2008
Consolidated Capital Adequacy Ratio	10.53%	-1.17%
(Total Risk-based Capital)	(6,223.6)	(-1,484.6)
Tier 1 Capital Ratio	6.37%	-1.03%
(Tier 1 Capital)	(3,765.0)	(-1,115.1)
Net Deferred Tax Assets (DTAs) (Consolidated)	714.6	118.1
Net DTAs / Tier 1 Ratio	18.9%	6.7%
Disclosed Claims under the Financial Reconstruction Law (3 Banks)	1,384.7	181.5
NPL Ratio	1.77%	0.15%
(Net NPL Ratio *1)	(0.73%)	(-0.10%)
Unrealized Gains (Losses) on Other Securities (Consolidated) *2	-572.3	-1,213.0

*1 (Disclosed Claims under the Financial Reconstruction Law
- Reserves for Possible Losses on Loans) /
(Total Claims - Reserves for Possible Losses on Loans) x 100

*2 The base amount to be recorded directly to Net Assets after tax and other necessary adjustments.

For Floating-rate Japanese Government Bonds and the vast majority of foreign currency denominated securitization products, we applied reasonably calculated prices based on the reasonable estimates of our management as fair value at the end of fiscal 2008.

[The group in total]

[balances on managerial accounting and fair value basis]	March 31, 2009 *3
Foreign currency denominated	JPY 0.6 Tn (JPY 39 Bn)
RMBS, ABSCDO	JPY 0.2 Tn (JPY 7 Bn)
Yen denominated	JPY 2.7 Tn (JPY 188 Bn)
Securitization Products	JPY 3.3 Tn (JPY 227 Bn)

*3 Figures in brackets are the balances of Mizuho Securities including its overseas subsidiaries (all of which are held in trading accounts)

III. Disciplined Capital Management

We are pursuing “strengthening of stable capital base” and “steady returns to shareholders” as our “disciplined capital management”. In July 2008, we repurchased our own shares (common shares) of JPY 150.0 billion and cancelled almost all of them in September 2008 for the purpose of offsetting the potential dilutive effect of our common shares from the conversion of the Eleventh Series Class XI Preferred Stock.

However, in light of factors including the current financial market turmoil and global economic downturn, we have been putting more priority on “strengthening of stable capital base” since the second half of fiscal 2008 in order to prepare for a further adverse business environment. We will continue to focus on strengthening our capital base as the current management priority since it has become increasingly important for financial institutions to maintain sufficient capital base amid a prolonged stagnation of both domestic and overseas economies.

- **Increase of our prime capital**
 - Our board of directors resolved today to file a Shelf Registration Statement (*hakkotorokusho*) for the issuance of our common shares up to JPY 600.0 billion. The registration is to establish a framework for flexibly implementing the issuance of our common shares that will serve to increase our prime capital. Our decision is aimed at, in light of the current uncertainty over the economy, securing a solid and sufficient capital buffer in preparation for a further adverse business environment and ensuring the flexibility to capture business opportunities leading to our future growth and to respond to customer needs.
- **Strengthening of our capital base through issuance of “non-dilutive” preferred securities**
 - We issued preferred debt securities amounted at JPY 303.0 billion in July 2008, JPY 355.0 billion in December 2008, and USD 850 million in February 2009, respectively, through our overseas special purpose subsidiaries, so as to further increase our group’s capital base in light of the current financial market turmoil on top of securing the agility and improving the flexibility of our capital strategy.
 - In addition, our board of directors resolved today to establish overseas special purpose subsidiaries and to issue preferred debt securities. Meanwhile, we plan to make a full redemption of preferred debt securities (JPY 176.0 billion) which will become redeemable at the issuer’s option in June 2009.

Earnings Estimates for Fiscal 2009

(Figures below are on a consolidated basis)

- We estimate Consolidated Net Business Profits for fiscal 2009 to be JPY 720.0 billion, an increase of JPY 97.3 billion compared with the previous fiscal year.

This is due to further strengthening of profitability primarily in Customer Groups of the banking subsidiaries mainly by increasing loan interest income and enhancing further the group synergies.

- We estimate Credit-related Costs and Net Gains related to Stocks to be JPY -330.0 billion and JPY 50.0 billion, respectively.
- Based on the above, we estimate Consolidate Net Income to be JPY 200.0 billion, an increase of JPY 788.8 billion year-on-year.
- While we anticipate a severe business environment, we plan to make cash dividend payments of JPY 8 per share of common stock for the fiscal year ending March 31, 2010 (a year-on-year decrease of JPY 2), also from the standpoint of providing stable dividend payments. We plan to make dividend payments on preferred stock as prescribed.

(Consolidated) (JPY Bn)	FY2009 (Estimates)	
		Change from FY2008
Consolidated Net Business Profits *1	720.0	97.3
Credit-related Costs	-330.0	206.7
Net Gains related to Stocks	50.0	450.2
Ordinary Profits	330.0	725.1
Net Income	200.0	788.8

*1 Consolidated Gross Profits - General and Administrative Expenses (excluding Non-Recurring Losses) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments

(Reference) 3 Banks (JPY Bn)	FY2009 (Estimates)	
		Change from FY2008
Net Business Profits	700.0	*2 123.3
Credit-related Costs	-310.0	229.3
Net Gains related to Stocks	45.0	489.2
Ordinary Profits	300.0	820.2
Net Income	250.0	826.9

*2 Includes impacts on banking subsidiaries (approximately JPY 78.0 billion) of a change in the recipients of dividend payments under our schemes for capital raising through issuance of preferred securities by SPCs

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 US subprime mortgage 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 and elsewhere.

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 latest annual report on Form 20-F filed with, and in our report on Form 6-K dated February 13, 2009 furnished to, the U.S. Securities and Exchange Commission (“SEC”) which are available in the Financial Information section of our web page at www.mizuho-fg.co.jp/english/ and also at the SEC’s web site at 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.

Definition

3 Banks: Aggregate figures for Mizuho Bank, Mizuho Corporate Bank and Mizuho Trust & Banking on a non-consolidated basis.

[Reference] Summary of the impact of the dislocation in the global financial markets
on our foreign currency denominated exposures (the group in total)

(Managerial accounting basis)

(Note) This material is prepared basically in view of the "Leading-Practice Disclosures for Selected Exposures"
included in the Financial Stability Forum (FSF) report dated April 7, 2008.

1. Breakdown of foreign currency denominated securitization products

Banking Subsidiaries

(JPY Bn, round figures)

3 Banks (including overseas subsidiaries)

= Banking account

	Balances as of Mar. 31, 2008 ^{*1}	Marks (%) as of Mar. 31, 2008	Balances as of Mar. 31, 2009 ^{*1,2}	Marks (%) as of Mar. 31, 2009	Unrealized Gains/Losses as of Mar. 31, 2009 ^{*1}	Realized Gains/Losses for FY2008 ^{*1,2}	(Reference) Hedged proportions ^{*3}
	(Fair Value)	(=Fair Value/ Face Value)	(Fair Value)	(=Fair Value/ Face Value)			
1 Foreign currency denominated securitization products	889	78	^{*4} 540	62	-53	-101	approx.50%
2 ABSCDOs, CDOs	126	51	49	23	-3	-44	approx.30%
3 CDOs backed by RMBS	36	28	^{*5} 5	3	0	-29	-
4 CDOs except above	^{*6} 90	77	^{*6} 44	55	-3	-15	approx.30%
5 CDOs backed by claims against corporations	^{*7} 90	^{*7} 77	^{*7} 44	^{*7} 55	^{*7} -3	^{*7} -15	approx.30%
6 CDOs backed by CMBS	-	-	-	-	-	-	-
7 RMBS	319	86	188	68	-21	-37	approx.60%
8 RMBS with underlying assets in US	^{*8} -	^{*8} -	^{*8} -	^{*8} -	^{*8} -	^{*8} -	-
9 RMBS except above (RMBS with underlying assets mainly in Europe)	319	86	188	68	-21	-37	approx.60%
10 ABS, CLOs and others	444	85	303	79	-29	-20	approx.50%
11 CLOs	^{*7} 195	^{*7} 86	^{*7} 182	^{*7} 90	^{*7} -20	^{*7} -6	approx.50%
12 ABS	169	93	69	77	-4	-8	approx.40%
13 CMBS	79	89	52	76	-5	-6	approx.50%
14 SIV-related	-	-	-	-	-	0	-

*1 Except for the securitization products which were the reference assets of our securitization schemes for transferring credit risk to third parties (hedged portion), a Reserve for Possible Losses on Investments has been provided since the end of fiscal 2007 against unrealized losses on securitization products related to the discontinuation of business regarding credit investments primarily in Europe, which had been made as an alternative to loans. The balance of reserve was approx. JPY 32 billion as of Mar. 31, 2009. Since securities were recognized at fair value on the consolidated balance sheet, the relevant balances as of Mar. 31, 2008 and Mar. 31, 2009 were those after being offset by the amount of Reserve for Possible Losses on Investments.

*2 Partial changes to the calculation method for fair value of securitization products

With respect to the vast majority of credit investments in securitization products made as an alternative to loans by our European and North American offices, we changed the calculation method for fair value and applied reasonably calculated prices based on the reasonable estimates of our management as fair value at the end of fiscal 2008.

(The book value of the relevant securitization products after the aforementioned change: approx. JPY 515 billion. Please refer to page 1-29)
(Impact during fiscal 2008)

Balance as of Mar. 31, 2009: approx. JPY +144 billion, Unrealized Gains/Losses as of Mar.31, 2009: approx. JPY +37 billion,
P&L impact for fiscal 2008: approx. JPY +107 billion

*3 The proportions of balances (fair value) of the securitization products, as of Mar. 31, 2009, which were the reference assets of our securitization schemes (with CDS and other means) for transferring credit risk to third parties until maturity.

In some of the securitization schemes, a portion of credit risk of the reference assets remained with Mizuho Financial Group through our retaining a small first loss position and a portion of senior tranches.

(Reference) CDS counterparties^{†1}:

Financial services subsidiary (A- rating) of a multi-line insurance company: approx. JPY 163 billion

Government-affiliated financial institution (AA- rating): approx. JPY 98 billion

†1 Notional amount basis. Ratings were based on the lowest external ratings as of Mar. 31, 2009.

*4 The change in balance from Mar. 31, 2008 (approx. JPY -349 billion) included approx. JPY 108 billion decrease in balance due to foreign exchange translation impact primarily caused by appreciation of Japanese yen against European currencies and the US dollar.

*5 The proportion of US subprime mortgage loan-related assets to the total underlying assets of this CDO was up to approx. 40%.

The entire balance (fair value) consisted of Super Senior tranche.

*6 The entire balance consisted of securitization products backed by original assets (non-securitized assets).

*7 Re-classified a part of the securitization products, which had been categorized in line 5 in the above table as of Mar. 31, 2008, to line 11 after a review of the definition of each category since our disclosure for the first quarter of fiscal 2008.

*8 Excluded US government-owned corporation bonds and government-sponsored enterprise bonds (please refer to page 2-8 for the balances of those bonds held by Mizuho Financial Group).

Securities Subsidiaries

(JPY Bn, round figures)

Mizuho Securities (including overseas subsidiaries)

=Trading account

	Balances as of Mar. 31, 2008	Marks (%) as of Mar. 31, 2008	Balances as of Mar. 31, 2009	Marks (%) as of Mar. 31, 2009	Realized Gains/Losses for FY2008
	(Fair Value)	(=Fair Value/ Face Value)	(Fair Value)	(=Fair Value/ Face Value)	
1 Foreign currency denominated securitization products	105	22	*1 39	12	-12
2 ABSCDOs, CDOs	50	18	6	2	-6
3 CDOs backed by RMBS	24	10	*2 6	2	-6
4 Hedged by CDS with a non-investment grade financial guarantor	*3 11	*3 17	*3 -	*3 -	*3 -
5 CDOs except above	*4,5 26	*5 83	*5 -	*5 -	*5 0
6 CDOs backed by claims against corporations	16	92	-	-	-
7 Hedged by CDS with a non-investment grade financial guarantor	*3 -	*3 -	*3 -	*3 -	*3 -
8 CDOs backed by CMBS	0	8	-	-	0
9 RMBS	53	27	1	1	-1
10 RMBS backed by US subprime mortgage loans	15	31	0	2	-0
11 RMBS except above (RMBS backed by mid-prime loans, prime loans and others)	*6 38	*6 26	*6 1	*6 1	*6 -1
12 RMBS backed by mid-prime loans (Alt-A)	19	26	0	1	-
13 ABS, CLOs and others	2	67	32	79	-5
14 CLOs	*5 2	*5 73	*5 24	*5 83	*5 -3
15 CMBS	0	43	0	14	-0
16 SIV-related	-	-	*7 8	72	-2

*1 The change in balance from Mar. 31, 2008 (approximately JPY -66 billion) included approximately JPY 2 billion decrease in balance due to foreign exchange translation impact primarily caused by appreciation of Japanese yen against the US dollar.

*2 The proportion of US subprime mortgage loan-related assets to the total underlying assets was approximately 10%. Approximately 50% of the balance (fair value) consisted of Super Senior tranche.

*3 CDO exposures hedged by CDS with a non-investment grade[†] US financial guarantor (monoline), net of allowances. (The hedging transaction was terminated in Aug. 2008.)

† based on external ratings as of Mar. 31, 2008

*4 The entire balance consisted of securitization products backed by original assets (non-securitized assets).

*5 Re-classified the securitization products, which had been categorized in line 5 in the above table as of Mar. 31, 2008, to line 14 after a review of the definition of each category since our disclosure for the first quarter of fiscal 2008.

*6 Excluded US government-owned corporation bonds and government-sponsored enterprise bonds (please refer to page 2-8 for the balances of those bonds held by Mizuho Financial Group).

*7 Obtained senior bonds issued by a SIV, in settlement of CDS transactions where such bonds were treated as collateral. These CDS transactions were related to CDO structuring business.

(Reference) Credit Default Swaps related to securitization products (as of Mar. 31, 2009)

- The notional amount of credit default swaps (CDS^{*1}) referring to securitization products at Mizuho Securities was approximately JPY 298 billion (JPY 366 billion as of Mar. 31, 2008), and the fair value of the relevant reference assets (securitization products) was approximately JPY 208 billion (JPY 302 billion as of Mar. 31, 2008). NPV, or the estimated amount claimable for the settlement of the CDS, was approximately JPY 70 billion, which was the difference between the notional amount and the fair value (excluding approximately JPY 20 billion^{*2} that had already been received in cash from a CDS protection seller). The net estimated amount claimable for the settlement of the CDS after deducting reserves for counterparty risks (approximately JPY 20 billion) was approximately JPY 50 billion.

(The above included CDS contracts with a US monoline (external ratings as of Mar. 31, 2009: AA-^{*3}), of which the notional amount was approximately JPY 27 billion and the fair value of the relevant reference assets was approximately JPY 20 billion.)

*1 Excluded CDS shown in line 4 and 7 of the above table

*2 Translated the relevant amount of cash in foreign currency at the exchange rate in effect at the end of March, 2009

*3 Based on the lowest external ratings as of Mar. 31, 2009

- The majority of the above CDS contracts were with counterparties with external ratings in the "AA" range or higher (as of Mar. 31, 2009), and the relevant reference assets were securitization products backed mainly by claims against corporations.

2. Other relevant information (March 31, 2009)

(The figures below are rounded to JPY 1 Bn)

Banking Subsidiaries

➤ **Loans Held for Sale (for which Reserve for Possible Losses on Sales of Loans was recorded)**

- Approximately JPY 29 billion of Reserve for Possible Losses on Sales of Loans was recorded against approximately JPY 105 billion of Loans Held for Sale associated with overseas LBO and other transactions (Reserve ratio: 27.2%)

(Note) The figures shown above exclude those related to Intensive Control Obligors or below. The reserve ratio would be 35.5%, if including the balances of Loans Held for Sale to such obligors and the amounts of both Reserves for Possible Losses on Loans and Reserve for Contingencies in relation to the relevant balances.

- Out of the above-mentioned JPY 105 billion, the LBO/MBO related Loans Held for Sale amounted to approximately JPY 81 billion, and the relevant reserve ratio was 30.2%.

(Note) The figures shown above exclude those related to Intensive Control Obligors or below. The reserve ratio would be 37.9%, if including the balances of Loans Held for Sale to such obligors and the amounts of both Reserves for Possible Losses on Loans and Reserve for Contingencies in relation to the relevant balances.

- With respect to a part of Loans Held for Sale by European offices (JPY 348.2 billion), we reclassified such loans as loans other than Loans Held for Sale, based on the reasonably calculated prices, at the end of December 2008.

Comparison to the amounts which would have been recorded if we had continued to classify the aforementioned loans as Loans Held for Sale at the end of March 2009:

Loans; JPY -27.7 billion

Reserve for Possible Losses on Sales of Loans; JPY -70.1 billion

Other within Other Ordinary Expenses; JPY -41.1 billion

(Please refer to page 1-25)

➤ **Overseas ABCP program-related**

- The total assets of approximately JPY 150 billion acquired by overseas ABCP conduits, for which Mizuho Corporate Bank acted as a sponsor, included approximately JPY 82 billion of securitization products that were backed by credit card receivables, auto lease receivables, and others. No US subprime mortgage loan-related assets were included.
- With respect to a part of liquidity facility for one of the overseas ABCP programs mentioned above, Mizuho Corporate Bank recorded approximately JPY 4 billion of Reserve for Contingencies for the equivalent amount of the entire valuation losses on approximately JPY 7 billion of securitization products backed by auto lease receivables (guaranteed by a US monoline) as of Mar. 31, 2009.
- The balance of securitization products acquired by the aforementioned overseas ABCP conduits decreased almost by half from that as of Mar. 31, 2008 primarily due to redemptions at maturities.

➤ **Securitization products and loans guaranteed by US financial guarantors (monolines)**

Securitization products guaranteed by US monolines

- Approximately JPY 8 billion of securitization products backed by auto lease receivables included in the acquired assets of the above-mentioned overseas ABCP conduits sponsored by Mizuho Corporate Bank. (The balance decreased significantly from approximately JPY 30 billion as of Mar. 31, 2008 due to redemptions at maturities.)
- Mizuho Corporate Bank recorded approximately JPY 4 billion of Reserve for Contingencies on approximately JPY 7 billion out of the above-mentioned as of Mar. 31, 2009. (Please refer to "Overseas ABCP program-related" noted above)

Loans guaranteed by US monolines

- Approximately JPY 13 billion of Mizuho Corporate Bank's loan commitments to overseas infrastructure projects (of which approximately JPY 6 billion was drawn down). No US subprime mortgage loan-related exposures were included.
- There were no particular concerns about the credit conditions of the aforementioned projects as of Mar. 31, 2009.

(Note) For the purpose of reference to the Mizuho Financial Group's exposures related to US monolines, page 2-6 describes our securities subsidiaries' exposures to such counterparties of credit default swaps (CDS) referring to securitization products, in addition to the above-mentioned transactions of the banking subsidiaries.

➤ **Investments and loans associated with SIVs**

- All exposures had already been written-off in fiscal 2007.

➤ **Warehousing loan business*₁ related to US subprime mortgage loans**

- Nil

*₁ Loans provided to other financial institutions in connection with their structuring of securitization products until such products are sold

➤ **Loans to mortgage lenders in US (working capital, etc.)**

- Approximately JPY 45 billion (Approximately 40% of the lenders concerned had external ratings in the "A" range*₂, and the rest had ratings in the "BB" range*₂).

*₂ Based on the lowest external ratings as of Mar. 31, 2009

Banking and Securities Subsidiaries

➤ US government-owned corporation (Ginnie Mae) bonds and GSE (government-sponsored enterprises: Fannie Mae, Freddie Mac) bonds

Banking Subsidiaries (Banking Account)

- The total balance of the above bonds held was approximately JPY 665 billion, with approximately JPY 18 billion of unrealized gains. Out of the total balance, approximately JPY 663 billion was RMBS guaranteed by the Government National Mortgage Association (Ginnie Mae), a corporation wholly-owned by the US government.

(Reference) Balance held as of Mar. 31, 2008: approximately JPY 1.2 trillion

Securities Subsidiaries (Trading Account)

- The total balance of RMBS, which were issued or guaranteed by the US government-owned corporation or GSE, was minimal.
- Approximately JPY 38 billion of the corporate bonds issued by Fannie Mae and Freddie Mac was held for the purpose of, among other things, market-making activities in the US, and all the bonds were subject to mark-to-market accounting so that there were no unrealized losses (the recorded gains/losses for fiscal 2008 were approximately JPY -2 billion).

There was no holding of stocks of these entities.