[Translation]

Items Disclosed on Internet pursuant to Laws and Regulations and the Articles of Incorporation in relation to the Convocation Notice of the 17th Ordinary General Meeting of Shareholders

(i) Notes to Consolidated Financial Statements
(ii) Notes to Non-Consolidated Financial Statements

(from April 1, 2018 to March 31, 2019)

Pursuant to laws and regulations, and the provision of Article 24 of the Articles of Incorporation, the items listed above are disclosed through postings on the Company's website (https://www.mizuho-fg.com/).

MIZUHO

Mizuho Financial Group, Inc.

[NOTES TO CONSOLIDATED FINANCIAL STATEMENTS]

Amounts less than one million yen are rounded down.

BASIS FOR PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS AND PRINCIPLES OF CONSOLIDATION

1. Definitions of majority-owned subsidiary, other subsidiary and affiliate conform to Article 2, Paragraph 8 of the Banking Law and Article 4-2 of the Banking Law Enforcement Ordinance.

2. Scope of Consolidation

(1) Number of majority-owned consolidated subsidiaries and other consolidated subsidiaries: 117

Names of principal companies:

Mizuho Bank, Ltd.

Mizuho Trust & Banking Co., Ltd.

Mizuho Securities Co., Ltd.

During the period, Mizuho Americas Services LLC and 3 other companies were newly included in the scope of consolidation as a result of establishment.

During the period, Trust & Custody Services Bank Ltd. ("TCSB"), a consolidated subsidiary of MHFG, implemented joint share transfer with Japan Trustee Services Bank, Ltd. ("JTSB") and incorporated JTC Holdings, Ltd., a holding company whose shareholders are TCSB's and JTSB's existing shareholders. As a result, TCSB and JTSB became wholly-owned subsidiaries of JTC Holdings, Ltd.

TCSB was excluded from the scope of consolidation as a result of the aforementioned joint share transfer, and 10 other companies were excluded from the scope of consolidation as a result of dissolution and other factors.

(2) Number of majority-owned non-consolidated subsidiaries and other non-consolidated subsidiaries: 0

3. Application of the Equity Method

(1) Number of majority-owned non-consolidated subsidiaries and other non-consolidated subsidiaries under the equity method: 0

(2) Number of affiliates under the equity method: 22

Names of principal companies:

JTC Holdings, Ltd.

Orient Corporation

Joint Stock Commercial Bank for Foreign Trade of Vietnam

During the period, JTC Holdings, Ltd. and 2 other companies were newly included in the scope of the equity method as a result of the aforementioned joint share transfer, and IBJ Leasing Company, Limited was newly included in the scope of the equity method as a result of increasing the shares.

During the period, MIC Asia Technology Limited Liability Fund was excluded from the scope of equity method as a result of dissolusion.

(3) Number of majority-owned non-consolidated subsidiaries and other non-consolidated subsidiaries not under the equity method: 0

(4) Affiliates not under the equity method:

Pec International Leasing Co., Ltd.

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 (Loss) (amount corresponding to MHFG's equity position), Retained Earnings (amount corresponding to MHFG's equity position), Accumulated Other Comprehensive Income (amount corresponding to MHFG's equity position) and others.

4. Fiscal Years of Majority-owned Consolidated Subsidiaries and Other Consolidated Subsidiaries

(1) Balance sheet dates of majority-owned consolidated subsidiaries and other consolidated subsidiaries are as follows:

July 31	1 company
December 29	3 companies
December 31	46 companies
March 31	67 companies

(2) Majority-owned consolidated subsidiaries and other consolidated subsidiaries with balance sheet dates of December 29 were consolidated based on their tentative financial statements as of and for the period ended December 31. The majority-owned consolidated subsidiary with the balance sheet date of July 31 was consolidated based on its tentative financial statements as of and for the period ended the consolidated balance sheet date. Other majority-owned consolidated subsidiaries and 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.

5. Amortization Method of Goodwill

Goodwill is amortized over an appropriate period not to exceed 20 years under the straight-line method. The full amount of Goodwill that has no material impact is expensed as incurred.

6. Standards of Accounting Method

(1) Credited Loans pursuant to Trading Securities and Trading Income & Expenses

Credited loans held for the purpose of trading are, in line with trading securities, recognized on a trade date basis and recorded in Other Debt Purchased on the consolidated balance sheet. Other Debt Purchased related to the relevant credited loans is stated at fair value at the consolidated balance sheet date.
Interest received and the gains or losses on the sale of the relevant credited loans during this fiscal year, including the gains or losses resulting from any change in the value between the beginning and the end of this fiscal year, are recognized in Other Operating Income and Other Operating Expenses on the consolidated statements of income.

(2) Trading Assets & Liabilities and Trading 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 value, 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 this 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 this fiscal year, and the gains or losses resulting from any change in the value of financial derivatives between the beginning and the end of this fiscal year, assuming they were settled at the end of this fiscal year.

(3) Securities

(i) Bonds held to maturity are stated at amortized cost (straight-line method) and determined by the moving average method. Investments in affiliates not under the equity method are stated at acquisition cost and determined by the moving average method. As to Other Securities, in principle, 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 (cost of securities sold is calculated primarily by the moving average method). Other Securities, the fair values of which are extremely difficult to determine, are stated at acquisition cost or amortized cost and determined by the moving average method.
The net unrealized gains (losses) 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.
(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.

(4) Derivative Transactions

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

(5) Depreciation of Fixed Assets

① Tangible Fixed Assets (Except for Lease Assets)
Depreciation of buildings is computed mainly by the straight-line method, and that of others is computed mainly by the declining-balance method. The range of useful lives is as follows:
Buildings: 3 years to 50 years
Others: 2 years to 20 years

② Intangible Fixed Assets (Except for Lease 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 from five to ten years as determined by MHFG and majority-owned consolidated subsidiaries.

③ Lease Assets
Depreciation of lease assets booked in Tangible Fixed Assets and Intangible Fixed Assets which are concerned with finance lease transactions that do not transfer ownership is mainly computed by the same method as the one applied to fixed assets owned by us.

(6) Deferred Assets

Bond issuance costs are expensed as incurred.

(7) Reserves for Possible Losses on Loans

Reserves for Possible Losses on Loans of major domestic majority-owned consolidated subsidiaries and other 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 Obligors”), and to obligors that are effectively in similar conditions (“Substantially Bankrupt Obligors”), reserves are maintained at the amounts of claims net of direct write-offs described below and the 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.
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 ¥92,269 million.
Other majority-owned consolidated subsidiaries and 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.

(8) 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.

(9) 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 this fiscal year, based on the estimated future payments.

(10) Reserve for Variable Compensation

To prepare for the payments of performance payments and stock compensation to be paid as variable compensation within compensation for directors, executive officers and specialist officers of Mizuho Financial Group, Inc., Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd., the estimated payment based on the standard amount regarding variable compensation of this fiscal year is provided.

(11) Reserve for Director and Corporate Auditor Retirement Benefits

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

(12) Reserve for Possible Losses on Sales of Loans

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.

(13) Reserve for Contingencies

Reserve for Contingencies is maintained to provide against possible losses from contingencies which are not covered by other specific reserves. The balance is an estimate of possible future losses considered to require a reserve.

(14) Reserve for Reimbursement of Deposits

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

(15) Reserve for Reimbursement of Debentures

Reserve for Reimbursement of Debentures is provided for the debentures derecognized from liabilities at the estimated amount for future claims.

(16)Reserve under Special Laws

Reserve under Special Laws is Reserve for Contingent Liabilities from Financial Instruments and Exchange. This is the reserve pursuant to Article 46-5 of the Financial Instruments and Exchange Law and Article 175 of the Cabinet Office Ordinance regarding Financial Instruments Business, etc. to indemnify the losses incurred from accidents in the purchase and sale of securities, other transactions or derivative transactions.

(17)Accounting Method for Retirement Benefits

In calculating retirement benefit obligations, a benefit formula basis is used as a method of attributing expected retirement benefits to the period up to the end of this 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 (mainly 10 years) of the respective fiscal years.
Certain majority-owned consolidated subsidiaries and other consolidated subsidiaries apply the simplified method that assumes the amount required for voluntary resignation at the end of the term to be retirement benefit obligations in computing net defined benefit liability and retirement benefit expenses.

(18)Assets and Liabilities denominated in foreign currencies

Assets and Liabilities denominated in foreign currencies and accounts of overseas branches of domestic majority-owned consolidated banking subsidiaries and a domestic majority-owned 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 affiliates not under the equity method, which are translated at historical exchange rates.
Assets and Liabilities denominated in foreign currencies of the majority-owned consolidated subsidiaries and other consolidated subsidiaries, except for the transactions mentioned above, are translated into Japanese yen primarily at the exchange rates in effect at the respective balance sheet dates.

(19)Hedge Accounting

(a) 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 transaction for a large volume of small-value monetary claims and liabilities of domestic majority-owned consolidated banking subsidiaries and domestic majority-owned consolidated trust banking subsidiaries is accounted for in accordance with 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, February 13, 2002).
The effectiveness of hedging activities for the portfolio hedge transaction 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 instrument and that of the hedging instrument.
The effectiveness of the individual hedge is assessed based on the comparison of the fluctuation in the market or of cash flows of the hedged instruments with that of the hedging instruments.

(b) Foreign Exchange Risk
Domestic majority-owned consolidated banking subsidiaries and domestic majority-owned consolidated trust banking subsidiaries 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, July 29, 2002). The effectiveness of the hedge is assessed by confirming that the amount of the foreign currency position of the hedged monetary claims and liabilities is equal to or larger than that of currency-swap transactions, exchange swap transactions, and similar transactions designated as the hedging instruments of the foreign exchange risk.

In addition to the above methods, these majority-owned subsidiaries apply the deferred method or the fair-value hedge method to portfolio hedges of the foreign exchange risks associated with investments in majority-owned subsidiaries, other consolidated 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.

(c) 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 No. 24 and 25.
As for certain assets and liabilities of MHFG and its majority-owned consolidated subsidiaries and other consolidated subsidiaries, the deferred method, the fair-value hedge method or the exceptional accrual method for interest rate swaps are applied.

(20)Consumption Taxes and other

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

ADDITIONAL INFORMATION

(The Board Benefit Trust ("BBT") Program)

Since MHFG operates its business to contribute to the creation of value for diverse stakeholders and realize improved corporate value through the continuous and stable growth of MHFG group pursuant to MHFG's basic management policy defined under the Mizuho Financial Group's Corporate Identity, MHFG has introduced a stock compensation program using a trust (the "Program") that functions as an incentive for each Director, Executive Officer, and Specialist Officer to exert maximum effort in performing his or her duties, and also as consideration for such exertion of effort.

(1) Outline of the Program
The Program has adopted the Board Benefit Trust ("BBT") framework. MHFG's shares on the stock market will be acquired through a trust established based on the underlying funds contributed by MHFG, and MHFG's shares will be distributed to Directors, Executive Officers, and Specialist Officers of MHFG, Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd. (the "Company Group") in accordance with the Rules on Distribution of Shares to be prescribed in advance. The framework consists of the stock compensation program based on the Company Group Officer's position in their respective company ("Stock Compensation I") and the stock compensation program based on the performance evaluation of the Company Group ("Stock Compensation II").
Stock Compensation I will be paid at the time of retirement in the form of shares of MHFG calculated based on their position. A system is adopted which enables a decrease or forfeiture of the amount depending on the performance of the company or the individual.
Stock Compensation II will be paid in the form of shares of MHFG and will be deferred over three years, which is calculated based on the Company Group's performance, the performance of organizations (in-house companies and units, etc.) that each Company Group Officer is in charge of and the performance of each Company Group Officer. A system is adopted which enables a decrease or forfeiture of the amount depending on the performance of the company or the individual.
Upon the payment of stock compensation under the Program, MHFG may, for a certain portion, pay a monetary amount equivalent to the market value of its stock in lieu of stock compensation in accordance

with the Rules on Distribution of Shares.
Voting rights related to MHFG's shares belonging to the trust assets under the trust shall not be exercised.

(2) MHFG's Shares Outstanding in the Trust
MHFG's shares outstanding in the trust are recognized as Treasury Stock under Net Assets at the carrying amount (excluding the amount of incidental expenses) in the trust. The carrying amount of such Treasury Stock as of March 31, 2019 was ¥3,569 million for 18,917 thousand shares.

NOTES

(NOTES TO CONSOLIDATED BALANCE SHEET)

1. The total amount of shares and investments in affiliates (excluding shares and investments in the majority-owned consolidated subsidiaries and other consolidated subsidiaries) is ¥334,164 million.

2. MHFG does not have unsecured loaned securities which the borrowers have the right to sell or repledge. 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 ¥12,595,142 million and securities neither repledged nor re-loaned was ¥3,952,221 million.

3. Loans and Bills Discounted include Loans to Bankrupt Obligors of ¥11,393 million and Non-Accrual Delinquent Loans of ¥379,225 million.
   Loans to Bankrupt Obligors 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 Obligors 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: ¥436 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 first due date without such payments, and which are not included in Loans to Bankrupt Obligors, or Non-Accrual Delinquent Loans.

5. Balance of Restructured Loans: ¥195,366 million
   Restructured Loans represent loans whose 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 Obligors, Non-Accrual Delinquent Loans and Loans Past Due for Three Months or More are not included.

6. Total balance of Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans, Loans Past Due for Three Months or More, and Restructured Loans: ¥586,422 million
   The amounts given in Notes 3 through 6 above 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 majority-owned banking subsidiaries have rights to sell or pledge these commercial bills, foreign exchange bills purchased and others. The face value of these bills amounted to ¥1,487,045 million.

8. The following assets were pledged as collateral:

Trading Assets:	¥2,096,078 million
Securities:	¥4,064,070 million
Loans and Bills Discounted:	¥3,766,290 million

   The following liabilities were collateralized by the above assets:

Deposits:	¥385,674 million
Payables under Repurchase Agreements:	¥3,435,148 million
Guarantee Deposits Received under Securities Lending Transactions:	¥1,361,504 million
Borrowed Money:	¥1,802,520 million

   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 ¥55,277 million, Trading Assets of ¥98,014 million, Securities of ¥3,378,504 million, and Loans and Bills Discounted of ¥138,672 million.

Other Assets includes margins for futures transactions of ¥159,747 million, guarantee deposits of ¥129,076 million, and collateral pledged for financial instruments and others of ¥1,588,540 million.

9. Overdraft protection on current accounts and contracts of the commitment line for loans are contracts by which majority-owned 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 ¥91,744,406 million. Of this amount, ¥69,611,691 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 majority-owned 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 majority-owned 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 majority-owned 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 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 ¥64,217 million.

11. Accumulated Depreciation of Tangible Fixed Assets amounted to ¥902,999 million.

12. The book value of Tangible Fixed Assets adjusted for gains on sales of replaced assets and others amounted to ¥33,720 million.

13. Borrowed Money includes subordinated borrowed money of ¥183,000 million with a covenant that performance of the obligation is subordinated to that of other obligations.

14. Bonds and Notes includes subordinated bonds of ¥3,332,877 million.

15. The principal amounts of money trusts with contracts indemnifying the principal amounts, which are entrusted to domestic majority-owned consolidated trust banking subsidiaries, are ¥874,777 million.

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 ¥1,503,395 million.

(NOTES TO CONSOLIDATED STATEMENT OF INCOME)

1. Other within Other Ordinary Income includes gains on sales of stocks of ¥351,049 million and share of profit of entities accounted for using equity method of ¥51,215 million.

2. Other Ordinary Expenses includes losses on sales of stocks of ¥45,847 million, system migration-related expenses of ¥29,285 million, losses on written-off of loans of ¥26,366 million, and stock-related derivatives expenses of ¥24,542 million.

3. Other Extraordinary Gains is gains on cancellation of employee retirement benefit trust of ¥7,841 million.

4. Losses on Impairment of Fixed Assets includes the following losses.
   Since the implementation of the in–house company system introduced in fiscal 2016, our group has been endeavoring to enhance the sophistication of its management accounting capabilities. Such endeavors, combined with the management accounting enhancements mentioned above, resulted in some changes to management accounting which affect the application of impairment losses on fixed assets. We also revised our future earnings plans, branch network strategy, etc., of each business area. Consequently, we recorded impairment losses on fixed assets because a portion of these business assets attributable to the domestic retail business division and branches that are scheduled to be closed, became uncollectible.
   Losses on Impairment of Fixed Assets including above is ¥503,612 million (land, buildings, etc. ¥66,039 million, software ¥83,492 million, and other intangible fixed assets ¥354,079 million).
   We operate our group through five in-house companies, which determine and promote strategies group-wide across banking, trust, securities and other business areas according to the attributes of customers, and two units that support all of the in-house companies. Our principal domestic banking subsidiaries consider each department attributable to the five in-house companies as the minimum grouping unit and allocatable shared assets are allocated to such departments.
   The recoverable amount of the above asset group is based on the Value in Use, which is calculated using a discount rate of 4.82%.
   The branches that are scheduled to be closed were excluded from the asset grouping when the decision to close these branches was made. For these branches, we used the Net realizable value to determine the recoverable amount. Net realizable value is calculated excluding the estimated amount of the disposal cost from the market value determined with reference to the real estate appraisal and other methods.

(NOTES TO CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS)

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

Thousands of Shares

	As of April 1, 2018	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2019	Remarks
Issued shares					
Common stock	25,389,644	2,854	-	25,392,498	*1
Total	25,389,644	2,854	-	25,392,498	
Treasury stock					
Common stock	24,829	15,788	6,656	33,962	*2
Total	24,829	15,788	6,656	33,962	

*1. Increases are due to exercise of stock acquisition rights (stock options) (2,854 thousand shares).

*2. Increases are due to acquisition of treasury stock by BBT trust account (10,676 thousand shares) and repurchase of shares constituting less than one unit and other factors (5,112 thousand shares). Decreases are due to distribution and sale of treasury stock through BBT trust account (5,078 thousand shares), exercise of stock acquisition rights (stock options) (117 thousand shares), and repurchase of shares constituting less than one unit and other factors (1,460 thousand shares). The number of shares as of March 31, 2019 includes the number of treasury stock held by BBT trust account (18,917 thousand shares).

2. Stock acquisition rights and treasury stock acquisition rights are as follows:

Category	Breakdown of stock acquisition rights	Class of shares to be issued or transferred upon exercise of stock acquisition rights	Number of shares to be issued or transferred upon exercise of stock acquisition rights (*Shares*)				Balance as of March 31, 2019 (*Millions of yen*)	Remarks
			As of April 1, 2018	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2019		
MHFG	Stock acquisition rights (Treasury stock acquisition rights)	—	— (—)	— (—)	— (—)	— (—)	— (—)	
	Stock acquisition rights as stock option			—			707	
Majority-owned consolidated subsidiaries and other consolidated subsidiaries (Treasury stock acquisition rights)				—			— (—)	

Total	—	707 (—)

3. Cash dividends distributed by MHFG are as follows:

(1) Cash dividends paid during the fiscal year ended March 31, 2019

Resolution	Type	Cash Dividends (*Millions of yen*)	Cash Dividends per Share (*Yen*)	Record Date	Effective Date
May 15, 2018 (The Board of Directors)	Common Stock	95,186	3.75	March 31, 2018	June 4, 2018
November 14, 2018 (The Board of Directors)	Common Stock	95,197	3.75	September 30, 2018	December 6, 2018
Total		190,384			

Note 1: Cash Dividends based on the resolution of the Board of Directors held on May 15, 2018 include ¥49 million of cash dividends on treasury stock held by BBT trust account.
2: Cash Dividends based on the resolution of the Board of Directors held on November 14, 2018 include ¥71 million of cash dividends on treasury stock held by BBT trust account.

(2) Cash dividends with record dates falling in the fiscal year ended March 31, 2019 and effective dates coming after the end of the fiscal year

Resolution	Type	Cash Dividends (*Millions of yen*)	Resource of Dividends	Cash Dividends per Share (*Yen*)	Record Date	Effective Date
May 15, 2019 (The Board of Directors)	Common Stock	95,197	Retained Earnings	3.75	March 31, 2019	June 4, 2019

Note: Cash Dividends based on the resolution of the Board of Directors held on May 15, 2019 include ¥70 million of cash dividends on treasury stock held by BBT trust account.

(FINANCIAL INSTRUMENTS)

1. Matters relating to the conditions of financial instruments

(1) Policy on financial instruments
Mizuho Financial Group (MHFG), which primarily engages in banking business, incurs financial liabilities such as customer deposits and market deposits on the funding side while holding financial assets such as customer loans, stocks and bonds on the investment side, and also engages in trading business for certain financial products. Some majority-owned consolidated subsidiaries and other subsidiaries conduct securities business and other financial business.
For above funding and investment business, MHFG appropriately manages risks of each financial instrument and carefully watches term-gaps and other risk factors.

(2) Contents and Risk of Financial Products
The main financial assets of the Mizuho group consist of loans to customers, government bonds and stocks. These financial assets are subject to various types of risk that may cause the Group to incur losses due to a decline in, or total loss of, the value of assets, as a result of deterioration in a counterparty's and/or an issuer's financial position ("credit risk"), or due to a decline in the value of assets caused by fluctuations in interest rates, stock prices and foreign exchange rates and so on ("market risk"). The Group may also be exposed to the risk of incurring losses when it becomes impossible to execute transactions in the market because of market confusion or losses arising from transactions at prices that are significantly less favorable than usual ("market liquidity risk").
The main financing source of the Mizuho group is a stable source of deposits from its customers in addition to direct funding from the financial market. These financing sources are subject to the risk of losses ("liquidity risk") arising from funding difficulties due to market disruption or a deterioration in our financial position that makes it difficult for us to raise the necessary funds or that forces us to raise funds at significantly higher interest rates than usual.
In addition, the Mizuho group uses derivative financial products to control the interest rate risk related to the assets and liabilities of the Group, as part of our asset and liability management ("ALM"). The Group primarily utilizes the portfolio hedge by grouping numerous financial assets and liabilities such as loans and deposits into similar interest risk units in accordance with risk management policies. Some derivative products like interest rate swaps are used as hedging methods for cash-flow hedges or fair value hedges. The Group applies hedge accounting to the majority of these products, treating them as deferred hedges. The effectiveness of the hedges is assessed periodically by regression analysis and other methods to ensure whether the derivative financial products effectively work in order to offset the exposure to changes in fair value and variable cash flows from hedged items. It should be noted that the Mizuho Group uses derivative financial products for trading purposes and so on as well.

(3) Risk Management for Financial Products
①Commitment to Risk Management
We recognize the conducting of operations tailored to the risks and managing such risks as a key issue relating to overall management. In order to implement our business strategy while maintaining our financial stability, we maintain comprehensive risk management and control measures.
We maintain basic policies for risk management established by our board of directors that are applicable to the entire Mizuho group. These policies clearly define the kinds of risks to be managed, set forth the organizational structure and provide for the human resources training necessary for appropriate levels of risk management. The policies also provide for audits to measure the effectiveness and suitability of the risk management structure. In line with these basic policies, we maintain various measures to strengthen and enhance the sophistication of our risk management system.

②General Concept of Risk Management
We classify our risk exposures according to the various kinds of risk, including credit risk, market risk, liquidity risk and operational risk, and manage each type of risk according to its characteristics.
In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and, where necessary, to devise appropriate responses to keep risk within limits that are managerially acceptable in both qualitative and quantitative terms.
More specifically, we allocate risk capital to core group companies, including their respective subsidiaries,

to control risk within the limits set for each company. We also control risk within managerially acceptable limits by working to ensure that the overall risk we hold on a consolidated basis does not exceed the Group's financial strength. To ensure the ongoing financial health of Mizuho Financial Group, we regularly monitor the manner in which risk capital is being used in order to obtain a proper grasp of the risk profile within this framework. Reports are also submitted to the board of directors and other committees of each company.

③Credit Risk Management

The board of directors of Mizuho Financial Group determines basic matters pertaining to credit risk management. In addition, we have established the Risk Management Committee, as one of its business policy committees. This committee broadly discusses and coordinates basic policy in connection with credit risk management and matters in connection with overall credit portfolio management and credit risk monitoring for the Mizuho group. Under the control of the Chief Risk Officer of Mizuho Financial Group, the Credit Risk Management Department and the Risk Management Department jointly monitor, analyze and submit suggestions concerning credit risk and formulate and execute plans in connection with basic matters pertaining to credit risk management.

We have adopted two different but mutually complementary approaches in credit risk management. The first approach is "credit management," in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the customer. Through this process, we curb losses in the case of a credit event. The second is "credit portfolio management," in which we utilize statistical methods to assess the potential for losses related to credit risk. Through this process, we identify credit risk and respond appropriately.

We use statistical methods to manage the possibility of losses by measuring the expected average loss for a one-year risk horizon ("expected loss") and the maximum loss within a certain confidence interval ("credit VAR"). The difference between expected loss and credit VAR is measured as the credit risk amount ("unexpected loss"). We recognize two types of risk arising from allowing unexpected loss to become too large. One type is "credit concentration risk," which stems from granting excessive credit to certain individual counterparties or corporate groups. The other type is "chain-reaction default risk," which arises from granting excessive credit to certain areas, industrial sectors and other groupings. We manage these risks appropriately in line with our specific guidelines for each.

The board of directors of each of our principal banking subsidiaries and other core group companies determines key matters pertaining to credit risk by establishing their respective basic policies in line with the basic policies for credit risk management set forth by Mizuho Financial Group. Their respective business policy committees are responsible for discussing and coordinating overall management of their individual credit portfolios and transaction policies towards obligors.

The chief risk officer of each principal banking subsidiary and core group company is responsible for matters relating to planning and implementing credit risk management. Departments in charge of credit risk management are responsible for planning and administering credit risk management and conducting credit risk measuring and monitoring. Credit Departments determine policies and approves/disapproves individual transactions regarding review and management of and collection from customers in accordance with the lines of authority set forth by each principal banking subsidiary. In addition, each of our principal banking subsidiaries has also established internal audit groups that are independent of the business departments in order to ensure appropriate credit risk management.

④Market Risk Management

The board of directors of Mizuho Financial Group determines basic matters pertaining to market risk management policies. In addition, we have established the Risk Management Committee, as one of its business policy committees. The committee broadly discusses and coordinates matters concerning basic policy and operations in connection with market risk management and market risk monitoring, and proposes measures to be taken in emergencies such as sudden market changes.

The Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to market risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible for monitoring market risk, reports and analyses, proposals, setting limits and guidelines, and formulating and implementing plans relating to market risk management. In addition, the department assesses and manages the overall market risk of the Mizuho group as a whole and keeps track of the market risk situation of our principal banking subsidiaries and other core group companies. The department also submits reports to the President & CEO on a daily basis and to our board of directors and the executive management committee of Mizuho Financial Group on a regular basis.

To manage market risk, we set limits that correspond to risk capital allocations. The amount of risk capital

allocated to market risk corresponds to VAR and additional costs that may arise in order to close relevant positions. For trading and banking activities, we set limits for VAR and for losses. For banking activities, we set position limits based on interest rate sensitivity as needed.
The board of directors of each of our principal banking subsidiaries and other core group companies determine key matters pertaining to market risk by establishing their respective basic policies in line with the basic policies for market risk management set forth by Mizuho Financial Group. Based on a common Mizuho Group risk capital allocation framework, the above-mentioned companies manage market risk by setting limits according to the risk capital allocated to market risk by Mizuho Financial Group. They have the same market risk management structure as the Mizuho Financial Group, such as their business policy committees being responsible for overall discussion and coordination of the market risk management.
In addition, they have established middle offices specializing in risk management that are independent of their front offices, which engage in market transactions, and their back offices, which are responsible for book entries and settlements. This system enables them to achieve mutual checks and control over market operations.
When VAR is not adequate to control risk, the middle offices manage risk using additional risk indices such as 10 BPV (Basis Point Value), carry out stress tests and set stop loss limits as needed.

⑤Situation of Market Risk
i. Banking business
The following table shows the VAR figures relating to our banking activities for the fiscal year indicated:

(Billions of yen)

	Fiscal year ended March 31, 2019
As of fiscal year end	194.4
Maximum	298.5
Minimum	194.4
Average	255.5

【Definition of Banking business】
The following transactions are categorized as banking business, with trading business and cross-shareholdings being categorized separately.
(1) Deposits and loans as well as related funding activities, and hedge against interest rate risk.
(2) Equity (excluding cross-shareholdings), bonds, investment trusts, etc. and hedges against related market risk.
The core deposit of liquid deposits is to be specified and incorporated into the measurement of market risk.

Banking business VAR used to calculate Market Risk Equivalent is based on the following:

- VAR: historical simulation method;
- confidence interval: one-tailed 99%;
- holding period of one month; and
- historical observation period of three years.

ii. Trading business
The following table shows VAR figures of our trading activities for the fiscal year indicated:

(Billions of yen)

	Fiscal year ended March 31, 2019
As of fiscal year end	2.6
Maximum	9.2
Minimum	2.4
Average	3.4

【Definition of Trading business】
(1) Transactions held for the purpose of short-term resale.
(2) Transactions held for the purpose of making a profit from price fluctuations over a short period as well as fixing a profit from arbitrage activities.
(3) Deals that have both aspects of (1) and (2) above.
(4) Deals held for broking business or market making business.

Trading business VAR used to calculate Market Risk Equivalent is based on the following:

- VAR: historical simulation method;
- confidence interval: one-tailed 99%;
- holding period of one trading day; and
- historical observation period of three years.

iii. Cross-shareholdings
For cross-shareholdings, we take the same market risk management approach as that for Banking and Trading businesses with the use of VAR and risk indices.
The risk index for the cross-shareholdings (sensitivity of the portfolio to a 1% change in the equity index of TOPIX) for the fiscal year ended March 31, 2019 is ¥28.0 billion.

iv. Risk management using VAR
VAR is a commonly used market risk management technique with statistical assumptions to measure maximum possible loss in the market, which will be incurred to the holding portfolio in a certain period with some probability. It should be noted that in general VAR model has the following shortcomings:

- VAR estimates could differ by assumptions of holding period, confidence interval level and approaches for the measurement.
- VAR which is calculated based on historical data does not necessarily indicate an accurate future possible maximum loss.
- VAR might underestimate the probability of extreme market movements when the market gets inactive as VAR assumes sales of holding portfolio and hedges in the market during the holding period for the calculation.
- The use of a 99% confidence level neither takes account of, nor makes any statement about, any losses that might occur beyond this confidence level.

The historical simulation method used as the measurement technique of VAR assumes that change in a market movement follows an empirical distribution. Therefore, the model might underestimate the risk under the circumstance that the market is likely to move extremely beyond the assumption. We check the validity of the market risk measurement made by VAR approach periodically by the back-test which compares VAR with actual profit and loss. In addition to VAR, we make a wide variety of management and controls such as risk indices monitoring, implementation of stress tests, loss limit monitoring in order to make strict risk management by capturing carefully all risks, including what VAR approach is not able to cover.

⑥Liquidity Risk Management
Our liquidity risk management structure is generally the same as the market risk management structure described above (“Item ④Market Risk Management”). However, the head of the Financial Control & Accounting Group of Mizuho Financial Group is additionally responsible for matters relating to planning and running cash flow management operations, while the Financial Planning Department is responsible for monitoring and adjusting the cash flow management situation and for planning and implementing cash flow management. Reports on the cash flow situation are submitted to the Risk Management Committee, the Balance Sheet Management Committee, the executive management committee and the President & CEO.
We measure liquidity risk using indices pertaining to cash flow, such as limits on funds raised in the market. Limits on liquidity risk are discussed and coordinated by the Risk Management Committee, discussed further by the executive management committee and determined by the President & CEO. We have established classifications for the cash flow conditions affecting the Group, ranging from “normal” to “anxious” and “crisis,” and have established procedures for dealing with cases which are deemed to fall into the “anxious” or “crisis” categories. In addition, we have constructed a system under which we will be able to respond smoothly in the event of emergency situations that affect our funding by establishing action plans.

(4) Supplementary explanation of matters relating to fair value of financial instruments and others

Fair values of financial instruments include the values based on market prices, and the values deemed as market prices obtained by the reasonable estimate when the financial instruments do not have market prices. Since certain assumptions and others are adopted for calculating such values, they may differ when adopting different assumptions and others.

2. Matters relating to fair value of financial instruments and others

The following are the consolidated balance sheet amounts, fair values and differences between them as of March 31, 2019. Unlisted stocks and others, the fair values of which are extremely difficult to determine, are excluded from the table below (see (Note 2)).

(Millions of yen)

	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks (*1)	45,106,880	45,106,880	—
(2) Call Loans and Bills Purchased (*1)	647,711	647,711	—
(3) Receivables under Resale Agreements	12,997,628	12,997,628	—
(4) Guarantee Deposits Paid under Securities Borrowing Transactions	2,578,133	2,578,133	—
(5) Other Debt Purchased (*1)	2,828,702	2,828,704	1
(6) Trading Assets			
Trading Securities	5,968,848	5,968,848	—
(7) Money Held in Trust (*1)	349,897	349,897	—
(8) Securities			
Bonds Held to Maturity	1,602,209	1,609,588	7,378
Other Securities	27,532,818	27,532,818	—
(9) Loans and Bills Discounted	78,456,935		
Reserves for Possible Losses on Loans (*1)	(249,276)		
	78,207,658	79,261,612	1,053,954
Total Assets	177,820,489	178,881,824	1,061,334
(1) Deposits	124,311,025	124,307,964	(3,060)
(2) Negotiable Certificates of Deposit	13,338,571	13,338,148	(423)
(3) Call Money and Bills Sold	2,841,931	2,841,931	—
(4) Payables under Repurchase Agreements	14,640,439	14,640,439	—
(5) Guarantee Deposits Received under Securities Lending Transactions	1,484,584	1,484,584	—
(6) Trading Liabilities			
Securities Sold, Not yet Purchased	2,579,940	2,579,940	—
(7) Borrowed Money	3,061,504	3,054,910	(6,594)
(8) Bonds and Notes	8,351,071	8,459,713	108,642
(9) Due to Trust Accounts	1,102,073	1,102,073	—
Total Liabilities	171,711,141	171,809,706	98,565
Derivative Transactions (*2)			
Derivative Transactions not Qualifying for Hedge Accounting	216,790		
Derivative Transactions Qualifying for Hedge Accounting	224,803		
Total Derivative Transactions	441,593	441,593	—

(*1) General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted are

excluded. Reserves for Cash and Due from Banks, Call Loans and Bills Purchased, Other Debt Purchased, Money Held in Trust and others are directly written off against the consolidated balance sheet amount due to immateriality.

(*2) Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum. Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

(Note 1) Calculation method of fair value of financial instruments

Assets

(1) Cash and Due from Banks

For Due from Banks which have no maturity, since fair values of these items approximate book values, we deem the book values to be fair values. For Due from Banks which have maturity, since contractual terms of these items are mainly short (i.e., within six months) and fair values of these items approximate book values, we deem the book values to be fair values.

(2) Call Loans and Bills Purchased, (3) Receivables under Resale Agreements and (4) Guarantee Deposits Paid under Securities Borrowing Transactions

Since contractual terms of these items are mainly short (i.e., within six months) and fair values of these items approximate book values, we deem the book values to be fair values.

(5) Other Debt Purchased

Fair values of Other Debt Purchased are based on the values deemed as market prices obtained by the reasonable estimate such as those obtained from brokers and financial information vendors.

(6) Trading Assets

Fair values of securities held for trading, such as bonds held for trading, are based on the market prices and others.

(7) Money Held in Trust

As to securities managed as trust assets in a directed money trust for separate investment with the management of securities as its primary purpose, fair values of these items are calculated using the method stated in (8). For other Money Held in Trust, since fair values of these items approximate book values, we deem the book values to be fair values.

(8) Securities

Fair values of stocks are based on the prices on securities exchanges, and those of bonds and others are based on the market prices, valuations obtained from brokers and information vendors and others. Fair values of investment trusts are based on the disclosed net asset value and others. Fair values of private placement bonds are calculated by discounting the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by categories according to the internal ratings and terms.

Fair values of securitized products are based on valuations obtained from brokers and others, and reasonably calculated prices based on the reasonable estimates of our management. In deriving reasonably calculated prices based on the reasonable estimates of our management mentioned above, we used the discounted cash flow method. The price decision variables include default rates, recovery rates, pre-payment rates, and discount rates.

Fair values of Floating-rate Japanese Government Bonds, according to our determination that current market prices may not reflect the fair value, are based on the reasonably calculated prices as book value at the end of the current fiscal year. In deriving the reasonably calculated prices, we used the discount cash flow method as well as other methods. The price decision variables include the yield of 10-year Japanese Government Bonds and the volatilities of interest rate swap options for 10-year Japanese Government Bonds as underlying assets.

(9) Loans and Bills Discounted

Fair values of Loans and Bills Discounted are calculated by the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by

categories according to the types, internal ratings and terms of the Loans and Bills Discounted. In addition, as to claims against bankrupt obligors, substantially bankrupt obligors and intensive control obligors, since the estimated amount of bad debts is calculated based on the present value of the expected future cash flows or the estimated amounts that we would be able to collect from collateral and guarantees, fair values approximate the amount of Debentures and others minus the amount of Reserves for Possible Losses on Loans in the consolidated balance sheet as of the consolidated balance sheet date and we thus deem such amount to be fair values.

Of the Loans and Bills Discounted, for those without a fixed maturity due to loan characteristics such as limiting loans to within the value of pledged assets, we deem book values to be fair values since fair values are expected to approximate book values based on the estimated loan periods, interest rates and other conditions.

Liabilities

(1) Deposits (2) Negotiable Certificates of Deposit

For demand deposits, we deem the payment amounts required on the consolidated balance sheet date (i.e., book values) to be fair values. In addition, fair values of fixed deposits and negotiable certificates of deposits are calculated by classifying them based on their terms and by discounting the future cash flows. The discount rates used in such calculations are the interest rates. Since fair values of those whose deposit terms are short (i.e., within six months) approximate book values, we mainly deem the book values to be fair values.

(3) Call Money and Bills Sold, (4) Payables under Repurchase Agreements and (5) Guarantee Deposits Received under Securities Lending Transactions

Since contractual terms of these financial instruments are mainly short (i.e., within six months) and fair values approximate book values, we deem the book values to be fair values.

(6) Trading Liabilities

Fair values of Securities Sold, Not yet Purchased in Trading Liabilities are based on the market prices and others.

(7) Borrowed Money

Fair values of Borrowed Money are calculated mainly by discounting the total amount of the principal and interest of such Borrowed Money classified by certain period at the interest rates considered to be applicable to similar loans.

(8) Bonds and Notes

Fair values of Bonds and Notes issued by MHFG, its majority-owned consolidated subsidiaries and other consolidated subsidiaries are based on the market prices for Bonds and Notes which have market prices, and calculated by discounting the total amount of principal and interest by the interest rates considered to be applicable to similar Bonds and Notes for those which do not have market prices.

(9)Due to Trust Accounts

Due to Trust Accounts of majority-owned consolidated trust banking subsidiaries is used for transactions in which majority-owned trust banking subsidiaries manage fund entrusted to them in bank accounts of majority-owned consolidated trust banking subsidiaries.

As the purpose is considered to approximate demand deposit, we deem the book values to be fair values.

Derivative Transactions

Derivative transactions include interest rate-related transactions (futures, options, swaps and others), currency-related transactions (futures, options, swaps and others), bond-related transactions (futures, futures options and others), and are based on the prices on securities exchanges, discounted value of future cash flows, option pricing models and others.

(Note 2) Consolidated balance sheet amounts of financial instruments whose fair values are deemed to be extremely difficult to determine are indicated below, and are not included in “Assets (7) Money Held in Trust” and “Assets (8) Other Securities” in fair value information of financial instruments.

(Millions of yen)

Category	Consolidated Balance Sheet Amount
① Unlisted Stocks (*1)	178,677
② Investments in Partnerships and others (*2)	126,533
③ Other	2,077
Total (*3)	307,288

(*1) We do not treat Unlisted Stocks as being subject to disclosure of fair values as there are no market prices and they are deemed extremely difficult to determine fair values.

(*2) Of the Investments in Partnerships and others, we do not treat those whose assets consist of unlisted stocks and other financial instruments that are deemed extremely difficult to determine fair values as being subject to disclosure of fair values.

(*3) During the fiscal year ended March 31, 2019, the amount of impairment (devaluation) was ¥2,316 million on a consolidated basis.

(PER SHARE INFORMATION)

Net Assets per Share of Common Stock	¥345.00
Profit Attributable to Owners of Parent per Share of Common Stock	¥3.80
Diluted Profit Attributable to Owners of Parent per Share of Common Stock	¥3.80

(Note) In the calculation of Net Assets per Share of Common Stock, MHFG shares outstanding in BBT trust account that were recognized as Treasury Stock in Shareholders' Equity are included in Treasury Stock shares deducted from the number of issued shares as of March 31, 2019. The number of such Treasury Stock shares deducted during the period is 18,917 thousand.
In the calculation of Net Income per Share of Common Stock and Diluted Net Income per Share of Common Stock, such Treasury Stock shares are included in Treasury Stock shares deducted in the calculation of the Average Outstanding Shares of Common Stock during the period. The average number of such Treasury Stock shares deducted during the period is 17,195 thousand.

[NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS]

BASIS FOR PRESENTATION AND PRINCIPLES OF PREPARATION OF NON-CONSOLIDATED FINANCIAL STATEMENTS

1. Valuation of Securities

Investments in subsidiaries and affiliates are stated at acquisition cost and determined by the moving average method, and Other Securities (excluding domestic securities) are stated, in principle, at fair value based on the quoted market price as of the balance sheet date. Other Securities for which it is deemed to be extremely difficult to determine the fair value are stated at acquisition cost and determined by the moving average method.

Unrealized Gains and Losses on Other Securities are recorded directly to Net Assets.

2. Depreciation and Amortization of Fixed Assets

(1) Tangible Fixed Assets

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

Buildings: 6 years to 50 years

Equipment: 2 years to 15 years

(2) Intangible Fixed Assets

Trademarks are amortized under the straight-line method over ten years.

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

3. Deferred Assets

Bond issuance costs are expensed as incurred.

4. Reserves

(1) 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.

(2) Reserve for Variable Compensation

To prepare for the payments of performance payments and stock compensation to be paid as variable compensation within compensation for directors, executive officers and specialist officers of Mizuho Financial Group, Inc., the estimated payment based on the standard amount regarding variable compensation of this fiscal year is provided.

(3) Reserve for Employee Retirement Benefits

Reserve for Employee Retirement Benefits, 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. In calculating retirement benefit obligations, a benefit formula basis is used as a method of attributing expected retirement benefits to the period up

to the end of this 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 (ten years) within the average remaining service period of the employees of the respective fiscal years.

5. Fundamental and Important Matters for the Preparation of Non-Consolidated Financial Statements
(1) Accounting Method for Retirement Benefits
The accounting method for unrecognized actuarial differences of Retirement Benefits differs from that applied in the consolidated financial statements.

(2) Consumption Taxes and Local Consumption Taxes
Consumption taxes and local consumption taxes are excluded from transaction amounts.

CHANGE IN PRESENTAION OF FINANCIAL STATEMENTS

Due to the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting. " (ASBJ Statement No. 28, Feb. 16, 2018) from the beginning of this fiscal year, deferred tax assets and deferred tax liabilities have been changed to be presented in Investments and Non-Current Liabilities, respectively.

NOTES TO NON-CONSOLIDATED BALANCE SHEET

1. Amounts less than one million yen are rounded down.

2. Assets pledged as collateral accounted for ¥19,305 million of Investments.

3. Accumulated depreciation of Tangible Fixed Assets amounted to ¥3,918 million.
Accumulated amortization of Intangible Fixed Assets amounted to ¥8,053 million.

4. Bonds and Notes includes ¥2,462,257 million of subordinated bonds.

5. Long-term Borrowings consists of subordinated borrowings with a covenant that performance of the obligation is subordinated to that of other obligations.

6. Contingent liability
(1) MHFG has guaranteed the senior bond denominated in U.S. dollars issued by Mizuho Bank, Ltd., a subsidiary of MHFG. The amount of the guarantee is ¥838,429 million.

(2) MHFG has guaranteed on a subordinated basis the principal of and interest on the subordinated notes issued by Mizuho Financial Group (Cayman) 2 Limited and Mizuho Financial Group (Cayman) 3 Limited that are MHFG's subsidiaries.

Mizuho Financial Group (Cayman) 2 Limited	¥167,905 million
Mizuho Financial Group (Cayman) 3 Limited	¥166,598 million

(3) Based upon the regulations of the German Deposit Protection Fund, MHFG has submitted to the

Association of German Banks a letter of indemnity to recompense the Association regarding deposits of the German branches of Mizuho Bank, Ltd. that is MHFG's subsidiary if necessary.

Mizuho Bank, Ltd. ¥45,151 million

(4) Regarding Joint Euro Medium Term Notes Programme with Mizuho Securities Co., Ltd., Mizuho International plc, and Mizuho Securities USA LLC that are MHFG's subsidiaries, MHFG has concluded a keepwell agreement with each company jointly with Mizuho Bank, Ltd. that is MHFG's subsidiary. The Bonds based on keepwell agreements on this programme amounted to ¥990,776 million.

(5) MHFG has guaranteed the bond trading transaction conducted by Mizuho Securities, Co., Ltd. that is MHFG's subsidiary. The amount of the guarantee is ¥3,000 million.

7. Short-term monetary claims against subsidiaries and affiliates amounted to ¥128,310 million.
Short-term monetary liabilities against subsidiaries and affiliates amounted to ¥948,696 million.
Long-term monetary claims against subsidiaries and affiliates amounted to ¥5,110,899 million.
Long-term monetary liabilities against subsidiaries and affiliates amounted to ¥18,176 million.

NOTES TO NON-CONSOLIDATED STATEMENT OF INCOME

1. Amounts less than one million yen are rounded down.

2. Transactions with subsidiaries and affiliates

Operating transactions	
Operating Income	¥331,315 million
Operating Expenses	¥5,391 million
Other than operating transactions	¥113,827 million

3. Other Extraordinary Losses consists of losses on disposal of fixed assets.

NOTES TO NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

1. Amounts less than one million yen are rounded down.

2. Types and number of treasury stock are as follows:

Thousands of Shares

	As of April 1, 2018	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2019	Remarks
Treasury stock					
Common stock	19,806	10,830	5,199	25,437	Note
Total	19,806	10,830	5,199	25,437	

Note: Increases are due to acquisition of treasury stock by BBT trust account (10,676 thousand shares) and repurchase of shares constituting less than one unit (153 thousand shares). Decreases are due to distribution and sale of treasury stock through BBT trust account (5,078 thousand shares), exercise of stock acquisition rights (stock options) (117 thousand shares), and repurchase of shares constituting less than one unit (3 thousand shares). The number of shares as of March 31, 2019 includes the number of treasury stock held by BBT trust account (18,917 thousand shares).

NOTES TO DEFERRED TAXES

Breakdown of Deferred Tax Assets/Liabilities

	Millions of yen
Deferred Tax Assets	
Investments in Subsidiaries and Affiliates	¥348,817
Other	9,756
Sub-total of Deferred Tax Assets	358,574
Valuation Allowance	(348,855)
Total Deferred Tax Assets	9,718
Deferred Tax Liabilities	
Prepaid Pension Cost	(5,221)
Total Deferred Tax Liabilities	(5,221)
Net Deferred Tax Assets	¥4,496

NOTES TO PER SHARE INFORMATION

1. Total Net Assets per Share of Common Stock	¥217.52
2. Net Income per Share of Common Stock	¥13.97