SUMMARY OF FINANCIAL RESULTS

For the Second Quarter (First Half) of Fiscal 2008

(Six months ended September 30, 2008)

<under Japanese GAAP>

Mizuho Financial Group, Inc.

Summary Results for the Second Quarter (First Half) of Fiscal 2008
(Six months ended September 30, 2008)

I. Summary of Income Analysis

➢ Consolidated Net Business Profits (Apr.1-Sep.30, 2008)

- Consolidated Gross Profits for the first half of fiscal 2008 decreased to JPY 917.3 billion on a year-on-year basis. It was mainly because of, despite increased income from our business with individual customers, decreases in income related to the business with domestic corporate customers (SMEs), fee and commission income in overseas businesses which were affected by the turmoil in the global financial markets, and income from trust and asset management business of Mizuho Trust & Banking which was affected by the domestic real estate market conditions, in Customer Groups of the banking subsidiaries.
- In addition to the above, there was an increase in G&A expenses, mainly those associated with employee retirement benefits. As a result, Consolidated Net Business Profits amounted to JPY 317.4 billion, a year-on-year decrease of JPY 96.5 billion.

(Consolidated)

(JPY Bn)	1H of FY2008 (Apr. 1 - Sep. 30, 2008)	Change from 1H of FY2007
Consolidated Gross Profits	917.3	-70.5
Consolidated Net Business Profits *1	317.4	-96.5
Credit-related Costs	-142.8	-98.1
Net Gains (Losses) related to Stocks	-39.5	-124.7
Ordinary Profits	56.7	-342.3
Net Income	94.5	-232.4

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

➢ Consolidated Net Income (Apr.1-Sep.30, 2008)

- Consolidated Net Income for the first half of fiscal 2008 decreased by JPY 232.4 billion from the same period of the previous fiscal year to JPY 94.5 billion. This was mainly due to, together with the aforementioned factors, increased Credit-related Costs primarily associated with an increase in domestic corporate bankruptcies and the collapse of Lehman Brothers*1, devaluation of a portion of our stock portfolio triggered by the declines in the stock markets (devaluation of JPY 95.5 billion for the 3 Banks), and continuously recorded losses on securitization products and others resulting from the global financial market dislocation.

  *1: The group's total P&L impact from the collapse of Lehman Brothers was approximately JPY -30.0 billion, including those associated with hedging transactions, market-related transactions by our overseas subsidiaries, and others.

- As for the effect from our securitization products and others due to the global market dislocation, the consolidated P&L impact in the first half of fiscal 2008 was a loss of approximately JPY 72.0 billion (of which approximately JPY 45.0 billion arose in the second quarter (from July to September)).

[Breakdown of the P&L impact of JPY 72.0 billion (including overseas subsidiaries)]

3 Banks
- Losses on sales of securitization products, etc. (incl. devaluation): approx. JPY -59.0 Bn
- Net losses on provision of Reserve for Possible Losses on Sales of Loans*: approx. JPY -7.0 Bn
- Profits from hedging by CDS: approx. JPY 7.0 Bn

Mizuho Securities
- Trading losses on securitization products: approx. JPY -13.0 Bn
  (of which foreign currency denominated: approx. JPY -9.0 Bn)

* Separately recorded approximately JPY -16.0 billion of Credit-related Costs in the first half due to downgrading of some obligors to the Intensive Control Obligors classification or below.

(Reference) 3 Banks

(JPY Bn)	1H of FY2008 (Apr. 1 - Sep. 30, 2008)	Change from 1H of FY2007
Gross Profits	765.6	-83.3
G&A Expenses (excluding Non-Recurring Losses)	-456.5	-21.8
Net Business Profits	309.0	-105.1
Credit-related Costs	-130.4	-76.6
Net Gains (Losses) related to Stocks	-40.7	-114.6
Ordinary Profits	9.8	-309.8
Net Income *2	169.4	-156.6

*2 Includes gains on reversal of reserve for possible losses on investments in subsidiaries of JPY 83.6 billion (eliminated as an intercompany gain on a consolidated basis)

(Consolidated)

	1H of FY2008 (Apr. 1 - Sep. 30, 2008)	Change from 1H of FY2007
EPS *3 (JPY)	7,078	-18,725
ROE *4	5.2%	-8.4%

3: Fully diluted EPS: Diluted Net Income for 1H per Share of Common Stock [*Calculated under the assumption that all dilutive convertible securities are converted at the price calculated based on the market price at the beginning of the fiscal year]

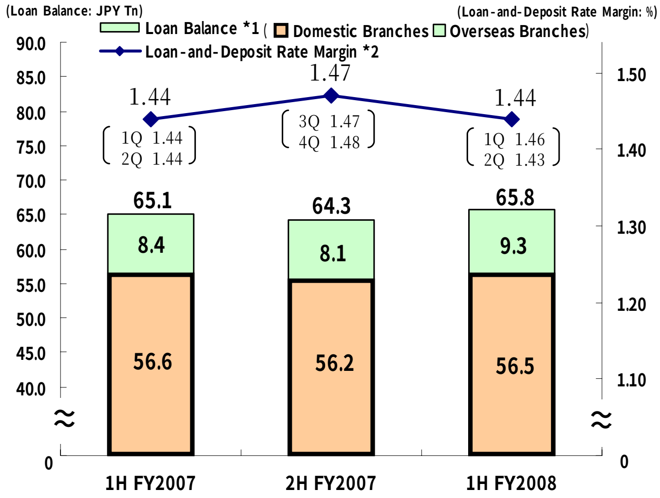
*4: Return on Equity = Annualized Net Income**/ [{(Total Shareholders' Equity + Total Valuation and Translation Adjustments) <Beginning of 1H> + (Total Shareholders' Equity + Total Valuation and Translation Adjustments) <End of 1H>} /2] X 100
[** Net Income for 1H of FY2008 (Apr.1-Sep.30, 2008) x 365 / 183]

II. Enhancement of Profitability

➢ Net Interest Income

- The average loan balance for the first half of fiscal 2008 increased on a year-on-year basis mainly due to increased overseas lending.
- The domestic loan-and-deposit rate margin for the same period slightly decreased from that in the second half of fiscal 2007 against the backdrop of intensified competition among banks and other factors.
- Although total Net Interest Income of the 3 Banks for the first half decreased by JPY 9.6 billion on a year-on-year basis, Net Interest Income from our international operations increased by JPY 13.3 billion.

Loan Balance

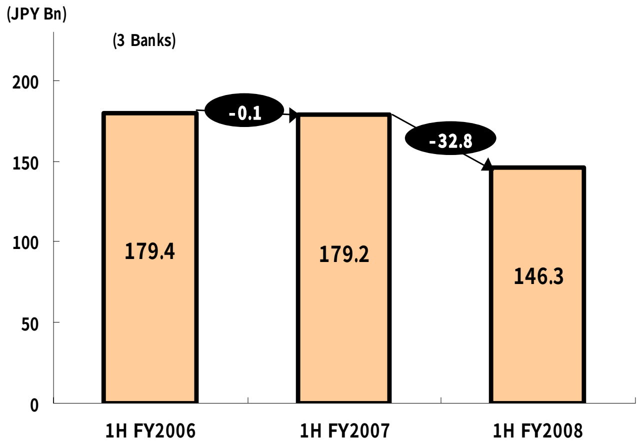


*1: Aggregate average balance of the 3 Banks for the period, excluding Trust Account and loans to Mizuho Financial Group, Inc. Balance for overseas branches includes foreign exchange translation impact.
*2: Aggregate figures of domestic operations of Mizuho Bank and Mizuho Corporate Bank after excluding loans to Mizuho Financial Group, Inc., Deposit Insurance Corporation of Japan and the Japanese Government.

➢ Non-Interest Income

- Net Fee and Commission Income of the 3 Banks for the first half of fiscal 2008 amounted to JPY 146.3 billion, a year-on-year decrease of JPY 32.8 billion.
- As for our business with individual customers, fee income associated with sales of investment trusts and individual annuities decreased from the same period of 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.

Net Fee and Commission Income



III. Financial Soundness

- Although our Unrealized Gains on Other Securities decreased and Net Deferred Tax Assets increased due primarily to the declines in the stock markets, we maintained our financial soundness at a sufficient level as indicated by our Capital Adequacy Ratio and others.

(JPY Bn)	September 30, 2008	Change from March 31, 2008
Consolidated Capital Adequacy Ratio	11.45%	-0.25%
(Total Risk-based Capital)	(7,381.2)	(-327.0)
Tier 1 Capital Ratio	7.36%	-0.04%
(Tier 1 Capital)	(4,747.0)	(-133.1)
Net Deferred Tax Assets (DTAs) (Consolidated)	841.0	244.4
Net DTAs / Tier 1 Ratio	17.7%	5.4%
Disclosed Claims under the Financial Reconstruction Law (3 Banks)	1,145.8	-57.3
NPL Ratio	1.50%	-0.11%
(Net NPL Ratio *1)	(0.73%)	(-0.09%)
Unrealized Gains on Other Securities *2 (Consolidated)	125.5	-515.1

*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

- The total balance of securitization products and details as of September 30, 2008 are shown in the right table.
Please refer to the attached, "Summary of the impact of the dislocation in the global financial markets on our foreign currency denominated exposures".

(The group in total)

[Balances on managerial accounting and fair value basis]	September 30, 2008*3
Foreign currency denominated	JPY 0.7Tn (JPY 40Bn)
RMBS, CDO	JPY 0.3Tn (JPY 14Bn)
Yen denominated	JPY 3.1Tn (JPY 216Bn)
Securitization Products	JPY 3.8Tn (JPY 256Bn)

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

IV. Disciplined Capital Management

Issuance of "Non-Dilutive" Preferred Securities

- In July 2008, we issued JPY 303.0 billion of preferred debt securities through an overseas special purpose subsidiary so as to increase the group's Tier 1 capital to secure the agility and to improve the flexibility of our capital strategy.
Meanwhile, we redeemed in full preferred debt securities (JPY 118.5 billion and USD 2.6 billion) which became redeemable at the issuer's option in June 2008.
- On November 13, 2008, our board of directors resolved to establish an overseas special purpose subsidiary and issue preferred debt securities to further strengthen our group's capital base in light of the current financial market turmoil.

Repurchase and Cancellation of Own Shares (Common Shares) [For the Purpose of Offsetting Potential Dilutive Effect of Convertible Preferred Stock]

- In July 2008, we repurchased our own shares (common shares) of JPY 150.0 billion (283,500 shares). As with the repurchases of our common shares which we have conducted since last year (the cumulative amount of repurchases: JPY 299.9 billion), they were made for the purpose of, among other things, offsetting the potential dilutive effect of our common shares from the conversion of the Eleventh Series Class XI Preferred Stock (JPY 943.7 billion in aggregate issue amount).
In September 2008, we cancelled all the common shares repurchased, except the shares to be assigned for the exercise of Stock Compensation-type Stock Options (Stock Acquisition Rights) that we plan to issue in the future (7,000 shares).
- While our basic policy to "address the potential dilutive effects, based on market conditions, our earnings trend and other factors" remains unchanged, considering the importance of capital under the recent circumstances, we will put more priority on strengthening our capital base in this second half of fiscal 2008.

Earnings Estimates for Fiscal 2008

(Figures below are on a consolidated basis)

- We estimate Consolidated Net Business Profits for fiscal 2008 to be JPY 780.0 billion, an increase of JPY 268.8 billion compared with the previous fiscal year.

  This is because, amid the ongoing severe environment for earnings including the financial market turmoil and worsening business sentiment, while we have to estimate a decrease in income from our banking subsidiaries' Customer Groups and the Trading segment, of which the latter showed a good performance during the previous fiscal year, we assume the performance of Mizuho Securities will move toward recovery from the significant losses in fiscal 2007.

- We estimate Credit-related Costs and Net Gains/Losses related to Stocks to be JPY -250.0 billion and JPY -110.0 billion, respectively, mainly in light of the recent developments of the corporate performance and the stock markets.

- Based on the above, we estimate Consolidated Net Income to be **JPY 250.0 billion**, a decrease of JPY 61.2 billion year-on-year.

- We plan to make cash dividend payments of JPY 10,000 per share of common stock for the fiscal year ending March 31, 2009, unchanged from our plan announced in May 2008 (the same amount as the previous fiscal year, and JPY 10 per share of common stock after allotment of shares or fractions of a share without consideration in January 2009). We plan to make dividend payments on preferred stock as prescribed.

(Consolidated)

(JPY Bn)	FY2008 (Estimates)	Change from FY2007
Consolidated Net Business Profits *1	780.0	268.8
Credit-related Costs	-250.0	-166.9
Net Gains (Losses) related to Stocks	-110.0	-363.3
Ordinary Profits	350.0	-47.1
Net Income	250.0	-61.2

*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)	FY2008 (Estimates)	Change from FY2007
Net Business Profits	710.0	-151.7
Credit-related Costs	-235.0	-142.4
Net Gains (Losses) related to Stocks	-110.0	-350.1
Ordinary Profits	208.5	-463.8
Net Income	*2 300.0	*3 -366.6

*2 Includes gains on reversal of reserve for possible losses on investments in subsidiaries of JPY 83.6 billion (eliminated as an intercompany gain on a consolidated basis)
*3 Excludes the effect of losses on devaluation of stocks of Mizuho Securities (JPY 473.1 billion) in the previous fiscal year

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

Attachment

[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.

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 (Fair Value)	Marks (%) as of Mar. 31, 2008 (=Fair Value/ Face Value)	Balances as of Sep. 30, 2008*1 (Fair Value)	Marks (%) as of Sep. 30, 2008 (=Fair Value/ Face Value)	Unrealized Gains/Losses as of Sep. 30, 2008	Realized Gains/Losses for 1H FY2008 (Apr.1-Sep.30, 2008)*1	(Reference) Hedged proportions*2
1	Foreign currency denominated securitization products	889	78	*3 693	68	-87	-59	approx.50%
2	ABSCDOs, CDOs	126	51	79	34	-9	-24	approx.20%
3	CDOs backed by RMBS	36	28	*4 17	12	0	-20	-
4	CDOs except above	*5 90	77	*5 62	65	-9	-4	approx.30%
5	CDOs backed by claims against corporations	*6 90	*6 77	*6 62	*6 65	*6 -9	*6 -4	approx.30%
6	CDOs backed by CMBS	-	-	-	-	-	-	-
7	RMBS	319	86	240	72	-30	-29	approx.60%
8	RMBS with underlying assets in US	*7 -	*7 -	*7 -	*7 -	*7 -	*7 -	-
9	RMBS except above (RMBS with underlying assets mainly in Europe)	319	86	240	72	-30	-29	approx.60%
10	ABS, CLOs and others	444	85	374	81	-49	-6	approx.40%
11	CLOs	*6 195	*6 86	*6 186	*6 84	*6 -35	*6 -2	approx.50%
12	ABS	169	93	119	87	-8	-3	approx.30%
13	CMBS	79	89	70	84	-6	-1	approx.50%
14	SIV-related	-	-	-	-	-	-0	-

*1 Except for the securitization products which were the reference assets of our securitization schemes for transferring credit risks 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 approximately JPY 50 billion as of Sep. 30, 2008 (the difference from the March-end balance of approximately JPY 46 billion was included in the above Realized Gains/Losses for the first half of fiscal 2008).
Since securities were recognized at fair value on the consolidated balance sheet, the relevant balances as of Mar. 31, 2008 and Sep. 30, 2008 were those after being offset by the amount of Reserve for Possible Losses on Investments.

*2 The proportions of balances (fair value) of the securitization products, as of Sep. 30, 2008, which were the reference assets of our securitization schemes (with CDS and other means) for transferring credit risks 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†2) of a multi-line insurance company: approximately JPY 194 billion
Government-affiliated financial institution (AA- rating): approximately JPY 104 billion
†1: Notional amount basis. Ratings were based on the lowest external ratings as of Sep. 30, 2008.
†2: The rating was under review for possible downgrade as of Nov. 10, 2008.

*3 The change in balance from Mar. 31, 2008 (approximately JPY -196 billion) included approximately JPY 22 billion decrease in balance due to foreign exchange translation impact primarily caused by appreciation of Japanese yen against European currencies.

*4 The proportion of US subprime mortgage loan-related assets to the total underlying assets of this CDO was up to approximately 30%. The entire balance (fair value) consisted of Super Senior tranche.

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

*6 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 first quarter disclosure.

*7 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 (Fair Value)	Marks (%) as of Mar. 31, 2008 (=Fair Value/ Face Value)	Balances as of Sep. 30, 2008 (Fair Value)	Marks (%) as of Sep. 30, 2008 (=Fair Value/ Face Value)	Realized Gains/Losses for 1H FY2008 (Apr.1-Sep.30, 2008)
1	Foreign currency denominated securitization products	105	*22*	*1 40	*12*	-9
2	ABSCDOs, CDOs	50	*18*	11	*4*	-7
3	CDOs backed by RMBS	24	*10*	*2 11	*4*	-7
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*	3	*6*	0
10	RMBS backed by US subprime mortgage loans	15	*31*	0	*8*	0
11	RMBS except above (RMBS backed by mid-prime loans, prime loans and others)	*6 38	*6 *26*	*6 3	*6 *5*	*6 0
12	RMBS backed by mid-prime loans (Alt-A)	19	*26*	1	*6*	
13	ABS, CLOs and others	2	*67*	26	*86*	-2
14	CLOs	*5 2	*5 *73*	*5 26	*5 *87*	*5 -2
15	CMBS	0	*43*	0	*42*	-0

*1 The change in balance from Mar. 31, 2008 (approximately JPY -65 billion) included approximately JPY 4 billion increase in balance due to foreign exchange translation impact primarily caused by depreciation of Japanese yen against US dollars.

*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 first quarter disclosure.

*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).

(Reference) Credit Default Swaps related to securitization products (as of Sep. 30, 2008)

– The notional amount of credit default swaps (CDS†1) referring to securitization products at Mizuho Securities was approximately JPY 370 billion (JPY 366 billion as of Mar. 31, 2008), and the fair value of the relevant reference assets (securitization products) was approximately JPY 298 billion (JPY 302 billion as of Mar. 31, 2008). NPV, or the estimated amount claimable for the settlement of the CDS, was approximately JPY 52 billion, which was the difference between the notional amount and the fair value (excluding approximately JPY 21 billion 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 was approximately JPY 41 billion.
(The above included CDS contracts with a US monoline (external ratings as of Sep. 30, 2008: AAA†2), of which the notional amount was approximately JPY 85 billion and the fair value of the relevant reference assets was approximately JPY 76 billion.)

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

†2 The rating was under review for possible downgrade as of Nov. 10, 2008.

– The vast majority of the above CDS contracts were with counterparties with external ratings of "AA" range or higher (as of Sep. 30, 2008), and the relevant reference assets were securitization products backed mainly by claims against corporations.

2. Other relevant information (September 30, 2008)

(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 54 billion of Reserve for Possible Losses on Sales of Loans was recorded against approximately JPY 618 billion of loans held for sale associated with overseas LBO and other transactions (Reserve ratio: 8.7%)

  (Note) The figures shown above exclude those related to Intensive Control Obligors or below. The reserve ratio would be 10.9%, 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.

- Out of the above-mentioned JPY 618 billion, the LBO/MBO related loans held for sale amounted to approximately JPY 566 billion, and the relevant reserve ratio was 9.1%.

  (Note) The figures shown above exclude those related to Intensive Control Obligors or below. The reserve ratio would be 11.4%, 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.

➢ **Overseas ABCP program related**

- The total assets of approximately JPY 206 billion acquired by overseas ABCP conduits, for which Mizuho Corporate Bank acted as a sponsor, included approximately JPY 97 billion of securitization products that were backed by credit card receivables, auto lease receivables, and others (of which approximately JPY 22 billion was guaranteed by US monolines as described below). No US subprime mortgage loan-related assets were included.
- The change in balance of the above-mentioned securitization products from Mar. 31, 2008 (approximately JPY -73 billion) was primarily due to the redemption at maturity of those backed by credit card receivables (of which approximately JPY -8 billion was attributable to the redemption of those guaranteed by US monolines as described below).

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

Securitization products guaranteed by US monolines

- Approximately JPY 22 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 change in balance from Mar. 31, 2008 (approximately JPY -8 billion) was due to the redemption at maturity of those backed by credit card receivables.

Loans guaranteed by US monolines

- Approximately JPY 16 billion of Mizuho Corporate Bank's loan commitments to overseas infrastructure projects (of which approximately JPY 7 billion was drawn down). No US subprime mortgage loan-related exposures were included.

Although some of the monolines which provided the above guarantees were rated non-investment grade (based on external ratings), there were no particular concerns about the credit conditions of the above-mentioned underlying assets or the projects as of Sep. 30, 2008.

(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 FY2007.

➢ **Warehousing loan business* related to US subprime mortgage loans**

- Nil

  *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 48 billion (All of the lenders concerned had investment grade ratings, of which approximately 40% had external ratings of "A" range or higher).

(The figures below are rounded to JPY 1 Bn)

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 871 billion, with approximately JPY 4 billion of unrealized losses. Out of the total balance, approximately JPY 868 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 (a few hundred million JPY).

- Approximately JPY 154 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 losses in the first half of fiscal 2008 were minimal).

There was no holding of stocks of these entities.