2008.3
Annual Review
(April 2007 – March 2008)

Mizuho Financial Group, Inc.
### Financial Highlights of Mizuho Financial Group, Inc. (Consolidated)

#### For the Fiscal Years ended March 31,

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>¥ 4,649,081</td>
<td>$ 46,398,024</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>¥ 4,163,019</td>
<td>$ 41,547,102</td>
</tr>
<tr>
<td>Income before Income Taxes and Minority Interests</td>
<td>¥ 486,062</td>
<td>$ 4,850,922</td>
</tr>
<tr>
<td>Net Income</td>
<td>¥ 311,224</td>
<td>$ 3,106,033</td>
</tr>
<tr>
<td>Cash Dividends*</td>
<td>¥ 133,898</td>
<td>$ 1,336,311</td>
</tr>
</tbody>
</table>

*Non-consolidated basis.

#### As of March 31,

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>¥ 154,412,105</td>
<td>$ 1,541,038,981</td>
</tr>
<tr>
<td>Securities</td>
<td>¥ 33,958,537</td>
<td>$ 338,907,562</td>
</tr>
<tr>
<td>Loans and Bills Discounted</td>
<td>¥ 65,608,705</td>
<td>$ 654,777,501</td>
</tr>
<tr>
<td>Deposits</td>
<td>¥ 86,264,041</td>
<td>$ 860,918,578</td>
</tr>
<tr>
<td>Net Assets</td>
<td>¥ 5,694,159</td>
<td>$ 56,827,943</td>
</tr>
</tbody>
</table>

#### Per Share of Common Stock

<table>
<thead>
<tr>
<th></th>
<th>Yen</th>
<th>U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>¥ 25,370.25</td>
<td>$ 253.20</td>
</tr>
<tr>
<td>Cash Dividends per Share*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Stock</td>
<td>¥ 10,000</td>
<td>7,000</td>
</tr>
<tr>
<td>Preferred Stock</td>
<td>¥ 20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Eleventh Series Class XI Preferred Stock</td>
<td>¥ 30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Thirteenth Series Class XIII Preferred Stock</td>
<td>¥ 30,000</td>
<td>30,000</td>
</tr>
</tbody>
</table>

*Non-consolidated basis.

#### Consolidated Capital Adequacy Ratio (BIS Standard)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Capital Adequacy Ratio (BIS Standard)</td>
<td>11.70%</td>
<td>12.48%</td>
</tr>
</tbody>
</table>

#### Ratings

<table>
<thead>
<tr>
<th></th>
<th>R&amp;I Long Term</th>
<th>R&amp;I Short Term</th>
<th>JCR Long Term</th>
<th>JCR Short Term</th>
<th>Moody's Long Term</th>
<th>Moody's Short Term</th>
<th>Standard &amp; Poor's Long Term</th>
<th>Standard &amp; Poor's Short Term</th>
<th>Fitch Long Term</th>
<th>Fitch Short Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mizuho Financial Group, Inc.</td>
<td>A</td>
<td>a–1</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>P–1</td>
<td>A</td>
<td>—</td>
<td>A+</td>
<td>F1</td>
</tr>
<tr>
<td>Mizuho Corporate Bank, Ltd.</td>
<td>A+</td>
<td>a–1</td>
<td>AA–</td>
<td>—</td>
<td>Aa2</td>
<td>P–1</td>
<td>A+</td>
<td>A–1</td>
<td>A+</td>
<td>F1</td>
</tr>
<tr>
<td>Mizuho Bank, Ltd.</td>
<td>A+</td>
<td>a–1</td>
<td>AA–</td>
<td>—</td>
<td>Aa2</td>
<td>P–1</td>
<td>A+</td>
<td>A–1</td>
<td>A+</td>
<td>F1</td>
</tr>
<tr>
<td>Mizuho Trust &amp; Banking Co., Ltd.</td>
<td>A+</td>
<td>a–1</td>
<td>AA–</td>
<td>—</td>
<td>Aa2</td>
<td>P–1</td>
<td>A+</td>
<td>A–1</td>
<td>A+</td>
<td>F1</td>
</tr>
<tr>
<td>Mizuho Securities Co., Ltd.</td>
<td>A+</td>
<td>a–1</td>
<td>AA–</td>
<td>J–1+</td>
<td>Aa2*</td>
<td>P–1*</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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</tbody>
</table>

*Credit ratings for EMTN programme (Joint Medium-term Note Programme with Mizuho International, based on keepwell agreement with Mizuho Corporate Bank).

(As of August 31, 2008)
2008 Mizuho Financial Group Annual Review

Profile
The Mizuho Financial Group is one of the largest financial institutions in the world, offering a broad range of financial services including banking, securities, trust and asset management, credit card, private banking services, venture capital through its group companies. The group has approximately 49,000 staff working in over 800 offices inside and outside Japan, and total assets of over $1.5 trillion (as of March 2008). The group was created in September 2000 through the establishment of a holding company of our three predecessor banks, The Dai-Ichi Kangyo Bank (DKB), The Fuji Bank (Fuji) and The Industrial Bank of Japan (IBJ).
Under the umbrella of the holding company Mizuho Financial Group, our principal group companies include Mizuho Corporate Bank, Mizuho Bank, Mizuho Securities and Mizuho Trust & Banking.

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All figures contained in this report are calculated using accounting principles generally accepted in Japan ("Japanese GAAP").

Forward-Looking Statements
This Annual Review contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements do not represent any guarantee by management of future performance.

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

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

Further information regarding factors that could affect our financial condition and results of operations is included in “Item 3.D. Key Information—Risk Factors,” and “Item 5. Operating and Financial Review and Prospects” in our latest annual report on Form 20-F filed with the U.S. Securities and Exchange Commission (“SEC”). In addition, information regarding market developments after March 31, 2008 and their effects on our financial condition and results of operations is included in the report on Form 6-K furnished to the SEC on July 31, 2008 containing financial information for the first quarter of this fiscal year under accounting principles generally accepted in Japan. These reports are available in the Financial Information section of our web page at www.mizuho-fg.co.jp/english/ and also at the SEC’s web site at www.sec.gov.

We do not intend to update our forward-looking statements. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by the rules of the Tokyo Stock Exchange.
A Message from the President & CEO of Mizuho Financial Group, Inc.

In fiscal 2007 ended March 31, 2008, the year of concluding our business strategy, the “Channel to Discovery” plan, we continued to work to increase our corporate value by strengthening profitability through implementing our Business Portfolio Strategy and improving our internal control systems through carrying out our Corporate Management Strategy.

Under our Business Portfolio Strategy, we reorganized our businesses into three global groups to address the needs of our customers. On leveraging their respective strengths and capabilities, these three groups offered products, services and solutions optimally suited to our customers.

In our Global Corporate Group, Mizuho Corporate Bank took initiatives to strengthen structures and capabilities for offering solutions globally by, for example, establishing new overseas branches and offices and concluding strategic alliances with leading financial institutions in Asia.

In our Global Retail Group, Mizuho Bank worked to offer highly convenient services to individual customers by expanding its network of “Mizuho Personal Square,” a branch designed to focus on serving individual customers, and by enhancing the services of Mizuho Mileage Club. It also responded actively to the funding needs of small and medium-sized enterprises (SMEs) and middle-market corporations.

The Global Asset & Wealth Management Group made significant advances in its initiatives to strengthen its trust and asset management business and strengthened cooperation with other group companies.

As part of the implementation of our Corporate Management Strategy, we made further enhancement of

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Management Structure of Mizuho

* Subject to the approval of the shareholders’ meetings of both companies and the relevant authorities, MHSC and Shinko Securities will merge as of a target date of May 7, 2009.
our framework for disclosure in accordance with U.S. generally accepted accounting principles (GAAP). In addition, we strengthened internal controls and enhanced the transparency of corporate disclosure in line with requirements of the U.S. Sarbanes-Oxley Act. We also continued our activities to fulfill our corporate social responsibility (CSR), providing support for financial education, reducing environmental burden, and remodeling branches of Mizuho Bank to make them more barrier-free.

Performance in Fiscal 2007
Consolidated net business profits*1 decreased to ¥511.1 billion by ¥480.4 billion compared with the previous fiscal year. This decrease was mainly because Mizuho Securities recorded losses (a decrease of ¥479.9 billion in consolidated ordinary profits compared with the previous fiscal year), as it suffered from the dislocation in the global financial market stemming from the U.S. subprime loan issues.

*1. Consolidated net business profits = consolidated gross profits – G&A expenses (excluding non-recurring losses) + equity in income from investments in affiliates and certain other consolidation adjustments.

Net business profits of Mizuho Corporate Bank, Mizuho Bank, and Mizuho Trust & Banking (the Three Banks) increased to ¥861.7 billion by ¥17.1 billion compared with the previous fiscal year, which was higher than the original estimates in May 2007. This was because market-related income was strong, while income from Customer Groups declined because of intensified competition among banks and other factors.

Consolidated net income decreased to ¥311.2 billion by ¥309.7 billion compared with the previous fiscal year. This decline was primarily due to the impact of the global financial market dislocation stemming from the U.S. subprime loan issues, which was partially offset by a rebound in net gains related to stocks. The overall aforementioned impact of the market dislocation on our consolidated P&L (profit-and-loss statement) was a loss of approximately ¥645.0 billion.

Credit-related costs for the Three Banks increased to ¥92.5 billion by ¥69.2 billion compared with the previous fiscal year as Mizuho Bank, in addition to losses on sales of loans and other factors, conducted a review of obligors, especially those with lower credit ratings, amid uncertainty over the future of the economy.

● Net Interest Income
The average loan balance of the Three Banks for the second half of fiscal 2007 decreased to ¥64.3 trillion by ¥0.8 trillion compared with the first half of fiscal 2007. But, after excluding the effect of foreign currency exchange rate changes, the average loan balance actually continued to increase, mainly driven by an expansion of overseas lending. In addition, the domestic loan-and-deposit rate margin for the second half of fiscal 2007 steadily improved to 1.47% by 0.03% compared with the first half of fiscal 2007. As a result of these and other factors, although consolidated net interest income for fiscal 2007 declined to ¥1,063.6 billion by ¥26.6 billion compared with the previous fiscal year, net interest income of the Three Banks increased to ¥954.0 billion by ¥1.4 billion, backed by the improvement in the domestic loan-and-deposit rate margin and other factors.

### Non-interest Income
Net fee and commission income of the Three Banks for fiscal 2007 declined to ¥351.7 billion by ¥49.1 billion.
A Message from the President & CEO of Mizuho Financial Group, Inc.

compared with the previous fiscal year. Regarding our business with individual customers, fee income related to the sales of investment trusts and individual annuities for fiscal 2007 decreased compared with the previous fiscal year, reflecting the effects of the global financial market dislocation in the second half and other factors, while the balance of individual annuities continued to increase. Regarding our business with corporate customers, fee and commission income from solutions-related business, foreign exchange business and others declined, reflecting intensified competition among banks and other factors.

**Net Fee and Commission Income (The Three Banks)**

![Net Fee and Commission Income Chart]

Financial Soundness

Although unrealized gains on other securities decreased and net deferred tax assets increased due to stagnant stock market conditions, we maintained our financial soundness at a high level, as reflected in the consolidated capital adequacy ratio (Basel II BIS standard) of 11.70% and in the non-performing loan ratio of the Three Banks of 1.61%.

Please note that as of March 31, 2008, the balance of securitization products for the group in total amounted to ¥4.4 trillion, of which the total balance of foreign currency denominated residential mortgage backed securities (RMBS) and collateralized debt obligations (CDOs) amounted to ¥0.5 trillion (on a managerial accounting and fair value basis).

Note: Regarding the detailed information on our securitization products held and others prepared basically in view of the “Leading-Practice Disclosures for Selected Exposures” included in the Financial Stability Forum (FSF) report, please refer to the pages 86-93.

Impact of Global Financial Market Dislocation Stemming from U.S. Subprime Loan Issues

We regret to report that we failed to accomplish the original earnings estimates mainly because of the substantial losses recorded by Mizuho Securities as a result of the global financial market dislocation. We thoroughly reviewed the issues that led to these losses and strengthened internal control systems such as risk management and related issues. These efforts shall be put to best use in the conduct of the group management going forward. Especially within Mizuho Securities, we are strengthening the risk management systems and implementing the “Business Restructuring Program,” which we initiated in April 2008, without delay, with the objective of making drastic reforms in the operating systems. Please note that the merger of Mizuho Securities and Shinko Securities has been postponed taking into consideration the continuing global financial market turmoil and the upcoming implementation of the electronic share certificate system in January 2009. The merger is now scheduled to take place in May 2009.

Disciplined Capital Management

**Issuance and Redemption of “Non-Dilutive” Preferred Debt Securities**

In January 2008, we issued ¥274.5 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 future capital strategy. In addition, in July 2008, we issued ¥303.0 billion of preferred debt securities through an overseas special purpose subsidiary. In the meantime, in June 2008, we fully redeemed preferred debt securities of ¥118.5 billion and US$2.6 billion, which became redeemable at the issuer’s option.

**Response to the Potential Dilutive Effect of Preferred Shares (see note 2)**

On May 15, 2008, the Board of Directors resolved to set up a limit for repurchasing own shares (common stock) up to a maximum of ¥150.0 billion. As with the repurchase of our common shares that we conducted...
last year (the repurchased and cancelled amount: ¥149.9 billion), this repurchase will be made for the purpose of, among other things, offsetting the potential dilutive effect of the conversion of the Eleventh Series Class XI Preferred Stock (¥943.7 billion in aggregate issue amount) in consideration of the possibility that the number of shares of our common stock will increase after the commencement of the conversion period from July 1, 2008.

We will continue to address the potential dilutive effects described above, aiming to complete the process in about two years, by establishing additional repurchase limits and repurchasing and canceling our own shares based on market conditions, our earning trends and other factors. (Expected total amount of repurchases for this fiscal year is approximately ¥400.0 billion).

Considering our consolidated earnings and the condition of retained earnings, we increased the cash dividends per share of common stock for fiscal 2007 to ¥10,000 and we paid dividends on preferred stock as prescribed.

Initiatives Going Forward
Our three global groups continue to draw on their respective strengths and implement their business strategies. At the same time, we will work to achieve the improvement in cooperation among group companies and offer the highest-quality financial services to our customers.

The Global Corporate Group continues to expand and develop its coverage of investment banking business by combining its banking and securities capabilities, based on solid risk management systems, while taking full account of the current uncertainties in the market environment. Mizuho Corporate Bank is strengthening its global business by expanding its overseas network in China and other areas and is forging strategic alliances with overseas financial institutions. Besides, all possible measures will be taken in order to facilitate the merger of Mizuho Securities and Shinko Securities smoothly.

The Global Retail Group emphasizes improving its capabilities for offering consulting services to its individual customers and working to increase assets under management. To attain these objectives, Mizuho Bank is focusing especially on further expansion of its network of manned branches, increase in the number of its financial consultants, proactive installation of “Planet Booths” (consulting booths of Mizuho Investors Securities in the lobbies of Mizuho Bank branches (joint branches)), and enhancement of consulting-based marketing drawing on the group’s trust function. For SMEs and middle-market corporations, Mizuho Bank is offering the highest-quality solutions to address their financial and business issues by working in close cooperation with the banking, securities, trust companies and others in the group.

The Global Asset & Wealth Management Group aims to offer sophisticated professional services such as trust business services to customers of Mizuho Bank and other group companies by further enhancing its consulting and product development capabilities.

We aim to be “A financial partner that helps customers shape their future and achieve their dreams”, and will work to increase our corporate value by continuing to steadily implement our business strategies under the solid internal control systems, while also fulfilling our responsibilities to society and our mission to serve the public interest. Accordingly, we look forward to your continuing support.

July 2008

Terunobu Maeda
President & CEO
Mizuho Financial Group, Inc.

Notes:
1. The above message, which was prepared prior to our announcement of our financial results for the first quarter of fiscal 2008, contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See the disclaimer at the bottom of page 1 of this Annual Review for information regarding factors that could cause actual results to differ from those in the forward-looking statements.
2. In July 2008, we repurchased our own shares (common shares) of ¥150.0 billion (283,500 shares). We plan to cancel 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.