As the core bank of the Global Corporate Group, we believe that expanding our global network and further developing our investment banking services are indispensable for establishing our presence among the world’s financial institutions. Based on our “Global Declaration” and “Investment Bank Declaration,” we are deploying a business model that promotes and combines our commercial banking and investment banking capabilities.

As we have implemented initiatives to attain our goal of being a global investment bank, the subprime loan issues originating in the United States have had a serious impact on global financial markets. Although the effects have not been as great as in the United States and Europe, they are beginning to have an impact on Japan’s financial markets and the economy. Unfortunately, we have been obliged to report losses on our holdings such as securitization products.

Amid these conditions, we are allocating our management resources selectively and flexibly, after giving full consideration to the current uncertainties in the market environment, as we continue to move ahead with the implementation of our global strategy and investment banking strategy. We are also working to create a globally based management infrastructure, including risk management, as we work with Mizuho Securities to become Japan’s No.1 global investment bank.

**Intensified Drive toward Globalization**

To step up our drive toward globalization, we are accelerating the implementation of our global strategy.

To further expand the scope of our overseas network, we began the last fiscal year by opening a branch in Milan, Italy, in April and followed this with the opening and commencement of operations at six offices overseas. Our plans call for continuing to expand our international network strategically and flexibly during the current fiscal year. Especially in China, where we began operations at Mizuho Corporate Bank (China) in June 2007, we became the first Japanese bank in China to make the transition to banking subsidiary status. As a result, we are now positioned to provide services in yuan at the new branches in China, and are able to obtain the early approval of licenses for entering new business activities and accelerating the expansion of our network in China.

On the other hand, for those geographic and product areas that our group’s network does not cover, we are supplementing our capabilities through stronger strategic alliances with leading financial institutions by concluding business cooperation agreements and/or making equity investments in those institutions.

Also, as a result of the acquisition of financial holding company status in the United States in 2006, we are now positioned to provide comprehensive investment banking services not only in Europe, Japan, and the rest of Asia but also in the United States, which is the world’s largest financial market, working together with Mizuho Securities. Mizuho Securities USA has already become the first Japanese-affiliated investment bank to secure lead manager positions for bond issues of U.S.-based corporations, and is steadily expanding its record of accomplishments in the underwriting of U.S. corporate bonds and equities. Although trends in U.S. financial markets are currently uncertain, we are working to win available business opportunities and expand our investment banking activities.
Gaining the Trust of Customers and Becoming a “Long-Term Partner”

Looking over recent trends in the domestic and international economies and financial markets suggests that business sentiment in Japan is worsening reflecting the slowing of exports, resulting from the strengthening of the yen, and the weakening of corporate performance owing to the adverse impact of higher oil and raw material prices. Turning to the international economy, conditions in the United States are decelerating sharply as a result of the impact of the subprime loan issues and other factors, while the economies of Europe are showing growing signs of a slowdown, thus creating concerns about the spillover on the international economy as a whole.

Amid these conditions, our clients among major corporations and global companies are faced not only with financial issues, such as fund-raising and enhancing financial efficiency, but also with an increasingly broader range of issues. These include such medium-term, structural issues as finding solutions to environmental problems and responding appropriately to the decline in birthrate, as well as the appreciation of the yen and rising prices of energy and raw materials. Key strategic issues our clients confront include how to consolidate their marketing and operating positions in Japan and how to seek new growth opportunities in overseas markets.

With this understanding of the operating environment, we are taking a range of multifaceted approaches that go beyond existing concepts and frameworks. To offer our clients fast, effective, cutting-edge solutions to help them address their management issues, we offer comprehensive global investment banking services.

As the review of firewall restrictions between banking and securities operations continues, this business combination will further strengthen our business model of close collaboration between our banking and securities businesses.

Building on our enhanced capabilities for offering financial products as well as our stringent compliance systems, we will strengthen our ties with Mizuho Securities and aim to be the most-trusted “long-term partner” of our clients. We will work to build a strong reputation for our global offerings of high-quality, comprehensive financial solutions that help our clients address their increasingly diverse and sophisticated management issues.

Creating a Global-Level Management Infrastructure

We are also moving ahead with initiatives to create a management infrastructure that will enable us to further develop our business activities on a global level.

The first of these initiatives is to strengthen our risk-control systems based on our sophisticated risk management structure. In view of the turbulence in financial markets caused by the subprime loan issues, we are working to substantially enhance our systems for managing credit, market, and other forms of risk. Strengthening these systems is essential in rapidly changing global financial markets and indispensable for strengthening our risk-control capabilities.

The second initiative is to further improve the quality of our human resources. With the objective of substantially strengthening personnel capabilities, we are implementing changes to respond to the evolution of our business model, such as enhancing professional capabilities, and initiating wide-ranging diversification measures such as, among other things, enabling national staff at our overseas offices to become heads of branches and other operations. To continue to provide training and opportunities for advancement to a diverse range of personnel, we are actively implementing diversification policies.

Our third initiative is to create a sophisticated compliance structure suited to our business model. To this end, we are aiming to develop significantly more advanced
A Message from the President & CEO of Mizuho Corporate Bank, Ltd.
Establishing a Leading Brand as a Global Investment Bank

systems that take full account of our responsibilities as a financial institution, including our response to the review of the firewalls between banking and securities operations.

As competition among the world’s financial institutions grows ever more intense, to establish our presence as a global investment bank, we must build a business model of our own, founded on strong and strict risk-management, and compliance structures.

We will continue the full-scale implementation of the global strategy that I have outlined and aim to establish a leading brand presence as a global investment bank. The senior executive officers and employees of Mizuho Corporate Bank share a common awareness and will promote the development of our business model. We look forward to earning your ongoing support and trust.

July 2008

Hiroshi Saito
President & CEO
Mizuho Corporate Bank, Ltd.
A Message from the President & CEO of Mizuho Bank, Ltd.

Aiming to Be “Japan’s Strongest Retail Bank”

A Retrospective on the Year: Aiming to Create a Rock-Solid Growth Trend

Fiscal 2007, ended March 31, 2008, was the concluding year of the group’s “Channel to Discovery” plan. To gain the maximum benefits from initiatives adopted thus far and to achieve steady and stable growth in business activities, we identified three elements to support our activities. These were: (a) winning the maximum trust of our customers, (b) creating a rock-solid growth trend, and (c) working to build the optimal business infrastructure.

About 25 million individual customers have accounts with Mizuho Bank, and about 100,000 companies, primarily small and medium-sized enterprises (SMEs) and middle-market corporations, rely on us for financing. A common theme we must address is meeting the increasingly diverse and sophisticated financial needs of both individuals and corporations. For that purpose, we offered speedy services tailored to meet the requirements of our customers based on closer collaboration among group companies and worked to upgrade our lineup of services. At the same time, we proactively promoted a full enforcement of compliance issues and carried out a series of corporate social responsibility (CSR) activities.

Services for Individual Customers

Mizuho Bank opened new domestic branches during fiscal 2007 in Ashiya, Gakuenmae, Senri Chuo, and Musashi Sakai, and proceeded with the active opening of “Mizuho Personal Squares,” which are branches with a greater focus on convenience for individual customers. Also, to enhance consulting services, we assigned about 2,800 financial consultants (FCs), who are capable of offering advice in all specialized areas, to our branches nationwide in Japan and installed “Premium Salons,” which are consultation booths for our customers in branches throughout Japan. Moreover, we stepped up our installation of Mizuho Investors Securities “Planet Booths” in the lobbies of our branches, thus making available one-stop services to meet the securities-related needs of customers of the group.

As for our products and services for mass retail customers, we further enhanced the attractiveness of the various services offered to members of the Mizuho Mileage Club, including preferential charges on certain services. Total membership in this club has now exceeded five million people. Also, to offer peace of mind to our customers regarding their bank transactions, we promoted the dissemination of ATM cards incorporating IC chips and biometric authentication (through finger vein verification). In addition, to deal properly with losses due to forgery and card theft, we provide compensation for such losses involving ATM cards, as provided for under Japan’s Depositor Protection Law. Also, in April 2008, we began to provide compensation for damages arising from the theft of bank passbooks and illegal Internet banking transactions.

In June 2008, legislation to prevent fraud involving requests for bank transfers went into effect. We are working proactively to prevent such fraudulent activities and provide assistances including returning money to customers who have incurred losses due to such activities.

Among loan products, we have expanded our lineup of housing loan related services and, through a tie-up

We want to grow with our customers so that they mean it when they say Mizuho is their “Best Partner.”
with Orient Corporation, have created systems that enable us to respond to a wide range of customer borrowing needs, including the provision of uncollateralized loans.

**Services for Corporate Customers**

In our corporate customer business, while stepping up our activities to develop relationships with new customers, we responded to a wide range of financing needs in the SMEs and middle-market corporations.

We also worked to provide solutions to customer needs, such as facilitating business succession and M&A, providing services for introducing customers of our bank who best satisfy the business needs of other customers (business matching services), and offering assistance to companies entering or expanding their operations in markets outside Japan. As part of our business matching services, we held the “Environment Business Matching Forum” in February 2008. This event had the goal of helping our SME and middle-market corporation customers to deal with their environment-related needs, and it was well received.

Our solution business services are provided as a joint effort by specialists in our headquarters and by relationship managers of our branches in an effort to endeavor to cover a wide spectrum of management issues and needs. In addition, we draw on the comprehensive capabilities of the group to respond to customer needs for consultation and services related to IPOs (initial public offerings), and making arrangements for business succession. Group companies working in partnership with us to provide such consultation and services include Mizuho Investors Securities, Mizuho Capital, and Mizuho Trust & Banking.

For small-scale companies, we have formed the Mizuho Business Finance Center, a subsidiary with a total of more than 600 experienced staff, which is dedicated to financing small companies and responding proactively to their needs for funding.

Also, for both individual and corporate customers, we are continuing to upgrade our Internet-based banking services and actively developing new services for mobile phones.

**Looking to Fiscal 2008: Initiatives Going Forward**

We have positioned the current fiscal year as the time to target establishing Mizuho Bank as “Japan’s Strongest Retail Bank.” To attain this goal, we must consolidate our management foundations by: (a) strengthening our customer base, (b) enhancing the capabilities of our human resource base, and (c) creating a powerful earnings base, all with the ultimate objective of earning a sincere evaluation from individual and SME and middle-market corporation customers as well as their owners, for being their “Best Partner.”

To consolidate our management foundations, we will:

(a) Strengthen our customer base by building unshakeable bonds of trust with our customers and winning their satisfaction;

(b) Enhance the capabilities of our human resource base by creating top-level personnel in all areas; and

(c) Create a powerful earnings base by achieving a minimal but powerful cost structure and a highly efficient business model.

The major assumptions behind strengthening these three bases — customer base, human resource base, and earnings base — are continued strict emphasis on compliance and customer protection combined with the proactive pursuit of our CSR activities, as typified by our “Heartful Project.”

In individual customer business, we will substantially strengthen our marketing activities, increase the volume of customer assets under management, and expand our interface with customers through improving our core products such as Mizuho Mileage Club, and work to achieve leaps forward in this area.

In the human resources field, we will aim for expanding our FC staff to 4,000 in three years, while further improving the quality of services they can offer. In our manned business locations, we will promote the establishment of offices serving individual customers, with the goal of increasing the number of offices from 423 as of March 31, 2008, to 500 in three years.

In corporate customer business, we will strengthen the capabilities of our personnel and improve skills in credit management, and, drawing on the comprehensive capabilities of the group, work to achieve steady growth. In human resources, we will make further
upgrades in our professional staff training project that we began last year, and work to deepen relationships with our customers. In addition, we will continue to strengthen our ties with Mizuho Investors Securities and Mizuho Trust & Banking through the exchange of personnel and other means, with the aim of drawing to the maximum extent possible on the comprehensive capabilities of the group.

We will also endeavor to move collaboration within the group to a higher level. In April 2008, we established the Consulting Division, which has the objective of responding to the needs of business owners both in their capacity as corporate managers and as individuals. In addition, we formed a new business division, the Business Promotion Division for Employees of Corporate Customers, which will be responsible for marketing individual banking services to employees of corporate customers, including clients of Mizuho Corporate Bank. These activities are intended to establish our strengths through collaboration across corporate and individual customers and among group companies.

To make our customers really mean it when they say “Mizuho Bank is our Best Partner,” the senior executive officers and employees of Mizuho Bank are working as one and exerting their fullest efforts. As we continue to work toward our objectives, we look forward to your continuing support.

July 2008

Seiji Sugiyama

President & CEO

Mizuho Bank, Ltd.
Securities, Trust and Asset Management Business Strategies

Basic Strategy for the Securities Business
In order to pursue greater synergies by strengthening cooperation between group banks and securities companies and exploiting its overall strengths, the group has promoted integrated banking and securities operations based on customer segmentation, while ensuring that the securities companies make the most of their capabilities and advantages.

Strengths and Characteristics of the Group’s Three Securities Companies

Mizuho Securities
MHSC is a wholesale securities company that offers high-quality, specialized solutions in response to the wide-ranging needs of domestic and international institutional investors, corporations, financial institutions and public sector entities.

It occupies a top position among the major securities companies in the area of bond underwriting and boasts a strong presence in bond sales. In the equity-related business, it offers a full range of services and has raised its market standing to a position close to that of the major securities companies.

It has already established a top-level presence in the area of M&A and other financial advisory services for Japanese clients, and has a track record in structured finance that puts it among the market leaders in Japan.

MHSC also aims to satisfy the diversified needs of clients who are active at home and abroad by offering seamless domestic and overseas business services through its network of overseas securities subsidiaries.

Mizuho Investors Securities
MHIS is working to expand its cooperative channels with MHBK by proactively establishing a network of joint branches. It is also strengthening ties with the group, promoting a financial instruments intermediary service with MHBK, a trust business with MHTB as an agent and its IPO business through cooperative efforts with other group companies. With this as its operational base, MHIS responds to customers’ asset investment needs by offering various securities-related solutions, and to their funding needs by offering stock and bond underwriting services, and consulting services in connection with their capital structure planning. In this way, it aims to become the customer’s first choice as the most trusted securities company by providing carefully tailored, high-quality products and securities services in a speedy manner.

Shinko Securities
Shinko Securities is a comprehensive securities company with a nationwide network that offers a full range of services from underwriting to brokerage. Through dynamic and efficient cooperation with group companies, it uses its full-line functions to provide middle market/retail customers with a wide selection of financial products and services. Its cooperation with group companies include cooperating with MHBK in the sales of wrap accounts and trust businesses for MHTB as an agent.

Because the turmoil in the financial markets is ongoing and the electronic share certificate system is scheduled to be implemented in January 2009, the merger between MHSC and Shinko Securities has been postponed from May 2008 to May 2009 (scheduled). Mizuho Securities, the merged new entity, will offer competitive cutting-edge financial services on a global basis through the combining of MHSC’s global investment banking business platform, and Shinko Securities’ nationwide customer base and business network as a full-service securities company covering all of Japan.
Basic Strategy for the Trust Business
The group is working to deliver the best solutions to clients through MHTB, which offers a full range of trust services as the core of the Global Asset & Wealth Management Group, and Trust & Custody Services Bank (TCSB), which offers high-level custody services. By promoting greater cooperation between the group’s banking, securities and asset management companies, and offering products and services through business tie-ups with external entities, we will respond to clients’ diversifying needs quickly and accurately.

Mizuho Trust & Banking
MHTB gives top priority to identifying clients’ opinions and needs, and to speedily and accurately offering them solutions in the form of original products and services that make full use of the highly specialized consulting expertise and the rich know-how it has accumulated over many years. In this way, it aims to enhance its reputation and become “the trust bank that clients trust most.”

For individual clients, it offers all kinds of services pertaining to wealth management, from consulting in connection with overall asset management and investment to the management and execution of wills, loan products, deposits and investment trusts, and asset management products that utilize its trust functions. In the area of testamentary trusts in particular, MHTB’s experienced professionals have earned an excellent reputation for their carefully-tailored services. MHTB is offering services to an even larger number of clients through its network of agents at MHBK, and has one of the highest balances of such trusts in the sector.

MHTB offers a wide range of services and optimal solutions for managing the assets of corporate clients. These cover brokerage, securitization and other aspects of the real estate business; structured products business offering new services in the area of asset securitization using trust schemes to the maximum; pension and other asset management business; pension business ranging from pension trusts and consulting to actuarial and management services; asset administration business from investment trusts to investing and managing securities; and stock strategy business providing advisory services in connection with legal matters affecting stocks.

As the environment affecting the trust business rapidly evolves, MHTB will proactively develop and offer new products and services that accurately match clients’ needs by seizing the opportunities presented by legislative and other environmental changes, and promoting greater cooperation among the group companies.

Trust & Custody Services Bank
Based on its advanced systems infrastructure and highly transparent internal control systems, TCSB provides financial institutions, institutional investors and other clients with high-quality, high value-added trust and custody services, and comprehensive asset administration services. TCSB also responds to clients' high-level custody requirements through participation in the “account-management institution business,” developed in response to securities settlement systems and infrastructure reform in Japan, and through the provision of securities lending services.

Basic Strategy for the Asset Management Business
In the investment trust and pensions markets, we aim to become one of the world’s leading players in terms of both quality of services and assets under management.

On July 1, 2007, Dai-Ichi Kangyo Asset Management and Fuji Investment Management merged to become Mizuho Asset Management (MHAM). On January 1, 2008, DLIBJ Asset Management changed its name to DIAM.

Our asset management companies, MHAM and DIAM, both make the most of their individual specialties in offering high-quality products and services to both group and non-group clients. In the distribution of investment trusts, they offer a widely varied line-up of products designed to meet the increasingly complex and sophisticated needs of clients.

In the Japanese defined contribution pension business, we are channeling our total resources into providing solutions for corporate management issues by supporting the formation of assets for individuals to enjoy in their retirement.