

A Message from the President & CEO of Mizuho Financial Group, Inc.



Looking back over the economic climate during the first half of fiscal 2008 ended on September 30, 2008, tension in financial markets noticeably rose including the spread of a credit crunch on a global scale, reflecting the turmoil in the securitization product markets stemming from the subprime loan issues.

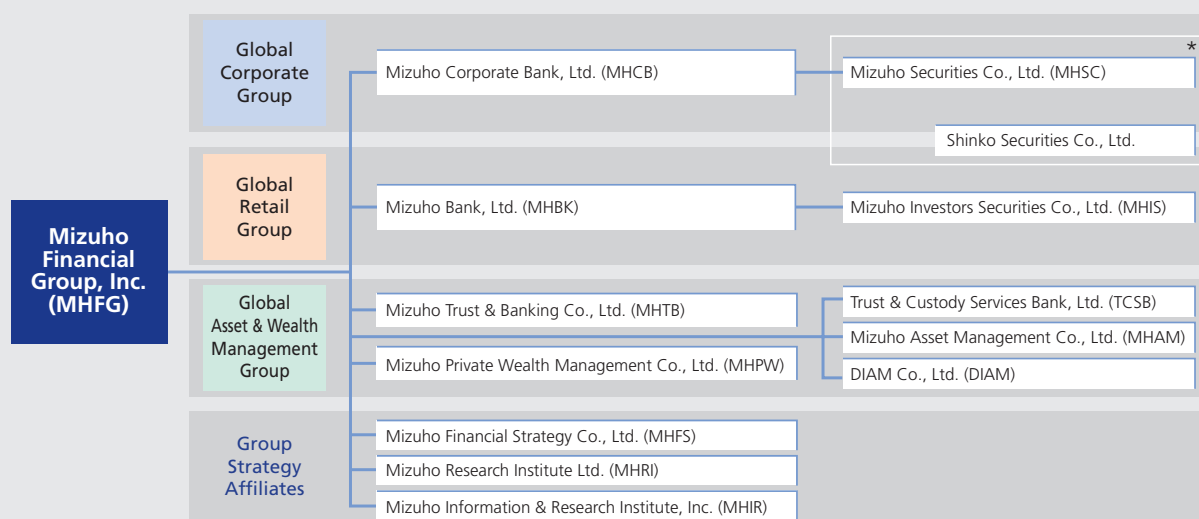
In view of the severe operating environment changes, we have been establishing an even stronger risk management system by responding to dislocations in the global financial markets including areas such as market risks, strengthening credit management, and

taking other measures. In parallel with these activities, while maintaining sufficient financial soundness, our three global groups, which are organized to address the needs of specific customer segments, have steadily implemented their business strategies by leveraging their respective strengths and capabilities. Also, we offer products, services, and solutions optimally suited to our customers by strengthening cooperation among our group companies, and work to increase our profitability.

Mizuho's Business Strategies

In our Global Corporate Group, Mizuho Corporate Bank is taking initiatives to strengthen its capabilities for providing sophisticated and diversified financial solutions that meet the needs of its customers in Japan and overseas. These include strengthening overseas network principally in Asia as well as concluding strategic alliances with leading overseas financial institutions. These also include promoting syndication business and substantially improving cooperation among the group's banking and securities arms. In our securities business, in light of the substantial securitization business related losses reported in the previous fiscal year, reformation of business operations, including

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.

strengthening the risk management system, was implemented through initiatives such as “Business Restructuring Program” at Mizuho Securities. Please note that we are moving forward with thoroughgoing preparations for the merger of Mizuho Securities and Shinko Securities with a target date of May 2009.

In our Global Retail Group, Mizuho Bank is taking initiatives to offer highly convenient services for individual customers and to increase assets under management by enhancing its consulting capabilities. Mizuho Bank further developed its branches focusing on serving individual customers, held “Holiday Consulting Events,” and trained financial consultants as well as took other steps to enhance its lineup of products and services such as introduction of “Mizuho Card Loan.” In addition, at the end of September 2008, the number of Mizuho Mileage Club members exceeded six million. As for our initiatives to deal with remittance solicitation fraud, we implemented prevention measures and relief measures for victims.

For small and medium-sized enterprises (SMEs) and middle-market corporations, we are implementing initiatives to respond to their funding requirements and to support them in addressing their business issues by strengthening our capabilities of solution business services.

The Global Asset & Wealth Management Group, with Mizuho Trust & Banking at its core, is further upgrading its asset and wealth management activities, creating new trust business services, and working more closely with other group companies. In addition, it offers sophisticated professional services such as comprehensive private banking services and top quality asset management services to Mizuho's customers.

We are also continuing to promote our corporate social responsibility (CSR) activities, which include providing support for financial education, working to maintain and preserve the environment through our financial services, and remodeling our branches of Mizuho Bank to make them more barrier-free. We are also using various media inside and outside the group to

heighten the awareness of our “Channel to Discovery” slogan as part of our brand strategy. In addition, by promoting the greater protection of customers as well as developing internal control systems such as solid compliance structure, we work to earn increased trust and confidence of our customers in Japan and overseas.

Performance During the First Half of Fiscal 2008

Consolidated gross profits of the Mizuho Financial Group for the first half of fiscal 2008 (April 1, 2008, through September 30, 2008) decreased to ¥917.3 billion by ¥70.5 billion compared with the same period of the previous fiscal year. Within the Customer Groups of the banking subsidiaries, although income from business with individual customers increased, declines were reported in income related to the business with domestic corporate customers (SMEs and middle-market corporations), fee and commission income in overseas businesses that were affected by the turmoil in the global financial markets, and income from trust and asset management business of Mizuho Trust & Banking that was affected by the domestic real estate market conditions.

In addition to these factors, there was an increase in general and administrative expenses, mainly those associated with employee retirement benefits. As a result, consolidated net business profits*¹ decreased to ¥317.4 billion by ¥96.5 billion compared with the same period of the previous fiscal year.

Consolidated net income for the first half of fiscal 2008 decreased to ¥94.5 billion by ¥232.4 billion compared with the same period of the previous fiscal year. 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, devaluation of a portion of our stock portfolio triggered by the declines in the stock markets (devaluation of ¥95.5 billion for the Three Banks*²), and continuously recorded losses on securitization products and others resulting from the global financial market dislocation.

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

*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.

*2. The Three Banks = Mizuho Corporate Bank, Mizuho Bank and Mizuho Trust & Banking.

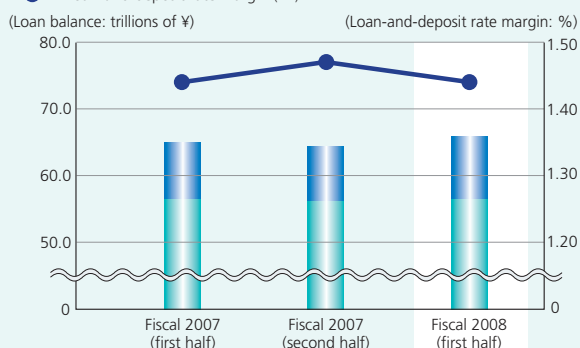
● Net Interest Income

The average loan balance for the first half of fiscal 2008 increased, compared with the same period of the previous fiscal year, mainly because of expansion in overseas lending.

The domestic loan-and-deposit rate margin for the same period decreased slightly in comparison with the second half of the previous fiscal year against the

Loan Balance (MHFG Consolidated)

■ Loan balance (*3) ■ Domestic branches ■ Overseas branches
● Loan-and-deposit rate margin (*4)



Loan balance	¥65.1 tn.	¥64.3 tn.	¥65.8 tn.
Domestic branches	56.6 tn.	56.2 tn.	56.5 tn.
Overseas branches	8.4 tn.	8.1 tn.	9.3 tn.
Loan-and-deposit rate margin	1.44%	1.47%	1.44%
	the first quarter 1.44%	the third quarter 1.47%	the first quarter 1.46%
	the second quarter 1.44%	the fourth quarter 1.48%	the second quarter 1.43%

*3. Aggregate average balance of the Three Banks for the period, excluding Trust Account and loans to Mizuho Financial Group. Balance for overseas branches includes foreign exchange translation impact.

*4. Aggregate figures of domestic operations of MHCMB and MHBK after excluding loans to MHFG, Deposit Insurance Corporation of Japan and the Japanese Government.

backdrop of intensified competition among banks and other factors.

Total net interest income for the Three Banks for the first half of fiscal 2008 declined by ¥9.6 billion on a year on year basis, but net interest income from international operations increased by ¥13.3 billion.

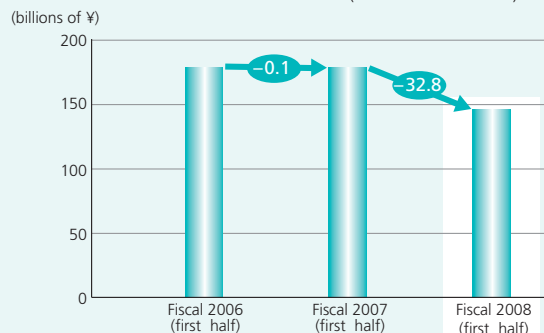
● Non-Interest Income

Net fee and commission income of the Three Banks for the first half of fiscal 2008 decreased to ¥146.3 billion by ¥32.8 billion compared with the same period of the previous fiscal year.

In our business with individual customers, fee income associated with the sales of investment trusts and individual annuities decreased from the same period of fiscal 2008, due to stagnant stock market conditions and other factors.

In our business with corporate customers, although fee and commission income associated with syndicated loan arrangements in Japan increased over the same period of the previous fiscal year, that primarily from solution-related business for SMEs and middle-market corporations, 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 (The Three Banks)



Net Fee and Commission Income	¥179.4 bn.	¥179.2 bn.	¥146.3 bn.
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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 of 11.45%, as of September 30, 2008.

Please note that as of September 30, 2008, the balance of securitization products for the group in total amounted to ¥3.8 trillion, of which the total balance of foreign currency denominated exposures amounted to ¥0.7 trillion (on a managerial accounting and a 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 pages 50-58 in the Financial Section.

Disciplined Capital Management

● Issuance of Preferred Debt Securities

In July 2008, we issued ¥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. In December 2008, we issued ¥355.0 billion of preferred debt securities through an overseas special purpose subsidiary to further strengthen our group's capital base in light of the current financial market turmoil.

● Redemption of Preferred Debt Securities

We redeemed in full preferred debt securities (¥118.5 billion and US\$2.6 billion) which became redeemable at the issuer's option in June 2008.

● Repurchase and Cancellation of Own Shares

In July 2008, we repurchased our own shares (common shares of Mizuho Financial Group) of ¥150.0 billion (283,500 shares). As with the repurchases of our common shares which we have conducted since fiscal 2007 (the cumulative amount of repurchases: ¥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 (¥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.

We aim to be "A financial partner that helps customers shape their future and achieve their dreams," and continue to work to increase our corporate value as we fulfill our responsibilities to society and our mission to serve the public interest. Accordingly, we look forward to your continuing support.

January 2009



Terunobu Maeda
President & CEO

Mizuho Financial Group, Inc.

Note: The above message, which was prepared prior to our announcement of our financial results for the third 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 Interim Review for information regarding factors that could cause actual results to differ from those in the forward-looking statements.