



*Our Goal Is to Be a Bank that Is Trusted and Strongly Supported by Our Customers and Markets in Japan and around the World.*

I have been appointed President & CEO of Mizuho Corporate Bank and would like to thank all of you for your continuing support.

Today's unprecedented financial crisis, which some have described as once in 100 years, has forced the financial community to confront more serious conditions than any it has experienced in the past. A number of financial institutions in Europe and the United States have been placed under government control, and the very structure of the financial services industry has been redrawn, as reflected in the virtual disappearance of institutions specializing in investment banking.

Amid the recent turmoil in financial markets, certain investment banking services are expected to shrink in scale, including those related to securitization and collateralized debt obligations (CDOs). However, in view of the growth in customers' financial service needs, along with expansion in their business operations and the ongoing trend toward globalization, we must continue to strengthen and promote our international strategy as well as the development of our traditional investment banking services, including M&A advisory services, underwriting of bonds and equities, and sales and trading.

By strengthening and combining our commercial banking and traditional investment banking operations,

we will offer financial solutions that meet the needs of our customers in Japan and around the world and will aim to become "a top corporate finance provider."

### **The Fiscal Year in Review**

During the fiscal year ended March 31, 2009, we monitored the uncertain market environment and allocated our corporate resources selectively and flexibly.

We continued to expand our overseas network, principally in the growth markets of Asia. Mizuho Corporate Bank (China) opened branches in Qingdao and Guangzhou, and in March 2009 we became the first Japanese bank to open a branch in the inland region of China, in Wuhan. In other areas, we opened a branch in Taichung and a sub-branch in Kowloon in Hong Kong. Also, Mizuho Corporate Bank Nederland set up a representative office in Madrid. For the time being, these additions have concluded our active drive in recent years to enhance our overseas network. Moreover, to strengthen our capabilities for supporting our customers in the expansion of their overseas operations, we have established cooperative relationships with government organizations in countries around the world.

In our investment banking business, as a result of obtaining financial holding company (FHC) status in the United States, we are now positioned to provide integrated commercial banking and investment banking services. As we have developed these activities, Mizuho Securities USA has become the first Japanese-affiliated investment bank to secure co-lead manager positions for bond issues of US-based corporations, and is steadily expanding its record of accomplishments. Additionally, in view of the accelerated tempo of the global expansion and development of the business activities of our Japanese customers, in August 2008, we invested in and, together with Mizuho Securities, concluded a strategic alliance with Evercore Partners, a US-based investment banking company specializing in M&A, with the aim of enhancing our capabilities for offering cross-border M&A advisory services.

As a consequence of the financial crisis and market turmoil, our customers are returning to bank financing to meet their funding needs. To be ready to provide in-depth responses to their requirements, we are continuing to focus on offering a smooth supply of funds and syndicated loan arrangements.

## Turning to Fiscal 2009

Even in the midst of today's challenging economic environment, encouraging signs of positive change are emerging in the industrial sector. In addition to business restructuring and realignments, our customers are expanding their overseas business activities, acquiring companies in other countries, and developing new technologies and industries as they look to the next generation of products and services. Along with these developments, the financial needs of customers are becoming significantly more diverse, sophisticated, and global in scope. We believe that it will be important for us to grasp and respond to these needs quickly and accurately. We have structured our business promotion organization along industry lines and have stationed industry experts from our Industrial Research Division in our offices worldwide. This enables us to identify changes in the industrial structure and customer needs and then offer comprehensive financial solutions that meet the needs of individual corporations.

In May 2009, we merged Mizuho Securities, which is strong in the wholesale market, and Shinko Securities, which has strengths in the middle and retail market, thereby creating a full-line securities and investment banking company within the group. Also, along with the implementation of revisions in Japan's Financial Instruments and Exchange Law in June 2009, the firewall restrictions separating banking and securities activities have been reviewed and revised. While strictly observing legal regulations, we have introduced a system that allows relationship managers in certain business promotion sections to hold posts concurrently in Mizuho Corporate Bank and Mizuho Securities. As a result, those relationship managers holding posts concurrently can offer the full range of banking and securities services and thus provide significantly more convenient services for customers. This system makes us possible to offer our customers financial solutions more smoothly and seamlessly than under the previously existing cooperative model.

In our international strategy, we believe there is considerable room for further expansion in the banking and securities fields, especially in Asia. Accordingly, we will draw on the strategic alliances we have concluded with leading financial institutions in China, India, and elsewhere in Asia, and, while working together with

Mizuho Securities, will work to further strengthen our business activities as a group.

Nurturing significantly stronger human resources is essential for sustainable corporate growth. Accordingly, we are fully aware that training personnel with strategic expertise and drawing on the capabilities of a diverse range of human resources is of crucial importance. We want to have our personnel, regardless of age, gender, or nationality, grow through the acquisition of experience, skills, and professional expertise, and we want to further develop the frameworks that will encourage them to focus their full efforts on working.

In addition, we regard the creation of sophisticated compliance structure suited to our business model as a high-priority management issue. Therefore, to respond to the revisions in firewall regulations, we will work to structure an even more sophisticated framework, based on a full awareness of our social responsibilities as a financial institution.

The operating environment for financial institutions is still uncertain and must be monitored carefully. At Mizuho Corporate Bank, we believe that now is the time to remind ourselves of our reason for being as a financial institution, which is "to financially support the industries of Japan and the world." Our aim is to be a bank that wins the trust and strong support of our customers and markets in Japan and around the world by providing high-quality, sophisticated, and diverse financial solutions.

July 2009



Yasuhiro Sato  
President & CEO

Mizuho Corporate Bank, Ltd.



*We Want Our Customers To Say  
"We Are Glad We Chose Mizuho"*

### The Year in Review

I have been appointed President & CEO of Mizuho Bank and would like to thank all of you for your continuing support.

We began fiscal 2008, ended March 31, 2009, with the determination to establish Mizuho Bank as "Japan's strongest retail bank." To strengthen our management foundations, we set to work to strengthen three areas in particular: our customer base, our human resource base, and our earnings base. Throughout the fiscal year, we undertook a wide range of initiatives to encourage our individual customers, our customers among small and medium-sized enterprises (SMEs) as well as middle-market corporations, and the managements of these companies, to really mean it when they say "Mizuho Bank is our best partner."

#### ● Services for Individual Customers

To offer our individual customers a high level of convenience and security, we are implementing a broad spectrum of initiatives. To enhance convenience, we have increased the number of "Mizuho Personal Square," which are branches with a greater focus on the needs of individual customers, to 147. We have also augmented our team of financial consultants who can offer proposals for asset management and other personalized services and have expanded our "Holiday Consulting Events" services to provide customers with

information on housing loans and asset management on weekends and holidays. Also, to respond to customer needs for securities and trust business services, we have increased the number of Mizuho Investors Securities "Planet Booth" in the lobbies of our branches to 148. We have also seconded personnel from Mizuho Trust & Banking to set up "Trust Business Office" to support our business promotion offices. We have also made further major enhancements in services offered to Mizuho Mileage Club members, who now number more than 6.5 million persons, to make their memberships even more attractive. In June 2009, we reduced the minimum requirement for customers' assets under management to make the preferential services available to more customers and made transfers to other banks free of charge up to specified limits.

In addition, to give customers an increased level of security, in our "Mizuho Direct" Internet banking service, we have become the first bank in Japan to offer log-in via an improved "risk-based authentication." Also, in all our ATM installations, we have added ATMs with biometric identification IC card features, bringing the total number to about 2,500 units.

#### ● Services for Corporate Customers

For our corporate customers, we have adopted a proactive stance, especially toward SMEs and middle-market corporations, and regard providing a smooth supply of funds to these companies as our role as a financial institution in society. Specific initiatives include offering a broader lineup of loan products, including the "Super Wide," a strategic loan fund of ¥1 trillion that allows us to respond aggressively and speedily to funding needs. Other loan products include the "Mizuho Eco-Special" and the "Mizuho Eco-Assist," which provide financial support for corporate customers who are actively addressing environmental issues. We have also made active use of the government's emergency loan guarantee system. Other loan products that avoid excessive reliance on real estate collaterals and personal guarantees include our programs for securitizing receivables, the "Machinery Collateralized Loan," and other asset-based lendings. To offer financing for new businesses, we offer finance based on intellectual property rights, and, for SMEs and middle-market companies, we also arrange syndicated loans and have developed a range of other funding schemes.

## Looking Ahead to Fiscal 2009

Based on the spirit of “putting the customer first,” we have returned to the origins of commercial banking and are striving to develop together with our customers by working to deepen ties of trust with individuals as well as SMEs and middle-market companies and their managements.

To offer the best in financial services, we are focusing on responding to the “true needs of our customers.” In other words, to help our customers address many of the issues and concerns they confront, we are listening to them carefully, learning about them in depth, and offering services and solutions that they really need. In addition, we are continuing to place thoroughgoing emphasis on compliance and customer protection, both of which are major preconditions for customer relationships, as we also actively engage in CSR activities.

In individual customer business, to reflect customer needs even more accurately than in the past in the products and services we offer, we formed the Personal Marketing Division in April 2009. This department is working to upgrade remote channel services and expand the interface between Mizuho Bank and its customers. We are also endeavoring to promote consulting-based business that will win greater customer satisfaction through enhancement of the quality of financial consultants. Through these and related activities, we will seek to respond to a diverse range of customer needs.

In corporate customer business, we are aware that supplying funding to SMEs and middle-market corporations is one of the social missions of financial institutions, and we are continuing to take active initiatives in this area.

We have assigned staff specializing in offering business and financial solutions to help customers address the issues they face. These staff members provide advisory services in a wide range of fields, including arrangements for structured finance and syndicated loans, business succession, M&A, business matching, and development of overseas operations, and are continuing to offer optimal solutions in these fields. Especially in the area of business inheritance services—which aim to address the key management issues of transferring management rights to the next generation and helping business owners themselves to pass their

assets to their heirs—we formed the Consulting Division in April 2008. This division is well-positioned to address inheritance issues quickly and accurately and it combines capabilities for consulting, private banking, and trust business related services. We are continuing to pursue customer satisfaction through offering comprehensive consulting services centered around the Consulting Division and the full lineup of financial services in cooperation with Mizuho Trust & Banking and Mizuho Investors Securities.

Also, to take active initiatives in supporting customers among SMEs and middle-market companies that are realigning their business activities, in April 2009, we newly established the Credit Supervision Division IV. This department provides strong support to companies for continuing and revitalizing their operations through preparation of revitalization plans and advice.

The operating environment for financial institutions is expected to remain challenging, but we are responding quickly to today's rapid and far-reaching changes and are continuing to evolve in order to develop together with our customers.

Our aim is have our customers think “We are glad we chose Mizuho.” With the objective of winning customer satisfaction, the management and staff of the Mizuho Bank are devoting their fullest efforts and working as one to be reliable as a service enterprise.

July 2009



Satoru Nishibori  
President & CEO  
Mizuho Bank, Ltd.

### Basic Strategy for the Securities Business

To pursue synergies by strengthening ties between the group's banks and securities companies, Mizuho is creating an organization that utilizes and integrates its banking and securities functions to provide customers with comprehensive solutions based on customer segmentations. To this end, Mizuho securities (MHSC) handles securities business for the Global Corporate Group, and Mizuho Investors Securities (MHIS) handles securities business for the Global Retail Group.

Mizuho is aiming to maximize collective group capabilities by reinforcing mutual cooperation between the global groups so that the individual group securities companies can make the most of their strengths and characteristics in better satisfying customers' varied needs.

#### Mizuho Securities

MHSC is working closely with MHCN and other group companies to fulfill its aspiration of becoming "the global investment bank that customers trust most."

Following the merger of the former Shinko Securities and the former Mizuho Securities on May 7, 2009, the newly merged entity, Mizuho Securities, is making a fresh start, combining the former Mizuho Securities' global platform and the know-how it built up through its original wholesale securities business with the former Shinko Securities' nationwide customer base and full-service securities business network to provide higher-value-added financial services than ever before.

MHSC provides customers with all-round support through its investment banking services, proposing management strategies and procuring funding. It has already secured a position as a market leader in the bond underwriting business and structured finance. It has also occupied a top position in M&A and other financial advisory services. These constitute its main businesses, along with providing solutions through underwriting equities, support for IPOs, IR consulting, and financial and capital policy advisory services.

In providing and selling products, its principal operations cover sales and trading of bonds and equities, research and funds (investment trusts). It provides timely, high-quality information and offers high-value-added

products and solutions to meet the varied investment needs of a wide range of customers at home and overseas.

It is also making efforts to utilize its network of overseas subsidiaries for the integrated development of domestic and overseas business.

#### Mizuho Investors Securities

In addition to building a powerful cooperative network with MHBK, MHIS is working closely with other group companies to achieve its goal of becoming "the securities company that customers trust most to be close to them."

To expand its cooperative channels with MHBK, it is deploying joint branches known as "Planet Booth." It is also proactively strengthening ties with the group by, among other things, promoting a financial instruments intermediary service with MHBK, a trust business with MHTB as an agent, and an IPO support business in cooperation with other group companies.

With this as its business promotion base, MHIS responds to customers' asset management needs through various securities-related solutions, to their funding needs through equity and bond underwriting services, and to their capital structure planning needs through consulting services, thus providing carefully tailored, high-quality products and securities services in a speedy manner.

## Basic Strategy for the Trust Business

Through Mizuho Trust & Banking (MHTB), which offers a full range of trust services as the core of the Global Asset & Wealth Management Group, and the Trust & Custody Services Bank (TCSB), which offers full-line custody services, the group is working to make the most of its trust functions to deliver the best solutions to customers of the entire group, whether they belong to the Global Corporate Group or the Global Retail Group.

By adopting a basic strategy of building stronger ties with group companies, MHTB and TCSB will promote cooperation with group companies and offer new products and services to respond to customers' diversified needs quickly and accurately.

### Mizuho Trust & Banking

MHTB gives top priority to speedily and accurately offering 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. By satisfying customers in this way, it aims to become “the top brand in asset and wealth management.”

For individual customers, it offers various services pertaining to wealth management, from consulting in connection with overall asset management and investment to services relating to asset transfers—especially inheritance and wills—loan products, deposits and investment trusts, and asset management products that utilize its trust functions.

MHTB offers its corporate customers a wide range of services and optimal solutions pertaining to asset management. 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; pension and other asset management business; pension business ranging from pension trusts and consulting to actuarial and management services; asset administration business such as custody of investment trusts; and stock strategy business providing advisory services in connection with transfer agency operations and legal matters affecting stocks. Other solutions include deposits and loans.

As the environment affecting the trust business rapidly evolves, MHTB will promote greater cooperation among group companies to offer their customers a wide range of new products and services that accurately match their needs by seizing the opportunities presented by legislative and other environmental changes.

### Trust & Custody Services Bank

Based on its advanced back-office and systems infrastructure, its rigorous internal control systems, and its “customer first” principle, TCSB satisfies customer needs for financial institutions and institutional investors by offering a wide range of products, from trust and custody services to cutting-edge securities management models as a “full-line custodian bank.”

## Basic Strategy for the Asset Management Business

In the investment trust and pensions markets, the group aims to become one of the world's leading players in terms of both quality of services and volume of assets under management.

Our asset management companies, Mizuho Asset Management and DIAM, make the most of their individual specialties in offering high-quality products and services to both group and non-group customers. In the distribution of investment trusts, they offer a widely varied lineup of products designed to meet the increasingly complicated and sophisticated needs of customers.

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