



Mizuho Financial Group marked its 10th anniversary in September 2010. I would like to start my message with my sincere gratitude for your strong and continuous support over these 10 years.

Looking back over the economic conditions in 2010, the global economy has maintained a moderate recovery throughout the year. This is mainly due to various policy measures, including stabilization of the financial system and fiscal stimulus packages, which were taken by major countries in cooperation with each other in response to the financial crisis. Nevertheless, concern about the aggravation of the fiscal condition of some industrialized countries has led to austere fiscal policies in some countries, which has added downside risk and uncertainties for the economy going forward.

As for the Japanese economy, although it is maintaining positive growth, as a result of improvement in corporate profitability and other factors, the recovery appears to be pausing due to the continuous mild deflationary conditions and the sharp appreciation of the yen.

In addition to these changes in economic conditions, the environment for financial institutions is changing drastically along with the revision of financial regulations and other developments. To respond promptly and appropriately to the new business environment, we launched

“Mizuho's Transformation Program” in May 2010. In brief, through a fundamental review of the management issues that we face, we are implementing the program on a group-wide basis to enhance our strengths in three areas, namely: profitability, financial base, and front-line business capabilities, with the objective of achieving sustained growth. In the following paragraphs, I would like to give you a report on our activities under these programs.

Achievements during the First Half of Fiscal 2010

First, under our “Program for Improving Profitability,” we are strengthening our top-line profits through enhancing focused business areas and, based on a vigorous review of our operations, we are reducing costs and reallocating management resources. During the first half of fiscal 2010, we recorded robust profits. This is due to an increase in income from the Trading segment derived from flexible and timely operations properly interpreting market trends, in addition to a year-on-year increase in income from Customer Groups, both domestically and overseas, arising mainly from non-interest income. Also, as a result of overall cost reduction efforts and other factors, consolidated net business profits amounted to ¥464.9 billion, a year-on-year increase of ¥105.4 billion.

Second, in our “Program for Enhancing the Financial Base,” our objectives are the strengthening of the capital base and improvement of the asset portfolio. As a result of the common stock issuance (the number of shares issued: 6 billion shares, total amount paid: ¥751.6 billion) in July 2010 and the recording of consolidated net income of ¥341.7 billion for the first half of the fiscal year, we made major progress in strengthening the quality and quantity of capital. It has become increasingly important for financial institutions to strengthen capital base amid the ongoing global discussions on the revision of capital regulations. Therefore, as our medium-term target, Mizuho Financial Group aims to increase its consolidated Tier 1 capital ratio to 12% level and prime capital ratio to 8% or above, and as of September 30, 2010, its consolidated Tier 1 capital ratio and prime capital ratio were 11.78% and 8.10%, respectively. Accordingly, we believe that we will be able to sufficiently meet new capital regulations by further strengthening our financial base through the implementation of our Transformation Program. Non-performing loan (NPL) ratio also remained at a low level of 1.90%.

Third, under our "Program for Strengthening Front-line Business Capabilities," we are redeploying personnel to the marketing front-line through downsizing and rationalization of corporate management functions, and also improving the efficiency of the business infrastructure. During the first half of the current fiscal year, we deployed 260 staff, mainly to our strategic areas centered on the Tokyo metropolitan area and Asia region. In addition, we established footholds for further developing the base for group-wide optimization, mainly through three committees, namely: the Committee for Strengthening Front-line Business Capabilities, the Committee for Cost Structure Reform Promotion, and the Committee for IT Strategic Investments.

We believe that we made solid progress as we proceeded with the steady implementation of Mizuho's Transformation Program, even though only a half year has passed. Nevertheless, we fully understand that a lot more work needs to be done continuously. All the group's management and staff will continue to work together in carrying out the program.

In addition, in the facilitation of financing, we sincerely believe that providing a smooth supply of funds to customers is an important social responsibility of financial institutions. Accordingly, our group will devote its fullest efforts, as it has thus far, to attaining this objective.

In view of the group's strong progress in the first half of fiscal 2010 in comparison with the original plan, we have revised our plans for the full fiscal year as follows: consolidated net business profits: ¥820.0 billion (an increase of ¥70.0 billion compared with the original plan announced in May 2010), and consolidated net income: ¥500.0 billion (an increase of ¥70.0 billion).

As we pursue an optimal balance between "strengthening of stable capital base" and "steady returns to shareholders", we plan to make cash dividend payments of ¥6 per share of common stock for fiscal 2010, unchanged from our existing estimate. We also plan to make dividend payments on preferred stock as prescribed.

Marking Mizuho's 10th Year

In September 2010, Mizuho marked the 10th anniversary of its establishment. The past decade has been a time of challenges which we have overcome. We have continuously identified the changes in our business environment, responded to them, and overcome the challenges arising

from them.

In order to rebuild "Mizuho" which could respond to a new era on the historical base that we have built over the past decade, we launched "Mizuho's Transformation Program." The future vision of our group is to become "the most trusted financial institution by our customers by focusing on the core function of a financial institution, which is to contribute to social and economic development." To pursue this objective, we will steadily implement Mizuho's Transformation Program, and, by maintaining our basic stance of being "customer-oriented," "frontline-oriented," and "future-minded," endeavor to provide the highest-quality financial services to respond to the full range of customer needs.

To fulfill Mizuho's mission as "A financial partner that helps customers shape their future and achieve their dreams" under the group's brand slogan "Channel to Discovery," we are working to steadily and surely implement our business strategies based on solid internal control systems. We also pursue corporate social responsibilities (CSR) through such activities as providing support for financial education and implementing our environmental initiatives. Through these initiatives, we are working to further increase our group's corporate value while fulfilling our social responsibilities and accomplishing our public mission. We look forward to your continuing support for these endeavors.

January 2011



Takashi Tsukamoto
President & CEO
Mizuho Financial Group, Inc.

Note: The above, which was prepared prior to the announcement of our financial results for the third quarter of fiscal 2010, 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.