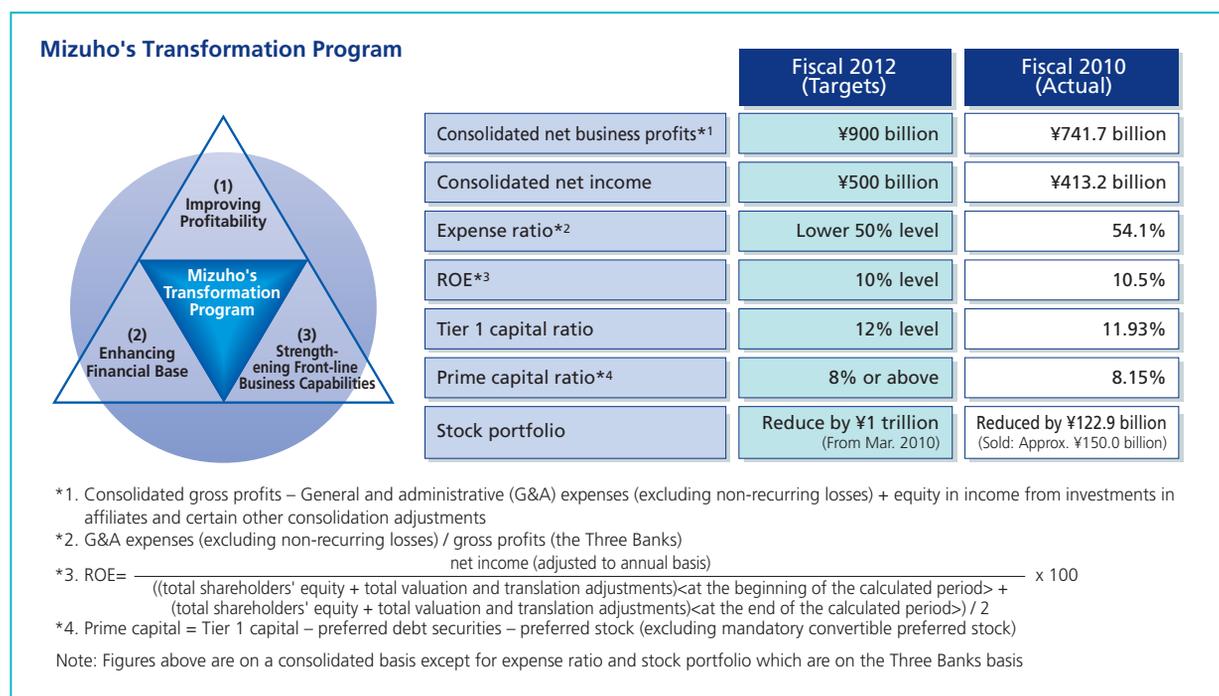


Progress in Mizuho's Transformation Program



Program for Improving Profitability Business Strategy

● Tokyo Metropolitan Area and Large Corporate Customers

In the Tokyo metropolitan area, by promoting our “hybrid approach” through coordinated organic linkage between remote channels and branches as well as “enhancement of retail marketing management”, we substantially increased sales of investment products, including investment trusts, and the amount of newly executed housing loans. For large corporate customers, we strengthened our capability to offer comprehensive products in response to their business strategies and financial issues. In the domestic syndicated loan market, especially, we have put a great deal of effort into using a wide and varied range of schemes, from routine financing to acquisition finance, real estate finance and finance for PFIs. As a result, Mizuho was accounted for approximately 40% share of this market according to the Thomson Reuters domestic bookrunner league table.

MHFG: Mizuho Financial Group
 MHCB: Mizuho Corporate Bank
 MHBK: Mizuho Bank
 MHTB: Mizuho Trust & Banking
 MHSC: Mizuho Securities
 MHIS: Mizuho Investors Securities

● Asia Region

In Asia, we promoted various support not only for local companies but also for the companies entering the Asian markets, and got involved in the environmental and infrastructure-related projects. We also enhanced our overseas network. We obtained approval for a commercial banking license in Malaysia and, in November 2010, we opened Mizuho Corporate Bank (China)'s Suzhou Branch. In addition to concluding a letter of intent for business collaboration with Malaysia's largest financial institution, we established alliances with government agencies and state-owned enterprises in China, Taiwan, Korea, Indonesia and Vietnam. To strengthen our hedge fund business, we set up Mizuho Global Alternative Investments in Tokyo, and acquired EurekaHedge, a Singapore-based company providing hedge fund research and data services.

● Asset Management Business

Mizuho acquired a portion of the shares of common stock of BlackRock, one of the largest asset management companies in the world in November 2010. Mizuho and BlackRock signed the business alliance agreement that would further promote strategic cooperation between the two firms in Japan and Asia in March 2011 with a view to expanding our business base, centered in Japan and Asia, and pursuing strategic business cooperation.

● Drawing on the Full-line Services of Banking, Trust and Securities Functions

To strengthen collaboration among group companies and offer more diversified financial services, MHTB is speeding up its establishment of Trust Lounges, which specialize in consultations and offer unique trust services, including asset inheritance, real-estate-related business. At the same time, MHBK, MHTB and MHIS are moving ahead with establishing joint branches.

Cost Reduction through Vigorous Review of Businesses and Reallocation of Management Resources to Focused Strategic Business Areas

Implementation of cost reductions across the group by establishing the Committee for Cost Structure Reform Promotion resulted in a year-on-year cost reduction of ¥30.0 billion on the Three Banks* basis.

*the Three Banks: MHCB, MHBK and MHTB

Program for Enhancing the Financial Base Strengthening the Capital Base

In July 2010, MHFG issued common stock (the number of shares issued: 6 billion shares with a total paid-in amount of ¥751.6 billion). In addition, we strove to proceed with the accumulation of retained earnings through the implementation of our Program for Improving Profitability, and, for fiscal 2010, we reported consolidated net income of ¥413.2 billion. As a consequence, our Tier 1 capital ratio reached 11.93%, and our prime capital ratio stood at 8.15% as of March 31, 2011, greatly improving our financial base.

Improvement of the Asset Portfolio

We strategically reallocated risk-weighted assets as we worked toward the "improvement of asset efficiency" and "further strengthening of risk management." In parallel with these activities, we had reduced our stock portfolio of ¥122.9 billion in fiscal 2010.

Program for Strengthening Front-line Business Capabilities

We established Committee for Strengthening Front-line Business Capabilities and are implementing a range of related initiatives. These include consolidating and reorganizing corporate planning and management functions, unifying financial product functions, consolidating operation centers, and reforming the structure of our IT cost.

Redeploying Personnel to the Marketing Front-line

In addition to preceding four units, namely: human resources, administration, IT systems, and operations, we have unified other corporate planning and management functions across the group, whereby we made the transition to a new system. With regard to the redeployment of approximately 1,000 personnel to the marketing front-line, we exceeded the levels planned for fiscal 2010 by moving 340 people.

Improving Business Infrastructure Efficiency

We have made a steady progress in improving the efficiency of our business infrastructure by consolidating a part of the operations of MHCB and MHTB into those of MHBK and proceeding with the consolidation and reorganization of operations among the Three Bank's operational centers. We have also established Committee for IT Strategic Investments to optimize the group's IT systems investment portfolio. In light of recent IT systems failures, we are reexamining the form the next-generation account management system should take, with special emphasis on stability and dependability.

Further Acceleration of Mizuho's Transformation Program

We have been implementing our customer first policies since Mizuho's Transformation Program was launched in May 2010. At the same time, we have undertaken drastic reviews of our profitability, financial base and front-line business capabilities to enable us to adapt more rapidly and appropriately to the new business environment, and have executed initiatives to strengthen these capabilities. For the purpose of integrating group-wide business operations and optimizing management resources, such as workforce and branch network in April 2011, the respective share exchange agreements were entered whereby (i) MHTB would be turned into the wholly-owned subsidiary of MHFG, (ii) MHSC would be turned into the wholly-owned subsidiary of MHCB, and (iii) MHIS would be turned into the wholly-owned subsidiary of MHBK (the "Transactions"). The Transactions were approved at the relevant general meetings of shareholders in June 2011.

In respect of the securities business, the group will consider the integration of MHSC and MHIS by merger

or other methods after the completion of the Transactions in September 2011 in order to enhance the retail business in Japan, rationalize and streamline management infrastructure, and provide securities functions in a unified manner through the group's full-line securities company.

However, the recent computer system failures that we experienced have made it clearly apparent that implementation of further proactive and self-disciplined transformation is necessary in order to become "the most trusted financial institution" which we have raised as Mizuho's future vision. With this in mind, we determined to accelerate the implementation of the Transformation Program following our "Actions to Restore Customer Confidence" announced in May 2011. More specifically, we have decided that we will further strengthen the unified management of the group through substantial consolidation and unification of our "management structure," "human resource management" and "business infrastructure," and substantively transform into "one bank" with a view towards integration by merger, etc., in the future. These initiatives are designed to ensure the thorough implementation of our customer first policy.

Note: The above 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.