

In order to meet the needs of individual customers throughout their lives, Mizuho prepares financial plans and advises each customer on products and services such as household account management, preparation for the future, housing and education funds, retirement fund management, inheritance funds, and so on, to meet the various stages and circumstances of their lives.

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### Meeting Customers' Asset Management Needs

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#### Investment Trusts and Insurance Products

In order to support the management of its customers' invaluable assets, Mizuho offers a variety of investment products apart from deposit products, such as investment trusts.

MHBK and MHSC have been expanding their product lineup such as the i-Mizuho Index Series, a group of 22 no-load funds which are offered through the Internet, and managed by BlackRock, one of the largest asset management companies in the world, as well as a fund featuring flexible reallocation of the asset portfolio to suit market conditions.

In addition, Mizuho offers a selection of insurance products, ranging from personal pension insurance and whole-life insurance to medical insurance and long-term care insurance to help customers prepare for future contingencies. In January 2014, MHBK began to offer a group medical insurance plan, Minna no Kantan Iryou Hoken, to all its customers holding ordinary deposit accounts.

#### Asset Management Products with Trust Functions

MHTB offers results-based dividend-type money trusts Chochiku no Tatsujin (Expert Saver). These trusts are provided at all branches of MHBK, with the exception of those specializing in corporate business, and many customers are making use of this product.

In addition, MHTB provides Asset Management Trust, a trust product which is separately established and managed for each customer primarily by accepting their stocks, bonds, and other securities. Making the most of the know-how it has accumulated through its asset management business as a trust bank, it is responding to customers' various needs ranging from support for asset management and investment to methods for dealing with treasury stocks, which require special care.

#### Equities and Bonds

Besides offering investment products such as domestic and

overseas equities and bonds as well as structured bonds, MHSC is making efforts to enhance its capabilities for providing investment information in a timely manner. Moreover, through its financial product intermediary and customer introduction services, it offers a wide range of financial products to customers across Japan by supplying these products to MHBK, registered regional banks and other financial institutions that have strong customer bases in their respective areas.

### T O P I C S

#### Approaches to the Japanese Version of the Individual Savings Account (NISA)

Mizuho advises its customers on making use of the Japanese version of the Individual Savings Accounts (NISAs), which are tax-exempt up to a specified limit, for asset management, based on interviews with customers to determine their specific asset management needs.

It is also drawing on the comprehensive capabilities of the group. For example, MHBK and MHTB are introducing their customers with equity investment needs to MHSC. As of March 31, 2014, a total of about 500,000 customers had made applications for opening these accounts.

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### Meeting Customers' Lending Needs

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#### Housing Loans

From August 2013, MHBK is offering Life Stage Support Plan, a service that makes it possible to increase or decrease housing repayments to meet the household budget requirements of various life stages, such as periods when income declines as parents take child-rearing leaves and times when expenses rise as children enter school.

Meanwhile, to enable our customers to consult on weekends and during the evening on weekdays, MHBK holds housing loan consultations and has set up Loan Consulting Squares for consultations and loan contracts.

#### Reverse Mortgage Loans

Against the background of the demographic aging of the population, MHBK offers Mizuho Prime Age, a reverse mortgage loan where customers may obtain loans based on the asset value of their homes. MHBK is working with leading fee-based nursing home management companies, real estate

management companies, and security guard service companies to provide a wide range of benefits and improve related services.

### Money & Loan Support Service “Mizuho MyWing”

MHBK began to offer Mizuho MyWing service in February 2014. It provides a package of services, including a loan function, household management applications software, toll-free telephone advisory services, various types of seminars, and other functions that help customers realize their dreams.

### Rental Condominium and Apartment Loans

MHTB offers the Produce rental condominium and apartment loan product to customers who want to make more effective use of their real estate. Produce, a dedicated loan product for rental condos and apartments, offers loans of up to ¥1 billion with a maximum repayment period of 35 years (for reinforced concrete construction) in the Tokyo metropolitan area and the Kinki region. It also provides lease business consulting services to help customers with their life planning or inheritance arrangements for the future.

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### Improving Channels and Membership Services

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### Branches and ATM Network

Mizuho is making efforts to expand its branch and ATM network.

It is establishing joint branches that make use of banking, trust banking and securities functions. Specifically, it has set up MHTB's Trust Lounges which specialize in consultations and MHSC's Planet Booths, which are located within the same buildings as MHBK branches.

Furthermore, MHBK, MHTB, and MHSC have begun to offer their customers services on AEON Bank ATMs from the second half of fiscal 2013. AEON Bank ATMs are located nationwide in Japan in shopping centers, supermarkets,

#### T O P I C S

##### Extension of ATM Corner Operating Hours

Beginning in March 2014, MHBK extended the operating hours of its ATMs. Now, customers can make use of about 600 locations, mainly around railway and other stations from 6 AM through 2 AM the following day.

convenience stores, and elsewhere. As a result, customers will have access to ATM services at the same fees charged on MHBK ATMs in locations that are more convenient for their daily routine.

### Services through Internet and Other Channels

To enhance customer convenience, Mizuho continues to improve its services using the Internet. As of the end of March 2014, about 10 million people signed up for MHBK's Mizuho Direct. In addition, the number of smartphone and tablet banking users has exceeded 1 million. Also, many customers are making use of the Mizuho Bank App, which has been downloaded approximately 350,000 times as of the end of September 2013.

To provide for an even more pleasant usage environment, MHBK is upgrading the various kinds of services it offers for smartphones.

#### T O P I C S

##### New Services Available on Smartphones

Mizuho is steadily increasing the range of convenience services customers can access using their smartphones. These include the Kantan Koza Kaisetsu Application, an application that enables users to open new accounts by making use of their smartphone cameras, a function that provides information on how crowded branch teller windows are and sounds an alarm when their service number is called, and a voice-based application that allows customers to search for branches and ATMs.

In recognition of its initiatives to offer more advanced services, in April 2014, Mizuho received the MCPC\* Award's Encouragement Prize for its “smart reception system available through smartphones.” This marked the fourth consecutive year since 2011 for Mizuho to receive this award.

\*MCPC: Mobile Computing Promotion Consortium

### Promoting Business Aimed at Employees of Corporate Customers

MHBK provides products and services for senior executives and employees of Mizuho's corporate customers to meet the various needs of each customer at each stage of his or her life. These include opening accounts for receiving salary when they start to work, offering information on asset formation, consultations on housing loans for new house purchases, offering comprehensive proposals on postretirement life planning, and managing retirement allowances.

## Mizuho Mileage Club

At the end of March 2014, over 10 million people signed up for MHBK's Mizuho Mileage Club service. Club members can take advantage of attractive benefits, if they meet certain qualifications, that include exemption from payment of after-hours ATM fees. Also, beginning at the end of May 2014, customers who maintain certain balances in their MHSC and MHTB accounts became eligible for these services and are now able to use even more convenient MHBK services.

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## Meeting Customers' Asset Inheritance Needs

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### Testamentary Trusts

MHTB's testamentary trust business offers three services: "consent to undertake the execution of wills service," a comprehensive service for handling everything to do with wills, from consultation for drafting to execution; "will safe-keeping service" to hold wills in safe custody; and "inheritance distribution service" to act as agent for heirs in executing the procedures necessary when an inheritance arises. As of the end of March 2014, MHTB had signed trust agency contracts for testamentary trust business with a total of 25 financial institutions, including MHBK and MHSC.

### Asset Inheritance Support Utilizing Trust Services

MHTB offers its Monetary Asset Inheritance Trust, named Yasuragi, which is a form of specified money trust that enables customers to leave tailor-made instructions for the distribution of their monetary assets. By combining this product with the features of testamentary trusts which focus on the distribution of customers' entire assets, MHTB meets the various needs of its customers concerning their inheritance of monetary assets.

## T O P I C S

### "Mizuho Family Trust" Introduced

Beginning in May 2014, MHTB began to offer its Mizuho Family Trust. Under the arrangements of this trust, when assets are to be inherited, the funds that the heir requires for his or her current and future livelihood are paid to the recipient specified in the terms of this trust. These arrangements draw fully on the features of trusts and provide strong support for future family needs.

In addition, based on a system established following revisions in the taxation system that were enacted in fiscal 2013, MHTB introduced an education tuition trust, named Manabi no Okurimono, which enables grandparents to give funds for educational purposes to their grandchildren on a tax-exempt basis, provided certain conditions are satisfied. This trust is also offered through MHBK, which acts as an agent for MHTB.

### Services for Customers with Real Estate

In cooperation with Mizuho Trust Realty, MHTB responds to its customers' diverse needs, including trading in real estate for investment and making more efficient use of idle land.

MHTB provides total support services for its customers' real estate transactions. This includes information that takes account of trends in laws and regulations, such as revisions in inheritance tax matters and changes in legal requirements for earthquake resistance and other matters as well as measures to assist customers in asset and business inheritance.

### Japanese-Style Private Banking through "One MIZUHO"

High-net-worth customers, principally those among corporate owners, have a wide range of needs related to the business growth and expansion, stable management of individual assets, business and asset inheritance, and other matters from the perspectives of both corporate management and individuals. In particular, some of the most important issues to be addressed are obtaining advice on business and asset inheritance from management and individual perspectives that takes account of the tax environment in Japan, which differs from that in Europe and the United States.

Mizuho aims to be the long-term business partner of its customers among high-net-worth individuals, from both the management and individual perspectives, and respond to all their needs related to inheritance of businesses and assets by the next generations. To this end, Mizuho has created a private banking service structure based on collaboration among banking, trust, and securities.

Mizuho Private Wealth Management (MHPW) offers comprehensive private banking services, including not only just financial services but also nonfinancial services for extremely high-net-worth customers.

In addition, for high-net-worth individuals who own real estate, MHBK, MHTB, and MHSC hold joint seminars and work to provide customers with the latest information related to real estate markets, changes in tax regulations, and other relevant matters.

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### Approaches to Large Corporations

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With the increasingly diversified, sophisticated, and globalized financial needs of large corporate customers, financial institutions need to offer sophisticated, advanced and comprehensive solutions to their customers.

Based on its strong and long-lasting relationships with major corporate customers, Mizuho is positioned to offer a full lineup of financial solutions that combine its specialized functions in banking, trust banking, and securities to meet customer needs for fund-raising and management as well as financial strategies.

Acting as relationship managers (RMs) for the entire group, Mizuho's RMs for large corporate customers accurately identify their customers' management issues and offer diversified solutions to help them realize their growth strategies. Services range from precisely identifying customer's management issues to providing support for realignment of domestic businesses, implementing cross-border M&A, and global business development.

### Banking, Trust Banking, and Securities Collaboration

Staff members of Mizuho are concurrently working in some of the domestic business promotion divisions at both MHBK and MHSC, thus promoting further collaboration within the group. MHBK and MHSC collaborate at home and overseas in establishing global securities business strategies and providing solutions that are suited to customers' capital management as well as business and financial strategies.

In addition, RMs of MHBK and MHTB are working together as one to meet the diverse customer needs for management of their assets, streamlining their balance sheets and other services. This collaboration enables them to offer the optimal trust solutions to their customers based on an industry leading track record in real estate as well as know-how and experience in the fields of pensions, securitization, securities administration, transfer agency services, and consulting.

### Industry Research

Changes in global industrial structures and diversification of corporate strategies appear to be gaining momentum. Against this background, Mizuho's Industry Research Division acts as the research team, proposing global and comprehensive solutions to customers on the basis of its deep understanding of industry. Its activities focus on three areas: (1) the "sector-specific analyst function," which offers wide-ranging information and analysis concerning industry;

(2) the "sector-specific strategist function," which works on future business strategy proposals; and (3) the "corporate finance function," which supports the formulation of customers' financial and management strategies.

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### Approaches to SMEs and Middle-Market Corporations

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#### Responding to Funding Needs

To assist its customers in raising funds for their initiatives in growth fields, Mizuho has established its Fund for Strengthening Growth Foundations, amounting to ¥1 trillion, and is actively meeting wide-ranging needs for growth financing.

Mizuho also offers Mizuho Eco-assist and Mizuho Eco Private Placement to respond to the funding needs of its customers who adopt a positive approach to environmental issues.

In response to Japan's aging population and falling birthrate, Mizuho provides Mizuho Heartful Loans and Mizuho Heartful Private Placement to customers who are proactively involved in promoting employment among the elderly and the disabled.

#### Business Matching

Mizuho is proactively engaged in business matching services, introducing customers of Mizuho who best satisfy the business needs of other customers. During the second half of fiscal 2013, Mizuho held two major events. The first of these was the Business Matching Forum: Food Products Distribution, and the second was titled the Business Matching Forum in Tokai, which was based on the theme of healthcare for senior citizens.

#### Support for Overseas Business Expansion

Specialist staff in Japan and overseas who are well versed in overseas business provide the best possible information and services according to the development stage of the business in question—local feasibility study, overseas business strategy formulation, establishment of overseas subsidiary, post establishment business management, and so on through utilizing Mizuho's Asian network, which is one of the most extensive among any Japanese bank.

#### IPO Support

Mizuho responds to the needs of customers planning IPOs by providing services in collaboration with other group

companies: MHSC provides broadly based support as a securities company; Mizuho Capital serves as a venture capital investor and gives advice on going public; and MHTB offers advisory and stock transfer agency services.

### Mizuho Business Financial Center

MHBK is proactively engaged in the lending business, and has concentrated its overall lending operations for small-scale companies in Mizuho Business Financial Center, a subsidiary specializing in lending.

#### T O P I C S

##### Activities to Strengthen Growth Foundations

Mizuho aims to contribute to the growth of Japan, the rest of Asia, and the rest of the world and to become the comprehensive financial group that is open to the world and wins the maximum trust of its customers. To contribute to the competitiveness of Japanese industry, Mizuho actively supplies funds to its customers and supports their growth strategies.

Recently, MHBK has set aside a fund (lending allocation) totaling ¥1 trillion to finance the strengthening of corporate growth foundations. By setting interest rates flexibly, Mizuho is actively working to supply funding for a wide range of large corporations and SMEs.

##### Asset Backed Lending (ABL) to SME Customers

To provide smooth supplies of funding to SME customers, MHBK began to handle Mizuho Electronically Recorded Monetary Claims ABL in January 2014 that take electronically recorded claims (*densai*) that are recorded with Densai Net as collateral and make loans against these claims.

In addition, based on the Tokyo Movable Asset and Monetary Asset Claims (ABL) System established by the government of Tokyo, in May 2014, it began to offer Mizuho Tokyo ABL arrangements that lighten the burden of expenses and administrative costs associated with ABL financing.

### Approaches to Financial Institutions and Public-Sector Entities

To meet the needs of customers among financial institutions, Mizuho offers optimal solutions such as advice on financial

strategies and risk management, assistance in customers' overseas business and proposals for investment products. Responding to the needs of customers among public-sector entities, Mizuho offers comprehensive financial services, such as financing support including underwriting public bonds, performing services as a designated financial institution, and PFI/PPP. Moreover, in cooperation with other financial institutions and the public sector, Mizuho has established the Sixth Industry Fund for the Agriculture, Forestry, and Fishing Sectors, and also in cooperation with other public-sector and private-sector funds, is working to provide risk capital for growth industries.

#### T O P I C S

##### Sixth Industry Fund for the Agriculture, Forestry and Fishing Sector

Mizuho views that restructuring agriculture, forestry, and fishing in Japan as a growth sector is the key to expanding domestic demand, creating jobs, and revitalizing regional communities. Drawing on its abundance of investment experience and customer base throughout Japan, Mizuho is supporting the transformation of Japan's agricultural, forestry, and fishing industries into growth sectors. Specific examples of activities under way to facilitate this transformation include collaborating with the Support Organization for Transformation of Agriculture, Forestry, and Fishing sectors; regional financial institution; and local governments as well as establishing sixth industry funds for the agriculture, forestry, and fishing sectors. In addition, a sixth industry desk has been established in MHBK and are providing risk money, structuring business models, and a policy recommendation initiative that draws on Mizuho's industrial sector knowledge. These activities are contributing to the transformation of agriculture, forestry, and fishing industries into growth sectors and to the revitalization of regional economies.

### Investment Banking Products and Services

In its investment banking services, Mizuho offers sophisticated financial solutions that draw on its integrated banking, trust, and securities capabilities to meet the needs of a full range of customers, from major corporations to SMEs. To accelerate the integration of banking, trust, and securities functions, Mizuho has adopted its "dual hat" structure in its various areas including M&A advisory services, real estate

finance, electronic claims, real estate arrangements, and structured finance.

### M&A

To increase the corporate value of its customers, Mizuho offers sophisticated M&A solutions in collaboration with its group offices and companies at home and overseas.

MHBK is strengthening its initiatives to support the M&A strategies of its customers through finance arrangements, including cross-border M&A, acquisitions involving LBO arrangements, and going private MBOs. In addition, MHBK provides advisory services for domestic companies with needs for business succession.

MHSC draws on its advanced sectoral knowledge and know-how in advisory services, and has compiled a top-class performance record not only in arranging M&A deals between domestic companies but also in offering advisory services with a global perspective.

### Real Estate

Mizuho provides comprehensive services and support related to a wide range of real estate related needs, including structuring the most efficient scheme to raise total funding by utilizing real estate and real estate investment strategies. Drawing on its abundant experience and know-how in the banking, trust, and securities fields, Mizuho is capable of dealing with a wide range of real estate related issues through the provision of a diversity of solutions. Issues addressed include assisting in business realignments, expansion in overseas markets, strengthening financial position, preparation of business continuity plans (BCPs), diversification of fund-raising sources, rebuilding and effective usage of existing real estate properties, corporate real estate (CRE) strategy, and real estate related M&A.

Also, MHTB offers real estate related services that are integral to its trust related services. These include real estate brokerage; real estate appraisal; land trusts; acceptance of real estate properties for administration, disposal, and trust; asset management; and J-REIT asset custody and accounting services.

MHSC offer opportunities for accessing capital markets through various arrangements, ranging from securities backed by debt obligations, such as commercial mortgage backed securities (CMBS), to investment products, such as J-REITs, privately placed REITs, and privately placed real estate funds.

### Asset Finance

Drawing on its integrated banking, trust banking, and securities capabilities, Mizuho supports customers' financial strategies by offering sophisticated solutions. These include domestic and overseas arrangements for securitizing and liquefying short-term monetary claims, lease credit receivables, mortgage loans, and other assets. Services also include arrangements for lease financing of movable property, such as equipment, inventory assets, ships, and aircrafts; whole business securitization, and settlement services using electronically recorded monetary claims (electronic payments, e-Noteless, etc.).

MHTB also offers solutions that draw on its trust asset administration and management services. These include security trusts for administration of loan collateral claims as well as escrow and other trusts for holding settlement funds.

Similarly, MHSC offers diverse financial solutions that include not only syndication and distribution of securitized products backed by various assets, but also solution that matches the investment product needs of a diverse range of investors and the requirements of corporate customers. MHSC has achieved the strong track record of major arrangements of securitization related business in Japan.

### Project Finance

MHBK is a top global player in the arrangement of, and performance of advisory services for, project finance deals that enable the procurement of long-term capital for natural resource development abroad, the building of electric power generation projects in Japan and overseas, and the construction of public infrastructure. In Japan, MHBK is working in a broad range of related areas. These include its initiatives to strengthen its support framework for promoting

## T O P I C S

### Geothermal Project in Indonesia

In March 2014, MHBK syndicated a project finance arrangement totaling approximately US\$1,170 million together with the Japan Bank for International Cooperation and the Asian Development Bank, for the construction and operation of the world's largest-scale Sarulla Geothermal Power Plant project in North Sumatra Province in Indonesia.

MHBK is not only a member of the lending syndicate but also contributed to the syndication by providing a wide range of advisory services, including economic analysis, support in contract negotiations, and structuring of financial arrangements.

the wider use of renewable energy, such as the Mizuho Mega-solar Fund. Project finance activities in Japan also encompass the arrangement and promoting of PFI/PPP deals through a newly formed department specializing in this area.

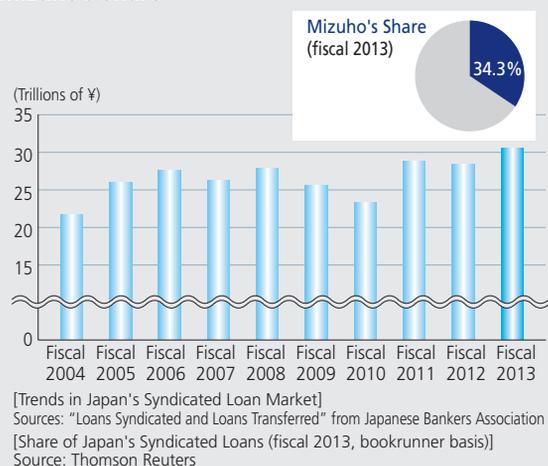
## Corporate Finance

### Syndication Business

MHBK is proactively engaged in the use of syndicated loans that employ wide and various sorts of financing, such as cross-border finance, acquisition finance (M&A, LBO, etc.), project finance, real estate finance, and finance for business restructuring.

MHBK has a global platform for its syndicated loan business (together with its overseas offices) to satisfy the diverse financing needs of global companies and international institutions located in Asia, Europe, and the Americas. As a result, the group has maintained the top position for five consecutive periods, with a 34.3% share in Japan in the league table for fiscal 2013. The group also took eighth place in the global league table.

### Trends in Japan's Syndicated Loan Market and Mizuho's Share



### Private Placement Bond

To meet the diverse funding needs of customers, MHBK is providing support in the form of long-term, stable capital through the issuance of bonds in the private-placement markets.

### Bond Underwriting Business

MHSC maintains its sector-leading performance in the area of bond underwriting operations through its ability to propose solutions that suit the market environment and match issuers'

needs, its ability to set prices to reflect investor demand with precision, and its powerful bond sales capabilities.

### Equity Underwriting Business

In the equities underwriting business, MHSC draws on its superior stock underwriting know-how and its enormous equity selling power in Japan and overseas to achieve sector-leading performance by serving as lead underwriter in a steadily increasing number of large finance deals. Its activities also include providing support for stock exchange listings of customers planning to list their stocks.

#### Domestic Public-offering Bonds League Table

\*Underwriting amount basis, including straight bonds, investment corporation bonds, Zaito institution bonds, municipal bonds (lead manager method only), samurai bonds and preferred securities.  
(April 2013 to March 2014, pricing date basis)

Rank	Company name	Amount (billions of ¥)	Share (%)
1	Mizuho Securities	2,820.9	18.5
2	Mitsubishi UFJ Morgan Stanley Securities	2,796.8	18.4
3	Nomura Securities	2,758.4	18.1

Source: Calculated by MHSC, based on data from I-N Information Systems

#### Total Domestic Equity League Table

\*Underwriting amount basis, including initial public offerings, public offerings, convertible bonds and REITs.  
(April 2013 to March 2014, pricing date basis)

Rank	Company name	Amount (billions of ¥)	Share (%)
1	Nomura Securities	865.8	30.9
2	SMBC Nikko Securities	483.3	17.3
3	Mitsubishi UFJ Morgan Stanley Securities	400.2	14.3
4	Mizuho Securities	333.4	11.9

Source: Calculated by MHSC, based on data from I-N Information Systems

#### M&A Advisory Ranking

\*Based on No. of deals Japanese companies were involved in (excl. real estate deals).  
(April 2013 to March 2014)

Rank	Advisor	No. of deals	Amount (billions of ¥)
1	Sumitomo Mitsui Financial Group	151	2,340.5
2	Mizuho Financial Group	140	1,584.8
3	Nomura	100	2,603.7

Source: Calculated by MHSC, based on data from Thomson Reuters

#### Overall ABS Bookrunner League Table

\*Transaction amount basis.  
(April 2013 to March 2014, closing date basis)

Rank	Company name	No. of deals	Amount (billions of ¥)
1	Mizuho Financial Group	180	1,130.5
2	Morgan Stanley	14	377.7
3	Sumitomo Mitsui Financial Group	7	331.4

Source: Calculated by MHSC, based on data from Thomson Reuters

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### Transaction Business

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#### Domestic Settlement Service

Through its nation-wide branch network and Internet banking services including the Mizuho e-Business Site, Mizuho offers not only services such as transfers, foreign exchange and electronically recorded monetary claims but a variety of settlement services relating to payments and collections such as debit cards, Pay-easy, Internet transfer settlements, etc.

#### Cash Management Service

Mizuho responds to customers' needs on a global basis by offering sophisticated cash management services. In Japan, these include zero balancing services and integrated payment services, often in combination with Mizuho Advanced CMS. It also offers Mizuho Global CMS and the Mizuho Global Cash Pooling Service abroad.

#### Foreign Exchange and Trade Finance

In addition to offering cross-border settlement services for RMB and various emerging currencies, hedges against foreign exchange risk and issuing bonds for foreign trade, Mizuho provides cutting-edge solutions including securitization of overseas accounts receivable, trade finance using letters of credit and ECA (export credit agencies) finance.

#### Yen Settlement and Custody Services for Non-residents

MHBK offers various cash and securities clearing & settlement services, including correspondent yen settlement services and custody services for non-residents. To prepare for disasters and other contingencies, it maintains a dual office system. In addition, in the area of custody operations, it has acquired a business model patent for managing investment assets.

#### Global Custody Business

To meet the growing needs of its customers for global investment related services, MHTB has established a network with Trust & Custody Services Bank (TCSB), and with its own overseas subsidiaries, Mizuho Trust & Banking (USA) and Mizuho Trust & Banking (Luxembourg), to offer global custody services (for administration of overseas securities) to the global market. In this global custodian business, MHTB offers in-depth services, as a Japan-based custodian, that are

tailored to customer requirements and backed by the extensive experience of its staff who have specialized know-how in the tax and legal regulations of various countries. MHTB also offers other high-value-added services, including securities lending as well as foreign exchange and money market transactions. Mizuho Trust & Banking (USA) and Mizuho Trust & Banking (Luxembourg) provide asset administration services for foreign-based investment trusts and are responding to sophisticated fund administration needs of asset management companies. TCSB, which is a trust bank specializing in asset administration, collaborates with Mizuho group companies, to offer high-quality, high-value-added trust and custody services.

#### Asset Custody Business

MHTB provides highly specialized services and is engaged in complicated, high-volume custodial services covering specified money trusts (tokkin funds), pecuniary trusts other than money trusts, and entrustment of securities trusts and investment trusts.

#### Stock Transfer Agency Business

MHTB handles various operations associated with stocks on behalf of the stock issuer, such as managing shareholder registers, calculates dividends, mails notices convening general meetings of shareholders and counts voting rights. It also offers support and consulting on IR using shareholder analysis systems and by collaborating with the group's IR consulting company.

In April 2014, MHTB established an equity strategy consulting department and is working to substantially strengthen its IR support service and consulting functions. In addition, services for dividend payments on stocks after the close of the payment period are available at MHBK, and Mizuho endeavors to improve shareholder convenience on a group-wide basis.

Mizuho offers optimal solutions for the various needs of its customers by seamlessly combining its rich experience in overseas markets with its extensive overseas group network and cutting-edge financial services in the fields of banking, trust banking, and securities. To further strengthen overseas support frameworks for its customers, Mizuho also engages proactively in expanding its office network and forming business alliances with local financial institutions and government-affiliated organizations.

### Asia and Oceania Region

Mizuho positions Asia as an extremely important region and is enhancing its support framework for customers there due to the excellent prospects for ongoing economic growth.

To offer services in close proximity to its customers, Mizuho is expanding its network of offices in countries where Japanese companies have focused their operations to date, such as ASEAN countries, India, and China, and also in areas where Japanese companies are expected to establish new operations going forward. These offices offer not only loan financing but also a range of other services, including advisory and cash management services, to precisely meet the needs of Mizuho customers. In addition to providing support for Japanese companies entering overseas markets and expanding their businesses, Mizuho is also enhancing services for non-Japanese and global multinational companies that are entering Asian and other markets based on the advisory expertise that it has accumulated to date, its settlement and other services, and by coordinating the activities and services of both Mizuho branches and other offices around the world.

MHBK expanded its office network in fiscal year 2013 by opening the Bangalore-Devanahalli Branch and Chennai Branch in India and a representative office in Phnom Penh in Cambodia. Mizuho Bank (China), MHBK's subsidiary in China, opened a branch in Hefei, and sub-branches in the Shanghai Pilot Free Trade Zone and Changshu.

MHBK is forming alliances with local financial institutions and government-affiliated organizations in various countries to establish structures to meet the diverse needs of its customers through provision of information, support for market entrance, and provision of financial services locally. Examples of this include the signing of a memorandum of understanding for business cooperation with the Lao Ministry of Planning and Investment in the Lao People's Democratic Republic in July 2013. To offer financial services in local currencies to Japanese companies after they enter Asian markets, MHBK has concluded agreements with major local

financial institutions, including memorandums of understanding with Cambodia's largest banks, Maybank (Cambodia) and Canadia Bank in September 2013.

### T O P I C S

#### Opening of a Sub-branch in China (Shanghai) Pilot Free Trade Zone

The China (Shanghai) Pilot Free Trade Zone is the first free trade zone in China, and it is implementing new measures as a pilot location for China's future economic and financial deregulation, as well as many other kinds of institutional reforms. It will also be easier for foreign companies to enter service businesses, such as telecommunications, education, medical services, and entertainment, which have been difficult to enter to date. The free trade zone will simplify procedures for trade and logistics, and increase the efficiency of clearing and settlements in the financial services sector. The zone has also enabled banks to enhance services.

The opening of the Shanghai Pilot Free Trade Zone Sub-branch as an office of Mizuho Bank (China) will accelerate acquisition of related information and expertise and benefit customers by speeding up progress toward improvement in the financial services field.

#### Strengthening Services through Alliances with Overseas Financial Institutions

MHBK and Vietcombank, which already enjoy a successful capital and business alliance, entered into an agreement with AEON Vietnam to provide money collection services and credit and debit card settlement services to AEON's first shopping center in Vietnam. Vietcombank has established a sub-branch in the shopping center, and is installing ATMs as well as credit and debit card payment terminals. It is also providing money collection services, while MHBK is offering cash pooling services as well as foreign and trade payment services. The two banks are working to offer advanced and comprehensive financial services to meet the diverse needs of their customers.

Through alliances with overseas financial institutions,



Signing ceremony with AEON Vietnam

### T O P I C S

Mizuho will continue to enhance its strengths in providing customers with comprehensive financial services.

#### **Myanmar Thilawa Special Economic Zone (SEZ) Project**

The Myanmar Thilawa SEZ project was initiated by the governments of Japan and Myanmar to develop an industrial estate and urban center with a total area of approximately 2,400 hectares, which is equivalent to about 40% of the area within Tokyo's Yamanote rail line. It is located inland from the Thilawa Port, a place that is attracting attention as the one of the last frontiers in Asia, and it is approximately 20 kilometers southeast of Myanmar's largest city, Yangon. MHBK was commissioned by Japan's Ministry of Economy, Trade, and Industry from January to March 2013 to conduct a review of business viability and the feasibility of attracting industry to the area. Further, MHBK has seconded staff to the joint venture company developing the advanced zone (approximately 400 hectares), which is being led by corporations from both the public and private-sectors in Myanmar and Japan. Mizuho has also received a commission from the Japan International Cooperation Agency (JICA) to act as the representative company for research on creation of business plans for the rest of the zone (approximately 2,000 hectares) beginning in October 2013.

Mizuho continues to draw on its knowledge and insight into various industries and track record in overseas projects to contribute to economic development in emerging countries as well as provide support to customers who are expanding their businesses overseas.

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#### **The Americas**

In the Americas, Mizuho provides services to customers in North America, which has a large economic scale and is expected to experience relatively stable growth supported by shale gas resources and other factors, and to customers in Central and South America, where further economic development is forecast in the future. Mizuho offers financial services with high added-value to its broad customer base, which includes Fortune 1000® companies, financial institutions, and public organizations, in the fields of corporate finance, such as project finance and syndicated loans, and also investment

banking. Various entities within the Mizuho group cooperate to provide a range of services to meet diverse customer needs. For example, in the case of financing for M&A deals, MHBK provides loans and Mizuho Securities USA offers underwriting services for bond issuance. In these and other ways, such as through offering of proposals for financial solutions that make optimal use of the Mizuho group network, Mizuho is achieving strong performance in the Americas.

MHBK is also expanding its office network with a focus on regions that are expected to experience economic growth. In Brazil, one of the biggest world powers in natural resources and a country with strong potential for economic development with a population of over 200 million and a vast land area that is approximately 23 times larger than Japan, MHBK made former Banco WestLB do Brazil, a subsidiary of the former German bank West LB (currently Portigon), a subsidiary and commenced operations as Banco Mizuho do Brasil in July 2013. In October 2013, MHBK opened its third office in Canada, the Calgary Office, which is located in a region that is home to many energy-related corporations, including those in the shale gas and oil sectors.

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#### **Europe, the Middle East and Africa**

Mizuho provides a wide range of financial services to meet the diverse needs of its customers in Europe and also in other regions where high growth is expected such as Russia, the Middle East and Africa. MHBK and Mizuho International, MHSC's subsidiary in the UK, collaborate closely to provide investment banking services such as capital market transactions and M&A advisory.

To support European multinational corporations in the development of their operations in Asia, Mizuho is also drawing on the cross-border teamwork of its global and group networks to provide a wide range of services. This includes foreign exchange and settlement services in Asian local currencies, support for IPOs in Asian capital markets, and support systems that involve cross-regional teamwork.

Mizuho expanded its office network by opening a representative office in Johannesburg in December 2013, which is the first office for Mizuho on the African Continent. The Republic of South Africa is drawing increasing attention among Japanese, European, US, Chinese, Korean, and other corporations as a foothold for entry into the markets of the Sub-Saharan region.

By leveraging its advantages as a comprehensive financial group and making the most of the synergies between planning, development and sales in the asset management related business through seamless management, Mizuho provides products and services that match the needs of its wide range of customers from individuals to institutional investors.

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### Pension-related Business

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Mizuho offers services and product packages needed for corporate pension schemes, which range from corporate pension plan design and the management of pension policyholders and recipients to asset management and custody.

Furthermore, to respond to the ever more diverse and sophisticated management needs of its customers, it integrates its functions across the group to offer services such as investment solutions and review of pension schemes.

### Defined Contribution Pension Schemes

As sweeping reviews of corporate pension schemes move forward, there is growing interest in introducing and managing defined contribution pension schemes among companies of all sizes. Mizuho has the top performance record in Japan in terms of defined contribution pension plans entrusted to it for asset management and administration. In addition, it provides support for the introduction of defined contribution pension schemes as well as asset management services and trust products.

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### Asset Management Business

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Mizuho offers services catering to its customers' needs by drawing on its comprehensive capabilities of the group through analyses and assessments of customers' total portfolios. Taking account of the initiatives on asset management of its customers who are considering such factors as changes in regulatory and other systems, the conversion to international accounting standards, and major fluctuations in the market environment and financial aspects, it gives advice pertaining to basic asset allocation and combinations of investment strategies. These services are offered not only to pension funds but also to customers among financial and educational institutions.

Furthermore, it offers funds with various investment strategies to a wide range of customers, from public institutions

that handle pension management to corporate pension funds. It also offers products using various new investment targets and methods, including hedge funds, privately laced real estate investment funds, concentrated investment funds and package products that flexibly allocate assets based on analysis and forecasts of the macroeconomic and capital market environments. In addition, it makes the funds offered by external investment institutions in Japan and overseas available to customers, but makes sure they are subjected to thoroughgoing due diligence and rigorous monitoring.

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### Revitalizing ¥1,600 Trillion in Domestic Assets

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Mizuho has looked to the future of the asset management business in Japan 10 years from now and formed a project team to revitalize the management of Japan's ¥1,600 trillion in domestic monetary assets. In view of the national interest and its social mission as a financial institution, it has prepared long-term business plans to deal with various issues, by enhancing the service channels of financial institutions, and providing related consulting services and financial products as well as other related matters, including promoting the shift from "savings deposits to long-term investments" principally among worker households. Through these various activities, Mizuho is working to meet the full range of financial needs of retirees, including asset management.

Looking 10 years forward and providing an in-depth response in view of changes in the social environment, the team is working to create an environment that will be suited to long-term investing. This also includes making proposals for policies related to the tax system and the financial system, considering the frameworks for transferring the assets of the elderly, and formulating plans for diversification of investments of pension funds and other institutional investors into long-term risk assets (including private equity and infrastructure investments).

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### J-ESOPs

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Interest among companies in the area of J-ESOPs (Japanese-style employee stock ownership plans; a new employee welfare service that uses treasury stocks) is increasing. Mizuho provides disposition-type ESOPs, retirement benefits, and the Board Benefit Trust, which is a compensation plan for senior executives in Japan, in order to meet the diverse needs of its customers.

## Initiatives of Asset Management Companies

The asset management companies MHAM, DIAM and Shinko Asset Management constantly pursue optimal investment results in both the investment trust and the investment advisory businesses as they strive to respond accurately to customers' increasingly diverse and sophisticated asset management needs. They have earned an excellent reputation among evaluation institutions for their highly specialized management and original products and have received various awards.

## Global Alternative Investment Business

Alternative investment products are known as assets (asset classes) having relatively low correlation with traditional investment assets such as stocks and bonds. To respond accurately to the wide range of needs of institutional investors, who require greater diversity and dispersal among assets, Mizuho provides optimal products and services in collaboration with group companies: Tokyo asset management company Mizuho Global Alternative Investments, which selects and provides products such as global high grade hedge funds; U.S. subsidiary Mizuho Alternative Investments, which is in charge of investing funds; and Eurekahedge, a subsidiary in Singapore that offers hedge fund research and information.

## T O P I C S

### Business Alliance Agreement with Partners Group

MHTB and Partners Group who have signed a Business Alliance Agreement, will jointly cultivate investments in the private equity and infrastructure segments outside Japan and market them to the pension market in Japan. Furthermore, they will discuss and cooperate with each other for the purpose of expanding the business relationship into other relevant business segments.

Mizuho will continue to improve its products offering in order to help its customers meet their investment needs going forward.

## Awards Received in Fiscal 2013

### Mercer MPA Awards 2013 Japan

<b>MHTB</b>	Japanese Fixed Income Category (3 years) Japanese Equity Growth Category (3 years)
<b>DIAM</b>	Japanese Equity Small and Mid Cap Category (3 years)

### R&I Fund Award 2014

<b>MHTB</b>	Defined Benefits Pension Category/Japanese Equity Growth Fund
<b>MHAM</b>	Investment Trusts Category / Japanese Equity Fund Investment Trusts Category / Japanese REIT Fund Investment Trusts Category / North America Bond Fund Investment Trusts Category / Australia and New Zealand Bond Fund Investment Trusts Category / High Yield Bond Fund Defined Contribution Pension Category / Japanese Bond Fund NISA / Japanese Equity Fund
<b>DIAM</b>	Investment Trusts Category / Asia Equity Multi-country Fund Investment Trusts Category / China Equity Fund
<b>Shinko</b>	Investment Trusts Category / Global Equity Fund Investment Trusts Category / India Equity Fund Investment Trusts Category / Global Infrastructure Equity Fund NISA / Global Equity Fund

### Morningstar Fund of the Year 2013

<b>MHAM</b>	Domestic Stock Fund Division
<b>DIAM</b>	Alternative & Balanced Fund Division
<b>Shinko</b>	Bond Fund Division

### Morningstar Fund of the Decade 2013

<b>DIAM</b>	Bond Fund Division
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### Lipper Fund Awards Japan 2014

<b>MHAM</b>	Bond / over 3 years (2 funds) Bond / over 5 years
<b>DIAM</b>	Equity / over 3 years (2 funds) Equity / over 5 years (3 funds) Bond / over 10 years
<b>Shinko</b>	Bond / over 3 years

### Morningstar

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Mizuho offers products and services to meet the diverse needs of its customers and support their global business by integrating its banking, trust, and securities functions and seamlessly promoting its market business.

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### Market Business

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In the sales and trading business, MHBK offers optimal financial solutions that use cutting-edge financial technologies to satisfy customers' increasingly diverse and sophisticated global financial and business risk control needs.

MHBK has expanded its product lineup from basic areas such as interest rates and foreign exchange to oil, metals, and other commodity derivatives, and local currency transactions. For customers expanding business overseas in particular, it provides the best hedge finance methods that take account of the market environment. Also, in the fields of Asian and emerging currencies, it is drawing on collaboration among specialist teams who are well versed in the regulations and markets in various countries and its global network of offices to develop financial product schemes that take advantage of the characteristics of individual markets in Japan and overseas in response to increasingly sophisticated needs of its customers for more efficient hedges and management of market risk.

Through its tie-up with Mizuho-DL Financial Technology, which is a group company specializing in the development of financial technology, MHBK developed “dynamic foreign exchange hedging”—a statistical/probabilistic exchange risk hedging method that eliminates market views and arbitrariness. Many customers, with a focus on large corporations, have made use of “dynamic foreign exchange hedging.”

MHSC offers diversified investment products and services in order to meet the needs of its customers in Japan and overseas. It will further focus on customer-oriented sales and trading business and tailored solutions business in order to meet the needs of its customers.

As a market leader in the fixed income business, MHSC provides products and information that suit its customers' investment strategies in a timely manner and engages proactively in market making.

In the equities business, MHSC appropriately meets the sophisticated needs of its customers by strengthening its sales and trading structure, the Pan-Asia basis research platform, enhancing IR services for domestic and overseas investors, and improving its electronic trading capability.

For global institutional investors, MHSC has been expanding its market presence domestically and globally by reinforcing its execution capabilities and offering a variety of

high-value-added products. It also attempts to leverage its overseas network for the integrated development of domestic and overseas business.

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### Research

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Regarding fixed income research, MHSC has one of the leading professional groups in Japan which provides outlooks for economic and interest rate trends in Japan and overseas, credit analyses of securities-issuing companies, assessments of the impact of monetary policies in Japan and overseas, and proposals for fixed income investment strategies. Furthermore, MHSC works closely with overseas economists within its subsidiaries to provide information globally by publishing global macro-level reports, etc.

In its equity research, it has strengthened its research framework on a Pan-Asia basis, including Japan, based on the needs of institutional investors in Japan and overseas. Researchers including top class investment strategists and sector analysts respond to a wide range of research needs through industry trend research, equity investment strategy reports, quantitative analysis, evaluation of individual companies, etc.

#### T O P I C S

##### First Place in Equity Analyst Ranking

MHSC took first place in both the *Nikkei Veritas* and *Institutional Investors* magazine's Equity Analyst Ranking 2014. This ranking is based on votes from institutional investors, and MHSC was highly regarded for its equity research capabilities.