

MIZUHO



Mizuho Financial Group

December 2002

Mizuho Holdings

1. “Change & Acceleration”

2. Overview of Financial Results & Forecasts

3. Mizuho “Change & Speed-Up Program”

“Change & Acceleration”

External Environment

Deflation of Japanese Economy

Program for Financial Revival by FSA

Weak Equity Market

Strong Pressure from Markets toward
Banks & Problem Companies

Current Issues for Mizuho

Enhance Financial Strength & Profitability

Realize Consolidation Goals & Pursue
Merits of Corporate Splits into 2 Banks

Restore Confidence
from Markets and Customers

Restoring Value & Confidence by Completing "Change & Acceleration"

Overview of 1H of FY2002 Financial Results & Forecasts for FY2002

2: Financial Results & Forecasts

(Yen Billions)

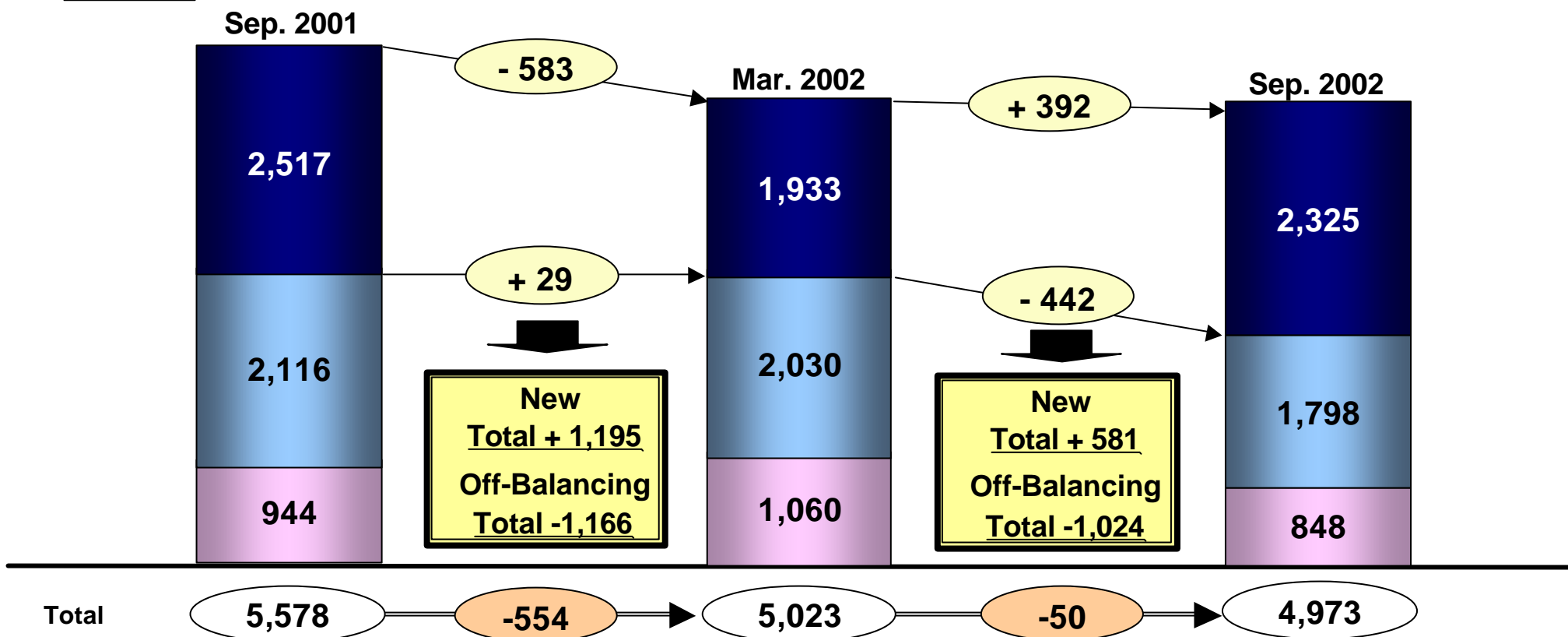
	Financial Results for 1H of FY2002			Financial Forecasts for FY2002
	1H of FY2002	Changes	1H of FY2001	Full Year of FY2002 (Forecast)
Aggregated Figures of 2 Banks				
Gross Profits	846	-125	972	
Expenses	-459	-30	-428	
Net Business Profits	387	-156	543	860
Net Gains Related to Stocks & Other Securities	-48	-135	87	
Expenses Related to Portfolio Problem	-268	592	-861	-1,040
Ordinary Profits	91	344	-253	-310
Net Income	52	201	-149	-210
Consolidated Basis				
Ordinary Profits	122	513	-391	-210
Net Income	39	303	-263	-220

Balance of Problem Loans (NPLs)

604 Billion Yen Decrease of NPLs from Sep. 2001



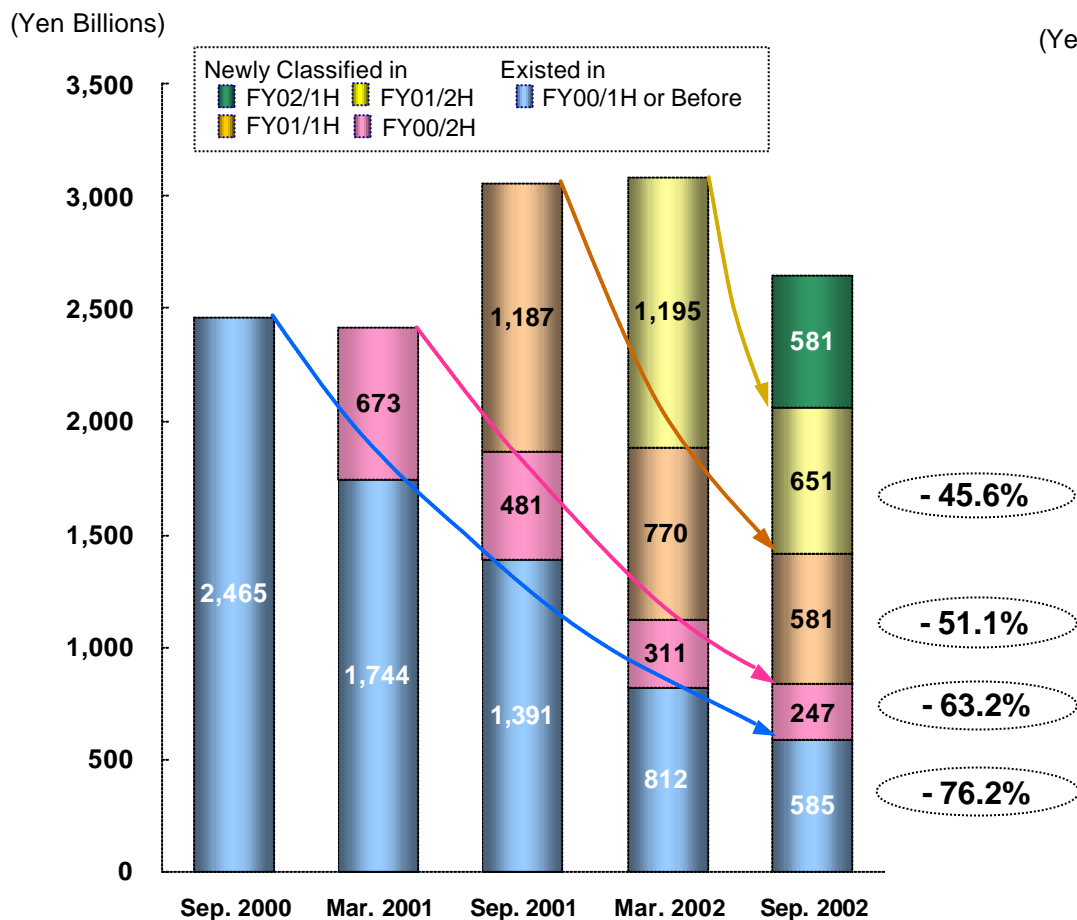
(Yen Billions)



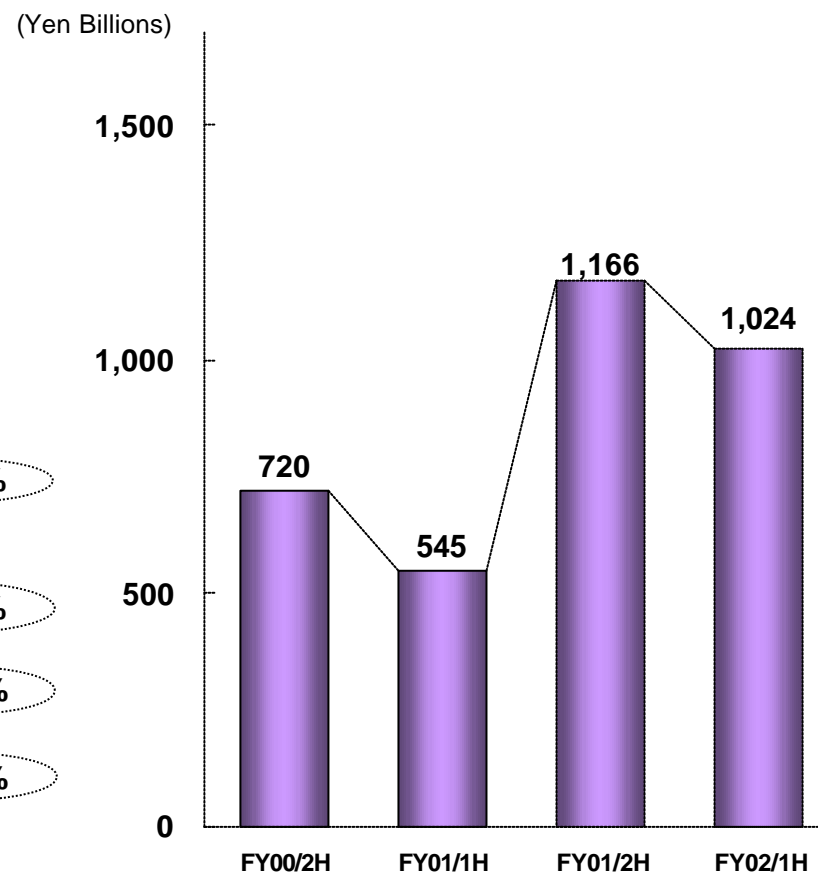
Acceleration of NPLs Final Disposal

Speedy & Aggressive Disposal*

<Change in Remaining Balance of NPLs>



<Disposed NPLs Amount>



*Intensive Control Obligors and Bankrupt and Substantially Bankrupt Obligors

Increase of Credit Costs for Additional Measures

(Yen Billions)

	Original Plan			Revised Plan	
	Ordinary Credit Costs			Additional Costs	Total Costs
	1H	2H	Total	2H	Full Year
Costs for Down-Migration of Borrowers' Classification	140	170	310	+ 280	590
				↑ Related to Revitalization of Borrowers on Watch List	
Costs for Final Disposals	130	160	290	+ 160	450
				↑ Related to Acceleration of Final Disposal of NPLs • 1.5 trillion Yen of NPLs to be Disposed During 2H FY2002	
Total	270	330	600	+ 440	1,040

Credit Costs for FY2002 (2)

Revitalization of Watch Borrowers

Additional Credit Costs for 2H/2002
Yen 280 billion

Mizuho Corporate Bank

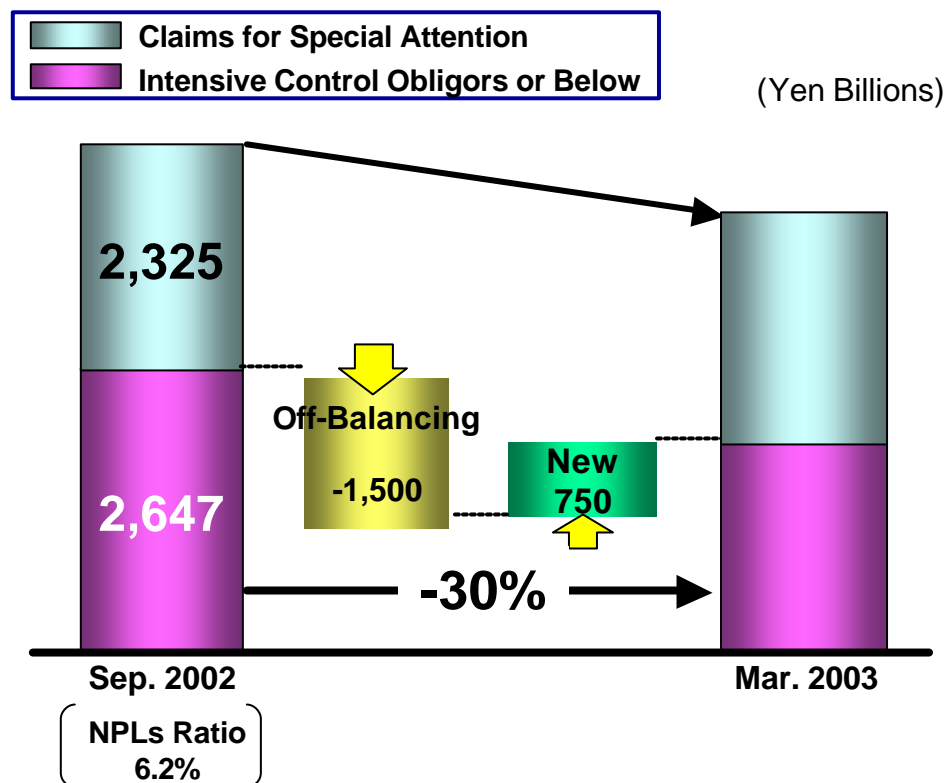
Establishment of Corporate Restructuring Business Unit
(October 2002)

Mizuho Bank

Establishment of Business Advisory Office
(July 2002)

Acceleration of Final Disposals

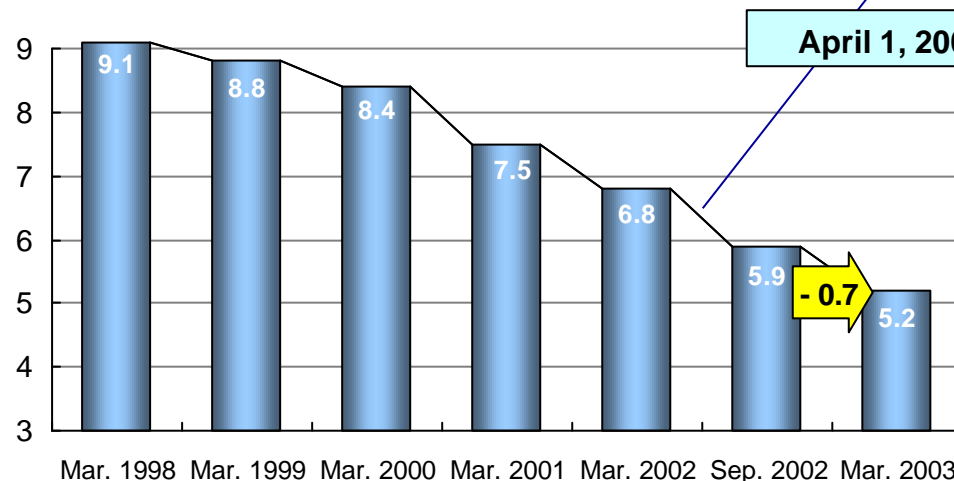
Additional Credit Costs for 2H/2002
Yen 160 billion



Decreased Book Value of Stocks & Unrealized Gains/Losses

Balance (Acquisition cost) of Stocks

(Yen Trillions)



Written Down by Accounting Profits of Corporate Split & Merger

(Yen Billions)

	Disposal of Unrealized Losses
Stocks	828
Bonds & Others	73

Holding Gains & Losses

Stocks
Bonds & Others
Total

Sep.2002

- 613
132
- 481

Mar.2002

- 722
- 138
- 861

Net Change

+ 109
+ 270
+ 379

Mar. 31 2002
(Nikkei 225: 11,024.94)

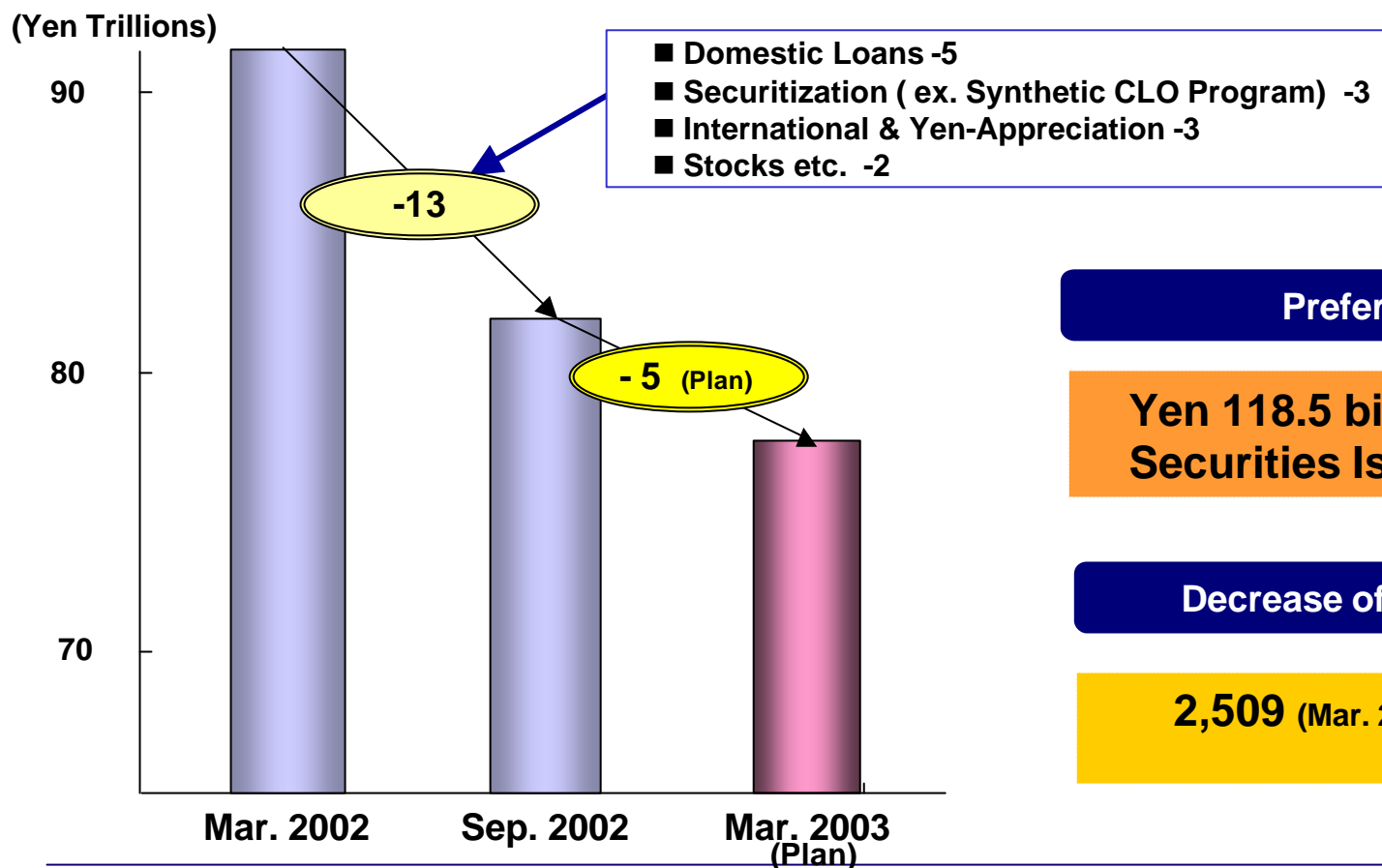
Sep.30 2002
(Nikkei 225: 9,383.29)

(Yen Billions)

Maintain 10% of BIS Capital Ratio

BIS Capital Ratio : 10.42% (as of Sep. 2002)

Efficient Management of Risk Assets



Preferred Securities

Yen 118.5 billion Preferred Securities Issued in August

Decrease of Deferred Tax Assets

(Yen Billions)

2,509 (Mar. 2002) → 2,186 (Sep.2002)
(- 323)

Mizuho “Change & Speed-Up Program”

**Corporate
Culture**

**Create a Dynamic &
Innovative Organization**

Cost Structure

**Accelerate
Rationalization of Costs**

**Business
Strategies**

**Change & Accelerate
Implementation of
Business Strategies**

Implement Streamlined Decision-Making

**Led by CEO for
“Change & Acceleration”**

- **Accelerate Implementation of Business Strategies**
- **Cost Structure Reform**

**Streamline Management
Structure**

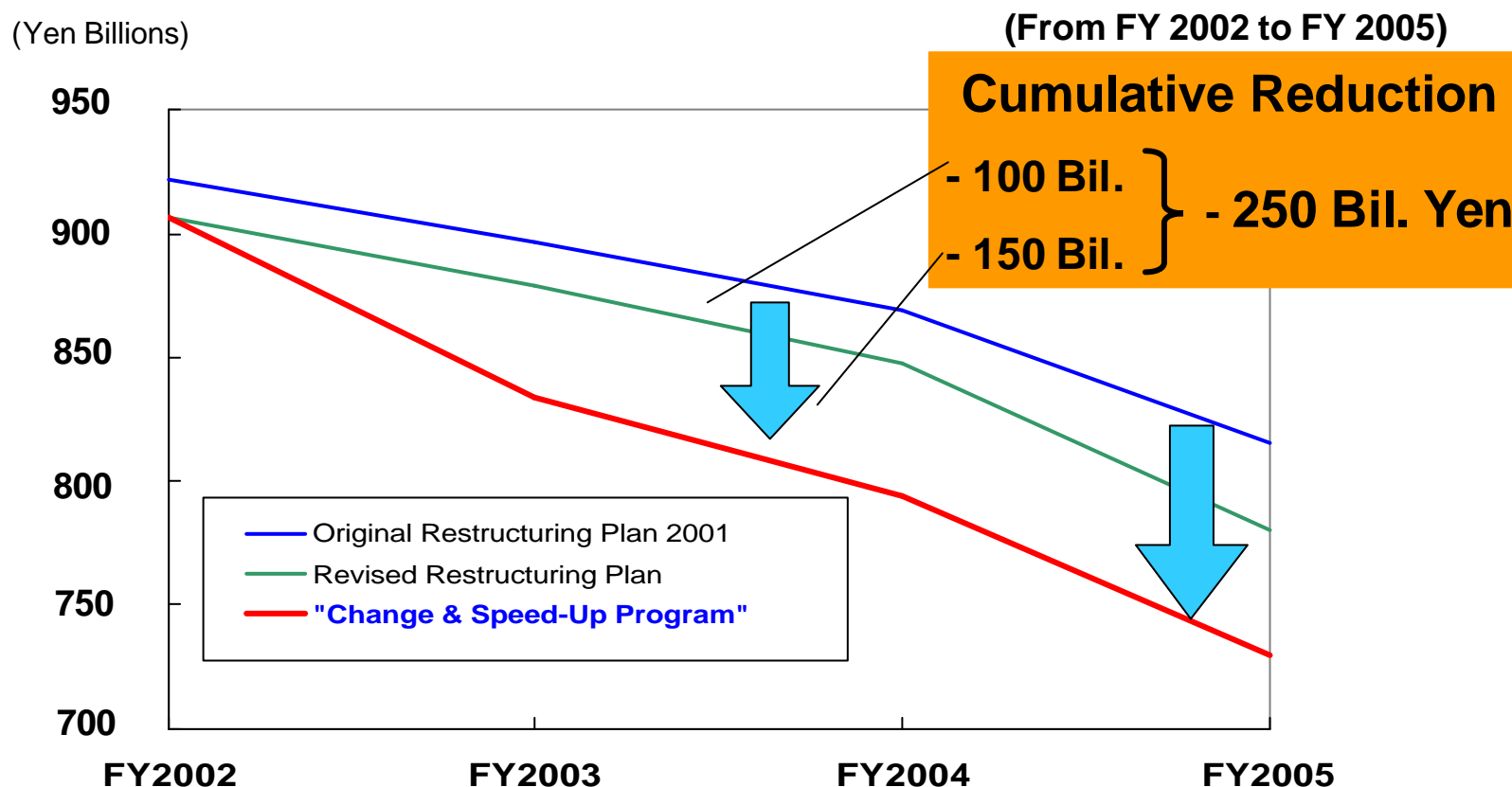
- **20% Reduction in No. of Board Members & Executive Officers**
- **Substantial Reduction in No. of Planning & Administrative Staff**

**Enhance Management
Transparency &
Accountability**

- **Increase in No. of Outside Directors**
- **Establishment of Advisory Board**

170 Billion Yen Reduction from the FY2002 Budget

FY2005 Expense Target : 730 Billion Yen



Pursue Cost Cutting & Consolidation Benefits

Actions for *Change*

Personnel Expenses

- 10% Reduction for Employees
- 30% Reduction for Executives

- Early Retirement Program (- 500)

- Intro. of Job Application System for Branch GM

Non-personnel Expenses

Actions for *Acceleration*

Domestic Branches

-120
by March 2004

2 Years Ahead of Schedule

460 Branches

-30%
From March 1999

Overseas Offices

-13
by March 2004

Additional 10 Offices Reduction

43 Offices

-60%
From March 1999

Employees

-6,300
by March 2005

1 Year Ahead of Schedule & Additional 1,000 cut

24,000 Employees

-11,000
From March 1999

**From Quantity
to Quality**

**Merit of Corporate Splits
into 2 Banks**

**Mizuho
Corporate
Bank**

Target: 50% Ratio of Non-Interest Income to Total Gross Profits

Drastic Reallocation of Resources to Focused Strategic Areas

Squeeze Balance of Debentures/Increase Asset Efficiency

**Mizuho
Bank**

Target: 40% Range in Ratio of Expense to Total Gross Profits

Realize Speedy Significant Cost Reduction

Pursue Appropriate Pricing (Loan Spreads & Fees)

Business Targets for Core Banks

Mizuho Corporate Bank

Target: 50% Ratio of Non-Interest Income (By FY2005)

	FY 2002 IH Results	FY 2002 Plan
Net Business Profits	197	430
Credit Costs	- 141	- 540
Ordinary Profits	44	- 180
Net Income	34	- 110
Non-interest Income Ratio	37%	

(Yen Billions)

Mizuho Bank

Target: 40% Range of Expense Ratio (By FY2005)

	FY 2002 IH Results	FY 2002 Plan
Net Business Profits	190	430
Credit Costs	- 127	- 500
Ordinary Profits	46	- 130
Net Income	17	- 100
Expense Ratio	62%	

Expand Syndication Business

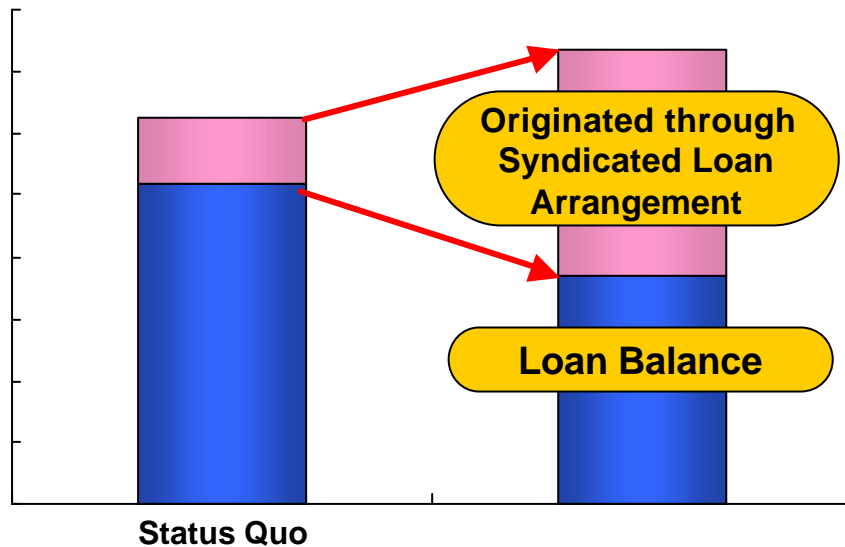
Mizuho Groups' Advantage

Solid Customer Base

40% Market Dominance in Domestic Syndicated Loan Market

Strong Relationship with Almost All Financial Institutions & Institutional Investors in Japan

Creation and Development of Syndication Business



Meet Customers' Financial Needs

Enhance Portfolio Management

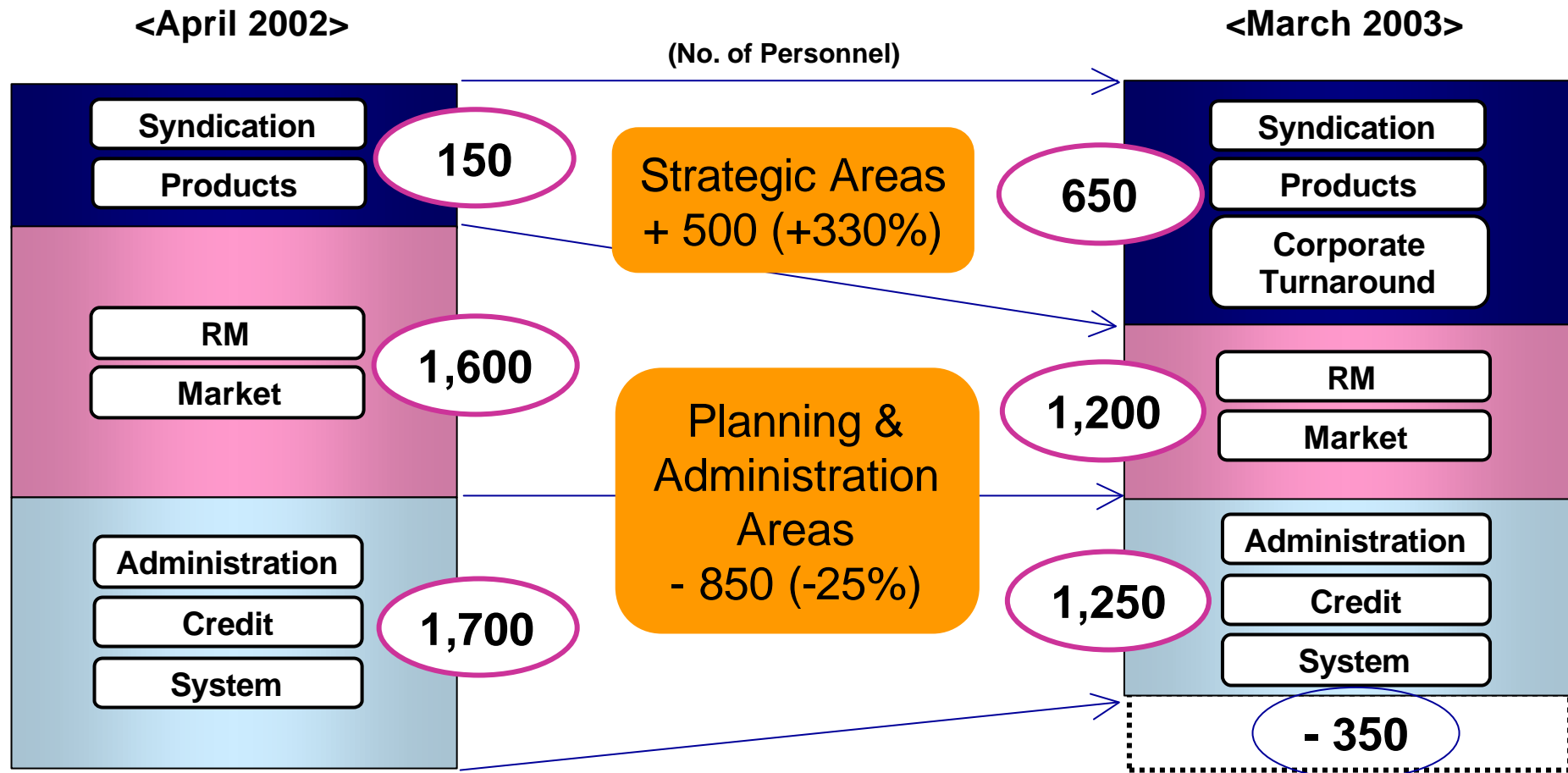
Increase Fee Income

Control Risk Weighted Assets

Secure Appropriate Loan Spreads

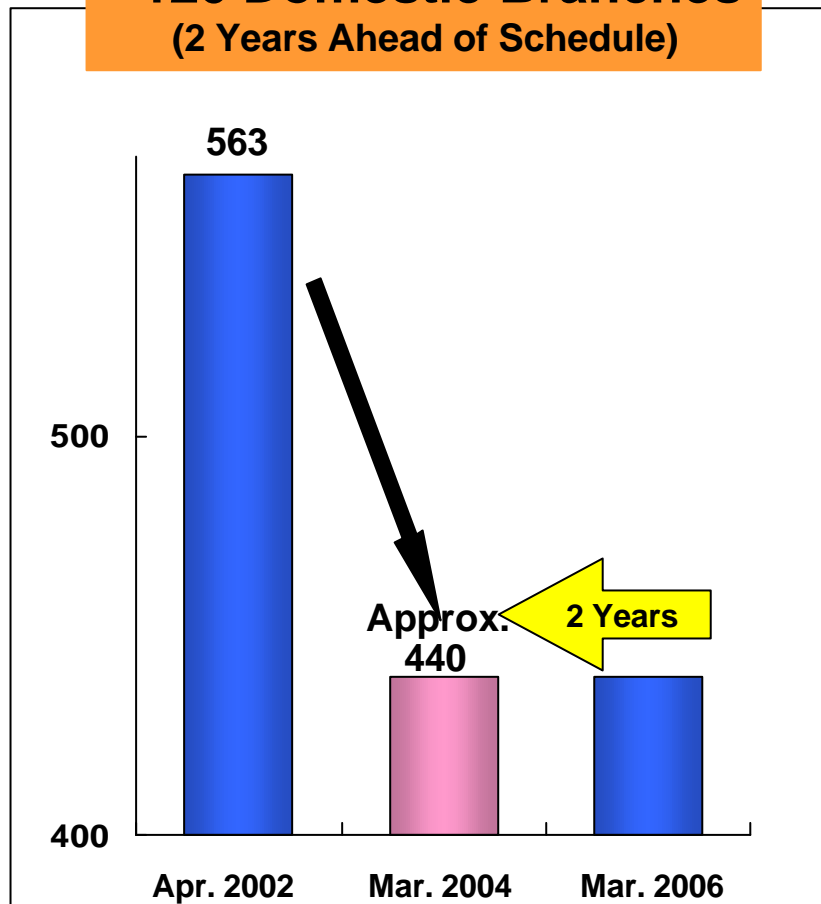
Squeeze Bank Debentures

Reallocate Resources to Strategic Areas

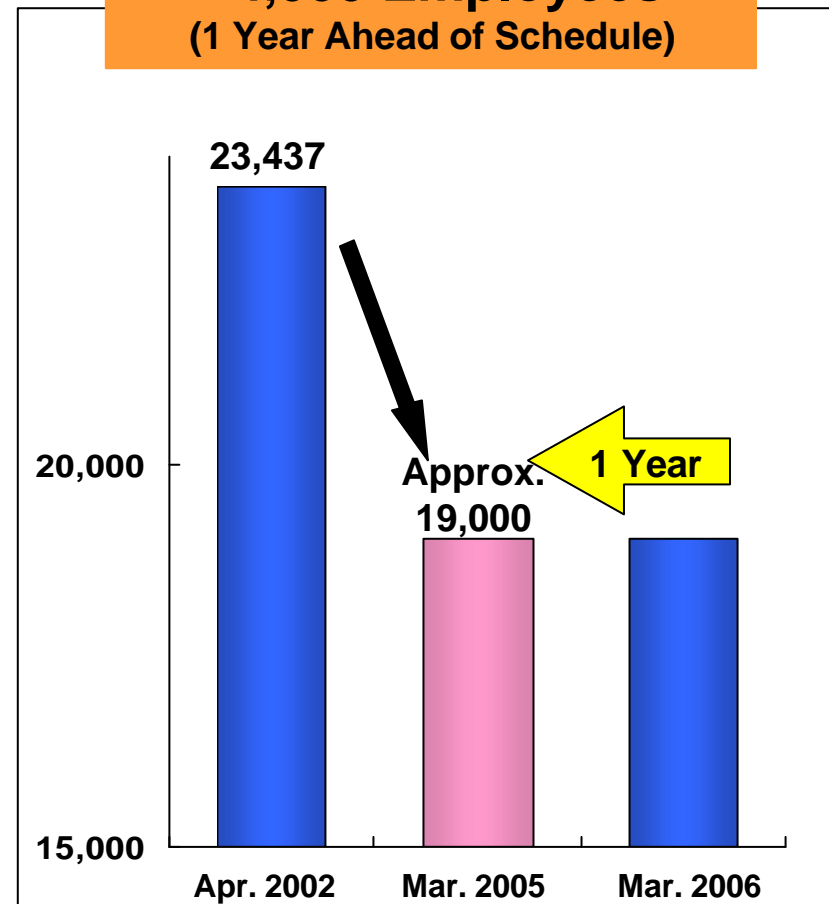


Accelerate Rationalization of Retail Network

- 120 Domestic Branches
(2 Years Ahead of Schedule)



- 4,000 Employees
(1 Year Ahead of Schedule)



Secure Appropriate Loan Spreads

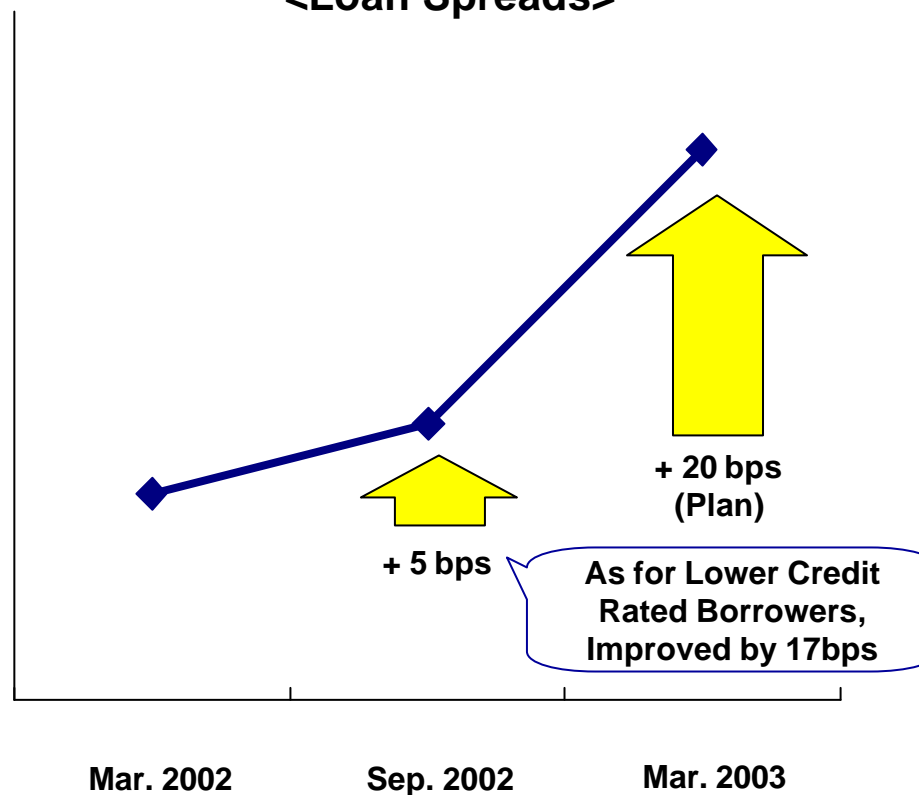
Focus on Negotiations with Customers on the Beginning of 2H of FY2002

Strictly Apply Pricing Guidelines to Negotiations

Require Lower Credit Rated Borrowers of Minimum Requirement of Pricing Table

Incorporate Improvement Results in Loan Spread into Performance Evaluation

<Loan Spreads>



Business Targets for Other 2 Core Subsidiaries

Mizuho Securities

(Yen Billions)

Mizuho Trust & Banking

Planned to Increase Yearly Ordinary Profits to 50 Bil. Yen (By FY2005)

	FY 2002 IH Results	Net Change from FY 2001 1H
Operating Profits	25.0	+ 4.9
Ordinary Profits	8.8	+ 2.0
Net Income	4.8	+ 5.4

- Strengthen Equity Business
- Pursue Synergies within the Group

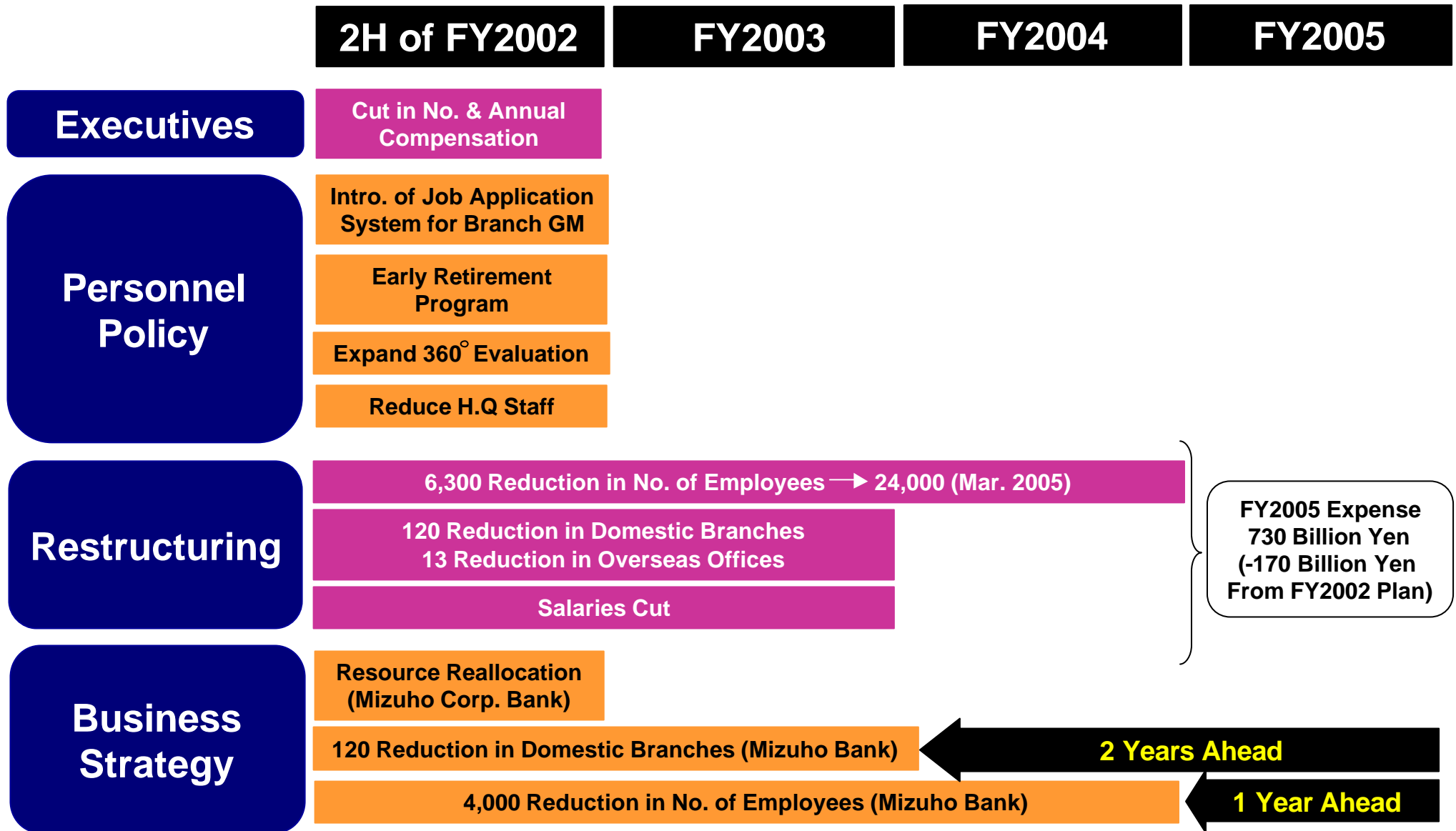
Stable Source of Profits : Goodwill to be Fully Amortized until FY2003

	FY 2002 IH Results	Net Change from FY 2001 1H
Ordinary Profits before Amortization Expense	1.9	- 1.9
Net Income	- 8.1	- 1.9
Amortization Expense	-13.7	0

- Expand No. of Franchised Branches
- Pursue Synergies within the Group

3: Change & Speed-Up Program

Schedule



Mizuho's statements contained in this material of their current expectations are forward-looking statements subject to significant risks and uncertainties, and actual results may differ materially. Factors that could cause actual results to differ materially include, but are not limited to, changes in overall economic conditions, changes in market rates of interest, further declines in the value of equity securities or real estate in Japan, further deterioration of the quality of loans to certain industry sectors in Japan and the effect of new legislation or government directives.