

| A Message from the President & CEO of Mizuho Financial Group, Inc.



Succeeded in Building the Foundation for a Sustainable Profit Base and Entered a New Phase in Our Management Strategies

Beginning with the realignments in the group's corporate structure in fiscal 2002, we moved forward with a series of management reforms in rapid succession. These have included major steps to deal with drastic financial actions and capital raising of more than ¥1 trillion yen. In fiscal 2003, as a result of initiatives to substantially enhance our financial condition, we were successful in establishing a solid base for generating sustainable positive Net Income. Now, starting in the current fiscal year, we have entered a new phase in our management strategies. We intend to move toward enhancing our top-line growth promptly and steadily through initiatives aimed at sharpening the strategic focus of the group companies according to their customer segmentations and business lines. In parallel with these initiatives, we are also working to strengthen group synergies.

Moreover, to reduce costs, we intend to complete restructuring measures reaching into every part of our activities that will bring down total General & Administrative Expenses on an aggregated basis of Mizuho Corporate Bank, Mizuho Bank, and their financial subsidiaries for corporate revitalization to approximately ¥700 billion by 2006. These measures include not only the consolidation and closure of branches and measures to streamline our human resources but also further reductions in IT-related costs following the completion of Mizuho Bank's IT systems integration.

Our initiatives to improve our financial condition are already showing impressive results. We reached our goal of reducing our non-performing loans (NPLs) by half six months ahead of schedule mainly due to the progress in our Corporate Revitalization Project. We further intend to press forward with measures to lower our NPL balance, while also minimizing risks related to our stockholdings.

Surpassing Interim Net Income Estimate and Working to Repay Public Funds as Quickly as Possible

Along with these developments, we reported consolidated Net Income of ¥233.9 billion for the first half of fiscal 2004, well exceeding our original estimate announced at the beginning of the fiscal year. This reflects our success in establishing a solid profit base by resolving financial issues. We are planning to pay an annual dividend of ¥3,500 per share of common stock for the current fiscal year, which will represent an increase of ¥500 over the previous fiscal year. We intend to make dividend payments on preferred stocks as prescribed.

Another important milestone was the repayment of public funds (including the commencement of repurchasing preferred stocks) during the current fiscal year, reflecting the steady improvement in our financial condition. In August 2004, we repurchased and cancelled preferred stocks amounting to ¥232.7 billion on an issued amount basis. Then, in September 2004, we redeemed subordinated bonds of public funds amounting to ¥225.0 billion. Together, our repurchase of preferred stocks and redemption of subordinated bonds completed by September 30, 2004, accounted for approximately 40% of the original amounts of public funds. Even following these repayments of public funds, however, our consolidated BIS Capital Adequacy Ratio remained at the sufficient level of 11.86%. We will work to continue to make early repayments of public funds through recording stable profits while giving due regard to the soundness of our financial position including our capital ratio.

We have positioned the current fiscal year as “a year of proving the true value of Mizuho.” To this end, we have entered a new phase in our management strategies. We will unite the strengths of the group companies, and do our utmost to make significant improvements in our profitability. As we move forward with these initiatives, we look forward to the continuing support of our shareholders.

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President & CEO
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