

Business Restructuring Program

April 28, 2008

Mizuho Securities Co., Ltd.

Basic concept of the Business Restructuring Program

■ Business environment

- Current uncertainty of the market environment likely to continue
 - Can not eliminate the risk of the situation to deteriorate

■ The group situation

- Ordinary loss / Net loss both on a consolidated and non-consolidated basis for the fiscal year 2007
 - Posting a significant trading loss due to unexpected upheaval of the market situation
 - The need to promptly respond in aspects of “strengthening of profit base” and “cost reduction”

■ The policy of the Business Restructuring Program

- Distinct allocation of managerial resources and holding down of risk exposure
 - Implementation of measures for strengthening the business base (client oriented business at the core)
 - Further strengthening of the risk management system
- Cost reduction starting from the fiscal year 2008
- Prompt recovery and strengthening of profitability

Outline of the Business Restructuring Program

- Formulate the Business Restructuring Program in order to restructure its business base and promote the improvement of the business structure for FY2009

Direction of strengthening the business ~ strengthening of profitability

Further promotion and establishment of strengthening measures for market related business operations

Restructuring of Mizuho International

Streamlining of the organization and business operations

Reduction and right-sizing of workforce

Cost reduction

Measures (1)

Direction of strengthening the business ~ strengthening of profitability

- Strengthen profitability by increasing investment banking fees and stable fee income through capturing transaction flows with clients
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- Strengthening of investment banking business
 - Increase of fee base and expanding business regarding M&A Advisory and Equity Finance
 - Establish a revenue base such as deal flows with institutional clients both domestic and overseas at the core
 - Strengthening and expanding investment banking business under the FHC status in the U.S.
 - Expanding Mizuho Securities USA's business under the FHC status (Strengthening of the coordination with MHC B)
 - Expanding investment banking business in Asia
 - Strengthening of coordination with Mizuho Corporate Bank
 - Further strengthening of the coordination eyeing the easing of Fire Wall regulations
 - Response to the merger with Shinko Securities
 - From the standpoint of taking in advance the synergistic effects, such matters that can be realized in advance including personnel exchanges will be considered and sequentially implemented before the merger.

Further promotion and establishment of strengthening measures for market related business operations

- In October 2007, the Company set up a task force (“TF”) headed by the Deputy President to improve and strengthen its business promotion and risk management regarding global market operations
- Steadily promote and entrench the strengthening measures for risk management system and overseas offices management system.

(Ref. Measures implemented at the task force for strengthening the risk management system)

- Reinforcement of risk management personnel (shifting of experienced personnel from front office)
- Review of administrative operation system for new products and new businesses
- Improvement of securitization products management
- Elaboration and sophistication of risk management

Measures (2)

Restructuring of Mizuho International

- Further review its business which started from the 2nd half of the last fiscal year and promote elimination and integration of departments, cost reduction and renewing of the organization.
- Reduction and right-sizing of workforce (completed during the 2nd half of the last fiscal year)
- Improvement of the business operation base
 - Further remodeling of the business operation structure with the strengthening of capabilities regarding clients' cross-border transactions
 - Further review of business lines and promote cost reduction
- Aim to complete the workout of RMBS assets and CDO related assets backed by RMBS
- Sophistication of compliance and internal control

Streamlining of the organization (reduction of number of departments by 50%) and business operations

- Integration of Mizuho Securities' current number of departments by more than half
- Global Investment Banking Groups
 - Consolidate the front office functions as much as possible in order to strengthen business capabilities through information and know how sharing. Establish an organizational structure capable of distinct business development through selecting and focusing of business.
- Global Markets & Products Groups
 - Unify and strengthen the planning functions within the group
 - Realign and consolidate sales and trading businesses in order to strengthen and increase the efficiency of the functions
- Corporate Groups
 - Consolidation of risk management and compliance related departments for further strengthening of the functions
 - Consolidation of other segmentalized administrative functions as much as possible for a firm administrative structure

Measures (3)

Reduction and right-sizing of workforce

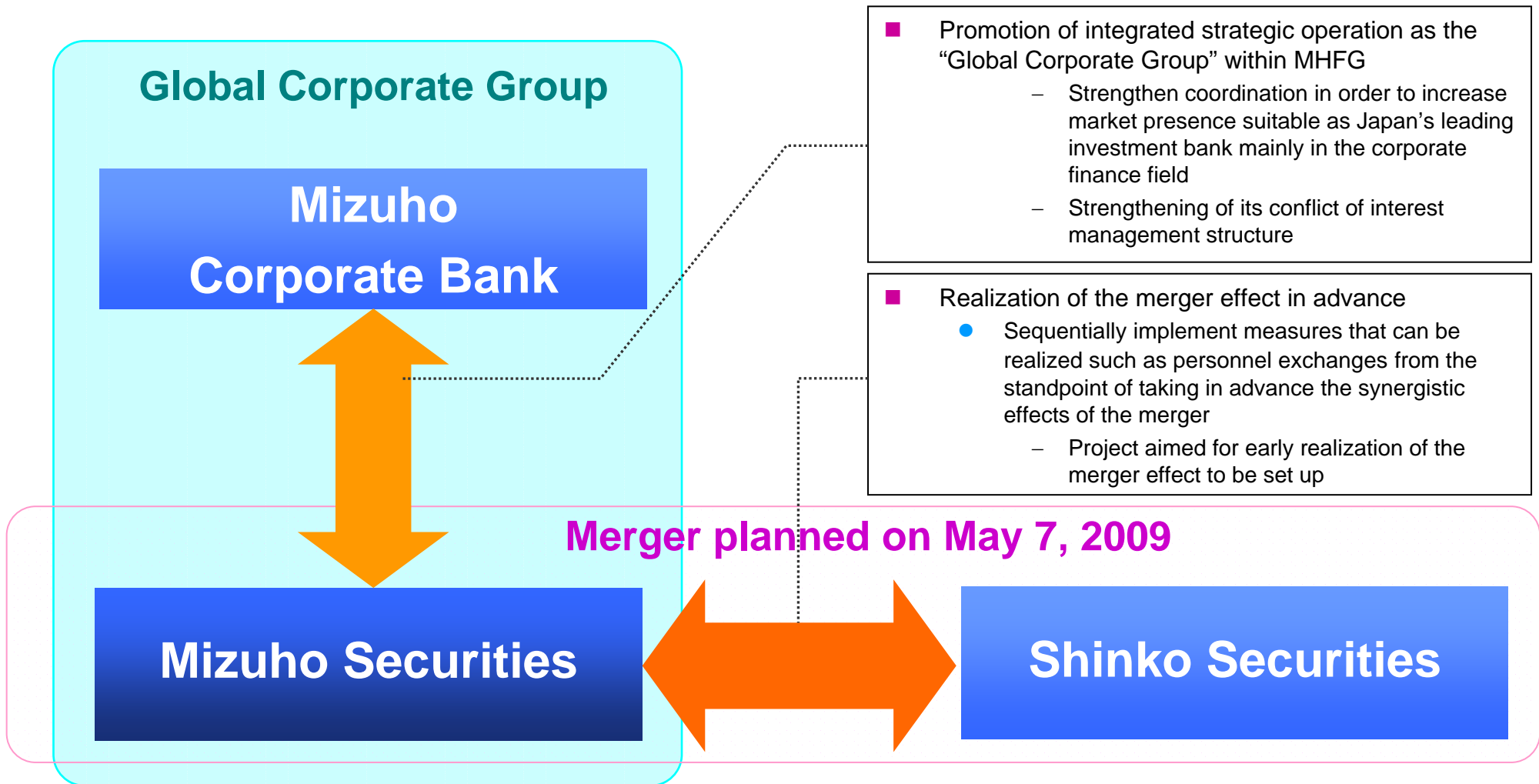
- Together with the streamlining of the organization, approximately **15%** of Mizuho Securities' workforce to be reduced
 - Reduction in workforce of about 300 by this fiscal year end
 - In reducing workforce, together with other measures, solicitation of voluntary redundancy will be conducted

Cost reduction

- Cost reduction by **20%** on a consolidated basis
 - Establish a cost management working group within the firm which will draw up measures and promote them
 - Further reduction of personnel and nonpersonnel expenses

Coordination and cooperation with Mizuho Corporate Bank and Shinko Securities

- As one of the measures for restoring and strengthening profitability, further promotion of coordination and cooperation with Mizuho Corporate Bank and Shinko Securities will be conducted



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