

One Hundred Years

Gratitude for the many years of support of IBJ and a wish for future support of Mizuho

*Today is the one hundredth anniversary of the founding of the Industrial Bank of Japan.
In September 2000 the three banks, DKB, Fuji and IBJ, formed the Mizuho Financial Group under Mizuho Holdings.
This consolidation will be completed by the restructuring of the Group into the four key subsidiaries,
Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities and Mizuho Trust Bank with effect April 1st.
This is the Mizuho Business Model designed to provide all of our customers with
the very highest quality of integrated financial services.*

One hundred years of history

Looking back over the hundred years from 1902, the Japanese economy experienced the First World War, the Great Kanto Earthquake and the financial crisis which ensued. Then it faced the destruction of the Second World War and the recovery and strains of rapid growth. IBJ was the leading public sector bank in the first half-century and under the new banking legislation of 1952 became a privatized long term credit bank in the second half-century. IBJ is proud to have played a vital role in the financing of Japanese industry consistently throughout, despite the very varied circumstances with which the Bank was confronted.

From the mid-1980s Japan joined in the worldwide trend towards financial deregulation and internationalization. This involved the Bank expanding in the areas of international presence, securities business, investment banking and asset management. In particular, legislation enacted in 1993 permitted the Bank to establish IBJ Securities and at last enter the securities market. Further deregulation permitted entry into securities investment trust business and trust banking. The Bank changed from being a long term credit bank to becoming a provider of a wide range of services on an integrated basis.

Over the hundred years Japanese society changed enormously, but the Bank was always there to act on behalf of its customers and their requirements to the utmost of its abilities. As may be well imagined, there were good times and there were bad. However, thanks to our loyal customers, staff and other supporters the Bank managed to survive as an important element of Japanese society and its financial economy.

My colleagues and I would like to express our feeling of deep gratitude to the world financial community for its support over the years.

Meeting the challenges of the future

Financial institutions are changing from being providers of credit to providers of a spectrum of financial services — from being financial intermediaries to being the source of a wide range of financial services and products — this is a worldwide phenomenon in all the advanced countries.

For corporate customers, it means the “solution provider” paradigm where the financial institution is involved in a wide range of activities such as M&A advice in the restructuring and re-orientation of companies in mature industries, risk management support, CMS and sophisticated settlement systems, the nurturing of venture business and other specialist services.

For individual customers, it means providing a range of asset management products of varying risk/return profile and that through an increasingly complex network of different channels. Providing a service to the individual now means such a wide variety of channels (branches, phone, internet and mobile phones) as well as greater sophistication in the management of the customer database.

Whoever the customer, be it a large corporation, a small business or an individual, the Bank must pro-actively offer a professional, comprehensive and quality service honed to the specific needs of the customer segment.

This demanding challenge is being met by the Mizuho Financial Group of which the Bank has become a member. We at IBJ shall continue the hundred year history of customer service with our new colleagues at Mizuho.



Masao Nishimura, President and CEO

An unprecedented project

From April 1st, Mizuho Bank and Mizuho Corporate Bank will come into being under the holding company, Mizuho Holdings, as separate entities offering services tailored for the two main banking customer segments. This has been accomplished under recent legislation permitting the re-organization of the three member banks, DKB, Fuji and IBJ, into Mizuho Bank and Mizuho Corporate Bank. Mizuho Bank is for individuals, domestically based corporate customers and public sector customers. Mizuho Corporate Bank is for large corporate customers, financial institutions, large public corporations and overseas-based customers. Mizuho Securities and Mizuho Trust Bank are being transferred to be direct subsidiaries of the holding company at the same time. These four subsidiaries are

the core of the “Mizuho Business Model”.

With continuing major changes likely in the management environment for financial services, the Mizuho structuring has to have the flexibility and capability to respond appropriately to the various demands placed on it. We are confident that the Mizuho Business Model structuring will achieve the aim of meeting the demanding challenges presented to us.

I would like to stress that the consolidation of the three member banks into Mizuho Financial Group is not yet just another financial services industry merger. It is an unprecedented response exploiting the recent legislative changes in Japan to their limit. Moreover, it has been a pioneering exercise in corporate consolidation and re-organization which stands as a model for much of Japanese industry as it also is increasingly required to meet challenge.

Gratitude for the past and a wish for the future

Mizuho Financial Group drew up and announced in November last year major management organizational changes. The aim was a concrete action plan to get moving in as short a time as possible on the vital issue of strengthening the balance sheet and profitability. This also involved rejuvenating the senior management and bringing in a new generation to ensure a new and original culture for the Group.

Consolidation of the world financial services industry is occurring with the globalization and deregulation of markets. I sincerely believe that the consolidation of the three banks into Mizuho Financial Group was the correct course of action to take for Japanese banking. My new colleagues and I look forward to the success of Mizuho on the world stage.

Financial services is itself a growth industry and at the same time an important supporter of growth industries. After all, it is an economic fundamental that the efficient allocation of funds permits the dynamic evolution of industry. This fact was realized in the US in the 1990s. In Japan, these issues must be seen against the background of national policy and it is now high time for clear decisions to be taken.

Here I must close the book on one hundred years of history with a repeated message of gratitude to all of you who have supported IBJ in the past. Our wish for the future is your continued support of the new Mizuho which aspires to be ranked among the top five financial institutions in the world.

Masao Nishimura
President and Chief Executive Officer

IBJ

THE INDUSTRIAL BANK OF JAPAN, LIMITED.