



MIZUHO

Integrated report 2019

Annual Review

April 2018 – March 2019

Mizuho Financial Group

Editorial policy

This Integrated Report includes financial information as well as non-financial information on such subjects as ESG. The report presents information on Mizuho's efforts related to strategies, governance, and other subjects along with information on how those activities are leading to the creation of value for our customers, society, and Mizuho over the short, medium, and long terms. It was edited with the intention of providing stakeholders with concise and clear explanations in a story-like form.

The content of this Integrated Report was reported to the Audit Committee of Mizuho Financial Group, and, after verification of appropriateness by the Disclosure Committee, the report was given final approval by the President & Group CEO.

We hope this report will further improve understanding of Mizuho and its goal of being "the most trusted financial services group with a global presence and a broad customer base, contributing to the prosperity of the world, Asia, and Japan."



Guidelines referred to

- International Integrated Reporting Council's "International Integrated Reporting Framework" (published on December 2013)
- Ministry of Economy, Trade and Industry's "Guidance for Collaborative Value Creation" (published on May 2017)

Scope of the report

Period covered: From April 1, 2018 to March 31, 2019
Also includes some information after April 2019
Scope covered: In principle, Mizuho Financial Group and its subsidiaries and affiliates

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CONTENTS

P.2 About Mizuho

- P.2 Corporate Identity
- P.3 Mizuho's journey
- P.5 Business domain
- P.7 Value creation process
- P.9 Financial data
- P.10 ESG-related data

P.11 Our strategies for creating value

- P.11 Message from the Group CEO
- P.21 Message from the Group CFO
 - Communication with shareholders and investors
- P.27 5-Year Business Plan: Transitioning to the Next Generation of Financial Services
- P.35 Bringing innovation to business and society through digitalization
- P.39 Sustainability
- P.49 Business strategies by company/unit
 - Retail & Business Banking Company
 - Corporate & Institutional Company
 - Global Corporate Company
 - Global Markets Company
 - Asset Management Company
 - Global Products Unit
 - Research & Consulting Unit

P.63 Foundations for our corporate value

- P.63 Corporate governance
 - Message from the Chairman of the Board of Directors
 - Board of Directors
 - Meeting between outside directors and investors
- P.73 Risk governance
- P.79 Compliance
- P.82 Fiduciary duties
- P.83 Employee engagement
- P.87 Compliance with international financial regulations
- P.88 Stakeholder communication

P.91 Financial and corporate data

- P.91 Eleven-year major financial data (FY2008-2018)
- P.93 Review and analysis for fiscal 2018
- P.97 Office network
- P.99 Corporate profile
- P.100 Group companies

P.102 Appendix

- P.102 Compliance contacts
- P.103 Support for SMEs and regional revitalization
- P.104 Internal audit structure
- P.105 Risk management structure
- P.117 Business continuity management
- P.118 Senior executives
- P.120 Location of offices outside Japan
- P.123 Investor information
- P.124 Financial Analysis [Under Japanese GAAP]
- P.132 Financial Data of Mizuho Financial Group, Inc. [Under Japanese GAAP]
- P.224 Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Three Subsidiaries [Under Japanese GAAP]
- P.238 Basel Regulatory Disclosures
- P.316 Disclosure Policy

All figures contained in this report are calculated using accounting principles generally accepted in Japan ("Japanese GAAP"). Forward-Looking Statements

This Integrated Report contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including estimates, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management of future performance.

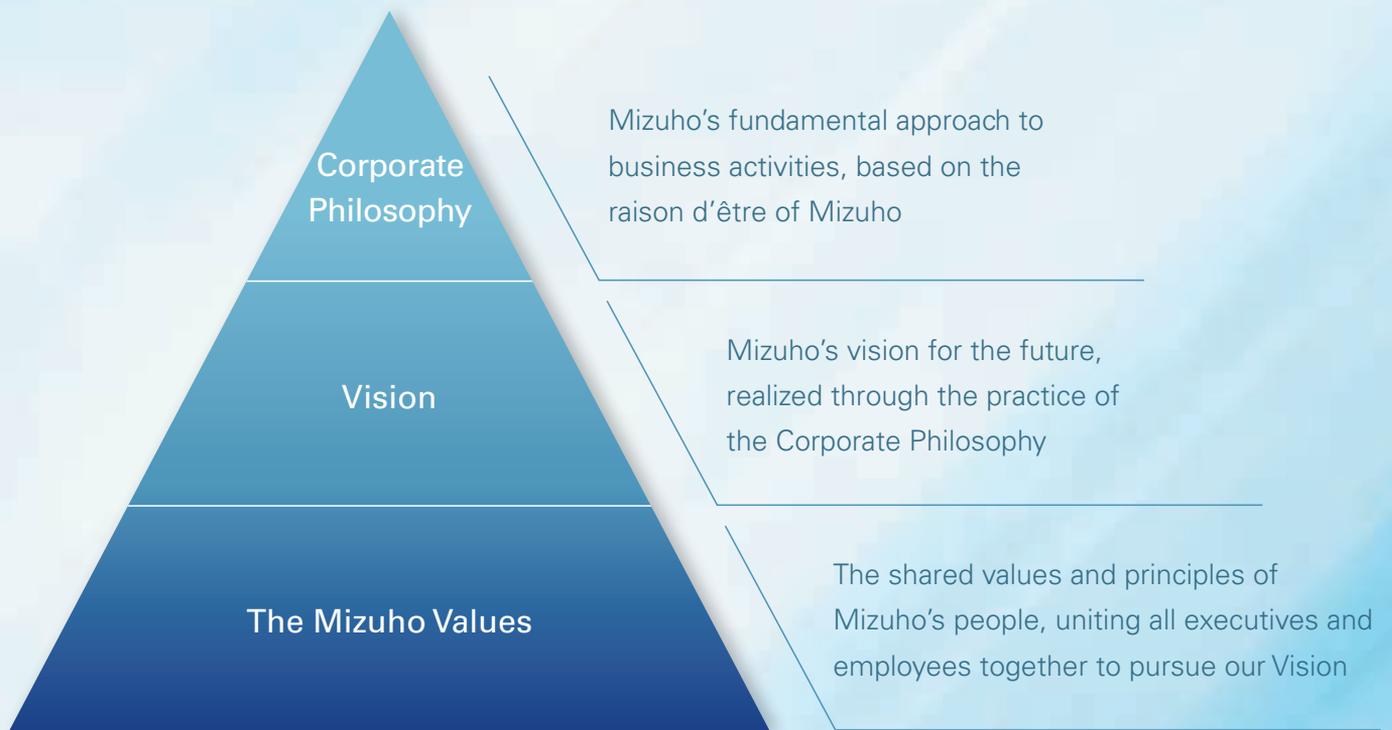
In many cases, but not all, we use such words as "aim," "anticipate," "believe," "endeavor," "estimate," "expect," "intend," "may," "plan," "probability," "project," "risk," "seek," "should," "strive," "target" and similar expressions in relation to us or our management to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions.

We may not be successful in implementing our business strategies, and management may fail to achieve its targets, for a wide range of possible reasons, including, without limitation: incurrence of significant credit-related costs; declines in the value of our securities portfolio; changes in interest rates; foreign currency fluctuations; decrease in the market liquidity of our assets; revised assumptions or other changes related to our pension plans; a decline in our deferred tax assets; the effect of financial transactions entered into for hedging and other similar purposes; failure to maintain required capital adequacy ratio levels; downgrades in our credit ratings; our ability to avoid reputational harm; our ability to implement our Medium-term Business Plan, realize the synergy effects of "One Mizuho," and implement other strategic initiatives and measures effectively; the effectiveness of our operational, legal and other risk management policies; the effect of changes in general economic conditions in Japan and elsewhere; and changes to applicable laws and regulations. Further information regarding factors that could affect our financial condition and results of operations is included in "Item 3.D. Key Information—Risk Factors," and "Item 5. Operating and Financial Review and Prospects" in our most recent Form 20-F filed with the U.S. Securities and Exchange Commission ("SEC") and our report on Form 6-K furnished to the SEC on July 30, 2018, both of which are available in the Financial Information section of our web page at www.mizuho-fg.com/english/ and also at the SEC's website at www.sec.gov.

The contents of this Integrated Report were prepared prior to the announcement of our financial results for the first quarter of fiscal 2019.

We do not intend to update our forward-looking statements. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by the rules of the Tokyo Stock Exchange.

Corporate Identity



Corporate Philosophy

Mizuho, the leading Japanese financial services group with a global presence and a broad customer base, is committed to:
 Providing customers worldwide with the highest quality financial services with honesty and integrity;
 Anticipating new trends on the world stage;
 Expanding our knowledge in order to help customers shape their future;
 Growing together with our customers in a stable and sustainable manner; and
 Bringing together our group-wide expertise to contribute to the prosperity of economies and societies throughout the world.

These fundamental commitments support our primary role in bringing fruitfulness for each customer and the economies and the societies in which we operate. Mizuho creates lasting value. It is what makes us invaluable.

Vision

The most trusted financial services group with a global presence and a broad customer base, contributing to the prosperity of the world, Asia, and Japan.

The most trusted financial services group

The best financial services provider

The most cohesive financial services group

The Mizuho Values

Customer First

The most trusted partner lighting the future

Innovative Spirit

Progressive and flexible thinking

Team Spirit

Diversity and collective strength

Speed

Acuity and promptness

Passion

Communication and challenge for the future

Mizuho's journey

Always standing at the forefront of our time, trailblazing is in our

DNA



The Dai-ichi Bank
(photo: National Diet Library)

1873

The Dai-ichi Kangyo Bank

1873 Establishment of The Dai-ichi Bank, 1971 Establishment of the Dai-ichi Kangyo Bank through a merger with Nihon Kangyo Bank



Yasuda Bank
(photo: National Diet Library)

1880

The Fuji Bank

1880 Establishment of Yasuda Bank, 1948 Changed to The Fuji Bank



(photo: The Mainichi)

1902

The Industrial Bank of Japan

1902 Establishment as a public sector bank that not only offers long-term funding but also securities and trust banking services



1999

Merger of our three predecessor banks

2003

Establishment of Mizuho Trust & Banking
Merger with Mizuho Asset Trust & Banking

2003

Establishment of the Industrial Revitalization Corporation of Japan

2004

Banks are permitted to act as securities brokerages

2002

Establishment of Mizuho Bank and Mizuho Corporate Bank

2010

Announcement of medium-term policy: Mizuho's Transformation Program

2007

Sub-prime mortgage crisis

2008

Global financial crisis

2010

European debt crisis

2006

Completion of public fund repayment

Listed on NYSE

2011

Mizuho Trust & Banking and Mizuho Securities become wholly-owned subsidiaries of Mizuho Financial Group



2013

Announcement of medium-term business plan: One Mizuho New Frontier Plan

Merger of Mizuho Bank and Mizuho Corporate Bank

Establishment of Mizuho Securities
Merger with Mizuho Investors Securities

2011
Great East Japan Earthquake

2013
Bank of Japan introduces quantitative and qualitative monetary easing

2015
The United Nations adopts the Sustainable Development Goals

2016
Bank of Japan introduces negative interest rates

2017
Start of Trump administration in the US

2019

Announcement of 5-Year Business Plan

2014

Transition to a Company with Committees model of corporate governance

2016

Announcement of medium-term business plan: Progressive Development of "One Mizuho"

Introduction of in-house company system

Establishment of Asset Management One

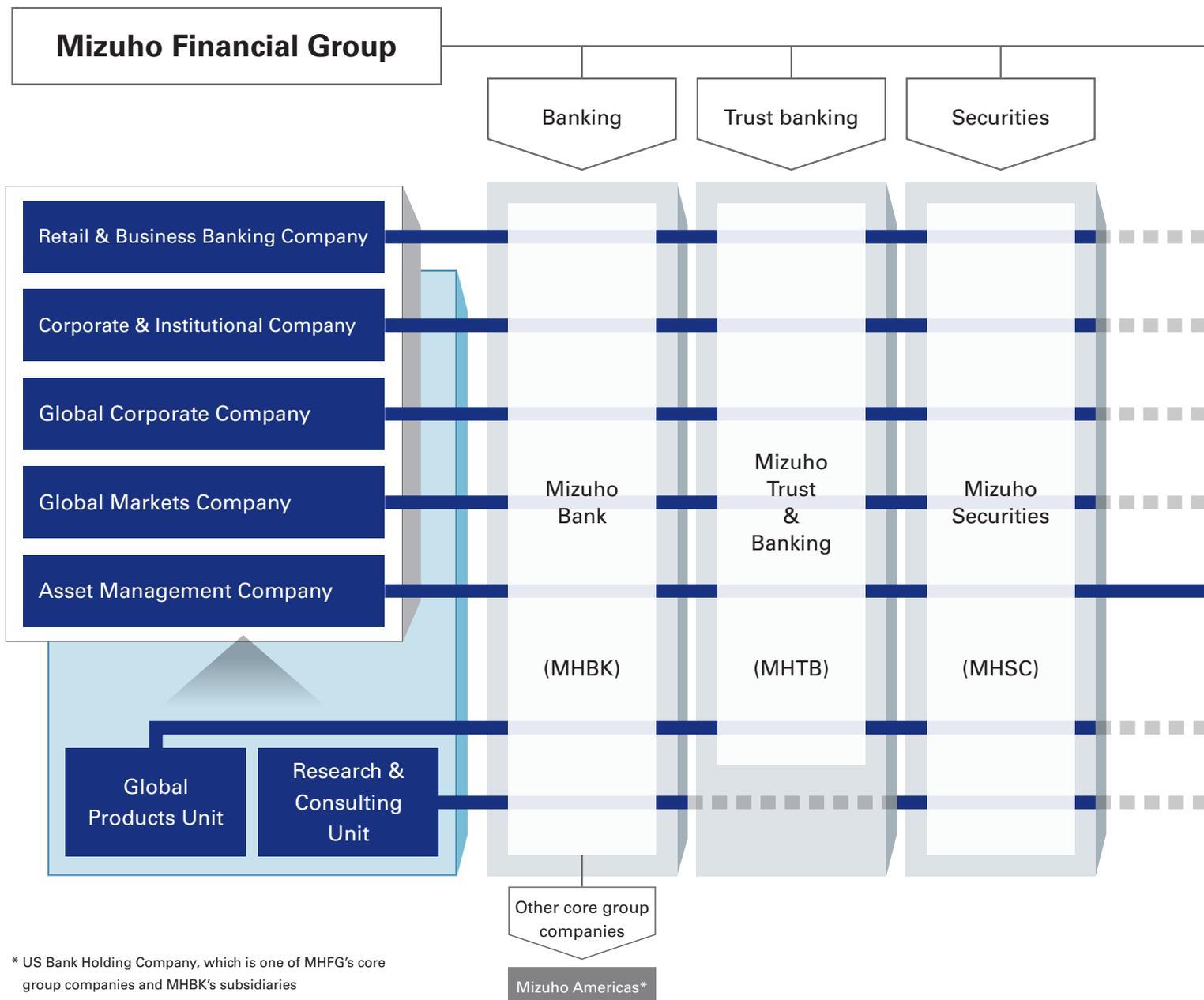
Establishment of Mizuho Americas



Business domain

The Mizuho group is composed of Mizuho Financial Group Co., Ltd. (the holding company), its consolidated subsidiaries, and affiliates accounted for under the equity method. As a financial services group, our business domains include banking, trust banking, securities, and other financial services.

Under a holding company, the group has five in-house companies, which determine and promote strategies group-wide across banking, trust banking, securities, and other business areas according to the attributes of customers, and two units that support all of the in-house companies.



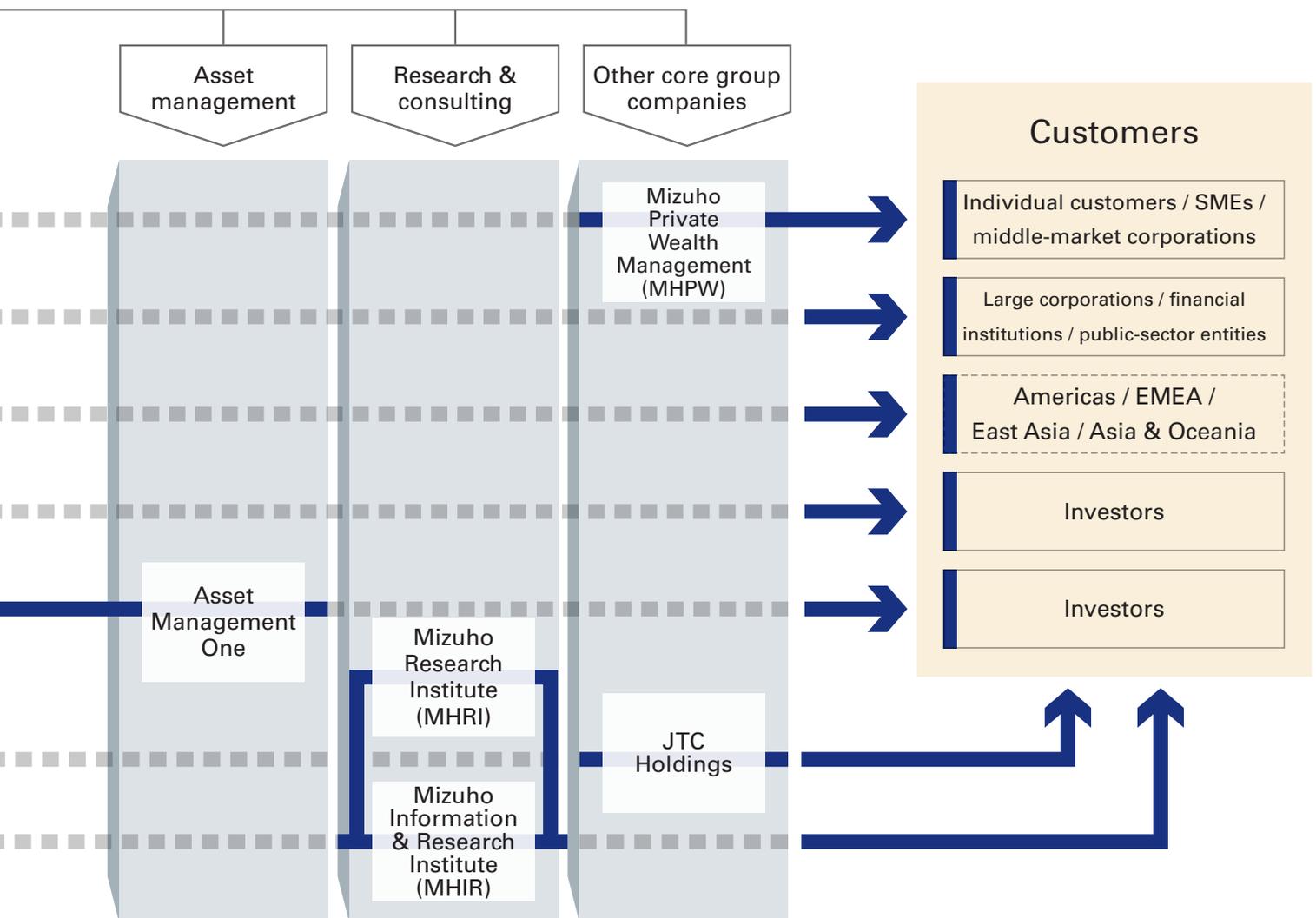
* US Bank Holding Company, which is one of MHBK's core group companies and MHBK's subsidiaries

Reference Net Business Profits by in-house company

1. Recalculated the FY2018 results based on the FY2019 management accounting rules
2. The Global Markets Company's Net Business Profits include Net Gains (Losses) Related to ETFs
3. MHFG's Consolidated figures include Consolidated Net Business Profits and Net Gains (Losses) Related to ETFs and others

(group aggregate, management accounting, rounded figures) (¥ billion)

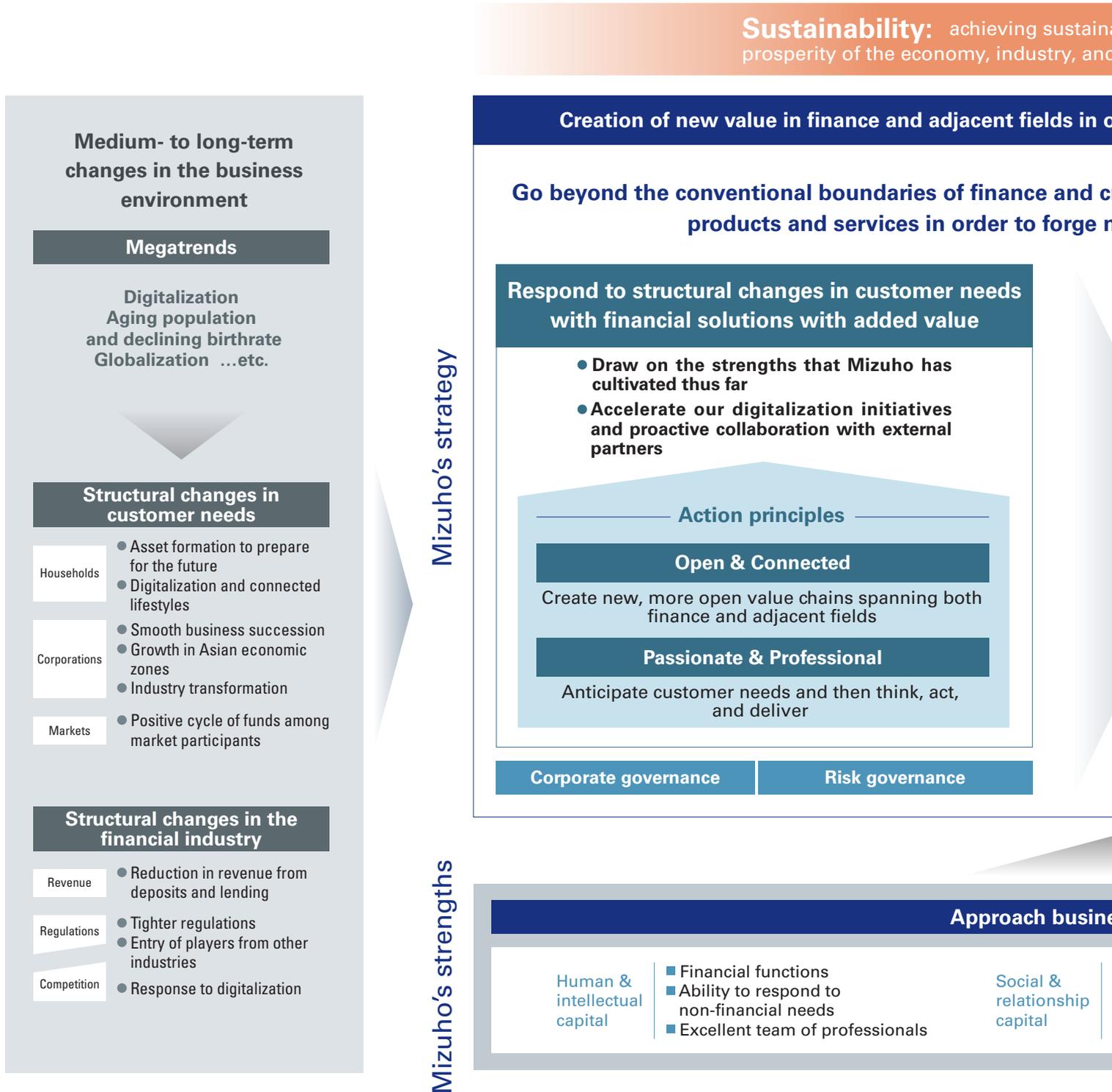
	FY2018 results	FY2019 targets
Retail & Business Banking Company	10.0	18.0
Corporate & Institutional Company	268.0	238.0
Global Corporate Company	169.0	157.0
Global Markets Company	(18.0)	154.0
Asset Management Company	16.0	13.0
In-house company total	445.0	580.0
Group consolidated	408.3	600.0



Value creation process

Mizuho's Corporate Philosophy, which is at the core of our Corporate Identity, states "These fundamental commitments support our primary role in bringing fruitfulness for each customer and the economies and the societies in which we operate. Mizuho creates lasting value. It is what makes us invaluable."

Our customers' needs and the financial industry are rapidly undergoing structural changes in reflection of the structural shifts occurring in the economy, industry, and society. In line with our action principles, Open & Connected and Passionate & Professional,



Sustainability: achieving sustainable prosperity of the economy, industry, and society

we will focus on transitioning to the next generation of financial services—building new forms of partnerships with our customers so that we can respond to their needs as the times change. Our objective is to build a stronger and more resilient financial group which our customers can depend on in the coming era.

Through these efforts, we will create new value for our stakeholders and contribute to the sustainable development and prosperity of the economy, industry, and society around the world as well as contribute to the realization of the SDGs.

able and stable growth for Mizuho, and through this growth, contributing to the sustainable development and society around the world

order to transition to the next generation of financial services

create new value incorporating both financial and non-financial new forms of partnerships with our customers



Value created for stakeholders

Customers

- Create new value in adjacent business areas surrounding finance
- Achieve increased customer convenience and business growth

Shareholders

- Increase corporate value by resolving structural issues and accelerating growth

Employees

- Create workplaces that give employees a sense of purpose, linked to customer satisfaction

Society

- Contribute to the sustainable development and prosperity of the economy, industry, and society around the world

Contribute to the realization of the SDGs 

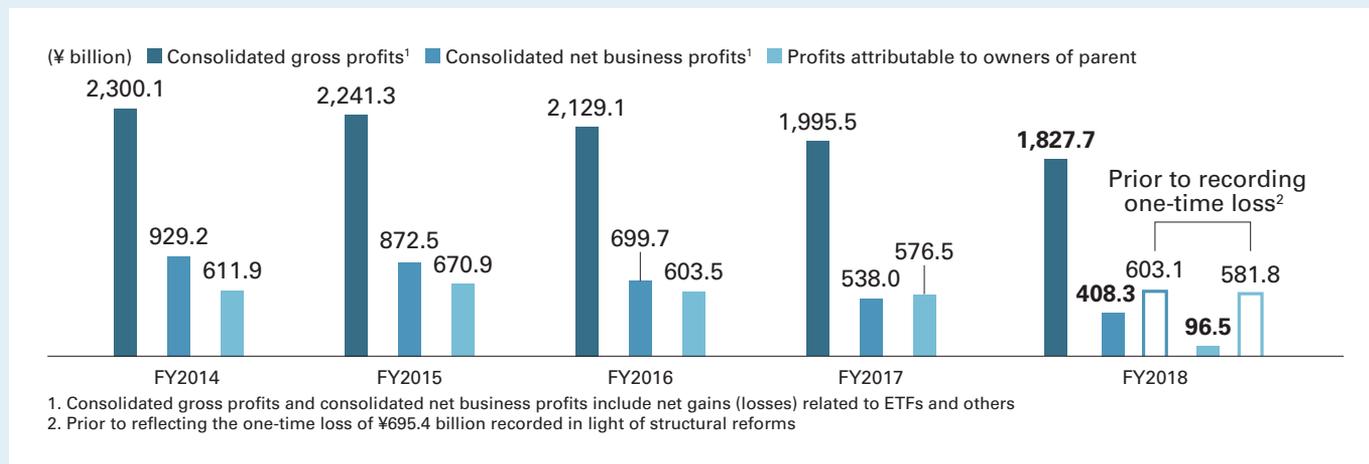
Business as a unified group

- Customer base and network
 - Trustworthiness and dependability
 - Market presence
- Financial capital**
- Stable capital raising structure
 - Sound loan assets
 - Sufficient equity capital

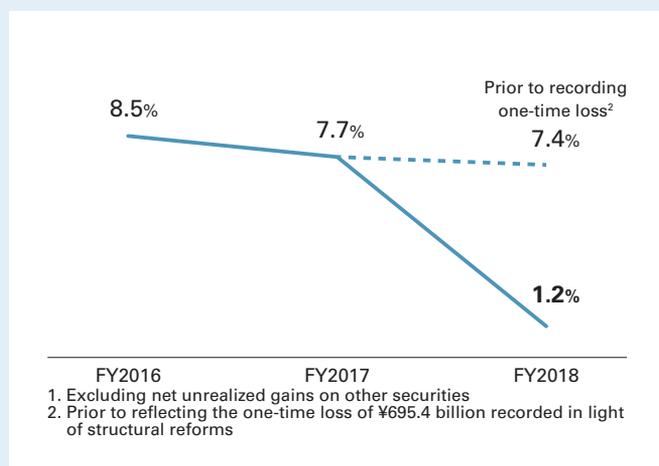
Further enhance Mizuho's strengths

Financial data

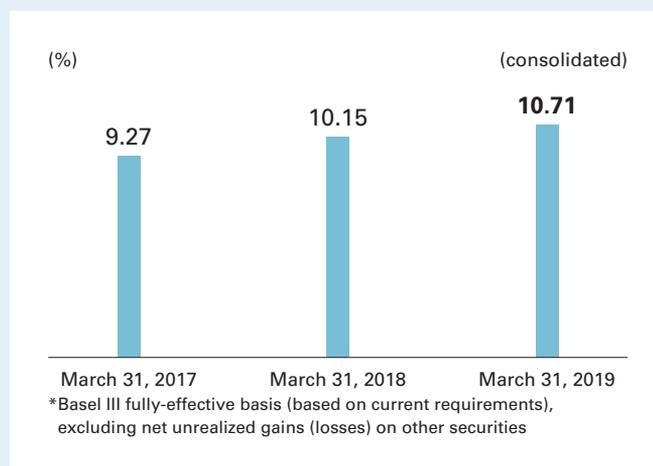
Historical data



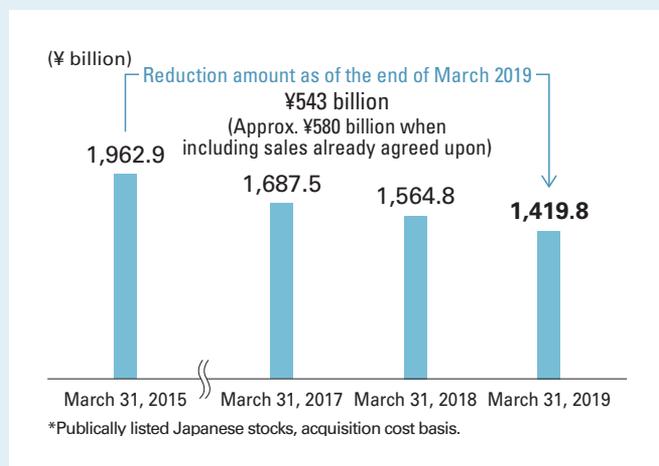
Consolidated ROE¹



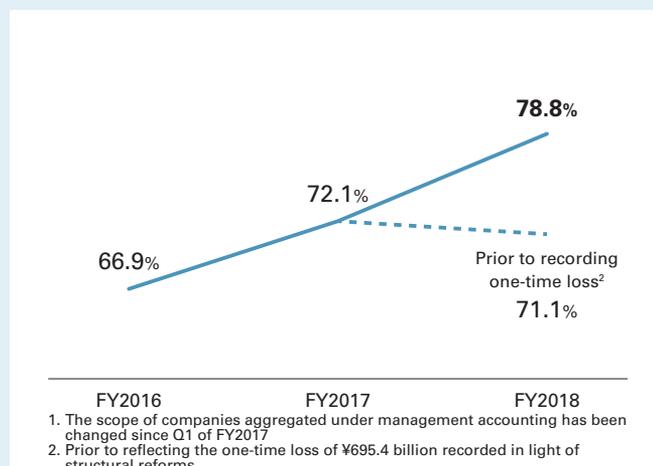
Common equity tier 1 capital ratio*



Reduction in cross-shareholdings*



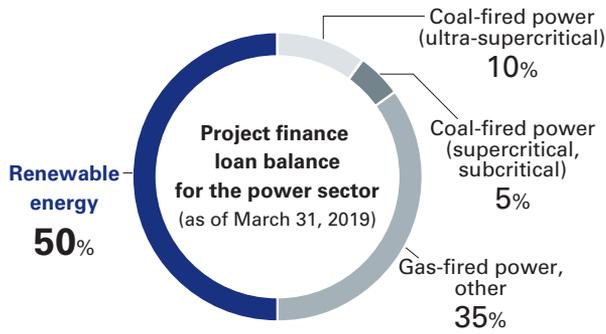
Expense ratio (group aggregated)¹



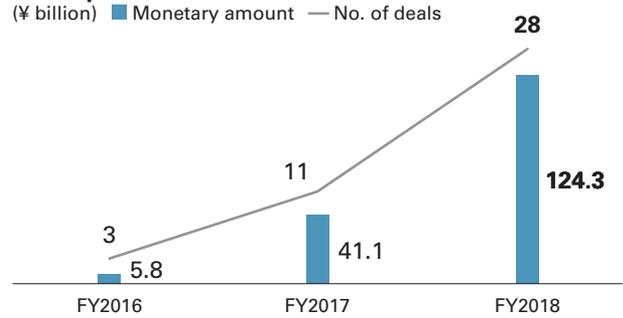
ESG-related data

Environment

Project finance for the power sector



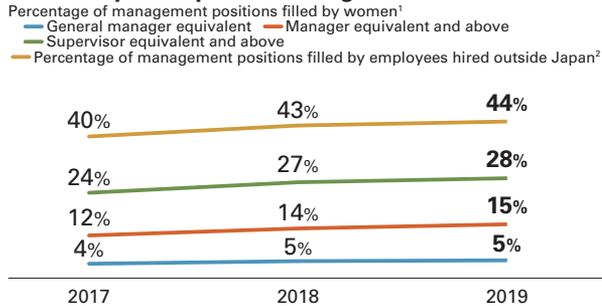
Underwriting of publicly offered sustainable bonds* in Japan



*Includes green bonds, social bonds, sustainability bonds, etc.

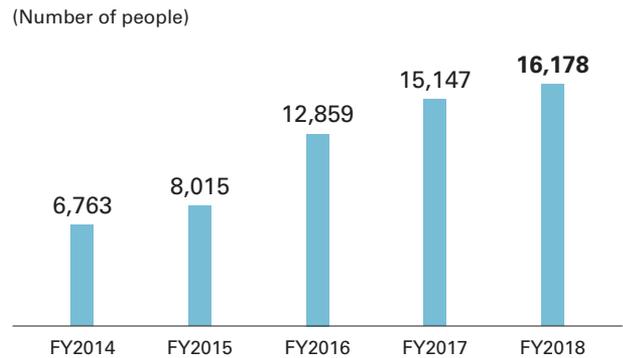
Social

Diversity in corporate management



1. As of July, total for four group companies in Japan: Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities
 2. As of March 2019, ratio at Mizuho Bank outside Japan

Number of people provided financial education



Social responsibility indices which include Mizuho (as of June 2019)



2018 Constituent
MSCI ESG
Leaders Indexes



ESG indices
selected by the
GPIF

General index



Themed index



2018 Constituent
MSCI Japan Empowering
Women Index (WIN)



Message from the Group CEO

Transitioning to the next generation of financial services by implementing our 5-Year Business Plan

We have launched a 5-Year Business Plan: Transitioning to the Next Generation of Financial Services, which covers the five year period starting from fiscal 2019. After being appointed as the President & CEO of Mizuho Financial Group (“Group CEO”) in April of last year, I have looked back on the path that Mizuho has taken overall and have considered our current situation in detail. I have given much thought to the ways that we can create new value in the coming era.

In this message, I would like to share with you my perspective as the Group CEO regarding the ways that we are seeking to address the structural changes occurring in the surrounding environment, what I consider to be Mizuho’s challenges and strengths, and what we will do as part of our new business plan in order to win out over the competition.

How we are addressing change

What is expected of management

The structure of the economy and society, the ways in which countries around the world are connected, and people’s lifestyles are all undergoing irreversible, structural change at an accelerated pace. How are we addressing this change? For members of management, how we handle this era of rapid change may well be the greatest challenge we face.

Looking at the current state of the global economy, we are seeing the continuation of gradual growth overall. However, uncertainty is increasing in light of factors such as the current US-China trade friction, and the resulting downturn in confidence regarding the global manufacturing industry. Going forward, there are expectations that we will continue to see firm growth, centered on the US, but we must continue to be cautious regarding increasing uncertainty arising from a number of directions, including US trade policy, political developments in Europe, economic and market trends in China and emerging economies, and geopolitical risk in the Middle East.

Additionally, over ten years have passed since the last financial crisis, and there are signs of a turn in the credit cycle. For example the occurrence of an inverted US bond yield curve, expansion of the credit spread in the corporate bond market, and the expansion of the leveraged loans market.

In light of the lessons learned from the 2008 global financial crisis, at Mizuho we have enhanced risk management and implemented more selective credit processes. We keep a close eye on not only the credit markets but also emerging economies, asset prices, and other trends, working to identify weak points as the financial markets and real economy constantly change. As a result of these efforts, I believe we are maintaining an appropriate level of stress resistance in light of credit cycle transitions.

However, in the coming era, it will not be enough to just prepare for cyclical changes. It is an undeniable truth that the global economy and society, as well as people’s lifestyles, are undergoing rapid structural change. This is the result of a number of interconnected factors, including the downward trajectory of economic growth rates in advanced economies, the emergence of economic disparity and anti-globalization movements, aging populations and lengthening lifespans primarily in advanced economies but also in emerging economies, and disruptive innovation arising from digitalization.

Tatsufumi Sakai

Member of the Board of Directors
President & Group CEO
Mizuho Financial Group, Inc.



Regarding digitalization in particular, the emergence of the IoT where everyday objects are connected to the Internet, advances in big data analysis utilizing AI, and other such developments are creating an interconnected relationship between the physical and digital world, which in turn is transforming the economy, society, and people's lifestyles in a wide range of fields. It took humanity a thousand years to transition from a hunter-gatherer society to an agricultural society, and the industrial revolution occurred over a span of several hundred years. However, the current digital revolution is likely to completely transform our world within only a few decades.

From this perspective, we can assume that future global developments will follow this pattern and that the breadth of change will be larger, the pace will be faster, and the outcome will be more dramatic. Surely this will also affect the world of finance, and we will see discontinuous structural change transform the industry beyond our imagination. In that sense, it is unnatural to think that the finance industry alone would be able to continue indefinitely in its current form as the world changes and customer needs and worker preferences change with it. At the most extreme, it is even possible that the finance industry will cease to exist in the form that we currently know it.

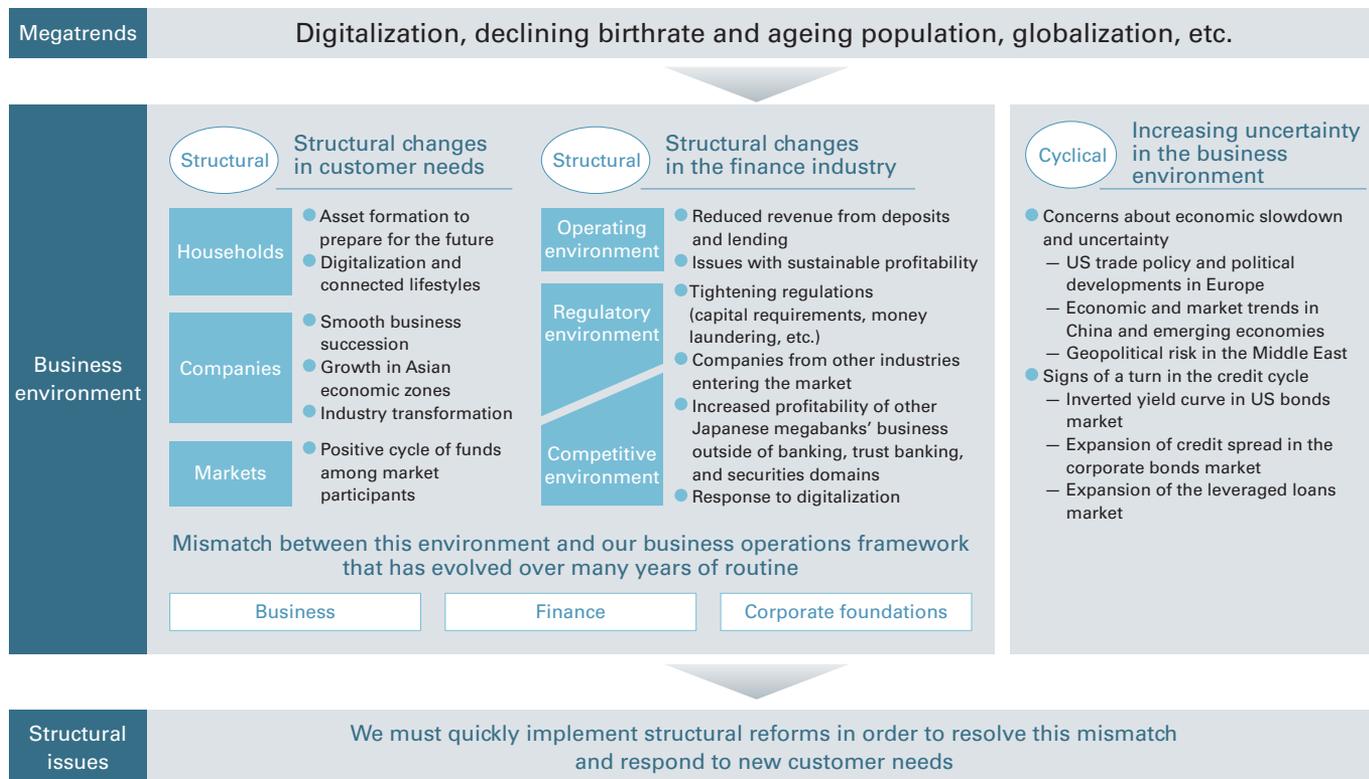
This level of dramatic change means that those who rely too much on following the paths which led to success in the past may find themselves falling behind, while those that embrace change and seek transformation will be presented with a rare opportunity.

In light of the ways that the competitive environment has, and continues to, change significantly, we must objectively examine reality and assuredly make changes where they are needed. At the same time, we must think, act and deliver—drawing on our strengths and developing new ideas in a flexible manner unbound by precedent. This will enable us to grow substantially, in ways that may not have been possible in the past environment.

How we address change and how we can ensure that this attitude towards change permeates every corner of the organization are vital considerations in the management of our organization during this period of drastic change within the finance industry.

Message from the Group CEO

Business environment and challenges



Three megatrends

Following these observations, we must first seek to identify the major trends underlying these structural changes in the economy, society, and people's lifestyles. There are three megatrends which are having a particularly big impact on the finance industry: digitalization, a declining birthrate and ageing population, and globalization.

As for the first of these trends, digitalization, as I already briefly touched upon, digitalization is transforming the economy, society, and people's lifestyles in a wide range of fields. In the business world, innovations such as the IoT and 3D printers are driving a manufacturing revolution. Big data, AI, and other technologies are dramatically changing the service industry. And we are seeing a rise in subscription and sharing economy businesses. These major transitions within the industrial structure are being referred to as the "4th industrial revolution".

In this environment, it is essential that financial institutions act as their clients' business development partners, providing business support that goes beyond the traditional boundaries of finance in order to respond to rapidly evolving client needs.

Also, the basic services that financial institutions provide such as payments and lending are increasingly being offered by IT companies, fintech companies, and other industry outsiders.

Going forward, these revolutionary changes are likely to accelerate. In order for established financial institutions to continue acting as pillars of the financial infrastructure, it is crucial that we enhance our services by integrating cutting-edge technology and work to develop new business and increase productivity.

The second of the three megatrends is a declining birthrate and ageing population. Our home base of Japan is a country that began experiencing this trend before other countries. A declining birthrate and ageing population are serious issues which many other countries and regions will likely face at various times in the future. If Japan can present a new model for adapting to these changes, it could lead to stable growth in the world economy and is therefore a very important challenge.

I believe that Japan is capable of building a model where the merging of Japan's tradition of craftsmanship and technical capabilities with digitalization, in addition to more active use of accumulated capital, will create a significant increase in productivity to off-set population decline, and this will be a strength that drives development.

In Japan, in addition to personal financial assets topping ¥1.8 quadrillion, which have been accumulated since the nation's period of rapid economic growth, individuals own more than

¥1 quadrillion worth of real estate. Despite this, property income only accounts for 10% of household income in Japan, and it is essential that we work to raise this to a similar level as that of the US and Europe where it accounts for 20 to 30%. If we can encourage the more effective use of assets, including through responding to asset succession and business succession needs, then we can not only create a shift from savings to investment and asset formation, essential in this age of longevity, but also by increasing the return on assets we can build the capital that will support a new development model for Japan.

As for the third megatrend, globalization, while there has been some push-back recently such as an increase in protectionist trade policies, new trade flows are emerging as the result of changes to supply chains, and factors such as this make it difficult to determine the future direction of this trend. Although there are likely to be more twists and turns going forward in trade talks between the US and China, I believe that the direction of globalization as a megatrend, including such ebbs and flows, will become increasingly important.

That said, I think that the basic structure will not change from what we are witnessing now, and emerging economies, primarily in Asia, will be the main drivers of growth in the global economy. Current predictions regarding global GDP see China surpassing the US in the 2030s, and the GDP of Asia (excluding China and Japan) is on track to expand to a scale three times that of Japan.

One of the ways this may impact the finance industry is that the ratio of capital flows related to Asia will increase. An important role of the finance industry is to act as a bridge between Asia, the US, Europe, and other regions connecting businesses, and contributing to the sustainable and stable growth of the global economy.

Issues that need to be resolved

Three areas of mismatch

Next I would like to examine Mizuho's situation specifically, and the mismatch that has arisen in three areas—business structure, finance structure, and corporate foundations—against the backdrop of the megatrends discussed above and the structural changes in customer needs and the finance industry. In this section I will provide specific examples for each area.

Firstly, there is a mismatch in terms of business structure. In Japan in particular, Mizuho's business structure has been influenced by the post-war period of high economic growth. For example, in the case of Mizuho Bank, our business model has been one involving high fixed costs, a brick-and-mortar branch network primarily located on prime real estate directly next to train stations, and building a robust operational structure and IT systems with the aim of collecting deposits from a broad range of customers and utilizing these funds for corporate lending.

However, digitalization has led to the wide-spread use of more convenient services, and customers no longer need to visit a bank branch in order to make payments, complete various account procedures, or use other basic services. As a result, the number of branch visitors has been declining year-to-year. Additionally, branches are also able to offer more convenient services by utilizing cutting-edge technology, and therefore going forward branches will increasingly undergo a change in role, becoming a space for consulting where retail customers come to discuss investment for retirement and inheritance matters, and where corporate clients come for advice on business matters.

In order to respond to changing customer needs, we must fundamentally revise our business structure from one revolving around a retail branch network of convenient locations where a large volume of operations are processed, and therefore resolve the mismatch that has arisen between this structure and customer needs.

The second area where there is a mismatch is in our finance structure. In Japan, with the long continuation of negative interest rates, our net interest margin continues to shrink, and as a result a structural mismatch has arisen between our declining gross profits and the expenses required to maintain our traditional business structure.

Negative interest rates are one method of monetary easing, and therefore the Bank of Japan might discontinue this policy in the future. However, considering the outlook for Japan's declining birthrate, ageing population, and population decline, it is difficult to conceive of a scenario where the economic growth rate would increase significantly, and therefore it is likely that the low interest rate environment will continue going forward.

Given these factors, we must resolve the mismatch regarding our finance structure by fundamentally reducing fixed costs in addition to investing in areas both within and beyond the traditional boundaries of finance in order to respond to new customer needs and create new value.

Lastly, there is a mismatch in terms of our corporate foundations. As customer needs undergo structural changes, we must change as well—including the way we manage our business, the way we work, and our every-day operational processes. If we do not change then we will not be able to provide new services that meet the needs of customers in this new era.

In particular, workforce-related issues are crucial. When I entered the workforce 35 years ago, "life-time employment" (employment at the same company until retirement) was the assumption at Japanese corporations and the norm was to work until around age 55 or 60 and then live off of the national pension, company retirement benefits, savings left over after repaying one's housing loan, and other such sources of post-retirement income. However, now we are entering an age of longevity. It is estimated that over 40% of children born in Japan today will live to be 100. So it will be necessary for individuals to find ways to achieve fulfillment for

Message from the Group CEO



a longer period of time, including the possibility of working beyond the standard retirement age.

In Japan, already we are seeing major changes in the preferences of the younger generations. Rather than selecting a company they feel an affinity for and planning to work there for the rest of their career, young people are selecting a profession they feel an affinity for, working to gain skills, and networking broadly both within and outside their company, approaching work with increasing emphasis on self-discovery. For companies, the extent to which younger workers can develop their careers is gaining increasing importance.

These examples that I have given regarding areas of mismatch are only a few of the things we need to address based on our broader understanding of the situation at hand. In order for us to respond to the rapid changes in the surrounding environment against the backdrop of these megatrends, we must directly address these areas of mismatch. Therefore it is essential that we steadily implement our structural reforms aimed at resolving them.

Why Mizuho will win out

The strengths we have cultivated thus far

We must clearly identify our unique strengths and implement a differentiation strategy if we are to win out over the competition and respond to new customer needs.

One of the strengths we have been emphasizing is our approach to business as a united group, under what we have termed the “One Mizuho” strategy. We will continue to further enhance this strength while at the same time not limiting ourselves to the One Mizuho strategy but rather seeking to further evolve it and go beyond it.

Why is Mizuho able to evolve in this way? I believe the answer is in the strengths we have accumulated over our long history, and I would like to take this opportunity to share with you, our valuable stakeholders, two specific areas of strength.

The first area of strength is our customer base, network, trustworthiness, and reliability. The new design of the ¥10,000 note in Japan will feature Eiichi Shibusawa, who founded one of Mizuho’s predecessor banks, the First National Bank, in 1873, almost ten years prior to the establishment of the Bank of Japan. Over these 146 years of history, we have cultivated our customer base, network, trustworthiness, and dependability as our greatest strengths. Mizuho has a strong customer base and a wide network both in Japan and around the world, and one of the distinguishing characteristics of our customer base is that it is broad and open, not being limited based on corporate affiliations. In this way, to this day our approach is aligned with Eiichi Shibusawa’s philosophy. Additionally, out of the approximately 30,000 local subsidiaries that Japanese companies own outside Japan, around 20,000 of them are located in Asia. Therefore, I believe that one of our strengths is our ability to draw on our Japanese client base in order to expand business in other countries in Asia.

As for trustworthiness and dependability, actually these are both areas where Mizuho scored very high on an anonymous survey of retail customers conducted in Japan regarding the qualities

people associate with different companies. We also scored high in terms of the quality of our staff. However, compared to e-commerce companies, we score lower in categories such as innovativeness and inclination to take on new challenges.

Also, Mizuho operates in a highly regulated industry. The necessary costs associated with the protection of personal information, anti-money laundering, and other measures required from the perspective of society are already built into our business. Recently GAFA* have come under pressure to revise their business model as they encounter issues in these areas. However, at Mizuho we are able to expand our business based on the trustworthiness and dependability we have built up throughout our long history, to the benefit of our customers as well as society and the economy at large.

*An acronym referring to four major US-based IT companies: Google, Apple, Facebook, and Amazon.

The second area of strength is our financial functions, market presence, and ability to respond to non-financial needs.

The wide range of financial functions within the Mizuho group and our strong presence in the markets are major strengths. For example, Mizuho has ranked first on the Japanese syndicated loan league table for ten years in a row, and we consistently rank around the top of Japanese publicly-offered bonds (straight bonds, energy bonds) league tables, in addition to other leading rankings. Also, in the US corporate bond (DCM) league table (FY2018, investment grade) we ranked 8th overall, but when narrowed down to the major clients we targeted, we ranked 4th, directly after three major US financial institutions. This is just one example of our strong presence in global capital markets. Additionally, we continue to receive numerous awards from industry magazines for our transaction banking and trade finance capabilities in Asia, and this and other forms of recognition point to the ways that the services we provide are well received.

At the same time, we have many strengths in non-financial areas. Our research functions, for example, where we have a high level of expertise spanning a wide range of fields, including being the leading Japanese bank in terms of industry research. As our clients' needs shift as they face major changes in the surrounding environment, our research capabilities are a strong factor of differentiation enabling us to provide solutions spanning both finance and non-finance fields.

On top of this, Mizuho Trust & Banking has the strongest real estate track record in the trust banking services industry in Japan, which is a significant strength in light of increasing asset succession needs, including both financial assets and non-financial assets such as real estate. Additionally, products and services which combine our trust banking functions with non-financial services have been well received by customers. For example, we launched a new customizable trust product which combines Mizuho's range of financial functions such as asset safeguarding and asset succession, with nursing care and home check-in services from external providers.

In this way, we have strengths in both finance and non-finance fields. I believe this will provide Mizuho with a major advantage when it comes to directly addressing customer needs in this new era and creating new value.

Building new strengths

In addition to fully drawing on these unique strengths, we will focus on advancing digitalization. This will mean that based on our strategy, at times we will be in competition with other organizations, including those outside the finance sector, while at other times we will proactively collaborate with them, thus creating new strengths.

As I mentioned above, over our long history we have built a reputation for trustworthiness and dependability. While leveraging these strengths, we will collaborate with IT companies and other partners who are on the cutting edge of innovation, working towards a shared goal of meeting customer needs. By blending finance and non-finance fields in this way, I believe we can provide customers with added value in the truest sense.

We have already partnered with SoftBank to provide J.Score, a score-based lending service targeting individuals in Japan. And we are collaborating with regional financial institutions from throughout Japan to offer J-Coin Pay, a cashless payment service. Other initiatives include a new lending business targeting SMEs which we are working on with Credit Engine, and plans for establishing a new bank in partnership with Line. In this way, we are working with a broad range of partners in various industries and of different scales with the aim of responding to customer needs through a flexible, open, and connected approach to customer engagement, services, business infrastructure, and other aspects. Going forward we will further expand these efforts with the aim of differentiating Mizuho from our competitors.

A year to build the groundwork for structural reform implementation

Fiscal year 2018 was positioned as the launchpad for our new business plan and I would like to share some of the initiatives we advanced.

Since being appointed as Group CEO in April of last year, I positioned fiscal 2018 as a year where we would go on the offensive. I put an emphasis on strengthening earnings power in line with our actual business circumstances. As a result, revenue in customer divisions, primarily for large corporations in Japan and clients outside Japan, trended upward. This was the highest earnings since introducing the in-house company system and is one way that we are seeing the impact of our efforts.

Also, in light of the structural reforms that we identified as part of efforts to ascertain the overall business situation, with the aim of addressing issues as early as possible we recorded a one-time loss in fiscal year 2018 financial results in order to reduce the burden on future fiscal years and immediately resolve the mismatch regarding our finance structure. I am confident that this was the best option in order to enable us to resolve structural

Message from the Group CEO

issues at an early stage and fully draw out the strengths and potential that we have accumulated thus far.

Additionally, we positioned the migration to our next-generation IT system as a top priority for management and were able to complete an eight-stage migration process smoothly in fiscal year 2018. I believe that these efforts will ensure that we have the groundwork in place for implementing the structural reforms under our new business plan.

What we will do in order to win out over the competition

Basic policy: Three-pillar reform

Our 5-Year Business Plan: Transitioning to the Next Generation of Financial Services, was formulated based on the structural issues, strengths, and other considerations outlined in the preceding pages. As I have explained, I believe that one of the largest issues facing Mizuho at the moment is the need to resolve the mismatch that has arisen between structural changes in customers' needs and the business operations framework that has evolved over many years of routine at Mizuho. This is necessary to enable us to meet new customer needs.

With this in mind, our basic policy under the new business plan is to implement forward-looking structural reforms focused on three interconnected areas: business structure, finance structure, and corporate foundations. This will enable us to resolve the mismatch in the allocation of corporate resources and respond to new customer needs, aiming to transition to the next generation of financial services.

Time frame: Why we chose a five year period

Although our previous business plans were three years, this new plan is for five years. A three-year time frame is sufficient for addressing immediate issues. However, a three-year plan tends to function as an extension of ongoing initiatives and potentially may only address the symptoms rather than root causes. By adopting a five-year time frame, we believe that we will also be able to directly address the root of structural issues, aiming to transition to the next generation of financial services.

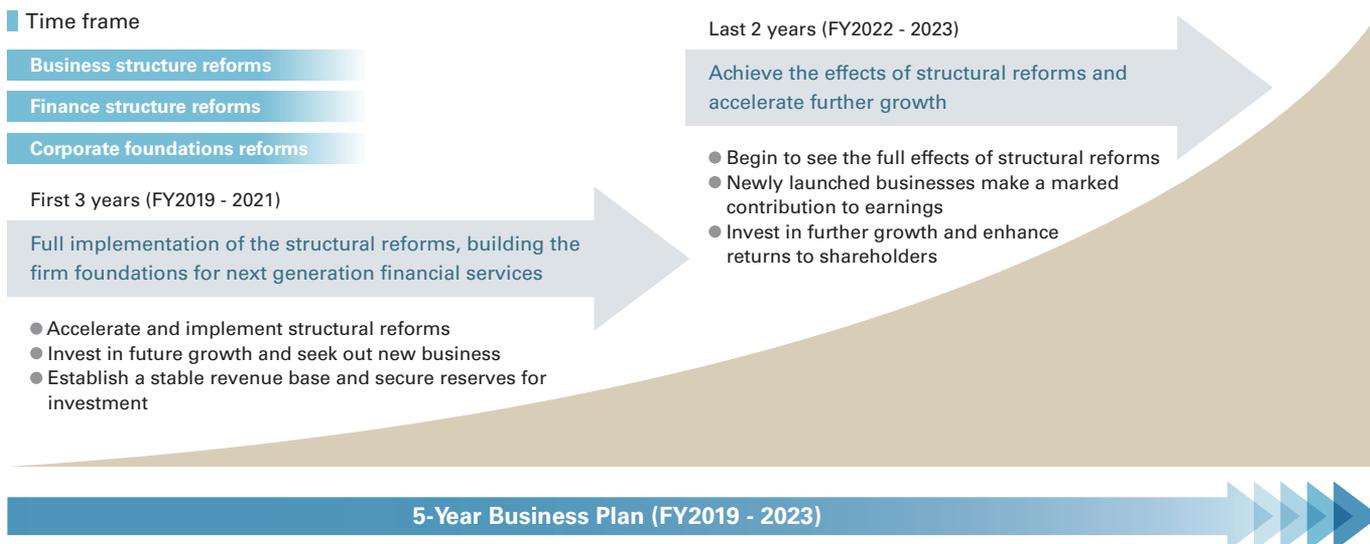
In particular, in the last two years of the period as our efforts begin to bear fruit, we plan to further accelerate growth, and we hope that our stakeholders can see how this time frame therefore represents our major commitment.

Key strategy: Creation of new value in both financial and non-financial business areas

Our key strategy for realizing our basic policy is to go beyond the conventional boundaries of finance and create new value incorporating both financial and non-financial products and services in order to forge new partnerships with our customers.

Allow me to go into detail on this important point. Until recently the value proposition of financial institutions has been based on traditional financial services, focused on the value of money itself. Of course, the importance of money itself is not going to change any time soon. However, as I mentioned above, as peoples' lifestyles and values change, and as countries around the world become more interconnected in terms of economic and industrial structures, we are experiencing a time of broad change and new customer needs are rapidly arising.

For example, individuals are not only interested in investing their money but also in convenient services integrated with an increasingly digitally connected lifestyle, or in light of increasing



longevity, services with support for later in life such as inheritance or nursing care, or for business succession and other such concerns.

And companies are not only interested in financing but also in other means of growth support, business structure transformation, or responding to the business risk arising from this growth and transformation, talent acquisition needs, and other such concerns.

Given these changes in needs, the financial services industry must change as well. To build new forms of partnerships with our customers, we cannot limit ourselves to traditional financial domains. We must seek to identify the underlying needs of our customers based on their hopes, dreams, or concerns, and connect with customers at a deeper level.

Our aim is to go beyond the conventional boundaries of finance and draw on a wide range of resources. We will seek to create new value incorporating both financial and non-financial products and services with added value by expanding into and connecting with adjacent business fields. That is the essence of our key strategy.

Under this key strategy, we will fully draw on the strengths that Mizuho has cultivated thus far—customer base, trustworthiness, and financial functions—as well as our ability to respond to non-financial needs in domains such as research, consulting, and real estate. These strengths will be a major source of differentiation for Mizuho. We will also work to create new value by further enhancing our digitalization initiatives and more proactively collaborating with external partners.

In order to achieve this, we have adopted “Open & Connected” and “Passionate & Professional” as our action principles. Open & Connected means that we will connect customer segments, regions, functions, and other aspects of our business in open partnerships within and outside the group in order to create new value chains spanning both finance and adjacent fields.

Passionate & Professional means that each member of the group will be encouraged to find a source of inspiration in the dreams and hopes of our customers, better connect with them, and draw on a high level of expertise to think, act, and deliver.

In implementing this strategy, we are aiming to transition to the next generation of financial services. Below I will explain the initiatives we will take through structural reforms in three areas based on our basic policy and key strategy.

Business structure reforms

As for our business structure reforms, in light of structural changes in customer needs, we will fully draw on our strengths and go beyond the conventional boundaries of finance in order to provide optimal services and solutions.

For retail customers and business owners, we will aim to be a partner that helps customers design their lives in a changing society. While identifying asset formation and business succession needs arising in this age of increased longevity, we will provide solutions spanning both finance and adjacent fields such as real estate. Digitalization is also leading to a shift in customer needs, and we will promote cashless payments, transform our network into next-generation branches, and other initiatives, collaborating openly with external partners in order to provide a variety of reliable and convenient services as quickly as possible.

For corporate clients we will aim to be a strategic partner for business development under a changing industrial structure, including supporting the growth of startup companies. By leveraging our strong industry insight, we will become better able to take on risk in non-financial business fields such as pursuing joint investments with our clients, and will forge new forms of partnership, replacing those based on cross-shareholdings.

Additionally, in our business outside Japan our strengths include our client base and network, especially in Asia where high growth is expected, and our presence in attractive US capital markets. We will draw on these strengths to promote a sharper strategy focused on capturing cross-border trade flows and capital flows, supporting clients’ cross-regional business growth.

For market participants, we will aim to be a partner with expert knowledge of market mechanisms and the ability to draw on a range of intermediary functions. We will fully leverage our strengths, such as our network of investors and issuers around the world, in order to strengthen our sales & trading business. In terms of banking, we will enhance ALM and portfolio management in order to stabilize revenue and strengthen our risk-taking capabilities.

► For more details on our business structure reforms, see page 31, and for information on the business strategies of each in-house company and unit, see pages 49 to 62.

Finance structure reforms

Our finance structure reforms are designed to enable us to transition to a more flexible business and revenue structure which is responsive to changes in the business environment and competitive environment.

We will use four perspectives: (1) risk & return (gross profits ROE) in relation to capital; (2) cost & return (expense ratio) in relation to investment and expenses; and (3) growth and (4) stability in terms of our business portfolio. These perspectives will help us to identify issues specific to the business and revenue structure of each business domain and reallocate corporate resources from streamlined areas to focus/growth areas. This will enable us to establish a stable revenue base at an early stage and transition to a revenue structure that allows us to proactively pursue revenue streams with upside potential.

Message from the Group CEO

By enhancing the robustness of our financial base through these efforts, we will be able to better withstand turns in the credit cycle in addition to aiming to invest in growth and enhance returns to shareholders at an early stage. We have revised our shareholder return policy, and under the new policy we are maintaining the current level of dividends for the time being while aiming to strengthen our capital base further in order to enhance returns to shareholders at an early stage.

One of our financial targets to be achieved by fiscal year 2023, the final fiscal year of the new business plan, is Consolidated ROE of approx. 7 – 8%. Another target is Consolidated Net Business Profits of approx. ¥900 billion, which we will aim to achieve by enhancing our stable revenue base and strengthening our earnings power.

► For more details on our finance structure reforms, see pages 23 and 24.

Corporate foundations reform

As part of our corporate foundations reforms, we will transform our approach to business operations in line with changes in society, strengthen group governance, and cultivate a new corporate culture centered on communication.

In terms of transforming our approach to business operations, we will focus on priority areas (e.g. personnel & workplace, IT systems & digital) with the aim of further enhancing employee engagement and motivation.

To strengthen group governance, we will aim to enhance our sense of group unity, including among group companies other than our banking, trust banking, and securities entities, achieve greater consistency in strategy, and increase execution capabilities in order to advance our efforts regarding the next generation of financial services. Going forward, we will further consolidate and unify Head Office and frontline functions for each group company (Mizuho Bank, MizuhoTrust & Banking, Mizuho Securities, etc.) to the furthest extent possible, including through the use of the new office building we are building in Marunouchi in the latter half of fiscal year 2020.

We will seek to transform our corporate culture by greatly increasing the quality and quantity of communication and fostering a new type of culture.

Below I will provide an outline of our new HR strategy, which is key to how we transform our approach to business operations and transition to the next generation of financial services.

► For more details on our corporate foundations reforms, see pages 32 to 33.

New HR strategy

Under our new HR strategy, we will transform our model from one where employees seek to enhance their evaluations as the source of competition is limited to within the company, to a model

fit for this new age of longevity, where employees' professional growth and career preferences are prioritized and employees seek to enhance their universally recognized value by looking beyond the traditional boundaries of finance. We believe this model will ultimately enhance Mizuho's value.

What we mean by "universally recognized value" is that under this model each individual will be able to maximize their value in a way recognized both within Mizuho and outside the company, creating a mutually beneficial outcome for both the company and the individual. Our approach to talent management thus far has focused on developing generalists who are well-versed in Mizuho's business as a whole, and developing specialists primarily to perform a supporting role. However, as our business domain expands and diversifies, and as competition becomes fiercer, having expertise which is recognized outside the company is becoming more important than being well-versed in one's own company's business. Each member of the organization will need to develop into a specialist with their own area of expertise.

Therefore, we will transition to a model where employees design their own career plans, leading to higher ambition and motivation and encouraging the advancement of women, non-Japanese nationals, and other employees from diverse backgrounds. We will also aim to expand opportunities for employees to take on new challenges as well as expand our development programs, providing stronger support for efforts to enhance each individual's value. Additionally, we will provide an environment which enables more diverse and flexible work arrangements aligned to each individual's job duties, lifestyle, and other factors, with the aim of encouraging greater engagement and long, fulfilling careers.

In terms of expanding opportunities to take on new challenges, we already have an internal job posting system in place where employees can apply to open positions. When we launched J-Coin Pay, for example, many of our employees, particularly younger employees, applied for these newly formed positions. We will continue to expand such frameworks as well as more broadly assign employees to serve concurrently in multiple positions within the organization.

We are also looking to allow employees to work at other companies concurrently as well, and we have started trials in certain areas. For example, startups tend to focus a lot of energy on business model transformation and marketing, but could benefit from the expertise that the employees of financial institutions have to offer in regards to finances, corporate management, and other aspects of corporate governance. Also, there is strong demand from long-standing family-owned businesses for experienced successor candidates and executive level managers. As demand in these areas continues to increase, there are opportunities for Mizuho employees to experience the innovative process and quick development at startups and other such environments, with potential to lead to new value creation at Mizuho.

And we will also proactively support network building between current Mizuho employees and former employees now working as professionals in other fields, both those who had long careers at Mizuho and those who left Mizuho at earlier career stages. In these ways we will seek to create connections among a broad range of people which can lead to new business opportunities.

Under our new business plan we are aiming to create new value chains in both finance and adjacent business areas, including non-finance domains. Therefore we will put in place an HR system which will enable us to pursue this goal.

Sustainability initiatives

As we move to implement the 5-Year Business Plan, we will be putting an increased emphasis on sustainability. Sustainable development efforts are gaining increasing importance, including in areas such as responding to climate change, respecting human rights, and adapting to a society with a declining birthrate and aging population. In light of this, there are expectations from a wide range of stakeholders that companies' actions are considerate of the economy, society, and the environment. In other words, companies are expected to make efforts to increase the positive impacts of their business activities and decrease or avoid negative impacts.

Mizuho has long been committed to corporate social responsibility (CSR) and we have worked to continually enhance our initiatives aimed at creating value for a range of stakeholders. Currently we are using this opportunity with the launch of our new business plan to revise the initiatives we have implemented under the concept of CSR and to enhance our group-wide stance towards sustainability. To this end, we have newly defined sustainability for Mizuho as "achieving sustainable and stable growth for Mizuho, and through this growth, contributing to the sustainable development and prosperity of the economy, industry, and society around the world".

Additionally, we have identified "key sustainability areas" connected to our business structure and corporate foundations and have incorporated them into our business plan. These areas were selected with consideration of the materiality to and affinity with our strategies, and reflect the expectations and demands of a wide range of stakeholders. We will proactively work towards achieving the SDGs through our business activities and enhancing our medium- to long-term corporate value.

In conclusion: Think, act, and deliver

This year marks the 20th year since Mizuho's launch in 2000. In the past two decades, we have overcome several major turns in the credit cycle, including the non-performing loan issue in Japan in 2002, the sub-prime loan crisis in 2007-2008, and the global financial crisis that followed. However, in regards to structural shifts that have occurred over the last 20 years or so, I believe we must be prepared to deal with them over the next five years.

In closing, I would like to emphasize that we are not positioning our new business plan as a new "direction" or "vision" for Mizuho. Rather, I believe that this plan is a set of tactics, or a course of action, for Mizuho. It is designed to make us think on our feet. In essence, given the very fast pace at which the environment around us is changing, there is never a set answer to anything. In these circumstances, we need to face a number of structural issues.

As the finance industry faces major structural changes, we at Mizuho must be dedicated to connecting with our customers, and focus on changing our everyday approach and way of doing things. And we need to fully draw on our strengths so that each individual can think, act, and deliver based on an open approach to getting things done.

All members of the group are committed to making every effort to steadily implement this business plan and transition to the next generation of financial services so that we can build a stronger and more resilient financial group which our customers can depend on in the coming era.

We appreciate your continued support and will do everything in our power to exceed your expectations.

July 2019



Tatsufumi Sakai

Member of the Board of Directors
President & Group CEO
Mizuho Financial Group, Inc.

Message from the Group CFO



Establishing a stable profit structure and robust financial base

Makoto Umemiya

Member of the Board of Directors
Managing Executive Officer
Head of Financial Control & Accounting Group (Group CFO)

Mizuho's financial management principles

Our fundamental approach to financial management is to establish a stable profit structure and a robust financial base, enabling us to stably perform our financial intermediary functions under any circumstances as well as transition to a flexible business and profit structure which enables us to respond to structural changes in the business environment and customer needs. This stance allows us to go beyond the conventional boundaries of finance, provide optimal services and solutions, and contribute to continued growth for our customers and society.

Overview of fiscal 2018

In fiscal 2018, the global economy and the Japanese economy both experienced a gradual recovery. Although we achieved significant growth in revenue in customer divisions, our Consolidated Gross Profits (including Net Gains (Losses) Related to ETFs* and others) came to ¥1.8277 trillion, a decrease of 8% year-on-year, as a result of factors including decreased revenue in markets divisions, primarily due to a loss of ¥194.7 billion in light of efforts to enhance the soundness of our securities portfolio, particularly in respect to non-Japanese bonds.

By promoting structural reforms and expense discipline, we achieved about a 4% decrease in General and Administrative Expenses, amounting to ¥1.4308 trillion. As a result, our Consolidated Net Business Profits (including Net Gains (Losses) Related to ETFs and others), have declined around 24% year-on-year to ¥408.3 billion.

In terms of Credit-Related Costs, we recorded a loss of ¥19.5 billion, and as for Net Gains/Losses Related to Stocks (not including Net Gains (Losses) Related to ETFs and others), we achieved ¥259.8 billion in profit by promoting the sale of cross-shareholdings. Also, we recorded an extraordinary loss of ¥497.8 billion, due largely to a ¥500.7 billion loss in light of structural reforms. As a result of these factors, we achieved Profit Attributable to Owners of Parent of ¥96.5 billion, representing a reduction of around 83% year-on-year.

By recording this one-time loss in advance we will be able to reduce the burden on future fiscal years and accelerate our structural reforms. When excluding this one-time loss of ¥695.4 billion, we achieved Net Business Profits (including Net Gains (Losses) Related to ETFs and others) of ¥603.1 billion, an increase of around 12% year-on-year, and Profit Attributable to Owners of Parent of ¥581.8 billion, an increase of around 1% year-on-year.

*Net Gains Related to ETFs (aggregate for Mizuho Bank and Mizuho Trust & Banking) + Net Gains on Operating Investment Securities (Mizuho Securities consolidated).

Reflecting back on our previous medium-term business plan

During the period of our previous medium-term business plan, against a backdrop of uncertainty regarding tightening international regulations concerning the capital adequacy ratio, we worked to increase non-interest income through the promotion of our One Mizuho strategy with the objective of restricting the excessive use of capital while enhancing earnings power. As a result, we achieved a record high level of non-interest income in customer divisions in the previous fiscal year, and our Common Equity Tier 1 (CET1) Capital Ratio¹, which is a top priority, was 10.71%, exceeding our target of 10% under the previous medium-term business plan.

Also, in regards to our target of reducing cross-shareholdings by ¥550 billion, we achieved a reduction of ¥543 billion, or around ¥580 billion when including sales already agreed upon, thereby meeting our target.

On the other hand, we fell short of our targets for Consolidated ROE, which is an indicator of profitability, and for our expense ratio, which is an indicator of efficiency, even when deducting the impact of the one-time loss, and therefore there are challenges remaining. Our allocation of corporate resources such as capital and investment/expenses have not sufficiently led to an increase in Gross Profits, and this mismatch

■ FY2018 Profit Attributable to Owners of Parent

¥96.5 billion



- ¥479.9 billion (year-on-year)

■ FY2018 Consolidated Net Business Profits

¥408.3 billion



- ¥129.6 billion (year-on-year)

Reflecting back on our previous medium-term business plan

	FY2018 targets under the previous medium-term business plan	FY2018 (results)	FY2018 (results) (prior to recording one-time loss)
CET1 Capital Ratio ¹	Approx. 10% ▶	10.71%	N/A
Consolidated ROE ²	Approx. 8% ▶	1.2%	7.4%
RORA (Profit Attributable to Owners of Parent)	Approx. 0.9% ▶	0.1%	1.0%
Ratio of non-interest income within total	Approx. 60% ▶	56%	N/A
Reduction in cross-shareholdings ³	¥550 billion reduction ▶	¥543 billion reduction (Approx. ¥580 billion reduction including sales already agreed upon)	N/A
Expense ratio ⁴	60% ▶	78.8%	71.1%

1. Basel III fully-effective basis (based on current requirements), excluding Net Unrealized Gains on Other Securities

2. Excluding Net Unrealized Gains on Other Securities

3. Shares listed on the Japanese stock markets, acquisition cost basis, cumulative amount from FY2015 to FY2018

4. Group aggregated

Message from the Group CFO

has expanded in the current environment with the changes in the structure of society, shifts in customers' needs, and the long-term continuation of negative interest rates. Additionally, our business structure has been overly reliant on highly volatile revenue easily impacted by market conditions such as markets-based income and non-interest income.

We will promote finance structure reforms under our 5-Year Business Plan to address these profit structure issues.

Our 5-Year Business Plan

Finance structure reforms

1. Reallocating corporate resources and strengthening our stable revenue base

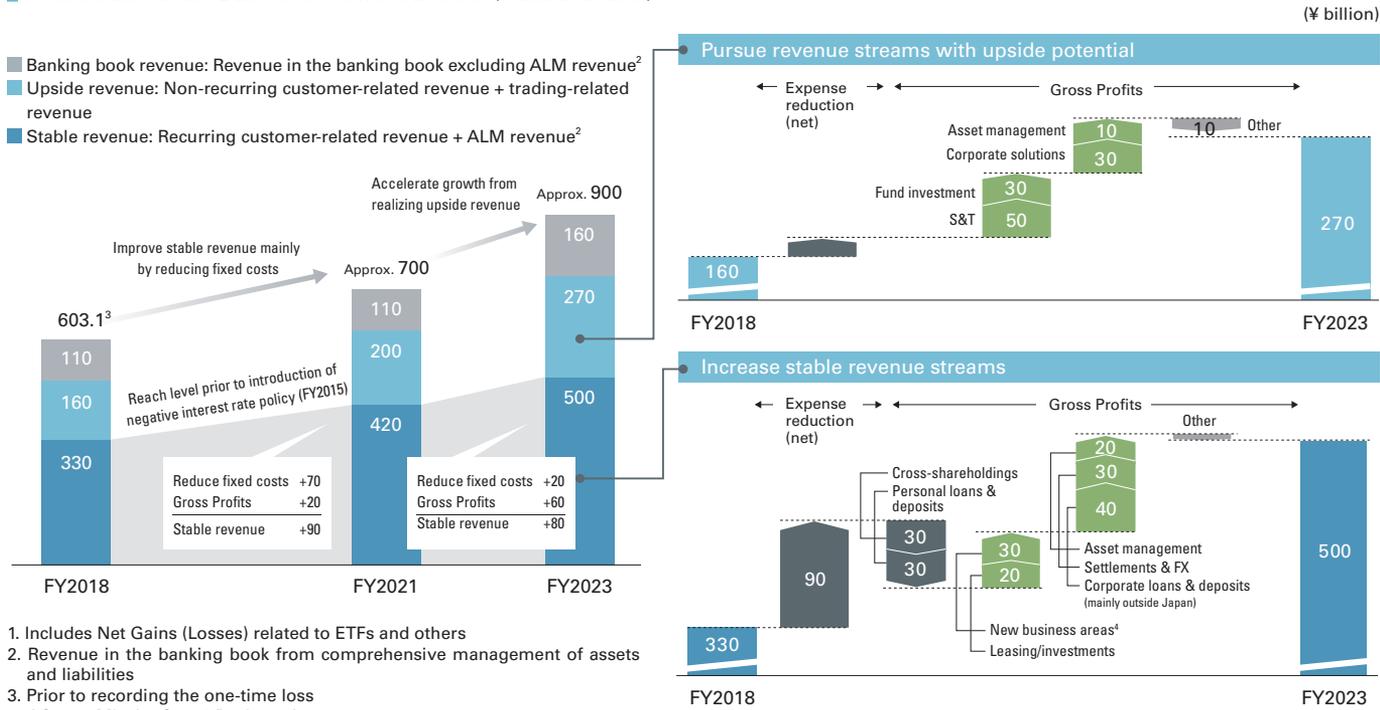
As already touched upon in the Message from the Group CEO, we will identify business/revenue structure issues in each business domain, focusing on the following four perspectives: (1) Risk & return (Gross profits ROE) in comparison to capital, (2) Cost & return (expense ratio) in comparison to investment and expenses, (3) Growth potential, and (4) Stability. Based on this, we will streamline some areas and reallocate corporate resources to growth areas, enabling us to accelerate the transformation of our business portfolio to make it more efficient and capable of capturing stable revenue streams.

Some of the specific actions we will take are to sell ¥300 billion worth of cross-shareholdings over the next three years and reduce loan assets and other assets which are not profitable in comparison to allocated capital. Additionally, we will aim to reduce expenses by around ¥200 billion by reducing our

workforce and reevaluating or increasing the efficiency of our IT systems. Then we will allocate the corporate resources such as capital and expenses that are freed up through these efforts into fields where there is potential to capture stable revenue streams and growth fields where there is potential to capture upside revenue streams such as new business areas, business outside Japan, and settlements & foreign exchange business.

Through these efforts, we will aim to raise Consolidated Net Business Profits from around ¥600 billion (prior to recording a one-time loss) in FY2018 to around ¥700 billion by FY2021 and further to around ¥900 billion by FY2023, including recovering our stable revenue base up to the level it was prior to the introduction of negative interest rates in Japan. Also, we will aim to achieve Consolidated ROE of around 7 to 8% and reduce our expense ratio to around 60%.

Consolidated Net Business Profits outlook¹ (rounded numbers)



1. Includes Net Gains (Losses) related to ETFs and others
 2. Revenue in the banking book from comprehensive management of assets and liabilities
 3. Prior to recording the one-time loss
 4. J.Score, Mizuho Smart Business Loans, etc.

2. Further strengthening our financial base

Our Common Equity Tier 1 (CET1) Capital Ratio was 10.71% as of the end of FY2018 when calculated under current Basel requirements, and 8.2%* on a Basel III fully-effective basis under finalized requirements. Therefore, we have accumulated enough capital to exceed the level required for the finalized requirements which will be phased in from FY2021 and fully effective from the end of FY2026, in addition to having secured the necessary level of capital to ensure stress resistance in the case of a stress event along the lines of the 2008 global financial crisis.

However, we are aware of the need to raise our CET1 Capital Ratio to the lower end of the 9 – 10% range on a Basel III (finalized requirements) fully-effective basis in order to enable us to use capital more flexibly, including investing in growth and enhancing returns to shareholders. We will continue to build up our equity capital with the goal of transitioning to a capital utilization phase as early as possible.

*Excluding Net Unrealized Gains on Other Securities.

Disciplined capital management policy and returns to shareholders

A stable and sufficient level of equity capital is essential to ensuring Mizuho's sustainable growth and our ability to meet the expectations of stakeholders by maintaining our financial soundness and fulfilling our role as a financial intermediary even during times of economic downturn. At the same time, we understand the importance of our obligation to provide returns to our shareholders and investors. Therefore, we continue to carry out a disciplined capital management policy which maintains the optimal balance between ensuring capital adequacy and providing steady returns to shareholders.

In regards to returns to shareholders, in light of our current capital status and our new business plan, we have changed our policy from one of a steady dividend payout policy setting a dividend payout ratio on a consolidated basis of approximately 30% to one of maintaining the current level of dividends for the time being while aiming to strengthen our capital base further to enhance returns to shareholders at an early stage. This new policy further clarifies our intention of maintaining steady dividends in addition to our goal of enhancing returns to shareholders and doing so at an early stage.

We will aim to enhance returns to shareholders at an early stage by steadily implementing our 5-Year Business Plan and strengthening our capital base.

Financial targets

FY2023	
Consolidated ROE ¹	Approx. 7 – 8%
Consolidated Net Business Profits ²	Approx. ¥900 billion

1. Excluding Net Unrealized Gains on Other Securities
 2. Consolidated Net Business Profits + Net Gains (Losses) Related to ETFs (aggregate for Mizuho Bank and Mizuho Trust & Banking) + Net Gains on Operating Investment Securities (Mizuho Securities consolidated)

Other key indicators

Common Equity Tier 1 (CET1) Capital Ratio target level ³	Lower end of the 9 - 10% range
Reduction of cross-shareholdings	Reduction of ¥300 billion ⁴ by the end of fiscal 2021

3. Basel III (finalized requirements) fully-effective basis. Excluding Net Unrealized Gains on Other Securities.
 4. Acquisition cost basis.

New shareholder return policy

We are maintaining the current level of dividends for the time being while aiming to strengthen our capital base further to enhance returns to shareholders at an early stage.

Returns to shareholders for each fiscal year are determined by comprehensively considering business environment factors such as the results of the Mizuho group, our revenue base, the status of our equity capital, and regulatory trends in Japan and around the world, including Basel requirements.

Cash dividend per share of common stock

FY2019 (estimate)	¥7.50
Interim cash dividend (estimate)	¥3.75
Fiscal year-end cash dividend (estimate)	¥3.75

Message from the Group CFO

Communication with shareholders and investors

At Mizuho, disclosing information to our shareholders and investors in a fair, timely, and appropriate manner is a top priority. In line with the Disclosure Policy on our website, we actively promote dialogue with our shareholders and investors. We aim to provide many opportunities both in and outside Japan for shareholders and investors to learn more about our strategy, corporate governance, and other relevant topics directly from Mizuho's management. Such opportunities include the General Meeting of Shareholders and a variety of informational sessions and IR briefings.

Through our efforts to communicate and foster an accurate understanding of our strategy, financial situation, and other matters, we aim to maintain the trust of market participants and receive a fair valuation.

Continued dialogue

Initiatives in fiscal 2018

General Meeting of Shareholders



We view the General Meeting of Shareholders as a valuable opportunity to engage with and receive direct feedback from our shareholders, and we are implementing a number of initiatives to enhance communication.

In particular we are working to enhance communications (providing the convocation notice earlier and enhancing its content, including more graphics in the explanation provided on the day of the event, posting materials and a Q&A summary on our website), making it easier for shareholders to

exercise voting rights (introducing a system for voting via QR code), conducting a survey and posting the results, and other such initiatives.

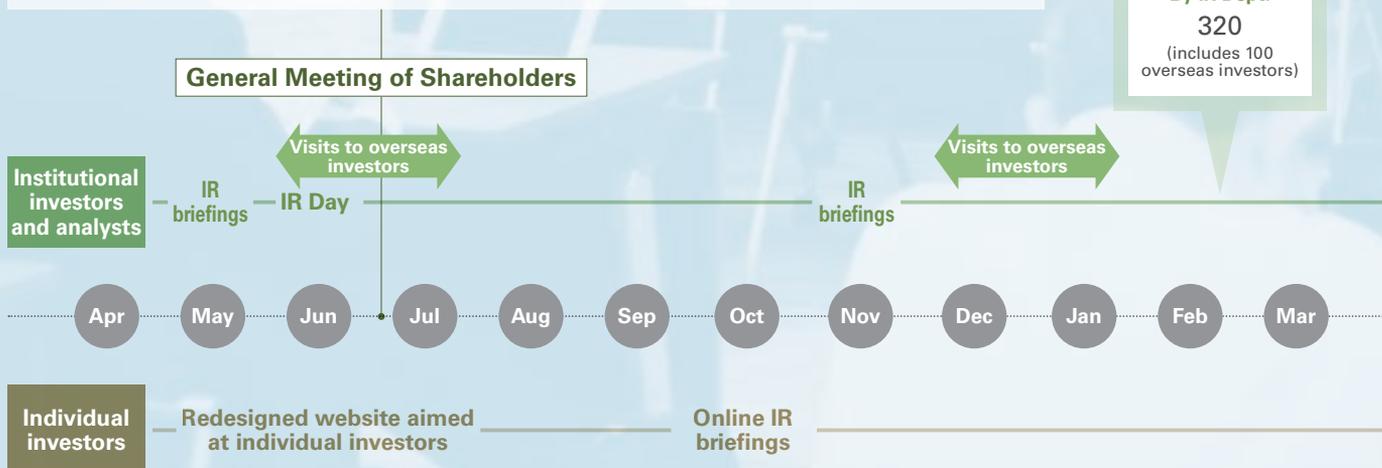
We held the 17th regular General Meeting of Shareholders on June 21, 2019 at Tokyo International Forum and 1,931 people attended. We will work to enhance our corporate value based on the valuable feedback we received.

(total number, rounded)

Direct meetings with institutional investors
530
 (includes 160 overseas investors)

By senior management
210
 (includes 60 overseas investors)

By IR Dept.
320
 (includes 100 overseas investors)



Institutional investors

We hold an online conference, IR briefing, and other informational sessions after announcing our financial results and these explanations are also available in multiple formats on our website, including video and transcripts.

IR Day, our briefing for investors about our business strategies in each division/in-house company, is a regular event we have been holding since 2012. In Japan, Mizuho was the first in the industry to hold this type of event. Based on requests from investors, since 2015 we have also added a presentation and a question & answer session by an outside director to this event. Please see our website for a summary of the presentation and the question & answer session. We also provide a range of other opportunities for sharing information and creating dialogue, including regularly hosting “IR Select” events which cover specific topics that are of interest to investors.

IR briefings



IR Day



Individual investors

We have created a dedicated section on our website for individual investors which provides an easy to understand summary of Mizuho’s business and strategy.

Also, we have made a number of changes to enhance our website’s ease-of-use, such as adding a function that displays a share price chart, financial results, and press releases all together.

We were the first Japanese megabank to provide online IR briefings where investors can communicate directly with the CFO and have now offered these opportunities for four years starting from 2015. In fiscal 2018, around 2,000 individual investors in total viewed these sessions (including live and recorded viewings).

Website for individual investors



Online IR briefings



Constructive dialogue

5-Year Business Plan

When formulating the 5-Year Business Plan we announced in May 2019, the Board of Directors and management took into consideration the feedback gathered from investors through the General Meeting of Shareholders and various briefing sessions as well as individual meetings with investors.

Additionally, after announcing the 5-Year Business Plan we explained our thinking behind the plan through dialogue with investors and will take into consideration the feedback we received.

Enhancing disclosure

Enhancing information disclosed in our Securities Report

Starting from the March 2019 edition of our Securities Report, we have made a number of efforts to enhance disclosure, including making information regarding issues to be addressed in terms of business policy and the business environment more straightforward and comprehensive, and also specifying “top risks” in the section regarding business risk in order to highlight the risks that management considers to be the most significant.

5-Year Business Plan: Transitioning to the Next Generation of Financial Services

Overview of our new business plan

Our customers' needs and the financial industry are rapidly undergoing structural changes, reflecting the structural shifts occurring in the economy, industry, and society such as digitalization, an aging society with a low birthrate, and globalization. It is essential that we respond quickly to these structural changes, especially in light of increasing uncertainty in the business environment due to concerns regarding a global economic slowdown, signs of a turn in the credit cycle, and other factors.

In consideration of this environment and the issues we face, we announced a new business plan spanning a five-year period starting from fiscal 2019. The plan is titled 5-Year

Business Plan: Transitioning to the Next Generation of Financial Services.

As the name suggests, our new business plan is focused on transitioning to the next generation of financial services—building new forms of partnerships with our customers so that we can respond to their needs as the times change. Our objective is to build a stronger and more resilient financial group which our customers can depend on in the coming era.

5-Year Business Plan: Transitioning to the Next Generation of Financial Services

Basic policy

Implement forward-looking structural reforms focused on three interconnected areas: business structure, finance structure, and corporate foundations.

Resolve the mismatch that has arisen in the allocation of corporate resources and respond to new customer needs in order to transition to the next generation of financial services.

Key strategy

Go beyond the conventional boundaries of finance and create new value incorporating both financial and non-financial products and services in order to forge new forms of partnerships with our customers.

Open & Connected

Passionate & Professional

■ Draw on the strengths that Mizuho has cultivated thus far

1 Customer base, network, trustworthiness & dependability

2 Financial functions, market presence, ability to respond to non-financial needs

3 Approach business as a unified group

■ Accelerate our digitalization initiatives and proactive collaboration with external partners

Our objective

Build a stronger and more resilient financial group which our customers can depend on in the coming era

Financial targets for FY2023

Consolidated ROE¹

Approx. 7 – 8%

Consolidated Net Business Profits²

Approx. ¥900 billion

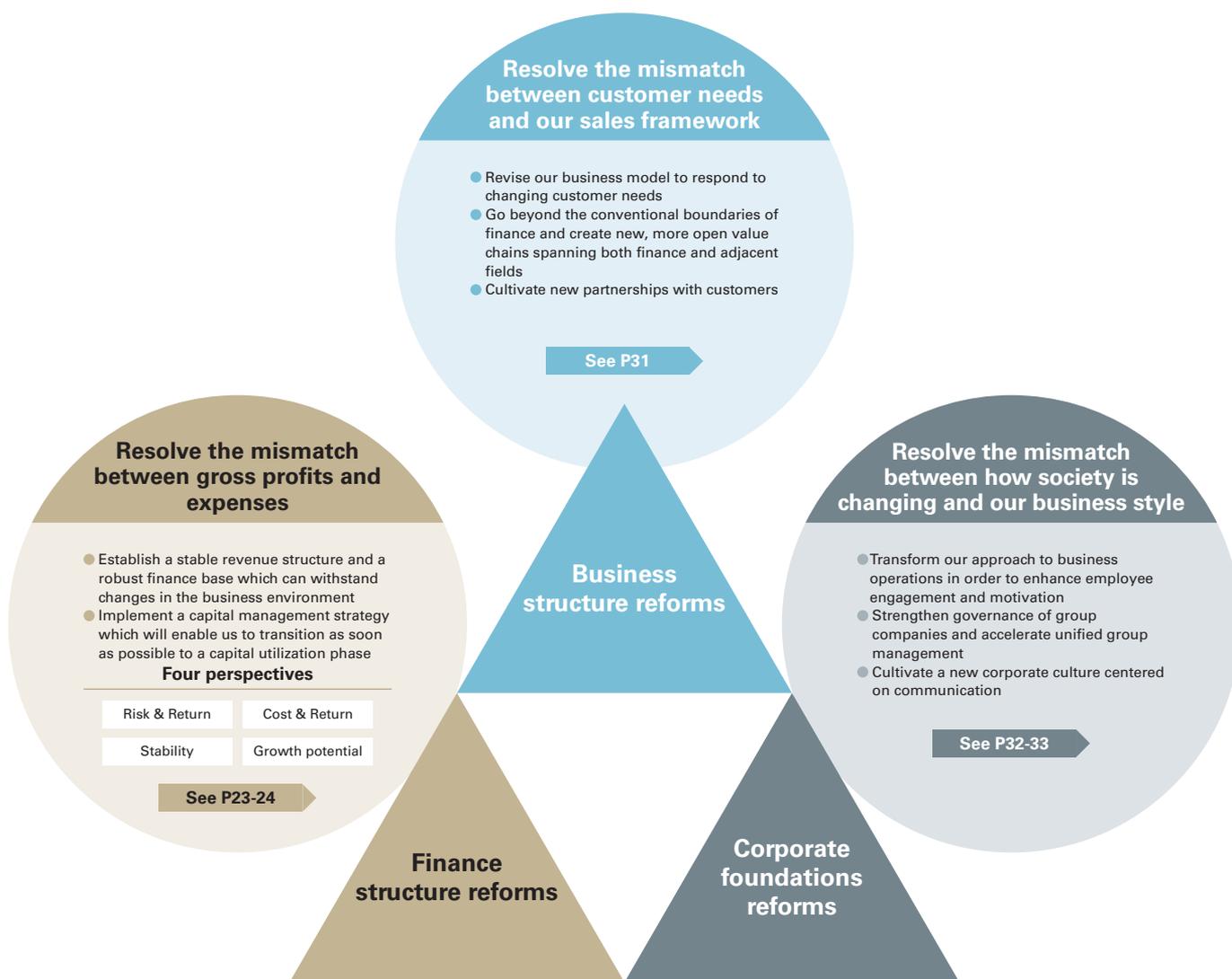
1. Excluding Net Unrealized Gains on Other Securities.
2. Consolidated Net Business Profits + Net Gains Related to ETFs (aggregate for Mizuho Bank and Mizuho Trust & Banking) + Net Gains on Operating Investment Securities (Mizuho Securities consolidated).

Basic policy: Three-pillar reform

By implementing forward-looking structural reforms focused on three inter-connected areas—business structure, finance structure, and corporate foundations—we will work to resolve the mismatch which has arisen in terms of the allocation of corporate resources, including personnel and our branch network, thereby enabling us to respond to new customer needs and transition to the next generation of financial services.

We will implement business structure reforms which draw on Mizuho’s strengths in order to address structural issues in the economy, industry, and society in addition to implementing finance structure reforms to transition to more flexible business and revenue structures to respond to changes in the business and competitive environments. We will also implement corporate foundations reforms to support the continued competitive advantage of our business.

The five-year period of the business plan can be broadly divided into two phases. Phase 1 (the three years starting from FY2019) will consist of full implementation of the structural reforms, building the firm foundations for next generation financial services. Phase 2 (the two years starting from FY2022) will be where we achieve the effects of the structural reforms and accelerate further growth.

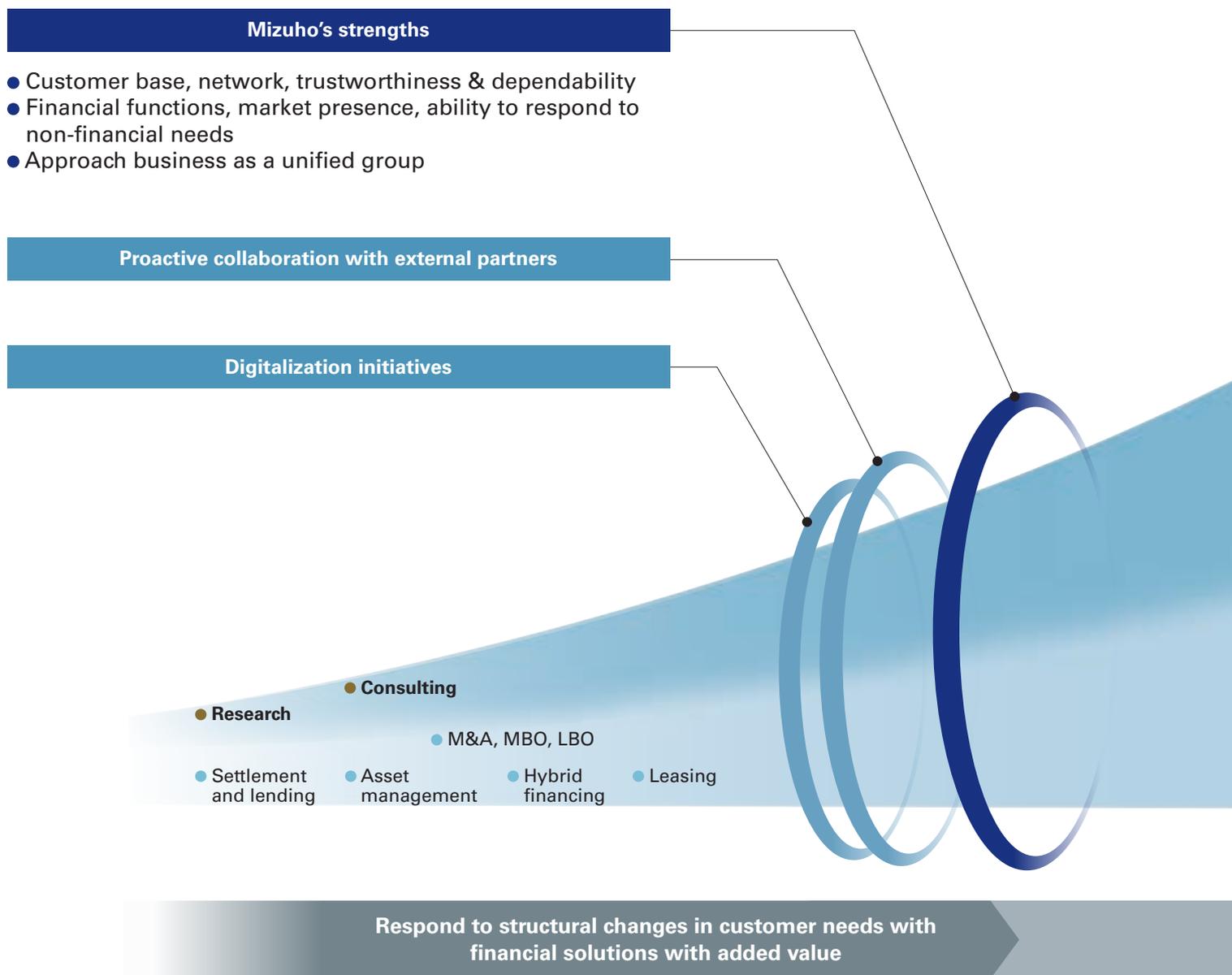


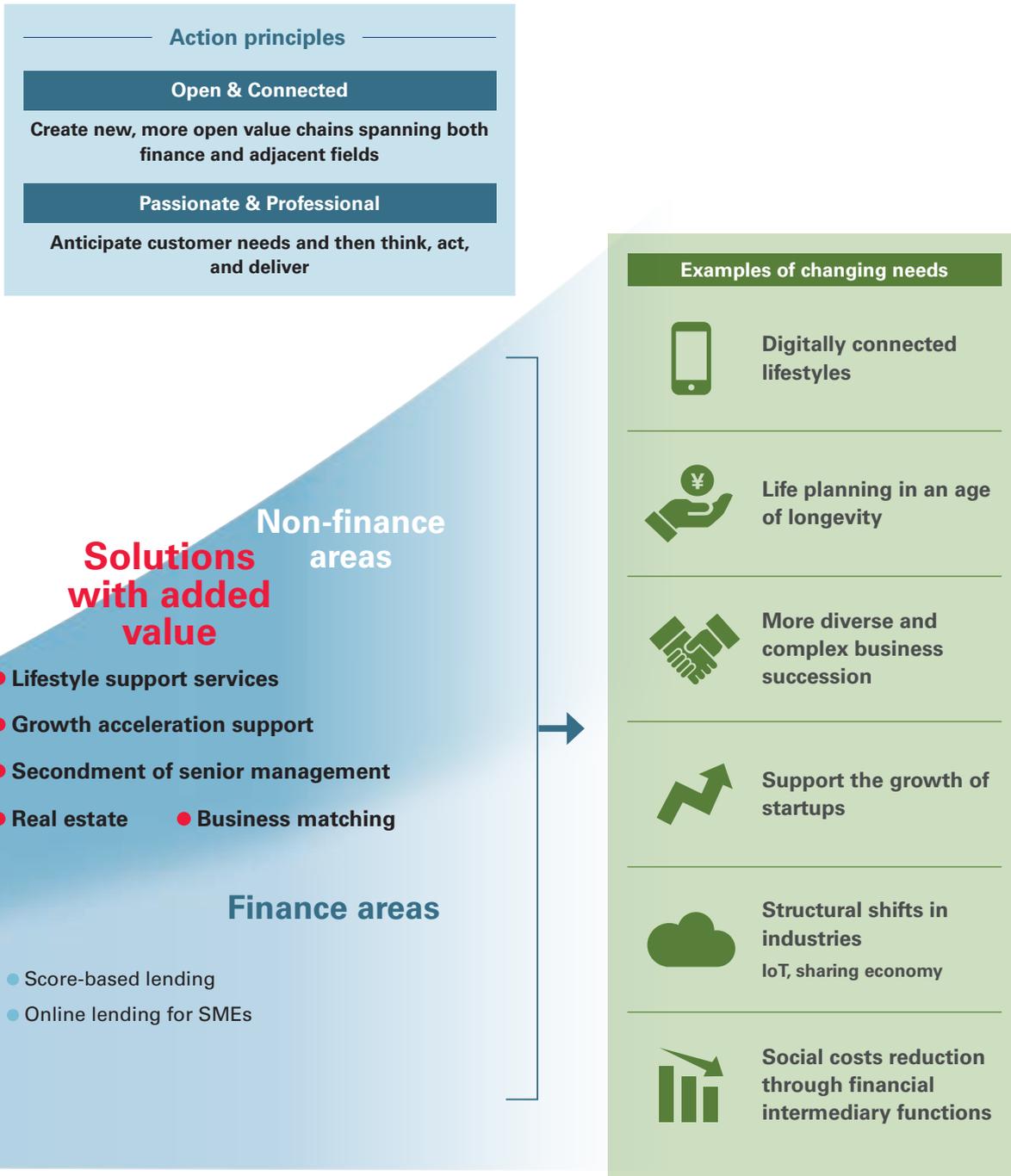
5-Year Business Plan: Transitioning to the Next Generation of Financial Services

Key strategy: Creation of new value in adjacent business areas surrounding finance

With the aim of transitioning to the next generation of financial services, we will go beyond the conventional boundaries of finance and create new value incorporating both financial and non-financial products and services in order to forge new forms of partnerships with our customers.

To achieve this, we will fully draw on the strengths that Mizuho has cultivated thus far, accelerate our digitalization initiatives, and more proactively collaborate with external partners. To this end, we will adopt the action principles of “Open & Connected” and “Passionate & Professional”.





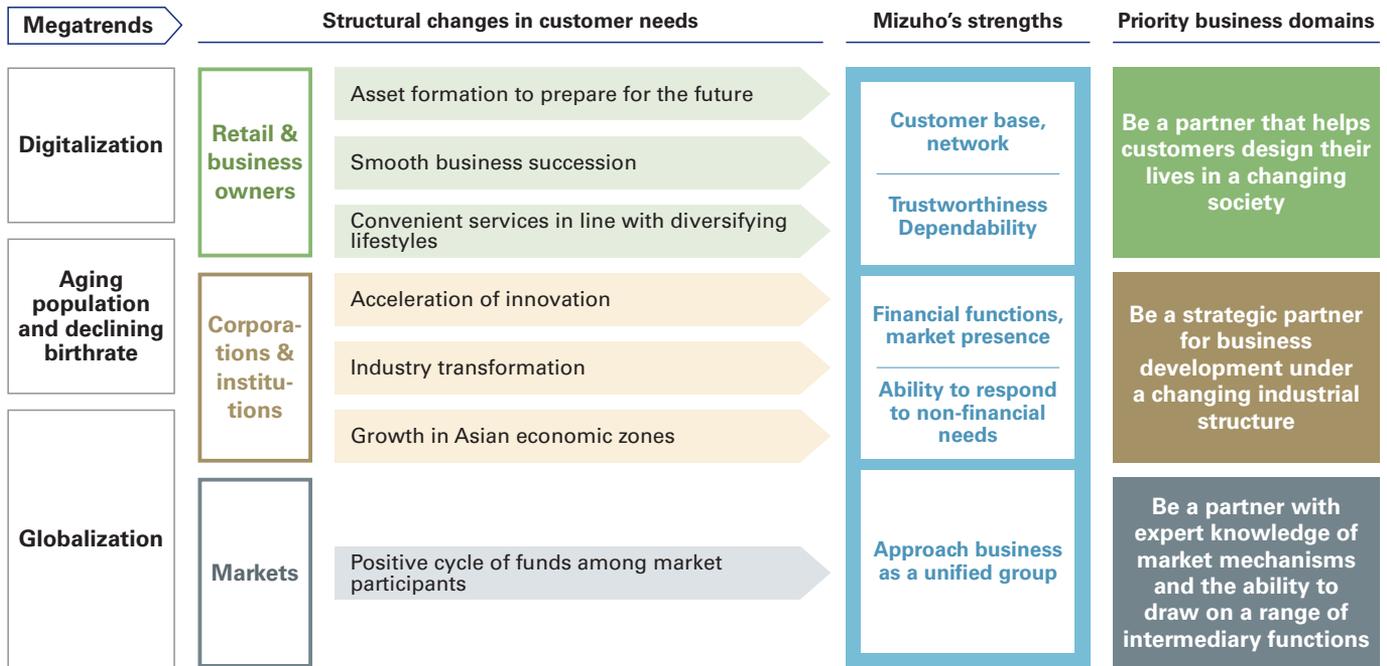
Improve corporate value

Contribute to the sustainable development of the economy and society

5-Year Business Plan: Transitioning to the Next Generation of Financial Services

Business structure reforms

We will implement business structure reforms, primarily in the areas below, in order to exercise our strengths and respond to structural changes in the economy, industry, and society.



Initiatives in priority business domains



Retail customers Be a partner that helps customers design their lives in a changing society

- ▶ Assist customers with asset building to support their life design in an era of lengthening lifespans, and develop professionals capable of providing this assistance.
- ▶ Provide sophisticated solutions for business succession needs and assist clients with needs regarding identifying candidates for senior management roles.
- ▶ Create next-generation branches which combine physical locations and digital channels.
- ▶ Appeal to new customer demographics and create new demand through the application of technology and open collaboration.



Corporate clients Be a strategic partner for business development under a changing industrial structure

- ▶ Open collaboration for growth acceleration including financing the growth of startups and forming industry-government-academia partnerships.
- ▶ Build new forms of partnerships, sharing business risks.
- ▶ Leverage our Asian client base and network in order to support the business development of global clients.



Market participants Be a partner with expert knowledge of market mechanisms and the ability to draw on a range of intermediary functions

- ▶ Draw on a broad range of intermediary functions to connect investors with other investors and connect issuers with investors.
- ▶ Enhance the sophistication of our ALM and portfolio management through flexible asset allocation.

Corporate foundations reforms

■ Transform our approach to business operations

In terms of transforming our approach to business operations, we will focus on four priority areas—personnel & workplace, IT & digital, channels, and group companies—with the aim of further enhancing employee engagement and motivation.

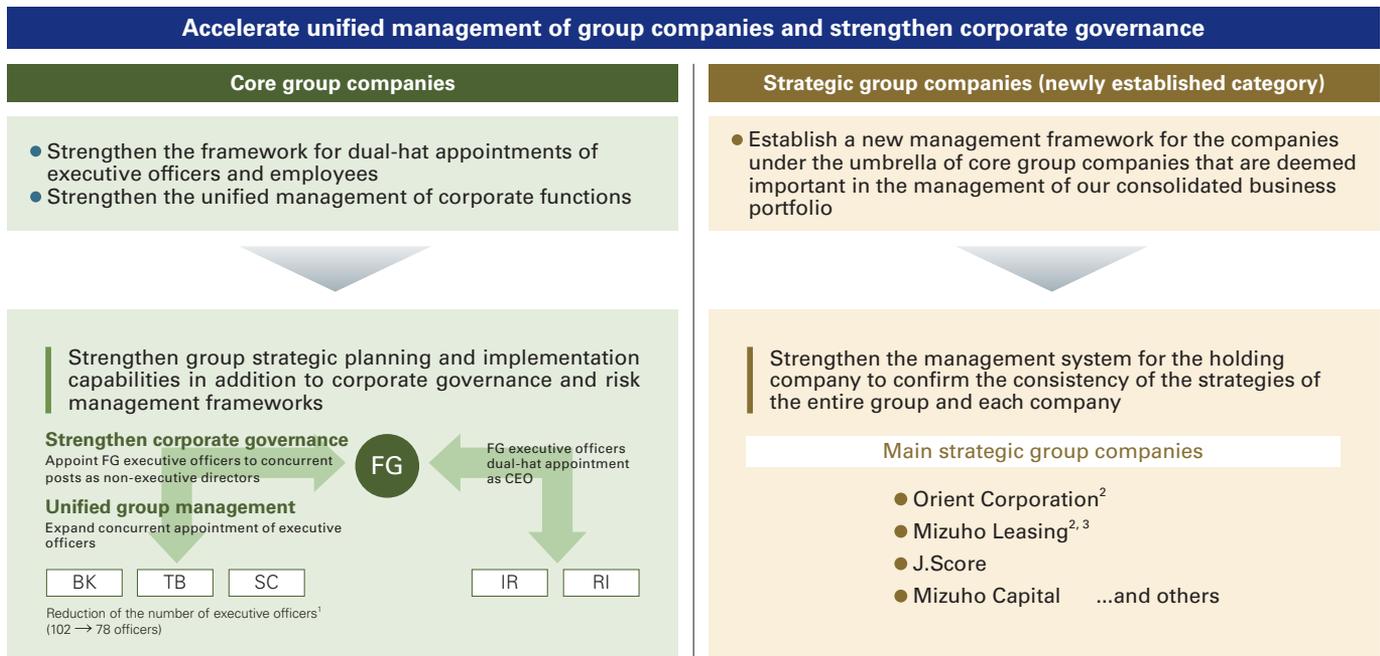
As part of this, in order to transition to the next generation of financial services, we will introduce a new HR strategy. Under this strategy, we will focus on each individual’s growth and career preferences, aiming to enhance employees’ universally recognizable value, and ultimately increase Mizuho’s corporate value. (For an overview of the new HR strategy, see P83-86.)

		Approach	Examples of planned initiatives		Goal
Four priority areas	Personnel & workplace	Create a work environment which enhances creativity and productivity	Move office buildings Consolidate and restructure Head Office functions and business functions  FY2020	Remote work Provide employees with ultra light-weight laptops  FY2020	Further enhance employee engagement and motivation
	IT & digital	Utilize technology to enable diverse work styles	Automate operational processes Automatically digitize paper forms using AOR  FY2019	Link the new core banking system with branch tablets  FY2020	
	Channels	Pursue the best channels for customers' needs	Transformation into next-generation branches Full-scale consolidation of back office functions  FY2019	Expand digital channels Launch online lending services for SMEs  FY2019	
	Group companies	Clarify the mission of each company and their role within the group	Consolidate subsidiaries providing support functions Merge Mizuho Delivery Service and Mizuho Business Service  FY2019	Streamline think tank subsidiaries Consolidate corporate functions for Mizuho Information & Research Institute and Mizuho Research Institute  FY2019	

5-Year Business Plan: Transitioning to the Next Generation of Financial Services

■ Group company reforms

We plan to expand dual-hat appointments of executive officers between the holding company and group companies as well as further consolidate and integrate Head Office functions. This will enable us to further strengthen unified group management, including for group companies other than banking, trust banking, and securities, and also enhance our ability to implement the structural reforms on a group-wide basis.



1. Total number of executive officers above Executive Officer or equivalent position for Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities. The figures are as of June 30, 2019 and are in comparison to March 31, 2018.
 2. Equity method affiliates.
 3. Current name is IBJ Leasing, which is expected to change on October 1, 2019.

■ Transforming our corporate culture

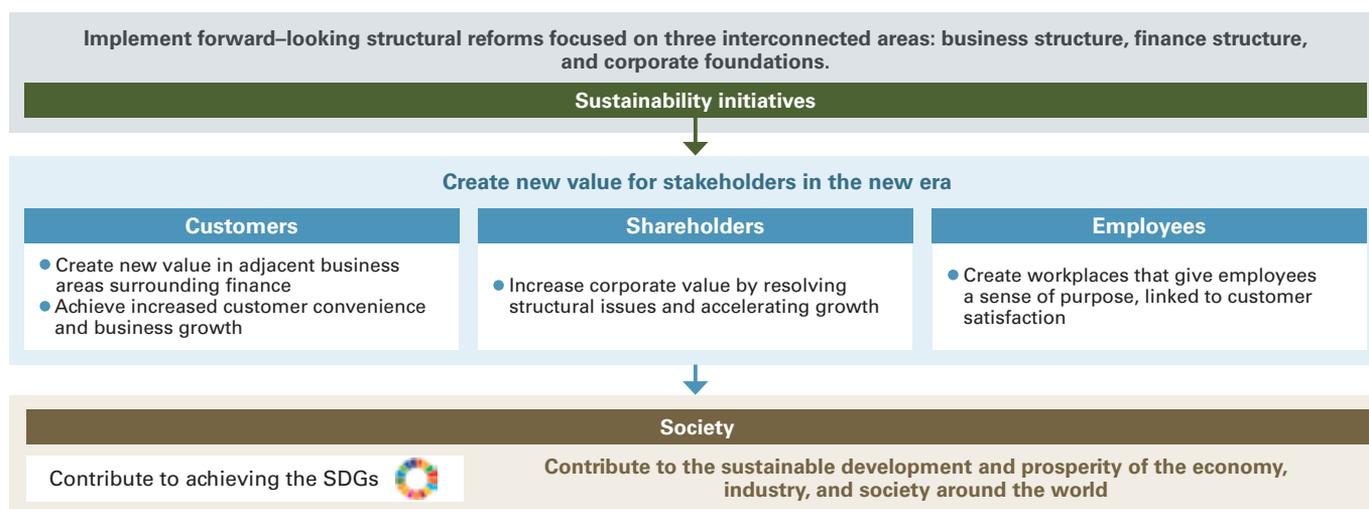
By significantly improving both the quality and quantity of communication within the group, we will aim to cultivate the relationship between management, Head Office, and the frontlines to be more open and flat. In this way we will transform our corporate culture in a way that encourages all members to take more independent and proactive action.



Value created for stakeholders

Through our initiatives under the new business plan, we will seek to create new value for our stakeholders—our customers, shareholders, employees, and society as a whole.

We have defined sustainability for Mizuho as “achieving sustainable and stable growth for Mizuho, and through this growth, contributing to the sustainable development and prosperity of the economy, industry, and society around the world” and we are proactively working to achieve the UN Sustainable Development Goals (SDGs). (For details on our sustainability initiatives, see P39-48)



Reference Quantitative overview of our fundamental structural reforms

In November 2017 we announced fundamental structural reforms, and under our new business plan we will make additional reductions to the number of branches in Japan and to expenses, aiming to achieve our targets ahead of schedule.

		Targets announced Nov. 2017		New business plan				
				FY2017	FY2021	FY2023	FY2024	FY2026
Workforce	Reduction of approx. 19,000 people (compared to the end of March 2017)	Approx. 80,000 people	-8,000 people				-14,000 people	-19,000 people
	Aim to achieve ahead of schedule	Approx. 80,000	-8,000				-14,000	-19,000
Japanese branch network	Reduction of approx. 130 branches (compared to the end of March 2017)	Approx. 500 branches	-100 branches				-130 branches	
	Additional 30 branches compared to original target	Approx. 500	-50 branches				-100 branches	
Expenses	Reduction excl. amortization expenses related to the next-generation IT system ¥140 billion (Group aggregate, compared to FY2017)	¥1.45 trillion	- ¥120 billion			- ¥140 billion		1 year ahead of schedule
	FY2021: Reduce by an additional ¥20 billion	¥1.45 trillion	Around - ¥100 billion				Mid - ¥100 – 200 billion range	

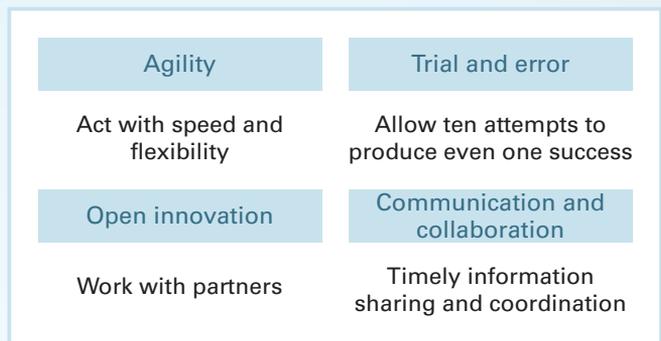
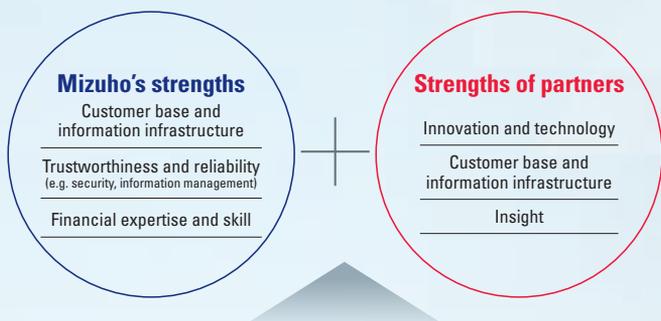
Bringing innovation to business and society through digitalization

By persistently taking advantage of digital technology to accelerate structural reforms to our business and corporate foundations, we will create new value in business areas adjacent to finance

Digitalization initiatives

In recent years, with digitalization being a megatrend, our customers' needs have been shifting towards smartphone and cashless payment-related services, and tech firms and other non-financial companies have been entering the financial industry. We at Mizuho have also been pursuing digitalization in all areas of our business.

In order to respond swiftly to our customers' changing needs, we are leveraging our strengths and collaborating openly with other companies to meet the emerging needs of our customers (create new business) and to transform our business operations (enhance existing business and improve productivity).



Focus areas

With the flexibility of our new core banking system, we will create new business centering on strategic white space opportunities, while also enhancing our existing business and improving our productivity.

1 Create new business

We will employ digital technology to make bold, game-changing moves, focusing on areas in which our business portfolio has been weak.

- Customers**
 - Digital-native generation (Line)
 - SMEs that prefer digital services (Mizuho Smart Business Loans) ▶ P36
- Businesses**
 - Consumer loans (J.Score)
 - Cashless payments (J-Coin Pay) ▶ P36

2 Enhance existing business and improve productivity

We will apply the flexibility of our new core banking system to revising our channels and streamlining our operations.

- Channels**
 - Next-generation branches ▶ P37
- Streamlining**
 - AOR ▶ P37

3 IT infrastructure facilitating the above objectives

We will endeavor to enhance our ability to adopt new technologies for implementing our business strategy while controlling the new risks that accompany digitalization.

- The cloud
- Cybersecurity ▶ P38

Highlights ① Creating new business

Began offering the digital currency platform J-Coin Pay in collaboration with approximately 60 financial institutions

J-Coin Pay

In March 2019, we launched J-Coin Pay, a QR code-based smartphone payment service and digital currency platform. Since then, approximately 60 financial institutions have joined the platform.

J-Coin Pay allows customers to make payments, send and receive transfers, and perform a range of other financial transactions all on their smartphones. Customers are also able to use the smartphone app to move funds between their J-Coin Pay accounts and their deposit accounts at financial institutions for free, anytime and anywhere.

Together with the participating financial institutions, we will continue aiming to realize a cashless society* by promoting cashless services such as J-Coin Pay.



*The Japanese government is aiming to double the cashless payments ratio to 40% by 2025 (Ministry of Economy, Trade and Industry, "Cashless Vision," April 2018).

Mizuho Smart Business Loans to support busy executives

Mizuho Smart Business Loans

In May 2019, we launched Mizuho Smart Business Loans, an online lending service targeted at small and medium-sized enterprises. The service is the first of its kind from a Japanese megabank.

The application process is entirely online, eliminating the need for clients to visit one of our branches. The new evaluation employs AI and external data and does not require financial statements. Clients can receive a loan in as little as two business days from application.

Small and medium-sized enterprise executives often must handle multiple tasks aside from their regular business activities on their own, including their relationships with banks. They face a number of difficulties in applying for loans, such as not being able to go to the bank in person, not having time to make up an application, or not having time to wait the length of the screening process due to urgent cash flow needs. With this service, we are addressing not only these executives' business needs but also their concerns about raising funds. This is one example of our efforts to provide comprehensive solutions for our clients.



Completely online
No branch visit



As little as two
business days from
application to loan



No financial
statements

Highlights 2 Enhancing existing business and improving productivity

Accelerate our initiative to transform branches into spaces for consulting utilizing digital technology

Establish next-generation branches integrating physical locations with digital solutions

We will change our branches from spaces for primarily operational processes to spaces for consulting. Specifically, we will expand spaces for life event-related consulting, incorporate tablets and other technologies, and offer consulting services integrating our strengths in banking, trust banking, and securities.

By proactively moving forward the digitalization of our operations, we will also allow customers to open accounts and make routine transactions using tablets in our branches, without paper forms or seals/signatures.



Developing and commercializing operational efficiency solutions using artificial intelligence

AOR

We have started to implement digital transformation initiatives in non-competitive areas throughout the financial sector for the purpose of providing to regional financial institutions a solution for automating data input from hand-written documents and non-standard forms, using artificial intelligence (AI), optical character recognition (OCR), and robotic process automation (RPA) technology. This solution has been dubbed "The AOR™".*

Specifically, we have started to formulate a plan for the seamless introduction of the solution in operational systems of financial institutions. The plan is being formulated through close cooperation with six regional financial institutions and NTT Data Corporation, which operates joint operations centers for financial institutions, by conducting proof-of-concept testing on The AOR™, and by working collaboratively with two companies engaged in providing services related to workflow systems in back offices. We aim to substantially improve the productivity of common operational functions in the financial industry by establishing a framework for providing the solution to regional financial institutions.

* For hand-written documents and non-standard forms, which required manual data-entry as they were difficult to automate, The AOR™ automates and streamlines overall operations through the highly accurate digitization of character information using AI, OCR, and RPA technology. Based on the results of proof-of-concept testing on requests for direct debit from accounts, manual data-entry was reduced by approximately 80%.

Highlights 3 IT infrastructure

Establish IT infrastructure that allows for quick, secure, and cost-effective adoption of new digital technologies and accelerate our structural reforms

Enhance our ability to adopt new digital technologies for implementing our business strategy

At Mizuho, we are striving to enhance our ability to adopt new digital technologies in order to stay ahead of the changing times and implement our business strategy in a timely and cost-effective manner.

The starting point for our initiatives is our new core banking system, MINORI, which we began migrating to in June 2018.

MINORI employs a simplified structure that allows for combining and reusing function-segmented programs and for easily connecting with external IT systems.

By leveraging MINORI to integrate with APIs and other tools, we will proactively advance our open collaboration with public cloud and fintech firms. Further, we will aim to streamline product and service development and investment with technologies such as AI and RPA and, in doing so, provide new products and services meeting our customers' needs quickly and at attractive price points.

Controlling the new risks that accompany digitalization

The advance of digitalization is connecting a range of things and services, and the increased usage of digital technology is creating new risks. In order to provide safe and reliable financial services to our customers, we must address these risks, in particular by enhancing our cybersecurity systems.

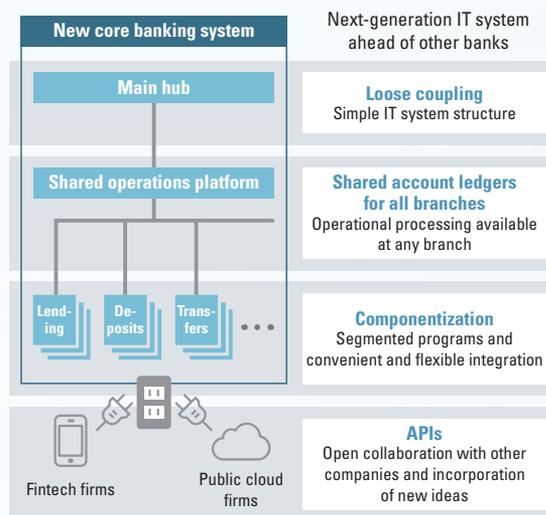
As we stated in the Declaration of Cybersecurity Management that we released in June 2018, we consider cyberattacks to be one of the top risks for our business.

With Mizuho-CIRT¹ taking the lead, we have assigned high-level professionals and are drawing on intelligence and cutting-edge technology developed in collaboration with external specialist organizations, while also taking initiatives to strengthen our global strategic resilience capabilities across the group. These include monitoring via integrated SOC², analyzing computer viruses, developing multilayer defense systems, and other measures.

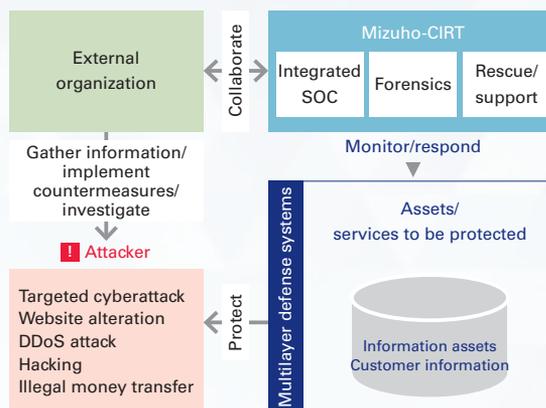
1. Cyber Incident Response Team
2. Security Operation Center

Declaration of Cybersecurity Management
<https://www.mizuho-fg.com/company/strategy/it/cybersecurity/index.html>

Features of MINORI



Cybersecurity at Mizuho



Sustainability

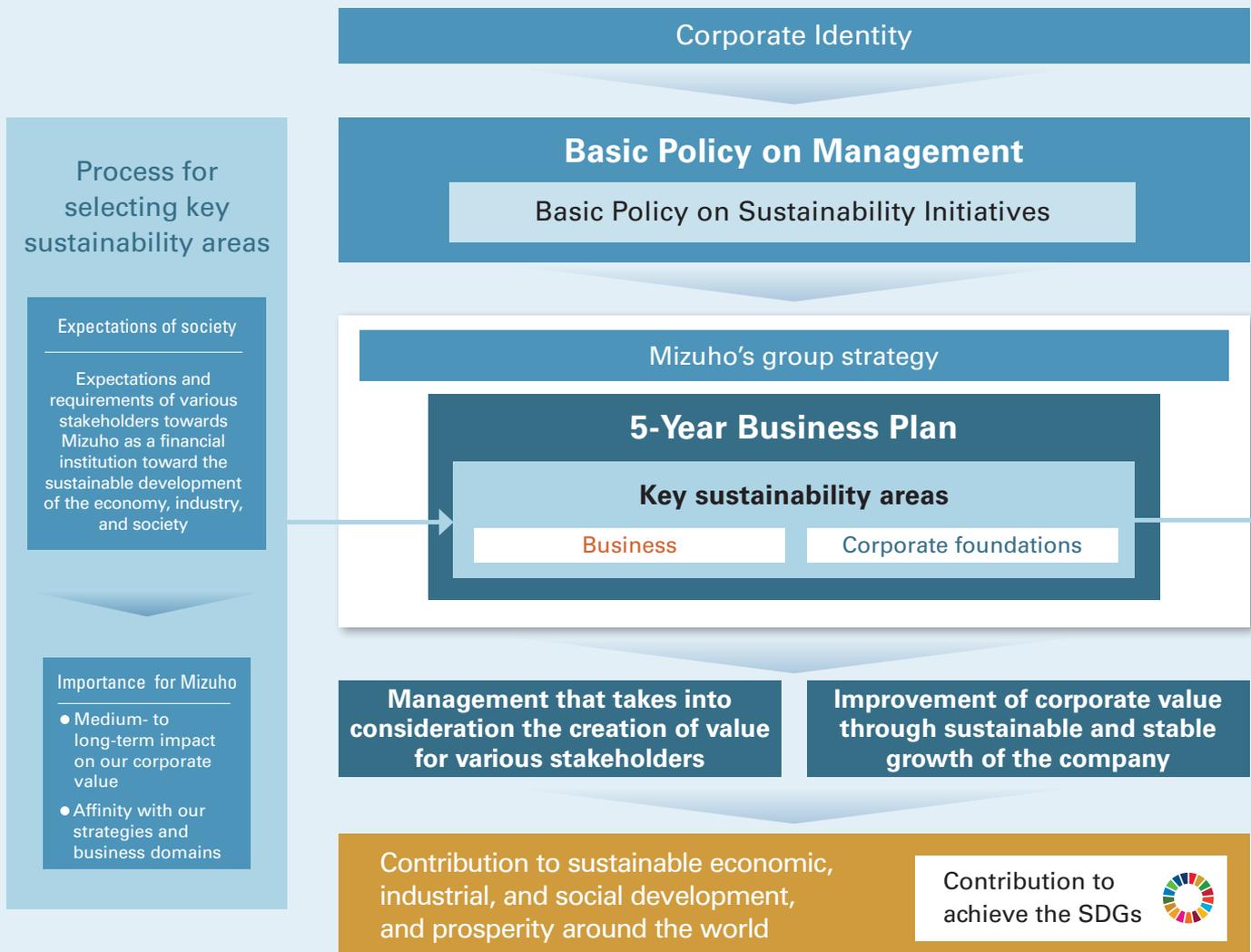
We at Mizuho have continually strengthened initiatives to create value for our diverse stakeholders, and have positioned CSR initiatives as a pillar of our corporate conduct. With the establishment of our new business plan, we have defined sustainability at Mizuho as “achieving sustainable and stable growth for Mizuho, and through this growth, contributing to the sustainable development and prosperity of the economy, industry, and society around the world”. Sustainability initiatives will be an integral part of our strategy moving forward, and we have strengthened our stance on advancing group-wide sustainability initiatives.

Specifically, after deliberation at the Executive Management Committee and the Board of Directors, Mizuho Financial Group (our holding company) established a Basic Policy on Sustainability Initiatives to define our fundamental approach and methods for advancing sustainability initiatives. Our group companies have adopted the same policy, allowing implementation of future initiatives on a group-wide level. Also, we have defined key sustainability areas in our 5-Year Business Plan in line with the expectations and requirements of stakeholders and based on the importance and affinity of such initiatives with our strategy, as well as medium- to long-term impact on our corporate value, and each in-house company, unit, and group will establish a strategy incorporating sustainability initiatives. Additionally, we have set business related KPIs (monitoring indicators) and targets for our corporate foundations based on the key sustainability areas.

We are also striving to continually enhance these initiatives, placing due emphasis on dialogue with stakeholders, and proactively taking action for the achievement of the sustainable development goals (SDGs).

Sustainability
for Mizuho

Achieving sustainable and stable growth for Mizuho, and through this growth, contributing to the sustainable development and prosperity of the economy, industry, and society around the world



Key sustainability areas in the 5-Year Business Plan

Business	<p>Declining birthrate and aging population, plus good health and lengthening lifespans</p> 	<ul style="list-style-type: none"> ● Asset formation to prepare for the future ● Expand services that respond to a society with a declining birthrate and aging population ● Convenient services in line with diversifying lifestyles <p>▶ P37, P41-P42, P50, P58</p>	Open partnerships and collaboration with a diverse range of stakeholders
	<p>Industrial development & innovation</p> 	<ul style="list-style-type: none"> ● Smooth business succession ● Industry transformation ● Acceleration of innovation ● Growth in Asian economic zones ● Creating resilient social infrastructure <p>▶ P43, P50, P52, P54, P58, P60, P62</p>	
	<p>Sound economic growth</p> 	<ul style="list-style-type: none"> ● Strengthening capital markets functions ● Transition to a cashless society ● Environmentally conscious social programs <p>▶ P36, P44, P56, P60</p>	
	<p>Environmental considerations</p> 	<ul style="list-style-type: none"> ● Stable energy supply and addressing climate change <p>▶ P45-P46, P52</p>	
Corporate foundations	<p>Corporate governance</p> 	<ul style="list-style-type: none"> ● Enhancing corporate governance ● Risk management, strengthening our IT infrastructure, and compliance ● Disclosure of information in a fair, timely, and appropriate manner, and holding dialogue with stakeholders <p>▶ P25-26, P38, P63-P82, P88-P90</p>	
	<p>Human capital</p> 	<ul style="list-style-type: none"> ● Talent development and creating workplaces that give employees a sense of purpose <p>▶ P10, P83-P86</p>	
	<p>Environment and society</p> 	<ul style="list-style-type: none"> ● Environmental and human rights considerations for investment and lending ● Addressing climate change ● Improving financial and economic literacy, and promoting activities that contribute to society based on regional and societal needs <p>▶ P10, P47-P48</p>	

Note: Icons indicate relation to major Sustainable Development Goals (SDGs)

Sustainability

Declining birthrate and aging population, plus good health and lengthening lifespans

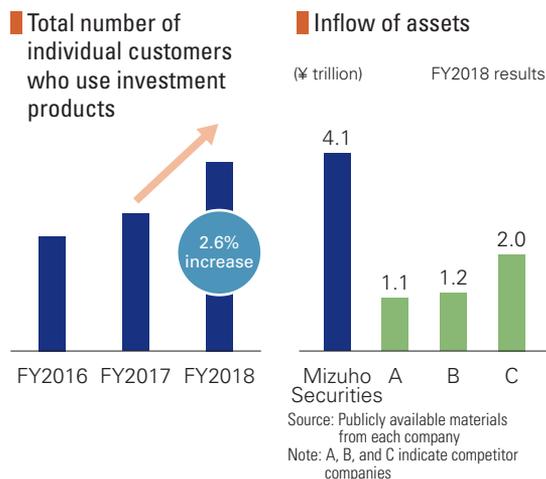
Address customer needs by providing face-to-face consulting and lifestyle support as a partner helping customers design their lives in a way that is aligned with their changing interests and concerns in a society that faces a declining birthrate and aging population, as well as an age of longevity.

Asset formation to prepare for the future

We strive to assist individual customers with asset formation to prepare for the future, by supporting increased financial literacy and transforming our comprehensive asset consulting services to provide appropriate asset management as a medium- to long-term partner.

Asset formation initiatives

As Japan's declining birthrate and aging population issues progress, demand for long-term asset formation services is increasing. At Mizuho, we are striving to provide comprehensive asset consulting services that address the needs of customers, including the current working generation, such as asset formation services and investment proposals. To this end, our asset management business is focused on long-term investment in order to secure the funds necessary for customers' future goals as we aim to be a partner that helps our customers design their lives in an age of longevity. We are also leveraging our banking customer base, trust banking functions, and other group strengths, in order to provide consulting regarding securing funds for the future, and robo-advisor asset management. We will continue strengthening our support for asset formation according to the needs of our customers by providing investment proposals and consulting.



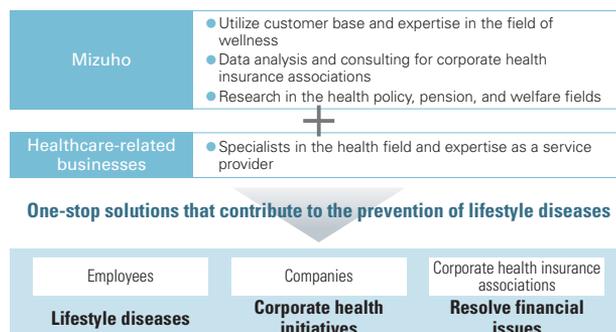
Expand services that respond to a society with a declining birthrate and aging population

Mizuho provides services which differ from the conventional offerings, addressing the declining birthrate and aging population in Japan by utilizing our industry expertise and business network.

A service model that contributes to lifestyle disease prevention

In March 2018, Mizuho Bank and Mizuho Information & Research Institute launched a business tie-up to create services that contribute to the prevention of lifestyle diseases among company employees as well as the financial stabilization of companies and corporate health insurance associations. This business tie-up utilizes employee health examination and medical data to provide a one-stop solution for improving employee health and evaluating initiative effectiveness, contributing to the financial stability of corporate health insurance associations by preventing lifestyle diseases and lowering medical expenses. We will continue promoting healthy lifestyles for employees by developing new services utilizing digital technology and open innovation.

Lifestyle disease prevention services



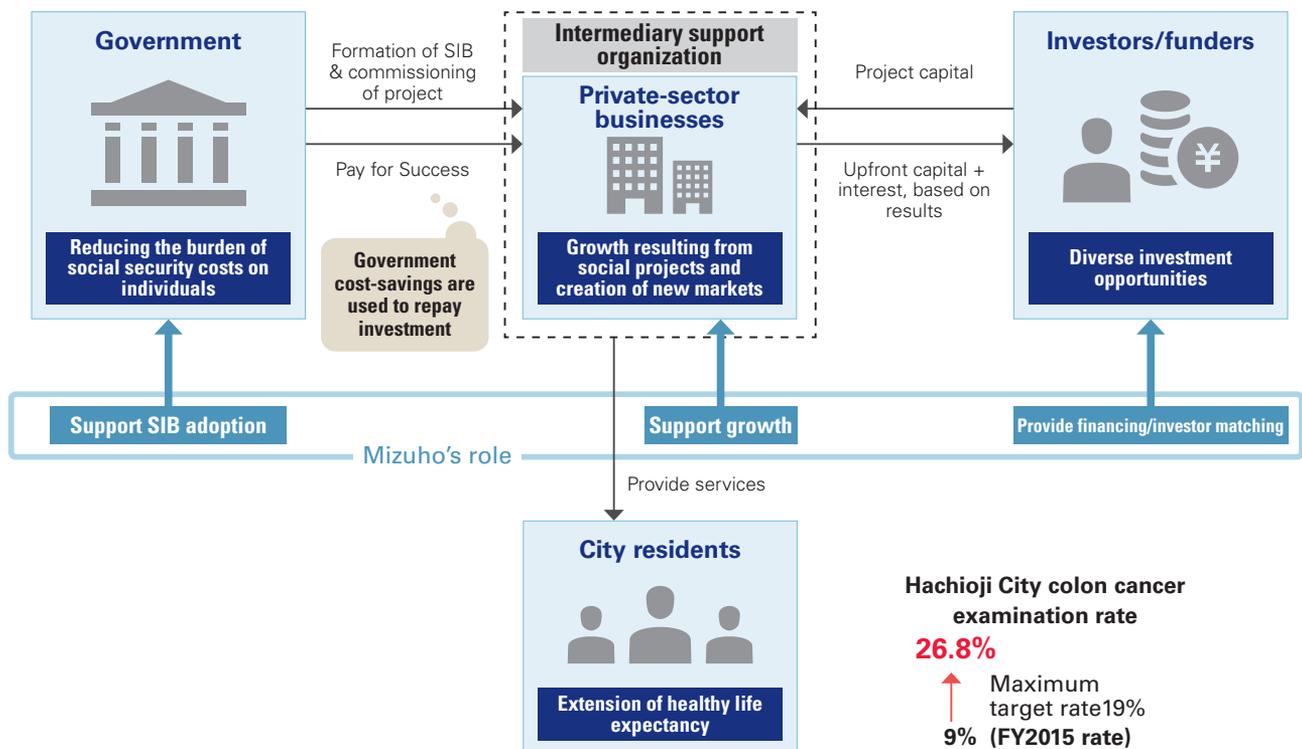
Social impact bond initiatives

As the birthrate declines and the population ages, initiatives in the fields of healthcare and caregiving are becoming more important. At Mizuho, we are working together with governments and businesses on initiatives utilizing private funds to support the extension of healthy life expectancy and reduce public sector costs.

Using social impact bonds to support businesses dedicated to extending healthy life expectancy

Mizuho Bank participated in the syndication of a social impact bond (SIB) project which aims to increase the rate of residents receiving colon cancer screenings. This project was launched in August 2017 in Hachioji City and in November 2018 in six municipalities in Hiroshima Prefecture, and recommends area residents covered by the national health insurance plan to receive colon cancer screenings with the goal of increasing healthy life expectancy and quality of life through early detection of cancer. This project is notable for several reasons. The Hachioji City iteration is notable as the first multi-year results-based SIB in Japan that contributes to solving a regional issue, while the Hiroshima Prefecture iteration of the project is the first SIB covering a broad area in Japan. This project also raises capital through crowdfunding with a Pay for Success strategy, and alleviates an issue in the targeted regions via collaboration between a megabank and regional banks. The widespread utilization of SIBs and other results-based public-private sector collaborative initiatives is anticipated as a method of resolving social issues in other fields as well as medicine and caregiving.

Structure for supporting businesses through social impact bonds



Sustainability



In addition to contributing to industrial development through efforts such as investment in infrastructure assets, as a strategic partner for our clients' business development, we are addressing business succession needs which are diversifying and becoming more complex, and supporting technological innovation and the development of innovative solutions.

Smooth business succession

In Japan, against the backdrop of the declining birthrate and aging population, as well as the lack of successors for businesses due to changing economic, social, and industrial structures, client needs in the area of business succession are diversifying and becoming more complex. In order to support smooth business succession, we are working to provide enhanced solutions as a unified group.

Our business succession solutions

The business environment that our clients are faced with is shifting significantly as a result of the declining birthrate and aging of society as well as changing economic, social, and industrial structures. Against the backdrop of these issues that are brought about by this business environment, such as the lack of business successors, client needs in the area of business succession are diversifying and becoming more complex. We will leverage our strengths such as our strong client base and approach to business as a unified group to provide enhanced, one-stop solutions spanning banking, trust banking, and securities to ensure smooth business succession for our clients.

Business succession solutions



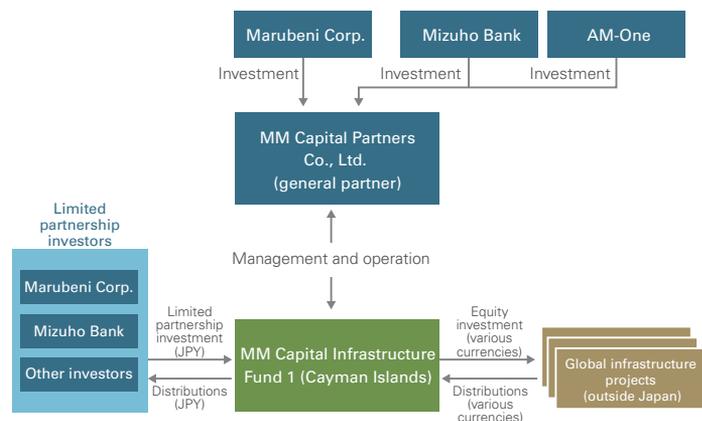
Creating resilient social infrastructure

Leveraging the knowledge we have accumulated thus far by investing in global infrastructure assets, we will support the development and construction of infrastructure projects that are essential for the sustainable development of society.

Establishment and management of a fund specialized in equity investment in global infrastructure assets

Mizuho Bank and Asset Management One entered into an agreement with Marubeni Corporation to establish and manage a fund specialized in equity investment in infrastructure assets outside Japan, targeting both Japanese and international institutional investors. Together, the three companies established a management company for the fund, with the objectives of making equity investments in private-sector led infrastructure assets outside Japan and building a portfolio of such assets. The fund will invest in the transportation infrastructure and energy infrastructure sectors, with the goal of expanding capital managed by the fund to a maximum of 50 billion yen. By working proactively as a unified group to invest in infrastructure assets outside Japan, we will contribute to infrastructure development around the world.

Organizational outline



Sound economic growth

As a financial services group, Mizuho will contribute to sound economic growth through initiatives that promote the shift to a cashless society and the strengthening of capital markets functions, in order to support the sustainable development and prosperity of the economy, industry, and society around the world.

Strengthening capital markets functions

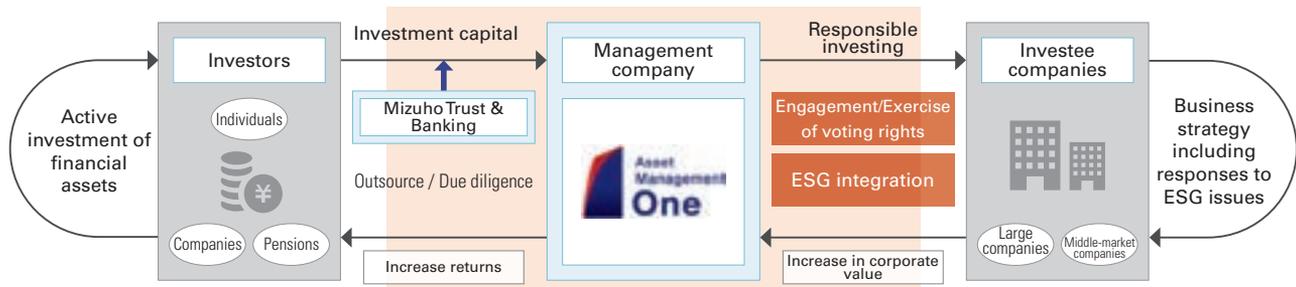
By enhancing constructive engagement with investee companies, and focusing on ESG integration, we aim to maximize returns by increasing the corporate value of investee companies.

Stewardship activities that contribute to the increased corporate value of our clients

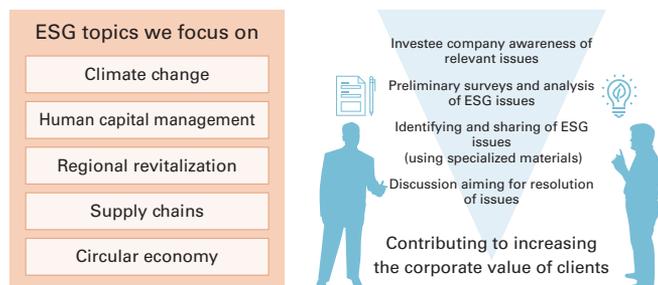
Mizuho Trust & Banking and Asset Management One (AM-One) are advancing initiatives which focus on the execution of their stewardship responsibilities and promote ESG investment.

AM-One is responsible for the various asset management functions distributed throughout the group. The AM-One Responsible Investment Department, created along with the establishment of AM-One in October 2016, is active in the exercise of its voting rights, as well as constructive engagement with investee companies on environmental, social, and governance (ESG) topics. AM-One encourages ESG integration—via which ESG elements are incorporated in investment processes—through initiatives such as the establishment of the Strategic Fund for ESG Engagement of Japanese Equities in July 2018. In August 2018, AM-One published a report detailing its stewardship activities. Regarding its activities outside of Japan, in December 2018, AM-One signed the UK Stewardship Code and acquired Tier 1 status, the highest status provided by the UK Financial Reporting Council to signatory institutions.

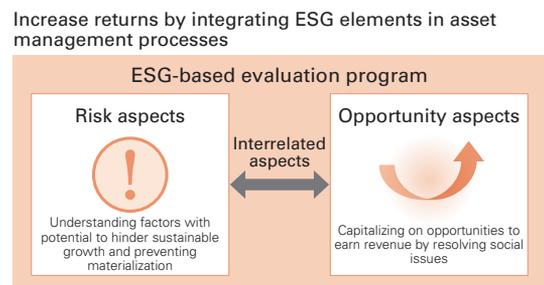
Promotion of ESG investment in investment chains



Engagement with a focus on ESG issues



ESG integration



Sustainability

Environmental considerations

It is essential for companies to ensure due consideration for the environment as they engage in their regular business activities, including addressing climate change, and encouraging recycling and the conservation of biodiversity. We leverage our expertise as a global financial services group to provide financial products, services, and consulting to support the environmental initiatives of our clients.

Stable energy supply and addressing climate change

For many years we have been actively involved in financing projects that generate renewable energy in Japan and around the world, as well as the support of environmental and energy-related policy. In recent years, we are addressing the diverse needs of clients in light of increasing interest in ESG topics by leveraging the capabilities of the entire group to provide new products and services such as green loans, green bonds, and consulting on climate change initiatives.

Financing support for renewable energy projects

Since the feed-in-tariff on renewable energy began in 2012, Mizuho Bank has contributed to the adoption and spread of renewable energy through its financing of numerous renewable energy projects.

In 2019, a solar power plant began operating in Minamisoma City—the result of a project finance deal arranged by Mizuho Bank. Construction of this solar power plant was completed by installing around 120 thousand solar panels on land publicly owned by Minamisoma City, an area struck by the 2011 Tohoku earthquake and tsunami, and has a capacity of 32.3 MW (the amount of energy needed to power approximately 10,000 homes).

In addition to contributing to the restoration of disaster-struck regions, we are also focusing on providing financing for offshore wind power, which is being hailed as a next-generation technology for renewable energy.

The completed solar power plant in Haramachi-higashi, Minamisoma City



Green loan and sustainability loan initiatives

In August 2018, Mizuho Bank signed a green loan agreement with Japan Excellent, Inc. based on the Green Loan Principles. The funds from this loan will be utilized to refinance the funds borrowed to acquire a DBJ Green Building-certified real estate property. Also, in February 2019, we arranged financing for a sustainability loan for the Japan Railway Construction, Transport and Technology Agency, and through this arrangement we are able to support the agency's initiatives on the SDGs. By fulfilling our role as a financing institution, we will continue contributing to clients' initiatives aimed at environmental issues and the SDGs.

Akasaka Intercity AIR



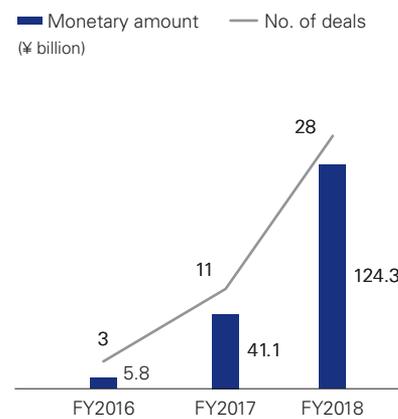
Hokuriku Shinkansen



Supporting the issuance of sustainable bonds

In 2017, Mizuho Securities set up a sustainable finance desk, provided financing for the first model pilot project for green bond issuance promoted by Japan’s Ministry of the Environment, and syndicated Mizuho Financial Group’s first green bonds. Also, Mizuho Securities is strengthening its sustainable bond issuance framework as an ESG structuring agent, including concluding a partner contract with the Climate Bonds Initiative—an environmental certification organization—in 2018, forming the Sustainable Finance Office in April 2019, supporting structuring and branding of sustainable bonds, and conducting initiatives to gather information on ESG topics.

Underwriting of publicly offered sustainable bonds* in Japan



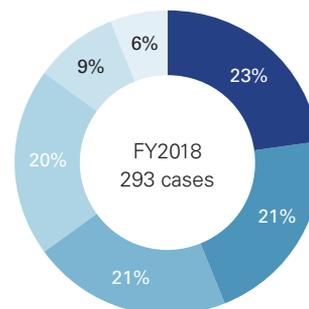
*Includes green bonds, social bonds, sustainability bonds, etc.



Environmental consulting

At Mizuho we leverage our consulting capabilities to support the environmental initiatives of our clients. Mizuho Information & Research Institute provides consulting and conducts research on the advancement of environmental management and countermeasures for climate change, and provides advisory services related to ESG risks. In addition to holding a forum in February 2019 covering the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board, we provide companies aiming to fulfill the recommendations with scenario analysis of the potential risks and opportunities presented by future climate change, and subsequent consulting on strategy and disclosure of information.

Environment-related consulting and research



- Energy
- Environmental management
- Chemical substances and recycling-oriented society
- Climate change
- Advisory services regarding ESG risks
- Other initiatives such as the publishing of reports

Reports published by Mizuho



Sustainability

Addressing climate change

Climate change is closely tied to various economic and social issues, and we recognize that addressing climate change is an important issue over the medium to long term. As a financial services group, we are dedicated to holding dialogue with customers and other stakeholders and fulfilling our consulting role, and will proactively address climate change and support the shift to a low-carbon society. These initiatives will also be promoted for the purpose of securing stable energy supplies in countries around the world.

We support the intent and aims of the Task Force on Climate-related Financial Disclosures* (TCFD)'s recommendations and will conduct initiatives based on the TCFD framework and work toward more advanced disclosure.

*A task force led by representatives of the private sector, established in December 2015 based on recommendations from the Financial Stability Board in order to enhance the availability of corporate information related to climate change; issued final report in 2017.

Governance	<ul style="list-style-type: none"> ● We have identified key sustainability areas, including responses to climate change, and incorporated them into our 5-Year Business Plan, based on deliberation by our Executive Management Committee and Board of Directors. These will enable us to advance our sustainability initiatives in line with our strategy. ● We have also developed an action plan for staged implementation of initiatives matching the Recommendations of the TCFD. The Executive Management Committee has deliberated on the action plan, and it has been presented to the Board of Directors and Audit Committee. 					
Strategy	<ul style="list-style-type: none"> ● When designing our new business plan, we identified climate-related risks and opportunities for each in-house company, unit, and group. ● Mizuho recognizes the following risks, opportunities, and impacts on business activities related to climate change, and based on this will actively promote financial products and services that help mitigate climate change or facilitate adaptation to it in order to support the transition to a carbon-free society. At the same time, we will conduct appropriate risk management based on international concerns, trends, and other factors. 					
	Opportunities	<ul style="list-style-type: none"> ● Increased business opportunities, including provision of solutions that support customers in transitioning to a carbon-free society, such as financing for renewable energy projects. ● Improvement of capital markets and social reputation through appropriate initiatives and disclosure. 				
	Risk	<ul style="list-style-type: none"> ● In terms of climate-related risks, we are taking into account both physical risks and transition risks. ● Our physical risks include operational risk and credit risk related to the possibility of extreme weather causing damage to Mizuho's assets (such as data centers) and to customer assets (such as committed real estate collateral). ● Our transition risks include increased credit risk related to investments in and loans to clients who are impacted by their own transition risks in the form of more stringent carbon taxes, fuel efficiency regulations, or other policies. 				
	Impacts	<ul style="list-style-type: none"> ● Using the definitions from the Recommendations of the TCFD, our energy sector and utility sector¹ credit exposure comes to approximately 7.2% of our total credit exposure.² <p>1 Excluding water utilities, nuclear power, and renewable energy. 2 Total of Mizuho Bank and Mizuho Trust & Banking's loans, foreign exchange assets, acceptances and guarantees, and committed lines of credit as of March 31, 2019.</p>				
	Scenario analysis	<ul style="list-style-type: none"> ● We continue to look into methods for climate-related scenario analysis of physical risks and transition risks. 				
Risk management	<ul style="list-style-type: none"> ● We recognize the physical and transition risks associated with climate change and have constructed a system for addressing these risks through a comprehensive risk management framework that includes credit risk management and operational risk management. ● We are also applying the Equator Principles* and acting in line with our Policies on Specific Industrial Sectors. As part of this, we are engaging in dialogue with some of our clients in the energy sector and utility sector. ● As a financial institution, we are working to reduce climate-related risk for our clients and ourselves by supporting our clients' transition to a carbon-free society. <p>*A financial industry benchmark for determining, assessing, and managing environmental and social risk related to projects that are being financed.</p>					
Indicators and targets	<table border="0"> <tr> <td style="border: 1px solid black; padding: 2px;">Targets</td> <td>CO₂ emissions basic unit: CO₂ emissions / total floor area (electricity usage at Japanese facilities of Mizuho Financial Group and core group companies) Long-term target: ▶ Reduce by 19.0% from FY2009 levels by the end of FY2030 Medium-term target: ▶ Reduce by 10.5% from FY2009 levels by the end of FY2020</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px;">Monitoring indicators</td> <td> <ul style="list-style-type: none"> • Green finance/sustainable finance amounts • Scope 1 (direct) and Scope 2 (indirect) CO₂ emissions and energy usage • Scope 3 environmental impact of new large-scale power projects (CO₂ emissions) and environmental conservation (CO₂ emission reductions) </td> </tr> </table> <ul style="list-style-type: none"> ● We are continuing to look into setting science-based targets. 		Targets	CO ₂ emissions basic unit: CO ₂ emissions / total floor area (electricity usage at Japanese facilities of Mizuho Financial Group and core group companies) Long-term target: ▶ Reduce by 19.0% from FY2009 levels by the end of FY2030 Medium-term target: ▶ Reduce by 10.5% from FY2009 levels by the end of FY2020	Monitoring indicators	<ul style="list-style-type: none"> • Green finance/sustainable finance amounts • Scope 1 (direct) and Scope 2 (indirect) CO₂ emissions and energy usage • Scope 3 environmental impact of new large-scale power projects (CO₂ emissions) and environmental conservation (CO₂ emission reductions)
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Stance on responsible investment and financing

In terms of the social and environmental impact of business decisions and business activity, companies need to consider the expectations of their stakeholders and ensure that their actions are not only aligned with international standards but also transparent and ethical. We have established policies on environmental initiatives and human rights, and strive to prevent or minimize adverse environmental and human rights impacts based on the characteristics of the services we are providing.

An overview of responsible investment and financing

Provide financing or support for raising capital	
<p>Mizuho Financial Group (holding company) Establish Policies on Specific Industrial Sectors (Revise regularly after establishing in 2018)</p> <p>Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Americas Implementing Policies on Specific Industrial Sectors</p>	<p>Financing large-scale development projects</p> <p>Mizuho Bank Adoption and application of the Equator Principles (first adopted in 2003, and readopted in 2006 and 2013 with the second and third revised versions respectively)</p>
Investment (asset management)	
<p>Mizuho Trust & Banking and Asset Management One Establish and implement policies on the Principles for Responsible Institutional Investors, known as Japan's Stewardship Code (policies have been revised as necessary since their establishment in 2014)</p>	

Policies on Specific Industrial Sectors

These policies affirm our commitment to considering environmental and social risks when engaging in business with clients in industries (such as weapons, coal-fired power generation, palm oil, and lumber) where there is a high possibility that our involvement with the client could contribute to adverse environmental or social impacts. We will determine whether to extend credit or assist with capital raising for clients in certain industries after confirming the measures which the client is taking to avoid or mitigate such risks, and other due diligence as appropriate based on the characteristics of the services we are providing. Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Americas established structures for these policies and began implementation in June 2018. These policies will be periodically revised according to changes in the external environment and the results of policy implementation, with the aim of enhancing policy management. In May 2019, we revised the policies to create tighter standards on our involvement in business related to coal-fired power generation.

Applying the Equator Principles to large-scale development projects

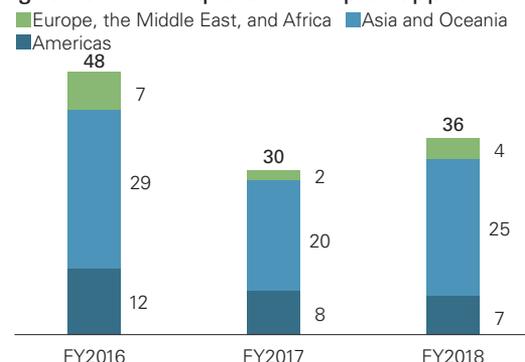
We recognize that large-scale development projects may have adverse impacts on the environment and local communities. Mizuho Bank works together with the project proponents (clients) to identify and conduct appropriate environmental and social risk assessments and due diligence for management, as required under the Equator Principles.

At the 2017 annual meeting of the Equator Principles Association, an agreement was reached to undertake a review of the Equator Principles (EPs), working toward version four of the EPs. The review focuses on four key thematic areas: Social impact and human rights, Climate change, Designated Countries and Applicable Standards, and Scope of applicability of the EPs.

*The items in this graph are those guaranteed by third parties



■ Number of projects for which contracts have been signed and the Equator Principles applied*



Retail & Business Banking Company

Individual customers

SMEs

Middle market corporations

To realize the wishes, hopes, and growth of our customers, we will aim to be a partner that helps retail customers design their lives, and a strategic partner for corporate clients' growth strategy and business succession needs.

Masahiro Otsuka

Head of Retail & Business Banking Company



Basic policy

Under our 5-Year Business Plan, we will aim to transition to a more stable revenue base through channel optimization and expansion into new business areas. Our basic policy is to realize the wishes and hopes of our retail customers and the continued growth of our corporate clients, working to build a sustainable retail business which is responsive to the needs of our customers in this new era. By implementing structural reforms

in three interconnected areas—business structure, finance structure, and corporate foundations—we can build a new business culture which is customer-focused and unique to Mizuho. And we can also focus on investing corporate resources in a way that enables us to better respond to new business and customer needs, creating new value in both finance and non-finance domains.

Business environment and challenges

In recent years, structural changes in customer needs have been accelerating. Retail customers are in need of support for designing their lives in an era of increased longevity. And among SMEs and middle market clients, there is increasing demand for solutions in areas such as growth strategy and business succession, in light of the uncertain business environment. It is essential that we fully respond to these changing needs. Also, both customer needs and the financial

industry are undergoing structural change due to advances in digitalization, and a mismatch has arisen in light of our dependence on a network of brick-and-mortar branches. With this in mind, we must seek to take advantage of these changes in customer needs in order to create new business opportunities while also allocating our finite corporate resources in a way that enables us to establish a stable revenue base.

Trends in performance

In FY2018, we achieved strong growth in lending, solutions, and other offerings targeting SMEs and middle market clients. However, due to the challenging market environment and other factors, there was not much room for growth in retail investor AUM revenue.

Under our 5-Year Business Plan, we will implement three types of structural reform in order to reduce fixed costs and expand our stable revenue base, aiming to increase Net Business Profits by ¥150 billion by FY2023 in comparison to FY2018.

(Group aggregate, rounded figures, ¥ billion)

Items	FY2017 Performance	FY2018		FY2019 Targets	FY2021 Targets	FY2023 Targets
		Performance	Year-on-year			
Gross Profits	730.0	710.0	(20.0)	700.0	690.0	730.0
Net Business Profits	14.0	11.0	(3.0)	18.0	100.0	160.0

Results are based on FY2018 management accounting rules (including Net Gains Related to ETFs), targets are estimates based on FY2019 management accounting rules.

Key strategies

Build an optimal channel network

In light of changes in customer needs such as an increase in online banking transactions, we will position our online and mobile services as the primary channels for every day transactions and expand the convenient digital services we offer. At the same time, we will transform branches into

consulting spaces, adopting remote access technology and focusing on having conversations with customers regarding how to solve their concerns and challenges and how to realize their hopes and dreams.

Related SDGs



Strengthen face-to-face consulting

We will aim to be a partner that helps retail customers design their lives in an age of longevity. We plan to expand our product lineup and our services offering continual/regular advice so that customers can rely on us as a consultant regarding long-term life plans. We will aim to be a strategic partner for SMEs and

middle market clients as they seek to maintain or expand their businesses in an uncertain business environment. By offering sophisticated solutions as a united group, we can support clients' growth and business succession needs.

Related SDGs

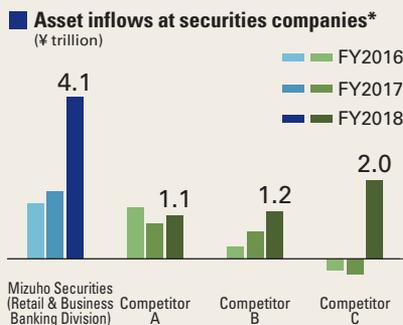
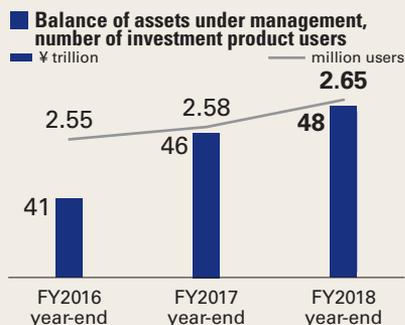


Expand into new business domains

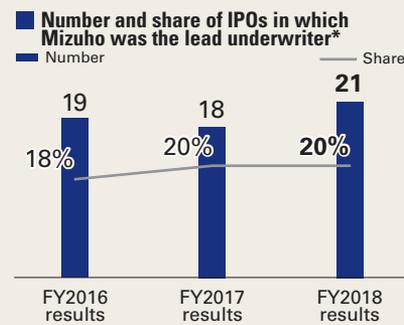
Utilizing open collaboration and technology adoption through alliances with other companies, we will create new value beyond the traditional boundaries of finance in fields such as cashless payments and the data business in order to formulate

a new business model aligned to the ways that society and our customers are changing. We will also work to reach new customer demographics through alliances and other partnerships with IT companies.

Related SDGs



*Prepared based on financial results disclosures of the respective companies.



*Prepared based on data from Capital Eye and includes co-lead underwriter positions, but excludes REITs and global offerings.

Highlights The path to launching a smartphone bank

In May 2019, Mizuho and Line Corporation jointly launched a preparation company for establishing Line Bank. We started preparations with the aim of launching a new bank during FY2020. This smartphone bank will be accessible and easy to use, combining Mizuho's extensive financial expertise with Line's platform which is popular with the digital generation.



Highlights Strengthening our support for startups

We offer a membership service, M's Salon, aimed at supporting the growth of startups in Japan which are the drivers of the nation's future. By drawing on Mizuho's network, financial services capabilities, and consulting capabilities we provide a range of support for the startups who will shape the future, including business matching forums and a variety of seminars.



Corporate & Institutional Company

Large corporations

Financial institutions

Public-sector entities

As a strategic partner for business development, we are aiming to achieve our vision of collaborative value creation and partnerships with our clients and contribute to the sustainable development of Japan's economy, industries, and society.

Akira Nakamura

Head of Corporate & Institutional Company



Basic policy

We support our clients' business development by providing investment and financing, brokerage, and consulting services not only in the financial sector but also in non-financial sectors.

Under the 5-Year Business Plan, in addition to strengthening our traditional commercial and investment banking functions, we aim to build new partnerships with our clients by leveraging our high level of industry insight and discernment to create new business opportunities and share business risk.

We will also contribute to the sustainable development of the economy, industry, and society by creating social value as well as economic value for our clients through contributions to Japan's growth strategy, supporting industry transformation, and promoting economic activity mainly in Asian economic zones.

Business environment and challenges

The global economy is becoming increasingly uncertain due to increased movements toward protectionist trade policies, political risks in Europe, and the persistence of geopolitical risks in the Middle East and East Asia.

In addition to global competition, the business environment our clients face is becoming increasingly complex as a result of restructurings and competition that transcends industries, due in part to technological advances, as well as enhanced corporate

governance frameworks and the implementation of SDG initiatives.

The role of financial institutions in responding to an increasingly complex society and the challenges and needs of clients is becoming more sophisticated and diverse. In light of this, we will create new value by leveraging our high-level risk-taking capabilities and by providing solutions that go beyond the conventional boundaries of finance.

Trends in performance

In FY2018, we achieved our targets as Net Interest Income rose due to an increase in the balance of loans, and fee-based business grew, driven by large-scale M&A projects. KPIs were met for DCM and real estate, while there is still room for improvement for ECM.

Going forward, we will steadily implement the key strategy under the 5-Year Business Plan with the objective of achieving FY2023 targets.

(Group aggregate, rounded figures, ¥ billion)

Items	FY2017 Performance	FY2018		FY2019 Targets	FY2021 Targets	FY2023 Targets
		Performance	Year-on-year			
Gross Profits	430.0	470.0	+40.0	460.0	470.0	480.0
Net Business Profits	230.0	280.0	+50.0	240.0	260.0	290.0

Results are based on FY2018 management accounting rules (including Net Gains Related to ETFs), targets are estimates based on FY2019 management accounting rules.

Key strategies

Expansion of our business domain

Clients' business challenges and needs are becoming more and more diverse and complex, and they are also closely linked to social issues such as population decline and environmental concerns. In response to these challenges, we will contribute to the sustainable growth of the economy, industry, and society by

Related SDGs



pooling our banking, securities, and trust banking capabilities to further enhance the financial services we provide to our clients, expand our business scope to include non-financial services, and co-create value with our clients and society.

Revenue structure reforms

Technological advances are driving innovation and rapidly changing the social structure and clients' business environments. In line with these changes, we will revise the services we provide to our clients in a flexible manner. We will

Related SDGs



also build a portfolio capable of withstanding future uncertainties and credit cycle fluctuations, thereby establishing a product and business portfolio that combines both growth potential and stability.

Enhance our business base

We will build a solid business base to support new business strategies.

Specifically, we will hire and train personnel with diverse perspectives and expertise. At the same time, we will transform our working style to create an environment in which each

Related SDGs



individual can maximize their skills, and we will improve productivity by introducing new technologies.

We will also continue with our efforts to upgrade our risk management system and reform our cost structure to build a business base that can meet the challenges of the coming era.

— Total equity underwriting worldwide (underwriting amount) (rank)



FY2016 results FY2017 results FY2018 results FY2019 targets

— Domestic straight bonds (underwriting amount) (rank)



FY2016 results FY2017 results FY2018 results FY2019 targets

— M&A amount (deals related to Japanese companies) (rank)



FY2016 results FY2017 results FY2018 results FY2019 targets

Highlights Resolving social issues through renewable energy projects

We provided financing for a woody biomass power generation project in the Tohoku region of Japan, leveraging our expertise and client base in the power industry. Biomass power generation is expected to be a stable energy source because it is not affected by weather conditions. It is also an environmentally-friendly power source with zero CO₂ emissions. We will continue to support both stable power supplies and decarbonization through renewable energy initiatives.



Highlights Measures to reduce the number of vacant houses through the revitalization of the resale market for existing houses

The Tokyo Metropolitan Government established the Registration System for Business Groups Promoting the Resale Market for Existing Houses and is working to develop a secure market where existing single-family homes can be bought and sold, and to prevent the city from falling into decline due to an increase in the number of vacant houses.

Mizuho is the only registered financial institution under this system, and as part of our commitment to promoting the resale of existing houses, we will support the development of an environment which is conducive to establishing a market that supports the efficient use of existing housing.



Global Corporate Company

Americas

EMEA

East Asia

Asia & Oceania

As a strategic partner supporting our clients' global business development, we will work with our clients to realize the potential of the cross-regional value chain.

Seiji Imai

Head of Global Corporate Company



Basic policy

We will connect clients and capabilities in each region, focusing on our network in high-growth Asian economic zones and on our presence in the attractive US capital markets. As a strategic partner supporting our clients' global business development, we will work with our clients to realize the potential of the cross-regional value chain.

To respond to structural issues, including an increase in expenses due to regulatory compliance costs resulting from the introduction of new Basel requirements and the limitations on the potential to raise foreign currency funds, we will optimize our business portfolio with a focus on profitability and sustainability, expand our stable income sources, and streamline our revenue structure while maintaining our bottom line.

Business environment and challenges

The global economy is continuing to make a modest recovery overall, led by the strong growth of the US economy. However, we must remain attentive to factors such as the proliferation of protectionist trade policies arising from US-China trade friction, the political risk developing in Europe, and the geopolitical risk present across the Middle East and East Asia. Our business is facing constraints on future growth in the form of an increase in expenses due to regulatory compliance costs resulting from the

introduction of new Basel requirements and the limitations on the potential to raise non-JPY currency funds. Within this business environment, we view these constraints on future growth as structural issues and will advance initiatives to build new business foundations. Specifically, we will increase the fundamental earnings power of our current business base, improve our cost structure, and revise our business portfolio strategy through selection and focus.

Trends in performance

In FY2018, we recorded strong Net Interest Income due to steady improvement in our corporate loans and deposits. We also expanded our non-interest income by capturing large-scale M&A deals and other business. As a result of keeping down our expenses outside Japan through stringent cost control, we were

able to achieve our targets for both Gross Profits and Net Business Profits.

Going forward, we will implement the key strategy of the 5-Year Business Plan and aim to achieve our targets for FY2023.

(Group aggregate, rounded figures, ¥ billion)

Items	FY2017 Performance	FY2018		FY2019 Targets	FY2021 Targets	FY2023 Targets
		Performance	Year-on-year			
Gross Profits	340.0	420.0	+80.0	410.0	440.0	460.0
Net Business Profits	90.0	170.0	+80.0	160.0	170.0	180.0

Results are based on FY2018 management accounting rules (including Net Gains Related to ETFs), targets are estimates based on FY2019 management accounting rules.

Key strategies

■ Enhance current business areas and reform cost structure

We will continue to provide consulting and support for our Japanese corporate clients' global expansion and to pursue our Global 300 strategy of focusing on about 300 blue-chip corporate groups worldwide. At the same time, we will enhance cross-selling tailored to regions and markets, with an emphasis

Related SDGs



on capital investment, and enhance our current business base. In order to improve our cost structure, in addition to proactively leveraging technology, we will move forward with the optimization of our operational frameworks in each region.

■ Expand into new business domains

We will raise our transaction banking capabilities in Asia and strengthen our client relationships in US capital markets. In the high-growth region of Asia, we will capture capital flows both inside and outside the region, leverage our strong client base, and develop stable business foundations. In North America, we

Related SDGs



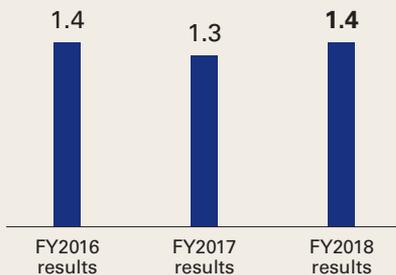
have achieved a presence in the debt capital market business second only to US financial institutions through our acquisition of Royal Bank of Scotland assets. With the strengths we have from this business, we will expand our client base and product offerings to strengthen our relationships in capital markets.

■ Reduce low-return assets

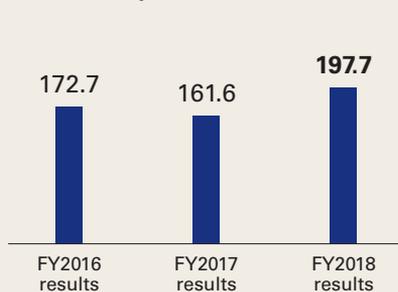
We will look into scaling back businesses that have low return or low potential for improvement. With these cuts to the stock variables of our "stock and flow," we will free up risk-weighted assets and non-JPY currency resources to invest in new and

high-return business domains. Through our initiatives to streamline our revenue structure, we will aim to build an optimized business portfolio.

■ Non-interest income outside Japan (\$ billion)

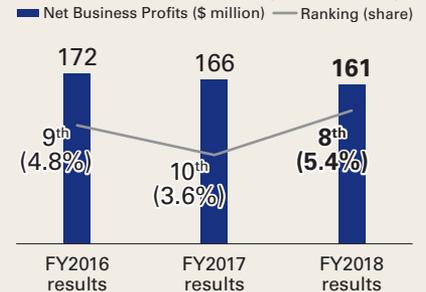


■ Non-JPY deposits (\$ billion)



Mizuho Bank and principal subsidiaries, including central bank deposits. Global Corporate Company management accounting basis.

■ Americas bond underwriting (DCM) ranking



Investment-grade bonds worth \$250 million or more issued by companies in the Americas. Source: Dealogic

Highlights Our Global 300 strategy is yielding positive results

Seeing that the global media industry was moving toward consolidation of communications and content, we acted to be one of the primary banks in a large-scale, representative M&A deal.

This allowed us an opportunity to exercise our advantages in the telecom, media, and technology field, as well as to apply our Global 300 strategy, which is aimed at pulling in more financing deals. Going forward, we will continue striving to reach an even higher level as a global player.



Highlights Opening of a new Mizuho Securities office in Frankfurt

Mizuho Securities has established Mizuho Securities Europe GmbH in Frankfurt, Germany as a subsidiary of our United Kingdom-based subsidiary Mizuho International plc. Mizuho Securities Europe began operating in March 2019 and will ensure service continuation and stability for clients in Europe and around the world, regardless of the progress of Brexit negotiations.



As a partner with expert knowledge of market mechanisms and the ability to draw on a range of intermediary functions, we will further integrate our banking, trust banking, and securities capabilities to offer the best products and services for our clients' varied needs.

Junichi Kato

Head of Global Markets Company



Basic policy

The Global Markets Company engages in sales and trading in order to provide clients with market product-based solutions, and we also conduct banking operations, including asset management and capital raising, securities investment, and other related activities.

In the 5-Year Business Plan, we have set out a basic strategy to develop a framework for offering products and services ideally suited for our clients' true needs, as well as to strengthen our market presence, as part of maintaining our status as one of Asia's major players in global markets.

Going forward, we will continue to be a partner with expert knowledge of market mechanisms and the ability to draw on a range of intermediary functions. In our sales and trading operations, by optimizing our global network and products framework, we will draw on a broad range of intermediary functions to connect investors with other investors and connect issuers with investors. In our banking operations, we will enhance the sophistication of our ALM and portfolio management through flexible asset allocation while maintaining a focus on achieving a balance between realized gains and unrealized gains/losses.

Business environment and challenges

According to estimates from the International Monetary Fund, with the US Federal Reserve Board refraining from hiking interest rates and other countries adopting similar monetary easing policies, the global economic growth rate remained steady in the first half of 2019 and is expected to trend upward in the second half. On the other hand, US-China trade friction, Brexit negotiations, and other factors continue to create an uncertain business environment, and the structure of the market also appears to be undergoing considerable changes due to the

tightening of global financial regulatory standards and the rise of digitalization and AI in financial markets.

In this environment, we will strive to consistently respond to our clients' increasingly varied risk hedging needs and investment needs. At the same time, in our banking operations, we will enhance the sophistication of our ALM and portfolio management and aim to maintain our status as one of Asia's major players in global markets.

Trends in performance

While financial markets were facing growing uncertainty, we embarked on a restructuring of our portfolio of non-Japanese bonds and other securities. As a result, our FY2018 Net Business Profits came to -¥14.1 billion, falling short of our fiscal year target. In the 5-Year Business Plan, we have adopted the goals of advancing the global management of our sales and trading

operations and of improving the risk taking capabilities of our banking operations in order to shift to a stable revenue structure. Through these efforts, we expect to achieve net business profits of ¥150 billion in FY2019 and of ¥260 billion in FY2023.

(Group aggregate, rounded figures, ¥ billion)

Items	FY2017 Performance	FY2018 Performance		FY2019 Targets	FY2021 Targets	FY2023 Targets
		Performance	Year-on-year			
Gross Profits	390.0	190.0	(200.0)	370.0	390.0	480.0
Net Business Profits	190.0	(14.0)	(204.0)	150.0	180.0	260.0

Results are based on FY2018 management accounting rules (including Net Gains Related to ETFs), targets are estimates based on FY2019 management accounting rules.

Key strategies

■ Enhance sales and trading operations by advancing global management

Related SDGs



To respond to our clients' true needs, in addition to our ongoing integration of banking, trust banking, and securities services, we will advance the global management of each of our products, improving our price competitiveness and ability to provide solutions. We will also leverage the broad client base

that we have developed through our commercial banking business to further focus on and expand our securities business. In doing so, we will facilitate the realization of a positive cycle of funding between financial market participants and raise our global market presence.

■ Enhance the sophistication of our ALM and portfolio management in our banking operations

Related SDGs



We will enhance the sophistication of our ALM and portfolio management both by enhancing our early warning indicator management to anticipate changes in market conditions in advance and by optimizing diversification of investment into interest rates, equity, credit, and other areas based on market conditions. We will also speed up our decision-making

processes through digitalization. These efforts will enable us to improve our earnings power while also restraining volatility in the revenue from our banking operations. In addition, with stable capital raising and balance sheet management, we will continue supporting our clients' global business and positively contributing to Mizuho's overall business strategy.

■ Build markets infrastructure and develop digital innovation professionals

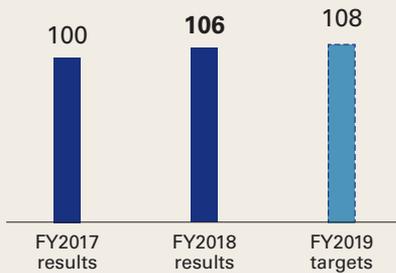
Related SDGs



In order to continue providing high quality services to our clients in the future, we will allocate our corporate resources strategically towards building next-generation trading rooms, market IT systems, and market back offices in line with technological advancements. In this way, we will upgrade our

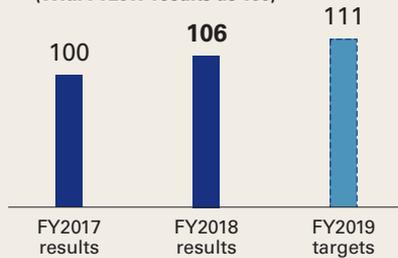
infrastructure, reduce our costs, and maintain and heighten our competitiveness. Moreover, we will further accelerate our initiatives to streamline our operations by improving our employees' digital literacy and utilizing robotic process automation.

■ Sales & trading-related revenue (With FY2017 results as 100)



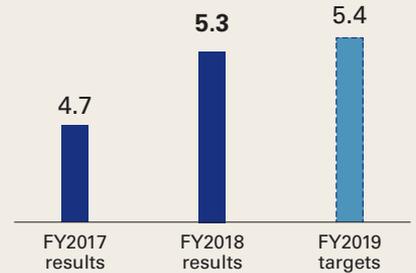
Internal management accounting basis

■ Volume of Asian/emerging market currency transactions (With FY2017 results as 100)



Internal management accounting basis

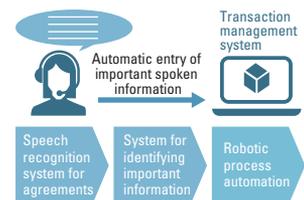
■ Institutional investor equity trade share (%)



Calculated by Mizuho Securities based on trading data from each section of the Tokyo Stock Exchange

Highlights AI and digital innovation initiatives

In collaboration with NTT Communications, we have developed a voice input system that uses speech recognition, text mining, and robotic process automation to automate entry of market product transaction data. We have already begun using this tool to streamline our banking operations. Going forward, we will aim to make further improvements through operational excellence, optimize and upgrade our operations, and establish a sustainable competitive advantage.



Highlights First Japanese bank to issue US dollar-denominated CD linked to SOFR

In February 2019, we became the first Japanese bank to issue a US dollar-denominated certificate of deposit (CD) linked to the Secured Overnight Financing Rate (SOFR). SOFR is a new US dollar reference rate that the Federal Reserve Bank of New York began publishing in April 2018 as an alternative to USD LIBOR, which may soon become unavailable. Financial transactions using SOFR are expected to increase. We will continue to positively contribute to US financial markets with our products, develop insight and knowledge about new reference rates, and support our clients in raising capital.



Asset Management Company Investors

In an era of lengthening lifespans, we will support customers' medium- to long-term asset formation to contribute to growth in financial assets in Japan as part of a unified group.

Goji Fujishiro

Head of Asset Management Company



Basic policy

Our basic policy is to raise the added value of our asset management business to meet the changing needs of our customers by strengthening our investment capabilities and ability to provide solutions, and by developing products and providing services in line with our customers' medium- to long-term asset formation needs as we enter an age of longevity. In addition, we will enhance cost control by establishing an efficient and robust business base through the development of organizational integration management

centered on business process and IT system integration, and the implementation of operational process reforms utilizing digital innovation. We will contribute to growth in financial assets in Japan by shifting to a high capital efficiency structure for our asset management business and working together with Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Asset Management One, to support customers' medium- to long-term asset formation.

Business environment and challenges

As the environment surrounding our asset management business undergoes major changes, such as longer life spans, the continuing low interest rate environment, and the spread of digital devices, customer needs are also changing. For retail investors, we believe that asset management services for asset formation for the future are still in the developmental stage amidst this age of longevity. High-level consulting capabilities are needed to respond to the increasing diversification of pension plans and investment solutions for pension funds and

other clients who play an important role in people's ability to prepare for retirement. On the investment side, as we continue to find ourselves in a difficult investment environment due to negative interest rates, institutional investors are expecting us to provide high added value. In light of this, we will need to further improve our investment capabilities by offering alternative investment strategies and utilizing technologies, such as AI and big data.

Trends in performance

In fiscal 2018, we generated a net inflow in publicly traded investment trusts designed for long-term investment. However, Net Business Profits fell short of our targets as a result of a decline in market value due to worsening market conditions and outflows from products designed for institutional investors.

In the future, we will aim to achieve our targets under the 5-Year Business Plan by strengthening our operational capabilities through a process of selection and focus, placing greater emphasis on our consulting and solutions businesses, and shifting to a more efficient business structure.

(Group aggregate, rounded figures, ¥ billion)

Items	FY2017 Performance	FY2018		FY2019 Targets	FY2021 Targets	FY2023 Targets
		Performance	Year-on-year			
Gross Profits	50.0	50.0	+0.0	49.0	54.0	60.0
Net Business Profits	17.0	16.0	(1.0)	13.0	18.0	23.0

Results are based on FY2018 management accounting rules (including Net Gains Related to ETFs), targets are estimates based on FY2019 management accounting rules.

Key strategies

■ Focusing on asset management services for an age of longevity

In order to support our customers' life plans and goals in terms of asset management, we will focus on product development, including those for customers with little prior experience of investing, and providing solutions such as fund wraps. In addition, we will raise awareness of the importance of asset formation by offering defined contribution corporate pensions

and individual-type defined contribution pension plan (iDeCo) services, as well as disseminating educational materials on investing. We will also actively support distributors, by providing online content and other support in order to help drive the financial asset market.

Related SDGs



■ Selection of and focus on solution services with high customer demand

As customers' needs shift to investment strategies that offset lower interest rates and minimize the impact of market conditions, we will focus our corporate resources on alternative investments, such as real estate and loans, and on absolute return strategies. For clients such as pension funds and

institutional investors whose needs are diversifying, we have established specialized departments in Mizuho Trust & Banking and Asset Management One that focus on providing comprehensive consulting and solution services.

Related SDGs



■ Shifting to a more efficient business structure

We will optimize operations by completing the integration of business processes and IT systems in order to maximize the profitability of Asset Management One, where corporate resources related to the group's asset management functions have been consolidated. In addition, we will fundamentally

revise our current operations in each department of the Asset Management Company by introducing automated processes that utilize technologies, such as RPA, in order to improve operational efficiency and raise productivity and added value.

Related SDGs



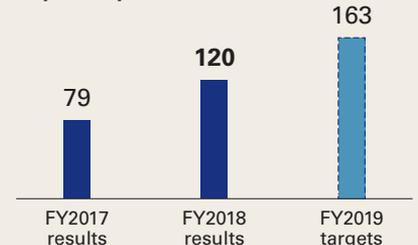
■ Publicly traded investment trust assets under management balance (¥ trillion)



■ Defined contribution corporate pension assets under management balance (¥ trillion)



■ Number of individuals enrolled in individual-type defined contribution pension plans (iDeCo) (thousand)



Highlights Launch of long-term asset formation fund targeting individuals

In July 2018, Asset Management One introduced a JPY-denominated principal-protected investment trust, the first of its kind in Japan,* for which net assets exceed ¥200 billion. We are confident that this fund will contribute to more active investment in Japan as many of the investors in the fund are first-time investors. Mizuho will continue to provide asset management services that support the asset formation of individual investors.

*Based on analysis by Asset Management One, this is the first publicly traded principal protected investment trust in Japan with a guarantee period of 10 years.



Highlights Launch of global infrastructure debt fund

Asset Management One Alternative Investments, a subsidiary of Asset Management One specializing in alternative investments, has launched an infrastructure debt fund. The fund provides investors with attractive investment opportunities and invests in infrastructure projects that are essential for the sustainable development of the countries and local communities they are located in. We will continue to provide excellent investment opportunities by leveraging the strengths of the group.



Global Products Unit

Investment banking

Transaction banking

We aim to leverage our sophisticated expertise as a team of specialists as we continue offering optimal solutions that are aligned with client needs.

Goji Fujishiro

Head of Global Products Unit



Basic policy

At the Global Products Unit (GPU), our activities are primarily divided into two areas, investment banking and transaction banking, and we provide a wide range of solutions for our clients including M&A, real estate, and project finance, as well as settlement in Japan and globally, cash management, and transfer agency services.

By drawing on the sophisticated expertise of the banking, trust banking, and securities functions of the group, we will continue

addressing the needs of clients and investors, while supporting the strategies of in-house companies and the Mizuho group as a whole to increase our stable earnings power.

In addition, we are aiming to improve productivity and efficiency by endeavoring to achieve optimal allocation of corporate resources and review stock variables (in terms of stock and flow) without being constrained by established conventions.

Business environment and challenges

As uncertainty in the global economy rises, price fluctuation risk continues to increase for stocks, bonds, real estate, and commodities. Also, the business environment that our clients are faced with is shifting at a rapid pace, with Fintech and other forms of technological innovation bringing new developments on an almost daily basis.

Confronted with this business environment, at the GPU we are focusing our attention on leveraging our sophisticated expertise

as we continue offering optimal solutions that are aligned with client needs.

Specifically, by utilizing our financial product expertise to take measured risks, and by further advancing the originate-to-distribute model taking the perspectives of investors into account, we will support the financial product aspects of Mizuho's strategy, and contribute to solutions for issues that are faced by clients and society.

Key strategies

■ Providing effective solutions across banking, trust banking, securities, and other group companies

In order to provide the best support for value chains that create added value and contribute to increased corporate value for clients, we will further deepen our collaboration with financial product departments throughout the banking, trust banking, and securities entities and our other group companies to continue to provide solutions as a united group.

For example, we aim to develop a deep understanding of the business strategies of our corporate clients based on each company's development stage, from discussions on their growth strategy to financial and management strategies and exit strategies, and aim to provide optimal solutions drawing on the strengths of the entire group.

Related SDGs



■ Enhancing our global operating framework and honing financial product expertise

Against the backdrop of Japan's aging population and declining birthrate, and the growing presence of Asia as a global player, clients are accelerating their global operations, and we aim to address these needs by enhancing Mizuho's services on a global basis.

We will boost collaboration between offices to support our clients, especially for cash management, settlements, and other

transaction banking services, as well as services in the field of project finance.

Also, in order to bolster our capacity to provide solutions to our clients, we are working to strategically develop a larger pool of specialists to further increase our financial product expertise.

Related SDGs



Related SDGs



Expansion into new business areas

In order to address client needs which are diversifying and becoming more complex, and to support clients in resolving issues, Mizuho must create and provide solutions beyond those offered in our existing financial product line-up.

Our unit is making use of digital technologies which are advancing day by day, and endeavoring to expand business in new fields to capitalize on recent trends.

Principal accomplishments in investment banking

	FY2018 results
Syndicated loans	No. 1 ¹
Japan publicly offered bonds (industrial bonds & electric power bonds)	No. 1 ²
ABS lead underwriter	No. 1 ³

1. Amount basis, bookrunner basis
2. Underwriting amount basis, excluding our own bonds
3. Amount basis, asset-backed securities

Principal accomplishments in transaction banking

	FY2018 results
Custody	No. 1 ⁴
CMS	No. 1 ⁵
Trade finance	No. 1 ⁶

4. Holding and managing securities for securities investments. Mizuho won first place in custody bank survey rankings (in the Japanese market) in *Global Custodian* magazine.
5. Mizuho won first place in the Cash Management Service (CMS) ranking survey of *Euromoney* magazine (in the Japanese market).
6. *Global Trade Review* awarded Mizuho the "Best trade finance bank in East Asia & the Pacific" award.

Highlights Awards in transaction banking

Among the various solutions Mizuho provided to clients in the field of transaction banking in FY2018, our initiatives in trade finance and custody were particularly highly evaluated, and we received awards from industry magazines.

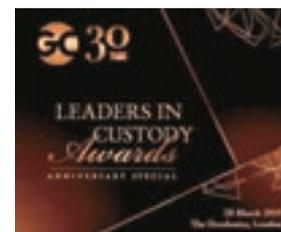
In trade finance, Mizuho Bank won the award for best trade finance bank in East Asia and the Pacific among *Global Trade Review's* choice of Leaders in Trade. Our sophisticated product development and dedicated service, as well as customized product offerings addressing the needs of major players throughout the region, were critical factors in receiving this prestigious regional award for the third consecutive year.

In custody, at the *Global Custodian's* Leaders in Custody Awards hosted in March 2019, Mizuho Bank was awarded the Asia-Pacific region Best Relationship Management and Client Service Award, as well as the Continued Excellence Award for Asia-Pacific, a special honor presented to banks in each region that have consistently outperformed in *Global Custodian* surveys, as a way of commemorating the 30th anniversary of the Leaders in Custody awards. Mizuho Trust & Banking (Luxembourg) was also honored with the Best Global Custodian Network Team Award.

We will strive to improve the standard of our services, supporting the growth strategies of clients who are expanding globally, and enhance our asset management support for investors.



Receiving the trade finance award



Leaders in Custody Awards

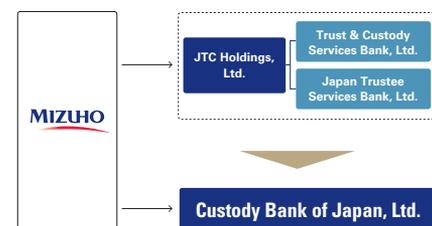
Highlights Establishment of JTC Holdings

In October 2018, Trust & Custody Services Bank (TCSB) and Japan Trustee Services Bank (JTSB) established JTC Holdings (JTCHD) through a joint share transfer.

The purpose of this integration is to realize more stable and higher quality operations and to strengthen IT system development capabilities by concentrating TCSB's and JTSB's corporate resources and expertise, and seeking to leverage the benefits of scale, thus contributing to the further growth of the domestic securities settlement market.

Together, JTCHD, JTSB, and TCSB form an elite Japanese financial group specializing in asset administration services, with approximately ¥700 trillion in assets under custody (including entrusted assets of approximately ¥400 trillion).

These entities will continue adapting to changing client needs and providing optimal solutions based on our sophisticated expertise.



Note: Contingent on approval from the relevant authorities.

Research & Consulting Unit

Fulfilling our role as a knowledge navigator by co-creating value with clients and society, while aiming to make Mizuho a stronger and more resilient financial group.

Motonori Wakabayashi

Head of Research & Consulting Unit



Basic policy

Against the backdrop of structural shifts including digitalization, an aging population with a declining birthrate, and globalization, we are working to implement structural reforms in three areas—business structure, finance structure, and corporate foundations—by utilizing our expertise and organizational knowledge, while addressing the diversifying needs of clients to strengthen value chains both inside and outside our unit.

For our business structure reforms, we will focus our attention on four areas: enhancing the sophistication of research, enhancing consulting, the active use of IT and digital technologies, and revising client channels.

Business environment and challenges

In addition to structural shifts in society such as digitalization, an aging population with a declining birthrate, and globalization, and as the state of the economy in Japan and around the world grows increasingly uncertain, clients continue to face a range of issues which our unit's strengths can be leveraged to resolve.

For example, as clients expand into new business fields and geographical regions, our unit's industry expertise and globally

Key strategies

■ Enhance the sophistication of research

By conducting thorough research and origination with a clear sense of purpose, we contribute to strengthening Mizuho's earnings power as well as our brand and reputation.

■ Enhance consulting

By broadening the scope of our consulting services to include new offerings such as cross-sector support and digital consulting, we are increasing the underlying value of our consulting services. At the same time, we are bringing a

For the finance structure reforms, we are working to optimize our operations and resources to better align with the business conducted by each in-house company and their needs, in addition to our unit's independent business.

And thirdly, for the corporate foundations reforms, we are working to strengthen the capabilities of our personnel to resolve a range of client issues drawing on the strengths of the entire group, in addition to increasing productivity through efforts such as accelerating the integration of operations within the unit.

focused research can provide clients with new management and business strategies, setting Mizuho apart from the competition as a strategic partner.

As a trusted partner sharing knowledge with our clients and society, we are committed to working together to create new value including in spaces that span finance and non-finance domains.

Related SDGs



For this purpose, along with effectively consolidating the group's research functions to bolster our fundamental research capabilities, we will expand our origination capabilities to capture research-related business in priority areas and new business areas linked to in-house company strategies.

Related SDGs



value-chain-based model of consulting to reality, which enables us to leverage our consulting services to generate business for the entire Mizuho group.

Active use of IT/digital

We are driving the digital transformation of clients and Mizuho itself by leveraging the digital technology expertise of our unit. Along with promoting the digitalization and data-based business of our clients and improving the digital literacy of all

Related SDGs



Mizuho employees, we are committed to developing and supporting tech-savvy personnel who will lead the next generation.

Revise client channels

In the interest of relaying to our clients and society the new value created by our unit through enhancing the sophistication of our research, enhancing consulting, and actively using IT and digital technologies, we will deepen our one-on-one approach

Related SDGs



for individual clients, advance our Mizuho Membership One membership service, and reinforce collaboration between our unit and frontline offices.

Highlights One Think Tank Report: “Rapidly changing US trade policy and its impact on the world economy”

In the One Think Tank Report, which condenses our unit’s knowledge and expertise on major global trends and the latest topics, we covered the impact that US trade policy is having on the global economy. The report includes insightful analysis of potential scenarios for the global economy going forward and the impact that US trade policy could have on Japanese companies. We have received positive feedback from many clients saying that the report has been helpful for formulating management and business strategies. We will continue publishing such reports to facilitate problem solving at client companies.



Highlights Mizuho Business Succession Seminar

With the increasing public interest in the topic of business succession in Japan, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Research Institute held a joint seminar for clients including those business owners who will require asset or business succession, and the seminar was attended by many clients. At the seminar, we outlined and explained key points for utilizing the business succession taxation scheme, which underwent significant revisions in FY2018, and covered management succession issues including how to evaluate and select successor candidates. We explained these matters in a practical and straightforward manner based on our experience cultivated through prior business succession consulting.



Highlights Mizuho Information & Research Institute booth at CEATEC Japan 2018

Mizuho Information & Research Institute (MHIR) exhibited a booth at CEATEC Japan 2018, which was held at the Makuhari Messe convention center from October 16–19, 2018. Many attendees visited the booth to see exhibits featuring concepts of everyday life in the coming decades and demonstrations of underlying technologies, including a “personal AI secretary” utilizing voice recognition to identify users and answer questions according to the user, and a cosmetics simulation which enabled visitors to try out different types of makeup on screen using image processing technology. Also, at a panel session and seminar, examples of AI-related initiatives and R&D being conducted by MHIR were introduced, and we exchanged ideas with visitors from a variety of industries to achieve digital transformation through partnerships both inside and outside the Mizuho group.



Corporate governance

Mizuho Financial Group, as the group's holding company, is working to fulfill our social role and mission by creating value for shareholders and other stakeholders, realizing improved corporate value through continuous and stable corporate growth, and as a result, contributing to economic and industrial development and the prosperity of society inside and outside of Japan. With this goal, we have established our corporate governance system with the Board of Directors at its core, and are working to further enhance our corporate governance.

Basic policy regarding Mizuho Financial Group's corporate governance system

Ensuring the separation of supervision and management

Secure the effectiveness of corporate governance by ensuring the separation of supervision and management and making supervision of the management, such as the execution of duties by executive officers, the primary focus of the Board of Directors

Delegating decisions on business execution to the executive officers

Make it possible for the management to make swift and flexible decisions and realize expeditious corporate management by enabling the Board of Directors to delegate decisions regarding business execution to the executive officers

Securing independence of management supervision

Utilize committees and other forms of oversight, comprised mainly of outside directors who are not members of the management of Mizuho, and secure transparency and fairness in decision-making processes regarding the appointment and dismissal of, and compensation for, the management as well as ensure effective supervision of the management

Adopting global standards

At the holding company level, actively adopting operations and global best practices regarding corporate governance

Principal features of Mizuho Financial Group's corporate governance system

Organizational structure

Adopted a Company with Three Committees model of corporate governance
This structure consists of a Board of Directors, Nominating Committee, Compensation Committee, and Audit Committee, and enables executive officers to perform their duties most effectively

The chairman of the Board of Directors shall be an outside director.

Fairness and transparency

The members of the Nominating Committee and the Compensation Committee shall all be outside directors.

The Chairmen of the Nominating, Compensation, and Audit Committees shall be outside directors.
Decision-making regarding the appointment and dismissal of, and compensation for, the management is primarily conducted by outside directors

Appropriate disclosure in line with Japan's Corporate Governance Code

Compliance with Japan's Corporate Governance Code

Our Corporate Governance Guidelines set out the fundamental perspectives regarding corporate governance at Mizuho, and the framework of the corporate governance system, including the roles, composition, and governing policies regarding the Board of Directors, executive officers, Nominating Committee, Compensation Committee, and Audit Committee for Mizuho Financial Group as a Company with Three Committees.

In addition, the Corporate Governance Report, which sets out the status of the corporate governance system of the group, is submitted to the TSE and posted on the websites of the TSE and Mizuho Financial Group.

📄 Corporate Governance Guidelines

https://www.mizuho-fg.com/company/structure/governance/pdf/g_guideline.pdf

📄 Corporate Governance Report

https://www.mizuho-fg.com/company/structure/governance/pdf/g_report.pdf

**Message from the
Chairman of the
Board of Directors**
We conduct highly effective Board of Directors' Meetings to meet the expectations of our shareholders and other stakeholders.
FY2018 Board of Directors

Fiscal year 2018 was an important year for formulating a new business plan under the direction of the new President & Group CEO, Tatsufumi Sakai.

Right after his appointment, Mr. Sakai worked to fully grasp Mizuho's earnings structure by identifying structural issues and determining why earnings had not increased as expected. His efforts to accurately identify these issues have given the outside directors a better understanding of Mizuho's status. Based on this understanding, the decision was made to record a large, one-time loss.

This was a very difficult decision for Mr. Sakai to make and involved repeated deliberations by the Board of Directors as well as numerous meetings solely between him and outside directors. The conclusion drawn from this was that recording a one-time loss and disposing of unprofitable assets was necessary to allow Mizuho to get back on track.

This decision involved Mr. Sakai exercising his authority, outside directors taking onboard and advancing his intentions, and intense discussions by the Board. This process demonstrates the function of Mizuho's reliable corporate governance system and the role of the Board.

Through this process, we have formulated a five-year business plan aimed at completing Mizuho's structural reforms and increasing earnings power.

Initiatives in the coming year

2019 marks the launch of the 5-Year Business Plan: Transitioning to the Next Generation of Financial Services. In the first three years of the plan, we will undertake a variety of measures geared towards full implementation of the structural reforms and transitioning to the next generation of financial services, aimed at boosting earnings power. The remaining two years will focus on ensuring the success of these initiatives.

One issue Mizuho faces is a high expense ratio, which only structural reforms can solve. In fiscal year 2018, the Board of Directors repeatedly discussed what structural reforms should entail. To implement the necessary changes, we established an effective team under the direct control of President & Group CEO Tatsufumi Sakai. While implementing such a plan is difficult under any circumstances, but with the Board of Directors monitoring the implementation, we hope to make steady progress.

The 5-Year Business Plan newly established "key sustainability areas" to realize Mizuho's mission to maintain a sustainable social presence. Through these efforts, we are realizing management and oversight over a wide range of areas with a long-term view.

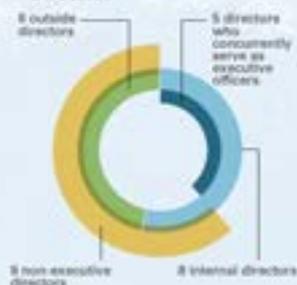
We see heightened global economic risks led by the US-China trade war, while digitization is driving accelerating change in the financial industry. Recognizing these changes quickly and staying consistently focused on the medium-term company goals, we are mindful of the need for the Board of Directors to make expeditious selections and decisions.

Since fiscal year 2014, internal and outside directors have worked together to strengthen the corporate governance system. We have positioned 2019 as a year to further build upon and push this initiative forward. I will do my utmost as chairman to meet the expectations of shareholders and the rest of our stakeholders.

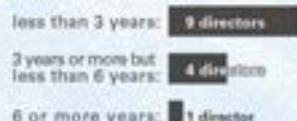
Hiroko Ota Chairman of the Board of Directors



■ Composition of the Board of Directors



■ Tenure of directors



■ Evaluating the effectiveness of the Board of Directors

The Board of Directors shall perform an analysis and evaluation of the effectiveness of the Board of Directors as a whole each year and shall disclose a summary of the results. Based on such analysis and evaluation of effectiveness, in order for the Board of Directors to exercise its management oversight role to the maximum extent, the Board considers and implements necessary measures. For further details, please refer to our website:

<https://www.mizuho-fg.com/company/structure/governance/structure.html>

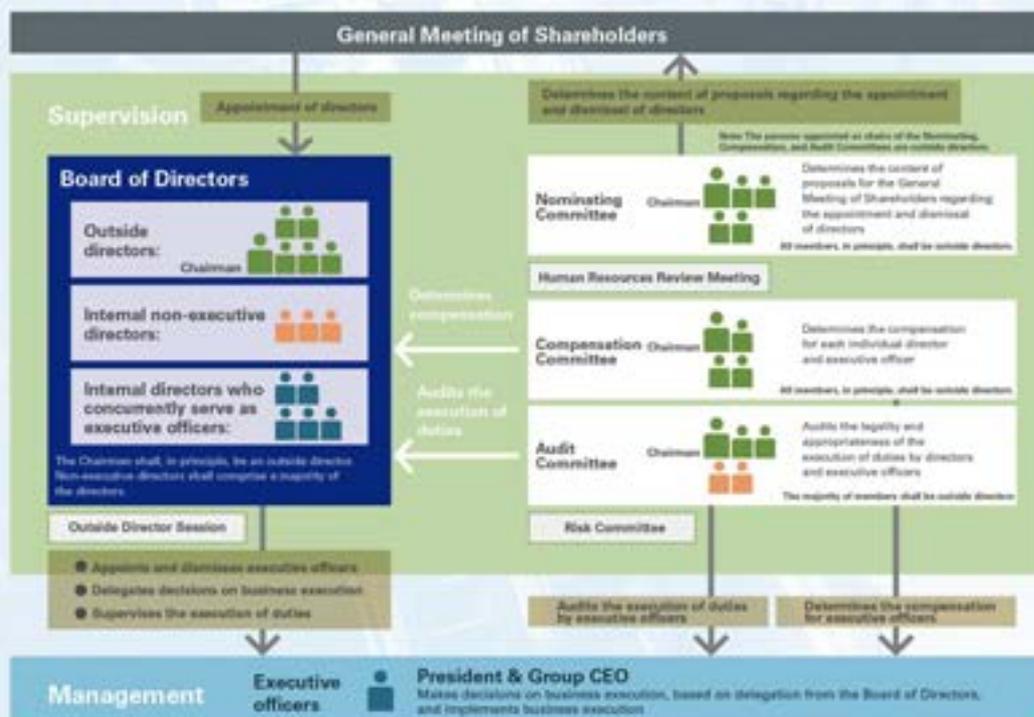
■ Overview of Independence Standards

For Mizuho Financial Group's Overview of Independence Standards of Outside Directors, please refer to our website:

https://www.mizuho-fg.com/company/structure/governance/pdf/o_director.pdf

Corporate governance system

We have adopted a Company with Three Committees model of corporate governance with the belief that, under the current legal system, this model is the most effective as a means of realizing the objectives of our basic policy regarding Mizuho Financial Group's corporate governance system.



Directors

Appointment or dismissal of directors

Mizuho Financial Group's Nominating Committee selects director candidates. The requirements that these candidates must satisfy in order to be considered for an appointment consist of criteria regarding qualities such as high integrity and deep insight, high ethical standards, and commitment to compliance with laws and regulations, in addition to criteria regarding capabilities, including extensive experience and knowledge which we expect will enable them to contribute to Mizuho's continued and stable growth and improvement in corporate value.

Additionally, outside director candidates must meet criteria regarding the ability to perform supervisory functions in specific areas of expertise such as corporate management, law, financial accounting, and economic policy.

The Nominating Committee also may submit as an agenda item for deliberation at the General Meeting of Shareholders a proposal to dismiss directors if there are objective and reasonable grounds for determining that they have become unqualified in respect of the requirements and it is deemed that they are no longer capable of being entrusted with the performance of director duties.

□ Corporate Governance Guidelines

https://www.mizuho-fg.com/company/structure/governance/pdf/ig_guideline.pdf

Outside directors

Outside directors and reason for their appointment

Name	Reason for appointment as an outside director	Fields where directors are especially expected to contribute*					
		Corporate management	Law	Financial accounting	Economic policy	Finance	Technology
Tetsuo Seki	Expected to contribute to (i) strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group's Board of Directors and (ii) Mizuho Financial Group's effort to further enhance internal control systems and group governance, leveraging his extensive experience and deep insight as a top executive.	●		●		●	
Tetsuo Kainaka	Expected to contribute to (i) strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group's Board of Directors and (ii) the further enhancement of the corporate governance, compliance, and risk management system of Mizuho Financial Group, leveraging his extensive experience, deep insight, and high level of expertise as a prosecutor, judge, and attorney-at-law.		●				
Hirotake Abe	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group's Board of Directors, leveraging his extensive experience, deep insight, and high level of expertise as a certified public accountant.			●			
Masami Yamamoto	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group's Board of Directors, leveraging his extensive experience as the CEO of a global company and his deep insight and expertise in technology fields.	●					●
Hiroko Ota	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group's Board of Directors, leveraging her extensive experience, deep insight, and high level of expertise as a university professor and a Minister of State for Economic and Fiscal Policy of the Cabinet Office, which includes, among other things, the ability to see things from a macroeconomic perspective (e.g., from a public policy and economic policy perspective) as well as a high level of awareness of the problems that must be resolved for the revival of the Japanese economy.				●		
Izumi Kobayashi	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group's Board of Directors, leveraging her extensive experience and deep insight as a top executive who has served both in and outside Japan.	●				●	

*The fields in the chart above are not representative of all of the areas of expertise the directors possess.

Director training

We provide our directors with opportunities to acquire and improve knowledge that is necessary to fulfill their expected roles and duties, at the time of appointment and continuously thereafter.

1 Offering all directors opportunities for acquiring knowledge and self-improvement

- Training is provided for newly appointed directors, mainly regarding the duties and responsibilities of directors, and is conducted by an outside instructor (lawyer).
- Training is also held and conducted by an outside instructor regarding compliance and customer protection and awareness of human rights related issues.
- Directors gain an overall perspective of the management of the group by discussing various proposals, reports, and other activities in the Board of Directors' meetings.
- When necessary for the performance of duties, directors in charge of various areas make individual presentations; advice and instruction is provided by external specialists, and training is provided (at the company's expense).

2 Opportunities to acquire and improve knowledge for outside directors

At the time of appointment

Acquiring an understanding of the group's financial and other businesses

- Intensive explanation at the time of appointment will be conducted individually for each newly appointed outside director.
 - Explanations from executive officers in charge of different business areas and the General Manager of the Corporate Secretariat regarding Mizuho's Corporate Identity, business domain, business strategy, business plan, finances, corporate governance system, etc.

Post-appointment (the examples below were conducted for fiscal 2018)

Deepening understanding of Board of Directors' proposals

- Providing for thorough explanations of Board of Directors' proposals in advance and follow-up (after each Board meeting)
- Improving communication at times other than the Board of Directors' meetings
- Outside director sessions and off-site meetings regarding business operations (for details, see P70)
- Lunches following the Board of Directors meetings and receptions and dinners for outside directors and executive officers
 - Meetings to acquire necessary knowledge through the exchange of information with the internal directors

Other opportunities to acquire/enhance knowledge

- Attendance of the General Managers' Meetings held by the Three Core Companies*

*Three Core Companies: Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities

Board of Directors



- Internal director
- Outside director
- Director who concurrently serves as an executive officer
- Non-executive director

For further details on the backgrounds of directors, please refer to our website:

<https://www.mizuho-fg.com/company/info/executives/index.html>

a Tetsuo Seki

Outside director ■ ■
 Member of the Nominating Committee /
 Member of the Compensation Committee /
 Member of the Audit Committee
 (Chairman)

Career highlights (year of appointment)
■ Representative Director and Executive Vice President, Nippon Steel (2000)
■ President (Representative Director), Shoko Chukin Bank (2008)

b Hisaki Hirama

Member of the Board of Directors ■ ■
 Member of the Audit Committee /
 Member of the Risk Committee
 (Chairman)

Career highlights (entity / year of appointment)
■ General Manager of Accounting Department (FG, BK, CB/2012)
■ General Manager of Nagoya Corporate Banking Department (BK/2015)
■ Head of Internal Audit Group (BK/2017)

c Hirotake Abe

Outside director ■ ■
 Member of the Compensation Committee / Member of the Audit Committee

Career highlights (year of appointment)
■ CEO, Tohmatsu & Co. (2001)
■ Certified Public Accountant (current)

g Masahiro Kosugi

Member of the Board of Directors ■ ■
 Member of the Audit Committee

Career highlights (entity / year of appointment)
■ General Manager of Portfolio Management Department (FG, BK/2014)
■ General Manager of Accounting Department (FG, BK/2016)

h Hiroko Ota

Outside director ■ ■
 Chairman of the Board of Directors /
 Member of the Nominating Committee

Career highlights (year of appointment)
■ Minister of State for Economic and Fiscal Policy (2006)
■ Professor, National Graduate Institute for Policy Studies (current)

i Motonori Wakabayashi

Member of the Board of Directors, Managing Executive Officer / Head of Research & Consulting Unit and Head of Risk Management Group ■ ■
 (Group CFO)

Career highlights (entity / year of appointment)
■ General Manager of Industry Research Department (BK, CB/2013)
■ Head of Research & Consulting Unit and Executive Officer in charge of Banking (BK/2016)

j Hiroaki Ehara

Member of the Board of Directors, Managing Executive Officer / Head of Human Resources Group ■ ■
 (Group CFO)

Career highlights (entity / year of appointment)
■ General Manager of Trust Business Department VI (TB/2015)
■ Head of Human Resources Group and Head of Internal Audit Group (TB/2016)



d Masami Yamamoto

Outside director
Member of the Nominating Committee / Member of the Compensation Committee (Chairman)

Career highlights (year of appointment)
 ■ President, Fujitsu Ltd. (2010)
 ■ Director & Senior Advisor, Fujitsu Ltd. (2019, current)

e Yasuhiro Sato

Member of the Board of Directors
Chairman (Kaicho)*
 *Chairman (Kaicho) Sato engages in the company's external activities, but does not chair the Board meetings. The Board meetings are chaired by the independent director chair, Ms. Ota.

Career highlights (entity / year of appointment)
 ■ President & CEO (CB/2009, BK/2013)
 ■ President & Group CEO (FG/2011)

f Tatsuo Kainaka

Outside director
Member of the Nominating Committee (Chairman) / Member of the Compensation Committee / Member of the Audit Committee

Career highlights (year of appointment)
 ■ Superintending Prosecutor of the Tokyo High Public Prosecutors Office (2002)
 ■ Justice of the Supreme Court (2002)
 ■ Lawyer (current)

Definition of terms
 FG: Mizuho Financial Group
 BK: Mizuho Bank
 TB: Mizuho Trust & Banking
 SC: Mizuho Securities
 CB: Mizuho Corporate Bank

The former Mizuho Bank and the former Mizuho Corporate Bank conducted a merger on July 1, 2013, whereby the former Mizuho Corporate Bank was the surviving company in an absorption-type merger and changed its trade name to Mizuho Bank.

k Satoshi Ishii

Member of the Board of Directors, Senior Managing Executive Officer / Executive Officer in charge of Digital Innovation and Head of IT Systems Group and Head of Operations Group (CDO and Group CO and Group COO)

Career highlights (entity / year of appointment)
 ■ Head of Human Resources Group (FG, BK/2015)
 ■ Head of Business Promotion and in charge of Banking (BK/2017)

l Makoto Umemiya

Member of the Board of Directors
Managing Executive Officer / Head of Financial Control & Accounting Group (Group CFO)

Career highlights (entity / year of appointment)
 ■ General Manager of Osaka Branch (BK/2012)
 ■ General Manager of Financial Planning Division (FG, BK/2014)

m Tatsufumi Sakai

Member of the Board of Directors
President & Group CEO (Representative Executive Officer)

Career highlights (entity / year of appointment)
 ■ Head of Investment Banking Unit (FG, BK, CB/2013)
 ■ Head of International Banking Unit (FG, BK/2014)
 ■ President & CEO (SC/2016)

n Izumi Kobayashi

Outside director
Member of the Nominating Committee / Member of the Risk Committee

Career highlights (year of appointment)
 ■ President and Representative Director, Merrill Lynch Japan Securities (2001)
 ■ Executive Vice President, the Multilateral Investment Guarantee Agency, the World Bank Group (2008)

Operation of the Board of Directors and each committee

	Board/ Committee Chairman	Main roles	Composition	Operation in FY2018	Number of meetings in fiscal 2018 (average attendance)
Board of Directors	Hiroko Ota Chairman of the Board of Directors 	<p>The main roles of the Board of Directors are making decisions on business execution such as the basic management policy, which are matters to be determined solely by the Board of Directors under laws and regulations, and supervising the execution of duties by directors and executive officers.</p> <p>The Board of Directors shall, in principle, delegate to the President & CEO of Mizuho Financial Group, decisions on business execution, excluding matters to be determined solely by the Board of Directors under laws and regulations, for the purpose of realizing quick and flexible decision-making and expeditious corporate management and strengthening the supervision of executive officers and other personnel by the Board of Directors.</p>	<ul style="list-style-type: none"> • The Chairman is an outside director. • The majority of the Board of Directors is comprised of non-executive directors. 	The Board of Directors held in-depth discussions regarding issues linked with the formulation of the new business plan. Meetings also included presentations covering the current state of risk governance, risk management, compliance, and internal control.	14 meetings (100%)
Nominating Committee	Tatsuo Kainaka Chairman 	The Nominating Committee determines the content of proposals regarding the appointment and dismissal of directors of Mizuho Financial Group to be submitted to the General Meeting of Shareholders and exercises the approval rights held by Mizuho Financial Group with respect to the appointment and dismissal of directors of each of the Three Core Companies and exercises the approval rights held by Mizuho Financial Group with respect to the appointment and removal of representative directors and senior directors of the Three Core Companies.	<ul style="list-style-type: none"> • The Chairman is an outside director. • The members are outside directors. 	The committee decided on the FY2019 director candidates for Mizuho Financial Group, approved the selection of directors and other appointees at the Three Core Companies, and made other decisions and approvals in addition to receiving reports on the formulation and implementation status of succession plans and seeking opinions as necessary.	8 meetings (100%)
Compensation Committee	Masami Yamamoto Chairman 	The Compensation Committee determines the compensation for each individual director and executive officer, as defined in the Companies Act of Mizuho Financial Group, exercises the approval rights held by Mizuho Financial Group regarding compensation of each individual director of the Three Core Companies, and determines the basic policy and executive compensation system for Mizuho Financial Group and the Three Core Companies.	<ul style="list-style-type: none"> • The Chairman is an outside director. • The members are outside directors. 	The committee discussions covered the executive compensation system for Mizuho Financial Group and the Three Core Companies, seeking to identify issues and make revisions. The Committee also decided on the compensation of individual Mizuho Financial Group directors and executive officers as defined in the Companies Act and approved the compensation of the individual directors of the Three Core Companies.	11 meetings (100%)
Audit Committee	Tetsuo Seki Chairman 	The Audit Committee audits the execution of duties by directors and executive officers; inspects and monitors the establishment and operation status of the internal control systems of Mizuho Financial Group and its subsidiaries; monitors and inspects the execution of duties of executive officers regarding the corporate management of subsidiaries and affiliates; and creates audit reports. In addition the committee determines the content of proposals regarding the appointment, dismissal, or non-reappointment of accounting auditors to be submitted to the General Meeting of Shareholders.	<ul style="list-style-type: none"> • The Chairman is an outside director. • The majority of the Audit Committee is comprised of outside directors. 	The Audit Committee received reports regarding the state of performance of duties by the directors and executive officers, including as pertains to the management of group companies. The committee also confirmed the effectiveness of different auditing practices particularly that of the internal control system, and provided advice on a range of topics as needed.	17 meetings (100%)

Primary initiatives for enhancing the effectiveness of the Board of Directors

We ensure there are a number of opportunities for insightful discussion in order to continually increase the effectiveness of the Board of Directors. Such opportunities include Outside Director Sessions as well as off-site meetings where outside directors and management share information on key company issues and the status of the execution of duties.

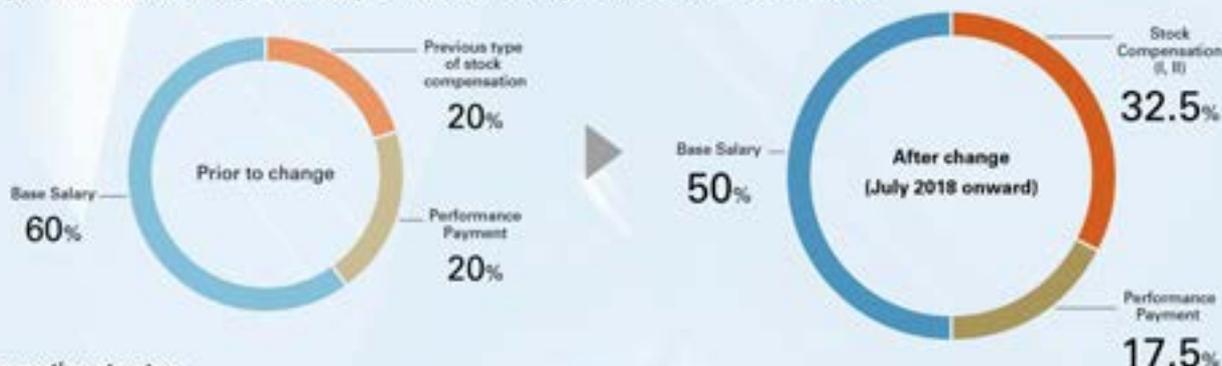
Primary initiatives (FY2018)

	Number of meetings	Primary purpose	Topics
Outside Director Sessions	2 meetings	<ul style="list-style-type: none"> Among only the outside directors, reflecting back on previous activities, sharing issues identified, and discussing initiatives going forward Providing management with advice from an independent and frank outsider's perspective 	<ul style="list-style-type: none"> How the Board of Directors should operate and how to evaluate its effectiveness Opinions on the formulation of the new business plan and other topics
Off-site meetings on management issues	21 meetings	<ul style="list-style-type: none"> Information sharing between the outside directors and the business execution line as well as open and honest exchange of opinion An opportunity to develop a deeper understanding of discussion points and issues prior to meetings of the Board of Directors 	<ul style="list-style-type: none"> The new business plan Primary management discussion points Primary in-house company discussion points and other topics

Changes to the compensation system for officers responsible for business execution

In July 2018 we changed the compensation system as follows with the aim of enhancing corporate value and increasing incentives for executive officers to fulfil their roles to the maximum extent possible.

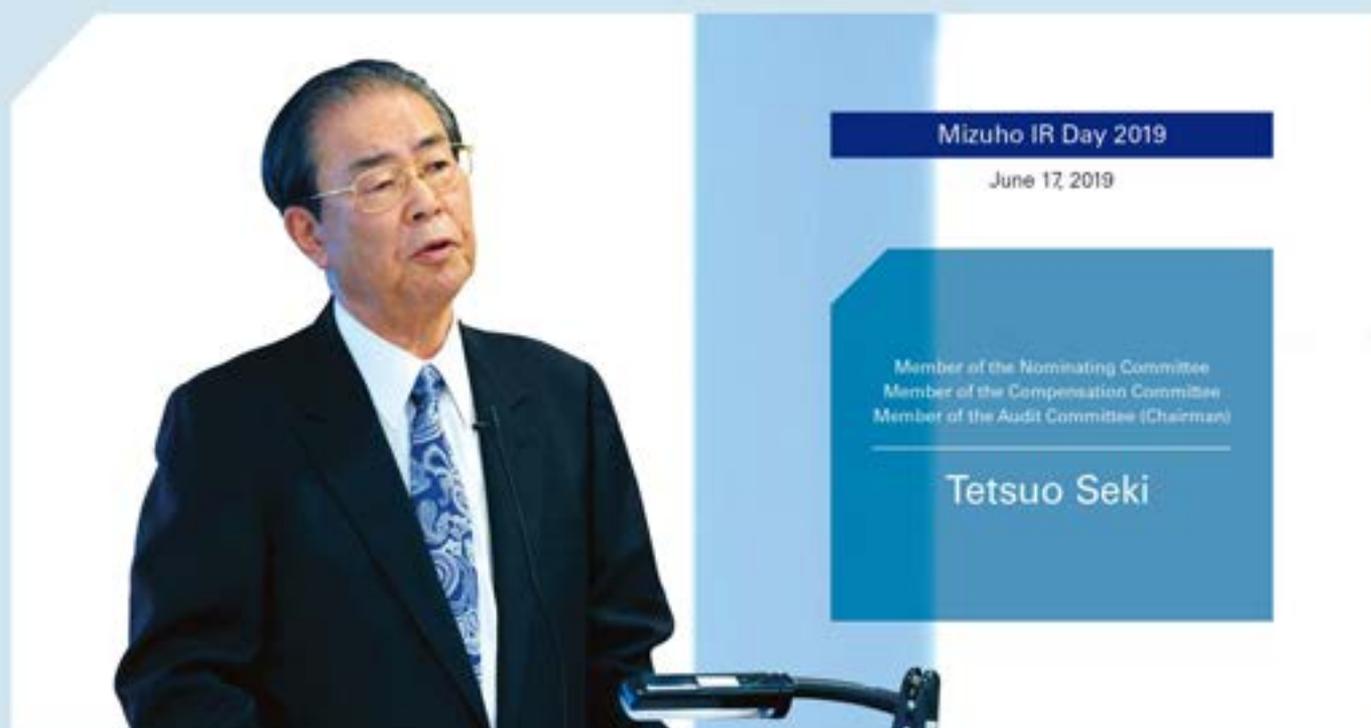
Conceptualization of the compensation system for officers responsible for business execution



Compensation structure

Base Salary	A monthly cash payment consisting of a base amount determined by the officer's rank and an added amount based on their role and responsibilities.
Performance Payment	<p>Objective Act as an incentive for officers to achieve fiscal targets and enhance results.</p> <p>A cash payment consisting of a base amount determined by the officer's rank, and adjustments based on the performance of the Mizuho group overall, the performance of the organization (in-house company, unit, etc.) the officer is responsible for, the performance of the individual officer, and other factors. Payment of performance payments above a certain amount will be deferred over three years.</p>
Stock Compensation	<p>Objective Further align the interests of officers with those of shareholders and increase the incentive to maximize corporate value.</p> <p>Stock Compensation I Paid in the form of Mizuho Financial Group stock at the time of leaving the position based on the officer's rank.</p> <p>Stock Compensation II Paid in the form of Mizuho Financial Group stock as deferred payments over three years in an amount equivalent to a base amount determined by the officer's rank and adjustments based on the performance of the Mizuho group overall, the performance of the organization (in-house company, unit, etc.) the officer is responsible for, the performance of the individual officer, and other factors.</p>

Meeting between outside directors and investors



Overview of the Q&A session at the Mizuho IR Day 2019 briefing for institutional investors held on June 17, 2019

Q.01

What's your view of the 5-Year Business Plan as an outside director?

Over the past year, President and Group CEO Tatsufumi Sakai has spearheaded efforts to formulate the plan, maintaining close communication with us outside directors and with the executive side through numerous rounds of in-depth dialogue. This initiative has showcased in detail Mr. Sakai's core management policies.

Firstly, in the midst of formulating the plan, we recorded just under ¥700 billion as a one-time loss at the end of fiscal year 2018, while Mizuho's capital adequacy ratio has remained largely intact. I can't stress enough how meaningful this has been for allowing management to make a fresh start.

This has built a platform from which we can launch the two-stage rocket that is the current 5-Year Business Plan. The focus in the first three years will be on laying the groundwork for fundamental earnings power while corporate resources will be

simultaneously directed toward improving fundamental earnings power. The remaining two years will focus on reaping the benefits from these efforts while generating earnings in specific areas.

The first three years of the plan will be extremely critical for creating this framework. Constant changes in financial and economic conditions have the potential to make this a more difficult task than expected. However, there is almost no room to fall outside of the plan's final fiscal year profit targets, so we must establish the groundwork for fundamental earnings power over the first three years to stay on target.

I'm confident that we can achieve the business plan, but we need to be flexible as we continue to identify various issues for management during the plan's run.

Q.02

Could you tell us about the framework for implementing the 5-Year Business Plan?

We have clarified the policy and philosophy that should guide the thoughts and actions of all members of the organization under the banner of "Transitioning to the Next Generation of Financial Services" raised by the 5-Year Business Plan. Subsequently, it will be critical for everyone to pool their efforts to realize the plan.

We ultimately need to place executives in the business execution line and other core personnel in the right positions while establishing a framework of clearly defined responsibilities.

During Human Resources Review Meetings comprising of Mr. Sakai and the outside directors, we carefully deliberated on the needed personnel by using a wide variety of evaluation methods, including some provided by external institutions, and fully reviewing each candidate's abilities and qualities.

In addition, thorough communication is necessary to pool the efforts of all members of the organization. Rather than taking the conventional top-down approach of management assigning employees goals that must be met, Mr. Sakai has unequivocally called upon everyone to anticipate customer needs and then think, act, and deliver.

Having already adopted an "in-house company system," Mizuho maintains customer-focused business platforms and has clarified this responsibility framework. I believe that with in-house companies connecting the organization, if all members of Mizuho can think and act as independent financial professionals and fully communicate with each other, this will produce results as a matter of course.

Q.03

What role should the Audit Committee play going forward?



The Audit Committee has so far functioned as a part of the Board of Directors, fulfilling its key role of offering opinions to the Board on Mizuho's important business strategies and policies. I think formulating the current 5-Year Business Plan represents an opportunity to shift the Audit Committee's focus to the thorough implementation and monitoring of this plan.

The Audit Committee will focus on financial areas such as profit targets, monitoring implementation of plans to allocate personnel who are essential to the business plan (staffing plans), and identifying risk trends that could impede the business plan, closely cooperating with the Internal Audit Group, Risk Committee, and Audit and Supervisory Committees of the Three Core Companies, and increasing the audit effectiveness.

Tetsuo Seki

Mr. Seki has served as outside director for Mizuho Financial Group since 2015. Prior to that, he served as Representative Director and Executive Vice President of Nippon Steel Corporation; President (Representative Director) of the Shoko Chukin Bank, Ltd.; Chairperson of the Japan Audit & Supervisory Board Members Association; and Chairperson of the Audit Committee of Japan Post Holdings Co., Ltd.

Risk governance

Risk governance overview

Risk governance is a part of Mizuho's corporate governance framework, centered on our risk appetite framework (RAF). The Board of Directors determines fundamental matters regarding the RAF, along with its management systems and specific risk appetites, and incorporates these in document form as the risk appetite statement (RAS).

At Mizuho, we also work to foster and promote a sound risk culture to support this risk governance framework. The effective administration of the RAF leads to the creation of a sound risk culture, and at the same time, cultivating a sound risk culture creates a foundation for the disciplined risk-taking and risk communication which are promoted as part of the administration of the RAF.

To ensure strong risk governance, we maintain a risk management and compliance structure that operates in accordance with the principles of the "three lines of defense."

Risk culture

We foster a sound risk culture in which all executive officers and employees maintain a high level of awareness regarding risk, and endeavor to make proper judgements and take appropriate actions rooted in good sense and ethical standards. Such judgement and actions allow us to achieve our risk appetite and enhance our corporate value.

We have also established Behavioral Guidelines for a Sound Risk Culture, and work to ensure that executive officers and employees understand these principles through messages from senior management, training sessions and other measures. For Mizuho to put the "customer first principle" into practice and enhance our corporate value, it is essential that all members maintain an attitude of not simply avoiding risk, but rather taking appropriate risk. These

guidelines provide a foundation for the appropriate values and courses of action for Mizuho's executive officers and employees to take when approaching risks. The guidelines are aligned with the five Mizuho Values that form a part of Mizuho's Corporate Philosophy, and executive officers and employees can refer to them when they are unsure of a risk-related judgement that needs to be made in their daily work. Putting these guidelines into practice improves our ability to address and counter risks, and fosters a sound risk culture.

These initiatives are also important from the standpoint of internal control, ultimately helping to prevent inappropriate behavior by executive officers and employees.

Risk appetite framework (RAF)

The purpose of our RAF is to maximize our corporate value by securing sustainable and stable profits, and to fulfill our social responsibilities. Based on such purpose, our core risk appetite is to take appropriate risk and provide solutions based on our customers' actual needs, establishing our competitive advantage against our peers.

We have positioned the RAF as the corporate management framework to support taking the types and levels of risk that

we will accept in order to implement our business and financial strategies. We will further concretely define our risk appetite in our medium-term and fiscal year business plans. The risk appetite forms the basis for establishing our business strategy, resource allocation, and earnings plans as well as monitoring the operating status, thus integrating risk management, business strategy, and profits in order to achieve disciplined risk-taking that achieves an optimal balance of risk and return.

■ Systems for operating the risk appetite framework

Our risk appetite consists of a risk appetite policy that serves as the fundamental policy regarding our risk-taking activities, and risk appetite metrics that serve as a means of quantifying the level of risk-taking based on the risk appetite policy.

In implementing the RAF, the Board of Directors decides on basic matters, including the risk appetite policy, metrics, and levels of risk, and operations are supervised based on the Board's decisions. In addition, the Risk Committee, which advises the Board of Directors, provides advice regarding risk governance and offers suggestions to management.

■ Formulation and monitoring of risk appetite

Risk appetite is determined through management discussions on the outlook for external factors such as the macroeconomic, regulatory, and competitive environment, along with potential risk events such as economic slowdown and turbulence in financial markets. These are then incorporated into main and risk scenarios that are shared internally.

We then formulate a group-wide risk appetite policy based on our awareness of these external environments, create specific strategies and measures according to this policy, and determine corporate resource allocation and earnings plans. Our risk appetite metrics are expressed in terms of capital strength, profitability, and liquidity, utilizing measures such as CET1 Capital Ratio, ROE, and LCR.

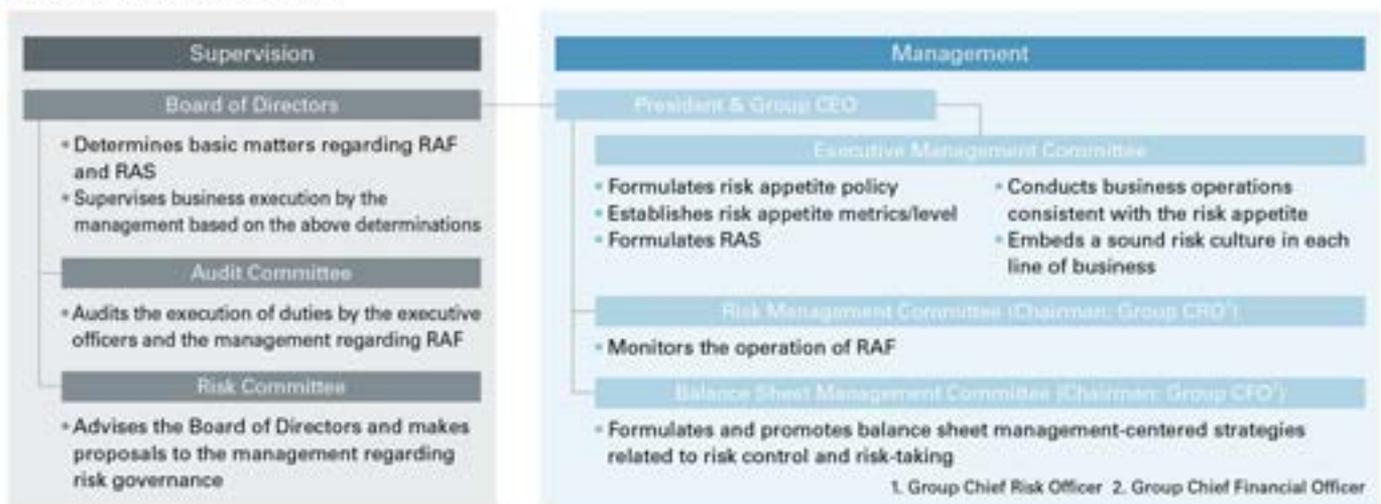
Further, the risk appetite for the entire group is shared with the in-house companies that implement strategies, to ensure the

effectiveness of the RAF. The in-house companies in turn formulate individual risk appetite policies to implement the group's overall policy, and set risk appetite metrics and levels to meet group metrics and levels.

On the other hand, to implement the RAF in the course of business operations, the Group CRO, Group CFO, and Group CSO provide assistance overseen by the Group CEO, and implement business strategy, financial strategy, and risk management from an overall perspective. Also, heads of in-house companies, units, and groups are responsible for planning and implementing strategies based on risk appetite, and as the individuals in charge of risk-taking, conduct operations. Note that the Internal Audit Group provides objective and comprehensive assessments of the effectiveness of the RAF from an independent perspective and offers advice and recommendations for addressing any issues that arise.

Monitoring of the operational status for the established risk appetite is conducted by the Risk Management Committee (Chairman: Group CRO) on a quarterly basis and as necessary. As part of this process, the Group CRO and each in-house company work to identify issues related to risk and share information on these issues. This monitoring enables timely and appropriate actions, including flexible revisions to our risk appetite and strategies, to be discussed and carried out in the event of changes in the external environment that increase risk or impede our risk appetite and strategies.

■ Mizuho's RAF Control Structure



Three lines of defense

In accordance with the “three lines of defense” approach in the *Corporate Governance Principles for Banks* released by the Basel Committee on Banking Supervision and the definitions and roles outlined below, we ensure appropriate and effective risk governance through autonomous controls (first line) and a check-and-balance system (second line), along with an

independent third line of internal auditing. In addition, Mizuho Financial Group sets group strategies and allocates resources, monitoring the autonomous controls in the first line at core group companies in order to strengthen the system providing appropriate responses.

Our definition of the three lines of defense and their roles

First line	<p>Autonomous control function The first line-of-defense involves daily operations based on the rules, procedures, and risk appetite, and has a primary responsibility for risks and compliance matters accompanying the conduct of business as a risk owner, and for performing autonomous control activities (to identify, assess, and manage/control risks and compliance matters).</p>
Second line	<p>Risk management and compliance function The second line of defense oversees (monitors), measures, and assesses the first line’s autonomous control activities, and is responsible for establishing and implementing basic policies for risk management and compliance.</p>
Third line	<p>Internal audit function The third line-of-defense is independent of the first and second lines and involves assessment and examination of the operations of the first and second lines, and is responsible for providing advice and guidance to settle issues.</p>

Our risk management and compliance framework



* Of the core group companies, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Americas conduct risk management and compliance based on the “three lines of defense” concept.

Comprehensive risk management

Basic approach

For the group as a whole, in order to ensure sound and stable corporate management and enhance our corporate value, appropriately managing risk and controlling risk are key issues relating to overall management, and therefore we are working to put in place risk management systems.

Mizuho Financial Group (the holding company) has established basic policies for risk management that are applicable to the group as a whole. In line with these basic policies, as a group we analyze risk comprehensively from multiple perspectives and adopt a variety of measures to strengthen and enhance the sophistication of our risk management system.

Comprehensive risk management systems

We recognize that conducting operations tailored to the risks and managing such risks is a key issue relating to overall management. In order to implement our business strategies while maintaining our financial stability, we maintain comprehensive risk management and control measures.

structure, and provide for the employee training necessary for appropriate levels of risk management. The policies also provide for audits to measure the effectiveness and suitability of the management structure. In line with these basic policies, we maintain various measures to strengthen and enhance the sophistication of our risk management system.

Mizuho Financial Group maintains basic policies for risk management established by the Board of Directors that are applicable to the entire group. These policies clearly define the kinds of risks to be managed, set forth the organizational

Each of our subsidiaries adopts appropriate risk management measures in line with their business domains and the scale and conditions of the associated risks, while Mizuho Financial Group controls risk management for the group as a whole.

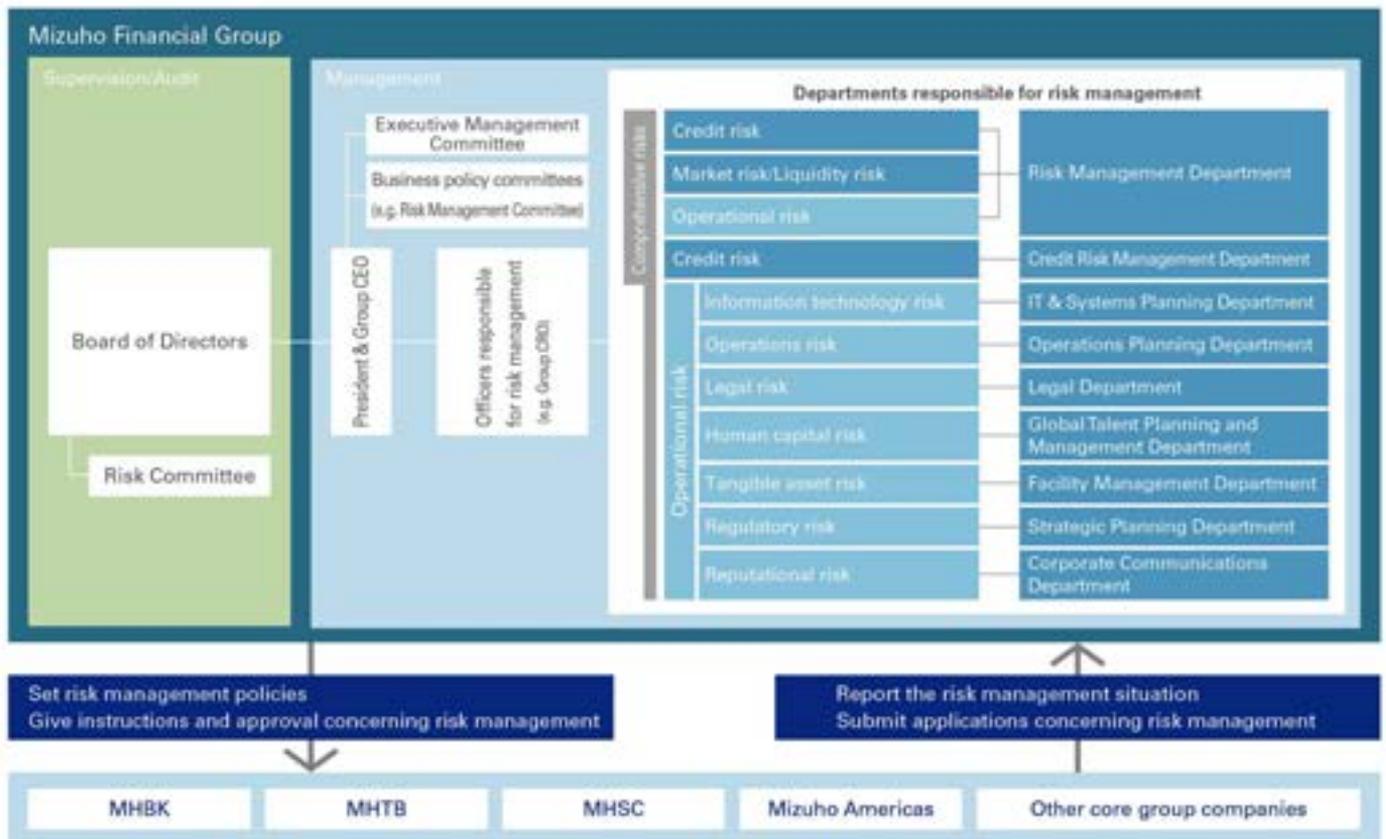
The Risk Management Committee chaired by the Group CRO provides integrated monitoring and management of the overall risk for the group. The Group CRO reports the risk management situation to the Board of Directors, the Risk Committee, and the Executive Management Committee regularly and as necessary. In addition, Mizuho Financial Group receives reports and applications for approval concerning the risk management situation from our core group companies and gives them appropriate instructions concerning risk management as necessary.

We classify and manage the risks that arise in our businesses according to the various kinds of risk, including credit risk, market risk, liquidity risk, and operational risk. Moreover, in each

of our group companies we adopt the same approach of managing risks, such as settlement risk, trust banking operations risk, and other risks appropriately given their nature.

In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and to keep risk within limits that are acceptable.

In line with the basic policies relating to overall risk management established by Mizuho Financial Group, we are working to take even more proactive and sophisticated approaches to risk management.



■ For more information on our risk management, please visit our website.

□ https://www.mizuho-fg.com/company/internal/r_management/index.html

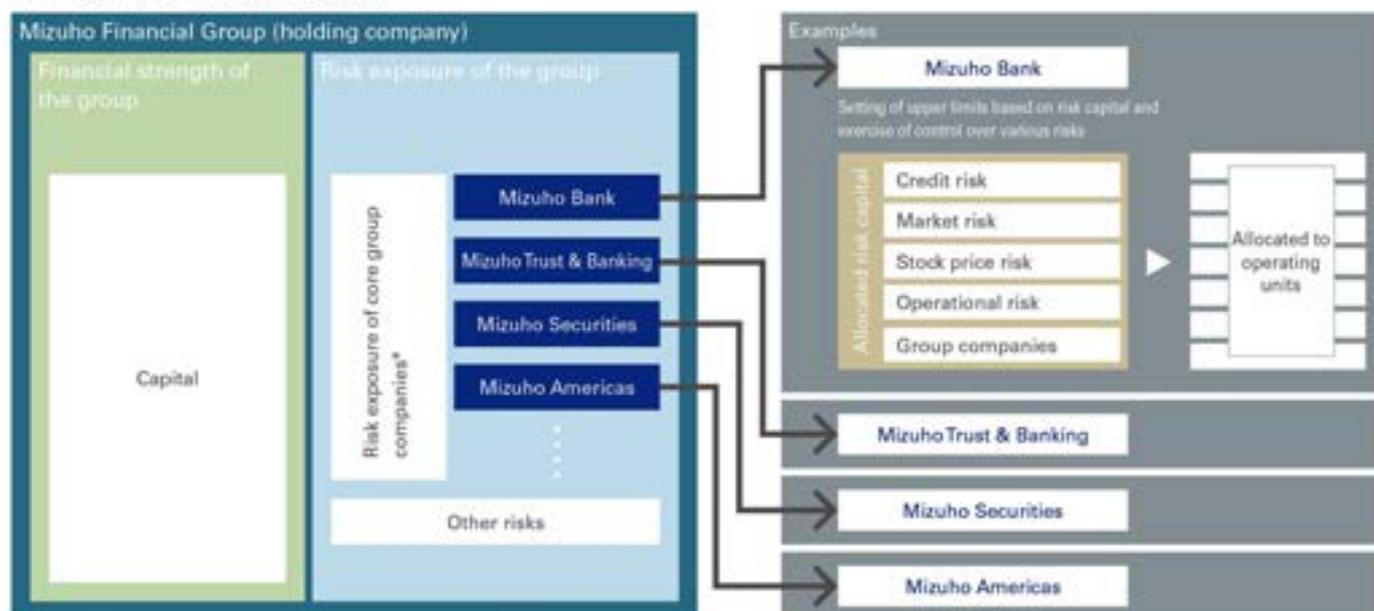
■ Risk capital allocation

We endeavor to obtain a clear grasp of the group's overall risk exposure and implement measures to make sure this exposure is within limits that are acceptable and are in accordance with the risk capital allocation framework.

More specifically, we allocate risk capital to our core group companies (including their subsidiaries) to control risk within the limits set for each company. We also control risk within acceptable limits by working to ensure that the overall risk on a consolidated

basis does not exceed our financial strength. To ensure the ongoing financial soundness of Mizuho Financial Group and our core group companies we regularly monitor the manner in which risk capital is being used in order to obtain an accurate grasp of the risk profile within this framework. Reports are also submitted to the Board of Directors and other committees of each company. Risk capital is allocated to Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Americas by risk category, and is further allocated within their respective business units.

■ Framework for allocating risk capital



*Includes the risk exposure of group companies that are managed by core group companies

■ Top risks

For risks that are recognized to have a major potential impact on the group, we specify these as "top risks" and have introduced top risk management methods.

Based on assessments of the likelihood, impact, and other characteristics of monitored risks, and after careful deliberation by management, top risks are designated and managed accordingly. Through this approach, we endeavor to deepen communication regarding risks, seek to create common perspectives regarding risks, and work to secure consistency in awareness of various types of risks.

For the top risks that are identified, the status of controls is confirmed, and, when deemed necessary, consideration is given to additional risk controls. In addition, by reflecting these considerations in stress test scenarios, we can verify using quantitative analysis the appropriateness of business operation plans and confirm the adequacy of capital.

Furthermore, when deciding on top risks, we consider the timing and probability of the emergence of such risks in a time frame of about one year, and review these considerations every six months.

Top risks	Examples
Rebound in credit related costs	<ul style="list-style-type: none"> • Sudden deterioration in the credit standing of obligors where we are heavily exposed and in credit standing of major clients • Slowdown of the global economy and turbulence in financial markets due to factors such as US-China trade friction and geopolitical risk
Sudden drop in the value of assets	<ul style="list-style-type: none"> • Worsening valuation of securities due to a US rate hike • Decline in stock prices, sudden fluctuations in currency values, drying up of liquidity due to turmoil in financial markets
Destabilization of foreign currency procurement	<ul style="list-style-type: none"> • Unexpected outflows of funds, deterioration in liquidity conditions due to turmoil in financial markets, and accompanying rise in funding costs
Major system failure	<ul style="list-style-type: none"> • Emergence of costs due to IT system failures, government fines, etc., and damage to reputation
Cyber attacks	<ul style="list-style-type: none"> • Emergence of additional costs and damage to reputation due to suspension of services as a result of cyberattacks, data falsification, information leakage, improper funds transfer, etc.
Money laundering/provision of funds for terrorism	<ul style="list-style-type: none"> • Government fines/penalties and damage to reputation because of flaws in policies to prevent money laundering and supplying funds for terrorism
Improper market transactions	<ul style="list-style-type: none"> • Fines/penalties and damage to reputation because of market manipulation or other compliance violations

Note: The risks described here are only some of the possible risks we are aware of. For more comprehensive information on the group's risks, please refer to our Securities Report, Form 20-F, and other related documents.

Stress testing

We assess the suitability of our risk appetite and the validity of our business plans through stress testing, calculating and assessing the financial effect on our capital adequacy ratio and on our business.

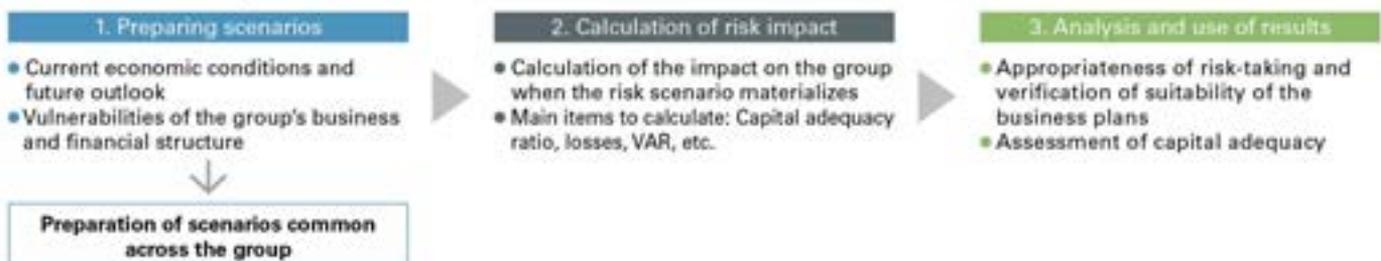
We carry out stress testing based on scenarios formulated taking into account current economic conditions and future outlooks, vulnerabilities in the Mizuho group's business and finance structures, and other factors. We can confirm whether our capital adequacy ratio, performance, and other indicators are sufficient in the case that stress events actually materialize. If such indicators fall below the necessary level, we reconsider and revise our risk appetite and business plans if necessary. In

addition, we calculate the impact to risk capital, including interest rate risk in the banking book and we use post-stress risk capital to assess the adequacy of the capital level.

Furthermore, to structure robust risk management systems, stress testing is also used to manage risk in various risk categories, such as market risk.

This process also serves as a foundation for understanding the characteristics of our business portfolio and enables planning in advance regarding the course of action which should be taken if a stress event occurs, and is conducted regularly to enhance our risk management capabilities.

Mizuho's stress testing



Compliance

Compliance

As a leading Japanese financial services group with a global presence and a broad customer base, we remain conscious at all times of the importance of our social responsibilities and duty to the public. We define compliance as the strict observance of all laws and regulations and the pursuit of fair and honest business operations that conform to socially-accepted norms, and we view ongoing compliance as one of the basic principles of sound business management. Each of our group companies maintains their own compliance structure in line with the basic policies established by Mizuho Financial Group.

Compliance structure

The President & CEOs of Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities each generally oversee compliance matters for their respective company, and important matters concerning compliance are discussed at the Compliance Committees chaired by the relevant President & CEO.

The four core group companies also have individual compliance departments overseen by a Chief Compliance Officer. These departments are responsible for compliance planning and implementation and control overall compliance management at each company. At each organizational unit (such as branches and departments) within the four core group companies, the head of the organizational unit is responsible for guidance and implementation related to compliance matters, and the compliance officer or compliance administrator at each organizational unit reviews the status of compliance.

Mizuho Financial Group monitors the status of compliance of the group through reports submitted by our core group companies and adopts appropriate responses when necessary. Compliance at subsidiaries of our core group companies is monitored and managed by their respective parent company.

Compliance structure



Compliance practices

The Mizuho Code of Conduct sets forth clear and concrete standards of ethical behavior, and is distributed to all executive officers and employees of the group. Furthermore, each of our group companies has also prepared a compliance manual, which serves as a practical guidebook for rigorous compliance enforcement and clarifies the laws and regulations that we must observe in regards to our business operations and the compliance practices we are required to follow. Each group company also conducts compliance training for executive officers and employees so that they are fully acquainted with the content of the compliance manual.

We monitor the status of compliance levels through self-assessments by each department and monitoring conducted by the compliance department of each company. In addition, every fiscal year, each of our group companies establishes a compliance program which contains concrete measures for compliance enforcement such as compliance framework management, training, and assessments. Progress on the compliance program is monitored every six months.

Preventing money laundering and financing of terrorism

Financial crime is becoming more diverse and sophisticated, and acts of terrorism continue to occur around the world. In light of this, anti-money laundering (AML) and combating the financing of terrorism (CFT) are becoming increasingly important. Against this backdrop, the Financial Action Task Force (FATF) will carry out its fourth round of mutual evaluation for Japan in 2019, with the objective of reviewing the technical compliance of Japan's money laundering-related laws and regulations and the effectiveness of Japan's countermeasures. In preparation for the evaluation, Japan's Financial Services Agency has issued the *Guidelines for Anti-Money Laundering*

and *Combating the Financing of Terrorism*, and financial institutions in Japan are making an effort to improve their countermeasures. As a financial services provider operating globally, Mizuho Financial Group is subject to the laws and regulations of both Japan and the other jurisdictions where it operates, as well as to supervision from financial regulators based on those laws and regulations. Accordingly, we have devised AML and CFT policies and procedures that conform to the laws and regulations in each jurisdiction and we are also continually enhancing our AML and CFT measures.

Our stance towards organized crime

In order to prevent organized crime from influencing the management of our clients and to avoid any association with the harm caused by organized crime, the Mizuho Code of Conduct includes a policy covering our zero-tolerance stance on business relationships with individuals or organizations that are in any way associated with organized crime and therefore threaten the rule of law, public order, and safety.

We have also formed an Anti-Organized Crime Committee which includes external experts in industry-specific, in-depth discussions on this subject, in addition to other initiatives we are implementing on a group-wide basis to ensure that we have no direct or indirect associations with organized crime. Moreover, drawing on the discussions in this committee, these matters are also discussed and reported on at meetings

of the compliance committees of Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities, which are chaired by the President & CEOs or other senior management members of these group companies.

Furthermore, core group companies maintain centralized departments or appoint an officer to manage anti-organized crime efforts and to maintain effective frameworks, for example, by establishing a manual on how to manage such issues and conducting training sessions. If required, we consult with third-party experts and authorities on the handling of specific cases.

Measures for ensuring compliance

At Mizuho, compliance-related education and training are key measures for ensuring appropriate compliance.

During fiscal 2018, Mizuho provided effective training tailored to employees working in a broad range of roles within the organization. We conducted 11 training sessions in total, including mandatory compliance training sessions for all employees; role-specific training for executive officers, general managers, deputy general managers, compliance officers, and other senior management members; and e-learning training sessions on specific compliance topics.

In addition to training sessions and other programs designed to promote compliance, we are also dedicated to detecting potential compliance issues at the earliest stage possible

and taking appropriate action. When we become aware of potential compliance issues, such matters must be reported immediately to department and branch managers in accordance with our compliance manual. Furthermore, each group company has established a hotline which employees can call in order to speak with someone within the Compliance Division or an external law office or compliance professional.

For matters related to inappropriate accounting, internal control on financial reporting, and auditing, an internal control and auditing hotline, which connects to an external law office, is available to receive reports from both in and outside the company.

Internal reporting systems (Compliance hotline)

We have a robust internal reporting system in place, and are working to further increase its effectiveness by establishing group-wide reporting channels outside the workplace that are available in the evenings, on Saturdays and Sundays, and also by making such services available in foreign languages. In order to ensure that employees at each group company are fully acquainted with these systems, hotline numbers and other relevant information is included on posters within each workplace and distributed to all employees on wallet-sized cards. In fiscal 2018, Mizuho Financial Group and our core group companies received a total of 159 reports through our hotlines from both inside and outside the group, with the response status reported to our Audit Committee.

Internal control and audit hotline

Our audit hotline, which connects to an external law office, is available to receive reports from both in and outside the company in connection with concerns regarding accounting and financial reports.



Customer protection management

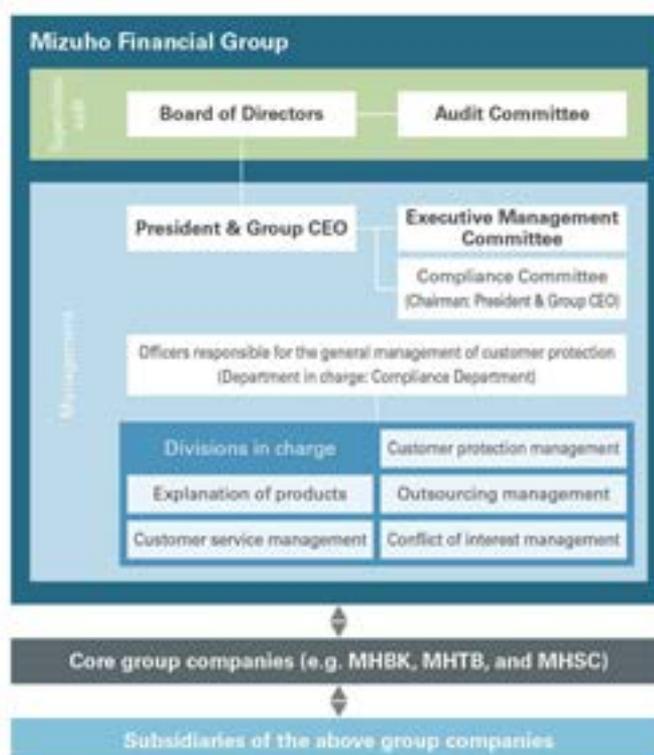
We give first priority to our customers, and we believe that earning their trust is the basis for ensuring sound management and therefore earning the trust of other stakeholders as well. With this in mind, a core part of our compliance is to continuously seek to monitor and improve the operations of the group from the perspective of what is in the best interests of our customers in order to ensure that our operations are appropriate and to improve customer convenience. We manage customer protection uniformly throughout the group in order to achieve this objective.

Customer protection management structure

At Mizuho, customer protection management refers to the efforts we make to improve the protection of our customers and improve customer convenience from the following perspectives:

1. Ensuring the appropriateness and sufficiency of explanations provided to customers prior to conducting transactions, purchasing products, etc. as well as the provision of information (e.g. product explanations) to customers.
2. Ensuring the appropriateness and sufficiency of the handling of customer inquiries, complaints, and other communications (customer service).
3. Ensuring the appropriateness of the management of customer information (customer information management).
4. Ensuring the appropriateness of customer interaction and the handling of customer information in cases where group operations are outsourced (outsourcing management).
5. Ensuring the appropriateness of the management of measures to be taken in order to address conflicts of interest arising from transactions with customers (conflict of interest management).

Our President & Group CEO generally oversees the management of customer protection, and also heads the Compliance Committee in which related important matters are discussed. At our core group companies, the division responsible for each area of management described above also provides centralized monitoring and implementation of customer protection management. Core group companies oversee customer protection management at their own subsidiaries.



Information management

Advances in information technology have enabled greater utilization of data. At the same time, many countries have tightened legislation protecting personal information. There has also been closer public scrutiny of the methods companies use to protect personal information. Mizuho is aware of the vital importance of managing information in a way that ensures appropriate protection and use of information assets. We are constantly working to strengthen our information management practices. For example, we aim to ensure that our security management measures and information administration methods for information assets are clear and straightforward. Also, we implement training and awareness-building exercises to ensure that all members of our organization have a firm understanding regarding the proper protection of information assets.

Customer service management

At Mizuho, we engage in business with a wide range of customers, and we put a strong emphasis on responding appropriately to feedback, complaints, or other communication from customers in addition to our efforts to offer customers stronger protections and higher convenience.

In the case of receiving a complaint or other critical feedback, we not only emphasize the importance of responding quickly and politely, but also require reports to be drawn up in order to monitor these situations.

Furthermore, we regard all customer feedback as an important asset and work continuously to improve our operations and prevent the recurrence of issues with the aim of increasing customer satisfaction.

For more information on Mizuho's customer protection measures, please see our website:

<https://www.mizuho-fg.com/company/internal/customer/>

Fiduciary duties*

* Fiduciary duties is a general term for the broad range of various roles and responsibilities that fiduciaries are expected to fulfill when engaging in certain business activities in order to live up to the trust that is placed in them by their customers.

Mizuho's Corporate Identity includes our central values—the Mizuho Values—starting with putting our customers first, and these values are shared by everyone at Mizuho. As a team of financial professionals providing a broad range of financial services, we are committed to providing the best, most appropriate solutions in response to our customers' diverse needs.

As a long-term partner providing optimal products and services that are in our customers' best interests, and in seeking to continue to be our customers' most trusted financial services group in respect to our asset management-related business, Mizuho has established and disclosed our group-wide Policies Regarding Mizuho's Fiduciary Duties*. In addition, at the holding company and relevant group companies, we have established and made public specific action plans for ensuring we are always aligned with customers' best interests.

For more information on Mizuho's policies regarding fiduciary duties, please see our website:

☐ https://www.mizuho-fg.com/release/pdf/20170330_2release_jp_1.pdf

Our commitment to performing our fiduciary duties

Through the performance of our fiduciary duties, we endeavor to grow customers' financial assets over the medium-to-long term and to ensure a high degree of customer satisfaction and trust.

This level of customer satisfaction and trust enables us to expand our business base and strengthen our brand, paving the way for our medium- to long-term growth. In this way, we are aiming to create shared value with our customers.

Key Performance Indicators (KPIs)

With the objective of creating shared value with our customers, we have established KPIs to confirm our level of performance of our fiduciary duties, and we announce them periodically along with the status of initiatives under our Action Plan.



In addition to the Key Performance Indicators (KPIs) listed above, we have also made public the following Common KPIs.

Common KPIs (1) Ratio of customers receiving different percentage ranges of returns for investment trust funds/fund wraps, (2) Cost vs. return of the best-selling investment products in terms of balance of investment trust assets under management, (3) Risk vs. return of the best-selling investment products in terms of balance of investment trust assets under management
Common KPIs are based on the Japan Financial Services Agency's common KPIs comparable across investment trust distributors, published in June 2018.

Earned S score in R&I Customer-Oriented Investment Trust Sales Company Evaluation

Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities, as part of our efforts to obtain third-party objective evaluations of our initiatives for our fiduciary duties, requested Rating & Investment Information (R&I) to assess us through their new R&I Customer-Oriented Investment Trust Sales Company Evaluation.

We received the results in November 2018. All four companies earned an S score, placing them in the top tier of companies in the industry.



The R&I Customer-Oriented Investment Trust Sales Company Evaluation ("the evaluation") is not a statement of fact. Rather, it represents R&I's opinions regarding the "customer-oriented business operations" initiatives of companies engaged in the trust investment sales business. Though R&I uses information that it deems to be reliable when carrying out the evaluation, it does not independently verify the accuracy of this information. Furthermore, R&I does not guarantee the accuracy or integrity of this information. It does not endorse the purchase, sale or holding of any specific product nor guarantee the future performance of any such product. All intellectual property rights (including copyrights) and any other rights pertaining to the evaluation belong to R&I. Any reproduction or republication without permission is prohibited. The evaluation for Mizuho Financial Group combines the evaluations for Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.

Employee engagement

Adopting a new HR strategy

With the aim of transitioning to the next generation of financial services we are implementing forward-looking structural reforms which include corporate foundations reforms, part of which involves the transformation of our workforce.

We have formulated a new HR strategy where each individual designs their own career plans, leading to higher ambition and motivation and enhancing employees' universally recognized value. By putting in place a support system for career design and encouraging employees to take ownership, be independent, and take on new challenges, we can build a mutually beneficial relationship between employees and the company where the growth of one leads to the growth of the other.

As society and our customers' needs undergo major changes, we must go beyond the conventional boundaries of finance in order to forge new partnerships with our customers. In order to do this, we will need to enhance the expertise and skills of our personnel. Additionally, in Japan, workers' perspectives are shifting away from the assumption of "lifetime employment" where one belongs to a company for the rest of one's career, to "lifelong profession" where one belongs to a professional field, and the focus is on increasing one's individual value.

Our new HR strategy responds to these changes in customer needs and employee perspectives, transitioning from a model where the source of competition is limited to within the company to one which prioritizes employees' professional growth and career preferences, seeking to enhance their universally recognized value.

■ New HR strategy

Shift from a model where the source of competition is limited to within the company to a model prioritizing employees' professional growth and career preferences



Upgrading our talent development platform

■ Personalized development

In order to strengthen employees' skills and expertise through highly effective development, our new framework will provide training and educational content based on each individual's needs and career aspirations, rather than their seniority or other such employer-determined categories. We will also utilize AI to provide each individual with

personalized recommendations for training and educational content.

These initiatives will encourage employees to take ownership of their careers, increase their motivation to learn, and provide learning opportunities regarding career design to a broader range of age groups.

■ Educational seminars for employees (FY2018)

Number of people enrolled in online courses

13,604
(+2,100 YoY)

Development programs drawing on employee knowledge and external, open source content

We will shift our method of selecting training and educational content from a Company-to-Employee (CtoE) method where the company selects content and provides it to employees, to an Employee-to-Employee (EtoE) method where employee-recommended and employee-created content is proactively used.

Additionally, in light of the broad range of fields that our employees are interested in studying, we will upgrade our learning platform in order to make it easier for employees to study anytime, anywhere, in addition to providing access to massive open online courses (MOOCs).

We will also work with external partners to provide opportunities for employees to gain knowledge regarding the latest technologies, including enhancing digital literacy.



Mizuho-IBM Digital Conference for employees

Promoting employee resource groups (ERGs)

ERGs enable employees to connect across organizational, national, gender, and cultural boundaries and to share knowledge and experience and proactively learn from one another. This results in increased motivation and opportunities for each individual to achieve professional growth. By supporting ERGs which span across different group companies

and national borders, we hope to encourage connectivity among employees in different organizations and regions, enabling them to expand their perspectives, leading to new ideas and discoveries which benefit our business and contribute to corporate growth. Currently over 3,000 employees around the world are members of Mizuho ERGs.

Key ERGs at Mizuho

Mizuho Women’s Initiatives Network (M-WIN)

- A global network for promoting women’s empowerment at Mizuho.

Mizuho LGBT+ & Ally Network (M-LAN)

- A network aiming to raise awareness and increase understanding of diversity as well as promote inclusion within the workplace and the services we provide.

Mizuho Global Communication & Connectivity Club (MGCC)

- A network promoting the globalization of Mizuho by providing a platform for communication and connectivity.

Collaboration, Creation, Relation, Evolution (CocreA)

- A network whose mission is to effect change within Mizuho through co-creation using technology.



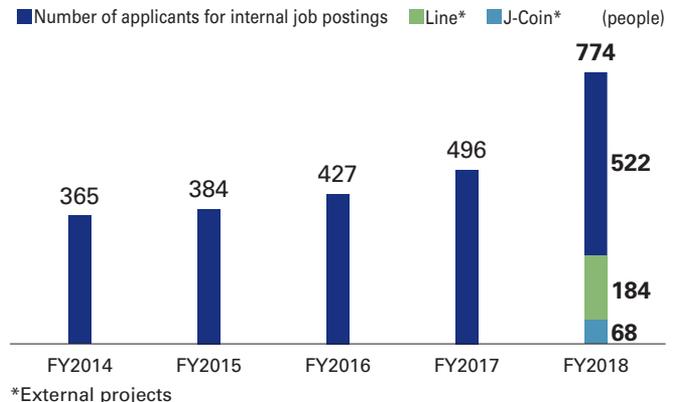
Expanding opportunities to take on new challenges

Expansion of internal job postings

We are confident that an effective way to increase employees’ ambition and universally recognizable value is to increase the quality and quantity of opportunities for employees to work in different fields and in different locations throughout Mizuho’s global business, taking on new challenges in order to achieve the career they envision for themselves.

In order to achieve this, we have expanded our existing internal job posting system to include opportunities for employees to apply to open positions on a project basis, including projects such as our joint venture with Line and J-Coin Pay. As a result, the number of applicants more than doubled over the five-year period from FY2014.

We are also launching a dual appointment program which provides opportunities for employees to be involved in other roles or projects they are interested in while maintaining their primary duties. Together with support for employee growth and independent career design, these initiatives are aimed at fostering innovation through the full engagement of our diverse workforce.



*External projects

■ **Creating opportunities to take on challenges and contribute outside the company**

By providing opportunities for employees to take on challenges and contribute outside the company, we are aiming to provide employees with the chance to achieve professional growth and gain external insight. In addition to expanding the internal job postings that employees can apply for to include more opportunities both within and outside the company, we also will start a dual

appointment program where employees can work in external roles part time while maintaining their position at Mizuho. Also, we will expand our seminar offerings to include more opportunities for networking with diverse professionals from outside Mizuho as well as support other external network-building activities, including connecting with former Mizuho employees.

Fostering a creative and attractive workplace

■ **Enhancing incentives based on individual job duties and results**

We will shift to a flexible compensation model that is more focused on job duties, placing an emphasis on each individual's current performance and expertise rather than seniority or years of experience. Additionally,

we will roll out attractive incentives more strongly linked to results and medium- to long-term corporate value enhancement as a means of drawing out employees' motivation and ambition and encouraging proactivity.

■ **Achieving a more flexible working style**

In addition to the flexible work arrangements we already offer such as flextime and staggered work hours, we will introduce free address work spaces and expand other options such as remote work. We believe this is key to ensuring diversity within the organization, further cultivating employees' creativity, and enabling them to be

themselves—all of which leads to enhanced productivity. We are also aiming to create a work environment that encourages healthy and efficient working styles by focusing on eliminating overwork. Going forward we will continue to promote tailored labor management practices in partnership with industrial physicians.

■ **Diversity and inclusion**

■ **KPIs**

Area	Numerical target	To be achieved by	Current (July 2019)
Percentage of management positions filled by women (aggregate for general manager and manager equivalent positions) ¹	20%	July 2024	15%

Area	Level to be maintained	Current (FY2018)
Percentage of management positions filled by employees hired outside Japan ²	65%	65%
Percentage of new graduates hired for management track jobs who are female ¹	30%	32%
Percentage of paid annual leave taken by employees ¹	70%	78%
Percentage of eligible male employees who take childcare leave ¹	100%	100%

1. In Japan (aggregate for Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities)
 2. Outside Japan (aggregate for Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities)

We aim to proactively incorporate the perspectives and ideas of our diverse workforce into our everyday work, strategic planning, and decision-making in order to create new value. We are committed to valuing the voices of women, non-Japanese nationals, individuals

with disabilities, individuals who identify as LGBT, and other diverse groups.

By integrating diversity and inclusion into every aspect of our HR strategy and continuing to set KPI for key areas, we are working to fully engage our diverse workforce.



Mizuho received 4.5 stars on the Nikkei Smart Work Survey.



Mizuho received Platinum Kurumin certification in recognition of our significant efforts to implement and maintain systems that assist workers in balancing work and childcare.



Mizuho was recognized on the 2019 Bloomberg Financial Services Gender-Equality Index.

We are promoting career development and advancement for women in particular by offering a strategic development program. One of our key objectives is to develop more female candidates for senior leadership roles (general manager equivalent positions and above) and so we are strengthening career development support by providing assignments and promotions in line with individualized development plans.

In order to ensure that women can continue to develop their careers throughout different life events, we offer programs to support working parents and caregivers, remote work options, and other support systems that enable diverse and flexible work arrangements. Additionally, we are working to change mindsets throughout the organization via a range of initiatives, including encouraging men to take childcare leave.



Mizuho received the top rating of "Gold" on the PRIDE Index which evaluates LGBT-related initiatives.



In recognition of our efforts to promote women's empowerment in the workplace, Mizuho received Nadeshiko Brand designation for 2019, conferred jointly by the Tokyo Stock Exchange and Japan's Ministry of Economy, Trade and Industry.

Promoting employee health and wellness

By promoting employee health and wellness, we are aiming to enhance the performance of each individual and increase the productivity of the organization as a whole. We are working to cultivate a healthy work environment and to promote employee awareness regarding health, for example by providing subsidies that encourage employees to undergo preventative

health checks. In fiscal 2018, 99% of employees took an annual medical exam and 95% took a stress assessment. Additionally, Mizuho was recognized under the 2019 Health & Productivity Stock Selection based on having put in place a number of strategies, including those aimed at encouraging employees to monitor their health status and enhance their health literacy.



Mizuho was selected under the 2019 Health & Productivity Stock Selection, which is jointly administered by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

Our HR strategy

We aim to provide equal opportunity for employees regardless of their nationality, ethnicity, gender, or values, to exercise their abilities to their maximum potential. As we aim to transition to the next generation of financial services under our new business plan, we must put an increased focus on diversity and inclusion and make a continual effort to enhance creative thinking throughout the organization. At the same time, mental and physical health are essential for each individual to be fully engaged at work. Therefore, continuing to strengthen employee health management and other such initiatives is a key aspect of ensuring Mizuho's sustainable growth.

Adopting a new HR strategy

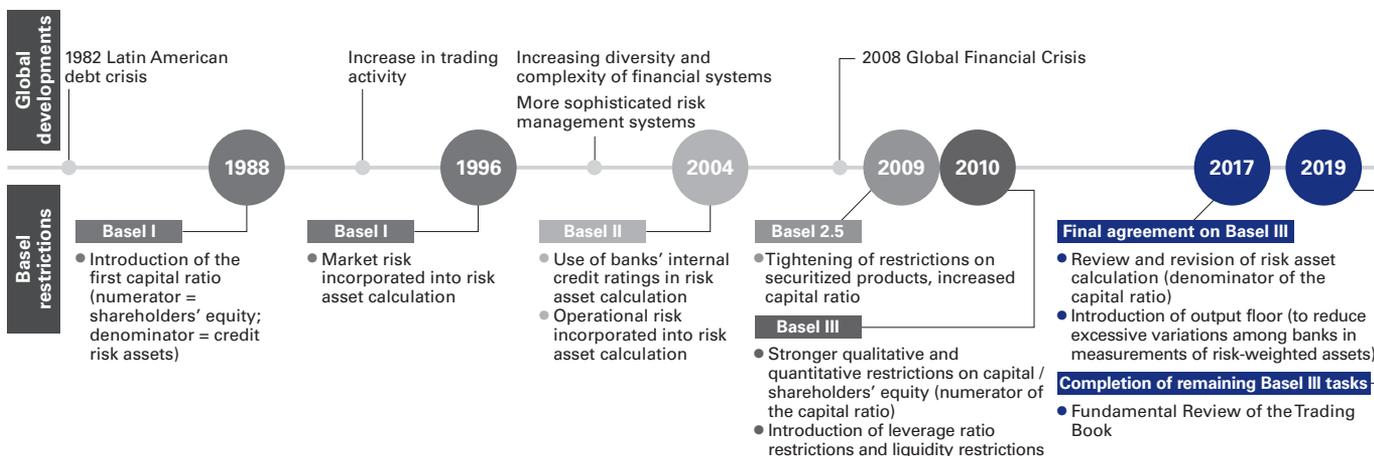
We have adopted a new HR strategy as part of the corporate foundations reforms under our new business plan. This is an ambitious undertaking in which we are aiming to fundamentally shift our HR management practices to no longer be single-track and insular but rather to emphasize each individual's ambition and independence, supporting them in enhancing their universally recognizable value. Our talent development is focused on shaping our workforce to meet the needs of the coming era and ensuring that our employees cultivate the capabilities they will need in order to have lifelong, active careers. At the same time we are working to attract top talent to Mizuho and achieve growth. Together these efforts will enable us to build a stronger and more resilient financial group, which will in turn enhance our talent development and acquisition, creating a virtuous cycle.



Hiroaki Ehara
Group Chief Human Resources Officer

Compliance with international financial regulations

The Basel Accords, an international regulatory framework for ensuring the soundness of banking institutions, were first created in 1988 (and now referred to as Basel I). As the financial services industry has developed, this framework has seen new iterations. The most recent, Basel III, is a comprehensive regulatory reform framework addressing issues that came to light in the 2008 global financial crisis. Since 2013, Basel III has gradually come into effect, as its various standards have attained international agreement. In January 2019, around ten years after the financial crisis, the necessary international agreement for finalization was reached. Currently, the public and private sectors in each jurisdiction are working together to prepare for beginning phased implementation in 2022 and for achieving full implementation by 2027.



Principal restrictions under Basel III and state of compliance

As a Global Systemically Important Bank (G-SIB), Mizuho Financial Group must meet some regulatory standards at a higher level. We maintain full compliance with all the requirements in the standards and, going forward, we will steadily accumulate capital and control our balance sheet to ensure that we can satisfy any new requirements that are introduced.

Capital ratio	Capital
	Risk assets (which are calculated by taking account of the risk of assets held)
Leverage ratio	Capital
	Risk exposure (calculated without taking account of the risk of assets held)
Liquidity coverage ratio	High-quality portfolio of liquid assets
	Funds that would flow out under severe stress conditions over a specified short-term period (30 days)
Net stable funding ratio	Available stable funding (capital, deposits, market funding, etc.)
	Required stable funding (loans, securities, etc.)

International financial standards going forward

With the completion of the post-crisis regulatory reforms, the Financial Stability Board and the Basel Committee on Banking Supervision, which are responsible for developing international financial regulatory standards, are turning their attention to new areas. They have shifted their focus from developing new regulatory standards to addressing existing issues by, for example, analyzing the actual impacts of regulatory standards on the financial system and divergences between standards in different jurisdictions (e.g., different jurisdictions adopting international regulatory standards with different content and at different times, different jurisdictions having conflicting standards, and so on). At the 2019 G20 Summit, for which Japan served as chair, the assembled heads of state for the

first time discussed responding to fragmentation in standards and strengthening cooperation among jurisdictions.

Currently, the finance industry is facing various structural changes, such as rapidly accelerating digitalization and increasing societal interest in sustainability. There is growing attention to the opportunities and risks that cyberattacks, crypto-assets, cloud services, climate change, and other new phenomena present to banks and the financial system. In order to prevent another crisis, we will work closely with government, academia, and industry to respond to these new trends, while also holding proactive internal discussions.

Stakeholder communication

In addition to articulating our commitment to maintain an ethical stance towards our stakeholders within the Mizuho Code of Conduct, we aim to communicate with our stakeholders proactively and we strive to ensure that our corporate activities are aligned with social expectations as well as fair and transparent.

Our stakeholders

We communicate with our broad base of stakeholders using a wide range of communication tools and channels and aim to reflect their opinions and ideas into our corporate activities.

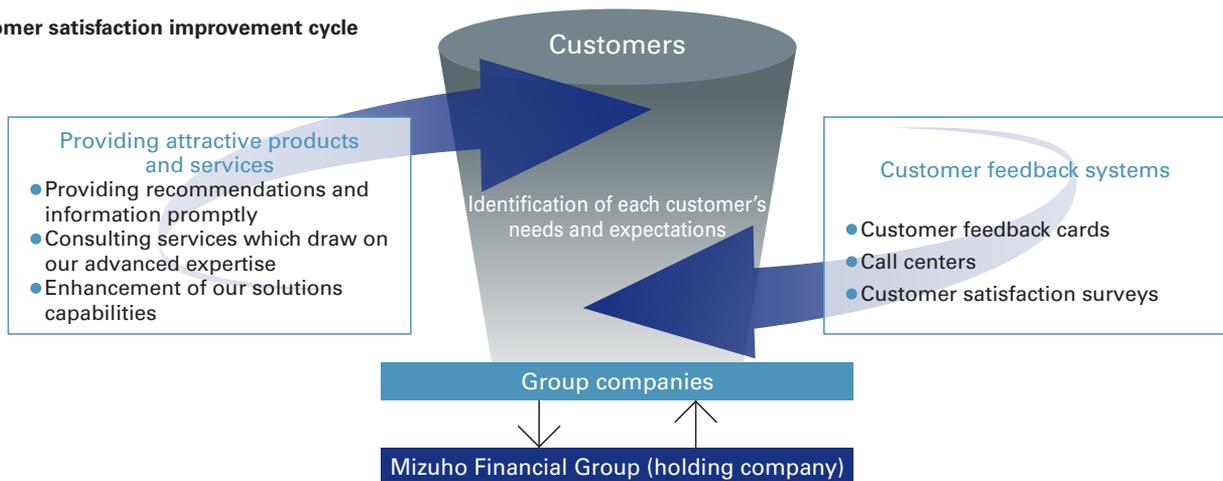


Stakeholders	Principal communication channels
Customers	Customer feedback cards, customer satisfaction surveys, call centers, and our website customer feedback forms for gathering opinions or complaints ▶ P89
Shareholders	General shareholders' meetings, investor briefings ▶ P25
Employees	Various briefings and other communications, employee opinion surveys ▶ P90
Regional/local communities	Social contribution activities, support for financial education https://www.mizuho-fg.com/csr/
Suppliers/competitors	Purchasing activities and outsourcing contracts
Government authorities	Policy recommendations, participation in industry groups, appropriate responses to supervisory authorities

A closer look at our communication with customers

In our Vision, we at Mizuho have adopted a goal of being our customers' best financial services provider and we have put a number of initiatives in place in order to achieve this objective. Using a range of communication channels, we actively stay abreast of the constantly changing needs of our customers and strive to improve the level of services that we can offer.

Customer satisfaction improvement cycle



Increase customer satisfaction (CS) awareness throughout the group

- Construction of a group-wide CS promotion system
- Application of common CS improvement tools across the group
- Enhancement of CS education and training

Stakeholder communication

Systems to capture customer feedback

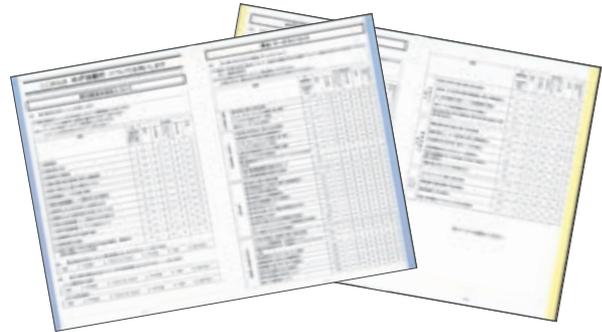
Customer feedback cards

Customer feedback cards are distributed and otherwise made available in retail branches. We have also installed “customer feedback boards” where cards which have been submitted are displayed along with the branch’s response.



Satisfaction surveys

We regularly conduct satisfaction surveys targeting our individual and corporate customers globally. The results of these surveys are reported directly to management and used to improve our products and services.



Call centers

Our call centers are available for responding to customer opinions and requests and data collected from these centers is a valuable resource. In fiscal 2018, we received approximately 3.95 million phone inquiries for Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities combined.



Website feedback forms

The feedback forms available on our website are another method we use to field comments and requests directed at Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.



Reflecting customer feedback into our corporate activities

At Mizuho Bank, we draw on the opinions expressed by customers in discussions held by our Customer Satisfaction and Protection Promotion Committees within our branches, as well as at management level meetings, including those of the Executive Management Committee. When we have made improvements based on customer feedback, we post this information on our Customer Feedback Boards located in our branches.



A closer look at our internal communications

We are endeavoring to substantially raise the quality and quantity of the internal communications within our group as part of our efforts to build reciprocal, horizontal relationships between our management, Head Office, and frontlines and foster a corporate culture in which each employee acts independently and proactively.

Initiatives to raise quality and quantity of communication

■ Briefings for employees

In these briefings, employees hear from management about the latest developments and ask questions of management directly, engaging in a lively exchange. The briefings are also streamed live to our offices, allowing many employees to take part.



■ 5-Year Business Plan Forum

This forum brought executive officers and general managers together to facilitate understanding of the 5-Year Business Plan.



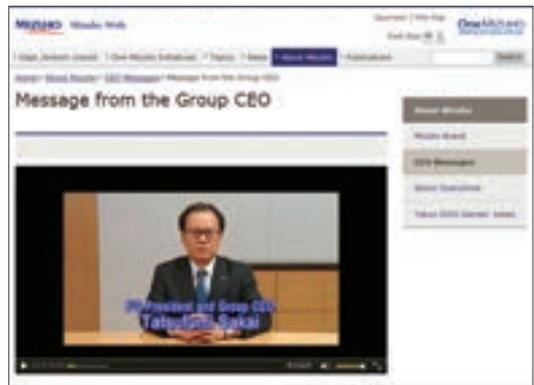
■ Roundtable discussions with senior management

In these roundtable discussions, management and employees talk directly about matters such as the 5-Year Business Plan. Participating in the discussions motivates employees to think and act independently.



■ Mizuho Web

Our internal group website facilitates reciprocal communication between management and employees, serving as a channel for management to receive a variety of comments directly from employees.



Eleven-year major financial data (FY2008-2018)

■ Summary of consolidated performance

	FY2008	FY2009	FY2010	FY2011	FY2012
Consolidated gross profits	1,806.9	1,996.6	2,025.3	2,003.0	2,171.7
Net interest income	1,068.8	1,151.7	1,109.4	1,088.3	1,075.8
Fiduciary income	55.8	49.1	49.3	49.0	48.5
Credit costs for trust accounts	—	—	—	—	—
Net fee and commission income	416.6	466.0	458.8	458.9	507.3
Net trading income	301.5	312.3	243.9	150.3	215.0
Net other operating income	(35.9)	17.4	163.6	256.4	324.8
General and administrative expenses	(1,192.7)	(1,317.2)	(1,277.8)	(1,283.8)	(1,244.6)
Consolidated net business profits*	622.6	702.6	741.7	719.1	912.1
Credit-related costs	(536.7)	(219.3)	(16.6)	27.7	(111.8)
Aggregate figures for the 2 banks	(539.3)	(157.1)	16.0	24.7	(114.1)
Net gains (losses) related to stocks	(400.2)	4.2	(70.5)	(38.1)	(82.9)
Net gains (losses) on sales of stocks	49.7	88.8	25.7	15.6	46.6
Losses on impairment (devaluation) of stocks	(482.1)	(53.5)	(94.4)	(49.3)	(125.8)
Equity in income from investment in affiliates	(3.5)	2.8	(6.1)	2.6	(11.1)
Other	(51.1)	(96.9)	(6.1)	(62.9)	29.2
Ordinary profits (losses)	(395.1)	327.1	588.4	648.5	750.3
Net extraordinary gains (losses)	(10.7)	50.6	46.9	67.8	(32.5)
Income taxes – current	(48.2)	(18.0)	(18.3)	(55.3)	(50.4)
– deferred	(109.1)	(25.1)	(120.1)	(97.4)	(7.4)
Profit (loss)	(563.2)	334.6	496.9	563.6	659.9
Profit attributable to non-controlling interests	(25.5)	(95.2)	(83.7)	(79.1)	(99.4)
Profit (loss) attributable to owners of parent	(588.8)	239.4	413.2	484.5	560.5

* Consolidated gross profits – G&A expenses (excluding non-recurring losses) + Equity in income from investments in affiliates and certain other consolidation adjustments

■ Summary of consolidated balance sheet

	FY2008	FY2009	FY2010	FY2011	FY2012
Assets	152,723.0	156,253.5	160,812.0	165,360.5	177,411.0
Loans and bills discounted	70,520.2	62,164.5	62,777.7	63,800.5	67,536.8
Securities	30,173.6	43,096.4	44,782.0	51,392.8	53,472.3
Liabilities	148,536.4	150,416.5	154,188.0	158,491.2	169,674.8
Deposits	77,179.5	76,339.7	79,233.9	78,811.9	84,241.9
Negotiable certificates of deposit	9,359.4	10,287.8	9,650.2	11,824.7	15,326.7
Net assets	4,186.6	5,837.0	6,623.9	6,869.2	7,736.2
Total shareholders' equity	2,554.1	3,207.2	4,248.2	4,762.7	5,174.6
Retained earnings	608.0	854.7	1,132.3	1,405.0	1,814.7
Total accumulated other comprehensive income	(420.3)	305.8	80.9	146.6	752.5
Non-controlling interests	2,051.6	2,321.7	2,292.1	1,957.6	1,806.4

■ Financial indicators

	FY2008	FY2009	FY2010	FY2011	FY2012
Common Equity Tier 1 capital ratio (consolidated)	/	/	/	/	8.16
Tier 1 capital ratio (consolidated)	/	/	/	/	11.03
Capital adequacy ratio (BIS standard) (consolidated)	10.53	13.46	15.30	15.50	/
Total capital ratio (consolidated)	/	/	/	/	14.19
Net assets per share (Yen)	104.38	191.53	177.53	187.19	229.70
Profit (loss) attributable to owners of parent per share (Yen)	(54.14)	16.29	20.47	20.62	22.96
Net return on equity (consolidated)	(29.61)	10.97	11.78	11.36	10.99

(¥ billion)

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
2,035.2	2,247.7	2,221.6	2,092.7	1,915.3	1,812.7
1,108.3	1,129.4	1,003.6	867.8	807.3	762.4
52.0	52.6	53.4	50.6	55.4	55.1
—	—	—	—	—	—
560.7	593.3	607.5	603.5	614.3	610.4
187.4	262.9	310.5	325.3	275.7	297.3
126.7	209.3	246.4	245.4	162.4	87.3
(1,258.2)	(1,351.6)	(1,349.5)	(1,467.2)	(1,488.9)	(1,430.8)
744.2	876.9	852.8	663.4	457.8	393.3
112.8	(4.6)	(30.4)	(47.5)	156.3	(19.5)
116.6	(7.8)	(26.7)	(49.3)	153.2	(22.7)
77.0	131.9	205.6	242.1	272.0	274.8
81.5	143.7	225.3	261.1	288.3	305.2
(5.3)	(5.3)	(10.3)	(4.8)	(5.1)	(5.7)
15.4	15.0	24.2	18.8	21.4	51.2
5.1	(27.5)	(74.0)	(101.5)	(93.7)	(74.2)
987.5	1,010.8	997.5	737.5	782.4	614.1
(2.2)	(20.2)	10.7	46.6	17.5	(497.8)
(137.0)	(260.2)	(213.2)	(196.5)	(190.1)	(161.3)
(77.9)	(44.7)	(69.2)	58.8	(1.4)	163.8
770.3	685.6	725.7	646.4	608.3	118.7
(81.9)	(73.7)	(54.7)	(42.9)	(31.7)	(22.1)
688.4	611.9	670.9	603.5	576.5	96.5

(¥ billion)

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
175,822.8	189,684.7	193,458.5	200,508.6	205,028.3	200,792.2
69,301.4	73,415.1	73,708.8	78,337.7	79,421.4	78,456.9
43,997.5	43,278.7	39,505.9	32,353.1	34,183.0	29,774.4
167,518.3	179,884.2	184,105.3	191,235.2	195,207.0	191,598.1
89,055.5	97,757.5	105,629.0	120,045.2	125,081.2	124,311.0
12,755.7	15,694.9	11,827.5	10,631.2	11,382.5	13,338.5
8,304.5	9,800.5	9,353.2	9,273.3	9,821.2	9,194.0
5,676.2	6,131.1	6,559.9	7,001.2	7,388.3	7,303.0
2,315.6	2,769.3	3,197.6	3,615.4	4,002.8	3,915.5
781.0	2,029.9	1,607.8	1,520.9	1,677.5	1,445.7
1,844.0	1,635.5	1,182.6	749.3	754.2	444.5

(%)

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
8.80	9.43	10.50	11.34	12.49	12.76
11.35	11.50	12.64	13.30	15.44	15.94
/	/	/	/	/	/
14.36	14.58	15.41	16.28	18.24	18.85
253.25	322.86	322.46	335.96	357.41	345.00
28.18	24.91	26.94	23.86	22.72	3.80
11.65	8.60	8.37	7.27	6.55	1.08

Review and analysis for fiscal 2018

Summary of consolidated performance

Historical data

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Consolidated gross profit	1,806.9	1,996.6	2,025.3	2,003.0	2,171.7	2,035.2	2,247.7	2,221.6	2,092.7	1,915.3	1,812.7
Consolidated net business profit ¹	622.6	702.6	741.7	719.1	912.1	744.2	876.9	852.8	663.4	457.8	393.3
Net income (losses) ²	(588.8)	239.4	413.2	484.5	560.5	688.4	611.9	670.9	603.5	576.5	96.5

1. Consolidated gross profits – G&A expenses (excluding non-recurring losses) + Equity in income from investments in affiliates and certain other consolidation adjustments
 2. Profit attributable to owners of parent

Consolidated

	FY2018	FY2017	Change from FY2017
Consolidated gross profits	1,812.7	1,915.3	(102.6)
General and administrative expenses	(1,430.8)	(1,488.9)	58.1
Expenses related to portfolio problems ¹	(30.7)	(17.0)	(13.6)
Gains on reversal of reserves for possible losses on loans and others	11.1	173.3	(162.1)
Net gains (losses) related to stocks	274.8	272.0	2.8
Equity in income from investments in affiliates	51.2	21.4	29.7
Other	(74.2)	(93.7)	19.4
Ordinary profits	614.1	782.4	(168.3)
Net extraordinary gains (losses)	(497.8)	17.5	(515.3)
Income before income taxes	116.2	799.9	(683.6)
Income taxes	2.5	(191.6)	194.1
Profit	118.7	608.3	(489.5)
Profit attributable to non-controlling interests	(22.1)	(31.7)	9.5
Profit attributable to owners of parent	96.5	576.5	(479.9)
Credit-related costs	(19.5)	156.3	(175.8)
Consolidated net business profits ²	393.3	457.8	(64.4)

1 Including reversal of [provision for] general reserve for losses on loans

2 Consolidated gross profits - G&A expenses (excluding non-recurring losses) + Equity in income from investments in affiliates and certain other consolidation adjustments

Mizuho Bank + Mizuho Trust & Banking*

(Aggregate figures on a non-consolidated basis)

	FY2018	FY2017	Change from FY2017
Gross profits	1,197.1	1,293.3	(96.1)
G&A expenses (excluding non-recurring losses)	(949.3)	(964.7)	15.3
Net business profits	247.7	328.5	(80.8)
Credit-related costs	(22.7)	153.2	(175.9)
Net gains (losses) related to stocks	176.1	266.3	(90.1)
Ordinary profits	339.9	616.5	(276.5)
Net Income	(105.3)	493.1	(598.5)

*Abbreviated as MHBK + MHTB

Consolidated net business profits

We recorded consolidated gross profits of ¥1,812.7 billion for fiscal 2018, decreasing by ¥102.6 billion from the previous fiscal year. Despite the increase for customer divisions inside and outside Japan, consolidated gross profits declined mainly due to the write-down of a loss in advance pertaining to the restructuring of our securities portfolio, such as foreign bonds with unrealized losses in markets.

G&A expenses decreased by ¥58.1 billion on a year-on-year basis to ¥1,430.8 billion. As a result, consolidated net business profits decreased by ¥64.4 billion on a year-on-year basis to ¥393.3 billion.

Profit Attributable to Owners of Parent

Consolidated credit-related costs increased by ¥175.8 billion on a year-on-year basis to ¥19.5 billion.

Net gains (losses) related to stocks increased by ¥2.8 billion on a year-on-year basis to ¥274.8 billion.

As a result, ordinary profits decreased by ¥168.3 billion on a year-on-year basis to ¥614.1 billion.

Net extraordinary gains (losses) decreased by ¥515.3 billion on a year-on-year basis to net losses of ¥497.8 billion due to the recording of impairment losses in light of efforts toward structural reforms.

Income taxes decreased by ¥194.1 billion on a year-on-year basis to -¥2.5 billion.

As a result, profit attributable to owners of parent for FY2018 decreased by ¥479.9 billion on a year-on-year basis to ¥96.5 billion.

Summary of consolidated balance sheet

Consolidated

	March 31, 2019	March 31, 2018	Change from March 31, 2018
	(¥ billion)		
Assets	200,792.2	205,028.3	(4,236.0)
Securities	29,774.4	34,183.0	(4,408.5)
Japanese government bonds	13,016.0	15,292.0	(2,275.9)
Japanese local government bonds	209.8	239.3	(29.4)
Japanese corporate bonds and short-term bonds	2,681.0	2,964.2	(283.2)
Japanese stocks	3,563.2	3,952.7	(389.5)
Other	10,304.2	11,734.6	(1,430.4)
Loans and bills discounted	78,456.9	79,421.4	(964.5)
Loans (MHBK + MHTB, banking account + trust account)	80,060.9	75,201.7	4,859.1
Domestic total	57,434.6	55,729.0	1,705.6
Loans to SMEs and individual customers	33,186.5	32,740.4	446.0
(Housing loans for owner's residential housing)	8,791.4	9,136.8	(345.4)
Overseas total	22,626.2	19,472.7	3,153.4
Liabilities	191,598.1	195,207.0	(3,608.8)
Deposits	124,311.0	125,081.2	(770.2)
Domestic deposits (MHBK + MHTB)	101,655.1	96,788.3	4,866.7
Individual deposits	43,959.4	42,861.9	1,097.5
Corporate deposits	49,898.5	47,109.9	2,788.6
Financial/government institutions	7,797.1	6,816.5	980.5
Negotiable certificates of deposit	13,338.5	11,382.5	1,955.9
Net assets	9,194.0	9,821.2	(627.2)
Total shareholders' equity	7,303.0	7,388.3	(85.2)
Common stock	2,256.7	2,256.5	0.2
Capital surplus	1,138.4	1,134.9	3.5
Retained earnings	3,915.5	4,002.8	(87.3)
Treasury stock	(7.7)	(5.9)	(1.7)
Total accumulated other comprehensive income	1,445.7	1,677.5	(231.7)
Net unrealized gains (losses) on other securities	1,186.4	1,392.3	(205.9)
Deferred gains or losses on hedges	(22.2)	(67.5)	45.2
Revaluation reserve for land	137.7	144.2	(6.5)
Foreign currency translation adjustments	(111.0)	(85.0)	(25.9)
Remeasurements of defined benefit plans	254.9	293.5	(38.6)
Stock acquisition rights	0.7	1.1	(0.4)
Non-controlling interests	444.5	754.2	(309.7)

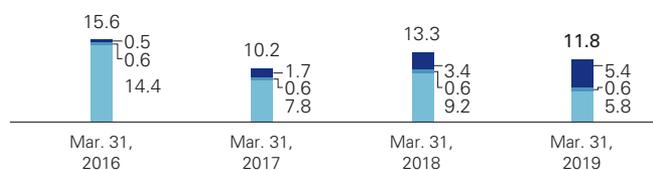
Securities

Securities were ¥29,774.4 billion, decreasing by ¥4,408.5 billion from the end of the previous fiscal year due to an decrease in JGBs and other factors.

JGB balance (MHBK + MHTB)¹

(Acquisition cost basis)

■ Medium- and long-term bonds² ■ Floating-rate notes ■ Treasury discount bills
(¥ trillion)



Average remaining period³

2.5 years	2.4 years	2.5 years	2.1 years
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1. Other securities which have readily determinable fair values
2. Including bonds with remaining period of one year or less
3. Excluding floating-rate notes

Japanese stocks (consolidated)* (¥ billion)

(Acquisition cost basis)



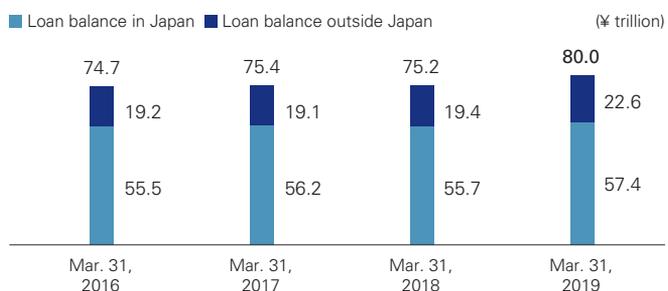
*Other securities which have readily determinable fair values

Loans

The total of loans was ¥78,456.9 billion, a decrease of ¥964.5 billion from FY2017, caused mainly by the decrease in consolidated subsidiaries in accordance with the reorganization of group companies.

The combined total of loans for MHBK and MHTB was ¥80,060.9 billion, an increase of ¥4,859.1 billion. For our loan balance in Japan, while the balance of personal loans and Japanese government loans increased, that of large, medium, and small businesses decreased, resulting in an overall increase of ¥1,705.6 billion (including decrease of ¥510.7 billion loans to the Japanese government and other such obligors). Our loan balance outside Japan (including loans booked offshore) increased by ¥3,153.4 billion, mainly due to an increase in loans especially in Europe and Asia.

Loan balance (MHBK + MHTB, banking book + trust banking book)

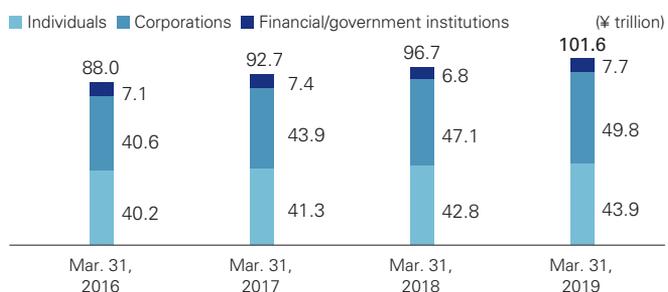


Deposits

The total deposits was ¥124,311.0 billion, a decrease of ¥770.2 billion from FY2017, caused mainly by the decrease in consolidated subsidiaries in accordance with the reorganization of group companies.

The combined deposits in Japan of MHBK and MHTB increased by ¥4,866.7 billion from FY2017 due to factors such as an increase in corporate deposits.

Deposits in Japan (MHBK + MHTB)



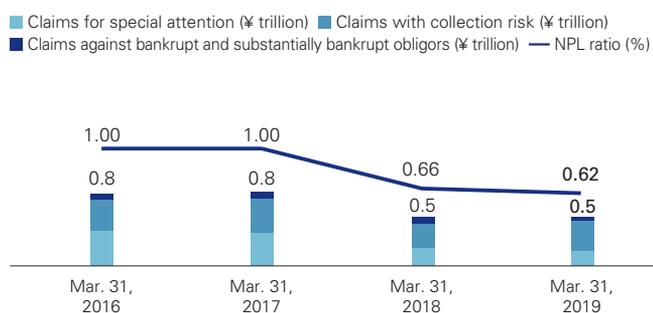
Total net assets

Net assets amounted to ¥9,194.0 billion, decreasing by ¥627.2 billion from FY2017 due to a decrease in retained earnings by payout of dividends, net unrealized gains (losses) on other securities, and other factors.

Non-performing loans (NPLs)

The combined NPL balance of MHBK and MHTB was ¥560.4 billion, an increase of ¥1.6 billion from FY2017, and the NPL ratio was 0.62%. We maintained a good credit portfolio, with both the NPL balance and ratio remaining stable in a low position.

Non performing loans based on the financial reconstruction act (MHBK + MHTB, banking book + trust banking book)



Non performing loans based on the financial reconstruction act (MHBK + MHTB, banking book + trust banking book)

	March 31, 2019	March 31, 2018	Change from March 31, 2018
Claims against bankrupt and substantially bankrupt obligors	52.9	76.6	(23.6)
Claims with collection risk	347.6	284.2	63.3
Claims for special attention	159.7	197.8	(38.0)
Subtotal	560.4	558.7	1.6
Normal claims	89,236.8	83,644.2	5,592.5
Total	89,797.2	84,203.0	5,594.2
NPL ratio	0.62%	0.66%	(0.03%)

BIS capital

BIS capital

The Common Equity Tier 1 capital was ¥7,390.0 billion, a decrease of ¥46.9 billion from FY2017.

Risk assets

The risk-weighted assets were ¥57,899.5 billion, a decrease of ¥1,629.4 billion from FY2017, due to a decrease in credit risk related assets

BIS capital ratio

The Common Equity Tier 1 capital ratio increased by 0.27% from FY2017 to 12.76%.

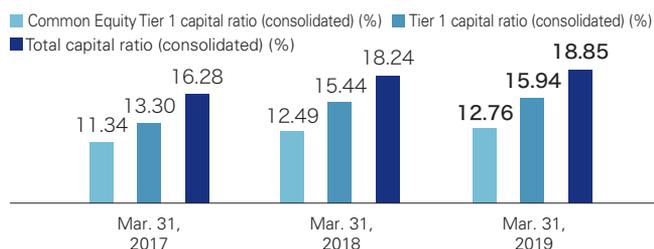
■ BIS capital ratio (consolidated)

	March 31, 2019	March 31, 2018	Change from March 31, 2018
	(¥ billion)		
Common Equity Tier 1 capital (CET1)	7,390.0	7,437.0	(46.9)
Capital stock, surplus, and retained earnings	7,302.6	7,387.8	(85.1)
Additional Tier 1 capital	1,842.1	1,755.1	86.9
Additional Tier 1 capital instruments	1,570.0	1,220.0	350.0
Eligible Tier 1 capital instruments subject to phase-out arrangements	303.0	577.5	(274.5)
Tier 2 capital	1,685.3	1,668.1	17.1
Tier 2 capital instruments	1,168.4	988.1	180.3
Eligible Tier 2 capital instruments subject to phase-out arrangements	506.1	674.8	(168.7)
Total capital	10,917.5	10,860.4	57.0
Risk-weighted assets	57,899.5	59,528.9	(1,629.4)
Credit risk assets	52,628.8	53,647.3	(1,018.5)
Market risk equivalent assets	2,034.2	2,470.3	(436.1)
Operational risk equivalent assets	3,236.4	3,411.2	(174.7)
Total capital ratio (consolidated)	18.85%	18.24%	0.61%
Tier 1 Capital ratio (consolidated)	15.94%	15.44%	0.50%
Common Equity Tier 1 capital ratio (consolidated)	12.76%	12.49%	0.27%

Status of capital adequacy

The total capital ratio, Tier 1 capital ratio, and Common Equity Tier 1 capital ratio at the end of March 2019 were 18.85%, 15.94%, and 12.76%, respectively.

■ BIS capital ratio



Mizuho continues to perform disciplined capital management which maintains the optimum balance between strengthening of the stable capital base and steady returns to shareholders.

With regard to the enhancement of equity capital, the consolidated Common Equity Tier 1 capital ratio (based on Basel III fully-implemented basis* [based on current requirements], excluding net unrealized gains on other securities), which is regarded as the most important indicator of soundness, as of the end of March 2019, we achieved 10.71%, is higher than the target of the previous medium-term business plan of 10%.

*Calculated on a Basel III fully effective basis at the end of FY2018.

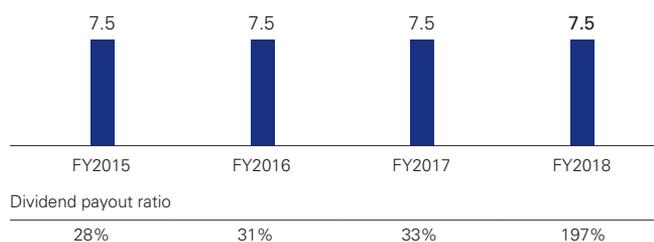
Dividend policy

As for our policy to return profits to shareholders in FY2018, we have implemented a steady dividend payout policy setting a dividend payout ratio on a consolidated basis of approximately 30% as a guide for our consideration.

Based on this policy, we made cash dividend payments on common stock of ¥7.50 (¥3.75 for interim dividends and ¥3.75 for year-end dividends) for the fiscal year ended March 31, 2019, the same amount as the annual dividend of the previous fiscal year. The Board of Directors of Mizuho Financial Group considered thoroughly and decided on a cash dividend, although profit attributable to owners of parent for fiscal 2018 declined significantly as a result of recording losses in light of the structural reforms.

To make such a decision, the Board of Directors considered that consolidated Common Equity Tier 1 capital ratio (based on Basel III fully-implemented basis [based on current requirements], excluding net unrealized gains on other securities), which is the foundation of fulfilling stable financial functions, is higher than the target of the medium-term business plan formulated for the three years from fiscal 2016, i.e., 10% as of March 31, 2019, and that we aim to implement a steady dividend payout policy. The Board of Directors also comprehensively took into account our business environment, such as future earnings forecasts, profit base, status of capital adequacy, and domestic and international regulatory trends such as the Basel framework.

■ Cash dividend per share of common stock (¥)



Office network

We utilize our office network, which covers every prefecture in Japan as well as major cities outside Japan, to respond to our customers' diversified and globalizing financial needs while supporting their economic activities.

Europe, the Middle East, and Africa

Mizuho Bank	16 offices
Mizuho Trust & Banking	1 office
Mizuho Securities	6 offices
Asset Management One	1 office

Asia and Oceania

Mizuho Bank	43 offices
Mizuho Securities	9 offices
Asset Management One	2 offices



International network (As of June 30, 2019)

Mizuho Bank: 87 offices

♥ Branch or equivalent	42
♣ Representative office	6
♠ Subsidiary	39

Mizuho Trust & Banking: 1 office

♣ Subsidiary	1
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Mizuho Securities: 25 offices

♣ Representative office	3
♠ Subsidiary	22

Asset Management One: 4 offices

♠ Subsidiary	4
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Note: Subsidiaries include head offices, branches or relevant offices, and representative offices of overseas subsidiaries.

Americas

Mizuho Bank	28 offices
Mizuho Securities	10 offices
Asset Management One	1 office



Network in Japan (As of June 30, 2019)

Mizuho Bank

Head office and branches: 421
Sub-branches: 43

Mizuho Trust & Banking

Head office and branches: 36
Sub-branches: 24

Mizuho Securities

Tokyo head office and regional head offices: 3
Branches: 105
Planet Booths*: 150
Sales office: 1

*Planet Booths are the consulting booths of Mizuho Securities located in Mizuho Bank's branches

- In January 2019, Mizuho Securities opened the Mizuho International plc Madrid Representative Office.
- In March 2019, Mizuho Bank opened the Mizuho Bank (China), Ltd. Shanghai Hongqiao Sub-Branch.
- In March 2019, Mizuho Securities opened Mizuho Securities Europe GmbH in Frankfurt.

Corporate profile (As of March 31, 2019)

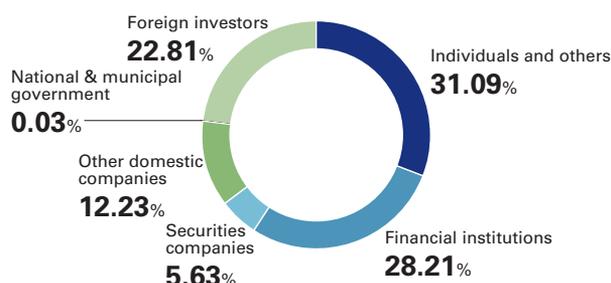
Company name:	Mizuho Financial Group, Inc.
Stock listing (code):	Tokyo Stock Exchange (8411) New York Stock Exchange (MFG)
Location of head office:	1-5-5, Otemachi, Chiyoda-ku, Tokyo 100-8176, Japan
Representative:	Tatsufumi Sakai, President & Group CEO
Capital:	¥2,256.7 billion
Issued shares:	25,392,498,945 shares
Number of employees:	1,664 (Total number of employees on a consolidated basis: 59,132)
Date of establishment:	January 8, 2003

Rating information

(As of June 30, 2019)

	R&I	JCR	Moody's	S&P	Fitch
Mizuho Financial Group	A+	AA-	A1	A-	A-
Mizuho Bank	AA-	AA	A1	A	A-
Mizuho Trust & Banking	AA-	AA	A1	A	A-
Mizuho Securities	AA-	AA	A1	A	—
(Reference) Japanese Government	AA+	AAA	A1	A+	A

Shareholders (common stock)



Historical data of stock price



The graph showing Mizuho Financial Group's stock price and the Nikkei stock price average has been prepared as an index with the closing prices on March 31, 2017 as 100.

©Nikkei

Website



Our website provides additional information regarding the business operations of Mizuho Financial Group and our group companies. Sections covering IR, financial information, and our products and services are available in addition to in-depth industry and economic reports. Additionally, you can sign up for our News Release E-mail Distribution Service to receive updates by email.

www.mizuho-fg.com/

Corporate responsibility



Gain insights into our approach to CSR.

www.mizuho-fg.com/csr/

Investor relations



Access reports, presentations, news, and other investor resources and get details on upcoming events.

www.mizuho-fg.com/investors/

Group companies (As of March 31, 2019, except for each company's network, which is as of June 30, 2019)

Mizuho Bank

Date of establishment	July 1, 2013
Capital	¥1,404.0 billion
Location of head office	1-5-5, Otemachi, Chiyoda-ku, Tokyo 100-8176, Japan
Representative	Koji Fujiwara, President & CEO
Number of employees	29,991
Network in Japan	464
Network outside Japan	87
Website	www.mizuho-bank.com/

Mizuho Trust & Banking

Date of establishment	March 12, 2003
Capital	¥247.3 billion
Location of head office	1-2-1, Yaesu, Chuo-ku, Tokyo 103-8670, Japan
Representative	Tetsuo Iimori, President & CEO
Number of employees	3,478
Network in Japan	60
Network outside Japan	1
Website	www.mizuho-tb.co.jp/english/

Mizuho Securities

Date of establishment	January 4, 2013
Capital	¥125.1 billion
Location of head office	Otemachi First Square, 1-5-1, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan
Representative	Koichi Iida, President & CEO
Number of employees	7,554
Network in Japan	259
Network outside Japan	25
Website	www.mizuho-sc.com/english/



Mizuho Research Institute

Mizuho Research Institute is one of Japan's leading think tanks providing research, consulting, and corporate memberships. In addition to providing high-value-added information and preparing policy proposals, Mizuho Research Institute offers highly actionable consulting advice to assist the Japanese national government, local governments, and private corporations in addressing the issues they confront. Mizuho Research Institute has the largest number of corporate membership subscribers of any bank-affiliated research institute in Japan.

Date of establishment	October 1, 2002
Capital	¥900 million
Location of head office	1-2-1, Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Motonori Wakabayashi, President & CEO (Appointed on June 28, 2019)
Number of employees	323
Website	www.mizuho-ri.co.jp/english/

Asset Management One

Asset Management One is an asset management company in which Mizuho and Dai-ichi Life Holdings both have equity holdings. Asset Management One collaborates with its offices in Europe, the US, and Asia to offer investment trust products to individuals and corporations, as well as provide investment advisory services to customers including Japanese and overseas pension funds.

Date of establishment	October 1, 2016
Capital	¥2,000 million
Location of head office	Tekko Building, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo
Representative	Akira Sugano, President & CEO
Number of employees	894
Network outside Japan	4
Website	www.am-one.co.jp/english/

Mizuho Americas

Mizuho Americas is a US bank holding company with Mizuho's primary US-based banking, trust banking, and securities entities under it. To further increase its competitiveness in the US, which is the world's largest financial market, Mizuho Americas is proactively strengthening its governance framework, and, while promoting the collaboration of its banking, trust banking, and securities operations, it is conducting management and other activities that are necessary for expanding its profit base.

Date of establishment	June 20, 2016
Capital	\$3,820 million
Location of head office	1251 Avenue of the Americas, New York, NY 10020, USA
Representative	Teiji Teramoto, CEO
Website	www.mizuhoamericas.com/

Notes: 1. The representatives of each company have representation rights.

2. The number of employees does not include each company's employees dispatched outside each company while it includes employees dispatched to each company from other organizations. This figure also includes overseas local staff but excludes executive officers and temporary employees.

3. Mizuho's network consists of our Head Office and branches in Japan, and branches, representative offices and overseas subsidiaries outside Japan.

Mizuho Information & Research Institute

With IT as its core technology, Mizuho Information & Research Institute is a professional organization with more than 4,000 employees that provides assistance to corporations in increasing their corporate value through its consulting, system integration, and outsourcing services.

Date of establishment	October 1, 2004
Capital	¥1,627 million
Location of head office	2-3 Kanda-Nishikicho, Chiyoda-ku, Tokyo
Representative	Yasumasa Mukai, President & CEO (Appointed on April 1, 2019)
Number of employees	4,183
Website	www.mizuho-ir.co.jp/english/

Mizuho Private Wealth Management

Mizuho Private Wealth Management offers consulting services tailored to the needs of its customers. These services range from consulting on customers' financial matters such as wealth management, arranging for business inheritance to advice on customers' individual matters, including health of the customers themselves as well as family members and children's education.

Date of establishment	October 3, 2005
Capital	¥500 million
Location of head office	1-1-5, Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Naoyuki Machinaga, President (Appointed on April 1, 2019)
Number of employees	36

JTC Holdings

JTC Holdings is a bank holding company that has the asset administration companies Trust & Custody Services Bank and Japan Trustee Services Bank as subsidiaries. The balance of assets under custody and administration of these two companies stands at about ¥700 trillion (including trust assets of about ¥400 trillion) and is the largest of any asset administration company in Japan.

Date of establishment	October 1, 2018
Capital	¥500 million
Location of head office	Tower Y, Harumi Triton Square, 1-8-11, Harumi, Chuo-ku, Tokyo
Representative	Nobumitsu Watanabe, President & CEO
Number of employees	121

Compliance contacts

Internal control and audit hotline

—A system designed for reporting questionable accounting or auditing matters—

Reporting items: Mizuho Financial Group has established a hotline to receive reports from in and outside the company in connection with problems concerning internal control and audits of accounts and financial reports.

Contact point: This hotline has been established within an external law office. Reports can be made via postal mail or email.

Postal mail: 12th Floor, Kasumigaseki Bldg.,
Kasumigaseki 3-2-5, Chiyoda-ku, Tokyo
100-6012
Mizuho Accounting Hotline, c/o Daiichi
Fuyo Law Office

Email: kaikei-mizuho@daiichifuyo.gr.jp

- When a report is received concerning the reporting items stipulated on the left, Mizuho Financial Group will make a reasonable effort to investigate the facts behind the information received and report back on the results.
- Anonymous tips are also acceptable, but there are cases where it will not be possible to fully satisfy the intentions behind such tips owing to constraints on investigations and the inability to report back.
- Information on persons making such reports is not disclosed to third parties other than the group companies except in cases where the assent of the person in question has been obtained or such disclosure is required under laws and ordinances.

Approaches to financial alternative dispute resolution (ADR)

In order to deal expeditiously, fairly, and appropriately with complaints and other feedback from customers, Mizuho Bank and Mizuho Trust & Banking have concluded a contract for the implementation of dispute resolution procedures with the Japanese Bankers Association, which is a designated dispute resolution institution as defined in Japan's Banking Act. Mizuho Trust & Banking has also concluded a contract for the implementation of dispute resolution procedures with the Trust Companies Association of Japan, which is a designated dispute resolution institution as defined in Japan's Trust Business Act and Act on Concurrent Operation of Trust Business by Financial Institutions.

The designated dispute resolution institution takes the steps toward resolution from a fair and neutral perspective in cases where the solutions to customers' complaints adopted by the two banks are not accepted.

[The designated dispute resolution institution as defined in Japan's Banking Act which Mizuho Bank and Mizuho Trust & Banking have contracted](#)

The Designated Dispute Resolution Institution:

Japanese Bankers Association

Contact: Advisory Center of Japanese Bankers Association

Tel: +81-(0)3-5252-3772

[The designated dispute resolution institution as defined in Japan's Trust Business Act and Act on Concurrent Operation of Trust Business by Financial Institutions which Mizuho Trust & Banking has contracted](#)

The Designated Dispute Resolution Institution:

Trust Companies Association of Japan

Contact: Trust Consultation Center of the Trust Companies Association of Japan

Tel: +81-(0)3-6206-3988

Support for SMEs and regional revitalization

Support for small and medium-sized enterprises (SMEs)

Mizuho provides information to clients which is relevant to their particular needs and challenges at each stage in their development, and we propose solutions and provide support for the implementation of these solutions.

By drawing on our consulting capabilities to provide proposals and solutions that address the issues SMEs face, we ensure that clients' perspectives are prioritized when providing support for business expansion, succession, reorganization, and other client needs. We also believe that proactively supporting SMEs is a key part of fulfilling our social responsibility as a financial institution.

In particular, by providing consulting and support for SMEs' growth strategies, we can introduce clients to potential M&A opportunities from the standpoint of business expansion and succession, and

support the growth of innovative companies with exceptional technologies or ideas.

Furthermore, a specialized business reorganization section within the Head Office provides support for SMEs' business improvement and reorganization needs. In addition, our Head Office collaborates with frontline offices to provide consultations and support for clients through partnerships with external organizations, external specialists, and other financial institutions.

Regional revitalization initiatives

In Japan, as a result of the trend toward concentration of businesses and other economic activity solely in Tokyo, rural populations are expected to decline and regional economies are expected to shrink in the future. As a nation, Japan must look for ways to revitalize regional areas through a virtuous cycle in which jobs draw people back to local areas and population growth creates more jobs.

Utilizing our office network in Japan, we are striving to promote the revitalization of regional economies by providing our clients with funding, supporting the operations of local businesses, and collaborating with regional governments.

Case example

Investing in an agricultural sector industrialization fund



For its fifth project, the Hiroshima Agriculture, Forestry, and Fisheries Growth Support Fund invested ¥30 million in Tsunagu Farm (May 2019). This fund was established in January 2014 with investment from The Hiroshima Bank; The Hiroshima Shinkin Bank; Mizuho Bank; the Agriculture, Forestry and Fisheries Fund Corporation for Innovation, Value-chain and Expansion Japan (A-FIVE); and Hiroshima Venture Capital for the purpose of actively contributing to the revitalization of the regional economy and job creation. The Tsunagu Farm plans to increase the added value of livestock products and build a new brand by entering the food service industry to supply locally-produced beef.

Finance facilitation and response to the Guidelines for Personal Guarantee Provided by Business Owners

■ Finance facilitation

Mizuho works to promote finance facilitation in accordance with group-wide fundamental policies. This includes ensuring that we respond appropriately to requests for new loans or loan condition adjustments, and provide tailored consulting.

■ Guidelines for Personal Guarantee Provided by Business Owners

We are committed to establishing and maintaining good relationships with our clients in line with the Guidelines for Personal Guarantee Provided by Business Owners established by the Japanese Bankers Association and the Japan Chamber of Commerce and Industry.

We provide the option for a joint guarantee with a termination clause and other alternative lending methods allowing for a personal guarantee provided by business owners. Also, we have established a structure for cooperation between our frontline offices and Head Office to encourage the utilization of these methods.

Internal audit structure

Basic approach

Internal audits consist of a series of activities, ranging from the objective and comprehensive evaluation of the effectiveness and appropriateness of each process relating to governance, risk management, and control, to providing recommendations, corrective guidance, etc., toward the resolution of problems from an independent standpoint of the departments and business processes that are subject to the audit, based on a plan approved by the board of directors of each of our group companies.

Through these series of activities, internal audits assist the boards of directors of each of our group companies to fulfill their managerial duties efficiently and effectively.

Internal audit management structure

■ Mizuho Financial Group

Our Internal Audit Committee determines all important matters concerning internal audits. The committee is chaired by our President & Group CEO and is independent of our other business operations.

The Head of the Internal Audit Group reports the progress of individual audits and plans to the Audit Committee, responds to requests for inspections, and receives specific instructions from the committee.

Our Internal Audit Committee monitors and manages internal audits at our principal banking subsidiaries and other core group companies through internal audit reports submitted by such subsidiaries. Our Internal Audit Committee discusses and makes decisions regarding internal audits at our principal banking subsidiaries and other core group companies and submits the results, together with the results of their examination of the internal audit reports, to the Audit Committee and our Board of Directors.

■ Mizuho Bank and Mizuho Trust & Banking

Mizuho Bank and Mizuho Trust & Banking have also established internal audit committees that are independent of their other business operations and a framework under which their internal audit committees coordinate with their respective audit & supervisory committees.

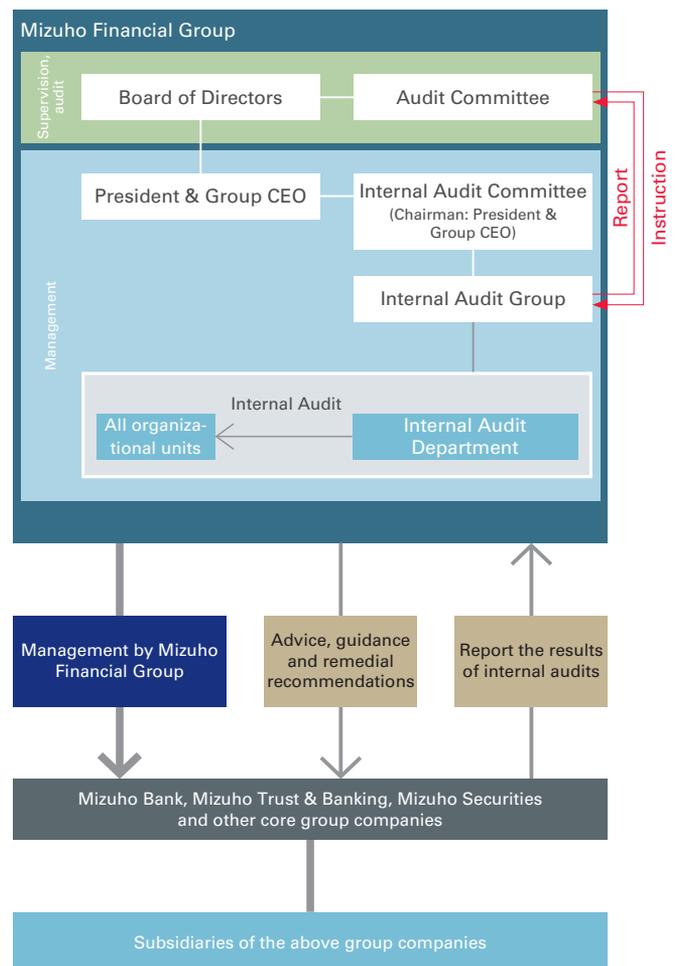
Both banks have established internal audit departments to conduct internal audits at their respective domestic and overseas business offices, head office departments, and group companies. Specifically, the internal audit departments assess the suitability and effectiveness of business activities associated with compliance and risk management.

■ Other core group companies

Other core group companies have also established effective and efficient internal audit structures adapted to the characteristics of their respective businesses.

In line with the Basic Policy for Internal Audit established by Mizuho Financial Group, our principal banking subsidiaries and other core group companies conduct internal audits, which include the internal auditing of their respective subsidiaries. In addition, with respect to the management of risks applicable across the Mizuho group, we coordinate internal audits throughout the group to assess the risk management status of the group as a whole.

Internal audit management structure



(As of June 21, 2019)

Risk Management Structure

Credit risk management

■ Basic approach

We define credit risk as the group's exposure to the risk of losses that may be incurred due to a decline in, or total loss of, the value of assets (including off-balance-sheet instruments), as a result of deterioration in obligors' financial position. We have established the methods and structures necessary for grasping and managing credit risk.

■ Credit risk management structure

Our Board of Directors determines the group's basic matters pertaining to credit risk management. In addition, the Risk Management Committee of Mizuho Financial Group discusses and coordinates matters relating to basic policies and operations in connection with credit risk management and matters relating to credit risk monitoring for the group. Under the control of the Group CRO of Mizuho Financial Group, the Credit Risk Management Department and the Risk Management Department jointly monitor, analyze, and submit suggestions concerning credit risk and formulate and execute plans in connection with basic matters pertaining to credit risk management.

Our principal banking subsidiaries and other core group companies manage their credit risk according to the scale and nature of their exposures in line with basic policies set forth by Mizuho Financial Group. The Board of Directors of each company determines key matters pertaining to credit risk management.

■ Method of credit risk management

We have adopted two different but mutually complementary approaches to credit risk management. The first approach is "individual credit management," in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the

Individual credit management

1. Credit code

The basic code of conduct for all of our executive officers and employees engaged in the credit business is set forth in our credit code. Seeking to fulfill our mission and social responsibilities, our basic policy for credit business is determined in light of fundamental principles focusing on public welfare, safety, growth, and profitability.

Mizuho Financial Group manages credit risk for the Group as a whole. Specifically, Mizuho Financial Group establishes the group's fundamental credit risk policy to manage major group companies, and monitors and manages the credit risks of the group as a whole.

The Balance Sheet & Risk Management Committee and the Credit Committee, each of which is a Business Policy Committee of our principal banking subsidiaries, are responsible for discussing and coordinating overall management of their individual credit portfolios and transaction policies towards obligors. The respective Chief Risk Officers of our principal banking subsidiaries are responsible for matters relating to planning and implementing credit risk management. The credit risk management departments of our principal banking subsidiaries are in charge of planning and administering credit risk management and conducting credit risk measuring and monitoring. The departments regularly present reports regarding their risk management situation to Mizuho Financial Group. The credit departments of our principal banking subsidiaries determine policies and approve/disapprove individual transactions in terms of credit review, credit management and collection from obligors in accordance with the lines of authority set forth respectively by our principal banking subsidiaries. In addition, our principal banking subsidiaries have established internal audit groups that are independent of the business departments in order to ensure appropriate credit risk management.

client. Through this process, we curb losses in the case of a credit event. The second is "credit portfolio management," in which we utilize statistical methods to assess the potential for losses related to credit risk. Through this process, we identify credit risks and respond appropriately.

2. Internal rating system

One of the most important elements of the risk management infrastructure of our principal banking subsidiaries is the use of an internal rating system that consists of credit ratings and pool allocations. Credit ratings consist of obligor ratings which represent the level of credit risk of the obligor, and transaction ratings which represent the possibility of ultimately incurring losses related to each individual claim by taking into consideration the nature of any collateral or guarantee and the seniority of the claim. In principle, obligor ratings apply to all obligors and are subject to regular reviews at least once a year to reflect promptly the fiscal period end financial results of the obligors, as well as special reviews as required whenever an obligor's credit standing changes. This enables our principal banking subsidiaries to monitor both individual

obligors and the status of the overall portfolio in a timely fashion. Because we consider obligor ratings to be an initial phase of the self-assessment process regarding the quality of our loans and off-balance-sheet instruments, such obligor ratings are closely linked to the obligor classifications and are an integral part of the process for determining the provision for loan losses and charge-offs in our self-assessment of loans and off-balance-sheet instruments. (Please refer to the chart below regarding the connection between obligor ratings, definition of obligor classifications of self-assessments, claims disclosed under the FRA and non-accrual, and past due & restructured loans).

To assign obligor ratings, we have a quantitative evaluation system (rating model) in place to enable proper assessment of an obligor's credit standing. The system gives a quantitative rating to an obligor

based on obligor specific characteristics such as type of business (corporation or individual) and geography (in Japan or outside Japan). We categorize our rating models for companies in Japan into those for large companies and those for small and medium-sized companies. The former consist of 13 models according to industry-specific factors, while the latter consist of three models. For companies outside Japan, we utilize nine models.

These were developed by the Credit Risk Management Department based on a statistical methodology and approved by the Chief Risk Officer.

Pool allocations are applied to small claims that are less than a specified amount by pooling obligors and claims with similar risk characteristics and assessing and managing the risk for each such

Connection between obligor ratings, definition of obligor classifications of self-assessments, claims disclosed under the FRA and non-accrual, past due & restructured loans

Definition of obligor classifications of self-assessment	Obligor ratings (major category)	Definition of ratings	Category I (non-categorized)	Category II	Category III	Category IV (non-collateralized)	Claims disclosed under the FRA	Non-accrual, past due & restructured loans
Normal obligors	A1–A3	Obligors whose certainty of debt fulfillment is very high, hence their level of credit risk is excellent.	All credit given to normal obligors.				Normal claims	
	B1–B2	Obligors whose certainty of debt fulfillment poses no problems for the foreseeable future, hence their level of credit risk is sufficient.						
	C1–C3	Obligors whose certainty of debt fulfillment and their level of credit risk pose no problems for the foreseeable future.						
	D1–D3	Obligors whose current certainty of debt fulfillment poses no problems, however, their resistance to future environmental changes is low.						
Watch obligors	E1	Obligors who require close watching going forward because there are problems with their borrowings, such as reduced or suspended interest payments, problems with fulfillment such as de facto postponements of principal or interest payments, or problems with their financial positions as a result of their poor or unstable business conditions.		Credit given to watch obligors other than those included in category I.			Claims for special attention	Restructured loans Loans past due for 3 months or more
	E2							
Intensive control obligors	F1	Obligors who are not yet bankrupt but are in financial difficulties and are deemed to be very likely to go bankrupt in the future because they are finding it difficult to make progress in implementing their management improvement plans (including obligors who are receiving ongoing support from financial institutions).	Credit to obligors which has pledged collateral or is covered by guarantees, considered of high quality, such as deposit collateral.		Credit given to intensive control obligors other than those included in category I and category II.		Claims with collection risk	Non-accrual delinquent loans
Substantially bankrupt obligors	G1	Obligors who have not yet gone legally or formally bankrupt but who are substantially bankrupt because they are in serious financial difficulties and are not deemed to be capable of restructuring.		Credit to obligors which is covered by general collateral, such as real estate and guarantees.	The difference between the assessed value and market value of collateral on credit to bankrupt and substantially bankrupt obligors (i.e., the portion of loans for which final collection problems or losses are anticipated).	Credit to bankrupt and substantially bankrupt obligors, other than those in category I, category II and category III (credit that is judged to be unrecoverable or without value).	Claims against bankrupt and substantially bankrupt obligors, and equivalent	
Bankrupt obligors	H1	Obligors who have already gone bankrupt, from both a legal and/or formal perspective.						Loans to bankrupt obligors

pool. Our principal banking subsidiaries efficiently manage credit risk and credit screening by dispersing a sufficient number of small claims within each pool. Our principal banking subsidiaries generally review the appropriateness and effectiveness of our approach to obligor ratings and pool allocations once a year in accordance with predetermined procedures, which is audited by the Internal Audit Group.

Mizuho Financial Group defines a restructured loan as a loan

extended to watch obligors when the following conditions are met: we are aiming for business reconstruction or financial support; and lending conditions were amended favorably to the client such as allowing interest rate reduction, postponement of principal repayment/interest payment, debt forgiveness, etc.

An overdue loan is defined as a loan for watch obligors of which the loan principal or interest is overdue for three months or more following the contractual payment date.

Methods for reserves and write-offs

Normal obligors	Calculate the value of estimated loss based on the probability of failure over the coming year for loans by obligor rating and appropriate it for the General reserve for possible losses on loans.
Watch obligors	Calculate the estimated loss on loans based on the probability of failure over the next three years and appropriate it for the general reserve for possible losses on loans. Further, in regard to special attention obligors, for obligors with large claims more than a certain amount, if the cash flow from the return of principal and interest payments can reasonably be estimated, set up a reserve under the DCF method.
Intensive control obligors	Provide an amount for specific reserve for possible losses on loans as calculated by one of the following methods after deducting amounts anticipated to be recoverable from the sale of collateral held against the claims and from guarantors of the claims: a) an amount calculated based on the overall ability of the obligor to pay, or b) the estimated loss calculated on the basis of the balance and the probability of failure over the next three years. Further, for obligors with large claims more than a certain amount, if the cash flow from the return of principal and interest payments can reasonably be estimated, set up a reserve under the DCF method.
Substantially bankrupt obligors	Provide the entire balance after deducting amounts anticipated to be recoverable from the sale of collateral held against the claims and from guarantors of the claims for specific reserve for possible losses on loans, or write-off the entire balance.
Bankrupt obligors	

3. Self-assessment, provision for loan losses and off-balance-sheet instruments, and write-offs

We conduct self-assessment of assets to ascertain the status of assets both as an integral part of credit risk management and in preparation for appropriate accounting treatment, including provision for loan losses and off-balance-sheet instruments and write-offs. During the process of self-assessment, obligors are categorized into certain groups taking into consideration their financial condition and their ability to make payments, and credit ratings are assigned to all obligors, in principle, to reflect the extent of their credit risks. The related assets are then categorized into certain classes based on the risk of impairment. This process allows us to identify and control the actual quality of assets and determine the appropriate accounting treatment, including provision for loan losses and off-balance-sheet instruments and write-offs. Specifically, the credit risk management department of each of our principal subsidiaries is responsible for the overall control of the self-assessment of assets of the respective banking subsidiaries, cooperating with the administrative departments specified for each type of asset, including loan portfolios and securities, in executing and managing self-assessments. In our assessment of the probability of obligor bankruptcy, we deem an obligor that is rated as being insolvent or lower as being bankrupt.

4. Credit review

Prevention of new impaired loans through routine credit management is important in maintaining the quality of our overall loan assets. Credit review involves analysis and screening of each potential transaction within the relevant business department. In case the screening exceeds the authority of the department, the credit department in charge at Head Office carries out the review. We have specialized credit departments for different industries, business sizes, and regions, which carry out timely and specialized examinations based on the characteristics of the client and their market, and provide appropriate advice to the business department. In addition, in the case of obligors with low credit ratings and high downside risks, the business department and credit department jointly clarify their credit policy and in appropriate cases assist the obligors at an early stage in working towards credit soundness.

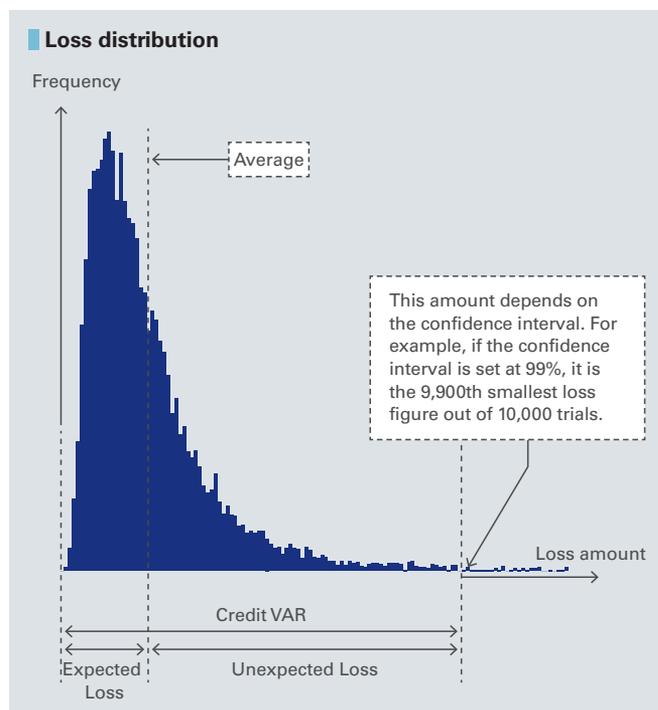
Credit portfolio management

1. Risk measurement

We use statistical methodologies that involve a risk measurement system (enterprise value corporate valuation model, holding period of one year) to manage the possibility of losses by measuring the expected average loss for a one-year risk horizon (“Expected Loss”) and the maximum loss within a certain confidence interval (“Credit VAR”). The difference between Expected Loss and Credit VAR is measured as the credit risk amount (“Unexpected Loss”). The risk measurement system covers the following account items reported by each Mizuho Financial Group company: credit transactions including loans and discounts; securities; clients’ liabilities for acceptances and

guarantees; deposits and foreign exchange; derivatives including swaps and options; off-balance sheet items including commitments; and other assets involving credit risk.

In establishing transaction spread guidelines for credit transactions, we aim to ensure an appropriate return from the transaction in light of the level of risk by utilizing credit cost data as a reference. Also, we monitor our credit portfolio from various perspectives and set guidelines noted below so that losses incurred through a hypothetical realization of the full Credit VAR would be within the amount of risk capital and loan loss reserves.



2. Risk control methods

Our principal banking subsidiaries recognize the risk arising from allowing unexpected loss to become too large. Our principal banking subsidiaries manage “credit concentration risk,” which stems from granting excessive credit to individual corporate groups, in line with our specific guidelines. Our principal banking subsidiaries also set the credit limit based on verification of status of capital adequacy. In cases where the limit is exceeded, our principal banking subsidiaries will formulate a handling policy and/or action plan. In addition to the above, our principal banking subsidiaries monitor total credit exposure, credit exposure per rating, credit concentration per individual corporate group, geographic area, and business sector to make a periodical report to the Balance Sheet & Risk Management Committee and the Credit Committee.

Market risk management

■ Basic approach

We define market risk as the risk of losses incurred by the group due to fluctuations in interest rates, stock prices, and foreign exchange rates. Our definition includes the risk of losses incurred when it becomes impossible to execute transactions in the market because of market confusion or losses arising from transactions at prices that are significantly less favorable than usual.

■ Market risk management structure

Our Board of Directors determines basic matters pertaining to market risk management policies. The Risk Management Committee of Mizuho Financial Group broadly discusses and coordinates matters relating to basic policies in connection with market risk management, market risk operations, and market risk monitoring. The Group CRO of Mizuho Financial Group is responsible for matters relating to market risk management planning and operations.

The Risk Management Department of Mizuho Financial Group is responsible for monitoring market risk, reporting and analysing, making proposals, setting limits and guidelines, and formulating and implementing plans relating to market risk management.

■ Market risk management method

To manage market risk, we set limits that correspond to risk capital allocations according to the risk profile of each of our principal banking subsidiaries and other core group companies and thereby prevent the overall market risk we hold from exceeding our financial

Setting limits

When the above mentioned limits are set, various factors are taken into account, including business strategies, historical limit usage ratios, risk-bearing capacity (profits, equity capital, and risk management framework), profit targets and the market liquidity of the products involved. The limits are discussed and coordinated by the Risk Management Committee, discussed further by the Executive Management Committee and then determined by the President & Group CEO. For trading and banking activities, we set limits for VAR and for losses. For banking activities, we set position limits based on interest rate sensitivity (10 BPV) as needed. An excess over any of these limits is immediately reported and addressed according to a pre-determined procedure.

Mizuho Financial Group manages market risk for the Mizuho group as a whole. Specifically, Mizuho Financial Group establishes the fundamental risk management policy for the entire group, manages the market risk of our principal banking subsidiaries and other core group companies, and monitors how the group's market risk is being managed as a whole.

As for the situation of market risk, the Risk Management Department submits reports to the President and Group CEO on a daily basis and to the Board of Directors on a regular basis. For the purpose of managing the market risk of our principal banking subsidiaries and other core group companies, the Department regularly receives reports from each of them to properly identify and manage their market risk. These subsidiaries and core group companies, which account for most of the Mizuho group's exposure to market risk, establish their basic policies based on ours, and their Boards of Directors determine important matters relating to market risk management.

strength represented by capital and other indicators. The amount of risk capital allocated to market risk corresponds to value-at-risk (the "VAR") and additional costs that may arise in order to close relevant positions.

Monitoring

To provide a system of mutual checks and balances in market operations, we have established middle offices specializing in risk management that are independent of front offices which engage in market transactions and of back offices which are responsible for book entries and settlements. When VAR is not adequate to control risk, the middle offices manage risk using additional risk indices, carry out stress testing, and set stop loss limits as needed. We monitor market liquidity risk for individual financial products in the market while taking turnover and other factors into consideration.

■ Status of Mizuho Financial Group's market risk

Value-at-risk

We use the VAR method, supplemented with stress testing, as our principal tool to measure market risk. The VAR method measures the maximum possible loss that could be incurred due to market movements within a certain time period (or holding period) and degree of probability (or confidence interval).

Trading activities

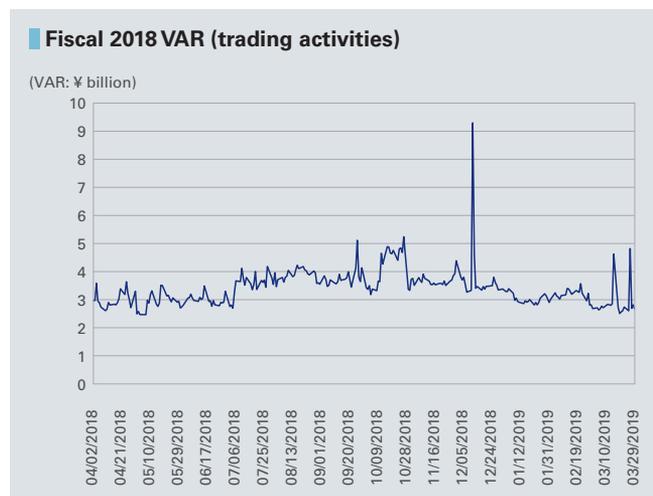
VAR related to our trading activities is based on the following:

- historical simulation method;
- confidence interval: one-tailed 99.0%;
- holding period of one day; and
- historical observation period of three years.

The following tables show the VAR related to our trading activities by risk category for the fiscal years ended March 31, 2017, 2018, and 2019 and as of March 31, 2017, 2018, and 2019:

■ VAR by risk category (trading activities) (¥ billion)				
	Fiscal 2016			
	Daily average	Maximum	Minimum	At March 31
Interest rate	2.0	3.6	1.0	1.0
Foreign exchange	0.5	1.6	0.1	0.1
Equities	0.4	3.2	0.1	0.9
Commodities	0.0	0.0	0.0	0.0
Total	3.3	5.8	2.3	2.6
	Fiscal 2017			
	Daily average	Maximum	Minimum	At March 31
Interest rate	1.7	2.5	1.0	2.2
Foreign exchange	0.4	1.2	0.1	0.1
Equities	0.6	2.4	0.3	0.5
Commodities	0.0	0.0	0.0	0.0
Total	3.0	6.2	2.2	3.0
	Fiscal 2018			
	Daily average	Maximum	Minimum	At March 31
Interest rate	2.0	2.9	1.3	2.0
Foreign exchange	0.8	2.8	0.1	0.3
Equities	0.6	7.7	0.2	0.5
Commodities	0.0	0.0	0.0	0.0
Total	3.4	9.2	2.4	2.6

The following graph shows VAR figures of our trading activities for the fiscal year ended March 31, 2019:



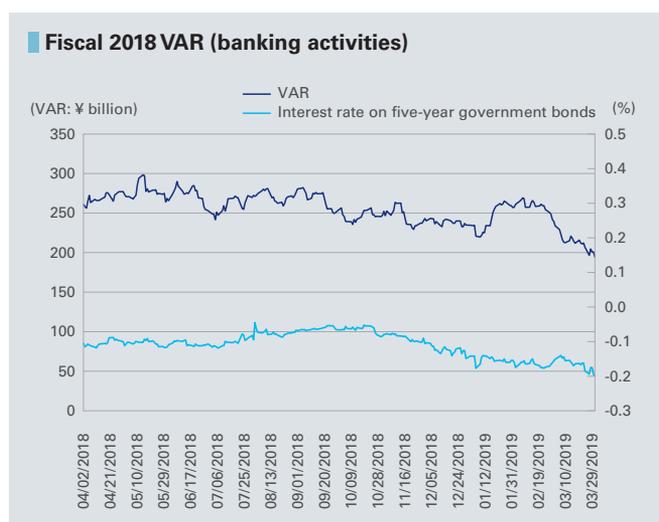
The following table shows VAR figures of our trading activities for the fiscal years indicated:

■ VAR (trading activities) (¥ billion)				
	Fiscal 2016	Fiscal 2017	Fiscal 2018	Change
As of fiscal year end	2.6	3.0	2.6	(0.3)
Maximum	5.8	6.2	9.2	3.0
Minimum	2.3	2.2	2.4	0.2
Average	3.3	3.0	3.4	0.3

Non-trading activities

The VAR related to our banking activities is based on the same conditions as those of trading activities, but the holding period is one month. In addition, as for risk management of banking activities, it is important to properly measure interest rate risk so that we calculate interest risk using appropriate methods such as recognizing demand deposits as “core deposits.”

The following graph shows the VAR related to our banking activities excluding our cross-shareholdings portfolio for the year ended March 31, 2019:



The following table shows the VAR figures relating to our banking activities for the fiscal years indicated:

VAR (banking activities)		(¥ billion)		
	Fiscal 2016	Fiscal 2017	Fiscal 2018	Change
As of fiscal year end	292.7	268.4	194.4	(74.0)
Maximum	397.5	307.2	298.5	(8.7)
Minimum	247.4	210.8	194.4	(16.3)
Average	331.0	267.8	255.5	(12.2)

Characteristics of VAR model

VAR is a commonly used market risk management technique.

However, VAR models have the following shortcomings:

- By its nature as a statistical approach, VAR estimates possible losses over a certain period at a particular confidence level using past market movement data. Past market movement, however, is not necessarily a good indicator of future events, particularly potential future events that are extreme in nature.
- VAR may underestimate the probability of extreme market movements.
- The use of a 99.0% confidence level does not take account of, nor makes any statement about, any losses that might occur beyond this confidence level.

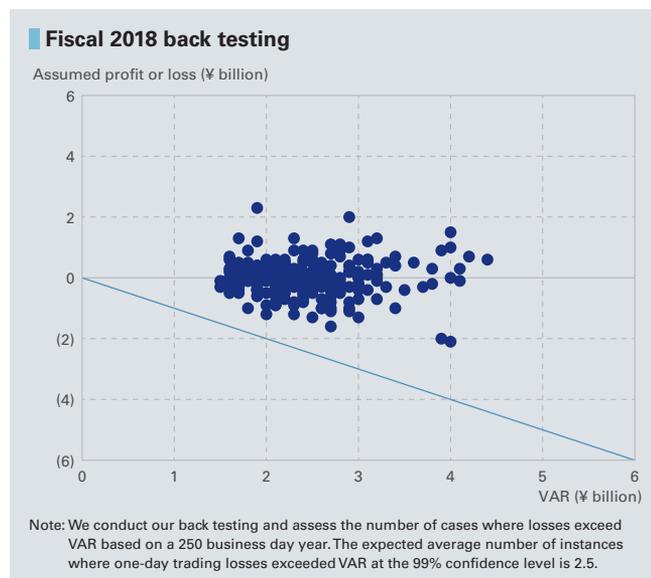
- VAR does not capture all complex effects of various risk factors on the value of positions and portfolios and could underestimate potential losses.

Cross-shareholdings portfolio management activities

We take the market risk management approach with use of VAR and risk indices for cross-shareholdings portfolio management activities to properly manage stock price risk. Specifically, we monitor VAR measurements and the state of risk capital on a daily basis. Moreover, in order to control stock price risk, we are working on the reduction in cross-shareholdings through careful negotiations with counterparties.

Back testing

In order to evaluate the effectiveness of market risk measurements calculated using the VAR method, we carry out regular back tests to compare VAR with assumptive profits and losses. Assumptive profits and losses accounts for general market risk. The graph below shows daily VAR of trading activities for the fiscal year ended March 31, 2019 and the corresponding paired distribution of profits and losses. We had zero case where losses exceeded VAR during the period. In addition, we conduct evaluations of the assumptions related to the VAR models. Based on the number of times losses exceeded VAR through back testing and the results of the evaluation of the model assumptions, we will make adjustments to the models as appropriate. Changes to fundamental portions of the VAR models are subject to the approval of our Group Chief Risk Officer.



Stress testing

Because the VAR method is based on statistical assumptions, we conduct stress testing to simulate the levels of losses that could be incurred in cases where the market moves suddenly to levels that exceed these assumptions. The stress testing methods we use include the calculation of losses under scenarios in which stresses are applied to interest rate risk and stock price risk based on current and projected economic conditions, historical market events, etc.

Liquidity risk management

■ Basic approach

We define liquidity risk as the risk of losses arising from funding difficulties due to a deterioration in our financial position that makes it difficult for us to raise necessary funds or that forces us to raise funds at significantly higher interest rates than usual. Mizuho Financial Group manages liquidity risk for the Mizuho group

■ Liquidity risk management structure

Our Board of Directors determines basic matters pertaining to liquidity risk management policies. The Risk Management Committee of Mizuho Financial Group broadly discusses and coordinates matters relating to basic policies in connection with liquidity risk management, operations, and monitoring, and proposes responses to emergencies such as sudden market changes. The Group Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to liquidity risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible for monitoring liquidity risk, reporting and analysing, making proposals, and formulating and implementing plans relating to liquidity risk management. In addition, the Group Chief Financial Officer of Mizuho Financial Group is additionally responsible for

■ Liquidity risk management method

We manage liquidity risk with the use of “liquidity risk management indicators” and “liquidity categorization.” The former is determined for the purpose of managing limits on funds raised in the market considering our fund raising capabilities, and the latter is determined based on our funding conditions. We also carry out liquidity stress

Liquidity risk management indicators

Limits on funds raised in the market are set based on a number of time horizons taking into account characteristics and strategies of each of our principal banking subsidiaries and other core group companies. Such limits are discussed and coordinated by the Risk Management Committee, discussed further by the Executive Management Committee, and determined by the President & Group CEO. An excess over any of these limits is immediately reported and addressed according to a pre-determined procedure.

Liquidity categorization

We have established a group-wide framework of liquidity risk stages such as “normal,” “anxious” and “crisis,” which reflects funding conditions. In addition, we set early warning indicators (“EWIs”) and monitor on a daily basis to manage funding conditions. The EWIs we use include stock prices, credit ratings, amount of liquidity reserve assets such as Japanese government bonds, and our funding situation.

as a whole. Specifically, Mizuho Financial Group establishes the fundamental liquidity risk management policy for the entire group, manages the liquidity risk of our principal banking subsidiaries and other core group companies, and monitors how the group’s liquidity risk is being managed as a whole.

matters relating to planning and running cash flow management operations, and the Financial Planning Department is responsible for monitoring and adjusting the cash flow management situation and for planning and implementing cash flow management to maintain appropriate funding liquidity. Reports on liquidity risk management are submitted to the Risk Management Committee and the Balance Sheet Management Committee (each of which is a business policy committee), the Executive Management Committee and the President & Group CEO on a regular basis.

Our principal banking subsidiaries and other core group companies also establish their basic policies on liquidity risk management to properly identify and manage liquidity risk.

testing to verify the sufficiency of liquidity reserve assets and the effectiveness of countermeasures against a possible outflow of funds during a stress event. The results of stress testing are used for cash flow management operations.

Liquidity stress testing

We carry out stress testing regularly based on market-wide factors, idiosyncratic factors of the group, and a combination of both types of factors to verify the sufficiency of liquidity reserve assets and the effectiveness of our liquidity contingency funding plans. Furthermore, we utilize stress testing for evaluating the appropriateness of our annual funding plan.

Operational risk management

Basic approach

We define operational risk as the risk of losses that may be incurred resulting from inadequate or failed internal processes or systems, human error, or external events. We control operational risk management for the Mizuho group as a whole. Considering that operational risk includes information technology risk, operations risk, legal risk, human capital risk, tangible asset risk, regulatory risk, and

reputational risk, we have separately determined the fundamental risk management policies for these different types of risk. We manage the operational risk associated with our principal banking subsidiaries and other core group companies while monitoring the state of group-wide operational risk.

	Definition	Principal risk management methods
Information technology risk	Information technology risk ("IT risk") shall refer to the risk that problems (e.g. malfunctions, disruptions, etc.) with the computer systems or improper use of the computers in these systems, which cause disruptions of the services provided to customers, or have significant impact on settlement systems, etc., will result in losses for customers, and the incurring of losses (tangible or intangible) by our group companies.	<ul style="list-style-type: none"> • Identify and evaluate the risk by setting specific standards that need to be complied with and implementing measures tailored based on evaluation results to reduce the risk. • Ensure ongoing project management in systems development and quality control. • Strengthen security to prevent information leaks. • Strengthen capabilities for rapidly and effectively dealing with cyberattacks. • Improve effectiveness of emergency responses by improving backup systems and holding drills.
Operations risk	Risk that customers may suffer service disruptions, as well as the risk that customers or the group may incur losses because senior executives or employees fail to fulfill their tasks properly, cause accidents or, otherwise act improperly.	<ul style="list-style-type: none"> • Establish clearly defined procedures for handling operations. • Periodically check the status of operational processes. • Conduct training and development programs led by Head Office. • Introduce information technology, office automation, and centralization for operations. • Improve the effectiveness of emergency responses by holding drills.
Legal risk	Risk that the group may incur losses due to violation of laws and regulations, breach of contract, entering into improper contracts or, other legal factors.	<ul style="list-style-type: none"> • Review and confirm legal issues, including the legality of material decisions, agreements and external documents, etc. • Collect and distribute legal information and conduct internal training programs. • Analyze and manage issues related to lawsuits.
Human capital risk	Risk that the group may incur losses due to turnover or loss of personnel, deterioration of morale, inadequate development of personnel, inappropriate working schedules, inappropriate working and safety environment, inequality or inequity in human resource management, or discriminatory conduct.	<ul style="list-style-type: none"> • Conduct employee satisfaction surveys. • Understand the status of working hours. • Understand the status of vacation days taken by personnel. • Understand the status of voluntary resignations. • Understand the status of the stress check system.
Tangible asset risk	Risk that the group may incur losses from damage to tangible assets or a decline in the quality of the working environment as a result of disasters, criminal actions, or defects in asset maintenance.	<ul style="list-style-type: none"> • Manage the planning and implementation of construction projects related to the repair and replacement of facilities. • Identify and evaluate the status of damage to tangible assets caused by natural disasters or other causes, and respond appropriately to such damage.
Regulatory risk	Risk that the group may incur losses due to changes in various regulations or systems, such as those related to law, taxation, and accounting.	<ul style="list-style-type: none"> • Understand important changes in regulations or systems that have significant influence on our business operations or financial condition in a timely and accurate manner. • Analyze degree of influence of regulatory changes and establish countermeasures. • Continuously monitor our regulatory risk management mentioned above.
Reputational risk	Risk that the group may incur losses due to damage to our credibility or the value of the "Mizuho" brand when market participants or others learn about, or the media reports on, various adverse events, including actual materialization of risks or false rumors.	<ul style="list-style-type: none"> • Establish framework to identify and manage, on an integrated basis, information that may have a serious impact on group management and respond to such risk in a manner appropriate to its scale and nature. • Swiftly identify rumors and devise appropriate responses depending on the urgency and possible impact of the situation to minimize possible losses.

We also recognize and manage information security risk and compliance risk, which constitute a combination of more than one of the above components, as operational risk.

■ Operational risk management structure

Our Board of Directors determines basic matters pertaining to operational risk management policies. The Risk Management Committee of Mizuho Financial Group broadly discusses and coordinates matters relating to basic policies in connection with operational risk management, operational risk operations, and operational risk monitoring. The Group Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to operational risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible for monitoring

market risk, reporting and analysing, making proposals, setting limits and guidelines, and formulating and implementing plans relating to operational risk management.

Our principal banking subsidiaries and core group companies establish their basic policies on operational risk management, and their Boards of Directors determine important matters relating to operational risk management.

■ Operational risk management method

To manage operational risk, we set common rules for data gathering to develop various databases shared by the group and measure operational risk as operational VAR on a regular basis, taking into account possible future loss events and changes in the business environment and internal management.

We have established and are strengthening management methods and systems to appropriately identify, assess, measure, monitor, and control the operational risks that arise from the growing

sophistication and diversification of financial operations and developments relating to information technology by utilizing control self-assessments and improving measurement methods.

● Control self-assessments

An autonomous method of risk management in which risk inherent in operations is identified and, after evaluating and monitoring risks that remain despite implementing risk control, the necessary measures are implemented to reduce risk.

■ Definition of risks and risk management methods

As shown in the table on the previous page, we have defined each component of operational risk, and we apply appropriate risk

management methods in accordance with the scale and nature of each risk.

■ Measurement of operational risk equivalent

1. Implementation of the Advanced Measurement Approach (AMA)

We have adopted the AMA for the calculation of operational risk equivalent in association with capital adequacy ratios based on the Basel Accords. However, we use the Basic Indicator Approach for entities that are deemed to be less important in the measurement of operational risk equivalent.

The measurement results under the AMA are used not only as the operational risk equivalent in the calculation of capital adequacy ratios but also as Operational VAR for internal risk management purposes for implementing action plans to reduce operational risk, and other countermeasures.

2. Outline of the AMA

Outline of the measurement system

We have established our model by taking account of four elements: internal loss data; external loss data; scenario analysis and business environment; and internal control factors (BEICFs). We calculate the operational risk amount by estimating the maximum loss, using a 99.9th percentile one-tailed confidence interval and a one-year holding period as operational risk equivalent, employing both internal loss data (i.e., actually experienced operational loss events), and scenario data to reflect unexperienced potential future loss events in the measurement.

In the measurement of operational risk equivalent as of March 31, 2019, we did not exclude expected losses and also did not recognize the risk mitigating impact of insurance. In addition, we did not take into account the events related to credit risk in measuring operational risk equivalent.

Outline of measurement model

Operational risk equivalent is calculated as a simple sum of those risk amounts related to the seven loss event types defined in the Capital Adequacy Notice from Japan’s Financial Services Agency, large-scale natural disasters, and litigation. In the measurement of operational risk equivalent as of March 31, 2019, we did not reflect the correlation effects among operational risk related to each of the seven loss event types.

Operational risk by loss event type

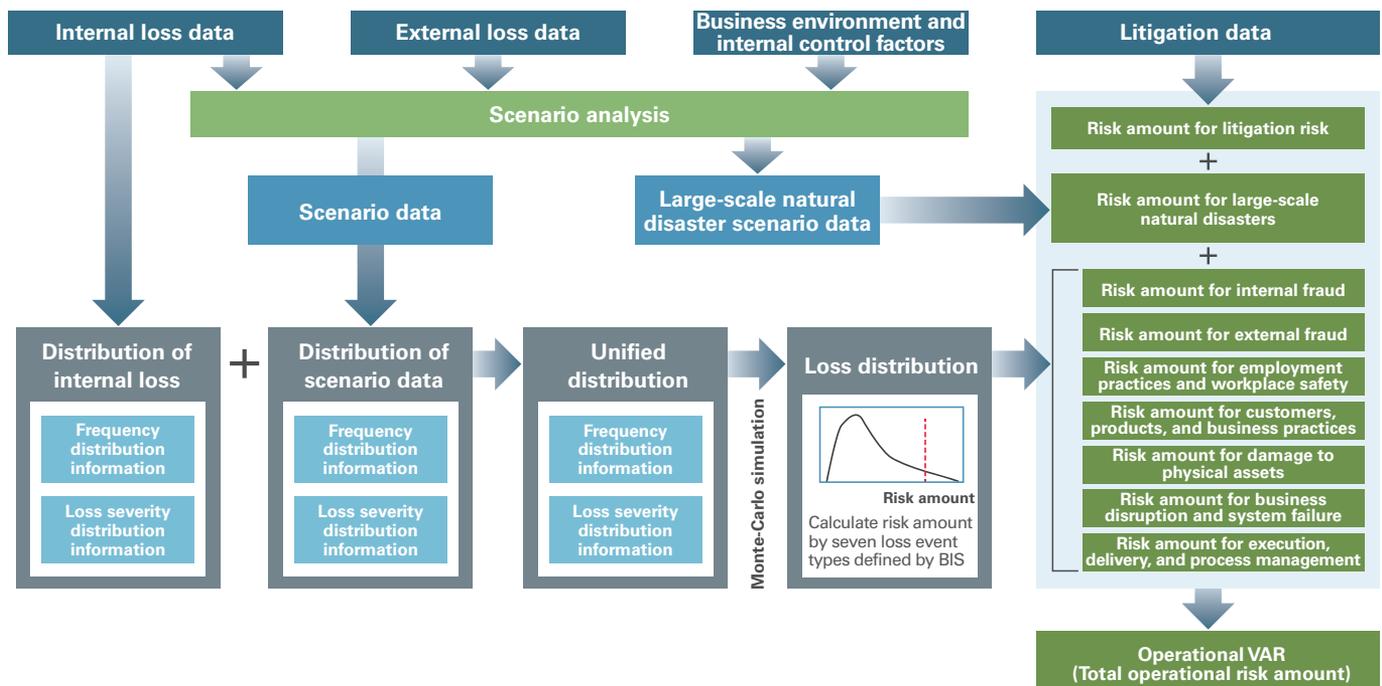
Loss Distribution (Compound Poisson Distribution) Approach (LDA) is adopted for the calculation of operational risk. LDA is based on the assumption that Poisson Distribution applies to the occurrence frequency of operational risk events, and loss severity is expressed through a separate distribution. Operational risk is calculated for each of the seven loss event types employing both internal loss data, based on our actual experience as operational loss events, and scenario data. Scenario data, expressed as numerical values of occurrence frequency and loss severity, reflects external loss data and BEICFs, in order to estimate unexperienced potential future loss events (of low frequency and high severity).

Frequency Distribution and Severity Distribution are estimated employing the above mentioned internal loss data and scenario data, and Monte-Carlo simulations are then applied to these distributions to measure operational risk. The detailed steps of creation of scenario data are explained later in the Scenario Analysis.

Estimation of Frequency Distribution and Loss Severity Distribution

Frequency Distribution is estimated by applying information on occurrence frequency of both internal loss data and scenario data to Poisson Distribution. Loss Severity Distribution is generated as the result of combining, through a statistical approach (Extreme Value Theory), of the actual distribution for the low severity distribution portion created by internal loss data and another loss distribution (Log-normal Distribution or Generalized Pareto Distribution) for the high severity distribution portion created by scenario data.

Outline of measurement model



Operational risk of large-scale natural disasters

Monte-Carlo simulation is applied to the datasets expressed as a combination of the probability of occurrence of large-scale natural disasters and the probable loss amount in case of such occurrence, as opposed to estimating Frequency Distribution and Loss Severity Distribution.

Operational risk of litigation

Each litigation is converted into data according to the profile of the individual litigation to which Monte-Carlo simulation is applied, as opposed to estimating Frequency Distribution and Loss Severity Distribution.

Verification

We confirm the appropriateness of the measurement model by verifying it, in principle, semi-annually.

3. Scenario analysis**Outline of scenario analysis**

In the process of scenario analysis, scenario data is created as numerical values of occurrence frequency and loss severity reflecting external loss data and BEICFs, in order to estimate unexperienced potential future operational risk events (of low frequency and high severity).

As for external loss data, we refer to data publicly reported by domestic and overseas media, and such data are reflected in the estimation of occurrence frequency and Loss Severity Distribution in the process of scenario analysis. In addition, BEICFs are utilized as indices to adjust occurrence frequency and Loss Severity Distribution in the process of scenario analysis.

We categorize scenario analysis into four approaches in accordance with the characteristics of each loss event type and risk management structures.

Approach	Loss event type(s) to be applied
A	Internal fraud / external fraud / clients, products, and business practices / execution, delivery, and process management
B	Employment practices and workplace safety
C	Damage to physical assets
D	Business disruption and system failure

At Mizuho Financial Group, loss event types to which Approach A is applied account for a considerable amount of operational risk. The detailed process of Approach A is explained here as a typical example of scenario analysis.

Setting units for scenario analysis

In order to ensure completeness and sufficiency, we set units that are commonly applied across group entities that adopt AMA (the "Group Entities") by referencing and categorizing risk scenarios recognized through control self-assessment, internal loss data of the Group Entities, external loss data, etc. Then each of the Group Entities selects the unit on which scenario analysis is conducted from the units established on a group-wide basis in accordance with its business activities and operational risk profile.

Estimation of occurrence frequency

Basic occurrence frequency (once a year) is calculated for each scenario analysis unit. If a certain scenario analysis unit has relevant internal loss data of a pre-determined threshold amount or above, its basic occurrence frequency is calculated based on such data, and if not, the basic occurrence frequency (the occurrence frequency per year of losses at or above a pre-determined threshold) is calculated with reference to the situation of occurrence of internal loss data of less than the threshold amount and/or external loss data. The basic occurrence frequency is then adjusted within a pre-determined range for the purpose of reflecting the most recent BEICFs to determine the final occurrence frequency.

Estimation of Loss Severity Distribution

In order to estimate Loss Severity Distribution, we use a pre-determined series of severity ranges. Basic Loss Severity Distribution is calculated for each scenario analysis unit as an occurrence ratio (in percentile figures) of loss at each severity range when losses at or above a pre-determined threshold occurred, with reference to transaction amount data, external loss data, etc. Then the basic severity distribution is adjusted, if necessary, from the viewpoint of statistical data processing to determine the final Loss Severity Distribution.

Creation of scenario data

For each scenario analysis unit, scenario data is generated as a series of combinations of occurrence frequency per year at each severity range, based on the final occurrence frequency and the final Loss Severity Distribution.

Example of scenario data						
	Severity range (¥ billion)					Total
	0.1	0.5	1	5	10	
Final loss severity distribution	40	30	15	10	5	100
Occurrence ratio (%)	40	30	15	10	5	100
Occurrence frequency (times)	0.4	0.3	0.15	0.1	0.05	1
Final occurrence frequency						

(As of July 1, 2019)

Business continuity management

In light of our social responsibility and the important role Mizuho plays within the social infrastructure as a financial institution, ensuring the continuity of financial settlement functions and the swift and efficient recovery of operations in the event of an emergency is one of our top priorities within the group.

To improve business continuity management practices across the group, we assess the potential impact of emergencies beforehand and formulate necessary countermeasures in order to minimize such impact, and to ensure the swift and efficient recovery of operations.

One of the ways in which we are working to achieve this is by establishing Crisis Management Offices within Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities that are responsible for business continuity management and our responses in the event of emergency.

These offices function as a controller in the event of an emergency that may materially impact business management, by collecting and analyzing information, formulating countermeasures, and taking other necessary action. In addition, their role includes collecting and analyzing signs and indicators of a potential crisis, and reporting their findings promptly to management.

Particular focus is placed on strengthening our response to natural disasters, covering not only earthquakes and tsunamis but also volcanic eruptions, large-scale wind or water damage, and facilitating initial responses to acts of terrorism and riots. We also focus on responses to cyberattacks that have been occurring with increasing frequency around the world.

Also, to secure the effectiveness of our measures to deal with emergencies, group-wide practice drills and training sessions are conducted on an annual basis.

Senior executives

Mizuho Financial Group

Members of the Board of Directors Executive Officers as Defined in the Companies Act

Tatsufumi Sakai

President & CEO
(Representative Executive Officer)
Group CEO

Satoshi Ishii

Senior Managing Executive Officer
Chief Digital Innovation Officer / Head of IT & Systems Group /
Head of Operations Group (CDIO & Group CIO & Group COO)

Makoto Umemiya

Managing Executive Officer
Head of Financial Control & Accounting Group (Group CFO)

Motonori Wakabayashi

Managing Executive Officer
Head of Research & Consulting Unit / Head of Risk
Management Group (Group CRO), President & CEO
of Mizuho Research Institute (appointed on June 28)

Hiroaki Ehara

Managing Executive Officer
Head of Human Resources Group (Group CHRO)

Yasuhiro Sato

Member of the Board of Directors
Chairman

Hisaaki Hirama

Member of the Board of Directors

Masahiro Kosugi

Member of the Board of Directors

Tetsuo Seki

Member of the Board of Directors (Outside Director)

Tatsuo Kainaka

Member of the Board of Directors (Outside Director)

Hirotake Abe

Member of the Board of Directors (Outside Director)

Masami Yamamoto

Member of the Board of Directors (Outside Director)

Hiroko Ota

Member of the Board of Directors (Outside Director)

Izumi Kobayashi

Member of the Board of Directors (Outside Director)

Junichi Kato

Senior Managing Executive Officer
(Representative Executive Officer)
Head of Global Markets Company

Akira Nakamura

Senior Managing Executive Officer
Head of Corporate & Institutional Company

Seiji Imai

Senior Managing Executive Officer
Head of Global Corporate Company

Masahiro Otsuka

Senior Managing Executive Officer
Head of Retail & Business Banking Company

Shuji Kojima

Managing Executive Officer
Head of Compliance Group (Group CCO)

Goji Fujishiro

Managing Executive Officer
Head of Asset Management Company / Head of
Global Products Unit

Hisashi Kikuchi

Managing Executive Officer
Head of Strategic Planning Group (Group CSO)

Executive Officers as Defined in Our Internal Regulations

Toshitsugu Okabe

Deputy Chairman & Executive Officer
In charge of Specially Assigned Matters

Daisaku Abe

Deputy Chairman & Executive Officer
Head of Internal Audit Group / In charge of Specially
Assigned Matters

Satoshi Miyazaki

Deputy President & Executive Officer
In charge of Western Japan (Kinki, Chugoku, and
Shikoku regions)

Naofumi Fuke

Senior Managing Executive Officer
Deputy Head of Retail & Business Banking Company

Teiji Teramoto

Senior Managing Executive Officer
Head of the Americas

Kenji Fujii

Managing Executive Officer
Joint Head of Research & Consulting Unit* / Joint
Head of Risk Management Group*

Yasuto Hamanishi

Managing Executive Officer
Joint Head of Corporate & Institutional Company* /
Joint Head of Global Corporate Company* / Joint Head
of Global Products Unit*

Taiji Kumagai

Managing Executive Officer
Joint Head of Compliance Group*

Masaya Oishi

Managing Executive Officer
Joint Head of Asset management Company*

Koji Arita

Managing Executive Officer
Deputy Head of Operations Group

Koji Yonei

Managing Executive Officer
Deputy Head of IT & Systems Group / General
manager of IT & Systems Promotion Department

Atsushi Takahashi

Managing Executive Officer
Joint Head of Financial Control & Accounting Group* /
Joint Head of IT & Systems Group* / Joint Head of
Operations Group*

Masatoshi Yoshihara

Managing Executive Officer
Deputy Head of Global Markets Company

Takafumi Matake

Managing Executive Officer
Joint Head of Human Resources Group*

Toshiro Egawa

Managing Executive Officer
In charge of Specific Business of Retail & Business
Banking Company

Yuzo Kanamori

Managing Executive Officer
Joint Head of Global Corporate Company* / Joint
Head of Strategic Planning Group*

Hidenobu Mukai

Managing Executive Officer
In charge of Specific Business of Retail & Business
Banking Company / Deputy Head of Digital
Innovation Strategy

Keisuke Saito

Managing Executive Officer
Joint Head of Global Products Unit*

Yasuhiro Shibata

Managing Executive Officer
Joint Head of Global Markets Company*

Yasumasa Mukai

Managing Executive Officer
In charge of Specific Business of IT & Systems Group,
President & CEO of Mizuho Information & Research
Institute

Takuo Murakami

Managing Executive Officer
Joint Head of Asset management Company*

Hiroshi Nagamine

Managing Executive Officer
Head of Europe, Middle East and Africa

Masayuki Sugawara

Managing Executive Officer
Head of East Asia

Masao Kanamaru

Managing Executive Officer
Joint Head of Global Corporate Company* / Joint
Head of Global Products Unit*

Hidekatsu Take

Managing Executive Officer
Head of Asia & Oceania excl. East Asia

Naoto Takahashi

Managing Executive Officer
In charge of Specific Business of Strategic Planning
Group / General Manager of Next-Generation IT
Systems Coordination Project Team / Joint Head of
Strategic Planning Group* / Joint Head of Financial
Control & Accounting Group*

Hiroshi Itabashi

Managing Executive Officer
Joint Head of Corporate & Institutional Company*

Hiroyuki Iijima

Managing Executive Officer
In charge of Specific Business of Retail & Business
Banking Company

Kei Umeda

Managing Executive Officer
Joint Head of Global Products Unit*

Akihito Mochizuki

Managing Executive Officer
Joint Head of Internal Audit Group*

Shoji Yakabe

Executive Officer
Joint Head of IT & Systems Group* / Joint Head of
Operations Group*

Tatsuhiko Takahashi

Executive Officer
General Manager of IT & Systems Planning
Department

Eishi Shimizu

Executive Officer
General Manager of Operations Planning Department

Yasuto Sengoku

Executive Officer
Joint Head of Internal Audit Group*

Bo Kusanagi

Executive Officer
Deputy Head of Asset Management Company

Yasuhiko Ushikubo

Executive Officer
Deputy Head of Research & Consulting Unit, Director
Senior Managing Executive Officer of Mizuho
Research Institute (appointed on June 28)

Manabu Akasaka

Executive Officer
Joint Head of Global Markets Company*

Shingo Suwabe

Executive Officer
In charge of Specific Business of IT & Systems Group,
Senior Managing Director of Mizuho Information &
Research Institute

Naoshi Inomata

Executive Officer
In charge of Specially Assigned Matters

Shinya Matake
Executive Officer
*Joint Head of Retail & Business Banking Company**

Kenya Koshimizu
Executive Officer
*Joint Head of Global Markets Company**

Masaomi Takada
Executive Officer
General Manager of Executive Secretariat

Satoshi Yoneda
Executive Officer
General Manager of Branch Banking Department

Tetsuya Akutsu
Executive Officer
General Manager of Global Corporate Coordination Department

Makoto Matsubara
Executive Officer
General Manager of Global Talent Planning and Management Department

Fumio Tajima
Executive Officer
General Manager of Global Products Coordination Department

Satoshi Asai
Executive Officer
Deputy Head of Financial Control & Accounting Group / Deputy Head of Human Resources Group

Hiroya Uchimura
Executive Officer
General Manager of Credit Risk Management Department

Nobuhiro Kaminoyama
Executive Officer
General Manager of Corporate Secretariat

Atsushi Ishisaka
Executive Officer
General Manager of Corporate & Institutional Coordination Department

Mizuho Bank

Members of the Board of Directors

Koji Fujiwara **
President & CEO (Representative Director)

Satoshi Miyazaki **
Deputy President (Representative Director)
In charge of Western Japan (Kinki, Chugoku, and Shikoku regions)

Kiyoshi Miyake **
Deputy President (Representative Director)
Head of Business Promotion

Takahiko Yasuhara**
Deputy President (Representative Director)
Head of Business Promotion

Tatsufumi Sakai
Member of the Board of Directors

Kazutoshi Narita
Member of the Board of Directors
(Audit & Supervisory Committee Member)

Toshitsugu Okabe
Member of the Board of Directors
(Audit & Supervisory Committee Member)

Yukio Machida
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Shigeo Ohara
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Toshio Kinoshita
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Seiji Koga
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Executive Officers

(Head of Each Region Outside Japan)

Teiji Teramoto
Senior Managing Executive Officer
Head of the Americas

Hiroshi Nagamine
Managing Executive Officer
Head of Europe, Middle East and Africa

Masayuki Sugawara
Managing Executive Officer
Head of East Asia

Hidekatsu Take
Managing Executive Officer
Head of Asia & Oceania excl. East Asia

Mizuho Trust & Banking

Members of the Board of Directors

Tetsuo Iimori**
President & CEO (Representative Director)

Isao Nakamura**
Deputy President (Representative Director)
Head of Business Promotion

Naoto Takahashi**
Executive Managing Director
Head of Strategic Planning, Financial Control & Accounting Group / In charge of Executive Secretariat

Tatsufumi Sakai
Member of the Board of Directors

Akira Nakamura
Member of the Board of Directors

Masahiro Otsuka
Member of the Board of Directors

Masaru Ono
Member of the Board of Directors (Outside Director)

Eiji Ogawa
Member of the Board of Directors (Outside Director)

Masato Monguchi
Member of the Board of Directors (Audit & Supervisory Committee Member)

Daisaku Abe
Member of the Board of Directors (Audit & Supervisory Committee Member)

Masayuki Satake
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Kiyotaka Fuke
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Yoshikazu Nishiwaki
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Mizuho Securities

Members of the Board of Directors

Koichi Iida**
President & CEO (Representative Director)

Atsushi Takahashi**
Deputy President (Representative Director)
Head of Financial Control & Accounting Group / Head of IT & Systems Group / Head of Operations Group / Head of Global Finance / Head of Global IT / Head of Global Operations

Masaya Oishi**
Executive Managing Director
Head of Fund Business Division / In charge of JA Sales Dept. of Global Markets Division

Yuzo Kanamori**
Executive Managing Director
Head of Strategic Planning Group / In charge of Markets Strategic Intelligence Dept. / Joint Head of Global Finance / Joint Head of Global Risk Management / Joint Head of Global IT / Joint Head of Global Operations / Joint Head of Global Compliance / Joint Head of Global Human Resources

Kosuke Nakamura
Chairman

Tatsufumi Sakai
Member of the Board of Directors

Junichi Kato
Member of the Board of Directors

Akira Nakamura
Member of the Board of Directors

Masahiro Otsuka
Member of the Board of Directors

Hidetaka Kawakita
Member of the Board of Directors (Outside Director)

Hideyuki Kawashima
Member of the Board of Directors (Audit & Supervisory Committee Member)

Daisaku Abe
Member of the Board of Directors (Audit & Supervisory Committee Member)

Yuji Yoshimasu
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Yasuhisa Hashimoto
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Masaru Ono
Member of the Board of Directors (Outside Director, Audit & Supervisory Committee Member)

Notes:

- * indicates the omission of "for cross-entity strategy"
- ** indicates directors concurrently serving as executive officers
- Executive officers, excluding the directors concurrently serving as executive officers and executive officers responsible for global regional operations of Mizuho Bank, have not been listed.
- Executive officers, excluding the directors concurrently serving as executive officers of Mizuho Trust & Banking and Mizuho Securities, have not been listed.

(As of June 21, 2019, except specially noted date of appointment)

Location of offices outside Japan (As of June 30, 2019)

Network of Mizuho Bank

Asia and Oceania (Country/Region)

Australia

Sydney Branch

Level 33, 60 Margaret Street, Sydney, N.S.W. 2000, Australia
Tel 61-2-8273-3888

Mizuho Australia Ltd.

Level 33, 60 Margaret Street, Sydney, N.S.W. 2000, Australia
Tel 61-2-8273-3888

Cambodia

Phnom Penh Branch

13A Floor, Phnom Penh Tower, #445,
Monivong Blvd (St. 93/232) Sangkat Boeung Pralit,
Khan 7 Makara, Phnom Penh, Cambodia
Tel 855-23-964-490

China

Mizuho Bank (China), Ltd.

23rd Floor, Shanghai World Financial Center,
100 Century Avenue, Pudong New Area, Shanghai
200120, The People's Republic of China
Tel 86-21-3855-8888

Mizuho Bank (China), Ltd.

Shanghai Hongqiao Sub-Branch
Room 504; 510; 511; 515 (Nominal No. Room A601;
A602; B601; B602), Hongqiao Sunnyworld Center,
No. 1226 South Shenbin Road, Minhang District,
Shanghai 201106, The People's Republic of China
Tel 86-21-3411-8688

Mizuho Bank (China), Ltd.

Shanghai Pilot Free Trade Zone Sub-Branch
Room 01, 08, 09, 10, 11, 12, 7F, Shanghai International
Communication and Trade Building, 55 Jilong Road,
Shanghai 200131, The People's Republic of China
Tel 86-21-3855-8888

Mizuho Bank (China), Ltd.

Beijing Branch
8th Floor, West Wing, World Financial Center,
No. 1 Dong San Huan Zhong Road, Chaoyang District,
Beijing 100020, The People's Republic of China
Tel 86-10-6525-1888

Mizuho Bank (China), Ltd.

Dalian Branch
23rd Floor, 24th Floor-A, Senmao Building,
147 Zhongshan Road, Xigang District,
Dalian, Liaoning Province 116011,
The People's Republic of China
Tel 86-411-8360-2543

Mizuho Bank (China), Ltd.

Guangzhou Branch
25th Floor, International Finance Place, No. 8 Huaxia Road,
Zhujiang New Town, Tianhe District, Guangzhou,
Guangdong Province 510623,
The People's Republic of China
Tel 86-20-3815-0888

Mizuho Bank (China), Ltd.

Hefei Branch
Room No. 1902-1907, No. 7 Office Building Wanda Plaza,
130 Maanshan Street, Baohe District, Hefei,
Anhui Province, The People's Republic of China
Tel 86-551-6380-0690

Mizuho Bank (China), Ltd.

Qingdao Branch
44th Floor, Qingdao International Finance Center,
59 Hong Kong Middle Road, Shinan District, Qingdao,
Shandong Province 266071,
The People's Republic of China
Tel 86-532-8097-0001

Mizuho Bank (China), Ltd.

Shenzhen Branch

30th Floor, Huanggang Business Center Tower1,
Jintian Road, Futian District, Shenzhen,
Guangdong Province 518046,
The People's Republic of China
Tel 86-755-8282-9000

Mizuho Bank (China), Ltd.

Suzhou Branch

17th Floor, Genway Building, 188 Wangdun Road,
Suzhou Industrial Park, Suzhou, Jiangsu Province 215123,
The People's Republic of China
Tel 86-512-6733-6888

Mizuho Bank (China), Ltd.

Tianjin Branch

11th Floor, International Financial Center Building,
No.136 Chifeng Road, Heping District, Tianjin,
The People's Republic of China
Tel 86-22-6622-5588

Mizuho Bank (China), Ltd.

Wuhan Branch

5th Floor, Tower A, New World Center Tower,
634 Jiefang Avenue, Hankou, Wuhan,
Hubei Province 430032,
The People's Republic of China
Tel 86-27-8342-5000

Mizuho Bank (China), Ltd.

Wuxi Branch

8th Floor, Wuxi SI Park B, No. 16 Changjiang Road,
WND, Wuxi, Jiangsu Province 214028,
The People's Republic of China
Tel 86-510-8522-3939

Mizuho Bank (China), Ltd.

Changshu Sub-Branch

Room701-704, Kechuang Building, No. 33 Dongnan Road,
Changshu New & Hi-tech Industrial Development Zone,
Jiangsu Province, 215500, The People's Republic of China
Tel 86-512-6733-6888

Mizuho Bank (China), Ltd.

Dalian Economic & Technological Development Area Sub-Branch

22nd Floor, International Business Building of Gugeng,
No. 81 Hongmei Area, Dalian Economic & Technological
Development Area, Dalian, Liaoning Province 116600,
The People's Republic of China
Tel 86-411-8793-5670

Mizuho Bank (China), Ltd.

Kunshan Sub-Branch

Room D,E, 18th Floor, Dongan Building,
No. 258 Chunxu Road, Development Zone Kunshan City,
Kunshan, Jiangsu Province 215300,
The People's Republic of China
Tel 86-512-6733-6888

Nanjing Representative Office

Room 2220, Suning Universal Hotel, 188 Guangzhou Road,
Nanjing, Jiangsu Province 210024,
The People's Republic of China
Tel 86-25-8332-9379

Xiamen Representative Office

Room 2102, The Bank Center, No. 189 Xiahe Road,
Siming District, Xiamen, Fujian Province 361003,
The People's Republic of China
Tel 86-592-239-5571

Hong Kong

Hong Kong Branch

13/F, K11 Atelier, 18 Salisbury Road Tsim Sha Tsui,
Kowloon Hong Kong, S.A.R.,
The People's Republic of China
Tel 852-2306-5000

India

Bangalore-Devanahalli Branch

#462/440/339, 2nd Floor, Near Jain Temple, N.H.7/4-207,
B.B. Road, Vijayapura Cross, Devanahalli Town,
Bangalore Rural District - 562 110, Karnataka, India
Tel 91-80-4968-2000

Chennai Branch

Unit No. 11B, 11th Floor, Prestige Palladium Bayan,
Nos. 129 to 140, Greams Road, Chennai - 600 006,
Tamil Nadu, India
Tel 91-44-4928-6600

Mumbai Branch

Level 17 TOWER-A Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai 400013, India
Tel 91-22-4911-2000

New Delhi Branch

1st Floor, DLF Capitol Point, Baba Kharag Singh Marg,
Connaught Place, New Delhi, 110001, India
Tel 91-11-3041-0900

Ahmedabad Branch

Office No. 402, 4th Floor, Commerce House-5,
Nr. Vodafone House, Prahladnagar Corporate Road,
Prahladnagar Satellite, Ahmedabad-380 051, India
Tel 91-79-4014-4666

Indonesia

PT. Bank Mizuho Indonesia

Sinar Mas Land Plaza Menara 2, 24th Floor,
Jl. M. H. Thamrin No. 51, Jakarta 10350,
Republic of Indonesia
Tel 62-21-392-5222

Korea

Seoul Branch

19th Floor, Seoul Finance Center, 136, Sejong-daero,
Jung-gu, Seoul, Korea
Tel 822-3782-8500

Malaysia

Labuan Branch

Level 9 (B) & (C), Main Office Tower,
Financial Park Labuan, Jalan Merdeka,
87000 Federal Territory of Labuan, Malaysia
Tel 60-87-417766

Labuan Branch, Kuala Lumpur Marketing Office

Level 27, Menara Maxis, Kuala Lumpur City Centre,
50088 Kuala Lumpur, Malaysia
Tel 60-3-2070-6880

Mizuho Bank (Malaysia) Berhad

Level 27, Menara Maxis, Kuala Lumpur City Centre,
50088 Kuala Lumpur, Malaysia
Tel 60-3-2058-6881

Myanmar

Yangon Branch

Sedona Business Suites, Level 4,
No. 1 Ka Ba Aye Pagoda Road, Yankin Township, Yangon,
Republic of the Union of Myanmar
Tel 95-1-860-5501

Yangon Branch Thilawa Front Office

Room No. 204, Administration Building,
Corner of Thilawa Development Road and Dagon-Thilawa
Road, Thilawa SEZ, Thanlyin Township, Yangon,
Republic of the Union of Myanmar
Tel 95-1-230-9046

Philippines

Manila Branch

25th Floor, Zuellig Building, Makati Avenue corner Paseo de
Roxas, Makati City 1225, Metro Manila, Philippines
Tel 63-2-860-3500

Singapore

Singapore Branch

12 Marina View, #08-01 Asia Square Tower 2,
Singapore 018961, Republic of Singapore
Tel 65-6805-2000

Taiwan

Kaohsiung Branch

12th Floor, No. 2, Chung Cheng 3rd Road,
Kaohsiung 800, Taiwan
Tel 886-7-236-8768

Taichung Branch

8th Floor, No. 169, Fuhui Parkway, Taichung 407, Taiwan
Tel 886-4-2374-6300

Taipei Branch

8-9th Floor, Cathay Landmark Square,
68 Zhong Xiao East Road, Xinyi District,
Taipei, Taiwan
Tel 886-2-8726-3000

Thailand

Bangkok Branch

98 Sathorn Square Office Tower 32nd – 35th floor,
North Sathorn Road, Silom, Bangrak, Bangkok 10500,
Thailand
Tel 66-2-163-2999, 2-002-0222

Eastern Seaboard Branch

300/7 ESIE Plaza 2, Unit No. 2-05 Moo 1, Tambol Ta Sit,
Amphoe Pluak Daeng, Rayong 21140, Thailand
Tel 66-3-899-7000

Vietnam

Hanoi Branch

4th Floor, 63 LTT Building, 63 Ly Thai To Street, Hanoi,
Socialist Republic of Vietnam
Tel 84-24-3936-3123/3124

Ho Chi Minh City Branch

18th Floor, Sun Wah Tower,
115 Nguyen Hue Boulevard, District 1,
Ho Chi Minh City, Socialist Republic of Vietnam
Tel 84-28-3827-8260/8292

Europe, the Middle East and Africa (Country/Region)

Austria

Mizuho Bank Europe N.V.

Vienna Branch
DC Tower 26th Floor, Donau-City-Strasse 7,
1220 Vienna, Austria
Tel 43-1-269-1000-00

Bahrain

Bahrain Representative Office

Suite 201-202, Entrance 4, 2nd Floor, Manama Center,
Manama, Bahrain
(P.O. BOX 5759, Manama, Bahrain)
Tel 973-17-224522

Belgium

Mizuho Bank Europe N.V.

Brussels Branch
Avenue Louise 480, 1050 Brussels, Belgium
Tel 32-2-645-5280

France

Paris Branch

Washington Plaza 40, rue Washington,
75408 Paris Cedex 08, France
Tel 33-1-5383-4000

Germany

Düsseldorf Branch

Benrather Strasse 18-20, 40213 Duesseldorf, FR. Germany
Tel 49-211-13020

Frankfurt Branch

TaunusTurm 34th Floor, Taunustor 1, 60310 Frankfurt am
Main, Germany
Tel 49-69-29-72-95-0

Iran

Tehran Representative Office

3rd Floor, No. 1, 14th Street, Khaled Eslamboli Avenue,
Tehran 15117, Iran
Tel 98-21-8872-6593

Italy

Milan Branch

6th Floor, Largo Augusto 7, 20122 Milan, Republic of Italy
Tel 39-02-778-0001

Saudi Arabia

Mizuho Saudi Arabia Company

North Lobby 1st Floor, Al Faisaliah Tower,
King Fahd Road, Olaya District, Riyadh 11544,
Kingdom of Saudi Arabia
Tel 966-11-273-4111

South Africa

Johannesburg Representative Office

2nd Floor, West Tower, Maude Street,
Nelson Mandela Square, Sandton 2196, South Africa,
P.O. Box 785553, Sandton 2146
Tel 27-11-881-5410

Spain

Mizuho Bank Europe N.V.

Madrid Branch
Calle Orense 34, Planta 6, Edificio Iberia Mart II,
28020 Madrid, Spain
Tel 34-91-598-2905

The Netherlands

Mizuho Bank Europe N.V.

Apolloaan 171, 1077 AS Amsterdam, The Netherlands
Tel 31-20-5734343

Turkey

Istanbul Representative Office

Office 813, Tekfen Tower 8th Floor,
Buyukdere Caddesi No. 209, 4. Levent 34394, Istanbul,
Turkey
Tel 90-212-371-8474

UAE

DIFC Branch-Dubai

The Gate Building, East Wing, Level 5, Dubai International
Financial Centre, P.O. Box No: 506607, Dubai, United Arab
Emirates
Tel 971-4-279-4400

United Kingdom

London Branch

Mizuho House, 30 Old Bailey, London EC4M 7AU, United
Kingdom
Tel 44-20-7012-4000

Russia

AO Mizuho Bank (Moscow)

5th floor, 20, bld.1, Ovchinnikovskaya nab.,
115035 Moscow, Russian Federation
Tel 7-495-212-0333

The Americas

(Country/Region)

Bahamas

Mizuho Bank (USA) Nassau Branch

308 East Bay Street, P.O. Box N-7768, Nassau, Bahamas

Brazil

Banco Mizuho do Brasil S.A.

Avenida Presidente Juscelino Kubitschek,
2041-Torre E-7 andar, Vila Olimpia, Sao Paulo, SP,
CEP. 04543-011, Brazil
Tel 55-11-5504-9844

Canada

Canada Branch

100 Yonge Street, Suite 1102, Toronto, Ontario,
Canada, M5C 2W1
Tel 1-416-874-0222

Calgary Office

Suite 1000, 888 3rd Street, South West, Calgary, Alberta,
Canada, T2P 5C5
Tel 1-403-444-5375

Cayman Islands

Cayman Branch

P. O. Box 1353, Harbour Place, 5th Floor,
103 South Church Street, George Town,
Grand Cayman KY1-1108, Cayman Islands

Chile

Santiago Representative Office

Av. Apoquindo 3472, Piso 7, Las Condes, Santiago, Chile
Tel 56-2-3203-5773

Mexico

Mexico Representative Office

Paseo de la Reforma 342, Piso 10, Colonia Juarez,
Delegacion, Cuauhtemoc, 06600, Ciudad de Mexico, Mexico
Tel 52-55-5281-5037

Mizuho Bank Mexico, S.A.

Paseo de la Reforma 342, Piso 10, Colonia Juarez,
Delegacion, Cuauhtemoc, 06600, Ciudad de Mexico, Mexico
Tel 52-55-5281-5037

Mizuho Bank Mexico, S.A.

León Office

Blvd. Paseo de los Insurgentes 3356, Torre 2,
nivel 2, Col. San Jose de las Piletas, 37530 Leon,
Guanajuato, Mexico
Tel 52-477-6885-248/249

USA

Chicago Branch

311 South Wacker Drive, Suite 2100, Chicago, IL 60606,
USA
Tel 1-312-855-1111

Los Angeles Branch

350 South Grand Avenue, Suite 1500, Los Angeles,
CA 90071, USA
Tel 1-213-243-4500

New York Branch

1251 Avenue of the Americas, New York, NY 10020, USA
Tel 1-212-282-3000

Park Avenue Branch

320 Park Avenue, New York, NY 10022, USA
Tel 1-212-282-3000

Atlanta Representative Office

3353 Peachtree Road NE, Atlanta Financial Center,
Suite 500, Atlanta, GA 30326, USA
Tel 1-404-364-1550

Dallas Representative Office

5345 Towne Square Drive, Suite 285, Plano,
TX 75024, USA
Tel 1-972-324-3350

Houston Representative Office

2700 Post Oak Blvd., Suite 1270, Houston, TX 77056, USA
Tel 1-713-499-4800

San Francisco Representative Office

235 Pine Street, Floor 19, San Francisco, CA 94104, USA
Tel 1-415-365-1750

Washington, D.C. Representative Office

1275 Pennsylvania Avenue, NW, Suite 310, Washington, DC 20004, USA
Tel 1-202-292-5080

Mizuho Bank (USA)

1251 Avenue of the Americas, New York, NY 10020, USA
Tel 1-212-282-3000

Mizuho Bank (USA)

Atlanta Representative Office
3353 Peachtree Road NE, Atlanta Financial Center,
Suite 500, Atlanta, GA 30326, USA
Tel 1-404-364-1550

Mizuho Bank (USA)

Chicago Representative Office
311 South Wacker Drive, Suite 2100, Chicago, IL 60606, USA
Tel 1-312-855-1111

Mizuho Bank (USA)

Dallas Representative Office
5345 Towne Square Drive, Suite 285, Plano, TX 75024, USA
Tel 1-972-324-3350

Mizuho Bank (USA)

Houston Representative Office
2700 Post Oak Blvd., Suite 1270, Houston, TX 77056, USA
Tel 1-713-499-4800

Mizuho Bank (USA)

Los Angeles Representative Office
350 South Grand Avenue, Suite 1500, Los Angeles, CA 90071, USA
Tel 1-213-243-4500

Mizuho Bank (USA)

Park Avenue Branch
320 Park Avenue, New York, NY 10022, USA
Tel 1-212-282-3000

Mizuho Bank (USA)

San Francisco Representative Office
235 Pine Street, Floor 19, San Francisco, CA 94104, USA
Tel 1-415-365-1750

Mizuho Alternative Investments, LLC

757 Third Avenue, 8th Floor, New York, NY 10017, USA
Tel 1-212-282-4420

Mizuho Capital Markets LLC

320 Park Avenue, 12th Floor, New York, NY 10022, USA
Tel 1-212-547-1500

Mizuho Desk (Country/Region)

UAE

Mashreqbank psc

Japan Desk, Mashreqbank Building 3F, Dubai Internet City, Mashreqbank, P.O. Box 1250, Dubai, United Arab Emirates
Tel 971-4-363-2324/2285

"Mizuho Desk"

By forming tie-ups with major financial institutions in regions where Mizuho does not possess offices, we offer our clients financial services through various institutions. (Transactions are conducted directly between the client and the local financial institution.)

Network of Mizuho Trust & Banking

Mizuho Trust & Banking (Luxembourg) S.A.

1B, rue Gabriel Lippmann, L-5365 Munsbach,
Grand Duchy of Luxembourg
Tel 352-42-16-17-1

Network of Mizuho Securities

Beijing Representative Office

8011, Chang-Fu-Gong Office Building, Jia 26,
Jianguomenwai Street, Chaoyang District,
Beijing 100022, The People's Republic of China
Tel 86-10-6523-4779

Shanghai Representative Office

T32 33rd floor, Shanghai World Financial Center,
100 Century Avenue, Pudong New Area, Shanghai
200120, The People's Republic of China
Tel 86-21-6877-8000

Mizuho Investment Consulting (Shanghai) Co., Ltd.

T51 33rd floor, Shanghai World Financial Center,
100 Century Avenue, Pudong New Area, Shanghai
200120, The People's Republic of China
Tel 86-21-6877-5888

Mizuho Investment Consulting (Shanghai) Co., Ltd. Beijing Branch

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Jianguomenwai Street, Chaoyang District, Beijing 100022,
The People's Republic of China
Tel 86-10-6526-7577

Mizuho Securities Asia Limited

14-15/F, K11 Atelier, 18 Salisbury Road,
Tsim Sha Tsui, Kowloon, Hong Kong, S.A.R.,
The People's Republic of China
Tel 852-2685-2000

Mizuho Securities Asia Limited, Seoul Branch

20th Floor, Seoul Finance Center, 136,
Sejongdaero, Jung-gu, Seoul, 04520, Korea
Tel 822-2206-1800

Mizuho Securities Asia Limited (Sydney Office)

Level 33, 60 Margaret Street, Sydney, N.S.W. 2000,
Australia
Tel 612-8114-4511

Mizuho Securities India Private Limited

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Senapati Bapat Marg, Lower Parel, Mumbai 400013, India
Tel 91-22-4353-7600

Mizuho Securities (Singapore) Pte. Ltd.

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Singapore 018961
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Mizuho (Switzerland) Ltd

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Tel 41-44-216-9111

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Asset Management One International Ltd.

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Investor information

Date of establishment

January 8, 2003

Paid-in capital

¥2,256.7 billion

Issued shares

25,392,498,945 shares

Number of shareholders

Common stock: 999,140

Major shareholders (common stock)

	Shares held	Percentage of shares outstanding (%)
1 The Master Trust Bank of Japan, Ltd. (Trustee account)	1,360,079,600	5.35
2 Japan Trustee Services Bank, Ltd. (Trustee account)	1,065,112,500	4.19
3 Japan Trustee Services Bank, Ltd. (Trustee account 5)	525,839,800	2.07
4 Japan Trustee Services Bank, Ltd. (Trustee account 9)	516,271,400	2.03
5 JP Morgan Chase Bank 385151	393,575,328	1.55
6 State Street Bank West Client – Treaty 505234	392,747,217	1.54
7 Japan Trustee Services Bank, Ltd. (Trustee account 1)	349,978,800	1.37
8 Japan Trustee Services Bank, Ltd. (Trustee account 7)	339,733,700	1.33
9 Japan Trustee Services Bank, Ltd. (Trustee account 2)	325,188,100	1.28
10 Japan Trustee Services Bank, Ltd. (Trustee account 4)	288,707,000	1.13

Notes: 1. Figures for the Percentage of Shares Outstanding are rounded down to the nearest second decimal place.
2. The Percentages of Shares Outstanding are calculated by excluding the treasury stock (6,520,138 shares).

(As of March 31, 2019)

Stock listing (common stock)

Tokyo Stock Exchange

Accounting auditors

Ernst & Young ShinNihon LLC

Shareholder register manager

Mizuho Trust & Banking Co., Ltd.

Share unit

100 shares

Fiscal year

April 1 to March 31

Convocation of general meetings of shareholders

An ordinary general meeting of shareholders of the Company shall be convened no later than 3 months from the last day of each business year and an extraordinary general meeting of shareholders shall be convened whenever necessary.

Record date

1. The Company shall deem shareholders having voting rights appearing in writing or electronically in the register of shareholders as of the end of March 31 of each year as the shareholders who are entitled to exercise their rights at the ordinary general meeting of shareholders for the relevant business year.
2. The provision of the preceding paragraph shall apply mutatis mutandis to the record date for voting rights at the general meetings of holders of classes of stock, where there is a matter to be resolved at an ordinary general meeting of shareholders that requires, in addition to such resolution, a resolution by the relevant general meeting of holders of class of stock.
3. In addition to the preceding two paragraphs, the Company may set an extraordinary record date, when necessary, by a determination by Executive Officer(s) under the authority delegated by the Board of Directors and upon giving a prior public notice thereof.

Organizations that decide dividends from surplus

The Company shall decide distribution of dividends from surplus and other matters provided for in each item of Article 459, Paragraph 1 of the Companies Act of Japan, not by a resolution of a general meeting of shareholders, but by a resolution of the Board of Directors, unless otherwise provided for in laws or regulations.

Record date for distribution of dividends from surplus

The record dates for distribution of dividends from surplus of the Company shall be March 31 and September 30 of each year.

ADR* information

Outline of Mizuho Financial Group's ADR

1. Exchange : New York Stock Exchange
2. Ticker symbol : MFG
3. CUSIP : 60687Y109
4. Conversion ratio : 1 ADR = 2 common shares
5. Depository bank : The Bank of New York Mellon
6. Local custodian bank : Mizuho Bank, Ltd.

* ADRs are securities issued for the purpose of trading in the US in place of the underlying stock of foreign companies. As ADRs are registered with the SEC as US securities, they are traded, settled and held in custody in substantially the same manner as the stocks of US companies. ADR is an acronym for American Depositary Receipts.



Financial Analysis [Under Japanese GAAP]

125	Key Indicators of Mizuho Financial Group, Inc.
127	Status of Asset Quality

Key Indicators of Mizuho Financial Group, Inc.

● Key Indicators of Mizuho Financial Group, Inc. (Consolidated)

As of or for the Fiscal Years ended March 31,	Billions of yen				
	2019	2018	2017	2016	2015
Total Income	¥3,936.9	¥3,590.8	¥3,351.7	¥3,235.6	¥3,180.8
Profit Attributable to Owners of Parent	96.5	576.5	603.5	670.9	611.9
Comprehensive Income	(110.5)	765.5	558.1	304.5	1,941.0
Net Assets	9,194.0	9,821.2	9,273.3	9,353.2	9,800.5
Total Assets	200,792.2	205,028.3	200,508.6	193,458.5	189,684.7
Deposits	137,649.5	136,463.8	130,676.4	117,456.6	113,452.4
Loans and Bills Discounted	78,456.9	79,421.4	78,337.7	73,708.8	73,415.1
Securities	29,774.4	34,183.0	32,353.1	39,505.9	43,278.7
Net Assets per Share (Yen)	345.00	357.41	335.96	322.46	322.86
Profit Attributable to Owners of Parent per Share (Yen)	3.80	22.72	23.86	26.94	24.91
Diluted Profit Attributable to Owners of Parent per Share (Yen)	3.80	22.72	23.78	26.42	24.10
Total Capital Ratio (International Standard (Basel III)) (Note)	18.85%	18.24%	16.28%	15.41%	14.58%
Tier 1 Capital Ratio (International Standard (Basel III)) (Note)	15.94%	15.44%	13.30%	12.64%	11.50%
Common Equity Tier 1 Capital Ratio (International Standard (Basel III)) (Note)	12.76%	12.49%	11.34%	10.50%	9.43%
Net Return on Equity	1.0%	6.5%	7.2%	8.3%	8.6%
PER (Times)	44.99x	8.42x	8.54x	6.23x	8.47x
Cash Flow from Operating Activities	(2,636.0)	2,966.7	4,690.1	4,104.1	6,654.9
Cash Flow from Investing Activities	5,487.1	(2,316.1)	5,796.3	3,687.8	2,619.2
Cash Flow from Financing Activities	(18.6)	149.9	(24.5)	(521.0)	(903.4)
Cash and Cash Equivalents at the end of the fiscal year	44,254.8	46,334.3	45,523.6	35,089.1	27,840.7

Note: Total Capital Ratio, Tier 1 Capital Ratio and Common Equity Tier 1 Capital Ratio are based on the "Standards for Determining the Status of Capital Adequacy in consideration of assets held by a bank holding company and by its subsidiaries, in accordance with Banking Law Article 52-25" (Financial Services Agency Ordinance Announcement No.20, March 27, 2006)

● Key Indicators of Mizuho Financial Group, Inc. (Non-Consolidated)

Billions of yen

As of or for the Fiscal Years ended March 31,	2019	2018	2017	2016	2015
Operating Income	¥331.3	¥305.0	¥378.0	¥333.5	¥377.7
Net Income	354.5	257.1	326.6	304.3	349.0
Common Stock and Preferred Stock	2,256.7	2,256.5	2,256.2	2,255.7	2,255.4
Number of Shares Issued and Outstanding					
$\left(\begin{array}{c} \text{Common Stock} \\ \text{Eleventh Series Class XI Preferred Stock} \end{array} \right)$	$\left(\begin{array}{c} 25,392,498,945\text{shares} \\ \text{—shares} \end{array} \right)$	$\left(\begin{array}{c} 25,389,644,945\text{shares} \\ \text{—shares} \end{array} \right)$	$\left(\begin{array}{c} 25,386,307,945\text{shares} \\ \text{—shares} \end{array} \right)$	$\left(\begin{array}{c} 25,030,525,657\text{shares} \\ 914,752,000\text{shares} \end{array} \right)$	$\left(\begin{array}{c} 24,621,897,967\text{shares} \\ 914,752,000\text{shares} \end{array} \right)$
Net Assets	5,518.7	5,441.3	5,342.5	5,197.2	5,096.2
Total Assets	11,637.1	10,587.7	9,269.3	7,064.2	6,603.1
Net Assets per Share (Yen)	217.52	214.43	210.51	203.58	198.15
Dividends per Share (Yen) (Interim Dividends per Share) (Yen)					
Common Stock	7.5	7.5	7.5	7.5	7.5
Eleventh Series Class XI Preferred Stock (Note)	—	—	—	20	20
$\left(\begin{array}{c} \text{Common Stock} \\ \text{Eleventh Series Class XI Preferred Stock (Note)} \end{array} \right)$	$\left(\begin{array}{c} 3.75 \\ \text{—} \end{array} \right)$	$\left(\begin{array}{c} 3.75 \\ \text{—} \end{array} \right)$	$\left(\begin{array}{c} 3.75 \\ \text{—} \end{array} \right)$	$\left(\begin{array}{c} 3.75 \\ 10 \end{array} \right)$	$\left(\begin{array}{c} 3.5 \\ 10 \end{array} \right)$
Net Income per Share (Yen)	13.97	10.13	12.91	12.17	14.11
Diluted Net Income per Share (Yen)	13.97	10.13	12.86	11.98	13.74
PER (Times)	12.25x	18.88x	15.79x	13.81x	14.95x
Dividend Propensity	53.65%	73.98%	58.06%	61.62%	53.12%

Note: Mizuho Financial Group Inc. ("MHFG") acquired all of the Eleventh Series Class XI Preferred Stock as of July 1, 2016 that had not been requested for acquisition by June 30, 2016 and cancelled all of the Eleventh Series Class XI Preferred Stock held by MHFG on July 13, 2016. Accordingly, the cash dividends per share of the Eleventh Series Class XI Preferred Stock for the fiscal year ended March 31, 2017 and after have not been recorded.

Financial Analysis
Status of Asset Quality

○ Credit-related Costs

Credit-related Costs (Consolidated)

		Billions of yen		
For the Fiscal Years ended March 31,		2019	2018	Change
Credit-related Costs		¥19.5	¥(156.3)	¥175.8
Expenses related to Portfolio Problems (including Reversal of (Provision for) General Reserve for Possible Losses on Loans)		30.7	17.0	13.6
<i>Losses on Write-offs of Loans</i>		26.3	15.5	10.8
Gains on Reversal of Reserves for Possible Losses on Loans and others		(11.1)	(173.3)	162.1
Credit Costs for Trust Accounts		—	—	—

○ Overview of Non-performing Loans (NPLs) as of March 31, 2019 (the Two Banks) (Banking Accounts)

1. SELF-ASSESSMENT					2. Non Performing Loans based on the Financial Reconstruction Act		3. Non-Accrual, Past Due & Restructured Loans		
Obligor	Categorization	Non-Categorization	Category II	Category III	Category IV				
Bankrupt and Substantially Bankrupt Obligors 52.9	52.9		Collateral, Guarantees, etc.: 46.0 Reserves for Possible Losses: 6.8	Reserve Ratio 100%	Direct Write-offs	Claims against Bankrupt and Substantially Bankrupt Obligors 52.9		Loans to Bankrupt Obligors 10.3	
						Coverage Ratio 100%			
Intensive Control Obligors 344.9	257.7		Collateral, Guarantees, etc.: 129.1 Reserves for Possible Losses: 128.6	87.1	Reserve Ratio 59.6%	Claims with Collection Risk 344.9		Non-Accrual Delinquent Loans 346.6	
						Coverage Ratio 74.7%		40.8 (Notes 2)	
Watch Obligors	Claims for Special Attention 159.7	Reserve Ratio against Uncovered Portion 19.6%		Claims against Special Attention Obligors -Coverage Ratio: 50.5% -Reserve Ratio for Uncovered Portion: 20.5% -Reserve Ratio against Total Amount of Claims: 12.7% Reserve Ratio against Total Amount of Claims ·Other Watch Obligors: 2.46% ·Normal Obligors: 0.05%	Claims for Special Attention (Notes 1) 159.7 Coverage Ratio 46.9%	Loans Past Due for 3 Months or More 0.4			
		Collateral, Guarantees, etc.: 54.3 Reserves for Possible Losses: 20.6				Restructured Loans 159.3			
	Special Attention Obligors								
Other Watch Obligors									
Normal Obligors						Total Coverage Ratio 69.3%			
Total 89,787.4						Total 557.6		Total 516.8	

Billions of yen

Notes: 1. Claims for Special Attention is denoted on an individual loans basis. Claims against Special Attention Obligors includes all claims, not limited to Claims for Special Attention.
 2. The difference between total Non-Accrual, Past Due & Restructured Loans and total Non Performing Loans based on the FRA represents the amount of claims other than loans included in Non Performing Loans based on the FRA.

○ Status of Non Performing Loans based on the FRA

Non Performing Loans based on the FRA (Consolidated)

(Consolidated)

As of March 31,	Billions of yen		
	2019	2018	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥59.7	¥87.3	¥(27.5)
Claims with Collection Risk	358.8	291.7	67.1
Claims for Special Attention	195.8	241.3	(45.5)
Total	¥614.4	¥620.4	¥(6.0)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	Billions of yen		
	2019	2018	Change
Amount of Partial Direct Write-offs	¥92.0	¥96.8	¥(4.8)

(Trust Accounts)

As of March 31,	Billions of yen		
	2019	2018	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥—	¥—	¥—
Claims with Collection Risk	2.7	2.8	(0.0)
Claims for Special Attention	—	—	—
Total	¥2.7	¥2.8	¥(0.0)

(Consolidated and Trust Accounts)

As of March 31,	Billions of yen		
	2019	2018	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥59.7	¥87.3	¥(27.5)
Claims with Collection Risk	3,61.6	294.5	67.0
Claims for Special Attention	1,95.8	241.3	(45.5)
Total	¥617.2	¥623.3	¥(6.1)

○ **Status of Non-Accrual, Past Due & Restructured Loans (Consolidated)**

(Consolidated)

Non-Accrual, Past Due & Restructured Loans

As of March 31,	2019	2018	Change
Loans to Bankrupt Obligors	¥11.3	¥21.2	¥(9.8)
Non-Accrual Delinquent Loans	379.2	332.7	46.5
Loans Past Due for Three Months or More	0.4	0.6	(0.1)
Restructured Loans	195.3	240.7	(45.4)
Total	¥586.4	¥595.3	¥(8.9)

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	2019	2018	Change
Amount of Partial Direct Write-offs	¥87.4	¥92.0	¥(4.6)

Ratio to Total Loans

As of March 31,	2019	2018	Change
Loans to Bankrupt Obligors	0.01%	0.02%	(0.01)%
Non-Accrual Delinquent Loans	0.48	0.41	0.06
Loans Past Due for Three Months or More	0.00	0.00	(0.00)
Restructured Loans	0.24	0.30	(0.05)
Non-Accrual, Past Due & Restructured Loans / Total Loans	0.74%	0.74%	(0.00)%

Note: Above figures are presented net of partial direct write-offs.

Reserves for Possible Losses on Loans

As of March 31,	2019	2018	Change
Reserves for Possible Losses on Loans	¥287.8	¥315.6	¥(27.8)
General Reserve for Possible Losses on Loans	136.0	200.6	(64.5)
Specific Reserve for Possible Losses on Loans	151.7	115.0	36.7
Reserve for Possible Losses on Loans to Restructuring Countries	0.0	0.0	0.0

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	2019	2018	Change
Amount of Partial Direct Write-offs	¥92.2	¥97.1	¥(4.8)

Reserve Ratios for Non-Accrual, Past Due & Restructured Loans

As of March 31,	2019	2018	Change
After Partial Direct Write-offs	49.07%	53.01%	(3.93)%

Note: Reserve Ratio = Reserves for Possible Losses on Loans / Total Non-Accrual, Past Due & Restructured Loans.

(Trust Accounts)

Non-Accrual, Past Due & Restructured Loans

Billions of yen

As of March 31,	2019	2018	Change
Loans to Bankrupt Obligors	¥—	¥—	¥—
Non-Accrual Delinquent Loans	2.7	2.8	(0.0)
Loans Past Due for Three Months or More	—	—	—
Restructured Loans	—	—	—
Total	¥2.7	¥2.8	¥(0.0)

Ratio to Total Loans

%

As of March 31,	2019	2018	Change
Loans to Bankrupt Obligors	—%	—%	—%
Non-Accrual Delinquent Loans	28.15	25.16	2.98
Loans Past Due for Three Months or More	—	—	—
Restructured Loans	—	—	—
Non-Accrual, Past Due & Restructured Loans / Total Loans	28.15%	25.16%	2.98%

(Consolidated and Trust Accounts)

Non-Accrual, Past Due & Restructured Loans

Billions of yen

As of March 31,	2019	2018	Change
Loans to Bankrupt Obligors	¥11.3	¥21.2	¥(9.8)
Non-Accrual Delinquent Loans	381.9	335.5	46.4
Loans Past Due for Three Months or More	0.4	0.6	(0.1)
Restructured Loans	195.3	240.7	(45.4)
Total	¥589.1	¥598.1	¥(8.9)

Note: Above figures are presented net of partial direct write-offs.

Ratio to Total Loans

%

As of March 31,	2019	2018	Change
Loans to Bankrupt Obligors	0.01%	0.02%	(0.01)%
Non-Accrual Delinquent Loans	0.48	0.42	0.06
Loans Past Due for Three Months or More	0.00	0.00	(0.00)
Restructured Loans	0.24	0.30	(0.05)
Non-Accrual, Past Due & Restructured Loans / Total Loans	0.75%	0.75%	(0.00)%

Note: Above figures are presented net of partial direct write-offs.

○ **Status of Loans by Industry**

Outstanding Balances by Industry (Consolidated)

As of March 31,	Billions of yen, %					
	2019		2018		Change	
	Outstanding Balance	Composition	Outstanding Balance	Composition	Outstanding Balance	Composition
Domestic Total (excluding Loans Booked Offshore)	¥53,453.4	100.00%	¥57,614.2	100.00%	¥(4,160.7)	/
Manufacturing	9,444.3	17.67	8,039.8	13.95	1,404.4	3.72%
Agriculture & Forestry	47.4	0.09	38.2	0.07	9.2	0.02
Fishery	2.1	0.00	2.4	0.00	(0.2)	(0.00)
Mining, Quarrying Industry & Gravel Extraction Industry	247.1	0.46	221.5	0.38	25.5	0.08
Construction	673.3	1.26	633.6	1.10	39.6	0.16
Utilities	2,805.4	5.25	2,446.5	4.25	358.8	1.00
Communication	1,283.5	2.40	1,486.1	2.58	(202.6)	(0.18)
Transportation & Postal Industry	2,299.4	4.30	2,068.6	3.59	230.8	0.71
Wholesale & Retail	4,875.7	9.12	4,713.3	8.18	162.4	0.94
Finance & Insurance	4,437.5	8.30	4,532.2	7.87	(94.7)	0.43
Real Estate	8,129.1	15.21	7,481.6	12.99	647.5	2.22
Commodity Lease	2,267.8	4.24	2,148.5	3.73	119.2	0.51
Service Industries	2,874.1	5.38	2,878.1	4.99	(4.0)	0.39
Local Governments	794.3	1.49	931.6	1.62	(137.3)	(0.13)
Governments	1,564.4	2.93	7,946.6	13.79	(6,382.1)	(10.86)
Other	11,707.4	21.90	12,044.7	20.91	(337.3)	0.99
Overseas Total (including Loans Booked Offshore)	25,003.4	100.00	21,807.2	100.00	3,196.1	/
Governments	346.0	1.38	258.3	1.19	87.7	0.19
Financial Institutions	7,817.9	31.27	6,211.2	28.48	1,606.6	2.79
Other	16,839.4	67.35	15,337.6	70.33	1,501.7	(2.98)
Total	¥78,456.9	/	¥79,421.4	/	¥(964.5)	/

Notes :1. Domestic Total = MHFG and its domestic consolidated subsidiaries (excluding their overseas offices).

Overseas Total = Overseas offices of MHFG's domestic consolidated subsidiaries and MHFG's overseas consolidated subsidiaries

2. As for Overseas Total (including Loans Booked Offshore), parts of Loans which have been included in Governments are included in Financial Institutions and Other.

○ **Status of Loans by Nationality of Borrowers**

Balance of Loans to Restructuring Countries (Consolidated)

As of March 31, 2019	Billions of yen, %	As of March 31, 2018	Billions of yen, %
Zambia	¥0.0	Argentina	¥0.0
Argentina	0.0		
Total	¥0.0	Total	¥0.0
Ratio to Total Assets	0.00%	Ratio to Total Assets	0.00%

Note: Listed are loans to the government and related agents in restructuring countries for which Reserves for Possible Losses on Loans to Restructuring Countries are accounted as stipulated under the Japanese Institute of Certified Public Accountants (JICPA) Banking Audit Committee Report No.4.



Financial Data of Mizuho Financial Group, Inc.
[Under Japanese GAAP]

133	Independent Auditor's Report
134	Consolidated Financial Statements
146	Notes to Consolidated Financial Statements



Independent Auditor's Report

The Board of Directors
Mizuho Financial Group, Inc.

We have audited the accompanying consolidated financial statements of Mizuho Financial Group, Inc. and its consolidated subsidiaries, which comprise the consolidated balance sheet as of March 31, 2019, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mizuho Financial Group, Inc. and its consolidated subsidiaries as of March 31, 2019, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 19, 2019
Tokyo, Japan

Consolidated Financial Statements**Consolidated Balance Sheet**

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars (Note 1)
			2019
Assets			
Cash and Due from Banks (Notes 16, 38, 40 and 41)	¥ 45,108,602	¥ 47,725,360	\$ 406,347,202
Call Loans and Bills Purchased (Note 40)	648,254	715,149	5,839,602
Receivables under Resale Agreements (Note 40)	12,997,628	8,080,873	117,085,207
Guarantee Deposits Paid under Securities Borrowing Transactions (Note 40)	2,578,133	4,350,527	23,224,336
Other Debt Purchased (Notes 40 and 41)	2,828,959	2,713,742	25,483,830
Trading Assets (Notes 9, 16, 40 and 41)	12,043,608	10,507,133	108,491,204
Money Held in Trust (Notes 40 and 41)	351,889	337,429	3,169,888
Securities (Notes 10, 16, 25, 40 and 41)	29,774,489	34,183,033	268,214,477
Loans and Bills Discounted (Notes 11, 16 and 40)	78,456,935	79,421,473	706,755,565
Foreign Exchange Assets (Note 12)	1,993,668	1,941,677	17,959,355
Derivatives other than for Trading Assets (Notes 40 and 42)	1,328,227	1,807,999	11,964,937
Other Assets (Notes 13, 16 and 41)	4,229,589	4,588,484	38,100,976
Tangible Fixed Assets (Notes 14, 27 and 39)	1,037,006	1,111,128	9,341,555
Intangible Fixed Assets (Note 39)	620,231	1,092,708	5,587,172
Net Defined Benefit Asset (Note 24)	982,804	996,173	8,853,293
Deferred Tax Assets (Note 26)	37,960	47,839	341,954
Customers' Liabilities for Acceptances and Guarantees (Note 25)	6,062,053	5,723,186	54,608,173
Reserves for Possible Losses on Loans (Notes 15 and 40)	(287,815)	(315,621)	(2,592,697)
Total Assets	¥ 200,792,226	¥ 205,028,300	\$ 1,808,776,029

Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars (Note 1)
			2019
Liabilities and Net Assets			
Liabilities			
Deposits (Notes 16, 17 and 40)	¥ 137,649,596	¥ 136,463,824	\$ 1,239,974,748
Call Money and Bills Sold (Notes 18 and 40)	2,841,931	2,105,293	25,600,682
Payables under Repurchase Agreements (Notes 16 and 40)	14,640,439	16,656,828	131,883,966
Guarantee Deposits Received under Securities Lending Transactions (Notes 16 and 40)	1,484,584	1,566,833	13,373,429
Commercial Paper (Note 19)	941,181	710,391	8,478,350
Trading Liabilities (Notes 9 and 40)	8,325,520	8,121,543	74,997,931
Borrowed Money (Notes 16, 20 and 40)	3,061,504	4,896,218	27,578,633
Foreign Exchange Liabilities (Note 12)	669,578	445,804	6,031,699
Short-term Bonds (Note 21)	355,539	362,185	3,202,767
Bonds and Notes (Notes 22 and 40)	8,351,071	7,544,256	75,228,098
Due to Trust Accounts (Note 40)	1,102,073	4,733,131	9,927,700
Derivatives other than for Trading Liabilities (Notes 40 and 42)	1,165,602	1,514,483	10,499,973
Other Liabilities (Note 23)	4,512,325	3,685,585	40,647,922
Reserve for Bonus Payments	68,117	66,872	613,615
Reserve for Variable Compensation	2,867	3,242	25,829
Net Defined Benefit Liability (Note 24)	60,873	58,890	548,357
Reserve for Director and Corporate Auditor Retirement Benefits	1,389	1,460	12,516
Reserve for Possible Losses on Sales of Loans	630	1,075	5,684
Reserve for Contingencies	4,910	5,622	44,233
Reserve for Reimbursement of Deposits	19,068	20,011	171,775
Reserve for Reimbursement of Debentures	25,566	30,760	230,304
Reserves under Special Laws	2,473	2,361	22,281
Deferred Tax Liabilities (Note 26)	185,974	421,002	1,675,296
Deferred Tax Liabilities for Revaluation Reserve for Land (Note 27)	63,315	66,186	570,358
Acceptances and Guarantees (Note 25)	6,062,053	5,723,186	54,608,173
Total Liabilities	¥ 191,598,188	¥ 195,207,054	\$ 1,725,954,319
Net Assets			
Common Stock (Note 28)	¥ 2,256,767	¥ 2,256,548	\$ 20,329,407
Capital Surplus	1,138,449	1,134,922	10,255,379
Retained Earnings	3,915,521	4,002,835	35,271,792
Treasury Stock (Note 28)	(7,703)	(5,997)	(69,398)
Total Shareholders' Equity	7,303,034	7,388,309	65,787,180
Net Unrealized Gains (Losses) on Other Securities (Note 41)	1,186,401	1,392,392	10,687,343
Deferred Gains or Losses on Hedges	(22,282)	(67,578)	(200,726)
Revaluation Reserve for Land (Note 27)	137,772	144,277	1,241,083
Foreign Currency Translation Adjustments	(111,057)	(85,094)	(1,000,431)
Remeasurements of Defined Benefit Plans (Note 24)	254,936	293,536	2,296,519
Total Accumulated Other Comprehensive Income	1,445,770	1,677,534	13,023,788
Stock Acquisition Rights (Note 29)	707	1,163	6,369
Non-controlling Interests	444,525	754,239	4,004,373
Total Net Assets	9,194,038	9,821,246	82,821,710
Total Liabilities and Net Assets	¥ 200,792,226	¥ 205,028,300	\$ 1,808,776,029

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars (Note 1)
			2019
Income			
Interest Income (Note 30)	¥ 2,056,327	¥ 1,622,354	\$ 18,523,800
Fiduciary Income	55,153	55,400	496,838
Fee and Commission Income	765,977	766,612	6,900,078
Trading Income (Note 31)	299,355	276,616	2,696,656
Other Operating Income (Note 32)	312,815	304,214	2,817,905
Other Income (Note 34)	447,300	565,683	4,029,367
Total Income	3,936,930	3,590,881	35,464,644
Expenses			
Interest Expenses (Note 30)	1,293,846	814,988	11,655,221
Fee and Commission Expenses	155,550	152,262	1,401,226
Trading Expenses (Note 31)	1,987	829	17,906
Other Operating Expenses (Note 33)	225,509	141,760	2,031,429
General and Administrative Expenses	1,430,850	1,488,973	12,889,381
Other Expenses (Note 35)	712,927	192,113	6,422,189
Total Expenses	3,820,670	2,790,927	34,417,352
Income before Income Taxes	116,259	799,953	1,047,292
Income Taxes:			
Current	161,376	190,158	1,453,715
Deferred	(163,879)	1,469	(1,476,258)
Total Income Taxes	(2,502)	191,627	(22,543)
Profit	118,762	608,326	1,069,835
Profit Attributable to Non-controlling Interests	22,196	31,778	199,948
Profit Attributable to Owners of Parent	¥ 96,566	¥ 576,547	\$ 869,887

Per Share of Common Stock

As of March 31,	Yen		U.S. dollars (Note 1)	
	2019	2018	2019	
Net Income:				
Basic	¥ 3.80	¥ 22.72	\$	0.03
Diluted	3.80	22.72		0.03
Cash Dividends	7.50	7.50		0.07

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Comprehensive Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)	
	2019	2018	2019	
Profit	¥ 118,762	¥ 608,326	\$	1,069,835
Other Comprehensive Income (Note 36):	(229,304)	157,233		(2,065,620)
Net Unrealized Gains (Losses) on Other Securities	(207,505)	102,332		(1,869,246)
Deferred Gains or Losses on Hedges	45,391	(77,205)		408,892
Revaluation Reserve for Land	—	(133)		—
Foreign Currency Translation Adjustments	(23,882)	(10,949)		(215,137)
Remeasurements of Defined Benefit Plans	(35,577)	149,473		(320,492)
Share of Other Comprehensive Income of Associates				
Accounted for Using Equity Method	(7,730)	(6,284)		(69,637)
Comprehensive Income	¥ (110,542)	¥ 765,559	\$	(995,785)
Comprehensive Income Attributable to Owners of Parent:	¥ (128,692)	¥ 734,303	\$	(1,159,287)
Comprehensive Income Attributable to Non-controlling Interests:	18,150	31,255		163,502

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets

Millions of yen

For the Fiscal Year ended March 31, 2019	Shareholders' Equity				Total Shareholders' Equity
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	
Balance as of the beginning of the period	¥ 2,256,548	¥ 1,134,922	¥ 4,002,835	¥ (5,997)	¥ 7,388,309
Changes during the period					
Issuance of New Shares	218	218			437
Cash Dividends			(190,384)		(190,384)
Profit Attributable to Owners of Parent			96,566		96,566
Repurchase of Treasury Stock				(3,001)	(3,001)
Disposition of Treasury Stock		(23)		1,295	1,271
Transfer from Revaluation Reserve for Land			6,504		6,504
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders		3,331			3,331
Net Changes in Items other than Shareholders' Equity					
Total Changes during the period	218	3,526	(87,313)	(1,706)	(85,274)
Balance as of the end of the period	¥ 2,256,767	¥ 1,138,449	¥ 3,915,521	¥ (7,703)	¥ 7,303,034

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets—(Continued)

Millions of yen

	Accumulated Other Comprehensive Income						Total Accumulated Other Comprehensive Income	Stock Acquisition Rights	Non- Controlling Interests	Total Net Assets
	Net Unrealized Gains (Losses) on Other Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasure- ments of Defined Benefit Plans					
For the Fiscal Year ended March 31, 2019										
Balance as of the beginning of the period	¥ 1,392,392	¥ (67,578)	¥ 144,277	¥ (85,094)	¥ 293,536	¥ 1,677,534	¥ 1,163	¥ 754,239	¥ 9,821,246	
Changes during the period										
Issuance of New Shares									437	
Cash Dividends									(190,384)	
Profit Attributable to Owners of Parent									96,566	
Repurchase of Treasury Stock									(3,001)	
Disposition of Treasury Stock									1,271	
Transfer from Revaluation Reserve for Land									6,504	
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders									3,331	
Net Changes in Items other than Shareholders' Equity	(205,990)	45,295	(6,504)	(25,963)	(38,600)	(231,763)	(456)	(309,713)	(541,934)	
Total Changes during the period	(205,990)	45,295	(6,504)	(25,963)	(38,600)	(231,763)	(456)	(309,713)	(627,208)	
Balance as of the end of the period	¥ 1,186,401	¥ (22,282)	¥ 137,772	¥ (111,057)	¥ 254,936	¥ 1,445,770	¥ 707	¥ 444,525	¥ 9,194,038	

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets—(Continued)

Millions of yen					
Shareholders' Equity					
For the Fiscal Year ended March 31, 2018	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance as of the beginning of the period	¥ 2,256,275	¥ 1,134,416	¥ 3,615,449	¥ (4,849)	¥7,001,291
Changes during the period					
Issuance of New Shares	273	273			546
Cash Dividends			(190,360)		(190,360)
Profit Attributable to Owners of Parent			576,547		576,547
Repurchase of Treasury Stock				(2,431)	(2,431)
Disposition of Treasury Stock		(53)		1,283	1,229
Transfer from Revaluation Reserve for Land			1,198		1,198
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders		287			287
Net Changes in Items other than Shareholders' Equity					
Total Changes during the period	273	506	387,385	(1,148)	387,017
Balance as of the end of the period	¥ 2,256,548	¥ 1,134,922	¥ 4,002,835	¥ (5,997)	¥ 7,388,309

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets—(Continued)

Millions of yen

	Accumulated Other Comprehensive Income						Stock Acquisition Rights	Non-Controlling Interests	Total Net Assets
	Net Unrealized Gains (Losses) on Other Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
For the Fiscal Year ended March 31, 2018									
Balance as of the beginning of the period	¥ 1,289,985	¥ 10,172	¥ 145,609	¥ (69,657)	¥ 144,866	¥ 1,520,976	¥ 1,754	¥ 749,339	¥ 9,273,361
Changes during the period									
Issuance of New Shares									546
Cash Dividends									(190,360)
Profit Attributable to Owners of Parent									576,547
Repurchase of Treasury Stock									(2,431)
Disposition of Treasury Stock									1,229
Transfer from Revaluation Reserve for Land									1,198
Change in Treasury Shares of Parent Arising from Transactions with Non-controlling Shareholders									287
Net Changes in Items other than Shareholders' Equity	102,407	(77,750)	(1,331)	(15,437)	148,670	156,558	(590)	4,899	160,867
Total Changes during the period	102,407	(77,750)	(1,331)	(15,437)	148,670	156,558	(590)	4,899	547,884
Balance as of the end of the period	¥ 1,392,392	¥ (67,578)	¥ 144,277	¥ (85,094)	¥ 293,536	¥ 1,677,534	¥ 1,163	¥ 754,239	¥ 9,821,246

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets—(Continued)

Thousands of U.S. dollars (Note 1)

For the Fiscal Year ended March 31, 2019	Shareholders' Equity					Total Shareholders' Equity
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock		
Balance as of the beginning of the period	\$ 20,327,435	\$ 10,223,610	\$ 36,058,329	\$ (54,026)		\$ 66,555,348
Changes during the period						
Issuance of New Shares	1,972	1,972				3,944
Cash Dividends			(1,715,022)			(1,715,022)
Profit Attributable to Owners of Parent			869,887			869,887
Repurchase of Treasury Stock				(27,040)		(27,040)
Disposition of Treasury Stock		(212)		11,668		11,456
Transfer from Revaluation Reserve for Land			58,598			58,598
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders		30,009				30,009
Net Changes in Items other than Shareholders' Equity						
Total Changes during the period	1,972	31,769	(786,537)	(15,372)		(768,168)
Balance as of the end of the period	\$ 20,329,407	\$ 10,255,379	\$ 35,271,792	\$ (69,398)		\$ 65,787,180

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets—(Continued)

Thousands of U.S. dollars (Note 1)

	Accumulated Other Comprehensive Income							Stock Acquisition Rights	Non- Controlling Interests	Total Net Assets
	Net Unrealized Gains (Losses) on Other Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasure- ments of Defined Benefit Plans	Total Accumulated Other Comprehensive Income				
For the Fiscal Year ended March 31, 2019										
Balance as of the beginning of the period	\$ 12,542,950	\$ (608,759)	\$ 1,299,681	\$ (766,550)	\$ 2,644,238	\$ 15,111,560	\$ 10,484	\$ 6,794,337	\$ 88,471,729	
Changes during the period										
Issuance of New Shares									3,944	
Cash Dividends									(1,715,022)	
Profit Attributable to Owners of Parent									869,887	
Repurchase of Treasury Stock									(27,040)	
Disposition of Treasury Stock									11,456	
Transfer from Revaluation Reserve for Land									58,598	
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders									30,009	
Net Changes in Items other than Shareholders' Equity	(1,855,607)	408,033	(58,598)	(233,881)	(347,719)	(2,087,772)	(4,115)	(2,789,964)	(4,881,851)	
Total Changes during the period	(1,855,607)	408,033	(58,598)	(233,881)	(347,719)	(2,087,772)	(4,115)	(2,789,964)	(5,650,019)	
Balance as of the end of the period	\$ 10,687,343	\$ (200,726)	\$ 1,241,083	\$ (1,000,431)	\$ 2,296,519	\$ 13,023,788	\$ 6,369	\$ 4,004,373	\$ 82,821,710	

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Cash Flows

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars (Note 1)
			2019
Cash Flow from Operating Activities			
Income before Income Taxes	¥ 116,259	¥ 799,953	\$ 1,047,292
Depreciation	168,200	173,660	1,515,180
Losses on Impairment of Fixed Assets	503,612	6,960	4,536,639
Amortization of Goodwill	4,080	4,154	36,754
Equity in Loss (Gain) from Investments in Affiliates	(51,215)	(21,474)	(461,357)
Increase (Decrease) in Reserves for Possible Losses on Loans	(26,910)	(194,197)	(242,419)
Increase (Decrease) in Reserve for Possible Losses on Sales of Loans	(444)	777	(4,002)
Increase (Decrease) in Reserve for Contingencies	183	207	1,649
Increase (Decrease) in Reserve for Bonus Payments	591	(18)	5,326
Increase (Decrease) in Reserve for Variable Compensation	(375)	223	(3,382)
Decrease (Increase) in Net Defined Benefit Asset	(57,863)	(24,803)	(521,244)
Increase (Decrease) in Net Defined Benefit Liability	2,497	3,756	22,500
Increase (Decrease) in Reserve for Director and Corporate Auditor Retirement Benefits	(41)	175	(374)
Increase (Decrease) in Reserve for Reimbursement of Deposits	(942)	939	(8,489)
Increase (Decrease) in Reserve for Reimbursement of Debentures	(5,194)	(1,959)	(46,796)
Interest Income—accrual basis	(2,056,327)	(1,622,354)	(18,523,800)
Interest Expenses—accrual basis	1,293,846	814,988	11,655,221
Losses (Gains) on Securities	(195,755)	(263,312)	(1,763,407)
Losses (Gains) on Money Held in Trust	(40)	(139)	(369)
Foreign Exchange Losses (Gains)—net	(170,422)	229,892	(1,535,202)
Losses (Gains) on Disposition of Fixed Assets	1,976	1,495	17,801
Losses (Gains) on Cancellation of Employee Retirement Benefit Trust	(7,841)	(26,032)	(70,642)
Decrease (Increase) in Trading Assets	(1,536,520)	(132,951)	(13,841,280)
Increase (Decrease) in Trading Liabilities	227,455	154,664	2,048,961
Decrease (Increase) in Derivatives other than for Trading Assets	485,333	354,027	4,371,976
Increase (Decrease) in Derivatives other than for Trading Liabilities	(355,068)	(260,185)	(3,198,527)
Decrease (Increase) in Loans and Bills Discounted	(2,407,594)	(1,431,302)	(21,688,091)
Increase (Decrease) in Deposits	2,806,760	6,171,313	25,283,851
Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowed Money)	(1,800,307)	(1,371,484)	(16,217,527)
Decrease (Increase) in Due from Banks (excluding Due from Central Banks)	611,070	(9,678)	5,504,645
Decrease (Increase) in Call Loans, etc.	(4,807,554)	1,030,590	(43,307,397)
Decrease (Increase) in Guarantee Deposits Paid under Securities Borrowing Transactions	1,772,393	(1,000,475)	15,966,070
Increase (Decrease) in Call Money, etc.	1,748,141	122,103	15,747,605
Increase (Decrease) in Commercial Paper	199,104	(37,576)	1,793,571
Increase (Decrease) in Guarantee Deposits Received under Securities Lending Transactions	(82,249)	(112,466)	(740,918)
Decrease (Increase) in Foreign Exchange Assets	(34,376)	(141,992)	(309,670)
Increase (Decrease) in Foreign Exchange Liabilities	223,848	(80,565)	2,016,472
Increase (Decrease) in Short-term Bonds (Liabilities)	(6,646)	135,837	(59,871)
Increase (Decrease) in Bonds and Notes	¥ 286,158	¥ (411,073)	\$ 2,577,769

Consolidated Statement of Cash Flows—(Continued)

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars (Note 1)
			2019
Increase (Decrease) in Due to Trust Accounts	¥ (10,232)	¥ (50,946)	\$ (92,173)
Interest and Dividend Income—cash basis	2,027,241	1,602,227	18,261,794
Interest Expenses—cash basis	(1,250,247)	(797,725)	(11,262,478)
Other—net	(75,059)	(475,640)	(676,150)
Subtotal	(2,460,479)	3,139,593	(22,164,489)
Cash Refunded (Paid) in Income Taxes	(175,617)	(172,892)	(1,581,993)
Net Cash Provided by (Used in) Operating Activities	(2,636,096)	2,966,701	(23,746,482)
Cash Flow from Investing Activities			
Payments for Purchase of Securities	(52,363,143)	(60,973,137)	(471,697,532)
Proceeds from Sale of Securities	38,799,373	42,292,827	349,512,417
Proceeds from Redemption of Securities	19,211,836	16,679,426	173,064,020
Payments for Increase in Money Held in Trust	(109,630)	(155,042)	(987,570)
Proceeds from Decrease in Money Held in Trust	94,984	61,626	855,637
Payments for Purchase of Tangible Fixed Assets	(42,703)	(57,974)	(384,685)
Payments for Purchase of Intangible Fixed Assets	(111,595)	(181,647)	(1,005,270)
Proceeds from Sale of Tangible Fixed Assets	7,811	16,385	70,369
Proceeds from Sale of Intangible Fixed Assets	—	0	—
Proceeds from Sales of Stocks of Subsidiaries (affecting the scope of consolidation)	219	1,337	1,977
Net Cash Provided by (Used in) Investing Activities	5,487,153	(2,316,197)	49,429,363
Cash Flow from Financing Activities			
Proceeds from Subordinated Borrowed Money	10,000	35,000	90,082
Repayments of Subordinated Borrowed Money	(45,000)	(69,000)	(405,369)
Proceeds from Issuance of Subordinated Bonds	510,000	574,000	4,594,181
Payments for Redemption of Subordinated Bonds	(5,000)	(172,600)	(45,041)
Proceeds from Issuance of Common Stock	2	3	26
Proceeds from Investments by Non-controlling Shareholders	3,514	1,450	31,658
Repayments to Non-controlling Shareholders	(275,079)	(1,065)	(2,477,967)
Cash Dividends Paid	(190,413)	(190,382)	(1,715,281)
Cash Dividends Paid to Non-controlling Shareholders	(25,494)	(25,832)	(229,657)
Payments for Repurchase of Treasury Stock	(2,124)	(1,611)	(19,135)
Proceeds from Sale of Treasury Stock	952	0	8,584
Net Cash Provided by (Used in) Financing Activities	(18,640)	149,962	(167,919)
Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	(32,656)	10,203	(294,179)
Net Increase (Decrease) in Cash and Cash Equivalents	2,799,759	810,670	25,220,783
Cash and Cash Equivalents at the beginning of the fiscal year	46,334,334	45,523,663	417,388,831
Decrease in Cash and Cash Equivalents resulting from Exclusion of Subsidiaries from Consolidation	(4,879,218)	—	(43,952,963)
Cash and Cash Equivalents at the end of the fiscal year (Note 38)	¥ 44,254,874	¥ 46,334,334	\$ 398,656,651

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Notes to Consolidated Financial Statements

1. Basis for Presentation

The accompanying consolidated financial statements have been prepared from the accounts maintained by Mizuho Financial Group, Inc. (“MHFG”) and its consolidated subsidiaries in accordance with the provisions set forth in the Company Law of Japan and the Financial Instruments and Exchange Law, and in conformity with accounting principles generally accepted in Japan (“Japanese GAAP”) which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements which were previously filed with the Director General of the Kanto Local Finance Bureau are reclassified for the convenience of readers outside Japan. The notes to the consolidated financial statements include information which is not required under Japanese GAAP but is presented herein as additional information.

The amounts indicated in millions of yen are rounded down by truncating the figures below one million. Totals may not add up exactly because of such truncation. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019 has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

2. Scope of Consolidation

(a) The consolidated financial statements include the accounts of MHFG and its consolidated subsidiaries (collectively, “the Group”), including Mizuho Bank, Ltd. (“MHBK”), Mizuho Trust & Banking Co., Ltd. (“MHTB”), Mizuho Securities Co., Ltd. (“MHSC”) and certain other subsidiaries. The numbers of consolidated subsidiaries as of March 31, 2019 and 2018 were 117 and 124, respectively.

During the period, Mizuho Americas Services LLC and 3 other companies were newly included in the scope of consolidation as a result of establishment.

During the period, Trust & Custody Services Bank Ltd. (“TCSB”), a consolidated subsidiary of MHFG, implemented joint share transfer with Japan Trustee Services Bank, Ltd. (“JTSB”) and incorporated JTC Holdings, Ltd., a holding company whose shareholders are TCSB’s and JTSB’s existing shareholders. As a result, TCSB and JTSB became wholly-owned subsidiaries of JTC Holdings, Ltd.

TCSB was excluded from the scope of consolidation as a result of the aforementioned joint share transfer, and 10 other companies were excluded from the scope of consolidation as a result of dissolution and other factors.

(b) There were no non-consolidated subsidiaries as of March 31, 2019 and 2018.

3. Application of the Equity Method

(a) There were no non-consolidated subsidiaries under the equity method as of March 31, 2019 and 2018.

(b) The numbers of affiliates under the equity method as of March 31, 2019 and 2018 were 22 and 19, respectively.

Investments in affiliates include JTC Holdings, Ltd., Orient Corporation, Joint Stock Commercial Bank for Foreign Trade of Vietnam and certain other affiliates.

During the period, JTC Holdings, Ltd. and 2 other companies were newly included in the scope of the equity method as a result of the aforementioned joint share transfer, and IBJ Leasing Company, Limited was newly included in the scope of the equity method as a result of increasing the shares.

During the period, MIC Asia Technology Limited Liability Fund was excluded from the scope of equity method as a result of dissolution.

(c) There were no non-consolidated subsidiaries not under the equity method as of March 31, 2019 and 2018.

(d) Pec International Leasing Co., Ltd., an affiliate not under the equity method, is not accounted for under the equity method, as it is not significant to the consolidated financial statements of MHFG.

4. Balance Sheet Dates of Consolidated Subsidiaries

(a) Balance sheet dates of consolidated subsidiaries for the fiscal year ended March 31, 2019 are as follows:

July 31	1 company
December 29	3 companies
December 31	46 companies
March 31	67 companies

(b) Consolidated subsidiaries with balance sheet dates of December 29 were consolidated based on their tentative financial statements as of and for the period ended December 31.

The consolidated subsidiary with balance sheet dates of July 31 was consolidated based on its tentative financial statement as of and for the period ended the consolidated balance sheet date.

Other consolidated subsidiaries were consolidated based on their financial statements as of and for the period ended their respective balance sheet dates.

The necessary adjustments have been made to the financial statements for any significant transactions that took place between their respective balance sheet dates and the date of the consolidated financial statements.

5. Standards of Accounting Method

(1) Credited Loans pursuant to Trading Securities and Trading Income & Expenses

Credited loans held for the purpose of trading are, in line with trading securities, recognized on a trade date basis and recorded in Other Debt Purchased on the consolidated balance sheet. Other Debt Purchased related to the relevant credited loans is stated at fair value at the consolidated balance sheet date.

Interest received and the gains or losses on the sale of the relevant credited loans during the fiscal year, including the gains or losses resulting from any change in the value between the beginning and the end of the fiscal year, are recognized in Other Operating Income and Other Operating Expenses on the consolidated statement of income.

(2) Trading Assets & Liabilities and Trading Income & Expenses

Trading transactions intended to take advantage of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices are recognized on a trade-date basis and recorded in Trading Assets or Trading Liabilities on the consolidated balance sheet. Income or expenses generated on the relevant trading transactions are recorded in Trading Income or Trading Expenses on the consolidated statement of income.

Securities and other monetary claims held for trading purposes are stated at fair value at the consolidated balance sheet date. Derivative financial products, such as swaps, futures and option transactions, are stated at their fair values, assuming that such transactions are terminated and settled at the consolidated balance sheet date.

Trading Income and Trading Expenses include the interest received and paid during the fiscal year, the gains or losses resulting from any change in the value of securities and other monetary claims between the beginning and the end of the fiscal year, and the gains or losses resulting from any change in the value of financial derivatives between the beginning and the end of the fiscal year, assuming they were settled at the end of the fiscal year.

(3) Securities

In accordance with "Accounting Standard for Financial Instruments" (the Business Accounting Deliberation Council, January 22, 1999), MHFG classifies securities, excluding those of investments in non-consolidated subsidiaries and affiliates, into three categories based upon management's intent. These securities are accounted for as follows:

- (i) Trading securities are carried at market value and included in Trading Assets.
- (ii) Bonds held to maturity are stated at amortized cost (straight-line method) and determined by the moving average method.
- (iii) Other securities are securities which are not classified as either trading securities or bonds held to maturity. Other securities which have readily determinable fair value are stated at fair value with changes in net unrealized gains or losses, net of applicable income taxes after excluding gains and losses as a result of the fair-value hedge method, included directly in Net Assets. The fair value of Japanese stocks is determined based on the average quoted market price over the month preceding the consolidated balance sheet date. The fair value of securities other than Japanese stocks is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method). Other securities, the fair values of which are extremely difficult to determine, are stated at acquisition cost or amortized cost which is determined by the moving average method.

In addition, investments in affiliates not under the equity method are stated at acquisition cost as determined by the moving average method.

Securities which are held as trust assets in Money Held in Trust accounts are valued in the same way as Securities above.

Certain Securities other than Trading Securities (excluding Securities for which it is deemed to be extremely difficult to determine the fair value) are devalued to the fair value, and the difference between the acquisition cost and the fair value is treated as a loss for the fiscal year ("impairment (devaluation)"), if the fair value (primarily the closing market price at the consolidated balance sheet date) has significantly deteriorated compared with the acquisition cost (including amortized cost), and unless it is deemed that there is a possibility of a recovery in the fair value. The amounts of impairment (devaluation) were ¥4,736 million (\$42,665 thousand) and ¥3,424 million for the fiscal years ended March 31, 2019 and 2018, respectively.

The criteria for determining whether a security's fair value has "significantly deteriorated" are outlined as follows:

- Security whose fair value is 50% or less of the acquisition cost
- Security whose fair value exceeds 50% but is 70% or less of the acquisition cost and the quoted market price maintains a certain level or lower

(4) Bills Discounted

In accordance with "Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks" (The Japanese Institute of Certified Public Accountants ("JICPA") Industry Audit Committee Report No. 24), bills discounted are accounted for as financing transactions. The banking subsidiaries have rights to sell or pledge these commercial bills, foreign exchange bills purchased and others. The face value of these bills amounted to ¥1,487,045 million (\$13,395,596 thousand) and ¥1,405,238 million as of March 31, 2019 and 2018, respectively.

(5) Derivative Transactions

Derivative transactions are valued at fair value with changes in fair value included in current income. Derivatives qualifying as hedges are mainly accounted for using either the fair-value hedge method or the deferred method of hedge accounting (see (22) Hedge Accounting).

(6) Tangible Fixed Assets (Except for Lease Assets)

Depreciation of buildings is computed mainly by the straight-line method, and that of others is computed mainly by the declining-balance method. The range of useful lives is as follows:

- Buildings 3 years to 50 years
- Others 2 years to 20 years

(7) Intangible Fixed Assets (Except for Lease Assets)

Amortization of Intangible Fixed Assets is computed by the straight-line method. Development costs for internally-used software are capitalized and amortized over their estimated useful lives of mainly from five to ten years as determined by MHFG and its consolidated subsidiaries.

(8) Lease Assets

Depreciation of lease assets booked in Tangible Fixed Assets and Intangible Fixed Assets which are concerned with finance lease transactions that do not transfer ownership is mainly computed by the same method as the one applied to fixed assets owned by us.

(9) Deferred Assets

Bond issuance costs are expensed as incurred.

(10) Reserves for Possible Losses on Loans

Reserves for Possible Losses on Loans of major domestic consolidated subsidiaries are maintained in accordance with internally established standards for write-offs and reserve provisions:

- For claims extended to obligors that are legally bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws (“Bankrupt Obligors”), and to obligors that are effectively in similar conditions (“Substantially Bankrupt Obligors”), reserves are maintained at the amounts of claims net of direct write-offs described below and the expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.
- For claims extended to obligors that are not yet legally or formally bankrupt but are likely to be bankrupt (“Intensive Control Obligors”), reserves are maintained at the amounts deemed necessary based on overall solvency analyses of the amounts of claims net of expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.
- For claims extended to Intensive Control Obligors and Obligors with Restructured Loans (defined in Note 11 below) and others, if the exposure to an obligor exceeds a certain specific amount, reserves are provided as follows:
 - (i) if future cash flows of the principal and interest can be reasonably estimated, the discounted cash flow method is applied, under which the reserve is determined as the difference between the book value of the loan and its present value of future cash flows discounted using the contractual interest rate before the loan was classified as a Restructured Loan, and
 - (ii) if future cash flows of the principal and interest cannot be reasonably estimated, reserves are provided for the losses estimated for each individual loan.
- For claims extended to other obligors, reserves are maintained at rates derived from historical credit loss experience and other factors.
- Reserve for Possible Losses on Loans to Restructuring Countries is maintained in order to cover possible losses based on analyses of the political and economic climates of the countries. All claims are assessed by each claim origination department in accordance with the internally established “Self-assessment Standard,” and the results of the assessments are verified and examined by the independent examination departments.

In the case of claims to Bankrupt Obligors and Substantially Bankrupt Obligors, which are collateralized or guaranteed by a third party, the amounts deemed uncollectible (calculated by deducting the anticipated proceeds from the sale of collateral pledged against the claims and amounts that are expected to be recovered from guarantors of the claims) are written off against the respective claim balances. The total directly written-off amounts were ¥92,269 million (\$831,181 thousand) and ¥97,112 million as of March 31, 2019 and 2018, respectively.

Other consolidated subsidiaries provide the amount necessary to cover the loan losses based upon past experience and other factors for general claims and the assessment for each individual loan for other claims.

(11) Reserve for Possible Losses on Investments

Reserve for Possible Losses on Investments is maintained to provide against possible losses on investments in securities, after taking into consideration the financial condition and other factors concerning the investee company.

(12) Reserve for Bonus Payments

Reserve for Bonus Payments, which is provided for future bonus payments to employees, is maintained at the amount accrued at the end of the fiscal year, based on the estimated future payments.

(13) Reserve for Variable Compensation

To prepare for the payments of performance payments and stock compensation to be paid as variable compensation within compensation for directors, executive officers and specialist officers of Mizuho Financial Group, Inc., Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd., the estimated payment based on the standard amount regarding variable compensation of the fiscal year is provided.

(14) Reserve for Director and Corporate Auditor Retirement Benefits

Reserve for Director and Corporate Auditor Retirement Benefits, which is provided for future retirement benefit payments to directors, corporate auditors, and executive officers, is recognized at the amount accrued by the end of the fiscal year, based on the internally established standards.

(15) Reserve for Possible Losses on Sales of Loans

Reserve for Possible Losses on Sales of Loans is provided for possible future losses on sales of loans at the amount deemed necessary based on a reasonable estimate of possible future losses.

(16) Reserve for Contingencies

Reserve for Contingencies is maintained to provide against possible losses from contingencies which are not covered by other specific reserves. The balance is an estimate of possible future losses considered to require a reserve.

(17) Reserve for Reimbursement of Deposits

Reserve for Reimbursement of Deposits is provided against the losses for the deposits derecognized from liabilities at the estimated amount of future claims for withdrawal by depositors.

(18) Reserve for Reimbursement of Debentures

Reserve for Reimbursement of Debentures is provided for the debentures derecognized from liabilities at the estimated amount for future claims.

(19) Reserve under Special Laws

Reserve under Special Laws is Reserve for Contingent Liabilities from Financial Instruments and Exchange of ¥2,473 million (\$22,281 thousand) and ¥2,361 million as of March 31, 2019 and 2018, respectively. This is the reserve pursuant to Article 46-5 of the Financial Instruments and Exchange Law and Article 175 of the Cabinet Office Ordinance regarding Financial Instruments Business, etc. to indemnify the losses incurred from accidents in the purchase and sale of securities, other transactions or derivative transactions.

(20) Accounting Method for Retirement Benefits

In calculating retirement benefit obligations, a benefit formula basis is used as a method of attributing expected retirement benefits to the period up to the end of this fiscal year. Unrecognized actuarial differences are recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the employees (mainly 10 years) of the respective fiscal years.

Certain consolidated subsidiaries apply the simplified method that assumes the amount required for voluntary resignation at the end of the term to be retirement benefit obligations in computing net defined benefit liability and retirement benefit expenses.

(21) Assets and Liabilities Denominated in Foreign Currencies

Assets and liabilities denominated in foreign currencies and accounts of overseas branches of domestic consolidated banking subsidiaries and a domestic consolidated trust banking subsidiary are translated into Japanese yen primarily at the exchange rates in effect at the consolidated balance sheet date, with the exception of the investments in affiliates not under the equity method, which are translated at historical exchange rates.

Assets and liabilities denominated in foreign currencies of the consolidated subsidiaries, except for the transactions mentioned above, are translated into Japanese yen primarily at the exchange rates in effect at the respective balance sheet dates.

(22) Hedge Accounting

(a) Interest Rate Risk

The deferred method, the fair-value hedge method or the exceptional accrual method for interest rate swaps are applied as hedge accounting methods.

The portfolio hedge transaction for a large volume of small-value monetary claims and liabilities of domestic consolidated banking subsidiaries and some of domestic consolidated trust banking subsidiaries is accounted for by the method stipulated in the JICPA Industry Audit Committee Report No.24, February 13, 2002.

The effectiveness of hedging activities for the portfolio hedge transaction for a large volume of small-value monetary claims and liabilities is assessed as follows:

- (i) as for hedging activities to offset market fluctuation risks, the effectiveness is assessed by bracketing both the hedged instruments, such as deposits and loans, and the hedging instruments, such as interest-rate swaps, in the same maturity bucket.
- (ii) as for hedging activities to fix the cash flows, the effectiveness is assessed based on the correlation between the base interest rate index of the hedged instrument and that of the hedging instrument.

The effectiveness of the individual hedge is assessed based on the comparison of the fluctuation in the market or of cash flows of the hedged instruments with that of the hedging instruments.

(b) Foreign Exchange Risk

Domestic consolidated banking subsidiaries and some of domestic consolidated trust banking subsidiaries apply the deferred method of hedge accounting to hedge foreign exchange risks associated with various financial assets and liabilities denominated in foreign currencies as stipulated in the “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks” (JICPA Industry Audit Committee Report No.25, July 29, 2002). The effectiveness of the hedge is assessed by confirming that the amount of the foreign currency position of the hedged monetary claims and liabilities is equal to or larger than that of currency swap transactions, exchange swap transactions, and similar transactions designated as the hedging instruments of the foreign exchange risk.

In addition to the above methods, these subsidiaries apply the deferred method or the fair-value hedge method to portfolio hedges of the foreign exchange risks associated with investments in subsidiaries and affiliates denominated in foreign currency and Other securities denominated in foreign currency (except for bonds) identified as hedged items in advance, as long as the amount of foreign currency payables of spot and forward foreign exchange contracts exceeds the amount of acquisition cost of the hedged foreign securities denominated in foreign currency.

(c) Inter-company Transactions

Inter-company interest rate swaps, currency swaps and similar derivatives among consolidated companies or between trading accounts and other accounts, which are designated as hedges, are not eliminated and related gains and losses are recognized in the statement of income or deferred under hedge accounting, because these inter-company derivatives are executed according to the criteria for appropriate outside third-party cover operations which are treated as hedge transactions objectively in accordance with JICPA Industry Audit Committee Reports No.24 and 25.

As for certain assets and liabilities of MHFG and its consolidated subsidiaries, the deferred method, the fair-value hedge method or the exceptional accrual method for interest rate swaps are applied.

(23) Consumption Taxes and Other

With respect to MHFG and its domestic consolidated subsidiaries, Japanese consumption taxes and local consumption taxes are excluded from transaction amounts.

(24) Amortization Method of Goodwill and Amortization Period

Goodwill is amortized over an appropriate period not to exceed 20 years under the straight-line method. The full amount of Goodwill that has no material impact is expensed as incurred.

(25) Scope of Cash and Cash Equivalents on Consolidated Statement of Cash Flows

In the consolidated statement of cash flows, Cash and Cash Equivalents consist of cash and due from central banks included in "Cash and Due from Banks" on the consolidated balance sheet.

6. Issued but not yet Adopted Accounting Standard and Others

- Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan ("ASBJ") Statement No.29, March 30, 2018)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No.30, March 30, 2018)

(1) Overview

International Accounting Standards Board ("IASB") and Financial Accounting Standards Board ("FASB") jointly established the comprehensive accounting standard for revenue recognition and announced "Revenue from contracts with customers" (International Financial Reporting Standards ("IFRS") 15 / FASB Topic 606). Considering the application of IFRS 15 from the fiscal year beginning on and after January 1, 2018 and Topic 606 from the fiscal year beginning after December 15, 2017, ASBJ has established the comprehensive accounting standard for revenue recognition and announced the accounting standard together with the guidance.

As a basic policy of ASBJ in establishing the accounting standard for revenue recognition, the accounting standard was determined with the adoption of the basic principles of IFRS 15 at first from the standpoint of the comparability between financial statements that is one of conveniences provided by ensuring consistency with IFRS 15. If there were items that should give consideration to practical businesses conducted in Japan, the alternative treatment shall be added as long as comparability is not harmed.

(2) Scheduled Date of Application

Mizuho Financial Group is scheduled to apply this accounting standard from the beginning of the consolidated fiscal year starting on April 1, 2021.

(3) Effect of Application of this accounting standard

The effect of the application of this accounting standard is under consideration.

7. Additional Information

(The Board Benefit Trust ("BBT") Program)

Since MHFG operates its business to contribute to the creation of value for diverse stakeholders and realize improved corporate value through the continuous and stable growth of MHFG group pursuant to MHFG's basic management policy defined under the Mizuho Financial Group's Corporate Identity, MHFG has introduced a stock compensation program using a trust (the "Program") that functions as an incentive for each Director, Executive Officer, and Specialist Officer to exert maximum effort in performing his or her duties, and also as consideration for such exertion of effort.

(1) Outline of the Program

The Program has adopted the Board Benefit Trust ("BBT") framework. MHFG's shares on the stock market will be acquired through a trust established based on the underlying funds contributed by MHFG, and MHFG's shares will be distributed to Directors, Executive Officers, and Specialist Officers of MHFG, Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd. (the "Company Group") in accordance with the Rules on Distribution of Shares to be prescribed in advance. The framework consists of the stock compensation program based on the Company Group Officer's position in their respective company ("Stock Compensation I") and the stock compensation program based on the performance evaluation of the Company Group ("Stock Compensation II").

Stock Compensation I will be paid at the time of retirement in the form of shares of MHFG calculated based on their position. A system is adopted which enables a decrease or forfeiture of the amount depending on the performance of the company or the individual.

Stock Compensation II will be paid in the form of shares of MHFG and will be deferred over three years, which is calculated based on the Company Group's performance, the performance of organizations (in-house companies and units, etc.) that each Company Group Officer is in charge of and the performance of each Company Group Officer. A system is adopted which enables a decrease or forfeiture of the amount depending on the performance of the company or the individual.

Upon the payment of stock compensation under the Program, MHFG may, for a certain portion, pay a monetary amount equivalent to the market value of its stock in lieu of stock compensation in accordance with the Rules on Distribution of Shares.

Voting rights related to MHFG's shares belonging to the trust assets under the trust shall not be exercised.

(2) MHFG's Shares Outstanding in the Trust

MHFG's shares outstanding in the trust are recognized as Treasury Stock under Net Assets at the carrying amount (excluding the amount of incidental expenses) in the trust. The carrying amount of such Treasury Stock as of March 31, 2019 was ¥3,569 million (\$32,154 thousand) for 18,917 thousand shares. (The carrying amount of such Treasury Stock as of March 31, 2018 was ¥2,424 million for 13,319 thousand shares.)

8. Securities Lending and Borrowing Transactions

MHFG does not have unsecured loaned securities which the borrowers have the right to sell or repledge as of March 31, 2019 and 2018. MHFG has the right to sell or repledge some of unsecured borrowed securities, securities purchased under resale agreements and securities borrowed with cash collateral. Among them, the totals of securities repledged were ¥12,595,142 million (\$113,459,532 thousand) and ¥12,656,065 million as of March 31, 2019 and 2018, respectively, and securities neither repledged nor re-loaned were ¥3,952,221 million (\$35,602,389 thousand) and ¥1,048,102 million as of March 31, 2019 and 2018, respectively.

9. Trading Assets and Liabilities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Trading Assets:			
Trading Securities	¥ 5,968,848	¥ 5,188,400	\$ 53,768,569
Derivatives for Trading Transactions	5,907,081	5,065,683	53,212,161
Derivatives for Trading Securities	167,677	253,049	1,510,474
Total	¥ 12,043,608	¥ 10,507,133	\$ 108,491,204
Trading Liabilities:			
Trading Securities Sold Short	¥ 2,579,940	¥ 3,185,101	\$ 23,240,609
Derivatives for Trading Transactions	5,587,502	4,759,793	50,333,324
Derivatives for Trading Securities	158,078	176,648	1,423,998
Total	¥ 8,325,520	¥ 8,121,543	\$ 74,997,931

10. Securities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Japanese Government Bonds	¥ 13,016,033	¥ 15,292,004	\$ 117,250,997
Japanese Local Government Bonds	209,891	239,333	1,890,745
Japanese Short-term Bonds	—	99	—
Japanese Corporate Bonds	2,681,005	2,964,110	24,151,029
Japanese Stocks*1	3,563,271	3,952,789	32,098,656
Other*2	10,304,286	11,734,696	92,823,050
Total	¥ 29,774,489	¥ 34,183,033	\$ 268,214,477

*1 Japanese Stocks included investments in non-consolidated subsidiaries and affiliates of ¥252,044 million (\$2,270,468 thousand) and ¥178,472 million as of March 31, 2019 and 2018, respectively.

*2 Other included investments in non-consolidated subsidiaries and affiliates of ¥82,120 million (\$739,756 thousand) and ¥76,913 million as of March 31, 2019 and 2018, respectively.

11. Loans and Bills Discounted

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Loans on Deeds	¥ 66,030,880	¥ 68,615,165	\$ 594,819,215
Overdrafts	8,533,976	7,369,547	76,875,741
Loans on Notes	3,378,943	2,963,152	30,438,190
Bills Discounted	369,288	287,692	3,326,622
Financing Receivables, including Factoring, Leasing and Property Financing	143,846	180,974	1,295,797
Other	—	4,941	—
Total	¥ 78,456,935	¥ 79,421,473	\$ 706,755,565

Loans and Bills Discounted as of March 31, 2019 and 2018 include the following:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Loans to Bankrupt Obligors*1	¥ 11,393	¥ 21,271	\$ 102,634
Non-Accrual Delinquent Loans*2	379,225	332,702	3,416,136
Loans Past Due for Three Months or More*3	436	617	3,934
Restructured Loans*4	195,366	240,777	1,759,903
Total	¥ 586,422	¥ 595,369	\$ 5,282,607

*1 Loans to Bankrupt Obligors represent non-accrual loans to obligors who are legally bankrupt as defined in Article 96, Paragraph 1, Items 3 and 4 of the Corporate Tax Law Enforcement Ordinance (Government Ordinance No.97, 1965).

*2 Non-Accrual Delinquent Loans represent non-accrual loans other than (i) Loans to Bankrupt Obligors and (ii) loans of which payments of interest are deferred in order to assist or facilitate the restructuring of obligors in financial difficulties.

*3 Loans to Bankrupt Obligors or Non-Accrual Delinquent Loans, both of which are classified as non-accrual, are not included in this category.

*4 Restructured Loans represent loans on which contracts were amended in favor of obligors (e.g., the reduction of or exemption from stated interest, the deferral of interest payments, the extension of maturity dates, or renunciation of claims) in order to assist or facilitate the restructuring of obligors in financial difficulties.

Note: The amounts given in the above table are gross amounts before deduction of amounts for the Reserves for Possible Losses on Loans.

Commitment Line for Loans

Overdraft protection on current accounts and contracts of the commitment line for loans are contracts by which banking subsidiaries are bound to extend loans up to the prearranged amount, at the request of customers, unless the customer is in breach of contract conditions. The unutilized balance of these contracts amounted to ¥91,744,406 million (\$826,451,729 thousand) and ¥92,936,908 million as of March 31, 2019 and 2018, respectively. Of these amounts, ¥69,611,691 million (\$627,075,863 thousand) and ¥73,190,124 million as of March 31, 2019 and 2018, respectively, relate to contracts of which the original contractual maturity is one year or less, or which are unconditionally cancelable at any time.

Since many of these contracts expire without being exercised, the unutilized balance itself does not necessarily affect future cash flows. A provision is included in many of these contracts that entitles the banking subsidiaries to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to preserve a claim, or other similar reasons. The banking subsidiaries require collateral such as real estate and securities when deemed necessary at the time the contracts are entered into. In addition, they periodically monitor customers' business conditions in accordance with internally established standards and take necessary measures to manage credit risks such as amendments to contracts.

12. Foreign Exchange Assets and Liabilities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Foreign Exchange Assets:			
Foreign Bills Bought	¥ 1,117,756	¥ 1,117,545	\$ 10,068,973
Foreign Bills Receivable	556,493	529,924	5,013,005
Due from Banks (Foreign)	318,788	287,479	2,871,710
Advance to Foreign Banks	629	6,727	5,667
Total	¥ 1,993,668	¥ 1,941,677	\$ 17,959,355
Foreign Exchange Liabilities:			
Due to Banks (Foreign)	¥ 597,118	¥ 393,371	\$ 5,378,964
Advance from Foreign Banks	20,735	24,134	186,786
Foreign Bills Payable	32,449	18,211	292,314
Foreign Bills Sold	19,275	10,087	173,635
Total	¥ 669,578	¥ 445,804	\$ 6,031,699

13. Other Assets

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Accrued Income	¥ 339,045	¥ 300,691	\$ 3,054,192
Prepaid Expenses	64,135	54,020	577,748
Other	3,826,407	4,233,773	34,469,036
Total	¥ 4,229,589	¥ 4,588,484	\$ 38,100,976

14. Tangible Fixed Assets

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Land	¥ 614,851	¥ 628,836	\$ 5,538,701
Buildings	287,634	341,533	2,591,072
Lease Assets	22,557	25,468	203,206
Construction in Progress	36,300	24,975	327,002
Other	75,661	90,314	681,574
Total	¥ 1,037,006	¥ 1,111,128	\$ 9,341,555
Accumulated Depreciation	¥ 902,999	¥ 879,497	\$ 8,134,402
Book Value Adjusted for Gains on Sales of Replaced Assets and Others	33,720	34,180	303,763

15. Reserves for Possible Losses on Loans

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
General Reserve for Possible Losses on Loans	¥ (136,022)	¥ (200,616)	\$ (1,225,321)
Specific Reserve for Possible Losses on Loans	(151,787)	(115,004)	(1,367,330)
Reserve for Possible Losses on Loans to Restructuring Countries	(5)	(1)	(46)
Total	¥ (287,815)	¥ (315,621)	\$ (2,592,697)

16. Assets Pledged as Collateral

The following assets were pledged as collateral:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Trading Assets	¥ 2,096,078	¥ 1,590,718	\$ 18,881,886
Securities	4,064,070	6,712,488	36,609,951
Loans and Bills Discounted	3,766,290	4,976,680	33,927,487

The following liabilities were collateralized by the above assets:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Deposits	¥ 385,674	¥ 256,027	\$ 3,474,231
Payables under Repurchase Agreements	3,435,148	5,518,102	30,944,492
Guarantee Deposits Received under Securities Lending Transactions	1,361,504	984,830	12,264,706
Borrowed Money	1,802,520	3,524,825	16,237,461

In addition, the settlement accounts of foreign and domestic exchange transactions or derivatives transactions and others were collateralized, and margins for futures transactions were substituted by Cash and Due from Banks of ¥55,277 million (\$497,953 thousand) and ¥33,434 million, Trading Assets of ¥98,014 million (\$882,933 thousand) and ¥53,750 million, Securities of ¥3,378,504 million (\$30,434,240 thousand) and ¥3,270,531 million, and Loans and Bills Discounted of ¥138,672 million (\$1,249,193 thousand) and ¥154,190 million as of March 31, 2019 and 2018, respectively.

Other Assets included guarantee deposits of ¥129,076 million (\$1,162,751 thousand) and ¥132,084 million, collateral pledged for derivatives transactions of ¥725,618 million (\$6,536,519 thousand) and ¥718,276 million, margins for futures transactions of ¥159,747 million (\$1,439,034 thousand) and ¥140,600 million, and other guarantee deposits of ¥862,921 million (\$7,773,372 thousand) and ¥968,443 million as of March 31, 2019 and 2018, respectively.

17. Deposits

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Current Deposits	¥ 11,178,002	¥ 11,713,590	\$ 100,693,652
Ordinary Deposits ^{*1}	65,111,121	69,837,590	586,533,844
Deposits at Notice	884,410	930,730	7,966,946
Time Deposits	40,147,137	36,901,106	361,653,341
Negotiable Certificates of Deposit	13,338,571	11,382,590	120,156,485
Other	6,990,352	5,698,216	62,970,480
Total	¥ 137,649,596	¥ 136,463,824	\$ 1,239,974,748

^{*1} Ordinary Deposits includes savings deposits.

18. Call Money and Bills Sold

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Call Money	¥ 2,841,931	¥ 2,105,293	\$ 25,600,682
Bills Sold	—	—	—
Total	¥ 2,841,931	¥ 2,105,293	\$ 25,600,682

19. Commercial Paper

As of March 31,	Millions of yen		Thousands of U.S. dollars	Average interest rates ^{*1}	
	2019	2018	2019	2019	2018
Commercial Paper	¥941,181	¥710,391	\$8,478,350	2.64%	1.92%

^{*1} Average interest rates are the weighted-average interest rates of debts calculated from the interest rates and outstanding balances at the end of the fiscal year.

20. Borrowed Money

As of March 31,	Millions of yen		Thousands of U.S. dollars	Average interest rates ^{*1}	
	2019	2018	2019	2019	2018
Borrowed Money	¥3,061,504	¥4,896,218	\$27,578,633	1.28%	0.63%
Bills Rediscounted	—	—	—	—%	—%
Other Borrowings ^{*2,3}	3,061,504	4,896,218	\$27,578,633	1.28%	0.63%

^{*1} Average interest rates are the weighted-average interest rates of debts calculated from the interest rates and outstanding balances at the end of the fiscal year.

^{*2} Other Borrowings included subordinated debt of ¥183,000 million (\$1,648,500 thousand) and ¥218,000 million as of March 31, 2019 and 2018, respectively.

^{*3} Repayments for Other Borrowings are scheduled for the next five years as follows:

Fiscal year ending March 31, 2020	¥970,310 million	(\$8,740,745 thousand)
2021	¥936,806 million	(\$8,438,934 thousand)
2022	¥122,166 million	(\$1,100,503 thousand)
2023	¥230,825 million	(\$2,079,318 thousand)
2024	¥73,380 million	(\$661,029 thousand)

21. Short-term Bonds

Major components of Short-term Bonds at March 31, 2019 were as follows:

Issuer	Issue	Millions of yen	Thousands of U.S. dollars	Interest rates	Due
MHSC	Sep. 2018–Mar. 2019	¥333,200 [333,200]	\$3,001,532 [3,001,532]	0.00%	Apr. 2019– Oct. 2019
^{*1}	Oct. 2018–Mar. 2019	22,339 [22,339]	201,235 [201,235]	0.04%–0.12%	Apr. 2019– May 2019
Total		¥355,539	\$3,202,767		

^{*1} indicates the total amount of Short-term Bonds issued by the domestic consolidated subsidiary, Allstar Funding Co., Ltd, and the overseas consolidated subsidiary, JAPAN SECURITIZATION CORPORATION.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. No collateral was provided for the above Short-term Bonds.

Major components of Short-term Bonds at March 31, 2018 were as follows:

Issuer	Issue	Millions of yen	Interest rates	Due
MHSC	Aug. 2017–Mar. 2018	¥334,200 [334,200]	0.00%	Apr. 2018– Sep. 2018
^{*1}	Oct. 2017–Mar. 2018	27,985 [27,985]	0.04%–0.11%	Apr. 2018– May 2018
Total		¥362,185		

^{*1} indicates the total amount of Short-term Bonds issued by the domestic consolidated subsidiary, Allstar Funding Co., Ltd, and the overseas consolidated subsidiary, JAPAN SECURITIZATION CORPORATION.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. No collateral was provided for the above Short-term Bonds.

22. Bonds and Notes

Major components of Bonds and Notes as of March 31, 2019 were as follows:

Issuer	Description	Issue	Millions of yen	Thousands of U.S. dollars	Interest rates	Due
MHFG	Straight Bonds	Jul. 2014– Oct. 2018	¥5,000,247 [—] (US\$ 20,250,000 thousand) (EUR 2,000,000 thousand) (AUD 625,000 thousand)	\$45,043,217 [—]	0.10%– 4.35%	Apr. 2021–
MHTB	Straight Bonds	Dec. 2005	10,000 [—]	90,082 [—]	2.24%	Dec. 2020
MHBK	Straight Bonds	Aug. 2005– Sep. 2018	1,968,205 [790,842] (US\$ 9,581,244 thousand) (AUD 745,000 thousand) (SGD 190,000 thousand) (HKD 1,540,000 thousand) (CNY 500,000 thousand)	17,729,982 [7,124,064]	0.22%– 5.30%	Apr. 2019–
*1	Straight Bonds	Jul. 2012– Mar. 2014	332,620 [—] (US\$ 2,996,308 thousand)	2,996,309 [—]	4.20%– 4.60%	Jul. 2022– Mar. 2024
*2	Straight Bonds	Sep. 2005– May 2012	41,000 [—]	369,336 [—]	1.30%– 2.21%	May 2024– Sep. 2025
*3	Straight Bonds	Jan. 2003– Mar. 2019	998,998 [219,536] (US\$ 2,694,224 thousand) (AUD 31,360 thousand) (EUR 725,400 thousand) (BRL 14,500 thousand) (GBP 20,000 thousand) (MXN 9,000 thousand) (TRY 59,076 thousand)	8,999,172 [1,977,629]	0.00%– 25.00%	Apr. 2019– Mar. 2049
Total			¥8,351,071	\$75,228,098		

*1 indicates the total amount of straight bonds issued by the overseas consolidated subsidiaries, Mizuho Financial Group (Cayman) 2 Limited and Mizuho Financial Group (Cayman) 3 Limited.

*2 indicates the total amount of straight bonds issued by the overseas consolidated subsidiaries, Mizuho Finance (Cayman) Limited and Mizuho Finance (Curaçao) N.V.

*3 indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, MHSC, and the overseas consolidated subsidiaries, Mizuho International plc and Mizuho Securities USA LLC.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. The amounts of foreign currency-denominated bonds are shown in original currencies in parentheses ().

3. Repayments for Bonds and Notes are scheduled for the next five years as follows:

Fiscal year ending March 31, 2020	¥1,010,378 million	(\$9,101,693 thousand)
2021	¥354,732 million	(\$3,195,500 thousand)
2022	¥1,139,615 million	(\$10,265,877 thousand)
2023	¥896,522 million	(\$8,076,055 thousand)
2024	¥261,906 million	(\$2,359,305 thousand)

4. Bonds and Notes as of March 31, 2019 included subordinated bonds and notes of ¥3,332,877 million (\$30,023,221 thousand).

5. No collateral was provided for the above Bonds and Notes.

Major components of Bonds and Notes as of March 31, 2018 were as follows:

Issuer	Description	Issue	Millions of yen	Interest rates	Due
MHFG	Straight Bonds	Jul. 2014–	¥3,869,015	0.10%–	Apr. 2021–
		Mar. 2018	[—]	4.35%	
			(US\$ 17,500,000 thousand)		
			(EUR 500,000 thousand)		
MHTB	Straight Bonds	Dec. 2005	10,000	2.24%	Dec. 2020
			[—]		
MHBK	Straight Bonds	Aug. 2005–	2,421,033	0.22%–	Apr. 2018–
		Jan. 2018	[513,026]	5.30%	
			(US\$ 10,546,418 thousand)		
			(AUD 1,115,000 thousand)		
			(SGD 290,000 thousand)		
			(HKD 1,430,000 thousand)		
			(CNY 500,000 thousand)		
			(THB 3,000,000 thousand)		
*1	Straight Bonds	Jul. 2012–	318,325	4.20%–	Jul. 2022–
		Mar. 2014	[—]	4.60%	Mar. 2024
			(US\$ 2,995,443 thousand)		
*2	Straight Bonds	Sep. 2005–	45,000	1.30%–	Jun. 2023–
		May 2012	[—]	2.75%	
*3	Straight Bonds	Jan. 2003–	880,881	0.00%–	Apr. 2018–
		Mar. 2018	[227,933]	19.00%	Mar. 2048
			(US\$ 2,417,770 thousand)		
			(AUD 24,550 thousand)		
			(EUR 998,900 thousand)		
			(BRL 14,500 thousand)		
			(GBP 20,000 thousand)		
			(MXN 9,000 thousand)		
			(TRY 51,076 thousand)		
Total			¥7,544,256		

*1 indicates the total amount of straight bonds issued by the overseas consolidated subsidiaries, Mizuho Financial Group (Cayman) 2 Limited and Mizuho Financial Group (Cayman) 3 Limited.

*2 indicates the total amount of straight bonds issued by the overseas consolidated subsidiaries, Mizuho Finance (Cayman) Limited, Mizuho Finance (Curaçao) N.V. and Mizuho Finance (Aruba) A.E.C.

*3 indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, MHSC, and the overseas consolidated subsidiaries, Mizuho International plc and Mizuho Securities USA LCC.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.

2. The amounts of foreign currency-denominated bonds are shown in original currencies in parentheses ().

3. Repayments for Bonds and Notes are scheduled for the next five years as follows:

Fiscal year ending March 31, 2019	¥740,960 million
2020	¥849,535 million
2021	¥296,237 million
2022	¥1,021,008 million
2023	¥862,446 million

4. Bonds and Notes as of March 31, 2018 included subordinated bonds and notes of ¥2,810,028 million.

5. No collateral was provided for the above Bonds and Notes.

23. Other Liabilities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Accrued Expenses	¥282,576	¥223,537	\$2,545,509
Unearned Income	105,598	116,486	951,254
Income Taxes Payable	58,689	66,363	528,687
Lease Liabilities*1*2	25,019	36,009	225,384
Other	4,040,440	3,243,188	36,397,088
Total	¥4,512,325	¥3,685,585	\$40,647,922

*1 Average interest rate is 1.33% and 1.35% in the fiscal year ended March 31, 2019 and 2018, respectively. It is the weighted-average interest rate of debts calculated from the interest rates and outstanding balances at the end of the fiscal year.

*2 Repayments for Lease Liabilities are scheduled for the next five years as follows:

Fiscal year ending March 31, 2020	¥9,695 million	(\$87,342 thousand)
2021	¥7,200 million	(\$64,864 thousand)
2022	¥4,379 million	(\$39,449 thousand)
2023	¥2,628 million	(\$23,680 thousand)
2024	¥905 million	(\$8,156 thousand)

24. Reserve for Employee Retirement Benefits

(1) MHFG and its domestic consolidated subsidiaries have adopted the Corporate Pension Fund Plans (“Kigyo Nenkin Kikin Seido”), and the Termination Allowance Plans (“Taishoku Ichijikin Seido”) as Defined-Benefit Corporate Pension Plans. In addition, MHFG and certain domestic consolidated subsidiaries have adopted Defined- Contribution Pension Plans other than risk-sharing corporate pension as a part of the Termination Allowance Plans while certain other domestic consolidated subsidiaries have established employee retirement benefit trusts.

(2) Defined-Benefit Corporate Pension Plans

(i) Adjustment between the balances of Retirement Benefit Obligations at the beginning and at the end of the period

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Balance of Retirement Benefit Obligations at the beginning of the period	¥1,441,383	¥1,433,371	\$12,984,271
Service Cost	43,172	41,646	388,907
Interest Cost	5,231	5,737	47,122
Unrecognized Actuarial Differences incurred	41,716	29,152	375,793
Retirement Benefits paid	(68,298)	(67,267)	(615,249)
Other	(967)	(1,256)	(8,716)
Balance of Retirement Benefit Obligations at the end of the period	¥1,462,237	¥1,441,383	\$13,172,128

Note: The above Retirement Benefit Obligations includes the amount measured by certain consolidated subsidiaries under the simplified method.

(ii) Adjustment between the balances of Plan Assets at the beginning and at the end of the period

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Balance of Plan Assets			
at the beginning of the period	¥2,378,667	¥2,175,897	\$21,427,504
Expected Return on Plan Assets	37,080	33,609	334,026
Unrecognized Actuarial Differences incurred	28,077	245,662	252,931
Contributions from employer	18,780	42,863	169,176
Contributions from employee	1,228	1,232	11,068
Retirement Benefits paid	(52,066)	(51,907)	(469,022)
Cancellation of Employee Retirement Benefit Trust	(27,534)	(66,565)	(248,033)
Other	(65)	(2,125)	(586)
Balance of Plan Assets at the end of the period	¥2,384,168	¥2,378,667	\$21,477,064

(iii) Adjustment between the balances of Retirement Benefit Obligations and Plan Assets at the end of the period and Adjustment to the balances of Net Defined Benefit Liability and Net Defined Benefit Asset recorded in the Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Retirement Benefit Obligations	¥1,462,237	¥1,441,383	\$13,172,128
Plan Assets	(2,384,168)	(2,378,667)	(21,477,064)
Net amount of Liability and Asset recorded in the Consolidated Balance Sheet	¥(921,930)	¥(937,283)	\$(8,304,936)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Net Defined Benefit Liability	¥60,873	¥58,890	\$548,357
Net Defined Benefit Asset	(982,804)	(996,173)	(8,853,293)
Net amount of Liability and Asset recorded in the Consolidated Balance Sheet	¥(921,930)	¥(937,283)	\$(8,304,936)

(iv) Employee Retirement Benefit Expenses and the breakdown

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Service Cost	¥42,051	¥40,549	\$378,809
Interest Cost	5,231	5,737	47,122
Expected Return on Plan Assets	(37,080)	(33,609)	(334,026)
Amortization of Unrecognized Actuarial Differences	(30,036)	23,824	(270,579)
Other	3,125	3,887	28,152
Net Retirement Benefit Expenses for Defined-Benefit Corporate Pension Plans	¥(16,709)	¥40,390	\$(150,522)
Gains on Cancellation of Employee Retirement Benefit Trust	¥7,841	¥(26,032)	\$(70,642)

- Notes: 1. The amount of employee contributions to Mizuho Pension Fund is deducted from Service Cost.
2. Retirement benefit expenses of some consolidated subsidiaries which adopt the simplified method for calculating retirement benefit obligations are included in Service Cost in full.
3. Gains on Cancellation of Employee Retirement Benefit Trust is included in Other Income.

(v) Remeasurements of Defined Benefit Plans in Other Comprehensive Income

Breakdown of Remeasurements of Defined Benefit Plans in Other Comprehensive Income (before deducting tax effect) was as follows:

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Unrecognized Actuarial Differences	¥51,915	¥(216,485)	\$467,667
Other	(69)	312	(626)
Total	¥51,846	¥(216,172)	\$467,041

(vi) Remeasurements of Defined Benefit Plans in Total Accumulated Other Comprehensive Income

Breakdown of Remeasurements of Defined Benefit Plans in Total Accumulated Other Comprehensive Income (before deducting tax effect) was as follows:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Unrecognized Actuarial Differences	¥(366,177)	¥(418,093)	\$(3,298,602)
Other	243	312	2,192
Total	¥(365,934)	¥(417,780)	\$(3,296,410)

(vii) Plan Assets

(a) Ratio of each category to the total amount of Plan Assets was as follows:

As of March 31,	2019	2018
Japanese Stocks	57.98%	58.86%
Japanese Bonds	13.48%	13.27%
Foreign Stocks	11.31%	10.54%
Foreign Bonds	9.20%	8.84%
General account of life insurance companies	4.67%	4.62%
Other	3.36%	3.87%
Total	100.00%	100.00%

Note: The total amount of Plan Assets includes 58.59% and 59.64% of Employee Retirement Benefit Trust established for the Corporate Pension Fund Plans and the Termination Allowance Plans as of March 31, 2019 and 2018, respectively.

(b) Calculation of Expected Long-term Rate of Return on Plan Assets

In determining the Expected Long-term Rate of Return on Plan Assets, current and expected allocation of Plan Assets and current and expected future long-term rate of return from various assets constituting Plan Assets have been considered.

(viii) Basis of Actuarial Calculation

Major Basis of Actuarial Calculation

For the Fiscal Years ended March 31,	2019	2018
Discount Rate	mainly 0.00%- 0.70%	mainly 0.02%- 0.98%
Expected Long-term Rate of Return on Plan Assets	mainly 1.30%- 1.90%	mainly 1.20%- 1.75%

(3) Defined- Contribution Pension Plans

The required amount of contributions to Defined- Contribution Pension Plans of MHFG and its domestic consolidated subsidiaries was ¥3,224 million (\$ 29,045 thousand) and ¥2,473 million for the fiscal years ended March 31, 2019 and 2018, respectively.

25. Acceptances and Guarantees

- (1) Liabilities for guarantees on corporate bonds included in Securities, which were issued by private placement (Article 2, Paragraph 3 of the Financial Instruments and Exchange Law (the Securities and Exchange Law as of March 31, 2007)) amounted to ¥1,503,395 million (\$13,542,884 thousand) and ¥1,309,432 million as of March 31, 2019 and 2018, respectively.
- (2) The principal amounts promised to be indemnified for money trusts which are entrusted to domestic consolidated trust banking subsidiaries, were ¥874,777 million (\$7,880,169 thousand) and ¥1,470,677 million as of March 31, 2019 and 2018, respectively.

26. Deferred Tax Assets and Liabilities

(1) Deferred Tax Assets and Liabilities consisted of the following:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Deferred Tax Assets:			
Tax Losses Carried Forward	¥167,755	¥200,319	\$1,511,172
Devaluation of Securities	120,564	118,545	1,086,069
Reserves for Possible Losses on Loans	96,544	103,664	869,690
Securities Contributed to Employee Retirement Benefit Trust	193,875	191,136	1,746,466
Depreciation and Impairment	205,171	50,724	1,848,229
Other	205,732	204,870	1,853,278
Deferred Tax Assets Subtotal:	989,643	869,262	8,914,904
Valuation Allowance - Tax Losses Carried Forward	(142,939)	—	(1,287,631)
Valuation Allowance - Deductible Temporary Differences, etc.	(143,619)	—	(1,293,755)
Valuation Allowance Subtotal:	(286,559)	(299,189)	(2,581,386)
Total	¥703,083	¥570,073	\$6,333,518
Deferred Tax Liabilities:			
Net Unrealized Gains on Other Securities	¥(450,796)	¥(516,747)	\$(4,060,867)
Net Defined Benefit Asset	(301,321)	(305,717)	(2,714,365)
Other	(98,979)	(120,770)	(891,628)
Total	¥(851,098)	¥(943,236)	\$(7,666,860)
Net Deferred Tax Assets	¥(148,014)	¥(373,162)	\$(1,333,342)

Note1: MHFG and domestic subsidiaries are subject to a number of different income taxes.

Note2: Tax Losses Carried Forward and amounts according to expiration of carryforward of their Deferred Tax Assets:

As of March 31, 2019	Millions of yen						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Tax Losses Carried Forward*	¥151	¥62	¥69	¥3,447	¥846	¥163,177	¥167,755
Valuation Allowance	(126)	(62)	(69)	(21)	(30)	(142,628)	(142,939)
Deferred Tax Assets	24	—	—	3,425	816	20,548	24,815

As of March 31, 2019	Thousands of U.S. dollars						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Tax Losses Carried Forward*	\$1,368	\$567	\$624	\$31,052	\$7,622	\$1,469,939	\$1,511,172
Valuation Allowance	(1,144)	(567)	(624)	(195)	(271)	(1,284,830)	(1,287,631)
Deferred Tax Assets	224	—	—	30,857	7,351	185,109	223,541

*Tax Losses Carried Forward is the amount multiplied by the effective statutory tax rate.

(Change in Presentation of Financial Statements)

Other of Deferred Tax Assets included within Depreciation and Impairment for the previous consolidated fiscal year has been separately presented from this consolidated fiscal year due to increased materiality.

In order to reflect the change in presentation of the financial statements, reclassification of the previous consolidated fiscal year has been made accordingly.

As a result, Other of Deferred Tax Assets of ¥255,594 million presented in the consolidated statements for the previous consolidated fiscal year has been reclassified as Depreciation and Impairment of ¥50,724 million and Other of ¥204,870 million.

(Changes following the application of Partial Amendments to Accounting Standard for Tax Effect Accounting)
 Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No.28, February 16, 2018) (hereinafter, the “Partial Amendments”) has been applied from this consolidated fiscal year and “26. Deferred Tax Assets and Liabilities” have been changed.

In “26. Deferred Tax Assets and Liabilities”, the items specified in Note 8 (excluding the total amount of valuation allowance) and Note 9 of Accounting Standard for Tax Effect Accounting set forth in from Article 3 to Article 5 of the Partial Amendments have been added. However, the items concerning the previous consolidated fiscal year have not been disclosed in accordance with the transitional treatment set forth in Article 7 of the Partial Amendments.

(2) For the fiscal years ended March 31, 2019 and 2018, the reconciliation of the statutory tax rate of MHFG to the effective income tax rate was as follows:

For the Fiscal Year ended March 31,	2019	2018
Statutory Tax Rate	30.62%	30.86%
Adjustments		
Change in Valuation Allowance	(4.35)	(4.91)
Permanent Differences (e.g., Cash Dividends Received)	(7.67)	(1.18)
Change in undistributed earnings of subsidiaries	(11.63)	(0.08)
Tax Rate Differences between the Consolidated Subsidiaries	(11.66)	(1.95)
Equity in Income from Investments in Affiliates	(13.49)	(0.83)
Change in unrecognized tax benefits	8.10	—
Other	7.93	2.04
Effective Income Tax Rate	(2.15)%	23.95%

(Change in Presentation of Financial Statements)

Other included within Change in undistributed earnings of subsidiaries and Equity in Income from Investments in Affiliates for the previous consolidated fiscal year has been separately presented from this consolidated fiscal year due to increased materiality.

In order to reflect the change in presentation of the financial statements, reclassification of the previous consolidated fiscal year has been made accordingly.

As a result, Other of 1.13% presented in the consolidated statements for the previous consolidated fiscal year has been reclassified as Change in undistributed earnings of subsidiaries of (0.08)% and Equity in Income from Investments in Affiliates of (0.83)%, Other of 2.04%.

27. Revaluation of Land

In accordance with the Land Revaluation Law (Proclamation No.34 dated March 31, 1998), land used for business operations of domestic consolidated banking subsidiaries was revalued. The applicable income taxes on the entire excess of revaluation are included in Deferred Tax Liabilities for Revaluation Reserve for Land under Liabilities, and the remainder, net of applicable income taxes, is stated as Revaluation Reserve for Land included in Net Assets.

Revaluation date: March 31, 1998

Revaluation method as stated in Article 3, Paragraph 3 of the above law: Land used for business operations was revalued by calculating the value on the basis of the valuation by road rating stipulated in Article 2, Paragraph 4 of the Enforcement Ordinance relating to the Land Revaluation Law (Government Ordinance No.119 promulgated on March 31, 1998) with reasonable adjustments to compensate for sites with long depth and other factors, and also on the basis of the appraisal valuation stipulated in Paragraph 5.

The difference at the consolidated balance sheet date between the total fair value of land for business operation purposes, which has been revalued in accordance with Article 10 of the above-mentioned law, and the total book value of the land after such revaluation was ¥64,217 million (\$578,484 thousand) and ¥100,007 million as of March 31, 2019 and 2018, respectively.

28. Common Stock and Preferred Stock

Common Stock and Preferred Stock at March 31, 2019 and 2018 were as follows:

As of March 31, 2019 Class of stock	Number of shares		Per share (Yen)		Liquidation value	Convertible or not	With Redemption or not
	Authorized*2	Issued and outstanding*1	Interim cash dividend	Year-end cash dividend			
Common Stock	48,000,000,000	25,392,498,945	¥3.75	¥3.75	¥—	No	No

Notes: 1. Treasury Stock is included. The number is as follows:

Common Stock 6,520 thousand shares

2. Each total number of other shares which are authorized to be issued is as follows:

First Series Class XIV Preferred Stock 900,000 thousand shares

Second Series Class XIV Preferred Stock 900,000 thousand shares

Third Series Class XIV Preferred Stock 900,000 thousand shares

Fourth Series Class XIV Preferred Stock 900,000 thousand shares

First Series Class XV Preferred Stock 900,000 thousand shares

Second Series Class XV Preferred Stock 900,000 thousand shares

Third Series Class XV Preferred Stock 900,000 thousand shares

Fourth Series Class XV Preferred Stock 900,000 thousand shares

First Series Class XVI Preferred Stock 1,500,000 thousand shares

Second Series Class XVI Preferred Stock 1,500,000 thousand shares

Third Series Class XVI Preferred Stock 1,500,000 thousand shares

Fourth Series Class XVI Preferred Stock 1,500,000 thousand shares

The total number of shares of the First to Fourth Series Class XIV Preferred Stock, which are authorized to be issued, shall not exceed 900,000,000 in total.

The total number of shares of the First to Fourth Series Class XV Preferred Stock, which are authorized to be issued, shall not exceed 900,000,000 in total.

The total number of shares of the First to Fourth Series Class XVI Preferred Stock, which are authorized to be issued, shall not exceed 1,500,000,000 in total.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

As of March 31, 2018 Class of stock	Number of shares		Per share (Yen)				With Redemption or not
	Authorized*2	Issued and outstanding*1	Interim cash dividend	Year-end cash dividend	Liquidation value	Convertible or not	
Common Stock	48,000,000,000	25,389,644,945	¥3.75	¥3.75	¥—	No	No

Notes: 1. Treasury Stock is included. The number is as follows:

Common Stock 6,487 thousand shares

2. Each total number of other shares which are authorized to be issued is as follows:

First Series Class XIV Preferred Stock 900,000 thousand shares

Second Series Class XIV Preferred Stock 900,000 thousand shares

Third Series Class XIV Preferred Stock 900,000 thousand shares

Fourth Series Class XIV Preferred Stock 900,000 thousand shares

First Series Class XV Preferred Stock 900,000 thousand shares

Second Series Class XV Preferred Stock 900,000 thousand shares

Third Series Class XV Preferred Stock 900,000 thousand shares

Fourth Series Class XV Preferred Stock 900,000 thousand shares

First Series Class XVI Preferred Stock 1,500,000 thousand shares

Second Series Class XVI Preferred Stock 1,500,000 thousand shares

Third Series Class XVI Preferred Stock 1,500,000 thousand shares

Fourth Series Class XVI Preferred Stock 1,500,000 thousand shares

The total number of shares of the First to Fourth Series Class XIV Preferred Stock, which are authorized to be issued, shall not exceed 900,000,000 in total.

The total number of shares of the First to Fourth Series Class XV Preferred Stock, which are authorized to be issued, shall not exceed 900,000,000 in total.

The total number of shares of the First to Fourth Series Class XVI Preferred Stock, which are authorized to be issued, shall not exceed 1,500,000,000 in total.

29. Stock Options

Outline of stock options and changes

For the fiscal year ended March 31, 2019

(1) Outline of stock options

As of March 31, 2019	First Series of Stock Acquisition Rights of MHFG		Second Series of Stock Acquisition Rights of MHFG		Third Series of Stock Acquisition Rights of MHFG	
Number of grantees	Directors	4	Directors	4	Directors	4
	Executive Officers	4	Executive Officers	4	Executive Officers	4
	Directors of subsidiaries of MHFG	14	Directors of subsidiaries of MHFG	14	Directors of subsidiaries of MHFG	12
	Executive Officers of subsidiaries of MHFG	71	Executive Officers of subsidiaries of MHFG	71	Executive Officers of subsidiaries of MHFG	71
Number of stock options ^{*1}	Common stock	5,409,000	Common stock	5,835,000	Common stock	6,808,000
Grant date	February 16, 2009		September 25, 2009		August 26, 2010	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK or MHCB immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK or MHCB.					
Required service period	July 1, 2008 to March 31, 2009		April 1, 2009 to March 31, 2010		April 1, 2010 to March 31, 2011	
Exercise period	February 17, 2009 to February 16, 2029		September 28, 2009 to September 25, 2029		August 27, 2010 to August 26, 2030	

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

As of March 31, 2019	Fourth Series of Stock Acquisition Rights of MHFG		Fifth Series of Stock Acquisition Rights of MHFG		Sixth Series of Stock Acquisition Rights of MHFG	
	Number of grantees	Directors	6	Directors	6	Directors
	Executive Officers	6	Executive Officers	11	Executive Officers	36
	Directors of subsidiaries of MHFG	26	Directors of subsidiaries of MHFG	23	Directors of subsidiaries of MHFG	22
	Executive Officers of subsidiaries of MHFG	130	Executive Officers of subsidiaries of MHFG	150	Executive Officers of subsidiaries of MHFG	134
Number of stock options* ¹	Common stock	12,452,000	Common stock	11,776,000	Common stock	7,932,000
Grant date	December 8, 2011		August 31, 2012		February 17, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHCBC, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHCBC, MHTB or MHSC.				The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC.	
Required service period	April 1, 2011 to March 31, 2012		April 1, 2012 to March 31, 2013		April 1, 2013 to March 31, 2014	
Exercise period	December 9, 2011 to December 8, 2031		September 3, 2012 to August 31, 2032		February 18, 2014 to February 17, 2034	

As of March 31, 2019	Seventh Series of Stock Acquisition Rights of MHFG	
	Number of grantees	Directors
	Executive Officers as defined in the Companies Act	12
	Executive Officers as defined in our internal regulations	37
	Directors of subsidiaries of MHFG	32
	Executive Officers of subsidiaries of MHFG	113
Number of stock options* ¹	Common stock	9,602,000
Grant date	December 1, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC.	
Required service period	April 1, 2014 to March 31, 2015	
Exercise period	December 2, 2014 to December 1, 2034	

*1: Shown in number of shares

(2) Size of stock options and changes

(i) Number of stock options (in shares)

For the Fiscal Year ended March 31, 2019	First Series of Stock Acquisition Rights of MHFG	Second Series of Stock Acquisition Rights of MHFG	Third Series of Stock Acquisition Rights of MHFG	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG
Non-vested					
As of March 31, 2018	124,000	220,000	331,000	612,000	1,474,000
Granted	—	—	—	—	—
Forfeited	—	—	—	—	—
Vested	124,000	220,000	279,000	341,000	627,000
Outstanding	—	—	52,000	271,000	847,000
Vested					
As of March 31, 2018	—	—	—	—	—
Vested	124,000	220,000	279,000	341,000	627,000
Exercised	124,000	220,000	279,000	341,000	627,000
Forfeited	—	—	—	—	—
Outstanding	—	—	—	—	—

For the Fiscal Year ended March 31, 2019	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Non-vested		
As of March 31, 2018	1,305,000	3,150,000
Granted	—	—
Forfeited	—	—
Vested	414,000	966,000
Outstanding	891,000	2,184,000
Vested		
As of March 31, 2018	—	—
Vested	414,000	966,000
Exercised	414,000	966,000
Forfeited	—	—
Outstanding	—	—

Note: The above table is shown in number of shares.

(ii) Price information

As of March 31, 2019	First Series of Stock Acquisition Rights of MHFG	Second Series of Stock Acquisition Rights of MHFG	Third Series of Stock Acquisition Rights of MHFG	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG
Exercise price	¥1 per share	¥1 per share	¥1 per share	¥1 per share	¥1 per share
Average stock price upon exercise	¥196.20	¥196.20	¥196.20	¥196.20	¥196.20
Fair value at grant date	¥190.91 per share	¥168.69 per share	¥119.52 per share	¥91.84 per share	¥113.25 per share

As of March 31, 2019	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Exercise price	¥1 per share	¥1 per share
Average stock price upon exercise	¥196.20	¥195.21
Fair value at grant date	¥192.61 per share	¥186.99 per share

(3) Estimated number of stock options to be vested

Only the number of stock options actually forfeited is reflected because the number of stock options that will be forfeited in the future cannot be readily estimated.

For the fiscal year ended March 31, 2018

(1) Outline of stock options

As of March 31, 2018	First Series of Stock Acquisition Rights of MHFG		Second Series of Stock Acquisition Rights of MHFG		Third Series of Stock Acquisition Rights of MHFG	
Number of grantees	Directors	4	Directors	4	Directors	4
	Executive Officers	4	Executive Officers	4	Executive Officers	4
	Directors of subsidiaries of MHFG	14	Directors of subsidiaries of MHFG	14	Directors of subsidiaries of MHFG	12
	Executive Officers of subsidiaries of MHFG	71	Executive Officers of subsidiaries of MHFG	71	Executive Officers of subsidiaries of MHFG	71
Number of stock options* ¹	Common stock	5,409,000	Common stock	5,835,000	Common stock	6,808,000
Grant date	February 16, 2009		September 25, 2009		August 26, 2010	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK or MHCB immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK or MHCB.					
Required service period	July 1, 2008 to March 31, 2009		April 1, 2009 to March 31, 2010		April 1, 2010 to March 31, 2011	
Exercise period	February 17, 2009 to February 16, 2029		September 28, 2009 to September 25, 2029		August 27, 2010 to August 26, 2030	

As of March 31, 2018	Fourth Series of Stock Acquisition Rights of MHFG		Fifth Series of Stock Acquisition Rights of MHFG		Sixth Series of Stock Acquisition Rights of MHFG	
	Number of grantees	Directors	6	Directors	6	Directors
	Executive Officers	6	Executive Officers	11	Executive Officers	36
	Directors of subsidiaries of MHFG	26	Directors of subsidiaries of MHFG	23	Directors of subsidiaries of MHFG	22
	Executive Officers of subsidiaries of MHFG	130	Executive Officers of subsidiaries of MHFG	150	Executive Officers of subsidiaries of MHFG	134
Number of stock options* ¹	Common stock	12,452,000	Common stock	11,776,000	Common stock	7,932,000
Grant date	December 8, 2011		August 31, 2012		February 17, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHC B, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHC B, MHTB or MHSC.				The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC.	
Required service period	April 1, 2011 to March 31, 2012		April 1, 2012 to March 31, 2013		April 1, 2013 to March 31, 2014	
Exercise period	December 9, 2011 to December 8, 2031		September 3, 2012 to August 31, 2032		February 18, 2014 to February 17, 2034	

As of March 31, 2018	Seventh Series of Stock Acquisition Rights of MHFG	
	Number of grantees	Directors
	Executive Officers as defined in the Companies Act	12
	Executive Officers as defined in our internal regulations	37
	Directors of subsidiaries of MHFG	32
	Executive Officers of subsidiaries of MHFG	113
Number of stock options* ¹	Common stock	9,602,000
Grant date	December 1, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC.	
Required service period	April 1, 2014 to March 31, 2015	
Exercise period	December 2, 2014 to December 1, 2034	

*1: Shown in number of shares

(2) Size of stock options and changes

(i) Number of stock options (in shares)

For the Fiscal Year ended March 31, 2018	First Series of Stock Acquisition Rights of MHFG	Second Series of Stock Acquisition Rights of MHFG	Third Series of Stock Acquisition Rights of MHFG	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG
Non-vested					
As of March 31, 2017	124,000	220,000	331,000	966,000	2,207,000
Granted	—	—	—	—	—
Forfeited	—	—	—	—	—
Vested	—	—	—	354,000	733,000
Outstanding	124,000	220,000	331,000	612,000	1,474,000
Vested					
As of March 31, 2017	—	—	—	—	—
Vested	—	—	—	354,000	733,000
Exercised	—	—	—	354,000	733,000
Forfeited	—	—	—	—	—
Outstanding	—	—	—	—	—

For the Fiscal Year ended March 31, 2018	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Non-vested		
As of March 31, 2017	2,049,000	4,922,000
Granted	—	—
Forfeited	—	—
Vested	744,000	1,772,000
Outstanding	1,305,000	3,150,000
Vested		
As of March 31, 2017	—	—
Vested	744,000	1,772,000
Exercised	744,000	1,772,000
Forfeited	—	—
Outstanding	—	—

Note: The above table is shown in number of shares.

(ii) Price information

As of March 31, 2018	First Series of Stock Acquisition Rights of MHFG	Second Series of Stock Acquisition Rights of MHFG	Third Series of Stock Acquisition Rights of MHFG	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG
Exercise price	¥1 per share	¥1 per share	¥1 per share	¥1 per share	¥1 per share
Average stock price upon exercise	—	—	—	¥205.20	¥205.16
Fair value at grant date	¥190.91 per share	¥168.69 per share	¥119.52 per share	¥91.84 per share	¥113.25 per share

As of March 31, 2018	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Exercise price	¥1 per share	¥1 per share
Average stock price upon exercise	¥205.16	¥205.06
Fair value at grant date	¥192.61 per share	¥186.99 per share

(3) Estimated number of stock options to be vested

Only the number of stock options actually forfeited is reflected because the number of stock options that will be forfeited in the future cannot be readily estimated.

30. Interest Income and Interest Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Interest Income:			
Loans and Bills Discounted	¥1,253,970	¥999,385	\$11,296,011
Securities	302,768	282,801	2,727,401
Call Loans and Bills Purchased	5,510	5,569	49,641
Due from Banks	123,545	119,839	1,112,922
Receivables under Resale Agreements	229,637	127,923	2,068,617
Guarantee Deposits Paid under Securities Borrowing Transactions	25,081	17,172	225,941
Other Interest Income	115,813	69,662	1,043,267
Total	¥2,056,327	¥1,622,354	\$18,523,800
Interest Expenses:			
Deposits	¥610,345	¥373,551	\$5,498,116
Call Money and Bills Sold	11,030	4,995	99,363
Payables under Repurchase Agreements	374,524	230,554	3,373,787
Guarantee Deposits Received under Securities Lending Transactions	7,292	5,500	65,689
Commercial Paper	19,304	8,284	173,901
Borrowed Money	35,522	28,285	319,991
Other Interest Expenses	235,826	163,817	2,124,374
Total	¥1,293,846	¥814,988	\$11,655,221
Net	¥762,480	¥807,366	\$6,868,579

31. Trading Income and Trading Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Trading Income:			
Net Gains on Trading Securities	¥230,874	¥180,502	\$2,079,765
Net Gains on Derivatives for Trading Transactions	68,481	96,113	616,891
Total	¥299,355	¥276,616	\$2,696,656
Trading Expenses:			
Net Losses on Trading Securities	1,987	829	17,906
Total	¥1,987	¥829	\$17,906
Net	¥297,367	¥275,786	\$2,678,750

32. Other Operating Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Gains on Foreign Exchange Transactions			
	¥94,921	¥84,187	\$855,075
Gains on Sales of Bonds	72,682	70,832	654,741
Gains on Derivatives other than for Trading or Hedging	11,214	12,635	101,020
Other	133,996	136,558	1,207,069
Total	¥312,815	¥304,214	\$2,817,905

33. Other Operating Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Losses on Sales of Bonds	¥175,074	¥88,755	\$1,577,103
Losses on Devaluation of Bonds	1,259	2,045	11,343
Other	49,175	50,959	442,983
Total	¥225,509	¥141,760	\$2,031,429

34. Other Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Gains on Sales of Stock	¥351,049	¥316,471	\$3,162,327
Share of profit of entities accounted for using equity method	51,215	21,474	461,357
Recovery on Written-off Loans	10,395	12,203	93,645
Gains on Cancellation of Employee Retirement Benefit Trust	7,841	26,032	70,642
Reversal of Reserves for Possible Losses on Loans	4,357	159,062	39,255
Gains on Disposition of Fixed Assets	3,438	3,723	30,973
Other	19,001	26,715	171,168
Total	¥447,300	¥565,683	\$4,029,367

35. Other Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Losses on Impairment of Fixed Assets	¥503,612	¥6,960	\$4,536,639
Losses on Sales of Stocks	45,847	28,092	413,006
System migration-related expenses	29,285	55,398	263,808
Write-offs of Loans	26,366	15,542	237,514
Stock-related derivatives expenses	24,542	11,169	221,084
Losses on Disposition of Fixed Assets	5,414	5,219	48,774
Other	77,858	69,731	701,364
Total	¥712,927	¥192,113	\$6,422,189

36. Comprehensive Income

Reclassification adjustments and the related tax effects concerning Other Comprehensive Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Net Unrealized Gains on Other Securities:			
The amount arising during the period	¥(44,354)	¥408,416	\$(399,558)
Reclassification adjustments	(229,208)	(258,697)	(2,064,752)
Before adjustments to tax effects	(273,563)	149,718	(2,464,310)
The amount of tax effects	66,057	(47,385)	595,064
Net Unrealized Gains on Other Securities	(207,505)	102,332	(1,869,246)
Deferred Gains or Losses on Hedges:			
The amount arising during the period	59,300	(98,763)	534,189
Reclassification adjustments	6,032	(12,064)	54,346
Before adjustments to tax effects	65,333	(110,828)	588,535
The amount of tax effects	(19,942)	33,622	(179,643)
Deferred Gains or Losses on Hedges	45,391	(77,205)	408,892
Revaluation Reserve for Land:			
The amount arising during the period	—	—	—
Reclassification adjustments	—	—	—
Before adjustments to tax effects	—	—	—
The amount of tax effects	—	(133)	—
Revaluation Reserve for Land	—	(133)	—
Foreign Currency Translation Adjustments:			
The amount arising during the period	(23,882)	(10,949)	(215,137)
Reclassification Adjustments	—	—	—
Before adjustments to tax effects	(23,882)	(10,949)	(215,137)
The amount of tax effects	—	—	—
Foreign Currency Translation Adjustments	(23,882)	(10,949)	(215,137)
Remeasurements of Defined Benefit Plans:			
The amount arising during the period	(13,638)	216,314	(122,855)
Reclassification Adjustments	(38,208)	(141)	(344,187)
Before adjustments to tax effects	(51,846)	216,172	(467,042)
The amount of tax effects	16,268	(66,699)	146,550
Remeasurements of Defined Benefit Plans	(35,577)	149,473	(320,492)
Share of Other Comprehensive Income of Associates			
Accounted for Using Equity Method:			
The amount arising during the period	(7,730)	(6,284)	(69,637)
The total amount of Other Comprehensive Income	¥(229,304)	¥157,233	\$(2,065,620)

37. Changes in Net Assets

For the fiscal year ended March 31, 2019

(i) Types and number of issued shares and of treasury stock are as follows:

	Thousands of Shares					Remarks
	As of April 1, 2018	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2019		
Issued shares						
Common stock	25,389,644	2,854	—	25,392,498		*1
Total	25,389,644	2,854	—	25,392,498		
Treasury stock						
Common stock	24,829	15,788	6,656	33,962		*2
Total	24,829	15,788	6,656	33,962		

*1 Increases are due to exercise of stock acquisition rights (stock options) (2,854 thousand shares).

*2 Increases are due to acquisition of treasury stock by BBT trust account (10,676 thousand shares) and repurchase of shares constituting less than one unit and other factors (5,112 thousand shares). Decreases are due to distribution and sale of treasury stock through BBT trust account (5,078 thousand shares), exercise of stock acquisition rights (stock options) (117 thousand shares), and repurchase of shares constituting less than one unit and other factors (1,460 thousand shares). The number of shares as of March 31, 2019 includes the number of treasury stock held by BBT trust account (18,917 thousand shares).

(ii) Stock acquisition rights and treasury stock acquisition rights are as follows:

Category	Breakdown of stock acquisition rights	Class of shares to be issued or transferred upon exercise of stock acquisition rights	Number of shares to be issued or transferred upon exercise of stock acquisition rights (Shares)				As of March 31, 2019	Balance as of March 31, 2019 (Millions of yen)	Balance as of March 31, 2019 (Thousands of U.S.dollars)	Remarks
			As of April 1, 2018	Increase during the fiscal year	Decrease during the fiscal year					
MHFG	Stock acquisition rights (Treasury stock acquisition rights)	—	—	—	—	—	¥— (—)	\$— (—)		
	Stock acquisition rights as stock option		—				707	6,369		
Consolidated subsidiaries (Treasury stock acquisition rights)			—				(—)	(—)		
Total			—				¥707 (—)	\$6,369 (—)		

(iii) Cash dividends distributed by MHFG are as follows (non-consolidated basis):

Cash dividends paid during the fiscal year ended March 31, 2019

Resolution	Type	Cash Dividends (Millions of yen)	Cash Dividends (Thousands of U.S. dollars)	Cash Dividends per Share (Yen)	Cash Dividends per Share (U.S. dollars)	Record Date	Effective Date
May 15, 2018 (The Board of Directors)	Common Stock	¥95,186	\$857,462	¥3.75	\$0.03	March 31, 2018	June 4, 2018
November 14, 2018 (The Board of Directors)	Common Stock	¥95,197	\$857,560	¥3.75	\$0.03	September 30, 2018	December 6, 2018
Total		¥190,384	\$1,715,022	/	/		

(Notes) 1. Cash dividends based on the resolution of the Board of Directors held on May 15, 2018 include ¥49 million of cash dividends on treasury stock held by BBT trust account.

2. Cash dividends based on the resolution of the Board of Directors held on November 14, 2018 include ¥71 million of cash dividends on treasury stock held by BBT trust account.

Cash dividends with record dates falling in the fiscal year ended March 31, 2019 and effective dates coming after the end of the fiscal year

Resolution	Type	Cash Dividends (Millions of yen)	Cash Dividends (Thousands of U.S. dollars)	Resource of Dividends	Cash Dividends per Share (Yen)	Cash Dividends per Share (U.S. dollars)	Record Date	Effective Date
May 15, 2019 (The Board of Directors)	Common Stock	¥95,197	\$857,557	Retained Earnings	¥3.75	\$0.03	March 31, 2019	June 4, 2019
Total		¥95,197	\$857,557		/	/		

(Note) Cash dividends based on the resolution of the Board of Directors held on May 15, 2019 include ¥70 million of cash dividends on treasury stock held by BBT trust account.

For the fiscal year ended March 31, 2018

(i) Types and number of issued shares and of treasury stock are as follows:

	Thousands of Shares					Remarks
	As of April 1, 2017	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2018		
Issued shares						
Common stock	25,386,307	3,337	—	25,389,644		*1
Total	25,386,307	3,337	—	25,389,644		
Treasury stock						
Common stock	19,992	12,018	7,181	24,829		*2
Total	19,992	12,018	7,181	24,829		

*1 Increases are due to exercise of stock acquisition rights (stock options) (3,337 thousand shares).

*2 Increases are due to acquisition of treasury stock by BBT trust account (8,130 thousand shares) and repurchase of shares constituting less than one unit and other factors (3,888 thousand shares). Decreases are due to distribution of treasury stock through BBT trust account (3,810 thousand shares), exercise of stock acquisition rights (stock options) (266 thousand shares), and repurchase of shares constituting less than one unit and other factors (3,104 thousand shares). The number of shares as of March 31, 2018 includes the number of treasury stock held by BBT trust account (13,319 thousand shares).

(ii) Stock acquisition rights and treasury stock acquisition rights are as follows:

Category	Breakdown of stock acquisition rights	Class of shares to be issued or transferred upon exercise of stock acquisition rights	Number of shares to be issued or transferred upon exercise of stock acquisition rights (Shares)				As of March 31, 2018	Balance as of March 31, 2018 (Millions of yen)	Remarks
			As of April 1, 2017	Increase during the fiscal year	Decrease during the fiscal year				
MHFG	Stock acquisition rights (Treasury stock acquisition rights)	—	— (—)	— (—)	— (—)	— (—)	¥— (—)		
	Stock acquisition rights as stock option			—			1,163		
	Consolidated subsidiaries (Treasury stock acquisition rights)			—			— (—)		
Total				—			¥1,163 (—)		

(iii) Cash dividends distributed by MHFG are as follows (non-consolidated basis):

Cash dividends paid during the fiscal year ended March 31, 2018

Resolution	Type	Cash Dividends (Millions of yen)	Cash Dividends per Share (Yen)	Record Date	Effective Date
May 15, 2017 (The Board of Directors)	Common Stock	¥95,173	¥3.75	March 31, 2017	June 5, 2017
November 13, 2017 (The Board of Directors)	Common Stock	¥95,186	¥3.75	September 30, 2017	December 5, 2017
Total		¥190,360	/		

(Notes) 1. Cash dividends based on the resolution of the Board of Directors held on May 15, 2017 include ¥33 million of cash dividends on treasury stock held by BBT trust account.

2. Cash dividends based on the resolution of the Board of Directors held on November 13, 2017 include ¥49 million of cash dividends on treasury stock held by BBT trust account.

Cash dividends with record dates falling in the fiscal year ended March 31, 2018 and effective dates coming after the end of the fiscal year

Resolution	Type	Cash Dividends (Millions of yen)	Resource of Dividends	Cash Dividends per Share (Yen)	Record Date	Effective Date
May 15, 2018 (The Board of Directors)	Common Stock	¥95,186	Retained Earnings	¥3.75	March 31, 2018	June 4, 2018
Total		¥95,186		/		

(Note) Cash dividends based on the resolution of the Board of Directors held on May 15, 2018 include ¥49 million of cash dividends on treasury stock held by BBT trust account.

38. Cash Flows

1. Cash and Cash Equivalents on the consolidated statement of cash flows reconciles to Cash and Due from Banks on the consolidated balance sheet as follows:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Cash and Due from Banks	¥45,108,602	¥47,725,360	\$406,347,202
Less: Due from Banks excluding due from Central Banks	(853,728)	(1,391,026)	(7,690,551)
Cash and Cash Equivalents	¥44,254,874	¥46,334,334	\$398,656,651

2. Significant non-fund transactions:

Trust & Custody Services Bank, Ltd. (“TCSB”), a consolidated subsidiary of MHFG, implemented joint share transfer with Japan Trustee Services Bank, Ltd. (“JTSB”) and incorporated “JTC Holdings, Ltd.” (“JTCHD”), a holding company whose shareholders are TCSB’s and JTSB’s existing shareholders. As a result, TCSB and JTSB became wholly-owned subsidiaries of JTCHD. During the fiscal year ended March 31, 2019, TCSB was excluded from the scope of consolidation as a result of the aforementioned joint share transfer. Amount and breakdown of Assets and Liabilities decreased as a result of the exclusion from the scope of consolidation are as follows:

As of March 31,		Millions of yen		Thousands of U.S. dollars
		2019	2018	2019
a. Assets	Total Assets	¥9,081,132	¥ —	\$81,804,638
	Cash and Due from Banks	5,044,091	—	45,438,171
b. Liabilities	Total Liabilities	¥9,022,063	¥ —	\$81,272,530
	Due to Trust Accounts	3,620,825	—	32,617,107

39. Lease Transactions

Finance Leases (Lessees)

Finance lease transactions that do not transfer ownership:

(1) Lease Assets:

- Tangible fixed assets: mainly equipment
- Intangible fixed assets: software

(2) The method for computing the amount of depreciation is described in “5 Standards of Accounting Method (8) Lease Assets.”

Operating Leases

The future lease payments subsequent to the end of the fiscal year for non-cancelable operating lease transactions are summarized as follows:

Lessees:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Due in One Year or Less	¥51,329	¥51,996	\$462,384
Due after One Year	175,386	193,996	1,579,917
Total	¥226,715	¥245,992	\$2,042,301

Lessors:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Due in One Year or Less	¥1,216	¥632	\$10,961
Due after One Year	7,798	7,267	70,251
Total	¥9,015	¥7,899	\$81,212

40. Financial Instruments

1. Matters Relating to the Conditions of Financial Instruments

(1) Policy on Financial Instruments

Mizuho Financial Group (MHFG), which primarily engages in banking business, incurs financial liabilities such as customer deposits and market deposits on the funding side while holding financial assets such as customer loans, stocks and bonds on the investment side, and also engages in trading business for certain financial products. Some consolidated subsidiaries conduct securities business and other financial business.

For above funding and investment business, MHFG appropriately manages risks of each financial instrument and carefully watches term-gaps and other risk factors.

(2) Contents and Risk of Financial Products

The main financial assets of the Mizuho group consist of loans to customers, government bonds and stocks. These financial assets are subject to various types of risk that may cause the Group to incur losses due to a decline in, or total loss of, the value of assets, as a result of deterioration in a counterparty's and/or an issuer's financial position ("credit risk"), or due to a decline in the value of assets caused by fluctuations in interest rates, stock prices and foreign exchange rates and so on ("market risk"). The Group may also be exposed to the risk of incurring losses when it becomes impossible to execute transactions in the market because of market confusion or losses arising from transactions at prices that are significantly less favorable than usual ("market liquidity risk").

The main financing source of the Mizuho group is a stable source of deposits from its customers in addition to direct funding from the financial market. These financing sources are subject to the risk of losses ("liquidity risk") arising from funding difficulties due to market disruption or a deterioration in our financial position that makes it difficult for us to raise the necessary funds or that forces us to raise funds at significantly higher interest rates than usual.

In addition, the Mizuho group uses derivative financial products to control the interest rate risk related to the assets and liabilities of the Group, as part of our asset and liability management ("ALM"). The Group primarily utilizes the portfolio hedge by grouping numerous financial assets and liabilities such as loans and deposits into similar interest risk units in accordance with risk management policies. Some derivative products like interest rate swaps are used as hedging methods for cash-flow hedges or fair value hedges. The Group applies hedge accounting to the majority of these products, treating them as deferred hedges. The effectiveness of the hedges is assessed periodically by regression analysis and other methods to ensure whether the derivative financial products effectively work in order to offset the exposure to changes in fair value and variable cash flows from hedged items. It should be noted that the Mizuho Group uses derivative financial products for trading purposes and so on as well.

(3) Risk Management for Financial Products

(a) Commitment to Risk Management

We recognize the conducting of operations tailored to the risks and managing such risks as a key issue relating to overall management. In order to implement our business strategy while maintaining our financial stability, we maintain comprehensive risk management and control measures.

We maintain basic policies for risk management established by our board of directors that are applicable to the entire Mizuho group. These policies clearly define the kinds of risks to be managed, set forth the organizational structure and provide for the human resources training necessary for appropriate levels of risk management. The policies also provide for audits to measure the effectiveness and suitability of the risk management structure. In line with these basic policies, we maintain various measures to strengthen and enhance the sophistication of our risk management system.

(b) General Concept of Risk Management

We classify our risk exposures according to the various kinds of risk, including credit risk, market risk, liquidity risk and operational risk, and manage each type of risk according to its characteristics.

In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and, where necessary, to devise appropriate responses to keep risk within limits that are managerially acceptable in both qualitative and quantitative terms.

More specifically, we allocate risk capital to core group companies, including their respective subsidiaries, to control risk within the limits set for each company. We also control risk within managerially acceptable limits by

working to ensure that the overall risk we hold on a consolidated basis does not exceed the Group's financial strength. To ensure the ongoing financial health of Mizuho Financial Group, we regularly monitor the manner in which risk capital is being used in order to obtain a proper grasp of the risk profile within this framework. Reports are also submitted to the board of directors and other committees of each company.

(c) Credit Risk Management

The board of directors of Mizuho Financial Group determines basic matters pertaining to credit risk management. In addition, we have established the Risk Management Committee, as one of its business policy committees. This committee broadly discusses and coordinates basic policy in connection with credit risk management and matters in connection with overall credit portfolio management and credit risk monitoring for the Mizuho group. Under the control of the Chief Risk Officer of Mizuho Financial Group, the Credit Risk Management Department and the Risk Management Department jointly monitor, analyze and submit suggestions concerning credit risk and formulate and execute plans in connection with basic matters pertaining to credit risk management.

We have adopted two different but mutually complementary approaches in credit risk management. The first approach is "credit management," in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the customer. Through this process, we curb losses in the case of a credit event. The second is "credit portfolio management," in which we utilize statistical methods to assess the potential for losses related to credit risk. Through this process, we identify credit risk and respond appropriately.

We use statistical methods to manage the possibility of losses by measuring the expected average loss for a one-year risk horizon ("expected loss") and the maximum loss within a certain confidence interval ("credit VAR"). The difference between expected loss and credit VAR is measured as the credit risk amount ("unexpected loss"). We recognize two types of risk arising from allowing unexpected loss to become too large. One type is "credit concentration risk," which stems from granting excessive credit to certain individual counterparties or corporate groups. The other type is "chain-reaction default risk," which arises from granting excessive credit to certain areas, industrial sectors and other groupings. We manage these risks appropriately in line with our specific guidelines for each.

The board of directors of each of our principal banking subsidiaries and other core group companies determines key matters pertaining to credit risk by establishing their respective basic policies in line with the basic policies for credit risk management set forth by Mizuho Financial Group. Their respective business policy committees are responsible for discussing and coordinating overall management of their individual credit portfolios and transaction policies towards obligors.

The chief risk officer of each principal banking subsidiary and core group company is responsible for matters relating to planning and implementing credit risk management. Departments in charge of credit risk management are responsible for planning and administering credit risk management and conducting credit risk measuring and monitoring. Credit Departments determine policies and approves/disapproves individual transactions regarding review and management of and collection from customers in accordance with the lines of authority set forth by each principal banking subsidiary. In addition, each of our principal banking subsidiaries has also established internal audit groups that are independent of the business departments in order to ensure appropriate credit risk management.

(d) Market Risk Management

The board of directors of Mizuho Financial Group determines basic matters pertaining to market risk management policies. In addition, we have established the Risk Management Committee, as one of its business policy committees. The committee broadly discusses and coordinates matters concerning basic policy and operations in connection with market risk management and market risk monitoring, and proposes measures to be taken in emergencies such as sudden market changes.

The Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to market risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible for monitoring market risk, reports and analyses, proposals, setting limits and guidelines, and formulating and implementing plans relating to market risk management. In addition, the department assesses and manages the overall market risk of the Mizuho group as a whole and keeps track of the market risk situation of our principal banking subsidiaries and other core group companies. The department also submits reports to the President & CEO on a daily basis and to our board of directors and the executive management committee of Mizuho Financial Group on a regular basis.

To manage market risk, we set limits that correspond to risk capital allocations. The amount of risk capital allocated to market risk corresponds to VAR and additional costs that may arise in order to close relevant positions.

For trading and banking activities, we set limits for VAR and for losses. For banking activities, we set position limits based on interest rate sensitivity as needed.

The board of directors of each of our principal banking subsidiaries and other core group companies determine key matters pertaining to market risk by establishing their respective basic policies in line with the basic policies for market risk management set forth by Mizuho Financial Group. Based on a common Mizuho Group risk capital allocation framework, the above-mentioned companies manage market risk by setting limits according to the risk capital allocated to market risk by Mizuho Financial Group. They have the same market risk management structure as the Mizuho Financial Group, such as their business policy committees being responsible for overall discussion and coordination of the market risk management.

In addition, they have established middle offices specializing in risk management that are independent of their front offices, which engage in market transactions, and their back offices, which are responsible for book entries and settlements. This system enables them to achieve mutual checks and control over market operations.

When VAR is not adequate to control risk, the middle offices manage risk using additional risk indices such as 10 BPV (Basis Point Value), carry out stress tests and set stop loss limits as needed.

(e) Situation of Market Risk

i. Banking Business

The following table shows the VAR figures relating to our banking activities for the fiscal years indicated:

For the Fiscal Years ended March 31,	Billions of yen		Thousands of U.S. dollars
	2019	2018	2019
As of fiscal year end	¥194.4	¥268.4	\$1,751,347
Maximum	298.5	307.2	2,689,054
Minimum	194.4	210.8	1,751,347
Average	255.5	267.8	2,302,489

[Definition of Banking Business]

The following transactions are categorized as banking business, with trading business and cross-shareholdings being categorized separately.

(1) Deposits and loans as well as related funding activities, and hedge against interest rate risk.

(2) Equity (excluding cross-shareholdings), bonds, investment trusts, etc. and hedges against related market risk.

The core deposit of liquid deposits is to be specified and incorporated into the measurement of market risk.

Banking business VAR used to calculate Market Risk Equivalent is based on the following:

- VAR : historical simulation method;
- confidence interval: one-tailed 99%;
- holding period of one month ; and
- historical observation period of three years.

ii. Trading Business

The following table shows VAR figures of our trading activities for the fiscal years indicated :

For the Fiscal Years ended March 31,	Billions of yen		Thousands of U.S. dollars
	2019	2018	2019
As of fiscal year end	¥2.6	¥3.0	\$23,986
Maximum	9.2	6.2	83,748
Minimum	2.4	2.2	22,220
Average	3.4	3.0	30,713

[Definition of Trading Business]

- (1) Transactions held for the purpose of short-term resale.
- (2) Transactions held for the purpose of making a profit from price fluctuations over a short period as well as fixing a profit from arbitrage activities.
- (3) Deals that have both aspects of (1) and (2) above.
- (4) Deals held for broking business or market making business.

Trading business VAR used to calculate Market Risk Equivalent is based on the following:

- VAR: historical simulation method;
- confidence interval: one-tailed 99%;
- holding period of one trading day; and
- historical observation period of three years.

iii. Cross-shareholdings

For cross-shareholdings, we take the same market risk management approach as that for Banking and Trading businesses with the use of VAR and risk indices.

The risk index for the cross-shareholdings (sensitivity of the portfolio to a 1% change in the equity index of TOPIX) is ¥28.0 billion (\$252,983 thousand) and ¥33.0 billion for the fiscal years ended March 31, 2019 and 2018, respectively.

iv. Risk management using VAR

VAR is a commonly used market risk management technique with statistical assumptions to measure maximum possible loss in the market, which will be incurred to the holding portfolio in a certain period with some probability. It should be noted that in general VAR model has the following shortcomings:

- VAR estimates could differ by assumptions of holding period, confidence interval level and approaches for the measurement.
- VAR which is calculated based on historical data does not necessarily indicate an accurate future possible maximum loss.
- VAR might underestimate the probability of extreme market movements when the market gets inactive as VAR assumes sales of holding portfolio and hedges in the market during the holding period for the calculation.
- The use of a 99% confidence level neither takes account of, nor makes any statement about, any losses that might occur beyond this confidence level.

The historical simulation method used as the measurement technique of VAR assumes that change in a market movement follows an empirical distribution. Therefore, the model might underestimate the risk under the circumstance that the market is likely to move extremely beyond the assumption. We check the validity of the market risk measurement made by VAR approach periodically by the back-test which compares VAR with actual profit and loss. In addition to VAR, we make a wide variety of management and controls such as risk indices monitoring, implementation of stress tests, loss limit monitoring in order to make strict risk management by capturing carefully all risks, including what VAR approach is not able to cover.

(f) Liquidity Risk Management

Our liquidity risk management structure is generally the same as the market risk management structure described above ("Item (d) Market Risk Management"). However, the head of the Financial Control & Accounting Group of Mizuho Financial Group is additionally responsible for matters relating to planning and running cash flow management operations, while the Financial Planning Department is responsible for monitoring and adjusting

the cash flow management situation and for planning and implementing cash flow management. Reports on the cash flow situation are submitted to the Risk Management Committee, the Balance Sheet Management Committee, the executive management committee and the President & CEO.

We measure liquidity risk using indices pertaining to cash flow, such as limits on funds raised in the market. Limits on liquidity risk are discussed and coordinated by the Risk Management Committee, discussed further by the executive management committee and determined by the President & CEO. We have established classifications for the cash flow conditions affecting the Group, ranging from “normal” to “anxious” and “crisis,” and have established procedures for dealing with cases which are deemed to fall into the “anxious” or “crisis” categories. In addition, we have constructed a system under which we will be able to respond smoothly in the event of emergency situations that affect our funding by establishing action plans.

(4) Supplementary Explanation of Matters Relating to Fair Value of Financial Instruments and Others

Fair values of financial instruments include the values based on market prices, and the values deemed as market prices obtained by the reasonable estimate when the financial instruments do not have market prices. Since certain assumptions and others are adopted for calculating such values, they may differ when adopting different assumptions and others.

2. Matters Relating to Fair Value of Financial Instruments and Others

The following are the consolidated balance sheet amounts, fair values and differences between them as of March 31, 2019 and 2018. Unlisted stocks and others, the fair values of which are extremely difficult to determine, are excluded from the table below (see (Note 2)).

	Millions of yen		
As of March 31, 2019	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks *1	¥45,106,880	¥45,106,880	¥—
(2) Call Loans and Bills Purchased *1	647,711	647,711	—
(3) Receivables under Resale Agreements	12,997,628	12,997,628	—
(4) Guarantee Deposits Paid under Securities Borrowing Transactions	2,578,133	2,578,133	—
(5) Other Debt Purchased *1	2,828,702	2,828,704	1
(6) Trading Assets			
Trading Securities	5,968,848	5,968,848	—
(7) Money Held in Trust *1	349,897	349,897	—
(8) Securities			
Bonds Held to Maturity	1,602,209	1,609,588	7,378
Other Securities	27,532,818	27,532,818	—
(9) Loans and Bills Discounted	78,456,935		
Reserves for Possible Losses on Loans *1	(249,276)		
	78,207,658	79,261,612	1,053,954
Total Assets	¥177,820,489	¥178,881,824	¥1,061,334
(1) Deposits	¥124,311,025	¥124,307,964	¥(3,060)
(2) Negotiable Certificates of Deposit	13,338,571	13,338,148	(423)
(3) Call Money and Bills Sold	2,841,931	2,841,931	—
(4) Payables under Repurchase Agreements	14,640,439	14,640,439	—
(5) Guarantee Deposits Received under Securities Lending Transactions	1,484,584	1,484,584	—
(6) Trading Liabilities			
Securities Sold, Not yet Purchased	2,579,940	2,579,940	—
(7) Borrowed Money	3,061,504	3,054,910	(6,594)
(8) Bonds and Notes	8,351,071	8,459,713	108,642
(9) Due to Trust Accounts	1,102,073	1,102,073	—
Total Liabilities	¥171,711,141	¥171,809,706	¥98,565
Derivative Transactions *2			
Derivative Transactions not Qualifying for Hedge Accounting	¥216,790		
Derivative Transactions Qualifying for Hedge Accounting	224,803		
Total Derivative Transactions	¥441,593	¥441,593	¥—

*1 General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted are excluded. Reserves for Cash and Due from Banks, Call Loans and Bills Purchased, Other Debt Purchased, Money Held in Trust and others are directly written off against the consolidated balance sheet amount due to immateriality.

*2 Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum. Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

Millions of yen

As of March 31, 2018	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks *1	¥47,723,757	¥47,723,757	¥—
(2) Call Loans and Bills Purchased *1	714,870	714,870	—
(3) Receivables under Resale Agreements	8,080,873	8,080,873	—
(4) Guarantee Deposits Paid under Securities Borrowing Transactions	4,350,527	4,350,527	—
(5) Other Debt Purchased *1	2,713,345	2,713,347	1
(6) Trading Assets			
Trading Securities	5,188,400	5,188,400	—
(7) Money Held in Trust *1	336,203	336,203	—
(8) Securities			
Bonds Held to Maturity	2,515,830	2,521,846	6,016
Other Securities	31,103,130	31,103,130	—
(9) Loans and Bills Discounted	79,421,473		
Reserves for Possible Losses on Loans *1	(275,439)		
	79,146,034	80,053,839	907,804
Total Assets	¥181,872,972	¥182,786,795	¥913,822
(1) Deposits	¥125,081,233	¥125,063,500	¥(17,733)
(2) Negotiable Certificates of Deposit	11,382,590	11,382,089	(500)
(3) Call Money and Bills Sold	2,105,293	2,105,293	—
(4) Payables under Repurchase Agreements	16,656,828	16,656,828	—
(5) Guarantee Deposits Received under Securities Lending Transactions	1,566,833	1,566,833	—
(6) Trading Liabilities			
Securities Sold, Not yet Purchased	3,185,101	3,185,101	—
(7) Borrowed Money	4,896,218	4,886,962	(9,256)
(8) Bonds and Notes	7,544,256	7,591,266	47,009
(9) Due to Trust Accounts	4,733,131	4,733,131	—
Total Liabilities	¥177,151,488	¥177,171,007	¥19,519
Derivative Transactions *2			
Derivative Transactions not Qualifying for Hedge Accounting	¥267,784		
Derivative Transactions Qualifying for Hedge Accounting	234,783		
Reserves for Derivative Transactions *1	(1,355)		
Total Derivative Transactions	¥501,212	¥501,212	¥—

*1 General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted and reserves for derivative transactions are excluded. Reserves for Cash and Due from Banks, Call Loans and Bills Purchased, Other Debt Purchased, Money Held in Trust and others are directly written off against the consolidated balance sheet amount due to immateriality.

*2 Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum. Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

	Thousands of U.S. dollars		
As of March 31, 2019	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks *1	\$406,331,690	\$406,331,690	\$—
(2) Call Loans and Bills Purchased *1	5,834,714	5,834,714	—
(3) Receivables under Resale Agreements	117,085,207	117,085,207	—
(4) Guarantee Deposits Paid under Securities Borrowing Transactions	23,224,336	23,224,336	—
(5) Other Debt Purchased *1	25,481,511	25,481,528	17
(6) Trading Assets			
Trading Securities	53,768,569	53,768,569	—
(7) Money Held in Trust *1	3,151,944	3,151,944	—
(8) Securities			
Bonds Held to Maturity	14,433,022	14,499,489	66,467
Other Securities	248,021,062	248,021,062	—
(9) Loans and Bills Discounted	706,755,565		
Reserves for Possible Losses on Loans *1	(2,245,535)		
	704,510,030	714,004,260	9,494,230
Total Assets	\$1,601,842,085	\$1,611,402,799	\$9,560,714
(1) Deposits	\$1,119,818,262	\$1,119,790,694	\$(27,568)
(2) Negotiable Certificates of Deposit	120,156,486	120,152,674	(3,812)
(3) Call Money and Bills Sold	25,600,682	25,600,682	—
(4) Payables under Repurchase Agreements	131,883,966	131,883,966	—
(5) Guarantee Deposits Received under Securities Lending Transactions	13,373,429	13,373,429	—
(6) Trading Liabilities			
Securities Sold, Not yet Purchased	23,240,609	23,240,609	—
(7) Borrowed Money	27,578,633	27,519,233	(59,400)
(8) Bonds and Notes	75,228,098	76,206,772	978,674
(9) Due to Trust Accounts	9,927,700	9,927,700	—
Total Liabilities	\$1,546,807,865	\$1,547,695,759	\$887,894
Derivative Transactions *2			
Derivative Transactions not Qualifying for Hedge Accounting	\$1,952,888		
Derivative Transactions Qualifying for Hedge Accounting	2,025,074		
Total Derivative Transactions	\$3,977,962	\$3,977,962	\$—

*1 General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted are excluded. Reserves for Cash and Due from Banks, Call Loans and Bills Purchased, Other Debt Purchased, Money Held in Trust and others are directly written off against the consolidated balance sheet amount due to immateriality.

*2 Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum. Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

(Note 1) Calculation method of fair value of financial instruments

Assets

(1) Cash and Due from Banks

For Due from Banks which have no maturity, since fair values of these items approximate book values, we deem the book values to be fair values. For Due from Banks which have maturity, since contractual terms of these items are mainly short (i.e., within six months) and fair values of these items approximate book values, we deem the book values to be fair values.

(2) Call Loans and Bills Purchased, (3) Receivables under Resale Agreements and (4) Guarantee Deposits Paid under Securities Borrowing Transactions

Since contractual terms of these items are mainly short (i.e., within six months) and fair values of these items approximate book values, we deem the book values to be fair values.

(5) Other Debt Purchased

Fair values of Other Debt Purchased are based on the values deemed as market prices obtained by the reasonable estimate such as those obtained from brokers and financial information vendors.

(6) Trading Assets

Fair values of securities held for trading, such as bonds held for trading, are based on the market prices and others.

(7) Money Held in Trust

As to securities managed as trust assets in a directed money trust for separate investment with the management of securities as its primary purpose, fair values of these items are calculated using the method stated in (8). For other Money Held in Trust, since fair values of these items approximate book values, we deem the book values to be fair values.

The notes to Money Held in Trust based on holding purpose are stated in "41.Fair Value of Securities and Money Held in Trust."

(8) Securities

Fair values of stocks are based on the prices on securities exchanges, and those of bonds and others are based on the market prices, valuations obtained from brokers and information vendors and others. Fair values of investment trusts are based on the disclosed net asset value and others. Fair values of private placement bonds are calculated by discounting the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by categories according to the internal ratings and terms.

Fair values of securitized products are based on valuations obtained from brokers and others, and reasonably calculated prices based on the reasonable estimates of our management. In deriving reasonably calculated prices based on the reasonable estimates of our management mentioned above, we used the discounted cash flow method. The price decision variables include default rates, recovery rates, pre-payment rates, and discount rates.

Fair values of Floating-rate Japanese Government Bonds, according to our determination that current market prices may not reflect the fair value, are based on the reasonably calculated prices as book value. In deriving the reasonably calculated prices, we used the discount cash flow method as well as other methods. The price decision variables include the yield of 10-year Japanese Government Bonds and the volatilities of interest rate swap options for 10-year Japanese Government Bonds as underlying assets.

The notes to Securities based on holding purpose are stated in "41.Fair Value of Securities and Money Held in Trust."

(9) Loans and Bills Discounted

Fair values of Loans and Bills Discounted are calculated by the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by categories according to the types, internal ratings and terms of the Loans and Bills Discounted. In addition, as to claims against bankrupt obligors, substantially bankrupt obligors and intensive control obligors, since the estimated amount of bad debts is calculated based on the present value of the expected future cash flows or the estimated amounts that we would be able to collect from collateral and guarantees, fair values approximate the amount of Debentures and others minus the amount of

Reserves for Possible Losses on Loans in the consolidated balance sheet as of the consolidated balance sheet date and we thus deem such amount to be fair values.

Of the Loans and Bills Discounted, for those without a fixed maturity due to loan characteristics such as limiting loans to within the value of pledged assets, we deem book values to be fair values since fair values are expected to approximate book values based on the estimated loan periods, interest rates and other conditions.

Liabilities

(1) Deposits (2) Negotiable Certificates of Deposit

For demand deposits, we deem the payment amounts required on the consolidated balance sheet date (i.e., book values) to be fair values. In addition, fair values of fixed deposits and negotiable certificates of deposits are calculated by classifying them based on their terms and by discounting the future cash flows. The discount rates used in such calculations are the interest rates. Since fair values of those whose deposit terms are short (i.e., within six months) approximate book values, we mainly deem the book values to be fair values.

(3) Call Money and Bills Sold, (4) Payables under Repurchase Agreements and (5) Guarantee Deposits Received under Securities Lending Transactions

Since contractual terms of these financial instruments are mainly short (i.e., within six months) and fair values approximate book values, we deem the book values to be fair values.

(6) Trading Liabilities

Fair values of Securities Sold, Not yet Purchased in Trading Liabilities are based on the market prices and others.

(7) Borrowed Money

Fair values of Borrowed Money are calculated mainly by discounting the total amount of the principal and interest of such Borrowed Money classified by certain period at the interest rates considered to be applicable to similar loans.

(8) Bonds and Notes

Fair values of Bonds and Notes issued by MHFG and its consolidated subsidiaries are based on the market prices for Bonds and Notes which have market prices, and calculated by discounting the total amount of principal and interest by the interest rates considered to be applicable to similar Bonds and Notes for those which do not have market prices.

(9) Due to Trust Accounts

Due to Trust Accounts of consolidated trust banking subsidiaries is used for transactions in which consolidated trust banking subsidiaries manage fund entrusted to them in bank accounts of consolidated trust banking subsidiaries. As the purpose is considered to approximate demand deposit, we deem the book values to be fair values.

Derivative Transactions

Derivative transactions include interest rate-related transactions (futures, options, swaps and others), currency-related transactions (futures, options, swaps and others), bond-related transactions (futures, futures options and others), and are based on the prices on securities exchanges, discounted value of future cash flows, option pricing models and others.

(Note 2) Consolidated balance sheet amounts of financial instruments whose fair values are deemed to be extremely difficult to determine are indicated below, and are not included in “Assets (7) Money Held in Trust” and “Assets (8) Other Securities” in fair value information of financial instruments.

As of March 31, Category	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
	Consolidated Balance Sheet Amount	Consolidated Balance Sheet Amount	Consolidated Balance Sheet Amount
(i) Unlisted Stocks *1	¥178,677	¥204,081	\$1,609,560
(ii) Investments in Partnerships and others *2	126,533	104,569	1,139,841
(iii) Other	2,077	1,263	18,713
Total *3	¥307,288	¥309,913	\$2,768,114

*1 We do not treat Unlisted Stocks as being subject to disclosure of fair values as there are no market prices and they are deemed extremely difficult to determine fair values.

*2 Of the Investments in Partnerships and others, we do not treat those whose assets consist of unlisted stocks and other financial instruments that are deemed extremely difficult to determine fair values as being subject to disclosure of fair values.

*3 During the fiscal years ended March 31, 2019 and 2018, the amounts of impairment (devaluation) were ¥2,316 million (\$20,871 thousand) and ¥3,794 million, respectively, on a consolidated basis.

(Note 3) Projected redemption amounts after the consolidated balance sheet date for financial assets and securities with maturities

As of March 31, 2019 Types of Financial Instruments	Millions of yen					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Due from Banks	¥44,406,145	¥0	¥—	¥—	¥—	¥—
Call Loans and Bills Purchased	648,254	—	—	—	—	—
Other Debt Purchased	2,587,337	57,649	58,456	4,004	5,551	114,741
Securities *1	12,495,355	4,481,569	1,277,419	657,610	2,466,845	2,450,426
Bonds Held to Maturity	640,000	—	380,000	100,000	—	454,614
Japanese Government Bonds	640,000	—	380,000	100,000	—	—
Foreign Bonds	—	—	—	—	—	454,614
Other Securities with Maturities	11,855,355	4,481,569	897,419	557,610	2,466,845	1,995,812
Japanese Government Bonds	7,832,924	2,308,100	10,220	105,200	1,319,200	245,000
Japanese Local Government Bonds	7,217	66,734	51,431	14,969	62,416	4,766
Japanese Corporate Bonds	355,767	639,809	563,669	306,147	231,077	578,595
Foreign Bonds	3,643,312	1,451,173	196,210	99,097	825,986	1,099,720
Other	16,134	15,752	75,888	32,195	28,165	67,730
Loans and Bills Discounted *2	28,990,334	17,588,913	12,332,623	6,127,745	4,810,240	7,386,646
Total	¥89,127,427	¥22,128,133	¥13,668,500	¥6,789,360	¥7,282,638	¥9,951,814

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

As of March 31, 2018		Millions of yen					
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years	
Due from Banks	¥46,715,934	¥200	¥0	¥—	¥—	¥—	
Call Loans and Bills Purchased	715,149	—	—	—	—	—	
Other Debt Purchased	2,468,141	64,338	40,744	4,573	5,273	129,730	
Securities *1	10,525,858	5,374,758	3,753,350	1,824,092	2,949,807	3,069,029	
Bonds Held to Maturity	840,000	640,000	100,000	380,000	—	522,783	
Japanese Government Bonds	840,000	640,000	100,000	380,000	—	—	
Foreign Bonds	—	—	—	—	—	522,783	
Other Securities with Maturities	9,685,858	4,734,758	3,653,350	1,444,092	2,949,807	2,546,245	
Japanese Government Bonds	6,281,356	3,146,400	1,841,800	355,425	1,494,800	100,000	
Japanese Local Government Bonds	31,942	25,480	92,288	57,001	24,141	4,444	
Japanese Corporate Bonds	459,476	792,243	488,381	219,019	201,658	790,625	
Foreign Bonds	2,887,975	760,999	1,147,715	799,771	1,192,863	1,599,648	
Other	25,106	9,635	83,164	12,875	36,343	51,527	
Loans and Bills Discounted *2	33,417,990	16,156,883	11,446,603	5,495,875	4,725,641	7,044,731	
Total	¥93,843,074	¥21,596,181	¥15,240,697	¥7,324,541	¥7,680,722	¥10,243,490	

As of March 31, 2019		Thousands of U.S. dollars					
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years	
Due from Banks	\$400,019,330	\$1	\$—	\$—	\$—	\$—	
Call Loans and Bills Purchased	5,839,602	—	—	—	—	—	
Other Debt Purchased	23,307,244	519,318	526,592	36,076	50,012	1,033,611	
Securities *1	112,560,633	40,370,863	11,507,248	5,923,887	22,221,834	22,073,926	
Bonds Held to Maturity	5,765,246	—	3,423,115	900,820	—	4,095,256	
Japanese Government Bonds	5,765,246	—	3,423,115	900,820	—	—	
Foreign Bonds	—	—	—	—	—	4,095,256	
Other Securities with Maturities	106,795,387	40,370,863	8,084,133	5,023,067	22,221,834	17,978,670	
Japanese Government Bonds	70,560,527	20,791,821	92,064	947,662	11,883,614	2,207,008	
Japanese Local Government Bonds	65,013	601,156	463,306	134,850	562,256	42,934	
Japanese Corporate Bonds	3,204,823	5,763,528	5,077,644	2,757,841	2,081,588	5,212,101	
Foreign Bonds	32,819,678	13,072,459	1,767,499	892,688	7,440,652	9,906,501	
Other	145,346	141,899	683,620	290,026	253,724	610,126	
Loans and Bills Discounted *2	261,150,658	158,444,410	111,094,707	55,199,939	43,331,599	66,540,370	
Total	\$802,877,467	\$199,334,592	\$123,128,547	\$61,159,902	\$65,603,445	\$89,647,907	

*1 Securities include those of which fair values are extremely difficult to determine.

*2 Amounts do not include loans to bankrupt, substantially bankrupt, and intensive control obligors and other loans, of which redemption amounts cannot be projected, of ¥388,952 million (\$3,503,762 thousand) and ¥353,132 million, and loans with no maturities of ¥831,478 million (\$7,490,120 thousand) and ¥780,615 million as of March 31, 2019 and 2018, respectively.

(Note 4) Projected repayment amounts after the consolidated balance sheet date for Bonds and Notes, Borrowed Money, and other interest-bearing liabilities

As of March 31, 2019						Millions of yen
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits *1	¥120,184,354	¥3,166,200	¥703,893	¥61,692	¥53,935	¥140,948
Negotiable Certificates of Deposit	12,964,482	377,476	—	—	—	—
Call Money and Bills Sold	2,841,931	—	—	—	—	—
Borrowed Money	970,310	1,058,972	304,205	258,013	225,203	244,798
Short-term Bonds	355,539	—	—	—	—	—
Bonds and Notes *2	1,010,378	1,494,347	1,158,429	1,014,681	1,464,885	623,757
Due to Trust Accounts	1,102,073	—	—	—	—	—
Total	¥139,429,069	¥6,096,997	¥2,166,528	¥1,334,388	¥1,744,024	¥1,009,504

As of March 31, 2018						Millions of yen
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits *1	¥121,278,407	¥2,974,182	¥691,786	¥86,972	¥41,370	¥8,514
Negotiable Certificates of Deposit	11,021,750	357,705	4,062	—	—	—
Call Money and Bills Sold	2,105,293	—	—	—	—	—
Borrowed Money	2,221,554	1,541,595	309,410	260,283	303,808	259,565
Short-term Bonds	362,185	—	—	—	—	—
Bonds and Notes *2	740,960	1,145,772	1,883,455	626,680	1,375,904	532,969
Due to Trust Accounts	4,733,131	—	—	—	—	—
Total	¥142,463,282	¥6,019,255	¥2,888,714	¥973,936	¥1,721,082	¥801,049

As of March 31, 2019						Thousands of U.S. dollars
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits *1	\$1,082,644,393	\$28,521,759	\$6,340,812	\$555,742	\$485,863	\$1,269,693
Negotiable Certificates of Deposit	116,786,614	3,400,382	—	—	—	—
Call Money and Bills Sold	25,600,682	—	—	—	—	—
Borrowed Money	8,740,745	9,539,437	2,740,348	2,324,236	2,028,678	2,205,189
Short-term Bonds	3,202,767	—	—	—	—	—
Bonds and Notes *2	9,101,693	13,461,378	10,435,360	9,140,454	13,195,978	5,618,934
Due to Trust Accounts	9,927,700	—	—	—	—	—
Total	\$1,256,004,594	\$54,922,956	\$19,516,520	\$12,020,432	\$15,710,519	\$9,093,816

*1 Demand deposits are included in "Within 1 year."

*2 Amounts do not include Bonds and Notes with no maturities of ¥1,585,000 million (\$14,277,993 thousand) and ¥1,239,000 million as of March 31, 2019 and 2018, respectively.

41. Fair Value of Securities and Money Held in Trust

The following tables contain information relating to “Securities,” Trading Securities, Short-term Bonds, certain other items in “Trading Assets,” Negotiable Certificates of Deposit in “Cash and Due from Banks,” certain items in “Other Debt Purchased,” certain items in “Other Assets,” and “Money Held in Trust.”

	Millions of yen		
	Consolidated Balance Sheet Amount	Fair value	Difference
As of March 31, 2019			
Bonds Held-to-Maturity (Total)	¥1,602,209	¥1,609,588	¥7,378
Bonds Whose Fair Values Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:			
Japanese Government Bonds	¥1,119,898	¥1,139,806	¥19,907
Foreign Bonds	—	—	—
Bonds Whose Fair Values Do Not Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:			
Japanese Government Bonds	¥482,311	¥469,782	¥(12,528)
Foreign Bonds	—	—	—
Foreign Bonds	482,311	469,782	(12,528)

	Millions of yen		
	Consolidated Balance Sheet Amount	Fair value	Difference
As of March 31, 2018			
Bonds Held-to-Maturity (Total)	¥2,515,830	¥2,521,846	¥6,016
Bonds Whose Fair Values Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:			
Japanese Government Bonds	¥1,959,909	¥1,984,382	¥24,472
Foreign Bonds	—	—	—
Bonds Whose Fair Values Do Not Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:			
Japanese Government Bonds	¥555,920	¥537,464	¥(18,455)
Foreign Bonds	—	—	—
Foreign Bonds	555,920	537,464	(18,455)

	Thousands of U.S. dollars		
	Consolidated Balance Sheet Amount	Fair value	Difference
As of March 31, 2019			
Bonds Held-to-Maturity (Total)	\$14,433,022	\$14,499,489	\$66,467
Bonds Whose Fair Values Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:			
Japanese Government Bonds	\$10,088,268	\$10,267,597	\$179,329
Foreign Bonds	—	—	—
Bonds Whose Fair Values Do Not Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:			
Japanese Government Bonds	\$4,344,754	\$4,231,892	\$(112,862)
Foreign Bonds	—	—	—
Foreign Bonds	4,344,754	4,231,892	(112,862)

Millions of yen

As of March 31, 2019	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities*1 (Total)	¥27,847,545	¥26,157,679	¥1,689,866*2
Other Securities Whose Consolidated Balance Sheet Amount Exceeds Acquisition Cost			
Other Securities:	¥17,628,160	¥15,744,723	¥1,883,436
Japanese Stocks	2,960,189	1,185,729	1,774,459
Japanese Bonds:	9,221,413	9,184,129	37,284
Japanese Government Bonds	7,535,858	7,527,102	8,755
Japanese Local Government Bonds	156,467	154,795	1,671
Short-term Bonds	—	—	—
Japanese Corporate Bonds	1,529,088	1,502,230	26,857
Other:	5,446,557	5,374,864	71,692
Foreign Bonds	4,855,723	4,820,417	35,306
Other Debt Purchased	72,221	70,840	1,380
Other	518,612	483,606	35,005
Other Securities Whose Consolidated Balance Sheet Amount Does Not Exceed Acquisition Cost			
Other Securities:	¥10,219,384	¥10,412,955	¥(193,570)
Japanese Stocks	183,371	234,169	(50,797)
Japanese Bonds:	5,565,535	5,597,550	(32,014)
Japanese Government Bonds	4,360,275	4,363,110	(2,834)
Japanese Local Government Bonds	53,424	53,512	(87)
Short-term Bonds	—	—	—
Japanese Corporate Bonds	1,151,835	1,180,927	(29,092)
Other:	4,470,477	4,581,235	(110,757)
Foreign Bonds	2,562,598	2,574,210	(11,611)
Other Debt Purchased	93,894	94,084	(190)
Other	1,813,985	1,912,940	(98,955)
Money Held in Trust			
Other Money Held in Trust	¥4,641	¥4,641	¥—

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

	Millions of yen		
As of March 31, 2018	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities*1 (Total)	¥31,581,138	¥29,626,911	¥1,954,226*2
Other Securities Whose Consolidated Balance Sheet Amount Exceeds Acquisition Cost			
Other Securities:	¥14,261,162	¥12,002,479	¥2,258,682
Japanese Stocks	3,402,250	1,351,285	2,050,964
Japanese Bonds:	7,512,070	7,474,247	37,822
Japanese Government Bonds	5,786,004	5,775,747	10,257
Japanese Local Government Bonds	151,508	148,605	2,903
Short-term Bonds	—	—	—
Japanese Corporate Bonds	1,574,556	1,549,894	24,662
Other:	3,346,841	3,176,946	169,894
Foreign Bonds	2,641,061	2,629,413	11,647
Other Debt Purchased	74,171	72,973	1,198
Other	631,608	474,559	157,048
Other Securities Whose Consolidated Balance Sheet Amount Does Not Exceed Acquisition Cost			
Other Securities:	¥17,319,975	¥17,624,431	¥(304,455)
Japanese Stocks	179,989	213,582	(33,592)
Japanese Bonds:	9,023,533	9,055,945	(32,411)
Japanese Government Bonds	7,546,089	7,555,729	(9,640)
Japanese Local Government Bonds	87,824	88,105	(280)
Short-term Bonds	99	99	—
Japanese Corporate Bonds	1,389,519	1,412,009	(22,489)
Other:	8,116,452	8,354,904	(238,451)
Foreign Bonds	5,688,079	5,865,823	(177,743)
Other Debt Purchased	112,361	112,641	(279)
Other	2,316,011	2,376,439	(60,428)
Money Held in Trust			
Other Money Held in Trust	¥3,199	¥3,199	¥—

	Thousands of U.S. dollars		
As of March 31, 2019	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities*1 (Total)	\$250,856,187	\$235,633,538	\$15,222,649 ²
Other Securities Whose Consolidated Balance Sheet Amount Exceeds Acquisition Cost			
Other Securities:	\$158,797,949	\$141,831,583	\$16,966,366
Japanese Stocks	26,665,969	10,681,286	15,984,683
Japanese Bonds:	83,068,317	82,732,452	335,865
Japanese Government Bonds	67,884,504	67,805,630	78,874
Japanese Local Government Bonds	1,409,486	1,394,432	15,054
Short-term Bonds	—	—	—
Japanese Corporate Bonds	13,774,327	13,532,390	241,937
Other:	49,063,663	48,417,845	645,818
Foreign Bonds	43,741,316	43,423,272	318,044
Other Debt Purchased	650,584	638,149	12,435
Other	4,671,763	4,356,424	315,339
Other Securities Whose Consolidated Balance Sheet Amount Does Not Exceed Acquisition Cost			
Other Securities:	\$92,058,238	\$93,801,955	\$(1,743,717)
Japanese Stocks	1,651,846	2,109,443	(457,597)
Japanese Bonds:	50,135,446	50,423,837	(288,391)
Japanese Government Bonds	39,278,226	39,303,761	(25,535)
Japanese Local Government Bonds	481,259	482,047	(788)
Short-term Bonds	—	—	—
Japanese Corporate Bonds	10,375,961	10,638,029	(262,068)
Other:	40,270,946	41,268,675	(997,729)
Foreign Bonds	23,084,392	23,188,992	(104,600)
Other Debt Purchased	845,817	847,534	(1,717)
Other	16,340,737	17,232,149	(891,412)
Money Held in Trust			
Other Money Held in Trust	\$41,816	\$41,816	\$—

*1 The fair value of Japanese stocks is determined based on the average quoted market price over the month preceding the consolidated balance sheet date. The fair value of securities other than Japanese stocks is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date.

*2 Unrealized Gains (Losses) or Difference include gains of ¥38,000 million (\$342,319 thousand) and ¥28,273 million which were recognized in the statements of income for the fiscal years ended March 31, 2019 and 2018, respectively, by applying the fair-value hedge method.

Note: A summary of Trading Securities and Money Held in Trust for investment purposes and related unrealized gains and losses recognized in the statement of income are as follows: *

	Millions of yen		Thousands of U.S. dollars	
	2019	2018	2019	2018
As of March 31,	Unrealized gains (losses)	Unrealized gains (losses)	Unrealized gains (losses)	Unrealized gains (losses)
Trading Securities	¥15,812	¥(51,558)	\$142,439	

	Millions of yen				Thousands of U.S. dollars	
	2019		2018		2019	
As of March 31,	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)
Money Held in Trust for Investment	¥347,247	¥(175)	¥334,230	¥381	\$3,128,072	\$(1,578)

* Fair values of trading securities as of March 31, 2019 and 2018 are described in "40. Financial Instruments."

Other Securities Sold during the Fiscal Year

For the Fiscal Year ended March 31, 2019	Millions of yen			Thousands of U.S. dollars		
	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales
Stocks	¥398,587	¥217,587	¥25,532	\$3,590,551	\$1,960,073	\$229,999
Bonds	19,662,280	24,420	14,558	177,121,706	219,984	131,149
Japanese Government Bonds	18,749,068	20,981	14,287	168,895,311	189,010	128,702
Japanese Local Government Bonds	108,741	1,747	7	979,562	15,738	63
Japanese Corporate Bonds	804,470	1,691	264	7,246,833	15,236	2,384
Other	18,208,373	208,878	176,851	164,024,620	1,881,619	1,593,111
Total	¥38,269,240	¥450,886	¥216,942	\$344,736,877	\$4,061,676	\$1,954,259

For the Fiscal Year ended March 31, 2018	Millions of yen		
	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales
Stocks	¥362,292	¥185,676	¥4,547
Bonds	29,552,146	26,102	10,728
Japanese Government Bonds	28,948,271	22,739	9,781
Japanese Local Government Bonds	97,444	1,205	54
Japanese Corporate Bonds	506,429	2,158	893
Other	12,647,126	168,482	102,863
Total	¥42,561,564	¥380,262	¥118,139

Note: The above table contains Other Securities that are deemed extremely difficult to determine fair values.

Unrealized Gains/Losses on Other Securities

Unrealized Gains/Losses on Other Securities as of March 31, 2019 and 2018 are as follows:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Difference between Acquisition Cost and Fair Value*1	¥1,651,704	¥1,925,837	\$14,878,884
Other Securities*2	1,651,704	1,925,837	14,878,884
Deferred Tax Liabilities	(452,032)	(518,090)	(4,071,999)
Difference between Acquisition Cost and Fair Value, net of Taxes	1,199,672	1,407,747	10,806,885
Amount Corresponding to Non-controlling Interests	16,592	20,790	149,467
Amount Corresponding to Net Unrealized Gains (Losses) on Other Securities Owned by Affiliated Companies, which is attributable to MHFG	3,322	5,436	29,925
Net Unrealized Gains (Losses) on Other Securities	¥1,186,401	¥1,392,392	\$10,687,343

*1 The difference between acquisition cost and fair value excludes ¥(38,000) million (\$342,319 thousand) and ¥(28,273) million which were recognized in the statements of income for the fiscal years ended March 31, 2019 and 2018, respectively, by applying the fair-value hedge method.

*2 Other Securities includes translation differences regarding securities which do not have readily determinable fair value.

42. Derivatives Information

The fair value of derivatives not qualifying for hedge accounting and derivatives qualifying for hedge accounting as of March 31, 2019 and 2018 is shown in the tables below. In the following tables:

- (i) Contract value represents notional amounts for swap transactions and contract amounts for other transactions. Contract value amounts do not indicate the market risk related to derivative transactions.
- (ii) Fair values of listed contracts are based on the closing prices of the Osaka Exchange, the Tokyo Financial Exchange, the New York Mercantile Exchange and others. Fair values of over-the-counter contracts and inter-company or internal transactions are based on the discounted value of future cash flows, option pricing models and others.

(1) Derivative Transactions not Qualifying for Hedge Accounting

Transactions are marked to market, and changes in unrealized gains (losses) are included in the consolidated statement of income.

(a) Interest Rate-Related Transactions

As of March 31, 2019	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥5,271,028	¥1,170,467	¥(11,769)	¥(11,769)
Bought	4,937,314	1,038,597	10,720	10,720
Options:				
Sold	68,982	5,426	(88)	(49)
Bought	366,497	26,713	145	(11)
Over-the-Counter:				
FRAs:				
Sold	24,986,558	337,427	(7,444)	(7,444)
Bought	23,745,677	356,242	4,439	4,439
Swaps:				
Receive Fixed / Pay Float	437,805,612	355,064,104	5,073,779	5,073,779
Receive Float / Pay Fixed	432,199,871	349,054,509	(4,958,342)	(4,958,342)
Receive Float / Pay Float	96,243,012	74,473,472	27,999	27,999
Receive Fixed / Pay Fixed	490,281	471,171	6,110	6,110
Options:				
Sold	7,659,317	5,756,825	(21,010)	(21,010)
Bought	5,682,687	4,079,574	21,875	21,875
Inter-company or Internal Transactions:				
Swaps:				
Receive Fixed / Pay Float	5,728,950	5,514,595	179,713	179,713
Receive Float / Pay Fixed	11,983,010	10,549,204	(185,847)	(185,847)
Total	/	/	¥140,280	¥140,163

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

As of March 31, 2018	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥7,629,009	¥2,781,286	¥24,873	¥24,873
Bought	7,382,738	2,527,389	(26,372)	(26,372)
Options:				
Sold	148,802	38,606	(157)	119
Bought	318,186	—	715	22
Over-the-Counter:				
FRAs:				
Sold	29,881,631	657,637	(6,103)	(6,103)
Bought	28,470,832	641,350	4,272	4,272
Swaps:				
Receive Fixed / Pay Float	408,239,583	335,944,031	3,331,370	3,331,370
Receive Float / Pay Fixed	404,255,318	328,525,087	(3,350,175)	(3,350,175)
Receive Float / Pay Float	89,307,829	68,275,480	42,651	42,651
Receive Fixed / Pay Fixed	613,586	556,686	5,675	5,675
Options:				
Sold	6,348,557	4,448,904	(20,162)	(20,162)
Bought	3,925,710	2,669,122	19,766	19,766
Inter-company or Internal Transactions:				
Swaps:				
Receive Fixed / Pay Float	5,802,848	5,629,482	(42,404)	(42,404)
Receive Float / Pay Fixed	10,811,184	9,824,803	114,074	114,074
Total	/	/	¥98,024	¥97,607

As of March 31, 2019	Thousands of U.S. dollars			
	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Futures:				
Sold	\$47,482,465	\$10,543,803	\$(106,024)	\$(106,024)
Bought	44,476,308	9,355,889	96,574	96,574
Options:				
Sold	621,409	48,881	(799)	(449)
Bought	3,301,486	240,645	1,312	(100)
Over-the-Counter:				
FRAs:				
Sold	225,083,856	3,039,617	(67,065)	(67,065)
Bought	213,905,751	3,209,106	39,989	39,989
Swaps:				
Receive Fixed / Pay Float	3,943,839,404	3,198,487,565	45,705,611	45,705,611
Receive Float / Pay Fixed	3,893,341,784	3,144,351,947	(44,665,731)	(44,665,731)
Receive Float / Pay Float	866,976,060	670,871,743	252,227	252,227
Receive Fixed / Pay Fixed	4,416,554	4,244,407	55,046	55,046
Options:				
Sold	68,996,641	51,858,617	(189,267)	(189,267)
Bought	51,190,772	36,749,611	197,061	197,061
Inter-company or Internal Transactions:				
Swaps:				
Receive Fixed / Pay Float	51,607,515	49,676,565	1,618,896	1,618,896
Receive Float / Pay Fixed	107,945,328	95,029,316	(1,674,151)	(1,674,151)
Total	/	/	\$1,263,679	\$1,262,617

(b) Currency-Related Transactions

As of March 31, 2019	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥14,389	¥56	¥—	¥—
Bought	56,061	11,939	—	—
Over-the-Counter:				
Swaps	51,184,817	37,680,355	169,309	87,121
Forwards:				
Sold	69,961,828	2,808,061	(197,466)	(197,466)
Bought	34,177,574	1,235,536	210,658	210,658
Options:				
Sold	3,711,388	1,164,432	(38,603)	9,808
Bought	3,742,133	949,891	43,757	(8,809)
Inter-company or Internal Transactions:				
Swaps	2,980,292	2,126,659	(132,328)	20,267
Forwards:				
Bought	10,465	—	84	84
Total	/	/	¥55,411	¥121,663

As of March 31, 2018	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥21,239	¥1,860	¥—	¥—
Bought	92,245	22,828	—	—
Over-the-Counter:				
Swaps	49,506,179	34,820,751	245,294	164,945
Forwards:				
Sold	67,299,060	2,966,015	537,765	537,765
Bought	30,337,434	1,229,813	(469,341)	(469,341)
Options:				
Sold	2,451,245	1,087,293	(39,530)	14,894
Bought	2,308,666	919,460	66,225	8,218
Inter-company or Internal Transactions:				
Swaps	3,190,555	2,362,942	(250,755)	18,009
Forwards:				
Bought	165,472	—	(2,090)	(2,090)
Total	/	/	¥87,568	¥272,402

As of March 31, 2019	Thousands of U.S. dollars			
	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Futures:				
Sold	\$129,627	\$507	\$—	\$—
Bought	505,013	107,558	—	—
Over-the-Counter:				
Swaps	461,082,941	339,432,084	1,525,174	784,805
Forwards:				
Sold	630,229,969	25,295,572	(1,778,815)	(1,778,815)
Bought	307,878,337	11,129,953	1,897,650	1,897,650
Options:				
Sold	33,432,916	10,489,440	(347,750)	88,357
Bought	33,709,878	8,556,811	394,179	(79,359)
Inter-company or Internal Transactions:				
Swaps	26,847,061	19,157,371	(1,192,045)	182,571
Forwards:				
Bought	94,274	—	761	761
Total	/	/	\$499,154	\$1,095,970

(c) Stock-Related Transactions

As of March 31, 2019	Millions of yen			
	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Index Futures:				
Sold	¥719,406	¥—	¥(8,846)	¥(8,846)
Bought	304,830	—	971	971
Index Futures Options:				
Sold	1,564,602	550,466	(72,756)	6,380
Bought	1,520,734	387,167	53,882	(16,787)
Over-the-Counter:				
Equity Linked Swaps	332,369	295,630	27,124	27,124
Options:				
Sold	494,539	340,842	(52,538)	(52,538)
Bought	201,329	116,343	69,367	69,367
Other:				
Sold	—	—	—	—
Bought	371,911	257,348	283	283
Total	/	/	¥17,487	¥25,955

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

As of March 31, 2018	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Listed:				
Index Futures:				
Sold	¥345,159	¥10,570	¥1,986	¥1,986
Bought	677,676	—	8,524	8,524
Index Futures Options:				
Sold	1,788,049	422,988	(78,493)	(3,245)
Bought	1,733,309	371,505	71,196	1,012
Over-the-Counter:				
Equity Linked Swaps	242,490	220,351	13,938	13,938
Options:				
Sold	705,136	412,365	(73,573)	(73,573)
Bought	334,443	141,885	103,731	103,731
Other:				
Sold	164,010	37,531	(1,004)	(1,004)
Bought	434,136	303,637	37,958	37,958
Total	/	/	¥84,265	¥89,329

As of March 31, 2019	Contract value		Fair value	Thousands of U.S. dollars
	Total	Over one year		Unrealized gains (losses)
Listed:				
Index Futures:				
Sold	\$6,480,560	\$—	\$(79,695)	\$(79,695)
Bought	2,745,971	—	8,756	8,756
Index Futures Options:				
Sold	14,094,251	4,958,707	(655,409)	57,480
Bought	13,699,072	3,487,682	485,387	(151,222)
Over-the-Counter:				
Equity Linked Swaps	2,994,053	2,663,098	244,346	244,346
Options:				
Sold	4,454,907	3,070,379	(473,281)	(473,281)
Bought	1,813,613	1,048,043	624,877	624,877
Other:				
Sold	—	—	—	—
Bought	3,350,249	2,318,245	2,550	2,550
Total	/	/	\$157,531	\$233,811

(d) Bond-Related Transactions

Millions of yen

As of March 31,	2019				2018			
	Contract value		Fair value	Unrealized gains (losses)	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year			Total	Over one year		
Listed:								
Futures:								
Sold	¥792,227	¥—	¥(6,496)	¥(6,496)	¥795,996	¥—	¥(4,155)	¥(4,155)
Bought	674,829	—	7,354	7,354	626,268	—	4,206	4,206
Futures Options:								
Sold	129,948	—	(124)	(37)	265,529	—	(246)	(104)
Bought	252,433	—	189	(26)	158,042	—	184	48
Over-the-Counter:								
Options:								
Sold	632,942	207,161	(8,098)	(7,291)	827,444	283,966	(26,511)	(25,779)
Bought	633,054	207,161	7,455	6,632	827,685	283,966	26,040	25,702
Other:								
Sold	139,680	—	(1,313)	(1,313)	357,473	—	(664)	(664)
Bought	129,465	—	696	696	297,989	—	271	271
Total	/	/	¥(336)	¥(482)	/	/	¥(875)	¥(475)

Thousands of U.S. dollars

As of March 31,	2019			
	Contract value		Fair value	Unrealized gains (losses)
	Total	Over One year		
Listed:				
Futures:				
Sold	\$7,136,539	\$—	\$(58,518)	\$(58,518)
Bought	6,078,997	—	66,251	66,251
Futures Options:				
Sold	1,170,598	—	(1,119)	(339)
Bought	2,273,967	—	1,706	(242)
Over-the-Counter:				
Options:				
Sold	5,701,675	1,866,154	(72,954)	(65,682)
Bought	5,702,681	1,866,154	67,162	59,743
Other:				
Sold	1,258,272	—	(11,832)	(11,832)
Bought	1,166,254	—	6,272	6,272
Total	/	/	\$(3,032)	\$(4,347)

(e) Commodity-Related Transactions

As of March 31,	Millions of yen							
	2019				2018			
	Contract value		Fair value	Unrealized gains (losses)	Contract value		Fair value	Unrealized gains (losses)
Total	Over one year	Total			Over one year			
Listed:								
Futures:								
Sold	¥9,482	¥557	¥(707)	¥(707)	¥22,101	¥3,108	¥(3,563)	¥(3,563)
Bought	15,634	2,425	1,996	1,996	32,891	8,979	5,675	5,675
Futures Options:								
Sold	233	—	(11)	3	—	—	—	—
Over-the-Counter:								
Swaps	—	—	—	—	2,516	—	0	0
Options:								
Sold	205,339	50,214	(2,572)	(2,572)	147,475	50,068	(7,871)	(7,871)
Bought	206,872	48,150	3,898	3,898	130,003	40,133	7,508	7,508
Total	/	/	¥2,603	¥2,618	/	/	¥1,749	¥1,749

As of March 31,	Thousands of U.S. dollars			
	2019			
	Contract value		Fair value	Unrealized gains (losses)
Total	Over one year	Total		
Listed:				
Futures:				
Sold	\$85,424	\$5,024	\$(6,370)	\$(6,370)
Bought	140,835	21,849	17,981	17,981
Futures Options:				
Sold	2,100	—	(105)	34
Over-the-Counter:				
Swaps	—	—	—	—
Options:				
Sold	1,849,740	452,343	(23,175)	(23,175)
Bought	1,863,544	433,749	35,120	35,120
Total	/	/	\$23,451	\$23,590

Note: Commodities include oil, copper, aluminum and others.

(f) Credit Derivative Transactions

As of March 31, 2019	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Over-the-Counter:				
Credit Derivatives:				
Sold	¥1,465,454	¥1,139,869	¥15,200	¥15,200
Bought	1,628,301	1,260,718	(13,856)	(13,856)
Total	/	/	¥1,343	¥1,343

As of March 31, 2018	Contract value		Fair value	Millions of yen
	Total	Over one year		Unrealized gains (losses)
Over-the-Counter:				
Credit Derivatives:				
Sold	¥1,302,042	¥973,507	¥19,445	¥19,445
Bought	1,541,030	1,147,481	(22,392)	(22,392)
Total	/	/	¥(2,947)	¥(2,947)

As of March 31, 2019	Contract value		Fair value	Thousands of U.S. dollars
	Total	Over one year		Unrealized gains (losses)
Over-the-Counter:				
Credit Derivatives:				
Sold	\$13,201,108	\$10,268,172	\$136,928	\$136,928
Bought	14,668,059	11,356,801	(124,823)	(124,823)
Total	/	/	\$12,105	\$12,105

Note: "Sold" and "Bought" indicate assumption and cession of credit risk, respectively.

(2) Derivative Transactions Qualifying for Hedge Accounting

(a) Interest Rate-Related Transactions

As of March 31, 2019	Primary hedged items	Contract value		Millions of yen
		Total	Over one year	Fair value
Primary Method :	Loans, deposits, bonds and notes, borrowings and others			
Swaps:				
Receive Fixed / Pay Float		¥22,394,730	¥19,101,815	¥289,554
Receive Float / Pay Fixed		7,569,787	7,339,228	(206,003)
Fair Value Hedge Method :	Other securities and others			
Swaps:				
Receive Float / Pay Fixed		14,967	14,382	94
Exceptional Accrual Method :	Loans and others			
Swaps:				Note 2
Receive Float / Pay Fixed		69,176	37,388	
Total		/	/	¥83,646

As of March 31, 2018	Primary hedged items	Contract value		Millions of yen
		Total	Over one year	Fair value
Primary Method :	Loans, deposits, bonds and notes, borrowings and others			
Swaps:				
Receive Fixed / Pay Float		¥25,251,272	¥20,768,457	¥(32,646)
Receive Float / Pay Fixed		7,281,066	7,076,303	29,562
Fair Value Hedge Method :	Other securities and others			
Swaps:				
Receive Float / Pay Fixed		335,553	325,421	5,724
Exceptional Accrual Method :	Loans and others			
Swaps:				Note 2
Receive Float / Pay Fixed		57,478	51,379	
Total		/	/	¥2,640

Thousands of U.S. dollars				
As of March 31, 2019	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, bonds and notes, borrowings and others			
Swaps:				
Receive Fixed / Pay Float		\$201,736,151	\$172,072,925	\$2,608,368
Receive Float / Pay Fixed		68,190,142	66,113,218	(1,855,717)
Fair Value Hedge Method :	Other securities and others			
Swaps:				
Receive Float / Pay Fixed		134,827	129,564	854
Exceptional Accrual Method :	Loans and others			
Swaps:				Note 2
Receive Float / Pay Fixed		623,151	336,803	
Total		/	/	\$753,505

Notes: 1. Primarily the deferred method is applied under "Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Financial Instruments for Banks" (JICPA Industry Audit Committee Report No. 24, February 13, 2002).

2. Since derivative transactions qualifying for the exceptional accrual method are treated as a unit of loans and borrowings, hedged items, those fair values are included in fair values of such loans and borrowings in "40. Financial Instruments."

(b) Currency-Related Transactions

Millions of yen				
As of March 31, 2019	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, parent company's interest of subsidiaries' net assets and others			
Swaps		¥6,492,483	¥2,891,166	¥148,252
Forwards:				
Sold		10,465	—	(84)
Total		/	/	¥148,167

Millions of yen				
As of March 31, 2018	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, parent company's interest of subsidiaries' net assets and others			
Swaps		¥6,940,073	¥2,739,832	¥238,620
Forwards:				
Sold		166,448	—	2,083
Total		/	/	¥240,704

Thousands of U.S. dollars				
As of March 31, 2019	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, parent company's interest of subsidiaries' net assets and others			
Swaps		\$58,485,571	\$26,044,197	\$1,335,485
Forwards:				
Sold		94,274	—	(761)
Total		/	/	\$1,334,724

Notes: 1. Primarily the deferred method is applied under "Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks" (JICPA Industry Audit Committee Report No. 25, July 29, 2002).

2. Forward Exchange Contracts qualifying for the allocation method are treated as a unit of short-term bonds, hedged items.

(c) Stock-Related Transactions

As of March 31, 2019	Primary hedged items	Contract value		Millions of yen
		Total	Over one year	Fair value
Fair Value Hedge Method :	Other securities			
Forward Stock Agreements:				
Sold		¥153,791	¥143,123	¥(7,010)
Total		/	/	¥(7,010)

As of March 31, 2018	Primary hedged items	Contract value		Millions of yen
		Total	Over one year	Fair value
Fair Value Hedge Method :	Other securities			
Forward Stock Agreements:				
Sold		¥161,773	¥146,226	¥(8,561)
Total		/	/	¥(8,561)

As of March 31, 2019	Primary hedged items	Contract value		Thousands of U.S. dollars
		Total	Over one year	Fair value
Fair Value Hedge Method :	Other securities			
Forward Stock Agreements:				
Sold		\$1,385,385	\$1,289,283	\$(63,155)
Total		/	/	\$(63,155)

43. Segment Information

Segment Information by Management Approach

1. Summary of Reportable Segment

MHFG has introduced an in-house company system based on the group's diverse customer segments. The aim of this system is to leverage MHFG's strengths and competitive advantage, which is the seamless integration of MHFG's banking, trust and securities functions under a holding company structure, to speedily provide high-quality financial services that closely match customer needs.

Specifically, the company system is classified into the following five in-house companies, each based on a customer segment: the Retail & Business Banking Company, the Corporate & Institutional Company, the Global Corporate Company, the Global Markets Company, and the Asset Management Company. The services that each in-house company is in charge of are as follows:

Retail & Business Banking Company:

Services for individual customers, small and medium-sized enterprises and middle market firms in Japan

Corporate & Institutional Company:

Services for large corporations, financial institutions and public corporations in Japan

Global Corporate Company:

Services for Japanese overseas affiliated corporate customers and non-Japanese corporate customers, etc.

Global Markets Company:

Investment services with respect to interest rates, equities and credits, etc., and other services

Asset Management Company:

Development of products and provision of services that match the asset management needs of its wide range of customers from individuals to institutional investors.

The reportable segment information, set forth below, is derived from the internal management reporting systems used by management to measure the performance of the Group's operating segments.

Management measures the performance of each of the operating segments in accordance with internal managerial accounting rules and practices.

2. Calculating Method of Gross Profits (excluding the amounts of credit costs of trust accounts) + Net Gains or Losses Related to ETFs and Others, Net Business Profits or Losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net Gains or Losses Related to ETFs and Others, and Fixed Assets by Reportable Segment

The following information of reportable segment is based on internal management reporting:

Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others is the total amount of Interest Income, Fiduciary Income, Fee and Commission Income, Trading Income, Other Operating Income, and Net gains or losses related to ETFs and others.

Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others is the amount of which General and administrative expenses (excluding non-recurring expenses and others), Equity in income from investments in affiliates, Amortization of goodwill and others (including amortization of intangible assets), and Others (consolidation adjustments) are deducted from, or added to, Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others.

Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others relating to transactions between segments is based on the current market prices.

Fixed assets disclosed as asset information by segment are the total amount of tangible fixed assets and intangible fixed assets. Fixed assets pertaining to Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd. have been allocated to each segment.

3. Gross Profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others, Net Business Profits or Losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net Gains or Losses Related to ETFs and Others, and Fixed Assets by Reportable Segment

Millions of yen

For the Fiscal Year ended March 31, 2019	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others (Note 2)	
Gross profits: (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	¥ 707,151	¥ 473,809	¥ 416,096	¥ 192,048	¥ 49,657	¥ (11,039)	¥ 1,827,721
General and administrative expenses (excluding Non-Recurring Losses and others)	713,735	198,135	251,877	203,349	27,232	46,278	1,440,606
Equity in income from investments in affiliates	18,130	872	7,348	—	1,280	23,585	51,215
Amortization of goodwill and others	363	425	369	2,346	8,000	2,067	13,570
Others	—	—	—	—	—	(16,386)	(16,386)
Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others	¥ 11,183	¥ 276,121	¥ 171,198	¥ (13,647)	¥ 15,705	¥ (52,186)	¥ 408,373
Fixed assets	¥ 499,314	¥ 225,821	¥ 176,921	¥ 92,608	¥ 111	¥ 662,462	¥ 1,657,237

Millions of yen

For the Fiscal Year ended March 31, 2018	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others (Note 2)	
Gross profits: (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	¥ 726,879	¥ 431,395	¥ 340,687	¥ 389,185	¥ 50,093	¥ 57,316	1,995,555
General and administrative expenses (excluding Non- Recurring Losses and others)	724,749	202,553	250,907	201,135	27,608	37,295	1,444,247
Equity in income from investments in affiliates	12,674	1,038	2,256	—	2,916	2,590	21,474
Amortization of goodwill and others	363	425	369	2,346	8,000	2,371	13,874
Others	—	—	—	—	—	(20,888)	(20,888)
Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others	¥ 14,441	¥ 229,445	¥ 91,667	¥ 185,704	¥ 17,401	¥ (648)	538,019

Financial Data of Mizuho Financial Group, Inc.
Notes to Consolidated Financial Statements

Thousands of U.S. dollars

For the Fiscal Year ended March 31, 2019	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others (Note 2)	
Gross profits: (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	\$ 6,370,156	\$ 4,268,165	\$ 3,748,275	\$ 1,730,006	\$ 447,320	\$ (99,446)	\$ 16,464,476
General and administrative expenses (excluding Non- Recurring Losses and others)	6,429,466	1,784,839	2,268,958	1,831,808	245,311	416,884	12,977,266
Equity in income from investments in affiliates	163,319	7,855	66,192	—	11,530	212,461	461,357
Amortization of goodwill and others	3,270	3,828	3,324	21,133	72,066	18,623	122,244
Others	—	—	—	—	—	(147,614)	(147,614)
Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others	\$ 100,739	\$ 2,487,353	\$ 1,542,185	\$ (122,935)	\$ 141,473	\$ (470,106)	\$ 3,678,709
Fixed assets	\$ 4,497,919	\$ 2,034,240	\$ 1,593,740	\$ 834,231	\$ 1,000	\$ 5,967,597	\$ 14,928,727

- Notes: 1. Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others is reported instead of sales reported by general corporations. Net gains or losses related to ETFs and others amounted to ¥ 14,984 million and ¥ 80,198 million, of which ¥ 7,280 million and ¥ 70,129 million are included in the Global Markets Company for the fiscal year ended March 31 2019 and 2018, respectively.
2. "Others" includes items which should be eliminated as internal transactions between each segment on a consolidated basis.
3. Fixed assets have been allocated to each segment to enhance the sophistication of management accounting capabilities from the fiscal year ended March 31, 2019.
4. "Others" in Fixed assets includes assets of headquarters that have not been allocated to each segment, Fixed assets pertaining to consolidated subsidiaries that are not subject to allocation, consolidated adjustments, and others. Among Fixed assets that have not been allocated to each segment, some related expenses are allocated to each segment using the reasonable criteria of allocation.
5. Following the change in allocation method for transactions between each segment and "Others" made in April, 2018, reclassification was made on the above table for the fiscal year ended March 31 2018, to reflect the relevant change.

4. The Difference between the Total Amounts of Reportable Segments and the Recorded Amounts in Consolidated Statement of Income, and the Contents of the Difference (Matters relating to adjustment to difference)

The above amount of Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others and that of Net business profits (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others derived from internal management reporting by reportable segment are different from the amounts recorded in Consolidated Statement of Income.

The contents of the difference for the period are as follows:

- (a) The Total of Gross Profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others of Segment Information and Ordinary Profits recorded in the Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars	
	2019	2018	2019	2018
Gross Profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	¥ 1,827,721	¥ 1,995,555	\$ 16,464,476	
Net gains or losses related to ETFs and others	(14,984)	(80,198)	(134,982)	
Other Ordinary Income	436,019	535,927	3,927,752	
General and Administrative Expenses	(1,430,850)	(1,488,973)	(12,889,381)	
Other Ordinary Expenses	(203,788)	(179,863)	(1,835,764)	
Ordinary Profits recorded in Consolidated Statement of Income	¥ 614,118	¥ 782,447	\$ 5,532,101	

- (b) The Total of Net Business Profits (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others of Segment Information and Income before Income Taxes Recorded in Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars	
	2019	2018	2019	2018
Net Business Profits (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net Gains (Losses) related to ETFs and others	¥ 408,373	¥ 538,019	\$ 3,678,709	
Credit Costs for Trust Accounts	—	—	—	
General and Administrative Expenses (non-recurring losses)	23,326	(30,851)	210,130	
Expenses Related to Portfolio Problems (including reversal of (provision for) general reserve for losses on loans)	(30,710)	(17,014)	(276,643)	
Gains on Reversal of Reserves for Possible Losses on Loans and others	11,156	173,327	100,498	
Net Gains (Losses) Related to Stocks- Net Gains (Losses) related to ETFs and others	259,879	191,837	2,341,047	
Net Extraordinary Gains (Losses)	(497,858)	17,506	(4,484,810)	
Others	(57,907)	(72,870)	(521,639)	
Income before Income Taxes Recorded in Consolidated Statement of Income	¥ 116,259	¥ 799,953	\$ 1,047,292	

5. Related Information

(a) Information about Geographic Areas

(i) Ordinary income

						Millions of yen	
2019	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total		
Ordinary Income	¥ 2,292,945	¥ 766,900	¥ 276,061	¥ 589,742	¥ 3,925,649		

						Millions of yen	
2018	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total		
Ordinary Income	¥ 2,404,030	¥ 552,140	¥ 195,497	¥ 409,457	¥ 3,561,125		

						Thousands of U.S. dollars	
2019	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total		
Ordinary Income	\$ 20,655,310	\$ 6,908,391	\$ 2,486,814	\$ 5,312,515	\$ 35,363,030		

Notes: 1. Geographic analyses are presented based on geographic contiguity, similarities in economic activities, and relation of business operations. The above table shows Ordinary Income instead of sales of non-financial companies.

2. Japan includes Ordinary Income of MHFG and domestic consolidated subsidiaries excluding overseas branches, Americas includes Ordinary Income of consolidated subsidiaries and branches in Canada, the United States of America and others, Europe includes Ordinary Income of consolidated subsidiaries and branches in the United Kingdom and others and Asia/Oceania includes Ordinary Income of consolidated subsidiaries and branches in Hong Kong, the Republic of Singapore and others.

(ii) Tangible fixed assets

Information on tangible fixed assets by geographical areas as of March 31, 2019 and 2018 is not disclosed since tangible fixed assets in Japan accounted for more than 90% of tangible fixed assets.

(b) Information about Major Customers

Information about major customers is not disclosed since there are no outside customers accounted for more than 10% of Ordinary Income of the Company.

6. Information about Impairment Loss on Tangible Fixed Assets by Reportable Segment

								Millions of yen
MHFG (Consolidated)								
For the Fiscal Year ended March 31, 2019	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total	
Impairment Loss	¥ 491,343	¥ 6,229	¥ 2,469	¥ 6,844	¥ —	¥ (3,272)	¥ 503,612	

								Millions of yen
MHFG (Consolidated)								
For the Fiscal Year ended March 31, 2018	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total	
Impairment Loss	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 6,960	¥ 6,960	

								Thousands of U.S. dollars
MHFG (Consolidated)								
For the Fiscal Year ended March 31, 2019	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total	
Impairment Loss	\$ 4,426,115	\$ 56,112	\$ 22,241	\$ 61,652	\$ —	\$ (29,481)	\$ 4,536,639	

7. Information about Amortization and Unamortized Balance of Goodwill by Reportable Segment

For the Fiscal Year ended March 31, 2019	MHFG (Consolidated)						Millions of yen	
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total	
	Amortization of Goodwill	¥ —	¥ —	¥ 360	¥ —	¥ 3,000	¥ 720	¥ 4,080
Unamortized Balance of Goodwill	¥ —	¥ —	¥ 4,427	¥ —	¥ 46,688	¥ 14,380	¥ 65,495	

For the Fiscal Year ended March 31, 2018	MHFG (Consolidated)						Millions of yen	
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total	
	Amortization of Goodwill	¥ —	¥ —	¥ 360	¥ —	¥ 3,000	¥ 794	¥ 4,154
Unamortized Balance of Goodwill	¥ —	¥ —	¥ 5,640	¥ —	¥ 49,356	¥ 15,519	¥ 70,515	

For the Fiscal Year ended March 31, 2019	MHFG (Consolidated)						Thousands of U.S. dollars	
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total	
	Amortization of Goodwill	\$ —	\$ —	\$ 3,243	\$ —	\$ 27,024	\$ 6,487	\$ 36,754
Unamortized Balance of Goodwill	\$ —	\$ —	\$ 39,879	\$ —	\$ 420,575	\$ 129,539	\$ 589,993	

8. Information about Gain on Negative Goodwill Incurred by Reportable Segment

For the fiscal years ended March 31, 2019 and 2018

- There is no applicable information.

44. Related Party

For the fiscal years ended March 31, 2019 and 2018

- There are no material additions to the current scope subject to disclosure.

45. Per Share Information

Per share information as of or for the fiscal years ended March 31, 2019 and 2018 are calculated based on the following information:

As of or for the fiscal years ended March 31,	Yen		U.S. dollars
	2019	2018	2019
Net Assets per Share of Common Stock	¥345.00	¥357.41	\$3.11
Profit Attributable to Owners of Parent per Share of Common Stock	3.80	22.72	0.03
Diluted Profit Attributable to Owners of Parent per Share of Common Stock	3.80	22.72	0.03

Notes: 1. Total Net Assets per Share of Common Stock is based on the following information.

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Total Net Assets	¥9,194,038	¥9,821,246	\$82,821,710
Deductions from Total Net Assets	445,232	755,403	4,010,742
<i>Stock Acquisition Rights</i>	707	1,163	6,369
<i>Non-Controlling Interests</i>	444,525	754,239	4,004,373
Net Assets (year-end) related to Common Stock	8,748,805	9,065,843	78,810,968
Year-end Outstanding Shares of Common Stock, based on which Total Net Assets per Share of Common Stock was calculated	25,358,536 Thousand shares	25,364,815 Thousand shares	/

2. Profit Attributable to Owners of Parent per Share of Common Stock is based on the following information.

For the fiscal years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Profit Attributable to Owners of Parent	¥96,566	¥576,547	\$869,887
Amount not attributable to Common Stock	—	—	—
Profit Attributable to Owners of Parent related to Common Stock	96,566	576,547	869,887
Average Outstanding Shares of Common Stock (during the period)	25,362,375 Thousand shares	25,366,345 Thousand shares	/

3. Diluted Profit Attributable to Owners of Parent per Share of Common Stock is based on the following information.

For the fiscal years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Adjustment to Profit Attributable to Owners of Parent	¥—	¥—	\$—
Increased Number of Shares of Common Stock	4,522 Thousand shares	7,585 Thousand shares	/
<i>Stock Acquisition Rights</i>	4,522 Thousand shares	7,585 Thousand shares	/
Description of Dilutive Securities which were not included in the Calculation of Diluted Profit Attributable to Owners of Parent per Share of Common Stock as they have no Dilutive effects	—	—	/

4. In the calculation of Net Assets per Share of Common Stock, MHFG shares outstanding in BBT trust account that were recognized as Treasury Stock in Shareholders' Equity are included in Treasury Stock shares deducted from the number of issued shares. The number of such Treasury Stock shares deducted during the period is 18,917 thousand and 13,319 thousand as of March 31, 2019 and 2018, respectively.
In the calculation of Profit Attributable to Owners of Parent per Share of Common Stock and Diluted Profit Attributable to Owners of Parent per Share of Common Stock, such Treasury Stock shares are included in Treasury Stock shares deducted in the calculation of the Average Outstanding Shares of Common Stock during the period. The average number of such Treasury Stock shares deducted during the period is 17,195 thousand and 11,815 thousand as of March 31, 2019 and 2018, respectively.

46. Subsequent Events

Mizuho Financial Group, Inc. decided to redeem in full preferred securities issued by its group's overseas special purpose subsidiaries on May 15, 2019, as set forth below.

(1) Issuer	Mizuho Capital Investment (JPY) 3 Limited
(2) Type of securities	Non-cumulative Perpetual Preferred Securities
(3) Total redemption amount	Series A ¥249,500 million, Series B ¥53,500 million
(4) Scheduled redemption date	June 30, 2019
(5) Major reasons for the redemption	Arrival of optional redemption date



Non-Consolidated Financial Statements of Mizuho Financial Group, Inc. and Three Subsidiaries

[Under Japanese GAAP]

Mizuho Financial Group, Inc.

- 225 Non-Consolidated Balance Sheet
- 226 Non-Consolidated Statement of Income

Mizuho Bank, Ltd.

- 227 Non-Consolidated Balance Sheet
- 229 Non-Consolidated Statement of Income

Mizuho Trust & Banking Co., Ltd.

- 230 Non-Consolidated Balance Sheet
- 232 Non-Consolidated Statement of Income

Mizuho Securities Co., Ltd.

- 233 Non-Consolidated Balance Sheet
 - 236 Non-Consolidated Statement of Income
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Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars
			2019
Assets			
Current Assets	¥ 176,648	¥ 106,000	\$ 1,591,282
Cash and Due from Banks	100,367	23,491	904,127
Other Current Assets	76,281	82,508	687,155
Fixed Assets	11,460,467	10,481,718	103,238,157
Tangible Fixed Assets	222,738	211,622	2,006,471
Intangible Fixed Assets	11,072	13,441	99,747
Investments in Subsidiaries and Affiliates	6,074,549	6,074,554	54,720,745
Other Investments	5,152,106	4,182,100	46,411,194
Total Assets	¥ 11,637,116	¥ 10,587,719	\$ 104,829,439
Liabilities and Net Assets			
Liabilities			
Current Liabilities	¥ 982,626	¥ 1,109,452	\$ 8,851,690
Short-term Borrowings	945,505	1,083,135	8,517,296
Other Current Liabilities	37,121	26,317	334,394
Non-Current Liabilities	5,135,769	4,036,923	46,264,028
Total Liabilities	6,118,395	5,146,375	55,115,718
Net Assets			
Shareholders' Equity	5,518,013	5,354,533	49,707,358
Common Stock	2,256,767	2,256,548	20,329,408
Capital Surplus	1,196,673	1,196,478	10,779,870
Capital Reserve	1,196,659	1,196,440	10,779,746
Other Capital Surplus	13	37	124
Retained Earnings	2,070,749	1,906,557	18,653,718
Appropriated Reserve	4,350	4,350	39,186
Other Retained Earnings	2,066,399	1,902,207	18,614,532
Retained Earnings Brought Forward	2,066,399	1,902,207	18,614,532
Treasury Stock	(6,176)	(5,050)	(55,638)
Valuation and Translation Adjustments	(0)	85,645	(6)
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	(0)	85,645	(6)
Stock Acquisition Rights	707	1,163	6,369
Total Net Assets	5,518,720	5,441,343	49,713,721
Total Liabilities and Net Assets	¥ 11,637,116	¥ 10,587,719	\$ 104,829,439

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Operating Income	¥ 331,315	¥ 305,097	\$ 2,984,555
Cash Dividends Received from Subsidiaries and Affiliates	291,116	256,044	2,622,435
Fee and Commission Income Received from Subsidiaries and Affiliates	40,198	49,053	362,120
Operating Expenses	40,679	38,660	366,451
General and Administrative Expenses	40,679	38,660	366,451
Operating Profits	290,635	266,436	2,618,104
Non-Operating Income	196,744	72,869	1,772,310
Non-Operating Expenses	116,300	80,556	1,047,662
Income before Income Taxes	371,078	258,749	3,342,752
Income Taxes:			
Current	22,606	2,272	203,646
Deferred	(6,104)	(715)	(54,989)
Net Income	¥ 354,576	¥ 257,192	\$ 3,194,095

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Mizuho Bank, Ltd.

Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars
			2019
Assets			
Cash and Due from Banks	¥42,044,263	¥38,625,732	\$378,743,025
Call Loans	516,085	366,290	4,649,002
Receivables under Resale Agreements	4,226,040	639,352	38,069,010
Guarantee Deposits Paid under Securities Borrowing Transactions	100,501	—	905,334
Other Debt Purchased	491,276	443,136	4,425,514
Trading Assets	3,708,952	3,467,593	33,410,981
Money Held in Trust	503	3,076	4,536
Securities	29,475,876	33,189,959	265,524,513
Loans and Bills Discounted	76,047,363	70,997,730	685,049,667
Foreign Exchange Assets	2,043,874	1,994,728	18,411,627
Other Assets	5,897,245	6,406,960	53,123,557
Tangible Fixed Assets	729,129	805,831	6,568,147
Buildings	252,623	304,180	2,275,684
Land	396,379	409,880	3,570,663
Lease Assets	21,680	24,304	195,301
Construction in Progress	14,287	14,368	128,701
Other Tangible Fixed Assets	44,159	53,097	397,798
Intangible Fixed Assets	354,116	799,723	3,189,952
Software	84,065	198,776	757,278
Lease Assets	5,337	17,012	48,078
Other Intangible Fixed Assets	264,713	583,935	2,384,596
Prepaid Pension Cost	481,875	457,453	4,340,831
Customers' Liabilities for Acceptances and Guarantees	6,492,905	6,186,894	58,489,371
Reserves for Possible Losses on Loans	(242,076)	(259,853)	(2,180,672)
Reserve for Possible Losses on Investments	(370)	(319)	(3,335)
Total Assets	¥172,367,564	¥164,124,289	\$1,552,721,060

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥132,323,772	¥121,068,919	\$1,191,998,668
Call Money	1,308,045	1,165,198	11,783,130
Payables under Repurchase Agreements	5,162,334	7,200,312	46,503,333
Guarantee Deposits Received under Securities Lending Transactions	305,032	610,357	2,747,796
Commercial Paper	941,181	710,391	8,478,350
Trading Liabilities	2,577,856	2,797,942	23,221,838
Borrowed Money	7,998,715	8,958,612	72,054,013
Foreign Exchange Liabilities	925,879	689,958	8,340,506
Bonds and Notes	1,968,205	2,421,033	17,729,982
Other Liabilities	5,169,812	4,530,602	46,570,691
Reserve for Bonus Payments	22,362	22,741	201,449
Reserve for Variable Compensation	1,100	1,293	9,916
Reserve for Possible Losses on Sales of Loans	630	1,075	5,684
Reserve for Contingencies	100	56	907
Reserve for Reimbursement of Deposits	16,987	18,097	153,027
Reserve for Reimbursement of Debentures	25,566	30,760	230,304
Deferred Tax Liabilities	28,338	181,914	255,282
Deferred Tax Liabilities for Revaluation Reserve for Land	63,315	66,186	570,358
Acceptances and Guarantees	6,492,905	6,186,894	58,489,371
Total Liabilities	165,332,144	156,662,350	1,489,344,605
Net Assets			
Shareholders' Equity			
Common Stock and Preferred Stock	1,404,065	1,404,065	12,648,095
Capital Surplus	2,286,328	2,286,328	20,595,703
Capital Reserve	655,418	655,418	5,904,135
Other Capital Surplus	1,630,910	1,630,910	14,691,568
Retained Earnings	2,163,735	2,544,238	19,491,352
Appropriated Reserve	315,177	266,664	2,839,178
Other Retained Earnings	1,848,557	2,277,574	16,652,174
Retained Earnings Brought Forward	1,848,557	2,277,574	16,652,174
Valuation and Translation Adjustments	1,181,291	1,227,306	10,641,305
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	1,071,157	1,159,210	9,649,203
Net Deferred Hedge Gains (Losses), net of Taxes	(27,639)	(76,180)	(248,981)
Revaluation Reserve for Land, net of Taxes	137,772	144,277	1,241,083
Total Net Assets	7,035,420	7,461,939	63,376,455
Total Liabilities and Net Assets	¥172,367,564	¥164,124,289	\$1,552,721,060

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Income			
Interest Income	¥1,678,702	¥1,329,397	\$15,122,084
<i>Loans and Bills Discounted</i>	1,126,596	881,798	10,148,604
<i>Securities</i>	281,807	264,815	2,538,581
Fee and Commission Income	471,196	463,170	4,244,632
Trading Income	61,855	56,629	557,207
Other Operating Income	158,466	157,685	1,427,501
Other Income	257,901	491,277	2,323,223
Total Income	2,628,122	2,498,159	23,674,647
Expenses			
Interest Expenses	1,028,946	651,748	9,268,957
<i>Deposits</i>	577,801	340,252	5,204,953
Fee and Commission Expenses	90,934	92,481	819,153
Trading Expenses	377	567	3,402
Other Operating Expenses	174,935	83,246	1,575,851
General and Administrative Expenses	840,607	905,103	7,572,361
Other Expenses	699,784	182,103	6,303,796
Total Expenses	2,835,586	1,915,250	25,543,520
Income (Loss) before Income Taxes	(207,463)	582,908	(1,868,873)
Income Taxes:			
Current	94,923	135,348	855,094
Deferred	(157,943)	(1,332)	(1,422,783)
Net Income (Loss)	¥(144,444)	¥448,893	\$(1,301,184)

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars
			2019
Assets			
Cash and Due from Banks	¥2,434,150	¥1,751,680	\$21,927,304
Call Loans	24,417	2,869	219,960
Guarantee Deposits Paid under Securities Borrowing Transactions	332,116	220,934	2,991,769
Other Debt Purchased	6,692	7,989	60,284
Trading Assets	111,667	79,551	1,005,919
Money Held in Trust	4,641	3,199	41,816
Securities	841,621	1,091,950	7,581,492
Loans and Bills Discounted	3,355,173	3,433,750	30,224,068
Foreign Exchange Assets	4,073	2,268	36,693
Other Assets	188,381	171,731	1,696,975
Tangible Fixed Assets	20,559	21,762	185,208
Buildings	9,013	9,605	81,191
Land	9,185	9,185	82,740
Other Tangible Fixed Assets	2,361	2,972	21,277
Intangible Fixed Assets	32,664	35,041	294,244
Software	8,776	11,367	79,057
Other Intangible Fixed Assets	23,887	23,673	215,187
Prepaid Pension Cost	55,766	49,592	502,353
Customers' Liabilities for Acceptances and Guarantees	16,885	20,056	152,111
Reserves for Possible Losses on Loans	(2,324)	(1,850)	(20,943)
Total Assets	¥7,426,486	¥6,890,529	\$66,899,253

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥3,819,608	¥3,878,768	\$34,407,790
Call Money	947,104	469,882	8,531,704
Payables under Repurchase Agreements	22,198	53,135	199,964
Guarantee Deposits Received under Securities Lending Transactions	362,246	180,728	3,263,184
Trading Liabilities	107,096	69,367	964,750
Borrowed Money	379,706	387,490	3,420,475
Bonds and Notes	10,000	10,000	90,082
Due to Trust Accounts	1,102,073	1,134,182	9,927,699
Other Liabilities	68,806	78,418	619,826
Reserve for Bonus Payments	2,125	2,097	19,145
Reserve for Variable Compensation	467	511	4,212
Reserve for Reimbursement of Deposits	2,081	1,913	18,748
Deferred Tax Liabilities	6,631	13,646	59,740
Acceptances and Guarantees	16,885	20,056	152,111
Total Liabilities	6,847,033	6,300,200	61,679,430
Net Assets			
Shareholders' Equity			
Common Stock and Preferred Stock	504,764	489,445	4,547,021
Capital Surplus	247,369	247,369	2,228,355
Capital Reserve	15,505	15,505	139,674
Retained Earnings	15,505	15,505	139,674
Appropriated Reserve	241,889	226,570	2,178,992
Other Retained Earnings	36,719	31,970	330,779
Retained Earnings Brought Forward	205,170	194,599	1,848,213
Retained Earnings Brought Forward	205,170	194,599	1,848,213
Valuation and Translation Adjustments	74,687	100,882	672,802
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	76,295	99,258	687,290
Net Deferred Hedge Gains (Losses), net of Taxes	(1,608)	1,624	(14,488)
Total Net Assets	579,452	590,328	5,219,823
Total Liabilities and Net Assets	¥7,426,486	¥6,890,529	\$66,899,253

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Income			
Fiduciary Income	¥54,997	¥54,819	\$495,431
Interest Income	42,795	43,672	385,509
<i>Loans and Bills Discounted</i>	26,691	25,388	240,440
<i>Securities</i>	13,786	13,731	124,195
Fee and Commission Income	70,307	65,373	633,339
Trading Income	1,552	954	13,983
Other Operating Income	8,319	4,103	74,941
Other Income	31,650	37,019	285,111
Total Income	209,621	205,942	1,888,314
Expenses			
Interest Expenses	16,415	12,595	147,872
<i>Deposits</i>	1,103	1,079	9,938
Fee and Commission Expenses	33,391	31,042	300,800
Trading Expenses	—	60	—
Other Operating Expenses	6,037	10,717	54,391
General and Administrative Expenses	82,395	87,276	742,235
Other Expenses	18,190	7,641	163,862
Total Expenses	156,430	149,333	1,409,160
Income before Income Taxes	53,190	56,609	479,154
Income Taxes:			
Current	12,544	13,097	113,002
Deferred	1,582	(761)	14,259
Net Income	¥39,063	¥44,272	\$351,893

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Mizuho Securities Co., Ltd.

Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars
			2019
Assets			
Current Assets			
Cash and Due from Banks	¥388,516	¥294,441	\$3,499,832
Cash Segregated as Deposits for Customers and Others	335,712	323,923	3,024,169
Trading Assets	6,061,110	4,923,373	54,599,683
Trading Securities and Others	3,064,131	2,493,898	27,602,303
Derivatives	2,996,979	2,429,474	26,997,380
Operating Investment Securities	28,640	25,362	258,003
Receivables Related to Margin Transactions	34,162	127,764	307,746
Loans Receivable under Margin Transactions	23,975	49,424	215,977
Cash Collateral for Borrowed Securities under Margin Transactions	10,187	78,339	91,769
Collateralized Short-term Financing Agreements-receivable	3,871,953	4,998,221	34,879,322
Deposits Paid for Securities Borrowed	2,353,557	4,572,426	21,201,314
Securities Purchased under Agreements to Resell	1,518,395	425,795	13,678,008
Advances Paid	488	431	4,405
Short-term Guarantee Deposits	387,042	404,739	3,486,551
Securities: Fail to Deliver	9,613	29,956	86,603
Variation Margin Paid	—	1,548	—
Short-term Loans Receivable	52,652	55,741	474,307
Advance Payments	733	535	6,606
Prepaid Expenses	3,208	2,978	28,902
Accounts Receivable-other	7,082	21,697	63,801
Accrued income	35,006	27,406	315,343
Other Current Assets	1,410	6,538	12,708
Less: Allowance for Doubtful Accounts	(3)	(9)	(36)
Total Current Assets	11,217,332	11,244,651	101,047,945
Noncurrent Assets			
Tangible Fixed Assets	12,527	14,647	112,847
Intangible Fixed Assets	50,829	55,378	457,880
Investments and Other Assets	315,137	317,378	2,838,817
Investment Securities	244,677	252,068	2,204,101
Long-term Guarantee Deposits	10,966	11,202	98,791
Prepaid Pension Cost	18,616	16,716	167,701
Deferred Tax Assets	19,790	25,345	178,274
Other	26,637	15,528	239,960
Less: Allowance for Doubtful Accounts	(3,488)	(3,482)	(31,426)
Less: Allowance for Possible Losses on Securities	(2,062)	—	(18,584)
Total Noncurrent Assets	378,493	387,404	3,409,544
Total Assets	¥11,595,825	¥11,632,056	\$104,457,489

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars
			2019
Liabilities			
Current Liabilities			
Trading Liabilities	¥4,340,952	¥4,311,658	\$39,104,158
Trading Securities and Others	1,511,888	2,068,613	13,619,394
Derivatives	2,829,063	2,243,045	25,484,764
Payables - unsettled trades	36,888	62,243	332,301
Payables Related to Margin Transactions	53,591	44,176	482,765
Borrowings on Margin Transactions	10,773	8,814	97,051
Cash Collateral for Loaned Securities under Margin Transactions	42,818	35,361	385,714
Collateralized Short-term Financing Agreements-payable	3,575,497	3,739,715	32,208,788
Deposits Received for Securities Loaned	914,264	1,212,841	8,235,872
Securities Sold under Agreements to Repurchase	2,661,233	2,526,874	23,972,916
Deposits Received	308,251	267,579	2,776,790
Guarantee Deposits Received	297,472	198,003	2,679,695
Securities: Fail to Receive	2,064	2,930	18,595
Variation Margin Received	3,426	—	30,868
Short-term Borrowings	773,484	833,668	6,967,703
Commercial Paper	333,200	334,200	3,001,531
Bonds and Notes Due within One year	76,393	46,672	688,171
Lease Obligations	174	364	1,569
Advances Received	193	174	1,740
Accounts Payable-other	1,812	961	16,329
Accrued Expenses	34,869	33,127	314,113
Income Taxes Payable	2,220	3,984	19,998
Reserve for Bonus Payments	9,359	9,563	84,309
Provision for Variable Compensation	927	954	8,356
Provision for Bonus Point Redemption	686	639	6,185
Other Current Liabilities	497	187	4,485
Total Current Liabilities	9,851,965	9,890,805	88,748,449
Noncurrent Liabilities			
Bonds and Notes	679,688	571,334	6,122,769
Long-term Borrowings	173,000	277,000	1,558,418
Lease Obligations	—	139	—
Provision for Retirement Benefits	19,799	19,744	178,357
Other Noncurrent Liabilities	2,263	1,540	20,388
Total Noncurrent Liabilities	874,751	869,758	7,879,932
Statutory Reserves			
Reserve for Financial Instrument Transaction Liabilities	2,473	2,361	22,281
Total Statutory Reserves	2,473	2,361	22,281
Total Liabilities	¥10,729,189	¥10,762,925	\$96,650,662

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of
	2019	2018	U.S. dollars
			2019
Net Assets			
Shareholders' Equity			
Common Stock	¥125,167	¥125,167	\$1,127,531
Capital Surplus			
Additional Paid in Capital	285,831	285,831	2,574,826
Other Capital Surplus	95,817	95,817	863,147
Total Capital Surpluses	381,649	381,649	3,437,973
Retained Earnings			
Other Retained Earnings			
Retained Earnings Brought Forward	346,585	346,786	3,122,109
Total Retained Earnings	346,585	346,786	3,122,109
Total Shareholders' Equity	853,401	853,602	7,687,613
Valuation and Translation Adjustments			
Net Unrealized Gains on (Operating) Investment Securities, net of Tax	23,023	27,497	207,399
Net Deferred Gains or Losses on Hedges, net of Tax	(9,789)	(11,969)	(88,185)
Total Valuation and Translation Adjustments	13,233	15,527	119,214
Total Net Assets	866,635	869,130	7,806,827
Total Liabilities and Net Assets	¥11,595,825	¥11,632,056	\$104,457,489

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2019	2018	2019
Operating Revenues			
Commissions	¥151,810	¥142,534	\$1,367,537
Brokerage Commissions	23,947	30,818	215,725
Underwriting and Selling Fees, and Commissions from Solicitation to Qualifying Investors	36,912	24,966	332,519
Offering, Selling, and Other Commissions and Fees, and Commissions from Solicitation to Qualifying Investors	27,772	31,378	250,181
Other commissions and Fees	63,177	55,370	569,112
Net Gain on Trading	93,568	114,858	842,879
Net Gain on Operating Investment Securities	5,287	2,300	47,630
Interest and Dividend Income	90,465	67,061	814,935
Total Operating Revenues	341,131	326,755	3,072,981
Interest Expenses	77,794	57,147	700,785
Net Operating Revenues	263,337	269,607	2,372,196
Selling, General and Administrative Expenses	236,229	236,574	2,128,004
Transaction-related Expenses	53,157	49,676	478,849
Personnel Expenses	86,662	85,562	780,671
Real Estate Expenses	25,585	26,630	230,482
Administrative Expenses	43,374	49,272	390,725
Depreciation and Amortization	18,931	17,346	170,543
Taxes and Dues	5,452	4,854	49,113
Provision of Allowance for Doubtful Accounts	2	(58)	18
Other	3,064	3,290	27,603
Operating Income	27,107	33,032	244,192
Non-operating Income	9,044	6,947	81,476
Non-operating Expenses	196	1,400	1,771
Ordinary Income	35,955	38,580	323,897
Extraordinary gain	2,512	4,286	22,636
Gain on Sales of Noncurrent Assets	1	63	16
Gain on Sales of Investment Securities	2,511	3,668	22,620
Gain on Sales of Shares of Subsidiaries and Affiliates	—	553	—
Extraordinary loss	16,467	5,015	148,346
Loss on Disposal of Noncurrent Assets	1,463	314	13,186
Loss on Sale of Investment Securities	338	6	3,052
Loss on Impairment of Investment Securities	163	60	1,470
Loss on Impairment of Golf Club Membership	—	0	—
Impairment Losses	8,763	2,758	78,945
Loss on Software Development	—	1,805	—
Loss on Computer System Failure	410	—	3,695
Provision of Allowance for Possible Losses on Securities	5,215	—	46,986
Provision of Reserve for Financial Instruments Transaction Liabilities	112	70	1,012
Income before Income Taxes	22,000	37,850	198,187
Income Taxes – current	3,006	4,092	27,087
Income Taxes – deferred	6,600	1,596	59,458
Total Income Taxes	9,607	5,689	86,545
Net Income	¥12,393	¥32,161	\$111,642

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.

2. The rate of ¥111.01=US\$1.00, the foreign exchange rate on March 31, 2019, has been used for translation.

Basel Regulatory Disclosures

239	Key Metrics
240	Status of Mizuho Financial Group's Consolidated Capital Adequacy
240	Scope of Consolidation
241	Risk-based Capital
258	Summary of Risk Management and Risk-weighted Assets (RWA)
260	Linkages between Financial Statements and Regulatory Exposures
265	Credit Risk
283	Counterparty Credit Risk
291	Securitization Exposures
298	Market Risk
300	Investment or Equity Exposure
300	Operational Risk
301	Composition of Leverage Ratio
302	TLAC Regulations
304	Geographical distribution of credit exposures used in the countercyclical capital buffer
305	Indicators for Assessing Global Systemically Important Banks (G-SIBs)
306	Status of Sound Management of Liquidity Risk
306	Liquidity Coverage Ratio
308	Status of Major Liquid Assets
308	Status of Major Funding
309	Compensation of Directors and Employees

Under the capital adequacy ratio regulations agreed upon by the Basel Committee on Banking Supervision, banks are required to meet certain minimum capital requirements. We calculate our capital adequacy ratio on a consolidated basis based on “the criteria used by a bank holding company for deciding whether or not the adequacy of equity capital of the bank holding company and its subsidiaries is appropriate in light of the assets owned by the bank holding company and its subsidiaries pursuant to Article 52-25 of the Banking Law” (Financial Services Agency, or FSA, Notice No.20 issued in 2006).

We also calculate our leverage ratio on a consolidated basis according to “the criteria for evaluating the soundness of the leverage, prescribed as supplemental requirements of the criteria used by a bank holding company in deciding whether or not the adequacy of equity capital of the bank holding company and its subsidiaries is appropriate in light of the assets owned by the bank holding company and its subsidiaries, pursuant to Article 52-25 of the Banking Law” (FSA Notice No.12 issued in 2019.)

Liquidity standards agreed upon by the Basel Committee on Banking Supervision require our liquidity coverage ratio to surpass certain minimum standards. We calculate our consolidated liquidity coverage ratio (the “Consolidated LCR”) in accordance with the regulation “The Evaluation Criterion on the Sound Management of Liquidity Risk Defined, Based on Banking Law Article 52-25, as One of Criteria for Bank Holding Companies to Evaluate the Soundness of Their Management and the Ones of Their Subsidiaries and Others, which is also One of Evaluation Criteria on the Soundness of the Banks' Management”(the FSA Notice No. 62 of 2014 (the “Notice No. 62”)).

■ Key Metrics

KM1: Key Metrics

(millions of yen, except percentages)

Basel III Template No.		a	b	c	d	e
		As of March 31, 2019	As of December 31, 2018	As of September 30, 2018	As of June 30, 2018	As of March 31, 2018
Capital						
1	Common Equity Tier 1 capital	¥7,390,058	¥7,326,381	¥7,607,267	¥7,631,486	¥7,437,048
2	Tier 1 capital	9,232,160	9,175,195	9,434,893	9,112,127	9,192,244
3	Total capital	10,917,507	10,920,208	11,214,088	10,859,912	10,860,440
Risk weighted assets						
4	Risk weighted assets	57,899,567	61,655,523	60,240,051	60,157,998	59,528,983
Capital ratio						
5	Common Equity Tier 1 capital ratio	12.76%	11.88%	12.62%	12.68%	12.49%
6	Tier 1 capital ratio	15.94%	14.88%	15.66%	15.14%	15.44%
7	Total capital ratio	18.85%	17.71%	18.61%	18.05%	18.24%
Capital buffer						
8	Capital conservation buffer requirement	2.50%	1.87%	1.87%	1.87%	1.87%
9	Countercyclical buffer requirement	0.05%	0.03%	0.02%	0.02%	0.01%
10	Bank G-SIB/D-SIB additional requirements	1.00%	0.75%	0.75%	0.75%	0.75%
11	Total of bank CET1 specific buffer requirements	3.55%	2.65%	2.64%	2.64%	2.63%
12	CET1 available after meeting the bank's minimum capital requirements	8.26%	7.38%	8.12%	8.18%	7.99%
Leverage ratio						
13	Total exposures	208,557,401	209,483,123	216,920,174	217,040,028	214,277,824
14	Leverage ratio	4.42%	4.37%	4.34%	4.19%	4.28%
Liquidity coverage ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	59,797,149	59,793,333	62,485,008	62,777,196	60,159,630
16	Net cash outflows	¥41,447,805	¥41,184,048	¥48,045,874	¥51,729,447	¥50,079,075
17	LCR	144.3%	145.2%	130.1%	121.3%	120.1%

Note: Base III Template No. from 15 to 17 are quarterly averages.

The information disclosed herein is in accordance with "Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Status of the Adequacy of Equity Capital Pursuant to Article 19-2, Paragraph 1, Item 5, Subitem (d), etc. of the Ordinance for Enforcement of the Banking Law" (the FSA Notice No. 7 issued in 2014).

■ **Scope of Consolidation**

(1) Scope of Consolidation for Calculating Consolidated Capital Adequacy Ratio

(a) Difference from the Companies Included in the Scope of Consolidation Based on Consolidation Rules for Preparation of Consolidated Financial Statements (the "Scope of Accounting Consolidation")

None as of March 31, 2019 and 2018

(b) Number of Consolidated Subsidiaries

	As of March 31, 2019	As of March 31, 2018
Consolidated subsidiaries	117	124

Our major consolidated subsidiaries are Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd.

The following table sets forth information with respect to our principal consolidated subsidiaries as of March 31, 2019:

Name	Country of organization	Main business	Proportion of ownership interest (%)	Proportion of voting interest (%)
Domestic				
Mizuho Bank, Ltd.	Japan	Banking	100.0%	100.0%
Mizuho Trust & Banking Co., Ltd.	Japan	Trust and banking	100.0	100.0
Mizuho Securities Co., Ltd.	Japan	Securities	95.8	95.8
Mizuho Research Institute Ltd.	Japan	Research and consulting	98.6	98.6
Mizuho Information & Research Institute, Inc. .	Japan	Information technology	91.5	91.5
Asset Management One Co., Ltd.	Japan	Investment management	70.0	51.0
Mizuho Private Wealth Management Co., Ltd.	Japan	Consulting	100.0	100.0
Mizuho Credit Guarantee Co., Ltd.	Japan	Credit guarantee	100.0	100.0
Mizuho Realty Co., Ltd.	Japan	Real estate agency	100.0	100.0
Mizuho Factors, Limited	Japan	Factoring	100.0	100.0
Mizuho Realty One Co., Ltd.	Japan	Holding company	100.0	100.0
Defined Contribution Plan Services Co., Ltd. .	Japan	Pension plan-related business	60.0	60.0
Mizuho-DL Financial Technology Co., Ltd.	Japan	Application and Sophistication of Financial Technology	60.0	60.0
UC Card Co., Ltd.	Japan	Credit card	51.0	51.0
J.Score CO., LTD.....	Japan	Lending	50.0	50.0
Mizuho Trust Systems Company, Limited.	Japan	Subcontracted calculation services, software development	50.0	50.0
Mizuho Capital Co., Ltd.	Japan	Venture capital	50.0	50.0

Name	Country of organization	Main business	Proportion of ownership interest (%)	Proportion of voting interest (%)
Overseas				
Mizuho Americas LLC	U.S.A.	Holding company	100.0	100.0
Mizuho Bank (China), Ltd.	China	Banking	100.0	100.0
Mizuho International plc	U.K.	Securities and banking	100.0	100.0
Mizuho Securities Asia Limited	China	Securities	100.0	100.0
Mizuho Securities USA LLC	U.S.A.	Securities	100.0	100.0
Mizuho Bank Europe N.V.	Netherlands	Banking and securities	100.0	100.0
Banco Mizuho do Brasil S.A.	Brazil	Banking	100.0	100.0
Mizuho Trust & Banking (Luxembourg) S.A.	Luxembourg	Trust and banking	100.0	100.0
Mizuho Bank (USA)	U.S.A.	Banking and trust	100.0	100.0
Mizuho Securities Europe GmbH	Germany	Securities	100.0	100.0
Mizuho Capital Markets LLC	U.S.A.	Derivatives	100.0	100.0
PT. Bank Mizuho Indonesia	Indonesia	Banking	99.0	99.0

(c) Corporations Providing Financial Services for Which Article 9 of the FSA Notice No. 20 is Applicable

None as of March 31, 2019 and 2018.

(d) Companies that are in the Bank Holding Company's Corporate Group but not Included in the Scope of Accounting Consolidation and Companies that are not in the Bank Holding Company's Corporate Group but Included in the Scope of Accounting Consolidation

None as of March 31, 2019 and 2018.

(e) Restrictions on Transfer of Funds or Capital within the Bank Holding Company's Corporate Group

None as of March 31, 2019 and 2018.

(f) Names of Any Other Financial Institutions, etc., Classified as Subsidiaries or Other Members of the Bank Holding Company that are Deficient in Regulatory Capital

None as of March 31, 2019 and 2018.

■ Risk-based Capital

(1) Summary of Approach to Assessing Capital Adequacy

In order to ensure that risk-based capital is sufficiently maintained in light of the risk held by us, we regularly conduct the following assessment of capital adequacy in addition to adopting a suitable and effective capital adequacy monitoring structure.

Maintaining a sufficient BIS capital ratio

We confirm our maintenance of a high level of financial soundness by conducting regular evaluations to examine whether our risk-based capital is adequate in qualitative as well as quantitative terms, in light of our business plans and strategic targets to match the increase in risk-weighted assets acquired for growth, in addition to maintaining our capital above the minimum requirements of common equity Tier 1 capital ratio, Tier 1 capital ratio, total capital ratio, capital buffer ratio, adequate leverage ratio and TLAC ratio.

Balancing risk and capital

On the basis of the framework for allocating risk capital, after obtaining the clearest possible grasp of the group's overall risk exposure, we endeavor to control risk so as to keep it within the range of our business capacity by means of allocating capital that corresponds to the amount of risk to the principal banking subsidiaries, etc., within the bounds of our capital, and we conduct regular assessments to ensure that a sufficient level of capital is maintained for our risk profile. When making these assessments, we calculate the potential losses arising from assumed stress events and risk volumes, which we assess whether they balance with the group's capital. Stress events are based on risk scenarios that are formulated based on the current economic condition and the economic outlook, etc. In addition, we examine whether an appropriate return on risk is maintained in the assessments.

(2) Composition of Capital, etc.**(a) CC1: Composition of Capital Disclosure**

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves (1)				
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	¥7,207,427	¥7,292,638	
1a	of which: capital and stock surplus	3,395,217	3,391,471	
2	of which: retained earnings	3,915,111	4,002,350	
1c	of which: treasury stock (-)	7,703	5,997	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	95,197	95,186	
	of which: other than above	-	-	
1b	Subscription rights to common shares	707	1,163	
3	Accumulated other comprehensive income and other disclosed reserves	1,445,770	1,677,534	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	6,460	14,344	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,660,365	8,985,680	
Common Equity Tier 1 capital: regulatory adjustments (2)				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	459,991	794,953	
8	of which: goodwill (net of related tax liability, including those equivalent)	73,003	85,103	
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	386,987	709,850	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	36,566	42,352	
11	Deferred gains or losses on derivatives under hedge accounting	¥(22,282)	¥(67,578)	

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
12	Shortfall of eligible provisions to expected losses	¥96,090	¥61,964	
13	Securitization gain on sale	-	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	13,006	3,960	
15	Net defined benefit asset	682,142	691,380	
16	Investments in own shares (excluding those reported in the net assets section)	4,792	1,457	
17	Reciprocal cross-holdings in common equity	-	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	20,140	
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	
19	of which: significant investments in the common stock of financials	-	-	
20	of which: mortgage servicing rights	-	-	
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
22	Amount exceeding the 15% threshold on specified items	-	-	
23	of which: significant investments in the common stock of financials	-	-	
24	of which: mortgage servicing rights	-	-	
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	1,270,307	1,548,631	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	¥7,390,058	¥7,437,048	

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template			a	b	c
			As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
Additional Tier 1 capital: instruments (3)					
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	¥-	¥-	
30	31b	Subscription rights to Additional Tier 1 instruments	-	-	
30	32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,570,000	1,220,000	
30		Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	
34-35		Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	28,502	31,317	
33+35		Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	303,000	577,500	
33		of which: directly issued capital instruments subject to phase out from Additional Tier 1	303,000	577,500	
35		of which: instruments issued by subsidiaries subject to phase out	-	-	
36		Additional Tier 1 capital: instruments (D)	1,901,502	1,828,817	
Additional Tier 1 capital: regulatory adjustments					
37		Investments in own Additional Tier 1 instruments	2,900	-	
38		Reciprocal cross-holdings in Additional Tier 1 instruments	¥-	¥-	

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	¥-	¥121	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	56,500	73,500	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)	59,400	73,621	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,842,102	1,755,195	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C) + (F)) (G)	9,232,160	9,192,244	
Tier 2 capital: instruments and provisions (4)				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	
46	Subscription rights to Tier 2 instruments	¥-	¥-	

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	¥1,002,257	¥828,702	
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	166,150	159,405	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	7,777	10,378	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2:instruments and provisions	506,118	674,824	
47	of which: directly issued capital instruments subject to phase out from Tier 2	102,237	135,135	
49	of which: instruments issued by subsidiaries subject to phase out	403,880	539,688	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	4,377	4,794	
50a	of which: general allowance for loan losses	4,377	4,794	
50b	of which: eligible provisions	-	-	
51	Tier 2 capital: instruments and provisions (H)	1,686,680	1,678,105	
Tier 2 capital: regulatory adjustments (5)				
52	Investments in own Tier 2 instruments	1,333	1,892	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	-	
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	¥-	¥8,016	

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	¥-	¥/	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
57	Tier 2 capital: regulatory adjustments (I)	1,333	9,908	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,685,347	1,668,196	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,917,507	10,860,440	
Risk weighted assets (6)				
60	Risk weighted assets (L)	¥57,899,567	¥59,528,983	
Capital ratio and buffers (consolidated) (7)				
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.76%	12.49%	

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
62	Tier 1 capital ratio (consolidated) ((G)/(L))	15.94%	15.44%	
63	Total capital ratio (consolidated) ((K)/(L))	18.85%	18.24%	
64	Total of bank CET1 specific buffer requirements	3.55%	2.63%	
65	of which: capital conservation buffer requirement	2.50%	1.87%	
66	of which: countercyclical buffer requirement	0.05%	0.01%	
67	of which: bank G-SIB/D-SIB additional requirements	1.00%	0.75%	
68	CET1 available after meeting the bank's minimum capital requirements	8.26%	7.99%	
Regulatory adjustments (8)				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	¥540,695	¥745,717	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	250,095	142,407	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	233,628	185,172	
Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general allowance for loan losses)	4,377	4,794	
77	Cap on inclusion of provisions (general allowance for loan losses)	43,521	43,678	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-	-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	278,991	284,521	
Capital instruments subject to phase-out arrangements (10)				
82	Current cap on AT1 instruments subject to phase-out arrangements	624,941	833,255	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	
84	Current cap on T2 instruments subject to phase-out arrangements	506,118	674,824	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	¥37,812	¥7,304	

Notes: 1. The above figures are calculated based on the international standard applied on a consolidated basis under the FSA Notice No. 20.

2. As an external audit of calculating the consolidated capital adequacy ratio, we underwent an examination under the procedures agreed with by Ernst & Young ShinNihon LLC, on the basis of "Practical guidance on agreed-upon procedures for the calculation of capital adequacy ratio" (Practical Guideline for specialized fields No. 4465 of the Japanese Institute of Certified Public Accountants). Note that this examination is not a part of the audit performed on our consolidated financial statements or internal controls over financial reporting. Ernst & Young ShinNihon LLC does not give its opinion or conclusion concerning the capital adequacy ratio or our internal control structure regarding the calculation of the capital adequacy ratio. Instead, it performs an examination to the extent both of us agreed to and reports the results to us.

(b) CC2:Reconciliation of regulatory capital to consolidated balance sheet

(Millions of yen)				
Items	a	b	c	d
	Consolidated balance sheet as in published financial statements	Consolidated balance sheet as in published financial statements	Reference to Template CC1	Cross-reference to Appended template
	As of March 31, 2019	As of March 31, 2018		
(Assets)				
Cash and Due from Banks	¥45,108,602	¥47,725,360		
Call Loans and Bills Purchased	648,254	715,149		
Receivables under Resale Agreements	12,997,628	8,080,873		
Guarantee Deposits Paid under Securities Borrowing Transactions	2,578,133	4,350,527		
Other Debt Purchased	2,828,959	2,713,742		
Trading Assets	12,043,608	10,507,133		6-a
Money Held in Trust	351,889	337,429		
Securities	29,774,489	34,183,033		2-b, 6-b
Loans and Bills Discounted	78,456,935	79,421,473		6-c
Foreign Exchange Assets	1,993,668	1,941,677		
Derivatives other than for Trading Assets	1,328,227	1,807,999		6-d
Other Assets	4,229,589	4,588,484		6-e
Tangible Fixed Assets	1,037,006	1,111,128		
Intangible Fixed Assets	620,231	1,092,708		2-a
Net Defined Benefit Asset	982,804	996,173		3
Deferred Tax Assets	37,960	47,839		4-a
Customers' Liabilities for Acceptances and Guarantees	6,062,053	5,723,186		
Reserves for Possible Losses on Loans	(287,815)	(315,621)		
Total Assets	¥200,792,226	¥205,028,300		
(Liabilities)				
Deposits	¥124,311,025	¥125,081,233		
Negotiable Certificates of Deposit	13,338,571	11,382,590		
Call Money and Bills Sold	2,841,931	2,105,293		
Payables under Repurchase Agreements	14,640,439	16,656,828		
Guarantee Deposits Received under Securities Lending Transactions	1,484,584	1,566,833		
Commercial Paper	941,181	710,391		
Trading Liabilities	8,325,520	8,121,543		6-f
Borrowed Money	3,061,504	4,896,218		8-a
Foreign Exchange Liabilities	669,578	445,804		
Short-term Bonds	355,539	362,185		
Bonds and Notes	8,351,071	7,544,256		8-b
Due to Trust Accounts	1,102,073	4,733,131		
Derivatives other than for Trading Liabilities	1,165,602	1,514,483		6-g
Other Liabilities	4,512,325	3,685,585		
Reserve for Bonus Payments	68,117	66,872		
Reserve for Variable Compensation	2,867	3,242		
Net Defined Benefit Liability	60,873	58,890		
Reserve for Director and Corporate Auditor Retirement Benefits	1,389	1,460		
Reserve for Possible Losses on Sales of Loans	630	1,075		
Reserve for Contingencies	4,910	5,622		
Reserve for Reimbursement of Deposits	19,068	20,011		
Reserve for Reimbursement of Debentures	25,566	30,760		
Reserves under Special Laws	2,473	2,361		
Deferred Tax Liabilities	¥185,974	¥421,002		4-b

(b) CC2:Reconciliation of regulatory capital to consolidated balance sheet

(Millions of yen)

Items	a	b	c	d
	Consolidated balance sheet as in published financial statements	Consolidated balance sheet as in published financial statements	Reference to Template CC1	Cross-reference to Appended template
	As of March 31, 2019	As of March 31, 2018		
Deferred Tax Liabilities for Revaluation Reserve for Land	¥63,315	¥66,186		4-c
Acceptances and Guarantees	6,062,053	5,723,186		
Total Liabilities	¥191,598,188	¥195,207,054		
(Net Assets)				
Common Stock	2,256,767	2,256,548		1-a
Capital Surplus	1,138,449	1,134,922		1-b
Retained Earnings	3,915,521	4,002,835		1-c
Treasury Stock	(7,703)	(5,997)		1-d
Total Shareholders' Equity	¥7,303,034	¥7,388,309		
Net Unrealized Gains (Losses) on Other Securities	1,186,401	1,392,392		
Deferred Gains or Losses on Hedges	(22,282)	(67,578)		5
Revaluation Reserve for Land	137,772	144,277		
Foreign Currency Translation Adjustments	(111,057)	(85,094)		
Remeasurements of Defined Benefit Plans	254,936	293,536		
Total Accumulated Other Comprehensive Income	¥1,445,770	¥1,677,534	(a)	
Stock Acquisition Rights	707	1,163		
Non-Controlling Interests	444,525	754,239		7
Total Net Assets	¥9,194,038	¥9,821,246		
Total Liabilities and Net Assets	¥200,792,226	¥205,028,300		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

Appended template

1. Shareholders' Equity

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
1-a	Common stock	¥2,256,767	¥2,256,548	
1-b	Capital surplus	1,138,449	1,134,922	
1-c	Retained earnings	3,915,521	4,002,835	
1-d	Treasury stock	(7,703)	(5,997)	
	Total shareholders' equity	¥7,303,034	¥7,388,309	

(2) Composition of Capital

(Millions of yen)

Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	¥7,302,625	¥7,387,824	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,395,217	3,391,471	
2	of which: retained earnings	3,915,111	4,002,350	
1c	of which: treasury stock (-)	7,703	5,997	
	of which: other than above	-	-	
31a	Directly issued qualifying additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	

2. Intangible Fixed Assets

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
2-a	Intangible fixed assets	¥620,231	¥1,092,708	
2-b	Securities	29,774,489	34,183,033	
	of which: share of goodwill of companies accounted for using the equity method	7,508	14,588	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	¥(167,749)	¥(312,342)	

(2) Composition of Capital

(Millions of yen)

Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	¥73,003	¥85,103	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	386,987	709,850	Software and other
	Mortgage servicing rights (net of related tax liability)	-	-	
20	Amount exceeding the 10% threshold on specified items	-	-	
24	Amount exceeding the 15% threshold on specified items	-	-	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	

3. Net defined Benefit Asset

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
3	Net defined benefit asset	¥982,804	¥996,173	
	Income taxes related to above	¥(300,661)	¥(304,793)	

(2) Composition of Capital

(Millions of yen)

Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
15	Net defined benefit asset	¥682,142	¥691,380	

Status of Mizuho Financial Group's Consolidated Capital Adequacy

4. Deferred Tax Assets

(1) Consolidated Balance Sheet		(Millions of yen)		
Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
4-a	Deferred tax assets	¥37,960	¥47,839	
4-b	Deferred tax liabilities	185,974	421,002	
4-c	Deferred tax liabilities for revaluation reserve for land	63,315	66,186	
	Tax effects on intangible fixed assets	¥167,749	¥312,342	
	Tax effects on net defined benefit asset	300,661	304,793	
(2) Composition of Capital		(Millions of yen)		
Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	¥36,566	¥42,352	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
	Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	233,628	185,172	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
21	Amount exceeding the 10% threshold on specified items	-	-	
25	Amount exceeding the 15% threshold on specified items	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	233,628	185,172	

5. Deferred Gains or Losses on Derivatives under Hedge Accounting

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
5	Deferred gains or losses on hedges	¥(22,282)	¥(67,578)	

(2) Composition of Capital

(Millions of yen)

Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	¥(22,282)	¥(67,578)	

6. Items Associated with Investments in the Capital of Financial Institutions

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
6-a	Trading assets	¥12,043,608	¥10,507,133	Including trading account securities and derivatives for trading assets
6-b	Securities	29,774,489	34,183,033	
6-c	Loans and bills discounted	78,456,935	79,421,473	Including subordinated loans
6-d	Derivatives other than for trading assets	1,328,227	1,807,999	
6-e	Other assets	4,229,589	4,588,484	Including money invested
6-f	Trading liabilities	8,325,520	8,121,543	Including trading account securities sold
6-g	Derivatives other than for trading liabilities	1,165,602	1,514,483	

Status of Mizuho Financial Group's Consolidated Capital Adequacy

(2) Composition of Capital		(Millions of yen)		
Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
	Investments in own capital instruments	¥9,026	¥3,349	
16	Common equity Tier 1 capital	4,792	1,457	
37	Additional Tier 1 capital	2,900	-	
52	Tier 2 capital	1,333	1,892	
	Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-	-	
17	Common equity Tier 1 capital	-	-	
38	Additional Tier 1 capital	-	-	
53	Tier 2 capital and other TLAC liabilities	-	-	
	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	540,695	773,996	
18	Common equity Tier 1 capital	-	20,140	
39	Additional Tier 1 capital	-	121	
54	Tier 2 capital and other TLAC liabilities	-	8,016	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	540,695	745,717	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	306,595	215,907	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	56,500	73,500	
55	Tier 2 capital and other TLAC liabilities	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	250,095	142,407	

7. Non-Controlling Interests

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
7	Non-Controlling interests	¥444,525	¥754,239	

(2) Composition of Capital

(Millions of yen)

Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	¥6,460	¥14,344	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
30-31ab-32	Qualifying additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	28,502	31,317	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	166,150	159,405	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	7,777	10,378	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)

8. Other Capital Instruments

(1) Consolidated Balance Sheet

(Millions of yen)

Ref.	Consolidated balance sheet items	As of March 31, 2019	As of March 31, 2018	Remarks
8-a	Borrowed money	¥3,061,504	¥4,896,218	
8-b	Bonds and notes	8,351,071	7,544,256	
	Total	¥11,412,575	¥12,440,475	

Status of Mizuho Financial Group's Consolidated Capital Adequacy

(2) Composition of Capital		(Millions of yen)		
Basel III template	Composition of capital disclosure	As of March 31, 2019	As of March 31, 2018	Remarks
	Directly issued qualifying additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	¥1,570,000	¥1,220,000	
32				
	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,002,257	828,702	
46				

■ Summary of Risk Management and Risk-weighted Assets (RWA)

(1) Summary of Our Group's Risk Profile, Risk Management Policies/ Procedures and Structure

See pages 73 to 78 for a summary of our group's risk profile and risk management policies, etc.

(2) Summary of RWA

(A) OV1: Overview of Risk-weighted Assets (RWA)

(Millions of yen)

Basel III Template No.		a	b	c	d
		RWA		capital requirements	
		As of March 31, 2019	As of March 31, 2018	As of March 31, 2019	As of March 31, 2018
1	Credit risk (excluding counterparty credit risk)	¥37,656,623	¥38,823,030	¥3,177,419	¥3,275,858
2	of which: standardized approach (SA)	1,738,523	1,820,063	139,081	145,605
3	of which: internal rating-based (IRB) approach	34,352,032	35,420,038	2,913,052	3,003,619
	of which: significant investments	-	-	-	-
	of which: estimated residual value of lease transactions	-	-	-	-
	others	1,566,067	1,582,929	125,285	126,634
4	Counterparty credit risk (CCR)	4,491,743	4,531,171	364,208	366,994
5	of which: SA-CCR	-	-	-	-
	of which: current exposure method	139,720	216,424	11,518	17,723
6	of which: expected positive exposure (EPE) method	878,845	887,843	73,961	74,632
	of which: credit valuation adjustment (CVA) risk	2,457,535	2,539,780	196,602	203,182
	of which: central counterparty-related	190,997	193,088	15,279	15,447
	Others	824,644	694,035	66,846	56,009
7	Equity positions in banking book under market-based approach	2,492,949	2,972,073	211,402	252,031
8	Equity investments in funds - Look-through approach	2,620,615	/	220,993	/
9	Equity investments in funds - Mandate-based approach	-	/	-	/
	Equity investments in funds - Simple approach (subject to 250% RW)	-	/	-	/
	Equity investments in funds - Simple approach (subject to 400% RW)	598,267	/	50,733	/
10	Equity investments in funds - Fall-back approach	19,489	/	1,563	/
	Fund exposures - standardized approach	/	-	/	-
	Fund exposures - regarded method	/	3,515,582	/	297,289
11	Settlement risk	2,705	4,574	229	386
12	Securitization exposures in banking book	1,050,204	379,016	84,016	32,003
13	of which: Securitisation IRB approach (SEC-IRBA) or internal assessment approach (IAA)	735,081	/	58,806	/
14	of which: Securitisation external ratings-based approach (SEC-ERBA)	304,189	/	24,335	/
15	of which: Securitisation standardised approach (SEC-SA)	-	/	-	/
	of which: IRB ratings-based approach (RBA) or IRB internal assessment approach (IAA)	/	110,551	/	9,374
	of which: IRB supervisory formula approach (SFA)	/	231,492	/	19,630
	of which: SA/simplified supervisory formula approach (SSFA)	/	25,711	/	2,056
	of which: 1250% risk weight is applied	10,933	11,261	874	941
16	Market risk	2,034,213	2,470,321	162,737	197,625
17	of which: standardized approach (SA)	1,172,343	1,406,398	93,787	112,511
18	of which: internal model approaches (IMA)	861,870	1,063,922	68,949	85,113
19	Operational risk	3,236,495	3,411,289	258,919	272,903
20	of which: basic indicator approach	628,110	591,083	50,248	47,286
21	of which: standardized approach	-	-	-	-
22	of which: advanced measurement approach	2,608,385	2,820,206	208,670	225,616
23	Exposures of specified items not subject to regulatory adjustments	1,209,277	818,950	99,743	67,224
	Amounts included in RWA subject to phase-out arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total (after applying the scaling factor)	¥57,899,567	¥59,528,983	¥4,631,965	¥4,762,318

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(B) Credit Risk Weighted Assets by Asset Class and Ratings Segment

(Billions of yen)

	As of March 31, 2019			As of March 31, 2018		
	EAD	RWA	Risk Weight(%)	EAD	RWA	Risk Weight(%)
Internal ratings-based approach	¥188,866.1	¥42,309.2	22.40	¥188,162.7	¥47,619.7	25.30
Corporate, etc.	171,471.5	29,822.5	17.39	162,853.7	29,536.1	18.13
Corporate (except specialized lending)	87,608.9	27,339.1	31.20	79,917.9	27,232.1	34.07
Ratings A1-B2	65,892.5	13,942.5	21.15	58,776.0	13,840.5	23.54
Ratings C1-D3	20,261.6	12,045.7	59.45	19,376.2	11,569.6	59.71
Ratings E1-E2	867.6	1,105.3	127.39	1,182.2	1,625.0	137.45
Ratings E2R-H1	587.1	245.4	41.81	583.3	196.7	33.73
Sovereign	77,227.7	963.2	1.24	76,803.1	833.9	1.08
Ratings A1-B2	77,117.9	886.3	1.14	76,674.5	758.3	0.98
Ratings C1-D3	108.0	73.8	68.33	128.2	75.2	58.70
Ratings E1-E2	1.8	3.0	169.08	0.3	0.2	82.31
Ratings E2R-H1	0.0	0.0	40.96	0.0	0.0	39.56
Bank	6,461.1	1,338.4	20.71	5,986.3	1,313.1	21.93
Ratings A1-B2	5,951.3	1,027.1	17.25	5,447.4	1,002.1	18.39
Ratings C1-D3	508.5	310.7	61.10	537.5	310.5	57.77
Ratings E1-E2	0.0	0.0	153.40	0.0	0.0	129.81
Ratings E2R-H1	1.2	0.3	32.33	1.2	0.3	29.94
Specialized lending	173.5	181.6	104.67	146.3	156.9	107.22
Retail	11,046.3	3,526.3	31.92	11,629.8	3,818.0	32.83
Residential mortgage	8,716.2	2,338.3	26.82	9,046.0	2,508.1	27.72
Qualifying revolving loan	642.9	504.2	78.42	673.7	513.0	76.14
Other retail	1,687.1	683.7	40.52	1,910.0	796.8	41.72
Equities	4,407.4	7,183.3	162.98	5,136.2	8,436.2	164.25
PD/LGD approach	3,559.8	4,445.9	124.89	4,162.6	5,279.2	126.82
Market-based approach	847.6	2,737.4	322.95	973.5	3,157.0	324.26
Regarded-method exposure	/	/	/	2,102.9	3,716.1	176.70
Securitized exposures	/	/	/	4,169.4	371.5	8.91
Others	1,940.7	1,776.9	91.56	2,270.5	1,741.5	76.70
Standardized approach	4,620.6	3,282.2	71.03	18,603.6	3,294.7	17.71
Equity investments in funds	2,262.8	3,416.1	150.96	/	/	/
Securitization exposures	4,185.2	972.7	23.24	/	/	/
CVA risk	/	2,457.5	/	/	2,539.7	/
Central counterparty-related	/	190.9	/	/	193.0	/
Total	¥199,934.8	¥52,628.8	24.99	¥206,766.4	¥53,647.3	25.94

Note1: "Specialized lending" is specialized lending exposure under supervisory slotting criteria.

Note2: "Equity investments in funds" is total of look-through approach, mandate-based approach, simple approach and fall-back approach.

Note3: "Equity investments in funds" and "Securitization exposures" as of March 31, 2019 are disclosed out of Internal ratings-based approach due to revision of FSA Notice No.20.

■ Linkages between Financial Statements and Regulatory Exposures

(A) LI1: Differences between Accounting and Regulatory Scopes of Consolidation and Mapping of Financial Statement Categories with Regulatory Risk Categories

(Millions of yen)

	As of March 31, 2019						
	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				Not subject to capital requirements or subject to deduction from capital
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework		
Assets							
Cash and Due from Banks	¥45,108,602		¥45,108,602	¥-	¥-	¥-	¥-
Call Loans and Bills Purchased	648,254		648,254	-	-	-	-
Receivables under Resale Agreements	12,997,628		-	12,997,628	-	-	-
Guarantee Deposits Paid under Securities Borrowing Transactions	2,578,133		-	2,578,133	-	-	-
Other Debt Purchased	2,828,959		2,205,129	-	589,211	-	34,619
Trading Assets	12,043,608		-	6,074,759	-	12,043,608	-
Money Held in Trust	351,889		351,889	-	-	-	-
Securities	29,774,489		28,542,167	-	1,168,312	-	64,008
Loans and Bills Discounted	78,456,935		77,017,297	456	1,439,181	-	-
Foreign Exchange Assets	1,993,668		1,993,668	-	-	-	-
Derivatives Other than for Trading Assets	1,328,227		-	1,328,227	-	-	-
Other Assets	4,229,589		1,465,349	1,557,007	6,724	-	1,200,507
Tangible Fixed Assets	1,037,006		1,037,006	-	-	-	-
Intangible Fixed Assets	620,231		167,749	-	-	-	452,482
Net Defined Benefit Asset	982,804		300,661	-	-	-	682,142
Deferred Tax Assets	37,960		1,393	-	-	-	36,566
Customers' Liabilities for Acceptances and Guarantees	6,062,053		6,060,193	7	1,852	-	-
Reserves for Possible Losses on Loans	(287,815)		(287,794)	-	-	-	(20)
Total assets	¥200,792,226		¥164,611,568	¥24,536,221	¥3,205,281	¥12,043,608	¥2,470,306

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

LI1-(Continued)

(Millions of yen)

	As of March 31, 2019						
	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				Not subject to capital requirements or subject to deduction from capital
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework		
Liabilities							
Deposits	¥124,311,025		¥-	¥-	¥-	¥-	¥124,311,025
Negotiable Certificates of Deposit	13,338,571		-	-	-	-	13,338,571
Call Money and Bills Sold	2,841,931		-	-	-	-	2,841,931
Payables under Repurchase Agreements	14,640,439		-	14,640,439	-	-	-
Guarantee Deposits Received under Securities Lending Transactions	1,484,584		-	1,484,584	-	-	-
Commercial Paper	941,181		-	-	-	-	941,181
Trading Liabilities	8,325,520		-	5,745,580	-	8,325,520	-
Borrowed Money	3,061,504		-	-	-	-	3,061,504
Foreign Exchange Liabilities	669,578		-	-	-	-	669,578
Short-term Bonds	355,539		-	-	-	-	355,539
Bonds and Notes	8,351,071		-	-	-	-	8,351,071
Due to Trust Accounts	1,102,073		-	-	-	-	1,102,073
Derivatives other than for trading liabilities	1,165,602		-	1,165,602	-	-	-
Other Liabilities	4,512,325		-	55,033	-	-	4,457,291
Reserve for Bonus Payments	68,117		-	-	-	-	68,117
Reserve for variable compensation	2,867		-	-	-	-	2,867
Net Defined Benefit Liability	60,873		-	-	-	-	60,873
Reserve for Director and Corporate Auditor Retirement Benefits	1,389		-	-	-	-	1,389
Reserve for possible losses on sales of loans	630		-	-	-	-	630
Reserve for contingencies	4,910		100	-	-	-	4,809
Reserve for reimbursement of deposits	19,068		-	-	-	-	19,068
Reserve for reimbursement of debentures	25,566		-	-	-	-	25,566
Reserves under Special Laws	2,473		-	-	-	-	2,473
Deferred Tax Liabilities	185,974		-	-	-	-	185,974
Deferred Tax Liabilities for Revaluation Reserve for Land	63,315		-	-	-	-	63,315
Acceptances and Guarantees	6,062,053		-	-	-	-	6,062,053
Total liabilities	¥191,598,188		¥100	¥23,091,239	¥-	¥8,325,520	¥165,926,908

Notes: 1. Since the scope of accounting consolidation and that of regulatory consolidation are the same, the column (a) and (b) have been combined.

2. Market risk includes foreign exchange risk and commodities risk in the banking book, but only those items in the trading book are recorded.

(Millions of yen)

As of March 31, 2018						
a	b	c	d	e	f	g
Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				Not subject to capital requirements or subject to deduction from capital
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	
Assets						
Cash and Due from Banks	¥47,725,360	¥47,725,360	¥-	¥-	¥-	¥-
Call Loans and Bills Purchased	715,149	715,149	-	-	-	-
Receivables under Resale Agreements	8,080,873	-	8,080,873	-	-	-
Guarantee Deposits Paid under Securities Borrowing Transactions	4,350,527	-	4,350,527	-	-	-
Other Debt Purchased	2,713,742	2,127,247	-	551,092	-	35,402
Trading Assets	10,507,133	-	5,318,732	-	10,507,133	2,249
Money Held in Trust	337,429	337,429	-	-	-	-
Securities	34,183,033	32,788,339	-	1,287,391	-	107,303
Loans and Bills Discounted	79,421,473	77,937,924	1,305	1,475,430	-	6,812
Foreign Exchange Assets	1,941,677	1,941,677	-	-	-	-
Derivatives Other than for Trading Assets	1,807,999	-	1,807,999	-	-	-
Other Assets	4,588,484	1,549,959	1,936,112	4,161	-	1,098,251
Tangible Fixed Assets	1,111,128	1,111,128	-	-	-	-
Intangible Fixed Assets	1,092,708	312,342	-	-	-	780,365
Net Defined Benefit Asset	996,173	304,793	-	-	-	691,380
Deferred Tax Assets	47,839	5,487	-	-	-	42,352
Customers' Liabilities for Acceptances and Guarantees	5,723,186	5,722,952	234	-	-	-
Reserves for Possible Losses on Loans	(315,621)	(314,330)	-	-	-	(1,291)
Total assets	¥205,028,300	¥172,265,461	¥21,495,785	¥3,318,075	¥10,507,133	¥2,762,827

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

LI1-(Continued)

(Millions of yen)

	As of March 31, 2018						
	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework		
Liabilities							
Deposits	¥125,081,233		¥-	¥-	¥-	¥-	¥125,081,233
Negotiable Certificates of Deposit	11,382,590		-	-	-	-	11,382,590
Call Money and Bills Sold	2,105,293		-	-	-	-	2,105,293
Payables under Repurchase Agreements	16,656,828		-	16,656,828	-	-	-
Guarantee Deposits Received under Securities Lending Transactions	1,566,833		-	1,566,833	-	-	-
Commercial Paper	710,391		-	-	-	-	710,391
Trading Liabilities	8,121,543		-	4,936,441	-	8,121,543	-
Borrowed Money	4,896,218		-	-	-	-	4,896,218
Foreign Exchange Liabilities	445,804		-	-	-	-	445,804
Short-term Bonds	362,185		-	-	-	-	362,185
Bonds and Notes	7,544,256		-	-	-	-	7,544,256
Due to Trust Accounts	4,733,131		-	-	-	-	4,733,131
Derivatives other than for trading liabilities	1,514,483		-	1,514,483	-	-	-
Other Liabilities	3,685,585		-	76,599	-	-	3,608,986
Reserve for Bonus Payments	66,872		-	-	-	-	66,872
Reserve for variable compensation	3,242		-	-	-	-	3,242
Net Defined Benefit Liability	58,890		-	-	-	-	58,890
Reserve for Director and Corporate Auditor Retirement Benefits	1,460		-	-	-	-	1,460
Reserve for possible losses on sales of loans	1,075		-	-	-	-	1,075
Reserve for contingencies	5,622		56	-	-	-	5,566
Reserve for reimbursement of deposits	20,011		-	-	-	-	20,011
Reserve for reimbursement of debentures	30,760		-	-	-	-	30,760
Reserves under Special Laws	2,361		-	-	-	-	2,361
Deferred Tax Liabilities	421,002		-	-	-	-	421,002
Deferred Tax Liabilities for Revaluation Reserve for Land	66,186		-	-	-	-	66,186
Acceptances and Guarantees	5,723,186		-	-	-	-	5,723,186
Total liabilities	¥195,207,054		¥56	¥24,751,187	¥-	¥8,121,543	¥167,270,708

Notes: 1. Since the scope of accounting consolidation and that of regulatory consolidation are the same, the column (a) and (b) have been combined.

2. Market risk includes foreign exchange risk and commodities risk in the banking book, but only those items in the trading book are recorded.

(B) LI2: Main Sources of Differences between Regulatory Exposure Amounts and Carrying Values in Financial Statements

(Millions of yen)

		As of March 31, 2019				
		a	b	c	d	e
		Total	Items subject to:			
			Credit risk framework	Counterparty		Market risk framework
				credit risk framework	Securitization framework	
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	¥198,321,920	¥164,611,568	¥24,536,221	¥3,205,281	¥12,043,608
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	25,671,280	100	23,091,239	-	8,325,520
3	Total net amount under regulatory scope of consolidation	172,650,640	164,611,467	1,444,982	3,205,281	3,718,088
4	Off-balance sheet amounts	18,704,303	17,707,842	-	996,461	-
5	Differences due to consideration of provision for loan losses and write-offs	372,837	372,837	-	-	-
6	Differences due to derivative transactions, etc.	1,818,614	-	1,818,614	-	-
7	Differences due to repurchase transactions	11,473,212	-	11,473,212	-	-
8	Other differences	(21,575)	(350,755)	-	-	-
9	Exposure amounts considered for regulatory purposes	¥204,998,031	¥182,341,391	¥14,736,809	¥4,201,743	¥3,718,088

- Notes: 1. Column (a) is not necessarily equal to the sum of columns (b) to (e) due to assets being riskweighted more than once.
2. Differences between regulatory exposure amounts and carrying values in consolidated financial statements and the main sources of the differences are as follows.
- Off-balance sheet amounts correspond to the differences produced mainly by adding exposures to undrawn commitments and by multiplying customer liabilities for acceptances and guarantees by the credit conversion factor (CCF) assigned to off-balance sheet items under the regulatory capital requirements.
 - Differences due to consideration of provision for loan losses, and write-offs are produced mainly by adding general provisions for loan losses, specific provisions for loan losses and partial direct bad debt write-offs to those assets subject to the advanced internal ratings-based approach.
 - Differences due to derivative transactions, etc. are produced mainly by incorporating future market value fluctuations and the effect of netting into regulatory exposure amounts. Derivative transactions, etc. include long-settlement transactions.
 - Differences due to repurchase transactions are mainly produced by adding the exposure amounts related to assets pledged as collateral and considering the effect of netting and collateral.
 - Other differences are produced mainly by considering the offsetting of deferred tax assets against deferred tax liabilities and the regulatory recognized effectiveness of hedging and making regulatory prudential adjustments.

(Millions of yen)

		As of March 31, 2018				
		a	b	c	d	e
		Total	Items subject to:			
			Credit risk framework	Counterparty		Market risk framework
				credit risk framework	Securitization framework	
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	¥202,265,473	¥172,265,461	¥21,495,785	¥3,318,075	¥10,507,133
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	27,936,345	56	24,751,187	-	8,121,543
3	Total net amount under regulatory scope of consolidation	174,329,127	172,265,405	(3,255,401)	3,318,075	2,385,589
4	Off-balance sheet amounts	17,311,153	16,446,822	-	864,331	-
5	Differences due to consideration of provision for loan losses and write-offs	401,252	401,252	-	-	-
6	Differences due to derivative transactions, etc.	1,887,980	-	1,887,980	-	-
7	Differences due to repurchase transactions	17,310,011	-	17,310,011	-	-
8	Other differences	(523,103)	(907,644)	-	-	-
9	Exposure amounts considered for regulatory purposes	¥210,716,420	¥188,205,836	¥15,942,589	¥4,182,406	¥2,385,589

- Notes: 1. Column (a) is not necessarily equal to the sum of columns (b) to (e) due to assets being riskweighted more than once.
2. Differences between regulatory exposure amounts and carrying values in consolidated financial statements and the main sources of the differences are as follows.
- Off-balance sheet amounts correspond to the differences produced mainly by adding exposures to undrawn commitments and by multiplying customer liabilities for acceptances and guarantees by the credit conversion factor (CCF) assigned to off-balance sheet items under the regulatory capital requirements.
 - Differences due to consideration of provision for loan losses, and write-offs are produced mainly by adding general provisions for loan losses, specific provisions for loan losses and partial direct bad debt write-offs to those assets subject to the advanced internal ratings-based approach.
 - Differences due to derivative transactions, etc. are produced mainly by incorporating future market value fluctuations and the effect of netting into regulatory exposure amounts. Derivative transactions, etc. include long-settlement transactions.
 - Differences due to repurchase transactions are mainly produced by adding the exposure amounts related to assets pledged as collateral and considering the effect of netting and collateral.
 - Other differences are produced mainly by considering the offsetting of deferred tax assets against deferred tax liabilities and the regulatory recognized effectiveness of hedging and making regulatory prudential adjustments.

■ Credit Risk

(1) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

See pages 105 to 108 for a summary of our credit risk profile and credit risk management policies, etc.

(2) Summary of Provision for Loan Losses and Write-offs

See page 107 for a summary of provision for loan losses and write-offs.

(3) Quantitative Disclosure on Credit Risk

Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures below.

(A) CR1: Credit Quality of Assets

		(Millions of yen)			
		As of March 31, 2019			
		a	b	c	d
		Gross carrying values of			
		Defaulted	Non-		Net values
		exposures	defaulted	Reserve	(a+b-c)
		exposures	exposures		
On-balance sheet exposures					
1	Loans	¥626,537	¥76,391,257	¥250,708	¥76,767,086
2	Debt securities	5,616	22,665,487	-	22,671,103
3	Other on-balance sheet debt exposures	8,724	49,282,616	2,506	49,288,834
4	Total on-balance sheet exposures (1+2+3)	640,879	148,339,361	253,215	148,727,025
Off-balance sheet exposures					
5	Guarantees	18,741	6,043,311	30,717	6,031,335
6	Commitments	15,216	26,990,138	-	27,005,354
7	Total off-balance sheet exposures (5+6)	30,168	31,247,288	30,717	33,036,689
Total					
8	Total assets (4+7)	¥674,836	¥181,372,812	¥283,933	¥181,763,715

Notes: 1. Other on-balance sheet debt exposures include deposits, call loans, bills purchased, other debt purchased, money held in trust and foreign exchange assets, etc.
2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.
3. Reserve corresponds to the amount of reserves for possible loan losses

		(Millions of yen)			
		As of March 31, 2018			
		a	b	c	d
		Gross carrying values of			
		Defaulted	Non-		Net values
		exposures	defaulted	Reserve	(a+b-c)
		exposures	exposures		
On-balance sheet exposures					
1	Loans	¥645,060	¥77,305,616	¥271,369	¥77,679,307
2	Debt securities	5,946	26,116,905	-	26,122,851
3	Other on-balance sheet debt exposures	2,652	51,697,897	2,526	51,698,023
4	Total on-balance sheet exposures (1+2+3)	653,659	155,120,419	273,896	155,500,182
Off-balance sheet exposures					
5	Guarantees	13,776	5,709,421	30,819	5,692,378
6	Commitments	15,249	25,189,759	-	25,205,009
7	Total off-balance sheet exposures (5+6)	29,026	30,899,180	30,819	30,897,388
Total					
8	Total assets (4+7)	¥682,685	¥186,019,600	¥304,715	¥186,397,570

Notes: 1. Other on-balance sheet debt exposures include deposits, call loans, bills purchased, other debt purchased, money held in trust and foreign exchange assets, etc.
2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.
3. Reserve corresponds to the amount of reserves for possible loan losses

(B) Breakdown of Credit Risk Exposures**(a) Breakdown by Geographical Area**

(Billions of yen)

	As of March 31, 2019				As of March 31, 2018			
	Loans, commitments and other non-derivative off-balance- sheet exposures	Securities	Others	Total	Loans, commitments and other non-derivative off-balance- sheet exposures	Securities	Others	Total
Domestic	¥65,407.9	¥18,914.7	¥40,872	¥125,194.7	¥62,042.2	¥21,449.0	¥37,376.2	¥120,867.5
Overseas	43,521.4	7,804.6	10,834.2	62,160.3	39,785.8	9,122.3	10,527.5	59,435.7
Asia	11,448.8	2,068.7	1,812.5	15,330.0	10,263.4	1,961.2	1,947.9	14,172.7
Central and South America	3,421.1	69.0	1,058.2	4,548.4	2,947.5	52.0	1,136.3	4,135.9
North America	15,596.8	2,811.5	5,624.2	24,032.6	14,172.5	5,074.6	5,917.4	25,164.6
Eastern Europe	338.1	-	6.8	345.0	346.0	-	10.0	356.1
Western Europe	8,700.7	2,199.6	1,983.9	12,884.3	7,876.3	1,313.7	844.5	10,034.6
Other areas	4,015.7	655.4	348.5	5,019.7	4,179.8	720.5	671.1	5,571.5
Total	¥108,929.4	¥26,719.3	¥51,706.3	¥187,355.1	¥101,828.0	¥30,571.3	¥47,903.8	¥180,303.2
Standardized approach portion	/	/	/	3,446.8	/	/	/	16,604.4

Notes: 1. Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA.

2. Exposure to non-Japanese residents is included in Overseas.

3. Others include cash, deposits, call loans, other debt purchased, money held in trust, foreign exchange assets and other assets, etc.

(b) Breakdown by Industry

(Billions of yen)

	As of March 31, 2019				As of March 31, 2018			
	Loans, commitments and other non-derivative off-balance- sheet exposures	Securities	Others	Total	Loans, commitments and other non-derivative off-balance- sheet exposures	Securities	Others	Total
Manufacturing	¥24,669.8	¥1,961.9	¥383.6	¥27,015.4	¥22,348.0	¥2,335.3	¥551.1	¥25,234.5
Construction	1,745.6	230.3	11.3	1,987.3	1,834.4	235.7	65.5	2,135.6
Real estate	10,741.9	872.3	5.9	11,620.1	9,576.2	814.1	18.0	10,408.5
Service industries	5,800.9	418.9	34.3	6,254.2	5,455.8	440.1	714.2	6,610.2
Wholesale and retail	10,268.6	702.8	662.7	11,634.2	9,536.2	755.6	744.0	11,036.0
Finance and insurance	16,080.8	2,960.3	11,484.8	30,525.9	13,028.8	2,395.8	3,706.3	19,131.0
Individuals	11,667.7	-	10.3	11,678.1	12,145.6	9.9	114.1	12,269.6
Other industries	26,389.4	6,574.3	2,729.5	35,693.3	25,827.4	8,314.1	9,790.1	43,931.7
Japanese Government; Bank of Japan	1,564.4	12,998.3	36,383.5	50,946.2	2,075.1	15,270.3	32,200.0	49,545.6
Total	¥108,929.4	¥26,719.3	¥51,706.3	¥187,355.1	¥101,828.0	¥30,571.3	¥47,903.8	¥180,303.2
Standardized approach portion	/	/	/	3,446.8	/	/	/	16,604.4

Notes: 1. Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA.

2. Others include cash, deposits, call loans, other debt purchased, money held in trust, foreign exchange assets and other assets, etc.

(c) Breakdown by Residual Contractual Maturity

(Billions of yen)

	As of March 31, 2019				As of March 31, 2018			
	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total
Less than one year	¥28,047.5	¥12,158.2	¥7,605.5	¥47,811.3	¥30,139.5	¥10,117.3	¥6,135.9	¥46,392.7
From one year to less than three years	28,129.7	4,153.6	17.4	32,300.8	22,692.1	4,828.9	789.9	28,311.0
From three years to less than five years	23,229.0	1,252.1	13.8	24,495.0	20,637.6	3,738.5	14.5	24,390.7
Five years or more	29,160.9	4,980.4	38.1	34,179.5	27,872.8	7,042.5	165.4	35,080.9
Other than above	362.1	4,174.8	44,031.3	48,568.3	485.8	4,843.9	40,798.0	46,127.8
Total	¥108,929.4	¥26,719.3	¥51,706.3	¥187,355.1	¥101,828.0	¥30,571.3	¥47,903.8	¥180,303.2
Standardized approach portion	/	/	/	3,446.8	/	/	/	16,604.4

Notes: 1. Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA

2. Others include cash, deposits, call loans, other debt purchased, money held in trust, foreign exchange assets and other assets, etc.

(C) Exposure to Obligors Claims of Whom Meet the Stipulations in the Article 4 Paragraph 2, 3 or 4 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions Enacted in Japan

(a) Breakdown by Geographical Area

(Billions of yen)

	As of March 31, 2019			As of March 31, 2018		
	Exposure	Reserve	Write-offs	Exposure	Reserve	Write-offs
Domestic	¥580.0	¥110.0	¥15.9	¥598.8	¥121.9	¥13.7
Overseas	185.1	61.0	9.4	193.0	35.9	1.4
Asia	51.9	28.3	8.9	28.6	2.4	0.0
Central and South America	20.2	2.9	0.5	63.1	4.3	-
North America	78.1	19.5	-	19.9	0.3	-
Eastern Europe	0.2	0.2	-	0.4	0.4	-
Western Europe	22.2	4.0	0.0	71.4	24.8	1.3
Other areas	12.3	5.7	-	9.2	3.4	-
Total	¥765.2	¥171.0	¥25.4	¥791.8	¥157.8	¥15.2
Standardized approach portion	8.8	3.0	0.9	14.1	6.9	0.3

Note: Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA

(b) Breakdown by Industry

(Billions of yen)

	As of March 31, 2019			As of March 31, 2018		
	Exposure	Reserve	Write-offs	Exposure	Reserve	Write-offs
Manufacturing	¥151.1	¥48.2	¥3.2	¥190.9	¥50.4	¥2.8
Construction	21.2	6.3	9.4	7.8	0.8	0.1
Real estate	52.8	2.2	0.0	43.5	1.8	0.2
Service industries	89.2	15.3	0.9	73.6	12.9	1.9
Wholesale and retail	148.1	29.3	8.3	198.2	55.0	5.7
Finance and insurance	26.3	3.9	0.0	21.5	1.9	-
Individuals	82.3	10.2	3.0	103.3	12.3	3.3
Other industries	193.7	55.3	0.4	152.6	22.4	0.8
Total	¥765.2	¥171.0	¥25.4	¥791.8	¥157.8	¥15.2
Standardized approach portion	8.8	3.0	0.9	14.1	6.9	0.3

Note: Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA.

(D) Exposure by Past Due Period**(Billions of yen)**

As of March 31, 2019				
Less than one month	From one month to less than two months	From two months to less than three months	Three months or more	Total
¥385.6	¥117.3	¥24.7	¥119.5	¥647.3

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions as well as high risk claims stipulated in the Article 4 paragraph 3.

(Billions of yen)

As of March 31, 2018				
Less than one month	From one month to less than two months	From two months to less than three months	Three months or more	Total
¥100.7	¥46.1	¥15.1	¥29.4	¥191.5

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions as well as high risk claims stipulated in the Article 4 paragraph 3.

(E) Exposure to Obligors Claims of Whom have been Restructured for the Purpose of Corporate Restructuring or Supporting the Customer**(Billions of yen)**

As of March 31, 2019		
Exposure	Amount of exposure for which loss reserve has increased as a result of restructuring of lending terms	Others
¥263.2	¥225.4	¥37.7

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, high risk claims stipulated in the Article 4 paragraph 3 or claims overdue for more than three months stipulated in the Article 4 paragraph 4.

(Billions of yen)

As of March 31, 2018		
Exposure	Amount of exposure for which loss reserve has increased as a result of restructuring of lending terms	Others
¥322.7	¥280.6	¥42.0

Notes: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, high risk claims stipulated in the Article 4 paragraph 3 or claims overdue for more than three months stipulated in the Article 4 paragraph 4.

(4) Credit Risk under Internal Ratings-Based (IRB) Approach

(i) Summary of Internal Ratings-Based (IRB) Approach

We have adopted Advanced Internal Ratings-Based (AIRB) Approach as a method to calculate credit risk weighted assets (RWA) since March 31, 2009. The following business units have adopted AIRB approach:

Mizuho Financial Group, Inc., Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., Mizuho Credit Guarantee Co., Ltd., Mizuho Trust Realty Company Limited, Mizuho Bank (China), Mizuho Bank (USA), Ltd., Mizuho Bank Europe N.V., and Mizuho Capital Markets LLC.

Note: Special purpose companies (SPCs) controlled by the above companies have also adopted the AIRB approach due to their business operations integrated with their parent companies.

The application scope of AIRB is determined through taking into account the importance for each business unit, such as the ratio of its credit RWA to that of the entire group. AIRB is generally applied to those assets held by the business units that have adopted AIRB except for some asset classes considered immaterial for the purpose of calculating credit RWA. In addition, AIRB is used for all equity exposures regardless of what approach the business unit has adopted. With respect to credit RWA exposures under Regarded-Method, AIRB is used for those of which the look-through approach is applied except for cases where it is difficult to accurately calculate credit RWA regarding their underlying assets based on the IRB Approach and therefore reliability of credit RWA cannot be secured. The standardized approach will be applied to any of those business units and asset classes that do not meet the above conditions.

(ii) Summary of Our Internal Rating System

See pages 105 to 107 for a summary of our internal rating system and rating assignment procedures.

Estimation of parameters and validation

We use our own estimates for the parameters indicated below in the calculation of credit RWA under the Basel Framework. We generally validate the parameters by backtesting or other methods on an annual basis. Methods of estimation and validation as well as results are approved by the Chief Risk Officer.

PD	Probability of default (likelihood of default of an obligor over a period of one year)
LGD	Loss given default
EAD	Exposure at default

The definition of default conforms to the Notice issued by Japan's Financial Services Agency.

Details of Estimates:

We estimate PD of corporate, sovereign and bank exposures per obligor rating, and that of retail exposures per pool allocations. In making estimations, we make conservative adjustments such as accounting for estimation error on the long-term average of internal default records. We supplement estimations for low default portfolios with external data. We apply the regulatory floor PD (0.03%) to A1-rated obligors in the measurement of credit RWA, except for sovereign exposures. The estimated parameters in almost all the PD categories such as obligor rating or pool allocations exceeded actual defaults in the last three years. The differences stemmed from such reasons as: actual defaults in the last few years were lower than the long-term average of the defaults over the entire period, which was the basis for our estimation; conservative adjustments have been made to estimated parameters.

We estimate LGD based on obligor classifications in our self-assessments or pool allocations, and protection coverage. For LGD per obligor classifications, we estimate LGD under normal economic circumstances based on prior defaulted obligor data, making adjustments in consideration of periods of economic downturn using stochastic methods. Our estimation is based on validation of the time between the default event and the closure of the exposure as well as LGD for low default portfolios etc. With regard to protection, we estimate LGD per type of collateral using some external data.

We estimate EAD based on prior defaulted obligor data.

(iii) Asset Class-based EAD Ratios to the Total EAD by Credit RWA Calculation Approach

	As of March 31, 2019	As of March 31, 2018
Internal Ratings-based Approach	98.08%	91.18%
Corporate	86.81	79.20
Retail	6.12	6.24
Equities	2.44	2.75
Purchase Receivables	1.62	1.75
Others	1.07	1.21
Standardized Approach	1.91%	8.81%
Total	100.00%	100.00%

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.

2. As for any portfolio to which the standardized approach is applied, exposure instead of EAD is used for calculation.

(iv) Quantitative Disclosure on Credit Risk under Internal Ratings-based Approach

(A) CR6: IRB - Credit Risk Exposures by Portfolio and PD Range

(Millions of yen, %, number in the thousands, year)													
	a	b	c	d	e	f	g	h	i	j	k	l	
PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions	
As of March 31, 2019													
Sovereign													
1	0.00 to <0.15	¥66,209,608	¥413,709	79.43	¥67,797,332	0.00	0.3	38.03	1.3	¥671,312	0.99	¥930	¥/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	22,190	1,474	75.00	11,124	0.34	0.0	36.76	3.9	6,566	59.03	13	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	138,214	4,995	75.00	85,505	1.11	0.0	37.97	1.1	55,620	65.04	361	/
6	2.50 to <10.00	61,800	5,173	75.00	1,489	3.91	0.0	38.01	1.4	1,573	105.67	22	/
7	10.00 to <100.00	16,436	-	-	1,428	14.89	0.0	33.77	3.0	2,429	170.03	71	/
8	100.00 (Default)	2	-	-	2	100.00	0.0	30.41	1.0	0	38.64	0	/
9	Sub-total	66,448,251	425,353	79.31	67,896,882	0.00	0.3	38.03	1.3	737,504	1.08	1,400	870
Banks													
1	0.00 to <0.15	3,592,231	725,966	74.88	4,596,204	0.05	0.3	37.91	1.5	688,280	14.97	919	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	237,686	40,584	60.92	278,522	0.36	0.1	36.95	1.6	107,045	38.43	326	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	219,123	29,303	84.78	216,764	1.09	0.0	37.02	0.9	154,486	71.26	882	/
6	2.50 to <10.00	21,103	22,332	74.21	21,994	3.07	0.0	41.05	2.6	26,736	121.56	277	/
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	/
8	100.00 (Default)	1,027	-	-	1,027	100.00	0.0	96.59	5.0	313	30.50	967	/
9	Sub-total	4,071,173	818,186	74.53	5,114,513	0.15	0.5	37.84	1.5	976,862	19.09	3,372	2,097
Corporate (except SME and specialized lending)													
1	0.00 to <0.15	40,813,958	24,147,753	73.81	59,581,637	0.06	7.4	37.97	2.4	11,710,662	19.65	14,916	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	7,720,193	2,298,649	74.72	8,953,178	0.36	8.8	33.72	2.7	4,145,489	46.30	11,029	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	4,813,838	1,175,144	75.42	5,206,907	1.15	4.9	32.17	2.8	3,721,758	71.47	19,267	/
6	2.50 to <10.00	1,460,606	388,260	66.82	1,284,345	3.55	325.4	30.88	2.8	1,217,196	94.77	14,174	/
7	10.00 to <100.00	528,967	156,905	78.38	439,761	14.89	3.1	28.10	2.5	605,761	137.74	18,409	/
8	100.00 (Default)	427,003	27,531	75.69	428,303	100.00	2.7	45.25	1.7	172,313	40.23	180,058	/
9	Sub-total	55,764,567	28,194,244	73.88	75,894,134	0.88	352.5	36.94	2.5	21,573,181	28.42	257,855	160,329
SME													
1	0.00 to <0.15	203,291	31,166	73.21	229,178	0.06	0.0	34.50	3.2	47,184	20.58	49	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	1,375,014	60,686	74.30	1,398,157	0.37	7.0	25.12	3.0	427,172	30.55	1,298	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	1,354,712	45,022	77.81	1,353,538	1.16	6.0	22.44	3.3	580,133	42.86	3,600	/
6	2.50 to <10.00	489,549	13,808	80.96	483,191	3.19	110.3	21.16	3.8	261,443	54.10	3,316	/
7	10.00 to <100.00	173,990	3,889	70.49	169,776	14.89	1.8	17.62	3.2	126,925	74.76	4,456	/
8	100.00 (Default)	134,811	926	76.62	126,842	100.00	1.0	39.69	2.2	42,527	33.52	46,945	/
9	Sub-total	3,731,369	155,499	75.61	3,760,684	5.01	126.4	24.37	3.2	1,485,386	39.49	59,667	37,099
Specialized Lending													
1	0.00 to <0.15	2,709,198	333,675	76.43	2,561,400	0.08	0.4	34.94	4.3	736,152	28.74	725	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	683,188	291,892	77.22	695,724	0.33	0.1	38.38	4.1	444,157	63.84	915	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	383,404	81,839	74.89	326,439	0.93	0.0	38.87	4.4	320,941	98.31	1,186	/
6	2.50 to <10.00	77,269	6,208	92.47	44,533	3.46	0.0	37.55	3.7	55,284	124.13	582	/
7	10.00 to <100.00	24,918	6,265	77.55	16,303	14.89	0.0	38.01	3.9	32,615	200.04	923	/
8	100.00 (Default)	29,225	363	100.00	27,175	100.00	0.0	62.73	4.4	14,536	53.48	15,884	/
9	Sub-total	3,907,204	720,244	76.74	3,671,578	1.05	0.7	36.19	4.2	1,603,687	43.67	20,218	12,571
Equities (PD/LGD approach)													
1	0.00 to <0.15	3,123,409	11,603	100.00	3,135,013	0.04	1.0	90.00	5.0	3,165,376	100.96	/	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	/	/
3	0.25 to <0.50	119,829	-	-	119,829	0.33	0.7	90.00	5.0	202,127	168.67	/	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	/	/
5	0.75 to <2.50	70,861	-	-	70,861	1.19	0.2	90.00	5.0	192,321	271.40	/	/
6	2.50 to <10.00	11,930	-	-	11,930	4.01	0.0	90.00	5.0	45,342	380.06	/	/
7	10.00 to <100.00	1,164	-	-	1,164	14.89	0.0	90.00	5.0	7,520	646.00	/	/
8	100.00 (Default)	4,084	-	-	4,084	100.00	0.1	90.00	5.0	45,948	1,125.00	/	/
9	Sub-total	¥3,331,279	¥11,603	100.00	¥3,342,883	0.22	2.2	90.00	5.0	¥3,658,637	109.44	¥/	¥/

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

CR6-(Continued)

(Millions of yen, %, number in the thousands, year)

		a	b	c	d	e	f	g	h	i	j	k	l
PD scale		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions
As of March 31, 2019													
Purchased receivables (Corporate, etc.) - Default Risk Equivalent													
1	0.00 to <0.15	¥2,072,913	¥550,531	78.15	¥2,503,107	0.06	0.6	38.33	1.5	¥338,704	13.53	¥657	¥/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	232,216	74,542	76.53	289,269	0.37	0.2	38.01	1.7	127,787	44.17	413	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	83,738	22,631	86.29	103,268	0.93	0.0	38.01	1.1	62,883	60.89	366	/
6	2.50 to <10.00	18,318	2,873	94.31	21,029	3.08	0.0	38.01	1.3	20,303	96.55	246	/
7	10.00 to <100.00	0	17,891	75.08	13,434	14.89	0.0	38.01	1.0	23,247	173.03	760	/
8	100.00 (Default)	217	-	-	217	100.00	0.0	31.88	4.3	91	42.30	61	/
9	Sub-total	2,407,405	668,470	78.23	2,930,326	0.22	1.0	38.28	1.5	573,018	19.55	2,506	1,558
Purchased receivables (Retail) - Default Risk Equivalent													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	/
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	/
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	/
8	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	/
9	Sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Purchased receivables (Dilution Risk Equivalent)													
1	0.00 to <0.15	1,039,561	80,631	100.00	1,120,192	0.07	0.1	38.01	-	145,295	12.97	313	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	72,202	-	-	72,202	0.33	0.0	37.89	-	24,992	34.61	91	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	94,637	-	-	94,637	1.37	0.0	38.01	-	65,989	69.72	493	/
6	2.50 to <10.00	6,623	-	-	6,623	3.54	0.0	38.01	-	6,473	97.73	89	/
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	/
8	100.00 (Default)	7,126	-	-	7,126	100.00	0.0	46.87	-	3,825	53.67	3,034	/
9	Sub-total	1,220,150	80,631	100.00	1,300,781	0.74	0.1	38.05	-	246,577	18.95	4,022	/
Retail – qualifying revolving retail exposures (QRRE)													
1	0.00 to <0.15	-	-	-	-	-	-	-	/	-	-	-	/
2	0.15 to <0.25	-	-	-	25	0.19	0.8	77.69	/	2	8.14	0	/
3	0.25 to <0.50	-	-	-	30	0.33	0.7	78.44	/	3	12.65	0	/
4	0.50 to <0.75	-	-	-	-	-	-	-	/	-	-	-	/
5	0.75 to <2.50	237,551	865,682	14.27	361,157	2.34	593.9	78.44	/	204,539	56.63	6,653	/
6	2.50 to <10.00	170,152	892,916	7.95	241,079	4.14	2,067.1	78.45	/	199,358	82.69	7,829	/
7	10.00 to <100.00	34,125	17,631	33.62	40,054	19.89	205.0	78.45	/	71,273	177.93	6,251	/
8	100.00 (Default)	482	1,229	11.44	619	100.00	1.9	71.90	/	522	84.32	403	/
9	Sub-total	442,312	1,777,459	11.28	642,966	4.20	2,869.6	78.44	/	475,700	73.98	21,139	13,144
Retail – Residential mortgage													
1	0.00 to <0.15	1,944,487	-	-	1,979,064	0.08	248.9	28.72	/	115,422	5.83	475	/
2	0.15 to <0.25	1,147,939	-	-	1,150,775	0.20	114.5	31.96	/	150,495	13.07	756	/
3	0.25 to <0.50	1,988,711	-	-	1,988,027	0.34	231.1	32.65	/	388,607	19.54	2,253	/
4	0.50 to <0.75	1,880,714	88,387	97.55	1,928,162	0.64	284.0	35.67	/	639,405	33.16	4,434	/
5	0.75 to <2.50	1,501,250	629	100.00	1,503,498	1.09	198.7	35.64	/	703,107	46.76	5,783	/
6	2.50 to <10.00	70,680	2,380	100.00	73,417	9.45	10.4	37.38	/	121,737	165.81	2,592	/
7	10.00 to <100.00	26,306	2,136	100.00	28,456	46.92	4.3	39.43	/	54,817	192.63	5,272	/
8	100.00 (Default)	63,491	1,315	100.00	64,871	100.00	5.4	44.36	/	32,383	49.91	26,192	/
9	Sub-total	8,623,582	94,848	97.72	8,716,274	1.43	1,097.6	33.00	/	2,205,975	25.30	47,762	29,697
Other retail													
1	0.00 to <0.15	22	-	-	259,936	0.05	37.7	47.73	/	18,716	7.20	73	/
2	0.15 to <0.25	6	-	-	68,228	0.18	4.8	46.76	/	12,328	18.06	60	/
3	0.25 to <0.50	117,622	32	100.00	118,210	0.35	5.2	47.57	/	32,836	27.77	197	/
4	0.50 to <0.75	94,978	266	75.25	93,320	0.66	88.6	46.78	/	36,409	39.01	287	/
5	0.75 to <2.50	953,276	3,252	80.96	890,437	1.36	27.1	46.54	/	443,075	49.75	5,181	/
6	2.50 to <10.00	352,855	1,980	61.13	156,726	6.46	11.1	19.31	/	44,909	28.65	1,593	/
7	10.00 to <100.00	88,419	9,336	52.40	45,890	17.80	15.0	32.98	/	31,233	68.06	2,940	/
8	100.00 (Default)	67,629	2,590	90.22	53,369	100.00	2.8	47.47	/	25,175	47.17	23,323	/
9	Sub-total	1,674,812	17,457	64.76	1,686,119	5.04	192.7	43.95	/	644,684	38.23	33,658	20,927
Total (all portfolios)		¥151,622,109	¥32,964,000	70.89	¥174,957,145	0.66	4,644.3	38.17	2.00	¥34,181,215	19.53	¥451,605	¥278,296

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. On-balance sheet exposures, pre-CCF and pre-CRM off-balance sheet exposures, and the average CCF are allocated to the PD ranges based on pre-CRM PD estimates.
3. The number of credits is disclosed as the number of data of obligors for QRRE, residential mortgage and other retail excluding credit for business purpose.

(Millions of yen, %, number in the thousands, year)

PD scale	a	b	c	d	e	f	g	h	i	j	k	l	
	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions	
As of March 31, 2018													
Sovereign													
1	0.00 to <0.15	¥65,282,123	¥493,305	78.14	¥67,094,685	0.00	0.3	37.99	1.6	¥633,434	0.94	¥828	¥/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	30,742	3,142	75.00	9,343	0.27	0.0	37.97	3.5	4,931	52.77	9	/
4	0.50 to <0.75	76,127	14,762	75.00	76,646	0.50	0.0	37.97	1.1	35,076	45.76	146	/
5	0.75 to <2.50	80,202	163	75.00	28,798	1.46	0.0	37.44	1.6	22,058	76.59	158	/
6	2.50 to <10.00	62,602	9,186	75.00	947	3.30	0.0	37.97	2.6	1,068	112.71	11	/
7	10.00 to <100.00	16,952	26	75.00	217	15.16	0.0	8.17	1.1	83	38.66	2	/
8	100.00 (Default)	1,819	-	-	19	100.00	0.0	28.17	1.2	7	37.33	4	/
9	Sub-total	65,550,571	520,586	77.97	67,210,657	0.00	0.3	37.99	1.6	696,660	1.03	1,163	792
Banks													
1	0.00 to <0.15	3,444,364	704,050	72.47	4,274,768	0.06	0.3	37.38	1.4	693,677	16.22	1,011	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	106,079	34,292	83.00	157,228	0.27	0.0	34.08	1.5	45,560	28.97	123	/
4	0.50 to <0.75	197,750	55,035	72.89	211,024	0.50	0.0	36.75	1.4	103,707	49.14	378	/
5	0.75 to <2.50	130,564	9,911	75.32	138,643	1.00	0.0	36.73	1.4	102,512	73.93	504	/
6	2.50 to <10.00	20,652	18,128	67.96	24,045	3.13	0.0	40.38	2.2	28,335	117.84	304	/
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	/
8	100.00 (Default)	1,287	-	-	1,287	100.00	0.0	96.57	4.9	363	28.25	1,214	/
9	Sub-total	3,900,699	821,418	72.87	4,806,998	0.16	0.5	37.26	1.4	974,158	20.26	3,536	2,408
Corporate (except SME and specialized lending)													
1	0.00 to <0.15	35,728,142	21,717,226	73.81	52,701,719	0.07	6.5	37.97	2.4	11,485,859	21.79	15,786	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	4,154,221	1,464,926	75.16	4,954,125	0.27	5.3	33.22	2.6	1,978,399	39.93	4,556	/
4	0.50 to <0.75	3,335,203	874,325	74.03	3,808,160	0.50	3.8	33.57	2.7	2,073,698	54.45	6,434	/
5	0.75 to <2.50	4,212,757	926,478	75.97	4,518,372	1.18	5.2	31.97	2.6	3,145,660	69.61	17,169	/
6	2.50 to <10.00	1,967,931	684,281	70.34	1,912,682	3.86	1.9	32.58	3.0	2,026,392	105.94	24,920	/
7	10.00 to <100.00	478,359	172,021	77.99	418,948	15.16	0.7	28.23	2.2	574,489	137.12	17,943	/
8	100.00 (Default)	420,603	22,230	80.22	414,611	100.00	0.7	38.96	2.1	127,172	30.67	151,385	/
9	Sub-total	50,297,219	25,861,490	73.92	68,728,619	0.99	24.3	36.78	2.5	21,411,672	31.15	238,196	162,210
SME													
1	0.00 to <0.15	82,869	20,926	74.99	98,562	0.07	0.0	31.64	2.3	14,696	14.91	24	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	552,499	29,152	73.71	562,058	0.27	3.0	24.31	2.8	142,029	25.26	378	/
4	0.50 to <0.75	688,348	26,430	74.25	690,992	0.50	3.3	23.91	3.0	229,938	33.27	831	/
5	0.75 to <2.50	1,243,471	29,192	75.43	1,226,916	1.19	5.9	20.75	3.4	491,630	40.07	3,124	/
6	2.50 to <10.00	454,790	12,354	76.30	446,427	3.25	1.7	19.05	3.7	214,824	48.12	2,802	/
7	10.00 to <100.00	147,430	5,173	92.75	140,309	15.16	0.7	17.98	3.1	106,804	76.12	3,828	/
8	100.00 (Default)	146,588	623	66.96	137,093	100.00	0.6	42.41	2.2	43,356	31.62	54,678	/
9	Sub-total	3,315,998	123,853	75.47	3,302,360	5.83	15.4	22.89	3.2	1,243,280	37.64	65,667	44,718
Specialized Lending													
1	0.00 to <0.15	2,375,330	262,272	77.84	2,206,165	0.09	0.4	36.49	4.3	707,374	32.06	759	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	386,629	139,797	77.89	373,281	0.27	0.0	38.49	4.1	219,941	58.92	397	/
4	0.50 to <0.75	230,853	74,918	77.70	215,900	0.50	0.0	43.42	4.1	185,680	86.00	471	/
5	0.75 to <2.50	413,034	107,078	75.36	331,811	1.02	0.0	38.49	4.5	335,100	100.99	1,312	/
6	2.50 to <10.00	76,132	14,241	76.45	51,744	4.38	0.0	38.19	3.5	68,274	131.94	867	/
7	10.00 to <100.00	40,737	1,342	94.02	9,364	15.16	0.0	37.97	3.9	18,836	201.13	539	/
8	100.00 (Default)	29,001	389	100.00	25,293	100.00	0.0	64.04	4.2	12,473	49.31	15,201	/
9	Sub-total	3,551,720	600,039	77.41	3,213,563	1.13	0.6	37.64	4.2	1,547,680	48.16	19,549	13,313
Equities (PD/LGD approach)													
1	0.00 to <0.15	3,704,926	21,305	100.00	3,726,232	0.05	1.0	90.00	5.0	3,795,623	101.86	/	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	/	/
3	0.25 to <0.50	90,067	-	-	90,067	0.27	0.5	90.00	5.0	142,515	158.23	/	/
4	0.50 to <0.75	43,662	-	-	43,662	0.50	0.3	90.00	5.0	89,021	203.88	/	/
5	0.75 to <2.50	40,387	-	-	40,387	1.15	0.2	90.00	5.0	107,668	266.58	/	/
6	2.50 to <10.00	113,095	-	-	113,095	3.76	0.0	90.00	5.0	425,736	376.44	/	/
7	10.00 to <100.00	915	-	-	915	15.16	0.0	90.00	5.0	5,851	638.79	/	/
8	100.00 (Default)	5,710	-	-	5,710	100.00	0.1	90.00	5.0	64,245	1,125.00	/	/
9	Sub-total	¥3,998,766	¥21,305	100.00	¥4,020,072	0.33	2.3	90.00	5.0	¥4,630,663	115.18	¥/	¥/

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

CR6-(Continued)

(Millions of yen, %, number in the thousands, year)

		a	b	c	d	e	f	g	h	i	j	k	l
PD scale		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions
As of March 31, 2018													
Purchased receivables (Corporate, etc.) - Default Risk Equivalent													
1	0.00 to <0.15	¥2,148,219	¥701,913	75.14	¥2,671,876	0.08	0.9	38.23	1.9	¥472,908	17.69	¥818	¥/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	129,026	94,175	77.74	202,240	0.27	0.2	37.89	2.0	80,622	39.86	212	/
4	0.50 to <0.75	102,644	31,136	79.27	127,326	0.50	0.1	37.89	1.8	66,997	52.61	242	/
5	0.75 to <2.50	83,546	28,528	77.42	105,635	1.04	0.1	37.88	2.3	80,956	76.63	419	/
6	2.50 to <10.00	122,256	30,434	75.58	144,774	5.78	0.0	37.97	1.4	177,211	122.40	3,180	/
7	10.00 to <100.00	1,163	18,484	75.71	15,159	15.16	0.0	37.97	1.6	27,179	179.28	873	/
8	100.00 (Default)	1,720	-	-	1,720	100.00	0.0	93.53	1.0	521	30.29	1,567	/
9	Sub-total	2,588,578	904,673	75.65	3,268,735	0.51	1.6	38.20	1.9	906,398	27.72	7,314	4,980
Purchased receivables (Retail) - Default Risk Equivalent													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	/
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	/
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	/
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	/
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	/
8	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	/
9	Sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Purchased receivables (Dilution Risk Equivalent)													
1	0.00 to <0.15	895,557	16,505	100.00	912,062	0.02	0.1	7.96	-	166,817	18.29	411	/
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	/
3	0.25 to <0.50	11,735	-	-	11,735	0.27	0.0	37.97	-	3,654	31.13	12	/
4	0.50 to <0.75	17,229	-	-	17,229	0.50	0.0	37.31	-	7,609	44.16	32	/
5	0.75 to <2.50	97,240	5,881	100.00	103,122	1.39	0.0	19.96	-	69,059	66.96	463	/
6	2.50 to <10.00	11,811	-	-	11,811	3.03	0.0	8.82	-	11,116	94.11	140	/
7	10.00 to <100.00	923	-	-	923	15.16	0.0	37.97	-	1,553	168.25	53	/
8	100.00 (Default)	2,139	-	-	2,139	100.00	0.0	47.79	-	1,087	50.85	935	/
9	Sub-total	1,036,637	22,387	100.00	1,059,024	0.41	0.1	10.06	-	260,898	24.63	2,050	/
Retail – qualifying revolving retail exposures (QRRE)													
1	0.00 to <0.15	-	-	-	0	0.13	0.0	78.04	/	0	6.01	0	/
2	0.15 to <0.25	-	-	-	33	0.18	0.4	77.05	/	2	7.79	0	/
3	0.25 to <0.50	-	-	-	60	0.34	2.0	78.04	/	7	12.85	0	/
4	0.50 to <0.75	-	-	-	-	-	-	-	/	-	-	-	/
5	0.75 to <2.50	246,700	882,617	15.67	385,057	2.31	484.0	78.03	/	214,816	55.78	6,961	/
6	2.50 to <10.00	171,502	904,560	8.86	251,550	4.06	1,838.9	78.04	/	204,438	81.27	7,973	/
7	10.00 to <100.00	30,330	15,707	38.33	36,349	18.49	111.4	78.04	/	64,164	176.51	5,245	/
8	100.00 (Default)	547	1,389	12.13	710	100.00	2.1	71.86	/	564	79.48	465	/
9	Sub-total	449,080	1,804,276	12.45	673,761	3.94	2,439.0	78.03	/	483,995	71.83	20,647	14,060
Retail – Residential mortgage													
1	0.00 to <0.15	1,753,094	-	-	1,788,294	0.07	134.0	29.40	/	98,880	5.52	396	/
2	0.15 to <0.25	1,555,463	-	-	1,557,206	0.19	98.7	31.48	/	196,694	12.63	984	/
3	0.25 to <0.50	1,995,206	-	-	1,996,178	0.35	137.5	33.88	/	411,553	20.61	2,400	/
4	0.50 to <0.75	1,913,740	106,001	97.52	1,976,720	0.66	176.4	36.68	/	684,897	34.64	4,785	/
5	0.75 to <2.50	1,540,512	869	100.00	1,543,115	1.08	118.2	36.58	/	736,804	47.74	6,054	/
6	2.50 to <10.00	78,221	2,795	100.00	81,793	9.58	6.9	37.92	/	138,206	168.97	2,969	/
7	10.00 to <100.00	31,308	2,477	100.00	33,807	47.05	3.2	40.24	/	66,608	197.02	6,406	/
8	100.00 (Default)	67,581	1,372	100.00	68,903	100.00	4.3	45.19	/	32,533	47.21	28,537	/
9	Sub-total	8,935,128	113,516	97.68	9,046,019	1.48	679.7	33.80	/	2,366,178	26.15	52,535	35,776
Other retail													
1	0.00 to <0.15	20	-	-	307,294	0.05	41.4	43.50	/	19,034	6.19	75	/
2	0.15 to <0.25	2	-	-	55,690	0.18	4.5	43.16	/	9,068	16.28	43	/
3	0.25 to <0.50	121,031	155	100.00	137,772	0.34	4.1	46.55	/	37,291	27.06	224	/
4	0.50 to <0.75	188,160	550	75.18	184,968	0.69	65.9	26.93	/	41,514	22.44	327	/
5	0.75 to <2.50	1,017,097	3,472	78.21	940,438	1.36	26.4	53.29	/	528,419	56.18	5,988	/
6	2.50 to <10.00	398,879	1,897	63.40	174,889	6.29	16.0	22.22	/	57,981	33.15	2,149	/
7	10.00 to <100.00	98,427	9,870	51.83	49,497	18.27	11.8	31.29	/	32,253	65.16	3,156	/
8	100.00 (Default)	73,064	3,023	94.67	58,600	100.00	2.9	44.01	/	25,897	44.19	23,722	/
9	Sub-total	1,896,684	18,970	65.72	1,909,152	4.89	173.4	44.68	/	751,460	39.36	35,688	24,303
Total (all portfolios)		¥145,521,084	¥30,812,518	70.60	¥167,238,965	0.72	3,337.8	38.21	2.20	¥35,273,045	21.01	¥446,348	¥302,564

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. On-balance sheet exposures, pre-CCF and pre-CRM off-balance sheet exposures, and the average CCF are allocated to the PD ranges based on pre-CRM PD estimates.
3. The number of credits is disclosed as the number of data of obligors for QRRE, residential mortgage and other retail excluding credit for business purpose.

(B) CR8:RWA flow statements of credit risk exposures under IRB approach

(Billions of yen)

No.		RWA
1	RWA as of March 31, 2018	¥40,008.8
2	Breakdown of changes during this reporting period	Asset size
3		Portfolio quality
4		Model updates
5		Methodology and policy
6		Acquisitions and disposals
7		Foreign currency fluctuations
8		Other
9	RWA as of March 31, 2019	¥38,783.5

- Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Asset size corresponds to the amount of variation in RWA arising from changes in book size and composition, increased assets resulting from origination of new businesses, decreased assets due to matured receivables, etc.
3. Portfolio quality corresponds to the amount of variation in RWA arising from changes in obligor's and facilities' ratings, changes in collateral values and guarantees, etc.
4. Methodology and policy corresponds to the amount of variation in RWA arising from methodological changes in calculations driven by regulatory policy changes including revisions to existing regulations.
5. Foreign currency fluctuations correspond to the amount of variation in RWA arising from the effect of fluctuations in foreign exchange rates involving exposures to transactions denominated in foreign currencies.

(C) CR9: IRB - Backtesting of Probability of Default (PD) per Portfolio

(%, the number of data)

As of March 31, 2019													
a	b	c					d	e	f		g	h	i
Portfolio	PD Range (%)	External rating equivalent					Weighted average PD (%)	Arithmetic average PD by obligors (%)	Number of obligors		Defaulted obligors in the year	of which: new defaulted obligors in the year	Average historical annual default rate (%)
		S&P	Moody's	Fitch	R&I	JCR			As of March 31, 2018	As of March 31, 2019			
Corporate, etc.	0.00 to <0.10	AAA~A-	Aaa~A3	AAA~A-	AAA~A-	AAA~A-	0.05	0.05	2,404	2,381	-	-	-
	0.10 to <0.20	BBB+~BBB-	Baa1~Baa3	BBB+~BBB-	BBB+~BBB-	BBB+~BBB-	0.13	0.14	5,295	5,295	2	-	0.03
	0.20 to <1.00	BB+~BB-	Ba1~Ba3	BB+~BB-	BB+~BB-	BB+~BB-	0.48	0.51	21,259	21,605	44	1	0.22
	1.00 to <5.00	B+~B-	B1~B3	B+~B-	B+~B-	B+~B-	2.24	2.15	9,037	8,453	115	2	1.29
	5.00 to <100.00	CCC+~CCC-	Caa1~Caa3	CCC+~CCC-	CCC+~CCC-	CCC~C	10.79	13.08	2,144	1,882	140	2	7.77
Retail - qualifying revolving retail exposures (QRRE)	0.00 to <0.10	/	/	/	/	/	-	-	-	-	-	-	-
	0.10 to <0.20	/	/	/	/	/	-	-	-	-	-	-	-
	0.20 to <1.00	/	/	/	/	/	-	-	-	-	-	-	-
	1.00 to <5.00	/	/	/	/	/	2.40	2.81	376,296	363,146	7,834	913	1.88
	5.00 to <100.00	/	/	/	/	/	10.75	6.73	109,372	115,560	11,704	709	8.95
Retail - Residential mortgage	0.00 to <0.10	/	/	/	/	/	0.06	0.06	96,887	87,230	38	-	0.02
	0.10 to <0.20	/	/	/	/	/	0.15	0.15	78,362	78,900	39	1	0.06
	0.20 to <1.00	/	/	/	/	/	0.53	0.53	396,443	385,619	871	5	0.24
	1.00 to <5.00	/	/	/	/	/	1.30	1.26	75,664	82,718	363	-	0.51
	5.00 to <100.00	/	/	/	/	/	21.24	22.41	8,551	9,024	961	-	10.77
Other retail	0.00 to <0.10	/	/	/	/	/	-	-	-	-	-	-	-
	0.10 to <0.20	/	/	/	/	/	-	-	-	-	-	-	-
	0.20 to <1.00	/	/	/	/	/	0.77	0.67	389,084	273,543	1,343	25	0.32
	1.00 to <5.00	/	/	/	/	/	2.38	3.20	273,668	207,228	1,508	12	0.48
	5.00 to <100.00	/	/	/	/	/	18.47	22.85	47,239	34,136	2,579	5	4.46

- Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Exposures to sovereign and bank is included in the category of corporate, etc. because their obligors can be presumably specified. Likewise, exposures to corporate (except specialized lending), specialized lending, equity and purchased receivables (corporate) is included in the category of corporate, etc. because the data of the respective portfolios is not separately used for PD estimation. Since purchased receivables (retail) account for a small portion of the entire exposure, they are incorporated with any one of QRRE, residential mortgage or other retail depending on the portfolio classification of the purchased receivables.
3. PD Range indicates the ranges of PD estimates for multiple consolidated internal ratings groups.
4. The following shows the percentages accounted for by the respective portfolios among the credit RWA calculated by the AIRB: Corporate, etc. : 75%, QRRE: 1%, Residential mortgage : 7%, Other retail : 2%
5. The number of credits is disclosed as the number of data of obligors for QRRE, residential mortgage and other retail excluding credit for business purpose.
6. The back testing covers the period from September 30, 2017 to September 30, 2018.

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(%, the number of data)

As of March 31, 2018													
a	b	c					d	e	f		g	h	i
Portfolio	PD Range (%)	External rating equivalent					Weighted average PD (%)	Arithmetic average PD by obligors (%)	Number of obligors		Defaulted obligors in the year	of which: new defaulted obligors in the year	Average historical annual default rate (%)
		S&P	Moody's	Fitch	R&I	JCR			As of March 31, 2017	As of March 31, 2018			
Corporate, etc.	0.00 to <0.10	AAA~A-	Aaa~A3	AAA~A-	AAA~A-	AAA~A-	0.05	0.06	2,330	2,395	-	-	-
	0.10 to <0.20	BBB+~BBB-	Baa1~Baa3	BBB+~BBB-	BBB+~BBB-	BBB+~BBB-	0.15	0.15	5,072	5,272	2	-	0.03
	0.20 to <1.00	BB+~BB-	Ba1~Ba3	BB+~BB-	BB+~BB-	BB+~BB-	0.48	0.52	20,736	21,267	52	-	0.21
	1.00 to <5.00	B+~B-	B1~B3	B+~B-	B+~B-	B+~B-	2.06	2.15	9,832	9,041	112	2	1.29
	5.00 to <100.00	CCC+~CCC-	Caa1~Caa3	CCC+~CCC-	CCC+~CCC-	CCC~C	12.59	12.86	2,500	2,144	197	4	8.02
Retail – qualifying revolving retail exposures (QRRE)	0.00 to <0.10	/	/	/	/	/	-	-	-	-	-	-	-
	0.10 to <0.20	/	/	/	/	/	-	-	-	-	-	-	-
	0.20 to <1.00	/	/	/	/	/	-	-	-	-	-	-	-
	1.00 to <5.00	/	/	/	/	/	2.35	2.80	316,263	338,973	5,789	1,004	1.68
	5.00 to <100.00	/	/	/	/	/	10.17	6.24	137,011	146,695	12,315	1,232	7.85
Retail – Residential mortgage	0.00 to <0.10	/	/	/	/	/	0.05	0.05	77,649	71,310	20	-	0.02
	0.10 to <0.20	/	/	/	/	/	0.14	0.14	101,477	103,939	44	-	0.07
	0.20 to <1.00	/	/	/	/	/	0.53	0.53	413,756	395,746	966	3	0.28
	1.00 to <5.00	/	/	/	/	/	1.26	1.22	62,374	75,664	303	-	0.57
	5.00 to <100.00	/	/	/	/	/	19.03	20.36	11,209	8,551	1,014	-	11.81
Other retail	0.00 to <0.10	/	/	/	/	/	-	-	-	-	-	-	-
	0.10 to <0.20	/	/	/	/	/	-	-	-	-	-	-	-
	0.20 to <1.00	/	/	/	/	/	0.80	0.66	429,469	340,586	1,333	27	0.31
	1.00 to <5.00	/	/	/	/	/	2.20	3.08	440,253	322,169	2,020	180	0.73
	5.00 to <100.00	/	/	/	/	/	17.74	22.92	73,044	47,241	3,113	13	4.23

- Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Exposures to sovereign and bank is included in the category of corporate, etc. because their obligors can be presumably specified. Likewise, exposures to corporate (except specialized lending), specialized lending, equity and purchased receivables (corporate) is included in the category of corporate, etc. because the data of the respective portfolios is not separately used for PD estimation. Since purchased receivables (retail) account for a small portion of the entire exposure, they are incorporated with any one of QRRE, residential mortgage or other retail depending on the portfolio classification of the purchased receivables.
3. PD Range indicates the ranges of PD estimates for multiple consolidated internal ratings groups.
4. The following shows the percentages accounted for by the respective portfolios among the credit RWA calculated by the AIRB: Corporate, etc. : 76%, QRRE: 1%, Residential mortgage : 7%, Other retail : 3%
5. The number of credits is disclosed as the number of data of obligors for QRRE, residential mortgage and other retail excluding credit for business purpose.
6. The back testing covers the period from September 30, 2016 to September 30, 2017.

(D) CR10: IRB -Specialized Lending under the Slotting Criteria Approach and Equity Exposures under the Market-based Approach etc.

(Millions of yen, %)

As of March 31, 2019												
a	b	c	d	e	f	g	h	i	j	k	l	
Specialized lending under slotting criteria approach												
Other than HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount					RWA	Expected losses	
					P F	O F	C F	I P R E	Total			
Strong	Less than 2.5 years	¥-	¥-	50%	¥-	¥-	¥-	¥-	¥-	¥-	¥-	
	Equal to or more than 2.5 years	24,983	-	70%	-	24,983	-	-	24,983	17,488	99	
Good	Less than 2.5 years	-	-	70%	-	-	-	-	-	-	-	
	Equal to or more than 2.5 years	504	-	90%	-	504	-	-	504	454	4	
Satisfactory		3,735	10,422	115%	-	11,553	-	-	11,553	13,286	323	
Weak		9,962	-	250%	-	10,109	-	-	10,109	25,273	808	
Default		3,081	-	-	-	9,312	-	-	9,312	-	4,656	
Total		42,267	10,422	-	-	56,463	-	-	56,463	56,502	5,892	
HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW						Exposure amount	RWA	Expected losses
Strong	Less than 2.5 years	8,449	-	70%						8,449	5,914	33
	Equal to or more than 2.5 years	72,936	14,206	95%						83,601	79,421	334
Good	Less than 2.5 years	2,010	-	95%						2,010	1,910	8
	Equal to or more than 2.5 years	8,654	18,530	120%						22,555	27,066	90
Satisfactory		-	-	140%						-	-	-
Weak		-	-	250%						-	-	-
Default		-	-	-						-	-	-
Total		92,050	32,736	-						116,618	114,313	466
Equity exposures under the market-based approach etc.												
Equity exposures under the market-based approach												
Categories		On-balance sheet amount	Off-balance sheet amount	RW						Exposure amount	RWA	
Exchange-traded equity exposures		721,228	30,289	300%						751,517	2,254,553	
Private equity exposures		57,192	1,694	400%						58,463	233,852	
Other equity exposures		-	-	-						-	-	
Total		778,420	31,984	-						809,980	2,488,405	
Equity exposures to which a risk weight of 100% is applied												
Equity exposures to which a risk weight of 100% is applied		4,543	-	100%						4,543	4,543	

Notes:1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.

2. PF, OF, CF and IPRE respectively stand for project finance, object finance, commodity finance and income-producing real estate.

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(Millions of yen, %)

As of March 31, 2018												
a	b	c	d	e	f	g	h	i	j	k	l	
Specialized lending under slotting criteria approach												
Other than HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount					RWA	Expected losses	
					P F	O F	C F	I P R E	Total			
	Less than 2.5 years	¥	¥	50%	¥	¥	¥	¥	¥	¥	¥	
Strong	Equal to or more than 2.5 years	24,919	-	70%	-	24,919	-	-	-	24,919	17,443	99
Good	Less than 2.5 years	-	-	70%	-	-	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-	-	-	-	-	-
Satisfactory		3,464	-	115%	-	3,464	-	-	-	3,464	3,984	97
Weak		11,108	-	250%	-	11,147	-	-	-	11,147	27,868	891
Default		3,081	-	-	-	9,312	-	-	-	9,312	-	4,656
Total		42,574	-	-	-	48,844	-	-	-	48,844	49,296	5,744
HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW						Exposure amount	RWA	Expected losses
Strong	Less than 2.5 years	2,698	700	70%						3,225	2,257	12
	Equal to or more than 2.5 years	55,022	16,356	95%						67,290	63,925	269
Good	Less than 2.5 years	13	-	95%						13	13	0
	Equal to or more than 2.5 years	23,260	3,970	120%						26,250	31,500	105
Satisfactory		-	-	140%						-	-	-
Weak		-	-	250%						-	-	-
Default		-	-	-						-	-	-
Total		80,996	21,026	-						96,779	97,696	387
Equity exposures under the market-based approach etc.												
Equity exposures under the market-based approach												
Categories		On-balance sheet amount	Off-balance sheet amount	RW						Exposure amount	RWA	
Exchange-traded equity exposures		841,626	68,014	300%						909,640	2,728,922	
Private equity exposures		58,551	1,510	400%						59,683	238,735	
Other equity exposures		-	-	-						-	-	
Total		900,177	69,524	-						969,324	2,967,658	
Equity exposures to which a risk weight of 100% is applied												
Equity exposures to which a risk weight of 100% is applied		4,415	-	100%						4,415	4,415	

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.

2. PF, OF, CF and IPRE respectively stand for project finance, object finance, commodity finance and income-producing real estate.

(5) Credit Risk under Standardized Approach

(i) Status of portfolios to which the standardized approach is applied

Eligible external credit assessment institutions used for determining the risk weight for portfolios to which the standardized approach is applied are Rating and Investment Information, Inc. (R&I) in Japan and S&P Global Ratings overseas.

We apply a risk weight of 100% for all of our corporate exposure.

(ii) Quantitative disclosure on credit risk under standardized approach

(A) CR5: Standardized Approach - Exposures by Asset Classes and Risk Weights

(Millions of yen)

		As of March 31, 2019										
		a	b	c	d	e	f	g	h	i	j	k
		Credit exposures amount (post CCF and post-CRM)										
Asset classes	Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥116	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥116
2	Japanese sovereigns and Bank of Japan	465,728	-	-	-	-	-	-	-	-	-	465,728
3	Foreign central sovereigns and central banks	46,903	-	39,562	-	123,316	-	55,915	-	-	-	265,699
4	Bank for International Settlements, etc.	-	-	-	-	-	-	-	-	-	-	-
5	Japanese non-central governmental PSEs	1,043	-	-	-	-	-	-	-	-	-	1,043
6	Non-central governmental PSEs other than foreign central sovereigns, etc.	-	-	1,103	-	61	-	28	-	-	-	1,194
7	International development banks	6	-	-	-	-	-	-	-	-	-	6
8	Japan Finance Organization for Municipalities	-	1	-	-	-	-	-	-	-	-	1
9	Japanese government institutions	-	2,328	-	-	-	-	-	-	-	-	2,328
10	Three regional public sectors of Japan	-	-	-	-	-	-	-	-	-	-	-
11	Financial institutions and business operators conducting the type I financial instruments business	-	-	238,960	-	45,431	-	62,702	-	-	-	347,093
12	Corporates, etc.	-	-	-	-	-	-	1,479,276	-	-	-	1,479,276
13	Regulatory retail portfolios and individuals	-	-	-	-	-	-	-	-	-	-	-
14	Mortgage housing loan	-	-	-	-	-	-	-	-	-	-	-
15	Real estate acquisition business, etc.	-	-	-	-	-	-	-	-	-	-	-
16	Claims past due for 3 months or more (excluding mortgage housing loan)	-	-	-	-	87	-	17	21	-	-	126
17	Claims past due for 3 months or more regarding mortgage housing loan	-	-	-	-	-	-	-	-	-	-	-
18	Bills in process of collection	-	-	-	-	-	-	-	-	-	-	-
19	With guarantee of Credit Guarantee Corporations, etc.	-	-	-	-	-	-	-	-	-	-	-
20	With guarantee of Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-	-	-	-	-	-
21	Investments, etc.(excluding significant investments)	-	-	-	-	-	-	-	-	-	-	-
22	Total	¥513,798	¥2,330	¥279,627	¥-	¥168,897	¥-	¥1,597,940	¥21	¥-	¥-	¥2,562,615

Note: Counterparty credit risk exposures, credit risk related to securitization transactions, and fund exposures are excluded from the amount of credit risk exposures above.

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(Millions of yen)

		As of March 31, 2018										
		a	b	c	d	e	f	g	h	i	j	k
		Credit exposures amount (post CCF and post-CRM)										
Asset classes	Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥10,169	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥10,169
2	Japanese sovereigns and Bank of Japan	12,698,108	-	-	-	-	-	-	-	-	-	12,698,108
3	Foreign central sovereigns and central banks	75,651	-	34,791	-	64,684	-	75,963	-	-	-	251,091
4	Bank for International Settlements, etc.	-	-	-	-	-	-	-	-	-	-	-
5	Japanese non-central governmental PSEs	1,089	-	-	-	-	-	-	-	-	-	1,089
6	Non-central governmental PSEs other than foreign central sovereigns, etc.	-	-	7,731	-	38	-	16	-	-	-	7,786
7	International development banks	2,983	-	-	-	-	-	-	-	-	-	2,983
8	Japan Finance Organization for Municipalities	-	36,192	-	-	-	-	-	-	-	-	36,192
9	Japanese government institutions	-	523,138	-	-	-	-	-	-	-	-	523,138
10	Three regional public sectors of Japan	-	-	-	-	-	-	-	-	-	-	-
11	Financial institutions and business operators conducting the type I financial instruments business	-	-	703,187	-	19,773	-	48,083	-	-	-	771,044
12	Corporates, etc.	-	-	-	-	-	-	1,484,951	-	-	-	1,484,951
13	Regulatory retail portfolios and individuals	-	-	-	-	-	-	-	-	-	-	-
14	Mortgage housing loan	-	-	-	-	-	-	-	-	-	-	-
15	Real estate acquisition business, etc.	-	-	-	-	-	-	-	-	-	-	-
16	Claims past due for 3 months or more (excluding mortgage housing loan)	-	-	-	-	60	-	12	27	-	-	100
17	Claims past due for 3 months or more regarding mortgage housing loan	-	-	-	-	-	-	-	-	-	-	-
18	Bills in process of collection	-	-	-	-	-	-	-	-	-	-	-
19	With guarantee of Credit Guarantee Corporations, etc.	-	-	-	-	-	-	-	-	-	-	-
20	With guarantee of Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-	-	-	-	-	-
21	Investments, etc.(excluding significant investments)	-	-	-	-	-	-	-	-	-	-	-
22	Total	¥12,788,002	¥559,331	¥745,710	¥-	¥84,557	¥-	¥1,609,027	¥27	¥-	¥-	¥15,786,656

Note: Counterparty credit risk exposures, credit risk related to securitization transactions, and exposures which are underlaid with the plural number of assets and transactions are excluded from the amount of credit risk exposures above.

(6) Credit Risk Mitigation Techniques

(i) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

We obtain collateral and guarantees as a means of securing credit. In obtaining the collateral and guarantees, we evaluate the value of the collateral, guarantee performance capability of guarantor and legal enforceability, and we also conduct periodical subsequent re-evaluations. Furthermore, we monitor any concentration of risks in a particular classification, keeping an eye on the concentration of collateral type and/or of credit risks in particular companies including indirect credit exposure such as guarantees. When calculating the credit risk weighted assets for capital adequacy ratio regulations, the effect of credit risk mitigation through financial collateral (mainly deposits and securities), other collateral (mainly real estate) and guarantees by "sovereign, banks or corporations above a certain credit rating" is reflected.

(ii) Quantitative Disclosure on Credit Risk Mitigation Techniques

Counterparty risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures below.

(A) CR3: Credit Risk Mitigation Techniques - Overview

(Millions of yen)

		As of March 31, 2019				
		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	¥60,910,902	¥15,856,184	¥6,365,790	¥7,169,389	¥3,137
2	Debt securities	22,289,542	381,561	212,479	95,790	-
3	Other on balance debt assets	49,191,702	97,131	3,037	78,503	-
4	Total (1+2+3)	¥132,392,148	¥16,334,877	¥6,581,306	¥7,343,683	¥3,137
5	Of which defaulted	261,864	220,226	101,305	47,220	-

Notes: 1. Other on-balance debt assets include deposits, call loans, bills purchased, monetary claims bought, money held in trust, and foreign exchange assets, etc.
2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.

(Millions of yen)

		As of March 31, 2018				
		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	¥64,898,669	¥12,780,637	¥5,990,412	¥6,784,828	¥5,397
2	Debt securities	25,670,926	451,924	179,920	272,003	-
3	Other on balance debt assets	51,653,415	44,607	5,016	39,591	-
4	Total (1+2+3)	¥142,223,012	¥13,277,170	¥6,175,349	¥7,096,423	¥5,397
5	Of which defaulted	461,445	192,214	135,384	56,830	-

Notes: 1. Other on-balance debt assets include deposits, call loans, bills purchased, monetary claims bought, money held in trust, and foreign exchange assets, etc.
2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(B) CR4: Standardized Approach - Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects

(Millions of yen, except percentages)

		As of March 31, 2019											
		a		b		c		d		e		f	
		Exposures before CCF and CRM		Exposures post-CCF and CRM		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA		RWA density	
Asset classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA		RWA		RWA density	
1	Cash	¥116	¥-	¥116	¥-	¥-	¥-	¥-		0.00			
2	Japanese sovereigns and Bank of Japan	465,728	-	465,728	-	-	-	-		0.00			
3	Foreign central sovereigns and central banks	265,699	-	265,699	-	-	-	125,486		47.22			
4	Bank for International Settlements, etc.	-	-	-	-	-	-	-		-			
5	Japanese non-central governmental PSEs	1,043	-	1,043	-	-	-	-		0.00			
6	Non-central governmental PSEs other than foreign central sovereigns, etc.	1,194	-	1,194	-	-	-	280		23.48			
7	International development banks	6	-	6	-	-	-	-		0.00			
8	Japan Finance Organization for Municipalities	1	-	1	-	-	-	0		10.00			
9	Japanese government institutions	2,328	-	2,328	-	-	-	232		10.00			
10	Three regional public sectors of Japan	-	-	-	-	-	-	-		-			
11	Financial institutions and business operators conducting the type I financial instruments business	315,793	63,536	315,325	31,768	133,210	38.37						
12	Corporates, etc.	1,274,106	258,259	1,274,106	205,170	1,479,220	99.99						
13	Regulatory retail portfolios and individuals	-	-	-	-	-	-	-		-			
14	Mortgage housing loan	-	-	-	-	-	-	-		-			
15	Real estate acquisition business, etc.	-	-	-	-	-	-	-		-			
16	Claims past due for 3 months or more (excluding mortgage housing loan)	126	-	126	-	93	73.70						
17	Claims past due for 3 months or more regarding mortgage housing loan	-	-	-	-	-	-	-		-			
18	Bills in process of collection	-	-	-	-	-	-	-		-			
19	With guarantee of Credit Guarantee Corporation, etc.	-	-	-	-	-	-	-		-			
20	With guarantee of Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-	-		-			
21	Investments, etc.(excluding significant investments)	-	-	-	-	-	-	-		-			
22	Total	¥2,326,144	¥321,795	¥2,325,677	¥236,938	¥1,738,523	67.84						

(Millions of yen, except percentages)

		As of March 31, 2018											
		a		b		c		d		e		f	
		Exposures before CCF and CRM		Exposures post-CCF and CRM		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA		RWA density	
Asset classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA		RWA		RWA density	
1	Cash	¥10,169	¥-	¥10,169	¥-	¥-	¥-	¥-		0.00			
2	Japanese sovereigns and Bank of Japan	12,698,108	-	12,698,108	-	-	-	-		0.00			
3	Foreign central sovereigns and central banks	251,091	-	251,091	-	-	-	115,264		45.90			
4	Bank for International Settlements, etc.	-	-	-	-	-	-	-		-			
5	Japanese non-central governmental PSEs	1,089	-	1,089	-	-	-	-		0.00			
6	Non-central governmental PSEs other than foreign central sovereigns, etc.	7,786	-	7,786	-	-	-	1,581		20.31			
7	International development banks	2,983	-	2,983	-	-	-	-		0.00			
8	Japan Finance Organization for Municipalities	36,192	-	36,192	-	-	-	100		0.27			
9	Japanese government institutions	523,138	-	523,138	-	-	-	19,531		3.73			
10	Three regional public sectors of Japan	-	-	-	-	-	-	-		-			
11	Financial institutions and business operators conducting the type I financial instruments business	770,920	774	770,657	387	198,607	25.75						
12	Corporates, etc.	1,282,944	261,731	1,282,944	202,006	1,484,893	99.99						
13	Regulatory retail portfolios and individuals	-	-	-	-	-	-	-		-			
14	Mortgage housing loan	-	-	-	-	-	-	-		-			
15	Real estate acquisition business, etc.	-	-	-	-	-	-	-		-			
16	Claims past due for 3 months or more (excluding mortgage housing loan)	100	-	100	-	83	83.26						
17	Claims past due for 3 months or more regarding mortgage housing loan	-	-	-	-	-	-	-		-			
18	Bills in process of collection	-	-	-	-	-	-	-		-			
19	With guarantee of Credit Guarantee Corporation, etc.	-	-	-	-	-	-	-		-			
20	With guarantee of Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-	-		-			
21	Investments, etc.(excluding significant investments)	-	-	-	-	-	-	-		-			
22	Total	¥15,584,525	¥262,506	¥15,584,262	¥202,393	¥1,820,063	11.52						

(C) CR7: IRB - Effect on RWA of Credit Derivatives Used as CRM Techniques

(Millions of yen)

		As of March 31, 2019	
		a	b
Portfolios		Pre-credit derivatives RWA	Actual RWA
1	Sovereign - FIRB	¥-	¥-
2	Sovereign - AIRB	640,973	640,973
3	Banks - FIRB	-	-
4	Banks - AIRB	906,425	906,425
5	Corporate (except Specialized lending) - FIRB	-	-
6	Corporate (except Specialized lending) - AIRB	23,135,521	23,133,739
7	Specialized lending - FIRB	-	-
8	Specialized lending - AIRB	1,866,300	1,866,300
9	Retail - qualifying revolving retail exposures (QRRE)	475,700	475,700
10	Retail - residential mortgage exposures	2,205,975	2,205,975
11	Other retail exposures	644,684	644,684
12	Equity - FIRB	-	-
13	Equity - AIRB	3,658,637	3,658,637
14	Purchased receivables - FIRB	-	-
15	Purchased receivables - AIRB	819,595	819,595
16	Total	¥34,353,814	¥34,352,032

(Millions of yen)

		As of March 31, 2018	
		a	b
Portfolios		Pre-credit derivatives RWA	Actual RWA
1	Sovereign - FIRB	¥-	¥-
2	Sovereign - AIRB	577,518	577,518
3	Banks - FIRB	-	-
4	Banks - AIRB	930,901	930,901
5	Corporate (except Specialized lending) - FIRB	-	-
6	Corporate (except Specialized lending) - AIRB	22,718,567	22,715,534
7	Specialized lending - FIRB	-	-
8	Specialized lending - AIRB	1,796,490	1,796,490
9	Retail - qualifying revolving retail exposures (QRRE)	483,995	483,995
10	Retail - residential mortgage exposures	2,366,178	2,366,178
11	Other retail exposures	751,460	751,460
12	Equity - FIRB	-	-
13	Equity - AIRB	4,640,872	4,640,872
14	Purchased receivables - FIRB	-	-
15	Purchased receivables - AIRB	1,167,296	1,167,296
16	Total	¥35,433,279	¥35,430,246

(7) Equity investments in funds

(Millions of yen)

	As of March 31, 2019	As of March 31, 2018
	Exposure	Exposure
Equity investments in funds - Look-through approach	¥2,111,716	¥/
Equity investments in funds - Mandate-based approach	-	/
Equity investments in funds - Simple approach (subject to 250% RW)	-	/
Equity investments in funds - Simple approach (subject to 400% RW)	149,567	/
Equity investments in funds - Fall-back approach	1,559	/
Total	¥2,262,842	¥2,102,954

Notes: 1. "Total" as of March 31, 2018 is the amount of fund exposures that the regarded method is applied.
2. There are no fund exposures that the standardized approach is applied as of March 31, 2018.

■ Counterparty Credit Risk

(1) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

In managing the risk pertaining to counterparty credit risk (including central counterparty) in derivatives transactions and repurchase transactions etc., we generally allocate risk capital together with loans, etc., (we take into account wrong way risk for derivatives transactions). For derivatives transactions and repurchase transactions, in cases in which a bilateral netting agreement is valid in light of the legal system of the relevant jurisdiction, we take its effect into consideration. As to derivatives transactions with financial institutions, etc., we periodically, where necessary, deliver and receive collateral to and from the counterparty based on the replacement cost to mitigate credit risk (collateralized derivatives transactions). In conducting such transactions, there is a risk in which we may be required to provide additional collateral in cases where our credit profile deteriorates.

(2) Quantitative Disclosure on Counterparty Credit Risk

(A) CCR1: Analysis of Counterparty Credit risk (CCR) Exposure by Approach

(Millions of yen)

		As of March 31, 2019					
		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	¥-	¥-	/	1.4	¥-	¥-
	Current Exposure Method	170,412	200,077	/	/	370,490	139,720
2	Expected Positive Exposure Method	/	/	¥1,994,045	1.4	2,791,664	878,845
3	Simple Approach for credit risk mitigation	/	/	/	/	41,823	31,043
4	Comprehensive Approach for credit risk mitigation	/	/	/	/	10,176,903	793,601
5	VAR for SFTs	/	/	/	/	-	-
6	Total	/	/	/	/	/	¥1,843,210

(Millions of yen)

		As of March 31, 2018					
		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	¥-	¥-	/	1.4	¥-	¥-
	Current Exposure Method	323,382	230,084	/	/	535,507	216,424
2	Internal Model Method	/	/	¥1,944,443	1.4	2,722,221	887,843
3	Simple Approach for credit risk mitigation	/	/	/	/	763,521	39,710
4	Comprehensive Approach for credit risk mitigation	/	/	/	/	10,332,329	654,325
5	VAR for SFTs	/	/	/	/	-	-
6	Total	/	/	/	/	/	¥1,798,303

(B) CCR2: Credit Valuation Adjustment (CVA) Capital Charge

(Millions of yen)

		As of March 31, 2019	
		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	¥-	¥-
2	(i) VAR component (including the 3×multiplier)	/	-
3	(ii) Stressed VAR component (including the 3×multiplier)	/	-
4	All portfolios subject to the Standardized CVA capital charge	3,162,959	2,457,535
5	Total subject to the CVA capital charge	¥3,162,959	¥2,457,535

(Millions of yen)

		As of March 31, 2018	
		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	¥-	¥-
2	(i) VAR component (including the 3×multiplier)	/	-
3	(ii) Stressed VAR component (including the 3×multiplier)	/	-
4	All portfolios subject to the Standardized CVA capital charge	3,552,645	2,539,780
5	Total subject to the CVA capital charge	¥3,552,645	¥2,539,780

(C) CCR3: Standardized Approach - CCR Exposures by Regulatory Portfolio and Risk Weights

(Millions of yen)

		As of March 31, 2019								
		a	b	c	d	e	f	g	h	i
		Credit exposures amount (post CCF and post-CRM)								
Risk weight	Regulatory portfolio	0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Japanese sovereigns and Bank of Japan	¥68,027	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥68,027
2	Foreign central sovereigns and central banks	822	-	8,120	532	-	697	-	-	10,173
3	Bank for International Settlements, etc.	-	-	-	-	-	-	-	-	-
4	Japanese non-central governmental PSEs	-	-	-	-	-	-	-	-	-
5	Non-central governmental PSEs other than foreign central sovereigns, etc.	-	-	25,043	3,945	-	19	-	-	29,008
6	International development banks	7,933	-	-	-	-	-	-	-	7,933
7	Japan Finance Organization for Municipalities	-	-	-	-	-	-	-	-	-
8	Japanese government institutions	-	819	-	-	-	-	-	-	819
9	Three regional public sectors of Japan	-	-	-	-	-	-	-	-	-
10	Financial institutions and business operators conducting the type I financial instruments business	-	-	499,625	16,438	-	31,460	-	-	547,524
11	Corporates, etc.	-	-	-	-	-	686,087	-	-	686,087
12	Regulatory retail portfolios and individuals	-	-	-	-	-	-	-	-	-
13	Other assets	-	-	-	-	-	-	-	-	-
14	Total	¥76,784	¥819	¥532,788	¥20,916	¥-	¥718,265	¥-	¥-	¥1,349,574

(Millions of yen)

		As of March 31, 2018								
		a	b	c	d	e	f	g	h	i
		Credit exposures amount (post CCF and post-CRM)								
Risk weight	Regulatory portfolio	0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Japanese sovereigns and Bank of Japan	¥742,381	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥742,381
2	Foreign central sovereigns and central banks	4,065	-	3,934	361	-	289	-	-	8,650
3	Bank for International Settlements, etc.	-	-	-	-	-	-	-	-	-
4	Japanese non-central governmental PSEs	-	-	-	-	-	-	-	-	-
5	Non-central governmental PSEs other than foreign central sovereigns, etc.	-	-	6,843	1,504	-	12	-	-	8,361
6	International development banks	15,357	-	-	-	-	-	-	-	15,357
7	Japan Finance Organization for Municipalities	-	-	-	-	-	-	-	-	-
8	Japanese government institutions	-	1,076	-	-	-	-	-	-	1,076
9	Three regional public sectors of Japan	-	-	-	-	-	-	-	-	-
10	Financial institutions and business operators conducting the type I financial instruments business	-	-	665,336	13,269	-	41,948	-	-	720,554
11	Corporates, etc.	-	-	-	-	-	679,087	-	-	679,087
12	Regulatory retail portfolios and individuals	-	-	-	-	-	-	-	-	-
13	Other assets	-	-	-	-	-	-	-	-	-
14	Total	¥761,805	¥1,076	¥676,114	¥15,135	¥-	¥721,337	¥-	¥-	¥2,175,469

Status of Mizuho Financial Group's Consolidated Capital Adequacy

(D) CCR4: IRB - CCR Exposures by Portfolio and PD Scale

(Millions of yen, %, number in the thousands, year)

		As of March 31, 2019						
PD scale		a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
Sovereign								
1	0.00 to <0.15	¥8,930,341	0.00	0.0	38.01	4.6	¥118,295	1.32
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	500	0.27	0.0	38.01	2.9	240	48.11
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	3,527	0.91	0.0	38.01	4.5	3,388	96.04
6	2.50 to <10.00	43	3.06	0.0	38.01	1.3	42	97.12
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	8,934,414	0.00	0.0	38.01	4.6	121,967	1.36
Banks								
1	0.00 to <0.15	1,290,871	0.05	0.3	38.01	2.3	266,984	20.68
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	22,216	0.29	0.0	37.98	1.5	10,872	48.94
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	110	1.07	0.0	37.74	1.2	73	66.63
6	2.50 to <10.00	794	3.06	0.0	38.01	0.5	709	89.25
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	196	100.00	0.0	96.59	5.0	60	30.50
9	Sub-total	1,314,189	0.07	0.4	38.01	2.3	278,700	21.20
Corporate								
1	0.00 to <0.15	1,207,074	0.06	2.4	37.89	3.2	287,136	23.78
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	72,626	0.36	2.1	34.74	2.7	34,397	47.36
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	68,940	1.08	1.3	36.25	2.6	52,736	76.49
6	2.50 to <10.00	22,183	3.23	0.3	33.42	2.9	22,351	100.75
7	10.00 to <100.00	3,476	14.89	0.1	33.95	2.5	5,813	167.20
8	100.00 (Default)	1,436	100.00	0.1	41.93	2.9	408	28.45
9	Sub-total	¥1,375,738	0.32	6.6	37.56	3.2	¥402,844	29.28

CCR4-(Continued)

(Millions of yen, %, number in the thousands, year)

		As of March 31, 2019						
PD scale		a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
SME								
1	0.00 to <0.15	¥828	0.10	0.0	19.39	3.3	¥105	12.71
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	13,396	0.35	1.3	23.89	3.3	4,208	31.41
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	10,122	1.13	1.1	22.40	3.6	4,667	46.11
6	2.50 to <10.00	5,463	3.08	0.3	21.83	4.0	3,056	55.94
7	10.00 to <100.00	1,123	14.89	0.0	28.90	3.1	1,404	125.04
8	100.00 (Default)	605	100.00	0.0	32.29	3.1	215	35.54
9	Sub-total	31,538	3.50	2.9	23.28	3.5	13,656	43.30
Specialized Lending								
1	0.00 to <0.15	230,919	0.09	0.1	40.54	4.5	86,486	37.45
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	104,070	0.35	0.0	38.01	4.6	71,498	68.70
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	34,753	1.04	0.0	38.01	4.4	34,152	98.26
6	2.50 to <10.00	1,057	3.77	0.0	38.01	3.9	1,383	130.80
7	10.00 to <100.00	606	14.89	0.0	38.01	3.8	1,208	199.35
8	100.00 (Default)	2,530	100.00	0.0	54.96	4.9	1,504	59.45
9	Sub-total	373,938	0.96	0.3	39.68	4.5	196,232	52.47
Purchased receivables								
1	0.00 to <0.15	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	-	-	-	-	-	-	-
Retails								
1	0.00 to <0.15	-	-	-	-	/	-	-
2	0.15 to <0.25	-	-	-	-	/	-	-
3	0.25 to <0.50	-	-	-	-	/	-	-
4	0.50 to <0.75	-	-	-	-	/	-	-
5	0.75 to <2.50	951	1.85	0.9	28.36	/	343	36.04
6	2.50 to <10.00	8	3.95	0.0	4.41	/	0	6.36
7	10.00 to <100.00	38	14.57	0.0	23.05	/	16	43.25
8	100.00 (Default)	3	100.00	0.0	53.05	/	1	48.18
9	Sub-total	1,001	2.69	1.0	28.04	/	361	36.12
Total (all portfolios)		¥12,030,820	0.08	11.4	37.97	4.2	¥1,013,762	8.42

Status of Mizuho Financial Group's Consolidated Capital Adequacy

(Millions of yen, %, number in the thousands, year)

		As of March 31, 2018						
PD scale		a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
Sovereign								
1	0.00 to <0.15	¥9,213,266	0.00	0.0	37.97	4.5	¥40,100	0.43
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	419	0.27	0.0	37.97	2.3	180	42.94
4	0.50 to <0.75	682	0.50	0.0	37.97	3.0	440	64.52
5	0.75 to <2.50	2,944	1.28	0.0	37.97	4.9	3,291	111.77
6	2.50 to <10.00	84	6.34	0.0	37.97	1.6	108	129.20
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	9,217,397	0.00	0.0	37.97	4.5	44,120	0.47
Banks								
1	0.00 to <0.15	1,121,064	0.06	0.3	37.97	2.0	239,768	21.38
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	26,824	0.27	0.0	37.97	1.0	11,354	42.32
4	0.50 to <0.75	3,623	0.50	0.0	37.97	4.0	3,472	95.81
5	0.75 to <2.50	130	1.11	0.0	35.50	1.1	78	59.96
6	2.50 to <10.00	1,506	3.13	0.0	37.97	0.9	1,431	95.04
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	1,153,150	0.07	0.4	37.96	2.0	256,105	22.20
Corporate								
1	0.00 to <0.15	1,276,093	0.07	2.3	37.87	3.3	338,813	26.55
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	71,739	0.27	1.3	34.64	2.8	31,462	43.85
4	0.50 to <0.75	45,443	0.50	0.9	34.76	2.4	24,117	53.07
5	0.75 to <2.50	41,705	1.23	1.3	34.66	2.8	32,929	78.95
6	2.50 to <10.00	22,779	3.58	0.4	33.64	2.2	22,050	96.80
7	10.00 to <100.00	2,328	15.16	0.1	30.64	2.2	3,445	147.92
8	100.00 (Default)	1,301	100.00	0.1	51.99	2.5	446	34.31
9	Sub-total	¥1,461,390	0.30	6.6	37.45	3.2	¥453,264	31.01

CCR4-(Continued)

(Millions of yen, %, number in the thousands, year)

		As of March 31, 2018						
PD scale		a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
SME								
1	0.00 to <0.15	¥147	0.07	0.0	14.18	2.7	¥12	8.33
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	7,928	0.27	0.5	21.80	3.2	1,954	24.64
4	0.50 to <0.75	5,688	0.50	0.5	22.58	3.3	1,892	33.27
5	0.75 to <2.50	6,843	1.16	0.9	23.24	3.2	3,136	45.82
6	2.50 to <10.00	4,172	3.16	0.2	23.43	3.8	2,612	62.61
7	10.00 to <100.00	999	15.16	0.0	22.64	3.0	984	98.44
8	100.00 (Default)	559	100.00	0.0	40.35	3.5	126	22.51
9	Sub-total	26,340	3.69	2.5	22.98	3.3	10,718	40.69
Specialized Lending								
1	0.00 to <0.15	209,425	0.10	0.1	40.14	4.5	84,829	40.50
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	36,813	0.27	0.0	38.75	4.6	23,601	64.11
4	0.50 to <0.75	30,159	0.50	0.0	37.97	4.3	23,135	76.70
5	0.75 to <2.50	34,864	0.96	0.0	37.97	4.1	32,817	94.12
6	2.50 to <10.00	2,966	3.60	0.0	37.97	4.0	3,861	130.20
7	10.00 to <100.00	1,194	15.16	0.0	37.97	3.4	2,348	196.71
8	100.00 (Default)	2,768	100.00	0.0	55.90	4.9	1,540	55.66
9	Sub-total	318,190	1.21	0.3	39.64	4.5	172,134	54.09
Purchased receivables								
1	0.00 to <0.15	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	-	-	-	-	-	-	-
Retails								
1	0.00 to <0.15	-	-	-	-	/	-	-
2	0.15 to <0.25	-	-	-	-	/	-	-
3	0.25 to <0.50	-	-	-	-	/	-	-
4	0.50 to <0.75	-	-	-	-	/	-	-
5	0.75 to <2.50	834	1.95	0.8	28.77	/	307	36.86
6	2.50 to <10.00	13	4.03	0.0	4.41	/	0	6.37
7	10.00 to <100.00	35	13.39	0.0	21.68	/	14	40.29
8	100.00 (Default)	3	100.00	0.0	36.77	/	1	40.68
9	Sub-total	886	2.83	0.9	28.16	/	323	36.55
Total (all portfolios)		¥12,177,355	0.08	10.9	37.91	4.1	¥936,667	7.69

(E) CCR5: Composition of Collateral for CCR Exposure

(Millions of yen)

		As of March 31, 2019											
		a		b		c		d		e		f	
		Collateral used in derivative transactions				Collateral used in SFTs							
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral					
		Segregated	Unsegregated	Segregated	Unsegregated	Fair value of collateral received	Fair value of posted collateral	Fair value of collateral received	Fair value of posted collateral				
1	Cash – domestic currency	¥11,079	¥570,998	¥4,056	¥883,792	¥1,704,049	¥3,730,404						
2	Cash – other currencies	336,654	336,381	260,207	374,001	14,465,337	11,540,222						
3	Domestic sovereign debt	19,336	324,357	106,721	377,249	3,183,024	2,674,023						
4	Other sovereign debt	105,414	91,743	306,088	118,358	9,482,818	11,223,557						
5	Government agency debt	226	-	-	-	206,703	61,130						
6	Corporate bonds	20	24,331	20	5,077	1,102,381	1,777,925						
7	Equity securities	-	93,877	-	86,874	1,645,752	1,311,029						
8	Other collateral	-	-	-	-	13,411	433,352						
9	Total	¥472,731	¥1,441,690	¥677,094	¥1,845,353	¥31,803,478	¥32,751,646						

(Millions of yen)

		As of March 31, 2018					
		Collateral used in derivative transactions				Collateral used in SFTs	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash – domestic currency	¥3,458	¥481,886	¥5,310	¥803,536	¥1,695,567	¥2,996,441
2	Cash – other currencies	343,180	385,532	257,532	536,166	16,529,816	9,267,379
3	Domestic sovereign debt	27,877	303,956	122,227	265,290	1,951,674	2,364,378
4	Other sovereign debt	48,205	69,742	253,988	184,402	7,744,419	13,853,163
5	Government agency debt	1,234	-	481	-	620,455	1,070,112
6	Corporate bonds	55	49,094	21	3,141	493,226	603,156
7	Equity securities	-	254,472	-	128,584	1,904,428	1,413,438
8	Other collateral	-	7,806	-	4,944	4,464	394,305
9	Total	¥424,012	¥1,552,490	¥639,562	¥1,926,066	¥30,944,054	¥31,962,377

(F) CCR6: Credit Derivatives Exposures

(Millions of yen)

		As of March 31, 2019	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥1,108,432	¥1,109,082
2	Index credit default swaps	350,692	330,913
3	Total return swaps	14,431	23,471
4	Credit options	-	-
5	Other credit derivatives	1,100	-
6	Total notionals	¥1,474,656	¥1,463,467
Fair values			
7	Positive fair value (asset)	2,653	16,814
8	Negative fair value (liability)	(14,162)	(1,969)

(Millions of yen)

		As of March 31, 2018	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥1,120,511	¥1,142,042
2	Index credit default swaps	178,477	159,997
3	Total return swaps	-	-
4	Credit options	-	-
5	Other credit derivatives	-	-
6	Total notionals	¥1,298,988	¥1,302,040
Fair values			
7	Positive fair value (asset)	2,480	20,313
8	Negative fair value (liability)	(18,489)	(868)

(G) CCR7: RWA flow statements of CCR exposures under EPE method

(Billions of yen)

No.		RWA
1	RWA as of March 31, 2018	¥887.8
2	Breakdown of changes during this reporting period	Asset size
3		Credit quality of counterparties
4		Model updates (EPE only)
5		Methodology and policy (EPE only)
6		Acquisitions and disposals
7		Foreign currency fluctuations
8		Other
9	RWA as of March 31, 2019	¥878.8

(H) CCR8: Exposures to Central Counterparties

(Millions of yen)

		As of March 31, 2019	
		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	/	¥190,997
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	¥654,350	¥4,670
3	(i) OTC derivatives	145,239	501
4	(ii) Exchange-traded derivatives	83,138	1,931
5	(iii) Securities financing transactions	425,973	2,237
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	167,185	/
8	Non-segregated initial margin	478,110	9,317
9	Pre-funded default fund contributions	219,871	177,009
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)	/	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	/
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

(Millions of yen)

		As of March 31, 2018	
		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	/	¥193,088
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	¥676,795	¥3,053
3	(i) OTC derivatives	438,891	425
4	(ii) Exchange-traded derivatives	115,828	2,035
5	(iii) Securities financing transactions	122,076	593
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	95,392	/
8	Non-segregated initial margin	531,371	10,967
9	Pre-funded default fund contributions	332,443	162,394
10	Unfunded default fund contributions	34,112	16,672
11	Exposures to non-QCCPs (total)	/	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	/
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

■ Securitization Exposures

We classify transactions as securitization exposures based on two characteristics, “non-recourse” and “senior/subordinated structure,” pursuant to the definitions set forth in the FSA Notice No.20, etc.; provided that the transactions do not include those which fall within specialized lending exposure.

(1) Summary of Risk Management Regarding Securitization Exposures

Our role in securitization transactions

We are associated with securitization transactions from various purposes and positions through our banking book and trading book.

(a) Securitization of our assets (“Securitization as originator”)

For the purposes of mitigating credit risk and credit concentration risk, controlling economic capital and responding to the needs of our investors, etc., we engage in securitization transactions, the underlying assets of which include mortgage loans and loans to our corporate customers. When conducting a securitization as an originator, we consider such transactions from various aspects, including the effects of reduction of economic capital and improvement of return on risk as well as the practical effects of risk transfers, and make a comprehensive judgment on the structure and appropriateness of such transactions.

(b) Securitization program (ABCP/ABL) sponsor

As a means of supporting our customers in the securitization of their account receivables and notes receivables, etc., we retain securitization exposure by providing asset-backed loans (ABLs, which are on-balance-sheet transactions), and providing asset-backed commercial paper (ABCP) backup lines (off-balance-sheet transactions), as sponsor to special purpose companies (in the form of Cayman Islands Corporations, etc.). In such cases, in addition to gaining firm understanding of the actual risk profile through due diligence from the viewpoint of investors, we assign internal ratings and make evaluations by assessing such transactions and carefully managing the exposure together with other direct loan assets.

(c) Investment in alternative credit risk assets (“Securitization Transactions as an Investor”)

We hold securitization products, such as ABS, CMBS, RMBS, and CDO, and resecuritization products, the underlying assets of which are mainly RMBS and CDO, etc., for the purpose of investing in alternative credit risk assets that are different from conventional credit risk assets in order to diversify our investment portfolio. The Risk Management Committee, etc. set limits on the amount of investment for Securitization Transactions as an Investor, and we maintain a stringent structure for management of such transactions. In addition, we implement stress tests based on scenarios under the market liquidity depletion and sharp price declines.

In addition, we undertake various securitization program arrangements such as ABL, ABCP and trust schemes, etc., as a means of financing for our customers. We endeavor to understand the actual risk profile, including the underlying assets, and to appropriately disclose the risks and terms of the program to the customers who invest in the product.

Furthermore, we actively act as servicer for securitization transactions, offer settlement account facilities (servicer cash advance) and provide interest rate swaps to securitization conduits.

One of our affiliated entities, IBJ Leasing Company, Ltd, holds securitization products in which we are involved as originators or sponsors.

The securitization conduits included within the scope of consolidation are as follows:

ROCK FIELD CORPORATION, FANTASTIC FUNDING CORPORATION, ARTEMIS FUNDING CORPORATION, N&M FUNDING CORPORATION, Denshi Saiken Kaitori Godo Kaisha, JAPAN SECURITIZATION CORPORATION, Allstar Funding Co., Ltd, SPARCS FUNDING CORPORATION, PERPETUAL FUNDING CORPORATION, Working Capital Management Co. L.P., ALWAYS CAPITAL CORPORATION, HORIZON CAPITAL CORPORATION

There are no securitization conduits that provide credit enhancement beyond what is provided in agreements.

Overview of risk profile of securitization transactions and monitoring system

In addition to price fluctuation and market liquidity risks, securitization and resecuritization products are exposed to risks related to default, recovery and granularity of underlying asset portfolio. The structure of these products also contains risks related to the originators, the administrators, trustees and managers of the underlying assets.

To address these risks, we also analyze the structure in terms of the underlying assets and credit events. We monitor the ability, quality and operating performance of originators and managers in charge of controlling the underlying assets as well as covenant information and credit status of the parties related to the program. In addition, for resecuritization products, we pay attention to the underlying assets of the underlying securitization products. We also assign internal ratings to all products and review the rating at least once a year. If there is a change in the credit situations, we will review the internal rating as appropriate. As mentioned above, we have established a system to comprehensively understand the risk characteristics of securitization exposures and manage these exposures.

We conduct credit risk measurements on all credit transactions, including securitization transactions. Furthermore, we carry out periodic monitoring on investment amount and performance on securitization transactions and report the situations to our Risk Management Committee, etc.

Response to Basel Framework

In calculating credit risk-weighted assets of securitization exposure, we apply the internal-ratings-based approach ("IRBA") if we have sufficient information regarding all the underlying assets for IRBA. If IRBA cannot be applied to a certain asset and it has a rating obtained from an eligible external credit assessment institution, we apply the External rating-based approach ("ERBA") We apply the standardized approach ("SA") in other cases pursuant to the FSA Notice No. 20. We apply a risk weight of 1,250% under Basel III when neither IRBA, ERBA nor SA can be applied.

In terms of securitization exposure in our trading book that is subject to market risk regulations, we adopt the standardized measurement method and calculate market risk equivalent amounts in connection with the specific risks of securitization products based on risk weights according to ratings assigned by eligible external credit assessment institutions pursuant to the FSA Notice No. 20.

As for the eligible external credit assessment institutions, we refer to Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service Inc. (Moody's), Standard & Poor's (S&P) and Fitch Ratings, Ltd. in determining securitization exposure risk weight.

(2) Accounting Policies for Securitization Transactions

The point at which financial assets and liabilities relating to securitization transactions begin or cease to be recognized, their evaluation and accounting treatment are pursuant to "Accounting Standards Relating to Financial Products"(Business Accounting Standards No. 10).

(3) Quantitative Disclosure on Securitization Exposures

(A) SEC1: Securitization Exposures in the Banking Book by Type of Underlying Assets

(Millions of yen)

As of March 31, 2019																												
type of underlying assets	a			b			c			d			e			f			g			h			i			
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor			Traditional			Synthetic			Sub-total			Traditional			Synthetic			Sub-total			
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	
1	Retail (total) - of which																											
2	residential mortgage	¥-	¥-	¥-	¥978,411	-	-	-	606,346	-	-	606,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	606,346
3	credit card	-	-	-	290,688	-	-	-	70,910	-	-	70,910	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,910
4	other retail exposures	-	-	-	687,722	-	-	-	803,962	-	-	803,962	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	803,962
5	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale (total) - of which																											
7	loans to corporates	59,109	341,145	400,254	201,905	-	-	-	538,872	-	-	538,872	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,139,953
8	commercial mortgage	-	-	-	-	-	-	-	184	-	-	184	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	184
9	lease and receivables	-	-	-	189,125	-	-	-	477,959	-	-	477,959	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	477,959
10	other wholesale	-	-	-	12,779	-	-	-	122,936	-	-	122,936	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	122,936
11	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(Millions of yen)

As of March 31, 2018																													
type of underlying assets	a			b			c			d			e			f			g			h			i				
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor			Traditional			Synthetic			Sub-total			Traditional			Synthetic			Sub-total				
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic
1	Retail (total) - of which																												
2	residential mortgage	¥0	¥-	¥0	¥882,415	-	-	-	842,644	-	-	842,644	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	842,644	
3	credit card	-	-	-	219,986	-	-	-	93,976	-	-	93,976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93,976	
4	other retail exposures	-	-	-	662,429	-	-	-	808,977	-	-	808,977	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	808,977	
5	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Wholesale (total) - of which																												
7	loans to corporates	-	422,098	422,098	219,123	-	-	-	398,149	-	-	398,149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	913,169	
8	commercial mortgage	-	-	-	-	-	-	-	210	-	-	210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	210	
9	lease and receivables	-	-	-	219,123	-	-	-	414,345	-	-	414,345	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	414,345	
10	other wholesale	-	-	-	-	-	-	-	100,463	-	-	100,463	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,463	
11	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(B) SEC2: Securitization Exposures in the Trading Book by Type of Underlying Assets

(Millions of yen)

As of March 31, 2019																												
type of underlying assets	a			b			c			d			e			f			g			h			i			
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor			Traditional			Synthetic			Sub-total			Traditional			Synthetic			Sub-total			
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	
1	Retail (total) - of which									¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥20,847	¥-	¥20,847									
2	residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,727	-	13,727										
3	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,243	-	6,243										
4	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	875	-	875										
5	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	0										
6	Wholesale (total) - of which									-	-	-	-	-	-	-	7,091	-	7,091									
7	loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,091	-	7,091										
8	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
9	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
10	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
11	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										

(Millions of yen)

As of March 31, 2018																												
type of underlying assets	a			b			c			d			e			f			g			h			i			
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor			Traditional			Synthetic			Sub-total			Traditional			Synthetic			Sub-total			
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	
1	Retail (total) - of which									¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥11,560	¥-	¥11,560									
2	residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,287	-	4,287										
3	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,956	-	2,956										
4	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,316	-	4,316										
5	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	0										
6	Wholesale (total) - of which									-	-	-	-	-	-	-	11,541	-	11,541									
7	loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,240	-	11,240										
8	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
9	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	301	-	301										
10	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
11	re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										

(C) SEC3: Securitization Exposures in the Banking Book and Associated Regulatory Capital Requirements - Bank Acting as Originator or as Sponsor

(Millions of yen)

		As of March 31, 2019							
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)									
1	≤20% RW	¥1,183,396	¥922,808	¥922,808	¥735,148	¥187,660	¥-	¥-	¥-
2	>20% to 50% RW	324,215	262,437	262,437	193,235	69,202	-	-	-
3	>50% to 100% RW	36,795	36,795	36,795	34,918	1,876	-	-	-
4	>100% to <1250% RW	35,483	17,383	17,383	15,108	2,275	-	-	-
5	1250% RW	680	-	-	-	-	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	1,579,891	1,239,426	1,239,426	978,411	261,014	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
9	1250%	680	-	-	-	-	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	402,373	345,603	345,603	282,384	63,219	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
13	1250%	8,500	-	-	-	-	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	32,189	27,648	27,648	22,590	5,057	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
17	1250%	680	-	-	-	-	-	-	-

		As of March 31, 2019						
		i	j	k	l	m	n	o
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)								
1	≤20% RW	¥260,587	¥260,587	¥-	¥260,587	¥-	¥-	¥-
2	>20% to 50% RW	61,777	61,777	-	61,777	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-
4	>100% to <1250% RW	18,100	18,100	-	18,100	-	-	-
5	1250% RW	680	680	-	680	-	-	-
Exposure values (by regulatory approach)								
6	Internal Ratings-Based Approach (SEC-IRBA)	340,465	340,465	-	340,465	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
9	1250%	680	680	-	680	-	-	-
RWA (by regulatory approach)								
10	Internal Ratings-Based Approach (SEC-IRBA)	56,769	56,769	-	56,769	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
13	1250%	8,500	8,500	-	8,500	-	-	-
Capital charge after cap								
14	Internal Ratings-Based Approach (SEC-IRBA)	4,541	4,541	-	4,541	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
17	1250%	680	680	-	680	-	-	-

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(Millions of yen)

		As of March 31, 2018							
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)									
1	≤20% RW	¥1,478,354	¥1,075,137	¥1,075,137	¥859,674	¥215,463	¥-	¥-	¥-
2	>20% to 50% RW	25,515	25,515	25,515	22,741	2,773	-	-	-
3	>50% to 100% RW	886	886	886	-	886	-	-	-
4	>100% to <1250% RW	18,201	-	-	-	-	-	-	-
5	1250% RW	680	-	-	-	-	-	-	-
Exposure values (by regulatory approach)									
6	IRB RBA (including IAA)	136,048	136,048	136,048	117,049	18,999	-	-	-
7	IRB SFA	1,386,908	965,490	965,490	765,366	200,124	-	-	-
8	SA/SSFA	-	-	-	-	-	-	-	-
9	1250%	680	-	-	-	-	-	-	-
RWA (by regulatory approach)									
10	IRB RBA (including IAA)	11,093	11,093	11,093	9,722	1,370	-	-	-
11	IRB SFA	110,473	77,763	77,763	58,417	19,345	-	-	-
12	SA/SSFA	-	-	-	-	-	-	-	-
13	1250%	8,500	-	-	-	-	-	-	-
Capital charge after cap									
14	IRB RBA (including IAA)	940	940	940	824	116	-	-	-
15	IRB SFA	9,368	6,594	6,594	4,953	1,640	-	-	-
16	SA/SSFA	-	-	-	-	-	-	-	-
17	1250%	720	-	-	-	-	-	-	-

		As of March 31, 2018						
		i	j	k	l	m	n	o
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)								
1	≤20% RW	¥403,216	¥403,216	¥-	¥403,216	¥-	¥-	¥-
2	>20% to 50% RW	-	-	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-
4	>100% to <1250% RW	18,201	18,201	-	18,201	-	-	-
5	1250% RW	680	680	-	680	-	-	-
Exposure values (by regulatory approach)								
6	IRB RBA (including IAA)	-	-	-	-	-	-	-
7	IRB SFA	421,418	421,418	-	421,418	-	-	-
8	SA/SSFA	-	-	-	-	-	-	-
9	1250%	680	680	-	680	-	-	-
RWA (by regulatory approach)								
10	IRB RBA (including IAA)	-	-	-	-	-	-	-
11	IRB SFA	32,710	32,710	-	32,710	-	-	-
12	SA/SSFA	-	-	-	-	-	-	-
13	1250%	8,500	8,500	-	8,500	-	-	-
Capital charge after cap								
14	IRB RBA (including IAA)	-	-	-	-	-	-	-
15	IRB SFA	2,773	2,773	-	2,773	-	-	-
16	SA/SSFA	-	-	-	-	-	-	-
17	1250%	720	720	-	720	-	-	-

(D) SEC4: Securitization Exposures in the Banking Book and Associated Regulatory Capital Requirements - Bank Acting as Investor

(Millions of yen)

		As of March 31, 2019							
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)									
1	≤20% RW	¥2,407,832	¥2,407,832	¥2,407,832	¥1,318,476	¥1,089,355	¥-	¥-	¥-
2	>20% to 50% RW	20,044	20,044	20,044	20,044	-	-	-	-
3	>50% to 100% RW	162,557	162,557	162,557	137,995	24,561	-	-	-
4	>100% to <1250% RW	30,542	30,542	30,542	4,701	25,840	-	-	-
5	1250% RW	194	194	194	0	194	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	1,462,952	1,462,952	1,462,952	867,244	595,708	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	1,158,024	1,158,024	1,158,024	613,974	544,050	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
9	1250%	194	194	194	0	194	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	332,708	332,708	332,708	216,665	116,042	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	304,189	304,189	304,189	123,610	180,579	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
13	1250%	2,433	2,433	2,433	0	2,433	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	26,616	26,616	26,616	17,333	9,283	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	24,335	24,335	24,335	9,888	14,446	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
17	1250%	194	194	194	0	194	-	-	-

		As of March 31, 2019						
		i	j	k	l	m	n	o
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)								
1	≤20% RW	¥-	¥-	¥-	¥-	¥-	¥-	¥-
2	>20% to 50% RW	-	-	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-	-	-
5	1250% RW	-	-	-	-	-	-	-
Exposure values (by regulatory approach)								
6	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
9	1250%	-	-	-	-	-	-	-
RWA (by regulatory approach)								
10	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
13	1250%	-	-	-	-	-	-	-
Capital charge after cap								
14	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
17	1250%	-	-	-	-	-	-	-

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(Millions of yen)

		As of March 31, 2018							
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)									
1	≤20% RW	¥2,535,058	¥2,535,058	¥2,535,058	¥1,677,283	¥857,775	¥-	¥-	¥-
2	>20% to 50% RW	107,393	107,393	107,393	68,315	39,078	-	-	-
3	>50% to 100% RW	7,415	7,415	7,415	-	7,415	-	-	-
4	>100% to <1250% RW	8,678	8,678	8,678	-	8,678	-	-	-
5	1250% RW	220	220	220	0	220	-	-	-
Exposure values (by regulatory approach)									
6	IRB RBA (including IAA)	1,381,546	1,381,546	1,381,546	929,913	451,633	-	-	-
7	IRB SFA	1,264,262	1,264,262	1,264,262	815,585	448,677	-	-	-
8	SA/SSFA	12,737	12,737	12,737	100	12,637	-	-	-
9	1250%	220	220	220	0	220	-	-	-
RWA (by regulatory approach)									
10	IRB RBA (including IAA)	99,457	99,457	99,457	67,768	31,689	-	-	-
11	IRB SFA	121,018	121,018	121,018	69,257	51,761	-	-	-
12	SA/SSFA	25,711	25,711	25,711	20	25,691	-	-	-
13	1250%	2,761	2,761	2,761	0	2,761	-	-	-
Capital charge after cap									
14	IRB RBA (including IAA)	8,433	8,433	8,433	5,746	2,687	-	-	-
15	IRB SFA	10,262	10,262	10,262	5,873	4,389	-	-	-
16	SA/SSFA	2,056	2,056	2,056	1	2,055	-	-	-
17	1250%	220	220	220	0	220	-	-	-

		As of March 31, 2018						
		i	j	k	l	m	n	o
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)								
1	≤20% RW	¥-	¥-	¥-	¥-	¥-	¥-	¥-
2	>20% to 50% RW	-	-	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-	-	-
5	1250% RW	-	-	-	-	-	-	-
Exposure values (by regulatory approach)								
6	IRB RBA (including IAA)	-	-	-	-	-	-	-
7	IRB SFA	-	-	-	-	-	-	-
8	SA/SSFA	-	-	-	-	-	-	-
9	1250%	-	-	-	-	-	-	-
RWA (by regulatory approach)								
10	IRB RBA (including IAA)	-	-	-	-	-	-	-
11	IRB SFA	-	-	-	-	-	-	-
12	SA/SSFA	-	-	-	-	-	-	-
13	1250%	-	-	-	-	-	-	-
Capital charge after cap								
14	IRB RBA (including IAA)	-	-	-	-	-	-	-
15	IRB SFA	-	-	-	-	-	-	-
16	SA/SSFA	-	-	-	-	-	-	-
17	1250%	-	-	-	-	-	-	-

■ Market Risk

See pages 109 to 111 for information regarding our market risk management structure, etc.

(1) Trading Activities

In the calculation of the market risk equivalent amounts under the regulatory capital requirements, the risk arising from fluctuations in common factors across the market as a whole (e.g. foreign exchange and interest rates, etc.) is referred to as general market risk, and the risk arising from a deterioration in creditworthiness or market liquidity inherent in bonds and stocks is referred to as specific risk. In principle, we calculate market risk equivalent amounts by determining both general market risk and specific risk by applying the Internal Models Approach (IMA) to the former and the standardized approach to the latter, and by simply adding up both amounts. The Internal Models Approach is applied to trading transactions and calculated by adding up VAR and stressed VAR.

(A) MR1 : Market risk under standardized approach

(Millions of yen)

No.		As of March 31, 2019	As of March 31, 2018
		RWA (Risk equivalent / 8%)	RWA (Risk equivalent / 8%)
1	Interest rate risk (general and specific)	¥536,232	¥405,247
2	Equity risk (general and specific)	288,604	652,526
3	Foreign exchange risk	53,471	81,926
4	Commodity risk	187,430	167,631
	Options		
5	Simplified approach	-	-
6	Delta-plus method	37,307	24,628
7	Scenario approach	-	-
8	Securitization	69,297	74,438
9	Total	¥1,172,343	¥1,406,398

(B) MR2:RWA flow statements of market risk exposures under IMA

(Billions of yen)

No.		A	B	C	D	E	F	
		VAR	Stressed VAR	IRC	CRM	Other	Total	
1a	RWA as of March 31, 2018	¥269.0	¥794.8	¥-	¥-	/	¥1,063.9	
1b	Adjustment to RWA as of March 31, 2018	3.02	3.72	-	-	/	3.51	
1c	IMA values as of March 31, 2018	89.0	213.6	-	-	/	302.6	
2								
	Change in risk levels	27.6	29.3	-	-	/	57.0	
3	Breakdown of changes during this reporting period	Model updates/changes	2.8	5.7	-	-	/	8.5
4		Methodology and policy	-	-	-	-	/	-
5		Acquisitions and disposals	-	-	-	-	/	-
6		Foreign currency fluctuations	30.3	23.2	-	-	/	53.6
7	Other	(83.9)	(54.1)	-	-	/	(138.0)	
8a	IMA values as of March 31, 2019	66.0	217.9	-	-	/	283.9	
8b	Adjustment to RWA as of March 31, 2019	3.92	2.76	-	-	/	3.03	
8c	RWA as of March 31, 2019	259.0	602.8	-	-	/	861.8	

(C) MR3 : IMA values for trading portfolios

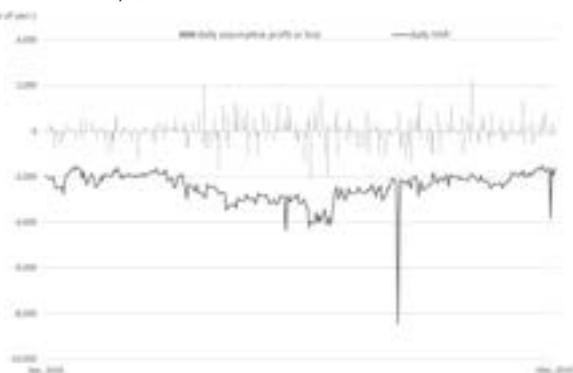
(Millions of yen)

No.		As of March 31, 2019	As of March 31, 2018
	VAR (10 day 99%)		
1	Maximum value	¥27,114	¥13,059
2	Average value	7,939	7,496
3	Minimum value	4,800	4,978
4	Period end	5,280	7,120
	Stressed VAR (10 day 99%)		
5	Maximum value	61,302	27,270
6	Average value	21,544	18,882
7	Minimum value	12,623	13,131
8	Period end	17,434	17,093
	Incremental Risk Charge (99.9%)		
9	Maximum value	-	-
10	Average value	-	-
11	Minimum value	-	-
12	Period end	-	-
	Comprehensive Risk Capital Charge (99.9%)		
13	Maximum value	-	-
14	Average value	-	-
15	Minimum value	-	-
16	Period end	-	-
17	Floor (standardized measurement method)	-	-

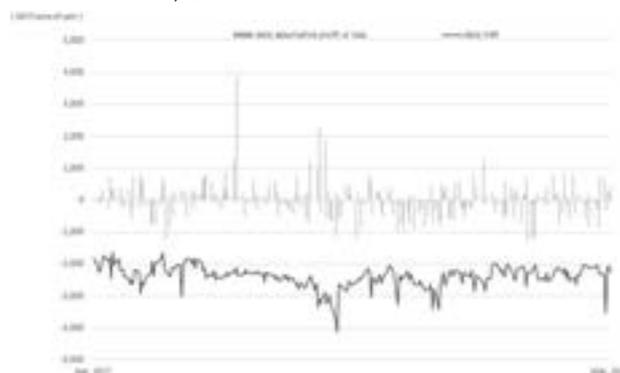
- Notes: 1. The historical simulation method is used for the calculation of VAR and stressed VAR under the Internal Models Approach.
2. VAR is measured based on the observation period of 3 years (801 business days), a 99% confidence interval and a 1-day holding period. This 1-day VAR is scaled up to 10-business day VAR using the square-root-of-time (\sqrt{T}) rule. We update historical data on a daily basis, in principle, and do not weight such data. When re-pricing instruments, we use the full revaluation method, a sensitivity-based approach and the like. We consider change width or rate as market volatility of risk factors according to product attributes.
3. When measuring stressed VAR, the same measurement approach as VAR is used except for the observation period of 1 year (265 business days). As a stressed period, we select a period which has an adequate length of time and is considered the most stressful under a certain set of criteria established based on the most recent portfolio.
4. When applying the internal model, we regularly verify the preconditions used for VAR measurement.

(D) MR4 : Back testing results of IMA

As of March 31, 2019



As of March 31, 2018



Note: In the past 250 business days, the number of times loss exceeded VAR was 0 as of March 31, 2019 (0 as of March 31, 2018), and the VAR model (one-tailed confidence level of 99%) is considered to have sufficient accuracy.

(2) Banking Activities

To comply with Interest Rate Risk in the Banking Book (IRRBB) requirements, we are required to calculate expected changes in the economic value of equity (ΔEVE) arising from banking activities and expected changes in net interest income (ΔNII) from the reference date until the date no later than 12 months from the reference date under interest rate shock scenarios (i.e. parallel up and downwards shifts in the yield curve and the like). ΔEVE and ΔNII change according to changes in the banking portfolio.

(D) IRRBB1 : Interest rate risk

(Millions of yen)

No.		a		b		c		d	
		ΔEVE				ΔNII			
		As of March 31, 2019		As of March 31, 2018		As of March 31, 2019		As of March 31, 2018	
1	Parallel up	¥673,609	¥895,416	¥(376,420)	¥(274,475)				
2	Parallel down	0	0	459,808	370,566				
3	Steeper	357,183	436,819	/	/				
4	Flattener	83,150	90,789	/	/				
5	Short rate up	229,431	321,141	/	/				
6	Short rate down	64,517	69,824	/	/				
7	Maximum	673,609	895,416	459,808	370,566				
		e				f			
8	Tier1 capital	As of March 31, 2019		As of March 31, 2018		As of March 31, 2019		As of March 31, 2018	
		¥9,232,160		¥9,192,244					

Notes: 1. Decreased economic values and interest income are shown as positive values.

2. As for some of those current deposits and ordinary deposits whose interest rates are not changed at predetermined intervals and from which depositors can withdraw money as desired on demand, we measure the interest rate risk associated with such deposits by applying an appropriate method after recognizing them as core deposits. The average repricing maturities are 0.8 years for yen deposits and 0.2 years for dollar deposits respectively. The longest repricing maturities are 10.0 years for yen deposits and 5.0 years for dollar deposits respectively. We measure interest rate risk associated with term deposits and loans in an appropriate manner by estimating their early redemption rates based on their historical prepayment and cancellation data.

3. When aggregating the respective ΔEVE of multiple currencies, we use the internal model that estimates the correlations between the key currencies based on historical data. When aggregating the respective ΔNII of multiple currencies, we simply add their respective ΔNII.

4. For the calculation of ΔEVE and ΔNII, we set an appropriate interest rate and spread according to a certain discount rate and reference rate.

5. When making the calculations above, we use regulatory defined preconditions including an interest rate shock scenario.

■ Investment or Equity Exposure

(1) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

With regard to equities, we manage default risk through our credit risk management structure and price fluctuation risk through our market risk management structure. With regard to subsidiaries and related companies in which we invest, we manage their risks on a consolidated basis, and manage them appropriately in accordance with their management classification. In addition, securities, a part of equity exposure, are valued as follows: Japanese stocks with quoted market prices are valued based on the average quoted market price over the month preceding the consolidated balance sheet date; other securities which have readily determinable fair values are valued at the quoted market price if available, or otherwise based on their reasonable value at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method); and other securities the fair values of which are extremely difficult to determine are stated at acquisition cost or amortized cost and determined by the moving average method.

■ Operational risk

(1) Summary of Operational Risk Management and Procedures

See pages 113 to 116 for a summary of our operational risk management policies, etc.

(2) Approach Used for the Measurement of Operational Risk Equivalent

We use the Advanced Measurement Approach for the calculation of operational risk equivalent. See pages 114 to 116 a for the outline of the Advanced Measurement Approach. In the measurement of operational risk equivalent, we do not recognize the risk mitigating impact of insurance. The following entities have adopted the Advanced Measurement Approach:

Mizuho Financial Group, Inc.; Mizuho Bank, Ltd.; Mizuho Trust & Banking Co., Ltd.; Mizuho Securities Co., Ltd.; Mizuho Information & Research Institute, Inc.; Mizuho Operation Service, Ltd.; Mizuho Credit Guarantee Co., Ltd.; Mizuho Business Service Co., Ltd.; Mizuho Trust Operations Co., Ltd.; Mizuho Trust Systems Co., Ltd.; Mizuho Trust Business Operations Co., Ltd.; Mizuho Trust Retail Support Co., Ltd.; Mizuho Bank Europe N.V.; and Mizuho International plc.

■Composition of Leverage Ratio

(Millions of yen, except percentage)

Corresponding line # on Basel III disclosure template (Table 2)	Corresponding line # on Basel III disclosure template (Table 1)	Item	As of March 31, 2019	As of March 31, 2018
On-balance sheet exposures (1)				
1		On-balance sheet exposures before deducting adjustment items	¥170,866,057	¥178,888,103
1a	1	Total assets reported in the consolidated balance sheet	200,792,226	205,028,300
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	-	-
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	-	-
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	29,926,169	26,140,197
2	7	The amount of adjustment items pertaining to Tier1 capital (-)	1,338,983	1,685,871
3		Total on-balance sheet exposures (a)	¥169,527,074	¥177,202,231
Exposures related to derivative transactions (2)				
4		RC multiplied by 1.4 associated with derivatives transactions, etc.	-	/
		Replacement cost associated with derivatives transactions, etc.	1,965,230	2,655,175
5		PFE multiplied by 1.4 associated with derivatives transactions, etc.	-	/
		Add-on amount associated with derivatives transactions, etc.	6,846,996	6,524,621
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	885,366	858,877
6		The amount of receivables arising from providing collateral, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	-	/
		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	130,942	263,112
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	-	-
8		The amount of client-cleared trade exposures for which a bank holding company acting as a clearing member is not obliged to make any indemnification (-)	/	/
9		Adjusted effective notional amount of written credit derivatives	1,469,165	1,319,146
10		The amount of deductions from effective notional amount of written credit derivatives (-)	1,350,813	1,207,805
11	4	Total exposures related to derivative transactions (b)	¥9,946,886	¥10,413,128
Exposures related to repo transactions (3)				
12		The amount of assets related to repo transactions, etc.	15,575,762	12,431,400
13		The amount of deductions from the assets above (line 12) (-)	4,961,226	4,196,150
14		The exposures for counterparty credit risk for repo transactions, etc.	457,242	521,728
15		The exposures for agent repo transactions	/	/
16	5	Total exposures related to repo transactions, etc. (c)	¥11,071,778	¥8,756,979
Exposures related to off-balance sheet transactions (4)				
17		Notional amount of off-balance sheet transactions	41,344,892	50,668,428
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	23,333,230	32,762,942
19	6	Total exposures related to off-balance sheet transactions (d)	¥18,011,661	¥17,905,485
Leverage ratio on a consolidated basis (5)				
20		The amount of capital (Tier1 capital) (e)	9,232,160	9,192,244
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	¥208,557,401	¥214,277,824
22		Leverage ratio on a consolidated basis ((e)/(f))	4.42%	4.28%

■ TLAC Regulations

(1) TLAC1: TLAC composition for G-SIBs (at resolution group level)

(Millions of yen, except percentage)

Basel III Template No.	Items	a	
			As of March 31, 2019
Preferred resolution strategy		(1)	
<p>The SPE (Single Point of Entry) resolution strategy is considered to be the preferred resolution strategy for Mizuho Financial Group, Inc. (MHFG) and its subsidiaries.</p> <p>More concretely, at the time of a stress, following the relevant authority's determination that one or more of the material sub-groups, i.e. Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd. have reached the point of non-viability, losses incurred to them would be passed to MHFG, the ultimate holding company. While this could lead to a resolution of MHFG, the material sub-groups are expected to continue their business as usual under the Specified Bridge Financial Institution, etc. incorporated by the Deposit Insurance Corporation of Japan (DICJ) to which MHFG transfers its business.</p>			
Regulatory capital elements of TLAC and adjustments		(2)	
1	Common Equity Tier 1 capital (CET1)	(A)	¥7,390,058
2	Additional Tier 1 capital (AT1) before TLAC adjustments	(B)	1,842,102
3	AT1 ineligible as TLAC as issued out of subsidiaries to third parties	(C)	-
4	Other adjustments	(D)	-
5	AT1 instruments eligible under the TLAC framework ((B)-(C)-(D))	(E)	1,842,102
6	Tier 2 capital (T2) before TLAC adjustments	(F)	1,685,347
7	Amortised portion of T2 instruments where remaining maturity > 1 year	(G)	(189,764)
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	(H)	-
9	Other adjustments	(I)	189,401
10	T2 instruments eligible under the TLAC framework ((F)-(G)-(H)-(I))	(J)	1,685,711
11	TLAC arising from regulatory capital ((A) + (E) + (J))	(K)	10,917,871
Non-regulatory capital elements of TLAC		(3)	
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	(L)	2,537,990
13	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities but meet all other TLAC term sheet requirements		/
14	of which: amount eligible as TLAC after application of the caps		/
15	External TLAC instruments issued by funding vehicles prior to 1 January 2022		/
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution	(M)	1,447,489
17	TLAC arising from non-regulatory capital instruments before adjustments ((L) + (M))	(N)	3,985,479
Non-regulatory capital elements of TLAC: adjustments		(4)	
18	TLAC before deductions ((K) + (N))	(O)	14,903,350
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs)	(P)	-
20	Deduction of investments in own other TLAC liabilities	(Q)	2,587
21	Other adjustments to TLAC	(R)	-
22	TLAC after deductions ((O)-(P)-(Q)-(R))	(S)	14,900,763
Risk-weighted assets and leverage exposure measure for TLAC purposes		(5)	
23	Total RWA	(T)	57,899,567
24	Leverage ratio exposure measure	(U)	208,557,401
TLAC ratios and buffers		(6)	
25	TLAC before deduction of CET1 specific buffer requirement (as a percentage of RWA) ((S)/(T))		25.73%
25a	TLAC as a percentage of RWA		22.18%
26	TLAC as a percentage of leverage ratio exposure measure ((S)/(U))		7.14%
27	CET1 available after meeting the bank's minimum capital requirements		8.26%
28	Total of bank CET1 specific buffer requirements		3.55%
29	of which: capital conservation buffer requirement		2.50%
30	of which: countercyclical buffer requirement		0.05%
31	of which: bank G-SIB/D-SIB additional requirements		1.00%

Basel Regulatory Disclosures
Status of Mizuho Financial Group's Consolidated Capital Adequacy

(2) TLAC2:Material subgroup entity – creditor ranking at legal entity level

(Millions of yen)

Mizuho Bank (Non-consolidated)												
Basel III Template	Items	Creditor ranking										Sum of 1 to 5
		1		2		3		4		5		
		most junior								most senior		
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-	✓	-	✓	-	
2	Description of creditor ranking	Common equity		Additional Tier 1 capital instruments		Tier 2 capital instruments		Eligible Tier 2 capital instruments subject to phase-out arrangements		Other internal TLAC eligible instruments		
3	Total capital and liabilities net of credit risk mitigation (A)	3,690,389	-	1,873,004	-	1,168,772	-	166,515	601,000	2,537,990	-	10,037,671
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities ((A)-(B))	3,690,389	-	1,873,004	-	1,168,772	-	166,515	601,000	2,537,990	-	10,037,671
6	Subset of row 5 that are eligible as TLAC	3,690,389	-	1,570,004	-	1,002,257	-	-	-	2,537,990	-	8,800,641
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-	-	-	-	-
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	-	-	-	1,480,946	-	1,480,946
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	907,257	-	-	-	946,034	-	1,853,291
10	Subset of row 6 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	-	-	95,000	-	-	-	111,010	-	206,010
11	Subset of row 6 that is perpetual securities	3,690,389	-	1,570,004	-	-	-	-	-	-	-	5,260,393

*1 : Additional Tier1 capital instruments include eligible Tier 1 capital instruments subject to phase-out arrangements issued by SPC (303,000 million yen)

(Millions of yen)

Mizuho Trust & Banking (Non-consolidated)												
Basel III Template	Items	Creditor ranking						Sum of 1 to 3				
		1		2		3						
		most junior				most senior						
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-					
2	Description of creditor ranking	Common equity		Eligible Tier 2 capital instruments subject to phase-out arrangements		Other internal TLAC eligible instruments						
3	Total capital and liabilities net of credit risk mitigation (A)	262,874	-	-	-	10,000	-	272,874				
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-				
5	Total capital and liabilities less excluded liabilities ((A)-(B))	262,874	-	-	-	10,000	-	272,874				
6	Subset of row 5 that are eligible as TLAC	262,874	-	-	-	-	-	262,874				
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-				
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	-	-				
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	-	-	-				
10	Subset of row 6 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	-	-	-	-	-				
11	Subset of row 6 that is perpetual securities	262,874	-	-	-	-	-	262,874				

(Millions of yen)

Mizuho Securities (Non-consolidated)												
Basel III Template	Items	Creditor ranking						Sum of 1 to 3				
		1		2		3						
		most junior				most senior						
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-					
2	Description of creditor ranking	Common equity		Long-term subordinated debt/Short-term subordinated debt		Other internal TLAC instruments						
3	Total capital and liabilities net of credit risk mitigation (A)	485,530	21,286	-	90,000	-	-	596,816				
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-				
5	Total capital and liabilities less excluded liabilities ((A)-(B))	485,530	21,286	-	90,000	-	-	596,816				
6	Subset of row 5 that are eligible as TLAC	485,530	21,286	-	-	-	-	506,816				
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-				
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	-	-				
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	-	-	-				
10	Subset of row 6 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	-	-	-	-	-				
11	Subset of row 6 that is perpetual securities	485,530	21,286	-	-	-	-	506,816				

(3) TLAC3:Resolution entity – creditor ranking at legal entity level

(Millions of yen)

Mizuho Financial Group (Non-Consolidated)						
Basel III Template	Items	Creditor ranking				Sum of 1 to 4
		1 most junior	2	3	4 most senior	
1	Description of creditor ranking	Common equity	Additional Tier 1 capital instruments	Tier 2 capital instruments	Unsecured senior debts	
2	Total capital and liabilities net of credit risk mitigation (A)	3,453,440	1,873,000	1,335,287	2,542,714	9,204,443
3	Subset of row 2 that are excluded liabilities (B)	-	-	-	4,724	4,724
4	Total capital and liabilities less excluded liabilities ((A) - (B))	3,453,440	1,873,000	1,335,287	2,537,990	9,199,718
5	Subset of row 4 that are eligible as TLAC	3,453,440	1,873,000	1,335,287	2,537,990	9,199,178
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	-	-	333,030	1,480,946	1,813,976
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	-	-	907,257	946,034	1,853,291
9	Subset of row 5 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	95,000	111,010	206,010
10	Subset of row 5 that is perpetual securities	3,453,440	1,873,000	-	-	5,326,440

*1 :Additional Tier1 capital instruments include eligible Tier 1 capital instruments subject to phase-out arrangements issued by SPC (303,000 million yen)

*2 :Tier2 capital instruments include eligible Tier 2 capital instruments subject to phase-out arrangements issued by SPC (166,515 million yen)

*3 :Internal transactions are excluded from unsecured senior debts

*4 :Excluded liabilities are recognized on a conservative basis in consideration of the materiality of the amounts

■ Geographical Distribution of Credit Exposures Used in the Countercyclical Buffer

(1) CCyB1: Geographical distribution of credit exposures used in the countercyclical buffer

(Millions of yen, except percentage)

	As of March 31, 2019			
	a	b	c	d
Geographical breakdown	Countercyclical buffer rate	Risk-weighted assets used in the computation of the countercyclical buffer	Countercyclical buffer requirements	Countercyclical buffer amount
Hong Kong SAR	2.50%	506,903	/	/
Sweden	2.00%	38,767	/	/
United Kingdom	1.00%	1,294,630	/	/
Subtotal	/	1,840,301	/	/
Total	/	46,499,620	0.05%	28,949

Notes: Credit risk-weighted assets used in the computation of the countercyclical buffer of each country or region are calculated based on where counterparties are located.

Some equity exposures, regarded-method exposures, securitization exposures and standardized approach portion which are difficult to calculate based on the locations of counterparties, are calculated based on the country or region in which the reporting office is located.

■ Indicators for Assessing Global Systemically Important Banks (G-SIBs)

(1) GSIB1: Disclosure of G-SIB indicators

(Millions of yen)

	Category	Individual indicator	As of March 31, 2019	As of March 31, 2018
1	Cross-jurisdictional activity	Cross-jurisdictional claims	50,199,293	45,183,039
2		Cross-jurisdictional liabilities	32,082,253	31,932,945
3	Size	Total exposures	209,896,384	215,963,696
4	Interconnectedness	Intra-financial system assets	12,963,646	12,910,458
5		Intra-financial system liabilities	17,843,309	22,558,264
6		Securities outstanding	27,330,280	24,854,249
7	Substitutability / Financial institution infrastructure	Assets under custody	74,795,019	140,047,358
8		Payment activity	4,597,783,411	5,991,927,800
9		Underwritten transactions in debt and equity markets	15,764,776	16,938,132
10	Complexity	Notional amount of over-the-counter (OTC) derivatives	1,325,053,254	1,168,293,975
11		Level 3 assets	1,941,045	1,901,418
12		Trading and available for sale (AFS) securities	10,073,336	10,838,346

Basel Regulatory Disclosures
Status of Sound Management of Liquidity Risk

■ Liquidity Coverage Ratio

The information disclosed herein is in accordance with "Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Status of Sound Management of Liquidity Risk", etc. pursuant to Article 19-2, Paragraph 1, Item 5, Sub-item (e), etc. of the Ordinance for Enforcement of the Banking Law (the FSA Notice No. 7 of 2015).

(In million yen, the number of data)

Item	For the three months ended March 31, 2019	For the three months ended December 31, 2018		
High-Quality Liquid Assets (1)	/	/		
1 Total high-quality liquid assets (HQLA)	¥59,797,149	¥59,793,333		
Cash Outflows (2)	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
2 Cash outflows related to unsecured retail funding	47,424,967	3,791,658	47,036,243	3,745,286
3 of which, Stable deposits	13,620,177	408,605	13,756,053	412,681
4 of which, Less stable deposits	33,804,789	3,383,053	33,280,189	3,332,604
5 Cash outflows related to unsecured wholesale funding	69,158,857	38,700,654	66,465,073	36,647,857
6 of which, Qualifying operational deposits	0	0	0	0
7 of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	62,841,393	32,383,190	61,463,843	31,646,626
8 of which, Debt securities	6,317,464	6,317,464	5,001,230	5,001,230
9 Cash outflows related to secured funding, etc	/	1,038,595	/	1,216,944
10 Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	24,666,425	6,969,601	25,318,942	7,217,613
11 of which, Cash outflows related to derivatives transactions, etc	1,836,239	1,836,239	2,206,890	2,206,890
12 of which, Cash outflows related to funding programs	18,141	18,141	18,666	18,666
13 of which, Cash outflows related to credit and liquidity facilities	22,812,044	5,115,220	23,093,384	4,992,056
14 Cash outflows, etc. related to contractual funding obligations	6,284,751	1,663,084	5,870,401	1,874,332
15 Cash outflows related to contingencies	75,277,900	723,445	75,954,584	728,361
16 Total cash outflows	/	52,887,041	/	51,430,395
Cash Inflows (3)	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
17 Cash inflows related to secured lending and investments, etc.	14,339,359	1,456,464	11,831,118	1,029,761
18 Cash inflows related to collections of loans, etc	11,456,961	7,945,763	10,571,333	7,395,647
19 Other cash inflows	7,208,397	2,037,008	7,516,139	1,820,938
20 Total cash inflows	33,004,717	11,439,235	29,918,592	10,246,347
Consolidated liquidity coverage ratio (4)	/	/	/	/
21 Total HQLA allowed to be included in the calculation	/	¥59,797,149	/	¥59,793,333
22 Net cash outflows	/	41,447,805	/	41,184,048
23 Consolidated liquidity coverage ratio	/	144.3%	/	145.2%
24 The number of data used to calculate the average value	58		62	

(2) Disclosure of qualitative information regarding Liquidity Coverage Ratio

(A) Chronological changes in Liquidity Coverage Ratio

Our Consolidated LCR has remained stable over the past two years.

(B) Evaluation of the consolidated Liquidity Coverage Ratio Level

Our Consolidated LCR surpasses the final regulatory standard (100%), with no issues. Our Consolidated LCR disclosed herein does not differ significantly from our original expectations, and we do not expect our Consolidated LCR to deviate significantly from the current level in the future.

(C) Composition of the total HQLA allowed to be included in the calculation

There are no significant changes in the composition, such as by currency or type, and geographic distribution of the HQLA allowed to be included in the calculation. In addition, there is no significant currency mismatch between total amount of the HQLA allowed to be included in the calculation and net cash outflow regarding main currencies (those currencies of which the aggregate liabilities denominated amount to 5% or more of our total liabilities).

(D) Other matters regarding the Liquidity Coverage Ratio

We do not apply the "exception regarding qualifying operational deposits" in Article 28 of the Notice No. 62 and "the amount of additional collateral required due to market valuation changes to derivatives transactions estimated by the scenario approach" in Article 37 of the Notice No. 62. "Cash outflows from other contracts" in Article 59 of the Notice No. 62 includes "cash outflows related to small consolidated subsidiaries." There are no material items that require detailed explanation of "cash outflows from other contingent events" in Article 52 of the Notice No. 62 and "cash inflows from other contracts" in Article 72 of the Notice No. 62. Monthly or quarterly data is used for our consolidated subsidiaries.

■ Status of Major Liquid Assets

(Billions of yen)

Item	As of March 31, 2019	As of March 31, 2018
Cash and Due from Banks (including Due from Central Banks)	¥45,108.6	¥47,725.3
Trading Securities	5,968.8	5,188.4
Securities	29,135.0	33,618.9
Bonds Held to Maturity	1,602.2	2,515.8
Other Securities	27,532.8	31,103.1
Japanese Stocks	3,143.5	3,582.2
Japanese Bonds	14,786.9	16,535.6
Japanese Government Bonds	11,896.1	13,332.0
Japanese Local Government Bonds	209.8	239.3
Japanese Corporate Bonds	2,680.9	2,964.1
Other	9,602.3	10,985.2
Foreign Bonds	7,418.3	8,329.1
Other	2,183.9	2,656.1
Total	80,212.4	86,532.7
Portion pledged as collateral	(9,691.9)	(11,660.9)
Total after the deduction above	¥70,520.5	¥74,871.7

Notes: 1. All securities included in the above table have fair value.

2. Portion pledged as collateral mainly consists of securities and others collateralized for borrowed money, foreign and domestic exchange transactions or derivatives transactions, or substituted for margins for futures transactions.

3. Figures in the above table do not represent high quality liquid assets.

■ Status of Major Funding

(Billions of yen)

Types of Financial Instruments	As of March 31, 2019					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits	¥120,184.3	¥3,166.2	¥703.8	¥61.6	¥53.9	¥140.9
Negotiable Certificates of Deposit	12,964.4	377.4	-	-	-	-
Call Money and Bills Sold	2,841.9	-	-	-	-	-
Borrowed Money	970.3	1,058.9	304.2	258.0	225.2	244.7
Commercial Paper	355.5	-	-	-	-	-
Issued Bonds	1,010.3	1,494.3	1,158.4	1,014.6	1,464.8	623.7
Due to Trust Account	1,102.0	-	-	-	-	-
Total	¥139,429.0	¥6,096.9	¥2,166.5	¥1,334.3	¥1,744.0	¥1,009.5

(Billions of yen)

Types of Financial Instruments	As of March 31, 2018					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits	¥121,278.4	¥2,974.1	¥691.7	¥86.9	¥41.3	¥8.5
Negotiable Certificates of Deposit	11,021.7	357.7	4.0	-	-	-
Call Money and Bills Sold	2,105.2	-	-	-	-	-
Borrowed Money	2,221.5	1,541.5	309.4	260.2	303.8	259.5
Commercial Paper	362.1	-	-	-	-	-
Issued Bonds	740.9	1,145.7	1,883.4	626.6	1,375.9	532.9
Due to Trust Account	4,733.1	-	-	-	-	-
Total	¥142,463.2	¥6,019.2	¥2,888.7	¥973.9	¥1,721.0	¥801.0

Notes: 1. Regarding Deposits, Demand deposits are included in "Within 1 year"

2. Borrowed money or issued bonds with open ended, 0.0 billion, 1,239.0 billion, respectively, at March 31, 2018, and 0.0 billion, 1,585.0 billion, respectively, at March 31, 2019, are excluded.

■ Compensation of Directors and Employees

(1) Qualitative Disclosure

(A) State of the Organizational System Relating to Compensation of "Subject Directors and Employees" of Mizuho Group

1. Scope of "Subject directors and employees"

"Subject directors, etc." and "Subject employees, etc." subject to disclosure as provided for in the FSA Notice (collectively, "Subject directors and employees") are as follows:

(1) Scope of "Subject directors, etc."

"Subject directors, etc." are directors and executive officers as defined in the Companies Act of Mizuho Financial Group, Inc. ("MHFG"). Outside directors are excluded.

(2) Scope of "Subject employees, etc."

"Subject employees, etc." who are subject to disclosure are executive officers (as defined in our internal regulations), specialist officers and employees of MHFG and directors and employees of its "Major consolidated subsidiaries", who are "persons who receive large amounts of compensation" and "materially affect the operation of business or the state of assets of Mizuho group or its major consolidated subsidiaries."

(a) Scope of "Major consolidated subsidiaries"

A "Major consolidated subsidiary" is a consolidated subsidiary, etc., (i) whose total assets as a percentage of consolidated total assets exceeds 2% of a bank holding company or bank and (ii) who materially affects the management of our group. Specifically, those are Mizuho Bank, Ltd. ("MHBK"), Mizuho Bank (USA) and other subsidiaries who conduct banking business similar to a branch of MHBK, Mizuho Trust & Banking Co., Ltd. ("MHTB"), Mizuho Securities Co., Ltd. ("MHSC"), Mizuho Securities USA Inc. and Mizuho International Plc.

(b) Scope of "Persons who receive large amounts of compensation"

A "Person who receives large amounts of compensation" refers to a person who receives compensation that exceeds the base amount from MHFG or its "Major consolidated subsidiaries." The base amount at MHFG has been set at ¥60 million. Such base amount has been set based on the average amounts of the compensation of directors and executive officers (as defined in the Companies Act) of MHFG, MHBK and MHTB for the last three fiscal years (excluding persons who resigned or retired during each of such fiscal years), taking into account fluctuations in amounts of compensation over past fiscal years. The preceding base amount has been adopted as the common base in order to unify the selection criteria of persons who receive large amounts of compensation at each of the companies in this paragraph.

(c) Scope of "Persons who materially affect the operation of business or the state of assets of Mizuho group"

A "Person who materially affects the operation of business or the state of assets of Mizuho group" means a person who exerts significant influence on the operation of the business of MHFG or a "Major consolidated subsidiary" through his or her work in conducting transactions or management, or who materially affects the state of assets by incurring losses on transactions. Specifically, it includes executive officers (as defined in our internal regulations) and specialist officers of MHFG and directors, executive officers (as defined in our internal regulations), specialist officers and market department employees of "Major consolidated subsidiaries."

2. Decisions on compensation of "Subject directors and employees" and the name, composition and duties of the committee to supervise business execution and other major organizations relating to payment of compensation and other compensation, etc.

(1) State of maintaining and ensuring the Compensation Committee, etc.

MHFG is a Company with Three Committees, and has established the Compensation Committee as a statutory committee.

The chairman of the statutory Compensation Committee shall be an outside director, and in principle its members shall be appointed from among the outside directors (or at least non-executive directors) in order to ensure objectivity and transparency in director and executive officer compensation. As of March 2019, all four members of the Compensation Committee, including the chairman, were outside directors. The Compensation Committee shall determine the basic policy and compensation system for directors and executive officers of MHFG, MHBK, MHTB and MHSC, determine the compensation for each individual director and executive officer (as defined in the Companies Act) of MHFG, and exercise approval rights in MHFG for compensation for each individual director of MHBK, MHTB and MHSC.

In addition, the president of each of MHBK, MHTB and MHSC determines the amount of compensation for each of its executive officers and specialist officers.

(2) Decisions on compensation of "Subject employees, etc."

Matters relating to executive officers (as defined in our internal regulations) and specialist officers of MHFG and directors, executive officers (as defined in our internal regulations) and specialist officers of MHBK, MHTB and MHSC are as set out in (1) *State of maintaining and ensuring the Compensation Committee, etc.*. With regard to the compensation of directors of MHBK, MHTB and MHSC, it is determined through approval by the Compensation Committee, pursuant to each statutory procedure for directors who are Audit & Supervisory Committee Members and for directors who are not Audit & Supervisory Committee Members, and set within the scope of the total amount of compensation of directors resolved at the ordinary general meeting of shareholders.

The compensation of subject employees, etc., is decided and paid in accordance with the salary and bonus system established by MHFG and the "Major consolidated subsidiaries." Such system is designed and put into writing by the human resources departments of MHFG and the "Major consolidated subsidiaries" which are independent of departments furthering business. In terms of the compensation of overseas employees, each overseas office or operation determines its own compensation policy based on local laws and regulations as well as employment relationships.

3. Total amount of compensation paid to members of the compensation committee and number of meetings held by the Compensation Committee

	Number of meetings held (April 2018 – March 2019)
Compensation Committee (MHFG)	11

Note: The total amount of compensation is not set out above as it is not possible to separately calculate the amounts that are paid as consideration for the execution of duties by the compensation committee.

(B) Evaluating the Appropriateness of the Design and Operation of the System Relating to Compensation of "Subject Directors and Employees" of Mizuho Group

1. Policies relating to compensation

(1) Policies relating to compensation of "Subject directors, etc. "

MHFG set out the "Mizuho Financial Group Compensation Policy" concerning the determination of compensation for each individual director, executive officer and specialist officer ("Officers, etc.") of MHFG as well as MHBK, MHTB and MHSC (the "Three Core Companies").

a. Philosophy and objectives

Executive compensation for MHFG and the Three Core Companies pursuant to such policy is determined based on appropriate governance and control, and aims to function as incentive and compensation for each Officer, etc., to exercise their designated function to the fullest in our efforts to realize management that contributes to value creation for various stakeholders and improve corporate value through continuous and stable corporate growth based on our basic management policies under our Corporate Identity.

b. Basic Policy

The basic policy with respect to the determination concerning the individual compensation of Officers, etc., of MHFG and the Three Core Companies is set forth below:

- (i) The executive compensation shall be determined based on appropriate governance and control, and function as an appropriate incentive in order to realize management that contributes to value creation for various stakeholders and improve corporate value through continuous and stable corporate growth based on our basic management policies under our Corporate Philosophy.
- (ii) The executive compensation shall be based on the function and responsibility assigned to and the performance of each Officer, etc.
- (iii) The executive compensation shall contribute to suppressing excessive risk-taking, improving corporate value and creating value for various stakeholders not only in the short-term, but also over the medium- to long-term.
- (iv) The executive compensation shall reflect the management environment and business performance of our group.
- (v) The executive compensation shall enable compensation for securing expert personnel such as professionals with a competitive edge in the market.

- (vi) The compensation system and standards shall be timely and appropriately reevaluated and set at a competitive and appropriate standard based on such factors as the economic and social conditions and survey data with respect to management compensation provided by external specialized organizations.
- (vii) Regulations and guidelines, etc., concerning executive compensation, both in Japan and overseas, shall be complied with.

c. Compensation System

I. Compensation for Officers, etc., shall, in principle, consist of a “Basic Salary,” “Performance Payment” and “Stock Compensation.”

- (i) “Basic Salaries” shall factor in the function and responsibility of each Officer, etc., in addition to the standard amount for each position and payment will be made monthly in cash.
- (ii) “Performance Payments” shall be made as a monetary incentive for Officers, etc., to achieve the annual budget and as compensation for their achievement. The payment thereof shall reflect our company-wide results of operations, the results of organizations (our in-house companies and units, etc.) that each Officer, etc., is in charge of and the performance of each Officer, etc., in addition to the standard amount for each position. A system shall be adopted which, based on resolution by the Compensation Committee, etc., enables certain amount of deferred payments of the performance payments over three years, as well as a decrease or forfeiture of the deferred amount depending on performance, etc., of the company or the individual.
- (iii) “Stock Compensation” shall be paid in the form of shares of common stock of MHFG consisting of “Stock Compensation I” and “Stock Compensation II,” (together “Stock Compensation I and II”) acquired from the stock market through a trust with an aim to align the interests of Officers, etc., with those of the shareholders and increase the incentive to enhance corporate value.

(a) “Stock Compensation I” shall be paid at the time of retirement of each Officer, etc., in the form of shares of common stock of MHFG calculated based on each position. A system shall be adopted which enables a decrease or forfeiture of the amount by resolution of the Compensation Committee, etc., depending on performance of the company or the individual.

(b) “Stock Compensation II” shall be paid in accordance with our company-wide results of operations, the results of organizations (our in-house companies and units, etc.) that each Officer, etc., is in charge of and the performance of each Officer, etc., in addition to the standard amount for each position. A system shall be adopted which enables the entire amount of deferred payments over three years, as well as a decrease or forfeiture of the deferred amount by resolution of the Compensation Committee, etc., depending on performance of the company or the individual.

II. Within the Officers, etc., the compensation system for the executive officers as defined in the Companies Act, the directors, the executive officers as defined in our internal regulations and the specialist officers responsible for business execution (the “Officers Responsible for Business Execution”) shall be separate from the compensation system for the directors responsible for management supervision (“Non-Executive Officers Responsible for Management Supervision”).

(i) The basic compensation system for “Officers Responsible for Business Execution” shall be a “Basic Salary,” “Performance Payment” and “Stock Compensation I and II.”

(a) The composition of the compensation shall, in principle, be 50%, 17.5% and 32.5% for “Basic Salary,” “Performance Payment” and “Stock Compensation I and II” respectively.

(b) “The upper limit of “Performance Payment” and “Stock Compensation II” shall be decided* in accordance with the our annual results of operations taking into account the traits of business activities of MHFG as a Financial Services Group. The payment to each officer shall reflect the performance of each officer and the results of organizations (our in-house companies and units, etc.) that each Officer, etc., is in charge of, and be, in principle, within the range of 0% to 150% of the standard amount for each position.

* The amount of funds for “Performance Payment” and “Stock Compensation II” is decided for each fiscal year by multiplying the standard amount for each position in a respective year with the total number of officers in that year and a coefficient based on the result from the fiscal year’s results of operations. The evaluation metric for this coefficient is decided by setting metrics based on our Consolidated Net Business Profits, and using such evaluation metrics for the reference year and the current fiscal year (provided that, for Mizuho Securities Co., Ltd., the system is linked to Ordinary Income, which is a metric that is equivalent to Consolidated Net Business Profits based on the traits of business activities and financial structure of securities companies).

(ii) The compensation for Non-Executive Officers Responsible for Management Supervision, in principle, shall be in the form of fixed compensation from the perspective of ensuring the effectiveness of the supervisory function. The compensation system shall consist of “Basic Salaries” and “Stock Compensation” and the composition shall, in principle, be 85% and 15% for “Basic Salaries” and “Stock Compensation,” respectively.

III. There are cases where compensation for some personnel, including those officers recruited locally in countries other than Japan, may be designed individually in compliance with local compensation regulations while taking into consideration local compensation practices and the responsibilities, business characteristics and market value, etc., of each respective officer.

For cases where compensation is designed individually, payment of compensation is also made in accordance with the performance of the company or the individual. Payment of compensation is designed to avoid excessive risk-taking through a system which enables certain amount or a portion of deferred payments and non-monetary payments such as stock, as well as a decrease or forfeiture of the deferred amount depending on the performance, etc., of the company or the individual.

d. Compensation Determination Process

I. The Compensation Committee shall determine the determination policy of executive compensation for MHFG and the Three Core Companies and the executive compensation system including the compensation system set out in "Compensation System" in order to effectively secure the transparency and objectivity of compensation, etc., for individual Officers, etc. In addition, the Compensation Committee shall determine the compensation for each individual director and executive officer, as defined in the Companies Act, of MHFG and approve at MHFG the compensation of each individual director of the Three Core Companies.

II. The President & CEO, pursuant to this policy and regulations and detailed rules, etc., shall determine the compensation for each executive officer, as defined in our internal regulations, and specialist officer of MHFG and approve at the MHFG the compensation of each individual executive officer and specialist officer of the Three Core Companies.

III. The Compensation Committee will verify the validity of the compensation system and standards based on economic and social conditions and survey data with respect to management compensation provided by external specialized organizations.

IV. All members of the Compensation Committee shall be appointed from among outside directors (or at least non-executive directors) and the Chairman thereof shall be an outside director.

V. The Compensation Committee may have officers who are not members of the committee (including officers of the Three Core Companies) such as the President & CEO and external experts, etc., attend its meetings and provide their opinion in order to facilitate adequate and appropriate discussions and determinations.

(2) Policies relating to compensation of "Subject employees, etc."

The policies relating to compensation for executive officers (as defined in our internal regulations) and specialist officers of MHFG and directors, executive officers (as defined in our internal regulations) and specialist officers of MHBK, MHTB and MHSC are also the same as the policies described in (1) *Policies relating to compensation of "Subject directors, etc."* above. Compensation for other employees, etc., is determined in accordance with their duties and responsibilities. Some bonuses that are linked to performance are determined after comprehensively evaluating the employee's contribution to business, including any qualitative contributions to the organization, in a manner that does not place an excessive emphasis on results.

2. The effect of the overall level of compensation, etc., on equity capital

The Compensation Committee of MHFG receives reports on the amount of compensation paid to directors, executive officers (as defined in the Companies Act), executive officers (as defined in our internal regulations) and specialist officers of MHFG, MHBK, MHTB and MHSC in the previous fiscal year and confirms that there is no material effect on the Mizuho group's performance or the adequacy of equity capital.

(C) Compatibility between System for Compensation of "Subject Directors and Employees" of Mizuho Group and Risk Management and Matters Relating to Linking Compensation with Performance

1. Compatibility between system for compensation of "Subject directors and employees" and risk management
The compensation of employees in risk management department, compliance department and internal audit department is decided in accordance with the salary and bonus system, and specific payment amounts are conclusively determined in accordance with employee performance evaluations made by the relevant department and the human resources department, independent from departments furthering business.
Each employee of the risk management department, the compliance department and the internal audit department sets their own objectives in the employee performance evaluations, subject to the approval of their superiors. The degree to which the objectives are achieved is evaluated by taking into account the degree of the employee's contribution to the establishment of a system for risk management, compliance and internal audit.
2. Linking compensation of "Subject directors and employees" with performance
The performance payments and performance-based stock compensation for "Officers Responsible for Business Execution" are made or paid based on the standard amount set for each position, with which each officer's performance shall be reflected, and determined in accord with a performance evaluation, etc., against the annual business plan. A certain amount of the performance payments and the entire amount of the performance-based stock compensation shall be made or paid in deferred payments over three years, and a decrease or forfeiture of the deferred amount may be made depending on the performance, etc., of the company and such officer. It should be noted that certain "Subject directors and employees" have entered into compensation-related contracts. Stock compensation for "Non-Executive Officers Responsible for Management Supervision" shall be made in accordance with the standard amount set for each position, and the payment level shall not change based on the performance of each officer. With regard to compensation for other employees, salary is determined according to their job duties and responsibilities. In addition, the proportion linked to the performance bonus is determined through appropriately and comprehensively evaluating the contribution to performance, including the degree of contribution to the organization, etc., so as not to become excessively performance based.

(2) Quantitative Disclosure Items

(A) REM1 : Compensation Assigned to the Relevant Fiscal Year

(Millions of yen, except people)

No.			a	b
			“Subject directors, etc.”	“Subject employees, etc.”
1	Fixed compensation	Number of “Subject directors, etc.” and “Subject employees, etc.”	18	219
2		Fixed compensation amount (3+5+7)	¥840	¥8,481
3		Cash compensation amount	713	7,854
4		Of which, deferred amount	-	-
5		Stock compensation amount or stock-based type compensation amount	125	91
6		Of which, deferred amount	-	-
7		Other compensation amount	1	535
8		Of which, deferred amount	-	-
9	Variable compensation	Number of “Subject directors, etc.” and “Subject employees, etc.”	18	218
10		Variable compensation amount (11+13+15)	¥284	¥11,072
11		Cash compensation amount	134	9,934
12		Of which, deferred amount	-	3,375
13		Stock compensation amount or stock-based type compensation amount	150	1,137
14		Of which, deferred amount	150	612
15		Other compensation amount	-	-
16	Of which, deferred amount	-	-	
17	Retirement benefits	Number of “Subject directors, etc.” and “Subject employees, etc.”	-	-
18		Retirement benefits amount	¥-	¥-
19		Of which, deferred amount	-	-
20	Other compensation	Number of “Subject directors, etc.” and “Subject employees, etc.”	-	140
21		Other compensation amount	¥-	¥661
22		Of which, deferred amount	-	260
23	Comensation amount (2+10+18+21)		¥1,125	¥20,215

- Notes: 1. Amounts of compensation of “Subject directors, etc.” include amounts of compensation received for duties performed as a director or executive officer of a “Major consolidated subsidiary.”
2. The number of employees is the actual number of persons (a) for the compensation for the fiscal year ended March 31, 2019 and (b) for the compensation for the fiscal year ended March 31, 2018 for the payments made or anticipated payments for which the amount became clear during the fiscal year ended March 31, 2019 are stated.
3. The stated amount is the total amount for the fiscal year ended March 31, 2019 and the fiscal year ended March 31, 2018.
4. No. 7, “Fixed compensation,” “Other compensation amount,” includes condolence money insurance premiums, based on the decision of our Compensation Committee.
5. No. 11, “Variable compensation” “Cash compensation amount,” includes the recorded performance payment for the fiscal year ended March 31, 2018 for directors, executive officers (as defined in the Companies Act), executive officers (as defined in our internal regulations) and specialist officers of MHFG, MHBK, MHTB and MHSC. For portions that exceed a certain amount, we plan to defer payment over the three-year period from the fiscal year ending March 31, 2020.
6. No. 13, “Variable compensation” “Stock compensation amount or stock-based type compensation amount” includes the amount obtained by multiplying the stock compensation and performance-based stock compensation ownership points (with one point to be converted into one share of MHFG stock) granted to the directors, executive officers (as defined in the Companies Act), executive officers (as defined in our internal regulations) and specialist officers of MHFG, MHBK, MHTB and MHSC for the fiscal year ended March 31, 2018 by the book value of MHFG’s shares (196.3922 yen per share). For stock compensation and performance-based stock compensation for the fiscal year ended March 31, 2018, we plan to defer payment over the three-year period from the fiscal year ending March 31, 2020.
7. Because the amounts of the stock compensation, performance payment and performance-based-type stock compensation for the directors, executive officers (as defined in the Companies Act), executive officers (as defined in our internal regulations) and specialist officers of MHFG, MHBK, MHTB and MHSC for the fiscal year ended March 31, 2019 have not been determined at this time, they are not included in the above compensation. However, we have recorded the required reserves for accounting purposes.
8. The exercise periods for the stock compensation-type stock options (stock acquisition rights) are as set out below. Under the stock option agreements, exercise of the options is postponed, even during the exercise period, until the time of retirement of the director or employee.
[The exercise periods for stock options have been omitted from the table]

(B) REM2 : Special Compensation

(Millions of yen, except people)

	a	b	c	d	e	f
	Bonus guarantees		Lump sum payments at the time of recruitment		Additional retirement benefits	
	People	JPY	People	JPY	People	JPY
“Subject directors, etc.”	-	-	-	-	-	-
“Subject employees, etc.”	-	¥-	3	¥260	11	¥445

(C) REM3 : Deferred Compensation

(Millions of yen)

	a	b	c	d	e	
	Deferred compensation amount	Of which, the deferred compensation amount subject to adjustment or variation	Regarding compensation after allocation, variable amounts adjusted but not linked to variations for the relevant fiscal year	Regarding compensation after allocation, variable amounts adjusted and linked to variations for the relevant fiscal year	Amount of deferred compensation paid in the relevant fiscal year	
“Subject directors, etc.”	Cash compensation amount	¥5	¥5	¥-	¥-	¥3
	Stock compensation amount or stock-based type compensation amount	513	328	-	(22)	229
	Other compensation amount	-	-	-	-	-
“Subject employees, etc.”	Cash compensation amount	4,978	641	21	-	2,135
	Stock compensation amount or stock-based type compensation amount	1,200	484	-	(19)	348
	Other compensation amount	-	-	-	-	-
Total amount	¥6,697	¥1,459	¥21	¥(42)	¥2,717	

(D) Other Relevant Matters Relating to Our System of Compensation for "Subject Directors and Employees" of Mizuho Group

Not applicable, other than those covered in the above.

Disclosure Policy

1. Basic principles

We are committed to growing together with our customers in a stable and sustainable manner and bringing together our group-wide expertise to contribute to the prosperity of economies and societies throughout the world as the leading Japanese financial services group with a global presence and a broad customer base. For this reason, we place one of the highest management priorities on continuing to disclose information to our customers, shareholders, and investors both in and outside Japan in a fair, timely and appropriate manner, in order that they may form proper judgments and appraisals of the group. To achieve this aim, we observe applicable domestic and international laws and regulations as well as stock exchange rules relating to corporate disclosure, and we establish and implement appropriate Disclosure Controls and Procedures.

2. Disclosure Controls and Procedures

(1) Establishment and implementation of Disclosure Controls and Procedures

Our Disclosure Controls and Procedures are established to observe applicable domestic and international laws and regulations as well as stock exchange rules and to implement fair, timely and appropriate corporate disclosure. The Disclosure Controls and Procedures are the process carried out by directors, officers and employees of Mizuho Financial Group and include Internal Controls over Financial Reporting designed to provide reasonable assurance regarding the reliability of Financial Reporting and the Preparation of Financial Statements. We have established the basic principles underlying our Disclosure Controls and Procedures as well as our internal rules related to Disclosure Controls and Procedures that govern the management framework for the entire Mizuho Financial Group including group companies, and we endeavor to establish, implement and continuously improve our Disclosure Controls and Procedures. Our Disclosure Committee is the Business Policy Committee that is responsible for discussing and coordinating matters relating to Disclosure Controls and Procedures.

(2) Evaluation of effectiveness of Disclosure Controls and Procedures

Our Disclosure Controls and Procedures are documented, and evaluation of the overall effectiveness of our Disclosure Controls and Procedures is conducted regularly by reviewing the contents of such documentation and their implementation. In addition, evaluation of the effectiveness and appropriateness of Disclosure Controls and Procedures is conducted through internal audits.

(3) Others

We established a "Code of Ethics for Financial Professionals" to be observed by all directors and executive officers, as well as all managers and other employees within Mizuho Financial Group who engage in financial reporting, accounting or disclosure. We have also developed the "internal control and audit hotline," a system designed for reporting questionable accounting, internal control, or auditing matters from both inside and outside Mizuho Financial Group.

3. Disclosure methods, other

(1) Disclosure methods

With respect to the information which is required to be disclosed pursuant to applicable domestic and international

laws and regulations as well as stock exchange rules, we follow the defined disclosure procedures such as publishing such information in business reports (Jigyo-Hokoku), annual securities reports (Yukashoken-Hokokusho), Integrated Report (Annual Review) and other disclosure publications, as well as providing such information through the information distribution systems of domestic and international stock exchanges and through press releases. We also endeavor to disclose other information in a fair, timely and appropriate manner. When we disclose such information, we basically publish on our website the information we disclose. In addition, we endeavor to utilize the latest disclosure methods and tools to provide more fair and widespread disclosure.

(2) Investor relations activities

Investor relations activities to market participants both in and outside Japan such as shareholders, investors and securities analysts are conducted by the President & Group CEO, Group CFO, Chief IR Officer, and executives and employees designated by them. In accordance with our basic principles described in section 1 above, and with due attention to two-way communication, we endeavor sincerely to facilitate a proper understanding of our management strategies, financial condition and other matters. In this way, we aim to earn the trust of the market and obtain an appropriate market reputation.

Beginning with the disclosure required by applicable domestic and international laws and regulations as well as stock exchange rules, we endeavor to grasp properly the types of information desired by the market and to disclose useful and appropriate information voluntarily and proactively, in accordance with the so-called Fair Disclosure Rule ("FDR"). Regarding disclosure of information we consider particularly important, we communicate such information on an ad hoc basis as and when necessary, even if a press release has already been issued, through such means as special briefing sessions.

In addition, we respect various disclosure principles including fair disclosure. Accordingly, at individual calls, private meetings or conferences hosted or attended by representatives of Mizuho Financial Group we endeavor to limit carefully our explanations to matters already disclosed and facts commonly known.

Should we happen to disclose important information such as information subject to insider trading regulations and/or undisclosed financial results that might have a significant influence on stock prices, we endeavor to take necessary action such as officially announcing the information as soon as possible, in accordance with FDR.

(3) Correction of misconceptions in the markets

If we identify significant misconceptions regarding Mizuho Financial Group in the market due to the spread of rumors or otherwise, we endeavor to investigate their causes and correct such misconceptions promptly.

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