

# Progressive Development of “One MIZUHO” 2014

---

**September 2014**

**Mizuho Financial Group**

# Important Notice

## Forward-looking Statements

This presentation 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”), which are available in the Financial Information section of our web page at [www.mizuho-fg.co.jp/english/](http://www.mizuho-fg.co.jp/english/) and also at the SEC’s web site at [www.sec.gov](http://www.sec.gov).

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.

Unless otherwise specified, the financial figures used in this presentation are based on Japanese GAAP  
This presentation does not constitute a solicitation of an offer for acquisition or an offer for sale of any securities

## Definitions

New Bank (Mizuho Bank) was established on July 1st, 2013 through the merger between former Mizuho Bank and former Mizuho Corporate Bank (surviving entity)

Figures of Mizuho Bank for 1Q FY2013 include those of former Mizuho Bank before the merger

Figures for the previous periods are simple aggregate figures of former Mizuho Bank and former Mizuho Corporate Bank

FG: Mizuho Financial Group, Inc.

BK: Mizuho Bank, Ltd.

CB: Mizuho Corporate Bank, Ltd.

TB: Mizuho Trust & Banking Co., Ltd.

SC: Mizuho Securities Co., Ltd.

IS: Mizuho Investors Securities Co., Ltd.

former BK: BK before the merger with CB

former CB: CB before the merger with BK

former SC: SC before the merger with IS

former IS: IS before the merger with SC

2 Banks: Aggregate figures for BK and TB on a non-consolidated basis

BK+TB+SC: Aggregate figures for BK, TB and SC (including major subsidiaries) on a non-consolidated basis

# Contents

<b>1. Economic Environment Surrounding Japanese Banks</b>	<b>P. 3</b>	<b>- Overseas Business Results</b>	<b>P. 25</b>
- Outlook of Japanese Economy	P. 4	- Unique Overseas Business Strategy	P. 26
- Abe Administration's Economic Policy and its Future Direction	P. 5	- Global Network	P. 27
- Revision of Japan Revitalization Strategy in 2014	P. 6	<b>(2) Actions on New Focus Areas</b>	<b>P. 28</b>
- Corporate Capex and Bank Lending	P. 7	- Focus Areas: Asset Management	P. 29
- Outlook of the US Economy	P. 8	- Approach to In-organic Growth Strategy	P. 31
- Outlook of the Chinese/Eurozone Economy	P. 9	<b>(3) Enhancement of Governance System and Transformation of Corporate Culture</b>	<b>P. 32</b>
<b>2. Progress of Medium-term Business Plan</b>	<b>P. 10</b>	- Enhancement of Governance System and Transformation of Corporate Culture	P. 33
- Medium-term Business Plan: Progress	P. 11	- Transformation into a "Company with Committees"	P. 34
- Medium-term Business Plan: Key Numerical Targets	P. 12	- Strengthening of Holding Company Functions	P. 35
- Medium-term Business Plan: Transformation of Profit Structure	P. 13	- Transformation of Corporate Culture: Establishment of a Robust Group-wide Underlying Culture	P. 36
- One MIZUHO Synergy: Plan and Progress	P. 14	- Mizuho's Strengths	P. 37
- One MIZUHO Synergy: Realization of Synergies	P. 15	<b>(Financial Information)</b>	<b>P. 38</b>
- Balance Sheet Control	P. 16	- Overview of 1Q FY2014	P. 39
- Capital Management	P. 17	- Overview of Profit and Loss Statement and Balance Sheet	P. 40
<b>3. Further Progressive Development of "One MIZUHO"</b>	<b>P. 18</b>	- Net Interest Income from Customer Groups	P. 41
- Further Progressive Development of "One MIZUHO"	P. 19	- Non-interest Income from Customer Groups	P. 44
<b>(1) Seek for Sustainable Growth</b>	<b>P. 20</b>	- Credit Portfolio	P. 45
- Strategy for Individual Customers in Japan	P. 21	- Net Gains/Losses on Securities	P. 46
- Strategy for Corporate Customers in Japan	P. 22	- Securities Portfolio	P. 47
- Building New Business Infrastructure	P. 23	- (Reference) Transition to the Next-Generation IT Systems	P. 48
		- (Reference) Risk Appetite Framework	P. 49

# 1. Economic Environment Surrounding Japanese Banks

## 2. Progress of Medium-term Business Plan

## 3. Further Progressive Development of “One MIZUHO”

(1) Seek for Sustainable Growth

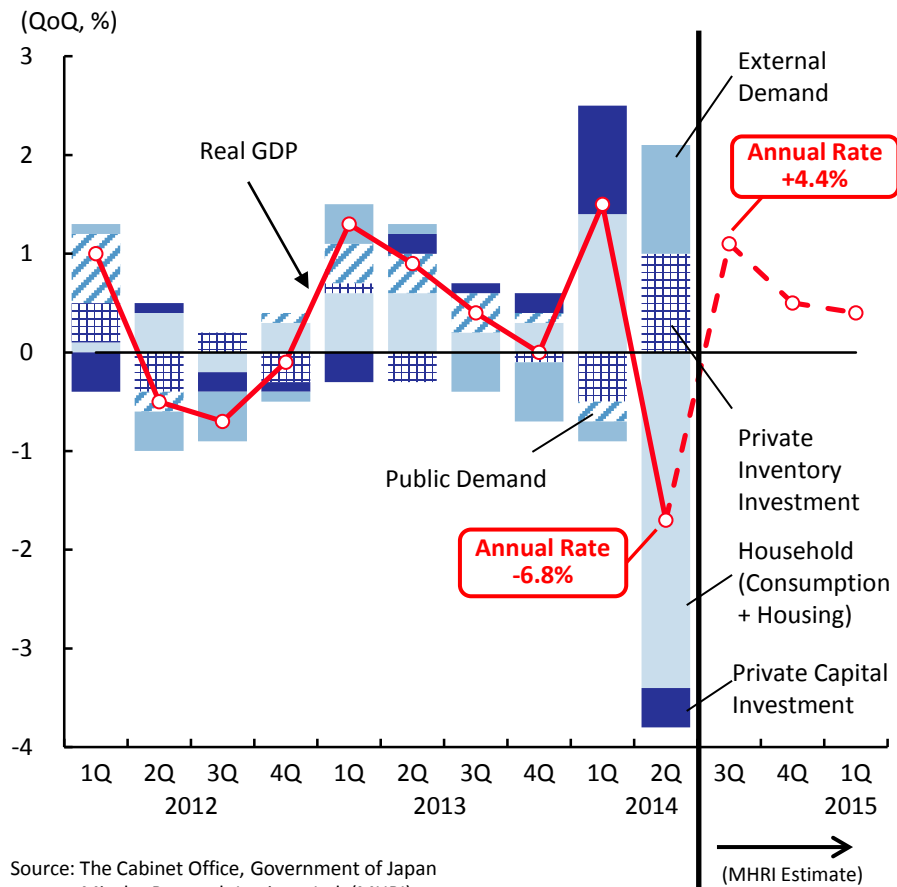
(2) Actions on New Focus Areas

(3) Enhancement of Governance System and  
Transformation of Corporate Culture

(Financial Information)

## Japanese economy continues a moderate recovery trend, and the end of deflation trend has taken hold

Real GDP Growth Rate of Japan



### Corporate

#### Business Performance



- Corporate profits continue to improve
- Corporate bankruptcies remain stable and low

#### Capex



- Recovery trend toward the latter half of FY2014

### Household

#### Wages / Employment



- Increasing sense of shortage in labor
- Moderate increase in employee income

#### Consumer Confidence



- Depart from the impact of consumption tax increase, and move toward a recovery trend

### Price

#### Consumer Price



- End of deflation trend has taken hold
- Level of increase to gradually decline

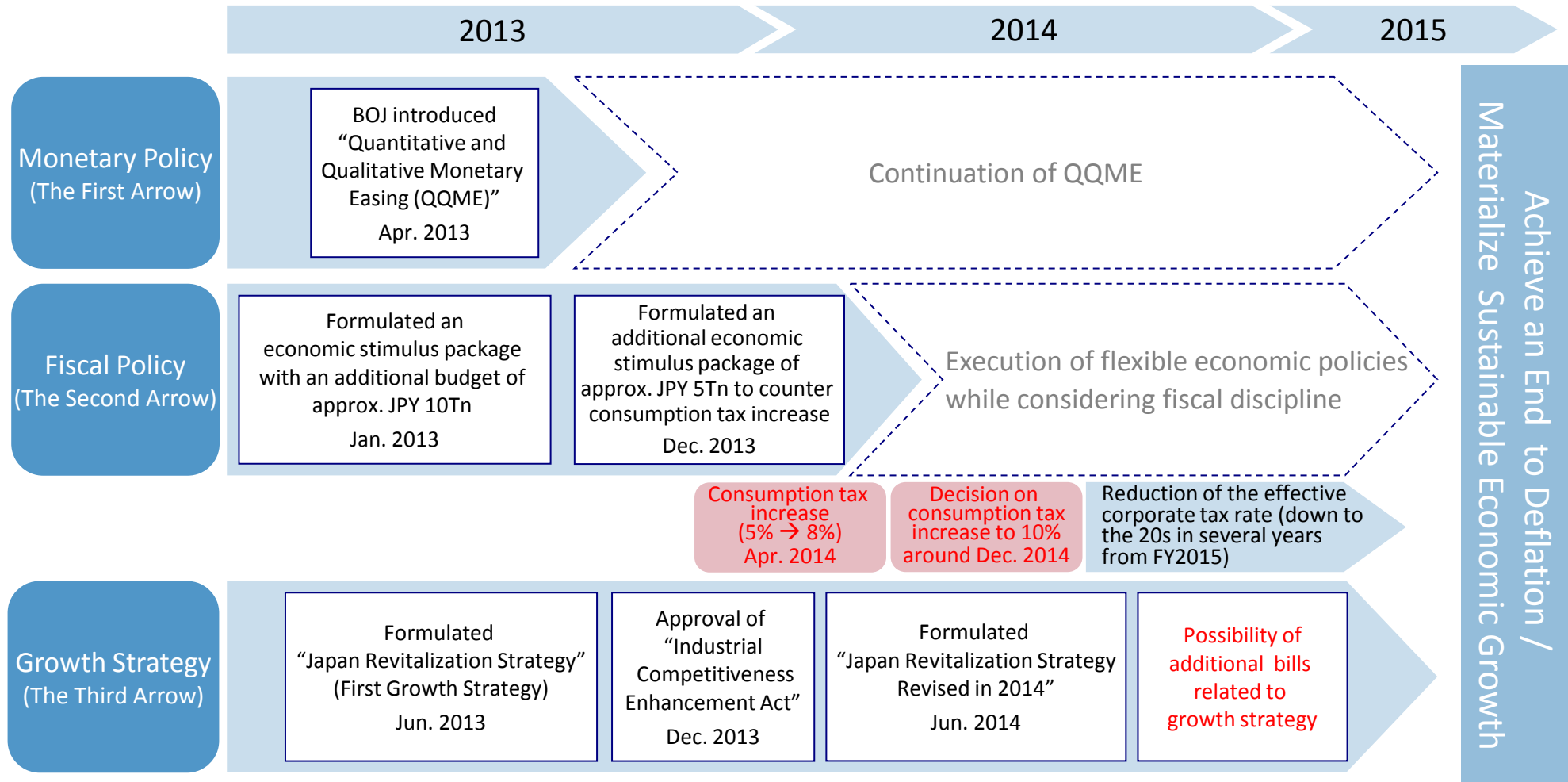
### External Demand

#### Overseas Economies



- The US economy is steadily expanding
- Uncertainty, such as geopolitical risk, remains

Toward a stage where concrete progress is required,  
with the policy menus for economic growth fully presented



Source: Produced by FG based on Prime Minister of Japan and his Cabinet homepage, etc.

## Enhance earning power through improving productivity in order to fully materialize a virtuous economic cycle

### Enhancing Earning Power

- Enhancing corporate governance
- Reforming management of public and quasi-public funds
- Accelerating industrial restructuring and venture businesses and promoting provision of funds for growth
- Pro-growth corporate tax reform
- Robot revolution to promote innovation

### Securing Human Resources

- Promoting women's further active social participation
- Reforming working styles
- Utilizing foreign human resources

### New Growth Engines

- Developing aggressive agriculture, forestry and fisheries
- Vitalizing the health industry and providing high-quality healthcare services

### Diffusing Fruits of Growth throughout the Country

- Regional revitalization
- Regional economic structure reform

### Main Proposals of the Revised Japan Revitalization Strategy

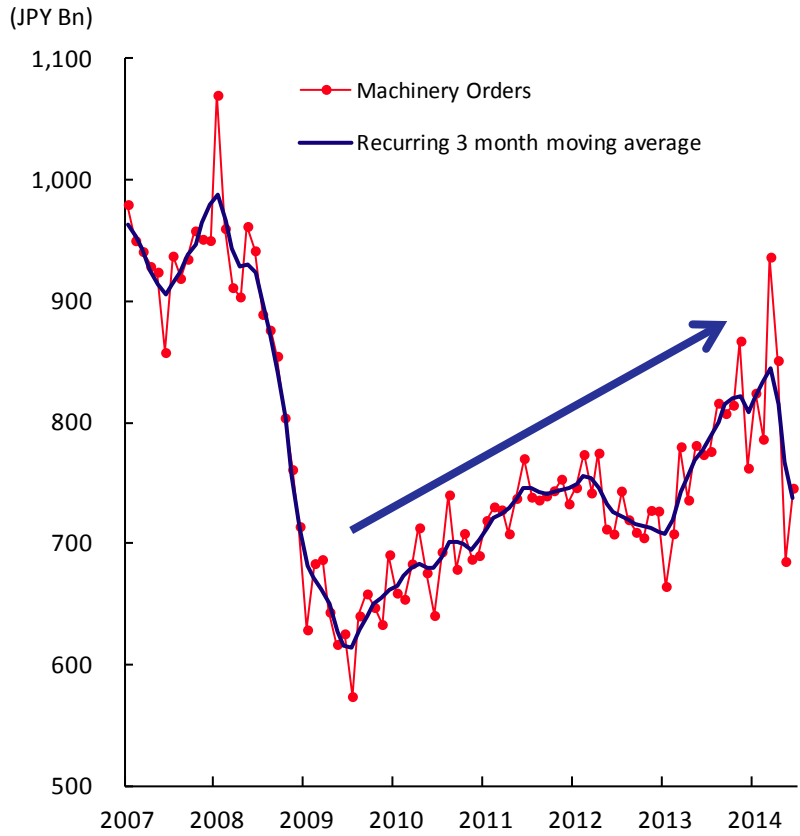
- Create a new working hour system
- Utilized diversified workforce including women and foreigners
- Pro-growth corporate tax reform  
(Aim to reduce the percentage level of the effective corporate tax rate down to the 20s in several years)
- Reform management of Government Pension Investment Fund (GPIF)
- Support initiatives of National Strategic Special Economic Zone that contribute to enhance attractiveness as a financial center
- Expand the system for combining insured and uninsured medical services
- Promote renewable energy
- Reform agricultural committees, agricultural production corporations and agricultural cooperatives integrally
- Strengthen structure to ensure achieving the target of doubling inward foreign direct investment

Accelerate reforms toward 2020

Source: Produced by FG based on Prime Minister of Japan and his Cabinet homepage, etc.

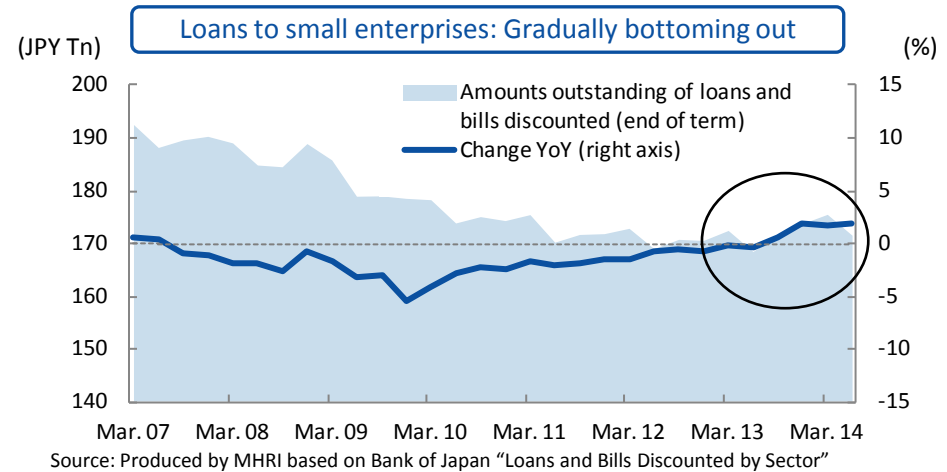
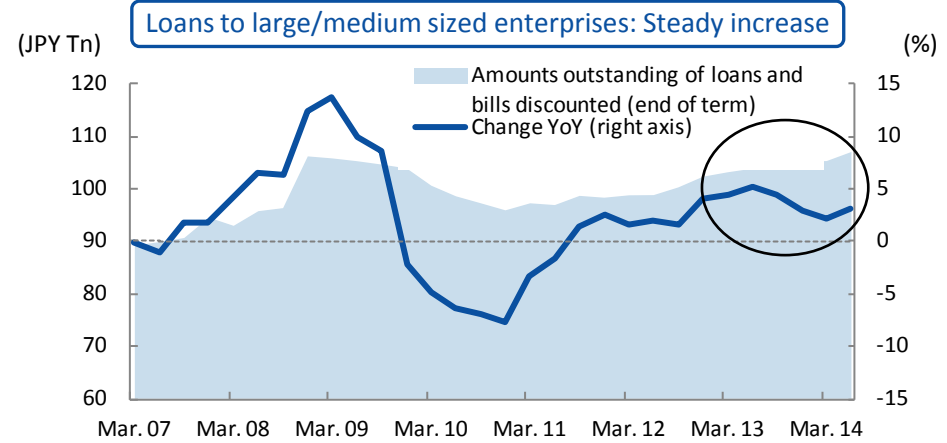
## Bank loans have started to gradually increase with steady growth in corporate capex

Machinery Orders\*



\* Private-sector machinery orders, excluding shipping and electricity (seasonally adjusted)  
Source: Produced by FG based on "Orders Received for Machinery", Cabinet Office, Government of Japan

Bank Loans

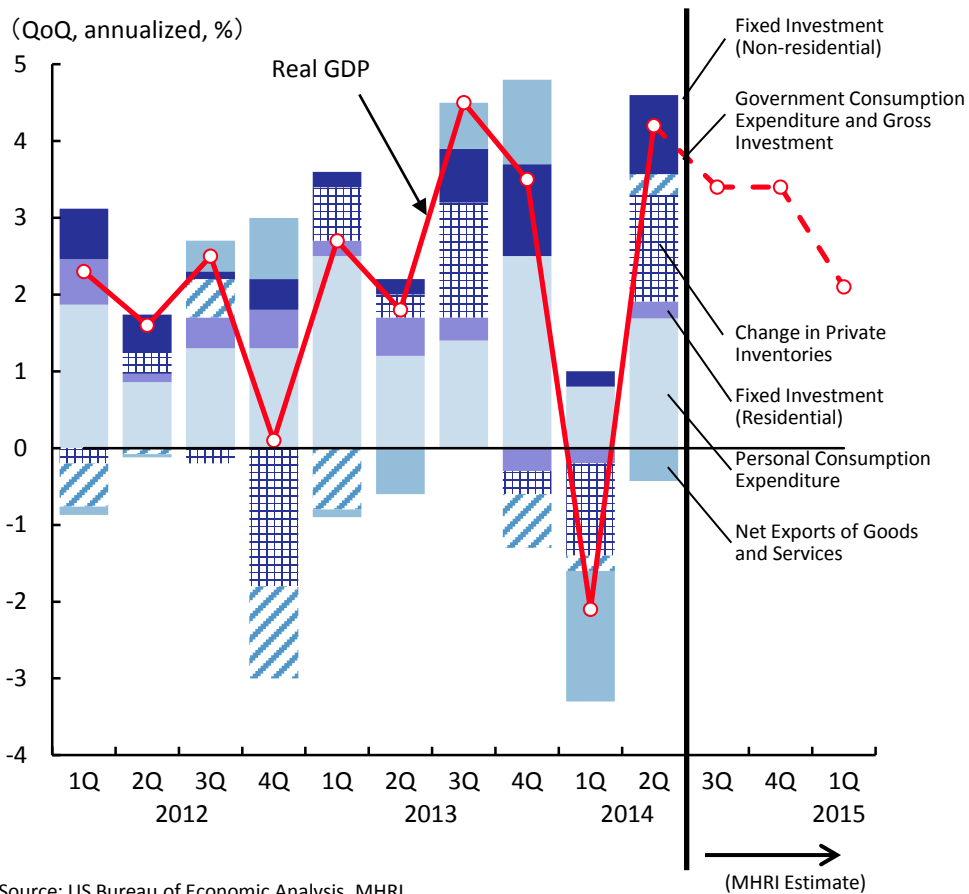


Source: Produced by MHRI based on Bank of Japan "Loans and Bills Discounted by Sector"



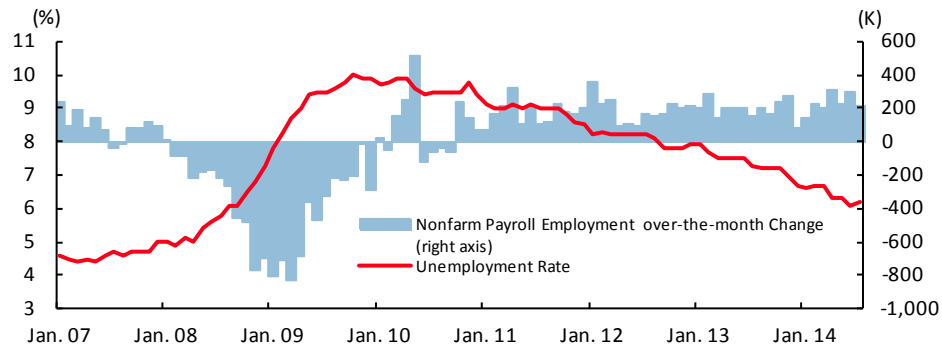
## The US economy continues moderate recovery supported by private demand

Real GDP Growth Rate of the US



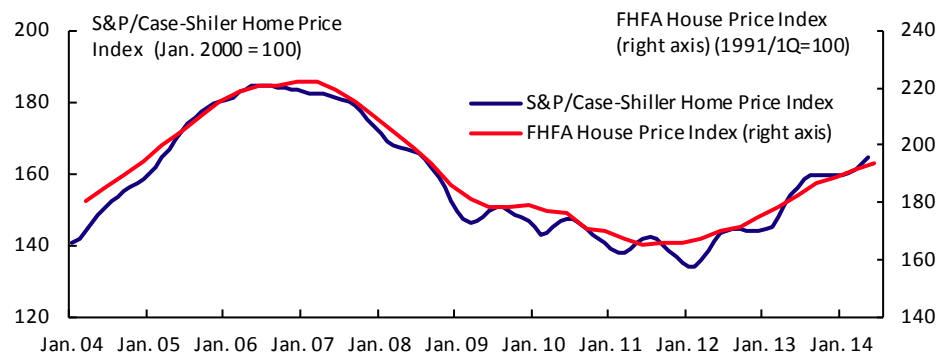
Source: US Bureau of Economic Analysis, MHRI

Employment Situation



Source: US Department of Labor

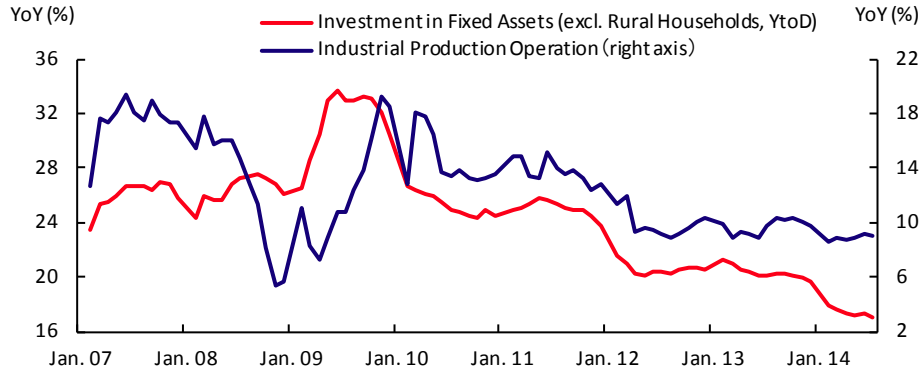
Housing Price Indicators



Source: S&P Dow Jones Indices, Federal Housing Finance Agency (FHFA)

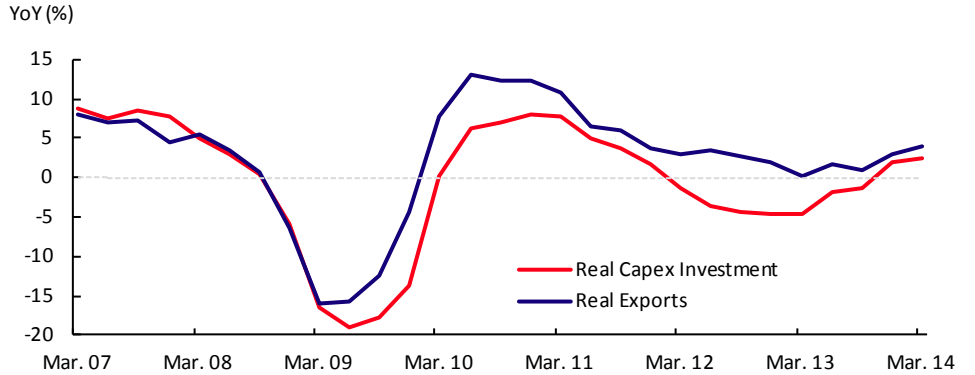
## China: Fixed asset investment in slowdown Eurozone: On track for recovery, but uncertainty about business confidence remains

China Investment in Fixed Assets / Industrial Production Operation



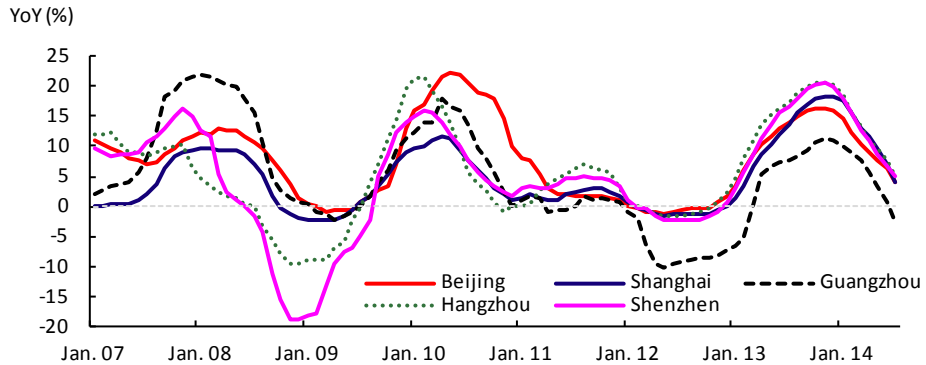
Source: National Bureau of Statistics of China

Eurozone Real Capex Investment / Real Exports



Source: Produced by MHRI based on Eurostat

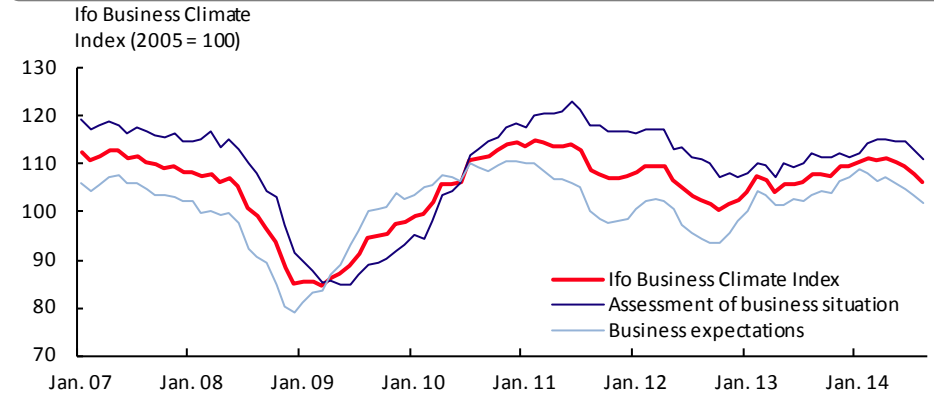
China Sales Prices of Residential Buildings



\* The sales prices of newly constructed commercial residential buildings (excl. affordable housing)

Source: National Bureau of Statistics of China

Germany Business Climate Indicator



Source: Institute for Economic Research (Ifo)

1. Economic Environment Surrounding Japanese Banks

2. Progress of Medium-term Business Plan

3. Further Progressive Development of “One MIZUHO”

(1) Seek for Sustainable Growth

(2) Actions on New Focus Areas

(3) Enhancement of Governance System and  
Transformation of Corporate Culture

(Financial Information)

## Steadily make progress in accordance with 5 basic policies

### 5 Basic Policies

- 1 Further develop integrated strategies across the group for each customer segment to respond to the diverse needs of our customers
- 2 Contribute to sustainable development of the world and Japan by proactively responding to change
- 3 Mizuho Means Asia: accelerate globalization
- 4 Build strong financial and management foundations to support the essence of Mizuho
- 5 Form strong corporate governance and culture in the spirit of One MIZUHO

### Achievements

- Progress in integrated management between “banking, trust and securities” functions  
Management across the group led by units
- Early realization of One MIZUHO synergies  
Enhancement of Non-interest Income
- Sustainable expansion of overseas business  
Super 30 strategy (expand non-Japanese blue-chip customer base placing higher priority on relationship management)
- Sufficient level of capital base  
“Returns to shareholders” in consideration of dividend payout ratio
- Transformation into a “Company with Committees\*”  
(ensure the separation of supervision and management)  
Strengthening of the functions of the holding company

\* As defined in the Companies Act of Japan

## Favorable progress to achieving key numerical targets

		FY2013 Results	1Q FY2014 Results	FY2015 Plan
<p><b>Target Figures (FY2015)</b></p> <p><b>ROE (Consolidated)</b> Approx. <b>9%</b></p> <p><b>RORA (Consolidated Net Income on Risk-weighted Assets)</b> Approx. <b>0.9%</b></p> <p><b>Common Equity Tier 1 Capital Ratio (Fully-effective basis)</b> <b>8% or higher</b></p>	<b>ROE (Consolidated)</b>	<b>11.1%</b>	<b>9.3%</b>	Approx. <b>9%</b>
	<b>RORA (Consolidated Net Income on Risk-weighted Assets)</b>	<b>1.1%</b>	<b>1.0%</b>	Approx. <b>0.9%</b>
	<b>Common Equity Tier 1 Capital Ratio (Fully-effective basis)</b>	<b>9.08%</b> <small>(including Eleventh Series Class XI Preferred Stock)</small>	<b>9.71%</b> <small>(including Eleventh Series Class XI Preferred Stock)</small>	<b>8% or higher</b> <small>(including Eleventh Series Class XI Preferred Stock)</small>
<b>Profitability</b>	<b>Consolidated Net Income</b>	<b>JPY 688.4Bn</b>	<b>JPY 154.7Bn</b>	JPY 550.0Bn level
<b>Efficiency</b>	<b>Group Expense Ratio</b> <sup>*1</sup>	<b>61.6%</b>	<b>62.8%</b>	Mid 50% range
	<b>Expense Ratio (Banking Subsidiaries)</b> <sup>*2</sup>	<b>57.3%</b>	<b>58.8%</b>	Lower 50% level
<b>Soundness</b>	<b>Ratio of Stock Portfolio against Tier 1 Capital</b> <sup>*3</sup>	<b>28%</b>	<b>27%</b>	Approx. 25%

\*1: BK+TB+SC

\*2: 2 Banks

\*3: Including hedging effects. Tier 1 Capital is calculated based on Basel III phase-in basis (including Eleventh Series Class XI Preferred Stock in the Common Equity Tier 1 Capital)

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

## Toward stable and sustainable profit structure centered on income from Customer Groups and Non-interest Income

### Income from Customer Groups (from Apr. 2013 to Jun. 2014)

(BK+TB+SC, managerial accounting, cumulative, rounded figures)

(JPY Bn)

	Net Interest Income	Non-interest Income
Domestic Operations	+10	+20
Overseas Operations	+34	+45
<b>Total</b>	<b>+44</b>	<b>+65</b>

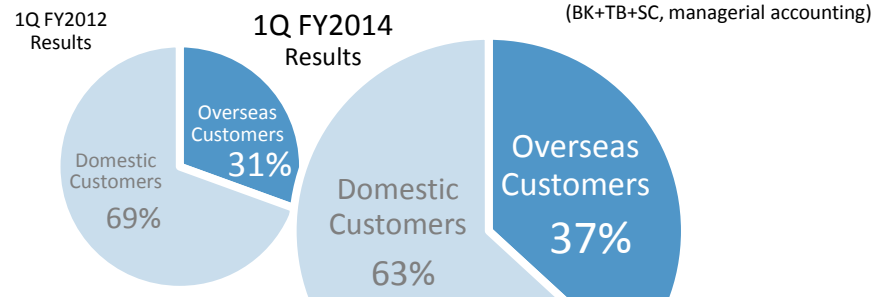
**Income from Customer Groups +JPY 109Bn**  
(cumulative from Apr. 2013 to Jun. 2014)

**Aim to increase income from Customer Groups by JPY 200Bn\* in 3 years by FY2015**

\* Including foreign exchange translation impact

### Proportion of Income from Overseas Customers (Net Business Profits)

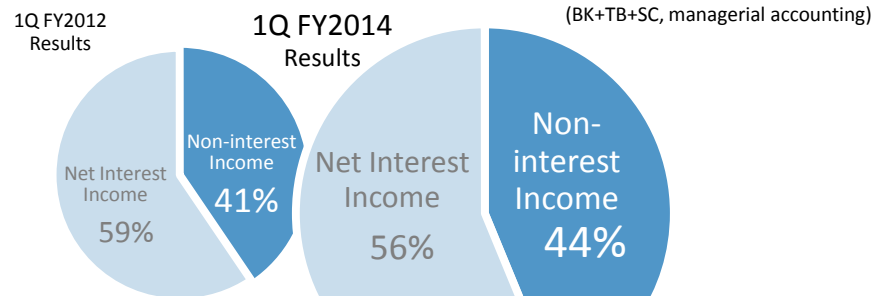
(BK+TB+SC, managerial accounting)



**Aim to increase % of income from overseas customers to 33% level of Customer Groups in FY2015**

### Proportion of Non-interest Income from Customer Groups (Gross Profits)

(BK+TB+SC, managerial accounting)



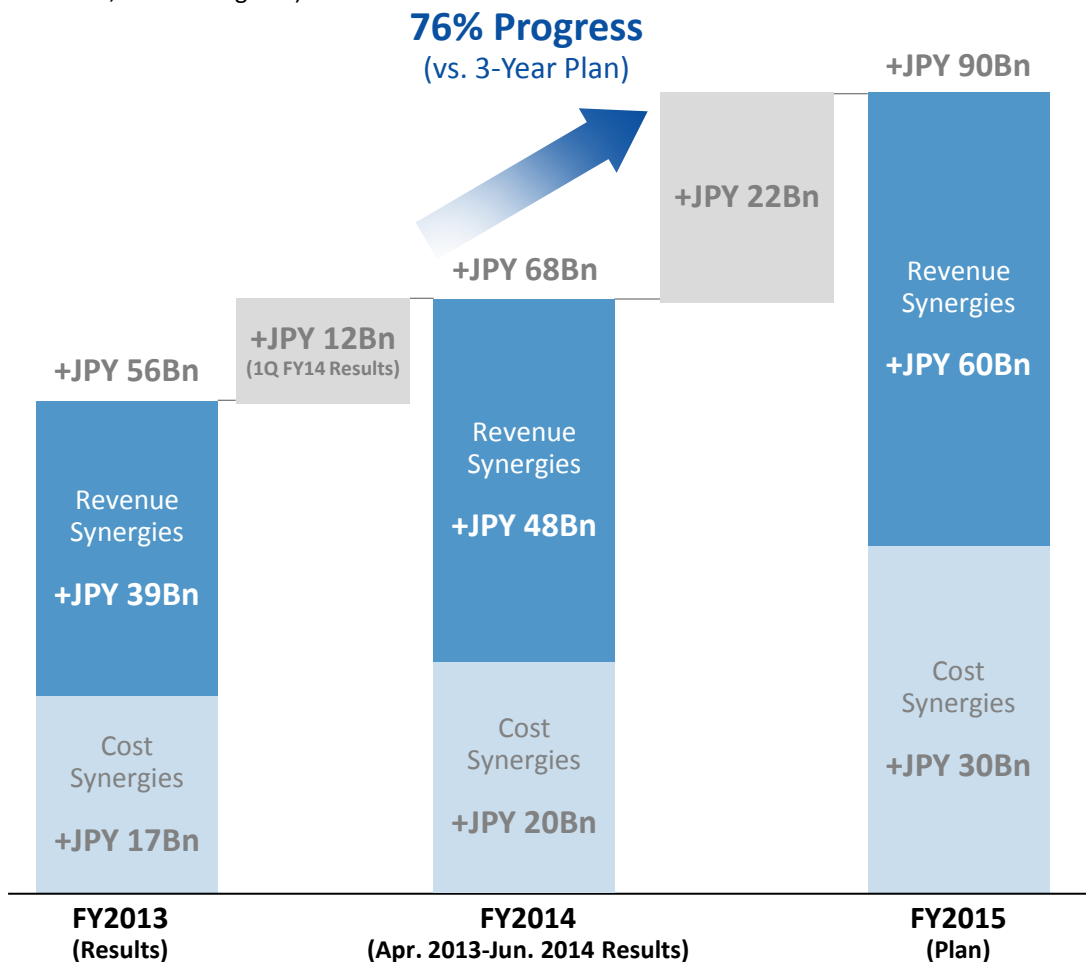
**Aim to increase % of Non-interest Income from Customer Groups to 50% level in FY2015**

(Note) Figures are in comparison with FY2012 results, which is the immediately preceding fiscal year before this medium-term business plan, based on managerial accounting

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

## Aim to achieve the 3-year plan ahead of schedule

(cumulative, rounded figures)



(cumulative, rounded figures)  
(JPY Bn)

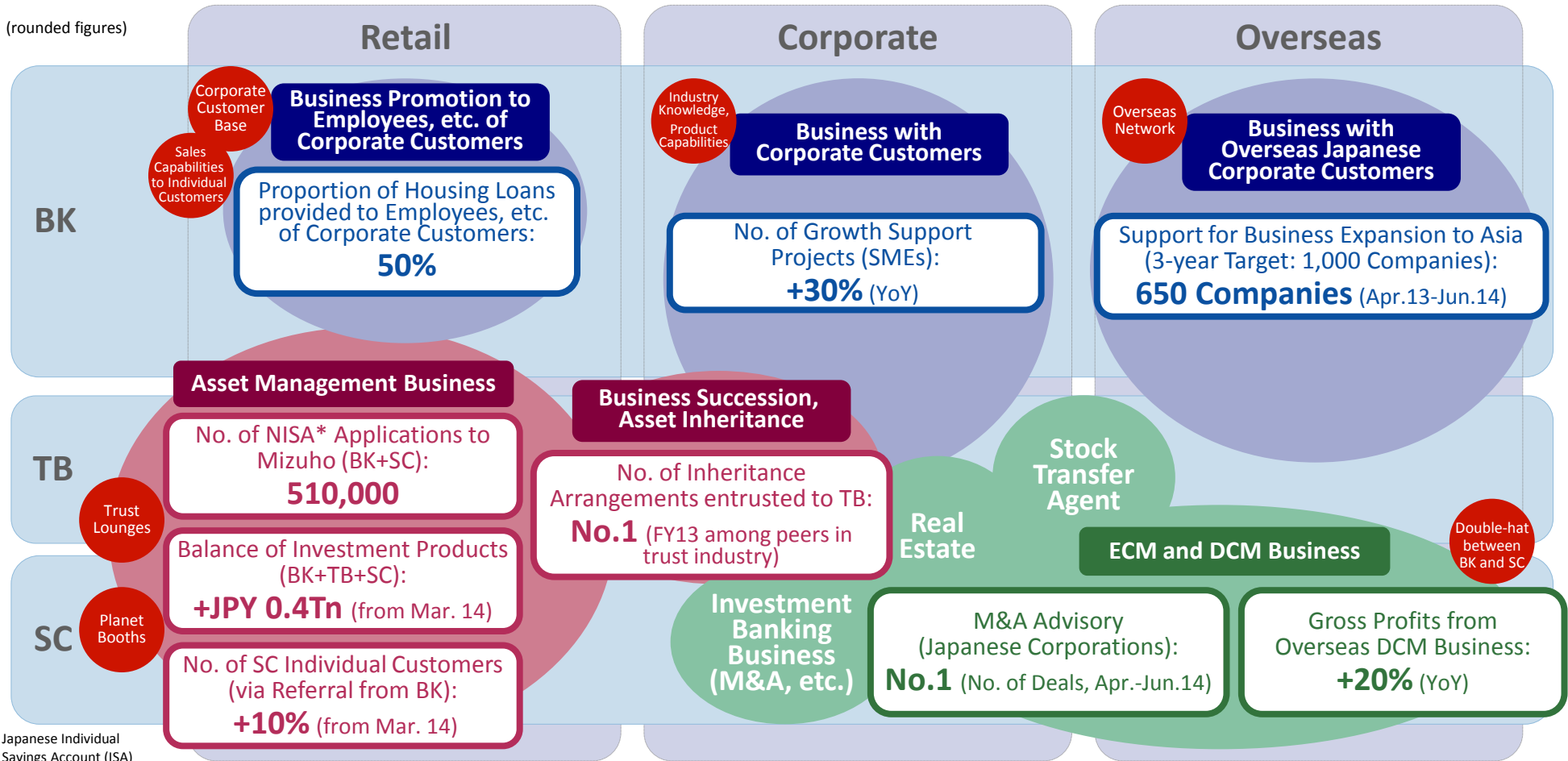
	Apr. 2013-Jun. 2014 Results	FY2013-15 3-Year Plan
<b>Revenue Synergies</b>	<b>+48</b> (Progress 80%)	+60
Banking Operations	+16	
Retail	+4	
Corporate	+10	
Markets	+2	
Securities Operations	+15	+30
Effects of Integrated Group Management	+17	
<b>Cost Synergies</b>	<b>+20</b> (Progress 67%)	
Banking Operations	+13	
Securities Operations	+7	
<b>Total</b>	<b>+68</b> (Progress 76%)	<b>+90</b>

(Note) Figures on this page are in comparison with FY12 results based on managerial accounting

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

# One MIZUHO Synergy: Realization of Synergies

(rounded figures)

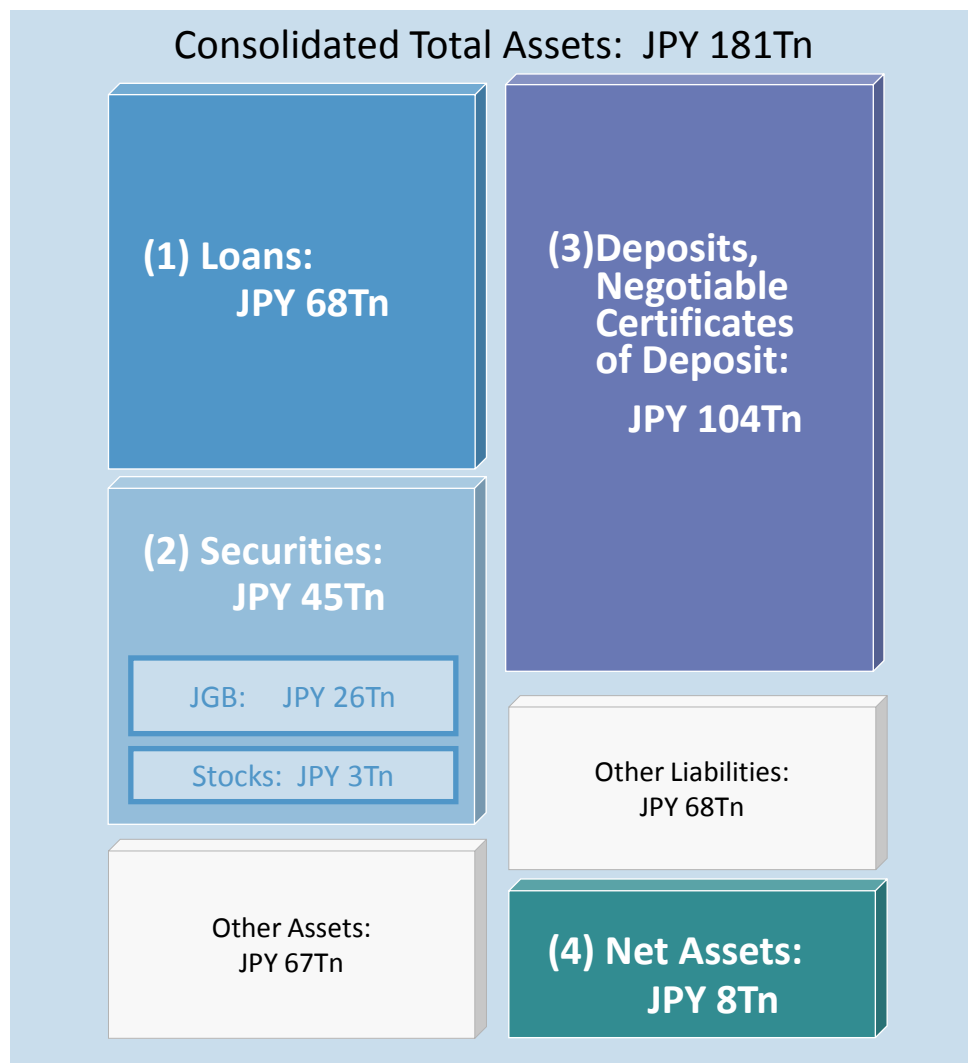


\* Japanese Individual Savings Account (ISA)





## Consolidated Balance Sheet (as of Jun. 2014)



## Mizuho's Balance Sheet Advantages\*1

### (1) Credit portfolio remained sound

- NPL Ratio decreased to 1.17%
- Balances of NPL and Claims against Other Watch Obligors remained at low levels

### (2) Focus on risk management of securities portfolio

- Average remaining period of JGB portfolio was 2.4 years  
Strengthened risk management for preemptive action and conducted stress test, preparing for the risk of a rise in interest rates
- Continue efforts to reduce stock portfolio

### (3) Funding structures in both Yen and foreign currencies are stable

- Domestic deposit funding structure was stable, primarily consisting of individual customer deposits
- Continue to focus on acquiring foreign currency-denominated deposits
- Consolidated loan-to-deposit ratio was 65%

### (4) Capital was maintained at a sufficient level

- Common Equity Tier 1 Capital Ratio on a fully-effective basis remained at a sufficient level of 9.71%\*2

\*1: All figures other than loan-to-deposit ratio and Common Equity Tier 1 Capital Ratio were on a 2 Banks basis  
\*2: Including Eleventh Series Class XI Preferred Stock (the balance as of Jun. 2014: JPY 310.7Bn, mandatory conversion date: Jul. 1st, 2016)

Pursue optimal balance b/w “Strengthening of Stable Capital Base” and “Steady Returns to Shareholders” in accordance with changes in the business environment, our financial condition and other factors

“Returns to shareholders” in consideration of dividend payout ratio

Dividend Payout Ratio: Approx. 30%

Common Equity Tier1 Capital (CET1) Ratio maintained a level above target

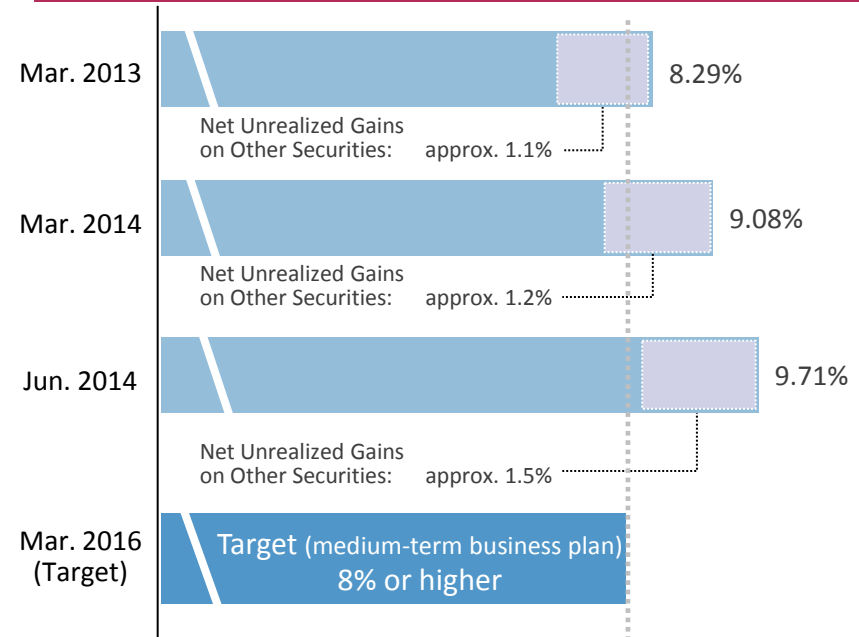
CET1 Ratio: 8% or higher

Aim for “steady dividend payout” policy with a “dividend payout ratio on a consolidated basis of approx. 30%” as a guide for our consideration

Annual cash dividends per share of common stock for FY2014 are estimated to be “JPY 7” (dividend payout ratio: 31%\*1)

## CET1 Ratio

(fully-effective basis, including mandatory convertible preferred stock\*2)



\*1: Assuming Consolidated Net Income to be JPY 550.0Bn

\*2: Eleventh Series Class XI Preferred Stock (the balance as of Jun. 2014: JPY 310.7Bn, mandatory conversion date: Jul. 1st, 2016)

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See “Forward-looking Statements” on P.1 of this presentation

1. Economic Environment Surrounding Japanese Banks

2. Progress of Medium-term Business Plan

3. Further Progressive Development of “One MIZUHO”

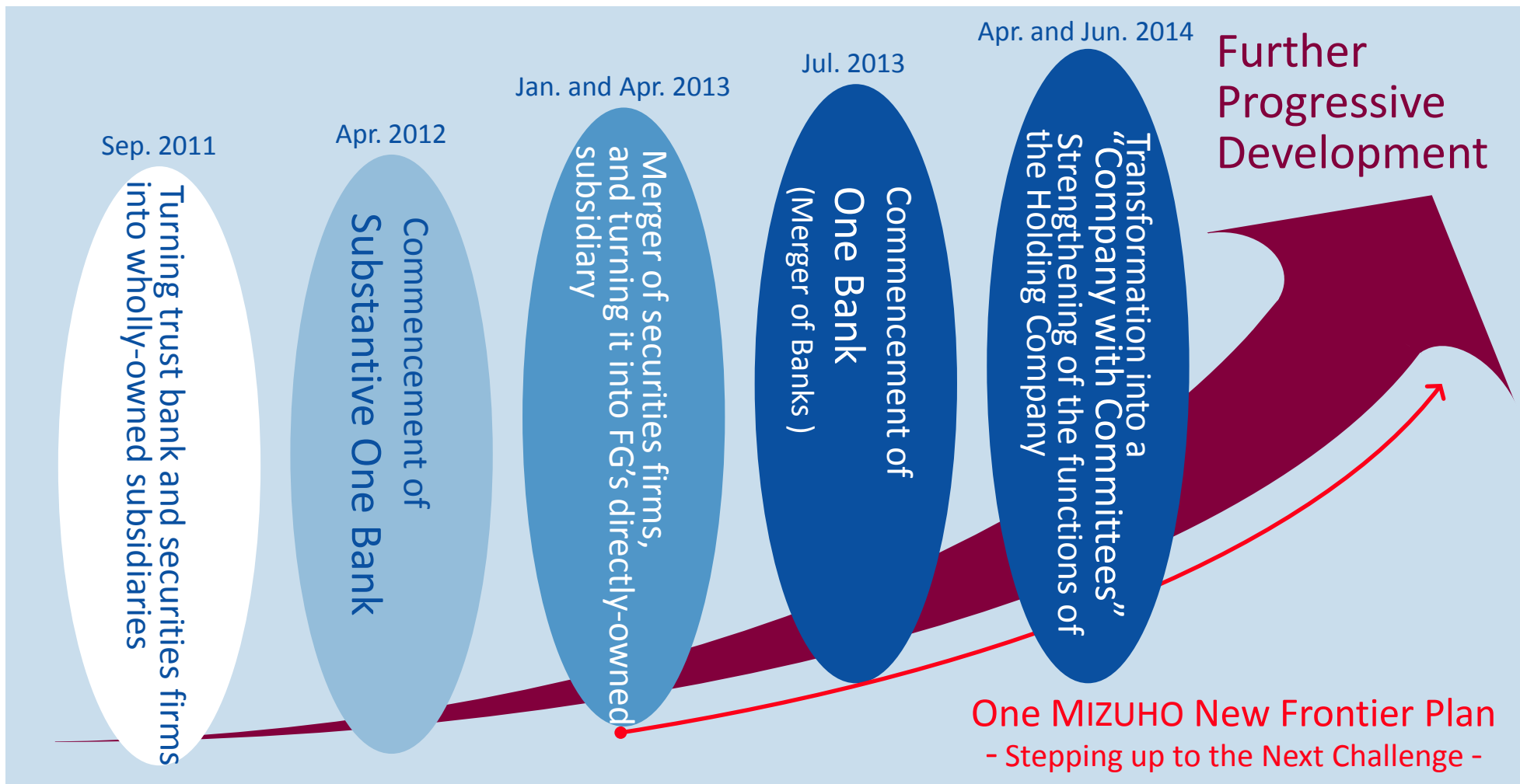
(1) Seek for Sustainable Growth

(2) Actions on New Focus Areas

(3) Enhancement of Governance System and  
Transformation of Corporate Culture

(Financial Information)

## Steadily promote transformation to an advanced integrated group management



1. Economic Environment Surrounding Japanese Banks

2. Progress of Medium-term Business Plan

3. Further Progressive Development of “One MIZUHO”

(1) Seek for Sustainable Growth

(2) Actions on New Focus Areas

(3) Enhancement of Governance System and  
Transformation of Corporate Culture

(Financial Information)

## Secure the customer base and seek transaction depth by providing optimal services

**Asset Building Stage**  
Secure the customer base that will lead to future growth of business opportunities

Differentiate against other banks by enhancing product quality and convenience

- Increase both customer numbers (quantity) and range of transactions (quality) (seek volume in transactions such as main settlement accounts)

**Asset Management Stage**  
Seek transaction depth by providing wide range of services across banking, trust and securities businesses on a one-stop basis

Increase asset balance on a unified basis across banking, trust and securities businesses

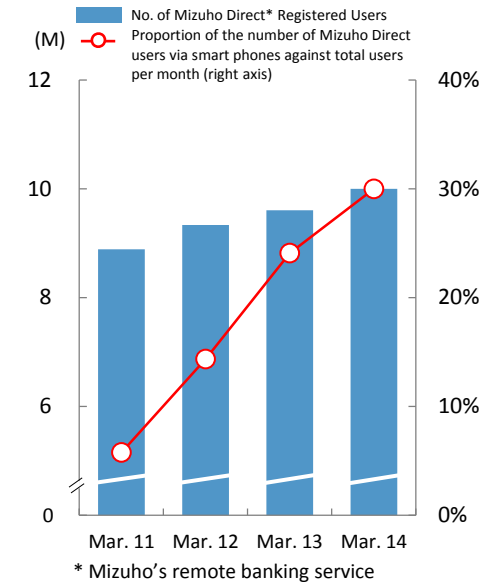
- Increase the number of customers of which assets are retained on a group basis and steadily increase the balance of assets under management

### ATM Network

**No. 1 ATM Network among Japanese Megabanks:**  
Approx. **6,350**  
(as of Jul. 2014)

- No. 1 ATM Network among Japanese Megabanks
- Covering locations reaching all aspects of the lives of our customers through our alliance with AEON Group

### Internet Banking

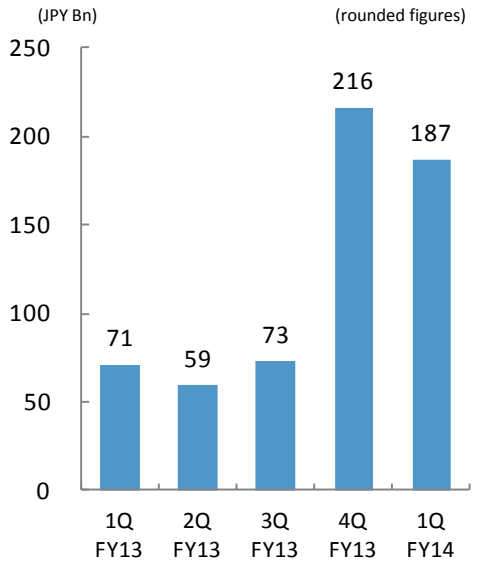


### NISA Product Range and Services

**No. of NISA Applications across the Group:**  
Approx. **510K**  
(as of Jun. 2014)

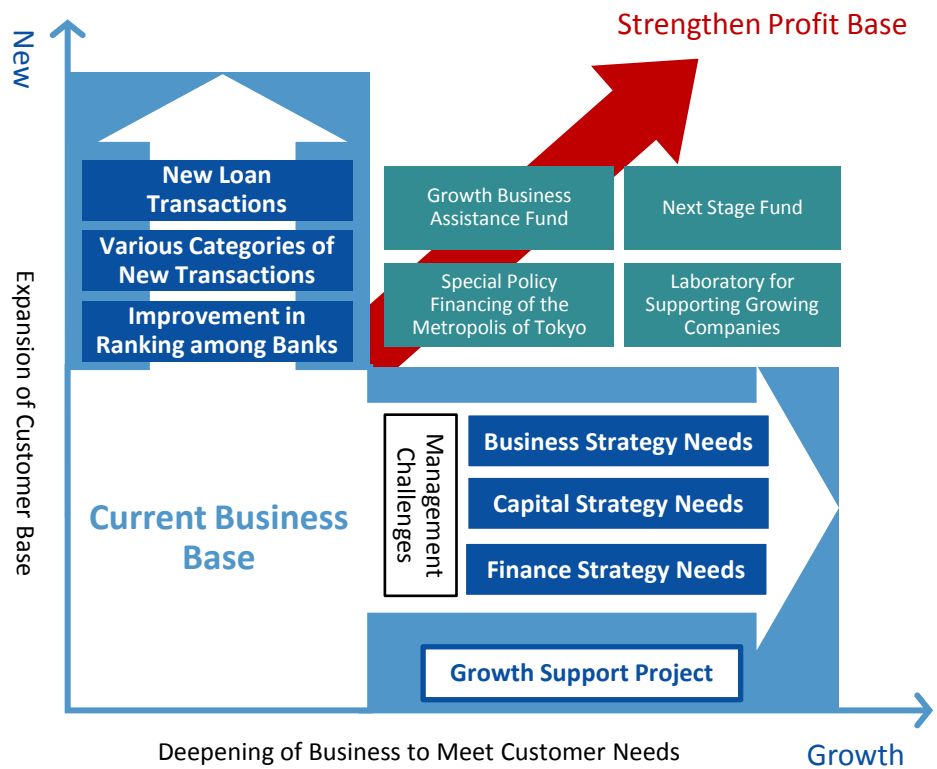
- i-mizuho Index Fund Series
  - Broad and easy-to-understand product range
  - Low cost (industry leader)
- Salary Deduction Scheme: Promoting save-to-invest scheme for salary earners (only such scheme among Japanese Megabanks)

### Net Inflow of Client Assets (SC Retail)



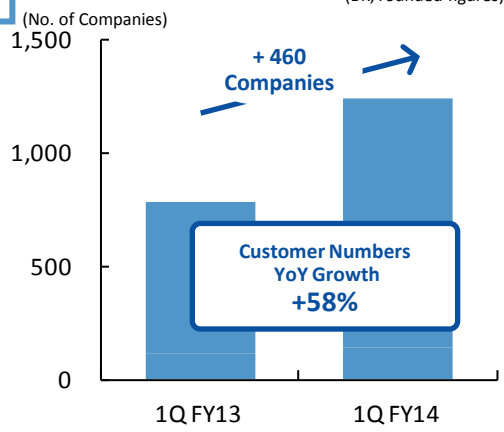
## Seek sustainable growth by pursuing "new x growth business" initiatives to expand the business base

Pursue *market-in* (customer oriented) type of business promotion that provides solutions to meet customer needs

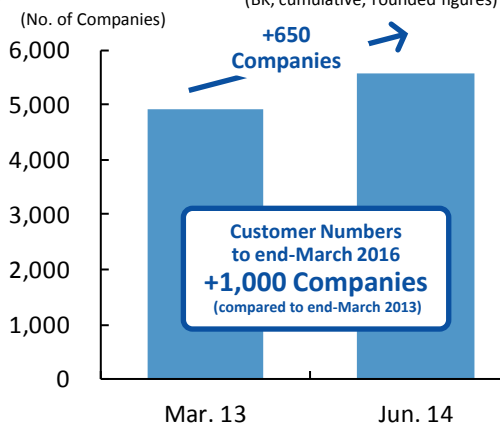


**Growth Support** Growth Support Project Track Record: 90 Deals (1Q FY14)

No. of Corporate Customers (SME and others) to which Loans are Newly Executed (BK, rounded figures)



No. of Japanese Customers supported for Overseas Expansion (Asia) (BK, cumulative, rounded figures)



### League Tables (Apr. to Jun. 2014)

Category	Rank among Japanese Banks
Syndicated Loans (Japan) <sup>*1</sup>	No. 1
M&A Advisory (Japanese companies) <sup>*1*2</sup>	No. 1
Overall ABS Bookrunner <sup>*1*3</sup>	No. 1
Defined Contribution Pension Plan (policyholders) <sup>*4</sup>	No. 1

\*1: Source; Thomson Reuters \*2: Publicly announced deals regarding Japanese corporations including companies whose parent companies are domiciled in Japan excluding real estate deals \*3: Including ABS/MBS deals \*4: Source; *Newsletter on Pensions and Investment* published by Rating and Investment Information, Inc. (May 2014)

## Create and develop new business utilizing Mizuho's advantages

### Renewable Energy

#### Establishment of Mizuho Mega Solar Fund

- Support solar power generation operators through equity investment
- Investment track record: Two deals

Fund Size:  
Approx. JPY 5.0Bn

#### Trust Arrangement for Solar Power Projects

- Mizuho is the first trust bank to provide asset administration functions to a renewable energy operator

### Agriculture, Forestry and Fisheries

#### Participation in Sixth Industry Funds

- Support producers and agricultural businesses through management assistance and investment
- Investment track record: Four deals

Ten Funds:  
Total of JPY 12.6Bn  
(including investment from A-FIVE<sup>\*1</sup>, etc.)

Considering establishing an investment fund with the Gulf Investment Corporation to support exports of Japanese agricultural and fishery products to Middle Eastern countries

### Infrastructure

#### Investment in Private Finance Initiative Promotion Corporation of Japan

- Promote infrastructure development, etc.
- Mizuho closely involved in the establishment of the fund as a representative of the founders

Fund Size:  
Up to approx. JPY 400.0Bn<sup>\*2</sup>

#### Investment in Japan Infrastructure Investment Partners

- Invest in large infrastructure projects globally
- Joint investment with Mitsubishi Corporation and Japan Bank for International Corporation (JBIC)
- Investment track record: Two deals

## Mobilizing Mizuho's customer base, industry knowledge, and products capability

### Investment in Regional Healthcare Industry Support Fund

- Support regional medical, nursing-care and other related business
- Newly established this September

Fund Size:  
Up to approx. JPY 10.0Bn

### Investment in Medical Device Business Incubation Fund

- Develop seed (early-stage) technologies to commercialization
- Joint investment with the Innovation Network Corporation of Japan (INCJ)
- Investment track record: One deal

Fund Size:  
Up to approx. JPY 6.0Bn

### Investment in Cool Japan Fund

- Promote commercialization and overseas expansion of Japanese content such as clothing, food, accommodation, and contents (cartoon animation, etc.)
- Mizuho closely involved in the establishment of the fund as a representative of the founders

Fund Size:  
Up to approx. JPY 180.0Bn<sup>\*3</sup>

<Outbound>  
SME's overseas expansion

<Inbound>  
Increase in no. of visitors

### Establishment of Mizuho ASEAN PE Fund

- Support overseas expansion of Japanese companies including SMEs by investing in local companies in the ASEAN region
- JBIC and Dai-ichi Life Insurance Company also invested in this fund
- Investment track record: Three deals

Fund Size:  
Up to approx. USD 200M

### Medical

### Cool Japan

### Asia

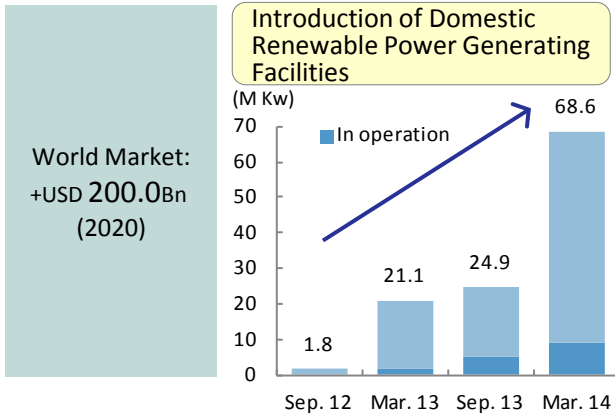
\*1: A-FIVE: Agriculture, Forestry and Fisheries Fund Corporation for Innovation, Value-chain and Expansion Japan

\*2: Equity, etc. JPY 74.4Bn + Fiscal Investment and Loans JPY 321.2Bn (FY2014 Fiscal Investment and Loan Program) \*3: Equity JPY 90.0Bn (maximum) + Debt JPY 90.0Bn (available up to the same amount as equity)



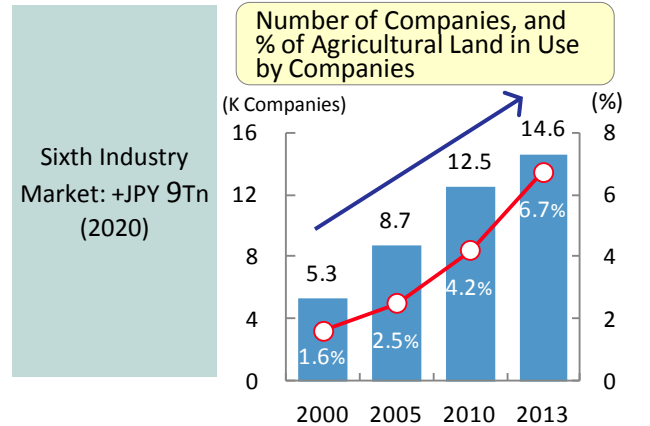
## Reference: Future Market Potential and Progress to Date

### Renewable Energy



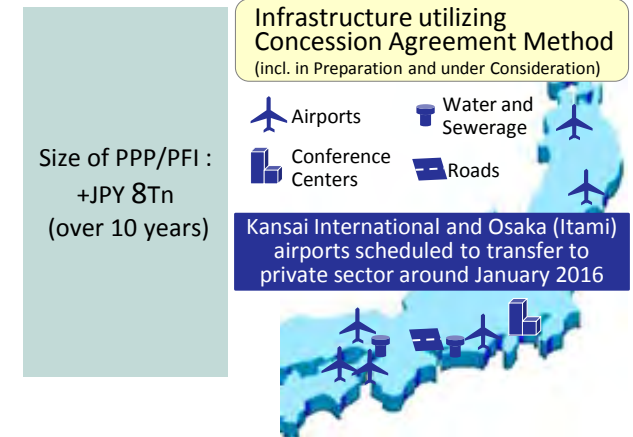
Source: Agency for Natural Resources and Energy

### Agriculture, Forestry, and Fisheries

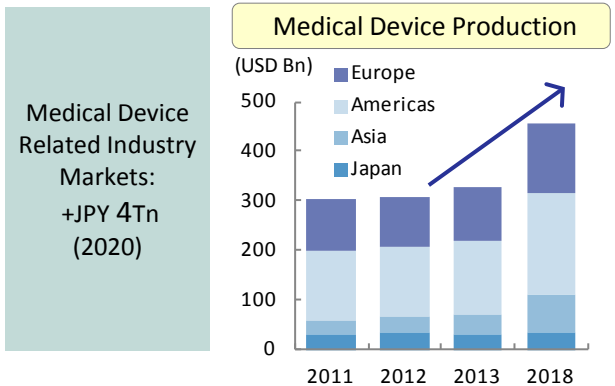


Source: Ministry of Agriculture, Forestry and Fisheries

### Infrastructure

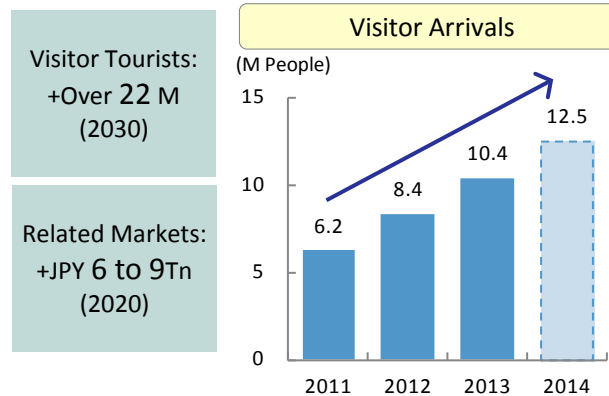


### Medical



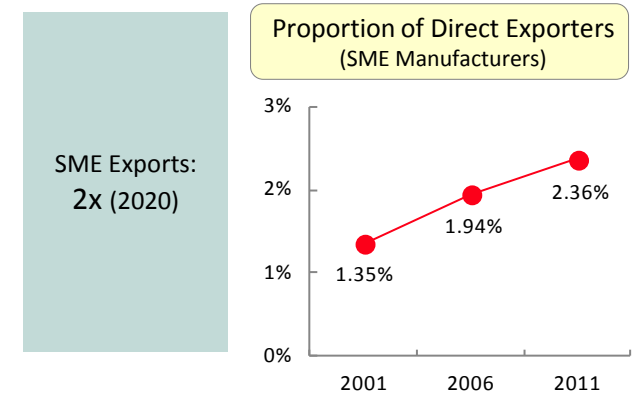
Source: Prepared by BK Industry Research Division based on Espicom

### Cool Japan



Source: Japan National Tourist Organization. 2014 results to June converted to annual basis

### Asia



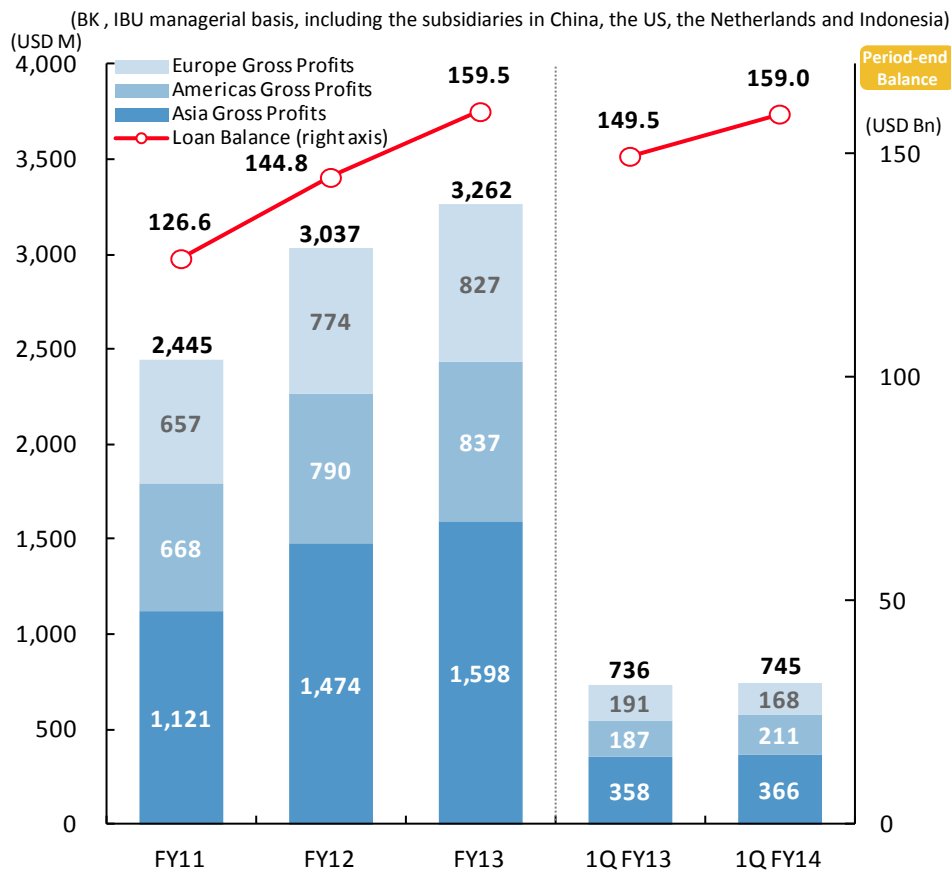
Source: Ministry of Economy, Trade and Industry

(Note) Comparisons to actual results for 2010 (Size of PPP/PFI and Visitor Tourists are compared to 2012).

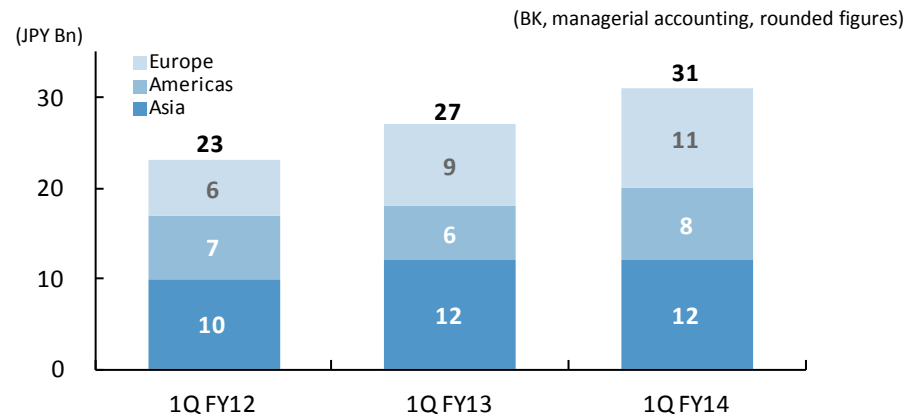
Figures for sizes of markets have been calculated by FG based on the Japan Revitalization Strategy and Japan Revitalization Strategy Revised in 2014 (world renewable energy market was calculated based on *Mizuho Industry Focus* issued in 2012)

## Both Net Interest and Non-interest Income are growing favorably in overseas business

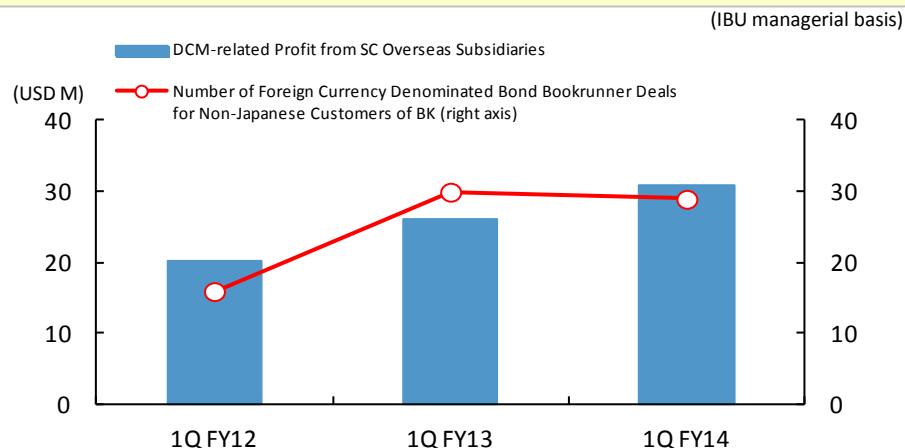
### Overseas Gross Profits (Customer Groups) and Loan Balance



### Overseas Non-interest Income (Customer Groups)



### DCM-related Profit from Banking-Securities Cooperation



**Aim to Increase Gross Profits in FY2015 by approx. 30% (vs. FY12)**

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

## Strengthen and expand blue-chip non-Japanese customers focus strategy (toward Super 50)

### Key Selection Criteria for Super 30

Super 30: Select approx. 30 non-Japanese customers for focused business promotion at each of the 4 overseas regional unit (total of approx. 120)

**Business Diversity**

Intensive business promotion for a wide range of transactions other than loans (forex, transaction banking, DCM, ECM, M&A, etc.)

Long-term Commitment through Sharing of Business Strategy

**Close Relationship with Top Management**

Relationship enabling constant contact with top management

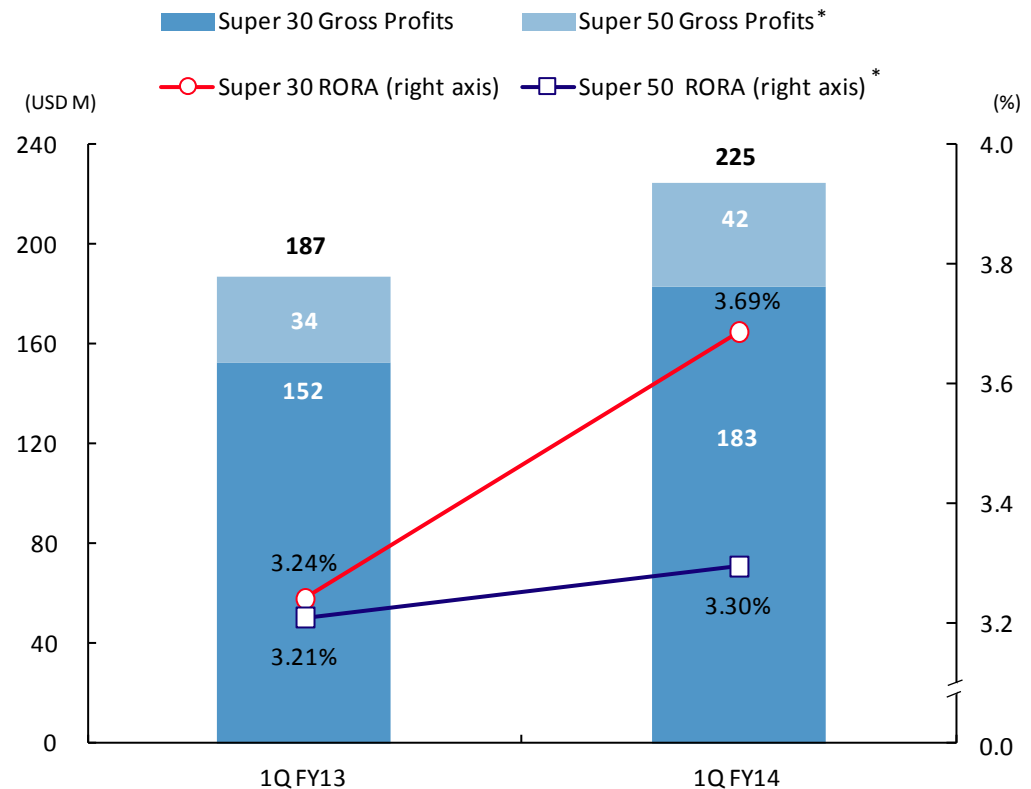
**Credit Stability**

Blue-chip corporations leading their respective industries

Expand from Super 30 to Super 50

### Profitability of Super 30 and Super 50 Customers

(IBU managerial basis, including synergy effects with securities functions, etc.)



\* Gross Profits/RORA from Super 50 customers excluding those from Super 30 customers

## Strengthen overseas business portfolio by utilizing network expansion and alliance strategies

	Commercial Banking	Investment Banking / Securities	Asset Management / Others	
Asia	<b>BK 42 Offices</b> <p><b>Recent Developments</b></p> <ul style="list-style-type: none"> <li>Myanmar Yangon Representative Office</li> <li>Cambodia Phnom Penh Representative Office</li> <li>China <b>Changshu Sub-branch</b> <span>New</span> <ul style="list-style-type: none"> <li>Hefei Branch</li> <li>Tianjin Heping Sub-branch</li> <li>Kunshan Sub-branch</li> <li>Shanghai Pilot Free Trade Zone Sub-Branch</li> </ul> </li> <li>India Bangalore-Devanahalli Branch</li> <li>Chennai Branch</li> <li><b>Ahmedabad Branch</b> <span>New</span> (approval obtained)</li> </ul>	<b>Major Capital Investments and Alliances</b> <ul style="list-style-type: none"> <li>S. Korea Shinhan Financial Group</li> <li>China <b>CITIC Group</b> <span>New</span></li> <li>Vietnam Vietcombank</li> <li>S. Korea Korea Development Bank</li> <li>India State Bank of India</li> <li>Malaysia Maybank</li> <li>Philippines BPI</li> <li>Laos BCEL</li> <li>Mongolia TDB</li> <li>Indonesia BNI</li> <li>Cambodia Canadia Bank</li> <li>Maybank</li> <li>Myanmar Ayeyarwady Bank</li> <li>Sri Lanka <b>Bank of Ceylon</b> <span>New</span></li> </ul>	<b>SC 6 Offices</b>	<b>DIAM 2 Offices</b> <ul style="list-style-type: none"> <li>Automotive Loans, etc.                             <ul style="list-style-type: none"> <li>Mizuho Balimor Finance (Indonesia)</li> </ul> </li> <li>Asset Management                             <ul style="list-style-type: none"> <li>BlackRock</li> </ul> </li> <li>Settlement Business                             <ul style="list-style-type: none"> <li>China UnionPay</li> </ul> </li> </ul>
	Americas	<b>BK 19 Offices</b> <ul style="list-style-type: none"> <li>Brazil Banco Mizuho do Brasil</li> <li>Canada Calgary Office</li> <li>Chile <b>Santiago Representative Office</b> <span>New</span> (approval obtained)</li> </ul>	<ul style="list-style-type: none"> <li>USA Wells Fargo Bank</li> <li>Brazil Itau Unibanco</li> <li>Mexico Banco Santander</li> </ul>	<b>SC 1 Office</b> <ul style="list-style-type: none"> <li><b>M&amp;A IB Boutique</b></li> <li>Evercore Partners</li> </ul>
EMEA		<b>BK 18 Offices</b> <ul style="list-style-type: none"> <li>South Africa Johannesburg Representative Office</li> </ul>	<ul style="list-style-type: none"> <li>UAE Mashreqbank</li> <li>Russia Sberbank</li> <li>South Africa Standard Bank</li> <li>Turkey Akbank</li> <li>Qatar QNB</li> </ul>	<b>SC 2 Offices</b>

(Note) Office numbers include overseas subsidiaries

(As of August 31st, 2014)

1. Economic Environment Surrounding Japanese Banks

2. Progress of Medium-term Business Plan

3. Further Progressive Development of “One MIZUHO”

(1) Seek for Sustainable Growth

**(2) Actions on New Focus Areas**

(3) Enhancement of Governance System and  
Transformation of Corporate Culture

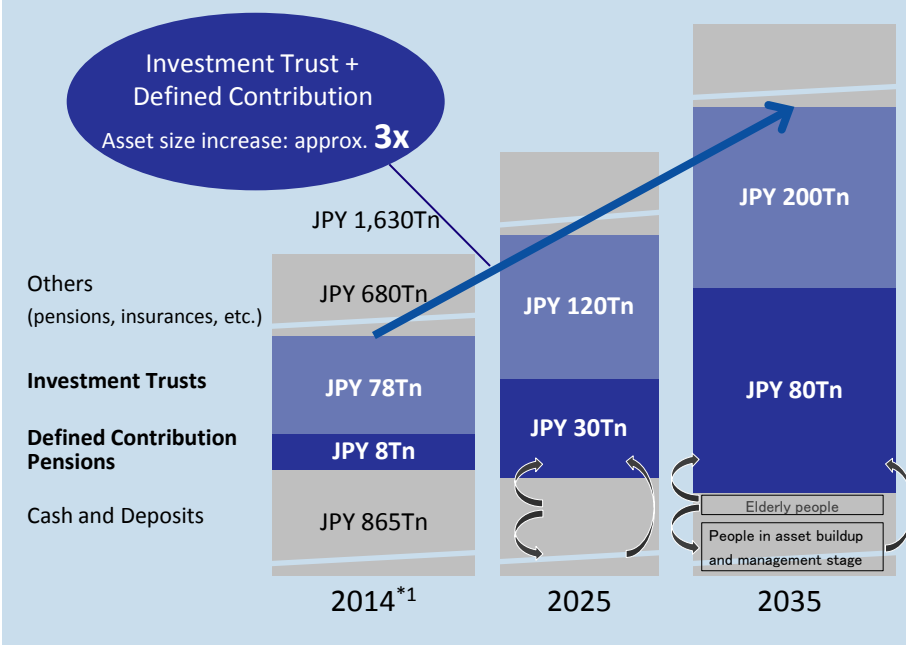
(Financial Information)

## Lead development and invigoration of growing domestic asset management market

### Projection for the Asset Management Market in Japan

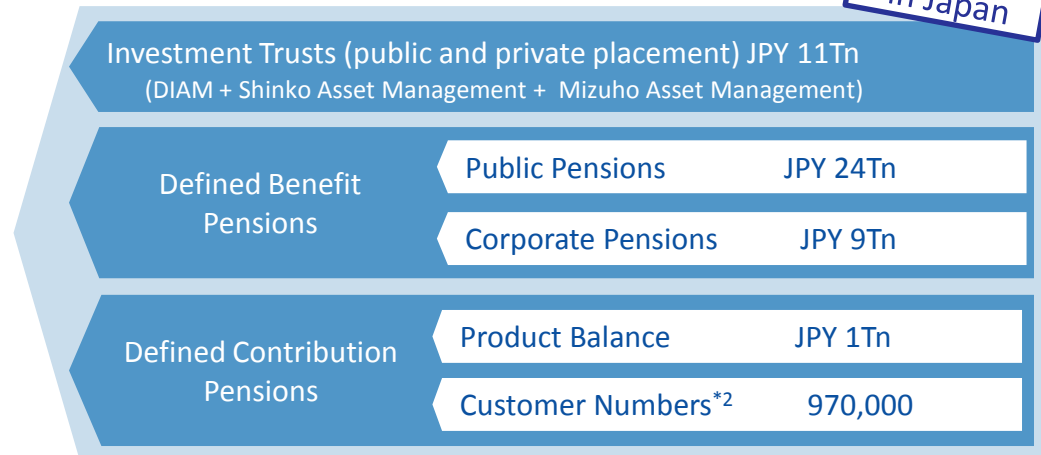
- Shift from savings to long-term investments (NISA, Defined Contribution Pensions, wrap accounts, etc.)
- Transfer of assets from the elderly to working generations

### Market Growth associated with Financial Invigoration in Japan



### Mizuho's Position (March 2014)

Top class in Japan



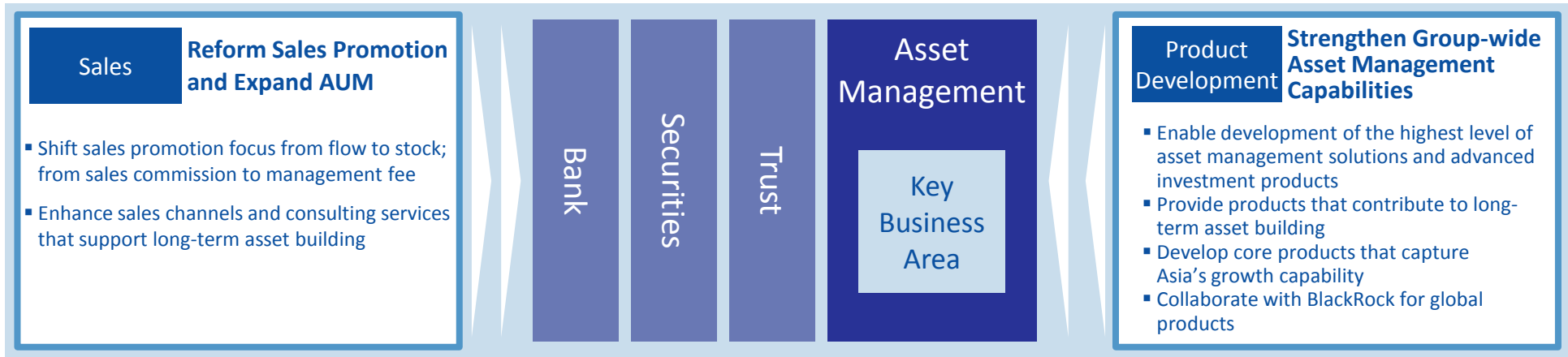
### Significance of Strengthening Asset Management for Mizuho

- Expectations of market expansion and **profit pool growth**
- Strengthening of group-wide profit** through cooperation across banking, trust, securities and asset management businesses
- Establishment of a **new competitive edge** against competitors

(Note) Estimate by FG. Assumptions in calculation of market growth include gradual inflation, sound national finances, and expansion of preferential treatment of tax on investment (NISA, defined contribution pensions, etc.)  
 \*1: Bank of Japan Flow of Funds Accounts Statistics (1Q 2014, preliminary) \*2: Number of individuals of corporate customers, who designate Mizuho as an administrator for their pension fund. As of April 2014

## Strengthen asset management as a key business area along with banking, trust and securities through group-wide promotion

- Take advantage of our strengths as an integrated financial group with capabilities to provide comprehensive services spanning from product development to sales
- Respond appropriately to wide-ranging customer needs, from individuals to institutional investors



Toward a financial group that provides the highest quality solutions, with an aim to meet the asset management needs of a broad range of customers both in Japan and overseas

To be a leader in the invigoration of the financial assets of individuals

Become the representative institutional investor in Asia

Promote diversification of asset allocation of pension funds

## Decide investment against 3 key points on a case-by-case basis

**Investment**

- No up-front budgeting  
– Consider on a case-by-case basis
- Constantly watch for investment opportunities



“Strengthening of Stable Capital Base”  
and  
“Steady Returns to Shareholders”

### Key Points of Consideration in relation to M&A Deals

1	Strategic fit	<ul style="list-style-type: none"> <li>▪ Highest priority on strengthening banking, trust, securities and asset management businesses</li> </ul>						
	<table border="1"> <tr> <td data-bbox="462 733 1019 833">Bank, trust, securities, asset management</td> <td data-bbox="1044 654 1355 715">Japan</td> <td data-bbox="1363 654 1674 715">Overseas</td> </tr> <tr> <td data-bbox="462 839 1019 925">Other Finance</td> <td data-bbox="1044 721 1355 833">Focus Area</td> <td data-bbox="1363 721 1674 833"></td> </tr> </table>	Bank, trust, securities, asset management	Japan	Overseas	Other Finance	Focus Area		
Bank, trust, securities, asset management	Japan	Overseas						
Other Finance	Focus Area							
2	Reasonability of price	<ul style="list-style-type: none"> <li>▪ Consider factors such as capital deductions, goodwill and impact on risk-weighted assets</li> <li>▪ Synergy effects</li> </ul>						
3	Appropriate governance	<ul style="list-style-type: none"> <li>▪ Deliberate on factors such as portion of ownership and relationship with other major shareholders</li> <li>▪ Governance structure of the target company</li> </ul>						



1. Economic Environment Surrounding Japanese Banks

2. Progress of Medium-term Business Plan

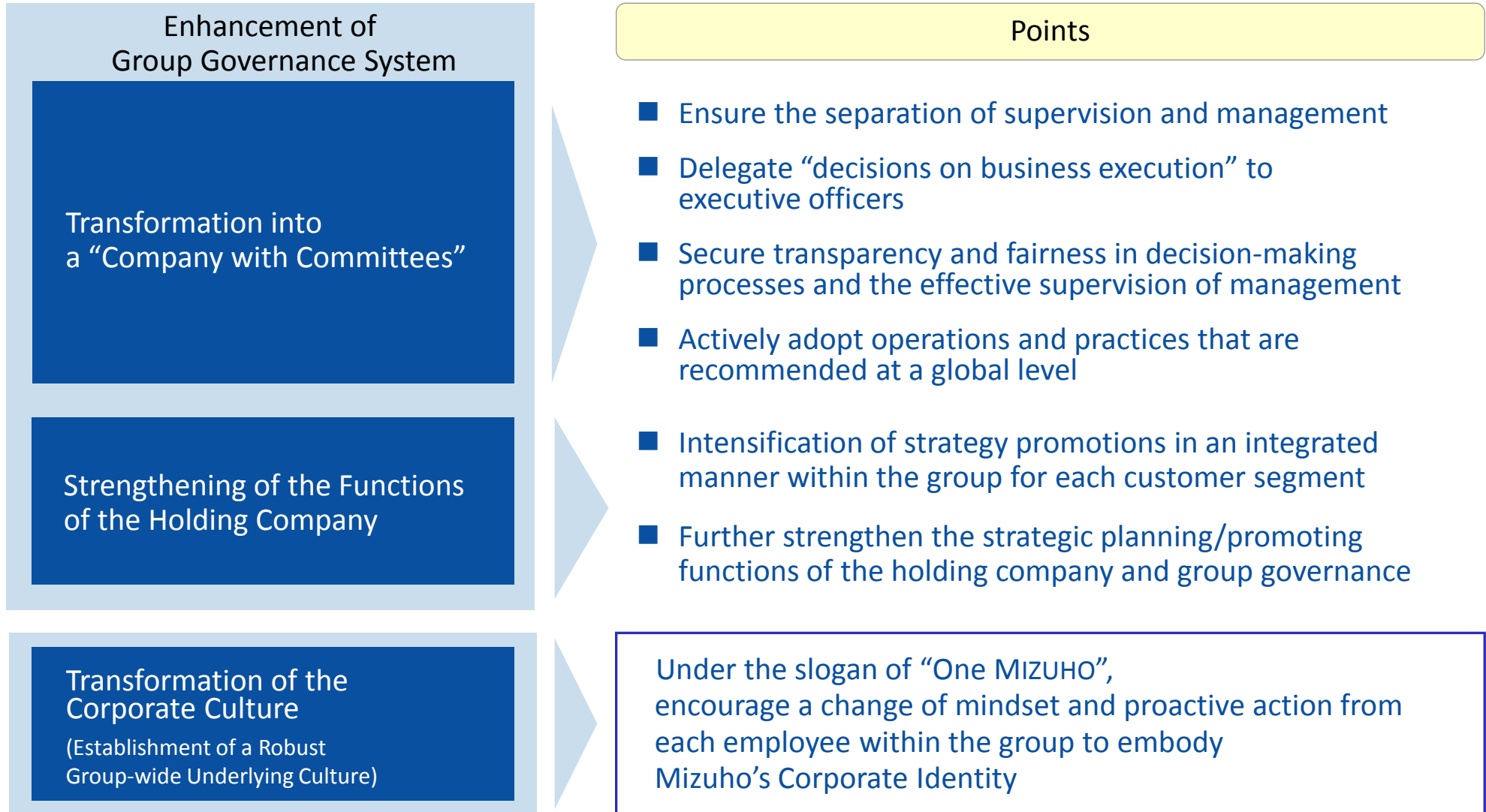
3. Further Progressive Development of “One MIZUHO”

(1) Seek for Sustainable Growth

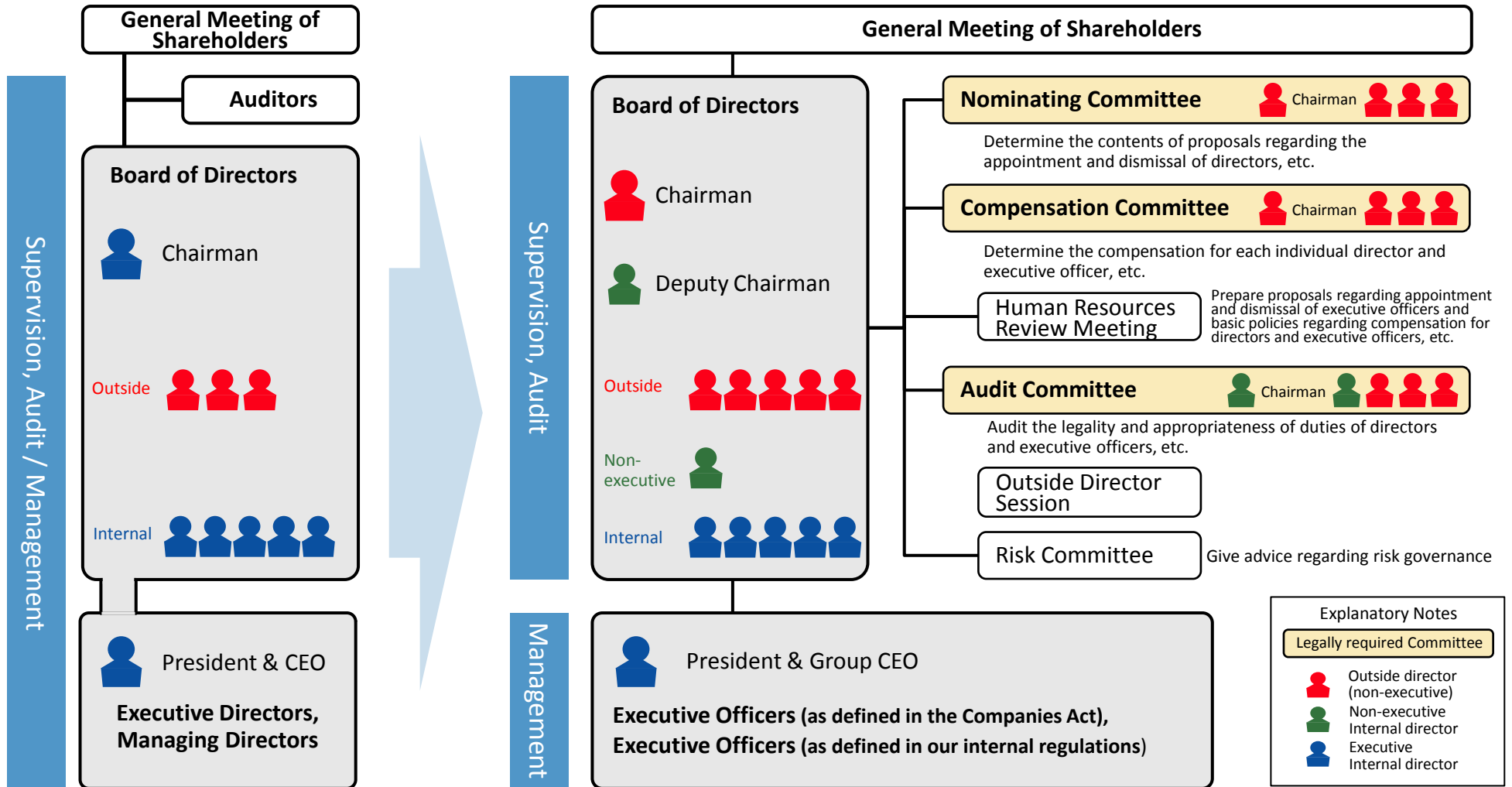
(2) Actions on New Focus Areas

**(3) Enhancement of Governance System and  
Transformation of Corporate Culture**

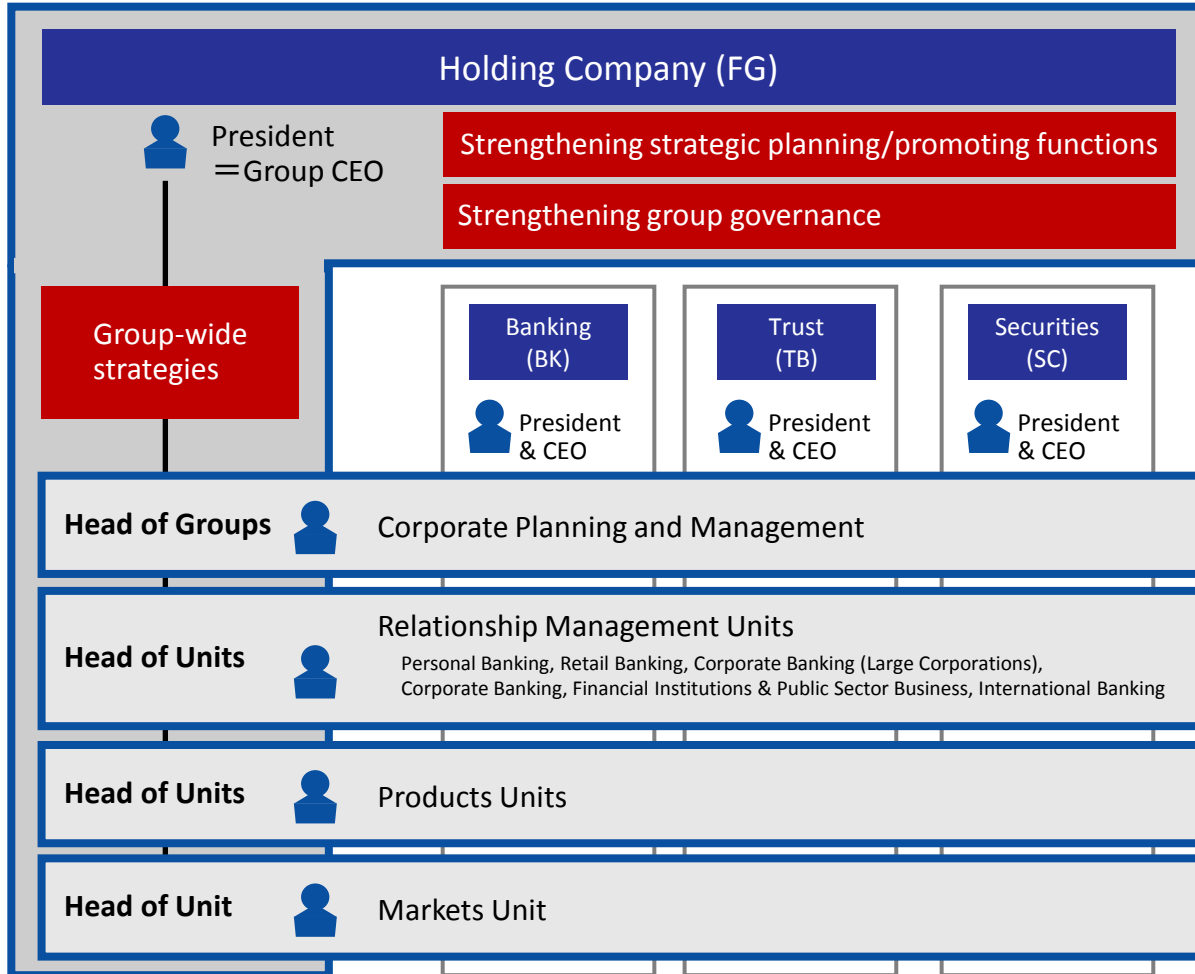
(Financial Information)



Board of directors focuses on supervising management and management makes quick and flexible business execution



## Further progressive development of group management systems



### Intensify strategies for each customer segment and secure prompt implementation

- **Further strengthen "control tower" functions of the holding company**
  - Head of Groups/Units based in the holding company develop group strategy
  - Group companies implement strategies in a unified and timely manner
- **Clarify respective roles of the holding company and its subsidiaries**
  - Clarify roles regarding authority in resource allocation and strategy development, etc.

**Further Progressive Development of One MIZUHO**

## Foster a sense of unity among management members and employees across the group as "One MIZUHO"

### Sense of Unity across the Group ("Horizontal" Sense of Unity)

#### Offsite Meeting of General Managers

Approx. 1,000 domestic general managers of BK, TB and SC assemble on a cross entity basis



### Branch/Division Vision "What We Aim to Be"

#### One MIZUHO DAY

Each branch/division discussed the progress of its action plan for FY13 and action plan for FY14



### Sense of Unity among Employees and Management Members ("Vertical" Sense of Unity)

#### Discussion Session between Management members and Employees

Management members including Group CEO visit all domestic and overseas branches/divisions



### "Opportunities" to Cultivate the Sense of Unity of the Group

#### Mizuho Volunteer Day



#### Live Match Viewing of Japan National Football Team



Dive for the ball!

Each employee shall put Mizuho Value into practice  
= Take a dive for the ball!

Mizuho's uniqueness: pursue differentiation forcefully  
by leveraging originality and implementation capabilities

## Unique Strategies

Progress of **integrated management between banking, trust and securities functions**

- Integrated group management that goes one step further

Fostering of **new growth industries**

- Strategic investments in public-private investment funds

**Super 30 strategy**

- Focus strategy that prioritizes relationship management with non-Japanese blue-chip customers

## Solid Business Base

Customer base in **Tokyo Metropolitan Area** and with **large corporations**

Unparalleled **financial products capabilities**

- Excellent financial products for individual customers in terms of both convenience and quality
- Leading track record for corporate finance

Overwhelming **industry knowledge**

- Leading industry research function among Japanese banks

**One MIZUHO**  
Building the future with you

## Capital Adequacy and Returns to Shareholders

**Sufficient level of capital**

- Common Equity Tier 1 Capital Ratio of 9.71%\*

Returns to shareholders in consideration of **dividend payout ratio**

**Estimated increase of dividends for 2 consecutive years**

## Advanced Governance System

Transformation into a **"company with committees"**

- Establishment of solid governance system

Strengthened **functions of the holding company**

Strengthening of basic strategies aligned by **business units**

- Group-wide management by customer segment and product

\* Fully-effective basis, including mandatory convertible preferred stock

1. Economic Environment Surrounding Japanese Banks

2. Progress of Medium-term Business Plan

3. Further Progressive Development of “One MIZUHO”

(1) Seek for Sustainable Growth

(2) Actions on New Focus Areas

(3) Enhancement of Governance System and  
Transformation of Corporate Culture

(Financial Information)

# Overview of 1Q FY2014

2 Banks	(JPY Bn)	1Q FY14 Results	YoY	FY14 Plan	vs. FY14 Plan
Net Business Profits		152.3	-22.5	725.0	21.0%
Gross Profits		370.5	-15.3		
Customer Groups		296.8	-1.8		
Trading & Others		73.7	-13.5		
G&A Expenses		-218.2	-7.1		
Credit-related Costs		31.2	-8.5	-50.0	+81.2
Net Gains (Losses) related to Stocks		11.7	-9.0	45.0	26.1%
Net Income		135.0	-85.4	465.0	29.0%
Consolidated	(JPY Bn)				
Difference b/w Consolidated and 2 Banks <sup>*1</sup>		19.7	-7.7	85.0	23.1%
Mizuho Securities		6.2	-11.0		
Net Income		154.7	-93.2	550.0	28.1%
Common Equity Tier 1 Capital Ratio <sup>*2</sup> (Fully-effective Basis)		9.71%	+0.63% (vs. Mar. 14)		

\*1: Consolidated – 2 Banks \*2: Including Eleventh Series Class XI Preferred Stock (balance as of Jun. 14: JPY 310.7Bn)

## Key Points

### ■ Favorable start to achieving FY2014 plan

- Consolidated Net Income amounted to JPY 154.7Bn, representing 28% progress against FY2014 plan
- Gross Profits from Customer Groups (2 Banks) were almost the same level as those for 1Q FY2013, which showed a strong performance in domestic Non-interest Income
- Gross Profits from Trading & Others (2 Banks) decreased YoY. However, 1Q results exceeded our plan mainly due to flexible operations by appropriately understanding the trend of declining market interest rates

### ■ One MIZUHO Synergy also progressed favorably

- Cumulative synergy effects up to 1Q FY2014 (15 months) amounted to +JPY 68Bn, representing 76% progress against the 3-year synergy target of +JPY 90Bn

### ■ Reversal of Credit-related Costs was recorded

- Continued to record a reversal of Credit-related Costs mainly due to an improvement in credit standing as a result of favorable performance of corporate customers

### ■ Reduction of stock portfolio remains an important issue

- Make efforts to dispose of stocks with consent from customers to sell and obtain new customer consent to sell stocks, in order to reduce to “approx. 25% against Tier 1 capital” by FY2015

### ■ Strengthening of Capital Base progressed steadily

- Common Equity Tier 1 Capital (CET1) Ratio on a fully-effective basis amounted to 9.71%<sup>\*2</sup>



# Overview of Profit and Loss Statement and Balance Sheet

## Profit and Loss Statement (1Q FY2014)

		(JPY Bn)		
(Consolidated)		1Q FY2014	YoY	1Q FY2013
1	Consolidated Gross Profits	504.2	-12.3	516.6
2	General and Administrative Expenses	-318.7	-15.2	-303.4
3	Consolidated Net Business Profits <sup>*1</sup>	176.8	-28.7	205.5
4	Difference b/w Consolidated and 2 Banks	24.4	-6.2	30.7
5	Consolidated Net Income	154.7	-93.2	247.9
6	Difference b/w Consolidated and 2 Banks	19.7	-7.7	27.4
(2 Banks)				
7	Gross Profits	370.5	-15.3	385.8
8	Net Interest Income	227.9	-13.8	241.7
9	Fiduciary Income	10.4	-0.0	10.4
10	Net Fee and Commission Income	76.7	1.4	75.3
11	Net Trading Income	16.6	7.4	9.2
12	Net Other Operating Income	38.7	-10.3	49.0
13	General and Administrative Expenses (excluding Non-Recurring Losses)	-218.2	-7.1	-211.0
14	Net Business Profits	152.3	-22.5	174.8
15	Credit-related Costs	31.2	-8.5	39.7
16	Net Gains (Losses) related to Stocks	11.7	-9.0	20.8
17	Ordinary Profits	181.2	-54.0	235.3
18	Net Income	135.0	-85.4	220.4

\*1: Consolidated Gross Profits - G&A Expenses (excluding Non-Recurring Losses)  
+ Equity in Income from Investment in Affiliates and certain other consolidation adjustments

## Balance Sheet (as of Jun. 2014)

		(JPY Bn)		
(Consolidated)		Jun. 2014	YoY	Mar. 2014
1	Total Assets	181,751.6	5,928.7	175,822.8
2	Loans and Bills Discounted	68,708.2	-593.1	69,301.4
3	Domestic (2 Banks) <sup>*2</sup>	54,801.6	-809.2	55,610.8
4	Overseas (2 Banks)	13,959.5	157.5	13,802.0
5	Securities	45,438.3	1,440.8	43,997.5
6	Japanese Stocks (Other Securities)	3,289.3	178.4	3,110.8
7	Japanese Gov't Bonds (Other Securities)	22,582.2	524.7	22,057.5
8	Foreign Bonds (Other Securities)	9,240.4	126.2	9,114.2
9	Total Liabilities	173,380.9	5,862.5	167,518.3
10	Deposits	88,869.0	-186.4	89,055.5
11	Negotiable Certificate of Deposit	15,821.9	3,066.1	12,755.7
12	Total Net Assets	8,370.6	66.1	8,304.5
13	Unrealized Gains/Losses on Other Securities <sup>*3</sup>	1,353.9	263.6	1,090.2
14	Disclosed Claims under the FRL <sup>*4</sup> (2 Banks) <sup>*5</sup>	910.8	-40.5	951.4
15	Non-Performing Loan Ratio (2 Banks) <sup>*5</sup>	1.17%	-0.04%	1.21%
16	Common Equity Tier 1 Capital Ratio (Phase-in Basis)	9.20%	0.40%	8.80%

\*2: Excluding loans to FG. Banking account

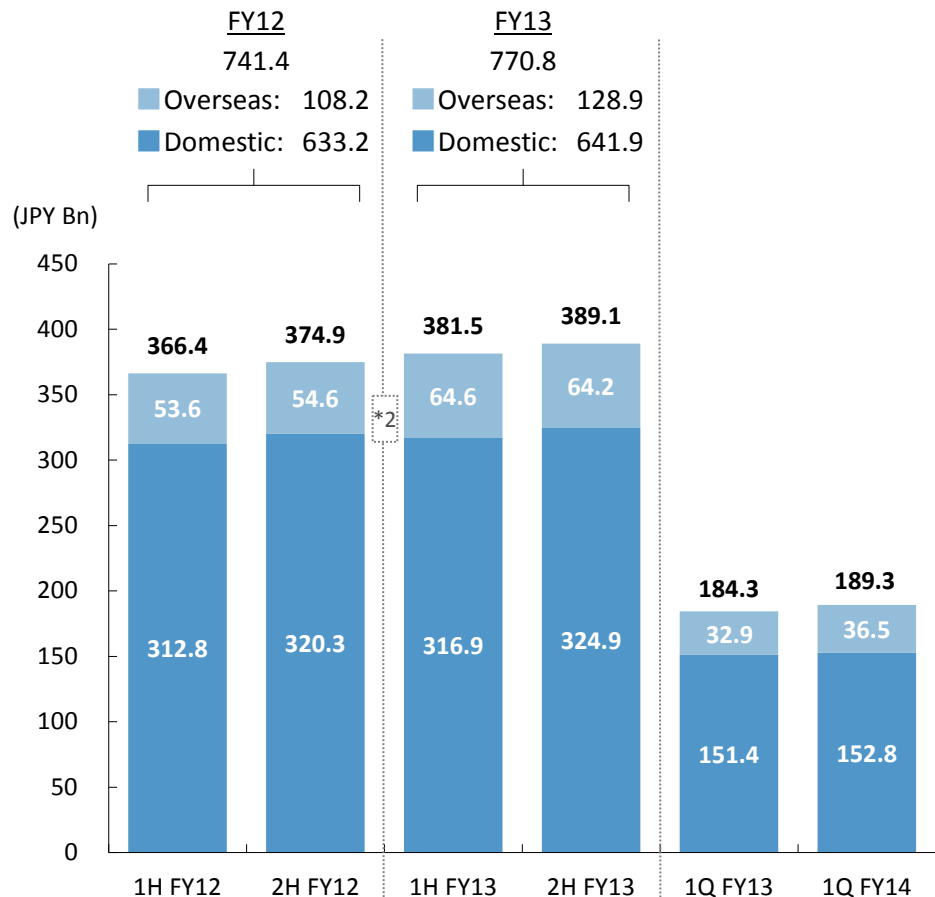
\*3: The base amount to be recorded directly to Net Assets after tax and other necessary adjustments

\*4: The Financial Reconstruction Law \*5: Banking Account + Trust Account

# Net Interest Income from Customer Groups

## Net Interest Income\*1

(2 Banks, managerial accounting)



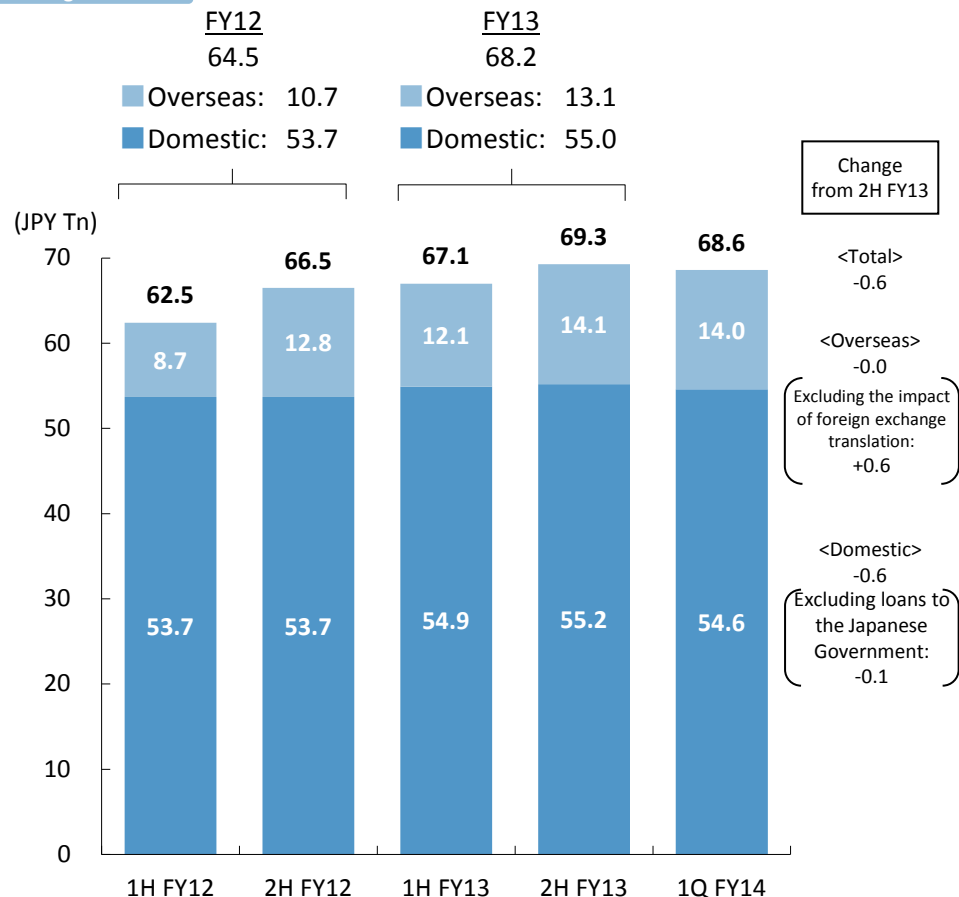
\*1: Domestic - Aggregate of income in BK Domestic Banking and TB Treasury Business  
Overseas - Income in BK International Banking

\*2: New managerial accounting rules have been applied to the calculation of Net Interest Income since 1H FY13. Figures for FY12 on this slide were recalculated based on the new rules. Net Interest Income based on the rules before revision were JPY 386.5Bn for 1H FY12 and JPY 384.0Bn for 2H FY12

## Loan Balance\*3

(2 Banks)

Average Balance

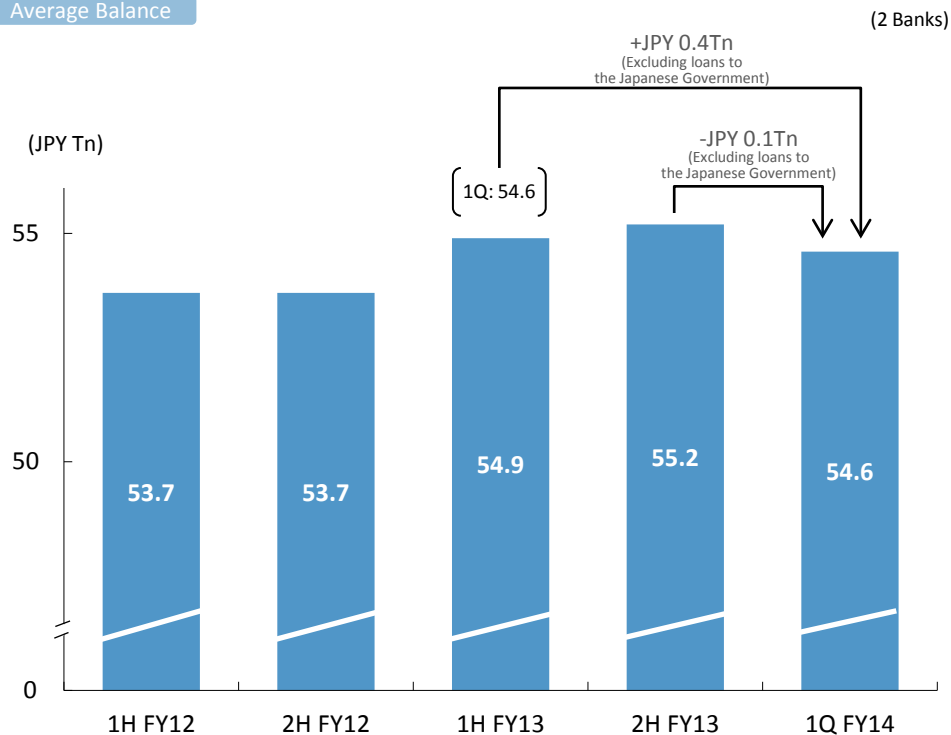


\*3: Excluding loans to FG. "Overseas" is calculated based on an aggregate of banking and trust account basis and represents loans booked at overseas offices, including the impact of foreign exchange translation

# Net Interest Income from Customer Groups: Domestic

## Domestic Loan Balance \*1

Average Balance



Period-end Balance

Period	Period-end Balance (JPY Tn)
Sep.12	53.7
Mar.13	55.1
Sep.13	55.0
Mar.14	55.6
Jun.14	54.8

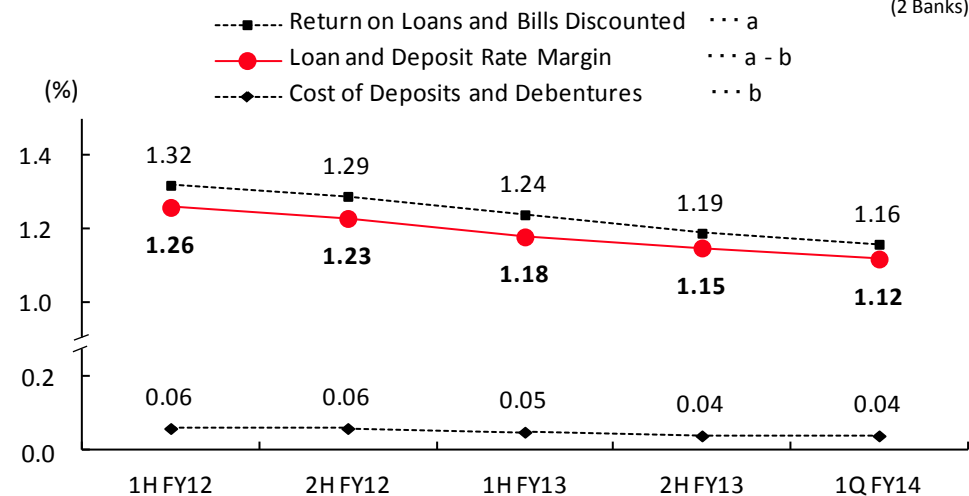
+JPY 0.0Tn (Excluding loans to the Japanese Government)

\*1: Excluding loans to FG. Banking account

\*2: Domestic Operations, excluding loans to financial institutions (including FG) and the Japanese Government

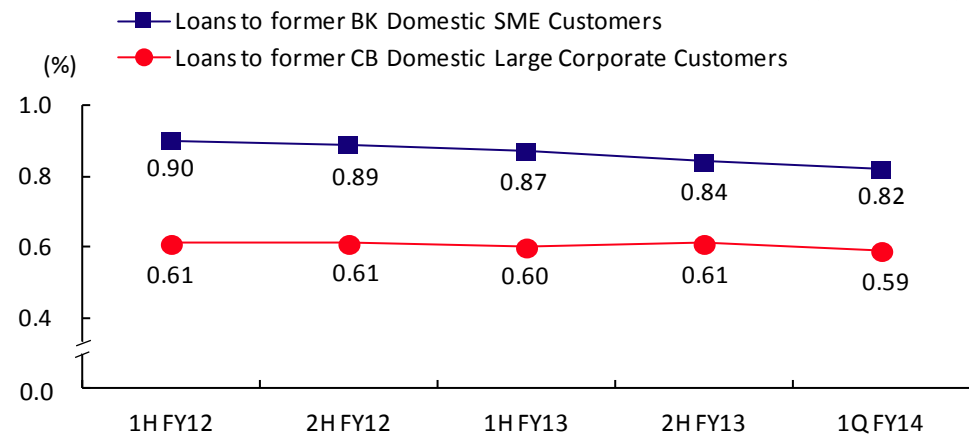
## Domestic Loan and Deposit Rate Margin \*2

(2 Banks)



## Loan Spread

(BK, managerial accounting)

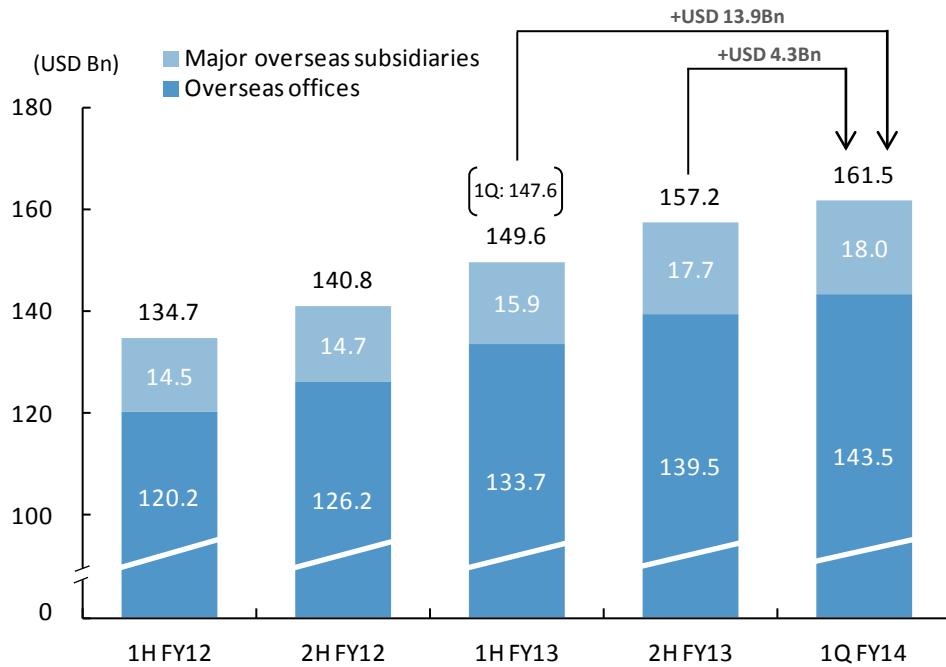


# Net Interest Income from Customer Groups: Overseas

## Overseas Loan Balance <sup>\*1 \*2</sup>

Average Balance

(BK, managerial accounting)



Period-end Balance

(USD Bn)

Period	Balance (USD Bn)
Sep. 12	138.9
Mar. 13	144.8
Sep. 13	152.1
Mar. 14	159.5
Jun. 14	159.0

\*1: BK, managerial accounting figures including the banking subsidiaries in China, the US, the Netherlands and Indonesia

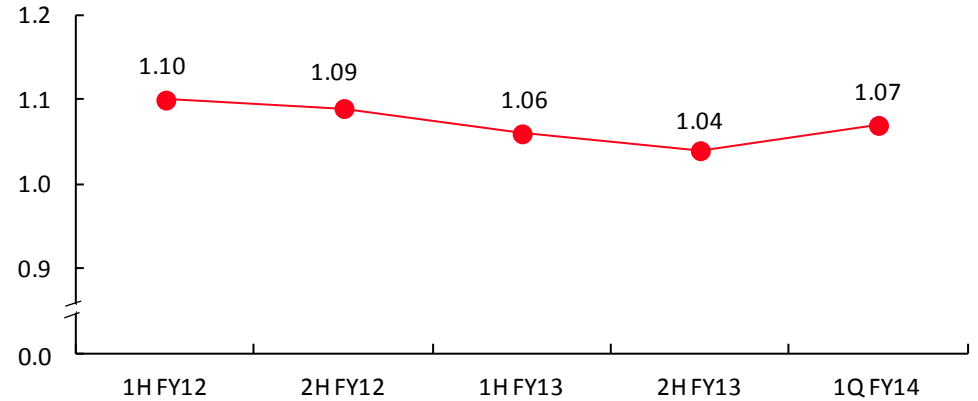
\*2: Period-end Balance as of Jun. 13: USD 149.5Bn

\*3: Including foreign currency deposits booked in domestic branches

## Loan Spread <sup>\*1</sup>

(%)

(BK, managerial accounting)

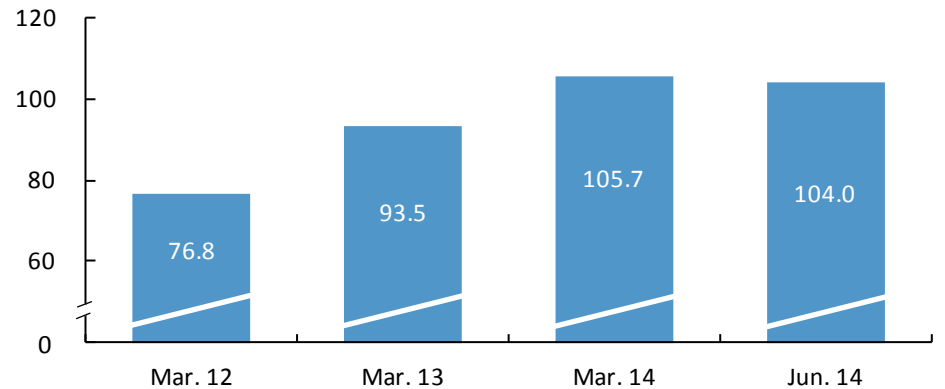


## Foreign Currency-denominated Customer Deposits <sup>\*3</sup>

Period-end Balance

(BK, managerial accounting)

(USD Bn)

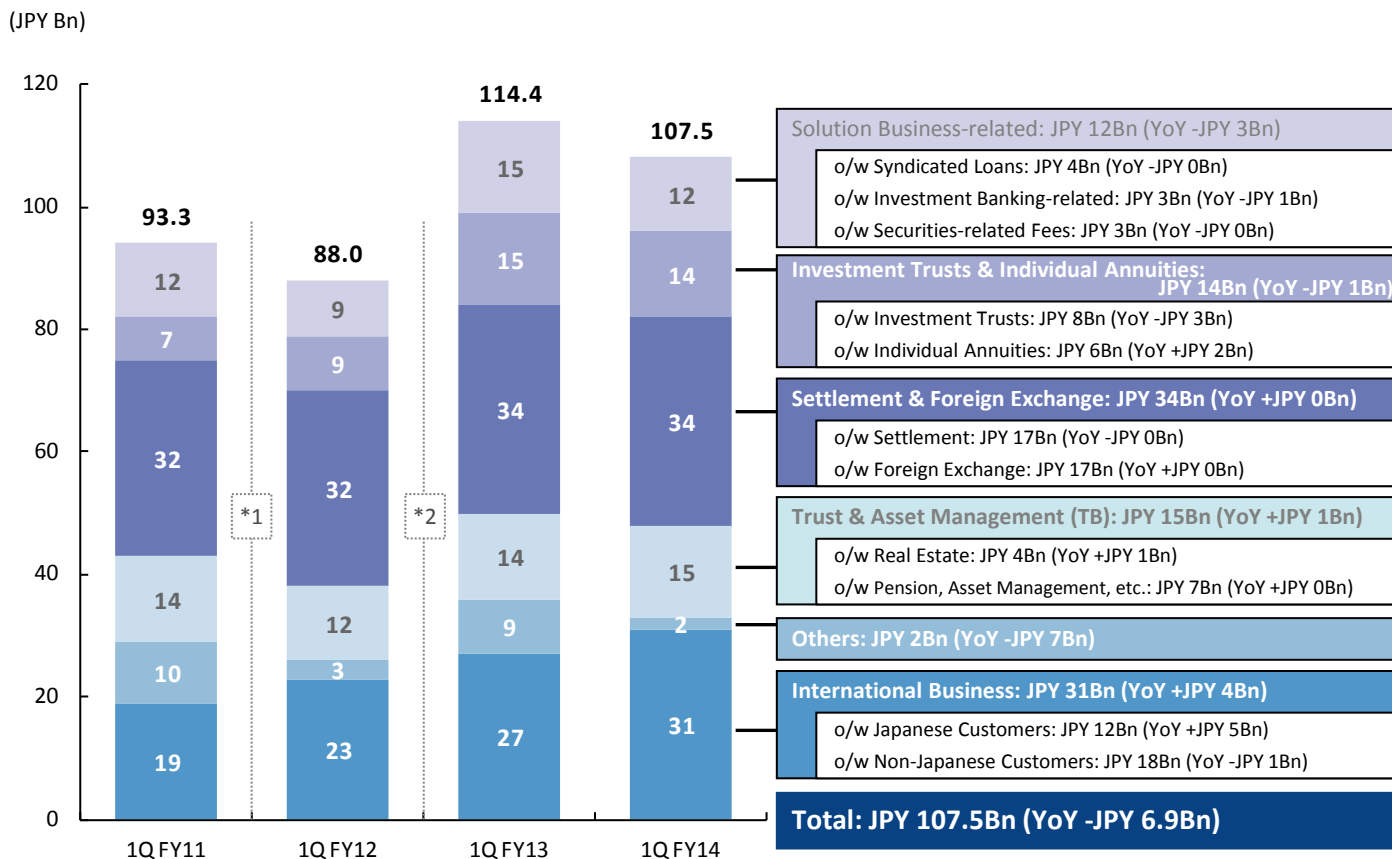


# Non-interest Income from Customer Groups

## Non-interest Income

(rounded figures other than total)

(2 Banks, managerial accounting)



\*1: Following the implementation of the substantive one bank structure, new managerial accounting rules were applied at the beginning of FY12.

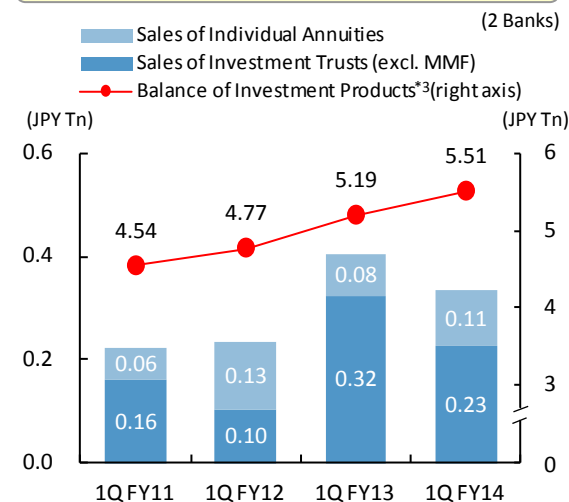
Figures for 1Q FY11 on this slide were recalculated based on the new rules (impact for 1Q FY11: approx. +JPY 10.0Bn)

\*2: New managerial accounting rules have been applied since the beginning of FY 13.

Figures for 1Q FY12 on this slide were recalculated based on the new rules (impact for 1Q FY12: approx. -JPY 6.0Bn)

\*3: Total of Individual Annuities, Investment Trusts (excl. MMF) and Foreign Currency Deposits

## Investment Products



## Syndicated Loans (Japan)

	Market Share
<b>1 Mizuho Financial Group</b>	<b>47.1%</b>
2 Sumitomo Mitsui Financial Group	25.8%
3 Mitsubishi UFJ Financial Group	18.2%
4 Sumitomo Mitsui Trust Holdings	1.7%
5 Crédit Agricole CIB	1.3%

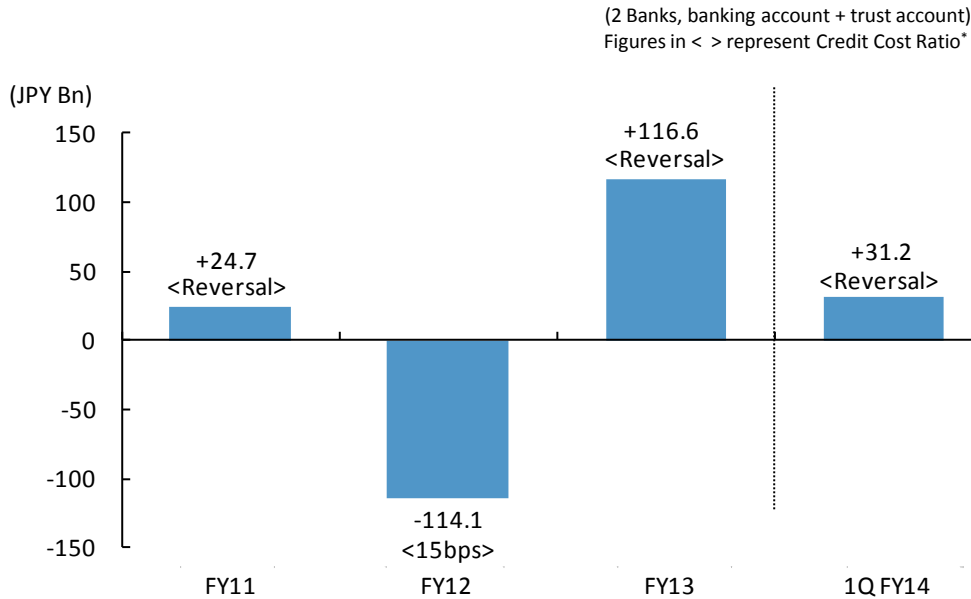
Apr.1st, 2014 - Jun. 30th, 2014

bookrunner basis, financial closing date basis

Source: Thomson Reuters, Japan Syndicated Loans Review

# Credit Portfolio

## Credit-related Costs



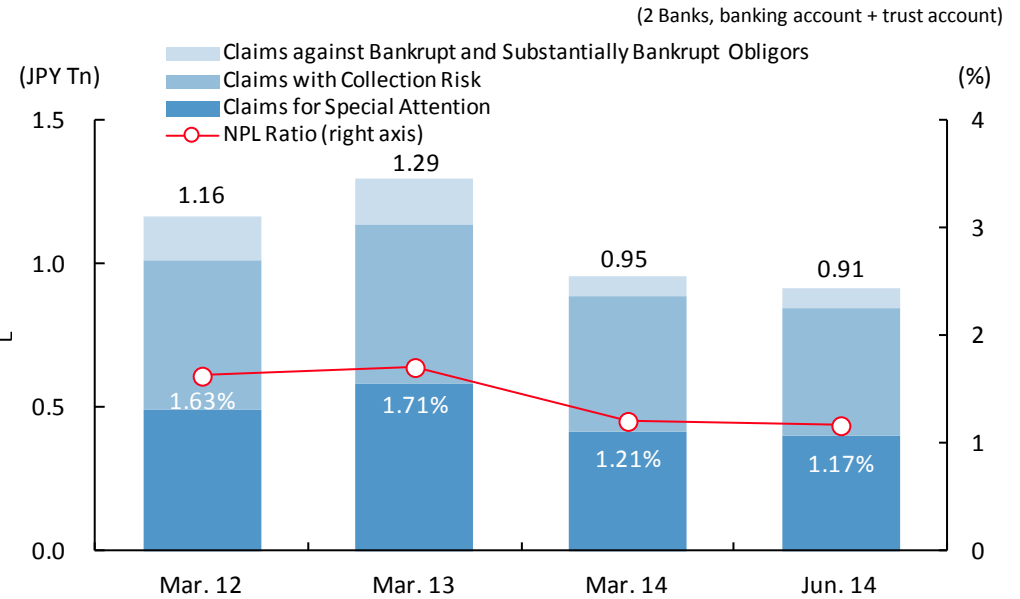
\* Credit Costs (annualized) / Total Claims (period-end balance, based on the Financial Reconstruction Law)

### Breakdown of Credit-related Costs

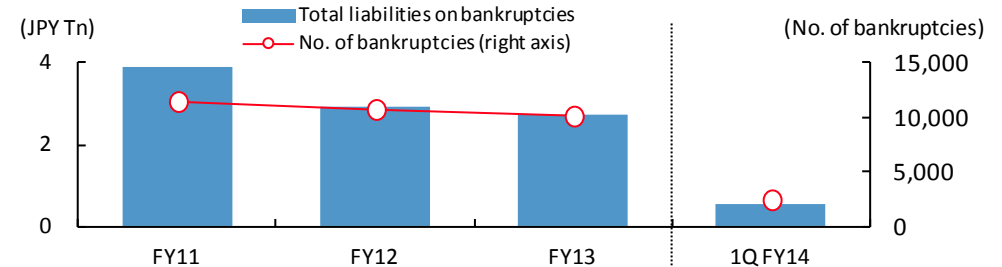
(2 Banks, banking account + trust account)

(JPY Bn)	FY11	FY12	FY13	1Q FY14
Expenses related to Portfolio Problems	-51.3	-81.4	-18.1	-3.5
Reversal of (Provision for) General Reserve for Possible Losses on Loans	7.8	-91.9	-	-
Reversal of Reserves for Possible Losses on Loans, etc.	68.2	59.2	134.8	34.7

## Disclosed Claims under the Financial Reconstruction Law



### (Reference) Domestic Bankruptcies



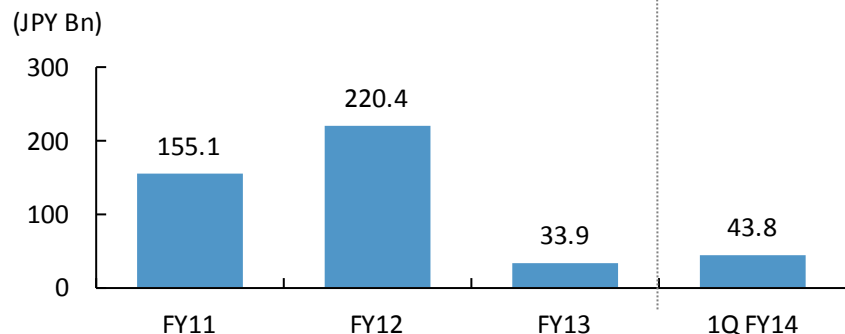
Source: Teikoku Databank

# Net Gains/Losses on Securities

## Net Gains/Losses on Securities

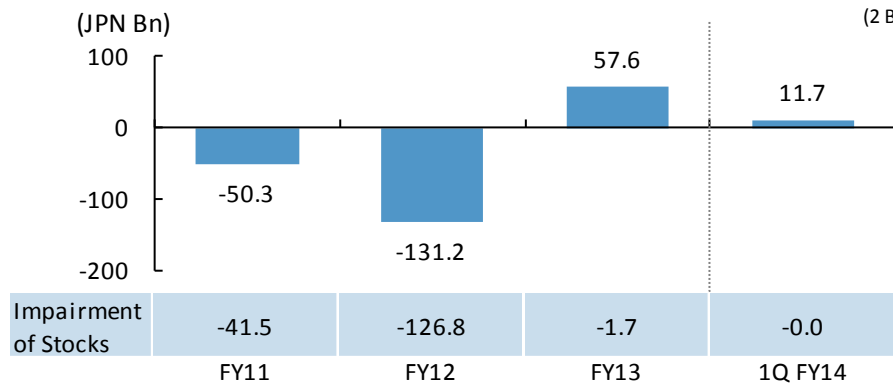
### Net Gains/Losses related to Bonds

(2 Banks)



### Net Gains/Losses related to Stocks \*1

(2 Banks)

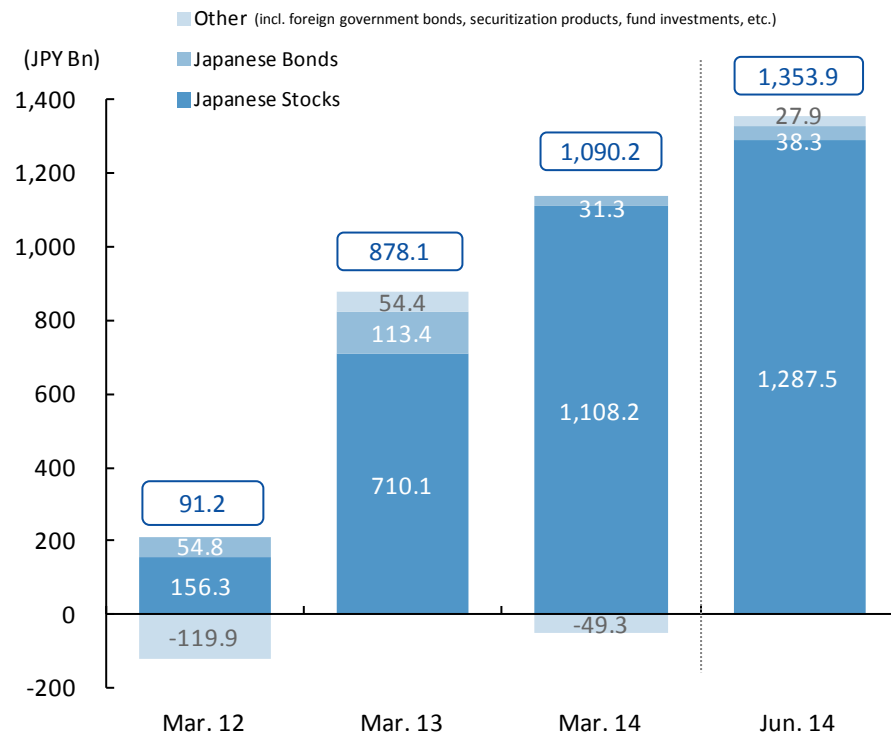


\*1: Excl. "Reversal of Reserve for Possible Losses on Investments, etc.", which was included in "Net Extraordinary Gains (Losses)"

## Unrealized Gains/Losses on Other Securities \*2

(consolidated)

Figures in   represent aggregate figures



	Mar. 12	Mar. 13	Mar. 14	Jun. 14
Nikkei 225 (JPY) *3	9,962	12,244	14,694	15,131
JGB 10Y	0.99%	0.56%	0.64%	0.56%
USTB 10Y	2.21%	1.85%	2.72%	2.53%

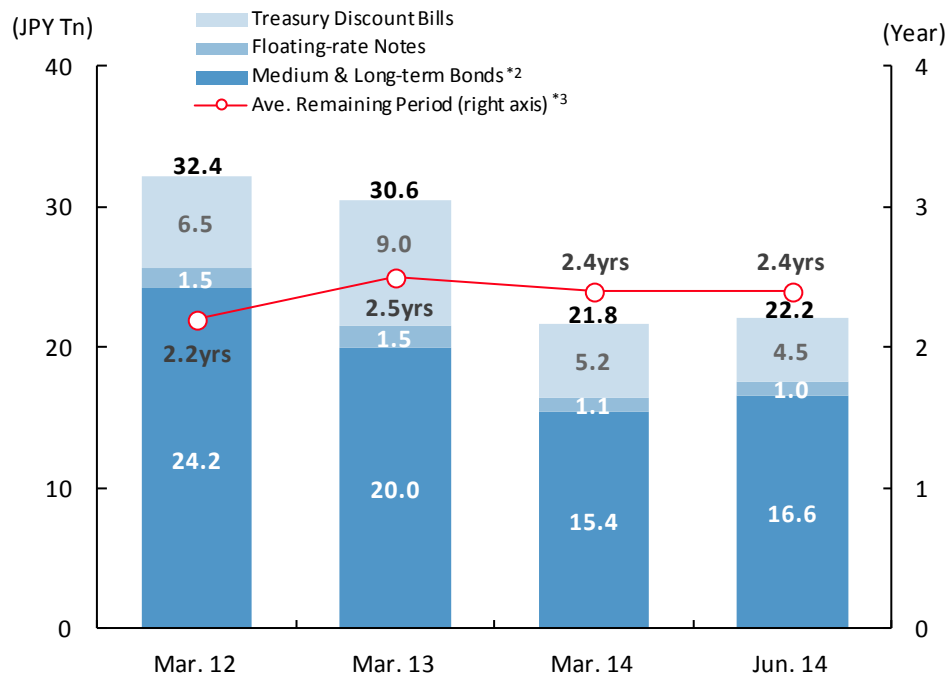
\*2: Other Securities which have readily determinable fair values (the base amounts to be recorded directly to Net Assets after tax and other necessary adjustments). Based on the average quoted market price of the respective month for Japanese stocks. For others, based on the quoted market price if available, or other reasonable value, at the respective period end

\*3: The average of daily closing prices of the final month of each period

# Securities Portfolio

## JGB Portfolio \*1

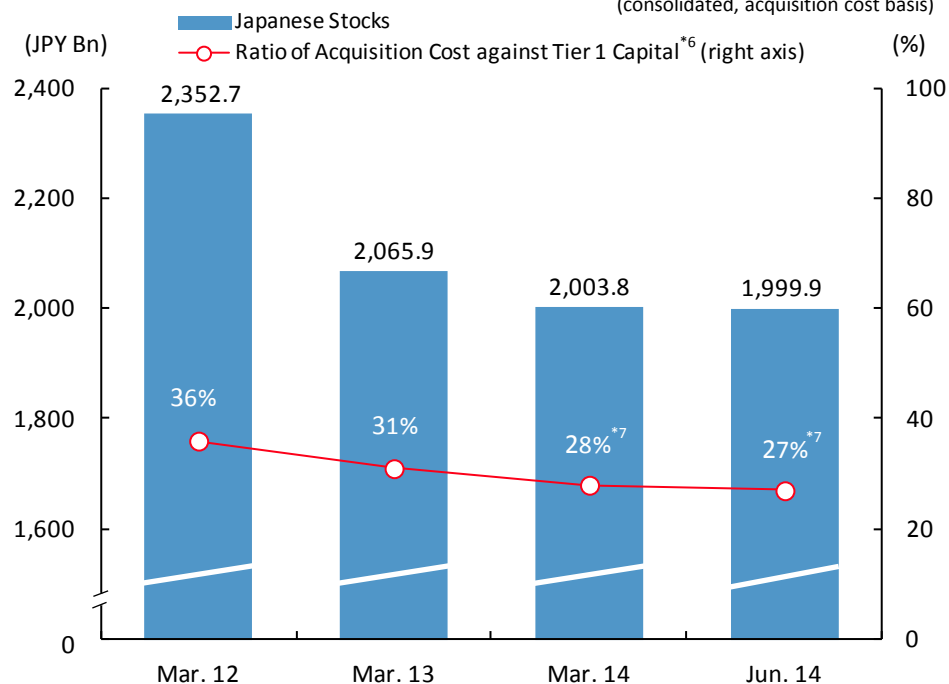
(2 Banks, acquisition cost basis)



Unrealized Gains/Losses*4	JPY 49.8Bn	JPY 88.1Bn	JPY 13.3Bn	JPY 17.1Bn
o/w Floating-rate Notes*5	JPY 35.5Bn	JPY 20.3Bn	JPY 3.2Bn	JPY 3.4Bn

## Japanese Stock Portfolio \*1

(consolidated, acquisition cost basis)



### Reduction of Stock Portfolio (Apr. 14– Jun. 14)

(consolidated)

Plan	Approx. 25% against Tier1 Capital*6 by Mar. 16	
Results	Reduced Amount (o/w Amount Sold*8)	JPY 3.8Bn (Apr.14 – Jun.14) (JPY 13.8Bn)
	Consented Amount to Sell*8*9	Approx. JPY 251Bn (as of Jun.14)

\*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

\*4: The base amount to be recorded directly to Net Assets after tax and other necessary adjustments, calculated based on the quoted market price if available, or other reasonable value at the respective period end

\*5: Determined at reasonably calculated prices \*6: Basel 2 basis for Mar. 12. Basel 3 phase-in basis (incl. Eleventh Series Class XI Preferred Stock in Common Equity Tier 1 Capital) in and after Mar. 13

\*7: including hedging effects \*8: Managerial basis (BK, TB and SC) \*9: The portion which has not been sold as of Jun. 14

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation



# (Reference) Transition to the Next-Generation IT Systems

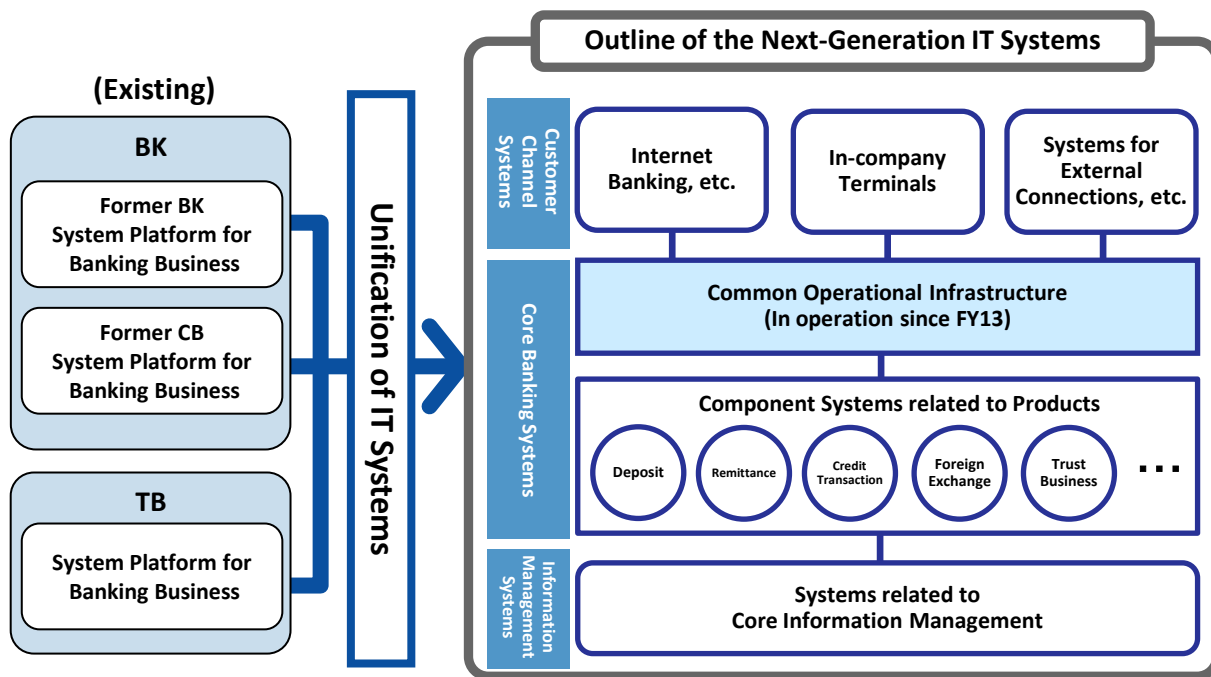
## Establish New IT Systems Platform that supports new financial services

Next-Generation IT Systems ahead of Competitors

- **Unification of Core Banking Systems of former BK/former CB/TB**
  - Downsize and streamline IT systems
  - Improve response capabilities against system failure
- **Independent components by business and function**
  - Improve flexibility through simple structure
  - Enable flexible responses to new services
  - Shorten the lead time and reduce costs for new development
- **Cutting edge “Next-Generation” Core Banking Systems**
  - Strengthen bases for providing services
  - Improve operations processing speed

**Investment amount:**  
Low JPY 300Bn level (general estimate)

<Transition to the next-generation IT Systems (Conceptual Illustration)>



Transition Timeline

Mar. 2013

Jul. 2014

Dec. 2016

Existing IT Systems

Systems platform for banking business of former BK, former CB and TB co-exist

Successive close down

Next-Generation IT Systems

Common Operational Infrastructure started operation

Basic Design

Development of component systems started

Development of component systems

Thorough acceptance tests and user training

Development of component systems to complete

Successive transition to New IT Systems  
Parallel run of existing and new IT Systems during the transition period

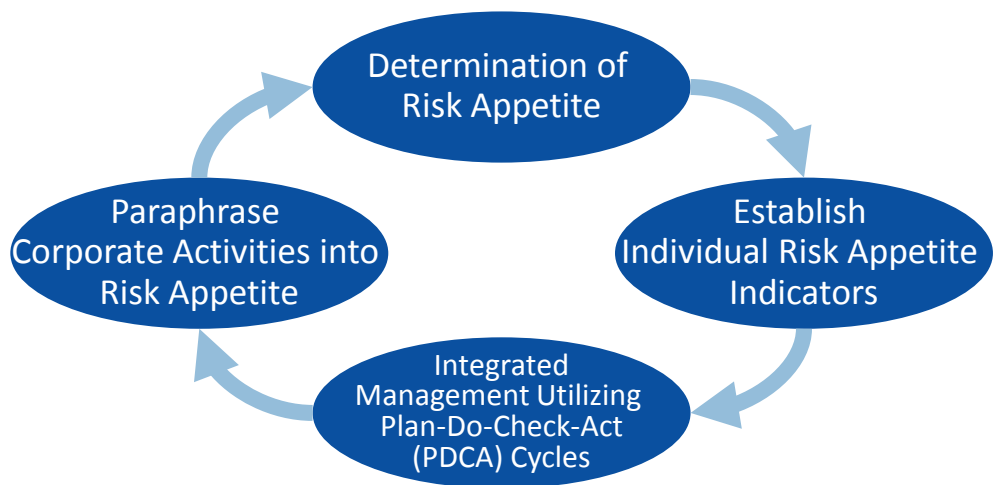
The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See “Forward-looking Statements” on P.1 of this presentation

# (Reference) Risk Appetite Framework

Manage business/financial strategies and risks in an integrated manner and control them in a whole management basis

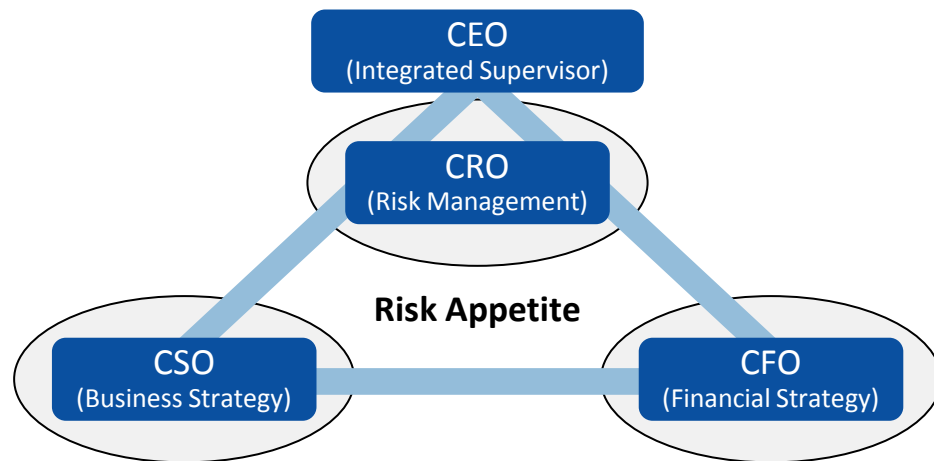
## Risk Appetite Framework (Conceptual Illustration)

- Determine Risk Appetite (aggregate level and types of risk Mizuho is willing to take)
- Integrated management through establishing individual indicators
- Control risks comprehensively on a company-wide basis

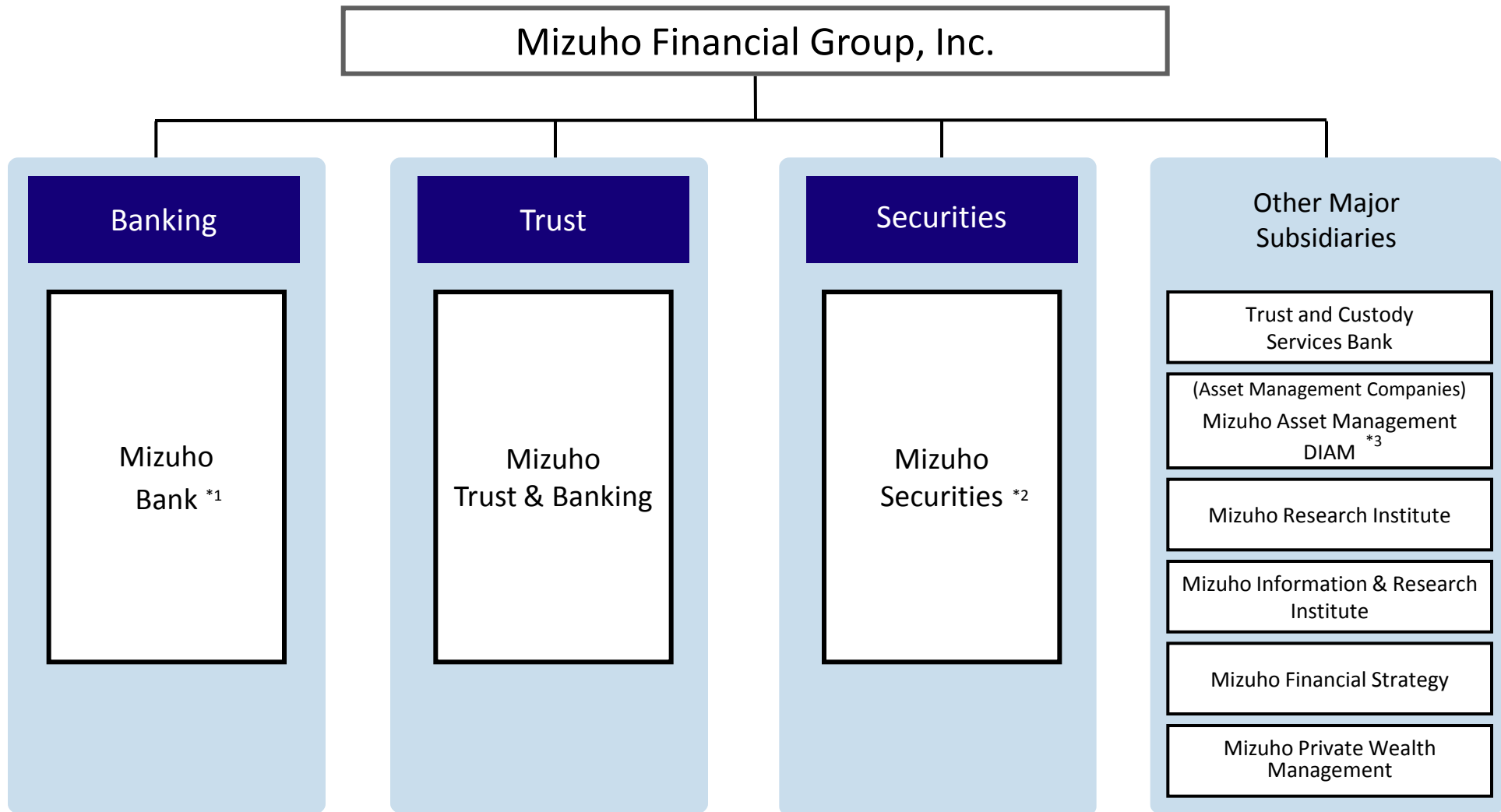


## Risk Appetite Framework Control Systems

- CEO supervises the Risk Appetite Framework
- CEO, CRO, CSO and CFO control in collaboration based on the overall consistency



- Risk Appetite (RA): level and types of risk a company proactively takes within the risk the company can assume, in order to realize business/financial strategies
- Risk Appetite Framework (RAF): overall framework for policies and control regarding establishment and monitoring of RA
- Risk Appetite Statement: written form of RA and RAF Control Systems, etc.



\*1: Former BK and former CB merged on July 1st, 2013  
 \*2: Former SC and former IS merged on January 4th, 2013  
 \*3: An affiliate under the equity method