

Mizuho Investment Conference: Summary of Q&A

Q. Will there be any effects on Mizuho due to the tweaks in the BOJ's monetary easing policy announced in July?

A. We believe there will be a limited effect on us directly.

As for the tweak in the Yield Curve Control program to allow more flexibility, as the change in the interest rate of 10-year JGBs has been around 0.1% and the market reaction is also limited, it does not have a significant impact on us.

Also, as for the reduction of the Policy Rate Balance, as our Mizuho Bank and Mizuho Trust & Banking do not have an outstanding balance on our BOJ current account subject to a negative interest rate, it does not have a significant impact on us.

Q. Are there any changes expected in Mizuho's capital management policy based on the finalization of the Basel III framework determined last December?

A. As for the CET1 Capital Ratio under the new regulations on a fully-effective basis, even without Net Unrealized Gains on Other Securities, our estimated CET 1 Capital Ratio will be in the 8 to 8.5% range as of the end of March 2018, which is above the required 8% level.

As for dividends for this fiscal year, we will maintain the current dividend policy.

As for our capital management policy based on the new regulations, we will determine the specifics while formulating our next Medium-term Business Plan which will start from next fiscal year, together with discussions about the strategy and profit targets in the plan.

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