



Page 0 <Firstly>

- Thank you for taking time out of your busy schedules to attend our presentation of financial results today.
- Today I would like to start with a brief explanation of our FY2018 results and then introduce our 5-Year Business Plan in depth.
- Please turn to page 6.

## 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") and our report on Form 6-K furnished to the SEC on December 26, 2018, both of which are available in the Financial Information section of our web page at [www.mizuho-fg.com/index.html](http://www.mizuho-fg.com/index.html) 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

FG: Mizuho Financial Group, Inc.	BK: Mizuho Bank, Ltd.	TB: Mizuho Trust & Banking Co., Ltd.
SC: Mizuho Securities Co., Ltd.	AM: Asset Management One Co., Ltd.	MSUSA: Mizuho Securities USA LLC
RBC: Retail & Business Banking Company	CIC: Corporate & Institutional Company	
GCC: Global Corporate Company	GMC: Global Markets Company	
AMC: Asset Management Company	GPU: Global Products Unit	RCU: Research & Consulting Unit
Customer Groups: Aggregate of RBC, CIC, GCC and AMC	Markets: GMC	

Consolidated Net Business Profits = Consolidated Gross Profits - G&A Expenses (excl. Non-Recurring Losses) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments

Net Income Attributable to FG: Profit Attributable to Owners of Parent

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

Group aggregated: Aggregate figures for BK, TB, SC, AM and other major subsidiaries on a non-consolidated basis

Company management basis: management figure of the respective in-house company

# Mizuho Group



(Rounded figures)

One of the broadest customer bases among Japanese financial institutions	Individual customers 24M	Securities accounts 1.8M	SME, middle market borrowers, etc. 100K	Coverage of listed companies in Japan 70%	Forbes Global 200 <sup>3</sup> (Non-Japanese corporate clients) 80%
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Credit ratings (As of May 15, 2019)

	S&P	Moody's	Fitch	R&I	JCR
FG	A-	A1	A-	A+	AA-
BK / TB	A	A1	A-	AA-	AA

1. Also comprised of other organizations such as the BK Industry Research Dept., TB Consulting Dept. and Mizuho-DL Financial Technology  
 2. Bank holding company established on October 1, 2018 with the consolidation of Trust & Custody Services Bank, Ltd. (TCSB) and Japan Trustee Services Bank, Ltd. (JTSB)  
 3. Top 200 corporations from Forbes Global 2000 (excl. financial institutions)

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### Overview of the Previous Medium-term Business Plan

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### Appendix

Financial Results for FY2018:  
Executive Summary

## Executive Summary of Financial Results

(Consolidated, JPY B)

	FY2018	YoY	
Net Business Profits + Net Gains (Losses) related to ETFs and others <sup>1</sup> ( Net Business Profits )	408.3 ( 393.3 )	-129.6 ( -64.4 )	<ul style="list-style-type: none"> <li>Despite the increase for Customer Groups both inside and outside Japan, Consolidated Gross Profit declined sharply, 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 and a decrease in Net Gains related to ETFs.</li> <li>Continued cost control, resulting in a reduction in expenses especially in BK and TB.</li> </ul>
Credit-related Costs	-19.5	-175.8	<ul style="list-style-type: none"> <li>Credit-related Costs increased as there were several matters pertaining to specific clients, however, results were still within target levels for the fiscal year.</li> <li>There was a YoY reduction due to a lack of a large reversal such as that which occurred last fiscal year.</li> </ul>
Net Gains (Losses) related to Stocks – Net Gains (Losses) related to ETFs and others <sup>1</sup> ( Net Gains (Losses) related to Stocks )	259.8 ( 274.8 )	68.0 ( 2.8 )	<ul style="list-style-type: none"> <li>Increased mainly due to steady progress on cross-shareholdings reduction.</li> </ul>
Net Income Attributable to FG	96.5	-479.9	<ul style="list-style-type: none"> <li>Decreased sharply YoY, due to an Extraordinary Loss related to impairment losses on fixed assets, in addition to the above-mentioned factors.</li> </ul>
CET1 Capital Ratio ( excl. Net Unrealized Gains on Other Securities )	12.76 % ( 10.71 % )	0.27 % ( 0.56 % )	<ul style="list-style-type: none"> <li>Surpassed the target of 10% in the previous Medium-term Business Plan, through our efforts to build up capital steadily.</li> <li>CET1 Capital Ratio (Basel III finalization fully effective basis) would be 8.2%<sup>2</sup>.</li> </ul>

1. Net Gains related to ETFs (2 Banks) + Net Gains on Operating Investment Securities (SC Consolidated) was JPY 14.9B (-JPY 65.2B Compared to FY17)

2. Basel III fully effective basis, excluding Net Unrealized Gains (Losses) on Other Securities

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### <Financial Results for FY2018>

#### Page 6 <Executive Summary of Financial Results>

- Allow me to begin with a summary of our financial results for FY2018.
- Net Business Profits + Net Gains (Losses) related to ETFs and others was JPY 408.3B, a YoY decline of JPY 129.6B.
- While Net Business Profits increased for Customer Groups, mainly for large corporations in Japan and clients outside Japan, generating a level higher than that prior to the introduction of negative interest rates, we recorded a one-time loss in advance pertaining to the restructuring of our securities portfolio such as foreign bonds with unrealized losses and other factors in Markets.
- Credit-related Costs increased as there were several matters pertaining to specific clients. However, results were still within target levels for the fiscal year.
- Net Gains (Losses) related to Stocks excluding Net Gains (Losses) related to ETFs and others increased JPY 68B YoY mainly due to steady progress on cross-shareholdings reduction.
- Net Income Attributable to FG decreased to JPY 96.5B, a YoY decrease of JPY 479.9B primarily due to the recording of an Extraordinary Loss related to impairment losses on fixed assets.

- However, we have made steady progress on building up capital as evidenced by our CET1 capital ratio of 10.7% under current Basel requirements, excl. Net Unrealized Gains on Other Securities, exceeding the target under our previous medium-term business plan, or 8.2% on a Basel III fully effective basis, which is above the level required.
- Please turn to page 7 for a breakdown of these results by in-house company.

## Executive Summary: Financial Results by In-house Company

(JPY B)	Gross Business Profits <sup>1</sup>		Net Business Profits <sup>1</sup>		Net Income <sup>1</sup>		ROE <sup>3</sup>
	FY18	YoY <sup>2</sup> (Compared to target)	FY18	YoY <sup>2</sup> (Compared to target)	FY18	YoY <sup>2</sup> (Compared to target)	FY18
Retail & Business Banking Company (RBC)	707.2	-19.7 (-20.6)	11.2	-3.3 (-7.8)	-323.6	-349.5 (-348.6)	—
Corporate & Institutional Company (CIC)	473.8	42.4 (11.3)	276.1	46.7 (14.1)	324.8	56.9 (11.8)	11.1%
Global Corporate Company (GCC)	416.1	75.4 (29.2)	171.2	79.5 (35.2)	89.8	27.8 (8.8)	6.9%
Global Markets Company (GMC)	192.0	-197.1 (-250.1)	-13.6	-199.4 (-243.6)	-16.6	-143.6 (-174.6)	—
Asset Management Company (AMC)	49.7	-0.4 (-3.9)	15.7	-1.7 (-2.3)	64.6	56.8 (57.6)	33.3%

### Customer Groups

- Net Business Profits for Customer Groups increased due to the significant YoY increase in CIC and GCC
- RBC recorded a decline mainly due to a slowdown in sales of investment products for individuals under challenging market conditions.

### Markets

- Sharp decrease YoY in profits 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.

1. Net Gains (Losses) related to ETFs are included in GMC. 2. Figures for FY17 results are recalculated based on FY18 management accounting rules.  
3. Management accounting basis. Calculated not only taking account of regulatory risk weighted assets but also other factors such as interest rate risk in the banking account

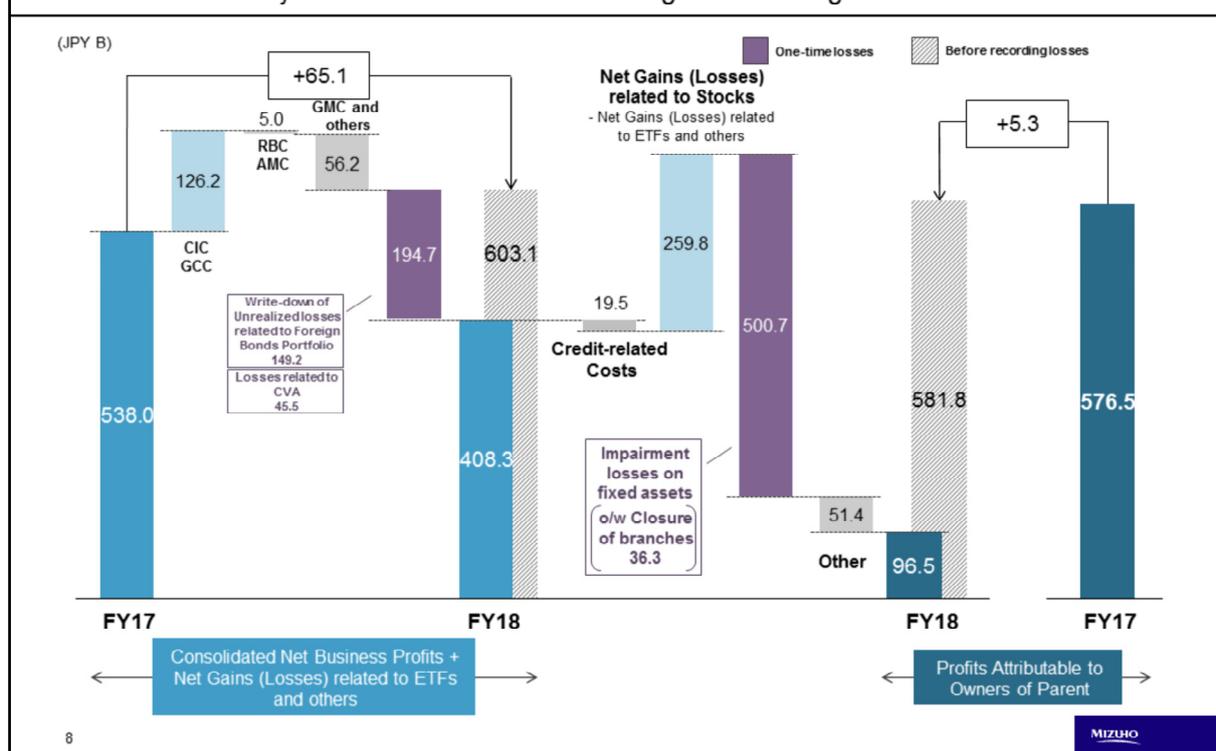
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## Page 7 <Financial Results by In-house Company>

- In terms of Net Business Profits, the Retail & Business Banking Company recorded a decline mainly due to a slowdown in sales of investment products for individuals.
- The Corporate & Institutional Company, on the other hand, recorded YoY growth due to multiple large-scale M&A deals and IPOs, in addition to increased lending, increased small-lot non-interest income, and other factors.
- The Global Corporate Company recorded significant YoY growth due to growth in high quality loans, transaction banking, and other areas.
- As a result, Net Business Profits for Customer Groups were the highest they have been since the introduction of the in-house company system, exceeding pre-negative interest policy levels.
- Next, on page 8, I would like to explain our recording of losses in light of structural reform.

## Executive Summary of Financial Results: Recording Losses in Light of Structural Reform

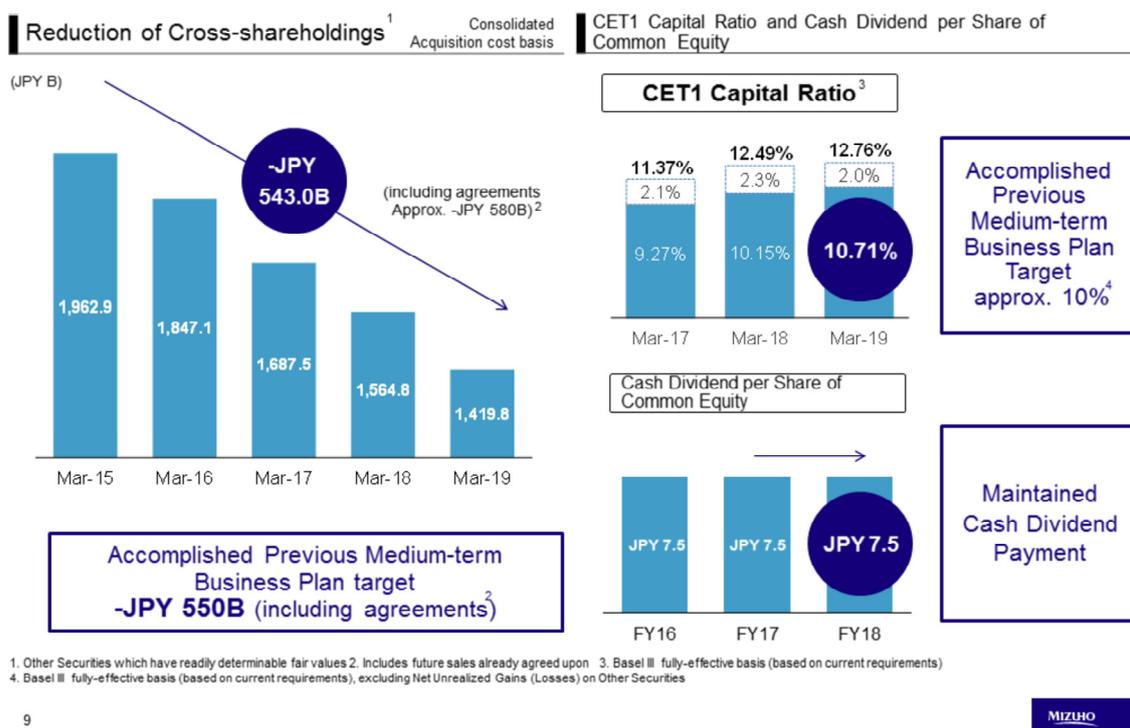


### Page 8 <Executive Summary of Financial Results: Recording Losses in Light of Structural Reform>

- The objective of recording this one-time loss is to eliminate the financial burden on future fiscal years and enable us to accelerate structural reforms.  
On the left side of the graph you can see Write-down related to Unrealized losses of Foreign Bonds Portfolio and Losses related to CVA (related to refinements in risk calculations pertaining to derivatives). In other words, we have written off in advance a one-time loss of JPY 194.7B.
- As a result, Consolidated Net Business Profits + Net Gains (Losses) related to ETF and others declined significantly by JPY 408.3B. On the other hand, as you can see on the graph bars shaded with diagonal lines, prior to recording this loss we had achieved Net Business Profits of JPY 603.1B, representing a YoY increase of JPY 65.1B compared to FY2017, and showing the beginnings of a potential recovery in fundamental earnings power.
- As you can see on the right side of the graph, FY2018 Profits Attributable to Owners of Parent has decreased significantly due to the recording of a one-time impairment loss on fixed assets attributable to our retail business of JPY 500.7B.

- However, prior to recording this one-time loss, Profits Attributable to Owners of Parent were JPY 581.8B, a similar level to FY2017.
- Please turn to page 9.

## Executive Summary of Financial Results: Other Points



### Page 9 <Executive Summary of Financial Results: Other Points>

- The total amount of reduction in cross-shareholdings from FY2015 onward shown in the graph on the left side is JPY 543B. This is due in part to a delay in the sale of certain shareholdings based on insider trading compliance. However, when including agreements, the reduction is JPY 580B, exceeding the target of a JPY 550B reduction under our previous medium-term business plan.
- By exceeding the CET1 capital ratio target of our previous medium-term business plan and building a capital base to support steady dividends, we have been able to maintain a Cash Dividend per Share of Common Equity of JPY 7.5.
- Please turn to the next page.

## Earnings Plan for FY2019

<b>Consolidated</b>	FY2018 Results	FY2019 Target	YoY
(JPY B)			
Consolidated Net Business Profits (+ Net Gains (Losses) related to ETFs and others)*	408.3	600.0	191.6
Credit-related Costs	-19.5	-60.0	-40.4
Net Gains (Losses) related to Stocks (- Net Gains (Losses) related to ETFs and others)*	259.8	160.0	-99.8
Ordinary Profits	614.1	700.0	85.8
Net Income Attributable to FG	96.5	470.0	373.4

### Cash Dividend per Share of Common Stock

#### FY2019 (Estimate): JPY 7.50

Interim Cash Dividend (Estimate) : JPY 3.75  
Fiscal Year-end Cash : JPY 3.75 Dividend (Estimate)

<b>2 Banks</b>	FY2018 Results	FY2019 Target	YoY
(JPY B)			
Net Business Profits (+ Net Gains (Losses) related to ETFs)	255.0	465.0	209.9
Credit-related Costs	-22.7	-55.0	-32.2
Net Gains (Losses) related to Stocks (- Net Gains (Losses) related to ETFs)	168.8	155.0	-13.8
Ordinary Profits	339.9	565.0	225.0
Net Income	-105.3	390.0	495.3

#### Assumptions under the Earnings Plan

O/N Interest rate -0.05%  
3M Tibor 0.07%  
JGB (10-yr) 0.10%  
Nikkei 225 Index JPY 21,700  
USD/JPY 109.00

\*Net Gains (Losses) related to ETFs and others (2 Banks) + Net Gain on Operating Investment Securities (SC Consolidated)

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## Page 10 <Earnings Plan for FY2019>

- Here I would like to explain our earnings estimates for FY2019.
- We estimate that we will be able to achieve a similar level of Consolidated Net Business Profits (+ Net Gains (Losses) related to ETFs and others) as in the previous fiscal year prior to recording a one-time loss. This can be achieved by making up for the drop of slightly less than JPY 30B in special factors pertaining to Equity in Net Income of Affiliates recorded in the previous fiscal year.
- We estimate JPY 470B in Net Income Attributable to FG primarily due to an increase in credit-related costs as we take a conservative credit policy and a reduction in Net Gains related to Stocks.
- Our estimate for the Cash Dividend per Share of Common Stock for FY2019 is JPY7.5, the same as the actual dividend for FY2018. I will explain this in more detail when touching upon our capital strategy and dividend policy later in the presentation.
- The next page has earnings plans for each in-house company for your reference.
- Now let's skip ahead and move straight to page 35.

## In-house Company Earnings Plan

Group aggregate, management accounting, rounded figures

(JPY B)	Net Business Profits <sup>1,2</sup>			Net Income <sup>3</sup>			ROE <sup>4</sup>
	FY18 <sup>5</sup>	FY19 target	YoY	FY18 <sup>5</sup>	FY19 target	YoY	FY19 target
Retail & Business Banking (RBC)	10.0	18.0	8.0	-325.0	21.0	346.0	1.7%
Corporate & Institutional (CIC)	268.0	238.0	-30.0	319.0	253.0	-66.0	12.2%
Global Corporate (GCC)	169.0	157.0	-12.0	88.0	91.0	3.0	6.7%
Global Markets (GMC)	-18.0	154.0	172.0	-19.0	106.0	125.0	6.1%
Asset Management (AMC)	16.0	13.0	-3.0	65.0	5.0	-60.0	4.4%
In-house Company Total	445.0	580.0	135.0	128.0	476.0	348.0	
FG Consolidated	408.3	600.0	191.6	96.5	470.0	373.4	6.2%

1. Net Gains (Losses) related to ETFs are included in GMC. 2. FG Consolidated figures are Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others.  
 3. FG Consolidated figures are Net Income Attributable to FG. 4. Each Company's ROE is on management accounting basis. Calculated not only taking account of regulatory risk weighted assets but also other factors such as interest rate risk in the banking account. 5. Preliminary figures. FY18 figures are calculated based on the new management accounting rules for FY19.



## Overview of Income Statement

(JPY B)		FY2018			YoY		
		FG	BK + TB <sup>1</sup>	SC <sup>2</sup>	FG	BK + TB <sup>1</sup>	SC <sup>2</sup>
<b>Consolidated Gross Profits</b>	1	<b>1,812.7</b>	<b>1,440.9</b>	<b>261.8</b>	<b>-102.6</b>	<b>-83.4</b>	<b>-18.3</b>
Net Interest Income	2	762.4	767.9	-10.0	-44.8	-42.7	-5.7
Net Fee and Commission Income + Fiduciary Income	3	665.5	512.8	110.8	-4.1	11.5	-13.0
Net Trading Income + Net Other Operating Income	4	384.6	160.1	161.1	-53.5	-52.2	0.4
Net Gains (Losses) related to Bonds	5	-109.3	-109.8	0.5	-88.5	-88.7	0.5
General and Administrative Expenses	6	-1,430.8	-1,079.6	-245.8	58.1	65.7	0.6
Personnel Expenses	7	-664.2	-473.2	-117.4	49.3	51.5	-0.1
Non-Personnel Expenses	8	-700.8	-550.6	-122.6	2.5	7.2	1.2
Miscellaneous Taxes	9	-65.6	-55.7	-5.7	6.1	7.0	-0.3
<b>Consolidated Net Business Profits</b>	10	<b>393.3</b>	<b>363.5</b>	<b>17.4</b>	<b>-64.4</b>	<b>-37.9</b>	<b>-17.4</b>
Credit-related Costs	11	-19.5	-18.9	-0.5	-175.8	-175.7	-0.0
Net Gains (Losses) related to Stocks	12	274.8	178.6	9.6	2.8	-79.8	-3.7
Equity in Income from Investments in Affiliates	13	51.2	49.5	0.3	29.7	27.8	0.2
Other	14	-74.2	-80.1	-0.2	19.4	23.2	-0.1
Ordinary Profits	15	614.1	490.2	25.2	-168.3	-222.2	-21.3
Net Extraordinary Gains (Losses)	16	-497.8	-494.2	-13.8	-515.3	-514.1	-9.8
Income before Income Taxes	17	116.2	-4.0	11.3	-683.6	-736.3	-31.1
Income Taxes	18	2.5	40.1	-8.0	194.1	214.3	-1.8
Profit Attributable to Non-controlling Interests	19	-22.1	-18.3	1.1	9.5	7.2	1.6
<b>Profit Attributable to Owners of Parent</b>	20	<b>96.5</b>	<b>17.6</b>	<b>4.3</b>	<b>-479.9</b>	<b>-514.7</b>	<b>-31.3</b>

1. BK Consolidated + TB Consolidated 2. SC Consolidated

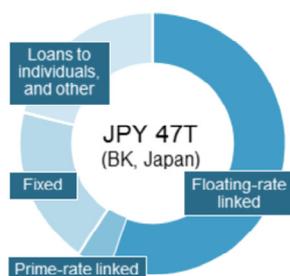
## Overview of Income Statement (Subsidiaries)

(JPY B)	BK Consolidated		TB Consolidated		SC Consolidated				
		FY18	YoY	FY18	YoY	FY18	YoY		
<b>Consolidated Gross Profits</b>	1	<b>1,287.0</b>	<b>-90.4</b>	<b>153.9</b>	<b>6.9</b>	<b>Operating Revenues</b>	21	<b>381.5</b>	<b>0.0</b>
Net Interest Income	2	740.8	-38.4	27.0	-4.3	Commissions	22	167.9	-0.4
Net Fee and Commission Income + Fiduciary Income	3	389.7	9.4	123.0	2.0	Net Gain on Trading	23	101.3	-22.8
Net Trading Income + Net Other Operating Income	4	156.3	-61.4	3.7	9.2	Net Gain on Operating Investment Securities	24	7.7	-2.3
Net Gains (Losses) related to Bonds	5	-111.9	-97.4	2.0	8.6	Interest and Dividend Income	25	104.4	25.6
General and Administrative Expenses	6	-978.0	61.1	-101.5	4.6	Interest Expenses	26	-97.6	-22.2
Personnel Expenses	7	-420.0	47.3	-53.1	4.2	<b>Net Operating Revenues</b>	27	<b>283.8</b>	<b>-22.1</b>
Non-Personnel Expenses	8	-505.8	6.6	-44.7	0.5	Selling, General Administrative Expenses	28	-262.6	0.7
Miscellaneous Taxes	9	-52.0	7.0	-3.6	-0.0	Operating Income	29	21.2	-21.4
<b>Consolidated Net Business Profits</b>	10	<b>315.5</b>	<b>-46.1</b>	<b>47.9</b>	<b>8.2</b>	Ordinary Income	30	22.7	-20.5
Credit-related Costs	11	-18.4	-172.1	-0.5	-3.5	Extraordinary Gain (Loss)	31	-11.4	-10.6
Net Gains (Losses) related to Stocks	12	158.2	-70.9	20.3	-8.9	Income before Income Taxes	32	11.3	-31.1
Equity in Income from Investments in Affiliates	13	49.4	27.8	0.0	-0.0	Income Taxes	33	-8.0	-1.8
Other	14	-71.4	24.1	-8.7	-0.9	Profit Attributable to Non-controlling Interests	34	1.1	1.6
Ordinary Profits	15	426.7	-220.3	63.5	-1.8	<b>Profit Attributable to Owners of Parent</b>	35	<b>4.3</b>	<b>-31.3</b>
Net Extraordinary Gains (Losses)	16	-492.1	-512.8	-2.1	-1.3				
Income before Income Taxes	17	-65.3	-733.2	61.3	-3.1				
Income Taxes	18	53.4	211.4	-13.2	2.9				
Profit Attributable to Non-controlling Interests	19	-17.8	6.8	-0.5	0.3				
<b>Profit Attributable to Owners of Parent</b>	20	<b>-29.8</b>	<b>-514.9</b>	<b>47.5</b>	<b>0.1</b>				

# Overview of Balance Sheet (Mar-19)

Consolidated, ( ) represent changes from Mar-18

## JPY Loans<sup>1</sup>



Bank of Japan Current Account Balance (2 Banks) : JPY 36T (+JPY 4.1T)

Total Assets: JPY 200T (-JPY 4.2T)

Risk Weighted Assets: JPY 57T (-JPY 1.6T)

Loans	
JPY 78T (-JPY 0.9T)	
JPY <sup>1</sup>	JPY 47T
Non-JPY <sup>1</sup>	USD 280.0B

Securities	
JPY 29T (-JPY 4.4T)	
Stocks	JPY 3.5T
JGBs	JPY 13.0T
Non-JPY Bonds	JPY 7.9T

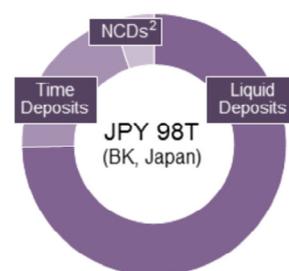
Other Assets	
JPY 92T (+JPY 1.1T)	
Cash and Due from Banks	JPY 45T

Deposits/NCDs <sup>2</sup>	
JPY 137T (+JPY 1.1T)	
JPY <sup>1</sup>	JPY 112T
Non-JPY <sup>1,3</sup>	USD 206.7B

Other Liabilities	
JPY 53T (-JPY 4.7T)	

Net Assets	
JPY 9T (-JPY 0.6T)	

## JPY Deposits<sup>1</sup>



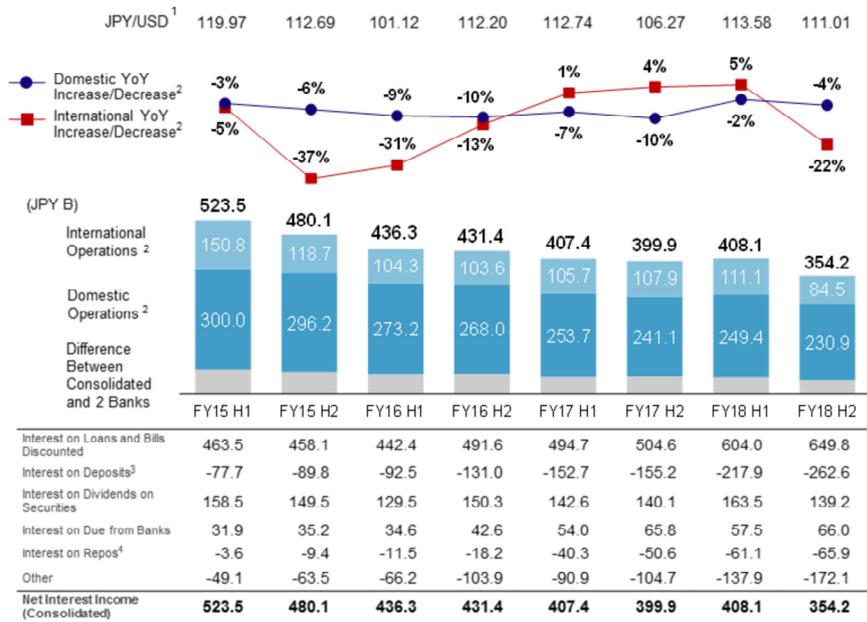
o/w individual deposits: approx. JPY 40T

Leverage Ratio: 4.42% (+0.14%)

Liquidity Coverage Ratio<sup>4</sup>: 144.3% (-0.9%)

1. Management basis, rounded figures. 2. Negotiable Certificates of Deposit. 3. Customer Deposits. 4. FY18 Q4 result, ( ) represent QoQ compared to FY18 Q3.

## Consolidated Gross Profits (Net Interest Income)



■ Net Interest Income has decreased mainly due to the increased market funding costs in international operations.

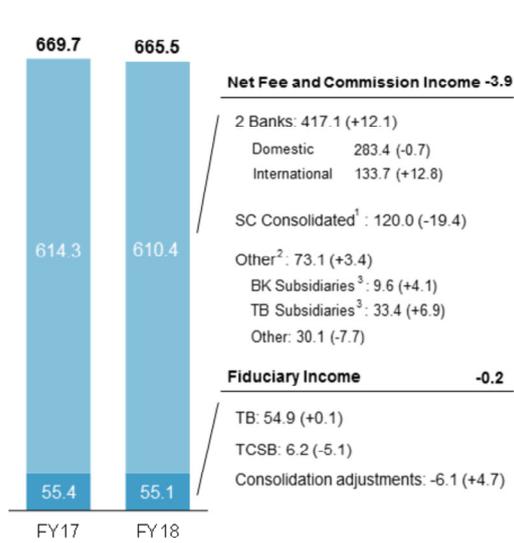
1. Foreign exchange rate (TTM) at the respective period end 2. 2 Banks 3. Excluding interest on Negotiable Certificates of Deposit  
4. Receivables under Resale Agreements + Guarantee Deposits Paid under Securities Borrowing Transactions - Payables under Repurchase Agreements - Guarantee Deposits Received under Securities Lending Transactions

## Consolidated Gross Profits (excluding Net Interest Income)

### Net Fee and Commission Income/Fiduciary Income

(JPY B)

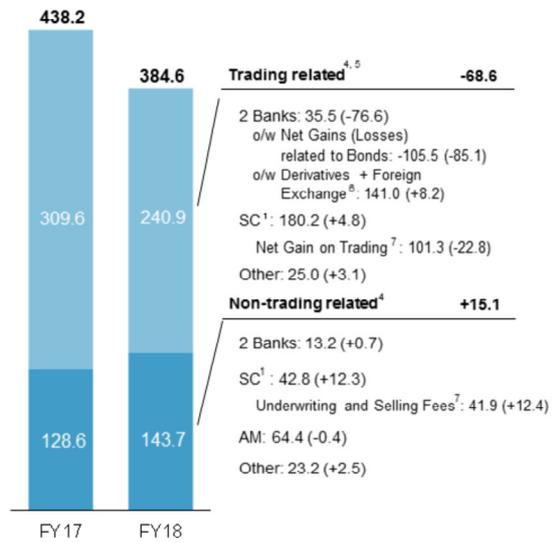
Figures in ( ) represent YoY



### Net Trading Income/Net Other Operating Income

(JPY B)

Figures in ( ) represent YoY



1. Includes MSUSA 2. Includes consolidation adjustments 3. After consolidation adjustments 4. After consolidation adjustments, includes subsidiaries 5. Net Trading Income – SC Underwriting and Selling Fees + Net Gains (Losses) related to Bonds + Net Gains (Losses) on Foreign Exchange Transactions 6. Net Gains (Losses) on Derivatives Trading Transactions + Net Gains (Losses) on Foreign Exchange Transactions 7. SC consolidated

# Net Interest Income (2 Banks)

## Domestic Operations

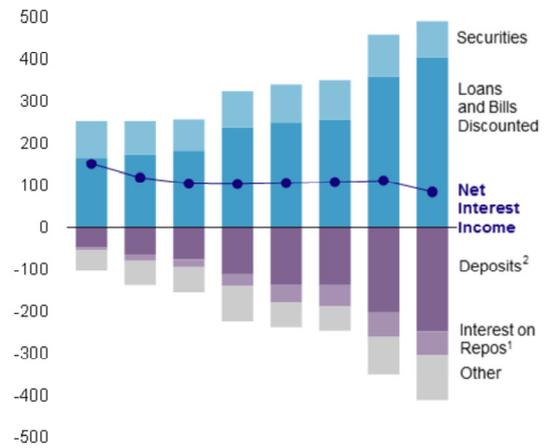
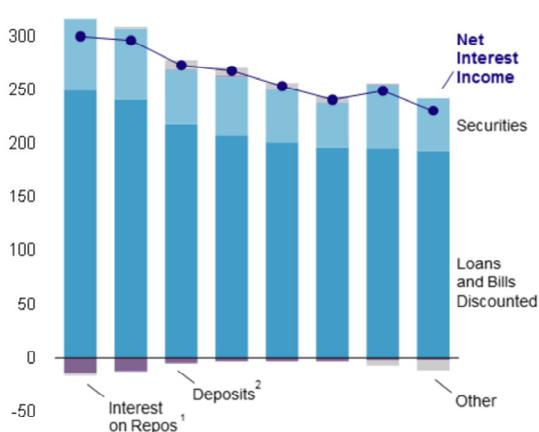
2 Banks

## International Operations

2 Banks

(JPY B)

(JPY B)

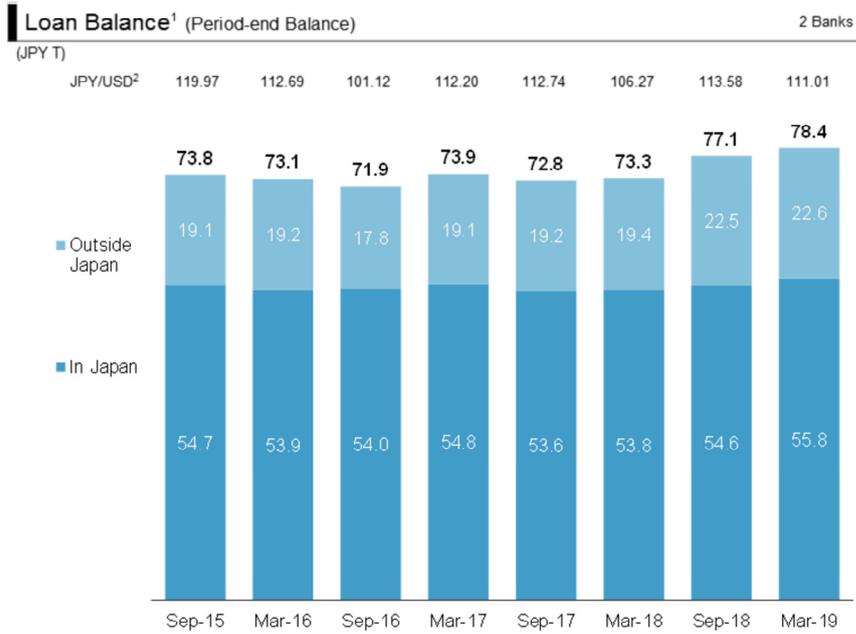


Net Interest Income	FY15		FY16		FY17		FY18	
	H1	H2	H1	H2	H1	H2	H1	H2
	300.0	296.2	273.2	268.0	253.7	241.1	249.4	230.9

Net Interest Income	FY15		FY16		FY17		FY18	
	H1	H2	H1	H2	H1	H2	H1	H2
	150.8	118.7	104.3	103.6	105.7	107.9	111.1	84.5

1. Receivables under Resale Agreements + Guarantee Deposits Paid under Securities Borrowing Transactions - Payables under Repurchase Agreements - Guarantee Deposits Received under Securities Lending Transactions 2. Excludes interest on Negotiable Certificates of Deposit

## Overview of Loans

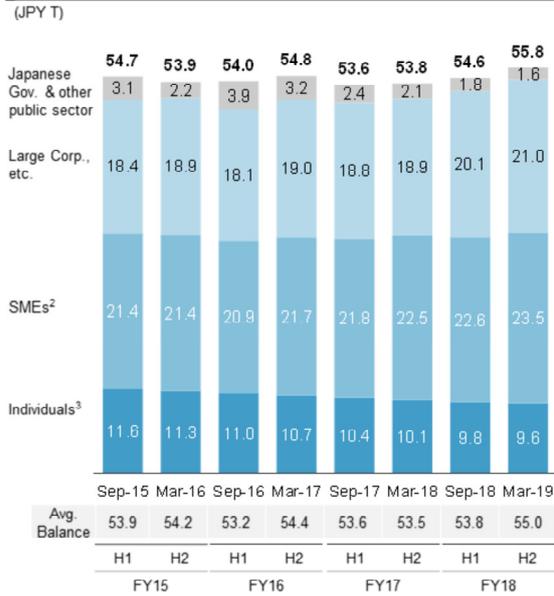


- Loan balance increased mainly due to the increase in corporate loans both inside and outside Japan

1. Excluding loans to FG. Banking account 2. Foreign exchange rate (TTM) at the respective period ends

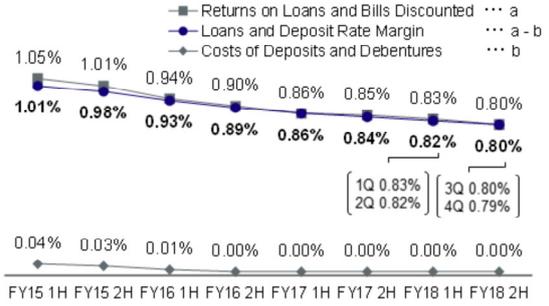
# Loans in Japan

**Loan Balance in Japan<sup>1</sup> (Period-end Balance)** 2 Banks

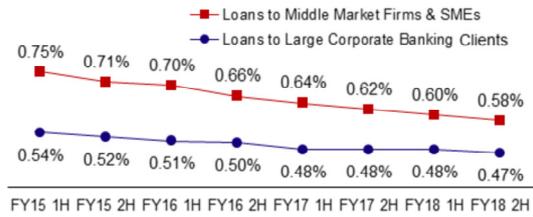


1. Excluding loans to FG. Banking account. 2. Calculated by deducting "Housing and Consumer Loans" from "Loans to SMEs and Individual Customers". 3. Housing and Consumer Loans. 4. Domestic Operations, excluding loans to financial institutions (including FG) and the Japanese Government.

**Loan and Deposit Rate Margin in Japan<sup>4</sup>** 2 Banks



**Loan Spread in Japan** BK, management accounting



# Loans outside Japan

## Loan Balance outside Japan<sup>1,2</sup> (Period-end Balance)

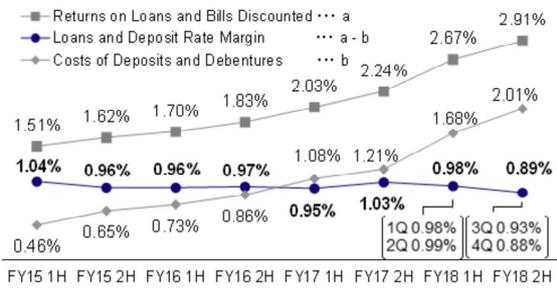
(USD B)

BK, management accounting



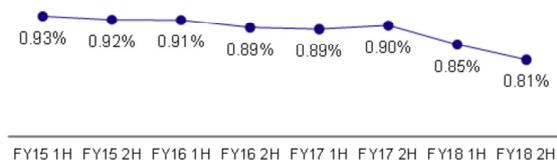
## Loan and Deposit Rate Margin outside Japan

BK, Overseas



## Loan Spread outside Japan<sup>1,2</sup>

BK, management accounting

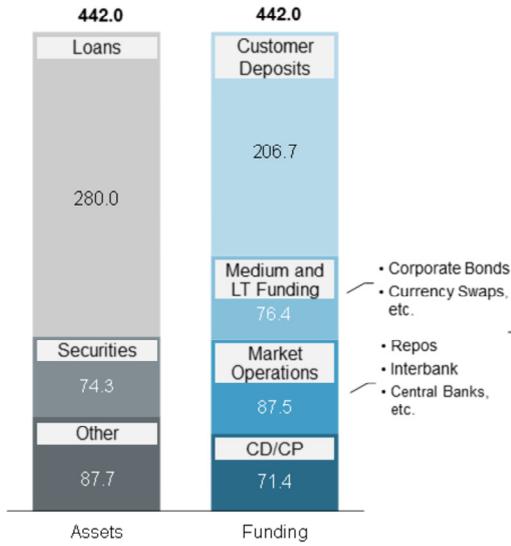


1. BK (including the subsidiaries in China, the US, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico).  
 2. Changed management accounting rules in FY18. Past figures are recalculated based on the new rules.

# Non-JPY Funding

## Non-JPY Assets and Funding (Mar-19)

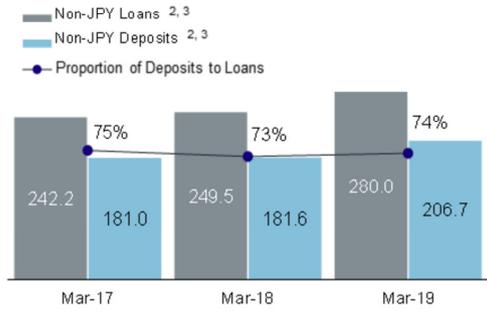
(USD B) BK<sup>1</sup>, management accounting  
( ) represent changes from Mar-18



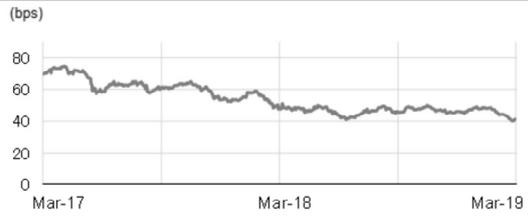
- Corporate Bonds
- Currency Swaps, etc.
- Repos
- Interbank
- Central Banks, etc.

## Trends in Non-JPY Loans and Deposits

(USD B) BK<sup>1</sup>, management accounting



Reference: 5 Year Currency Swap Rates (USD/JPY)



1. Includes the banking subsidiaries in China, the US, the Netherlands, Indonesia, etc.

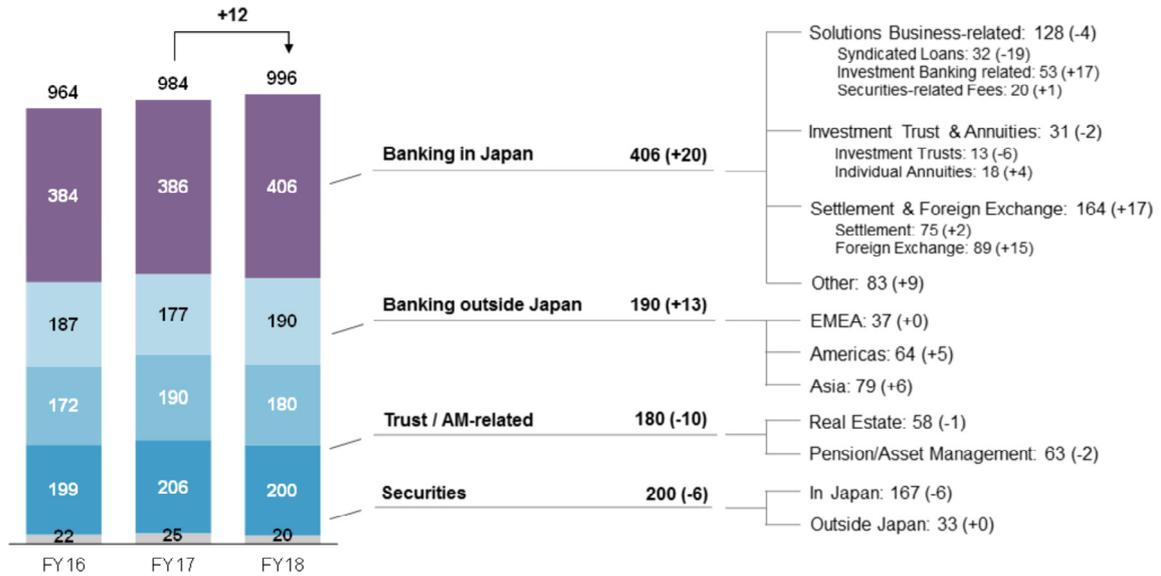
2. Change management accounting rules in FY18. Past figures are based on the new rules. 3. Including Non-JPY loans/deposits in Japan.

Source: Bloomberg

# Non-interest Income from Customer Groups

## Non Interest Income<sup>1</sup> (JPY B)

Group aggregate, management accounting, rounded figures  
Figures in ( ) represent YoY



1. Changed management accounting rules in FY18. The original figures before the recalculation were FY16: JPY 974B and FY17: JPY 994B

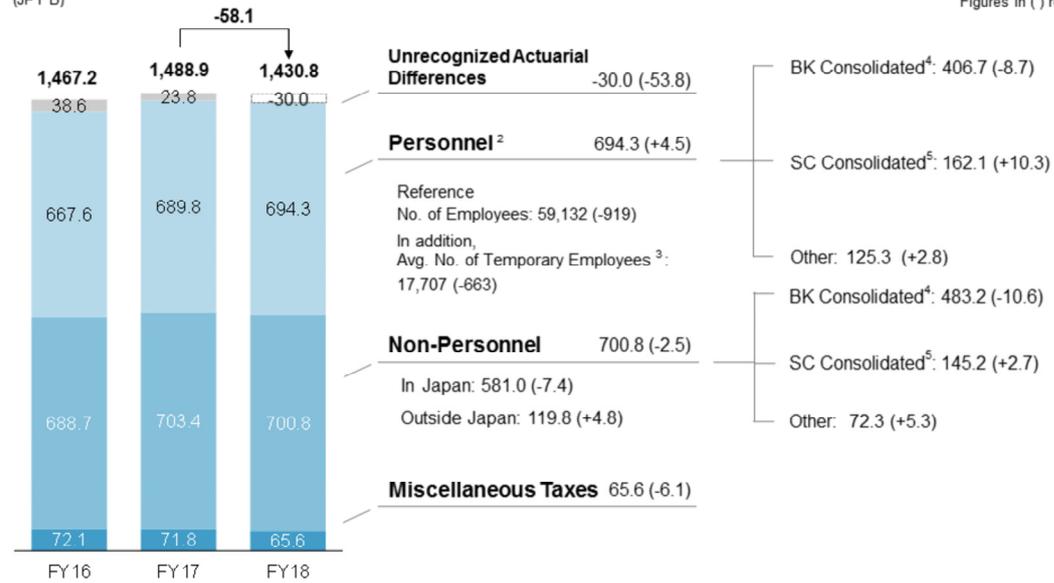
# General and Administrative Expenses

## General and Administrative Expenses<sup>1</sup>

(JPY B)

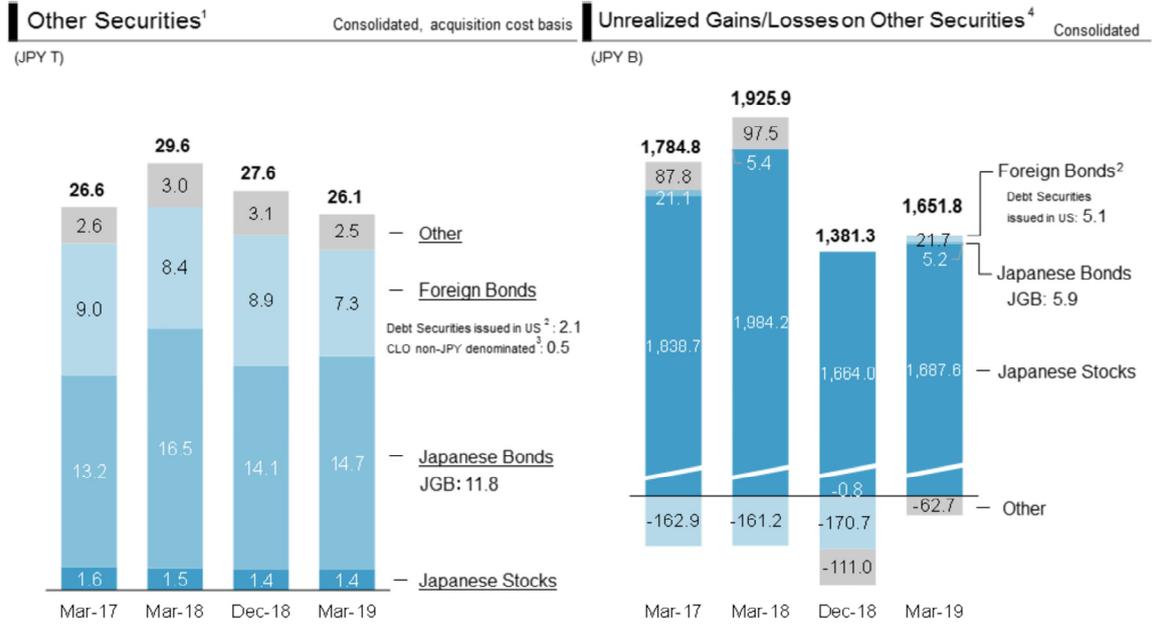
Consolidated

Figures in ( ) represent YoY



1. Includes Non-recurring Losses. 2. Excluding Unrecognized Actuarial Differences. 3. Excluding the number of dispatched employees. 4. Excluding MSUSA. 5. Aggregated MSUSA

# Securities Portfolio



1. Other Securities which have readily determinable fair values. 2. UST/GSE Bonds. 3. Figure represents portion held by BK. 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.

# Securities Portfolio (Bonds)

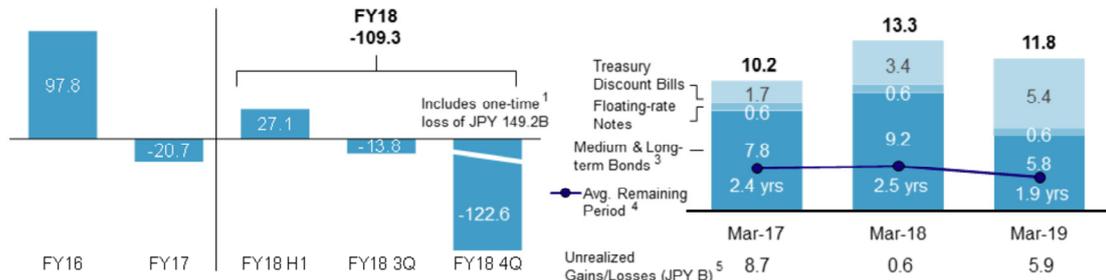
## Net Gains/Losses related to Bonds

Consolidated JGB Portfolio<sup>2</sup>

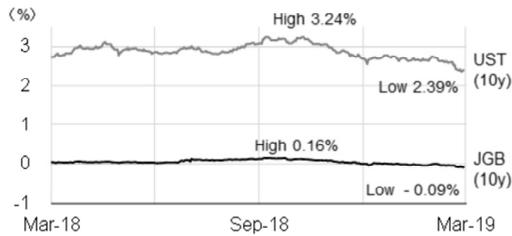
2 Banks, acquisition cost basis

(JPY B)

(JPY T)

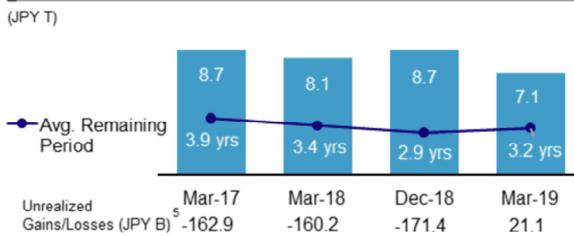


## Reference: Interest Rate Trends in and outside Japan



## Foreign Bond Portfolio<sup>1</sup>

2 Banks, acquisition cost basis



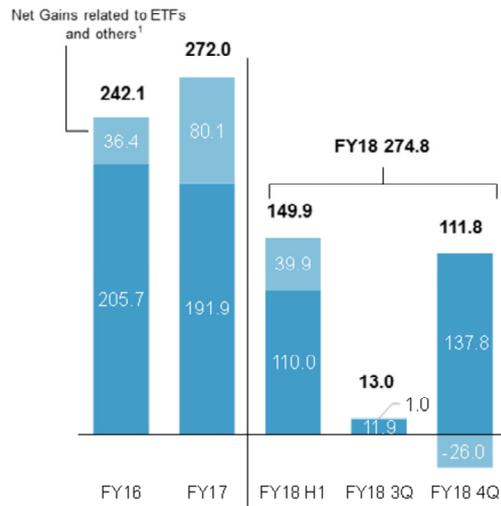
1. Includes the loss of JPY 149.2B pertaining to restructuring of foreign bond portfolio, etc. 2. Other Securities which have readily determinable fair values  
3. Includes bonds with remaining period of one year or less. 4. Excludes floating-rate notes. 5. The base amount to be recorded directly to 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.

# Securities Portfolio (Stocks)

## Net Gains (Losses) related to Stocks

Consolidated

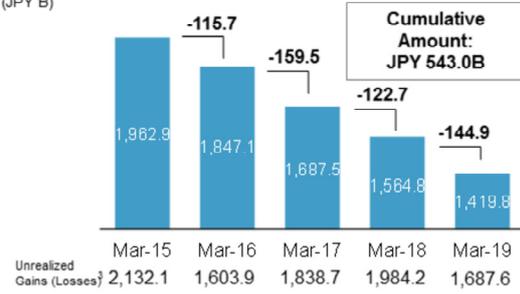
(JPY B)



## Japanese Stock Portfolio<sup>2</sup>

Consolidated  
Acquisition cost basis

(JPY B)



### Policy for cross-shareholdings disposal

	Target	Results
Reduction by Mar-19	<b>JPY 550B</b> (Compared to the balance as of Mar-15)	<b>JPY 543B</b> Approx. <b>-JPY 680B</b> (Including agreements <sup>4</sup> )

1. Net Gains related to ETFs (2 Banks) + Net Gain on Operating Investment Securities (SC Consolidated). 2. Other Securities which have readily determinable fair values.  
3. The base amounts to be recorded directly to Net Assets after tax and other necessary adjustments. Based on the average market price of the respective month.  
4. This figure includes future sales already agreed upon

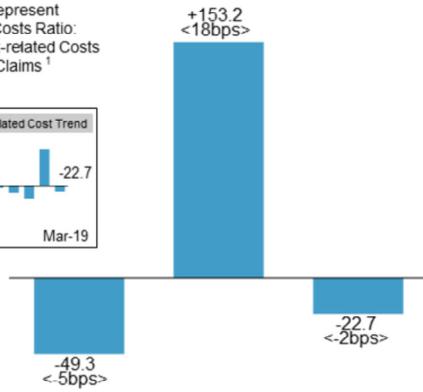
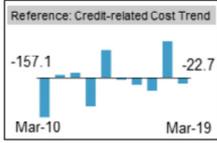
# Asset Quality

## Credit-related Costs

(JPY B)

2 banks, banking account + trust account

Figures in < > represent Credit-related Costs Ratio: Ratio of Credit-related Costs against Total Claims <sup>1</sup>



	FY16	FY17	FY18
Expenses related to Portfolio Problems	-36.0	-14.5	-74.4
Reversals of (Provision for) General Reserves for Possible Losses on Loans	-45.1	-	44.8
Gains on Reversals of Reserves for Possible Losses and Others	31.9	167.8	6.7

1. Period-end balance, based on the Financial Reconstruction Act. 2. Financial Reconstruction Act.

## Non Performing Loans based on FRA<sup>2</sup>

(JPY T)

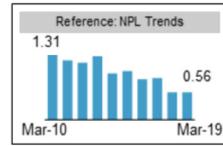
2 banks, banking account + trust account

Claims against Bankrupt and Substantially Bankrupt Obligators

Claims with Collection Risk

Claims for Special Attention

● NPL Ratio



## Reference: Other Watch Obligors

2 banks, banking account

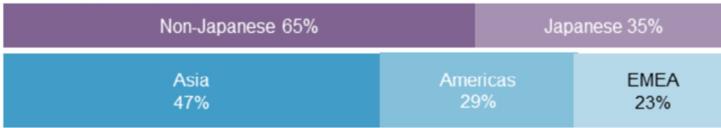
	Mar-17	Mar-18	Mar-19
Balance (JPY T)	1.6	1.6	1.3
Reserve ratio	6.69%	3.92%	2.46%

# Loan Portfolio Outside Japan

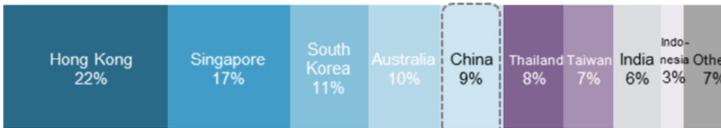
## Loan Portfolio Outside Japan (Mar-19)

BK<sup>1</sup>  
GCC management basis

Total: USD 258.2B



Asia/Oceania: USD 121.8B

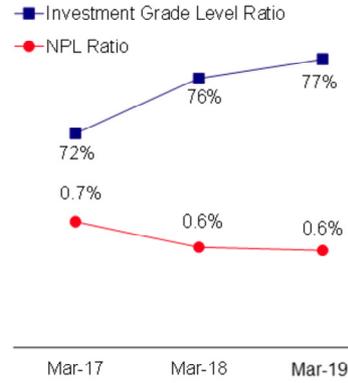


China: USD 10.7B



1. Including banking subsidiaries outside Japan. 2. BK-TB, management accounting basis

### Quality of Loan Portfolio



### Reference:

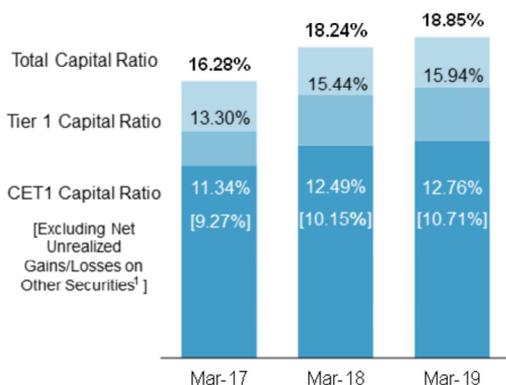
LBO (outside Japan) Outstanding Balance:<sup>2</sup>  
JPY 332.9 B (JPY -60.8B, YoY)

## Basel Regulatory Disclosures (1)

### Capital Ratio

(JPY B)

Consolidated



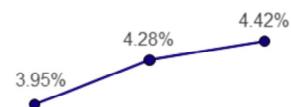
	Mar-17	Mar-18	Mar-19
Common Equity Tier 1 Capital	7,001.6	7,437.0	7,390.0
Additional Tier 1 Capital	1,209.8	1,755.1	1,842.1
Tier 1 Capital	8,211.5	9,192.2	9,232.1
Tier 2 Capital	1,839.4	1,668.1	1,685.3
Total Capital	10,050.9	10,860.4	10,917.5
Risk Weighted Assets	61,717.1	59,528.9	57,899.5

1. Basel III fully-effective basis 2. Total High-Quality Liquid Assets

### Leverage Ratio

(JPY B)

Consolidated

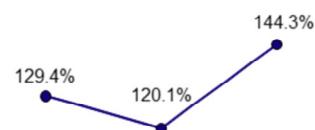


	Mar-17	Mar-18	Mar-19
Tier 1 Capital	8,211.5	9,192.2	9,232.1
Total Exposures	207,401.6	214,277.8	208,557.4

### Liquidity Coverage Ratio

(JPY B)

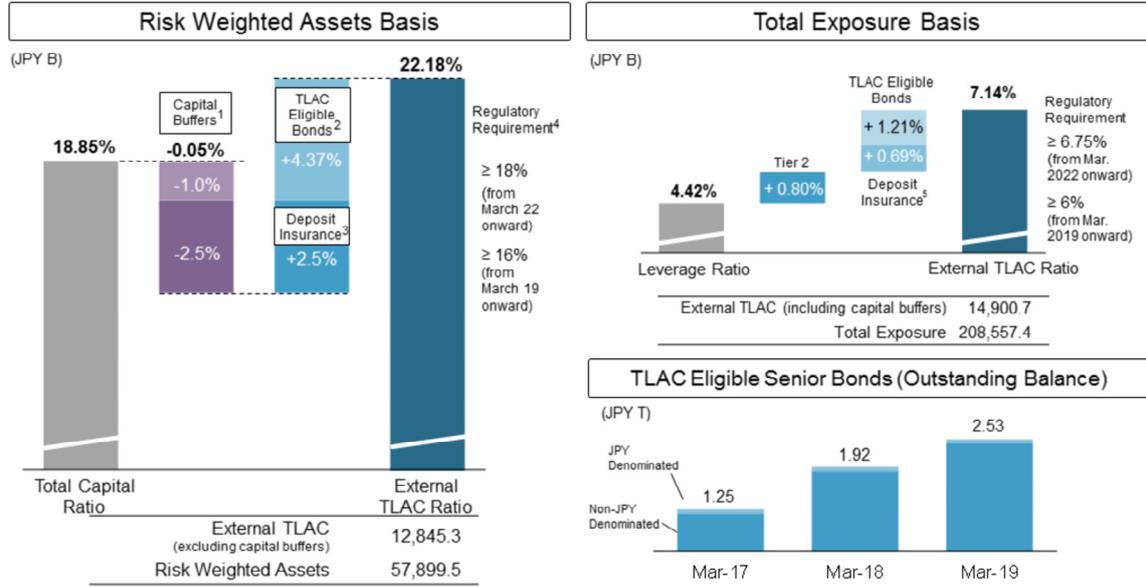
Consolidated



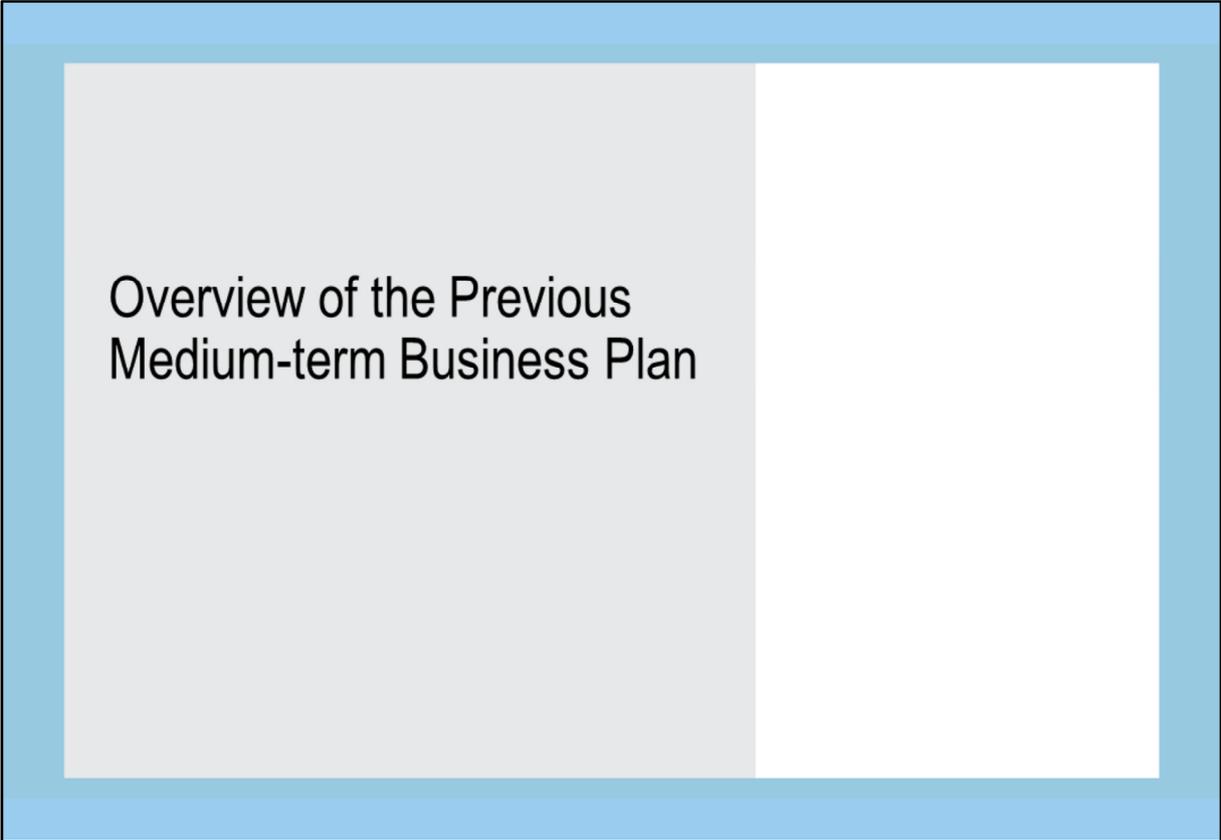
	FY16 Q4	FY17 Q4	FY18 Q4
Total HQLA <sup>2</sup>	59,034.6	60,159.6	59,797.1
Net Cash Outflows	45,611.6	50,079.0	41,447.8

## Basel Regulatory Disclosures (2)

### External TLAC Ratio (Mar-19)

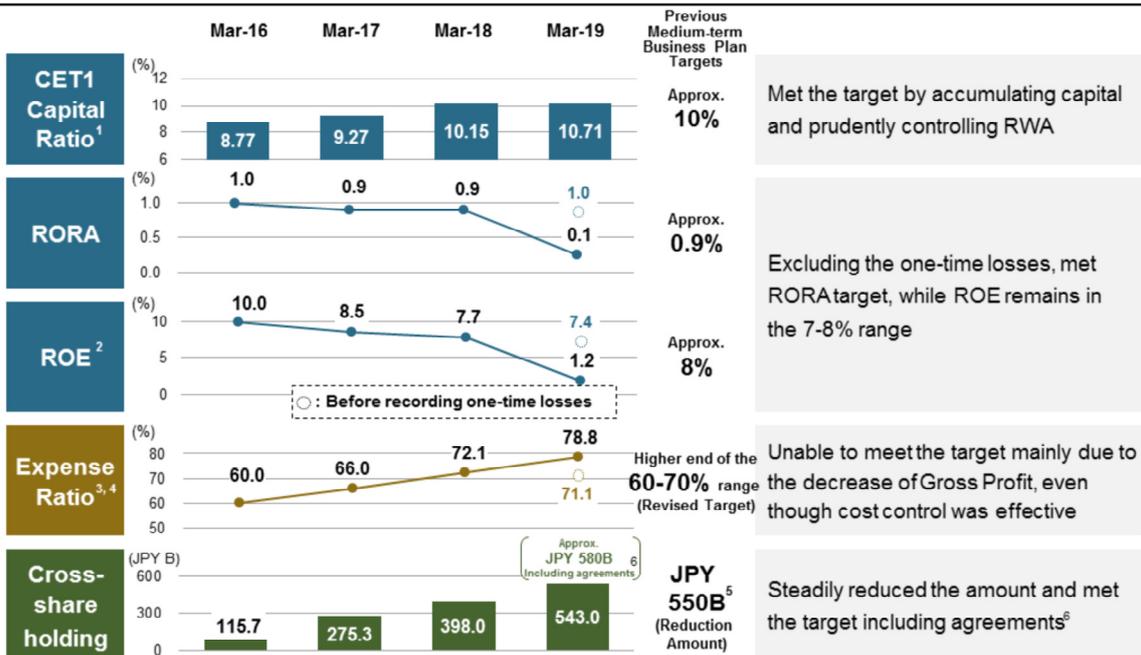


1. Capital Buffer = Capital Conservation Buffer (2.5%) + G-SIBs Capital Buffer (1.0%) + Countercyclical Capital Buffer (0.05%) 2. TLAC Eligible Senior Bond including other adjustments.  
 3. Deposit insurance fund reserve is allowed to count towards Japanese G-SIBs' TLAC. +3.5% of RWA from March 2022. 4. Minimum TLAC requirement based on FSB's final TLAC standard as of Nov. 9, 2015. Our required minimum TLAC as of March 2019 is 16.84% 5. Fund reserve equivalent amount on total exposure basis to 2.5% on RWA basis



Overview of the Previous  
Medium-term Business Plan

## Overview of the Previous Medium-term Business Plan



1. Basel III fully-effective basis (based on current regulations), excluding Net Unrealized Gains (Losses) on Other Securities 2. Excluding Net Unrealized Gains (Losses) on Other Securities 3. Group aggregated 4. Range of management accounting companies changed in FY17 (FY15 result remain unchanged) 5. Shares listed on Japanese stock market, acquisition cost basis, cumulative amount from FY15 to FY18 6. Includes future sales already agreed upon

# 5-Year Business Plan

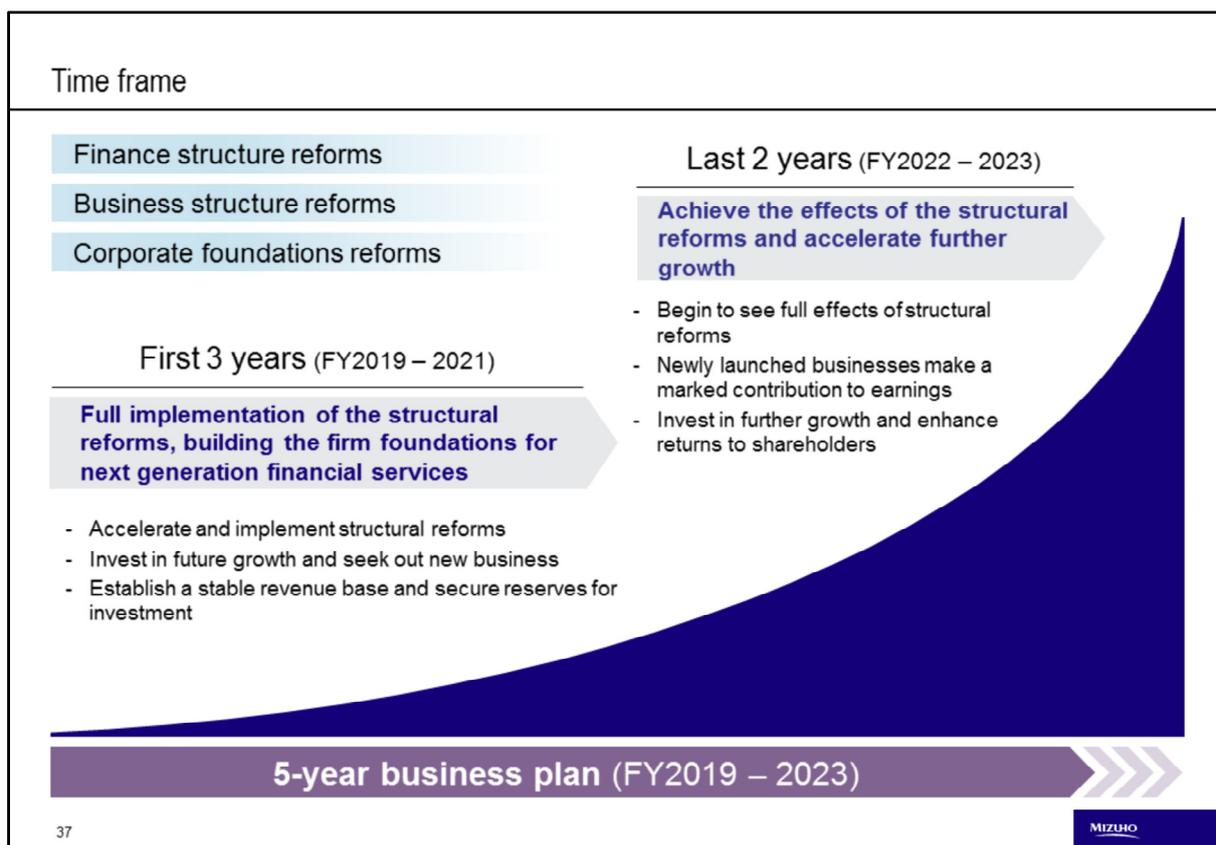
Transitioning to the Next Generation  
of Financial Services

<b>5-Year Business Plan: Transitioning to the Next Generation of Financial Services</b>				
<b>Basic policy</b>	<p><b>Implement forward-looking structural reforms focused on three interconnected areas: business structure, finance structure, and corporate foundations</b></p> <p>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</p>			
<b>Key strategy</b>	<p><b>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</b></p> <div style="display: flex; justify-content: space-around; margin-bottom: 10px;"> <div style="background-color: #002d62; color: white; padding: 5px; border-radius: 5px;"><b>Open &amp; Connected</b></div> <div style="background-color: #002d62; color: white; padding: 5px; border-radius: 5px;"><b>Passionate &amp; Professional</b></div> </div> <ul style="list-style-type: none"> <li>■ Draw on the strengths that Mizuho has cultivated thus far</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 33%; padding: 5px;"> <b>1</b> Customer base, network, trustworthiness &amp; dependability             </td> <td style="width: 33%; padding: 5px;"> <b>2</b> Financial functions, market presence, ability to respond to non-financial needs             </td> <td style="width: 33%; padding: 5px;"> <b>3</b> Approach business as a unified group             </td> </tr> </table> <ul style="list-style-type: none"> <li>■ Accelerate our digitalization initiatives and proactive collaboration with external partners</li> </ul>	<b>1</b> Customer base, network, trustworthiness & dependability	<b>2</b> Financial functions, market presence, ability to respond to non-financial needs	<b>3</b> Approach business as a unified group
<b>1</b> Customer base, network, trustworthiness & dependability	<b>2</b> Financial functions, market presence, ability to respond to non-financial needs	<b>3</b> Approach business as a unified group		
<b>Our objective</b>	<p><b>Build a stronger and more resilient financial group which our customers can depend on in the coming era</b></p>			

<5-Year Business Plan>  
Page 35,36 Basic Policy

- Now I would like to go over our 5-Year Business Plan: Transitioning to the Next Generation of Financial Services, which was announced recently.
- This slide provides an overview.
- We 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.
- 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.
- And our key strategy 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.
- This is how we will aim to transition to the next generation of financial services.
- On the following slides, I will explain these concepts in detail. Please turn to page 37.

	<h2 style="text-align: center;">5-Year Business Plan: Transitioning to the Next Generation of Financial Services</h2>			
<p><b>Basic policy</b></p>	<p><b>Implement forward-looking structural reforms focused on three interconnected areas: business structure, finance structure, and corporate foundations</b> 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</p>			
<p><b>Key strategy</b></p>	<p>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</p> <div style="display: flex; justify-content: space-around; margin-bottom: 10px;"> <div style="background-color: #808080; color: white; padding: 5px 15px; border-radius: 5px;">Open &amp; Connected</div> <div style="background-color: #808080; color: white; padding: 5px 15px; border-radius: 5px;">Passionate &amp; Professional</div> </div> <ul style="list-style-type: none"> <li>■ Draw on the strengths that Mizuho has cultivated thus far</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <tr> <td style="width: 33%; padding: 5px; text-align: center;"> <b>1</b> Customer base, network, trustworthiness &amp; dependability         </td> <td style="width: 33%; padding: 5px; text-align: center;"> <b>2</b> Financial functions, market presence, ability to respond to non-financial needs         </td> <td style="width: 33%; padding: 5px; text-align: center;"> <b>3</b> Approach business as a unified group         </td> </tr> </table> <ul style="list-style-type: none"> <li>■ Accelerate our digitalization initiatives and proactive collaboration with external partners</li> </ul>	<b>1</b> Customer base, network, trustworthiness & dependability	<b>2</b> Financial functions, market presence, ability to respond to non-financial needs	<b>3</b> Approach business as a unified group
<b>1</b> Customer base, network, trustworthiness & dependability	<b>2</b> Financial functions, market presence, ability to respond to non-financial needs	<b>3</b> Approach business as a unified group		
<p><b>Our objective</b></p>	<p><b>Build a stronger and more resilient financial group which our customers can depend on in the coming era</b></p>			

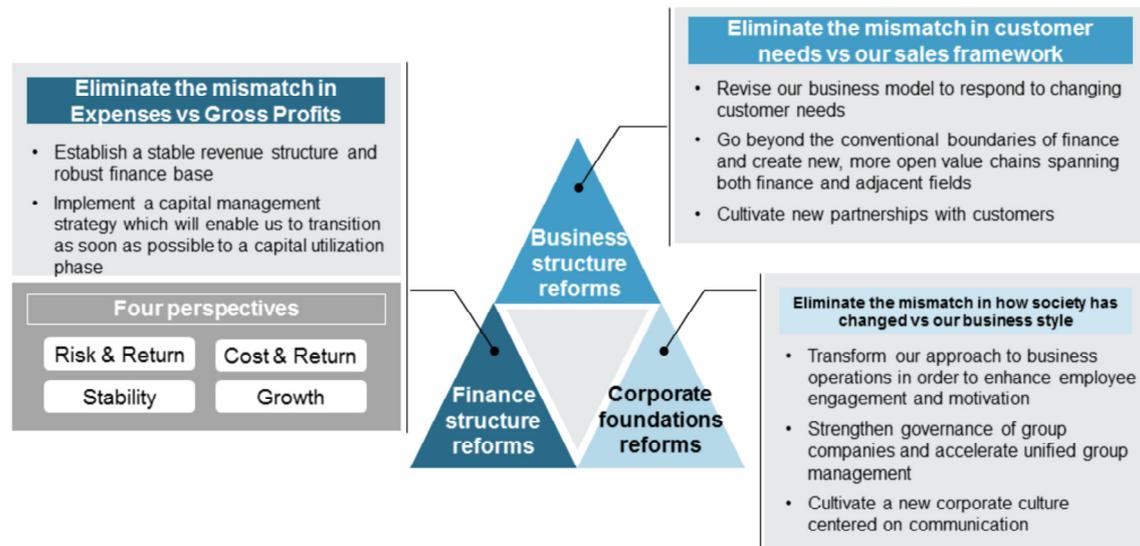


## Page 37 <Time frame>

- First of all I would like to go over the time frame for the 5-Year Business Plan.
- Although our previous business plans were three years, this new plan is for five years.
- A 3-year time frame is sufficient for addressing immediate issues on a “flow” basis in terms of “stock & flow”.
- However, by adopting a 5-year time frame, we believe that we will also be able to directly address structural issues on a “stock” basis, aiming to transition to the next generation of financial services.
- In the latter two years of the time frame in particular, we expect to achieve the effects of these efforts and to accelerate further growth.
- Please continue to page 38.

## Basic policy: Three-pillar reform

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



38

MIZUHO

### Page 38 <Basic policy: Three-pillar reform>

- This slide details the basic thinking behind each of the three pillars of structural reforms—business, finance, and corporation foundations.
- Here I would like to take a moment to explain our thinking behind the finance structure reforms in particular.
- Through these finance structure reforms we are aiming to build a revenue structure with built-in stability and growth.
- We will use four perspectives: (1) risk & return in relation to capital; (2) cost & return in relation to investment and expenses; (3) stability; and (4) growth in terms of our business portfolio. These perspectives will enable us to identify issues specific to the revenue structure of each business domain.
- Based on this, we will reallocate corporate resources from streamlined areas to growth areas, pursuing revenue streams with upside potential more proactively while continuing to cultivate stable revenue streams as well. I will cover this in more detail later.
- Also, by enhancing the robustness of our financial base we will be able to better withstand turns in the credit cycle and transition as soon as possible to a capital utilization phase.

## Introduction

5-Year Business Plan: Transitioning to the Next Generation of Financial Services				
Basic policy	<p>Implement forward-looking structural reforms focused on three interconnected areas: <b>business structure, finance structure, and corporate foundations</b></p> <p>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</p>			
Key strategy	<p>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</p> <p><b>Open &amp; Connected</b>      <b>Passionate &amp; Professional</b></p> <ul style="list-style-type: none"><li>Draw on the strengths that Mizuho has cultivated thus far</li></ul> <table border="1"><tr><td><b>1</b> Customer base, network, trustworthiness &amp; dependability</td><td><b>2</b> Financial functions, market presence, ability to respond to non-financial needs</td><td><b>3</b> Approach business as a unified group</td></tr></table> <ul style="list-style-type: none"><li>Accelerate our digitalization initiatives and proactive collaboration with external partners</li></ul>	<b>1</b> Customer base, network, trustworthiness & dependability	<b>2</b> Financial functions, market presence, ability to respond to non-financial needs	<b>3</b> Approach business as a unified group
<b>1</b> Customer base, network, trustworthiness & dependability	<b>2</b> Financial functions, market presence, ability to respond to non-financial needs	<b>3</b> Approach business as a unified group		
Our objective	<p>Build a stronger and more resilient financial group which our customers can depend on in the coming era</p>			

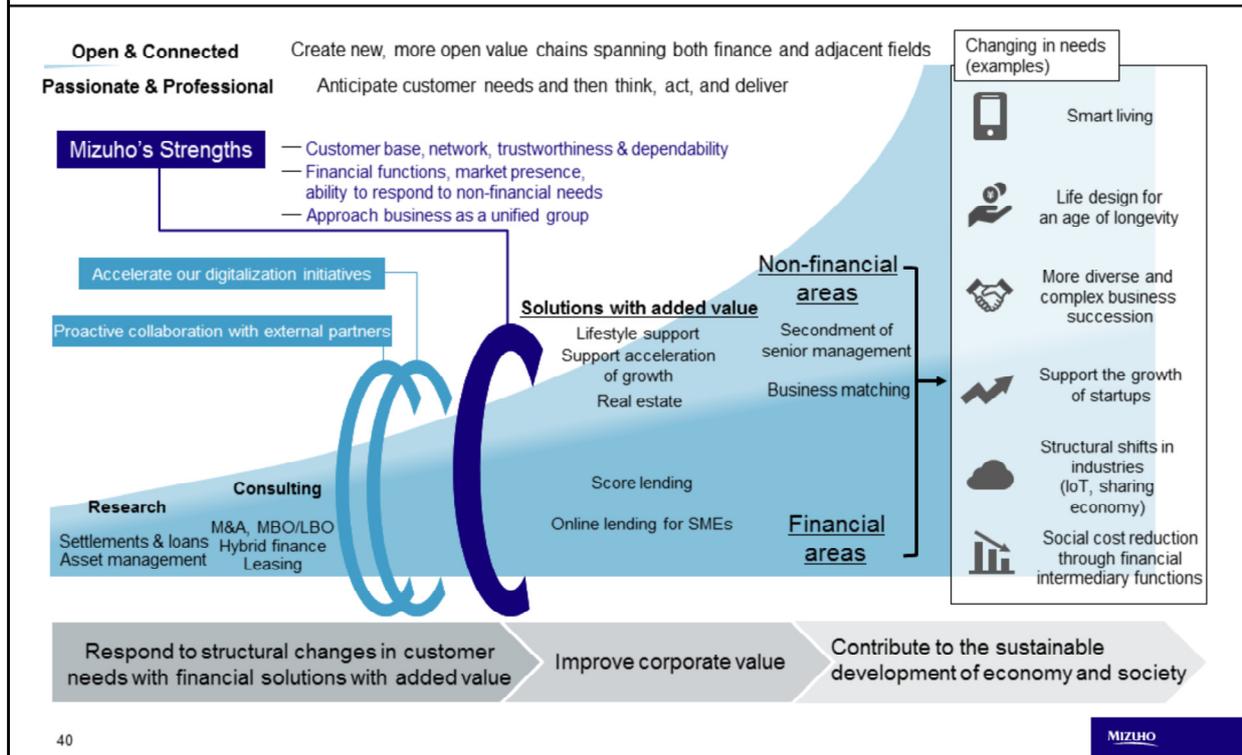
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### Page 39 <Key strategy>

- Please have a look at page 39. Our key strategy 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.
- I would like to take a moment to touch on this concept in more detail. Please turn to the next page.

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

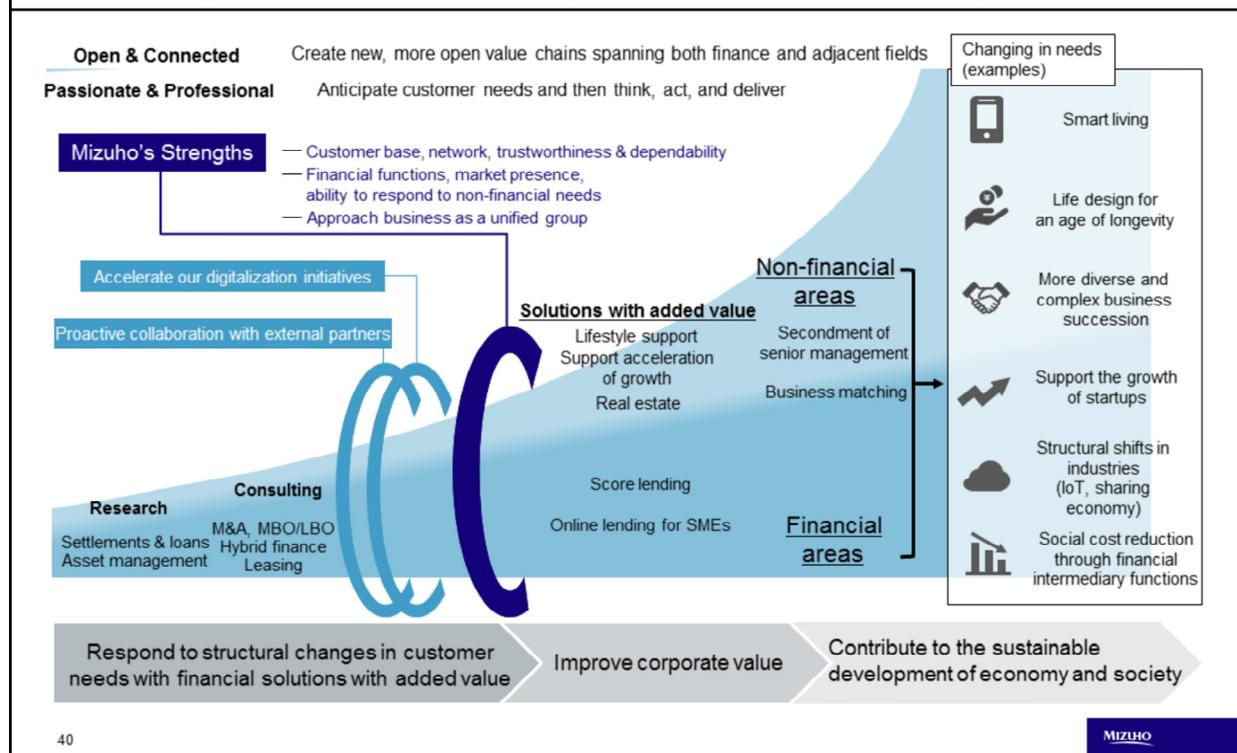


### Page 40 <Basic strategy: Creation of new value in adjacent business areas surrounding finance>

- 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 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, as illustrated on the right side, individuals are not only interested in investing their money but also services integrated with an increasingly connected "smart" 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. 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/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 individual customers and corporate clients based on their hopes, dreams, or concerns, and connect with customers at a deeper level.

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



- 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 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 will adopt the action principles shown on the upper left hand side of the page—“Open & Connected” and “Passionate & Professional”.
- “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.
- Please continue to the next page.

## Introduction

5-Year Business Plan: Transitioning to the Next Generation of Financial Services				
Basic policy	<p><b>Implement forward-looking structural reforms focused on three interconnected areas: business structure, finance structure, and corporate foundations</b></p> <p>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</p>			
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Our objective	<p><b>Build a stronger and more resilient financial group which our customers can depend on in the coming era</b></p>			

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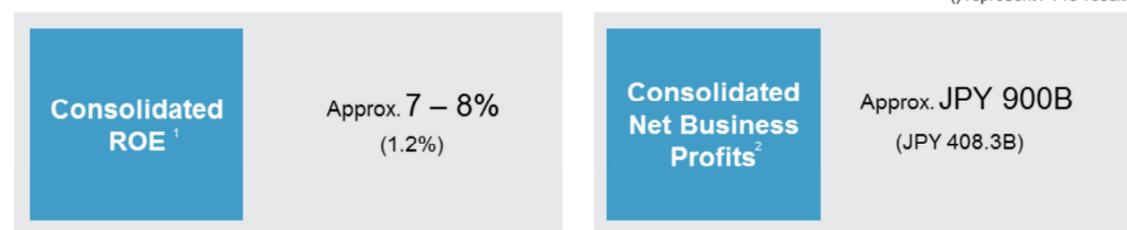
### Page 41 <Basic strategy: Our objective>

- In implementing this strategy, we are aiming to transition to the next generation of financial services and build a stronger and more resilient financial group which our customers can depend on in the coming era.

## Key financials

### Financial targets (FY2023)

( ) represent FY18 results

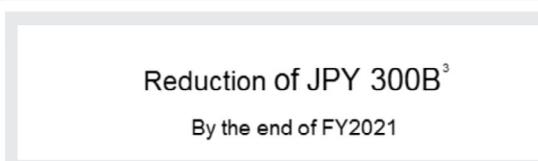


### Common Equity Tier 1 (CET1) capital ratio target level



Basel III finalization fully-effective basis  
Excluding Net Unrealized Gains (Losses) on Other Securities

### Reduction of cross-shareholdings



[Assumed financial indicators] 10-year JGB; interest rate: 0.15%; Nikkei Stock Average: 22,100 yen; JPY/USD: 101 yen

1. Excluding Net Unrealized Gains (Losses) on Other Securities 2. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs (2 Banks) + Net Gain on Operating Investment Securities (SC Consolidated) 3. Acquisition cost basis

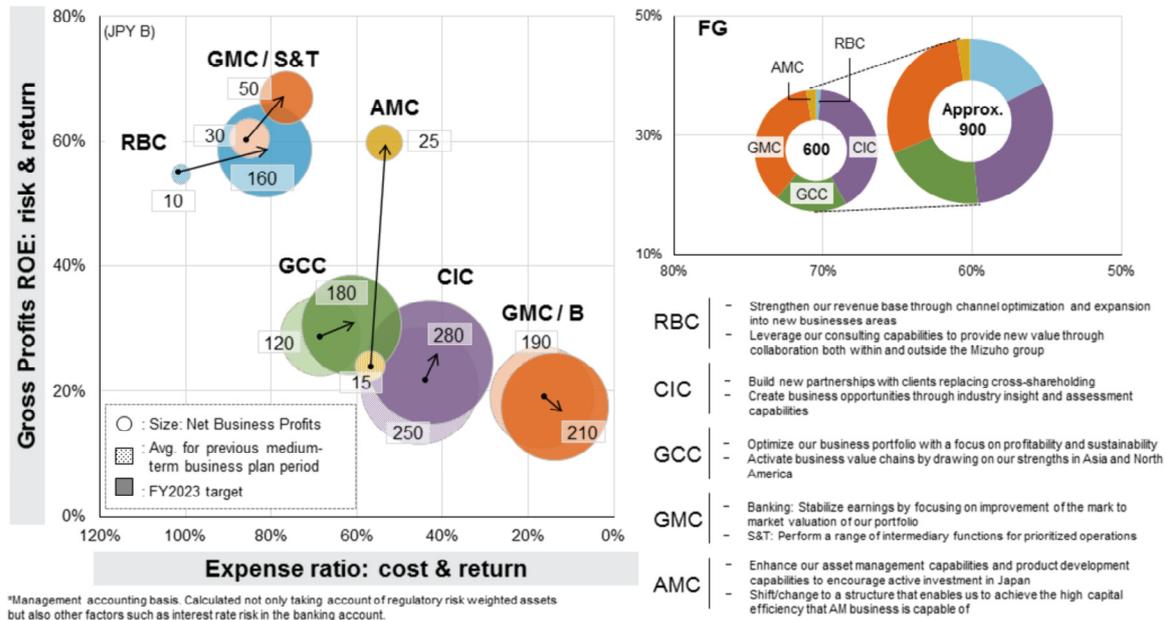
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## Page 42 <Key financials>

- Moving on to page 42, allow me to explain our key financials.
- Firstly, one of our financial targets to be achieved by FY2023, 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. JPY 900B, which we will aim to achieve by enhancing our stable revenue base and strengthening our earnings power.
- As a guiding indicator, we have set a target CET1 capital ratio level at the lower end of the 9 – 10% range on a Basel III fully-effective basis. I will go into more detail on this when discussing our capital strategy.
- Additionally, we will aim to reduce cross-shareholdings by JPY 300B by the end of FY2021. When we revised our Corporate Governance Report in December of last year, we also developed a policy stating that “through dialogue with the issuing companies, we will also reduce even those holdings we consider to be meaningful” and therefore we will continue to sell cross-shareholdings.
- Next I would like to show you some specific examples of the initiatives we will undertake to achieve these targets. Please turn to page 43.

Gross Profits ROE<sup>1</sup> and expense ratio (by in-house company)



## Financial structure reforms

### Page 43 <Direction of each in-house company>

- First let's look at the direction of each in-house company.
- This graph shows Gross Profits ROE on the Y axis, an indicator of risk vs. profitability, which is key to increasing capital efficiency, and Expense Ratio on the X axis, an indicator of cost vs. profitability. And the size of the two circles represents the average Net Business Profits for each in-house company during the period of the previous medium-term business plan and the amount targeted for achievement by FY2023, respectively. Showing these two values on the same graph, we can see the issues faced by each in-house company and here we have outlined our plans for improvement.
- The Retail & Business Banking Company (RBC), for example, has a high level of Gross Profits ROE but also a high expense ratio. The Corporate & Institutional Company (CIC) has a low expense ratio but Gross Profits ROE is also low due to the allocation of capital to cross-shareholdings.
- In order to address these situations, in RBC for example we will work to improve cost & return by reducing fixed costs and in CIC we will reallocate capital freed up by the sale of cross-shareholdings towards

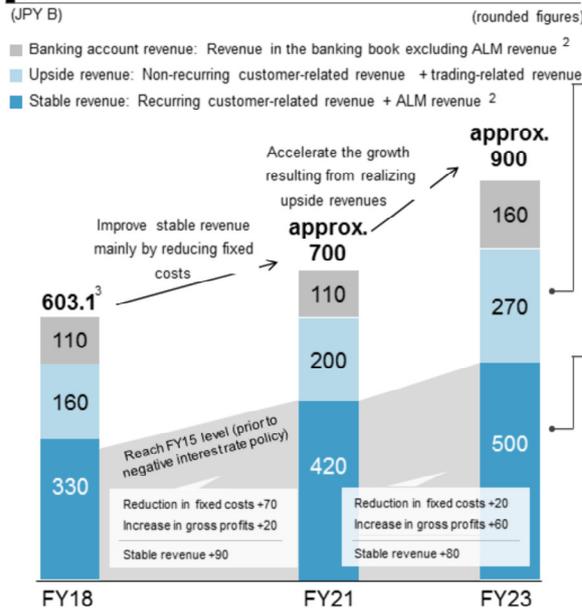
new investments, lending, and business domains in order to improve risk & return. These and other initiatives will enable each in-house company to increase ROE on a bottom line basis.

- Please turn to page 44.

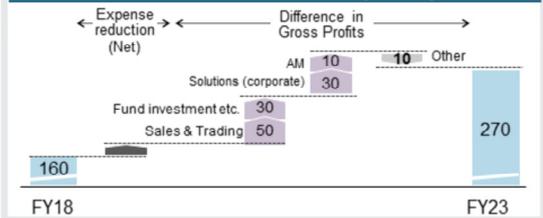
# Revenue roadmap

Finance structure reforms

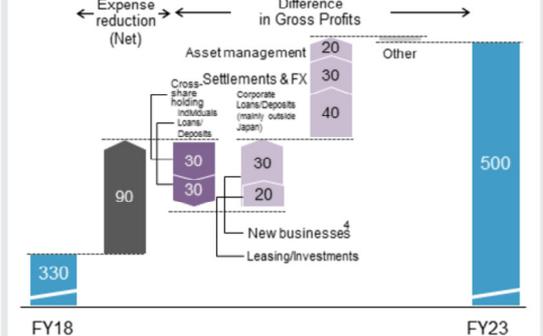
## Consolidated net business profits outlook <sup>1</sup>



## Pursue revenue streams with upside potential



## Increase stable revenue streams



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

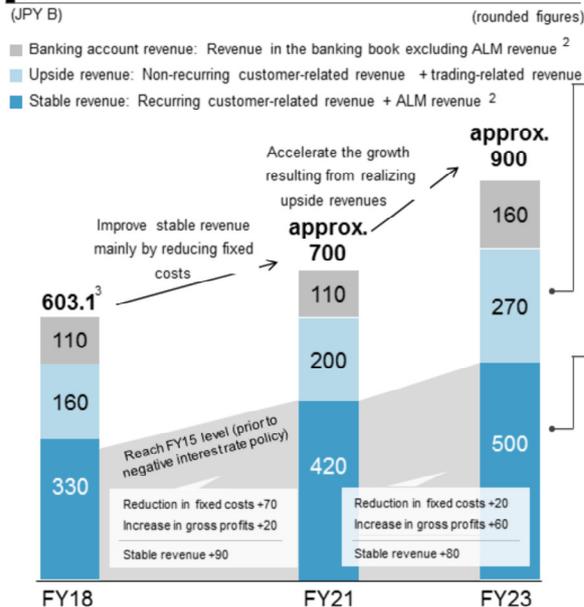
## Page 44 <Revenue roadmap>

- The next two pages provide a roadmap for how we aim to achieve Consolidated Net Business Profits of JPY 900B and how we will revise our capital allocation to do so.
- The graph on the left side shows Consolidated Net Business Profits broken down by revenue stream type: Stable revenue and the relatively more volatile upside revenue and markets banking account revenue. You can see how we expect this revenue structure to change over the next three years and five years, respectively.
- In the first three years of the new plan we will make expenditures in business areas we are focusing on while reducing expenses overall, primarily fixed costs in Japan, by restructuring channels, implementing structural reforms in our operations and IT system frameworks, and other means. So at first we will work to achieve a recovery in stable revenue as this is the source of steady dividends. Then, in the last two years of the plan, we will begin to see the effects of our forward-looking investments of the previous years, and increase profits based on top line growth.

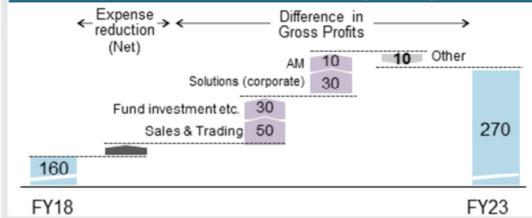
# Revenue roadmap

Finance structure reforms

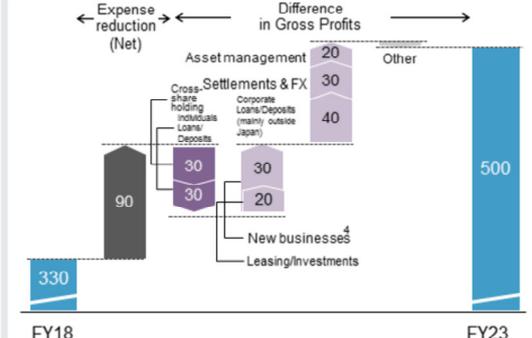
## Consolidated net business profits outlook <sup>1</sup>



## Pursue revenue streams with upside potential



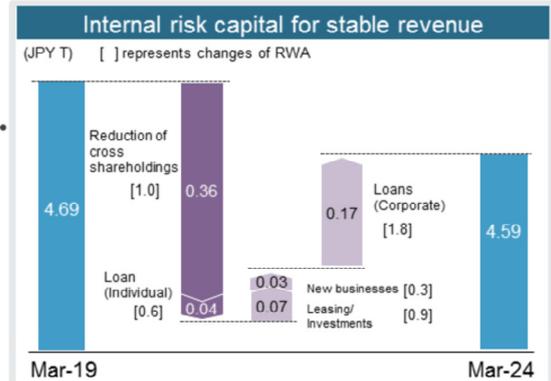
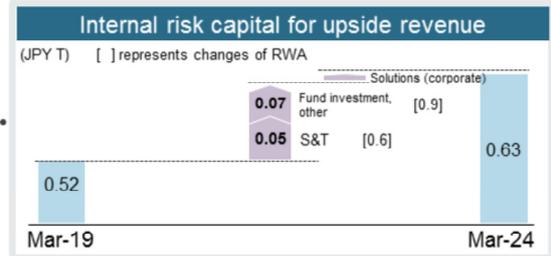
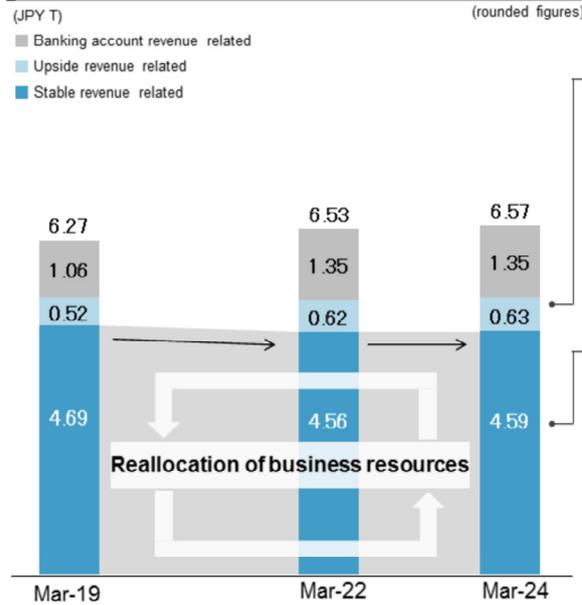
## Increase stable revenue streams



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

- Based on these efforts, by FY2021 we expect Consolidated Net Business Profits to have recovered to a similar level as FY2016, and for stable revenue to exceed the level prior to the introduction of negative interest rates, aiming to make a steady improvement to the quality of revenue sources.
- Also, as shown in the breakdown on the right side of the slide, we will aim to increase stable revenue streams, primarily via (1) corporate loans/deposits mainly outside Japan, and (2) settlements, forex, new businesses, and other areas.
- We will also actively pursue revenue streams with upside potential via strategic investment based on the provision of quasi-equity financing and by strengthening sales & trading.
- Please turn to page 45.

Internal risk capital outlook \*



\*The amount of internally managed risk. Calculated not only taking account of regulatory risk weighted assets but also other factors such as interest rate risk in the banking account

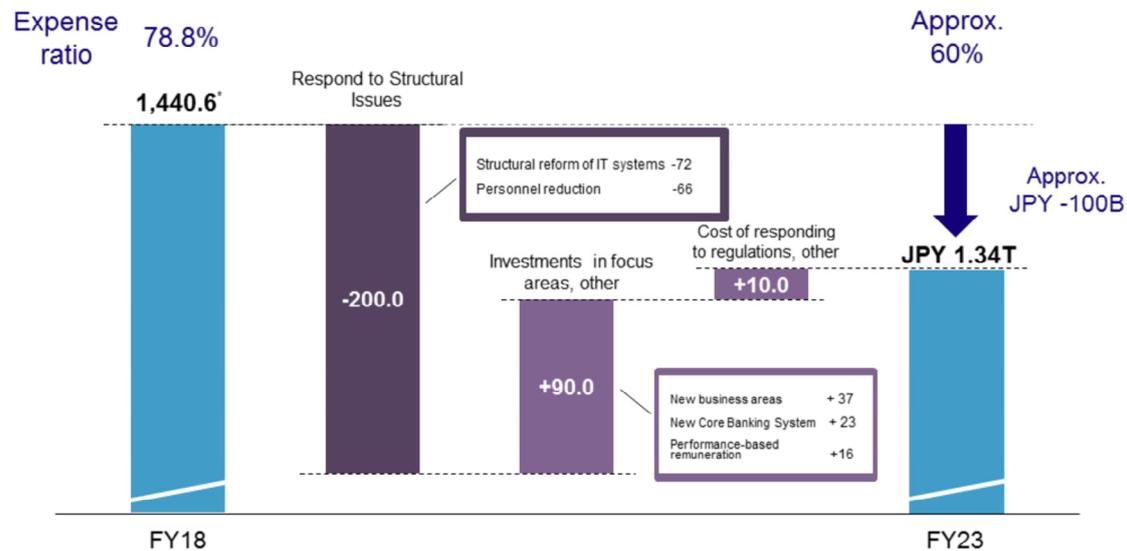
Page 45 <Internal risk capital>

- When referring to internal risk capital, we are referring to a means of calculating internally managed risk which we introduced during the previous medium-term business plan. It is calculated not only taking account of regulatory risk weighted assets but also other non-regulated risk such as interest rate risk in the banking book.
- The graph on the left side shows that the overall amount of risk will remain flat except for at the end of FY2018, where it was slightly reduced. The graphs on the right side show our plans to restructure our business portfolio by reallocating risk capital from streamlined cross-shareholdings and areas such as housing loans to strategic investment, lending, and other growth areas.
- On the next slide, I will explain our plans for reducing expenses.

## Overview of Expenses\*

(JPY B)

(rounded figures)



\*G&amp;A Expenses (excluding Non-Recurring Losses) - Amortization of Goodwill and other items.

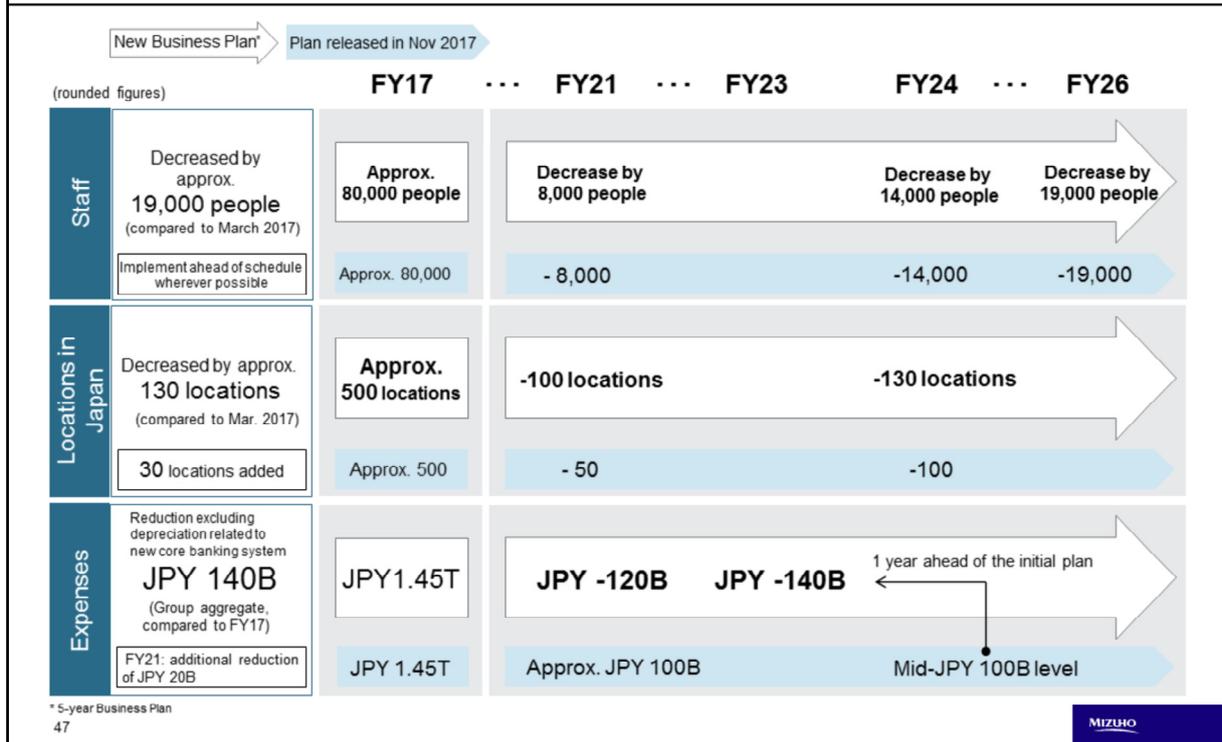
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## Page 46 &lt;Expense roadmap&gt;

- As you can see, we plan to reduce consolidated expenses from JPY 1.4T in FY2018 to JPY 1.3T in FY2023, a reduction of approx. JPY 100B, and improve our expense ratio from 78% to approx. 60%.
- However, on a gross basis, we are actually aiming to reduce expenses by approx. JPY 200B through the provisions for streamlining our workforce, IT systems, and other areas under the structural reforms, and then we plan to invest/expense approx. JPY 100B in focus areas and others linked to future growth, therefore adopting a more flexible approach to expense management in each area of our business portfolio.
- Please turn to page 47.

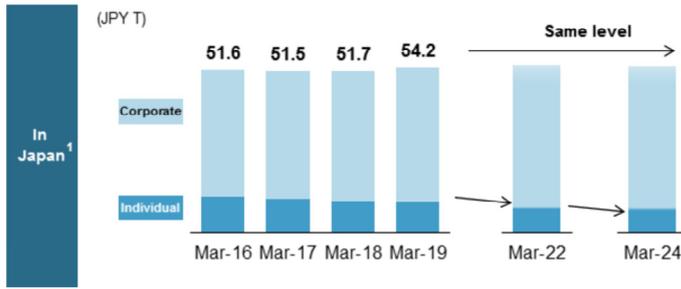
## Quantitative Image of Structural Reform



### Page 47 <Quantitative Image of Structural Reform>

- This is a comparison with the fundamental structural reforms we announced in November 2017.
- In summary, we will further reduce the number of branches in Japan and further reduce expenses compared to the original plan while aiming to implement these structural reforms ahead of schedule.
- Please skip ahead to page 50.

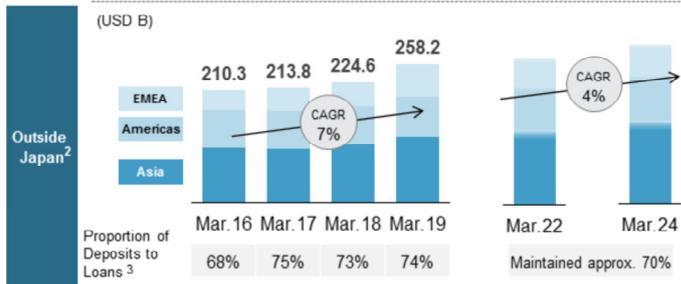
Loan Balance



Loan Spread

(In-house company management basis)

	FY18 to FY21	FY21 to FY23
Large Corporations	➔	➔
SMEs	➔	➔
Individuals	➔	➔



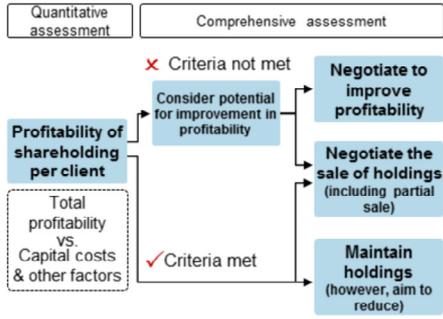
	FY18 to FY21	FY21 to FY23
EMEA	➔	➔
Americas	➔	➔
Asia	➔	➔

1. 2 Banks, excluding loans to FG, the Japanese Government, etc. Banking account. Individuals: housing and consumer loans  
 2. BK management accounting, including the subsidiaries in China, the US, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico  
 3. BK, including the subsidiaries in China, the US, the Netherlands and Indonesia, etc.

**Basic policy\***

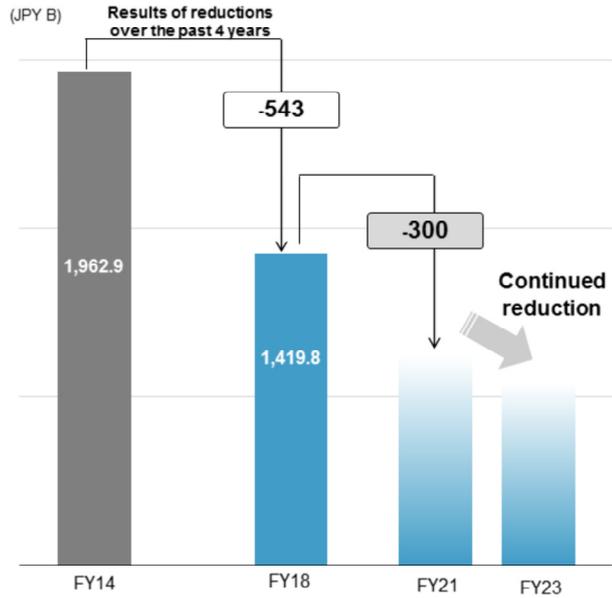
- Unless we consider these holdings to be meaningful, we will not hold the shares of other companies as cross-shareholdings
- Through dialogue with the issuing companies, we will also reduce even those holdings we consider to be meaningful

**Process for assessing whether cross-shareholding is meaningful**

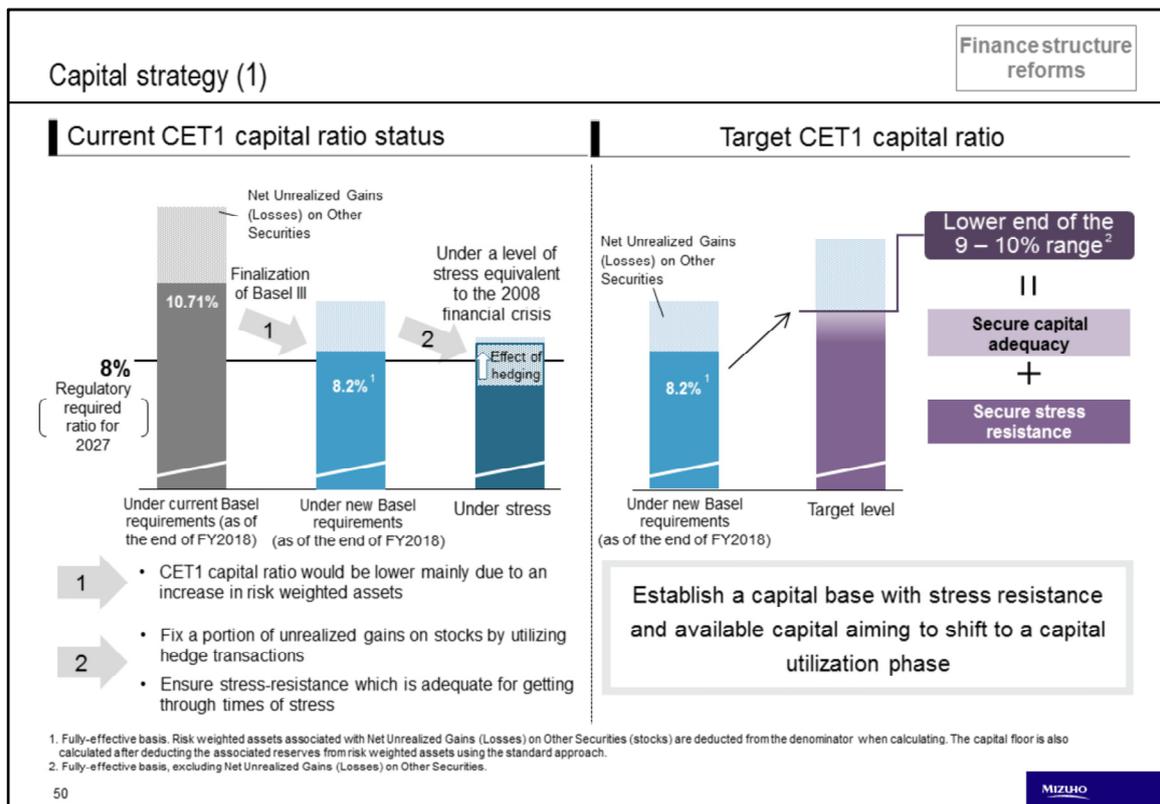


**Results and targets for reduction**

Consolidated Acquisition cost basis



\*See "Policy Regarding Mizuho Financial Group's Cross-shareholding of Other Listed Companies" on our website: <https://www.mizuho-fg.com/company/structure/governance/structure/hold.html>



### Page 50 <Capital strategy (1)>

- I would now like to explain the thinking behind our target CET1 capital ratio.
- Our CET1 capital ratio as of the end of March 2019 was 10.7% excluding Net Unrealized Gains (Losses) on Other Securities and under current Basel requirements. Under the new Basel III requirements on a fully effective basis, this would have been 8.2%, showing that we have steadily strengthened our capital base.
- Additionally, when considering a portion of unrealized gains being fixed through hedging, we believe that we have secured adequate stress resistance in the event of a stress event along the lines of the 2008 global financial crisis.
- From senior management's perspective, we have set a CET1 capital ratio in the lower end of the 9 – 10% range as the level we would like to achieve in the future. This target level is based on the operating environment going forward, the specific risk profile of our company, and other factors. We believe that this would enable us to ensure steady returns to shareholders while also proactively responding to growth opportunities, even in the event of a stress situation on par with the 2008 global financial crisis.
- Currently we have already achieved a level where we have secured

capital adequacy and stress resistance, so based on the extent to which we can further strengthen our finance/capital base going forward, we will aim to enhance investment in growth and returns to shareholders at an early stage.

- We will aim to achieve a CET1 capital ratio in the lower end of the 9 – 10% range in the future while utilizing capital in this way.
- Please continue to the next page.

**Revision to Shareholder Return Policy**

Our policy to return profits to shareholders has been revised as below taking into account the status of capital adequacy and other factors

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

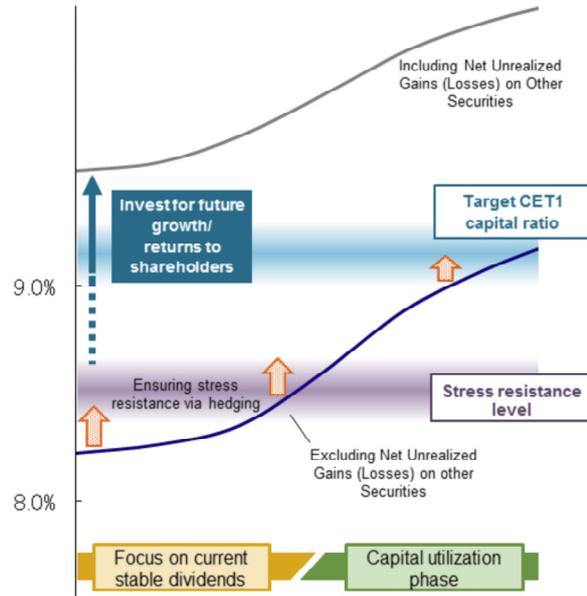
Before revision:  
"Steady dividend policy with a dividend payout ratio on a consolidated basis of approx. 30% as a guide for our consideration"

Cash Dividend per Share of Common Stock	
<b>Annual Cash Dividend Payment (Estimate): JPY 7.50</b>	
Interim Cash Dividend (Estimate)	: JPY 3.75
Fiscal Year-end Cash Dividend (Estimate)	: JPY 3.75

We continue to pursue a disciplined capital management policy which maintains an optimal balance between strengthening our stable capital base and providing steady returns to shareholders

\*Basel III finalization fully-effective basis

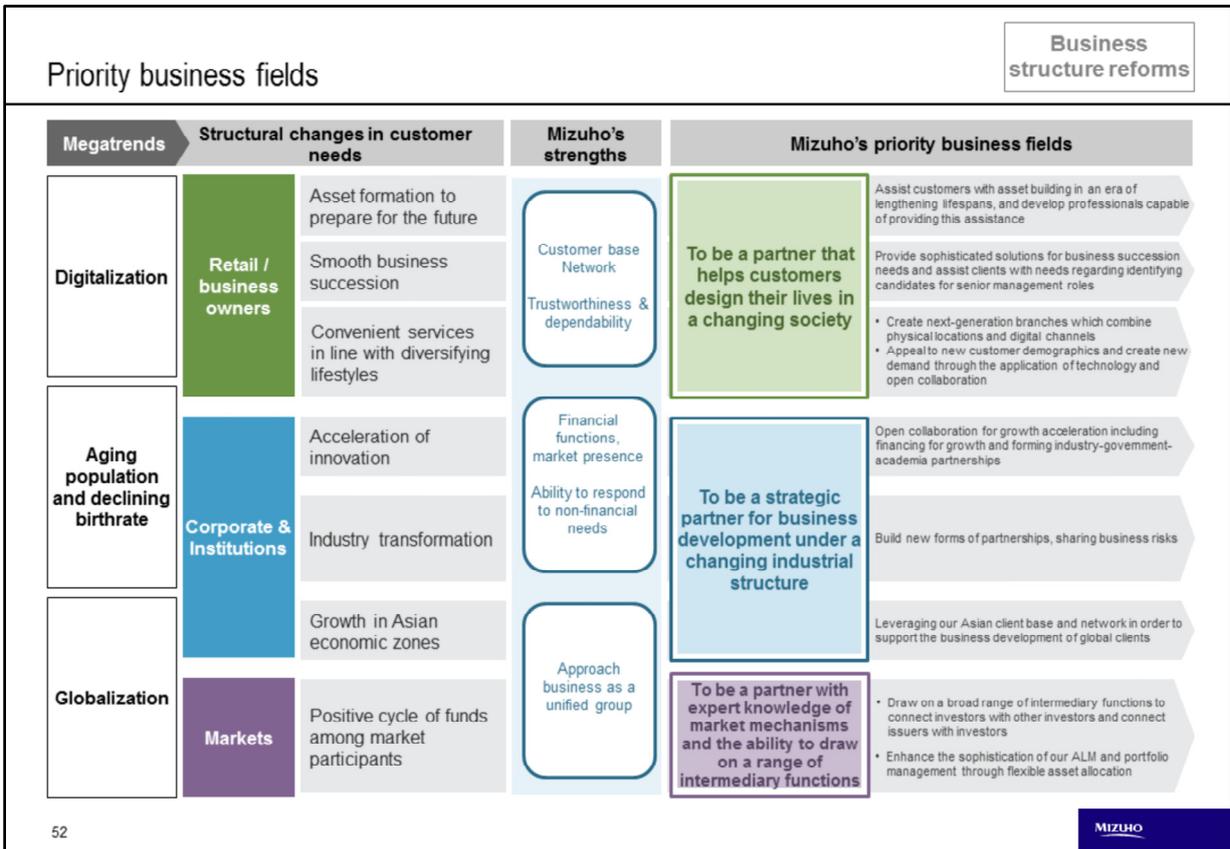
**CET1 capital ratio (conceptualization)**



Page 51 <Capital strategy (2)>

- Next I would like to introduce our new Shareholder Return Policy.
- There are two primary factors behind this revision. The first is that we have achieved the CET1 capital ratio targeted under our previous Medium-term Business Plan and built a capital base capable of supporting steady dividends. The second factor is that we believe we can further strengthen our capital base through the implementation of our 5-Year Business Plan which would enable us to enhance returns to shareholders at an early stage.
- There are two specific points of revision. The first is that instead of specifying guidance for the dividend payout ratio, we are aiming to maintain the current level of dividends, making our policy on maintaining steady dividends more clear.
- The second point is that we are clearly stating our goal of enhancing returns to shareholders and at an early stage, which we have not specified previously.
- Please note that our dividend estimate for FY2019 is JPY 7.50.
- On the right side of the page you can see a conceptualization of our thinking regarding how our CET1 capital ratio and returns to shareholders may change going forward.

- Please turn to the next page.



## Business structure reforms

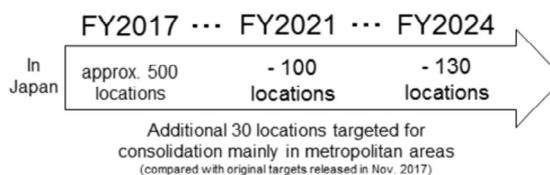
Page 52 <Priority business fields>

- Now I would like to share with you 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. This approach is aligned with the key strategy I previously mentioned.
- Through this approach, we will aim to be a partner that helps customers design their lives in a changing society for retail customers and business owners. And for corporate and institutional clients we will aim to be a strategic partner for business development under a changing industrial structure. 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, thus enhancing our presence.
- At our IR Day next month, the head of each in-house company will provide a more detailed explanation of our business strategies, so today I will simply summarize some of the key points.
- Please turn to page 53.

## Key strategies

- **Unveil next-generation branches integrating physical locations with digital solutions**
  - Accelerate the shift to transform branches into places for consulting utilizing remote technology and other digital innovations
    - Remote consulting in BK/TB/SC by 2020
    - Further digitalization of back office functions by 2023
- **Develop new customer demographics and generate demand by utilizing technology and working openly with other companies**
  - Create new businesses utilizing AI technology and data
    - J.Score → P66
    - Mizuho Smart Business Loans → P67
  - Promote cashless transactions
    - J-Coin Pay → P69
  - Work together with tech companies
    - Joint company with Line → P68

## Restructure customer channels



## Next-generation branch Place for consulting

(concept)



## Digital channels

Become the main channel for daily transactions

Expand the convenience of services (cashless payments, online lending, etc.)

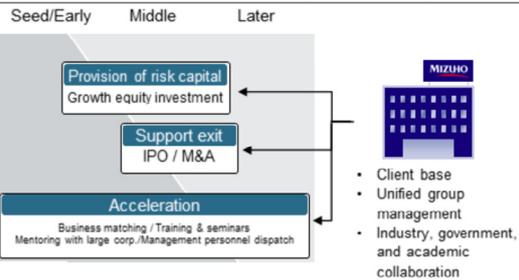
## Page 53 &lt;Retail banking strategy&gt;

- First of all, let me introduce our retail banking strategy.
- We believe that the key to differentiating Mizuho is to provide both optimal channels aligned to customers' needs and a broad range of services.
- In light of the trend for connected "smart" lifestyles, retail customers' day-to-day financial activity is more centered on mobile and social media channels, so we must find ways of interfacing financial services with these spaces.
- In that regard, utilizing technology and working with an open mindset with other companies will enable us to provide highly convenient services from a user experience perspective, and so we will work towards this as quickly as possible.
- Also, considering structural changes in society leading to lengthening lifespans, we will aim to provide optimal solutions aligned to customers' life events, such as asset formation in preparation for the future and nursing support services for old age.
- Please proceed to the next page.

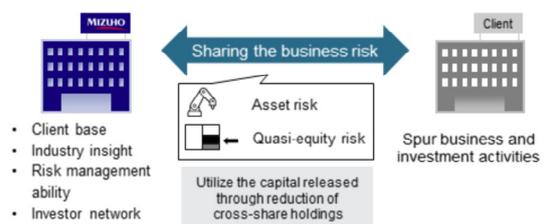
**Key strategies**

- **Provide risk capital to growing companies**
  - Expand fund investment and equity investment
  - Further strengthen bank–securities collaboration
  - Enhance support for clients' growth by providing services including M's Salon membership service
- **Develop new forms of partnerships sharing business risks with clients by strengthening our risk-taking capability**
  - Mezzanine and equity financing  
Provide with more equity related funds
  - Underwrite asset risk  
Provide asset financing utilizing leases and other solutions

**Further strengthen our support capabilities in accordance with client growth stage**



**Develop partnerships sharing business risk with clients**



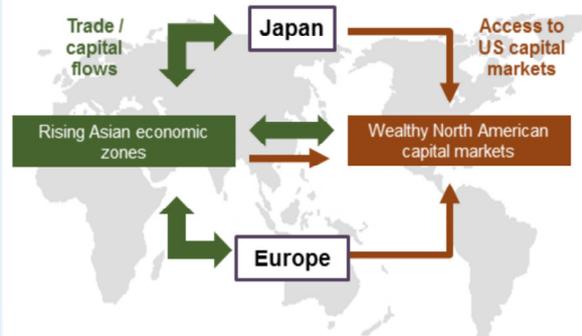
Page 54 <Institutional banking strategy>

- To summarize our institutional banking strategy under the new business plan, we will allocate a portion of the capital reserves released through the sale of cross-shareholdings towards new areas where we can take on appropriate risk.
- In particular, we will provide risk capital to growing companies as well as support their growth in other ways such as business matching and dispatching management personnel.
- Also, by further drawing on our risk-taking capability in regards to business itself, we expect to use a new company, Mizuho Leasing, in order to provide quasi-equity financing, including taking on asset risk and business risk.
- In this manner, we can share business risk with our clients, building new forms of partnership with them, which will replace cross shareholding.
- Please turn to the next page.

**Key strategies**

Strengthen existing business further, while firmly maintaining our current risk appetite (with Japanese companies, Global 300, etc.)

- Reduce legacy costs, and reduce unprofitable business and assets in consideration of non-JPY funding and new Basel requirements
- Invest business resources intensively into new growth areas
  - Asia: Enhance transaction banking
  - North America: Strengthen capital markets business

**Cross-regional capturing of global cash flows****Growth initiatives centered on Asia**

- Capture trade and capital flows both in and outside the Asian region
- Increase transaction banking revenue from non-Japanese multinationals

**Utilization of North American capital markets mechanisms**

- Strengthen our role as a provider of intermediary services between issuers and institutional investors both in and outside the US
- For non-investment grade clients: LCM/DCM/ECM initiatives to be selective to digestible deals in the market

## Page 55 &lt;Global strategy&gt;

- As for our operations outside Japan, we will revise cost structures and reduce unprofitable assets, while at the same time investing business resources in growth areas, focused on Asia and North America, in order to improve profitability.
- In particular, in Asia with its growth potential we will draw on our client base, network, and other strengths in order to further expand transaction banking by capturing trade flows both in and outside the region.
- Also, in addition to our lending relationships we will also draw on our industry insight-backed advisory services, our access to European and North American capital markets, and other strengths in order to provide financial intermediary support in relation to capital flows such as industry reorganization and cross-border M&As.
- In consideration of the increasing uncertainty in the global economy, we must be more discriminating than before in identifying risk and enforce forward-looking indicator management and credit management.

**Key strategies**

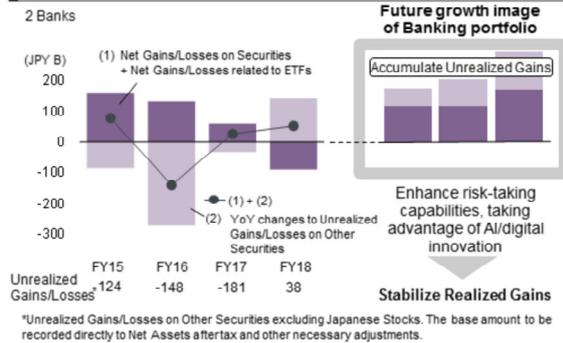
- **Provide a broad range of intermediary functions**
  - Enhance our ability to provide solutions by focusing on the products where we have a competitive edge
  - Optimize our global network and product lineup
- **Stabilize markets-based income and enhance risk-taking capabilities**
  - Develop our Banking portfolio with a stronger emphasis on the balance between realized and unrealized gains/losses
  - Optimize diversification of investments into interest rates, equities, credit, and others areas based on market conditions
  - Reduce costs through consolidation and simplification of market IT systems

**Strengthen S&T in global operations**

- Strengthen Gross Profits: Focus on JPY and USD products**
- Cost Reductions: Streamline operations among BK/TB/SC both in and outside Japan**

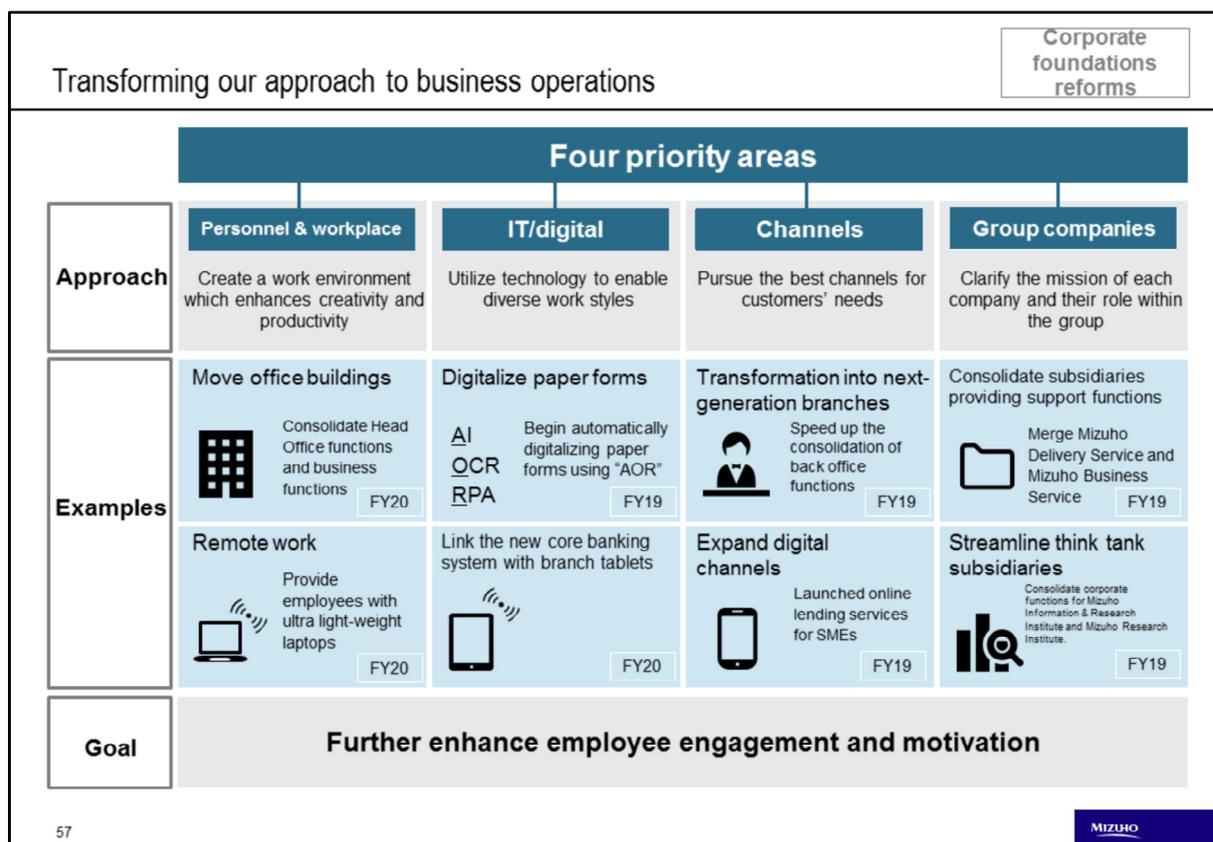
Foreign Exchange	Bonds Interest Rates	Stocks
<ul style="list-style-type: none"> <li>• 24-hour operations (JPY and USD)</li> <li>• Strengthen flow trading in Asian regions</li> </ul>	<ul style="list-style-type: none"> <li>Integrate derivatives platform for banking and securities entities</li> </ul>	<ul style="list-style-type: none"> <li>Respond to new customer needs (equity derivatives)</li> </ul>

**Balanced approach to realized and unrealized gains/losses**



Page 56 <Markets strategy>

- Moving on to page 56, I would like to introduce the main points of our markets strategy.
- In Sales & Trading we will draw on our strength in USD/JPY forex as well as our network of investors and issuers around the world built on JPY-denominated bonds, Japanese stocks, etc., in order to further increase the effectiveness of our global operations and provide a broad range of intermediary functions.
- In terms of our Banking portfolio, we will enhance ALM and portfolio management, focusing on stabilizing realized gains through accumulating unrealized gains. We will also enhance our risk-taking capabilities so that markets-based income may eventually better supplement our customer-based income.
- Next I would like to explain our corporate foundations reforms, so if you could please turn to page 57.



## Corporate foundations reforms

Page 57 <Transforming our approach to business operations>

- As part of our corporate foundations reforms, we will (1) transform our approach to business operations in line with changes in society, (2) accelerate unified group company management, and (3) cultivate a new corporate culture centered on communication.
- In terms of transforming our approach to business operations, we will focus on the four priority areas at the top of this slide with the aim of further enhancing employee engagement and motivation.

**Source of competition is limited to within the company** → **Prioritizing employees' professional growth and career preferences**

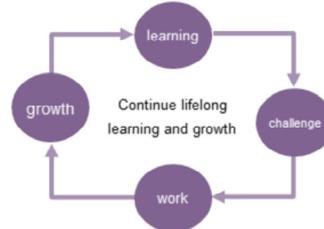
**Basic Policy**

Employees design their own career plans, leading to higher ambition and motivation and enhancing employees' universally recognized value

One-size-fits-all career paths and professional development



Career plan for each employee encouraging independence, self-reliance, and taking on new challenges



**Strategic Initiatives**

**Expansion of opportunities to take on new challenges**

- ✓ Expansion of system enabling employees to apply to other open positions within the organization
- Enable employees to apply to internal openings on a project basis (Joint company with Line, J-Coin Pay, etc.)
- Introduce a system where employees can apply for dual-hat assignments across different departments
- ✓ Creation of opportunities for employees to take on challenges and activities outside the company

**Upgrading our talent development platform**

- ✓ Personalization using AI
- ✓ Talent development programs drawing on both employee knowledge and external open source content
- ✓ Strategic development and assignment to promote the advancement of diversity

**Making a creative and attractive workplace**

- ✓ Introduction of "free address" work spaces and expansion of remote work
- ✓ Strengthening incentives according to individuals' duties and results
- ✓ Promotion of ERG\* activities (voluntary networking among employees)

\*Employee Resource Group

Page 58 <New HR Strategy>

- Moving on to page 58, the key to these corporate foundation reforms is our new HR strategy, and I would like to explain the thinking behind it.
- We will revise our HR system to transition from an HR management model where the source of competition is limited to within the company to one which prioritizes employees' ability to design their own career plans, leading to higher ambition and motivation. Also, the basic policy behind our new HR strategy is to enhance employees' universally recognizable value.
- Specifically, we will expand the system enabling employees to apply to other open positions within the organization, personalize talent development, strengthen incentives according to individuals' duties and results, and other such initiatives.
- Please turn to the next page.

Corporate foundations reforms

## Group company reforms

Accelerate the unification of group company operations and further enhance corporate governance

FG's core subsidiaries	Strategic group companies (Newly established)
Strengthen the framework for dual-hat appointments of executive officers and employees	Established a new management framework for the companies under the umbrella of major subsidiaries that are deemed important in the management of our consolidated business portfolio
Strengthen the unified management of corporate functions	
<div style="border: 1px solid #0056b3; padding: 5px; background-color: #e6f2ff;">Strengthen group strategic planning/ implementation capabilities and corporate governance &amp; risk management frameworks</div>	<div style="border: 1px solid #0056b3; padding: 5px; background-color: #e6f2ff;">Strengthen the management system for FG to confirm the consistency of the strategies of the entire group and each company</div>

**Governance**  
Appoint FG executive officers (EOs) to concurrent posts as non-executive directors

**Unified management**  
Expand concurrent appointment of executive officers

BK

TB

SC

Reduction of the number of executive officers<sup>1</sup>  
(102 to 78)

**FG**

FG EOs dual-hat appointment as CEO

IR

RI

**Main strategic group companies**

- ✓ Orient Corporation<sup>2</sup>
- ✓ Mizuho Leasing<sup>2,3</sup>
- ✓ J.Score
- ✓ Mizuho Capital ...and others

<sup>1</sup> Number of executive officers above Executive Officer or equivalent position for FG, BK, TB, and SC in total. The figures are from March 2018 to June 2019 (estimates). <sup>2</sup> Equity method affiliates  
<sup>3</sup> Current name is IBJ Leasing, which is expected to change to Mizuho Leasing at the 50<sup>th</sup> annual shareholders' meeting held in June 2019.

59

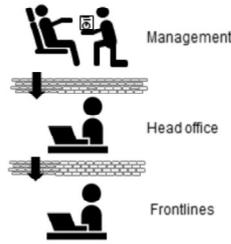
### Page 59 <Group company reforms>

- This slide shows our different approaches for core subsidiaries and strategic group companies. Simply put, we will enhance our sense of unity across all entities, not just BK, TB, and SC, and ensure greater consistency of strategy throughout the group. This will lead to better business execution and stand us in good stead as we head into the next general of financial services.
- Going forward, we will further consolidate and unify Head Office and frontline functions for each company (BK, TB, SC, 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 FY2020.

**Building the groundwork for new value creation**

**Cultivating a new corporate culture centered on communication**

Get rid of insular thinking



Think on our feet!



Significantly improve both the **quality** and **quantity** of communication



Prioritize results and actual business conditions rather than doing things "by the book"



Open communication among senior management, Head Office, and the frontlines



Fast and flexible decision-making process



Proactive information sharing across organizational boundaries



Realistic discussions based on the external environment

Page 60 <Transforming our corporate culture>

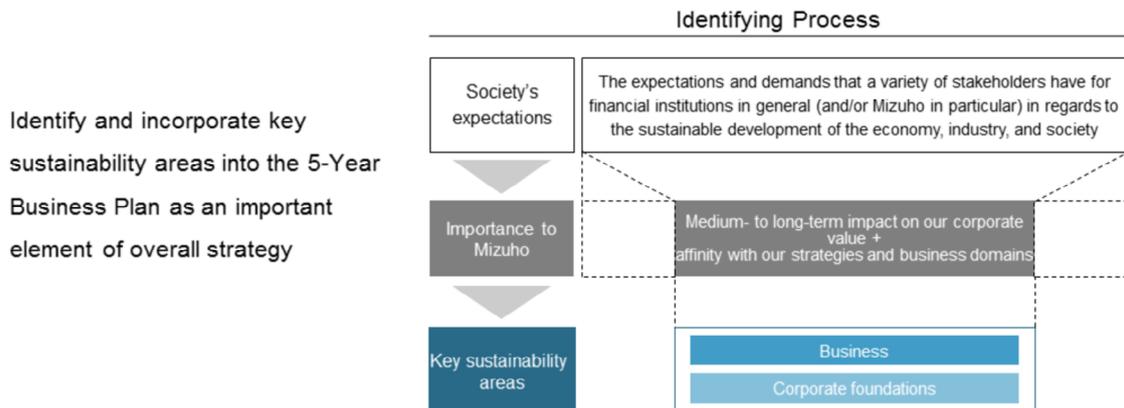
- We will also continue to transform our corporate culture.
- Please continue to page 61.

## Commitment to sustainability

### How we define sustainability

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

### Process for identifying key sustainability areas



61

MIZUHO

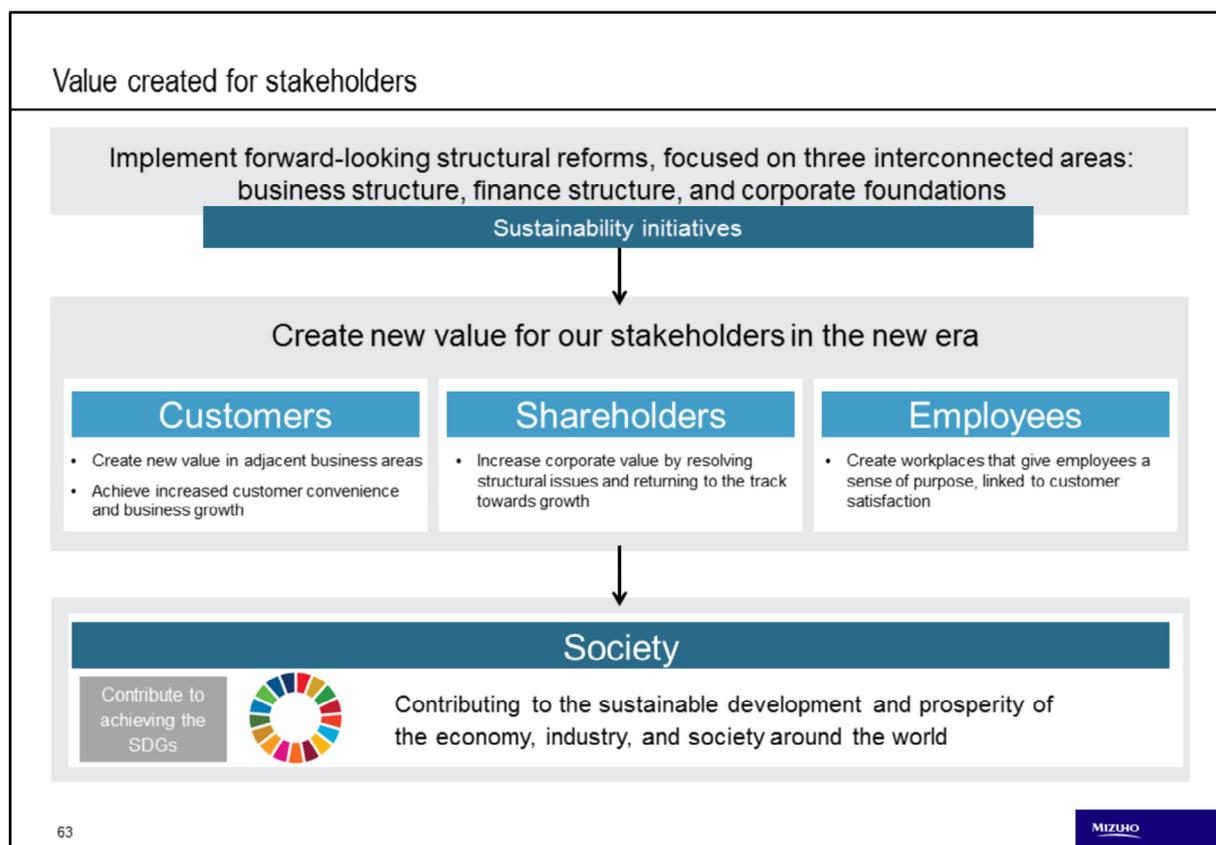
## Page 61 <Commitment to sustainability>

- Next, let's take a look at our sustainability initiatives.
- We will change the initiatives that we had previously implemented under the concept of CSR and newly focus on sustainability, committing to 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		
Business	<p>Declining birthrate and aging population, plus good health and lengthening lifespans</p> 	<ul style="list-style-type: none"> <li>Asset formation to prepare for the future</li> <li>Expand services that respond to a society with a declining birthrate and aging population</li> <li>Convenient services in line with diversifying lifestyles</li> </ul>
	<p>Industry development &amp; innovation</p> 	<ul style="list-style-type: none"> <li>Smooth business succession</li> <li>Industry transformation</li> <li>Acceleration of innovation</li> <li>Growth in Asian economic zones</li> <li>Creating resilient social infrastructure</li> </ul>
	<p>Sound economic growth</p> 	<ul style="list-style-type: none"> <li>Strengthening capital markets functions</li> <li>Transition to a cashless society</li> <li>Environmentally conscious social programs</li> </ul>
	<p>Environmental considerations &amp; respect for human rights</p> 	<ul style="list-style-type: none"> <li>Stable energy supply and addressing climate change</li> </ul>
Corporate foundations	<p>Corporate governance</p> 	<ul style="list-style-type: none"> <li>Enhancing corporate governance</li> <li>Risk management, strengthening our IT infrastructure, and compliance</li> <li>Disclosure of information in a fair, timely, and appropriate manner, and holding dialogue with stakeholders</li> </ul>
	<p>Human capital</p> 	<ul style="list-style-type: none"> <li>Personnel development and creating workplaces that give employees a sense of purpose</li> </ul>
	<p>Environment &amp; society</p> 	<ul style="list-style-type: none"> <li>Environmental and human rights considerations for investment and lending</li> <li>Addressing climate change</li> <li>Improving financial and economic literacy and promoting activities that contribute to addressing the needs of society and local communities</li> </ul>
<p>Open partnerships and collaboration with a diverse range of stakeholders</p> 		

Page 62 <Key sustainability areas>

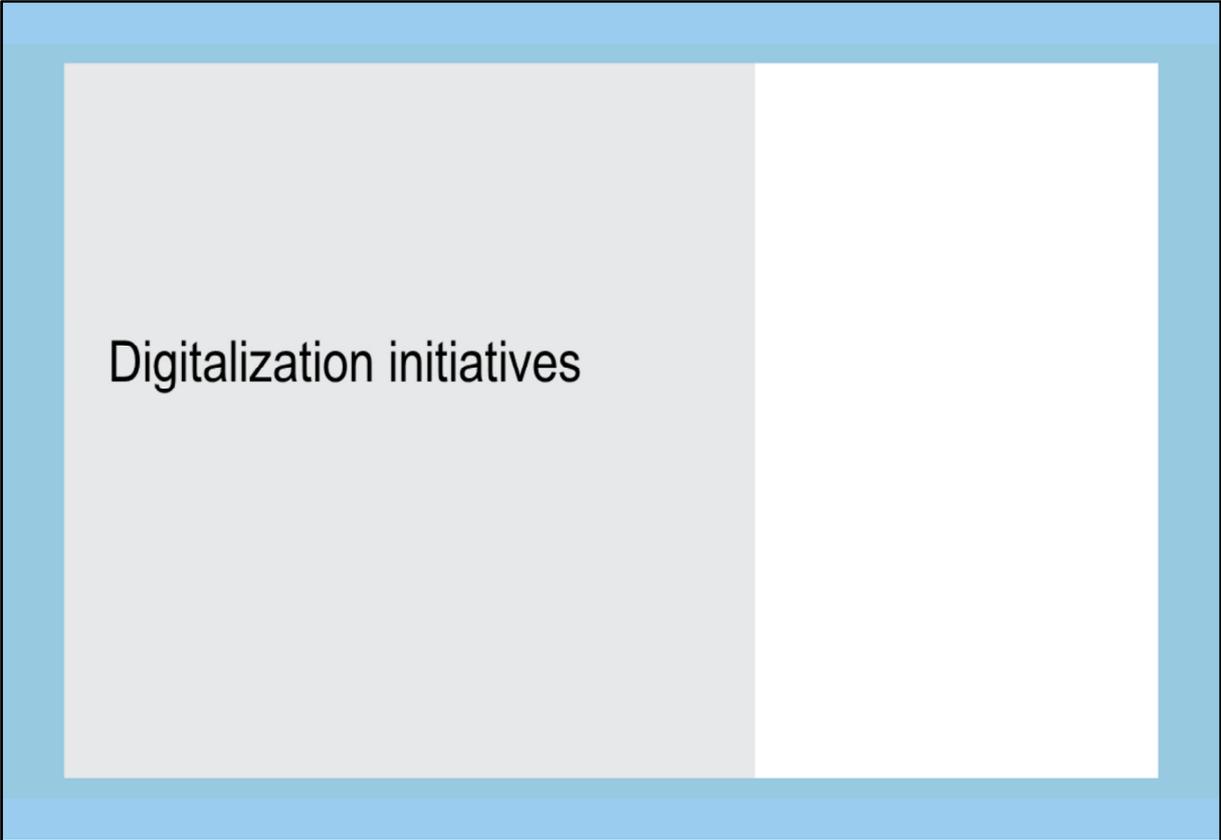
- Additionally, we have identified “key sustainability areas” in line with the expectations and demands of a wide range of stakeholders.
- We will proactively implement the initiatives shown here in relation to business and corporate foundations.



## Page 63 <Value created for stakeholders>

- Under our new 5-Year Business Plan, key sustainability areas will be incorporated into both overall business plans and business plans for specific areas. We will proactively work towards achieving the SDGs through our business activities and to enhancing our medium- to long-term corporate value.
- 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.
- 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 financial industry faces major structural changes, we at Mizuho must be dedicated to connecting with our customers, and focus on changing our every-day 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 ask for your continued understanding and support. Thank you.



Digitalization initiatives

# Our digitalization initiatives

Direction	Basic stance	Specific examples
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<p style="text-align: center; color: #0056b3;">Draw on the strengths of external partners</p> <p>Responding to the needs of the next generation of customers and transforming our approach to business operations</p>	<p style="text-align: center; color: #0070c0;">Focus on speed</p> <p>Begin adopting new technology as soon as applications are identified</p>	<p>Setting a precedent in multiple areas, primarily in strategic whitespace</p> <p>Utilize the flexibility provided by our new core banking system to come up with game-changing ideas</p>
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<p>■ Mizuho's strengths</p> <ul style="list-style-type: none"> <li>• Customer base and related information</li> <li>• Trustworthiness and dependability</li> <li>• Financial insight, technology</li> </ul> <div style="text-align: center; margin: 10px 0;"> </div> <p>■ External partners' strengths</p> <ul style="list-style-type: none"> <li>• Innovation, technology</li> <li>• Customer base and related information</li> <li>• Assessment capabilities</li> </ul>	<p>■ Agile</p> <ul style="list-style-type: none"> <li>• Eliminate complicated over-planning</li> </ul> <p>■ Open</p> <ul style="list-style-type: none"> <li>• No longer insular</li> <li>• Open to the potential of product/service/channel cannibalization</li> </ul> <p>■ Trial &amp; Error</p> <ul style="list-style-type: none"> <li>• Assume it will take 9 attempts before achieving 1 success</li> </ul>	<p>■ Respond to the needs of the next generation of customers</p> <ul style="list-style-type: none"> <li>• Digital native generation → P68</li> <li>• SMEs wanting digital channels/services → P67</li> <li>• Consumer loans → P66</li> <li>• Cashless payments → P69</li> </ul> <div style="border: 1px solid black; padding: 5px; margin: 5px 0; text-align: center;"> <p>Primarily develop strategic whitespace</p> </div> <p>■ Transform our approach to business operations</p> <ul style="list-style-type: none"> <li>• Next-generation branches → P53</li> <li>• A.O.R.</li> </ul> <p>■ An IT base to support the above efforts</p> <ul style="list-style-type: none"> <li>• Introduction of new core banking system → P70</li> <li>• Strengthening response to external threats such as cyber attacks</li> </ul>
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# AI-based Credit Scores



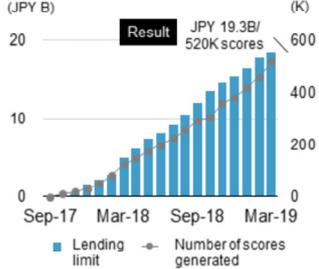
- A.I.-based Score**
- Utilize AI and Big Data
  - Score customer's credit and potential
  - Immediate score indication



- Score improvement by inputting personal information**
- Input information by oneself
  - Almost 150 questionnaire entries for score improvement
  - Potential score improvement by providing transaction data with BK, Softbank/Y!mobile and Yahoo

**AI score-based lending** Launched Sep. 2017 First of its kind in Japan

- Product Competitiveness**
- Low-interest rates: 0.8% to 12.0%
  - Max. lending limit: up to JPY 10M
- Customer Convenience**
- Full process can be completed online
  - Same day lending possible



**A.I. score rewards** Launched Oct. 2018 First of its kind in Japan



Based on the customer's Score Rank, we will offer rewards related to self-improvement, career development, lifestyle improvements, etc.

**Data businesses** Expected to launch

- Under application for acquisition of (P Accreditation) for Information Bank

# Online lending for small- and medium-sized enterprises (SMEs)

## Mizuho Smart Business Loans

To support busy business owners

First for a Japanese megabank



Completely online  
No branch visit required



As little as 2 business days  
from application to loan



No financial statements

Overview

Maximum lending limit	JPY 10 million
Interest rate	1 to 14%
Term	Up to one year
Collateral	Unnecessary

### Open alliance



Credit analysis model incorporating AI technology



Bank account



E-commerce

High quality user experience / user interface

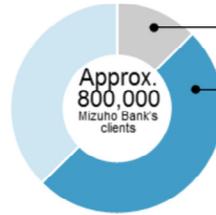
Secure online platform



Social media

Multi-faceted data coordination

### Expected size of business



SMEs already receiving loans  
**Approx. 100,000**

**Initial target segment**  
(mainly clients with 1 billion or less in annual sales)  
Launched in May 2019

Companies w/ loans: 10,000  
Loan balance: JPY 30 billion  
By March 31, 2022

# Partnership with Line

## Overview



Mizuho has established a joint venture with Line, Japan's largest messaging platform with 80 million users, to expand our reach to the younger generation of digital natives

Name	Line Bank Preparatory Company (provisional)	Line Credit Corporation
Business objectives	<ul style="list-style-type: none"> <li>Create a <b>smartphone-based next-generation bank</b> which will act as an entry point to financial services for digital natives</li> </ul>	<ul style="list-style-type: none"> <li>Expand Line Score which utilizes the data related to Line services</li> <li>Utilizing Line Score, expand into the <b>data business</b> by utilizing data for services such as lending (Subject to regulatory approval)</li> </ul>
Applicable law	<ul style="list-style-type: none"> <li>Banking Act (license required)</li> </ul>	<ul style="list-style-type: none"> <li>Money Lending Business Act (registration required)</li> </ul>
Capital structure (planned)	<ul style="list-style-type: none"> <li>Line Financial: 51%</li> <li><b>Mizuho Bank: 49%</b></li> </ul> <p>Line's consolidated subsidiary</p>	<ul style="list-style-type: none"> <li>Line Financial: 51%</li> <li><b>Mizuho Bank: 34%</b></li> <li>Orient Corporation: 15%</li> </ul> <p>Line's consolidated subsidiary</p>
Business plan	<ul style="list-style-type: none"> <li>FY2019 H1: Establish a preparatory company</li> <li>FY2020 H2: Official launch</li> </ul>	<ul style="list-style-type: none"> <li>FY2019 H1: Launch of service</li> </ul>

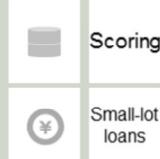
## Outline of services (Concept)

### New Bank



Preparing for the launch of the business in FY2020, subject to regulatory approval and other factors

### Line Credit



**Scoring** Calculate Line Scores based on behavioral data on Line services and utilize them for various services

**Small-lot loans** Lend for every-day expenses through the utilization of Line Score



Seek collaboration with other Line services

## The ATM in your smartphone



### Point 1 Digital currency backed by a bank

must be

- Service connected to user's bank account: **providing convenience backed by the safety and security of a bank**
- B2B approach that only banks can offer: **conduct daily operations (bank transfers, payroll, etc.) using J-Coin Pay**

### Point 2 A platform extending beyond the boundaries of banking

- Open partnership with around 60 financial institutions from across Japan: **moving away from banks' typical insularity**
- Access to more than 56 million individuals as well as businesses located throughout Japan: **creation of a massive customer base**

### Targets

Participating financial institutions

**70+**

Affiliated merchants

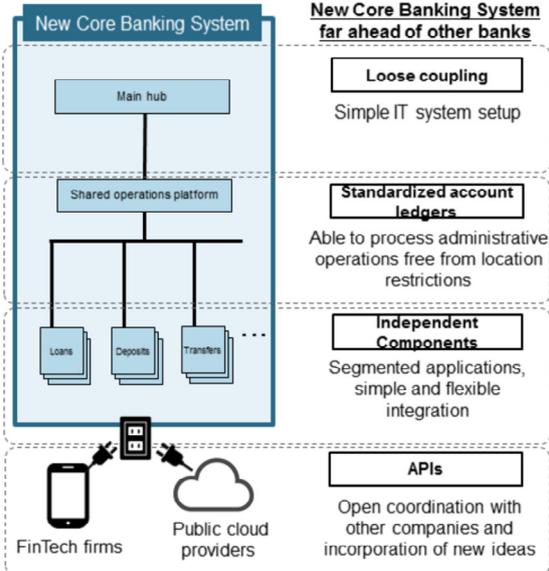
**300,000+**

Active users

**6.5M+**

# New Core Banking System (MINORI)

## Advantages



### New Core Banking System far ahead of other banks

- Loose coupling**  
Simple IT system setup
- Standardized account ledgers**  
Able to process administrative operations free from location restrictions
- Independent Components**  
Segmented applications, simple and flexible integration
- APIs**  
Open coordination with other companies and incorporation of new ideas

## Expected outcomes

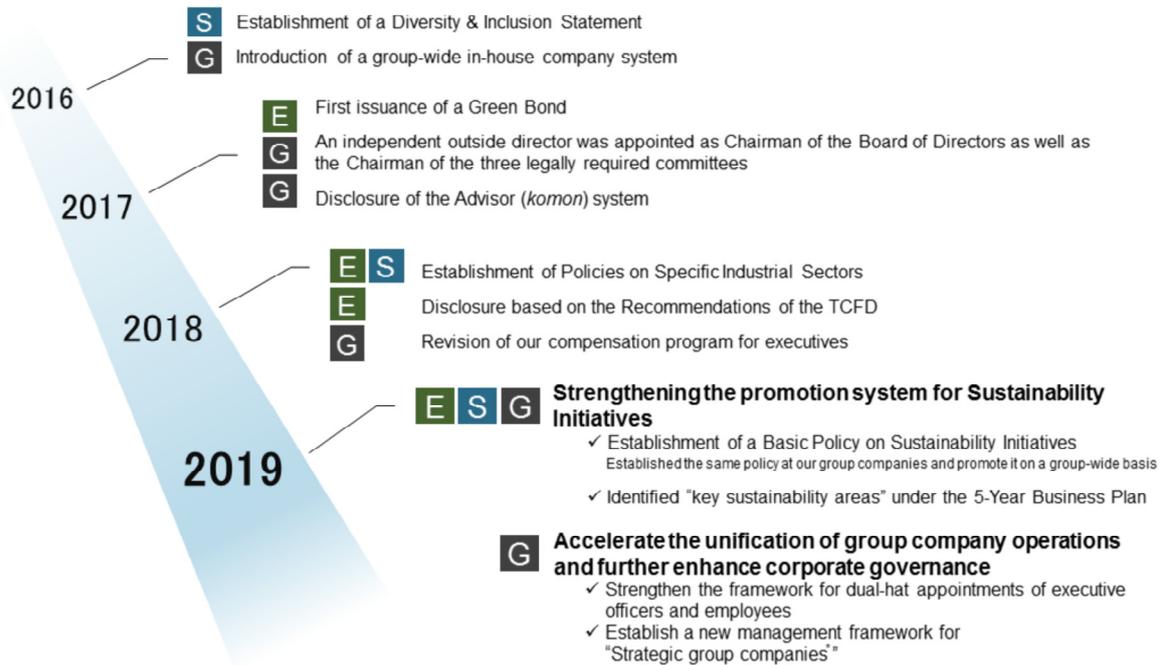
- Enhance capacity to provide services**
  - Simplify IT system to improve capacity to develop new products such as FinTech
  - Integrate systems to provide services across entities
- Enhance stability of IT system**
  - System upgrade to enhance security and stability
- Reduce costs**
  - Integrate IT systems to reduce maintenance time
  - Reduce new IT system development costs by approx. 30%
- Streamline operations, shift to paperless**
  - Further consolidate operations
  - Simplify and automate operations
  - Dramatically reduce printed documents



System migration is proceeding smoothly. Scheduled for completion in July 2019

ESG Initiatives

## Overview of ESG Initiatives



\*Companies under the umbrella of major subsidiaries that are deemed important in the management of our consolidated business portfolio.

# Environmental and social contribution initiatives (1)

## Responding to climate change

Phased implementation of initiatives aligned with the Recommendations of the TCFD\*

### Our progress

<b>Corporate governance</b>	<ul style="list-style-type: none"> <li>The Board of Directors has resolved on "Key sustainability areas" including our response to climate change</li> <li>Commenced supervision by the Board of Directors of our adoption of the Recommendations of the TCFD*</li> </ul>
<b>Strategy</b>	<ul style="list-style-type: none"> <li>Set green and sustainability related finance amounts as KPIs to promote stable energy supply and to cope with climate change</li> <li>Methods of aggregating and disclosing exposure to CO<sub>2</sub> related assets and scenario analysis are under consideration</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>We have already a system for addressing the related risks through a comprehensive risk management framework</li> <li>We have introduced a more restrictive policy on coal fired power generation under our Policies on Specific Industrial Sectors</li> </ul>
<b>Indicators &amp; targets</b>	<ul style="list-style-type: none"> <li>Targets to reduce the CO<sub>2</sub> emissions of our facilities in Japan (compared to FY2009 levels) Long-term target: Reduce by 19.0% by FY2030 Medium-term target: Reduce by 10.5% by FY2020</li> <li>Amount of contribution to CO<sub>2</sub> emission reductions in new large-scale power generation projects</li> </ul>

\*Task Force on Climate-related Financial Disclosure

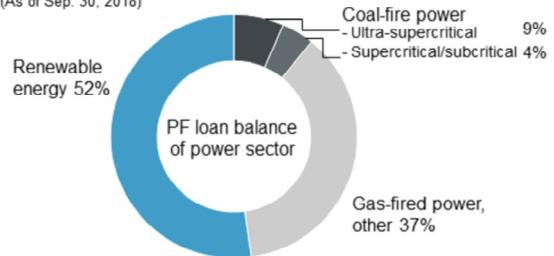
## Responsible investment & financing

### Policies on Specific Industrial Sectors

- We established policies for specific industrial sectors (such as weapons, coal-fired power generation, palm oil, lumber and others) where there is a high possibility of contribution to adverse effects on environmental or social impacts.
- We will determine whether to enter into a transaction with such clients 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.
- Before we enter into a transaction related to coal-fired power generation, we check whether the project is compliant with relevant guidelines in Japan or overseas jurisdictions and enter into the transactions only for those projects using highly efficient technologies with supercritical pressure or higher.

### Power sector project financing (PF)

(As of Sep. 30, 2018)



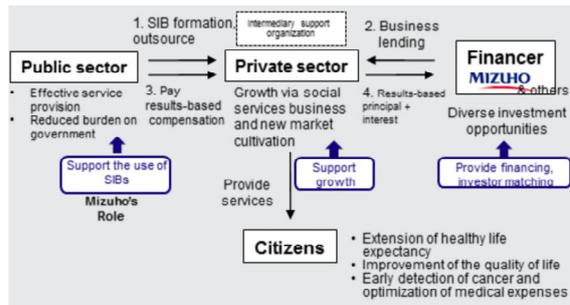
## Environmental and social contribution initiatives (2)

### Social impact bonds (SIBs)

We are taking part in this results-linked framework that enables the public sector to make use of private funds for the purpose of addressing social issues

#### Example

Project to improve the rate of the population screened & tested for colon cancer  
(Hachioji City, Hiroshima Prefecture and other local governments in the prefecture)



→ Contribute to the reduction of social costs through financial intermediary functions

1. Aggregate for general manager and manager equivalent. Figures as of the end of March 2019. 2. Figures for outside Japan are the total for BK, TB, and SC. Figures as of the end of March 2019. 3. Figures for Japan are the total for FG, BK, TB, and SC. Figures are for new graduates for FY2019. 4. Total for Japan (FG, BK, TB, SC).

### Diversity and inclusion

Category	FY18	Target	Achievement
Percentage of management positions filled by women <sup>1</sup>	14%	20%	July 2024

Category	FY18	Level to be maintained
Percentage of management positions filled by employees hired outside Japan <sup>2</sup>	65%	65%
Percentage of new hires filled by women (generalist managerial track employees) <sup>3</sup>	32%	30%
Paid time off utilization rate <sup>4</sup>	78%	70%
Percentage of eligible male employee taking childcare leave <sup>4</sup>	100%	100%

# ESG-related Recognition and Awards

## Third-party Evaluation

	ESG Score		
	Mizuho	MUFG	SMFG
<b>ROBECOSAM</b> <sup>1</sup> <small>We are Sustainability Investing.</small>	61	48	41
<b>SUSTAINALYTICS</b> <sup>1</sup>	88.4	56.9	44.5
<b>FTSE</b> <sup>2</sup>	4.1	3.4	2.9

## ESG-related Recognition



## Inclusion in Social Responsibility Indices<sup>3</sup>



Dow Jones Sustainability Index Asia Pacific



STOXX Global ESG Leaders Index



MSCI ESG Leaders Indexes<sup>4</sup>



Bloomberg Gender-Equality Index



FTSE4Good Index Series



## GPIF selected ESG Indices

General Index



FTSE Blossom Japan Index

Themed Index



MSCI Japan Empowering Women Index (WIN)

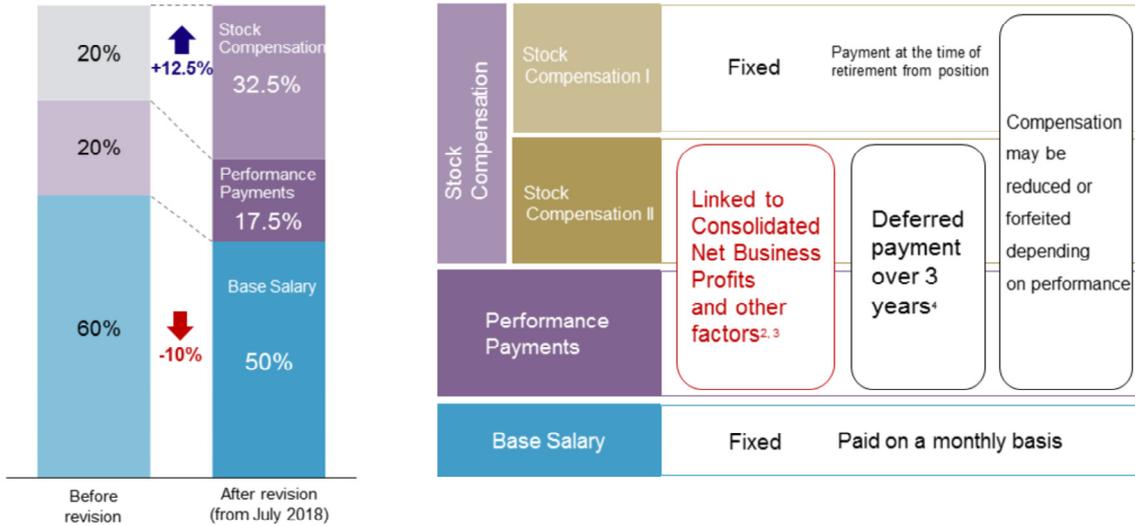


S&P/JPX Carbon Efficient Index

1. Robeco SAM: Percentile ranking, Sustainalytics: total rank compared to peers. Those near 100 are evaluated highly. Source: Bloomberg (as of April 2019) 2. FTSE Overall ESG Score (as of March 2019); Maximum score of 5 3. Morningstar Socially Responsible Investment Index (MS-SRI) was stopped to be published on December 28, 2018 4. <https://www.mizuho-fg.com/csr/mizuhoocs/rating/index.html>

# Revision of our Compensation Program for Executives

## Compensation System for Executives Responsible for Business Execution<sup>1</sup>

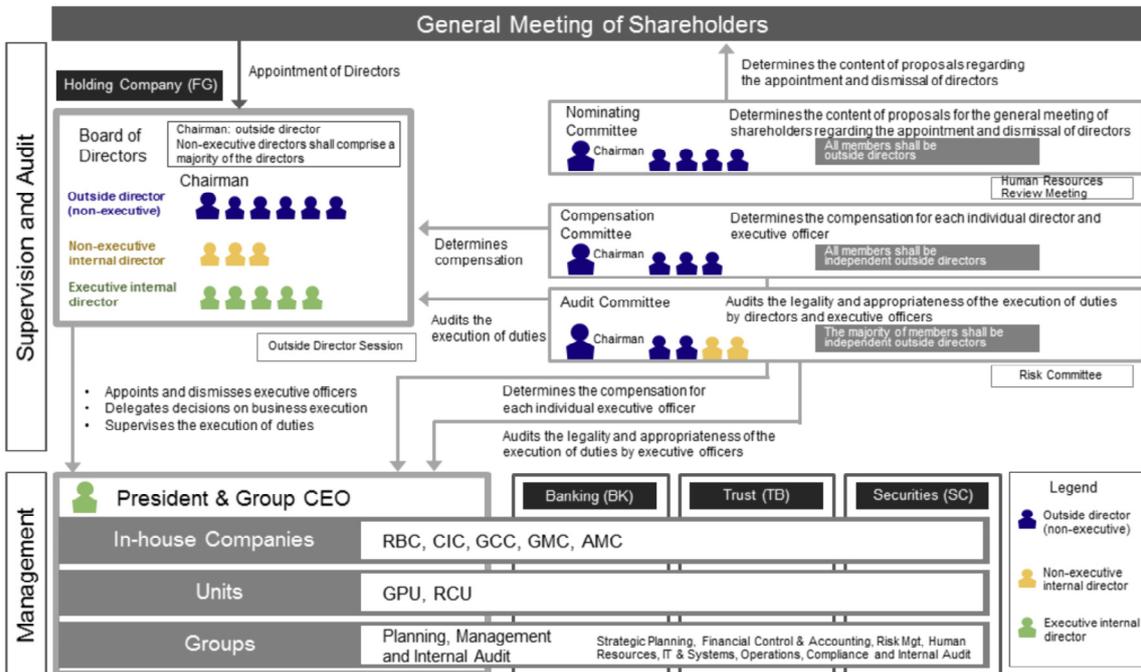


1. Individual director, executive officer as defined in the Companies Act, executive officer as defined in our internal regulations and specialist officer of FG, BK, TB and SC. A fixed compensation is paid in principle for non-executive directors; 85% Base salary + 15% Stock compensation I

2. The upper limit of "Performance payments" and "Stock compensation II" amounts shall be decided in accordance with our annual group-wide results of operations taking into account the traits of our business activities 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, is in charge of, and be, in principle, within the range of 0% to 150% of the standard amount for each position

3. Linked to Ordinary Income and other factors for SC 4. Performance payments for certain amounts shall be deferred

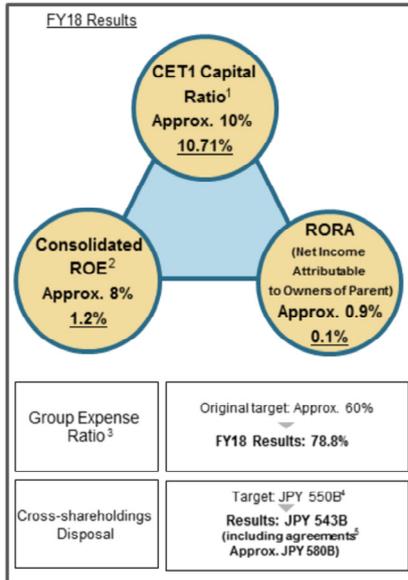
# Corporate Governance Structure



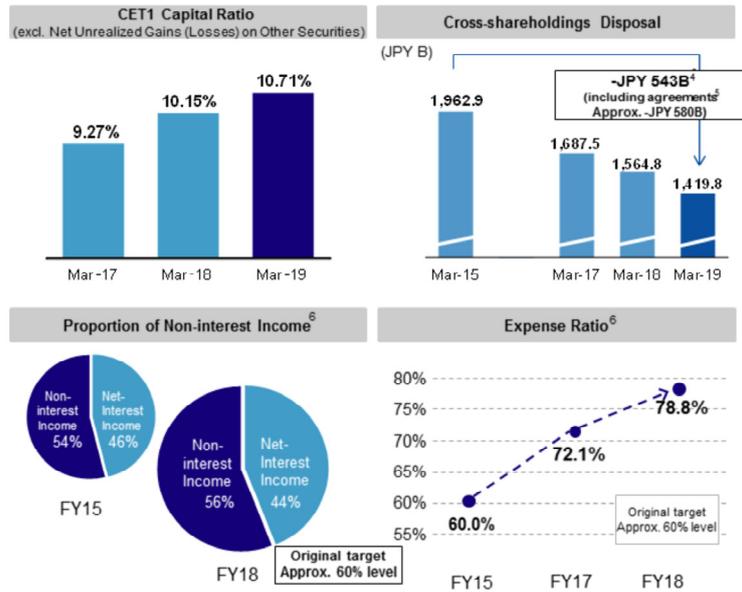
Appendix

Reference: Results compared to the Medium-term Business Plan (FY2016-FY2018)

Financial targets for FY2018

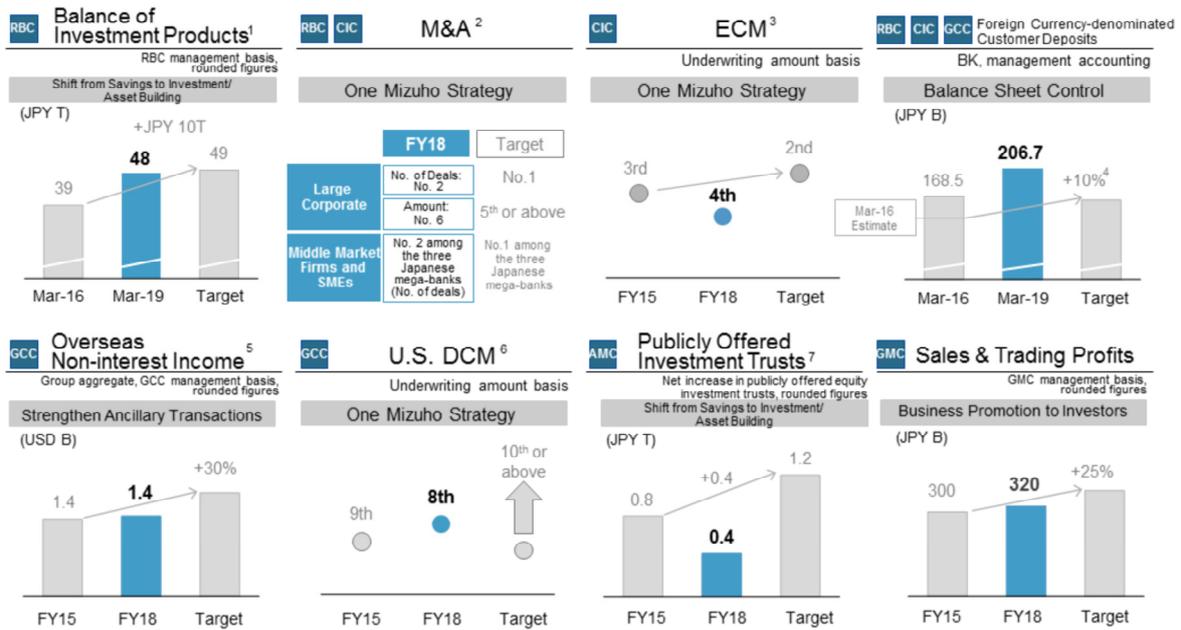


Results compared to major financial targets



1. Basel III fully-effective basis (based on current requirements), excluding Net Unrealized Gains (Losses) on Other Securities 2. Excluding Net Unrealized Gains (Losses) on Other Securities  
3. Group aggregated 4. Shares listed on Japanese stock market, acquisition cost basis, cumulative amount from FY15 to FY18 5. Including future sales already agreed upon  
6. The range of management accounting companies has been changed since FY17 (FY15 results are unchanged)

# KPIs of the Medium-term Business Plan (FY2016-FY2018)



1. Aggregate of individual and corporate customers. As definition by SC changed, the results Mar.16 revised retroactively. 2. Source: Refinitiv (ex-Thomson Reuters) Any Japanese Involvement, excl. real estate deals 3. Source: Refinitiv (ex-Thomson Reuters) Total Domestic and Cross-border Equities 4. Foreign currency-denominated customer deposits, planned amount versus Mar-16 estimate 5. Excl. Commitment Fees and Guarantee Fees, etc. 6. Source: Dealogic. Bonds with issuance amount of USD 250mm and above issued by investment grade U.S. corporations 7. FY15 Results: Simple aggregate figures for Mizuho Asset Management, DIAM and Shinko Asset Management, FY18 Results and FY18 Plan: AM non-consolidated basis

# Impairment of fixed assets attributable to Retail & Business Banking Division (RB) in Japan

## Steps to recognizing impairment losses

## Recognize impairment loss (concept)

### Step 1 **Asset grouping**

- ✓ Group assets by division
- ✓ Begin allocating common assets such as software

### Step 2 **Indications of impairment**

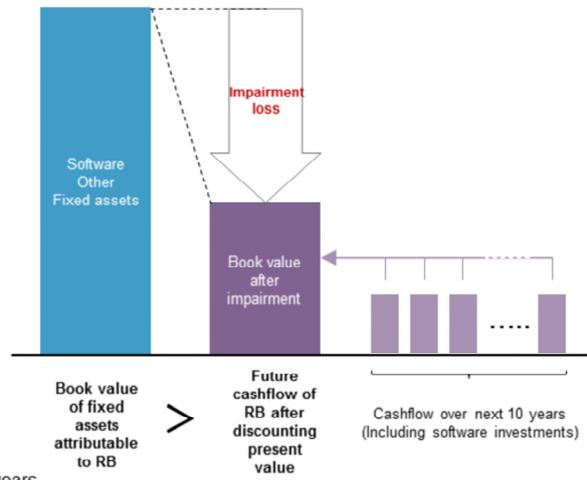
- ✓ Losses in operating activities have continued for the last two fiscal years

**Only applies to Mizuho Bank RB**

### Step 3 **Recognize impairment loss**

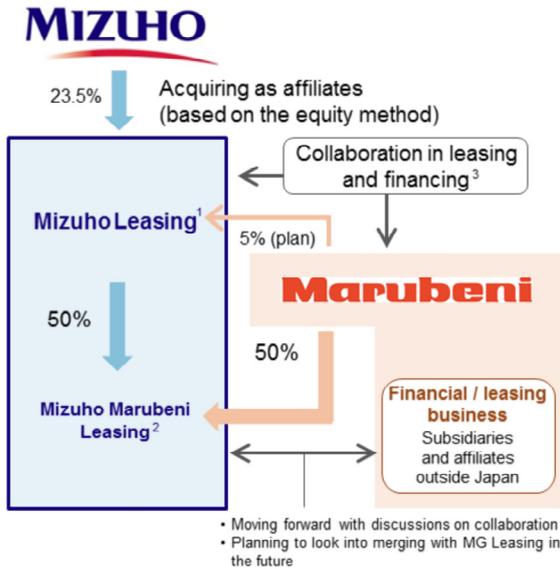
### Step 4 **Calculation of impairment loss**

- ✓ Eliminate the burden amortization on future fiscal years



# Leasing strategies

## Adding a leasing business



1. Current name is IBJ Leasing and to be changed to Mizuho Leasing subject to the approval at the 50<sup>th</sup> annual shareholders' meeting held in June 2019. 2. Tentative name. Current name is MG Leasing Corporation. In discussion to change its name to Mizuho Marubeni Leasing 3. Announced February 26, 2019 4. Excerpt from Summary of Financial Results of IBJ Lease announced on May 14, 2019

## Approach to the leasing business

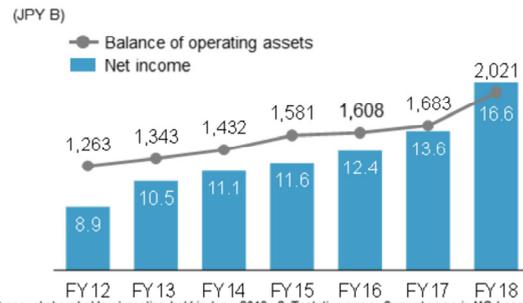
### Focus on growth areas

Global business, medicine and healthcare, environment and energy, technology

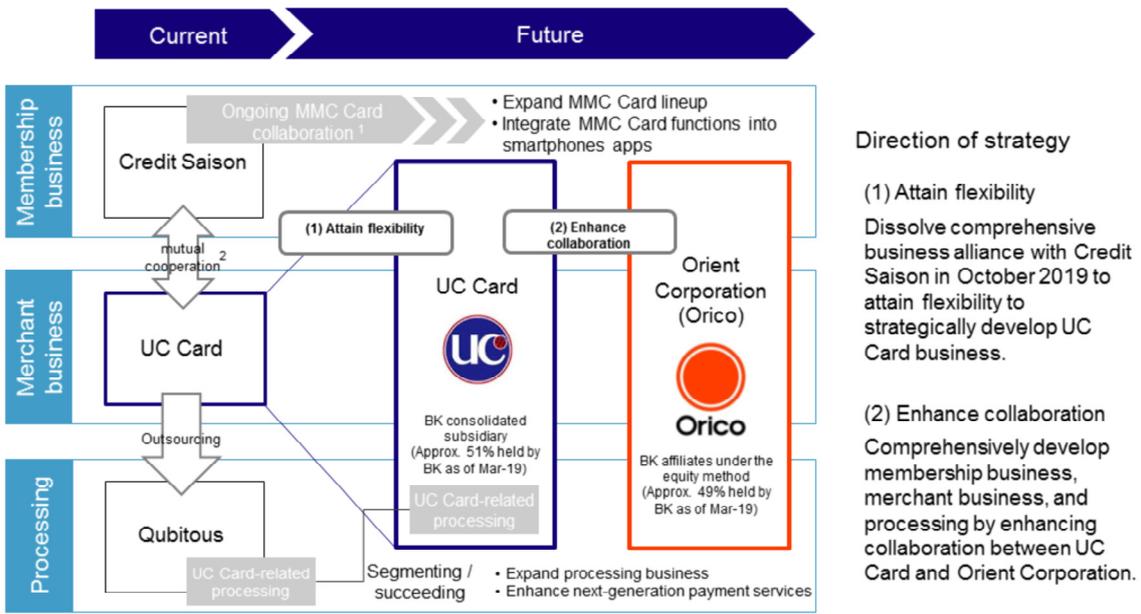
### Creation of a new business model

Transformative business model accounting for the advancement of the sharing economy

Reference: Mizuho Leasing's business performance<sup>4</sup>



# Credit card business strategy



1: MMC Card: Mizuho Mileage Club Card combining ATM card and credit card functions 2: Began collaboration allowing for reciprocal business expansion in January 2017