

- ✓ Thank you for taking time out of your busy schedules today to attend our presentation on interim results for FY2019.
- ✓ Today, after explaining certain key points regarding our interim results, I would like to provide an update on the progress we have made on our 5-Year Business Plan announced in May of this year.
- ✓ 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; impairment of the carrying value of our long-lived assets; problems related to our information technology systems, including as a result of cyber attacks; the effect of financial transactions entered into for hedging and other similar purposes; failure to maintain required capital adequacy ratio levels and meet other financial regulatory requirements; downgrades in our credit ratings; our ability to avoid reputational harm; our ability to implement our 5-Year Business Plan, realize the synergy effects of "One Mizuho," and implement other strategic initiatives and measures effectively; the effectiveness of our operational, legal and other risk management policies; the effect of changes in general economic conditions in Japan and elsewhere; and changes to applicable laws and regulations. Further information regarding factors that could affect our financial condition and results of operations is included in "Item 3. D. Key Information-Risk Factors" and "Item 5. Operating and Financial Review and Prospects" in our most recent Form 20-F filed with the U.S. Securities and Exchange Commission ("SEC"), which is 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. MHFG is a specified business company under "Cabinet Office Ordinance on Disclosure of Corporate Information, etc." Article 17-15 clause 2 and prepares the interim consolidated financial statements in the second quarter.

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	TCSB: Trust & Custody Services Bank, Ltd.
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 aggregate: 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 Nov. 14, 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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Interim Results for FY2019:  
Executive Summary

## Executive Summary of Financial Results

(Consolidated, JPY B)	FY2019H1	YoY <sup>1</sup>	
Net Business Profits + Net Gains (Losses) related to ETFs and others <sup>2</sup>	340.8	9.9	· In addition to strong performance in Customer Groups, primarily for operations outside Japan, there was progress on expense reduction through structural reform initiatives, resulting in a YoY increase in profits.
[ Net Business Profits ]	[ 348.8 ]	[ 57.7 ]	
Credit-related Costs	-11.2	-41.0	· While gains from reversals outside Japan were recorded, credit costs were incurred mainly in the retail banking segment in Japan. · The result is within the estimates in our plan, even though credit costs were recorded partly due to the lack of large reversals like last fiscal year.
Net Gains (Losses) related to Stocks – Net Gains (Losses) related to ETFs and others <sup>2</sup>	55.3	-54.6	· Although there was progress in reductions of cross-shareholdings, the profit level fell short of the 1 <sup>st</sup> half of FY18 due in part to the lack of large gains on sales of cross-shareholdings recorded last fiscal year.
[ Net Gains (Losses) related to Stocks ]	[ 47.4 ]	[ -102.5 ]	
Net Income Attributable to FG	287.6	-71.6	· As a result, while Net Income Attributable to FG fell year-on-year, the progress rate against the fiscal year target still remained steady at 61%.
CET1 Capital Ratio	12.18 %	-0.58%	· While the CET1 Capital Ratio fell mainly due to increasing risk assets as a result of hedging transactions related to unrealized gains on cross-shareholdings, a sufficient ratio has been maintained. · 8.6% on a Basel III fully effective basis <sup>3</sup>
[ excl. Net Unrealized Gains (Losses) on Other Securities ]	[ 10.93 % ]	[ 0.09% ]	

1. CET1 Capital Ratio is compared to March 2019. 2. Net Gains (Losses) related to ETFs (2 Banks) + Net Gains (Losses) on Operating Investment Securities (SC Consolidated) was JPY -7.9B (JPY -47.8B).  
3. Excluding Net Unrealized Gains (Losses) on Other Securities.

- ✓ Allow me to begin with a summary of our interim results for FY2019.
- ✓ Consolidated Net Business Profits, an indicator of the performance of our core business operations, were JPY 340.8B (including Net Gains (Losses) related to ETFs and others), an increase of JPY 9.9B YoY, due to factors including strong performance in Customer Groups, primarily for operations outside Japan, and a reduction in expenses through structural reform initiatives. This represents a progress rate of 56% towards our fiscal year target of JPY 600B.
- ✓ While gains from reversals outside Japan were recorded, credit costs were incurred mainly in the retail banking segment in Japan.
- ✓ The result is within the estimates in our plan, even though credit costs were recorded partly due to the lack of large reversals like last fiscal year. We will continue to monitor credit costs closely.
- ✓ Net Gains (Losses) related to Stocks (excluding Net Gains (Losses) related to ETFs and others) came to JPY 55.3B due to a reduction in cross-shareholdings and other factors. Results did not reach the level of the same period last fiscal year due in part to the lack of gains on large sales of cross-shareholdings such as those recorded last fiscal year.
- ✓ As a result, Net Income Attributable to FG was JPY 287.6B, and although this is a reduction of JPY 71.6B YoY, it represents a progress rate of 61% towards our fiscal year target of JPY 470B, showing steady progress.
- ✓ Our CET1 Capital Ratio is 10.93% (excluding Net Unrealized Gains on Other Securities) under current Basel requirements. Or, 8.6% on a Basel III fully effective basis. In both cases, our ratio sufficiently exceeds the regulatory required level.
- ✓ Next I would like to provide an overview of results by in-house company. Please proceed to page 7.

## Financial Results by In-house Company

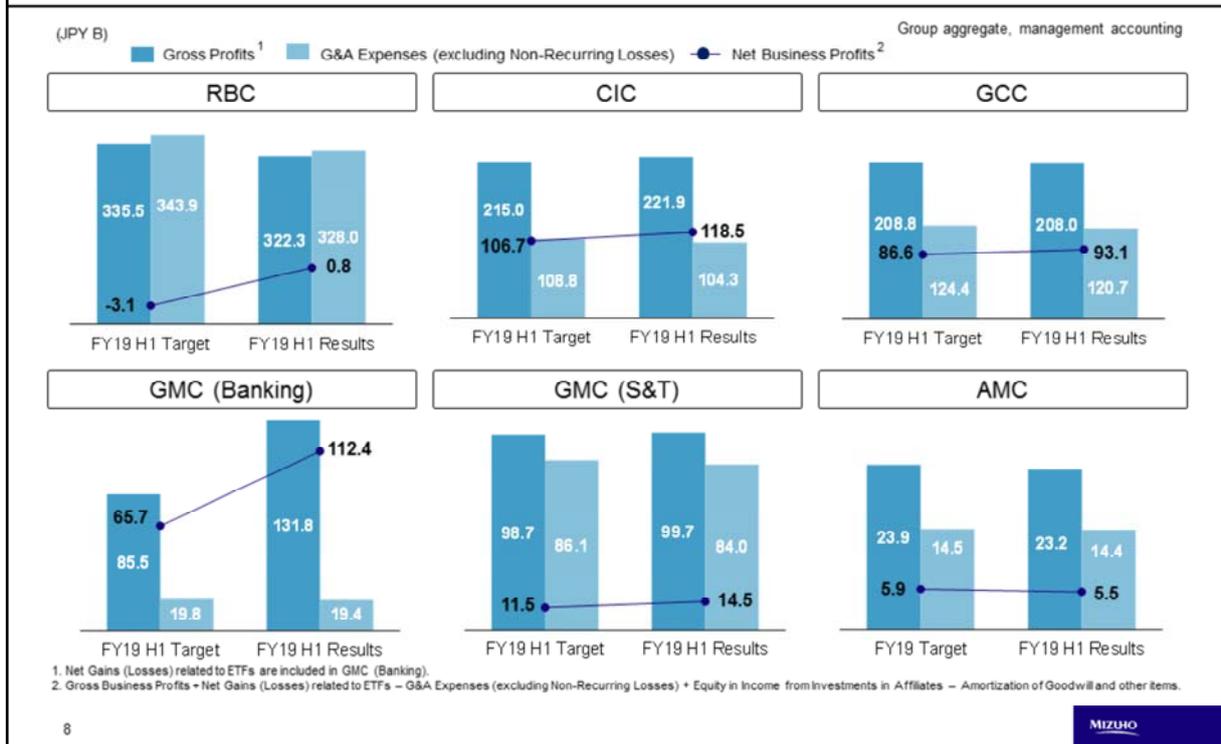
(JPY B)	Group aggregate, management accounting								
	Gross Profits <sup>1</sup>		G&A Expenses (excl. Non-recurring Losses and others)		Net Business Profits <sup>1, 2</sup>		Net Income <sup>1</sup>		ROE <sup>3</sup>
	FY19 H1	YoY <sup>4</sup>	FY19 H1	YoY <sup>4</sup>	FY19 H1	YoY <sup>4</sup>	FY19 H1	YoY <sup>4</sup>	FY19 H1
Retail & Business Banking (RBC)	322.3	-22.7	-328.0	32.0	0.8	1.6	-4.1	-17.6	-
Corporate & Institutional (CIC)	221.9	-1.1	-104.3	-0.9	118.5	-1.6	118.6	-64.7	11.6%
Global Corporate (GCC)	208.0	17.7	-120.7	-5.1	93.1	15.8	78.5	30.6	12.1%
Global Markets (GMC)	231.5	-6.3	-103.4	2.2	126.9	-4.1	88.4	-2.3	12.6%
Asset Management (AMC)	23.2	-1.8	-14.4	-0.4	5.5	-2.2	2.6	-0.7	4.5%

1. Net Gains (Losses) related to ETFs are included in GMC. 2. Gross Business Profits + Net Gains (Losses) related to ETFs – G&A Expenses (Excl. Non-recurring Losses and others) + Equity in Income from Investments in Affiliates – Amortization of Goodwill and others items.  
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.  
4. New management accounting rules were applied in FY19. Figures for YoY are recalculated based on the new rules.

7

- ✓ This page shows the financial results for each in-house company.
- ✓ For the Retail & Business Banking Company, asset management business for individual customers faced a difficult environment. However, we were able to make up for this not only through a reduction of amortization costs resulting from the one-time losses recorded last fiscal year, but also structural reform initiatives and other efforts, leading to a reduction in expenses. As a result, Net Business Profits were largely unchanged YoY.
- ✓ For the Corporate & Institutional Company, profits were negatively affected by the lack of large-scale dividends which were recorded last fiscal year as well as the start of the amortization of the new core banking system, and other factors. However, through concentrated efforts in highly profitable areas such as acquisition finance, on balance Net Business Profits were largely unchanged YoY.
- ✓ For the Global Corporate Company, there was strong performance in areas such as lending and DCM (Mizuho Securities), resulting in a significant increase in profits YoY and contributing to enhanced earnings for the Mizuho group as a whole.
- ✓ The total Net Business Profits for the four in-house companies which compose our Customer Groups (RBC, CIC, GCC, AMC) came to JPY 217.9B, which is higher than the level achieved prior to the introduction of negative interest rates.
- ✓ Please continue to the next page.

## Net Business Profits by In-house Company



- ✓ This page provides a comparison between in-house company results and targets for H1.
- ✓ In summary, all of the in-house companies except RBC have made relatively strong progress towards Gross Profits targets, and all in-house companies have exceeded their targets in terms of reducing expenses. As for Net Business Profits, all in-house companies except AMC exceeded their targets.
- ✓ In particular, the banking section of GMC significantly exceeded targets, due in part to Net Gains (Losses) related to Bonds in light of lowering US interest rates, despite a reduction in Net Gains (Losses) related to ETFs which had been stronger in the previous year.
- ✓ In the sales & trading section, performance was in line with targets, led by results in domestic and international bond trading.
- ✓ Next I would like to explain our revised earnings plan for FY2019. Please proceed to page 29.

## Overview of Income Statement

(JPY B)	FY19 H1			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>1,030.7</b>	<b>857.1</b>	<b>128.3</b>	<b>19.1</b>	<b>39.5</b>	<b>-14.8</b>
Net Interest Income	2	376.6	377.2	-3.7	-31.5	-33.6	0.6
Net Fee and Commission Income + Fiduciary Income	3	303.8	240.1	51.4	-9.0	4.9	-7.1
Net Trading Income + Net Other Operating Income	4	350.2	239.8	80.6	59.8	68.2	-8.3
Net Gains (Losses) related to Bonds	5	96.7	96.7	-	69.6	69.6	-
General and Administrative Expenses	6	-670.5	-504.2	-118.3	46.8	37.3	7.0
Personnel Expenses	7	-308.9	-217.0	-57.1	26.0	19.6	4.5
Non-Personnel Expenses	8	-328.6	-258.2	-58.7	17.5	14.9	2.2
Miscellaneous Taxes	9	-32.9	-28.9	-2.4	3.3	2.7	0.3
<b>Consolidated Net Business Profits</b>	10	<b>348.8</b>	<b>336.8</b>	<b>10.3</b>	<b>57.7</b>	<b>68.5</b>	<b>-8.2</b>
Consolidated Net Business Profits from core business areas (10-5)	11	<b>252.0</b>	<b>240.1</b>	<b>10.3</b>	<b>-11.8</b>	<b>-1.0</b>	<b>-8.2</b>
Credit-related Costs	12	-11.2	-12.1	1.0	-41.0	-41.9	1.0
Net Gains (Losses) related to Stocks	13	47.4	45.8	3.3	-102.5	-96.0	-5.1
Equity in Income from Investments in Affiliates	14	19.1	18.9	0.0	-0.2	0.2	-0.4
Other	15	-18.9	-20.5	-0.2	7.4	6.4	-0.0
Ordinary Profits	16	396.4	385.1	14.2	-70.4	-54.4	-12.2
Net Extraordinary Gains (Losses)	17	-5.0	-4.8	-0.2	-11.7	-11.7	1.2
Income before Income Taxes	18	391.4	380.2	14.0	-82.1	-66.1	-11.0
Income Taxes	19	-96.1	-94.6	-3.8	5.5	7.8	0.6
Profit Attributable to Non-controlling Interests	20	-7.6	-5.6	0.1	4.8	4.8	-0.7
<b>Profit Attributable to Owners of Parent</b>	21	<b>287.6</b>	<b>279.9</b>	<b>10.3</b>	<b>-71.6</b>	<b>-53.4</b>	<b>-11.1</b>

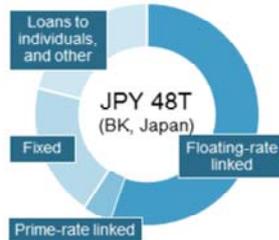
1. BK Consolidated + TB Consolidated. 2. SC Consolidated.

## Overview of Income Statement (Subsidiaries)

(JPY B)	BK Consolidated		TB Consolidated		SC Consolidated				
		FY19 H1	YoY	FY19 H1	YoY	FY19 H1	YoY		
<b>Consolidated Gross Profits</b>	1	<b>776.4</b>	<b>32.6</b>	<b>80.6</b>	<b>6.9</b>	<b>Operating Revenues</b>	22	<b>190.3</b>	<b>-12.0</b>
Net Interest Income	2	363.3	-33.4	13.8	-0.2	Commissions	23	79.1	-5.2
Net Fee and Commission Income + Fiduciary Income	3	185.1	6.0	54.9	-1.0	Net Gain on Trading	24	53.6	-3.7
Net Trading Income + Net Other Operating Income	4	227.8	60.0	11.9	8.2	Net Gain on Operating Investment Securities	25	3.2	-2.9
Net Gains (Losses) related to Bonds	5	85.5	61.0	11.2	8.5	Interest and Dividend Income	26	54.3	-0.0
General and Administrative Expenses	6	-455.1	35.6	-49.0	1.6	Interest Expenses	27	-51.9	-5.9
Personnel Expenses	7	-192.1	17.9	-24.8	1.6	<b>Net Operating Revenues</b>	28	<b>138.4</b>	<b>-17.9</b>
Non-Personnel Expenses	8	-235.7	15.0	-22.5	-0.0	Selling, General Administrative Expenses	29	-124.8	8.4
Miscellaneous Taxes	9	-27.2	2.6	-1.6	0.0	Operating Income	30	13.6	-9.5
<b>Consolidated Net Business Profits</b>	10	<b>309.7</b>	<b>61.8</b>	<b>27.1</b>	<b>6.7</b>	Ordinary Income	31	14.0	-10.1
Consolidated Net Business Profits from core business areas (10-5)	11	<b>224.2</b>	<b>0.7</b>	<b>15.8</b>	<b>-1.8</b>	Extraordinary Gain (Loss)	32	0.0	-0.9
Credit-related Costs	12	-12.2	-42.0	0.0	+0.0	Income before Income Taxes	33	14.0	-11.0
Net Gains (Losses) related to Stocks	13	46.2	-83.5	-0.4	-12.5	Income Taxes	34	-3.8	0.6
Equity in Income from Investments in Affiliates	14	18.9	0.2	0.0	+0.0	Profit Attributable to Non-controlling Interests	35	0.1	-0.7
Other	15	-14.8	8.3	-5.6	-1.9	<b>Profit Attributable to Owners of Parent</b>	36	<b>10.3</b>	<b>-11.1</b>
Ordinary Profits	16	359.4	-48.7	25.6	-5.7				
Net Extraordinary Gains (Losses)	17	-5.3	-12.2	0.4	0.5				
Income before Income Taxes	18	354.1	-60.9	26.1	-5.2				
Income Taxes	19	-86.9	10.4	-7.6	-2.6				
Profit Attributable to Non-controlling Interests	20	-5.3	5.0	-0.3	-0.2				
<b>Profit Attributable to Owners of Parent</b>	21	<b>261.8</b>	<b>-45.4</b>	<b>18.0</b>	<b>-8.0</b>				

## Overview of Balance Sheet (Sep-19)

Consolidated, ( ) represent changes from Mar-19

JPY Loans<sup>1</sup>

Bank of Japan Current Account  
Balance (2 Banks) :  
JPY 36T (-JPY 0.1T)

Total Assets: JPY 204T (+JPY 3.9T)

Risk Weighted Assets: JPY 60T (+JPY 2.6T)

Loans	
JPY 79T (+JPY 1.1T)	
JPY <sup>1</sup>	JPY 49T
Non-JPY <sup>1</sup>	USD 282.5B

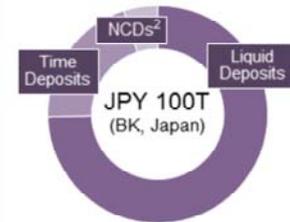
Securities	
JPY 30T (+JPY 0.6T)	
Stocks	JPY 3.3T
JGBs	JPY 12.0T
Non-JPY Bonds	JPY 9.3T

Other Assets	
JPY 94T (+JPY 2.0T)	
Cash and Due from Banks	JPY 43T

Deposits/NCDs <sup>2</sup>	
JPY 139T (+JPY 1.6T)	
JPY <sup>1</sup>	JPY 113T
Non-JPY <sup>1,3</sup>	USD 220.4B

Other Liabilities	
JPY 56T (+JPY 2.5T)	

Net Assets	
JPY 8T (-JPY 0.2T)	

JPY Deposits<sup>1</sup>

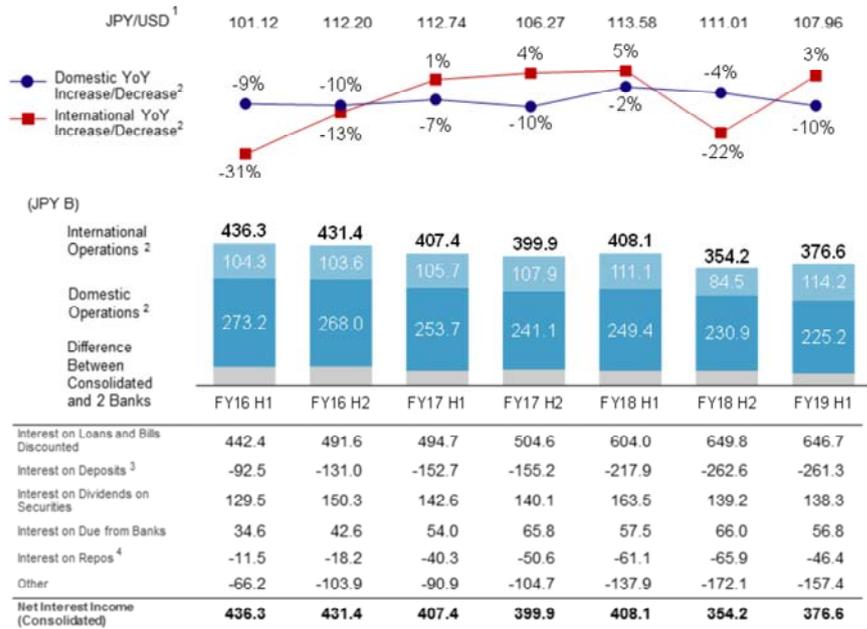
o/w individual deposits:  
approx. JPY 42T

Leverage Ratio: 4.34% (-0.08%)

Liquidity Coverage Ratio<sup>4</sup>:  
141.0% (-1.5%)

1. Management accounting basis, rounded figures. 2. Negotiable Certificates of Deposit. 3. Customer Deposits. 4. FY19 Q2 result, ( ) represent QoQ compared to FY19 Q1.

## Consolidated Gross Profits (Net Interest Income)



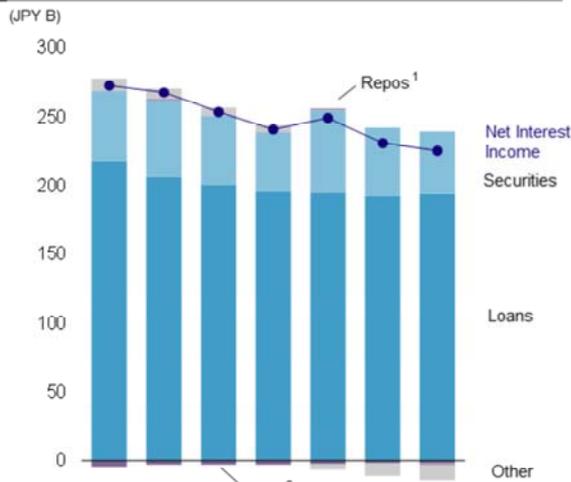
- Net Interest Income in International Operations increased YoY mainly due to the increase in Interest on Loans and Bills Discounted and Interests on Repos.
- Net Interest Income in Domestic Operations decreased YoY due to the decrease in Interest on Dividends on Securities.

1. Foreign exchange rate (TTM) at the respective period end. 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.

# Net Interest Income (2 Banks)

## Domestic Operations

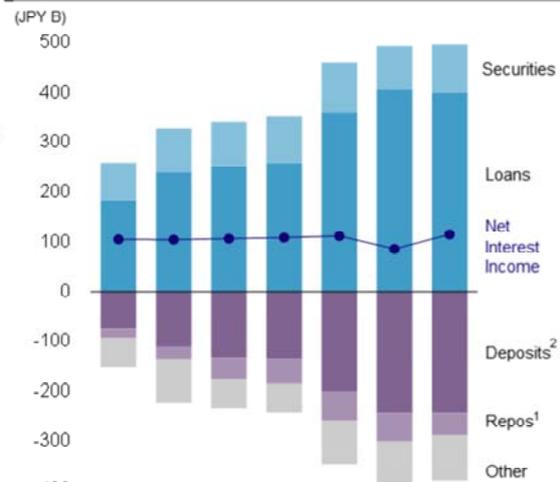
2 Banks



Net Interest Income	273.2	268.0	253.7	241.1	249.4	230.9	225.2
	H1	H2	H1	H2	H1	H2	H1
	FY16		FY17		FY18		FY19

## International Operations

2 Banks



Net Interest Income	104.3	103.6	105.7	107.9	111.1	84.5	114.2
	H1	H2	H1	H2	H1	H2	H1
	FY16		FY17		FY18		FY19

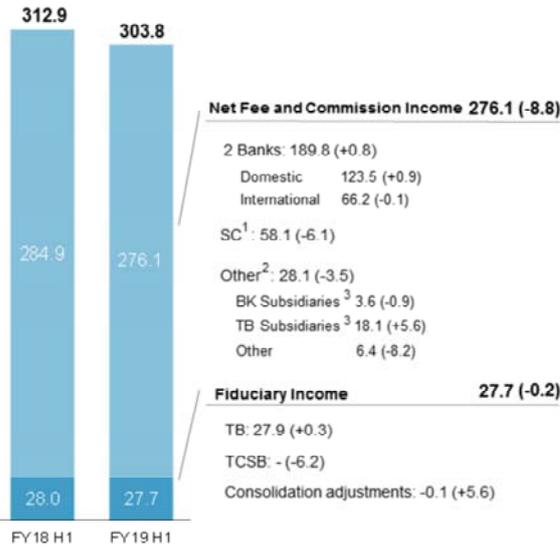
1. Interest/ expense of Receivables under Resale Agreements + Guarantee Deposits Paid under Securities Borrowing Transactions - Payables under Repurchase Agreements - Guarantee Deposits Received under Securities Lending Transactions. 2. Excluding Interest on Negotiable Certificates of Deposit.

## Consolidated Gross Profits (excluding Net Interest Income)

### Net Fee and Commission Income/Fiduciary Income

(JPY B)

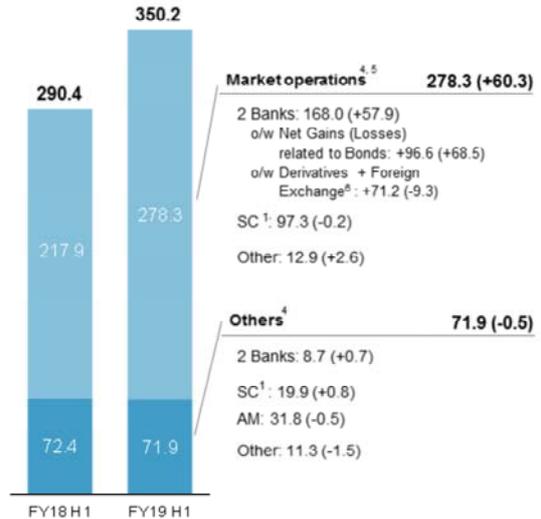
Consolidated, Figures in ( ) represent YoY



### Net Trading Income/Net Other Operating Income

(JPY B)

Consolidated, Figures in ( ) represent YoY



1. Including MSUSA. 2. Including 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.

## Loan Balance

### Loan Balance<sup>1</sup>(Period-End Balance)



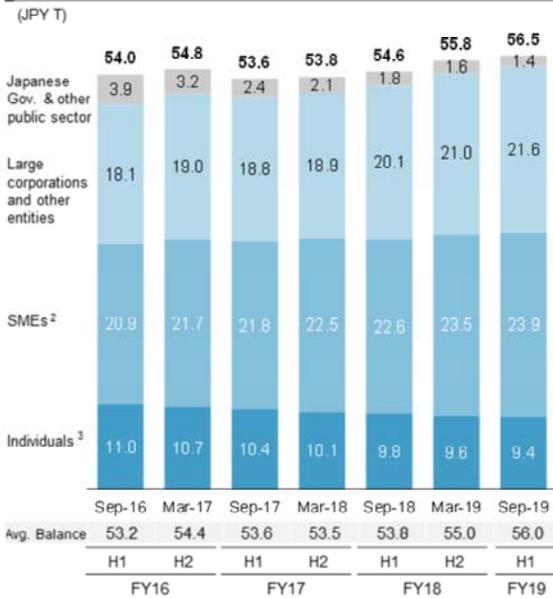
- Loan balance increased mainly due to the increase in corporate loans in Japan and loans outside Japan

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

# Loans in Japan

## Loan Balance<sup>1</sup> (Period-end Balance)

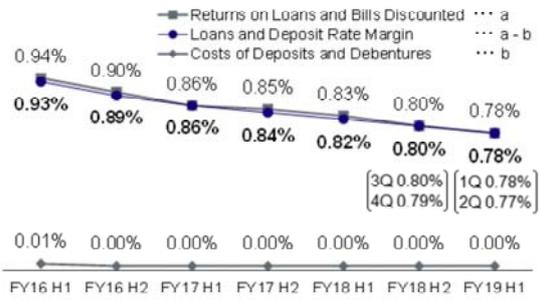
2 Banks



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.

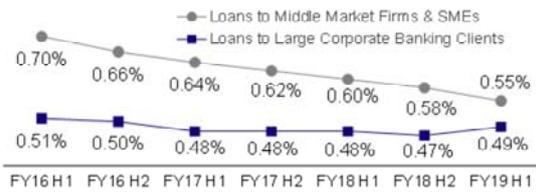
## Loan and Deposit Rate Margin<sup>4</sup>

2 Banks



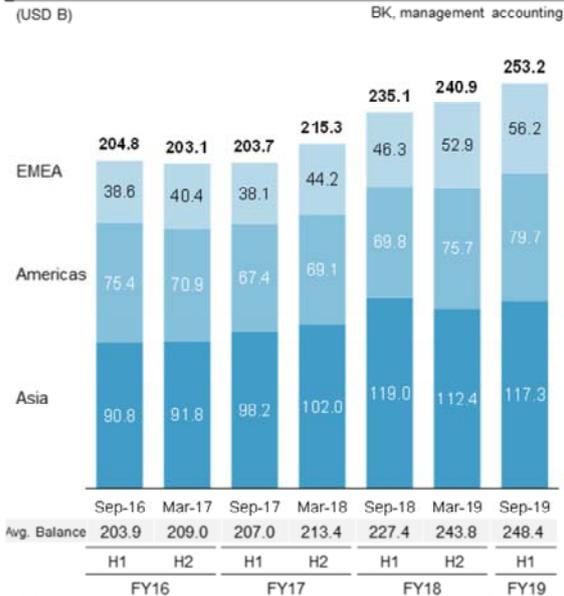
## Loan Spread

BK, management accounting



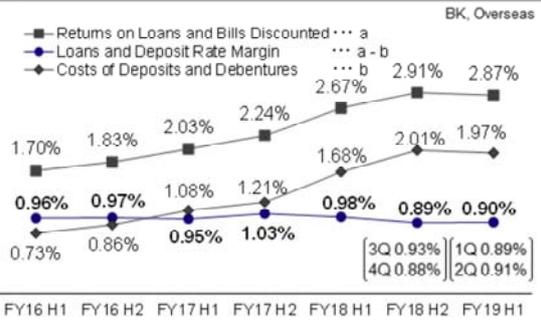
# Loans outside Japan

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



1. BK (including the subsidiaries in China, the US, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico).  
 2. Changed management accounting rules in FY19. Past figures are recalculated based on the new rules.

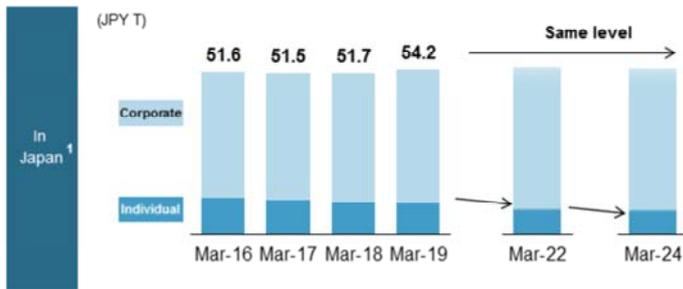
## Loan and Deposit Rate Margin



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



**Loan Balance**



**Loan Spread**

(In-house company management accounting basis)

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

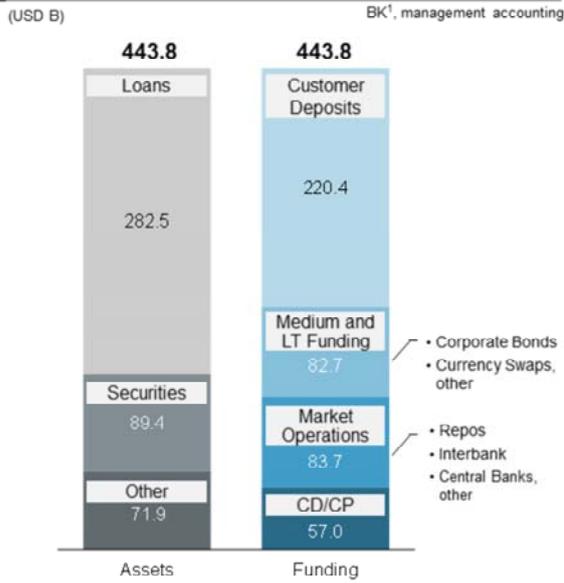


	FY18 to FY21	FY21 to FY23
EMEA	➔	➔
Americas	➔	➔
Asia	➔	➔

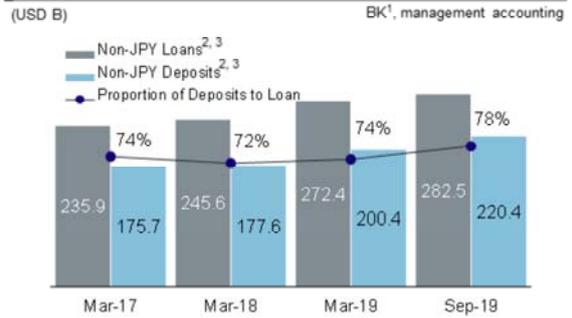
1. Banks, excluding loans to FG, the Japanese Government and other public sector borrowers. Banking account. Individuals: housing and consumer loans.  
 2. BK management accounting, including the subsidiaries in China, the US, the Netherlands, Indonesia, Malaysia, Russia, Brazil, and Mexico.  
 3. BK,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

# Non-JPY Funding

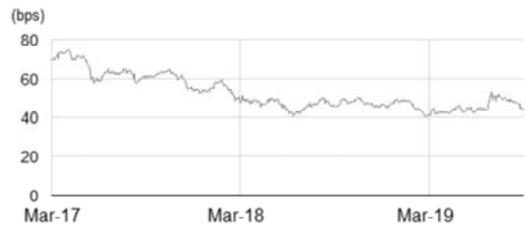
## Non-JPY Assets and Funding (Sep-19)



## Trends in Non-JPY Loans and Deposits



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



Source: Bloomberg

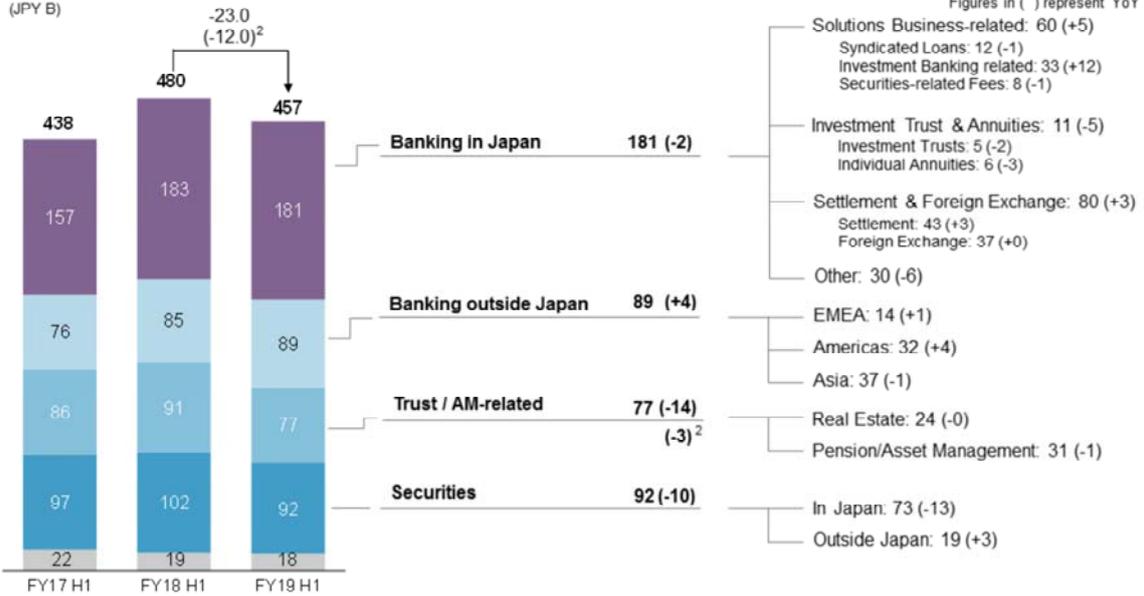
1. Including the banking subsidiaries in China, the US, the Netherlands, Indonesia, etc.  
 2. Changed management accounting rules in FY19. Past figures are based on the new rules. 3. Including Non-JPY loans/deposits in Japan.

# 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 FY19. The original figures before the recalculation were FY17 H1: JPY 431B and FY18 H1: JPY 475B. 2. Excluding the effects of the unconsolidation of TCSB in Oct. 18.

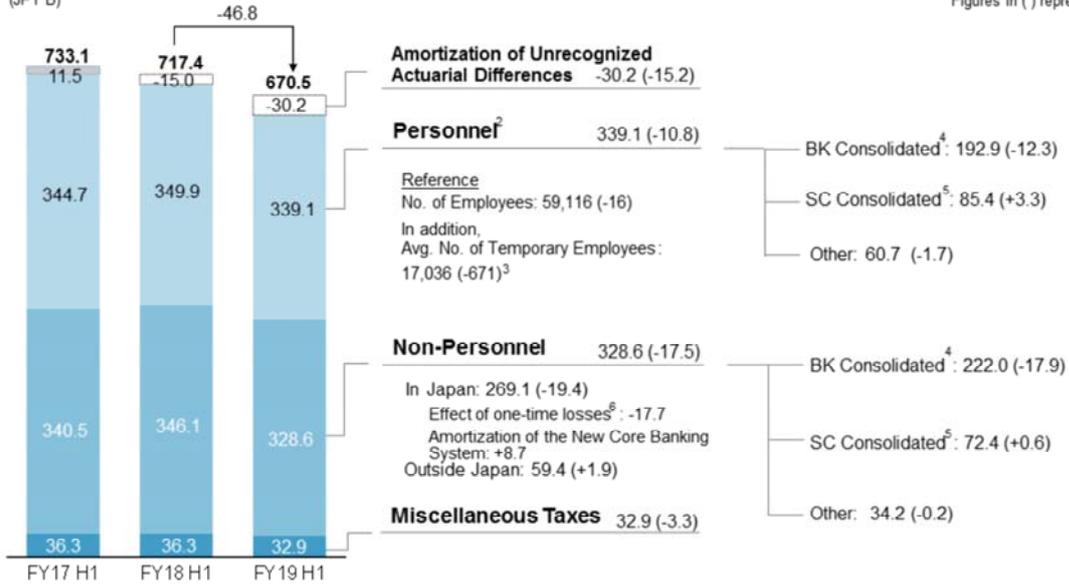
# General and Administrative Expenses

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

Consolidated

(JPY B)

Figures in ( ) represent YoY



1. Including Non-recurring Losses. 2. Excluding amortization of Unrecognized Actuarial Differences. 3. Excluding the number of agency staff. 4. Excluding MSUSA. 5. Aggregated MSUSA. 6. The decrease of depreciation cost due to the impairment losses on fixed assets recorded in FY18.

# Securities Portfolio

## Balance of Other Securities<sup>1</sup>

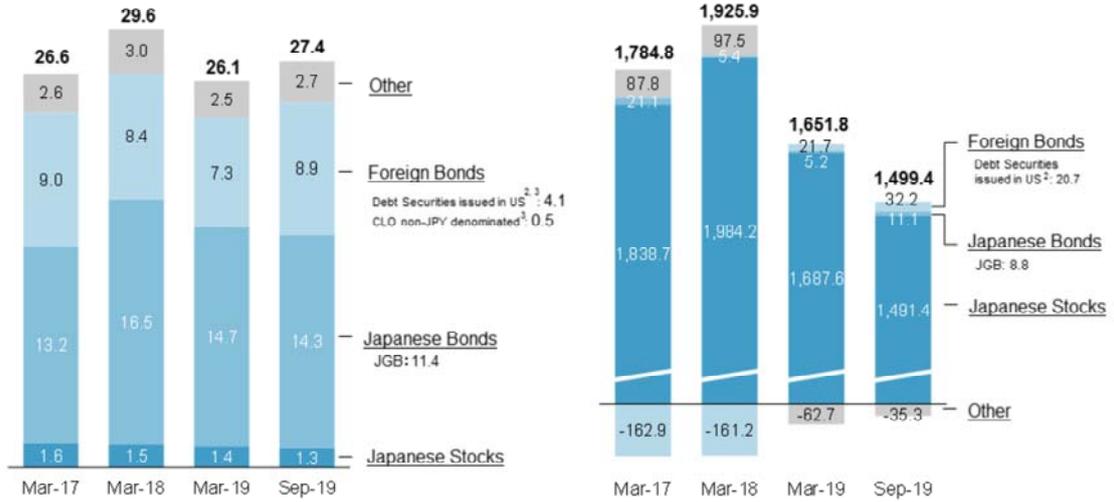
(JPY T)

Consolidated  
Acquisition cost basis

## Unrealized Gains/Losses on Other Securities<sup>4</sup>

(JPY B)

Consolidated



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

(JPY B)



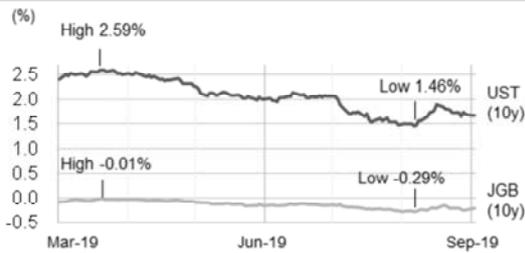
## JGB Portfolio<sup>1</sup>

2 Banks  
Acquisition cost basis

(JPY T)



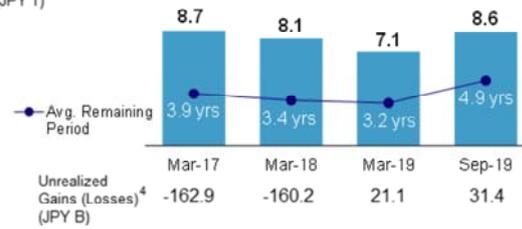
## Reference: Interest Rate Trends in and outside Japan



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

2 Banks  
Acquisition cost basis

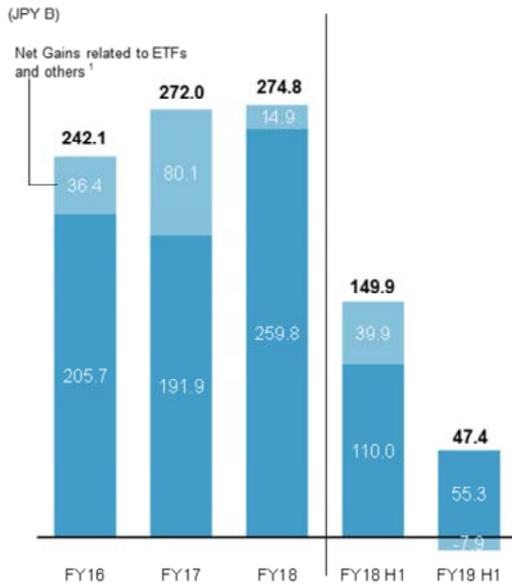
(JPY T)



1. Other Securities which have readily determinable fair values. 2. Including bonds with remaining period of one year or less. 3. Excluding floating-rate notes. 4. Changes in value 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



## Japanese Stock Portfolio<sup>2</sup> Consolidated Acquisition cost basis



### Policy for cross-shareholdings reduction

**Basic Policy** Unless we consider these holdings to be meaningful, we will not hold the shares, which reflects the potential impact on our financial position associated with stock market volatility risk.

Reduction Plan	Target (by the end of FY21)	Progress of reduction	Progress rate
	<b>JPY 300B</b> (Compared to the balance of Mar-19)	<b>JPY 37.6B</b>	<b>13 %</b>

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. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Based on the average market price of the respective month.

# Asset Quality

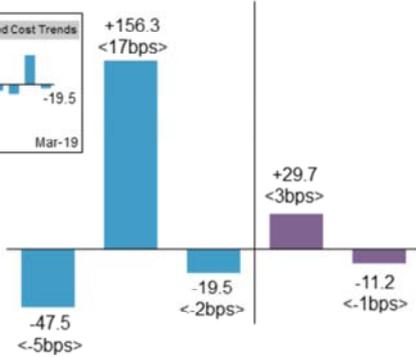
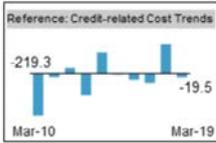
## Credit-related Costs

Consolidated

(JPY B)

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	FY18 H1	FY19 H1
Expenses related to Portfolio Problems	-38.2	-17.0	-30.7	-20.8	-6.8
Reversals of (Provision for) General Reserves for Possible Losses on Loans	-41.9	-	-	-	-12.2
Gains on Reversals of Reserves for Possible Losses and Others	32.6	173.3	11.1	50.6	7.9

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

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

Consolidated

(JPY T)

banking account + trust account



## Reference: Other Watch Obligors

2 banks, banking account

	Mar-17	Mar-18	Mar-19	Sep-19
Balance (JPY T)	1.6	1.6	1.3	1.3
Reserve ratio	6.69%	3.92%	2.46%	3.09%

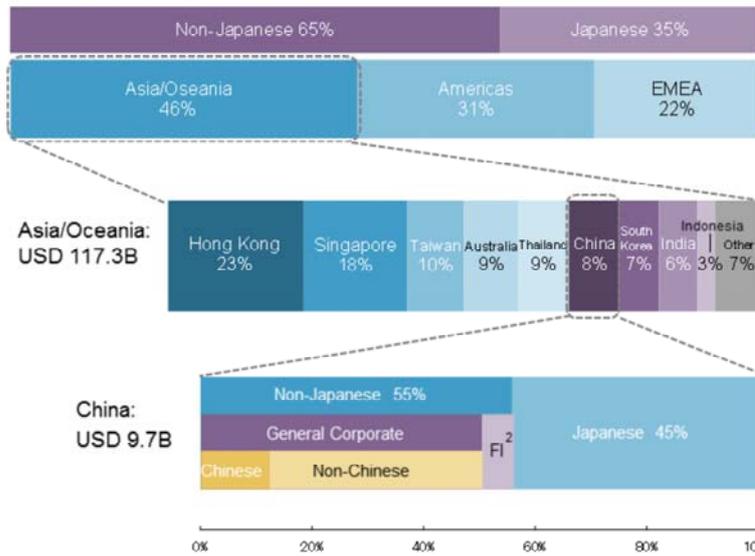
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# Loan Portfolio Outside Japan

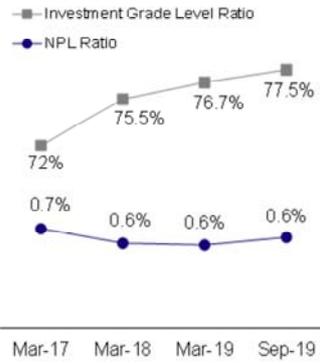
## Loan Portfolio Outside Japan (Sep-19)

GCC management accounting basis <sup>Bk<sup>1</sup></sup>

Total: USD 253.2B



### Quality of Loan Portfolio



Reference :

LBO (outside Japan) Outstanding Balance<sup>3</sup>  
 JPY 367.2 B  
 (increased by JPY 34.2B from March 2019)

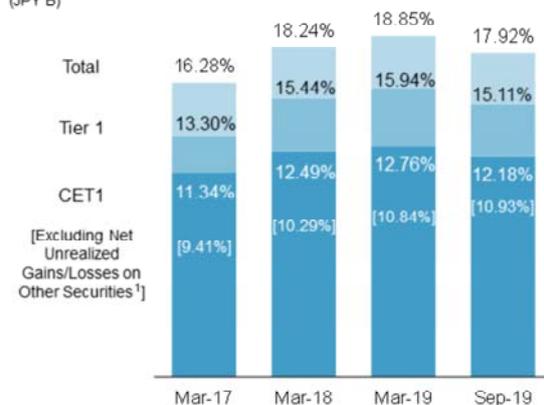
1. Including banking subsidiaries outside Japan. 2. Financial Institutions 3. BK+TB, management accounting basis.

## Basel Regulatory Disclosures (1)

### Capital Ratio

(JPY B)

Consolidated

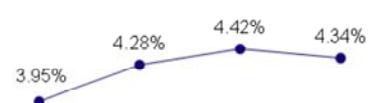


	Mar-17	Mar-18	Mar-19	Sep-19
CET1 Capital <sup>2</sup>	7,001.6	7,437.0	7,390.0	7,383.2
AT1 Capital <sup>3</sup>	1,209.8	1,755.1	1,842.1	1,778.4
Tier 1 Capital	8,211.5	9,192.2	9,232.1	9,161.7
Tier 2 Capital	1,839.4	1,668.1	1,685.3	1,703.0
Total Capital	10,050.9	10,860.4	10,917.5	10,864.8
Risk Weighted Assets	61,717.1	59,528.9	57,899.5	60,599.1

### Leverage Ratio

(JPY B)

Consolidated



	Mar-17	Mar-18	Mar-19	Sep-19
Tier 1 Capital	8,211.5	9,192.2	9,232.1	9,161.7
Total Exposures	207,401.6	214,277.8	208,557.4	210,901.4

### Liquidity Coverage Ratio (LCR)

(JPY B)

Consolidated



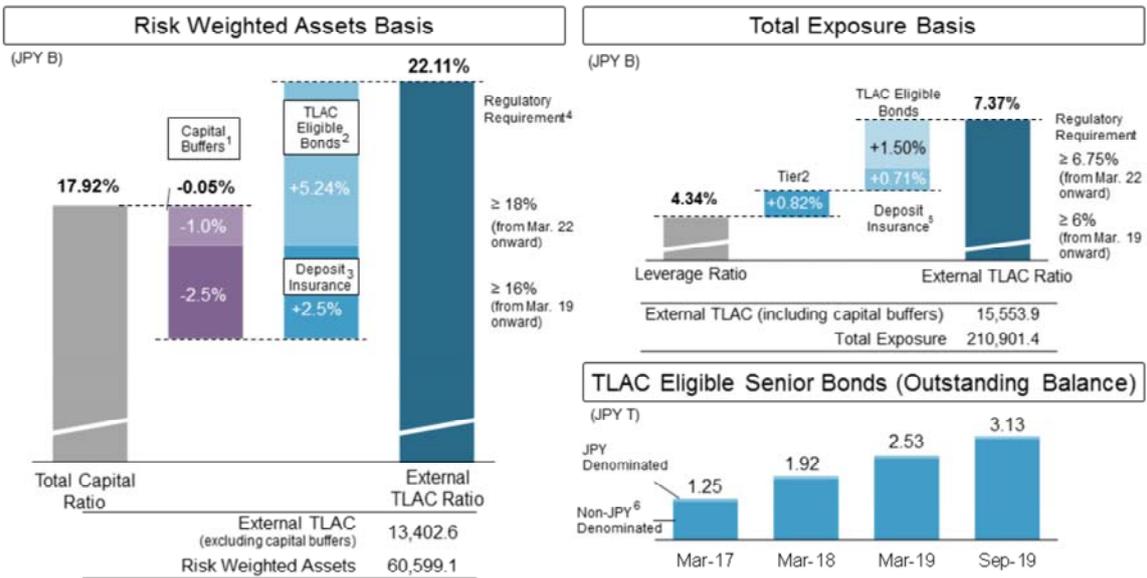
	FY16 4Q	FY17 4Q	FY18 4Q	FY19 2Q
Total HQLA <sup>4</sup>	59,034.6	60,159.6	59,797.1	58,141.3
Net Cash Outflows	45,611.6	50,079.0	41,447.8	41,230.0

1. Basel III fully-effective basis. RWA associated with Net Unrealized Gains (Losses) on Other Securities (Japanese stocks) are deducted from the denominator. Including the effect of hedging transactions to fix a part of unrealized gains on stocks. 2. Common Equity Tier 1 Capital. 3. Additional Tier 1 Capital. 4. Total High-Quality Liquid Assets.

## Basel Regulatory Disclosures (2)

### External TLAC Ratio (Sep-19)

Consolidated



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' external 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 Sep. 2019 is 16.28%. 5. Fund reserve equivalent amount on total exposure basis to 2.5% on RWA basis. 6. Foreign exchange rate (TTM) at the respective period end.

## Revised Earnings Plan for FY2019

Consolidated	FY2018	FY2019		
	Results	H1 Results	Revised Target	Vs. Original Target
(JPY B)				
Consolidated Net Business Profits (+ Net Gains (Losses) related to ETFs and others)*	408.3	340.8	620.0	20.0
Credit-related Costs	-19.5	-11.2	-60.0	0
Net Gains (Losses) related to Stocks (- Net Gains (Losses) related to ETFs and others)*	259.8	55.3	140.0	-20.0
Ordinary Profits	614.1	396.4	700.0	0
Net Income Attributable to FG	96.5	287.6	470.0	0

- We have upwardly revised our Consolidated Net Business Profits target in light of the current business and market environments, and other factors.
- In light of results from the sale of cross-shareholdings and other factors, we have downwardly revised our target for Net Gains (Losses) related to Stocks.
- Our target for Net Income Attributable to FG remains the same as our initial target at JPY 470B.

2 Banks	FY2018	FY2019		
	Results	H1 Results	Revised Target	Vs. Original Target
(JPY B)				
Net Business Profits (+ Net Gains (Losses) related to ETFs)	255.0	272.9	475.0	10.0
Credit-related Costs	-22.7	-15.0	-55.0	0
Net Gains (Losses) related to Stocks (- Net Gains (Losses) related to ETFs)	168.8	54.4	140.0	-15.0
Ordinary Profits	339.9	317.1	560.0	-5.0
Net Income	-105.3	234.6	385.0	-5.0

### Assumptions under the Earnings Plan

	Original Plan	Revised Plan
JGB (10-yr)	0.10%	-0.15%
Nikkei 225 Index	JPY 21,700	JPY 20,700
USD/JPY	JPY 109	JPY 107

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

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- ✓ Based on the strong progress made towards the Consolidated Net Business Profits target set at the start of the fiscal year, we upwardly revised our fiscal year target by JPY 20B, up to JPY 620B.
- ✓ As a cautionary measure, we did not revise our Credit-related Costs target (remaining at JPY -60B).
- ✓ On the other hand, we downwardly revised our target for Net Gains (Losses) related to Stocks (excluding Net Gains (Losses) related to ETFs and others) by JPY 20B, down to JPY 140B.
- ✓ Although we are mostly on track towards our fiscal target for the reduction in book value of cross-shareholdings, due to losses recorded on few number of stocks in H1 and the uncertain economic outlook going forward, the potential for declining stock prices and other factors pose a certain degree of downside risk which we have taken into consideration.
- ✓ Following these revisions, our estimates for Net Income Attributable to FG for FY2019 remain the same at JPY 470B.
- ✓ The next page has revised earnings plans for each in-house company for your reference.
- ✓ Please proceed to page 32.

## In-house Company Results and Revised Plan

(JPY B)

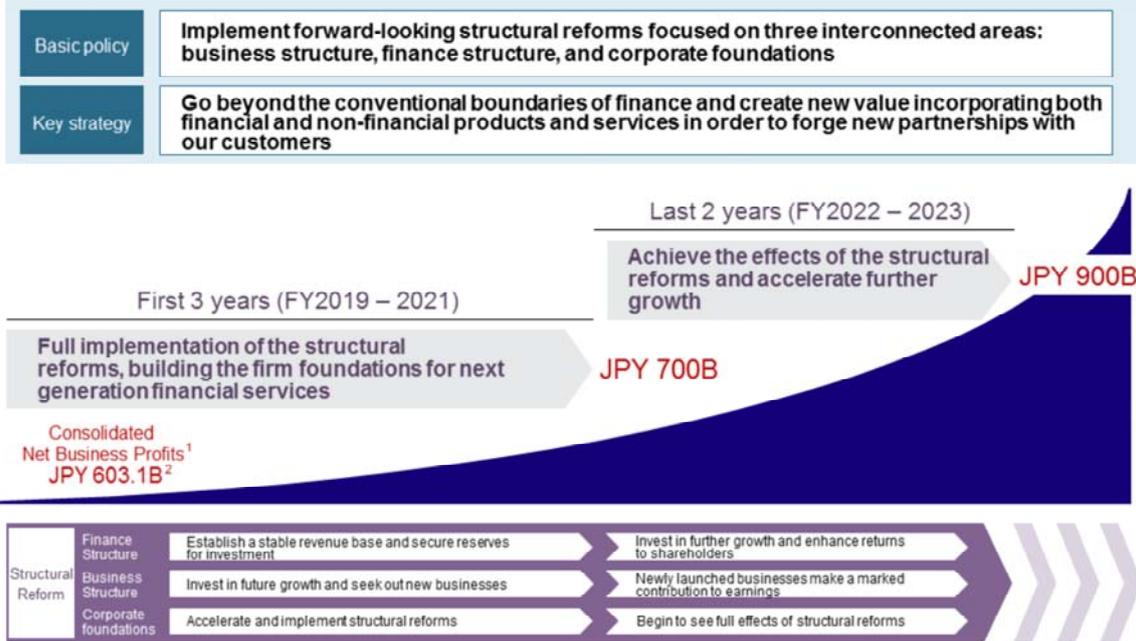
Group aggregate, management accounting

	Net Business Profits <sup>1,2</sup>				Net Income <sup>3</sup>				ROE <sup>4</sup>
	FY19 H1		FY19		FY19 H1		FY19		FY19
	Results	Vs. Target	Revised Target	Vs. Original Target	Results	Vs. Target	Revised Target	Vs. Original Target	Revised Target
Retail & Business Banking (RBC)	0.8	3.9	9.0	-9.0	-4.1	-5.5	15.0	-6.0	1.2%
Corporate & Institutional (CIC)	118.5	11.8	253.0	15.0	118.6	16.4	263.0	10.0	12.7%
Global Corporate (GCC)	93.1	6.5	161.0	4.0	78.5	26.9	100.0	9.0	7.4%
Global Markets (GMC)	126.9	49.7	165.0	11.0	88.4	35.3	113.0	7.0	7.9%
Asset Management (AMC)	5.5	-0.4	13.0	-	2.6	0.4	6.0	1.0	4.8%
In-house Company Total	344.7	71.4	601.0	21.0	284.0	73.5	497.0	21.0	
FG Consolidated	340.8	50.8	620.0	20.0	287.6	77.6	470.0	-	6.2%

1. Net Gains (Losses) related to ETFs are included in GMC. 2. Gross Business Profits + Net Gains (Losses) related to ETFs - G&A Expenses (Excl. Non-recurring Losses and others) - Equity in Income from Investments in Affiliates - Amortization of Goodwill and others items. 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.

Progress on the 5-Year  
Business Plan

## 5-Year Business Plan



1. Including Net Gains (Losses) related to ETFs and others. 2. FY2018 results (before recording one-time losses).

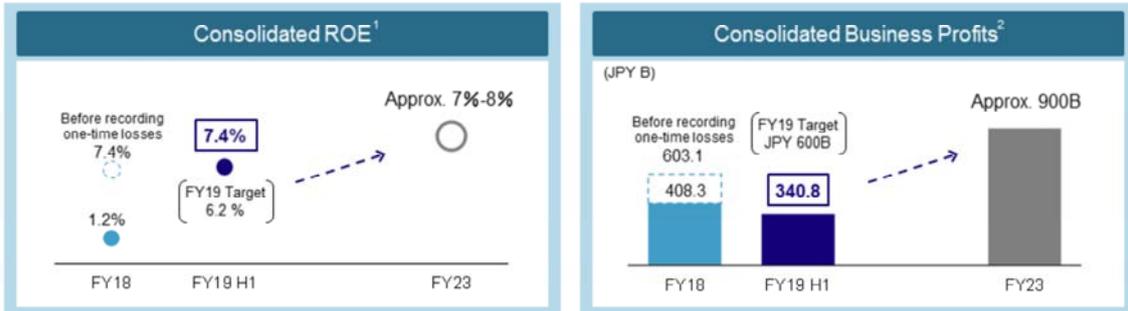
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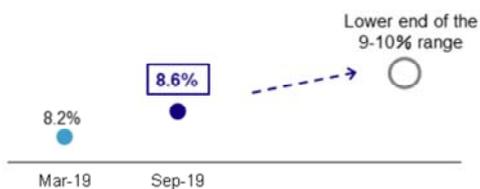
- ✓ Now I would like to provide an update regarding our progress on our 5-Year Business Plan which started from this fiscal year.
- ✓ Looking back on the first half, in July we completed the migration to our new core banking system, advanced structural reforms, and made other efforts to strengthen our stable revenue base and cultivate new partnerships with our customers as a means of building firm foundations for the next generation of financial services.
- ✓ These efforts are beginning to bear fruit and our interim results are one sign of that.
- ✓ Next allow me to go over our key financials.
- ✓ Please have a look at page 33.

## Key financials

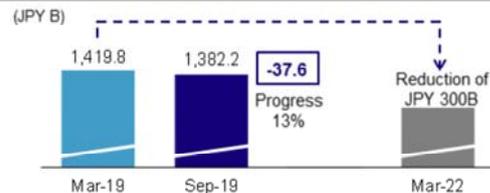
### Financial Targets



### Common Equity Tier 1 (CET1) capital ratio target level<sup>3</sup>



### Reduction of cross-shareholdings<sup>4</sup>



[Assumed financial indicators for FY23 targets] 10-year JGB interest rate: 0.15%, Nikkei Stock Average: 22,100 yen, JPY/USD: 101 yen

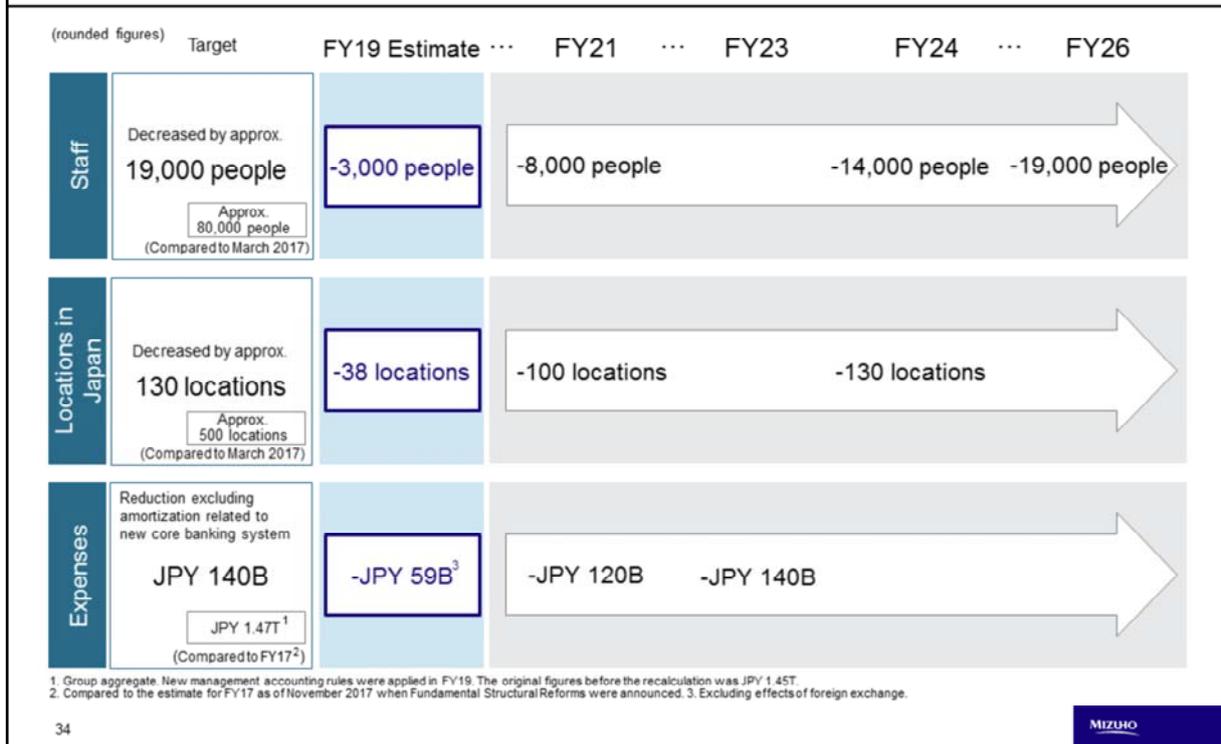
1. Excluding Net Unrealized Gains (Losses) on Other Securities. 2. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs (2 Banks) + Net Gain on Operating Investment Securities (SC Consolidated). 3. Basel III finalization fully-effective basis, excluding Net Unrealized Gains (Losses) on Other Securities. 4. Acquisition cost basis.

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- ✓ First of all, our Consolidated ROE for FY2019 H1 is 7.4% when calculated by annualizing our H1 Net Income Attributable to FG. However, when calculated using our FY2019 target of JPY 470B, it is 6.2%, meaning that we must continue to work towards enhancing our earnings power and capital efficiency in order to achieve our target range of around 7 to 8%.
- ✓ Our Consolidated Net Business Profits are as I previously explained.
- ✓ Our CET1 capital ratio (excluding Net Unrealized Gains (Losses) on Other Securities) has increased to 8.6% on a Basel III fully effective basis. I will explain our capital strategy in more detail in a moment.
- ✓ In FY2019 H1 we reduced cross-shareholdings by JPY 37.6B on a book value basis. When compared to our target of a JPY 300B reduction by the end of March 2022, this represents only a 13% progress rate, but when including future sales already agreed upon, we are mostly on track towards our fiscal year target for reduction in book value, and therefore will continue to work towards achieving our targets.
- ✓ Please turn to page 34.

## Progress on Structural Reforms

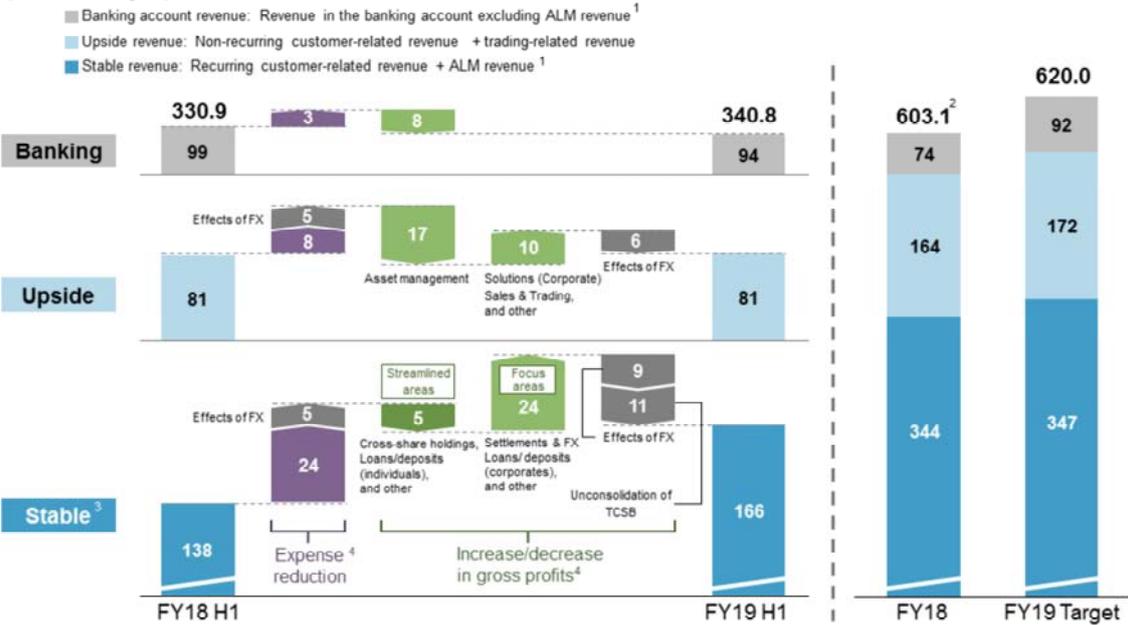


- ✓ Next, let's review the progress on our fundamental structural reforms.
- ✓ Following the completion of the migration to our new core banking system in July of this year, we accelerated structural reforms and are making steady progress, on track towards our targets in each area of reduction—staff, locations in Japan, and expenses.
- ✓ In regards to staff, while we are continuing any necessary new hiring, we will aim to reduce our total workforce by 8,000 people by FY2021 (compared to our workforce as of the end of FY2017) and we are on track to reduce our workforce by around 3,000 people in FY2019.
- ✓ Our target is to reduce the number of locations in Japan by 100 locations by FY2021 and we are on track to eliminate 38 locations by the end of FY2019.
- ✓ As for expenses, our target is to reduce expenses (excluding amortization of the new core banking system) by JPY 120B by FY2021, and we are on track to reduce expenses by JPY 59B by the end of FY2019, even when excluding the effects of expense reduction due to a stronger yen.
- ✓ Next please turn to page 35.

# Consolidated net business profits

Finance structure reforms

(JPY B, rounded figures)



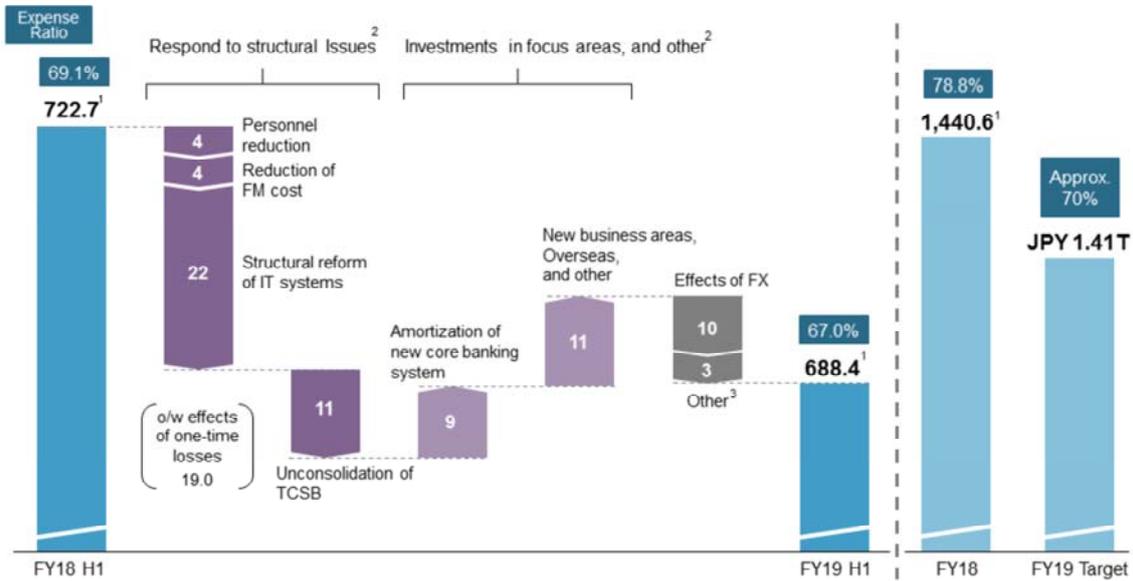
1. Revenue from comprehensive management of assets and liabilities in the banking account. 2. Excluding the one-time losses. 3. Excluding special factors such as one-time gains. The aggregate figures of stable, upside and banking do not match consolidated net business profits in the same period. 4. Management accounting basis.

- ✓ Now I would like to explain our Consolidated Net Business Profits in more detail.
- ✓ This page divides our revenue structure into “stable revenue”, which is shown at the bottom of the page, and above that is the relatively higher volatility “upside revenue” and “banking account revenue”.
- ✓ In FY2019 H1 we saw an improvement in Net Business Profits due to an increase in certain revenue areas such as corporate solutions, settlements, and foreign exchange, in addition to a steady reduction in expenses and increases in stable revenue. This was able to supplement the reduction in Gross Profits from asset management business for individual customers, dividends from stocks, and other such areas.
- ✓ Please turn to page 36.

# Expense

Finance structure reforms

(JPY B, rounded figures)



1. G&A Expenses (excluding Non-Recurring Losses) - Amortization of Goodwill and other items. 2. Management accounting basis. 3. Including intercompany transactions and other.

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- ✓ Next I will explain our reductions in expenses.
- ✓ In FY2019 H1 we reduced expenses by addressing structural issues, including reducing the number of personnel, structural reforms to IT systems, and unconsolidation of Trust & Custody Services Bank (TCSB). This enables us to absorb increases in expenses from investment in focus areas, such as the amortization of the new core banking system, and other factors in order to make steady progress in reducing expenses as a whole.
- ✓ In H2 we expect some factors leading to expense increases such as the full effects of the amortization of the new core banking system. However, going forward we will accelerate structural reforms while amply investing in focus areas which will lead to growth and aiming to implement flexible expense management in each segment of our business portfolio.
- ✓ Next I will introduce our capital strategy. Please turn to page 37.

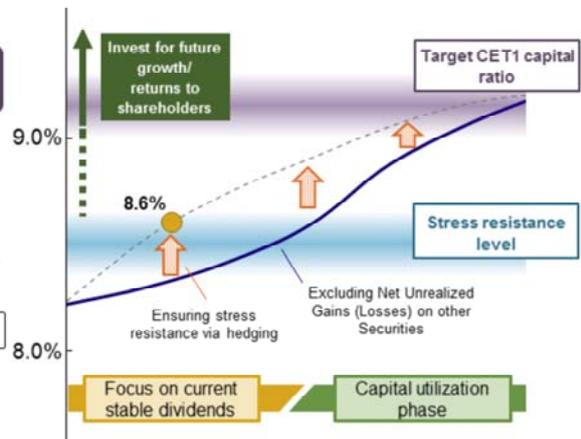
# Capital strategy

Finance structure reforms

## Current CET1<sup>1</sup> capital ratio status



## Early transition to capital utilization phase



## Shareholder Return Policy

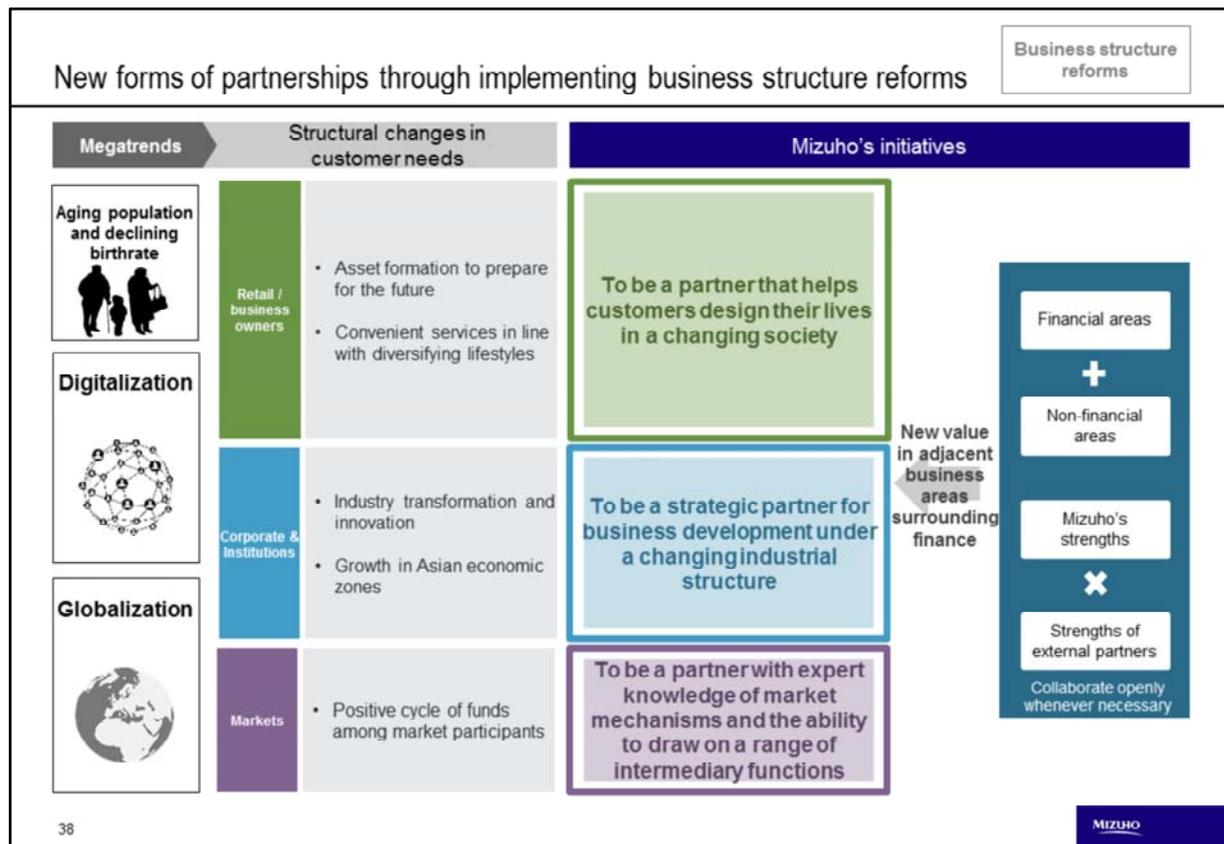
We are maintaining the current level of dividends for the time being while aiming to strengthen our capital base further to enhance returns to shareholders at an early stage

Cash Dividend per Share of Common Stock **FY2019 (Estimate) : JPY 7.50**  
 Interim Cash Dividend : JPY 3.75  
 Fiscal Year-end Cash Dividend (Estimate) : JPY 3.75

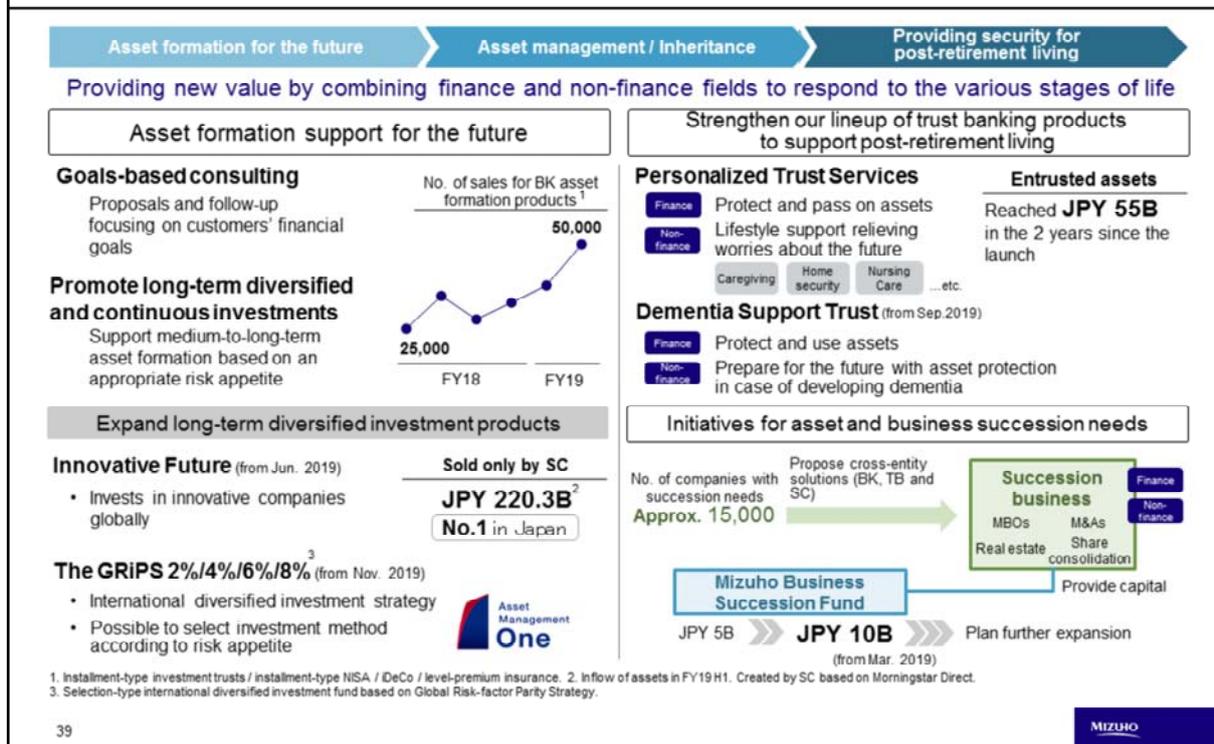
Establish a capital base with stress resistance and available capital aiming to shift to a capital utilization phase

1. Fully-effective basis. RWA associated with Net Unrealized Gains (Losses) on Other Securities (Japanese stocks) are excluded from the denominator. The capital floor is also calculated after deducting the associated reserves from risk weighted assets using the standard approach. 2. Including effects of partially fixing unrealized gains on stocks through hedging transactions.

- ✓ Our CET1 capital ratio is 8.6% on a Basel III fully effective basis as of the end of September 2019. This is indicated by the orange dot on the right-hand graph.
- ✓ By continuing to strengthen our capital base and the hedging effects indicated by the arrows on the graph, we are increasing our capital to ensure we can maintain the regulatory required level even in times of stress.
- ✓ Going forward we will continue to work to raise our capital level in order to achieve our growth strategy and transition to a capital utilization phase in order to enhance returns to shareholders at an early stage.
- ✓ As shown on the bottom left of the page, our estimate for Cash Dividend per Share of Common Stock remain unchanged from JPY 7.50 annually, and we have decided on an Interim Cash Dividend of JPY 3.75.
- ✓ Next, allow me to provide an update on the progress of our business structure reforms.
- ✓ Please continue to page 38.



- ✓ Through business structure reforms we are seeking to build new forms of partnership with our customers in order to respond to structural shifts in customer needs. In order to achieve this, we will draw on Mizuho's strengths as well as external resources as needed with the aim of creating new value in adjacent business areas surrounding finance, including in areas where finance and non-finance blend together.
- ✓ The following pages contain an explanation of our current efforts in this area.
- ✓ Please turn to page 39.



- ✓ We are implementing a number of initiatives to support individuals and business owners in this age of longevity. Our fundamental approach is to go beyond the boundaries of finance and provide new value incorporating non-financial services in order to respond to customers' needs at each life stage, including asset formation and succession needs, and helping to alleviate worries about old age.
- ✓ In terms of asset formation support, the main pillars of our strategy from H1 are promoting goals-based consulting and long-term, continued, diversified investment. We conducted training for all relationship managers to enhance their ability to make proposals regarding these areas.
- ✓ More time is required to stabilize our fees revenue, but as shown on this page we are seeing steady growth in the number of sales of asset formation products such as the "Innovative Future" series have proven highly popular with customers by meeting their needs.
- ✓ As for services to support customers in old age as shown in the upper right hand corner of the page, our Personalized Trust combines our trust functions and lifestyle support services such as caregiving through collaboration with partners in non-finance fields. This product meets the needs of our customers and in the two years since we began offering it the trust has reached JPY 55B and its growth rate is two times that of typical products.
- ✓ We have also started offering a Dementia Support Trust which provides useful features unavailable in the typical products offered by other companies.
- ✓ We are steadily expanding our asset and business succession business by identifying clients with potential needs and proposing solutions as an integrated financial services group.
- ✓ Please continue to the next page.

### Cashless payments

Offering cashless payment services for smartphones

	Payments		Transfers, remittances, in-house transfers	
	Debit	Prepaid	P2P	B2P*
Contactless	Mizuho Wallet			
QR code			J-Coin Pay	

**Mizuho Wallet**

Installation at participating stores: Over 2 million card readers throughout Japan

- Approx. 1.1M readers (Apple Pay)
- Approx. 920K readers (Google Pay)

**J-Coin Pay**

Participating Financial institutions: 91 banks (As of Oct. 2019)

Expected to reach by the end of FY19: Participating stores 150K, Users 1.84M



\*Settlement of expenses, salary payroll, etc.



### AI-based credit scoring

**J.Score**  
(collaboration with Softbank)

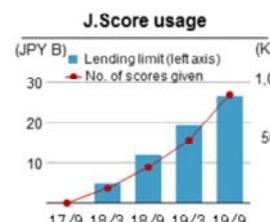
Financial support for the achievement of dreams and goals

- Scoring of future potential
- AI scoring and rewards

**LINE Score**  
(collaboration with Line)

Provides a service for sudden expenses (LINE Pocket Money)

- Linked with social media
- Easy-to-use app



**No. of scores given**

Service launched in Jun. 2019

**Over 2 million people**

(as of Sep. 2019)

Utilize data → Create new business utilizing the financial and non-financial data from these platforms

(J.Score is applying to become an information bank (P certification))

- ✓ Next I would like to introduce the ways that we are supporting connected lifestyles.
- ✓ Our cashless payments initiatives shown on the left prioritize user experience and, as these services are linked to users' bank accounts, their appeal is derived in part from the safety and security that only banks can offer in addition to convenience. We offer Mizuho Wallet, a contactless payments service, and J-Coin Pay, a QR-code based payments service.
- ✓ For J-Coin Pay, last month we signed up a major drug store chain, as a participating merchant, and this month we signed up a major household appliance chain. From next month J-Coin Pay will also be accepted at major convenience store chains and other locations. Going forward we will implement well-timed mass media promotion and various special offers in order to accelerate the attraction of new participating merchants and users.
- ✓ Additionally, in December we will launch J-Coin Biz, a service for businesses which enables employees to settle expenses using J-Coin. In December we will start rolling out this service within Mizuho and approaching participating financial institutions. Then from next year we will proactively promote this service to our corporate clients.
- ✓ As for our AI-based credit scoring business outlined on the right, we are offering J.Score in partnership with Softbank and Line Credit in partnership with Line.
- ✓ J.Score supports customers to invest in their futures such as providing funds for studying abroad or enrolling in courses to acquire professional qualifications. Line Credit makes it easy for customers to take out a loan to cover sudden expenses with the aim of providing small luxuries for every-day life. Each of these services target a specific area of demand and are an attempt to integrate the customer base and data of our business partners with Mizuho's credit screening expertise and financial services.
- ✓ These initiatives hold great potential in light of the ability to target Mizuho's 24 million

individual customers, Softbank's 42 million mobile users, and Line's 82 million social media users. We also plan to use these initiatives to build the foundations for an expansion into the data business.

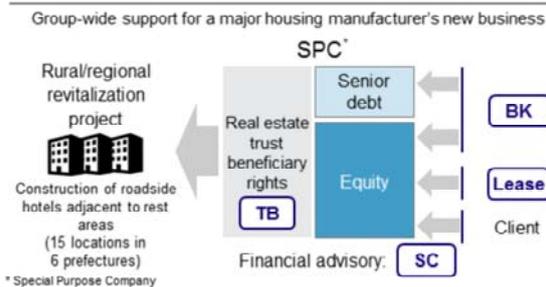
## A strategic partner for business development: Corporate

Business structure reforms

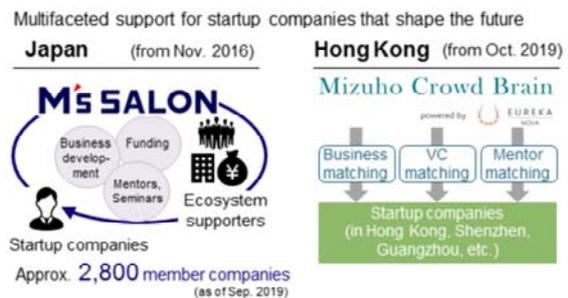
### Building new partnerships to replace cross-shareholdings



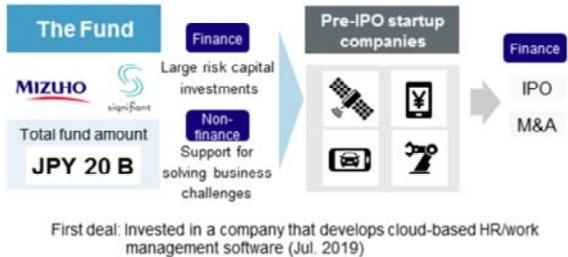
### Example



### Supporting innovative start-up companies



### "THE Fund" growth fund (from Jun. 2019)



41

MIZUHO

- ✓ Next let's look at how Mizuho is a strategic partner for business development.
- ✓ We are aiming to utilize part of the capital freed up from the reduction of cross-shareholdings towards investment, lending, leasing, and other means of sharing business risk with clients.
- ✓ On the bottom left of this page there is an example of a project led by a large housing manufacturer which we are supporting. It aims to attract hotel developers to rural regions of Japan in order to revitalize these areas.
- ✓ Mizuho Bank and Mizuho Leasing will work in partnership to provide equity capital and share business risk with our clients. Additionally, Mizuho Securities will act as a financial advisor and Mizuho Trust & Banking will be entrusted with trust beneficiary rights, therefore enabling us to support these initiatives as an integrated financial group.
- ✓ On the upper right-hand side of the page there are some examples of our support for innovative start-up companies. We are drawing on our strengths, such as our industry insight and customer base, in order to support clients' growth strategies from both a financial and non-financial angle.
- ✓ M's Salon not only provides networking opportunities for startups but also business partnerships, matching for raising capital, management advice from mentors, and other forms of growth support. Currently there are around 2,800 members. Also, we are rolling out a similar program in the Greater Bay Area surrounding Hong Kong.
- ✓ On the bottom right of the page is our framework for providing equity capital to pre-IPO startups in later growth stages and supporting them to address their challenges.
- ✓ Through a partnership with Signifiant, who provide hands-on support and know-how, we are expanding the financial and non-financial services we offer with the aim of capturing additional financial business with these companies in the future through opportunities such as an IPO or M&A.

✓ Please turn to the next page.

Capturing growth in Asia

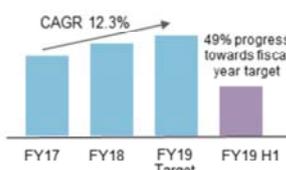
Further enhancement of transaction banking business

- Expand and improve operations capabilities with the aim of increasing client convenience
- Strengthen our financial products (supply chain financing, host-to-host, digital channels)
- Leverage our strong position in Asia to promote transactions with non-Japanese companies via cross-regional collaboration

Awards received in 2019



Transaction banking-related revenue in Asia<sup>1</sup>



Average liquid deposits balance in Asia



1. Deposits, foreign exchange, trade finance, etc. 2. Bonds issued by investment grade companies, bookrunner basis (Source: Dealogic). 3. Loans to investment grade companies, bookrunner basis (Source: Refinitive). 4. Apr. 2018 to Mar. 2019, US LCM, DCM, and ECM (excluding M&A). Created based on Dealogic data. 5. DCM, ECM, LCM, M&A, etc.

Capturing the US capital market "depth"

<b>IG</b>	Debt business second only to major US banks	<b>Non-IG</b>	Enhance distribution-oriented capital markets business
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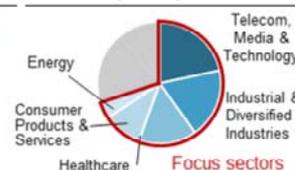
Make Mizuho a more top-tier market player by strengthening our proposal skills and cross-selling

Selective utilization of assets and thorough early warning monitoring, being conscious of the credit cycle

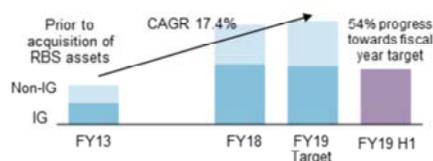
Americas league tables



Fee pool by sector



US capital markets-related revenue<sup>5</sup>



- ✓ Now let's look at our operations outside Japan. As shown on the left, we have received a number of prestigious industry awards for our transaction banking business in Asia. For example, we have been selected from among top tier banks and recognized under Global Trade Review's "Leaders in Trade" as the best bank in East Asia & the Pacific for three years in a row.
- ✓ We were recognized for our dedicated service in connection to our transaction banking products, including ECA finance and supply chain finance solutions.
- ✓ On the right is an overview of our US and European capital markets business. We have a strong presence in US capital markets due to our robust customer base and long-standing integrated banking-securities model which have enabled us to rank 3rd among non-US financial institutions in IG corporate bond and loan league tables. We will aim to make Mizuho a more top-tier market player by strengthening our ability to provide solutions to meet the needs depending on the sector's characteristics and thorough cross-selling. In the global economy, in terms of non-investment grade corporates, we must be more selective than before in identifying risk and enforce forward-looking indicator management and
- ✓ In consideration of the increasing uncertainty credit management.

Providing a range of intermediary functions

Enhance our presence in derivatives business to match our presence in primary and cash markets

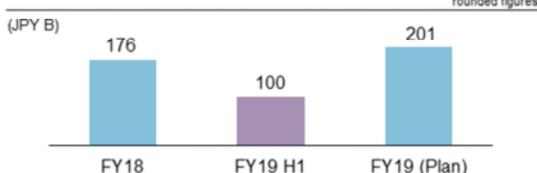
- Equities: Expand and improve equities-related derivative products in the Americas
- Interest rates: Pursue optimal allocation of banking and securities functions in and outside Japan

Unifying banking and securities operations

Undertake global initiatives to increase transactions and streamline operations



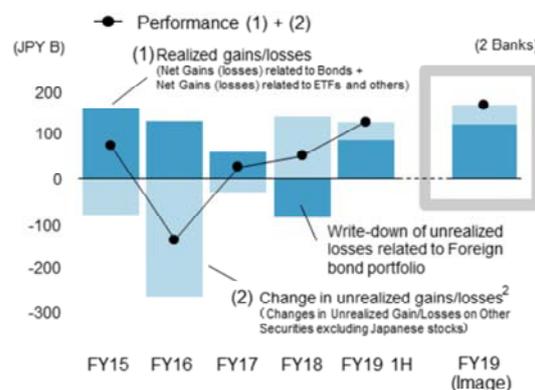
S&T revenue trends



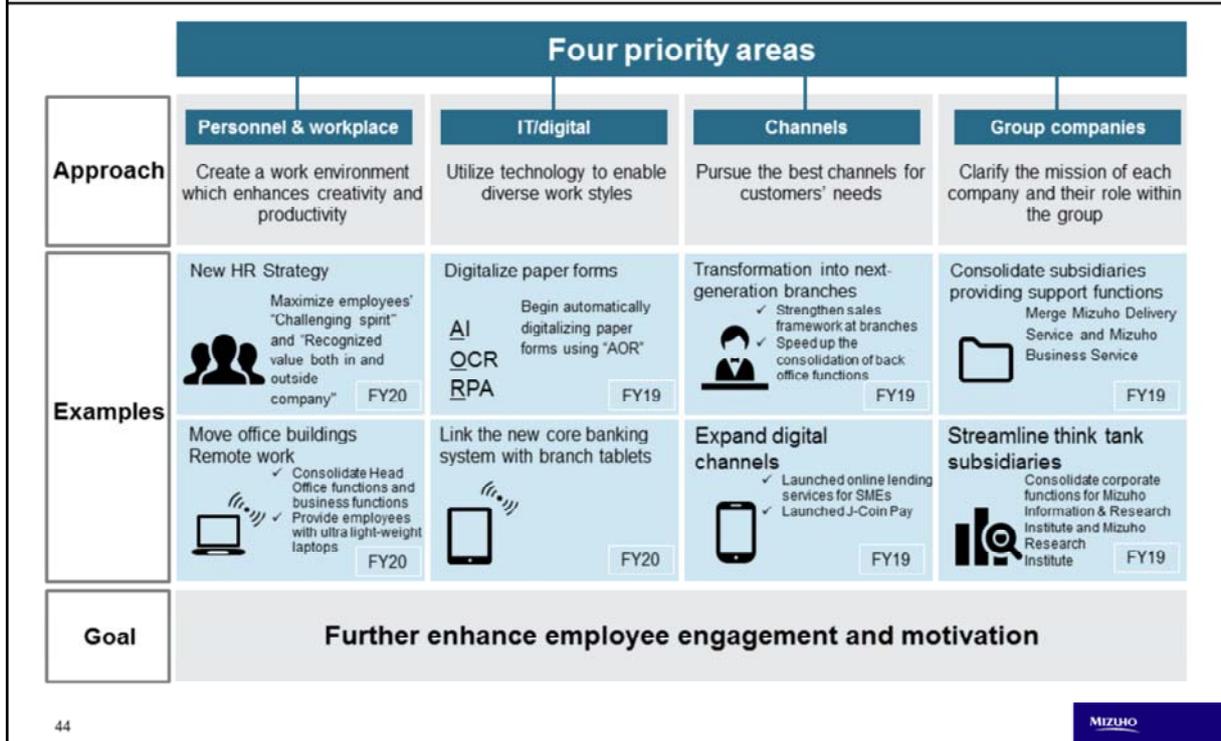
1. Unification of Mizuho Capital Markets LLC and Mizuho Securities USA LLC interest rate derivative businesses.  
2. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments

Stabilizing markets-based income and strengthening risk-taking capabilities

- Focus on balance between realized and unrealized gains/losses
- Beginning from the 2<sup>nd</sup> half of this fiscal year, optimize diversified investment in interest rates, equities, and credit to be prepared for uncertainty in markets

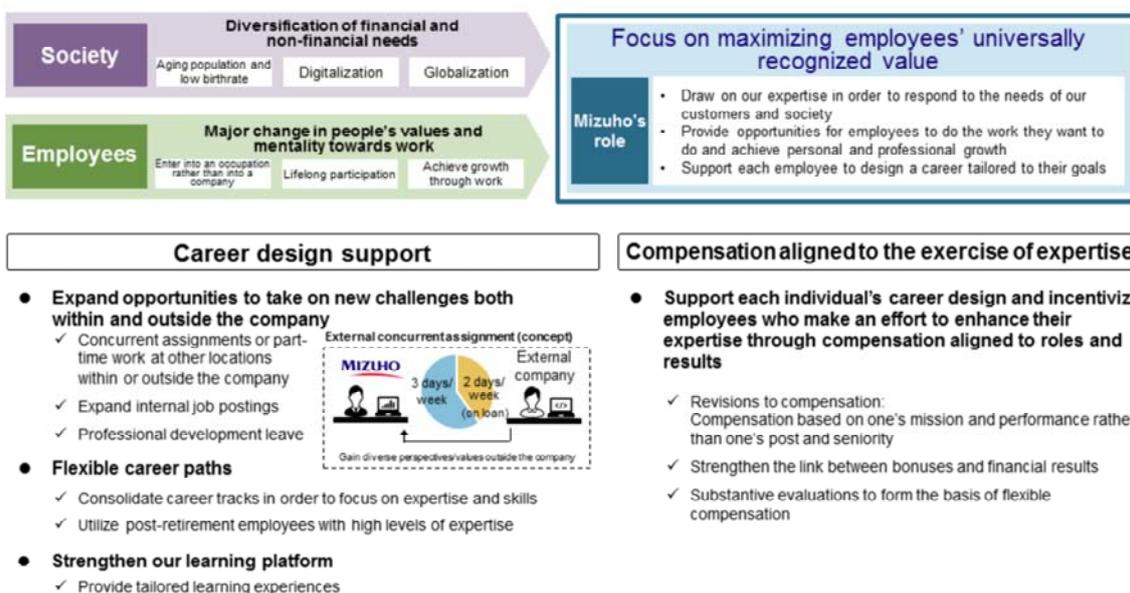


- ✓ Next I will cover our markets business.
- ✓ As shown on the left, in our sales & trading business we are focused on strengthening derivatives business.
- ✓ Previously, we have expanded our business primarily through cash business in the secondary market. However, in recent years we have entered the profit-making phase in our derivatives business by (1) strengthening our products lineup, (2) enhancing integrated banking and securities operations, (3) increasing client-facing flow trading through stronger connection with the primary market.
- ✓ As for our banking business indicated on the right side of the page, previously we have overly prioritized realized gains at times, but from this fiscal year we are shifting our operations to focus on achieving a balance between realized gains and unrealized gains/losses by enhancing portfolio management. Through these efforts we will work to enhance our ability to take on risk so that we would have a way to supplement client-based revenue if needed.
- ✓ Next I would like to explain our corporate foundations reforms, so if you could please turn to page 44.

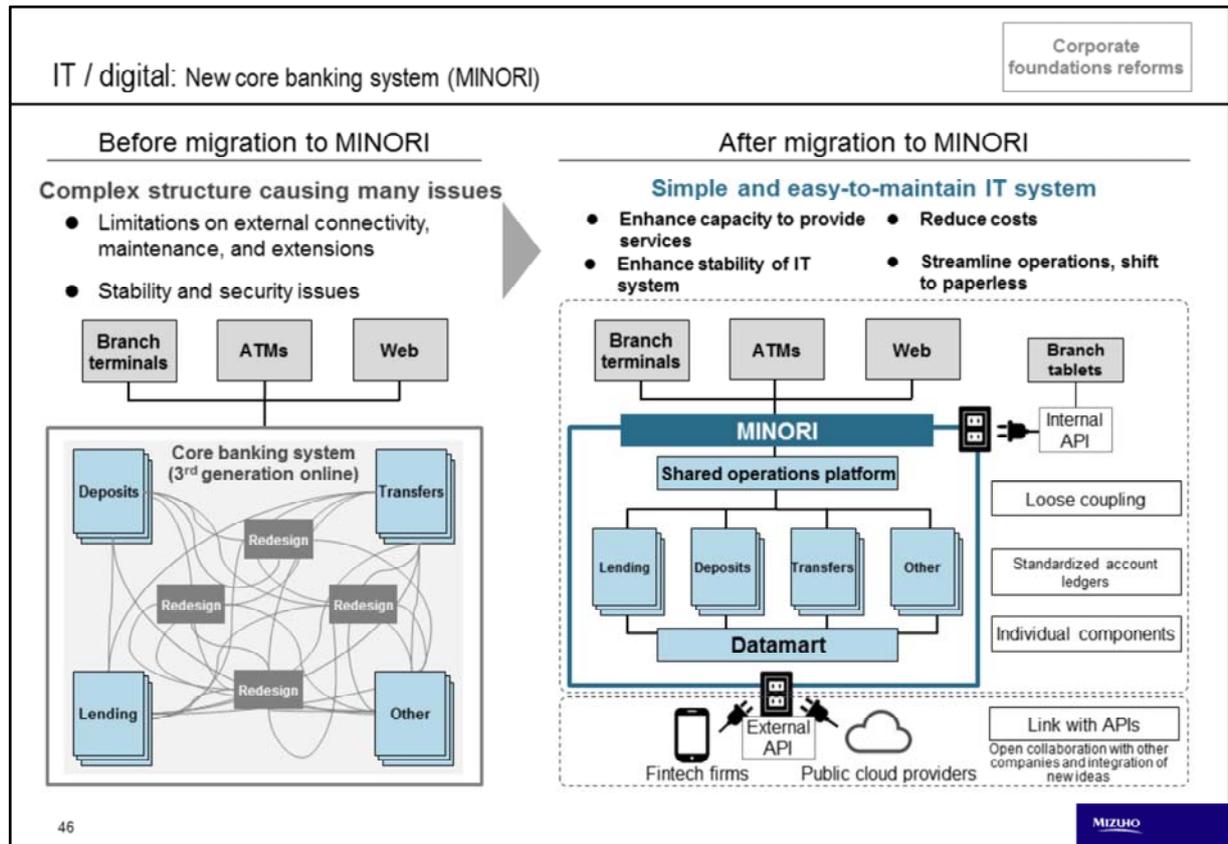


- ✓ In order to respond to changes in society, as part of our corporate foundations reforms we are aiming to transform our approach to business operations in the four priority areas shown here. By increasing our creativity and productivity, we can also enhance the services we offer customers.

### Basic Policy for our new HR strategy



- ✓ One of our initiatives in this area is our new HR strategy.
- ✓ In light of changes in the needs of customers and society as a whole, as well as changes in employees' mindsets and values regarding work, from this fiscal year we have formulated a new HR strategy focused on maximizing employees' universally recognized value, and are rolling out a number of initiatives under this strategy.
- ✓ We plan to make specific revisions to our HR system and are negotiating these changes with the employee union where necessary.
- ✓ As shown on the left side of this page, we will establish a framework to enable more diverse career paths in order to enable employees to develop the necessary expertise to thrive as we transition to the next generation of financial services. This will include (1) expanding opportunities to take on new challenges both within and outside the company, including concurrent assignments, part-time work, and internal job postings, (2) consolidating generalist and specialist job tracks under a shared, group-wide HR platform and continuing to utilize the expertise of post-retirement employees.
- ✓ And as noted on the right side of the page, we will transition to a system where compensation is aligned to the exercise of expertise. We will incentivize employees who make an effort to enhance their expertise through flexible compensation based on one's mission and performance rather than one's post and seniority.
- ✓ By making these revisions to our HR system, we aim to ensure that we at Mizuho have expertise suited to the next generation of financial services and that morale is high and all members of the organization are fully motivated to draw on this expertise.
- ✓ Please continue to the next page.

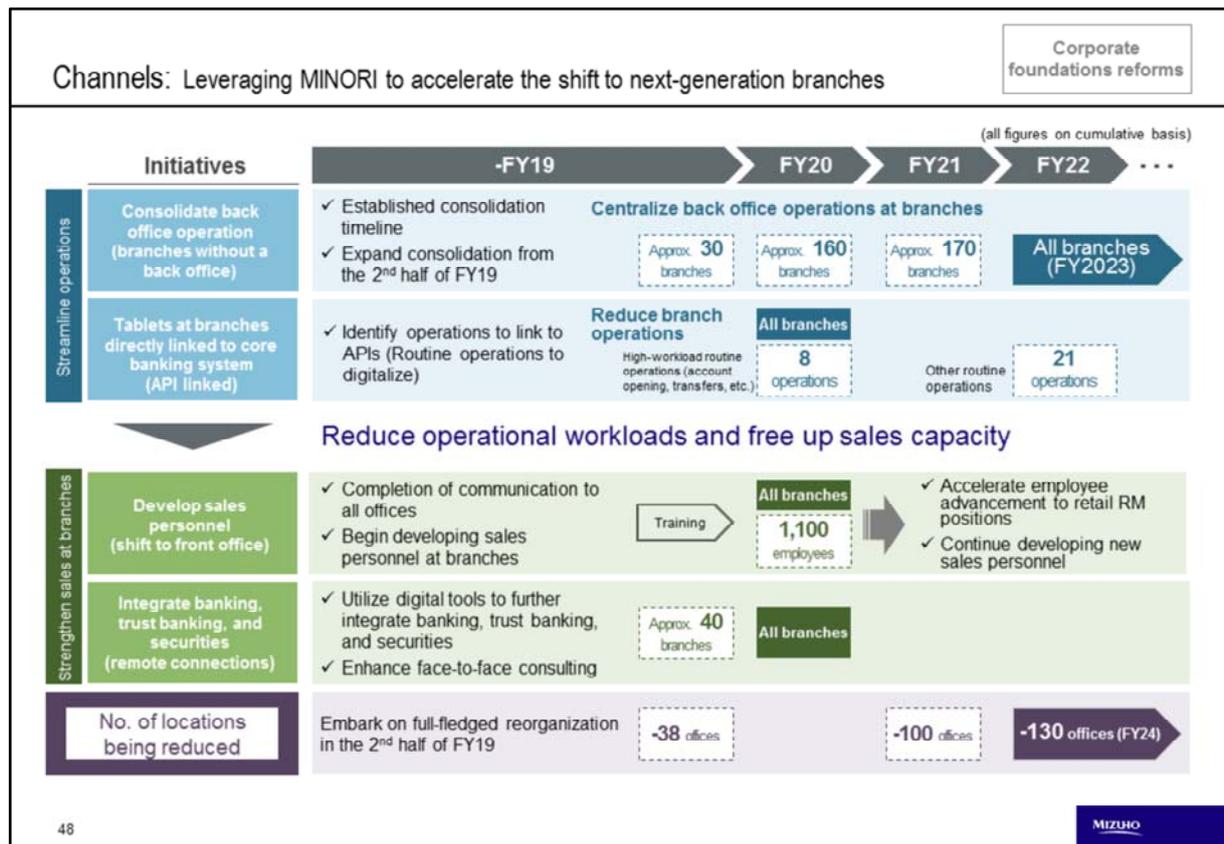


- ✓ Now I would like to take a moment to discuss our next-generation core banking system, MINORI. We completed the migration to the new system in July of this year.
- ✓ On the left side of the page is a conceptualization of the IT system of Japanese megabanks from around the 1980s, a 3rd generation online system with a complex tight-coupling structure. We have upgraded to a new, cutting-edge, loose-coupling style system ahead of the other Japanese banks.
- ✓ By upgrading to a simple and easy-to-maintain IT system, not only has security and stability significantly improved, but we can enhance the speed of system development in regards to new products going forward with much lower development costs.
- ✓ Additionally, this system makes it easy to connect with fintech firms and cloud providers using an external API, which is essential in order to provide customers with high value-added services. Our external API is already being used by 9 companies for 13 different services.
- ✓ Also, this new, cutting-edge IT system will enable us to accelerate operational streamlining and will support the transition to next-generation branches which will lead to expanded business going forward. More details are provided on the next page.

Conceptualization



- ✓ This page shows a conceptualization of our next-generation branches.
- ✓ Until now, the primary role of our branches has been as a place for “making payments and conducting various financial procedures”, but in light of how easily and quickly these processes can now be completed online or on mobile devices, we will transform our branches into consulting spaces.
- ✓ “Operational streamlining” and “strengthening branch sales” will be key to achieving these goals. Please see the next page for details.

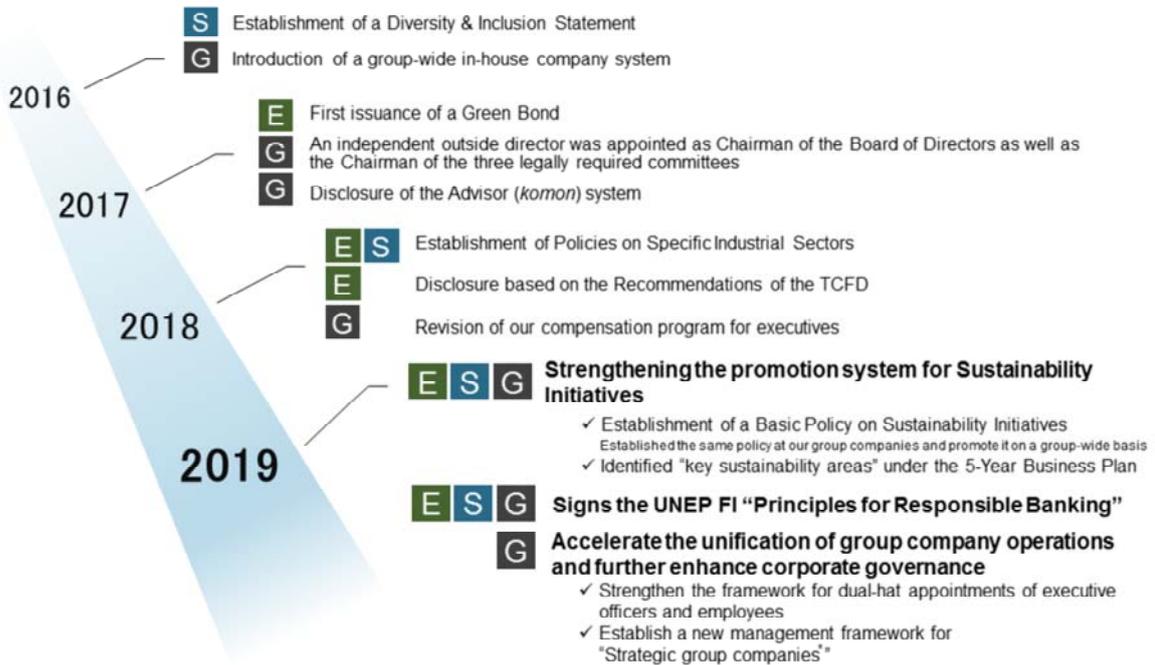


- ✓ Firstly let's look at our plans for streamlining operations. With the completion of the migration to the new core banking system, we can now begin the full-scale implementation of reductions to branch operational workloads.
- ✓ Specifically, from FY2019 H2 we will expand the number of branches where operations will be consolidated to the operations center with the aim of centralizing all such branch operations by FY2023.
- ✓ Additionally, as branch tablets will be connected with the new core banking system using an internal API, information input by customers can be directly sent to the core banking system, which will reduce branch operations. This is an initiative which we are able to implement ahead of other Japanese banks thanks to the unique features of MINORI.
- ✓ From next fiscal year we will use the internal API connection at all branches to enable eight routine operations that require a high workload to be completed via tablet, including opening new accounts and bank transfers. Also, by FY2022 we will aim to add another 13 routine operations including applications for consumer loans.
- ✓ Through this significant reduction in workload we can shift personnel to the front office and strengthen our development of sales personnel, thereby enhancing our sales capacity. Next fiscal year we plan to shift around 1,100 people to the front office.
- ✓ One of our strengths is the ability to provide one-stop banking, trust banking, and securities services and by FY2020 we plan to roll out these services via remote connection to all branches in order to strengthen face-to-face consulting.

(Final comment is on page 65)



## Overview of ESG Initiatives



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

## Key sustainability areas

Business	Declining birthrate and aging population, plus good health and lengthening lifespans	  	<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>
	Industry development & innovation	  	<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>
	Sound economic growth		<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>
	Environmental considerations & respect for human rights	 	<ul style="list-style-type: none"> <li>■ Stable energy supply and addressing climate change</li> </ul>
Corporate foundations	Corporate governance	 	<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>
	Human capital	 	<ul style="list-style-type: none"> <li>■ Personnel development and creating workplaces that give employees a sense of purpose</li> </ul>
	Environment & society	   	<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>
	Open partnerships and collaboration with a diverse range of stakeholders		

## 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>When establishing our business plan, we identified climate-related risks and opportunities.</li> <li>In order to transition to a carbon-free society, we will promote financial products and services that contribute to mitigating or responding to the effects of climate change and manage risk appropriately in light of international interest, trends, etc.</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>We already have 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.

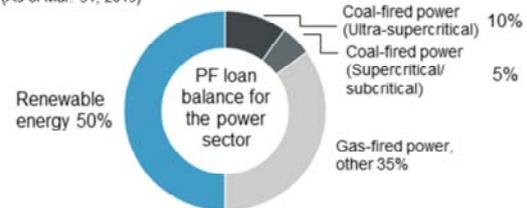
### Responsible investment & financing

#### 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 Mar. 31, 2019)



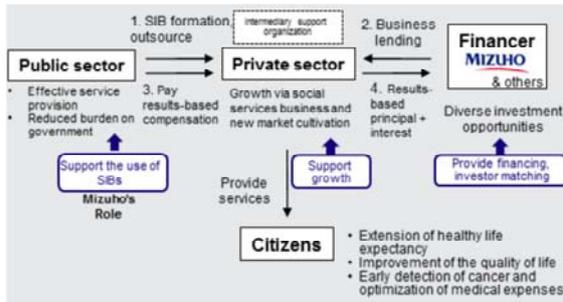
## Environmental and social contribution initiatives (2)

### 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. 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	July 2019	Target	Achievement
Percentage of management positions filled by women <sup>1</sup>	15%	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 female new hires (generalist managerial track employees) <sup>3</sup>	32%	30%
Paid time off utilization rate <sup>4</sup>	78%	70%
Percentage of eligible male employees taking childcare leave <sup>4</sup>	100%	100%

## ESG-related Recognition and Awards

### Third-party Evaluation

	ESG Score		
	Mizuho	MUFG	SMFG
<b>ROBECO SAM</b> <sup>1</sup> We are Sustainability Investing.	74	58	59
<b>SUSTAINALYTICS</b> <sup>1</sup>	84.3	59	37.3
<b>FTSE</b> <sup>2</sup>	4.5	3.4	2.9

ESG-related Recognition	
 Nadeshiko Brand 2019	 Health & Productivity Stock Selection 2019

### Inclusion in Social Responsibility Indices

MEMBER OF  
**Dow Jones Sustainability Indices**  
In collaboration with   
Dow Jones Sustainability Index Asia Pacific

**MSCI** 2019 Constituent MSCI ESG Leaders Indexes  
MSCI ESG Leaders Indexes<sup>3</sup>

  
FTSE4Good  
FTSE4Good Index Series

**GPIF selected ESG Indices**

General Index	Themed Index
 FTSE Blossom Japan	 2019 Constituent MSCI日本株女性活躍指数 (WIN) MSCI Japan Empowering Women Index (WIN)
 FTSE Blossom Japan Index	 S&P/JPX Carbon Efficient Index

Member 2018/2019  
**STOXX**  
ESG LEADERS INDICES  
STOXX Global ESG Leaders Index

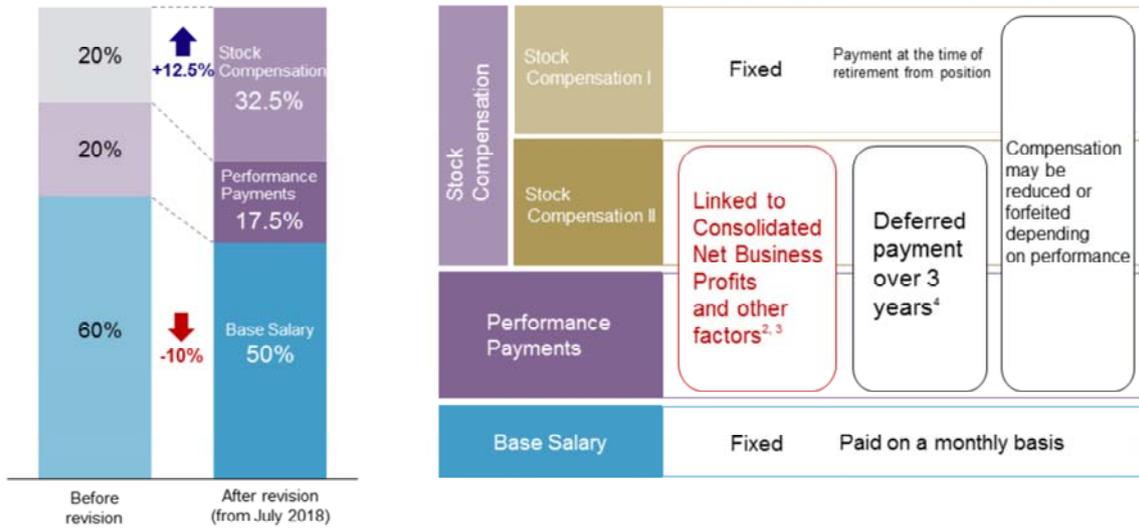
  
Bloomberg Gender-Equality Index

  
Member of SNAM Sustainability Index 2019  
SNAM Sustainability Index

1. Robeco SAM: Percentile ranking, Sustainalytics: total rank compared to peers. Those near 100 are evaluated highly. Source: Bloomberg (as of October 2019).  
2. FTSE Overall ESG Score (as of March 2019): Maximum score of 5. 3. <https://www.mizuho-fg.com/csr/mizuhocsr/rating/index.html>

## Revision of our Compensation Program for Executives

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

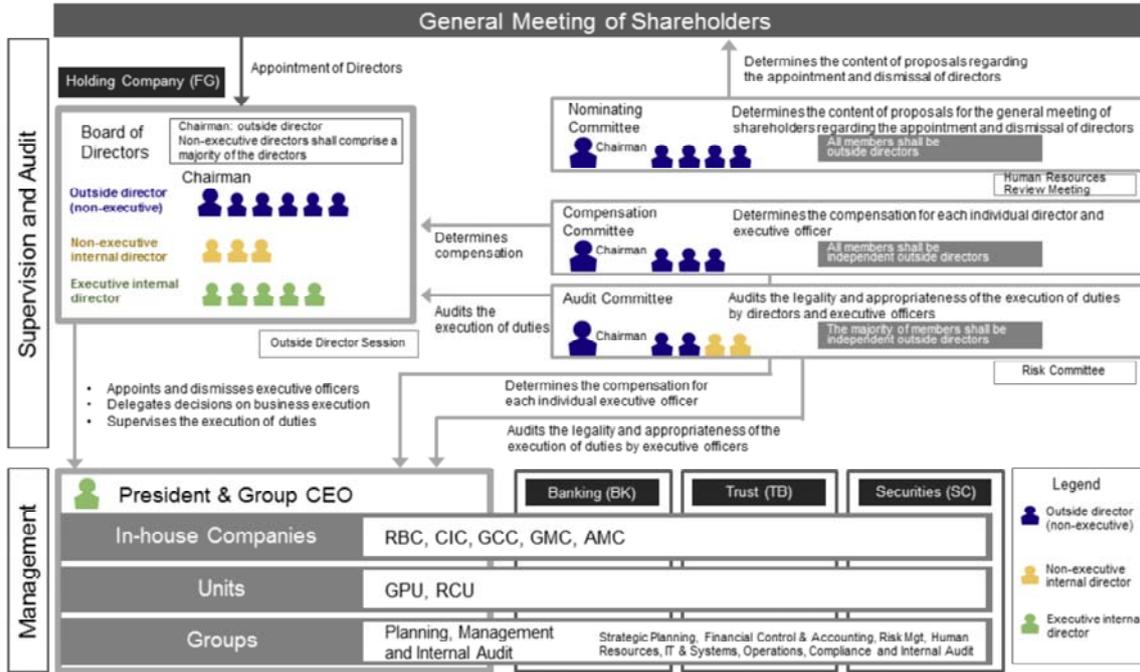


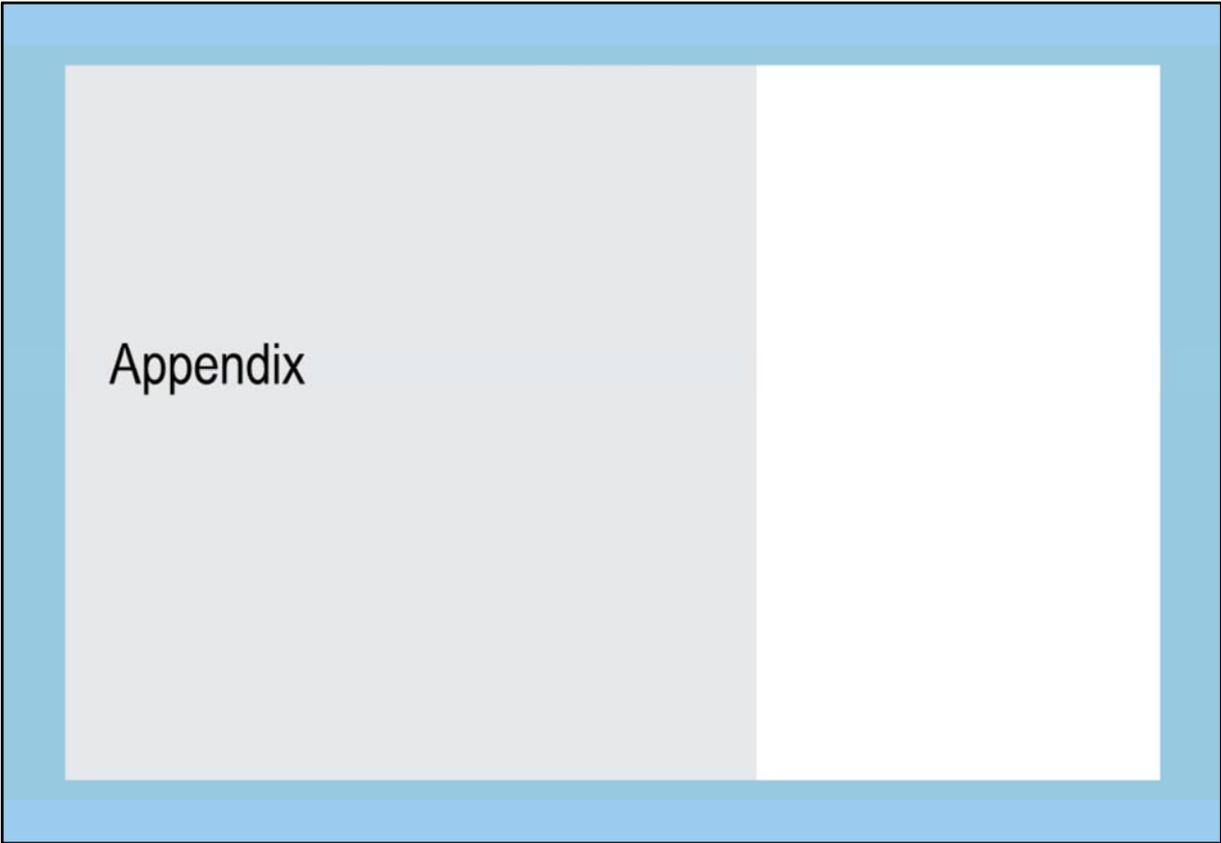
1. Individual director, executive officer as defined in the Companies Act, executive officer as defined in our internal regulations and specialist officer of FG, BK, TB and SC. A fixed compensation is paid in principle for non-executive directors; 85% Base salary + 15% Stock compensation I.

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.

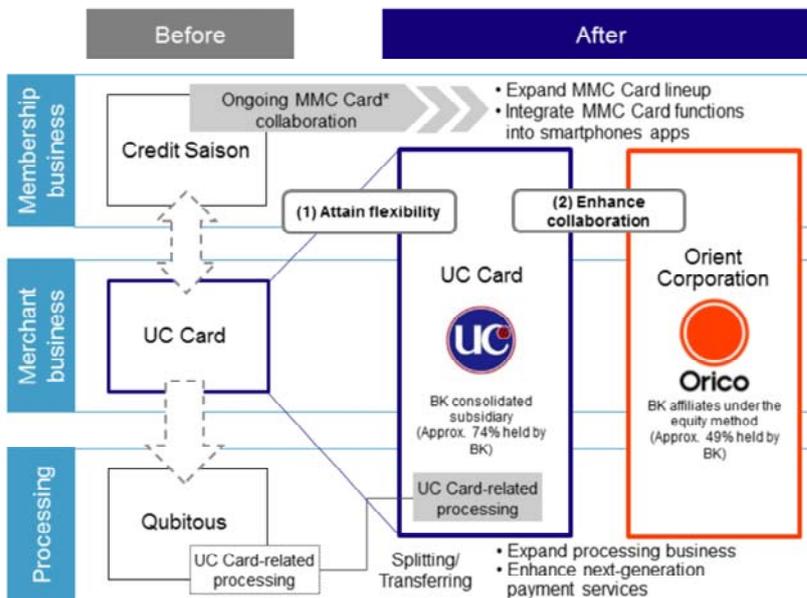
# Corporate Governance Structure





## Credit card business strategy

Dissolve comprehensive business alliance with Credit Saison on October 1, 2019



### Direction of strategy

#### (1) Attain flexibility

Dissolve comprehensive business alliance with Credit Saison to attain flexibility to strategically develop UC Card business.

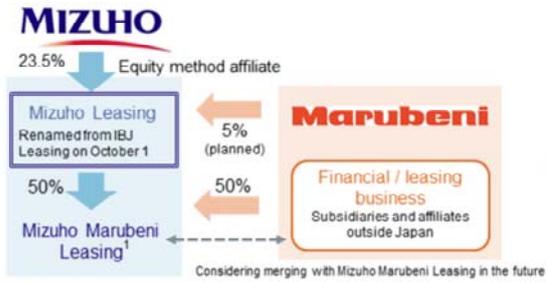
#### (2) Enhance collaboration

Comprehensively develop membership business, merchant business, and processing by enhancing collaboration between UC Card and Orient Corporation.

\* MMC Card: Mizuho Mileage Club Card combining ATM card and credit card functions.

# Leasing strategies

## Adding a leasing business



### Approach to the leasing business

- 1 Focus on growth areas**  
Enhance initiatives in global, medical/healthcare, energy/environment, and other sectors
- 2 Create new business models**  
Servicing business, joint business operations, and trade flow support
- 3 Enhance collaboration with Marubeni**  
Collaboration in leasing businesses and projects outside Japan, investment in businesses outside Japan

1. Tentative name, currently MG Leasing Corporation. In discussion to change its name to Mizuho Marubeni Leasing. 2. Net income as of FY2016, aircraft, net assets, and total assets are as of end of June 2019.

## Specific initiatives

### Mizuho Leasing investment in aircraft leasing company

Enhancing aircraft leasing business to improve presence in global markets

#### Capital structure (plan)



#### Overview of Aircastle<sup>2</sup>

Business	Aircraft leasing, mainly mid-life aircraft
No. of aircraft owned	268 aircraft
Net income	US \$248M
Net assets	US \$2,021M
Total assets	US \$8,634M

### Example of group collaboration

#### Off-balance sheet deal using leasing



# Online lending for individuals (AI-based Credit Scores)



- AI-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

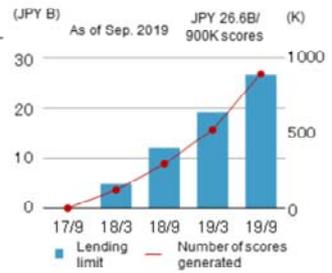
## AI score-based lending Launched Sep. 2017

### 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



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 in FY2020

- 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

Secure online platform

Bank account

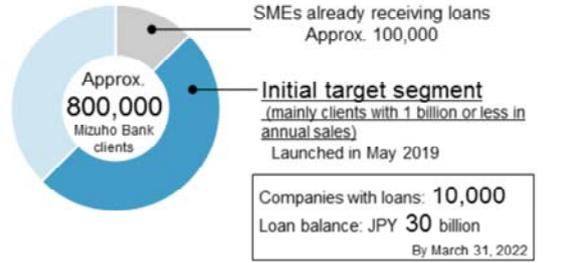
E-commerce

Social media

High quality user experience / user interface

Multi-faceted data coordination

### Expected size of business



## Collaboration with Line Corporation

**LINE**

82 million monthly active users in Japan  
Expand our reach to digital natives

<b>Name</b>	Line Bank Preparatory Company (provisional)	Line Credit Corporation
<b>Business objectives</b>	<ul style="list-style-type: none"> <li>Smartphone-based next-generation bank</li> </ul>	<ul style="list-style-type: none"> <li>Using data from Line's services for an AI scoring model</li> <li>Loan and data businesses, utilizing the scoring model (Subject to regulatory approvals and other decisions)</li> </ul>
<b>Applicable law</b>	<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>
<b>Capital structure (planned)</b>	<ul style="list-style-type: none"> <li>Line Financial: 51%</li> <li>Mizuho Bank: 49%</li> </ul> <p>Line's consolidated subsidiary</p>	<ul style="list-style-type: none"> <li>Line Financial: 51%</li> <li>Mizuho Bank: 34%</li> <li>Orient Corporation: 15%</li> </ul> <p>Line's consolidated subsidiary</p>
<b>Business plan</b>	<ul style="list-style-type: none"> <li>FY2019 H1: Established a preparatory company</li> <li>FY2020: Official launch</li> </ul>	<ul style="list-style-type: none"> <li>June 2019: Launch of service</li> </ul>

**LINE Score** Launched June 2019



- Calculate Line Score based on behavioral data on Line services and utilize them for various services

**LINE Pocket Money** Launched August 2019

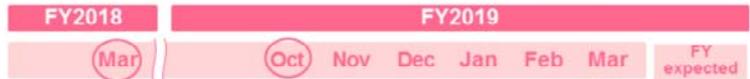


- Utilizing Line Score to provide unsecured loans to consumers
- Loans for everyday expenses

## J Digital currency platform offered by banks

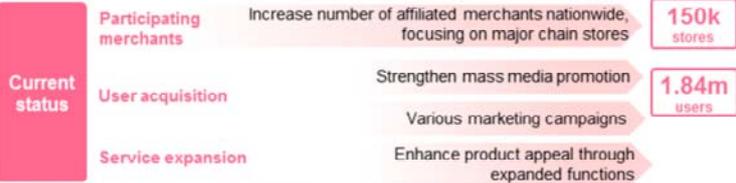
### Safety and security backed by banks

- ✓ Service must be connected to user's bank account
- ✓ B2P Approach (reimbursement of expenses, payroll, etc.)
- ✓ Access to more than 75 million individuals and corporations nationwide



Launched J-Coin Pay

Mizuho Bank registered as a cashless payments provider

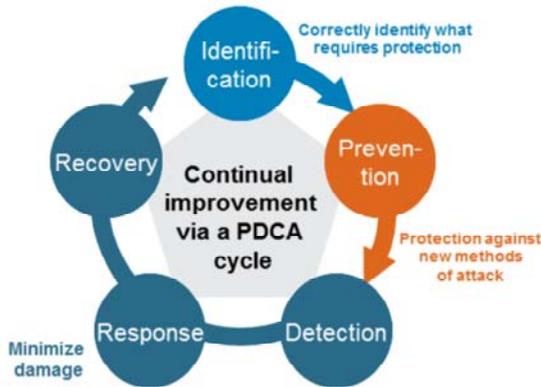


Participating financial institutions: Approx. 60 (at time of launch) → 91 (as of Oct. 2019)

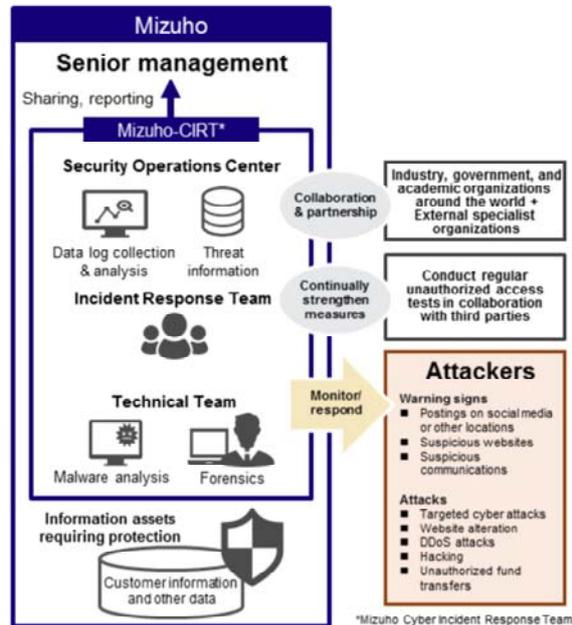
# Cybersecurity measures

## Basic policy

- Mizuho's management has identified cyber attacks as a top risk.  
→ Declaration of Cybersecurity Management released in June 2018
- We are continually strengthening cyber attack countermeasures, through regular collaboration with external organizations.
- We aim to provide uninterrupted, reliable, secure, and attractive online services for our customers.



## Management framework



- ✓ I would like to close today with one final comment.
- ✓ From this fiscal year we are fully implementing three types of structural reforms in line with the 5-Year Business Plan we announced in May of this year: (1) business structure reforms aimed at creating new value in adjacent fields surrounding finance, (2) finance structure reforms aimed at building a stable revenue structure and robust finance base, and (3) corporate foundations reforms to support the next generation of financial services.
- ✓ In July we completed the migration to our new, cutting-edge core banking system. This system forms a foundation to support the expansion of business going forward by enabling us to streamline operations and transition to next-generation branches.
- ✓ Also, we announced a new HR strategy and, through specific revisions to our HR system, we are rolling out initiatives aimed at encouraging employees to take on new challenges and enabling them to develop expertise suited to the next generation of financial services.
- ✓ In terms of financial results, we are beginning to see positive effects, including Net Business Profits for Customer Groups exceeding the level from before the introduction of negative interest rates.
- ✓ In each of these respects, we are on track to achieve our targets, and in this second half we have started the full-scale implementation of structural reforms aimed at reducing the number of branches and personnel from next fiscal year and beyond. All of our executives and employees will make every effort to meet the expectations of investors.
- ✓ Lastly, I would like to express my appreciation for your continued understanding and support.