

# FY21 Q3 Financial Results

February 2022

Mizuho Financial Group

**MIZUHO**

The Mizuho logo consists of the word "MIZUHO" in a bold, white, sans-serif font, positioned above a white, curved horizontal line that resembles a stylized wave or a bridge.

# Executive summary of financial results

(JPY B)

	FY21 Q3 FYTD	YoY <sup>1</sup>	
<b>Net Business Profits + Net Gains (Losses) related to ETFs and others<sup>2</sup></b> [ Net Business Profits ]	<b>684.5</b> [ 680.7 ]	<b>+73.8</b> [ +72.3 ]	<ul style="list-style-type: none"> <li>Steady performance in Customer Groups contributed to YoY increase.</li> <li>Expenses slightly increased, while decreased on an actual basis excluding increase due to FX effects and other.</li> </ul>
<b>Credit-related Costs</b>	<b>-147.9</b>	<b>-49.7</b>	<ul style="list-style-type: none"> <li>Exceeded FY21 Plan due to the recording of large reserves for some borrowers.</li> </ul>
<b>Net Gains (Losses) related to Stocks – Net Gains (Losses) related to ETFs and others<sup>2</sup></b> [ Impairment loss on Stocks ]	<b>-33.5</b> [ -39.7 ]	<b>-0.5</b> [ +21.1 ]	<ul style="list-style-type: none"> <li>Eliminated a certain amount of unrealized losses on bear funds considering gains from sales of cross-shareholdings.</li> <li>Impairment losses occurred in some stocks without market price.</li> </ul>
<b>Net Income Attributable to FG</b>	<b>478.6</b>	<b>+124.2</b>	<ul style="list-style-type: none"> <li>In addition to above, Net Income Attributable to FG achieved 90% progress against the FY21 revised plan of JPY 530.0B, partially due to special factors related to tax effect.<sup>3</sup></li> </ul>
<b>CET1 Capital Ratio</b> [ excl. Net Unrealized Gains (Losses) on Other Securities ]	<b>12.39 %</b> [ 11.27 % ]	<b>+0.76%</b> [ +0.81% ]	<ul style="list-style-type: none"> <li>Profit accumulated, while risk-weighted assets decreased. Further improved the sufficiency of capital.</li> <li>CET1 capital ratio (Basel III finalization basis) was 9.5%<sup>4</sup>, maintained the targeted level.</li> </ul>

1. CET1 capital ratio is compared to Mar-21. 2. Net Gains (Losses) related to ETFs and others were JPY 3.7B (+JPY 1.5B YoY). 3. Tax effects and other factors related to right-sizing of SC capital implemented as a part of the revision of subsidiaries' capital policy in FY21 Q1(+JPY 69.8B). The impact on full-year financial result is expected to be lowered. 4. Excluding Net Unrealized Gains (Losses) on Other Securities.

# Overview of Income Statement

(JPY B)

		FY20 Q3 FYTD	FY21 Q3 FYTD	YoY	FY21 Revised Plan	Progress
<b>Consolidated Gross Profits</b>						
<b>+ Net Gains (Losses) related to ETFs and others *</b>	1	1,621.8	1,699.2	+77.4		
Consolidated Gross Profits	2	1,619.5	1,695.4	+75.9		
Net Interest Income	3	649.6	714.2	+64.6		
Net Fee and Commission Income + Fiduciary Income	4	512.0	565.9	+53.9		
Net Trading Income + Net Other Operating Income	5	457.9	415.2	-42.6		
o/w Net Gains (Losses) related to Bonds	6	39.5	30.0	-9.5		
General and Administrative Expenses	7	-1,022.6	-1,010.1	+12.4		
<b>Consolidated Net Business Profits</b>						
<b>+ Net Gains (Losses) related to ETFs and others *</b>	8	610.7	684.5	+73.8	820.0	83%
Consolidated Net Business Profits	9	608.4	680.7	+72.3		
Consolidated Net Business Profits from core business operations (9-6)	10	568.9	650.7	+81.8		
Credit-related Costs	11	-98.1	-147.9	-49.7	-100.0	148%
Net Gains (Losses) related to Stocks	12	-33.0	-33.5	-0.5	-10.0	335%
- Net Gains (Losses) related to ETFs and others *						
Net Gains (Losses) related to Stocks	13	-30.8	-29.8	+0.9		
Equity in Income from Investments in Affiliates	14	17.1	23.3	+6.2		
Other	15	-36.2	-33.2	+2.9		
Ordinary Profits	16	448.8	497.6	+48.7	690.0	72%
Net Extraordinary Gains (Losses)	17	69.5	57.4	-12.1		
Income before Income Taxes	18	518.4	555.1	+36.6		
Income Taxes	19	-159.5	-66.9	+92.5		
Profit Attributable to Non-controlling Interests	20	-4.4	-9.4	-5.0		
<b>Profit Attributable to Owners of Parent</b>	21	354.4	478.6	+124.2	530.0	90%

\* FY20 Q3 FYTD: JPY 2.2B, FY21 Q3 FYTD: JPY 3.7B.

# Financial Results by In-house Company

(JPY B)

Group aggregate

	Gross Profits <sup>1</sup>		G&A Expenses (excl. Non-Recurring Losses and others)		Net Business Profits <sup>1</sup>		Net Income <sup>1</sup>		ROE <sup>2</sup>
	FY21 Q3 FYTD	YoY <sup>3</sup>	FY21 Q3 FYTD	YoY <sup>3</sup>	FY21 Q3 FYTD	YoY <sup>3</sup>	FY21 Q3 FYTD	YoY <sup>3</sup>	FY21 Q3 FYTD
Retail & Business Banking	519.1	+35.0	-465.0	+7.5	59.3	+44.2	55.1	+66.1	3.6%
Corporate & Institutional	349.9	+18.9	-148.4	+5.7	205.6	+25.3	92.7	-8.5	3.4%
Global Corporate	388.4	+50.0	-193.7	-5.8	204.9	+46.1	145.0	+54.2	8.1%
Global Markets	351.7	-73.3	-163.9	-6.6	187.2	-79.9	125.0	-52.3	10.0%
Asset Management	44.0	+7.6	-24.9	-1.1	14.7	+7.1	6.6	+3.1	8.3%
<b>FG Consolidated</b>	<b>1,699.2</b>	<b>+77.4</b>	<b>-1,029.3</b>	<b>-10.2</b>	<b>684.5</b>	<b>+73.8</b>	<b>478.6</b>	<b>+124.2</b>	<b>7.2%</b>

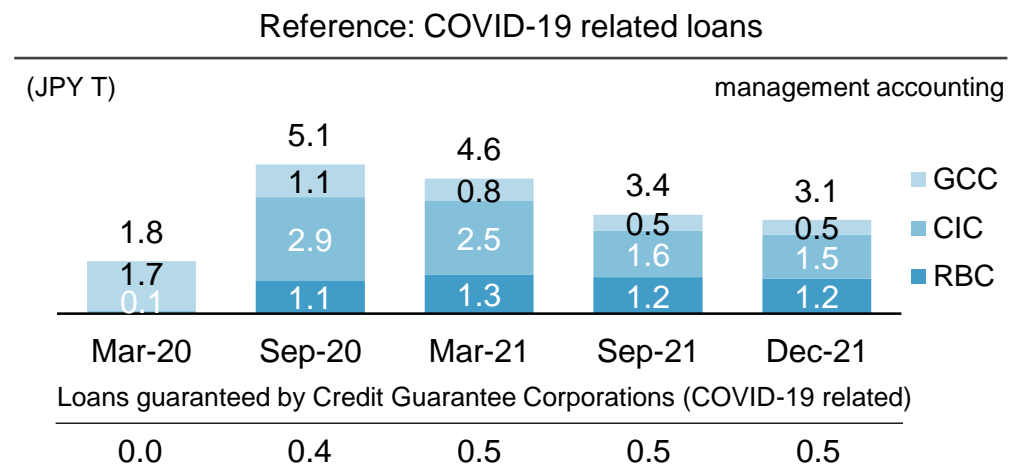
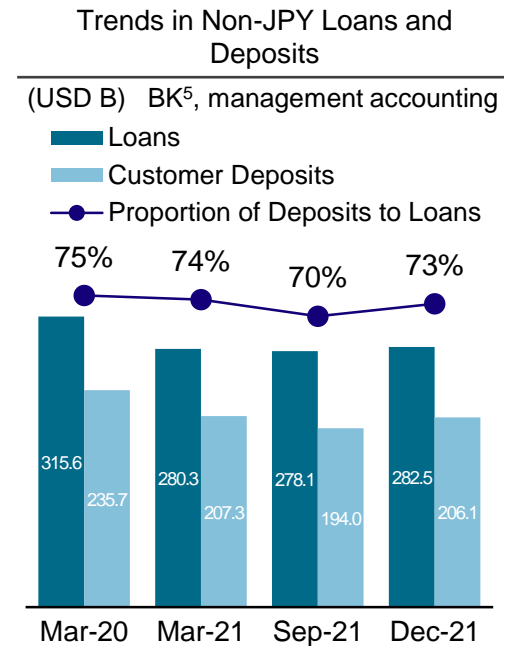
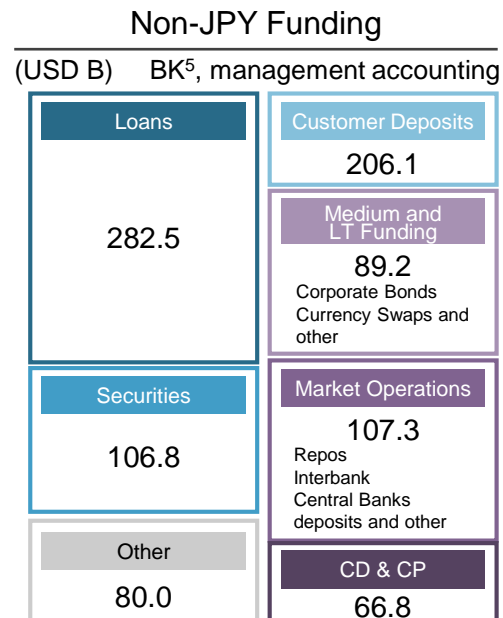
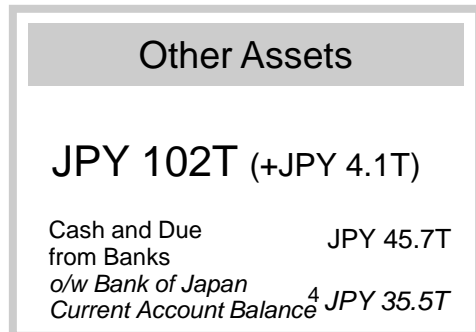
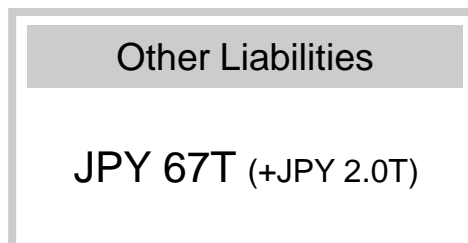
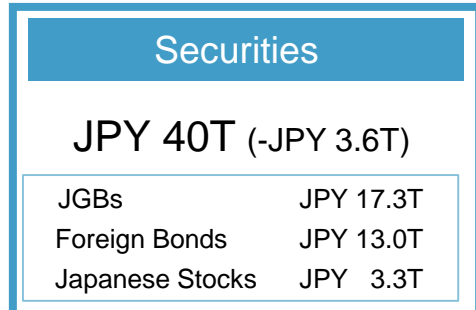
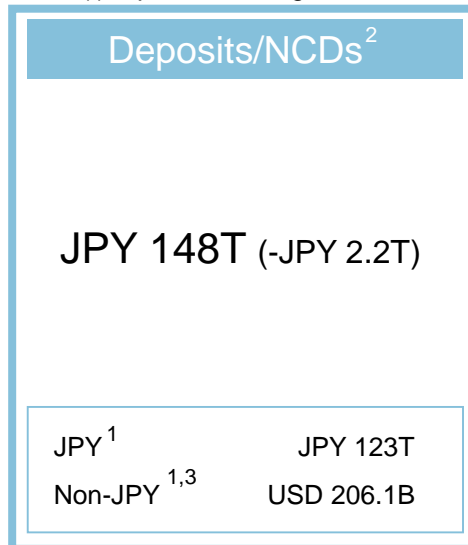
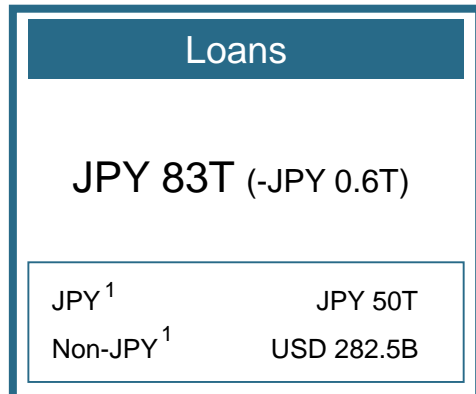
1. Global Markets includes Net Gains (Losses) related to ETFs (2 Banks). 2. Preliminary results.

3. New management accounting rules were applied in FY21. Figures for YoY were recalculated based on the new rules.

# Overview of Balance Sheet (Dec-21)

Total Assets: JPY 225T (-JPY 0.1T)

Consolidated  
( ) represent changes from Mar-21

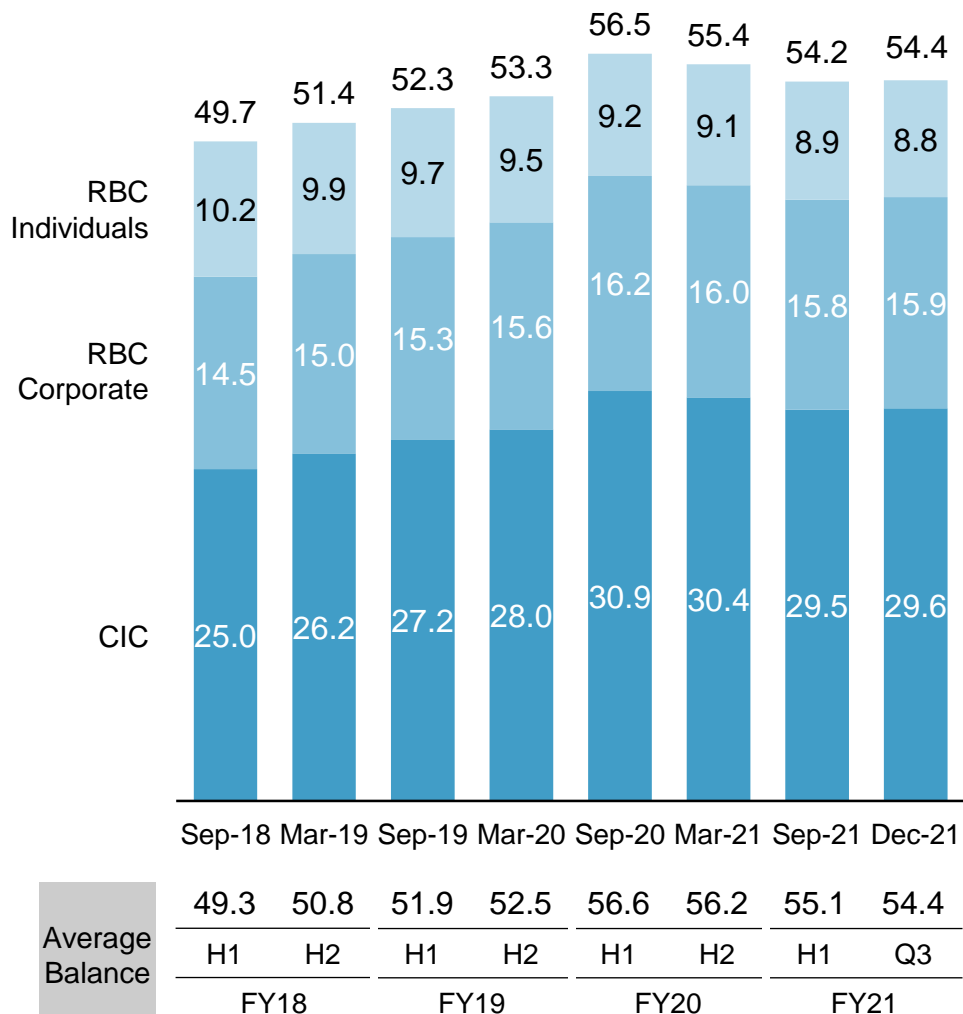


1. Management accounting basis, rounded figures. 2. Negotiable Certificates of Deposit. 3. Customer Deposits. 4. 2 Banks. 5. New management accounting rules were applied in FY21 (Past figures were recalculated based on the new rules). Including Non-JPY loans/customer deposits in Japan and subsidiaries in China, the USA, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico.

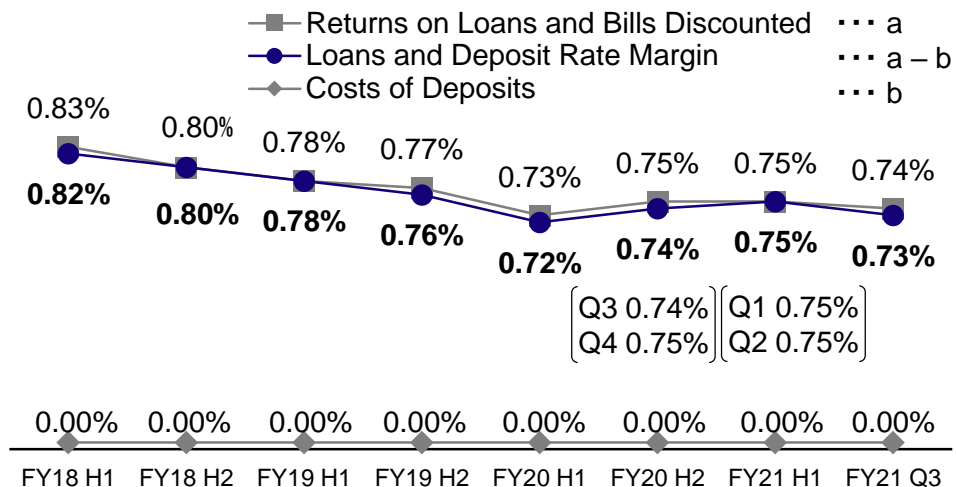
# Loans in Japan

## Loan Balance<sup>1</sup> (Period-end Balance) BK+TB management accounting

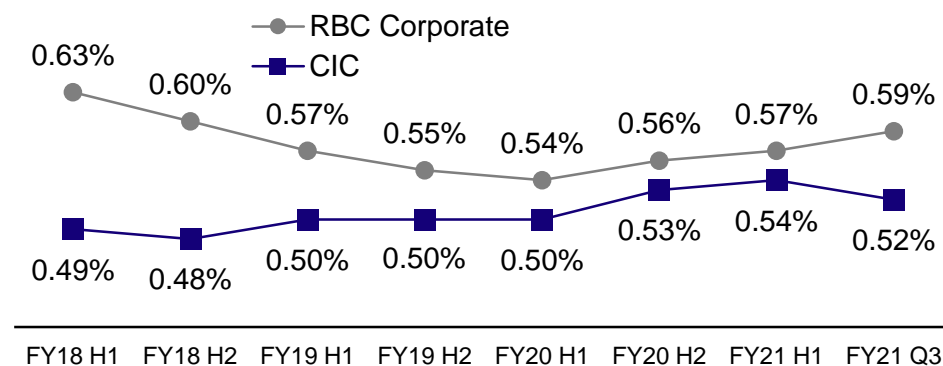
(JPY T)



## Loan and Deposit Rate Margin<sup>2</sup> 2 Banks



## Loan Spread<sup>1</sup> BK+TB management accounting

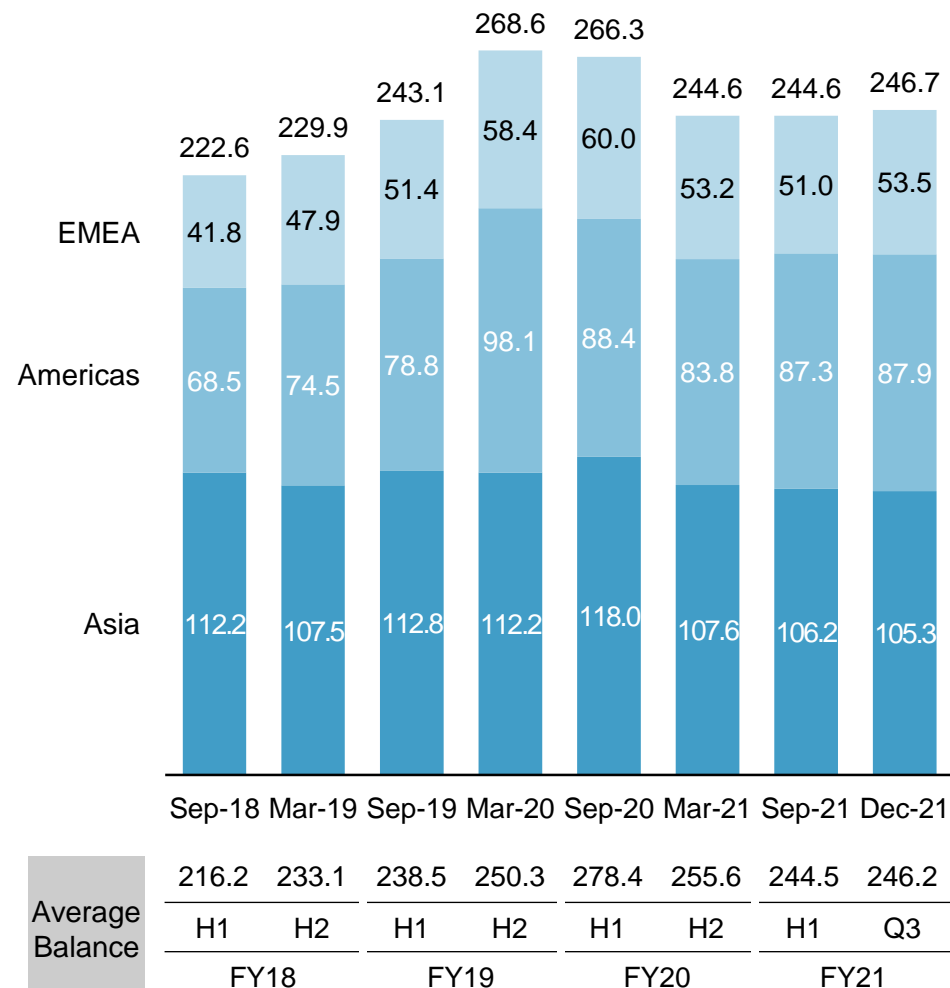


1. New management accounting rules were applied in FY21. Figures from Sep-18 to Mar-21 were recalculated based on the new rules. Excluding loans between the consolidated entities and loans to the Japanese Government, etc. 2. Excluding loans to financial institutions (including FG) and the Japanese Government & other public sector.

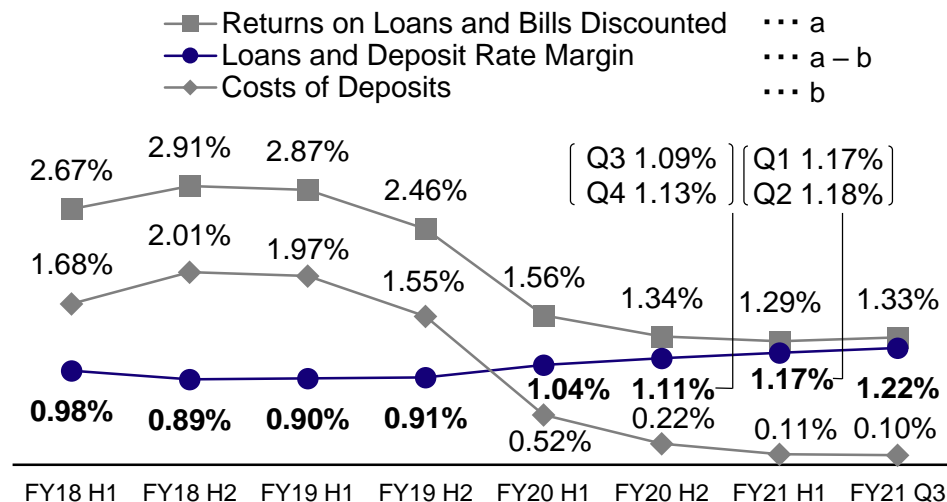
# Loans outside Japan

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

(USD B)

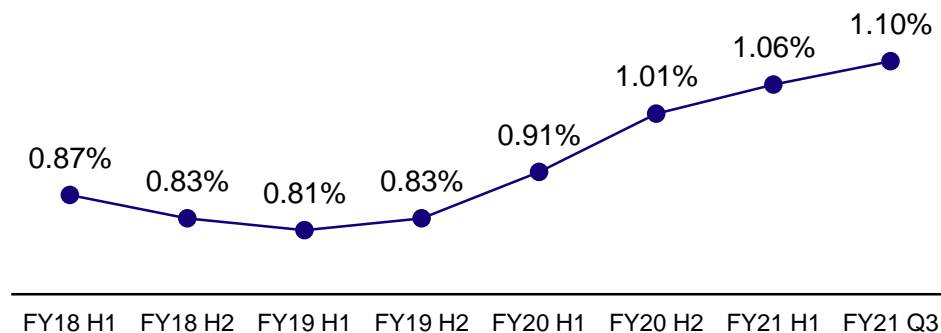


## Loan and Deposit Rate Margin BK overseas offices



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

GCC, management accounting



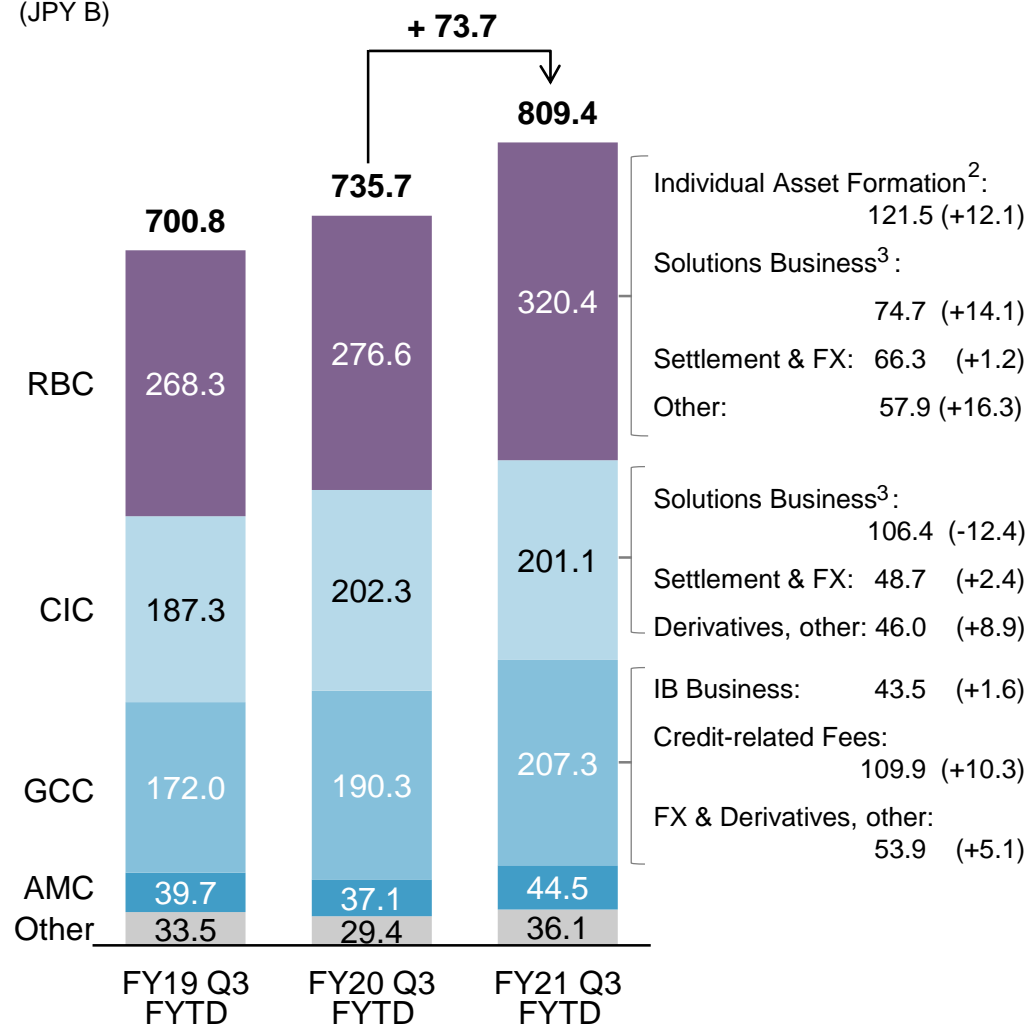
1. BK (including the subsidiaries in China, the USA, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico). Excluding loans between the consolidated entities. 2. Figures including past figures were recalculated based on the FY21 planned rate in USD.

# Non-interest Income

## Non-interest Income (Customer Groups)<sup>1</sup>

Group aggregate

(JPY B)

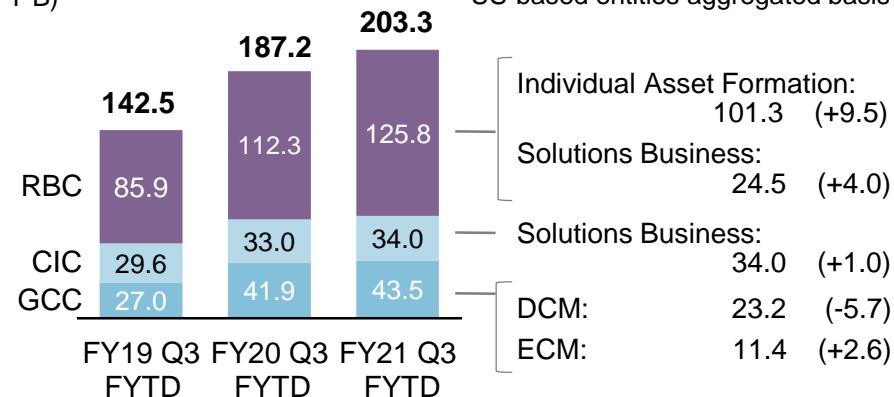


Figures in ( ) represent YoY

## Reference: Breakdown of SC

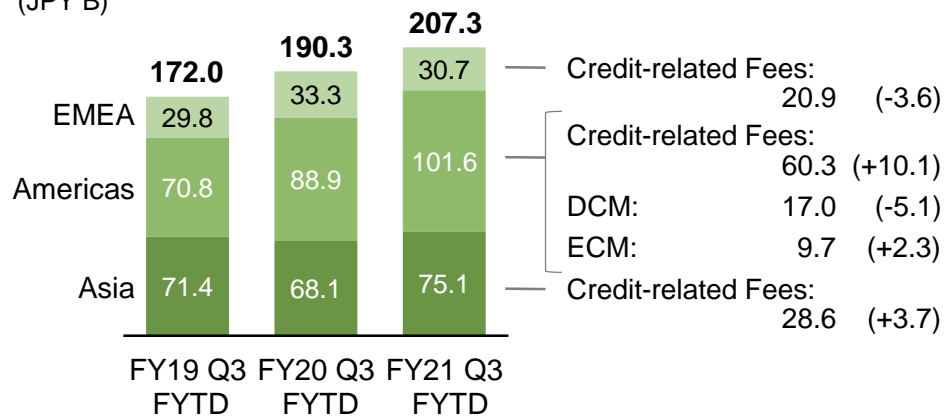
(JPY B)

US-based entities aggregated basis



## Reference: Breakdown of GCC by region

(JPY B)



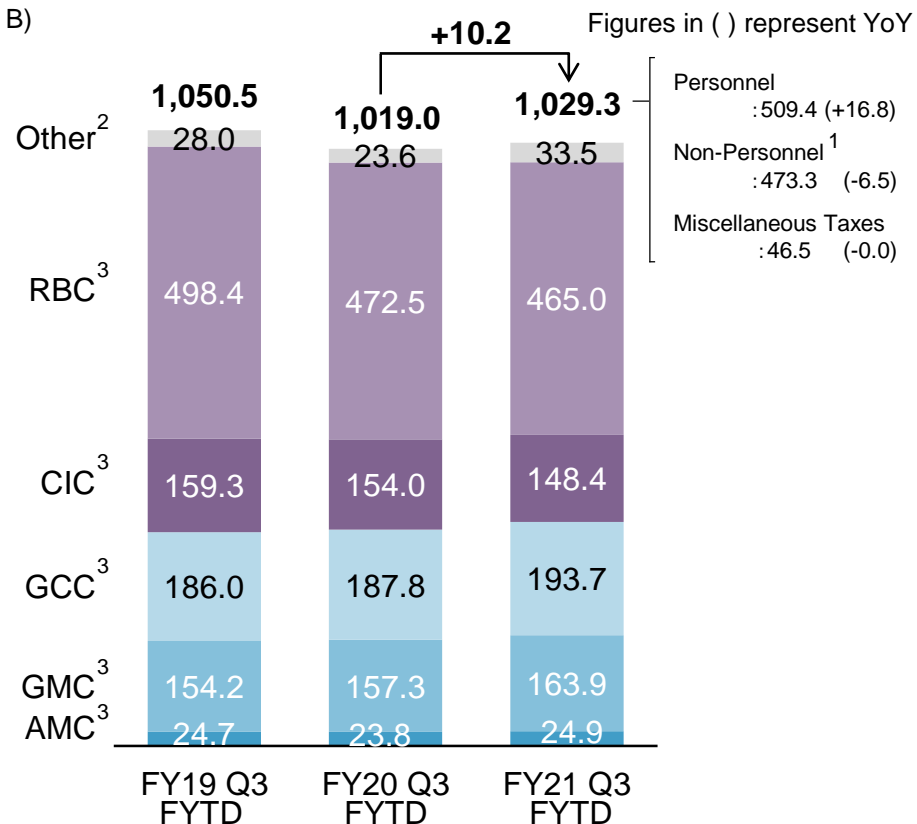
1. Recalculated past figures based on FY21 planned rate and other factors such as expansion and refinement of scope of consolidated subsidiaries. Including impact of the changes to the in-house company in charge due to reorganization of branches. The original figures before the recalculation were FY19 Q3 FYTD: JPY 699.0B and FY20 Q3 FYTD: JPY 733.0B. 2. BK investment trusts, annuities+SC individual segment, PB segment. 3. Including fees related to investment banking business and real estate brokerage.



# General and Administrative Expenses

## General and Administrative Expenses (excl. Non-recurring losses and others) Consolidated

(JPY B)



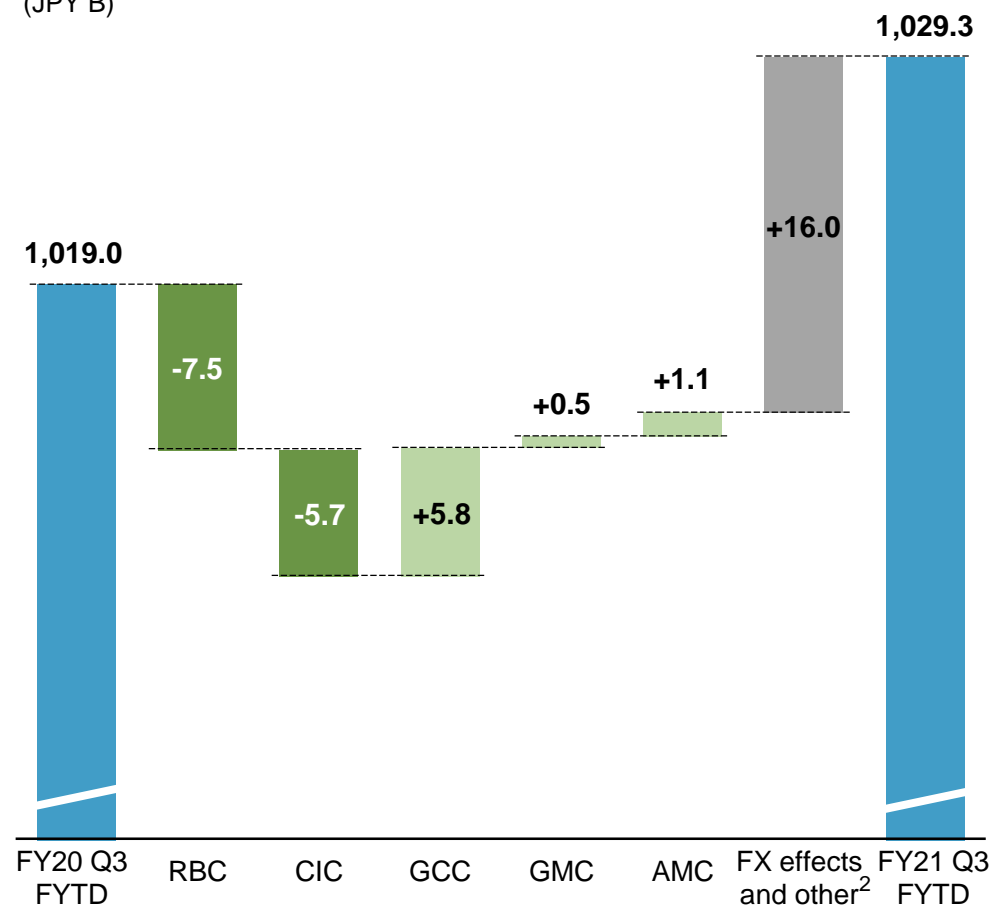
### Reference

	FY19 Q3 FYTD	FY20 Q3 FYTD	FY21 Q3 FYTD
General and Administrative Expenses	1,023.5	1,022.6	1,010.1
<i>o/w Non-recurring Losses</i>	-36.9	-5.5	-27.9
<i>o/w Amortization of Goodwill and other items</i>	9.9	9.1	8.7

## Breakdown by In-house Company<sup>4</sup>

Management accounting

(JPY B)

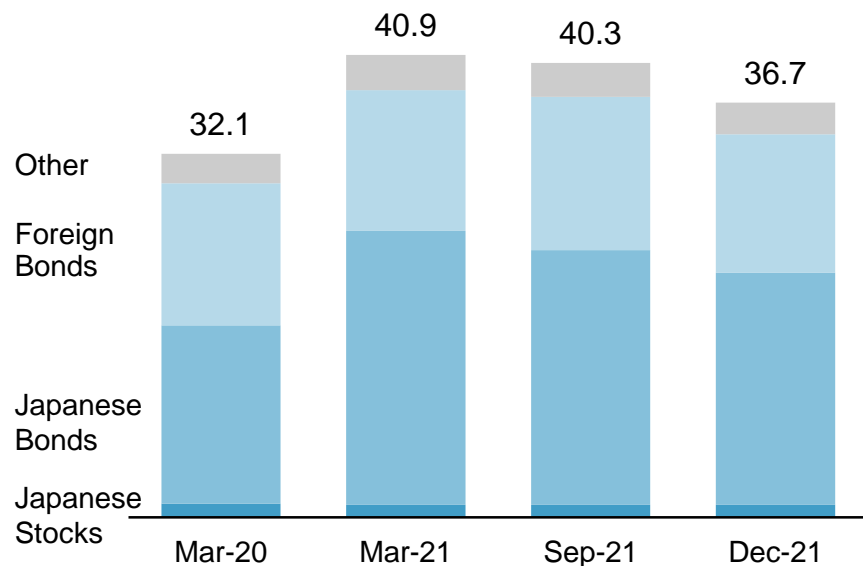


1. Excluding Amortization of Goodwill and other items.
2. Other include difference between financial and management accounting.
3. Figures of In-house Company on management accounting basis.
4. Excluding FX effects from figures of In-house Company.

# Securities portfolio

## Balance of Other Securities<sup>1</sup> Consolidated, acquisition cost basis

(JPY T)

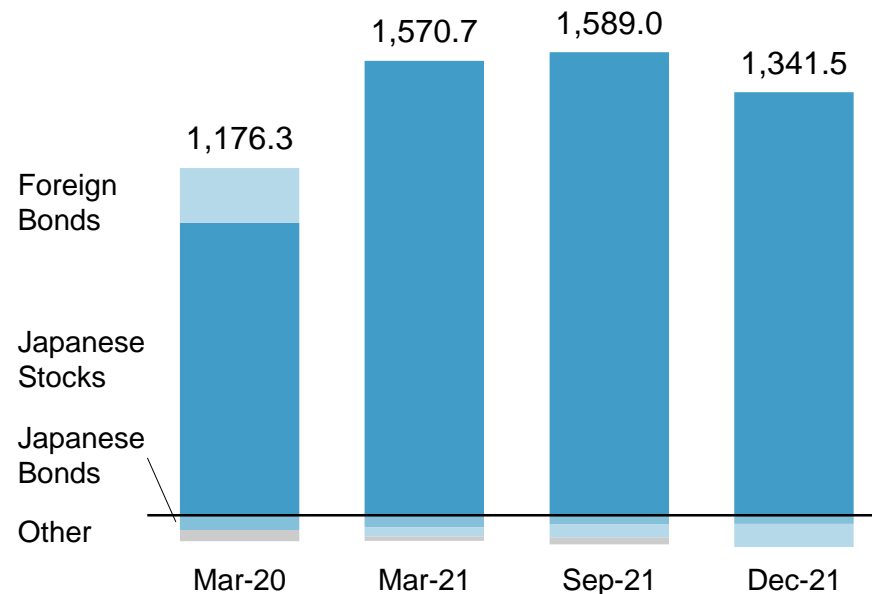


	Mar-20	Mar-21	Sep-21	Dec-21
Japanese Stocks	1.2	1.1	1.1	1.1
Japanese Bonds	15.7	24.1	22.4	20.4
o/w JGB	12.6	20.9	19.0	16.9
Foreign Bonds	12.5	12.4	13.5	12.2
o/w Debt Securities issued in US <sup>2</sup>	8.0	8.3	9.8	8.7
Other	2.6	3.1	3.0	2.8
bear funds <sup>3</sup>	0.8	0.6	0.4	0.3
Investment Trusts and others	1.8	2.4	2.6	2.5

## Unrealized Gains/Losses on Other Securities<sup>1, 4</sup>

(JPY B)

Consolidated



	Mar-20	Mar-21	Sep-21	Dec-21
Japanese Stocks	1,071.5	1,665.7	1,696.4	1,550.1
Japanese Bonds	-54.1	-44.9	-35.1	-32.2
o/w JGB	-44.0	-31.7	-24.3	-20.8
Foreign Bonds	200.9	-33.0	-47.7	-164.5
o/w Debt Securities issued in US <sup>2</sup>	234.4	-29.3	-40.0	-151.7
Other	-42.0	-17.0	-24.5	-11.7
bear funds <sup>3</sup>	86.2	-155.4	-128.1	-93.7
Investment Trusts and others	-128.2	138.4	103.5	82.0

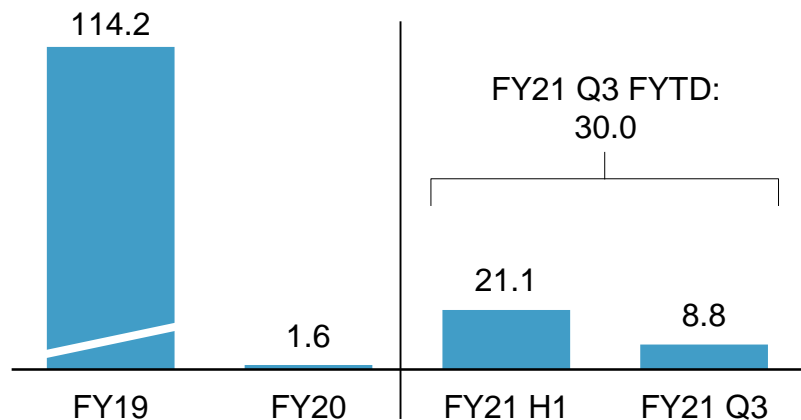
1. Other Securities which have readily determinable fair values. Excluding Investments in Partnership. 2. UST/GSE Bonds. 2 Banks. 3. Hedging transactions aiming to fix unrealized gains on Japanese stocks. 4. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Mar-20: Japanese Stocks were calculated based on the average market price of the month. Other items were calculated based on fair values at the end of the month.

# Securities portfolio (Bonds)

## Net Gains (Losses) related to Bonds

Consolidated

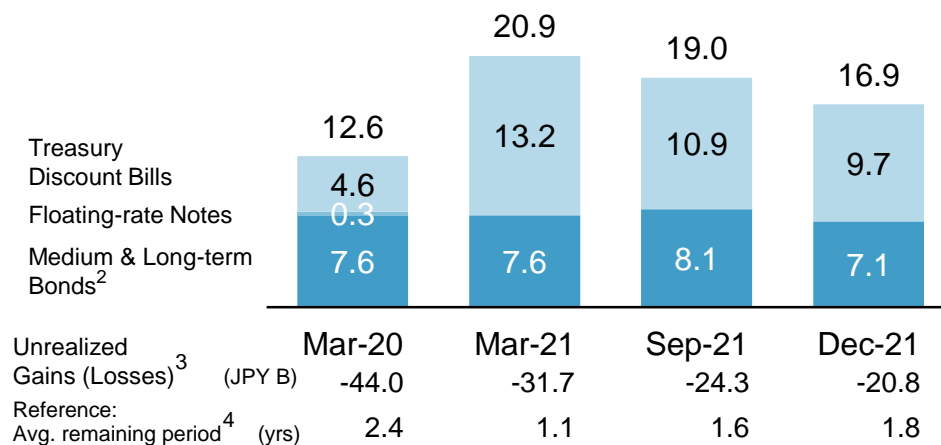
(JPY B)



## JGB portfolio<sup>1</sup>

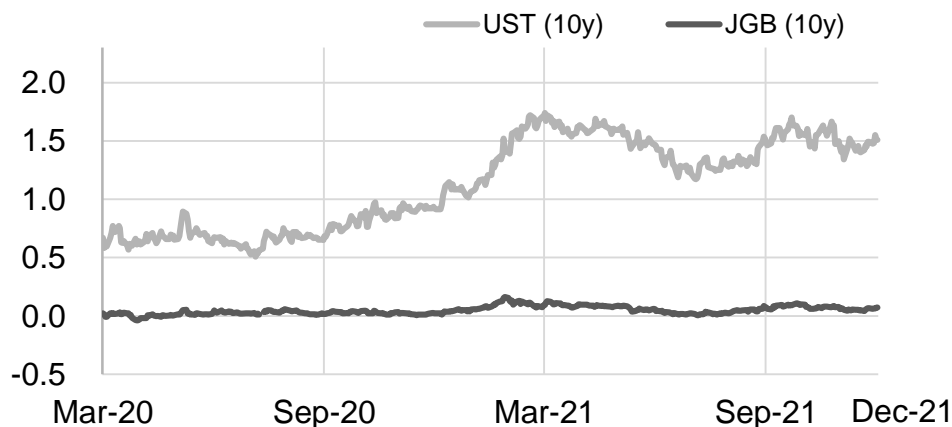
2 Banks, acquisition cost basis

(JPY T)



## Reference: Interest Rate Trends in-and-outside Japan

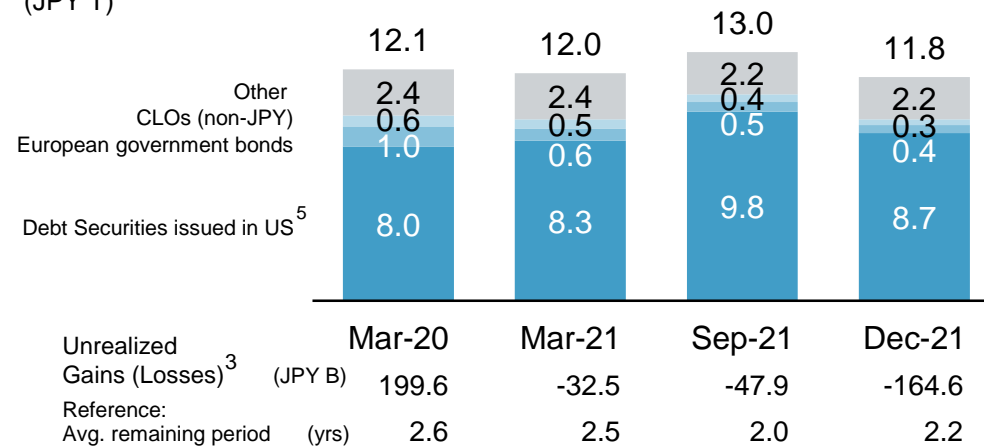
(%)



## Foreign bond portfolio<sup>1</sup>

2 Banks, acquisition cost basis

(JPY T)



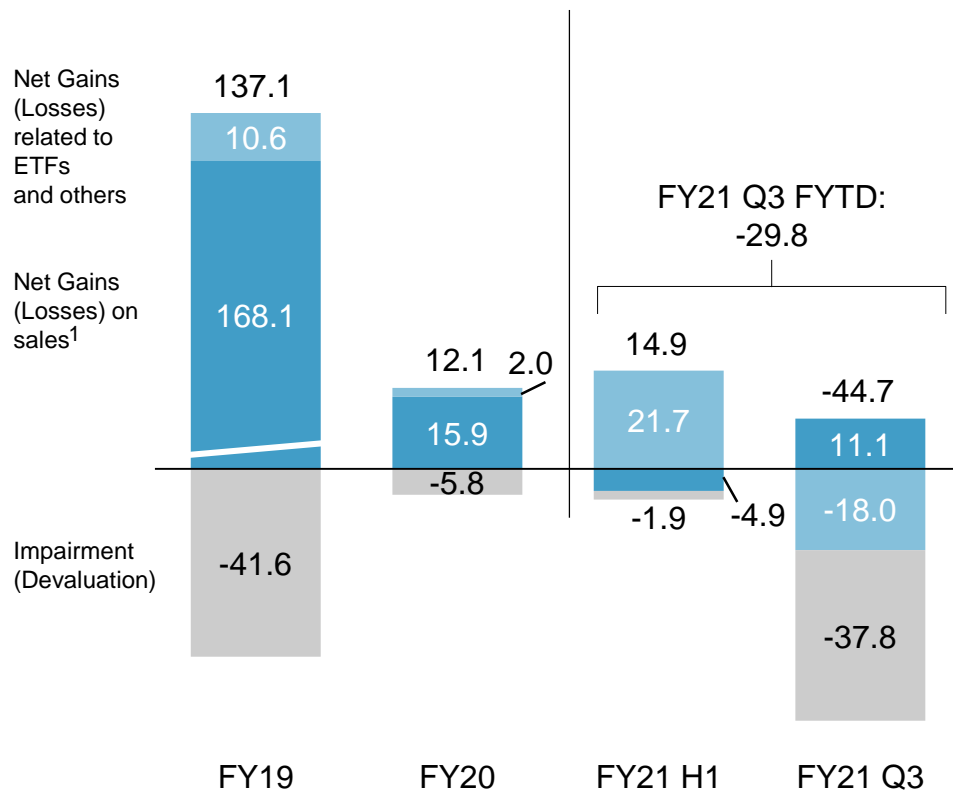
1. Other Securities which have readily determinable fair values. 2. Including bonds with remaining period of one year or less. 3. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Calculated based on the quoted market price if available, or other reasonable value, at the respective period end. 4. Excluding floating-rate notes. 5. UST/GSE Bonds.

# Securities portfolio (Stocks)

## Net Gains (Losses) related to Stocks

Consolidated

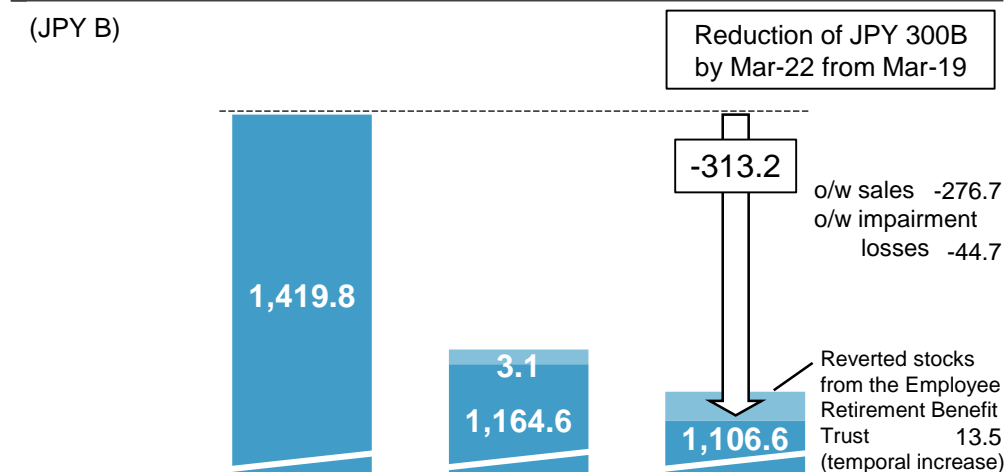
(JPY B)



## Japanese stock portfolio<sup>2</sup>

Consolidated, acquisition cost basis

(JPY B)



Unrealized Gains (Losses) <sup>3</sup>	Mar-19	Mar-21	Dec-21
Stocks	1,687.6	1,665.7	1,550.1
o/w gains	1,748.9	1,739.9	1,621.9
o/w losses	-61.3	-74.1	-71.8
Bear Funds <sup>4</sup>	-	-155.4	-93.7
Reference: No. of stocks <sup>5</sup>	1,060	970	919

Reference: Reduction of stocks in the Retirement Benefit Trust <sup>6</sup> BK+TB	FY19	FY20	FY21 Q3 FYTD
Reverted amount	-	180.2	210.8

1. Net Gains (Losses) on sales of stocks+Net Gains (Losses) on Derivatives other than for trading. 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. Mar-19: Japanese Stocks were calculated based on the average market price of the month. Other items were calculated based on fair values at the end of the month. 4. Hedging transactions aiming to fix unrealized gains on Japanese stocks. 5. BK, Stocks listed in Japan. 6. Partially includes amount recorded as assets of BK or TB. Management accounting basis.

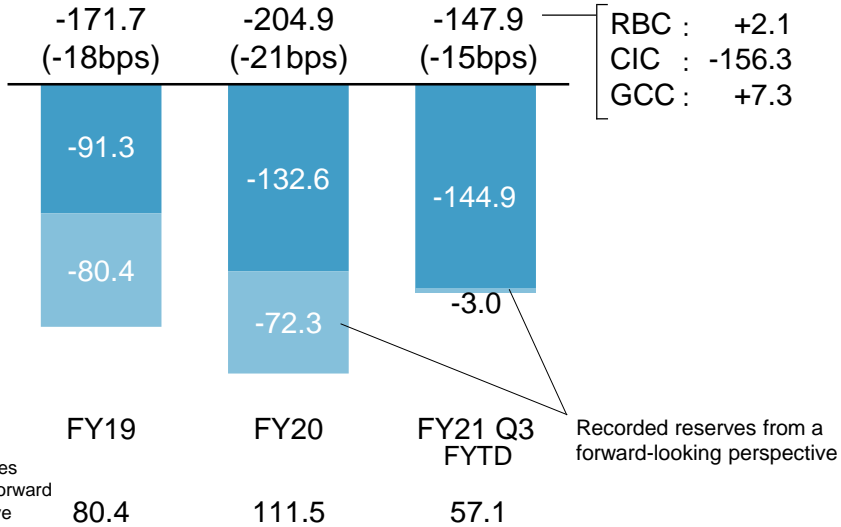
# Asset quality

## Credit-related Costs

Consolidated

(JPY B)

Figures in ( ) represent Credit-related Costs Ratio<sup>1</sup>



Reference:  
Balance of reserves recorded from a forward looking perspective (period-end balance)

### Reference Past figures

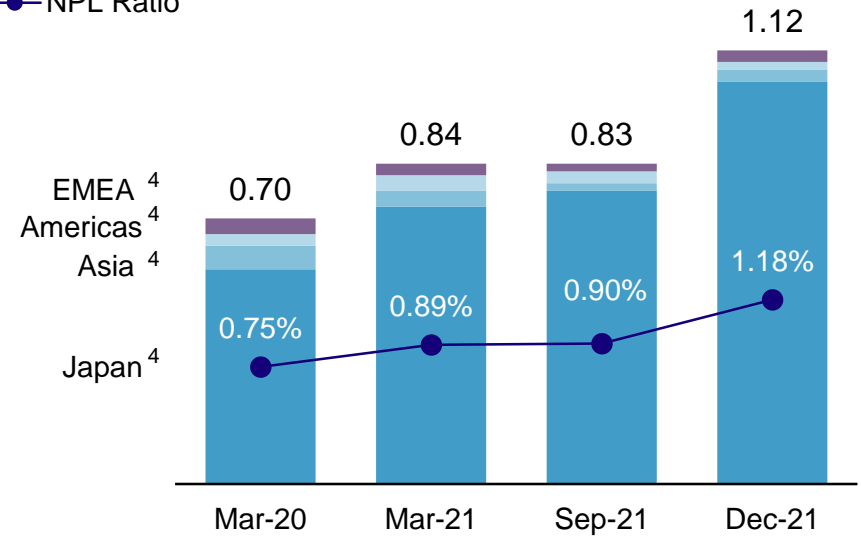


## Non Performing Loans based on FRA<sup>3</sup>

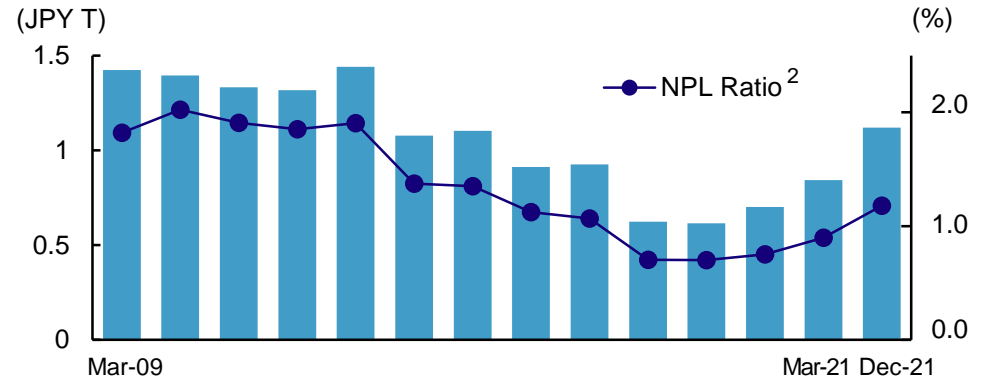
Consolidated

(JPY T)

● NPL Ratio



### Reference Past figures

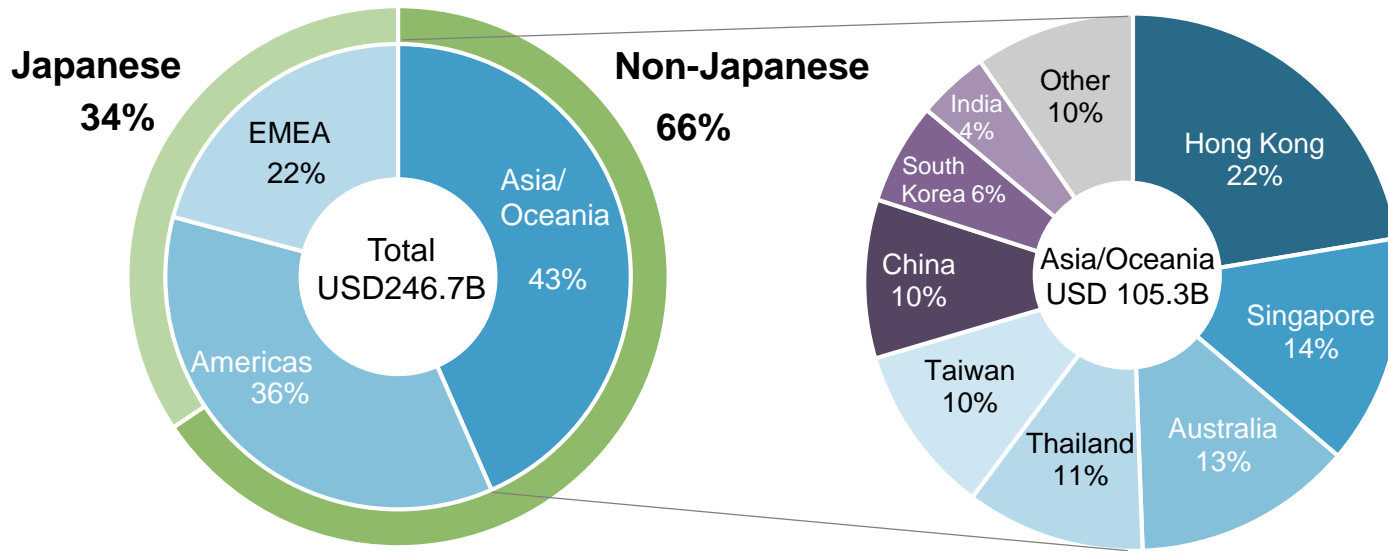


1. Ratio of Credit-related Costs against Total Claims (including Trust Account). 2. Figures before FY13 were calculated by using Total Claims of aggregate for 2 Banks. 3. Financial Reconstruction Act. 4. Representative main branch basis.

# Loan portfolio outside Japan

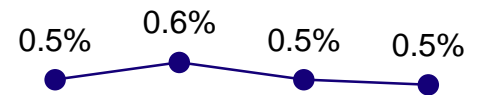
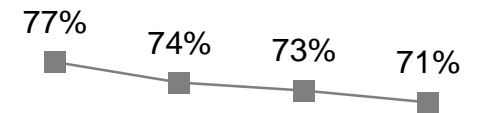
## Loan portfolio outside Japan (Dec-21)

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



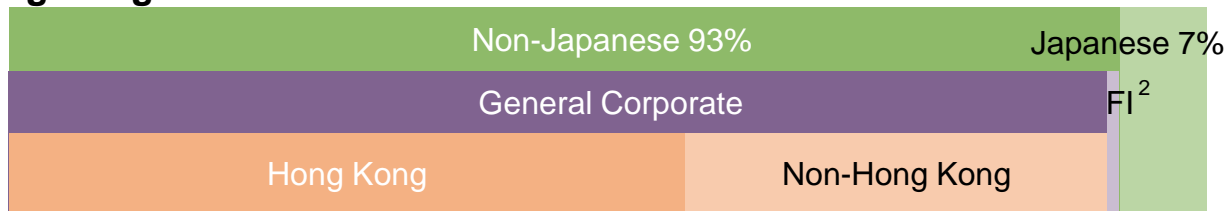
### Quality of Loan Portfolio

■ Investment Grade Level Ratio  
● NPL Ratio

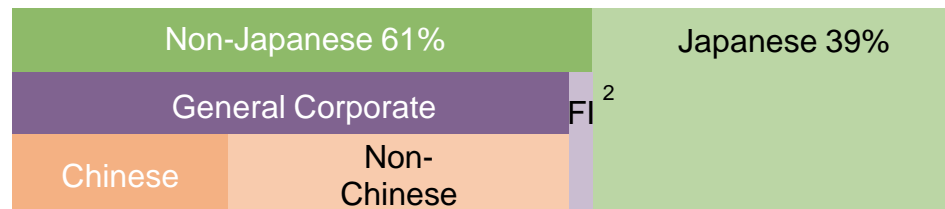


Mar-20 Mar-21 Sep-21 Dec-21

### Hong Kong: USD 23.5B



### China: USD 10.1B



1. Including banking subsidiaries outside Japan. 2. Financial Institutions.

# Basel Regulatory Disclosures

## Capital Ratio

Consolidated

(JPY B)

	Mar-20	Mar-21	Sep-21	Dec-21
Total	17.25%	16.87%	17.76%	17.65%
Tier 1	14.52%	14.37%	15.03%	14.88%
CET1	11.65%	11.63%	12.27%	12.39%
[Excluding Net Unrealized Gains/Losses on Other Securities]	[11.00%]	[10.46%]	[10.95%]	[11.27%]
CET1 Capital <sup>1</sup>	7,244.7	7,849.9	8,243.5	8,226.2
AT1 Capital <sup>2</sup>	1,779.6	1,851.9	1,854.8	1,650.3
Tier 1 Capital	9,024.4	9,701.9	10,098.4	9,876.6
Tier 2 Capital	1,697.8	1,683.4	1,828.6	1,837.9
Total Capital	10,722.2	11,385.3	11,927.0	11,714.6
Risk Weighted Assets	62,141.2	67,481.9	67,147.7	66,364.3

## Other Regulatory Ratios

Consolidated

(JPY B)

	Mar-20	Mar-21	Sep-21	Dec-21
Leverage Ratio <sup>3</sup>	4.08%	4.83%	4.96%	4.85%
Tier 1 Capital	9,024.4	9,701.9	10,098.4	9,876.6
Total Exposures	220,977.5	200,546.6	203,591.5	203,242.1
	FY19 Q4	FY20 Q4	FY21 Q2	FY21 Q3
Liquidity Coverage Ratio (LCR)	137.3%	135.8%	140.2%	140.3%
Total HQLA	60,112.7	72,792.2	77,427.8	73,663.3
Net Cash Outflows	43,816.7	53,607.0	55,219.2	52,530.0
Reference:	Mar-20	Mar-21	Sep-21	Dec-21
CET1 Capital Ratio (Basel III finalization basis)	9.3%	10.0%	10.6%	10.3%
(excl. Net Unrealized Gains (Losses) on Other Securities)	8.8%	9.1%	9.6%	9.5%

1. Common Equity Tier 1 Capital. 2. Additional Tier 1 Capital. 3. Due to the amendment of the notification of Japan FSA, deposits to BoJ have been excluded from Total Exposures since Mar. 2021. (before exclusion: Mar-21: 4.03%, Sep-21: 4.17%, Dec-21: 4.13%).

## Abbreviations

<b>FG</b>	: Mizuho Financial Group, Inc.	<b>RBC</b>	: Retail & Business Banking Company
<b>BK</b>	: Mizuho Bank, Ltd.	<b>CIC</b>	: Corporate & Institutional Company
<b>TB</b>	: Mizuho Trust & Banking Co., Ltd.	<b>GCC</b>	: Global Corporate Company
<b>SC</b>	: Mizuho Securities Co., Ltd.	<b>GMC</b>	: Global Markets Company
<b>AM-One</b>	: Asset Management One Co., Ltd	<b>AMC</b>	: Asset Management Company
<b>RT</b>	: Mizuho Research & Technologies, Ltd.	<b>GPU</b>	: Global Products Unit
		<b>RCU</b>	: Research & Consulting Unit

## Foreign exchange rate

TTM	Mar-20	Mar-21	Dec-21
USD/JPY	108.83	110.72	115.02
EUR/JPY	119.65	129.76	130.52
Management accounting	FY21 Revised plan rate		
USD/JPY		111.00	
EUR/JPY		130.95	

## Definitions

### Financial accounting

- 2 Banks : BK + TB on a non-consolidated basis (financial accounting)
- 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 Gains (Losses) related to ETFs and others : Net Gains (Losses) related to ETFs (2 Banks) + Net Gains on Operating Investment Securities (SC Consolidated)
- G&A Expenses (excl. Non-recurring Losses and others) : G&A Expenses (excl. Non-recurring Losses) - Amortization of Goodwill and other items
- Net Income Attributable to FG : Profit Attributable to Owners of Parent
- Consolidated ROE : Calculated dividing Net Income by (Total Shareholders' Equity + Total Accumulated Other Comprehensive Income (excl. Net Unrealized Gains (Losses) on Other Securities))
- CET1 Capital Ratio (excl. Net Unrealized Gains (Losses) on Other Securities) : Includes the effect of partially fixing unrealized gains on Japanese stocks through hedging transactions  
[Numerator] Calculated by excluding Net Unrealized Gains (Losses) on Other Securities and its associated Deferred Gains or Losses on Hedges  
[Denominator] Calculated by excluding RWA associated with Net Unrealized Gains (Losses) on Other Securities (stocks)
- CET1 Capital Ratio (Basel III finalization basis) : Estimated figures reflecting the effect of Basel III finalization. The capital floor is calculated after deducting the associated reserves from RWA using the standardized approach

### Management accounting

- Customer Groups : RBC + CIC + GCC + AMC
- Markets : GMC
- Group aggregate : BK + TB + SC + AM-One + other major subsidiaries on a non-consolidated basis
- In-house company management basis : Figure of the respective in-house company
- Net Business Profits by In-house Company : Gross Profits - G&A Expenses (excl. Non-recurring Losses) + Equity in Income from Investments in Affiliates - Amortization of Goodwill and other items
- Internal risk capital : Risk capital calculated taking account of factors such as regulatory RWA and interest rate risk in the banking account
- ROE by In-house Company : Calculated dividing Net Income by each company's internal risk capital



## Forward-looking Statements

Financial information in this presentation uses figures under Japanese GAAP unless otherwise stated (including management accounting basis).

This presentation contains statements that constitute forward-looking statements including estimates, forecasts, targets and plans. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions. Such forward-looking statements do not represent any guarantee of future performance by management.

Further information regarding factors that could affect our financial condition and results of operations is included in our most recent Form 20-F and our report on Form 6-K.

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