

# Investor Presentation for FY22

Apr.2022-Mar.2023

**Proactively innovate together  
with our clients for a prosperous  
and sustainable future.**

May 18, 2023

Mizuho Financial Group

# Introduction

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## Our Achievements and Remaining Agendas

- Quality of profit improved and CET1 Capital ratio reached the target level, while consolidated ROE needs further improvement
- Need to revisit the Structural Reform and shift the focus to control expense ratio while maintaining disciplined manner

## Our Purpose

- The DNA that makes up Mizuho and Mizuho's vision for the future
- Introducing "Our Purpose": **Proactively innovate together with our clients for a prosperous and sustainable future**

## The new medium-term business plan ("Medium-term business plan")

- Set financial and non-financial target aiming for sustainable growth, through backcasting from our vision for the future
- Commit to reaching Consolidated ROE over 8% and Consolidated Net Business Profits JPY 1-1.1 T in three years. Improving our PBR as early as possible.

## Capital Policy

- Capital policy and shareholder return policy remain unchanged
- Based on shareholder return policy, estimated dividend per share for FY23 is JPY 95 (+JPY 10 YoY, 3<sup>rd</sup> yearly consecutive increase)

# Our Achievements and Remaining Agendas

# Summary of FY22 Financial Results

(JPY B)	FY22	YoY	FY23 Plan
Consolidated Gross Profits + Net Gains (Losses) related to ETFs and others <sup>1</sup>	2,280.2	+25.8	-
G&A Expenses (excl. Non-Recurring Losses and others)	-1,473.5	-58.5	-
<b>Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others<sup>1</sup></b>	<b>807.1</b>	<b>-46.0</b>	<b>900.0</b>
<i>o/w Customer Groups</i>	769.3	+48.8 <sup>2</sup>	-
<i>o/w Markets</i>	62.4	-90.2 <sup>2</sup>	-
(Consolidated Net Business Profits)	805.2	-45.9	-
Credit-related costs	-89.3	+145.8	<b>-100.0</b>
Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others <sup>1</sup>	84.6	+130.3	<b>60.0</b>
Ordinary Profits	789.6	+229.7	<b>860.0</b>
Net Extraordinary Gains (Losses)	-10.6 <sup>3</sup>	-54.6	-
<b>Net Income Attributable to FG</b>	<b>555.5</b>	<b>+25.0</b>	<b>610.0</b>
<b>Consolidated ROE<sup>4</sup></b>	<b>6.6%</b>	<b>+0.2%</b>	<b>7.0%</b>
	<b>Mar-23</b>	Mar-22	
<b>CET1 Capital ratio (Basel III finalized basis)<sup>4</sup></b>	<b>9.5%</b>	9.3%	

1. Net Gains (Losses) related to ETFs and others was JPY 1.8B (-JPY 0.0B YoY). 2. Figures for YoY are recalculated based on the new accounting rules for FY22. 3. Of which JPY 47.6B are from the cancellation of Employee Retirement Benefit Trust (-JPY 26.6B YoY). 4. Excl. net unrealized gains (losses) on other securities.

## FY22 Results

- **Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others:**
  - While the Markets Group saw decline in profits after losses on foreign bonds realized by management intent, Customer Groups have performed steadily, especially outside Japan
  - Excluding the impact of losses on foreign bonds realized, Consolidated Net Business Profits exceeded its annual target of JPY 860.0B
- **Net Income Attributable to FG:**
  - Due to accumulation of gains derived from sales of cross-share holdings and the cancellation of the Employee Retirement Benefit Trust, Net Income attributable to FG exceeded its annual target of JPY 540.0B

## FY23 Plans

- **Net Income Attributable to FG:**
  - Plan to increase through growth of core business profits

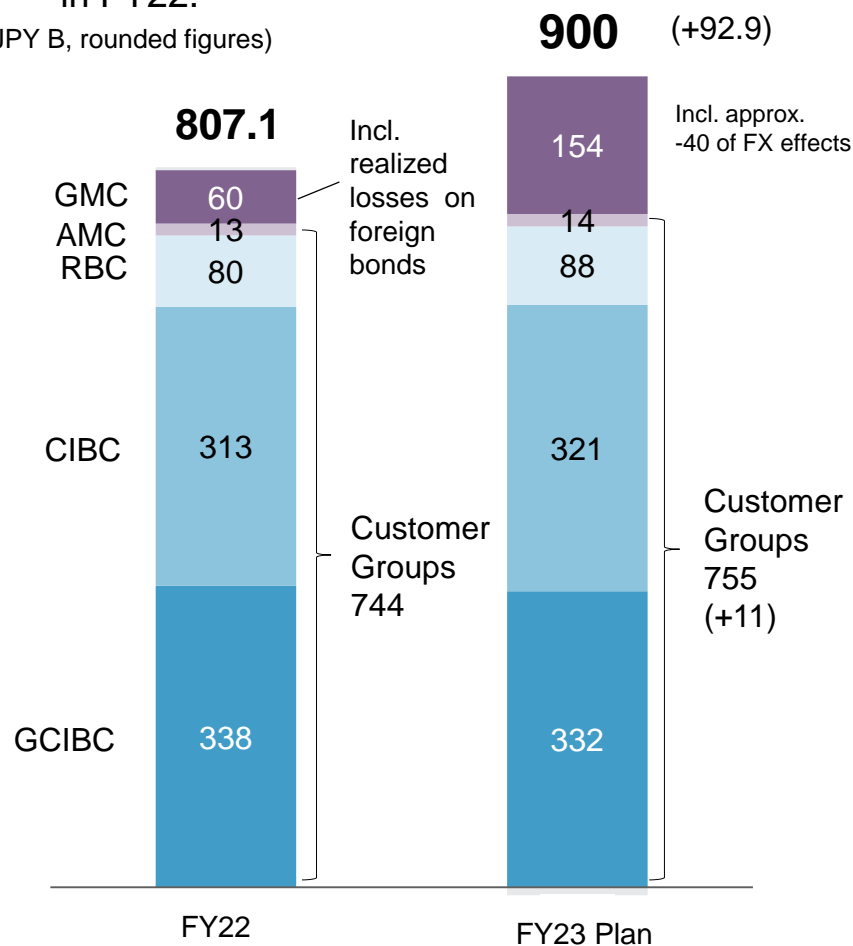
# Earnings Plan for FY23

## Consolidated Net Business Profits + Net gains (Losses) related to ETFs and others

Group Aggregate<sup>1</sup>

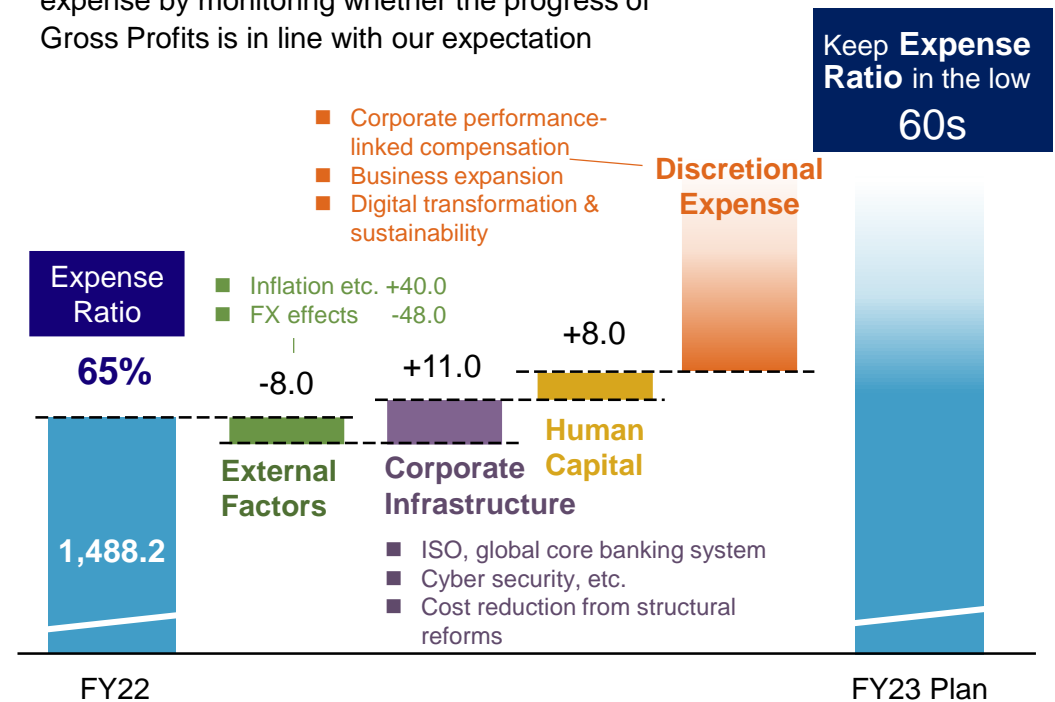
- FY23 Consolidated Net Business Profits target at JPY 900.0B. Increase in expense is inevitable; however, further increase revenue from our Customer Groups. Also GMC revenue will improve due to the absence of losses realized in FY22.

(JPY B, rounded figures)



## Expenses<sup>2</sup>

- Maintain disciplined approach toward expense control, although increase is inevitable due to inflation, compensation improvement and regulatory compliance.
- Make efforts towards improving our expense ratio. Control discretionary expense by monitoring whether the progress of Gross Profits is in line with our expectation



1. Management accounting rules for FY23. 2. Breakdowns are in rounded figures.

# 5-Year Business Plan – Finance Structural Reform

## Achievements

Quality of profit improved,  
CET1 Capital ratio reached target level

## Remaining Agendas

Consolidated ROE needs further improvement

	FY18	FY22	FY23 Target										
Consolidated Net Business Profits <sup>1</sup>	JPY 408.3B	<b>JPY 807.1B</b>	JPY 900 B approx.	<ul style="list-style-type: none"> <li>Quality of profit improved by enhancing return on risk and return on cost</li> <li>Transforming business structure to generate profit stably even in a harsh business environment</li> </ul>									
				<table border="1"> <thead> <tr> <th></th> <th>FY18</th> <th>FY22</th> </tr> </thead> <tbody> <tr> <td>Net Business Profit (Customer Groups)<sup>2,3</sup></td> <td>JPY 475.0B</td> <td>JPY 769.0B</td> </tr> <tr> <td>Group expense ratio<sup>2</sup></td> <td>79 %</td> <td>65 %</td> </tr> </tbody> </table>		FY18	FY22	Net Business Profit (Customer Groups) <sup>2,3</sup>	JPY 475.0B	JPY 769.0B	Group expense ratio <sup>2</sup>	79 %	65 %
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Group expense ratio <sup>2</sup>	79 %	65 %											
Consolidated ROE	1.2 %	<b>6.6 %</b>	7-8 % approx.	<ul style="list-style-type: none"> <li>While capital efficiency improved, consolidated ROE has room for further improvement</li> <li>Further revisit our business portfolio, reducing low return assets</li> </ul>									
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Net Income ROE <sup>2,4</sup>	-	6.8 %											
CET1 Capital ratio <sup>5</sup>	8.2 %	<b>9.5 %</b> (As of Mar-23)	Lower end of the 9-10 % range (target level)	<ul style="list-style-type: none"> <li>Increased dividend for 2 consecutive years while maintaining target level</li> <li>However there still remains uncertainty in current business environment</li> </ul>									
				<table border="1"> <thead> <tr> <th></th> <th>FY22</th> </tr> </thead> <tbody> <tr> <td>Cash dividend per share vs original estimate</td> <td>JPY 85.0 + JPY 5.0</td> </tr> </tbody> </table>		FY22	Cash dividend per share vs original estimate	JPY 85.0 + JPY 5.0					
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Cross-shareholdings <sup>6</sup>	-	<b>JPY 383.8B</b> (Mar-19 to Mar-23)	JPY 450.0 B (Mar-19 to Mar-24)	<ul style="list-style-type: none"> <li>Reduced the balance of cross-shareholdings to JPY 997.3B. However, further reduction required given the fact that cross share-balance/net asset ratio still high</li> </ul>									
				<table border="1"> <thead> <tr> <th></th> <th>Mar-19</th> <th>Mar-23</th> </tr> </thead> <tbody> <tr> <td>Rem. Balance (acquisition value) / total net assets<sup>7</sup></td> <td>17.7 %</td> <td>11.5 %</td> </tr> <tr> <td>Rem. Balance (fair value) / total net assets</td> <td>34.1 %</td> <td>27.3 %</td> </tr> </tbody> </table>		Mar-19	Mar-23	Rem. Balance (acquisition value) / total net assets <sup>7</sup>	17.7 %	11.5 %	Rem. Balance (fair value) / total net assets	34.1 %	27.3 %
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1. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others. 2. Calculated using FY22 management accounting rules. 3. Rounded figures. 4. Denominator is internal risk capital. 5. Basel III finalized basis + Excluding Net Unrealized Gains/Losses on Other Securities. 6. Acquisition value, sales only. 7. Excl. Net Unrealized Gains/Losses on Other Securities.

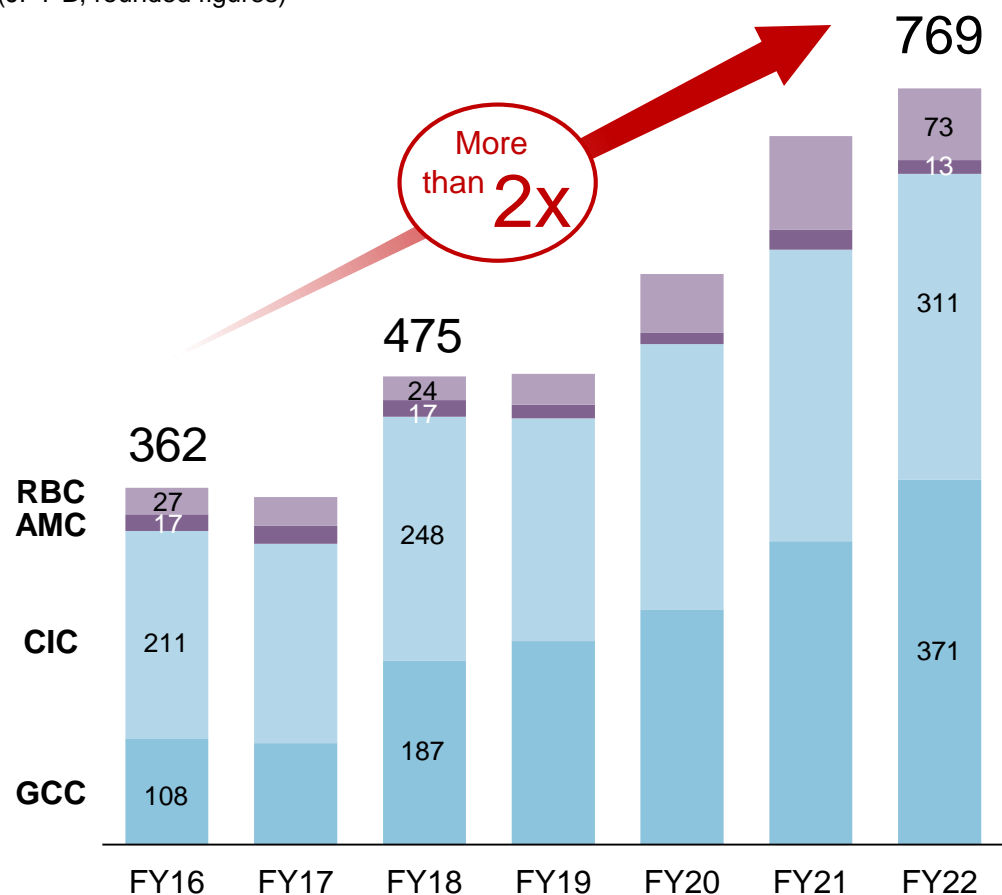
# 5-Year Business Plan – Business Structural Reforms

- Demonstrating our strengths through refining our business structure. However, challenges remain for further growth

## Customer Groups (Net Business Profit)

Group aggregate\*

(JPY B, rounded figures)



## Achievements

### ■ Retail Business (RBC):

- Cost reduction through structural reform such as redesigning of sales channels
- Improvement in deal origination capabilities progressed through reorganization of branch network

### ■ Wholesale Business (CIC):

- Generation of deals that co-create value with clients, such as deal in the Strategic Investment area
- Expansion of value chain business triggered from M&A and real-estate deals

### ■ Global Business (GCC):

- Significant growth of Americas capital markets business
- Transaction Banking in APAC

## Remaining Agendas

### ■ Strengthening our wealth management business by improving our consultation capability

### ■ Digitalization

- Need to further improve customer experience
- Frontier areas and alliances are halfway to profit contribution

### ■ Further enhancing business-creating capabilities

- Enhance collaboration between business lines in order to connect clients' challenges and create value added solutions

### ■ Continue to review low-profitability/low-productivity businesses

\* Past years' figures are recalculated based on the new accounting rules for FY22.

# 5-Year Business Plan – Corporate Foundations Reform

- Progress made in improving business efficiency and business foundation. Will further continue to address the challenges revealed by IT system failures

## Achievement

### Integration of offices and functions



- Integration and reorganization of Large-scale facilities
  - Japan: Branches, Head Office, operation centers, IT development centers
  - Outside of Japan: consolidation of NY offices, efficient use of space at London office
- Consolidation of corporate functions (FG, BK, TB, SC)

Total cost reduction (in Japan)<sup>1</sup> approx. -JPY 18.0B

### Promoting diverse workstyles



- Introduced 3- or 4- day work week
- Newly allowed dual-work both within and outside Mizuho
- Announced “CANADE<sup>2</sup>” and preparation for launch

1<sup>st</sup> as Japanese Bank



### Working style reforms

- ‘Location-Free Work’ since COVID-19



### Developing Group functions

- Establishment of RT and centralizing specialized functions

## Remaining Agendas

### Transforming corporate culture

- Employee Working Group made proposal to the management. Appointed CCuO. Ongoing efforts required to transform our corporate culture
- Continuing initiatives to improve employee engagement

### Human Capital enhancement

- Expand investment in Human Capital in order to unlock potential and enhance capability of our staff
- Launch and pervasion of “CANADE<sup>2</sup>”

### Promoting digital transformation (DX) and IT reform

- Fundamentally reform our business operations. Expand staff capable of DX
- Optimization of our IT systems structures

### Pursuing stable business operations

- Cybersecurity
- Thoroughly strengthen global governance

## Initiatives to strengthen investment in intangible assets and enhance their value

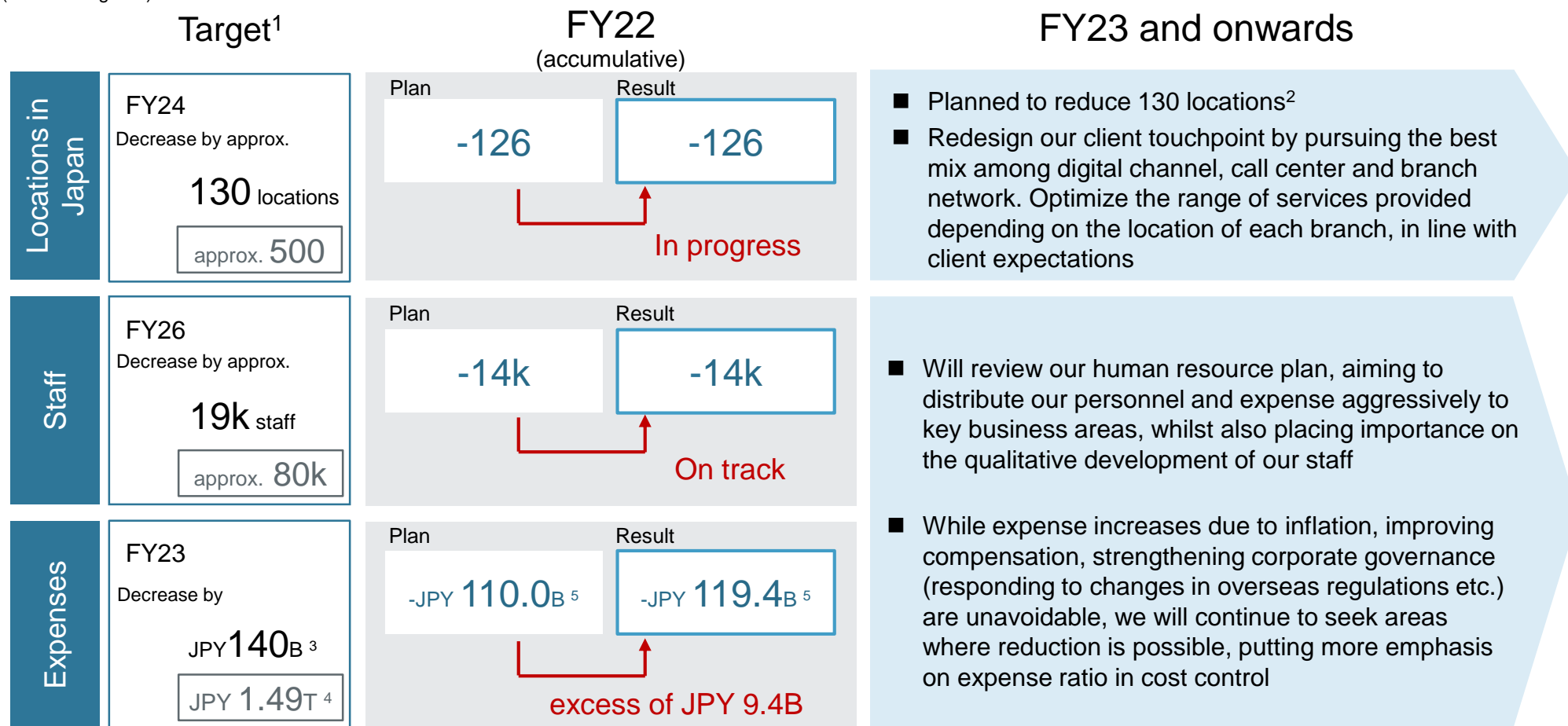
1. Cost reduction by reorganizing domestic branches, head office function and large-scale facilities. FY22 results vs FY18. The figure only includes domestic branches which were reorganized under Fundamental Structure Reform. 2. CANADE (meaning “harmony” in Japanese) : Integrating HR framework among our various entities, such as FG, BK, TB, SC and RT, planned to be fully introduced in FY24.



# Fundamental Structural Reforms

- Progress on reduction on overall cost base has been on track.  
However, internal and external environment has changed drastically. Shift our focus to expense ratio based control, while maintaining disciplined manner

(Rounded figures)

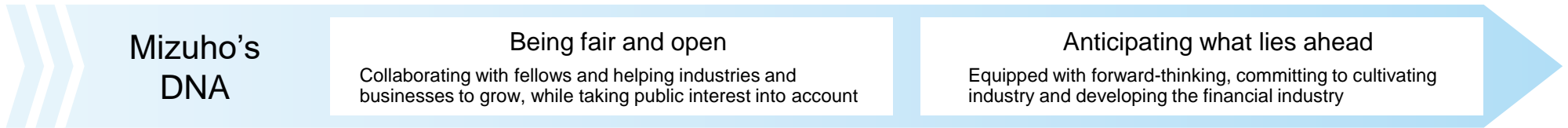


1. Domestic Locations and Workforce figures compared to Mar-17, Expense compared to the estimate for FY17 as of November 2017 when the Fundamental Structural Reform Plan was announced. 2. Figure announced in 5-Year Business Plan. 3. Reduction excluding depreciation cost related to new core banking system. 4. Group aggregate, new management accounting rules were applied in FY22. JPY 1.45T prior to management accounting rule update. 5. Total reduction in FY22 compared to FY17, excludes effects of foreign exchange.

## Our Purpose

“Proactively innovate together with our clients for a prosperous and sustainable future”

# Introducing “Our Purpose”



## A shift in global trend...

Rising awareness of well-being and environmental sustainability

Initiative toward assuring economic security and reshaping globalism

Social widespread of innovative technology such as AI

The end of the low interest rate era

...to shift the economy back to a path of growth

Further into the future

Mizuho's vision for the world

Personal well-being

A sustainable society and economy





**to “proactively innovate together  
with our clients for a prosperous  
and sustainable future”**

To **accompany** each client as they **take on the challenge** of achieving their dreams, contributing to a prosperous life through the power of finance and consulting

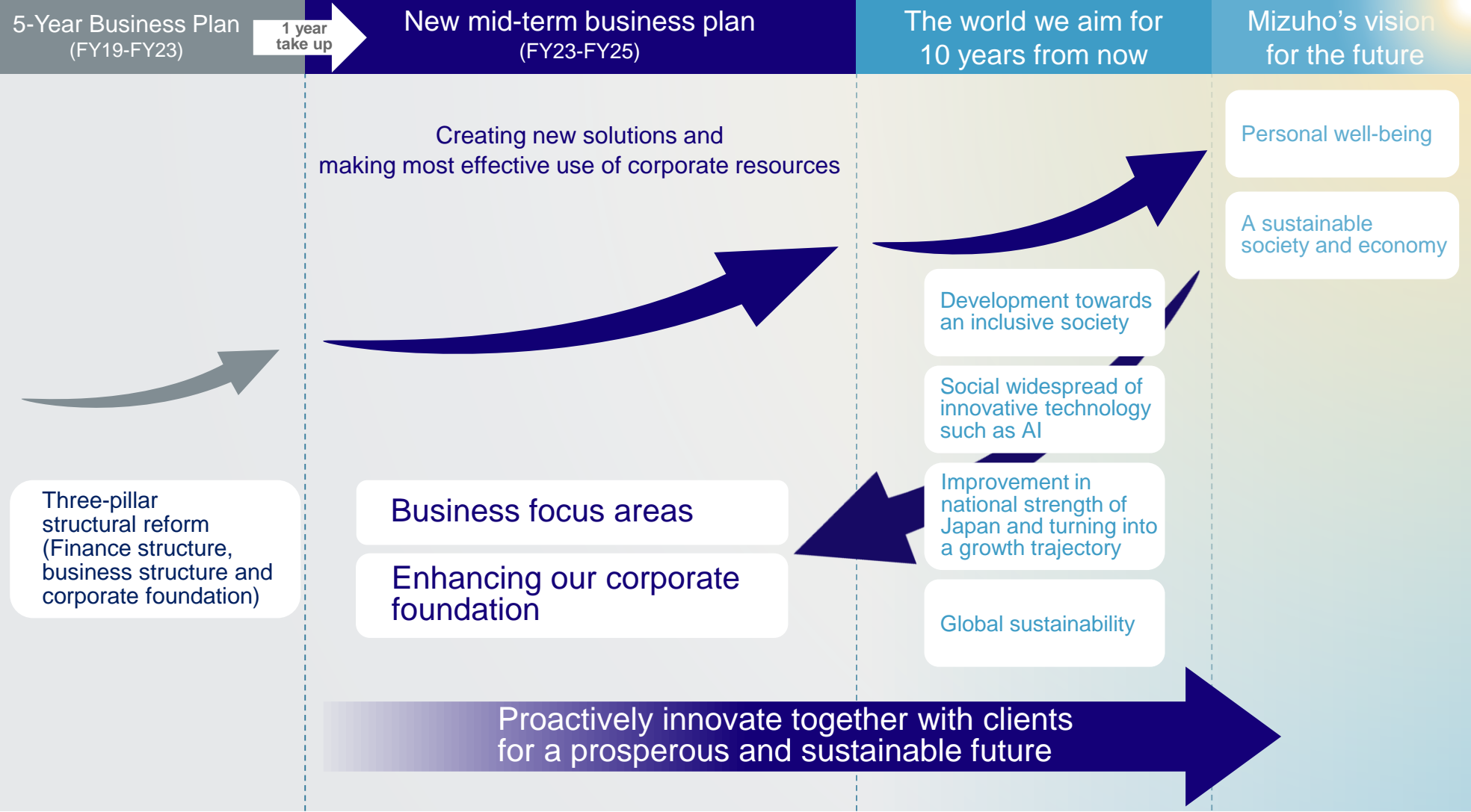
**Mizuho** will tread the path toward a sustainable society **side-by-side**, with corporates striving to develop new technologies and businesses, providing business support and financing

For **all employees at Mizuho to stand united**, pursuing day-to-day improvement and development with innovation, **challenging ourselves to change the future**

# The new Medium-term business plan

# Position of the new Medium-term business plan

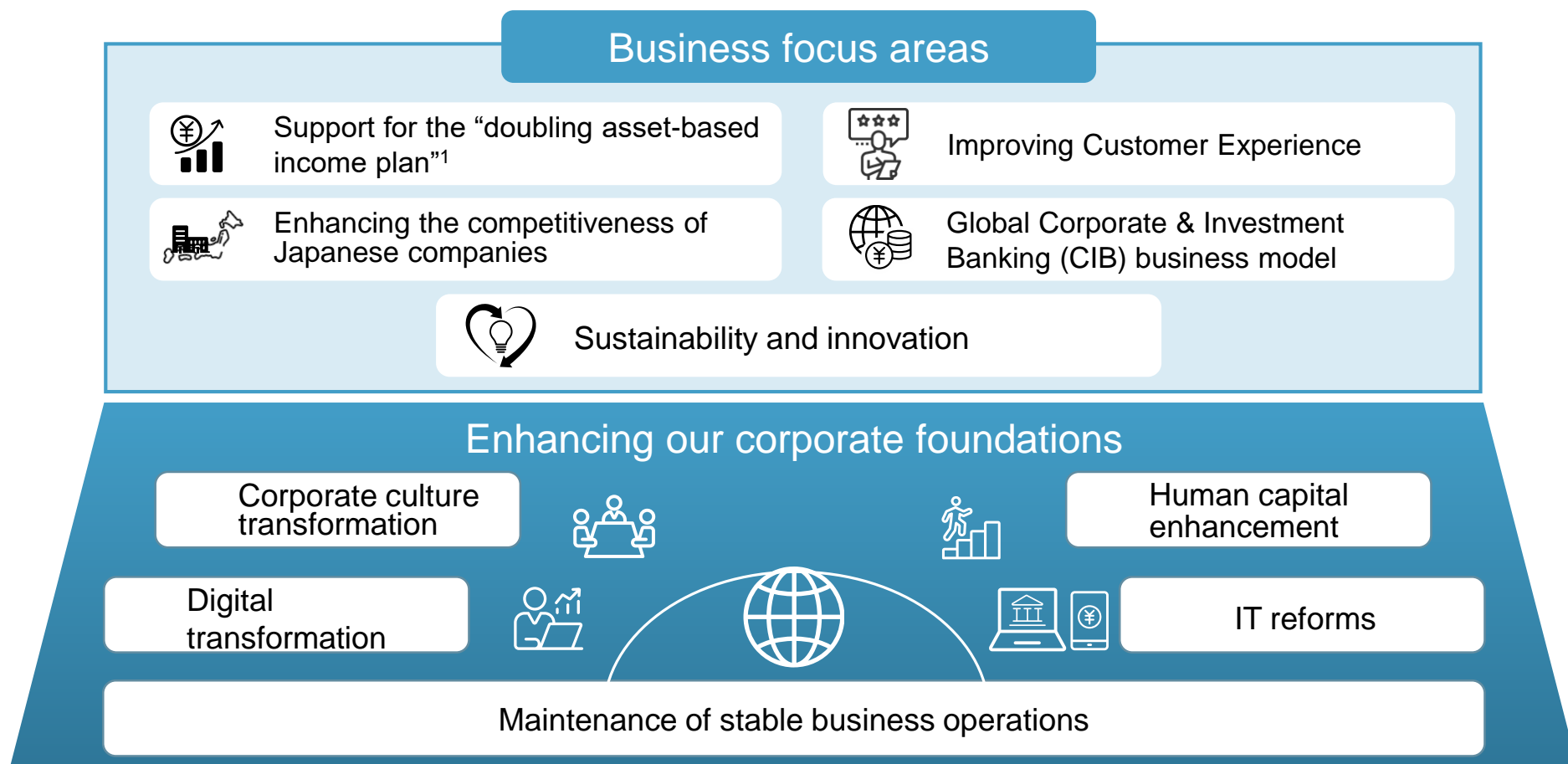
- Backcasting from our vision for the future, we have revised our Corporate Identity and launched the new Medium-term business plan



# Basic Policy of the new Medium-term business plan

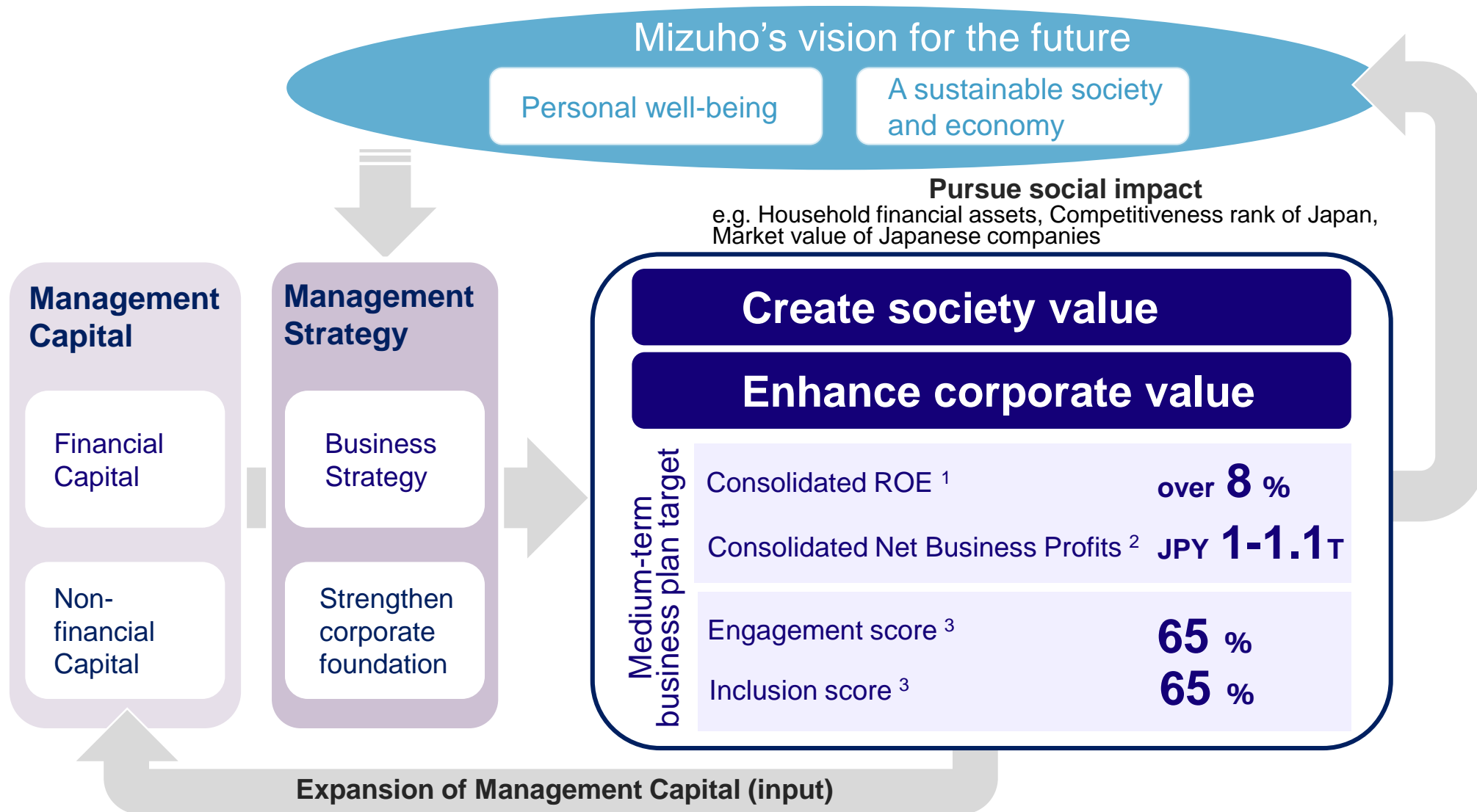
A three-year journey connecting various challenges and co-creating value-added solutions in order to support our clients' initiative and to solve social issues

- Make the most effective use of corporate resources through a flexible business development approach
- Together with our clients and society, build the cornerstone of future sustainable growth and prosperity



1. Announced by Kishida Administration, which encourages the shift of household excess fund from saving into investment.

# The new Medium-term business plan target



[Assumed financial indicators] JGB (10-yr): 0.95%, Nikkei 225: JPY 30,000, USD/JPY: JPY 120 (FY25)

1. Excl. Net Unrealized Gains (Losses) on Other Securities. 2. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and other. 3. Based on the positive response rate (selection of 4 or 5 on a scale from 1 to 5) for four Staff Survey questions related to engagement and inclusion.

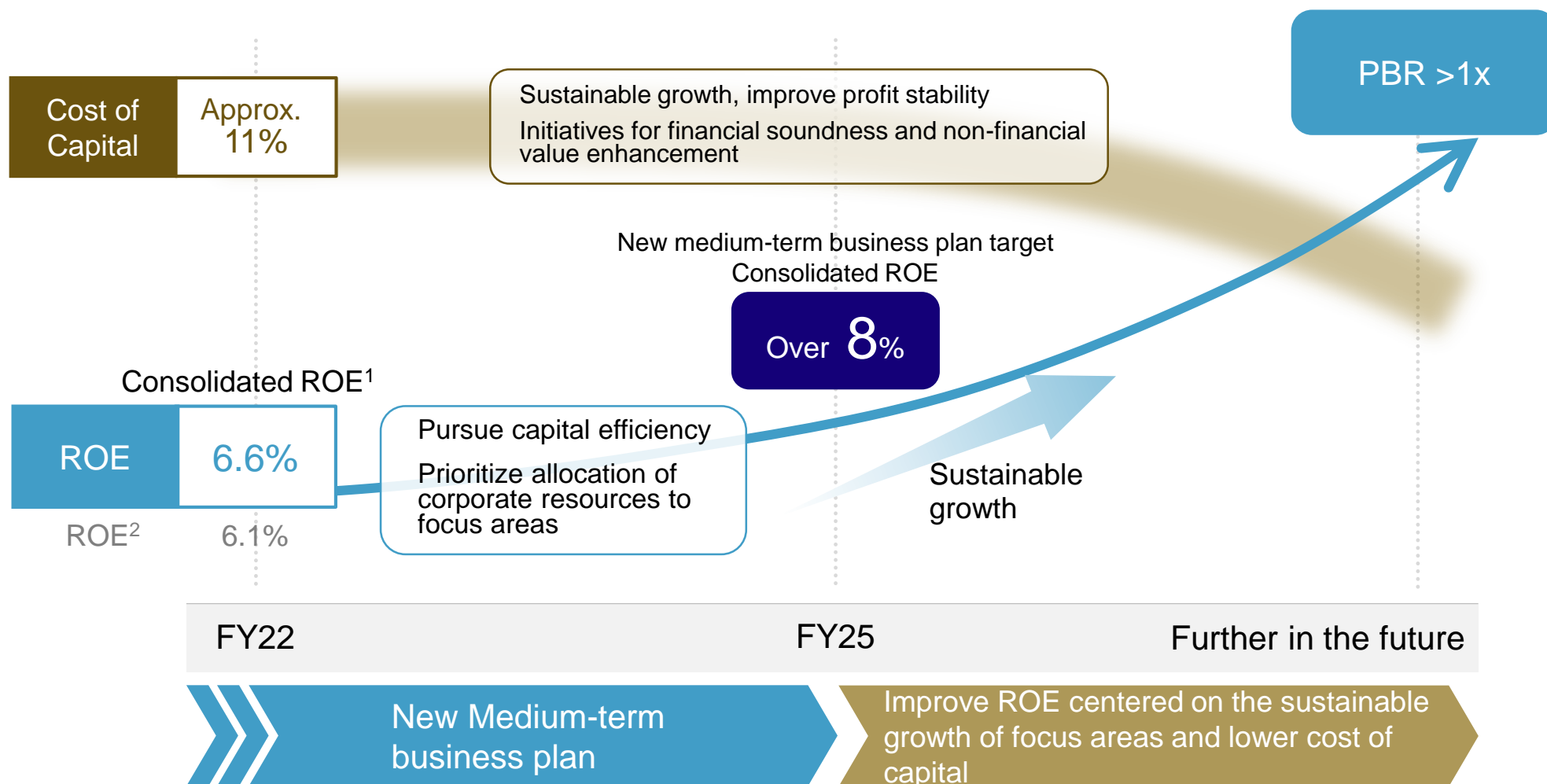


# Acknowledgement of our current business environment



# Roadmap to our targets - ROE

- Improve ROE and reduce cost of capital in order to achieve a PBR >1x in the future.  
As a concrete step, aim for ROE of 8% and over in three years



1. Excl. Net Unrealized Gains (Losses) on Other Securities. 2. FY22 ROE (Net Income on Own Capital). Incl. Net Unrealized Gains (Losses) on Other Securities.

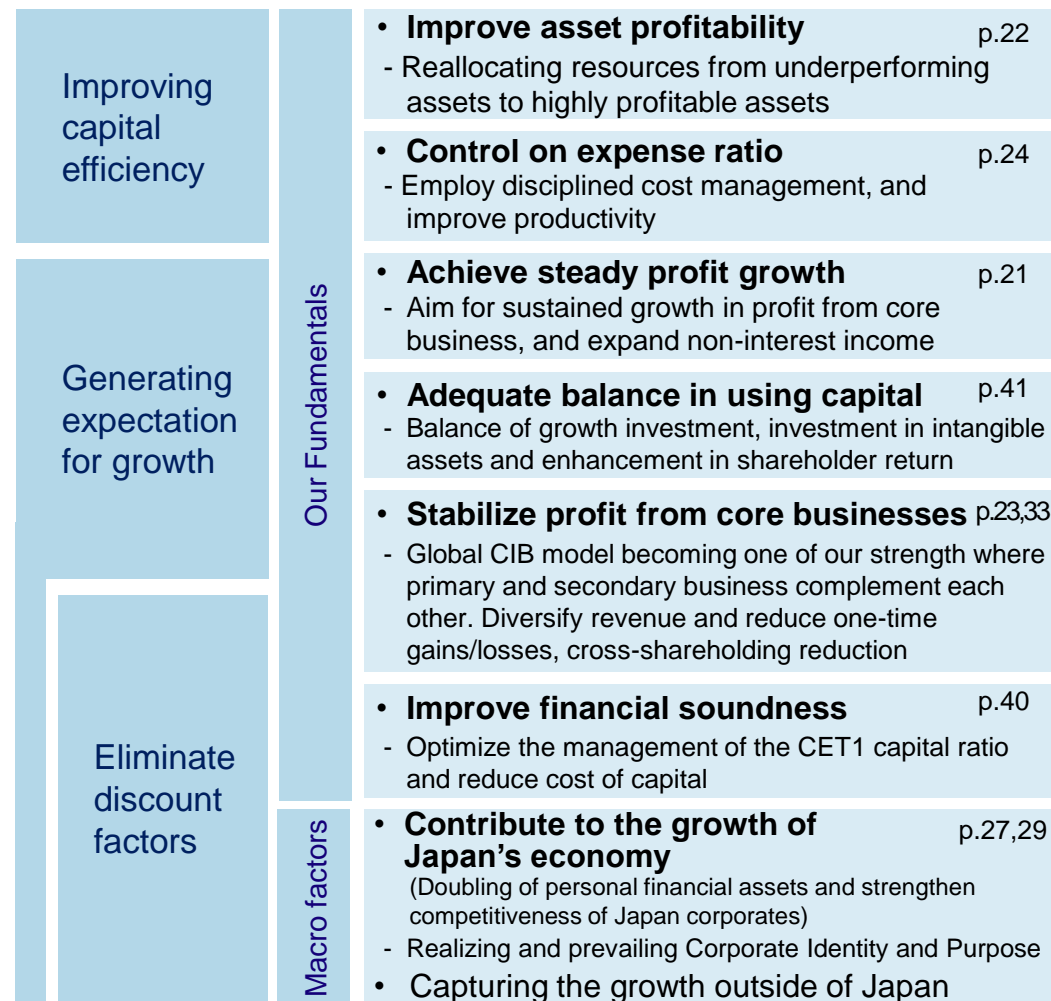
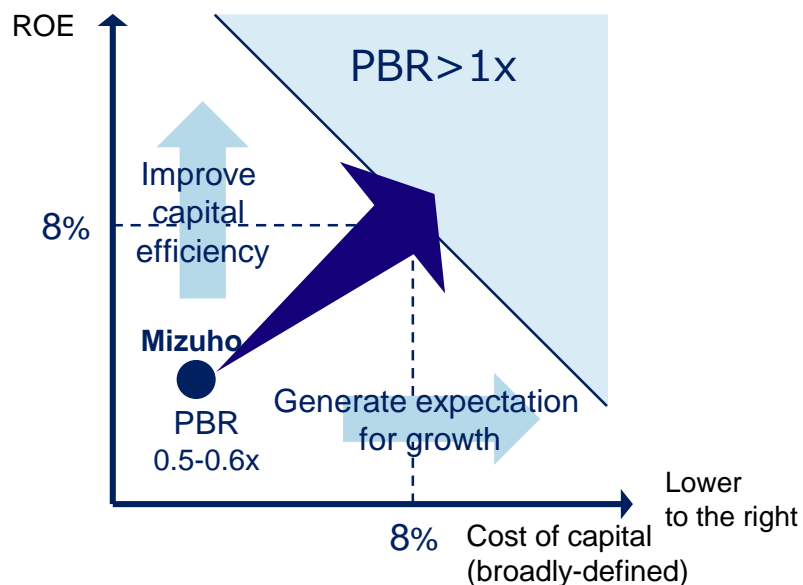
# Reference: Improving our PBR

- In addition to improving ROE by thoroughly improving capital efficiency and reallocating corporate resources, will aim to improve PBR through strengthening our fundamentals

$$\text{PBR} = \frac{\text{ROE}}{\text{Expected rate of growth}}$$

PBR: 0.5-0.6x  
 ROE: 6.1%<sup>1</sup>  
 Cost of capital: Around 7%<sup>2</sup>  
 Expected rate of growth: Around -4%  
 Cost of capital (broadly-defined): Approx. 11%

ROE and cost of capital (broadly-defined)

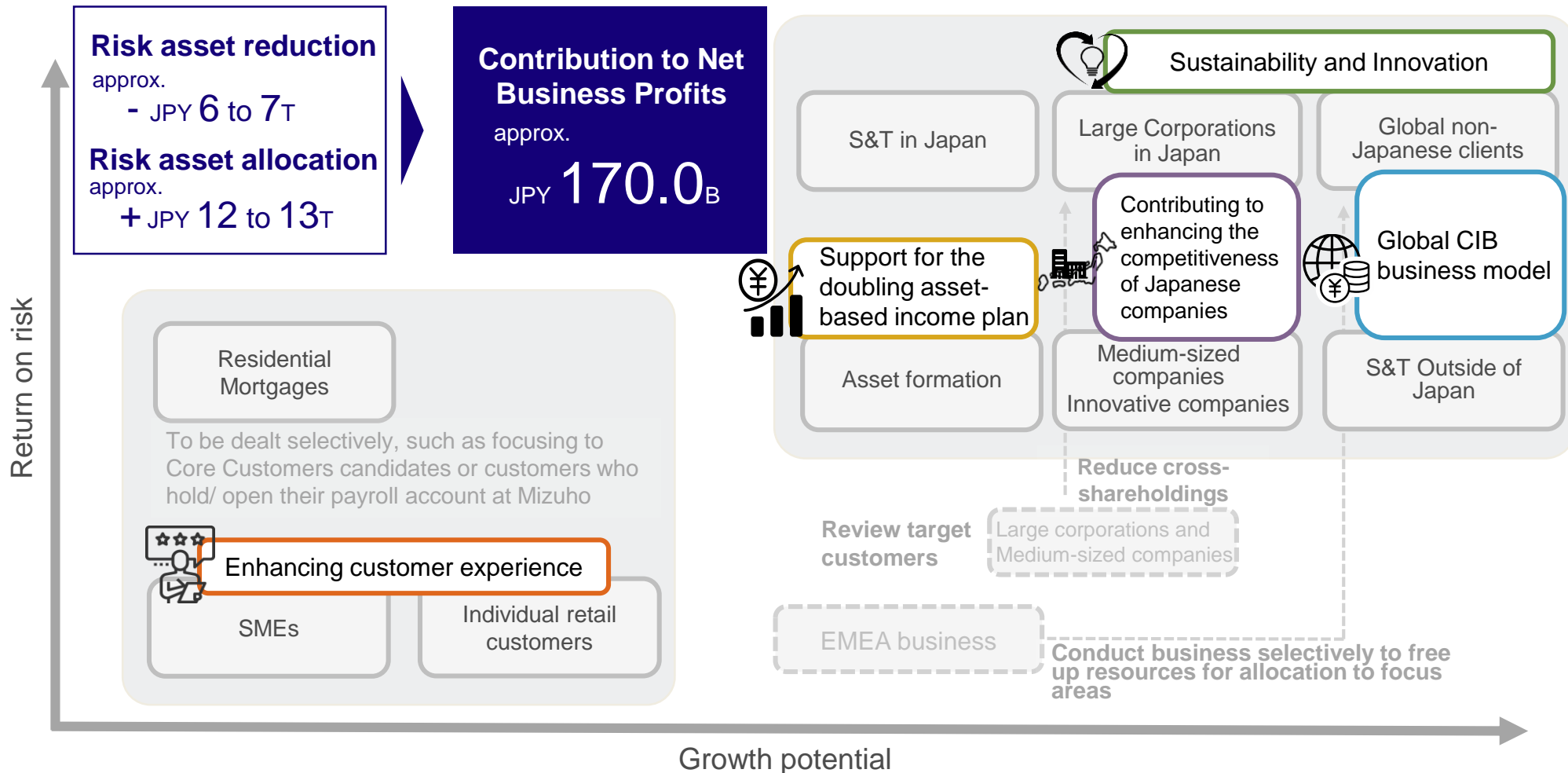


1. FY22 ROE (Net Income on Own Capital). Incl. Net Unrealized Gains (Losses) on Other Securities. 2. Estimated based on CAPM.

# Reviewing our Business Portfolio

- In addition to making every effort to pursue capital efficiency, proactively re-allocate corporate resources to focus areas, aiming to generate additional profit

※ Current assumed scenario (FY22 vs FY25)

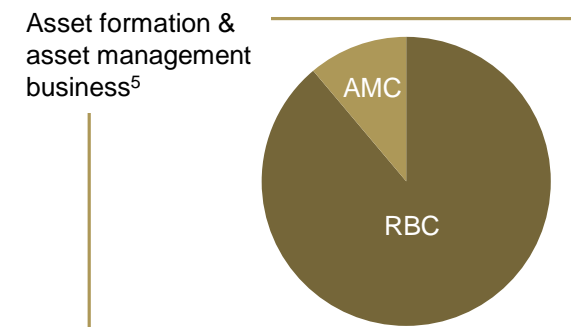
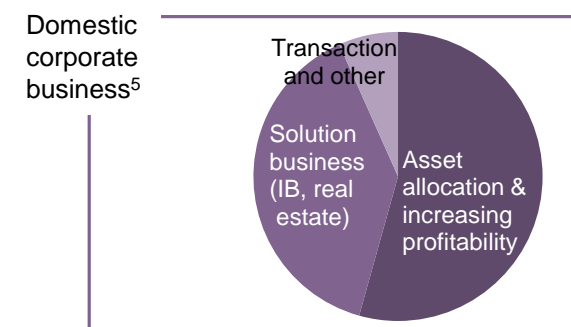
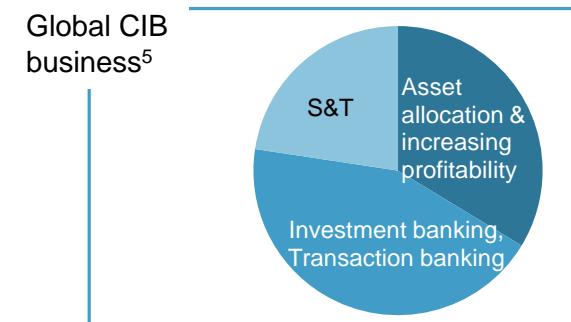
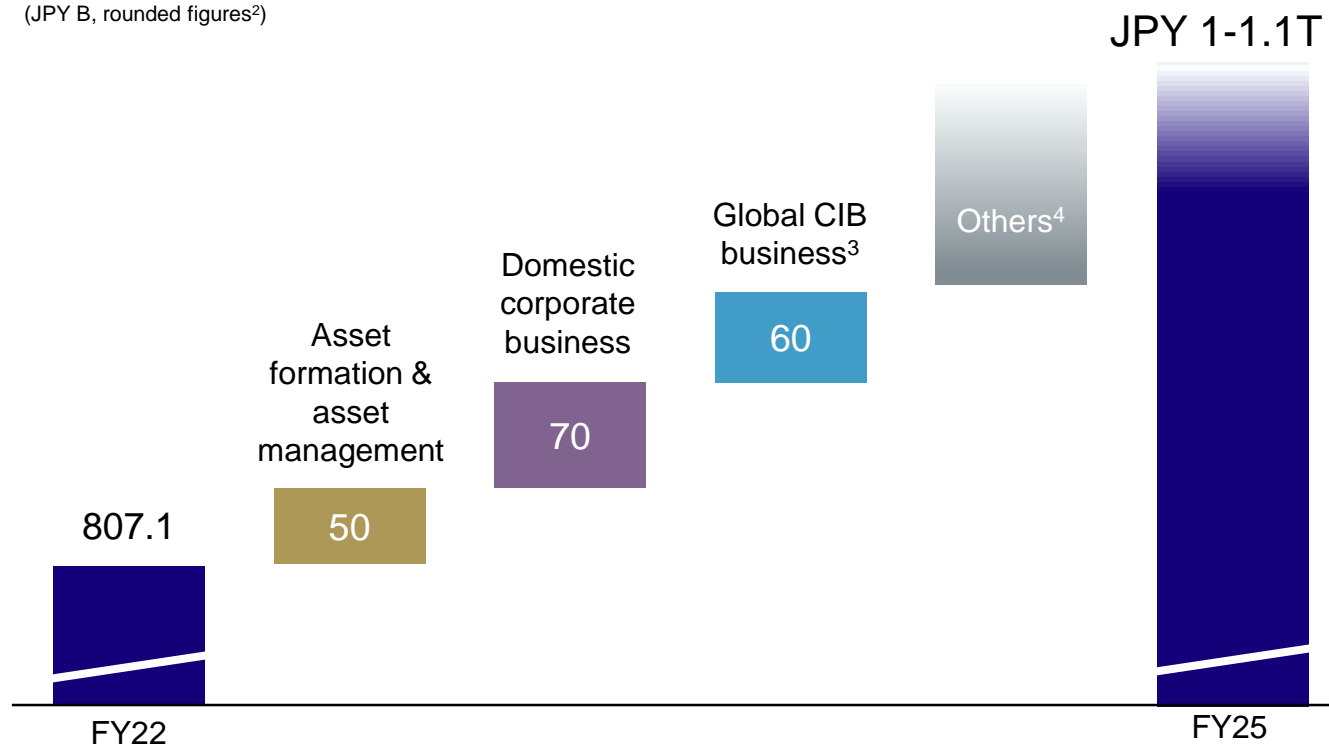


# Assumed Scenario for Target Achievement

## ■ Allocate corporate resources to focus areas, aiming for Net Consolidated Business Profits of JPY 1-1.1T, and Net Income attributable to FG of mid JPY 700B

- Asset formation and asset management: Use the new NISA<sup>1</sup> as a chance to strengthen our presence
- Domestic corporates: (Large corporates) address sustainability-driven business (Medium-sized corporates) target and approach strategically
- Global CIB business: Reallocating and injecting resources to the Americas and APAC regions where growth is expected
- Expenses: Exercise a disciplined, ratio-focused approach. Allocate expenditure to focus business areas and to streamline corporate governance functions in order to keep aligned with G-SIBs standard

(JPY B, rounded figures<sup>2</sup>)

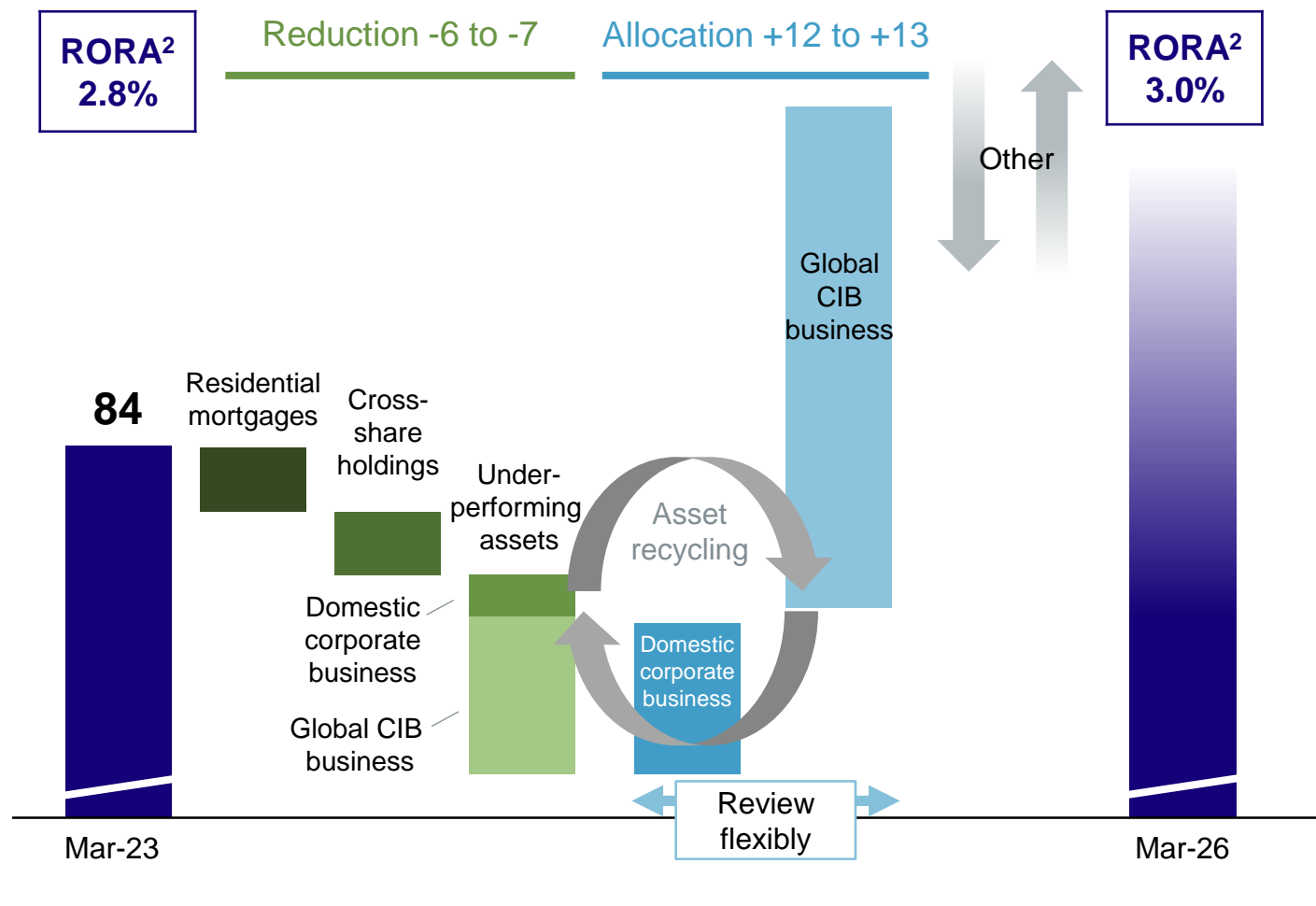


1. Nippon Individual Savings Account. 2. Consolidated Net Business Profit + Net gains (Losses) related to ETFs and others 3. GCIBC+GMC/S&T Outside of Japan 4. Banking + S&T in Japan and other. 5. Gross Business Profits base. The pie chart shows the proportion of the profit growth (outlook) in each business to the total accumulative profit growth from FY22 to FY25 (outlook) in the focus areas. Rounded figures.

# Assumed Scenario for Target Achievement – Risk Weighted Assets (RWA)

- Reallocate RWA<sup>1</sup> to focus business areas whilst pursuing capital efficiency. Though a slight increase expected in the total, use of RWAs will be flexibly reviewed in line with prevailing business environment

(JPY T, rounded figures)



## Reduction

### Residential mortgages

- To be dealt selectively based on customer's income and nature of relationship such as existence of payroll account and ancillary transactions

### Cross-shareholdings

- Plan to reduce by JPY 300.0B

### Under-performing assets

- Japan: Reduce mainly in RBC
- Outside Japan: Reduce mainly in EMEA and APAC

## Allocation

### Domestic corporate business

- Allocate to assets with higher profitability

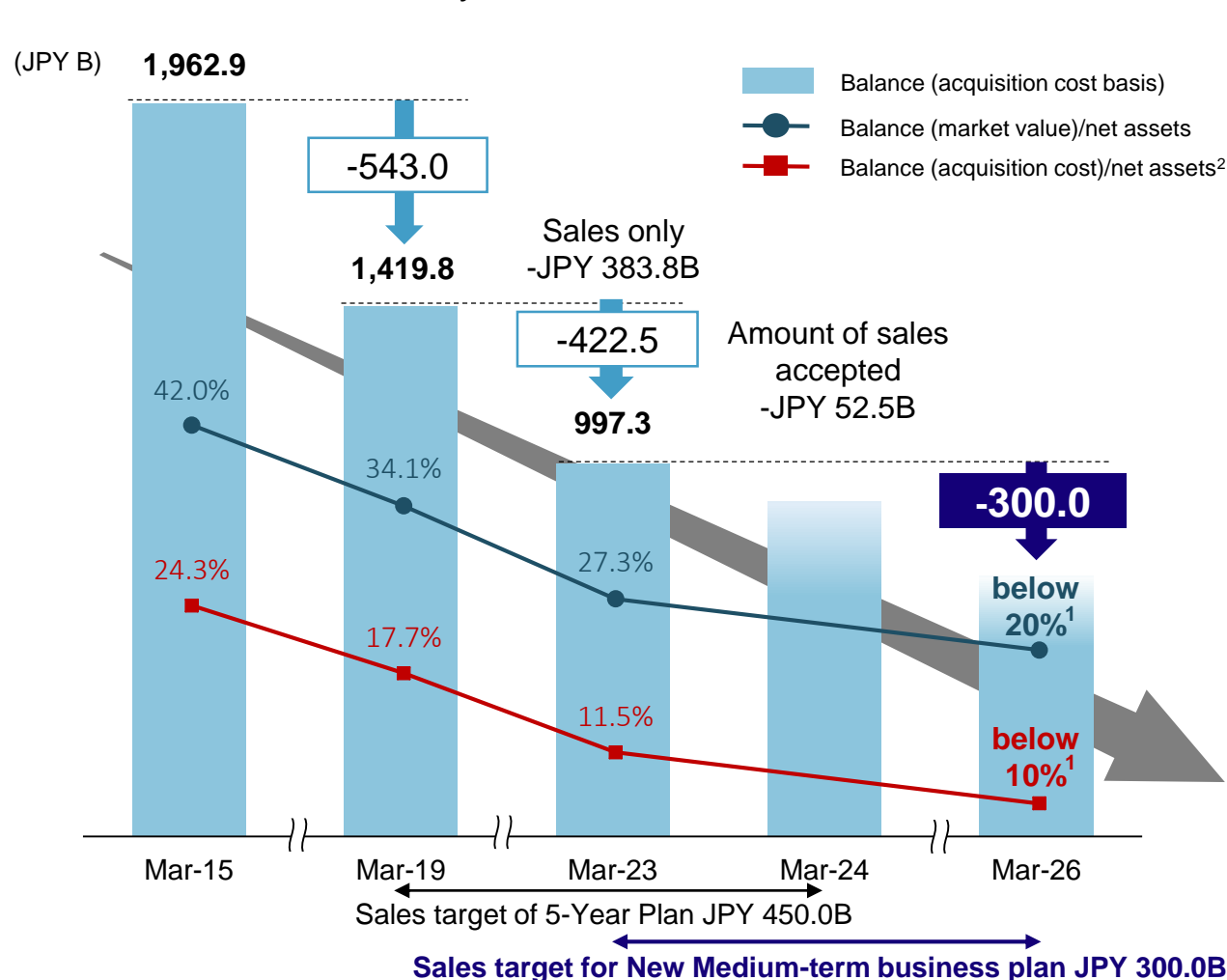
### Global CIB business

- Allocate mainly to Americas and APAC

1. RWA calculated on a management accounting basis. RBC, CIBC & GCIBC calculated on Basel III finalization basis. Incl. interest-rate risk in banking account. 2. Gross Business Profit RORA.

# Sales of Cross-shareholdings

- Plan to reaccelerate sales as part of the new Medium-term business plan, in pursuit of enhanced capital efficiency. Assumed outcome for ratio of stocks to net assets to be less than 10% in book value and less than 20% in market value by the end of Mar-26 <sup>1</sup>



**New Medium-term business plan target**

**Sales JPY 300.0B**  
(Mar-23 to Mar-26)

(Reference) Stock reduction from Employee Retirement Benefit Trust Fund

	Mar-20 to Mar-23 Actual	Mar-23 to Mar-26 Outlook <sup>3</sup>
Total Reduction	-JPY 576.8B	-JPY 200.0B
CET1 Capital Ratio (Basel III finalization basis) <sup>2</sup>	+0.5%	+0.2%

**Continue sales after Mar-26, putting emphasis on profitability**

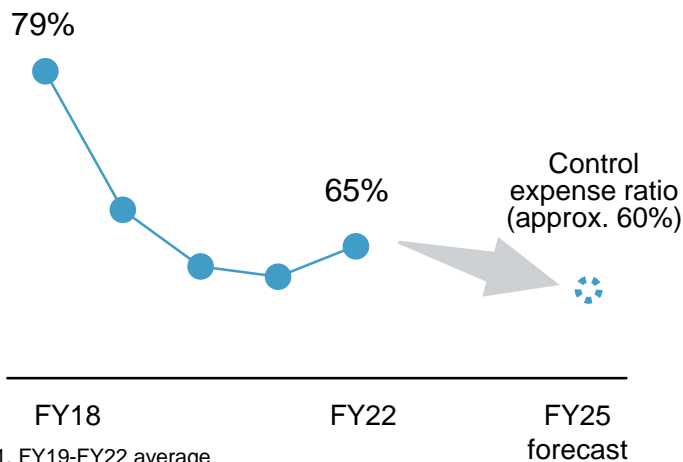
1. Calculated based on the net asset and stock price as of Mar-23. 2. Excl. net unrealized gains (losses) on other securities. 3. Calculated based on stock market price and market outlook as of Mar-23. The figure fluctuate based on market price.

# Assumed Scenario for Target Achievement (other corporate resources)

- Thoroughly review our business portfolio and the current allocation of corporate resources, given their constraints, and reallocate them to focus areas

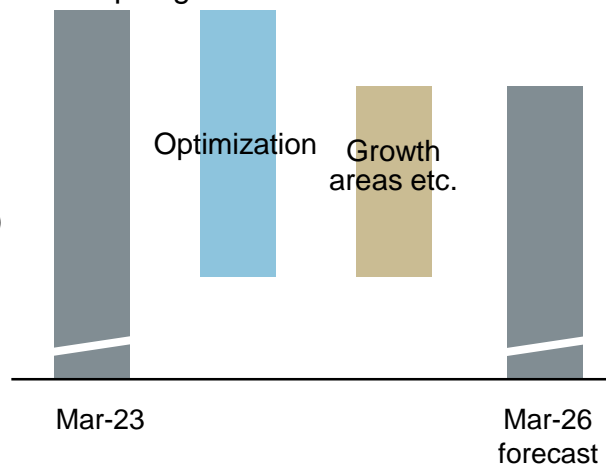
## Expense ratio

- Lowered the expense ratio notably through structural reforms
- While ensuring disciplined control of expenditure based on expense ratio, allocate expenses mainly to focus areas
- Stay committed to raising productivity and reducing expenses



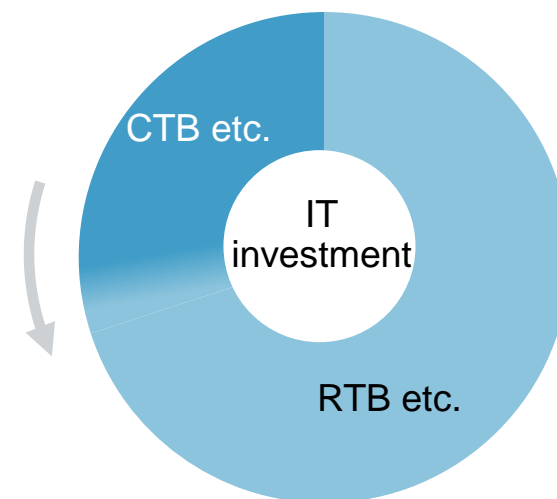
## Personnel

- Although process of digitalization is still underway, headcount is decreasing
- Promote digitalization and optimization of business processes. Improve efficiency of existing businesses
- Allocate human resources to focus areas and areas necessary to streamline corporate governance functions in order to keep aligned with G-SIBs standard



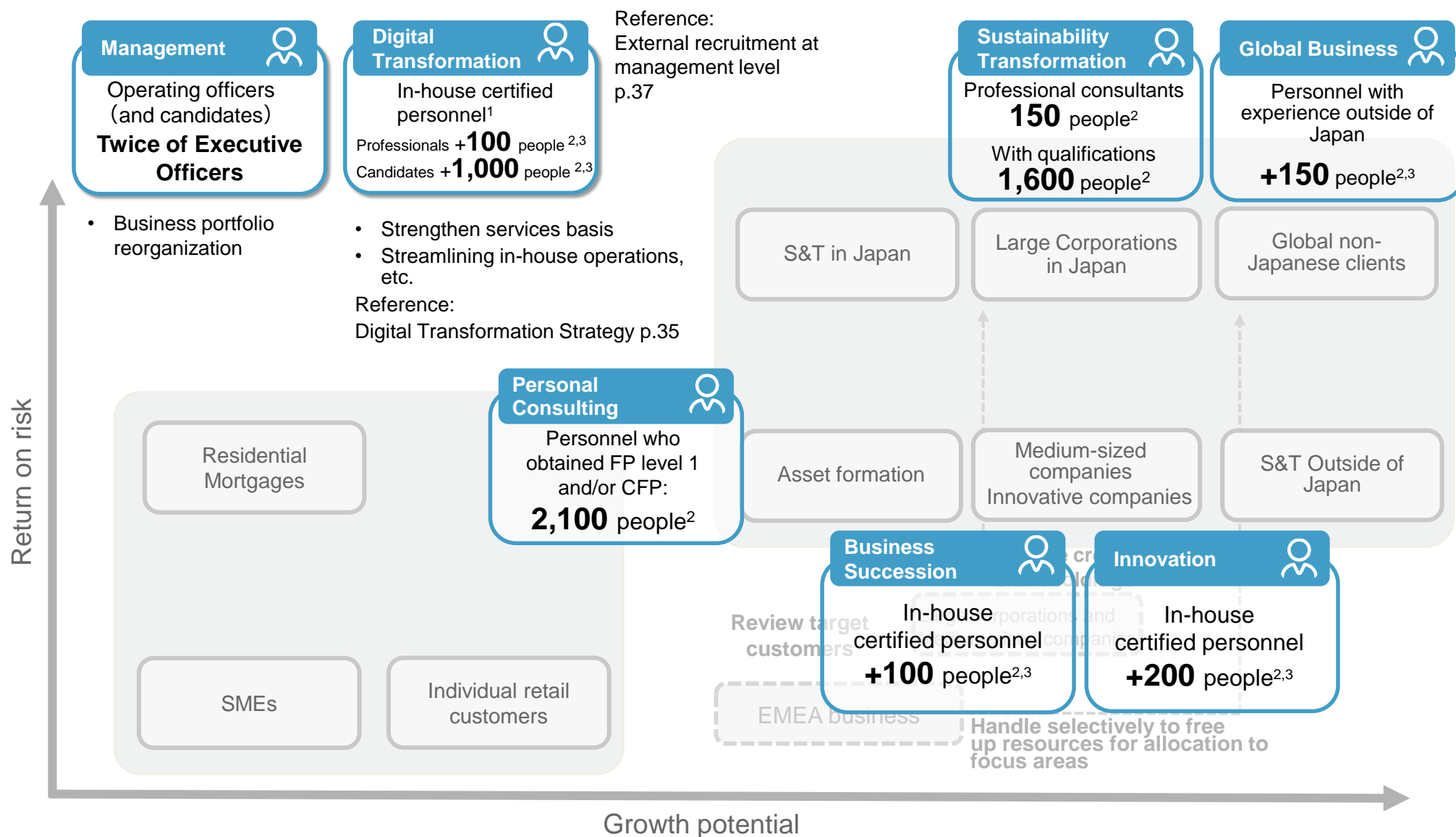
## IT investment

- Work on to optimize IT system structure, in addition to investment for Running the Bank (RTB), accelerate investment aimed Changing the Bank (CTB)
- Increasing IT-related investment for CTB, from current approx. 20%<sup>1</sup> up to below approx. 30% in three years





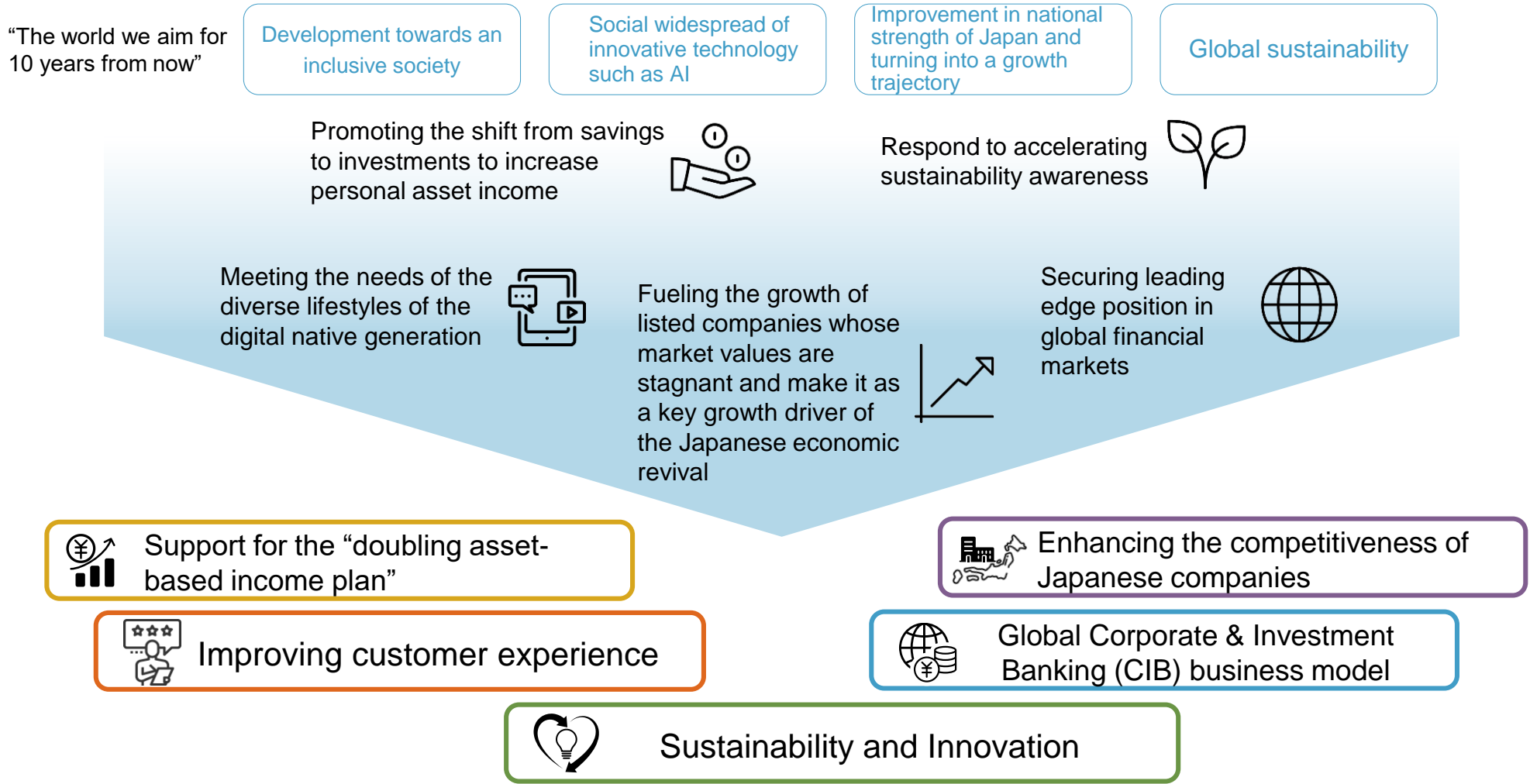
# Arranging our Professional Workforce based on Business Portfolio Restructuring



1. Professionals: Professional personnel who has advanced skills and knowledge in addition to digital transformation (DX) literacy and aim to play a role in the DX area. 2. FY25 target. 3. Total of three years.

# Business Focus Areas

- Defining the business areas that Mizuho needs to focus on in order to make “the world we aim for 10 years from now” a reality

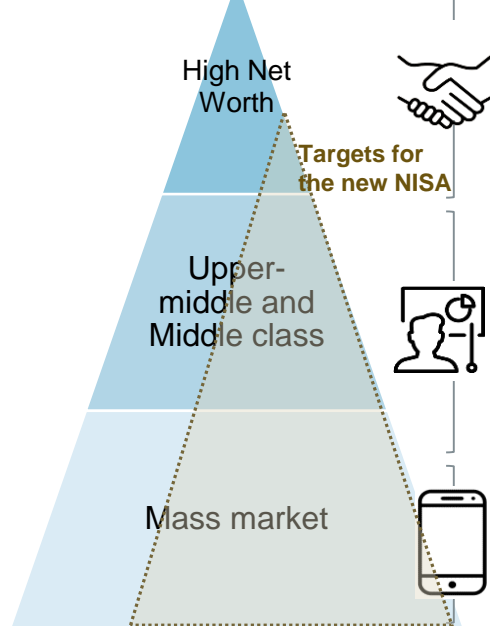


# Support for the “doubling asset-based income plan”

- Tapping into the new NISA<sup>1</sup> market, promote shift from savings to investments on a group unified basis. Also take advantage of our alliances with external companies

## Recognition of Current Situation

- Unified strategy integrating resources of each entity. Promoted Global Equity strategy and expanded our AUM
- Challenges remain
  - acquiring clients' core fund by improving consultation capability, such as taking clients' wealth portfolio into account
  - digitalization and service quality

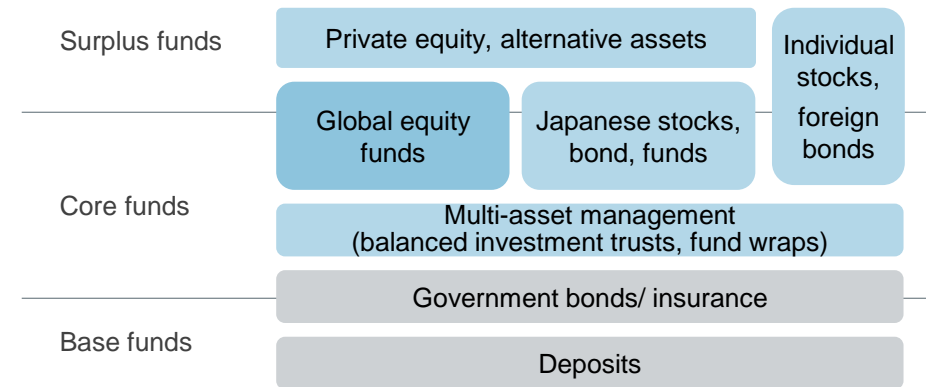


Equity investment trust balance<sup>2</sup> (Mar-23)  
**JPY 6.2T**  
 +JPY 2.1T (vs. Mar-19)

- Providing comprehensive asset consulting that meet customers' risk/return and diverse needs
- TB** Real-estate, inheritance
- SC** Asset-management
- BK** Act as a client relationship hub
- Exercise face-to-face consulting capability
- Using all available channels (apps etc.) to improve customer convenience
- Support asset building of clients, helping them moving up to the upper client class
- BK** Asset-building
- Tap customers via web and alliance channels

## Diverse product provisioning

- In anticipation of environmental changes such as rising interest rates, expand multi-asset management and bond fund business
- Evolve into a stage of genuine Comprehensive Asset Management Consulting service not limited to Global Equity Strategy



## Entry products for NISA



AM-One's low-cost passive fund series sold at 198<sup>3</sup> financial institutions including BK and SC

## Alliances



Utilize PayPay Securities' 57M<sup>4</sup> customer base. Strengthen points of contact with people who are investment beginners




Online platform that boasts a very strong client base with over 9M securities accounts

1. Nippon Individual Savings Account. 2. Equity investment trust. RBC. 3. Apr-23. 4. Registered users as of Apr-23.

# Improving customer experience

- In addition to enhancing and reorganizing our in-house services, will leverage our alliances to further enhance customer convenience, aiming for No.1 in our field

## Enhancing our in-house services

- Enabling customers to receive services without visiting our locations
  -  - Invest in digital technologies on the scale of JPY 100.0B in the mid-term
  -  - Digitalize the main services needed by corporate and retail clients
- Provide the right solutions at the right time, through further understanding of our customer needs

 - Plan to gradually launch a digital marketing platform in collaboration with Google Cloud after Oct. 23

- Domestic locations
  - Introduction of streamlined branches with self-service operation, while redesigning interior and hours of business
  - Optimize resources and operations in remote regions and review locations by area with a full banking services model

## Leveraging of our alliances

- Reach out to external customer bases through web-based platforms

Loans	
Securities	 
Virtual Currencies	

- Project-related reviews made in line with the recent business environment

Bank	LINE Bank	Cancelled due to changes in external business environment
Loans	J.Score	Integrated with LINE Credit

# Enhancing the Competitiveness of Japanese Companies

- Demonstrate Mizuho's strengths across business areas, helping to enhance the competitiveness of Japanese industries and corporations

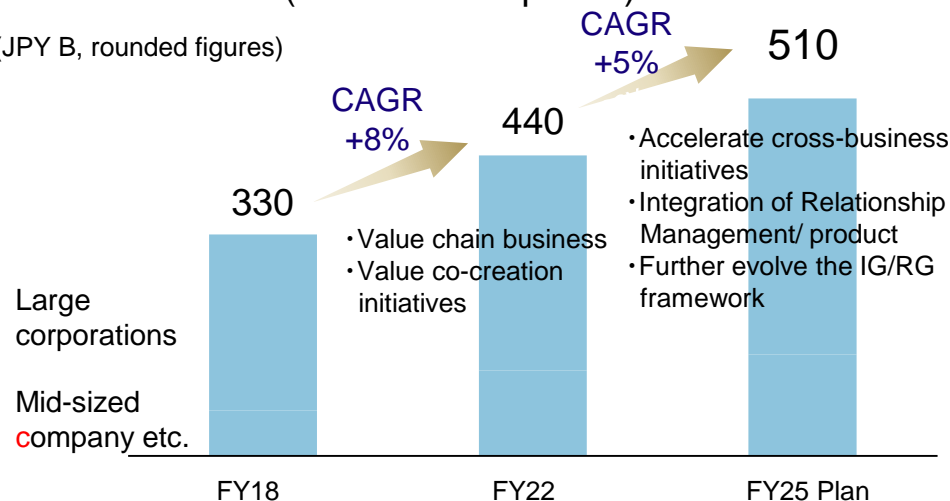
## Accelerate collaboration between business lines

- Support mid-sized companies by deploying sector and product expertise cultivated through relationship with large corporations
- Fully utilize our client network, such as arranging co-creation between large corporates and mid-sized companies or innovative companies with technological advantage or product strength

Enhancing the competitiveness of Japanese companies

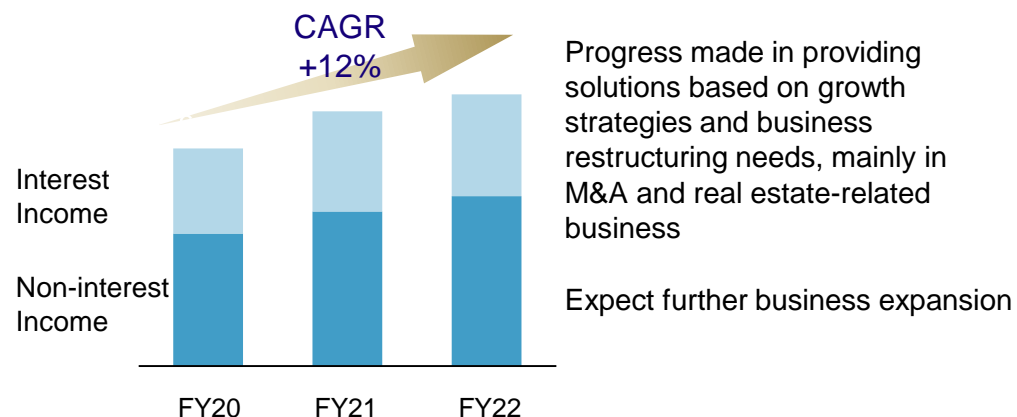
## Business outlook (Net business profits)

(JPY B, rounded figures)



## Strategic approach in upper grade middle market

### Gross profits from mid-sized companies



## Assisting innovative companies

Total Balance<sup>1</sup> (FY22)

**+60%**  
(vs FY16)

Total investment<sup>2</sup> (FY22)

**3.7x**  
(vs FY16)

## Creating sustainability-driven business

Sustainable finance target

JPY **100T**  
by FY30

Transition finance

aim for over JPY **50.0B**  
in the next 10 years

1. BK. Total balance as of Mar-23 for 5,040 innovative companies, which are defined as of Apr-22. 2. Investment balance incl. domestic venture and growth funds contributed by group entities, and funds operated by Mizuho Capital. Excl. unused commitment line.

# Sustainability and Innovation

- To realize the Mizuho's vision for the future, demonstrate Mizuho's strengths and contribute to realizing sustainability with our clients

Focus points for promoting sustainability transformation

Structural changes in the Japanese economy and industry

Practical application of new technologies

Expanding from Japan to Asia

From large corporations to SMEs and mid-sized companies

Establish a structure for financing in diverse ways

The Mid-term business plan period (FY23-25)

Mizuho's vision for the future

- Establish a structure for providing financing for business transition, including sustainable finance

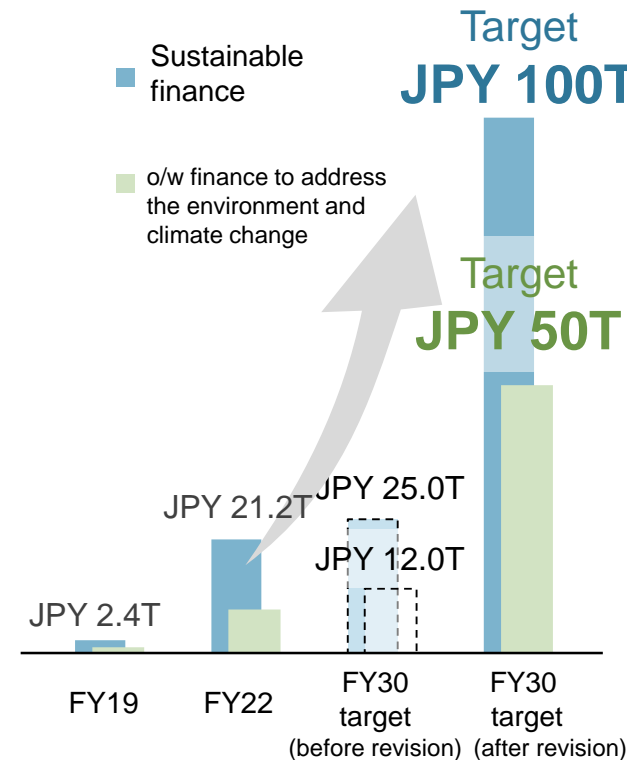
Equity investment for transition      Aim for over **JPY 50.0B** in the next 10 years

- In line with the progress of decarbonization and sustainability, tap into new, individual areas to create new businesses

Hydrogen, ammonia, CCUS\*, carbon credits, etc.

- Build networks with government and academia, proactively participate in policy- and rule-making
- Boost our strength by enhancing environmental and industrial knowledge while broadening the talent pool by training

## Sustainable finance target



- Realizing a decarbonized, resource-recycling society
- Building compact cities where people can live in safety and security
- Extending people's healthy life expectancy while ensuring the sustainability of the social security system
- Securing an employment system that supports growth industries
- Achieving a virtuous cycle of creating markets in Japan while strengthening global competitiveness

\* CO2 capture, utilization and storage.

# Reference: Examples of Sustainability Initiatives

- In addition to supporting decarbonization efforts, Mizuho promotes a wide range of initiatives, including support for early-stage businesses and technologies, and supplying risk money

## Electric power, Oil & Gas

### Electronic utility

- Chugoku Electric Power Co.: Arranged transition-linked hybrid loan
- Kyushu Electric Power Co.: Arranged transition-linked loan

### Industrial Companies

- Kao Corporation: Conclusion of virtual PPA<sup>1</sup>
- Arranged of green loan for solar power generation business

### Municipalities

- Abukuma area of Fukushima Prefecture: Arranged project finance for a wind power plant

## Automotive

### Largest ever

- Nissan Motor Co.: Arranged largest-ever green loan for R&D and investment in zero-emissions vehicles

### China: First in auto finance industry

- Genius Auto Finance Co.: Arranged sustainability-linked syndicated loan

### Global

- UK: Investment in an onshore wind farm project
- France: Financing for a floating offshore wind farm project
- Saudi Arabia: Financing one of the world's largest green ammonia facilities

## Aviation

### First in Japan

- Japan Airlines Co: Arranged specific-purpose transition-linked loan

### Public-private partnership

### Early stage

- Public-private partnership and cross-industry efforts geared toward the commercialization of SAF<sup>2</sup>



## Innovation

### Supply of risk money

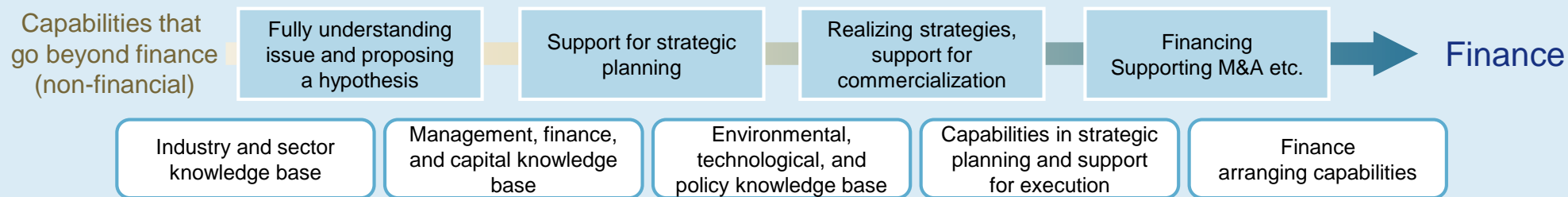
Transition finance: Starting in April 2022, **3** deals have been closed

- Synprogen: a startup launched from Kobe University, working on bio-manufacturing
- DUAL MOVE: a startup company working to develop in-vehicle XR<sup>3</sup> technology
- Mci Carbon: Australian startup working to develop CCU<sup>4</sup> technology

1. Power Purchase Agreement. 2. Sustainable aviation fuel. 3. Cross-reality. 4. CO2 capture and utilization.

# Reference: Mizuho's Strength in the Fields of Environment, Technology and Policy-making

Providing one-stop support, assisting our customers in their sustainable transformation, from providing solution to execution



## Examples of relationships with government agencies

- Supports for policy-making through commissioned government researches related to the environment, etc.
- The knowledge Mizuho acquires through providing such supports give us an edge when it comes to supporting private-sector companies

Ministry of the Environment	Support for negotiations on climate change with international organizations and for policy and institution-building
	Support for studying the effectiveness and verification of carbon pricing and carbon tax in and outside of Japan

METI<sup>1</sup> Served as secretariat for the study group on carbon credits

- Support for policy-making through participation in various environmental-related councils

METI, FSA <sup>2</sup> , Ministry of the Environment	Study group on the supply of funds for industrial GX <sup>3</sup>
	Study group on developing the transition finance environment

Financial Services Agency GX League management promotion WG

## Our expertise on environmental technologies

- Mizuho demonstrates a high level of expertise in advanced technologies, based on a wealth of technology-related knowledge gained from many years of providing support in environment-related fields, such as the commissioning of government surveys

## Cases where we have demonstrated knowledge of advanced technologies

### Hydrogen

- Jointly contracted with two private-sector companies for the NEDO<sup>4</sup> project for studying a BECCS<sup>5</sup> - integrated demonstration model for CO<sub>2</sub>-negative hydrogen production using domestic biomass

### CCUS<sup>6</sup>

- Ministry of the Environment demonstration project for environmentally-friendly CCS<sup>7</sup>
- Investment in MCI Carbon Pty Ltd, an Australian company working to develop CCU<sup>8</sup> technology

1. Ministry of Economy, Trade and Industry. 2. Financial Services Agency. 3. Green transformation. 4. New Energy and Industrial Technology Development Organization. 5. Bio-energy with Carbon Capture and Storage. 6. CO<sub>2</sub> capture, utilization and storage. 7. CO<sub>2</sub> capture and storage. 8. CO<sub>2</sub> capture and utilization.



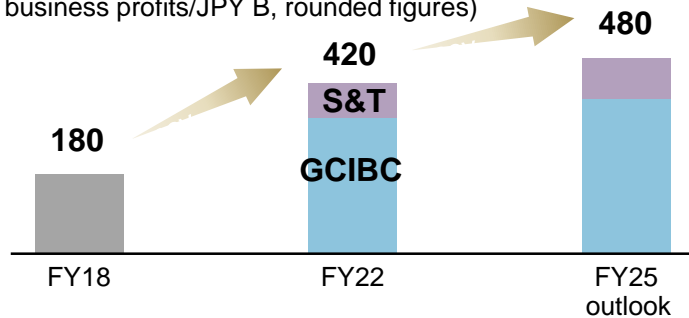
# Global CIB business model (1)

- Pursue capital efficiency by striking the right balance between optimizing the CIB model and management resources

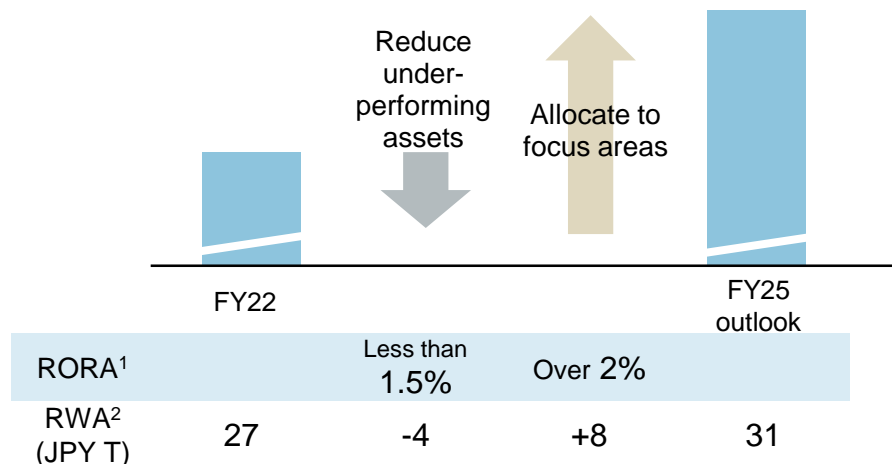
## Business Performance outlook

- US capital markets, S&T, and APAC/transaction banking have been growing
- While conducting disciplined expense management on the one hand, allocate expenses for growth and regulatory compliance

(Net business profits/JPY B, rounded figures)



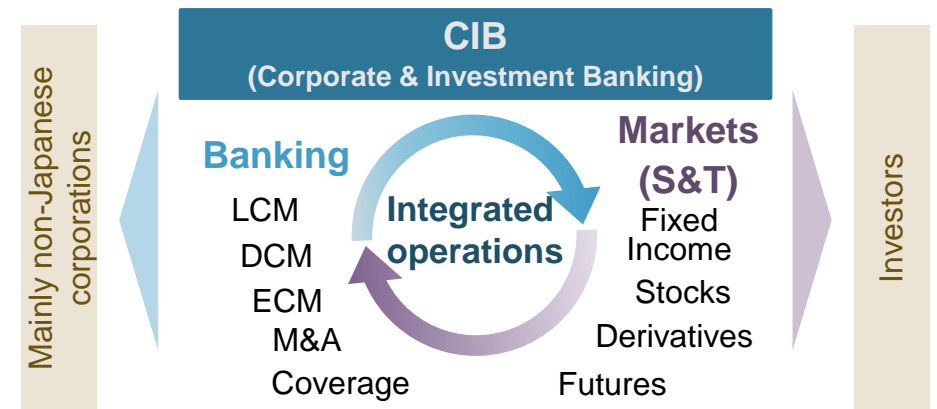
- Make every effort to boost the profitability of the entire GCIBC business area (conceptualized gross profits, rounded figures)



1. Gross profit RORA. 2. Basel III finalization fully-effective basis.

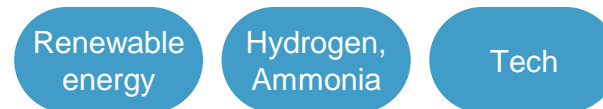
## CIB model

- Pursue banking and securities integrated operations in both primary and secondary market businesses



## EMEA

- Restructure the business base to make it more lightweight and efficient in view of the highly competitive market environment
- Reduce assets with low profitability, and selectively reallocate assets based on sustainability and digital transformation

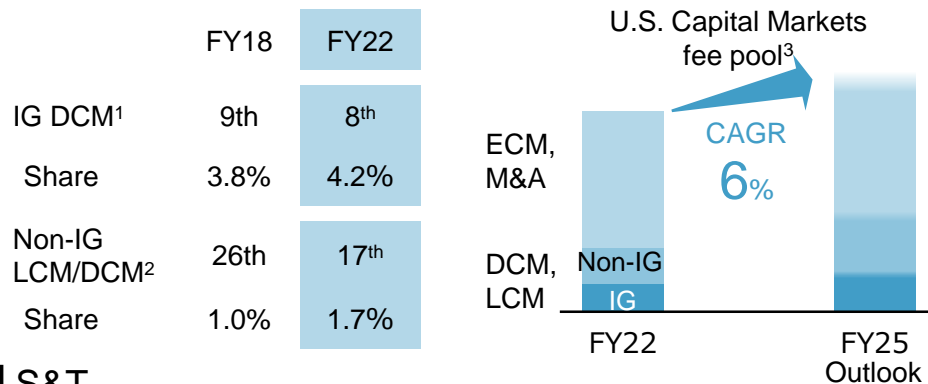


# Global CIB business model (2)

- Allocate corporate resources to the Americas and APAC, where strong growth is expected in the future

## Americas

- Strengthen our ECM and M&A business for Non-IG clients based on our business foundation built from LCM and DCM business for IG clients in the Americas, where CIB model has been already established
- Consider Inorganic investments for further growth



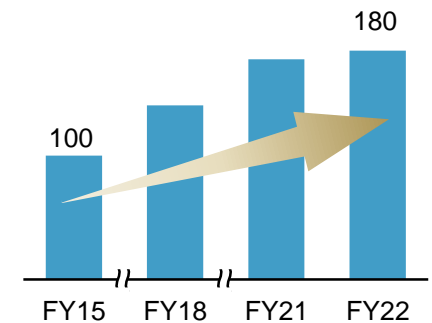
## APAC

- Allocate corporate resources with appropriate balance, capitalizing on the economic growth in each country

### Transaction Banking

- Leverage trade finance to capture cash flows and expand FX, deposits, etc.

Current Deposits balance in APAC  
(As a factor of 100 (FY15's average balance))



### S&T

- Achieved staggering growth through establishment of the CIB model and strengthening of derivatives business
- Continue to expand product quality and quantity (securitization products, etc.)

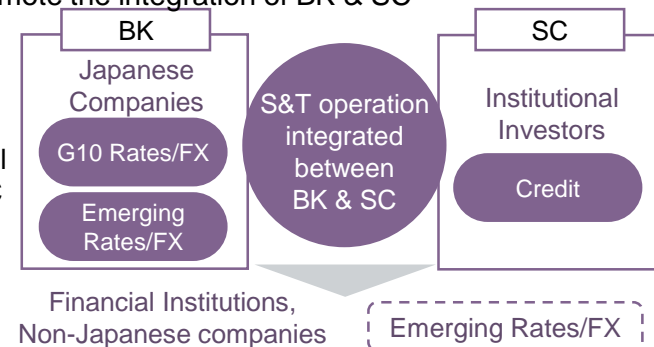
Americas S&T  
+JPY 65.0B  
FY22 (vs. FY18)

Apply the banking - securities integrated model in APAC as expanding product lineups

Export successful model from Americas to APAC

### S&T

- Complete the foundation development for derivatives business, and promote the integration of BK & SC



1. Bonds issued by investment grade corporations. Fee basis. Source: Dealogic. 2. High-yield loans and bonds issued by non-investment grade corporations. Fee basis. Source: Dealogic. 3. Source: Dealogic. FY25 is estimated figures.

# Co-creating Value with Clients through Digital Transformation (DX)

- Collaborate with various partners to co-create value in DX area toward a prosperous future

## Expanding our DX business

### Enhancing incubation

#### | Blue Lab

Promoting new business creation and incubation in both financial and non-financial areas



#### | Investment and capital injection in DX and other areas

Support for startups utilizing MHIF\* and various investment facilities

### Scaling and co-creation with clients

#### | Scaling based on client needs

- Make use of financial functions including BaaS, such as in-house coins and API connectivity
- Establish next-generation businesses in areas such as DX for municipalities
  - Cashless services
  - DX for tourism and mitigation of disaster im
  - Data infrastructure linkage, etc.

Alliances: p.28  
Channel strategy: P87

## Our DX foundations

### Transforming workstyle

#### | Azure Open AI (Chat GPT)

Establish a shared platform to improve employee productivity

#### | Utilize in-house data

Leverage FT's data science edge

### Developing DX personnel

#### | Establish a mechanism for developing DX personnel

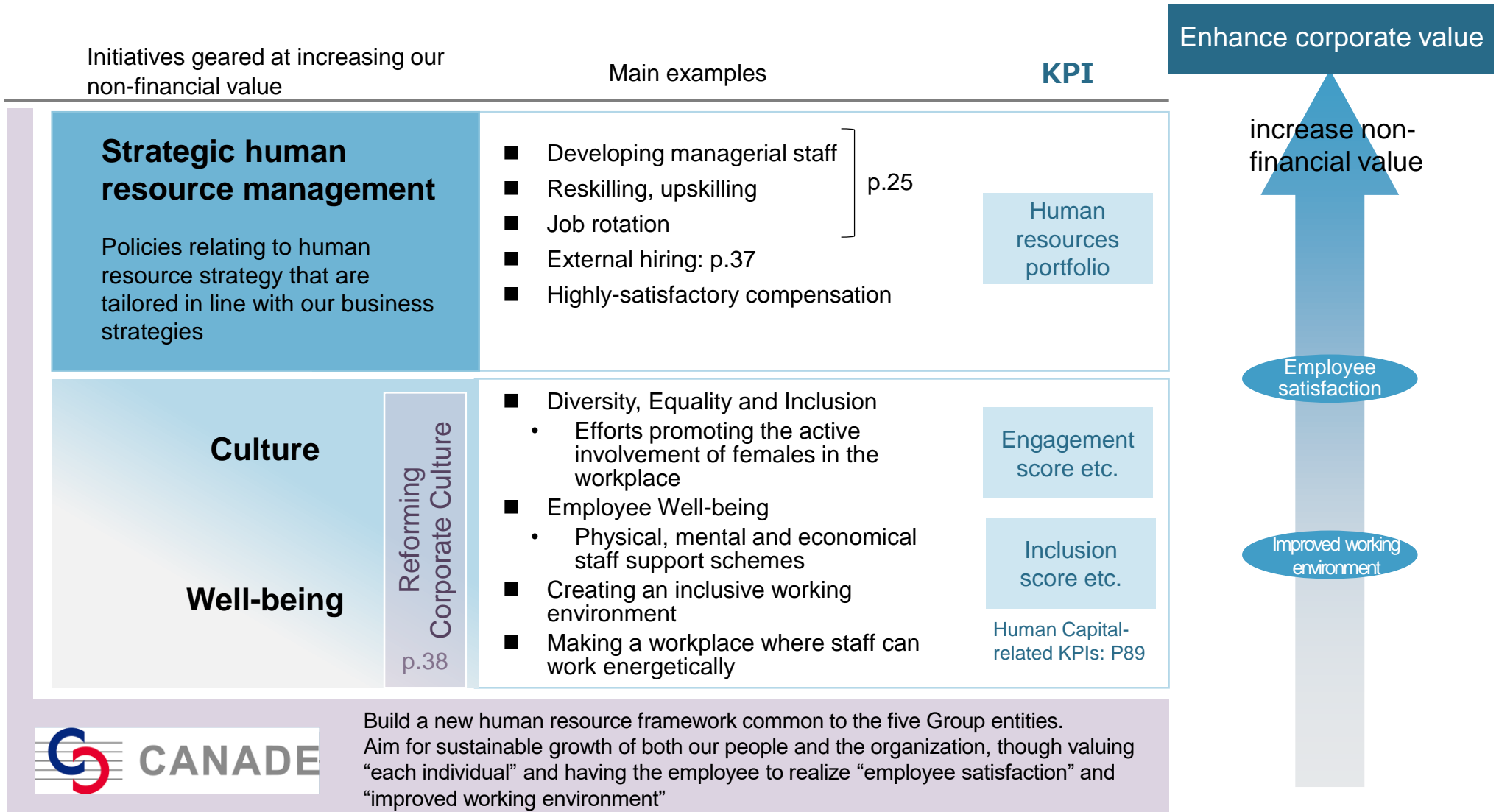
- Secure human resources to support business promotion
- Support for employees taking on challenges and gaining employee satisfaction

Demonstrate our strengths, such as the high level of expertise possessed by our RT and FT experts along with our open and multi-faceted alliances

\* Mizuho Innovation Frontier Co., Ltd. Established on April 3, 2023, as a wholly-owned subsidiary of Mizuho FG.

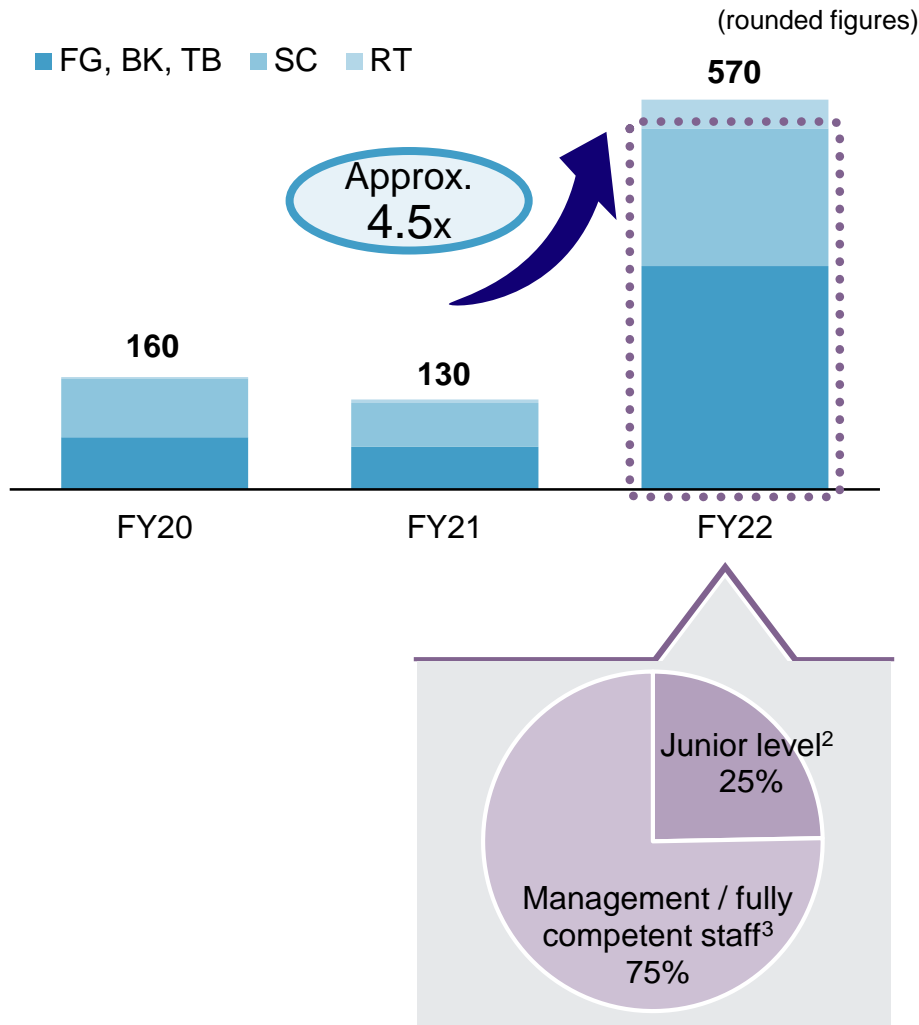
# How Human Capital can Enhance Corporate Value

- Aim to increase non-financial values by reinforcing human capital



# Reference: Trend in external hires - Promoting DE&I initiatives

## Mid-career recruitment track record<sup>1</sup>



## Of which management-level personnel<sup>4</sup>

(FG unless stated)

Stable business operations	<p><b>Masatsugu Shimono</b>, Group Executive Officer</p> <p><b>Hidekazu Kojima</b>, Group Executive Officer, Joint Group Chief Compliance Officer</p> <p><b>Yuta Hayashi</b>, Group Executive Officer, Dep. Group Chief Information Officer</p> <p>etc.</p>
Digital transformation, Culture	<p><b>Natsumi Akita</b>, Senior Executive Officer, Group Chief Culture Officer, Group Chief People Officer</p> <p><b>Akiyuki Ui</b>, Operating Officer, Deputy Head of RBC, Deputy Group Chief Digital Officer, BK</p> <p><b>Koji Yanagida</b>, Operating Officer, Deputy Head of RBC, BK</p> <p>etc.</p>
Business areas incl. outside Japan	<p><b>Noriyuki Sato</b>, Senior Executive Officer, Head of AMC</p> <p><b>Atsuhiko Morishima</b>, Group Executive Officer, Deputy Head of RBC</p> <p><b>Andy KiHeung Nam</b>, CIO for Asia-Pacific, BK</p> <p><b>Ashutosh Kumar</b>, Head of Global Transaction Banking, Asia- &amp; Oceania, BK</p> <p>etc.</p>

1. Other than internal appointments. 2. Job position "A" of FG, BK, TB & SC. 3. Job position "L" and above of FG, BK and TB, "M" and above of SC. 4. Job position as of Apr. 23.

# Corporate Culture Transformation

- The GCEO is leading the group-wide reforms on a hands on basis of Mizuho's corporate culture, focusing on ensuring that the message to be penetrated internally and disseminated externally

## GCEO initiatives

### Redefining Corporate Identity

- Intensify discussion between management and employees based on proposal made by employee working group
- Redefined Corporate Identity, Purpose and Values based on the voices of our employees (over 3,000 contributions) and discussions at management level

### Initiatives to improve employee engagement

- Set up engagement opportunities including meetings to exchange opinions with employees: FY23 GCEO Live Session and town-hall meetings
- Location visits in and outside of Japan: 40 as of Apr. 23
- Promoted the discontinuation of internal inefficient work

## Collaboration with Tokyo University of the Arts



Promoting changes to corporate culture  
Increasing unique brand value

Under the concepts of “raising our spirits through art,” “making art more accessible,” and “wanting to make a change through the power of art,” both parties aim to co-create a prosperous society that is sustainable not only in terms of its economy but also its art and culture

- Driving force to resolve social issues<sup>2</sup>
- Knowledge base in finance and economics, technical capabilities, and economic infrastructure

- Ability to connect various people through emotion and empathy
- Diverse points of view and awareness of issues, free expression, not bound by existing ways of thinking



TOKYO GEIDAI

Promoting the spread of the arts in society  
Improving the economic stability of artists

## Alignment with the Medium-term business plan

- Further improve engagement with both our employees and our clients

Brand communication  
(strengthening our brand)

Internal communication  
(reforming corporate culture)

- Promote a reform of corporate culture, led by our GCEO and CCuO focused on the feedback of employees

	FY22	Medium-term business plan KPI
Engagement score <sup>1</sup>	51	65
Inclusion score <sup>1</sup>	55	65

1. Based on the positive response rate (selection of 4 or 5 on a scale from 1 to 5) for four Staff Survey questions related to engagement and inclusion. 2. Social issues assumed in this context: gender equality, regional revitalization, generating innovation, Society 5.0, well-being etc.

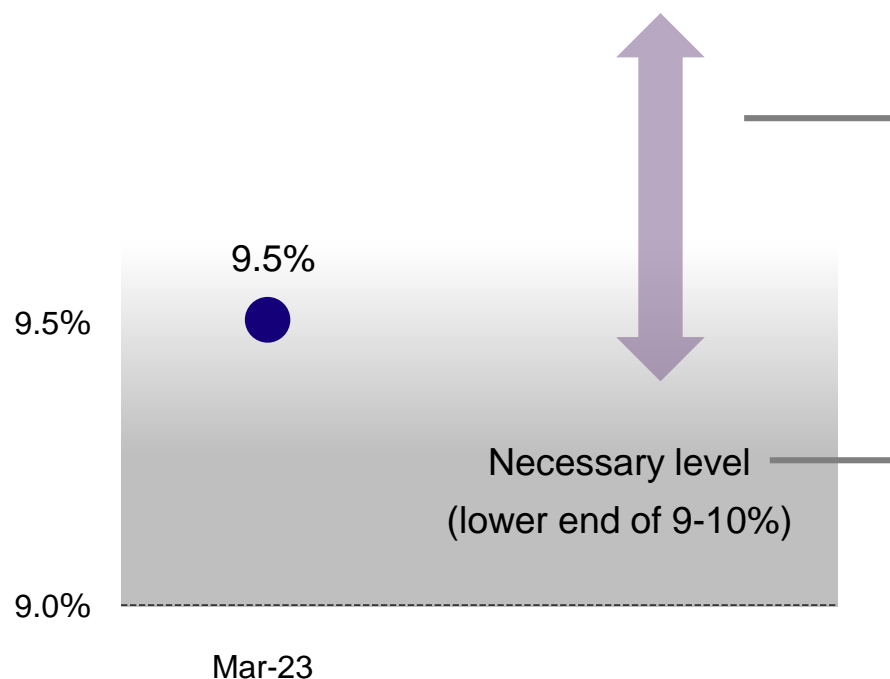
# Capital Policy

# Capital Policy

## Capital policy

Pursuing the optimal balance between capital adequacy, growth investment and enhancement of shareholder return

### CET1 Capital ratio\*



### Approach for managing CET1 Capital ratio at present

- Continue prudent capital management, including flexible control of RWAs, while paying close attention to the aftermath of US regional bank failures and geopolitical risks
- While fulfilling the necessary level (lower end of 9-10%), secure enough capacity to enable flexible capital utilization in line with management strategies

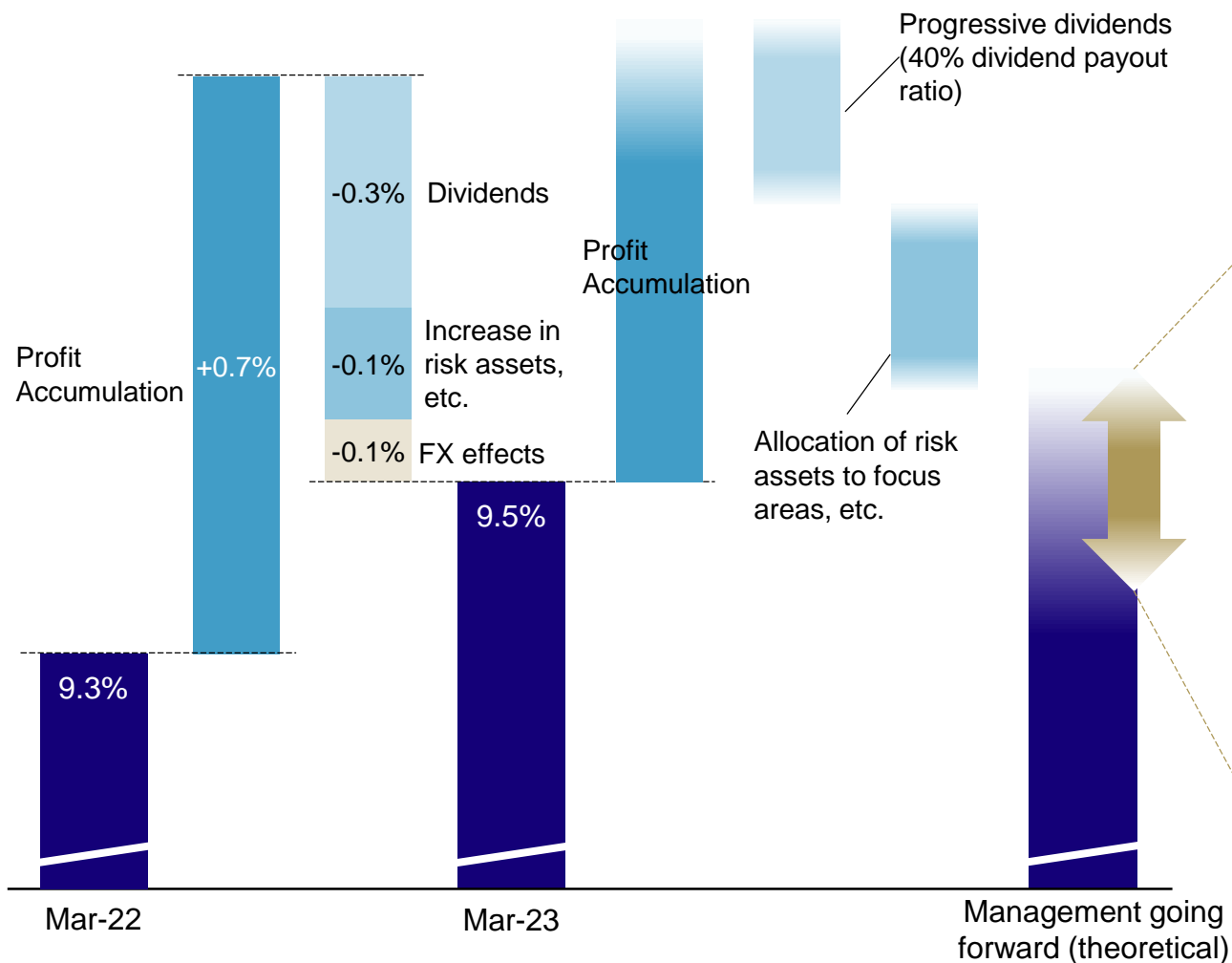
Level at which we can adequately fulfill our financing function even in risk scenarios that are expected in a regular business environment

\* Basel III finalization basis. Excl. net unrealized gains (losses) on other securities.



# Approach to Capital Utilization

## CET1 Capital ratio\*



### Capacity for capital utilization

- **Capital adequacy:**  
Secure resilience, in line with changes in the business environment
- **Growth investment:**  
Consider inorganic growth investment in accordance with management strategies
- **Enhancing shareholder return:**  
Consider taking capital adequacy and growth investment into account

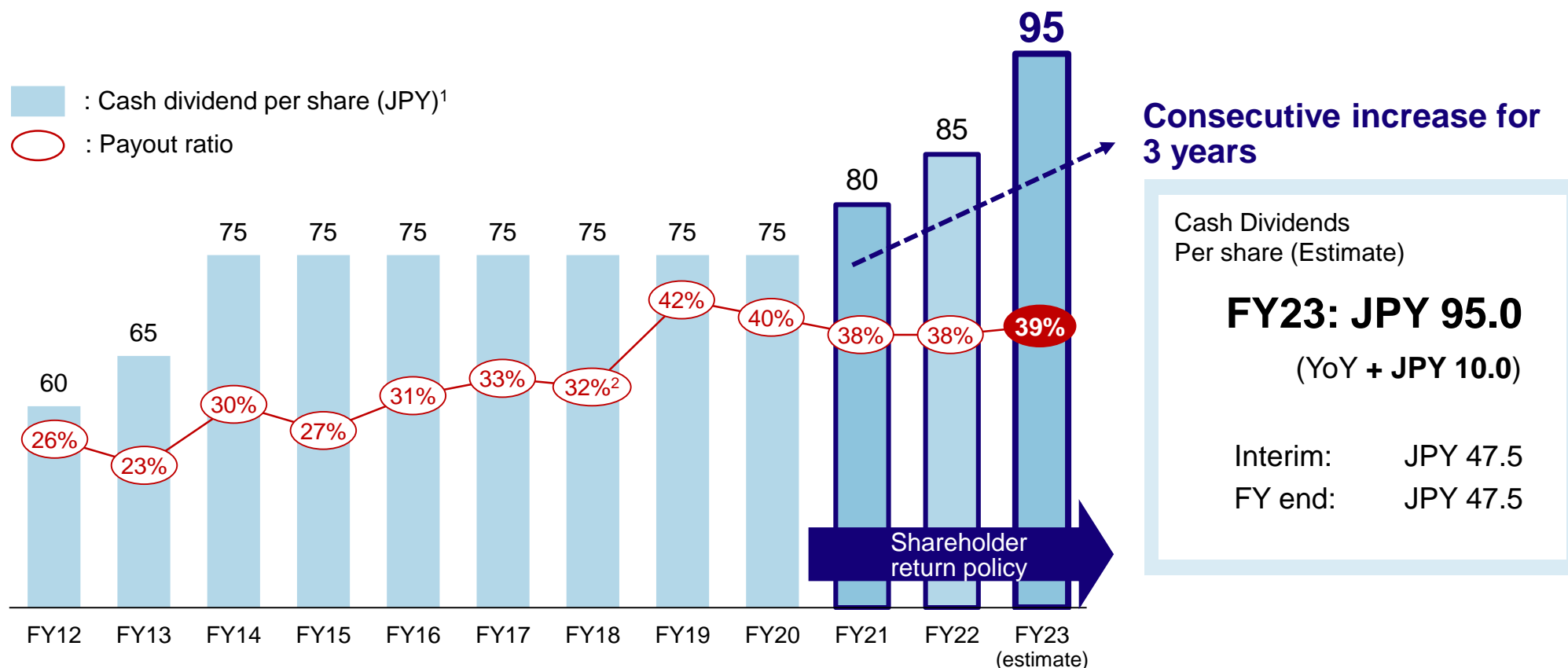
\* Basel III finalization basis. Excl. net unrealized gains (losses) on other securities.

# Shareholder Returns

## Shareholder return policy

### Progressive dividends being our principal approach while executing flexible and intermittent share buybacks

- Dividends: Decide based on the steady growth of our stable earnings base, taking 40% dividend payout ratio as a guide into consideration
- Share buybacks: Consider our business results and capital adequacy, our stock price and the opportunities for growth investment in determining the execution



1. Reflects the effect of the reverse stock split conducted in Oct. 20. 2. Before recording one-time losses basis. 197% if after recording one time losses.

Closing remarks

**Well-refined  
business model**

**Pursuing  
capital efficiency  
and  
ROE improvement**

**Sustainability  
focused and  
Human Capital-  
based management**

**DNA of Mizuho, helping our clients, economy and society to flourish**

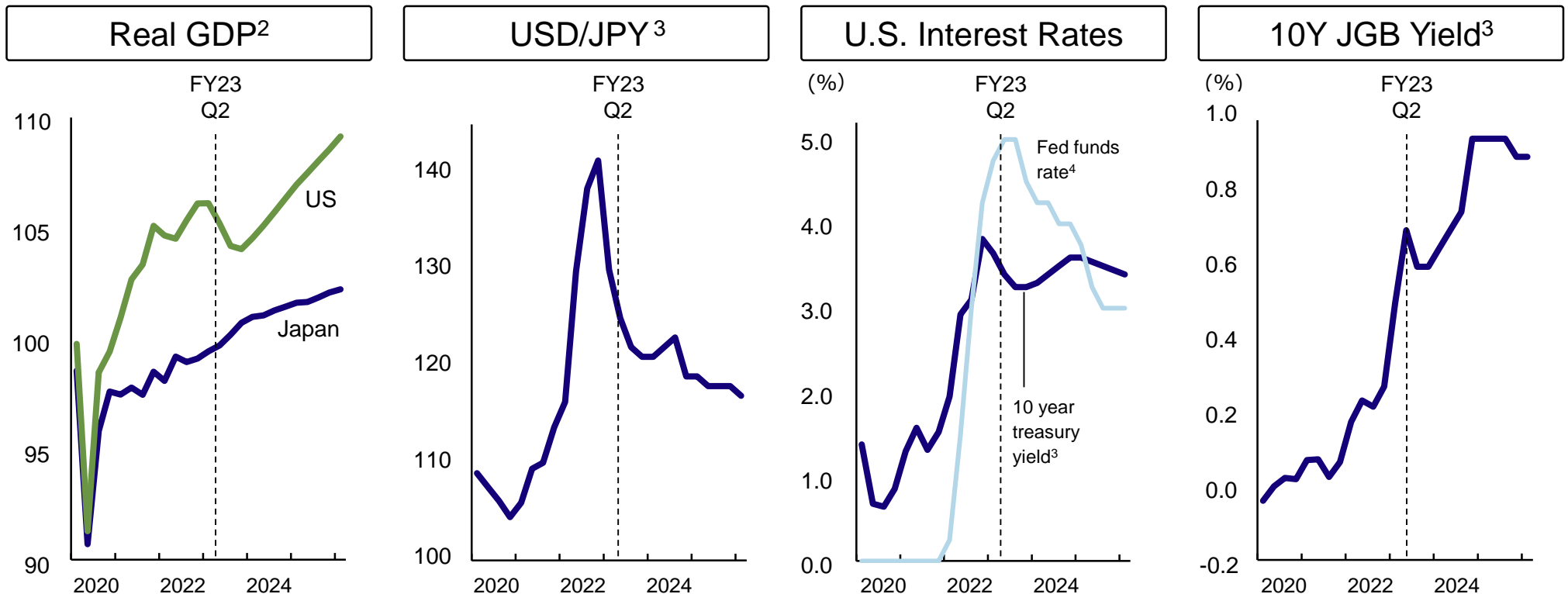
# Appendix

- Financial information p.46
- Business p.80
- ESG p.90

Financial information

# Economic outlook

- Globally, we expect productivity to slowdown in line with the effects of higher inflation and interest rates, with Europe and U.S. economies experiencing negative growth. Though recovery is expected in 2024 as major economies bring interest rates back down, it should remain sluggish.
- Domestically, a bounce in inbound tourism to Japan should help maintain relatively stable economic growth for the interim. In 2023 we expect the BOJ to abolish YCC<sup>1</sup>, and in 2024, whilst assessing price trends and economic risks, to potentially move out of Negative Interest Rate Policy (NIRP).



1. Yield Curve Control. 2. Using Quarterly average of 2019 as a baseline of 100. 3. Quarterly average 4. Lower band.

# Risk Management

## Our Top Risks\* Approach

### Identification Process

Assess a wide range of risk events in line with Mizuho's vulnerabilities, the external business environment and other factors, and identify any that could potentially damage corporate value

Ascertain which of those risks are serious, through an evaluation of their likelihood of occurrence, degree of impact, and their route of transmission

After consideration of difficulty of containment and closing discussions between executive officers, identify the top risks

### Strengthening Risk Governance

- Work to align the Group's understanding of risk perception and expand risk-related communication
- Ensure that risk perception is consistent between relevant risk management systems
- Formulate measures to address top risks, document those in our business plan, and monitor progress on containment as necessary



Report to the Risk Committee and Board of Directors etc.

## Top Risks for FY23

- Continuation of high inflation and spillover to credit risk
- A shift in monetary policy and growing fiscal concerns
- Escalating U.S.-China conflict and sluggish Chinese economy
- Global decoupling and growing geopolitical risks
- Worsening impact of climate change
- IT system failures
- Cyberattack
- Money laundering/Financing of terrorism
- Improper acts and omissions by officers and employees
- Stagnation of sustainable growth due to a talent shortage
- Changes in the competitive environment

\* 'Top Risks' are those that the Group identify as the most serious when assessed via the above process.



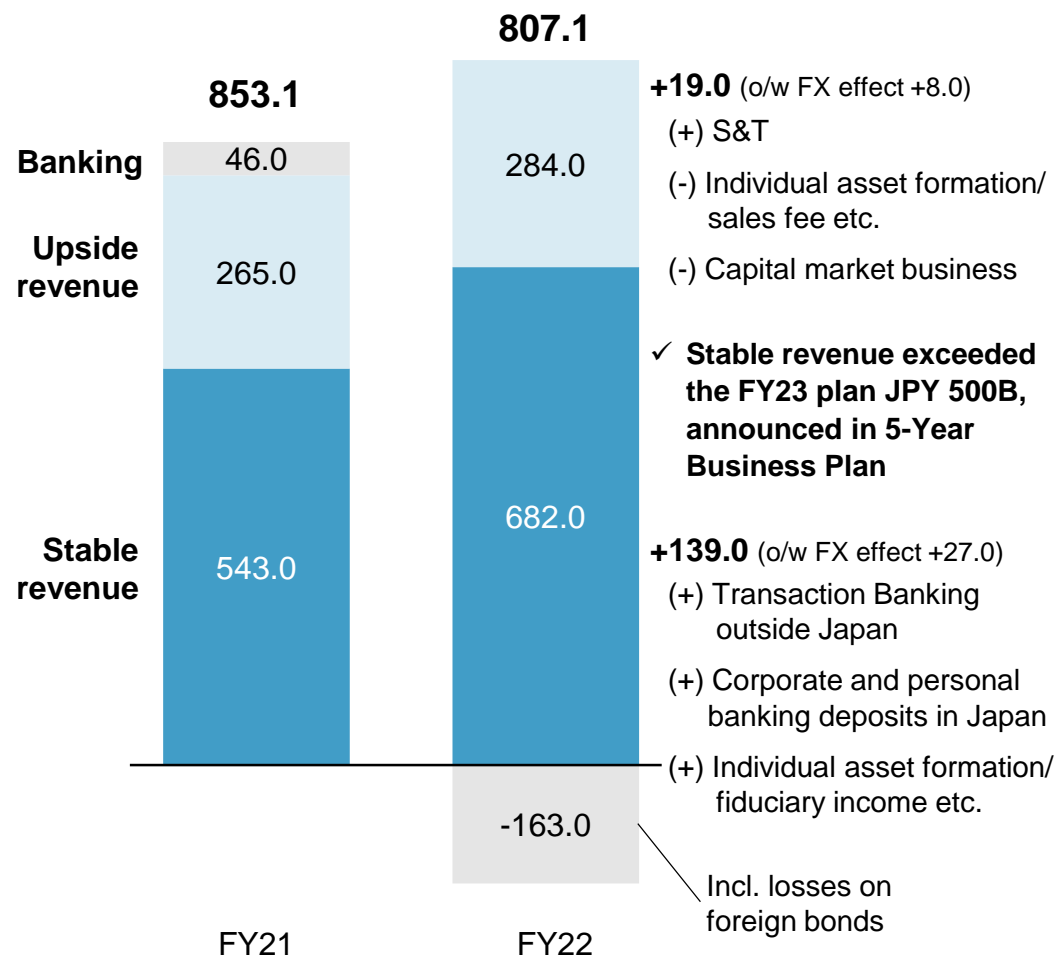
# Financial Results: Executive Summary

(JPY B)

	FY22	YoY
Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others <sup>1</sup>	<b>807.1</b>	-46.0
Credit-related Costs	<b>-89.3</b>	+145.8
Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others <sup>1</sup>	<b>84.6</b>	+130.3
Net Income Attributable to FG	<b>555.5</b>	+25.0
Consolidated ROE <sup>2</sup>	<b>6.6%</b>	+0.2%
	<b>Mar-23</b>	vs Mar-22
CET1 Ratio (Basel III finalization basis) <sup>2</sup>	<b>9.5%</b>	+0.2%

## Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others<sup>1</sup>

Group aggregate<sup>3</sup>



1. Net Gains (Losses) related to ETFs and others JPY 1.8B (-JPY 0.0B YoY) 2. Excl. Net Unrealized Gains (Losses) on Other Securities. 3. New management accounting rules were applied in FY22. The aggregate figures of stable, upside and banking do not match consolidated net business profits in the same period by the difference between financial and management accounting.

# Financial Results by In-house Company

(JPY B)

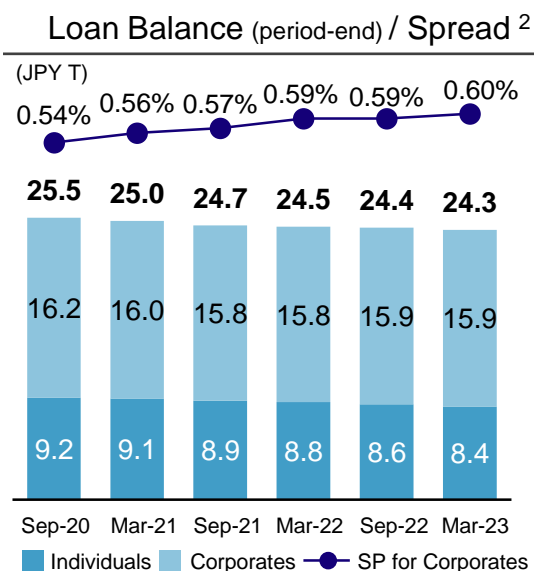
Group Aggregate

	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>1</sup>
	FY22	YoY <sup>2</sup>	FY22	YoY <sup>2</sup>	FY22	YoY <sup>2</sup>	FY22	YoY <sup>2</sup>	FY22
Retail & Business Banking	704.0	-11.0	-611.6	+12.1	73.3	-21.7	33.0	-57.3	1.7%
Corporate & Institutional	502.3	+7.9	-197.3	+4.1	311.3	+14.7	294.1	+110.7	8.9%
Global Corporate	672.2	+79.4	-323.0	-23.0	371.3	+62.8	222.1	+74.3	8.0%
Global Markets	321.2	-66.9	-258.0	-23.4	62.4	-90.2	34.5	-62.7	2.0%
Asset Management	55.2	-4.3	-35.2	-1.7	13.4	-7.0	4.1	-4.3	3.9%
In-house Company Total	2,254.9	+5.2	-1,425.1	-31.9	831.7	-41.5	587.8	+60.7	6.0%
FG Consolidated	2,280.2	+25.8	-1,473.5	-58.5	807.1	-46.0	555.5	+25.0	6.6%

1. Global Markets includes Net Gains (Losses) related to ETFs (2 Banks). FG Consolidated includes Net Gains (Losses) related to ETFs (2 Banks) and Net Gains (Losses) on Operating Investment Securities (SC Consolidated). 2. Figures for YoY are recalculated based on the FY22 rules.

# Retail & Business Banking Company

(JPY B)		FY21	FY22	YoY	Revised Plan	Progress
Gross Profits	1	715.0	<b>704.0</b>	-11.0	706.1	100%
o/w Interest Income	2	267.7	<b>289.2</b>	+21.5		
o/w Non-interest Income	3	447.1	<b>414.6</b>	-32.5		
G&A Expenses (Excl. Non-recurring losses and others)	4	-623.7	<b>-611.6</b>	+12.1	-624.2	98%
Equity in Income from Investments in Affiliates	5	5.9	<b>17.0</b>	-22.9		
<b>Net Business Profits</b>	6	95.0	<b>73.3</b>	-21.7	78.4	93%
Credit-related Costs	7	23.6	<b>-13.3</b>	-36.9		
Net Gains (Losses) related to Stocks and others	8	37.5	<b>14.2</b>	-23.3		
Others	9	-65.8	<b>-41.2</b>	+24.6		
<b>Net Income</b>	10	90.3	<b>33.0</b>	-57.3	16.6	199%
Internal risk capital (avg. balance)	11	2,005.8	<b>1,925.4</b>	-80.4		
ROE	12	4.5%	<b>1.7%</b>	-2.8%	0.9%	
Gross Profits ROE	13	35.6%	<b>36.6%</b>	+0.9%		
Expense ratio	14	87.2%	<b>86.9%</b>	-0.4%		

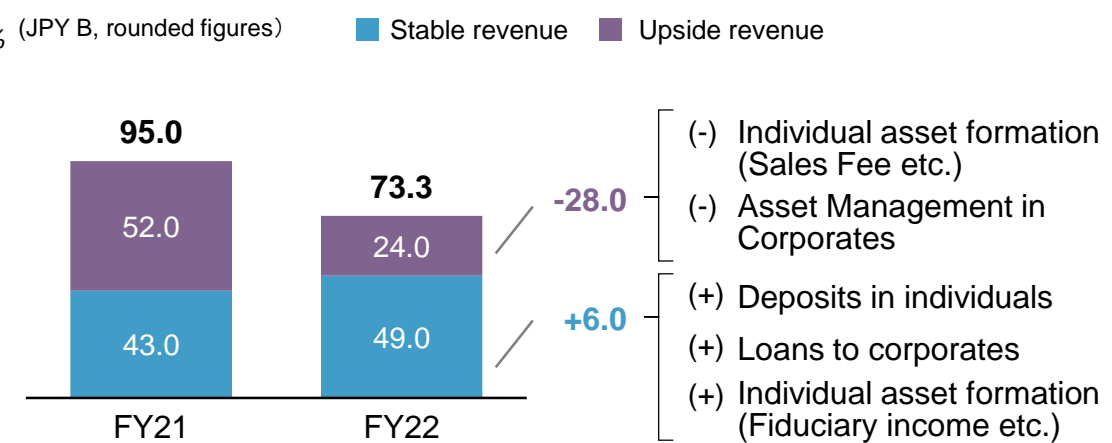


## Group aggregate <sup>1</sup>

### League Table and references

	FY21	FY22
Number of IPOs <sup>3</sup>	1 <sup>st</sup>	2 <sup>nd</sup>
	Mar-22	Mar-23
Assets in Custody (JPY T)	51.9	<b>50.9</b>
o/w SC <sup>4</sup> (JPY T)	46.5	<b>45.4</b>
Avg. holding period of equity investment trusts <sup>5</sup>	4.9 yrs.	<b>7.4 yrs.</b>
Reference: Industry wide avg. <sup>5,6</sup>	3.9 yrs.	5.1 yrs.

### Net Business Profits



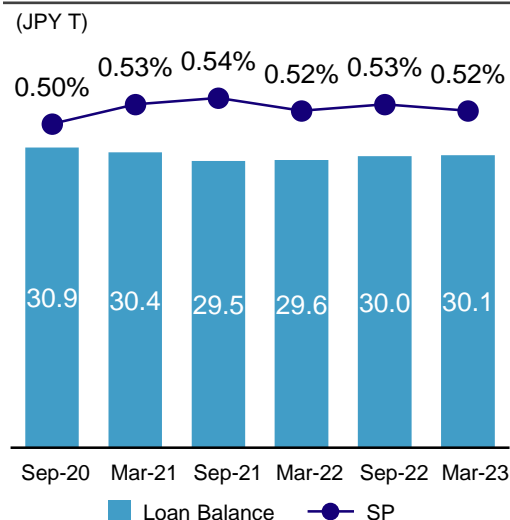
1. New management accounting rules were applied in FY22. Past figures were recalculated based on the new rules. 2. BK+TB, management accounting. Excl. loans between the consolidated entities and loans to the Japanese Government and others. 3. IPO bookrunner number. Source: Capital Eye. 4. For Retail & Business Banking segment. 5. Calculated by dividing previous year's average balance by total cancellations/redemption value. 6. Prepared based on data published by Investment Trust Association, Japan.

# Corporate & Institutional Company

Group aggregate <sup>1</sup>

(JPY B)		FY21	FY22	YoY	Revised Plan	Progress
Gross Profits	1	494.4	<b>502.3</b>	+7.9	482.6	104%
o/w Interest Income	2	213.6	<b>246.5</b>	+32.8		
o/w Non-interest Income	3	281.4	<b>256.6</b>	-24.9		
G&A Expenses (Excl. Non-recurring losses and others)	4	-201.4	<b>-197.3</b>	+4.1	-201.0	98%
Equity in Income from Investments in Affiliates	5	3.8	<b>6.4</b>	+2.6		
<b>Net Business Profits</b>	6	296.7	<b>311.3</b>	+14.7	288.0	108%
Credit-related Costs	7	-173.0	<b>-43.8</b>	+129.3		
Net Gains (Losses) related to Stocks and others	8	57.0	<b>100.3</b>	+43.3		
Others	9	2.8	<b>-73.7</b>	-76.5		
<b>Net Income</b>	10	183.5	<b>294.1</b>	+110.7	256.2	115%
Internal risk capital (avg. balance)	11	3,554.4	<b>3,306.8</b>	-247.6		
ROE	12	5.2%	<b>8.9%</b>	+3.7%	7.6%	
Gross Profits ROE	13	13.9%	<b>15.2%</b>	+1.3%		
Expense ratio	14	40.7%	<b>39.3%</b>	-1.5%		

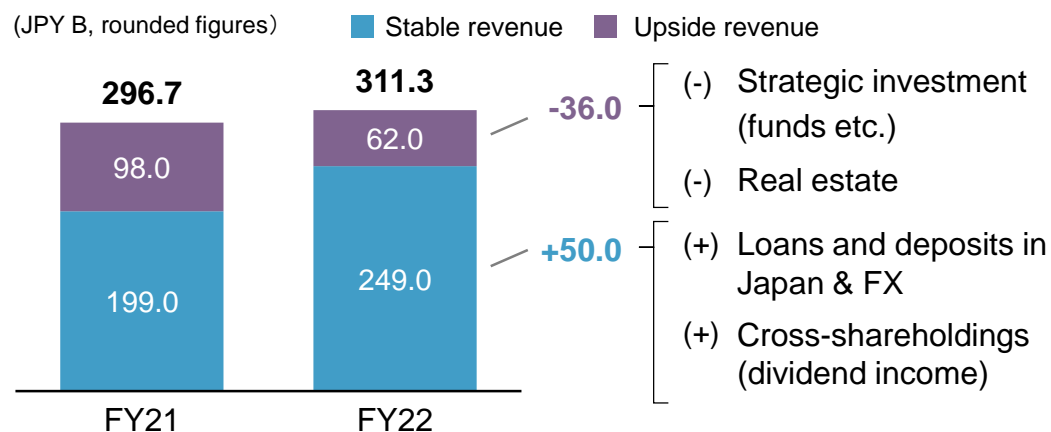
## Loan Balance (period-end) / Spread <sup>2</sup>



## League Tables

	FY21	FY22
DCM <sup>3, 4</sup>	1st	<b>1st</b>
SDG bonds <sup>3, 4</sup>	1st	<b>1st</b>
LCM <sup>5</sup>	1st	<b>1st</b>
ECM <sup>5, 6</sup>	4th	<b>4th</b>
M&A <sup>5, 7</sup> No. of deals	2nd	<b>3rd</b>
Total amount	5th	<b>4th</b>

## Net Business Profits



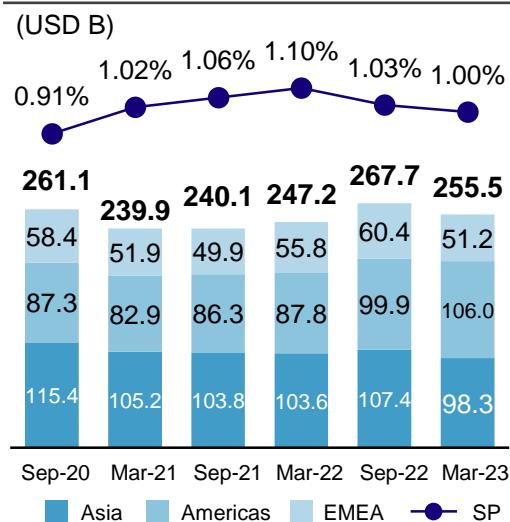
1. New management accounting rules were applied in FY22. Past figures were recalculated based on the new rules. 2. BK+TB, management accounting. Excl. loans between the consolidated entities and loans to the Japanese Government. 3. Based on underwriting amount and pricing date. Excl. own debt and securitization (subordinated bonds includes bonds issued by utilities companies). 4. Source: Capital Eye. 5. Source: Refinitiv. 6. Based on bookrunner and pricing date. Deals including initial public offerings, public offerings, convertible bonds and REITs. 7. Involving Japanese corporates (public & excl. real estate)

# Global Corporate Company

Group aggregate <sup>1</sup>

(JPY B)		FY21	FY22	YoY	Revised Plan	Progress
Gross Profits	1	592.8	<b>672.2</b>	+79.4	627.0	107%
o/w Interest Income	2	261.5	<b>301.0</b>	+39.5		
o/w Non-interest Income	3	311.8	<b>333.4</b>	+21.7		
G&A Expenses (Excl. Non-recurring losses and others)	4	-300.0	<b>-323.0</b>	-23.0	-321.9	100%
Equity in Income from Investments in Affiliates	5	16.0	<b>22.8</b>	+6.8		
<b>Net Business Profits</b>	6	308.4	<b>371.3</b>	+62.8	322.0	115%
Credit-related Costs	7	-87.0	<b>-31.6</b>	+55.5		
Net Gains (Losses) related to Stocks and others	8	2.8	-	-2.8		
Others	9	-76.4	<b>-117.6</b>	-41.2		
<b>Net Income</b>	10	147.8	<b>222.1</b>	+74.3	199.7	111%
Internal risk capital (avg. balance)	11	2,617.5	<b>2,758.9</b>	+141.4		
ROE	12	5.6%	<b>8.0%</b>	+2.4%	7.2%	
Gross Profits ROE	13	22.6%	<b>24.4%</b>	+1.7%		
Expense ratio	14	50.6%	<b>48.0%</b>	-2.6%		

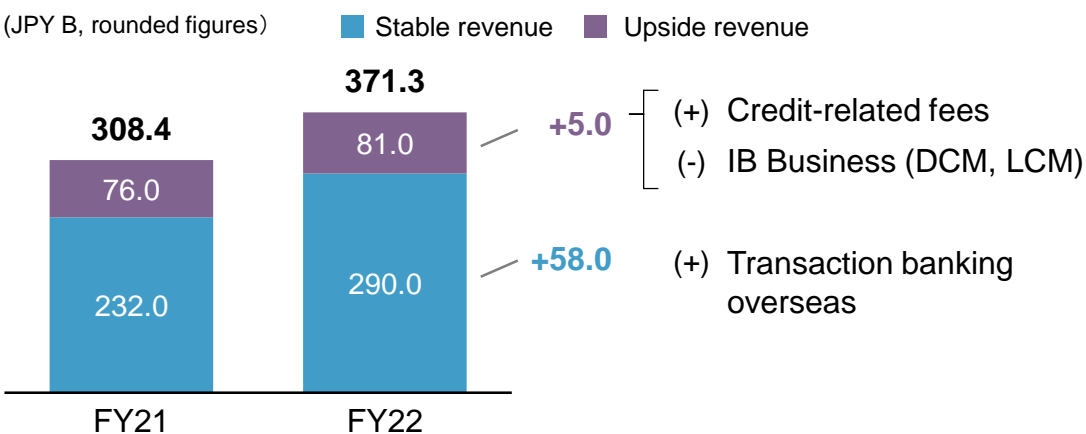
## Loan Balance (period-end) / Spread <sup>2</sup>



## League Tables

	FY21	FY22
<b>IG DCM in the Americas<sup>3</sup></b>	8 <sup>th</sup>	<b>8<sup>th</sup></b>
Excl. U.S. Banks	2 <sup>nd</sup>	<b>2<sup>nd</sup></b>
Market Share	3.5%	<b>4.2%</b>
<b>Non-IG LCM/DCM in the Americas<sup>4</sup></b>	21 <sup>st</sup>	<b>17<sup>th</sup></b>
Excl. U.S. Banks	10 <sup>th</sup>	<b>7<sup>th</sup></b>
Market Share	1.4%	<b>1.7%</b>

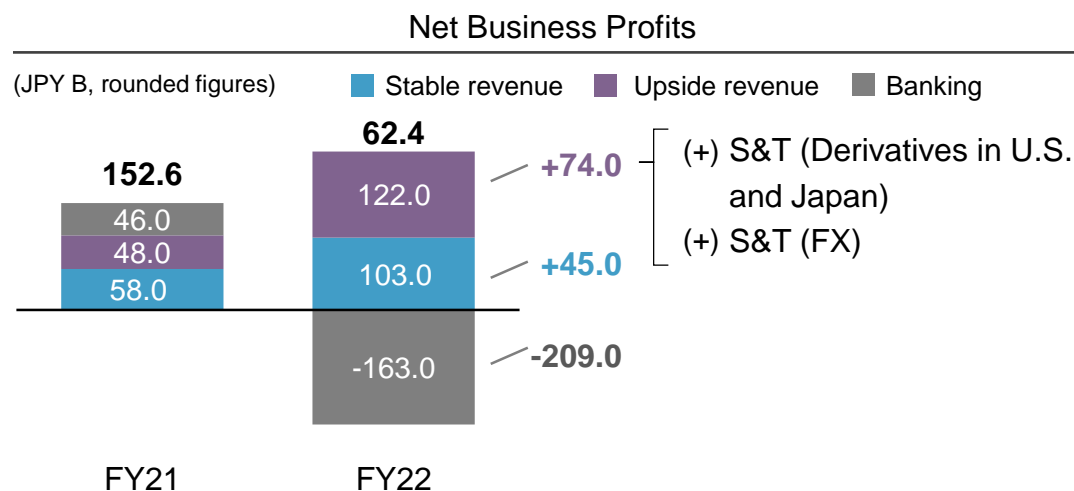
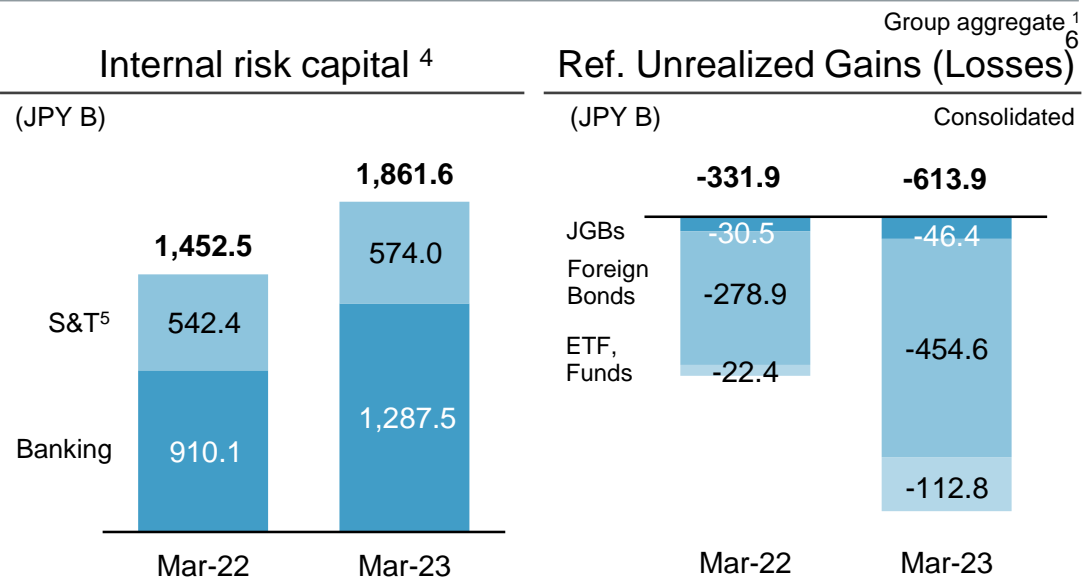
## Net Business Profits



1. New management accounting rules were applied in FY22. Past figures were recalculated based on the new rules. 2. BK (incl. the subsidiaries in China, the U.S., the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico). Excl. loans between the consolidated entities. 3. Bonds issued by investment grade corporations. Fee basis. Source: Dealogic. 4. High Yield Loans and Bonds issued by non-investment grade corporations, fee basis. Source: Dealogic.

# Global Markets Company

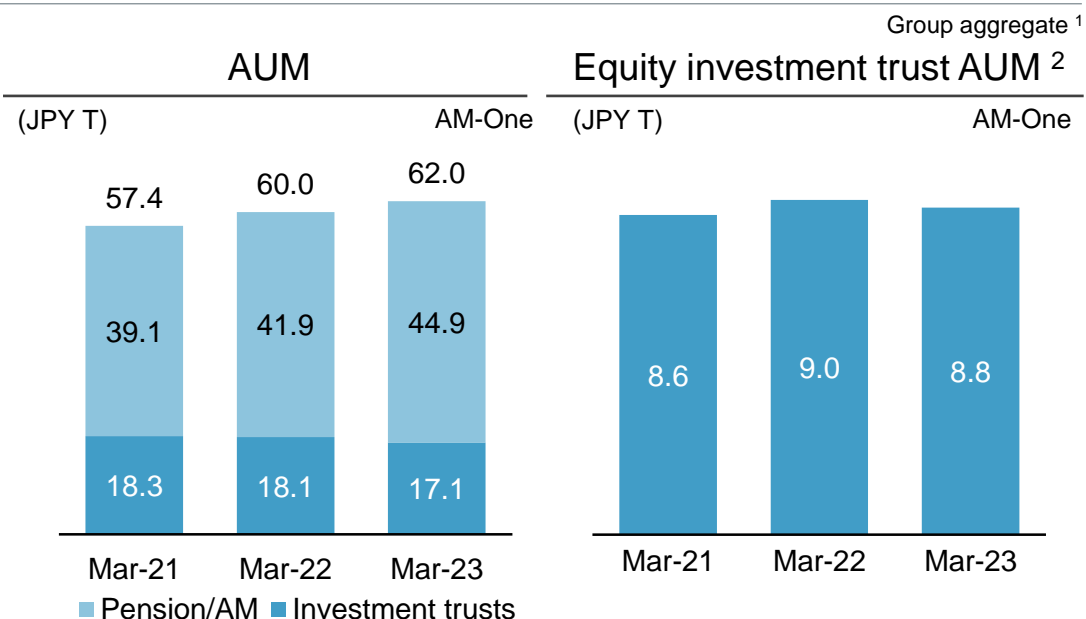
(JPY B)		FY21	FY22	YoY	Revised Plan	Progress
Gross Profits	1	388.1	<b>321.2</b>	-66.9	408.7	79%
o/w Banking	2	143.2	-17.1	-160.3		
o/w S&T	3	247.1	339.9	+92.8		
G&A Expenses (Excl. Non-recurring losses and others)	4	-234.6	<b>-258.0</b>	-23.4	-259.4	99%
Equity in Income from Investments in Affiliates	5	-	-	-		
<b>Net Business Profits<sup>3</sup></b>	6	152.6	<b>62.4</b>	-90.2	148.6	42%
o/w Banking	7	105.6	<b>-58.6</b>	-164.1		
o/w S&T	8	54.9	<b>128.5</b>	73.5		
Credit-related Costs	9	-0.4	<b>-0.4</b>	+0.1		
Net Gains (Losses) related to Stocks and others	10	-	-	-		
Others	11	-55.0	<b>-27.5</b>	+27.5		
<b>Net Income</b>	12	97.2	<b>34.5</b>	-62.7	99.0	35%
Internal risk capital (avg. balance)	13	1,603.3	<b>1,699.4</b>	+96.0		
ROE	14	6.1%	<b>2.0%</b>	-4.0%	5.4%	
Gross Profits ROE	15	24.2%	<b>18.9%</b>	-5.3%		
Expense ratio	16	60.5%	<b>80.3%</b>	+19.9%		



1. New management accounting rules were applied in FY22. Past figures were recalculated based on the new rules. 2. Incl. XVA related gains and losses (FY21: -JPY 4.0B, FY22: -JPY 3.8B).  
 3. Incl. Net Gains (Losses) related to ETFs (2 Banks). 4. Preliminary figures. 5. Incl. XVA. 6. Changes in value to be recorded directory to Net Assets after tax and other necessary adjustments. After hedge accounting. After applying Net deferred gains/ losses on deferred hedging accounting among hedging instruments related to other securities.

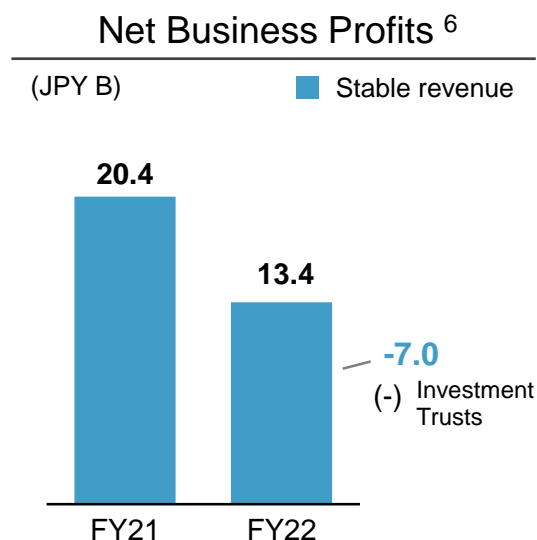
# Asset Management Company

(JPY B)				Revised Plan	Progress	
	FY21	FY22	YoY			
Gross Profits	1	59.5	<b>55.2</b>	-4.3	56.6	98%
o/w Investment Trusts	2	40.6	<b>36.1</b>	-4.5		
o/w Pension	3	13.3	<b>13.1</b>	-0.2		
G&A Expenses (Excl. Non-recurring losses and others)	4	-33.4	<b>-35.2</b>	-1.7	-35.6	99%
Equity in Income from Investments in Affiliates	5	1.6	<b>0.2</b>	-1.4		
<b>Net Business Profits</b>	6	20.4	<b>13.4</b>	-7.0	14.2	94%
Credit-related Costs	7	0	-	-0		
Net Gains (Losses) related to Stocks and others	8	-	-	-		
Others	9	-12.0	<b>-9.3</b>	+2.7		
<b>Net Income</b>	10	8.4	<b>4.1</b>	-4.3	5.2	79%
Internal risk capital (avg. balance)	11	108.1	<b>104.6</b>	-3.6		
ROE	12	7.8%	<b>3.9%</b>	-3.9%	4.9%	
Gross Profits ROE	13	55.0%	<b>52.8%</b>	-2.3%		
Expense ratio	14	56.2%	<b>63.8%</b>	+7.6%		



### Reference indicators

	FY21	FY22
R&I investment trust sales companies satisfaction survey <sup>3</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>
No. of DC Participants and other (K) <sup>4</sup>	Mar-22	Mar-23
Corporate type	1,659	1,741
iDeCo <sup>5</sup>	269	314



1. New management accounting rules were applied in FY22. Past figures were recalculated based on the new rules. 2. Excl. ETFs. Source: The Investment Trusts Association data.

3. AM-One. Source: R&I 'Fund information' Vol. 364, 390. 4. BK. 5. The individual-type defined contribution pension plan. 6. No upside revenue is allocated to AMC.

# Overview of Balance Sheet (Mar-23)

## Consolidated Balance Sheet

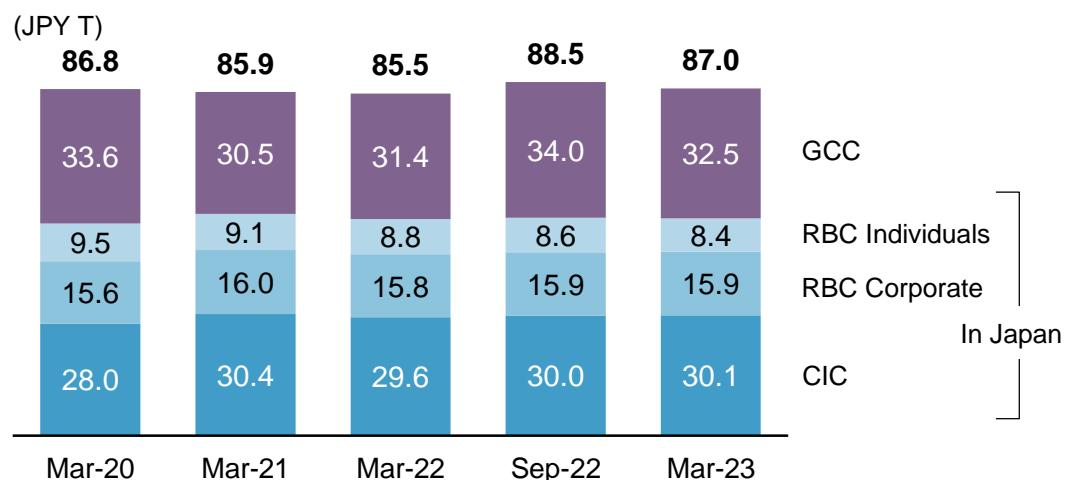
Figures in ( ) represent changes from Mar-22

Total Assets: JPY 254T (+JPY17.1T)

<b>Loans</b>	<b>Deposits/NCDs</b>								
JPY 88T(+JPY 3.9T)	JPY 164T(+JPY 8.5T)								
<table border="1" style="width: 100%;"> <tr> <td>JPY<sup>1</sup></td> <td>JPY 51T</td> </tr> <tr> <td>Non-JPY<sup>1</sup></td> <td>USD 284.5B</td> </tr> </table>	JPY <sup>1</sup>	JPY 51T	Non-JPY <sup>1</sup>	USD 284.5B	<table border="1" style="width: 100%;"> <tr> <td>JPY<sup>1</sup></td> <td>JPY 132T</td> </tr> <tr> <td>Non-JPY<sup>1,3</sup></td> <td>USD 226.0B</td> </tr> </table>	JPY <sup>1</sup>	JPY 132T	Non-JPY <sup>1,3</sup>	USD 226.0B
JPY <sup>1</sup>	JPY 51T								
Non-JPY <sup>1</sup>	USD 284.5B								
JPY <sup>1</sup>	JPY 132T								
Non-JPY <sup>1,3</sup>	USD 226.0B								
<b>Securities</b>	<b>Other Liabilities</b>								
JPY 37T(-JPY 7.2T)	JPY 80T(+JPY 8.5T)								
<table border="1" style="width: 100%;"> <tr> <td>JGBs:</td> <td>JPY 17.2T</td> </tr> <tr> <td>Foreign Bonds:</td> <td>JPY 10.8T</td> </tr> <tr> <td>Japanese Stocks:</td> <td>JPY 3.0T</td> </tr> </table>	JGBs:	JPY 17.2T	Foreign Bonds:	JPY 10.8T	Japanese Stocks:	JPY 3.0T			
JGBs:	JPY 17.2T								
Foreign Bonds:	JPY 10.8T								
Japanese Stocks:	JPY 3.0T								
<b>Other Assets</b>	<b>Net Assets</b>								
JPY 128T(+JPY 20.5T)	JPY 9T(+JPY 0.0T)								
<table border="1" style="width: 100%;"> <tr> <td>Cash and due from Banks</td> <td>JPY 67.1T</td> </tr> <tr> <td><i>o/w Bank of Japan Current account Balance<sup>2</sup></i></td> <td>JPY 51.1T</td> </tr> </table>	Cash and due from Banks	JPY 67.1T	<i>o/w Bank of Japan Current account Balance<sup>2</sup></i>	JPY 51.1T					
Cash and due from Banks	JPY 67.1T								
<i>o/w Bank of Japan Current account Balance<sup>2</sup></i>	JPY 51.1T								

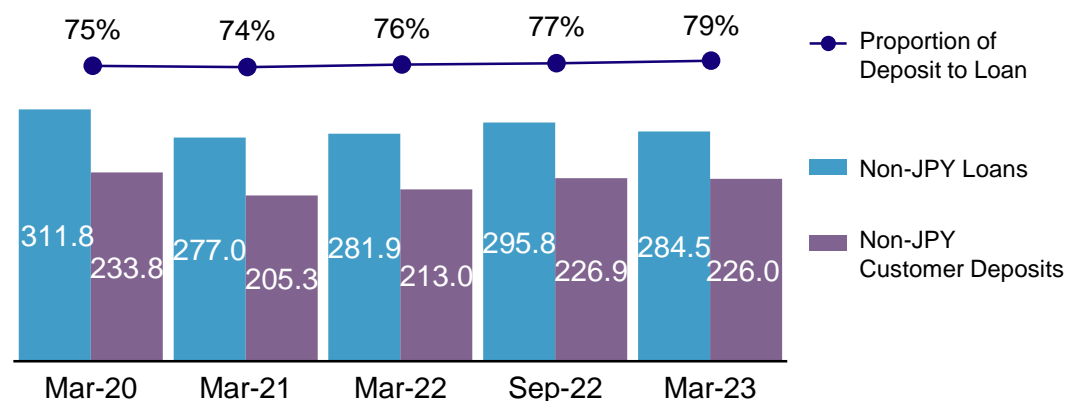
## Loans (Period-end Balance)<sup>4,5</sup>

BK+TB, management accounting



## Non-JPY denominated Loans and Deposits (Period-end Balance)<sup>5,6</sup>

(USD B) BK, management accounting



1. Management accounting basis, rounded figures. 2. 2 Banks 3. Customer Deposits. 4. Excl. loans between the consolidated entities. For loans in Japan, excluding loans to the Japanese Government, etc. 5. FY22 Management Accounting Rules (retroactive adjustments for past years). 6. BK (incl. the subsidiaries in China, the U.S., the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico). Incl. loans and deposits in Japan.

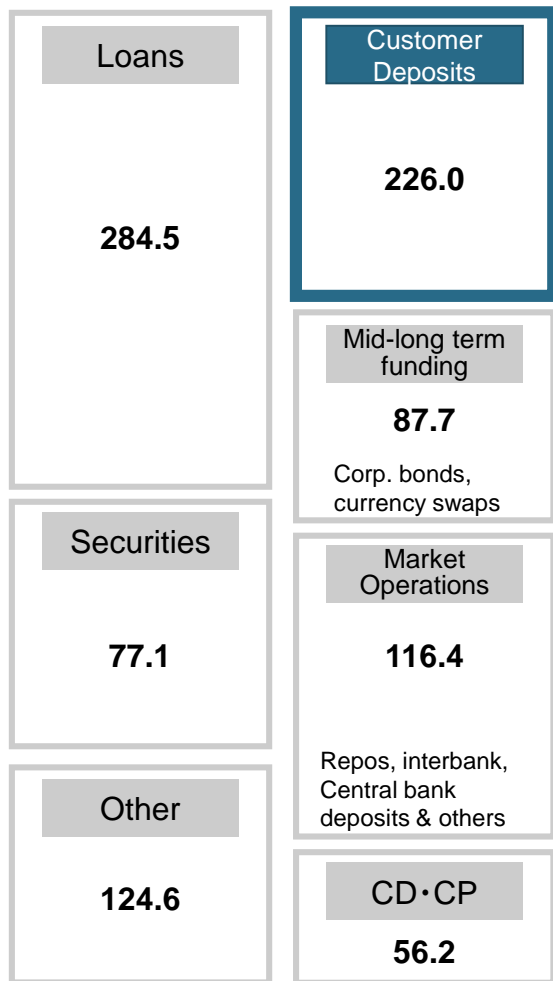


# Non-JPY Funding

Non-JPY B/S (Mar-23)\*

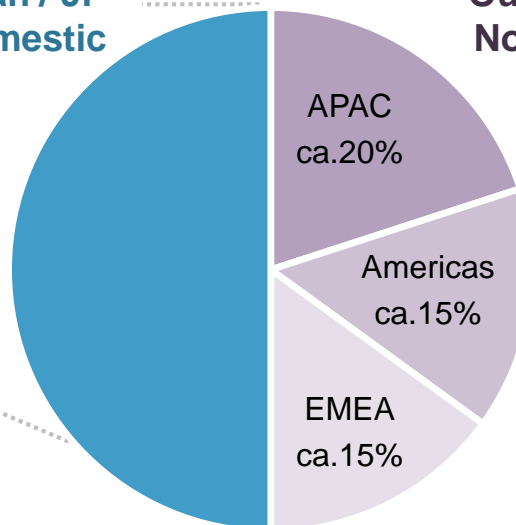
BK, management accounting

(USD B)

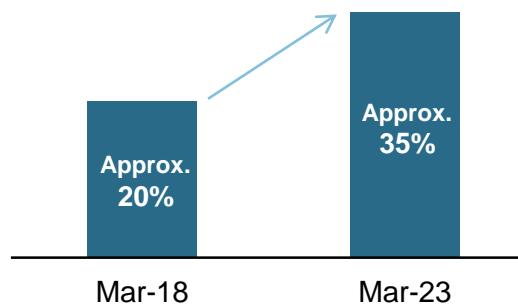


Outside Japan / JP Clients + Domestic 50%

Outside Japan / Non-JP Clients 50%



Ratio of current deposit among Customer Deposits



- Funds from outside Japan / JP clients & Domestic account for roughly half of the total Non-JPY deposit balance
- Acquire funds from Outside Japan / Non-JP clients, based on solid client relationship centered by credit-related transactions
- Accumulating sticky deposits related to transaction banking business

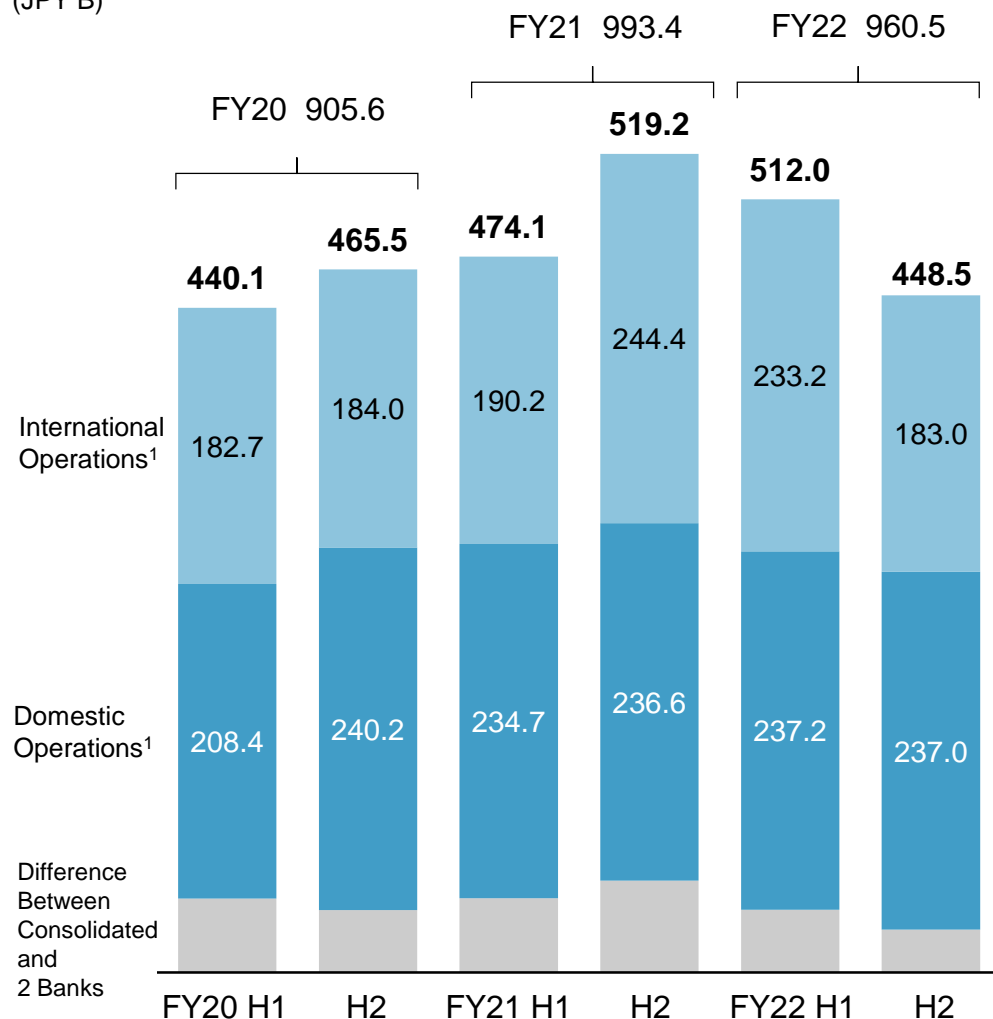
\* FY22 management accounting rules. Incl. Non-JPY loans/customer deposits in Japan and subsidiaries in China, US, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico.

# Consolidated Gross Profits

## Net Interest Income

Consolidated

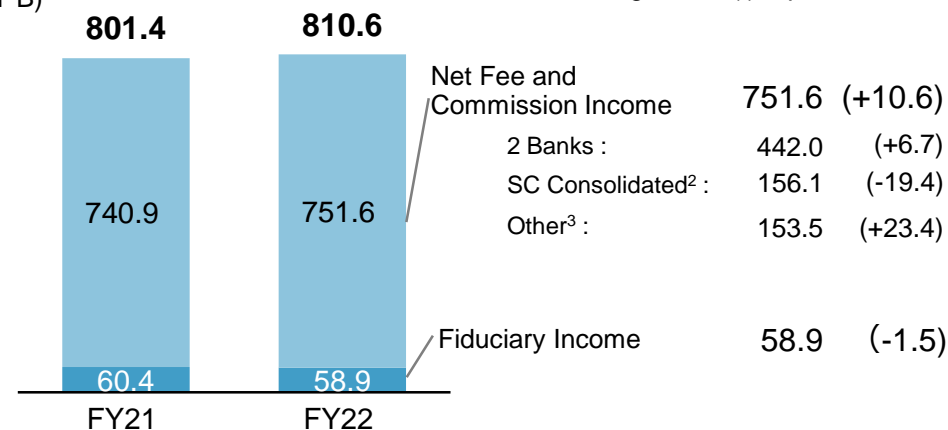
(JPY B)



## Net Fee and Commission Income/Fiduciary Income

(JPY B)

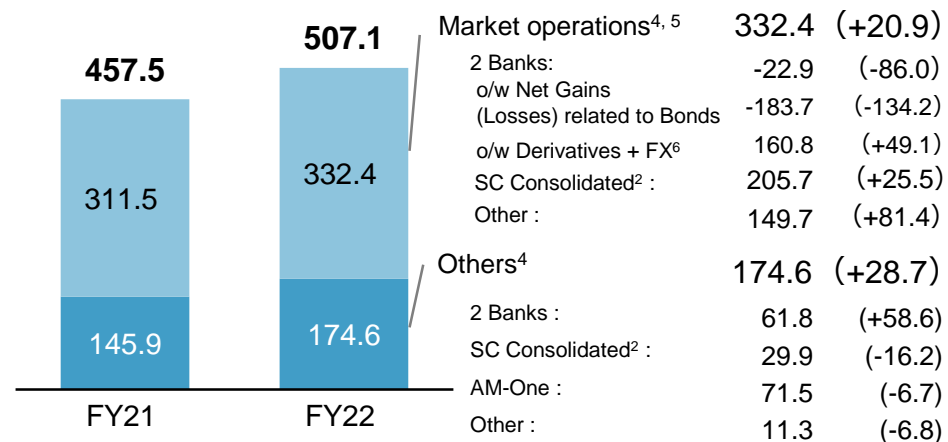
Consolidated, Figures in ( ) represent YoY



## Net Trading Income/Net Other Operating Income

(JPY B)

Consolidated, Figures in ( ) represent YoY



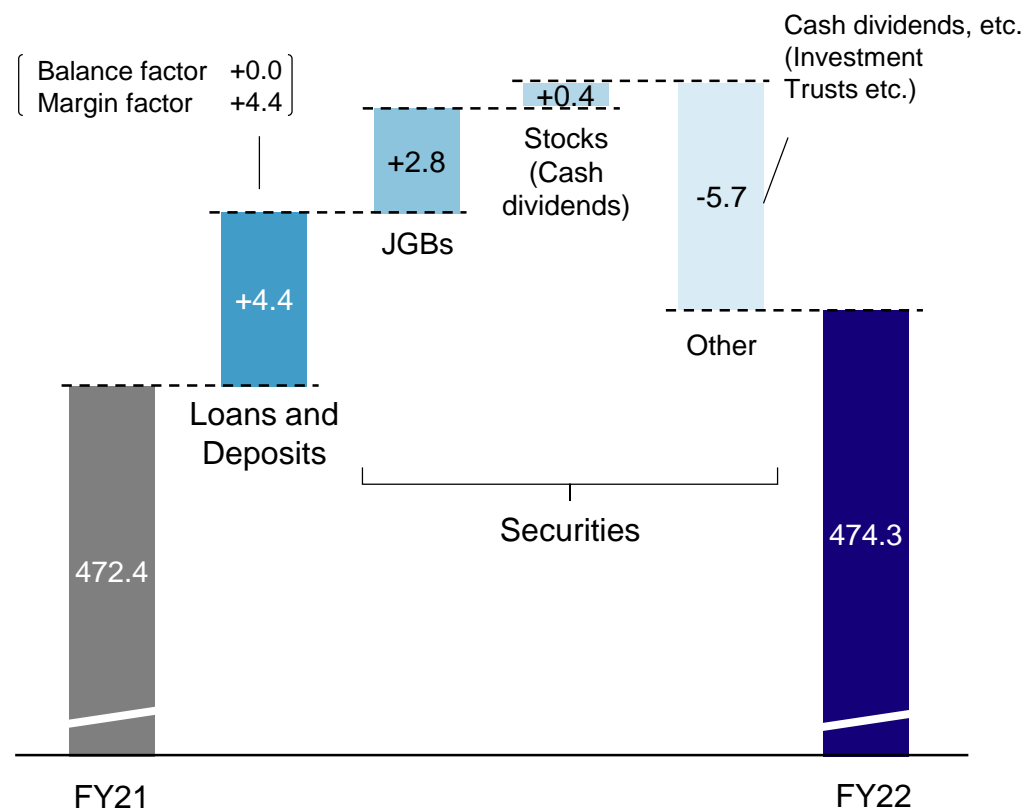
1. 2 Banks. 2. Incl. Mizuho Securities USA LLC. 3. Incl. consolidation adjustments. 4. After consolidation adjustments, incl. subsidiaries. 5. Net Trading Income-SC Underwriting and Selling Fees+ Net Gains (Losses) related to Bonds+Net Gains (Losses) on Foreign Exchange Transactions. 6. Net Gains (Losses) on Derivatives Trading Transactions+Net Gains (Losses) on Foreign Exchange Transactions.

# Net Interest Income (Increase/decrease factors)

## Domestic Operations

2 Banks

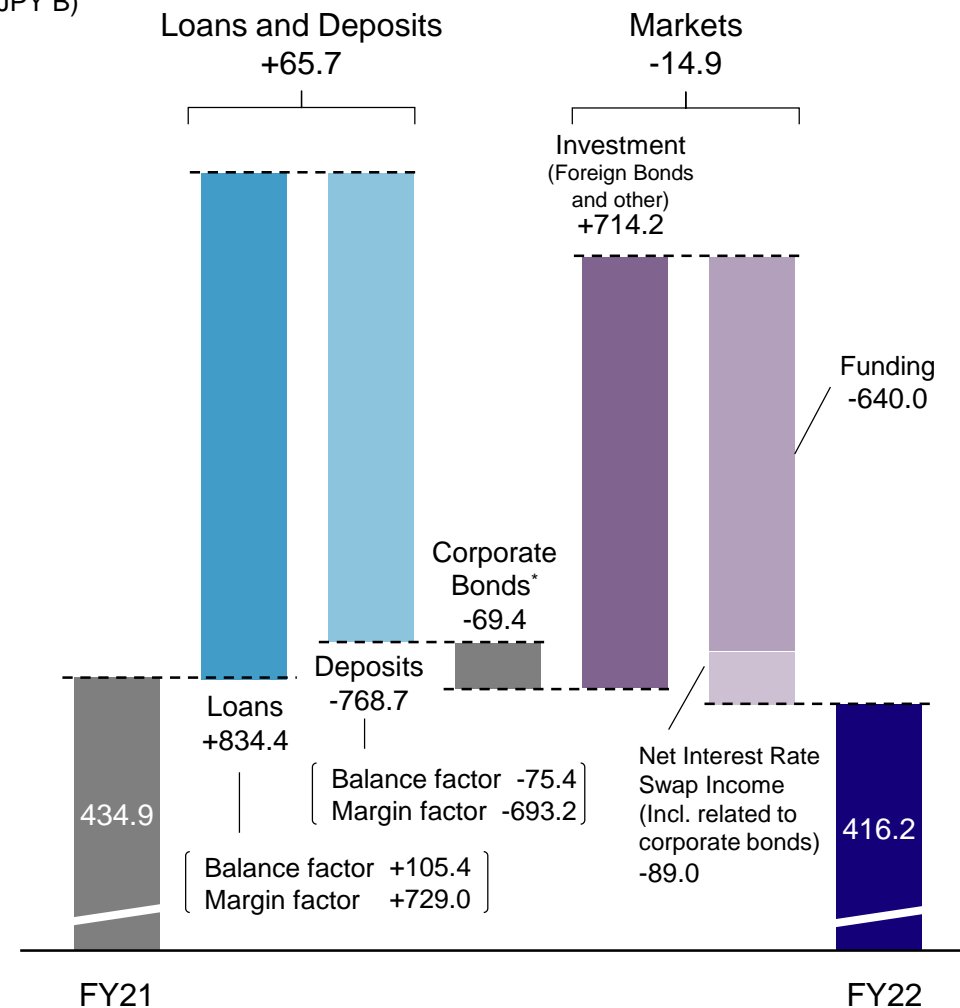
(JPY B)



## International Operations

2 Banks

(JPY B)



\* Incl. loans payable.

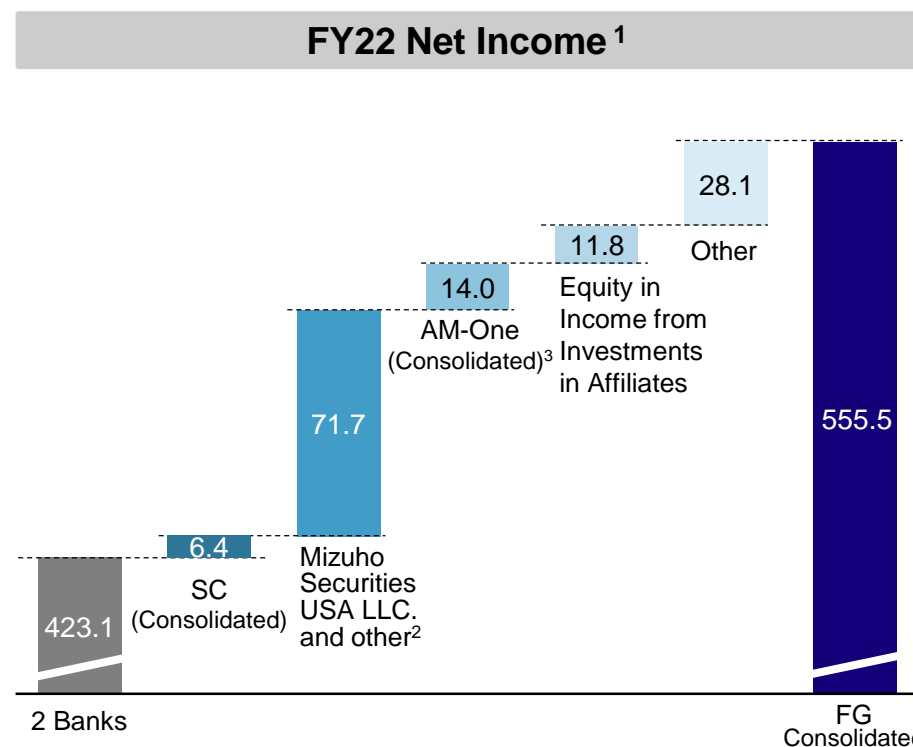
# Financial Results by Group Company

(JPY B)

<b>Net Business Profits</b> <sup>1</sup>	FY21	FY22	YoY
2 Banks	610.7	574.3	-36.3
Difference Between Consolidated and 2 Banks	240.5	230.9	-9.6
o/w SC (Consolidated)	70.9	9.3	-61.5
o/w MSUSA and other <sup>2</sup>	58.9	102.9	+43.9
o/w AM-One (Consolidated) <sup>3</sup>	26.0	21.0	-4.9
o/w Equity in Income from Investments in Affiliates	25.4	11.8	-13.5
<b>Consolidated Net Business Profits</b>	<b>851.2</b>	<b>805.2</b>	<b>-45.9</b>

<b>Net Income</b> <sup>1</sup>	FY21	FY22	YoY
2 Banks	219.2	423.1	+203.8
Difference Between Consolidated and 2 Banks	311.2	132.3	-178.8
o/w SC (Consolidated)	54.9	6.4	-48.4
o/w Mizuho Securities USA LLC. and other <sup>2</sup>	46.5	71.7	+25.2
o/w AM-One (Consolidated) <sup>3</sup>	17.3	14.0	-3.3
o/w Equity in Income from Investments in Affiliates	25.4	11.8	-13.5
<b>Net Income Attributable to FG</b>	<b>530.4</b>	<b>555.5</b>	<b>+25.0</b>

Equity in Income from Investments in Affiliates <sup>1, 4</sup>	FY21	FY22	YoY
o/w Vietcombank	14.0	22.3	+8.3
o/w Orient Corporation	11.9	7.0	-4.9
o/w MHLS	2.5	5.4	+2.8



1. Rounded figures before consolidation adjustment. 2. Our U.S.-based entities (such as Mizuho Securities USA LLC, etc.) which are not consolidated subsidiaries of SC.

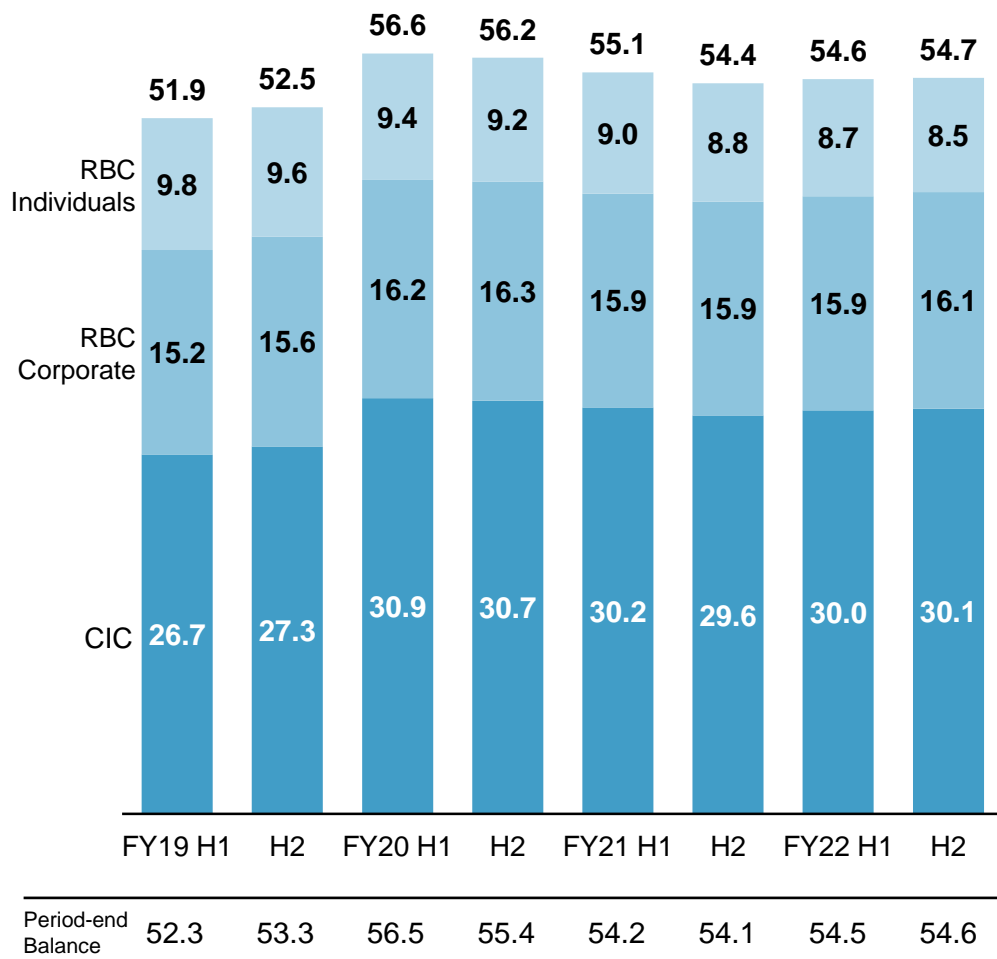
3. Excl. Amortization of Goodwill and other items. 4. Equivalent amount of Net Income based on equity holding ratio after consolidation adjustments, different from each company's own accounting figures.

# Loans in Japan

## Loan Balance (Average Balance)<sup>1</sup>

BK+TB  
management accounting

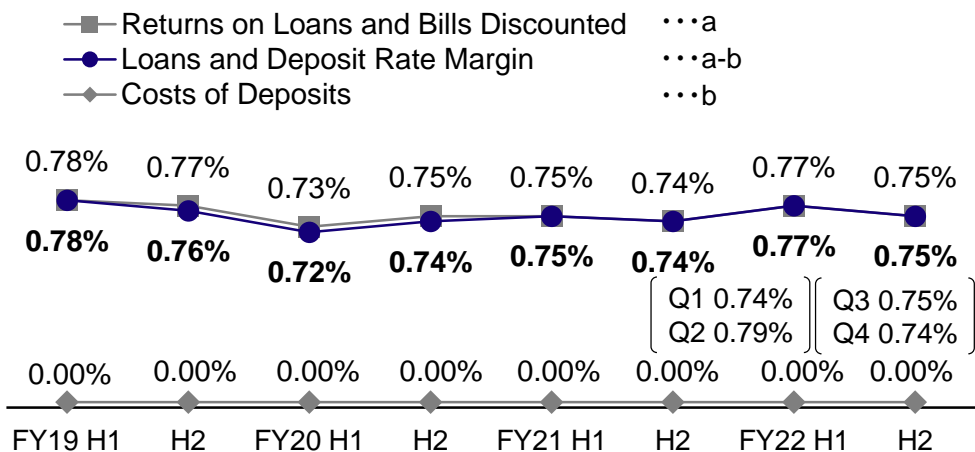
(JPY T)



Period-end Balance

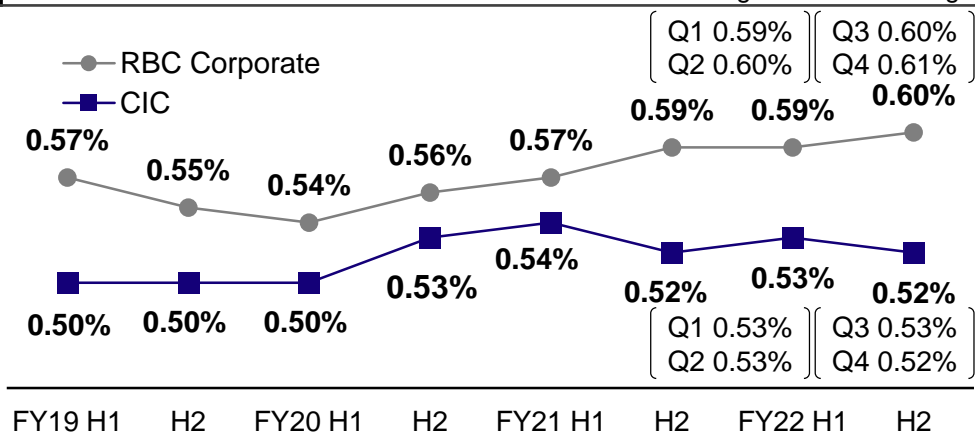
## Loan and Deposit Rate Margin<sup>2</sup>

2 Banks



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

BK+TB  
management accounting



FY19 H1 H2 FY20 H1 H2 FY21 H1 H2 FY22 H1 H2

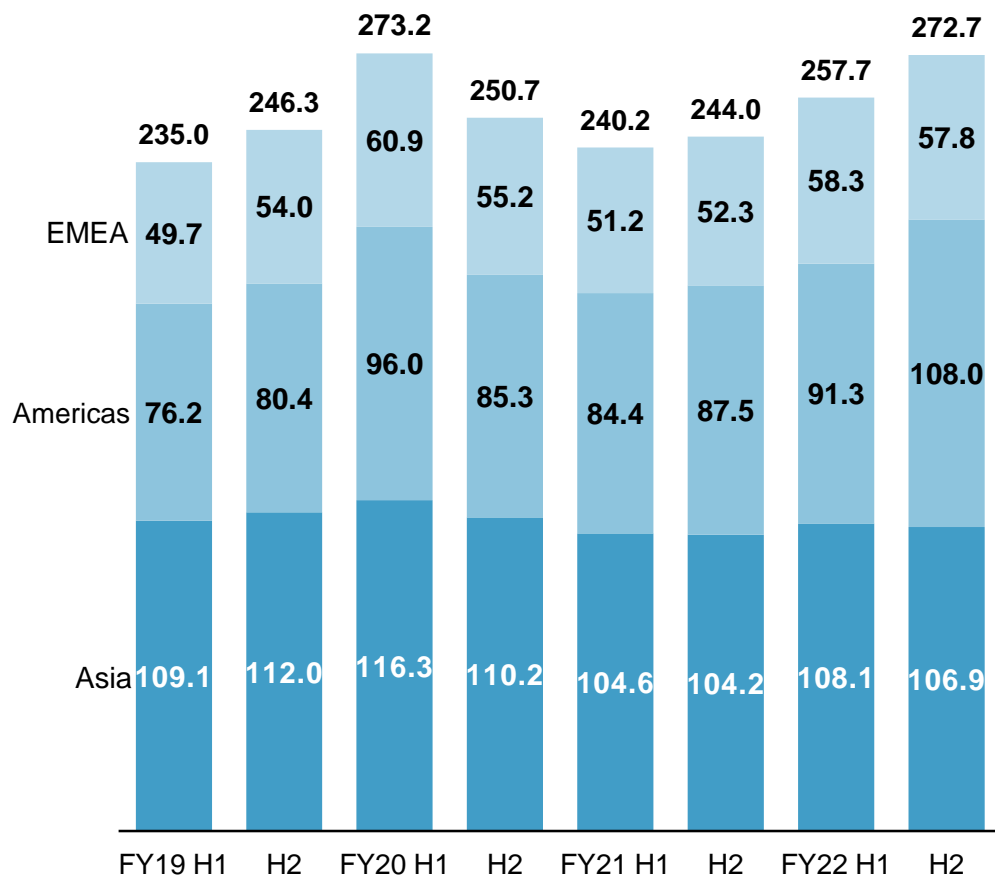
1. Figures from FY19 H1 to FY21 H2 were recalculated based on the FY22 rules. Excl. loans between the consolidated entities and loans to the Japanese Government and others.

2. Excl. loans to financial institutions (incl. FG) and the Japanese Government & others. Domestic operations.

# Loans outside Japan

## Loan Balance (Average Balance) \* BK, management accounting

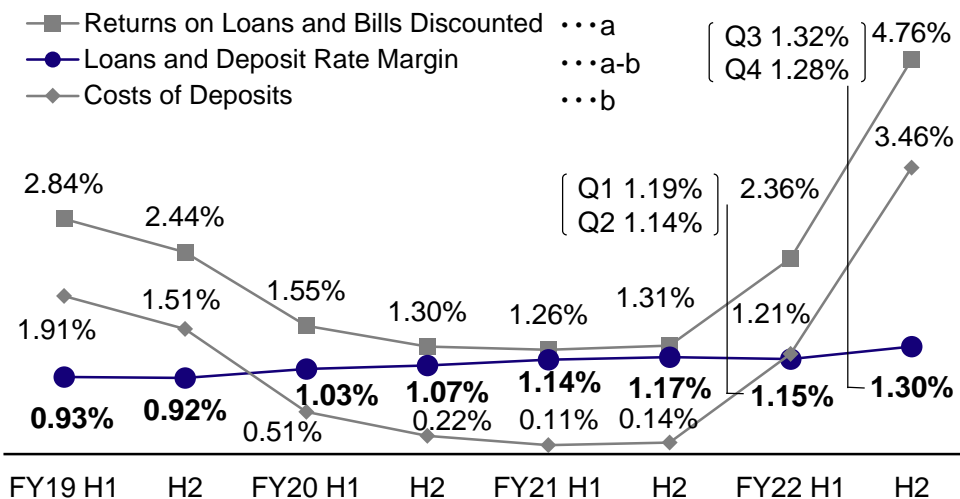
(USD B)



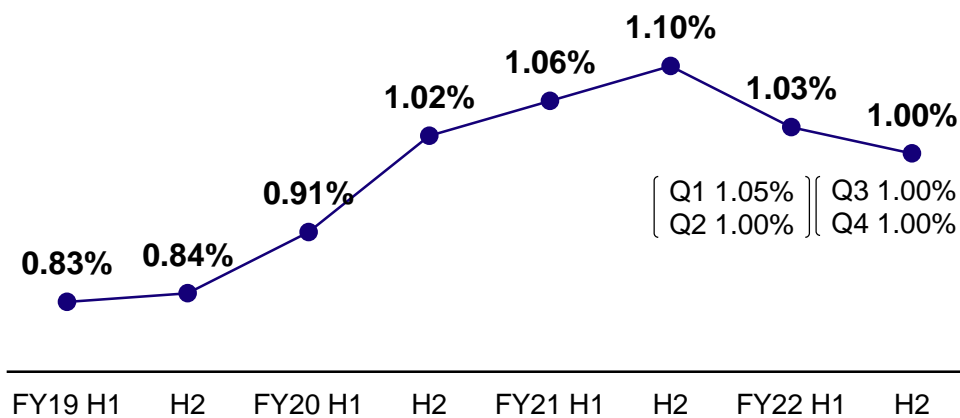
Period-end Balance	FY19 H1	FY19 H2	FY20 H1	FY20 H2	FY21 H1	FY21 H2	FY22 H1	FY22 H2
	239.3	264.0	261.1	239.9	240.1	247.2	267.7	255.5

\* FY22 Management Accounting Rules (retroactive adjustments for past years). Excl. loans between the consolidated entities. Incl. the subsidiaries in China, the U.S., the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico.

## Loan and Deposit Rate Margin BK, International Operations



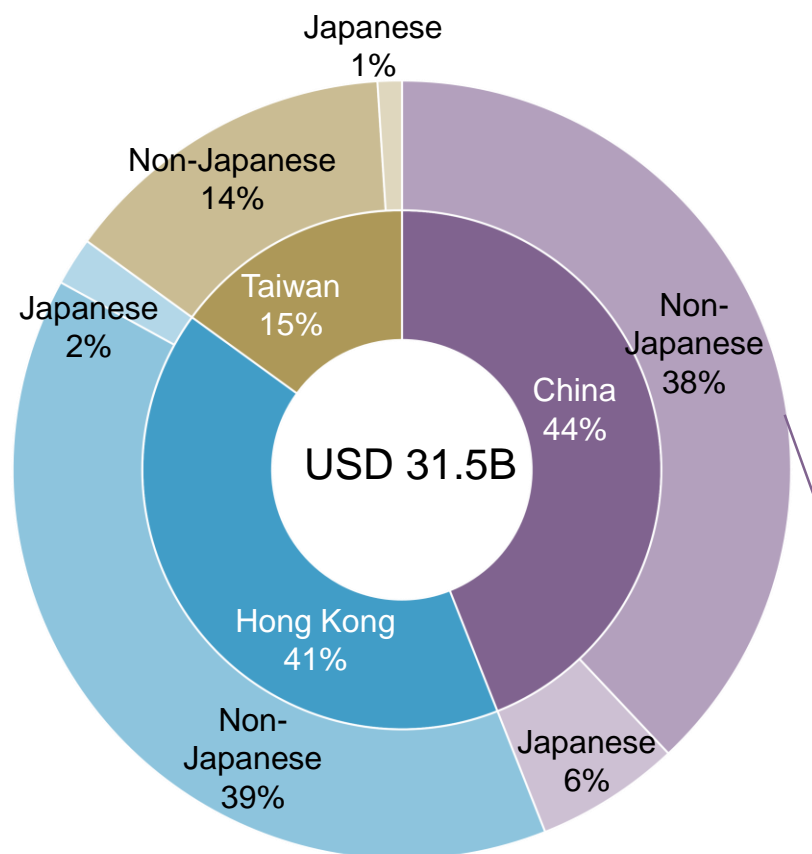
## Loan Spread \* BK, management accounting



# Portfolio outside Japan (1)

## Loans to China, Hong Kong and Taiwan (Mar-23) <sup>1</sup>

Balance after guarantee at country or region of risk



### ■ Control the quantity and quality of the loan portfolio while improving profitability mainly by non-interest income

- Ensure the mobility of loan assets by controlling their maturity and salability
- Enhance returns on each client by strengthening DCM etc., and replacing low-profitability assets

✓ Global automobile-related companies and leading state-owned companies such as petroleum and chemicals etc., and major private-sector companies such as TMT<sup>2</sup>

✓ Loans extended for real estate in China are approx. 10% of loans in China and mainly for leading state-owned companies.

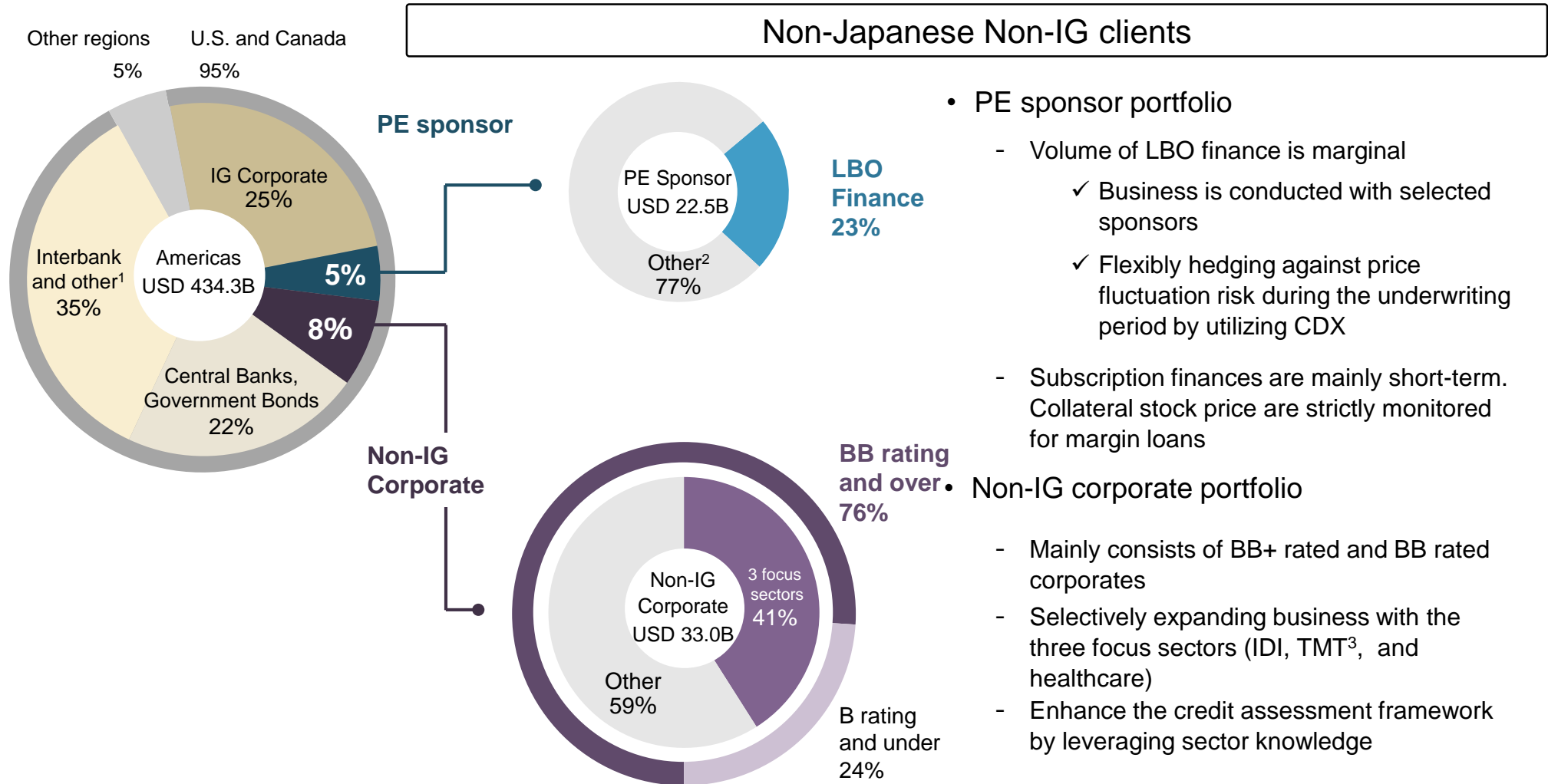
✓ Loans primarily to IG corporations affiliated with Hong Kong conglomerates

1. BK Consolidated+TB Consolidated. Classification of Japanese and non-Japanese clients is on a management accounting basis. 2. Telecom, Media & Technologies.

# Portfolio outside Japan (2)

## Exposure in the Americas region (as of Mar-23)

Management accounting basis



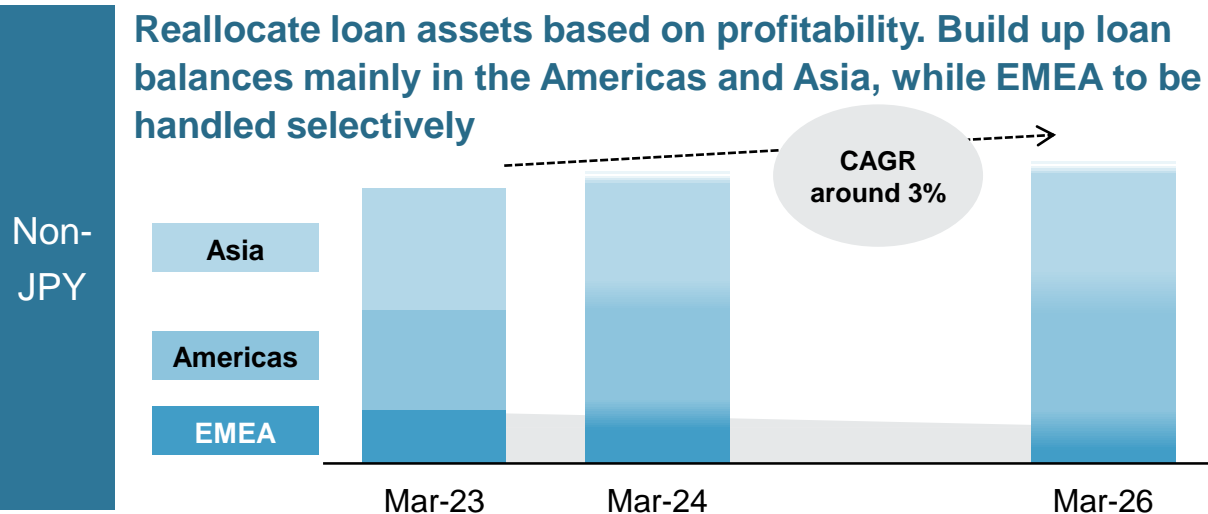
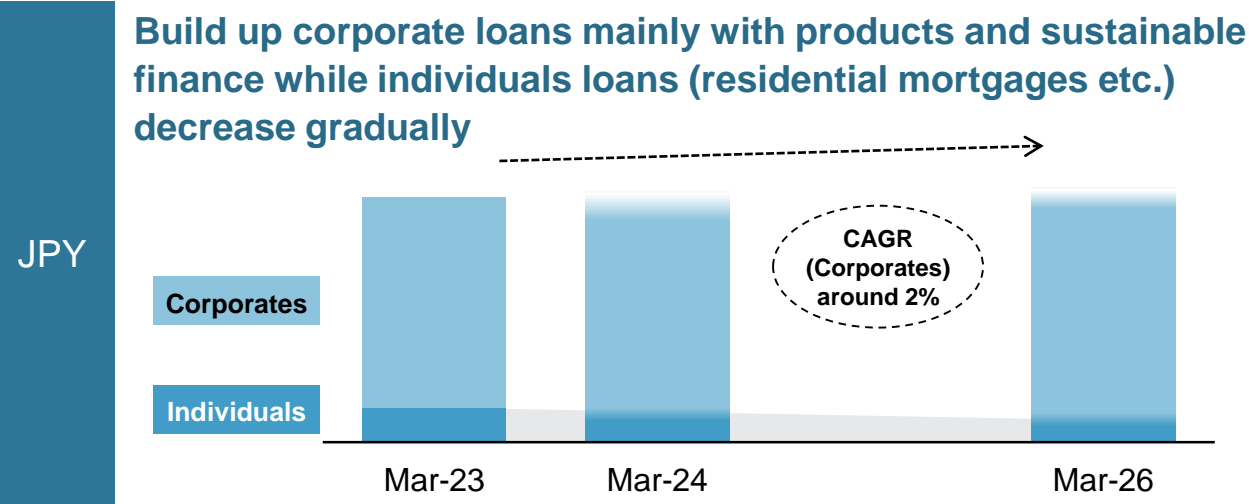
1. Interbank transactions, Japanese corporates, etc. 2. BK Consolidated+TB Consolidated. Inclusive of loans, commitment lines, guarantee transactions, derivatives related credit, etc. Balance after guarantee at country of risk. 3. Subscription finance, margin loans. 4. Industrial & Diversified Industries, Telecom, Media & Technologies.



# Reference: Outlook on Loans

## Loan Balance

In-house company management accounting basis



## Loan Spread

In-house company management accounting basis

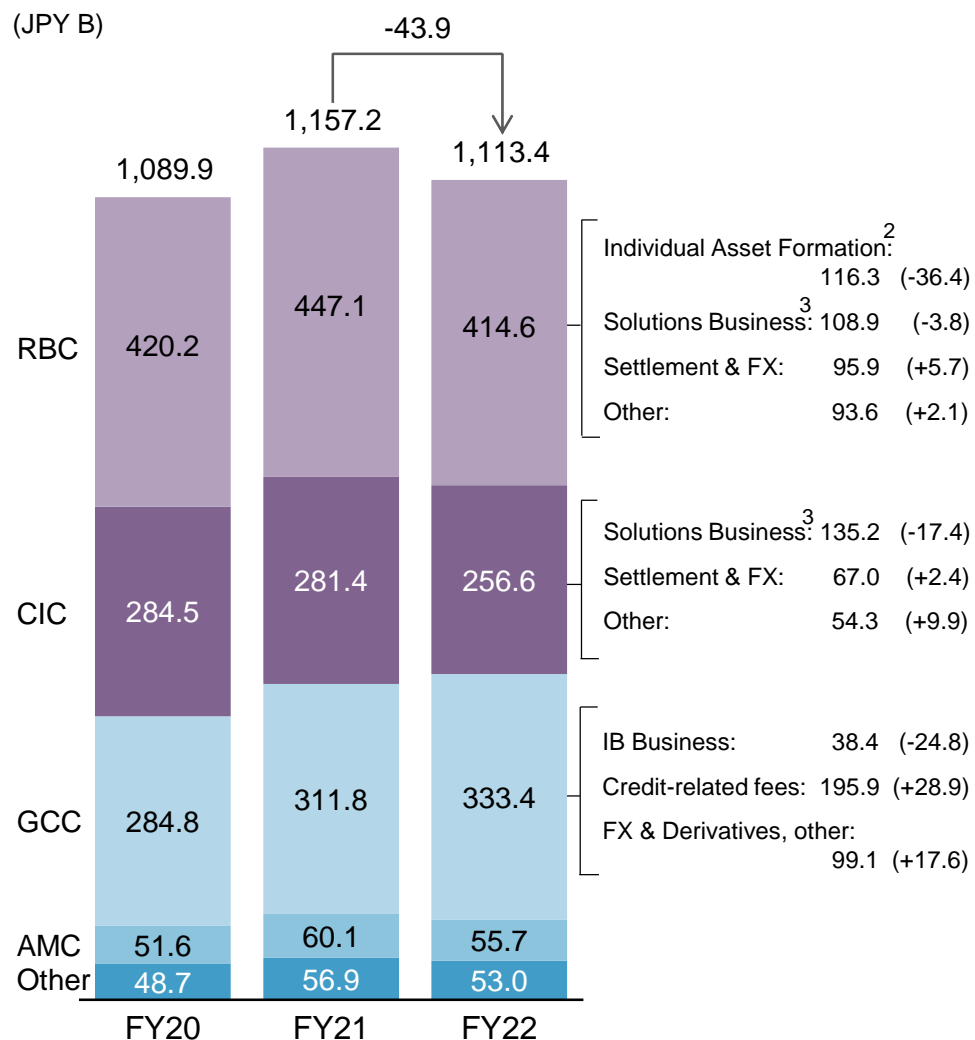
	FY22 vs FY23	FY23 vs FY25
Large Corporates	➔	➔
SMEs	➔	➔
Individuals	➔	➔

	FY22 vs FY23	FY23 vs FY25
Asia	➔	➔
Americas	➔	➔
EMEA	➔	➔

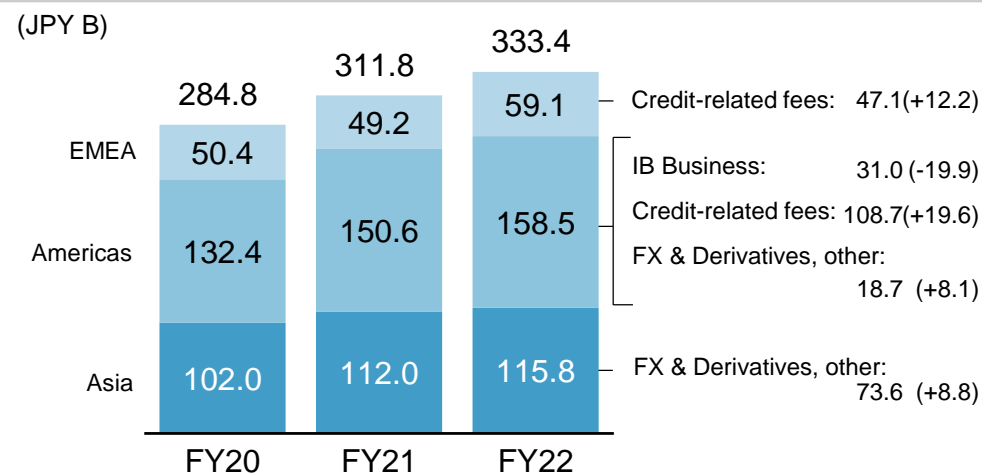
# Non-interest Income

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

Group aggregate  
Figures in ( ) represent YoY



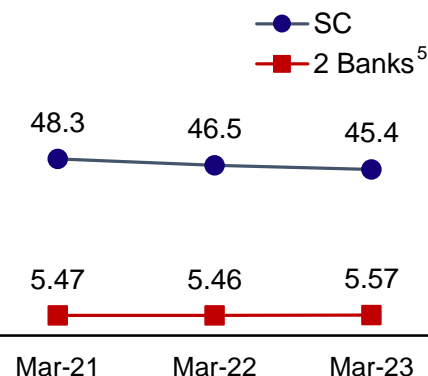
## Reference Breakdown of GCC by region



## Reference Investment Products<sup>4</sup>

(JPY T)		Amount of Sales		
		FY20	FY21	FY22
2 Banks	Annuities	0.17	0.21	0.50
	Investment Trusts	0.43	0.47	0.29
	Equity Investment Trusts	1.49	1.39	0.70
SC	Japanese Bonds	0.54	0.77	0.78
	Foreign Bonds	0.83	0.97	0.74
	Fund Wrap	0.03	0.22	0.08

## Assets Under Management



1. Recalculated past figures based on FY22 planned rate and other factors such as expansion and refinement of range of consolidated subsidiaries. The original figures before the recalculation were FY20: JPY 1,045.3B and FY21: JPY 1,106.4B. 2. BK investment trusts, annuities + SC individual segment, PB segment. 3. Including fees related to investment banking business and real estate brokerage. 4. SC: Retail & Business Banking Division. 5. Total of Individual Annuities, Investment Trust (excluding MMF), and Non-JPY Deposits.

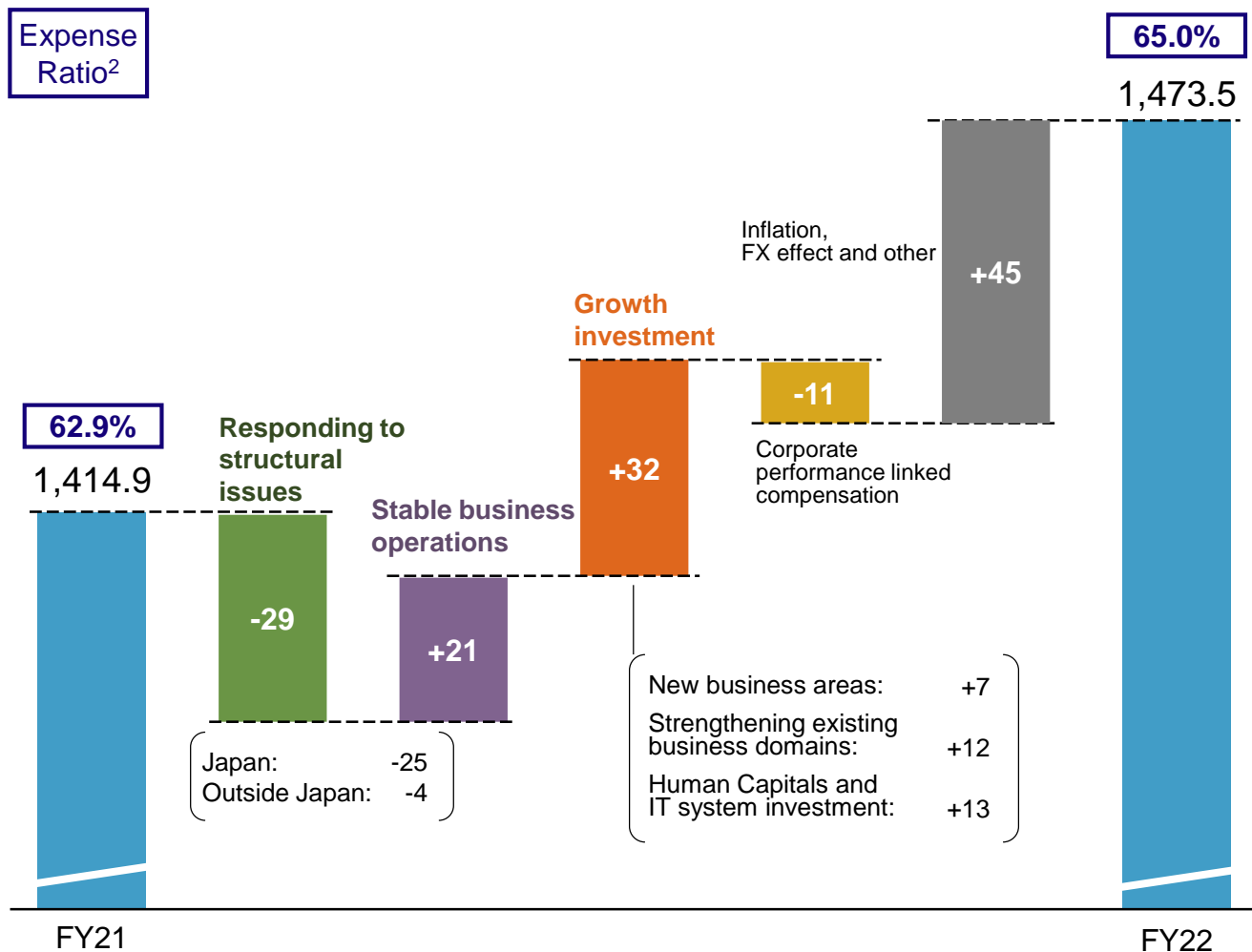
# General and Administrative Expenses

## G&A expenses (excl. Non-recurring losses and others) <sup>1</sup>

Consolidated

(JPY B)

Expense Ratio<sup>2</sup>



Reference: Measures for business improvement plan	Budget	FY22 Expenditure
Expenses	12.0	7.1
Non-recurring expenses	5.0	3.4
IT investment	7.0	3.2

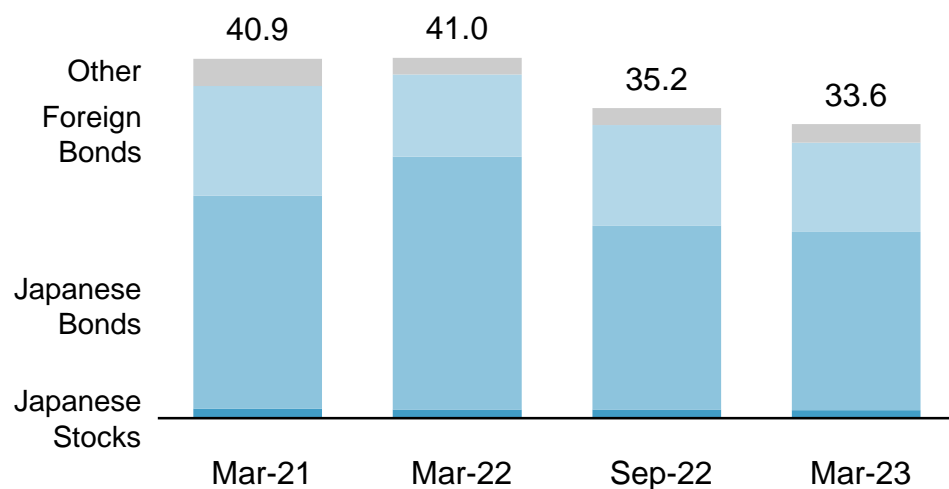
Reference	FY21	FY22
G&A expenses	1,392.8	1,445.2
o/w Non-recurring losses	-33.7	-39.7
o/w Amortization of goodwill and other items	11.6	11.4
Expenses (excl. non-recurring losses and others)	1,414.9	1,473.5

1. Breakdowns are in rounded figures, management accounting basis. 2. Group Aggregate

# Securities Portfolio

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

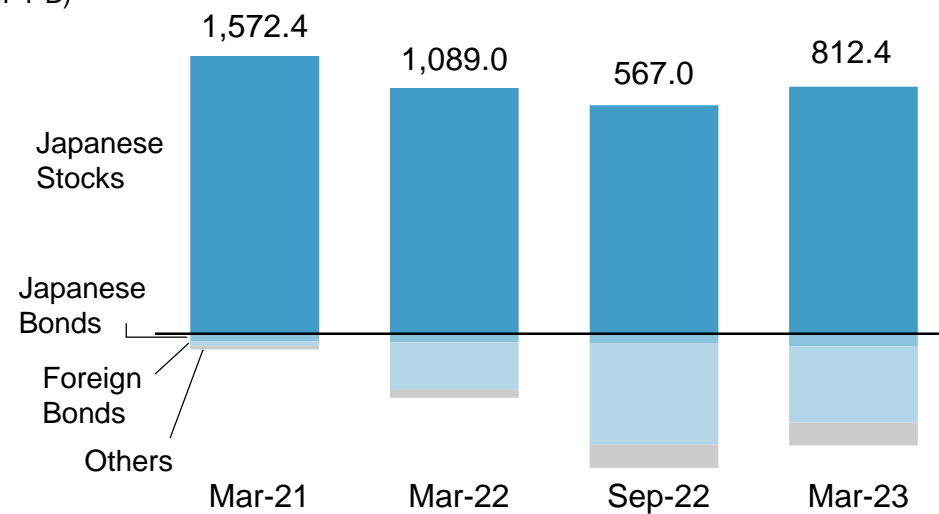
(JPY T)



	Mar-21	Mar-22	Sep-22	Mar-23
Japanese Stocks	1.1	1.0	1.0	0.9
Japanese Bonds	24.1	28.6	20.8	20.3
o/w JGB	20.9	25.1	17.1	16.4
Foreign Bonds	12.4	9.3	11.4	10.1
o/w Debt Securities issued in US <sup>2</sup>	8.3	5.7	7.3	6.3
Other	3.1	1.9	1.9	2.1
bear funds <sup>3</sup>	0.6	0.2	0.2	0.4
Investment Trusts and others	2.4	1.7	1.7	1.7

## Unrealized Gains/Losses on Other Securities (incl. Hedge Gains or Losses Applied)<sup>1, 4</sup> Consolidated

(JPY B)



	Mar-21	Mar-22	Sep-22	Mar-23
Japanese Stocks	1,665.7	1,472.4	1,369.6	1,481.7
Japanese Bonds	-44.9	-52.1	-58.9	-75.9
o/w JGB	-31.7	-30.5	-33.2	-46.4
Foreign Bonds	-27.0	-278.9	-606.2	-454.6
o/w Debt Securities issued in U.S. <sup>2</sup>	-23.6	-251.5	-562.3	-414.0
Other	-21.3	-52.2	-137.4	-138.7
bear funds <sup>3</sup>	-155.4	-29.8	-9.7	-25.8
Investment Trusts and others	134.1	-22.4	-127.6	-112.8

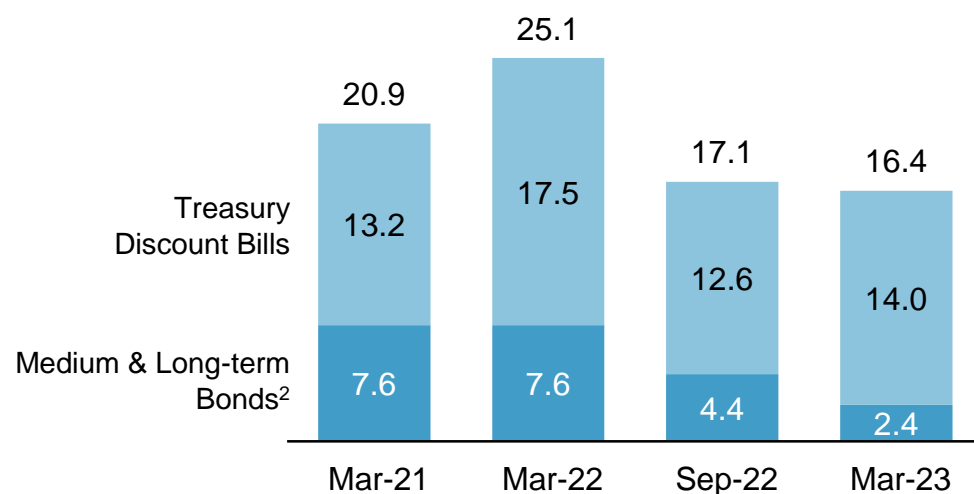
1. Other Securities which have readily determinable fair values. Excl. Investments in Partnership. 2. UST/GSE Bonds. 2 Banks. 3. Hedging transactions aiming to fix unrealized gains on Japanese stocks. 4. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. After applying Net deferred gains/losses of deferred hedging accounting among hedging instruments.

# Securities portfolio (Bonds)

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

2 Banks, acquisition cost basis

(JPY T)

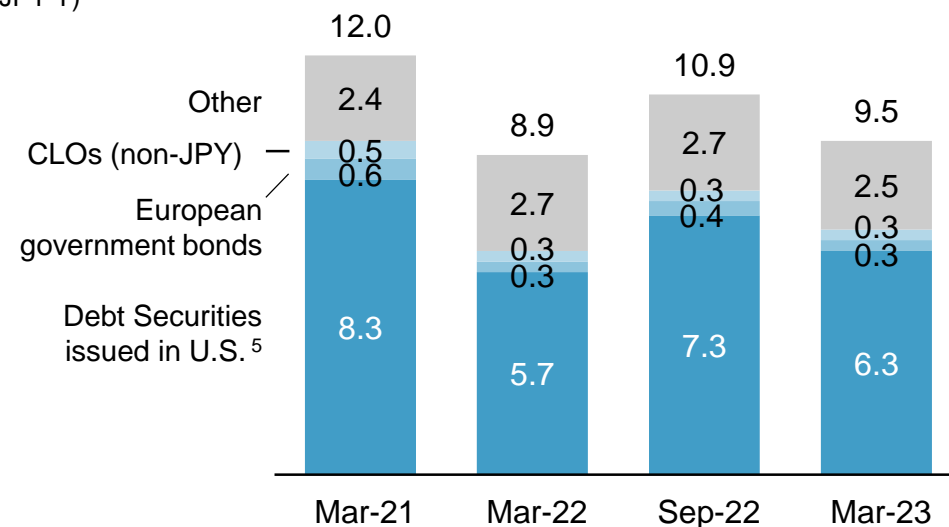


Unrealized Gains (Losses) <sup>3</sup> (JPY B)	-31.7	-30.5	-33.2	-46.4
Reference: Avg. remaining period <sup>4</sup> (yrs)	1.1	1.2	0.9	0.7

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

2 Banks, acquisition cost basis

(JPY T)



Unrealized Gains (Losses) <sup>3</sup> (JPY B)	-26.6	-279.5	-606.9	-454.7
Reference: Avg. remaining period <sup>4</sup> (yrs)	2.5	1.6	0.5	1.1

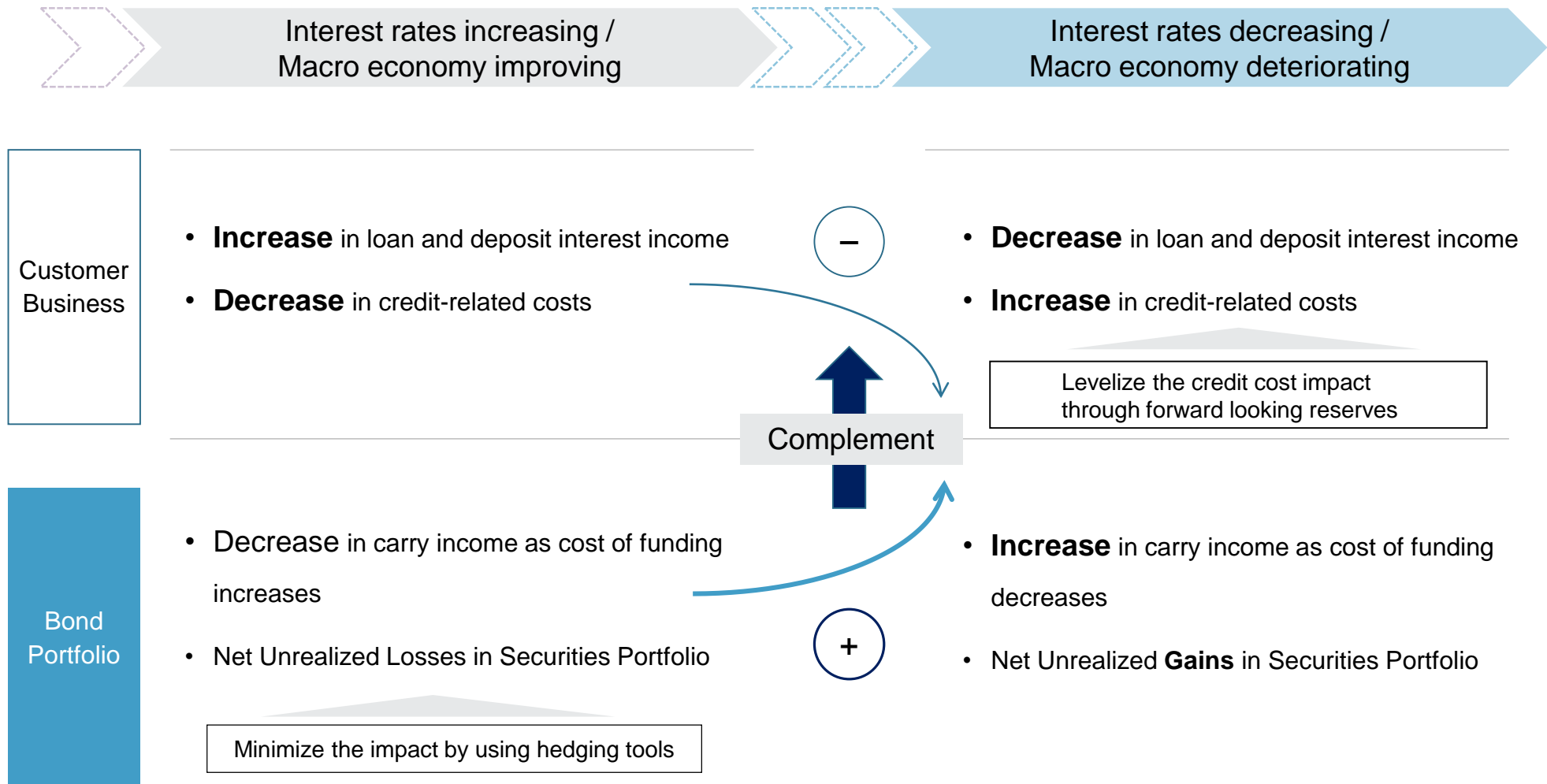
Reference **Bonds held to maturity** 2 Banks, acquisition cost basis

	Mar-21	Mar-22	Sep-22	Mar-23
Balance (JPY T)	0.8	1.5	2.0	2.0

1. Other Securities which have readily determinable fair values. 2. Incl. 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. Applying Net Deferred gains (losses) of deferred hedging accounting among hedging instruments. 4. Management accounting basis. After taking into account hedging activities, excl. bonds held to maturity. Average remaining periods for JGBs before taking into account hedging activities: Mar-21 1.1yrs, Mar-22 1.2yrs, Sep-22 1.3yrs, Mar-23 1.0yrs, For foreign Bonds: Mar-21 2.6yrs, Mar-22 2.9yrs, Sep-22 2.5yrs, Mar-23 2.9yrs. 5. UST/GSE Bonds.

# Reference: Role of Bond Portfolio

- Complementary positioning of our Bond Portfolio to Customer Business provides stability to overall financial operations through the interest rate fluctuation and credit cycle

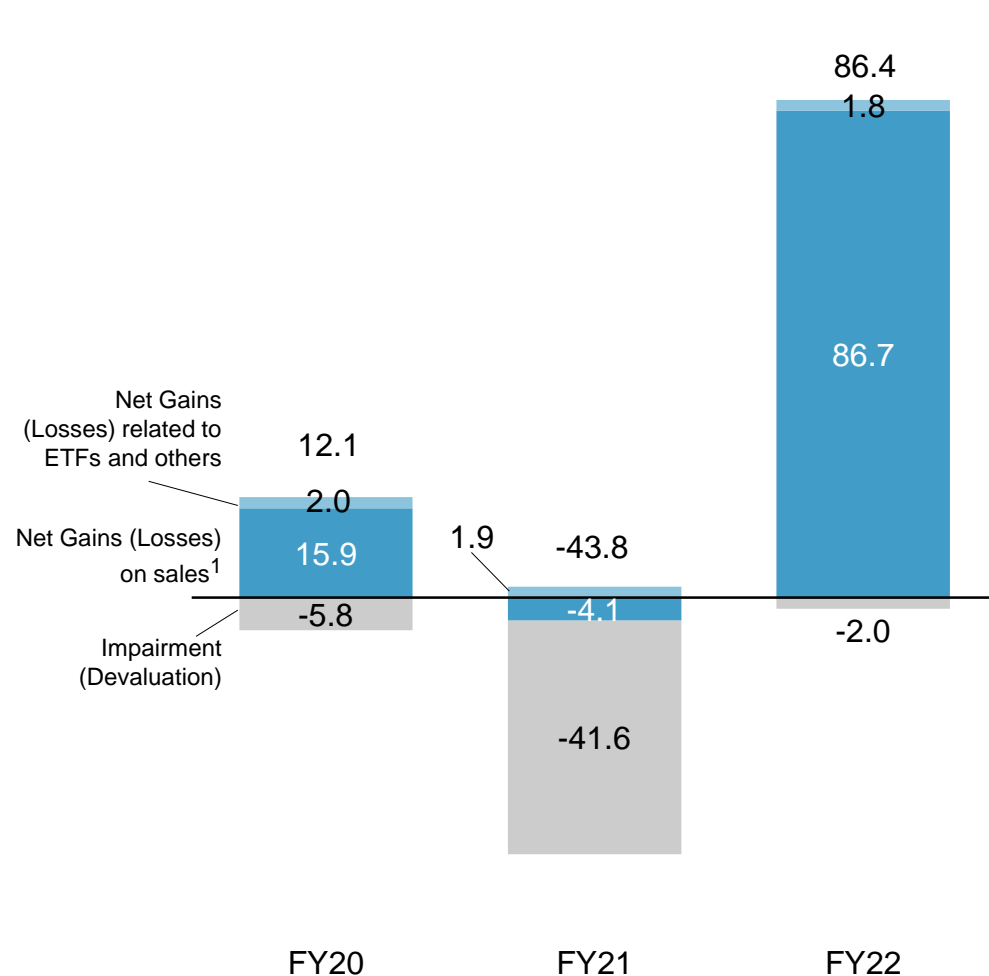


# Securities Portfolio (Stocks)

## Net Gains (Losses) related to Stocks

Consolidated

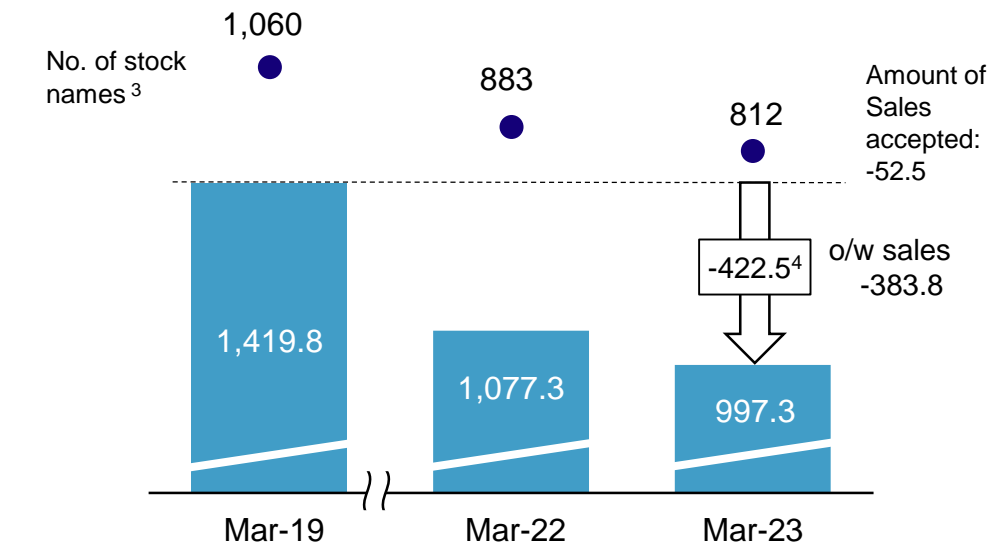
(JPY B)



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

Consolidated, acquisition cost basis

(JPY B)



### Unrealized Gains (Losses)<sup>5</sup>

	Mar-19	Mar-22	Mar-23
Stocks	1,687.6	1,472.4	1,481.7
<i>o/w gains</i>	1,748.9	1,542.6	1,554.1
<i>o/w losses</i>	-61.3	-70.1	-72.3
Bear Funds <sup>6</sup>	-	-29.8	-25.8

### Ref. Reduction of stocks in Retirement Benefit Trust<sup>7</sup>

	FY20	FY21	FY22 <sup>BK+TB</sup>
Return	180.2	245.5	151.0

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. BK, Stocks listed in Japan.

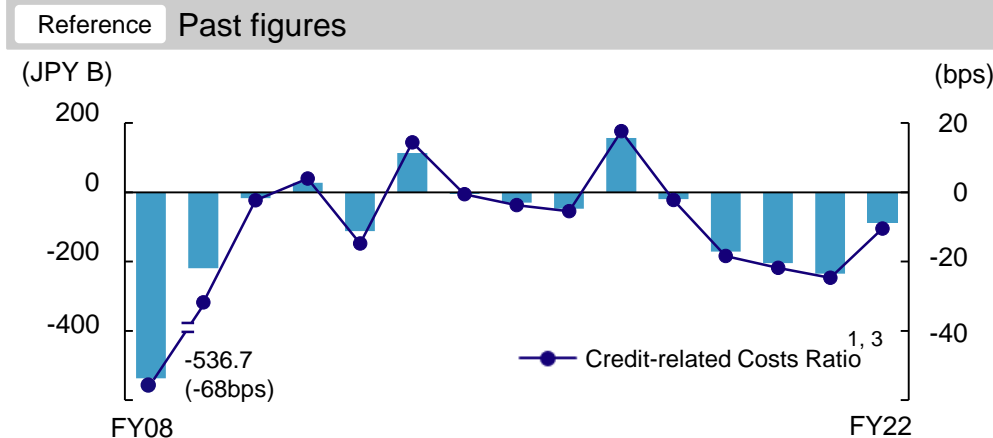
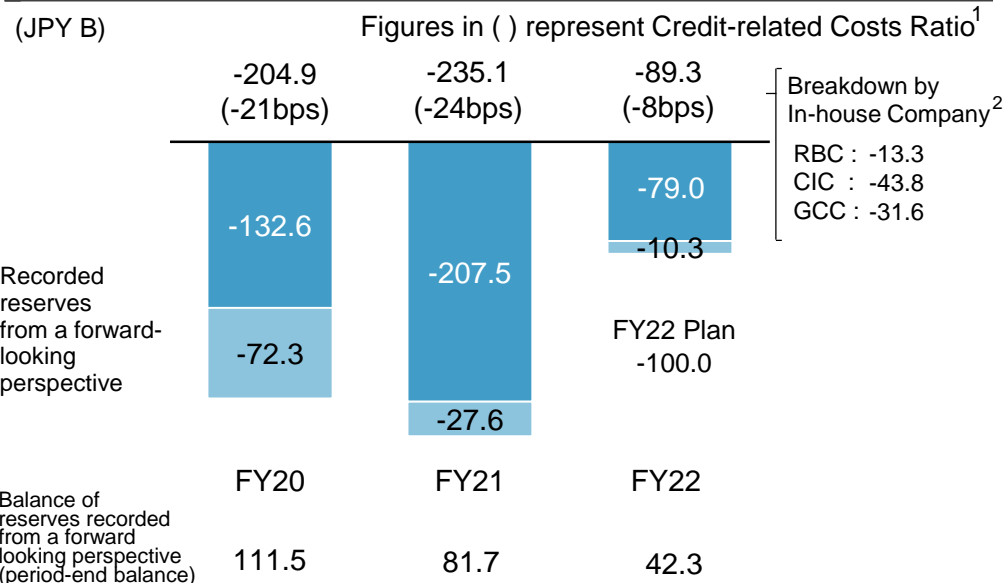
4. O/w impairment losses: -JPY46.2B. 5. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments.

6. Hedging transactions aiming to fix unrealized gains on Japanese stocks. 7. Partially includes amount recorded as assets of BK or TB. Management accounting basis.

# Asset Quality

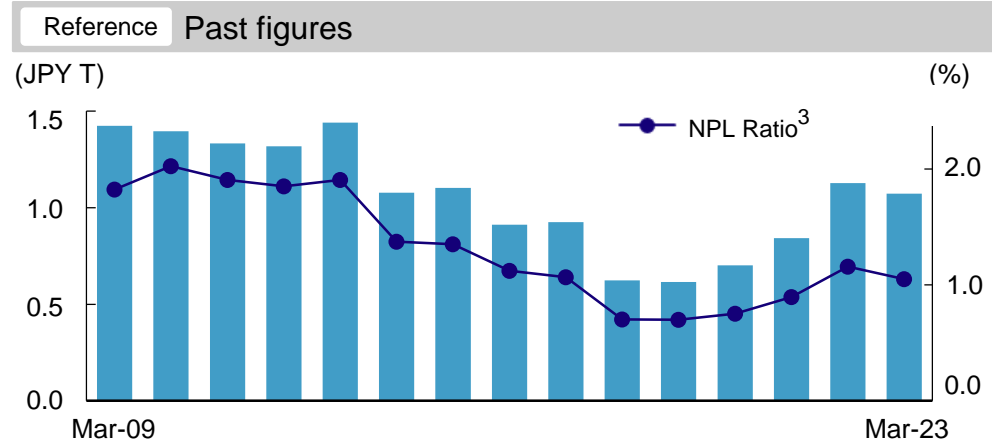
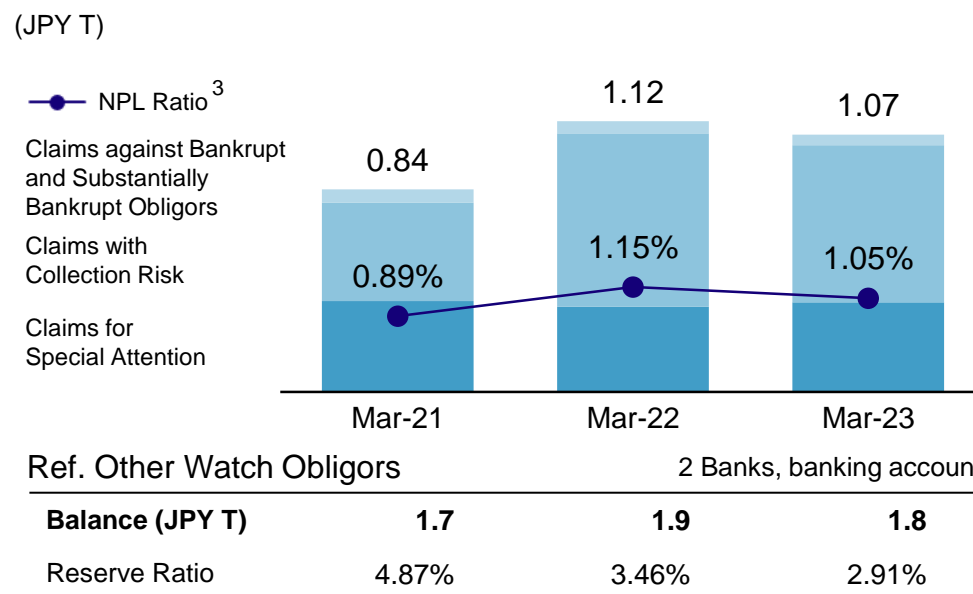
## Credit-related costs

Consolidated



## Non Performing Loans based on BA<sup>4</sup> and FRA<sup>5, 6, 7</sup>

Consolidated



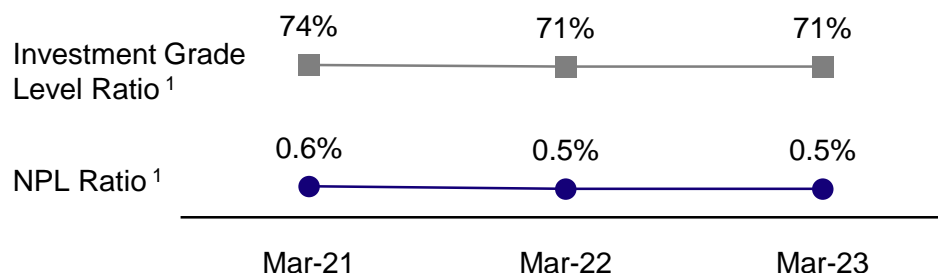
1. Ratio of Credit-related Costs against Total Claims (incl. Trust Account). 2. Management accounting. Excl. foreign exchange effects. 3. Figures before FY13 were calculated by using Total Claims of aggregate for 2 Banks. 4. Banking Act. 5. Financial Reconstruction Act. 6. Incl. Trust Account. 7. Ratio before Mar-21 was calculated based on non performing loans based on FRA.



# Asset Quality outside Japan

## Quality of loan portfolio

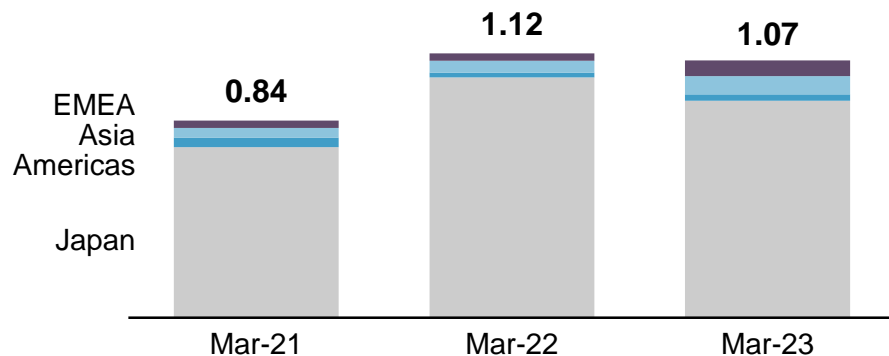
- Promote business with Non-Japanese blue chip companies under “Global 300 strategy”
- Financing towards SMEs and individuals outside Japan is marginal



## Non Performing Loans based on BA<sup>2</sup> and FRA<sup>3</sup> (by region<sup>4</sup>)

(JPY T)

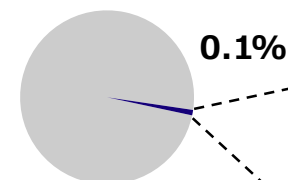
Consolidated, Banking account + trust account



## Russian related exposure (Mar-23)

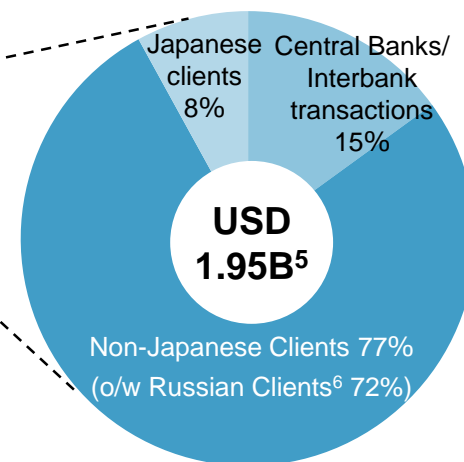
- Focusing on providing necessary support, such as settlement operation, mainly to existing Japanese clients operating in Russia, while complying with the sanctions imposed
- Russian related exposure decreased from Mar-22 due to repayment and else. Reserves were recorded to the fullest extent possible under Japanese accounting standards, including reserves from a forward-looking perspective

Total Exposure (Mar-23)<sup>5</sup>



Exp. to Ukraine/  
Belarus: None

### Exp. to Russia



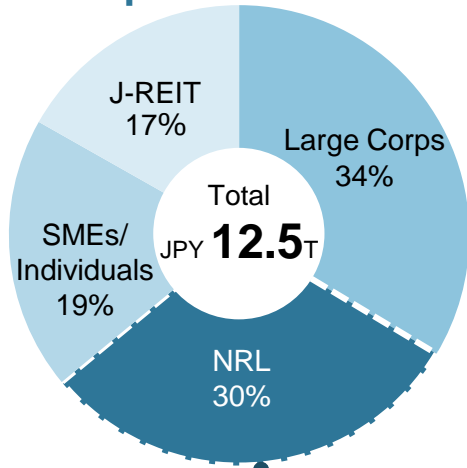
Reserves on Russian related Exposure<sup>7</sup>: JPY 98.6B

1. BK (incl. banking subsidiaries outside Japan), In-house company management basis. 2. Banking Act. 3. Financial Reconstruction Act. 4. Representative main branch basis. 5. BK Consolidated+TB Consolidated. Inclusive of loans, commitment lines, guarantee transactions, derivatives related credit, etc. Balance after guarantee at country of risk. 6. Inclusive of project finance transactions. 7. Reserve account for Possible Losses on Loans to Restructuring Countries.

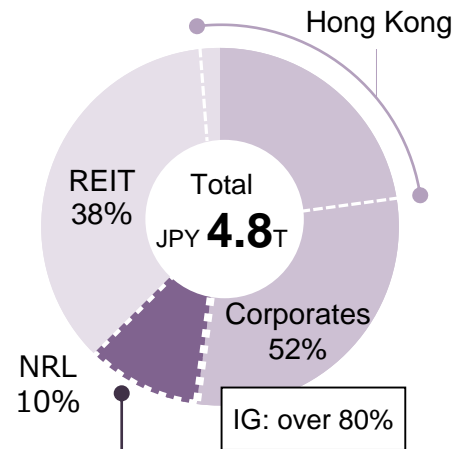
# Exposure to Real Estate Sector

Management accounting basis<sup>1</sup>

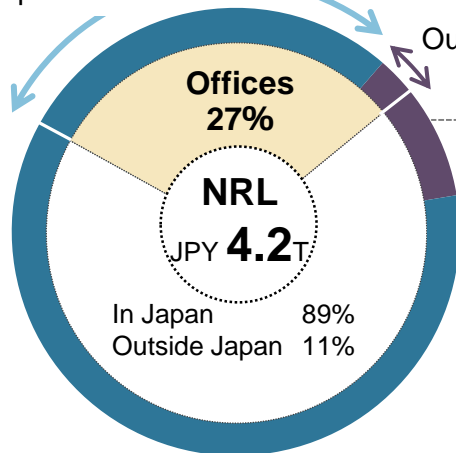
## In Japan



## Outside Japan



In Japan 90%



Outside Japan 10%

Ref. Overseas NRL exposure by region (rounded figure)

	Rough proportion
Americas	40%
EMEA	20%
APAC	40%
<b>Total (JPY B)</b>	<b>approx. 460.0</b>

- Exposure to real estate sector outside Japan is modest at 30% of the total
- Real estate-related loans as part of corporate lending are recourse, based on credit worthiness
- No outstanding CMBS<sup>2</sup>

### Non-recourse loans (NRL)

- Bulk of exposure are in Japan. Outside Japan minimal
- Office building exposure also geared heavily to Japan, at 90%
- **NRL in the U.S.**
  - Total exposure limit set, managed with caution
  - Current NRL exposure in U.S. is 0.1% or less of total U.S. CRE-related loan balance<sup>3</sup>

1. BK consolidated+TB non-consolidated. Total exposure including loans, FX and unused commitment lines. 2. Commercial Mortgage-Backed Securities 3. Source: FRB. Commercial Real Estate (CRE)

# Basel Regulatory Disclosures

## Capital Ratios

Consolidated

(JPY B)

	Mar-21	Mar-22	Mar-23
Total	16.87%	17.53%	16.05%
Tier1	14.37%	15.00%	13.91%
CET1	11.63%	12.46%	11.80%
(Excl. Net Unrealized Gains (Losses) on Other Securities)	(10.46%)	(11.52%)	(11.28%)
Total Capital	11,385.3	11,351.6	11,306.9
Tier 1 Capital	9,701.9	9,713.2	9,803.3
CET1 Capital <sup>1</sup>	7,849.9	8,067.2	8,315.5
AT1 Capital <sup>2</sup>	1,851.9	1,646.0	1,487.8
Tier 2 Capital	1,683.4	1,638.3	1,503.5
Risk Weighted Assets	67,481.9	64,730.4	70,434.1
Total Exposure	200,546.6	212,972.0	219,441.1

1. Common Equity Tier 1 Capital. 2. Additional Tier 1 Capital.

## Other Regulatory Ratios

Consolidated

(JPY B)

	Mar-21	Mar-22	Mar-23
Leverage Ratio	4.83%	4.56%	4.46%
External TLAC Ratio			
Risk Weighted Assets Basis	21.42%	24.24%	24.02%
Total Exposure Basis	8.39%	8.43%	8.85%
	FY20 Q4	FY21 Q4	FY22 Q4
Liquidity Coverage Ratio (LCR)	135.8%	136.5%	130.6%
Total HQLA	72,792.2	71,174.1	77,599.9
Net Cash Outflows	53,607.0	52,140.9	59,419.4
Reference:	Mar-21	Mar-22	Mar-23
CET1 Capital Ratio (Basel III finalization basis)	10.0%	9.9%	9.9%
(excl. Net Unrealized Gains (Losses) on Other Securities)	9.1%	9.3%	9.5%

# Plan for FY23

## Earnings Plan

Consolidated (JPY B)	FY22	FY23	
	Results	Plan	YoY
Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others	807.1	<b>900.0</b>	+92.9
Credit-related Costs	-89.3	<b>-100.0</b>	-10.7
Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others	84.6	<b>60.0</b>	-24.6
Ordinary Profits	789.6	<b>860.0</b>	+70.4
Net Income Attributable to FG	555.5	<b>610.0</b>	+54.5

2 Banks (JPY B)	FY22	FY23	
	Results	Plan	YoY
Net Business Profits + Net Gains (Losses) related to ETFs	574.0	<b>635.0</b>	+61.0
Credit-related Costs	-36.2	<b>-95.0</b>	-58.8
Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs	61.0	<b>60.0</b>	-1.0
Ordinary Profits	597.2	<b>605.0</b>	+7.8
Net Income	423.1	<b>425.0</b>	+1.9

## Shareholder return

Cash dividend per share	FY23	
		YoY
Interim Cash Dividend (Estimate)	<b>JPY 47.50</b>	+JPY 5
Fiscal Year-end Cash Dividend (Estimate)	<b>JPY 47.50</b>	+JPY 5
Annual Cash Dividends (Estimate)	<b>JPY 95.00</b>	+JPY 10

\*Assumed financial indicators: 10Y JGB Yield 0.65%. Nikkei 225, 27,000 JPY. USD/JPY 120 JPY.

# In-house Company Plan

(JPY B)

Group aggregate, rounded figures

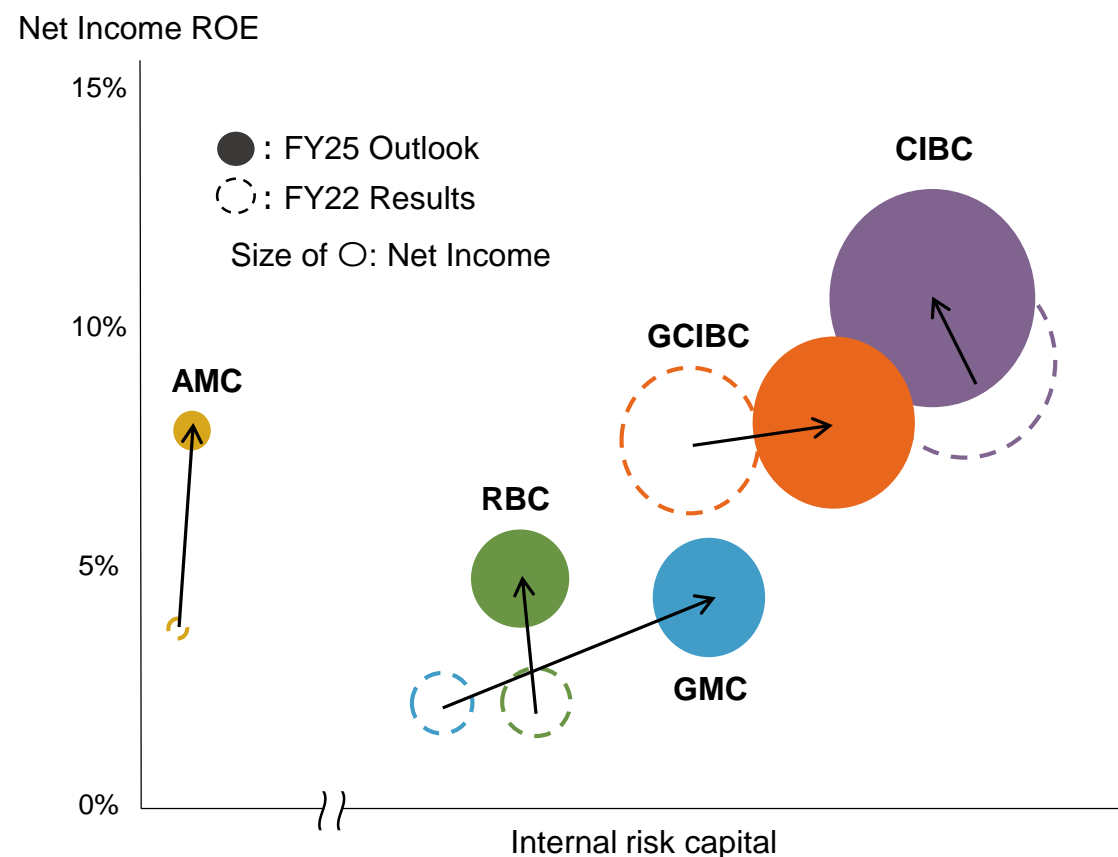
	Net Business Profits <sup>1, 2</sup>			Net Income <sup>1, 3</sup>			ROE <sup>1</sup>	
	FY22	FY23		FY22	FY23		FY23	
	Result	Plan	YoY	Result	Plan	YoY	Plan	YoY
Retail & Business Banking	80.0	<b>88.0</b>	+8.0	39.0	<b>55.0</b>	+16.0	<b>2.8%</b>	+0.8%
Corporate & Investment Banking <sup>4</sup>	313.0	<b>321.0</b>	+8.0	295.0	<b>281.0</b>	-14.0	<b>8.8%</b>	-0.1%
Global Corporate & Investment Banking <sup>4</sup>	338.0	<b>332.0</b>	-6.0	196.0	<b>217.0</b>	+21.0	<b>7.9%</b>	+0.4%
Global Markets	60.0	<b>154.0</b>	+94.0	35.0	<b>104.0</b>	+69.0	<b>4.2%</b>	+2.2%
Asset Management	13.0	<b>14.0</b>	+1.0	4.0	<b>5.0</b>	-1.0	<b>4.5%</b>	+1.0%
<b>Total</b>	<b>804.0</b>	<b>909.0</b>	<b>+104.0</b>	<b>569.0</b>	<b>661.0</b>	<b>+92.0</b>		
<b>FG Consolidated</b>	<b>807.1</b>	<b>900.0</b>	<b>+92.9</b>	<b>555.5</b>	<b>610.0</b>	<b>+54.5</b>	<b>7.0%</b>	<b>+0.4%</b>

1. Accounting rules as of FY23. GMC includes Net Gains (Losses) related to ETFs (2 Banks). 2. FG Consolidated figures are Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others. 3. FG Consolidated figures are Net Income Attributable to FG. 4. Financial effects caused by restructuring in-house companies are included in the accounting rule as of FY23.

## ROE / Internal Risk Capital by In-house Company

- Aim to strength stable profit base and improve ROE, pursuing for enhanced capital efficiency in each in-house Company
  - Allocate internal risk capital by concentration of corporate resources to focus areas and reduction of low-return assets
  - Deriving the ROE target for each in-house Company from FG consolidated ROE based on cost of capital and profit forecast considering business environment

	ROE <sup>1</sup>	
	FY22 Results	FY25 Outlook
RBC	2.0%	4.9%
CIBC	8.8%	10.4%
GCIBC	7.5%	7.9%
GMC	2.0%	4.6%
AMC	3.5%	7.5%
FG Consolidated	6.6%	Over 8%

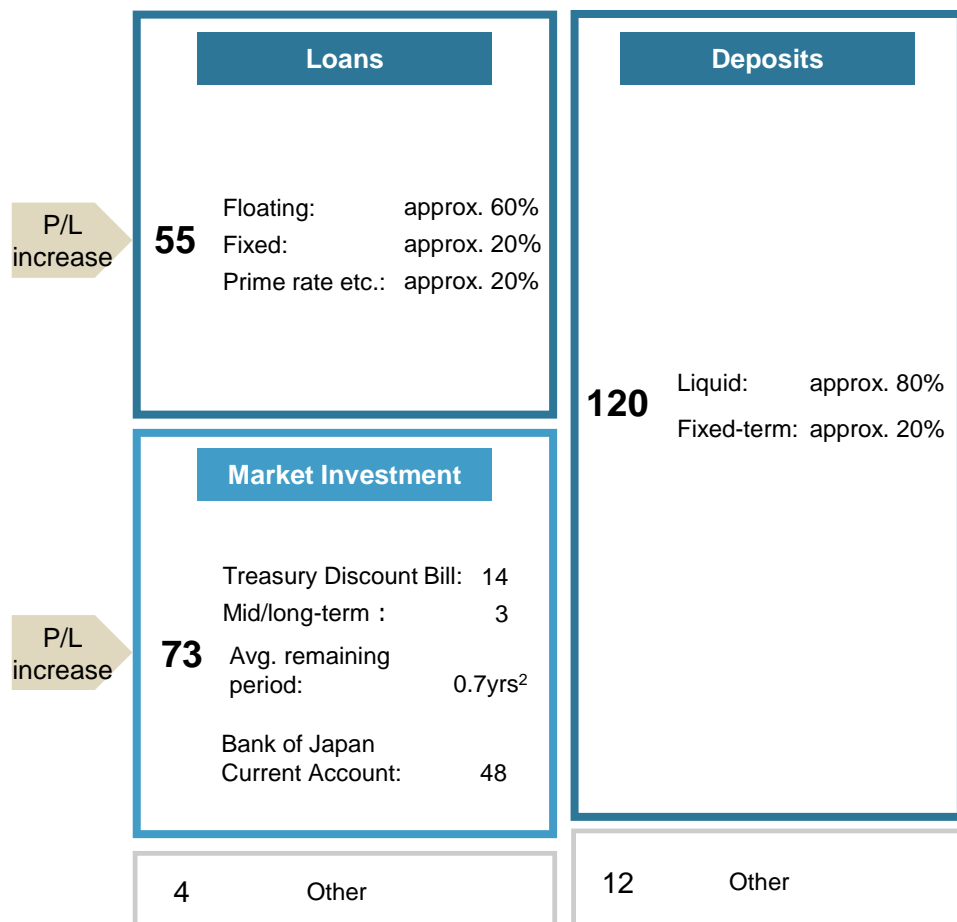


1. New management accounting rules were applied in FY23. FG consolidated figures are consolidated ROE.

# Reference: Estimating the financial impact of JPY rate-hike

(JPY T)

## JPY B/S (Mar-23)<sup>1</sup>



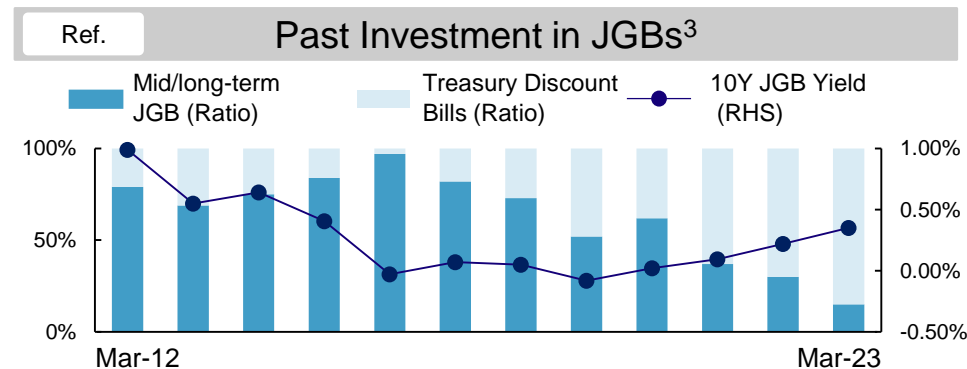
## ■ Impact of a change in Bank of Japan monetary policy

Estimated additional P/L is approx. **JPY 35.0B** per year

- Loan/Deposit income: +JPY 20.0 B (Loan margin to increase prior to cost of funding)
- Market investment: +JPY 15.0 B (Large impact from reduction in negative interest rate investment)

< Key Assumption for Estimate >

Bank of Japan Policy Rate: 0.00% (+0.10% compared to Mar-23)  
 Basic Rate on Bank of Japan 0.10% (unchanged)  
 Deposit:  
 Short-term rate (Tibor): +0.10% (compared to Mar-23)  
 Long-term rate: +0.10%



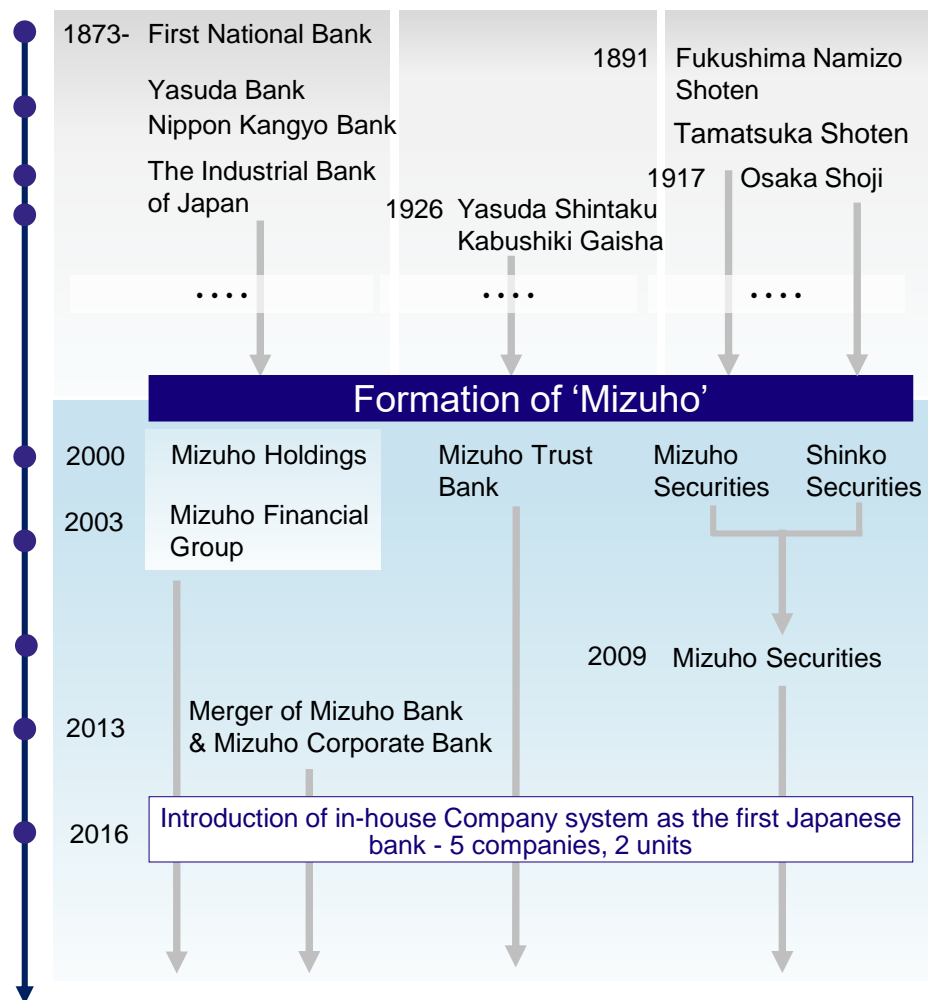
1. BK, management accounting basis. 2. Excl. bonds held to maturity. Before taking into account hedging activities. 3. Other securities. Acquisition cost basis.

Business



# Who we are: Mizuho Group (1) Outline

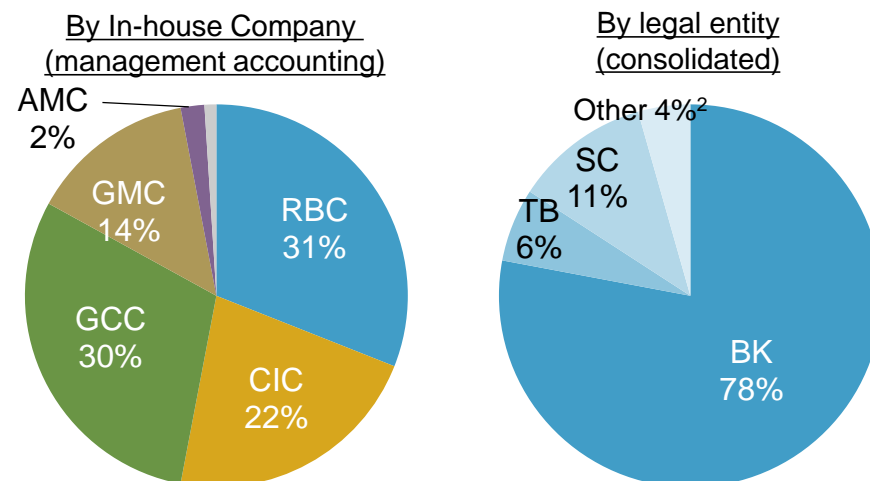
## Our History



## Network and Customer base

Locations (As of Mar-23)	Japan	<b>745</b> locations
	Outside Japan	<b>36</b> countries
	Total no. of locations: 110 Americas: 33, EMEA: 25, APAC: 52	
Customer base (Rounded figures)	Individual customers:	approx. <b>22</b> M
	Securities accounts:	approx. <b>1.7</b> M
	Coverage of listed companies in Japan:	approx. <b>80%</b>
	Coverage of Forbes Global 200 <sup>1</sup> (Non-Japanese corporate clients):	approx. <b>90%</b>

## In-house Companies and legal entities (FY22 Gross Profits by Segment)



1. The top 200 companies in the Forbes Global 2000. 2. Includes transactions between subsidiaries that should be consolidated and eliminated as internal transactions

# Who we are: Mizuho Group (2)

## RBC Retail

Figures as of Mar-23

- Promoted Comprehensive Asset Management Consulting on group unified basis (BK-TB-SC)
- Grew the stable revenue base by expanding AUM
- Exercising FD<sup>1</sup> supporting advanced consulting

Equity investment trust<sup>2</sup> **JPY 6.2 T** +JPY 2.1 T (Compared to Mar-19)  
 Average investment trust holding period<sup>3</sup> **7.4 yrs.** Industry average<sup>4</sup> 5.1 yrs.  
 Global equity fund balance **JPY 3.3 T** +JPY 2.1 T (Compared to Mar-19)

4 legal entities were awarded the highest ranking (S+) for R&I's "Customer-Oriented Investment Trust Sales Company Evaluation" for the 3rd year running



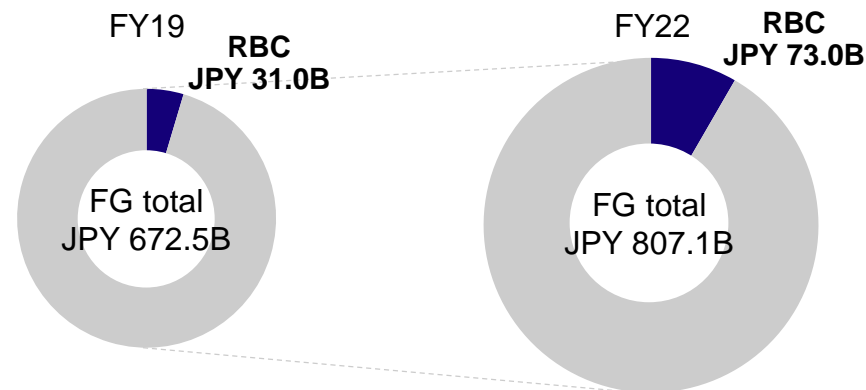
## RBC Medium-sized companies and SMEs

- Switched to new branch structure in 2021, consolidating expertise based on industrial sectors
- Based on customer needs, enhanced solution capabilities including sustainability transformation & digitalization, through supporting growth strategy and business succession. Continuing to change loan profit structure

1. Fiduciary Duties. 2. Publicly offered equity investment trust. 3. Calculated by dividing the average balance held in the past year by the total amount of cancellations and depreciation. 4. Based on data published by The Investment Trusts Association.

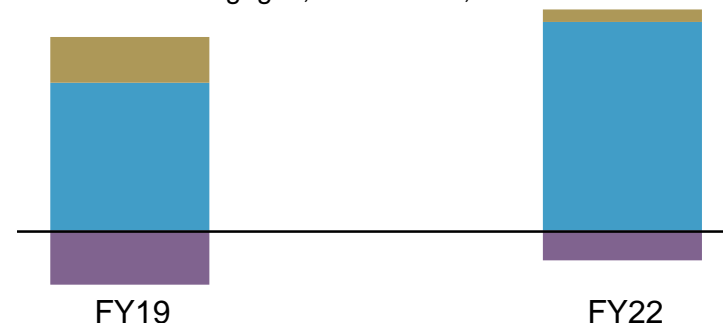
## Net Business Profit

Management accounting, rounded figures



### RBC breakdown

- Individual Retail: Asset management, Business generated through succession, Real-estate
- Medium-sized companies and SMEs: Lending, Solutions businesses
- Non-face-to-face: Residential mortgages, Card Loans, Frontier areas

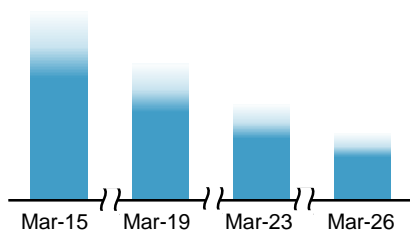


# Who we are: Mizuho Group (3)

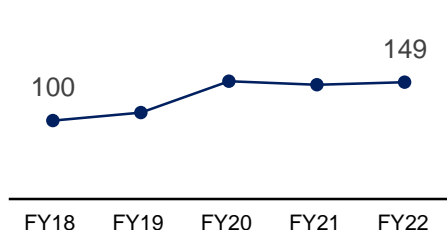
## CIBC Large corporations (in Japan)

- Implemented the IG/RG<sup>1</sup> framework which promotes group unified initiatives among BK-TB-SC.
- Having been promoting co-creation business and risk sharing model by leveraging our strengths in industry research and sector expertise, and shifting capital from cross-shareholdings

Reduction in cross-shareholdings portfolio



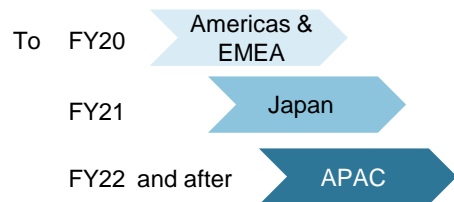
SI<sup>2</sup> investment balance (year-end EXP)<sup>3</sup>



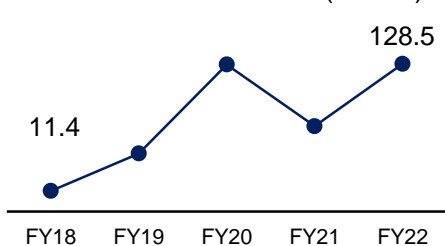
## GMC S&T

- Expanding BK-SC integrated operations on a global basis
- Enhanced business in Americas, diversifying deal generation by expanding product line-up, increasing resistance to environmental change. Strengthened APAC's infrastructure, aiming for steady build-up of income.

Expansion of BK-SC integrated operations & products line up



Net Business Profit (JPY B)

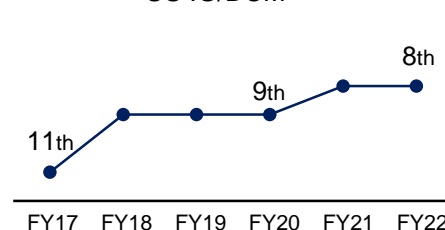


## GCIBC Outside Japan

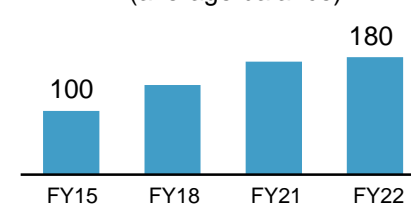
Management accounting

- Pursuing business with leading non-Japanese corporations based on the Global 300 strategy.
- Establishing a solid position in IG/DCM at US capital markets. Expanding deposit balance through transaction banking in APAC, starting to bear fruits.

US IG/DCM<sup>4</sup>



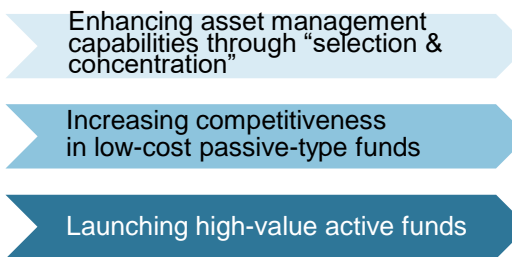
Liquid deposits in APAC (average balance)<sup>5</sup>



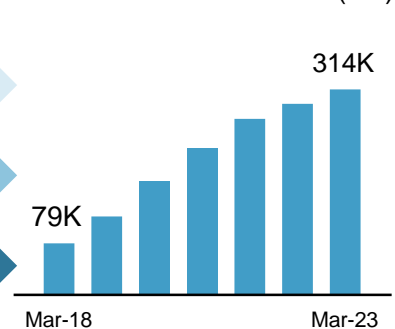
## AMC Asset Management

- Aiming for solid growth through leading the reinvigoration of fund investment in Japan

Enhancing asset-management capabilities, expanding product line-up



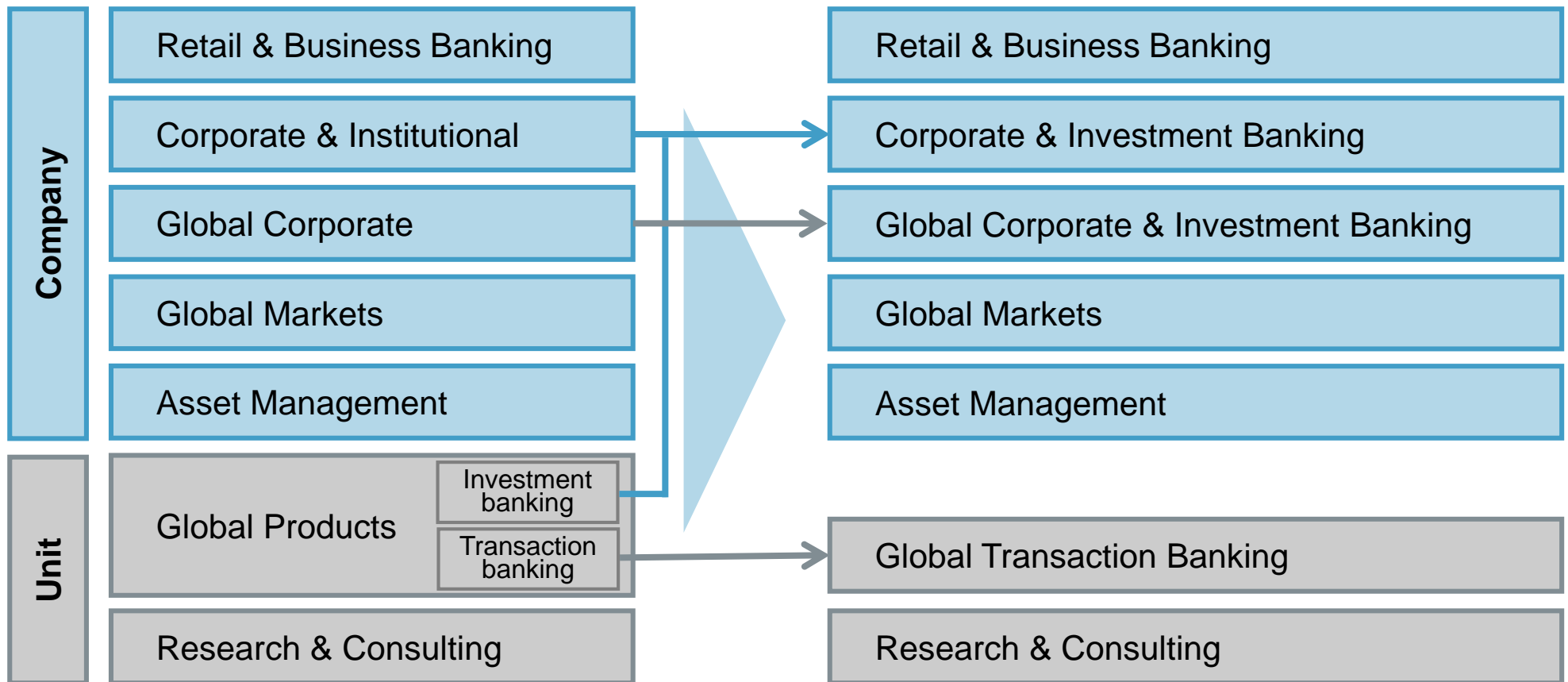
No. of iDeCo users (BK)



1. Industry Group & Regional Group. Formation based on industry sector. 2. Strategic Investment. Hybrid financing, Equity & Mezzanine etc. 3. Balance indexed at Mar-18 as 100. 4. Bonds issued by investment grade corporations. Fee basis. Source: Dealogic. 5. Balance indexed at FY15 as 100.

# Revisiting of In-house Companies structure

- Revisited the organization structure in order to further strengthen our ability to meet the increasingly diverse and complex needs of our clients (implemented in April 2023)
- Utilize knowledge brought by the acceleration of integrated promotion of RMs and products for the Companies facing with corporate clients, and aim to speedily support clients to improve corporate value and business growth



# Inorganic Growth Strategy

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- Consider inorganic growth strategies and else that aim to strengthen focus areas

Target areas	Objectives
Investment Banking, Asset formation and Asset management	<ul style="list-style-type: none"><li>• Strengthen Investment Banking functions that will lead to alternative asset management business</li><li>• Approach customer/client base via platform providers and others</li></ul>
Global, Sustainability and Innovation	<ul style="list-style-type: none"><li>• Enhance non-regulatory and non-financial business areas both in and outside of Japan</li><li>• Strengthen foundation of CIB business model both in and outside of Japan</li><li>• Working with local players in Asia with strong digital capabilities to capture its growth, rather than with conventional retail finance</li></ul>
Digital transformation	<ul style="list-style-type: none"><li>• Improve capabilities in digital transformation</li></ul>

# Global Retail Strategy

## ■ Capturing the growth of Asia through Digital Finance



Policy for selecting target countries for investment

- Population scale and the outlook for economic growth.
- Volume of numbers of young generation without bank accounts (the unbanked segment).

Strategic approach

- Promote financial transactions via Digital Finance.
- No intention to pursue branch-based retail business.



### Vietnam

Dec-21 investment

No.1 super-app<sup>1</sup>  
(Share<sup>2</sup>)

Approx. 7.5%<sup>3</sup>

No. of registered users<sup>2</sup>

Over **35 M**  
(Dec-22)

Payment transaction volume<sup>2</sup>

USD **24 B**  
(cumulative Dec-22)



### Philippines

Feb-22 investment

First digital bank in the Philippines  
(started operations in Mar-21)

Approx. 10%<sup>4</sup>

Cumulative app downloads<sup>5</sup>

**1,520 K**  
(Dec-22)

Deposit balance<sup>6</sup>

USD **147 M**  
(Dec-22)



### Indonesia

Mar-23 investment

No.1 BNPL<sup>7</sup> provider  
(Share)

USD 125M

No. of registered users<sup>8</sup>

Over **6 M**  
(Dec-22)

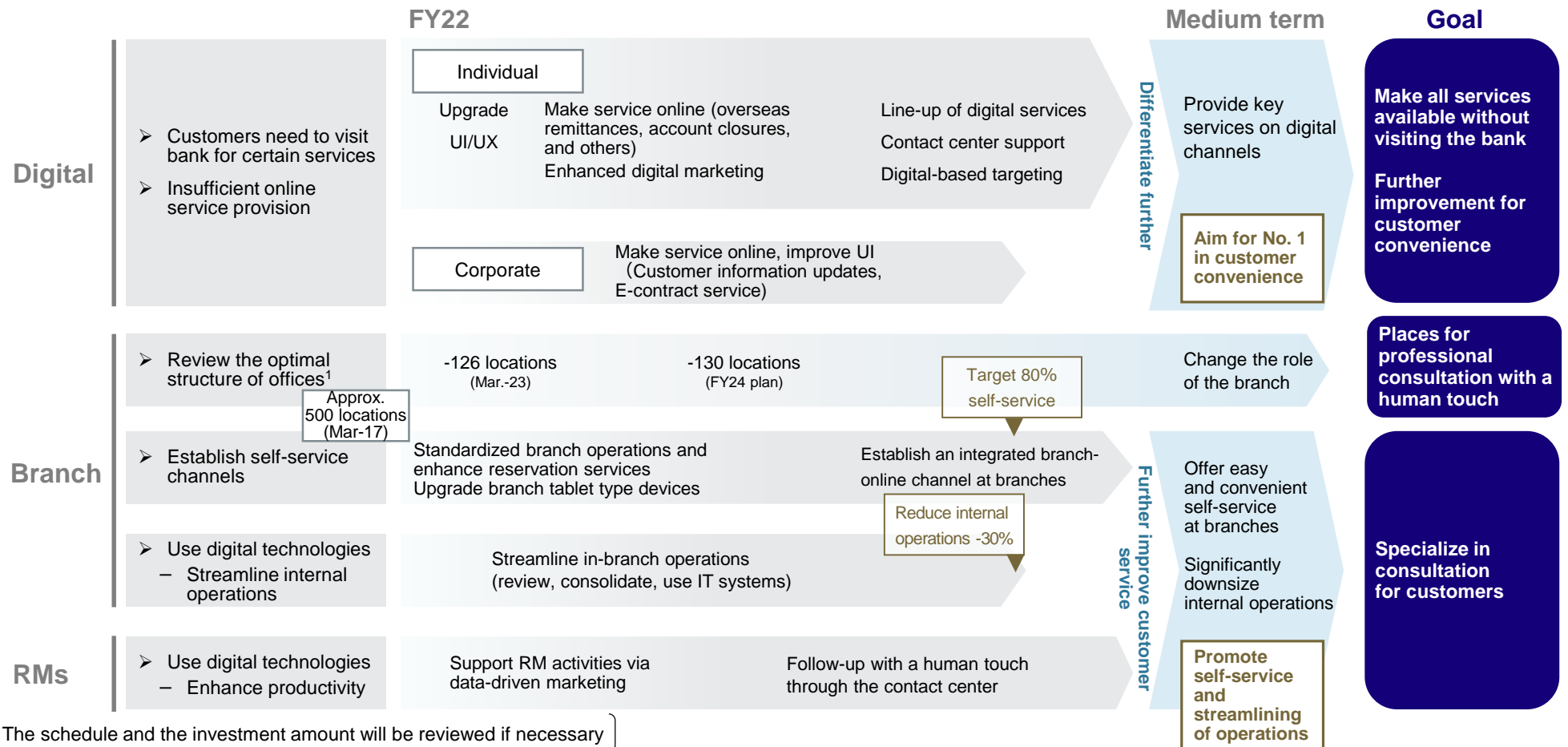
Coverage rate of e-commerce

**No.1**

1. All-encompassing mobile application that can provide services on personal life, incl. messaging, ride-hailing, and payment. 2. Source: MoMo Info Memo. 3. Investment ratio to Online Mobile Services Joint Stock Company. 4. Investment ratio to Tonik Financial Ptd. Ltd. 5. Source: data.ai. 6. Source: Bangko Sentral ng Pilipinas 7. Buy Now Pay Later. 8. Source Kredivo Info Memo.

# Channel Strategy

- Establish a three-pillar structure of digital-branch-RM to improve customer convenience and strengthen consulting support. Intending approx. JPY100 B for digital investment in the medium term (around JPY 40 B for upgrades and around JPY 60 B for new digitalization)
  - Evolve the branch centric channel strategy – business operation to be fully digitalized and branches to be a site for consultation with a human touch



1. Figure announced in 5-Year Business Plan.

# Progress of the Business Improvement Plan

- After formation and solid implementation of initiatives of the Business Improvement Plan, inspections and other improvement measures are establishing themselves as self-governed practices in the workplace.



	<b>System failure prevention</b>	<ul style="list-style-type: none"> <li>■ Since the first round of system inspections, the practice of formulating and promoting preventative measures is also being established, which are based on understanding on site situations and personnel management</li> <li>■ System failure<sup>1</sup>: No. of failures-2 in FY22, 11 since Feb 28<sup>th</sup>, 2021 till end of FY21 (None in Q4)</li> </ul>
	<b>System failure Response Enhancement</b>	<ul style="list-style-type: none"> <li>■ Framework for enabling timely initial response has been successfully established, enhancing response functionality to ATM failures</li> <li>■ Installation of cameras with speakers at all ATM sites</li> </ul>
	<b>Governance</b>	<ul style="list-style-type: none"> <li>■ Enhancement of multi faceted information gathering capabilities and expertise by outside directors, to enhance effective governance structure in entire group</li> <li>■ Establishment of procedures/structures related to foreign exchange laws and regulations; multi layered initiatives including message transmission and workshops</li> </ul>
	<b>Utilizing feedbacks/ Reforming Corporate Culture</b>	<ul style="list-style-type: none"> <li>■ Structure and infrastructure for listening/utilizing feedback are being enhanced, and operations are established</li> <li>■ Continuing to provide fine-tuned operations that delivers perceptions of changes to each employees, for example Internal operations abolished/improved, redefinition of corporate philosophy, appointing of a Chief Culture Officer, etc.</li> </ul>

\*System failures with significant impact (domestic impact, excluding externally caused)



# Other Non-financial Targets

## Environment and climate change related

Sustainable finance, Environment and Climate Change related finance targets - **JPY 100T from FY19 to FY30 (o/w 50T climate change related)** Increased

Scope 1, 2 (GHG emissions across the seven group entities<sup>1</sup>) - **Carbon Neutral by FY30**

Scope 3 (Emission reduction targets associated with financing and investments) - **reach net-zero by 2050**

Sector	FY30 Target
Electric Power	138-232kgCO <sub>2</sub> e/MWh
Oil and gas	Client's Scope 1, 2 4.2gCO <sub>2</sub> e/MJ
	3 Absolute emissions (MtCO <sub>2</sub> e) -12 to -29% <sup>2</sup>
Thermal coal mining	Absolute emissions (MtCO <sub>2</sub> e) - OECD countries: zero balance by FY30 Non-OECD countries: zero balance by FY40

Outstanding exposure to coal-fired power plants based on our 'Environmental and Social Management Policy for Financing and Investment Activity' - **reduce exposure in FY19 to 50% by FY30, reduce to zero by FY40**

Exposure in high-risk areas within transition risk sector - **reduce over medium to long term**

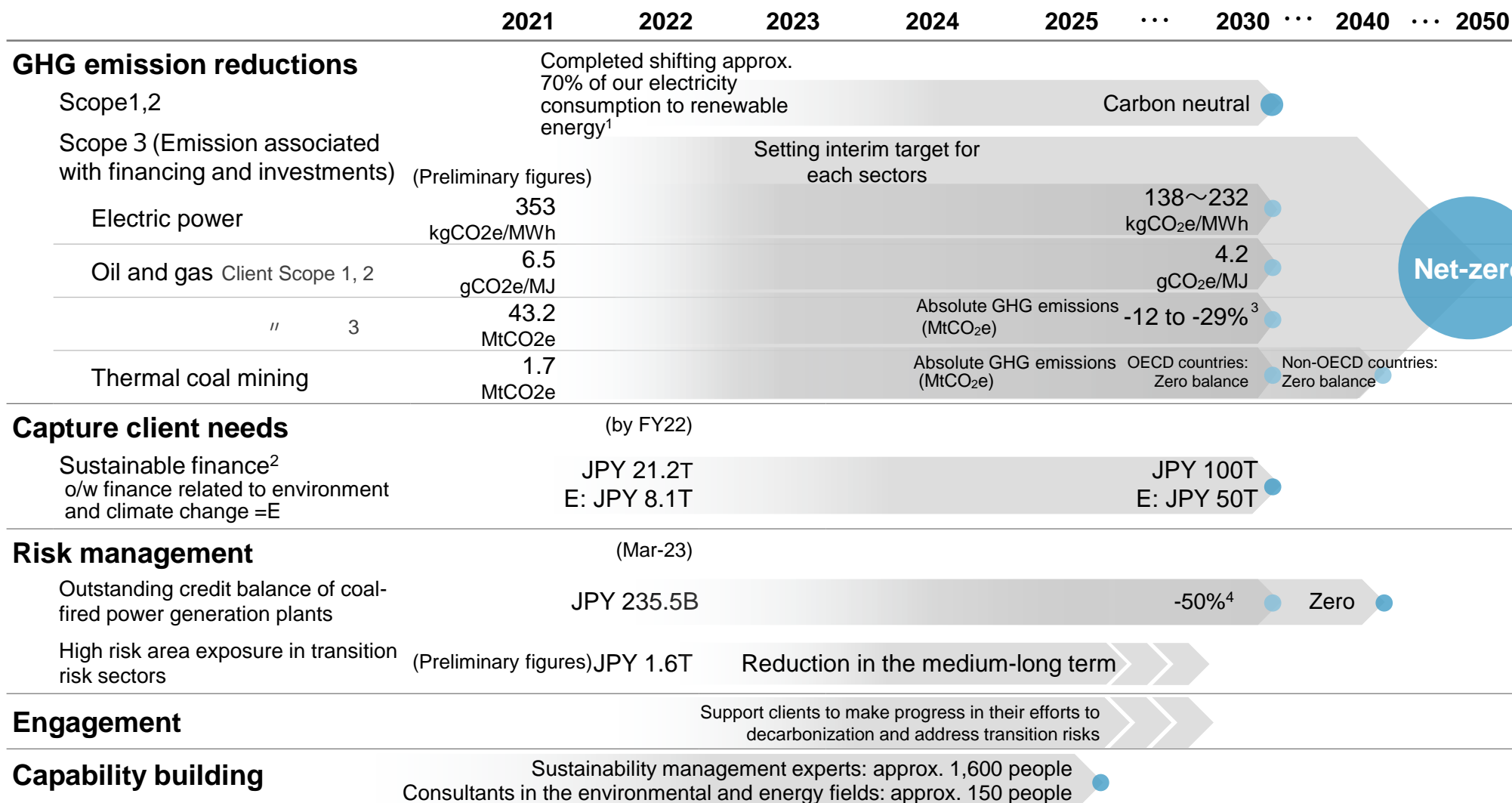
## Human Capital related

Management	Operating officers and candidates: <b>Twice of Executive Officers</b>	
Digital Transformation <sup>3,4</sup>	In-house certified personnel	Professionals <sup>5</sup> : <b>+100</b> Candidates: <b>+1,000</b>
Personal Consulting <sup>4</sup>	holding FP level 1 and/or CFP: <b>2,100</b>	
Business Succession <sup>3,4</sup>	In-house certified personnel: <b>+100</b>	
Innovation <sup>3,4</sup>	In-house certified personnel: <b>+200</b>	
Global Business <sup>3,4</sup>	Personnel with newly acquired overseas experience via overseas dispatch: <b>+150</b>	
Sustainability Transformation <sup>4</sup>	Professional consultants: <b>150</b> In-house certified personnel <sup>6</sup> : <b>1,600</b>	
		FY25 Target
Staff Survey Engagement score	New	65%
Staff Survey Inclusion score	New	65%
Management positions filled by women <sup>7</sup>	Equivalent to general managers	14%
	Equivalent to managers and above	21%
	By beginning of 2030's	Increased
Management positions filled by employees hired outside Japan <sup>8</sup>	maintain 83% <sup>9</sup>	
Ratio of female new-graduate hires <sup>10</sup>	maintain 30% <sup>9</sup>	
Paid annual leave taken by employees <sup>10</sup>	maintain 70% <sup>9</sup>	
Rate of childcare leave taken by male employees <sup>10</sup>	maintain 100% <sup>9</sup>	

1. FG, BK, TB, SC, RT, AM-One, Mizuho Americas. 2. vs FY19. 3. Over past 3 years (accumulative). 4. Target for FY25. 5. Professionals: Professional personnel that has advanced skills and knowledge in addition to digital transformation (DX) literacy and aims to play a role in the DX area. 6. Experts in sustainability management. 7. Total in Japan (FG, BK, TB, SC). 8. Total outside Japan (BK, TB, SC). 9. Level to be maintained continuously. 10. Total in Japan (FG, BK, TB, SC, RT, FT)

ESG

# Road map for net-zero by 2050



**Initiatives**

Partnership for Carbon Accounting Financials
 Chair of the PCAF Japan coalition
 GFANZ Glasgow Financial Alliance for Net Zero
 NZBA, NZAM

1. Scope 2 in Japan. 2. Total accumulated financing amount since FY19. 3. Compared to the FY19. 4. Compared to Mar-19.

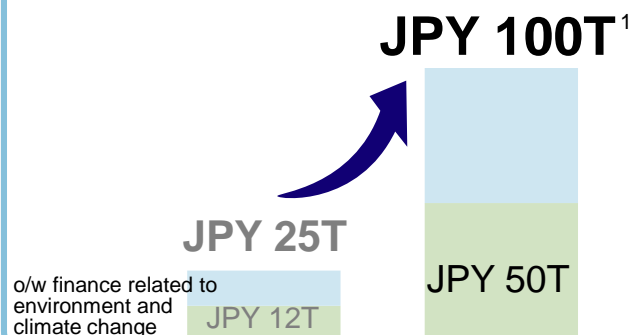
# Highlights: Sustainability Progress –Initiatives addressing Climate Change-



## Revisions to the Net Zero Transition Plan

- Identified key sectors to the net zero transition and relevant next-generation tech related key sectors.
- Strengthen initiatives on structural transformation of economy/industry, commercialization of technology
- Added progress in client's status of response to the transition risks as a metric.
- Enhanced engagement and strengthen human resources development to proceed the engagement

## Increased targets of sustainable finance



## Revisions to ES policy<sup>3</sup>

Thermal coal mining sector

Added to prohibited target for financing and investment

Oil and gas sector

Enhanced environmental and social risk verification of oil and gas mining operations



## Strengthening of climate change risk management structure

- Establishment of Sustainability Risk Management Office
- Formulation of the Basic Policy on Climate-related Risk Management

## GHG emission reduction interim targets associated with financing and investments

Sector	Results (Preliminary figures of FY21)	Target (FY30)
Electric power	353 kgCO <sub>2</sub> e/MWh	138~232 kgCO <sub>2</sub> e/MWh
Oil and gas	Clients Scope 1,2 6.5 gCO <sub>2</sub> e/MJ	4.2 gCO <sub>2</sub> e/MJ
	" 3 43.2 MtCO <sub>2</sub> e	Absolute GHG emissions (MtCO <sub>2</sub> e) -12 to -29% <sup>2</sup>
Thermal coal mining	1.7 MtCO <sub>2</sub> e	Absolute GHG emissions (MtCO <sub>2</sub> e) OECD countries: FY30 Non-OECD countries: FY40 <sup>Zero</sup>



## Natural capital initiatives

- Identified important natural capital by the financing portfolios analysis
- Water/Biodiversity (habitats and species)



## Engagement

Engagements based on ES policy<sup>3</sup>  
FY22: approx. 1,100 clients

Clients in transition risk sectors:  
Steady progress in response to the transition risks

Progress on reduction of our own GHG emissions

Scope 2 in Japan: Completed shifting approx. 70% of our electricity consumption to renewable energy

⇒FY22  
Sustainability Progress  
-Initiatives addressing  
Climate Change-



1. Total accumulated financing amount of FY19-FY30 2. Compared to FY19. 3. The Environmental and Social Management Policy for Financing and Investment Activity.

# ESG-related recognition and awards

## Third-party evaluation

D&I Award 2022



Pride Indicators 2022



ESG Finance Awards Japan

SC



Environmental Finance Bond Award 2023

SC



Research Institute for Environmental Finance "Outstanding Performance Award" in the "Sustainable Finance Awards"

SC



## Incorporation in social responsibility indices<sup>1</sup>

STOXX

Member 2022/2023  
ESG Leaders  
Indices



FTSE4Good



### GPIF selected ESG indices

General Index

Themed Index



2

FTSE Blossom  
Japan Index



2

FTSE Blossom  
Japan Sector  
Relative Index

2022 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

S&P/PX carbon efficient index

Morningstar Japan ex REIT  
Gender Diversity Tilt Index  
(GenDi J)

ESG score  
(Mar-23)

S&P Global<sup>3</sup>  
62

MSCI<sup>4</sup>  
AA

Sustainalytics (ESG Risk Rating)<sup>5</sup>  
20.3

FTSE<sup>6</sup>  
3.7

1. As of Mar-23. 2. <https://www.mizuhogroup.com/sustainability/mizuhocsr/evaluation> 3. <https://www.spglobal.com/esg/solutions/data-intelligence-esg-scores>

4. CCC-AAA 7-grade rating. Source: Bloomberg 5. Sustainalytics ESG Risk Ranking compares ESG risk with peers in the same industry. The lower the score, the higher the evaluation. Source: Bloomberg.

6. FTSE Overall ESG Score: on a scale of five.

# Approach to the composition of the Board of Directors

## Composition of the Board of Directors

In addition to conducting strategic direction within the group, it is important for our Board of Directors to fulfill the role of appropriately implementing governance functions across the group and across subsidiaries under the group's management. As such, our Board of Directors is composed of an appropriate balance of internal directors who have insight into the group's business model, and outside directors who possess complex and diverse perspectives that we may not have within the group.

### Characteristics of the Board of Directors of MHFG

The Board of Directors is dedicated to "supervising" management to the maximum extent possible (i.e., separation of supervision and management)

### The aim of the group

Mizuho's vision for the world

Mizuho's Purpose

### Business focus areas

Support for the doubling asset-based income plan

Enhancing customer experience

Enhancing the competitiveness of Japanese companies

Global Corporate & Investment Banking (CIB) business model

Sustainability and innovation

### Enhancing our corporate foundations

Corporate culture transformation

Human capital enhancement

Digital transformation

IT reforms

Maintenance of stable business operations

### Skills that the Board of Directors as a whole should possess

Basic elements required for supervision

Basic elements based on Mizuho's business strategies

Management

Finance

Risk Management / Internal Control

Human Resources / Organization

Sustainability

Financial Control / Accounting

IT / Digital

Global

# Skill Matrix of the Board of Directors

The table below lists the particular core skills of the directors in relation to the skills that the Board of Directors as a whole should possess

		Management	Risk Management/ Internal Control	Financial Control/ Accounting	Finance	Human Resources / Organization	IT / Digital	Sustainability	Global	Title and assignment	N: Nominating C: Compensation A: Audit R: Risk H: Human Resources Review Meeting S: System Failure Response Evaluation				
											<b>Chairman</b>				
Outside Directors	Yoshimitsu Kobayashi	●	●			●		●	●	Member of the Board of Directors	N		H		
	Ryoji Sato	●	●	●					●	Member of the Board of Directors		A	S		
	Takashi Tsukioka	●	●			●			●	Member of the Board of Directors	N	C	A	H	S
	Kotaro Ohno		●			●				Member of the Board of Directors	N	A	H	S	
	Hirokichi Shinohara	●				●	●	●		Member of the Board of Directors	N		R	H	S
	Masami Yamamoto	●					●		●	Member of the Board of Directors	N	C		H	
	Izumi Kobayashi	●	●		●	●		●	●	Member of the Board of Directors <b>Chairman of the Board of Directors</b>	N		R	H	S
	Yumiko Noda	●			●	●		●	●	Member of the Board of Directors		C	R		
	Seiji Imai				●			●	●	Chairman ( <i>Kaicho</i> ), Member of the Board of Directors (Non-Executive)					
Hisaaki Hirama		●	●	●			●		Member of the Board of Directors (Non-Executive)		A	R			
Masahiro Kihara	●	●	●	●				●	Member of the Board of Directors, President & Group CEO (Representative Executive Officer)				H		
Makoto Umemiya			●	●		●			Member of the Board of Directors, Deputy President & Senior Executive Officer, Group CDO (Representative Executive Officer)						
Motonori Wakabayashi		●		●			●		Member of the Board of Directors, Senior Executive Officer, Group CRO						
Nobuhiro Kaminoyama		●		●	●				Member of the Board of Directors, Senior Executive Officer, Group CHRO						

YoY1 Percentage of outside directors 50.0% ⇒ **57.1%** Percentage of outside and non-executive directors 66.6% ⇒ **71.4%** Percentage of female directors 8.3% ⇒ **14.3%**

Table of Directors to be proposed at the 21<sup>st</sup> Ordinary General Meeting of Shareholders to be held in June 2023 (Title and assignment etc.: After appointment at the 21<sup>st</sup>) 1. Compared to the timing of appointment at the 20<sup>th</sup> Ordinary General Meeting of Shareholders in June 2022.

# Reasons for the selection of necessary skills

<b>Management</b>	The experience of management, especially as a member in executive management in a large corporation and other companies, is necessary to fulfill the supervisory function of the group
<b>Risk Management/ Internal Control</b>	Professional experience in and knowledge of risk governance and internal control in corporations, auditing firms, and/or in the legal profession are necessary for supervision to ensure fair corporate activities and sound business operations by management
<b>Financial Control/ Accounting</b>	Experience as a CFO or person with similar responsibility in corporations and professional experience and knowledge as a certified public accountant or as a member of a similar profession are necessary to oversee management, which aims to build a sound financial base, pursue capital efficiency and realize growth strategies
<b>Finance</b>	Knowledge of the financial business, backed by, among others, business experience at financial institutions, is necessary to fulfill the supervisory function of the group, which has banking, trust, and securities businesses at its core
<b>Human Resources/ Organization</b>	The group considers “human resources” to be one of the key corporate resources that will support future growth, and experience in and knowledge of, among others, the development of executive managers, human resources and organizations are necessary from the perspective of appropriately overseeing efforts by management to transform human capital and corporate culture
<b>IT / Digital</b>	Experience and knowledge in, among others, technological and business development in the IT and digital fields are necessary to fulfill the group's supervisory function, as they are the foundation for customers to use the group's services with peace of mind and are also key to the group's future competitiveness
<b>Sustainability</b>	The group aims to achieve its own growth through facing social issues and contributing to their resolution, and we believe that experience in and knowledge of environmental and other sustainability-related operations are necessary to fulfill the supervisory function of the group
<b>Global</b>	As the group is expanding its business globally and aims to contribute increasingly to the sustainable growth of the world, experience in, among others, management of global corporations overseas is necessary to fulfill the supervisory function of the group



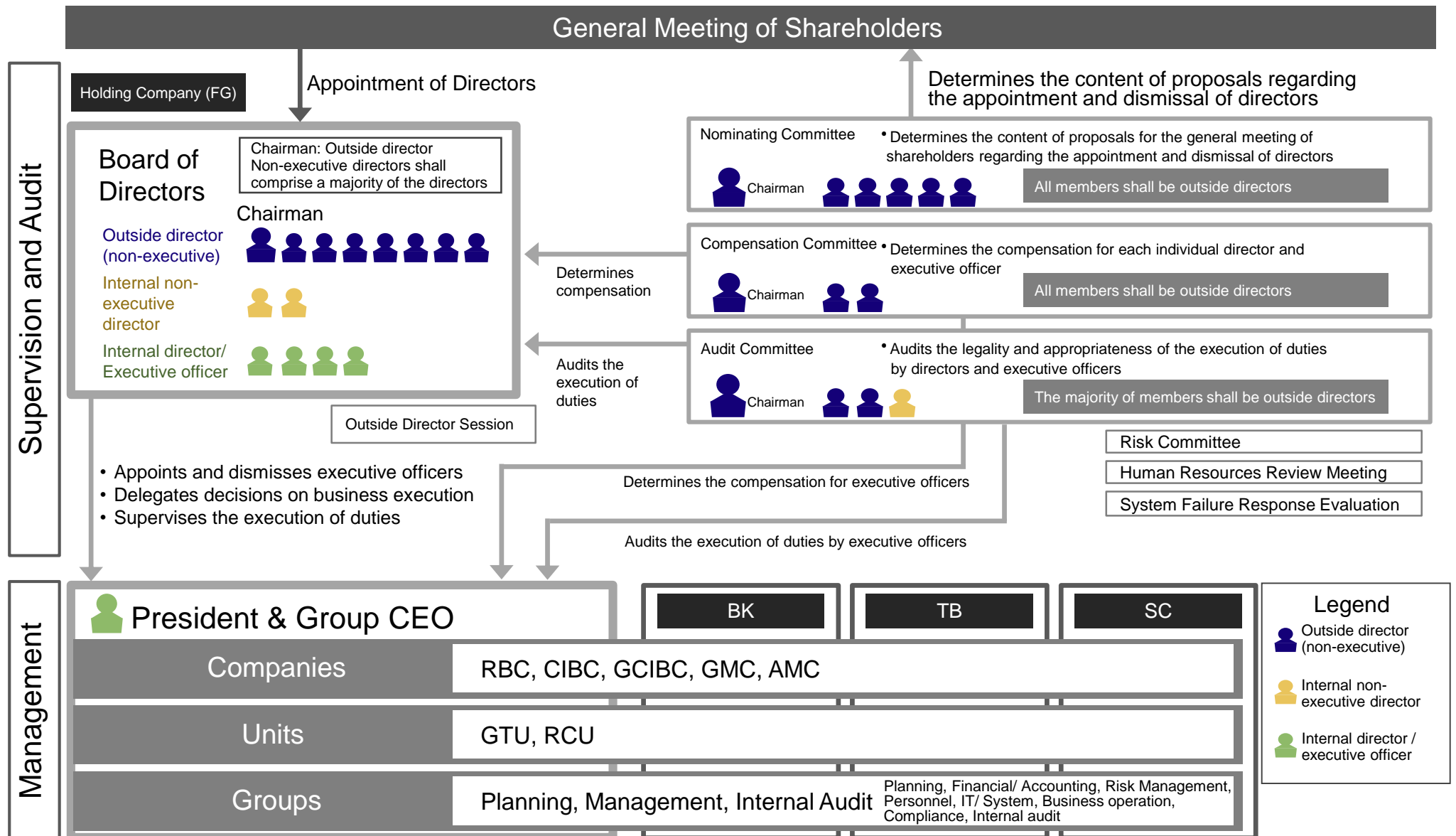
# FY22 Compensation framework for executives

	Compensation type	Description	Example of composition of compensation																			
			Group executive officers	Group CEO	Non-executive officers responsible for management supervision																	
Fixed compensation	<b>Base Salary</b> Paid monthly	According to the functions and responsibilities of each of the Officers	57.5%	42.5%	85.0%																	
	<b>Stock Compensation I</b> Paid upon retirement	According to the functions and responsibilities of each of the Officers																				
Performance-based compensation <sup>1</sup>	<b>Stock Compensation II</b> Deferred payments over three years	<p>“base amount” x “performance-based attribution factor”</p> <table border="1"> <tr> <td rowspan="4">Quantitative 70%</td> <td>Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others</td> <td>40%</td> </tr> <tr> <td>Net Income Attributable to FG</td> <td>10%</td> </tr> <tr> <td>Consolidated ROE</td> <td>10%</td> </tr> <tr> <td>Expense Ratio</td> <td>10%</td> </tr> <tr> <td rowspan="2">Qualitative 30%</td> <td>Evaluation from the perspective of increasing corporate value through sustainable and stable growth of the Group</td> <td rowspan="2">30%</td> </tr> <tr> <td> <table border="0"> <tr> <td>Financial</td> <td>Gross profits RORA, CET1 ratio, reduction of cross-shareholding, TSR, quality of profits</td> </tr> <tr> <td>Non-Financial</td> <td>Customer satisfaction, employee’s engagement, and sustainability initiatives</td> </tr> </table> </td> </tr> </table> <p>Results of organization assigned for each Officers are also reflected, excluding Group CEO</p>	Quantitative 70%	Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others	40%	Net Income Attributable to FG	10%	Consolidated ROE	10%	Expense Ratio	10%	Qualitative 30%	Evaluation from the perspective of increasing corporate value through sustainable and stable growth of the Group	30%	<table border="0"> <tr> <td>Financial</td> <td>Gross profits RORA, CET1 ratio, reduction of cross-shareholding, TSR, quality of profits</td> </tr> <tr> <td>Non-Financial</td> <td>Customer satisfaction, employee’s engagement, and sustainability initiatives</td> </tr> </table>	Financial	Gross profits RORA, CET1 ratio, reduction of cross-shareholding, TSR, quality of profits	Non-Financial	Customer satisfaction, employee’s engagement, and sustainability initiatives	5.0%	7.5%	7.5%
	Quantitative 70%	Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others		40%																		
		Net Income Attributable to FG		10%																		
Consolidated ROE		10%																				
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<b>Performance Payments</b> Deferred payment over three years for the portion above a certain amount		22.5%	25.0%	15.0%																		

**Subject to malus and clawback<sup>2</sup>**

1. Amount of compensation is determined by the Compensation Committee for each fiscal year. 2. A system which enables a decrease or forfeiture of the deferred amount by resolution of the Compensation Committee depending on the performance of the group or the individual. \*For the Officers appointed outside Japan, the standard amount and the composition and details of the executive compensation may be determined individually based on local compensation rules and practices as well as compensation levels of our competitors

# Corporate governance structure



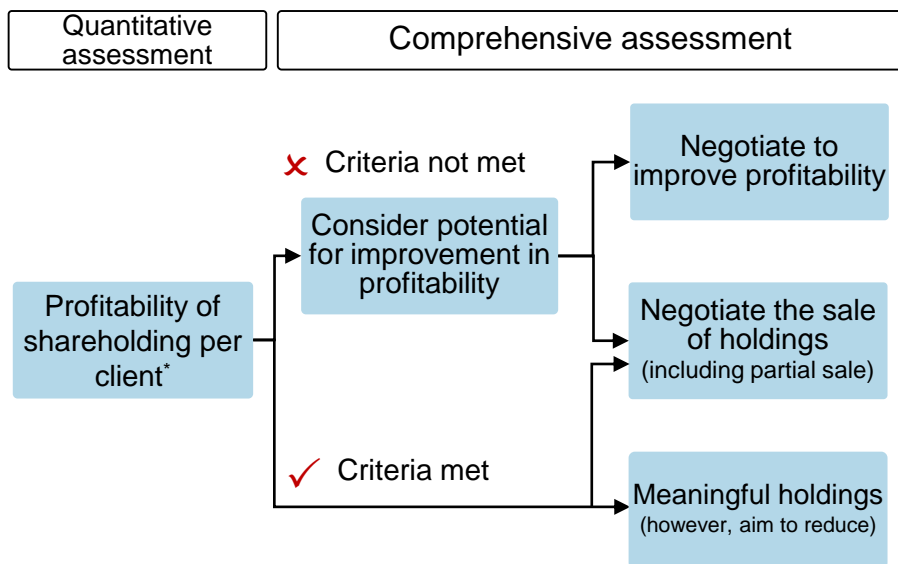
\*After the 21th Ordinary General Meeting of Shareholders.

# Verification of the significance of cross-shareholdings

## Basic Policy

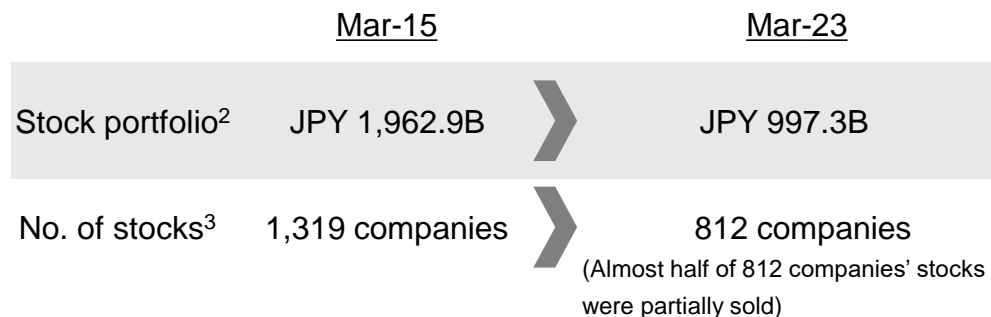
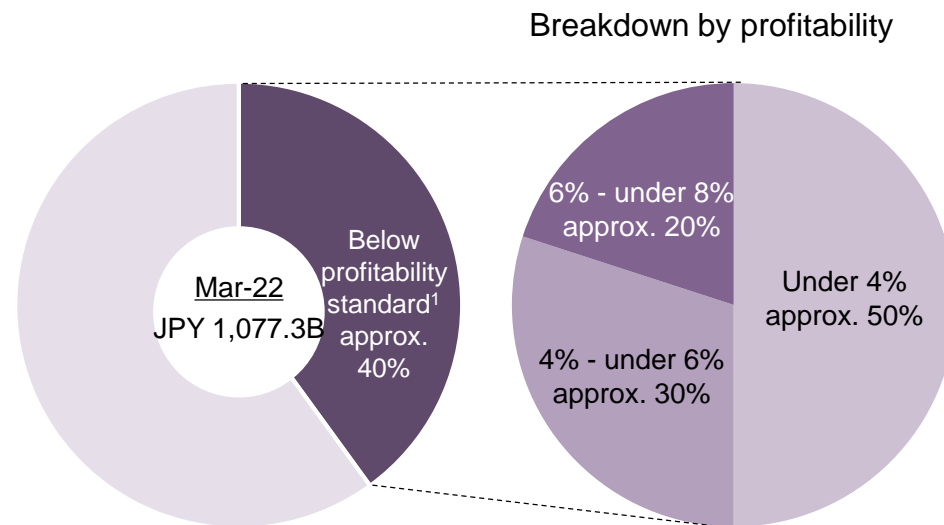
- Unless we consider these holdings to be meaningful, we will not hold the shares of other companies as cross-shareholdings
- Through dialogue with the issuing companies, we will also reduce even those holdings we consider to be meaningful

## Process for assessing whether cross-shareholding is meaningful



(\*)  $\frac{\text{Total profitability}}{\text{Risk Capital}} > \text{or} < \text{Hurdle rate: Set at 8\% after income taxes in consideration of the consolidated ROE target}$

Reference: Results of verification of significance of cross-shareholdings (as of Mar-22)



1. As of Mar-21, capital management was changed to align Basel III finalization basis, and the measurement of risk capital for verifying the significance of holdings was also changed accordingly, resulting in double the number not meeting the profitability standards compared to the previous method. 2. Consolidated, acquisition cost basis. 3. BK, stocks listed in Japan.

## Definitions

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### Financial accounting

- 2 Banks : BK+TB on a non-consolidated basis
- 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)) . Denominator is calculated as the average of the previous fiscal year end and current quarter end
- 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 prior to FY22. RBC + CIBC + GCIBC + AMC after FY23.
- Markets : GMC
- Consolidated Net Business Profits, Net Business Profits by In-house Company
  - Stable revenue : Recurring customer-related revenue + ALM revenue (comprehensive management of assets and liabilities in the banking account)
  - Upside revenue : Non-recurring customer-related revenue + trading-related revenue
  - Banking : Revenue in the banking account excluding ALM revenue

As for Net Business Profits, expenses are calculated based on the expenses allocation based on initial plan.

- 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 (excluding 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 risk-weighted assets (RWA) and interest rate risk in the banking account. Internal risk capital of RBC, CIC, GCC are calculated from Basel III finalization fully-effective basis
- ROE by In-house Company : Calculated dividing Net Income by each in-house Company's internal risk capital

## Abbreviations

<b>FG</b>	: Mizuho Financial Group, Inc.	<b>RBC</b>	: Retail & Business Banking Company
<b>BK</b>	: Mizuho Bank, Ltd.	<b>CIBC</b>	: Corporate & Investment Banking Company
<b>TB</b>	: Mizuho Trust & Banking Co., Ltd.	<b>GCIBC</b>	: Global Corporate & Investment Banking Company
<b>SC</b>	: Mizuho Securities Co., Ltd.	<b>GMC</b>	: Global Markets Company
<b>MSUSA</b>	: Mizuho Securities USA LLC.	<b>AMC</b>	: Asset Management Company
<b>AM-One</b>	: Asset Management One Co., Ltd	<b>GTU</b>	: Global Transaction Banking Unit
<b>RT</b>	: Mizuho Research & Technologies, Ltd.	<b>RCU</b>	: Research & Consulting Unit
<b>FT</b>	: Mizuho-DL Financial Technology Co., Ltd.	<b>CIC</b>	: Corporate & Institutional Company
<b>LS</b>	: Mizuho Leasing Company, Limited	<b>GCC</b>	: Global Corporate Company
		<b>GPU</b>	: Global Products Unit

## Foreign exchange rate

TTM	Mar-21	Mar-22	Mar-23
USD/JPY	110.72	122.41	133.54
EUR/JPY	129.76	136.77	145.72
Management accounting (Plan rate)	FY22	FY23	
USD/JPY	127.00	120.00	
EUR/JPY	140.97	132.00	

### 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.

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.

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