

# Summary of Financial Results for the Third Quarter of Fiscal 2019 (Under Japanese GAAP)

January 31, 2020

Mizuho Financial Group

**MIZUHO**

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

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## Definitions

FG: Mizuho Financial Group, Inc. BK: Mizuho Bank, Ltd. TB: Mizuho Trust & Banking Co., Ltd. SC: Mizuho Securities Co., Ltd.  
AM One: Asset Management One Co., Ltd.  
RBC: Retail & Business Banking Company, CIC: Corporate & Institutional Company, GCC: Global Corporate Company,  
GMC: Global Markets Company, AMC: Asset Management Company

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

**Group aggregate:** Aggregate figures for BK, TB, SC and other core group companies on a non-consolidated basis

# Summary of Financial Results

(JPY B)	FY19 Q3	YoY
Consolidated Gross Profits + Net Gains (Losses) related to ETFs and others <sup>1</sup>	1,517.8	12.4
G&A Expenses (excluding Non-Recurring Losses and others) <sup>2</sup>	-1,050.5	26.7
<b>Consolidated Net Business Profits<sup>3</sup> + Net Gains (Losses) related to ETFs and others<sup>1</sup></b>	<b>475.5</b>	<b>47.6</b>
<i>Customer Groups</i> <sup>4</sup>	312.0	10.5 <sup>6</sup>
<i>Markets</i> <sup>5</sup>	166.2	46.8 <sup>6</sup>
(Consolidated Net Business Profits) <sup>3</sup>	(470.2)	(83.4)
Credit-related Costs	-24.4	-30.5
Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others <sup>1</sup>	92.1	-29.8
Ordinary Profits	561.5	13.9
Net Extraordinary Gains (Losses)	-7.7	-13.0
<b>Net Income Attributable to FG<sup>7</sup></b>	<b>403.9</b>	<b>-5.9</b>

1. Aggregate of Net Gains (Losses) related to ETFs (2 Banks) and Net Gains on Operating Investment Securities (SC Consolidated) was JPY 5.2B (-JPY 35.7B YoY).

2. G&A Expenses (excluding Non-Recurring Losses) - Amortization of Goodwill and others.

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

- Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others increased YoY, 76% progress against the revised target of JPY 620 billion for fiscal 2019, due to the steady business performance in both Customer Groups and Markets.
- Net Income Attributable to FG represented 85% progress against the revised target of JPY 470 billion for fiscal 2019, maintained almost the same level as the previous fiscal year due to the above, despite the lack of major positive factors recorded last fiscal year outside of Consolidated Net Business Profits.

## Net Income of core group companies

	FY19 Q3	YoY
BK (Consolidated) <sup>8</sup>	362.2	10.0
TB (Consolidated)	25.7	-3.9
SC (Consolidated)	20.2	-3.4
AM One	11.4	0.9

4. Customer Groups: Aggregate of preliminary results of RBC, CIC, GCC and AMC.

5. Markets: Preliminary results of GMC.

6. New management accounting rules were applied in FY19. Figures for YoY were recalculated based on the new rules.

7. Profit Attributable to Owners of Parent.

8. Including Net Income of Mizuho Securities USA of JPY 17.5B (+JPY 10.6B YoY).

# Financial Results by In-house Company (preliminary)

Group aggregate, management accounting

(JPY B)	Gross Profits <sup>1</sup>		Net Business Profits <sup>1,2</sup>		Net Income	
	FY19 Q3	YoY <sup>3</sup>	FY19 Q3	YoY <sup>3</sup>	FY19 Q3	YoY <sup>3</sup>
Retail & Business Banking (RBC)	482.9	-28.7	-6.6	4.2	-6.1	-13.9
Corporate & Institutional (CIC)	327.6	-0.3	168.8	-4.1	172.3	-53.8
Global Corporate (GCC)	315.5	17.4	141.0	12.9	114.9	43.6
Global Markets (GMC)	325.9	51.0	166.2	46.8	115.3	33.5
Asset Management (AMC)	35.5	-1.7	8.8	-2.6	4.4	-0.2
In-house Company Total	1,487.4	37.6	478.2	57.3	400.7	+9.2
FG Consolidated	1,517.8	12.4	475.5	47.6	403.9	-5.9

1. Net Gains (Losses) related to ETFs (2 Banks) are included in GMC.

Net Gains (Losses) related to ETFs (2 Banks) and Net Gains on Operating Investment Securities (SC Consolidated) are included in FG Consolidated.

2. Gross Profits - G&A Expenses (excluding Non-Recurring Losses) + Equity in Income from Investments in Affiliates - Amortization of Goodwill and other items.

3. New management accounting rules were applied in FY19. Figures for YoY are recalculated based on the new rules.

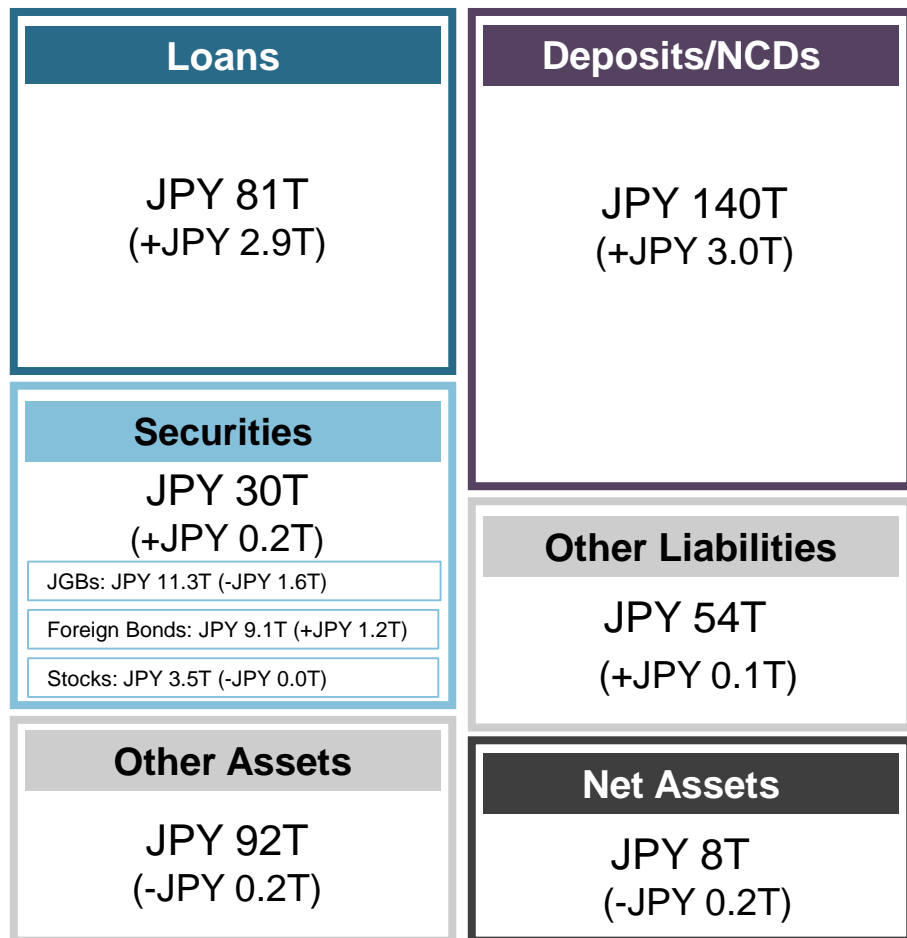
# Overview of Balance Sheet

## Balance Sheet (As of Dec-19)

Consolidated

Figures in ( ) represent changes from Mar-19

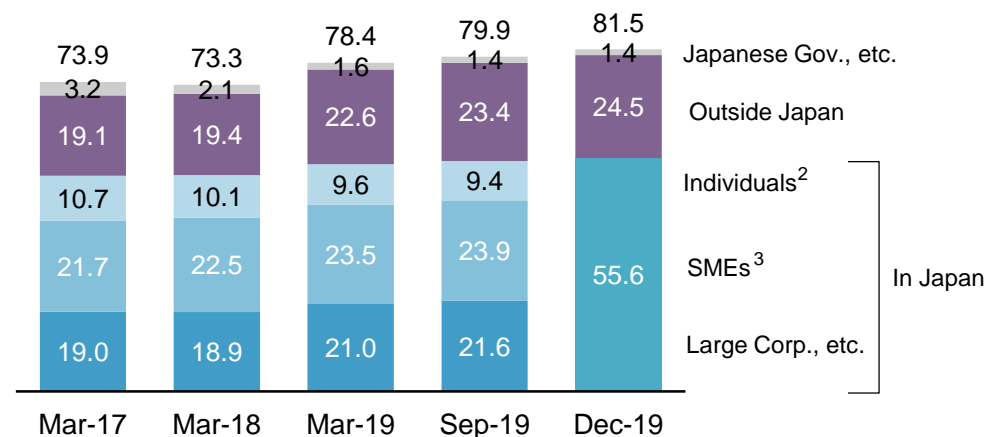
Total Assets: JPY 203T (+JPY 2.9T)



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

2 Banks

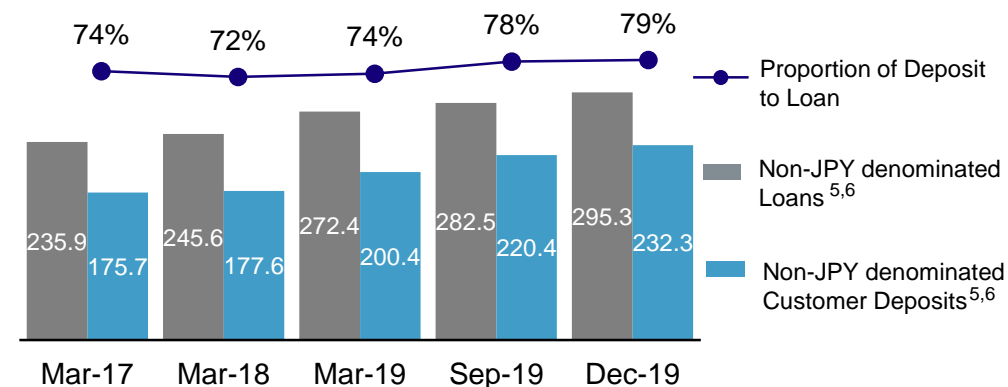
(JPY T)



## Non-JPY denominated Loans and Deposits Balance (Period-end Balance)<sup>4</sup>

BK, management accounting

(USD B)



1. Excluding loans to FG. Banking account.
2. Housing and Consumer Loans.
3. Calculated by deducting "Housing and Consumer Loans" from "Loans to SMEs and Individual Customers".

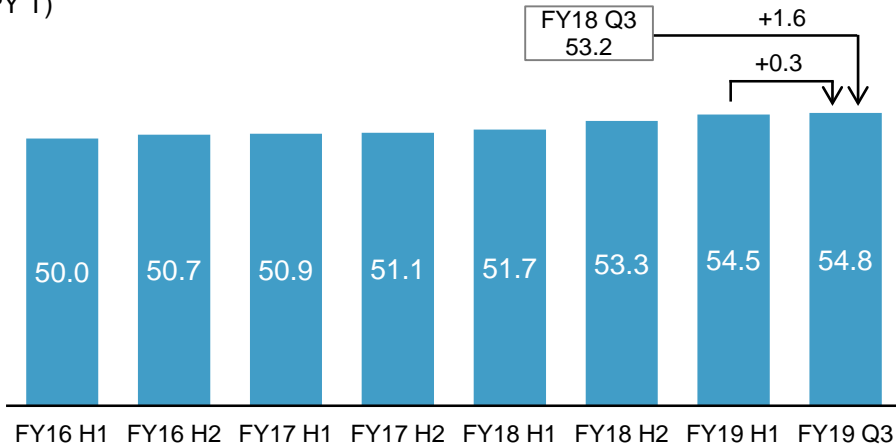
4. BK (including the subsidiaries in China, the US, the Netherlands, Indonesia, etc.).
5. Including Non-JPY denominated loans and deposits in Japan.
6. New management accounting rules were applied in FY19 (Figures from Mar-17 to Mar-19 were recalculated based on the new rules).

# Loans

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

2 Banks

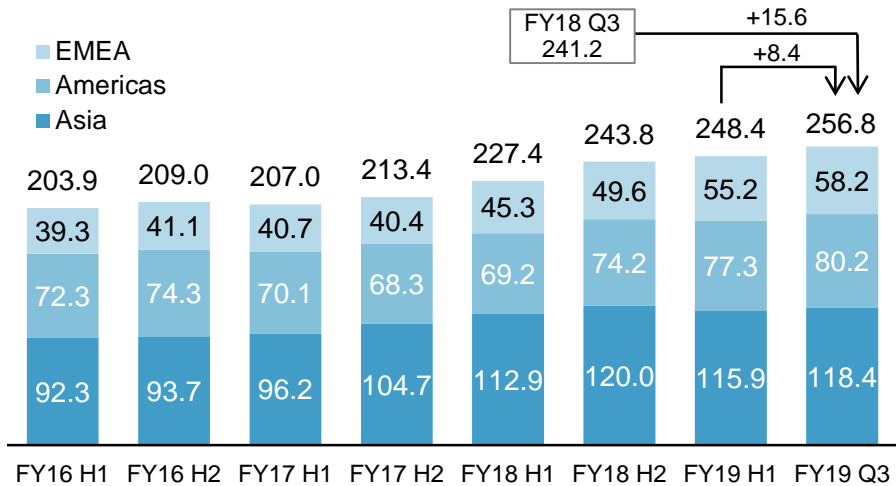
(JPY T)



## Loan Balance outside Japan<sup>3, 4</sup> (Average Balance)

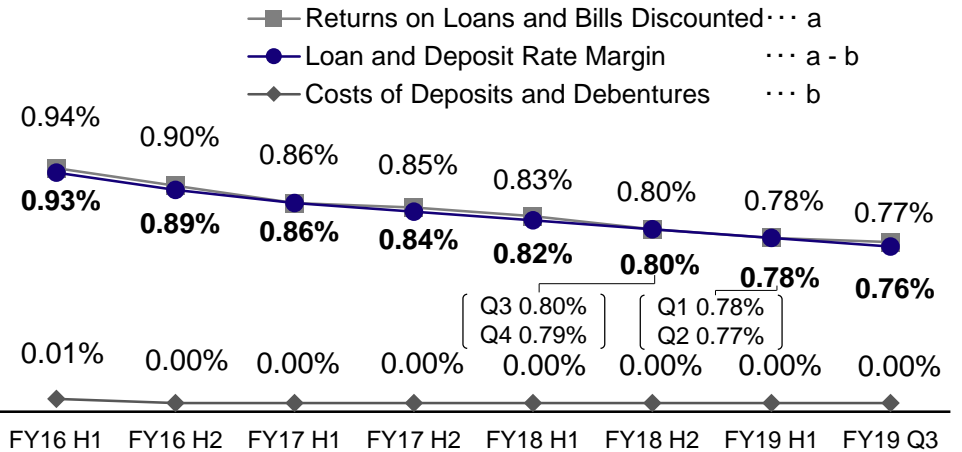
(USD B)

BK, management accounting



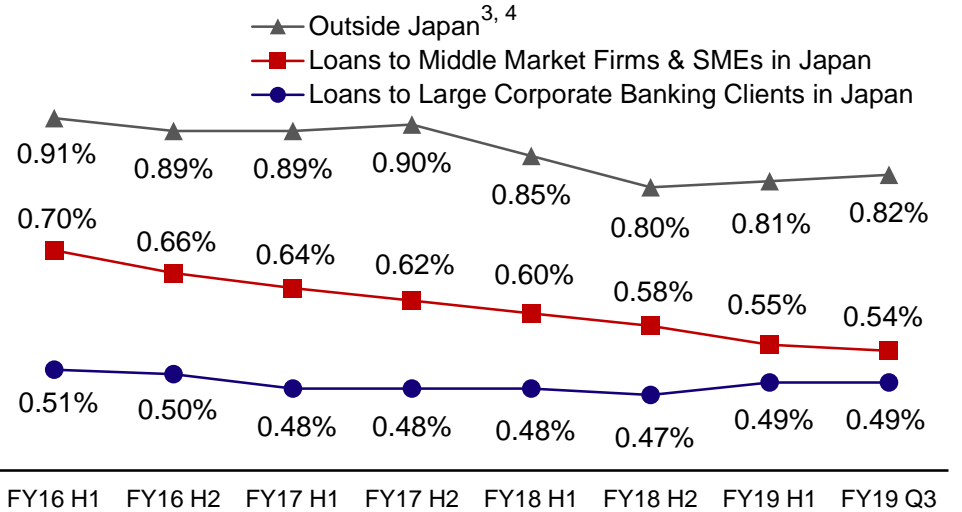
## Loan and Deposit Rate Margin in Japan<sup>2</sup>

2 Banks



## Loan Spread

BK, management accounting



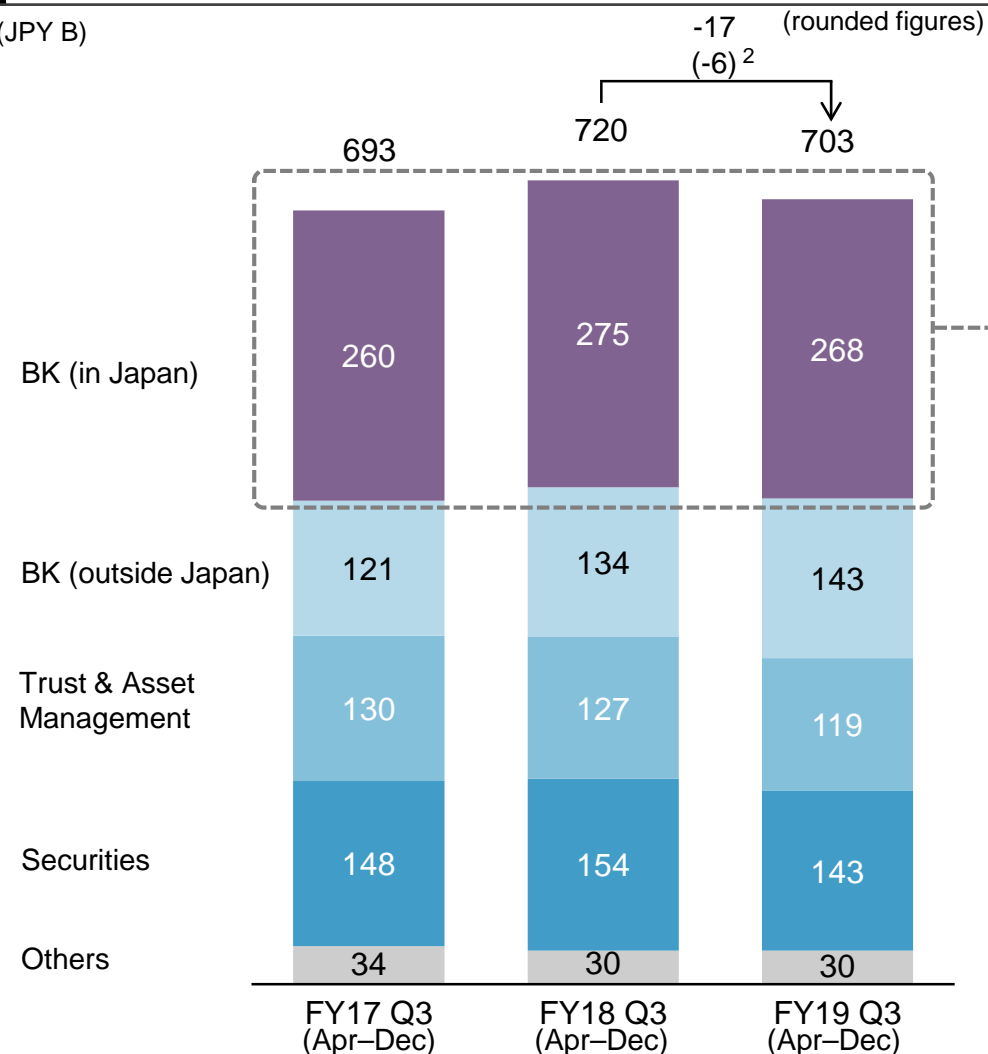
1. Excluding loans to FG and the Japanese Government, etc., Banking account. 2. Domestic Operations, excluding loans to financial institutions (including FG) and the Japanese Government, etc.  
 3. Excluding loans to FG and the Japanese Government, etc., Banking account. 4. New management accounting rules were applied in FY19 (Figures from FY16 H1 to FY18 H2 were recalculated based on the new rules).

# Non-interest Income

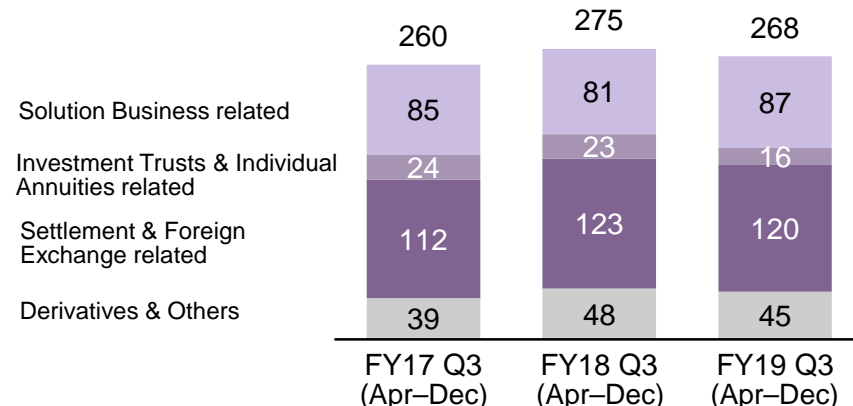
## Non-interest Income (Customer Groups)<sup>1</sup>

Group aggregate, management accounting

(JPY B)

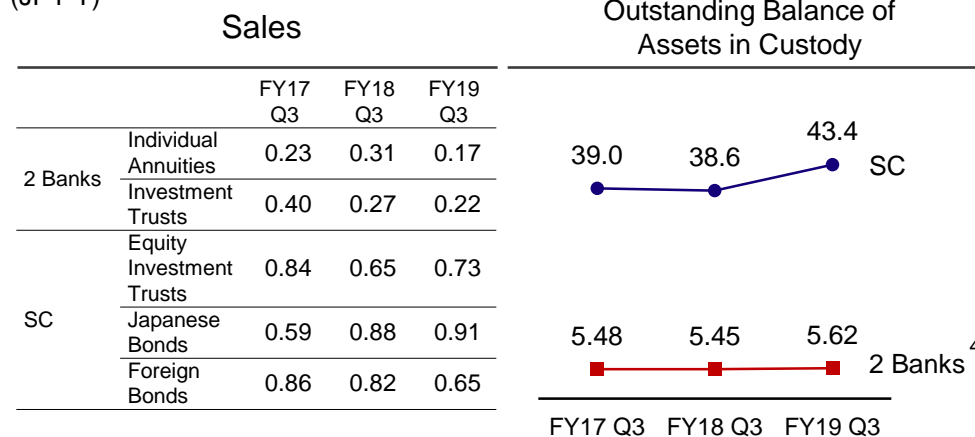


### Breakdown of BK (in Japan)



### Reference Investment Products (Sales and Outstanding Balance of Assets in Custody)<sup>3</sup>

(JPY T)



1. New management accounting rules were applied in FY19. The original figures before the recalculation were FY17 Q3 (Apr-Dec): JPY 683B and FY18 Q3 (Apr-Dec): JPY 710B.

2. Excluding the effect of the unconsolidation of Trust & Custody Services Bank, Ltd. in October 2018.

3. SC: Retail and Business Banking Division. Past figures of Outstanding Balance of Assets in Custody were recalculated based on the new definitions applied from Mar-19.

4. Total of Individual Annuities, Investment Trusts (excl. MMF) and non-JPY deposits.

# Credit Portfolio

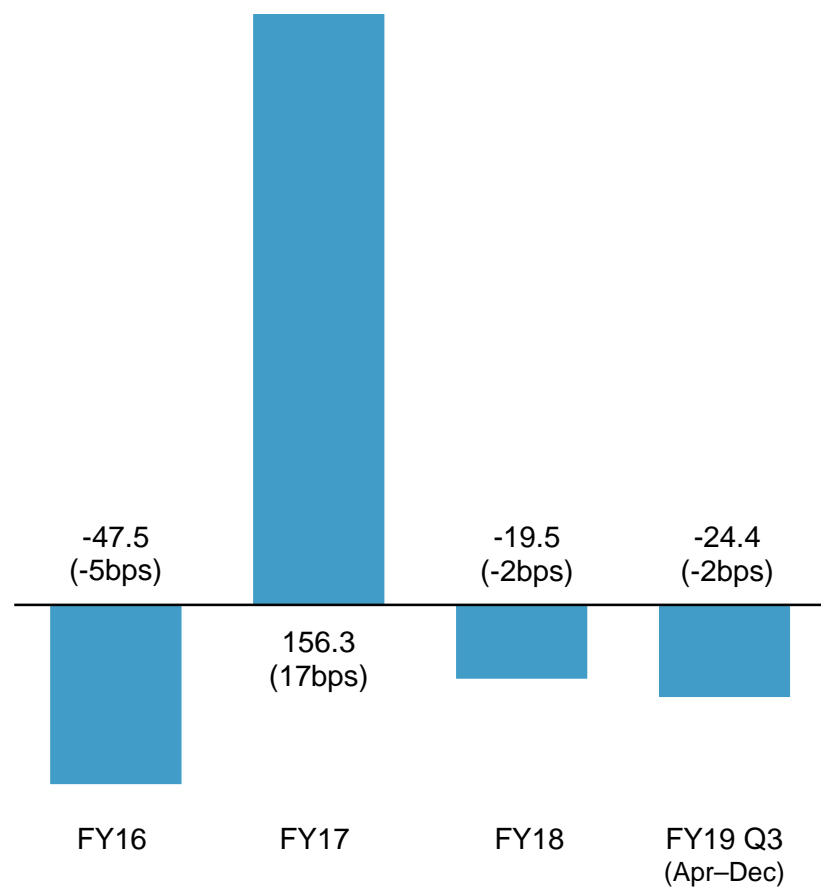
## Credit-related Costs

Consolidated

(JPY B)

( ) Credit-related Costs Ratio:

Ratio of Credit-related Costs against Total Claims<sup>1</sup>

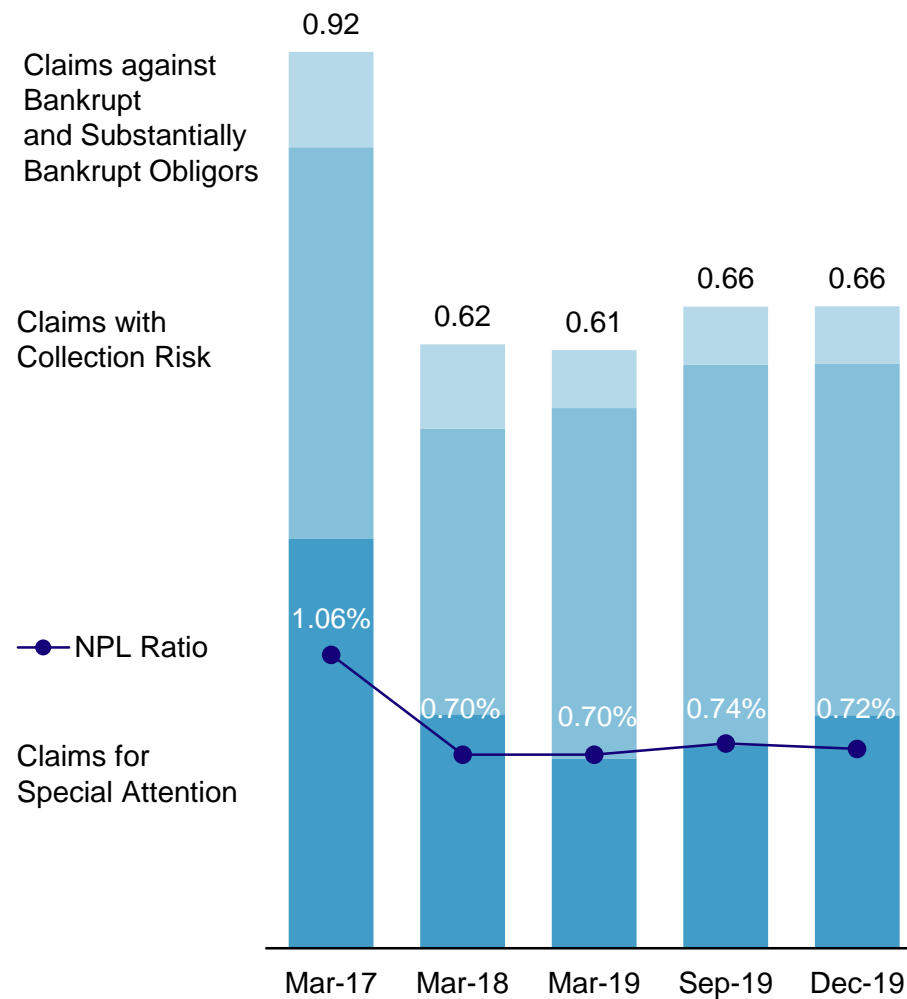


1. Including Trust Account.  
2. Financial Reconstruction Act.

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

Consolidated<sup>1</sup>

(JPY T)

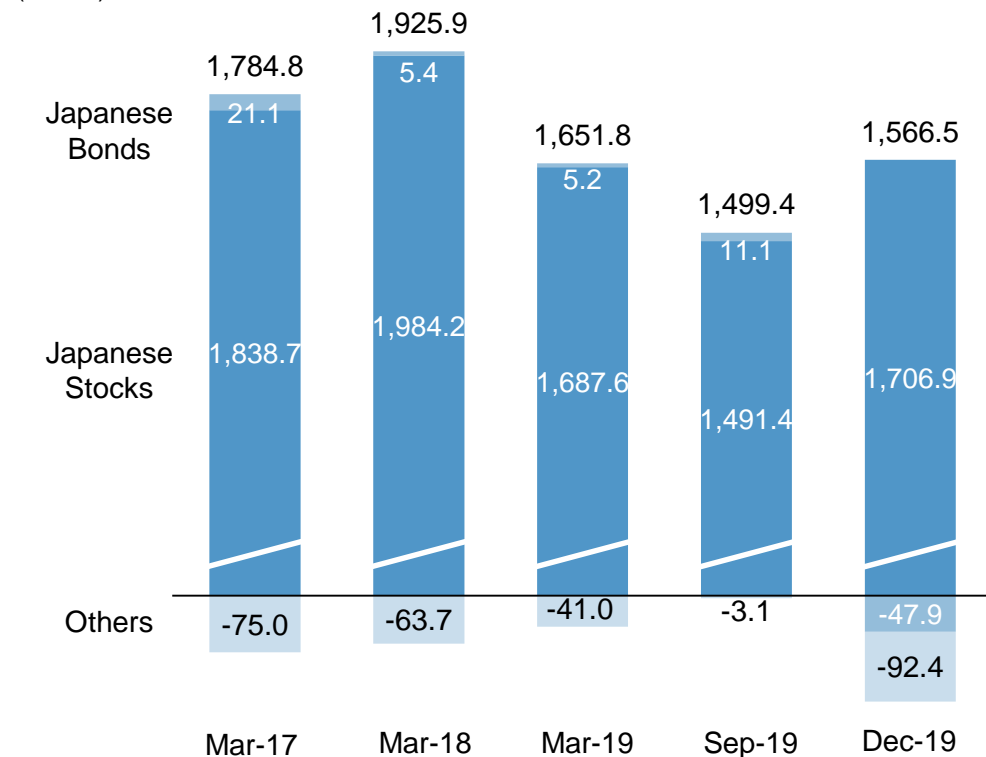




# Securities Portfolio

## Unrealized Gains/Losses on Other Securities<sup>1, 2</sup> Consolidated

(JPY B)

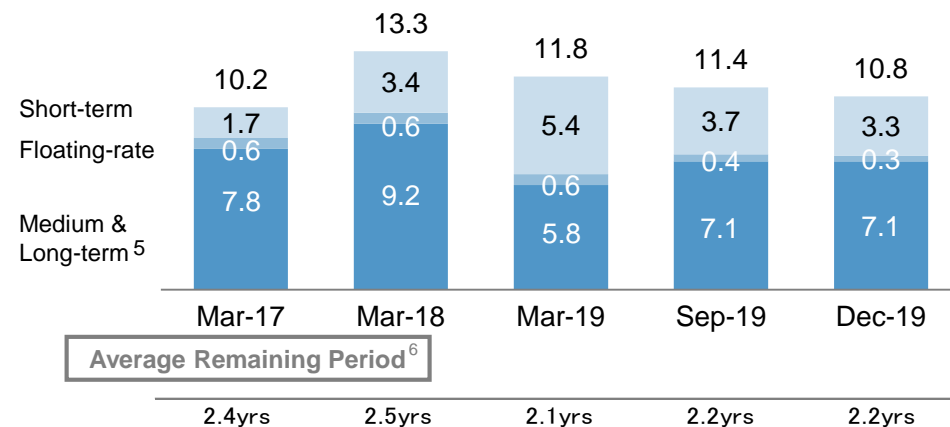


	Mar-17	Mar-18	Mar-19	Sep-19	Dec-19
Others	-75.0	-63.7	-41.0	-3.1	-92.4
- Foreign Bonds	-162.9	-161.2	21.7	32.2	-23.0
- Bear Funds <sup>3</sup>	—	—	—	-6.1	-83.2

## JGB Portfolio<sup>2, 4</sup>

2 Banks

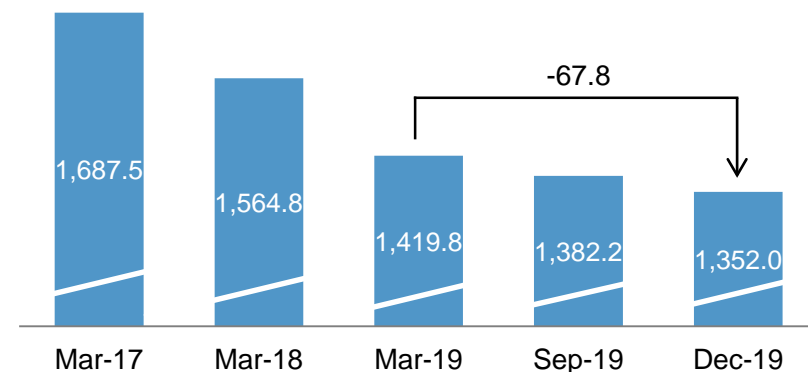
(JPY T)



## Japanese Stock Portfolio<sup>2, 4</sup>

Consolidated

(JPY B)



1. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. 2. Other Securities which have readily determinable fair values. 3. Hedging transactions aiming to fix unrealized gains on stocks. 4. Acquisition cost basis. 5. Including bonds with remaining period of one year or less. 6. Excluding floating-rate notes.

This immediate release contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including estimates, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management of future performance. In many cases, but not all, we use such words as “aim,” “anticipate,” “believe,” “endeavor,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “project,” “risk,” “seek,” “should,” “strive,” “target” and similar expressions in relation to us or our management to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions.

We may not be successful in implementing our business strategies, and management may fail to achieve its targets, for a wide range of possible reasons, including, without limitation: incurrence of significant credit-related costs; declines in the value of our securities portfolio; changes in interest rates; foreign currency fluctuations; decrease in the market liquidity of our assets; revised assumptions or other changes related to our pension plans; a decline in our deferred tax assets; impairment of the carrying value of our long-lived assets; problems related to our information technology systems, including as a result of cyber attacks; the effect of financial transactions entered into for hedging and other similar purposes; failure to maintain required capital adequacy ratio levels and meet other financial regulatory requirements; downgrades in our credit ratings; our ability to avoid reputational harm; our ability to implement our Medium-term Business Plan, realize the synergy effects of “One MIZUHO,” and implement other strategic initiatives and measures effectively; the effectiveness of our operational, legal and other risk management policies; the effect of changes in general economic conditions in Japan and elsewhere; and changes to applicable laws and regulations.

Further information regarding factors that could affect our financial condition and results of operations is included in “Item 3. D. Key Information-Risk Factors” and “Item 5. Operating and Financial Review and Prospects” in our most recent Form 20-F filed with the U.S. Securities and Exchange Commission (“SEC”) and our report on Form 6-K furnished to the SEC on December 26, 2019, both of which are available in the Financial Information section of our web page at [www.mizuho-fg.com/index.html](http://www.mizuho-fg.com/index.html) and also at the SEC’s web site at [www.sec.gov](http://www.sec.gov).

We do not intend to update our forward-looking statements. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by the rules of the Tokyo Stock Exchange.