

# Financial Results for FY2019

## -Fixed Income Investors Presentation-

June 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.

## Forward-looking Statements

This presentation contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including estimates, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management of future performance.

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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 reports on Form 6-K furnished to the SEC, which are available in the Financial Information section of our web page at [www.mizuho-fg.com/index.html](http://www.mizuho-fg.com/index.html) and also at the SEC’s web site at [www.sec.gov](http://www.sec.gov).

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

Unless otherwise specified, the financial figures used in this presentation are based on Japanese GAAP  
This presentation does not constitute a solicitation of an offer for acquisition or an offer for sale of any securities

## Definitions

FG: Mizuho Financial Group, Inc.

SC: Mizuho Securities Co., Ltd.

RBC: Retail & Business Banking Company

GCC: Global Corporate Company

AMC: Asset Management Company

Customer Groups: Aggregate of RBC, CIC, GCC and AMC

BK: Mizuho Bank, Ltd.

AM: Asset Management One Co., Ltd.

CIC: Corporate & Institutional Company

GMC: Global Markets Company

GPU: Global Products Unit

Markets: GMC

TB: Mizuho Trust & Banking Co., Ltd.

MSUSA: Mizuho Securities USA LLC

RCU: Research & Consulting Unit

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

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

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

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

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

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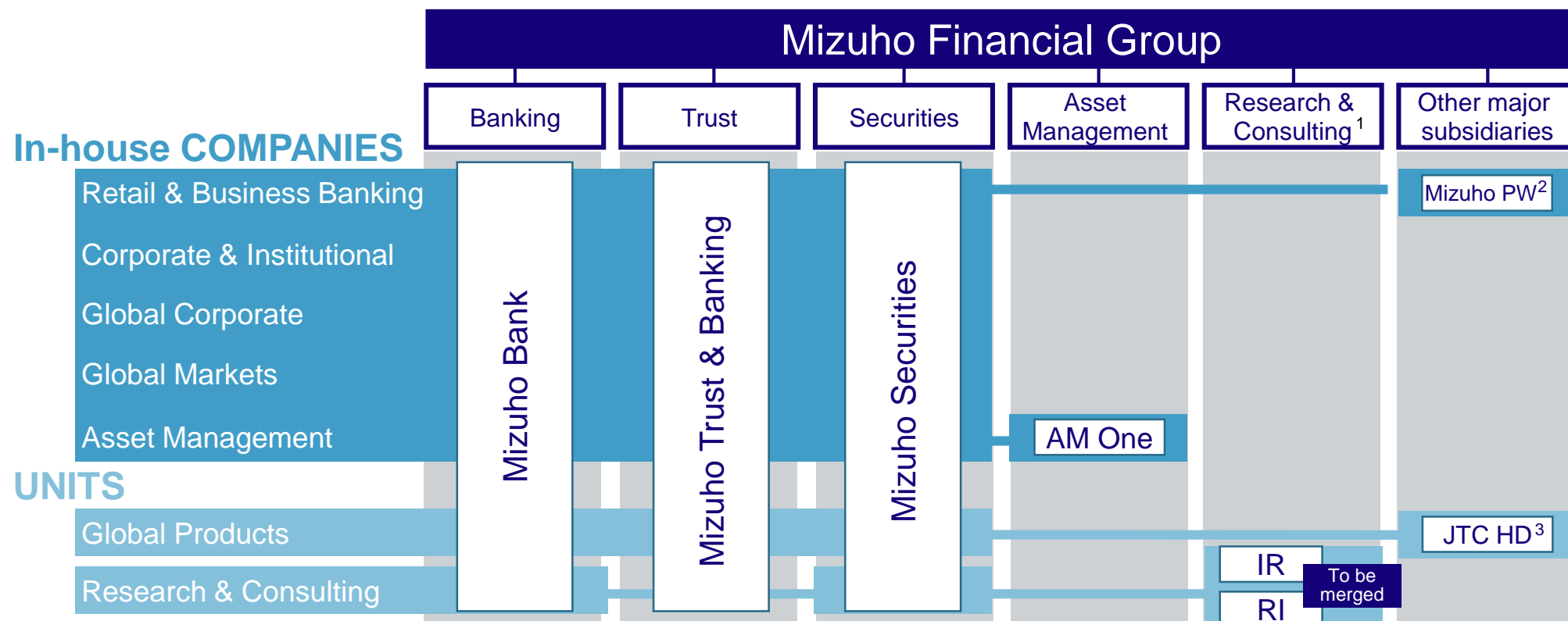
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# Group Overview

# Mizuho Group



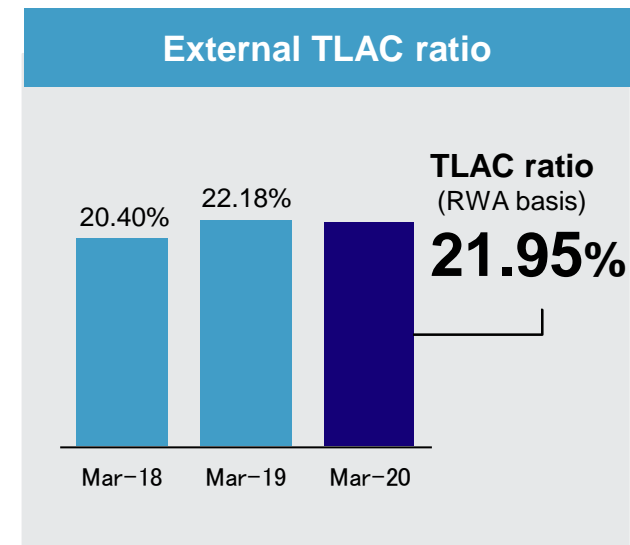
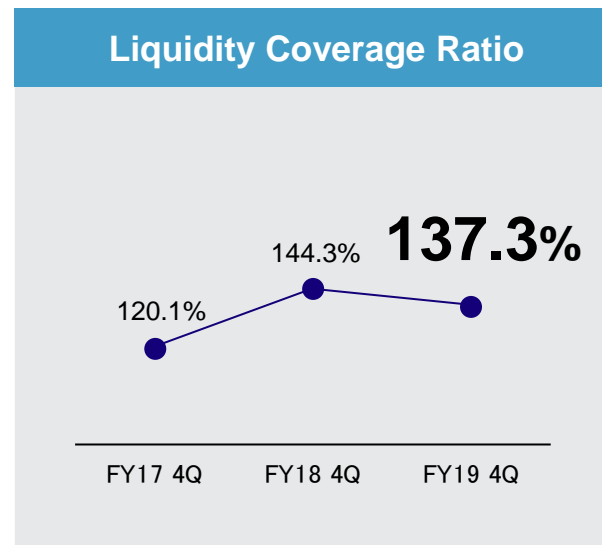
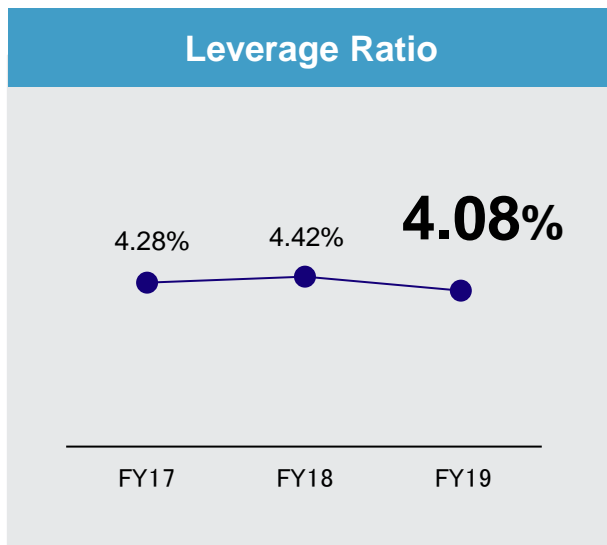
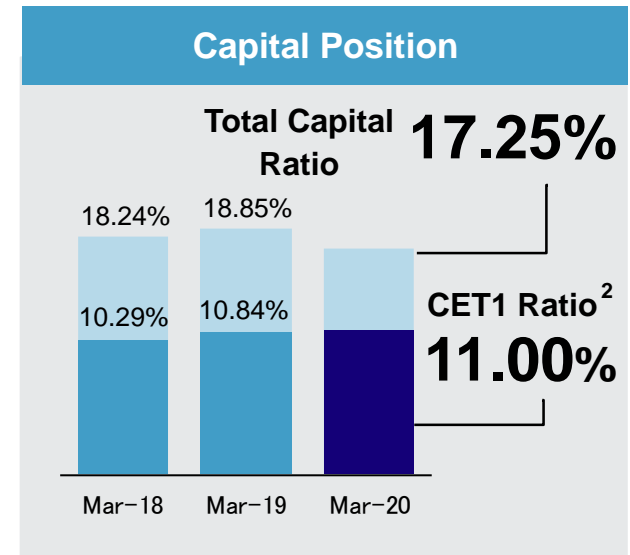
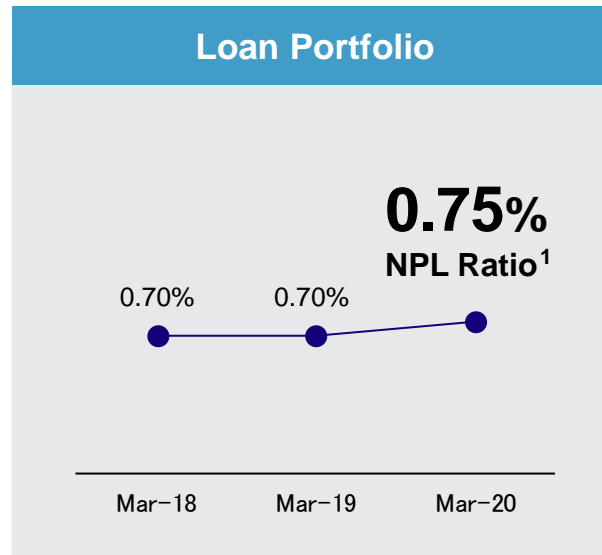
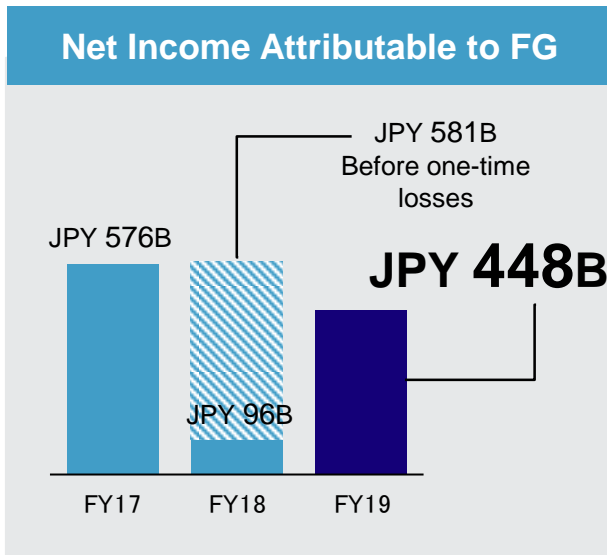
Individual customers	Securities accounts	SME, middle market borrowers, etc.	Coverage of listed companies in Japan	Forbes Global 200 (Non-Japanese corporate clients)
24M	1.8M	100K	70%	80%

(Rounded figures)<sup>4</sup>

Credit Ratings	(as of May 15, 2020)	
	FG	BK/TB
S&P	A-	A
Moody's	A1	A1
Fitch	A-	A-
R&I	A+	AA-
JCR	AA-	AA

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

# Key Figures for FY2019



1. Consolidated, banking account + trust account 2. Basel 3 fully-effective basis. RWA associated with Net Unrealized Gains (Losses) on Other Securities (Japanese stocks are deducted from the denominator. Including the effect of hedging transactions to fix a part of unrealized gains on stocks.

# Financial Results for FY2019

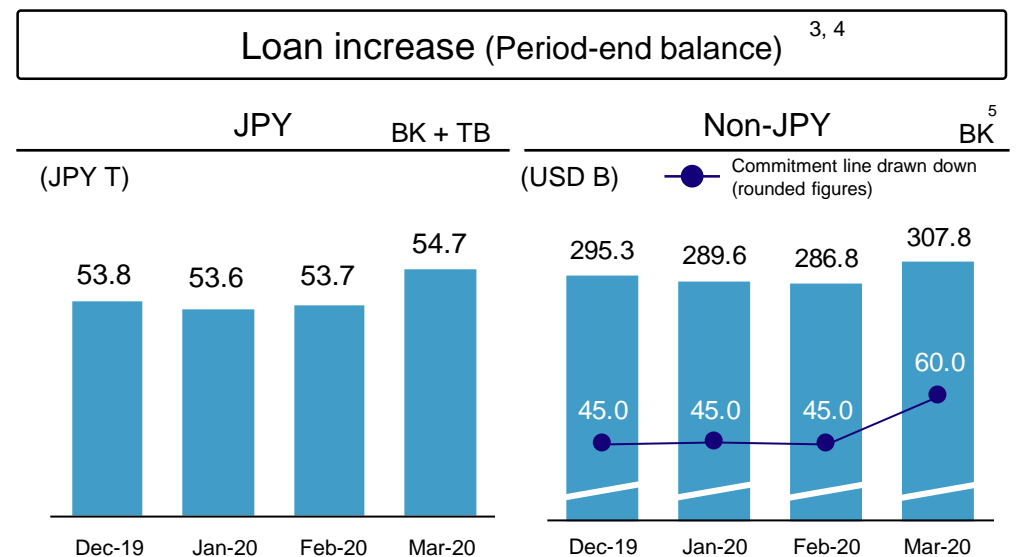
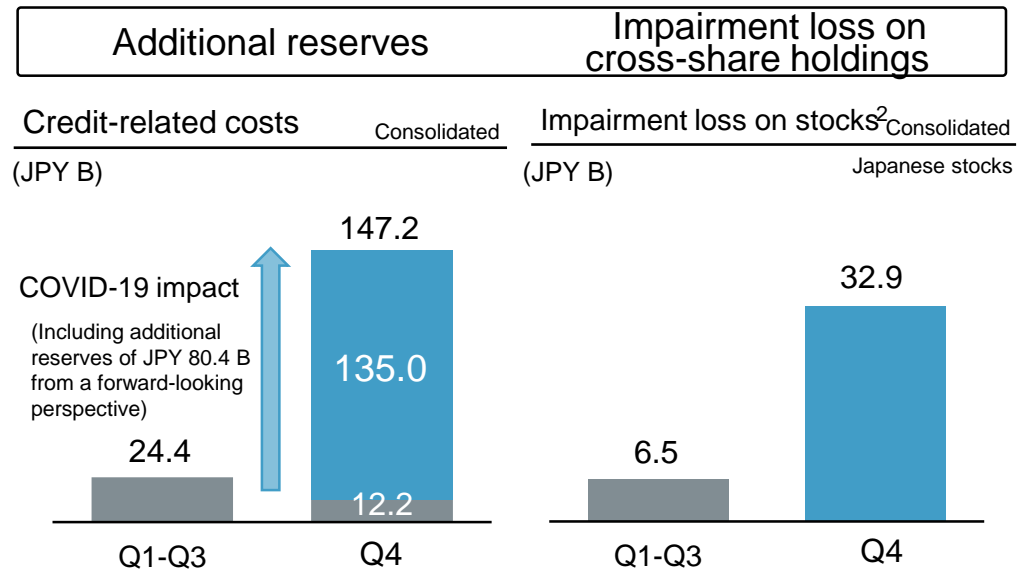
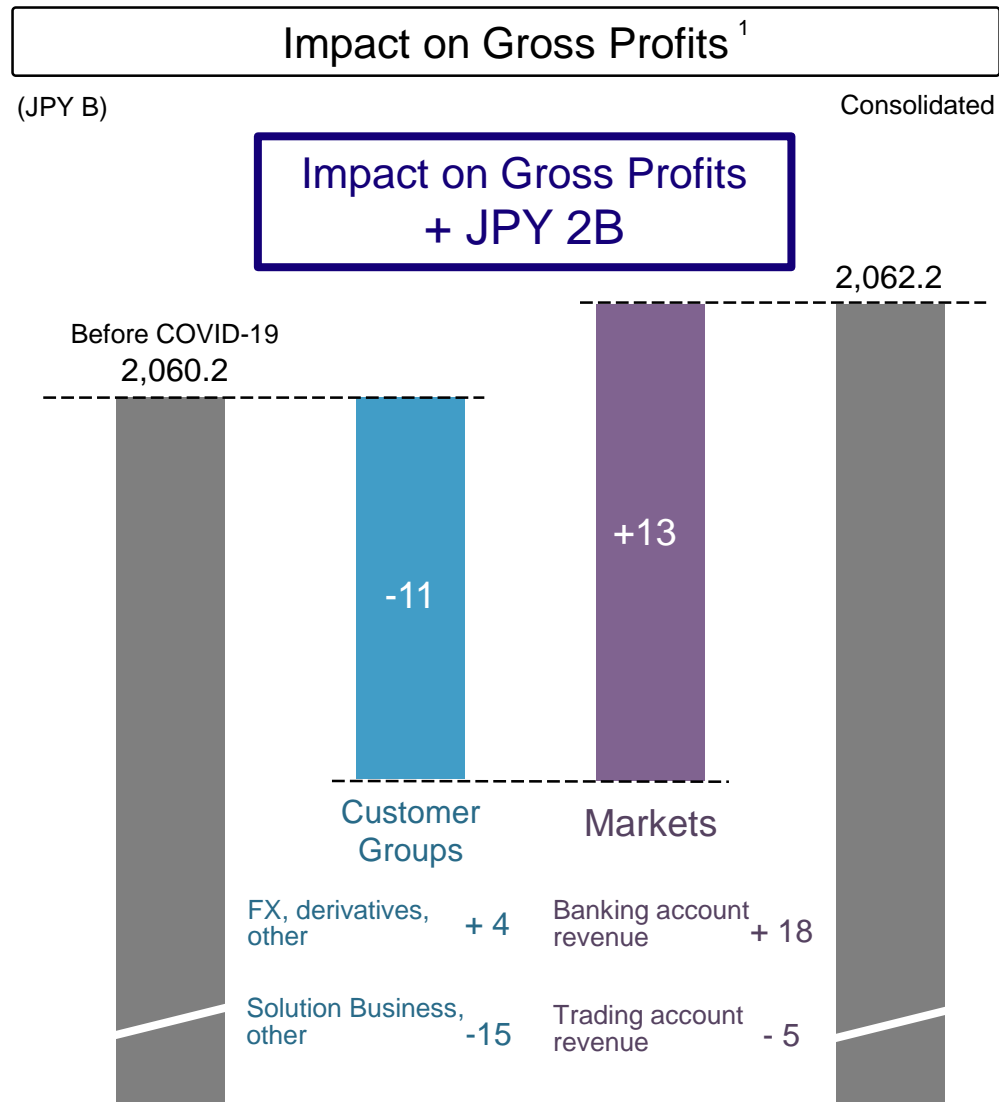
# Executive Summary of Financial Results

(JPY B)	FY19 Q3 (Apr-Dec)	FY19 Q4	FY19	YoY <sup>1</sup>	
<b>Net Business Profits + Net Gains (Losses) related to ETFs and others<sup>2</sup></b> [ Net Business Profits ]	475.5 [ 470.2 ]	197.0 [ 191.7 ]	<b>672.5</b> [ <b>661.9</b> ]	264.2 [ 268.5 ]	<ul style="list-style-type: none"> <li>Solid performance in both Customer Groups and Markets, exceeding results of the previous fiscal year which were JPY 603.1B (after deducting the impact of one-time losses)</li> </ul>
<b>Credit-related Costs</b>	-24.4	-147.2	<b>-171.7</b>	-152.1	<ul style="list-style-type: none"> <li>In light of the impact of COVID-19, recorded additional reserves proactively</li> </ul>
<b>Net Gains (Losses) related to Stocks – Net Gains (Losses) related to ETFs and others<sup>2</sup></b> [ Net Gains (Losses) related to Stocks ]	92.1 [ -7.4 ]	34.4 [ -34.2 ]	<b>126.5</b> [ <b>-41.6</b> ]	-133.3 [ -35.8 ]	<ul style="list-style-type: none"> <li>While continuing to reduce cross-shareholdings, recorded an impairment loss on some stocks based on declining share prices</li> </ul>
<b>Net Income Attributable to FG</b>	403.9	44.6	<b>448.5</b>	352.0	<ul style="list-style-type: none"> <li>In addition to the above, Net Income increased YoY, primarily due to the lack of one-time losses posted in the previous fiscal year</li> </ul>
<b>CET1<sup>3</sup> Capital Ratio</b> [ excl. Net Unrealized Gains (Losses) on Other Securities ]	11.92 % [ 10.73 % ]		<b>11.65 %</b> [ <b>11.00 %</b> ]	-1.11 % [ 0.16 % ]	<ul style="list-style-type: none"> <li>8.8% on a Basel III fully effective basis<sup>4</sup></li> </ul>

1. CET1 Capital Ratio is compared to March 2019. 2. Net Gains (Losses) related to ETFs (2 Banks) + Net Gains (Losses) on Operating Investment Securities (SC Consolidated) was JPY 10.6B (JPY -4.3B YoY).  
3. Common Equity Tier 1. 4. Excluding Net Unrealized Gains (Losses) on Other Securities.



# Impact of COVID-19



1. Composition of increase/decrease: management accounting basis. 2. With readily determinable market value. 3. Including increases in lending other than COVID-19 impact. 4. Management accounting. 5. Including subsidiaries in China, USA, Netherlands, Indonesia, and others.

# Financial Results by In-house Company

(JPY B)

Group aggregate, management accounting

	Gross Profits <sup>1</sup>		G&A Expenses (excl. Non-recurring Losses and others)		Net Business Profits <sup>1, 2</sup>		Net Income <sup>1</sup>		ROE <sup>3</sup>
	FY19	YoY <sup>4</sup>	FY19	YoY <sup>4</sup>	FY19	YoY <sup>4</sup>	FY19	YoY <sup>4</sup>	FY19
Retail & Business Banking	<b>673.6</b>	-32.4	<b>-668.4</b>	45.2	<b>16.5</b>	6.5	<b>9.1</b>	333.4	<b>0.7%</b>
Corporate & Institutional	<b>462.4</b>	-11.0	<b>-215.0</b>	-9.4	<b>248.9</b>	-19.3	<b>197.8</b>	-121.6	<b>9.7%</b>
Global Corporate	<b>417.8</b>	17.5	<b>-249.0</b>	-11.2	<b>178.7</b>	9.5	<b>110.5</b>	22.4	<b>8.4%</b>
Global Markets	<b>410.1</b>	217.8	<b>-208.9</b>	-1.4	<b>198.9</b>	216.3	<b>137.1</b>	156.3	<b>9.5%</b>
Asset Management	<b>48.4</b>	-1.2	<b>-29.0</b>	-1.7	<b>12.9</b>	-2.7	<b>6.1</b>	-58.5	<b>5.3%</b>

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

3. Calculated by dividing Net Income by internal risk capital (taking account of not only regulatory risk weighted assets but also other factors such as interest rate risk in the banking account).

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

# Overview of Income Statement

(JPY B)

		FY2019			YoY		
		FG	BK + TB <sup>1</sup>	SC <sup>2</sup>	FG	BK + TB <sup>1</sup>	SC <sup>2</sup>
<b>Consolidated Gross Profits</b>	1	<b>2,062.2</b>	<b>1,696.2</b>	<b>265.4</b>	<b>249.4</b>	<b>255.3</b>	<b>3.6</b>
Net Interest Income	2	733.5	732.7	-4.9	-28.9	-35.2	5.1
Net Fee and Commission Income + Fiduciary Income	3	677.8	533.7	111.4	12.2	20.8	0.6
Net Trading Income + Net Other Operating Income	4	650.8	429.8	158.9	266.1	269.7	-2.1
<i>Net Gains (Losses) related to Bonds</i>	5	114.2	114.2	0.0	223.6	224.1	-0.5
General and Administrative Expenses	6	-1,378.3	-1,039.7	-239.3	52.4	39.9	6.5
<i>G&amp;A Expenses (excluding Non-Recurring Losses and others)</i>	7	-1,424.6	-1,091.0	-237.5	29.4	14.8	7.2
<b>Consolidated Net Business Profits</b>	8	<b>661.9</b>	<b>624.5</b>	<b>27.8</b>	<b>268.5</b>	<b>260.9</b>	<b>10.3</b>
Consolidated Net Business Profits from core business operations (8-5)	9	<b>547.7</b>	<b>510.3</b>	<b>27.8</b>	<b>44.9</b>	<b>36.8</b>	<b>10.8</b>
Credit-related Costs	10	-171.7	-172.6	1.0	-152.1	-153.6	1.5
Net Gains (Losses) related to Stocks	11	137.1	131.0	3.5	-137.6	-47.5	-6.1
Equity in Income from Investments in Affiliates	12	30.3	30.8	-0.1	-20.8	-18.7	-0.4
Other	13	-41.7	-46.0	-0.9	32.4	34.1	-0.6
Ordinary Profits	14	637.8	599.6	29.7	23.7	109.4	4.5
Net Extraordinary Gains (Losses)	15	-19.1	-17.3	-1.6	478.6	476.9	12.2
Income before Income Taxes	16	618.7	582.3	28.1	502.4	586.4	16.7
Income Taxes	17	-161.4	-149.1	-6.1	-163.9	-189.2	1.8
Profit Attributable to Non-controlling Interests	18	-8.6	-4.4	-0.5	13.5	13.9	-1.6
<b>Profit Attributable to Owners of Parent</b>	19	<b>448.5</b>	<b>428.7</b>	<b>21.4</b>	<b>352.0</b>	<b>411.0</b>	<b>17.0</b>

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

# Overview of Income Statement (Subsidiaries)

(JPY B)	BK Consolidated		TB Consolidated		SC Consolidated				
	FY19	YoY	FY19	YoY	FY19	YoY			
<b>Consolidated Gross Profits</b>	1	<b>1,529.5</b>	<b>242.5</b>	<b>166.7</b>	<b>12.8</b>	<b>Operating Revenues</b>	20	<b>381.7</b>	<b>0.2</b>
Net Interest Income	2	707.4	-33.4	25.2	-1.8	Commissions	21	161.6	-6.3
Net Fee and Commission Income + Fiduciary Income	3	406.6	16.8	127.0	4.0	Net Gain on Trading	22	108.4	7.1
Net Trading Income + Net Other Operating Income	4	415.5	259.1	14.3	10.5	Net Gain on Operating Investment Securities	23	3.2	-4.4
Net Gains (Losses) related to Bonds	5	101.6	213.6	12.5	10.4	Interest and Dividend Income	24	108.3	3.9
General and Administrative Expenses	6	-939.2	38.7	-100.4	1.1	Interest Expenses	25	99.6	2.0
G&A Expenses (excluding Non-Recurring Losses and others)	7	-987.6	16.7	-103.3	-1.9	<b>Net Operating Revenues</b>	26	<b>282.0</b>	<b>-1.8</b>
<b>Consolidated Net Business Profits</b>	8	<b>566.7</b>	<b>251.1</b>	<b>57.8</b>	<b>9.8</b>	Selling, General Administrative Expenses	27	252.8	-9.8
Consolidated Net Business Profits from core business operations (8-5)	9	<b>465.0</b>	<b>37.4</b>	<b>45.2</b>	<b>-0.6</b>	Operating Income	28	29.2	8.0
Credit-related Costs	10	-171.4	-152.9	-1.2	-0.7	Ordinary Income	29	31.2	8.5
Net Gains (Losses) related to Stocks	11	126.6	-31.6	4.4	-15.9	Extraordinary Gain (Loss)	30	-2.0	9.3
Equity in Income from Investments in Affiliates	12	30.7	-18.7	0.0	-0.0	Income before Income Taxes	31	29.1	17.8
Other	13	-35.8	35.6	-10.2	-1.4	Income Taxes	32	6.6	-1.3
Ordinary Profits	14	540.4	113.6	59.2	-4.2	Profit Attributable to Non-controlling Interests	33	1.0	2.1
Net Extraordinary Gains (Losses)	15	-17.5	474.5	0.2	2.3	<b>Profit Attributable to Owners of Parent</b>	34	<b>21.4</b>	<b>17.0</b>
Income before Income Taxes	16	522.8	588.2	59.4	-1.8				
Income Taxes	17	-131.8	-185.2	-17.2	-3.9				
Profit Attributable to Non-controlling Interests	18	-3.7	14.1	-0.7	-0.2				
<b>Profit Attributable to Owners of Parent</b>	19	<b>387.2</b>	<b>417.1</b>	<b>41.5</b>	<b>-6.0</b>				

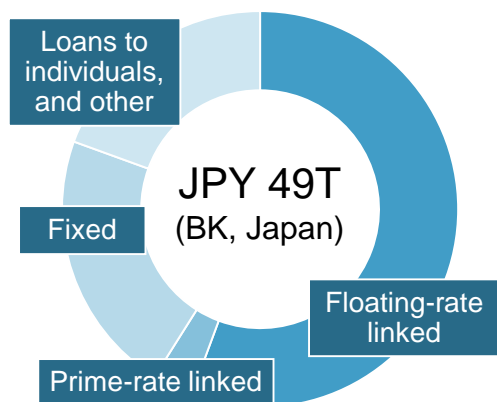
# Overview of Balance Sheet (Mar-20)

Consolidated, ( ) represent changes from Mar-19

Total Assets: JPY 214T (+JPY 13.8T)

Risk Weighted Assets: JPY 62T (+JPY 4.2T)

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



Reference: impact of COVID-19<sup>1</sup>

**Total Assets +JPY 7.6T**

BK Increase in Non-JPY Loans +JPY 1.7T

BK Increase in Non-JPY Bonds +JPY 3.6T

SC Increase in derivatives +JPY 2.4T

Loans	
<b>JPY 83T</b> (+JPY 5.0T)	
JPY <sup>1</sup>	JPY 51T
Non-JPY <sup>1</sup>	USD 307.8B

Securities	
<b>JPY 34T</b> (+JPY 5.1T)	
Japanese Stocks	JPY 2.7T
JGBs	JPY 13.0T
Non-JPY Bonds	JPY 13.0T

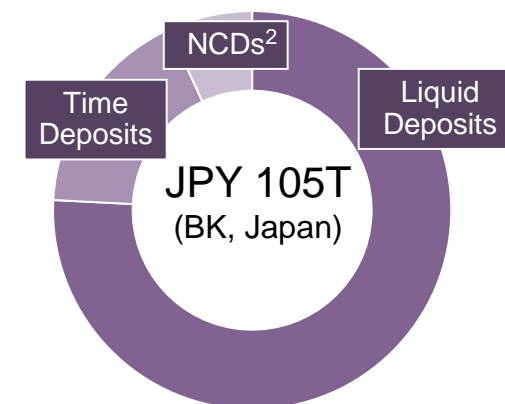
Other Assets	
<b>JPY 96T</b> (+JPY 3.7T)	
Cash and Due from Banks	JPY 41T
<i>o/w Bank of Japan</i>	<sup>4</sup> JPY 31T
<i>Current Account Balance</i>	

Deposits/NCDs <sup>2</sup>	
<b>JPY 144T</b> (+JPY 6.8T)	
JPY <sup>1</sup>	JPY 117T
Non-JPY <sup>1,3</sup>	USD 228.9B

Other Liabilities	
<b>JPY 61T</b> (+JPY 7.5T)	

Net Assets	
<b>JPY 8T</b> (-JPY 0.5T)	

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



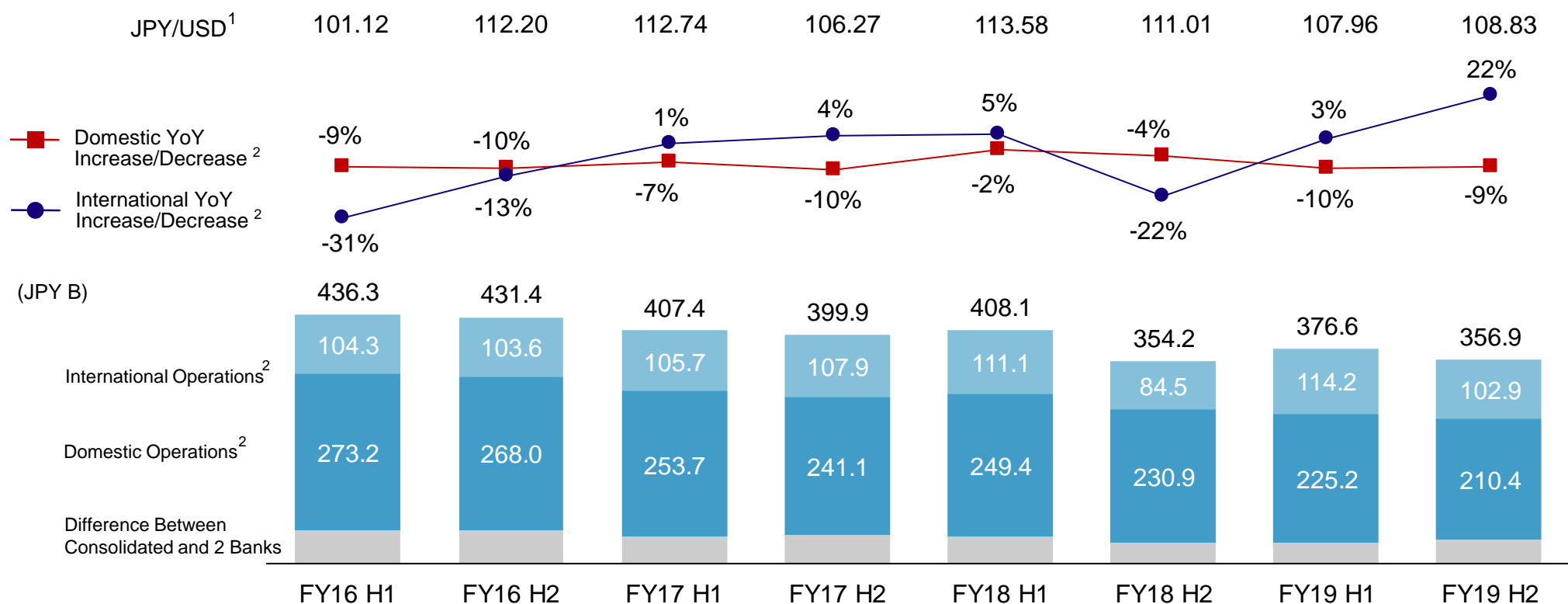
*o/w individual deposits:*  
approx. JPY 43T

Leverage Ratio: 4.08% (-0.34%)

Liquidity Coverage Ratio<sup>5</sup>:  
137.3% (-6.8%)

1. Management accounting basis, rounded figures. 2. Negotiable Certificates of Deposit. 3. Customer Deposits. 4. 2 Banks. 5. FY19 Q4 result, ( ) represent QoQ compared to FY19 Q3.

# Consolidated Gross Profits (Net Interest Income)



	FY16 H1	FY16 H2	FY17 H1	FY17 H2	FY18 H1	FY18 H2	FY19 H1	FY19 H2
Interest on Loans and Bills Discounted	442.4	491.6	494.7	504.6	604.0	649.8	646.7	595.5
Interest on Deposits <sup>3</sup>	-92.5	-131.0	-152.7	-155.2	-217.9	-262.6	-261.3	-221.4
Interest on Dividends on Securities	129.5	150.3	142.6	140.1	163.5	139.2	138.3	128.5
Interest on Repos <sup>4</sup>	-11.5	-18.2	-40.3	-50.6	-61.1	-65.9	-46.4	-40.9
Interest on Due from Banks	34.6	42.6	54.0	65.8	57.5	66.0	56.8	48.3
Others	-66.2	-103.9	-90.9	-104.7	-137.9	-172.1	-157.4	-153.0
<b>Net Interest Income (Consolidated)</b>	<b>436.3</b>	<b>431.4</b>	<b>407.4</b>	<b>399.9</b>	<b>408.1</b>	<b>354.2</b>	<b>376.6</b>	<b>356.9</b>

1. Foreign exchange rate (TTM) at the respective period end. 2. 2 Banks. 3. Excluding Interest on Negotiable Certificates of Deposit.

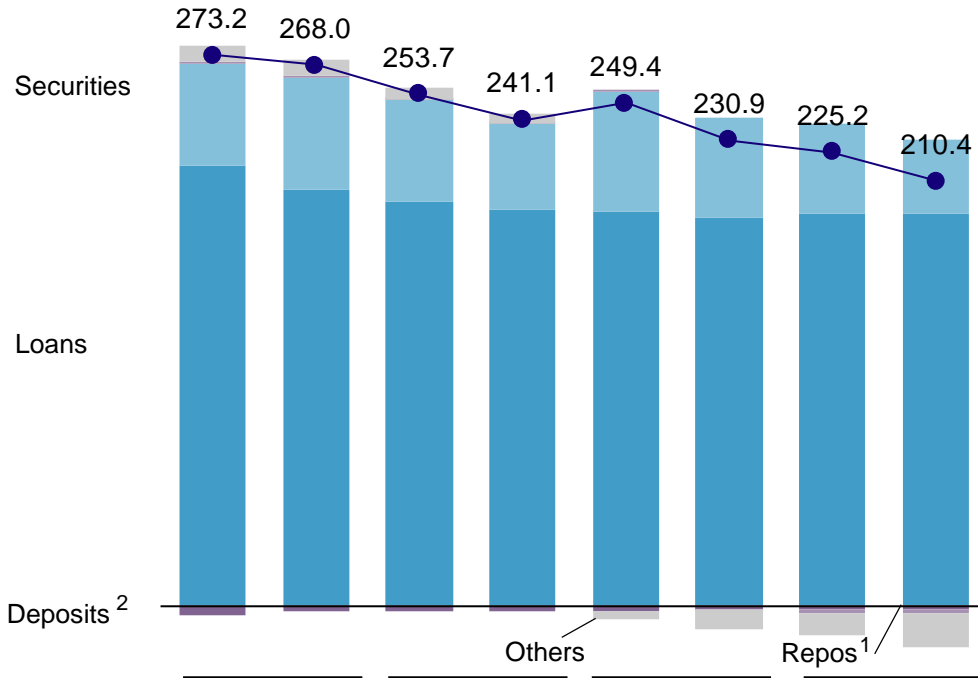
4. Receivables under Resale Agreements + Guarantee Deposits Paid under Securities Borrowing Transactions - Payables under Repurchase Agreements Guarantee Deposits Received under Securities Lending Transactions.

# Net Interest Income (2 Banks)

## Domestic Operations

2 Banks

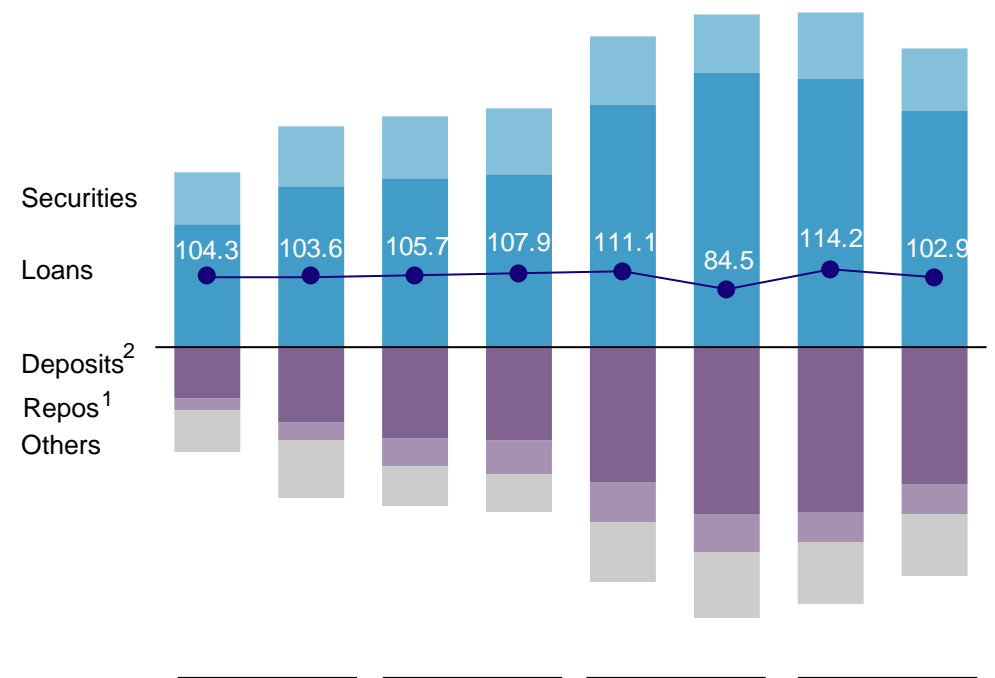
(JPY B) ● Net Interest Income



## International Operations

2 Banks

(JPY B) ● Net Interest Income



	FY16		FY17		FY18		FY19	
	H1	H2	H1	H2	H1	H2	H1	H2
Loans	218.0	206.9	200.7	197.4	195.5	192.7	194.9	193.6
Deposits	-4.8	-3.1	-3.0	-3.0	-2.3	-1.9	-1.8	-1.8
Securities	51.0	55.0	50.2	42.4	59.4	49.5	45.0	36.8
Repos	0.5	1.3	0.2	0.3	1.1	-0.2	-1.3	-1.9
Others <sup>3</sup>	8.5	7.8	5.6	4.0	-4.3	-9.1	-11.4	-16.1

	FY16		FY17		FY18		FY19	
	H1	H2	H1	H2	H1	H2	H1	H2
Loans	183.0	238.6	250.4	258.5	359.6	405.3	400.6	348.9
Deposits	-75.3	-112.2	-134.1	-136.0	-200.6	-245.2	-244.2	-203.6
Securities	75.0	88.3	91.0	94.8	99.4	87.0	96.2	90.6
Repos	-17.8	-24.9	-42.9	-50.8	-59.0	-60.7	-44.3	-41.9
Others <sup>3</sup>	-60.5	-86.1	-58.5	-58.6	-88.2	-101.8	-94.0	-91.2

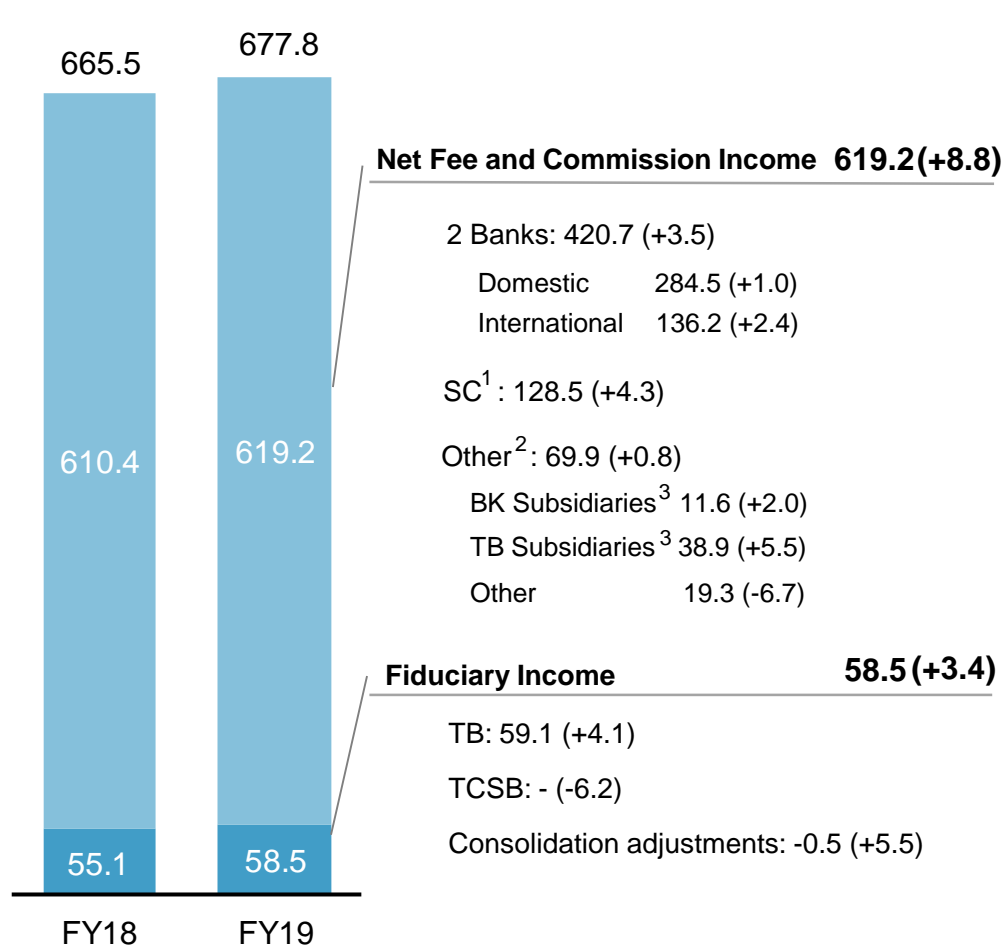
1. Interest/ expense of Receivables under Resale Agreements + Guarantee Deposits Paid under Securities Borrowing Transactions - Payables under Repurchase Agreements - Guarantee Deposits Received under Securities Lending Transactions. 2. Excluding Interest on Negotiable Certificates of Deposit. 3. Including Interest on Due from Banks

# Consolidated Gross Profits (excluding Net Interest Income)

## Net Fee and Commission Income/Fiduciary Income

(JPY B)

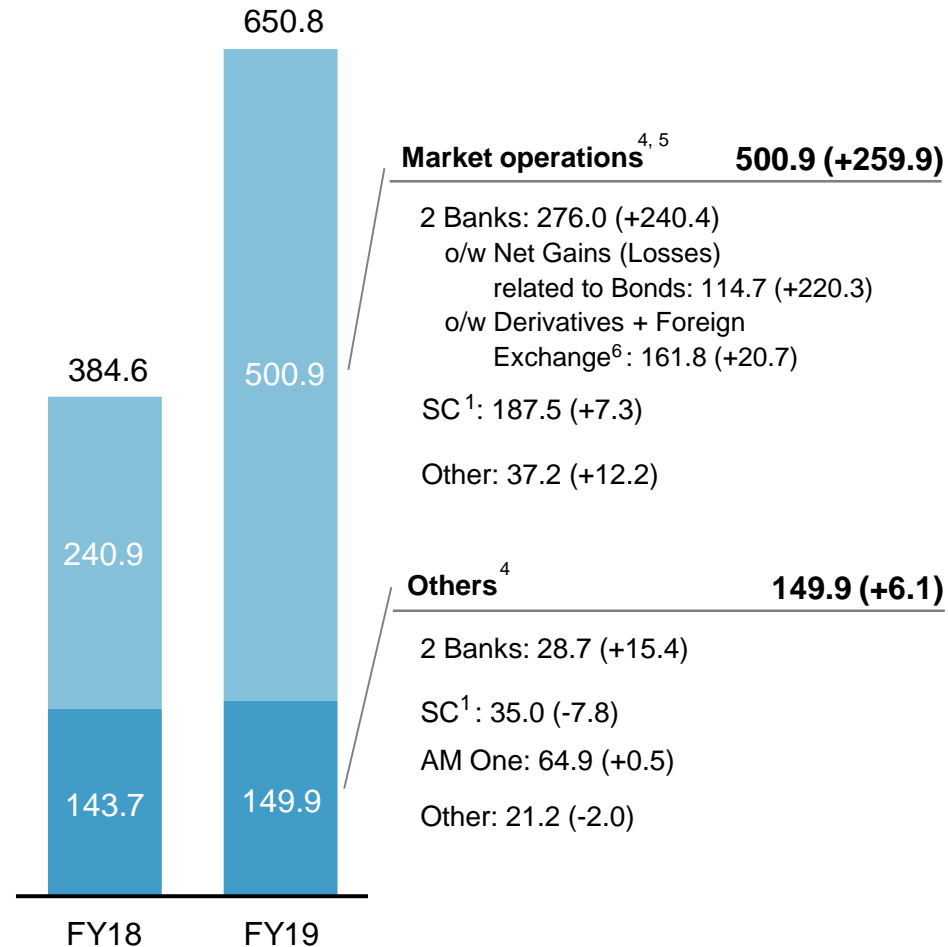
Consolidated, Figures in ( ) represent YoY



## Net Trading Income/Net Other Operating Income

(JPY B)

Consolidated, Figures in ( ) represent YoY



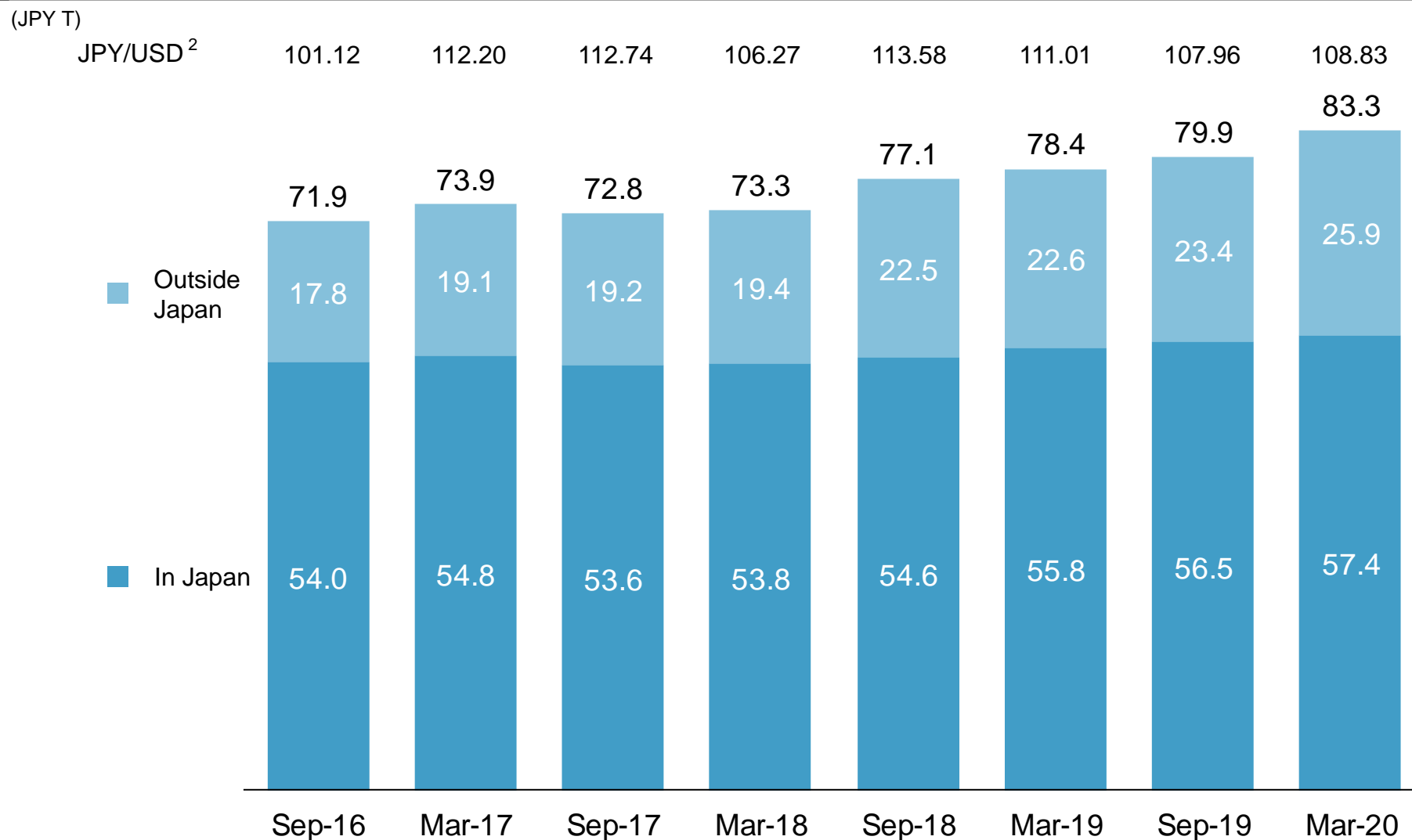
1. Including Mizuho Securities USA LLC 2. Including consolidation adjustments. 3. After consolidation adjustments. 4. After consolidation adjustments, includes subsidiaries. 5. Net Trading Income - SC Underwriting and Selling Fees + Net Gains (Losses) related to Bonds + Net Gains (Losses) on Foreign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



# Loans

## Loan Balance (Period-End Balance)

2 Banks



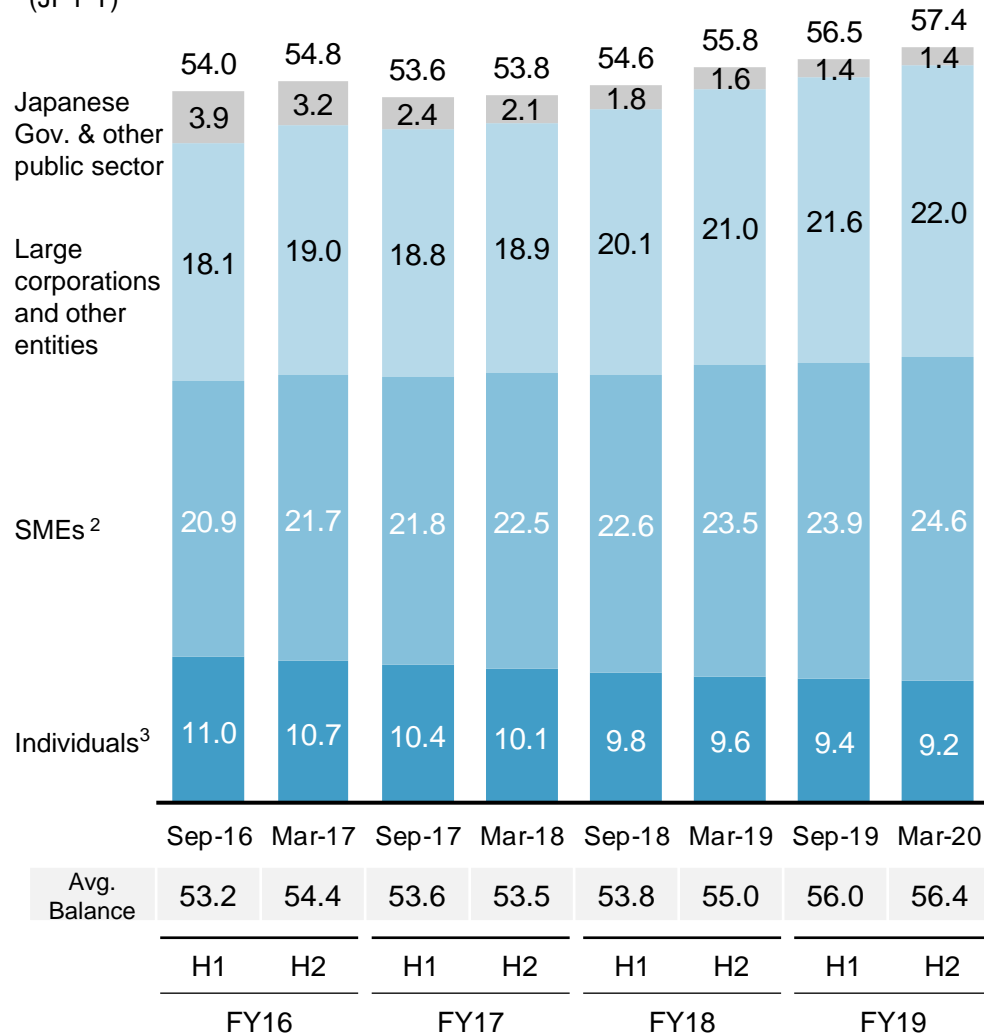
1. Excluding loans to FG. Banking account. 2. Foreign exchange rate (TTM) at the respective period ends.

# Loans in Japan

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

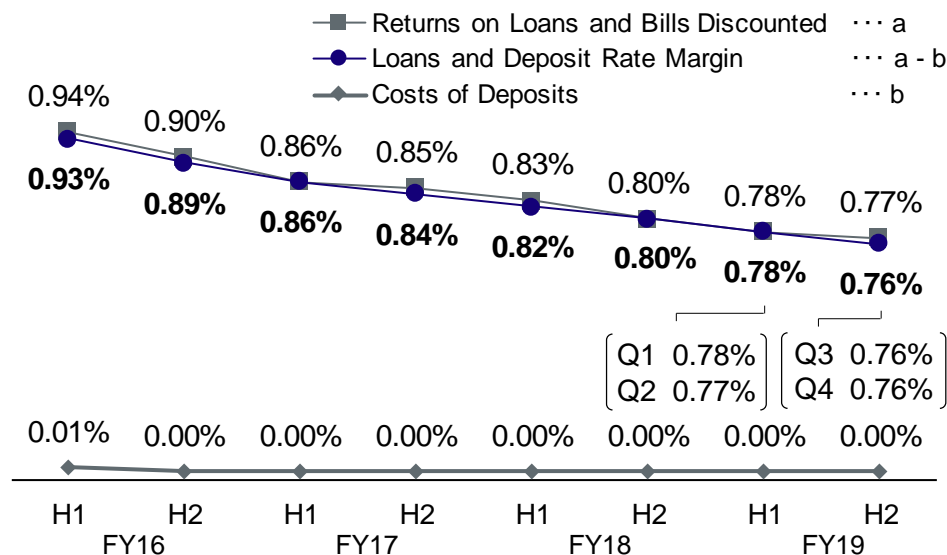
2 Banks

(JPY T)



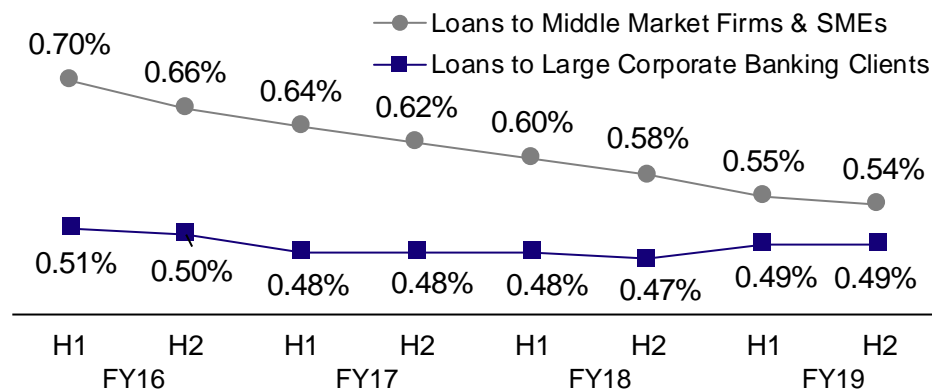
## Loan and Deposit Rate Margin<sup>4</sup>

2 Banks



## Loan Spread

BK, management accounting



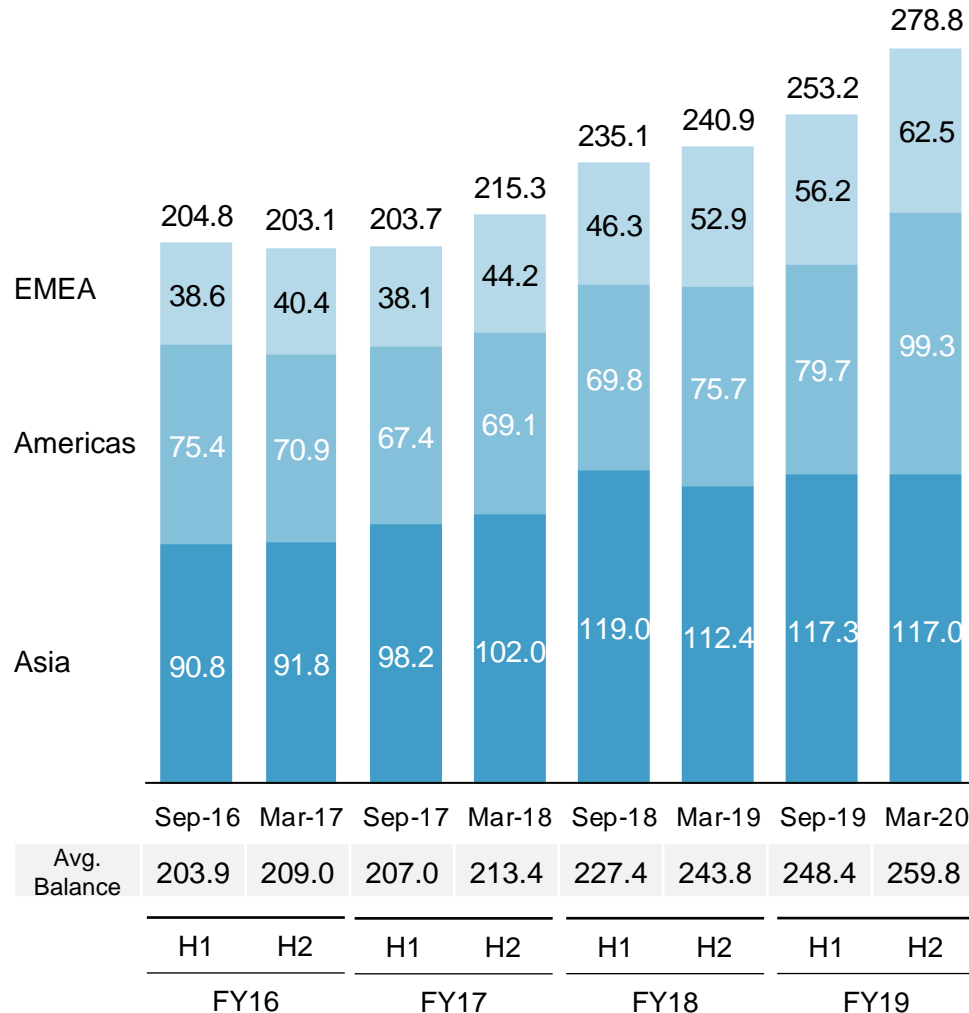
1. Excluding loans to FG. Banking account. 2. Calculated by deducting "Housing and Consumer Loans" from "Loans to SMEs and Individual Customers".

3. Housing and Consumer Loans. 4. Domestic Operations, excluding loans to financial institutions (including FG) and the Japanese Government & other public sector.

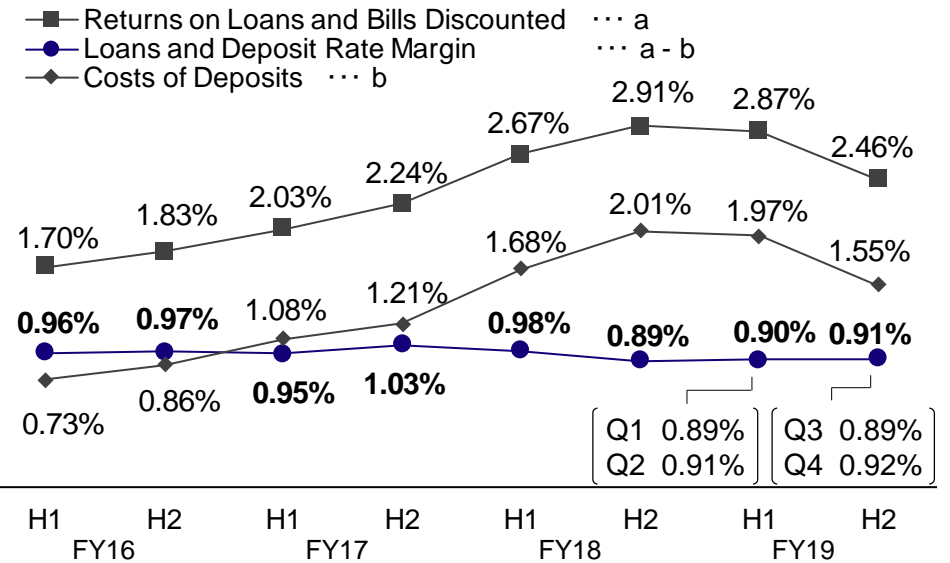
# Loans outside Japan

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

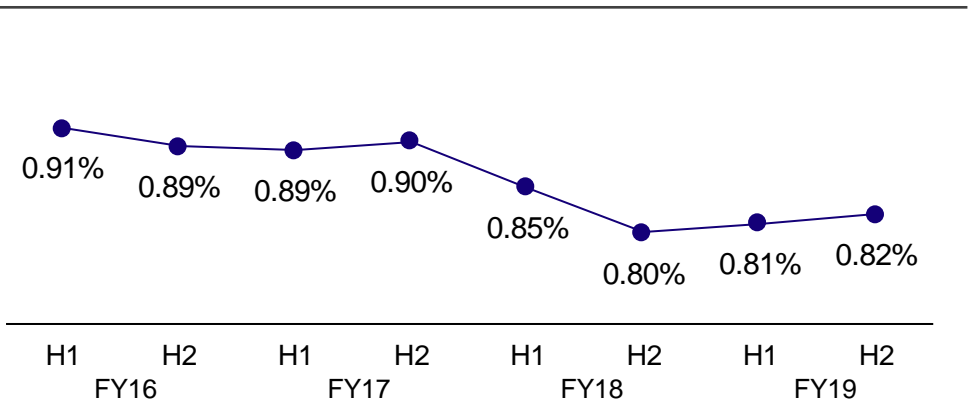
(USD B)



## Loan and Deposit Rate Margin BK, Overseas



## Loan Spread<sup>1,2</sup> BK, management accounting



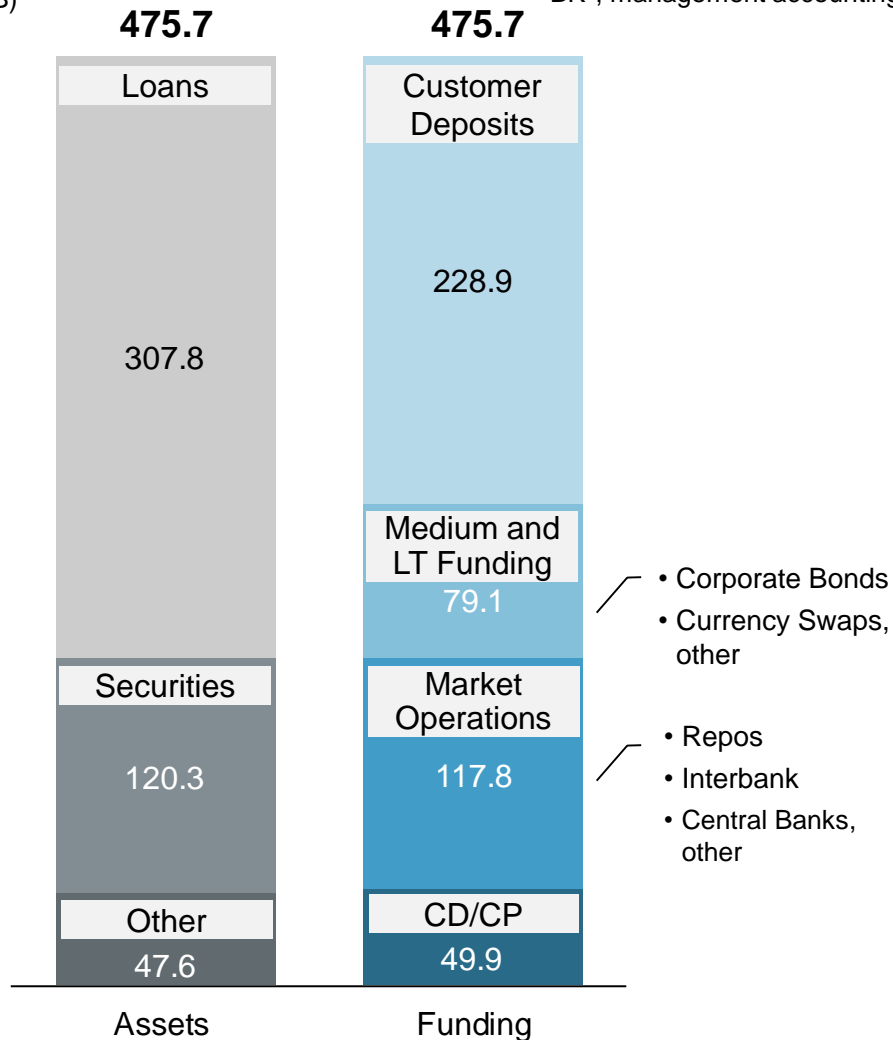
1. BK (including the subsidiaries in China, the US, the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico).

2. Figures including past figures are calculated based on the FY19 planned rate in USD.

# Non-JPY Funding

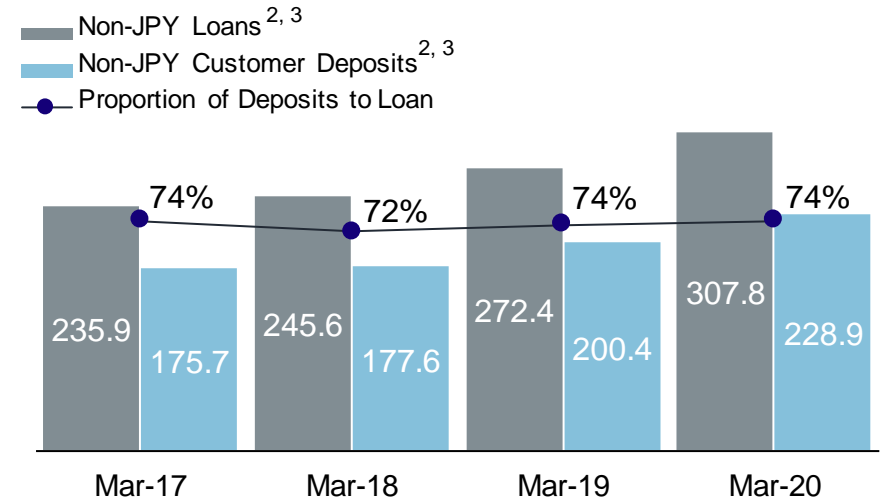
## Non-JPY Assets and Funding (Mar-20)

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

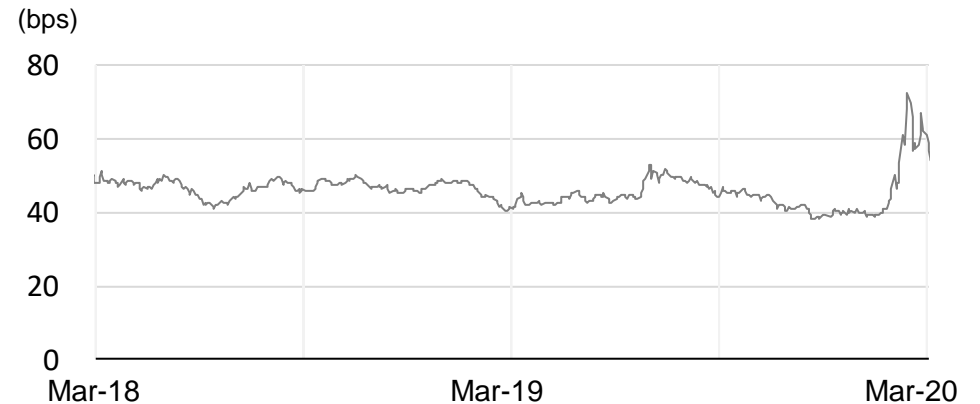


## Trends in Non-JPY Loans and Deposits

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



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



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

2. Figures including past figures are calculated based on the FY19 planned rate in USD. 3. Including Non-JPY loans/customer deposits in Japan.

Source: Bloomberg

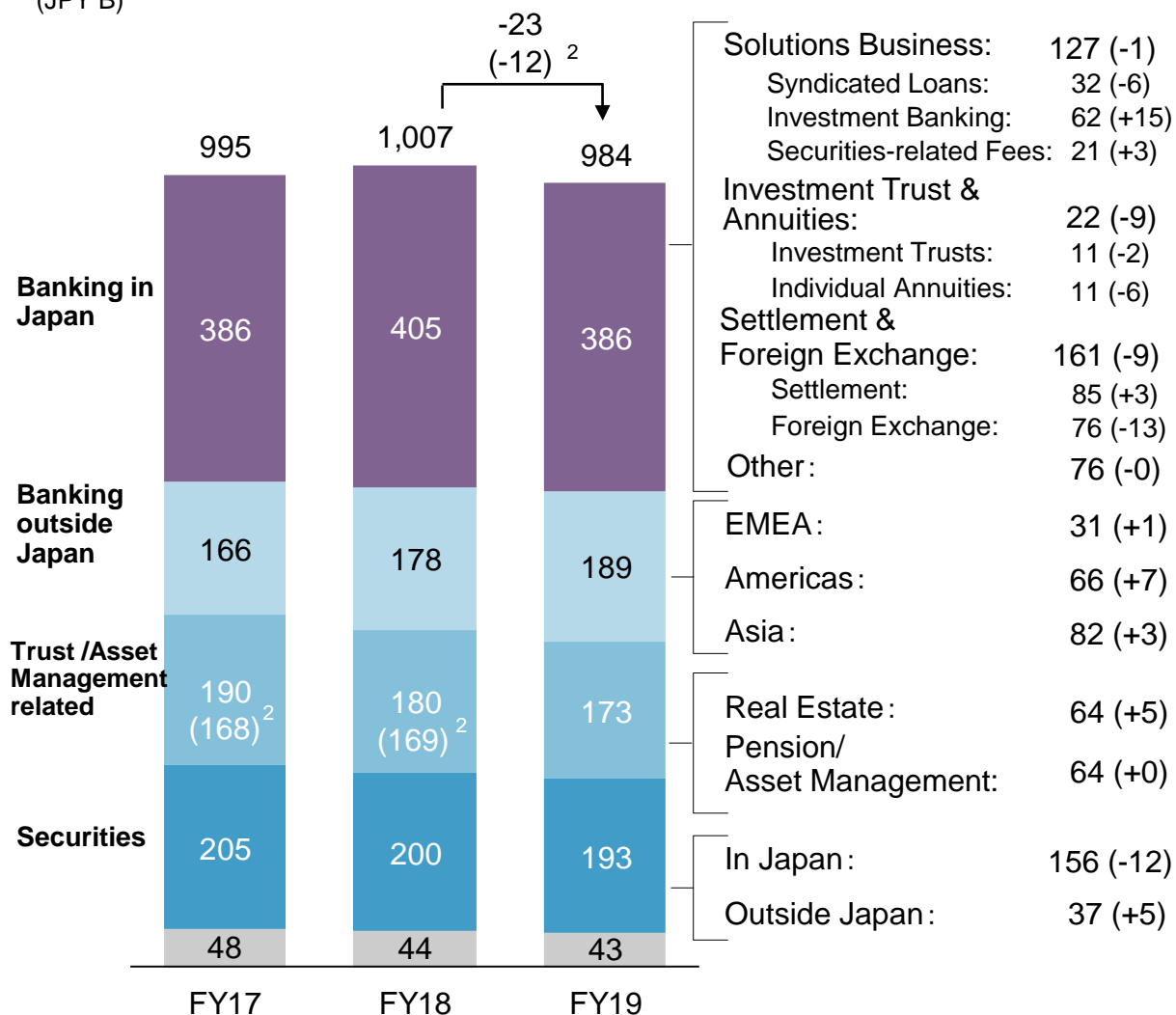
# Non-interest Income from Customer Groups

## Non-interest Income <sup>1</sup>

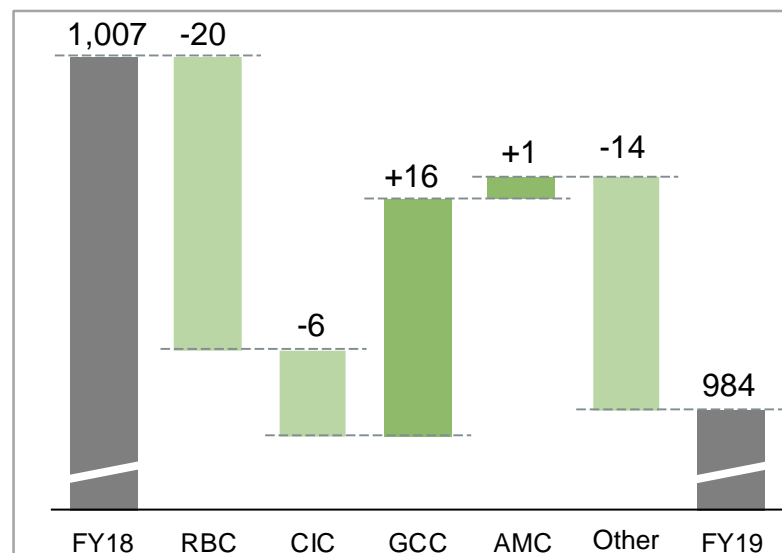
(JPY B)

Group aggregate, management accounting, rounded figures

Figures in ( ) represent YoY



## Reference: Breakdown by In-House Company



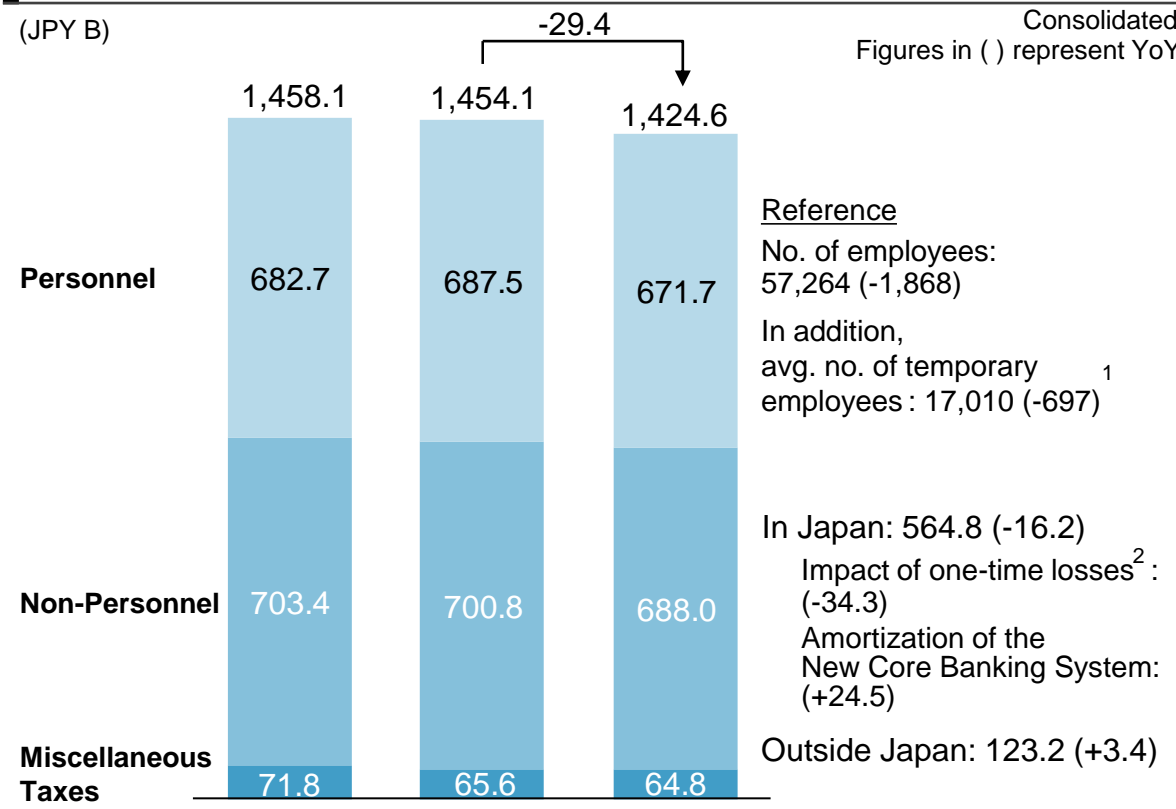
- RBC :** Sluggish profits of Investment Trusts and Annuities
- CIC :** Decreased mainly due to the lack of large revenue in foreign exchange recorded in FY18
- GCC :** Increase in DCM in the Americas, Transaction banking in Asia (FX)
- Other :** Unconsolidation of TCSB -110 and other

**Impact of COVID-19 Total : Approx. -JPY 11B**

1. Recalculated past figures based on FY19 planned rate and other factors such as expansion and refinement of range of consolidated subsidiaries, under management accounting. The original figures before the recalculation were FY17: JPY 984B and FY18: JPY 996B. 2. Excluding the effects of the unconsolidation of TCSB in Oct.18.

# General and Administrative Expenses

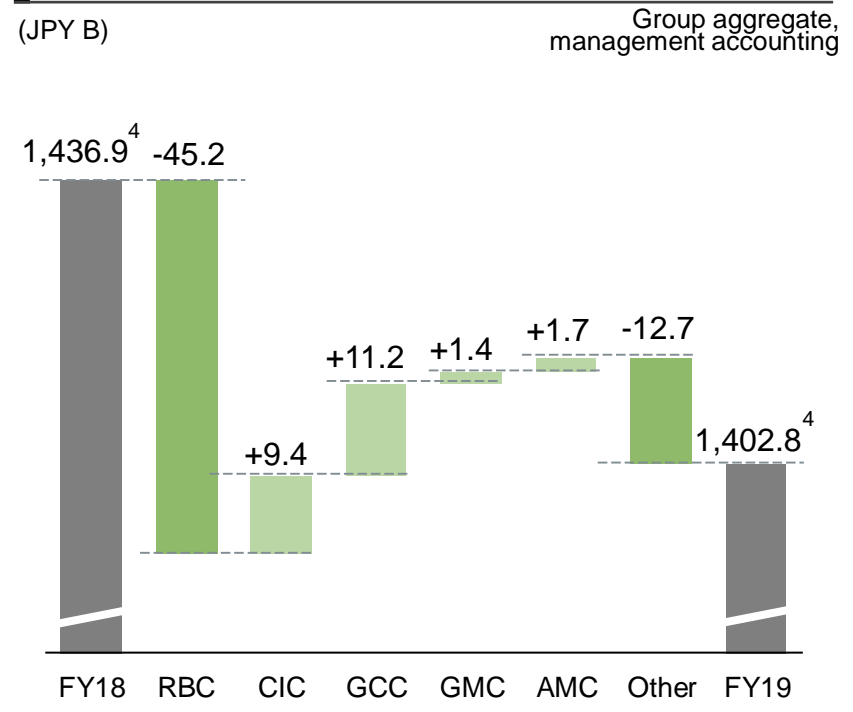
## General and Administrative Expenses (Excl. Non-recurring losses)



Reference:	FY17	FY18	FY19
General and Administrative Expenses	1,488.9	1,430.8	1,378.3
<i>o/w Non-recurring Losses</i>	30.8	-23.3	-46.2
Amortization of Goodwill and other items	13.8	13.5	13.2

1. Excluding the number of agency staff. 2. The decrease of depreciation cost due to the impairment losses on fixed assets recorded in FY18. 3. G&A Expenses (Excl. Non-recurring Losses and others) – Amortization of Goodwill and other items. 4. Difference between financial and management accounting is due to the range of consolidated subsidiaries calculated and adjustments of intercompany transactions and other.

## Breakdown by In-house Company<sup>3</sup>



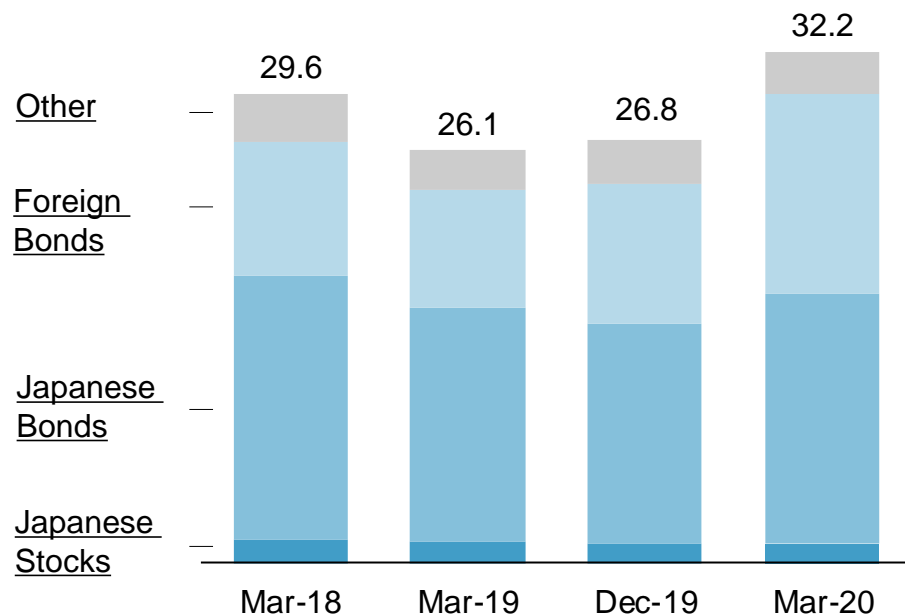
- RBC : Impact of recording one-time losses in FY18, reduction in the no. of branches, personnel reduction and others
- CIC : Amortization of new core banking system
- GCC : Personnel expenses outside Japan
- Other : Unconsolidation of TCSB and others

# Securities Portfolio

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

Consolidated  
Acquisition cost basis

(JPY T)

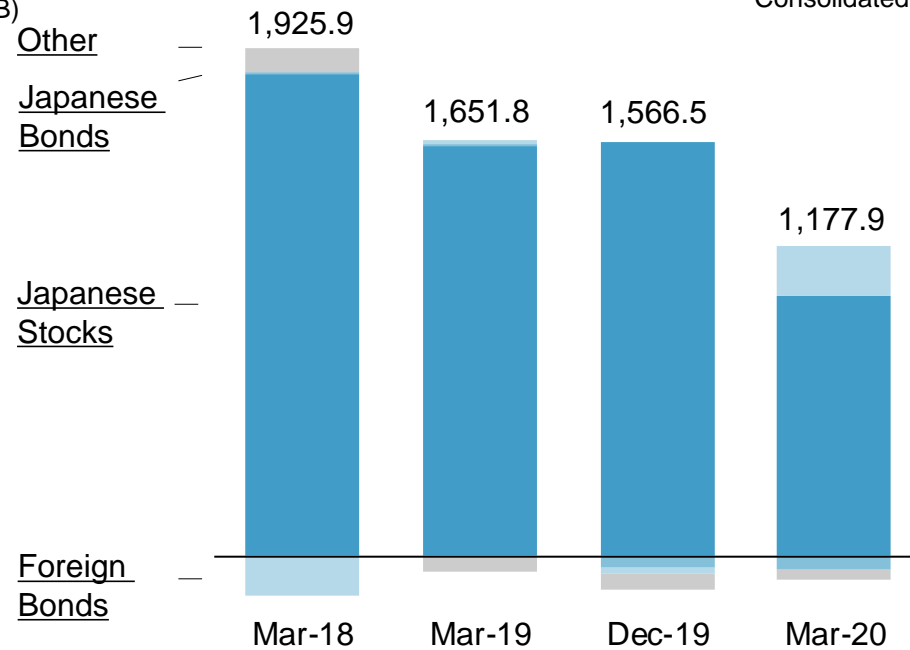


Japanese Stocks	1.5	1.4	1.3	1.2
Japanese Bonds	16.5	14.7	13.8	15.7
o/w JGB	13.3	11.8	10.8	12.6
Foreign Bonds	8.4	7.3	8.7	12.5
o/w Debt Securities issued in US <sup>2, 3</sup>	4.2	2.1	4.5	8.0
Other	3.0	2.5	2.8	2.7
o/w bear funds <sup>4</sup>	-	-	0.9	0.8

## Unrealized Gains/Losses on Other Securities<sup>5</sup>

Consolidated

(JPY B)



Japanese Stocks	1,984.2	1,687.6	1,706.9	1,071.5
Japanese Bonds	5.4	5.2	-47.9	-54.1
o/w JGB	0.6	5.9	-39.3	-44.0
Foreign Bonds	-161.2	21.7	-23.0	200.9
o/w Debt Securities issued in US <sup>2, 3</sup>	-161.2	5.1	-10.6	234.4
Other	97.5	-62.7	-69.3	-40.4
o/w bear funds <sup>4</sup>	-	-	-83.2	86.2

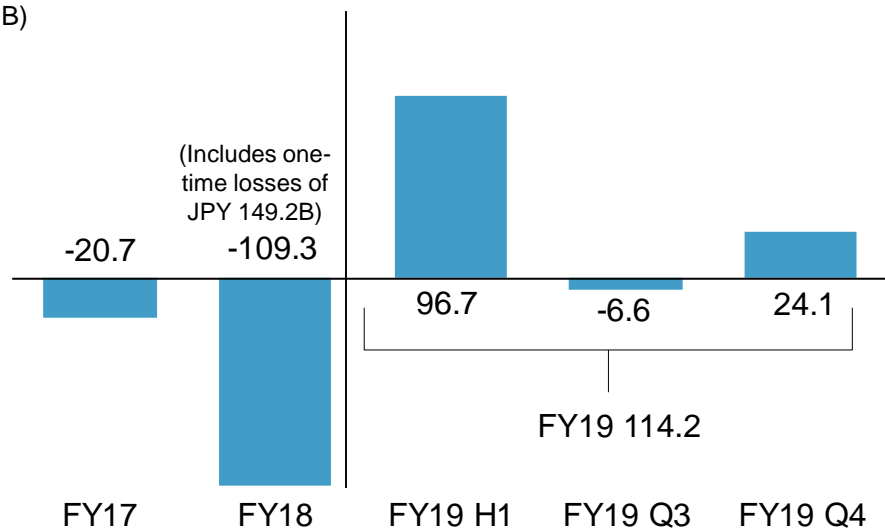
1. Other Securities which have readily determinable fair values. 2 UST/GSE Bonds. 3. 2 Banks. 4. Hedging transactions aiming to fix unrealized gains on Japanese stocks. 5. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Calculated based on the quoted market price if available, or other reasonable value, at the respective period end.

# Securities Portfolio (Bonds)

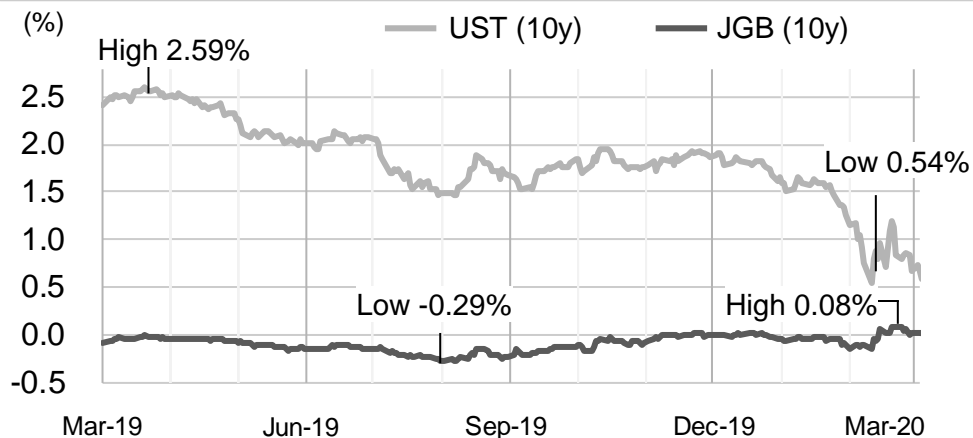
## Net Gains (Losses) related to Bonds

Consolidated

(JPY B)



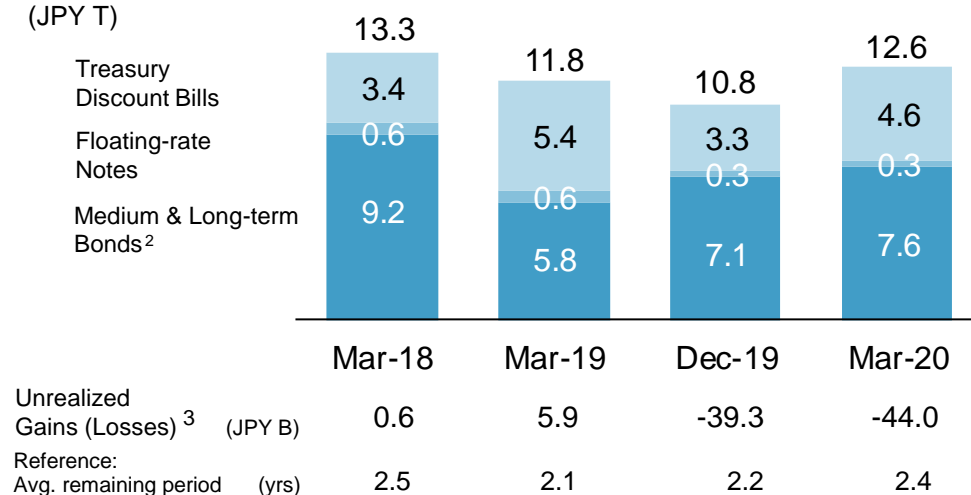
Reference: Interest Rate Trends in and outside Japan



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

2 Banks  
Acquisition cost basis

(JPY T)



Unrealized Gains (Losses) <sup>3</sup> (JPY B)	Mar-18	Mar-19	Dec-19	Mar-20
	0.6	5.9	-39.3	-44.0

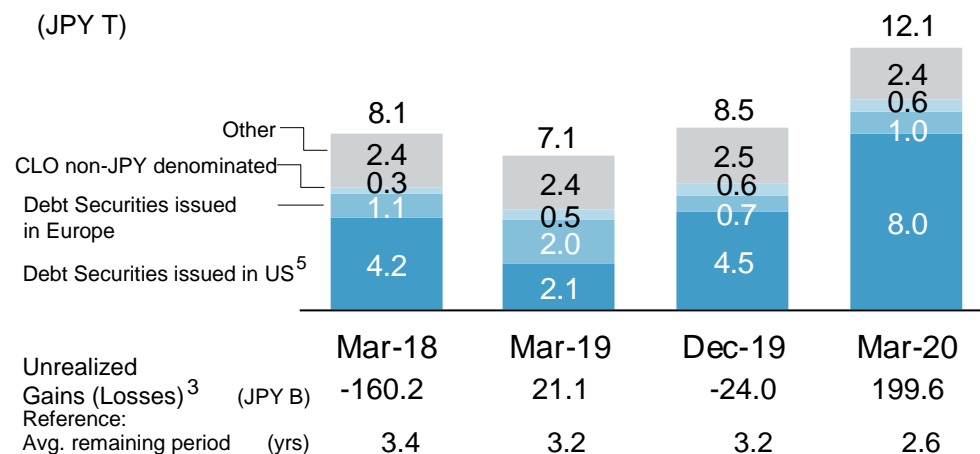
Reference:  
Avg. remaining period (yrs)

	Mar-18	Mar-19	Dec-19	Mar-20
	2.5	2.1	2.2	2.4

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

2 Banks  
Acquisition cost basis

(JPY T)



Unrealized Gains (Losses) <sup>3</sup> (JPY B)	Mar-18	Mar-19	Dec-19	Mar-20
	-160.2	21.1	-24.0	199.6

Reference:  
Avg. remaining period (yrs)

	Mar-18	Mar-19	Dec-19	Mar-20
	3.4	3.2	3.2	2.6

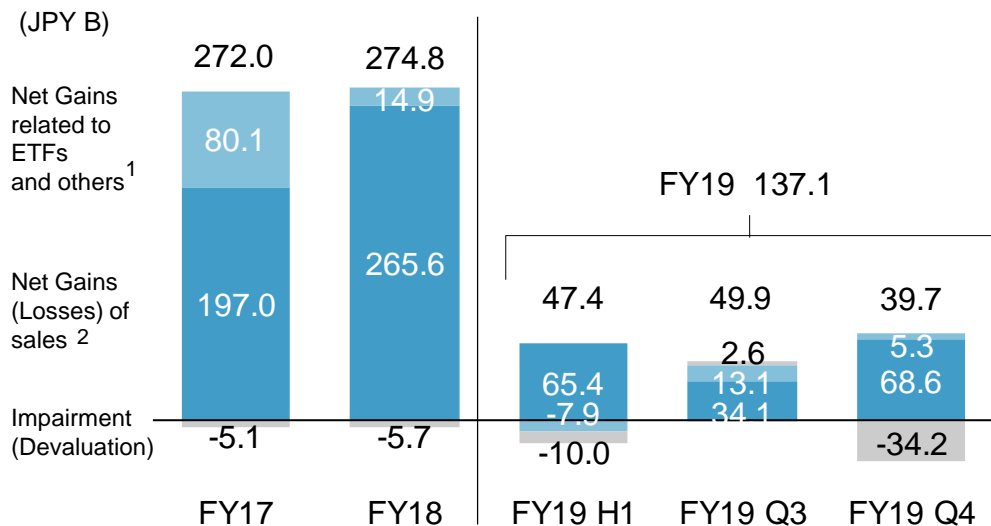
1. Other Securities which have readily determinable fair values. 2. Including bonds with remaining period of one year or less. 3. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Calculated based on the quoted market price if available, or other reasonable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



# Securities Portfolio (Stocks)

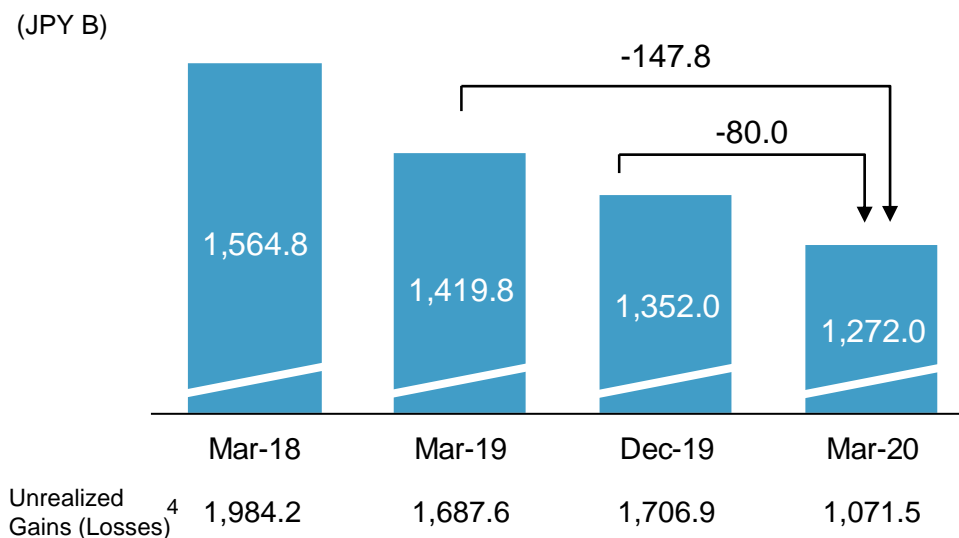
## Net Gains (Losses) related to Stocks

Consolidated

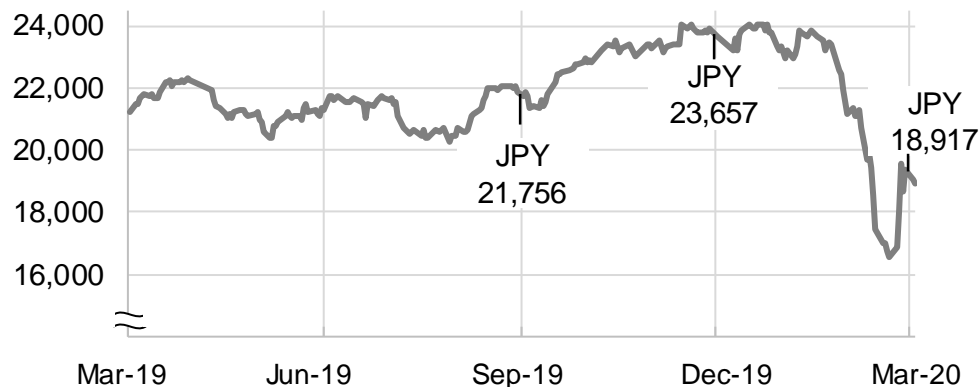


## Japanese Stock Portfolio<sup>3</sup>

Consolidated  
Acquisition cost basis



### Reference: Nikkei 225



### Policy for cross-shareholdings reduction

- ✓ Unless we consider these holdings to be meaningful, we will not hold the shares, which reflects the potential impact on our financial position associated with stock market volatility risk.
- ✓ Even though we consider the holdings to be meaningful, we will also reduce them through dialogue with the issuing companies.

1. Net Gains related to ETFs (2 Banks) + Net Gain on Operating Investment Securities (SC Consolidated). 2. Net Gains (Losses) on sale of stocks + Gains (Losses) on Derivatives. 3. Other Securities which have readily determinable fair values. 4. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Based on the average market price of the respective month.

# Asset Quality

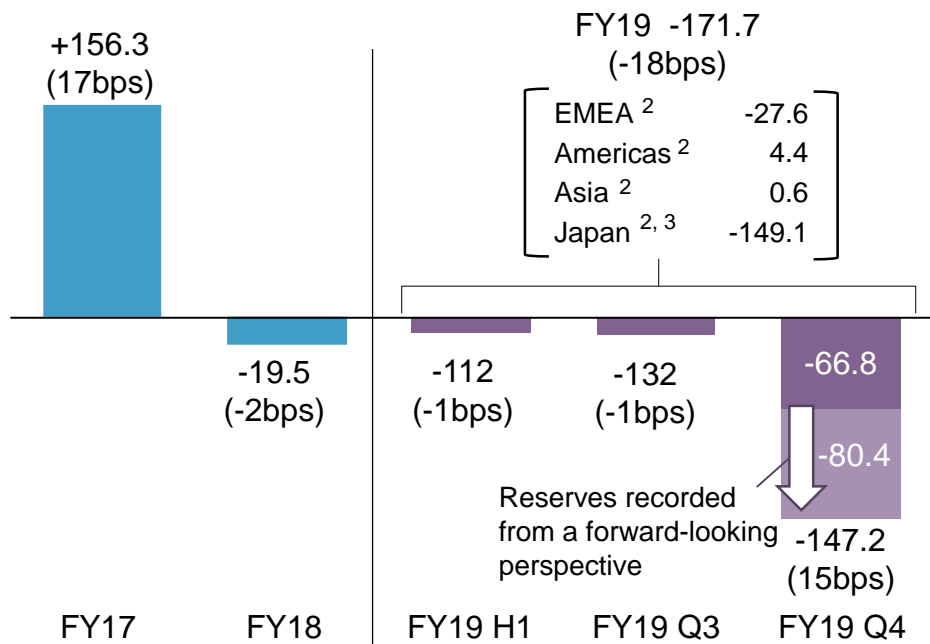
## Credit-related Costs

Consolidated

(JPY B)

banking account + trust account

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



### Respond to the report by the JFSA<sup>4</sup>

Recorded additional Reserves for Possible Losses on Loans for some credit in Japan from a forward-looking perspective based on future projections, reflecting the potential impact of COVID-19 on our financials for fiscal 2019.

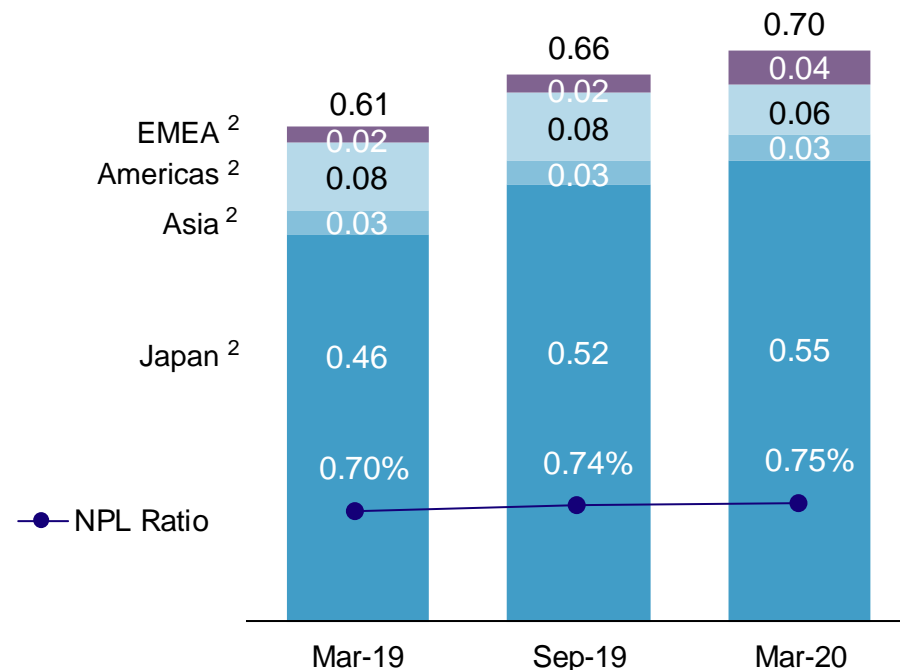
1. Ratio of Credit-related Costs against Total Claim based on the Financial Reconstruction Act (FRA). 2. Representative main branch basis. 3. Including items which cannot be divided by regions such as adjustments of foreign exchange and others. 4. The report entitled "JFSA's supervisory approaches to lending business and loan loss provisioning" published by the Japan Financial Services Agency in Dec. 2019.

## Non Performing Loans based on FRA

Consolidated

(JPY T)

banking account + trust account



### Reference: Other Watch Obligors

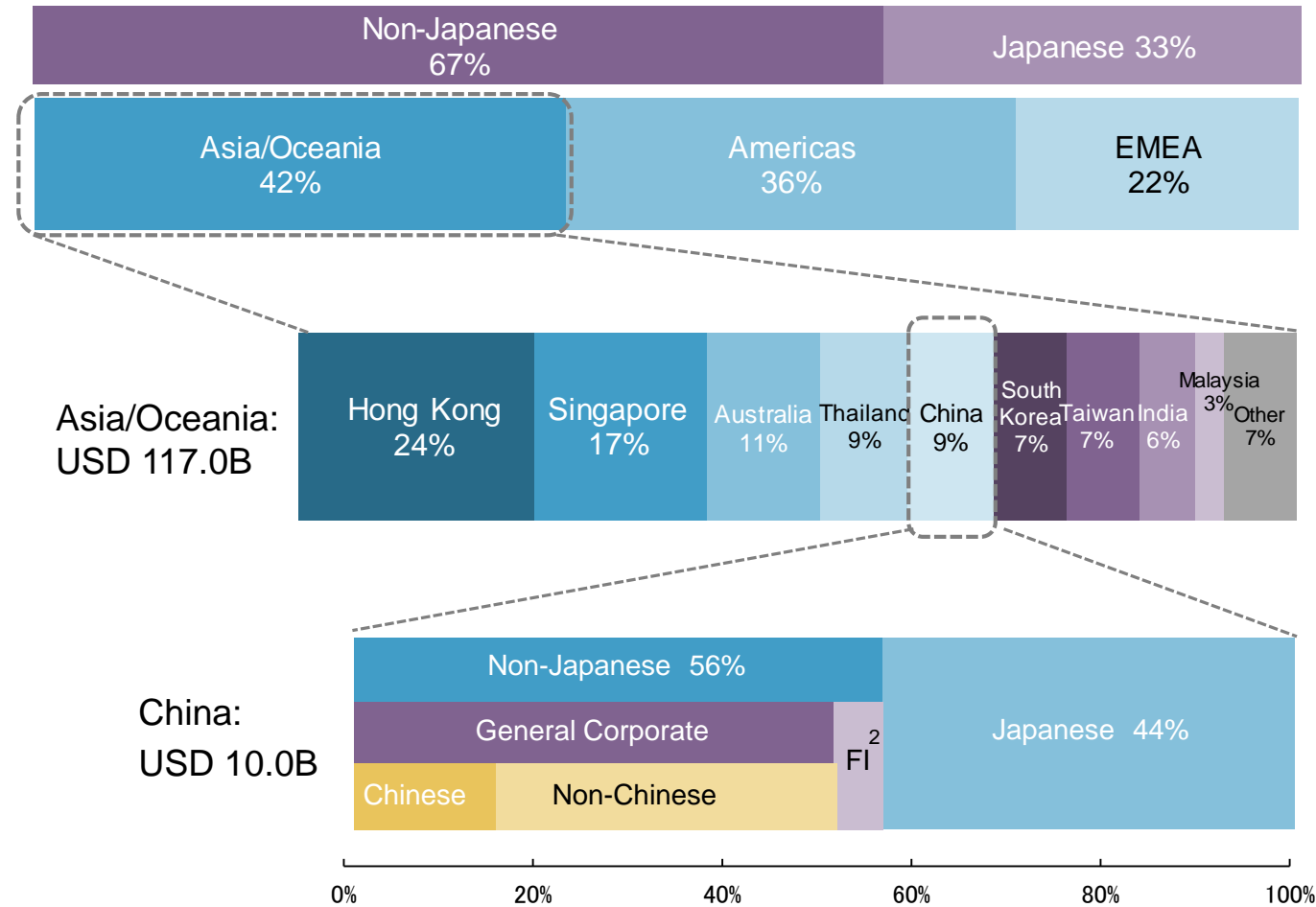
2 banks, banking account

	Mar-19	Sep-19	Mar-20
Balance (JPY T)	1.3	1.3	1.6
Reserve ratio	2.46%	3.09%	4.91%

# Loan Portfolio Outside Japan

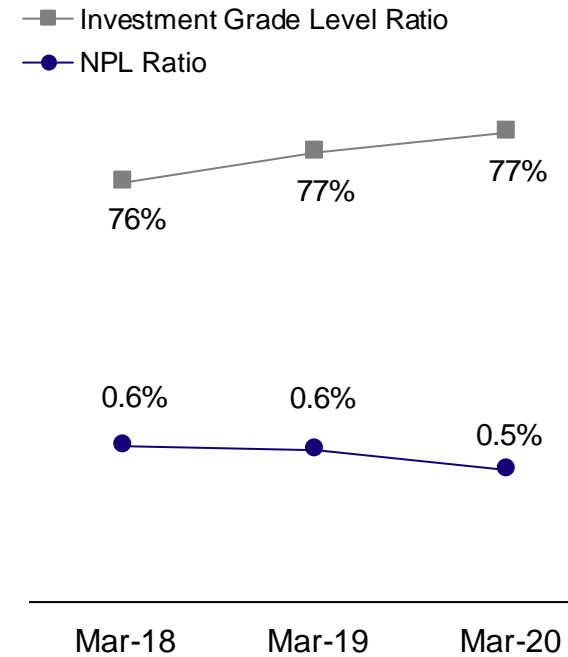
## Loan Portfolio Outside Japan (Mar-20)

Total: USD 278.8B



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

### Quality of Loan Portfolio



Reference :  
LBO Loans Outstanding Balance (Final take) USD 3.4B<sup>3</sup>  
(increased by USD 0.4B from Mar. 2019)

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

# Exposure in specific sectors and products

## Resource sector<sup>1</sup>

BK  
management accounting basis

(JPY T)

	Mar-20	Investment grade and equivalent	
Non-JP	4.7	3.8	80%
Upstream	2.3	1.9	81%
Midstream	1.3	1.0	79%
Downstream	1.1	0.9	79%
JP	1.7	1.5	89%
<b>Total</b>	<b>6.4</b>	<b>5.3</b>	<b>83%</b>

- Over 80% of our exposure to the non-Japanese upstream sector, which is impacted the most by decline in crude oil prices, is investment grade and equivalent
- Approx. JPY 0.4T in project finance transactions can be impacted by fluctuations in commodity prices

The above is our exposure in the resource sectors excluding mineral resources.  
Upstream: crude oil & natural gas mining etc. Midstream: storage and transportation.  
Downstream: petroleum refinery and product manufacturing and other.

## Aircraft related<sup>1, 2</sup>

BK  
management accounting basis

(USD B)

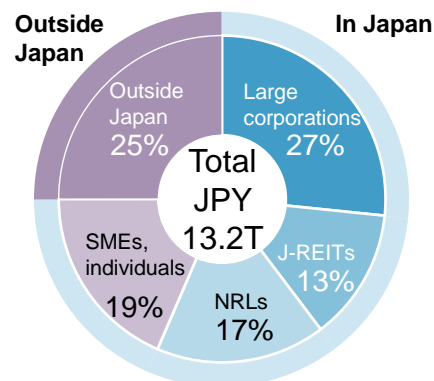
	Mar-20
Asset-based <sup>2</sup>	0.25

- Credit relying solely on cash flow from underlying aircraft assets is limited at USD 0.25B

## Real estate sector<sup>1</sup>

BK + TB  
management accounting basis

Investment grade and equivalent :  
approx. 80%



NRLs: non-recourse loans

- Large corporations, clients outside Japan  
Over 90% of our exposure is to investment grade and equivalent
- SMEs and individuals, J-REITs, NRLs  
We selectively originate deals based on comprehensive due diligence of credit, including loan-to-value ratio and cash flow under stress scenario

## LBO Loans outside Japan<sup>1</sup>

BK  
management accounting basis

(USD B)

	Mar-20	(Reference) Jun-07
Underwriting <sub>3</sub>	0.7	12.5
Final take	3.4	6.3

- We are taking a cautious approach for industries sensitive to economic fluctuations
- We are controlling underwriting risk by setting terms and conditions in line with investor appetite and strengthening management of underwriting positions

1. The sum of loans, foreign exchange, and unused commitment lines and other. 2. Credit where the lender is exposed to residual value risk of the asset. Exclusively warehouse facilities premised on takeouts by ABS and other securities. 3. Including those in which we have won mandates.

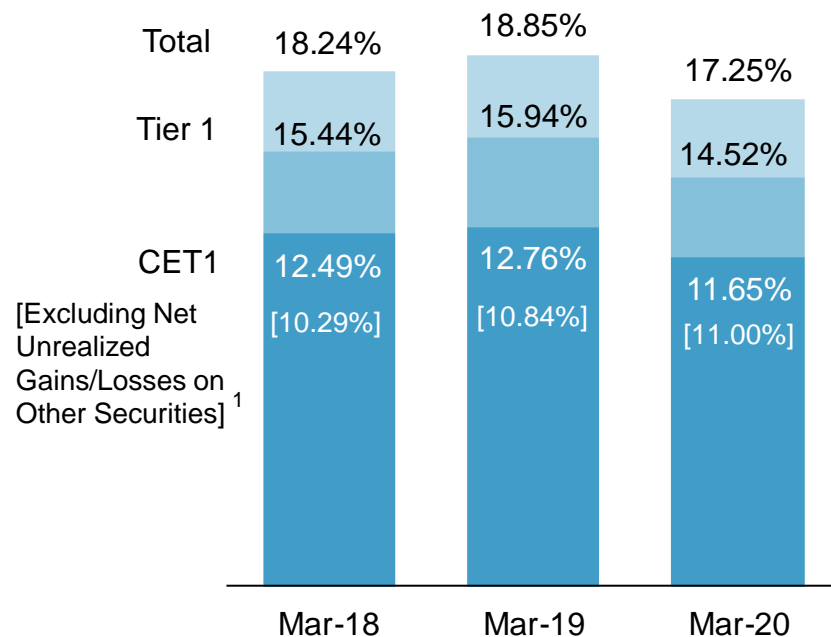
# Capital and Funding

# Basel Regulatory Disclosures (1)

## Capital Ratio

Consolidated

(JPY B)

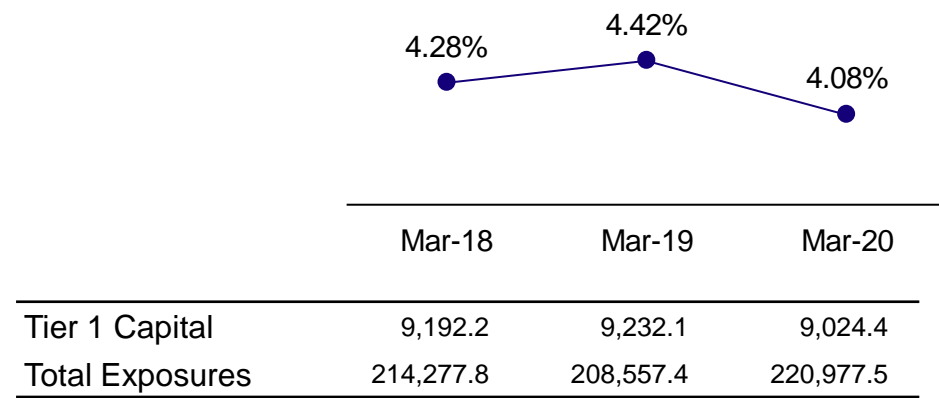


	Mar-18	Mar-19	Mar-20
CET1 Capital <sup>2</sup>	7,437.0	7,390.0	7,244.7
AT1 Capital <sup>3</sup>	1,755.1	1,842.1	1,779.6
Tier 1 Capital	9,192.2	9,232.1	9,024.4
Tier 2 Capital	1,668.1	1,685.3	1,697.8
Total Capital	1,0860.4	10,917.5	10,722.2
Risk Weighted Assets	59,528.9	57,899.5	62,141.2

## Leverage Ratio

Consolidated

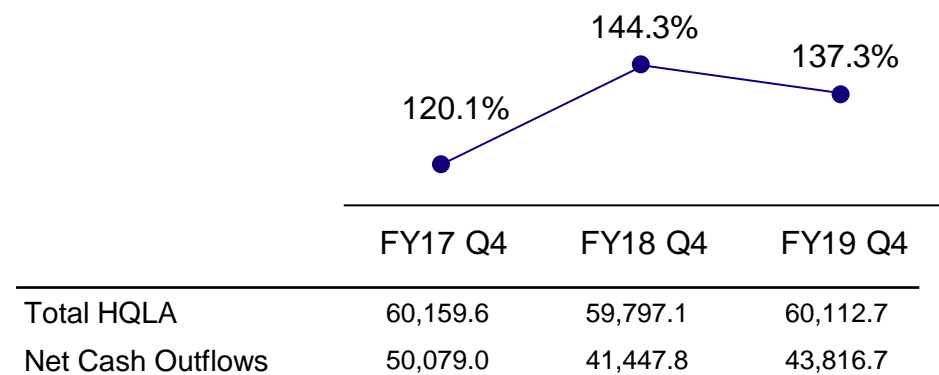
(JPY B)



## Liquidity Coverage Ratio (LCR)

Consolidated

(JPY B)



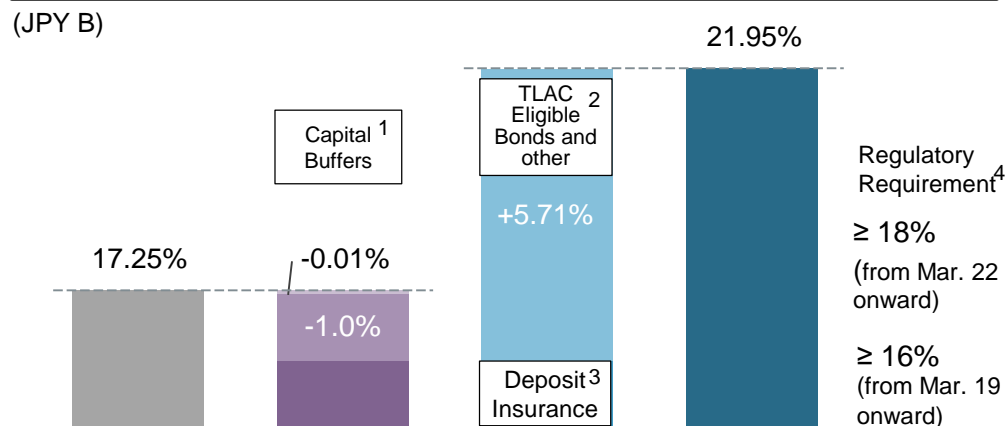
1. Net Unrealized Gains (Losses) on Other Securities and its associated Deferred Gains or Losses on Hedges are excluded from the numerator and RWA associated with Net Unrealized Gains (Losses) on Other Securities (stocks) are excluded from the denominator. Includes the effect of partially fixing unrealized gains on Japanese stocks through hedging transactions. 2. Common Equity Tier 1 Capital. 3. Additional Tier 1 Capital.

# Basel Regulatory Disclosures (2)

## External TLAC Ratio (Mar-20)

Consolidated

### Risk Weighted Assets Basis

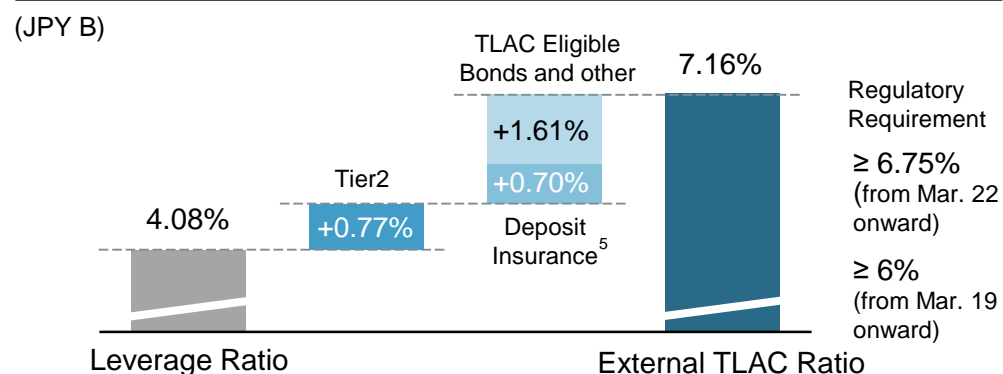


Total Capital Ratio

External TLAC Ratio

External TLAC (excluding capital buffers)	13,643.2
Risk Weighted Assets	62,141.2

### Total Exposure Basis



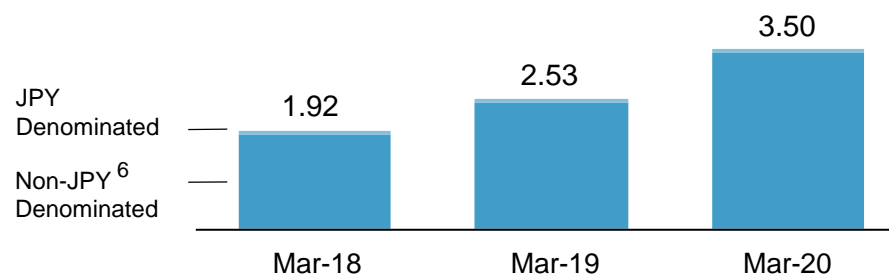
Leverage Ratio

External TLAC Ratio

External TLAC (including capital buffers)	15,824.3
Total Exposure	220,977.5

### TLAC Eligible Senior Bonds (Outstanding Balance)

(JPY T)

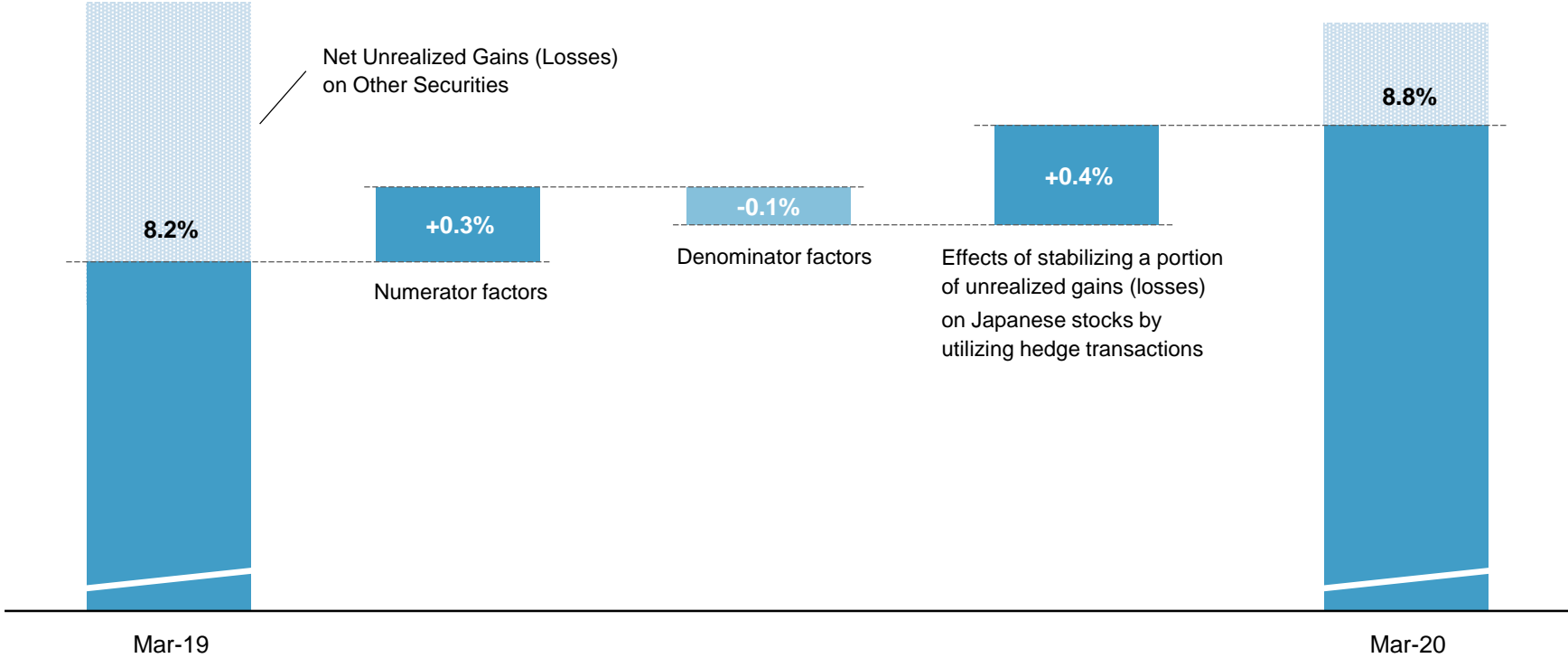


1. Capital Buffer = Capital Conservation Buffer (2.5%) + G-SIBs Capital Buffer (1.0%) + Countercyclical Capital Buffer (0.01%).
2. TLAC Eligible Senior Bonds including other adjustments.
3. Deposit insurance fund reserve is allowed to count towards Japanese G-SIBs' external TLAC. +3.5% of RWA from Mar. 22.
4. Minimum TLAC requirement based on FSB's final TLAC standard as of Nov. 9, 2015. Our required minimum TLAC as of Mar. 20 is 16.76%.
5. Deposit insurance fund reserve equivalent amount on total exposure basis calculated based on RWA basis of 2.5%.
6. Foreign exchange rate (TTM) at the respective period end.

# CET1 Capital Ratio

CET1 capital ratio (Basel III fully effective basis) <sup>1, 2</sup>

(JPY T)



Continuously maintain capital resiliency under stress conditions through steady capital accumulation and partial fix of unrealized gains on Japanese stocks

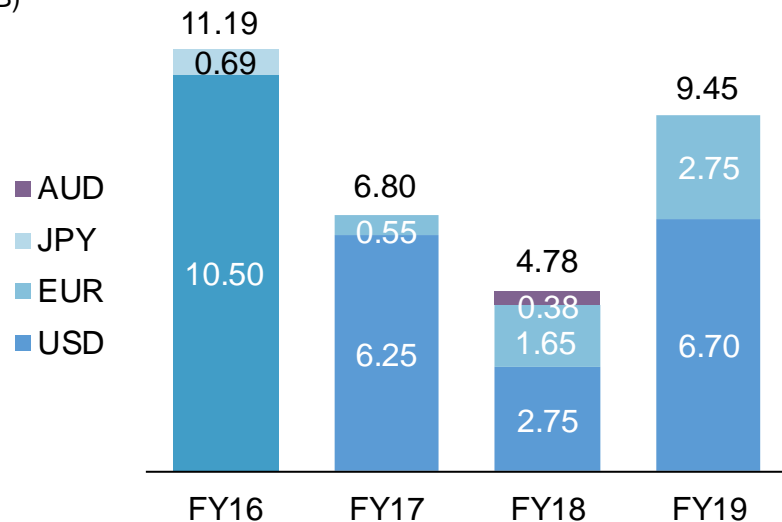
1. Net Unrealized Gains (Losses) on Other Securities and its associated Deferred Gains or Losses on Hedges are excluded from the numerator and RWA associated with Net Unrealized Gains (Losses) on Other Securities (stocks) are excluded from the denominator. Includes the effect of partially fixing unrealized gains on Japanese stocks through hedging transactions.  
 2. The capital floor is also calculated after deducting the associated reserves from risk weighted assets using the standard approach.



# Summary of Senior Notes issued by the Holding Company

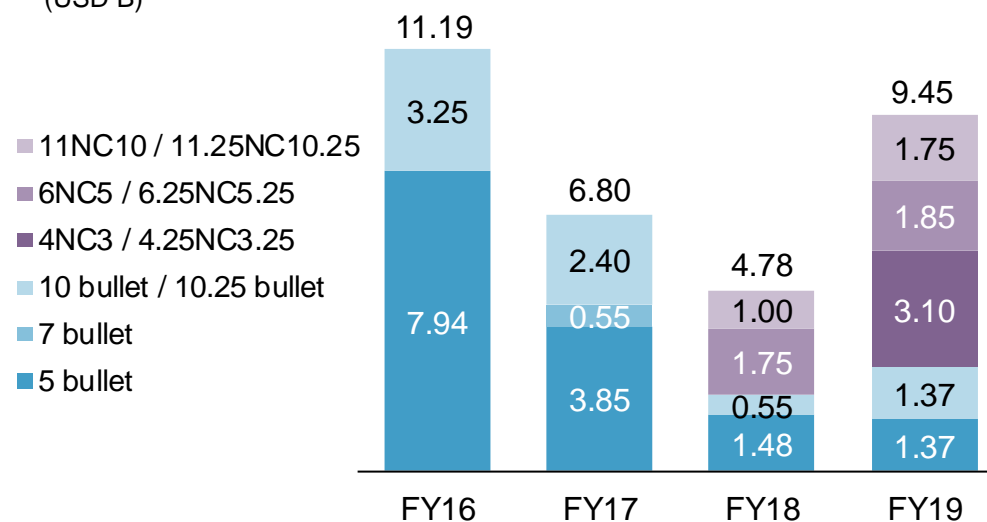
## By Currency

(USD B)



## By Term

(USD B)



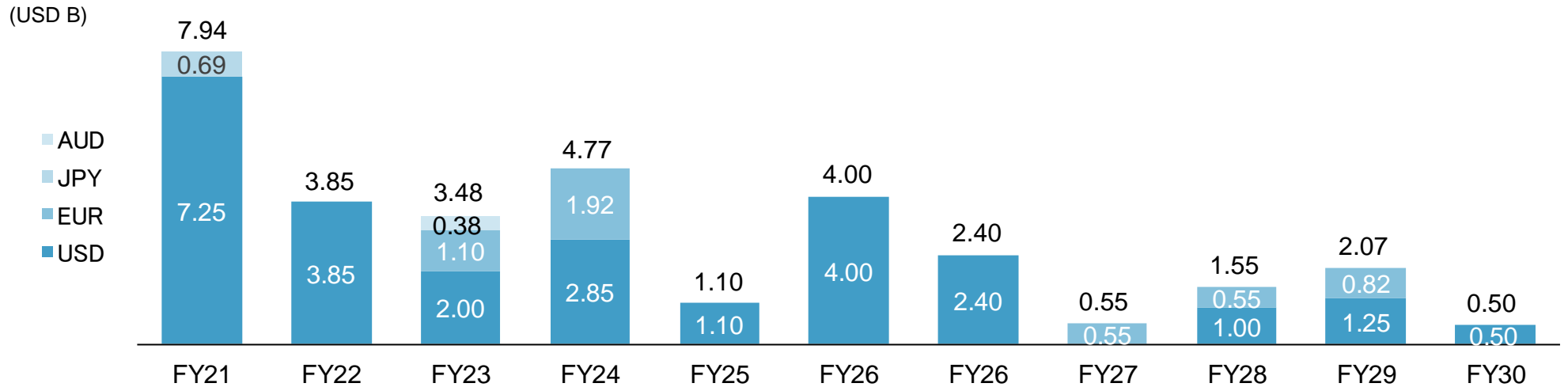
## Past Issuance Calendar

(As of Mar 31, 2020)

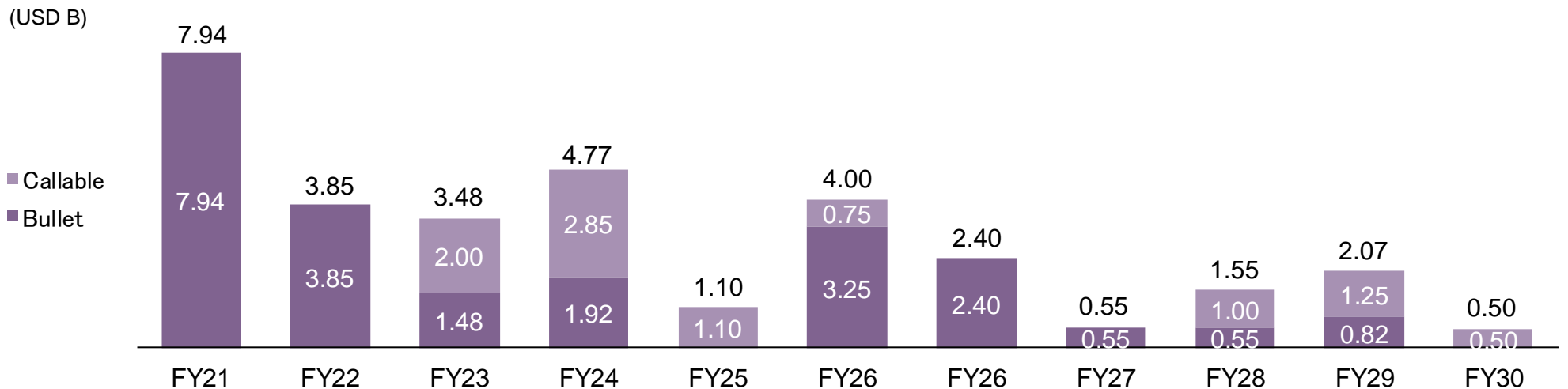
	April	May	June	July	August	September	October	November	December	January	February	March
<b>FY16</b>	(\$)			(¥)	(\$)							(\$)
	2016/04/12			2016/07/22	2016/09/13							2017/02/28
	3-part \$4bn			¥75bn	3-part \$3.25bn							3-part \$3.25bn
<b>FY17</b>					(\$)		(€)					(\$)
					2017/09/11		2017/10/16					2018/03/05
					3-part \$3.25bn		€500mm					3-part \$3bn
<b>FY18</b>	(€)			(A\$)	(\$)		(€)					
	2018/04/10			2018/07/19	2018/09/11		2018/10/11					
	2-part €1bn			2-part A\$625mm	3-part \$2.75bn		€500mm					
<b>FY19</b>		(€)	(\$)	(€)	(\$)					(€)	(\$)	
		2019/06/10	2019/07/16	2019/09/06	2019/09/13					2020/1/14	2020/2/25	
		€750mm	4-part \$2.75bn	2-part €1bn	3-part \$1.6bn					€0.75bn	3-part \$2.35bn	

# Maturity schedule of Senior Notes issued by the Holding Company

## By Currency<sup>1</sup>



## By Type<sup>1</sup>



1. Callable notes are classified based on final maturity date.

# Outstanding Senior Bonds Issued by the Holding Company (TLAC Eligible)

(As of May 15, 2020)

## Senior Bonds Issued by the Holding Company

Issue Date	Maturity	Amount	Coupon	Redemption at Issuer's Option	Ratings	Format
Apr. 12, 2016	Apr. 12, 2021	USD 1.75B	2.632% p.a.	None	Moody's: A1 S&P: A-	Overseas Offerings (144A/Reg.S)
	Apr. 12, 2026	USD 1.75B	3.477% p.a.			
	Apr. 12, 2021	USD 0.5B	3M \$L+148bps			
Jul. 22, 2016	Jul. 22, 2021	JPY 75B	0.1% p.a.	None	R&I: A+ JCR: AA-	Domestic PO
Sep. 13, 2016	Sep. 13, 2021	USD 1.25B	2.273% p.a.	None	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Sep. 13, 2026	USD 1B	2.839% p.a.			
	Sep. 13, 2021	USD 1B	3M \$L+114bps			
Feb. 28, 2017	Feb. 28, 2022	USD 1.5B	2.953% p.a.	None	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Feb. 28, 2027	USD 0.5B	3.663% p.a.			
	Feb. 28, 2022	USD 1.25B	3M \$L+94bps			
Sep. 11, 2017	Sep. 11, 2022	USD 1B	2.601% p.a.	None	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Sep. 11, 2027	USD 1.1B	3.170% p.a.			
	Sep. 11, 2022	USD 1.15B	3M \$L+88bps			
Oct. 16, 2017	Oct. 16, 2024	EUR 0.5B *	0.956% p.a.	None	Moody's: A1 S&P: A-	Overseas Offerings (Reg.S)
Mar. 5, 2018	Mar. 5, 2023	USD 0.85B	3.549% p.a.	None	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Mar. 5, 2028	USD 1.3B	4.018% p.a.			
	Mar. 5, 2023	USD 0.85B	3M \$L+79bps			
Apr. 10, 2018	Apr. 10, 2028	EUR 0.5B	1.598% p.a.	None	Moody's: A1 S&P: A-	Overseas Offerings (Reg.S)
	Apr. 10, 2023	EUR 0.5B	3M Euribor+50bps			
Jul. 19, 2018	Jul. 19, 2023	AUD 0.275B	3.752% p.a.	None	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Jul. 19, 2023	AUD 0.35B	3M AUD BBSW+140bps			
Sep. 11, 2018	Sep. 11, 2024	USD 1.1B	Fixed 3.922% p.a. Floater 3M \$L+100bps after Sep. 11, 2023	Issuer holds option to redeem one year prior to the maturity date	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Sep. 11, 2029	USD 1B	Fixed 4.254% p.a. Floater 3M \$L+127bps after Sep. 11, 2028			
	Sep. 11, 2024	USD 0.65B	3M \$L+100bps			

\* Green Bond (Use of Proceeds: To make a loan to BK which then uses the proceeds from such loan to finance Green Projects)

# Outstanding Senior Bonds Issued by the Holding Company (TLAC Eligible)

(As of May 15, 2020)

## Senior Bonds Issued by the Holding Company

Issue Date	Maturity	Amount	Coupon	Redemption at Issuer's Option	Ratings	Format
Oct. 11, 2018	Oct. 11, 2023	EUR 0.5B	1.020%	None	Moody's: A1 S&P: A-	Overseas Offerings (Reg.S)
Jun. 10, 2019	Jun. 10, 2024	EUR 0.75B	0.523%	None	Moody's: A1 S&P: A-	Overseas Offerings (Reg.S)
Jul. 16, 2019	Jul. 16, 2023	USD 1B	Fixed 2.721% p.a. Floater 3M \$L+84bps after Jul. 16, 2022	Issuer holds option to redeem one year prior to the maturity date	Moody's: A1 S&P: A-	Overseas PO (SEC Registered)
	Jul. 16, 2023	USD 0.5B	3M \$L+84bps			
	Jul. 16, 2025	USD 0.5B	Fixed 2.839% p.a. Floater 3M \$L+98bps after Jul. 16, 2024			
	Jul. 16, 2030	USD 0.75B	Fixed 3.153% p.a. Floater 3M \$L+113bps after Jul. 16, 2029			
Sep. 6, 2019	Sep. 6, 2024	EUR 0.5B	0.118%	None	Moody's: A1 S&P:A-	Overseas Offerings (Reg.S)
	Sep. 6, 2029	EUR 0.5B	0.402%			
Sep. 13, 2019	Sep. 13, 2023	USD 0.5B	3M \$L+85bps	Issuer holds option to redeem one year prior to the maturity date	Moody's: A1 S&P:A-	Overseas PO (SEC Registered)
	Sep. 13, 2025	USD 0.6B	Fixed 2.555% p.a. Floater 3M \$L+110bps after Sep. 13, 2024			
	Sep. 13, 2030	USD 0.5B	Fixed 2.869% p.a. Floater 3M \$L+131bps after Sep. 13, 2029			
Jan. 14, 2020	Apr. 15, 2030	EUR 0.75B	0.797%	None	Moody's: A1 S&P:A-	Overseas Offerings (Reg.S)
Feb. 25, 2020	May. 25, 2024	USD 1.1B	3M \$L+63bps	Issuer holds option to redeem one year prior to the maturity date	Moody's: A1 S&P:A-	Overseas PO (SEC Registered)
	May. 25, 2026	USD 0.75B	Fixed 2.226% p.a. Floater 3M \$L+83bps after May. 25, 2025			
	May. 25, 2031	USD 0.5B	Fixed 2.591% p.a. Floater 3M \$L+107bps after May. 25, 2030			

# Outstanding Additional Tier 1 Capital Securities

(As of May 15, 2020)

## AT1 Subordinated Bonds <sup>1</sup>

Series	Issue Date	Maturity	Amount	Coupon		Redemption at Issuer's Option <sup>4</sup>	Ratings
No.1 <sup>2</sup>	Jul. 24, 2015	Perpetual	JPY 300B	2.75% p.a. Floater (after first 5 years)	Non-cumulative	After Dec. 2020 on each interest payment date	JCR: A-
No.2 <sup>3</sup>	Jul. 22, 2016	Perpetual	JPY 230B	1.38% p.a. Floater (after first 5 years)	Non-cumulative	After Dec. 2021 on each interest payment date	JCR: A-
No.3 <sup>3</sup>	Jul. 22, 2016	Perpetual	JPY 230B	1.55% p.a. Floater (after first 10 years)	Non-cumulative	After Dec. 2026 on each interest payment date	JCR: A-
No.4 <sup>3</sup>	Jul. 21, 2017	Perpetual	JPY 235B	1.22% p.a. Floater (after first 5 years)	Non-cumulative	After Dec. 2022 on each interest payment date	JCR: A-
No.5 <sup>3</sup>	Jul. 21, 2017	Perpetual	JPY 225B	1.44% p.a. Floater (after first 10 years)	Non-cumulative	After Dec. 2027 on each interest payment date	JCR: A-
No.6 <sup>3</sup>	Jul. 20, 2018	Perpetual	JPY 195B	1.13% p.a. Floater (after first 5 years)	Non-cumulative	After Dec. 2023 on each interest payment date	JCR: A-
No.7 <sup>3</sup>	Jul. 20, 2018	Perpetual	JPY 155B	1.35% p.a. Floater (after first 10 years)	Non-cumulative	After Dec. 2028 on each interest payment date	JCR: A-
No.8 <sup>3</sup>	Jul. 19, 2019	Perpetual	JPY 140B	0.98% p.a. Floater (after first 5 years)	Non-cumulative	After Dec. 2024 on each interest payment date	JCR: A-
No.9 <sup>3</sup>	Jul. 19, 2019	Perpetual	JPY 95B	1.17% p.a. Floater (after first 10 years)	Non-cumulative	After Dec. 2029 on each interest payment date	JCR: A-

<sup>1</sup> Domestic offering by FG

<sup>2</sup> Unsecured Perpetual Subordinated Bonds with Optional-redemption Clause and Write-down Clause for Qualified Institutional Investors only

<sup>3</sup> Unsecured Perpetual Subordinated Bonds with Optional-redemption Clause and Write-down Clause

<sup>4</sup> Subject to prior approval of relevant authorities

# Outstanding Tier 2 Capital Securities (1)

(As of May 15, 2020)

## Tier 2 Subordinated Bonds

Series	Issue Date	Maturity	Amount	Coupon	Redemption at Issuer's Option <sup>4</sup>	Ratings
- 1	Mar. 27, 2014	Mar. 27, 2024	USD 1.5B	4.60% p.a.	None	S&P: BBB+ / Fitch: BBB
- 2	Oct. 20, 2015	Oct. 20, 2025	USD 0.75B	4.353% p.a.	None	S&P: BBB+ / Fitch: BBB
No.1 <sup>3</sup>	Jul. 16, 2014	Jul. 16, 2024	JPY 80B	0.95% p.a.	None	R&I: A+ / JCR: A+
No.3 <sup>3</sup>	Dec. 18, 2014	Dec. 18, 2024	JPY 25B	0.81% p.a.	None	R&I: A+ / JCR: A+
No.5 <sup>3</sup>	Dec. 18, 2014	Dec. 18, 2029	JPY 10B	1.24% p.a.	None	R&I: A+ / JCR: A+
No.6 <sup>3</sup>	Jun. 18, 2015	Jun. 18, 2025	JPY 20B	0.997% p.a.	None	R&I: A+ / JCR: A+
No.7 <sup>3, 5</sup>	Jun. 18, 2015	Jun. 18, 2025	JPY 10B	Fixed 0.67% p.a. Floater (after first 5 years)	After Jun. 2020 on each interest payment date	R&I: A+ / JCR: A+
No.8 <sup>3</sup>	Jun. 18, 2015	Jun. 18, 2030	JPY 20B	1.403% p.a.	None	R&I: A+ / JCR: A+
No.9 <sup>3</sup>	Jun. 20, 2016	Jun. 19, 2026	JPY 155B	0.56% p.a.	None	R&I: A+ / JCR: A+
No.10 <sup>3</sup>	Jan. 26, 2017	Jan. 26, 2027	JPY 81B	0.65% p.a.	None	R&I: A+ / JCR: A+
No.11 <sup>3</sup>	Jan. 26, 2017	Jan. 26, 2027	JPY 99B	Fixed 0.50% p.a. Fixed (after first 5 years)	Jan. 26, 2022	R&I: A+ / JCR: A+
No.12 <sup>3</sup>	Jun. 21, 2017	Jun. 21, 2027	JPY 35B	0.61% p.a.	None	R&I: A+ / JCR: A+
No.13 <sup>3</sup>	Jun. 21, 2017	Jun. 21, 2027	JPY 79B	Fixed 0.47% p.a. Fixed (after first 5 years)	Jun. 21, 2022	R&I: A+ / JCR: A+
No.14 <sup>3</sup>	Jun. 20, 2018	Jun. 20, 2028	JPY 70B	Fixed 0.40% p.a. Fixed (after first 5 years)	Jun. 20, 2023	R&I: A+ / JCR: A+
No.15 <sup>3</sup>	Jun. 12, 2018	Jun. 12, 2028	JPY 15B	0.545% p.a.	None	R&I: A+ / JCR: A+
No.16 <sup>3</sup>	Jun. 12, 2018	Jun. 12, 2028	JPY 25B	Fixed 0.40% p.a. Floater (after first 5 years)	After Jun. 2023 on each interest payment date	R&I: A+ / JCR: A+
No.17 <sup>3</sup>	Jun. 13, 2019	Jun. 13, 2029	JPY 35B	0.489% p.a.	None	R&I: A+ / JCR: A+

1 Overseas offering (144A/Reg.S) by Mizuho Financial Group (Cayman) 3 Limited, an overseas SPC of FG

2 Overseas offering (144A/Reg.S) by FG

3 Unsecured subordinated bonds with non-viability write-off clause issued by FG through domestic public offering

4 Subject to prior approval of relevant authorities

5 Redemption scheduled on Jun.18, 2020

# Outstanding Tier 2 Capital Securities (1)

(As of May 15, 2020)

## Tier 2 Subordinated Bonds

Series	Issue Date	Maturity	Amount	Coupon	Redemption at Issuer's Option <sup>4</sup>	Ratings
No.18 <sup>3</sup>	Jun.13, 2019	Jun.13, 2029	JPY 55B	Fixed 0.42% p.a. Floater (after first 5 years)	After Jun. 2024 on each interest payment date	R&I: A+ / JCR: A+
No.19 <sup>3</sup>	Oct. 30, 2019	Oct. 30, 2029	JPY 41B	0.538% p.a.	None	R&I: A+ / JCR: A+
No.20 <sup>3</sup>	Oct. 30, 2019	Oct. 30, 2029	JPY 117B	Fixed 0.39% p.a. Fixed (after first 5 years)	Oct. 30, 2024	R&I: A+ / JCR: A+

3: Unsecured subordinated bonds with non-viability write-off clause issued by FG through domestic public offering

4: Subject to prior approval of relevant authorities

## Outstanding Tier 2 Capital Securities (2)

(As of May 15, 2020)

### Eligible Tier 2 Subordinated Bonds (subject to phase-out arrangements included in Tier 2 capital)<sup>1</sup>

Series	Issue Date	Maturity	Amount	Coupon	Step-up	Redemption at Issuer's Option <sup>6</sup>	Ratings
- <sup>2</sup>	Jul. 18, 2012	Jul. 18, 2022	USD 1.5B	4.20% p.a.	None	None	Mdy's: A2 / S&P: A-
No.3 <sup>3</sup>	Aug. 9, 2005	Aug. 7, 2020	JPY 10B	2.04% p.a.	None	None	Mdy's: A2 / R&I: A+ / JCR: AA-
No.5 <sup>3</sup>	Jan. 30, 2006	Jan. 30, 2026	JPY 20B	2.49% p.a.	None	None	Mdy's: A2 / R&I: A+ / JCR: AA-
No.7 <sup>3</sup>	Nov. 6, 2006	Nov. 6, 2026	JPY 20B	2.87% p.a.	None	None	Mdy's: A2 / R&I: A+ / JCR: AA-
No.9 <sup>3</sup>	Apr. 27, 2007	Apr. 27, 2027	JPY 20B	2.52% p.a.	None	None	Mdy's: A2 / R&I: A+ / JCR: AA-
No.15 <sup>3</sup>	Sep. 28, 2009	Sep. 28, 2029	JPY 18B	3.03% p.a.	None	None	R&I: A+ / JCR: AA-
No.17 <sup>3</sup>	Sep. 12, 2011	Sep. 10, 2021	JPY 35B	1.59% p.a.	None	None	R&I: A+ / JCR: AA-
No.18 <sup>3</sup>	Sep. 12, 2011	Sep. 11, 2026	JPY 30B	2.14% p.a.	None	None	R&I: A+ / JCR: AA-
No.19 <sup>3</sup>	Feb. 24, 2012	Feb. 24, 2022	JPY 63B	1.67% p.a.	None	None	R&I: A+ / JCR: AA-
No.20 <sup>3</sup>	Jun. 5, 2012	Jun. 3, 2022	JPY 47B	1.49% p.a.	None	None	R&I: A+ / JCR: AA-
No.8 <sup>4</sup>	Oct. 31, 2011	Oct. 29, 2021	JPY 17B	1.62% p.a.	None	None	R&I: A+ / JCR: AA-
No.9 <sup>4</sup>	Oct. 31, 2011	Oct. 30, 2026	JPY 25B	2.20% p.a.	None	None	R&I: A+ / JCR: AA-
No.2 <sup>5</sup>	Dec. 20, 2005	Dec. 21, 2020	JPY 10B	2.24% p.a.	None	None	Mdy's: A2 / R&I: A+ / JCR: AA-

<sup>1</sup> Exclude non-public MTNs

<sup>2</sup> Overseas offering (Reg.S) by Mizuho Financial Group (Cayman) 2 Limited, an overseas SPC of FG

<sup>3</sup> Unsecured subordinated bonds issued by former Mizuho Bank through domestic public offering

<sup>4</sup> Unsecured subordinated bonds issued by former Mizuho Corporate Bank through domestic public offering

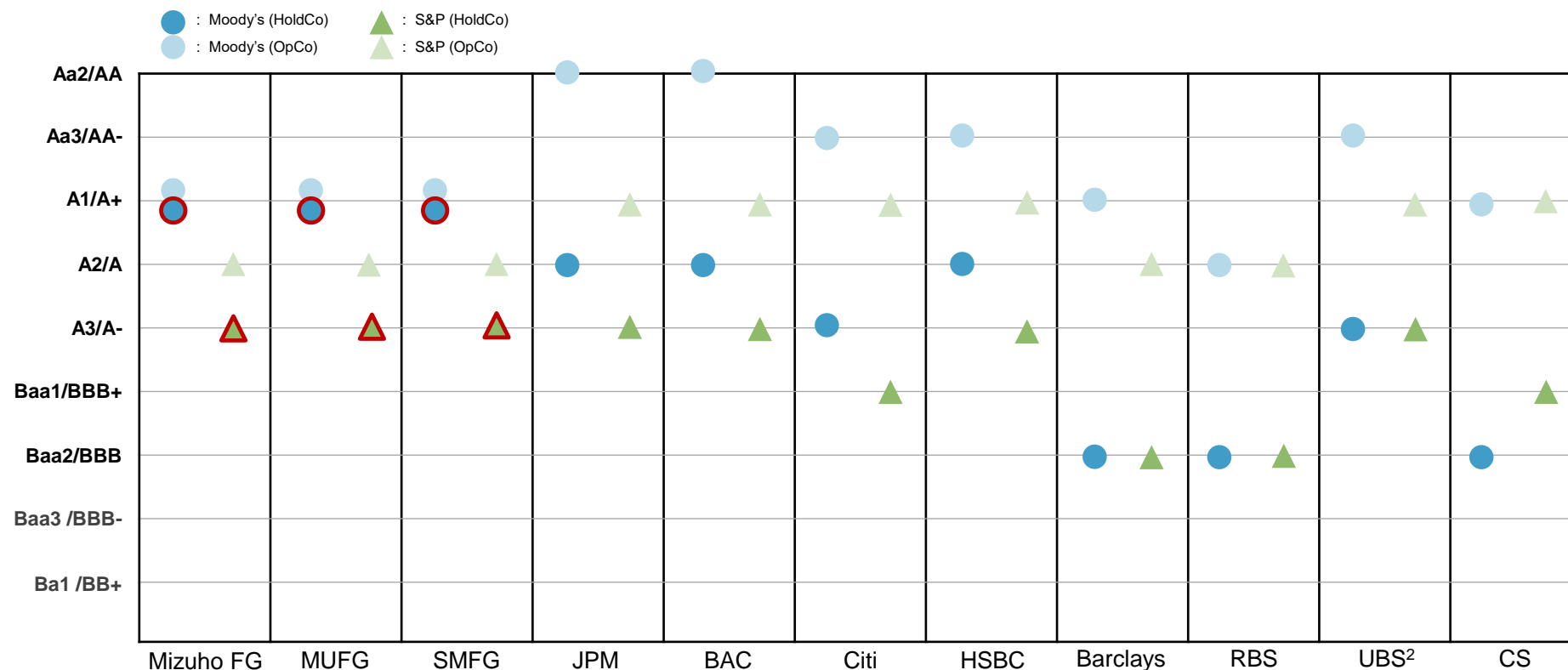
<sup>5</sup> Unsecured subordinated bonds issued by TB through domestic public offering

<sup>6</sup> Subject to prior approval of relevant authorities



# HoldCo - OpCo Bank Rating Comparison

## Credit Ratings of Selected G-SIBs<sup>1</sup> (as of Mar 15, 2020)



## HoldCo – OpCo Bank Rating Difference

<b>Moody's</b>	0	0	0	3	3	3	2	4	3	3	4
<b>S&amp;P</b>	1	1	1	2	2	3	2	3	3	2	3

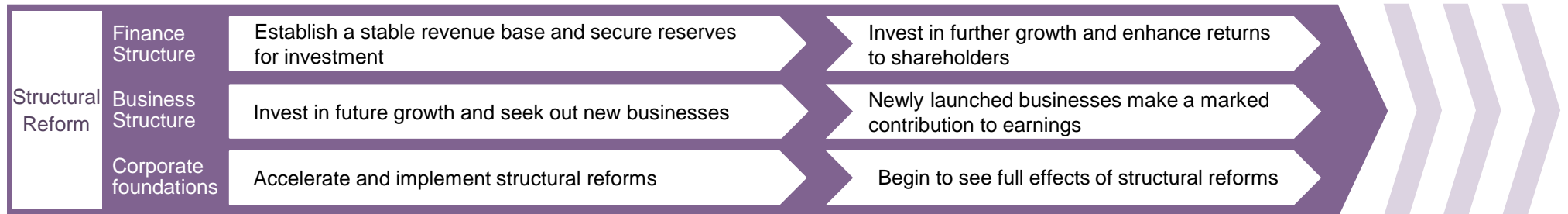
1. Senior unsecured note ratings (if not available, long-term Issuer Ratings for Moody's and long-term Issuer Credit Ratings for S&P)

2. A3 for UBS HoldCo is the rating which is voluntarily given by Moody's when UBS Group Funding Switzerland AG issues senior notes with UBS Group AG guarantee. UBS Group AG itself does not have Moody's issuer rating

# 5-Year Business Plan

# 5-Year Business Plan

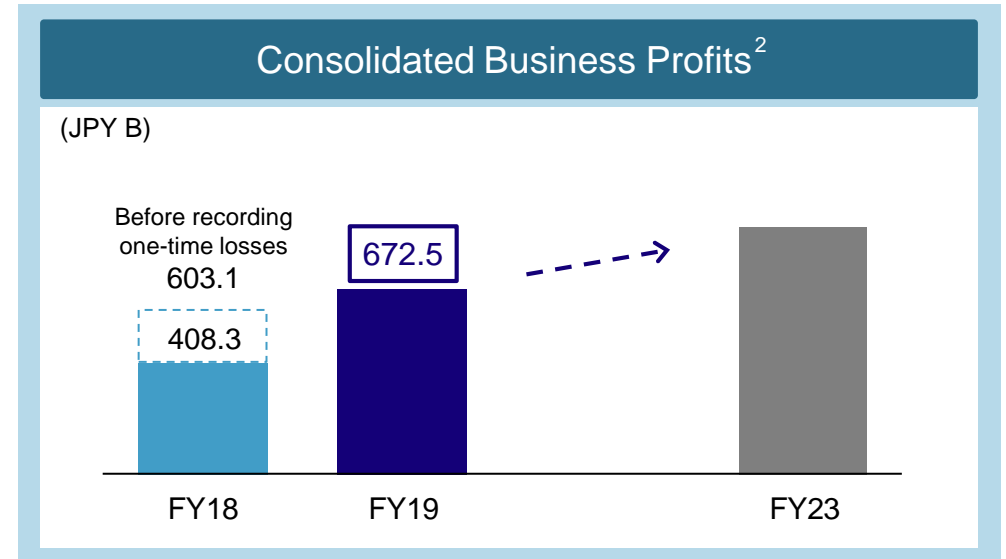
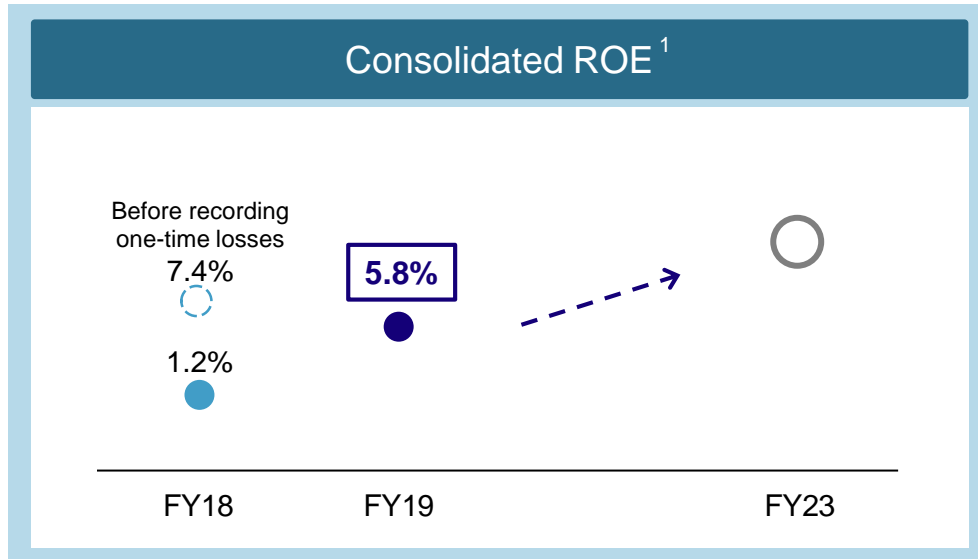
Basic policy	<b>Implement forward-looking structural reforms focused on three interconnected areas: business structure, finance structure, and corporate foundations</b>
Key strategy	<b>Go beyond the conventional boundaries of finance and create new value incorporating both financial and non-financial products and services in order to forge new partnerships with our customers</b>



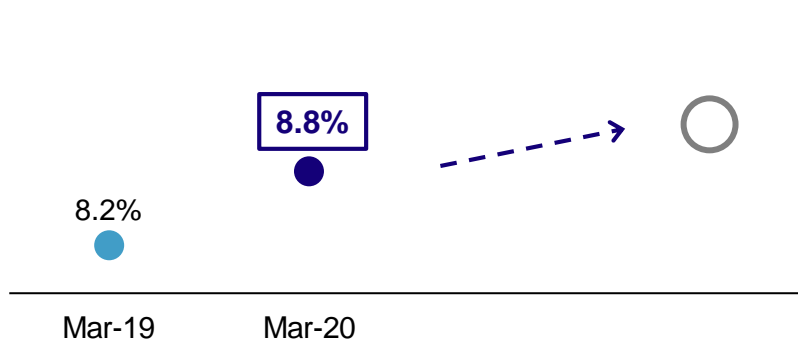
Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance. See "Forward-Looking Statements" on page 2 of this presentation.

# Key Metrics in the 5-Year Business Plan

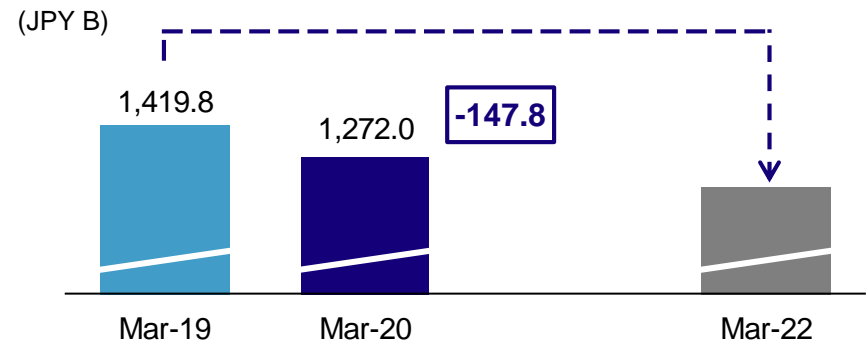
## Financial Metrics



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

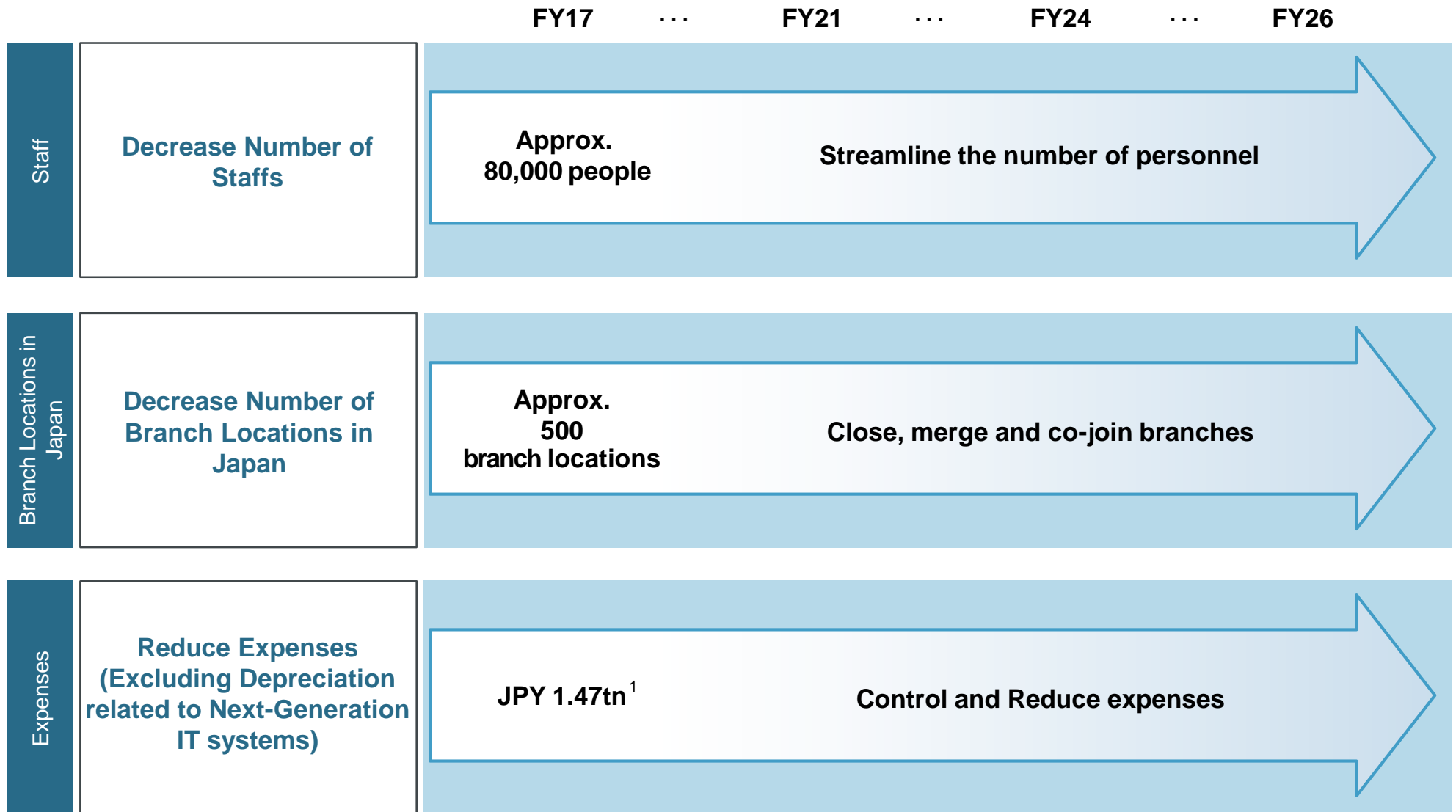


### Reduction of cross-shareholdings <sup>4</sup>



1. Excluding Net Unrealized Gains (Losses) on Other Securities. 2. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs (2 Banks) + Net Gain on Operating Investment Securities (SC Consolidated). 3. Basel III finalization fully-effective basis, excluding Net Unrealized Gains (Losses) on Other Securities. 4. Acquisition cost basis.  
 Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance.  
 See "Forward-Looking Statements" on page 2 of this presentation.

# Quantitative Image of Structural Reform



1. Group aggregate. New management accounting rules were applied in FY19. The original figure before the recalculation was JPY 1.45T.

# Policy for FY2020

# CEO message

## Our approach to the current situation

- At present, we are facing an unprecedented crisis that is causing a significant downturn in the real economy, as seen in the loss of demand and other trends. The breadth, depth, and length of the crisis are extremely uncertain.
- This is a critical phase for us to sufficiently exercise our financial function such as appropriate provision of credit to prevent economic deterioration and achieve an early recovery of the economy
- Looking ahead to the economy and society after COVID-19, we will further accelerate our transition to the next generation of financial services, which we described in our 5-Year Business Plan, by expanding our business foundations and deepening our structural reforms to enhance our revenue base.

### Defense

Thoroughly prepare for downturn in business environment

### Offense

Deepen business with appropriate provision of credit as a starting point

### Offense

Expand business areas aligned with the world after COVID-19

5-Year Business Plan

Plan based on the current situation

Inevitable to withstand a challenging situation for the next two years

Alternative scenario if recovery is delayed

FY20

FY21

FY22

FY23

5-Year Business Plan (FY2019 to FY2023)

For illustrative purposes only. Does not predict or depict actual performance or results.

# CEO message: portfolio soundness

- Over the next two years, we anticipate a considerable amount of credit-related costs stemming from the COVID-19 pandemic
- Due to initiatives that we implemented following the 2008 financial crisis, and other factors, we will be able to firmly maintain a high degree of soundness for our credit portfolio

	FY07	FY08	FY09	2008 financial crisis	FY19 4Q	FY20	FY21
Credit-related Costs (JPY B)	- 83.0	- 536.7	- 219.3	- 839.0	- 135.0		
Credit-related Costs Ratio (bps) <sup>1,2</sup>	11	68	31	113	14		

Historical data is shown for reference purposes only and does not indicate or otherwise represent expected performance in subsequent periods due to the COVID-19 pandemic.

Uncertainty continues for the time being

## Mizuho Customers

Increasing liquidity on hand and other factors have steadily improved the risk tolerance of customers themselves

Liquidity on hand <sup>3</sup>	
Sep-07	Sep-19
JPY133T	JPY224T

Investment grade and equivalent <sup>4</sup>	
Sep-07	Sep-19
47%	71%

## Credit Portfolio

Major changes in risk appetite for products and loans outside Japan that incurred large losses during the 2008 financial crisis

A portfolio structure that is limited to high-quality credit also provides resilience against spillover effects from decline in crude oil prices

Real estate related	
Investment grade and equivalent <sup>4</sup>	Mar-20 Approx. 80%

LBOs outside Japan (underwritten amount)	
Jun-07	Mar-20
\$12.5B	\$0.7B

## Securitized Products

No securitized products with complex product characteristics and unclear risks

Resources related <sup>5</sup>	
Investment grade and equivalent <sup>4</sup>	Mar-20 Over 80%

Aircraft related <sup>6</sup>	
Limited risk	Mar-20 \$0.25B

Securitized products in foreign currencies	
Dec-07	Mar-20
JPY1.5T	JPY 0.7T

- CLO: all rated AAA<sup>7</sup>
- ABS: all investment grade no secondary securitized products

1. Credit-related Costs against period-end balance of Total Claims. 2. Figure for 2008 financial crisis is period-end balance of Total Claims for ex-BK, ex-CB and TB. Total amount is the average amount of period-end balance. 3. Total amount for corporate customers. 4. Exposure based on internal ratings. 5. For oil, natural gas and mining which are the most sensitive to lower oil prices. For upstream non-Japanese companies. 6. Outstanding balance with residual risk. 7. S&P.



# CEO message: initiatives looking towards a “after-COVID-19” world

- In advance of the world after COVID-19, the whole of society is already undergoing a dramatic transformation, beginning with ways of living and ways of conducting business.
- We will identify structural changes in society as quickly as possible and act with determination to transition to the next generation of financial services, as described in our 5-Year Business Plan, by expanding our business areas and deepening our structural reforms.

Megatrends	Digitalization	Declining birthrate and aging population	Globalization
Exposure of vulnerability due to COVID-19 effect	<ul style="list-style-type: none"> <li>• High dependence on face-to-face channels</li> <li>• Business process infrastructure hindering digitization</li> </ul>	<ul style="list-style-type: none"> <li>• Increased anxiety about the future due to unstable income and health concerns</li> </ul>	<ul style="list-style-type: none"> <li>• Uneven distribution of supply chains</li> <li>• Rise of anti-globalization</li> </ul>

Structural changes in society, economy, and industry due to the COVID-19 effect are already progressing rapidly.

World after COVID-19	Customers			Corporate Foundations
	Retail	Corporate	Markets	
	Pursue safe and secure lifestyles based on the advancement of digitalization	Significant changes in business and financial strategies	Market structure of high volatility with residual excess liquidity	Significant reform of working styles and business processes based on the premise of digitization
Initiatives for after COVID-19	<ul style="list-style-type: none"> <li>• Strengthen remote transaction infrastructure</li> <li>• Cashless</li> <li>• Asset management and succession business</li> </ul>	<ul style="list-style-type: none"> <li>• Provide quasi-equity financing</li> <li>• Support for restructuring/asset sales</li> <li>• Support for changes to supply chains</li> </ul>	<ul style="list-style-type: none"> <li>• Sales &amp; Trading: capture inflow</li> <li>• Banking: review asset allocation flexibly</li> </ul>	<ul style="list-style-type: none"> <li>• Further adoption of remote work</li> <li>• Review of office environment and other areas</li> </ul>

# Policy for FY2020

We are facing a crucial moment to tackle an unprecedented crisis and will fully exercise our financial functions while maintaining a strong defense, expand our business foundations with an eye towards the world after COVID-19 and deepen structural reforms.

## Three pillars of structural reform under the 5-Year Business Plan

## Sustainability

### Business structure reforms



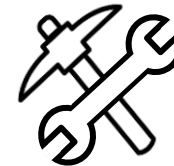
- Strengthen relationships by supporting clients with funding assistance, in addition to expanding in business areas adapted to the world after COVID-19

### Finance structure reforms



- Strengthen our profit base through thorough expense control and credit management
- While allowing for a temporary lower CET1 capital ratio, transition to a management approach with a sufficient focus on capital resilience

### Corporate foundations reform



- Make steady progress on various initiatives, including changes to group companies and the full roll out of our new HR strategy
- Use digital technology to facilitate remote work

### Solving social issues



- Strengthen sustainable business through engagement with clients
- Strengthen climate change risk management

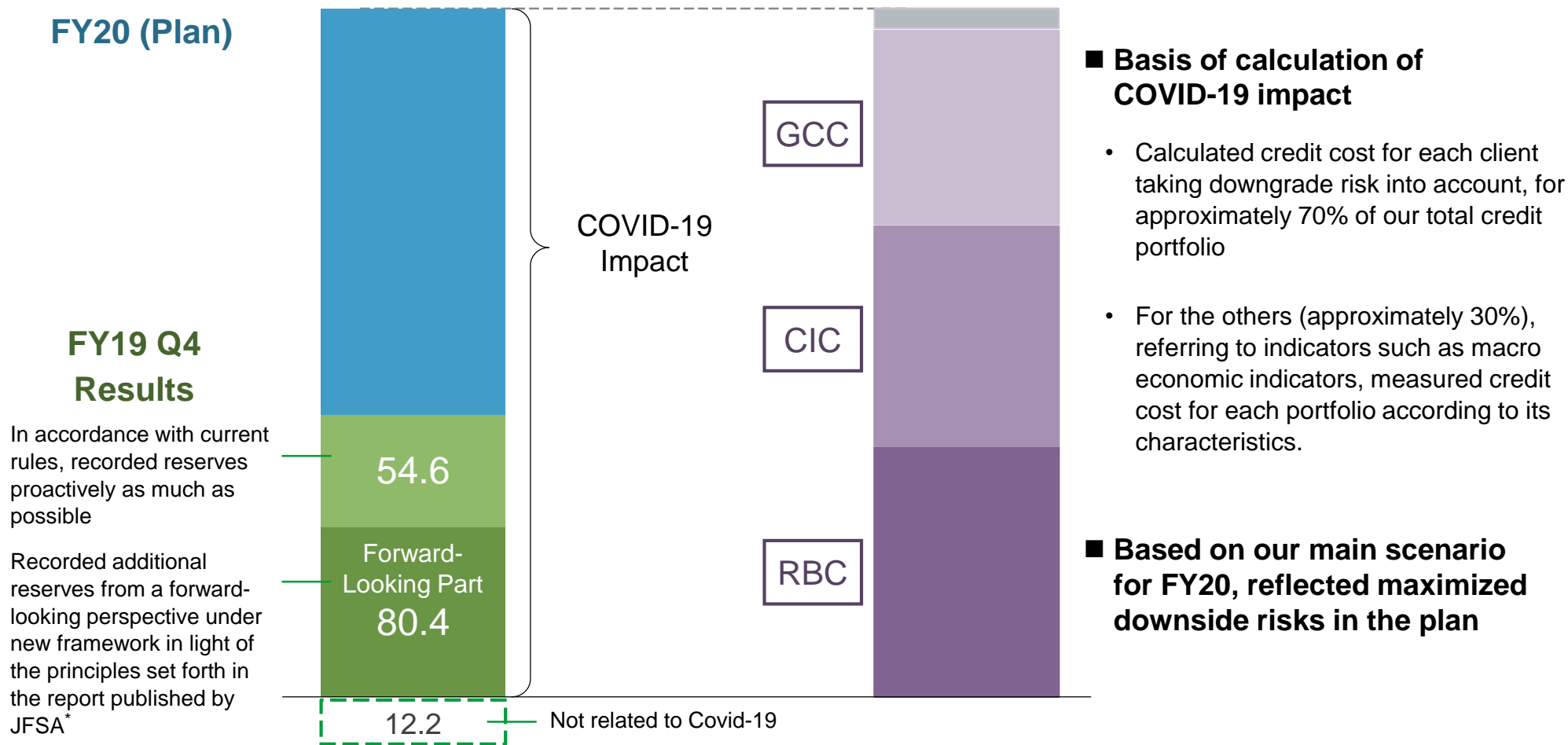
Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance. See "Forward-Looking Statements" on page 2 of this presentation.

# Credit-related Costs

(JPY B, rounded figures)

FY19 4Q + FY 20 (Plan)

Breakdown by In-house Company



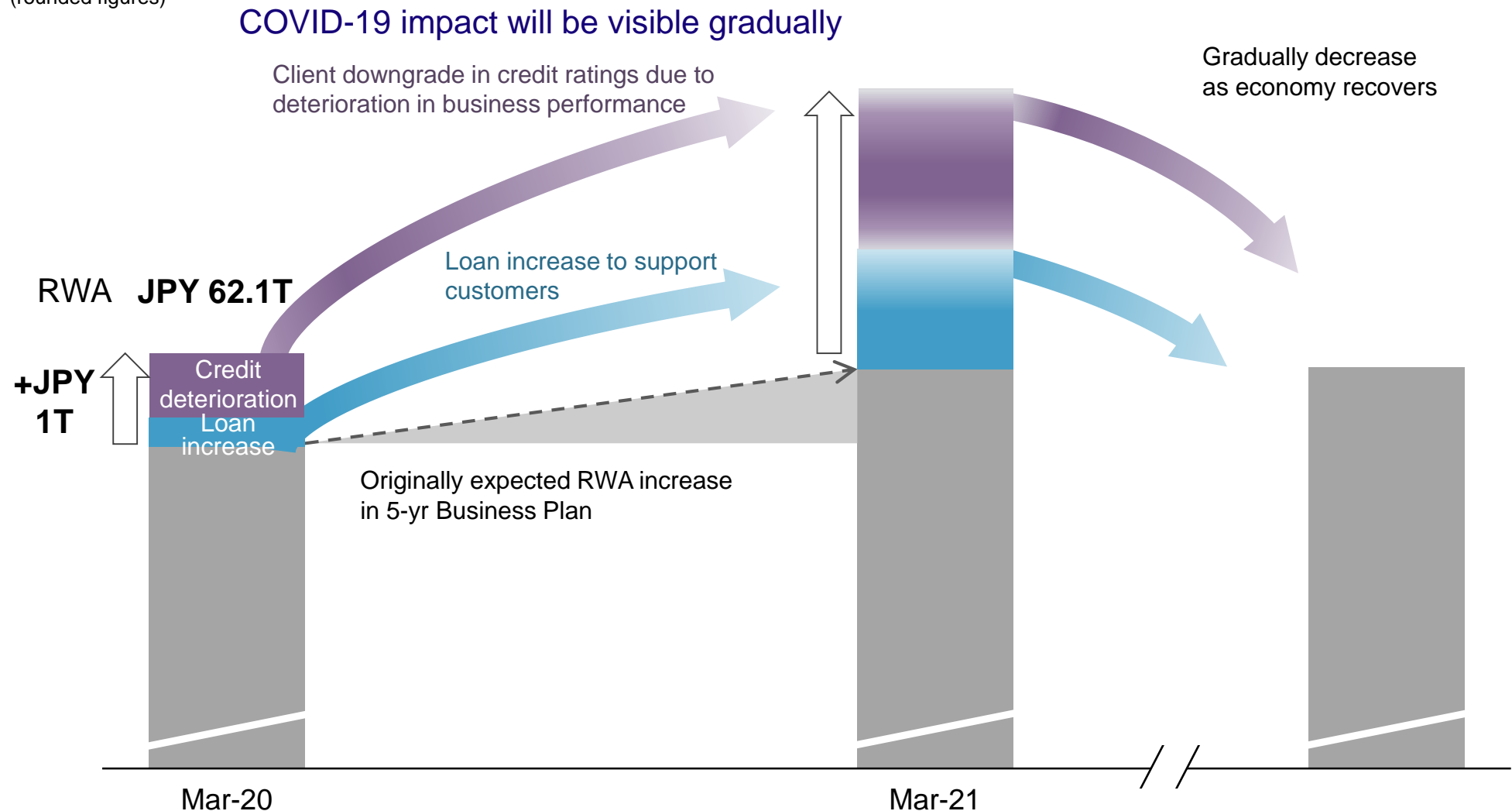
\* The report entitled "JFSA's supervisory approaches to lending business and loan loss provisioning" published by the Japan Financial Services Agency in December 2019. The principles set forth in this report do not apply to our US GAAP financial statements.

Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance. See "Forward-Looking Statements" on page 2 of this presentation.

# Outlook of Risk-weighted Assets

## Impact of the COVID-19 on risk-weighted assets (based on current regulations)

(rounded figures)

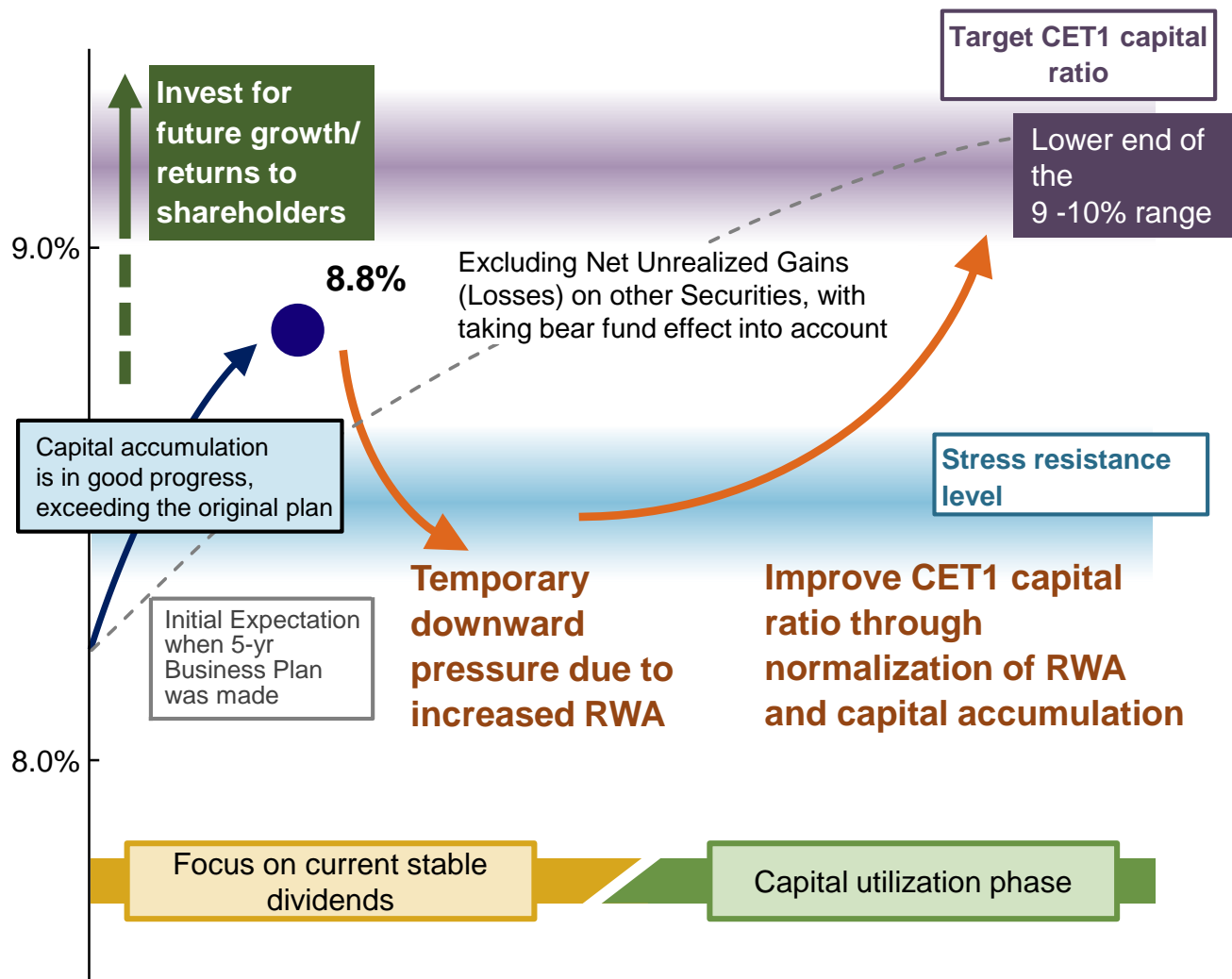


For illustrative purposes only. Does not predict or depict actual performance or results.

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# Capital strategy

## Outlook for CET1 capital ratio (Basel III fully effective basis)



- Even though the increase in risk-weighted assets due to the COVID -19 effect is temporarily expected to lower the CET1 capital ratio, capital resilience is maintained under the stress situation.
- We will comprehensively consider the business environment such as the Group's business results, profit base, status of capital adequacy, and domestic and international regulatory trends such as the Basel framework in determining returns to shareholders for each period.
- No change in the policy of aiming for early achievement of target CET1 capital ratio in the lower end of the 9% to 10% range.

For illustrative purposes only. Does not predict or depict actual performance or results. Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance. See "Forward-Looking Statements" on page 2 of this presentation.

# Next-generation Branches and Digitalization

# Retail Banking Business Strategy

## Accelerate the shift to digital and remote services

Changes in client mindset and behavior

Acceptance of online services  
Increasing awareness for safety and security

Less resistance to remote transactions, allowing digitalization to accelerate

### Strengthen remote services

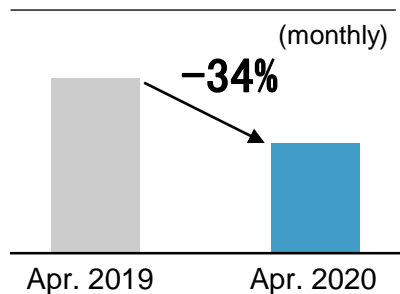
#### Expand online services

- Expand services that can be completed entirely via the internet (e.g. opening new accounts, KYC and submitting forms)

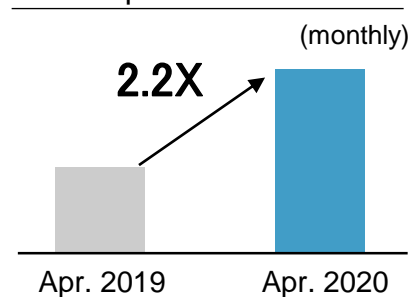
#### Strengthen remote sales framework

- Successfully create a sales framework that can operate effectively regardless of physical location by utilizing online meetings with clients and digitalizing proposals, contracts, etc.

No. of visitors in branches



No. of bank accounts opened online



\*Includes group companies

### Cashless initiatives



**Jcoin**

Launched in March 2019

QR code payment platform backed by banks

#### Growth of J-Coin

93 financial institutions totaling around 80 million personal accounts

Approx. 20\* companies use J-Coin Pay for expense settlement

Users: 250K  
Participating stores: 400K



**Mizuho Wallet**

Launched in March 2018

Smartphone-based contactless payment service

#### Affiliated merchants

2.72M

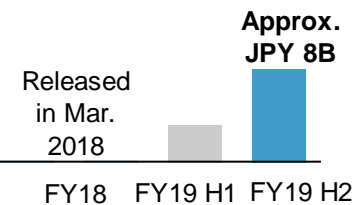


approx. 1.59M

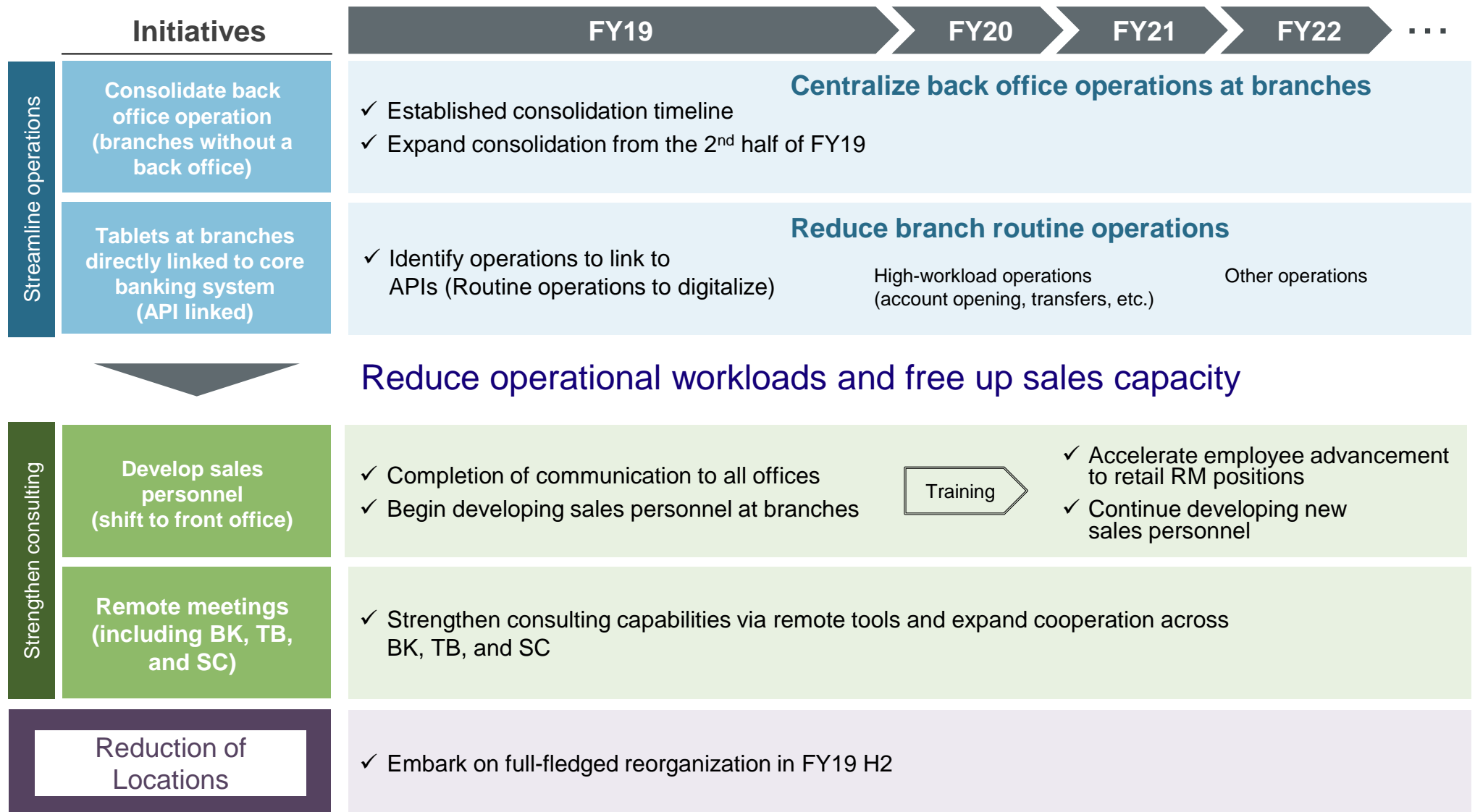


approx. 1.13M

#### Total amount of payments



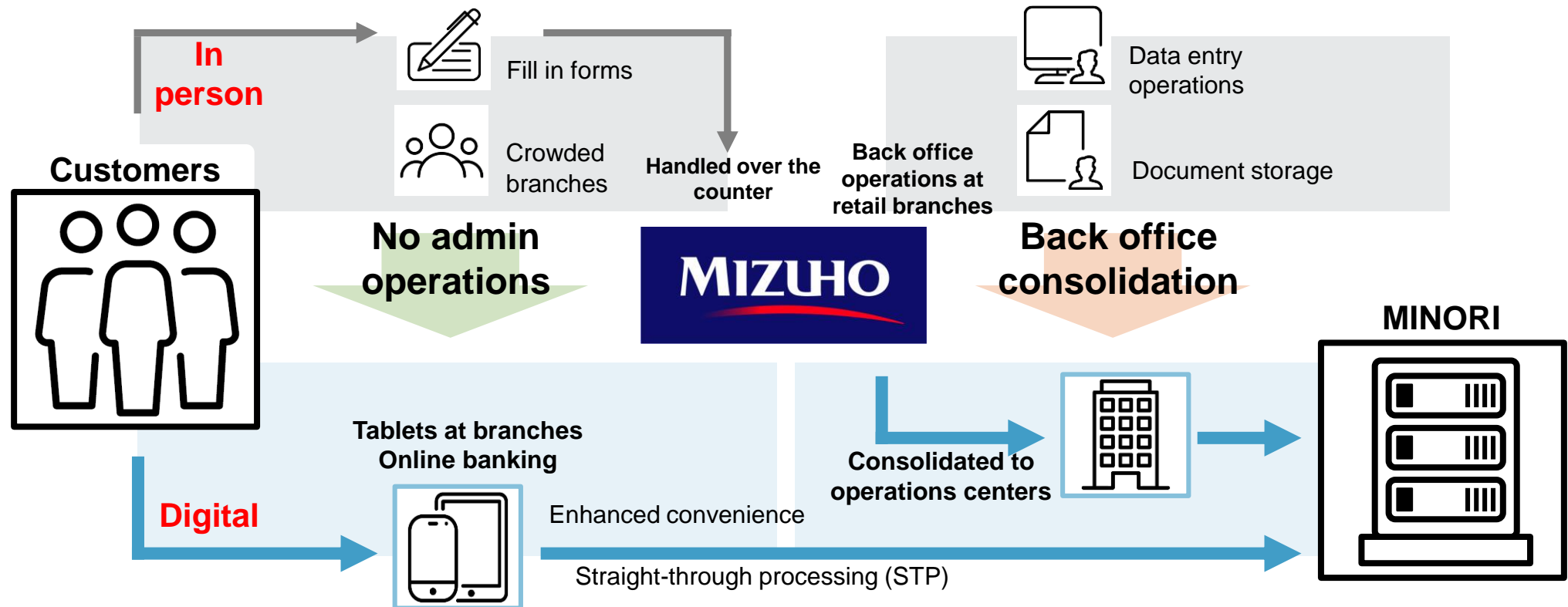
# Channels: Leveraging MINORI to accelerate the shift to next-generation branches





# Channels: Enhance operational efficiency

Enhance customer experience through shifted sales force resources



**Less admin operations**

Greatly increase customer convenience by utilizing tablets at branches and digital channels

**Back office consolidation**

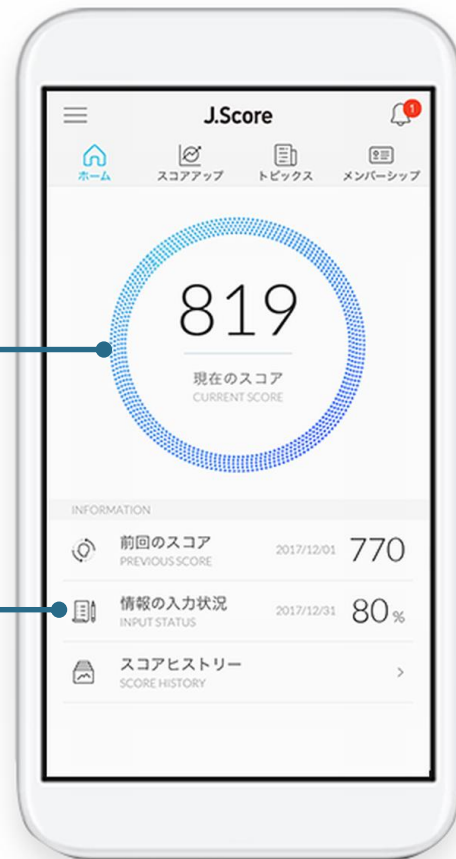
Consolidate a broad range of operations into operations centers, including those other than routine operations, such as contacting customers

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



## A.I.-based Score

- Utilize AI and Big Data
- Score customer's credit and potential
- Immediate score indication



## Score improvement by inputting personal information

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

## AI score-based lending

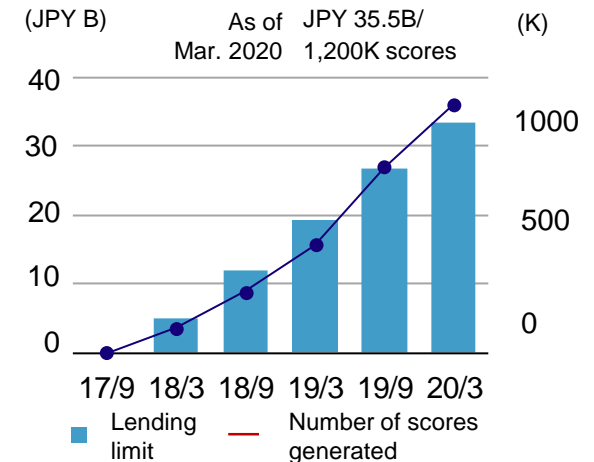
Launched Sep. 2017

### Product Competitiveness

- Low-interest rates: 0.8% to 15.0%
- Max. lending limit: up to JPY 10M

### Customer Convenience

- Full process can be completed online
- Same day lending possible

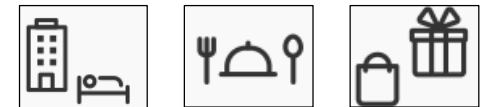


## A.I. score rewards

Launched Oct. 2018



Based on the customer's Score Rank, rewards related to self-improvement, career development, lifestyle improvements and the like are offered



## Data businesses

To be launched

- Acquired accreditation for Information Bank (P accreditation) in Dec.19

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

## Mizuho Smart Business Loans

First for a Japanese megabank




Launched May 2019



### Product Overview

Maximum lending limit	JPY 10 million
Interest rate	1-2 % range to 14%
Term	Up to one year
Collateral	Unnecessary

### Features

-  Completely online  
No branch visit required
-  2 business days from application to loan in the shortest
-  No need to submit financial statements

### Open alliance



Credit analysis model incorporating AI technology

Secure online platform



CreditEngine

High quality user experience / user interface

Multi-faceted data coordination

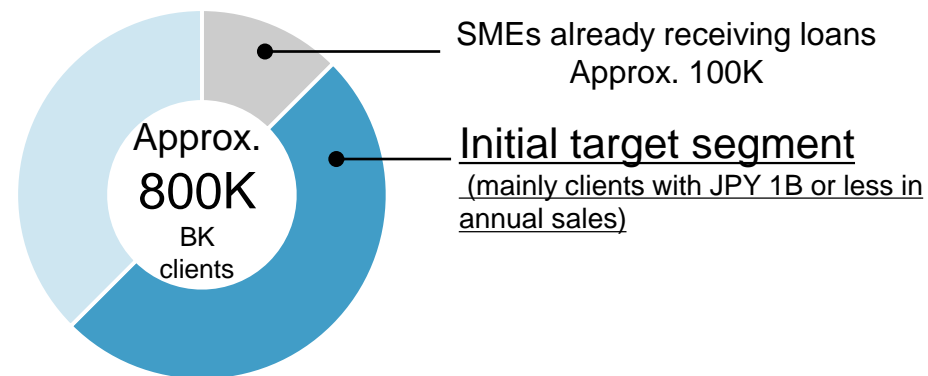
### Expansion of the customer base

The number of account openings increased rapidly due to swift responses to customer requests, done completely remotely

**No. of account openings 4,000+**

(as of Mar 31, 2020)

### Targeted Segment



# Collaboration with Line Corporation

**LINE**

84 million monthly active users in Japan

Expand our reach to digital natives

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

## LINE Score

**Launched June 2019**



- Calculate Line Score based on behavioral data on Line services and utilize them for various services
- Number of registered users : 4M (as of Jan. 2020)

## LINE Pocket Money

**Launched August 2019**



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

## J Digital currency platform offered by banks

### Safety and security backed by banks



- Service must be connected to user's bank account
- B2P Approach (reimbursement of expenses, payroll, etc.)
- Access to more than 80 million individuals and corporations nationwide

	Users	Affiliated merchants	Participating financial institutions
As of Mar. 2020	0.25M	Approx. 400K* locations	93

### Medium-to long-term goal

Target customers of all the participating financial institutions Establish J-Coin Pay as the new platform to leverage existing customer contact points

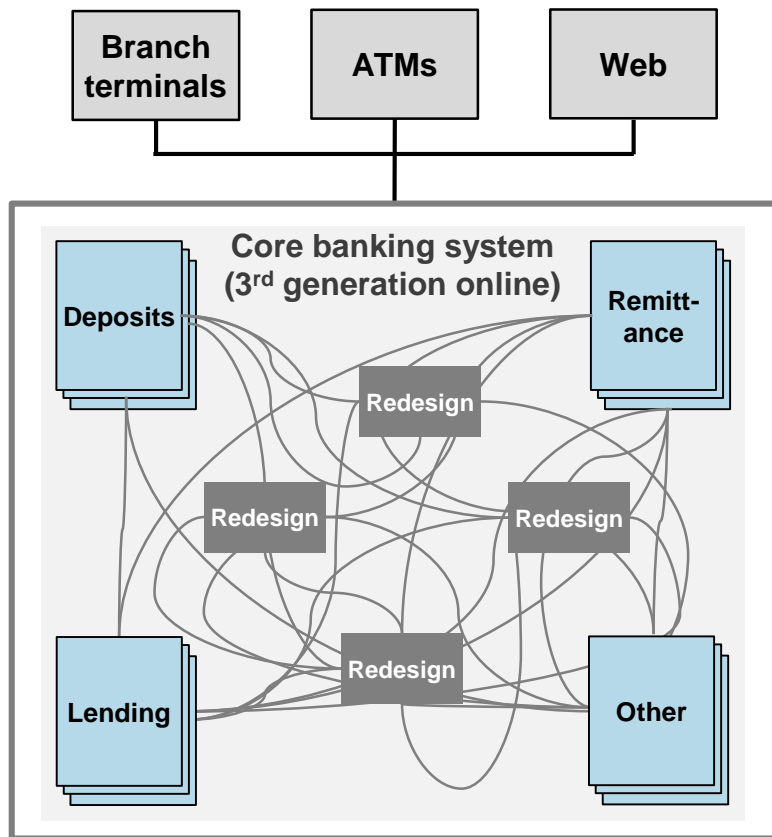
\* Number of affiliated merchants includes informal consent

# IT / digital: New core banking system (MINORI)

## Before migration to MINORI

### Complex structure causing many challenges

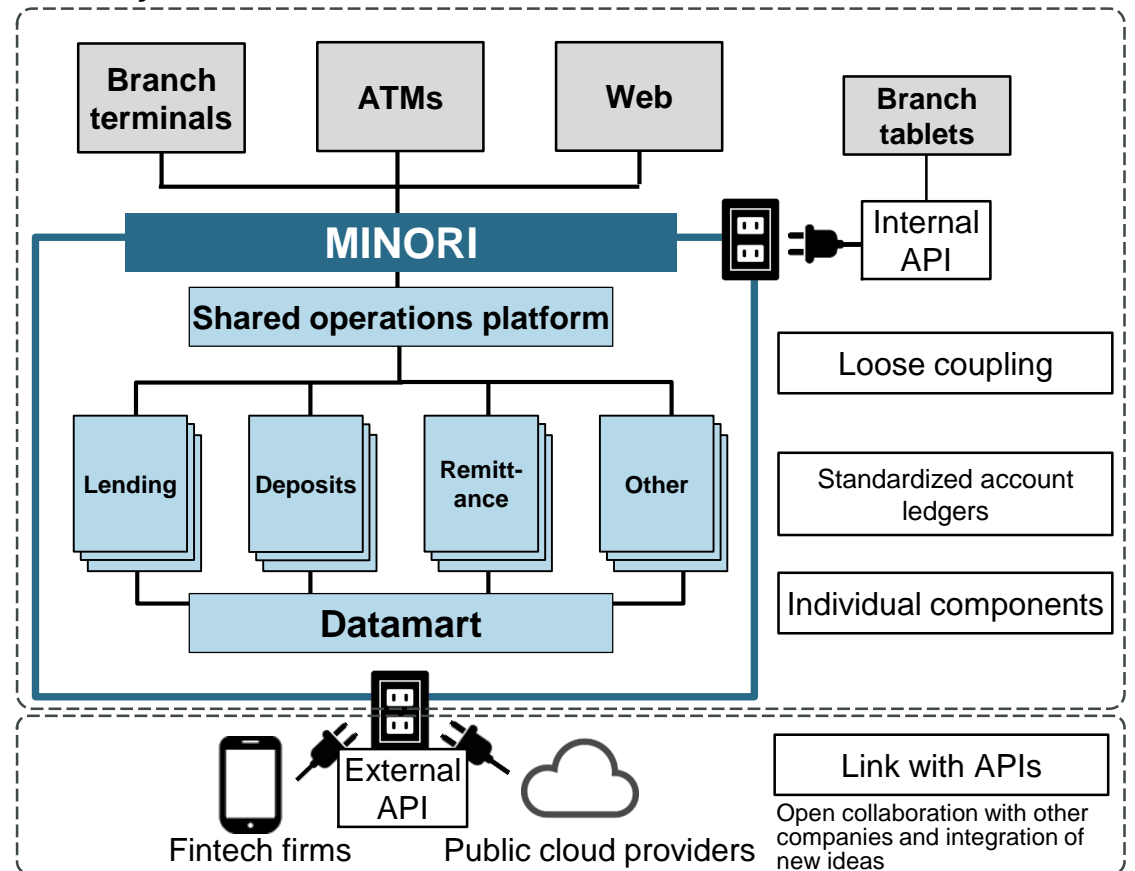
- Limitations on external connectivity, maintenance, and extensions
- Stability and security challenges



## After migration to MINORI

### Simple and easy-to-maintain IT system

- Enhance capacity to provide services
- Enhance stability of IT system
- Reduce costs
- Streamline operations, shift to paperless



# Strengthening sustainability initiatives

# Strengthening our sustainability initiatives: Taking firm action toward a low-carbon society

## External environment

- **Society** Even greater attention to climate change due to rising severity of meteorological disasters
- **Investors** Calls for companies to make further environmental, social, and governance (ESG) disclosures in line with expansion of ESG investment
- **Clients** Trend towards seeing the need to respond to ESG and SDG-related challenges as business opportunities as well as business challenges

## Sustainability for Mizuho stands for

the sustainable and steady growth of Mizuho and through which, achieving environmental conservation, and the sustainable development and prosperity of the economy, industry, and society both in Japan and around the world

### Building a robust corporate governance structure and strengthening disclosure

- Established Environmental Policy clarifying oversight by the Board of Directors and our stance on climate change
- Proactively and appropriate disclosure to ensure transparency

### Strengthening group-wide sustainable businesses promotion

- Increase positive impacts and decrease negative impacts, both direct and indirect
- Through dialogue with clients, provide multi-faceted support for initiatives addressing the Sustainable Development Goals (SDGs) and Environmental, Social, and Governance (ESG) challenges

### Strengthening the management of climate change risks

- Positioning climate change risks as “emerging risks” in our top risk management framework
- Enhancing our response to the TCFD Recommendations (p. 79)
- Environmental and Social Management Policy for Financing and Investment Activity (p. 80)

Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance. See “Forward-Looking Statements” on page 2 of this presentation.

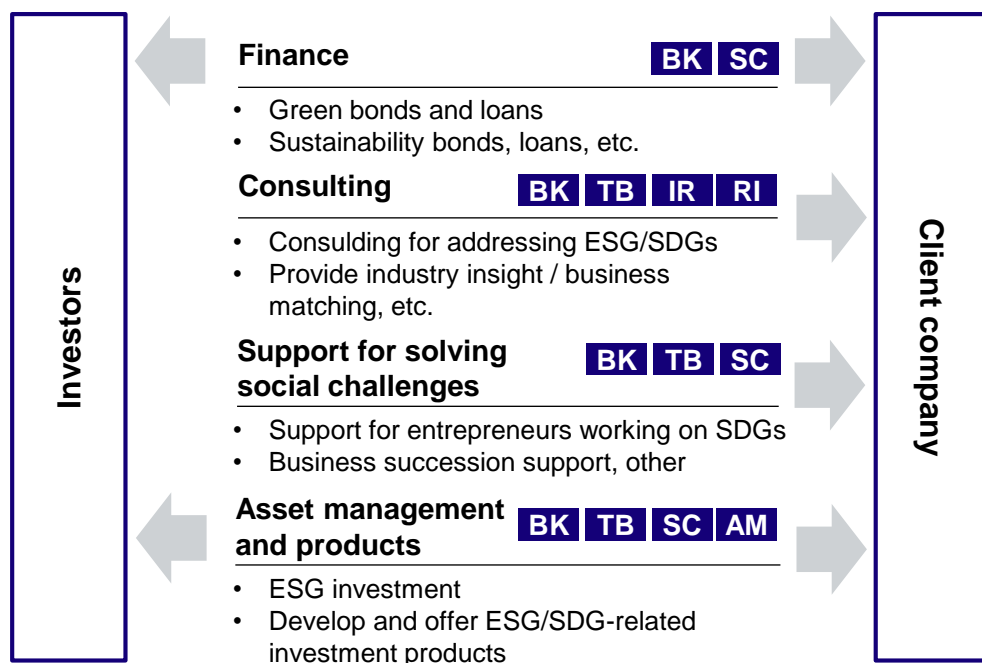


# Strengthening group-wide sustainable businesses promotion

## Sustainable business

- Businesses and innovations which contribute to adapting to climate change, decarbonization and the like, leading to new business opportunities for Mizuho (sustainable business)
- Through engagement with clients as a unified group provide both financial and non-financial solutions

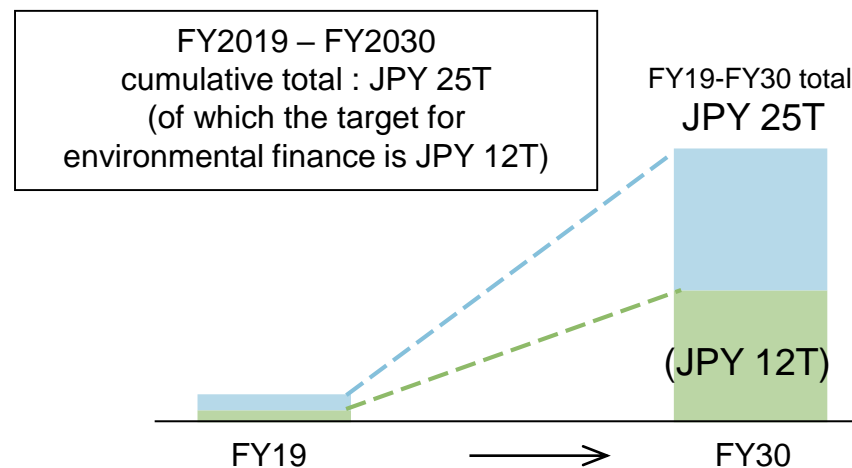
### Mapping out our sustainable solutions



## Business promotion through engagement



### Sustainable finance\* & Environmental finance targets



\* (1) Finance for clients where the intended use of funds is environmental and/or social projects, (2) Financing to support and facilitate clients' response to ESG/SDG-related areas, including finance which considers, evaluates or requires clients' response to ESG/SDGs-related areas.

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See "Forward-Looking Statements" on page 2 of this presentation.

# Strengthening the management of climate change risks

## Climate-related scenario analysis based on TCFD Recommendations

### ■ Transition risks<sup>1</sup>

Increase in credit costs through FY2050

Approx. **JPY 120B** to **JPY310B**<sup>2</sup>

Dynamic scenario

Static scenario

### Scenarios used in anticipating impacts on customers' business

Dynamic scenario: with transformation of business structure

Static scenario: without transformation of business structure

Dynamic scenario would involve some impacts in the short term but would limit the increase in credit costs over the medium to long term

### ■ Physical risks<sup>3</sup>

Impact on collateral: limited

Impact of business stagnation:

Increase in credit costs through FY2050

Up to **JPY 52B**

(In either 2°C or 4°C scenarios)

## Strengthening our response to climate change risks in finance and investment decisions

### ■ Coal-fired power generation sector

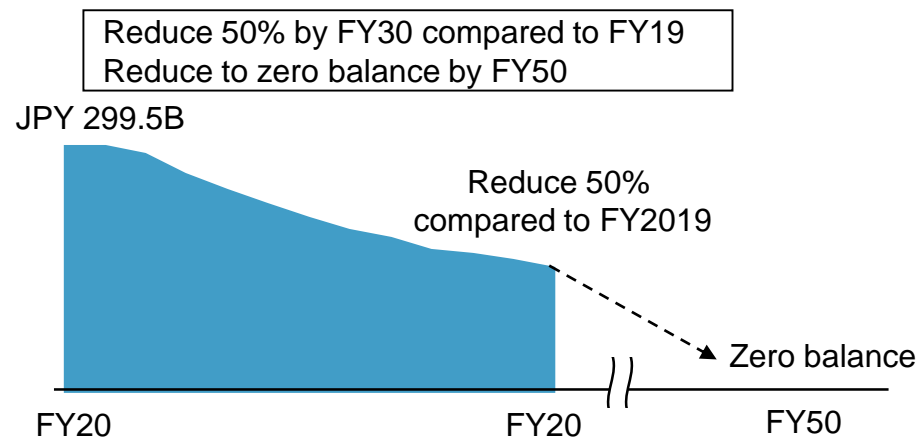
No financing for the construction of new coal-fired power generation facilities<sup>4</sup>

### ■ Other sectors

Added coal mining sector

Added confirmation of measures to address transition risk in the oil and gas sectors and other updates

### Target to reduce outstanding credit balance for coal-fired power generation facilities<sup>5</sup>



1. Transition risk generally refers to risks stemming from widespread policy, legal, technological, and market changes which occur as the result of transitioning to a low-carbon economy. 2. Estimate for electric power sector and energy sector (oil, gas, and coal) in Japan. 3. Physical risk refers to risks such as the loss or damage of assets as a direct result of climate change, as well as impact on business performance due to supply chain disruptions as an indirect result of climate change. 4. Excluding business to which Mizuho had already committed prior to the start of this policy. 5. Target based on our Environmental and Social Management Policy for Financing and Investment Activity  
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# Enhancing our response to the TCFD Recommendations

Included responding to climate change as a key pillar of our business strategy and enhanced our initiatives to address it in order to proactively fulfill our role as a financial services group in the effort to achieve a low-carbon society, looking ahead of FY2050.

<b>Governance</b>	<ul style="list-style-type: none"> <li>Established Environmental Policy</li> <li>Board of Directors supervised initiatives to address climate change</li> </ul>					
<b>Strategy</b>	<ul style="list-style-type: none"> <li>Qualitatively analyzed transition risks and physical risks by climate change for each industry sector over short-, medium-, and long-term time frames</li> </ul>					
	Transition risks	<table border="1"> <tr> <td>Scenario design</td> <td>Analyze using Dynamic/Static approach based on IEA's<sup>1</sup>SDS<sup>2</sup>and NPS<sup>3</sup>scenarios</td> </tr> <tr> <td>Analysis results</td> <td>Increase in credit costs by FY2050: approx. JPY 120B to JPY 310B (estimate for "electric utilities" and "oil, gas and coal" sectors in Japan)</td> </tr> </table>	Scenario design	Analyze using Dynamic/Static approach based on IEA's <sup>1</sup> SDS <sup>2</sup> and NPS <sup>3</sup> scenarios	Analysis results	Increase in credit costs by FY2050: approx. JPY 120B to JPY 310B (estimate for "electric utilities" and "oil, gas and coal" sectors in Japan)
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	Analysis results	Increase in credit costs by FY2050: approx. JPY 120B to JPY 310B (estimate for "electric utilities" and "oil, gas and coal" sectors in Japan)				
	Physical risks	<table border="1"> <tr> <td>Scenario design</td> <td>Analysis based on IPCC's<sup>4</sup>Representative Concentration Pathways 8.5 (4°C scenario) and 2.6 (2°C scenario) as a base</td> </tr> <tr> <td>Analysis results</td> <td>Impact on collateral value: limited Impact of business stagnation: increase in credit costs by FY2050: Up to JPY 52B (in either 2°C or 4°C scenario)</td> </tr> </table>	Scenario design	Analysis based on IPCC's <sup>4</sup> Representative Concentration Pathways 8.5 (4°C scenario) and 2.6 (2°C scenario) as a base	Analysis results	Impact on collateral value: limited Impact of business stagnation: increase in credit costs by FY2050: Up to JPY 52B (in either 2°C or 4°C scenario)
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Analysis results	Impact on collateral value: limited Impact of business stagnation: increase in credit costs by FY2050: Up to JPY 52B (in either 2°C or 4°C scenario)					
<ul style="list-style-type: none"> <li>Enhanced sustainable business promotion framework as a united group to capture expanding business opportunities</li> </ul>						
<b>Risk management</b>	<ul style="list-style-type: none"> <li>Positioned climate change risks as "emerging risks" and regularly monitored related indicators</li> <li>Updated our Environmental and Social Management Policy for Financing and Investment Activity</li> </ul>					
<b>Indicators and targets</b>	<ul style="list-style-type: none"> <li>Established targets pertaining to risks and opportunities</li> <li>Monitoring indicators:             <ul style="list-style-type: none"> <li>Scope 1 and Scope 2: CO<sub>2</sub> emissions and energy usage</li> <li>Scope 3: CO<sub>2</sub> emissions from business trips</li> <li>Environmental impact of new large-scale power generation projects (amount of contribution to CO<sub>2</sub> emissions) and environmental conservation benefits (amount of contribution to CO<sub>2</sub> emission reduction)</li> </ul> </li> <li>Target to reduce our own environmental footprint:             <ul style="list-style-type: none"> <li>CO<sub>2</sub> emissions basic unit of electricity used at our offices in Japan (CO<sub>2</sub> emissions / total floor area)</li> <li>Long-term target: achieve a 19% reduction compared to FY2009 levels by 2030</li> <li>Medium-term target: achieve a 10.5% reduction compared to FY2009 levels by 2020</li> </ul> </li> </ul>					

1. International Energy Agency 2. Sustainable Development Senario. Scenario under which advancement of low-carbon holds the increase in the global average temperatures to below 2°C.

3. New Policies Senario. Scenario which assumes that the measures pledged to under the Paris Agreement are put into place. 4. Intergovernmental Panel on Climate Change

Contains forward-looking statements regarding management's current estimates with respect to future events and does not represent any guarantee by management of future performance. See "Forward-Looking Statements" on page 2 of this presentation.

# Sustainability KPIs and targets

## Business

### Industrial development & innovation, environmental considerations, sound economic growth

- Arrangement of sustainable finance / environmental finance **JPY 25T in total from FY2019 to FY2030 (of which, JPY 12T in environmental finance)** **New**
- Credit balance for coal-fired power generation providers based on our Environmental and Social Management Policy for Financing and Investment Activity **Reduce by 50% compared to FY2019 by FY2030, Reduce to a balance of zero by FY2050,** **New**

### Declining birthrate and aging population, plus good health and lengthening lifespans

Asset formation to prepare for the future

- Net increase in investment products (Individual investors)
- Total number of individual customers who purchased Investment products
- Net increase in publicly offered investment trust assets under management

### Industrial development & innovation

Smooth business succession

- Number of clients provided with consulting

Acceleration of innovation and industry transformation

- Number of IPOs as lead underwriter / rank in terms of underwriting amount

## Corporate foundations

### Diversity & Inclusion

Item	Target	Achieve by
Management positions filled by women (General Manager and Manager equivalent) <sup>1</sup>	20%	July 2024
Item	Level to be maintained continuously	
Management positions filled by employees hired outside Japan <sup>2</sup>	65%	
Percentage of new graduates hired for management track jobs who are female <sup>1</sup>	30%	
Paid annual leave taken by employees <sup>1</sup>	70%	
Eligible male employees who take childcare leave <sup>1</sup>	100%	

### Environmental Footprint

CO<sub>2</sub> emissions<sup>3</sup> basic unit (CO<sub>2</sub> emissions/total floor area)

Long-term target: reduction by 19.0% by FY2030 compared to FY2009

Medium-term target: reduction by 10.5% by FY2020 compared to FY2009

Green purchasing ratio target for paper : at least 85% (FG/Core group companies)

Paper recycling ratio target : at least 95% in FY2020 at major offices in Japan

### Financial Education



Total financial education participants : 60,000 or more from FY2019 to FY2023

1. Total FG, BK, TB, SC in Japan 2. Total FG, BK, TB, SC outside Japan 3. Derived from electricity consumption at business sites in Japan

# ESG-related Recognition and Awards

## Third-party Evaluation

### ESG Scores

	Mizuho	MUFG	SMFG
 <sup>1</sup>	74	58	59
 <sup>1</sup>	67.1	55.2	40.6
FTSE <sup>2</sup>	4.5	3.4	2.9

### ESG-related Recognition



Nadeshiko Brand 2020



Health & Productivity  
Stock Selection 2020

## Incorporation in Social Responsibility Indices



MSCI ESG Leaders Indexes<sup>3</sup>



FTSE4Good Index Series

### GPIF selected ESG Indices

(General Index)



FTSE Blossom Japan

FTSE Blossom Japan Index

(Themed Index)



MSCI Japan Empowering Women Index (WIN)



S&P/JPX Carbon Efficient Index



STOXX Global ESG Leaders Index



Bloomberg Gender-Equality Index



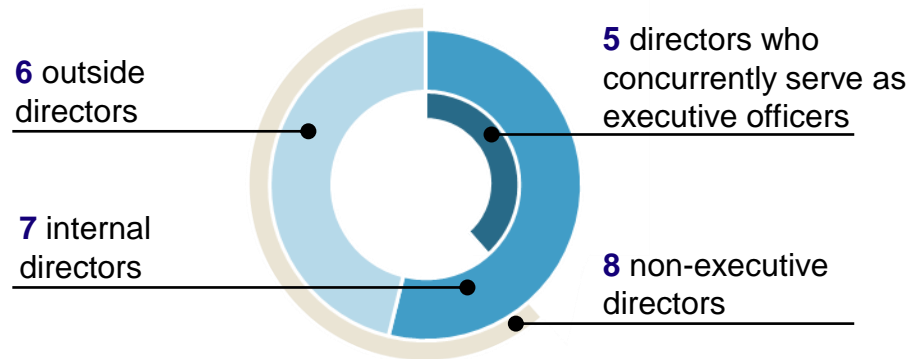
Member of SNAM Sustainability Index 2019  
SNAM Sustainability Index

1. Robeco SAM: Percentile ranking, Sustainalytics: Total rank compared to peers. Those near 100 are evaluated highly. Source: Bloomberg (as of May 18, 2020).

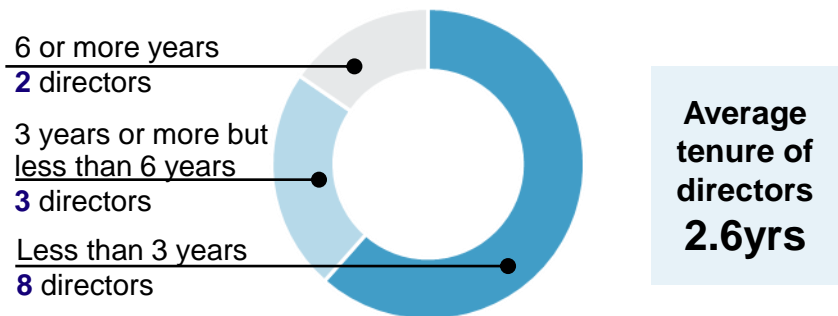
2. FTSE Overall ESG Score (as of Dec. 2019): Maximum score of 5. 3. <https://www.mizuho-fg.com/csr/mizuhocsr/rating/index.html>

# Corporate governance - Highlights

## Composition of the Board of Directors \*



## Tenure of directors \*



## Main initiatives for improving the effectiveness of the Board of Directors (FY2019)

- 14 times** **Offsite meetings on management issues**  
Outside directors and the management line share information and exchange opinions thereby deepening mutual understanding
- 2 times** **Outside Director Sessions**  
Meetings attended only by outside directors, at which discussions on future initiatives are held after reflecting on past activities and sharing issues

## Director training

**Continually provide and facilitate opportunities to acquire and improve knowledge**

### All directors

- Individual sessions, training, etc. by executives or guest speakers

### Outside directors

- Ensuring the prior explanation and follow-up of proposals to the Board of Directors
- Visits to domestic branches, etc.

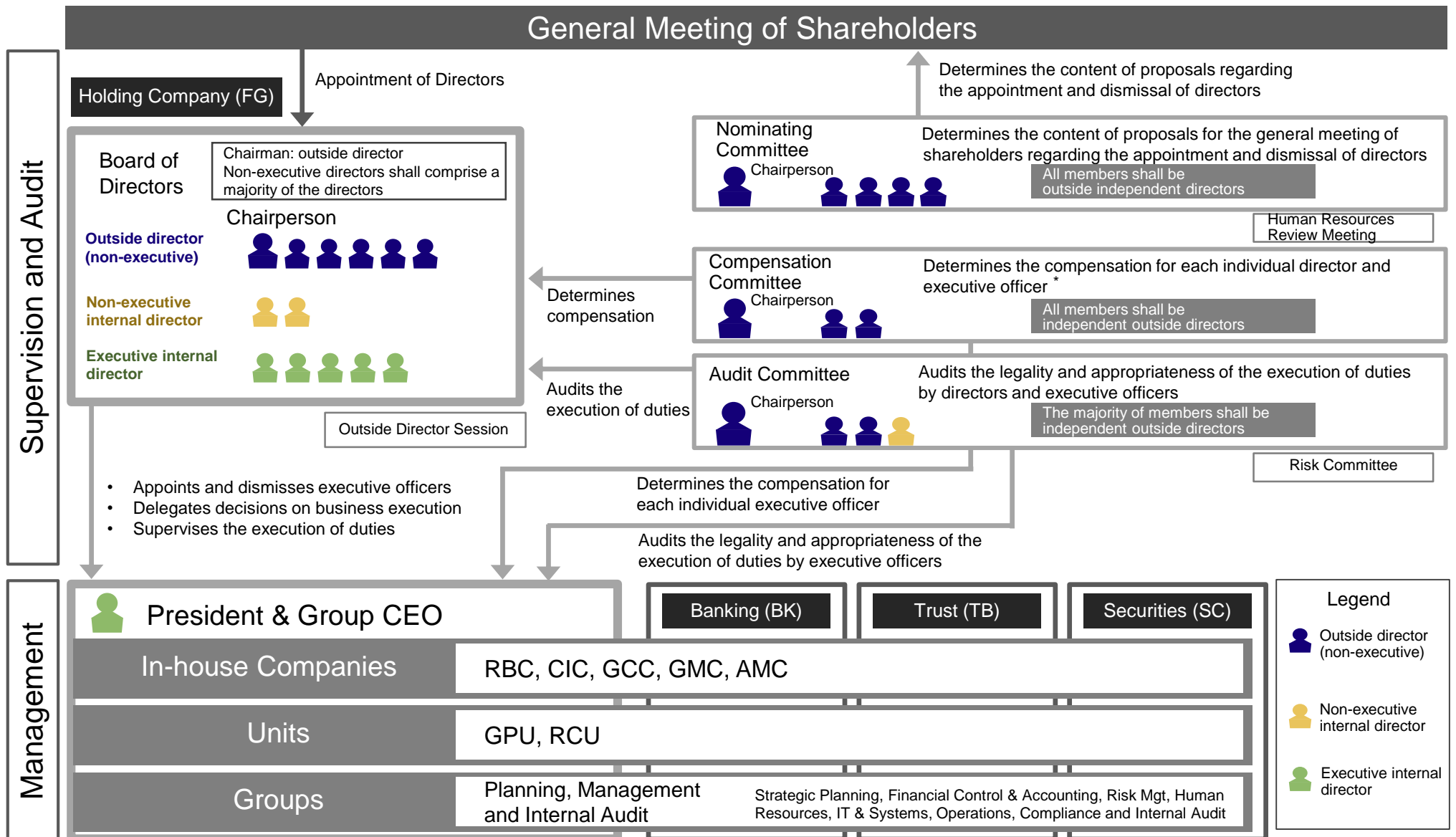
## Evaluating the effectiveness of the Board of Directors

Perform an analysis and evaluation of the effectiveness of the Board of Directors each year and disclose a summary of the results

**FY2018 assessment:** **The effectiveness of the Board of Directors as a whole has been secured accordingly and is making steady progress**

\* Approach following the 18<sup>th</sup> Ordinary General Meeting of Shareholders (tentative)

# Corporate Governance Structure



\* Executive Officers as defined in the Company Act

# Board of Directors

## Internal directors<sup>1</sup> (7 people)

Name	Position/Responsibility
Tatsufumi Sakai	Representative Executive Officer <sup>3</sup> President & Group CEO
Satoshi Ishii	Senior Managing Executive Officer CDIO, Group CIO, Group COO
Motonori Wakabayashi	Senior Managing Executive Officer Group CRO
Makoto Umemiya	Senior Managing Executive Officer Group CFO
Hiroaki Ehara	Managing Executive Officer Group CHRO
Yasuhiro Sato	Chairman
Hisaaki Hiram	

## Outside directors<sup>1</sup> (6 people)

 Chairperson

Name	Position/ Responsibility	Fields where directors are especially expected to contribute <sup>2</sup>				
		Corporate Management	Legal	Financial Accounting	Finance	Technology
Tetsuo Seki	Nominating Compensation Audit	●		●	●	
Tatsuo Kainaka	Nominating Compensation Audit		●			
Yoshimitsu Kobayashi	Nominating	●				●
Ryoji Sato	Audit			●		
Masami Yamamoto	Nominating Compensation	●				●
Izumi Kobayashi	Chairman Nominating Risk	●			●	

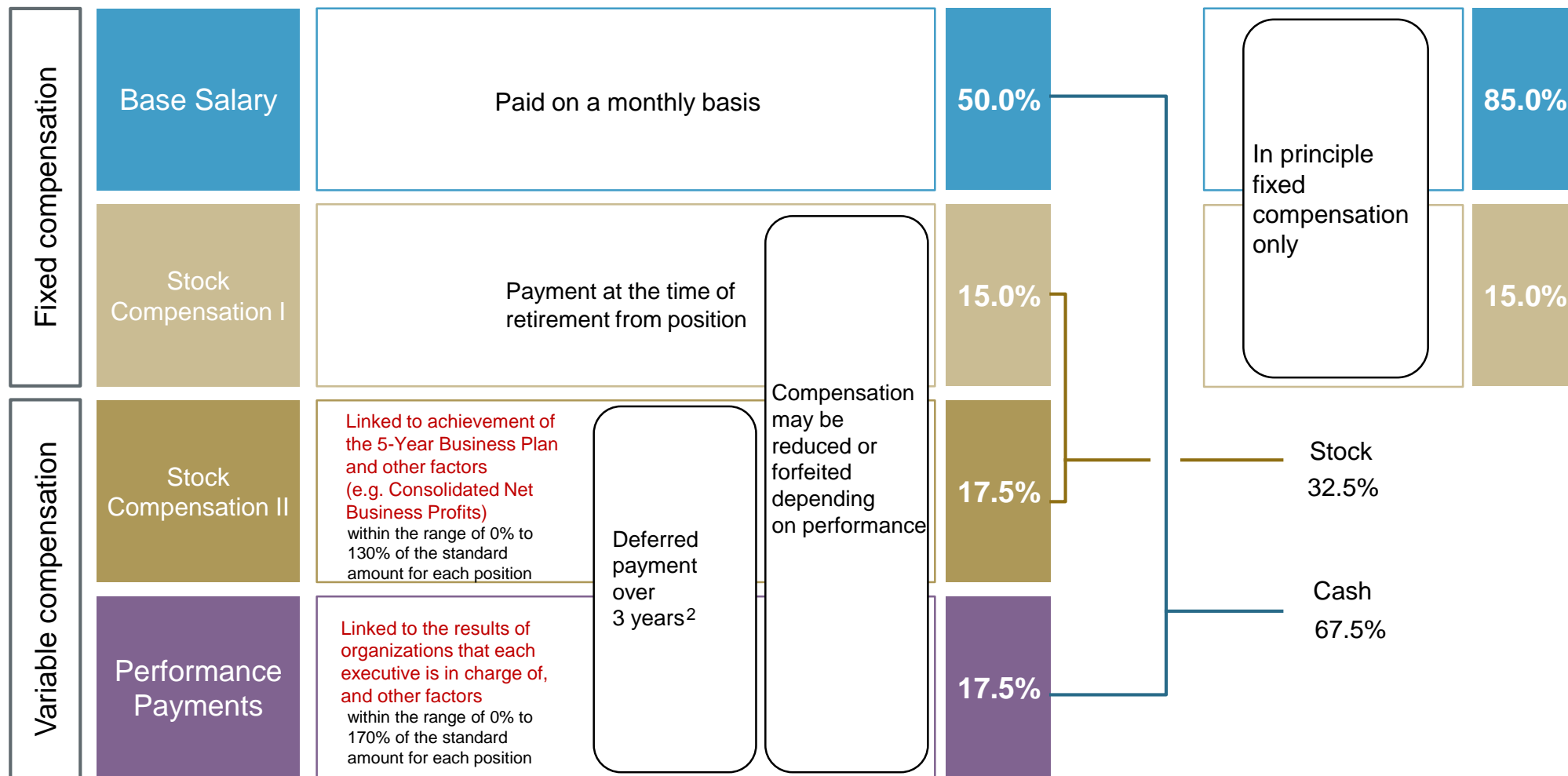
1. Planned to be discussed at our General Meeting for Shareholders to be held in June 2020. 2. The fields in the chart above are not representative of all of the areas of expertise the directors possess. 3. Executive Officers as defined in the Company Act.



# Compensation framework/program for executives

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

## Non-executive management



1. Individual director, executive officer as defined in the Companies Act, executive officer as defined in our internal regulations and specialist officer of FG, BK, TB and SC.

2. Performance payments for certain amounts shall be deferred.

# Appendix

# Consolidated Financial Highlights (FY18) – U.S. GAAP

## Earnings

(JPY bn)

<b>Net Interest Income<sup>1</sup></b>	861.5
<b>Non-interest Income</b>	1,222.4
<b>Subtotal</b>	2,083.9
<b>Non-interest Expenses</b>	1,998.8
<b>Income before Income Tax Expense (Benefit)</b>	85.1
<b>Net Income<sup>2</sup></b>	84.5

## Financial Position

(JPY bn)

<b>Total Assets</b>	197,611.2
<b>Loans, Net of Allowance</b>	82,492.7
<b>Deposits</b>	138,296.9
<b>Total Mizuho FG Shareholders' Equity</b>	8,726.5

1. After provision (credit) for loan losses
2. Net Income Attributable to Mizuho FG shareholders

## Reconciliation with Japanese GAAP

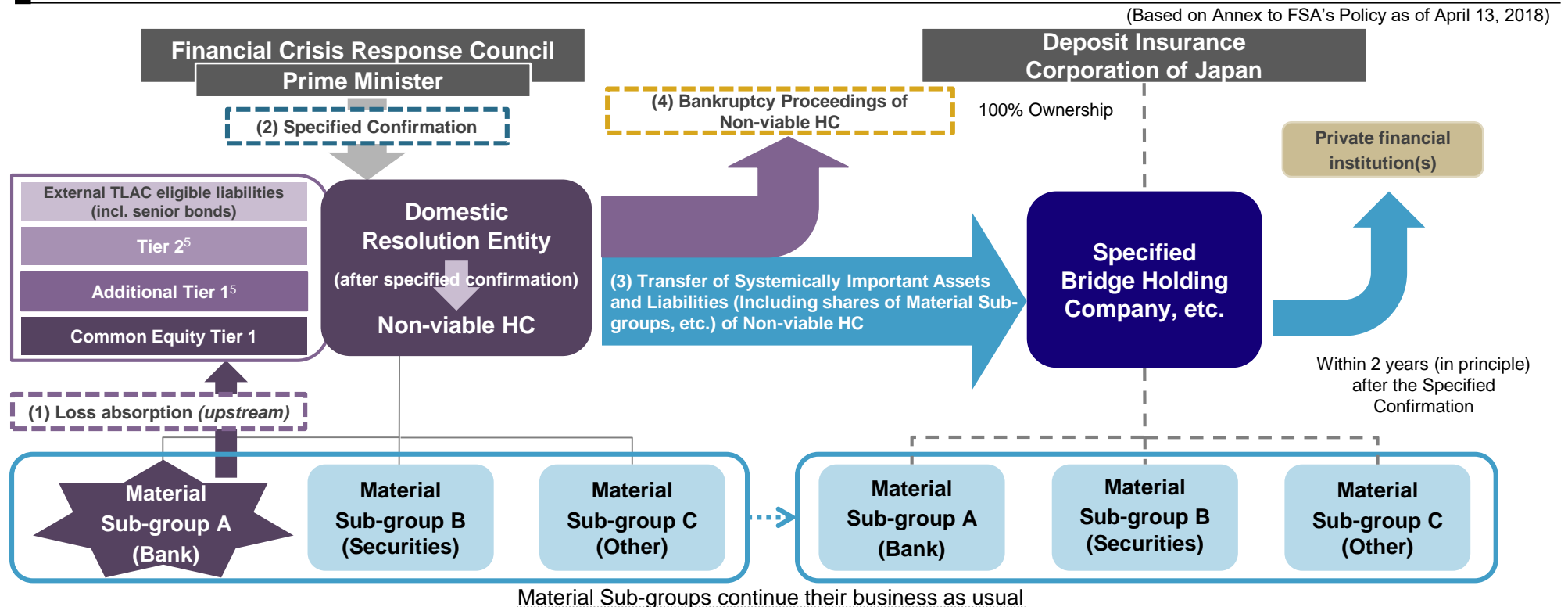
(JPY bn)

	Total Mizuho Shareholders' Equity	Net Income <sup>2</sup>
<b>Japanese GAAP</b>	8,749.5	96.6
<b>U.S. GAAP</b>	8,726.5	84.5
<b>Differences arising from differing accounting for:</b>	23.0	12.1
<b>1. Derivative financial instruments and hedging activities</b>	58.5	-42.3
<b>2. Investments</b>	-68.2	267.9
<b>3. Loans</b>	173.2	11.9
<b>4. Allowances for loan losses and off-balance-sheet instruments</b>	85.4	5.8
<b>5. Premises and equipment</b>	-423.7	-304.2
<b>6. Land revaluation</b>	171.1	-7.4
<b>7. Business combinations</b>	-74.1	13.1
<b>8. Pension liabilities</b>	127.9	32.2
<b>9. Consolidation of variable interest entities</b>	59.0	28.1
<b>10. Deferred taxes</b>	-101.2	6.8
<b>11. Foreign currency translation</b>	-	-1.3
<b>12. Other</b>	15.1	1.5

# Illustration of Resolution Framework under the Deposit Insurance Act of Japan

- An orderly resolution<sup>1</sup> is expected to commence subsequent to the occurrence of Point of Non-Viability (PoNV) after the ultimate holding company in Japan (Domestic Resolution Entity) absorbs losses incurred at its Material Sub-groups<sup>2</sup>
  - Systemically important assets and liabilities, which are expected to include Material Sub-groups' shares, will be transferred to a newly created Specified Bridge Holding Company, while TLAC senior bonds of Domestic Resolution Entity (Non-viable Holding Company (Non-viable HC)<sup>3</sup>) are expected to remain at the existing Non-viable HC in Japan to be liquidated in bankruptcy proceedings
- Non-viable HC's TLAC senior bondholders may incur losses depending on the final recovery value in bankruptcy proceedings of the Non-viable HC
  - At PoNV, Basel III-eligible AT1 and Tier 2 instruments will be permanently written off, which would affect the final recovery value

## A Model of Procedures of Orderly Resolution under the Single Point of Entry (SPE)<sup>4</sup> Strategy in Japan



1. Based on a possible model of the resolution under the SPE resolution strategy in Japan as stated in Japanese TLAC Standard 2. Domestic Resolution Entity's Sub-group or subsidiary that are designated separately as systemically important by the FSA or that are subject to TLAC requirement or similar requirement by the relevant foreign authority 3. With respect to the Domestic Resolution Entity after absorbing losses of the Material Sub-group, the Prime Minister confirms the necessity to take "specified item 2 measures" as set forth in Article 126-2, paragraph 1, item 2 of the DIA, and issues an Injunction Ordering Specified Management as set forth in Article 126-5 of DIA. Such Domestic Resolution Entity is referred to as the Non-viable HC 4. FSA's basically preferred resolution strategy in which resolution tools are applied to the ultimate holding company in Japan by a single national resolution authority. However, it is uncertain which resolution strategy or specific measures will be taken in a given case, including whether or not the SPE resolution strategy is to be chosen and implemented in a given case 5. Basel III eligible

# Outline of Point of Non-Viability of Basel III-eligible Capital Securities in Japan

	Deposit Insurance Act, Article 102				Deposit Insurance Act, Article 126-2		
Summary	<ul style="list-style-type: none"> <li>Framework to relieve concerns over credit risk of a deposit-taking financial institution among its depositors, etc., and to maintain an orderly credit system in Japan by safeguarding all obligations of the deposit-taking financial institution against financial crisis due to a non-performing loan</li> </ul>				<ul style="list-style-type: none"> <li>Framework to avoid the sequential suspension of transaction among market participants and thereby prevent the dysfunction of financial markets by ensuring the fulfillment of obligations for critical market operations against financial crisis originating from the market disruption</li> <li>Measures added to the amended Deposit Insurance Act (Jun-13)</li> </ul>		
Applicable Institutions	<ul style="list-style-type: none"> <li>Banks, other deposit-taking financial institutions and bank holding companies</li> </ul>				<ul style="list-style-type: none"> <li>Financial institutions, etc. (including banks, other deposit-taking financial institutions, and bank holding companies)</li> </ul>		
Measures		Not negative net worth or failed <sup>1</sup>	Negative net worth or failed	Negative net worth and failed		Not negative net worth	Negative net worth or suspension of repayment of its obligations (incl. the likelihood)
	Bank, other deposit-taking financial institutions	Item 1 measures (Capital injection) <sup>2</sup>	Item 2 measures (Special financial assistance)	Item 3 measures (Special crisis management)	Financial institutions, etc.	Specified item 1 measures (Special supervision and loans or guarantees, or subscription of shares, etc.)	Specified item 2 measures (Special supervision and specified financial assistance)
Point of Non-Viability		Not applicable	Applicable	Applicable		Not applicable	Applicable

1. Judged based on conditions of banking subsidiary in case of bank holding company

2. It is also possible to make capital injections into the bank holding company of the bank, etc. to which Item 1 measures are applied

# Summary of PoNV

## The Deposit Insurance Act

### Article 126-2, Paragraph 1, Item 1

- Bank holding companies not having negative net worth
- Special supervision (tokubetsu kanshi) and loans or guarantees (shikin no kashitsuke tou) or subscription of shares, etc. (tokutei kabushiki tou no hikiuke tou)

- where (i) supervision by the Deposit Insurance Corporation of Japan of operation of business and management and disposal of assets of the relevant bank holding company (*tokubetsu kanshi*) (as set forth in Article 126-3 of the Deposit Insurance Act) and (ii) (x) provision of loans or guarantees to the relevant bank holding company as necessary to avoid the risk of significant disruption in the financial systems in Japan (*shikin no kashitsuke tou*) (as set forth in Article 126-19 of the Deposit Insurance Act), or (y) subscription of shares or subordinated bonds of, or provision of subordinated loans to, the relevant bank holding company (*tokutei kabushiki tou no hikiuke tou*) (as set forth in Article 126-22 of the Deposit Insurance Act) is recognized by the Japanese Prime Minister as being necessary in order to prevent the failure of a financial institution (which does not fall into a financial institution which is unable to fully perform its obligations with its assets) from causing significant disruption to the financial markets or other financial systems in Japan

### Article 126-2, Paragraph 1, Item 2

- Bank holding companies which have or are likely to have negative net worth, or have suspended, or are likely to suspend repayment of their obligations
- Special Supervision (tokubetsu kanshi) and specified financial assistance (tokutei shikin enjo)

- where (i) supervision by the Deposit Insurance Corporation of Japan of operation of business and management and disposal of assets of the relevant bank holding company (*tokubetsu kanshi*) (as set forth in Article 126-3 of the Deposit Insurance Act) and (ii) provision of certain categories of financial aid by the Deposit Insurance Corporation of Japan to assist certain categories of business reorganization in respect to the relevant bank holding company (*tokutei shikin enjo*) (as set forth in Article 126-28 of the Deposit Insurance Act) is recognized by the Japanese Prime Minister as being necessary in order to prevent the failure of the relevant bank holding company (which is or is likely to be unable to fully perform its obligations with its assets or has suspended or is likely to suspend repayment of its obligations) from causing significant disruption to the financial markets or other financial systems in Japan

# List of Past Public Funds Injections

## Major Public Sector Support and Resolutions since 2002

- The Japanese government has a history of using pre-emptive capital injections<sup>1</sup>
- Capital injection under the Deposit Insurance Act will not be deemed as an occurrence of PoNV

		Applicable rules	Bank	Date	Amount (JPY bn)	Description
Public Sector Support	Capital injection	Article 102, Paragraph 1, Item 1	Resona Bank	Jun-03	296	Public funds injection in common shares - government ownership of 50.1%
				Jun-03	1,663	Public funds injection in convertible preferred shares
Public Sector Support	Pre-emptive capital injection	Act on Special Measures for Strengthening Financial Functions	Howa Bank	Mar-14	16	Public funds injection in the form of convertible preferred shares or subordinated loans <sup>3</sup>
			Jimoto Holdings (Kirayaka Bank) <sup>2</sup>	Dec-12	30	
			Tohoku Bank	Sep-12	10	
			77 Bank	Dec-11	20	
			Tsukuba Bank	Sep-11	35	
			Jimoto Holdings (Sendai Bank) <sup>2</sup>	Sep-11	30	
			Prior cases which occurred on banks in or before Mar-11	-	304.5 (12 cases)	
Resolution	Negative net worth or failed	Article 102, Paragraph 1, Item 2	N.A.			
	Negative net worth and failed	Article 102, Paragraph 1, Item 3	Ashikaga Bank	Nov-03	N.A.	Deposit Insurance Corporation of Japan acquired all shares of the bank
	Negative net worth or failed	Article 74	Incubator Bank of Japan	Sep-10	N.A.	First resolution in which deposit payoff rule was actually invoked

1. It is uncertain which measures will be taken in a given case, and orderly resolution measures may be applied without implementing a pre-emptive capital injection

2. Names of financial institutions in parentheses next to Jimoto Holdings indicate the substantive entities receiving a capital injection

3. Only the case of 77 Bank in Dec-11 was conducted in the form of a subordinated loan