

FY23

H1 Financial Results (Under Japanese GAAP)

November 13, 2023



Mizuho Financial Group

MIZUHO

Innovating today. Transforming tomorrow.

Mizuho and Art

Based on the concepts of “Feeling Energized by Art,” “Making Art More Accessible,” and “Changing yourself through Art,” Mizuho, in collaboration with Tokyo University of the Arts, contributes to social innovation, and the overcoming of social challenges like improving gender equality and people’s well-being, aiming to co-create a sustainable and abundant society in terms of its art and culture as well as its economics.

For this presentation, we asked students at the Tokyo University of the Arts, Department of DESIGN to give form to the ideas they took from Mizuho’s Purpose, “Proactively innovate together with our clients for a prosperous and sustainable future.” This is the first time that artwork has been featured on the cover of our financial materials for shareholders and investors.



Artist: **Hiro Igarashi**

Tokyo University of the Arts, Department of DESIGN
First-year master's student

Title: **“Spreading roots”**

Roots interlace and grow.

Branching this way and that way.

Supposedly they fork, yet reconnect, only to branch out again.

*A journey of 150 years, watching the intertwining complexities
of society and envisioning what comes next.*

How to thrive in this ever more intricately interlaced world?

Unencumbered by the past, and with freedom, create something entirely new.



Summary of Financial Results

(JPY B)

	FY23 H1	YoY
1 Consolidated Gross Profits + Net Gains (Losses) related to ETFs and others ¹	1,331.2	+168.7
2 G&A Expenses (excl. Non-Recurring Losses and others)	-796.1	-74.2
3 Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others¹	554.3	+104.9
4 o/w Customer Groups	373.5	+36.8 ²
5 o/w Markets	129.5	+24.5 ²
6 (Consolidated Net Business Profits)	536.0	+95.2
7 Credit-related Costs	-11.0	+39.3
8 Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others ¹	16.2	-13.4
9 Ordinary Profits	574.0	+134.8
10 Net Extraordinary Gains (Losses)	22.2 ³	+16.4
11 Net Income Attributable to FG	415.7	+81.7
(Reference)		
12 Consolidated ROE ⁴ (over past 12 months)	7.3%	+1.7%
13 Expense ratio (2÷1)	59.8%	-2.2%

■ Consolidated Gross Profits

+ Net Gains (Losses) related to ETFs and others:

Large increase mainly due to steady growth in Customer Groups and Markets, in addition to other factors such as Yen depreciation.

■ G&A Expenses (excl. Non-Recurring Losses and others):

Increase from resource deployment to growth areas, mainly outside Japan, in addition to external factors such as Yen depreciation and inflation.

■ Consolidated Net Business Profits

+ Net Gains (Losses) related to ETFs and others:

Increase of 23.3% year-on-year from top-line growth and other factors. Progress against annual target of JPY 900.0B at 61.5%.

■ Credit-related Costs:

Increase in forward-looking reserves in line with external business environment outlook. Recorded reversal from certain clients, keeping overall costs low.

■ Net Income Attributable to FG:

Increase of 24.4% year-on-year, mainly due to improving of Consolidated Net Business Profits. Strong progress of 68.1% against annual target of JPY 610.0B.

1. Net Gains (Losses) related to ETFs and others JPY 18.3B (+JPY 9.6B YoY). 2. Figures for YoY are recalculated based on the FY23 management accounting rules.

3. Of which JPY 18.7B are from the cancellation of the Employee Retirement Benefit Trust (+JPY 6.7B YoY). 4. Excl. net unrealized gains (losses) on other securities.

Financial Results by In-house Company

(JPY B)

Group aggregate, preliminary figures

	Gross Profits		G&A Expenses (excl. Non-Recurring Losses and others)		Net Business Profits		Net Income		ROE (most recent 12 months)
	FY23 H1	YoY ¹	FY23 H1	YoY ¹	FY23 H1	YoY ¹	FY23 H1	YoY ¹	FY23 H1
Customer Groups	950.3	+60.8	-594.2	-32.9	373.5	+36.8	278.5	+31.6	7.4%
RBC	348.0	+21.1	-308.6	-9.5	45.2	+19.3	35.0	+30.8	3.7%
CIBC	261.7	+23.0	-103.9	-4.4	161.7	+18.8	108.9	-33.7	8.2%
GCIBC	313.0	+16.7	-164.6	-18.8	160.3	-0.4	132.7	+35.2	9.3%
AMC	27.6	-0.0	-17.1	-0.1	6.4	-0.9	1.9	-0.7	2.9%
Markets (GMC)²	279.3	+50.0	-149.8	-25.9	129.5	+24.5	90.4	+19.0	2.6%
Banking ²	88.6	+17.0	-24.1	-2.5	64.4	+14.5			
Sales & Trading	190.8	+33.0	-125.7	-23.4	65.0	+10.0			

1. Figures for YoY are recalculated based on the FY23 management accounting rules. 2. Includes Net Gains (Losses) related to ETFs and others of 2 Banks.

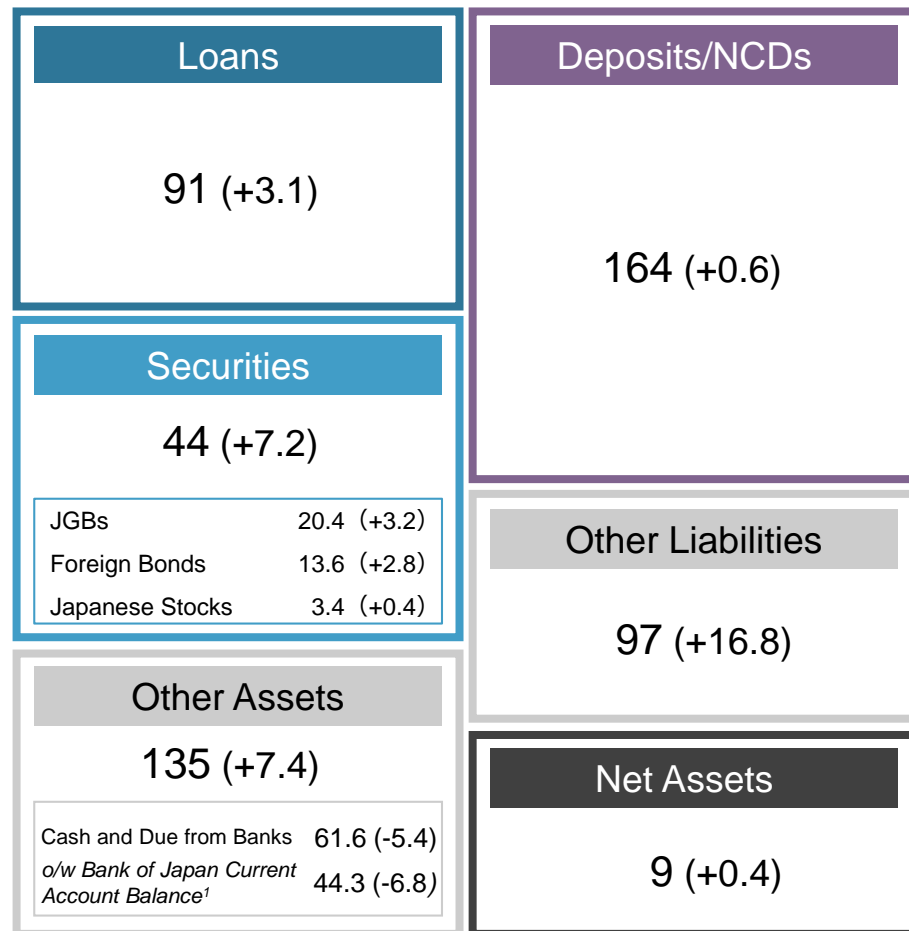
Overview of Balance Sheet (Sep-23)

Consolidated Balance Sheet

(JPY T)

Figures in () represent changes from Mar-23

Total Assets 272 (+17.9)



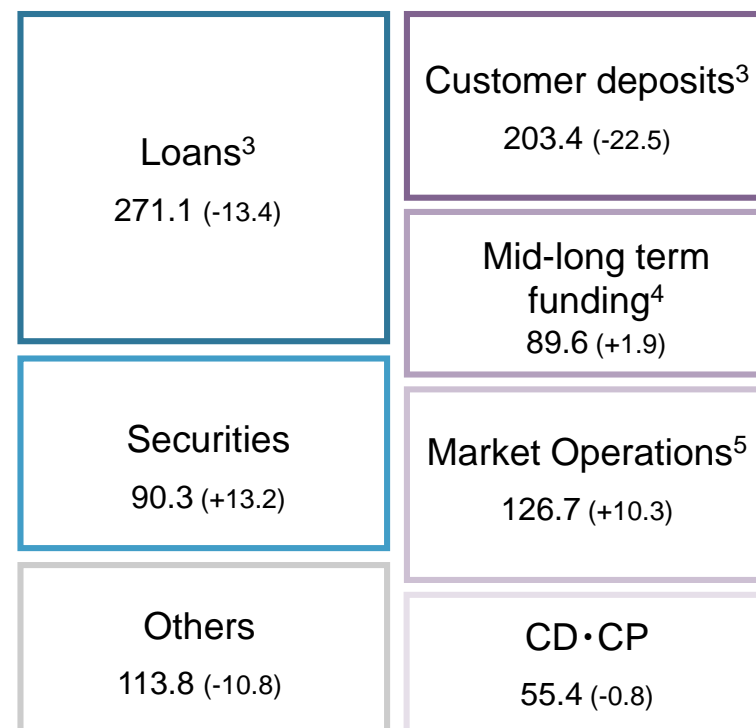
Non-JPY Balance Sheet²

BK+TB, management accounting

(USD B)

Figures in () represent changes from Mar-23

- Customer deposits to loan ratio: 75%
- Breakdown of Customer deposits:
 - JP Clients (inside + outside Japan): approx. 50%
 - Non-JP Clients (outside Japan): approx. 50%



1. 2 Banks. 2. FY23 management accounting rules. 3. BK in Japan and subsidiaries in China, the U.S., the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico. 4. Corporate bonds, currency swaps, etc. 5. Repos, interbank, Central bank deposits and others.

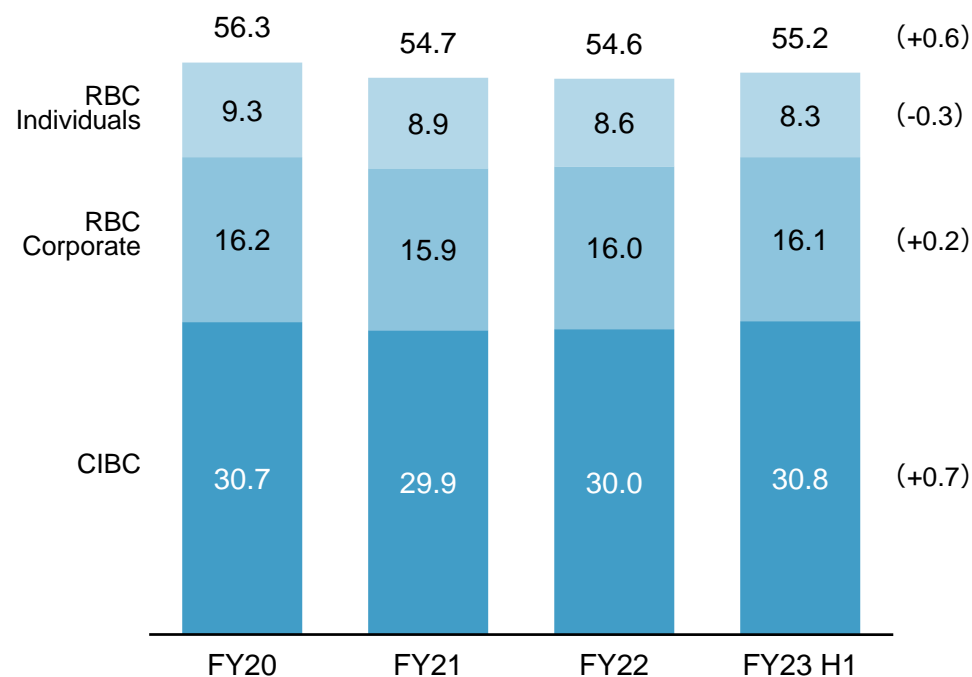
Loans in Japan

Loans in Japan (Average Balance)¹

BK+TB
management accounting

(JPY T)

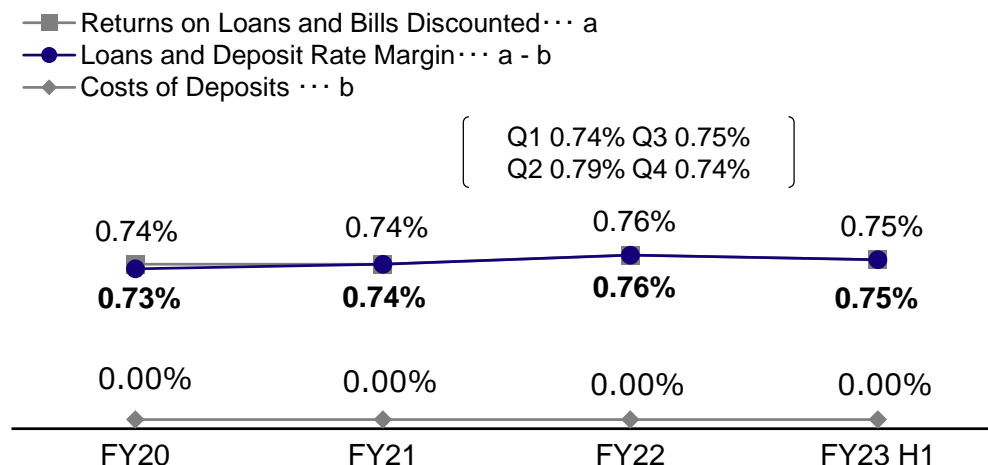
Figures in () represent YoY



Period-end Balance	55.4	54.1	54.6	55.6
RBC Individuals	9.1	8.8	8.4	8.2
RBC Corporate	16.0	15.7	15.9	16.1
CIBC	30.3	29.5	30.2	31.2

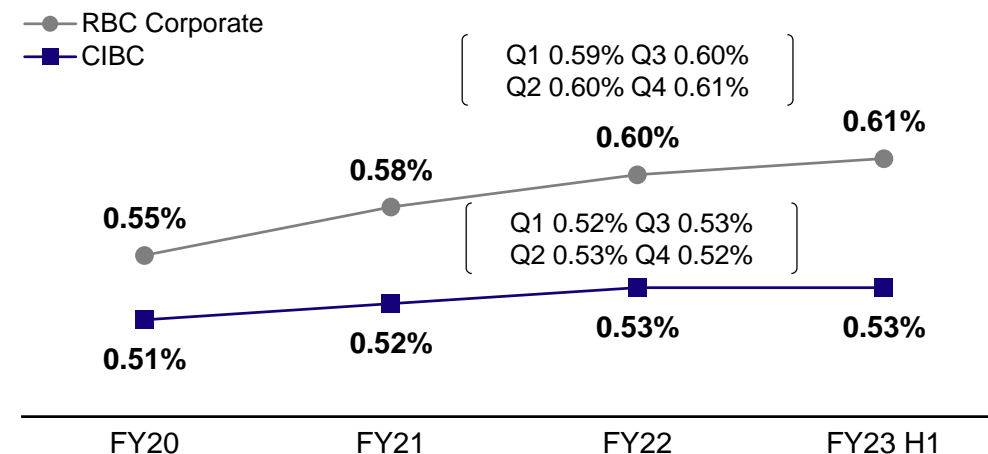
Loan and Deposit Rate Margin²

2 Banks



Loan Spread¹

BK+TB
management accounting

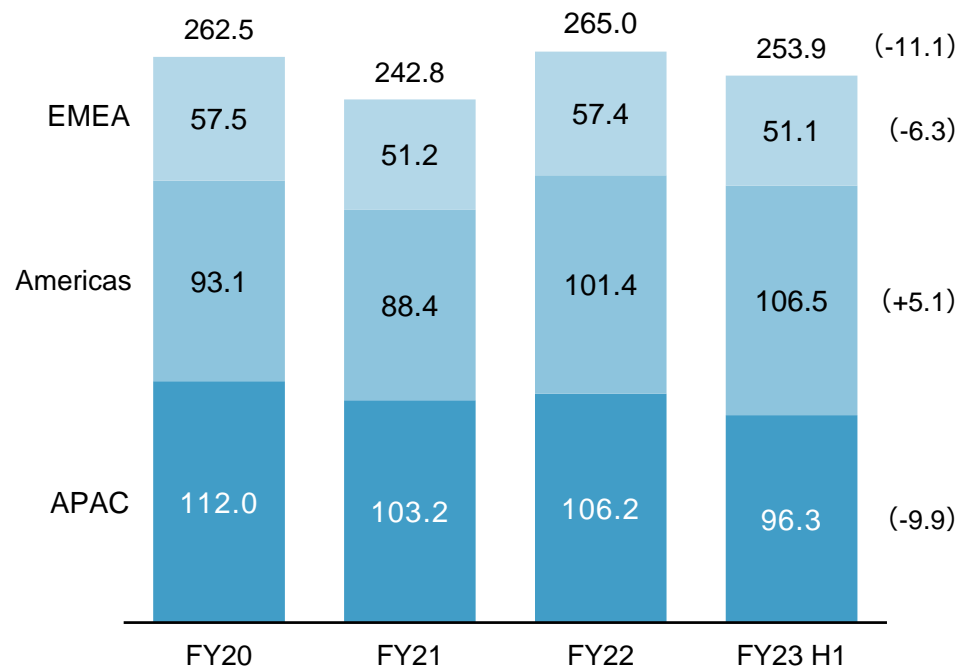


1. FY23 management accounting rules. Figures from FY20 to FY22 were recalculated based on the new rules. Excl. loans to the consolidated entities and loans to the Japanese Government and others. 2. Excl. loans to financial institutions (incl. FG) and the Japanese Government & others. Domestic operations.

Loans outside Japan

Loan Balance (Average Balance) ¹ BK, management accounting

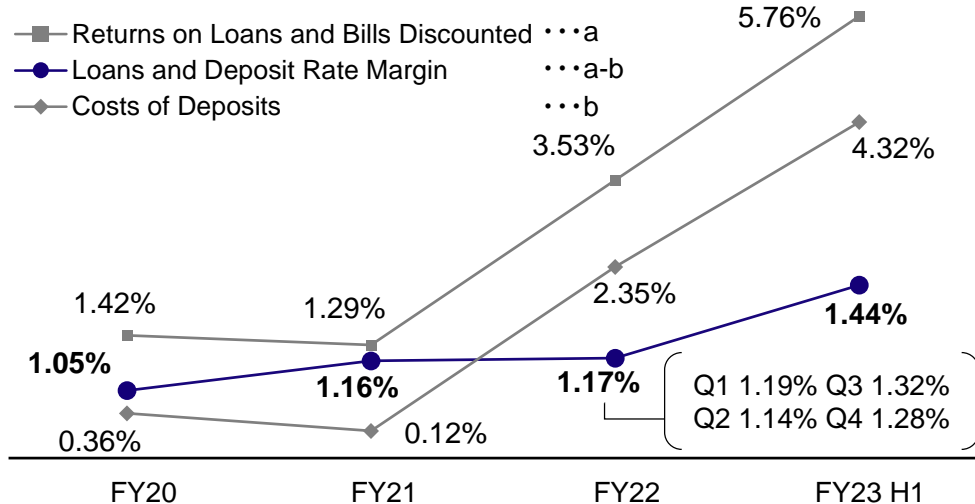
(USD B) Figures in () represent YoY



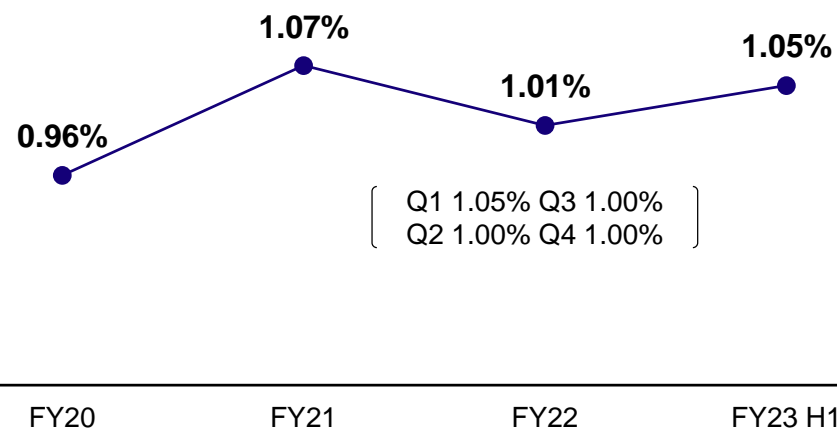
Period-end Balance	FY20	FY21	FY22	FY23 H1
EMEA	51.4	55.2	50.6	49.8
Americas	85.7	90.6	107.4	104.5
APAC	104.1	102.4	97.2	91.8

1. Figures from FY20 to FY22 were recalculated based on the FY23 rules. Excl. loans between the consolidated entities. Incl. the subsidiaries in China, the U.S., the Netherlands, Indonesia, Malaysia, Russia, Brazil and Mexico.

Loan and Deposit Rate Margin BK, International Operations



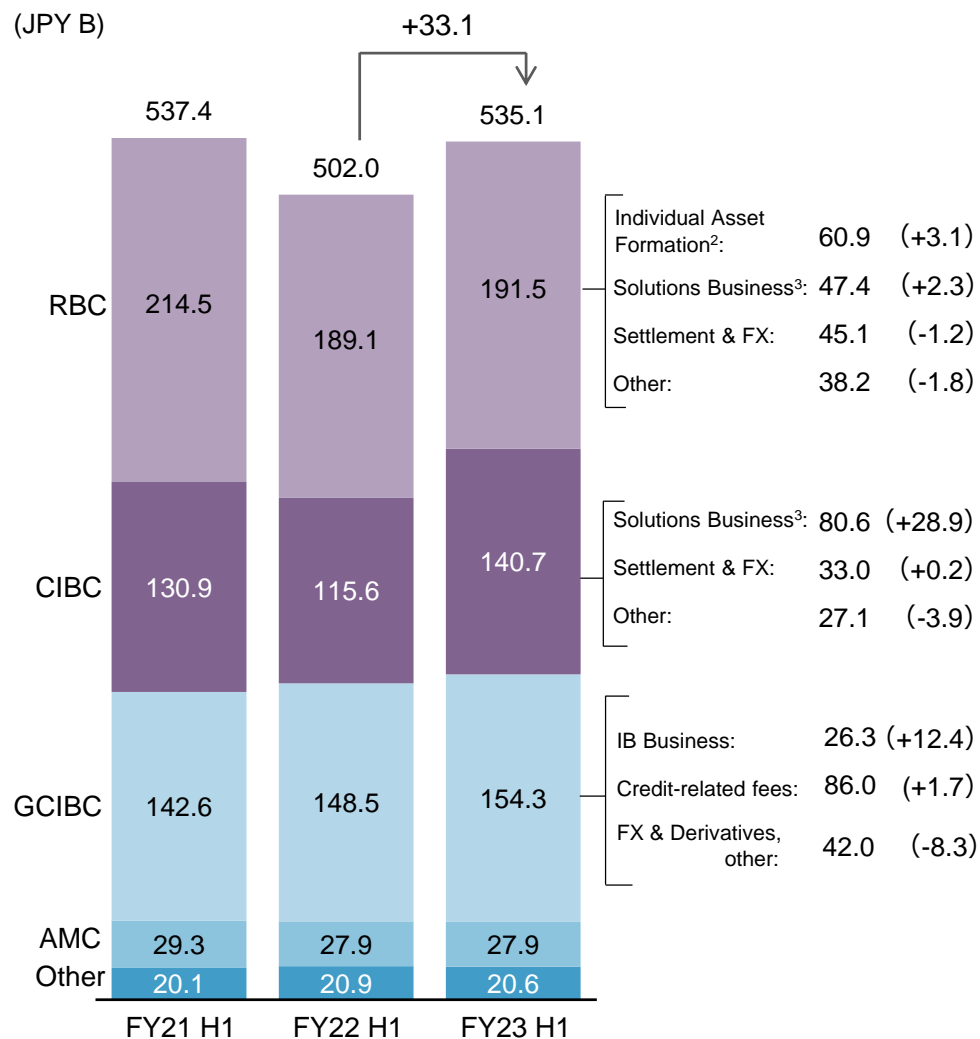
Loan Spread ¹ BK, management accounting



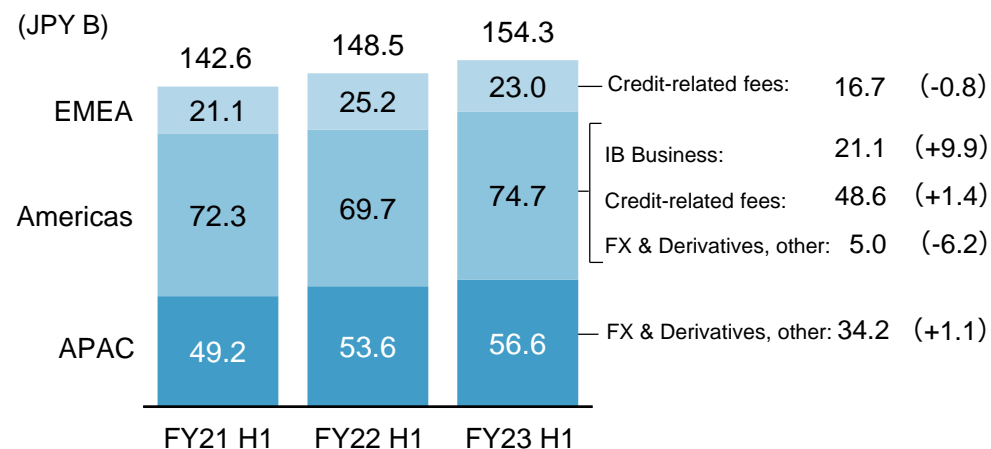
Non-interest Income

Non-interest Income (Customer Groups)¹

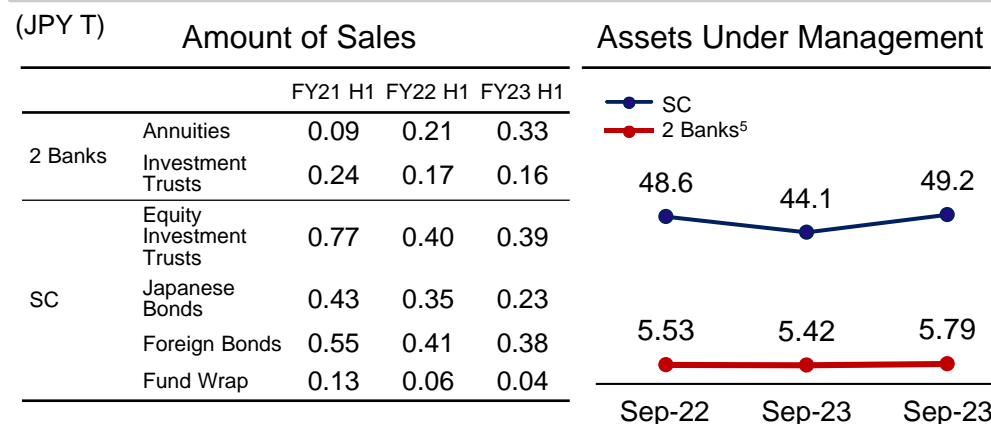
Group aggregate, preliminary figures
Figures in () represent YoY



Breakdown of GCIBC by region



Investment Products⁴



1. FY23 management accounting rules. Past Figures were recalculated based on the new rules. Original figures before the recalculation were FY21 H1: JPY 548.4B and FY22 H1: JPY 510.2B.
 2. BK investment trusts, annuities + SC individual segment, PB segment. 3. Incl. fees related to investment banking business and real estate brokerage.
 4. SC: Retail & Business Banking Division. 5. Total of Individual Annuities, Investment Trust (excl. MMF), and Non-JPY Deposits.

Asset Quality

Credit-related Costs

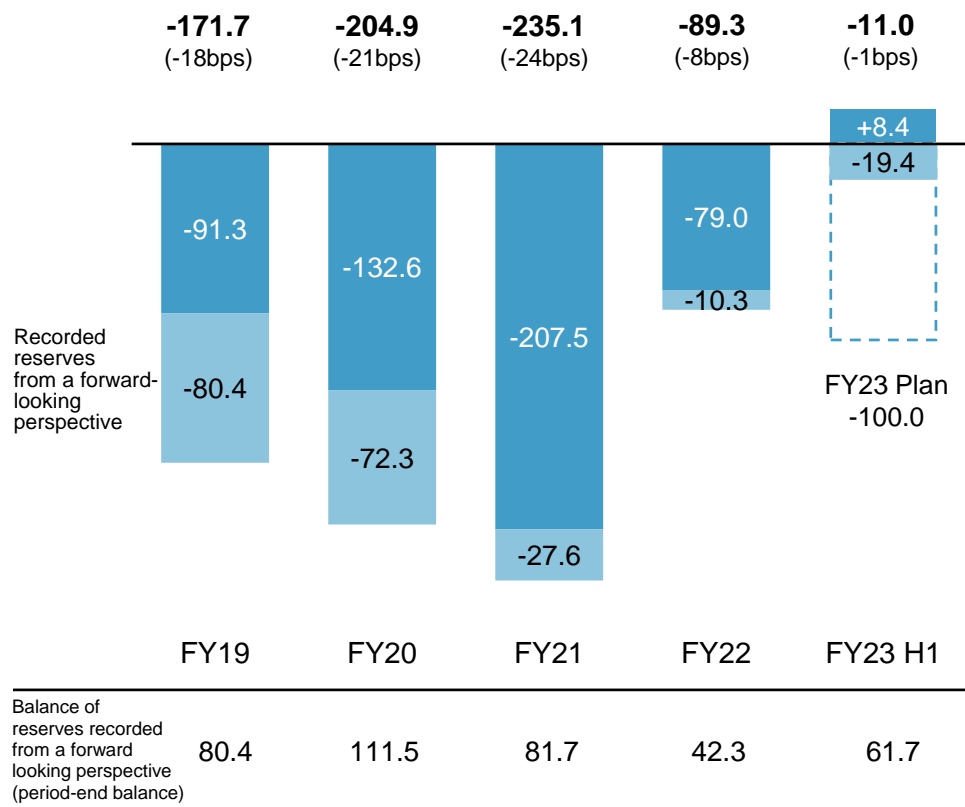
Consolidated

(JPY B)

Figures in () represent Credit-related Costs Ratio:

Credit-related Costs ÷ Total period-end Claims (incl. Trust Account)

RBC : +8.4
CIBC : -46.4
GCIBC : +31.1

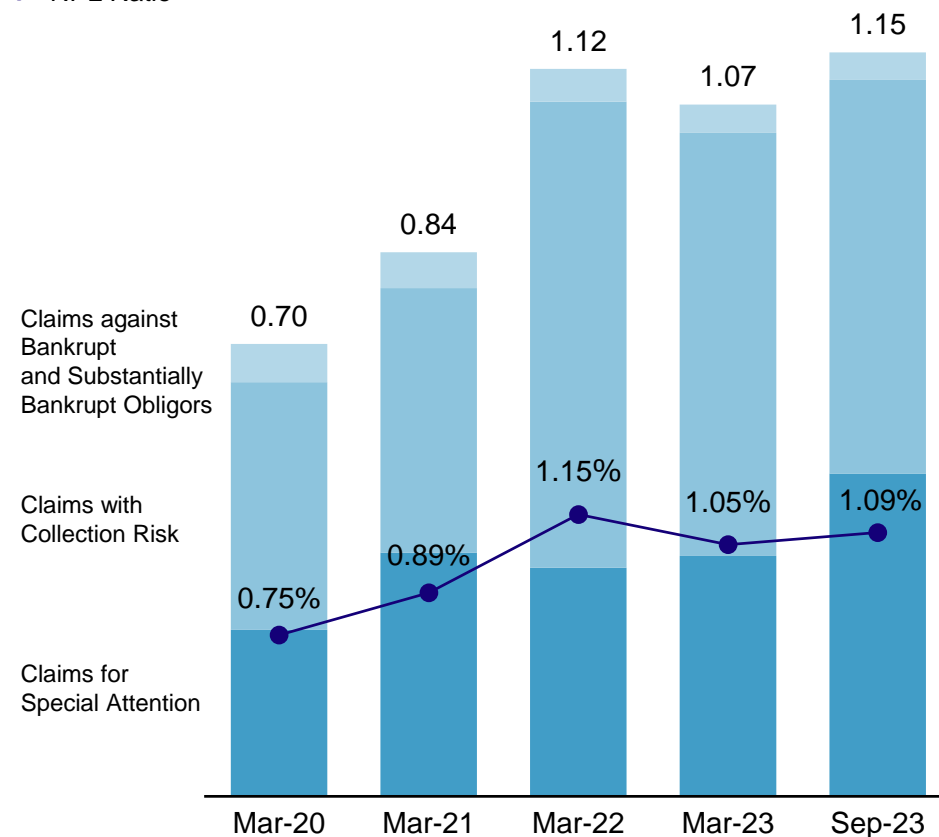


Non Performing Loans based on BA¹ and FRA^{2,3}

(JPY T)

Consolidated

● NPL Ratio



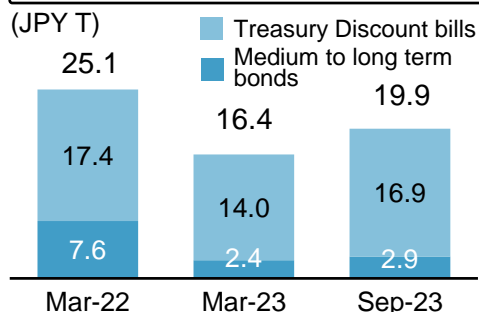
1. Banking Act. 2. Financial Reconstruction Act. 3. Incl. Trust Account. Ratio before Mar-21 was calculated based on non performing loans based on FRA.

Securities Portfolio

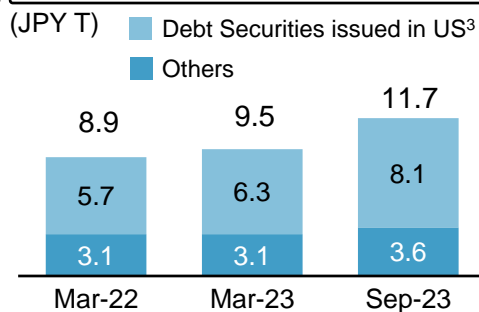
Other Securities¹

(JPY B)	Acquisition cost basis		Net Unrealized Gains (Losses) ²	
	Sep-23	vs Mar-23	Sep-23	vs Mar-23
	Consolidated			
Total	39,690.0	+6,076.4	973.4	+161.0
Japanese Stocks	973.7	-23.5	1,884.7	+402.9
Japanese Bonds	23,551.9	+3,251.1	-80.5	-4.5
o/w JGBs	19,925.0	+3,443.7	-35.2	+11.2
Foreign Bonds	12,325.3	+2,190.1	-583.2	-128.6
o/w Debt Securities issued in US ³	8,157.2	+1,790.8	-540.2	-126.2
Other	2,838.9	+658.6	-247.4	-108.6
Bear Funds ⁴	514.6	+85.3	-113.5	-87.7
Investment Trust and others	2,324.3	+573.3	-133.8	-20.9

JGBs Portfolio⁵



Foreign Bonds Portfolio⁵

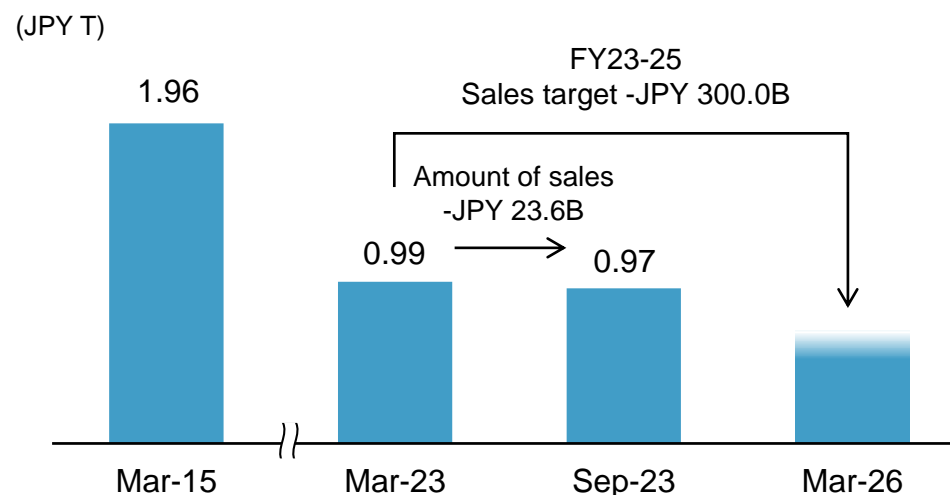


Reference: Average remaining period (yrs)⁶

1.2	0.7	0.7	1.6	1.1	1.6
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Japanese Stock Portfolio¹

Consolidated, acquisition cost basis



(JPY B)

Amount of Sales (FY23-25)	23.6
Amount of sales accepted (unsold)	48.0
Total	71.6

Reference: Deemed holdings of shares⁷ BK+TB, management accounting

Mar-15 to Mar-23	672.4
FY23 H1	65.2

1. Other Securities with readily determinable fair values, excl. Investments in Partnership. 2. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. After applying Net deferred gains/losses of deferred hedging accounting among hedging instruments. 3. UST/GSE Bonds. 4. Hedges aiming to fix unrealized gains on Japanese stocks. 5. 2 Banks, acquisition cost basis. 6. Management accounting basis. After taking into account hedging activities. 7. Partially includes amount recorded as assets of BK or TB.

Basel Regulatory Capital

(JPY B)	Mar-23	Sep-23
Common Equity Tier 1 (CET1) Capital	8,315.5	8,885.3
Additional Tier 1 Capital	1,487.8	1,751.0
Tier 2 Capital	1,503.5	1,591.8
Total Capital	11,306.9	12,228.2
Risk Weighted Assets	70,434.1	77,063.5
Total Exposure	219,441.1	242,406.1

CET1 Capital Ratio	1 11.80%	11.52%
Excl. Net Unrealized Gains (Losses) on Other Securities	11.28%	10.93%
Tier1 Capital Ratio	13.91%	13.80%
Total Capital Ratio	16.05%	15.86%
Leverage Ratio	4.46%	4.38%

External TLAC Ratio (Risk Weighted Assets basis)	24.02%	23.22%
External TLAC Ratio (Total Exposure basis)	8.85%	8.52%

Reference: Basel III finalization fully-effective basis	Mar-23	Sep-23
CET1 Capital Ratio	9.9%	10.0%
Excl. Net Unrealized Gains (Losses) on Other Securities	2 9.5%	9.6%

1 Continue to maintain sufficient level compared to regulatory requirements

2 Increased to 9.6%, mainly due to Net Income Attributable to FG

FY2023 Earnings Outlook

Earnings outlook

Consolidated (JPY B)	FY22	FY23		
	Results	H1 Results	Revised Outlook	vs May
Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others	807.1	554.3	950.0	+50.0
Credit-related Costs	-89.3	-11.0	-100.0	±0.0
Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others	84.6	16.2	60.0	±0.0
Ordinary Profits	789.6	574.0	910.0	+50.0
Net Income Attributable to FG	555.5	415.7	640.0	+30.0

- Increased earnings outlook, given steady performance in core business profits, Yen depreciation and other factors

Shareholder return

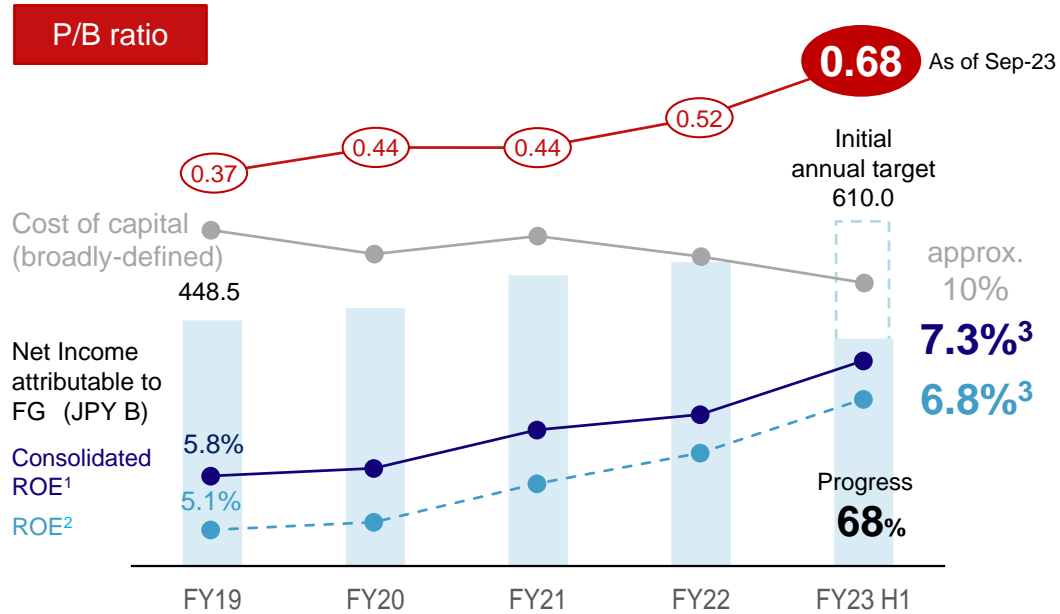
Cash dividend per share	FY23	
		vs May
Interim Cash Dividend	JPY 50.00	+JPY 2.50
Fiscal Year-end Cash Dividend (Estimate)	JPY 50.00	+JPY 2.50
Annual Cash Dividend (Estimate)	JPY 100.00	+JPY 5.00

- Annual Cash Dividend (Estimate) raised to JPY 100.00

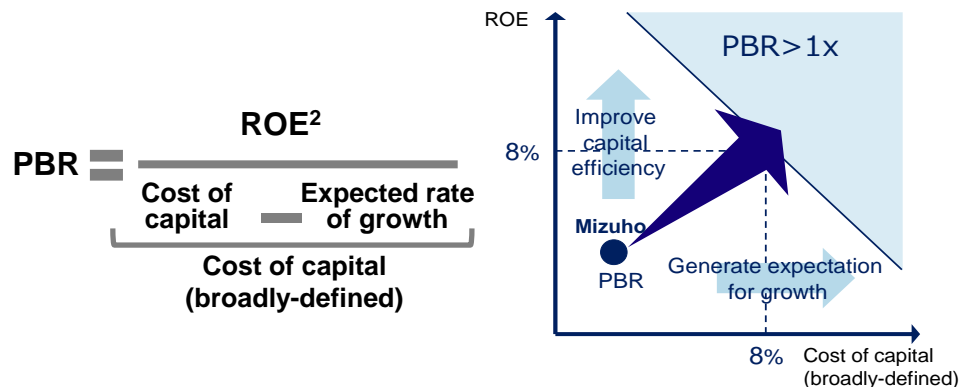
[Assumed financial indicators] 10Y JGB Yield: 0.60%, Nikkei 225: JPY 31,000, USD/JPY: 135.

Progress on improving our P/B ratio (1)

- Increased ROE through improving capital efficiency. Strengthened initiatives generating growth expectations.



ROE and cost of capital (broadly-defined)



Current initiatives to improve P/B ratio

Improving capital efficiency

- **Improve asset profitability**
 - Reallocating resources from underperforming assets to highly profitable assets
- **Control on expense ratio**
 - Employ disciplined cost management, and improve productivity

Generating expectation for growth

- **Achieve steady profit growth**
 - Aim for sustained growth in profit from core businesses, and expand non-interest income
- **Effective capital utilization**
 - Growth investment, investment in intangible assets, enhancement in shareholder return

- **Stabilize profit from core businesses**
 - Global CIB model becoming one of our strength where primary and secondary business complement each other. Diversify revenue and reduce one time gains/losses, cross shareholding reduction

Eliminate discount factors

- **Improve financial soundness**
 - Optimize the management of CET1 capital ratio and reduce cost of capital

Macro factors

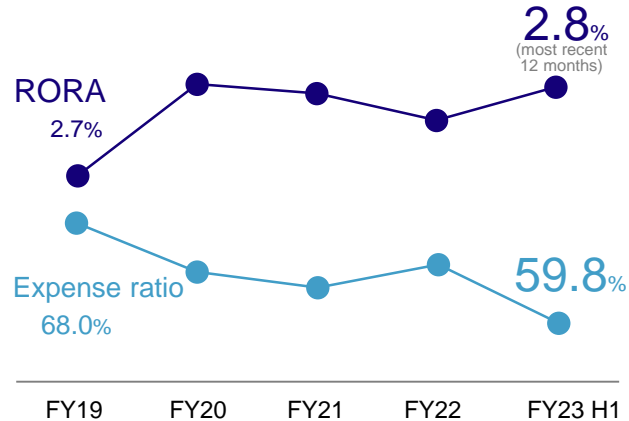
- **Contribute to the growth of Japan's economy**
 - (Doubling of personal financial assets and strengthening the competitiveness of Japan companies)
 - Realizing and prevailing Corporate Identity and Purpose
- **Capturing the growth outside of Japan**

1. Excl. Net Unrealized Gains (Losses) on Other Securities 2. Net Income on Own Capital. Incl. Net Unrealized Gains (Losses) on other Securities. 3. Most recent 12 months.

Progress on improving our P/B ratio (2)

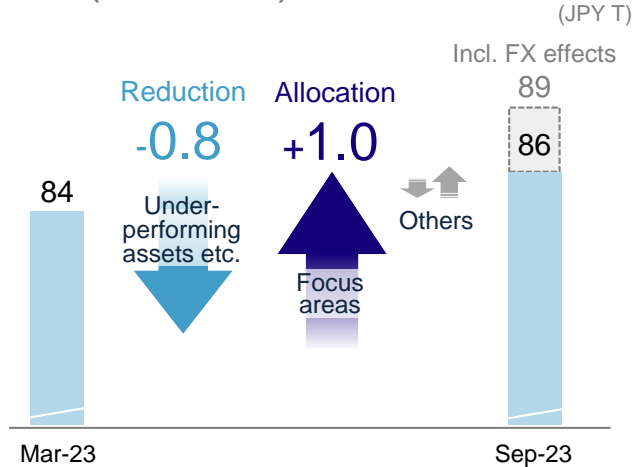
Improving capital efficiency

- Improve asset profitability/
Control on expense ratio



(FY25) RORA: 3.0%, Expense Ratio: approx. 60%

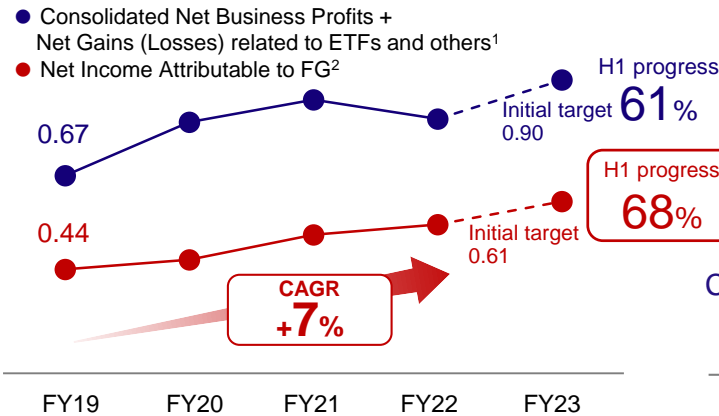
- RWAs (Excl. FX basis)



(Estimate: Mar-23 to Mar-26)
Reduction: -6 to -7, allocation: +12 to +13

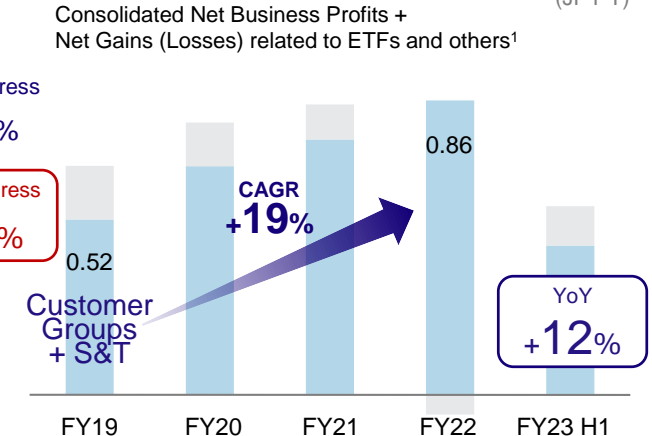
Generating expectations for growth

- Achieve steady profit growth



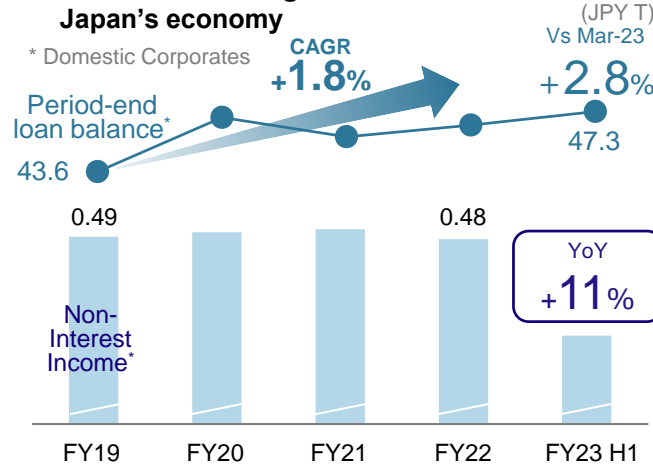
(FY25) 1: JPY1-1.1T, 2: Mid JPY 700.0B

- Stabilize profit from Core Business



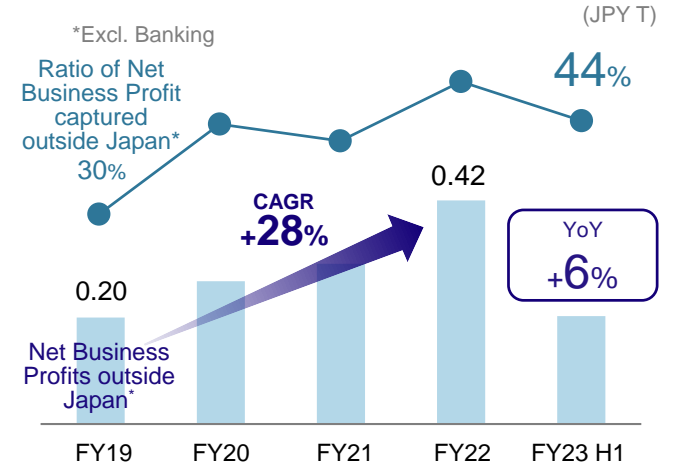
(FY23-25) Focus areas +JPY 170.0B

- Contribute to the growth of Japan's economy



(Mar-23 to Mar-26) Loan balance of Domestic Corporates: CAGR around 2%

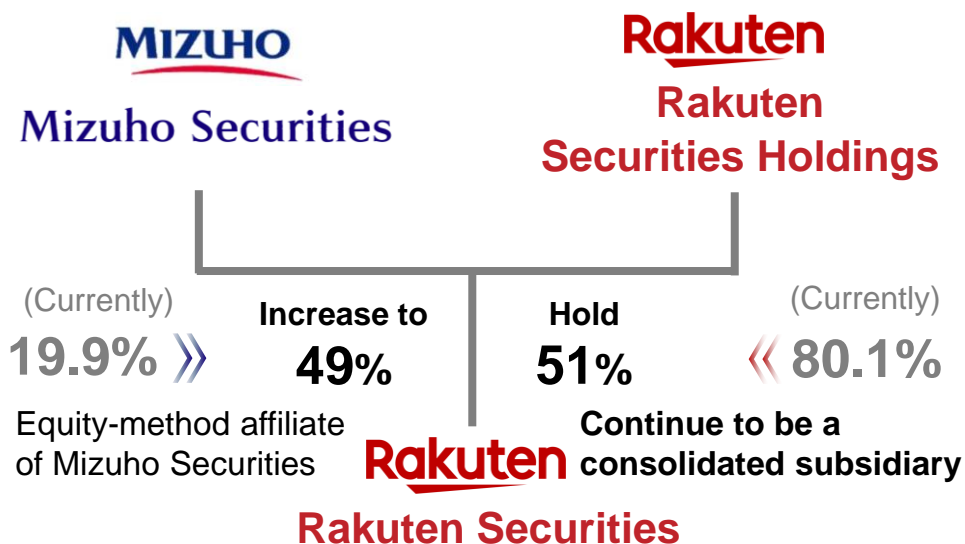
- Capturing the growth outside Japan



(FY23-25) Global Corporate & Investment Banking (CIB) business: +JPY60.0B

(Ref.) Summary and Outline of the business alliance

Summary



- Planned date of execution of share transfer : December 15, 2023, subject to approval from relevant authorities

Financial impacts

- Impact on CET1 ratio¹ : Up to approx. - 6 bps
- Goodwill : Up to approx. JPY 40 B +²
- Investment amount : Approx. JPY 87 B

(Ref.) Previous investment amount in Nov. 2022 : Approx. JPY80 B

Outline of the business alliance

Working together to create a new retail business model from customer's perspective that leverages both online and offline services

Items	Description
Appropriately addressing customer's needs	<ul style="list-style-type: none"> Accelerate initiatives to address face-to-face consulting needs for individual online customers, through joint businesses Build a platform that provides unprecedented services, which leverage both online and offline channels, through seamless UI/UX
Strengthening product provision capability	<ul style="list-style-type: none"> Provide highly convenient services, which allow users to access to both Rakuten's services and Mizuho's comprehensive financial services such as payment functions, mutually and smoothly Develop and provide optimal asset building and asset management products based on customers' needs
IT/ Operations	<ul style="list-style-type: none"> Enhance customer satisfaction in IT/ Operation areas and improve efficiency by digitalization

1. Basel III finalization basis. Excl. net unrealized gains (losses) on other securities. 2. Plan to determine the amount of goodwill and other intangible assets based on consultation with CPA.

(Ref.) Estimating the financial impact of JPY rate-hike

■ Annual P/L impact estimation:

Impact on interest income assuming no change in current balance-sheet

[Case 1.] Abolishing of NIRP¹

[Case 2.] Continued increase in policy rate

+JPY 35.0²B
(unchanged from previous estimation in Jul 2023³)

- Simulation based on **a set of assumptions**¹

Assumptions (BoJ Current Account):

Policy Interest Rate Balance:	+0.10%
Macro Add-on Balance:	Unchanged
Base Balance:	Unchanged

Avg. +JPY 50.0 B
per +10bps

Ref.

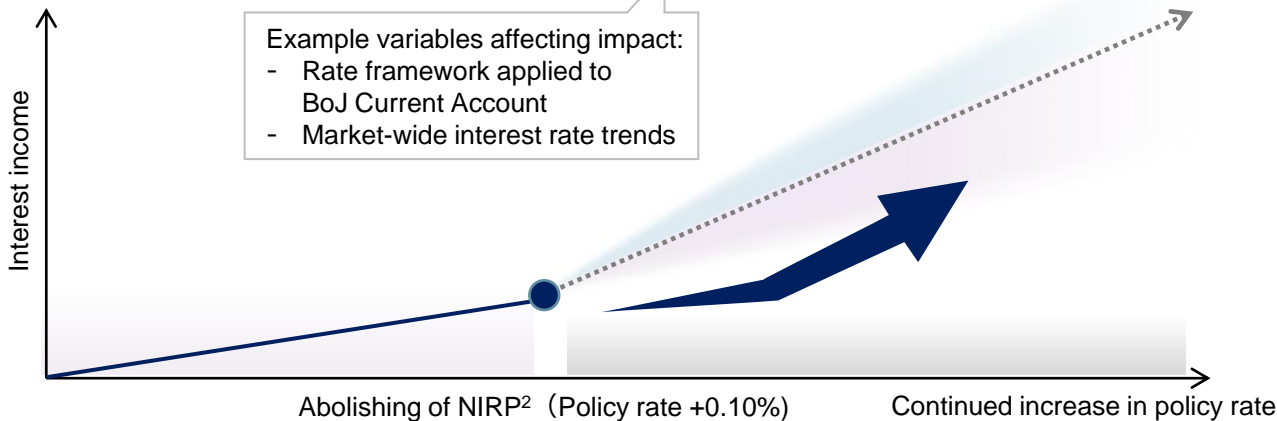
- Analysis⁴ of **upwards parallel shift** for risk monitoring purposes

For example:

Policy Interest Rate Balance:	+0.10%
Macro Add-on Balance:	+0.10%
Base Balance:	+0.10%

□ **Actual impact would fluctuate in line with market environment**

Conceptual interest rate sensitivity



JPY B/S (Sep-23)⁵

(JPY T)

56

Loans

Floating:	approx. 60%
Fixed:	approx. 20%
Prime rate etc.:	approx. 20%

118

Deposits

Liquid:	approx. 80%
Fixed-term:	approx. 20%

72

Market Investment

Treasury Discount Bill ⁶ :	18
Mid/long-term:	3
Avg. remaining period:	0.7yrs ⁷
Bank of Japan Current Account:	42

4

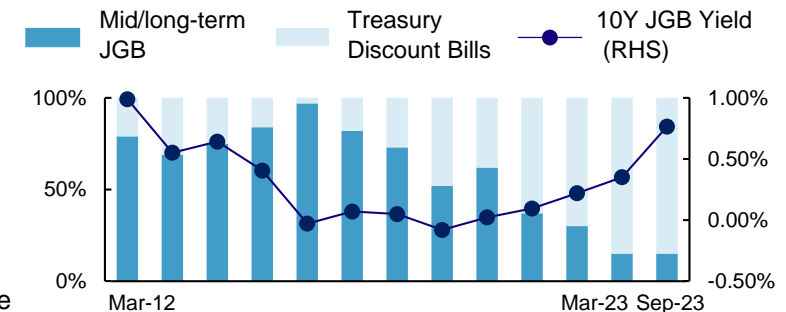
Other

13

Other

Ref.

Past investment in JGBs⁸



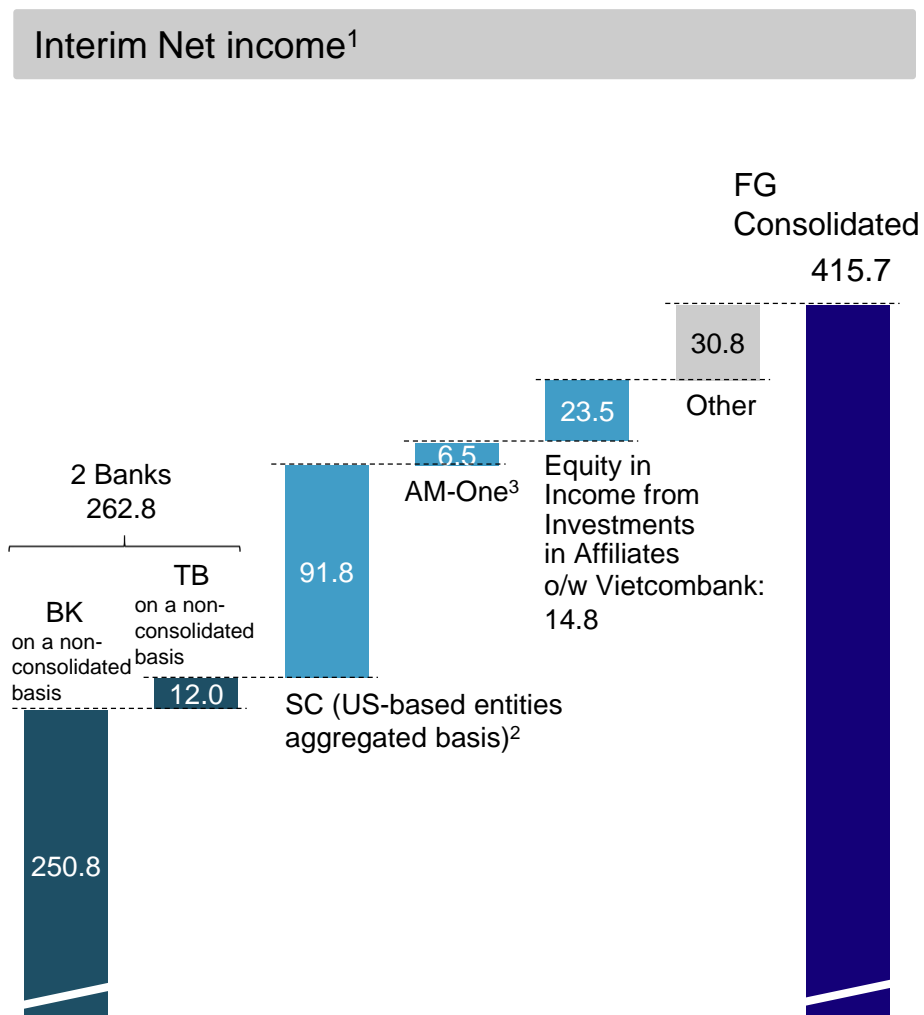
1. Key assumptions: Policy rate 0.00% (+0.10% vs Sep-23), Rate applied to Macro Add-on Balance 0.00%, Rate applied to Base Balance 0.10% (unchanged from Sep-23), Short-term rate (TIBOR) and Long-term rate +0.10% (compared to Sep-23). 2. Loan/Deposit Income +JPY 20.0B. Market Investment +JPY 15.0B. 3. https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/investors/financial-information/ir-information/briefing/202308_1.pdf, p.12 4. JPY ΔNII under IRRBB. Average based on 100bps instantaneous upwards parallel shift. BK Consolidated. As of Jun-23. 5. BK, management accounting basis. 6. Incl. Government guaranteed bonds and other. 7. Excl. bonds held to maturity. After taking into account hedging activities. 8. Other securities. Acquisition cost basis.

(Ref.) Financial Results by Group Company

(JPY B)

Net Business Profits ¹	FY22 H1	FY23 H1	YoY
BK on a non-consolidated basis	325.6	360.0	+34.3
TB on a non-consolidated basis	8.7	9.6	+0.8
SC (US-based entities aggregated basis) ²	50.5	83.0	+32.4
AM-One ³	11.8	10.0	-1.8
Equity in Income from Investments in Affiliates	14.4	23.5	+9.0
Other	38.0	68.1	+30.0
FG Consolidated	449.4	554.3	+104.9

Interim Net Income ¹	FY22 H1	FY23 H1	YoY
BK on a non-consolidated basis	237.8	250.8	+13.0
TB on a non-consolidated basis	12.4	12.0	-0.4
SC (US-based entities aggregated basis) ²	48.9	91.8	+42.8
AM-One ³	8.0	6.5	-1.4
Equity in Income from Investments in Affiliates	14.4	23.5	+9.0
Other	12.1	30.8	+18.7
FG Consolidated	333.9	415.7	+81.7



1. Incl. Net Gains (Losses) related to ETFs and others. Rounded figures before consolidation adjustment. 2. Net Business Profits are the sum of figures from SC consolidation and our US-based entities (such as MSUSA, etc.) which are not consolidated subsidiaries of SC. Interim Net Income is Management accounting basis, which includes the figures of U.S. based entities. Figures of US-based entities are: Net Business Profits JPY 58.2B, Interim Net Income JPY 48.9B. 3. Excl. Consolidation, Amortization of Goodwill and other items.

This presentation contains statements that constitute forward-looking statements including estimates, forecasts, targets and plans. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions. Such forward-looking statements do not represent any guarantee of future performance by management. Further information regarding factors that could affect our financial condition and results of operations is included in our most recent Form 20-F and our report on Form 6-K.

Abbreviations

FG	: Mizuho Financial Group, Inc.	RBC	: Retail & Business Banking Company
BK	: Mizuho Bank, Ltd.	CIBC	: Corporate & Investment Banking Company
TB	: Mizuho Trust & Banking Co., Ltd.	GCIBC	: Global Corporate & Investment Banking Company
SC	: Mizuho Securities Co., Ltd.	GMC	: Global Markets Company
MSUSA	: Mizuho Securities USA LLC	AMC	: Asset Management Company
AM-One	: Asset Management One Co., Ltd.		

Foreign exchange rate

Management accounting

	Planned rate
USD/JPY	120.00
EUR/JPY	132.00

Financial accounting

(TTM at the respective period-end)

	Sep-22	Mar-23	Sep-23
USD/JPY	144.81	133.54	149.58
EUR/JPY	142.32	145.72	157.97

Definitions

Financial accounting

Consolidated Net Business Profits	: Consolidated Gross Profits - G&A Expenses (excl. Non-Recurring Losses) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments
Net Gains (Losses) related to ETFs and others	: Net Gains (Losses) related to ETFs (2 Banks) + Net Gains (Losses) on Operating Investment Securities (SC Consolidated)
G&A Expenses (excl. Non-Recurring Losses and others)	: G&A Expenses (excl. Non-Recurring Losses) - Amortization of Goodwill and other items
Expense ratio	: G&A Expenses (excl. Non-Recurring Losses and others) ÷ (Consolidated Gross Profits + Net Gains (Losses) related to ETFs and others)
Net Income attributable to FG	: Quarterly Profit Attributable to Owners of Parent
2 Banks	: BK + TB (on a non-consolidated basis)
CET1 Capital Ratio (excl. Net Unrealized Gains (Losses) on Other Securities)	: Includes the effect of partially fixing unrealized gains on Japanese stocks through hedging transactions [Numerator] Excludes Net Unrealized Gains (Losses) on Other Securities and its associated Deferred Gains or Losses on Hedges [Denominator] Excludes RWA associated with Net Unrealized Gains (Losses) on Other Securities (stocks)
Basel III finalization fully-effective basis	: Estimated figures reflecting the effect of Basel III finalization. The capital floor is calculated after deducting associated reserves from RWA using the standardized approach
Internal risk capital:	: Risk capital includes factors such as regulatory risk-weighted assets (RWA) and interest rate risk in the banking account. Internal risk capital for RBC, CIBC, GCIBC are calculated on a Basel III finalization fully-effective basis. Preliminary figures.

Management accounting

Customer Groups	: Aggregate of RBC, CIBC, GCIBC and AMC
Markets	: GMC
Group aggregate	: BK + TB + SC + other major subsidiaries on a non-consolidated basis
Net Business Profits by In-house Company	: Gross Profits + Net Gains (Losses) related to ETFs and others - G&A Expenses (excl. Non-Recurring Losses and others) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments - Amortization of Goodwill and other items