

# Financial Results for FY23 H1 - Presentation Material for Fixed Income Investors -

November, 2023

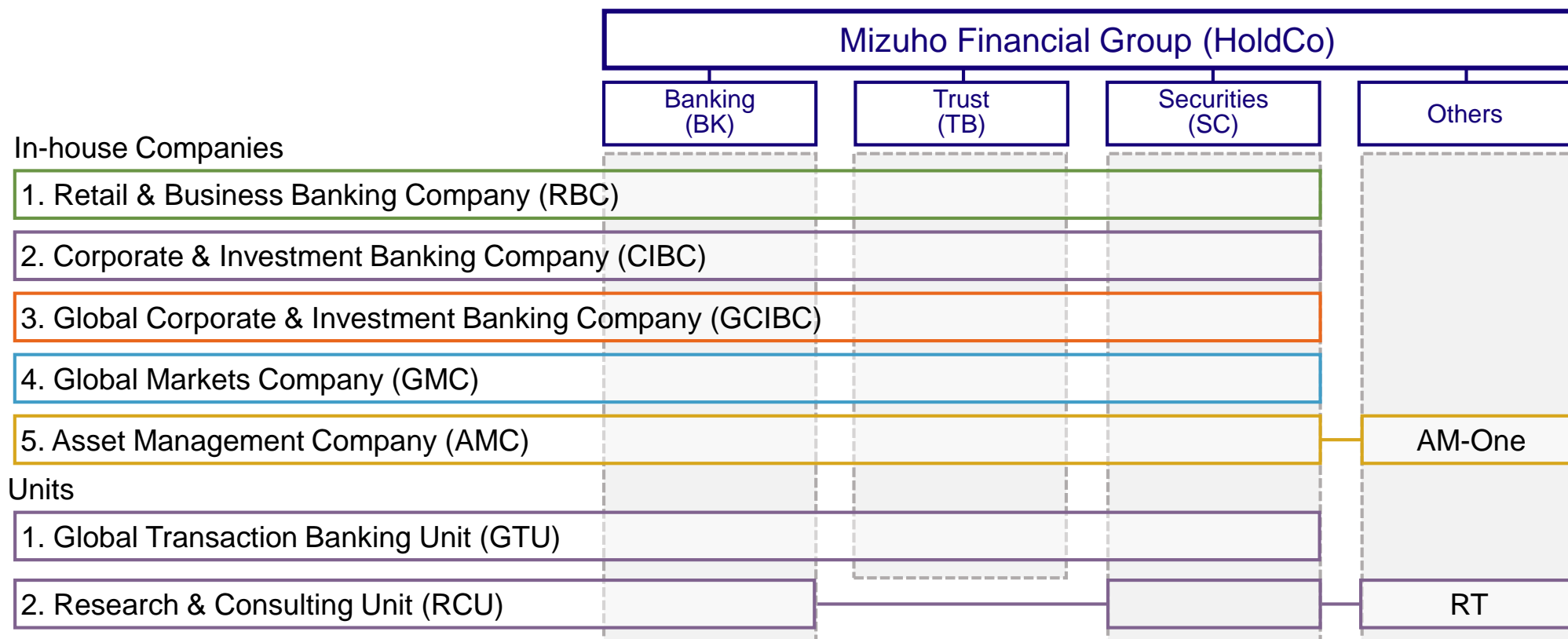
Mizuho Financial Group



Innovating today. Transforming tomorrow.

# Group Overview

# Mizuho Group



(As of Mar-23, rounded figures)

Individual Customers	Securities Accounts	SME borrowers, etc.	Coverage of listed companies in Japan	Forbes Global 200* Non-Japanese coverage
22M	1.7M	94K	80%	90%

## Credit Ratings

(As of Nov. 16, 2023)

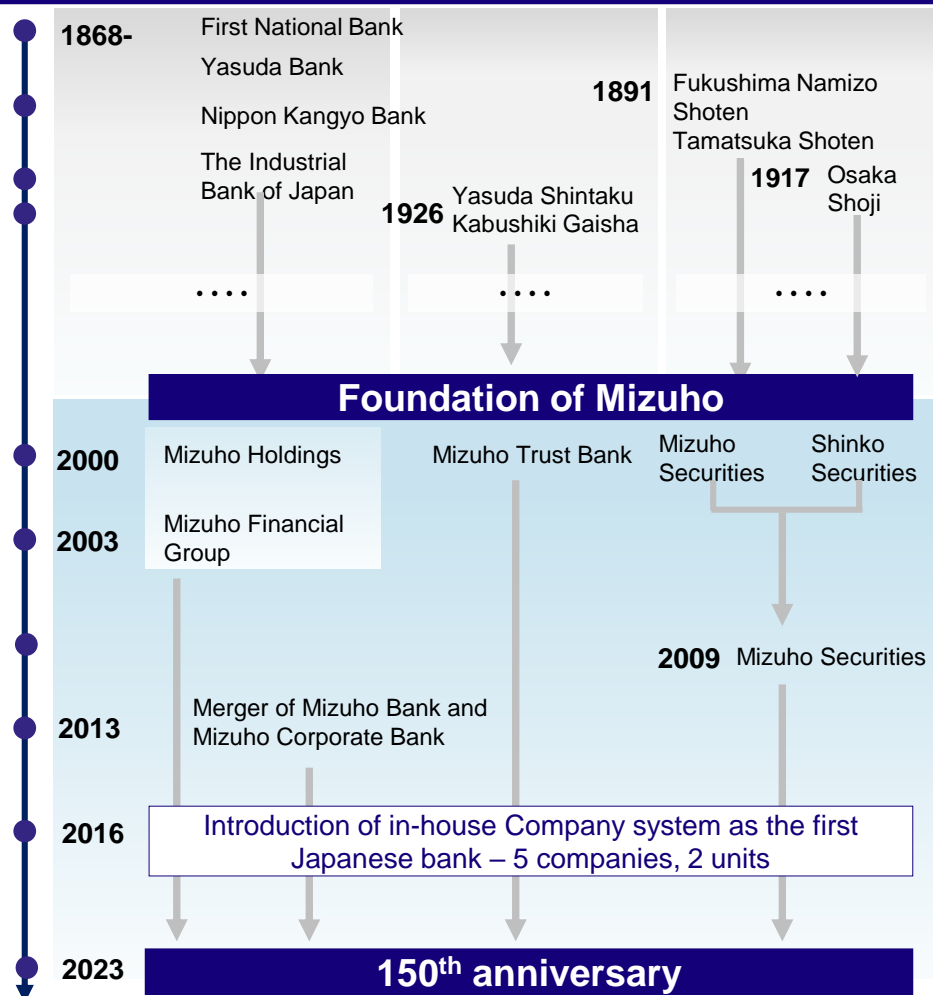
	FG	BK / TB
S&P	A-	A
Moody's	A1	A1
Fitch	A-	A-
R&I	AA-	AA
JCR	AA	AA

\* Top 200 corporations from Forbes Global 2000.

# Who we are: Mizuho Group (1) Outline

- To mark 150<sup>th</sup> anniversary, as the first bank founded in Japan, we offer comprehensive financial services, banking, trust banking and securities, with wide range of network and customer base

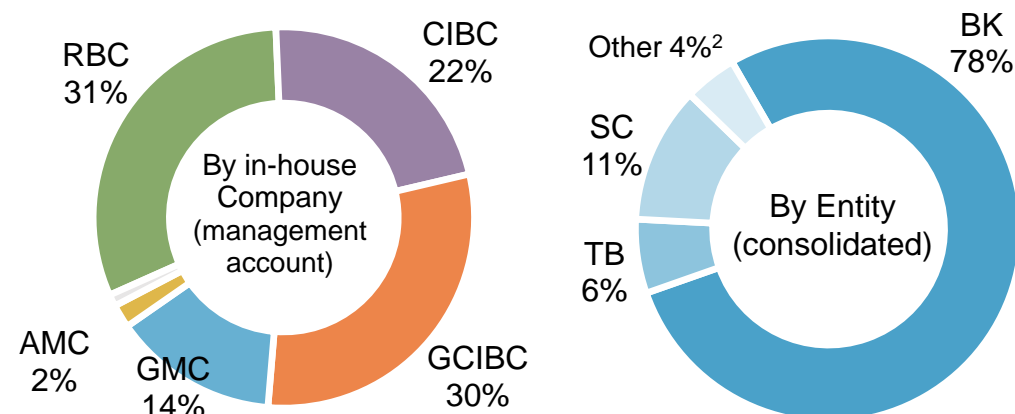
## Our history



## Network and customer base

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

## Breakdown of FY22 Gross Profits



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

# Who we are: Mizuho Group (2)

## RBC Retail

Figures as of Sep-23

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

Equity investment trust<sup>2</sup> **JPY 7.0 T** +JPY 2.9 T (vs. Mar-19)  
 Average investment trust holding period<sup>3</sup> **7.6 yrs.** Industry average<sup>4</sup> 4.6 yrs.  
 Global equity fund balance **JPY 3.7 T** +JPY 2.5 T (vs. Mar-19)

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



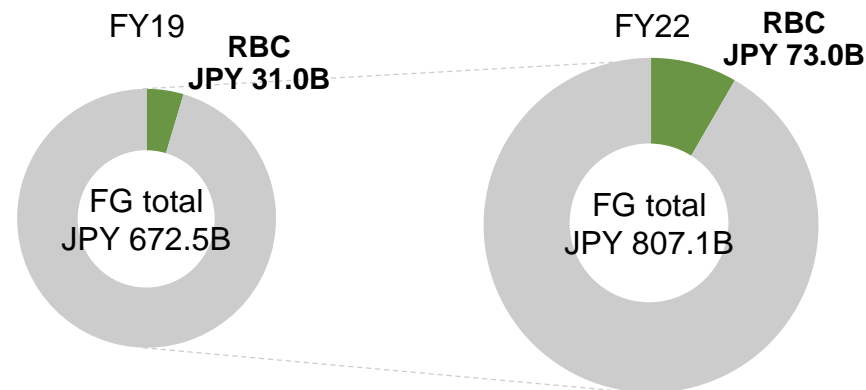
## RBC Medium-sized companies and SMEs

- Switched to new branch structure in 2021, consolidating expertise based on industrial sectors
- Enhanced the capabilities of providing solutions based on clients' needs, including addressing sustainability transformation & digitalization, through supporting growth strategy and business succession. Continuing to change loan profit structure

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

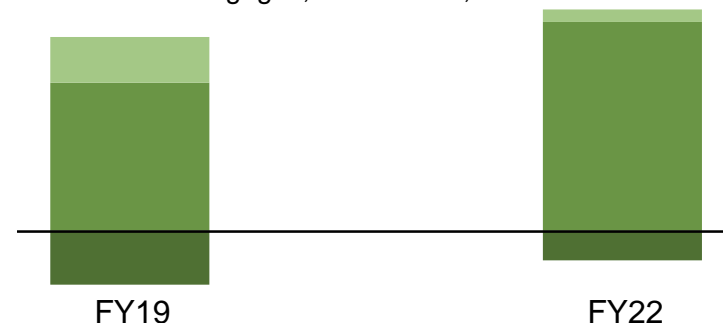
## Net Business Profit

Management accounting, rounded figures



### RBC breakdown

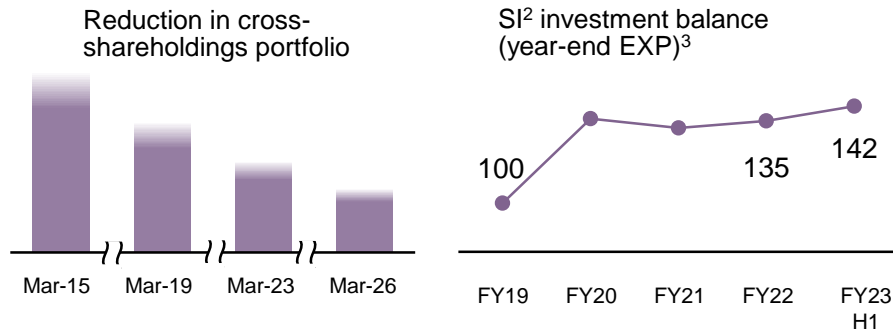
- Individual Retail: Asset management, Business generated through succession, Real-estate
- Medium-sized companies and SMEs: Lending, Solutions businesses
- Non-face-to-face: Residential mortgages, Card Loans, Frontier areas



# Who we are: Mizuho Group (3)

## CIBC Large corporations (in Japan)

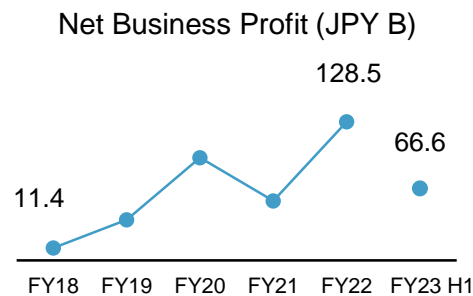
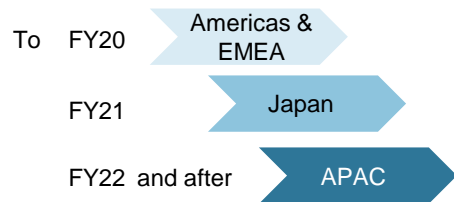
- Implemented the IG/RG<sup>1</sup> framework which promotes group unified initiatives among banking, trust banking and securities
- Having been promoting co-creation business and risk sharing model by leveraging our strengths in industry insight, and shifting capital from cross-shareholdings



## GMC S&T

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

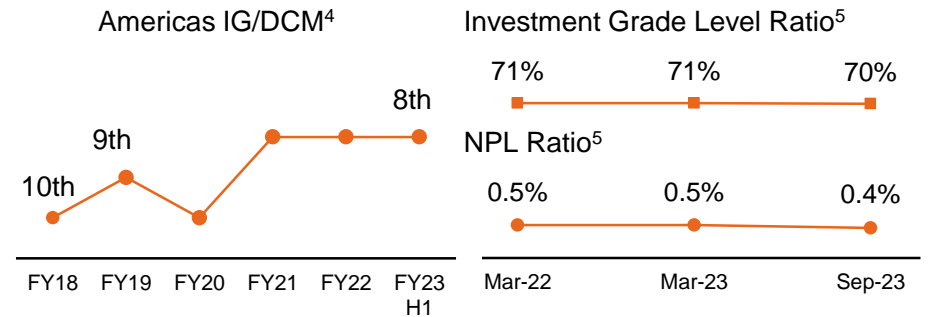
Expansion of BK-SC integrated operations & products line up



## GCIBC Outside Japan

Management accounting

- Pursuing business with leading non-Japanese corporations based on the Global 300 strategy.
- Establishing a solid position in Americas IG DCM.



## AMC Asset Management

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

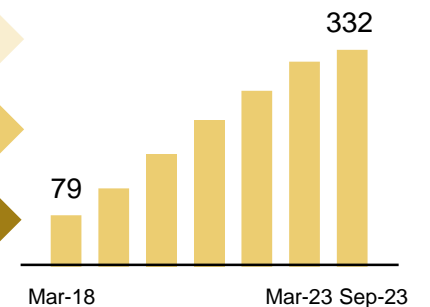
Enhancing asset-management capabilities, expanding product line-up

Enhancing asset management capabilities through "selection & concentration"

Increasing competitiveness in low-cost passive-type funds

Launching high-value active funds

No. of iDeCo users (BK, K)

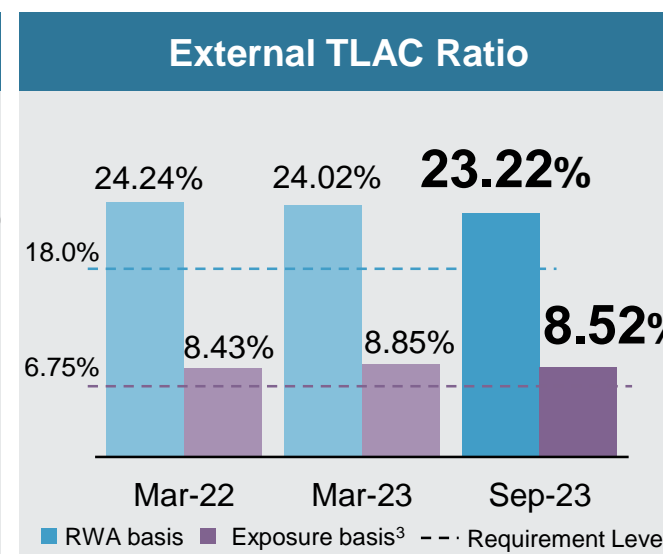
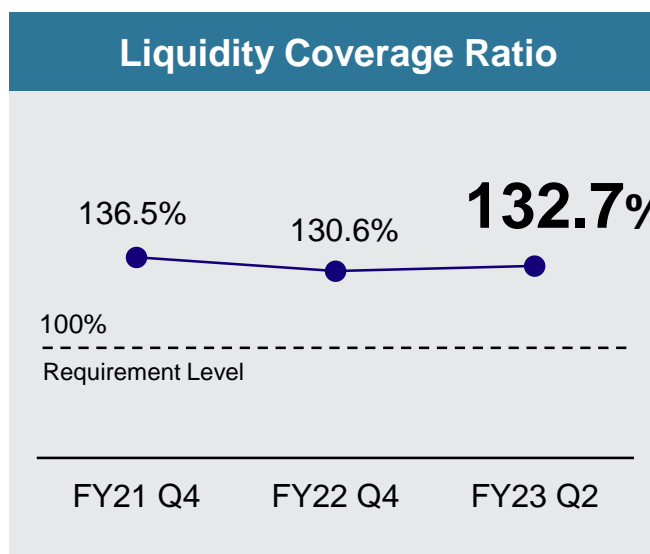
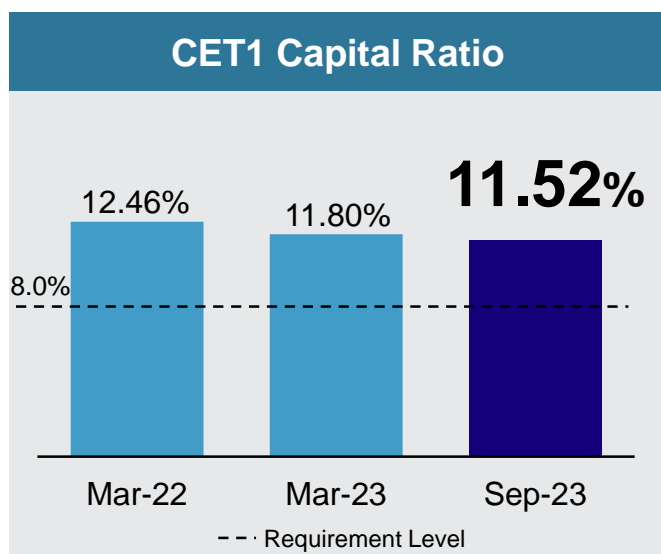
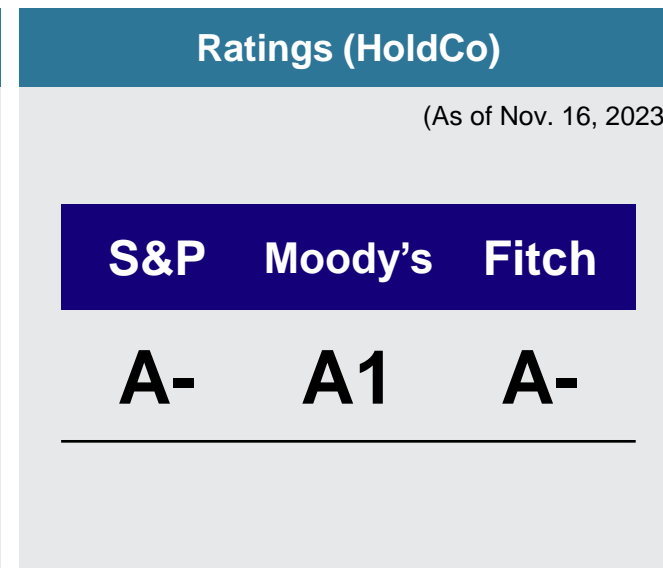
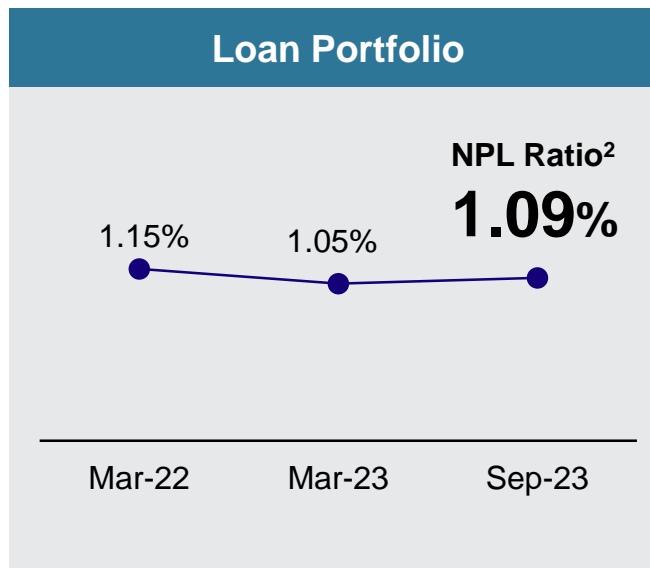
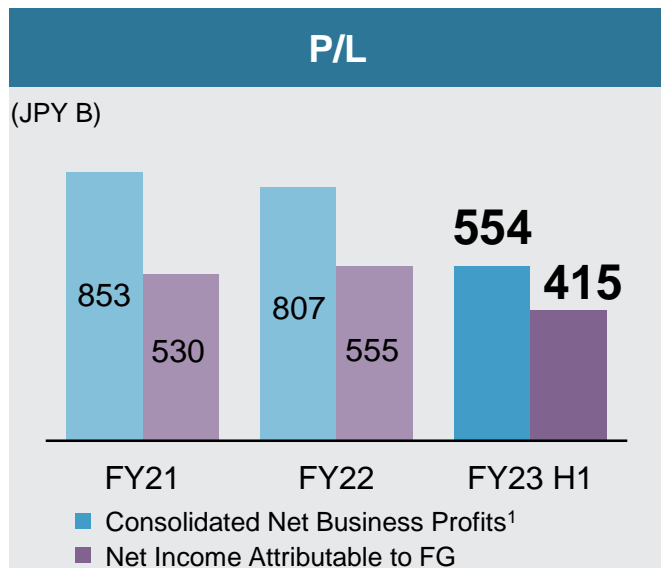


1. Industry Group & Regional Group. Formation based on industry sector. 2. Strategic Investment. Hybrid financing, Equity & Mezzanine, etc. 3. Balance indexed at FY19 as 100. 4. Bonds issued by investment grade corporations. Fee basis. Source: Dealogic. 5. BK (incl. banking subsidiaries outside Japan), In-house company management basis.

# Financial Summary

# Executive Summary

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97



1. Incl. net gains (losses) related to ETFs and others. 2. Non Performing Loans Ratio. Consolidated, banking account + trust account. Based on Banking Act (BA) and Financial Reconstruction Act (FRA).  
3. Excl. BOJ deposits.



# Summary of Financial Results (FY23 H1)

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

(JPY B)	FY23 H1	YoY	
1 Consolidated Gross Profits + Net Gains (Losses) related to ETFs and others <sup>1</sup>	1,331.2	+168.7	+14.5%
2 G&A Expenses (excl. Non-Recurring Losses and others)	-796.1	-74.2	+10.2%
3 <b>Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others<sup>1</sup></b>	<b>554.3</b>	+104.9	+23.3%
4 o/w Customer Groups	373.5	+36.8 <sup>2</sup>	+10.9%
5 o/w Markets	129.5	+24.5 <sup>2</sup>	+23.3%
6 (Consolidated Net Business Profits)	536.0	+95.2	+21.6%
7 Credit-related Costs	-11.0	+39.3	-78.0%
8 Net Gains (Losses) related to Stocks - Net Gains (Losses) related to ETFs and others <sup>1</sup>	16.2	-13.4	-45.3%
9 Ordinary Profits	574.0	+134.8	+30.6%
10 Net Extraordinary Gains (Losses)	22.2 <sup>3</sup>	+16.4	+284.9%
11 <b>Net Income Attributable to FG</b>	<b>415.7</b>	+81.7	+24.4%
(Reference)			
12 Consolidated ROE <sup>4</sup> (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

■ **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

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

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

Group aggregate, preliminary figures

(JPY B)	Gross Profits		G&A Expenses (excl. Non-Recurring Losses and others)		Net Business Profits		Net Income		ROE (most recent 12 months)
	FY23 H1	YoY <sup>1</sup>	FY23 H1	YoY <sup>1</sup>	FY23 H1	YoY <sup>1</sup>	FY23 H1	YoY <sup>1</sup>	FY23 H1
<b>Customer Groups</b>	<b>950.3</b>	<b>+60.8</b>	<b>-594.2</b>	<b>-32.9</b>	<b>373.5</b>	<b>+36.8</b>	<b>278.5</b>	<b>+31.6</b>	<b>7.4%</b>
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%
<b>Markets (GMC)<sup>2</sup></b>	<b>279.3</b>	<b>+50.0</b>	<b>-149.8</b>	<b>-25.9</b>	<b>129.5</b>	<b>+24.5</b>	<b>90.4</b>	<b>+19.0</b>	<b>2.6%</b>
Banking <sup>2</sup>	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. Incl. Net Gains (Losses) related to ETFs of 2 Banks.

# Loans in Japan

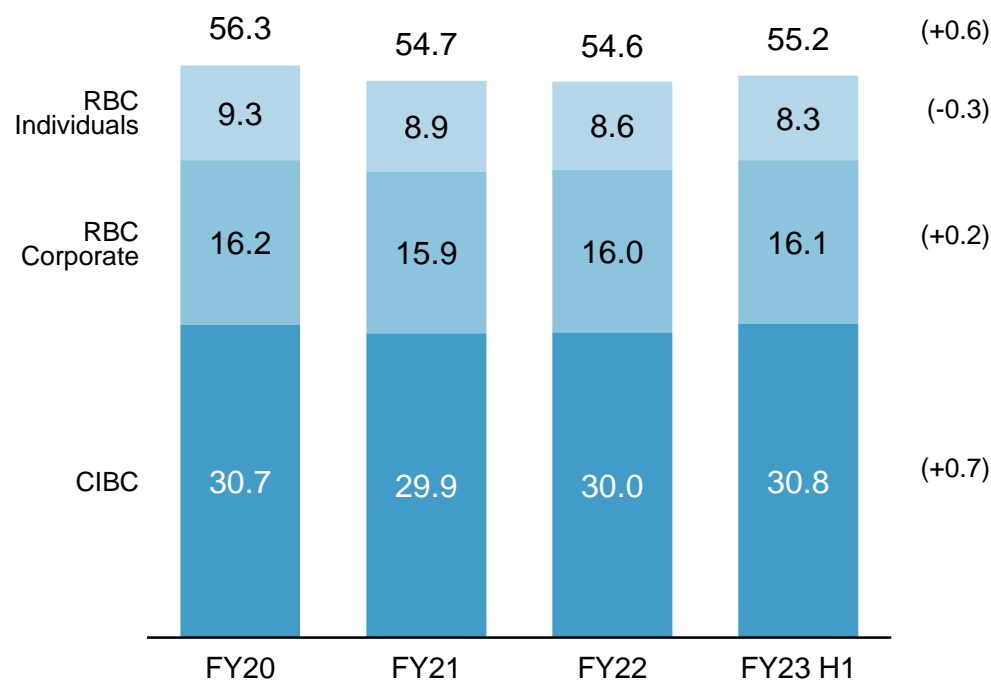
FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

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

BK+TB  
management accounting

(JPY T)

Figures in ( ) represent YoY

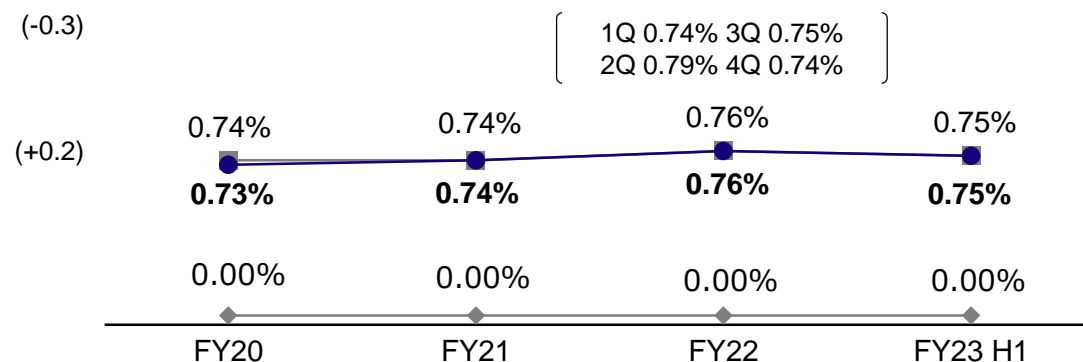


Period-end Balance	55.4	54.1	54.6	55.6
RBC Individuals	9.1	8.8	8.4	8.2
RBC Corporate	16.0	15.7	15.9	16.1
CIBC	30.3	29.5	30.2	31.2

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

2 Banks

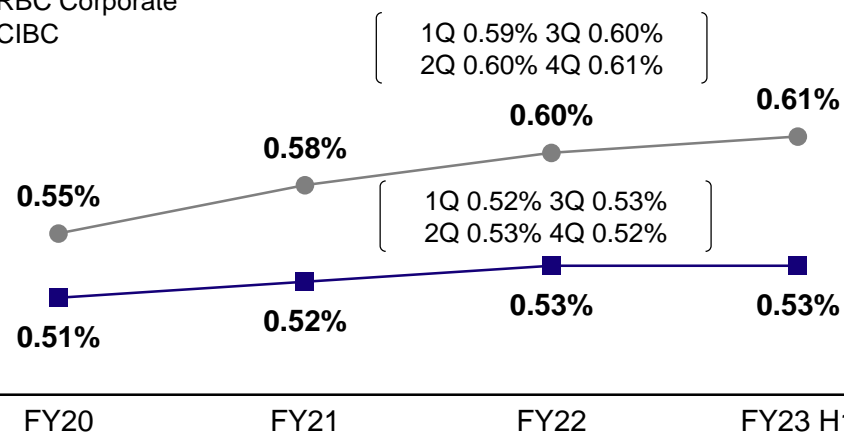
■ Returns on Loans and Bills Discounted ... a  
◆ Costs of Deposits ... b  
● Loans and Deposit Rate Margin ... a-b



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

BK+TB  
management accounting

● RBC Corporate  
■ CIBC



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

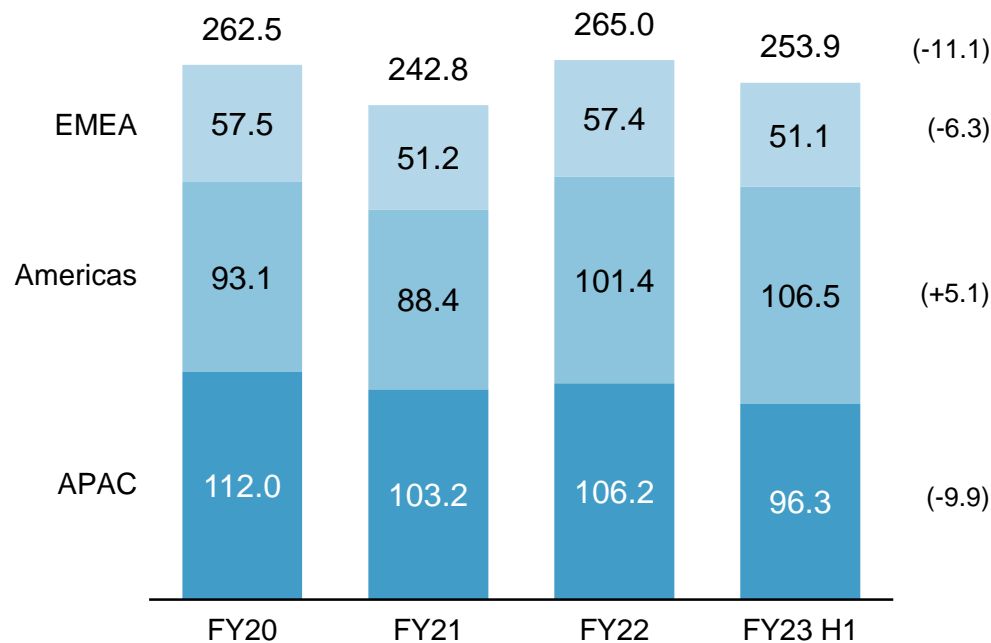
# Loans outside Japan

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

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

(USD B)

Figures in ( ) represent YoY

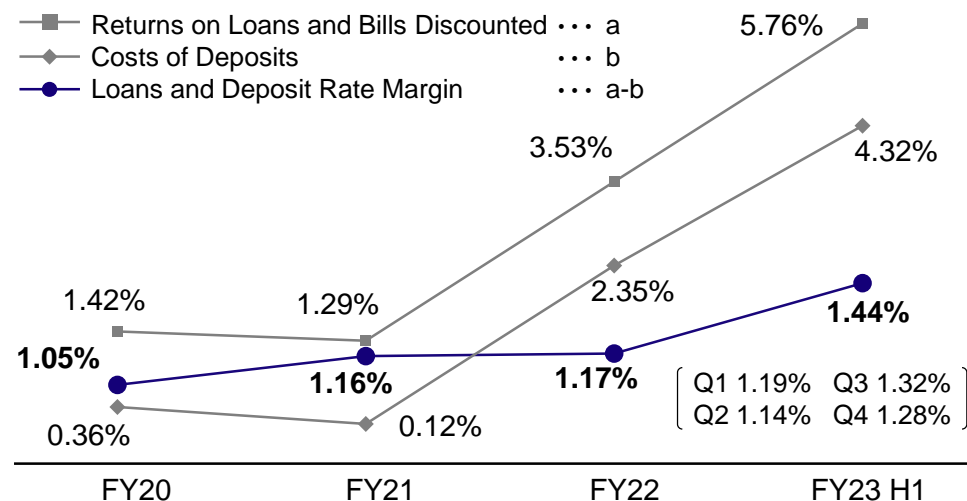


	FY20	FY21	FY22	FY23 H1
Period-end Balance	241.1	248.2	255.2	246.0
EMEA	51.4	55.2	50.6	49.8
Americas	85.7	90.6	107.4	104.5
APAC	104.1	102.4	97.2	91.8

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

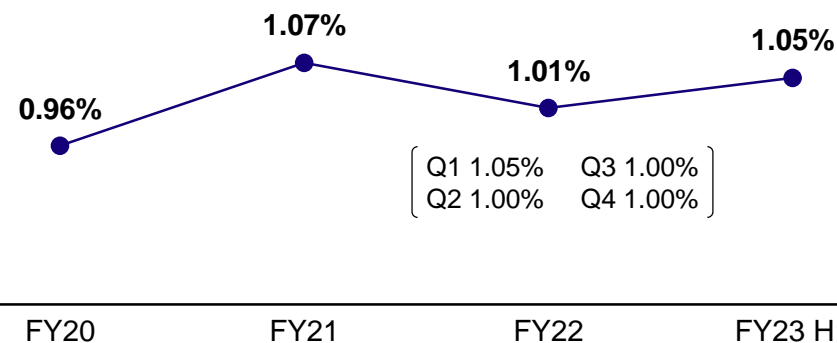
## Loan and Deposit Rate Margin

BK, International Operations



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

BK, management accounting

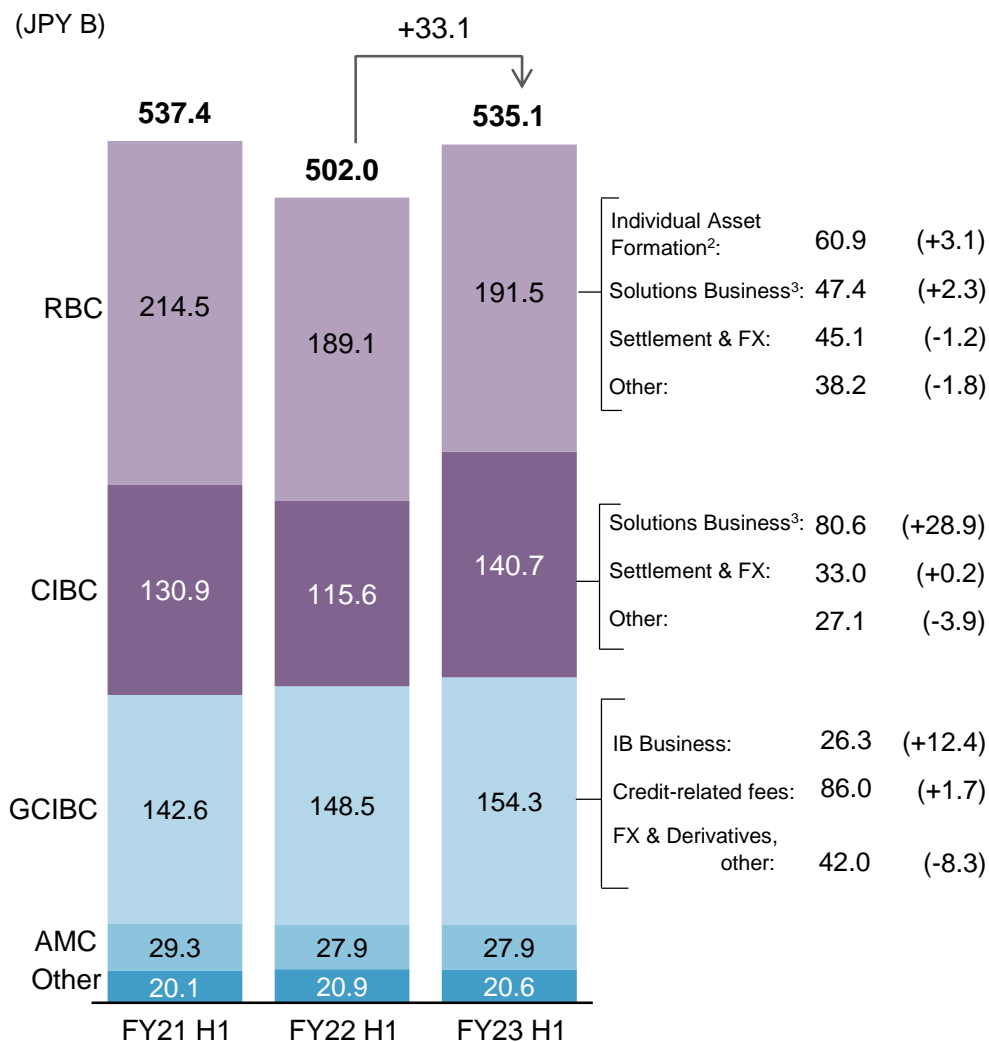


# Non-interest Income

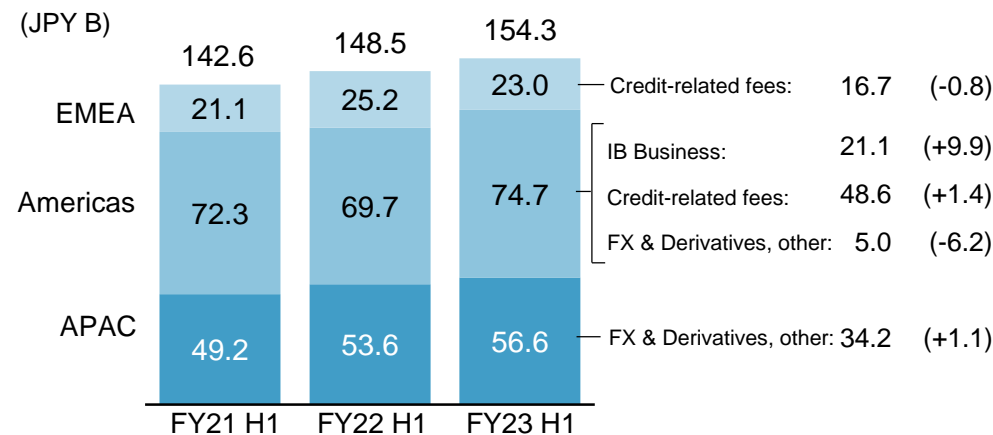
FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

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

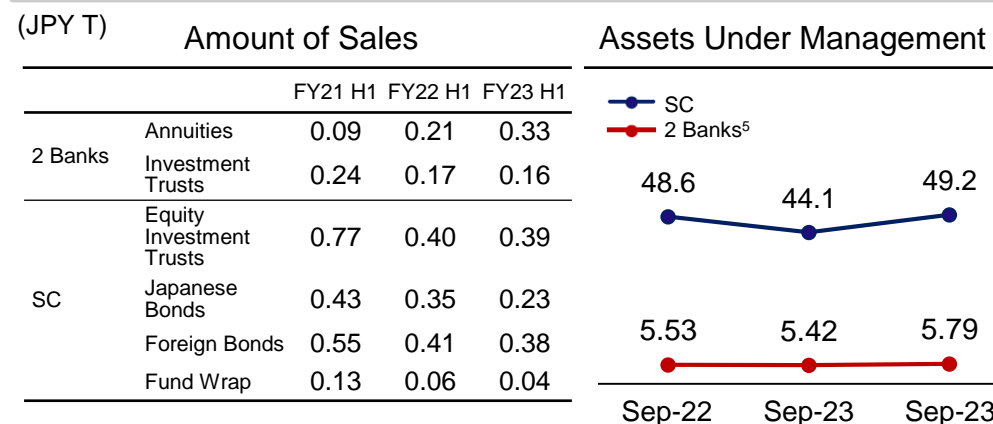
Group aggregate, preliminary figures  
Figures in ( ) represent YoY



## Breakdown of GCIBC by region



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



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 (excluding MMF), and Non-JPY Deposits.

# Overview of Balance Sheet (Sep-23)

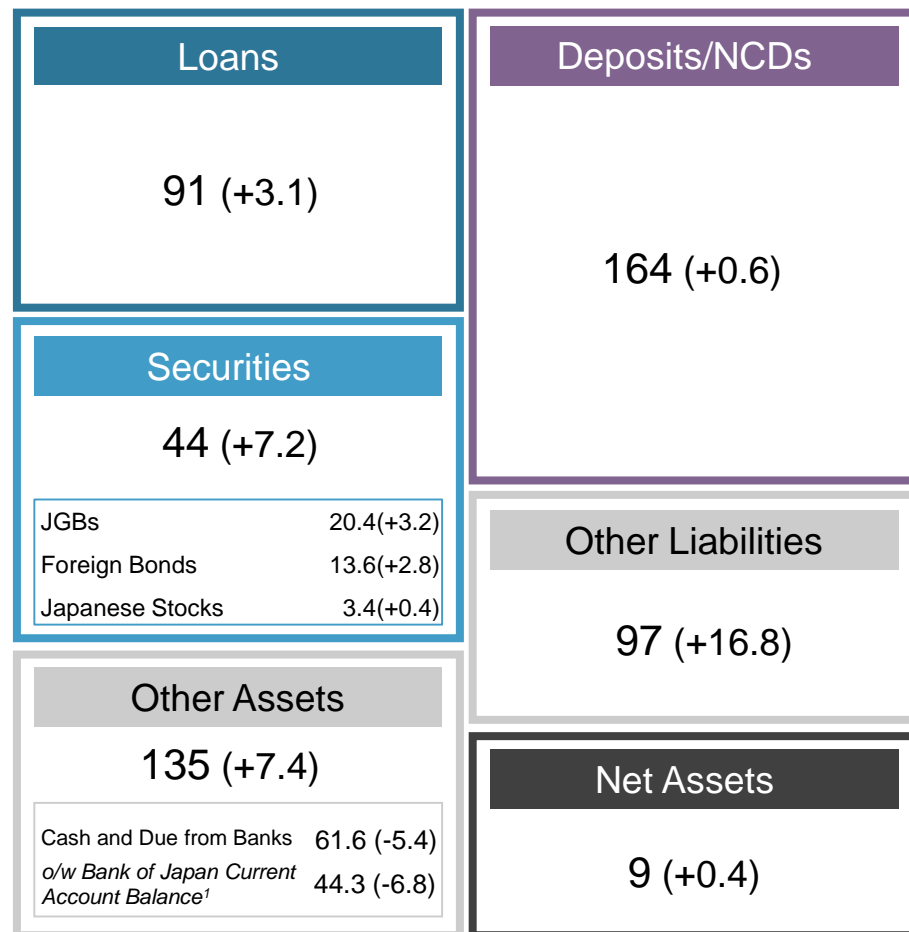
FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

## Consolidated Balance Sheet

(JPY T)

Figures in ( ) represent changes from Mar-23

Total Assets 272 (+17.9)



## Non-JPY Balance Sheet<sup>2</sup>

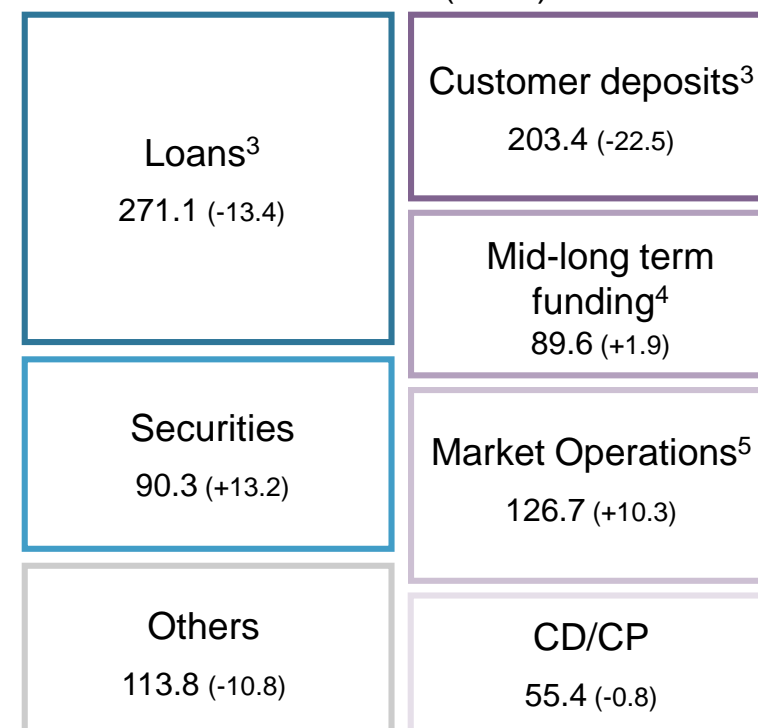
BK+TB, management accounting

(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%

Total 475.1 (-11.1)



1. 2 Banks. 2. FY23 management accounting rules. 3. 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.

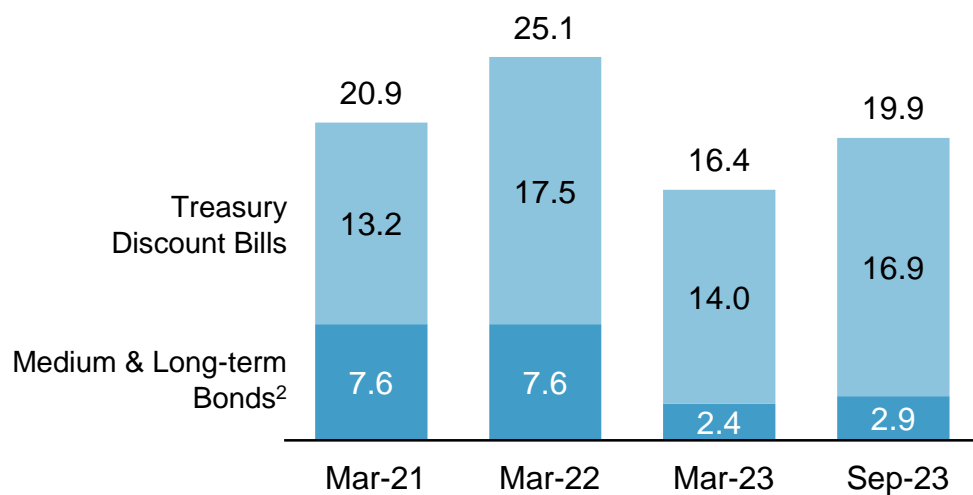
# Securities Portfolio (Bonds)

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

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

2 Banks, acquisition cost basis

(JPY T)



Unrealized Gains (Losses) <sup>3</sup> (JPY B)	-31.7	-30.5	-46.4	-35.2
Reference: Avg. remaining period <sup>4</sup> (yrs)	1.1	1.2	0.7	0.7

## (Ref.) Bonds held to maturity

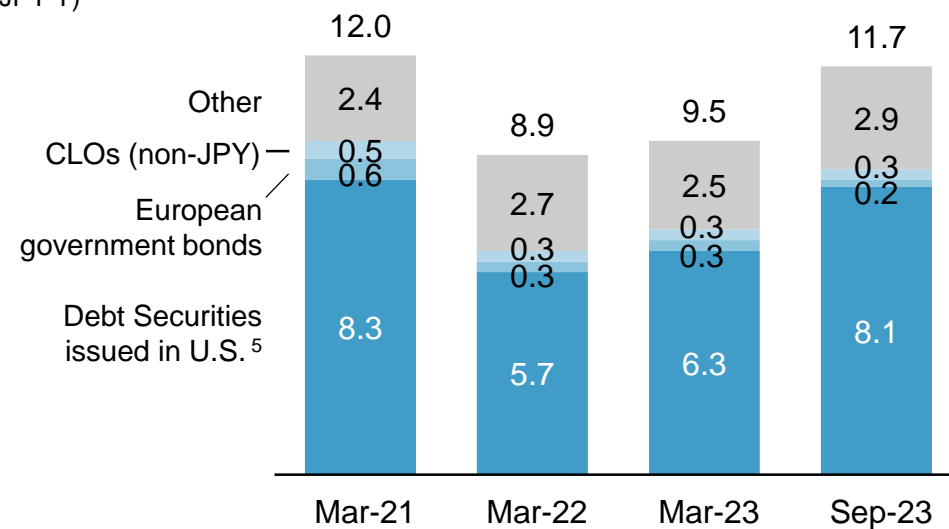
2 Banks, acquisition cost basis

	Mar-21	Mar-22	Mar-23	Sep-23
Balance (JPY T)	0.8	1.5	2.0	2.9

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

2 Banks, acquisition cost basis

(JPY T)



Unrealized Gains (Losses) <sup>3</sup> (JPY B)	-26.6	-279.5	-454.7	-584.0
Reference: Avg. remaining period <sup>4</sup> (yrs)	2.5	1.6	1.1	1.6

## (Ref.) Foreign currency Banking Operations

Continued integrated interest rate risk management across foreign bond portfolio and foreign currency ALM

Foreign bonds<sup>3</sup> + Foreign currency ALM  
o/w FX effects

FY23 H1 Movement in  
Unrealized Gains (Losses)<sup>6</sup>  
Approx. -JPY 90B  
Approx. -JPY 40B

1. Other Securities which have readily determinable fair values. 2. Incl. bonds with remaining period of one year or less. 3. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. Applying Net Deferred gains (losses) of deferred hedging accounting among hedging instruments. 4. Management accounting basis. After taking into account hedging activities, excl. bonds held to maturity. 5. UST/GSE Bonds. 6. Management accounting basis.

# Asset Quality

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

## Credit-related Costs

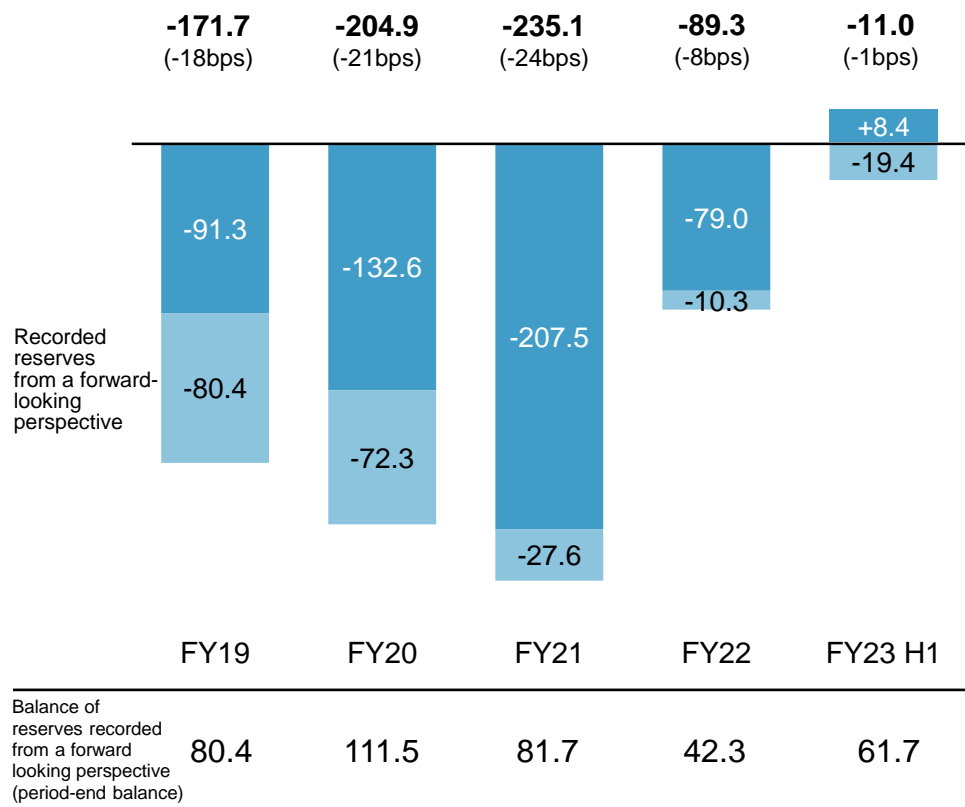
Consolidated

(JPY B)

Figures in ( ) represent Credit-related Costs Ratio:

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

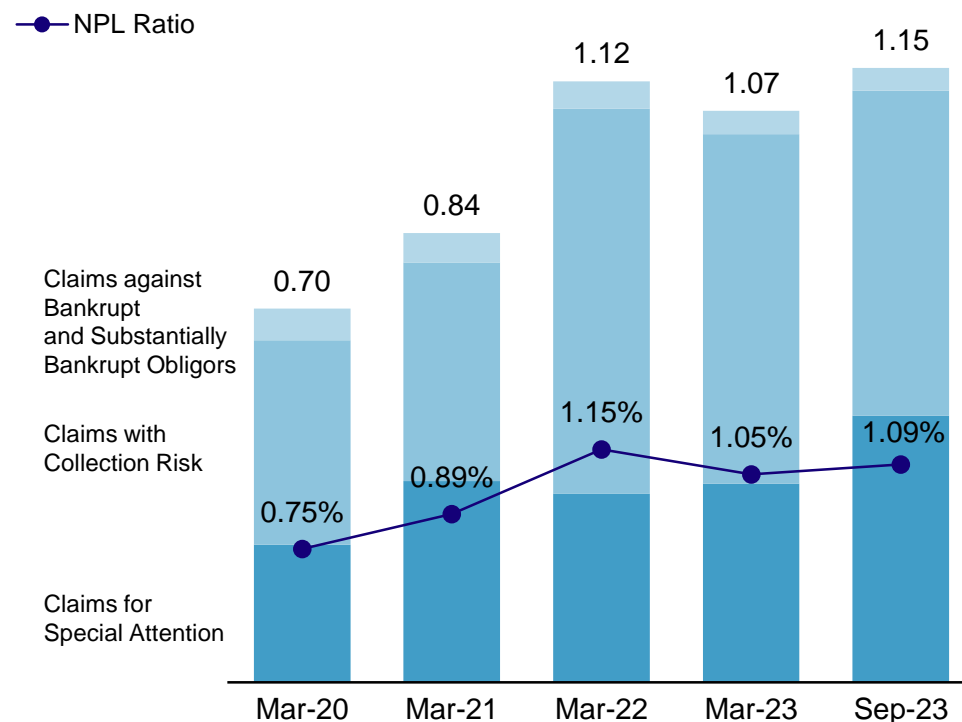
RBC : +8.4  
CIBC : -46.4  
GCIBC : +31.1



## Non Performing Loans based on BA<sup>1</sup> and FRA<sup>2,3</sup>

Consolidated

(JPY T)



Ref. Other Watch Obligors	2 Banks, banking account				
Balance (JPY T)	1.6	1.7	1.9	1.8	2.0
Reserve Ratio	4.91%	4.87%	3.46%	2.91%	4.11%

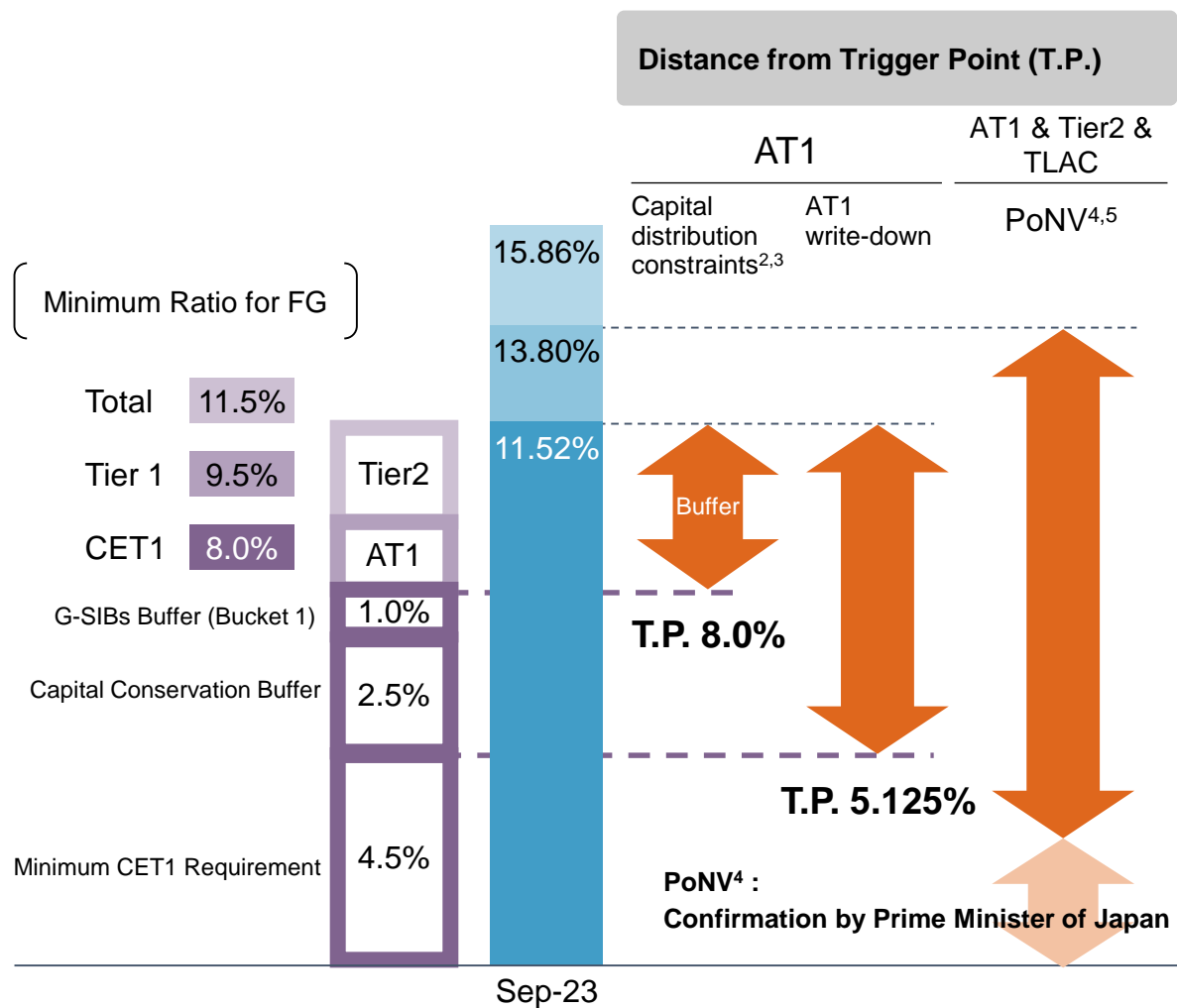
1. Banking Act. 2. Financial Reconstruction Act. 3. Incl. Trust Account. Ratio and balance before Mar-21 are based on non performing loans on FRA.



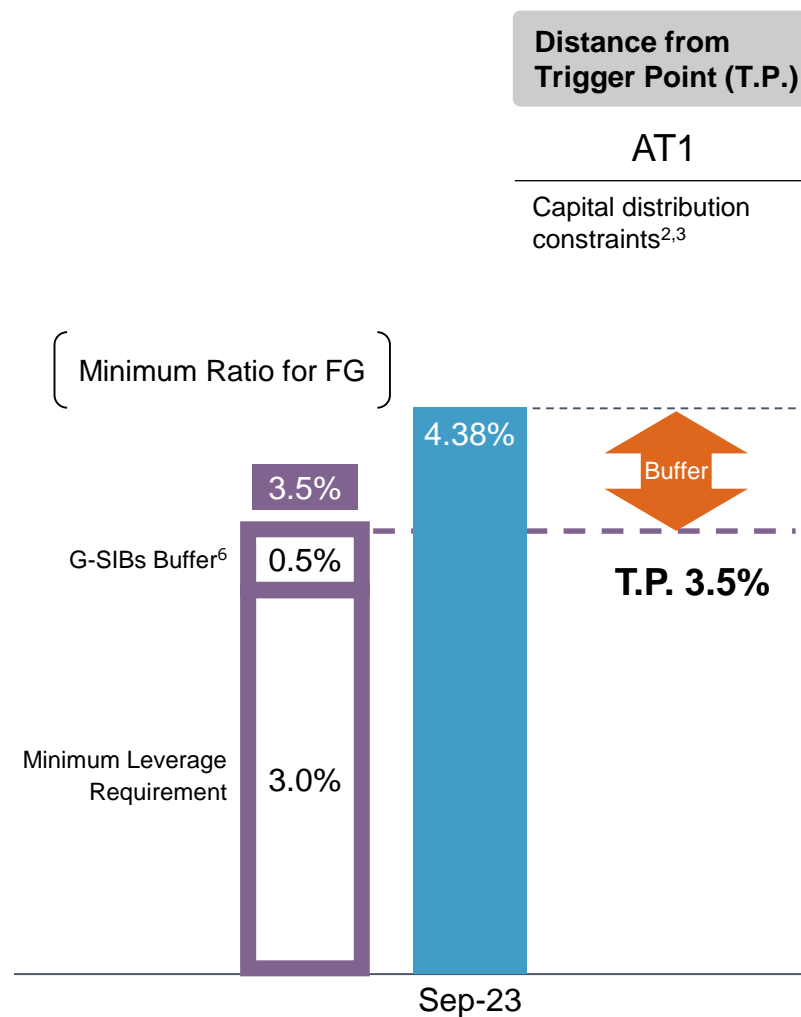
# Summary of Capital and Funding

# Basel Capital Regulations in Japan

## Regulatory Capital Ratio<sup>1</sup>



## Leverage Ratio



1. Excl. countercyclical buffer. Current Basel III basis. 2. Assuming that AT1 capital ratio, Tier 2 capital ratio and RWA-based external TLAC ratio are above their respective minimum requirements.  
 3. Incl. potential restriction of AT1 payment. 4. Point of Non-Viability. 5. Write-down of AT1, Tier 2 & potential loss absorption of TLAC.  
 6. As Leverage buffer applied to G-SIBs, 50% of G-SIBs buffer (Bucket 1) is additionally required.

# Capital Policy

## Capital policy

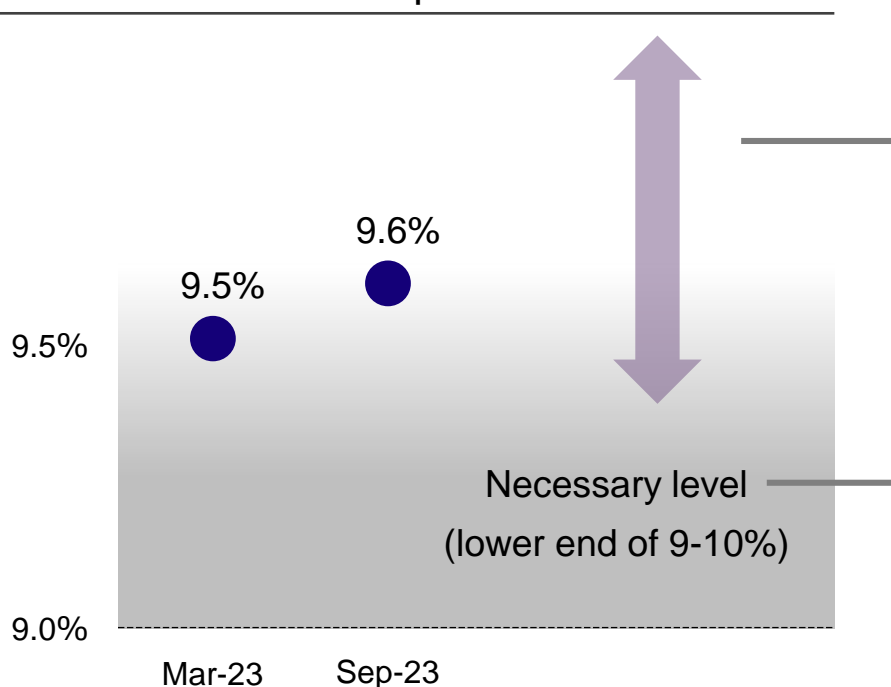
**Pursuing the optimal balance between capital adequacy, growth investment and enhancement of shareholder return**

## Shareholder return policy

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

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

### CET1 Capital ratio\*



### Approach for managing CET1 Capital ratio at present

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

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

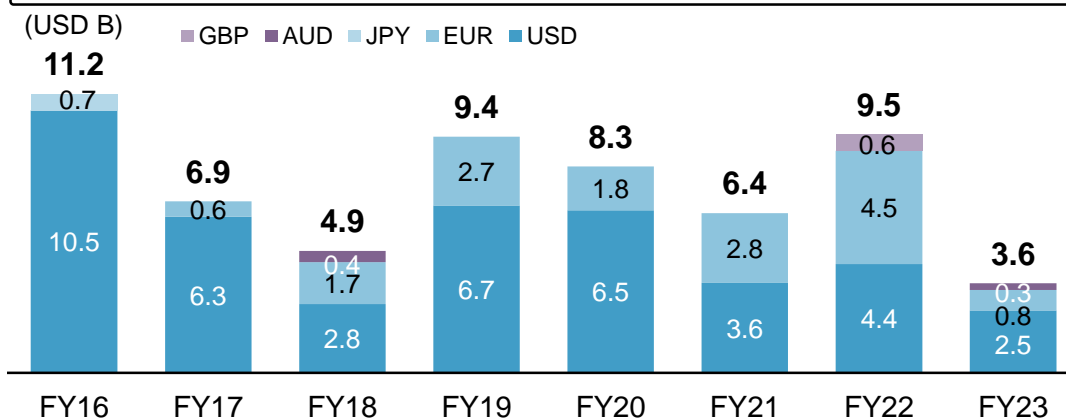
\* Basel III finalization basis. Excl. net unrealized gains (losses) on other securities.

# Summary of Senior Bonds issued by FG (TLAC eligible)

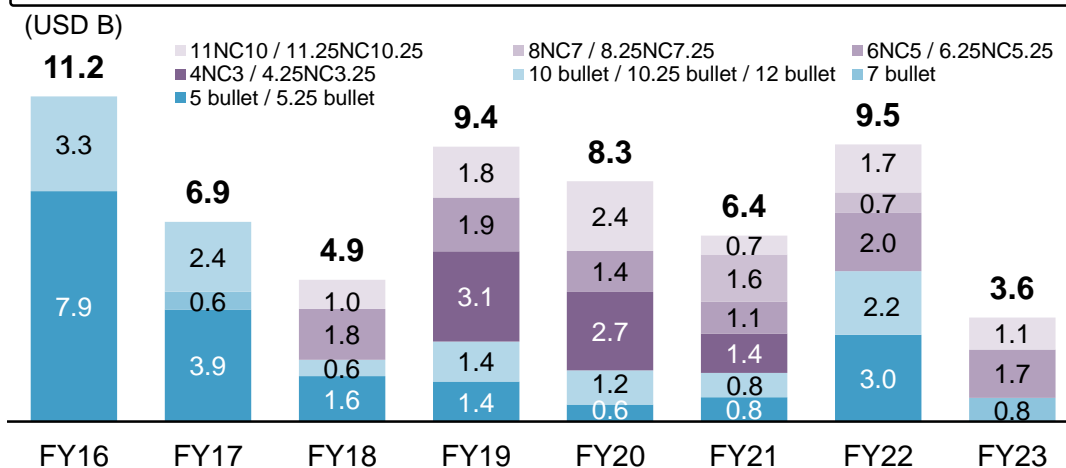
FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

## Past Issuance<sup>1</sup>

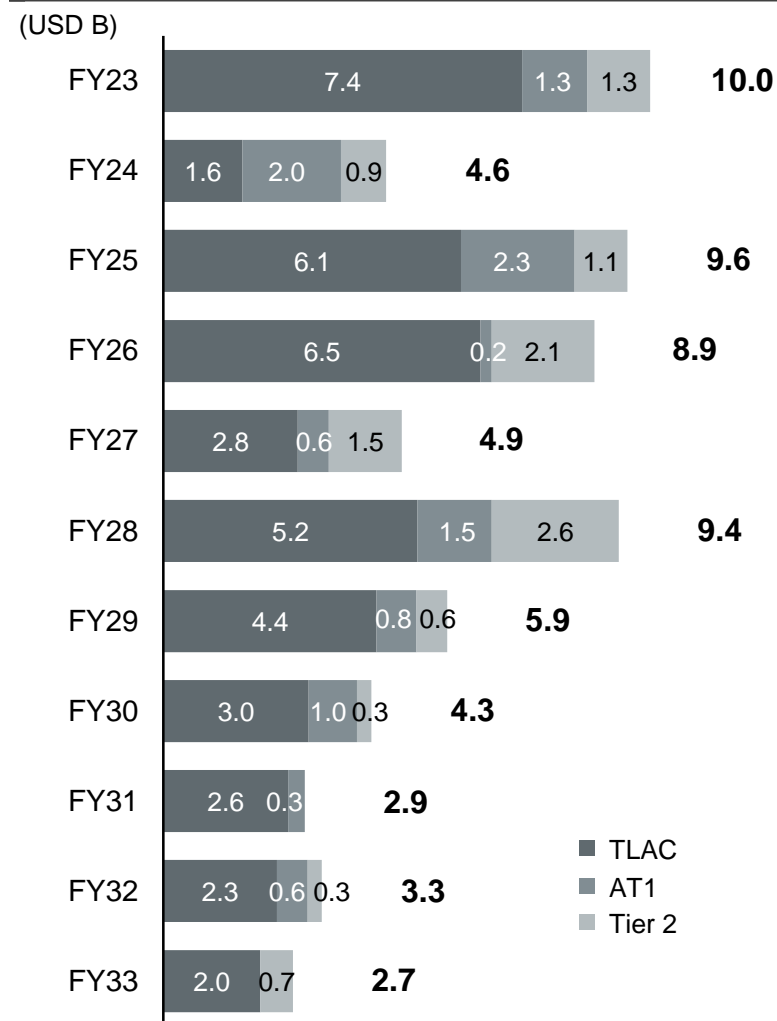
### By Currency



### By Term



## Outstanding TLAC eligible bonds<sup>2</sup>



1. Foreign exchange rate (TTM) at the end of the respective fiscal year used (rate as of Oct. 31 applied for FY23). 2. Foreign exchange rate (TTM) as of Oct. 31, 2023 is applied. Only publicly offered bonds are included. Callable bonds are assumed to be redeemed at their respective first call dates, although there is no assurance they will be redeemed at such dates.

# HoldCo Senior Bonds (TLAC eligible) issuance by fiscal year

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Issuance Volume*
FY16	\$ 2016/04/12 3-part \$4B			¥ 2016/07/22 ¥75B		\$ 2016/09/13 3-part \$3.25B					\$ 2017/02/28 3-part \$3.25B		USD 11.2B
FY17						\$ 2017/09/11 3-part \$3.25B		€ 2017/10/16 €0.5B			\$ 2018/03/05 3-part \$3B		USD 6.9B
FY18	€ 2018/04/10 2-part €1B		A\$ 2018/07/19 2-part A\$0.625B		\$ 2018/09/11 3-part \$2.75B		€ 2018/10/11 €0.5B						USD 4.9B
FY19		€ 2019/06/10 €0.75B			\$ 2019/07/16 4-part \$2.75B	€ 2019/09/06 2-part €1B		\$ 2019/09/13 3-part \$1.6B		€ 2020/01/14 €0.75B		\$ 2020/02/25 3-part \$2.35B	USD 9.4B
FY20			\$ 2020/07/10 3-part \$2.5B		\$ 2020/09/08 3-part \$2B	€ 2020/10/07 2-part €1.5B				\$ 2021/02/22 2-part \$2B			USD 8.3B
FY21	€ 2021/04/12 2-part €1.5B		\$ 2021/07/09 2-part \$1.75B		€ 2021/09/06 €1B					\$ 2022/02/22 3-part \$1.85B			USD 6.4B
FY22	€ 2022/04/08 2-part €1.5B			€ 2022/09/05 2-part €1.3B		\$ 2022/09/13 2-part \$1.75B			€ 2023/02/20 2-part €1.35B	£ 2023/03/13 £ 0.5B	\$ 2023/02/27 3-part \$2.6B		USD 9.5B
FY23			\$ 2023/07/06 2-part \$2.5B	€ 2023/08/28 €0.75B		A\$ 2023/08/28 A\$0.4B							USD 3.6B

\* Foreign exchange rate (TTM) at the end of the respective fiscal year used (rate as of Oct. 31 applied for FY23)

# AT1 Capital & Tier 2 Capital Securities issuance by fiscal year<sup>1</sup>

FX rate(Sep-23): USD/JPY=149.58  
EUR/JPY=157.97

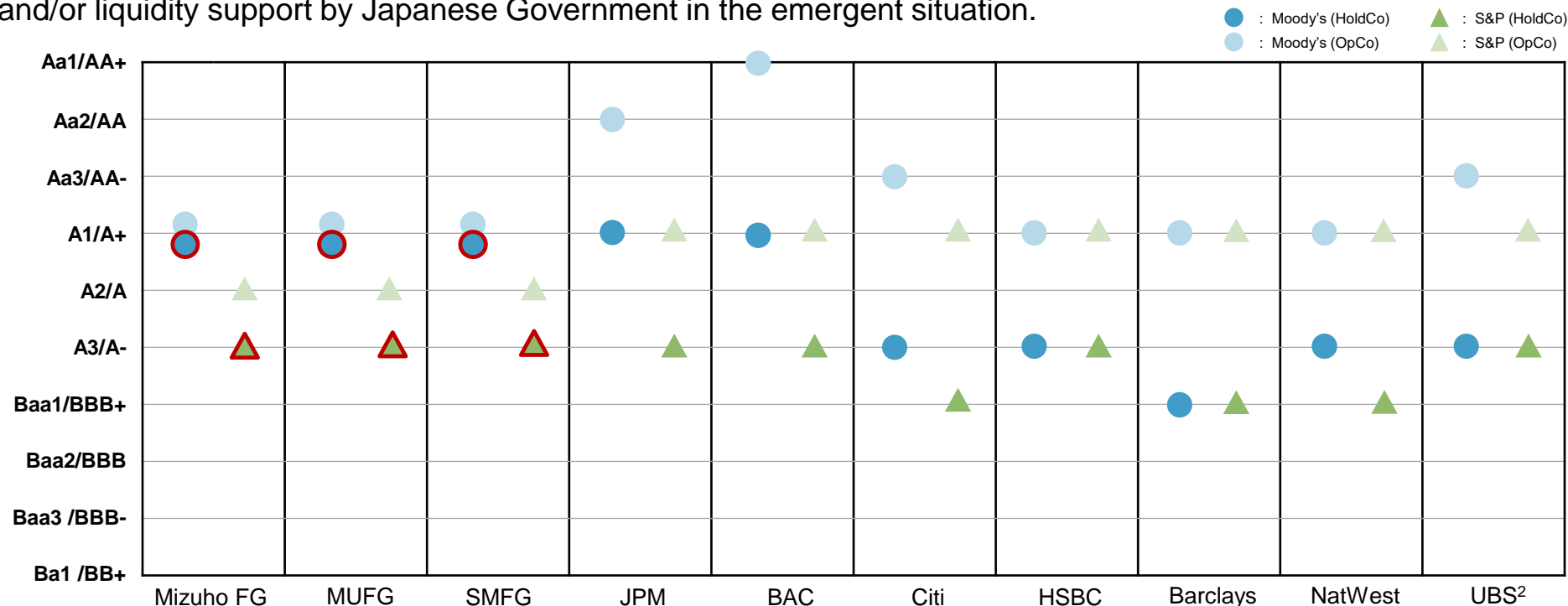
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Issuance Volume <sup>2</sup>	
													AT1	Tier2
FY15			¥ 2015/06/18 ¥50B	¥ 2015/07/24 ¥300B			\$ 2015/10/20 \$0.75B						JPY 300B	JPY 134B
FY16		¥ 2016/06/20 ¥155B		¥ 2016/07/22 ¥460B							¥ 2017/01/26 ¥180B		JPY 460B	JPY 335B
FY17		¥ 2017/06/21 ¥114B		¥ 2017/07/21 ¥460B									JPY 460B	JPY 114B
FY18		¥ 2018/06/12,20 ¥110B		¥ 2017/07/20 ¥350B									JPY 350B	JPY 110B
FY19		¥ 2019/06/13 ¥90B		¥ 2019/07/19 ¥235B			¥ 2019/10/30 ¥158B						JPY 235B	JPY 248B
FY20		¥ 2020/06/24 ¥80B		¥ 2020/07/21 ¥207B			¥ 2020/10/30 ¥137B				¥ 2020/12/24 ¥131B		JPY 338B	JPY 217B
FY21							\$ 2021/09/13 \$1.0B						JPY 0B	JPY 122B
FY22							¥ 2022/10/19, 28 ¥131B				¥ 2022/12/26 ¥77B		JPY 77B	JPY 131B
FY23				¥ 2023/07/13 ¥238B			¥ 2023/07/26 ¥261B						JPY 261B	JPY 238B

1. Public offerings only. 2. Foreign exchange rate (TTM) at the end of the respective fiscal year used.

# HoldCo - OpCo Bank Rating Comparison

## Credit Ratings of Selected G-SIBs<sup>1</sup> (as of Oct-23)

- Japanese G-SIBs' HoldCo obtained the highest ratings among G-SIBs peers by Moody's and S&P. These ratings are assumed to be based on their view of a likelihood of regulatory actions with pre-emptive capital and/or liquidity support by Japanese Government in the emergent situation.









### HoldCo – OpCo Bank Rating Difference

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

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. Moody's ratings for UBS HoldCo include those directly from Moody's and some given voluntarily without request.

# Comparison of loss absorption mechanism of capital instruments in selected countries

■ Public supports including capital injection prior to PoNV are applicable to Japanese financial institutions.<sup>1</sup>

Region/Country	Issuing entity	Capital injection prior to PoNV	Loss absorption mechanism		
			AT1		Tier2
			Trigger of going concern		
 Japan	HoldCo	Yes	5.125%	Contractual Write-down or Conversion	Contractual Write-down or Conversion
 USA	HoldCo	No	None	Statutory Write-down or Conversion	Statutory Write-down or Conversion
 UK	HoldCo	No (injection available only after AT1 / Tier2 bail-in)	7% <sup>2</sup>	Statutory Write-down or Conversion	Statutory Write-down or Conversion
 EU	OpCo	No (injection available only after AT1 / Tier2 bail-in)	at least 5.125% <sup>3</sup>	Statutory Write-down or Conversion	Statutory Write-down or Conversion
 Canada	OpCo	No (injection available only after AT1 / Tier2 bail-in)	None	Contractual Conversion	Contractual Conversion
 Australia	OpCo	No (injection available only after AT1 / Tier2 bail-in)	5.125%	Contractual Conversion (with fallback to write-down)	Contractual Conversion (with fallback to write-down)

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. Some issuers have stipulated 7% trigger as contractual base so that they could add their AT1 capital into the numerator of their leverage ratios. 3. 7% or 8% in some countries.



# Sustainability Initiatives

# Highlights: TCFD Report / Human Rights Report



## Revisions to the Net Zero Transition Plan

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



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

Sectors with targets set

FY22 (targets already set): Electric Power, Oil and Gas, and Coal Mining (Thermal Coal)  
 FY23 (target-setting planned): Automotive, Steel, Maritime Transportation, and Real Estate

## Reduction of our own GHG emissions

Scope 2 in Japan: Switched around 70% of electricity consumptions to renewable energy sources

## Governance

Revised executive compensation system

Evaluation criteria on sustainability / climate change



## Engagement

Engagement to support clients' SX

Engagements in accordance with the ES Policy<sup>1</sup>

FY22 approx. 1,700

approx. 1,100

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



## Natural capital initiatives

Identified important natural capital by the financing portfolios analysis

Water/Biodiversity (habitats and species)



## Wider scope of financed emissions measurement

Corporate finance  
Project finance



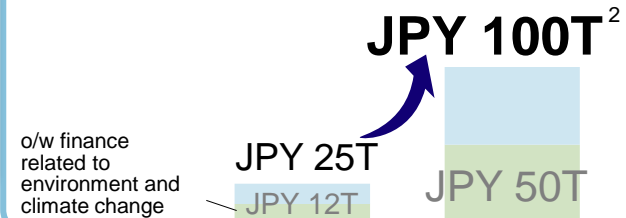
Investment on own account

19 sectors in accordance with TCFD



Other sectors

## Increase targets of sustainable finance



## Strengthening of climate change risk management structure

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

## Revisions to ES policy<sup>1</sup>

Thermal coal mining sector

Added to prohibited target for financing and investment

Oil and gas sector

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

## Human Rights Due Diligence (HRDD)

Engaged in dialogue with stakeholders including customers, suppliers, investors, and human rights experts

Number of enhanced DD:

9 cases<sup>3</sup>

(3 in Japan, 6 in outside of Japan)

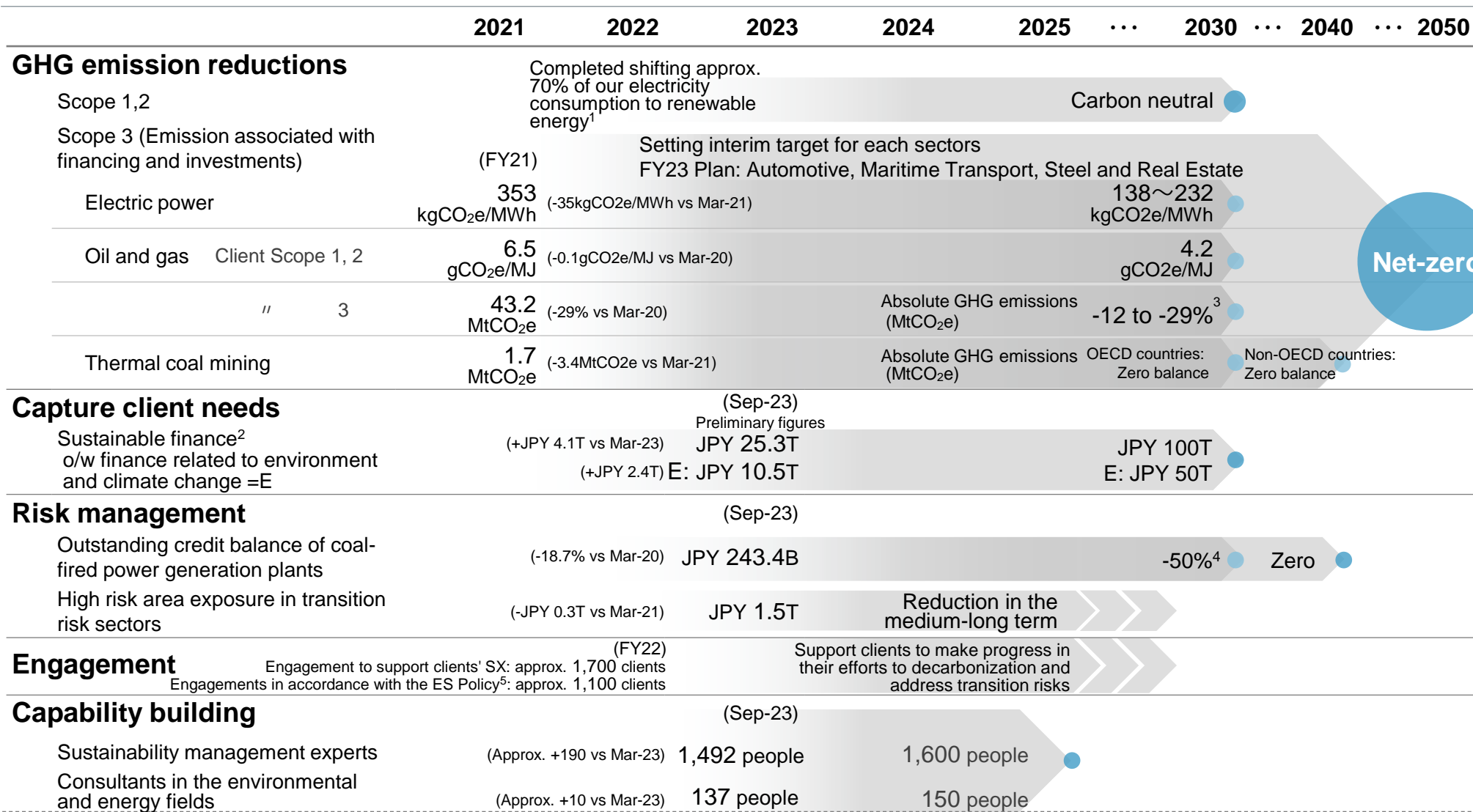
TCFD Report 2023

Human Rights Report 2023



1. The Environmental and Social Management Policy for Financing and Investment Activity. 2. Total accumulated financing amount of FY19-FY30 3. 2023 Apr-Sep.

# Road map for net-zero by 2050



## Initiatives



Chair of the PCAF Japan coalition

Participate in PCAF Global Core Team











NZBA, NZAM

1. Scope 2 in Japan. 2. Total accumulated financing amount since FY19. 3. vs FY19. 4. vs Mar-19. 5. The Environmental and Social Management Policy for Financing and Investment Activity.

# Green Bonds (1)

## Green Bond Framework\*

- Net proceeds will be utilized for finance and / or refinance of existing and/or new Eligible Green Projects, in whole or in part, as defined in the Framework

<p>(1) Renewable Energy</p> 	<ul style="list-style-type: none"> <li>- Development, construction and operation of Renewable Energy</li> <li>- Development and production of technologies and equipment used for the above projects</li> <li>- Transmission and distribution of renewable energy</li> </ul>	<p>(5) Energy Efficiency</p> 	<ul style="list-style-type: none"> <li>- End-user energy efficiency</li> </ul>
<p>(2) Pollution Prevention and Control</p> 	<ul style="list-style-type: none"> <li>- The development, construction and operation of pollution prevention and control facilities, such as waste recycling and waste-to-energy power plants</li> <li>- Reduction of air emissions/Greenhouse gas control</li> <li>- Ocean-friendly chemicals and plastics-related sectors/Sustainable shipping and port logistics sectors</li> </ul>	<p>(6) Sustainable Water and Wastewater Management</p> 	<ul style="list-style-type: none"> <li>- Water supply</li> <li>- Water sanitation</li> </ul>
<p>(3) Clean Transportation</p> 	<ul style="list-style-type: none"> <li>- Investments in passenger cars, mass transport and other infrastructure</li> <li>- Maritime transport/port logistics</li> </ul>	<p>(7) Environmentally Sustainable Management of Living Natural Resources and Land Use</p> 	<ul style="list-style-type: none"> <li>- Forest products: Growing and/or purchase of products or projects certified by the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC)</li> <li>- Agriculture: Growing and/or purchase of products or projects certified by Rainforest Alliance, or USDA Organic</li> <li>- Land Preservation</li> <li>- Value chains for fisheries, aquaculture and seafood products</li> </ul>
<p>(4) Green Buildings</p> 	<ul style="list-style-type: none"> <li>- Buildings which have received or will receive the selected green building certifications</li> <li>- Building upgrades, including energy-efficiency investments and/or building retrofits in line with a low-carbon trajectory based on the duration of the bond</li> </ul>	<p>(8) Terrestrial and Aquatic Biodiversity Conservation</p> 	<ul style="list-style-type: none"> <li>- Biodiversity Conservation</li> <li>- Conservation and restoration of marine and other ecosystems</li> </ul>

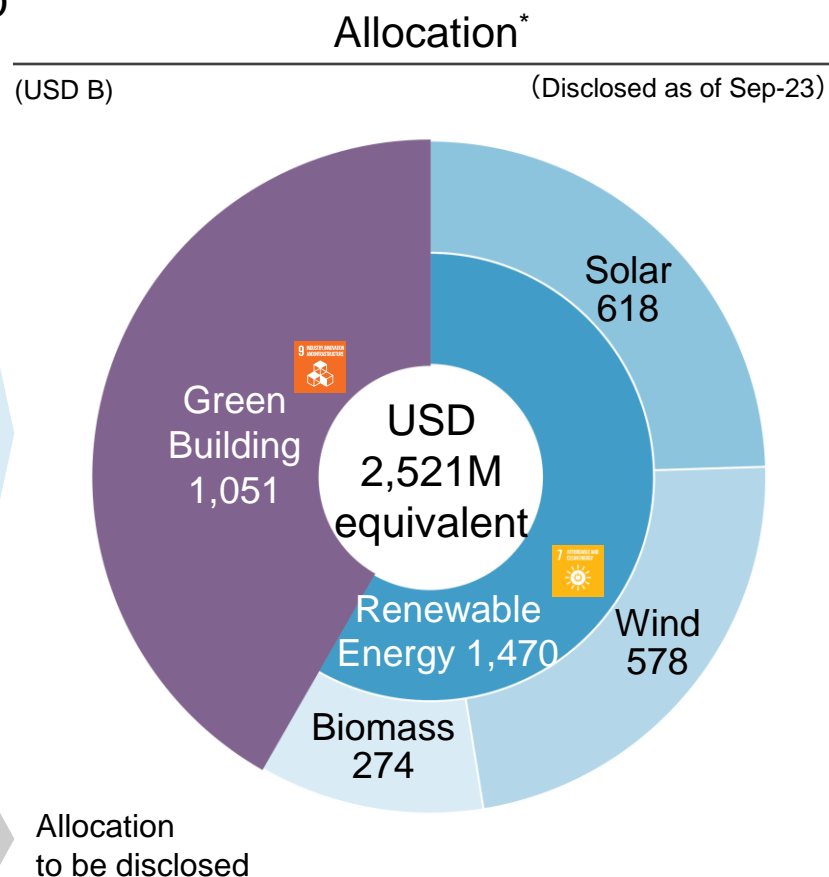
\* Loans financed by BK within 24 months preceding the issue date of a relevant Green Bond, or will be newly financed on or after the issue date thereof. Please see the links for details. For Green Bond Framework: <https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/environment/business/greenbond/framework.pdf>  
For Second Party Opinion: [https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/environment/business/greenbond/secondopinion\\_fg.pdf](https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/environment/business/greenbond/secondopinion_fg.pdf)

# Green Bonds (2)

## Issuances and allocation of net proceeds

- Mizuho periodically issued Green Bonds in EUR and USD

	Issue Date	Maturity Date	Format	Currency	Tenor	Amount
#1	2017/10/16	2024/10/16	RegS	EUR	7yr	500 M
#2	2020/10/7	2025/10/7	RegS	EUR	5yr	500 M
#3	2022/2/22	2030/5/22	SEC Reg	USD	8NC7	500 M
#4	2022/9/5	2027/9/5	RegS	EUR	5yr	800 M
#5	2023/7/6	2029/7/6	SEC Reg	USD	6NC5	1,400 M
#6	2023/8/28	2030/8/28	RegS	EUR	7yr	750 M



Please see the link for details, Issue Record: <https://www.mizuhogroup.com/sustainability/environment/business/greenbond>

\* Allocations are total of #1, #2, #3 and #4 on the left table and calculated using foreign exchange rate (TTM) at Mar-23. Allocation of #5 and #6 plan to be disclosed within 2024.

# Appendix

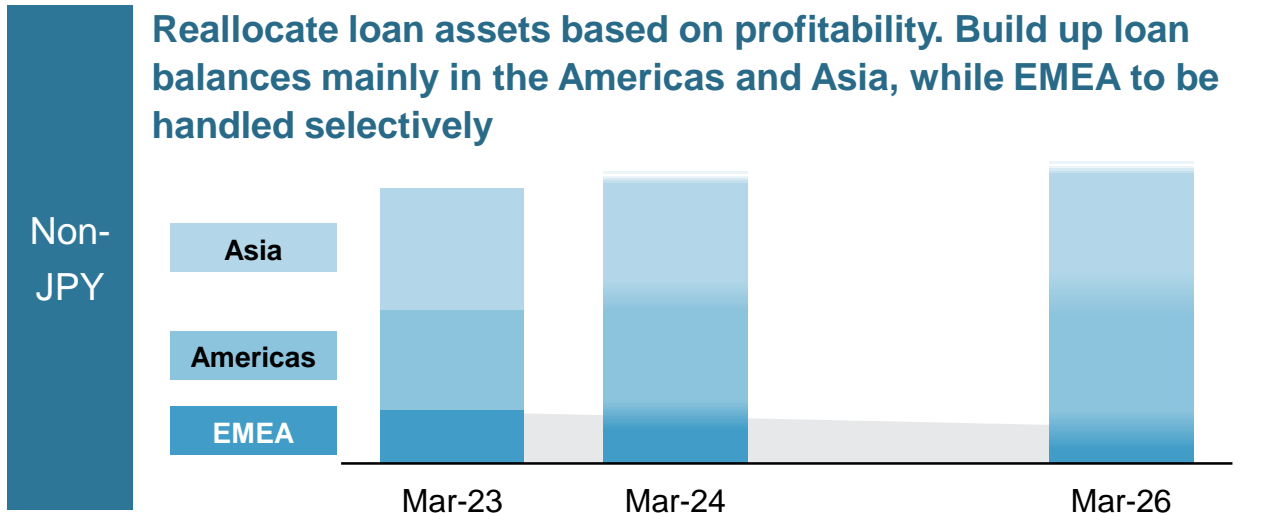
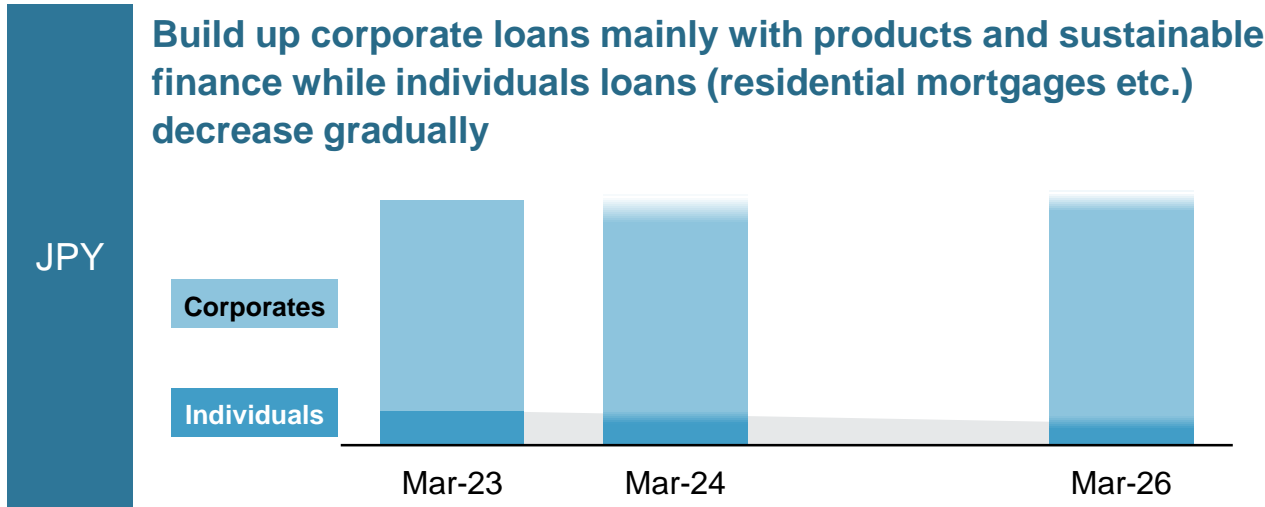
- Financial information P.31
- Regulatory information P.40
- The new Medium-term business plan  
and Management policy P.46

Financial information

# Reference: Outlook on Loans

## Loan Balance

In-house company management accounting basis



## Loan Spread

In-house company management accounting basis

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

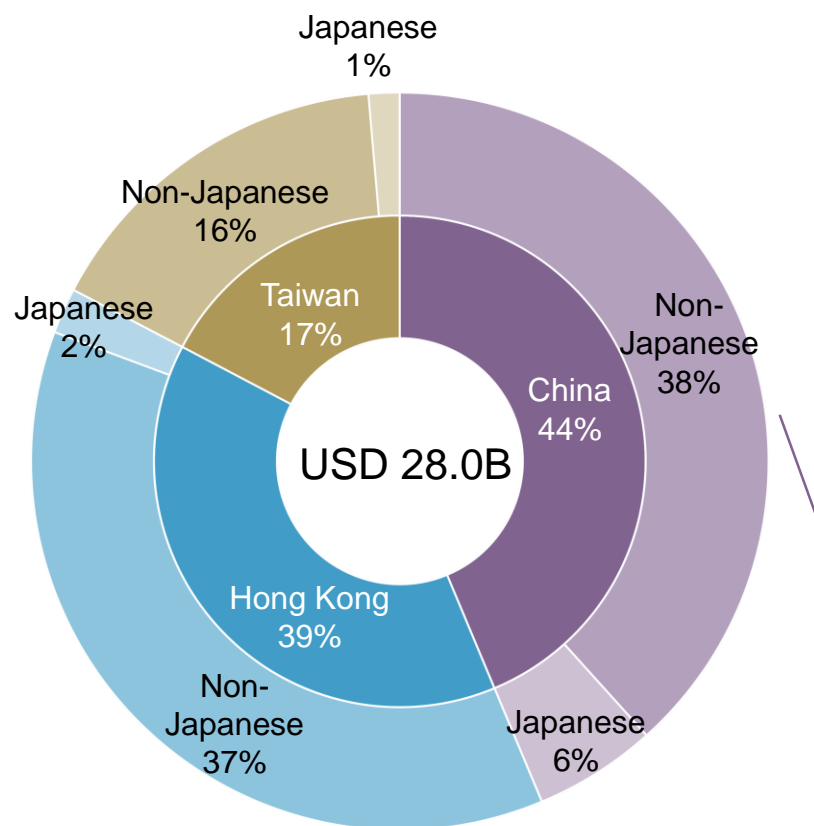
	FY22 vs FY23	FY23 vs FY25
Asia	➔	➔
Americas	➔	➔
EMEA	➔	➔



# Portfolio outside Japan (1)

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

Balance after guarantee at country or region of risk



- Control the quantity and quality of the loan portfolio while improving profitability mainly by non-interest income
  - Achieve mobility in loan assets by actively managing their maturity and salability
  - Enhance returns on a by-client and by-deal basis, through the strengthening of Transaction Banking, DCM, etc., and reduction of low-profitability assets

- ✓ Global automobile-related companies and leading state-owned companies such as petroleum and chemicals, etc., and major private-sector companies such as TMT<sup>2</sup>
- ✓ Real estate-related loans in China represent approx. 10% of total loan balance in China, and are mainly extended to leading state-owned companies. Look to maintain same ratio going forward.

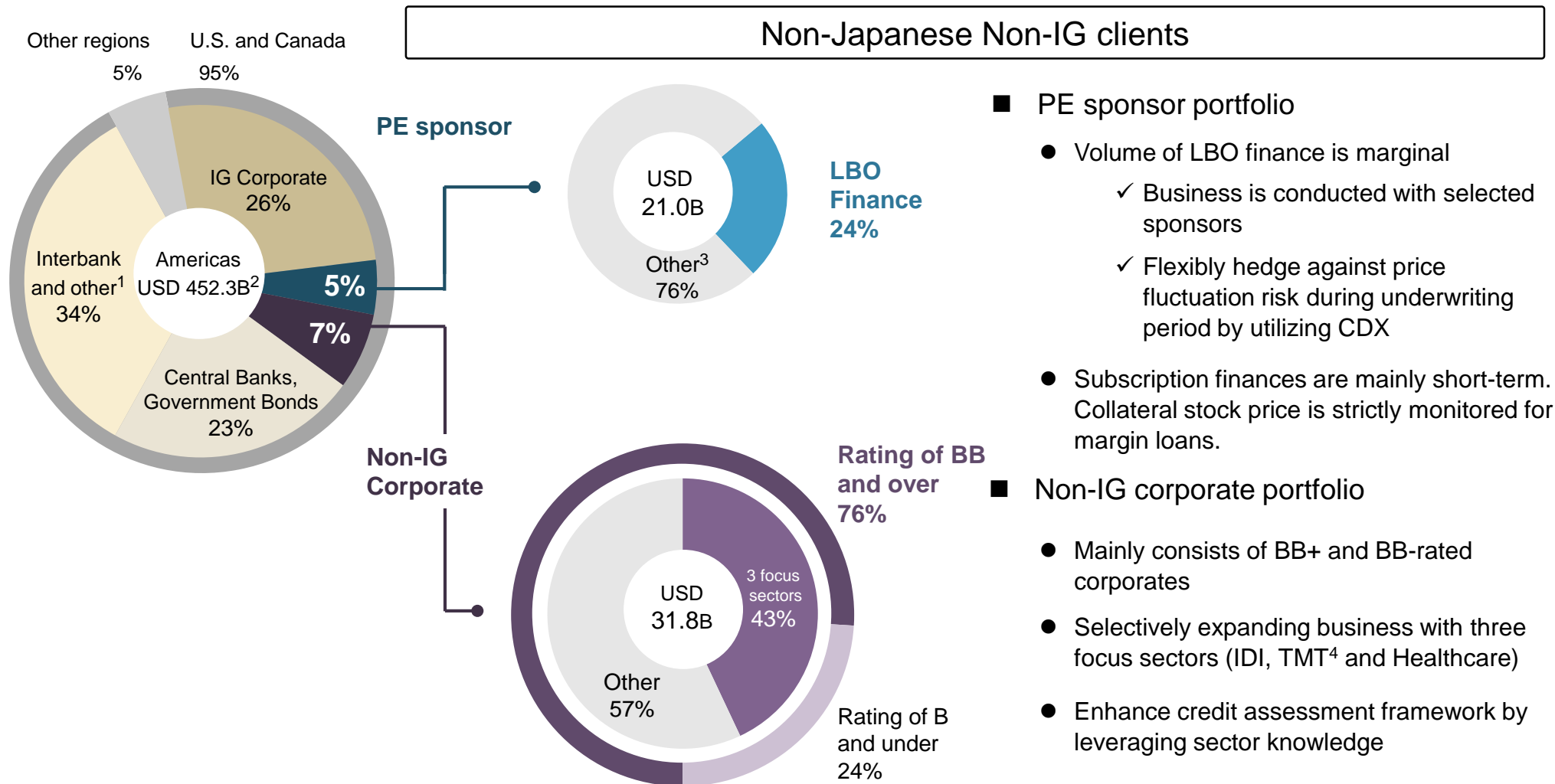
- ✓ Loans primarily to IG Hong Kong conglomerates, whose resilience against real estate market downturn has been confirmed through stress testing

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

# Portfolio outside Japan (2)

## Exposure in the Americas (Sep-23)

Management accounting basis

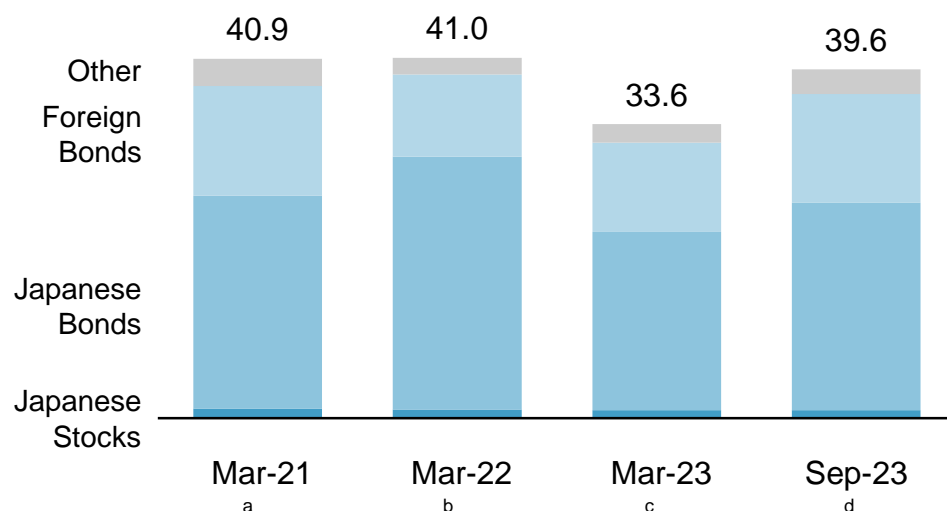


1. Interbank transactions, Japanese corporates, etc. 2. BK Consolidated+TB Consolidated. Inclusive of loans, commitment lines, guarantee transactions, derivatives related credit, etc. Balance after guarantee at country of risk. 3. Subscription finance, margin loans. 4. Industrial & Diversified Industries,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

# Securities Portfolio

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

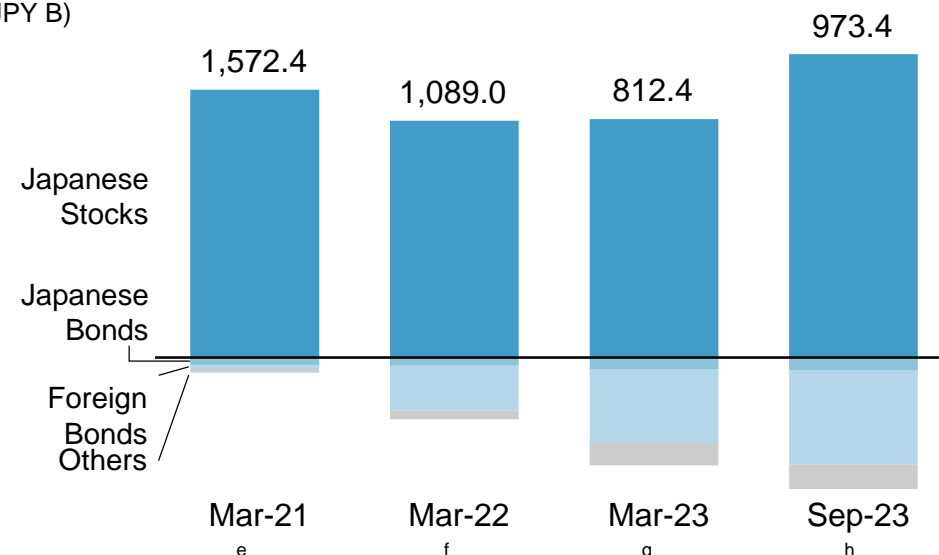
(JPY T)



	a	b	c	d
1 Japanese Stocks	1.1	1.0	0.9	0.9
2 Japanese Bonds	24.1	28.6	20.3	23.5
3 <i>o/w JGB</i>	20.9	25.1	16.4	19.9
4 Foreign Bonds	12.4	9.3	10.1	12.3
5 <i>o/w Debt Securities issued in U.S.<sup>2</sup></i>	8.3	5.7	6.3	8.1
6 Other	3.1	1.9	2.1	2.8
7 <i>bear funds<sup>3</sup></i>	0.6	0.2	0.4	0.5
8 <i>Investment Trusts and others</i>	2.4	1.7	1.7	2.3

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

(JPY B)



	e	f	g	h
Japanese Stocks	1,665.7	1,472.4	1,481.7	1,884.7
Japanese Bonds	-44.9	-52.1	-75.9	-80.5
<i>o/w JGB</i>	-31.7	-30.5	-46.4	-35.2
Foreign Bonds	-27.0	-278.9	-454.6	-583.2
<i>o/w Debt Securities issued in U.S.<sup>2</sup></i>	-23.6	-251.5	-414.0	-540.2
Other	-21.3	-52.2	-138.7	-247.4
<i>bear funds<sup>3</sup></i>	-155.4	-29.8	-25.8	-113.5
<i>Investment Trusts and others</i>	134.1	-22.4	-112.8	-133.8

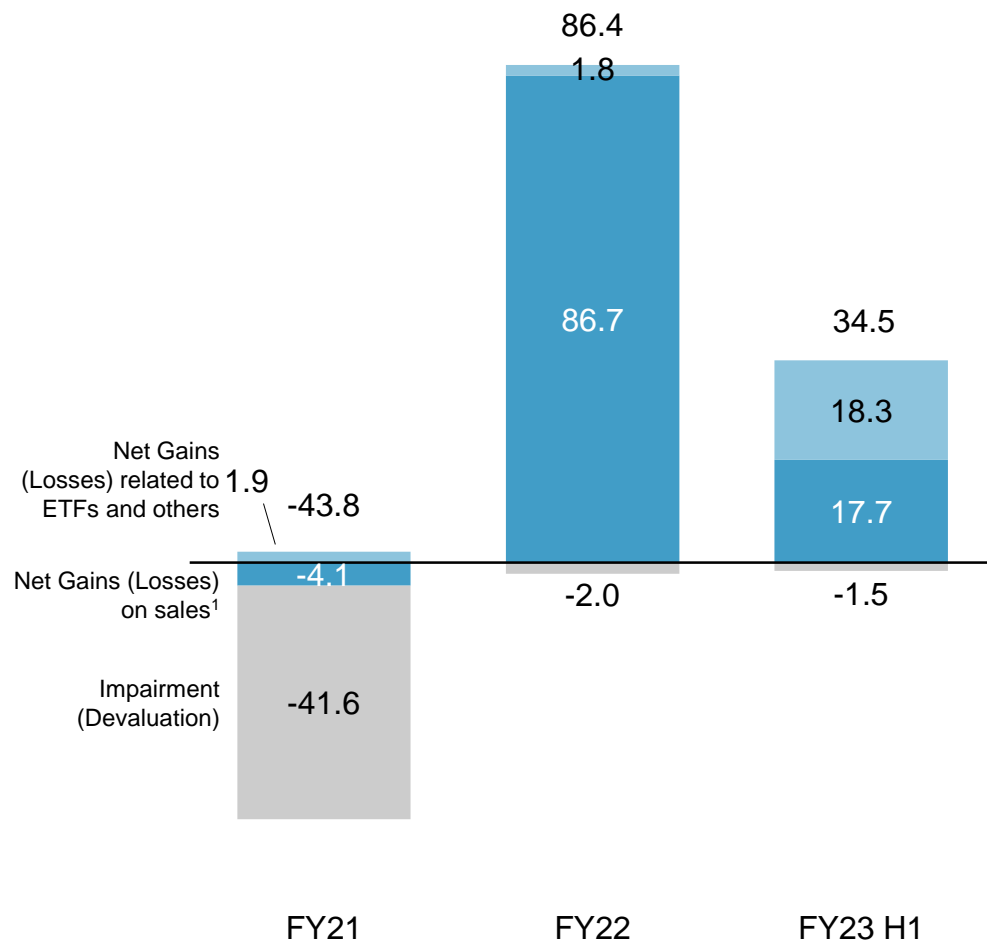
1. Other Securities which have readily determinable fair values. Excl. Investments in Partnership. 2. UST/GSE Bonds. 2 Banks. 3. Hedging transactions aiming to fix unrealized gains on Japanese stocks. 4. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments.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

# Securities Portfolio (Stocks)

## Net Gains (Losses) related to Stocks

Consolidated

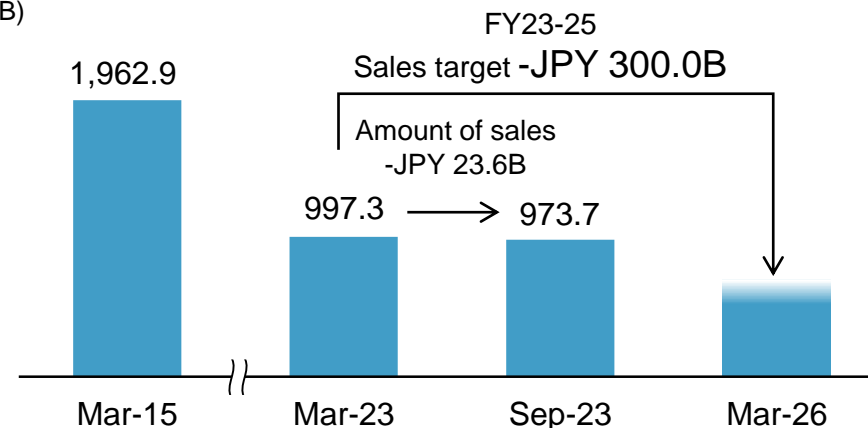
(JPY B)



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

Consolidated, acquisition cost basis

(JPY B)



### Unrealized Gains (Losses)<sup>3</sup>

Stocks	2,132.1	1,481.7	1,884.7
Bear Funds <sup>4</sup>	-	-25.8	-113.5

Amount of Sales (Mar-23 to Sep-23) 23.6

Amount of sales accepted (unsold) 48.0

**Total 71.6**

Reference: Deemed holdings of shares<sup>5</sup> BK+TB, management accounting

Mar-15 to Sep-23 672.4

FY23 H1 65.2

1. Net Gains (Losses) on sales of stocks + Net Gains (Losses) on Derivatives other than for trading. 2. Other Securities with readily determinable fair values, excl. Investments in Partnerships.

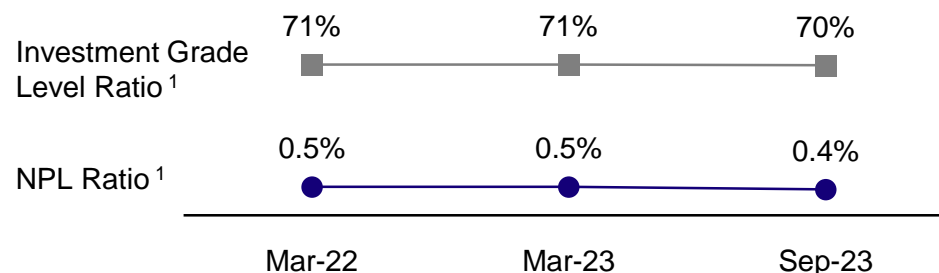
3. Changes in value to be recorded directly to Net Assets after tax and other necessary adjustments. 4. Hedging transactions aiming to fix unrealized gains on Japanese stocks.

5. Partially includes amount recorded as assets of BK or TB. Management accounting basis.

# Asset Quality outside Japan

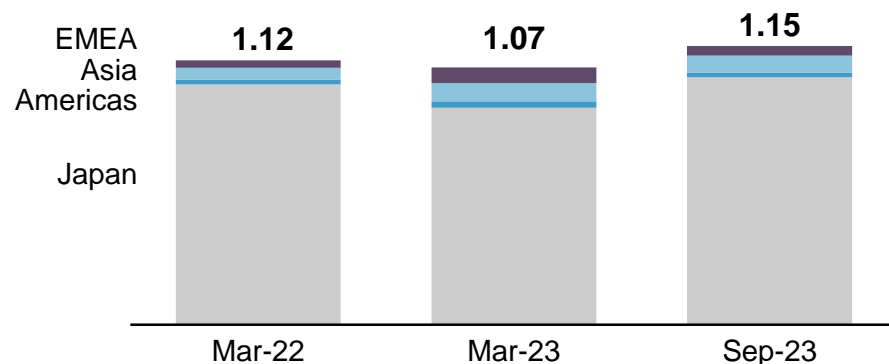
## Quality of loan portfolio

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



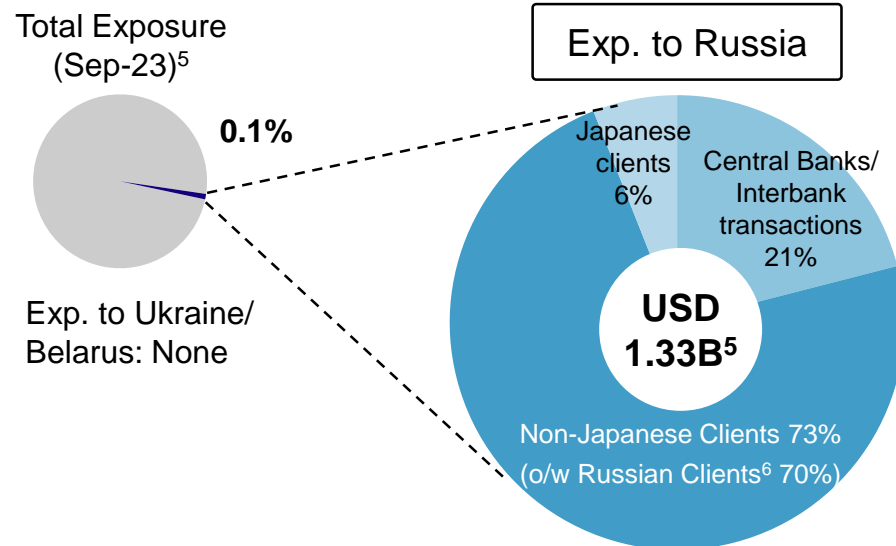
## Non Performing Loans based on BA<sup>2</sup> and FRA<sup>3</sup> (by region<sup>4</sup>)

(JPY T) Consolidated, Banking account + trust account



## Russian related exposure (Sep-23)

- Focusing on providing necessary support (settlement operations, etc.) primarily to existing Japanese clients operating in Russia, while complying with the sanctions imposed
- Russian related exposure decreased from Mar-23 due to repayment of loans, sales of receivables and others. Reserves were recorded to the fullest extent possible under Japanese accounting standards, including those from a forward-looking perspective

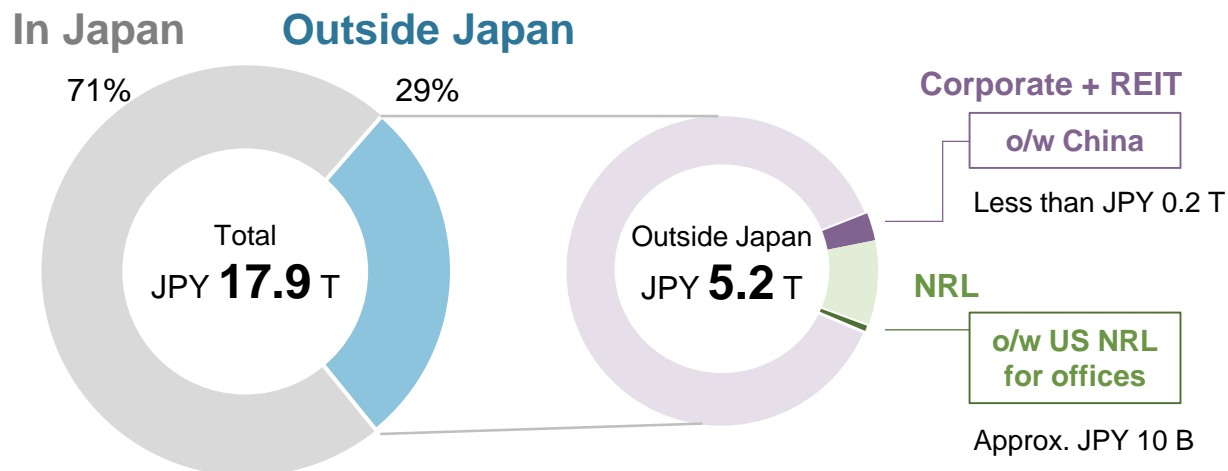


Reserves on Russian related Exposure<sup>7</sup>: JPY 54.3B

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

# Exposure to Real Estate Sector

Management accounting basis<sup>1</sup>



- Exposure to real estate sector outside Japan is approximately 30% of the total

## In Japan

- Real estate market has remained steady compared to overseas markets
- IG-rated clients represent approximately 80% of exposure

(JPY T)	Balance	Pct.
<b>Total</b>	<b>17.9</b>	100%
<b>In Japan</b>	<b>12.8</b>	71%
Large Corporations	4.3	24%
SMEs and Individuals	2.4	13%
J-REIT	2.2	12%
NRL	3.9	22%
<b>Outside Japan</b>	<b>5.2</b>	29%
Corporate	2.5	14%
REIT	2.1	12%
NRL	0.5	3%

o/w NRL	Balance	Pct.
<b>Total</b>	<b>4.4</b>	100%
In Japan	3.9	88%
<b>Outside Japan</b>	<b>0.5</b>	12%
Ref. NRL balance outside of Japan		
By region		
Americas	0.2	5%
EMEA	0.1	3%
APAC	0.2	4%
By asset type		
Offices	0.1	3%

## Outside Japan

- Selectively expanding business with IG-rated clients, and counterparties with resilient associated assets
- U.S. NRL exposure is less than 0.1%<sup>2</sup> of total U.S. CRE loan balance
- China portfolio solid, with over 80% of exposure originated to IG-rated clients, and over 95% to government-associated clients<sup>3</sup>

1. BK consolidated+TB non-consolidated. Total exposure including loans, FX and unused commitment lines. Sep-23. NRL represents Non Recourse Loans.

2. U.S. Total Commercial Real Estate loan balance, published by FRB. 3. Counterparties associated with central government and local government in first-tier cities.

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

The estimations disclosed in this slide are not incorporated in our FY23 plan and the medium-term business plan.

## Annual P/L impact estimation:

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

[Case 1.] Abolishing of NIRP<sup>1</sup>

[Case 2.] Continued increase in policy rate

**+JPY 35.0 B<sup>2</sup>**  
(unchanged from previous estimation in July 2023<sup>3</sup>)

- Simulation based on **a set of assumptions<sup>1</sup>**

Assumptions (BoJ Current Account):

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

**Avg. +JPY 50.0 B**  
per +10bps

Ref.

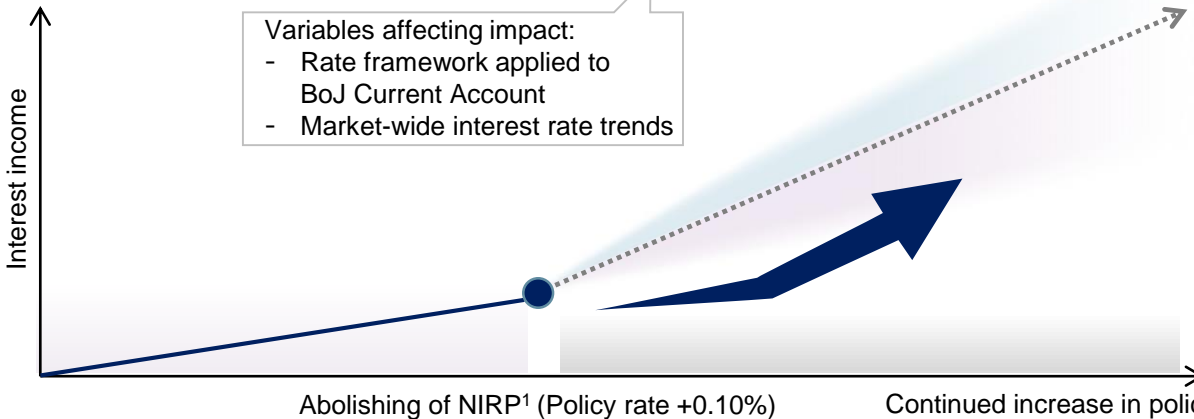
- Analysis of **upwards parallel shift** for risk monitoring purposes<sup>4</sup>

For example:

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

Conceptual interest rate sensitivity

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



## JPY B/S (Sep-23)<sup>5</sup>

(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 <sup>6</sup> :	18
Mid/long-term:	3
Avg. remaining period:	0.7yrs <sup>7</sup>
Bank of Japan Current Account:	42

4

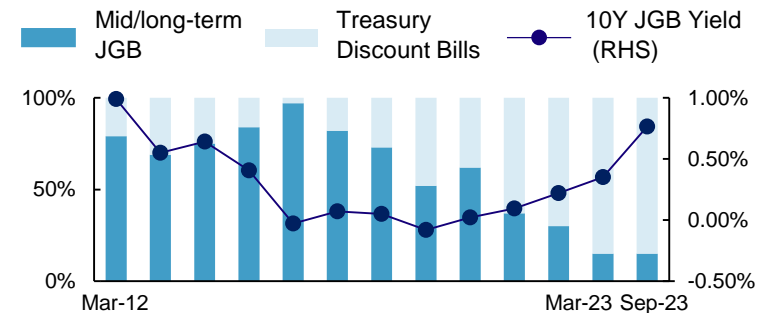
Other

13

Other

Ref.

## Past investment in JGBs<sup>8</sup>



1. Key assumption: Policy Interest Rate 0.00% (+0.10% vs Sep-23), Rate applied to Macro Add-on Balance 0.00% and to Base Balance 0.00% (unchanged from Sep-23), Short-term rate (TIBOR and other) and Long-term rate +0.10% (vs Sep-23). 2. Loan/Deposit Income +20.0Bn. Market Investment +15.0Bn. 3. [https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/investors/financial-information/ir-information/briefing/202308\\_1.pdf](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, Jun-23. 5. BK, management accounting basis. 6. Government guaranteed bonds and other. 7. Excl. bonds held to maturity. After taking into account hedging activities. 8. Other securities. Acquisition cost basis.

# Regulatory information

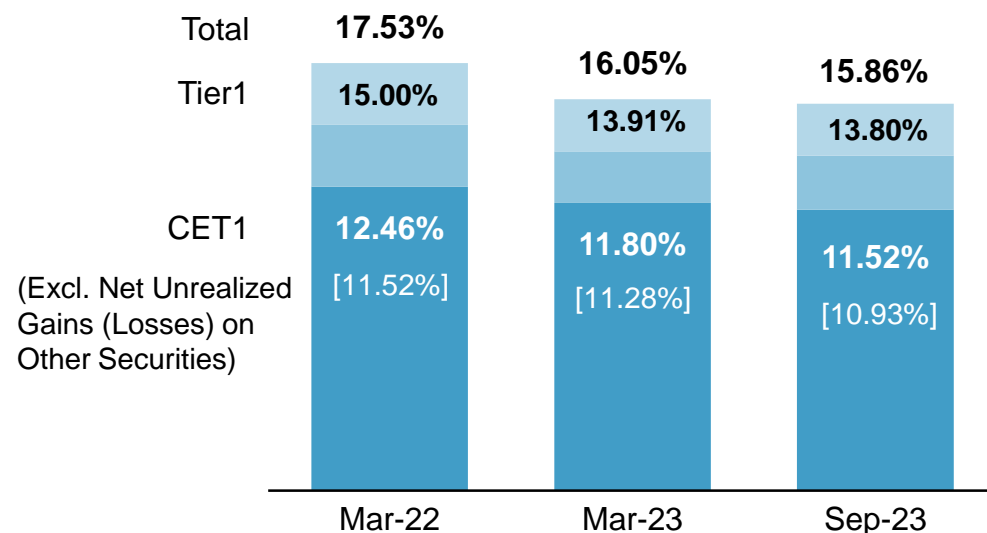


# Basel Regulatory Disclosures

## Capital Ratios

Consolidated

(JPY B)



	Mar-22	Mar-23	Sep-23
Total Capital	11,351.6	11,306.9	12,228.2
Tier1 Capital	9,713.2	9,803.3	10,636.3
CET1 Capital <sup>1</sup>	8,067.2	8,315.5	8,885.3
AT1 Capital <sup>2</sup>	1,646.0	1,487.8	1,751.0
Tier2 Capital	1,638.3	1,503.5	1,591.8
Risk Weighted Assets	64,730.4	70,434.1	77,063.5
Total Exposure	212,972.0	219,441.1	242,406.1

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

## Other Regulatory Ratios

Consolidated

(JPY B)

	Mar-22	Mar-23	Sep-23
Leverage Ratio	4.56%	4.46%	4.38%
External TLAC Ratio			
Risk Weighted Assets Basis	24.24%	24.02%	23.22%
Total Exposure Basis	8.43%	8.85%	8.52%

	FY21 Q4	FY22 Q4	FY23 Q2
Liquidity Coverage Ratio (LCR)	136.5%	130.6%	132.7%
Total HQLA	71,174.1	77,599.9	80,465.1
Net Cash Outflows	52,140.9	59,419.4	60,670.1

Reference:	Mar-22	Mar-23	Sep-23
CET1 Capital Ratio (Basel III finalization basis)	9.9%	9.9%	10.0%
(excl. Net Unrealized Gains (Losses) on Other Securities)	9.3%	9.5%	9.6%

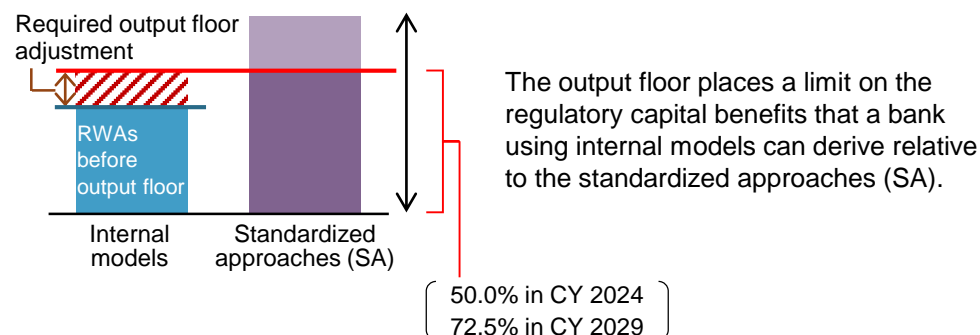
# Basel Capital Regulations in Japan (1)

## Finalization of the Basel III Framework (Implementation expected from 2024)

### Revisions to the approaches for credit risk

- The IRB (Internal ratings-based) approaches
  - i) Removing the use of the IRB approaches for certain asset classes
  - ii) Specification of input floors for bank-estimated IRB parameters such as PD/LGD
- The standardized approach
  - Developing a more granular approach by asset class with rating and collateral Revising RW (risk weight) and CCFs (credit conversion factors)

### Introduction of output floor based on the revised SA



Transitional finalization of the Basel III framework	CY					
	2024	2025	2026	2027	2028	2029
SA Output floor (%)	50	55	60	65	70	72.5
RW for listed equity holdings (%)	100	130	160	190	220	250

### Revisions to operational risk framework

Replacing AMA (Advanced Measurement Approaches) and the existing standardized approaches with a single risk-sensitive standardized approach

- Summary of the new standardized approach
  - Operational risk capital = BIC × ILM
  - BIC: Business Indicator Component
  - ILM: the Internal Loss Multiplier

# Basel Capital Regulations in Japan (2)

## Other Regulatory Ratios

	Sep-23 Result	Regulatory requirement	Revisions of Leverage Ratio and other		
Leverage Ratio	<b>4.38 %</b>	3.5%	Implementation expected from Mar-24	■ Refinements to the leverage ratio exposure definition	
Liquidity Coverage Ratio	<b>132.7 %*</b>	100%			
Net Stable Funding Ratio	<b>117.6 %</b>	100%		■ Revision of regulatory requirement	
			Implementation expected from Apr-24	Leverage Ratio : 3.15%	
				External TLAC Ratio (Total Exposure Basis) : 7.10%	
External TLAC (Total Loss-Absorbing Capacity) Ratio					
RWA basis	<b>23.22 %</b>	18.0%		■ As Leverage buffer applied to G-SIBs, 0.05% is additionally required	
External TLAC (excl. capital buffers)	JPY 17.9 T				
(Reference)					
Total Exposure basis	<b>8.52 %</b>	6.75%	Expected regulatory requirement for FG	Until Mar-24	After Apr-24
External TLAC (incl. capital buffers)	JPY 20.6 T		Leverage Ratio	3.5%	3.7%
			External TLAC Ratio (Total Exposure Basis)	6.75%	7.10%

\* FY23 Q2.

# Japanese Financial System and Regulatory Framework\*

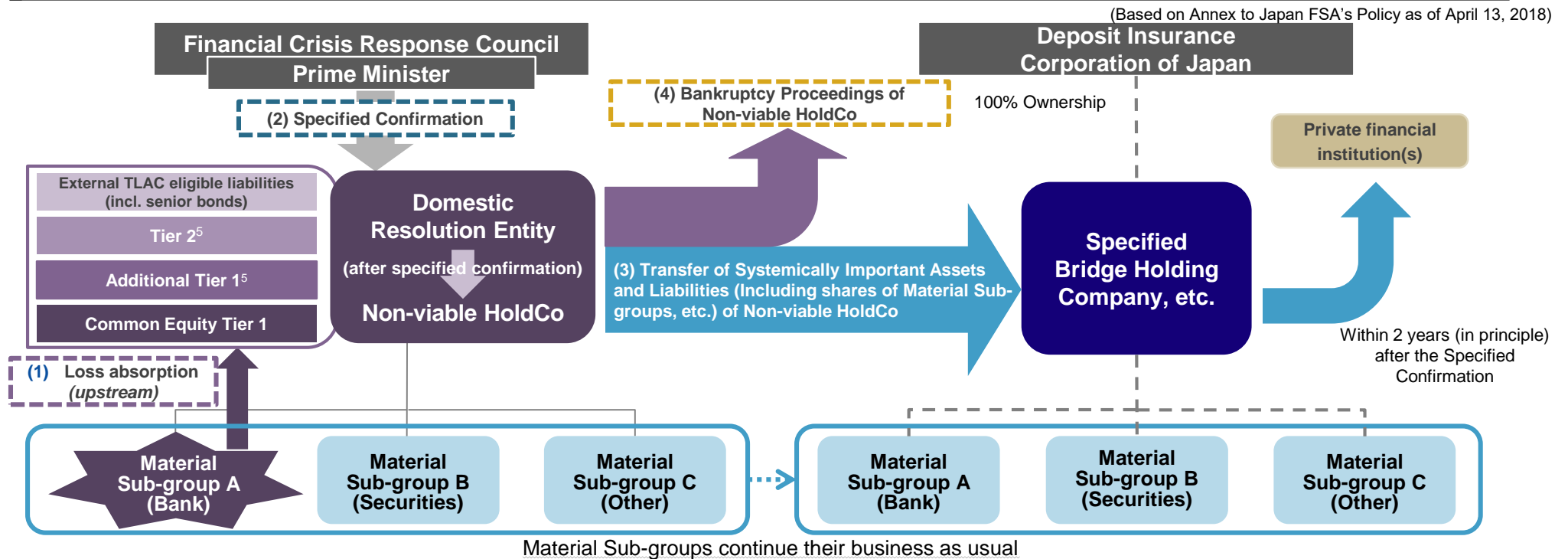
			Pre-PoNV / Post-PoNV	PoNV Trigger of	# of precedents after 2002	Cases	
Act on Special Measures for Strengthening Financial Function			Pre	-	38	-	Government supports available PRIOR to PoNV
Deposit Insurance Act	Article 102	Item 1 Measures	Pre	-	1	Resona bank in 2003 (Capital Injection)	
		Item 2 Measures	Post	OpCo	0	-	
		Item 3 Measures	Post	OpCo	1	Ashikaga Bank in 2003 (temporarily nationalized)	ONLY 1 case of PoNV occurred after 2002
	Specified Item 1 Measures	Pre	-	0	-		
<b>PoNV Trigger for HoldCo in Japan</b>							
	Article 126-2	Specified Item 2 Measures	Post	HoldCo /OpCo	0	-	<b>No case which hit Basel III PoNV Trigger for HoldCo in Japan</b>

\* 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.

# 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 HoldCo)<sup>3</sup>) are expected to remain at the existing Non-viable HoldCo in Japan to be liquidated in bankruptcy proceedings
- Non-viable HoldCo's TLAC senior bondholders may incur losses depending on the final recovery value in bankruptcy proceedings of the Non-viable HoldCo
  - 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



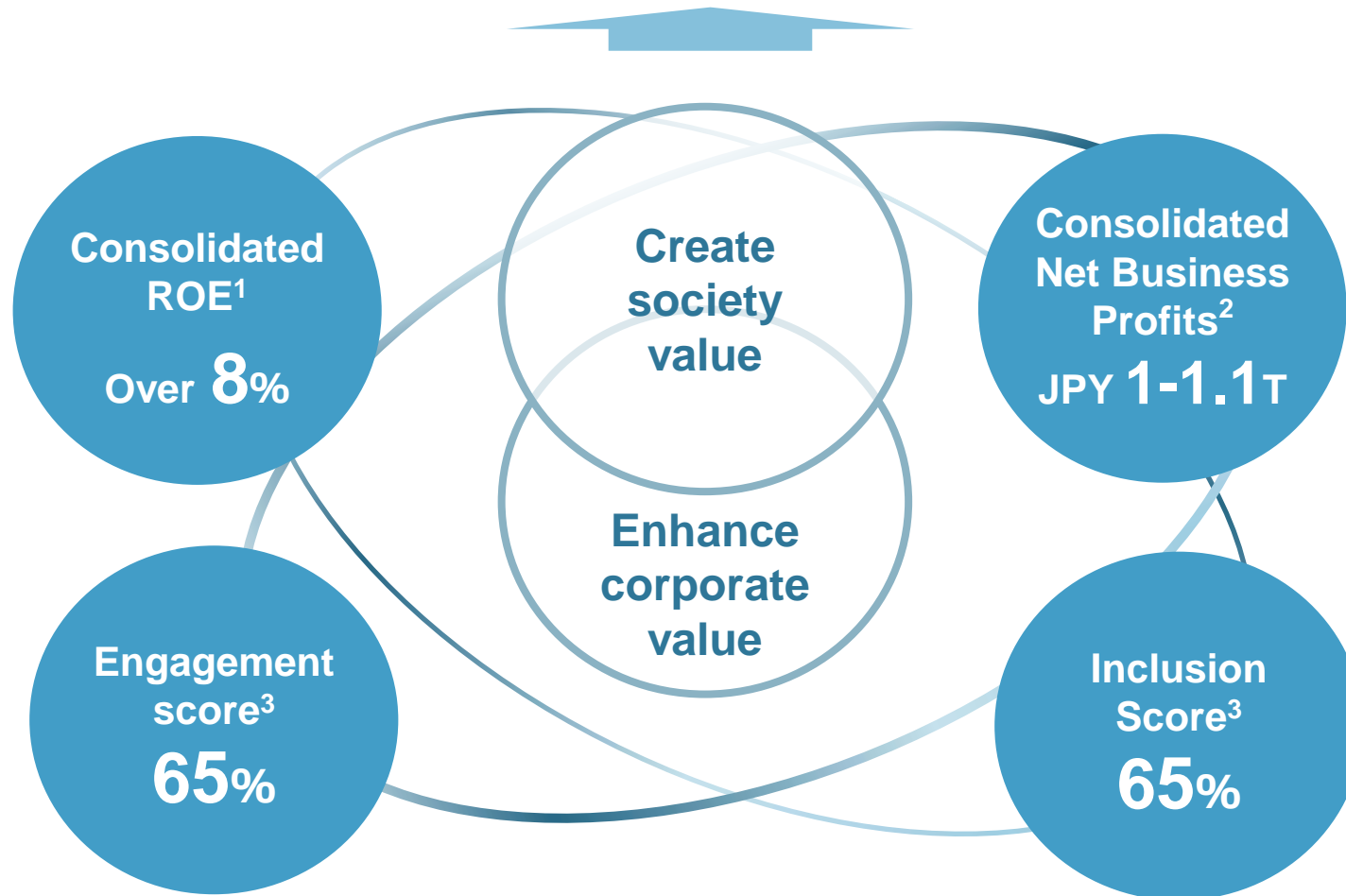
1. Based on a possible model of the resolution under the SPE resolution strategy in Japan as stated in Japanese TLAC Standard. 2. Domestic Resolution Entity's Sub-group or subsidiary that are designated separately as systemically important by Japan FSA or that are subject to TLAC requirement or similar 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 HoldCo. 4. Japan 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.

# The new Medium-term business plan and Management policy

# The new Medium-Term business plan target (FY23-25)

Towards Mizuho's vision for the future

Pursue social impact



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

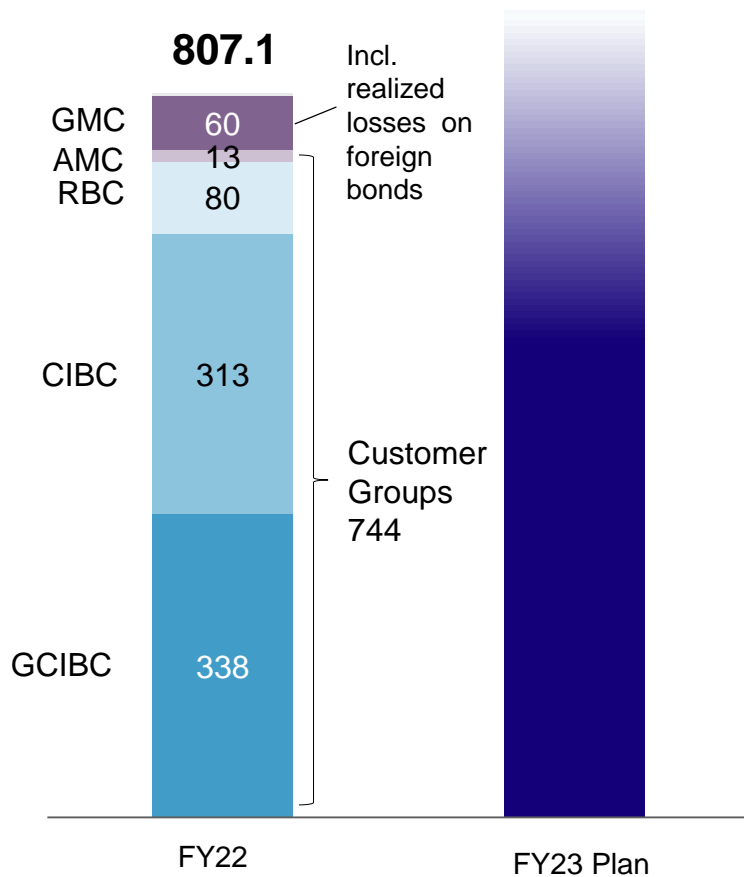
1. Excl. Net Unrealized Gains (Losses) on Other Securities. 2. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and other. 3. Based on the positive response rate (selection of 4 or 5 on a scale from 1 to 5) for four Staff Survey questions related to engagement and inclusion.

# Earnings Plan for FY23

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

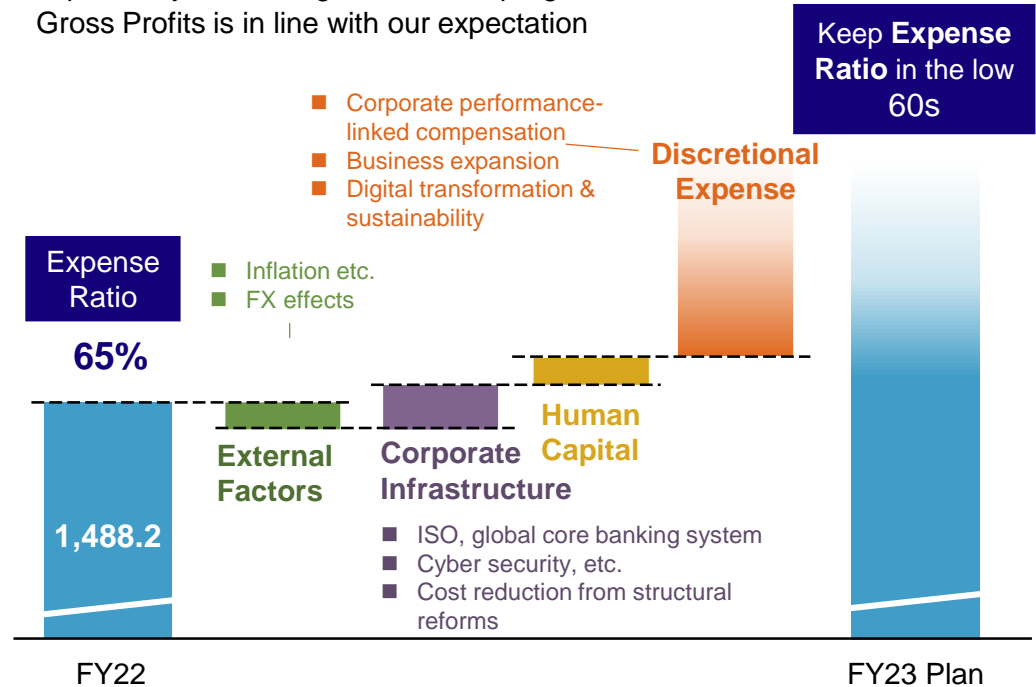
Group Aggregate<sup>1</sup>

(JPY B, rounded figures)



## Expenses<sup>2</sup>

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



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

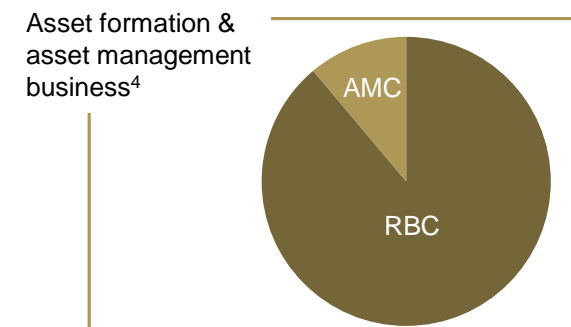
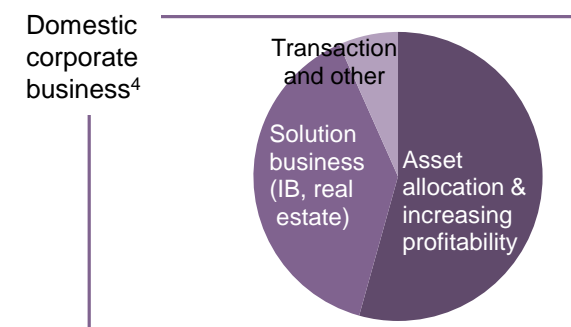
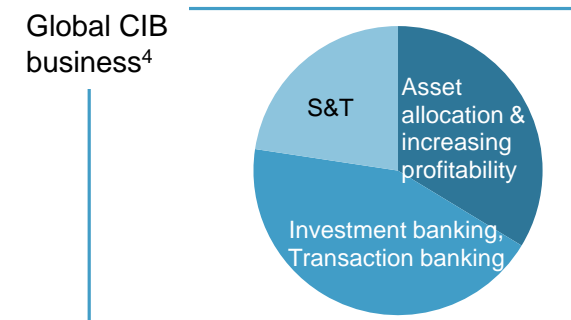
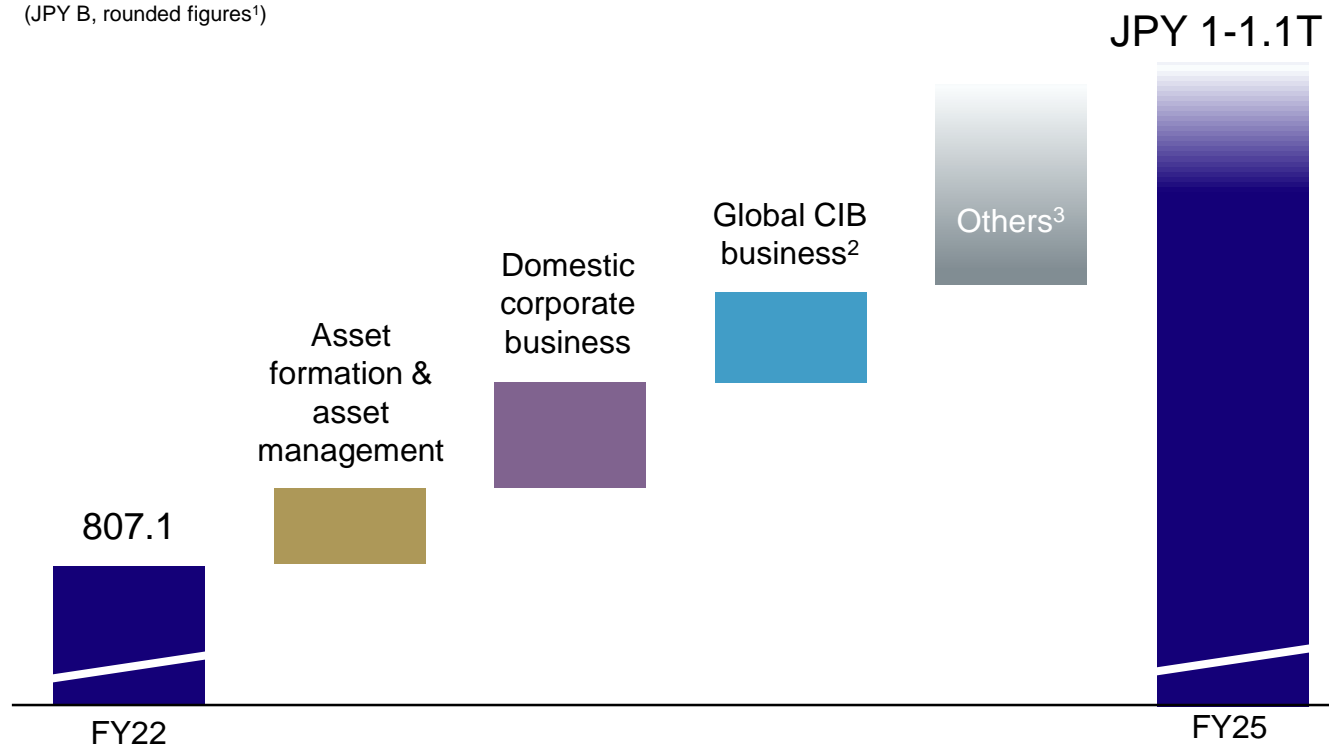


# Assumed Scenario for Target Achievement

## ■ Allocate corporate resources to focus areas, aiming for Net Consolidated Business Profits of JPY 1-1.1T

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

(JPY B, rounded figures<sup>1</sup>)

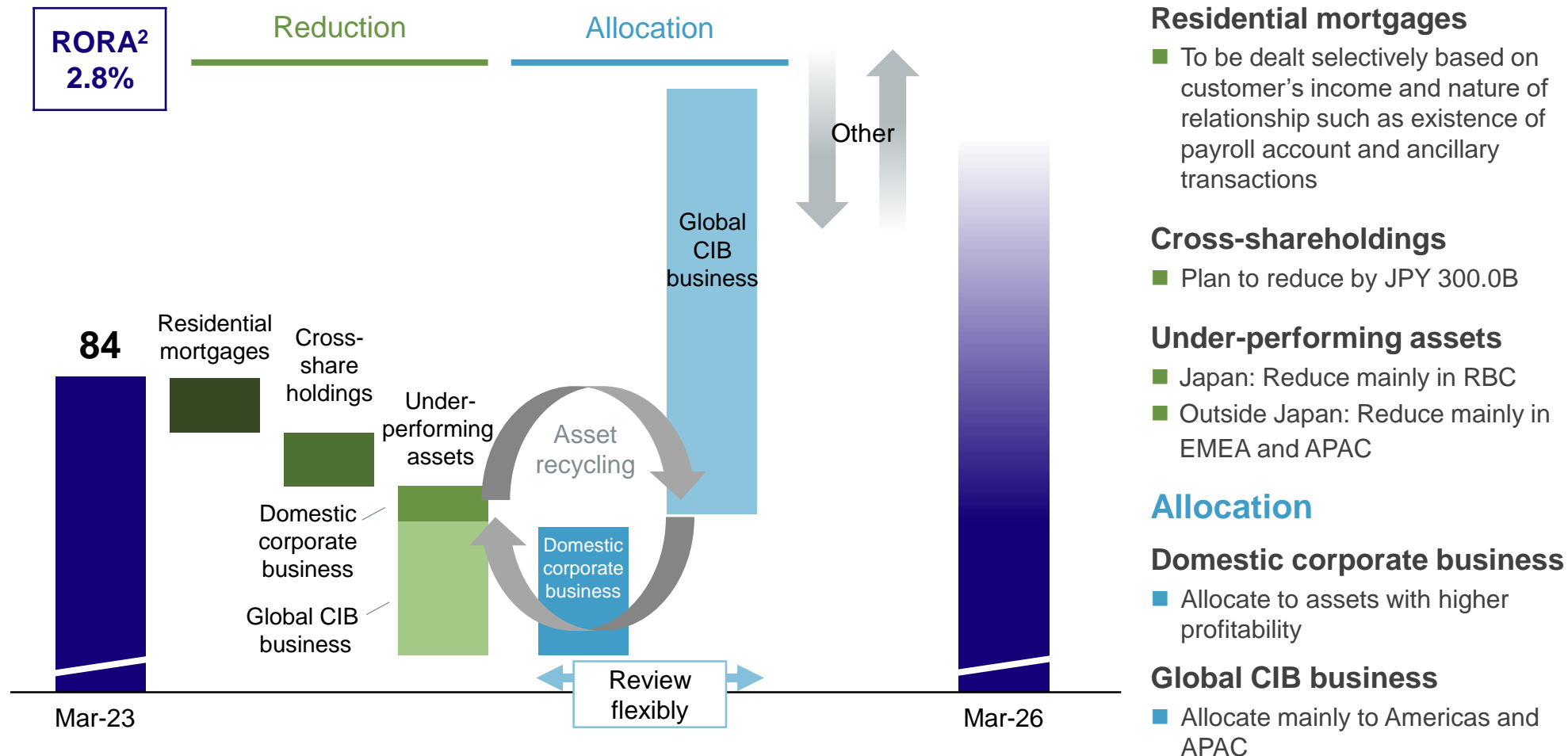


1. Consolidated Net Business Profit + Net gains (Losses) related to ETFs and others 2. GCIBC+GMC/S&T Outside of Japan 3. Banking + S&T in Japan and other. 4. Gross Business Profits base. The pie chart shows the proportion of the profit growth (outlook) in each business to the total accumulative profit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

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

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

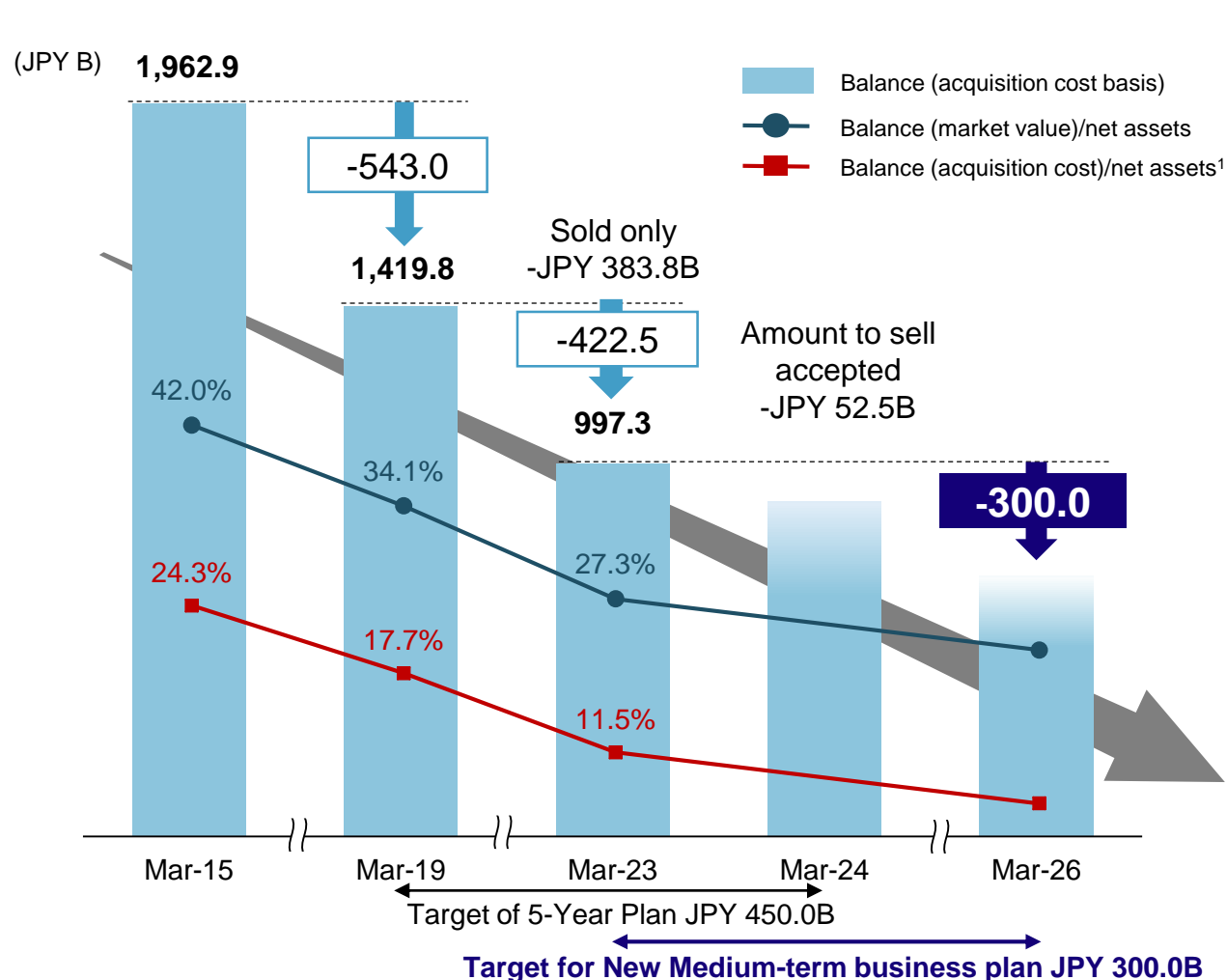
(JPY T, rounded figures)



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

# Selling of Cross-shareholdings

- Plan to reaccelerate the selling of cross-held shares as part of the new Medium-term business plan, in pursuit of enhanced capital efficiency



Consolidated

**New Medium-term business plan target**

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

(Reference) Stock reduction from Employee Retirement Benefit Trust Fund

	Mar-20 to Mar-23 Actual
Total Reduction	-JPY 576.8B
CET1 Capital Ratio (Basel III finalization basis)*	+0.5%

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

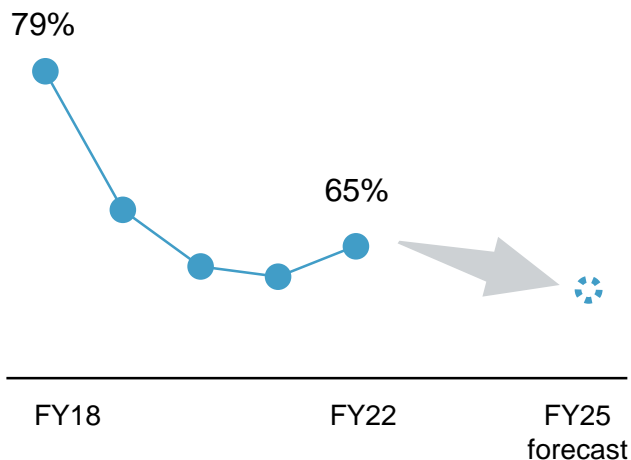
\* Excl. net unrealized gains (losses) on other securities.

# Assumed Scenario for Target Achievement (other corporate resources)

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

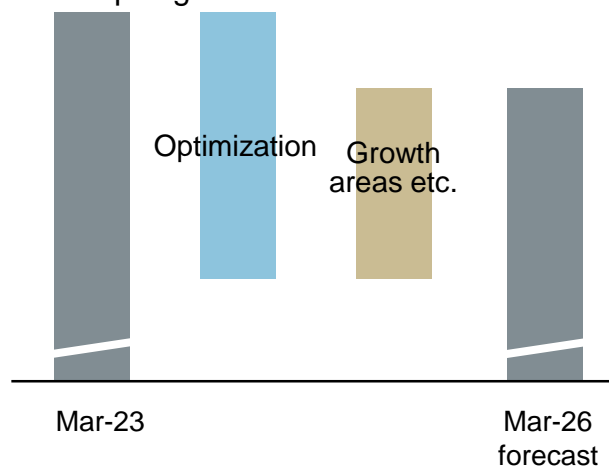
## Expense ratio

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



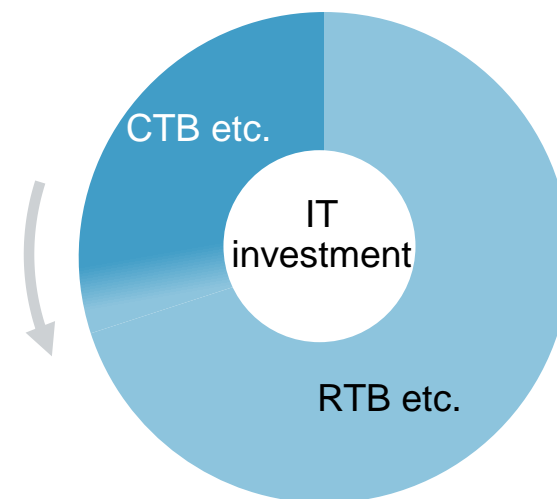
## Personnel

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



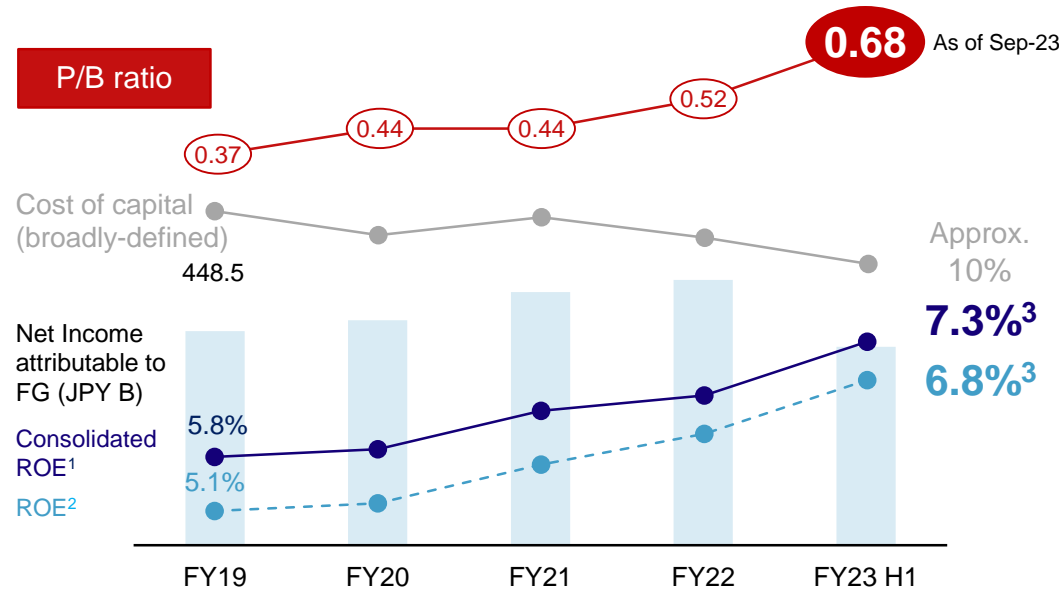
## IT investment

- Work on to optimize IT system structure, in addition to investment for Running the Bank (RTB), accelerate investment aimed Changing the Bank (CTB)
- Increasing IT-related investment for CTB in three years

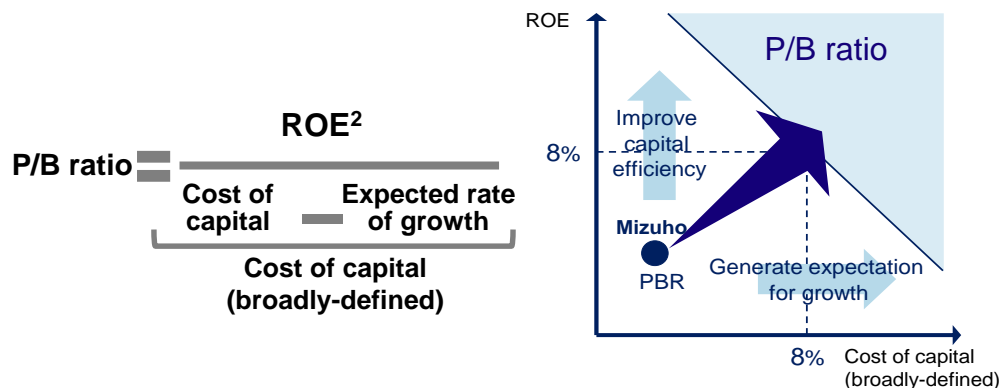


# Progress on improving our P/B ratio (1)

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



ROE and cost of capital (broadly-defined)



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.

## 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

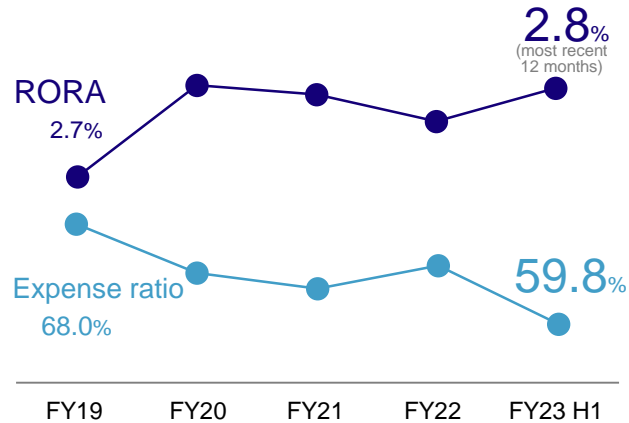
### Macro factors

- **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**

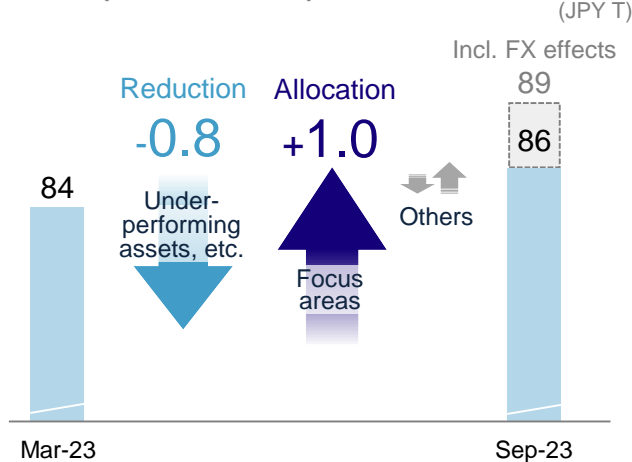
# Progress on improving our P/B ratio (2)

## Improving capital efficiency

- Improve asset profitability/  
Control on expense ratio

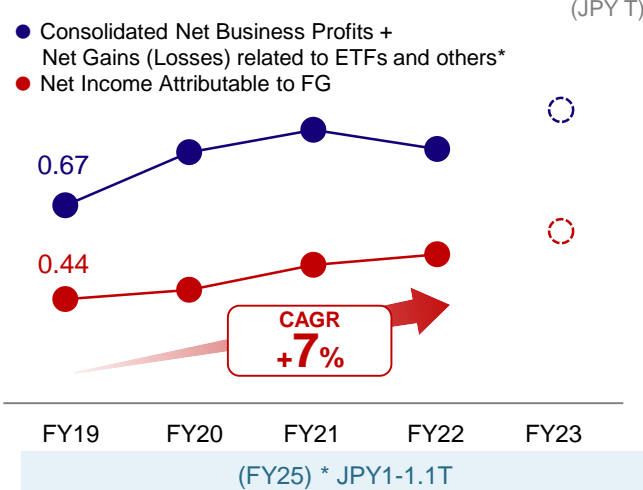


- RWAs (Excl. FX basis)

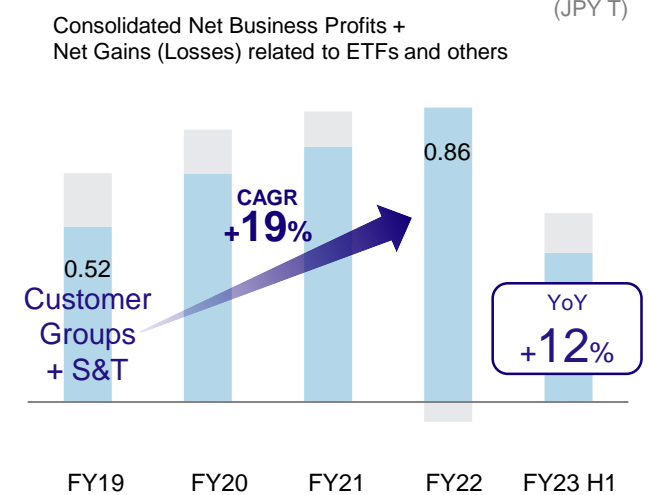


## Generating expectations for growth

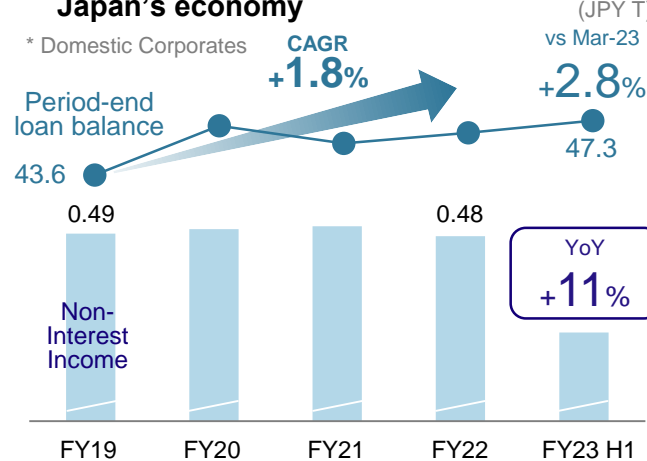
- Achieve steady profit growth



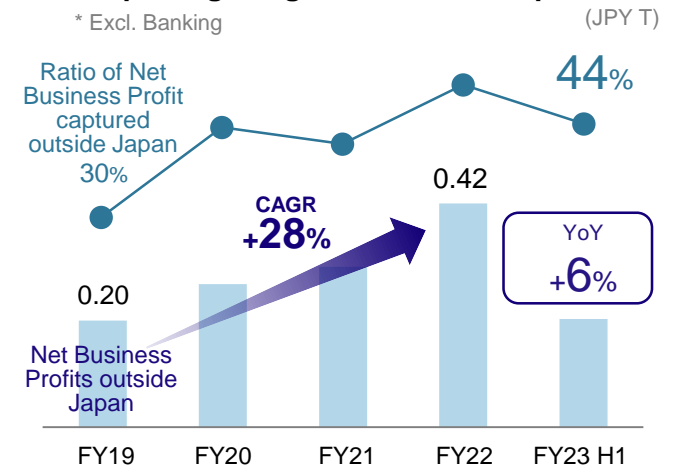
- Stabilize profit from core businesses



- Contribute to the growth of Japan's economy



- Capturing the growth outside Japan

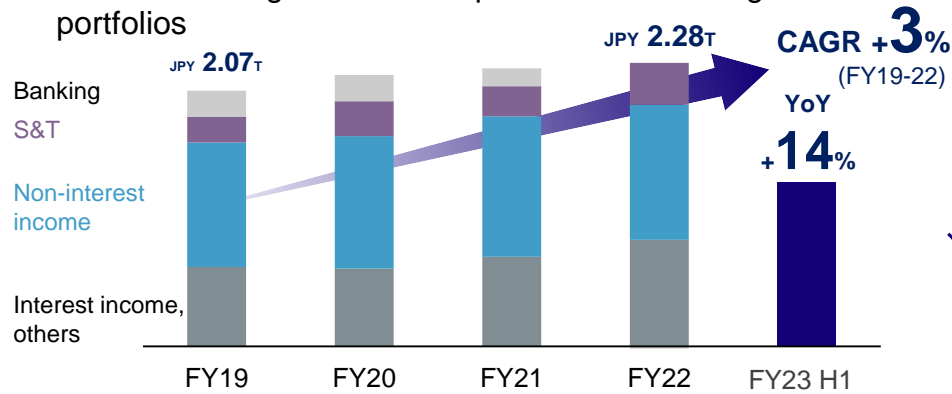


# Stabilizing profits from core businesses (1)

- Portfolio centered on customer business. Profits from core businesses stabilized through revenue diversification and mutual complementation among business portfolios

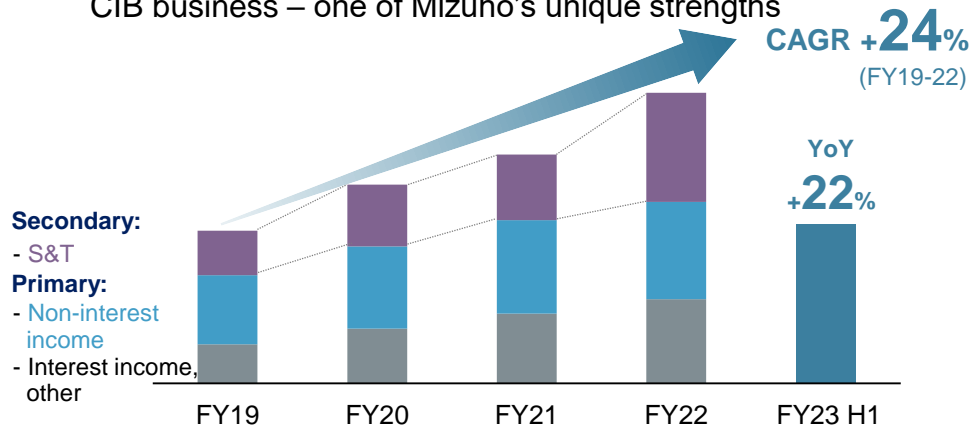
## Gross Business Profits

- Customer-centric business profit structure. Stable growth achieved through mutual complementation among business portfolios



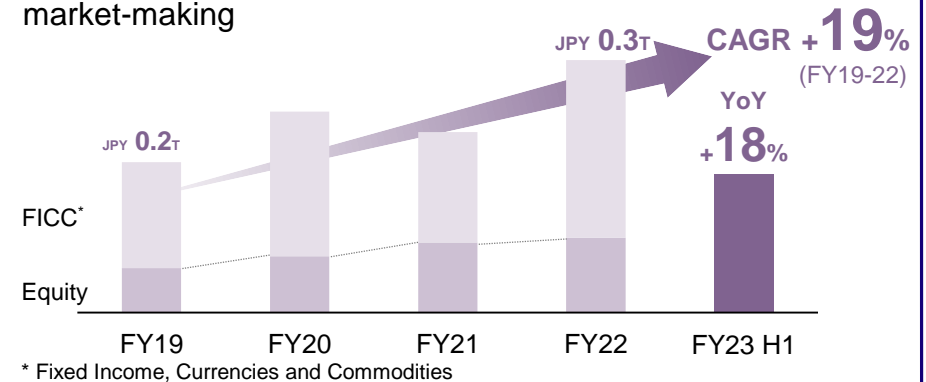
## (Ref.) Americas CIB Business

- Enhancing the mutual complementation within our Americas CIB business – one of Mizuho's unique strengths



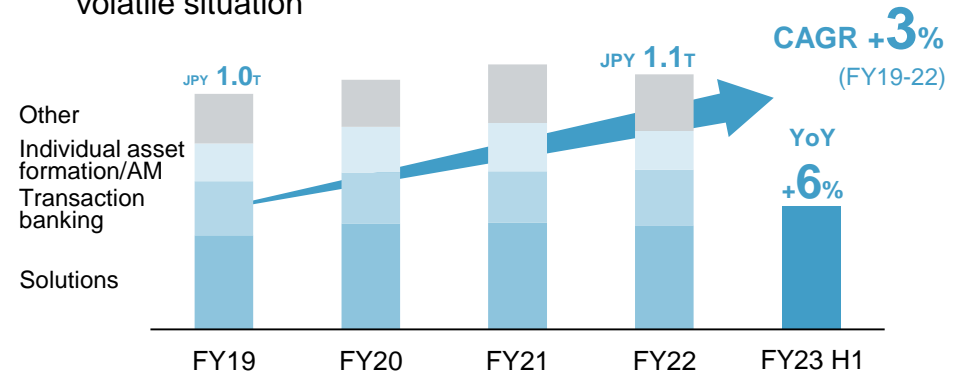
## S&T

- Ensuring resilience to market changes through product expansion
- Suppressing profit volatility through customer-flow-centric market-making



## Non-Interest Income

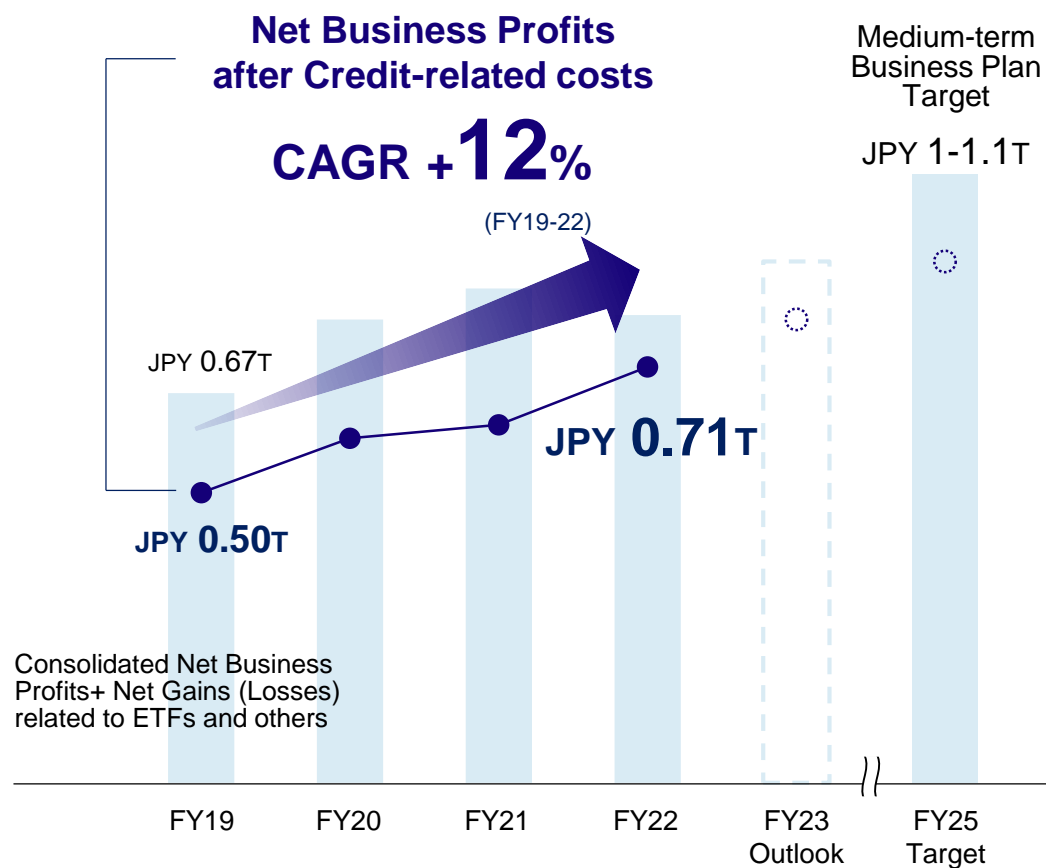
- Capturing opportunities to provide solution business even in a volatile situation



## Stabilizing profits from core businesses (2)

- Achieved continuous stability in Net Business Profits after Credit-related Costs, through predictive analysis-based risk management, along with steady growth in core business profits
- Enhanced initiatives promoting support for customers' business turnarounds, whilst also proactively recording forward-looking reserves

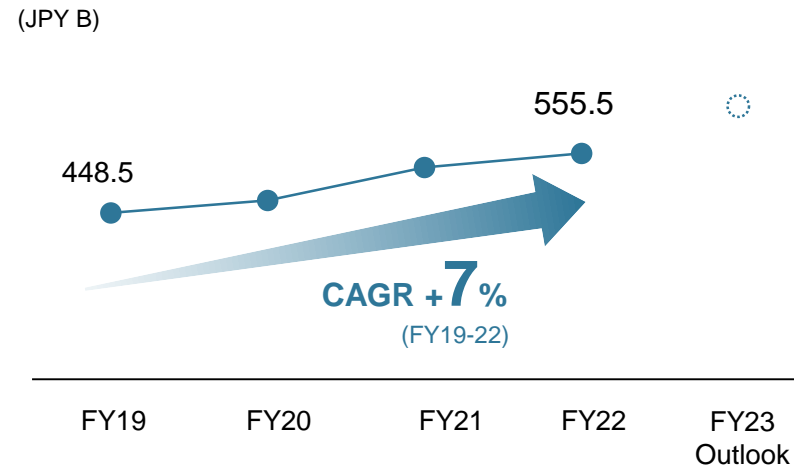
### Net Business Profits after Credit-related Costs



#### Reducing Credit-related costs

- In Japan:  
Offer support to clients whose earnings are decreasing, or that may require corporate restructuring (increased specialist staff in corporate restructuring divisions)
- Outside Japan:  
Selectively engaging with clients in line with our G300 strategy

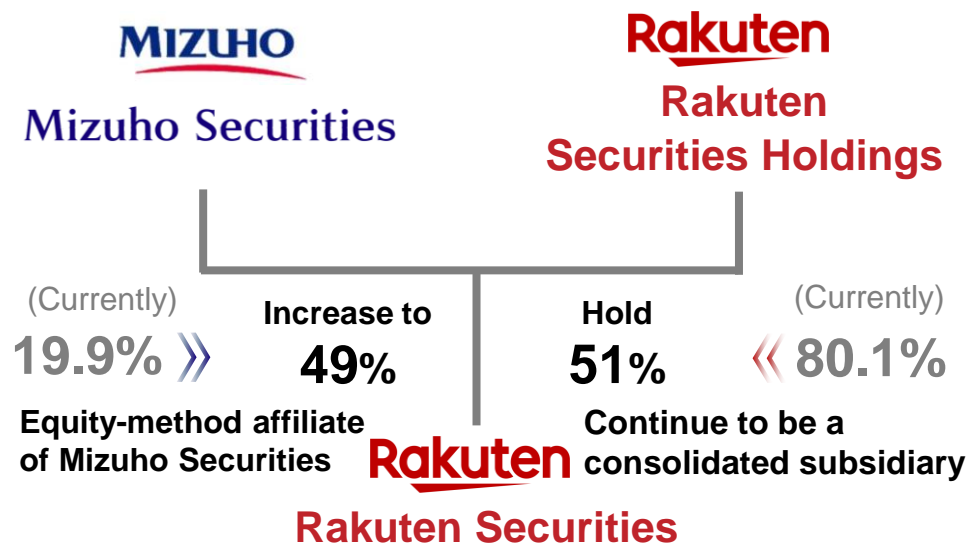
#### (Ref.) Net Income Attributable to FG





# Strengthening business alliance with Rakuten Securities Holdings (1)

## Summary



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

## Financial impacts

- Impact on CET1 ratio<sup>1</sup>: Up to approx. - 6 bps
- Goodwill: Up to approx. JPY 40 B+<sup>2</sup>
- 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
- Establish a framework which enables customers to choose their best services for their own

### Appropriately addressing customer's needs

- 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

- 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 formation and asset management products based on customers' needs

### IT/ Operations

- 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.

# Strengthening business alliance with Rakuten Securities Holdings (2)

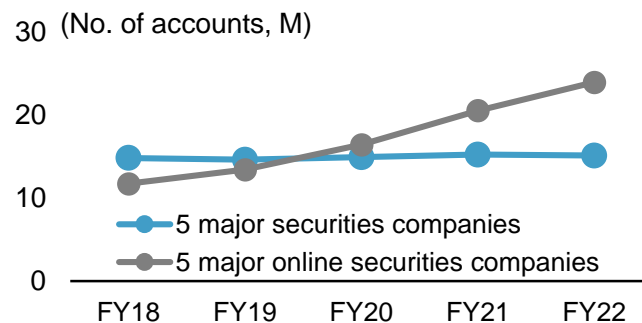
- While growing momentum in asset formation and asset management businesses in Japan, customers becoming more digital-oriented, resulting in the enlarging gap between face-to-face and digital business. Rakuten Securities' net operating revenue has been increasing.
- Capabilities of responding to various customer's needs, which could not be dealt with either online or offline alone, could become distinguishing factors now on

Strengthening the asset formation and asset management businesses based on government policies in Japan

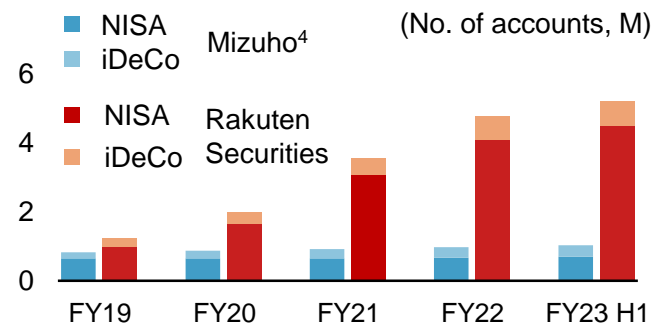
Strong customers' digital mindset

Necessity to expand the base for asset formation and asset management to younger and asset-building generations

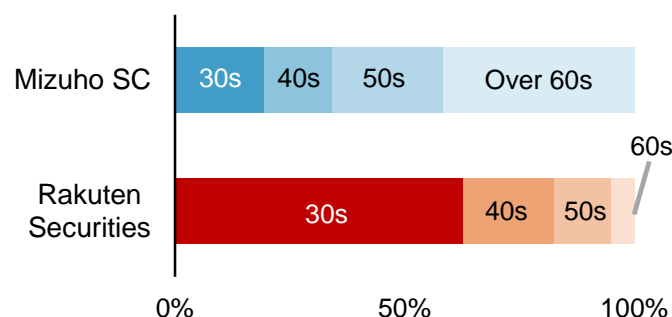
## Active accounts<sup>1,3</sup>



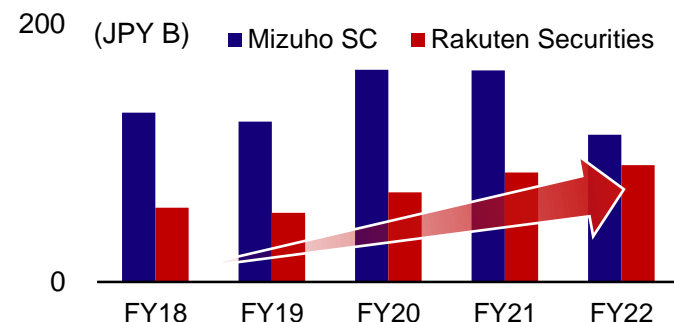
## NISA/ iDeCo accounts (stock base)<sup>1,2,3</sup>



## Newly opened accounts (by age groups)<sup>1,5</sup>



## Net operating revenue in retail business<sup>1,2</sup>



**Facing necessity to establish frameworks which customers themselves could choose their own best service, in order to respond to such diverse customer's needs**

1. The chart is made by Mizuho FG based on each company's disclosed materials (accounts with outstanding). 2. The figure of SC is only showing the performance of Retail business. 3. As Rakuten Securities's fiscal year ends in December, FY23 1H refers to Jan. 2023 - Jun. 2023. Fiscal year of other securities companies including Mizuho SC ends in March. 4. While NISA service is provided by both Mizuho BK and SC, iDeCo is provided only by Mizuho Bank. 5. Jan. 2022- Dec. 2022

# Global CIB business (1)

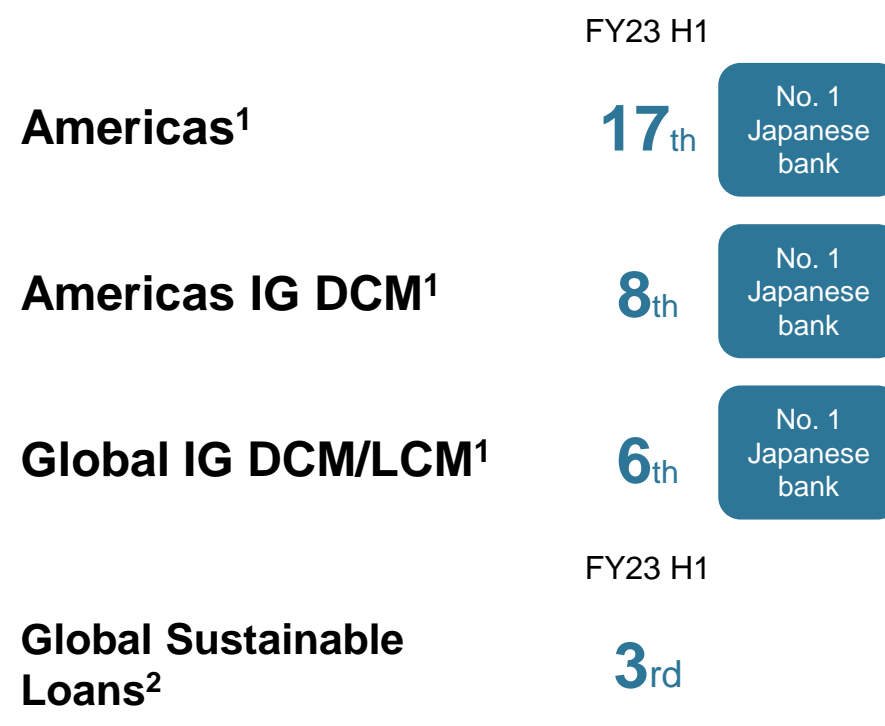
- No.1 presence among Japanese banks in the Americas in the IG area.  
Aim for further growth through capability strengthening

## Global League Table<sup>1</sup>

FY23 H1					
1	JPMorgan	10.3%	11	Deutsche Bank	2.1%
2	Goldman Sachs	9.1%	12	RBC	2.0%
3	BofA Securities	7.5%	13	BNP Paribas	2.0%
4	Morgan Stanley	5.7%	14	Mizuho	1.8%
5	Citi	4.5%	15	Evercore	1.4%
6	Barclays	3.2%	16	Nomura	1.4%
7	Wells Fargo	2.9%	17	HSBC	1.3%
8	Jefferies	2.6%	18	Houlihan Lokey	1.3%
9	UBS	2.4%	19	Lazard	1.2%
10	Centerview	2.3%	20	SMFG	1.2%



## Other Key League Tables



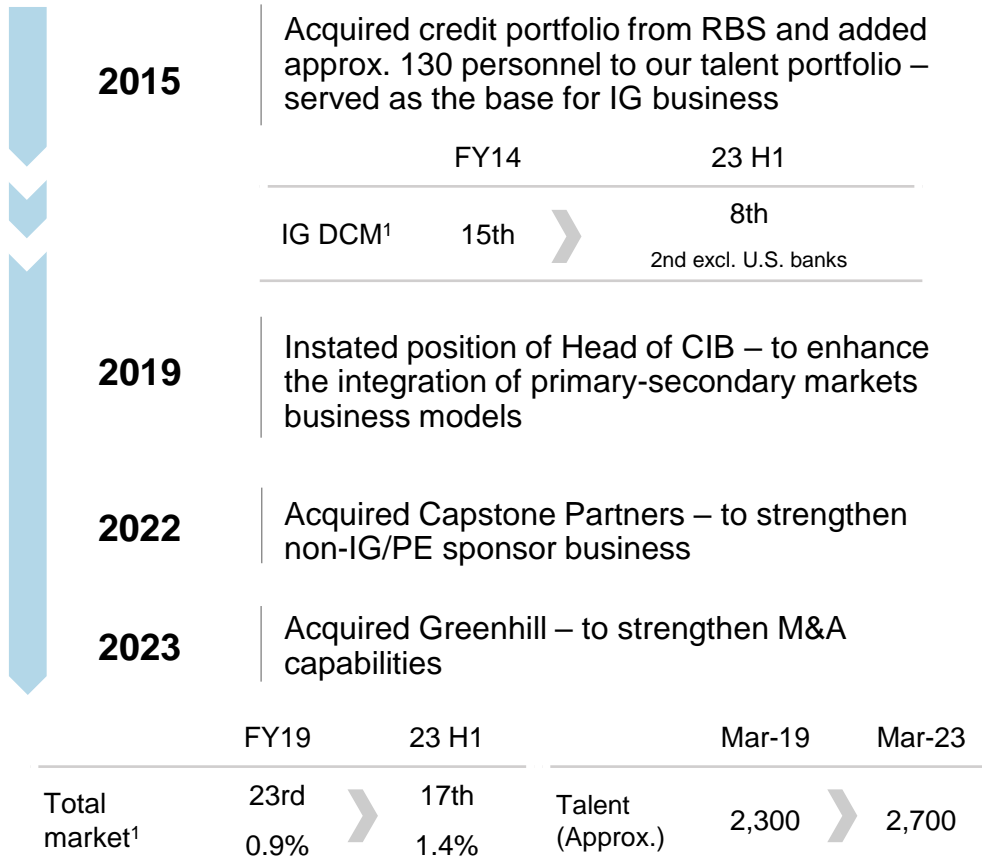
1. Source: Dealogic, fee basis, incl. Japan. 2. Source: Refinitiv, Origination amount basis. 3. New international assignees from Japan. Figure as of Sep-23 includes employees not yet transferred.

# Global CIB business (2): Americas

- Established business base with IG corporates. Strengthen non-IG/ECM and M&A business

## History of Mizuho Americas

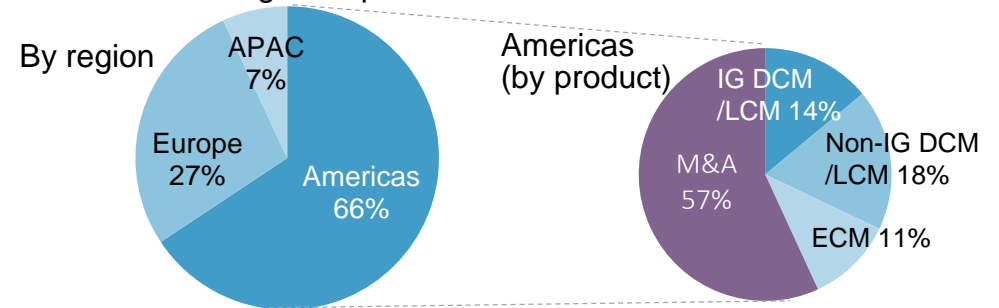
- Expanded in-house capabilities, including products and personnel, through inorganic investment



1. Source: Dealogic, fee basis. 2. FY22. DCM, LCM, ECM, M&A.

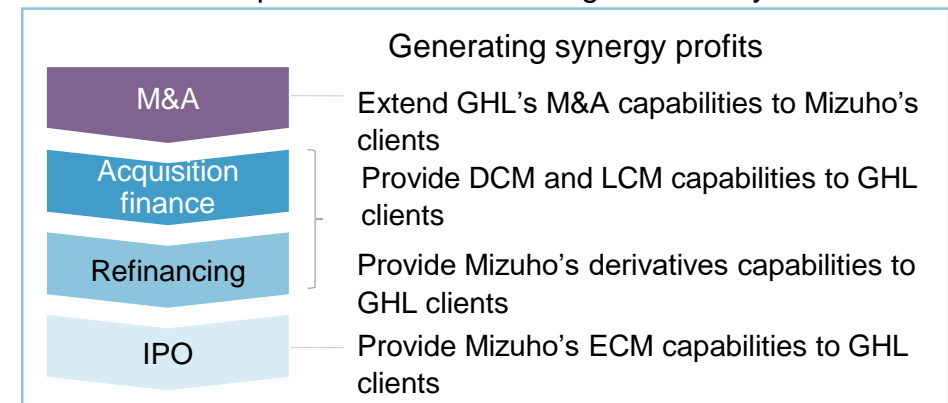
## Capital Market Fee Pool<sup>1,2</sup>

- Room for growth in M&A and ECM business in the Americas, the world's largest capital market



## Acquisition of Greenhill (GHL)

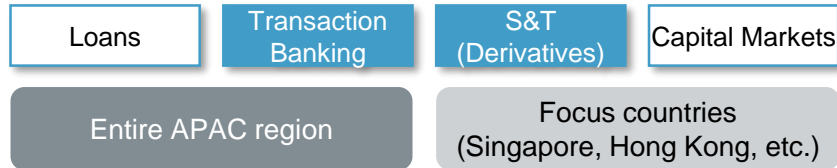
- Acquired the brand, with approx. 370 M&A advisory professionals
- Will focus on the incorporation of GHL, in order to maximize on value chain of capital markets business generated by M&A



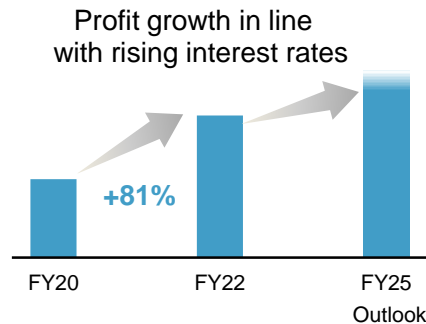
# Global CIB business (3): APAC and EMEA

## APAC

- Approaching customers in APAC on a region-wide basis, though simultaneously aligning products to each market environment



### Transaction Banking (Profits)<sup>1</sup>

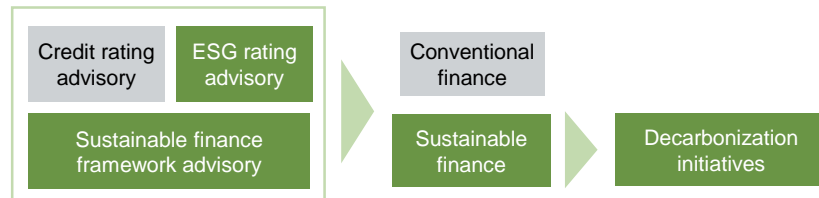


### Derivatives

- Continue to develop business foundation, capturing emerging markets Rates/FX flows from financial institutions and non-Japanese clients
- Established a futures trading subsidiary in Singapore

### ● ESG Solutions

Providing decarbonization efforts support to an affiliate of Pertamina<sup>2</sup> in Indonesia



## EMEA

### ● Transition to Universal Bank in the EU region<sup>3</sup>

- Mizuho Bank Europe N.V. and Mizuho Securities Europe GmbH will merge, transforming into a Universal Bank in the EU region with integrated banking and securities functions by FY25
- Aim to provide improved services in the EU region by deepening BK-SC CIB model collaboration and utilizing the EU passport

Universal Bank **4** cities **4** offices ➤ Provide integrated BK-SC services throughout the EU region

### To be consolidated

- Current locations



1. Current deposit + FX + Trade Finance (non-interest income). 2. Indonesian state-owned oil & gas business operator. 3. Subject to approval by the relevant authorities.

## Definitions

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### Financial accounting

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

### Management accounting

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

## Abbreviations

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

## Foreign exchange rate

	TTM	Sep-22	Mar-23	Sep-23
USD/JPY		144.81	133.54	149.58
EUR/JPY		142.32	145.72	157.97
Management accounting (Plan Rate)				FY23
USD/JPY			120.00	
EUR/JPY			132.00	

### 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. In many cases, but not all, we use such words as “aim,” “anticipate,” “believe,” “endeavor,” “estimate,” “expect,” “intend,” “may,” “plan,” “probability,” “project,” “risk,” “seek,” “should,” “strive,” “target” and similar expressions in relation to us or our management to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These forward-looking statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions, and actual results may differ from those expressed in or implied by such statements contained or deemed contained herein.

We may not be successful in implementing our business strategies, and management may fail to achieve its targets, for a wide range of possible reasons, including, without limitation: impact of the COVID-19 pandemic; incurrence of significant credit-related costs; declines in the value of our securities portfolio; changes in interest rates; foreign currency fluctuations; decrease in the market liquidity of our assets; revised assumptions or other changes related to our pension plans; a decline in our deferred tax assets; impairment of the carrying value of our long-lived assets; problems related to our information technology systems, including as a result of cyber attacks; the effect of financial transactions entered into for hedging and other similar purposes; failure to maintain required capital adequacy ratio levels and meet other financial regulatory requirements; downgrades in our credit ratings; our ability to avoid reputational harm; our ability to implement our strategic initiatives and measures effectively; the effectiveness of our operational, legal and other risk management policies; the effect of changes in general economic conditions in Japan and elsewhere; and changes to applicable laws and regulations. Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

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”), which is available in the Financial Information section of our web page at [www.mizuhofg.com/index.html](http://www.mizuhofg.com/index.html) and also at the SEC’s web site at [www.sec.gov](http://www.sec.gov).

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