

Business portfolio (business strategies by in-house company)

Business portfolio

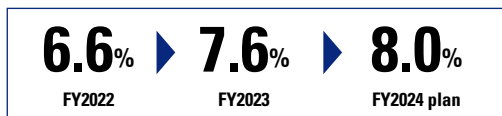
Mizuho's business domains include banking, trust banking, securities, asset management, research and consulting, and other services. Under a holding company, we have five in-house companies with the aim of better providing services that meet client needs in a timely manner.

Mizuho strives to allocate corporate resources to the in-house companies optimally in line with group strategy, seeking to achieve sustained, stable growth in the corporate value of the entire Mizuho group through the individual in-house companies' provision of services for customers. We maintain disciplined financial management by setting targets for each in-house company (including profitability, ROE, and expense ratios) in line with group-wide financial targets, as well as the business characteristics and operating environment of each in-house company, and monitoring progress toward these targets during the fiscal year. Furthermore, each in-house company provides optimal solutions to customers by focusing allocation of corporate resources such as expenses, personnel, and risk-weighted assets (RWA) on domains in which it can leverage its own strengths based on an in-house company strategy linked to the group strategy.

Mizuho pursues measures to improve our entire business portfolio's resilience to changes in markets and the economic environment by pursuing capital efficiency and growth, expanding our stable revenue base and diversifying our revenue sources, as well as improving the distribution and complementary effects of revenue within in-house companies, or among business domains spanning multiple in-house companies. Under the medium-term business plan launched in fiscal 2023, we will aim to achieve our financial targets in terms of Consolidated ROE, Consolidated Net Business Profits, and Profit Attributable to Owners of Parent by making constant efforts to optimize our portfolio in line with the characteristics of individual in-house companies, thereby establishing a more resilient business portfolio possessing a combination of growth potential, efficiency, and stability.

In fiscal 2023, though we realized mark-to-market losses related to the securities portfolio in light of the market environment, we achieved steady profit growth and improved our Consolidated ROE through business expansion in investment banking and solutions, as well as an increase in interest income from foreign currency deposits on the back of persistently high US interest rates.

Consolidated ROE¹



1. Excluding Net Unrealized Gains (Losses) on Other Securities

Consolidated Net Business Profits²

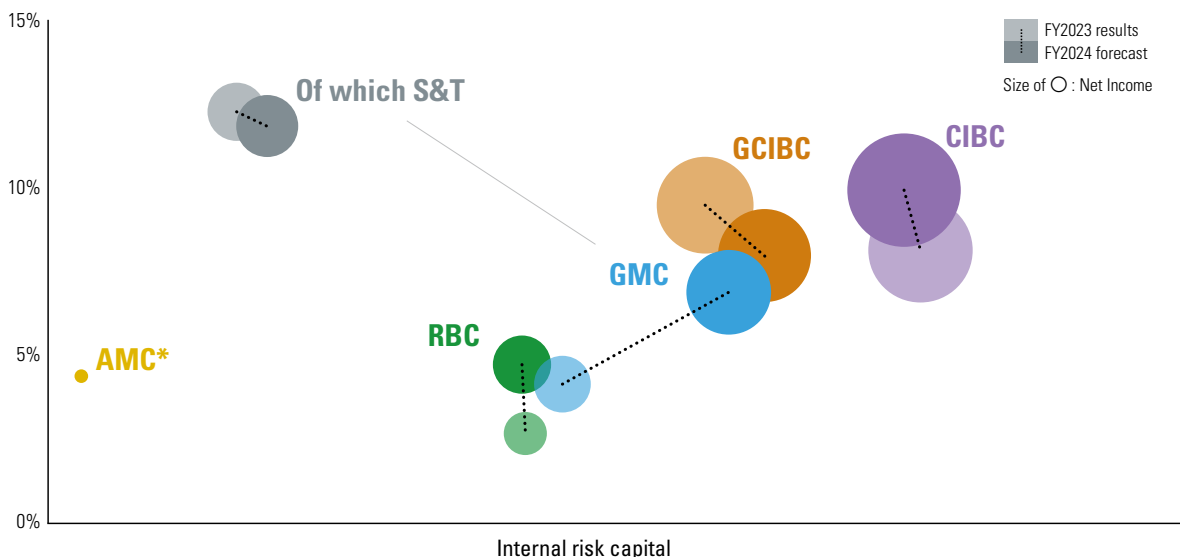


2. Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others

ROE growth by in-house company

- Retail & Business Banking Company (RBC)
- Corporate & Investment Banking Company (CIBC)
- Global Corporate & Investment Banking Company (GCIBC)
- Global Markets Company (GMC)
- Asset Management Company (AMC)

Net Income ROE

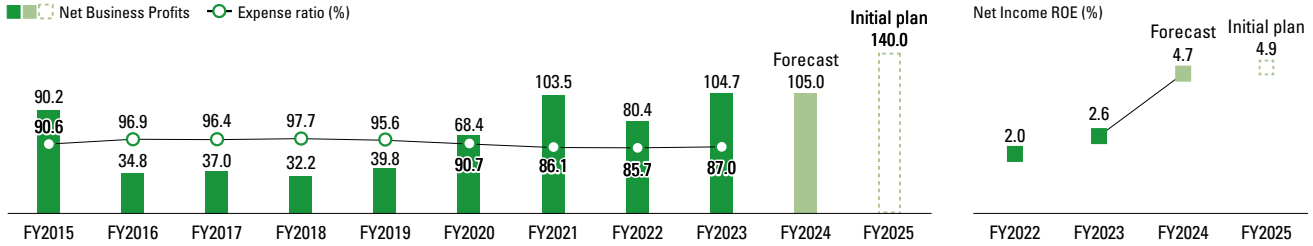


* Net income was negative in FY2023.

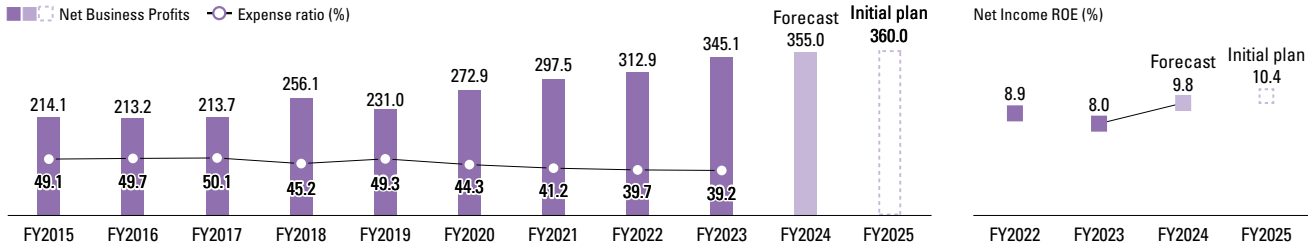
Historical data by in-house company

(Group aggregate, management accounting, rounded figures (¥ billion)
 Figures for FY2025 are as initially announced in the medium-term business plan ("initial plan")
 Figures for FY2023 and FY2024 are calculated based on the FY2024 accounting rules; for other years, the FY2023 accounting rules are used
 For the Global Markets Company, Net Business Profits include Net Gains (Losses) related to ETFs and others.

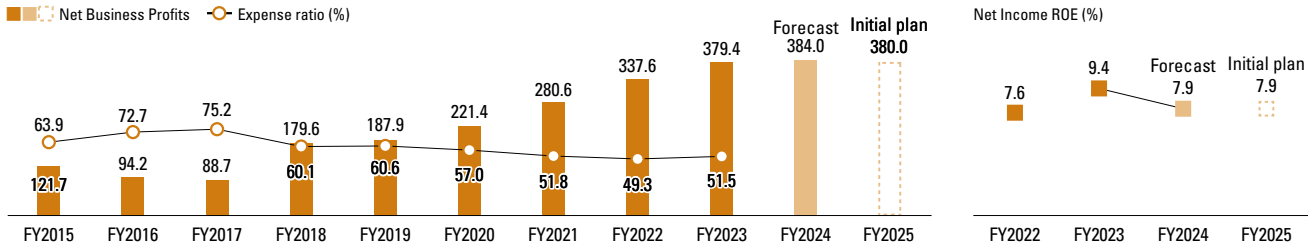
Retail & Business Banking Company



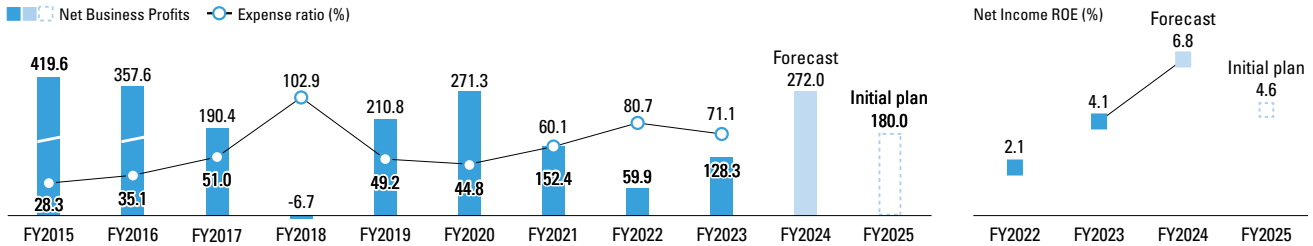
Corporate & Investment Banking Company



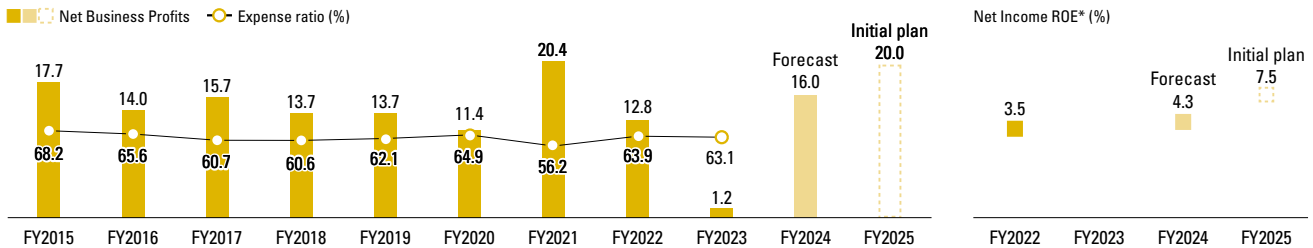
Global Corporate & Investment Banking Company



Global Markets Company



Asset Management Company



* Net income was negative in FY2023.

Retail & Business Banking Company

The company is in charge of individual customers, SMEs, and middle-market firms in Japan.



Customers are currently facing challenges arising from the social and business environments, such as the new era of longer lifespans, sustainability and digital transformation, and asset and business succession. In light of these, we look to shift to a phase of business growth and expansion through the efficient allocation of corporate resources, highlighted by the revision of work processes and ongoing evaluations of our product and service lineup, and growth investments aimed at the sustainable expansion of our customer base. This will enable us to contribute to improved personal well-being for individual customers as well as support the growth strategies and business transformation of corporate clients.

Materiality areas: Declining birthrate and aging population, plus good health and lengthening lifespans Industry development and innovation Sound economic growth Environment and society

Strengths

- Consulting and solutions that seamlessly leverage group-wide collaboration between banking, trust banking, securities, and other business areas for both individual customers and corporate clients
- Capability to respond to customer needs and originate business, based on advanced expertise under the new branch network dedicated respectively to individual customers and corporate clients
- Broad network with startups/innovative companies, IT platform providers, and IT players

Focuses

- We will strongly support asset formation and management, and asset and business succession by leveraging the strengths and functions of our banking, trust banking, and securities services.
- We will enhance our support to middle market firms and SMEs for business growth and corporate value enhancements, and provide risk capital to startups/innovative companies.

Optimization

- We will simultaneously upgrade the convenience and quality of customer services and boost operational efficiency by improving our digital, remote, and physical (branch and ATM) channels, which will enable us to shift personnel to consulting and growth support.

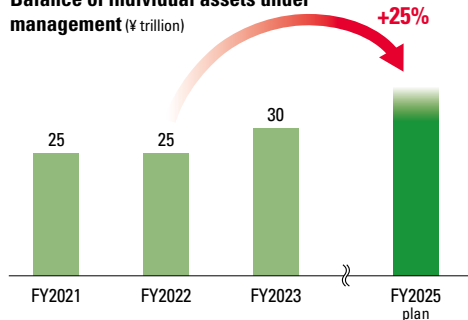
Measures to achieve medium-term business plan

We will improve customer experience by providing highly convenient digital services enabling various transactions to be completed without visiting our locations, while at the same time also bolstering our capacity to serve customers either at branches or remotely by placing importance on customer touchpoints. We will meet individual customers' asset formation, succession, and management needs by means of group-wide comprehensive asset consulting; for corporate clients we will provide high added-value solutions leveraging Mizuho's know-how, insight, and networks and provide risk capital.

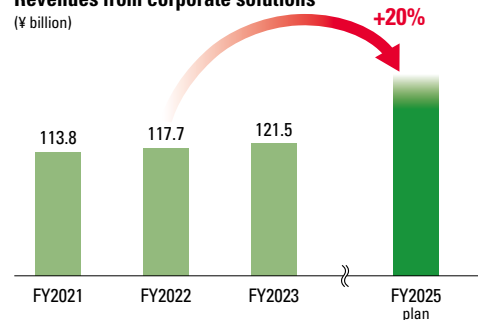
Progress

The number of deposit accounts has increased steadily due to stronger account acquisition through improved customer experience, and the numbers of Nippon Individual Savings Accounts (NISAs) and other investment accounts have increased as well from our enhanced responses to consulting needs triggered by the new NISAs. We also effected a shift from deposits or government bonds to investment products through comprehensive asset consulting and expanding our range of proposals. We have strengthened our strategic capital and business alliance with Rakuten Securities, Inc. with the aim of building a business model that combines online and offline. By enhancing our approach to building corporate growth stories, we have been able to provide more solutions that improve corporate value.

Balance of individual assets under management (¥ trillion)



Revenues from corporate solutions (¥ billion)



Corporate & Investment Banking Company

As the in-house company in charge of large corporations, financial institutions, and public-sector entities in Japan, the company provides products (M&A, real estate, etc.) on a group-wide basis.



Masayuki Sugawara

Senior Executive Officer
Head of Corporate & Investment Banking Company

Increasing public interest in sustainability and other social issues is accelerating various structural shifts. In this environment, in order to have an accurate picture of the changes occurring and further strengthen our ability to meet the increasingly diverse and complex needs of our clients, we will proactively support our corporate clients to enhance their competitiveness using a cross-group sector coverage structure. By supporting clients to enhance their corporate value, we will work to resolve social issues and contribute to the sustainable growth and prosperity of industry, the economy, and society as a whole.

Materiality areas: Industry development and innovation Sound economic growth Environment and society

Executive messages
Human capital management

Story of Mizuho's value creation
Sustainability

Business strategies for value creation
Digital transformation

Governance for value creation
Business portfolio
(business strategies by in-house company)

Data section

Appendix

Strengths

- Capacity to co-create value with clients through sector coverage structure, aligned among banking, trust banking, and securities
- Integrated organization of sector coverage and product line to enhance capability to connect various functions within the Mizuho group and provide both financial and non-financial solutions
- Ability to provide sound risk capital for co-creating value with clients

Focuses

- In terms of sustainability, including decarbonization, we aim to create businesses in a wide range of domains beyond finance by engaging deeply with clients and taking action to resolve their issues, as well as the issues affecting society and industry.

Optimization

- We will establish an appropriate balance of risk and return by reviewing our business portfolio. With regard to cross-shareholdings, we are continuing their steady reduction and effectively reallocating capital to highly profitable product areas, mezzanine financing, and the like.

Measures to achieve medium-term business plan

We will bolster our role as a partner that co-creates value with clients by accurately identifying the major trends of structural change in society and industry and providing a diverse range of financial and non-financial solutions to facilitate clients' sustainable growth and prosperity. By integrating coverage and products, we will ensure "market-in" approaches to clients (i.e., approaches informed by client needs), thereby enhancing our ability to provide solutions.

Progress

We have worked with clients to implement leading-edge technologies and revitalize communities through value co-creation investments and transition investments, with the aim of achieving a sustainable society. In addition, we effectively invested assets in priority areas such as M&A, real estate, and strategic investment* while progressively reducing cross-shareholdings to restructure our business portfolio. Going forward, we will continue to take an active approach to supporting our clients to enhance their competitiveness and engage with them from the starting point of sustainability.

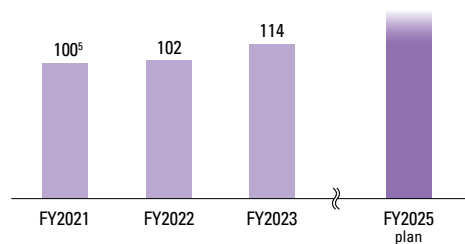
* Hybrid financing, Equity and Mezzanine, etc.

League tables

	FY2020	FY2021	FY2022	FY2023
DCM ¹	#1	#1	#1	#1
SDG bonds ²	#1	#1	#1	#1
ECM ³	#4	#4	#4	#4
M&A ⁴	#15	#5	#5	#7

1. Based on underwriting amount and pricing date basis. Including samurai bonds, municipal bonds (underwriting only), and preferred securities. Excluding bonds issued by Mizuho, securitization, and security tokens. Source: Capital Eye.
2. Source: Capital Eye.
3. Based on bookrunner and pricing date. Deals include initial public offerings, public offerings, convertible bonds, and REITs. Source: LSEG.
4. Transaction amount basis, Japanese company-related, excluding real estate. Source: LSEG.

Strategic investment balance



5. With FY2021 results as 100.

Global Corporate & Investment Banking Company

The company provides solutions to Japanese companies operating outside Japan and to non-Japanese companies.



Hidekatsu Take

Deputy President & Senior Executive Officer
Head of Global Corporate & Investment Banking Company

As a strategic partner supporting our clients' global businesses, we will leverage our firm presence in the US capital markets and our extensive network in Asian economic zones to provide comprehensive financial solutions to clients in each region. In addition, we will support their business development and transition to decarbonization through engagement, while also contributing to the resolution of social issues.

Materiality areas: Industry development and innovation Sound economic growth Environment and society

Strengths

- Corporate & Investment Banking (CIB) business model that offers both balance sheet and capital markets / investment banking functions such as DCM, ECM, and M&A, and a firm presence in US capital markets
- Extensive international network centered on Asia where the economy is growing
- Robust client base and strong loan portfolio

Focuses

- The growth drivers in our business outside Japan are the US, which has the largest fee pool, and Asia, which has strong economic fundamentals. We are working toward further growth by prioritizing allocation of corporate resources in these regions.

Optimization

- We will centralize IT and operations outside Japan in Mizuho Global Services India (MGS) and deploy best practices and leverage digital technology to standardize and optimize work processes. At the same time, we will strategically reallocate corporate resources throughout each region, replacing low-profit assets with high-profit assets.

Measures to achieve medium-term business plan

We will take bold steps to improve asset profitability through further enhancement of CIB capabilities in the US, and through expanding non-interest income and rebalancing our portfolio by extending the CIB model to APAC and EMEA. We will also take steps to enhance our framework of internal controls to ensure its alignment with increasingly demanding supervisory perspectives, tightened regulations, and business expansion. Towards further business growth and stable operations, we will enhance and diversify our human capital portfolio by employing professional talent well acquainted with each local market and developing core personnel who can work internationally in the future.

Progress

As we proceed with the integration of Greenhill, the M&A advisory firm we acquired in December 2023, we will use M&A as an entry point to capture various opportunities in the capital markets, and accelerate collaboration between regions. We are steadily reducing low-profit assets and improving ROE, and we will continue to shift our assets to growth areas, particularly in the Americas and APAC, to further improve profitability and capital efficiency. We have also pursued improved operational efficiency and productivity through the centralization of IT and operations into MGS and other initiatives. We will continue to expand our capabilities and strengthen our corporate functions to support our global business.

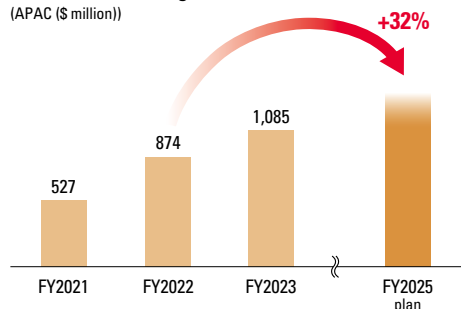
League tables

	FY2020	FY2021	FY2022	FY2023
Americas DCM ¹	#9	#8	#8	#8
excl. US banks	#3	#2	#2	#2
Share	3.4%	3.5%	4.2%	4.4%
Americas Non-IG LCM/DCM ²	#17	#21	#16	#14
excl. US banks	#8	#10	#6	#6
Share	1.4%	1.4%	1.7%	1.9%

1. Bonds issued by investment grade corporates, fee basis. Source: Dealogic.

2. Bonds and loans issued by non-investment grade corporates, fee basis. Source: Dealogic.

Transaction banking (APAC (\$ million))



Global Markets Company

The company engages in sales and trading (S&T) business offering market products, and banking operations comprising asset and liability management (ALM) and investment.



Daishi Sasaki

Senior Executive Officer
Co-Head of Global Markets Company

Kenya Koshimizu

Senior Executive Officer
Co-Head of Global Markets Company

Regarding our sales and trading business, we will enhance our ability to respond to diversifying client needs by further acceleration of integrated banking and securities operations in each region, and boost our capacity to provide market solutions and to pursue digitalization. With respect to our banking operations, in anticipation of changes to the financial environment such as further shifts in the Bank of Japan's monetary policy and policy rate cuts by other central banks, we will realize stable earnings by continuing our flexible and agile predictive risk management based on close market analysis.

Materiality areas: Sound economic growth

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Strengths

- S&T business integrated across banking and securities, aligned to regional characteristics in the US, EMEA, APAC (ex-Japan), and Japan respectively
- Stable S&T business underpinned by various clients under the Corporate & Investment Banking (CIB) business model
- Global ALM management and flexible portfolio management by capturing early warning signals and other factors in our banking operations

Focuses

- In our S&T business, we will focus on expanding product lines that contribute to growth of the CIB business model around the world, and ensure earnings stability through business diversification and transaction flows. In our banking operations, we will improve our Japanese yen- and foreign currency-based ALM to ensure it is responsive to changes in the market environment and focus on flexible portfolio management integrating investment and ALM.

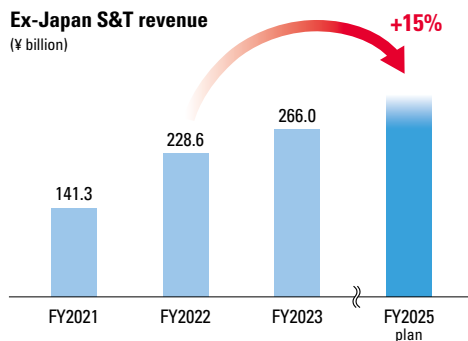
Measures to achieve medium-term business plan

We will focus on expanding equities business in Japan and the US, and derivatives business in APAC (ex-Japan), while in the EMEA region we will focus on products consistent with our CIB business model. This will enable us to further accelerate integrated banking and securities operations within the S&T business in each region. To manage increasing foreign currency assets on our balance sheet, we will increase the stability and efficiency of our capacity to procure foreign currency funding, including by effectively using yen-dominated assets. In investment product sales in Japan, we will aim to increase earning opportunities from corporate clients by furthering acceleration of integrated banking and securities operations through reinforcement of our capacity to provide financial product intermediary services.

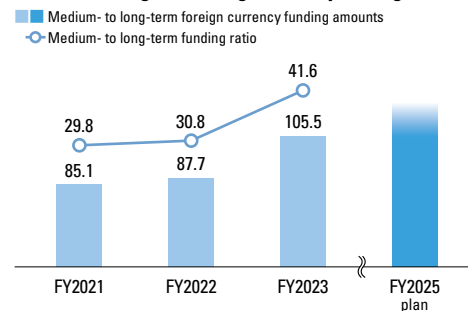
Progress

In the S&T business, we have been working to expand our product lines and strengthen business infrastructure globally, such as by building the foundations for expansion of the derivatives business in APAC (ex-Japan). We will improve ROE through operations focused on earnings stability, profitability, and the efficient use of management resources. In our banking operations, we delivered earnings by dynamically and flexibly aligning our market risk to each situation and employing portfolio management resilient to rising interest rates, in light of the potential for changes in monetary policy inside and outside Japan.

Ex-Japan S&T revenue
(¥ billion)



Medium- to long-term foreign currency funding amounts (\$ billion, %)



Asset Management Company

The company provides investment products and solutions that match the asset management needs of a wide range of customers, from individuals to institutional investors.



Noriyuki Sato
Senior Executive Officer
Head of Asset Management Company

To meet customers' growing asset management needs in the new era of longer lifespans, we will enhance our product lineup and provision of solutions while working to further strengthen our investment capabilities. We will aim to grow the asset management business further by responding to investment diversification needs, including long-term asset formation for individual customers that benefits from the support of the tax system for Nippon Individual Savings Accounts (NISAs) and individual-type defined contribution pension plans (iDeCo) in Japan, and alternative investments for institutional investors.

Materiality areas: Declining birthrate and aging population, plus good health and lengthening lifespans

Sound economic growth

Environment and society

Strengths

- Relationships with distributors in and outside the Mizuho group and extensive product lineup
- Wide-ranging contact points with corporate clients through corporate pension plan management and their employees as potential individual customers
- Providing solutions to institutional investors as a unified group
- Asset Management One, our in-house asset management arm, characterized by strong investment capabilities and advanced sustainability initiatives

Focuses

- Expand asset formation and asset management services for individual investors, and enhance investment performance
- Promote asset formation for individual investors through the pension business
- Bolster investment solutions and alternative investment capabilities that match the needs of institutional investors
- Enhance investment capabilities and product lineup through inorganic strategy

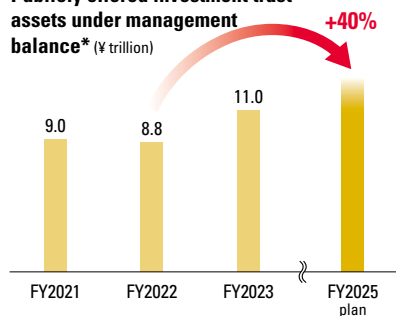
Measures to achieve medium-term business plan

For individual customers in Japan in addition to enhancing our investment capabilities, we will expand our product portfolio, including strategic products for the "new NISAs", through appropriate collaboration with our group companies, based on our customer-oriented approach. We will also support human capital enhancement for corporate clients and promote asset formation for individual customers through the pension business. Furthermore, we will develop and provide investment solutions addressing the needs of pension funds and other institutional investors, and strengthen our alternative investment capabilities.

Progress

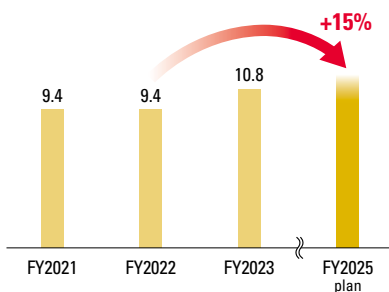
Through support of the tax system for NISAs and iDeCo accounts, and in order to respond to growing investment needs, we have served diverse needs by developing and offering an extensive range of products, including new establishment of funds for Japanese stocks and reduction of fiduciary income in the index fund series. By expanding our product lineup and enhancing support for our distribution network in light of rising interest rates and other changes in financial markets, we will provide high value added products that offer stable earnings growth and improved ROE.

Publicly offered investment trust assets under management balance* (¥ trillion)



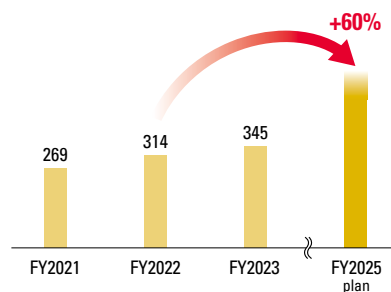
* AUM of publicly offered equity investment trusts excluding ETFs.

AUM of DB and DC* (¥ trillion)



* Total balance of assets in defined benefit (DB) and defined contribution (DC) pensions (corporate and individual-type DC pensions)

Number of individuals enrolled in iDeCo (thousand)



Global Transaction Banking Unit

The unit provides a range of solutions in the transaction banking area including settlement and cash management for corporate clients in Japan and elsewhere around the world.

The Global Transaction Banking Unit aims to establish a new, highly secure and convenient business domain in which we take advantage of advancing digitalization while continuing to provide reliable settlement services in order to respond to needs related to transaction banking business, which are increasing in sophistication and complexity globally.



Tsutomu Yamamoto
Senior Executive Officer
Head of Global Transaction Banking Unit

Strengths

- Sophisticated expertise enabling issues to be resolved through provision of multiple products according to client needs
- Ability to provide solutions on a global basis, by leveraging networks both in Japan and around the world
- Maintaining award-winning status in Japan and Asia in the custody and trade finance areas

Measures to achieve medium-term business plan

We will constantly work to maintain and reinforce our settlement infrastructure and platform in order to stably provide settlement services as a form of social infrastructure. In addition, we will endeavor to create next-generation business opportunities by offering proactive solutions that address global trade flows, supply chains, and changes in regulations, and also responding flexibly to trends including the emergence of new technologies and players.

Progress

We work to increasingly elevate our settlement systems in Japan and globally in order to provide secure, rapid, and transparent settlement services. In addition to changes in global commercial flows and the emergence of new technologies and players, the return of positive interest rates in Japan has made transaction business all the more important. We are constantly working to offer proactive solutions and create next-generation businesses in light of these environmental changes.

Research & Consulting Unit

The unit performs research into industry, corporations, economics, and financial markets and provides consultancy services regarding business strategy, sustainability and digital transformation, and similar fields.

We will deliver distinctive research content and provide highly specialized consulting services in response to rising social, economic, and industrial uncertainty and the changing needs of our clients. In doing so, we will address the current issues of our clients and society with an eye on the future.



Yasuhiko Ushikubo
Senior Executive Officer
Head of Research & Consulting Unit

Strengths

- High-quality research functions backed by deep knowledge of industry, corporations, economics, and financial markets
- Consulting functions exercising high levels of expertise in business strategy, sustainability and digital transformation, and similar
- Combining various areas of expertise and coordinating financial functions within the group to enable high-quality, innovative value creation

Measures to achieve medium-term business plan

- Deliver distinctive theme-specific and cross-sector research, looking at what is around the corner as well as the medium to long term
- Strengthen consulting capabilities, including combining insights across multiple areas and collaborating with partners inside and outside Mizuho
- Sow the seeds for new businesses by strengthening initiatives exploring new fields, leveraging external knowledge

Progress

We have distilled the accelerating trends of sustainability and digital transformation and changes in the macroeconomic environment and international situation into research content on how the Japanese industry can succeed in the medium to long term, the return of positive interest rates in Japan and related concepts. In addition, we have worked to support the formulation of corporate sustainability transformation strategies and the real-world implementation of new technologies, and also strengthened our consulting capabilities in areas such as human capital management, which is of increasing interest to companies.