

May 15, 2019

To whom it may concern:

Company name: Mizuho Financial Group, Inc.
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(Progress of Disclosed Matter) Recording of Losses in Light of Structural Reform

In the release titled “Recording of Losses and Revision to Earnings Estimates in Light of Structural Reform” announced on March 6, 2019, Mizuho Financial Group, Inc. (the “Company”) disclosed that it expected that losses (totaling approximately 680 billion yen) arising from the Company’s efforts to promote structural reform would be recorded in its financial results for the fiscal year ending March 31, 2019. The Company hereby announces that the amount of the losses recorded in the financial results has been fixed.

For the details of the Company’s business plan for the period starting from the fiscal year ending March 31, 2020, please refer to the “5-Year Business Plan” announced today.

1. Recording of losses in light of the Company’s efforts to promote structural reform

In formulating the “5-Year Business Plan” announced today, the Company recorded losses (totaling 695.4 billion yen) in the consolidated financial results for the fiscal year ended March 31, 2019. Those losses were recorded in respect of the Company’s principal consolidated subsidiaries in Japan, i.e., Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd., for the following reasons:

(1) Impairment losses on fixed assets (500.7 billion yen)

Our group reviewed the application of impairment losses on fixed assets in order to enhance the sophistication of its management accounting capabilities. We also revised our future earnings plans and branch network strategy, etc., for each business area pursuant to the 5-Year Business Plan. As a result of these revisions, we recorded impairment losses on fixed assets (500.7 billion yen), including software attributable to the domestic retail business division and branches that are scheduled to be closed, as Extraordinary Losses.

(2) Losses pertaining to the restructuring of securities portfolio, etc., in markets division (194.7 billion yen)

In connection with the implementation of the restructuring of the securities portfolio of the markets division in respect of its past investments in foreign bonds, etc., and the enhancement of the sophistication of its derivative valuation methods, etc., in order to reflect the counterparty risk of the individual parties to relevant transactions and other factors in determining the fair market value of the transactions, the Company recorded losses (194.7 billion yen) which consist primarily of losses on sales related to securities and are included within Ordinary Expenses.

2. Effects on earnings

The “Consolidated Financial Statements for Fiscal 2018” announced today reflects the foregoing matters.

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(Note) Because the Company is still in the process of preparing its US GAAP consolidated financial statements for the fiscal year ended March 31, 2019, the quantitative impact that the factors described in 1. above will have on such financial statements has not yet been determined.