

# Financial Results for FY2015 and

New Medium-term Business Plan

## Progressive Development of “One MIZUHO”

– The Path to a Financial Services Consulting Group –

May 2016

Mizuho Financial Group

# Important Notice

## 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 statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions.

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Further information regarding factors that could affect our financial condition and results of operations is included in “Item 3.D. Key Information—Risk Factors” and “Item 5. Operating and Financial Review and Prospects” in our most recent Form 20-F filed with the U.S. Securities and Exchange Commission (“SEC”), which is available in the Financial Information section of our web page at [www.mizuho-fg.co.jp/english/](http://www.mizuho-fg.co.jp/english/) and also at the SEC’s web site at [www.sec.gov](http://www.sec.gov).

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

Mizuho Financial Group, Inc. is a specified business company under "Cabinet Office Ordinance on Disclosure of Corporate Information, etc." Article 17-15 clause 2 and prepares the interim consolidated and interim non-consolidated financial statements in the second quarter.

Unless otherwise specified, the financial figures used in this presentation are based on Japanese GAAP

This presentation does not constitute a solicitation of an offer for acquisition or an offer for sale of any securities

## Definitions

FG: Mizuho Financial Group, Inc.

TB: Mizuho Trust & Banking Co., Ltd.

former CB: Former Mizuho Corporate Bank

RBC: Retail & Business Banking Company

GCC: Global Corporate Company

AMC: Asset Management Company

BK: Mizuho Bank, Ltd.

SC: Mizuho Securities Co., Ltd.

former BK: Former Mizuho Bank before the merger on Jul. 2013

CIC: Corporate & Institutional Company

GMC: Global Markets Company

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

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

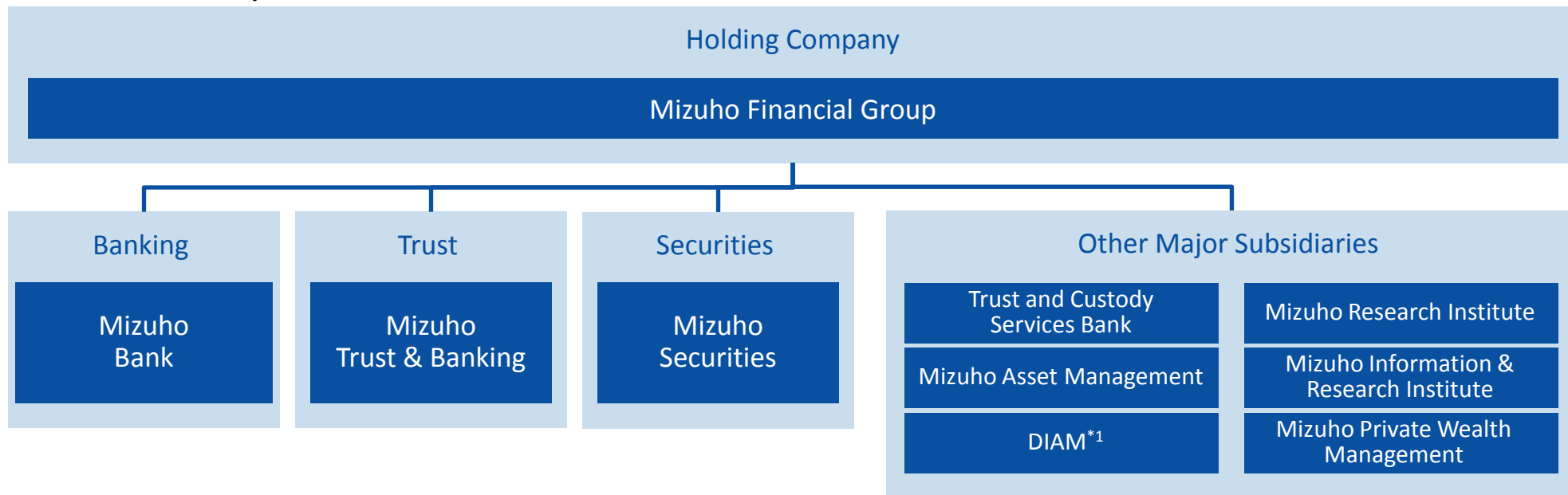
(Figures of BK up to 1Q FY2013 are simple aggregate figures of former BK and former CB)

BK+TB+SC: Aggregate figures for BK, TB and SC (including major subsidiaries) on a non-consolidated basis

Group aggregate: Aggregate figures for BK, TB, SC, Asset Management One (estimated date of integration: Oct., 2016) and other major subsidiaries on a non-consolidated basis

Unit managerial basis: Managerial figures based on results of former business units up to FY2015

# Mizuho Group



(Rounded Figures)

One of the Broadest  
Customer Base among  
Japanese Financial  
Institutions

Individual  
Customers  
24M

Comprehensive  
Securities Accounts  
1.65M

SME  
Borrowers, etc.  
100K

Coverage of Listed  
Companies in Japan  
70%

Forbes Global 200\*2  
(Non-Japanese  
Corporate Customers)  
80%

## Credit Ratings

(As of May 13, 2016)

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

\*1: An affiliate under equity method \*2: Top 200 corporations from Forbes Global 2000 (excl. financial institutions)

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## New Medium-term Business Plan Progressive Development of “One MIZUHO”-The Path to a Financial Services Consulting Group-

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# Overview of FY2015

(2 Banks, Customer Groups and Trading & Others figures are on a managerial accounting basis)

(JPY Bn)		FY2015	YoY	FY2015 Plan	Progress	Reference Pages
1	Gross Profits	1,599.3	-30.3			
2	Customer Groups	1,413.3	47.7			
3	Net Interest Income	800.3	17.4			P. 9
4	Non-interest Income	613.1	30.4			P.12
5	Trading & Others	186.0	-78.0			
6	G&A Expenses (excluding Non-Recurring Losses)	-910.9	-2.6			P.13
7	Customer Groups	-729.6	-29.1			
8	Trading & Others	-181.3	26.5			
9	Net Business Profits	688.4	-32.9	810.0	84.9%	
10	Customer Groups	683.7	18.6			
11	Trading & Others	4.7	-51.5			
12	Credit-related Costs	-26.7	-18.9	-50.0		P.16
13	Net Gains (Losses) related to Stocks *1	181.4	85.2	75.0		P.15
14	Net Non-Recurring Gains (Losses) - Other	-80.1	-24.8			
15	Ordinary Profits	762.9	8.4			
16	Net Income	530.6	50.2	535.0	99.1%	
17	Consolidated Net Business Profits *2	852.8	-24.1	960.0	88.8%	
18	Difference b/w Consolidated and 2 Banks	164.4	8.8			
19	Consolidated Credit-related Costs	-30.4	-25.7	-60.0		
20	Consolidated Net Gains (Losses) related to Stocks	205.6	73.7	75.0		
21	Net Income Attributable to FG	670.9	59.0	630.0	106.4%	
22	Difference b/w Consolidated and 2 Banks *3	140.2	8.7	95.0	147.5%	

\*1: Including Net Gains related to ETF of JPY 2.8Bn (YoY -JPY 31.2Bn) \*2: Consolidated Gross Profits - G&A Expenses (excluding Non-Recurring Losses) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments \*3: Net Income Attributable to FG - Net Income of 2 Banks \*4: Including Eleventh Series Class XI Preferred Stock (balance as of Mar. 16: JPY 98.9Bn)

## Highlights of FY2015

### Net Income Attributable to FG: Exceeded the Plan

- Net gains (losses) related to Stocks exceeded the plan, due to the steady disposal of cross-shareholdings
- Credit-related Costs increased YoY but was at half of the level of the FY2015 plan
- Difference between Consolidated and 2 Banks increased mainly due to SC

### Net Business Profits of 2 Banks decreased

- Gross Profits decreased YoY due to the downturn of both internal and external environment
- G&A Expenses were flat, almost in line with the plan

### SC Profits consecutively remained strong YoY

- Extraordinary gains due to the indemnity receipt (JPY 12.8Bn) from Tokyo Stock Exchange contributed, leading to the favorable results exceeding that of the last fiscal year

### Capital Base maintained a sufficient level

- Common Equity Tier 1 (CET1) Capital Ratio on a fully-effective basis amounted to 10.85%\*4
- Annual Cash Dividend per Share of Common Stock of JPY 7.5 as planned

## Difference in Net Income b/w Consolidated and 2 Banks\*3

(JPY Bn)	(YoY)
Difference	140.2
SC (consolidated)	61.1
Major Overseas Subsidiaries (BK)	24.7
Mizuho Credit Guarantee	22.3
Other subsidiaries & consolidation adjustment	32.2

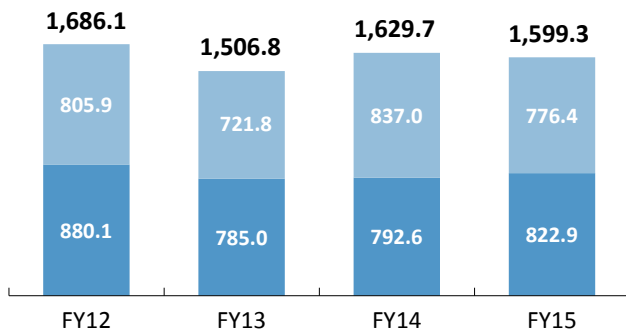
# Overview of FY2015 (Historical Trends)

2H  
1H

## Gross Profits

2 Banks

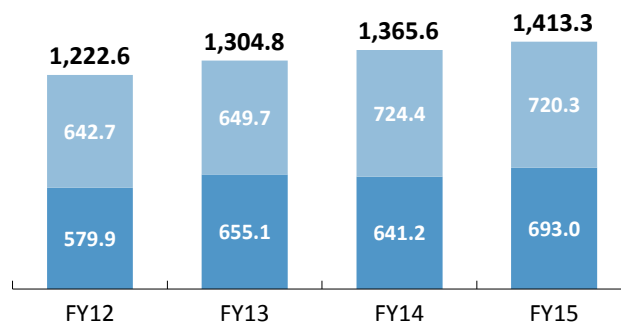
(JPY Bn)



## Gross Profits (Customer Groups)\*

2 Banks,  
managerial accounting

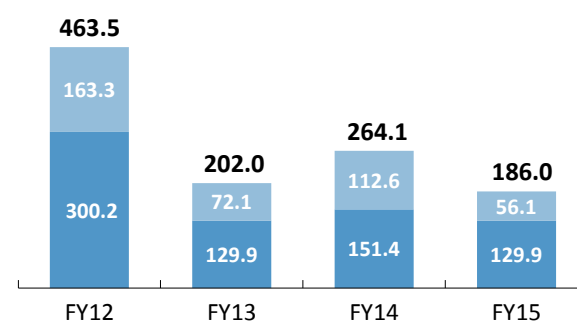
(JPY Bn)



## Gross Profits (Trading & Others)\*

2 Banks,  
managerial accounting

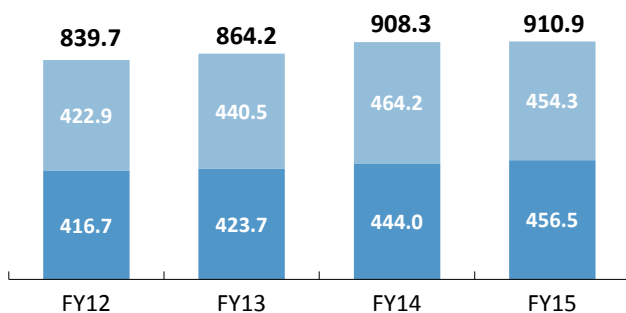
(JPY Bn)



## G&A Expenses (excl. Non-Recurring Losses)

2 Banks

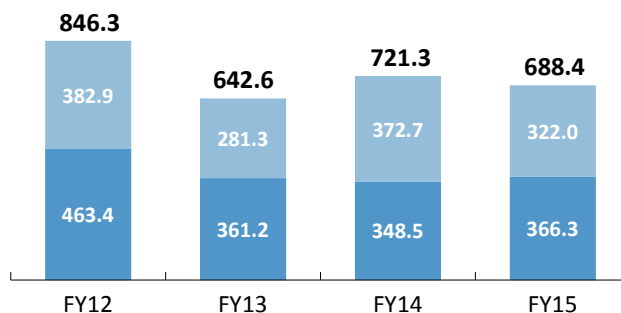
(JPY Bn)



## Net Business Profits

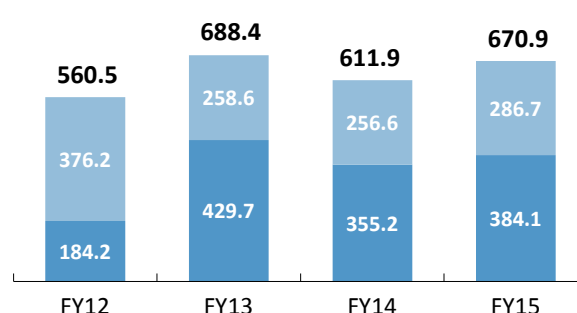
2 Banks

(JPY Bn)



## Net Income Attributable to FG

(JPY Bn)

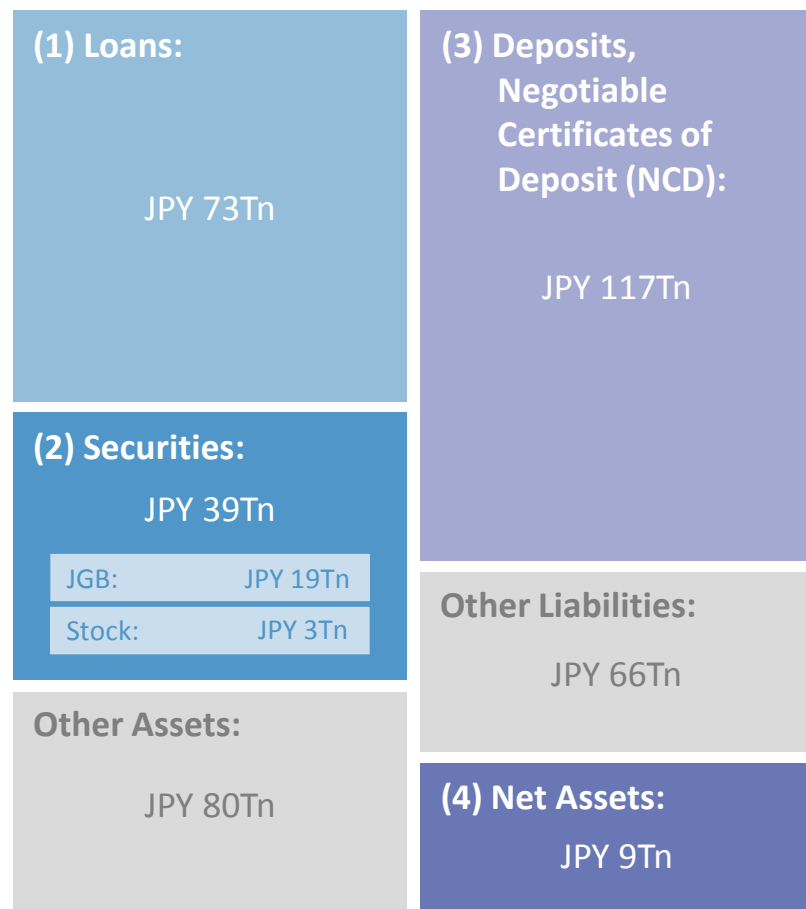


\* Due to the changes in managerial accounting rules, FY2012 figures are recalculated based on FY2013 rules, and FY2014 figures are recalculated based on FY2015 rules. The original figures for Gross Profits from Customer Groups were JPY 1,280.2Bn for FY2012 (1H JPY 615.3Bn) and JPY 1,366.1Bn for FY2014 (1H JPY 641.8Bn, 2H JPY 724.2Bn). The original figures for Gross Profits from Trading & Others were JPY 405.8Bn for FY2012 (1H JPY 264.8Bn) and JPY 263.6Bn for FY2014 (1H JPY 150.8Bn, 2H JPY 112.8Bn).

# Overview of FY2015 (Balance Sheet)

## Consolidated Balance Sheet (as of Mar. 2016)

Total Assets: JPY 193Tn



## Mizuho's Balance Sheet Advantages <sup>\*1</sup>

### (1) Credit portfolio remained sound

- NPL Ratio decreased to 1.00%
- Established an overseas loan portfolio which is regionally diversified

### (2) Focused on risk management of securities portfolio

- Average remaining period of JGB portfolio was 2.5 years  
Continued to strengthen preemptive measures in order to prepare for the sudden change in risk of the bond market
- Minimize the stock price fluctuation risk by disposing of cross-shareholdings

### (3) Funding structures are stable

- Domestic funding structure is stable, primarily consisting of individual customer deposits
- Continued initiatives to increase foreign currency-denominated deposits
- Loan-to-deposit ratio was 62%
- Liquidity Coverage Ratio (LCR<sup>\*2</sup>) was 128.2%

### (4) Capital is maintained at a sufficient level

- CET1 Capital Ratio was 10.85%<sup>\*3</sup>  
(fully-effective basis)
- Leverage Ratio was 3.98%

<sup>\*1</sup>: NPL ratio and average remaining period of JGB portfolio are on a 2 Banks basis.

All other figures are on a consolidated basis

<sup>\*2</sup>: 4Q of FY2015 (average of Jan. to Mar. 2016)

<sup>\*3</sup>: Including Eleventh Series Class XI Preferred Stock (the balance as of Mar. 2016: JPY 98.9Bn)

# Net Business Profits by Business Unit

(JPY Bn)

(managerial accounting)

BK+TB+SC		FY2014	FY2015			FY2015
		Results	Results	YoY	Achievement vs. Plan	Plan (rounded figures)
Customer Groups	Domestic Customers	494.4	488.9	-5.5	96%	507
	Personal Banking Unit	46.7	34.7	-12.0	89%	39
	Retail Banking Unit	20.6	18.5	-2.1	64%	29
	Corporate Banking Unit (Large Corporations)	264.0	275.5	11.5	100%	276
	Corporate Banking Unit	121.0	118.8	-2.2	95%	125
	Financial Institutions & Public Sector Business Unit	47.4	53.9	6.5	115%	47
	Overseas Customers (International Banking Unit)	244.7	272.3	27.6	89%	305
Customer Groups		739.0	761.2	22.1	94%	812
Trading & Others		72.9	16.7	-56.1	24%	69
Net Business Profits (BK+TB+SC)		811.9	777.9	-34.0	88%	881
Consolidated Net Business Profits		876.9	852.8	-24.1	88%	960



# KPI (Key Performance Indicators)

## Enhancement of Profitability

	FY2015 Targets	FY2015 Results
Balance of Investment Products	+JPY 3Tn	+JPY 3Tn
Balance of Housing Loans	+JPY 1Tn	Almost flat
Average Balance of Loans to Corporate Customers	+JPY 1.5Tn	+JPY 3.2Tn
Income from Real Estate Business	+20%	+45%
No. of PPP Deals involved	Double	In accordance with plan
Syndicated Loans in Japan (League Table)	No. 1	No. 1
M&A Advisory - Japanese Corp. (No. of Deals) (League Table)	No. 1	No. 1
Income from Overseas (Asia) Japanese Customers	+30%	Almost in accordance with plan
Income from Super 30 Customers (per Corporate Group)	+40%	Almost in accordance with plan
Syndicated Loans in Asian region (League Table)	No. 1 (among Japanese banks)	No. 1 (among Japanese banks)

(Note) FY2015 target is in comparison with FY2012 results

## Expansion of Business Base

	FY2015 Targets	FY2015 Results
No. of Individual Customers	+1M	+700K
No. of SC Individual Customers (via Referral from BK)	+50%	+105%
No. of NISA* Accounts	Top Class	Approx. 640K (Based on No. of New Accounts)
No. of Consent to Undertake the Execution of Wills Service (Testamentary Trust)	+30%	+20%
No. of Corporate Customers (SMEs) borrowing Loans from Mizuho	+20%	+12%
Overseas (Asia) Business Expansion Support for Japanese Customers	+1,000 Companies	Approx. +1,300 Companies

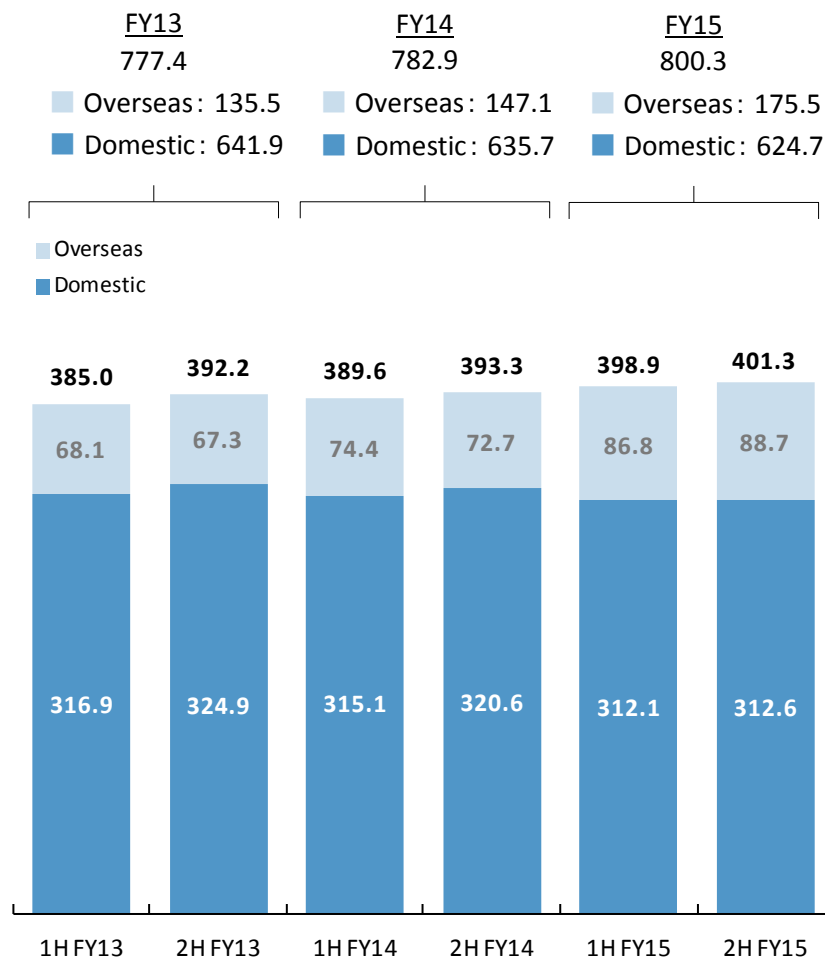
\* Nippon (Japan) Individual Savings Account (ISA)

# Net Interest Income from Customer Groups (Overview)

## Net Interest Income<sup>\*1 \*2</sup>

2 Banks, managerial accounting

(JPY Bn)



\*1: Domestic: Aggregate of income in BK Domestic Banking and TB / Overseas: Income in BK International Banking

\*2: Due to the changes in managerial accounting rules, FY2013 and FY2014 figures are recalculated based on FY2015 rules

The original total figures of net interest income before the recalculation were: FY2013 JPY 770.8Bn (1H JPY 381.5Bn and 2H JPY 389.1Bn) and FY2014 JPY 778.1Bn (1H JPY 387.4Bn and 2H JPY 390.7Bn)

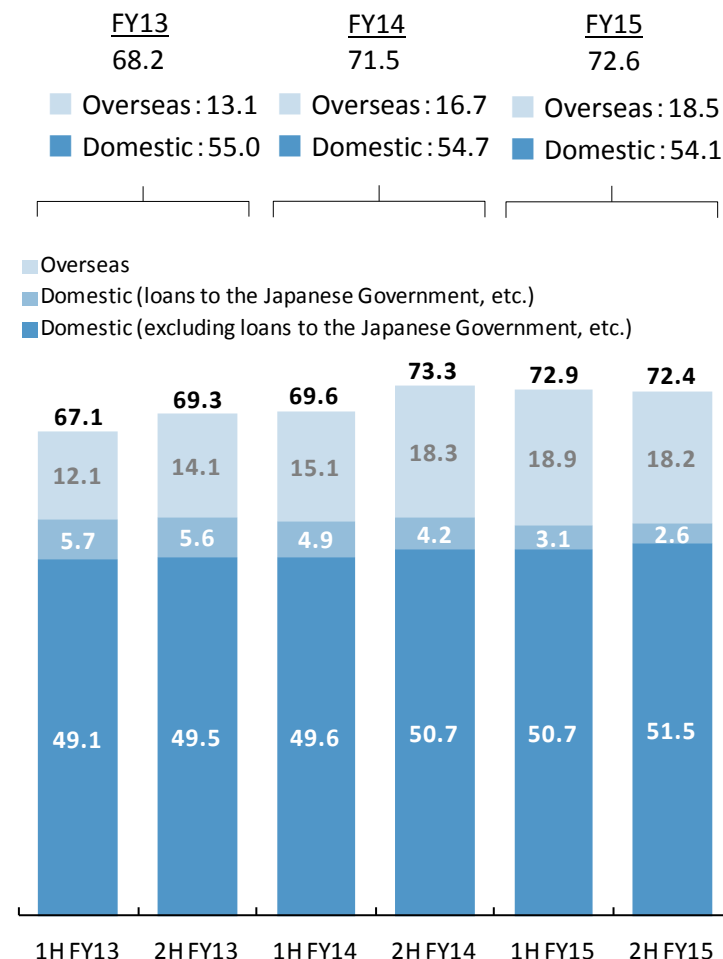
\*3: Excluding loans to FG. "Overseas" is calculated based on an aggregate of banking and trust account basis and represents loans booked at overseas offices, including the impact of foreign exchange translation

## Loan Balance<sup>\*3</sup>

2 Banks, banking account

(JPY Tn)

Average Balance



Change from  
1H FY15

<Total>

-0.4

<Overseas>

-0.6

<Domestic>

+0.3

(Excluding loans to  
the Japanese  
Government, etc.)  
+0.8

# Net Interest Income from Customer Groups (Domestic)

## Domestic Loan Balance <sup>\*1</sup>

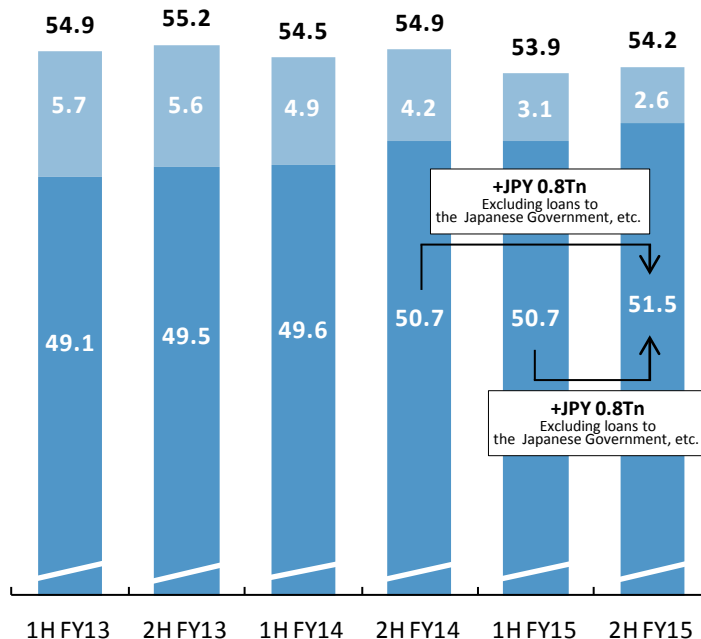
2 Banks

(JPY Tn)

Average Balance

Loans to the Japanese Government, etc.

Domestic Loans (excluding loans to the Japanese Government, etc.)



Period-end Balance

	Sep. 13	Mar. 14	Sep. 14	Mar. 15	Sep. 15	Mar. 16
Domestic	55.0	55.6	54.9	54.7	54.7	53.9
Large Corp., etc.	23.1	23.1	22.7	22.2	21.6	21.1
(o/w Japanese Gov., etc.)	(5.6)	(5.6)	(4.4)	(3.5)	(3.1)	(2.2)
SMEs <sup>*2</sup>	19.8	20.4	20.3	20.7	21.4	21.4
Individuals <sup>*3</sup>	11.9	11.9	11.8	11.8	11.6	11.3

\*1: Excluding loans to FG. Banking account

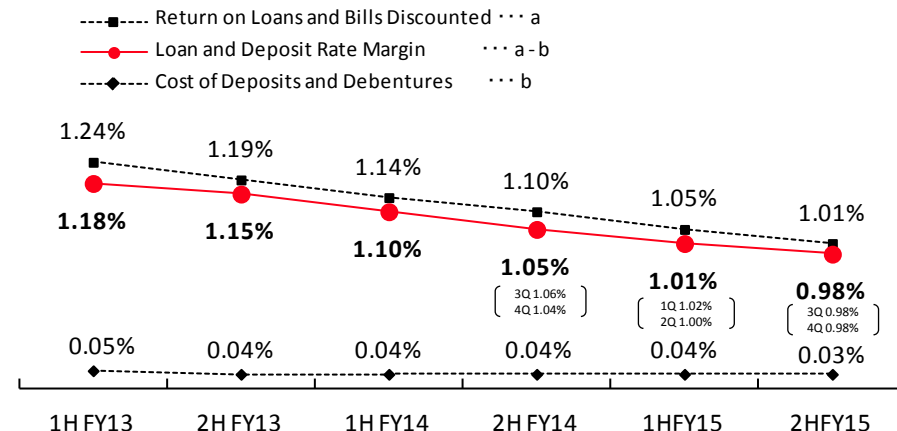
\*2: Calculated by deducting "Housing and Consumer Loans" from "Loans to SMEs and Individual Customers"

\*3: Housing and Consumer Loans

\*4: Domestic Operations, excluding loans to financial institutions (including FG) and the Japanese Government, etc.

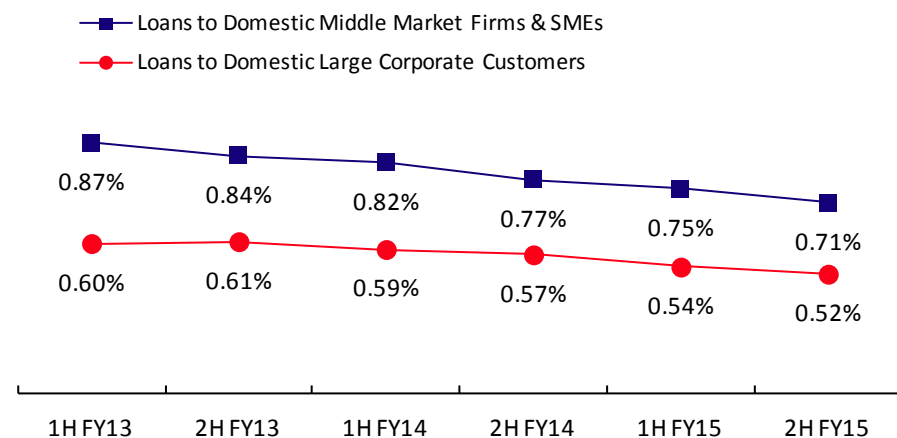
## Domestic Loan and Deposit Rate Margin <sup>\*4</sup>

2 Banks



## Domestic Loan Spread

BK, managerial accounting

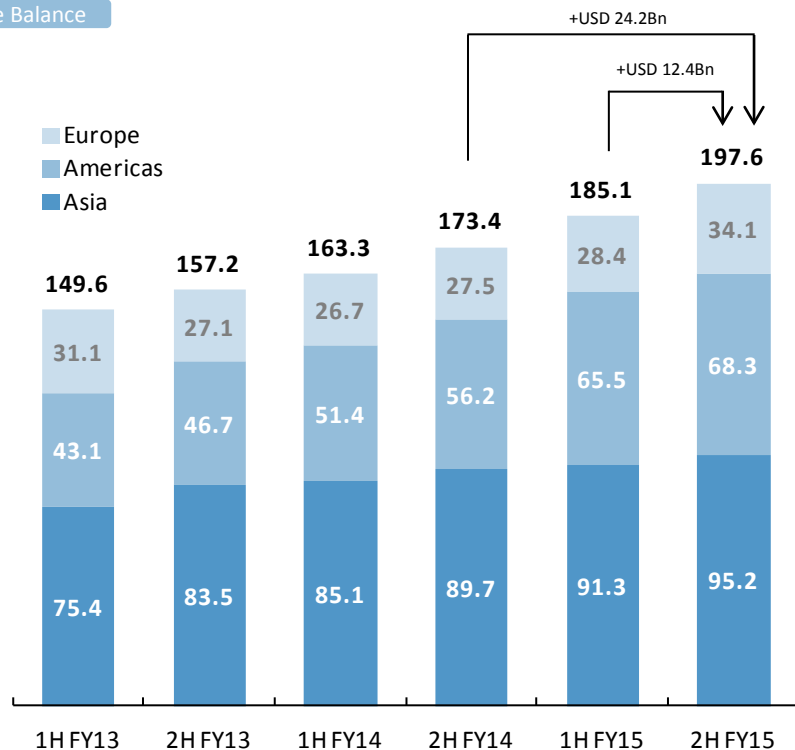


# Net Interest Income from Customer Groups (Overseas)

## Overseas Loan Balance <sup>\*1</sup>

(USD Bn)

Average Balance



Period-end Balance

Period	Sep. 13	Mar. 14	Sep. 14	Mar. 15	Sep. 15	Mar. 16
Balance	152.1	159.5	162.9	182.0	187.5	197.9

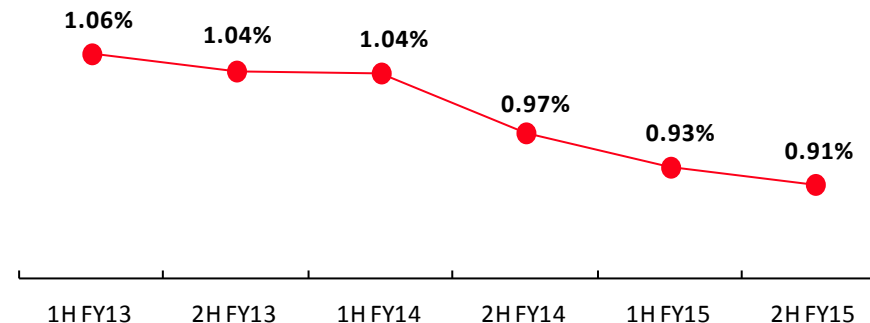
+USD 15.9Bn (from Sep. 13 to Mar. 16)

\*1: BK, managerial accounting, including the banking subsidiaries in China, the US, the Netherlands and Indonesia

\*2: BK, managerial accounting, including foreign currency deposits (domestic)

\*3: Excluding bilateral non-public MTNs

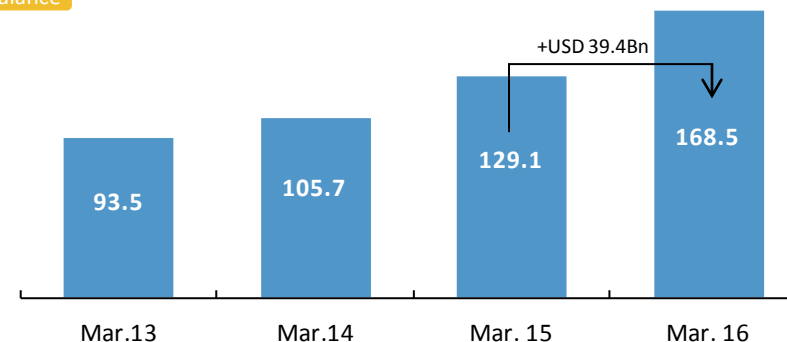
## Overseas Loan Spread <sup>\*1</sup>



## Foreign Currency-denominated Customer Deposit <sup>\*2</sup>

(USD Bn)

Period-end Balance



Outstanding balance of foreign currency bonds <sup>\*3</sup>

Senior Bonds	5.5	5.8	14.5	17.8
Subordinated Bonds	3.0	4.5	3.0	3.7

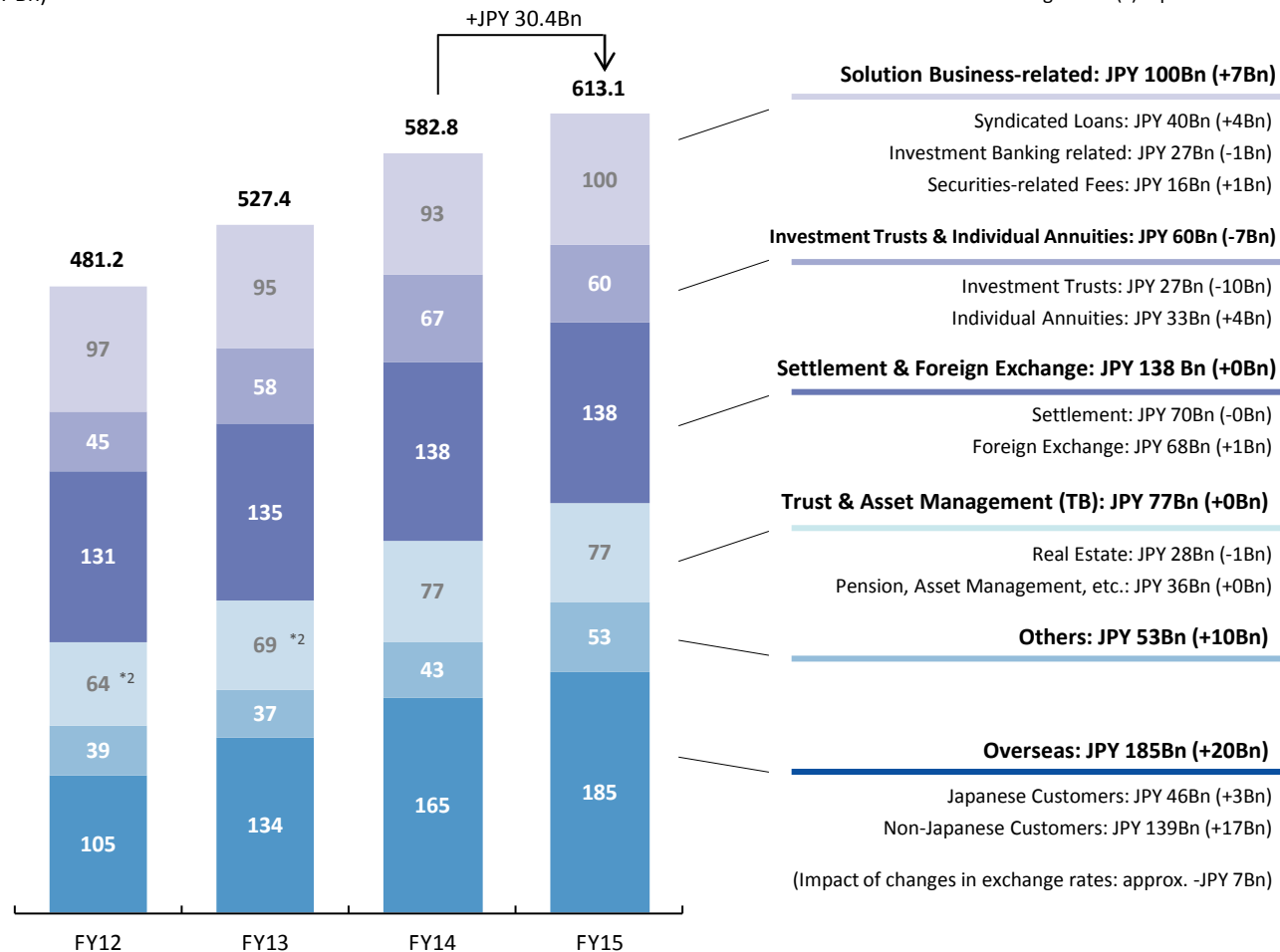
# Non-interest Income from Customer Groups

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

2 Banks, managerial accounting, rounded figures other than total

(JPY Bn)

Figures in ( ) represent YoY



\*1: Due to the changes in managerial accounting rules, FY2012 figures are recalculated based on FY2013 rules, FY2013 and FY2014 figures are recalculated based on FY2015 rules. The original total figures before the recalculation were JPY 509.7Bn for FY2012, JPY 534.0Bn for FY2013, JPY 588.0Bn for FY2014

\*2: A new rule to display rounded figures has been applied since FY2014. Based on the original rule, non-interest income from Trust & Asset Management (TB) was JPY 65.0Bn for FY2012, and JPY 70.0Bn for FY2013

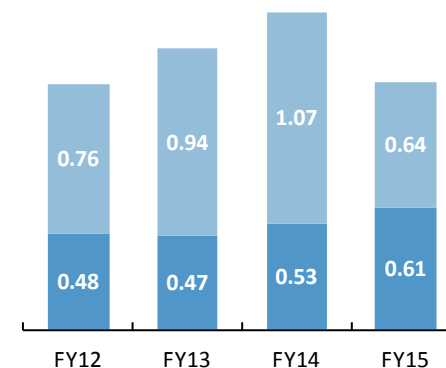
\*3: Simple aggregation of former Mizuho Securities (consolidated) and Mizuho Investors Securities (consolidated)

## Investment Products Sold

2 Banks

(JPY Tn)

Investment Trusts (excl. MMF)  
 Individual Annuities

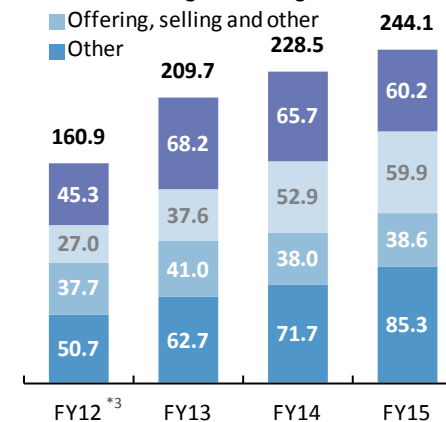


## (Reference) SC Commissions

(JPY Bn)

SC Consolidated

Brokerage  
 Underwriting and selling  
 Offering, selling and other  
 Other



# G&A Expenses

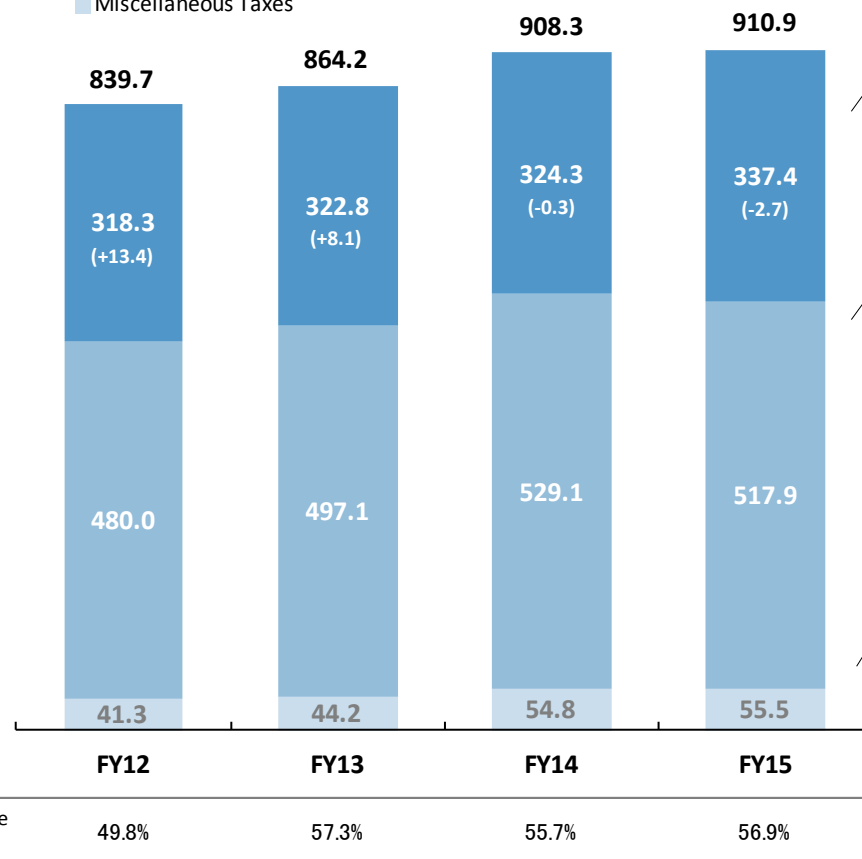
## G&A Expenses<sup>\*1</sup>

2 Banks

(JPY Bn)

Figures in ( ) are Employee Retirement Benefit Expenses<sup>\*2</sup>  
(“+” represents expenses, “-” represents income)

- Personnel
- Non-personnel
- Miscellaneous Taxes



### Personnel **+JPY 13.0Bn (YoY)**

Increase in overseas Personnel Expenses due to increase in staff  
Increase in domestic Personnel Expenses due to raise in pay scale, etc.

### Non- Personnel **-JPY 11.1Bn (YoY)**

IT related  
Increase due to strengthening of digital channel such as online banking services, etc.  
Non- IT related  
Decrease in Premium for Deposit Insurance (-JPY 18.7Bn)  
Increase in overseas Non-Personnel Expenses

### Miscellaneous Taxes **+JPY 0.7Bn (YoY)**

Increase in Size-based Business Tax, etc.

### Total **+JPY 2.6Bn (YoY)**

Expenses ratio target was not achieved due to the underperformance in Gross Profits  
Biggest increase in Strategic Expenses related to overseas expansion, etc. was absorbed by strict cost control and changes in exchange rates (Impact of changes in exchange rates: approx. -JPY 10Bn)

\*1: Excluding non-recurring losses

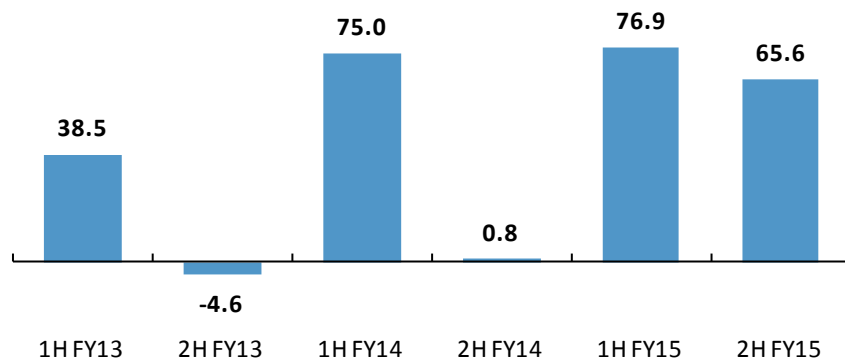
\*2: Employee Retirement Benefit Expenses = Service Costs + Interest Expense – Expected Return on Plan Assets

# Securities Portfolio (Bond)

## Net Gains/Losses related to Bonds

2 Banks

(JPY Bn)



## Unrealized Gains/Losses on Other Securities<sup>\*1 \*2 \*3</sup>

(JPY Bn)

	Mar. 13	Mar. 14	Mar. 15	Mar. 16
Japanese Stocks	710.1	1,108.2	2,132.1	1,603.9
Japanese Bonds	113.4	31.3	44.1	136.5
Other <sup>*4</sup>	54.4	-49.3	303.0	114.7
<b>Total</b>	<b>878.1</b>	<b>1,090.2</b>	<b>2,479.3</b>	<b>1,855.1</b>
Nikkei 225 (JPY)	12,244	14,694	19,197	16,897
JGB 10Y	0.56%	0.64%	0.40%	-0.05%
USTB 10Y	1.85%	2.72%	1.94%	1.78%

\*1: Other Securities which have readily determinable fair values \*2: The base amount to be recorded directly to Net Assets after tax and other necessary adjustments

\*3: Based on the quoted average market price of the respective month for Japanese stocks and Nikkei 225. For others, calculated based on the quoted market price if available, or other reasonable value, at the respective period end

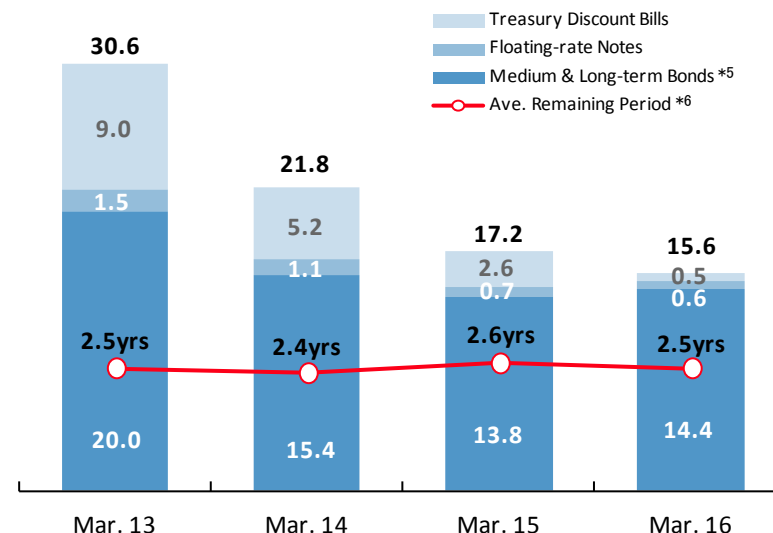
\*4: Foreign government bonds, fund investments, and securitization products, etc. \*5: Including bonds with remaining period of one year or less \*6: Excluding floating-rate notes

\*7: Determined at reasonably calculated prices

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

2 Banks, acquisition cost basis

(JPY Tn)



Unrealized Gains/Losses<sup>\*2 \*3</sup>

o/w Floating-rate Notes<sup>\*7</sup>

JPY 88.1Bn	JPY 13.3Bn	JPY 22.5Bn	JPY 95.8Bn
JPY 20.3Bn	JPY 3.2Bn	JPY 0.7Bn	JPY 5.0Bn

## (Reference) Foreign Bond Portfolio<sup>\*1</sup>

2 Banks, acquisition cost basis

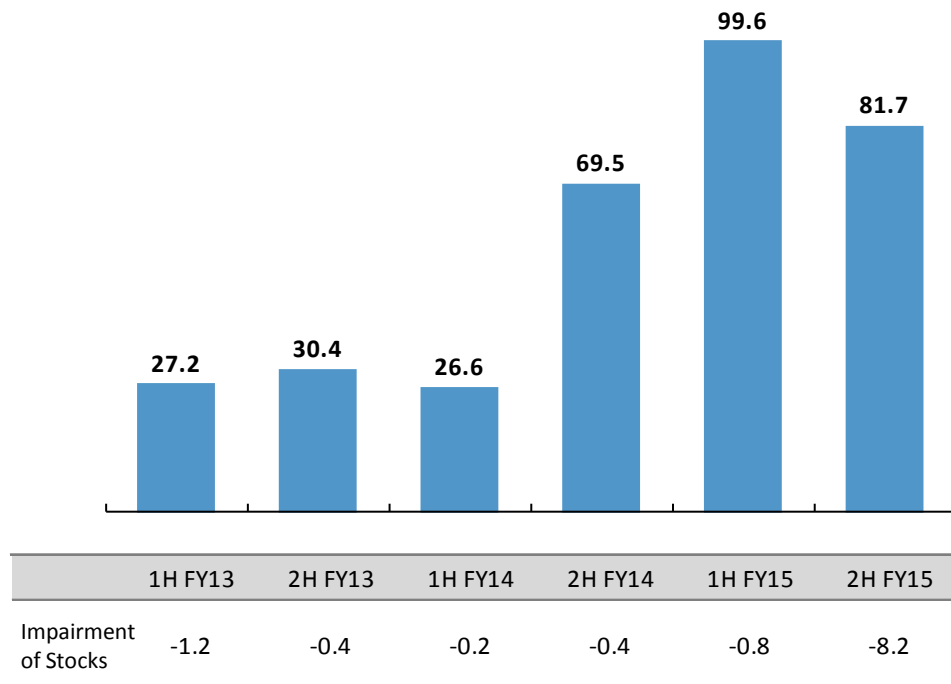
	Mar. 13	Mar. 14	Mar. 15	Mar. 16
Foreign Bonds (JPY Tn)	11.7	9.1	9.7	9.4
Unrealized Gains/Losses (JPY Bn)	18.3	-170.2	38.3	38.2

# Securities Portfolio (Stock)

## Net Gains/Losses related to Stocks

2 Banks

(JPY Bn)



## Unrealized Gains/Losses on Japanese Stocks <sup>\*1</sup>

consolidated

	Mar. 13	Mar. 14	Mar. 15	Mar. 16
Japanese Stocks (JPY Bn)	710.1	1,108.2	2,132.1	1,603.9
Nikkei 225 (JPY)	12,244	14,694	19,197	16,897

\*1: Other Securities which have readily determinable fair values (the base amounts to be recorded directly to Net Assets after tax and other necessary adjustments).

Based on the average market price of the respective month

\*2: Other Securities which have readily determinable fair values

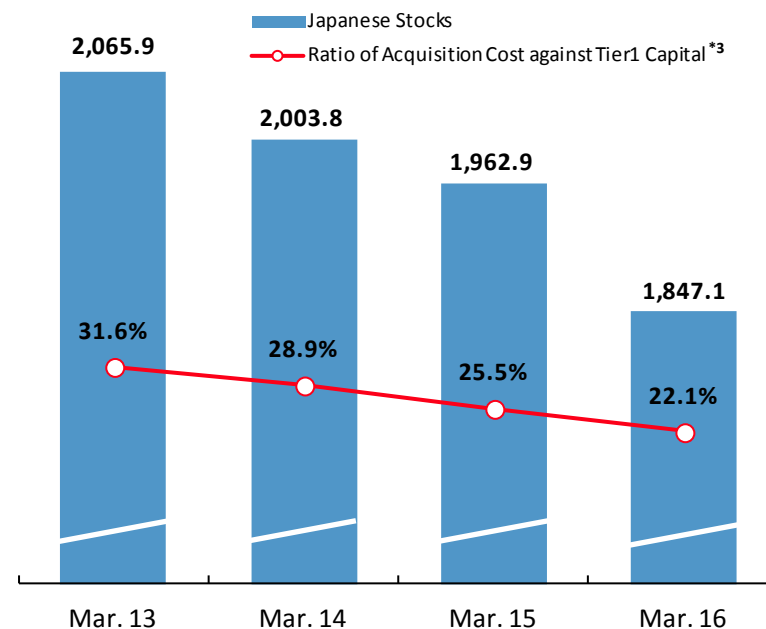
\*3: Basel 3 phase-in basis (incl. Eleventh Series Class XI Preferred Stock in CET1 Capital), hedging effects are included in and after Mar. 14

\*4: Managerial basis (BK, TB and SC)

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

consolidated, acquisition cost basis

(JPY Bn)



## Disposing of Cross-shareholdings

consolidated

Disposed Amount in FY2015

(Amount Sold <sup>\*4</sup>)

JPY 115.7 Bn

(JPY 109.0 Bn)

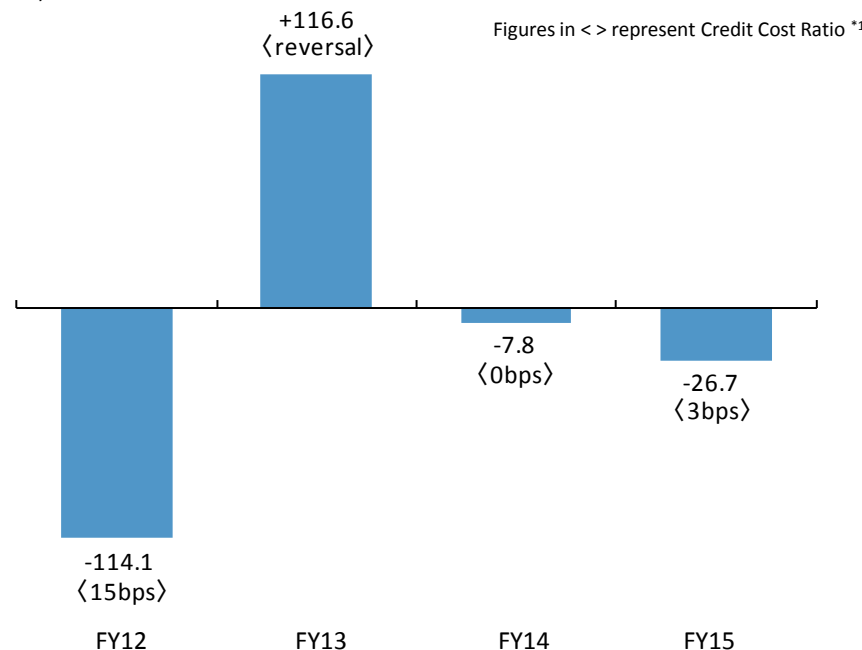


# Credit Portfolio

## Credit-related Costs

2 Banks  
banking account + trust account

(JPY Bn)



	FY12	FY13	FY14	FY15
Expenses related to Portfolio Problems	-81.4	-18.1	-82.4	-44.6
Reversal of (Provision for) General Reserve for Possible Losses on Loans	-91.9	-	-	0.8
Gains on Reversal of Reserves for Possible Losses on Loans, and others	59.2	134.8	74.5	17.0

\*1: Ratio of Credit-related Costs (annualized) against Total Claims (period-end balance, based on the Financial Reconstruction Act)

\*2: Financial Reconstruction Act

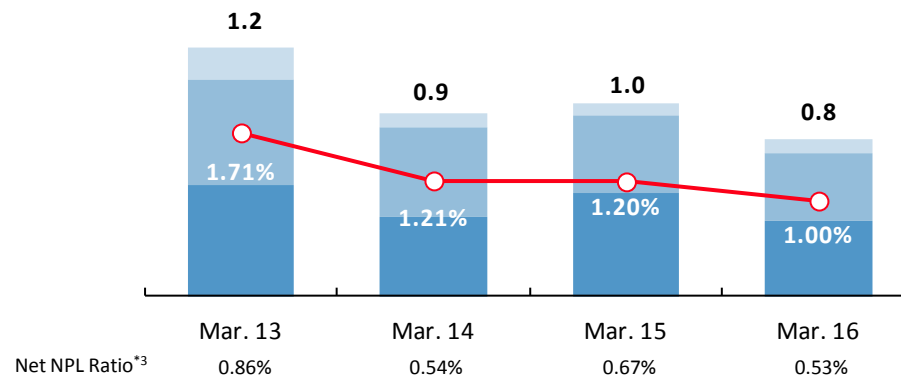
\*3: (Disclosed Claims under the Financial Reconstruction Act – Reserves for Possible Losses on Loans) / (Total Claims – Reserves for Possible Losses on Loans)

## Disclosed Claims under the FRA\*2

2 Banks  
banking account + trust account

(JPY Tn)

Claims against Bankrupt and Substantially Bankrupt Obligors  
Claims with Collection Risk  
Claims for Special Attention  
NPL Ratio



## Claims against Other Watch Obligors

2 Banks, banking account

based on the Financial Reconstruction Act

	Mar. 13	Mar. 14	Mar. 15	Mar. 16
Balance (JPY Tn)	3.2	2.6	1.5	1.6
Reserve Ratio	6.27%	6.34%	3.72%	3.66%

## Reserve Ratio for Normal Obligors

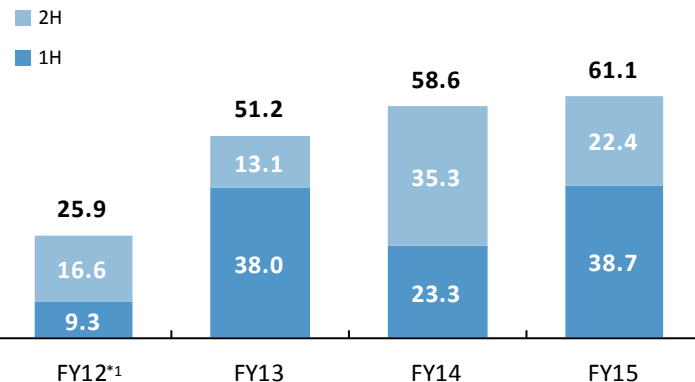
2 Banks, banking account

based on the Financial Reconstruction Act

	Mar. 13	Mar. 14	Mar. 15	Mar. 16
Reserve Ratio	0.11%	0.10%	0.07%	0.07%

## Net Income Attributable to Owners of Parent

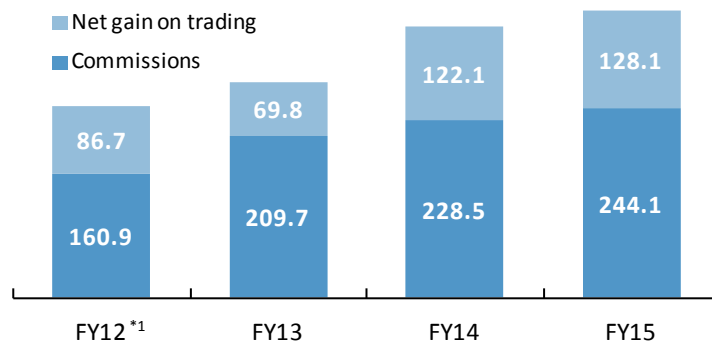
(JPY Bn) SC consolidated



Net Operating Revenues	294.7	323.1	395.5	415.2
SG&A Expenses	-260.1	-282.6	-311.1	-329.6
Ordinary Income	37.0	43.1	86.4	85.4

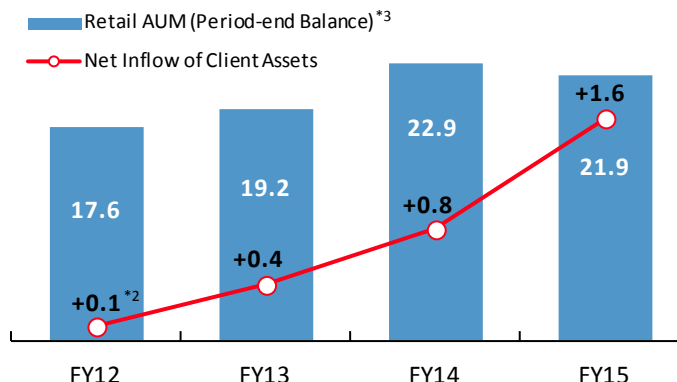
## Commissions and Net gain on trading

(JPY Bn) SC consolidated



## Retail AUM/Net Inflow of Client Assets

(JPY Tn) SC non-consolidated



CIS&RB*4	22.3	24.2	27.9	26.6
Division AUM				

## Medium-term Business Plan “3 Core Strategies” Initiative

- **Increase Retail AUM by +JPY 3.5 Tn [Result : +JPY 4.3Tn from Mar. 2013]**
  - Business promotion with a focus on retail AUM emphasized in the medium-term business plan has been established and net inflow of client assets increased continuously
- **Achieve Japanese equity Market share of 5% [Result (4Q FY15): TSE trading share 2.58%]**
  - Significant increase in the evaluation from institutional investors with keeping No.1 position in the analyst ranking\*5 for 3 consecutive years, etc.
- **Strengthen Global DCM**
  - Measures to strengthen collaboration between banking and securities functions in each region showed progress; e.g. rapid advance in U.S. league table\*6 to the 9th position

\*1: Simple aggregation of former Mizuho Securities (consolidated) and Mizuho Investors Securities (consolidated) \*2: Former Mizuho Securities (non-consolidated) \*3: The calculation rule of Retail AUM has been revised since FY2014. FY2012 and FY2013 figures were recalculated based on the revised rule \*4: Corporate Investment Services & Retail Business \*5: Nikkei Veritas Analyst Ranking (by company), Institutional Investor All-Japan Research Team Ranking \*6: Apr. 15 - Mar. 16, US Investment Grade Corporate Debt: Bonds externally-rated as investment grade and above issued by US corporations with issuance amounting to USD 250M and above. This excludes emerging debt, corporate treasury debt and sole lead manager deals Source: Dealogic

# Four Key Focus Areas

Measures to expand and strengthen profit through further developing collaboration among banking, trust and securities functions as well as selection and concentration of business areas showed steady achievement in each area, and accomplished the annual target

## Annual Results

Gross Profits **+JPY 65Bn**

**108% achievement**

### 1 Establish competitive edge for large corporate customers

Annual Plan

**+JPY 15Bn**

Annual Results

**+JPY 20Bn**

- Significant growth in profits for super large corporate customers
- Improvement in ECM transactions coverage through reorganizing coverage sections at SC
- Steady capture of value chains based on cross-border M&As

### 2 Enhance integrated approach to both SMEs and their owners

Annual Plan

**+JPY 10Bn**

Annual Results

**+JPY 11Bn**

- Business inheritance related profits increased significantly
- Utilize and strengthen securities and trust functions and meet various needs such as inheritance, investment and IPO

### 3 Development of Super 30 Strategy

Annual Plan

**+JPY 30Bn**

Annual Results

**+JPY 32Bn**

- Expansion in non-Japanese blue chip customer base mainly in the U.S.
- Improvement in syndicated loans and DCM league tables
- Involvement in majority of large scale M&A finance transactions

### 4 Make asset management the “Fourth Pillar” of our business

Annual Plan

**+JPY 5Bn**

Annual Results

**+JPY 3Bn**

- Promotion of integration of Asset Management One
- Investment into Matthews Asia
- Provision of DB and DC integrated solutions

# Collaboration among Banking, Trust and Securities Functions

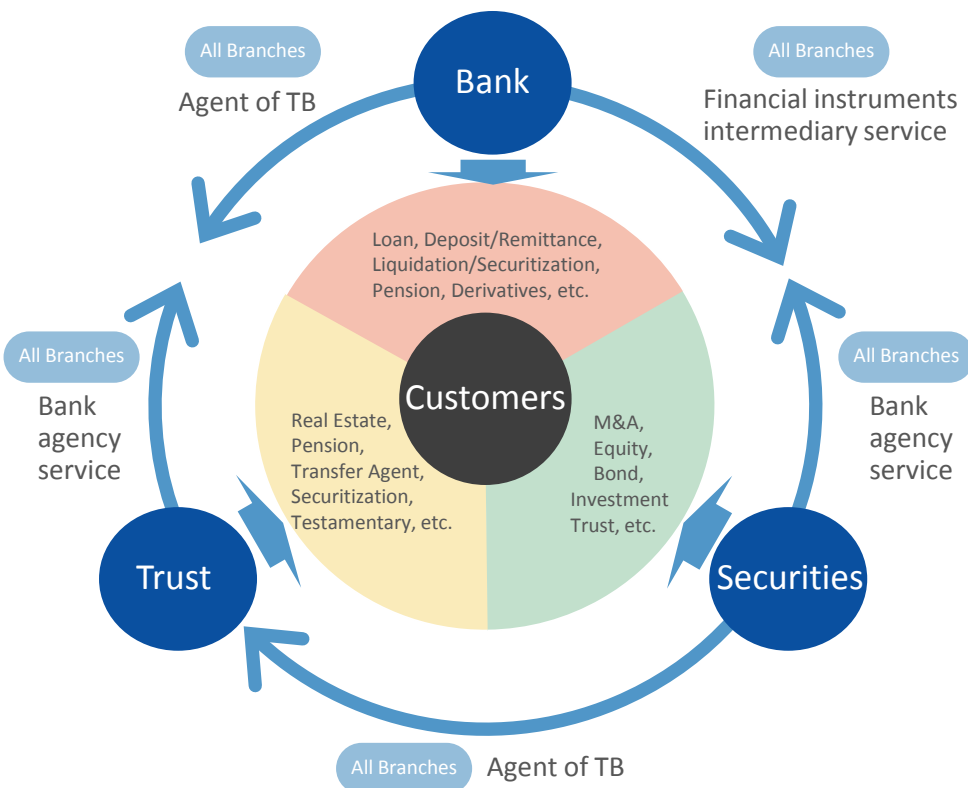
Aim for multi-layer transactions with customers through Mizuho's unique integrated management among banking, trust and securities functions

Mizuho's Unique Integrated Management among Banking, Trust and Securities Functions

System that Supports the Integrated Management

Satisfy customer's every need

Multi-layer transactions



Collaboration among Offices

Japan

Promote "Area One MIZUHO" initiative - Collaboration among banking, trust and securities functions in a neighboring area -

Overseas

Collaboration among banking, trust and securities functions on a cross-border basis

Infrastructure

Joint Offices (Japan)

188 Offices

BK  
462 Offices

TB  
55 Offices

SC  
272 Offices

BK & TB & SC 33 Offices

BK & SC 149 Offices

BK & TB 4 Offices

TB & SC 2 Office

Human Resource

No. of Double-hat employees between BK and SC (Japan)

220

No. of Double-hat employees between BK and SC (Overseas)

160

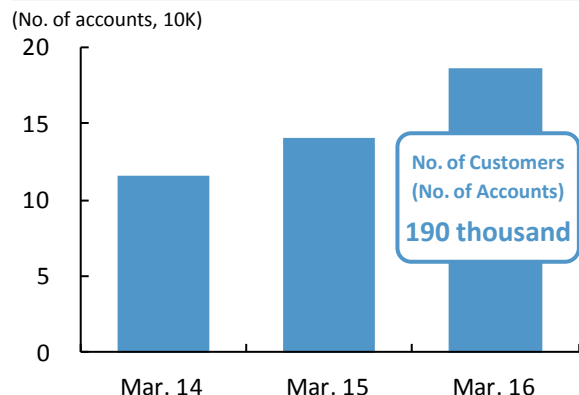
No. of BK, TB and SC employees with experience at multiple group companies

2,800

# Collaboration among Banking, Trust and Securities Functions (Business results)

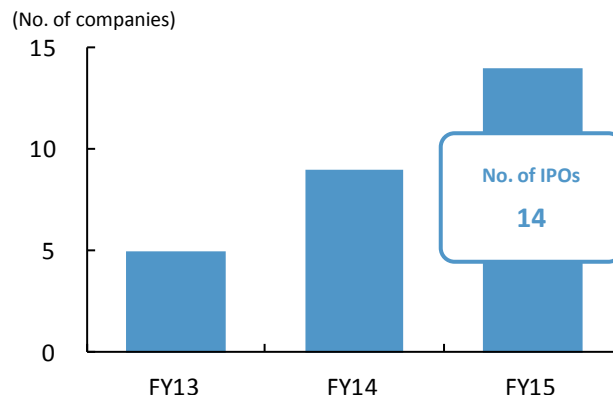
BK+SC

Number of Customers (SC Accounts)\*<sup>1</sup>



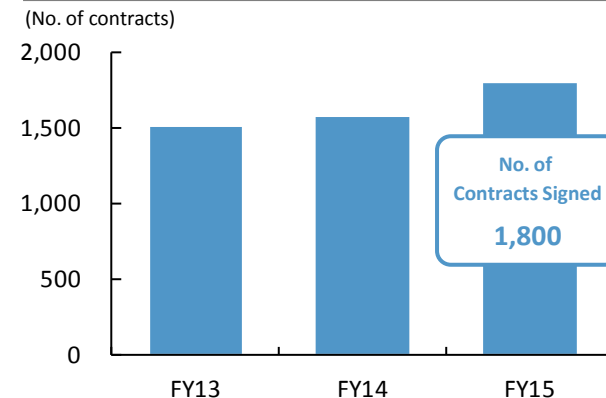
BK+SC

Number of IPOs\*<sup>2</sup>



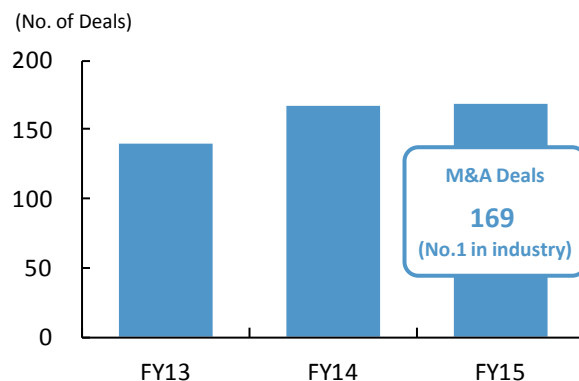
2 Banks

Number of Contracts to Undertake the Execution of Wills Service



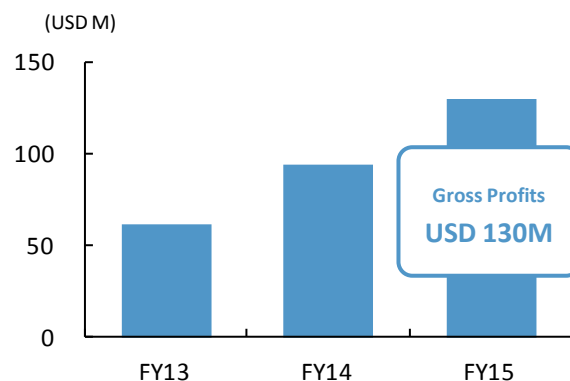
BK+SC

M&A Advisory for Publicly Announced Deals\*<sup>3</sup>



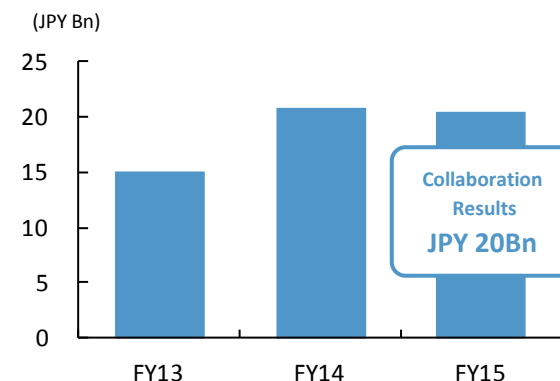
BK+SC

Gross Profits from U.S. DCM Business



2 Banks

Gross Profits from Real Estate Business (Resulting from the collaboration with BK)



\*1: Aggregate numbers of customers acquired through Assist Intermediation, Headquarter Intermediation, Branch Intermediation at the Corporate Investment Services & Retail Business segment at SC

\*2: Number of IPOs underwritten by SC Source: Prepared by SC based on data from CAPITAL EYE

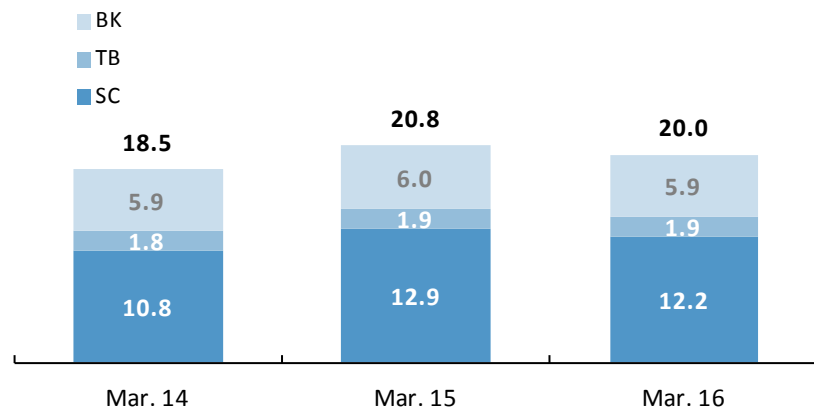
\*3: Number of transactions basis, any Japanese involvement publicly announced, excluding real estate transactions Source: Prepared by SC based on data from Thomson Reuters

# Domestic Business Results (Individual Customers)

## Balance of Investment Products<sup>\*1</sup>

BK+TB+SC, managerial accounting

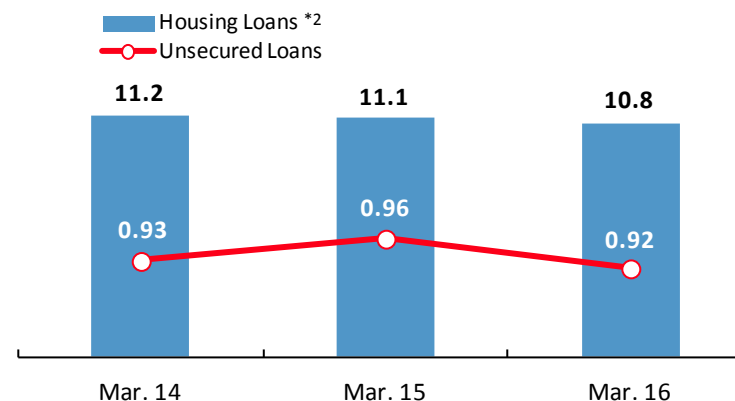
(JPY Tn)



## Balance of Individual Loans

BK, managerial accounting

(JPY Tn)

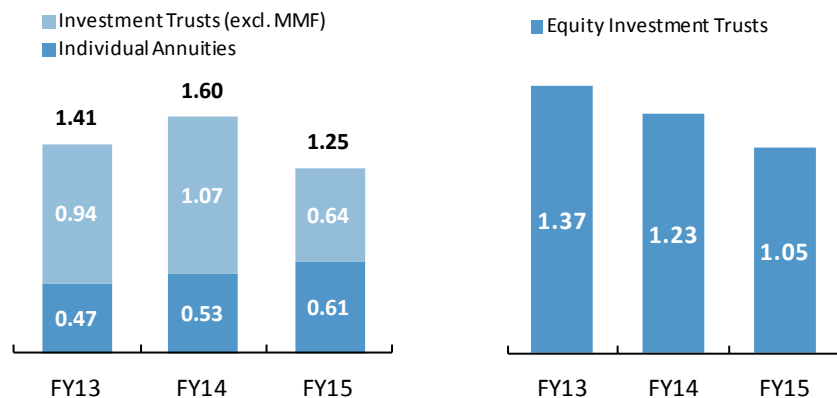


## Sales of Investment Products

(JPY Tn)

(2 Banks)

(SC non-consolidated)



## Service Quality

Retail Banking Survey

Product Offering Adequacy<sup>\*3</sup>  
No.1 for 2 consecutive years

No.1  
in the industry

Customer Support  
(Website)

HDI<sup>\*4</sup> Benchmarking  
3 Stars for 3 consecutive years

Only One  
among mega banks<sup>\*5</sup>

Smart Phone

MCPC<sup>\*6</sup> award  
5 consecutive years

Only One  
in all industries

<sup>\*1</sup>: Total of individual annuities, investment trusts, JGB sold to individuals, foreign currency deposits, etc. <sup>\*2</sup>: Total of residential housing loans and Flat 35

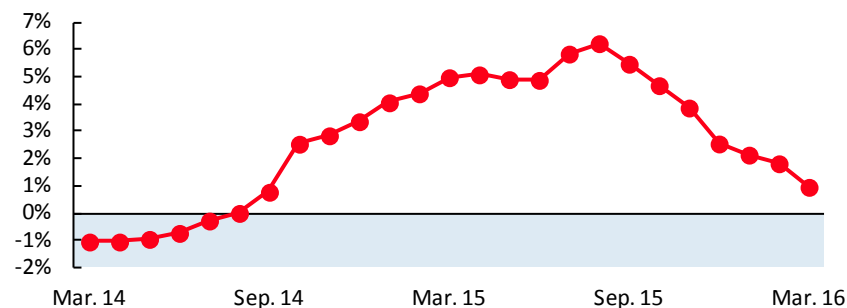
<sup>\*3</sup>: Nikkei Veritas "Retail Banking Survey" <sup>\*4</sup>: Help Desk Institute (Support Portal Benchmarking) <sup>\*5</sup>: Only BK was rated as 3 Stars in 2015 among Japanese mega banks <sup>\*6</sup>: Mobile Computing Promotion Consortium

# Domestic Business Results (Corporate Customers)

## Monthly Change (YoY) of Loans to SMEs

Retail Banking Unit and  
Corporate Banking Unit  
managerial basis

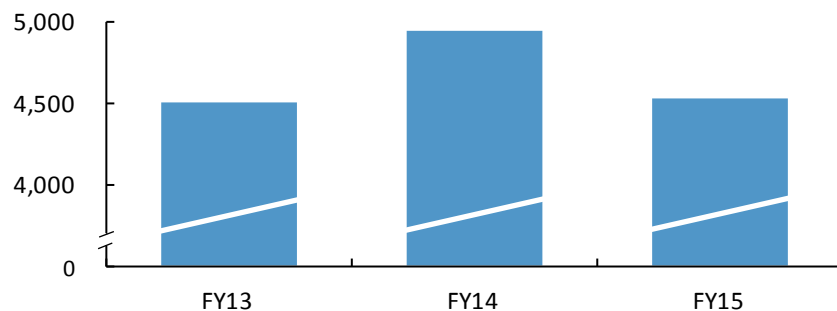
### Average balance



## Newly Acquired SME Borrowers (Number of customers to which loans are newly extended)

Retail Banking Unit and  
Corporate Banking Unit  
managerial basis

(Number of companies)



## Total Japan Publicly Offered Bonds

Rank	Company Name	U/W Amount (JPY Bn)	Mkt Share
1	Mitsubishi UFJ Morgan Stanley Sec.	3,004.1	22.5%
2	Nomura Sec.	2,384.3	17.9%
3	Mizuho Sec.	2,285.1	17.1%
4	SMBC Nikko Sec.	2,242.9	16.8%
5	Daiwa Sec.	2,130.3	16.0%

Apr. 15-Mar. 16, underwriting amount basis, pricing date basis  
Deals including straight bonds, investment corporation bonds, Zaito agency bonds, municipal bonds (lead manager method only), Samurai bonds and preferred securities  
Source: Prepared by SC based on data from I-N Information Systems

## Total Equity Underwriting Worldwide

Rank	Company Name	U/W Amount (JPY Bn)	Mkt Share
1	Nomura Sec.	1,677.9	30.8%
2	Morgan Stanley	990.3	18.2%
3	Mizuho Financial Group	745.7	13.7%
4	Sumitomo Mitsui Financial Group	685.9	12.6%
5	Daiwa Securities Group	517.5	9.5%

Apr. 15-Mar. 16, underwriting amount basis, pricing date basis  
Deals including initial public offering, public offering, convertible bonds and REITs  
Source: Prepared by SC based on data from Thomson Reuters

## M&A Advisory for Announced Deals (Japanese Companies)

Rank	Company Name	No. Deals	Rank Value (JPY Bn)
1	Mizuho Financial Group	169	3,214.2
2	Sumitomo Mitsui Financial Group	165	5,395.3
3	Nomura Sec.	130	6,503.2
4	Mitsubishi UFJ Morgan Stanley Sec.	69	9,746.2
5	KPMG	61	975.5

Apr. 15-Mar. 16, number of deals basis, any Japanese involvement, excluding real estate deals  
Source: Prepared by SC based on Thomson Reuters

## ABS Lead Manager

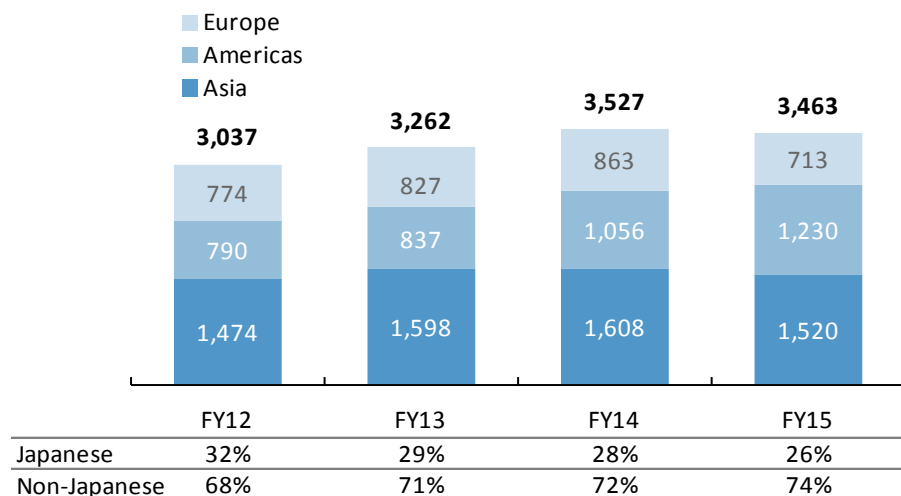
Rank	Company Name	U/W Amount (JPY Bn)	No. Deals
1	Mizuho Financial Group	1,844.6	170
2	Sumitomo Mitsui Trust Holdings	447.4	12
3	Morgan Stanley	422.7	13
4	Sumitomo Mitsui Financial Group	316.4	6
5	Daiwa Securities Group	313.9	10

Apr. 15-Mar. 16, transaction amount basis, settlement date basis  
Source: Prepared by SC based on data from Thomson Reuters

# Overseas Business Results

## Overseas Gross Profits\*<sup>1</sup>

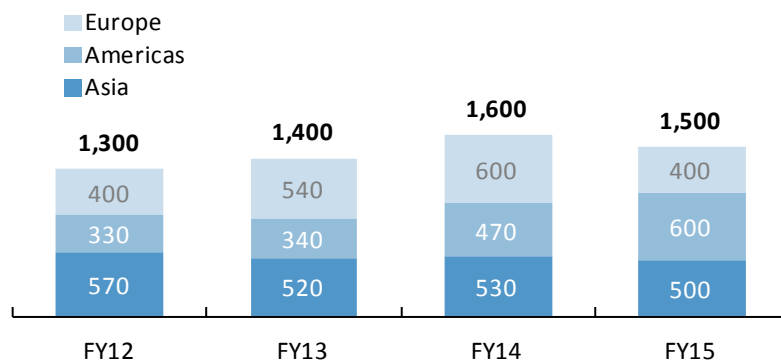
(USD M)



## Overseas Non-interest Income\*<sup>2</sup>

BK, managerial accounting, rounded figures

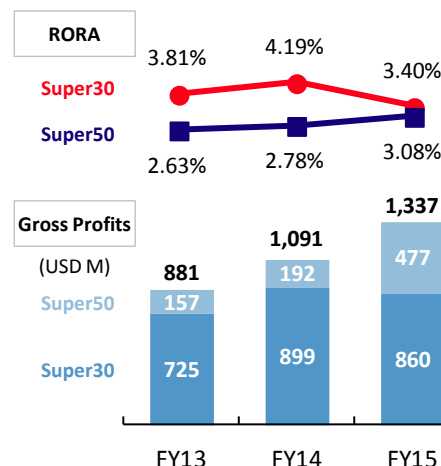
(USD M)



\*1: BK, incl. the banking subsidiaries in China, the US, the Netherlands and Indonesia, International Banking Unit managerial basis \*2: New managerial accounting rules have been applied since the beginning of FY15. Figures for FY13 and FY14 were recalculated based on the new rules (based on original rules, total non-interest income was USD 1,470M for FY13 and USD 1,650M for FY14)

\*3: BK, incl. overseas subsidiaries, International Banking Unit managerial basis, incl. synergy effects with securities functions, etc. Figures for Super 50 excludes figures for Super 30

## Super 30/50 Profitability\*<sup>3</sup>

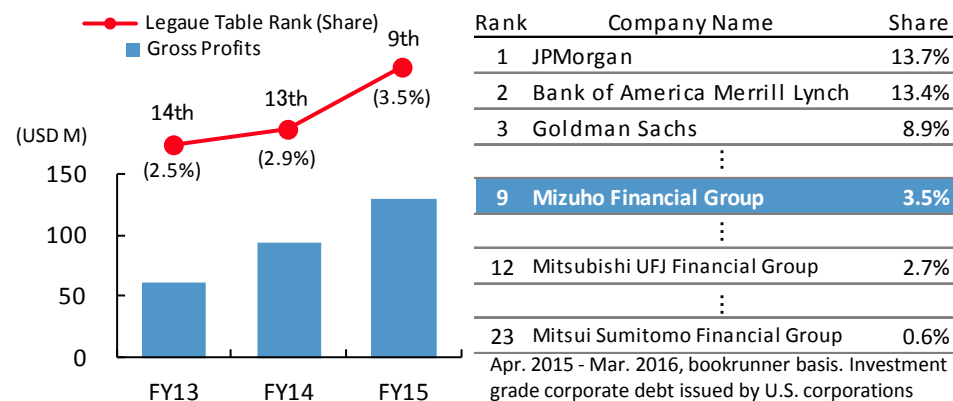


## Syndicated Loan (Asia, excl. Japan)

Rank	Company Name	Share
1	Bank of China	11.9%
2	Standard Chartered PLC	8.1%
3	HSBC Holdings	5.8%
4	Mizuho Financial Group	4.9%
	⋮	
7	Mitsubishi UFJ Financial Group	3.9%
	⋮	
11	Mitsui Sumitomo Financial Group	2.6%

Jan.-Dec. 2015, bookrunner basis  
USD, EUR, JPY, AUD, HKD and SGD  
Source: Thomson Reuters

## Bond Underwriting – U.S. Debt Capital Market (DCM)



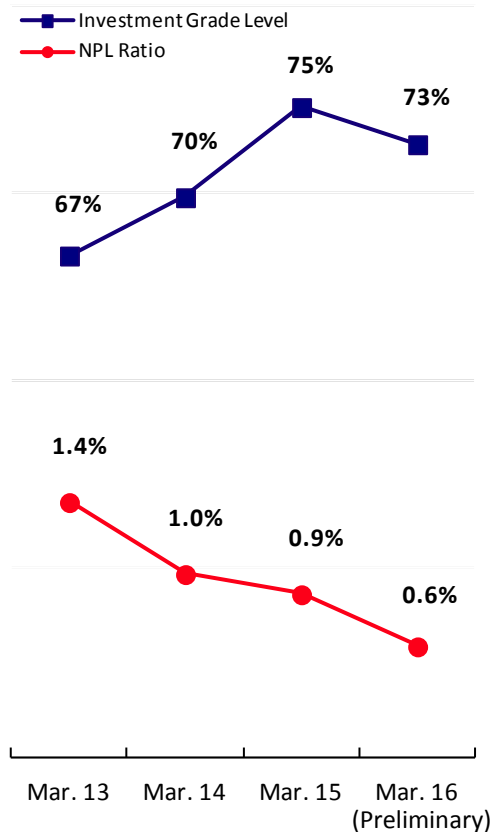
Apr. 2015 - Mar. 2016, bookrunner basis. Investment grade corporate debt issued by U.S. corporations  
Source: Dealogic



# Overseas Loan Portfolio

## Quality of Loan Portfolio

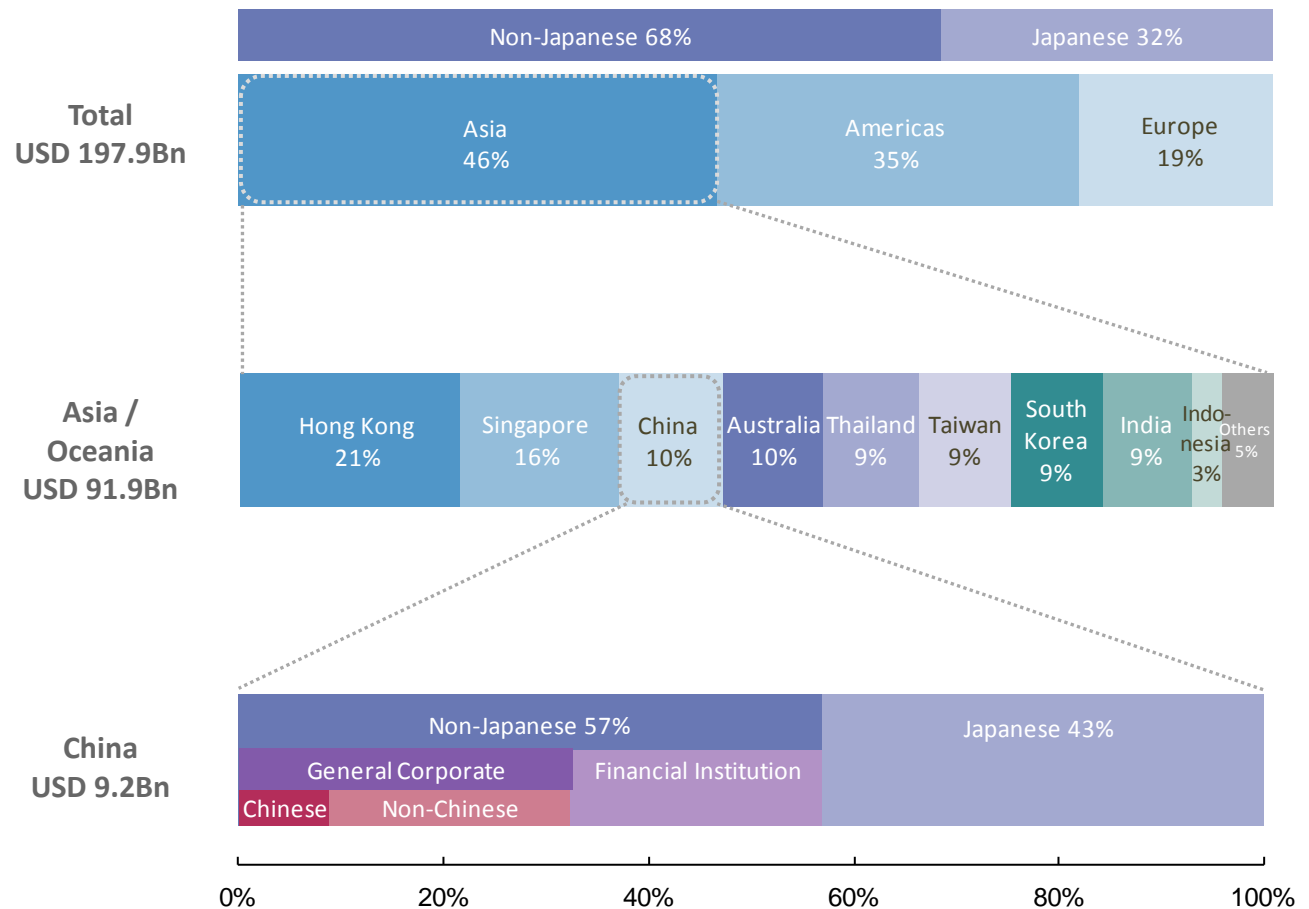
BK, including the banking subsidiary in China, International Banking Unit managerial basis



- Investment Grade Level Ratio is over 70%
- NPL ratio declined although loan balance (period-end balance) increased

## Overseas Loan Portfolio (Mar. 2016)

BK, including the banking subsidiaries in China, the US, the Netherlands and Indonesia, International Banking Unit managerial basis



# Exposure to Resource Sectors and to Countries including GIIPS

## Exposure to Resource Sectors<sup>\*1</sup>

BK,  
managerial accounting

(JPY Tn)

	Mar. 2016			Other Related Co. <sup>*4</sup>
		NPL Amount <sup>*2</sup>	Normal Obligor Ratio <sup>*3</sup>	
<b>Total Exposure</b>	<b>102.4</b>			
<b>Total Non-Japanese</b>	<b>33.7</b>			
<b>Resource Sector</b>	<b>4.5</b>	<b>0.04</b>	<b>94%</b>	<b>1.2</b>
Energy Resource	3.8	0.03	97%	
Crude oil & natural gas mining	2.7	0.03	96%	
Petroleum refinery & products manufacturing	1.1	0.00	100%	
Mineral Resource <sup>*5</sup>	0.7	0.01	76%	
<ul style="list-style-type: none"> <li>O/w project finance that is susceptible to price decline: approx. JPY 0.6Tn</li> <li>Regional breakdown of non-Japanese resource related sector exposure (actual location basis) is Americas (JPY 2.1Tn), Asia / Oceania (JPY 1.3Tn), Europe (JPY 1.1Tn)</li> </ul>				
<b>Total Japanese</b>	<b>68.7</b>			
<b>Resource Sector</b>	<b>1.5</b>	<b>0.00</b>	<b>99%</b>	<b>0.1</b>
Energy Resource	1.4	0.00	99%	
Mineral Resource <sup>*5</sup>	0.1	0.00	94%	

\*1: Exposure is based on exposure at default. Including the banking subsidiaries in China, the US, the Netherlands. Loans, foreign exchange assets, acceptances and guarantees, commitments, etc. Excluding Japanese general trading companies, petrochemistry, iron and steel, nonferrous metal, and project finances which are not categorized as those susceptible to price decline.

\*2: Aggregate of those customers categorized as Special Attention Obligors and below. \*3: Customers having strong results and no particular problems with its financial condition (exposure basis). \*4: Exposure to non-resource related companies whose parent company falls under the relevant resource sector

\*5: Metal mining, coal and coal briquette, etc. Including commodity trader

## Exposure to GIIPS Countries

2 Banks, including banking subsidiaries  
managerial accounting

(USD Bn)

	Mar. 2015	Mar. 2016	Change
Greece	-	-	-
Ireland	1.56	3.31	1.75
Italy	1.87	3.08	1.21
Portugal	0.32	0.30	-0.02
Spain	2.68	3.13	0.45

## Exposure to Russia and Brazil

2 Banks, including banking subsidiaries  
managerial accounting

	Mar. 2015	Mar. 2016	Change
Russia	3.54	2.61	-0.93
Brazil	7.57	7.44	-0.13

# Earnings Plan of FY2016

Net Income Attributable to FG for FY2016: Estimated Figure

Consolidated (JPY Bn)	FY2015 Results	FY2016 Plan	YoY
Net Business Profits <sup>*1</sup>	852.8	750.0	-102.8
Credit-related Costs	-30.4	-80.0	-49.5
Net Gains (Losses) related to Stocks	205.6	150.0	-55.6
Ordinary Profits	997.5	810.0	-187.5
Net Income Attributable to FG	670.9	600.0	-70.9
Difference in Net Income b/w Consolidated and 2 Banks <sup>*2</sup>	140.2	205.0	64.7

2 Banks (JPY Bn)	FY2015 Results	FY2016 Plan	YoY
Net Business Profits	688.4	595.0	-93.4
Credit-related Costs	-26.7	-70.0	-43.2
Net Gains (Losses) related to Stocks	181.4	125.0	-56.4
Ordinary Profits	762.9	545.0	-217.9
Net Income	530.6	395.0	-135.6

Assumption of Earnings Plan: O/N Rate: -0.10%, 3M TIBOR: 0.05%, 10Y JGB: 0.08%, Nikkei Average: JPY 17,000, Foreign Exchange Rate (USD/JPY): JPY 115

## Annual Dividends for FY2016 (Estimates)

**Common Stock: JPY 7.5 per share**  
**(dividend payout ratio: 31.6%)**  
(interim cash dividend payments: JPY 3.75)

## Breakdown of Net Business Profits

rounded figures,  
managerial accounting

(JPY Bn)

	FY15 (Results)		FY16 (Plan)	
		Before head office expense deduction		Before head office expense deduction
Retail & Business Banking Company	16	87	10	81
Corporate & Institutional Company	253	276	230	253
Global Corporate Company	170	192	151	169
Global Markets Company	398	428	319	349
Asset Management Company	22	22	20	20
Total of In-house Companies	859	1,005	730	872
Consolidated Net Business Profits <sup>*1</sup>	852.8	-	750.0	-

<sup>\*1</sup>: Consolidated Gross Profits - G&A Expenses (excluding Non-Recurring Losses) + Equity in Income from Investments in Affiliates and certain other consolidation adjustments

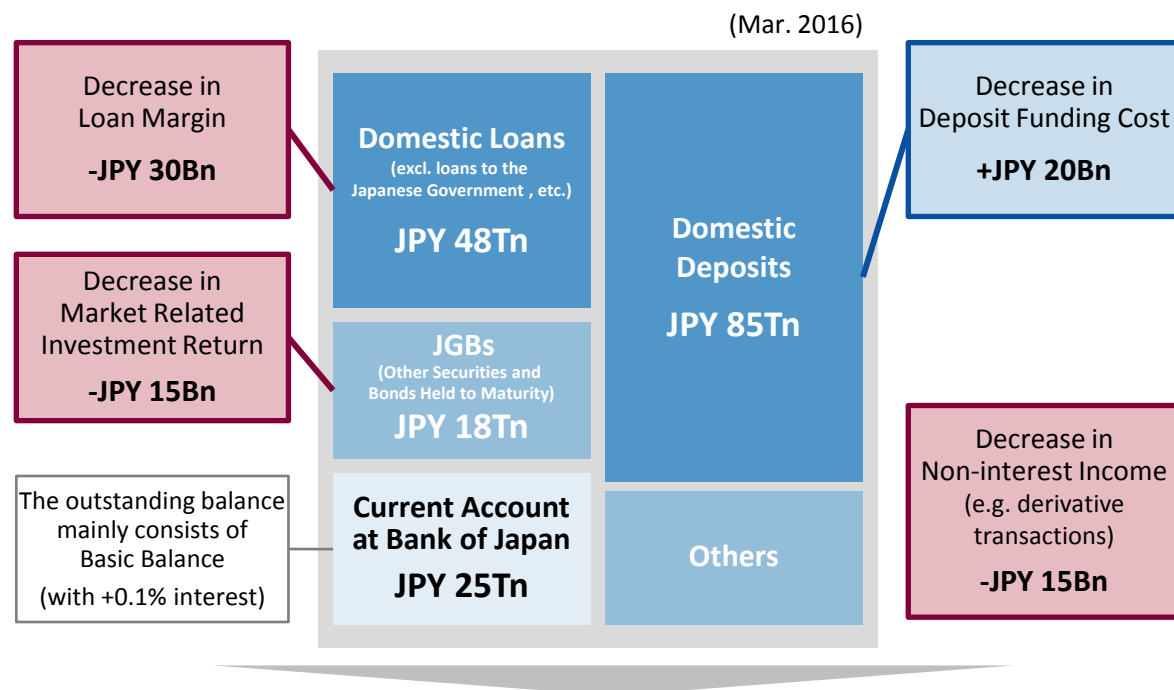
<sup>\*2</sup>: Net Income Attributable to FG – Net Income (2 Banks)

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

# Impact of the Implementation of the Negative Interest Rate Policy

## Impact of the Negative Interest Rate

BK, managerial accounting, rounded figures

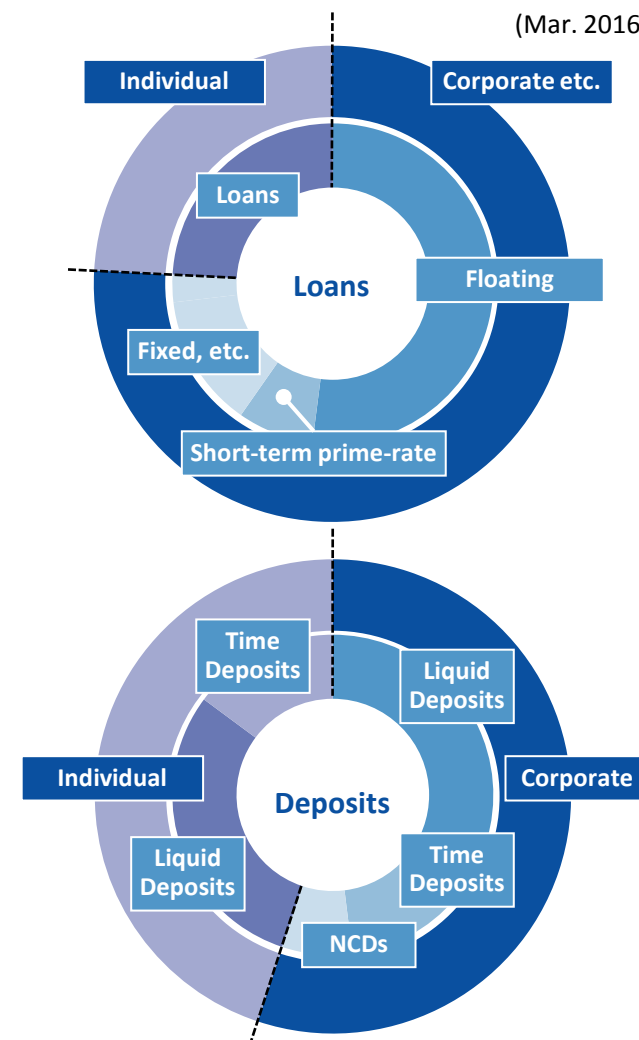


## Negative Interest Policy Impact for FY2016: approx. -JPY 40Bn

- Unchanged risk appetite policy  
→ Will not lower credit approval criteria and will not invest aggressively to foreign bond/equity investment
- Minimize negative impact on income by strengthening non-interest income, through measures such as investment products sales by capturing the flow from savings to investments

## (Reference) Breakdown of JPY Loans and Deposits

BK, Markets Unit  
managerial basis



The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

# Initiatives related to ESG: Environment

Contribute to develop a sustainable society and create our corporate value

## Participation in ESG Initiatives

<b>UN Global Compact</b>  Ten principles addressing matters such as human rights, labor, the environment and anti-corruption	<b>UNEP Finance Initiative</b>  International partnership of financial institutions concerning sustainable development	<b>UN's "Principles for Responsible Investment"</b> Signatory of:  Principles for Responsible Investment Principles which ensure ESG issues are incorporated into the investment decision-making process
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## Social Responsibility Indices which include MIZUHO

MEMBER OF  
**Dow Jones Sustainability Indices**  
 In Collaboration with RobecoSAM

  
 FTSE4Good

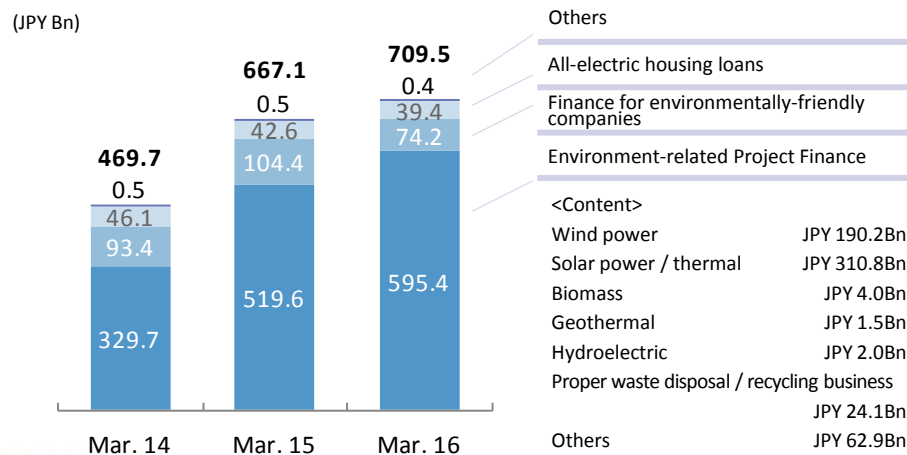
MSCI  
 2016 Constituent  
 MSCI Global Sustainability Indexes

**MS-SRI** | Morningstar Socially Responsible Investment Index

## Environment

### Environment-related Funding

BK



### Environment-related Awards

**Awarded for 1<sup>st</sup> time in 2016**

**2016 Environmental Finance Deals of the Year Awards Winner**

Solar photovoltaic (PV) power plant project related finance located in Jordan which was syndicated by Mizuho Bank was awarded Environmental Finance of the Year (Solar Category) from Environmental Finance



Provided USD 129M loan together with Japan Bank International Corporation (JBIC) and Standard Chartered Bank for the 52.5MW solar photovoltaic power plant project

# Initiatives related to ESG: Society

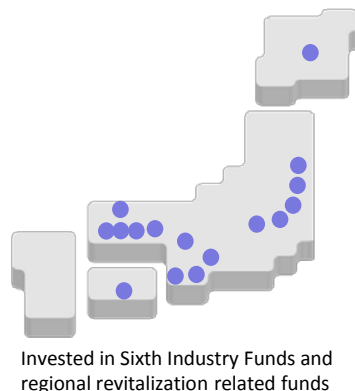
## Society

### Fostering Industries

#### Revitalize Local Communities

**17** funds invested  
(Mar. 2016)

Aim to contribute to the development of Japan's economy and society and strengthen the competitiveness of Japanese industries  
Through the collaboration with regional banks, national and local public entities, invest in the Sixth Industry Funds and regional vitalization funds



### Social Contributions

#### Support for Financial Education

**49,000** participants  
(FY2006 to FY2015)

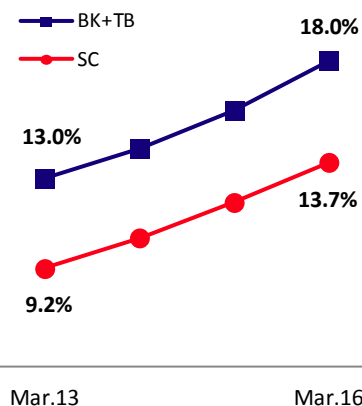
Provided support for financial education globally, not only at elementary /secondary education level but also at higher education level



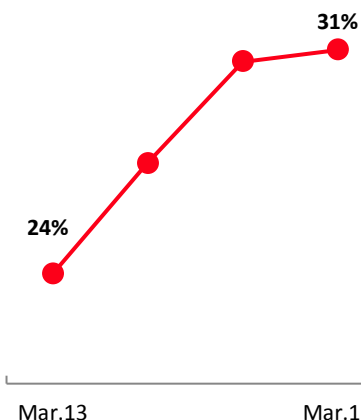
Financial Education in Mumbai

### Initiatives to Promote Diversity

#### Percentage of Female Management-level Employees



#### National Staff at Branch Management-level



#### Diversity related Awards, etc.



Chosen as a "Diversity Management Selection 100" company for actively engaging in diversity management  
Also chosen as "Nadeshiko Brand" for initiatives related to promoting women's participation in the workforce

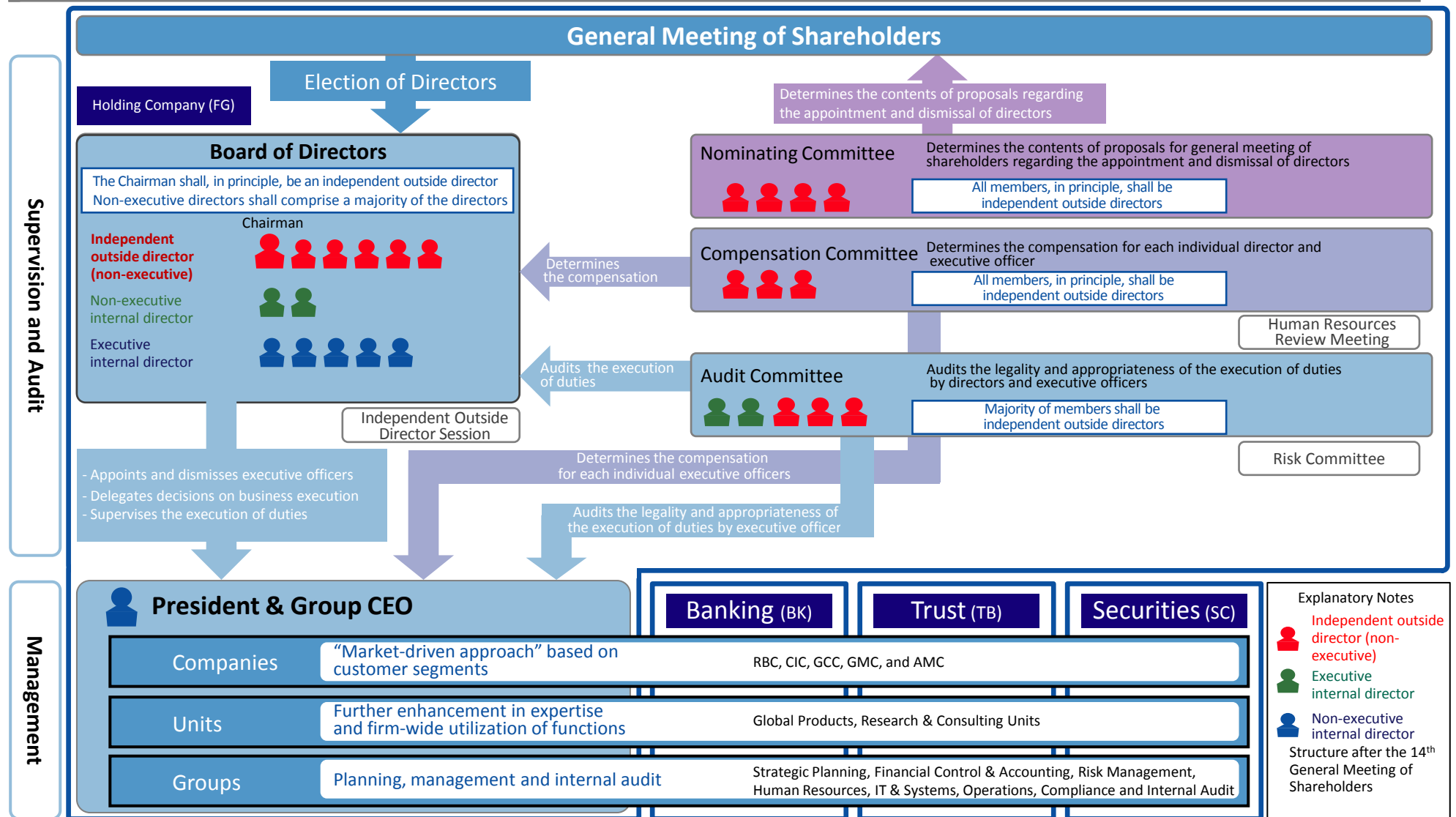
#### Childcare Support



Certified as "Platinum Kurumin" by the Minister of Health, Labour and Welfare as a company that provides superior childcare support for its employees














# Initiatives Related to ESG: Corporate Governance (1)

## Corporate Governance: Governance System



# Initiatives Related to ESG: Corporate Governance (2)

## Composition of the Board of Directors and the Three Legally Required Committees (after the 14th Ordinary General Meeting of Shareholders)

	Name	Board of Directors	3 Legally Required Committees			Duty, Business Experience, etc.
			Nominating	Compensation	Audit	
Internal / Executive	 Yasuhiro Sato	●	All members shall be Independent Outside or Non-executive Directors			President & Group CEO (Representative Executive Officer)
	 Shusaku Tsuhara	●				Senior Managing Executive Officer, Head of Compliance Group (Group CCO)
	 Ryusuke Aya	●				Managing Executive Officer, Head of Risk Management Group (Group CRO)
	 Koji Fujiwara	●				Managing Executive Officer, Head of Strategic Planning Group (Group CSO)
	 Koichi Iida	●				<b>New</b> Managing Executive Officer, Head of Financial Control & Accounting Group (Group CFO)
Non-Executive	 Hideyuki Takahashi	● <span>Deputy Chairman</span>			● <span>Chairman</span>	Past Group CFO
	 Nobukatsu Funaki	●			●	Past Corporate Auditor
Independent Outside	 Mitsuo Ohashi	●	● <span>Chairman</span>			Past President and Chief Executive Officer/Chairman of the Board of Directors, Showa Denko K.K.
	 Tetsuo Seki	●		●	●	Past President of The Shoko Chukin Bank, Ltd. Past Executive Vice President, Nippon Steel Corporation
	 Takashi Kawamura	●	●	●		Past Chairman and President, Hitachi, Ltd.
	 Tatsuo Kainaka	●	●	● <span>Chairman</span>	●	Attorney-at-law, Past Justice of the Supreme Court, Past Superintending Prosecutor of the Tokyo High Public Prosecutors Office
	 Hirotake Abe	●			●	Certified Public Accountant Past CEO of Tohmatsu & Co.
	 Hiroko Ota	● <span>Chairman</span>	●			Professor, National Graduate Institute for Policy Studies Past Minister of State for Economic and Fiscal Policy

**New** Koichi Iida, internal/executive is the newly appointed Director nominee (Junichi Shinbo, the immediate past Group CFO: retired on Apr. 1, 2016)  
The board of directors consists of 12 directors as of May 24, 2016 (internal/external directors: 4, non-executive directors: 2, independent outside directors: 6)



# Mizuho's Strengths

4 strengths supporting our sustainable competitive advantage

## Innovative Strategies

### One MIZUHO Strategy

Strengthen asset management function (4<sup>th</sup> pillar) and research & consulting function (5<sup>th</sup> pillar) in addition to banking, trust and securities functions

Banking, trust and securities branches within the common region plan and execute strategies in an integrated manner

### Super 30/50 Strategy

A strategy to focus on blue-chip non-Japanese companies by putting strong emphasis on building relationships

## Solid Business Base

### Extensive **Network** (domestic & overseas) and **Other Channels**

Approx. 900 branches (domestic & overseas), over 10 million online banking customers, and 6,700 ATM network

### Client base in **Tokyo Metropolitan Area** and with **Large Corporations**

Relationship with 70% of the listed companies in Japan

### Leading **Industry Knowledge** among Japanese banks

## Disciplined B/S Management

### Stable **Funding Structure**

Funded mainly from stable customer deposits

### Sound **Loan Assets**

Non-performing loan ratio: 1.00%

Optimum balance between

### **Strengthening Capital Base and Shareholder-return**

## Advanced Governance System

### **Highly Independent Board of Directors**

The Chairman of the board of directors, nominating committee members and compensation committee members are all independent outside directors

### Strengthened **Functions of the Holding Company**

First to introduce in-house company system among Japanese banks

### Commitment to **Governance Reform**

**One MIZUHO**  
Building the future with you

# One MIZUHO

Building the future with you

New Medium-term Business Plan

# **Progressive Development of “One MIZUHO”**

– The Path to a Financial Services Consulting Group –

**May 2016**

**Mizuho Financial Group**

## Mizuho's Brand Slogan



The invaluable =  
**"Only One"** partner  
 bringing fruitfulness for  
 each customer and the  
 economies and the societies

The most =  
**"Number One"**  
 trusted  
 financial services group

The best =  
**"Number One"**  
 financial services provider

The most =  
**"Number One"**  
 cohesive  
 financial services group

## Mizuho's Corporate Identity

### Corporate Philosophy

Mizuho's fundamental approach to business activities,  
 based on the raison d'être of Mizuho

Mizuho, the leading Japanese financial services group with a global presence and a broad customer base, is committed to:

Providing customers worldwide with the highest quality financial services with honesty and integrity;  
 Anticipating new trends on the world stage;  
 Expanding our knowledge in order to help customers shape their future;  
 Growing together with our customers in a stable and sustainable manner; and  
 Bringing together our group-wide expertise to contribute to the prosperity of economies and societies throughout the world.

These fundamental commitments support our primary role in bringing fruitfulness for each customer and the economies and the societies in which we operate. Mizuho creates lasting value. It is what makes us invaluable.

### Vision

Mizuho's vision for  
 the future, realized through  
 the practice of  
 "Corporate Philosophy"

The most trusted financial services group with a global presence and a broad customer base, contributing to the prosperity of the world, Asia, and Japan.

The most trusted  
 financial services group

To be our customer's  
 most trusted partner

The best  
 financial services provider

To continuously provide  
 the best leading-edge  
 financial services

The most cohesive  
 financial services group

To maximize our extensive expertise  
 and collective capabilities  
 as experienced  
 financial services professionals

### Value

The shared values and principles of  
 Mizuho's people, uniting all executives and  
 employees together to pursue "Vision"

### The Mizuho Values

#### Customer First

The most trusted partner  
 lightening the future

#### Innovative Spirit

Progressive and flexible  
 thinking

#### Team Spirit

Diversity and collective  
 strengths

#### Speed

Acuity  
 and  
 promptness

#### Passion

Communication and  
 challenge  
 for the future

## 1. Background

## 2. Summary

(1) Outline

(2) 5 Basic Policies

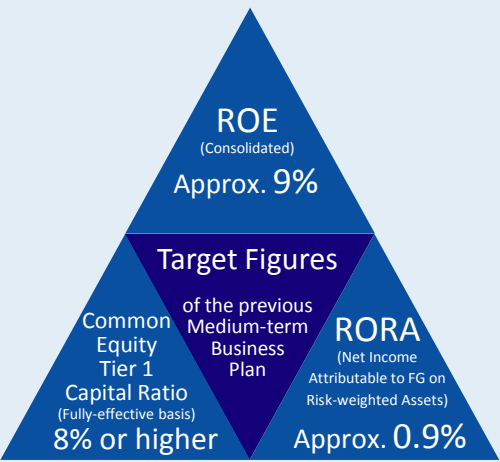
(3) 10 Basic Strategies

(4) Financial Strategy

# Overview of the Previous Medium-term Business Plan

Overview of  
the Previous  
Medium-term  
Business Plan

Met most of our financial targets. Reform into a stable and sustainable profit structure showed progress  
Remaining challenges will be continuously addressed in the new medium-term business plan

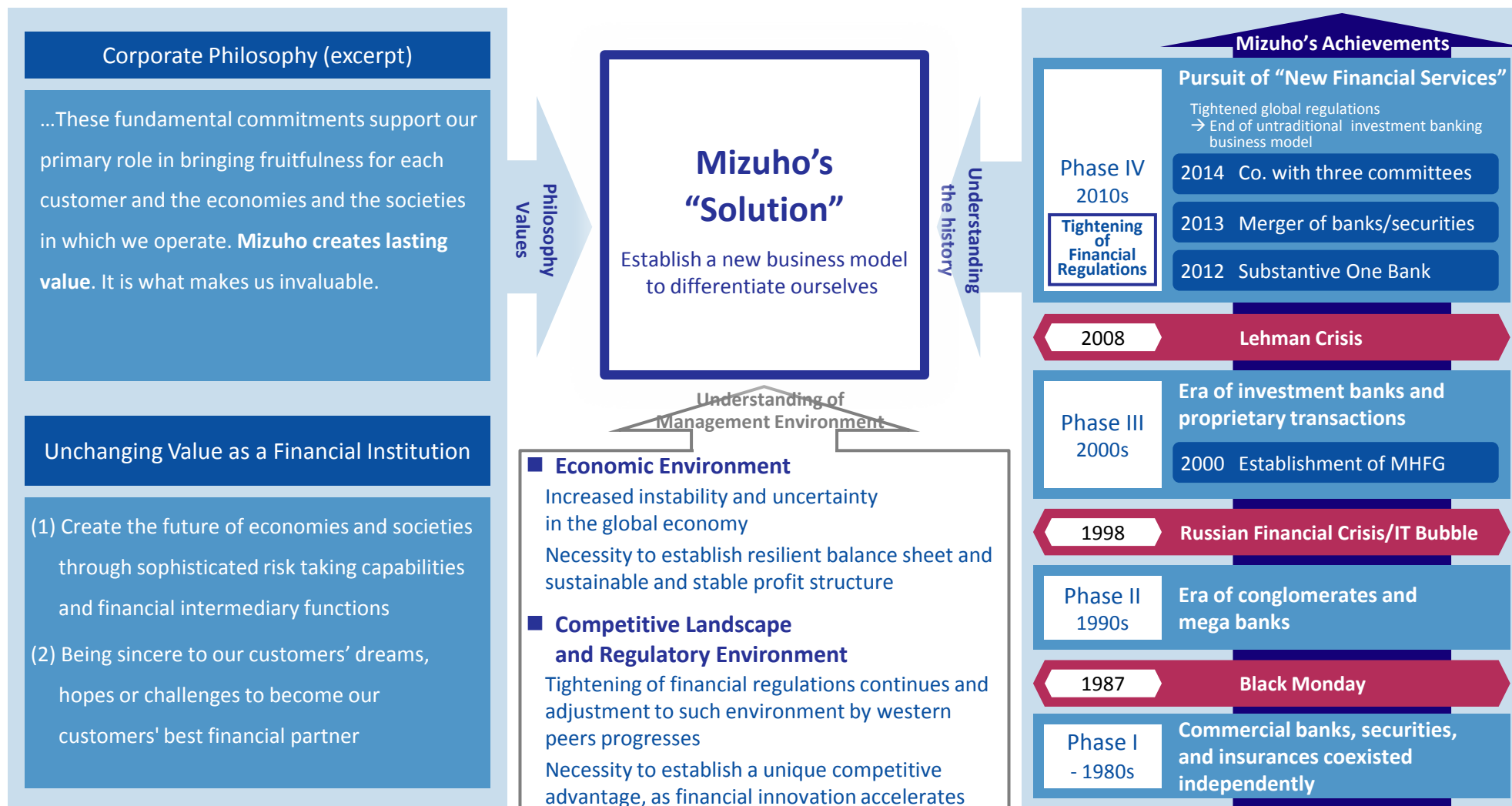
		Plan for the previous Medium-term Business Plan Revised FY15 Targets	FY15 Results	Achievements & Challenges
	<b>Consolidated ROE</b>	<b>Approx. 9%</b> Mid 9% range(Approx 8%*1)	<b>10.0%<sup>*1</sup></b> <b>(8.2%)</b>	<ul style="list-style-type: none"> <li>■ Increase in non-interest income contributed to the achievement</li> <li>■ Aim to further strengthen profitability through establishing competitive advantage</li> </ul>
	<b>RORA</b> (Net Income Attributable to FG on Risk-weighted Assets)	<b>Approx. 0.9%</b>	<b>1.0%</b>	
	<b>Common Equity Tier 1 Capital Ratio<sup>*2</sup></b> (Fully-effective basis)	<b>8% or higher</b> 10 to 11%	<b>10.85%</b>	
	<b>Net Income Attributable to FG</b>	<b>JPY 550Bn level</b> JPY 630Bn	<b>JPY 670.9Bn</b>	
<b>Profitability</b>	Income from Customer Groups (from Apr. 2013 to Mar. 2016)	<b>+JPY 200Bn</b> (Cumulative Amount)	<b>+JPY 272Bn</b> (Cumulative Amount)	<ul style="list-style-type: none"> <li>■ Achieved the target by reforming the profit structure through the development of integrated strategies between banking, trust and securities functions</li> <li>■ Aim to further strengthen profitability through establishing competitive advantage</li> </ul>
	Proportion of Income from Overseas Customers (Net Business Profits)	<b>33% level</b>	<b>36%</b>	
	Proportion of Non-interest Income from Customer Groups (Gross Profits)	<b>50% level</b>	<b>50%</b>	
<b>Efficiency</b>	<b>Group Expense Ratio<sup>*3</sup></b>	<b>Mid 50% range</b>	<b>60.3%</b>	<ul style="list-style-type: none"> <li>■ Continue the promotion of cost structure reform</li> </ul>
	<b>Expense Ratio (Banking Subsidiaries)<sup>*4</sup></b>	<b>Lower 50% level</b>	<b>56.9%</b>	
<b>Soundness</b>	<b>Ratio of Stock Portfolio against Tier 1 Capital<sup>*5</sup></b>	<b>Approx. 25%</b> 25% or lower	<b>22.1%</b>	<ul style="list-style-type: none"> <li>■ Further reduction of cross-shareholding to reduce equity risk</li> </ul>

\*1: Excluding Net Unrealized Gains on Other Securities, figures in ( ) includes Net Unrealized Gains on Other Securities \*2: Including Eleventh Series Class XI Preferred Stock \*3: BK+TB+SC \*4: 2 banks basis  
\*5: Including hedging effects. Tier 1 Capital is calculated based on Basel 3 phase-in basis, including Eleventh Series Class XI Preferred Stock in the CET1 Capital

# Understanding of History and the Unchanging Value of Mizuho

Implications  
for the New  
Medium-term  
Business Plan

Necessity to present a new business model as our customers' sincere solution providing partner based on Mizuho's corporate philosophy and unchanging value



# Management Environment (1) Macro Economic Environment




Implications  
for the New  
Medium-term  
Business Plan

Necessity for establishing a financial base supported by resilient balance sheet and sustainable and stable profit structure, given the increasing instability and uncertainty of the global economy

Main  
Scenario

Despite the global economy likely to continue to grow, the slowdown in the rate of growth in the U.S. and emerging countries such as China will limit the overall economic growth ahead

## Global economic forecast (assumptions for the medium-term business plan)

	Real GDP growth rate		
	FY15	FY18	
<b>Japan</b> 	0.7%	1.2%	<ul style="list-style-type: none"> <li>Although there is a sense of uncertainty, such as slowdown in overseas' economy lingers, stall in economy will be avoided</li> </ul>
<b>U.S.</b> 	2.4%	2.2%	<ul style="list-style-type: none"> <li>Although slowdown in emerging nations' economy and strong dollar will put downward pressure on the economy, consumer spending in the U.S. will serve as an engine for gradual pickup</li> </ul>
<b>Europe</b> 	1.5%	1.3%	<ul style="list-style-type: none"> <li>A recovery in employment combined with a weak oil price will help consumer sentiment and lead to a continuous gradual economic recovery</li> </ul>
<b>Asia</b>	6.1%	5.7%	<ul style="list-style-type: none"> <li>China may see a slowdown in its economic growth despite any recovery plans put in place</li> <li>Emerging countries will see reduced exports to China, oil producing, and resource rich nations</li> </ul>

## Uncertainty of the global economy





# Management Environment (2) Regulatory and Competitive Environment

Implications  
for the New  
Medium-term  
Business Plan

Discussions on financial regulatory reforms continue. Necessity to prepare by developing further resilient profit and financial base

As financial innovation advances, it is necessary to establish a unique and original competitive advantage

Financial  
Regulation

The final impact of regulatory reforms remains unclear

Competitive  
Environment

Imperative to address both the impact of new regulation and competition from new entrants

## Key undetermined financial regulatory proposals

Regulations		Estimated timeline
CET1 ratio related	Revisions to the standardized approach for credit risk / capital floors	Text due to be finalized by the end of 2016
	Revisions to the approaches for operational risk	Text due to be finalized by the end of 2016
	Constraints on credit risk internal models	Text due to be finalized by the end of 2016
	Revisions to CVA framework	Text due to be finalized by the end of 2016
	Review of the existing regulatory treatment of sovereign risk	To be discussed in later 2016
Leverage ratio		Text due to be finalized by the end of 2016

**Potential increase in RWAs**  
(lowering the CET1 ratio)

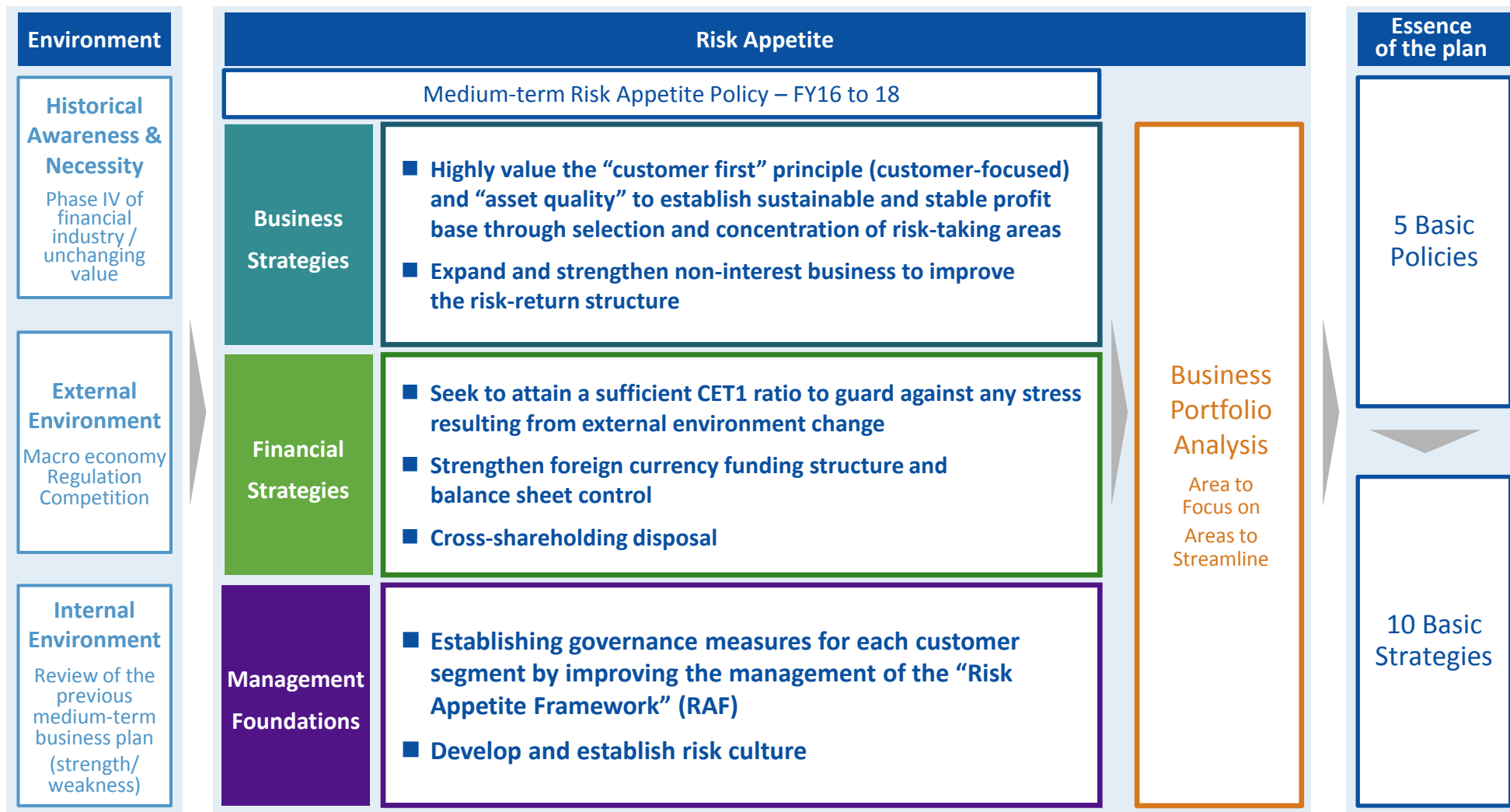
## State of competitors

European and American financial institutions	<ul style="list-style-type: none"> <li>Business and financial restructuring to address strengthened regulations</li> <li>Proactive engagement towards financial innovation</li> </ul>
Japanese banks	<ul style="list-style-type: none"> <li>Homogenization of strategies (e.g. bank and securities collaboration, integrated approach to SMEs and their owners, focusing in Asia)</li> </ul>
Other industries	<ul style="list-style-type: none"> <li>In addition to IT and distribution industries, FinTech is now allowing other industries to enter the market</li> </ul>

# Risk Appetite

Risk Appetite

Differentiate and reform our risk/return model with reference to our sustainable and progressive business model



## 1. Background

## 2. Summary

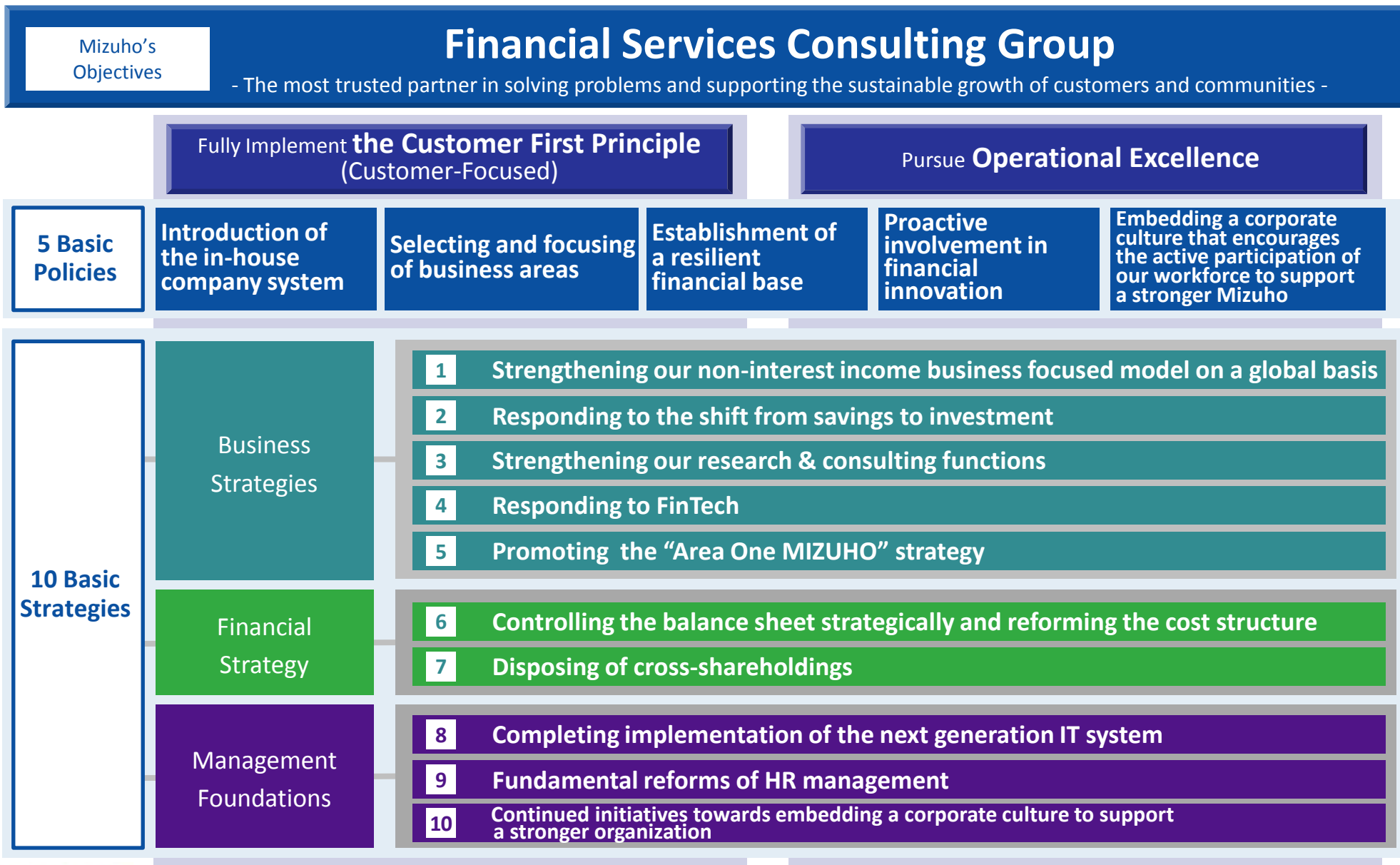
### (1) Outline

### (2) 5 Basic Policies

### (3) 10 Basic Strategies

### (4) Financial Strategy

# Summary of the New Medium-term Business Plan



# Pursue Operational Excellence

Mizuho's  
Definition

Improve “operation,” the execution capabilities of the One MIZUHO strategy, and along with the differentiation of strategies centered on “customer-focused” approach, lead to establishing a sustainable competitive advantage and to enhancing added value of customer services; this initiative is not limited to cost reduction and structural reform

Basic Policy

Enhance the “4 elements of operation” to a higher level

Speed

Quality / Accuracy

Cost

Sustainability

Specific Measures		Timeline	
		Problem Solving Type (short-term)	Structural Reform Type (medium to long term)
Focus Points	Efficiency	<ul style="list-style-type: none"> <li>■ Front-line driven reform of operation processes</li> <li>■ Reduction in manual operations</li> <li>■ Reduction in front-line operations</li> <li>■ Revision and abolishment of IT systems</li> </ul>	<ul style="list-style-type: none"> <li>■ Reallocation of management resources through organizational reform</li> <li>■ Promotion of automation and electronization</li> <li>■ Centralization of business operations</li> <li>■ Revision of channels and networks</li> </ul>
	Enhancement	<ul style="list-style-type: none"> <li>■ Share and standardize operations supporting the integrated management of banking, trust and securities functions as well as both domestic and overseas operations</li> <li>■ Group-wide revision of operations</li> <li>■ Standardization of criterion and procedures</li> <li>■ Banking, trust and securities functions integrated channel strategy</li> </ul>	<ul style="list-style-type: none"> <li>■ Centralization of duplicated operations on a group-wide basis</li> <li>■ Standardization of operations on a global basis</li> <li>■ Integrations of front offices</li> </ul>
		<ul style="list-style-type: none"> <li>■ Optimize operation through technological innovation and new ideas</li> <li>■ Reform in the way of working (paperless, address free, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>■ Reform in operations by next-generation IT systems</li> </ul>

Promotion  
Structure

Operational Excellence  
Promotion Committee  
(Chairman: Group-CEO)

Review the progress  
of measures  
Monitoring KPIs

Heads of In-house  
Companies / Units / Groups

## 1. Background

## 2. Summary

### (1) Outline

### (2) 5 Basic Policies

### (3) 10 Basic Strategies

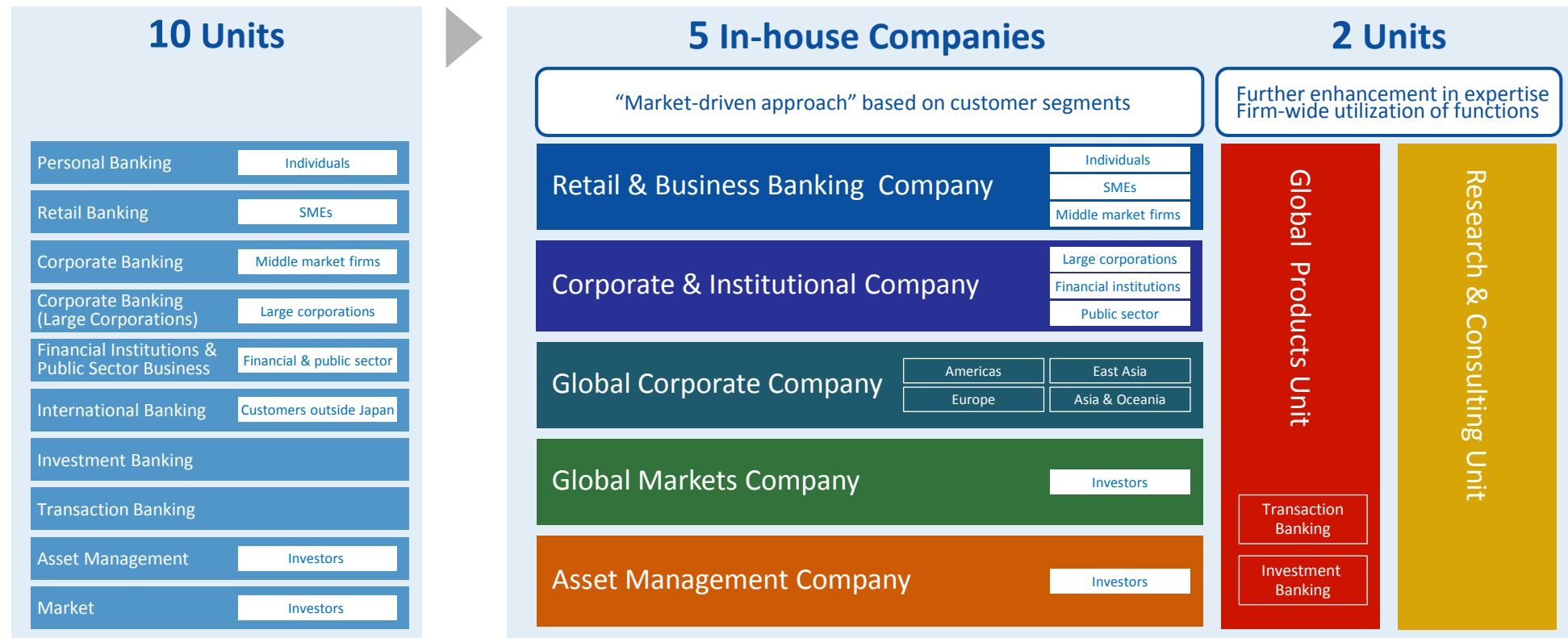
### (4) Financial Strategy

Mgt. Structure Based on Customer Segments

Reorganizing the 10 units structure into “5 in-house companies and 2 units” in order to fully implement the Customer First Principle

- 1 Consistency of strategy
- 2 Speed up decision-making processes and enhance group’s front-line capabilities
- 3 Clear responsibility for profits

- Implementation of in-house company ROE
- Strengthened authority of Heads of Companies
- Implement in-house company ROE with the aim of effective management structure based on customer segments
- Delegate necessary authority to the Head of Companies to achieve their profit responsibilities

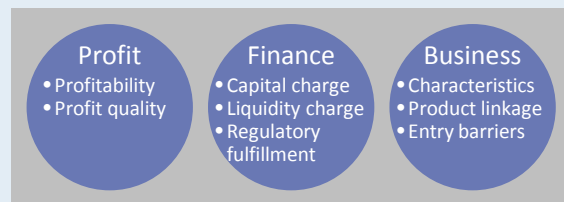
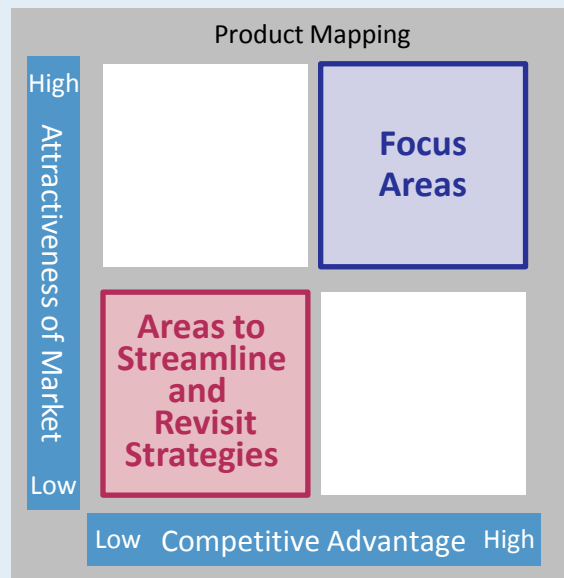


Business  
Portfolio

Clarifying focus areas and areas to streamline based on attractiveness of the market and our competitive advantage  
Improving profitability by re-evaluating existing strategies, streamlining businesses and focusing management resources on key focus areas

(Illustrative Purposes )

## Product Analysis

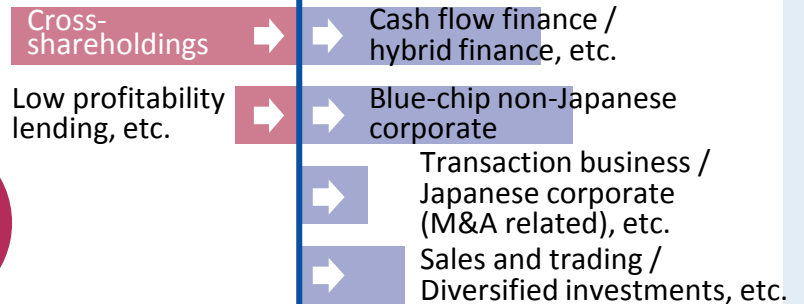


## Reallocate Management Resources

Areas to Streamline and Revisit Strategies

Focus Areas

### Risk-weighted Assets<sup>\*1</sup>



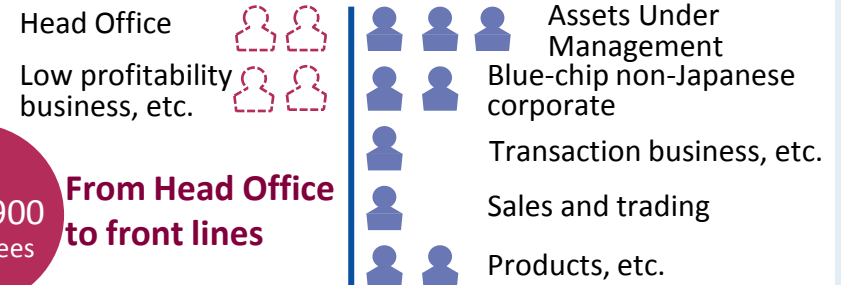
Approx.  
JPY 2.4Tn  
streamlining

Improve  
Profitability

Emphasize  
Customer  
Businesses

Optimize  
Business  
Promotion

### Headcounts<sup>\*2</sup>



Shift  
approx. 900  
employees

**From Head Office  
to front lines**

\*1: Including risk-weighted asset equivalent amount

\*2: Relatively illustrating the current increase/decrease prospect of the major policies on a three-step basis

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation



Financial  
Management  
Policy

Transform into a resilient financial structure through steadily building up capital while improving risk return structure and controlling expenses

## Establishment of a Resilient Financial Structure

– Establishing a strong base for future growth –

### 1 Stable Profit Structure

### 2 Robust Financial Base

ALM/  
PM

10 Basic  
Strategies

#### Balance Sheet Control Strategy

Optimize risk return structure through capturing indications of change in business environment and proactively and flexibly control risk-weighted assets and liquidity

Profit

10 Basic  
Strategies

Strengthening our  
Non-interest Business Model  
Enhancement of RORA

Share  
Price  
Risk

10 Basic  
Strategies

Cross-shareholdings Disposal

Expense

10 Basic  
Strategies

#### Cost Structure Reform

Pursue Operational Excellence

Capital  
Mgt.

Pursue optimal balance  
between strengthening  
our stable capital base and  
providing steady returns  
to shareholders

CET1 Ratio

ROE

RORA

Expense Ratio

Cross-  
shareholdings  
Disposal

## Financial Targets for FY2018

CET1  
Capital Ratio\*<sup>1</sup>  
Approx. 10%

Consolidated  
ROE\*<sup>2</sup>  
Approx. 8%

RORA  
(Net Income Attributable  
to Owners of Parent)  
Approx. 0.9%

Group Expense  
Ratio \*<sup>3</sup>

Approx. 60%  
Excluding expenses related to  
the next-generation IT Systems, etc.:  
high 50% level  
FY20: aim for the mid 50% range

Cross-shareholdings  
Disposal

JPY 550Bn\*<sup>4</sup>

\*1: Basel 3 fully-effective basis (based on current regulations), excluding Net Unrealized Gains on Other Securities \*2: Excluding Net Unrealized Gains on Other Securities

\*3: Group aggregate basis \*4: Shares listed on stock markets in Japan, acquisition cost basis, cumulative amount from FY15 to FY18

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## Financial Innovation

Game changing technological advances such as 'Artificial Intelligence' and 'Big Data' have opened up new opportunities. Working together with selected third parties, Mizuho looks to offer products delivering improved and new customer value

### Technological Innovation

#### Rapid Development in Technology

##### Data Accumulation

- Volume of global data is **doubling every two years**
- Data input through advanced sensors and SNS, etc.

##### Data Processing Capability

- Hardware processing capabilities are **growing exponentially**
- Able to process large data in short-time

##### Evolution of A.I.

- **Discontinuous increase** in capabilities of A.I. due to the advancement in deep-learning technology

### Impact to the Financial Industry

#### Possible Game Change

- New entry of FinTech firms
- Substitutable services/products
- Further unbundling of banking

##### Payment

- Movements to replace existing payment infrastructure utilizing virtual currency

##### Lending

- Many entries to the areas of P2P and crowd-funding

##### Financial Management

- Development originated from PFM (Personal Financial Management) services

### Mizuho's Response

#### Creation of a New Customer Value

##### Mizuho's Strengths



##### 3rd Parties' Strengths (Vendors, FinTech firms, etc.)

Customer Base

Information Base

Financial Knowledge & Tech.

Payment  
Lending  
AM  
Others

Innovative Creations

Leading Edge Tech.

Assessment Capabilities

Creation of  
New Businesses

Business  
Collaboration

Growth Support  
Accumulation of  
Industry Knowledge

**Contribution to the development of the eco-system of innovation**

#### Discussions in the Financial System Council

Easing regulations to invest in financial related IT companies, etc.

Easing regulations to accept settlement business in/out of the banking group

Source: Ministry of Economy, Trade and Industry

# Embedding a Corporate Culture that Encourages the Active Participation of Our Workforce to Support a Stronger Mizuho

5 Basic Policies

Strong  
Workforce  
and Culture

Continuing to promote the active participation of the workforce and strengthen the corporate culture in order to establish a sustainable competitive advantage

## Fundamental Reform of HR Management to Promote Active Participation of All Employees

### 1 Transforming into HR Management which respects individuality

- Exploring the strengths of each employee
- Evaluating the process of learning from failure

### 2 Promoting Diversity & Inclusion

### 3 Establishing a Program to Develop Strong Management Leaders

- Producing leaders that are ready and prepared to take the lead in driving the group's strategies

### 4 Globalization of the Workforce & HR Management

### 5 Establish Disciplined HR Governance

- Conducting transparent and accountable HR management



Support the Promotion of  
Operational Excellence

## Efforts to Establish a Strong Culture

### 1 Encouraging All Employees to Put the Mizuho Values\* into Practice

- Penetration of the corporate philosophy; making the self-produced visions of individual offices a core component
- Continuing general managers' off-site meetings
- Utilizing training programs

### 2 Further Promoting Internal Communication

- Creating a sense of unity and improving loyalty
- Vitalizing measures for mutual communication between employees
- Sharing examples of practicing Mizuho Values at a higher level

\* The values and principles shared by all of Mizuho's internal stakeholders to pursue the "Vision":  
Customer First, Innovative Spirit, Team Spirit, Speed and Passion

## 1. Background

## 2. Summary

### (1) Outline

### (2) 5 Basic Policies

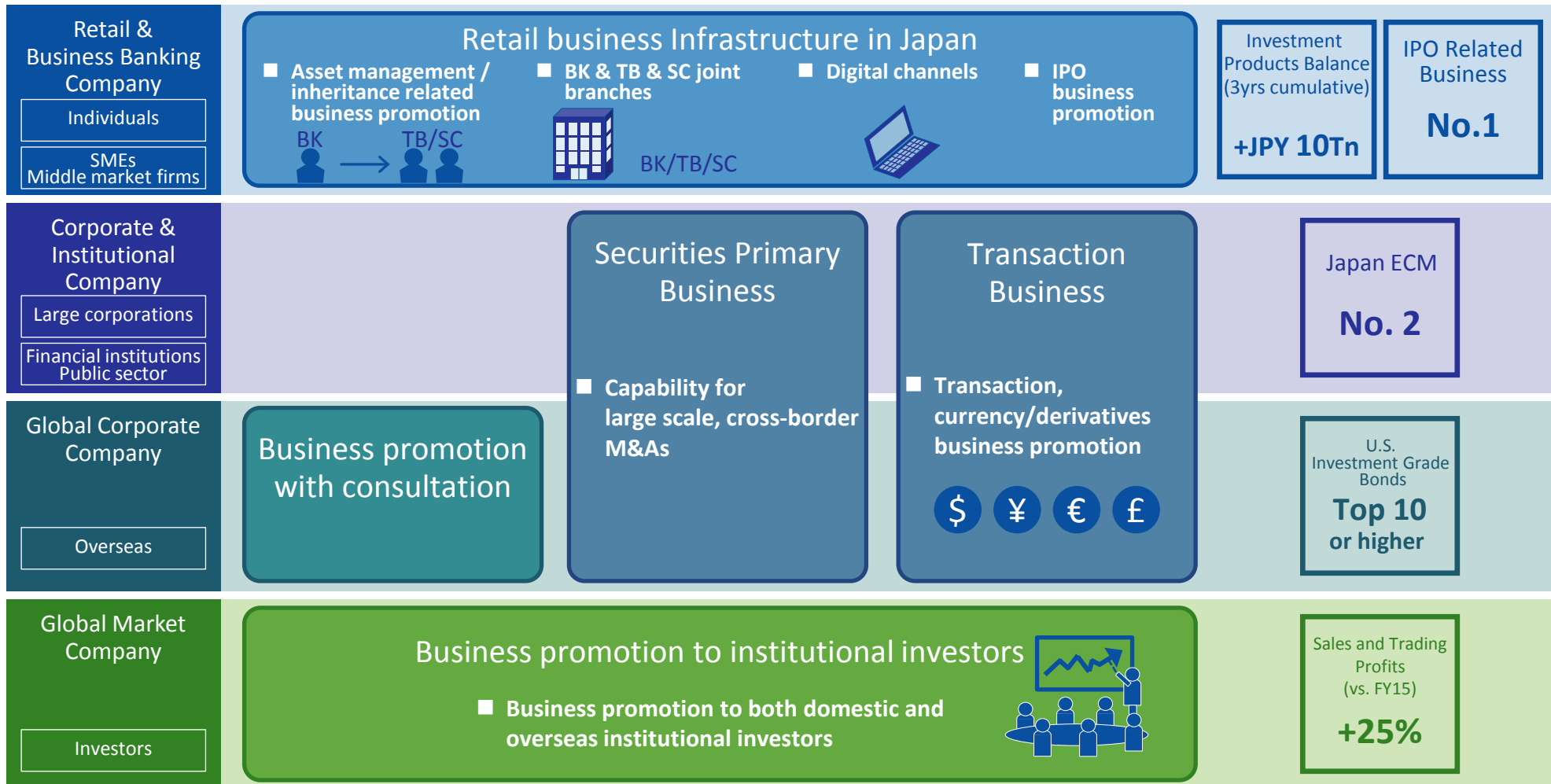
### (3) 10 Basic Strategies

### (4) Financial Strategy

## Business Portfolio

Develop into a Financial Services Consulting Group both in Japan and overseas by using Mizuho's group strengths to provide top-class financial solutions, improving our presence in targeted business areas and obtaining additional financial transaction business

## FY18 Targets



Invigoration of  
Individuals'  
Financial Assets

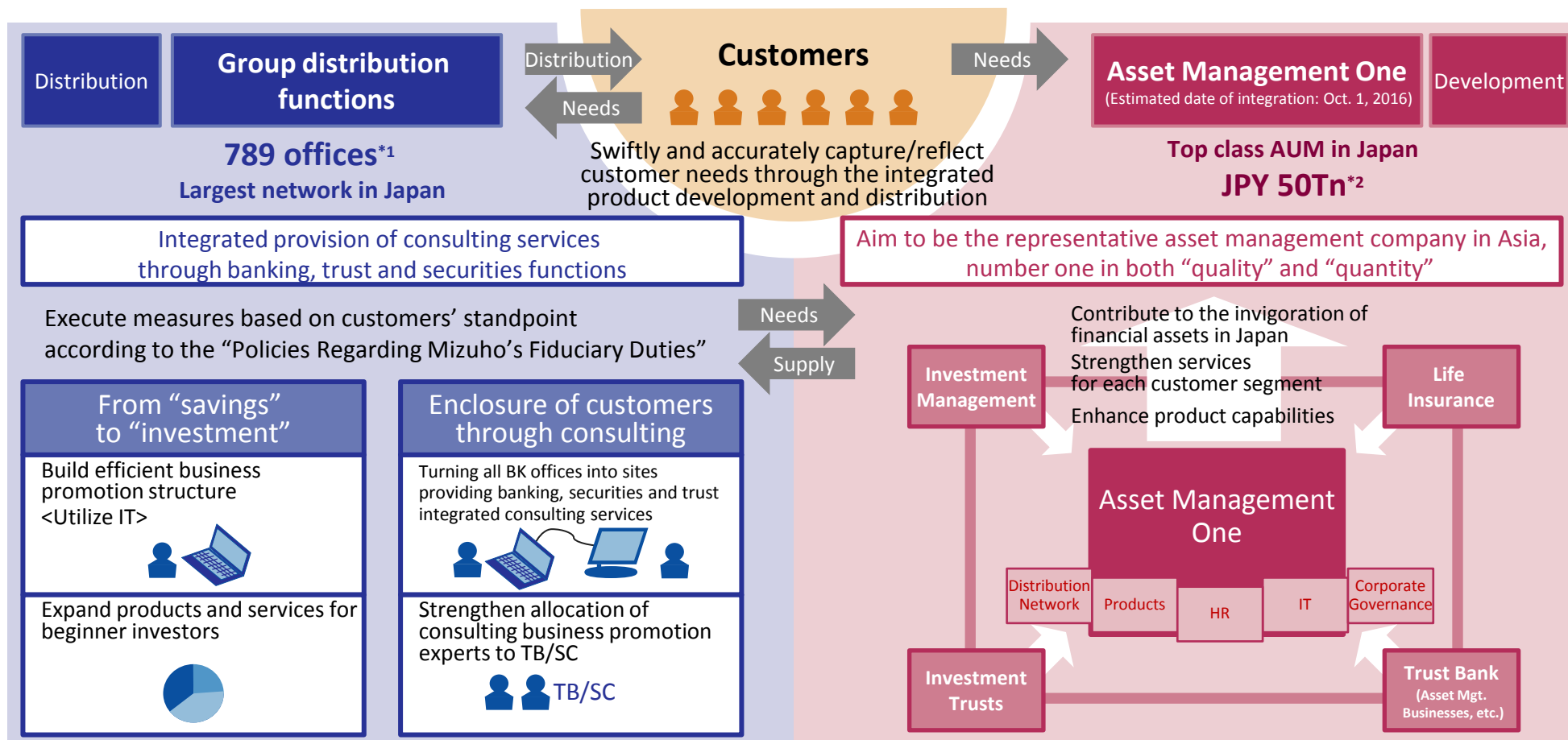
Realize customer needs and observe fiduciary duties at the highest level  
Utilize the strength as a group and support the “shift from savings to investment” and contribute to the invigoration of individuals' financial assets

1

Higher level of fiduciary duties

2

Enhance investment product development and distribution capabilities



\*1: As of Mar. 2016 \*2: AUM (Assets Under Management) as of Sep. 2015

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation

Establishment  
of a New Unit

Established a new Research & Consulting Unit as a team of experts dedicated to addressing the various challenges Mizuho's customers may face

- Establish our presence as "One Think-tank" in the research & consulting areas

## 3 Areas to Strengthen

Formation of independent unit	<b>Coordinate with all in-house companies as a utility function</b>
Globalization	<b>Advance the globalization of our research and consulting functions; support the growth strategies of our wide range of customers both inside and outside Japan</b>
Selection and concentration of functions	<b>Eliminate duplicated functions; rebalance resources towards growth areas where customer needs are concentrated</b>

## Research & Consulting Unit

### One Think-tank

Research	Industry	BK Industry Research Dept.	<ul style="list-style-type: none"> <li>- Largest and most sophisticated industry research function as a Japanese bank</li> <li>- Provide customized solutions utilizing industry knowledge</li> </ul>
	Macro	Mizuho Research Institute	<ul style="list-style-type: none"> <li>- One of the largest teams in Japan, broadly researching internal and external economy, financial markets, etc.</li> <li>- Provide management and financial strategy consulting</li> </ul>
Consulting	Managerial / financial strategies	TB Consulting Department	<ul style="list-style-type: none"> <li>- Provide solutions for business and asset inheritance / financial issues</li> </ul>
		Mizuho-DL Financial Technology	<ul style="list-style-type: none"> <li>- Utilize advanced expertise based on financial engineering and even contribute to pioneering new financial areas</li> </ul>
	Environment, social welfare, IT consulting / development, etc.	Mizuho Information & Research Institute	<ul style="list-style-type: none"> <li>- Demonstrate higher expertise in IT / environment / social security areas, etc.</li> </ul>
	< Public sector > Securities markets	SC Research & Consulting Unit	<ul style="list-style-type: none"> <li>- No.1 in analyst rankings for 3 consecutive years (Nikkei Veritas)</li> </ul>

Forward  
Looking

Actively responding to the developments in technology

- Aim to improve customer product offerings by using existing knowledge and technological innovation developed within Mizuho and outside

## Promotion Structure



Collaboration utilizing  
outside expertise

## Incubation PT

Chief Digital  
Innovation Officer

The PT, which is independent  
from any in-house companies,  
responds to FinTech  
across the group

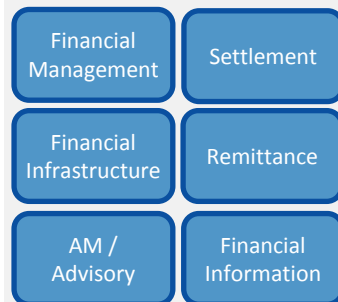
## In-house company

Each in-house company is  
responsible for business  
innovations

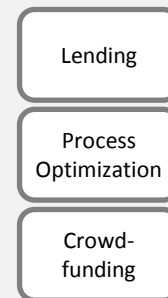
## Business Areas

- Have already launched various services in many business areas and have begun experiments, etc.
- Those areas “under consideration” will be address subsequently

### Launched



### Under consideration



## Experiments utilizing leading edge technologies



## Actual Examples

### Asset Management and Advisory



Propose optimal investment  
trust portfolio by an asset  
management robot system  
on the Internet

### Financial Management



Provide “Lifetime Financial  
Record” on the “Mizuho  
Direct” application platform  
by collaborating with  
Money Tree

### Payment



Money Forward’s “MF Cloud  
Invoice” for efficient invoice  
issuing and account  
receivable reconciliation of  
our clients



# <Reference> Next Generation Branch – Omni channel / One stop service (BK+TB+SC)

## Next Generation Branch

Shift daily transactions to digital channel

Physical branch will become a site to provide sophisticated consulting services

### Quick & Self Zone

- Account opening via screen
- Can be used after business hours



### Consulting Zone

- Consulting: Banking, trust, and securities functions
- Video tellers equipped



### FinTech Area

- Leading technology experience
- IBM Watson loaded Pepper\*



### Customer Contact Zone

- Can be used for seminars
- Multilingual device equipped



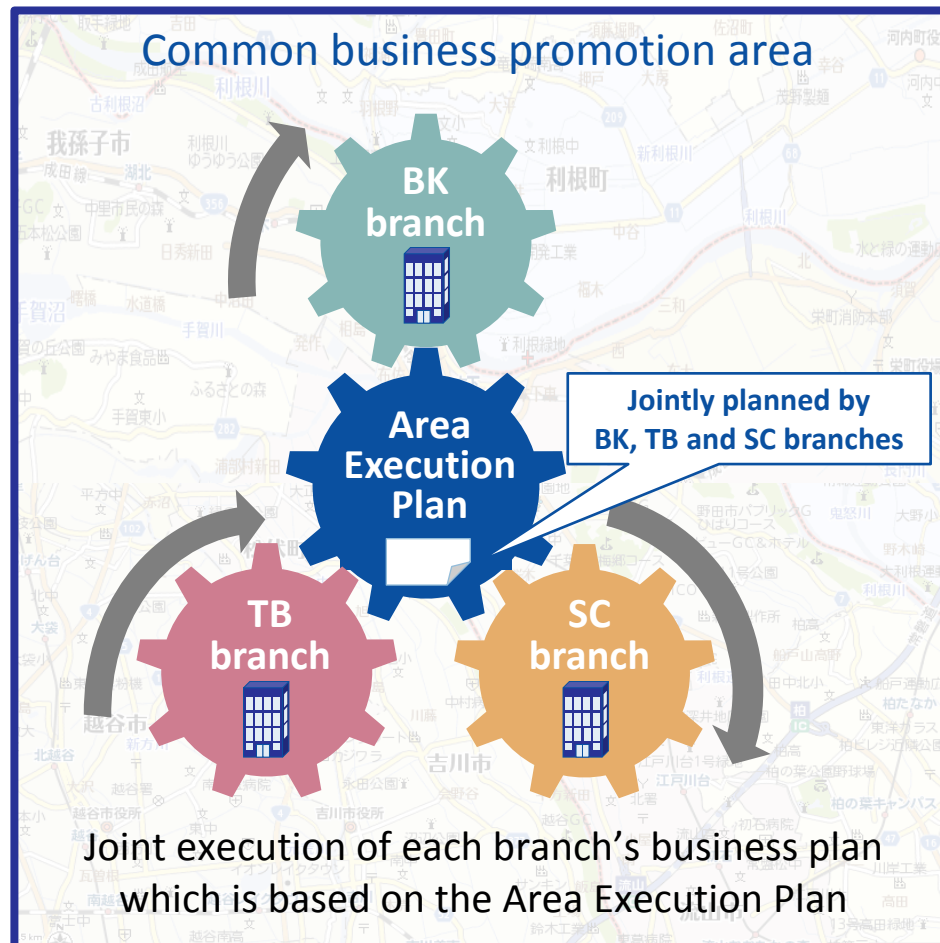
**May 16, 2016**  
**Opened Concept Branch**  
(Yaesuguchi Branch)

\* Pepper is a product of SoftBank Robotics. A personal robot with emotions

## Regional Strategies

Implementing a “regional One MIZUHO strategy integrating banking, trust and securities functions” allowing regional front offices to operate autonomously

- Banking, trust and securities offices in the same “area” sharing common economic region, jointly develop and execute area strategies with autonomy



## PLAN

- Develop “Area Execution Plan” in accordance with integrated strategy among banking, trust and securities to achieve No.1 position in the area

## DO

- BK, TB and SC branches jointly executes the plan in an integrated manner

## CHECK

- In-house company head office evaluates attempts to address area's challenges and awards outstanding areas

## ACTION

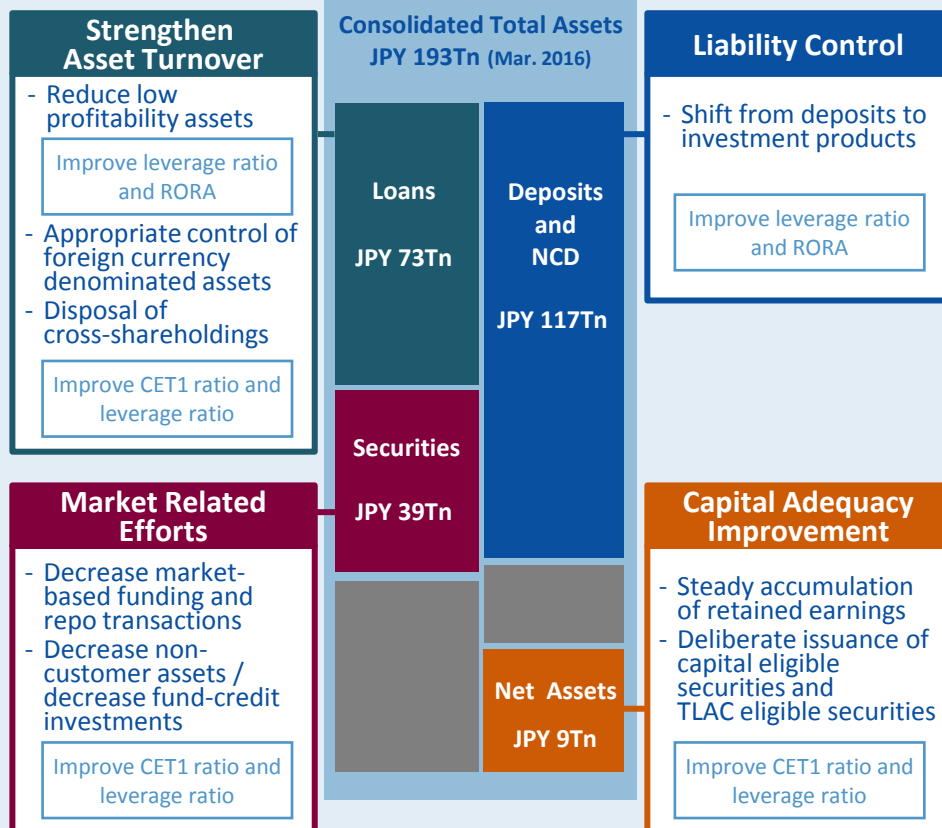
- Deploy best practices to all offices
- Constantly revise strategies and measures for further optimization

## Resilience

Building a strong financial base in order to realize sustainable and stable growth

## Balance Sheet Control Strategies

Develop a Resilient Balance Sheet through both  
“Offensive” and “Defensive” Measures



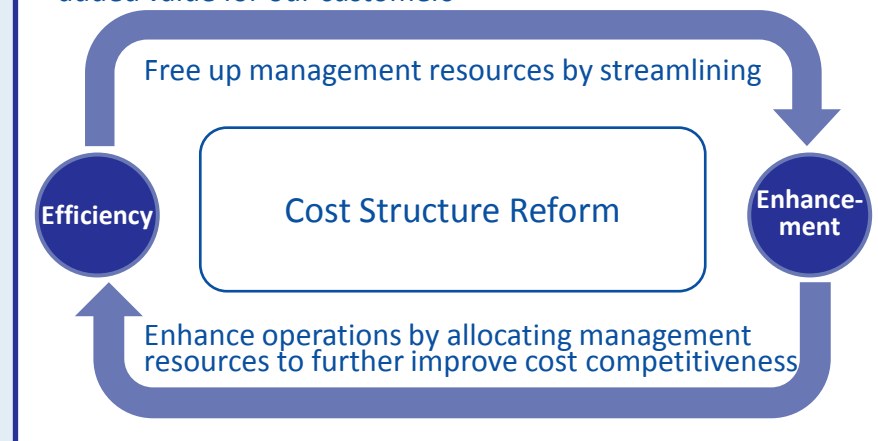
## Cost Structure Reform

Differentiate Execution Capabilities to Support the Strategies



One of the four elements

Establish cost competitiveness by improving productivity and eliminating waste, inconsistency, and unreasonableness, thereby securing the necessary resources to further generate added value for our customers



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## Cross-Shareholdings Disposal

Promote reallocation of management resources to key strategies while mitigating the risk of stock price fluctuation

- Improvement of the solidity of our financial base by increasing CET1 capital (excluding Net Unrealized Gains on Other Securities) and reallocate management resources (rise-weighted assets) to focus on key strategies

### Basic policy of cross-shareholdings

Reflecting the potential impact on our financial position associated with the risk of stock price fluctuation, unless we consider holdings to be meaningful, we will not hold the shares of other companies as cross-shareholdings

### Assessment of the objective of holdings

Annual assessment of the objective of holdings (e.g. compare the profitability of each customer to our hurdle rate)

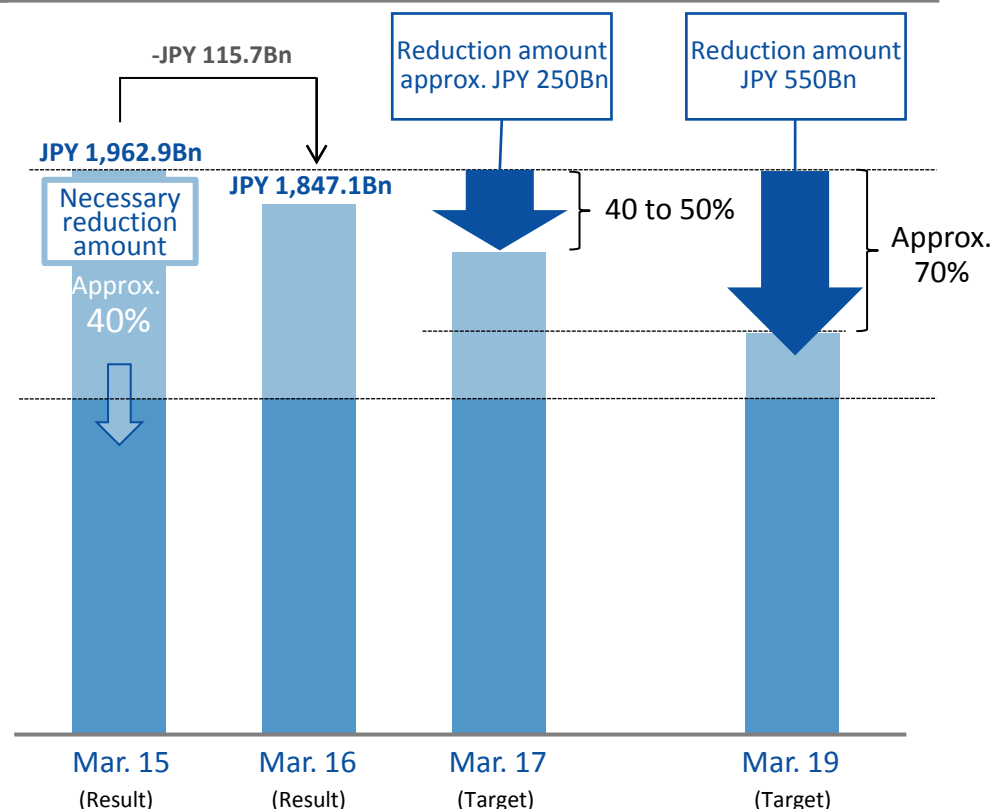
Assessment result for FY15:  
aggregate of the necessary reduction amount is approx. 40% of the total Japanese stock portfolio (as of Mar. 15) \*

### Cross-shareholdings Disposal Plan

Dispose of at least approx. 70% of the necessary reduction amount by Mar. 2019

Aim to achieve 40 to 50% of the above disposal plan by Mar. 2017 through accelerating dialogue and negotiation with clients

### Japanese Stocks\*

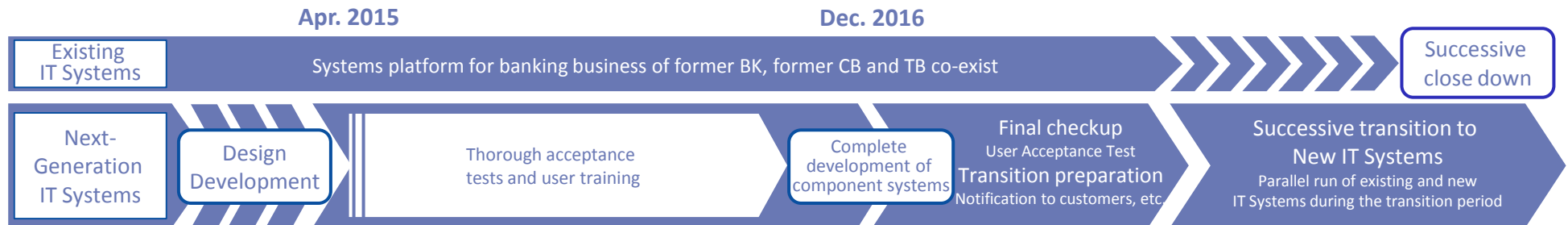


\* Other Securities which have readily determinable fair values. Acquisition cost basis

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Next-Generation  
IT Systems

Steady progress in test phase. On the way to the last test process



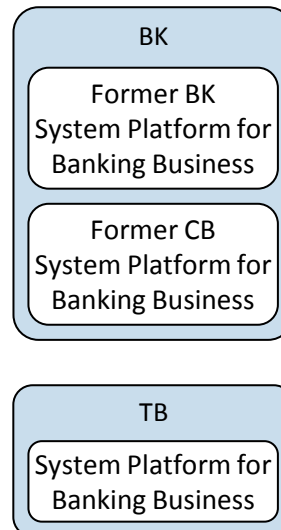
Next-Generation IT Systems ahead of Competitors

- **Unification of Core Banking Systems of former BK/former CB/TB**
  - Downsize and streamline IT systems
  - Improve response to potential system failure
- **Independent components by business and function**
  - Improve flexibility through simple structure
  - Enable flexible adaptation to new services
  - Shorten the lead time and reduce costs for new development
- **Cutting edge “Next-Generation” Core Banking Systems**
  - Strengthen infrastructure for providing services
  - Improve operations processing speed

Investment amount (estimate):  
Low JPY 300Bn level

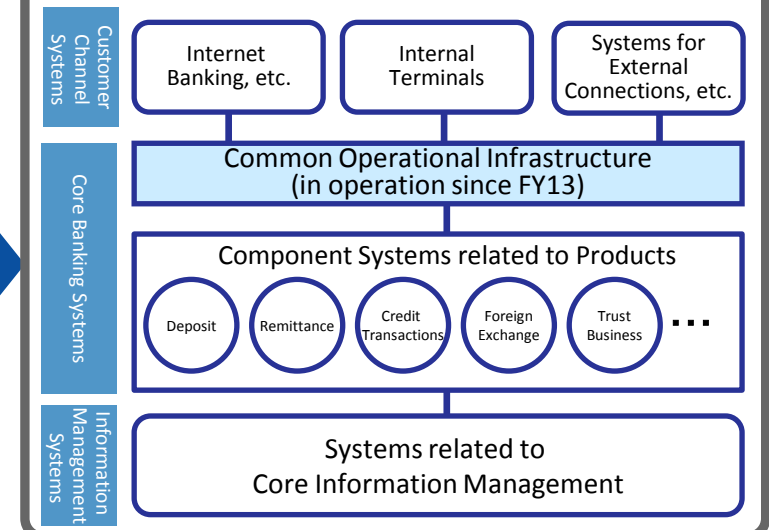
<Transition to the Next-Generation IT Systems (Conceptual Illustration)>

(Existing Systems)



Unification of IT Systems

Outline of the Next-Generation IT Systems



## 1. Background

## 2. Summary

### (1) Outline

### (2) 5 Basic Policies

### (3) 10 Basic Strategies

### (4) Financial Strategy

### Financial Operational Policy

Develop a resilient financial base by the steady accumulation of profits, tightly controlling risk and expenses

## Financial Targets for FY2018

### CET1 Capital Ratio

Approx. 10%

Basel 3 fully-effective basis (based on current regulations),  
excluding Net Unrealized Gains on Other Securities

Capital Management Policy:  
Maintain an optimum balance between strengthening of a stable capital base and steady returns to shareholders

### Consolidated ROE

Approx. 8%

Excluding Net Unrealized Gains on Other Securities

### RORA

(Net Income Attributable to FG on Risk-weighted Assets)

Approx. 0.9%

### Group Expense Ratio\*

Approx. 60%

Excluding expenses related to  
the next-generation IT Systems, etc.:  
high 50% level

FY2020: aim for the mid 50% range

### Cross-shareholdings Disposal

JPY 550Bn

Shares listed on Japanese stock market,  
acquisition cost basis,  
cumulative amount from FY15 to FY18

(Financial Market Assumptions for FY2018) 3M TIBOR: 0.05%, 10Y JGB: 0.30%, Nikkei 225: JPY 19,000, Foreign Exchange Rate (USD/JPY): JPY 122

\* Group aggregate

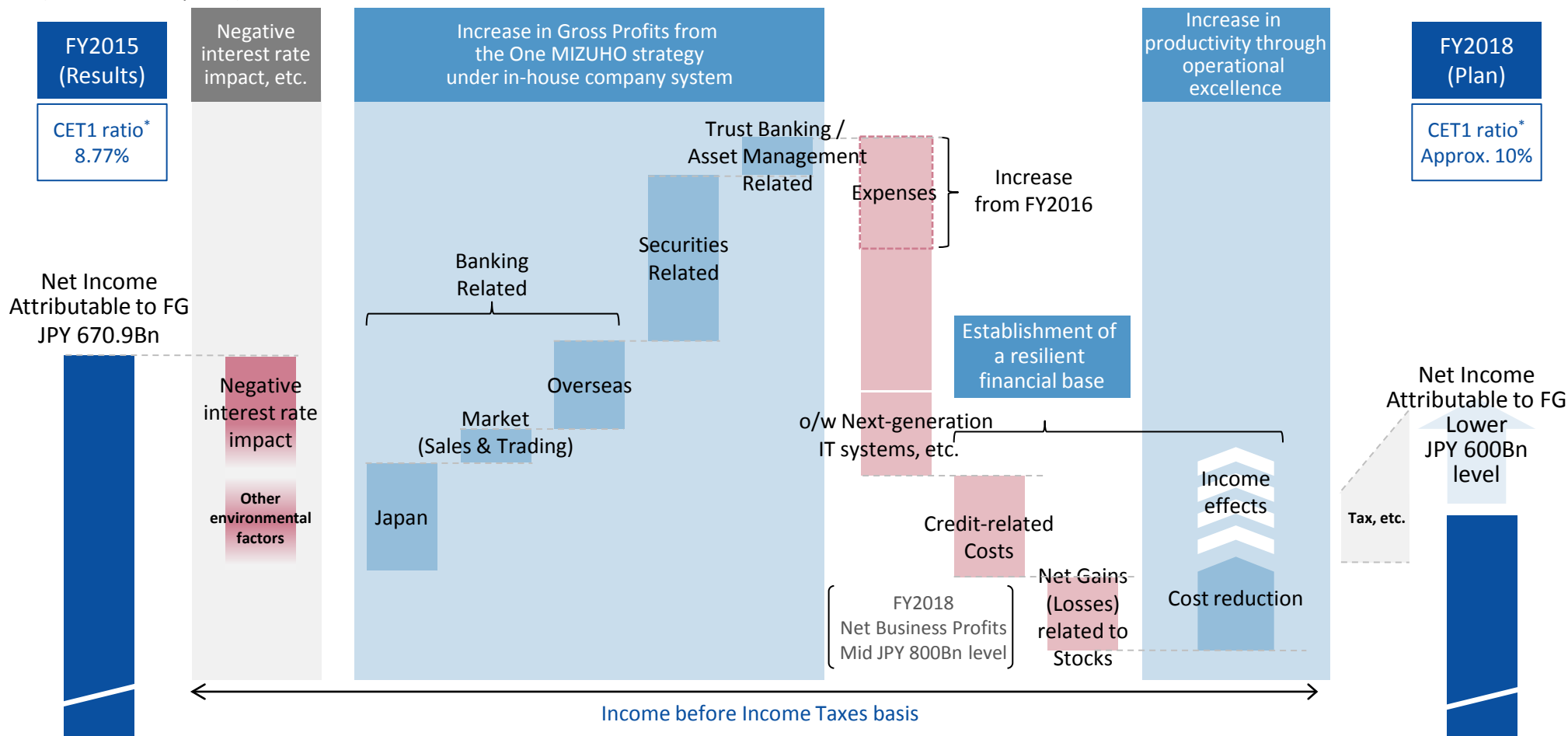
The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation



### Income Plan

In a challenging environment including negative interest rate, we aim to reform into a resilient financial structure through the strengthening of profitability and controlling of risk and expenses under the progressive development of the One MIZUHO strategy

(Illustrative Purposes)



\* Basel 3 fully-effective basis (based on current regulation), FY2015 results include Eleventh Series Class XI Preferred Stock, excluding Net Unrealized Gains on Other Securities

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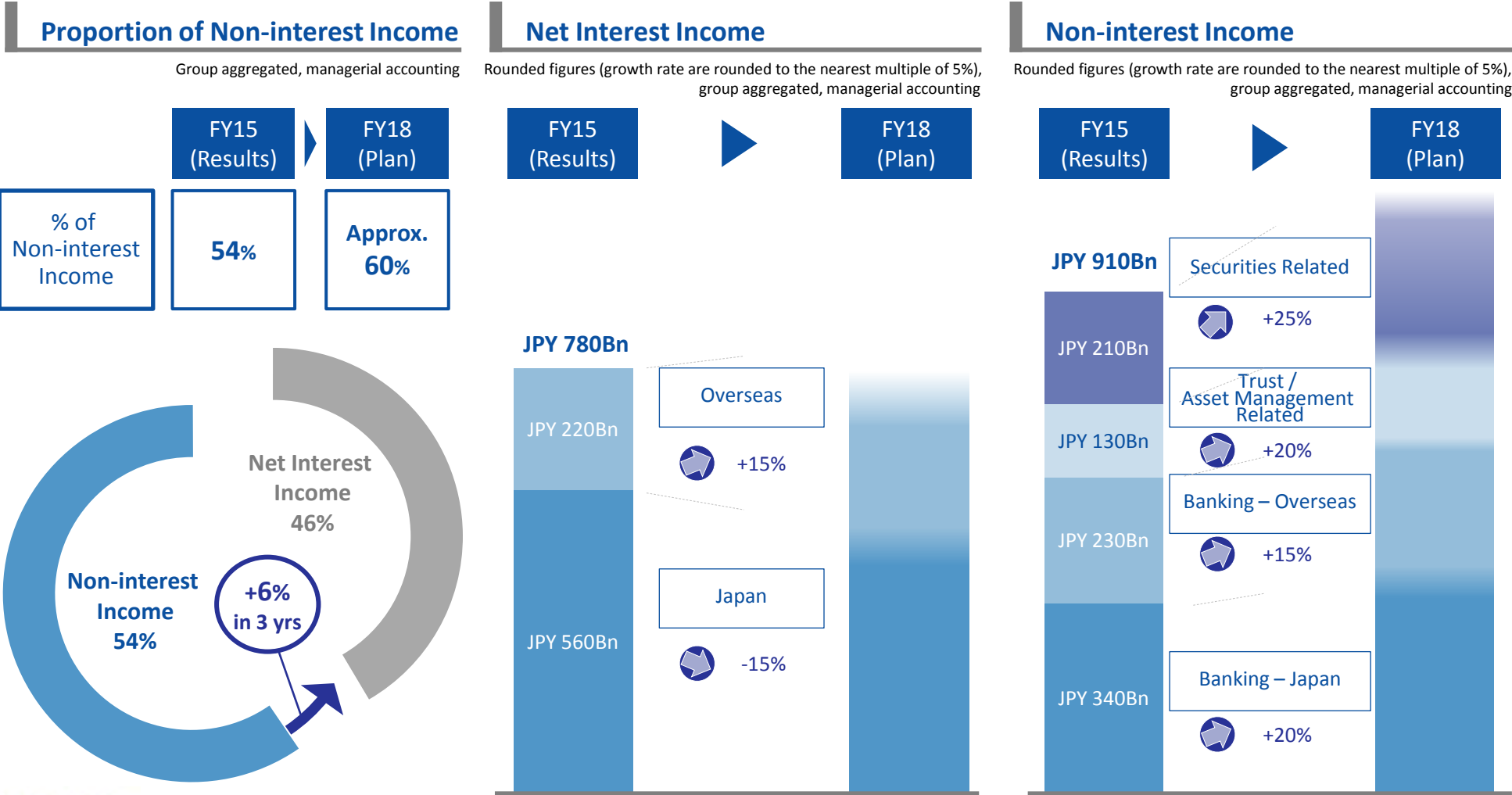


Gross Profits Plan (Customer Groups)

Further emphasis on the importance of profitability in the lending business and look to counter the effects of negative impacts such as from negative interest rates

Deepen collaboration among banking, trust, securities and asset management functions to strengthen fee business, and to increase and enhance non-interest income

(Illustrative purposes)



## Expenses Plan

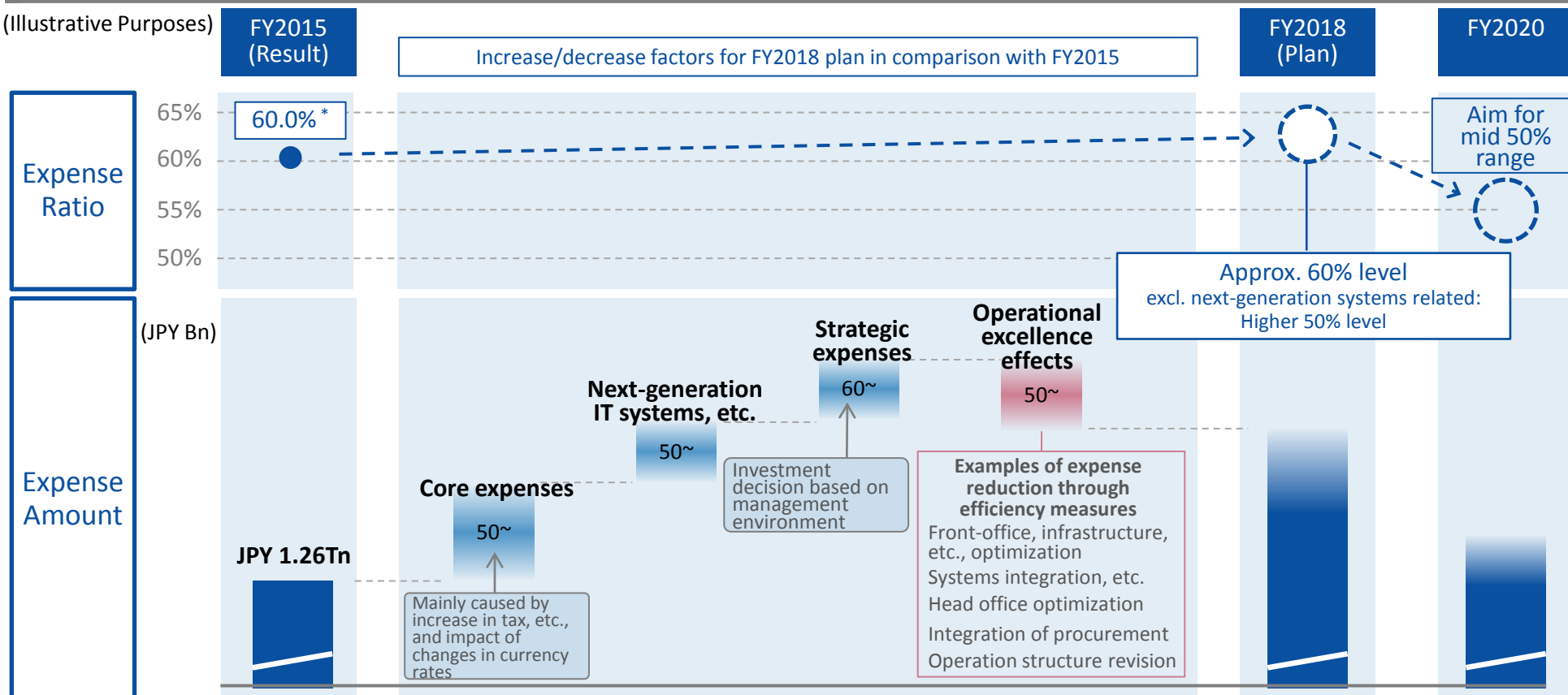
Absorb increase in expenses associated with forward looking strategic investments and next-generation IT systems, etc., through the realization of investment effects and cost structure reform impacts to aim for approx. 60% level expense ratio

- Aim for “mid 50% range” expense ratio in FY2020 through the realization of positive effects from investment in IT systems and future growth as well as through pursuit of operational excellence, although temporary increase in expense ratio is expected in FY2018 due to depreciation of the next-generation systems, etc.

## Expenses

Rounded figures, group aggregate, managerial accounting

(Illustrative Purposes)



\* 60.3% based on the previous definition (BK+TB+SC)

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### Capital Management

Target CET1 capital ratio of approx. 10% while maintaining the dividend policy

Basic policy: maintain optimal balance between strengthening our stable capital base and providing steady returns to shareholders by adapting to the changes in management environment, financial conditions and so forth

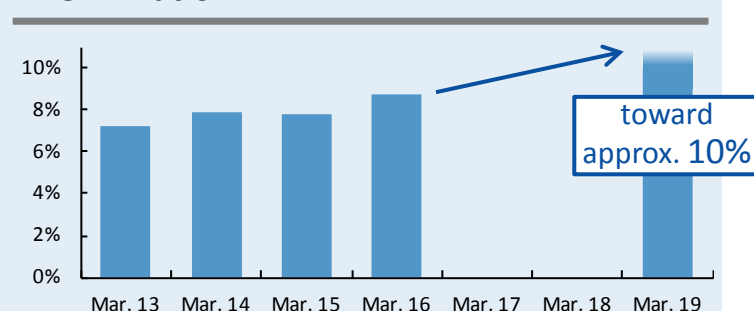
#### Strengthening of stable capital base

CET1 ratio<sup>\*1</sup> Target: approx. 10%  
(at March 2019)

CET1 ratio<sup>\*1</sup> as of March 2016: 8.77%

**Enhance resilience to external environment stress, in order to provide sufficient financial intermediary functions even during economic downturn**

CET1 ratio<sup>\*1</sup>



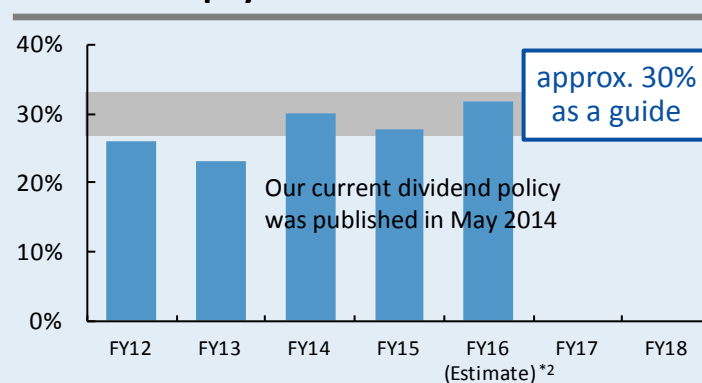
#### Steady returns to share-holders

Steady dividend payout policy with a dividend payout ratio on a consolidated basis of approx. 30% as a guide for our consideration

**Further strengthening our capital base while continuing steady returns to shareholders**

Annual cash dividends per share of common stock  
FY2015: JPY 7.5  
FY2016: JPY 7.5 (estimate)

Dividend payout ratio



<sup>\*1</sup>: Fully-effective basis (based on current regulation) excluding Net Unrealized Gains on Other Securities. Including Eleventh Series Class XI Preferred Stock until Mar. 2016 (the balance as Mar. 2016: JPY 98.9Bn, mandatory conversion date: Jul. 1, 2016) <sup>\*2</sup>: Assuming Net Income Attributable to FG of JPY 600Bn for FY16

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Investment Policy

M&A policy is unchanged

Investment decisions based on 3 key criteria on a case-by-case basis

## Key Consideration Points

Strategic Fit

- Highest priority is to strengthen banking, trust, securities and asset management businesses

	Japan	Overseas
Banking, Trust, Securities and Asset Management	Focus	Areas
Other Financial Services		

Reasonability of Price

- Consider factors such as capital deductions, goodwill and impact on Risk-weighted Assets
- Synergy effects

Appropriateness of Governance







- Thoroughly consider factors such as ownership percentage and relationship with other major shareholders
- Governance system of the target company

Plan by  
In-house  
Company

Plan to absorb the decrease in income caused by external environment, including negative interest rate and other factors, as each in-house company promotes measures to fulfill profit responsibility while enhancing profitability during the 3 years

## Net Business Profits by In-house Company

Rounded figures, group aggregate, managerial accounting

(JPY Bn)					
Exchange Rate (JPY/USD)	FY15 (Results)		FY16 (Plan)		FY18 (Plan)
	JPY 123	Before head office expense deduction	JPY 115	Before head office expense deduction	JPY 122
Retail & Business Banking Company	16	87	10	81	 60±
Corporate & Institutional Company	253	276	230	253	 260±
Global Corporate Company	170	192	151	169	 190±
Global Markets Company	398	428	319	349	 330±
Asset Management Company	22	22	20	20	 30±
Total of In-house Companies	859	1,005	730	872	 Mid JPY 800 Bn level

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### Key Indicators

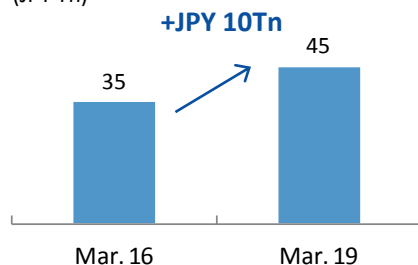
Set KPIs as a benchmark to measure progress of our strategies in 3 year timeframes of the plan

#### RBC Balance of Investment Products<sup>\*1</sup>

BK+TB+SC, RBC managerial basis, rounded figures

Shift from Savings to Investment

(JPY Tn)



#### RBC CIC M&A<sup>\*2</sup>

One MIZUHO Strategy

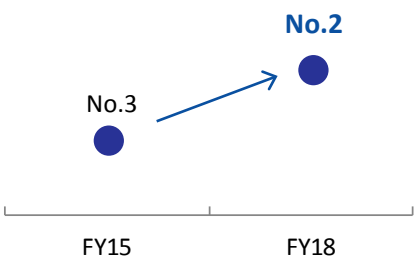
Large Corporations  
No. of deals: No.1  
Amount: No.5 or above

SMEs and Middle market firms  
No.1 among JPN mega-banks  
(No. of deals)

#### CIC ECM<sup>\*3</sup>

Underwriting amount basis

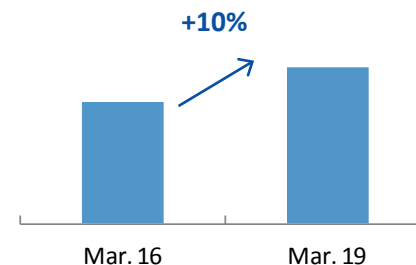
One MIZUHO Strategy



#### RBC CIC GCC Foreign Currency-denominated Customer Deposits<sup>\*4</sup>

BK, managerial accounting

Balance Sheet Control

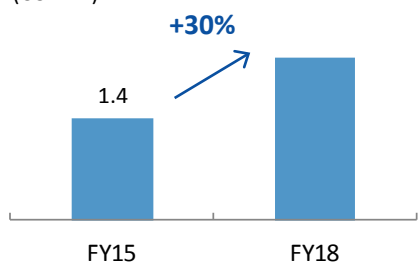


#### GCC Overseas Non-interest Income<sup>\*5</sup>

Group aggregate, GCC managerial basis, rounded figures

Strengthen Ancillary Transactions

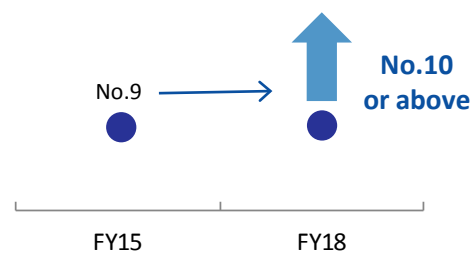
(USD Bn)



#### GCC U.S. DCM<sup>\*6</sup>

Underwriting amount basis

One MIZUHO Strategy

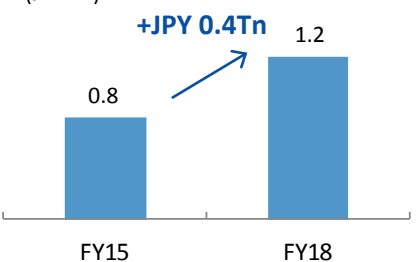


#### AMC Publicly Offered Investment Trusts

Net increase in publicly offered equity investment trusts (excl. ETFs)<sup>\*7</sup>

Shift from Savings to Investment

(JPY Tn)

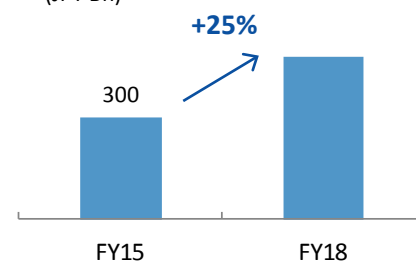


#### GMC Sales & Trading Profits

GMC managerial accounting, rounded figures

Business Promotion to Investors

(JPY Bn)



\*1: Aggregate of individual and corporate customers \*2: Source: Thomson Reuters (Any Japanese involvement, excl. real estate deals) \*3: Source: Thomson Reuters (Total Equity Underwriting Worldwide)

Deals including initial public offering, public offering, convertible bonds and REITs. \*4: Foreign currency-denominated customer deposits, planned amount versus FY15 estimate \*5: Excl. Commitment Fees and Guarantee Fees, etc.

\*6: Source: Dealogic. Bonds with issuance amount of USD 250M and above issued by investment grade U.S. corporations \*7: Mizuho Asset Management + DIAM + Shinko Asset Management