

MIZUHO



Mizuho Financial Group

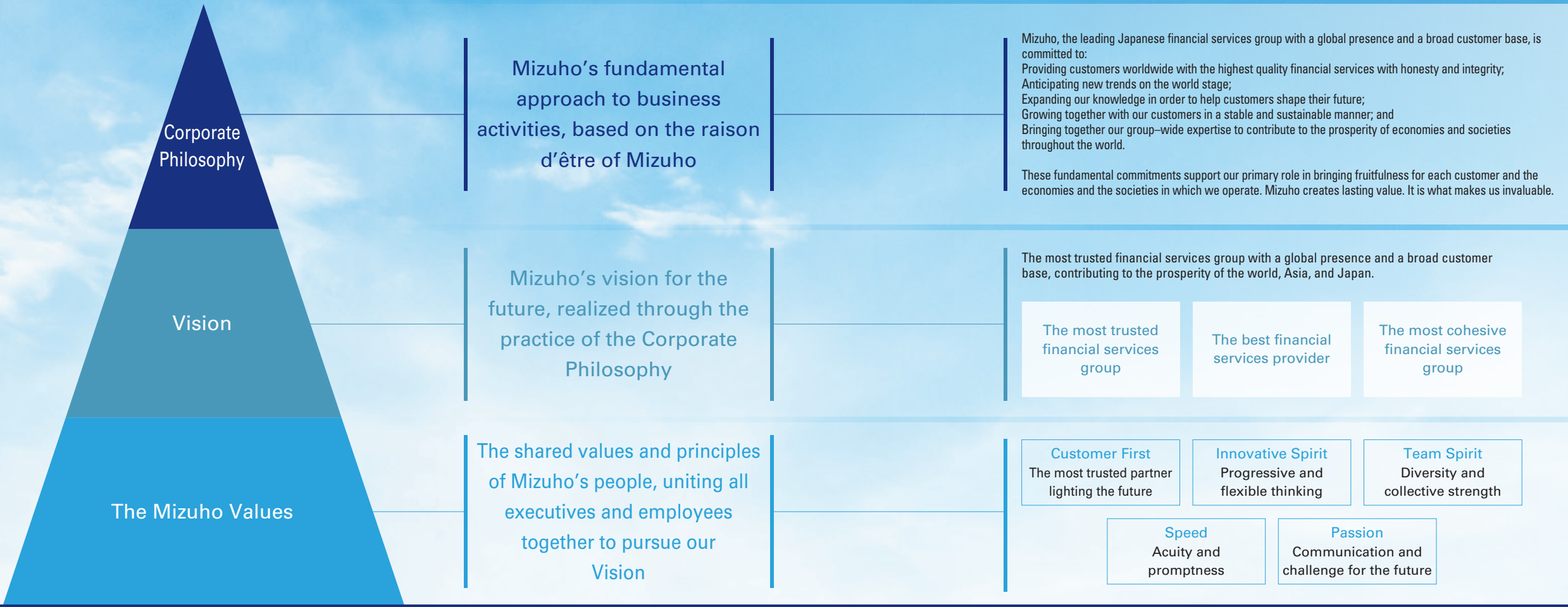
Integrated report

Annual Review

April 2021 - March 2022

2022

Corporate Identity



Editorial policy

This Integrated Report includes financial information as well as non-financial information on such subjects as ESG. The report presents information on Mizuho's efforts related to strategies, governance, and other subjects along with information on how those activities are leading to the creation of value for our customers, society, and Mizuho over the short, medium, and long terms. It was edited with the intention of providing stakeholders with concise and clear explanations in a story-like form.

The content of this Integrated Report was reported to Mizuho Financial Group's Board of Directors and Audit Committee, which are also attended by outside directors, and verified for appropriateness by the Disclosure Committee, before being given final approval by the President & Group CEO.

We hope this report will further improve understanding of Mizuho and its goal of being "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."

All figures contained in this report are calculated using accounting principles generally accepted in Japan ("Japanese GAAP").

Forward-Looking Statements

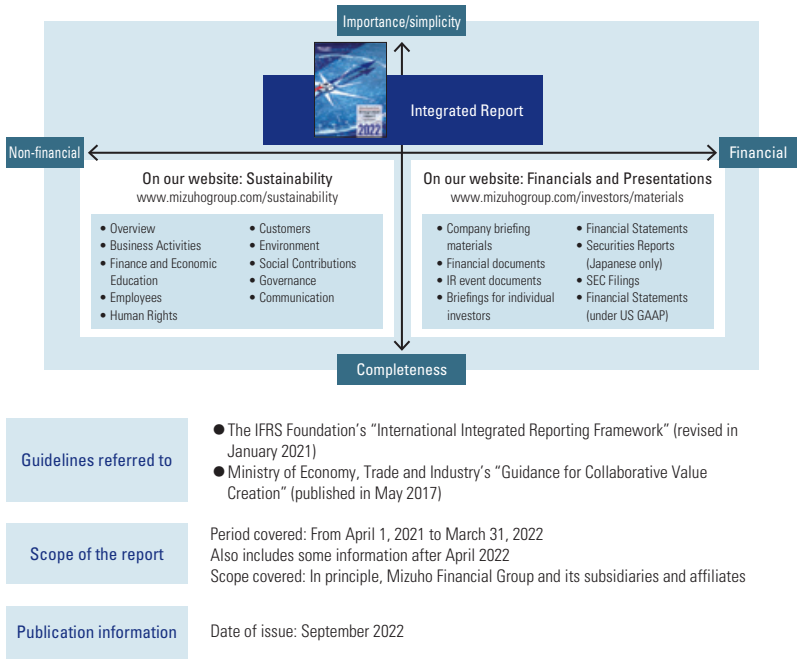
This Integrated Report contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including estimates, forecasts, targets and plans. Such forward-looking statements do not represent any guarantee by management 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.

We may not be successful in implementing our business strategies, and management may fail to achieve its targets, for a wide range of possible reasons, including, without limitation: incurrence of significant credit-related costs; declines in the value of our securities portfolio; changes in interest rates; foreign currency fluctuations; decrease in the market liquidity of our assets; revised assumptions or other changes related to our pension plans; a decline in our deferred tax assets; the effect of financial transactions entered into for hedging and other similar purposes; failure to maintain required capital adequacy ratio levels; downgrades in our credit ratings; our ability to avoid reputational harm; our ability to implement our 5-Year Business Plan, realize the synergy effects of "One Mizuho," and implement other strategic initiatives and measures effectively; the effectiveness of our operational, legal and other risk management policies; the effect of changes in general economic conditions in Japan and elsewhere; and changes to applicable laws and regulations. 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") and our report on Form 6-K furnished to the SEC on July 29, 2022, both of which are available in the Financial Information section of our website at www.mizuhogroup.com and also at the SEC's website at www.sec.gov.

The content of this Integrated Report was prepared prior to the announcement of our financial results for the first quarter of fiscal 2022.

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.



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Message from the Group CEO

Growing alongside our customers and society through wide-ranging changes

Since my appointment as President & Group CEO in February 2022, I have been working to steadily move forward our business improvement plan, accounting for the lessons from our series of IT system failures and setting stable operations as our highest priority.

The business environment is extremely uncertain, and the obstacles confronting our customer base, and society as a whole, are becoming increasingly varied. We will continue to leverage our group’s strengths to assist our customers and society in addressing such obstacles. To that end, we are listening to stakeholder feedback and engaging with our employees to foster a corporate culture where colleagues can take on new challenges without being held back by fears of failure. We will undertake wide-ranging changes and grow alongside our customers and society.

M. Kihara

Masahiro Kihara
Member of the Board of Directors
President & Group CEO
Mizuho Financial Group



Introduction: Ensuring stable operations

My name is Masahiro Kihara, and I became the President & Group CEO in February 2022. First, I sincerely apologize again for the significant inconvenience and concern we caused our customers, shareholders, and society as a result of the series of IT system failures at our subsidiary, Mizuho Bank.

January 17, 2022, the day I was named as the next Group CEO, was also the day we released our business improvement plan. The plan puts forward measures for preventing further IT system failure incidents, such as more thoroughly implementing preventative hardware maintenance and inspecting redundant IT systems to check that they are operating according to specifications. Aiming to minimize the impact on customers in the event of a failure, it also sets out plans for effective and complete system restoration and business continuity across 30 key operations, including settlements. As another component of the plan, we are reinforcing our personnel structure to better ascertain actual on-site IT conditions and ensure stable operations, and we are transforming our corporate culture to better facilitate efficient communication between Head Office and the frontlines.

In the six months since my appointment, our efforts to stabilize and improve operations so that customers can use our services with peace of mind have already yielded results. Even so, I will remain vigilant, and we will continue to steadily move forward our business improvement plan.

The world is facing a time of unprecedented change

With the prolonged COVID-19 pandemic and Russia-Ukraine conflict, the global economic and social environment is in flux.

The COVID-19 pandemic brought about great progress in digitalization, as well as an expansion of flexible working styles unbound by location. In the wake of these shifts, career mobility has been gaining further momentum. People are also becoming more concerned about their own health and asset management, given their need to plan for longer post-retirement lifespans and to pass down assets to the next generation.

In addition, awareness of the Sustainable Development Goals (SDGs) has spread rapidly, and calls to limit the rise in temperature accompanying climate change to 1.5°C have been growing worldwide. The shift in public perceptions has made it of the utmost urgency to design effective, public-private transition plans to achieve both sustainable economic growth and decarbonization. Further, the Russia-Ukraine conflict has focused attention on economic security and self-sufficiency in energy and food. Such shifts are qualitatively different from those in the past and have been bringing to the fore a number of issues.

Assisting our customers and society

Social issues in need of solutions are appearing one after another. We see the next 10 to 20 years as a period that will necessitate unprecedented change. Those of us at Mizuho must proactively contribute to this unprecedented change by evolving our own business model. This will entail leveraging not only the financial functions we have cultivated thus far but also the non-financial functions held by Mizuho Research & Technologies and Mizuho-DL Financial Technology, which develop and maintain varied technologies. Such change will also require us to bring together the expertise of a range of stakeholders across industry, government, and academia and dedicate ourselves to embarking on a long journey, one step at a time.

Mizuho came into being in 2000 through the merger of three long-standing financial groups. In the course of their extended histories, the three financial groups had formed relationships with an array of economic actors. The role of Mizuho is to work with these and other economic actors, supplying risk capital and consolidating wide-ranging expertise from our relationships in order to co-create a sustainable future for our customers and society.

Keeping this in mind, the Board of Directors and other members of management have held a number of discussions on the way Mizuho should be involved in the SDGs. As a result, in March 2022, we redefined our approach to sustainability at Mizuho as one in which Mizuho and society develop in parallel, and we reorganized the model of our materiality, which is one of our strategic priorities.

Listening to our stakeholders

Listening to our customers and public opinion, understanding the changes that arise, and communicating those changes effectively and freely within our organization under a flatter organizational structure are key to Mizuho fulfilling our role.

In this new era, hierarchical and centralized decision-making leads to mistakes. Our employees worldwide are of different generations and have different experiences and values. Their diverse views are a significant part of our efforts to make positive contributions by uniting our group-wide functions and to uncover the value we can create by collaborating with other industries.

I myself have been speaking directly with employees from a range of departments and age groups, and have learned much from doing so. Our stakeholders also include our entity heads, who are responsible for the frontlines; our outside directors, whose supervision enables us to maintain our focus on the core parts of our business; and, of course, our shareholders. By taking feedback from these stakeholders on board, we are integrating our approach of developing in parallel with our customers and society into our strategy and initiatives.

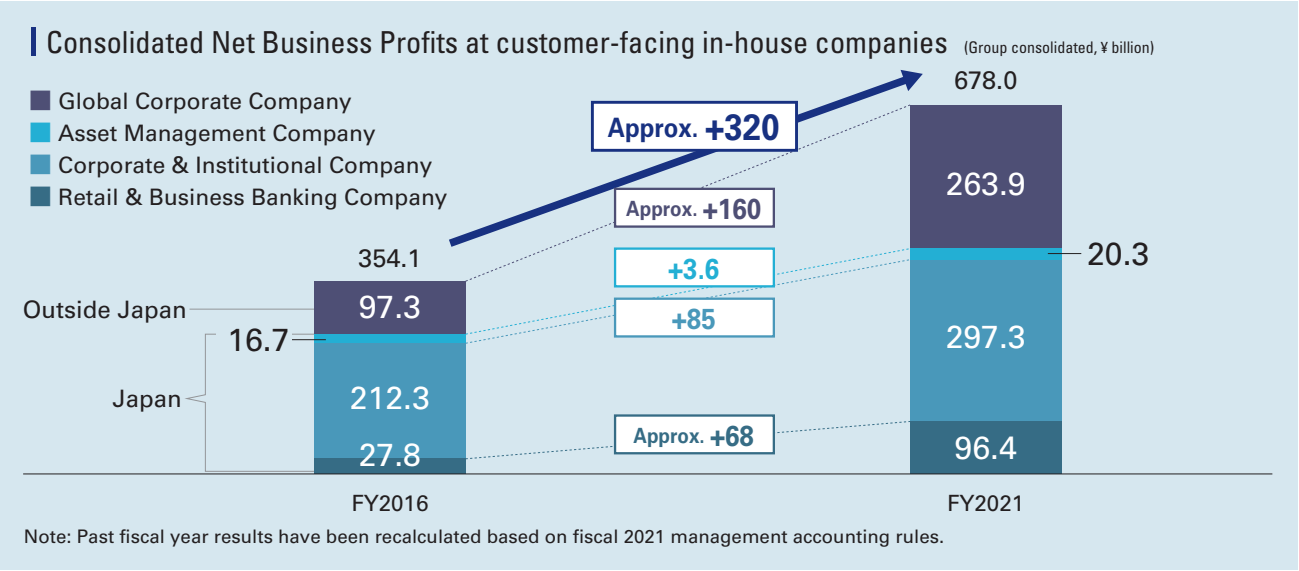
Towards future growth

Securing our strengths from the results of the 5-Year Business Plan

Fiscal 2021 was the third year of the 5-Year Business Plan we launched in fiscal 2019. The business environment remained challenging throughout. The first half was characterized by the COVID-19 pandemic and consequent mobility restrictions, supply limitations, and inflation, while the second half was characterized by lockdowns in China, the Russia-Ukraine conflict, and rising interest rates in the US. Despite these challenges, we were able to make progress on resolving the mismatch in our corporate resources through reforms to our business and finance structures, and we also achieved consistent results in our focus areas.

In Japan, we have been providing our retail customers with asset management consulting and asset succession services and our corporate clients with business portfolio strategy support and business succession consulting. We have also been shifting from a model of relationships based on cross-shareholding to a model of sharing business risk. Outside Japan, we have given particular attention to areas such as our trade-related settlement business in Asia and our capital market business centered on the US.

As a result, our Consolidated Net Business Profits came to ¥853.1 billion, a further increase over fiscal 2020, when we achieved our fiscal 2021 target of ¥700 billion one year ahead of schedule. Although our market divisions struggled in the second half, our customer divisions recorded their highest profits across all four in-house companies since the introduction of the in-house company system in fiscal 2016. Our Profit Attributable to Owners of Parent also increased in comparison to the previous fiscal year, even as we incurred credit costs from recording reserves for large-credit clients and for the Russia situation from a forward-looking perspective.





Currently, rising inflation is driving a continued upward trend in interest rates, mainly in the US. Energy supplies have also been cut off from certain regions and food exports constrained in various countries in connection with levels of geopolitical risk. There is a need to be attentive to the possibility of the economy deteriorating.

At the same time, there is also a need to push forward initiatives for further growth. On the business side, we will invest additional resources in areas that produced promising results during the first half of our 5-Year Business Plan in order to secure these areas as our strengths. For example, because our US capital markets business achieved outsized growth during the first half of the plan, we will aim to further expand our market share in this business area. Beyond this, we will

also continue to advance sustainability transformation and digital transformation as a foundation for the coming era and the farther future, and we will create a virtuous cycle through which Mizuho will grow alongside our customers and society.

Achieving the SDGs together with our customers

It is extremely important to address issues impacting society’s sustainable development, such as climate change, human rights, and aging populations and declining birthrates, and create a brighter future for the next generation. In light of this, we have positioned sustainability transformation as not just one part of our strategy, but as our strategy itself. Responding to climate change, in particular, is a crucial facet of our business strategy. This has led us to clarify our goal of reaching net zero by 2050 and our actions for this goal. Looking towards the medium to long term, we will pursue efforts to limit temperature increase to 1.5°C. For our Scope 1 and Scope 2 emissions, we have brought forward our existing targets by 20 years, committing to becoming carbon neutral by fiscal 2030. For our Scope 3 emissions, we are setting fiscal 2030 targets on a sector-by-sector basis. Towards achieving a sustainable society through an orderly, just transition, we are undertaking engagement (constructive dialogue) with our clients and offering them both financial and non-financial support. In fiscal 2021, we engaged with a total of approximately 2,300 companies and supported them in designing and implementing sustainability strategies and initiatives, primarily ones aimed at realizing a low-carbon society and achieving the SDGs.

It is essential that we elevate our insight into individual business areas and the relationships between them, and mobilize all the functions across the Mizuho group—including banking, trust banking, securities, asset management, research, consulting, and leasing—to make ourselves our customers’ top choice.

Among these functions, Mizuho Research & Technologies encompasses departments that have been supporting decarbonization in Japan since the time of the Kyoto Protocol, and it employs approximately 130 consultants who are familiar with technology and other aspects of the environmental energy field. Mizuho-DL Financial Technology has been applying its expertise in data science to ventures such as proof-of-concept trials for smart agriculture. Mizuho Leasing has been exercising its functions in business and asset holding.

Bringing together such group functions and leveraging them to their fullest will enable us to maximize our strengths.

For example, in May 2022, we reached a basic agreement with Aeon Mall under which Aeon Mall will procure renewable energy with financing arranged by Mizuho Bank, Mizuho Securities, and Mizuho Leasing. This agreement is expected to be one of the largest self-consignment¹ offsite corporate power purchase agreements² in Japan. We are also directing Mizuho Trust & Banking, Asset Management One, and Mizuho Research & Technologies’ insights towards the development of new solutions. One outcome of this has been our Mizuho Positive Impact Finance product, which utilizes an impact analysis framework independently developed by Mizuho Research & Technologies to assess clients’ societal impacts, and then supports initiatives that produce positive impacts. Another outcome has been our ESG investment products. In these ways, we have been distilling our diverse knowledge into our offerings.

Further, we are changing our risk-taking practices to share risk with our clients or share risk among a range of stakeholders and thus create new value in concert. In April 2022, we set a transition investment budget that could potentially grow to ¥50 billion as part of our efforts for the transition to low carbon. We will keep going beyond simple financial support and continue to design initiatives for creating environmental value together with our clients and society.

1. Self-consignment: When a company transmits power generated by a remote solar power facility to its own or its group’s facilities through the power transmission and distribution system of a separate power transmission and distribution system operator.

2. Offsite corporate power purchase agreement: An agreement between a power company and client in which the power company provides the client with renewable energy generated offsite through the power transmission and distribution system of a separate power transmission and distribution system operator, at a price and for a term mutually agreed upon in advance.

Providing services tailored to individual customers

Progress in digital technology has led to demand for financial services that are suited to individual life plans, conveniently available at any time or location, and without the pain points customers and society currently experience. As a foundation for growth, we are investing in IT and digital areas more proactively than before in order to make continual improvements to the convenience of our digital channels, and we are expanding marketing tailored to individual customer needs, integrating the partnership with Google we announced in March 2022.

At the same time as we are improving the convenience of our digital channels, we are also shifting the focus of our branches from administrative operations to consulting. Branch employees’ use of tools such as tablets has allowed them to spend less time on processing and more time serving customers.

While enhancing our own digital channels, we are coordinating with tech companies that have a presence in people’s everyday lives in order to extend our financial services to customers we would otherwise not be able to reach. An example of this is our partnership with PayPay, a Japanese company that provides electronic payment services. Over six million PayPay account holders use their PayPay points to make investments, and our partnership is allowing us to provide this customer segment with investment opportunities on the PayPay Securities platform. Other currently active initiatives in this area include preparing for the launch of a new bank, subject to approval by relevant authorities, in cooperation with Line, a social media platform that boasts 92 million monthly users in Japan.

We are also looking to expand into markets outside Japan, taking into consideration synergies with Mizuho’s business

and significance for society at large. The investments we made in fiscal 2021 in Vietnamese payment app Momo and Philippine digital bank Tonik are allowing us to not only capture growth in Asia but also facilitate financial inclusion. These wide-ranging collaborations are one way in which we are improving our skills and knowledge in digital transformation.

Enhancing foundations to create value

Essential to every sort of change is our employees’ ability to give constructive feedback and take on new challenges. I see corporate culture, human resources approaches and frameworks, and productivity improvements as interconnected parts of a single whole, and I am endeavoring to transform them at Mizuho.

Changing our corporate culture, the foundation of everything

To strengthen our business for further growth and promote and improve our sustainability and digital transformation, it is critical that our employees have a strong sense of direct involvement and responsibility, put forth new ideas, and embrace new opportunities under an open corporate culture.

I am practicing an “open and accountable” management style focused on employee feedback, discussion, and communication. This is integral to building a decentralized organization that welcomes and utilizes constructive criticism from individuals rather than relying on entrenched hierarchies; a Mizuho where employees can feel change happening and pursue new innovations without fear of failure.

Since my appointment, I have talked with employees in over ten small meetings, and I have also been responding to approximately 620 proposals for ways to improve work styles, making progress step by step. We have also launched employee-driven working groups. Alongside our communication initiatives, work style reforms, and support for independent action, all of us across the organization will consider what sort of values and principles we should share at Mizuho.

Further reinforcing our strengths as a united group

An extremely important component of transforming our corporate culture is to ensure employees can find meaning in their everyday work at Mizuho, and feel fulfilled, supported, healthy, and secure.

Improving the sense of fulfillment will require supporting employees’ growth by understanding the way different skills and work styles shape individual careers. It will also require enabling employees to take on stimulating work in a wide array of fields. We will become an organization of highly self-driven, expert professionals who communicate openly with one another.

Up until now, we have supported career development while placing emphasis on areas of expertise, transferring employees to experience related divisions, such as the IT systems and customer divisions or the products and industry research and customer divisions, in a cross-divisional fashion. Going forward, we will build on what we have done thus far to create a human resources framework covering Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Research & Technologies together with the holding company Mizuho Financial Group. Doing so will further

augment the strengths we have in our connections as a unified group. The future group-wide framework will expand the fields of employee participation and extend the group’s strengths.

To put in place a more supportive working environment, we will eliminate excessive workloads, unnecessary processes, and wasteful perfectionism, and apply digital transformation to the streamlining of daily operations. These efforts will realize thorough productivity improvements. To create a workplace where diverse professionals can fully exercise their individual skills and colleagues can maximize their synergies, we will improve our diversity and inclusion, and our corporate wellbeing. In this way, Mizuho and our employees will grow alongside each other, creating value for customers, improving lives, and resolving social issues.

In conclusion: Commitment to continuous growth

The main focus for fiscal 2022 will be ensuring stable operations and implementing our business improvement plan. We will not allow memories of the IT system failures to fade into the past. Rather, we will firmly entrench the many improvements we are currently undertaking; strengthen our operations, personnel, and organization; transform our corporate culture; and establish a foundation for growth and new ventures.

We will control risk appropriately in view of changes in the economy and finance under an uncertain business environment. Lastly, we will listen to our stakeholders, consider ways to offer value to society over the next 10 to 20 years, and strive for continuous growth.

July 2022

M. Kihara

Member of the Board of Directors
 President & Group CEO
 Mizuho Financial Group



Messages from the entity heads

Mizuho Bank

Placing a strong focus on our customers to meet their changing needs

My name is Masahiko Kato, and I was appointed as President & CEO of Mizuho Bank in April 2022. For my first year in this post, in light of our recent IT system failures and the dramatic changes in the external business environment, I will focus on the following three initiatives.


The first is the stable provision of financial services. By implementing measures to prevent system failures and improving our ability to respond to such failures when they occur, we will establish robust business operations that our customers can rely on. We will also strengthen our corporate governance in order to secure this stability.

The second is ensuring we do not overlook changes in customer needs. Mizuho Bank, which is the cornerstone of the Mizuho group and has the largest customer base in the group, will not only meet customers' needs for financing but also facilitate solutions to the increasingly complex and advanced needs they have in other areas.

The third is daily communication. Promoting communication will enable frontline staff to better understand the needs of customers and will enable Head Office, in turn, to better understand the needs of frontline staff. Along with this, we will eliminate excessive workloads, unnecessary processes, and wasteful perfectionism. Such streamlining will increase productivity and free up time for us to better connect with our customers.

Recently, we have been seeing favorable signs of change, including steady progress in the implementation of our business improvement plan, growth in our ability to provide solutions in sustainability and digital transformation areas, and improvements to our communication. I will take the lead in maintaining a strong customer-oriented focus and in reducing the psychological distance between executive officers and employees from different group entities and in-house companies. These efforts will achieve change across the Mizuho group.





Masahiko Kato

President & CEO

Mizuho Bank

Mizuho Trust & Banking

Joining minds and creating a prosperous future

The COVID-19 outbreak, geopolitical risks, and other factors have been driving a shift in global conditions, leading to dramatic changes in the prevailing business environment. These changes have also brought with them remarkably rapid changes in the areas where trusts can be utilized, as indicated by the rising need for asset and business succession and the progress in corporate governance reforms.


Against this backdrop, we will emphasize the three areas below to facilitate solutions to Mizuho clients' issues.

The first is creation of a highly competitive trust business. We will adopt a flexible mindset to provide trust solutions that will assist clients reviewing their business portfolios and financial strategies.

The second is maintaining stable business operations and enhancing our provision of services. While ensuring sound day-to-day operations, we will boost productivity by eliminating unnecessary operations and will build a strong business foundation.

The last is fostering a corporate culture of being self-driven and developing our personnel to think and act accordingly. We began initiatives on these themes in fiscal 2021, and put forward our vision for joining minds and creating a prosperous future at the start of fiscal 2022. The vision expressed our goal of being an organization that creates a safe, secure, and sustainable future for our customers and society. We will link client needs and social issues with trust solutions in order to create such a prosperous future.





Kei Umeda

President & CEO

Mizuho Trust & Banking

Mizuho Securities

Putting our clients first and growing together with them

Mizuho Securities will always endeavor to transform itself and co-create value together with our clients. We will listen closely to our clients' needs and contribute to resolving the increasingly diverse issues faced by our clients and society. For this era of longevity, we will be a partner helping our individual clients reach their goals at each stage of their lives, aiming to create a brighter future by supporting asset formation and looking ahead to the next generation. We will also deepen our engagement with corporate clients, who are facing multiple issues in relation to sustainability, digital transformation, and governance reforms. We will work closely with these clients to design and provide them with high-quality solutions, leveraging our wide-ranging client base and investor network across the group and worldwide.

Recently, the outlook for global markets has become increasingly uncertain due to geopolitical risks, inflation, and monetary policy. While remaining alert to signs of change and risks, we will expand as a client-oriented professional organization by overcoming these changing times together with our clients.

For fiscal 2022, we will drive our business growth by focusing on three areas: a thorough commitment to client-focused management; cross-organizational collaboration between banking, trust banking, and securities group-wide and worldwide; and a differentiation and growth strategy that brings out Mizuho's strengths.

We will also make solid efforts to respect the perspective of frontline employees and other staff, conduct operations reliably and accurately, ensure stable operation of new IT systems, and reinforce our organizational foundations using digital transformation.

By bringing together the collective strength of the entire group and offering new added value as a financial firm, we will strive to be the most-trusted partner for our clients as well as the markets and communities we serve.





Yoshiro Hamamoto

President & CEO

Mizuho Securities

Mizuho Research & Technologies

Combining expertise and technical skills and working with customers and society to create a better future

Mizuho Research & Technologies combines research, consulting, and IT / digital functions and was launched as an organization of around 4,600 specialists in 2021. While supporting the stable operation of Mizuho IT systems, we provide value beyond the scope of the world's conventional think tank and system development companies.

We aim to combine our expertise and technical skills and work in partnership with customers and society to create a better future. For example, we are working to create new financial services that combine our expertise and technical skills with Mizuho's financial functions, such as sustainable finance using our many years of environmental consulting experience and online lending using our Big Data analysis capabilities and AI insights. We are also actively participating in creating the framework for a renewed society, including by developing next-generation mobility services and guidelines for an urban metaverse through cooperation with partner companies and local governments.

To continue generating new value, we are endeavoring to further cultivate our expertise and technical skills every day. Among our efforts in this regard are our participation in quantum computing-related research and our development of new business integrating cutting-edge technology from around the world.

With social issues being intertwined in complex ways and changing at an accelerating pace, we will strive to create new value beyond finance through the fusion of our expertise and the respective functions of other companies in the Mizuho group.





Masatoshi Yoshihara

President & CEO

Mizuho Research & Technologies

Message from the Chairman of the Board of Directors



Restoring our reputation
as an indispensable presence for
our customers, society, and the economy
so that we can grow alongside
all of our stakeholders

Izumi Kobayashi
Outside director (Chairman of the Board of Directors)
Mizuho Financial Group

Introduction

Beginning from February 2021, Mizuho Bank suffered a series of IT system failures in Japan. I sincerely apologize for the significant inconvenience this caused our customers and society. As a financial institution responsible for payment infrastructure, Mizuho must ensure such an incident does not ever occur again. It is important that both the business execution line and supervisory line maintain efforts to steadily implement and entrench the business improvement plan formulated in January 2022. Even beyond the completion of the plan, it is important that the lines fulfill every aspect of their respective roles.

Towards stronger performance of supervisory functions

Following the series of system failures, we received a variety of feedback from our shareholders and other stakeholders concerning matters including the Board of Directors’ performance of its functions. At the Board of Directors, we have been giving serious consideration to how we can perform our supervisory functions at a higher level and account for the assorted risks inherent in the Mizuho group’s wide-ranging business activities. Our outside directors, in particular, have been leading discussions on future initiatives. We recognize that the system failures exposed weaknesses in Mizuho’s capacity for mounting a coordinated organizational response to a crisis situation, implementing IT system controls, and being attentive to customers’ situations. Even with a number of rules and frameworks fully in place, the frontline personnel responsible for applying them may not adequately grasp the aims of management, the circumstances behind the rules being implemented, and other underlying principles. Similarly, frontline offices may not have adequate personnel to meet the requirements of the rules and frameworks, and employees may be unable to engage in the organization-wide communication necessary for coordinating a unified response. In these areas, there is a need for us to make improvements to our response capabilities, to our management’s tracking and understanding of actual frontline conditions, and to our management’s depth of monitoring. The business improvement plan consolidates measures to improve both business execution and supervision based on such a perspective.

By itself, the Board of Directors at Mizuho Financial Group, the holding company, cannot realistically stay apprised of everything happening across such an enormous financial group. Complete performance of supervisory functions group wide will require the Board of Directors and Audit & Supervisory Committee at not just Mizuho Financial Group but also at each subsidiary—each entity—to carry out their roles to a higher

standard and enhance coordination with one another. We have already begun many initiatives in this regard. One example was the appointment of Mr. Masatsugu Shimono, Honorary Advisor to IBM Japan, and Mr. Kyoichiro Uenishi, Executive Advisor to Oriental Land, to the Board of Directors at Mizuho Bank in April 2022. Their appointments will serve to reinforce our supervisory functions for IT systems, the frontlines, and customers. Initiatives have also been moving forward at the Board of Directors of Mizuho Financial Group. These have included interviews with the heads of core group companies, most notably the President & CEO of Mizuho Bank, and with the executive officers who lead each business line. They have also included dialogues with the employees responsible for key operations on the frontlines, such as IT and sales, and discussions with outside directors at each entity. Through such initiatives, we are elevating our awareness of the state of management at each group company in relation to actual frontline conditions, as well as our awareness of latent risks. In this way, we are furthering the performance of our supervisory functions.

Expectations for Mizuho under President & Group CEO Kihara

In February 2022, Masahiro Kihara was appointed as the new President & Group CEO. The Nominating Committee was made up of outside directors, including myself. We selected Mr. Kihara because we expected he would be able to motivate employees and guide the organization through its current challenges. Indeed, since his appointment he has been vigorously leading the group forward. Notably, he has been engaging employees in direct dialogue and back-and-forth discussion, both by visiting frontline offices in person and by holding online meetings. I feel he is going above and beyond to gain an understanding of stakeholders’ views, and his approach is already gaining traction across management as a whole. In these rapidly changing, uncertain times, it is critical for Mizuho to become a company that makes the most of employees’ individuality and diversity. We had already recognized the importance of ensuring such values, and under the new leadership we have been pursuing their adoption at an even greater pace. For example, over the last two years we have been hiring talent from outside Mizuho for executive officer and management positions in the digital marketing side of our retail business and in our IT & Systems Group. In fiscal 2022, we have built on this further by hiring highly specialized and experienced talent from outside Mizuho for positions in human resources and compliance. Drawing out and bringing together the capabilities of long-time Mizuho employees is certainly necessary. At the same time, integrating diverse experience and insight is essential to making an organization stronger. The Board of Directors has been taking this up as a topic of discussion. HR should enable employees to contribute to the overall organization by being their full selves, and we have embarked on multiple initiatives aiming to institute such an approach. Among these have been revisions to the HR framework so that it covers all five core group companies.

In the course of our discussions, I have been impressed by the determination of Group CEO Kihara and the other members of management. They are proactively bringing in outside insight and striving to turn Mizuho into a company where employees can have a real feeling of their own growth and reach their full potential, regardless of career stage or nationality. Of course, these changes will not take root in the organization right away. However, I am confident that, one by one, each of our initiatives will come together to form a better direction for our corporate culture.

Looking ahead

Societal values and outlooks will continue to change rapidly, and Mizuho must overcome a number of obstacles to move forward into the future. We have received a range of related feedback from investors and analysts. While there has naturally been a focus on stable operations, the feedback has also covered the design of our future growth strategy, initiatives to responsibly address social issues such as sustainability, acceleration of digital transformation in response to rising digitalization, and efforts to transform our corporate culture as a foundation for the rest of our business. Confronting these issues is one of the core duties of the Board of Directors. The outside directors, including myself, are well aware of the gravity of the situation, and have been continually holding discussions with reference to the series of incidents from fiscal 2021. We believe we have a very significant role in, and responsibility for, the future of Mizuho. We will steadily advance the business improvement plan and carefully supervise its progress. Beyond that, we will regularly reflect on Mizuho’s purpose and hold constructive discussions with management on forward-looking strategy. In doing so, we will endeavor to restore the Mizuho group’s reputation as an indispensable presence for our customers, society, and the economy so that we can grow alongside all of our stakeholders.

Board of Directors

Outside Directors



Tatsuo Kainaka

Outside Director

Chairman of the Nominating Committee

Member of the Compensation Committee

Member of the Audit Committee

Brief personal record

1966 Appointed as Public Prosecutor
2002 Superintending Prosecutor of the Tokyo High Public Prosecutors Office
2002 Justice of the Supreme Court
2010 Admitted to the Tokyo Bar Association
2010 Joined Takusyou Sogo Law Office (current)
2011 President of the Life Insurance Policyholders Protection Corporation of Japan
2013 Member of the Board of Directors (Outside Director) of BK (until Jun 2014)
2014 Member of the Board of Directors (Outside Director) of FG (current)



Yoshimitsu Kobayashi

Outside Director

Member of the Nominating Committee

Brief personal record

1974 Joined Mitsubishi Chemical Industries (current Mitsubishi Chemical)
2005 Managing Executive Officer of Mitsubishi Chemical President and CEO of Mitsubishi Chemical Group Science and Technology Research Center
2006 Member of the Board of Mitsubishi Chemical Holdings Chairman of Mitsubishi Kagaku Institute of Life Sciences
2007 Member of the Board, Managing Executive Officer of Mitsubishi Chemical
2007 Representative Director, Member of the Board, President of Mitsubishi Chemical Holdings
Representative Director, Member of the Board, President and Chief Executive Officer, of Mitsubishi Chemical
2009 Member of the Board, President of The KAITEKI Institute
2012 Outside Director of Japan Display (until Mar 2015)
2015 Outside Director of Tokyo Electric Power (until Mar 2015)
2015 Member of the Board, Chairman, The KAITEKI Institute (2021 Member of the Board (until Jun 2022))
2015 Chairman, Japan Association of Corporate Executives (until Apr 2019)
2015 Member of the Board, Chairperson of Mitsubishi Chemical Holdings (2021 Member of the Board (until Jun 2022))
2015 Outside Director of Toshiba (until Jul 2020) (2018 Chairman of Board of Directors, Outside Director of Toshiba)
2020 Member of the Board of Directors (Outside Director) of FG (current)
2021 Chairman of the Board of Directors of Tokyo Electric Power Company Holdings (current)



Ryoji Sato

Outside Director

Member of the Audit Committee

Brief personal record

1969 Joined Nikko Securities (current SMBC Nikko Securities)
1971 Joined Tohmatsu Awoki & Co. (current Deloitte Touche Tohmatsu)
1975 Registered as Certified Public Accountant
1978 New York Office, Touche Ross
1979 London Office, Touche Ross
1983 Partner of Tohmatsu Awoki & Co.
2001 Managing Partner of Deloitte Touche Tohmatsu, Tokyo Office
2004 Representative Partner and Managing Partner of Deloitte Touche Tohmatsu, Tokyo Office
2007 Chief Executive Officer of Deloitte Touche Tohmatsu
2010 Senior Advisor of Deloitte Touche Tohmatsu (until May 2011)
2011 Audit & Supervisory Board Member of Kubota (until Jun 2015)
2015 Outside Director of Toshiba (until Jun 2019)
2016 Audit & Supervisory Board Member of Nippon Life Insurance Company (current)
2020 Member of the Board of Directors (Outside Director) of FG (current)

Member of the Board of Directors



Seiji Imai

Chairman (Kaicho)*, Member of the Board of Directors

Brief personal record

2014 Executive Officer, General Manager of Seoul Branch of BK
2016 Managing Executive Officer, Head of Asia & Oceania excl. East Asia of FG and BK
2018 Senior Managing Executive Officer, Head of Global Corporate Company of FG (until Apr 2020)
2019 Deputy President & Executive Officer of BK
2020 Senior Managing Executive Officer, Head of Corporate & Institutional Company and Head of Global Products Unit of FG
2021 Deputy President & Senior Executive Officer, Head of Corporate & Institutional Company and Head of Global Corporate Company of FG (Member of the Board of Directors and Deputy President & Senior Executive Officer from Jun 2021)
2022 Chairman (Kaicho), Member of the Board of Directors (current)

* Chairman (Kaicho) Imai engages in the company's external activities, but does not chair the Board meetings. The Board meetings are chaired by the independent director chair, Ms. Izumi Kobayashi.



Hisaaki Hirama

Member of the Board of Directors

Member of the Audit Committee

Chairman of the Risk Committee

Brief personal record

2014 Executive Officer, General Manager of Marunouchi-Chuo Branch Division No. 1 of BK
2015 Executive Officer, General Manager of Nagoya Corporate Branch of BK
2017 Managing Executive Officer, Head of Internal Audit Group of BK
2019 Advisor to Audit Committee of FG
2019 Member of the Board of Directors of FG (current)



Masahiro Kihara

Member of the Board of Directors
President & Group CEO (Representative Executive Officer)

Brief personal record

2017 Executive Officer, General Manager of Risk Management Department of SC
2018 Executive Officer, General Manager of Financial Planning Department of SC
2019 Executive Officer, Joint Head of Financial Control & Accounting Group, and Joint Head of Global Finance of SC
2020 Managing Executive Officer, Deputy Head of Strategic Planning Group, and Deputy Head of Financial Control & Accounting Group of FG
Managing Executive Officer, Head of Strategic Planning Group, Head of Financial Control & Accounting Group, in charge of Markets Strategic Intelligence Dept. until Oct 2020 and Head of Global Finance of SC
2021 Managing Executive Officer*, Head of Global Products Unit, Deputy Head of Corporate & Institutional Company, and Deputy Head of Global Corporate Company of FG
Managing Executive Officer, Head of Global Corporate Division and Head of Global Products Unit of BK
2022 President & Group CEO of FG (concurrently, Head of Global Products Unit of FG until Apr 2022)
Member of the Board of Directors of FG, BK, TB, and SC (current)
2022 Member of the Board of Directors
President & Group CEO (Representative Executive Officer) of FG (current)



Takashi Tsukioka

Outside Director

Member of the Nominating Committee

Member of the Compensation Committee

Chairman of the Audit Committee

Brief personal record

1975 Joined Idemitsu Kosan
2002 General Manager of Kobe Branch of Idemitsu Kosan
2005 General Manager of Chubu Branch of Idemitsu Kosan
2007 Executive Officer and General Manager of Supply & Logistics Department of Idemitsu Kosan
2008 Managing Executive Officer and General Manager of Supply & Logistics Department of Idemitsu Kosan
2009 Director and General Manager of Supply & Logistics Department of Idemitsu Kosan
2010 Managing Director and Managing Executive Officer and General Manager of Corporate Planning Department of Idemitsu Kosan
2011 Managing Director of Idemitsu Kosan
2012 Executive Vice President and Representative Director of Idemitsu Kosan
2013 Representative Director and Chief Executive Officer of Idemitsu Kosan
2018 Chairman and Representative Director of Idemitsu Kosan
2020 Special Advisor of Idemitsu Kosan
2021 Member of the Board of Directors (Outside Director) of FG (current)
2022 Honorary Advisor of Idemitsu Kosan (current)



Masami Yamamoto

Outside Director

Member of the Nominating Committee

Chairman of the Compensation Committee

Brief personal record

1976 Joined Fujitsu
2004 Executive Vice President, Personal Systems Business Group of Fujitsu
2005 Corporate Vice President* of Fujitsu
2007 Corporate Senior Vice President* of Fujitsu
2010 Corporate Senior Executive Vice President of Fujitsu
2010 President of Fujitsu
2010 Representative Director, President of Fujitsu
2015 Representative Director, Chairman of Fujitsu
2017 Director, Chairman of Fujitsu
Outside Director of JFE Holdings (current)
2019 Member of the Board of Directors (Outside Director) of FG (current)
Director, Senior Advisor of Fujitsu (current)

* In Jun 2009 the official titles were changed from "Corporate Vice President" and "Corporate Senior Vice President" to "Corporate Executive Officer" and "Corporate Managing Executive Officer", respectively.



Izumi Kobayashi

Outside Director

Chairman of the Board of Directors

Member of the Nominating Committee

Member of the Risk Committee

Brief personal record

1981 Joined Mitsubishi Chemical Industries (currently Mitsubishi Chemical)
1985 Joined Merrill Lynch Futures Japan
2001 President and Representative Director of Merrill Lynch Japan Securities (until Nov 2008)
2002 Outside Director, Osaka Securities Exchange
2008 Executive Vice President, the Multilateral Investment Guarantee Agency of the World Bank Group
2013 Outside Director of ANA Holdings (current)
2013 Outside Director of Suntory Holdings (until Mar 2017)
2014 Outside Director of Mitsui & Co. (current)
2014 Member of the Risk Committee of FG (as an outside expert who is not a director) (until Jun 2017)
2015 Vice Chairperson of Japan Association of Corporate Executives (until Apr 2019)
2016 Member of the Board of Governors of Japan Broadcasting Corporation (until Jun 2019)
2017 Member of the Board of Directors (Outside Director) of FG (current)
2020 Outside Director of Omron (current)



Makoto Umemiya

Member of the Board of Directors
Deputy President & Senior Executive Officer (Representative Executive Officer)
Group Chief Digital Innovation Officer (Group CDIO)
Group Chief Financial Officer (Group CFO)

Brief personal record

2015 Executive Officer, General Manager of Financial Planning Department of FG
2017 Managing Executive Officer, Head of Financial Control & Accounting Group of FG (Member of the Board of Directors, Managing Executive Officer from Jun 2017)
Executive Managing Director, Head of Financial Control & Accounting Group of BK (Managing Executive Officer from Apr 2019)
2020 Member of the Board of Directors, Senior Managing Executive Officer*, Head of Financial Control & Accounting Group of FG
Deputy President & Executive Officer, Head of Financial Control & Accounting Group of BK
Deputy President & Executive Officer, Head of Financial Control & Accounting Group of TB (current)
2022 Member of the Board of Directors, Deputy President & Senior Executive Officer, Group CDIO, Group CFO of FG (current)
Deputy President & Executive Officer, Chief Digital Innovation Officer, Head of Financial Control & Accounting Group of BK (current)

*Senior Executive Officer from Jul 2021 due to the integration of executive titles

Definitions: FG: Mizuho Financial Group BK: Mizuho Bank TB: Mizuho Trust & Banking RL: Mizuho Research Institute RT: Mizuho Research & Technologies



Motonori Wakabayashi

Member of the Board of Directors
Senior Executive Officer
Group Chief Risk Officer (Group CRO)

Brief personal record

2015 Executive Officer, General Manager of Industry Research Division of BK
2016 Managing Executive Officer, Head of Research & Consulting Unit and In charge of Banking of BK
2018 Managing Executive Officer, Head of Research & Consulting Unit of FG (Head of Risk Management Group of FG from Apr 2019) (Member of the Board of Directors, Managing Executive Officer from Jun 2019)
2019 President & CEO of RI
2020 Member of the Board of Directors, Senior Managing Executive Officer*, Head of Risk Management Group of FG
Deputy President & Executive Officer, Head of Risk Management Group of BK and TB
(Head of Compliance Group of FG, BK, and TB from Nov 2021)
2021 Member of the Board of Directors of RT (until Apr 2022)
2022 Member of the Board of Directors, Senior Executive Officer, Group CRO of FG (current)
Deputy President, Assistant to the Head of Business Execution and Head of Risk Management Group of BK (current)
Managing Executive Officer, Head of Risk Management Group of TB (current)



Nobuhiro Kaminoyama

Member of the Board of Directors
Senior Executive Officer
Group Chief Human Resources Officer (Group CHRO)

Brief personal record

2015 Joint General Manager of Group Human Resources Division of FG
2017 General Manager of Corporate Banking Department No. 9 of BK
2018 General Manager of Corporate Secretariat of FG
2019 Executive Officer, General Manager of Corporate Secretariat of FG and General Manager of Corporate Secretariat of FG, BK, and TB
Managing Executive Officer and General Manager of Corporate Secretariat of SC
2021 Member of the Board of Directors, Managing Executive Officer* and Group CHRO of FG (current)
Managing Executive Officer, Head of Human Resources Group of BK (current)
Managing Executive Officer and Head of Human Resources Group of TB (current)

Round table discussion between the outside directors

Our six outside directors exchanged ideas on the challenges Mizuho must address as we move forward under the leadership of the new President & Group CEO Masahiro Kihara, taking into account the series of IT system failures and other issues.



Expectations for Mizuho under Group CEO Kihara

- Izumi Kobayashi** Mizuho is now moving forward under the leadership of Group CEO Kihara. How do you view the developments so far?
- Kainaka** I believe that we are off to a good start. Group CEO Kihara is picking up on feedback from the frontlines and working to institute corresponding measures, but he cannot take care of everything by himself. I think the crux of the matter is how the management team, which supports the Group CEO, can work together to put his ideas into action.
- Izumi Kobayashi** Has anyone else made any discoveries—for example, when visiting frontline offices?
- Sato** I recently visited an integrated branch offering banking, trust banking, and securities services, and I could see there is a growing awareness of the need to emphasize communication, among general managers and supervisors as well as other employees. Group CEO Kihara has an open personality, so some of his character may be coming through to the rest of the organization bit by bit.
- Yamamoto** Having observed the General Managers’ Meeting and other meetings, I have the impression that participants’ questions and feedback are becoming more positive and forward-looking. If Mizuho can set a firm direction as a company, I expect it will achieve strong forward momentum.
- Tsukioka** I also feel that communication is becoming more active and that Mizuho is heading in a good direction. On the other hand, we still need to make sure that communication leads to actual change. It is important to cultivate two-way communication with employees so that every level at Mizuho can be fully engaged in finding ways to carry out Mizuho’s promises and in working on issues together.

- Yoshimitsu Kobayashi** The Board of Directors must also monitor these business execution line initiatives on a regular basis.
- Kainaka** Although earlier I said the new leadership is off to a good start, there are still issues to be addressed, as you pointed out. For example, when I visited a branch the other day, a long-time employee asked, “Why are we reforming our frontline offices? What are the benefits for our customers and for us employees?” Reforms can only be successful when they are properly explained to employees and accepted by employees. The current reforms have not yet gained traction throughout the organization, and I believe that both the Group CEO and the officers and employees around him should undertake greater efforts in this regard.
- Tsukioka** On the question of why Mizuho is carrying out these reforms, I think it is necessary to convey to employees the ways that Mizuho serves customers and society, and that they are at the forefront of delivering those services. This message must go hand in hand with the reforms, and cannot be effective if everyone is too busy with their daily tasks.
- Yoshimitsu Kobayashi** Mizuho has an opportunity to restart under the leadership of a younger Group CEO, and it should certainly also use this chance to communicate the message of a fresh, new Mizuho. The message should include a clear corporate identity, as well as the ways Mizuho’s recent changes will foster a greater sense of unity within the group.
- Yamamoto** That sort of message also requires specific information on what new challenges Mizuho will take on. Unfortunately, the past year was dedicated to reflecting on the IT system failures. I believe now is a good time for everyone to lay out the key points of the next phase of growth under the new leadership.

Towards more stable business operations and stronger governance functions responding to the IT system failures and other issues

- Yamamoto** The recent IT system failures and other issues were a good reason to revisit and clarify the division of roles between Mizuho Financial Group, which is the holding company, and each entity. The business improvement plan is based on Mizuho Financial Group allocating appropriate corporate resources and performing supervision for the rest of the group, while each entity strengthens its own frontline capabilities. I expect that in the future Mizuho will apply the lessons learned from the IT system failures to make it easier for the frontlines to act, and that the frontlines will come up with various proposals for improvements to speed up the preparedness for and response to such system failures.
- Izumi Kobayashi** I think there is also something that we should reflect on in regard to our perspective on the issues faced by frontline offices. Perhaps we should have given more attention to the strain carrying out the reforms was placing on the frontlines.
- Yamamoto** More thorough management and supervision are indispensable going forward. There must be more stringent visual control on matters such as frontline offices being overburdened and frontline capabilities growing stronger.



Round table discussion between the outside directors



Kainaka That is an important point. As outside directors, we should conduct thorough monitoring and continue providing supervision, for example via the System Failure Response Evaluation Committee.

Tsukioka Conversely, past experience shows that reinforcing corporate governance sometimes leads only to the creation of new rules. We need to avoid creating a situation in which employees might think everything is fine as long as they are abiding by the rules.

Kainaka You are absolutely correct. There is a culture of just doing what one is supposed to do once the strategy and rules have been established, and we need to break away from that now. Of course we outside directors point out anything that comes to our attention, but all of Mizuho’s employees, not just the Group CEO, are responsible for thinking on their own and furthering the execution of specific initiatives and strategy.

Tsukioka I agree. The capacity of the organization and the people within it will not improve if people just go along with the tasks that others give them. I would certainly like to help encourage the Group CEO and employees to take on challenges and be in charge of their own transformation.

Izumi Kobayashi Although Mizuho has perfected the creation of rules and frameworks, its employees are being overwhelmed by trying to implement them. Mizuho could have done better on ascertaining the causes of the problems on the spot and identifying the actions to take in response.

Sato Risk-related matters such as compliance tend to be like addition: one problem increases the number of tasks. On the other hand, Group CEO Kihara’s initiative to eliminate excessive workloads and unnecessary processes is more like subtraction. That entails taking responsibility for the risks that come with such subtraction, which cannot be done without each individual thinking independently.

Izumi Kobayashi So we need to change the culture of addition to one of subtraction, and furthermore enhance the capacity to manage risk.

Kainaka I think that these issues became apparent with the IT system failures. Anytime there is trouble it is essential to have a person who can look at the whole picture and provide direction as a kind of commander. At the same time, the person who acts as the commander must take on the associated risk. Mizuho’s response was delayed because it was unclear who the commander was, and the confusion resulted in a continuing back-and-forth between the people involved.

Yoshimitsu Kobayashi To avoid reducing matters to simple armchair discussions, Mizuho needs to create more opportunities for specialized training and make setting priorities a common practice. Real-world training is also important for fire drills, for example.

Izumi Kobayashi The structure of the specialized training is critical. As Director Yamamoto remarked earlier, the roles of Mizuho Financial Group



and each entity have been reorganized. Is there anything else about the corporate governance structure that has come to your attention?

Yoshimitsu Kobayashi In the typical holding structure, the role of the holding company revolves around how to promote the brand itself, as well as how to handle business strategy, medium-term business plans, the business portfolio, and risk control. Daily operations are left to the operating companies. In contrast, I feel that Mizuho’s holding company has too much of a role. The division of roles between the holding company and the entities is a crucial point for the proper execution of duties.

Sato I agree unequivocally with Director Kobayashi. That said, the holding company should be responsible for group-wide reforms to corporate culture. Will the holding company be able to implement reforms if it has no understanding of the frontlines?

Yoshimitsu Kobayashi Certainly, the Mizuho Financial Group CEO must be responsible for matters such as culture, in addition to the corporate brand, business strategy, and future direction. Within that same structure, the in-house company heads, who work under the Group CEO, are concerned with profitability. The entity heads act as the opposite of the in-house company heads, and the entity heads should engage in active debates with the in-house company heads about matters such as the stability of IT systems and employee morale.

Kainaka The in-house company system itself is a well thought out system, but it cannot be effective if the in-house companies provide directions for everything and the entities just do as they are told. I think this aspect will improve now that various outside directors have been selected for the entities.

Izumi Kobayashi Under the system, the entities implement the strategy formulated by the in-house companies. For the system to be more than mere theory, the entities must also provide feedback to the in-house companies on frontline issues and, in doing so, be part of the foundation for sound management. In that sense, it is important for the Board of Directors to understand not only the views of the in-house companies but also the issues at the entities and to look at the overall picture through this lens. The entities alone may be responsible for each individual issue, but the Board of Directors is responsible for supervising Mizuho Financial Group’s overall business execution, constantly examining the allocation of corporate resources and strategies to see if there is any overreach.

Yamamoto I think it is very clear. After all, the group is only as good as the frontlines. It is important to operate in a way that maximizes the capabilities of the entities.

Yoshimitsu Kobayashi It is actually similar for manufacturing facilities. In the Meiji period (1868 to 1912), the power held by business offices and factories was overwhelmingly strong, but as time went on this changed to a system where only the upper echelons of the hierarchy were taking action, rather than the frontlines. What we have come to realize at this juncture is just how important the balance between the two sides is.

Corporate culture reform

Izumi Kobayashi While that balance—the relationship between the holding company and entities—is important, I believe it is equally important to



Round table discussion between the outside directors



be united as one Mizuho. I think what binds the organization together is Mizuho’s purpose, which Director Tsukioka has repeatedly expounded upon. What are your thoughts on this?

Tsukioka I think it is necessary to return to the starting point when a large incident like this occurs. The Group CEO should convey a clear message of why the company is where it is, and where it is headed. If everyone takes another look at Mizuho’s purpose, it will generate energy and drive at the frontlines and become an engine for the Kihara administration.

Kainaka I believe a corporate philosophy should be easy to understand and resonate with each employee’s outlook and way of life. When I served as an outside director at another company in the past, we first rewrote the corporate philosophy to be easy to understand and something that would

convince each employee. A philosophy that is abstract and difficult cannot take root. All employees must have a shared awareness of what kind of company it is and what kind of traditions it has.

Tsukioka On several occasions in the past I have also gone back to the company’s starting point to create a clear corporate philosophy. The philosophies we ended up with as the result of employee-driven thinking were very simple. I have found that holding repeated dialogue sessions attended by the CEO and continuing such initiatives for three or four years leads to a single philosophy coming together. In this sense, words that are easy to understand are ideal for a corporate purpose or philosophy.

Yoshimitsu Kobayashi When appointed as CEO many people assert their differences from their predecessor, and I think that level of determination and spirit is necessary. I am sure that Group CEO Kihara is thinking a lot about this right now.

Yamamoto From the employees’ perspective, even if they are told that corporate culture is the issue, in certain aspects they will not know what they should do about that. It is important for Mizuho to set forth, under the leadership of Group CEO Kihara, what its purpose and aims are.

Izumi Kobayashi Group CEO Kihara also recognizes this as part of his role. I understand he has begun bringing together a range of employees, including those on the frontlines and younger employees, to exchange views with executive management. We at the Board of Directors should closely follow the progress on this.

Results of the 5-Year Business Plan and future growth strategy

Izumi Kobayashi Next, regarding business performance, while we are seeing results from the 5-Year Business Plan, issues such as low ROE still remain. Growth strategy, including capital utilization, is key in the current phase. What are your thoughts on this?

Yoshimitsu Kobayashi Under the 5-Year Business Plan so far, we have reached a level at which we can aim for a Common Equity Tier 1 capital ratio in the middle of the 9 – 10% range and Consolidated Net Business Profits of ¥900 billion for fiscal 2023. There are still issues with capital efficiency, but I believe it is necessary to firmly stay on course while considering what steps Mizuho should take in the next 5, 10, or even 20 years. In these drastically changing times, the era of finance being the lifeblood of economic activity has come to an end, and over the next 10 years we must pioneer new approaches while integrating the idea of “beyond finance”. There is a need to carefully consider the balance

between Mizuho’s advancement of the sustainability-related initiatives it has been pursuing, Mizuho’s leveraging of digital transformation to move forward a hybrid model of “real” and digital finance, and Mizuho’s globalization, which includes Mizuho’s employees.

Yamamoto Regarding digital transformation, the fact that Mizuho has talented personnel who went through the experience of developing MINORI, the new core banking system, is a significant asset. Further, Mizuho has the experience of working on new endeavors such as J-Coin Pay, and expertise such as the consulting capabilities at Mizuho Research & Technologies. I believe Mizuho has plenty of advantages, and is now in the phase of turning these advantages into something tangible to put out into the world. The business environment is becoming more conducive to taking on new challenges, so I would certainly like to see a shift toward execution.

Sato Mizuho is still keeping up with its competitors in the fields of banking, trust banking, and securities. However, digital transformation is truly the new battlefield. At present, Mizuho is exploring and trying various new ventures, but there needs to be conversation about which of those ventures Mizuho will focus on going forward.

Tsukioka Mizuho has been sowing some seeds in the form of J-Coin Pay and partnerships with PayPay Securities, Line, and Google. Even so, we need further clarification on how these will be developed, what their aims are, and what they will contribute to customer satisfaction.

Kainaka For the many ventures Mizuho has worked on, the capacity to shape them into products will be a crucial aspect. Mizuho has an abundance of talented personnel, so the question is how to strategically determine directionality and see these efforts to completion. I have high hopes for Group CEO Kihara on this.

Izumi Kobayashi Mizuho’s employees are talented and take their work seriously, but I can see that they tend to all face the same direction. Although employee talent is key, it is also key for the company to have diversity through the active participation of employees with a variety of viewpoints.

Yoshimitsu Kobayashi From that perspective, a certain degree of independence and self-reliance is required. I find that people who create new innovations are often what I might call rebellious. Cultivating innovation requires carefully balanced management which maintains cooperation and cohesion while also developing personnel who want to step away and try new ventures outside that.

Izumi Kobayashi We at the Board of Directors also come into contact with various employees on the business execution line, so what you are saying is that it is also important for us to find such people and encourage them.

In closing (from the Chairman of the Board of Directors)

Izumi Kobayashi At the recent General Meeting of Shareholders, shareholders expressed criticism regarding the reappointment of directors, including us outside directors. It is necessary for us to show shareholders that we are headed in a better direction in terms of Mizuho’s corporate governance and the performance of our supervisory functions. I believe this point to be especially important in fiscal 2022. I will keep the views we have exchanged here today in mind for future Board of Directors meetings, and I look forward to continuing to work with you.



Multilayered system failure response capabilities

Enhancement of multilayered system failure response capabilities: IT systems

To prevent system failures, we are implementing two types of inspection: inspection of important infrastructure platforms, which ensures there is no risk of material failure in important systems, and inspection of applications, which ensures stable operation of important systems.

The inspection of important infrastructure platforms targets 109 systems supporting operations that need to be in continuous service, even in an emergency such as a natural disaster or system failure. It covers maintenance deadlines, expansion of inspection standards to facilitate replacement of components before a system failure occurs or maintenance support expires (preventative maintenance), and operation when a system failure occurs. This enables clarification of policies to address risks, issues, and points in need of improvement.

The inspection of applications targets 27 systems supporting 30 settlement operations that would require prompt activation of the contingency plan in the event of a system failure, due to the potential impact on customers, market transactions, etc. The inspection covers re-examination of MINORI services that have not yet been put into use, control of the threshold, and control of the risk of system processing time exceeding operation deadlines, the latter two in relation to the operation volume and system resource use rate. It serves as a regular inspection based on changes in operations.

Main measures for improvement			Through end of Mar 2022	Current status (Apr – Jun 2022)	Jul – Sep 2022	Oct – Dec 2022	Jan – Mar 2023	From Apr 2023
Prevention of system failures	Inspection of important infrastructure platforms	Maintenance deadline	Inspection completed	Will continue checking as regular inspection				
		Preventative maintenance	MINORI Foreign exchange settlement Bank of Japan settlement	Shared platform (private cloud)	Other shared platforms and transaction channels	(Considering whether to add inspection targets)	Will continue checking as regular inspection	
		Operation when a system failure occurs	MINORI (Main HUB) Foreign exchange settlement Bank of Japan settlement	MINORI (deposits/foreign exchange, etc.) and transaction channels (ATMs)		Modification		Will continue checking as regular inspection
			Transaction channels and market/external settlement		Modification			
			Overseas and others					
	Inspection of applications	Re-examination of services that have not yet been put into use	Inspection completed					
Limit management/operation volume & processing deadlines		Foreign exchange settlement	Deposits, domestic exchange, ATMs, and market/external settlement	Will continue checking as regular inspection based on changes in operations				
Regular inspection based on changes in operations				Deposits, domestic/foreign exchange, ATMs, and market/external settlement		Taxes/public funds, and others		



Koji Yonei
Senior Executive Officer
Group Chief Information Officer (Group CIO)

Currently, we are forging ahead with initiatives to prevent system failures, including early warning indicator management for failures, preventative maintenance of hardware, and operations checks of automatic switching. Understanding that we cannot completely eliminate system failures such as unexpected hardware failures, we are also pursuing initiatives to minimize impacts on customers by bolstering our frameworks for responding to failures and implementing relevant training. We have already addressed the direct causes of the previous system failures and completed upgrades to functions, among them changes to the specifications that led to ATMs retaining bankbooks and cards when system errors occurred. Our improvements aimed at stable IT system operations are steadily moving forward.

Up until now, we have employed a range of technologies and developed cutting-edge financial systems, most prominently MINORI, in order to provide quick and convenient services to customers and maintain our reliability. Going forward, we will continue to respond to our customers’ changing needs and endeavor to ensure stable IT system operations as part of providing highly convenient services.

Enhancement of multilayered system failure response capabilities: Customer support

In order to minimize impacts on customers in the event of a system failure, we are undertaking two initiatives. The first is customer support in which system and business contingency plans are linked together and IT and user departments work in collaboration to ensure prompt customer support. The second is changes to ATM specifications and enhancement of customer support capability, which enable us to promptly provide information and support to customers without keeping them waiting at ATMs.

Customer support in which system and business contingency plans are linked covers the 27 systems supporting 30 settlement operations targeted in the inspection of applications. Visualization of the system configuration and operation flows, reconfirmation of the impact of system failures, confirmation of the contingency plans, and training to ensure prompt customer support in the event of a failure were all completed as planned by the end of June with collaboration between the IT and user departments. We will continue to make further improvements going forward.

With the changes to ATM specifications and enhancement of customer support capability, we changed specifications at all Mizuho Bank ATMs across Japan to prevent cards and bankbooks from being retained, ensuring customers will not be kept waiting. We are also installing cameras with speakers by ATMs so as to promptly provide customer support in case of trouble.

Main measures for improvement			Through end of Mar 2022	Current status (Apr – Jun 2022)	Jul – Sep 2022	Oct – Dec 2022	Jan – Mar 2023	From Apr 2023
Enhancement of system failure response capabilities	Customer support in which system and business contingency plans are linked together		Foreign exchange settlement Market (foreign currencies)	Deposits, domestic exchange, ATMs, and market/external settlement (JPY), taxes/public funds, and others	Will continue to take actions			
	ATM	Introduction of specifications that do not keep customers waiting	Release completed	Will continue to work on improving specifications				
		Installation of cameras with speakers	Preparation for installation completed	Completed at 632 offices (about 30%)	Expanding incrementally		Completed at all 1,809 offices	



Toshiro Egawa
Managing Executive Officer
Head of the Retail & Business Banking Division
Mizuho Bank

As a division made up of user departments, we are implementing company-wide training aimed at entrenching our business contingency plans, with an understanding that system errors can happen. In this way, we are endeavoring to reinforce our structure for minimizing inconvenience and concern to customers and providing prompt customer support in the event of a system failure.

Further, in order to fully meet the rapidly changing needs of our customers and society, we are aggregating and analyzing feedback from the general public, customers, and frontlines across multiple channels, and we are undertaking initiatives to integrate the lessons from this feedback into our customer support. Our focus on such inputs extends to customer views that may not be immediately apparent at the surface level, which we supplement by actively tracking the actual status and experience of customer interactions among employees at frontline offices.

Through such initiatives, we are ensuring that all of our employees will recommit themselves to serving our customers, that the quality of service at Mizuho will improve, and that these efforts will become ongoing rather than superficial or temporary. With this as our role, we will work alongside our customers to improve Mizuho’s corporate value and achieve continuous growth.

Personnel and organization (corporate culture)

Under Mizuho’s dedication to serving customers and society, we are putting in place a work environment that encourages employees to speak and act freely, continuing our initiatives to reform our corporate culture and become an organization where everyone can take initiative on their own and engage in constructive communication.

On an ongoing basis, we will create frameworks that enable employees to feel secure in giving feedback and to share their discoveries.

To provide employees with an easily accessible platform for submitting their feedback, we have set up a corporate culture reform page on the Mizuho group’s employee intranet, and we are using it as a central location to publicize related initiatives and progress.



Corporate culture reform page on Mizuho group’s employee intranet

Business operations for serving customers and society: Eliminating internal operations

To free up more time for serving customers and society, in February 2022 we began asking employees to submit proposals for eliminating unnecessary or inefficient internal operations, under the direction of management and with the aim of moving forward quickly.

Employees submitted about 620 proposals in the first three months. These have already led to elimination of some regular internal reports and records and to reductions of meeting materials. In addition, for less common ideas, we call for comments from the rest of the organization as a way of setting priorities when exploring what to eliminate. The initiative is serving as a means to make the most of everyone’s individual discoveries and feedback.

Employee-led working groups

One of the means we have been using to gather discoveries and feedback from employees and the frontlines is employee-led working groups, which we established in April 2022. There are four working groups—“Values / Action principles”, “Communication transformation”, “Business style transformation”, and “Support in proactive actions”—and each is made up of about 30 to 50 members.

The working groups hold discussions with executive management every month. Attendees have included the Group CEO, the heads of Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Research & Technologies, and the heads of the Strategic Planning Group and Human Resources Group. Between May and June, the discussions tackled Mizuho’s current situation and issues, covering topics such as the purpose of Mizuho’s corporate identity, factors needed to enable proactive action, methods for promoting communication, and approaches to reviewing operations. Throughout the six-month operational period for the groups, executive management and employees will regularly work together to identify issues, based on real feedback from employees, and to develop better solutions and improvements.

Becoming an even more inclusive organization

Towards continuously strengthening our personnel and organization, we are enhancing not only our personnel development approach, which supports employee’s individual growth, but also our organizational development approach, which improves cooperation between employees.

For select entities and offices, we have been analyzing issues in relationships between supervisors and other employees and in the office culture. To address these issues, we have been listening to employees’ candid feedback and implementing initiatives to provide employees with the assurance that their views are welcomed, as a step towards developing relationships in which employees can speak their minds (also referred to as “psychological safety”).

To further accelerate these initiatives and raise motivation and performance across the organization as a whole, in April 2022 we established a dedicated office for organizational development. The office focuses on relationships between colleagues and proactively supports workplace-centric efforts while improving collaborative processes within the organization. Specific initiatives have included round table discussions between multiple offices, aimed at promoting mutual understanding among colleagues; training utilizing the results of an engagement survey targeted at general managers; and support for improving teamwork across workplaces, based on direct feedback from employees and bringing in external coaches. Through these initiatives, we are becoming an even more inclusive organization that enables every employee to reach their full potential and that makes the most of employees’ capabilities as a united group.

Dialogue between the Group CEO and employees

As part of creating opportunities for the Group CEO and employees to exchange their discoveries and views, we created a separate page on the Mizuho group’s employee intranet, called the GCEO’s Room.

The page collects all of the Group CEO’s regular messages to employees.

Also on the page are functions that allow employees to apply to participate in a dialogue session with the Group CEO, with these sessions being held with about 10 employees per session on an ad hoc basis, and that allow employees to send messages to the Group CEO directly.



GCEO’s Room page on the Mizuho group’s employee intranet

From his appointment in February through the end of June, the Group CEO has held 13 dialogue sessions with employees, with over 100 employees participating on their own initiative. Every session has featured a range of topics, from employees’ views on everyday business operations, proposals for business models, and concerns about career development to questions about whether or not being CEO is an enjoyable job. The feedback and proposals from the dialogue sessions have also contributed to elimination of internal processes and operational improvements.

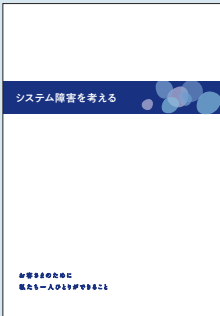
Strengthening communication between frontlines and Head Office

Since July 2021, we have been aiming to encourage employees at Mizuho Bank to think through and take on everyday challenges on their own initiative and to apply the lessons learned from failures to future opportunities. One component of this has been “communicator and facilitator” activities promoting dialogue between the operational frontlines and Head Office. In these activities, frontline communicators who provide operational services and Head Office facilitators who determine operational processes repeatedly and freely exchange information and views in a space where such sharing is welcomed and respected—a space where psychological safety is assured. In doing so, they further elevate their commitment to developing better services together. This has allowed for effectively reflecting issues and needs that can only be identified through direct interaction with customers into operational processes and has led to improvements integrating feedback from the frontlines, such as easier-to-understand materials for customers. Aside from this, we are endeavoring to strengthen communication between the frontlines and Head Office across multifaceted channels. Some examples are an employee public comment system enabling frontline employees to participate in the process of developing new policies and a survey by frontline offices evaluating Head Office communication.

Ongoing initiatives: Designating a month for reexamining the system failures

The series of system failures that began on February 28, 2021 were preceded by large-scale system failures in April 2002 and March 2011. To maintain our commitment to preventing further incidents, we will use the month of February to reexamine the system failures every year.

In February 2022, we compiled the actions every employee can take for customers in light of the system failures and publicized them throughout the group. Employees in each office reflected on and discussed the system failures and Mizuho’s response to them as a means of maintaining awareness of what had happened and of what we can do.



Mizuho's journey

History

Over Mizuho's long history, we have continued to transform our organization in response to societal changes.

We will leverage the strong foundations we have built to date to continue contributing to the development of our customers, the economy, and society.

Social and economic developments

- 2021
- Deterioration of the Russia-Ukraine situation
- 2020
- COVID-19 pandemic
- 2016
- Bank of Japan introduces negative interest rates
- 2015
- The United Nations adopts the Sustainable Development Goals
- 2013
- Bank of Japan introduces quantitative and qualitative monetary easing
- 2011
- Great East Japan Earthquake
- 2010
- European debt crisis
- 2008
- Global financial crisis
- 2007
- Sub-prime mortgage crisis
- 2006
- Bank of Japan ends zero interest rate policy

2022

Mizuho Securities becomes wholly-owned subsidiary of Mizuho Financial Group

2021

Establishment of Mizuho Research & Technologies

2020

Establishment of Custody Bank of Japan
Establishment of MI Digital Services

2016

Introduction of in-house company system
Establishment of Asset Management One
Establishment of Mizuho Americas

2014

Transition to a Company with Three Committees model of corporate governance

2013

Merger of Mizuho Bank and Mizuho Corporate Bank
Merger of Mizuho Securities and Mizuho Investors Securities

2011

Mizuho Trust & Banking becomes wholly-owned subsidiary of Mizuho Financial Group

2006

Listed on NYSE

2003

Establishment of Mizuho Financial Group
Merger of Mizuho Trust & Banking and Mizuho Asset Trust & Banking

2002

Establishment of Mizuho Bank and Mizuho Corporate Bank

2000

Establishment of Mizuho Holdings

1999

Merger of our three predecessor banks

One MIZUHO
Building the future with you

Medium-term business plans

2019

5-Year Business Plan

Transitioning to the next generation of financial services by building new forms of partnerships with our customers so that we can respond to their needs as the times change, with the objective of building a stronger and more resilient financial group which our customers can depend on in the coming era

2016

Medium-term business plan:
Progressive Development of "One Mizuho"

Further development of the One Mizuho strategy by creating a new business model as a financial services consulting group based on the foundations of operational excellence and a customer-focused perspective

2013

Medium-term business plan:
One Mizuho New Frontier Plan

In response to structural and regulatory changes in the economy and society in both Japan and overseas, aiming for the new frontier of finance for the coming era

2010

Medium-term policy:
Mizuho's Transformation Program

Aiming to be the most trusted financial institution by its customers in and outside Japan by focusing on the core function of contributing to social and economic development

2005

Business strategy:
Channel to Discovery Plan

Aiming to be a financial partner that helps customers shape their future and achieve their dreams

1873 Dai-Ichi Kangyo Bank

1873 Establishment of the First National Bank
1896 Name changed to Dai-Ichi Bank
1971 Establishment of Dai-Ichi Kangyo Bank through a merger with Nihon Kangyo Bank

1880 Fuji Bank

1880 Establishment of Yasuda Bank
1948 Name changed to Fuji Bank

1902 The Industrial Bank of Japan

1902 Establishment of the Industrial Bank of Japan

Message from the Group CEO

About Mizuho

Message from the Group CFO

Our strategies for creating value

Foundations for our corporate value

Data section

Appendix

Capital for value creation

We are working to strengthen and utilize the different types of capital that constitute the source of value creation, based on the current situation and characteristics of each type.

	Importance	Current situation and characteristics	Major policies and initiatives
Human capital	Self-driven employees with specialized expertise, reaching their full potential through their own work style in an inclusive organization, are at the core of all value creation.	Number of employees: 52,420 Average age: 39 years and 7 months <ul style="list-style-type: none">Personnel with expertise in financial and non-financial fieldsCross-entity personnel transfers and career development supporting a unified group culture and business model	<ul style="list-style-type: none">Fostering a corporate culture of being self-driven and deepening specialized expertise: Personnel development and allocation, appropriate compensation based on job role and performance, strengthening talent portfolioBecoming an even more inclusive workplace for employees from diverse backgrounds: Global business expansion, promoting women's participation in the workplace, networkingProviding an environment where employees can reach their full potential: Health and wellness, flexible work styles, supporting employees who have childcare or nursing care responsibilities
Intellectual capital	In addition to the financial expertise we have built up as a financial services group, our non-financial expertise in areas such as industry, real estate and consulting is, together with our human capital, at the core of all value creation. Also, as a part of financial infrastructure, we have a social responsibility to ensure stable IT system and business operations.	<ul style="list-style-type: none">In addition to proficiency in providing a wide range of financial services to corporate and individual customers, we possess unique expertise in areas such as industry, sustainability, and financial engineering.We provide services effectively through our combined expertise and knowledge in financial and non-financial services and through an in-house company system based on customer segments.We are making steady progress on our business improvement plan responding to the series of IT system failures, based on a group-wide effort to ensure stable IT system and business operations.	<ul style="list-style-type: none">Through our new operational structure, we are enhancing our expertise for corporate and individual customers, as well as our knowledge of individual industries and cross-industry activity.We are utilizing our expertise and knowledge in financial and non-financial fields to create new value in sustainability transformation, digital transformation, and other fields.We are conducting inspections aimed at preventing further system failures, changing ATM specifications to enhance our ability to respond to system failures, and implementing training for addressing any future system failures.We are taking measures to strengthen cybersecurity.
Social & relationship capital	Tangible and quantitatively measured capital such as the customer base, business networks in and outside Japan and in and outside Mizuho, and market presence, together with intangible capital such as trustworthiness and dependability, form the basis for value creation.	Individual customers: Approx. 23 million people Corporate clients in Japan: Approx. 70% of listed companies Corporate clients outside Japan: Approx. 80% of major global companies* <ul style="list-style-type: none">Presence in financial fields such as financial markets, investment banking, and transactions, and in non-financial fields such as real estate and consultingPartnerships with tech companies in different industries	<ul style="list-style-type: none">Developing highly convenient branch, ATM, and online channel networksExpanding our partnerships in different industries and our networks with industry, the government, and academia through co-creation of valueInitiatives to increase our market presence by raising our ability to develop and offer advanced products
Financial capital	A robust financial base is at the core of societal and economic value creation, as it enables the provision of stable and adequate financial intermediary functions.	<ul style="list-style-type: none">CET1 capital ratio (Basel III finalization fully effective basis; excluding Net Unrealized Gains (Losses) on Other Securities): 9.3%Balance of deposits (including negotiable certificates of deposit): ¥155 trillionNPL ratio: 1.15%	<ul style="list-style-type: none">Fulfilling financial intermediary functions by utilizing our robust financial baseFurther strengthening our revenue base balancing stability and growthOptimizing our business portfolio through reallocation of corporate resources
Natural capital	The global environment and natural capital are the basis for the existence of Mizuho and our customers. Our various initiatives to preserve and recover them, including responsible financing and investment and sustainable business based on our Environmental Policy, are at the core of our simultaneous realization of environmental, social, and economic value.	<ul style="list-style-type: none">Strengthening our sustainability action based on our Environmental PolicySustainable finance FY2019 – 2021 overall result: ¥13.1 trillionAccelerating engagement-based responses to both risk and opportunity<ul style="list-style-type: none">Responsible financing and investment: Approx. 1,000 firmsSupport for clients' sustainability transformation: Approx. 1,300 firms	<ul style="list-style-type: none">Sustainable finance targets FY2019 – 2030: ¥25 trillionCredit balance for coal-fired power generation facilities Reduce the FY2019 amount by 50% by FY2030, and achieve an outstanding credit balance of zero by FY2040Scope 3 targets Electric power sector: FY2030 138 – 232 kgCO₂/MWh

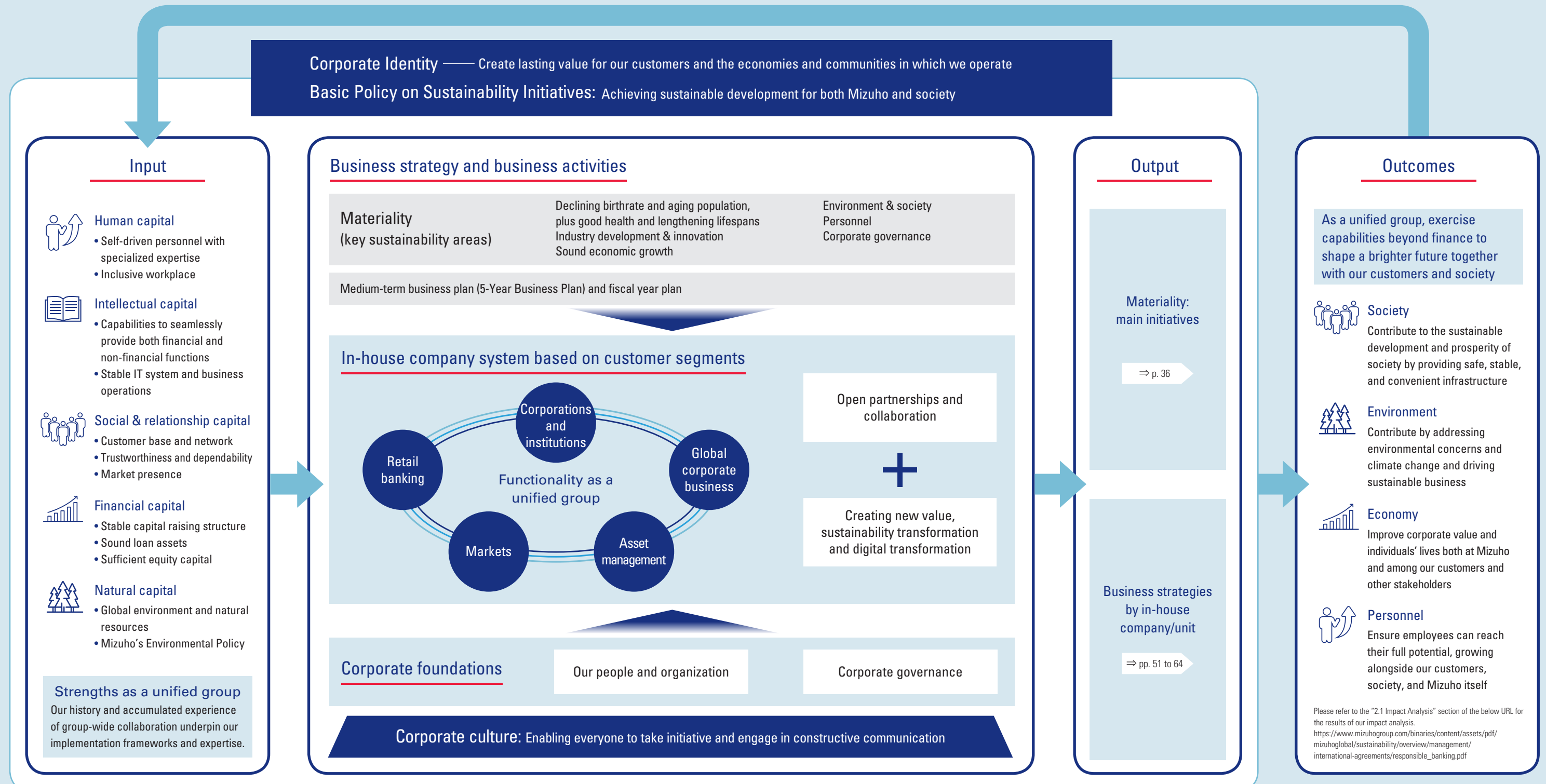
*Top 200 companies out of the Forbes Global 2000 (excluding financial institutions).

Strengths as a unified group

- Since the 2000s, we have been strengthening collaboration among Mizuho group companies and expanding cross-entity personnel exchanges.
- Following the two medium-term business plans for which the "One Mizuho" slogan was used, Mizuho's 5-Year Business Plan is continuing to strengthen development of products and services and provision of solutions through mobilization of group-wide capabilities.
- Going forward, we will further strengthen collaboration among group companies, including Mizuho Leasing, by instituting a group-wide HR framework and other measures.

At Mizuho, we will collectively leverage our group strengths in order to respond to increasingly diverse economic and societal issues. In doing so, we will create a sustainable future together with our customers and society.

External environment



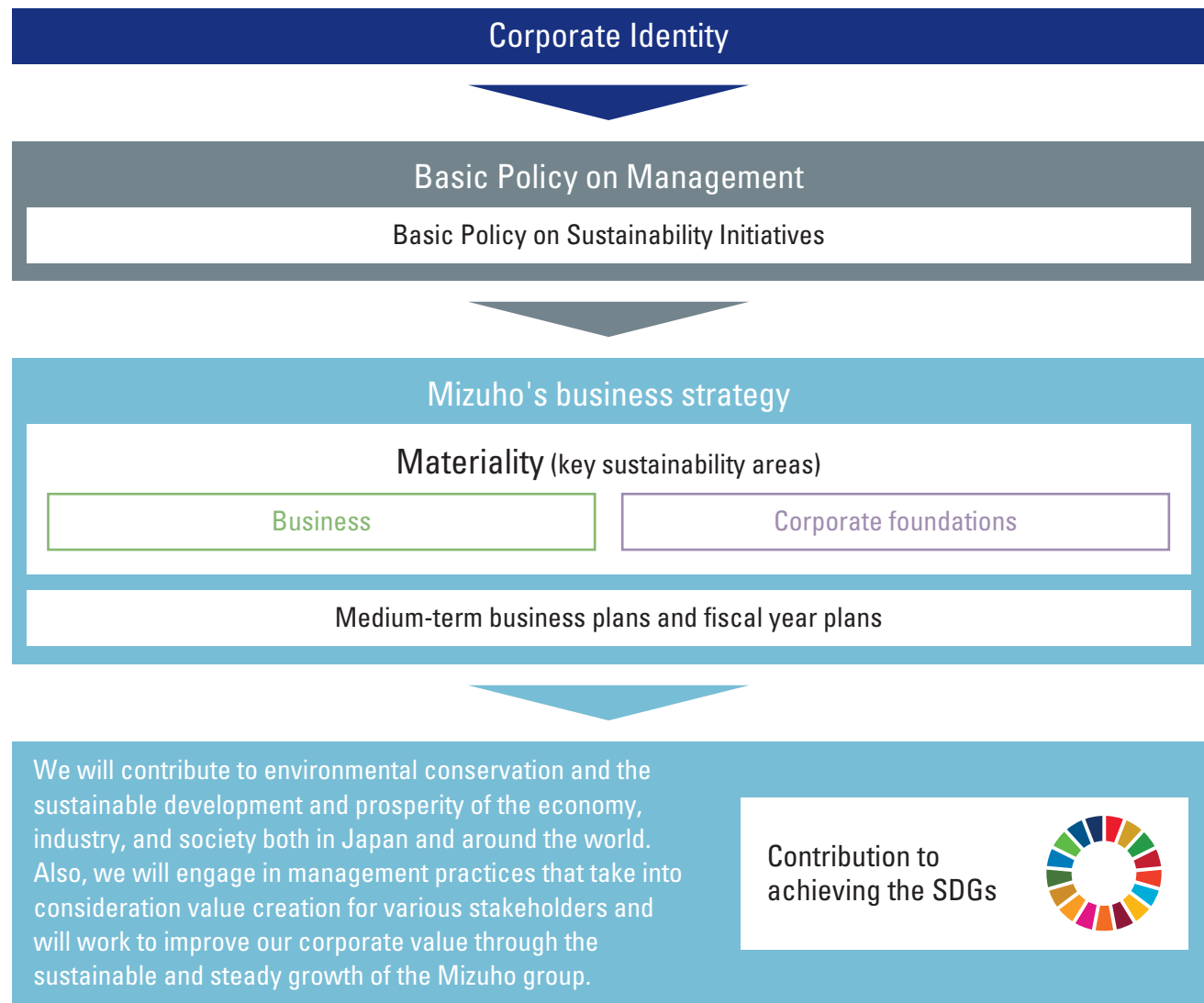
Materiality (key sustainability areas) / Risks and opportunities

At Mizuho, we take an integrated view on sustainability and business strategy. We aim to contribute to achieving the Sustainable Development Goals (SDGs), and in line with this we are expanding our positive impacts and reducing our negative impacts.

The trend of social sustainability is having an increasing influence on companies. As such, we are looking to strengthen Mizuho and society’s sustainability and further clarify Mizuho’s medium- to long-term value creation approach. From this perspective, we have revised our basic approach to sustainability initiatives, clarified our definition of materiality (key sustainability areas), and updated what is included in our materiality areas.

Sustainability at Mizuho	Environmental conservation, the sustainable development and prosperity of the economy, industry, and society both in Japan and around the world, and the Mizuho group's sustainable and steady growth
How we define materiality areas	Areas that include medium- to long-term priority issues for the sustainable growth and development of Mizuho, our clients, our employees, the economy, society, and other stakeholders

Significance of materiality areas



Revising what is included in our materiality areas

When designating materiality areas at Mizuho, we consider (i) expectations of society,¹ and (ii) importance for Mizuho.²

We reorganized the materiality areas designated in our 5-Year Business Plan based on a new assessment of the expectations of society and importance for Mizuho.

We are setting opportunities to revise materiality areas on a yearly basis.

1. Expectations and requirements various stakeholders maintain towards financial institutions in general, and towards Mizuho specifically, in regard to the sustainable development of the economy, industry, and society.
2. Medium- to long-term impact on our corporate value and compatibility with Mizuho’s strategies and business areas.

Step 1 Identifying elements for consideration	Expectations of society / Importance for Mizuho
Step 2 Discussions at the supervisory line and business execution line	Considering risks and opportunities associated with the identified elements and reorganizing materiality areas
Step 3 Organizational approval	Organizational approval at the Board of Directors following discussion at the Executive Management Committee
	The reorganized materiality areas, identified risks and opportunities, specific initiative plans, and targets and KPIs were deliberated by the Executive Management Committee. The materiality areas and targets and KPIs were then approved by the Board of Directors.

Reference: Step 2 Reorganized materiality areas

Stakeholders		Expectations of society / Importance	Mizuho’s role / Importance	Materiality areas (see following page)
Customers	Retail	Pursuit of improved health and diversification of lifestyles, accelerated under COVID-19	Provide face-to-face consulting that leverages our group-wide strengths and services to meet the individual needs of our wide range of customers, utilizing digital technology	Declining birthrate and aging population, plus good health and lengthening lifespans
	Corporate	Acceleration of game-changing sustainability transformation and digital transformation initiatives, and collaboration and innovation that crosses industries and borders	Support clients in building global value chains, using our knowledge of individual industries and cross-industry activity and our non-financial functions	Industry development & innovation
Economy & society	Markets	Increase in market uncertainty and the importance of economic security due to shifting international circumstances	Contribute to the development of markets by exercising our financial and non-financial functions in response to changes in the business environment	Sound economic growth
	Environment	Acceleration of global initiatives for a low-carbon society, and materialization of human rights issues	Undertake engagement and other efforts that will enable both clients and the Mizuho group to achieve net zero by 2050, establish frameworks that focus on the diversification of related issues	Environment & society
Employees		Pursuit of diversity and wellbeing, which are demanded by society as well as being sources of corporate value	Create a comfortable, broad-minded work environment with a sense of purpose, fostering a corporate culture where our diverse workforce can act on their own initiative	Personnel
Foundations for contribution		Sound corporate management that forms the foundation of trust and responsibility	Establish governance frameworks and strengthen the effectiveness of governance management for stable business operations, and ensure transparency of disclosures	Governance

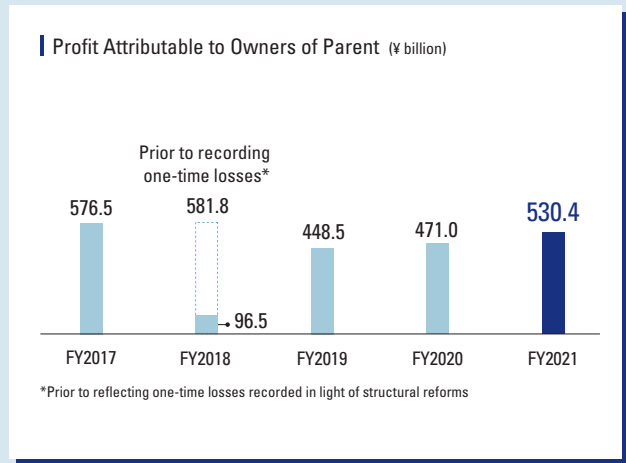
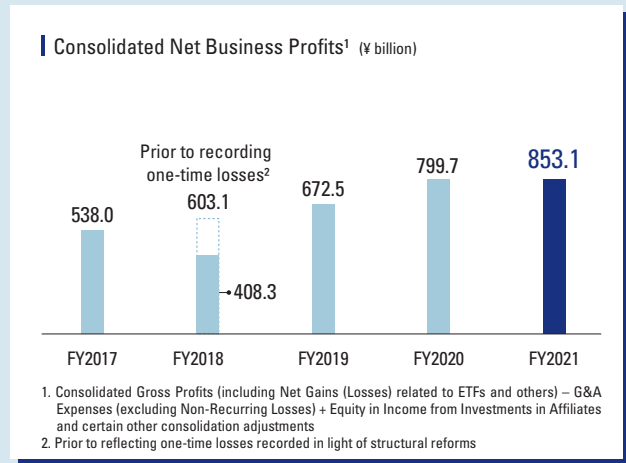
Materiality (key sustainability areas) / Risks and opportunities

Note: Please refer to the non-financial data on p. 38 for materiality targets and KPIs

Materiality		Risks and opportunities for Mizuho		Main initiatives / Major related Sustainable Development Goals (SDGs)		
Business	<div>Declining birthrate and aging population, plus good health and lengthening lifespans</div> <div>In an age of longer lifespans, provide safe, stable, and convenient services tailored to each individual's needs</div>	Full utilization of group-wide functions, and open partnerships and collaboration	Risks	<ul style="list-style-type: none">Lost opportunities due to a lack of appropriate channels and servicesCustomer attrition due to insufficient consideration of aspects such as diversity, resulting from not fully adapting to changes in society including the declining birthrate and aging population	<ul style="list-style-type: none">Promote comprehensive asset management consulting that contributes to improved household economic wellbeing<ul style="list-style-type: none">Support initiatives aimed at asset formation by establishing a comprehensive asset consulting frameworkExpand services to reduce concerns about an aging society<ul style="list-style-type: none">Provide financial products that facilitate asset formation, and provide non-financial solutions utilizing our specialist expertiseProvide convenient services in line with diversifying lifestyles<ul style="list-style-type: none">Undertake initiatives aimed at improving our understanding of customer needs, based on the everyday points of connection between our customers and Mizuho that digital technology affords us, and provide solutions, such as a wallet app consolidating non-financial functions, in order to meet the needs of each and every customer	<div><div>1 NO POVERTY</div><div>3 GOOD HEALTH AND WELL-BEING</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>
	<div>Industry development & innovation</div> <div>Support industry and business development, and create new value on a global basis</div>		Risks	<ul style="list-style-type: none">Increase in credit costs caused by the deteriorated business performance of companies resulting from a delayed response to such factors as industry transformationLost opportunities resulting from an insufficient ability to respond to changes in client needsDeterioration in competitiveness due to stagnation of digital strategies	<ul style="list-style-type: none">Support measures responding to changes in industry structure, using knowledge of individual industries and cross-industry activity<ul style="list-style-type: none">Strategy proposals and financing support for business structure transformation based on our knowledge of individual industries and cross-industry activityProvide information and solutions leveraging existing cross-sector industrial and technological advantagesOn a group-wide basis, support innovation and industry revitalization in Japan and globally<ul style="list-style-type: none">Expand value creation model solutions through ecosystem collaboration with start-ups and other organizations and through risk capital provisionPromote the digitalization of financial infrastructure, providing solutions with our expertise in digital technologyExpand client base to accelerate economic growth in Asia (digital retail banking business outside of Japan, start-ups)Provide financial and non-financial solutions that facilitate smooth business successionSupport creation of resilient social infrastructure in Japan and globally<ul style="list-style-type: none">Project finance for infrastructure development, design of financial products towards investor development	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
	<div>Sound economic growth</div> <div>Contribute to economic development by utilizing financial infrastructure functions to respond to changes in the Japanese and global business environment</div>		Risks	<ul style="list-style-type: none">Lost opportunities resulting from a lack of solutions that adapt to changes in regulations and financial market conditionsBusiness restrictions and increased compliance costs arising from regulatory changesDeterioration in Mizuho's competitiveness due to an insufficient response to the advancing shift toward cashless payments	<ul style="list-style-type: none">Maintain and develop sound capital markets functions<ul style="list-style-type: none">Diversification of ESG-related products to meet the needs of market players, and initiatives for carbon credit market developmentImprovement of engagement activities from financing and investment / asset management, making use of ESG informationExpand and utilize financial functions in light of COVID-19 and the trend in digital transformation<ul style="list-style-type: none">Continuation of appropriate COVID-19-related supportProactive support for our clients, aiming for transformation of business structure and financial strategy based on post-COVID-19 changes in the societal environmentProviding emerging economies with financial infrastructure by developing the digitalization-centered retail banking market outside JapanAddress changes in the Japanese and global business environment / regulations, and the need to ensure economic security<ul style="list-style-type: none">Making environmental, social, and technological policy recommendations, and supporting the drafting and promotion of policy through appeals to government and economic organizationsProposing business and financial strategy related to changes in supply chain structures, from a macro and semi-macro perspective	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
	<div>Environment & society</div> <div>Cooperate with customers to realize sustainable social development, including environmental conservation</div>		Risks	<ul style="list-style-type: none">Lost opportunities due to insufficient solutionsIncreased credit costs resulting from deteriorated business performance in companies with delayed responses to technological innovations aimed at transitioning to a low-carbon society, as well as to changes in stakeholder behaviorIncreased credit costs resulting from a lack of progress in clients' business structure transformations due to insufficient dialoguePublic criticism of issues such as insufficient consideration to climate change and human rights in financing, investment, and procurement	<ul style="list-style-type: none">Promote measures to address climate change and support the transition to a low-carbon society through dialogue; in doing so, advance our group-wide response to climate change and support our clients' transitions towards achieving net zero by 2050<ul style="list-style-type: none">Initiatives aimed at becoming carbon neutral in Scope 1 and Scope 2 emissions by fiscal 2030, improved measurement of Scope 3 emissions, expanded coverage of our targetsAchieving a reduction in Scope 3 emissions through supporting clients' transitions, based on client engagementConstruction of a risk management framework and carbon-related exposure control that reflects global financial regulations and principlesGive consideration to the environment and human rights in the areas of financing and investment and procurement<ul style="list-style-type: none">Enhanced implementation of responsible financing and investment and procurement, and formation of a human rights due diligence frameworkPromotion of sustainable business through identifying and leveraging eligible ESG assetsUtilize the Mizuho group's strengths to improve financial and economic literacy, and enhance activities that contribute to society based on regional and societal needs	<div><div>4 QUALITY EDUCATION</div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>10 REDUCED INEQUALITIES</div><div>13 CLIMATE ACTION</div><div>14 LIFE BELOW WATER</div><div>15 LIFE ON LAND</div></div>
	<div>Personnel</div> <div>Based on a corporate culture where employees can act independently, develop a diverse workforce that grows together with customers and society</div>		Risks	<ul style="list-style-type: none">Stagnation of strategy execution and deterioration in capacity for providing services due to high turnover linked to diversifying career aspirations and to insufficient employee training caused by increased operational burdensIssues such as overwork resulting in required payment of government fines or compensation, as well as public criticism and weakened employee moraleSlowdown in growth due to insufficient response to changes in the business environment, which originates in the lack of diversity among our talent	<ul style="list-style-type: none">Create a comfortable, broad-minded work environment with a sense of purpose<ul style="list-style-type: none">Enhanced talent and organizational development and improved wellbeing, aimed at increasing a sense of belonging among employeesExpanding digital foundational infrastructure and improving application based on an understanding of the needs at frontline officesMaintain a firm understanding of how to meet the needs of customers and society, implement personnel and career development that centers on specialized expertise, and support employees' independent efforts for self-development<ul style="list-style-type: none">Embarking on specialist training that instills a "big picture" outlookProviding opportunities to learn about reskilling, digital transformation, and other topicsPromoting a development-focused evaluation systemEmploy diverse talent and develop a corporate culture where our workforce can act on their own initiative<ul style="list-style-type: none">Setting targets and strengthening initiatives that enable our diverse personnel to actively participate and achieve promotionMultifaceted initiatives for transforming our corporate culture, led by executive officers and employees in a unified effort	<div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>
Corporate foundations	<div>Governance</div> <div>Implement strong corporate governance and stable operational management to benefit customers and society</div>		Risks	<ul style="list-style-type: none">Damage to social credibility or business activity suspensions due to inadequate corporate governance, IT system failures, and an insufficient response to cyberattacks, money laundering, or the financing of terrorismIncreased costs related to government fines or penalties resulting from issues such as IT system failures or violations of laws and regulationsStagnation in strategy implementation due to failure to make appropriate decisions, resulting from insufficient understanding of customer viewpoints and the situation at frontline offices, and from a lack of communication	<ul style="list-style-type: none">Enhance group-wide corporate governance<ul style="list-style-type: none">Create a framework allowing for in-depth discussions on the rationale behind the business execution line's decision-makingRevise organization, authorization, and regulation that contributes to the enhancement of internal management frameworks, including improvements to group company managementImprove our risk management framework and compliance by considering the external business environment, society's point of view, and diversification of risksEnhance engagement in relation to cross-shareholdings, and revise standards pertaining to the voting rights of shareholdings tied to ESG mattersStrengthen IT governance and cybersecurity and ensure stable IT system operation<ul style="list-style-type: none">Create a framework for system development, maintenance, and operation that reflects the situation at the frontlines and actual risk conditions, strengthen the system risk management framework, and undertake business reforms aimed at continued stable operation of IT systemsReinforce customer-focused perspective and improve ability to assess actual frontline conditions<ul style="list-style-type: none">Enhance open communication between the frontlines and Head Office, and utilize the information we gain about the actual situation at frontline offices to allocate resources and develop frameworksDisclose information in a fair, timely, and appropriate manner, and hold dialogue with stakeholders<ul style="list-style-type: none">Enhance disclosures in line with trends in the establishment of international standards for ESG disclosures, improve engagement, and enhance the organization of the General Meeting of Shareholders	<div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>
			Opportunities	<ul style="list-style-type: none">Strengthening our capacity to execute strategies, as well as our entire management and business base, through the expansion and enhancement of corporate governance and management frameworks that reflect our customers' best interests and focus on the situation at the frontlinesImproving stakeholder communication		

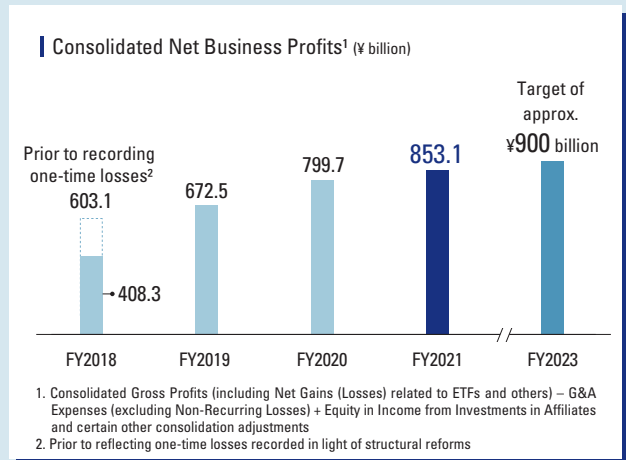
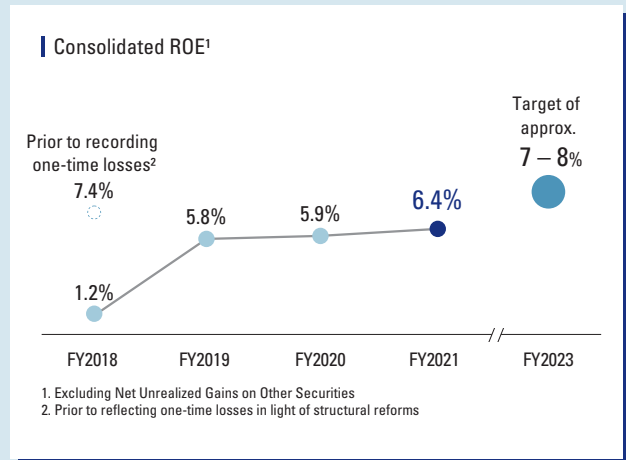
Financial data

Historical data

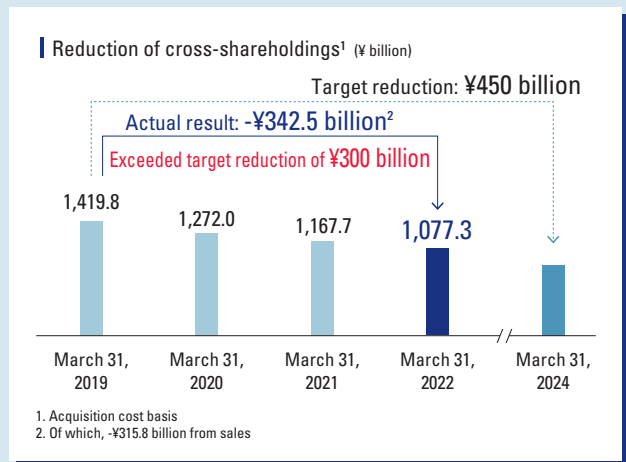
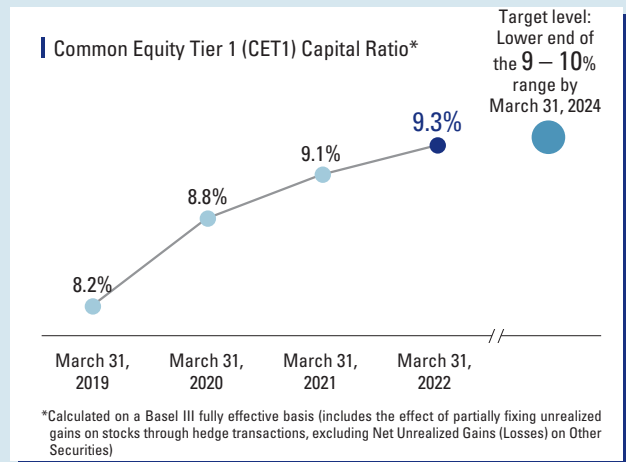


Progress on the 5-Year Business Plan (FY2019 – FY2023)

Financial targets



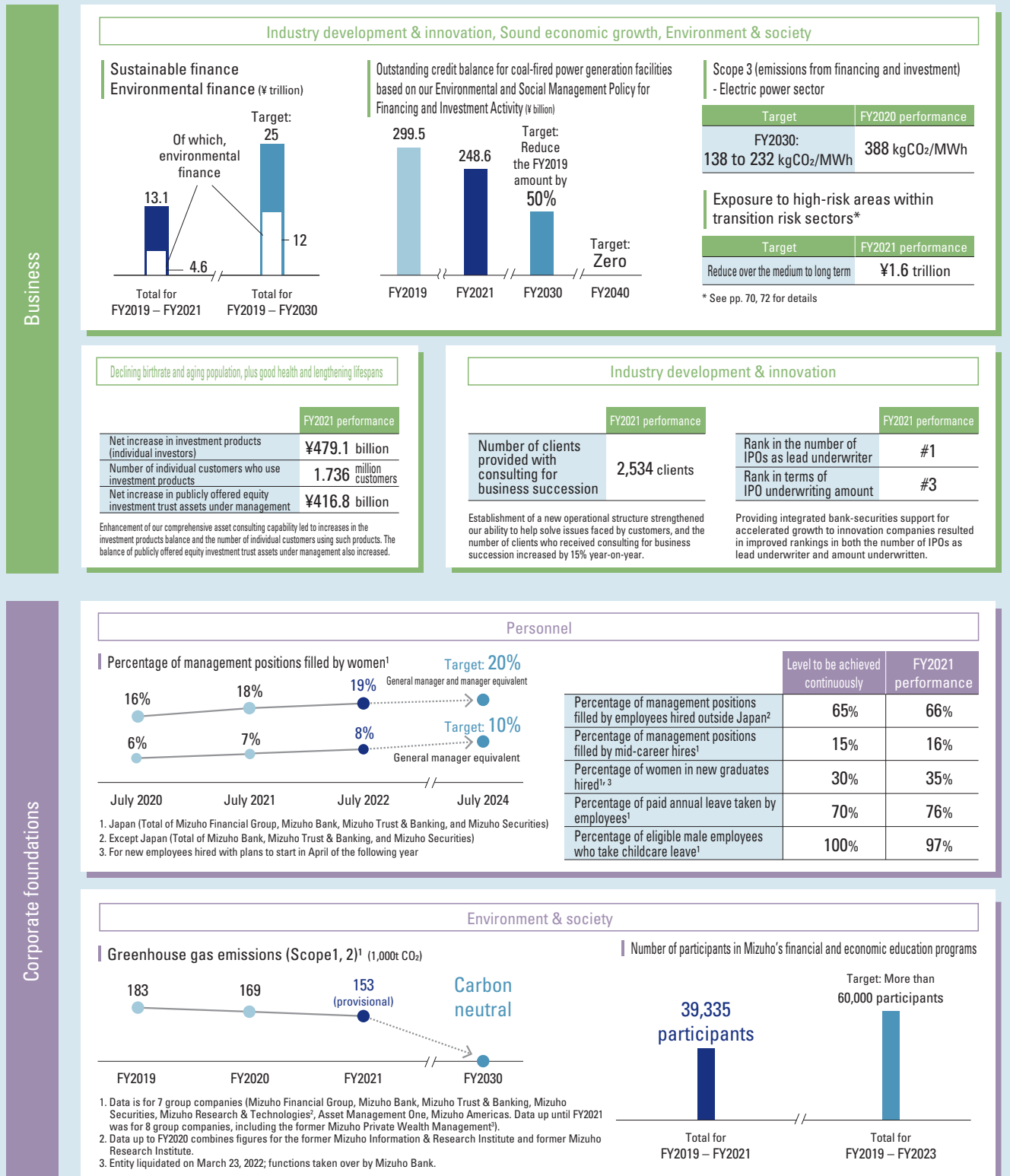
Other key indicators



Non-financial data

FY2021 performance on sustainability performance targets and KPIs

We have set targets and KPIs regarding materiality (key sustainability areas) as shown on pp. 35 – 36.



Message from the Group CFO

Towards achieving our 5-Year Business Plan, we will accelerate our initiatives for continuous growth while fully preparing for changes in the business environment.

Makoto Umemiya

Member of the Board of Directors
Deputy President & Senior Executive Officer
Group Chief Financial Officer (Group CFO)



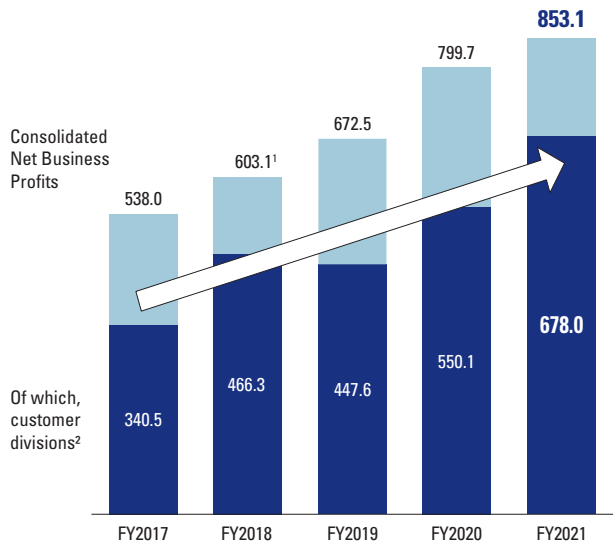
Overview of fiscal 2021

Fiscal 2021 performance

Fiscal 2021 was a year of substantial changes in the business environment. In addition to the prolonged impact of the COVID-19 pandemic, there were also global supply constraints, a shift in US monetary policy responding to escalating inflation, and the worsening Russia-Ukraine situation. Even so, we have performed well in making full use of the strengths we have cultivated and in preparing for future risk.

Consolidated Net Business Profits,¹ which indicate the profits of our core business operations, increased year-on-year by ¥53.4 billion to ¥853.1 billion. The harsh market environment—with its rising interest rates, falling bond prices, and stock price slump—led to a decline in year-on-year profits for markets divisions. For customer divisions, the business and finance structure reforms we have pursued as part of our 5-Year Business Plan yielded results in our asset management business, loan-deposit spreads outside Japan, solutions business, and others. For the second year in a row, we recorded our highest profits since the introduction of the in-house company system.

Historical data (¥ billion)



1. Prior to reflecting one-time losses of ¥194.7 billion recorded in light of structural reform initiatives.

2. Total for the Retail & Business Banking Company, Corporate & Institutional Company, Global Corporate Company, and Asset Management Company. Past results have been recalculated based on fiscal 2021 management accounting rules.

Regarding Credit-related Costs, we recorded reserves of ¥116.1 billion in relation to the Russia-Ukraine situation, including those from a forward-looking perspective. Aside from credit extended to companies located in Russia, this figure also takes into account the indirect ripple effect from factors including deteriorated business performance among companies in Japan, caused by surging resource prices. By preparing for such ripple effects through these reserves, we have taken the most extensive preventative action possible for a scenario in which the future credit environment worsens further. We have also made efforts to improve the hedging price of bear funds held for the purpose of mitigating stock price fluctuation risk in cross-shareholdings. At one point, unrealized losses grew to as much as ¥150 billion, but at present they have fallen back down to around ¥30 billion.

As a result of the above, Profit Attributable to Owners of Parent increased by ¥59.4 billion year-on-year to ¥530.4 billion, surpassing our fiscal year earnings estimates, which were revised upwards in November 2021. Our Common Equity Tier 1 (CET1) Capital Ratio²—which indicates financial soundness—was 9.3% as of March 31, 2022, remaining at the CET1 Capital Ratio target stipulated in our 5-Year Business Plan, which was set at the lower end of the 9 – 10% range. Regarding dividends, taking into account the performance of Profit Attributable to Owners of Parent, we have decided to increase annual cash dividends by ¥5 to ¥80 per share of common stock from fiscal 2020, marking our first raise in dividends in seven fiscal years.

1. Includes Net Gains (Losses) related to ETFs (Mizuho Bank and Mizuho Trust & Banking) and Net Gains on Operating Investment Securities (Mizuho Securities consolidated)

2. Basel III finalization fully effective basis, excluding Net Unrealized Gains (Losses) on Other Securities

Progress on the 5-Year Business Plan

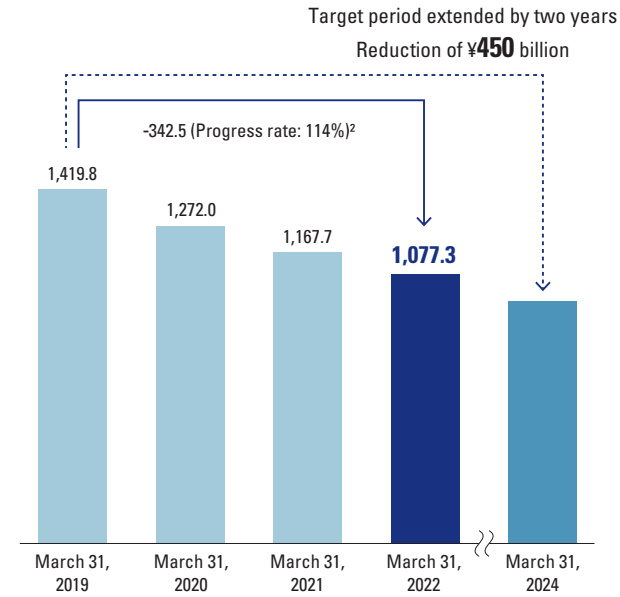
The following four KPIs are included in our 5-Year Business Plan: CET1 Capital Ratio target (as mentioned above as a financial target), Consolidated Net Business Profits, Consolidated ROE, and cross-shareholdings reductions. Looking back over the first three years of the plan, I will describe the achievements and issues concerning each of these items.

For our finance structure reforms, we evaluated each business area based on four metrics. The first two were (1) risk & return and (2) cost & return, which measure the efficiency of returns on invested corporate resources. The other two were (3) revenue stability and (4) revenue growth. Based on our evaluation, we are reviewing our allocation of corporate resources and moving forward with initiatives for restructuring our business portfolio. One outcome of this is that Consolidated Net Business Profits, which were just over ¥600 billion at the start of the 5-Year Business Plan, are steadily approaching our fiscal 2023 target of ¥900 billion. Further, we have substantially improved our revenue stability, as stable revenue increased by ¥150 billion in the three-year period to the end of fiscal 2021, exceeding our initial expectations. On the other hand, our progress in areas such as frontier business fields and digital transformation has been less than ideal. We recognize these areas, as well as the allocation of corporate resources to ensure stable operations, as being key challenges going forward.

As for Consolidated ROE, our fiscal 2021 performance was 6.4%, a 0.5% year-on-year increase. In order to reach our fiscal 2023 target of 7 – 8%, in addition to aiming for a further increase in Consolidated Net Business Profits, we are continuing to enhance our credit management capabilities, after reflecting on lessons learned from the fiscal 2021 Credit-related Costs for some of our large clients.

Regarding the reduction in cross-shareholdings, for which we established a target to reduce cross-shareholdings by ¥300 billion over three years through the end of fiscal 2021, we achieved our target by selling ¥315.8 billion over the three-year period. In our shift from business relationships and structures dependent on cross-shareholdings, we are continuing our initiatives to reform our business structure while simultaneously improving risk & return through such means as investing the resources secured from reducing cross-shareholdings into

Reduction of cross-shareholdings¹ (¥ billion)



1. Acquisition cost basis

2. Of which, - ¥315.8 billion from sales (Progress rate: 105%)

Message from the Group CFO

quasi-equity loans or preferred stock that facilitate the business structure transformation of clients.

Lastly, having achieved our CET1 Capital ratio target range at the end of March 2021, we have shifted from a capital accumulation phase toward a capital utilization phase. Accordingly, we will carry out a capital management policy that balances growth investment with shareholder returns. We will focus our efforts on improving capital efficiency while avoiding excessive capital accumulation.

Common Equity Tier 1 (CET1) Capital Ratio¹



Financial management for Mizuho’s growth

As the fourth year of the 5-Year Business Plan, fiscal 2022 will be an important year for making further progress towards achieving continuous growth, even as we enjoy the successes of our initiatives to date. While preparing ourselves thoroughly for rapid changes in the business environment, in addition to achieving stable business operations following the recent IT system failures, we will accelerate growth investment into personnel, IT / digital areas, and new business areas, reach our fiscal 2023 targets, and lay the foundations for the years to come.

In order to achieve stable business operations, we will allocate sufficient corporate resources to further enhancing fundamental operations such as system maintenance, improvements to—and comprehensive inspections on—existing equipment, and addressing cybersecurity risks. Our top priority is restoring customer trust and establishing a framework that ensures customers can rely on our services with the utmost confidence.

Regarding our approach to growth investment, it is extremely important to invest corporate resources from a medium- to long-term perspective. First, we will treat personnel and IT / digital areas—the corporate foundations that support Mizuho’s continuous growth—as areas of focus for investing resources. While this will negatively impact our profit in the short term, we will move forward with determination and certainty, since this investment is essential for producing a competitive advantage in the future. More specifically, we will improve employee compensation and other benefits, and enhance education and training for personnel development, which form the basis of our talent pool. As well as striving for improved employee engagement, we will strengthen and expand the capacity of personnel for digital transformation. We will also press forward on firmly establishing collaborations with external partners, such as our partnership with Google, announced in fiscal 2021.

For our business areas, in order to also establish the areas where our structural reform initiatives have produced steady results as Mizuho’s strengths, we will make the necessary investments in these areas without any hesitation. The investment in strengthening our North American capital markets functions that was decided in fiscal 2021 is one example of this. In fiscal 2021, we also made investments in initiatives aimed at expanding into digital financial markets in Asia, which are experiencing remarkable growth. Going forward, we will continue to explore investments that introduce new growth areas to Mizuho’s business portfolio. Moreover, not limited to this kind of inorganic investment, we will continue to work on various approaches that contribute to the expansion of our future

earnings base, such as the setting of a transition investment budget that will provide access to growth areas as well as the support of clients in transforming their business structures towards decarbonization.

Fiscal 2022 earnings plans

Our target for Consolidated Net Business Profits in fiscal 2022 is ¥860 billion, which is slightly higher than the figure we achieved in fiscal 2021.

For customer divisions, we will make efforts to continue increasing Gross Profits, mainly from the growth of our divisions outside of Japan. However, since we will invest corporate resources in measures aimed at stable business operations and growth, as noted above, we anticipate a year-on-year drop in Consolidated Net Business Profits of ¥19 billion. Fiscal 2022 is positioned as a year of levelling off aimed at continuous growth post-fiscal 2023, and we will use this year to accelerate our initiatives.

For markets divisions, as the challenging market environment is expected to continue for the foreseeable future, we must continue exercising a careful approach. That said, considering the preventative reduction in foreign bond portfolio positions that we implemented in fiscal 2021, we expect to firmly capture revenue opportunities in fiscal 2022, and to achieve a year-on-year increase in profits.

Overall expenses are expected to increase, but we will move forward with making further progress on our structural reforms, such as consolidating our main offices in Japan and realigning our branches as part of the structural reforms to our offices. We will also maintain disciplined cost control when managing capital for growth investment.

We expect Credit-related Costs to come to ¥100 billion, representing a sharp year-on-year decrease. As factors like the Russia-Ukraine situation and surging resource prices have made for an increasingly uncertain business environment, we will continue to practice thorough credit management.

Including Net Gains (Losses) Related to Stocks centered on the reduction of cross-shareholdings, we expect Profit Attributable to Owners of Parent to reach ¥540 billion, a year-on-year increase of ¥9.6 billion.

The dividend estimates of common stock for fiscal 2022 remain at the same level as in fiscal 2021, due to the uncertain nature of the current business environment. We will review our dividend estimates as necessary in light of developments in the business environment and the progress of our business performance.

Tax initiatives

The fulfillment of tax duties is one of the most important social responsibilities for companies. In addition to fulfilling tax duties and complying rigorously with tax laws of applicable countries and international tax rules such as the Action Plan on Base Erosion and Profit Shifting,³ we strive to sustainably increase corporate value.

Specifically, we encourage our employees to become more familiar with tax through education and training sessions, and we continue working to improve the fulfillment of our tax duties. Further, through our implementation of a consolidated tax return filing system (changing to a group tax relief system from fiscal 2022) and application of tax incentives, we are endeavoring to conduct appropriate management of tax costs.

3. Base Erosion and Profit Shifting (BEPS): Tax planning strategies utilized by multinational companies to leverage gaps in national and international tax rules and artificially shift their profits to avoid taxation.

Fiscal 2022 earnings targets

(¥ billion)	FY2021 Performance	FY2022	
		Targets	Year-on-year
Consolidated Net Business Profits (+ Net Gains/Losses related to ETFs)	853.1	860.0	+ 6.9
Credit-related Costs	-235.1	-100.0	+ 135.1
Net Gains (Losses) related to Stocks (- Net Gains/Losses related to ETFs)	-45.7	20.0	+ 65.7
Ordinary Profits	559.8	770.0	+ 210.2
Profit Attributable to Owners of Parent	530.4	540.0	+ 9.6

Our engagement with shareholders and investors

Sustainability has been gaining greater attention in recent years. In our engagement (dialogue) with shareholders and investors, the key topics for sustainable improvement of corporate value have expanded beyond business strategy and capital management policy to sustainability initiatives, including addressing climate change. Also, following the series of IT system failures and the business improvement order, in fiscal 2021 we received a variety of feedback on approaches to governance.

Considering these circumstances, we believe that deepening bilateral communication between Mizuho and our shareholders and investors is integral to the improvement of our corporate value. For this reason, we have worked hard to further improve our disclosures and enhance our engagement. In addition to releasing new presentation materials prepared for ESG investors, at our IR Select event we spoke about the sustainable business initiatives of each in-house company. By continuing to proactively share information about Mizuho’s initiatives, we are making sustainability a stronger part of Mizuho’s brand, and we are advancing our efforts towards achieving a sustainable society. Acknowledging our accountability for the series of IT system failures, we have held briefings on the progress of our business improvement plan, and we have provided shareholders and investors with the opportunity to engage in direct dialogue with outside directors about topics including our corporate governance system at our IR Day event. Having recognized the need to build a more effective governance system, we will reflect the wide-ranging perspectives shared through this dialogue and make efforts to prevent further incidents in the future.

We will continue to listen closely to the views of our shareholders and investors and reflect these in our initiatives. We ask for your continued cooperation in sharing your honest comments and feedback with us.

Financial results presentation / IR Day



In May 2022, we held the first financial results presentation since the appointment of President & Group CEO Masahiro Kihara. This covered our strategy going forward and our sustainability and digital transformation initiatives based on the results of the first half of our 5-Year Business Plan. In June, the Group CEO gave opening remarks at the IR Day event.

FY2021 Meetings with institutional investors



Initiatives pertaining to the General Meeting of Shareholders

Improving operations and increasing convenience

- Bringing the event date forward to avoid overlapping with other general meetings
 - Publishing the convocation notice online in English approximately four weeks before the General Meeting
- Bringing forward the date of disclosing shareholding composition via the annual securities report
 - Broadcasting the meeting live online, with the recording also available for viewing at a later time
 - Allowing for use of smartphones in exercising voting rights

Schedule for the year

Jun IR Day
General Meeting of Shareholders

May Fiscal year results
Financial results presentation

Apr Briefing on business improvement plan progress

Feb IR Select

2022

Nov Interim results
Financial results presentation
Briefing on IT system failures

Sep Presentation for individual investors
IR Day

Jun General Meeting of Shareholders

May Fiscal year results
Financial results presentation

2021

Presentation for individual investors

This is an online event that we have been regularly holding since 2015. As the Group CFO, I spoke on topics including Mizuho’s business strategy. Currently, around 20,000 investors have viewed the presentation, including those who viewed the recording of the event.



IR Day

The head of each in-house company gave presentations covering their business strategies. Three outside directors (Chairman of the Board of Directors Izumi Kobayashi, Chairman of the Nominating Committee Tatsuo Kainaka, and Chairman of the Audit Committee Takashi Tsukioka) took the podium, providing an opportunity for direct dialogue between outside directors and investors and analysts.



Engagement on the IT system failures

In November 2021, we held a briefing on the series of IT system failures, and in April 2022 we held a briefing on the status of progress concerning our business improvement plan. The Group Chief Information Officer explained these initiatives directly to institutional investors.

IR Select

As this was the first event after he was appointed as the new Group CEO, President & Group CEO Masahiro Kihara gave the opening remarks. At the IR Select event held in February 2022, there was an explanation on the sustainable business initiatives from each in-house company.

Other initiatives



- Meetings and IR events were carried out through online channels in consideration of the COVID-19 pandemic
- Online conferences were held for institutional investors every quarter following the publication of our financial results
- Online tools, which are free from constraints such as time and region, were used when holding meetings with investors outside Japan

Our strategies for creating value

Progress on the 5-Year Business Plan	P. 47
Business domain	P. 49
Business strategies by company/unit	
■ Retail & Business Banking Company	P. 51
■ Corporate & Institutional Company	P. 53
■ Global Corporate Company	P. 55
■ Global Markets Company	P. 57
■ Asset Management Company	P. 59
■ Global Products Unit	P. 61
■ Research & Consulting Unit	P. 63
Sustainability	P. 65
Digital transformation	P. 77
Our people and organization	P. 79

Progress on the 5-Year Business Plan

5-Year Business Plan

The Mizuho group’s 5-Year Business Plan for fiscal 2019 through 2023 is focused on transitioning to the next generation of financial services—building new forms of partnerships with our customers so that we can respond to their needs as the times change. This business plan aims to build a stronger and more resilient financial group which our customers can depend on in the coming era.

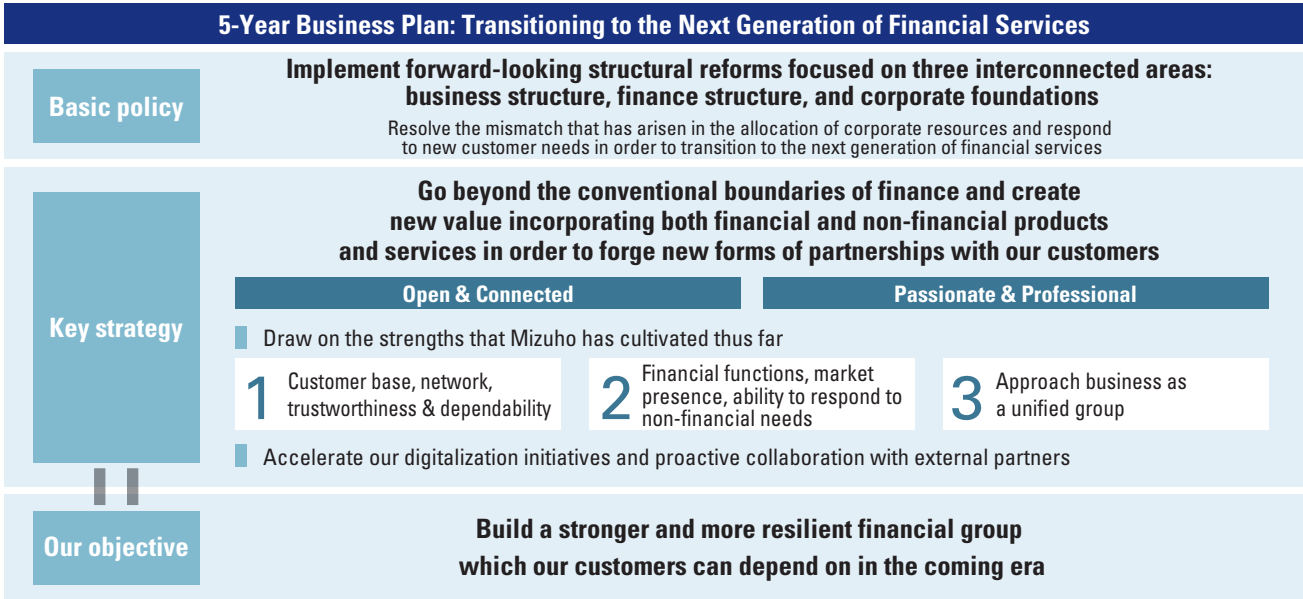
The global spread of COVID-19 has triggered major, rapid changes in people’s lifestyles and the state of the economy and society. Beyond this, the surge in resource prices brought about by the Russia-Ukraine situation, the acceleration of global inflation, the rise in market interest rates, and other recent changes are qualitatively different from those in the past and are contributing to ongoing and significant uncertainty in the business environment. In order to be a company that provides new value that goes beyond the conventional boundaries of finance in the coming era, we will steadily implement forward-looking structural reforms in three interconnected areas as we transition to the next generation of financial services.

Summary of initiatives over the first three years of the business plan (fiscal 2019 to fiscal 2021)

The 5-Year Business Plan is composed of two phases: a three-year period from fiscal 2019 to fiscal 2021 and a two-year period from fiscal 2022 to fiscal 2023. In the three-year period of the first phase, we focused on the full implementation of the structural reforms, building the foundations for the next generation of financial services. This entailed accelerating and implementing the reforms, investing in future growth, establishing a stable revenue base, and securing reserves for investment.

During this period, we achieved results above our targets, mainly in business and finance structure, and greatly improved our earnings power group-wide. We became able to more adeptly respond to changing customer needs, and our level of capital also surpassed our initial target, allowing us to more proactively implement our strategy. Net Business Profits in customer divisions reached their highest level since the introduction of the in-house company system in fiscal 2016 and have been making remarkable progress, nearly doubling in the span of five years. On the other hand, we also had to reflect on the series of IT system failures that occurred in Japan and recognize the need to redevelop our governance framework, beginning with governance of IT systems.

Fiscal 2022 to fiscal 2023 will be the second phase of the 5-Year Business Plan, in which we will achieve the effects of our structural reforms and accelerate further growth. The highest priority will be to establish a solid foundation for governance of business operations and ensure stable operations overall. With this as a base, we will leverage the solid results of the previous three years and utilize our accumulated capital to expand our new growth investments. In doing so, we will lay the groundwork for continued growth over the next five years and beyond.



Three areas of structural reform

Business structure reforms

In fiscal 2021, we made significant changes to the operational structure of our frontline offices in Japan in an effort to further our capabilities for making proposals to customers. One aspect of this was to divide frontline offices into those for retail customers and those for corporate clients, a structure which allows for greater specialization and deeper understanding of customer needs. Another was to sort offices serving large corporate clients into broadly drawn groups for different industries and regions. Working in these groups, such offices have been able to more easily share their industry insights among one another and engage in horizontal collaboration. By strengthening this sort of group-wide coordination between Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, Mizuho Research & Technologies, Mizuho Leasing, and other subsidiaries, we will continue to provide sophisticated solutions and expand our revenue.

In the Americas, we have been shifting to a unified banking and securities model, and we have achieved increased revenue as a result of capturing the depth of capital markets. Going forward, we will not only further expand our revenue base in the Americas, but also bring the unified banking and securities model that has been successful in the Americas to Asia in order to strengthen our earnings power.

In terms of new business areas, we have been setting our sights on global retail banking. As part of this, we have invested in Online Mobile Services Joint Stock Company, which operates Vietnam’s leading mobile payments super-app, and Tonik Financial, which operates the Philippines’ first digital bank. With digital finance, we will positively contribute to financial inclusion in developing countries, where a smaller percentage of the population hold bank accounts, and capture growth in Asia.

Reference ➡ For details on the specific business structure reforms, refer to the in-house company sections in this report (starting from P51)

Finance structure reforms

By reallocating corporate resources and strengthening our stable revenue base, we are working to transition to a more effective business portfolio well-suited to capture stable revenue. In fiscal 2021, due to steady progress in our accumulation of capital, we revised our capital management policy and our shareholder return policy and increased our dividends for the first time in seven fiscal years. We also set a new direction for growth investment, based on having transitioned from the capital accumulation phase to the capital utilization phase.

Reference➡ For the finance structure reforms refer to the Message from the Group CFO beginning on P39

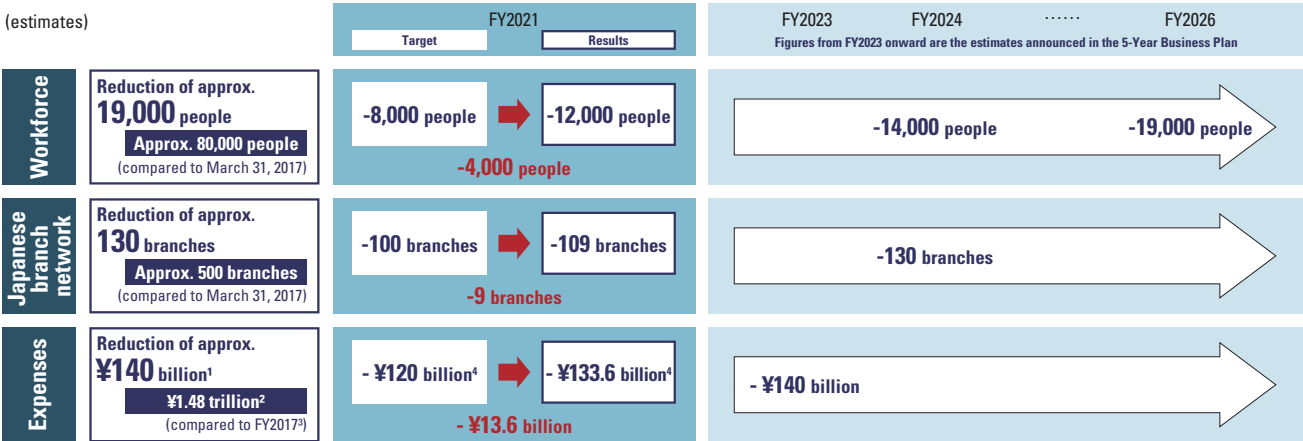
Corporate foundations reforms

Mizuho Research & Technologies was formed in April 2021 to consolidate research, consulting, and IT functions. As a group of specialists combining knowledge with technical skills, it aims to provide value beyond the boundaries of a thinktank or IT system development company.

For Mizuho, our people are our most critical corporate resource for co-creating value with customers and society and our most valuable asset. In Japan, we are making steady progress on various initiatives for our new HR strategy, which aims to create a virtuous cycle in which Mizuho and our employees continue to grow together. As one of these initiatives, in the second half of fiscal 2021 we eliminated the barrier of job track classifications, providing all employees with wide-ranging opportunities for participation and development.

Reference ➡ For details on our HR strategy, refer to the Our people and organization section starting on P79

Reference: Quantitative overview of our fundamental structural reforms



1. Reduction excl. amortization expenses related to the new core banking system. 2. Group aggregate. New management accounting rules were applied from FY2019. Amount prior to change: ¥1.45 trillion.
3. Compared to estimate for FY2017 at the announcement of the fundamental structural reforms (Nov. 2017). 4. Excluding the effect of foreign exchange.

Business domain

The Mizuho group’s business domains include banking, trust banking, securities, asset management, research and consulting, and other services.

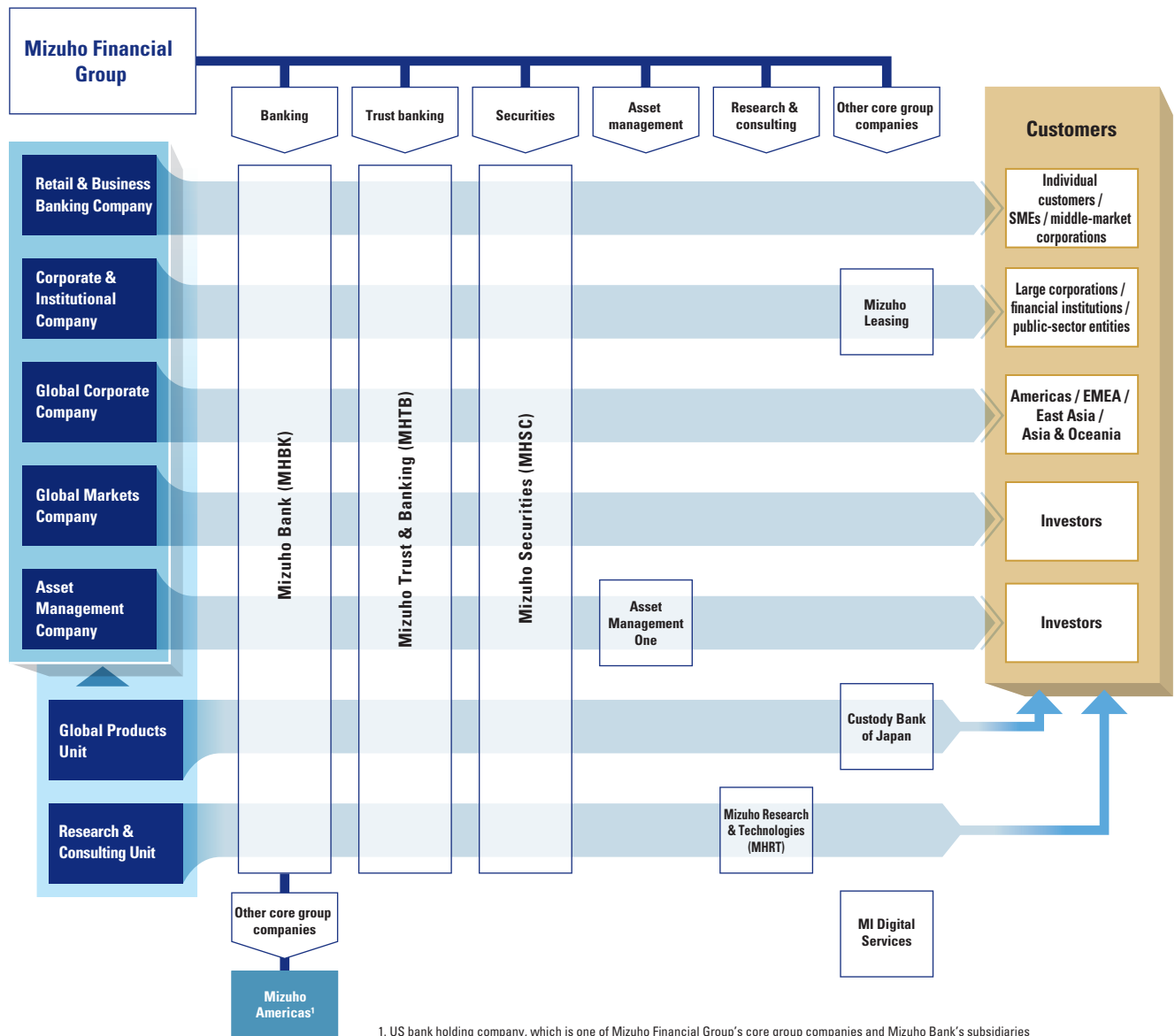
Our group-wide business is centrally managed under a holding company, and in order to leverage Mizuho’s unique characteristics, in April 2016 we established five in-house companies covering each customer segment and two units with the aim of better providing services that meet customer needs in a timely manner.

In-house companies:

Determine and promote strategies group-wide according to the attributes of customers.

Units:

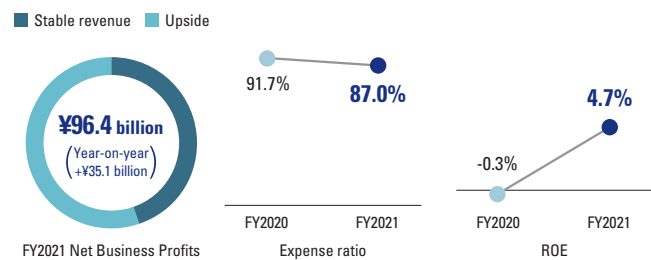
Mizuho has a Global Products Unit, which covers investment banking and transaction banking, and a Research & Consulting Unit, which consolidates insights into industry, business, the economy, and financial markets along with expertise in business strategy, sustainability, digital transformation, mathematics and data science, and other areas. Both units leverage their expertise to support all of the in-house companies.



1. US bank holding company, which is one of Mizuho Financial Group’s core group companies and Mizuho Bank’s subsidiaries

About the in-house companies

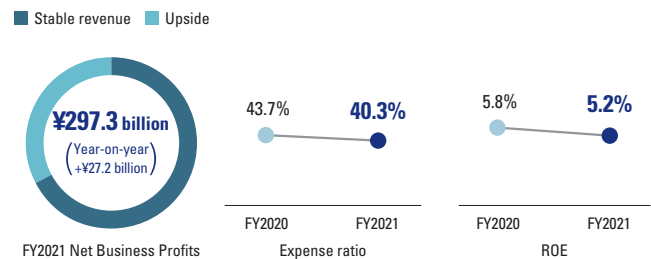
Retail & Business Banking Company



Business overview

The Retail & Business Banking Company, as the in-house company in charge of the customer segments of individual customers, SMEs, and middle-market firms, engages in consulting services that integrate banking, trust banking, securities and other functions within the group, as well as provides the next generation of financial services incorporating both financial and non-financial products and services by leveraging advanced technologies through alliances with other companies. By working together with our customers, we aim to facilitate their continuous growth.

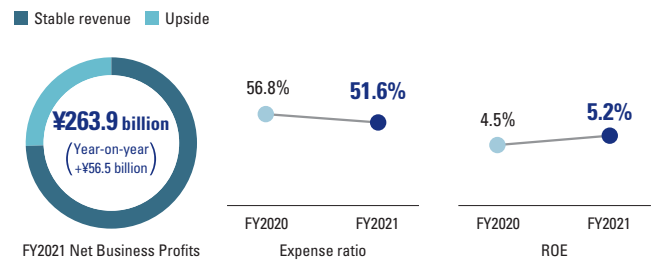
Corporate & Institutional Company



Business overview

The Corporate & Institutional Company, as the in-house company in charge of the client segments of large corporations, financial institutions, and public-sector entities in Japan, provides custom-designed solutions for each client on a group-wide basis to meet clients’ diverse needs for financial and non-financial products and services. In designing these solutions, we bring together the capabilities of Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, Mizuho Research & Technologies, Mizuho Leasing, and other companies across the group.

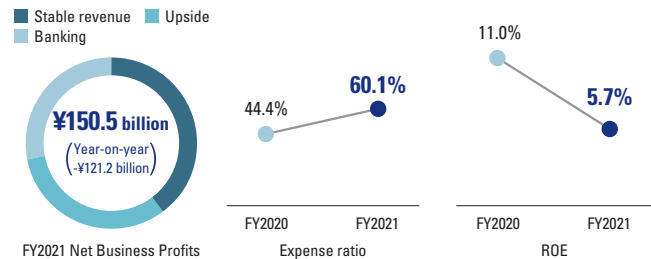
Global Corporate Company



Business overview

The Global Corporate Company, as the in-house company in charge of the client segments of both Japanese companies operating outside Japan and non-Japanese companies, provides clients with advanced financial services by leveraging a deep understanding of our clients’ businesses and our strengths in corporate finance and transaction banking, such as lending and corporate bond underwriting.

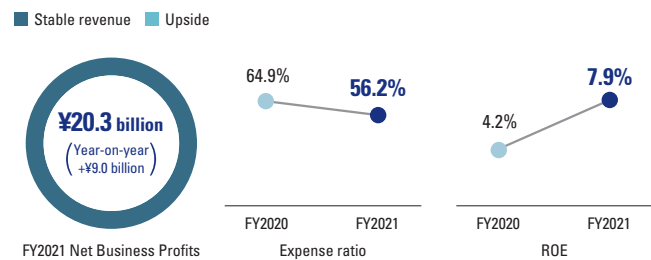
Global Markets Company



Business overview

The Global Markets Company engages in sales and trading services to offer market products to meet our clients’ risk hedging and asset management needs and also conducts ALM and investment business, including capital raising and portfolio management. We will aim to maintain our status as one of Asia’s major players in global markets through collaboration between the group’s banking, trust banking, and securities functions.

Asset Management Company



Business overview

The Asset Management Company, as the in-house company in charge of business related to asset management, provides products and services that match the asset management needs of our wide range of customers, from individuals to institutional investors, through the collaboration between the group’s banking, trust banking and securities functions and Asset Management One.

Retail & Business Banking Company

Individual customers

SMEs

Middle-market firms



To realize the wishes, hopes, and growth of our customers, we will aim to be a partner that helps retail customers design their lives, and a strategic partner for corporate clients’ business structure transformation, growth strategy, and business succession needs.

Basic policy

Our basic policy is to work with our retail customers to realize their hopes and wishes and with our corporate clients to realize their continued growth, striving to build a sustainable retail business which is responsive to the needs of our customers in this new era. By improving our multilayered IT system failure response capabilities and gathering feedback from our customers, society, and the frontlines, we will ensure stable business operations and further evolve our retail and corporate banking business. At the same time, we will reallocate corporate resources towards expanding new business areas through alliances with other companies and towards enhancement of digital marketing. This will enable us to offer new value in both financial and non-financial fields and achieve our associated growth strategy. With these initiatives, we will further strengthen and broaden our stable revenue base for continuous growth.

Strengths

- Consulting and solutions leveraging organic, group-wide collaboration between Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, Mizuho Research & Technologies, and other group companies
- High-level expertise in retail and corporate banking business under a new operational structure in which frontline offices exclusively serve either retail customers or corporate clients
- Cross-industry relationships through partnerships with influential tech companies

External business environment

Risks and opportunities

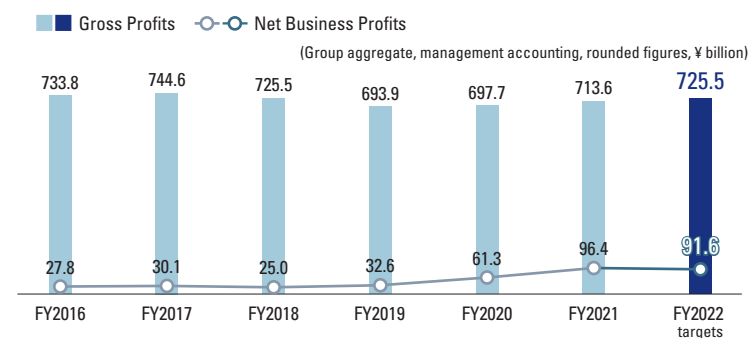
- Risks

 - Loss of opportunities due to being unable to keep pace with changing customer needs
 - Loss of competitiveness due to stagnation of digital strategy
- Opportunities

 - Provision of a range of services tailored to changing needs
 - Provision of timely solutions utilizing expert insights and internal and external resources

Review of fiscal 2021

Fiscal 2021 presented us with an extremely challenging business environment, which was influenced in part by the series of IT system failures in Japan. Even so, we were able to transition to the new operational structure at Mizuho Bank’s frontline offices in Japan, and we furthered our high-level expertise and our ability to respond to customer needs as a unified group. As a result, Net Business Profits reached their highest level since the introduction of the in-house company system. Overall, it was a year when we began to see outcomes from the strategy under which we have advanced the 5-Year Business Plan.



1. Gross Profits and Net Business Profits include Net Gains related to ETFs.
2. Results are based on FY2021 management accounting rules, targets are estimates based on FY2022 management accounting rules.

Retail & Business Banking Company

Key strategies

Evolution of face-to-face business

The new operational structure for Mizuho Bank’s frontline offices in Japan tailors our sales channels to specifically serve either retail customers or corporate clients. Through this structure, we are accelerating unified group management utilizing our high levels of expertise, and we are further enhancing our ability to respond to customer needs. For retail customers, we will advance our overall asset consulting, bringing together the unique strengths and features of banking, trust banking, and securities from across the group, to be a partner helping them design their lives in an era of longer lifespans. For our corporate clients, we will advance our provision of planning services, based in their needs and attentive to their medium- to long-term business challenges, and our provision of group-wide solutions to facilitate their continuous growth.

(Related materiality areas*)

Accelerating growth through digital transformation

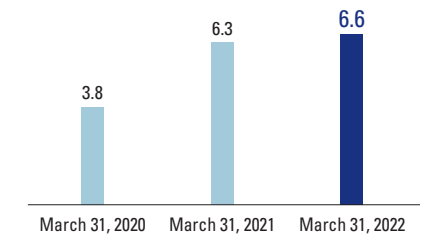
We are responding to the progress of digitalization and changes in customers’ lifestyles by renewing our services. For example, in Japan we are shifting from a model dependent on in-person customer service at branches to a model in which customers can complete transactions with only a smartphone. This shift allows us to further close the distance between us and our customers. We are also moving forward with substantial improvements to our other services, such as by enhancing our digital marketing, with the aim of providing a high level of convenience and service quality. In tandem with this, we are engaging in open, cross-industry partnerships with tech companies that have a presence in customers’ everyday lives, endeavoring to create new value beyond the conventional boundaries of finance. Through such initiatives, we will become a more attractive provider across multiple customer segments—both existing Mizuho customers and potential customers whom we have not yet been able to reach—and strengthen our relationships.

(Related materiality areas*)

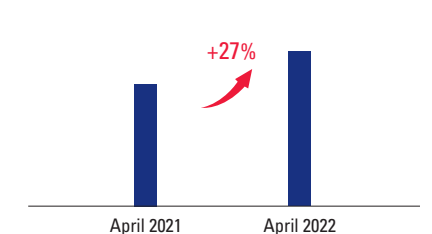
Sustainability initiatives

Prioritization of sustainability has become an irreversible trend worldwide and is being adopted by our middle-market and small- and medium-sized enterprise clients as well. Accordingly, we are facilitating our clients’ initiatives, both “offensive” and “defensive”. Given the rise in various needs, such as to transform business structures for decarbonization, we have established a framework for providing a range of solutions as a unified group, with one of its strengths being the expertise and insights Mizuho Research & Technologies has developed through many years of business relationships. As a result, we have seen a considerable increase in the number of sustainability-related transactions in our pipeline.

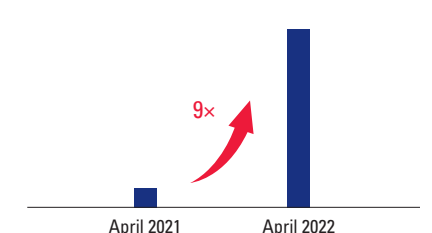
Balance of equity investment trust assets (¥ trillion)



Corporate business transaction pipeline



Sustainability-related transaction pipeline



Highlights

Strategic collaboration with Google in the digital transformation field

In March 2022, Mizuho entered into a strategic collaboration with Google Cloud Japan in the digital transformation field. Based on this collaboration, we will work together to implement communication and marketing personalized to each individual customer, develop a new platform providing innovative financial services, and accelerate digital transformation. While providing new products and services combining business with technology and a new customer experience through these initiatives, we will also integrate lessons from Google’s organizational culture, which is the foundation for its employment of diverse talent, into the reform of our own corporate culture.



Corporate & Institutional Company

Large corporations

Financial institutions

Public-sector entities



By supporting our clients’ continuous growth, we will establish a reputation as the most trusted bank in the corporate and institutional sector and keep evolving in order to demonstrate our true worth as a value co-creation partner.

Hidekatsu Take
Senior Executive Officer
Head of Corporate & Institutional Company

Basic policy

Recent changes in the business environment have given rise to irreversible structural shifts, and these are presenting our clients with a variety of business challenges. In response, we are leveraging our innovative insights into sectors and products and our optimum risk-taking capabilities to provide customized solutions as a unified group.

Our solutions combine banking, trust banking, and securities services with those of Mizuho Research & Technologies and Mizuho Leasing. We are exercising our ability to provide such solutions to support our corporate and institutional clients in improving their value and to share their risk. In these ways, we will contribute to the continuous growth and prosperity of industry, the economy, and society in Japan, in the rest of Asia, and across the world as a whole.

Strengths

- Industry insights accumulated through a sector-specific business structure covering banking, trust banking, and securities
- Ability to provide comprehensive solutions leveraging strengths in both financial and non-financial services
- Ability to provide sound risk capital for co-creating value with clients

External business environment

Risks and opportunities

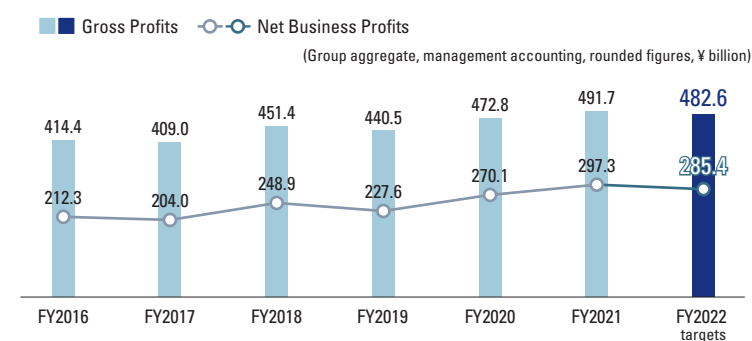
- Risks

 - Prolonged effects of the COVID-19 pandemic
 - Uncertainty in global affairs due to rising geopolitical risk and other factors
 - Changes in the social environment due to sustainability and digital transformation trends
- Opportunities

 - Increased corporate action due to business structure transformation and other factors
 - Continuous growth and additional revenue opportunities due to co-creation of value
 - Intensifying need for climate change responses and transition support

Review of fiscal 2021

In fiscal 2021, we fully captured business opportunities by supporting our clients’ corporate action, such as their business structure transformation, and undertaking joint investment aimed at co-creation of value. As a result, Gross Profits and Net Business Profits reached their highest level since the introduction of the in-house company system. For fiscal 2022, we plan to achieve the same strong performance in Gross Profits and Net Business Profits that we did in fiscal 2021.



1. Gross Profits and Net Business Profits include Net Gains related to ETFs.
2. Results are based on FY2021 management accounting rules, targets are estimates based on FY2022 management accounting rules.

Key strategies

Further advancement of sector strategy

In May 2021, we revised our business structure to be oriented around sectors. Reorganizing the structure to align banking, trust banking, and securities with one another as much as possible and position sectors as the axis has enabled us to create a group-wide framework for designing strategy in a way that utilizes sector insights and for developing talent with a high degree of expertise in products.

In addition to our longstanding strengths in coordinating between banking, trust banking, and securities, we are also moving forward coordination between group companies such as Mizuho Research & Technologies and Mizuho Leasing. With such coordination, we will further our ability to provide solutions and support our clients.

(Related materiality areas*)

Provision of risk capital for co-creation of value

As transformation of the industrial structure accelerates, clients are more actively seeking to reinforce their capital bases and redevelop their business portfolios. We are providing funding through equity investment and sharing a certain degree of business risk with these clients as a means of addressing their business issues and co-creating value.

(Related materiality areas*)

Initiatives to co-create value in the digital field

The trend towards digitalization, accelerated by the COVID-19 pandemic, has created greater opportunities to assist our clients with their digital strategies in a range of fields, including healthcare, blockchain, regional development, and settlement and transfer functions. In areas close to Mizuho’s existing business, we have been integrating financial services into our clients’ online services and supporting payments infrastructure for the development of smart cities. Through facilitating our clients’ digital strategies, we will endeavor to resolve social issues and co-create new social value.

(Related materiality areas*)

Sustainability initiatives

Our coverage for sustainability rests on both our strengths in finance, including our experience designing sustainable finance frameworks and our investor networks developed through our syndication business, and our insights outside of finance, including in industry, the environment and technology, management, and finance and capital. We are utilizing these strengths and insights to engage with our clients.

In April 2022, we established a transition investment budget. In sharing business risk with our clients on early-stage decarbonization projects, which we were not previously able to be involved in, we are proactively striving to co-create value and address social issues.

Highlights

Supporting procurement of renewable energy

Mizuho advised on and arranged funding for Aeon Mall’s development of a low-pressure, distributed solar power generation network with a self-consignment system; one of the largest in Japan. The project allowed us to exercise both financial and non-financial strengths: the former being our expertise in arranging bridge financing and our knowledge of lease accounting, and the latter being our insights into the environment and technology, which led us to predict that the leading edge of solar power would move from “mega solar” systems to low-pressure, distributed ones. Our contribution has received praise not only for supporting a client’s decarbonization but also for helping to utilize abandoned farmland as a site for power generation, simultaneously addressing two of Japan’s social issues.

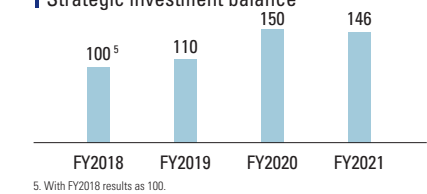


League tables¹

	FY2018	FY2019	FY2020	FY2021
ECM ²	#4	#4	#4	#4
DCM ³	#1	#1	#1	#1
M&A ⁴	#6	#3	#15	#5

1. FY2021 management accounting rules. Past figures recalculated.
2. Equity underwriting amount worldwide, bookrunner basis. Source: Refinitiv.
3. Including straight bonds, investment corporation bonds, *zaifu* institution bonds, municipal bonds (lead manager method only), samurai bonds, and preferred securities and excluding bonds issued by Mizuho. Source: Refinitiv.
4. Deals in which Japanese companies were publicly involved. Excluding real estate. Source: Refinitiv.

Strategic investment balance



5. With FY2018 results as 100.



SDG bond league tables

	FY2018	FY2019	FY2020	FY2021
SDG bonds ⁶	#2	#1	#1	#1

6. Source: Refinitiv.



As a strategic partner supporting our clients' global businesses, we will leverage our extensive international network and our group-wide capabilities to provide financial solutions and achieve continuous growth.

Hidekatsu Take

Senior Executive Officer
Head of Global Corporate Company

Basic policy

We will leverage our extensive network in Asian economic zones and our presence in the US capital markets to provide comprehensive financial solutions to clients in each region. As the business environment grows ever more complex due to factors such as volatile markets, shifting supply chains, and greater attention to the Sustainable Development Goals (SDGs) and environmental, social, and governance (ESG) issues, we will be a strategic partner supporting our clients' global business development and business structure transformation.

We will build a stable and profitable business portfolio to enable continuous growth while maintaining an awareness of ongoing constraining factors, including the international regulatory environment and non-JPY currency funding, and we will provide clients with sophisticated financial services based in stable business operations.

Strengths

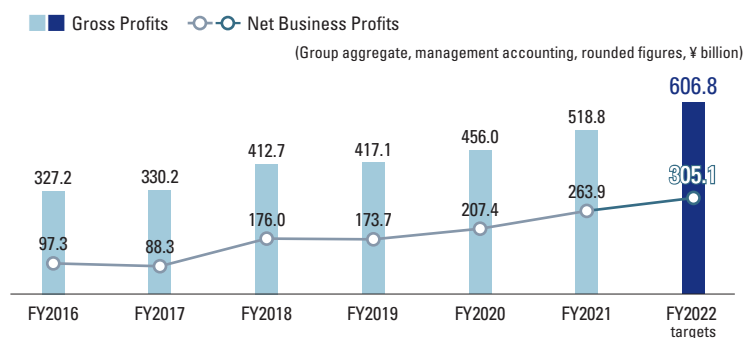
- Extensive international network centered on Asia
- Firm presence in US capital markets
- Robust client base and strong lending portfolio

Risks and opportunities

- | | |
|--|--|
| <p>Risks</p> <ul style="list-style-type: none"> Prolonged effects of the COVID-19 pandemic Uncertainty in global affairs due to rising geopolitical risk and other factors Changes in the market environment due to shifts in monetary policy such as central bank interest rate hikes | <p>Opportunities</p> <ul style="list-style-type: none"> Varied capital raising needs responding to rising interest rates Diversifying settlement and foreign exchange needs responding to supply chain shifts Business structure transformation needs looking to the SDGs, ESG issues, and a post-pandemic world |
|--|--|

Review of fiscal 2021

In fiscal 2021, the economy began to recover from the stagnation caused by the impact of the COVID-19 pandemic. Amidst the recovery, we steadily captured the diverse financial needs of clients in each region, and we grew our interest income as a result of attaining a higher loan balance and improved spread. We also expanded our business in US capital markets and recorded our highest Gross Profits and Net Business Profits for the fourth fiscal year running, exceeding the target in the 5-Year Business Plan. We are planning to achieve Gross Profits and Net Business Profits above the 5-Year Business Plan target in fiscal 2022 as well.



1. Gross Profits and Net Business Profits include Net Gains related to ETFs.
2. Results are based on FY2021 management accounting rules, targets are estimates based on FY2022 management accounting rules.

Key strategies

Enhancing current business areas

We are leveraging our global network and focusing our corporate resources on about 300 blue-chip corporate groups worldwide, which have stable credit and potential for ancillary transactions, via our Global 300 strategy. In doing so, we are endeavoring to bolster stable revenue and diversify our revenue sources. We are also working to strengthen risk management in light of changes to industry structures brought about by the impact of the COVID-19 pandemic and geopolitical risk, and we are building a portfolio with strong stability and profitability.

(Related materiality areas*)

Expanding into new business domains

As outlined in the 5-Year Business Plan, we are continuing to focus on transaction banking in Asia and business in the US capital markets. Looking ahead to future interest rate hikes, as we make ourselves more attractive to clients, we will also capture capital flows through investment in and development of different types of products, ultimately expanding our revenue. In US capital markets, we will bolster our hedging functions for market trends and assorted risks, broaden our client base and product line-up, and deepen our business relationships.

(Related materiality areas*)

Addressing structural issues

In light of constraints including the international regulatory environment and non-JPY currency funding, by shifting corporate resources from areas with little potential for profit to high-profitability businesses and growth fields, we will increase the quality of our business portfolio.

Further, we will apply digital technology to go beyond simply consolidating and instead streamline operations across geographical boundaries. With this and other efforts, we will improve productivity throughout the countries and regions in which we operate.

(Related materiality areas*)

Sustainability initiatives

In fiscal 2021, we greatly increased the volume of sustainable finance we arranged, reaching an amount 8.1 times higher than that of fiscal 2018. In the US and European capital markets, we also served as the structuring agent on a number of deals. These results came about from our development of a global information network centered on "ESG champions" appointed to advance ESG initiatives in each region and our improved ability to make proposals thanks to the hiring of ESG experts.

We will continue to not only provide funding but also implement engagement (dialogue) utilizing our industry insights, one of the Mizuho group's strengths. In this way, we will address the business challenges of our clients and provide them with optimal solutions.

Highlights

Initiatives for further growth of the US capital markets business

In January 2022, we announced our acquisition of Capstone Partners. The acquisition will enable us to further leverage our strengths in industry insights and corporate bonds and expand our clients from mainly investment-grade companies to non-investment grade companies and sponsors in the North American capital markets, the largest financial markets in the world. With Capstone Partners' investor base and the insight of their placement agents, we will provide strategic solutions with high added value and bring our US capital markets business to an even more advanced stage.

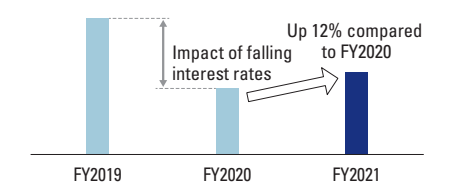


League tables

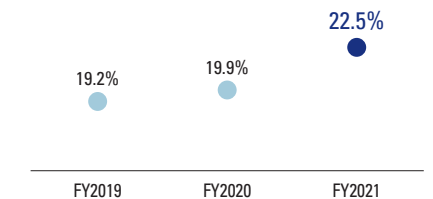
	FY2019	FY2020	FY2021
Americas DCM ¹	#9	#9	#8
excluding US banks	#3	#3	#2
Share	3.3%	3.4%	3.5%
Americas Non-IG LCM/DCM ²	#25	#17	#21
excluding US banks	#11	#8	#10
Share	1.0%	1.4%	1.4%

1. Bonds issued by investment-grade companies, fee basis.
Source: Dealogic.
2. Loans issued by investment-grade companies, fee basis.
Source: Refinitiv.

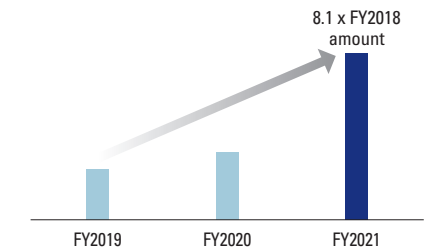
Transaction banking



Gross Profits ROE



Amount of arranged sustainable finance





As a partner with expert knowledge of market mechanisms and the ability to draw on a range of intermediary functions, we will further integrate our banking, trust banking, and securities capabilities to offer the best products and services for our clients’ varied needs.

Basic policy

The Global Markets Company engages in sales and trading (S&T) in order to provide clients with market product-based solutions, and we also conduct banking operations, including fund raising and portfolio management. We have set out a basic strategy to develop a framework for offering optimal products and services, as well as to strengthen our market presence.

In our S&T operations, by optimizing our global network and products framework, we will provide a broad range of intermediary functions. In our banking operations, we will enhance the sophistication of our flexible ALM and integrated portfolio management while maintaining a focus on achieving a balance between realized gains and unrealized gains/losses.

Strengths

- ✓ S&T operations: Unified management framework across Mizuho Bank and Mizuho Securities, adapted to the characteristics of each region, our diverse customer base, and our capacity for providing solutions
- ✓ Banking operations: Capacity for risk management, especially global ALM management and flexible portfolio management incorporating predictive management and advanced methods of analysis

Risks and opportunities

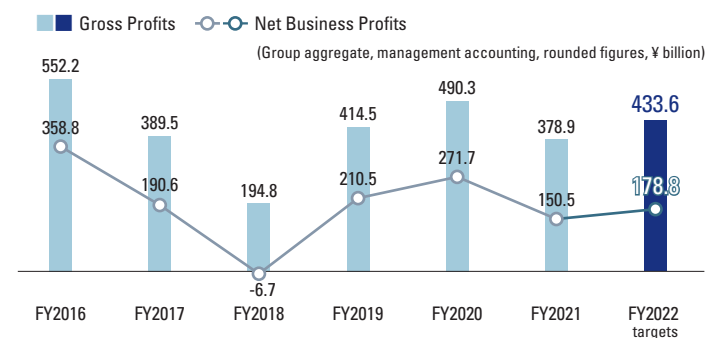
- Risks

 - Financial market turmoil and changes in the foreign currency liquidity business environment due to sudden monetary tightening at central banks in various countries
 - Prolonged supply constraints, geopolitical risk, and surging resource prices leading to continued high global inflation
- Opportunities

 - Expanded opportunities to provide customers with solutions due to easing of Japan’s firewall regulations
 - Risk-taking in response to changes in the market environment

Review of fiscal 2021

We integrated management of S&T banking and securities entities in Japan, Europe, and the US, and strengthened our solutions-based approach for responding to diverse customer needs. In our banking business, we conducted flexible risk control of our portfolio and supported our clients’ global business through stable and effective Japanese yen and foreign currency capital raising and investment. However, the flow (S&T) side of our stock and flow business was relatively slow, and the second half of the fiscal year saw US interest rate hikes of a historic pace and breadth due to sudden US monetary policy changes made in response to accelerating inflation. These factors contributed to our fiscal 2021 Gross Profits and Net Business Profits falling short of fiscal 2020 results.



1. Gross Profits and Net Business Profits include Net Gains related to ETFs.
2. Results are based on FY2021 management accounting rules, targets are estimates based on FY2022 management accounting rules.

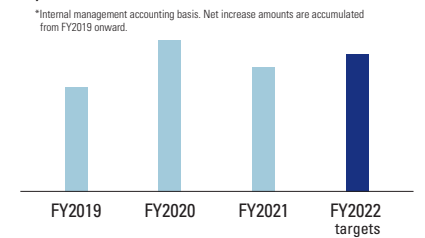
Key strategies

ALM management and flexible risk control responding to changes in the market environment

Amid extensive shifts in financial markets, we will positively contribute to group-wide business strategy by carrying out ALM management that is both stable and effective. Our efforts in this regard include conducting globally unified operations under the direct control of the treasury functions in various regions and promoting unified management of the Japanese yen and foreign currencies through actions such as utilizing abundant yen assets for stable foreign currency fund raising. For our portfolio management, we will focus on achieving a balance between realized gains and unrealized gains/losses. Also, while further enhancing our predictive management, we will utilize precise market analysis and ample risk reduction methods to flexibly control risk. In doing so, we will aim to defend our performance and maximize revenue.

(Related materiality areas*)

Foreign currency funding amounts utilizing yen-denominated asset collateral*



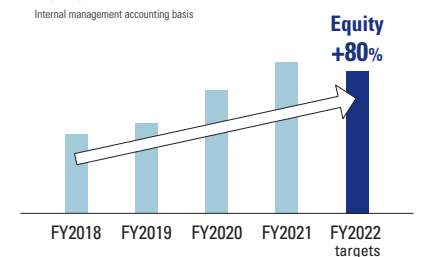
*Internal management accounting basis. Net increase amounts are accumulated from FY2019 onward.

Enhancement of profitability through promoting the effective integration of S&T operations at Mizuho Bank and Mizuho Securities

We will strengthen our solutions-based approach to meet wide-ranging market-related customer needs through advancing the effective integration of our banking and securities functions in each region. Further, in addition to strengthening our core global foundations by aggregating our foreign exchange risk books and by implementing Japan-US collaboration on equities, we will work to increase our global market presence and improve our profitability. We will do this by diversifying and stabilizing our business portfolio, expanding our product line, and giving attention to areas with abundant revenue opportunities, such as our US business.

(Related materiality areas*)

Equity Gross Profits



Sustainability initiatives

We will diversify our ESG-related product range and proactively provide our clients with information while meeting businesses’ hedging needs and investors’ investment management needs and demonstrating our market intermediary functions. We will also take proactive steps towards the development of the carbon credit market in Japan.

Highlights

Expanding our US business

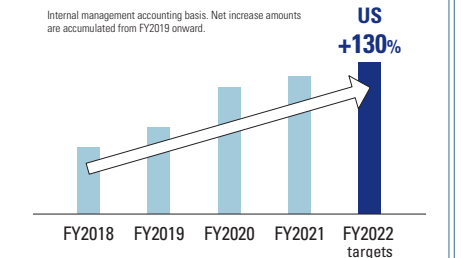
In the US, we deepened integration of our banking and securities business and CIB* framework management, and we made progress on diversifying our earnings base by expanding products such as equity derivatives and municipal bonds. As a result, in fiscal 2021, the scale of revenue in the US surpassed that of Japan for the first time. Going forward, while further growing the business we have established to date, we aim to continue seizing opportunities for growth, such as corporate derivatives and financing business opportunities.

*CIB: Business model that integrates Mizuho Bank and Mizuho Securities operations, and primary and secondary business.

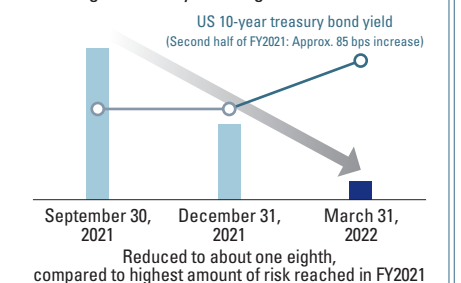
Foreign currency banking operations under the sudden rise in US interest rates

In the second half of fiscal 2021, amid US interest rate hikes, we significantly reduced our amount of risk by selling bonds and hedging with derivatives. The first three months of 2022 saw the largest recorded increase in US 2-year/5-year interest rates in the last 30 years, representing a historic shift in the market environment. Even so, we were able to restrain the expansion of unrealized losses.

US Gross Profits



Foreign currency banking interest rate risk



Reduced to about one eighth, compared to highest amount of risk reached in FY2021



Becoming our customers’ best partner for medium- to long-term asset formation while positively contributing to the realization of a sustainable society and economy through asset management.

Masamichi Ishikawa

Senior Executive Officer
Head of Asset Management Company

Basic policy

By strengthening our investment capabilities and ability to provide solutions in order to enhance the added value provided by our asset management business, we act as part of a unified group to provide products and consulting services which meet customers’ ever-changing needs. We are providing retail investors with support for medium- to long-term asset formation and providing institutional investors, such as pension funds and financial institutions, with solutions in order to positively contribute to the realization of a sustainable society and economy and achieve medium- to long-term growth in our asset management business. In addition, we are transforming our business processes using digital innovation to build an effective and advanced business base.

Strengths

- ✔ Asset Management One’s investment capabilities and sustainability initiatives
- ✔ Relationships with distributors in and outside the Mizuho group and robust support systems
- ✔ Providing solutions to institutional investors as a unified group

Business environment Risks and opportunities

Risks

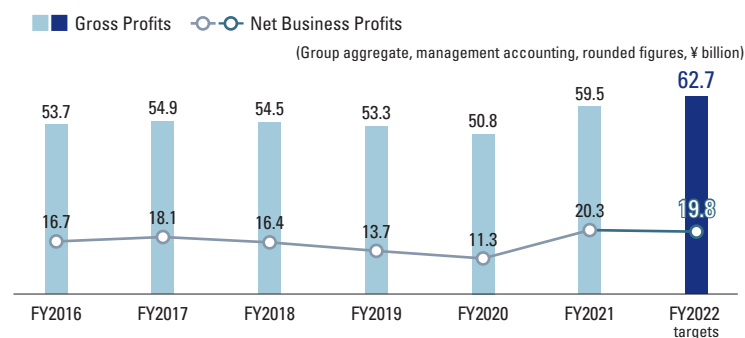
- Unstable market environment due to rising interest rates outside Japan and intensifying geopolitical risk
- Change in retail investor preferences and needs

Opportunities

- Increased asset formation needs due to the aging population, declining birthrate, and longer lifespans
- Policy revisions for medium- to long-term asset formation, expanding investor base
- Greater interest in ESG investment

Review of fiscal 2021

There was a return to tighter monetary policy following the loosening that took place under the COVID-19 pandemic. This together with intensifying geopolitical risk caused the market environment to remain uncertain. Even so, we were able to achieve our highest level of Gross Profits since the introduction of the in-house company system, mainly through steady accumulation centered on publicly offered investment trusts. Going forward, we will continue honing our competitiveness and aiming to achieve growth at the Asset Management Company over the medium to long term by strengthening our investment capabilities, solutions, and efficiency.



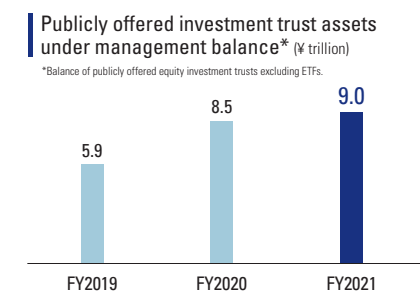
1. Gross Profits and Net Business Profits include Net Gains related to ETFs.
2. Results are based on FY2021 management accounting rules, targets are estimates based on FY2022 management accounting rules.

Key strategies

Focusing on asset management services for retail investors

To respond to the asset formation needs of retail investors, we are offering a broad range of products. These include investment trusts reflecting the growth of the global economy, balanced investment trusts avoiding large drops amidst uncertain markets and aiming for stable performance, and yield-based investment trusts capturing the rise in interest rates outside of Japan. We are also optimizing investment in fund wraps and providing products tailored to defined contribution corporate pensions, individual-type defined contribution pension plans (iDeCo), and installment-type NISA. Additionally, we are positively contributing to proactive investment of financial assets in Japan by improving our provision of educational materials on investing and information on products and markets as well as by working together with distributors to provide after-sale services for retail investors.

(Related materiality areas*)

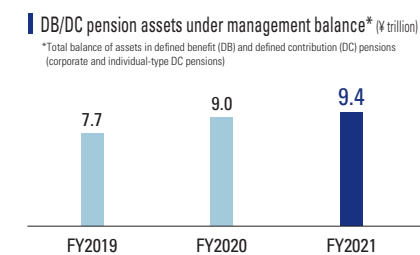


*Balance of publicly offered equity investment trusts excluding ETFs.

Strengthening our ability to provide products and consulting to institutional investors

To respond to institutional investors’ diverse needs, we are focusing on an expanded line of ESG investment and alternative asset products. For our pension fund clients, we are offering investment solutions which are based on multifaceted analysis and which account for clients’ investment and financial situations, as well as consulting proposals which cover pension plan configuration. For our financial institution clients, we are offering solutions for both assets and liabilities, addressing needs for outsourcing investment of securities and business issues related to deposits in excess of loans.

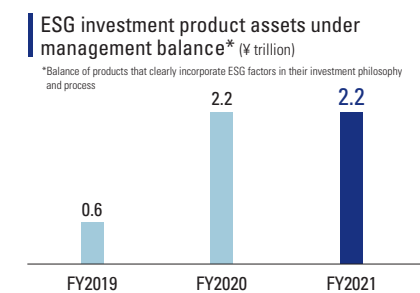
(Related materiality areas*)



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

Sustainability initiatives

Through our asset management business, we will facilitate the transition to a sustainable society and economy and the more proactive investment of financial assets in Japan. To this end, we are participating in dialogue with our asset owner clients, providing thorough and proactive information and disclosures in investment reports and seminars, and expanding our ESG products as part of contributing to our clients’ sustainable asset management. Further, we are also practicing ESG integration (which entails making companies’ ESG performance a component of investment decisions), engaging with companies in our investment portfolio, and exercising voting rights in order to encourage transition, most notably climate transition, among the companies in our invesment portfolio and to assist them in improving their corporate value.



*Balance of products that clearly incorporate ESG factors in their investment philosophy and process

Highlights

Set interim target for achieving net zero in assets under management

Asset Management One was one of the 30 founding signatories, and only Japanese signatory, of the Net Zero Asset Managers Initiative, which aims to achieve net-zero greenhouse gas emissions by 2050 or earlier (as of December 31, 2021, the number of signatories stands at 236 companies). As a signatory of the initiative, and on the path to achieving net zero greenhouse gas emissions, Asset Management One has set an interim target for 2030 of ¥30 trillion in assets under management, equivalent to 53% of assets under management (as of March 2021). Going forward, we will continue to work closely with our clients and relevant institutions, promote the transition to net zero emissions as a Japanese asset management firm, and fulfill our fiduciary duties.





We aim to be a team of professionals offering optimal solutions by closely tracking changes in industry and society, demonstrating sophisticated expertise in each product area, and integrating global intragroup functions.

Mitsuhiro Morishita

Senior Executive Officer
Head of Global Products Unit

Basic policy

At the Global Products Unit, our activities are primarily divided into two areas: investment banking and transaction banking. In both areas, we offer a wide range of solutions.

We will continue fulfilling our corporate social responsibilities as a financial institution while supporting the strategies of in-house companies and the Mizuho group as a whole to overcome challenges faced by our clients and society. To this end, exercising optimal functions as a unified group, we will provide solutions founded on our sophisticated financial product expertise, and utilize our diverse insights to take measured risks when providing financing.

At the same time, we will continue devoting ourselves to maintaining and managing stable settlement infrastructure and to developing our personnel as part of forming a sustainable business base.

Strengths

- ✓ Broad coverage, from investment banking to transaction banking, and sophisticated financial product expertise
- ✓ Ability to provide solutions meeting the varied needs of a wide range of customers, including retail customers, corporate clients, and financial investors

Risks and opportunities

- Risks**
- Deterioration of credit due to intensifying geopolitical risk
 - Impacts on economic activity from the COVID-19 pandemic and global inflation
 - Threat of other industries expanding into finance

- Opportunities**
- Acceleration of changes in societal trends, in connection to sustainability and digital transformation
 - Movement towards industry reorganization linked to strengthening of economic security and other factors
 - Greater demand for reviews of business portfolios and supply chains

Key strategies

Providing effective solutions across banking, trust banking, securities, and other group companies

Together as a united group, we aim to provide optimal solutions tailored to our clients' needs, offering them the best support for initiatives based on their corporate and growth strategies. In addition to providing expertise leveraging the strengths of our banking, trust banking, securities, and other group companies, we are also expanding and improving coordination between the group companies in order to enhance our solutions for clients.

(Related materiality areas*)

Expanding our provision of services on a global basis through our expertise in products

Amidst growing uncertainty in the global economy, we are endeavoring to offer solutions that fully capture societal trends in order to continue providing support tailored to our clients' business environment. In investment banking, we are assisting clients with investing in various global assets, including infrastructure, real estate, and other businesses, and we are reinforcing our capabilities for meeting investor needs. In transaction banking, we are enhancing our provision of functions such as cash and foreign currency management on a global basis, in light of supply chain shifts and related factors. Further, we are continuing to develop professional personnel and advance expertise as a foundation for our solutions.

(Related materiality areas*)

Providing stable, highly convenient settlement infrastructure

To continue supporting our clients' businesses well into the future, we are pursuing stable maintenance and operation of settlements infrastructure for transaction banking and looking to improve convenience.

We are engaged in ongoing initiatives to transition to ISO20022 for settlements with other banks and to upgrade our core IT system. In addition, to prevent further system failures, we are undertaking efforts to resolve system vulnerabilities, minimize impacts in the event of a failure, and enhance our business contingency plan. Beyond these, we are also moving forward on securing a stable talent pool and developing personnel who will lead us into the next era.

With a view towards the progress of digital transformation, changes in client needs, and improvements to operational productivity, we are strengthening our business foundations for the future through system development and ongoing refinement of our solutions for clients.

(Related materiality areas*)



Sustainability initiatives

With our product arrangement capabilities founded in a strong track record of underwriting of SDG bonds and arrangement of sustainability loans, we are keeping ahead of societal trends and proactively providing financing, consulting, and solutions in line with clients' sustainability strategies.

Initiatives for carbon neutrality are accelerating, and the push towards a low-carbon society is also expected to bring about more rapid business structure transformation and supply chain shifts among clients. Against this backdrop, the Global Products Unit is working as a cohesive team and coordinating with in-house companies to design and advance products contributing to social development, in the fields of transition and new technology in particular.

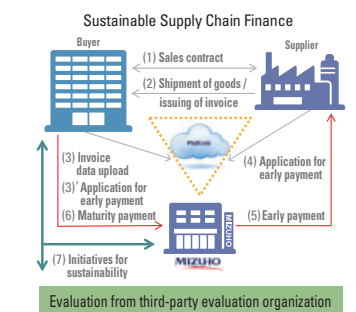
Highlights

Launch of Sustainable Supply Chain Finance (SSCF), first for a Japanese bank

Mizuho Bank became the first bank in Japan to offer SSCF, which includes a framework linking the financing rate to supplier sustainability performance.

SSCF offers funding incentives to middle-market and small- and medium-sized enterprises to address environmental and social issues, with the goal of encouraging achievement of CO₂ emission reduction targets and promoting environmental and social initiatives across the entire supply chain.

This product enables us to support all of our clients' sustainability initiatives over the medium to long term and positively contribute to building a stronger, more stable, and more sustainable supply chain.



Arrangement of project finance for a floating offshore wind farm project in France

Leveraging our extensive insights and track record accumulated over many years, Mizuho Bank has supported development of renewable energy and technological innovation around the world.

In May 2022, we signed financing agreements as one of the mandated lead arrangers and lenders on a project finance deal for the construction, maintenance, and operation of a floating offshore wind farm project, the Eoliennes Flottantes du Golfe du Lion Project, in France.

The deal features an innovative finance structure in that it involves a non-recourse loan for a first-of-its-kind floating offshore wind farm. This may become a precedent for non-recourse finance to similar projects in the future.

Going forward, we will continue promoting action to address climate change and supporting the transition to a low-carbon society.



Research & Consulting Unit

Research & Consulting Unit



With our deep knowledge of industry, corporations, economics, and financial markets and our high-level expertise in business strategy, sustainability, digital transformation, mathematics and data science, and similar fields, we provide new value responding to rapid changes in client needs and social issues.

Yasuhiko Ushikubo

Senior Executive Officer
Head of Research & Consulting Unit

Basic policy

Sustainability and digital transformation are irreversible trends; social, economic, and industrial uncertainty are rising rapidly; and our clients' needs are undergoing structural changes. In response, we are demonstrating our expertise and pushing forward proactively on coordinating with the most suitable partners, whether internal or external. We will advance the co-creation of a sustainable future through high-quality, innovative value creation that contributes to resolving the issues faced by our clients and society.

We will also continue advancing the optimization of business operations and resources in swift response to signs of change in society, the economy, and industry, and collaborate more closely with partners both inside and outside the group. As well as promoting unified management within the unit to draw out greater synergistic effects and improve operational efficiency, we are endeavoring to enhance training and resources for personnel with expertise in certain areas, aiming for further development of our non-financial services, one of Mizuho's strengths.

Strengths

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

Risks and opportunities

- Risks**
- Loss of competitiveness due to insufficient response to rapid changes in client needs beyond existing frameworks
 - Impact of demand exceeding supply of specialists in the field of research and consulting

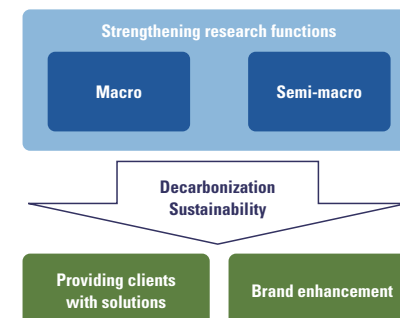
- Opportunities**
- Expanding research and consulting needs that accompany greater uncertainty in society, the economy, and industry and the acceleration of sustainability and digital transformation trends

Key strategies

Enhancing research and origination capabilities

By conducting thorough research with a clear sense of purpose and with the aim of resolving clients' business strategy issues and strengthening Mizuho's corporate strategy, we contribute to increasing Mizuho's competitiveness as well as to enhancing our brand and reputation.

We will strengthen our origination capabilities linking research to solving issues for clients with a focus on areas such as cross-sector business, carbon neutrality, and economic security. We can accomplish this by strengthening our research capabilities via further collaboration within the unit and by deepening the integration between macro and semi-macro areas.



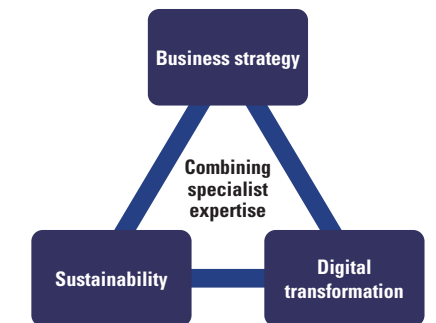
(Related materiality areas*)

Combining the consulting functions of different fields to enable high-quality, innovative value creation

In order to respond to rapid changes in client needs beyond existing frameworks, we are combining our expert insights in areas of consulting ranging from business strategy to sustainability and digital transformation. We are also further deepening our coordination of financial functions within the group and striving to maximize the value we provide to clients as a unified group.

With a focus on sustainability and digital transformation, we will move forward with developing personnel to have expertise in fields we expect to feature in clients' needs, bolstering our resources in these fields, and strengthening collaborations outside of the Mizuho group.

(Related materiality areas*)



Strengthen personnel capabilities

We will fully demonstrate the strengths of the unit by improving management of the unit's personnel, and we will acquire and develop talent with high levels of specialist knowledge.

As an incubator for highly specialized talent, we will also work towards enhancing overall personnel management for Mizuho, which is the source of our strength. To do this, we will expand the development of personnel by providing opportunities outside of the unit, facilitating cross-entity employee interaction and mobility, and further promoting diversity.

(Related materiality areas*)



Sustainability initiatives

We bring together research and consulting expertise, providing solutions to a wide range of issues concerning our clients' sustainability-related management and business strategies, and in doing so contribute to resolving social issues.

Specifically, we have worked on the following initiatives: (1) Sustainability-related consulting for a wide range of public and private clients (approx. 700 cases in fiscal 2021), (2) Development of Mizuho's own sustainability-related financial products, and (3) Robust reports that consolidate the expertise of the unit.

We will continue to use the expertise of our unit to meet the needs of our diverse clients and promote the co-creation of a sustainable future for society and our clients.

Highlights

Research report on structural transformation in Japanese industry, looking ahead to 2050

We issued a report that looks at the huge structural changes to society and industry being brought about by changing trends—such as a decreasing and aging population, sustainability, economic security, and technological developments—on a long-term timeframe that stretches to 2050. The report considers initiatives that will be needed among industry and corporations in Japan.

In the report, after stating what kind of impacts these changing trends will have on society, consumers, and industrial structure, we look at what will happen if current practices continue amidst the trends. We then present a vision of what industry and corporations in Japan should strive to become, as well as the initiatives they will need to undertake to achieve this vision.



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

Sustainability

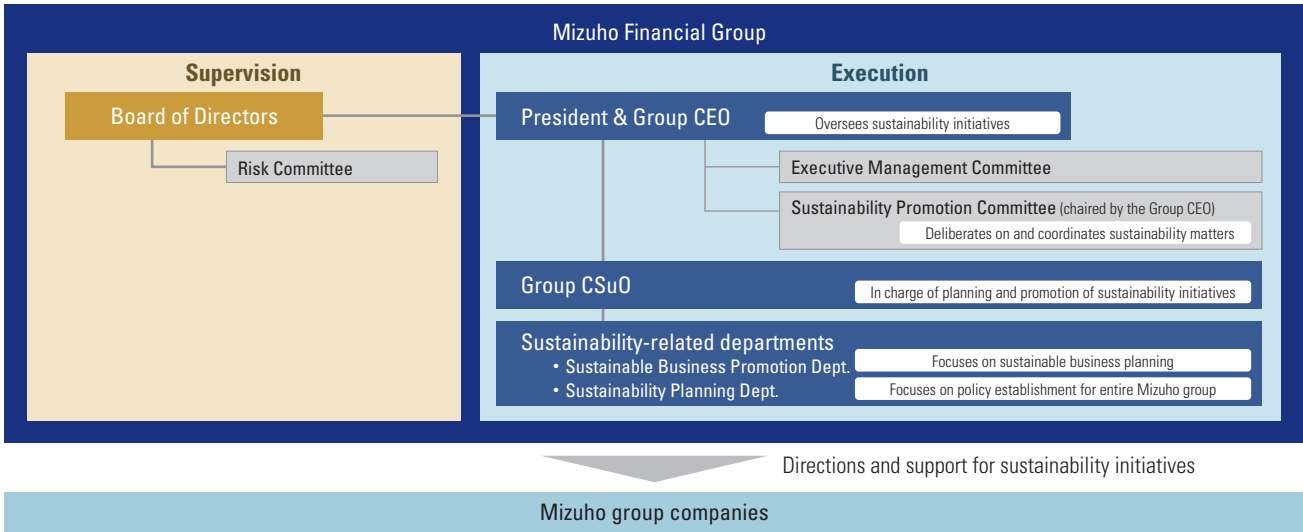
At Mizuho, we define sustainability as environmental conservation, the sustainable development and prosperity of the economy, industry, and society both in Japan and around the world, and Mizuho’s sustainable and steady growth. We identified our materiality areas (key sustainability areas) as being priority issues in our business strategy, and are proactively moving forward group-wide sustainability initiatives so that Mizuho, together with our clients and society, can achieve sustainability transformation and create new value.

In fiscal 2021, we aimed to strengthen our framework by establishing the Sustainability Promotion Committee, and by forming and expanding specialist departments for promoting sustainable business. Moreover, based on thorough discussions by our business execution and supervisory lines and with attention to both opportunity and risk, we strengthened initiatives related to climate change responses, respect for human rights, environmentally and socially responsible financing and investment activity, and sustainable business. In addition, in September 2022, we established the new position of Group Chief Sustainability Officer (Group CSuO) to promote sustainability initiatives throughout the Mizuho group. The Group CSuO will not be affiliated with any specific in-house company, unit, or group, but rather report directly to the Group CEO, and will plan and promote sustainability initiatives for the entire Mizuho group.

Sustainability promotion structure

For important sustainability-related matters, our system consists of discussions at the business execution line, e.g., the Sustainability Promotion Committee and Executive Management Committee, and supervision by the Board of Directors and Risk Committee. Constructive discussions are held with outside directors who have experience and expertise in sustainability, as well as with external experts in attendance at Risk Committee and Sustainability Promotion Committee meetings. The resulting feedback is used in establishing policy and promoting our initiatives.

Mizuho's sustainability promotion structure (From Sep 1, 2022)



Overview of the Sustainability Promotion Committee (business execution line) (established in Jan 2022)		
Reason for establishment	• Discuss and coordinate sustainability-related matters based on external experts’ advice towards further promoting sustainability across the group	
Composition	Chairman	President & Group CEO
	Members	Group CSO, Group CRO, Group CFO, other executive officers (including those from Mizuho group companies), depending on content
Meetings (topics discussed)	External experts	• External experts are invited in line with the topics of discussion - Meeting no. 1: Masako Konishi (Expert Director (Conservation and Energy), WWF Japan) - Meeting no. 4: Ashleigh Owens (Deputy Director for Financial Institutions, Shift)
	Meeting no. 1	• Mizuho’s Approach to Achieving Net Zero by 2050 • Approach to setting targets for greenhouse gas emissions from our finance portfolio (Scope 3 targets) • Setting of electric power sector targets and work towards achieving those targets
	Meeting no. 2	• Climate-related risk management system • Environmental and Social Management Policy for Financing and Investment Activity • Risk control policy for carbon-related sectors
	Meeting no. 3	• Enhancing climate change response promotion structure • Publication of TCFD Report 2022
	Meeting no. 4	• Evaluations and issues concerning initiatives for respecting human rights • Publication of Human Rights Report 2022

Note: The Group CSuO became a regular member of the Sustainability Promotion Committee in Sep 2022.
Mizuho Financial Group

Status of discussions regarding sustainability initiatives at the supervisory line (Board of Directors / Risk Committee)

Main points of deliberation	Comments from outside directors and Risk Committee members
Sustainability strategy	● We are satisfied with the approach to revising the Basic Policy on Sustainability Initiatives, which is to achieve sustainable development for both Mizuho and society. In formulating required actions, it is important to consider not only climate change, but a whole range of other social issues. ● It is critical for us to acquire and train experts in the field of sustainability.
Addressing climate change	● At present, there are many unresolved technological and fiscal issues that make it extremely difficult to achieve net zero by 2050. We must pool the collective strength of the Mizuho group and increase the added value of our solutions to these challenges. ● In order to decarbonize the entire financing and investment portfolio, it is important that we continue to support not only the efforts of large corporate clients, but also those of middle-market firms and small- and medium-sized enterprises. ● For achieving a low-carbon society, it is essential to engage not only with corporate clients but also with governmental agencies and other stakeholders, while taking global trends into account.
Efforts to ensure respect of human rights	● We must prevent and mitigate adverse human rights impacts from our financing and investment and expand our positive impacts for society. Indispensable to this will be expanding training to further enhance employees’ awareness about human rights.

First-time participation in initiatives during fiscal 2021

Net-Zero Banking Alliance (NZBA)

Joined to promote setting of medium- and long-term targets, formulation of action plans, and advancement of disclosures on progress among banks towards aligning lending and investment portfolios with net-zero greenhouse gas emissions by 2050.



Partnership for Carbon Accounting Financials (PCAF)

Global initiative that enables financial institutions to measure the greenhouse gas emissions of their loans and investments. In July 2021, we became the first Japanese financial institution to join PCAF. In November 2021, the PCAF Japan coalition was launched, and we were appointed as chair.



Taskforce on Nature-related Financial Disclosures Forum

Joined in order to contribute to constructing a framework for nature-related financial information disclosure, and promote environmental initiatives.



30% Club Japan

As part of further accelerating initiatives aimed at promoting women’s participation and advancement in the workplace, we joined a global campaign aimed at increasing the percentage of women involved in important decision-making bodies within corporations.



ESG indices which include Mizuho (as of June 2022)

2022 MSCI ESG Leaders Indexes Constituent

STOXX Member 2022/2023 ESG Leaders Indices

FTSE4Good

Bloomberg Gender-Equality Index 2022

ESG indices selected by the GPIF

General index

FTSE Blossom Japan

FTSE Blossom Japan Sector Relative Index

Themed indices

2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

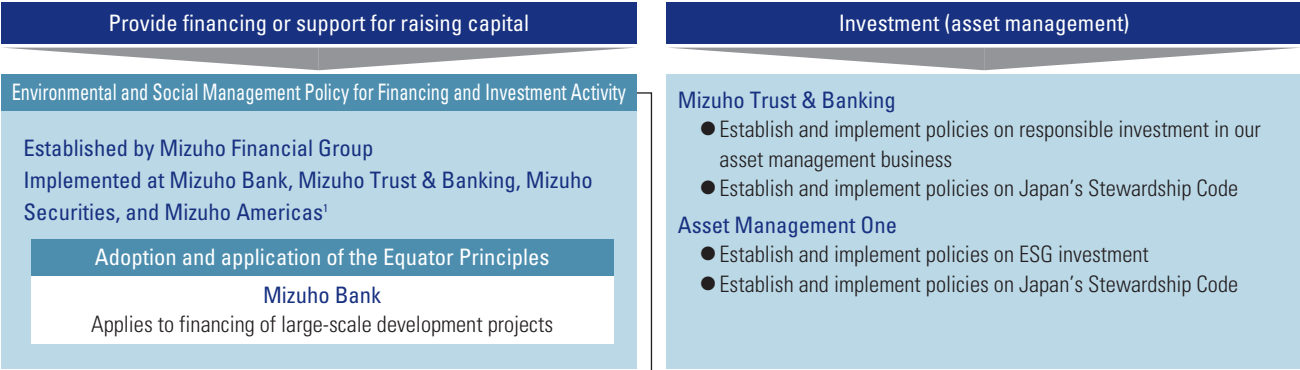
S&P/JPX Carbon Efficient Index

Responsible financing and investment

Mizuho has established the Environmental and Social Management Policy for Financing and Investment Activity to mitigate and avoid adverse impacts of financing and investment on the environment and society.

In March 2022, we revised the policy to strengthen our initiatives on respect for human rights, responses to climate change, and the conservation of biodiversity in line with the expectations and perspectives of our stakeholders.

An overview of responsible financing and investment



Initiatives for ensuring respect of human rights

Strengthening our initiatives for ensuring respect of human rights

At Mizuho, as well as committing to act with respect for human rights throughout our own business activities, we have established the Human Rights Policy in order to fulfil our responsibility to respect human rights throughout our global operations and value chain in accordance with the UN Guiding Principles on Business and Human Rights.

In view of increasing recognition of the importance of ensuring respect for human rights and the changes in human rights issues for financial institutions and global corporations, we have reviewed which human rights issues are of the highest concern, and are strengthening our initiatives.

FY2021 – FY2022 points for strengthening initiatives

- Reviewed human rights issues of the highest concern to Mizuho and revised our Human Rights Policy in May 2022.
- Clarified our approach to human rights due diligence, based on guidelines such as the UN Guiding Principles on Business and Human Rights.
- Strengthened our human rights due diligence with regard to forced labor, child labor, human trafficking, and business activities in conflict-affected areas due to the severity of these issues.
 - Enhanced the policies and operations behind our responsible financing and investment and our responsible procurement.

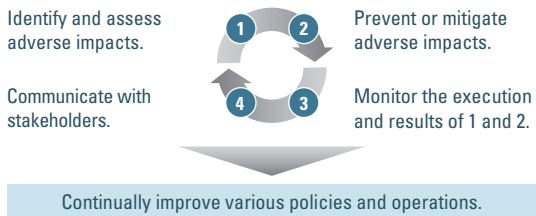
Structure for promoting respect of human rights

Corporate governance

- We regularly report to the Board of Directors on the status of human rights initiatives following discussion at the business execution line.
- In June 2022, the Sustainability Promotion Committee held discussions aimed at strengthening our initiatives, with reference to the advice of an external expert. This again confirmed the importance of effective operations based on the revised policy and of promoting respect for human rights through engagement (constructive dialogue) with clients and suppliers.

Human rights due diligence

- Having determined and assessed the human rights risks within Mizuho’s business activities, we are working to prevent and mitigate adverse impacts on human rights from human rights issues of the highest concern.



Stakeholder communication and disclosures

- We are using feedback from various stakeholders to enhance our initiatives for respecting human rights.
- We are working to enhance our disclosures to ensure transparency.

Publication of first Human Rights Report (August 2022)

In order to improve transparency, we became the first financial institution in Japan to publish a Human Rights Report. We based the report on the UN Guiding Principles Reporting Framework, and it summarizes details about our human rights-related initiatives.

https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/human-rights/solution/human_rights_report.pdf



Main initiatives

- We are incorporating respect for human rights into each policy and operational process and are working to prevent and mitigate adverse human rights impacts.
- While placing emphasis on engagement and cooperation with our clients and suppliers, we are also working on human rights awareness training for employees.

Our clients

- Promoting responsible financing and investment
- Information management
- Financial crime risk management (prevention of money laundering)
- Ensuring safety and soundness for financial service clients*

*Handle through actions such as preventing over-borrowing, providing financial facilitation, improving financial and economic literacy, and supplying consumers with appropriate information.

Our suppliers

- Promoting responsible procurement
 - Through our Procurement Policy, we set out the guiding principles for our suppliers, and request the understanding and cooperation of our main suppliers.

Our employees

- Providing a safe and supportive work environment
- Promoting diversity and inclusion
- Preventing discrimination and harassment
- Ensuring employee wellbeing, etc.

Addressing climate change (Overview)

At Mizuho, we have supported the intent and aims of the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations since 2017. Based on our awareness that climate change is one of the most crucial global issues having the potential to impact the stability of financial markets, we have positioned addressing climate change as a key part of our corporate strategy, and we are endeavoring to strengthen our initiatives.

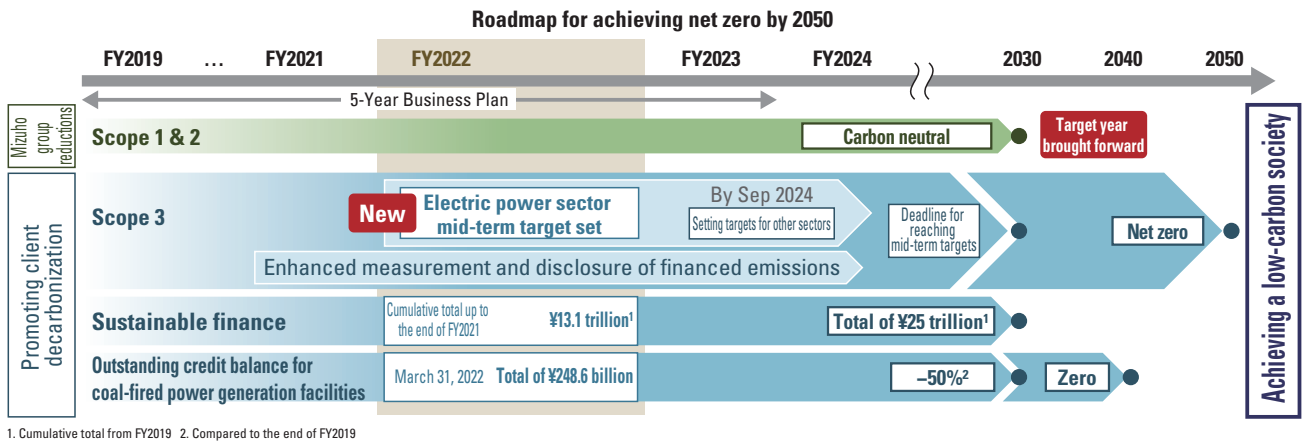
An overview of our main progress in fiscal 2021 is as below.

Approach to climate change and plans

In taking concrete steps forward with our response to climate change as outlined in our Environmental Policy, we are pursuing efforts to limit the rise in global temperature to 1.5°C. To this end, we formulated Mizuho’s Approach to Achieving Net Zero by 2050, which demonstrates our aims and actions towards realizing a low-carbon society, and the Net Zero Transition Plan, which indicates the direction of our initiatives.

Initiatives for achieving net zero by 2050

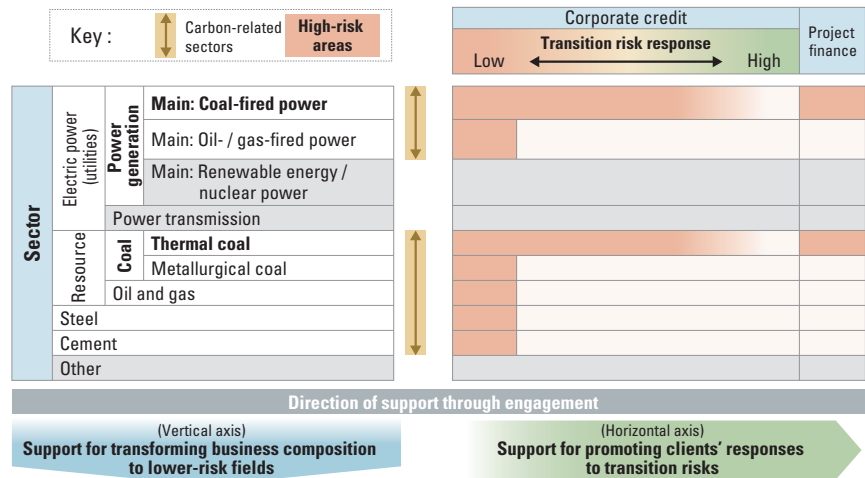
Regarding our targets for reducing greenhouse gas emissions, we have brought forward our target for reducing Scope 1 and 2 emissions by 20 years, committing to becoming carbon neutral by fiscal 2030. In addition, we have set an electric power sector mid-term target for our Scope 3 emissions (emissions from financing and investment). We will continue to move forward with setting mid-term targets, starting with targets for priority sectors.



1. Cumulative total from FY2019 2. Compared to the end of FY2019

Enhancing risk management

For our carbon-related sectors,³ we have established a structure to control risks in high-risk areas. These high-risk areas are identified through a risk assessment operating on two axes: (1) our clients’ sectors and (2) our clients’ measures to address transition risk.



3. Sectors recognized through Mizuho’s qualitative evaluation as facing high transition risk: Electric utilities, oil, gas, coal, steel, and cement (As of Jul 2022)

Strengthening our promotion structure

In fiscal 2022, we have established a Climate Change Response Taskforce and five working groups, and have been enhancing our promotion structure.

Improved scenario analysis

Transition risk analysis: Conducted analysis using the 1.5°C scenario and added steel as a target sector. (Overview of results in the following pages.)

Initiatives for measuring Scope 3 emissions

Regarding the measurement of greenhouse gas emissions from financing and investment (“financed emissions”) based on the PCAF method, we disclosed our financed emissions from corporate finance and project finance across 19 sectors.

Status of Mizuho’s response to TCFD Recommendations (Summary)

Underlines indicate initiatives strengthened after being disclosed in the Integrated Report 2021 (published in September 2021)

Governance

- Clarified Mizuho’s stance on climate change, our aims and actions, and our medium- to long-term strategy and initiatives through our Environmental Policy, Mizuho’s Approach to Achieving Net Zero by 2050, and Net Zero Transition Plan, which were approved by the Board of Directors.
- We built a supervision and business execution governance framework that centers on the Board of Directors.
Supervision: The Board of Directors and Risk Committee conduct oversight regarding information that is reported to them and deliberated following discussions at the business execution line.
Business execution: The Sustainability Promotion Committee (established in FY2021), Risk Management Committee, and Executive Management Committee regularly deliberate and discuss, then report to the Board of Directors. The Group CSO and Group CRO move forward initiatives in each field under the management of the Group CEO.*
- We have established a Climate Change Response Taskforce and five working groups (new in FY2022) to enhance our promotion structure.
- Compensation for corporate officers reflects the status of sustainability initiatives (including initiatives addressing climate change). In FY2022, we began utilizing external evaluations from ESG evaluation agencies.

*Due to the establishment of the Group CSuO role, in September 2022 a system was put in place where the Group CSuO and Group CRO move forward initiatives in each field under the management of the Group CEO.

Strategy

- We have formulated the Net Zero Transition Plan, which clarifies our medium- to long-term strategy and initiatives (April 2022).
 1. Net-zero greenhouse gas emissions: Become carbon neutral for Scope 1 and 2 by FY2030, achieve net zero by 2050 for Scope 3 (emissions from financing and investment), and begin setting mid-term targets for Scope 3.
 2. Strengthening low-carbon business: Strengthen our support for the transition to a low-carbon society by engaging with clients and providing financial and non-financial solutions.
 3. Improving climate-related risk management: Continually enhance risk management frameworks and policies that aim to create a business base resilient to climate change impacts.
 4. Strengthening our stance: Strengthen our stance on achieving net zero group-wide, focus on participating in international initiatives and coordinating with stakeholders.
- Risks and opportunities / responses
We see client investment in technological and business model development that leads to decarbonization as an opportunity for Mizuho. Using engagement (constructive dialogue) with our clients as a starting point, we are supporting our clients’ transition to a low-carbon society and their climate change countermeasures.
 - Engagement: Engaged with approx. 1,000 companies from the perspective of responsible financing and investment and with approx. 1,300 companies to promote clients’ sustainability initiatives.
 - Provision of sustainable finance: FY2019 to FY2021 total of ¥13.1 trillion (of which ¥4.6 trillion in environmental finance).
 - Development and provision of new solutions meeting clients’ diversifying needs.

- Risks:
Transition risks include credit risk related to companies in the financing and investment portfolio that are impacted by more stringent carbon taxes, fuel efficiency regulations, or other policies, or by delays in shifting to low-carbon and other environmental technologies. Transition risks also include operational risk related to reputational damage from financing fossil fuel projects.
Physical risks include acute risk in the form of damage to our group assets and to customer assets caused by extreme weather increasing the incidence of wind- and water-related damages. Physical risks also include chronic risk in the form of credit risk arising from deterioration in the macro economy due to increased instances of infectious disease, heatstroke, and similar.

- Scenario analysis:
Transition risk

Scenario	Net Zero 2050 (1.5°C) / Below 2°C / Delayed Transition / Current Policies scenarios developed by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS)
Analysis method	We specify a parameter for evaluating the impact of risks and opportunities faced by clients in the sector subject to analysis. We then analyze changes in Mizuho’s credit costs by formulating an outlook for the impact on clients’ financial results, based on changes to the parameter under the scenario.
Targeted sectors / Time frame	Electric utilities, oil, gas, coal, <u>steel</u> , and automobile sectors (worldwide) / by 2050
Credit costs	Cumulative increase through 2050 (difference with Current Policies scenario) Net Zero 2050: Approx. ¥1.2 trillion / Below 2°C: Approx. ¥60 billion / Delayed Transition: Approx. ¥1.1 trillion
Implications and necessary actions	• The increase in credit costs is the total through 2050, and the impact on the Mizuho group’s finances is limited. • We confirmed the importance of moving forward a rapid and smooth transition (orderly transition) towards a low-carbon society. • We will further enhance our engagement with clients to support their progress on responding to climate change in an orderly fashion. • We will conduct scenario analysis accounting for clients’ transition plans and apply it to more in-depth engagement.

Physical risk

Types of risk	Acute risks	Chronic risks
Scenario	NGFS Current Policies and Net Zero 2050 (1.5°C) scenarios	Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) 8.5 scenario (4°C scenario) / RCP 2.6 scenario (2°C scenario)
Analysis method	We calculated the impacts of wind- and water-related damages from typhoons and other storms. For direct impacts (impacts on asset value), we analyzed damage to Mizuho group assets (buildings, equipment) and credit costs from loss or damage of mortgaged real estate. For indirect impacts (impacts of business stagnation), we analyzed credit costs from business stagnation among our clients due to wind- and water-related damage.	We analyzed the impacts on credit costs from changes in the macroeconomic environment brought about by increases in infectious disease and heatstroke as well as by heatstroke prevention practices causing concomitant decreases in working hours among outdoor laborers.
Targets of analysis	Japan only, indirect impact is based on the location of the company’s headquarters (this analysis targeted middle-market firms and SMEs).	Japan only
Damage costs / credit costs	Current Policies: Asset value impact of ¥70 billion, business stagnation impact of ¥130 billion, both total figures through 2100.	RCP 8.5: Up to a total of ¥4 billion through 2100.
Implications	The analysis confirmed that there will not be a significant impact compared to our income during the period.	

Risk management


- We are identifying transition and physical risks resulting from climate change and integrating them into our risk appetite framework and our comprehensive risk management framework for credit, operational, and other types of risk. (Please refer to p. 99)
- Under our management of “top risks”, which are risks recognized by management as having major potential impact on Mizuho, we have positioned the increasing severity of climate change impacts as a top risk.
We consider additional risk control measures for top risks and report on the status of our response to the Board of Directors and other committees. (Please refer to p. 97)
- Risk control in carbon-related sectors
For carbon-related sectors (electric utilities, oil, gas, coal, steel, and cement sectors), we are establishing a structure to control risks in high-risk areas. These high-risk areas are identified through a risk assessment operating on two axes: (1) our clients’ sectors and (2) our clients’ measures to address transition risk.
We control risk in high-risk areas under the following exposure control policy.
 - We are more thoroughly engaging with clients to support them in formulating effective strategies for transition risks, in disclosing their progress, and in embarking on business structure transformation towards a lower risk sector at an early stage.
 - With the aim of facilitating business structure transformation, we provide any necessary support when we have been able to confirm that the client has set valid targets and planned an appropriate transition strategy in line with international standards.
 - We make decisions on whether or not to continue our business with a client in the event that the client is not willing to address transition risk and has not formulated a transition strategy even one year after the initial engagement based on careful consideration.
 - In this way, we are reducing our exposure over the medium to long term.
- Environmental and Social Management Policy for Financing and Investment Activity (Please refer to p. 67)
We have established and implemented a management policy for financing and investment that specifies projects and sectors with a particularly high likelihood of leading to adverse impacts on the environment and society (transition risk sectors, coal-fired power generation, thermal coal mining, oil and gas, etc.).
The business execution and supervisory lines periodically review changes in the external business environment and the outcomes of the implementation of the policy. Following this review, they revise the policy and improve its implementation.

Metrics and targets

Relation to transition plan	Main monitoring indicators	Targets	Recent results
Net-zero greenhouse gas emissions	Scope 1 and 2 emissions	Target year brought forward Carbon neutral by FY2030 (Carbon neutrality to be maintained thereafter)	FY2021 (provisional figure): 153,262 tCO ₂ - Scope 1 emissions: 11,341 tCO ₂ - Scope 2 emissions: 141,921 tCO ₂
	Scope 3 (emissions from financing and investment)	Net zero by 2050	N/A
	- Electric power sector	Newly established FY2030: 138 to 232 kgCO ₂ /MWh	FY2020: 388 kgCO ₂ /MWh
Strengthen decarbonization business	Sustainable finance and environmental finance	Total for FY2019 to FY2030: ¥25 trillion (of which the target for environmental finance is ¥12 trillion)	Total for FY2019 to FY2021: ¥13.1 trillion (of which the result for environmental finance is ¥4.6 trillion)
Enhance climate-related risk management	Target to reduce the outstanding credit balance for coal-fired power generation facilities based on our Environmental and Social Management Policy for Financing and Investment Activity	Reduce the FY2019 amount by 50% by FY2030, and achieve an outstanding credit balance of zero by FY2040	March 31, 2022: ¥248.6 billion (-17.0% compared to the end of FY2019)
	Exposure to high-risk areas within transition risk sectors	Reduce over the medium to long term	March 31, 2022: ¥1.6 trillion

- Items for disclosure aside from monitoring indicators:
 - Sector-by-sector credit exposure in line with the TCFD Recommendations
 - Greenhouse gas emissions from financing and investment (“financed emissions”) based on PCAF methodology

Please see our TCFD Report for more details on our initiatives responding to the TCFD Recommendations.

 https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/overview/report/tcfd_report_browsing_2022.pdf

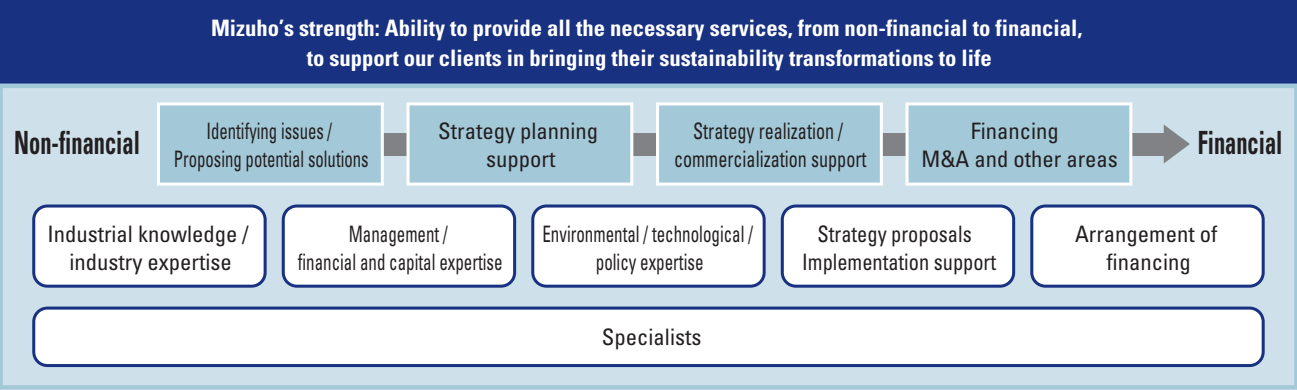


Supporting our clients’ sustainability transformation through sustainable business

Creating environmental and social value by supporting our clients’ sustainability initiatives

Mizuho’s clients are increasingly positioning sustainability initiatives, which address climate change and the environment, human rights, and more, as important management issues. Our engagement with clients integrates consideration for their medium- to long-term sustainable growth, improved corporate value, and strengthened industrial competitiveness, and based on this engagement we are actively developing and providing various solutions, utilizing our financial and non-financial functions, in order to support clients' sustainability transformation, including the transition to a low-carbon society. We will pursue growth for both Mizuho and our clients by expanding mutual opportunities and strengthening risk management.

In September 2022, we newly established the position of Group CSuO as the person responsible for promoting sustainability at Mizuho, as part of our efforts to further enhance our group-wide sustainability initiatives. Also, while making use of our existing customer segment-specific business strategies, we established new departments directly under the Group CSuO—the Sustainable Business Promotion Department and Sustainability Planning Department—and strengthened group strategy relating to sustainable business promotion. Having done so, going forward we will bolster our ability to promote individual initiatives to our clients, and we will advance our forward-thinking initiatives for providing solutions.



SDG/ESG consulting

We are supporting clients in planning and implementing strategy for resolving SDG- and ESG-related challenges, with a focus on environmental and social aspects.

FY2021

Environmental / energy sector consultants

Approx. 500 consultations¹

Approx. 130 consultants²

1. New private sector consultations by Mizuho Research & Technologies in FY2021.
2. Mizuho Research & Technologies: No. of people in Sustainability Consulting Divisions 1 and 2.

League tables³ / Awards

Publicly offered SDG bonds in Japan **#1³ (third year in a row)**

Arranged amount of sustainable finance (loans) worldwide **#1 Japanese bank³**

Ministry of the Environment's 3rd ESG Finance Awards Japan: Awarded Bronze

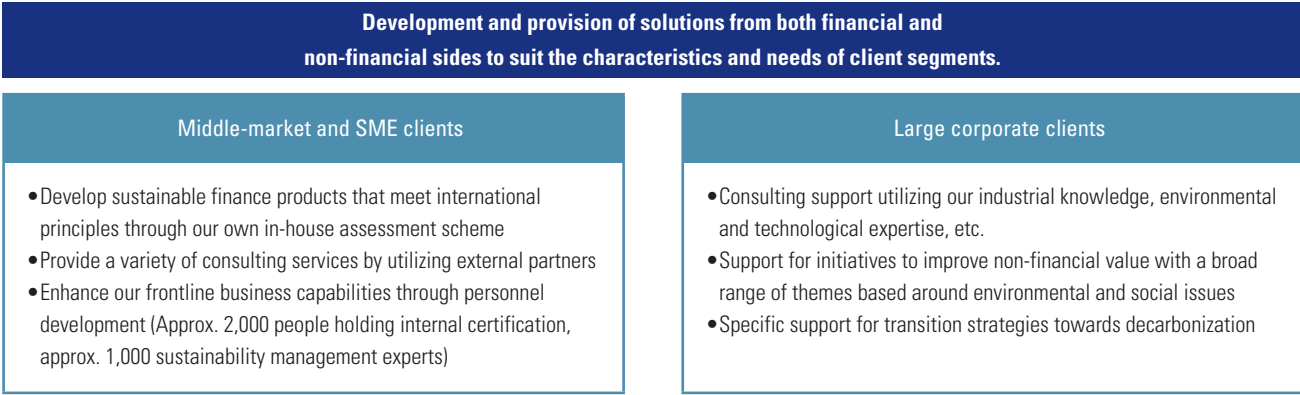
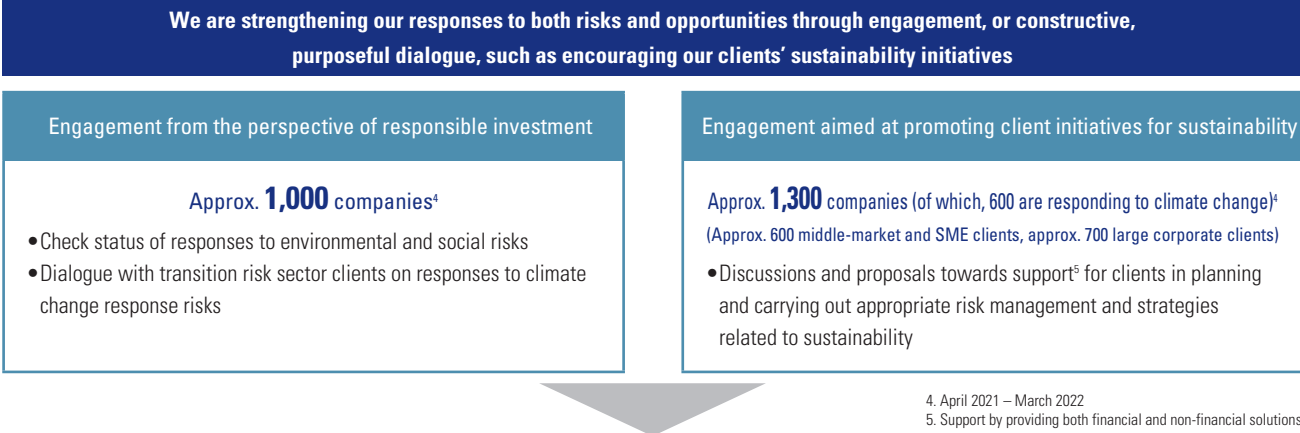
Mizuho Securities (Financial Services (Securities) Category)

Asset Management One (Investor Category)

2022 ESG FINANCE AWARDS JAPAN BRONZE

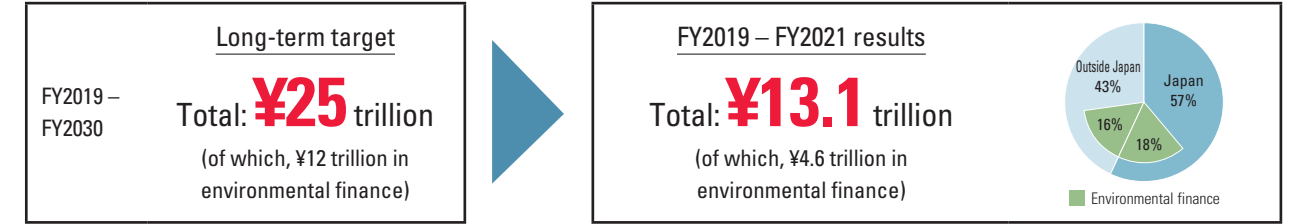
3. April 2021 to March 2022 league table results.
Created by Mizuho Financial Group, based on source data from Refinitiv.

Responding to both risks and opportunities via engagement



Sustainable finance and environmental finance initiatives

In order to direct capital toward environmental conservation and achievement of the SDGs, we have set long-term sustainable finance and environmental finance targets, and we are proactively providing financing.



Our definition of sustainable finance and environmental finance

Primary key sustainability areas referenced	<ul style="list-style-type: none">Environment & societySound economic growthIndustry development & innovation
Applicable finance areas	<ul style="list-style-type: none">Finance for clients where the intended use of funds is environmental and/or social projectsFinancing to support and facilitate ESG/SDG-related areas, including financing requiring clients to meet certain related conditions, and consideration and assessment of clients' responses to ESG/SDG-related areas
Applicable business areas	<ul style="list-style-type: none">Loans, underwriting, investments, asset management

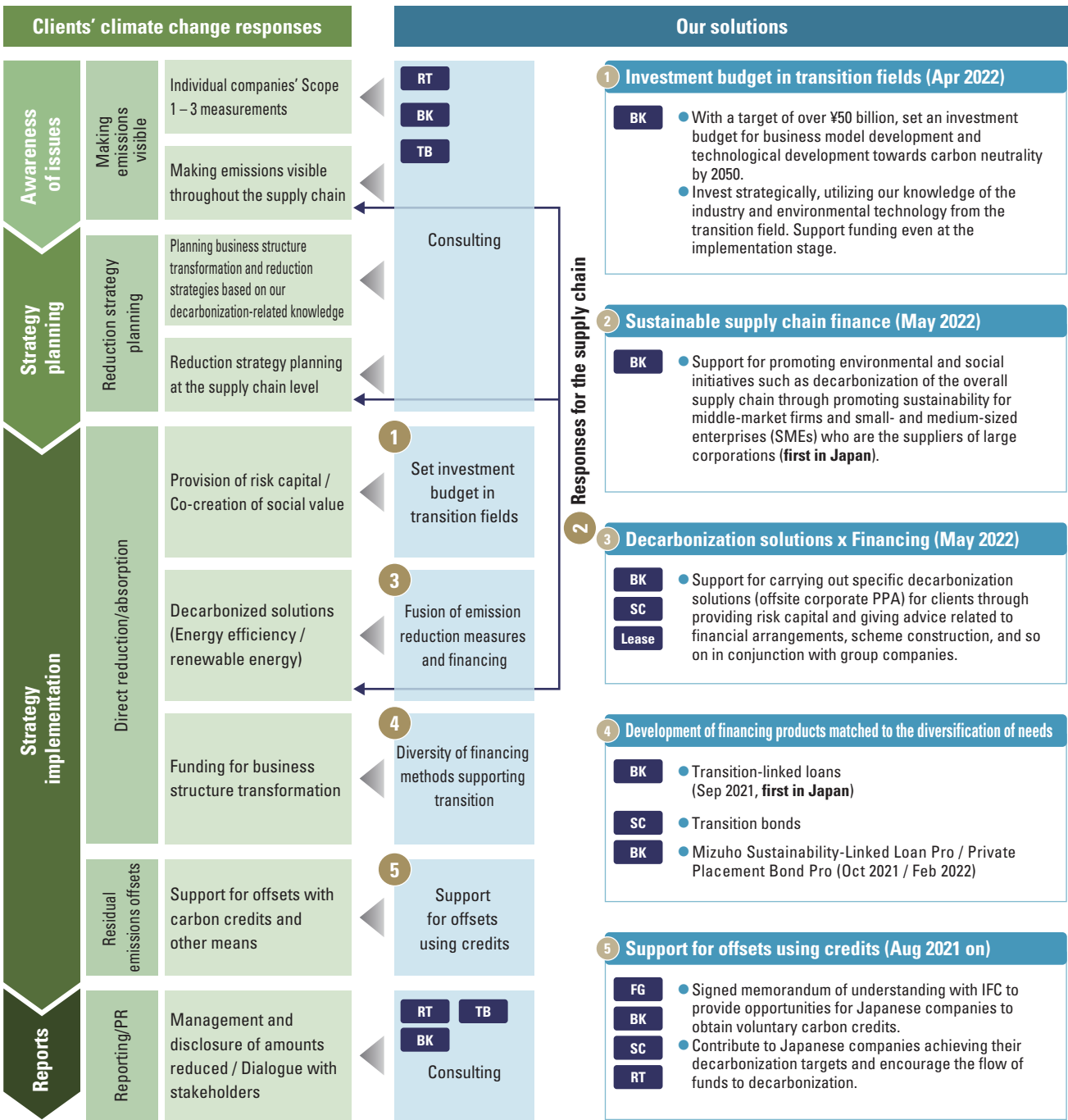
Breakdown of FY2019 – FY2021 results

Type of finance	¥ trillion
Project finance for renewable energy (loans)	1.0
Green bonds (underwriting)	1.7
Mizuho Eco Finance (loans)	1.0
Other environmental finance (loans / investment)	0.8
Environmental finance (total)	4.6
Project finance for infrastructure (loans)	0.9
Social/sustainability bonds (underwriting)	1.6
Sustainability-linked loans	2.5
Other sustainable finance (investment / loans / asset management)	3.5
Sustainable finance (total)	13.1

Supporting our clients' decarbonization through sustainable business

Further improving our ability to provide clients with solutions that support their decarbonization

Clients' initiatives in the area of decarbonization are steadily progressing into a concrete stage of transition strategy formulation and implementation. At Mizuho, we are expanding solutions for each stage of corporate conduct towards decarbonization and strengthening initiatives across entire value chains and supply chains. We are doing this by monitoring greenhouse gas emission levels, formulating and implementing emission reduction plans, and utilizing carbon credits. Going forward, we will actively provide financial support to clients implementing transition strategies, while also leveraging our industrial and technological expertise and other strengths to further expand our ability to provide both financial and non-financial solutions.



FG: Mizuho Financial Group BK: Mizuho Bank TB: Mizuho Trust & Banking SC: Mizuho Securities RT: Mizuho Research & Technologies Lease: Mizuho Leasing

Development of a wide range of decarbonized solutions

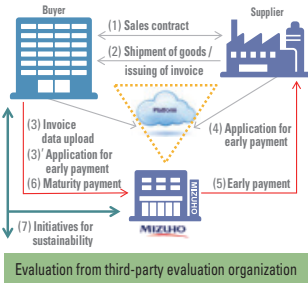
In order to expand our initiatives for a low-carbon society across the whole of society, we are proactively making use of employee ideas and strengthening our solution development so that we can assist even more clients in their initiatives.

Drawing inspiration from employee ideas 2 4

- The investment budget for transition areas was originally drafted by our relationship managers (RMs)—who have an understanding of client needs from their day-to-day interactions—when they were working on identifying issues and coming up with plans for solutions.
- The Mizuho Sustainability-Linked Loan Pro was developed by members of the Corporate Business Coordination Department's SDGs Business Desk who proactively applied for concurrent assignments.

Sustainable supply chain finance 2

- Looking towards achieving decarbonization across our entire supply chain, we focused on the responses and financial burdens of our middle-market and SME clients, and developed a framework for supporting initiatives through providing capital raising incentives.
- We are contributing to the development of an even stronger, more stable sustainable supply chain.



Fusion of decarbonized solutions and finance

Mizuho is supporting specific initiatives conducted as part of our clients' transitions to a low-carbon society by leveraging our financial and non-financial expertise and providing decarbonized solutions and financing in collaboration with external partners.

Client feedback (Aeon Mall) 3

Background and outlook

The concept behind this initiative is for Aeon Mall to use locally generated electricity, and to ensure that customers understand the initiative.



Aeon Mall plans for all facilities under direct company management to be powered by local renewable energy by 2040. With solar energy procurement as the first step, going forward, Aeon Mall intends to make full use of wind, biomass, and other power generation methods, storage batteries, and more. Further, it will quantify its customers' pro-environment efforts, such as making use of renewably sourced electric power for their EVs (V2AEON MALL), planting trees, and recovering discarded plastic. This quantification makes it possible to connect increased awareness of environmental efforts with systems for awarding points, thus encouraging a change in customer behavior and allowing Aeon Mall to build a decarbonized society together with its customers.

Mizuho's involvement in discussions and dialogue on this initiative

Through this project, which involves Mizuho, Aeon Mall, and a power generation O&M company,* Mizuho has carried out project management that leverages our expertise in both financial and non-financial services. Our efforts led to an agreement being reached smoothly and quickly, a first step towards achieving a transition to a decarbonized society.

* O&M: Operation & Maintenance

Expectations for Mizuho going forward

There are hopes for this initiative between Mizuho and a large-scale consumer to pave the way for the adoption of renewable energy throughout the country. This initiative is the first step towards achieving the local renewable energy system desired by Aeon Mall. With regards to future initiatives for increasing the energy supply and diversifying the forms of power generation, support is expected from a collaboration between Mizuho and a partner company from Mizuho's network.

Digital transformation



By applying Mizuho's expertise to real world problems faced by society and customers, we will provide solutions that only Mizuho can, and create new value.

Makoto Umemiya
 Member of the Board of Directors
 Deputy President & Senior Executive Officer
 Chief Digital Innovation Officer (Group CDIO)

Anticipating the world 10 years from now

Imagine the world a decade from today. Space travel is more routine, and drone deliveries and self-driving taxis are commonplace. A digital version of yourself participates in the economy of the metaverse, which becomes a central part of daily life. People can move around instantly with virtual travel. With the advent of NFTs, the value of "things" and the line between the real and the virtual becomes increasingly unclear...

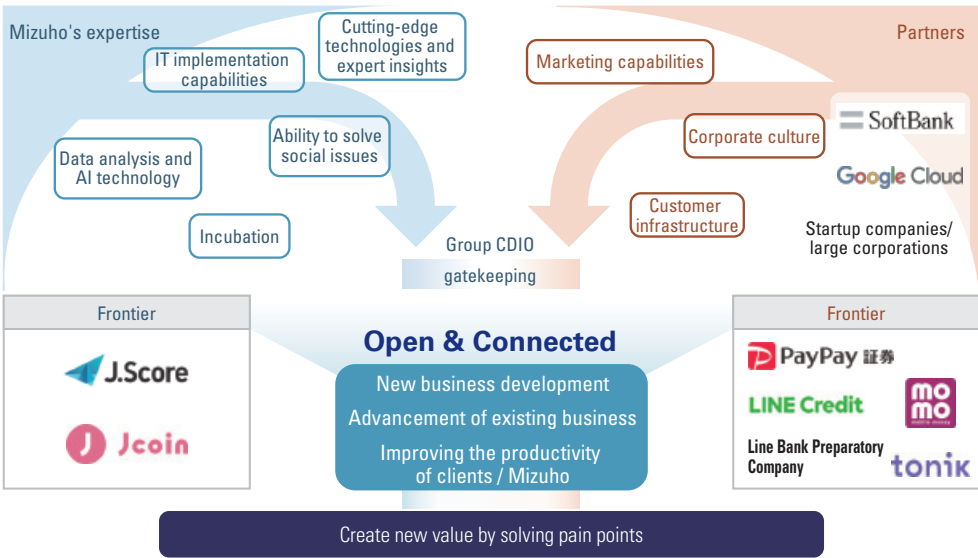
In this way, the concepts of "time" and "space" may have changed dramatically 10 years from now, and we may be living in a dream-like world. At the same time, as we detailed in the section on Mizuho's materiality, in the real world there are a number of challenges to be addressed in order to realize sustainability. What does Mizuho need to do today to solve the various social issues and customer pain points, and to closely align with each person's hopes for the future? I believe that one of the answers is to take full advantage of Mizuho's strengths and promote a form of digital transformation (DX) unique to Mizuho.

What are Mizuho's strengths?

The following three points are Mizuho strengths, which will enable us to establish a competitive advantage in DX going forward.

- (1) The cutting-edge technologies and expert insights—including AI—and IT implementation capabilities of group companies Mizuho Research & Technologies and Mizuho-DL Financial Technology.
- (2) Our robust business base with startup companies that have strong technological capabilities and with major companies that are advancing leading initiatives in various fields.
- (3) Our strategic partnership with Google in the DX field and our other partnerships with tech companies for the development of new business.

Currently, the areas in which we have demonstrated these strengths and are pursuing innovative initiatives, in addition to partnerships, are payments, local government DX, and healthcare. You can find more information about our initiatives on the next page. By applying Mizuho's strengths to issues faced by society and customers, we intend to set off a positive chain reaction that no one could have imagined.



Mizuho's DX initiative fields

This section provides examples of our innovative DX initiatives in the fields of payments, local government DX, and healthcare.

[Payments] [Local government DX] New payments infrastructure which can be incorporated into other services, and local currency

Mizuho has begun initiatives to build a new payment infrastructure that can be directly incorporated into services provided by companies and local governments in Japan, in order to provide comprehensive support for the digital transformation of payments and transfer services.

One of these initiatives, House Coin, is a reloadable coin service that enables payments only in a specific economic zone, such as a company's own stores, or in specific regions under a local government. In the shift to a cashless society, tech companies will provide services that form the foundation of the society, and there will be many "house coins" that can be used only within closed economic zones; in other words, we will move toward a two-layered structure. For companies and local governments, it is becoming increasingly important to conduct analysis of their customers and residents, respectively, in terms of how each of these groups think and what their consumption behaviors are, based on behavioral data. Companies and local governments can then use this analysis to improve satisfaction levels. We believe that "House Coin" has great potential in this area.

[Healthcare] Healstep, a next-generation health business service utilizing AI

Healstep, a joint venture with the Dai-ichi Life Group, is a service that helps Japanese health insurance associations improve the efficiency of their health services and curb medical costs by analyzing future medical expenditure projections using AI. This service leverages Mizuho Research & Technologies' strong expertise in the social security field and its healthcare data analysis and consulting capabilities. The service was awarded the highest prize at the Data Health Grand Prix of the Data Health / Preventive Service Expo 2021 sponsored by Japan's Ministry of Health, Labour and Welfare.



Corporate culture reform through DX

The most important aspect of moving DX forward is to accurately understand pain points such as the issues and needs of all stakeholders, including society, customers, and employees, and to take the first step toward resolving these issues. This is exactly what is required of Mizuho today. The promotion of DX is one and the same with the reform of Mizuho's corporate culture, and we will continue our active endeavors in this area going forward.

Our people and organization



Our people are Mizuho’s largest and most robust corporate resource. By becoming an even more inclusive organization where every employee can grow in their own way and where employees from a variety of backgrounds can actively participate, we are endeavoring to expand our human capital so that we can provide value sustainably to our customers and society.

Nobuhiro Kaminoyama

Member of the Board of Directors
Senior Executive Officer
Group Chief Human Resources Officer (Group CHRO)

Considering the environment surrounding our people and the organization

Mizuho has caused considerable inconvenience to our customers due to the occurrence of multiple IT system failures in Japan. On the internal side of this, Mizuho’s employees were let down, and with Mizuho losing the trust of customers many employees lost their own confidence. We are now at the stage of reviewing our HR management so that employees can once again look forward and stride confidently toward the sustainable growth of our people and the organization.

Two approaches to value

To achieve the above, there are two approaches that I hold as important.

The first is for each employee to think of themselves as the protagonist of their own story and consider what kind of person they want to become—in other words, valuing the narratives of employees. HR management cannot be achieved only through the company’s efforts. HR management only becomes effective when employees take the initiative as a responsible party and connect this to their own daily activities. The aim is for employees and the company to both face the same direction and to achieve growth together.

The second approach is ensuring thorough implementation of strategic HR. We will look ahead to the future of society, the environment, and the economy, and develop personnel who will support Mizuho’s business from a long-term perspective. In addition, we will pursue both the strength of individuals and the strength of teams that bring individuals’ capabilities together.

Three key initiatives for the sustainable growth of our people and the organization

In doing so, we will focus on the following three points: (1) Becoming a group of professionals in which each employee has a high level of expertise and proactively takes action; (2) Providing an even more inclusive workplace where the ideas and values of employees from diverse backgrounds are mutually accepted and respected in order to maximize the overall capacity of Mizuho as an organization; and (3) Ensuring Mizuho employees feel supported in the workplace.

We have comprehensively reviewed our existing HR management and have already launched a number of new measures. We are thoroughly integrating feedback from employees to improve and reform HR management and systems without being bound by precedents.

Through this series of continuous initiatives, we will endeavor to further expand our human capital in a sustainable manner.

Initiatives and approaches for the sustainable growth of our people and the organization



Encouraging self-driven action and strengthening expertise to support the co-creation of value with clients and society

Our people are the greatest driving force behind Mizuho’s continued provision of value. In order for each employee to play an active role to the fullest extent possible, they must have the autonomy to continue to challenge themselves and grow, and the expertise to create new value together with clients and society.

How do Mizuho employees become self-driven?

Employees aim to develop careers that enable them to utilize their own values, ways of thinking, strengths, and individuality. The company is responsible for valuing the narrative of each individual, supporting employees’ career development, and raising their motivation for growth.

Joint pursuit of individuality by employees and the company

Employees can demonstrate their maximum potential when they take pride in their work and contribute in their own way. However, it can sometimes be difficult for people to see what their potential is. At Mizuho, each employee forms a career that is uniquely their own by ascertaining their own qualities and values through the three steps of “knowing oneself”, “thinking about one’s career together with the company”, and “creating one’s career together with the company”.

Specifically, employees and the company (managers and HR) engage in dialogue to share goals to aim for and areas of expertise that should be enhanced. The company then provides appropriate feedback. This kind of communication happens at least once every three months.

Managers provide employees with the information they need to develop their careers and opportunities for growth according to their career stage. In addition, the Human Resources Group has specialized career advisors who provide advice according to each employee’s situation and career orientation. We call this series of initiatives of getting to know oneself and building a career together “career development management”.

HR management that expands one’s growth and active areas

In Japan, for many years we conducted HR management based on job tracks, under which “generalist track” employees engaged in all kinds of work and “operations specialist track” employees mainly engaged in work in specific fields. This was abolished in fiscal 2021.

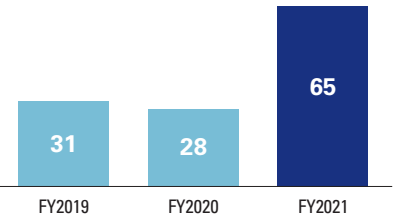
By eliminating the barrier of job track classifications, all employees can enhance their expertise and gain opportunities to play an active role based on their own abilities and pace of growth. As a result, employees are working more passionately than ever before to improve their own value through their work; for example, employees who were formerly classified under the operations specialist track have transferred to offices outside Japan at their own request and are expanding their areas of activity.

Various mechanisms to support employees who take on challenges

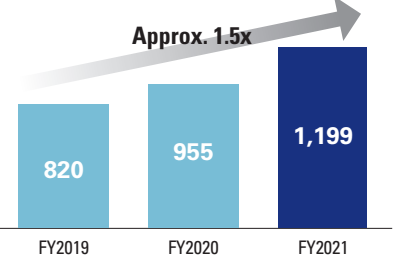
Mizuho actively supports employees who learn and take on challenges on their own.

The internal job posting system broadly recruits personnel within the group who have certain skills and experience, as well as personnel who are more passionate than anyone else about acquiring skills and experience. In order to enable employees to learn about job duties in areas with which they may not have contact on a daily basis and pursue new possibilities, we are providing introductions about the duties of each department and holding round-table discussions with employees who have utilized internal job postings. In fiscal 2021, approximately 1.5 times as many employees as in fiscal 2019 utilized internal job postings.

Number of career design training sessions



Number of applicants for internal job postings

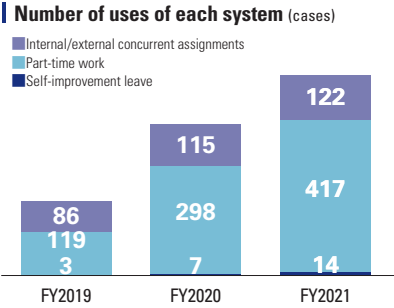


Our people and organization

We also have a system in place to support employees who are taking on challenges in different areas while continuing their current work.

Under the internal/external concurrent assignment system, about 20% of employees’ working hours are in positions at other departments within the group and, in some cases, at other companies. For employees, it is an opportunity to develop skills and abilities that cannot be acquired only through their primary duties, and to gain new awareness about their work duties.

The part-time work system, which allows employees to start their own businesses or run their own businesses outside of working hours, has been utilized approximately four times more compared to fiscal 2019. Also, employees who want to devote themselves to learning outside of work, e.g., attending schools such as graduate schools or external programs, have been taking advantage of the self-improvement leave system.



Mayumi Kabasawa
Internal Audit Department
Mizuho Financial Group

The internal job posting system and utilizing the opportunities it presents, from an employee who used the system to expand their own possibilities

I used to work as an operations manager at a Mizuho Bank branch, and I now work in internal auditing, where I conduct ongoing monitoring and on-site audits of branch operations. The experience I gained during my time at the branch office has been very useful in my current job. I was worried about taking on the challenge of a new job in a new department, so it took a lot of courage, but there was a system in place to support me. After being selected for the job posting, I had opportunities to receive training and lectures. Since I have knowledge of the frontlines, I think about the reactions of frontline offices and customers as I conduct my daily work, looking to become a bridge connecting the frontlines and management.

Dialogue-oriented evaluation cycle to further increase motivation for growth

We are ceaselessly developing employees’ motivation to grow by instituting periodic reviews between managers and employees about employees’ goals, achievements, strengths, and challenges. As part of effectively going through the evaluation cycle from setting goals to performance review, feedback, and setting new goals, Mizuho places an emphasis on dialogue between managers and employees. Rather than focusing only on what employees were able to do, through periodic reviews managers and employees confirm the growth of employees’ abilities and expertise, including what employees were unable to do. Mizuho then reflects this fairly in compensation, transfers, and promotions.

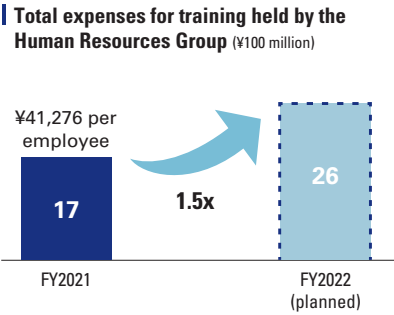
The role of managers is key for increasing the effectiveness of the evaluation cycle. We hold human resource management training aimed at improving the listening ability of managers, increasing the quality and quantity of dialogue, and cultivating the skills necessary to become a good coach.

How are Mizuho's employees enhancing expertise needed to drive business?

The development of digital technologies and the growing awareness of sustainability in society are creating new business domains for Mizuho. Essential to advancing these businesses is to have personnel with a combination of expertise. Mizuho conducts strategic HR in line with the business strategies of each domain, such as securing, developing, and appointing personnel from a medium- to long-term perspective.

Developing employees to form a highly specialized group of professionals

Each business domain requires different types of expertise, and the development methods are not the same. We make visible the skills and experience that individuals should acquire and, through planned placement and training, develop personnel with expert knowledge in each domain. For example, in the digital domain, Mizuho Research & Technologies and Mizuho-DL Financial Technology are at the core of our efforts to strengthen our personnel. Furthermore, we are implementing personnel exchanges with leading companies in the digital field and have introduced an incentive program to enhance the digital literacy of all employees. Under our policy of aggressively allocating corporate resources to personnel development, we will increase the amount of funds dedicated to training by 1.5 times compared to fiscal 2021.



Creating synergy between different domains

As part of this development, we are transferring employees to areas other than those in which they have mainly gained experience. This has led to employees discovering new possibilities for themselves and refining their expertise by taking a look at themselves from a different perspective. Additionally, the intermingling of expertise in different domains sparks “chemical reactions” and creates synergies that transcend business domains.

Specifically, personnel exchanges between IT system user departments and development departments are the cornerstone to realizing IT system development that balances system quality and the ability to respond to business needs. Synergies between customer divisions and consulting divisions additionally provide opportunities to create new financial products and services.



Total hours of training held by the Human Resources Group (FY2021)
Per employee: 12.6 hours



Number of employees participating in IT- and digital-related training (FY2021)



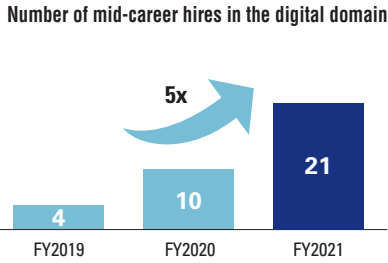
Kaede Sano
Digital Marketing Department
Mizuho Bank

Strengthening expertise through exchange of IT and business personnel

Through the Mizuho IT Program (a program for developing early career IT employees), after experiencing IT system development work in the IT division, I transferred to the Digital Marketing Department, where I am involved in the implementation and systematization of the latest digital technologies for identifying the true needs of customers. Because I have experience in both customer divisions and the IT division, I am able to conduct IT system development in an efficient and safe manner without losing sight of the customer’s point of view. I would like to make use of the expertise I have cultivated through my experience in both of these divisions to contribute to Mizuho’s digital strategy.

Mid-career hiring to expand expertise and diversity

We are actively recruiting mid-career candidates, including talent from other industries, in each business domain, beginning with the digital domain. Such people, by becoming new members of Mizuho, not only spread new knowledge and insight to the employees around them, but also have many positive effects on the diversification of values and perspectives, the fostering of a new corporate culture, and the development of new business.



Developing management leaders who will drive business and bring growth for the future

Securely retaining management leaders who bring together each business domain, anticipate the times, and realize growth for the future is a key topic for Mizuho.

In the development of management leaders, we select candidates for each business domain. Operating officers—which were newly established in fiscal 2021 and are positioned at one level below executive officers—assume greater responsibilities in their respective business domains and are working on challenging missions that they have set for themselves. In fiscal 2022, 37 new operating officers were appointed (including four women and five with non-Japanese nationality). These operating officers are gaining experience in business domains that are new to them and participating in management study sessions hosted by the Group CEO and an external management leadership development program in order to broaden their insights and enhance their perspectives. The target of these programs has been broadened to also include candidates for operating officer positions.

Becoming an even more inclusive organization where employees from diverse backgrounds can play an active role

The driving force for creating new value together with customers and society is to become an inclusive organization in which all Mizuho employees, who have diverse backgrounds, experiences, and values, can utilize their individuality as strengths and demonstrate their identity and abilities to the fullest. With the aim of enabling employees to contribute in their own way, we have set forth Mizuho’s Commitment to Diversity & Inclusion.

How do we promote the active participation of diverse personnel?

We are developing an organization in which all executive officers and employees accept diverse viewpoints and values and respect one another. This will contribute to a virtuous cycle in which healthy and open discussions are held and then reflected in daily operations and decision-making, leading us to take on more proactive challenges.

Expanding business through the active participation of international personnel

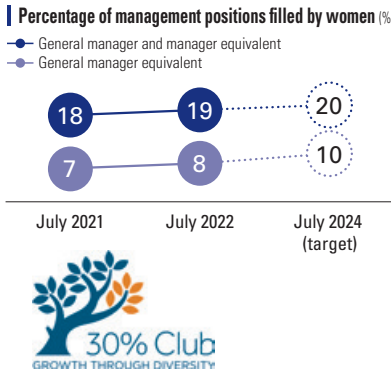
Bringing together people who have grown up in different countries and cultures allows us to make new discoveries and gain new perspectives. As global business development moves forward, diversity in terms of different nationalities and races is becoming increasingly important, and we are focusing on the development of employees hired locally outside Japan. Specifically, we are implementing training through transfers between offices outside Japan and through trainee programs in Japan for future local management candidates. In response to travel restrictions due to the COVID-19 pandemic, we have also started a remote program. In addition, as an initiative to foster a global mindset, we held an event for employees featuring a dialogue between the Head of Banking Americas of Mizuho Americas and the Group Chief People Officer of Mizuho Financial Group.



Dialogue between the Head of Banking Americas and the Group Chief People Officer on the topic of team building

Encouraging the further active participation of women through career support

The active participation of women, who account for about half of all employees, is indispensable for the sustainable development of the organization, and we are promoting organization-wide initiatives for this under the leadership of the Group CEO. In fiscal 2021, we set a new target for the percentage of women in general manager or equivalent positions who are candidates for the next generation of management leaders. In order to respond to various issues according to women's career stages, we are also implementing initiatives to support each woman of a certain job level or higher. These initiatives include mentoring and other means in line with their career views and issues, and they form a unified effort between the employee’s affiliated division and department and the Human Resources Group. Furthermore, in June 2021, we joined the 30% Club Japan.



Minako Nakamoto
General Manager,
Corporate Planning Dept.
Mizuho Securities

Enjoying her work as herself, rather than "as a woman"

Under my own motto of “enjoying my job”, I work with a particular attention to my personal brand and focus on the extra value that only I can provide. There have been many difficult times at work, but looking back, all of the experiences that have fueled my growth are the ones when I worked my hardest and gave it my all to see something through. Even when things don’t go well, as long as I gave it my all I won’t have any regrets, and it will be sure to help me grow into my future self. Since being appointed to a management position, I have been conscious not only of enjoying my own work, but also ensuring that the employees working under me enjoy theirs as well, and I am using this as something that contributes to value creation. I believe that everyone finding and demonstrating the added value that only they can provide will lead to the expression of their individuality and the active participation of all people.

Workplaces where all employees can play an active role in their own way, regardless of whether or not they have a disability

The entire group aims to have workplaces where everyone can work in a supportive environment, and is promoting appropriate considerations and the further development of such workplaces. In fiscal 2021, we worked to improve the structure of business processes that leverage the talents of people with disabilities and implemented initiatives to ensure stable business continuity even during the COVID-19 outbreak.

Employees with disabilities have taken the stage at special needs schools and seminars for university students, and actively communicate their thoughts and experiences both inside and outside the company, deepening mutual understanding among employees and building their own self-confidence. Through such initiatives, we aim to move forward as an organization that co-creates value, in which each and every employee, regardless of whether or not they have a disability, can sustainably play an active role while fully demonstrating their abilities and individuality.



The driving force to make Mizuho more than the sum of its parts

An inclusive workplace is a driving force that exerts power beyond the sum of each employee’s individual potential, and has a significant effect on self-directed and self-driven initiatives by employees. By actively engaging in effective communication that transcends the organization and roles, we can reaffirm the value of one another's existence, and the chance encounters that arise as a result become the impetus for innovation.

Vertical, horizontal, and diagonal networking

Employee Resource Groups (ERG), which are voluntary activity groups comprised of employees from different areas of the organization and of varying ages, aim to contribute to the growth of members and the organization by creating connections around specific topics.

Mizuho Diversity & Inclusion Month, which is held every November, is a project that employees proactively plan, operate, and participate in. By enabling employees to hold discussions and disseminate information while learning, it has become a platform for broadening connections with others and experiencing a diverse range of ideas and values.

We have established an “alumni network” to connect former employees of Mizuho who are active in various fields. We also hold events where these alumni and current employees can interact and engage in dialogue regarding their perspectives on careers and working styles. In addition to building open, flat connections that transcend company boundaries, it is an opportunity to reaffirm Mizuho’s strengths with views from the outside.

Examples of Mizuho ERGs

Shinmai

Aiming to revitalize the organization, provide value to society, empower early career employees, and create bottom-up initiatives.

M-WIN

Aiming for the further active participation of women working at Mizuho in the workplace and in society through mutual development and support.



160

Number of registered alumni (FY2021)



Shugo Arai
Industry Research
Department
Mizuho Bank

Early career employees want to be heard, too. What each person is passionate about will change the organization.

If it becomes commonplace for employees to take on challenges in areas they are passionate about, not only in ERG activities but also in everyday work, I think that employees’ everyday tasks will then generate new value and discoveries. Because of this, I believe we should aim to provide value to customers and society as a product of our work, and embody the idea that external evaluations are more important than internal evaluations. The size of the Mizuho organization is one of our strengths. It would be great if everyone would utilize Mizuho’s resources to the fullest extent possible and endeavor to build an even better company themselves.

Our people and organization

Initiatives to create together with employees

With the aim of reforming the corporate culture, we have established employee-led working groups. These groups serve as a means for the company to work with employees on identifying issues related to the corporate culture. The groups have been continuously holding discussions between employees—and occasionally executive officers as well—regarding specific responses to such issues and how to effect reforms that are more evident to employees.

Going forward, HR management will also be jointly designed by employees and the company. We have been conducting a lively exchange of opinions with employees (co-creators), who participated voluntarily, about the state of HR management and how to communicate information throughout the company.

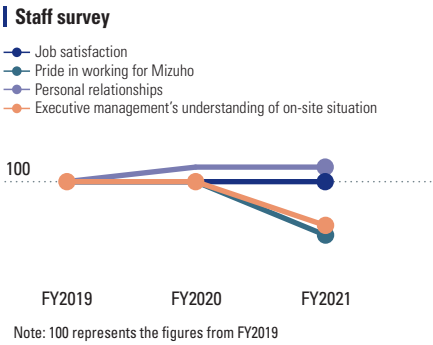
Flat connections between executive management and employees

Since February 2022, we have been holding round-table discussions in which the Group CEO and about 10 employees exchange their views through “flat” dialogue, without specifying a topic.

Note: For details of the initiatives, please refer to “Progress of the Business Improvement Plan” on p. 28.

In addition, we are working to strengthen communication by holding town hall meetings between executive officers and employees, small group sessions where participants have “flat” conversations, and dialogues between Head Office and the frontlines in various forms. For example, we held an off-site meeting for general managers based on the staff survey, and panel discussions on HR management. We will become an open organization by deepening dialogue between executive management and employees and between Head Office and the frontlines, and by understanding each other's perspectives and ideas.

Due to the IT system failures, scores for the company and executive management fell in the staff survey. With strong conviction based on a deep reflection on these events, going forward we will aim to be an organization with a sense of unity in which all executive officers and employees can act on their initiative and engage in constructive discussions.



Providing an environment where employees can reach their full potential

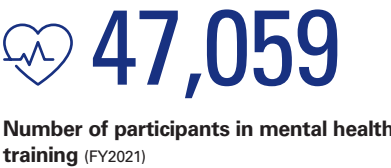
For employees to demonstrate their maximum value as personnel and enthusiastically play an active role, it is essential to have a supportive working environment. To that end, in addition to supporting the physical, mental, and social health of employees, we are further expanding our system enabling flexible working styles according to the circumstances of each employee regardless of time or place, and we are making various efforts to facilitate balancing of work, childcare, and nursing care.

Employee health and wellness in an age of longer lifespans

In order to promote operational efficiency and eliminate overwork, Mizuho is focusing on making materials paperless and has designated days where all employees are encouraged to leave the office on time. Also, from October 2022 we will stop the discretionary labor system for employees involved in operational planning and change to a working style that is more conscious of efficiency, thereby promoting a more supportive working environment.

With regard to initiatives related to improving mental health, we provide training for all employees to deepen their understanding of stress and encourage self-care, and hold training for managers to promote an awareness and understanding of the mental health of themselves and their employees.

In collaboration with the Dai-ichi Life Group, we have developed “Healstep”, a next-generation health business promotion service. “QOLism”, an app which is a part of this service, is capable of automatically linking with wearable devices, recording meals, and sending exercise videos, and also enables users to participate in walking events. The app is used by many employees as a support tool for adopting healthy lifestyle habits in a fun way.



Flexible working styles that suit each individual's lifestyle

Mizuho is working to improve the environments in which employees work. This includes allowing employees to work from home according to their individual work circumstances, and setting up satellite offices where employees can work without commuting to the office in an environment that is essentially equivalent to that of the office. With regard to working hours, we have introduced flextime work, staggered working hours, and 3- or 4-day work weeks that enable more flexible working styles. We are also promoting the use of paid leave, and employees are able to use paid leave in half-day increments up to 32 times per fiscal year.

Support for balancing life events and career

Mizuho has established systems exceeding legal requirements so that employees balancing childcare or aging family member care with their work can continue working, and we are developing measures for those who balance childcare and work with a focus on career development. For example, we hold periodic interviews between employees and managers before the employee returns to work, during their childcare leave, and after the return to work, and hold seminars by external lecturers on the topic of long-term career development for employees who have returned to work. Because an employee survey identified that there was high demand for a network of people who are balancing work with such life events, from fiscal 2021 we also launched “Work-Life Balance Radio”, a 30-minute show during the lunch break that features talks with role models and answers to listener questions.

Promoting planned childcare leave for men is also improving productivity and working environments in the workplace as a whole, as well as contributing to the promotion of women's active participation in the workplace and to talent acquisition. In addition to conducting e-learning for all employees and "New Dad Seminars" for men, we are ensuring an environment in which it is easy for both men and women to take childcare leave by promoting understanding among not only applicable employees, but also their managers and employees around them.



Percentage of paid leave taken by employees (FY2021)
Level to continuously maintain 70%



Toward a Mizuho where employees and the company grow together

As the importance of human capital management increases year by year, the nature of the relationship between employees and the company is changing significantly to one of "choosing and being chosen". Accordingly, I feel that a people-centric marketing approach of listening to the voices of customers, and providing better experiences in order to continue being chosen by customers, is becoming important in the field of HR management as well. Anticipating this trend, Mizuho is focusing on valuing the narratives of its employees and is driving initiatives for employee-oriented HR management.

Employees and executive management are coming together on their own initiative and incorporating external knowledge to actively discuss on a daily basis how to create the future of Mizuho together. We are steadily fostering an inclusive corporate culture that respects all forms of diversity and connects employees with each other and the company with trust and respect. We will endeavor to continue to create and provide new value for customers and society by enabling all employees at offices around the world to be proud members of Mizuho and contribute in their own way.

I hope you will look forward to Mizuho’s developments in the future.



Natsumi Akita
 Group Executive Officer
 Group Chief People Officer (Group CPO)

Foundations for our corporate value

Corporate governance	P. 89
Risk governance	P. 97
Compliance	P. 102
Fiduciary duties	P. 105
Cybersecurity	P. 106
Stakeholder communication	P. 107

Corporate governance

Mizuho Financial Group aims to contribute to environmental conservation, the sustainable development and prosperity of the economy, industry, and society both in Japan and around the world, and conduct management that contributes to the creation of value for our diverse stakeholders, while simultaneously maintaining the sound corporate management that forms the foundation of trust and responsibility. To this end, we have established a corporate governance system with our Board of Directors at its center. In light of the series of system failures, we are moving forward initiatives that enhance our supervisory functions, and we are working to further enhance our corporate governance.

Corporate governance system

Basic policy

Ensuring the separation of supervision and management	Secure the effectiveness of corporate governance by ensuring the separation of supervision and management and making supervision of the management, such as the execution of duties by executive officers, the primary focus of the Board of Directors
Delegating decisions on business execution to the executive officers	Make it possible for the management to make swift and flexible decisions and realize expeditious corporate management by enabling the Board of Directors to delegate decisions regarding business execution to the executive officers
Securing independence of management supervision	Utilize committees and other forms of oversight, comprised mainly of outside directors who are not members of the management of Mizuho, and secure transparency and fairness in decision-making processes regarding the appointment and dismissal of, and compensation for, the management as well as ensure effective supervision of the management
Adopting global standards	At the holding company level, actively adopting operations and global best practices regarding corporate governance

Principal features

Organizational structure	Fairness and transparency
Adopted a Company with Three Committees model of corporate governance This structure consists of a Board of Directors, Nominating Committee, Compensation Committee, and Audit Committee, and enables executive officers to perform their duties most effectively.	The members of the Nominating Committee and the Compensation Committee shall all be outside directors.
The Chairman of the Board of Directors shall be an outside director.	The Chairmen of the Nominating, Compensation, and Audit Committees shall be outside directors. Decision-making regarding the appointment and dismissal of, and compensation for, the management is primarily conducted by outside directors.
As a general rule, the President & CEO of a subsidiary cannot concurrently serve on the Mizuho Financial Group Board of Directors while holding their post as President & CEO.	Appropriate disclosure in line with Japan's Corporate Governance Code.

Compliance with Japan's Corporate Governance Code

Our Corporate Governance Guidelines set out the fundamental perspectives regarding corporate governance at Mizuho, and the framework of the corporate governance system, including the roles, composition, and governing policies regarding the Board of Directors, executive officers, Nominating Committee, Compensation Committee, and Audit Committee for Mizuho Financial Group.

In addition, the Corporate Governance Report, which sets out the status of the corporate governance system of the group, is submitted to the Tokyo Stock Exchange (TSE) and posted on the websites of the TSE and Mizuho Financial Group.

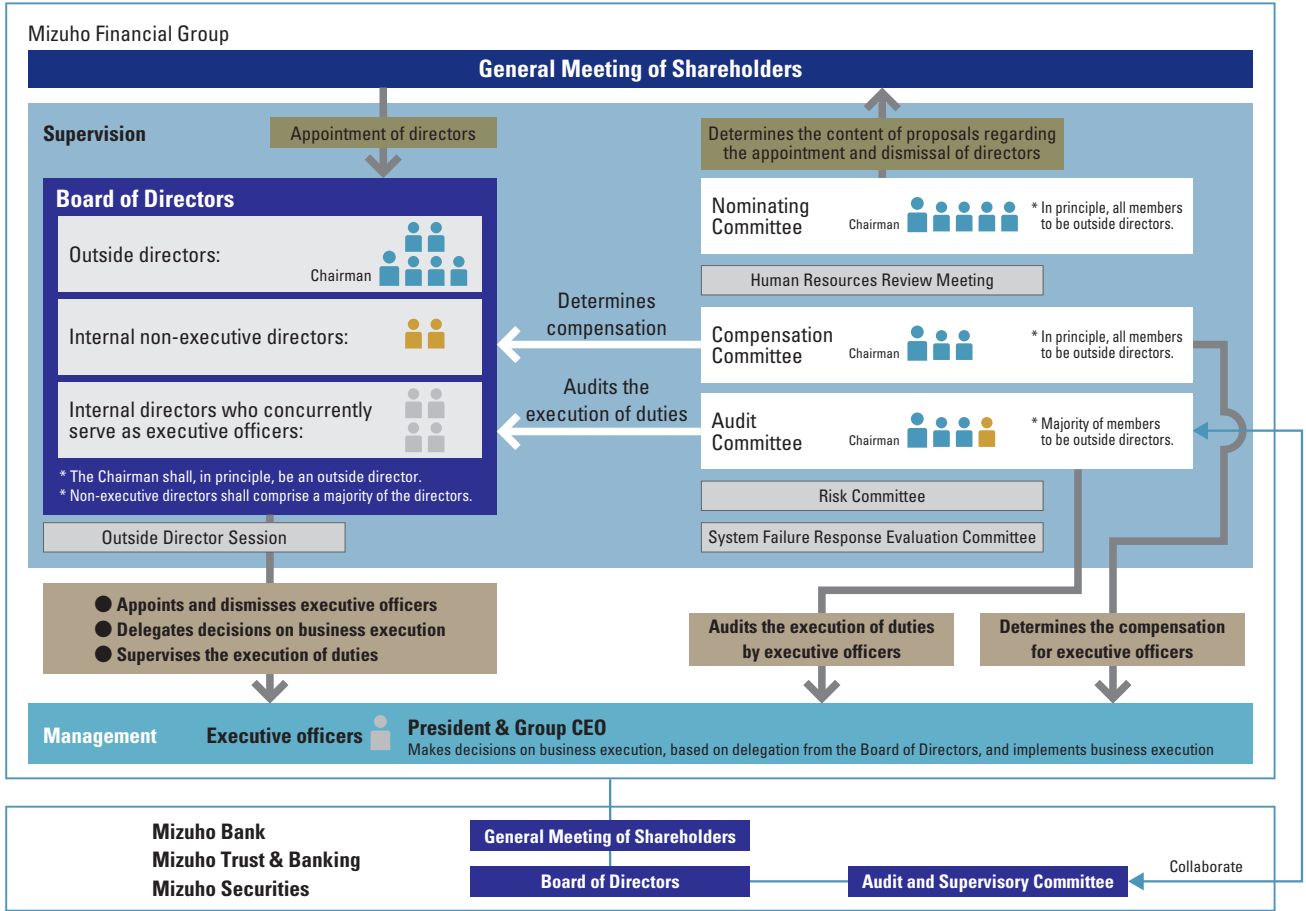
Corporate Governance Guidelines

https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/who-we-are/governance/governance/g_report/g_guideline-202104.pdf

Corporate Governance Report

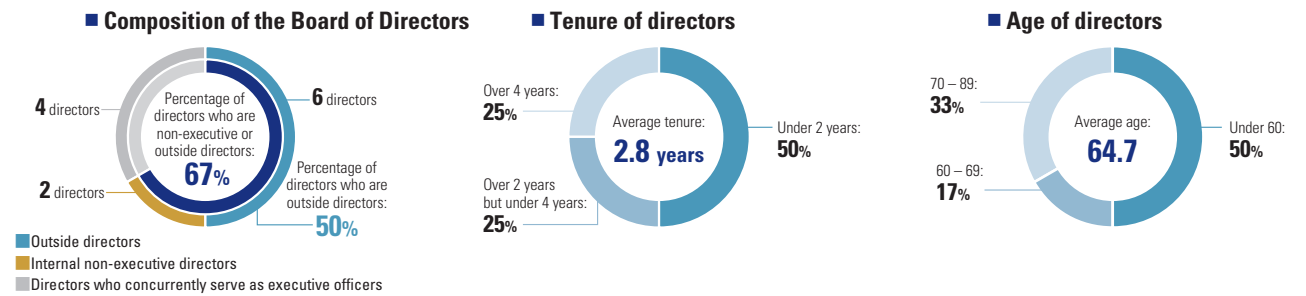
https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/who-we-are/governance/governance/g_report/g_report.pdf

Diagram



Composition of the Board of Directors

Mizuho Financial Group believes that, in addition to conducting strategic direction within the group, it is important for our Board of Directors to appropriately fulfill the role of supervising the implementation of governance functions across the group and across subsidiaries under group management. As such, our Board of Directors is composed of an appropriate balance of internal directors who have insight into the group's business model, and outside directors who possess complex and diverse perspectives that we may not have within the group.



Overview of Independence Standards

For Mizuho Financial Group's Overview of Independence Standards of Outside Directors, please refer to our website:

https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/who-we-are/governance/governance/g_report/o_director.pdf

Operation of the Directors, Board of Directors, and each committee

Approach to appointment and dismissal of directors

Mizuho Financial Group’s Nominating Committee selects director candidates. The criteria for appointing a director is established in the Corporate Governance Guidelines. In consideration of the supervisory role Mizuho Financial Group fulfills in its capacity as the holding company, the committee gives particular attention to the points stated below in “Skills of each director (experience, expertise, etc.)” when considering candidates for both outside and internal director positions.

The Nominating Committee also may submit as an agenda item for deliberation at the General Meeting of Shareholders a proposal to dismiss directors if there are objective and reasonable grounds for determining that they have become unqualified in respect of the requirements and it is deemed that they are no longer capable of being entrusted with the performance of director duties.

Skills of each director (experience, expertise, etc.)

For outside director candidates, the Nominating Committee primarily considers those in senior management roles who have expertise in areas including finance, financial control, accounting, law, and technology, and who can be expected to successfully carry out supervisory functions from both a global and sustainable perspective.

* Note: Each director’s specific areas of experience and expertise are as in the table.

		Name	Year of appointment	Current title and assignment at Mizuho Financial Group	Experience and expertise				
					Corporate management	Finance	Financial control and accounting	Law	Technology
Outside directors		Tatsuo Kainaka Male	2014	Member of the Board of Directors Chairman of the Nominating Committee Member of the Compensation Committee Member of the Audit Committee					
		Yoshimitsu Kobayashi Male	2020	Member of the Board of Directors Member of the Nominating Committee					
		Ryoji Sato Male	2020	Member of the Board of Directors Member of the Audit Committee					
		Takashi Tsukioka Male	2021	Member of the Board of Directors Member of the Nominating Committee Member of the Compensation Committee Chairman of the Audit Committee					
		Masami Yamamoto Male	2019	Member of the Board of Directors Member of the Nominating Committee Chairman of the Compensation Committee					
		Izumi Kobayashi Female	2017	Member of the Board of Directors Chairman of the Board of Directors Member of the Nominating Committee Member of the Risk Committee					

Candidates for internal director positions must be capable of the appropriate execution of group business management, and must have insight into financial operations, financial regulations, and Mizuho’s business model.

		Name	Year of appointment	Current title and assignment at Mizuho Financial Group	Experience and expertise				
					Business strategy / Business management	Financial control and accounting	Risk management	Human Resources / Organization	Global business
Non-executive directors		Seiji Imai Male	2021	Member of the Board of Directors, Chairman (Kaicho) ¹					
		Hisaaki Hirama Male	2019	Member of the Board of Directors Member of the Audit Committee Chairman of the Risk Committee					
Directors who concurrently serve as executive officers		Masahiro Kihara Male	2022	Member of the Board of Directors President & Group CEO (Representative Executive Officer)					
		Makoto Umemiya Male	2017	Member of the Board of Directors Deputy President & Senior Executive Officer (Representative Executive Officer) Group Chief Digital Innovation Officer (Group CDIO) Group Chief Financial Officer (Group CFO)					
		Motonori Wakabayashi Male	2019	Member of the Board of Directors Senior Executive Officer Group Chief Risk Officer (Group CRO)					
		Nobuhiro Kaminoyama Male	2021	Member of the Board of Directors Senior Executive Officer Group Chief Human Resources Officer (Group CHRO)					

1. Chairman (Kaicho) Imai engages in our external activities, but does not chair the Board meetings. The Board meetings are chaired by the independent director Chairman Izumi Kobayashi.

Operation of the Board of Directors and each committee

	Board/Committee Chairmen	Main roles	Number of meetings in FY2021 (average attendance)	Operation in FY2021
Board of Directors	Izumi Kobayashi Chairman	Making decisions on business execution matters such as the basic management policy, and supervising each director and executive officer (as defined in the Companies Act).	24 (98%)	Discussion topics included monitoring of the responses to the system failures, approval of the business improvement plan, talent guidelines for use in the selection of personnel and development of candidates for the establishment of our executive system, initiatives for cybersecurity, capital management and shareholder returns policy, sustainability initiatives such as addressing climate change, promotion of diversity and inclusion, and future HR strategies.
Nominating Committee	Tatsuo Kainaka Chairman	Deciding on the content of proposals regarding the appointment and dismissal of directors that are submitted to the General Meeting of Shareholders.	19 (100%)	Discussion topics included the appointment of a new Group CEO, the status of succession plan formulation and implementation, the role of the Board of Directors in light of the differences between the functions of the holding company and the operating entities, and the handling of director nomination and appointment for fiscal 2022 at Mizuho Financial Group and the three core companies.
Compensation Committee	Masami Yamamoto Chairman	Determining the basic policy for executive compensation and the compensation for each director and executive officer (as defined in the Companies Act).	10 (100%)	From the perspective of providing appropriate incentives to officers, discussion topics included the appropriateness of the levels and composition of compensation, based on factors such as external trends that affect corporate officer compensation and the internal and external business environment; and the further improved transparency of the basis for determining variable compensation, including the specification of components for determining remuneration regarding sustainability.
Audit Committee	Takashi Tsukioka Chairman	Auditing the execution of duties by directors and executive officers (as defined in the Companies Act) to ensure that their actions are legal and appropriate.	21 (100%)	Audited the execution of duties by directors and executive officers (as defined in the Companies Act), monitored and inspected the establishment and management of the group’s internal control systems and the corporate management of the group’s subsidiaries, and determined the content of proposals for the appointment, dismissal, or non-reappointment of accounting auditors. Monitored, on a priority basis, progress towards achieving the 5-Year Business Plan and efforts to enhance corporate governance.

Outside directors and reason for their appointment

Name	Reason for appointment as an outside director
Tatsuo Kainaka	Expected to contribute to (i) strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group’s Board of Directors and (ii) the further enhancement of the corporate governance, compliance, and risk management system of Mizuho Financial Group, leveraging his extensive experience, deep insight, and high level of expertise in the legal industry.
Yoshimitsu Kobayashi	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group’s Board of Directors, leveraging his extensive experience as the CEO of a global company and his deep insight into corporate governance.
Ryoji Sato	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group’s Board of Directors, leveraging his extensive experience, deep insight, and high level of expertise as a certified public accountant.
Takashi Tsukioka	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group’s Board of Directors, leveraging his deep insight that he has cultivated in Japan and overseas as a CEO in the energy field and his extensive knowledge and expertise pertaining to sustainability from his work on aspects such as renewable energy.
Masami Yamamoto	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group’s Board of Directors, leveraging his extensive experience as the CEO of a global company and his deep insight and expertise in technology fields.
Izumi Kobayashi	Expected to contribute to strengthening the effectiveness of both the decision-making and supervisory functions of Mizuho Financial Group’s Board of Directors, leveraging her extensive experience and deep insight as the head of the Japanese arm of a global financial institution as well as a representative director of an international institution.

Reason for appointment as Group CEO (Details about the appointment process are disclosed in our Corporate Governance Report)

Name	Reason for appointment
Masahiro Kihara	Mr. Kihara is a professional who can accurately assess the current situation, coordinate the Mizuho group, elevate the discipline and capacity of our organization, understand the direction of overall group strategies and reforms, and apply these skills to formulating and executing group strategy going forward. He also has a broad outlook, rational judgment, outstanding decisiveness, and excellent management skills. Above all, he is a leader who can motivate his colleagues and guide Mizuho into the future.

Primary initiatives for enhancing the effectiveness of the Board of Directors

Evaluating the effectiveness of the Board of Directors

The Board of Directors conducts annual evaluations regarding the operation of the Board of Directors, the content of deliberations, and other items in order to continuously enhance the effectiveness of the Board of Directors.

The most recent evaluation was conducted for the period of June 2020 to June 2021 (director tenure period) and the results were deliberated on at the September 2021 meeting of the Board of Directors.

1. Evaluation Method

The fiscal 2020 evaluation conformed to the Corporate Governance Guidelines of Mizuho Financial Group and employed a third-party evaluation organization. It consisted of a questionnaire given to directors who were on the Board during the period subject to evaluation, followed by further fact-finding through interviews covering issues identified from the questionnaire responses.

2. Evaluation results

Overall evaluation	<ul style="list-style-type: none">Both the Board of Directors and legally required committees have secured overall effectiveness with respect to their purpose and expected functions.Three issues were identified that should be addressed in order to enhance the effectiveness of the Board of Directors.
Issues to address in order to enhance Board effectiveness	(1) Further enhancement of supervisory functions in regard to important agenda items (discussions on medium- to long-term strategy and others) (2) Reinforcement of group governance <ul style="list-style-type: none">Measures for key areas (including designated top risk areas) that could lead to vulnerabilities and inadequate risk response across the overall group’s business execution line (3) Operational improvements to further raise the effectiveness of the Board of Directors
Evaluation of initiatives to address issues identified in the FY2019 evaluation	Further expansion of agenda items related to medium- to long-term business challenges <ul style="list-style-type: none">Deliberation on business plan formulation has led to progress in discussions of essential strategy.Discussions on sustainability have become more specific than in the past. Establishment of foundation for deeper discussions <ul style="list-style-type: none">Simplification and rationalization of materials is improving.Thorough provision of information in advance has contributed to the establishment of a framework that enables the Board of Directors to fully concentrate on discussing the relevant matters during meetings.

3. Initiatives going forward in light of the fiscal 2020 evaluation results

Identify issues	Initiatives going forward addressing feedback from a third-party evaluation organization
Further strengthen supervision functions in regard to important agenda items	<ul style="list-style-type: none">Enhance discussion on medium- to long-term strategy, growth strategy, etc.
Reinforcement of group governance	<ul style="list-style-type: none">To fulfill role as the holding company’s Board of Directors, enhance discussion on critical risks.As the holding company, strengthen information-gathering on the status of execution within the group.
Operation improvements to further raise the effectiveness of the Board of Directors	<ul style="list-style-type: none">Improve operation of aspects such as time allowed for deliberation, including by making refinements to materials.Improve opportunities for communication feasible even under the COVID-19 pandemic.Further improve frameworks for following up on issues.

Note: Some of the initiatives listed above are already underway as measures taken in light of the series of system failures. This is explained on the next page in “Towards further enhancing our supervisory functions”.

Off-site meetings on business operations

Off-site meetings on business operations serve an important function that complements the Board of Directors. These meetings are designed to enable outside directors to enhance their communications with executives, to fully understand the status of business execution, and to lead to high-quality discussions at Board of Directors’ meetings. They cover themes such as topics of concern to senior management.

Fiscal 2021 initiatives and number of times held

Details	Number of times held
Topics included (1) revisions to the capital management policy, (2) possibilities for enhancing shareholder returns, and (3) the current status and future initiatives at each entity.	8

Director training

We provide our directors with opportunities to acquire and improve knowledge that is necessary to fulfill their expected roles and duties, at the time of appointment and continuously thereafter.

1 Offering all directors opportunities for acquiring knowledge and self-improvement

- Training is provided for newly appointed directors, mainly regarding the duties and responsibilities of directors, and is conducted by an outside instructor (lawyer).
- Directors gain an overall perspective of the management of the group by discussing various proposals, reports, and other activities in the Board of Directors’ meetings.
- Training is also held and conducted by an outside instructor regarding compliance and customer protection and awareness of human rights related issues.
- In light of the recent IT system failures, a seminar regarding risk management led by an external instructor was held.
- When necessary for the performance of duties, directors in charge of various areas make individual presentations; advice and instruction is provided by external specialists, and training is provided (at the company’s expense).

2 Opportunities to acquire and improve knowledge for outside directors

At the time of appointment	Post-appointment (the examples below were conducted for fiscal 2021)
Improving understanding of the group’s financial and other businesses <ul style="list-style-type: none">Intensive explanation at the time of appointment will be conducted individually for newly appointed outside directors.<ul style="list-style-type: none">Explanations from executive officers in charge of different business areas and the General Manager of the Corporate Secretariat regarding Mizuho’s Corporate Identity, business domain, business strategy, business plan, finances, corporate governance system, etc.	Deepening understanding concerning Board of Directors’ proposals <ul style="list-style-type: none">Providing thorough explanations of Board of Directors’ proposals in advance and conducting follow-up (before and after each Board meeting) Improving communication outside of Board of Directors’ meetings <ul style="list-style-type: none">Outside Director Session<ul style="list-style-type: none">Outside directors exchange information and engage in consensus building while sharing opinions on management matters, the shape that corporate governance should take, and other items (held eight times)Offsite meetings on business operations<ul style="list-style-type: none">Details are provided on the previous page Other opportunities to acquire/enhance knowledge <ul style="list-style-type: none">Watching the Group-wide General Managers’ Meeting <div>Each meeting is held on an as-needed basis via the online meeting system.</div>

Towards further enhancing our supervisory functions (Measures in light of the series of IT system failures at Mizuho Bank)

1. The System Failure Response Evaluation Committee’s role in verifying business improvement plan progress

The System Failure Response Evaluation Committee was established In light of the series of system failures and other issues, and is composed exclusively of outside directors. The committee verifies the progress of measures to improve operations as specified in the business improvement plan, which was published on January 17, 2022.

2. Enhance multifaceted information-gathering capabilities

Regular reporting from the business execution line to the Board of Directors is continuing. In addition, we have newly implemented regular reporting from the CEOs of Mizuho Bank and our other primary subsidiaries on the status of execution, and established opportunities for discussion between outside directors on a group basis. Further, by visiting branches, IT divisions, and other frontline locations, and by listening to a variety of employees, the outside directors are working hard to gather the information needed to successfully perform supervisory functions.

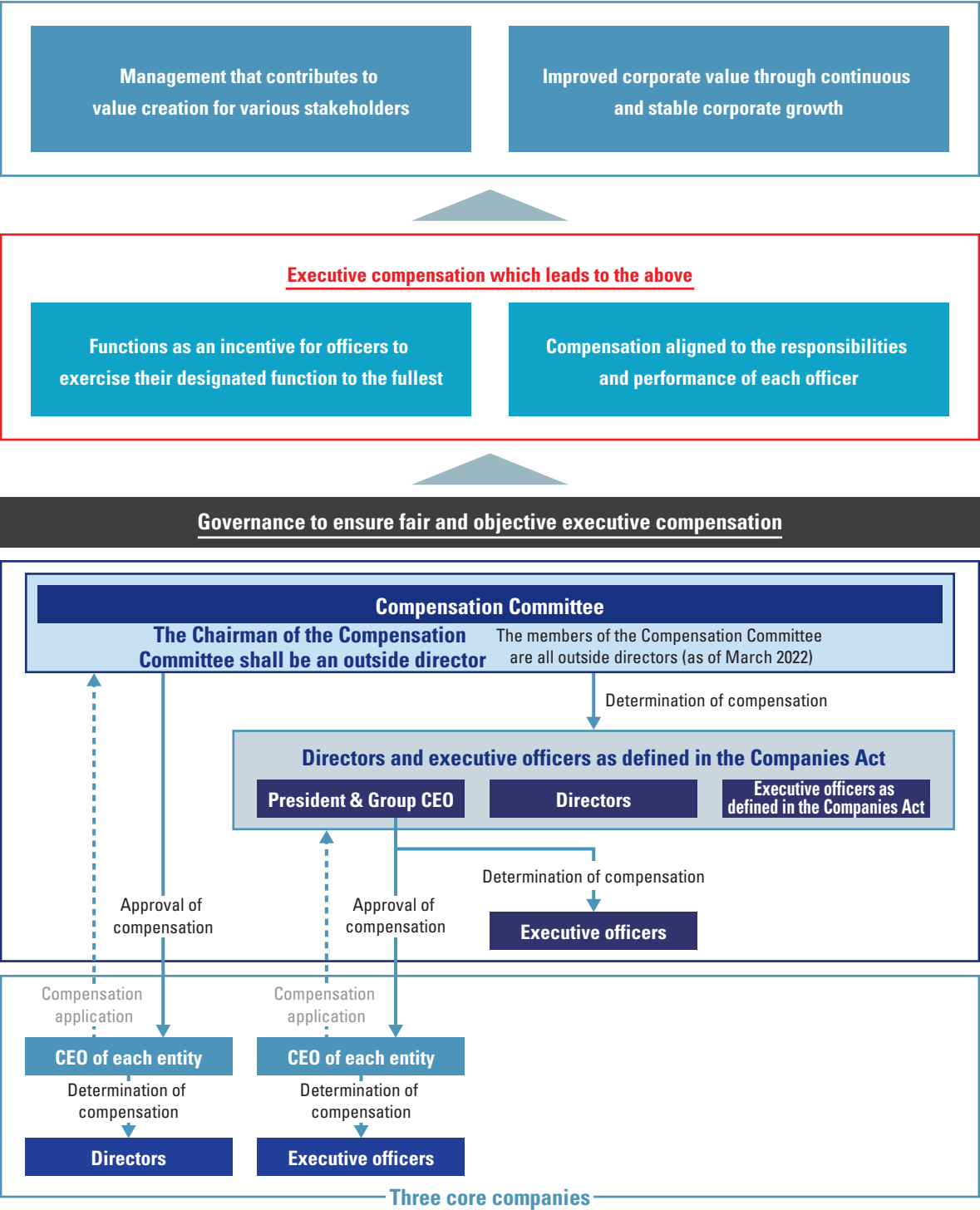
3. Enhance internal expertise based on the role of the relevant entity

In order to further secure expertise and diversity among our Board of Directors, and in the interest of strengthening the governance functions of operating entities, on April 1, 2022, we invited external talent with outstanding knowledge of customers’ viewpoints and IT areas to serve on the Mizuho Bank Board of Directors. Further, from the standpoint of strengthening the expertise of the Risk Committee, Mizuho Financial Group will advance further initiatives such as utilizing external knowledge.

Compensation for executive officers

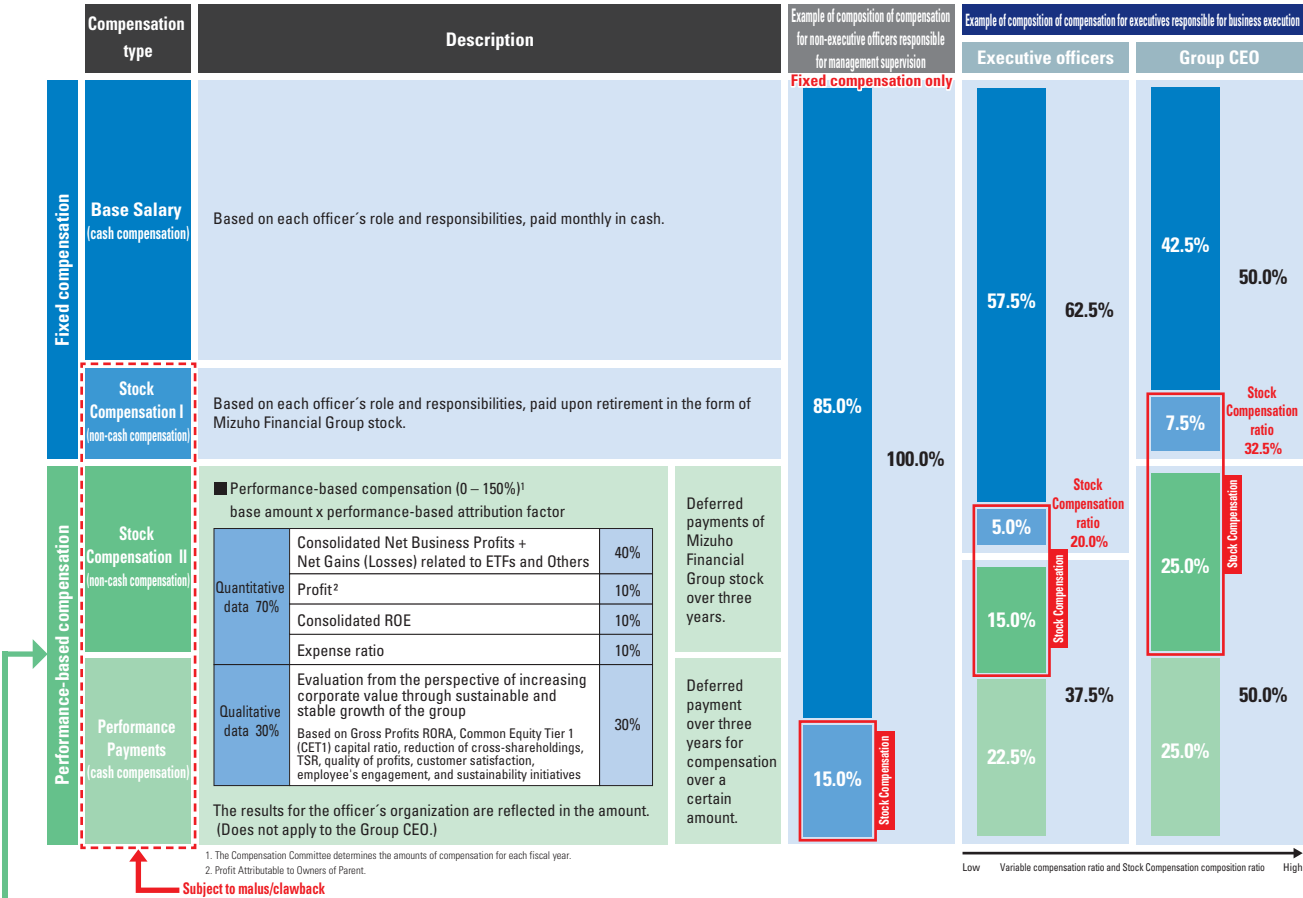
At Mizuho Financial Group, the Compensation Committee resolves on the basic policy for executive compensation which determines matters regarding the components of compensation for each individual director, executive officer as defined in the Companies Act, and executive officer as defined in our internal regulations (collectively, “Officers”).

Outline of the basic policy for executive compensation



Compensation system

- Compensation for officers responsible for business execution shall, in principle, consist of Base Salary, Stock Compensation, and Performance Payments. Additionally, the composition ratio of fixed compensation and performance-based compensation (variable compensation) shall be determined based on factors including the role and responsibilities of each officer. The ratio of fixed compensation for the Group CEO is set at a minimum.
- From the perspective of ensuring the effectiveness of the supervisory function, compensation for non-executive officers responsible for management supervision shall, in principle, be in the form of fixed compensation, consisting of Base Salary and Stock Compensation I. Such composition shall, in principle, be 85% and 15% for Base Salary and Stock Compensation I, respectively.



- Depending on factors including the performance of the company and the individual, a portion of the deferred payment may be reduced or forfeited (via malus/clawback) upon the resolution of the Compensation Committee.
- For officers hired outside Japan, the base amount and the composition and content of executive compensation may be determined individually based on the local compensation regulations and practices as well as industry compensation benchmarks.

Performance-based compensation is determined by multiplying the base amount (decided based on the role and responsibilities of each corporate officer) by the performance-based attribution factor (calculated from both quantitative and qualitative data).

Quantitative evaluation
The quantitative items are evaluated based on the target achievement rates for the Consolidated Net Business Profits + Net Gains (Losses) Related to ETFs and Others (which indicates the profitability of the core operations), the Profit Attributable to Owners of Parent (which is the final result of management's performance), the Consolidated ROE, and the Expense Ratio (which indicate the management's efficiency). The target achievement rate for each indicator will be capped at 150% and set at 0% if it falls below the target by a certain degree.

Qualitative evaluation
The qualitative items are evaluated comprehensively, ranging from 0 to 150%, from the perspective of increasing corporate value through the group's sustainable and stable growth based on items that, for example, cannot be recognized only by the target achievement rates, such as the quality of profits (which takes into account comparisons with previous years and other companies) and sustainability initiatives (which utilize the comparisons with previous years and other companies that are evaluated by the four major ESG evaluation agencies (S&P Dow Jones, Sustainalytics, MSCI, and FTSE)).

Compensation determination process

The Compensation Committee shall determine the executive compensation system including the compensation system taking into account the Basic Policy for Executive Compensation. In addition, in order to ensure fairness and objectivity concerning the compensation for each officer, the Compensation Committee shall determine the compensation for each individual director and executive officer of Mizuho Financial Group as defined in the Companies Act and approve the compensation of each individual director of the Three Core Companies.

Risk governance

Risk governance is a part of Mizuho’s corporate governance framework, and our risk appetite framework (RAF) is positioned at the center of the group’s risk governance.

At Mizuho, we are promoting disciplined risk-taking and risk communication by fostering a sound risk culture, which has its foundations in the RAF and other risk governance efforts.

To ensure strong risk governance, we employ a check-and-balance system (second line) that operates in accordance with the principles of the “three lines of defense”.

Reflecting on fiscal 2021

In fiscal 2021, with the spread of variants prolonging the impacts of the COVID-19 pandemic and placing downward pressure on the economy, Mizuho focused on exercising our financial intermediary functions and providing multifaceted support for our customers. The ongoing challenges of the current business environment required us to anticipate materialization of risk, including credit risk. Further, the Russia-Ukraine situation, which escalated at the end of the fiscal year, demonstrated the extent to which the materialization of geopolitical risk can impact the management of financial groups.

Following the series of IT system failures, we have been working on a group-wide basis to find effective ways of controlling non-financial risk such as system risk.

Current business environment and risk considerations

Looked at from a global perspective, the COVID-19 pandemic is slowing down, but we are still seeing localized increases in infections in certain countries and regions. It is too early to let our guard down, and we must prepare for the impact strict disease control measures will have on supply chains. In addition, intensified US-China friction and the Russia-Ukraine situation have created an overlap in the materialization of geopolitical risks. In each case, the respective nations are making deliberate efforts to reduce or eliminate their reliance on the other side, and the global divisions developing as a result demand vigilance. On top of this, soaring energy and food prices have brought about an accelerated rise in global inflation. We must give careful attention to the faster pace of monetary tightening, which is centered on the US and Europe and has the potential to lead to an extreme hike in interest rates and a global economic downturn that could even affect emerging economies.

Societal expectations regarding sustainability initiatives have been growing, and national governments are moving forward with climate change countermeasures. One example of this is the UN Climate Change Conference in Glasgow (COP26), where the Glasgow Climate Pact was adopted, reaffirming the goal of “pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels”. It is increasingly important for us to provide our clients with financial and non-financial support for their climate change countermeasures based on constructive dialogue, and for us to implement our own risk management framework.

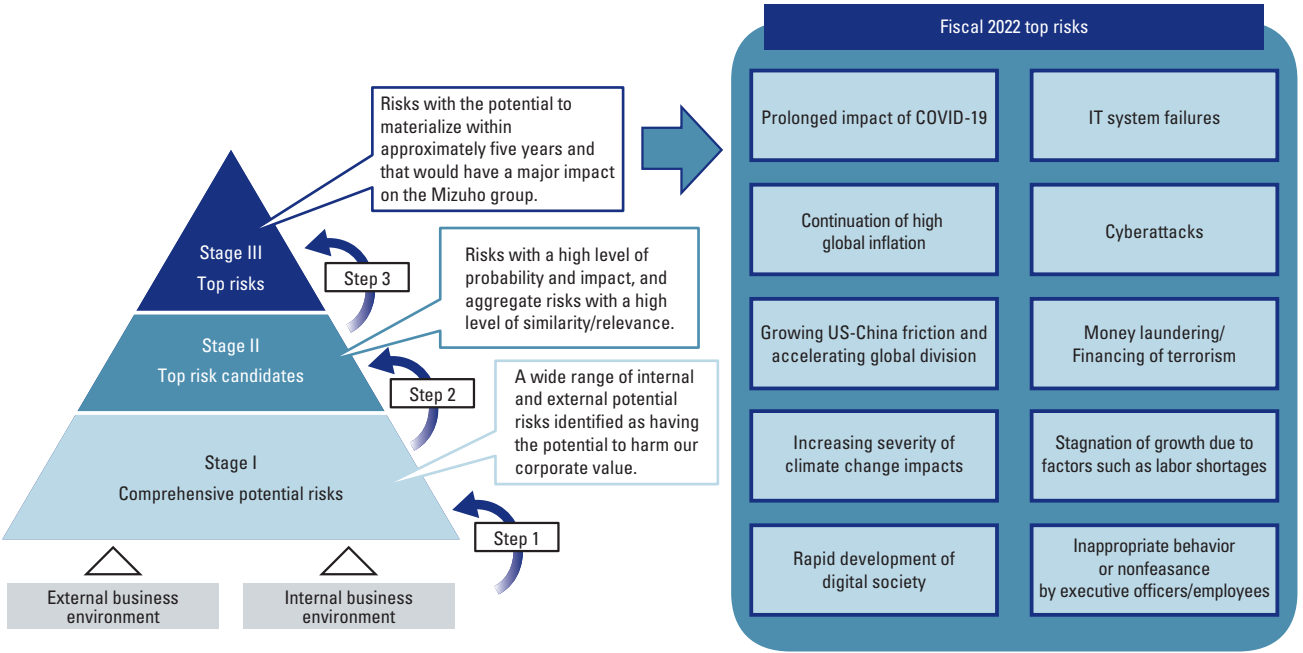
Other risk considerations include the prevention of further system failures, the strengthening of anti-money laundering measures and measures combating the financing of terrorism, preparation for potential cyberattacks, and securing of the personnel necessary for executing our business strategy. It is essential that we take into account the expectations and requirements of stakeholders and carry out operations with due consideration to multiple dimensions of risk.

Top risk management

In light of the internal and external business environment, we designate risks that we recognize as potentially having a major impact on the Mizuho group as “top risks”. Through our management of top risks, we are deepening our risk communication across the Mizuho group, integrating our perspectives on risk awareness, and ensuring consistency across related risk management operations. Regarding the designation of top risks, the Risk Committee, Board of Directors, and other bodies receive reports, and multifaceted discussions are held, which include participation from external experts and outside directors.

In addition, we are looking into risk control measures, such as measures for preventing the designated top risks, and follow-up responses. By incorporating these into our business plans, we are strengthening our risk governance.

Process for designating top risks



Towards further enhancement of risk governance

Going forward, we expect to see a further increase in risk factors with the potential to impact the management of financial institutions, and a rise in the number of cases characterized by a combination of risk factors. It is key for us to constantly be improving our risk management systems in order to serve our diverse stakeholders during this time of complex world affairs.

In recognition of this, at Mizuho we are not only strengthening existing risk management frameworks but also expanding the risk areas that we cover, and we are striving to minimize the impact of any risk that does materialize. Specifically, we are working to manage third-party risk (group risk brought about by our business partners, external providers, and suppliers), which has become increasingly important in recent years, and to strengthen our operational resilience so that critical operations can continue even amid unforeseen circumstances brought about by terrorism and cyberattacks, natural disasters, and other factors.

Also, we are further expanding our attention to geopolitical risk, avoiding foregone conclusions based on the probability of risk occurrence, and making appropriate provisions.

Regarding climate-related risk, due to the long time frame and the lack of established methods for quantifying risk, there are many hurdles to overcome in order to construct a risk management system. That being the case, we will strive to strengthen our risk control through a trial-and-error approach to scenario analyses and stress tests in each of the risk categories, and through efforts to improve risk analysis methods.

The above is an example. We will do our utmost to further strengthen our risk governance while keeping apprised of the ever-changing internal and external business environment.

Risk culture

We have established Behavioral Guidelines for a Sound Risk Culture, and work to ensure that executive officers and employees understand these guidelines using messages from senior management, training sessions, and other measures. For Mizuho to put the “customer first principle” into practice and enhance our corporate value, it is essential that we all maintain an attitude of not simply avoiding risk, but rather taking appropriate risk. These guidelines are a foundation that provides Mizuho’s executive officers and employees with the appropriate values and courses of action to take when approaching risks. The guidelines are aligned with the five Mizuho Values that form a part of Mizuho’s Corporate Philosophy, and executive officers and employees can refer to them when they are unsure of a risk-related judgment that needs to be made in their daily work. Putting these guidelines into practice improves our ability to address and counter risks, and fosters a sound risk culture.

These initiatives are also important from the standpoint of internal control, ultimately helping to prevent inappropriate behavior by executive officers and employees.

Risk appetite framework (RAF)

The purpose of our RAF is to help us maximize our corporate value by securing sustainable and stable profits, and fulfill our social responsibilities. Based on such a purpose, our core risk appetite is to take appropriate risk and provide solutions based on our customers’ actual needs, establishing our competitive advantage against our peers.

We have positioned the RAF as the corporate management framework for meeting our risk appetite. Risk appetite refers to the types and levels of risk that we will accept in order to implement our business and financial strategies. We will further concretely define our risk appetite in our medium-term and fiscal year business plans. The risk appetite forms the basis for establishing our business strategy, resource allocation, and earnings plans as well as monitoring the operating status, thus integrating risk management, business strategy, and profits in order to achieve disciplined risk-taking that achieves an optimal balance of risk and return.

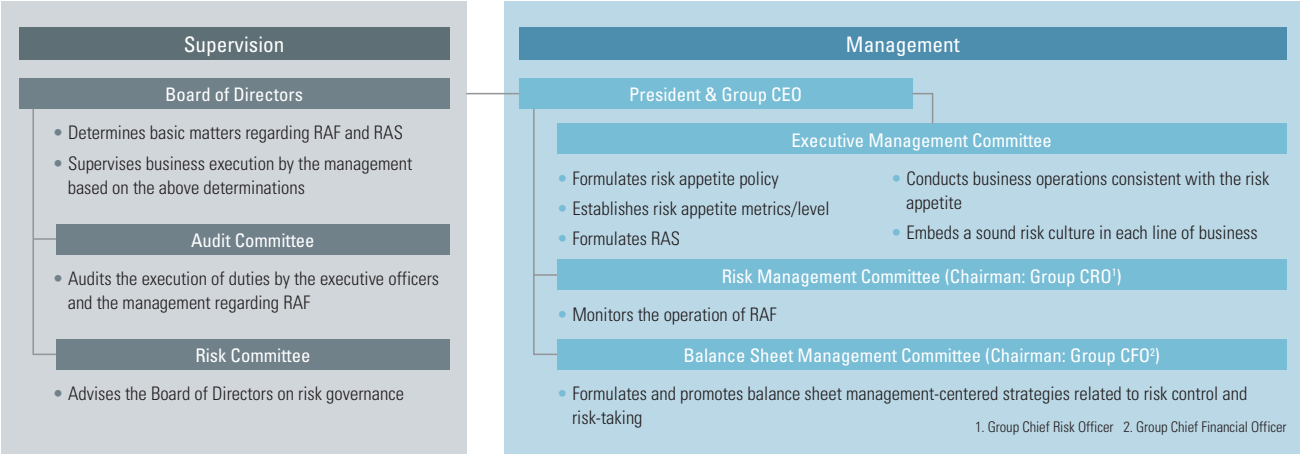
In implementing the RAF, the Board of Directors determines basic matters concerning the RAF and also decides on a risk appetite statement (RAS), which documents the RAF’s management system and Mizuho’s risk appetite. Operations are supervised based on the Board’s decisions. In addition, the Risk Committee, which advises the Board of Directors, provides advice regarding risk governance.

To implement the RAF in the course of business operations, the Group CRO, Group CFO, and Group CSO provide assistance overseen by the Group CEO, and implement business strategy, financial strategy, and risk management from an overall perspective. Also, heads of in-house companies, units, and groups are responsible for planning and implementing strategies based on risk appetite, and as the individuals in charge of risk-taking, conduct operations. The Internal Audit Group provides objective and comprehensive assessments of the effectiveness of the RAF from an independent perspective and offers advice and recommendations for addressing any issues that arise.

Risk appetite is determined through management discussions on the outlook for external factors such as the macroeconomic, regulatory, and competitive environment, along with top risks and other potential risk events. These are then incorporated into baseline scenarios and risk scenarios that are shared internally.

Based on our awareness of these external environments, we then formulate a risk appetite policy that acts as our group-wide policy on risk-taking. We create specific strategies and measures according to this policy, and determine corporate resource allocation and earnings plans. Our risk appetite levels are quantified in terms of capital strength, profitability, and liquidity, which are the foundations of our corporate value.

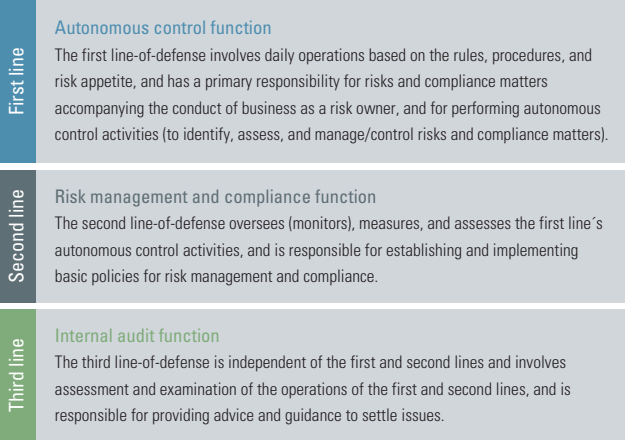
Mizuho’s RAF Control Structure



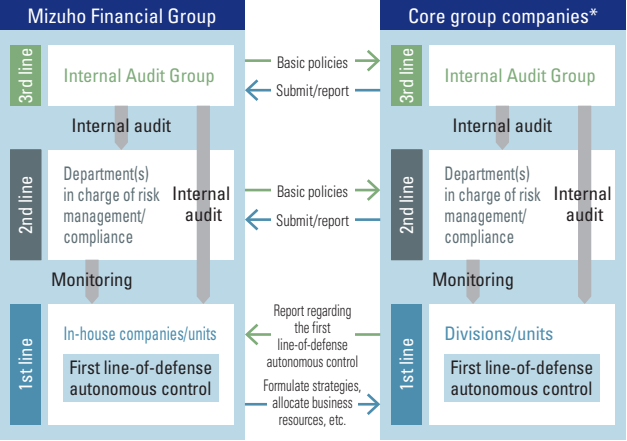
Three lines of defense

In accordance with the “three lines of defense” approach in the Corporate Governance Principles for Banks released by the Basel Committee on Banking Supervision and the definitions and roles outlined below, we ensure appropriate and effective risk governance through autonomous controls (first line) and a check-and-balance system (second line), along with an independent third line of internal auditing. In addition, Mizuho Financial Group sets group strategies and allocates resources, monitoring the autonomous controls in the first line at core group companies in order to strengthen the system providing appropriate responses.

Our definition of the three lines of defense and their roles



Our risk management and compliance framework



*Of the core group companies, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, Mizuho Americas, and Mizuho Research & Technologies conduct risk management and compliance based on the “three lines of defense” concept.

Comprehensive risk management

At Mizuho, the appropriate management and control of risk is a key issue relating to overall management and is necessary for ensuring sound and stable corporate management and for enhancing our corporate value. Therefore, we are working to put in place risk management systems.

Mizuho has established basic policies for risk management that are applicable to the group as a whole by resolution of the Board of Directors. In our basic policies for risk management, we stipulate risk areas, and the requisite organizational structure and employee training for ensuring appropriate levels of risk management. The policies also provide for audits to measure the effectiveness and suitability of the management structure.

In line with these basic policies, Mizuho analyzes risk comprehensively from multiple perspectives and adopts a variety of measures to strengthen and enhance the sophistication of our risk management system.

We have positioned our RAF as the corporate management framework for realizing our risk appetite as well as positioning our comprehensive risk management as a framework for managing risk from every angle.

Operational resilience

In recent years, with the pandemic, large-scale natural disasters, cyberattacks, and numerous other events, the threats that could impact the operations of financial institutions and have an outsize impact on stakeholders have continued to become both more diverse and severe.

Regulatory authorities in each country, especially in the UK, have been developing policies aimed at avoiding the significant impact of stakeholders being unable to take on risk in the case of unprecedented circumstances. The Principles for Operational Resilience were published by the Basel Committee on Banking Supervision in March 2021, and were standardized internationally as the appropriate response for financial institutions.

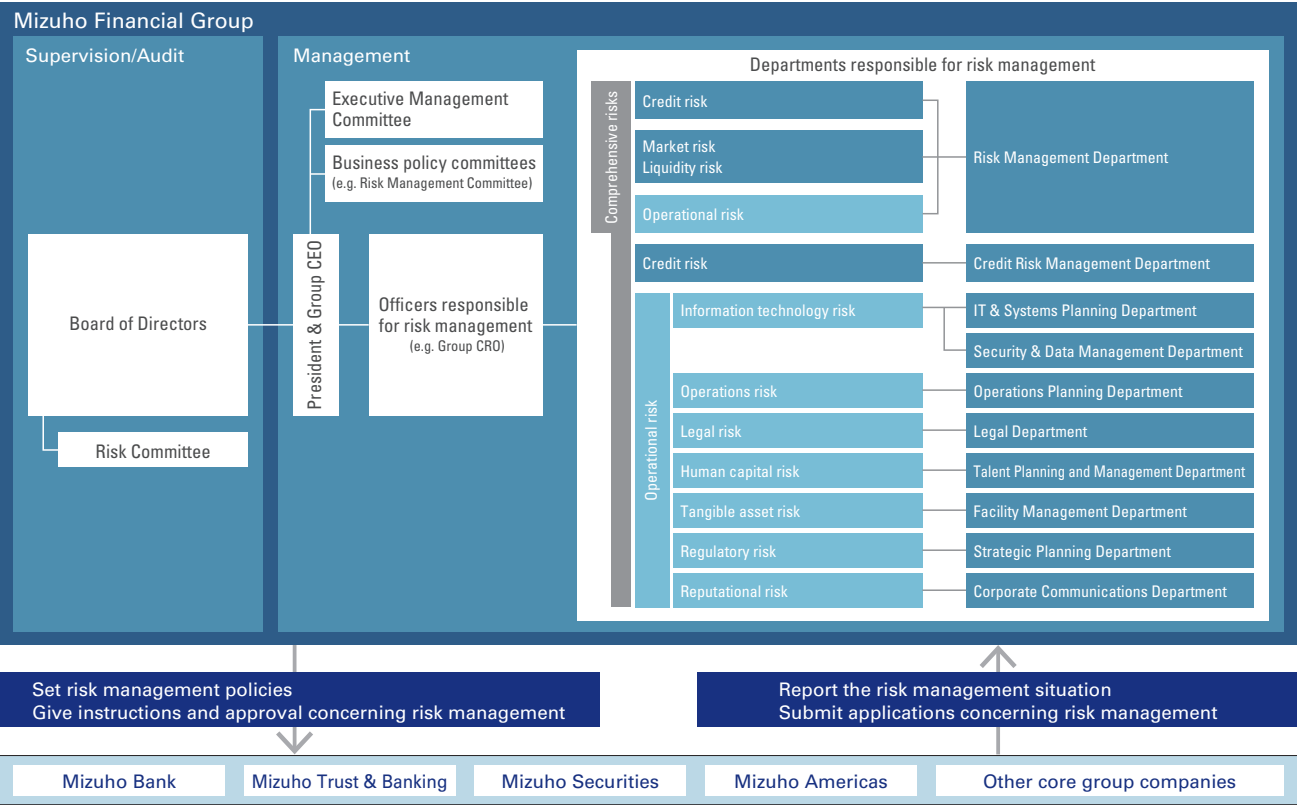
In light of the system failures, Mizuho recognizes that enhancing our ability to respond to crises is an important business challenge. Understanding that interruptions in operations can occur, we are currently implementing our approach to operational resilience: a framework to ensure that the impacts of such an interruption are limited to a certain level. This is part of the initiatives we are pursuing in our business improvement plan and takes into account the potential impacts on our customers and on markets.

Also, under the commitment of executive management, we will endeavor to further strengthen our operational resilience by instituting the step-by-step process below in our business continuity management.

1) Specify operations that have the potential to have a large impact on customers and markets; 2) Increase transparency regarding resources needed for critical operations; 3) Establish what constitutes an impact so significant that risk cannot be tolerated (impact tolerances); 4) Confirm the appropriateness of impact tolerances via stress testing.

Risk governance

Mizuho’s comprehensive risk management system



■ For more information on our risk management, please visit our website.

□ https://www.mizuhogroup.com/who-we-are/internal/r_management

Stress testing

At Mizuho, we assess the suitability of our risk appetite and the validity of our business plans through stress testing, calculating and assessing the financial effect on our capital adequacy ratio and on our business.

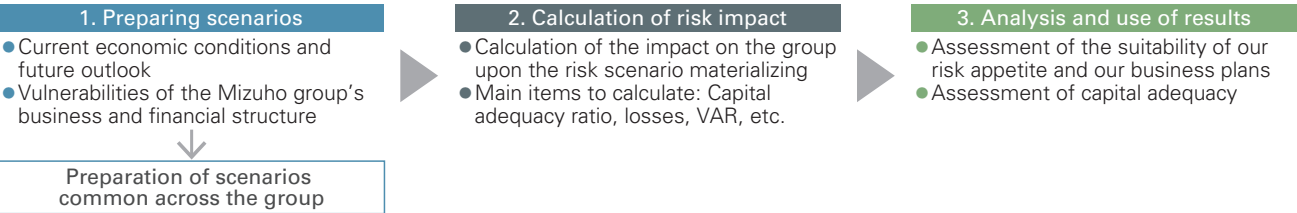
We carry out stress testing based on scenarios formulated taking into account current economic conditions and future outlooks, vulnerabilities in the Mizuho group’s business and finance structures, and other factors. We can confirm whether our capital adequacy ratio, performance, and other indicators are sufficient in the case that stress events actually materialize. If such indicators fall below the necessary level, we reconsider and revise our risk appetite and business plans. In addition, we confirm the balance between owned capital and risk capital, including interest rate risk in the banking book, at the post-stress stage to assess the adequacy of the capital level.

Looking at liquidity risk, through our stress testing we have verified that by taking certain measures for the future balance sheet with consideration to the business plan, we will be able to maintain adequate funds even in the case of stress inherent to Mizuho or stress across the market as a whole.

Furthermore, to structure robust risk management systems, stress testing is also used to manage risk in various risk categories, such as market risk.

This process also serves as a foundation for understanding the characteristics of our business portfolio and enables planning in advance regarding the course of action which should be taken if a stress event occurs, and is conducted regularly to enhance our risk management capabilities.

Mizuho’s capital adequacy stress testing



Compliance

Compliance

As a leading Japanese financial services group with a global presence and a broad customer base, we remain conscious at all times of the importance of our social responsibilities and duty to the public. We define compliance as the strict observance of all laws and regulations and the pursuit of fair and honest business operations that conform to socially-accepted norms, and we view ongoing compliance as one of the basic principles of sound business management. Each of our group companies maintains their own compliance structure in line with the basic policies established by Mizuho Financial Group.

Compliance structure

The President & CEO of Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities each generally oversee compliance matters for their respective company, and important matters concerning compliance are discussed at the Compliance Committees chaired by the head of the relevant Compliance Group.

The four core group companies also have individual compliance departments overseen by the Head of the Compliance Group. These departments are responsible for compliance planning and implementation and control overall compliance management at each company. At each organizational unit (such as branches and departments) within the four core group companies, the head of the organizational unit is responsible for guidance and implementation related to compliance matters, and the compliance officer or compliance administrator at each organizational unit reviews the status of compliance.

Mizuho Financial Group monitors the status of compliance of the group through reports submitted by our core group companies and adopts appropriate responses as necessary. Compliance at subsidiaries of our core group companies is monitored and managed by their respective parent company.

Compliance practices

We have established the Mizuho Code of Conduct which sets forth clear and concrete standards of ethical behavior. Furthermore, each of our group companies has also prepared a compliance manual, which serves as a practical guidebook for rigorous compliance enforcement and clarifies the laws and regulations that we must observe in our business operations and the compliance practices we are required to follow. Mizuho ensures that all executive officers and employees are fully acquainted with both the Code of Conduct and the compliance manual’s content through, for example, training upon joining the company.

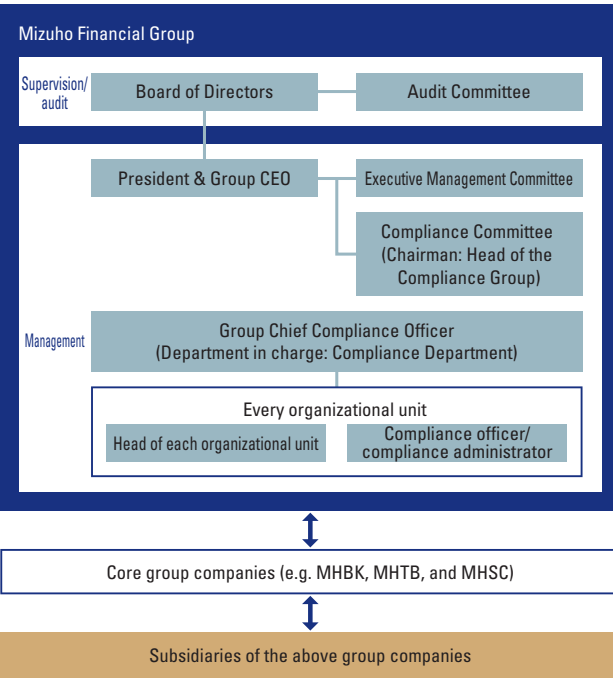
We monitor the status of compliance levels through self-assessments by each department and monitoring conducted by the compliance department of each company. In addition, every fiscal year, each of our group companies establishes a compliance program which contains concrete measures for compliance enforcement such as compliance framework management, training, and assessments. Progress on the compliance program is monitored every six months.

Financial crime risk management

Financial crimes are becoming more diverse and sophisticated, and acts of terrorism continue to occur around the world. In light of these trends, anti-money laundering (AML) and combating the financing of terrorism (CFT) are extremely important. Against this backdrop, the key challenge for financial institutions is the strengthening of their AML/CFT measures. As a financial services provider operating globally, Mizuho Financial Group is subject to the laws and regulations of both Japan and the other jurisdictions where it operates, as well as to supervision from financial regulators based on those laws and regulations. Accordingly, we have devised AML/CFT policies and procedures that conform to the laws and regulations in each jurisdiction and we are also continually enhancing our AML/CFT measures.

On November 26, 2021, Mizuho Bank received a corrective action order from the Ministry of Finance of Japan in regard to the performance of confirmation obligations required of banks under Article 17 of the Foreign Exchange and Foreign Trade Act of Japan. Subsequently, on December

Compliance structure



17, 2021, we submitted a report to the Ministry of Finance on our measures to improve operations and prevent further incidents. For more information on the Ministry of Finance’s corrective action order, please see our press release “Regarding administrative actions by the Financial Services Agency and Ministry of Finance of Japan”, dated November 26, 2021. For more information on the issues identified and our progress on formulating measures to address those issues and prevent further incidents, please see our press release “Submission of report complying with the corrective action order issued by the Ministry of Finance of Japan to Mizuho Bank, Ltd.”, dated December 17, 2021. The Mizuho group will steadily implement measures to improve our operations and prevent further incidents. We will also reinforce our structure for compliance with laws and regulations, and we will enhance our AML/CFT measures.

Our stance towards organized crime

In order to prevent organized crime from influencing the management of our clients and to avoid any association with the harm caused by organized crime, the Mizuho Code of Conduct includes a policy covering our zero-tolerance stance on business relationships with individuals or organizations that are in any way associated with organized crime and therefore threaten the rule of law, public order, and safety.

We have also formed an Anti-Organized Crime Committee which includes external experts in industry-specific, in-depth discussions on this subject, in addition to other initiatives we are implementing on a group-wide basis to ensure that we have no direct or indirect associations with organized crime. Moreover, drawing on the discussions in this committee, these matters are also discussed and reported on at meetings of the compliance committees of Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.

Furthermore, core group companies maintain centralized departments or appoint an officer to manage anti-organized crime efforts and to maintain effective frameworks, for example, by establishing a manual on how to manage such issues and conducting training sessions. If required, we consult with third-party experts and authorities on the handling of specific cases.

Measures for ensuring compliance

At Mizuho, compliance-related education and training are key measures for ensuring appropriate compliance.

During fiscal 2021, Mizuho continued to provide effective training tailored to a broad range of roles within the organization, from employees to senior management. We conducted 16 training sessions in total, including mandatory compliance training sessions for all employees; role-specific training for executive officers, general managers, compliance officers, and other senior management members; and e-learning training sessions on specific compliance topics.

To respond to the administrative actions of 2021, we are endeavoring to improve our training and further enhance our legal and regulatory compliance in fiscal 2022.

As part of performing their duties, every executive officer and employee must be knowledgeable in compliance and understand underlying risks in regard to all laws and regulations. Such preparedness is essential to a sound legal and regulatory compliance structure. We are conducting an overall revision of our training based on this perspective, examining laws and regulations, business fields, and positions to determine what knowledge is required and what the content and scope of roles and responsibilities in each area are. We will address these factors through our implementation of training.

In addition to training sessions and other programs designed to promote compliance, we are also dedicated to detecting potential compliance issues at the earliest stage possible and taking appropriate action. When we become aware of potential compliance issues, such matters must be reported immediately to department and branch managers in accordance with our compliance manual. Furthermore, each group company has established a hotline which employees can call in order to speak with someone within the Compliance Division or an external law office or compliance professional. For matters related to inappropriate accounting, internal control on financial reporting, and auditing, an internal control and auditing hotline, which connects to an external law office, is available to receive reports from both in and outside the company.

Internal reporting systems (Compliance hotline)

We have a robust internal reporting system in place, and are working to further increase its effectiveness by establishing group-wide reporting channels outside the workplace that are available 24 hours a day, every day of the year. These channels also offer service in multiple languages and accept anonymous reports. To ensure that employees at each group company are fully acquainted with these systems, hotline numbers and other relevant information is included on posters within each workplace and distributed to all employees on wallet-sized cards. In fiscal 2021, the Mizuho group received a total of 216 reports through our hotlines from both inside and outside the group, with the response status reported to members of our Audit Committee. Following inspection by an authorized registration institute under the Consumer Affairs Agency, our internal reporting system was recognized as operating properly and registered to the Whistleblowing Compliance Management System (a Self-declaration System).



Internal control and audit hotline

Our audit hotline, which connects to an external law office, is available to receive reports from both in and outside the company in connection with concerns regarding accounting and financial reports.

Customer protection management

We give first priority to our customers, and we believe that earning their trust is the basis for ensuring sound management and therefore earning the trust of other stakeholders as well. With this in mind, a core part of our compliance is to continuously seek to monitor and improve the operations of the group from the perspective of what is in the best interests of our customers in order to ensure that our operations are appropriate and to improve customer convenience. We manage customer protection uniformly throughout the group in order to achieve this objective.

Customer protection management structure

At Mizuho, customer protection management refers to the efforts we make to improve the protection of our customers and improve customer convenience from the following perspectives:

1. Ensuring the appropriateness and sufficiency of explanations provided to customers prior to conducting transactions, purchasing products, etc. as well as the provision of information (e.g. product explanations) to customers.
2. Ensuring the appropriateness and sufficiency of the handling of customer inquiries, complaints, and other communications (customer service).
3. Ensuring the appropriateness of the management of customer information (customer information management).
4. Ensuring the appropriateness of customer interaction and the handling of customer information in cases where group operations are outsourced (outsourcing management).
5. Ensuring the appropriateness of the management of measures to be taken in order to address conflicts of interest arising from transactions with customers (conflict of interest management).

Our President & Group CEO generally oversees the management of customer protection, and important matters are discussed at Compliance Committee meetings (chaired by the Head of the Compliance Group). Further, the Mizuho Financial Group divisions responsible for each area of management described above also provide centralized monitoring and implementation of our core group companies’ customer protection management. Core group companies oversee customer protection management at their own subsidiaries.

Information management

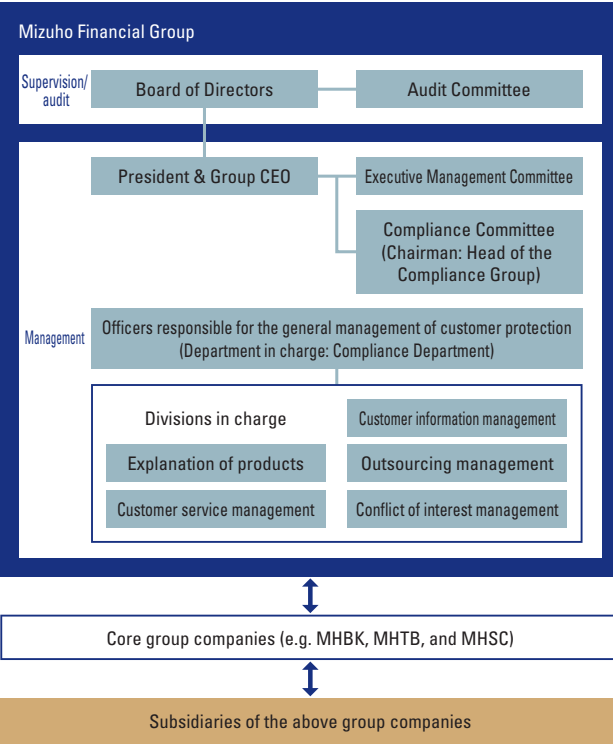
Advances in information technology have enabled greater utilization of data. At the same time, many countries have tightened legislation protecting personal information. There has also been closer public scrutiny of the methods companies use to protect personal information. Mizuho is aware of the vital importance of managing information in a way that ensures appropriate protection and use of information assets. We are constantly working to strengthen our information management practices. For example, we aim to ensure that our security management measures and information administration methods for information assets are clear and straightforward. Also, we implement training and awareness-building exercises to ensure that all members of our organization have a firm understanding regarding the proper protection of information assets.

Customer service management

At Mizuho, we engage in business with a wide range of customers, and we put a strong emphasis on responding appropriately to feedback, complaints, or other communication from customers in addition to our efforts to offer customers stronger protections and higher convenience.

In the case of receiving a complaint or other critical feedback, we not only emphasize the importance of responding quickly and politely, but also require reports to be drawn up in order to monitor these situations.

Furthermore, we regard all customer feedback as an important asset and work continuously to improve our operations and prevent the recurrence of issues with the aim of increasing customer satisfaction.



Fiduciary duties*

* Fiduciary duties is a general term for the broad range of roles and responsibilities that fiduciaries are expected to fulfill when engaging in certain business activities in order to live up to the trust that is placed in them by their customers.

Mizuho’s Corporate Identity includes our central values—the Mizuho Values—starting with putting our customers first, and these values are shared by everyone at Mizuho. As a team of financial professionals providing a broad range of financial services, we are committed to providing the best, most appropriate solutions in response to our customers’ diverse needs.

We have released Policies Regarding Mizuho’s Fiduciary Duties as group-wide policies which ensure that through our asset management-related businesses we offer products and services that are in the best interest of our customers and that we continue to be our customers’ most trusted financial services partner and long-term partner. In addition, at the holding company and relevant group companies, we have established and made public specific action plans for ensuring we are always aligned with customers’ best interests.

 For more information on Policies Regarding Mizuho’s Fiduciary Duties, please see our website:

https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/news/2017/03/20170330_2release_jp_1-1.pdf

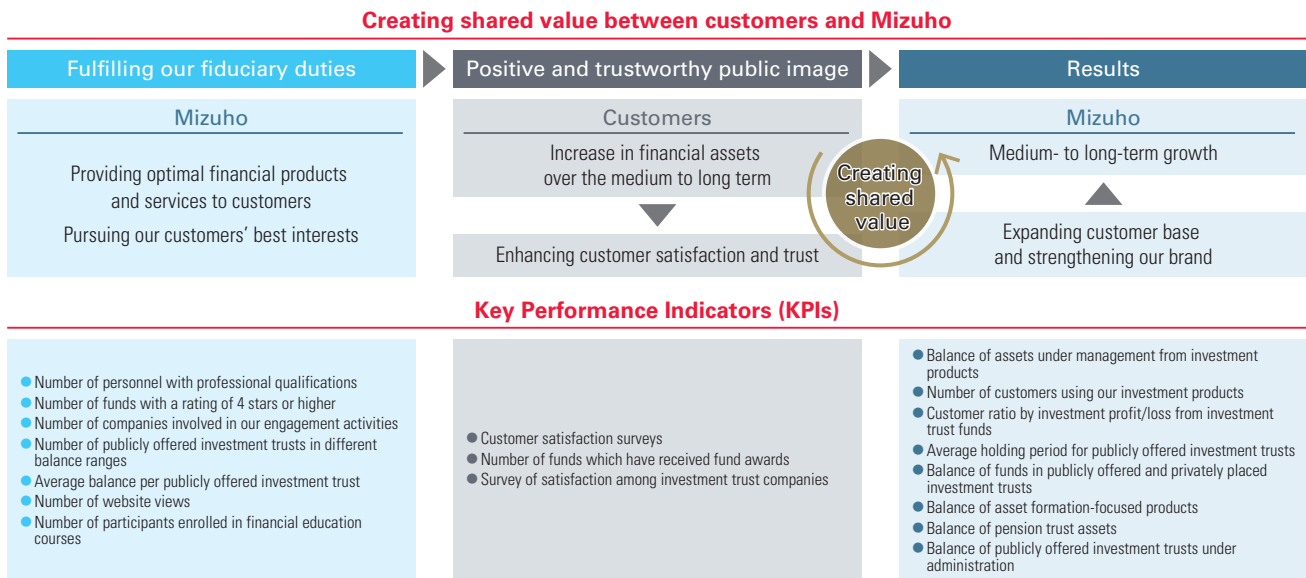
Our commitment to fulfilling our fiduciary duties to create shared value between customers and Mizuho

Through fulfilling our fiduciary duties, Mizuho aims to ensure a high level of customer satisfaction and to earn the trust of customers by increasing their financial assets in the medium to long term.

At the same time, by expanding our customer base and establishing a brand built on customer satisfaction and trust, we aim to create shared value with our customers that will also lead to medium- to long-term growth for Mizuho, which will allow us to further enhance the level of customer service we provide.

Key Performance Indicators (KPIs)

With the objective of creating shared value with our customers, we have established KPIs to confirm our level of performance of our fiduciary duties, and we announce them periodically along with the status of initiatives under our Action Plan.



*In addition to the Key Performance Indicators listed above, the following common KPIs have also been released.

Common KPIs

(1) Customer ratio by investment profit/loss from investment trust funds/fund wraps, (2) Cost vs. return of the best-selling investment products in terms of the balance of investment trust assets under management, (3) Risk vs. return of the best-selling investment products in terms of the balance of investment trust assets under management, (4) Customer ratio by investment performance of the foreign currency-denominated insurance products (5) Cost vs. return of the foreign currency-denominated insurance products.

Earned S+ score in R&I Customer-Oriented Investment Trust Sales Company Evaluation

Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities, as part of our efforts to obtain third-party objective evaluations of our initiatives for our fiduciary duties, obtain assessments from Rating & Investment Information (R&I) under their Customer-Oriented Investment Trust Sales Company Evaluation.

We received the latest results in January 2022. All four companies earned an S+ score for the second consecutive year, placing them in the top tier of companies in the industry.



The R&I Customer-Oriented Investment Trust Sales Company Evaluation ("this evaluation") represents R&I's opinion on the "customer-oriented business operations" initiatives of sales companies engaged in the investment trust sales business, and is not a statement of fact. The information used by R&I in conducting this evaluation is deemed to be reliable by R&I at its discretion, but R&I does not independently verify the accuracy of such information. In addition, R&I and others do not guarantee the accuracy and completeness of the information, and do not recommend the purchase, sale or holding of specific products or guarantee future performance. All intellectual property rights such as copyrights related to this evaluation and all other rights belong to R&I and are prohibited from reproduction or reprinting without permission. The evaluation of Mizuho Financial Group combines the evaluations of Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.

Cybersecurity

Cyberattacks are on the rise with the advancement of digitalization throughout society

As digitalization continues to advance, communication and economic activities that take place over the Internet have become a part of daily life in many regions around the world. The Internet is becoming a public space where large volumes of private information circulate and accumulate. There has been an increase in cyberattacks with suspected state involvement, and the number of cyberattacks that target not only the private information of individuals but also confidential information held by companies is also growing. Means of carrying out cyberattacks are increasingly being offered as services and are becoming more specialized, allowing cyberattacks to be executed by collaborating parties regardless of whether each party possesses all the necessary skills for an attack. Such developments lay behind the increase in cyberattacks.

Mizuho’s cybersecurity initiatives

At Mizuho as well, we are advancing financial services and data business that leverage digital technologies. In order to provide safe and reliable services to our customers, it is important that we address the risks that accompany the use of digital technologies, particularly with regard to cybersecurity.

We consider cyberattacks to be one of the top risks for our business, and we are continuously pressing forward with cybersecurity measures as per our Declaration of Cybersecurity Management. Specifically, with Mizuho-CIRT¹ taking the lead, we have assigned high-level professionals and are drawing on intelligence and cutting-edge technology developed in collaboration with external specialized organizations, while also establishing a monitoring framework via integrated SOC.² We are conducting cybersecurity drills multiple times a year to prepare for emergency situations, and are focusing on personnel development in the medium to long term together with our initiatives to strengthen our resilience frameworks, including the analysis of malware and the development of defense-in-depth measures.

Declaration of Cybersecurity Management

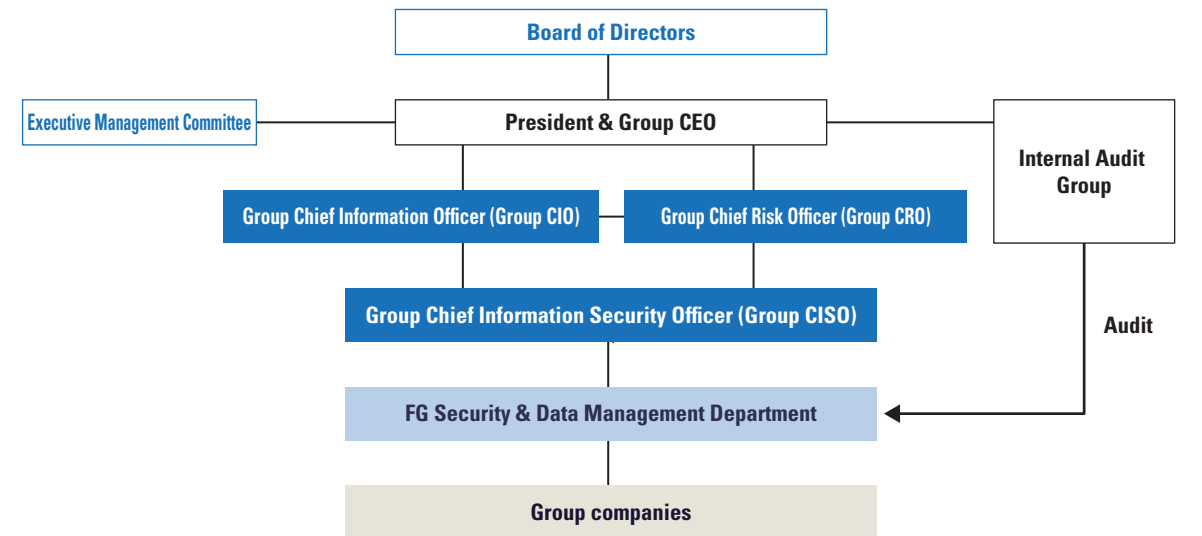
<https://www.mizuhogroup.com/who-we-are/strategy/it/cybersecurity>

1. Cyber Incident Response Team

2. Security Operation Center

Mizuho’s cybersecurity management framework

At Mizuho, under the supervision of the Board of Directors, we have established the position of Group Chief Information Security Officer (Group CISO), who administers overall group-wide / global cybersecurity management, and we have also established CISOs at our main subsidiaries. In the interest of clarifying how the check-and-balance system applies to the Group Chief Information Officer (Group CIO) as part of our second line of defense, the Group CISO reports to both the Group CIO and Group Chief Risk Officer (Group CRO). We are striving to enhance our cybersecurity posture on a group-wide, global basis by implementing this system of double reporting.



FG: Mizuho Financial Group

Stakeholder communication

In addition to articulating our commitment to maintain an ethical stance towards our stakeholders within the Mizuho Code of Conduct, we aim to communicate with our stakeholders proactively and we strive to ensure that our corporate activities are aligned with social expectations as well as fair and transparent.

Our stakeholders

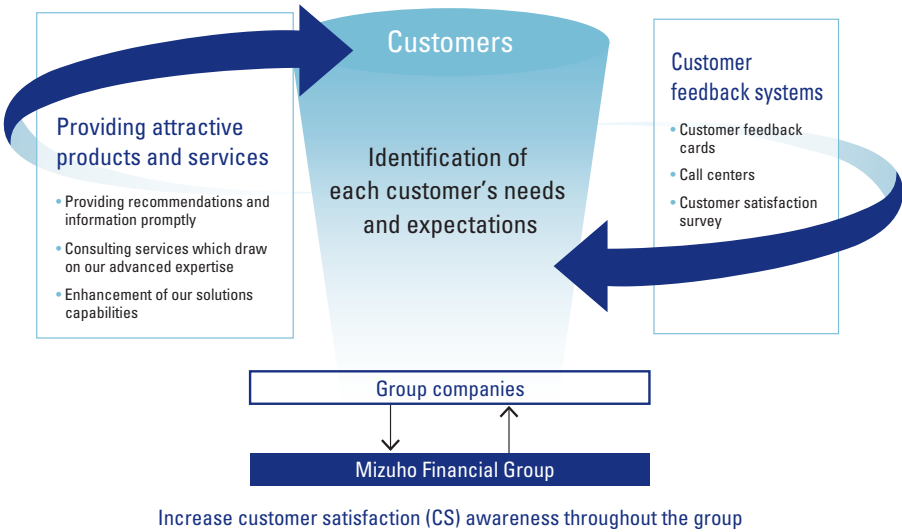
We communicate with our broad base of stakeholders using a wide range of communication tools and channels and aim to reflect their opinions and ideas into our corporate activities.

Stakeholders	Principal communication channels	
Customers	Customer feedback cards, customer satisfaction surveys, call centers, website customer feedback forms, and a dedicated toll-free number	▶ P. 107
Shareholders	General Meeting of Shareholders, investor briefings	▶ P. 43
Employees	Various briefings, town hall meetings, employee opinion surveys	▶ P. 79, 108
Regional/local communities	Social contribution activities, support for financial education	▶ P. 108
Suppliers/competitors	Purchasing activities and outsourcing contracts	
Government authorities	Policy recommendations, participation in industry groups, appropriate responses to supervisory authorities	



A closer look at our communication with customers

In our Vision, we at Mizuho have adopted a goal of being our customers’ best financial services provider and we have put a number of initiatives in place in order to achieve this objective. Using a range of communication channels, we actively stay abreast of the constantly changing needs of our customers and strive to improve the level of services that we can offer.



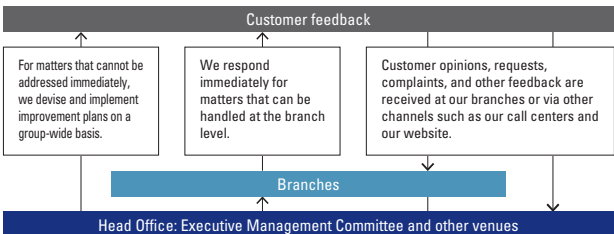
Systems to capture customer feedback

Customer feedback cards
Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities have made customer feedback cards available in the lobby areas of retail branches in order to gather customer opinions and requests.

Customer satisfaction surveys
Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities regularly conduct customer satisfaction surveys, reflecting the feedback in improved group products and services.

Call centers
Our call centers are available for responding to customer opinions and requests and data collected from these centers is a valuable resource.

Website feedback forms and dedicated toll-free number
Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities have made feedback forms available on their websites, as well as established a dedicated toll-free line, to gather customer opinions and requests.



Reflecting customer feedback into our corporate activities

At Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities, we draw on the opinions expressed by customers in discussions held at branches and management level meetings, including those of the Executive Management Committee at Head Office.

A closer look at our internal communications

We are endeavoring to raise the quality and quantity of the internal communications within our group as part of our efforts to build reciprocal, horizontal relationships between our executive management and employees, Head Office and frontlines, supervisors and their direct reports, and the employees themselves, and foster a corporate culture in which each employee acts independently and proactively.

Initiatives to increase the quality and quantity of communication

To raise the quality of communication, we are endeavoring to transform the corporate culture and promote communication by setting up working groups made up of participants from across the Mizuho group, which provide direct feedback from employees. In addition, executive management and employees have the opportunity to engage in direct dialogue with each other in town hall meetings and discussion meetings.



Discussion meetings between executive management and employees

Further, to increase the quantity of communication, our executive management, led by the Group CEO, communicates with employees through a range of channels including messages, briefings, videos, and emails. Employee surveys on this outreach are also conducted and a number of opportunities for mutual communication provided.

Our other communication initiatives include providing information on the Mizuho group's employee intranet Mizuho Web, the annual staff survey of group employees, and ad hoc quick pulse surveys.



Briefing for employees

A closer look at our communication with local communities

In our aim to be a good corporate citizen that aligns our organization’s interests with those of society, supports society, and advances in step with society, the Mizuho group is actively engaged in social contribution initiatives addressing local community issues and needs.

Community and social contribution activities

At our offices worldwide, employees and their families undertake volunteer activities in local communities. We are also involved in various social contribution initiatives, including delivering yellow safety badges to first graders across Japan to help ensure their traffic safety and holding Coming-of-Age Day concerts in Japan to expose the next generation to art and culture.



Volunteering at a food bank for a local community outside Japan



Poster promoting the traffic safety yellow badges presented to first graders throughout Japan

Financial and economic education initiatives

Using their practical knowledge and insights, each of our group companies assigns executive officers and employees to teach financial and economic education. We serve the needs of various age groups, from first graders to members of the general public, through providing financial literacy seminars, workplace experience, and endowed lectures.



Live online lesson at Children's Summer School

Data section



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Eleven-year major financial data (FY2011 – 2021)

Summary of consolidated performance

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Consolidated gross profits	2,003.0	2,171.7	2,035.2	2,247.7	2,221.6	2,092.7	1,915.3	1,812.7	2,062.2	2,198.6	2,252.4
Net interest income	1,088.3	1,075.8	1,108.3	1,129.4	1,003.6	867.8	807.3	762.4	733.5	905.6	993.4
Fiduciary income	49.0	48.5	52.0	52.6	53.4	50.6	55.4	55.1	58.5	55.1	60.4
Credit costs for trust accounts	—	—	—	—	—	—	—	—	—	—	—
Net fee and commission income	458.9	507.3	560.7	593.3	607.5	603.5	614.3	610.4	619.2	687.1	740.9
Net trading income	150.3	215.0	187.4	262.9	310.5	325.3	275.7	297.3	391.2	388.1	287.6
Net other operating income	256.4	324.8	126.7	209.3	246.4	245.4	162.4	87.3	259.5	162.5	169.8
General and administrative expenses	(1,283.8)	(1,244.6)	(1,258.2)	(1,351.6)	(1,349.5)	(1,467.2)	(1,488.9)	(1,430.8)	(1,378.3)	(1,414.6)	(1,392.8)
Consolidated net business profits*	719.1	912.1	744.2	876.9	852.8	663.4	457.8	393.3	661.9	797.7	851.2
Credit-related costs	27.7	(111.8)	112.8	(4.6)	(30.4)	(47.5)	156.3	(19.5)	(171.7)	(204.9)	(235.1)
Aggregate figures for the 2 banks	24.7	(114.1)	116.6	(7.8)	(26.7)	(49.3)	153.2	(22.7)	(173.7)	(201.5)	(303.7)
Net gains (losses) related to stocks	(38.1)	(82.9)	77.0	131.9	205.6	242.1	272.0	274.8	137.1	12.1	(43.8)
Net gains (losses) on sales of stocks	15.6	46.6	81.5	143.7	225.3	261.1	288.3	305.2	153.7	56.8	29.5
Losses on impairment (devaluation) of stocks	(49.3)	(125.8)	(5.3)	(5.3)	(10.3)	(4.8)	(5.1)	(5.7)	(41.6)	(5.8)	(41.6)
Equity in income from investment in affiliates	2.6	(11.1)	15.4	15.0	24.2	18.8	21.4	51.2	30.3	19.9	25.4
Other	(62.9)	29.2	5.1	(27.5)	(74.0)	(101.5)	(93.7)	(74.2)	(41.7)	(74.8)	(46.1)
Ordinary profits	648.5	750.3	987.5	1,010.8	997.5	737.5	782.4	614.1	637.8	536.3	559.8
Net extraordinary gains (losses)	67.8	(32.5)	(2.2)	(20.2)	10.7	46.6	17.5	(497.8)	(19.1)	115.8	44.0
Income taxes – current	(55.3)	(50.4)	(137.0)	(260.2)	(213.2)	(196.5)	(190.1)	(161.3)	(150.0)	(165.6)	(117.3)
– deferred	(97.4)	(7.4)	(77.9)	(44.7)	(69.2)	58.8	(1.4)	163.8	(11.4)	(9.0)	56.6
Profit	563.6	659.9	770.3	685.6	725.7	646.4	608.3	118.7	457.2	477.3	543.1
Profit attributable to non-controlling interests	(79.1)	(99.4)	(81.9)	(73.7)	(54.7)	(42.9)	(31.7)	(22.1)	(8.6)	(6.3)	(12.7)
Profit attributable to owners of parent	484.5	560.5	688.4	611.9	670.9	603.5	576.5	96.5	448.5	471.0	530.4

* Consolidated gross profits – G&A expenses (excluding non-recurring losses) + Equity in income from investments in affiliates and certain other consolidation adjustments

Summary of consolidated balance sheet

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Assets	165,360.5	177,411.0	175,822.8	189,684.7	193,458.5	200,508.6	205,028.3	200,792.2	214,659.0	225,586.2	237,066.1
Loans and bills discounted	63,800.5	67,536.8	69,301.4	73,415.1	73,708.8	78,337.7	79,421.4	78,456.9	83,468.1	83,704.6	84,736.2
Securities	51,392.8	53,472.3	43,997.5	43,278.7	39,505.9	32,353.1	34,183.0	29,774.4	34,907.2	43,697.2	44,641.0
Liabilities	158,491.2	169,674.8	167,518.3	179,884.2	184,105.3	191,235.2	195,207.0	191,598.1	205,995.2	216,224.0	227,865.1
Deposits	78,811.9	84,241.9	89,055.5	97,757.5	105,629.0	120,045.2	125,081.2	124,311.0	131,189.6	133,312.4	138,830.8
Negotiable certificates of deposit	11,824.7	15,326.7	12,755.7	15,694.9	11,827.5	10,631.2	11,382.5	13,338.5	13,282.5	17,192.5	16,868.9
Net assets	6,869.2	7,736.2	8,304.5	9,800.5	9,353.2	9,273.3	9,821.2	9,194.0	8,663.8	9,362.2	9,201.0
Total shareholders' equity	4,762.7	5,174.6	5,676.2	6,131.1	6,559.9	7,001.2	7,388.3	7,303.0	7,561.0	7,807.2	8,130.1
Retained earnings	1,405.0	1,814.7	2,315.6	2,769.3	3,197.6	3,615.4	4,002.8	3,915.5	4,174.1	4,421.6	4,756.4
Total accumulated other comprehensive income	146.6	752.5	781.0	2,029.9	1,607.8	1,520.9	1,677.5	1,445.7	992.9	1,449.0	947.1
Non-controlling interests	1,957.6	1,806.4	1,844.0	1,635.5	1,182.6	749.3	754.2	444.5	109.6	105.7	123.5

Financial indicators

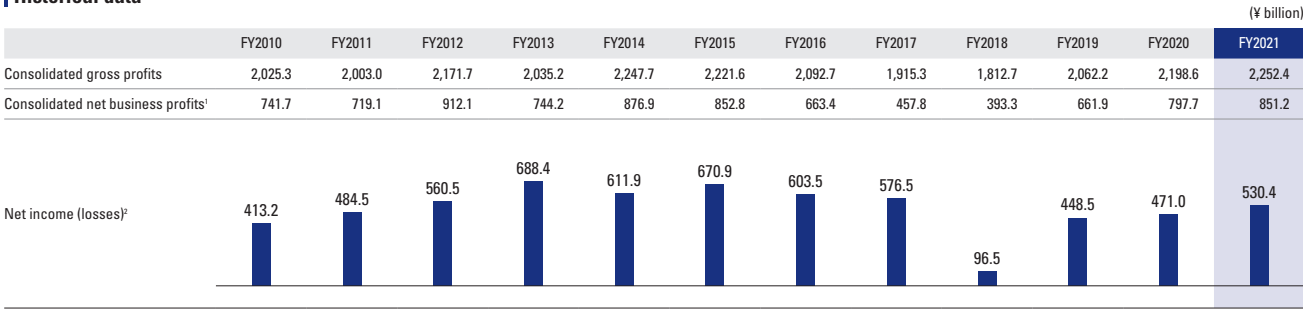
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Common Equity Tier 1 capital ratio (consolidated)	/	8.16	8.80	9.43	10.50	11.34	12.49	12.76	11.65	11.63	12.46
Tier 1 capital ratio (consolidated)	/	11.03	11.35	11.50	12.64	13.30	15.44	15.94	14.52	14.37	15.00
Capital adequacy ratio (BIS standard) (consolidated)	15.50	/	/	/	/	/	/	/	/	/	/
Total capital ratio (consolidated)	/	14.19	14.36	14.58	15.41	16.28	18.24	18.85	17.25	16.87	17.53
Net assets per share (Yen)*	187.19	229.70	253.25	322.86	322.46	335.96	357.41	345.00	3,372.96	3,650.87	3,581.39
Profit attributable to owners of parent per share (Yen)*	20.62	22.96	28.18	24.91	26.94	23.86	22.72	3.80	176.87	185.75	209.27
Net return on equity (consolidated)	11.36	10.99	11.65	8.60	8.37	7.27	6.55	1.08	5.18	5.29	5.78

* Mizuho Financial Group adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020.
Net assets per share (Yen) and Profit attributable to owners of parent per share (Yen) have been calculated under a backdated scenario in which the share consolidation was adopted at the beginning of fiscal 2019.

Review and analysis for fiscal 2021

Summary of consolidated performance

Historical data



1. Consolidated gross profits – G&A expenses (excluding non-recurring losses) + Equity in income from investments in affiliates and certain other consolidation adjustments

2. Profit attributable to owners of parent from FY2015 onward

Consolidated

(¥ billion)

	FY2021	FY2020	Change from FY2020
Consolidated gross profits	2,252.4	2,198.6	53.7
General and administrative expenses	(1,392.8)	(1,414.6)	21.7
Expenses related to portfolio problems ¹	(255.9)	(209.9)	(46.0)
Gains on reversal of reserves for possible losses on loans and others	20.7	4.9	15.8
Net gains (losses) related to stocks	(43.8)	12.1	(55.9)
Equity in income from investments in affiliates	25.4	19.9	5.5
Other	(46.1)	(74.8)	28.7
Ordinary profits	559.8	536.3	23.5
Net extraordinary gains (losses)	44.0	115.8	(71.8)
Income before income taxes	603.8	652.1	(48.2)
Income taxes	(60.6)	(174.7)	114.0
Profit	543.1	477.3	65.8
Profit attributable to non-controlling interests	(12.7)	(6.3)	(6.3)
Profit attributable to owners of parent	530.4	471.0	59.4
Credit-related costs	(235.1)	(204.9)	(30.2)
Consolidated net business profits ²	851.2	797.7	53.5

1 Including reversal of [provision for] general reserve for losses on loans

2 Consolidated gross profits – G&A expenses (excluding non-recurring losses) + Equity in income from investments in affiliates and certain other consolidation adjustments

MHBK + MHTB (Aggregate figures on a non-consolidated basis)

(¥ billion)

	FY2021	FY2020	Change from FY2020
Gross profits	1,468.6	1,477.3	(8.6)
G&A expenses (excluding non-recurring losses)	(857.9)	(897.0)	39.1
Net business profits	610.7	580.2	30.5
Credit-related costs	(303.7)	(201.5)	(102.1)
Net gains (losses) related to stocks	(47.4)	(12.3)	(35.1)
Ordinary profits	261.4	321.9	(60.5)
Net income (losses)	219.2	311.7	(92.5)

Consolidated net business profits

We recorded consolidated gross profits of ¥2,252.4 billion for fiscal 2021, an increase of ¥53.7 billion from the previous fiscal year due to factors including steady performance in the customer division.

General and administrative expenses decreased by ¥21.7 billion on a year-on-year basis to ¥1,392.8 billion, mainly due to an increase in amortization expenses of actuarial differences (favorable gains and losses) and steady progress in cost reductions through structural reforms.

As a result, consolidated net business profits increased by ¥53.5 billion on a year-on-year basis to ¥851.2 billion.

Profit attributable to owners of parent

Credit-related costs increased by ¥30.2 billion on a year-on-year basis to ¥235.1 billion, mainly due to recording large reserves for certain clients, as well as recording reserves for Russia-related clients.

Net gains (losses) related to stocks decreased by ¥55.9 billion on a year-on-year basis, resulting in a loss of ¥43.8 billion, mainly due to writing off stocks such as the cancellation of bear funds introduced to stabilize a portion of unrealized gains on equity securities, despite continuing to sell stocks held for policy purposes.

As a result, ordinary profits increased by ¥23.5 billion on a year-on-year basis to ¥559.8 billion.

As for net extraordinary gains (losses), gains decreased by ¥71.8 billion on a year-on-year basis to ¥44.0 billion, mainly due to the absence of extraordinary gains from the revision of the pension plan recorded in the previous fiscal year, despite gains from the return of employee retirement benefit trust assets implemented as part of financial structural reforms since the previous fiscal year.

Income taxes decreased by ¥114.0 billion on a year-on-year basis to ¥60.6 billion, partly due to the tax effect of capital optimization implemented by Mizuho Securities as part of financial structure reforms.

As a result, profit attributable to owners of parent increased by ¥59.4 billion on a year-on-year basis to ¥530.4 billion.

Summary of consolidated balance sheet

Consolidated

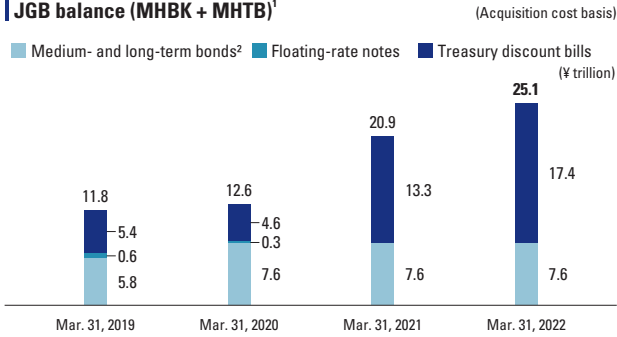
(¥ billion)

	March 31, 2021	March 31, 2020	Change from March 31, 2021
Assets	237,066.1	225,586.2	11,479.9
Securities	44,641.0	43,697.2	943.7
Japanese government bonds	25,638.7	21,400.5	4,238.1
Japanese local government bonds	419.6	463.5	(43.9)
Japanese corporate bonds and short-term bonds	3,042.0	2,760.9	281.1
Japanese stocks	3,239.4	3,570.1	(330.7)
Other	12,301.2	15,502.1	(3,200.8)
Loans and bills discounted	84,736.2	83,704.6	1,031.6
Loans (MHBK + MHTB, banking account + trust account)	86,651.9	85,984.5	667.4
Domestic total	60,188.1	62,044.2	(1,856.1)
Loans to SMEs and individual customers	34,897.9	35,601.0	(703.1)
(Housing loans for owner's residential housing)	7,896.3	8,125.6	(229.2)
Overseas total	26,463.8	23,940.2	2,523.6
Liabilities	227,865.1	216,224.0	11,641.1
Deposits	138,830.8	133,312.4	5,518.4
Domestic deposits (MHBK + MHTB)	112,531.4	111,043.3	1,488.1
Individual deposits	47,667.5	47,321.6	345.8
Corporate deposits	55,596.1	54,592.7	1,003.4
Financial/government institutions	9,267.7	9,128.8	138.8
Negotiable certificates of deposit	16,868.9	17,192.5	(323.6)
Net assets	9,201.0	9,362.2	(161.1)
Total shareholders' equity	8,130.1	7,807.2	322.9
Common stock	2,256.7	2,256.7	–
Capital surplus	1,125.3	1,135.9	(10.6)
Retained earnings	4,756.4	4,421.6	334.7
Treasury stock	(8.3)	(7.1)	(1.2)
Total accumulated other comprehensive income	947.1	1,449.0	(501.8)
Net unrealized gains (losses) on other securities	719.8	1,132.4	(412.6)
Deferred gains or losses on hedges	(76.7)	31.6	(108.3)
Revaluation reserve for land	132.1	136.3	(4.2)
Foreign currency translation adjustments	2.3	(139.5)	141.8
Remeasurements of defined benefit plans	169.6	288.0	(118.4)
Debt valuation adjustments in foreign affiliates	(0.0)	–	(0.0)
Stock acquisition rights	0.0	0.1	(0.0)
Non-controlling interests	123.5	105.7	17.7

Securities

Securities were ¥44,641.0 billion, increasing by ¥943.7 billion from the end of the previous fiscal year due to an increase in short-term Japanese government bonds and other factors.

JGB balance (MHBK + MHTB)¹



Average remaining period³

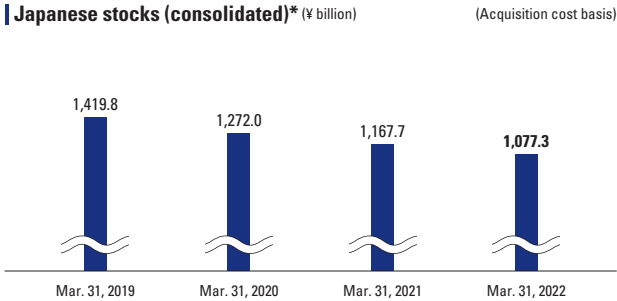
2.1 years	2.4 years	1.1 years	1.2 years
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1. Other securities which have readily determinable fair values

2. Including bonds with remaining period of one year or less

3. Excluding floating-rate notes

Japanese stocks (consolidated)* (¥ billion)



*Other securities which have readily determinable fair values

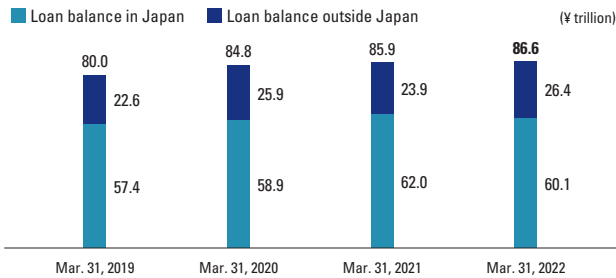
Review and analysis for fiscal 2021

Loans

The total of loans was ¥84,736.2 billion, an increase of ¥1,031.6 billion compared to the end of the previous fiscal year, caused primarily by the increases in loans originating outside Japan, primarily in the Americas and Europe.

The combined total of loans for MHBK and MHTB was ¥86,651.9 billion, an increase of ¥667.4 billion compared to the end of the previous fiscal year. For our loan balance in Japan, the balance for large businesses decreased, as did the balances of personal loans and Japanese government loans, resulting in an overall decrease of ¥1,856.1 billion (including a decrease of ¥387.0 billion in loans to the Japanese government and other such obligors). Our loan balance outside Japan (including loans booked offshore) increased by ¥2,523.6 billion, mainly due to an increase in loans in the Americas and Europe.

Loan balance (MHBK + MHTB, banking book + trust banking book)

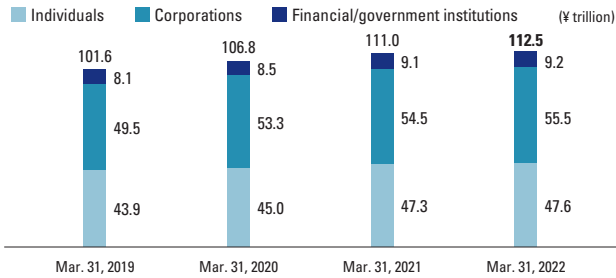


Deposits

The total deposits were ¥138,830.8 billion, an increase of ¥5,518.4 billion compared to the end of the previous fiscal year, mainly attributable to an increase in deposits outside Japan.

The combined deposits in Japan of MHBK and MHTB increased by ¥1,488.1 billion compared to the end of the previous fiscal year, due to factors such as an increase in deposits by corporations.

Deposits in Japan (MHBK + MHTB)



Note: Some of the domestic deposit balances that were previously classified as "Corporate deposits" have been reclassified as "Financial/government institutions".

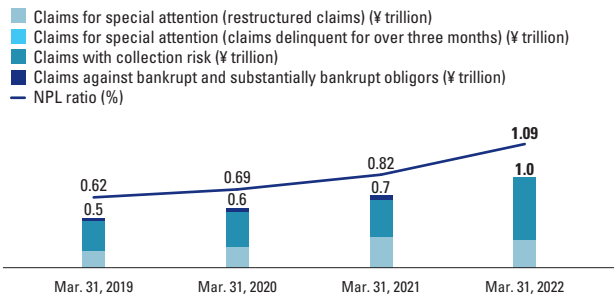
Total net assets

Net assets amounted to ¥9,201.0 billion, decreasing by ¥161.1 billion compared to the end of the previous fiscal year, due to a decrease in net unrealized gains (losses) on other securities, and other factors.

Non-performing loans (NPLs)

The combined NPL balance of MHBK and MHTB was ¥1,085.6 billion, an increase of ¥292.9 billion compared to the end of the previous fiscal year, and the NPL ratio was 1.09%. Both the NPL balance and ratio increased.

Non-performing loans based on the Banking Act and Financial Reconstruction Act of Japan (MHBK + MHTB, banking book + trust banking book)



Non-performing loans based on the Banking Act and Financial Reconstruction Act of Japan (MHBK + MHTB, banking book + trust banking book)

	March 31, 2022	March 31, 2021	Change from March 31, 2021
Claims against bankrupt and substantially bankrupt obligors	41.1	48.7	(7.6)
Claims with collection risk	726.0	411.0	314.9
Claims for special attention	318.5	333.0	(14.4)
Claims delinquent for over three months	2.4	0.5	1.9
Restructured claims	316.0	332.4	(16.4)
Subtotal	1,085.6	792.7	292.9
Normal claims	97,933.5	95,144.3	2,789.1
Total	99,019.2	95,937.1	3,082.0
NPL ratio	1.09%	0.82%	0.27%

BIS capital

BIS capital

Common Equity Tier 1 capital was ¥8,067.2 billion, an increase of ¥217.3 billion compared to the end of the previous fiscal year.

Risk assets

Risk-weighted assets were ¥64,730.4 billion, a decrease of ¥2,751.5 billion compared to the end of the previous fiscal year, due to a decrease in credit risk-related assets and other factors.

BIS capital ratio

The consolidated total capital ratio, consolidated Tier 1 capital ratio, and consolidated Common Equity Tier 1 capital ratio as of the end of March 2022 were 17.53%, 15.00%, and 12.46%, respectively.

BIS capital ratio (consolidated)

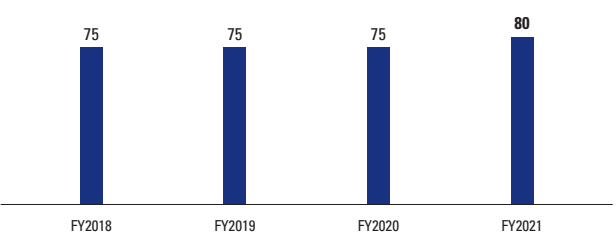
	March 31, 2022	March 31, 2021	Change from March 31, 2021
Common Equity Tier 1 capital (CET1)	8,067.2	7,849.9	217.3
Capital stock, surplus, and retained earnings	8,130.0	7,807.0	323.0
Additional Tier 1 capital	1,646.0	1,851.9	(205.9)
Additional Tier 1 capital instruments	1,643.0	1,873.0	(230.0)
Tier 2 capital	1,638.3	1,683.4	(45.0)
Tier 2 capital instruments	1,444.4	1,505.8	(61.4)
Eligible Tier 2 capital instruments subject to phase-out arrangements	—	168.7	(168.7)
Total capital	11,351.6	11,385.3	(33.7)
Risk-weighted assets	64,730.4	67,481.9	(2,751.5)
Credit risk assets	59,128.1	61,960.7	(2,832.5)
Market risk equivalent assets	2,357.9	2,328.6	29.2
Operational risk equivalent assets	3,244.3	3,192.5	51.8
Total capital ratio (consolidated)	17.53%	16.87%	0.66%
Tier 1 Capital ratio (consolidated)	15.00%	14.37%	0.63%
Common Equity Tier 1 capital ratio (consolidated)	12.46%	11.63%	0.83%

Shareholder returns

In fiscal 2021, we revised our capital management policy in order to pursue the optimum balance between capital adequacy, growth investment and enhancement of shareholder returns, and set forth our shareholder returns policy of progressive dividends being our principal approach while executing flexible and intermittent share buybacks. In addition, as for the dividends, we will decide based on the steady growth of our stable earnings base, taking 40% of the dividend payout ratio as a guide into consideration. As for share buybacks, we will consider our business results and capital adequacy, our stock price and the opportunities for growth investment in determining the execution.

Profit attributable to owners of parent for fiscal 2021 was ¥530.4 billion, achieving our earnings estimate, and the Common Equity Tier 1 capital ratio (Basel III finalization fully effective basis, excluding net unrealized gains (losses) on other securities) was 9.3%, remaining at our target level as set out in our 5-Year Business Plan, which was set at the lower end of the 9 – 10% range. Based on the above, the Board of Directors approved payment of an annual cash dividend of ¥80 per share of common stock for fiscal 2021 (interim dividend of ¥40 and year-end dividend of ¥40), an increase of ¥5 from fiscal 2020.

Annual cash dividend per share of common stock (¥)



Dividend payout ratio			
197%	42%	40%	38%

We implemented the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020.

The amounts for annual cash dividends per share of common stock from FY2018 through FY2020 reflect the effects of the share consolidation.

Consolidated financial statements

Consolidated balance sheets

	(¥ million)	
	As of March 31, 2022	As of March 31, 2021
Assets		
Cash and due from banks	51,359,301	47,981,981
Call loans and bills purchased	940,008	589,776
Receivables under resale agreements	12,750,363	11,623,654
Guarantee deposits paid under securities borrowing transactions	2,340,089	2,707,711
Other debt purchased	3,476,021	3,208,004
Trading assets	13,221,415	12,589,294
Money held in trust	591,183	582,368
Securities	44,641,060	43,697,262
Loans and bills discounted	84,736,280	83,704,675
Foreign exchange assets	2,627,492	2,084,756
Derivatives other than for trading assets	2,277,160	1,719,349
Other assets	7,797,796	6,174,020
Tangible fixed assets	1,095,977	1,135,449
Intangible fixed assets	601,292	620,224
Net defined benefit asset	863,217	1,109,107
Deferred tax assets	184,594	31,402
Customers' liabilities for acceptances and guarantees	8,346,878	6,602,744
Reserves for possible losses on loans	(783,886)	(575,572)
Reserve for possible losses on investments	(107)	(0)
Total assets	237,066,142	225,586,211

	(¥ million)	
	As of March 31, 2022	As of March 31, 2021
Liabilities and net assets		
Liabilities		
Deposits	155,699,803	150,504,978
Call money and bills sold	1,278,050	1,312,790
Payables under repurchase agreements	20,068,779	18,607,255
Guarantee deposits received under securities lending transactions	1,172,248	958,148
Commercial paper	1,775,859	2,105,067
Trading liabilities	9,608,976	8,115,377
Borrowed money	6,590,527	7,441,822
Foreign exchange liabilities	1,508,453	532,042
Short-term bonds	537,167	456,045
Bonds and notes	10,714,004	10,321,672
Due to trust accounts	1,167,284	1,160,608
Derivatives other than for trading liabilities	2,770,852	1,739,671
Other liabilities	6,301,484	5,862,013
Reserve for bonus payments	120,052	104,131
Reserve for variable compensation	2,278	2,935
Net defined benefit liability	71,774	71,049
Reserve for director and corporate auditor retirement benefits	557	683
Reserve for possible losses on sales of loans	1,309	1,074
Reserve for contingencies	6,622	6,762
Reserve for reimbursement of deposits	17,620	22,099
Reserve for reimbursement of debentures	10,504	14,419
Reserves under special laws	3,132	3,135
Deferred tax liabilities	30,923	215,557
Deferred tax liabilities for revaluation reserve for land	59,962	61,915
Acceptances and guarantees	8,346,878	6,602,744
Total liabilities	227,865,110	216,224,003
Net assets		
Common stock	2,256,767	2,256,767
Capital surplus	1,125,324	1,135,940
Retained earnings	4,756,435	4,421,655
Treasury stock	(8,342)	(7,124)
Total shareholders' equity	8,130,185	7,807,239
Net unrealized gains (losses) on other securities	719,822	1,132,460
Deferred gains or losses on hedges	(76,757)	31,618
Revaluation reserve for land	132,156	136,384
Foreign currency translation adjustments	2,346	(139,514)
Remeasurements of defined benefit plans	169,652	288,088
Own credit risk adjustments, net of tax	(23)	–
Total accumulated other comprehensive income	947,197	1,449,035
Stock acquisition rights	94	134
Non-controlling interests	123,555	105,797
Total net assets	9,201,031	9,362,207
Total liabilities and net assets	237,066,142	225,586,211

Consolidated statements of income

	(¥ million)	
	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2021
Income		
Interest income	1,309,009	1,333,509
Fiduciary income	60,490	55,160
Fee and commission income	905,575	843,953
Trading income	1,017,889	388,441
Other operating income	393,956	358,254
Other income	354,366	380,978
Total income	4,041,287	3,360,298
Expenses		
Interest expenses	315,550	427,826
Fee and commission expenses	164,579	156,805
Trading expenses	730,204	311
Other operating expenses	224,116	195,683
General and administrative expenses	1,392,896	1,414,608
Other expenses	610,067	512,900
Total expenses	3,437,415	2,708,135
Income before income taxes	603,872	652,163
Income taxes:		
Current	130,079	172,785
Refund of income taxes	(12,738)	(7,097)
Deferred	(56,652)	9,099
Total income taxes	60,688	174,788
Profit	543,183	477,375
Profit attributable to non-controlling interests	12,703	6,355
Profit attributable to owners of parent	530,479	471,020

Consolidated statements of comprehensive income

	(¥ million)	
	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2021
Profit	543,183	477,375
Other comprehensive income	(496,061)	454,513
Net unrealized gains (losses) on other securities	(411,077)	305,969
Deferred gains or losses on hedges	(108,186)	(40,294)
Foreign currency translation adjustments	130,612	(1,874)
Remeasurements of defined benefit plans	(115,038)	187,744
Own credit risk adjustments, net of tax	(23)	–
Share of other comprehensive income of associates accounted for using equity method	7,650	2,968
Comprehensive income	47,121	931,888
Comprehensive income attributable to owners of parent	33,676	927,366
Comprehensive income attributable to non-controlling interests	13,444	4,522

Consolidated financial statements

Consolidated statements of changes in net assets

(¥ million)															
For the fiscal year ended March 31, 2022	Shareholders' equity					Accumulated other comprehensive income							Stock acquisition rights	Noncontrolling interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on other securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Own credit risk adjustments net of tax	Total accumulated other comprehensive income			
Balance as of the beginning of the period	2,256,767	1,135,940	4,421,655	(7,124)	7,807,239	1,132,460	31,618	136,384	(139,514)	288,088	—	1,449,035	134	105,797	9,362,207
Cumulative effects of changes in accounting policies			(724)		(724)							—			(724)
Balance as of the beginning of the period reflecting changes in accounting policies	2,256,767	1,135,940	4,420,931	(7,124)	7,806,515	1,132,460	31,618	136,384	(139,514)	288,088	—	1,449,035	134	105,797	9,361,483
Changes during the period															
Cash dividends			(196,746)		(196,746)										(196,746)
Profit attributable to owners of parent			530,479		530,479										530,479
Repurchase of treasury stock				(2,869)	(2,869)										(2,869)
Disposition of treasury stock		(54)		1,651	1,597										1,597
Transfer from revaluation reserve for land			4,227		4,227										4,227
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(10,616)			(10,616)										(10,616)
Decrease in retained earnings by increasing of equity method affiliates			(2,402)		(2,402)										(2,402)
Transfer from retained earnings to capital surplus		54	(54)		—										—
Net changes in items other than shareholders' equity						(412,638)	(108,375)	(4,227)	141,861	(118,435)	(23)	(501,838)	(40)	17,757	(484,121)
Total changes during the period	—	(10,616)	335,503	(1,217)	323,669	(412,638)	(108,375)	(4,227)	141,861	(118,435)	(23)	(501,838)	(40)	17,757	(160,451)
Balance as of the end of the period	2,256,767	1,125,324	4,756,435	(8,342)	8,130,185	719,822	(76,757)	132,156	2,346	169,652	(23)	947,197	94	123,555	9,201,031

(¥ million)														
For the fiscal year ended March 31, 2021	Shareholders' equity					Accumulated other comprehensive income						Stock acquisition rights	Noncontrolling interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on other securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance as of the beginning of the period	2,256,767	1,136,467	4,174,190	(6,414)	7,561,010	823,085	72,081	136,655	(133,178)	94,317	992,960	213	109,662	8,663,847
Cumulative effects of changes in accounting policies			(32,639)		(32,639)						—			(32,639)
Balance as of the beginning of the period reflecting changes in accounting policies	2,256,767	1,136,467	4,141,550	(6,414)	7,528,370	823,085	72,081	136,655	(133,178)	94,317	992,960	213	109,662	8,631,208
Changes during the period														
Cash dividends			(190,418)		(190,418)									(190,418)
Profit attributable to owners of parent			471,020		471,020									471,020
Repurchase of treasury stock				(2,545)	(2,545)									(2,545)
Disposition of treasury stock		(99)		1,835	1,736									1,736
Transfer from revaluation reserve for land			271		271									271
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(526)			(526)									(526)
Decrease in retained earnings by increasing of equity method affiliates			(668)		(668)									(668)
Transfer from retained earnings to capital surplus		99	(99)		—									—
Net changes in items other than shareholders' equity						309,374	(40,463)	(271)	(6,336)	193,770	456,074	(79)	(3,865)	452,130
Total changes during the period	—	(526)	280,105	(709)	278,869	309,374	(40,463)	(271)	(6,336)	193,770	456,074	(79)	(3,865)	730,999
Balance as of the end of the period	2,256,767	1,135,940	4,421,655	(7,124)	7,807,239	1,132,460	31,618	136,384	(139,514)	288,088	1,449,035	134	105,797	9,362,207

Consolidated statements of cash flows

(¥ million)		
	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2021
Cash flow from operating activities		
Income before income taxes	603,872	652,163
Depreciation	161,897	163,231
Losses on impairment of fixed assets	27,585	12,793
Amortization of goodwill	3,741	3,743
Equity in loss (gain) from investments in affiliates	(25,434)	(19,912)
Increase (decrease) in reserves for possible losses on loans	194,340	143,127
Increase (decrease) in reserve for possible losses on investments	106	0
Increase (decrease) in reserve for possible losses on sales of loans	234	437
Increase (decrease) in reserve for contingencies	(202)	1,564
Increase (decrease) in reserve for bonus payments	11,954	27,295
Increase (decrease) in reserve for variable compensation	(656)	375
Decrease (increase) in net defined benefit asset	56,392	86,807
Increase (decrease) in net defined benefit liability	6,169	(869)
Increase (decrease) in reserve for director and corporate auditor retirement benefits	(126)	(260)
Increase (decrease) in reserve for reimbursement of deposits	(4,479)	(5,751)
Increase (decrease) in reserve for reimbursement of debentures	(3,915)	(4,253)
Interest income - accrual basis	(1,309,009)	(1,333,509)
Interest expenses - accrual basis	315,550	427,826
Losses (gains) on securities	62,305	(49,071)
Losses (gains) on money held in trust	85	(1,647)
Foreign exchange losses (gains) - net	(928,800)	(173,635)
Losses (gains) on disposition of fixed assets	2,647	6,576
Losses (gains) on revision of retirement benefit plan	—	(58,855)
Losses (gains) on cancellation of employee retirement benefit trust	(74,254)	(76,996)
Decrease (increase) in trading assets	(201,023)	1,188,511
Increase (decrease) in trading liabilities	1,234,368	(2,021,852)
Decrease (increase) in derivatives other than for trading assets	(528,425)	308,891
Increase (decrease) in derivatives other than for trading liabilities	996,914	36,977
Decrease (increase) in loans and bills discounted	1,343,307	1,355,723
Increase (decrease) in deposits	2,594,805	4,239,233
Increase (decrease) in borrowed money (excluding subordinated borrowed money)	(869,766)	2,191,633
Decrease (increase) in due from banks (excluding due from central banks)	(125,565)	239,094
Decrease (increase) in call loans, etc.	(928,392)	6,873,070
Decrease (increase) in guarantee deposits paid under securities borrowing transactions	367,621	(464,549)
Increase (decrease) in call money, etc.	(133,057)	(812,714)
Increase (decrease) in commercial paper	(551,464)	1,686,839
Increase (decrease) in guarantee deposits received under securities lending transactions	214,099	(150,107)
Decrease (increase) in foreign exchange assets	(398,661)	43,754
Increase (decrease) in foreign exchange liabilities	973,697	18,923
Increase (decrease) in short-term bonds (liabilities)	81,121	82,387
Increase (decrease) in bonds and notes	607,064	1,187,520
Increase (decrease) in due to trust accounts	6,676	105,097
Interest and dividend income - cash basis	1,424,865	1,444,014
Interest expenses - cash basis	(273,855)	(496,241)
Other - net	147,257	(27,154)
Subtotal	5,081,594	16,830,231
Cash refunded (paid) in income taxes	(164,408)	(216,995)
Net cash provided by (used in) operating activities	4,917,186	16,613,235

(¥ million)		
	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2021
Cash flow from investing activities		
Payments for purchase of securities	(102,478,445)	(97,434,015)
Proceeds from sale of securities	57,161,461	51,925,747
Proceeds from redemption of securities	43,586,621	36,114,600
Payments for increase in money held in trust	(31,898)	(183,852)
Proceeds from decrease in money held in trust	22,312	14,515
Payments for purchase of tangible fixed assets	(42,297)	(107,392)
Payments for purchase of intangible fixed assets	(96,964)	(108,812)
Proceeds from sale of tangible fixed assets	18,239	13,618
Proceeds from sale of intangible fixed assets	480	44
Proceeds from sales of stocks of subsidiaries (affecting the scope of consolidation)	—	1,799
Net cash provided by (used in) investing activities	(1,860,490)	(9,763,746)
Cash flow from financing activities		
Proceeds from subordinated borrowed money	10,000	45,000
Repayments of subordinated borrowed money	(4,000)	—
Proceeds from issuance of subordinated bonds	171,410	555,000
Payments for redemption of subordinated bonds	(494,000)	(360,000)
Proceeds from investments by non-controlling shareholders	565	2,988
Repayments to non-controlling shareholders	(502)	(627)
Cash dividends paid	(196,783)	(190,497)
Cash dividends paid to non-controlling shareholders	(7,693)	(4,676)
Proceeds from sale of stocks of subsidiaries (not affecting the scope of consolidation)	—	40
Payments for repurchase of treasury stock	(1,927)	(1,848)
Proceeds from sale of treasury stock	873	854
Payments for repurchase of treasury stock of subsidiaries	(0)	(5,414)
Net cash provided by (used in) financing activities	(522,056)	40,819
Effect of foreign exchange rate changes on cash and cash equivalents	620,261	227,487
Net increase (decrease) in cash and cash equivalents	3,154,900	7,117,795
Cash and cash equivalents at the beginning of the fiscal year	46,981,399	39,863,604
Cash and cash equivalents at the end of the fiscal year	50,136,299	46,981,399

Non-financial data

Corporate governance

	June 2018	June 2019	June 2020	June 2021	June 2022
Directors	Number of directors	14	14	13	12
	Percentage of outside directors	43%	43%	46%	50%
	Percentage of director positions filled by women	14%	14%	8%	8%
	Average attendance rate for Board of Directors meetings*	100%	100%	100%	100%
		Nominating Committee	Compensation Committee	Audit Committee	
Percentage of outside directors (June 2022)		100%	100%	75%	

* Fiscal year basis

Human capital

		FY2017	FY2018	FY2019	FY2020	FY2021
Employees ¹	Total number of employees	58,035	57,489	55,174	53,014	50,116
	Japan	53,102	52,622	50,257	48,286	45,667
	Ex-Japan	4,933	4,867	4,917	4,728	4,449
	Average employee age ²	39	39	40	39	40
Training	Average employee length of service ³	14	14	15	15	16
	Total number of participants ⁴	/	/	48,868	158,448	227,101
	Training hours	/	/	480,125	513,447	506,486
Staff survey	Job satisfaction ^{5, 6}	/	/	100	100	99
Diversity & Inclusion	Percentage of employees who are female ¹	52%	52%	52%	52%	52%
	Percentage of management positions filled by women ⁷	4%	5%	5%	6%	7%
	General manager equivalent	12%	14%	15%	16%	18%
	General manager and manager equivalent	41%	44%	64%	64%	66%
	Percentage of management positions filled by employees hired outside Japan ⁸	36%	32%	36%	37%	35%

1. As of March 31. Mizuho Financial Group (including employees seconded to Mizuho Securities), Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Research & Technologies.²
2. Data up to FY2020 reflects figures for the former Mizuho Information & Research Institute.
3. Regarding Japan, the total number of employees reflects the number of employees on indefinite-term contracts.
4. In Japan (aggregate for Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Research & Technologies).
5. Percentage vis-à-vis the average response for relevant items in the staff survey on a 5-point scale from 1 to 5, where FY2019 was set as 100.
6. Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Research & Technologies.²
7. In Japan as of July (aggregate for Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities).
8. Outside Japan. Figures up to FY2018 are for Mizuho Bank only. Figures for FY2019 and later are the aggregates for Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.
9. For new employees hired in Japan with plans to start in April of the following year (aggregate for Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities).

Environment¹

		FY2017	FY2018	FY2019	FY2020	FY2021 ⁶
Total energy consumption (Megawatt hours) ^{1, 2}		512,691	499,334	453,129	430,690	397,704
CO ₂ emissions (tons of CO ₂) ¹	Scope 1	16,028	15,845	14,756	14,053	11,341
	Scope 2	202,939	191,730	168,522	155,184	141,921
	Scope 3 (business trips)	6,088	5,480	5,396	1,375	831
Paper usage (Year-on-year change) ³		(8.4%)	(9.0%)	(16.7%)	(21.9%)	(10.3%)
Green procurement ratio for paper ³		99.8%	99.8%	99.9%	99.9%	99.9%

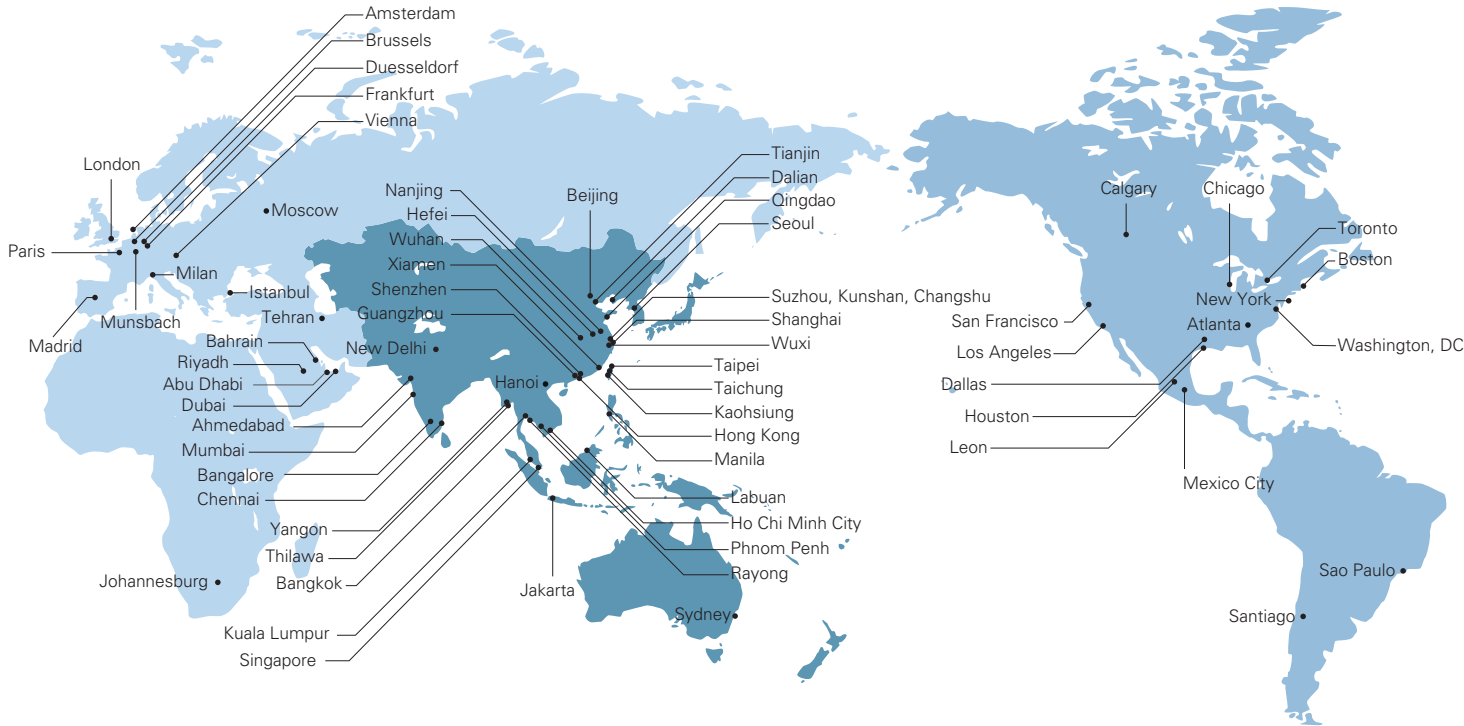
1. These data items include all the facilities of seven group companies: Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, Mizuho Research & Technologies⁴, Asset Management One, and Mizuho Americas (data up to FY2021 are for eight group companies including the former Mizuho Private Wealth Management⁵; data up to FY2017 are for nine companies including the former Trust & Custody Services Bank).
2. Direct and indirect energy consumption converted to megawatt hours.
3. These data items include all the facilities of six group companies: Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, Mizuho Research & Technologies⁴, and Asset Management One (data up to FY2021 are for seven companies including the former Mizuho Private Wealth Management⁵).
4. Data up to FY2020 combines figures for the former Mizuho Information & Research Institute and former Mizuho Research Institute.
5. Entity liquidated on March 23, 2022; functions taken over by Mizuho Bank.
6. Provisional values.

Sustainable finance & Environmental finance

	FY2018	FY2019	FY2020	FY2021
Sustainable finance (¥ trillion)	1.1	2.4	4.7	6.0
(of which, environmental finance)	(0.6)	(1.1)	(1.5)	(2.0) *

* Of which, Mizuho Bank accounts for ¥1.1 trillion and Mizuho Trust & Banking accounts for ¥1.9 billion.

Mizuho’s global network (As of June 30, 2022)



Europe, the Middle East, and Africa

Mizuho Bank	17 offices
Mizuho Trust & Banking	1 office
Mizuho Securities	5 offices
Mizuho Research & Technologies	1 office
Asset Management One	1 office

Asia Pacific

Mizuho Bank	41 offices
Mizuho Securities	7 offices
Mizuho Research & Technologies	2 offices
Asset Management One	2 offices

Americas

Mizuho Bank	24 offices
Mizuho Securities	7 offices
Asset Management One	1 office

Total

Mizuho Bank	82 offices
Mizuho Trust & Banking	1 office
Mizuho Securities	19 offices
Mizuho Research & Technologies	3 offices
Asset Management One	4 offices

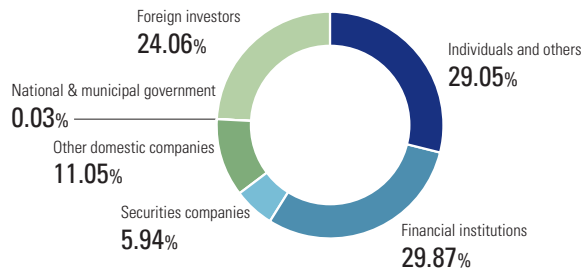
Note: Mizuho's global network consists of branches, representative offices, and overseas subsidiaries.

Corporate profile

(As of March 31, 2022)

Company name:	Mizuho Financial Group, Inc
Stock listing (code):	Tokyo Stock Exchange (8411) New York Stock Exchange (MFG)
Location of head office:	1-5-5, Otemachi, Chiyoda-ku, Tokyo 100-8176, Japan
Representative:	Masahiro Kihara, President & Group CEO
Capital:	¥2,256.7 billion
Issued shares:	2,539,249,894 shares
Number of employees:	2,072 (Total number of employees on a consolidated basis: 52,420)
Date of establishment:	January 8, 2003

Shareholders (common stock)



Rating information

	R&I	JCR	Moody's	S&P	Fitch
Mizuho Financial Group	A+	AA-	A1	A-	A-
Mizuho Bank	AA-	AA	A1	A	A-
Mizuho Trust & Banking	AA-	AA	A1	A	A-
Mizuho Securities	AA-	AA	A1	A	—
Reference Japanese Government	AA+	AAA	A1	A+	A

Historical stock price data Tokyo Stock Exchange



The graph showing Mizuho Financial Group's stock price and the Nikkei stock price average has been prepared as an index with the closing prices on March 31, 2020 as 100.

Mizuho Financial Group conducted a 1-for-10 share consolidation on October 1, 2020. The effect of the share consolidation is reflected in the stock price data given above.

Group companies

(As of March 31, 2022, except for each company's network, which is as of June 30, 2022)

Mizuho Financial Group

Date of establishment	January 8, 2003
Capital	¥2,256.7 billion
Location of head office	1-5-5, Otemachi, Chiyoda-ku, Tokyo 100-8176, Japan
Representative	Masahiro Kihara, President & Group CEO
Number of employees	2,072
Website	www.mizuhogroup.com

Mizuho Bank

Date of establishment	July 1, 2013
Capital	¥1,404.0 billion
Location of head office	1-5-5, Otemachi, Chiyoda-ku, Tokyo 100-8176, Japan
Representative	Masahiko Kato, President & CEO (Appointed on April 1, 2022)
Number of employees	25,897
Network in Japan	461
Network outside Japan	82
Website	www.mizuhogroup.com/bank

Mizuho Trust & Banking

Date of establishment	March 12, 2003
Capital	¥247.3 billion
Location of head office	1-3-3 Marunouchi, Chiyoda-ku, Tokyo 100-8241, Japan
Representative	Kei Umeda, President & CEO
Number of employees	3,049
Network in Japan	59
Network outside Japan	1
Website	www.mizuhogroup.com/trust-and-banking

Mizuho Securities

Date of establishment	January 4, 2013
Capital	¥125.1 billion
Location of head office	Otemachi First Square, 1-5-1, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan
Representative	Yoshiro Hamamoto, President & CEO
Number of employees	7,094
Network in Japan	230
Network outside Japan	19
Website	www.mizuhogroup.com/securities



Otemachi Tower



Mizuho Marunouchi Tower

Our website provides additional information regarding the business operations of Mizuho Financial Group and our group companies. Sections covering IR, financial information, and our products and services are available in addition to in-depth industry and economic reports.

Additionally, you can sign up for our News Release E-mail Distribution Service to receive updates by email.

www.mizuhogroup.com

Sustainability

Gain insights into our approach to sustainability.

www.mizuhogroup.com/sustainability

Financials and Presentations

Access reports, presentations, news, and other investor resources and get details on upcoming events.

www.mizuhogroup.com/investors/materials

Mizuho Research & Technologies

As a core group company driving Mizuho’s non-financial business, Mizuho Research & Technologies provides clients and society with new added value.

Mizuho Research & Technologies holds wide-ranging research and analysis capabilities covering social and economic trends as well as the challenges our clients face, advisory and consulting capabilities to solve problems, advanced technical knowledge of digital technologies, and strength in IT system design and implementation based on an extensive experience and track record. Through the fusion of these capabilities, Mizuho Research & Technologies is able to offer a full range of services and solutions to meet our clients’ true needs.

Asset Management One

Asset Management One is an asset management company in which Mizuho and Dai-ichi Life Holdings both have equity holdings. Asset Management One collaborates with its offices in Europe, the US, and Asia to offer investment trust products to individuals and corporations, as well as provide investment advisory services to customers including Japanese and overseas pension funds.

Mizuho Americas

Mizuho Americas is a US bank holding company with Mizuho’s primary US-based banking, trust banking, and securities entities under it. To further increase its competitiveness in the US, which is the world’s largest financial market, Mizuho Americas is proactively strengthening its governance framework, and, while promoting the collaboration of its banking, trust banking, and securities operations, it is conducting management and other activities that are necessary for expanding its profit base.

Custody Bank of Japan

As an asset administration bank representing Japan, the Custody Bank of Japan handles overall management operations for securities and other financial instruments entrusted by clients. While providing stable, high-quality services as a part of the financial infrastructure, the Custody Bank of Japan is aiming to become the best partner for clients’ diverse needs.

MI Digital Services

MI Digital Services is a joint venture between Mizuho and IBM Japan that provides high-quality and highly efficient system management services by integrating its expertise in operating core IT systems with cutting-edge technologies.

Mizuho Leasing⁴

Mizuho Leasing leverages its expertise in equipment and properties, in-depth understanding of commercial distribution, and sophisticated financial knowledge to provide a wide range of financial and business services.

Through combining its new business strategy to increase the sophistication of client business models, its initiatives in core business areas of the Mizuho group, and its strategic initiatives in cooperation with alliance partners, the firm seeks to capture increased business opportunities inside and outside Japan, achieve joint value creation with clients, and develop new business areas.

Notes: 1. The representatives of each company have representation rights.

2. The number of employees does not include each company’s employees dispatched outside each company, while it includes employees dispatched to each company from other organizations. This figure also includes overseas local staff but excludes executive officers and temporary employees.

3. Mizuho’s network consists of our Head Office and branches in Japan, and branches, representative offices, and overseas subsidiaries outside Japan.

4. The establishment date indicated for Mizuho Leasing is based on the date the leasing business was set up.

Date of establishment	April 1, 2021
Capital	¥1,627 million
Location of head office	2-3, Kanda-Nishikicho, Chiyoda-ku, Tokyo
Representative	Masatoshi Yoshihara, President & CEO (Appointed on April 1, 2022)
Number of employees	3,788
Network outside Japan	3
Website	www.mizuhogroup.com/information-and-research

Date of establishment	October 1, 2016
Capital	¥2,000 million
Location of head office	Tekko Building, 1-8-2, Marunouchi, Chiyoda-ku, Tokyo
Representative	Akira Sugano, President & CEO
Number of employees	819
Network outside Japan	4
Website	www.am-one.co.jp/english/

Date of establishment	June 20, 2016
Capital	\$3,820 million
Location of head office	1271 Avenue of the Americas, New York, NY 10020, USA
Representative	Shuji Matsuura, CEO
Website	www.mizuhogroup.com/americas/

Date of establishment	July 27, 2020
Capital	¥51,000 million
Location of head office	Harumi Island Triton Square Tower Z, 1-8-12, Harumi, Chuo-ku, Tokyo
Representative	Yoshikazu Tanaka, President & CEO
Number of employees	1,871
Website	www.custody.jp/english/index.html

Date of establishment	June 30, 2020
Capital	¥20 million
Location of head office	IBM Japan Headquarters 11F 19-21, Nihonbashi, Hakozaeki-cho, Chuo-ku, Tokyo
Representative	Kazuo Fujiwara, President & CEO
Number of employees	724

Date of establishment	December 1, 1969
Capital	¥26,088 million
Location of head office	1-2-6 Toranomom, Minato-ku, Tokyo
Representative	Shusaku Tsuchihara, President & CEO
Number of employees	784
Network outside Japan	12
Website	www.mizuho-ls.co.jp/en/

Compliance contacts

Internal control and audit hotline

A system designed for reporting questionable accounting or auditing matters

Reporting items: Mizuho Financial Group has established a hotline to receive reports from in and outside the company in connection with problems concerning internal control and audits of accounts and financial reports.

Contact point: This hotline has been established within an external law office. Reports can be made via postal mail or email.

Postal mail: 12th Floor, Kasumigaseki Bldg.,
Kasumigaseki 3-2-5, Chiyoda-ku, Tokyo
100-6012
Mizuho Accounting Hotline, c/o Daiichi Fuyo Law Office

Email: kaikei-mizuho@daiichifuyo.gr.jp

- When a report is received concerning the reporting items stipulated above, Mizuho Financial Group will make a reasonable effort to investigate the facts behind the information received and report back on the results.
- Anonymous tips are also acceptable, but there are cases where it will not be possible to fully satisfy the intentions behind such tips owing to constraints on investigations and the inability to report back.
- Information on persons making such reports is not disclosed to third parties other than the group companies except in cases where the assent of the person in question has been obtained or such disclosure is required under laws and ordinances.

Approaches to financial alternative dispute resolution (ADR)

In order to deal expeditiously, fairly, and appropriately with complaints and other feedback from customers, Mizuho Bank and Mizuho Trust & Banking have concluded a contract for the implementation of dispute resolution procedures with the Japanese Bankers Association, which is a designated dispute resolution institution as defined in Japan’s Banking Act. Mizuho Trust & Banking has also concluded a contract for the implementation of dispute resolution procedures with the Trust Companies Association of Japan, which is a designated dispute resolution institution as defined in Japan’s Trust Business Act and Act on Engagement in Trust Business by Financial Institutions. In addition, Mizuho Securities has concluded a contract for the implementation of dispute resolution procedures with the Financial Instruments Mediation Assistance Center, which is a designated dispute resolution institution as defined in Japan’s Financial Instruments and Exchange Act.

The designated dispute resolution institution takes the steps toward resolution from a fair and neutral perspective in cases where the solutions to customers’ complaints adopted by our group companies are not accepted.

The designated dispute resolution institution as defined in Japan’s Banking Act with which Mizuho Bank and Mizuho Trust & Banking have contracted

The Designated Dispute Resolution Institution:

Japanese Bankers Association

Contact: Japanese Bankers Association Customer Relations Center

Tel: +81-(0)3-5252-3772

The designated dispute resolution institution as defined in Japan’s Trust Business Act and Act on Engagement in Trust Business by Financial Institutions with which Mizuho Trust & Banking has contracted

The Designated Dispute Resolution Institution:

Trust Companies Association of Japan

Contact: Trust Consultation Center of the Trust Companies

Association of Japan

Tel: +81-(0)3-6206-3988

The designated dispute resolution institution as defined in Japan’s Financial Instruments and Exchange Act with which Mizuho Securities has contracted

The Designated Dispute Resolution Institution:

Financial Instruments Mediation Assistance Center

Contact: Financial Instruments Mediation Assistance Center

consultation center

Tel: +81-(0)120-64-5005 (within Japan only)

Risk management structure

Management of top risks

We have identified “top risks” (i.e., risks that are recognized to have a major potential impact on the Mizuho group) as follows, while taking into consideration factors such as changes in the internal and external business environment.

In fiscal 2022, we have identified two new risk events: the soaring energy and food prices due to the Russia-Ukraine situation and the shifts in global supply chains. Further, we have replaced two of the top risks designated during fiscal 2021 ("Intensified US-China friction" and "US inflation concerns and interest rate hikes") with "Growing US-China friction and accelerating global division" and "Continuation of high global inflation", and revised our risk scenarios.

In addition, with human capital taking on increased importance in achieving continuous growth for Mizuho and our employees, we added "Stagnation of growth due to factors such as labor shortages" as a new top risk, based on our recognition of the potential risk of labor shortages leading to deterioration in our capacity for providing services.

We also revised our risk scenarios for other top risks upon considering factors such as changes in the business environment.

For designated top risks, we have decided on additional risk control measures, including measures for preventing the designated top risks and follow-up responses, and we are monitoring the status of risk control throughout the fiscal year and reporting to the Risk Committee and Board of Directors.
(Please see pp. 97 – 98 for more on our management of top risks.)

Top risks		Primary risk control measures
Risk event	Risk scenario	
Prolonged impact of COVID-19	<ul style="list-style-type: none">● Rise in COVID-19 cases both in and outside Japan due to outbreaks of new variants, consequent increased credit costs● Worsening economic impact of prolonged global supply constraints	<ul style="list-style-type: none">● Credit risk: Taking into consideration the impact of COVID-19, soaring product prices due to the Russia-Ukraine situation, and the weakening of the Japanese yen, specify and review the areas of our portfolio requiring enhanced management and allocate additional reserves● Market risk: Taking into consideration the deterioration of the market environment, with rising interest rates and falling stock prices, continue enhancing our profit/loss monitoring framework and conducting careful portfolio management● Foreign currency liquidity risk: In preparation for a more challenging fund raising environment, enhance monitoring frameworks related to short-term and medium- to long-term investment and funding, and reinforce stable funding● Predictive management based on monitoring changes in the external environment and other information.
Continuation of high global inflation	<ul style="list-style-type: none">● Increased demand accompanying post-COVID economic recovery and supply constraints due to a stagnating labor market recovery, in combination with soaring energy and food prices from the Russia-Ukraine situation, leading to continued global inflation● Economic deterioration due to sudden interest rate hikes causing an increase in credit costs	
Growing US-China friction and accelerating global division	<ul style="list-style-type: none">● Geopolitical risks presented by the Russia-Ukraine situation, added to the growing and intensified pattern of confrontation between the US and China, leading to further formation of bloc economies and accelerated global division● Rise in credit costs due to deteriorated business performance and downgrade in corporate credit ratings resulting from factors such as global revisions to supply chains	
Increasing severity of climate change impacts	<ul style="list-style-type: none">● Increased credit costs due to companies that delay climate change responses facing issues in raising funds and consequently suffering deterioration in business performance● Tightened regulations and supervision in relation to climate-related financial risks among financial institutions● Damage to our corporate value due to criticism of initiatives aimed at the decarbonization of the Mizuho group	
IT system failures	<ul style="list-style-type: none">● System failures resulting from factors such as human negligence, hardware failures, or disasters causing wide-spread inconvenience or disadvantage to customers and damaging trust, leading to the loss of business opportunities	<ul style="list-style-type: none">● Promotion and appropriate disclosure of business strategy responses to climate change● Formulation of risk control policy for sectors expected to face high risk, engagement with clients● Clarification of risk management framework for climate-related financial risks
Cyberattacks	<ul style="list-style-type: none">● Attacks from criminal or terrorist organizations that result in suspension of services, exposure of information, and/or unauthorized fund transfers, causing wide-spread inconvenience or disadvantage to customers and damaging trust, leading to the loss of business opportunities	<ul style="list-style-type: none">● Steady and ongoing implementation of assessments and other measures for preventing system failures, and improvements to the effectiveness of contingency plans enhancing our ability to respond to system failures● System risk monitoring from multifaceted perspectives
Money laundering / Financing of terrorism	<ul style="list-style-type: none">● Financial services being misused for criminal acts, resulting in criticism from the international community, damaging trust with customers and with other financial institutions, and leading to the loss of global business opportunities	<ul style="list-style-type: none">● Establishment of a monitoring system and enhancements to our resilience framework through analysis of computer viruses and development of multilayered defense systems● Cyberattack drills in preparation for incidents, plus employee training
Inappropriate behavior or nonfeasance by executive officers / employees	<ul style="list-style-type: none">● Damage to trust and loss of business opportunities stemming from the occurrence in or outside Japan of legal/regulatory infractions or inappropriate behavior or nonfeasance deemed to be out of line with social norms	<ul style="list-style-type: none">● Enhancement of frameworks for anti-money laundering measures and other efforts in line with laws/regulations and guidelines from the Financial Services Agency of Japan● Implementation of steady risk control through enhancing our legal and compliance personnel and raising group-wide knowledge and risk awareness
Stagnation of growth due to factors such as labor shortages	<ul style="list-style-type: none">● Damage to trust and loss of business opportunities stemming from the occurrence in or outside Japan of legal/regulatory infractions or inappropriate behavior or nonfeasance deemed to be out of line with social norms	<ul style="list-style-type: none">● Analyze the cause of the incident and formulate improvement measures● Enhance predictive management in order to reduce instances of misconduct
Rapid development of digital society	<ul style="list-style-type: none">● Stagnation in strategy implementation and deterioration in capacity for providing services due to difficulties concerning employee turnover and employee development, which are linked to diversification of career aspirations and increased labor market flow	<ul style="list-style-type: none">● Improving employees' sense of fulfillment through career development support and reducing the amount of overwork● Ensuring accurate understanding of personnel demands and enhancing mid-career hiring for better talent retention
	<ul style="list-style-type: none">● Rapid expansion of revolutionary financial services, the rise of new economic landscapes, and the resulting intensification of competition as companies from other industries enter the field of finance	<ul style="list-style-type: none">● Clarifying our digital transformation strategy and developing and enhancing the skills of specialists

Note: The risks described here are only some of the possible risks we are aware of. For more comprehensive information on the Mizuho group’s risks, please refer to the annual securities report, Form 20-F, and other related documents.

Comprehensive risk management

» Comprehensive risk management systems

At Mizuho, we have put in place a system whereby each group company conducts risk management appropriate for the company’s business operations and scope and status of risk, and Mizuho Financial Group, as the holding company, oversees risk management across the whole group.

The Risk Management Committee chaired by the Group CRO provides integrated monitoring and management of the overall risk for the Mizuho group. The Group CRO reports the risk management situation to the Board of Directors, the Risk Committee, and the Executive Management Committee regularly and as necessary. In addition, Mizuho Financial Group receives reports and applications for approval concerning the risk management situation from our core group companies and gives them appropriate instructions concerning risk management as necessary.

At Mizuho, we classify and manage the risks that arise in our businesses according to the various kinds of risk, including credit risk, market risk, liquidity risk, and operational risk. Moreover, our group companies manage risk appropriately according to the nature of their risk, such as settlement risk, trust banking operations risk, and similar.

In addition to managing each type of risk individually, we have established a risk management structure at Mizuho to identify and evaluate overall risk and to keep risk within limits that are acceptable.

In line with the basic policies relating to overall risk management established by Mizuho Financial Group, we are working to take even more proactive and sophisticated approaches to risk management.

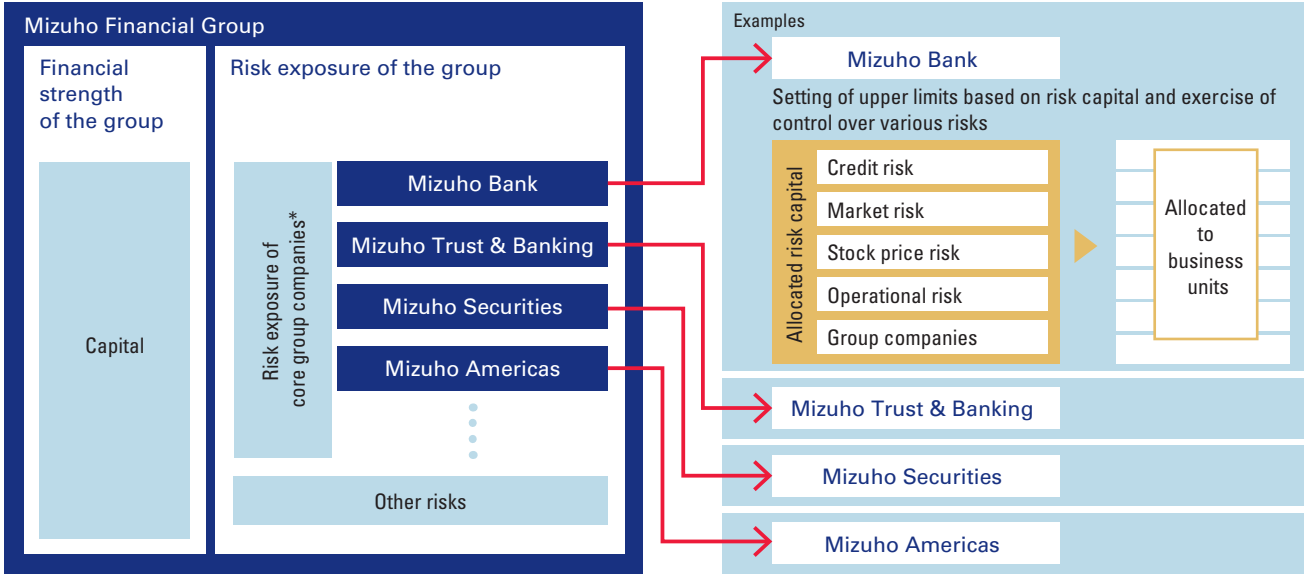
» Risk capital allocation

At Mizuho, under the risk capital allocation framework, we endeavor to obtain a clear grasp of the group’s overall risk exposure and implement measures to make sure this exposure is within limits that are acceptable.

More specifically, we allocate risk capital to our core group companies (including their subsidiaries) to control risk within the limits set for each company. We also control risk within acceptable limits by working to ensure that the overall risk on a consolidated basis does not exceed our financial capacity. To ensure the ongoing

financial soundness of Mizuho Financial Group and our core group companies we regularly monitor the manner in which risk capital is being used in order to obtain an accurate grasp of the risk profile within this framework. Reports are also submitted to the Board of Directors and other committees of each company. Risk capital is allocated to Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Americas by risk category, and is further allocated within their respective business units.

Framework for allocating risk capital



*Includes the risk exposure of group companies that are managed by core group companies

Credit risk management

Basic approach

We define credit risk as the Mizuho group’s exposure to the risk of losses that may be incurred due to a decline in, or total loss of, the value of assets (including off-balance-sheet instruments), as a result of deterioration in obligors’ financial position.

Credit risk management structure

Our Board of Directors determines the Mizuho group’s basic matters pertaining to credit risk management. In addition, the Risk Management Committee broadly discusses and coordinates matters relating to basic policies and operations in connection with credit risk management and matters relating to credit risk monitoring for the Mizuho group. Under the control of the Group Chief Risk Officer of Mizuho Financial Group, the Credit Risk Management Department and the Risk Management Department jointly monitor, analyze, and submit suggestions concerning credit risk and formulate and execute plans in connection with basic matters pertaining to credit risk management.

Our principal banking subsidiaries and other core group companies manage their credit risk according to the scale and nature of their exposures in line with basic policies set forth by Mizuho Financial Group. The Board of Directors of each company determines key matters pertaining to credit risk management.

Method of credit risk management

We have adopted two different but mutually complementary approaches to credit risk management. The first approach is “individual credit management,” in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the

Individual credit management

1. Credit Codes
The basic code of conduct for all of our executive officers and employees engaged in the credit business is set forth in our credit code. Seeking to fulfill the bank’s mission and social responsibilities, our basic policy for credit business is determined in light of fundamental principles focusing on public welfare, safety, growth, and profitability.

2. Internal rating system
One of the most important elements of the risk management infrastructure of our principal banking subsidiaries is the use of an internal rating system that consists of credit ratings and pool allocations. Credit ratings consist of obligor ratings which represent the level of credit risk of the obligor, and transaction ratings which represent the possibility of ultimately incurring losses related to each individual claim by taking into consideration the nature of any collateral or guarantee and the seniority of the claim.

In principle, obligor ratings apply to all obligors and are subject to regular reviews at least once a year to reflect promptly the fiscal period end financial results of the obligors, as well as special reviews as required whenever an obligor’s credit standing changes. This enables our principal banking subsidiaries to monitor both individual obligors and the status of the overall portfolio in a timely fashion. Because we consider obligor ratings to be an initial phase of the self-assessment process regarding the quality of our loans

Mizuho Financial Group manages credit risk for the group as a whole. Specifically, Mizuho Financial Group establishes the group’s fundamental credit risk policy to manage major group companies, and monitors and manages the credit risks of the group as a whole.

The Balance Sheet & Risk Management Committee and the Credit Committee, each of which is a business policy committee of our principal banking subsidiaries, are responsible for discussing and coordinating overall management of their individual credit portfolios and transaction policies towards obligors. The respective Chief Risk Officers of our principal banking subsidiaries are responsible for matters relating to planning and implementing credit risk management. The credit risk management departments of our principal banking subsidiaries are in charge of planning and administering credit risk management and conducting credit risk measuring and monitoring. Such departments regularly present reports regarding their risk management situation to Mizuho Financial Group. The credit departments of our principal banking subsidiaries determine policies and approve/disapprove individual transactions in terms of credit review, credit management and collection from obligors in accordance with the lines of authority set forth respectively by our principal banking subsidiaries. In addition, our principal banking subsidiaries have established internal audit groups that are independent of the business departments in order to ensure appropriate credit risk management.

obligor. Through this process, we curb losses in the case of a credit event. The second is “credit portfolio management,” in which we utilize statistical methods to assess the potential for losses related to credit risk. Through this process, we identify credit risks and respond appropriately.

and off-balance-sheet instruments, such obligor ratings are closely linked to the obligor classifications and are an integral part of the process for determining the provision for credit losses on loans and charge-offs in our self-assessment of loans and off-balance-sheet instruments. (Please refer to the chart on the next page regarding the connection between obligor ratings, definition of obligor classifications of self-assessments, non performing loans based on the Banking Act and the Financial Reconstruction Act).

To assign obligor ratings, we have a quantitative evaluation system (rating model) in place to enable proper assessment of an obligor’s credit standing. The system gives a quantitative rating to an obligor based on obligor-specific characteristics such as type of business (corporation or individual) and geography (in Japan or outside Japan). We categorize our rating models for companies in Japan into those for large companies and those for small and medium-sized companies. The former consist of 13 models according to industry-specific factors, while the latter consist of three models. For companies outside Japan, we utilize nine models.

These were developed by the Credit Risk Management Department based on a statistical methodology and approved by the Chief Risk Officer.

Pool allocations are applied to small claims that are less than a specified amount by pooling obligors and claims with similar risk

Connection between obligor ratings, definition of obligor classifications of self-assessments, non performing loans based on the Banking Act ("BA") and the Financial Reconstruction Act ("FRA")

Definition of obligor classifications of self-assessment	Obligor ratings (major category)	Definition of ratings	Category I (non-categorized)	Category II	Category III	Category IV (non-collateralized)	Non performing loans based on the BA and the FRA		
Normal obligors	A1—A3	Obligors whose certainty of debt fulfillment is very high, hence their level of credit risk is excellent.	All credit given to normal obligors.				Normal claims		
	B1—B2	Obligors whose certainty of debt fulfillment poses no problems for the foreseeable future, hence their level of credit risk is sufficient.							
	C1—C3	Obligors whose certainty of debt fulfillment and their level of credit risk pose no problems for the foreseeable future.							
	D1—D3	Obligors whose current certainty of debt fulfillment poses no problems, however, their resistance to future environmental changes is low.							
Watch obligors	E1	Obligors who require close watching going forward because there are problems with their borrowings, such as reduced or suspended interest payments, problems with fulfillment such as de facto postponements of principal or interest payments, or problems with their financial positions as a result of their poor or unstable business conditions.		Credit given to watch obligors other than those included in category I.				Claims for special attention	Restructured loans
	E2								Loans past due for 3 months or more
Intensive control obligors	F1	Obligors who are not yet bankrupt but are in financial difficulties and are deemed to be very likely to go bankrupt in the future because they are finding it difficult to make progress in implementing their management improvement plans (including obligors who are receiving ongoing support from financial institutions).	Credit to obligors which has pledged collateral or is covered by guarantees, considered of high quality, such as deposit collateral.	Credit to obligors which is covered by general collateral, such as real estate and guarantees.	Credit given to intensive control obligors other than those included in category I and category II.	Claims with collection risk			
Substantially bankrupt obligors	G1	Obligors who have not yet gone legally or formally bankrupt but who are substantially bankrupt because they are in serious financial difficulties and are not deemed to be capable of restructuring.			The difference between the assessed value and market value of collateral on credit to bankrupt and substantially bankrupt obligors (i.e., the portion of loans for which final collection problems or losses are anticipated).	Credit to bankrupt and substantially bankrupt obligors, other than those in category I, category II and category III (credit that is judged to be unrecoverable or without value).	Claims against bankrupt and substantially bankrupt obligors		
Bankrupt obligors	H1	Obligors who have already gone bankrupt, from both a legal and/or formal perspective.							

characteristics and assessing and managing the risk for each such pool. Our principal banking subsidiaries efficiently manage credit risk and credit screening by dispersing a sufficient number of small claims within each pool.

Our principal banking subsidiaries generally review the appropriateness and effectiveness of our approach to obligor ratings and pool allocations once a year in accordance with predetermined procedures, which is audited by the Internal Audit Group.

Methods for provision for credit losses on loans and off-balance-sheet instruments and charge-offs

Normal obligors	Calculate the value of estimated loss based on the probability of failure over the coming year for loans by obligor rating and appropriate it for the general provision for credit losses on loans and off-balance-sheet instruments.
Watch obligors	Calculate the estimated loss on loans based on the probability of failure over the next three years and appropriate it for the general provision for credit losses on loans and off-balance-sheet instruments. Further, in regard to special attention obligors, for obligors with large claims more than a certain amount, if the cash flow from the return of principal and interest payments can reasonably be estimated, set up a provision for credit losses on loans and off-balance-sheet instruments under the DCF method.
Intensive control obligors	Provide an amount for specific provision for credit losses on loans and off-balance-sheet instruments as calculated by one of the following methods after deducting amounts anticipated to be recoverable from the sale of collateral held against the claims and from guarantors of the claims: a) an amount calculated based on the overall ability of the obligor to pay, or b) the estimated loss calculated on the basis of the balance and the probability of failure over the next three years. Further, for obligors with large claims more than a certain amount, if the cash flow from the return of principal and interest payments can reasonably be estimated, set up a provision for credit losses on loans and off-balance-sheet instruments under the DCF method.
Substantially bankrupt obligors	Provide the entire balance after deducting amounts anticipated to be recoverable from the sale of collateral held against the claims and from guarantors of the claims for specific provision for credit losses on loans and off-balance-sheet instruments, or charge-off the entire balance.
Bankrupt obligors	

3. Self-assessment, Provision for Credit Losses on Loans and Off-Balance-Sheet Instruments and Charge-Offs

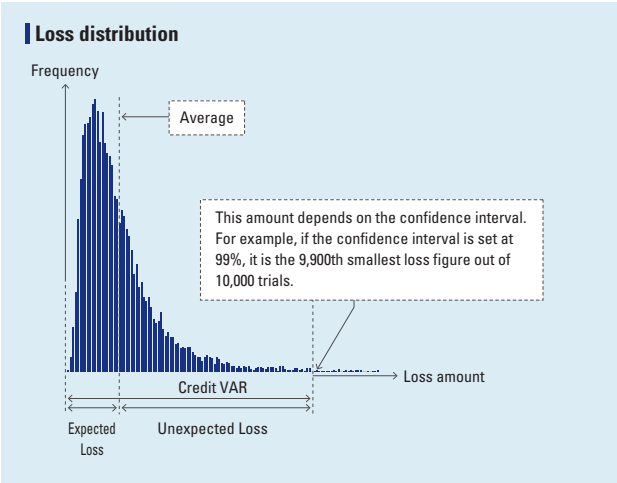
We conduct self-assessment of assets to ascertain the status of assets both as an integral part of credit risk management and in preparation for appropriate accounting treatment, including provision for credit losses on loans and off-balance-sheet instruments and charge-offs. During the process of self-assessment, obligors are categorized into certain groups taking into consideration their financial condition and their ability to make payments, and credit ratings are assigned to all obligors, in principle, to reflect the extent of their credit risks. The related assets are then categorized into certain classes based on the risk of impairment. This process allows us to identify and control the actual quality of assets and determine the appropriate accounting treatment, including provision for credit losses on loans and off-balance-sheet instruments and charge-offs. Specifically, the credit risk management department of each of our principal subsidiaries is responsible for the overall control of the self-assessment of assets of the respective banking subsidiaries, cooperating with the administrative departments specified for each type of asset, including loan portfolios and securities, in executing and managing self-assessments. In our assessment of the probability of obligor bankruptcy, we deem an obligor that is rated as being insolvent or lower as being bankrupt.

Credit portfolio management

1. Risk measurement

We use statistical methodologies that involve a risk measurement system (enterprise value corporate valuation model, holding period of one year) to manage the possibility of losses by measuring the expected average loss for a one-year risk horizon (“Expected Loss”) and the maximum loss within a certain confidence interval (“Credit VAR”). The difference between Expected Loss and Credit VAR is measured as the credit risk amount (“Unexpected Loss”).

The risk measurement system covers the following account items



4. Credit review

Prevention of new impaired loans through routine credit management is important in maintaining the quality of our overall loan assets.

Credit review involves analysis and screening of each potential transaction within the relevant business department. In case the screening exceeds the authority of the department, the credit department in charge at headquarters carries out the review. We have specialist departments for different industries, business sizes, and regions, carries out timely and specialized examinations based on the characteristics of the client and its market, and provides appropriate advice to the business department.

In addition, in the case of obligors with low credit ratings and high downside risks, the business department and credit department jointly clarify their credit policy and in appropriate cases assist the obligors at an early stage in working towards credit soundness.

reported by each Mizuho Financial Group company: credit transactions including loans and discounts; securities; obligors’ liabilities for acceptances and guarantees; deposits and foreign exchange; derivatives including swaps and options; off-balance-sheet items including commitments; and other assets involving credit risk.

In establishing transaction spread guidelines for credit transactions, we aim to ensure an appropriate return from the transaction in light of the level of risk by utilizing credit cost data as a reference.

Also, we monitor our credit portfolio from various perspectives and set guidelines noted below so that losses incurred through a hypothetical realization of the full Credit VAR would be within the amount of risk capital and loan loss reserves.

2. Risk control methods

Our principal banking subsidiaries have established guidelines to manage “credit concentration risk,” which stems from granting excessive credit to certain corporate groups. Our principal banking subsidiaries also set the credit limit based on a verification of the status of capital adequacy. In cases where the limit is exceeded, our principal banking subsidiaries will formulate a handling policy and/or action plan.

In addition to the above, our principal banking subsidiaries monitor total credit exposure, credit exposure per rating, credit concentration per corporate group, geographic area, and business sector to make a periodical report to the Balance Sheet & Risk Management Committee and the Credit Committee.

Market risk management

» Basic approach

We define market risk as the risk of losses incurred by the group due to fluctuations in interest rates, stock prices, and foreign exchange rates. Our definition includes the risk of losses incurred when it becomes impossible to execute transactions in the market because of market confusion or losses arising from transactions at prices that are significantly less favorable than usual.

» Market risk management structure

Our Board of Directors determines basic matters pertaining to market risk management policies. The Risk Management Committee of Mizuho Financial Group broadly discusses and coordinates matters relating to basic policies in connection with market risk management, market risk operations, and market risk monitoring. The Group CRO of Mizuho Financial Group is responsible for matters relating to market risk management planning and operations.

The Risk Management Department of Mizuho Financial Group is responsible for monitoring market risk, reporting and analyzing, making proposals, setting limits and guidelines, and formulating and implementing plans relating to market risk management.

» Market risk management method

To manage market risk, we set limits that correspond to risk capital allocations according to the risk profile of each of our principal banking subsidiaries and other core group companies and thereby prevent the overall market risk we hold from exceeding our financial

Mizuho Financial Group manages market risk for the Mizuho group as a whole. Specifically, Mizuho Financial Group establishes the fundamental risk management policy for the entire group, manages the market risk of our principal banking subsidiaries and other core group companies, and monitors how the group’s market risk is being managed as a whole.

As for the situation of market risk, the Risk Management Department submits reports to the President and Group CEO on a daily basis and to the Board of Directors on a regular basis. For the purpose of managing the market risk of our principal banking subsidiaries and other core group companies, the Department regularly receives reports from each of them to properly identify and manage their market risk. These subsidiaries and core group companies, which account for most of the Mizuho group’s exposure to market risk, establish their basic policies based on ours, and their Boards of Directors determine important matters relating to market risk management.

strength represented by capital and other indicators. The amount of risk capital allocated to market risk corresponds to value-at-risk (the “VAR”) and additional costs that may arise in order to close relevant positions.

Setting limits

When the above mentioned limits are set, various factors are taken into account, including business strategies, historical limit usage ratios, risk-bearing capacity (profits, equity capital, and risk management framework), profit targets and the market liquidity of the products involved. The limits are discussed and coordinated by the Risk Management Committee, discussed further by the Executive Management Committee and then determined by the President & Group CEO. For trading and banking activities, we set limits for VAR and for losses. For banking activities, we set position limits based on interest rate sensitivity (10 BPV) as needed. An excess over any of these limits is immediately reported and addressed according to a pre-determined procedure.

Monitoring

To provide a system of mutual checks and balances in market operations, we have established middle offices specializing in risk management that are independent of front offices which engage in market transactions and of back offices which are responsible for book entries and settlements. When VAR is not adequate to control risk, the middle offices manage risk using additional risk indices, carry out stress testing, and set stop loss limits as needed. We monitor market liquidity risk for individual financial products in the market while taking turnover and other factors into consideration.

Status of Mizuho Financial Group’s market risk

» Value-at-risk

We use the VAR method, supplemented with stress testing, as our principal tool to measure market risk. The VAR method measures the maximum possible loss that could be incurred due to market movements within a certain time period (or holding period) and degree of probability (or confidence interval).

Trading activities

VAR related to our trading activities is based on the following:

- historical simulation method;
- confidence interval: one-tailed 99.0%;
- holding period of one day; and
- historical observation period of three years.

The following tables show the VAR related to our trading activities by risk category for the fiscal years ended March 31, 2020, 2021 and 2022 and as of March 31, 2020, 2021 and 2022:

VAR by risk category (trading activities)

(¥ billion)

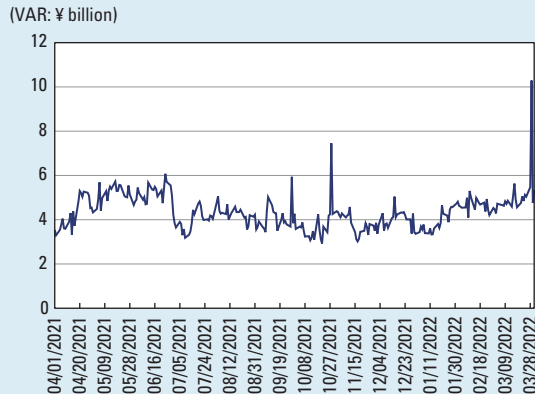
	Fiscal 2019			
	Daily average	Maximum	Minimum	At March 31
Interest rate	2.7	7.2	1.3	6.7
Foreign exchange	0.4	1.1	0.1	0.8
Equities	0.6	4.5	0.2	1.7
Commodities	0.0	0.0	0.0	0.0
Total	3.8	11.8	2.3	8.3

	Fiscal 2020			
	Daily average	Maximum	Minimum	At March 31
Interest rate	4.3	8.6	1.7	2.6
Foreign exchange	0.7	1.3	0.3	0.4
Equities	1.1	6.6	0.1	0.7
Commodities	0.0	0.0	0.0	0.0
Total	5.4	9.1	2.4	2.7

	Fiscal 2021			
	Daily average	Maximum	Minimum	At March 31
Interest rate	3.8	5.7	2.8	4.0
Foreign exchange	0.5	1.5	0.3	1.0
Equities	0.8	4.9	0.2	1.1
Commodities	0.0	0.1	0.0	0.0
Total	4.3	10.2	2.9	5.3

The following graph shows VAR figures of our trading activities for the fiscal year ended March 31, 2022:

Fiscal 2021 VAR (trading activities)



The following table shows VAR figures of our trading activities for the fiscal years indicated:

VAR (trading activities)

(¥ billion)

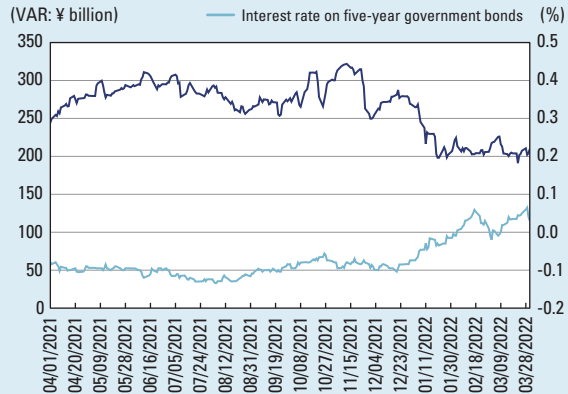
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Change
As of fiscal year end	8.3	2.7	5.3	2.5
Maximum	11.8	9.1	10.2	1.1
Minimum	2.3	2.4	2.9	0.4
Average	3.8	5.4	4.3	(1.0)

Non-trading activities

The VAR related to our banking activities is based on the same conditions as those of trading activities, but the holding period is one month. In addition, as for risk management of banking activities, it is important to properly measure interest rate risk so that we calculate interest risk using appropriate methods such as recognizing demand deposits as “core deposits.”

The following graph shows the VAR related to our banking activities excluding our cross-shareholdings portfolio for the year ended March 31, 2022:

Fiscal 2021 VAR (banking activities)



The following table shows the VAR figures relating to our banking activities for the fiscal years indicated:

VAR (banking activities)

(¥ billion)

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Change
As of fiscal year end	361.4	249.4	209.7	(39.7)
Maximum	361.4	501.7	321.9	(179.8)
Minimum	167.9	224.0	191.0	(33.0)
Average	215.7	346.5	266.0	(80.4)

Characteristics of VAR model

VAR is a commonly used market risk management technique.

However, VAR models have the following shortcomings:

- By its nature as a statistical approach, VAR estimates possible losses over a certain period at a particular confidence level using past market movement data. Past market movement, however, is not necessarily a good indicator of future events, particularly potential future events that are extreme in nature.
- VAR may underestimate the probability of extreme market movements.
- The use of a 99.0% confidence level does not take account of, nor makes any statement about, any losses that might occur beyond this confidence level.

- VAR does not capture all complex effects of various risk factors on the value of positions and portfolios and could underestimate potential losses.

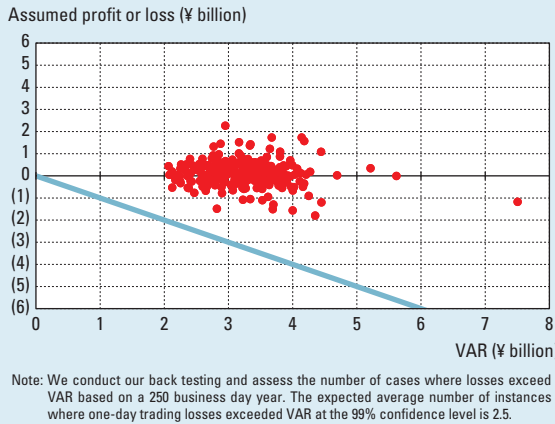
Cross-shareholdings portfolio management activities

We take the market risk management approach with use of VAR and risk indices for cross-shareholdings portfolio management activities to properly manage stock price risk. Specifically, we monitor VAR measurements and the state of risk capital on a daily basis. Moreover, in order to control stock price risk, we are working on the reduction in cross-shareholdings through careful negotiations with counterparties.

Back testing

In order to evaluate the effectiveness of market risk measurements calculated using the VAR method, we carry out regular back tests to compare VAR with assumptive profits and losses. Assumptive profits and losses accounts for general market risk. The graph below shows daily VAR of trading activities for the fiscal year ended March 31, 2022 and the corresponding paired distribution of profits and losses. We had zero cases where losses exceeded VAR during the period. In addition, we conduct evaluations of the assumptions related to the VAR models. Based on the number of times losses exceeded VAR through back testing and the results of the evaluation of the model assumptions, we will make adjustments to the models as appropriate. Changes to fundamental portions of the VAR models are subject to the approval of our Group Chief Risk Officer.

Fiscal 2021 back testing



» Stress testing

Because the VAR method is based on statistical assumptions, we conduct stress testing to simulate the levels of losses that could be incurred in cases where the market moves suddenly to levels that exceed these assumptions. The stress testing methods we use include the calculation of losses under scenarios in which stresses are applied to interest rate risk and stock price risk based on current and projected economic conditions, historical market events, etc.

Liquidity risk management

» Basic approach

We define liquidity risk as the risk of losses arising from funding difficulties due to deterioration of our financial position that make it difficult for us to raise necessary funds or force us to raise funds at significantly higher interest rates than usual.

Mizuho Financial Group manages liquidity risks for the Mizuho group as a

» Liquidity risk management structure

Our Board of Directors determines the basic matters pertaining to liquidity risk management policies. The Risk Management Committee of Mizuho Financial Group broadly discusses and coordinates matters relating to the basic policies in connection with the liquidity risk management, operations, and monitoring, as well as proposes responses to emergencies such as sudden market changes. The Group Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to liquidity risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible for monitoring, reporting and analyzing liquidity risk, making proposals in connection with liquidity risk, and formulating and implementing plans relating to liquidity risk management. In addition, the Group Chief Financial Officer of Mizuho Financial Group is responsible for matters

» Liquidity risk management method

We manage liquidity risk through the frameworks of “liquidity risk management indicators” and “liquidity categorization.” The former is determined for the purpose of managing limits on funds raised in the market considering our fund raising capabilities, and the latter is determined based on our funding conditions. We also carry out liquidity

Liquidity risk management indicators

Limits on funds raised in the market are set based on a number of time horizons taking into account the characteristics and strategies of each of our principal banking subsidiaries and other core group companies. Such limits are discussed and coordinated by the Risk Management Committee, discussed further by the Executive Management Committee, and determined by the President & Group CEO. An excess over any of these limits is immediately reported and addressed in accordance with pre-determined procedures.

Liquidity categorization

We have established a group-wide framework of assessing the levels of the liquidity risks by categorizing them into “normal,” “anxious,” and “crisis,” to reflect the funding conditions. In addition, we set early warning indicators (“EWIs”) and monitor on a daily basis to manage the funding conditions. The EWIs include stock prices, credit ratings, amount of liquidity reserve assets such as Japanese government bonds, our funding situations, etc.

whole. Specifically, Mizuho Financial Group establishes a fundamental liquidity risk management policy for the entire group, manages the liquidity risk of our principal banking subsidiaries and other core group companies, and monitors how the group’s liquidity risk is being managed as a whole.

relating to the planning and operation of funds management, and the Financial Planning Department is responsible for its monitoring and also for planning and implementing measures relating to funds management to maintain appropriate funding liquidity. Reports on the liquidity risk management are submitted to the Risk Management Committee, the Balance Sheet Management Committee (each of which is a Business Policy Committee), the Executive Management Committee, and the President & Group CEO on a regular basis.

Our principal banking subsidiaries and other core group companies also establish their own basic policies on liquidity risk management to properly identify and manage liquidity risk.

stress testing to verify the sufficiency of liquidity reserve assets and the effectiveness of countermeasures against a possible outflow of funds during a stress event. The results of stress testing are used for funds management operations.

Liquidity stress testing

We carry out stress testing regularly based on market-wide factors, idiosyncratic factors of the group, and a combination of both types of factors to verify the sufficiency of liquidity reserve assets and the effectiveness of our liquidity contingency funding plans. Furthermore, we utilize stress testing to evaluate the appropriateness of our annual funding plan.

Operational risk management

» Basic approach

We define operational risk as the risk of losses that may be incurred resulting from inadequate or failed internal processes or systems, human error, or external events. We control operational risk management for the Mizuho group as a whole. Considering that operational risk includes information technology risk, operations risk, legal risk, human capital risk, tangible asset risk, regulatory risk, and

reputational risk, we have separately determined the fundamental risk management policies for these different types of risk. We manage the operational risk associated with our principal banking subsidiaries and other core group companies while monitoring the state of group-wide operational risk.

	Definition	Principal risk management methods
Information technology risk	Risk that customers may incur losses or our group companies may incur losses due to problems (e.g. malfunctions, disruptions, etc.) with the computer systems or improper use of the computers in these systems, which cause disruptions of the services provided to customers, or have significant impact on settlement systems, etc.	<ul style="list-style-type: none">Identify and evaluate the risk by setting specific standards that need to be complied with and implementing measures tailored based on evaluation results to reduce the risk.Ensure ongoing project management in systems development and quality control.Strengthen security to prevent information leaks.Strengthen capabilities for rapidly and effectively dealing with cyberattacks.Improve effectiveness of emergency responses by improving backup systems and holding drills.
Operations risk	Risk that customers may incur losses or the group may incur losses due to the disruption of services to customers or major incidents affecting settlement systems, etc., as a result of inadequate operations caused by fraudulent acts, errors or negligence, etc., of senior executives or employees, or inadequacies in the operational structure itself.	<ul style="list-style-type: none">Establish clearly defined procedures for handling operations.Periodically check the status of operational processes.Conduct training and development programs led by Head Office.Introduce information technology, office automation, and centralization for operations.Improve the effectiveness of emergency responses by holding drills.
Legal risk	Risk that the group may incur losses due to violation of laws and regulations, breach of contract, entering into improper contracts or, other legal factors.	<ul style="list-style-type: none">Review and confirm legal issues, including the legality of material decisions, agreements and documents for external consumption, etc.Collect and distribute legal information and conduct internal training programs.Analyze and manage issues related to lawsuits.
Human capital risk	Risk that the group may incur losses due to turnover or loss of personnel, deterioration of morale, inadequate development of personnel, inappropriate working schedules, inappropriate working and safety environment, inequality or inequity in human resource management, or discriminatory conduct.	<ul style="list-style-type: none">Conduct employee satisfaction surveys.Understand the status of working hours.Understand the status of vacation days taken by personnel.Understand the status of voluntary resignations.Understand the status of the stress check system.
Tangible asset risk	Risk that the group may incur losses from damage to tangible assets or a decline in the quality of the working environment as a result of disasters, criminal actions, or defects in asset maintenance.	<ul style="list-style-type: none">Manage the planning and implementation of construction projects related to the repair and replacement of facilities.Identify and evaluate the status of damage to tangible assets caused by natural disasters or other causes, and respond appropriately to such damage.
Regulatory risk	Risk that the group may incur losses due to changes in various regulations or systems, such as those related to law, taxation, and accounting.	<ul style="list-style-type: none">Understand important changes in regulations or systems that have significant influence on our business operations or financial condition in a timely and accurate manner.Analyze degree of influence of regulatory changes and establish countermeasures.Continuously monitor our regulatory risk management mentioned above.
Reputational risk	Risk that the group may incur losses due to adverse effects to our reputation or Mizuho's brand value when all services provided by and all activities conducted by the group, officers, and employees are recognized as having deviated from expectations and requirements from the relevant stakeholders including clients, employees, the economy, and society.	<ul style="list-style-type: none">Establish framework to identify and manage, on an integrated basis, information that may have a serious impact on group management and respond to such risk in a manner appropriate to its scale and nature.Swiftly identify rumors and devise appropriate responses depending on the urgency and possible impact of the situation to minimize possible losses.

We also recognize and manage information security risk and compliance risk, which constitute a combination of more than one of the above components, as operational risk.

»» Operational risk management structure

Our Board of Directors determines basic matters pertaining to operational risk management policies. The Risk Management Committee of Mizuho Financial Group broadly discusses and coordinates matters relating to basic policies in connection with operational risk management, operational risk operations, and operational risk monitoring. The Group Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to operational risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible

for monitoring market risk, reporting and analyzing, making proposals, setting limits and guidelines, and formulating and implementing plans relating to operational risk management.

Our principal banking subsidiaries and core group companies establish their basic policies on operational risk management, and their Boards of Directors determine important matters relating to operational risk management.

»» Operational risk management method

To manage operational risk, we set common rules for data gathering to develop various databases shared by the group and measure operational risk as operational VAR on a regular basis, taking into account possible future loss events and changes in the business environment and internal management.

We have established and are strengthening management methods and systems to appropriately identify, assess, measure, monitor, and control the operational risks that arise from the growing sophistication and

diversification of financial operations and developments relating to information technology by utilizing control self-assessments and improving measurement methods.

• Control self-assessments

An autonomous method of risk management in which risk inherent in operations is identified and, after evaluating and monitoring risks that remain despite implementing risk control, the necessary measures are implemented to reduce risk.

»» Definition of risks and risk management methods

As shown in the table on the previous page, we have defined each component of operational risk, and we apply appropriate risk

management methods in accordance with the scale and nature of each risk.

»» Measurement of operational risk equivalent

1. Implementation of the Advanced Measurement Approach (AMA)

We have adopted the AMA for the calculation of operational risk equivalent in association with capital adequacy ratios based on the Basel Accords. However, we use the Basic Indicator Approach for entities that are deemed to be less important in the measurement of operational risk equivalent.

The measurement results under the AMA are used not only as the operational risk equivalent in the calculation of capital adequacy ratios but also as Operational VAR for internal risk management purposes for implementing action plans to reduce operational risk, and other countermeasures.

2. Outline of the AMA

Outline of the measurement system

We have established our model by taking account of four elements: internal loss data; external loss data; scenario analysis and business environment; and internal control factors (BEICFs). We calculate the operational risk amount by estimating the maximum loss, using a 99.9th percentile one-tailed confidence interval and a one-year holding period as operational risk equivalent, employing both internal loss data (i.e., actually experienced operational loss events), and scenario data to reflect unexperienced potential future loss events in the measurement.

In the measurement of operational risk equivalent as of March 31, 2022, we did not exclude expected losses and also did not recognize the risk mitigating impact of insurance. In addition, we did not take into account the events related to credit risk in measuring operational risk equivalent.

Outline of measurement model

Operational risk equivalent is calculated as a simple sum of those risk amounts related to the seven loss event types defined in the Capital Adequacy Notice from Japan’s Financial Services Agency, large-scale natural disasters, and litigation. In the measurement of operational risk equivalent as of March 31, 2022, we did not reflect the correlation effects among operational risk related to each of the seven loss event types.

Operational risk by loss event type

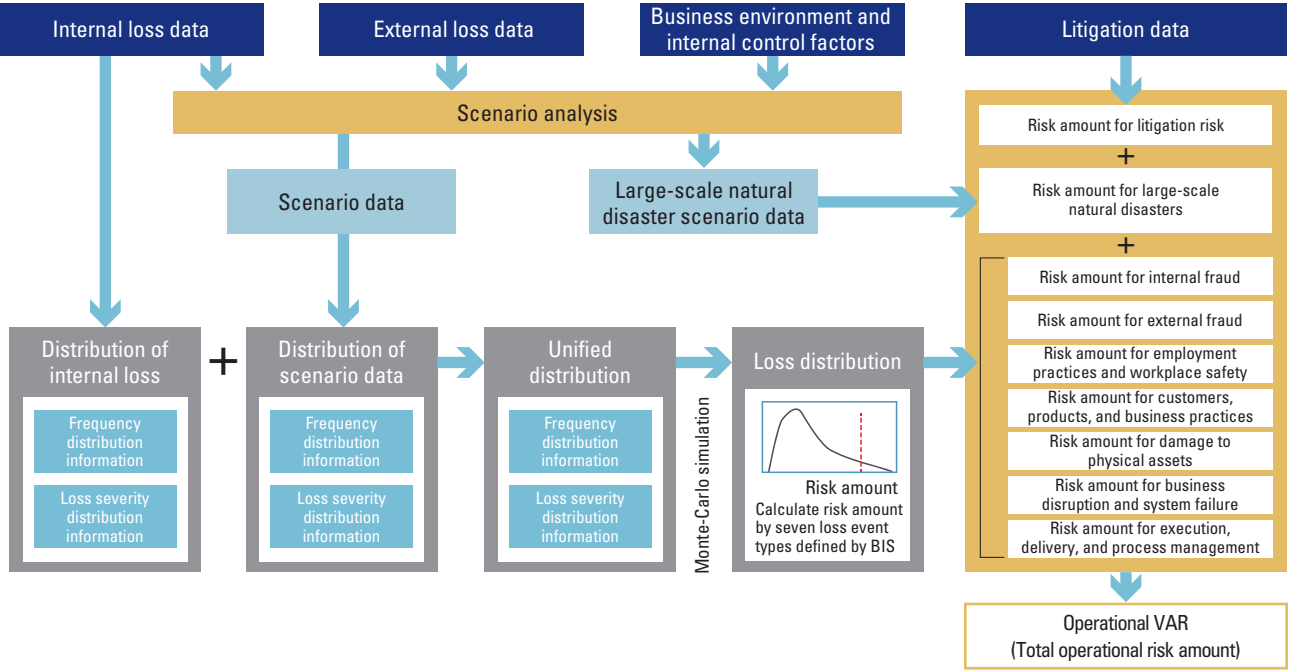
Loss Distribution (Compound Poisson Distribution) Approach (LDA) is adopted for the calculation of operational risk. LDA is based on the assumption that Poisson Distribution applies to the occurrence frequency of operational risk events, and loss severity is expressed through a separate distribution. Operational risk is calculated for each of the seven loss event types employing both internal loss data, based on our actual experience as operational loss events, and scenario data. Scenario data, expressed as numerical values of occurrence frequency and loss severity, reflects external loss data and BEICFs, in order to estimate unexperienced potential future loss events (of low frequency and high severity).

Frequency Distribution and Severity Distribution are estimated employing the above mentioned internal loss data and scenario data, and Monte-Carlo simulations are then applied to these distributions to measure operational risk. The detailed steps of creation of scenario data are explained later in the Scenario Analysis.

Estimation of Frequency Distribution and Loss Severity Distribution

Frequency Distribution is estimated by applying information on occurrence frequency of both internal loss data and scenario data to Poisson Distribution. Loss Severity Distribution is generated as the result of combining, through a statistical approach (Extreme Value Theory), of the actual distribution for the low severity distribution portion created by internal loss data and another loss distribution (Log-normal Distribution or Generalized Pareto Distribution) for the high severity distribution portion created by scenario data.

Outline of measurement model



Operational risk of large-scale natural disasters

Monte-Carlo simulation is applied to the datasets expressed as a combination of the probability of occurrence of large-scale natural disasters and the probable loss amount in case of such occurrence, as opposed to estimating Frequency Distribution and Loss Severity Distribution.

Operational risk of litigation

Each litigation is converted into data according to the profile of the individual litigation to which Monte-Carlo simulation is applied, as opposed to estimating Frequency Distribution and Loss Severity Distribution.

Verification

We confirm the appropriateness of the measurement model by verifying it, in principle, semi-annually.

3. Scenario analysis

Outline of scenario analysis

In the process of scenario analysis, scenario data is created as numerical values of occurrence frequency and loss severity reflecting external loss data and BEICFs, in order to estimate unexperienced potential future operational risk events (of low frequency and high severity).

As for external loss data, we refer to data publicly reported by domestic and overseas media, and such data are reflected in the estimation of occurrence frequency and Loss Severity Distribution in the process of scenario analysis. In addition, BEICFs are utilized as indices to adjust occurrence frequency and Loss Severity Distribution in the process of scenario analysis.

We categorize scenario analysis into four approaches in accordance with the characteristics of each loss event type and risk management structures.

Approach	Loss event type(s) to be applied
A	Internal fraud / external fraud / clients, products, and business practices / execution, delivery, and process management
B	Employment practices and workplace safety
C	Damage to physical assets
D	Business disruption and system failure

At Mizuho Financial Group, loss event types to which Approach A is applied account for a considerable amount of operational risk. The detailed process of Approach A is explained here as a typical example of scenario analysis.

Setting units for scenario analysis

In order to ensure completeness and sufficiency, we set units that are commonly applied across group entities that adopt AMA (the “Group Entities”) by referencing and categorizing risk scenarios recognized through control self-assessment, internal loss data of the Group Entities, external loss data, etc. Then each of the Group Entities selects the unit on which scenario analysis is conducted from the units established on a group-wide basis in accordance with its business activities and operational risk profile.

Estimation of occurrence frequency

Basic occurrence frequency (once a year) is calculated for each scenario analysis unit. If a certain scenario analysis unit has relevant internal loss data of a pre-determined threshold amount or above, its basic occurrence frequency is calculated based on such data, and if not, the basic occurrence frequency (the occurrence frequency per year of losses at or above a pre-determined threshold) is calculated with reference to the situation of occurrence of internal loss data of less than the threshold amount and/or external loss data. The basic occurrence frequency is then adjusted within a pre-determined range for the purpose of reflecting the most recent BEICFs to determine the final occurrence frequency.

Estimation of Loss Severity Distribution

In order to estimate Loss Severity Distribution, we use a pre-determined series of severity ranges. Basic Loss Severity Distribution is calculated for each scenario analysis unit as an occurrence ratio (in percentile figures) of loss at each severity range when losses at or above a pre-determined threshold occurred, with reference to transaction amount data, external loss data, etc. Then the basic severity distribution is adjusted, if necessary, from the viewpoint of statistical data processing to determine the final Loss Severity Distribution.

Creation of scenario data

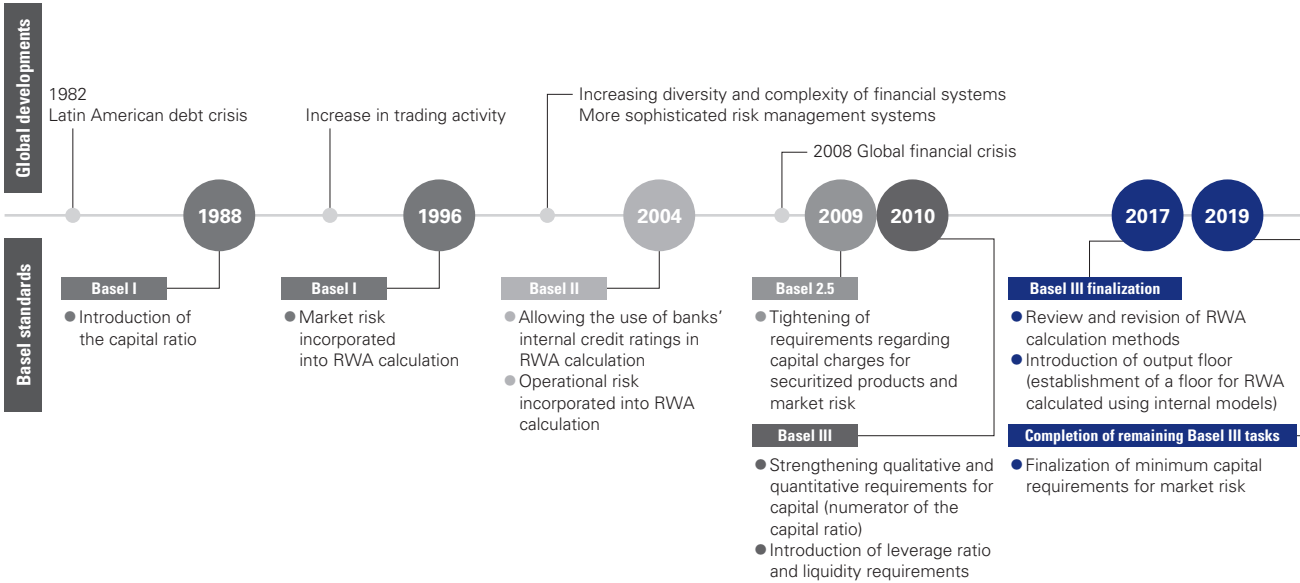
For each scenario analysis unit, scenario data is generated as a series of combinations of occurrence frequency per year at each severity range, based on the final occurrence frequency and the final Loss Severity Distribution.

Example of scenario data						
	Severity range (¥ billion)					Total
	0.1	0.5	1	5	10	
Occurrence ratio (%)	40	30	15	10	5	100
Occurrence frequency (times)	0.4	0.3	0.15	0.1	0.05	1

Compliance with international financial regulations

The Basel standards, a unified international regulatory framework for ensuring the soundness of banking institutions, were first created in 1988 (now referred to as Basel I). As the financial services industry and world affairs have developed, steps have been taken to steadily enhance this framework. Formulated in 2010, Basel III is a framework that tightened capital requirements along with

introducing liquidity requirements to address issues that came to light in the 2008 global financial crisis. Regulatory reforms following the financial crisis were largely completed in 2017 (Basel III finalization) with reforms aimed at reducing discrepancies among banks regarding the calculation of risk-weighted assets (RWA, which is the denominator of the capital ratio).



Principal requirements under Basel III and state of compliance

As a Global Systemically Important Bank (G-SIB), Mizuho Financial Group must meet some regulatory standards at a higher level. We maintain full compliance with all the requirements in the standards and, going forward, we will steadily accumulate capital and control our balance sheet to ensure that we can satisfy any new requirements that are introduced.

Capital ratio	Capital
	RWA (which are calculated by taking account of the risk of assets held)
Leverage ratio	Capital
	Exposure (calculated without taking account of the risk of assets held)
Liquidity coverage ratio	Stock of high-quality liquid assets
	Total net cash outflows under severe stress conditions over a specified short-term period (30 days)
Net stable funding ratio	Available amount of stable funding (capital, deposits, market funding, etc.)
	Required amount of stable funding (loans, securities, etc.)

International financial regulations going forward

With the completion of the post-global financial crisis regulatory reforms, the Financial Stability Board and the Basel Committee on Banking Supervision, which are responsible for developing international financial regulatory standards, are turning their attention to new areas. Specifically, they have shifted their focus from developing new regulatory standards to consistent implementation of regulations in individual countries and evaluating the impact of regulatory reforms (e.g., are they having the intended effect without compromising regulatory resilience).

In addition, the environment that financial institutions operate in has reached a critical turning point, including rapidly accelerating digitalization and increasing societal interest in sustainability. There is growing attention to, and international discussion about, the

opportunities and risks presented to banks and financial systems by the various impacts of climate change and the popularization of digital assets. For example, various international bodies and local regulatory authorities, foremost among them the Financial Stability Board and the Basel Committee on Banking Supervision, have been looking into responses to climate-related financial risk (the risk that climate change could threaten the stability of the financial system by causing deterioration in the assets of financial institutions, associated reductions of capital, and other consequences).

To address these various risks, we will work closely with government, academia, and industry, while also holding proactive internal discussions.

Business continuity management

In light of our social responsibility and the important role Mizuho plays within the social infrastructure as a financial institution, ensuring the continuity of financial settlement functions and the swift and efficient recovery of operations in the event of an emergency is one of our top priorities within the group.

To improve business continuity management practices across the group, we assess the potential impact of emergencies beforehand and formulate necessary countermeasures in order to minimize such impact, and to ensure the swift and efficient recovery of operations.

One of the ways in which we are working to achieve this is by establishing Crisis Management Offices within Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities that are responsible for business continuity management and our responses in the event of emergency. These offices function as a controller in the event of an emergency that may materially impact business management, by collecting and

analyzing information, formulating countermeasures, and taking other necessary action. In addition, their role includes collecting and analyzing signs and indicators of a potential crisis, and reporting their findings promptly to management.

Particular focus is placed on strengthening our response to natural disasters, covering not only earthquakes and tsunamis but also volcanic eruptions, large-scale wind or water damage, and facilitating initial responses to acts of terrorism and riots as well as cyberattacks that have been occurring with increasing frequency around the world.

Based on the series of IT system failures, we are working to improve the effectiveness of our business continuity management system by confirming the content and procedures of our system contingency plans and business contingency plans, and by strengthening training and realistic drills throughout the group, including with executive management.

Senior executives

Mizuho Financial Group

Members of the Board of Directors Executive Officers as Defined in the Companies Act

Tatsuo Kainaka
Member of the Board of Directors
(Outside Director)
Yoshimitsu Kobayashi
Member of the Board of Directors
(Outside Director)
Ryoji Sato
Member of the Board of Directors
(Outside Director)
Takashi Tsukioka
Member of the Board of Directors
(Outside Director)
Masami Yamamoto
Member of the Board of Directors
(Outside Director)
Izumi Kobayashi
Chairman, member of the Board of Directors
(Outside Director)
Seiji Imai
Member of the Board of Directors
*Chairman (Kaicho)**
Hisaaki Hirama
Member of the Board of Directors
Masahiro Kihara
Member of the Board of Directors
President & Group CEO
(Representative Executive Officer)
Group CEO
Makoto Umemiya
Member of the Board of Directors
Deputy President & Senior Executive Officer
(Representative Executive Officer)
Group Chief Digital Innovation Officer (Group CDIO)
Group Chief Financial Officer (Group CFO)
Motonori Wakabayashi
Member of the Board of Directors
Senior Executive Officer
Group Chief Risk Officer (Group CRO)
Nobuhiro Kaminoyama
Member of the Board of Directors
Senior Executive Officer
Group Chief Human Resources Officer (Group CHRO)
Masahiro Otsuka
Senior Executive Officer
Head of Retail & Business Banking Company
Naofumi Fuke
Senior Executive Officer
Co-Head of Retail & Business Banking Company
Hidekatsu Take
Senior Executive Officer
Head of Corporate & Institutional Company /
Head of Global Corporate Company
Yasuhiro Shibata
Senior Executive Officer
Co-Head of Global Markets Company
Kenya Koshimizu
Senior Executive Officer
Co-Head of Global Markets Company
Masamichi Ishikawa
Senior Executive Officer
Head of Asset Management Company /
Deputy Head of Strategic Planning Group
Mitsuhiro Morishita
Senior Executive Officer
Head of Global Products Unit
Yasuhiko Ushikubo
Senior Executive Officer
Head of Research & Consulting Unit
Naoshi Inomata
Senior Executive Officer
Group Chief Strategy Officer (Group CSO)

Koji Yonei
Senior Executive Officer
Group Chief Information Officer (Group CIO)
Mitsuhiro Kanazawa
Senior Executive Officer
Group Co-Chief Information Officer (*Group Co-CIO*)
Hiroaki Ehara
Senior Executive Officer
Group Chief Operations Officer (Group COO)
Makoto Matsubara
Senior Executive Officer
Group Chief Compliance Officer (Group CCO)
Hisashi Kikuchi
Senior Executive Officer
Group Chief Auditor (Group CA)

Mizuho Bank

Members of the Board of Directors

Masahiko Kato**
President & CEO (Representative Director)
Motonori Wakabayashi**
Deputy President (Representative Director)
Head of Risk Management Group
Masahiro Kihara
Member of the Board of Directors
Masatsugu Shimono
Member of the Board of Directors
Takuya Sakaguchi
Member of the Board of Directors
(Audit & Supervisory Committee Member)
Hisashi Kikuchi
Member of the Board of Directors
(Audit & Supervisory Committee Member)
Shigeo Ohara
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Shotaro Tochigi
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Kyoichiro Uenishi
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Naoko Nemoto
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)

Executive Officers (Head of Each Region Outside Japan)

Shuji Matsuura
Managing Executive Officer
CEO for the Americas
Shinsuke Toda
Managing Executive Officer
CEO for Europe, Middle East and Africa
Masayuki Sugawara
Managing Executive Officer
CEO for East Asia
Yasuhiro Kubota
Managing Executive Officer
CEO for Asia & Oceania excl. East Asia

Mizuho Trust & Banking

Members of the Board of Directors

Kei Umeda**
President & CEO (Representative Director)
Hiroaki Ehara**
Deputy President (Representative Director)
Head of Operations Group / Chief Crisis Management Officer
Masahiro Kihara
Member of the Board of Directors

Soushi Fukuda
Member of the Board of Directors
(Audit & Supervisory Committee Member)
Hisashi Kikuchi
Member of the Board of Directors
(Audit & Supervisory Committee Member)
Mikinao Kitada
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Tsutomu Takahashi
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Yoshikazu Nishiwaki
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)

Mizuho Securities

Members of the Board of Directors

Yoshiro Hamamoto**
President & CEO (Representative Director)
Yuzo Kanamori**
Deputy President (Representative Director)
Head of Risk Management Group / Head of Compliance Group / In Charge of Due Diligence Department / Head of Global Risk Management / Head of Global Compliance / Internal Administration Supervisor
Atsushi Takahashi**
Deputy President (Representative Director)
Head of IT & Systems Group / Head of Operations Group / Head of Global IT / Head of Global Operations
Masahiro Kihara
Member of the Board of Directors
Yasuto Sengoku
Member of the Board of Directors
(Audit & Supervisory Committee Member)
Hisashi Kikuchi
Member of the Board of Directors
(Audit & Supervisory Committee Member)
Yasuhisa Hashimoto
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Hiroyuki Suzuki
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)
Seiji Koga
Member of the Board of Directors
(Outside Director, Audit & Supervisory Committee Member)

Notes:

- * indicates that Chairman (Kaicho) Imai engages in our external activities, but does not chair the Board meetings.
- ** indicates directors concurrently serving as executive officers.
- Mizuho Financial Group executive officers as defined in our internal regulations have not been listed.
- Executive officers, excluding the directors concurrently serving as executive officers and executive officers responsible for global regional operations of Mizuho Bank, have not been listed.
- Executive officers, excluding the directors concurrently serving as executive officers of Mizuho Trust & Banking and Mizuho Securities, have not been listed.

(As of June 21, 2022)

Location of offices outside Japan (As of June 30, 2022)

Network of Mizuho Bank
Asia and Oceania (Country/Region)
Australia
Sydney Branch Level 29, 60 Martin Place, Sydney NSW 2000 Australia Tel 61-2-8273-3888
Cambodia
Phnom Penh Branch 1st Floor, AEON MALL Phnom Penh (I), No132, Samdach Sothearos Blvd, Sangkat Tonle Basak, Khan Chamkar Mon, Phnom Penh, Cambodia Tel 855-23-964-490
China
Mizuho Bank (China), Ltd. 21st Floor (Operation Counter), 23rd Floor (Reception), Shanghai World Financial Center, 100 Century Avenue, Pudong New Area, Shanghai 200120, The People's Republic of China Tel 86-21-3855-8888
Mizuho Bank (China), Ltd. Shanghai Hongqiao Sub-Branch Room 504; 510; 511; 515 (Nominal No. Room A601; A602; B601; B602), No. 1226 South Shenbin Road, Minhang District, Shanghai 201106, The People's Republic of China Tel 86-21-3411-8688
Mizuho Bank (China), Ltd. Beijing Branch 8th Floor, West Wing, World Financial Center, No. 1 Dong San Huan Zhong Road, Chaoyang District, Beijing 100020, The People's Republic of China Tel 86-10-6525-1888
Mizuho Bank (China), Ltd. Dalian Branch 23rd Floor, 24th Floor-A, Shenmao Building, 147 Zhongshan Road, Xigang District, Dalian, Liaoning Province 116011, The People's Republic of China Tel 86-411-8360-2543
Mizuho Bank (China), Ltd. Guangzhou Branch 25th Floor, International Finance Place, No. 8 Huaxia Road, Zhujiang New Town, Tianhe District, Guangzhou, Guangdong Province 510623, The People's Republic of China Tel 86-20-3815-0888
Mizuho Bank (China), Ltd. Hefei Branch Room No. 1902-1907, No. 7 Office Building Wanda Plaza, 130 Maanshan Street, Baohe District, Hefei, Anhui Province, The People's Republic of China Tel 86-551-6380-0690
Mizuho Bank (China), Ltd. Qingdao Branch 44th Floor, Qingdao International Finance Center, 59 Hong Kong Middle Road, Shinan District, Qingdao, Shandong Province 266071, The People's Republic of China Tel 86-532-8097-0001
Mizuho Bank (China), Ltd. Shenzhen Branch 30th Floor, Huanggang Business Center Tower1, Jintian Road, Futian District, Shenzhen, Guangdong Province 518046, The People's Republic of China Tel 86-755-8282-9000
Mizuho Bank (China), Ltd. Suzhou Branch 17th Floor, Genway Building, 188 Wangdun Road, Suzhou Industrial Park, Suzhou, Jiangsu Province 215123, The People's Republic of China Tel 86-512-6733-6888

Mizuho Bank (China), Ltd. Tianjin Branch 11th Floor, International Financial Center Building, No.136 Chifeng Road, Heping District, Tianjin, The People's Republic of China Tel 86-22-6622-5588
Mizuho Bank (China), Ltd. Wuhan Branch 5th Floor, Tower A, New World Center Tower, 634 Jiefang Avenue, Hankou, Wuhan, Hubei Province 430032, The People's Republic of China Tel 86-27-8342-5000
Mizuho Bank (China), Ltd. Wuxi Branch 8th Floor, Wuxi SI Park B, No. 16 Changjiang Road, WND, Wuxi, Jiangsu Province 214028, The People's Republic of China Tel 86-510-8522-3939
Mizuho Bank (China), Ltd. Changshu Sub-Branch Room 701-704, Kechuang Building, No. 33 Dongnan Road, Changshu New & Hi-tech Industrial Development Zone, Jiangsu Province, 215500, The People's Republic of China Tel 86-512-6733-6888
Mizuho Bank (China), Ltd. Dalian Economic & Technological Development Area Sub-Branch 22nd Floor, International Business Building of Gugeng, No. 81 Hongmei Area, Dalian Economic & Technological Development Area, Dalian, Liaoning Province 116600, The People's Republic of China Tel 86-411-8793-5670
Mizuho Bank (China), Ltd. Kunshan Sub-Branch Room D,E, 18th Floor, Dongan Building, No. 258 Chunxu Road, Development Zone Kunshan City, Kunshan, Jiangsu Province 215300, The People's Republic of China Tel 86-512-6733-6888
Nanjing Representative Office Room 16D, Nanjing IFC, No.1 Hanzhong Road, Qinhuai District, Nanjing, Jiangsu Province 210000, The People's Republic of China Tel 86-25-8332-9379
Xiamen Representative Office Room 2102, The Bank Center, No. 189 Xiahe Road, Siming District, Xiamen, Fujian Province 361003, The People's Republic of China Tel 86-592-239-5571
Hong Kong
Hong Kong Branch 13/F, K11 Atelier, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong, S.A.R., The People's Republic of China Tel 852-2306-5000
India
Bangalore - Devanahalli Branch #462/440/339, 2nd floor, Near Jain Temple, NH 7/4-207, B. B. Road, Vijayapura Cross, Devanahalli, Bangalore, Karnataka-562 110, India Tel 91-80-4968-2000
Chennai Branch Unit-11B, 11th floor, Prestige Palladium Bayan, Nos. 129 to 140, Greams Road, Chennai, Tamil Nadu-600 006, India Tel 91-44-4928-6600
Mumbai Branch Level-17, Tower-A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra-400 013, India Tel 91-22-4911-2000

New Delhi - Gurugram Branch 5th floor, Oberoi Corporate Tower, Building No.11, DLF Cyber City, Phase-II, Gurugram, Haryana-122 002, India Tel 91-124-4851900
Ahmedabad Branch Office-A402, 4th floor, Commerce House-5, Nr. Vodafone House, Corporate Road, Prahladnagar, Ahmedabad, Gujarat-380 051, India Tel 91-79-4014-4666
Indonesia
PT. Bank Mizuho Indonesia Menara Astra, 53rd Floor, Jl. Jend. Sudirman Kav. 5-6, Jakarta 10220, Republic of Indonesia Tel 62-21-5091-0888
Korea
Seoul Branch 5th Floor, Seoul Finance Center, 136, Sejong-daero, Jung-gu, Seoul, 04520, Korea Tel 822-3782-8500
Malaysia
Labuan Branch Level 9 (B) & (C), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Federal Territory of Labuan, Malaysia Tel 60-87-417766
Labuan Branch, Kuala Lumpur Marketing Office Level 27, Menara Maxis, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia Tel 60-3-2070-6880
Mizuho Bank (Malaysia) Berhad Level 27, Menara Maxis, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia Tel 60-3-2058-6881
Myanmar
Yangon Branch Sedona Business Suites, Level 4, No. 1 Ka Ba Aye Pagoda Road, Yankin Township, Yangon, Republic of the Union of Myanmar Tel 95-1-860-5501
Yangon Branch Thilawa Front Office Room No. 204, Administration Building, Corner of Thilawa Development Road and Dagon-Thilawa Road, Thilawa SEZ, Thanlyin Township, Yangon, Republic of the Union of Myanmar Tel 95-1-230-9046
Philippines
Manila Branch 25th Floor, Zuellig Building, Makati Avenue corner Paseo de Roxas, Makati City 1225, Metro Manila, Philippines Tel 63-2-8860-3500
Singapore
Singapore Branch 12 Marina View, #08-01 Asia Square Tower 2, Singapore 018961, Republic of Singapore Tel 65-6805-2000
Taiwan
Kaohsiung Branch 12th Floor, No. 2, Chung Cheng 3rd Road, Kaohsiung 800, Taiwan Tel 886-7-236-8768
Taichung Branch 8th Floor, No. 169, Fuhui Parkway, Taichung 407, Taiwan Tel 886-4-2374-6300
Taipei Branch 8-9th Floor, Cathay Landmark Square, 68 Zhong Xiao East Road, Xinyi District, Taipei, Taiwan Tel 886-2-8726-3000

Thailand
Bangkok Branch 98 Sathorn Square Office Tower 32nd – 35th floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand Tel 66-2-163-2999, 2-002-0222
Eastern Seaboard Branch 300/7 ESIE Plaza 2, Unit No. 2-05 Moo 1, Tambol Ta Sit, Amphoe Phluk Daeng, Rayong 21140, Thailand Tel 66-3-899-7000
Vietnam
Hanoi Branch 4th Floor, 63 LTT Building, 63 Ly Thai To Street, Hanoi, Socialist Republic of Vietnam Tel 84-24-3936-3123/3124
Ho Chi Minh City Branch 18th Floor, Sun Wah Tower, 115 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Socialist Republic of Vietnam Tel 84-28-3827-8260/8292
Europe, the Middle East and Africa (Country/Region)
Austria
Mizuho Bank Europe N.V. Vienna Branch DC Tower 26th Floor, Donau-City-Strasse 7, 1220 Vienna, Austria Tel 43-1-269-1000-00
Bahrain
Bahrain Representative Office Suite 201-202, Entrance 4, 2nd Floor, Manama Center, Manama, Bahrain (P.O. BOX 5759, Manama, Bahrain) Tel 973-17-224522
Belgium
Mizuho Bank Europe N.V. Brussels Branch Avenue Louise 480, 1050 Brussels, Belgium Tel 32-2-645-5280
France
Paris Branch Washington Plaza, 40, rue Washington, 75008 Paris, France Tel 33-1-5383-4000
Germany
Duesseldorf Branch Benrather Strasse 18-20, 40213 Duesseldorf, Germany Tel 49-211-13020
Frankfurt Branch TaunusTurm 34th Floor, Taunustor 1, 60310 Frankfurt am Main, Germany Tel 49-69-29-72-95-0
Iran
Tehran Representative Office Unit 602, No.22, 7th Street, Velenjak Avenue, Tehran, Iran, Postal code: 1985834706 Tel 98-21-2635-4711/4722
Italy
Milan Branch 6th Floor, Largo Augusto 7, 20122 Milan, Republic of Italy Tel 39-02-778-0001
Saudi Arabia
Mizuho Saudi Arabia Company North Lobby 1st Floor, Al Faisaliah Tower, King Fahd Road, Olaya District, Riyadh 11544, Kingdom of Saudi Arabia Tel 966-11-273-4111

South Africa
Johannesburg Representative Office 2nd Floor, West Tower, Maude Street, Nelson Mandela Square, Sandton 2196, South Africa, P.O. Box 785553, Sandton 2146 Tel 27-11-881-5410
Spain
Mizuho Bank Europe N.V. Madrid Branch Calle Orense 34, Planta 8, Edificio Iberia Mart II , 28020 Madrid, Spain Tel 34-91-598-2905
The Netherlands
Mizuho Bank Europe N.V. Atrium Amsterdam, 3rd Floor, Strawinskylaan 3053, 1077 ZX Amsterdam, The Netherlands Tel 31-20-5734343
Turkey
Istanbul Representative Office Esentepe Mah. Buyukdere Cad. No:175 Ferko Signature 21st Floor Suite:5, 34394, Sisli, Istanbul, Turkey Tel 90-212-932-8251
UAE
Abu Dhabi Branch Al Sila Tower, 24th Floor, Abu Dhabi Global Market Square, Al Maryah Island, P.O. Box No:764647, Abu Dhabi, UAE Tel 971-2-694-8551
DIFC Branch-Dubai The Gate Building, East Wing, Level 5, Dubai International Financial Centre, P.O. Box No: 506607, Dubai, UAE Tel 971-4-279-4400
United Kingdom
London Branch 30 Old Bailey, London EC4M 7AU, UK Tel 44-20-7012-4000
Russia
AO Mizuho Bank (Moscow) 5th floor, 20, bld. 1, Ovchinnikovskaya nab., 115035 Moscow, Russian Federation Tel 7-495-212-0333
The Americas (Country/Region)
Brazil
Banco Mizuho do Brasil S.A. Avenida Presidente Juscelino Kubitschek, 2041- Torre E-7 andar, Vila Olimpia, Sao Paulo, SP, CEP. 04543-011, Brazil Tel 55-11-5504-9844
Canada
Canada Branch 100 Yonge Street, Suite 1102, Toronto, Ontario, Canada, M5C 2W1 Tel 1-416-874-0222
Calgary Office Suite 1000, 888 3rd Street, South West, Calgary, Alberta, Canada, T2P 5C5 Tel 1-403-444-5375
Chile
Santiago Representative Office Av. Apoquindo 3650, Oficina 1201, Las Condes, Santiago, Chile Tel 56-2-3203-5773
Mexico
Mexico Representative Office Paseo de la Reforma 342, Piso 10, Colonia Juarez, Delegacion Cuauhtemoc, 06600, Ciudad de Mexico, Mexico Tel 52-55-5281-5037

Mizuho Bank Mexico, S.A. Paseo de la Reforma 342, Piso 10, Colonia Juarez, Delegacion Cuauhtemoc, 06600, Ciudad de Mexico, Mexico Tel 52-55-5281-5037
Mizuho Bank Mexico, S.A. Leon Office Blvd. Paseo de los Insurgentes 3356, Torre 2, nivel 2, Col. San Jose de las Piletas, 37530 Leon, Guanajuato, Mexico Tel 52-477-6885-248/249
USA
Chicago Branch 311 South Wacker Drive, Suite 700, Chicago, IL 60606, USA Tel 1-312-855-1111
Los Angeles Branch 350 South Grand Avenue, Suite 1500, Los Angeles, CA 90071, USA Tel 1-213-243-4500
New York Branch 1271 Avenue of the Americas, New York, NY 10020, USA Tel 1-212-282-3000
1251 Building Branch 1251 Avenue of the Americas, New York, NY 10020, USA Tel 1-212-282-3000
Atlanta Representative Office 3353 Peachtree Road NE, Atlanta Financial Center, Suite 500, Atlanta, GA 30326, USA Tel 1-404-364-1550
Dallas Representative Office 5345 Towne Square Drive, Suite 285, Plano, TX 75024, USA Tel 1-972-324-3350
Houston Representative Office 2700 Post Oak Blvd., Suite 1270, Houston, TX 77056, USA Tel 1-713-499-4800
San Francisco Representative Office 235 Pine Street, 19th Floor, San Francisco, CA 94104, USA Tel 1-415-365-1750
Washington, D.C. Representative Office 1275 Pennsylvania Avenue, NW, Suite 310, Washington, DC 20004, USA Tel 1-202-292-5080
Mizuho Bank (USA) 1271 Avenue of the Americas, New York, NY 10020, USA Tel 1-212-282-3000
Mizuho Bank (USA) Atlanta Representative Office 3353 Peachtree Road NE, Atlanta Financial Center, Suite 500, Atlanta, GA 30326, USA Tel 1-404-364-1550
Mizuho Bank (USA) Chicago Representative Office 311 South Wacker Drive, Suite 700, Chicago, IL 60606, USA Tel 1-312-855-1111
Mizuho Bank (USA) Dallas Representative Office 5345 Towne Square Drive, Suite 285, Plano, TX 75024, USA Tel 1-972-324-3350
Mizuho Bank (USA) Houston Representative Office 2700 Post Oak Blvd., Suite 1270, Houston, TX 77056, USA Tel 1-713-499-4800
Mizuho Bank (USA) Los Angeles Representative Office 350 South Grand Avenue, Suite 1500, Los Angeles, CA 90071, USA Tel 1-213-243-4500

Investor information

Mizuho Bank (USA)
1251 Building Branch
1251 Avenue of the Americas, New York, NY 10020, USA
Tel 1-212-282-3000

Mizuho Bank (USA)
San Francisco Representative Office
235 Pine Street, 19th Floor, San Francisco, CA 94104, USA
Tel 1-415-365-1750

Mizuho Desk
(Country/Region)

UAE

Mashreqbank psc
Japan Desk, Plot No. 345, Umniyati Street
(off Al Asayel Street), Burj Khalifa
Community PO Box 1250, Dubai, UAE
Tel 971-4-363-2053

“Mizuho Desk”
By forming tie-ups with major financial institutions in regions where Mizuho does not possess offices, we offer our clients financial services through various institutions. (Transactions are conducted directly between the client and the local financial institution.)

Network of Mizuho Trust & Banking

Mizuho Trust & Banking
(Luxembourg) S.A.
1B, rue Gabriel Lippmann, L-5365 Munsbach,
Grand Duchy of Luxembourg
Tel 352-42-16-17-1

Network of Mizuho Securities

Beijing Representative Office
8011, Chang-Fu-Gong Office Building, Jia 26,
Jianguomenwai Street, Chaoyang District,
Beijing 100022, The People’s Republic of China
Tel 86-10-6523-4779

Shanghai Representative Office
T60 17th Floor, Shanghai World Financial Center,
100 Century Avenue, Pudong New Area, Shanghai
200120, The People’s Republic of China
Tel 86-21-6877-8000

Mizuho Securities Asia Limited
14-15/F, K11 Atelier, 18 Salisbury Road,
Tsim Sha Tsui, Kowloon, Hong Kong, S.A.R.,
The People’s Republic of China
Tel 852-2685-2000

Mizuho Securities Asia Limited
Seoul Branch
5th Floor, Seoul Finance Center, 136,
Sejong-daero, Jung-gu, Seoul, 04520, Korea
Tel 822-2206-1800

Mizuho Securities Asia Limited
(Sydney Office)
Level 29, 60 Martin Place, Sydney NSW 2000 Australia
Tel 612-7904-3555

Mizuho Securities India Private Limited
Level-18, Tower-A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai,
Maharashtra-400 013, India
Tel 91-22-4353-7600

Mizuho Securities (Singapore) Pte. Ltd.
12 Marina View, #08-02 Asia Square Tower 2,
Singapore 018961, Republic of Singapore
Tel 65-6603-5688

Mizuho International plc
30 Old Bailey, London EC4M 7AU, UK
Tel 44-20-7236-1090

Mizuho International plc
(DIFC Branch)
The Gate Building, East Wing, Level 5,
Dubai International Financial Centre,
P.O.Box No:507206, Dubai, UAE
Tel 971-4-427-5312

Mizuho Securities Europe GmbH
TaunusTurm 34th Floor, Taunustor 1,
60310 Frankfurt am Main, Germany
Tel 49-69-42729-3000

Mizuho Securities Europe GmbH
Madrid Branch
Calle Orense 34, Planta 8, Edificio Iberia Mart II,
28020 Madrid, Spain
Tel 34-917-90-7551

Mizuho Securities Europe GmbH
Paris Branch
Washington Plaza, 40, rue Washington,
75008 Paris, France
Tel 33-1-7037-2700

Mizuho Securities USA LLC
1271 Avenue of the Americas, New York, NY 10020, USA
Tel 1-212-209-9300

Mizuho Securities USA LLC
Boston Office
125 High Street, 21st Floor, Boston, MA 02110, USA
Tel 1-617-235-1722

Mizuho Securities USA LLC
Chicago Office
311 South Wacker Drive, Suite 700, Chicago,
IL 60606, USA
Tel 1-312-294-8800

Mizuho Securities USA LLC
Houston Office
2700 Post Oak Blvd., Suite 1270, Houston,
TX 77056, USA
Tel 1-713-499-4800

Mizuho Securities USA LLC
Los Angeles Office
350 South Grand Avenue, Suite 1500, Los Angeles,
CA 90071, USA
Tel 1-213-243-4500

Mizuho Securities USA LLC
San Francisco Office
235 Pine Street, 19th Floor, San Francisco, CA 94104, USA
Tel 1-415-268-5500

Mizuho Securities Canada Inc.
1271 Avenue of the Americas, New York, NY 10020, USA
Tel 1-212-209-9300

Date of establishment
January 8, 2003

Paid-in capital
¥2,256.7 billion

Issued shares
2,539,249,894 shares

Number of shareholders
Common stock: 689,496

Major shareholders (common stock)

		Shares held	Percentage of shares outstanding (%)
1	The Master Trust Bank of Japan, Ltd. (Trustee account)	390,968,800	15.40
2	Custody Bank of Japan, Ltd. (Trustee account)	111,579,400	4.39
3	State Street Bank West Client - Treaty 505234	46,130,395	1.81
4	JPMorgan Securities Japan Co., Ltd.	35,675,977	1.40
5	JPMorgan Chase Bank 385781	32,991,074	1.29
6	Custody Bank of Japan, Ltd. (Taxable trust money account)	27,266,650	1.07
7	Custody Bank of Japan, Ltd. (Trustee account 4)	26,998,300	1.06
8	State Street Bank And Trust Company 505103	25,954,531	1.02
9	Barclays Securities Japan Limited	23,375,400	0.92
10	SSBTC Client Omnibus Account	23,243,410	0.91

Notes: 1. Figures for the Percentage of Shares Outstanding are rounded down to the nearest second decimal place.
2. The Percentages of Shares Outstanding are calculated by excluding the treasury stock (684,902 shares).

(As of March 31, 2022)

Stock listing
(common stock)
Tokyo Stock Exchange

Accounting auditors
Ernst & Young ShinNihon LLC

Shareholder register manager
Mizuho Trust & Banking Co., Ltd.

Share unit
100 shares

Fiscal year
April 1 to March 31

Convocation of general meetings of shareholders

An ordinary general meeting of shareholders of the Company shall be convened no later than 3 months from the last day of each business year and an extraordinary general meeting of shareholders shall be convened whenever necessary.

Record date

- The Company shall deem shareholders having voting rights appearing in writing or electronically in the register of shareholders as of the end of March 31 of each year as the shareholders who are entitled to exercise their rights at the ordinary general meeting of shareholders for the relevant business year.
- The provision of the preceding paragraph shall apply mutatis mutandis to the record date for voting rights at the general meetings of holders of classes of stock, where there is a matter to be resolved at an ordinary general meeting of shareholders that requires, in addition to such resolution, a resolution by the relevant general meeting of holders of class of stock.
- In addition to the preceding two paragraphs, the Company may set an extraordinary record date, when necessary, by a determination by Executive Officer(s) under the authority delegated by the Board of Directors and upon giving a prior public notice thereof.

Organizations that decide dividends from surplus

The Company may decide distribution of dividends from surplus and other matters provided for in each item of Article 459, Paragraph 1 of the Companies Act of Japan, by a resolution of the Board of Directors, unless otherwise provided for in laws or regulations.

Record date for distribution of dividends from surplus

The record dates for distribution of dividends from surplus of the Company shall be March 31 and September 30 of each year.

ADR* information

Outline of Mizuho Financial Group’s ADR

- | | |
|---------------------------|-----------------------------|
| 1. Exchange : | New York Stock Exchange |
| 2. Ticker symbol : | MFG |
| 3. CUSIP : | 60687Y109 |
| 4. Conversion ratio : | 5 ADRs = 1 common stock |
| 5. Depositary bank : | The Bank of New York Mellon |
| 6. Local custodian bank : | Mizuho Bank, Ltd. |

* ADRs are securities issued for the purpose of trading in the US in place of the underlying stock of foreign companies. As ADRs are registered with the SEC as US securities, they are traded, settled and held in custody in substantively the same manner as the stocks of US companies. ADR is an acronym for American Depositary Receipts.



Financial Analysis

[Under Japanese GAAP]

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153	Status of Asset Quality

Key Indicators of Mizuho Financial Group, Inc.

● Key Indicators of Mizuho Financial Group, Inc. (Consolidated)

As of or for the Fiscal Years ended March 31,	Billions of yen				
	2022	2021	2020	2019	2018
Total Income	¥ 4,041.2	¥ 3,360.2	¥ 3,988.9	¥ 3,936.9	¥ 3,590.8
Profit Attributable to Owners of Parent	530.4	471.0	448.5	96.5	576.5
Comprehensive Income	47.1	931.8	7.6	(110.5)	765.5
Net Assets	9,201.0	9,362.2	8,663.8	9,194.0	9,821.2
Total Assets	237,066.1	225,586.2	214,659.0	200,792.2	205,028.3
Deposits	155,699.8	150,504.9	144,472.2	137,649.5	136,463.8
Loans and Bills Discounted	84,736.2	83,704.6	83,468.1	78,456.9	79,421.4
Securities	44,641.0	43,697.2	34,907.2	29,774.4	34,183.0
Net Assets per Share (Yen) ^(Note 1)	3,581.39	3,650.87	3,372.96	345.00	357.41
Profit Attributable to Owners of Parent per Share (Yen) ^(Note 1)	209.27	185.75	176.87	3.80	22.72
Diluted Profit Attributable to Owners of Parent per Share (Yen) ^(Note 1)	209.26	185.75	176.86	3.80	22.72
Total Capital Ratio ^(Note 2)	17.53%	16.87%	17.25%	18.85%	18.24%
(International Standard (Basel III)) ^(Note 2)					
Tier 1 Capital Ratio ^(Note 2)	15.00%	14.37%	14.52%	15.94%	15.44%
(International Standard (Basel III)) ^(Note 2)					
Common Equity Tier 1 Capital Ratio ^(Note 2)	12.46%	11.63%	11.65%	12.76%	12.49%
(International Standard (Basel III)) ^(Note 2)					
Net Return on Equity	5.7%	5.2%	5.1%	1.0%	6.5%
PER (Times)	7.48x	8.60x	6.98x	44.99x	8.42x
Cash Flow from Operating Activities	4,917.1	16,613.2	1,901.8	(2,636.0)	2,966.7
Cash Flow from Investing Activities	(1,860.4)	(9,763.7)	(5,808.5)	5,487.1	(2,316.1)
Cash Flow from Financing Activities	(522.0)	40.8	(281.8)	(18.6)	149.9
Cash and Cash Equivalents at the end of the fiscal year	50,136.2	46,981.3	39,863.6	44,254.8	46,334.3

Notes: 1. MHFG adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020. Net Assets per Share of Common Stock, Profit Attributable to Owners of Parent per Share of Common Stock and Diluted Profit Attributable to Owners of Parent per Share of Common Stock are calculated under the assumption that the share consolidation had been adopted at the beginning of fiscal 2020.

2. Total Capital Ratio, Tier 1 Capital Ratio and Common Equity Tier 1 Capital Ratio are based on the “Standards for Determining the Status of Capital Adequacy in consideration of assets held by a bank holding company and by its subsidiaries, in accordance with Banking Law Article 52-25” (Financial Services Agency Ordinance Announcement No.20, March 27, 2006)

● Key Indicators of Mizuho Financial Group, Inc. (Non-Consolidated)

As of or for the Fiscal Years ended March 31,	Billions of yen				
	2022	2021	2020	2019	2018
Operating Income	¥ 320.8	¥ 268.9	¥ 75.4	¥ 331.3	¥ 305.0
Net Income	405.5	226.6	34.0	354.5	257.1
Common Stock and Preferred Stock	2,256.7	2,256.7	2,256.7	2,256.7	2,256.5
Number of Shares Issued and Outstanding	(Common Stock)	(2,539,249,894shares)	(2,539,249,894shares)	(25,392,498,945shares)	(25,389,644,945shares)
Net Assets	5,605.4	5,397.7	5,362.4	5,518.7	5,441.3
Total Assets	14,364.2	14,169.2	12,823.7	11,637.1	10,584.8
Net Assets per Share (Yen) ^(Note 1)	2,210.76	2,128.26	2,113.67	217.52	214.43
Dividends per Share (Yen) (Interim Dividends per Share) (Yen)					
Common Stock ^(Note 2)	80.00	41.25	7.50	7.50	7.50
(Common Stock)	(40.00)	(3.75)	(3.75)	(3.75)	(3.75)
Net Income per Share (Yen) ^(Note 1)	159.92	89.36	13.42	13.97	10.13
Diluted Net Income per Share (Yen) ^(Note 1)	159.91	89.36	13.42	13.97	10.13
PER (Times)	9.79x	17.89x	92.07x	12.25x	18.88x
Dividend Propensity	50.02%	83.92%	558.69%	53.65%	73.98%

Notes: 1. MHFG adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020. Net Assets per Share of Common Stock, Profit Attributable to Owners of Parent per Share of Common Stock and Diluted Profit Attributable to Owners of Parent per Share of Common Stock are calculated under the assumption that the share consolidation had been adopted at the beginning of fiscal 2020.

2. MHFG adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020. Dividends per Share as of the Fiscal Year ended March 31,2021 is the sum of Interim Dividends per Share and Year-end Dividends per share. Interim Dividends per Share and Year-end Dividends per Share are the dividends on the basis of pre-consolidation share and post-consolidation share respectively.

Status of Asset Quality

- **Credit-related Costs**

Credit-related Costs (Consolidated)

Credit-related Costs (Consolidated)			Billions of yen
For the Fiscal Years ended March 31,	2022	2021	Change
Credit-related Costs	¥ 235.1	¥ 204.9	¥ 30.2
Expenses related to Portfolio Problems (including Reversal of (Provision for) General Reserve for Possible Losses on Loans)	255.9	209.9	46.0
Losses on Write-offs of Loans	11.9	18.3	(6.3)
Gains on Reversal of Reserves for Possible Losses on Loans and others	(20.7)	(4.9)	(15.8)
Credit Costs for Trust Accounts	—	—	—

- **Overview of Non-performing Loans (NPLs) as of March 31, 2022 (the Two Banks) (Banking Accounts)**

1.SELF-ASSESSMENT				
Obligor \ Categorization	Non-Categorization	Category II	Category III	Category IV
Bankrupt and Substantially Bankrupt Obligor 41.1	41.1 Collateral, Guarantees, etc.: 35.4 Reserves for Possible Losses: 5.6		Reserve Ratio 100%	Direct Write-offs
Intensive Control Obligor 726.0	603.8 Collateral, Guarantees, etc.: 164.8 Reserves for Possible Losses: 438.9		122.1 Reserve Ratio 78.2%	Amounts for reserves are recorded under Non-Categorization
Watch Obligor	Reserve Ratio against Uncovered Portion 23.2% Collateral, Guarantees, etc.: 93.5 Reserves for Possible Losses: 52.2			
Claims for Special Attention 318.5 Special Attention Obligor				
Other Watch Obligor				
Normal Obligor				Claims against Special Attention Obligor -Coverage Ratio: 46.8% -Reserve Ratio for Uncovered Portion: 25.3% -Reserve Ratio against Total Amount of Claims: 18.0% Reserve Ratio against Total Amount of Claims -Other Watch Obligor: 3.46% -Normal Obligor: 0.10%
Total 99,015.3				

2.Status of Non Performing Loans based on the Banking Act ("BA") and the Financial Reconstruction Act ("FRA")	
Claims against Bankrupt and Substantially Bankrupt Obligor 41.1 Coverage Ratio 100%	
Claims with Collection Risk 726.0 Coverage Ratio 83.1%	
Claims for Special Attention (Notes 1) 318.5 Coverage Ratio 45.7%	Loans Past Due for 3 Months or More 2.4 Restructured Loans 316.0
Total Coverage Ratio 72.8%	

(Billions of yen)

Notes: 1. Claims for Special Attention is denoted on an individual loans basis. Claims against Special Attention Obligor includes all claims, not limited to Claims for Special Attention.

- **Status of Non Performing Loans based on the Banking Act (“BA”) and the Financial Reconstruction Act (“FRA”)**

Non Performing Loans based on the BA and the FRA (Consolidated)

(Consolidated)

			Billions of yen	
As of March 31,	2022	2021	Change	
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 50.8	¥ 55.5	¥ (4.6)	
Claims with Collection Risk	722.2	409.7	312.4	
Claims for Special Attention	354.0	377.5	(23.5)	
Loans Past Due for 3 Months or More	2.4	0.5	1.9	
Restructured Loans	351.5	377.0	(25.5)	
Sub-total [1]	¥ 1,127.1	¥ 842.8	¥ 284.2	
Normal Claims	96,224.9	93,186.7	3,038.1	
Total [2]	¥ 97,352.0	¥ 94,029.6	¥ 3,322.3	

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	2022	2021	Change
Amount of Partial Direct Write-offs	¥ 108.8	¥ 116.3	¥ (7.4)
NPL ratio [1] / [2]	1.15%	0.89%	0.26%

(Trust Accounts)

		Billions of yen		
As of March 31,	2022	2021	Change	
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ —	¥ —	¥ —	—
Claims with Collection Risk	—	—	—	—
Claims for Special Attention	—	—	—	—
Loans Past Due for 3 Months or More	—	—	—	—
Restructured Loans	—	—	—	—
Sub-total	¥ —	¥ —	¥ —	—
Normal Claims	3.8	4.7	(0.9)	
Total	¥ 3.8	¥ 4.7	¥ (0.9)	

(Consolidated and Trust Accounts)

(Consolidated and Trust Accounts)

			Billions of yen
As of March 31,	2022	2021	Change
Claims against Bankrupt and Substantially Bankrupt Obligors	¥ 50.8	¥ 55.5	¥ (4.6)
Claims with Collection Risk	722.2	409.7	312.4
Claims for Special Attention	354.0	377.5	(23.5)
Loans Past Due for 3 Months or More	2.4	0.5	1.9
Restructured Loans	351.5	377.0	(25.5)
Sub-total	¥ 1,127.1	¥ 842.8	¥ 284.2
Normal Claims	96,228.7	93,191.5	3,037.1
Total	¥ 97,355.8	¥ 94,034.4	¥ 3,321.4

Reserves for Possible Losses on Loans

As of March 31,	Billions of yen		
	2022	2021	Change
Reserves for Possible Losses on Loans	¥ 783.8	¥ 575.5	¥ 208.3
General Reserve for Possible Losses on Loans	269.1	383.0	(113.9)
Specific Reserve for Possible Losses on Loans	460.0	191.2	268.8
Reserve for Possible Losses on Loans to Restructuring Countries	54.7	1.3	53.4

Note: Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

	Billions of yen		
	2022	2021	Change
Amount of Partial Direct Write-offs	¥ 109.1	¥ 116.8	¥ (7.7)

Reserve Ratios for Non Performing Loans based on the BA and the FRA

As of March 31,	%		
	2022	2021	Change
After Partial Direct Write-offs	69.54%	68.29%	1.25%

Note: Reserve Ratio = Reserves for Possible Losses on Loans / Total Non-Accrual, Past Due & Restructured Loans.

Status of Loans by Industry

Outstanding Balances by Industry (Consolidated)

As of March 31,	Billions of yen, %					
	2022		2021		Change	
	Outstanding Balance	Composition	Outstanding Balance	Composition	Outstanding Balance	Composition
Domestic Total (excluding Loans Booked Offshore)	¥ 55,450.2	100.00%	¥ 57,293.1	100.00%	¥ (1,842.8)	/
Manufacturing	9,771.0	17.62	10,904.9	19.03	(1,133.8)	(1.41)
Agriculture & Forestry	47.5	0.09	50.7	0.09	(3.1)	(0.00)
Fishery	2.9	0.00	2.2	0.00	0.7	0.00
Mining, Quarrying Industry & Gravel Extraction Industry	220.7	0.40	315.8	0.55	(95.1)	(0.15)
Construction	857.8	1.55	728.3	1.27	129.5	0.28
Utilities	3,043.3	5.49	2,852.6	4.98	190.7	0.51
Communication	1,186.8	2.14	1,225.0	2.14	(38.1)	0.00
Transportation & Postal Industry	2,581.5	4.66	2,647.7	4.62	(66.2)	0.04
Wholesale & Retail	5,216.3	9.41	5,095.4	8.89	120.8	0.52
Finance & Insurance	4,561.9	8.23	4,775.7	8.34	(213.8)	(0.11)
Real Estate	10,131.5	18.27	9,598.6	16.75	532.9	1.52
Commodity Lease	2,891.9	5.21	3,066.0	5.35	(174.0)	(0.14)
Service Industries	3,086.0	5.56	3,345.0	5.84	(259.0)	(0.28)
Local Governments	587.3	1.06	673.9	1.18	(86.6)	(0.12)
Governments	836.5	1.51	1,223.6	2.14	(387.0)	(0.63)
Other	10,426.5	18.80	10,786.8	18.83	(360.3)	(0.03)
Overseas Total (including Loans Booked Offshore)	29,285.9	100.0	26,411.5	100.0	2,874.4	/
Governments	263.8	0.90	228.4	0.87	35.4	0.03
Financial Institutions	10,081.0	34.42	9,212.4	34.88	868.6	(0.46)
Other	18,941.0	64.68	16,970.6	64.25	1,970.3	0.43
Total	¥ 84,736.2	/	¥ 83,704.6	/	¥ 1,031.6	/

Note: Domestic Total = MHFG and its domestic consolidated subsidiaries (excluding their overseas offices).

Overseas Total = Overseas offices of MHFG's domestic consolidated subsidiaries and MHFG's overseas consolidated subsidiaries

Status of Loans by Nationality of Borrowers

Balance of Loans to Restructuring Countries (Consolidated)

As of March 31, 2022	Billions of yen, %	As of March 31, 2021	Billions of yen, %
Russia	¥ 205.1	—	¥ —
Myanmar	7.3	Myanmar	7.2
Laos	0.1	Laos	0.1
Total	¥ 212.5	Total	¥ 7.3
Ratio to Total Assets	0.08%	Ratio to Total Assets	0.00%

Note: Listed are loans to the government and related agents in restructuring countries for which Reserves for Possible Losses on Loans to Restructuring Countries are accounted as stipulated under the Japanese Institute of Certified Public Accountants (JICPA) Banking Audit Committee Report No.4.



Financial Data of Mizuho Financial Group, Inc.
[Under Japanese GAAP]

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Independent Auditor's Report

The Board of Directors
Mizuho Financial Group, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Mizuho Financial Group, Inc. and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements.
In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

1. Reasonableness of Reserves for Possible Losses on Corporate Loans	
Description of Key Audit Matter	Auditor's Response
As described in (10) "Reserves for Possible Losses on Loans" in Note 5 "Standards of Accounting Method," the Group recognizes the reserves for loan losses based on the internally established standards for self-assessment of loans and for write-offs and reserves. The standards consider the obligor's financial condition, valuation of collateral and expectation of future economic conditions. When the credit risk of receivables held at the end of the fiscal year is significantly different from the past due to changes in the environment or other factors, the reserve is adjusted by management to consider factors such as economic uncertainty. In this fiscal year, the Group made additional reserves for loan portfolios of similar credit risk characteristics with a high probability of losses by using the existing credit risk management framework and considering economic uncertainty of the external environment. The Group has Loans of ¥84,736,280 million, which represent approximately 35% of total assets, and the Reserves for Possible Losses on Loans of ¥783,886 million as of March 31, 2022. Of the Reserves for Possible Losses recorded on the consolidated balance sheet, corporate loans managed by Mizuho Bank, Ltd account for the large part of the amount. In estimating the reserves for loan losses, management uses several assumptions. As described in Note 9 "Critical Accounting Estimates", the Group considers "Forecast for obligors used for assigning internal credit ratings and for discounted cash flow method" and "Forecast of the external environment used for making necessary adjustment to expected loss" as key assumptions.	We addressed the matter in our audit primarily through the following audit procedures: (1) Evaluation of design and operating effectiveness of the Group's internal controls We obtained an understanding, evaluated the design and tested the operating effectiveness of the following controls over the Group's process for establishing the reserves for loan losses. <ul style="list-style-type: none">Controls for framework to evaluate and monitor obligor ratings and self-assessment of loansControls that evaluate the expected future cash flows used to determine reserve amountsControls that evaluate and approve the adjustments to reflect management's consideration including identification of specific loan portfolios where losses are likely to occur and determination of the method for adjusting the reserves for loan losses. (2) Substantive procedures In assessing "Forecast for obligors used for assigning internal credit ratings and for discounted cash flow method", we have primarily performed the following audit procedures: <ul style="list-style-type: none">Considered both quantitative and qualitative perspective, various risks, such as industry, sector and financial condition of the obligor in determining samples of obligors.Made inquiry of several personnel/ management to evaluate appropriateness of management's evaluation of obligors' ability to earn future revenue

Description of Key Audit Matter	Auditor's Response
“Forecast for obligors used for assigning internal credit ratings and for discounted cash flow method” is based on the obligors’ business performance, status of obligors’ debt, industry characteristics, business plan establishment as well as their ability of earning a profit under COVID-19 pandemic and the Russia-Ukraine situation. The obligors’ ability of earning a profit is impacted by internal and external business environment. Specifically, under uncertain economic environment such as the COVID-19 pandemic and the Russia-Ukraine situation, degree of uncertainty is high and determining these assumptions involves management’s subjective judgment. “Forecast of the external environment used for making necessary adjustment to expected loss” is based on macroeconomic scenarios, specifically, the Group incorporated the estimated impact of COVID-19 pandemic and the Russia-Ukraine situation into macroeconomic scenario by using assumptions such as anticipated business forecast by industry, current forecast for the growth rate of gross domestic product, financial indices such as natural resource prices or foreign currency rates and impact of the sanctions against Russia. The Group’s macroeconomic scenarios are based on estimated recovery period from COVID-19 pandemic and estimated impact of conflict in Ukraine to economic environment, which involve high degree of uncertainty and management’s subjective judgment. These key assumptions used for estimating the reserves for loan losses involve significant judgment by management and have a significant impact on the financial statements. In addition, changes in estimates would significantly impact on the Group’s financial position and operating results. Accordingly, we have identified the reasonableness of Reserves for Possible Losses on Corporate Loans as a key audit matter.	<ul style="list-style-type: none">• Compared external industry report, obligor’s publicly available information and information reported by the media to evaluate appropriateness of management’s evaluation of obligor’s business plan• Read supporting documentation and tested consistency with financial information of the obligor to evaluate appropriateness of management’s evaluation of obligor’s substantial financial condition In assessing “Forecast of the external environment used for making necessary adjustment to expected loss”, we have primarily performed the following audit procedures. <ul style="list-style-type: none">• Evaluated the management’s assumption of anticipated business forecast by industry determined based on scenarios based on growth rate of gross domestic product, financial indices such as natural resource prices or foreign currency rates and estimated impact of the COVID-19 pandemic and the Russia-Ukraine situation (inclusive of impact of the sanctions against Russia), by comparing with external source data• Involved our specialist in calculating certain assumptions, where complex, to determine adjustment to expected loss

2. Appropriateness of fair value measurement of derivatives classified within Level 3	
Description of Key Audit Matter	Auditor's Response
As described in 1. “Matters Relating to the Conditions of Financial Instruments” in Note 43 “Financial Instruments,” the Group carries various types of over-the-counter derivatives (equity related contracts, interest rate contracts, foreign exchange contracts, and credit-related contracts) for banking and certain trading activities and for securities related business at certain subsidiaries. The Group discloses in 3. “Matters in relating to breakdown of fair value of financial instruments by level” in Note 43 “Financial instruments” related to valuation models and inputs used as well as financial instruments classified within Level 3 of the fair value hierarchy recorded on the consolidated balance sheet. The Group carried financial assets and liabilities at fair value of ¥13,221,415 million and ¥9,608,976, respectively, as of March 31, 2022. Among those, derivative assets and liabilities are ¥2,277,160 million and ¥2,770,852 million, respectively, which include those classified within Level 3 of the fair value hierarchy, which are measured at fair value using unobservable inputs that are supported by little or no market activity, are¥240,363 million and ¥97,421 million, respectively.	We addressed the matter in our audit primarily through the following audit procedures: (1) Evaluation of design and operating effectiveness of the Group’s internal controls We obtained an understanding, evaluated the design and tested the operating effectiveness of the following controls over the Group’s derivatives fair valuation processes: <ul style="list-style-type: none">• Controls for appropriateness of adoption of or changes to valuation techniques and periodic monitoring of the current valuation techniques performed by middle-office• Controls over significant inputs in the fair value measurements performed by middle-office and back-office• Reconciliation of collateral amounts managed by the Group with counterparty and un-match analysis, if any, performed by back-office (2) Substantive procedures We have primarily performed the following audit procedures: <ul style="list-style-type: none">• Involved our specialists and inspected the outcome of the Group’s independent price verification (IPV) process and assessed any issues in the fair value measurement identified through IPV and evaluated the management judgment.

Description of Key Audit Matter	Auditor's Response
In calculating fair value of Level 3 derivatives, management utilizes internally developed option pricing models and discount cash flow models and unobservable inputs such as correlation between interest rates and foreign exchange rates and volatility which are determined based on customary business practice within industry and should reflect changes in the market on a timely manner. Determination of these valuation techniques requires significant judgments as complexity involves in certain assumptions used in the calculation and no valuation techniques are required in the financial reporting framework. Unobservable inputs used by management to estimate the fair value of these derivatives involve estimation uncertainty and requires significant judgment as inputs used in the fair value measurements are unobservable. Also, valuation models and unobservable inputs would significantly impact on the fair value measurement of the Group’s financial instruments and would significantly impact on the Group’s financial position and operating results. Accordingly, we have identified the fair value measurement of derivatives classified within Level 3 as a key audit matter.	<ul style="list-style-type: none">• Evaluated significant unobservable inputs by comparing the inputs with third-party market information, where available. To select samples, we considered the risks in terms of the degree of management’s bias involved in setting those unobservable inputs as well as the quantitative impact on the fair value measurement.• Involved our specialists and evaluated the actual assumptions inherent in the valuation techniques utilized to determine fair value by comparing them with our understanding of market practices.• Involved our specialists and evaluated whether the fair value calculated by the management for each transaction was within an acceptable range by comparing it with fair value calculated by us. To select samples, we considered quantitative impact on the fair value measurements.

Other Information

The other information comprises the information included in the Annual Report that contains audited consolidated financial statements but does not include the consolidated financial statements and our auditor’s report thereon. Management is responsible for preparation and disclosure of the other information. The Audit Committee is responsible for overseeing the Group’s reporting process of the other information. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management, and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern. The Audit Committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2022 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

Ernst & Young ShinNihon LLC
Tokyo, Japan
September 2, 2022

/s/Ryuji Takagi
Designated Engagement Partner
Certified Public Accountant

/s/Toru Nakagiri
Designated Engagement Partner
Certified Public Accountant

/s/Mitsuhiro Nagao
Designated Engagement Partner
Certified Public Accountant

/s/Takahiro Fujimoto
Designated Engagement Partner
Certified Public Accountant

Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	2022	2021	2022
Assets			
Cash and Due from Banks (Notes 19, 41, 43 and 44)	¥ 51,359,301	¥ 47,981,981	\$ 419,567,859
Call Loans and Bills Purchased (Note 43)	940,008	589,776	7,679,183
Receivables under Resale Agreements (Note 43)	12,750,363	11,623,654	104,161,128
Guarantee Deposits Paid under Securities Borrowing Transactions (Note 43)	2,340,089	2,707,711	19,116,820
Other Debt Purchased (Notes 43 and 44)	3,476,021	3,208,004	28,396,551
Trading Assets (Notes 12, 19, 43 and 44)	13,221,415	12,589,294	108,009,277
Money Held in Trust (Notes 43 and 44)	591,183	582,368	4,829,536
Securities (Notes 11, 13, 19, 28, 43 and 44)	44,641,060	43,697,262	364,684,752
Loans and Bills Discounted (Notes 14, 19 and 43)	84,736,280	83,704,675	692,233,318
Foreign Exchange Assets (Notes 15 and 43)	2,627,492	2,084,756	21,464,691
Derivatives other than for Trading Assets (Notes 43 and 45)	2,277,160	1,719,349	18,602,734
Other Assets (Notes 16, 19 and 44)	7,797,796	6,174,020	63,702,280
Tangible Fixed Assets (Notes 17, 30 and 42)	1,095,977	1,135,449	8,953,333
Intangible Fixed Assets (Note 42)	601,292	620,224	4,912,119
Net Defined Benefit Asset (Note 27)	863,217	1,109,107	7,051,856
Deferred Tax Assets (Note 29)	184,594	31,402	1,508,006
Customers' Liabilities for Acceptances and Guarantees (Note 28)	8,346,878	6,602,744	68,187,881
Reserves for Possible Losses on Loans (Notes 18 and 43)	(783,886)	(575,572)	(6,403,778)
Reserve for Possible Losses on Investments	(107)	(0)	(877)
Total Assets	¥ 237,066,142	¥ 225,586,211	\$ 1,936,656,669

Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	2022	2021	2022
Liabilities and Net Assets			
Liabilities			
Deposits (Notes 19, 20 and 43)	¥ 155,699,803	¥ 150,504,978	\$ 1,271,953,302
Call Money and Bills Sold (Notes 21 and 43)	1,278,050	1,312,790	10,440,739
Payables under Repurchase Agreements (Notes 19 and 43)	20,068,779	18,607,255	163,947,219
Guarantee Deposits Received under Securities Lending Transactions (Notes 19 and 43)	1,172,248	958,148	9,576,410
Commercial Paper (Note 22)	1,775,859	2,105,067	14,507,474
Trading Liabilities (Notes 12 and 43)	9,608,976	8,115,377	78,498,297
Borrowed Money (Notes 19, 23 and 43)	6,590,527	7,441,822	53,839,780
Foreign Exchange Liabilities (Notes 15 and 43)	1,508,453	532,042	12,322,962
Short-term Bonds (Note 24)	537,167	456,045	4,388,268
Bonds and Notes (Notes 25 and 43)	10,714,004	10,321,672	87,525,569
Due to Trust Accounts (Note 43)	1,167,284	1,160,608	9,535,862
Derivatives other than for Trading Liabilities (Notes 43 and 45)	2,770,852	1,739,671	22,635,837
Other Liabilities (Note 26)	6,301,484	5,862,013	51,478,512
Reserve for Bonus Payments	120,052	104,131	980,741
Reserve for Variable Compensation	2,278	2,935	18,618
Net Defined Benefit Liability (Note 27)	71,774	71,049	586,343
Reserve for Director and Corporate Auditor Retirement Benefits	557	683	4,553
Reserve for Possible Losses on Sales of Loans	1,309	1,074	10,696
Reserve for Contingencies	6,622	6,762	54,101
Reserve for Reimbursement of Deposits	17,620	22,099	143,944
Reserve for Reimbursement of Debentures	10,504	14,419	85,815
Reserves under Special Laws	3,132	3,135	25,587
Deferred Tax Liabilities (Note 29)	30,923	215,557	252,623
Deferred Tax Liabilities for Revaluation Reserve for Land (Note 30)	59,962	61,915	489,847
Acceptances and Guarantees (Note 28)	8,346,878	6,602,744	68,187,881
Total Liabilities	¥ 227,865,110	¥ 216,224,003	\$ 1,861,490,980
Net Assets			
Common Stock (Note 31)	¥ 2,256,767	¥ 2,256,767	\$ 18,436,137
Capital Surplus	1,125,324	1,135,940	9,193,077
Retained Earnings	4,756,435	4,421,655	38,856,592
Treasury Stock (Note 31)	(8,342)	(7,124)	(68,150)
Total Shareholders' Equity	8,130,185	7,807,239	66,417,656
Net Unrealized Gains (Losses) on Other Securities (Note 44)	719,822	1,132,460	5,880,419
Deferred Gains or Losses on Hedges	(76,757)	31,618	(627,053)
Revaluation Reserve for Land (Note 30)	132,156	136,384	1,079,623
Foreign Currency Translation Adjustments	2,346	(139,514)	19,172
Remeasurements of Defined Benefit Plans (Note 27)	169,652	288,088	1,385,935
Own Credit Risk Adjustments, Net of Tax	(23)	—	(190)
Total Accumulated Other Comprehensive Income	947,197	1,449,035	7,737,906
Stock Acquisition Rights (Note 32)	94	134	768
Non-controlling Interests	123,555	105,797	1,009,359
Total Net Assets	9,201,031	9,362,207	75,165,689
Total Liabilities and Net Assets	¥ 237,066,142	¥ 225,586,211	\$ 1,936,656,669

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	2022	2021	2022
Income			
Interest Income (Note 33)	¥ 1,309,009	¥ 1,333,509	\$ 10,693,648
Fiduciary Income	60,490	55,160	494,160
Fee and Commission Income	905,575	843,953	7,397,885
Trading Income (Note 34)	1,017,889	388,441	8,315,415
Other Operating Income (Note 35)	393,956	358,254	3,218,338
Other Income (Note 37)	354,366	380,978	2,894,914
Total Income	4,041,287	3,360,298	33,014,360
Expenses			
Interest Expenses (Note 33)	315,550	427,826	2,577,818
Fee and Commission Expenses	164,579	156,805	1,344,495
Trading Expenses (Note 34)	730,204	311	5,965,237
Other Operating Expenses (Note 36)	224,116	195,683	1,830,871
General and Administrative Expenses	1,392,896	1,414,608	11,378,940
Other Expenses (Note 38)	610,067	512,900	4,983,807
Total Expenses	3,437,415	2,708,135	28,081,168
Income before Income Taxes	603,872	652,163	4,933,192
Income Taxes:			
Current	130,079	172,785	1,062,651
Refund of Income Taxes	(12,738)	(7,097)	(104,061)
Deferred	(56,652)	9,099	(462,806)
Total Income Taxes	60,688	174,788	495,784
Profit	543,183	477,375	4,437,408
Profit Attributable to Non-controlling Interests	12,703	6,355	103,777
Profit Attributable to Owners of Parent	¥ 530,479	¥ 471,020	\$ 4,333,631

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Per Share of Common Stock

As of March 31,	Yen		U.S. dollars (Note 1)	
	2022	2021	2022	
Net Income:				
Basic	¥ 209.27	¥ 185.75	\$	1.71
Diluted	209.26	185.75		1.71
Cash Dividends	80.00	41.25		0.65

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements (Note 49).

Consolidated Statement of Comprehensive Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)	
	2022	2021	2022	
Profit	¥ 543,183	¥ 477,375	\$	4,437,408
Other Comprehensive Income (Note 39):	(496,061)	454,513		(4,052,463)
Net Unrealized Gains (Losses) on Other Securities	(411,077)	305,969		(3,358,202)
Deferred Gains or Losses on Hedges	(108,186)	(40,294)		(883,806)
Foreign Currency Translation Adjustments	130,612	(1,874)		1,067,012
Remeasurements of Defined Benefit Plans	(115,038)	187,744		(939,777)
Own Credit Risk Adjustments, Net of Tax	(23)	—		(190)
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	7,650	2,968		62,500
Comprehensive Income	¥ 47,121	¥ 931,888	\$	384,945
Comprehensive Income Attributable to Owners of Parent:	¥ 33,676	¥ 927,366	\$	275,112
Comprehensive Income Attributable to Non-controlling Interests:	13,444	4,522		109,833

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statement of Changes in Net Assets

	Millions of yen				
	Shareholders' Equity				
For the Fiscal Year ended March 31, 2022	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance as of the beginning of the period	¥ 2,256,767	¥ 1,135,940	¥ 4,421,655	¥ (7,124)	¥ 7,807,239
Cumulative Effects of Changes in Accounting Policies			(724)		(724)
Balance as of the beginning of the period reflecting Changes in Accounting Policies	2,256,767	1,135,940	4,420,931	(7,124)	7,806,515
Changes during the period					
Cash Dividends			(196,746)		(196,746)
Profit Attributable to Owners of Parent			530,479		530,479
Repurchase of Treasury Stock				(2,869)	(2,869)
Disposition of Treasury Stock		(54)		1,651	1,597
Transfer from Revaluation Reserve for Land			4,227		4,227
Change in Treasury Shares of Parent Arising from Transactions with Non-controlling Shareholders		(10,616)			(10,616)
Decrease in retained earnings by decreasing of equity method affiliates and others			(2,402)		(2,402)
Transfer from Retained Earnings to Capital Surplus		54	(54)		—
Net Changes in Items other than Shareholders' Equity					
Total Changes during the period	—	(10,616)	335,503	(1,217)	323,669
Balance as of the end of the period	¥ 2,256,767	¥ 1,125,324	¥ 4,756,435	¥ (8,342)	¥ 8,130,185

See accompanying "Notes to Consolidated Financial Statements ," which are an integral part of these statements (Note 40).

Consolidated Statement of Changes in Net Assets—(Continued)

Millions of yen

	Accumulated Other Comprehensive Income							Stock Acquisition Rights	Non-Controlling Interests	Total Net Assets
	Net Unrealized Gains (Losses) on Other Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Own Credit Risk Adjustments, Net of Tax	Total Accumulated Other Comprehensive Income			
For the Fiscal Year ended March 31, 2022										
Balance as of the beginning of the period	¥ 1,132,460	¥ 31,618	¥ 136,384	¥ (139,514)	¥ 288,088	—	¥ 1,449,035	¥ 134	¥ 105,797	¥ 9,362,207
Cumulative Effects of Changes in Accounting Policies							—			(724)
Balance as of the beginning of the period reflecting Changes in Accounting Policies	1,132,460	31,618	136,384	(139,514)	288,088	—	1,449,035	134	105,797	9,361,483
Changes during the period										
Cash Dividends										(196,746)
Profit Attributable to Owners of Parent										530,479
Repurchase of Treasury Stock										(2,869)
Disposition of Treasury Stock										1,597
Transfer from Revaluation Reserve for Land										4,227
Change in Treasury Shares of Parent Arising from Transactions with Non-controlling Shareholders										(10,616)
Decrease in retained earnings by decreasing of equity method affiliates and others										(2,402)
Transfer from Retained Earnings to Capital Surplus										—
Net Changes in Items other than Shareholders' Equity	(412,638)	(108,375)	(4,227)	141,861	(118,435)	(23)	(501,838)	(40)	17,757	(484,121)
Total Changes during the period	(412,638)	(108,375)	(4,227)	141,861	(118,435)	(23)	(501,838)	(40)	17,757	(160,451)
Balance as of the end of the period	¥ 719,822	¥ (76,757)	¥ 132,156	¥ 2,346	¥ 169,652	¥ (23)	¥ 947,197	¥ 94	¥ 123,555	¥ 9,201,031

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements (Note 40).

Consolidated Statement of Changes in Net Assets—(Continued)

Millions of yen

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
For the Fiscal Year ended March 31, 2021					
Balance as of the beginning of the period	¥ 2,256,767	¥ 1,136,467	¥ 4,174,190	¥ (6,414)	¥ 7,561,010
Cumulative Effects of Changes in Accounting Policies			(32,639)		(32,639)
Balance as of the beginning of the period reflecting Changes in Accounting Policies	2,256,767	1,136,467	4,141,550	(6,414)	7,528,370
Changes during the period					
Cash Dividends			(190,418)		(190,418)
Profit Attributable to Owners of Parent			471,020		471,020
Repurchase of Treasury Stock				(2,545)	(2,545)
Disposition of Treasury Stock		(99)		1,835	1,736
Transfer from Revaluation Reserve for Land			271		271
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders		(526)			(526)
Decrease in retained earnings by increasing of equity method affiliates			(668)		(668)
Transfer from Retained Earnings to Capital Surplus		99	(99)		—
Net Changes in Items other than Shareholders' Equity					
Total Changes during the period	—	(526)	280,105	(709)	278,869
Balance as of the end of the period	¥ 2,256,767	¥ 1,135,940	¥ 4,421,655	¥ (7,124)	¥ 7,807,239

See accompanying "Notes to Consolidated Financial Statements ," which are an integral part of these statements (Note 40).

Consolidated Statement of Changes in Net Assets—(Continued)

Millions of yen									
	Accumulated Other Comprehensive Income						Stock Acquisition Rights	Non-Controlling Interests	Total Net Assets
	Net Unrealized Gains (Losses) on Other Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
For the Fiscal Year ended March 31, 2021									
Balance as of the beginning of the period	¥ 823,085	¥ 72,081	¥ 136,655	¥ (133,178)	¥ 94,317	¥ 992,960	¥ 213	¥ 109,662	¥ 8,663,847
Cumulative Effects of Changes in Accounting Policies						—			(32,639)
Balance as of the beginning of the period reflecting Changes in Accounting Policies	823,085	72,081	136,655	(133,178)	94,317	992,960	213	109,662	8,631,208
Changes during the period									
Cash Dividends									(190,418)
Profit Attributable to Owners of Parent									471,020
Repurchase of Treasury Stock									(2,545)
Disposition of Treasury Stock									1,736
Transfer from Revaluation Reserve for Land									271
Change in Treasury Shares of Parent Arising from Transactions with Non-controlling Shareholders									(526)
Decrease in retained earnings by increasing of equity method affiliates									(668)
Transfer from Retained Earnings to Capital Surplus									—
Net Changes in Items other than Shareholders' Equity	309,374	(40,463)	(271)	(6,336)	193,770	456,074	(79)	(3,865)	452,130
Total Changes during the period	309,374	(40,463)	(271)	(6,336)	193,770	456,074	(79)	(3,865)	730,999
Balance as of the end of the period	¥ 1,132,460	¥ 31,618	¥ 136,384	¥ (139,514)	¥ 288,088	¥ 1,449,035	¥ 134	¥ 105,797	¥ 9,362,207

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements (Note 40).

Consolidated Statement of Changes in Net Assets—(Continued)

Thousands of U.S. dollars (Note 1)					
For the Fiscal Year ended March 31, 2022	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance as of the beginning of the period	\$ 18,436,137	\$ 9,279,804	\$ 36,121,689	\$ (58,202)	\$ 63,779,428
Cumulative Effects of Changes in Accounting Policies			(5,918)		(5,918)
Balance as of the beginning of the period reflecting Changes in Accounting Policies	18,436,137	9,279,804	36,115,771	(58,202)	63,773,510
Changes during the period					
Cash Dividends			(1,607,273)		(1,607,273)
Profit Attributable to Owners of Parent			4,333,631		4,333,631
Repurchase of Treasury Stock				(23,442)	(23,442)
Disposition of Treasury Stock		(448)		13,494	13,046
Transfer from Revaluation Reserve for Land			34,536		34,536
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders		(86,727)			(86,727)
Decrease in retained earnings by decreasing of equity method affiliates and others			(19,625)		(19,625)
Transfer from Retained Earnings to Capital Surplus		448	(448)		—
Net Changes in Items other than Shareholders' Equity					
Total Changes during the period	—	(86,727)	2,740,821	(9,948)	2,644,146
Balance as of the end of the period	\$ 18,436,137	\$ 9,193,077	\$ 38,856,592	\$ (68,150)	\$ 66,417,656

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements (Note 40).

Consolidated Statement of Changes in Net Assets—(Continued)

Thousands of U.S. dollars (Note 1)

	Accumulated Other Comprehensive Income									
	Net Unrealized Gains (Losses) on Other Securities	Deferred Gains or Losses on Hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustments	Remeasure- ments of Defined Benefit Plans	Own Credit Risk Adjustments, Net of Tax	Total Accumulated Other Comprehensive Income	Stock Acquisition Rights	Non- Controlling Interests	Total Net Assets
For the Fiscal Year ended March 31, 2022										
Balance as of the beginning of the period	\$ 9,251,370	\$ 258,297	\$ 1,114,159	\$(1,139,734)	\$ 2,353,468	—	\$ 11,837,560	\$ 1,100	\$ 864,290	\$ 76,482,378
Cumulative Effects of Changes in Accounting Policies							—			(5,918)
Balance as of the beginning of the period reflecting Changes in Accounting Policies	9,251,370	258,297	1,114,159	(1,139,734)	2,353,468	—	11,837,560	1,100	864,290	76,476,460
Changes during the period										
Cash Dividends										(1,607,273)
Profit Attributable to Owners of Parent										4,333,631
Repurchase of Treasury Stock										(23,442)
Disposition of Treasury Stock										13,046
Transfer from Revaluation Reserve for Land										34,536
Change in Treasury Shares of Parent Arising from Transactions with Non- controlling Shareholders										(86,727)
Decrease in retained earnings by decreasing of equity method affiliates and others										(19,625)
Transfer from Retained Earnings to Capital Surplus										—
Net Changes in Items other than Shareholders' Equity	(3,370,951)	(885,350)	(34,536)	1,158,906	(967,533)	(190)	(4,099,654)	(332)	145,069	(3,954,917)
Total Changes during the period	(3,370,951)	(885,350)	(34,536)	1,158,906	(967,533)	(190)	(4,099,654)	(332)	145,069	(1,310,771)
Balance as of the end of the period	\$ 5,880,419	\$ (627,053)	\$ 1,079,623	\$ 19,172	\$ 1,385,935	\$ (190)	\$ 7,737,906	\$ 768	\$ 1,009,359	\$ 75,165,689

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements (Note 40).

Consolidated Statement of Cash Flows

	Millions of yen		Thousands of U.S. dollars (Note 1)	
	2022	2021	2022	
For the Fiscal Years ended March 31,				
Cash Flow from Operating Activities				
Income before Income Taxes	¥ 603,872	¥ 652,163	\$ 4,933,192	
Depreciation	161,897	163,231	1,322,581	
Losses on Impairment of Fixed Assets	27,585	12,793	225,356	
Amortization of Goodwill	3,741	3,743	30,567	
Equity in Loss (Gain) from Investments in Affiliates	(25,434)	(19,912)	(207,782)	
Increase (Decrease) in Reserves for Possible Losses on Loans	194,340	143,127	1,587,616	
Increase (Decrease) in Reserve for Possible Losses on Investments	106	0	870	
Increase (Decrease) in Reserve for Possible Losses on Sales of Loans	234	437	1,916	
Increase (Decrease) in Reserve for Contingencies	(202)	1,564	(1,657)	
Increase (Decrease) in Reserve for Bonus Payments	11,954	27,295	97,662	
Increase (Decrease) in Reserve for Variable Compensation	(656)	375	(5,362)	
Decrease (Increase) in Net Defined Benefit Asset	56,392	86,807	460,686	
Increase (Decrease) in Net Defined Benefit Liability	6,169	(869)	50,403	
Increase (Decrease) in Reserve for Director and Corporate Auditor Retirement Benefits	(126)	(260)	(1,033)	
Increase (Decrease) in Reserve for Reimbursement of Deposits	(4,479)	(5,751)	(36,593)	
Increase (Decrease) in Reserve for Reimbursement of Debentures	(3,915)	(4,253)	(31,984)	
Interest Income—accrual basis	(1,309,009)	(1,333,509)	(10,693,648)	
Interest Expenses—accrual basis	315,550	427,826	2,577,818	
Losses (Gains) on Securities	62,305	(49,071)	508,994	
Losses (Gains) on Money Held in Trust	85	(1,647)	695	
Foreign Exchange Losses (Gains)—net	(928,800)	(173,635)	(7,587,619)	
Losses (Gains) on Disposition of Fixed Assets	2,647	6,576	21,628	
Losses (Gains) on Revision of Retirement Benefit Plan	—	(58,855)	—	
Losses (Gains) on Cancellation of Employee Retirement Benefit Trust	(74,254)	(76,996)	(606,606)	
Decrease (Increase) in Trading Assets	(201,023)	1,188,511	(1,642,211)	
Increase (Decrease) in Trading Liabilities	1,234,368	(2,021,852)	10,083,889	
Decrease (Increase) in Derivatives other than for Trading Assets	(528,425)	308,891	(4,316,847)	
Increase (Decrease) in Derivatives other than for Trading Liabilities	996,914	36,977	8,144,061	
Decrease (Increase) in Loans and Bills Discounted	1,343,307	1,355,723	10,973,835	
Increase (Decrease) in Deposits	2,594,805	4,239,233	21,197,657	
Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowed Money)	(869,766)	2,191,633	(7,105,352)	
Decrease (Increase) in Due from Banks (excluding Due from Central Banks)	(125,565)	239,094	(1,025,776)	
Decrease (Increase) in Call Loans, etc.	(928,392)	6,873,070	(7,584,285)	
Decrease (Increase) in Guarantee Deposits Paid under Securities Borrowing Transactions	367,621	(464,549)	3,003,196	
Increase (Decrease) in Call Money, etc.	(133,057)	(812,714)	(1,086,981)	
Increase (Decrease) in Commercial Paper	(551,464)	1,686,839	(4,505,060)	
Increase (Decrease) in Guarantee Deposits Received under Securities Lending Transactions	214,099	(150,107)	1,749,035	
Decrease (Increase) in Foreign Exchange Assets	(398,661)	43,754	(3,256,776)	
Increase (Decrease) in Foreign Exchange Liabilities	973,697	18,923	7,954,398	
Increase (Decrease) in Short-term Bonds (Liabilities)	81,121	82,387	662,707	
Increase (Decrease) in Bonds and Notes	¥ 607,064	¥ 1,187,520	\$ 4,959,273	

Consolidated Statement of Cash Flows—(Continued)

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
			U.S. dollars (Note 1)
	2022	2021	2022
Increase (Decrease) in Due to Trust Accounts	¥ 6,676	¥ 105,097	\$ 54,544
Interest and Dividend Income—cash basis	1,424,865	1,444,014	11,640,108
Interest Expenses—cash basis	(273,855)	(496,241)	(2,237,196)
Other—net	147,257	(27,154)	1,202,986
Subtotal	5,081,594	16,830,231	41,512,905
Cash Refunded (Paid) in Income Taxes	(164,408)	(216,995)	(1,343,095)
Net Cash Provided by (Used in) Operating Activities	4,917,186	16,613,235	40,169,810
Cash Flow from Investing Activities			
Payments for Purchase of Securities	(102,478,445)	(97,434,015)	(837,173,808)
Proceeds from Sale of Securities	57,161,461	51,925,747	466,967,258
Proceeds from Redemption of Securities	43,586,621	36,114,600	356,070,760
Payments for Increase in Money Held in Trust	(31,898)	(183,852)	(260,587)
Proceeds from Decrease in Money Held in Trust	22,312	14,515	182,276
Payments for Purchase of Tangible Fixed Assets	(42,297)	(107,392)	(345,542)
Payments for Purchase of Intangible Fixed Assets	(96,964)	(108,812)	(792,131)
Proceeds from Sale of Tangible Fixed Assets	18,239	13,618	149,007
Proceeds from Sale of Intangible Fixed Assets	480	44	3,921
Proceeds from Sales of Stocks of Subsidiaries (affecting the scope of consolidation)	—	1,799	—
Net Cash Provided by (Used in) Investing Activities	(1,860,490)	(9,763,746)	(15,198,846)
Cash Flow from Financing Activities			
Proceeds from Subordinated Borrowed Money	10,000	45,000	81,693
Repayments of Subordinated Borrowed Money	(4,000)	—	(32,677)
Proceeds from Issuance of Subordinated Bonds	171,410	555,000	1,400,294
Payments for Redemption of Subordinated Bonds	(494,000)	(360,000)	(4,035,618)
Proceeds from Investments by Non-controlling Shareholders	565	2,988	4,622
Repayments to Non-controlling Shareholders	(502)	(627)	(4,107)
Cash Dividends Paid	(196,783)	(190,497)	(1,607,575)
Cash Dividends Paid to Non-controlling Shareholders	(7,693)	(4,676)	(62,846)
Proceeds from Sale of Stocks of Subsidiaries (not affecting the scope of consolidation)	—	40	—
Payments for Repurchase of Treasury Stock	(1,927)	(1,848)	(15,746)
Proceeds from Sale of Treasury Stock	873	854	7,139
Payments for Repurchase of Treasury Stock of Subsidiaries	(0)	(5,414)	(1)
Net Cash Provided by (Used in) Financing Activities	(522,056)	40,819	(4,264,822)
Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	620,261	227,487	5,067,082
Net Increase (Decrease) in Cash and Cash Equivalents	3,154,900	7,117,795	25,773,224
Cash and Cash Equivalents at the beginning of the fiscal year	46,981,399	39,863,604	383,803,608
Cash and Cash Equivalents at the end of the fiscal year (Note 41)	¥ 50,136,299	¥ 46,981,399	\$ 409,576,832

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Notes to Consolidated Financial Statements

1. Basis for Presentation

The accompanying consolidated financial statements have been prepared from the accounts maintained by Mizuho Financial Group, Inc. ("MHFG") and its consolidated subsidiaries in accordance with the provisions set forth in the Company Law of Japan and the Financial Instruments and Exchange Law, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP") which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements which were previously filed with the Director General of the Kanto Local Finance Bureau are reclassified for the convenience of readers outside Japan. The notes to the consolidated financial statements include information which is not required under Japanese GAAP but is presented herein as additional information.

The amounts indicated in millions of yen are rounded down by truncating the figures below one million. Totals may not add up exactly because of such truncation. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022 has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

2. Scope of Consolidation

(a) The consolidated financial statements include the accounts of MHFG and its consolidated subsidiaries (collectively, "the Group"), including Mizuho Bank, Ltd. ("MHBK"), Mizuho Trust & Banking Co., Ltd. ("MHTB"), Mizuho Securities Co., Ltd. ("MHSC") and certain other subsidiaries. The numbers of consolidated subsidiaries as of March 31, 2022 and 2021 were 163 and 160, respectively.

During the period, Asset Management One TERRACE Co., Ltd. and 28 other companies were newly included in the scope of consolidation as a result of establishment.

During the period, Mizuho Private Wealth Management Co., Ltd. and 25 other companies were excluded from the scope of consolidation as a result of liquidation and other factors.

(b) There were no non-consolidated subsidiaries as of March 31, 2022 and 2021.

3. Application of the Equity Method

(a) There were no non-consolidated subsidiaries under the equity method as of March 31, 2022 and 2021.

(b) The numbers of affiliates under the equity method as of March 31, 2022 and 2021 were 24 and 28, respectively. Investments in affiliates include Custody Bank of Japan, Ltd., Orient Corporation, Mizuho Leasing Company, Limited and certain other affiliates.

During the period, Cotra Ltd. was newly included in the scope of the equity method as a result of establishment. During the period, Mobile Internet Capital, Inc. and other 4 companies were excluded from the scope of the equity method as a result of decreasing the shares.

(c) There were no non-consolidated subsidiaries not under the equity method as of March 31, 2022 and 2021.

(d) Pec International Leasing Co., Ltd., an affiliate not under the equity method, is not accounted for under the equity method, as it is not significant to the consolidated financial statements of MHFG.

4. Balance Sheet Dates of Consolidated Subsidiaries

(a) Balance sheet dates of consolidated subsidiaries for the fiscal year ended March 31, 2022 are as follows:
December 31 39 companies
March 31 124 companies

(b) The consolidated subsidiaries were consolidated based on their financial statements as of and for the period ended their respective balance sheet dates.

The necessary adjustments have been made to the financial statements for any significant transactions that took place between their respective balance sheet dates and the date of the consolidated financial statements.

5. Standards of Accounting Method

(1) Credited Loans pursuant to Trading Securities and Trading Income & Expenses

Credited loans held for the purpose of trading are, in line with trading securities, recognized on a trade date basis and recorded in Other Debt Purchased on the consolidated balance sheet. Other Debt Purchased related to the relevant credited loans is stated at fair value at the consolidated balance sheet date.

Interest received and the gains or losses on the sale of the relevant credited loans during the fiscal year, including the gains or losses resulting from any change in the value between the beginning and the end of the fiscal year, are recognized in Other Operating Income and Other Operating Expenses on the consolidated statement of income.

(2)Trading Assets & Liabilities and Trading Income & Expenses

Trading transactions intended to take advantage of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices are recognized on a trade-date basis and recorded in Trading Assets or Trading Liabilities on the consolidated balance sheet. Income or expenses generated on the relevant trading transactions are recorded in Trading Income or Trading Expenses on the consolidated statement of income.

Securities and other monetary claims held for trading purposes are stated at fair value at the consolidated balance sheet date. Derivative financial products, such as swaps, futures and option transactions, are stated at their fair values, assuming that such transactions are terminated and settled at the consolidated balance sheet date.

Trading Income and Trading Expenses include the interest received and the interest paid during the fiscal year, the gains or losses resulting from any change in the value of securities and other monetary claims between the beginning and the end of the fiscal year, and the gains or losses resulting from any change in the value of financial derivatives between the beginning and the end of the fiscal year, assuming they were settled at the end of the fiscal year.

For financial derivatives, fair value is calculated on the basis of net assets or liabilities after offsetting financial assets and liabilities with respect to specific market risks and specific credit risk.

(3) Securities

In accordance with “Accounting Standard for Financial Instruments” (the Business Accounting Deliberation Council, January 22, 1999), MHFG classifies securities, excluding those of investments in non-consolidated subsidiaries and affiliates, into three categories based upon management's intent. These securities are accounted for as follows:

- (i) Trading securities are carried at market value and included in Trading Assets.
 - (ii) Bonds held to maturity are stated at amortized cost (straight-line method) and determined by the moving average method.
 - (iii) Other securities are securities which are not classified as either trading securities or bonds held to maturity. Other securities are stated at market price (cost of securities sold is calculated primarily by the moving average method). Stocks and others without a quoted market price are stated at acquisition cost and determined by the moving average method. The net unrealized gains (losses) on Other securities are included directly in Net Assets, net of applicable income taxes after excluding gains and losses as a result of the fair-value hedge method.
- In addition, investments in affiliates not under the equity method are stated at acquisition cost as determined by the moving average method.

Securities which are held as trust assets in Money Held in Trust accounts are valued in the same way as Securities above.

Certain Securities other than Trading Securities (excluding Stocks and others without a quoted market price and Investments in Partnerships) are devalued to the fair value, and the difference between the acquisition cost and the fair value is treated as a loss for the fiscal year (“impairment (devaluation)”), if the fair value (primarily the closing market price at the consolidated balance sheet date) has significantly deteriorated compared with the acquisition cost (including amortized cost), and unless it is deemed that there is a possibility of a recovery in the fair value. The amounts of impairment (devaluation) were ¥5,757 million (\$47,036 thousand) and ¥4,657 million for the fiscal years ended March 31, 2022 and 2021, respectively.

The criteria for determining whether a security's fair value has “significantly deteriorated” are outlined as follows:

- Security whose fair value is 50% or less of the acquisition cost
- Security whose fair value exceeds 50% but is 70% or less of the acquisition cost and the quoted market price maintains a certain level or lower

(4) Bills Discounted

In accordance with “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (The Japanese Institute of Certified Public Accountants (“JICPA”) Industry Committee Practical Guideline No. 24), bills discounted are accounted for as financing transactions. The banking subsidiaries have rights to sell or pledge these commercial bills, foreign exchange bills purchased and others. The face value of these bills amounted to ¥1,806,813 million (\$14,760,342 thousand) and ¥1,614,811 million as of March 31, 2022 and 2021, respectively.

(5) Derivative Transactions

Derivative transactions are valued at fair value with changes in fair value included in current income. Fair value is calculated on the basis of net assets or liabilities after offsetting financial assets and liabilities with respect to specific market risks and specific credit risk. Derivatives qualifying as hedges are mainly accounted for using either the fair-value hedge method or the deferred method of hedge accounting (see (23) Hedge Accounting).

(6) Tangible Fixed Assets (Except for Lease Assets)

Depreciation of buildings is computed mainly by the straight-line method, and that of others is computed mainly by the declining-balance method. The range of useful lives is as follows:

- Buildings 3 years to 50 years
- Others 2 years to 20 years

(7) Intangible Fixed Assets (Except for Lease Assets)

Amortization of Intangible Fixed Assets is computed by the straight-line method. Development costs for internally-used software are capitalized and amortized over their estimated useful lives of mainly from five to ten years as determined by MHFG and its consolidated subsidiaries.

(8) Lease Assets

Depreciation of lease assets booked in Tangible Fixed Assets and Intangible Fixed Assets which are concerned with finance lease transactions that do not transfer ownership is mainly computed by the same method as the one applied to fixed assets owned by us.

(9) Deferred Assets

Bond issuance costs are expensed as incurred.

(10) Reserves for Possible Losses on Loans

Reserves for Possible Losses on Loans of major domestic consolidated subsidiaries are maintained in accordance with internally established standards for write-offs and reserve provisions:

- For claims extended to obligors that are legally bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws (“Bankrupt Obligors”), and to obligors that are effectively in similar conditions (“Substantially Bankrupt Obligors”), reserves are maintained at the amounts of claims net of direct write-offs described below and the expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.
- For claims extended to obligors that are not yet legally or formally bankrupt but are likely to be bankrupt (“Intensive Control Obligors”), reserves are maintained at the amounts deemed necessary based on overall solvency analyses of the amounts of claims net of expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.
- For claims extended to Intensive Control Obligors and Obligors with Restructured Loans (defined in Note 14 below) and others, if the exposure to an obligor exceeds a certain specific amount, reserves are provided as follows:
 - (i) if future cash flows of the principal and interest can be reasonably estimated, the discounted cash flow method is applied, under which the reserve is determined as the difference between the book value of the loan and its present value of future cash flows discounted using the contractual interest rate before the loan was classified as a Restructured Loan, and
 - (ii) if future cash flows of the principal and interest cannot be reasonably estimated, reserves are provided for the losses estimated for each individual loan.
- For claims extended to other obligors, reserves for the next one year or three years are maintained at rates derived from historical credit loss experience or historical bankruptcy experience for one or three years and making necessary adjustments such as future prospects and others.
- Reserve for Possible Losses on Loans to Restructuring Countries is maintained in order to cover possible losses based on analyses of the political and economic climates of the countries. All claims are assessed by each claim origination department in accordance with the internally established “Self-assessment Standard,” and the results of the assessments are verified and examined by the independent examination departments.

In the case of claims to Bankrupt Obligors and Substantially Bankrupt Obligors, which are collateralized or guaranteed by a third party, the amounts deemed uncollectible (calculated by deducting the anticipated proceeds from the sale of collateral pledged against the claims and amounts that are expected to be recovered from guarantors of the claims) are written off against the respective claim balances. The total directly written-off amounts were ¥109,122 million (\$891,452 thousand) and ¥116,834 million as of March 31, 2022 and 2021, respectively.

Other consolidated subsidiaries provide the amount necessary to cover the loan losses based upon past experience and other factors for general claims and the assessment for each individual loan for other claims.

(Additional Information)

Expected losses which are assumed to be occurred in the future by difficulties in foreign currency cash management influenced by economic sanctions against Russia, in claims which transfer risk is not avoided are recognized as Reserve for Possible Losses on Loans to Restructuring Countries.

The expected losses are calculated based on evaluation of Russian country risk and defaults which are announced by external rating firms in the past and others. The amount of Reserve for Possible Losses on Loans to Restructuring Countries for the fiscal year ended March 31, 2022 was ¥54,732 million (\$447,125 thousand), which included ¥53,315 million (\$435,545 thousand) against the claims related to Russia.

(11) Reserve for Possible Losses on Investments

Reserve for Possible Losses on Investments is maintained to provide against possible losses on investments in securities, after taking into consideration the financial condition and other factors concerning the investee company.

(12) Reserve for Bonus Payments

Reserve for Bonus Payments, which is provided for future bonus payments to employees, is maintained at the amount accrued at the end of the fiscal year, based on the estimated future payments.

(13) Reserve for Variable Compensation

To prepare for the payments of performance payments and stock compensation to be paid as variable compensation within compensation for directors, group executive officers and operating officers of MHFG, MHBK, MHTB, MHSC, and certain consolidated subsidiaries, the estimated payments based on the standard amount regarding variable compensation of this fiscal year is provided.

(14) Reserve for Director and Corporate Auditor Retirement Benefits

Reserve for Director and Corporate Auditor Retirement Benefits, which is provided for future retirement benefit payments to directors, corporate auditors, and executive officers, is recognized at the amount accrued by the end of the fiscal year, based on the internally established standards.

(15) Reserve for Possible Losses on Sales of Loans

Reserve for Possible Losses on Sales of Loans is provided for possible future losses on sales of loans at the amount deemed necessary based on a reasonable estimate of possible future losses.

(16) Reserve for Contingencies

Reserve for Contingencies is maintained to provide against possible losses from contingencies which are not covered by other specific reserves. The balance is an estimate of possible future losses considered to require a reserve.

(17) Reserve for Reimbursement of Deposits

Reserve for Reimbursement of Deposits is provided against the losses for the deposits derecognized from liabilities at the estimated amount of future claims for withdrawal by depositors.

(18) Reserve for Reimbursement of Debentures

Reserve for Reimbursement of Debentures is provided for the debentures derecognized from liabilities at the estimated amount for future claims.

(19) Reserve under Special Laws

Reserve under Special Laws is Reserve for Contingent Liabilities from Financial Instruments and Exchange of ¥3,132 million (\$25,587 thousand) and ¥3,135 million as of March 31, 2022 and 2021, respectively. This is the reserve pursuant to Article 46-5 of the Financial Instruments and Exchange Law and Article 175 of the Cabinet Office Ordinance regarding Financial Instruments Business, etc. to indemnify the losses incurred from accidents in the purchase and sale of securities, other transactions or derivative transactions.

(20) Accounting Method for Retirement Benefits

In calculating retirement benefit obligations, a benefit formula basis is used as a method of attributing expected retirement benefits to the period up to the end of this fiscal year. Unrecognized prior service cost and unrecognized actuarial differences are recognized as follows:

- Unrecognized prior service cost: Recognized mainly as income or expenses in the period of occurrence.
- Unrecognized actuarial difference: Recognized as income or expenses from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the employees (mainly 10 years) of the respective fiscal years.

Certain consolidated subsidiaries apply the simplified method that assumes the amount required for voluntary resignation at the end of the term to be retirement benefit obligations in computing net defined benefit liability and retirement benefit expenses.

(21) Assets and Liabilities Denominated in Foreign Currencies

Assets and liabilities denominated in foreign currencies and accounts of overseas branches of domestic consolidated banking subsidiaries and a domestic consolidated trust banking subsidiary are translated into Japanese yen primarily at the exchange rates in effect at the consolidated balance sheet date, with the exception of the investments in affiliates not under the equity method, which are translated at historical exchange rates.

Assets and liabilities denominated in foreign currencies of the consolidated subsidiaries, except for the transactions mentioned above, are translated into Japanese yen primarily at the exchange rates in effect at the respective balance sheet dates.

(22) Revenues

Securities-related business fees mainly consist of brokerage fees and commissions, and asset-based revenues. Brokerage fees and commissions include fees earned from the execution of customer transactions and sales commissions of stocks, bonds and investment trusts, which are recognized at the point in time on transaction date with the customer. Asset-based revenues include fees received from investment trust management companies in return for administration services, such as record keeping services, of investment trusts, which are recognized over time in the period when the related service is provided.

Deposits and Lending business fees consist of Deposit-related fees and Lending-related fees. Deposit related fees are within the scope of “Accounting Standard for Revenue Recognition”, while most of Lending-related fees such as commitment fees and arrangement fees are not. Deposit-related fees include account transfer fees, which are recognized at the point in time on transaction date with the customer or at the point in time when the related service is provided.

Remittance business fees include service charges for domestic and international funds transfers and collections, which are recognized at the point in time when the related service is provided.

Trust-related business fees mainly consist of brokerage commissions of real estate property, consulting fees of real estate property and charged of stock transfer agent services. Brokerage commissions of real estate property are commissions that are received as consideration for services related to real estate brokerage, and are recognized in principle at the time of the conclusion of a sales contract for the subject real estate or trust beneficiary rights. Consulting fees of real estate property are commissions that are received as consideration for services related to real estate consulting, which are recognized at the point in time when the related service is provided or over time in the period when the related service is provided. Stock transfer agent service fees are commissions that are received as consideration for services related to transfer agent business and associated services, which are recognized at the point in time when the related service is provided or over time in the period when the related service is provided.

Agency business fees mainly consist of administration service fees related to MHFG Group’s agency business such as Japan’s principal public lottery program and revenues from standing proxy services related to stocks and others, which are recognized at the point in time when the related service is provided or over time in the period when the related service is provided.

Fees for other customer services include various revenues such as sales commissions of life insurance, service charges for electronic banking, financial advisory fees, and service charges for software development. Sales commissions of life insurance are received in return for selling insurance products and recognized mainly at the point in time on transaction date with the customer. Service charges for electronic banking are mainly monthly basic usage fees and recognized over time in the period when the related service is provided. Financial advisory fees are received as consideration for services supporting market research and business strategy planning, which are recognized over time in the period when the related service is provided. Service charges for software development are recognized mainly over time in the period when the related service is provided.

Fiduciary income mainly consists of trust fees earned through fiduciary asset management and administrative service, which are recognized at the point on creation of the trust or completion date specified in the contract, or over time in the period when the related service is provided.

Part of other ordinary income include underwriting fees from trading securities, credit card interchange fees and asset management business fees which are within the scope of “Accounting Standard for Revenue Recognition”. Underwriting fees are recognized at the point on the date which all the consideration of the transaction are fixed. Credit card interchange fees are recognized at the point on the settlement of the credit card payment transactions. Asset management business fees consist of investment trust management fees and investment advisory fees for investment trusts, which are recognized over time in the period when the related service is provided.

(23) Hedge Accounting

(a) Interest Rate Risk

The deferred method, the fair-value hedge method or the exceptional accrual method for interest rate swaps are applied as hedge accounting methods.

The portfolio hedge transaction for a large volume of small-value monetary claims and liabilities of domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries is accounted for by the method stipulated in the JICPA Industry Committee Practical Guideline No.24, March 17, 2022.

The effectiveness of hedging activities for the portfolio hedge transaction for a large volume of small-value monetary claims and liabilities is assessed as follows:

- (i) as for hedging activities to offset market fluctuation risks, the effectiveness is assessed by bracketing both the hedged instruments, such as deposits and loans, and the hedging instruments, such as interest-rate swaps, in the same maturity bucket.
- (ii) as for hedging activities to fix the cash flows, the effectiveness is assessed based on the correlation between a base interest rate index of the hedged instrument and that of the hedging instrument.

The effectiveness of the individual hedge is assessed based on the comparison of the fluctuation in the market or of cash flows of the hedged instruments with that of the hedging instruments.

(b) Foreign Exchange Risk

Domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries apply the deferred method of hedge accounting to hedge foreign exchange risks associated with various financial assets and liabilities denominated in foreign currencies as stipulated in the “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks” (JICPA Industry Committee Practical Guideline No.25, October 8, 2020). The effectiveness of the hedge is assessed by confirming that the amount of the foreign currency position of the hedged monetary claims and liabilities is equal to or larger than that of currency swap transactions, exchange swap transactions, and similar transactions designated as the hedging instruments of the foreign exchange risk.

In addition to the above methods, these subsidiaries apply the deferred method or the fair-value hedge method to portfolio hedges of the foreign exchange risks associated with investments in subsidiaries and affiliates denominated in foreign currency and Other securities denominated in foreign currency (except for bonds) identified as hedged items in advance, as long as the amount of foreign currency payables of spot and forward foreign exchange contracts exceeds the amount of acquisition cost of the hedged foreign securities denominated in foreign currency.

(c) Inter-company Transactions

Inter-company interest rate swaps, currency swaps and similar derivatives among consolidated companies or between trading accounts and other accounts, which are designated as hedges, are not eliminated and related gains and losses are recognized in the statement of income or deferred under hedge accounting, because these inter-company derivatives are executed according to the criteria for appropriate outside third-party cover operations which are treated as hedge transactions objectively in accordance with JICPA Industry Committee Practical Guideline No.24 and 25.

As for certain assets and liabilities of MHFG and its consolidated subsidiaries, the deferred method, the fair-value hedge method or the exceptional accrual method for interest rate swaps are applied.

(d) Hedging relationships which apply “Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR”

Among above (a) to (c), all hedging relationships included in the scope of applying the “Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (Accounting Standards Board of Japan (“ASBJ”) Practical Solutions No.40, March 17, 2022) are subject to this exceptional treatment. The detail of the hedging relationships which apply the treatment are as follows.

Hedging method: the deferred method, the fair-value hedge method or the exceptional accrual method
Hedging instruments: interest-rate swaps, currency-swap transactions or exchange swap transactions, etc
Hedged instruments: financial assets and liabilities, financial assets and liabilities denominated in foreign currencies, etc

The variety of Hedge transactions: to offset market fluctuation risks, to fix the cash flows

(24) Adoption of the Consolidated Taxation System

MHFG and some domestic consolidated subsidiaries of the Group have applied the Consolidated Taxation System from the beginning of the consolidated fiscal year ended March 31, 2022.

(25) Amortization Method of Goodwill and Amortization Period

Goodwill is amortized over an appropriate period not to exceed 20 years under the straight-line method. The full amount of Goodwill that has no material impact is expensed as incurred.

(26) Scope of Cash and Cash Equivalents on Consolidated Statement of Cash Flows

In the consolidated statement of cash flows, Cash and Cash Equivalents consist of cash and due from central banks included in “Cash and Due from Banks” on the consolidated balance sheet.

6. Changes in Accounting Policies

(Accounting Standard for Revenue Recognition and Others)

MHFG has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020) and others from the beginning of the consolidated fiscal year ended March 31, 2022.

In accordance with "Accounting Standard for Revenue Recognition", MHFG recognizes revenue at the time of the transfer of promised goods or services to the customer in an amount that reflects the consideration to which MHFG expects to be entitled in exchange for those goods or services.

In accordance with transitional treatment set out in the proviso of Article 84 of "Accounting Standard for Revenue Recognition", the cumulative effects arising from the retroactive application of these new accounting policies to all the previous fiscal years were reflected in Retained Earnings as of April 1, 2021, and the new accounting policies were applied from the beginning of this fiscal year.

As a result of the cumulative effects arising from the retroactive application of these new accounting policies, Retained Earnings of the consolidated statement of changes in net assets decreased by ¥724 million as of April 1, 2021. The impact on the consolidated balance sheet, the consolidated statement of income, the consolidated cash flows and per share information for the consolidated fiscal year ended March 31, 2022 is immaterial.

And in accordance with the transitional treatment set forth in Article 89-3 of "Accounting Standard for Revenue Recognition", the notes of “Revenue recognition” for the previous consolidated fiscal year ended March 31, 2021 are not presented.

7. Issued but not yet Adopted Accounting Standard and Others

- Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No.31, June 17, 2021)

(1) Overview

"Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021), which had been supposed to take approximately one year after the publishing of "Accounting Standard for Fair Value Measurement" (ASBJ Statement No.30 July 4, 2019) to discuss "Fair value measurements of Investment trust" with the parties concerned and to consider about notes to fair value of "Investments in Partnerships and others to record in the balance sheet at the net amount of Equity Equivalents", was revised and published.

(2) Scheduled Date of Application

MHFG is scheduled to apply this accounting standard from the beginning of the consolidated fiscal year starting on April 1, 2022.

(3) Effect of Application of this accounting standard

The effect on consolidated financial statements of application of this accounting standard is under assessment.

- Treatment of accounting and disclosure for applying the Japanese Group Relief System (ASBJ Practical Solutions No.42, August 12, 2021)

(1) Overview

This accounting standard is published by ASBJ to classify the treatment of accounting and disclosure of corporate tax, local corporate tax and tax-effect accounting for applying the Japanese Group Relief System in accordance with the transition from the Consolidated Tax System to the Japanese Group Relief System under the "Act for Partial Revision of the Income Tax Act, etc." (Act No.8 of 2020).

(2) Scheduled Date of Application

MHFG is scheduled to apply this accounting standard from the beginning of the consolidated fiscal year starting on April 1, 2022.

(3) Effect of Application of this accounting standard

Based on Practical Solutions No. 42, Paragraph 32 (1), MHFG regards that there is no impact from the changes in accounting policies associated with the effects of the application of Practical Solutions No.42.

8. Change in Presentation of Financial Statements

(Change in Presentation according to enforcement “Cabinet Office Ordinance for Partial Revision of the Ordinance for Enforcement of the Banking Act, etc.”)

With the enforcement of the “Cabinet Office Ordinance for Partial Revision of the Ordinance for Enforcement of the Banking Act, etc.”(Cabinet Office Ordinance No. 3 of January 24, 2020) on March 31, 2022, the classification of Non-Accrual, Past Due & Restructured Loans of Banking Act has been shown in accordance with the classification of disclosure receivables based on the Act on Emergency Measures for the Revitalization of Financial Functions, etc.

(Change related to Consolidated Statement of Income)

Income Taxes -Refund of Income Taxes included within Income Taxes -Current for the previous consolidated fiscal year has been separately presented from this consolidated fiscal year due to increased materiality.

To reflect this change in presentation, Consolidated Financial Statements for the previous consolidated fiscal year have been reclassified.

As a result, Income Taxes -Current of ¥165,688 million presented in Consolidated Statement of Income for the previous consolidated fiscal year has been reclassified as Income Taxes -Current of ¥172,785 million and Income Taxes -Refund of Income Taxes of ¥(7,097) million.

9. Critical Accounting Estimates

1. Reserves for Possible Losses on Loans

- (1) Amount on Consolidated Balance Sheet as of March 31, 2022
Reserves for Possible Losses on Loans ¥783,886 million
- (2) Information for understanding the contents of critical accounting estimates
 - (a) Calculating method
Calculation method is stated on "5. Standards of Accounting Method (10) Reserves for Possible Losses on Loans."
In addition, we have updated the expected loss amount for portfolio with similar characteristics of credit risk, which are highly likely to incur losses. We judged the possibility to incur losses based on future prospects of external environments utilizing our credit risk management framework.
 - (b) Key assumptions
Key assumptions are "Forecast for obligors used for assigning internal credit ratings and for discounted cash flow method" and "Forecast of the external environment used for making necessary adjustment to expected loss".
"Forecast for obligors used for assigning internal credit ratings and for discounted cash flow method" has been determined according to obligor's earnings, debt repayment status, industry characteristics, development and progress of business plan and obligor's earnings capabilities based on the impact of COVID-19 and the Russia-Ukraine situation.
"Forecast of the external environment used for making necessary adjustment to expected loss" is determined based on macroeconomic scenario, etc.
More specifically, we used the assumptions based on the forecasted GDP growth rate, financial variables including resource prices, exchange rates and others, the future prospect of business environment of each industry, the impact of economic sanctions inside and outside of Russia and the Russia-Ukraine situation and others in addition to the spread of COVID-19. Expected losses effected by these impacts in the future are recognized as Reserves for Possible Losses on Loans.
 - (c) Impact on Consolidated Financial Statements for the following consolidated fiscal year
Due to the business trends in Japan and overseas and changes in the economic environment in certain industries, credit related costs may increase due to new portfolio problems that exceeds expectations, deterioration in the credit condition of obligors in certain industries, declines in the value of collateral and guarantees, etc.

2. Fair Value of Financial Instruments

- (1) Amount on Consolidated Balance Sheet as of March 31, 2022
The amount is stated on "43. Financial Instruments 3. Matters relating to breakdown of fair value of financial instruments by level (1) Financial instruments recorded at fair value in the consolidated balance sheet."
- (2) Information for understanding the contents of critical accounting estimates
 - (a) Calculating method
Calculation method is stated on "43. Financial Instruments 3. Matters relating to breakdown of fair value of financial instruments by level (Note 1) Explanation of valuation techniques and valuation inputs used in fair value measurements."
 - (b) Key assumptions
Key assumptions are the inputs used in the valuation model, and we may use observable inputs such as interest rates, exchange rates and market value of securities etc. and may also use unobservable inputs including significant estimates such as prepayment rate, default rate, recovery rate, discount rate, correlation and volatility, etc.
 - (c) Impact on Consolidated Financial Statements for the following consolidated fiscal year
Due to changes in the inputs as Key assumptions by the change of market environments, the fair value of financial instruments may increase or decrease.

3. Net Defined Benefit Asset and Net Defined Benefit Liability

- (1) Amount on Consolidated Balance Sheet as of March 31, 2022
The amount is stated on "27. Reserve for Employee Retirement Benefits."
- (2) Information for understanding the contents of critical accounting estimates
 - (a) Calculating method
MHFG and majority-owned consolidated subsidiaries sponsor severance indemnities and pension plan as defined benefit plan. Net Defined Benefit Asset and Net Defined Benefit Liability is calculated based on a number of actuarial assumptions including mortality, withdrawals, discount rates, expected long-term rates of return on plan assets and rates of increase future compensation level.
 - (b) Key assumptions
Key assumptions are actuarial assumptions. Net Defined Benefit Asset and Net Defined Benefit Liability is calculated based on a number of actuarial assumptions including mortality, withdrawals, discount rates, expected long-term rates of return on plan assets and rates of increase future compensation level.
 - (c) Impact on Consolidated Financial Statements for the following consolidated fiscal year
Differences in results and actuarial assumptions and changes Key assumptions may affect Net Defined Benefit Asset and Net Defined Benefit Liability for the following consolidated fiscal year.

10. Additional Information

(The Board Benefit Trust (“BBT”) Program)

Since MHFG operates its business to contribute to the creation of value for diverse stakeholders and realize improved corporate value through the continuous and stable growth of MHFG group pursuant to MHFG's basic management policy defined under the Mizuho Financial Group's Corporate Identity, MHFG has introduced a stock compensation program using a trust (the “Program”) that functions as an incentive for each Director, Group Executive Officer, and Operating officers to exert maximum effort in performing his or her duties, and also as consideration for such exertion of effort.

(1) Outline of the Program

The Program has adopted the Board Benefit Trust (“BBT”) framework. MHFG's shares on the stock market will be acquired through a trust established based on the underlying funds contributed by MHFG, and MHFG's shares will be distributed to Directors, Executive Officers, and Operating officers of MHFG, Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd. (the “Company Group”) and other entities in accordance with the Rules on Distribution of Shares to be prescribed in advance. The framework consists of the stock compensation program based on the Company Group Officer's responsibilities and others in their respective company (“Stock Compensation I”), the stock compensation program based on the performance evaluation of the Company Group (“Stock Compensation II”) and the stock compensation program based on Company Group Officer's responsibilities in their respective company and the performance evaluation of the Company Group, which distributes MHFG's shares to Operating officers of MHFG and certain consolidated subsidiaries (“Stock Benefit”).

Stock Compensation I will be paid at the time of retirement in the form of shares of MHFG calculated based on their responsibilities and others. A system is adopted which enables a decrease or forfeiture of the amount depending on the performance of the company or the individual.

Stock Compensation II will be paid in the form of shares of MHFG and will be deferred over three years, which is calculated based on the status of achieving our Five-Year Business Plan. A system is adopted which enables a decrease or forfeiture of the amount depending on the performance of the company or the individual.

Stock Benefit will be paid in the collective form of MHFG's share which is based on responsibilities in their respective company and the performance evaluation of the Company Group. Reduction and forfeit of the benefit can be occurred in the program.

Upon the payment of stock compensation under the Program, MHFG may, for a certain portion, pay a monetary amount equivalent to the market value of its stock in lieu of stock compensation in accordance with the Rules on Distribution of Shares.

Voting rights related to MHFG's shares belonging to the trust assets under the trust shall not be exercised.

(2) MHFG's Shares Outstanding in the Trust

MHFG's shares outstanding in the trust are recognized as Treasury Stock under Net Assets at the carrying amount (excluding the amount of incidental expenses) in the trust. The carrying amount of such Treasury Stock as of March 31, 2022 was ¥4,949 million (\$40,435 thousand) for 3,079 thousand shares (the carrying amount as of March 31, 2021 was ¥4,144 million for 2,544 thousand shares).

(Application of tax-effect accounting to the Transition from the Consolidated Taxation System to the Japanese Group Relief System)

The Japanese Group Relief System will be applicable for fiscal years beginning from April 1, 2022. MHFG and some domestic consolidated subsidiaries of the Group record amounts of deferred tax assets and deferred tax liabilities based on the provisions of tax laws prior to amendment under the treatment in Paragraph 3 of "Treatment of the application of the tax-effect accounting in relation to the transition from the consolidated tax system to the Japanese Group Relief System" (Practical Solutions No.39 March 31, 2020), without applying the provisions of Paragraph 44 of "Guidance on Accounting Standard for tax-effect accounting" (Implementation Guidance No.28 February 16, 2018), regarding the tax items for which review of the non-consolidated Tax Payment System was implemented in accordance with the transition to the Japanese Group Relief System established under the "Act for Partial Revision of the Income Tax Act, etc." (Act No. 8 of 2020) and the transition to the Japanese Group Relief System.

MHFG group will apply ASBJ Practical Issues Task Force Report No.42, “Treatment of accounting and disclosure for applying the Japanese Group Relief System” (August 12, 2021) from the beginning of the next consolidated fiscal year.

11. Securities Lending and Borrowing Transactions

Unsecured loaned securities which the borrowers have the right to sell or repledge amounted to ¥ 190,078 million (\$ 1,552,798 thousand) and ¥ - million as of March 31, 2022 and 2021, respectively, and are included in Japanese Government Bonds under Securities. MHFG has the right to sell or repledge some of unsecured borrowed securities, securities purchased under resale agreements and securities borrowed with cash collateral. Among them, the totals of securities repledged were ¥17,040,833 million (\$139,211,126 thousand) and ¥13,417,819 million as of March 31, 2022 and 2021, respectively, and securities neither repledged nor re-loaned were ¥2,248,061 million (\$18,365,017 thousand) and ¥1,520,936 million as of March 31, 2022 and 2021, respectively.

12. Trading Assets and Liabilities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Trading Assets:			
Trading Securities	¥ 6,487,722	¥ 6,421,348	\$ 52,999,941
Derivatives for Trading Transactions	6,285,978	5,616,260	51,351,836
Derivatives for Trading Securities	447,714	551,685	3,657,500
Total	¥ 13,221,415	¥ 12,589,294	\$ 108,009,277
Trading Liabilities:			
Trading Securities Sold Short	¥ 3,470,030	¥ 2,402,420	\$ 28,347,607
Derivatives for Trading Transactions	5,881,652	5,382,333	48,048,792
Derivatives for Trading Securities	257,293	330,624	2,101,898
Total	¥ 9,608,976	¥ 8,115,377	\$ 78,498,297

13. Securities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Japanese Government Bonds	¥25,638,710	¥21,400,540	\$209,449,476
Japanese Local Government Bonds	419,646	463,559	3,428,203
Japanese Corporate Bonds	3,042,037	2,760,906	24,851,214
Japanese Stocks ^{*1}	3,239,400	3,570,120	26,463,531
Other ^{*2}	12,301,265	15,502,136	100,492,328
Total	¥44,641,060	¥43,697,262	\$364,684,752

^{*1} Japanese Stocks included investments in non-consolidated subsidiaries and affiliates of ¥241,258 million (\$1,970,902 thousand) and ¥257,712 million as of March 31, 2022 and 2021, respectively.
^{*2} Other included investments in non-consolidated subsidiaries and affiliates of ¥110,915 million (\$906,102 thousand) and ¥91,180 million as of March 31, 2022 and 2021, respectively.

14. Loans and Bills Discounted

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Loans on Deeds	¥ 71,528,939	¥ 71,127,895	\$ 584,339,017
Overdrafts	9,067,728	8,909,927	74,076,696
Loans on Notes	3,705,625	3,018,081	30,272,244
Bills Discounted	183,388	391,261	1,498,151
Financing Receivables, including Factoring, Leasing and Property Financing	250,598	257,508	2,047,210
Total	¥ 84,736,280	¥ 83,704,675	\$ 692,233,318

Loans and Bills Discounted as of March 31, 2022 and 2021 include the following:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Claims against Bankrupt and Substantially Bankrupt Obligors ^{*1}	¥ 50,846	¥ 55,506	\$ 415,381
Claims with Collection Risk ^{*2}	722,222	409,742	5,900,031
Claims for Special Attention	354,034	377,584	2,892,202
Loans Past Due for 3 Months or More ^{*3}	2,498	534	20,412
Restructured Loans ^{*4}	351,535	377,049	2,871,790
Sub-total	¥ 1,127,104	¥ 842,832	\$ 9,207,614
Normal Claims ^{*5}	96,224,900	93,186,798	786,086,927
Total	¥ 97,352,004	¥ 94,029,630	\$ 795,294,541

^{*1} Claims against Bankrupt and Substantially Bankrupt Obligors are claims against debtors in bankruptcy due to the commencement of bankruptcy procedures, the commencement of reorganization proceedings, the petition for the commencement of rehabilitation proceedings, and claims equivalent these.
^{*2} Claims with Collection Risk are claims that the debtor is not yet in a state of bankruptcy, but its financial position and business performance have deteriorated, and it is highly probable that principal's collection and interest on claims in accordance with the terms of the contract will not be received. These claims do not fall under the category of Claims against Bankrupt and Substantially Bankrupt Obligors.
^{*3} Loans Past Due for 3 Months or More are loans on which payments of principal and/or interest have not been made for a period of three months or more since the next day following the first due date, and which are not included in Claims against Bankrupt and Substantially Bankrupt Obligors, or Claims with Collection Risk.
^{*4} Restructured Loans represent loans whose contracts were amended in favor of obligors (e.g. reduction of, or exemption from, stated interest, deferral of interest payments, extension of maturity dates and renunciation of claims) in order to assist or facilitate the restructuring of the obligors. Claims against Bankrupt and Substantially Bankrupt Obligors, Claims with Collection Risk and Loans Past Due for 3 Months or More are not included.
^{*5} Normal Claims are deemed to have no particular problem with the obligor's financial position and business performance and are classified as other than Claims against Bankrupt and Substantially Bankrupt Obligors, Claims with Collection Risk, Loans Past Due for 3 Months or More and Restructured Loans.

Note: The amounts given in the above table are gross amounts before deduction of amounts for the Reserves for Possible Losses on Loans.

Commitment Line for Loans

Overdraft protection on current accounts and contracts of the commitment line for loans are contracts by which banking subsidiaries are bound to extend loans up to the prearranged amount, at the request of customers, unless the customer is in breach of contract conditions. The unutilized balance of these contracts amounted to ¥105,257,698 million (\$859,878,266 thousand) and ¥107,724,379 million as of March 31, 2022 and 2021, respectively. Of these amounts, ¥76,092,443 million (\$621,619,505 thousand) and ¥80,332,843 million as of March 31, 2022 and 2021, respectively, relate to contracts of which the original contractual maturity is one year or less, or which are unconditionally cancelable at any time.

Since many of these contracts expire without being exercised, the unutilized balance itself does not necessarily affect future cash flows. A provision is included in many of these contracts that entitles the banking subsidiaries to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to preserve a claim, or other similar reasons. The banking subsidiaries require collateral such as real estate and securities when deemed necessary at the time the contracts are entered into. In addition, they periodically monitor customers' business conditions in accordance with internally established standards and take necessary measures to manage credit risks such as amendments to contracts.

15. Foreign Exchange Assets and Liabilities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Foreign Exchange Assets:			
Foreign Bills Bought	¥ 1,623,424	¥ 1,223,549	\$ 13,262,191
Foreign Bills Receivable	637,718	544,583	5,209,694
Due from Banks (Foreign)	363,057	315,973	2,965,910
Advance to Foreign Banks	3,292	649	26,896
Total	¥ 2,627,492	¥ 2,084,756	\$ 21,464,691
Foreign Exchange Liabilities:			
Due to Banks (Foreign)	¥ 481,455	¥ 479,188	\$ 3,933,135
Advance from Foreign Banks	20,922	29,389	170,920
Foreign Bills Payable	1,003,331	21,600	8,196,479
Foreign Bills Sold	2,745	1,863	22,428
Total	¥ 1,508,453	¥ 532,042	\$ 12,322,962

16. Other Assets

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Accrued Income	¥ 319,692	¥ 315,263	\$ 2,611,652
Prepaid Expenses	81,416	79,136	665,113
Other	7,396,687	5,779,619	60,425,515
Total	¥ 7,797,796	¥ 6,174,020	\$ 63,702,280

17. Tangible Fixed Assets

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Land	¥ 623,627	¥ 624,429	\$ 5,094,583
Buildings	340,016	268,587	2,777,689
Lease Assets	4,675	7,622	38,197
Construction in Progress	21,737	124,049	177,578
Other	105,919	110,762	865,286
Total	¥ 1,095,977	¥ 1,135,449	\$ 8,953,333
Accumulated Depreciation	¥ 843,560	¥ 875,674	\$ 6,891,270
Book Value Adjusted for Gains on Sales of Replaced Assets and Others	30,854	32,485	252,059

18. Reserves for Possible Losses on Loans

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
General Reserve for Possible Losses on Loans	¥ (269,140)	¥ (383,062)	\$ (2,198,680)
Specific Reserve for Possible Losses on Loans	(460,013)	(191,208)	(3,757,973)
Reserve for Possible Losses on Loans to Restructuring Countries	(54,732)	(1,301)	(447,125)
Total	¥ (783,886)	¥ (575,572)	\$ (6,403,778)

19. Assets Pledged as Collateral

The following assets were pledged as collateral:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Trading Assets	¥ 1,628,778	¥ 2,217,478	\$ 13,305,925
Securities	6,083,866	6,913,993	49,700,727
Loans and Bills Discounted	8,741,097	10,142,050	71,408,358

The following liabilities were collateralized by the above assets:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Deposits	¥ 909,204	¥ 764,255	\$ 7,427,534
Payables under Repurchase Agreements	5,864,016	6,333,580	47,904,720
Guarantee Deposits Received under Securities Lending Transactions	456,707	935,121	3,730,968
Borrowed Money	5,434,820	6,282,906	44,398,499

In addition, the settlement accounts of foreign and domestic exchange transactions or derivatives transactions and others were collateralized, and margins for futures transactions were substituted by Cash and Due from Banks of ¥65,886 million (\$538,248 thousand) and ¥63,463 million, Trading Assets of ¥444,724 million (\$3,633,076 thousand) and ¥179,925 million, Securities of ¥5,149,064 million (\$42,064,084 thousand) and ¥3,353,832 million, and Loans and Bills Discounted of ¥89,778 million (\$733,425 thousand) and ¥99,964 million as of March 31, 2022 and 2021, respectively.

Other Assets included guarantee deposits of ¥97,525 million (\$796,713 thousand) and ¥110,674 million, collateral pledged for derivatives transactions of ¥1,453,972 million (\$11,877,891 thousand) and ¥963,985 million, margins for futures transactions of ¥431,281 million (\$3,523,257 thousand) and ¥185,323 million, and other guarantee deposits of ¥959,298 million (\$7,836,766 thousand) and ¥922,075 million as of March 31, 2022 and 2021, respectively.

20. Deposits

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Current Deposits	¥ 15,178,062	¥ 14,632,991	\$ 123,993,647
Ordinary Deposits ^{*1}	79,927,201	77,487,819	652,946,671
Deposits at Notice	1,123,098	865,357	9,174,889
Time Deposits	35,788,746	33,471,395	292,367,833
Negotiable Certificates of Deposit	16,868,931	17,192,572	137,806,810
Other	6,813,763	6,854,842	55,663,452
Total	¥ 155,699,803	¥ 150,504,978	\$ 1,271,953,302

^{*1} Ordinary Deposits includes savings deposits.

21. Call Money and Bills Sold

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Call Money	¥ 1,278,050	¥ 1,312,790	\$ 10,440,739
Bills Sold	—	—	—
Total	¥ 1,278,050	¥ 1,312,790	\$ 10,440,739

22. Commercial Paper

As of March 31,	Millions of yen		Thousands of U.S. dollars	Average interest rates ^{*1}	
	2022	2021	2022	2022	2021
Commercial Paper	¥1,775,859	¥2,105,067	\$14,507,474	2.06%	0.19%

^{*1} Average interest rates are the weighted-average interest rates of debts calculated from the interest rates and outstanding balances at the end of the fiscal year.

23. Borrowed Money

As of March 31,	Millions of yen		Thousands of U.S. dollars	Average interest rates ^{*1}	
	2022	2021	2022	2022	2021
Borrowed Money	¥6,590,527	¥7,441,822	\$53,839,780	0.19%	0.12%
Bills Rediscounted	—	—	—	—%	—%
Other Borrowings ^{*2,3}	¥6,590,527	¥7,441,822	\$53,839,780	0.19%	0.12%

^{*1} Average interest rates are the weighted-average interest rates of debts calculated from the interest rates and outstanding balances at the end of the fiscal year.

^{*2} Other Borrowings included subordinated debt of ¥219,000 million (\$1,789,070 thousand) and ¥213,000 million as of March 31, 2022 and 2021, respectively.

^{*3} Repayments for Other Borrowings are scheduled for the next five years as follows:

Fiscal year ending March 31, 2023	¥5,592,436 million	(\$45,686,109 thousand)
2024	¥85,943 million	(\$702,092 thousand)
2025	¥136,048 million	(\$1,111,413 thousand)
2026	¥156,622 million	(\$1,279,487 thousand)
2027	¥173,710 million	(\$1,419,087 thousand)

24. Short-term Bonds

Major components of Short-term Bonds as of March 31, 2022 were as follows:

Issuer	Issue	Millions of yen	Thousands of U.S. dollars	Interest rates	Due
MHSC	Aug. 2021–Mar. 2022	¥490,500	\$4,007,025	0.00%–0.03%	Apr. 2022– Oct. 2022
		[490,500]	[4,007,025]		
*1	Dec. 2021–Mar. 2022	46,667	381,243	0.06%–0.10%	Apr. 2022– May 2022
		[46,667]	[381,243]		
Total		¥537,167	\$4,388,268		

*1 indicates the total amount of Short-term Bonds issued by the domestic consolidated subsidiary, Allstar Funding Co., Ltd, and the overseas consolidated subsidiary, JAPAN SECURITIZATION CORPORATION.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.
2. No collateral was provided for the above Short-term Bonds.

Major components of Short-term Bonds as of March 31, 2021 were as follows:

Issuer	Issue	Millions of yen	Interest rates	Due
MHSC	Oct. 2020–Mar. 2021	¥423,500	0.00%–0.02%	Apr. 2021– Sep. 2021
		[423,500]		
*1	Nov. 2020–Mar. 2021	32,545	0.07%–0.13%	Apr. 2021– Aug. 2021
		[32,545]		
Total		¥456,045		

*1 indicates the total amount of Short-term Bonds issued by the domestic consolidated subsidiary, Allstar Funding Co., Ltd, and the overseas consolidated subsidiary, JAPAN SECURITIZATION CORPORATION.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.
2. No collateral was provided for the above Short-term Bonds.

25. Bonds and Notes

Major components of Bonds and Notes as of March 31, 2022 were as follows:

Issuer	Description	Issue	Millions of yen	Thousands of U.S. dollars	Interest rates	Due
MHFG	Straight Bonds	Jul. 2014– Mar. 2022	¥7,762,366 [471,278] (US\$ 30,800,000 thousand) (EUR 8,500,000 thousand) (AUD 625,000 thousand)	\$63,412,848 [3,850,000]	0.00%– 4.35%	Jun. 2022–
MHBK	Straight Bonds	Jan. 2006– Mar. 2020	810,504 [256,074] (US\$ 4,510,991 thousand) (AUD 495,000 thousand)	6,621,230 [2,091,938]	0.50%– 4.40%	Jun. 2022–
*1	Straight Bonds	Jul. 2012– Mar. 2014	367,096 [183,581] (US\$ 2,998,905 thousand)	2,998,906 [1,499,730]	4.20%– 4.60%	Jul. 2022– Mar. 2024
*2	Straight Bonds	Mar. 2007– Mar. 2022	1,774,037 [418,485] (US\$ 7,083,783 thousand) (AUD 212,478 thousand) (EUR 618,900 thousand) (BRL 39,243 thousand) (GBP 40,000 thousand) (TRY 13,876 thousand)	14,492,585 [3,418,717]	-0.14 %– 54.20%	Apr. 2022– Dec. 2061
Total			¥10,714,004	\$87,525,569		

*1 indicates the total amount of straight bonds issued by the overseas consolidated subsidiaries, Mizuho Financial Group (Cayman) 2 Limited and Mizuho Financial Group (Cayman) 3 Limited.

*2 indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, MHSC, and the overseas consolidated subsidiaries, Mizuho International plc, Mizuho Securities USA LLC, Mizuho Capital Markets LLC, Mizuho Markets Cayman LP, Banco Mizuho do Brasil S.A. and Mizuho Bank (China), Ltd.

Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.
2. The amounts of foreign currency-denominated bonds are shown in original currencies in parentheses ().
3. Repayments for Bonds and Notes are scheduled for the next five years as follows:
Fiscal year ending March 31, 2023 ¥1,866,587 million (\$15,248,653 thousand)
2024 ¥821,500 million (\$6,711,053 thousand)
2025 ¥1,561,899 million (\$12,759,575 thousand)
2026 ¥404,052 million (\$3,300,813 thousand)
2027 ¥1,269,620 million (\$10,371,866 thousand)
4. Bonds and Notes as of March 31, 2022 included subordinated bonds and notes of ¥3,518,313 million (\$28,742,043 thousand).
5. No collateral was provided for the above Bonds and Notes.

Major components of Bonds and Notes as of March 31, 2021 were as follows:

Issuer	Description	Issue	Millions of yen	Interest rates	Due
MHFG	Straight Bonds	Jul. 2014– Feb. 2021	¥7,681,894	0.00%–	Apr. 2021–
			[877,720]	4.35%	
			(US\$ 33,450,000 thousand)		
			(EUR 6,000,000 thousand)		
MHBK	Straight Bonds	Jan. 2006– Mar. 2020	911,779	0.50%–	Apr. 2021–
			[157,916]	4.40%	
			(US\$ 4,620,345 thousand)		
			(AUD 685,000 thousand)		
*1	Straight Bonds	Jul. 2012– Mar. 2014	331,942	4.20%–	Jul. 2022– Mar. 2024
			[—]	4.60%	
			(US\$ 2,998,039 thousand)		
*2	Straight Bonds	Apr. 2006– Mar. 2021	1,396,055	0.00%–	Apr. 2021– Dec. 2060
			[375,802]	52.00%	
			(US\$ 5,097,804 thousand)		
			(AUD 159,853 thousand)		
			(EUR 758,693 thousand)		
			(CNY 3,790,000 thousand)		
			(BRL 3,673 thousand)		
			(GBP 40,159 thousand)		
Total			¥10,321,672		

*1 indicates the total amount of straight bonds issued by the overseas consolidated subsidiaries, Mizuho Financial Group (Cayman) 2 Limited and Mizuho Financial Group (Cayman) 3 Limited.

*2 indicates the total amount of straight bonds issued by the domestic consolidated subsidiary, MHSC, and the overseas consolidated subsidiaries, Mizuho International plc, Mizuho Securities USA LLC, Mizuho Capital Markets LLC,Banco Mizuho do Brasil S.A.and Mizuho Bank(China),Ltd.

- Notes: 1. Figures indicated in brackets [] represent the amounts to be redeemed within one year.
2. The amounts of foreign currency-denominated bonds are shown in original currencies in parentheses ().
3. Repayments for Bonds and Notes are scheduled for the next five years as follows:
- Fiscal year ending March 31, 2022 ¥1,411,438 million
- 2023 ¥1,073,273 million
- 2024 ¥530,279 million
- 2025 ¥1,371,764 million
- 2026 ¥383,775 million
4. Bonds and Notes as of March 31, 2021 included subordinated bonds and notes of ¥3,796,982 million.
5. No collateral was provided for the above Bonds and Notes.

26. Other Liabilities

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Accrued Expenses	¥ 242,675	¥ 195,434	\$ 1,982,479
Unearned Income	87,868	94,748	717,824
Income Taxes Payable	62,697	56,665	512,196
Lease Liabilities*1*2	66,096	65,074	539,957
Other	5,842,146	5,450,090	47,726,056
Total	¥ 6,301,484	¥ 5,862,013	\$ 51,478,512

*1 Average interest rate is 2.89% and 2.74% in the fiscal year ended March 31, 2022 and 2021, respectively. It is the weighted-average interest rate of debts calculated from the interest rates and outstanding balances at the end of the fiscal year.

*2 Repayments for Lease Liabilities are scheduled for the next five years as follows:

Fiscal year ending March 31, 2023	¥8,345 million	(\$68,176 thousand)
2024	¥5,554 million	(\$45,376 thousand)
2025	¥4,166 million	(\$34,038 thousand)
2026	¥3,542 million	(\$28,938 thousand)
2027	¥3,334 million	(\$27,238 thousand)

27. Reserve for Employee Retirement Benefits

- (1) MHFG and its certain consolidated subsidiaries have adopted the Corporate Pension Fund Plans (“Kigyo Nenkin Kikin Seido”), and the Termination Allowance Plans (“Taishoku Ichijikin Seido”) as Defined-Benefit Corporate Pension Plans. In addition, MHFG and certain consolidated subsidiaries have adopted Defined- Contribution Pension Plans other than risk-sharing corporate pension as a part of the Termination Allowance Plans. MHFG and its certain consolidated subsidiaries revised the Employee Retirement Benefit Plans and transferred a part of the Defined-Benefit Corporate Pension Plans to the Defined-Contribution Pension Plans in the previous consolidated fiscal year. Certain consolidated subsidiaries have established employee retirement benefit trusts.

- (2) Defined-Benefit Corporate Pension Plans

- (i) Adjustment between the balances of Retirement Benefit Obligations at the beginning and at the end of the period

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Balance of Retirement Benefit Obligations at the beginning of the period	¥1,335,890	¥1,440,341	\$10,913,246
Service Cost	33,460	38,124	273,351
Interest Cost	4,169	4,315	34,057
Unrecognized Actuarial Differences incurred	(12,101)	17,898	(98,858)
Retirement Benefits paid	(81,365)	(82,322)	(664,700)
Unrecognized Prior Service Cost incurred	—	(62,404)	—
Decrease resulting from Transfer to Defined Contribution Pension Plans	—	(21,638)	—
Other	(1,126)	1,576	(9,203)
Balance of Retirement Benefit Obligations at the end of the period	¥1,278,926	¥1,335,890	\$10,447,893

Note: The above Retirement Benefit Obligations includes the amount measured by certain consolidated subsidiaries under the simplified method.

(ii) Adjustment between the balances of Plan Assets at the beginning and at the end of the period

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Balance of Plan Assets			
at the beginning of the period	¥2,373,949	¥ 2,225,010	\$19,393,427
Expected Return on Plan Assets	34,951	39,092	285,531
Unrecognized Actuarial Differences incurred	(43,906)	349,857	(358,686)
Contributions from employer	28,697	22,483	234,441
Contributions from employee	1,089	1,131	8,899
Retirement Benefits paid	(53,578)	(53,636)	(437,699)
Cancellation of Employee Retirement Benefit Trust	(270,171)	(188,298)	(2,207,105)
Decrease resulting from Transfer to Defined Contribution Pension Plans	—	(23,845)	—
Other	(661)	2,157	(5,402)
Balance of Plan Assets at the end of the period	¥2,070,370	¥ 2,373,949	\$16,913,406

(iii) Adjustment between the balances of Retirement Benefit Obligations and Plan Assets at the end of the period and Adjustment to the balances of Net Defined Benefit Liability and Net Defined Benefit Asset recorded in the Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Retirement Benefit Obligations	¥1,278,926	¥ 1,335,890	\$10,447,893
Plan Assets	(2,070,370)	(2,373,949)	(16,913,406)
Net amount of Liability and Asset recorded in the Consolidated Balance Sheet	¥(791,443)	¥(1,038,058)	\$(6,465,513)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Net Defined Benefit Liability	¥ 71,774	¥ 71,049	\$ 586,343
Net Defined Benefit Asset	(863,217)	(1,109,107)	(7,051,856)
Net amount of Liability and Asset recorded in the Consolidated Balance Sheet	¥(791,443)	¥(1,038,058)	\$(6,465,513)

(iv) Employee Retirement Benefit Expenses and the breakdown

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Service Cost	¥ 32,421	¥ 37,103	\$ 264,859
Interest Cost	4,169	4,315	34,058
Expected Return on Plan Assets	(34,951)	(39,092)	(285,531)
Amortization of Unrecognized Actuarial Differences	(48,449)	(22,563)	(395,800)
Amortization of Unrecognized Prior Service Cost	46	(62,117)	380
Other	10,416	8,922	85,097
Net Retirement Benefit Expenses for Defined-Benefit Corporate Pension Plans	¥(36,348)	¥ (73,431)	\$ (296,937)
Gains on Cancellation of Employee Retirement Benefit Trust	¥(74,254)	¥ (76,996)	\$ (606,606)
Losses on Transfer to Defined Contribution Pension Plan	—	¥ 3,320	—

Notes: 1. The amount of employee contributions to Mizuho Pension Fund is deducted from Service Cost.
2. Retirement benefit expenses of some consolidated subsidiaries which adopt the simplified method for calculating retirement benefit obligations are included in Service Cost in full.

3. Except for certain part, Amortization of Unrecognized Prior Service Cost, incurred in connection with the revision of the Employee Retirement Benefit Plans for MHFG and its certain consolidated subsidiaries in the previous consolidated fiscal year is included in Other Income (¥62,176 million).
4. Gains on Cancellation of Employee Retirement Benefit Trust is included in Other Income.
5. Losses on Transfer to Defined Contribution Pension Plan is included in Other Expenses.

(v) Remeasurements of Defined Benefit Plans in Other Comprehensive Income

Breakdown of Remeasurements of Defined Benefit Plans in Other Comprehensive Income (before deducting tax effect) was as follows:

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Unrecognized Actuarial Differences	¥ 165,825	¥(270,479)	\$ 1,354,675
Other	(46)	(286)	(380)
Total	¥ 165,779	¥(270,765)	\$ 1,354,295

(vi) Remeasurements of Defined Benefit Plans in Total Accumulated Other Comprehensive Income

Breakdown of Remeasurements of Defined Benefit Plans in Total Accumulated Other Comprehensive Income (before deducting tax effect) was as follows:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Unrecognized Actuarial Differences	¥(243,853)	¥(409,679)	\$(1,992,105)
Other	(159)	(112)	(1,302)
Total	¥(244,012)	¥(409,792)	\$(1,993,407)

(vii) Plan Assets

(a) Ratio of each category to the total amount of Plan Assets was as follows:

As of March 31,	2022	2021
Japanese Stocks	52.53%	57.86%
Japanese Bonds	15.47%	13.50%
Foreign Stocks	15.12%	13.30%
Foreign Bonds	9.76%	9.23%
General account of life insurance companies	5.59%	4.85%
Other	1.53%	1.26%
Total	100.00%	100.00%

Note: The total amount of Plan Assets includes 48.78% and 55.47% of Employee Retirement Benefit Trust established for the Corporate Pension Fund Plans and the Termination Allowance Plans as of March 31, 2022 and 2021, respectively.

(b) Calculation of Expected Long-term Rate of Return on Plan Assets

In determining the Expected Long-term Rate of Return on Plan Assets, current and expected allocation of Plan Assets and current and expected future long-term rate of return from various assets constituting Plan Assets have been considered.

(viii) Basis of Actuarial Calculation

Major Basis of Actuarial Calculation

For the Fiscal Years ended March 31,	2022	2021
Discount Rate	mainly (0.00)%- 1.05%	mainly (0.07)%- 0.82%
Expected Long-term Rate of Return on Plan Assets	mainly 0.78%- 1.90%	mainly 1.22%- 1.90%

(3) Defined- Contribution Pension Plans

The required amount of contributions to Defined- Contribution Pension Plans of MHFG and its consolidated subsidiaries was ¥4,077 million (\$33,309 thousand) and ¥4,644 million for the fiscal years ended March 31, 2022 and 2021, respectively.

28. Acceptances and Guarantees

(1) Liabilities for guarantees on corporate bonds included in Securities, which were issued by private placement (Article 2, Paragraph 3 of the Financial Instruments and Exchange Law (the Securities and Exchange Law as of March 31, 2007)) amounted to ¥1,252,386 million (\$10,231,078 thousand) and ¥1,407,731 million as of March 31, 2022 and 2021, respectively.

(2) The principal amounts promised to be indemnified for money trusts which is entrusted to a domestic consolidated trust banking subsidiary, was ¥832,808 million (\$6,803,439 thousand) and ¥842,669 million as of March 31, 2022 and 2021, respectively.

29. Deferred Tax Assets and Liabilities

(1) Deferred Tax Assets and Liabilities consisted of the following:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Deferred Tax Assets:			
Tax Losses Carried Forward	¥183,409	¥151,383	\$1,498,322
Devaluation of Securities	113,592	115,206	927,965
Reserves for Possible Losses on Loans	236,233	193,394	1,929,851
Securities Contributed to Employee Retirement Benefit Trust	142,061	164,504	1,160,535
Net Unrealized Gains (Losses) on Other Securities	62,864	11,369	513,561
Depreciation and Impairment	132,599	153,500	1,083,242
Other	237,157	201,272	1,937,405
Deferred Tax Assets Subtotal:	1,107,918	990,630	9,050,881
Valuation Allowance - Tax Losses Carried Forward	(167,408)	(135,444)	(1,367,603)
Valuation Allowance - Deductible Temporary Differences, etc.	(104,497)	(135,143)	(853,667)
Valuation Allowance Subtotal:	(271,905)	(270,588)	(2,221,270)
Total	¥836,012	¥720,042	\$6,829,611
Deferred Tax Liabilities:			
Net Unrealized Gains (Losses) on Other Securities	¥(313,091)	¥(437,275)	\$(2,557,725)
Net Defined Benefit Asset	(263,928)	(339,576)	(2,156,104)
Other	(105,321)	(127,346)	(860,399)
Total	¥(682,341)	¥(904,198)	\$(5,574,228)
Net Deferred Tax Assets	¥153,671	¥(184,155)	\$1,255,383

(Change in Presentation of Financial Statements)

Net Unrealized Gains (Losses) on Other Securities included within Other - Deferred Tax Assets in the previous consolidated year has been separately presented from this consolidated fiscal year due to increased materiality. In order to reflect the change in presentation of the financial statements, reclassification of the previous consolidated fiscal year has been made accordingly.

As a result, Other - Deferred Tax Assets of ¥212,641 million presented in the consolidated statements for the previous consolidated fiscal year has been reclassified as Net Unrealized Gains (Losses) on Other Securities of ¥11,369 million and Other of ¥201,272 million.

Note1: MHFG and domestic subsidiaries are subject to a number of different income taxes.

Note2:Tax Losses Carried Forward and amounts according to expiration of carryforward of their Deferred Tax Assets:

As of March 31, 2022							Millions of yen
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Tax Losses Carried Forward*	¥21	¥14	¥0	¥73,828	¥708	¥108,837	¥183,409
Valuation Allowance	(15)	—	—	(62,246)	(708)	(104,438)	(167,408)
Deferred Tax Assets	5	14	0	11,582	—	4,398	16,001

As of March 31, 2021							Millions of yen
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Tax Losses Carried Forward*	¥47	¥1,045	¥897	¥23	¥85,354	¥64,013	¥151,383
Valuation Allowance	(45)	(19)	(22)	(23)	(74,607)	(60,725)	(135,444)
Deferred Tax Assets	2	1,025	875	0	10,747	3,287	15,938

As of March 31, 2022							Thousands of U.S. dollars
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Tax Losses Carried Forward*	\$174	\$119	\$1	\$603,124	\$5,785	\$889,119	\$1,498,322
Valuation Allowance	(129)	—	—	(508,505)	(5,785)	(853,184)	(1,367,603)
Deferred Tax Assets	45	119	1	94,619	—	35,935	130,719

*Tax Losses Carried Forward is the amount multiplied by the effective statutory tax rate.

(2) For the fiscal years ended March 31, 2022 and 2021, the reconciliation of the statutory tax rate of MHFG to the effective income tax rate was as follows:

For the Fiscal Year ended March 31,	2022	2021
Statutory Tax Rate	30.62%	30.62%
Adjustments		
Change in Valuation Allowance	(0.08)	(3.37)
Permanent Differences (e.g., Cash Dividends Received)	(1.76)	(1.11)
Tax Rate Differences between the Consolidated Subsidiaries	(1.33)	(1.42)
Equity in Income from Investments in Affiliates	(1.29)	(0.94)
Controlled Foreign Company Rules	0.66	1.12
Foreign Tax	6.66	0.25
Deductible Expenses Related to Capital Reduction from the Subsidiary	(20.31)	—
Scope of Taxable Income Differences between Corporate Income Tax and Enterprise Income Tax	(1.15)	(0.78)
Other	(1.97)	2.43
Effective Income Tax Rate	10.05%	26.80%

(Change in Presentation of Financial Statements)

Foreign Tax and Scope of Taxable Income Differences between Corporate Income Tax and Enterprise Income Tax included within Other in the previous consolidated year have been separately presented from this consolidated fiscal year due to increased materiality. In order to reflect the changes in presentation of the financial statements, reclassifications of the previous consolidated fiscal year have been made accordingly.

As a result, Other of 1.90% presented in the consolidated statements for the previous consolidated fiscal year has been reclassified as Foreign Tax of 0.25%, Scope of Taxable Income Differences between Corporate Income Tax and Enterprise Income Tax of (0.78)% and Other of 2.43%.

30. Revaluation of Land

In accordance with the Land Revaluation Law (Proclamation No.34 dated March 31, 1998), land used for business operations of domestic consolidated banking subsidiaries was revalued. The applicable income taxes on the entire excess of revaluation are included in Deferred Tax Liabilities for Revaluation Reserve for Land under Liabilities, and the remainder, net of applicable income taxes, is stated as Revaluation Reserve for Land included in Net Assets.

Revaluation date: March 31, 1998
Revaluation method as stated in Article 3, Paragraph 3 of the above law: Land used for business operations was revalued by calculating the value on the basis of the valuation by road rating stipulated in Article 2, Paragraph 4 of the Enforcement Ordinance relating to the Land Revaluation Law (Government Ordinance No.119 promulgated on March 31, 1998) with reasonable adjustments to compensate for sites with long depth and other factors, and also on the basis of the appraisal valuation stipulated in Paragraph 5.
The difference at the consolidated balance sheet date between the total fair value of land for business operation purposes, which has been revalued in accordance with Article 10 of the above-mentioned law, and the total book value of the land after such revaluation was ¥52,242 million (\$426,784 thousand) and ¥51,009 million as of March 31, 2022 and 2021, respectively.

31. Common Stock and Preferred Stock

Common Stock and Preferred Stock at March 31, 2022 and 2021 were as follows:

As of March 31, 2022	Number of shares		Per share (Yen)					With
	Authorized ^{*2}	Issued and outstanding ^{*1}	Interim cash dividend	Year-end cash dividend	Liquidation value	Convertible or not	Redemption or not	
Common Stock	4,800,000,000	2,539,249,894	¥40.00	¥40.00	¥—	No	No	

Notes: 1. Treasury Stock is included. The number is as follows:

- Common Stock684 thousand shares
2. Each total number of other shares which are authorized to be issued is as follows:
- First Series Class XIV Preferred Stock90,000 thousand shares
- Second Series Class XIV Preferred Stock90,000 thousand shares
- Third Series Class XIV Preferred Stock90,000 thousand shares
- Fourth Series Class XIV Preferred Stock90,000 thousand shares
- First Series Class XV Preferred Stock90,000 thousand shares
- Second Series Class XV Preferred Stock90,000 thousand shares
- Third Series Class XV Preferred Stock90,000 thousand shares
- Fourth Series Class XV Preferred Stock90,000 thousand shares
- First Series Class XVI Preferred Stock150,000 thousand shares
- Second Series Class XVI Preferred Stock150,000 thousand shares
- Third Series Class XVI Preferred Stock150,000 thousand shares
- Fourth Series Class XVI Preferred Stock150,000 thousand shares

The total number of shares of the First to Fourth Series Class XIV Preferred Stock, which are authorized to be issued, shall not exceed 90,000,000 in total.

The total number of shares of the First to Fourth Series Class XV Preferred Stock, which are authorized to be issued, shall not exceed 90,000,000 in total.

The total number of shares of the First to Fourth Series Class XVI Preferred Stock, which are authorized to be issued, shall not exceed 150,000,000 in total.

As of March 31, 2021	Number of shares		Per share (Yen)				With
	Authorized ^{*2}	Issued and outstanding ^{*1}	Interim cash dividend	Year-end cash dividend	Liquidation value	Convertible or not	
Common Stock	4,800,000,000	2,539,249,894	¥37.50	¥37.50	¥—	No	No

Notes: 1. Treasury Stock is included. The number is as follows:

- Common Stock552 thousand shares
2. Each total number of other shares which are authorized to be issued is as follows:
- First Series Class XIV Preferred Stock90,000 thousand shares
- Second Series Class XIV Preferred Stock90,000 thousand shares
- Third Series Class XIV Preferred Stock90,000 thousand shares
- Fourth Series Class XIV Preferred Stock90,000 thousand shares
- First Series Class XV Preferred Stock90,000 thousand shares
- Second Series Class XV Preferred Stock90,000 thousand shares
- Third Series Class XV Preferred Stock90,000 thousand shares
- Fourth Series Class XV Preferred Stock90,000 thousand shares
- First Series Class XVI Preferred Stock150,000 thousand shares
- Second Series Class XVI Preferred Stock150,000 thousand shares
- Third Series Class XVI Preferred Stock150,000 thousand shares
- Fourth Series Class XVI Preferred Stock150,000 thousand shares

The total number of shares of the First to Fourth Series Class XIV Preferred Stock, which are authorized to be issued, shall not exceed 90,000,000 in total.

The total number of shares of the First to Fourth Series Class XV Preferred Stock, which are authorized to be issued, shall not exceed 90,000,000 in total.

The total number of shares of the First to Fourth Series Class XVI Preferred Stock, which are authorized to be issued, shall not exceed 150,000,000 in total.

3. MHFG adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020. Interim cash dividend per share is calculated under the assumption that the share consolidation had been adopted at the beginning of fiscal 2020.

32. Stock Options

Outline of stock options and changes

For the fiscal year ended March 31, 2022

(1) Outline of stock options

As of March 31, 2022	Fourth Series of Stock Acquisition Rights of MHFG		Fifth Series of Stock Acquisition Rights of MHFG		Sixth Series of Stock Acquisition Rights of MHFG	
Number of grantees	Directors	6	Directors	6	Directors	6
	Executive Officers	6	Executive Officers	11	Executive Officers	36
	Directors of subsidiaries of MHFG	26	Directors of subsidiaries of MHFG	23	Directors of subsidiaries of MHFG	22
	Executive Officers of subsidiaries of MHFG	130	Executive Officers of subsidiaries of MHFG	150	Executive Officers of subsidiaries of MHFG	134
Number of stock options ^{*1}	Common stock	1,245,200	Common stock	1,177,600	Common stock	793,200
Grant date	December 8, 2011		August 31, 2012		February 17, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHCB, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHCB, MHTB or MHSC.		The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC			
Required service period	April 1, 2011 to March 31, 2012		April 1, 2012 to March 31, 2013		April 1, 2013 to March 31, 2014	
Exercise period	December 9, 2011 to December 8, 2031		September 3, 2012 to August 31, 2032		February 18, 2014 to February 17, 2034	

As of March 31, 2022	Seventh Series of Stock Acquisition Rights of MHFG	
Number of grantees	Directors	2
	Executive Officers as defined in the Companies Act	12
	Executive Officers as defined in our internal regulations	37
	Directors of subsidiaries of MHFG	32
	Executive Officers of subsidiaries of MHFG	113
Number of stock options ^{*1}	Common stock	960,200
Grant date	December 1, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC.	
Required service period	April 1, 2014 to March 31, 2015	
Exercise period	December 2, 2014 to December 1, 2034	

^{*1}: Shown in number of shares.
The Number reflects the share consolidation effective as of October 1, 2020.

(2) Size of stock options and changes

(i) Number of stock options (in shares)

For the Fiscal Year ended March 31, 2022	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Non-vested				
As of March 31, 2021	10,200	22,300	10,600	42,600
Granted	—	—	—	—
Forfeited	—	—	—	—
Vested	2,500	3,600	7,800	10,300
Outstanding	7,700	18,700	2,800	32,300
Vested				
As of March 31, 2021	—	—	—	—
Vested	2,500	3,600	7,800	10,300
Exercised	2,500	3,600	7,800	10,300
Forfeited	—	—	—	—
Outstanding	—	—	—	—

Note: The above table is shown in number of shares.
The Number reflects the share consolidation effective as of October 1, 2020.

(ii) Price information

As of March 31, 2022	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Exercise price	¥1 per share	¥1 per share	¥1 per share	¥1 per share
Average stock price upon exercise	¥1,590.00	¥1,590.00	¥1,585.83	¥1,584.84
Fair value at grant date	¥918.40 per share	¥1,132.50 per share	¥1,926.10 per share	¥1,869.90 per share

Note: Average stock price upon exercise and Fair value at grant date are recorded at the amount after the share consolidation effective as of October 1, 2020.

(3) Estimated number of stock options to be vested

Only the number of stock options actually forfeited is reflected because the number of stock options that will be forfeited in the future cannot be readily estimated.

For the fiscal year ended March 31, 2021

(1) Outline of stock options

As of March 31, 2021	Fourth Series of Stock Acquisition Rights of MHFG		Fifth Series of Stock Acquisition Rights of MHFG		Sixth Series of Stock Acquisition Rights of MHFG	
Number of grantees	Directors	6	Directors	6	Directors	6
	Executive Officers	6	Executive Officers	11	Executive Officers	36
	Directors of subsidiaries of MHFG	26	Directors of subsidiaries of MHFG	23	Directors of subsidiaries of MHFG	22
	Executive Officers of subsidiaries of MHFG	130	Executive Officers of subsidiaries of MHFG	150	Executive Officers of subsidiaries of MHFG	134
Number of stock options ^{*1}	Common stock	1,245,200	Common stock	1,177,600	Common stock	793,200
Grant date	December 8, 2011		August 31, 2012		February 17, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHC B, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHC B, MHTB or MHSC.				The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director or an Executive Officer of MHFG, MHBK, MHTB or MHSC	
Required service period	April 1, 2011 to March 31, 2012		April 1, 2012 to March 31, 2013		April 1, 2013 to March 31, 2014	
Exercise period	December 9, 2011 to December 8, 2031		September 3, 2012 to August 31, 2032		February 18, 2014 to February 17, 2034	

Seventh Series of Stock Acquisition Rights of MHFG		
As of March 31, 2021		
Number of grantees	Directors	2
	Executive Officers as defined in the Companies Act	12
	Executive Officers as defined in our internal regulations	37
	Directors of subsidiaries of MHFG	32
	Executive Officers of subsidiaries of MHFG	113
Number of stock options ^{*1}	Common stock	960,200
Grant date	December 1, 2014	
Condition for vesting	The grantee may exercise the Stock Acquisition Rights which have been allotted based on his or her capacity as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC immediately following the date on which such grantee loses the status as a Director, an Executive Officer as defined in Companies Act or an Executive Officer as defined in our internal regulations of MHFG, MHBK, MHTB or MHSC.	
Required service period	April 1, 2014 to March 31, 2015	
Exercise period	December 2, 2014 to December 1, 2034	

^{*1}: Shown in number of shares.
The Number reflects the share consolidation effective as of October 1, 2020.

(2) Size of stock options and changes

(i) Number of stock options (in shares)

For the Fiscal Year ended March 31, 2021	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Non-vested				
As of March 31, 2020	10,200	22,300	21,000	74,200
Granted	—	—	—	—
Forfeited	—	—	—	—
Vested	—	—	10,400	31,600
Outstanding	10,200	22,300	10,600	42,600
Vested				
As of March 31, 2020	—	—	—	—
Vested	—	—	10,400	31,600
Exercised	—	—	10,400	31,600
Forfeited	—	—	—	—
Outstanding	—	—	—	—

Note: The above table is shown in number of shares.
The Number reflects the share consolidation effective as of October 1, 2020.

(ii) Price information

As of March 31, 2021	Fourth Series of Stock Acquisition Rights of MHFG	Fifth Series of Stock Acquisition Rights of MHFG	Sixth Series of Stock Acquisition Rights of MHFG	Seventh Series of Stock Acquisition Rights of MHFG
Exercise price	¥1 per share	¥1 per share	¥1 per share	¥1 per share
Average stock price upon exercise	—	—	¥1,212.00	¥1,212.00
Fair value at grant date	¥918.40 per share	¥1,132.50 per share	¥1,926.10 per share	¥1,869.90 per share

Note: Average stock price upon exercise and Fair value at grant date are recorded at the amount after the share consolidation effective as of October 1, 2020.

(3) Estimated number of stock options to be vested

Only the number of stock options actually forfeited is reflected because the number of stock options that will be forfeited in the future cannot be readily estimated.

33. Interest Income and Interest Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Interest Income:			
Loans and Bills Discounted	¥877,895	¥942,426	\$7,171,760
Securities	275,393	240,494	2,249,764
Call Loans and Bills Purchased	1,426	2,190	11,655
Due from Banks	58,748	45,411	479,932
Receivables under Resale Agreements	29,694	41,535	242,583
Guarantee Deposits Paid under Securities Borrowing Transactions	2,431	2,946	19,863
Other Interest Income	63,419	58,503	518,091
Total	¥1,309,009	¥1,333,509	\$10,693,648
Interest Expenses:			
Deposits	¥80,265	¥166,312	\$655,714
Call Money and Bills Sold	1,149	1,907	9,387
Payables under Repurchase Agreements	36,356	56,199	297,006
Guarantee Deposits Received under Securities Lending Transactions	42	788	351
Commercial Paper	3,721	3,564	30,401
Borrowed Money	6,034	16,867	49,297
Other Interest Expenses	187,980	182,185	1,535,662
Total	¥315,550	¥427,826	\$2,577,818
Net	¥993,458	¥905,683	\$8,115,830

34. Trading Income and Trading Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Trading Income:			
Net Gains on Trading Securities	¥1,062	¥239,950	\$8,678
Net Gains on Derivatives for Trading Transactions	1,016,827	148,491	8,306,737
Total	¥1,017,889	¥388,441	\$8,315,415
Trading Expenses:			
Net Losses on Trading Securities	730,204	311	5,965,237
Total	¥730,204	¥311	\$5,965,237
Net	¥287,685	¥388,130	\$2,350,178

35. Other Operating Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Gains on Foreign Exchange Transactions	¥121,504	¥110,093	\$992,602
Gains on Sales of Bonds	116,518	117,748	951,871
Gains on Derivatives other than for Trading or Hedging	9,383	—	76,657
Other	146,550	130,413	1,197,208
Total	¥393,956	¥358,254	\$3,218,338

36. Other Operating Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Losses on Sales of Bonds	¥165,477	¥116,363	\$1,351,834
Expenses on Derivatives other than for Trading or Hedging	—	21,295	—
Losses on Devaluation of Bonds	1,382	3,332	11,293
Other	57,256	54,691	467,744
Total	¥224,116	¥195,683	\$1,830,871

37. Other Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Gains on Sales of Stock	¥219,155	¥204,293	\$1,790,343
Gains on Cancellation of Employee Retirement Benefit Trust	74,254	76,996	606,606
Accumulation (Amortization) of Unrecognized Prior Service Cost	—	62,176	—
Recovery on Written-off Loans	18,260	5,034	149,171
Gains on Disposition of Fixed Assets	3,938	3,030	32,172
Other	38,757	29,447	316,622
Total	¥354,366	¥380,978	\$2,894,914

38. Other Expenses

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Provision for Reserves for Possible Losses on Loans	¥236,491	¥180,636	\$1,931,966
Losses on Sales of Stocks	189,598	147,457	1,548,883
Losses on Impairment of Fixed Assets	27,585	12,793	225,356
Losses on Disposition of Fixed Assets	6,585	9,606	53,800
Losses on Transfer to Defined Contribution Pension Plan	—	3,320	—
Other	149,805	159,085	1,223,802
Total	¥610,067	¥512,900	\$4,983,807

39. Comprehensive Income

Reclassification adjustments and the related tax effects concerning Other Comprehensive Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Net Unrealized Gains on Other Securities:			
The amount arising during the period	¥(698,798)	¥467,344	\$(5,708,669)
Reclassification adjustments	107,131	(59,699)	875,183
Before adjustments to tax effects	(591,666)	407,644	(4,833,486)
The amount of tax effects	180,589	(101,675)	1,475,284
Net Unrealized Gains on Other Securities	(411,077)	305,969	(3,358,202)
Deferred Gains or Losses on Hedges:			
The amount arising during the period	(57,974)	(41,749)	(473,611)
Reclassification adjustments	(97,958)	(16,330)	(800,252)
Before adjustments to tax effects	(155,933)	(58,080)	(1,273,863)
The amount of tax effects	47,746	17,785	390,057
Deferred Gains or Losses on Hedges	(108,186)	(40,294)	(883,806)
Foreign Currency Translation Adjustments:			
The amount arising during the period	130,612	(4,078)	1,067,012
Reclassification Adjustments	—	2,203	—
Before adjustments to tax effects	130,612	(1,874)	1,067,012
The amount of tax effects	—	—	—
Foreign Currency Translation Adjustments	130,612	(1,874)	1,067,012
Remeasurements of Defined Benefit Plans:			
The amount arising during the period	(31,780)	330,453	(259,622)
Reclassification Adjustments	(133,998)	(59,687)	(1,094,673)
Before adjustments to tax effects	(165,779)	270,765	(1,354,295)
The amount of tax effects	50,741	(83,021)	414,518
Remeasurements of Defined Benefit Plans	(115,038)	187,744	(939,777)
Own Credit Risk Adjustments, Net of Tax:			
The amount arising during the period	(23)	—	(190)
Reclassification adjustments	—	—	—
Before adjustments to tax effects	(23)	—	(190)
The amount of tax effects	—	—	—
Own Credit Risk Adjustments, Net of Tax	(23)	—	(190)
Share of Other Comprehensive Income of Associates			
Accounted for Using Equity Method:			
The amount arising during the period	7,650	2,968	62,500
The total amount of Other Comprehensive Income	¥(496,061)	¥454,513	\$(4,052,463)

40. Changes in Net Assets

For the fiscal year ended March 31, 2022

(i) Types and number of issued shares and of treasury stock are as follows:

	Thousands of Shares				
	As of April 1, 2021	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2022	Remarks
Issued shares					
Common stock	2,539,249	—	—	2,539,249	
Total	2,539,249	—	—	2,539,249	
Treasury stock					
Common stock	3,889	1,670	901	4,659	*
Total	3,889	1,670	901	4,659	

* Increases are due to acquisition of treasury stock by BBT trust account (1,062 thousand shares) and repurchase of shares constituting less than one unit and other factors (608 thousand shares). Decreases are due to distribution and sale of treasury stock through BBT trust account (536 thousand shares), exercise of stock acquisition rights (stock options) (24 thousand shares), and repurchase of shares constituting less than one unit and other factors (340 thousand shares). The number of shares as of March 31, 2022 includes the number of treasury stock held by BBT trust account (3,079 thousand shares).

(ii) Stock acquisition rights and treasury stock acquisition rights are as follows:

Category	Breakdown of stock acquisition rights	Class of shares to be issued or transferred upon exercise of stock acquisition rights	Number of shares to be issued or transferred upon exercise of stock acquisition rights (Shares)				Balance as of March 31, 2022 (Millions of yen)	Balance as of March 31, 2022 (Thousands of U.S.dollars)	Remarks
			As of April 1, 2021	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2022			
MHFG	Stock acquisition rights		—	—	—	—	¥—	\$—	
	(Treasury stock acquisition rights)	—	(—)	(—)	(—)	(—)	(—)	(—)	
	Stock acquisition rights as stock option			—			94	768	
Consolidated subsidiaries (Treasury stock acquisition rights)				—			—	—	
							(—)	(—)	
Total				—			¥94	\$768	
							(—)	(—)	

(iii) Cash dividends distributed by MHFG are as follows (non-consolidated basis):

Cash dividends paid during the fiscal year ended March 31, 2022

Resolution	Type	Cash Dividends (Millions of yen)	Cash Dividends (Thousands of U.S. dollars)	Cash Dividends per Share (Yen)	Cash Dividends per Share (U.S. dollars)	Record Date	Effective Date
May 14, 2021 <div>(The Board of Directors)</div>	Common Stock	¥95,201	\$777,724	¥37.50	\$0.31	March 31, 2021	June 8, 2021
November 12, 2021 <div>(The Board of Directors)</div>	Common Stock	¥101,545	\$829,549	¥40.00	\$0.33	September 30, 2021	December 7, 2021
Total		¥196,746	\$1,607,273	/	/		

- (Notes) 1. Cash dividends based on the resolution of the Board of Directors held on May 14, 2021 include ¥95 million of cash dividends on treasury stock held by BBT trust account.
2. Cash dividends based on the resolution of the Board of Directors held on November 12, 2021 include ¥123 million of cash dividends on treasury stock held by BBT trust account.

Cash dividends with record dates falling in the fiscal year ended March 31, 2022 and effective dates coming after the end of the fiscal year

Resolution	Type	Cash Dividends (Millions of yen)	Cash Dividends (Thousands of U.S. dollars)	Resource of Dividends	Cash Dividends per Share (Yen)	Cash Dividends per Share (U.S. dollars)	Record Date	Effective Date
May 13, 2022 <div>(The Board of Directors)</div>	Common Stock	¥101,542	\$829,529	Retained Earnings	¥40.00	\$0.33	March 31, 2022	June 6, 2022
Total		¥101,542	\$829,529		/	/		

(Note) Cash dividends based on the resolution of the Board of Directors held on May 13, 2022 include ¥123 million of cash dividends on treasury stock held by BBT trust account.

For the fiscal year ended March 31, 2021

(i) Types and number of issued shares and of treasury stock are as follows:

	Thousands of Shares				
	As of April 1, 2020	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2021	Remarks
Issued shares					
Common stock	25,392,498	—	22,853,249	2,539,249	*1,2
Total	25,392,498	—	22,853,249	2,539,249	
Treasury stock					
Common stock	32,106	14,585	42,802	3,889	*1,3
Total	32,106	14,585	42,802	3,889	

*1 MHFG adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020.

*2 Decrease is due to the share consolidation of the shares of common stock.

*3 Increases are due to acquisition of treasury stock by BBT trust account (10,958 thousand shares) and repurchase of shares constituting less than one unit and other factors (3,627 thousand shares). Decreases are due to the share consolidation of the shares of common stock (34,814 thousand shares), distribution and sale of treasury stock through BBT trust account (5,032 thousand shares), exercise of stock acquisition rights (stock options) (420 thousand shares), and repurchase of shares constituting less than one unit and other factors (2,535 thousand shares). The number of shares as of March 31, 2021 includes the number of treasury stock held by BBT trust account (2,554 thousand shares).

(ii) Stock acquisition rights and treasury stock acquisition rights are as follows:

Category	Breakdown of stock acquisition rights	Class of shares to be issued or transferred upon exercise of stock acquisition rights	Number of shares to be issued or transferred upon exercise of stock acquisition rights (Shares)					Balance as of March 31, 2021 (Millions of yen)	Remarks
			As of April 1, 2020	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2021			
MHFG	Stock acquisition rights (Treasury stock acquisition rights)	—	—	—	—	—	¥—	—	
	Stock acquisition rights as stock option			—			134		
Consolidated subsidiaries (Treasury stock acquisition rights)				—			—	—	
Total				—			¥134	—	

(iii) Cash dividends distributed by MHFG are as follows (non-consolidated basis):

Cash dividends paid during the fiscal year ended March 31, 2021

Resolution	Type	Cash Dividends (Millions of yen)	Cash Dividends per Share (Yen)	Record Date	Effective Date
May 15, 2020 <div>(The Board of Directors)</div>	Common Stock	¥95,208	¥3.75	March 31, 2020	June 8, 2020
November 12, 2020 <div>(The Board of Directors)</div>	Common Stock	¥95,209	¥3.75	September 30, 2020	December 7, 2020
Total		¥190,418	/		

- (Notes) 1. Cash dividends based on the resolution of the Board of Directors held on May 15, 2020 include ¥73 million of cash dividends on treasury stock held by BBT trust account.
2. Cash dividends based on the resolution of the Board of Directors held on November 12, 2020 include ¥95 million of cash dividends on treasury stock held by BBT trust account.
3. MHFG adopted the share consolidation of the shares of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020. Cash Dividends per Share is recorded at the amount before the share consolidation.

Cash dividends with record dates falling in the fiscal year ended March 31, 2021 and effective dates coming after the end of the fiscal year

Resolution	Type	Cash Dividends (Millions of yen)	Resource of Dividends	Cash Dividends per Share (Yen)	Record Date	Effective Date
May 14, 2021 <div>(The Board of Directors)</div>	Common Stock	¥95,201	Retained Earnings	¥37.50	March 31, 2021	June 8, 2021
Total		¥95,201	/			

(Note) Cash dividends based on the resolution of the Board of Directors held on May 14, 2021 include ¥95 million of cash dividends on treasury stock held by BBT trust account.

41. Cash Flows

1. Cash and Cash Equivalents on the consolidated statement of cash flows reconciles to Cash and Due from Banks on the consolidated balance sheet as follows:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Cash and Due from Banks	¥51,359,301	¥47,981,981	\$419,567,859
Less: Due from Banks excluding due from Central Banks	(1,223,001)	(1,000,581)	(9,991,027)
Cash and Cash Equivalents	¥50,136,299	¥46,981,399	\$409,576,832

42. Lease Transactions

Finance Leases (Lessees)

Finance lease transactions that do not transfer ownership:

- (1) Lease Assets:
- Tangible fixed assets: mainly equipment
 - Intangible fixed assets: software
- (2) The method for computing the amount of depreciation is described in “5 Standards of Accounting Method (8) Lease Assets.”

Operating Leases

The future lease payments subsequent to the end of the fiscal year for non-cancelable operating lease transactions are summarized as follows:

Lessees:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Due in One Year or Less	¥44,749	¥52,280	\$365,570
Due after One Year	265,324	275,241	2,167,507
Total	¥310,073	¥327,521	\$2,533,077

Lessors:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Due in One Year or Less	¥1,008	¥7,191	\$8,236
Due after One Year	4,767	1,591	38,943
Total	¥5,775	¥8,782	\$47,179

43. Financial Instruments

1. Matters Relating to the Conditions of Financial Instruments

(1) Policy on Financial Instruments

Mizuho Financial Group (MHFG), which primarily engages in banking business, incurs financial liabilities such as customer deposits and market deposits on the funding side while holding financial assets such as customer loans, stocks and bonds on the investment side, and also engages in trading business for certain financial products. Some majority-owned consolidated subsidiaries and other subsidiaries conduct securities business and other financial business.

For above funding and investment business, MHFG appropriately manages risks of each financial instrument and carefully watches term-gaps and other risk factors.

(2) Contents and Risk of Financial Products

The main financial assets of the Mizuho group consist of loans to customers, government bonds and stocks. These financial assets are subject to various types of risk that may cause the Group to incur losses due to a decline in, or total loss of, the value of assets, as a result of deterioration in a counterparty's and/or an issuer's financial position ("credit risk"), or due to a decline in the value of assets caused by fluctuations in interest rates, stock prices and foreign exchange rates and so on ("market risk"). The Group may also be exposed to the risk of incurring losses when it becomes impossible to execute transactions in the market because of market confusion or losses arising from transactions at prices that are significantly less favorable than usual ("market liquidity risk").

Our stable retail deposit base represents Mizuho group's main financing source, but we also raise funds directly from the market. These financing sources are subject to the risk of losses arising from funding difficulties due to market disruption or deterioration of our financial position, which makes us difficult to raise necessary funds or forces us to raise funds at significantly higher rates than usual("liquidity risk").

In addition, the Mizuho group uses derivative financial products to control the interest rate risk related to the assets and liabilities of the Group, as part of our asset and liability management ("ALM"). The Group primarily utilizes the portfolio hedge by grouping numerous financial assets and liabilities such as loans and deposits into similar interest risk units in accordance with risk management policies. Some derivative products like interest rate swaps are used as hedging methods for cash-flow hedges or fair value hedges. The Group applies hedge accounting to the majority of these products, treating them as deferred hedges. The effectiveness of the hedges is assessed periodically by regression analysis and other methods to ensure whether the derivative financial products effectively work in order to offset the exposure to changes in fair value and variable cash flows from hedged items. It should be noted that the Mizuho Group uses derivative financial products for trading purposes and so on as well.

(3) Risk Management for Financial Products

- (a) Commitment to Risk Management
- We recognize the conducting of operations tailored to the risks and managing such risks as a key issue relating to overall management. In order to implement our business strategy while maintaining our financial stability, we maintain comprehensive risk management and control measures.
- We maintain basic policies for risk management established by our Board of Directors that are applicable to the entire Mizuho group. These policies clearly define the kinds of risks to be managed, set forth the organizational structure and provide for the human resources training necessary for appropriate levels of risk management. The policies also provide for audits to measure the effectiveness and suitability of the risk management structure. In line with these basic policies, we maintain various measures to strengthen and enhance the sophistication of our risk management system.
- (b) General Concept of Risk Management
- We classify our risk exposures according to the various kinds of risk, including credit risk, market risk, liquidity risk and operational risk, and manage each type of risk according to its characteristics.
- In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and, where necessary, to devise appropriate responses to keep risk within limits that are managerially acceptable in both qualitative and quantitative terms.
- More specifically, we allocate risk capital to core group companies, including their respective subsidiaries, to control risk within the limits set for each company. We also control risk within managerially acceptable limits by working to ensure that the overall risk we hold on a consolidated basis does not exceed the Group's financial strength. To ensure

the ongoing financial health of Mizuho Financial Group, we regularly monitor the manner in which risk capital is being used in order to obtain a proper grasp of the risk profile within this framework. Reports are also submitted to the Board of Directors and other committees of each company.

- (c) Credit Risk Management
- The Board of Directors of Mizuho Financial Group determines basic matters pertaining to credit risk management. In addition, we have established the Risk Management Committee, as one of its Business Policy Committees. This committee broadly discusses and coordinates basic policy in connection with credit risk management, matters in connection with overall credit portfolio management, and credit risk monitoring for the Mizuho group. Under the control of the Chief Risk Officer of Mizuho Financial Group, the Credit Risk Management Department and the Risk Management Department jointly monitor, analyze and submit suggestions concerning credit risk and formulate and execute plans in connection with basic matters pertaining to credit risk management.
- We have adopted two different but mutually complementary approaches in credit risk management. The first approach is "credit management," in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the customer. Through this process, we curb losses in the case of a credit event. The second is "credit portfolio management," in which we utilize statistical methods to assess the potential for losses related to credit risk. Through this process, we identify credit risk and respond appropriately.
- We use statistical methods to manage the possibility of losses by measuring the expected average loss for a one-year risk horizon ("expected loss") and the maximum loss within a certain confidence interval ("credit VAR"). The difference between expected loss and credit VAR is measured as the credit risk amount ("unexpected loss").Our principal banking subsidiaries have established guidelines to manage "credit concentration risk," which stems from granting excessive credit to certain corporate groups.
- The Board of Directors of each of our principal banking subsidiaries and other core group companies determines key matters pertaining to credit risk management by establishing their respective basic policies in line with the basic policies for credit risk management set forth by Mizuho Financial Group. Their respective Business Policy Committees are responsible for discussing and coordinating overall management of their individual credit portfolios and transaction policies towards obligors.
- The Chief Risk Officer of each principal banking subsidiary and core group company is responsible for matters relating to planning and implementing credit risk management. Departments in charge of credit risk management are responsible for planning and administering credit risk management and conducting credit risk measuring and monitoring. Credit Departments determine policies and approves/disapproves individual transactions regarding review and management of and collection from customers in accordance with the lines of authority set forth by each principal banking subsidiary. In addition, each of our principal banking subsidiaries has also established internal audit groups that are independent of the business departments in order to ensure appropriate credit risk management.
- (d) Market Risk Management
- The Board of Directors of Mizuho Financial Group determines basic matters pertaining to market risk management policies. In addition, we have established the Risk Management Committee, as one of its Business Policy Committees. The committee broadly discusses and coordinates matters concerning basic policy and operations in connection with market risk management and market risk monitoring, and proposes measures to be taken in emergencies such as sudden market changes.
- The Chief Risk Officer of Mizuho Financial Group is responsible for matters relating to market risk management planning and operations. The Risk Management Department of Mizuho Financial Group is responsible for monitoring market risk, reports and analyses, proposals, setting limits and guidelines, and formulating and implementing plans relating to market risk management. In addition, the department assesses and manages the overall market risk of the Mizuho group as a whole and keeps track of the market risk situation of our principal banking subsidiaries and other core group companies. The department also submits reports to the President & CEO on a daily basis and to our Board of Directors and the Executive Management Committee of Mizuho Financial Group on a regular basis.
- To manage market risk, we set limits that correspond to risk capital allocations. The amount of risk capital allocated to market risk corresponds to VAR and additional costs that may arise in order to close relevant positions.

For trading and banking activities, we set limits for VAR and for losses. For banking activities, we set position limits based on interest rate sensitivity as needed.

The Board of Directors of each of our principal banking subsidiaries and other core group companies determine key matters pertaining to market risk by establishing their respective basic policies in line with the basic policies for market risk management set forth by Mizuho Financial Group. Based on a common Mizuho Group risk capital allocation framework, the above-mentioned companies manage market risk by setting limits according to the risk capital allocated to market risk by Mizuho Financial Group. They have the same market risk management structure as the Mizuho Financial Group, such as their Business Policy Committees being responsible for overall discussion and coordination of the market risk management.

In addition, they have established middle offices specializing in risk management that are independent of their front offices, which engage in market transactions, and their back offices, which are responsible for book entries and settlements. This system enables them to achieve mutual checks and control over market operations.

When VAR is not adequate to control risk, the middle offices manage risk using additional risk indices such as 10 BPV (Basis Point Value), carry out stress tests and set stop loss limits as needed.

(e) Situation of Market Risk

i. Banking Business

The following table shows the VAR figures relating to our banking activities for the fiscal years indicated:

For the Fiscal Years ended March 31,	Billions of yen		Thousands of U.S. dollars
	2022	2021	2022
As of fiscal year end	¥209.7	¥249.4	\$1,713,479
Maximum	321.9	501.7	2,629,832
Minimum	191.0	224.0	1,560,458
Average	266.0	346.5	2,173,832

[Definition of Banking Business]

The following transactions are categorized as banking business, with trading business and cross-shareholdings being categorized separately.

- (1) Deposits and loans as well as related funding activities, and hedge against interest rate risk.
- (2) Equity (excluding cross-shareholdings), bonds, investment trusts, etc. and hedges against related market risk.

The core deposit of liquid deposits is to be specified and incorporated into the measurement of market risk.

Banking business VAR used to calculate Market Risk Equivalent is based on the following:

- VAR : historical simulation method;
- confidence interval: one-tailed 99%;
- holding period of one month ; and
- historical observation period of three years.

ii. Trading Business

The following table shows VAR figures of our trading activities for the fiscal years indicated :

For the Fiscal Years ended March 31,	Billions of yen		Thousands of U.S. dollars
	2022	2021	2022
As of fiscal year end	¥5.3	¥2.7	\$43,487
Maximum	10.2	9.1	84,082
Minimum	2.9	2.4	23,912
Average	4.3	5.4	35,537

[Definition of Trading Business]

- (1) Transactions held for the purpose of short-term resale.
- (2) Transactions held for the purpose of making a profit from price fluctuations over a short period as well as fixing a profit from arbitrage activities.
- (3) Deals that have both aspects of (1) and (2) above.
- (4) Deals held for broking business or market making business.

Trading business VAR used to calculate Market Risk Equivalent is based on the following:

- VAR: historical simulation method;
- confidence interval: one-tailed 99%;
- holding period of one trading day; and
- historical observation period of three years.

iii. Cross-shareholdings

For cross-shareholdings, we take the same market risk management approach as that for Banking and Trading businesses with the use of VAR and risk indices.

The risk index for the cross-shareholdings (sensitivity of the portfolio to a 1% change in the equity index of TOPIX) is ¥25.5 billion (\$209,015 thousand) and ¥24.6 billion for the fiscal years ended March 31, 2022 and 2021, respectively.

iv. Risk management using VAR

VAR is a commonly used market risk management technique with statistical assumptions to measure maximum possible loss in the market, which will be incurred to the holding portfolio in a certain period with some probability. It should be noted that in general VAR model has the following shortcomings:

- VAR estimates could differ by assumptions of holding period, confidence interval level and approaches for the measurement.
- VAR which is calculated based on historical data does not necessarily indicate an accurate future possible maximum loss.
- VAR might underestimate the probability of extreme market movements when the market gets inactive as VAR assumes sales of holding portfolio and hedges in the market during the holding period for the calculation.
- The use of a 99% confidence level neither takes account of, nor makes any statement about, any losses that might occur beyond this confidence level.

The historical simulation method used as the measurement technique of VAR assumes that change in a market movement follows an empirical distribution. Therefore, the model might underestimate the risk under the circumstance that the market is likely to move extremely beyond the assumption. We check the validity of the market risk measurement made by VAR approach periodically by the back-test which compares VAR with actual profit and loss. In addition to VAR, we make a wide variety of management and controls such as risk indices monitoring, implementation of stress tests, loss limit monitoring in order to make strict risk management by capturing carefully all risks, including what VAR approach is not able to cover.

(f) Liquidity Risk Management

Our liquidity risk management structure is generally the same as the market risk management structure described above ("Item (d) Market Risk Management"). Moreover, the head of the Financial Control & Accounting Group of Mizuho Financial Group is also responsible for matters related to planning and operation of funds management, while the Financial Planning Department is responsible for its monitoring and adjusting, and also for planning and implementing measures on funds management. Reports on funds management are submitted to the Risk Management Committee, the Balance Sheet Management Committee, the Executive Management Committee and

the President & CEO.

We measure liquidity risk using indices pertaining to funds management, such as limits on funds raised from the market. Limits on liquidity risk are discussed and coordinated by the Risk Management Committee, discussed further by the Executive Management Committee and determined by the President & CEO. We have established classifications for each liquidity risk levels affecting the Group, ranging from “normal” to “anxious” and “crisis,” and have established procedures for dealing with cases which are deemed to fall into the “anxious” or “crisis” categories. Additionally, we have established a structure under which we will be able to respond smoothly in the event of emergency situations that affect our funds management.

(4) Supplementary Explanation of Matters Relating to Fair Value of Financial Instruments and Others

Since certain assumptions and others are adopted for calculating fair values of financial instruments, they may differ when adopting different assumptions and others.

2. Matters Relating to Fair Value of Financial Instruments and Others

The following are the consolidated balance sheet amounts, fair values and differences between them. Stocks and others without a quoted market price and Investments in Partnerships and others are excluded from the table below (see (Note 1)). In addition, Cash and Due from Banks, Call Loans and Bills Purchased, Receivables under Resale Agreements, Guarantee Deposits Paid under Securities Borrowing Transactions, Foreign Exchange (assets / liabilities), Call Money and Bills Sold, Payables under Repurchase Agreements, Guarantee Deposits Received under Securities Lending Transactions, and Due to Trust Accounts are omitted since these instruments are mainly settled in the short term and the fair values approximate the book values.

As of March 31, 2022	Millions of yen		
	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Other Debt Purchased	¥3,476,021	¥3,476,064	¥43
(2) Trading Assets			
Trading Securities	6,487,722	6,487,722	—
(3) Money Held in Trust	588,322	588,322	—
(4) Securities			
Bonds Held to Maturity	1,517,583	1,465,576	(52,007)
Other Securities	41,850,388	41,850,388	—
(5) Loans and Bills Discounted	84,736,280		
Reserves for Possible Losses on Loans ^{*1}	(647,394)		
	84,088,886	85,350,580	1,261,694
Total Assets	¥138,008,924	¥139,218,655	¥1,209,730
(1) Deposits	¥138,830,872	¥138,806,794	¥(24,077)
(2) Negotiable Certificates of Deposit	16,868,931	16,867,782	(1,149)
(3) Trading Liabilities			
Securities Sold, Not yet Purchased	3,470,030	3,470,030	—
(4) Borrowed Money	6,590,527	6,573,816	(16,711)
(5) Bonds and Notes	10,714,004	10,566,589	(147,415)
Total Liabilities	¥176,474,366	¥176,285,012	¥(189,353)
Derivative Transactions ^{*2}			
Derivative Transactions not Qualifying for Hedge Accounting	¥390,601		
Derivative Transactions Qualifying for Hedge Accounting ^{*3}	(295,542)		
Total Derivative Transactions	¥95,059	¥95,059	¥—

^{*1} General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted are excluded. Items other than Loans and Bills Discounted are recorded at the consolidated balance sheet amounts due to immateriality of their reserves.

^{*2} Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum. Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

^{*3} The deferred method is mainly applied. “Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (ASBJ Practical Solutions No.40, March 17, 2022) is applied to these hedge transactions.

As of March 31, 2021	Millions of yen		
	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Other Debt Purchased	¥3,208,004	¥3,208,136	¥132
(2) Trading Assets			
Trading Securities	6,421,348	6,421,348	—
(3) Money Held in Trust	579,764	579,764	—
(4) Securities			
Bonds Held to Maturity	885,529	903,599	18,069
Other Securities	41,681,945	41,681,945	—
(5) Loans and Bills Discounted	83,704,675		
Reserves for Possible Losses on Loans ^{*1}	(513,832)		
	83,190,843	84,213,843	1,023,000
Total Assets	¥135,967,435	¥137,008,638	¥1,041,203
(1) Deposits	¥133,312,406	¥133,303,018	¥(9,387)
(2) Negotiable Certificates of Deposit	17,192,572	17,191,241	(1,331)
(3) Trading Liabilities			
Securities Sold, Not yet Purchased	2,402,420	2,402,420	—
(4) Borrowed Money	7,441,822	7,435,289	(6,533)
(5) Bonds and Notes	10,321,672	10,529,372	207,700
Total Liabilities	¥170,670,893	¥170,861,341	¥190,447
Derivative Transactions ^{*2}			
Derivative Transactions not Qualifying for Hedge Accounting	¥272,522		
Derivative Transactions Qualifying for Hedge Accounting ^{*3}	124,703		
Total Derivative Transactions	¥397,225	¥397,225	¥—

^{*1} General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted are excluded. Items other than Loans and Bills Discounted are recorded at the consolidated balance sheet amounts due to immateriality of their reserves.

^{*2} Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum.

Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

^{*3} The deferred method is mainly applied. “Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (ASBJ Practical Solutions No.40, September 29, 2020) is applied to these hedge transactions.

As of March 31, 2022	Thousands of U.S. dollars		
	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Other Debt Purchased	\$28,396,550	\$28,396,902	\$352
(2) Trading Assets			
Trading Securities	52,999,940	52,999,940	—
(3) Money Held in Trust	4,806,161	4,806,161	—
(4) Securities			
Bonds Held to Maturity	12,397,547	11,972,685	(424,862)
Other Securities	341,887,007	341,887,007	—
(5) Loans and Bills Discounted	692,233,317		
Reserves for Possible Losses on Loans ^{*1}	(5,288,736)		
	686,944,581	697,251,699	10,307,118
Total Assets	\$1,127,431,786	\$1,137,314,394	\$9,882,608
(1) Deposits	\$1,134,146,492	\$1,133,949,796	\$(196,696)
(2) Negotiable Certificates of Deposit	137,806,810	137,797,423	(9,387)
(3) Trading Liabilities			
Securities Sold, Not yet Purchased	28,347,607	28,347,607	—
(4) Borrowed Money	53,839,780	53,703,260	(136,520)
(5) Bonds and Notes	87,525,569	86,321,290	(1,204,279)
Total Liabilities	\$1,441,666,258	\$1,440,119,376	\$(1,546,882)
Derivative Transactions ^{*2}			
Derivative Transactions not Qualifying for Hedge Accounting	\$3,190,930		
Derivative Transactions Qualifying for Hedge Accounting ^{*3}	(2,414,365)		
Total Derivative Transactions	\$776,565	\$776,565	\$—

^{*1} General and specific reserves for possible losses on loans relevant to Loans and Bills Discounted are excluded. Items other than Loans and Bills Discounted are recorded at the consolidated balance sheet amounts due to immateriality of their reserves.

^{*2} Derivative Transactions recorded in Trading Assets, Trading Liabilities, Derivatives other than for Trading Assets, Derivatives other than for Trading Liabilities, and others are presented as a lump sum.

Net claims and debts that arose from derivative transactions are presented on a net basis, and the item that is net debts in total is presented in brackets.

^{*3} The deferred method is mainly applied. “Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (ASBJ Practical Solutions No.40, March 17, 2022) is applied to these hedge transactions.

(Note 1) The following are the consolidated balance sheet amounts of Stocks and others without a quoted market price, and Investments in Partnerships and others. These amounts are not included in Money Held in Trust and Other Securities in fair value information of financial instruments.

As of March 31, Category	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
	Consolidated Balance Sheet Amount	Consolidated Balance Sheet Amount	Consolidated Balance Sheet Amount
Stocks and others without a quoted market price ^{*1}	¥495,989	¥479,094	\$4,051,871
Investments in Partnerships and others ^{*2}	413,173	304,404	3,375,322

^{*1} Stocks and others without a quoted market price include unlisted stocks and others and in accordance with Article 5 of “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020), these items are not subject to disclosure of the fair value.

^{*2} Investments in Partnerships and others are mainly silent partnership, investment partnership, and money held in trust with the investment in a silent partnership as the component of the trust property. In accordance with Article 27 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No.31, July 4, 2019), these items are not subject to disclosure of the fair value.

³ During the fiscal years ended March 31, 2022 and 2021, the amounts of impairment (devaluation) were ¥37,277 million (\$304,530 thousand) and ¥4,490 million, respectively, on a consolidated basis.

(Note 2) Projected redemption amounts after the consolidated balance sheet date for financial assets and securities with maturities

As of March 31, 2022 Types of Financial Instruments	Millions of yen					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Due from Banks	¥50,119,503	¥662	¥—	¥—	¥—	¥—
Other Debt Purchased	3,219,604	166,545	20,018	11,155	3,581	55,237
Securities	22,191,138	6,491,074	1,880,973	1,345,840	2,896,332	4,834,101
Bonds Held to Maturity	100,000	380,000	—	—	—	986,414
Japanese Government Bonds	100,000	380,000	—	—	—	—
Foreign Bonds	—	—	—	—	—	986,414
Other Securities with Maturities	22,091,138	6,111,074	1,880,973	1,345,840	2,896,332	3,847,686
Japanese Government Bonds	19,233,970	3,623,810	518,800	322,600	1,316,000	105,000
Japanese Local Government Bonds	27,226	108,075	112,026	28,054	138,722	7,400
Japanese Corporate Bonds	442,905	1,022,762	676,728	286,116	98,088	528,057
Foreign Bonds	2,367,367	1,348,522	358,489	677,158	1,298,492	3,109,999
Other	19,668	7,903	214,928	31,911	45,030	97,230
Loans and Bills Discounted ^{*1}	31,739,518	20,586,037	12,913,929	6,870,077	4,671,327	6,616,495
Total	¥107,269,765	¥27,244,319	¥14,814,921	¥8,227,072	¥7,571,242	¥11,505,834

As of March 31, 2021 Types of Financial Instruments	Millions of yen					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Due from Banks	¥47,312,441	¥—	¥—	¥—	¥—	¥—
Other Debt Purchased	2,920,324	145,801	26,982	15,866	8,262	90,243
Securities	18,471,690	6,750,883	2,706,519	1,498,794	2,251,801	6,176,695
Bonds Held to Maturity	—	380,000	100,000	—	—	382,335
Japanese Government Bonds	—	380,000	100,000	—	—	—
Foreign Bonds	—	—	—	—	—	382,335
Other Securities with Maturities	18,471,690	6,370,883	2,606,519	1,498,794	2,251,801	5,794,360
Japanese Government Bonds	15,458,468	3,583,610	780,500	200,800	804,200	55,000
Japanese Local Government Bonds	54,933	59,155	159,603	22,363	148,939	18,500
Japanese Corporate Bonds	361,194	712,751	638,370	295,898	167,419	592,403
Foreign Bonds	2,592,883	1,987,119	967,820	936,577	1,054,307	4,616,420
Other	4,209	28,246	60,224	43,155	76,935	512,036
Loans and Bills Discounted ^{*1}	30,366,752	20,280,400	13,527,653	6,894,499	5,062,497	6,481,961
Total	¥99,071,209	¥27,177,085	¥16,261,154	¥8,409,160	¥7,322,561	¥12,748,901

As of March 31, 2022 Types of Financial Instruments	Thousands of U.S. dollars					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Due from Banks	\$409,439,618	\$5,410	\$—	\$—	\$—	\$—
Other Debt Purchased	26,301,808	1,360,554	163,536	91,130	29,257	451,253
Securities	181,285,342	53,027,318	15,366,175	10,994,530	23,660,918	39,491,063
Bonds Held to Maturity	816,927	3,104,321	—	—	—	8,058,282
Japanese Government Bonds	816,927	3,104,321	—	—	—	—
Foreign Bonds	—	—	—	—	—	8,058,282
Other Securities with Maturities	180,468,415	49,922,997	15,366,175	10,994,530	23,660,918	31,432,781
Japanese Government Bonds	157,127,445	29,603,872	4,238,216	2,635,406	10,750,756	857,773
Japanese Local Government Bonds	222,417	882,898	915,177	229,182	1,133,257	60,452
Japanese Corporate Bonds	3,618,214	8,355,222	5,528,377	2,337,363	801,309	4,313,840
Foreign Bonds	19,339,661	11,016,441	2,928,594	5,531,887	10,607,729	25,406,417
Other	160,678	64,564	1,755,811	260,692	367,867	794,299
Loans and Bills Discounted ^{*1}	259,288,608	168,172,841	105,497,344	56,123,497	38,161,324	54,051,917
Total	\$876,315,376	\$222,566,123	\$121,027,055	\$ 67,209,157	\$ 61,851,499	\$ 93,994,233

^{*1} Amounts do not include loans to bankrupt, substantially bankrupt, and intensive control obligors and other loans, of which redemption amounts cannot be projected, of ¥729,112 million (\$5,956,312 thousand) and ¥434,062 million, and loans with no maturities of ¥609,782 million (\$4,981,475 thousand) and ¥656,847 million as of March 31, 2022 and 2021, respectively.

² Financial assets, which all of the balance are constantly redeemed within one year, is omitted.

(Note 3) Projected repayment amounts after the consolidated balance sheet date for Bonds and Notes, Borrowed Money, and other interest-bearing liabilities

As of March 31, 2022		Millions of yen				
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits ^{*1}	¥135,508,160	¥2,525,914	¥608,536	¥32,962	¥34,476	¥120,821
Negotiable Certificates of Deposit	16,290,438	578,589	500	—	—	—
Borrowed Money ^{*2}	5,592,436	221,991	330,332	89,576	142,220	183,970
Bonds and Notes ^{*2}	1,329,419	2,383,399	1,673,672	972,823	1,847,996	878,693
Total	¥158,720,455	¥5,709,895	¥2,613,042	¥1,095,361	¥2,024,693	¥1,183,484

As of March 31, 2021		Millions of yen				
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits ^{*1}	¥129,715,782	¥2,688,012	¥708,678	¥28,581	¥34,614	¥136,736
Negotiable Certificates of Deposit	16,870,942	236,921	84,900	—	—	—
Borrowed Money ^{*2}	6,375,199	233,245	273,162	233,861	125,876	170,477
Bonds and Notes ^{*2}	1,411,438	1,603,553	1,755,540	1,465,924	1,362,291	865,140
Total	¥154,373,363	¥4,761,732	¥2,822,280	¥1,728,367	¥1,522,782	¥1,172,355

As of March 31, 2022		Thousands of U.S. dollars				
Types of Financial Instruments	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits ^{*1}	\$1,107,002,375	\$20,634,872	\$4,971,300	\$269,277	\$281,646	\$987,022
Negotiable Certificates of Deposit	133,080,948	4,726,655	4,085	—	—	—
Borrowed Money ^{*2}	45,686,109	1,813,506	2,698,575	731,773	1,161,838	1,502,901
Bonds and Notes ^{*2}	10,860,385	19,470,627	13,672,679	7,947,251	15,096,778	7,178,280
Total	\$1,296,629,817	\$46,645,660	\$21,346,639	\$8,948,301	\$16,540,262	\$9,668,203

^{*1} Demand deposits are included in “Within 1 year.”

^{*2} Amounts do not include Borrowed Money with no maturities of ¥30,000 million (\$245,078 thousand) and ¥30,000 million, and Bonds and Notes with no maturities of ¥1,628,000 million (\$13,299,567 thousand) and ¥1,858,000 million as of March 31, 2022 and 2021, respectively.

³ Interest-bearing liabilities, which all of the balance are constantly paid within one year, is omitted.

3. Matters relating to breakdown of fair value of financial instruments by level

Fair values of financial instruments are categorized into three levels as below on the basis of the observability and the materiality of the valuation inputs used in fair value measurements.

Fair values of Level 1: Fair values measured by quoted prices of the assets or liabilities being measured which are given in active markets among observable valuation inputs

Fair values of Level 2: Fair values measured by inputs other than inputs included within Level 1 among observable valuation inputs

Fair values of Level 3: Fair values measured by unobservable valuation inputs

When several inputs that have significant impact on fair value measurement are used and those inputs are categorized into different levels, the fair value is categorized into the lowest priority level for fair value measurement among the levels in which each of the inputs belongs.

(1)Financial instruments recorded at fair value in the consolidated balance sheet

Millions of yen				
Fair Value				
As of March 31, 2022	Level 1	Level 2	Level 3	Total
Other Debt Purchased	¥—	¥39,763	¥17,908	¥57,671
Trading Assets				
Trading Securities				
Japanese Government Bonds	1,475,198	11,386	—	1,486,585
Japanese Local Government Bonds	—	133,878	—	133,878
Japanese Corporate Bonds	—	963,912	0	963,912
Stocks	271,861	—	190	272,051
Other	938,866	2,592,672	19,245	3,550,784
Money Held in Trust	—	540,722	4	540,727
Securities				
Other Securities				
Stocks	2,567,148	—	10,161	2,577,310
Japanese Government Bonds	24,661,972	496,757	—	25,158,730
Japanese Local Government Bonds	—	419,646	—	419,646
Japanese Corporate Bonds	—	2,805,999	236,037	3,042,037
Foreign Bonds	3,367,926	5,423,731	145,936	8,937,594
Other	36,097	6,927	16,082	59,107
Derivative Transactions				
Interest Rate and Bond-Related Transactions	66,193	4,552,760	54,219	4,673,173
Currency-Related Transactions	—	4,410,491	33,731	4,444,223
Stocks-Related Transactions	77,176	327,561	96,223	500,961
Commodity-Related Transactions	20,816	7,983	52,489	81,289
Credit Derivative Transactions	—	116,601	3,699	120,300
Total Assets	¥33,483,259	¥22,850,797	¥685,929	¥57,019,986
Trading Liabilities				
Securities Sold, Not yet Purchased	¥3,003,754	¥416,497	¥—	¥3,420,251
Bonds and Notes	—	173,973	1,559	175,533
Derivative Transactions				
Interest Rate and Bond-Related Transactions	60,167	4,655,494	585	4,716,247
Currency-Related Transactions	39	4,471,147	723	4,471,909
Stocks-Related Transactions	107,284	188,258	42,496	338,039
Commodity-Related Transactions	—	26,410	51,835	78,246
Credit Derivative Transactions	—	118,668	1,779	120,447
Total Liabilities	¥3,171,244	¥10,050,449	¥98,980	¥13,320,675

* Investment trust and others applying the transitional measures set forth in Article 5, Item 6 of “Cabinet Office Ordinance for Partial Revision of the Ordinance on the Terminology, Forms, and Preparation Methods of the financial statements” (Cabinet Office Ordinance No. 9 March 6, 2020) are not included in above table. The financial assets and liabilities of the relevant investment trust and others in the consolidated balance sheet is ¥1,754,422 million and ¥49,779 million.

Millions of yen				
Fair Value				
As of March 31, 2021	Level 1	Level 2	Level 3	Total
Other Debt Purchased	¥—	¥46,102	¥636,815	¥682,918
Trading Assets				
Trading Securities				
Japanese Government Bonds	1,797,490	11,106	—	1,808,597
Japanese Local Government Bonds	—	108,835	—	108,835
Japanese Corporate Bonds	—	1,518,933	1,897	1,520,830
Stocks	98,183	0	223	98,407
Other	770,911	1,879,783	130,532	2,781,227
Money Held in Trust	—	551,395	3	551,399
Securities				
Other Securities				
Stocks	2,857,921	—	8,063	2,865,985
Japanese Government Bonds	20,597,775	322,807	—	20,920,582
Japanese Local Government Bonds	—	463,559	—	463,559
Japanese Corporate Bonds	—	653,764	2,107,142	2,760,906
Foreign Bonds	5,157,651	6,502,601	773,659	12,433,912
Other	40,067	—	13,920	53,988
Derivative Transactions				
Interest Rate and Bond-Related Transactions	57,102	4,601,052	28,902	4,687,057
Currency-Related Transactions	—	3,305,074	25,583	3,330,657
Stocks-Related Transactions	168,398	338,917	48,563	555,879
Commodity-Related Transactions	3,538	8,339	17,472	29,350
Credit Derivative Transactions	—	91,452	3,002	94,454
Total Assets	¥31,549,042	¥20,403,726	¥3,795,782	¥55,748,550
Trading Liabilities				
Securities Sold, Not yet Purchased	¥2,082,161	¥264,577	¥132	¥2,346,872
Bonds and Notes	—	—	—	—
Derivative Transactions				
Interest Rate and Bond-Related Transactions	57,232	4,412,401	3,960	4,473,594
Currency-Related Transactions	—	3,323,191	725	3,323,916
Stocks-Related Transactions	200,835	116,626	45,119	362,581
Commodity-Related Transactions	—	9,443	16,631	26,075
Credit Derivative Transactions	—	112,257	1,750	114,007
Total Liabilities	¥2,340,229	¥8,238,497	¥68,319	¥10,647,046

* Investment trust and others applying the transitional measures set forth in Article 5, Item 6 of “Cabinet Office Ordinance for Partial Revision of the Ordinance on the Terminology, Forms, and Preparation Methods of the financial statements” (Cabinet Office Ordinance No. 9 March 6, 2020) are not included in above table. The financial assets and liabilities of the relevant investment trust and others in the consolidated balance sheet is ¥2,307,126 million and ¥55,548 million.

Thousands of U.S. dollars				
As of March 31, 2022	Fair Value			
	Level 1	Level 2	Level 3	Total
Other Debt Purchased	\$—	\$324,835	\$146,296	\$471,131
Trading Assets				
Trading Securities				
Japanese Government Bonds	12,051,293	93,020	—	12,144,313
Japanese Local Government Bonds	—	1,093,686	—	1,093,686
Japanese Corporate Bonds	—	7,874,460	0	7,874,460
Stocks	2,220,911	—	1,553	2,222,464
Other	7,669,854	21,180,235	157,219	29,007,308
Money Held in Trust	—	4,417,308	35	4,417,343
Securities				
Other Securities				
Stocks	20,971,724	—	83,011	21,054,735
Japanese Government Bonds	201,470,243	4,058,149	—	205,528,392
Japanese Local Government Bonds	—	3,428,203	—	3,428,203
Japanese Corporate Bonds	—	22,922,957	1,928,257	24,851,214
Foreign Bonds	27,513,492	44,307,913	1,192,192	73,013,597
Other	294,890	56,596	131,381	482,867
Derivative Transactions				
Interest Rate and Bond-Related Transactions	540,753	37,192,715	442,937	38,176,405
Currency-Related Transactions	—	36,030,487	275,566	36,306,053
Stocks-Related Transactions	630,479	2,675,934	786,077	4,092,490
Commodity-Related Transactions	170,058	65,222	428,799	664,079
Credit Derivative Transactions	—	952,551	30,219	982,770
Total Assets	\$273,533,697	\$186,674,271	\$5,603,542	\$465,811,510
Trading Liabilities				
Securities Sold, Not yet Purchased	\$24,538,470	\$3,402,476	\$—	\$27,940,946
Bonds and Notes	—	1,421,240	12,738	1,433,978
Derivative Transactions				
Interest Rate and Bond-Related Transactions	491,523	38,031,977	4,785	38,528,285
Currency-Related Transactions	321	36,525,997	5,909	36,532,227
Stocks-Related Transactions	876,432	1,537,936	347,168	2,761,536
Commodity-Related Transactions	—	215,754	423,460	639,214
Credit Derivative Transactions	—	969,431	14,538	983,969
Total Liabilities	\$25,906,746	\$82,104,811	\$808,598	\$108,820,155

* Investment trust and others applying the transitional measures set forth in Article 5, Item 6 of “Cabinet Office Ordinance for Partial Revision of the Ordinance on the Terminology, Forms, and Preparation Methods of the financial statements” (Cabinet Office Ordinance No. 9 March 6, 2020) are not included in above table. The financial assets and liabilities of the relevant investment trust and others in the consolidated balance sheet is \$14,332,347 thousand and \$406,661 thousand.

(2) Financial instruments other than financial instruments recorded at fair value in the consolidated balance sheet

Millions of yen				
As of March 31, 2022	Fair Value			
	Level 1	Level 2	Level 3	Total
Other Debt Purchased	¥—	¥10,545	¥3,407,848	¥3,418,393
Money Held in Trust	—	—	24,195	24,195
Securities				
Bonds Held to Maturity				
Japanese Government Bonds	485,081	—	—	485,081
Foreign Bonds	—	980,495	—	980,495
Loans and Bills Discounted	—	60,648	85,289,931	85,350,580
Total Assets	¥485,081	¥1,051,689	¥88,721,975	¥90,258,745
Deposits	¥—	¥138,806,794	¥—	¥138,806,794
Negotiable Certificates of Deposit	—	16,867,782	—	16,867,782
Borrowed Money	—	6,482,699	91,117	6,573,816
Bonds and Notes	—	9,323,040	1,068,015	10,391,055
Total Liabilities	¥—	¥171,480,316	¥1,159,132	¥172,639,449

Millions of yen				
As of March 31, 2021	Fair Value			
	Level 1	Level 2	Level 3	Total
Other Debt Purchased	¥—	¥11,397	¥2,513,688	¥2,525,086
Money Held in Trust	—	—	7,700	7,700
Securities				
Bonds Held to Maturity				
Japanese Government Bonds	489,514	—	—	489,514
Foreign Bonds	—	414,085	—	414,085
Loans and Bills Discounted	—	—	84,213,843	84,213,843
Total Assets	¥489,514	¥425,482	¥86,735,232	¥87,650,229
Deposits	¥—	¥133,303,018	¥—	¥133,303,018
Negotiable Certificates of Deposit	—	17,191,241	—	17,191,241
Borrowed Money	—	7,349,171	86,117	7,435,289
Bonds and Notes	—	9,712,019	817,353	10,529,372
Total Liabilities	¥—	¥167,555,450	¥903,470	¥168,458,921

Thousands of U.S. dollars				
As of March 31, 2022	Fair Value			
	Level 1	Level 2	Level 3	Total
Other Debt Purchased	\$—	\$86,148	\$27,839,622	\$27,925,770
Money Held in Trust	—	—	197,658	197,658
Securities				
Bonds Held to Maturity				
Japanese Government Bonds	3,962,756	—	—	3,962,756
Foreign Bonds	—	8,009,930	—	8,009,930
Loans and Bills Discounted	—	495,454	696,756,245	697,251,699
Total Assets	\$3,962,756	\$8,591,532	\$724,793,525	\$737,347,813
Deposits	\$—	\$1,133,949,796	\$—	\$1,133,949,796
Negotiable Certificates of Deposit	—	137,797,423	—	137,797,423
Borrowed Money	—	52,958,901	744,359	53,703,260
Bonds and Notes	—	76,162,410	8,724,902	84,887,312
Total Liabilities	\$—	\$1,400,868,530	\$9,469,261	\$1,410,337,791

(Note 1) Explanation of valuation techniques and valuation inputs used in fair value measurements

Assets

Other Debt Purchased

Fair values of securitized products of other debt purchased are based on the values deemed as market prices obtained by the model such as those obtained from brokers and financial information vendors and are categorized as Level 3 when significant unobservable valuation inputs are used for the obtained price and as Level 2 when other inputs are used.

With respect to other debt purchased other than those described above, when the present values of the expected future cash flows are considered to be fair values, those other debt purchased are mainly categorized as Level 3 since the discount rate and other significant valuation inputs are unobservable. When those are short term in nature and the book values are considered to be fair values, those other debt purchased are categorized as Level 3

Trading Assets

Fair values of trading assets for which unadjusted quoted market prices in active markets are available are categorized as Level 1, which includes mainly government bonds.

In the case the market is inactive even if the quoted market price is available, those trading assets are categorized as Level 2, which includes mainly local government bonds and corporate bonds.

When fair values are measured at the discounted cash flow method and others using significant unobservable inputs, those trading assets are categorized as Level 3, which includes mainly bonds with warrants and trust beneficiary rights.

Money Held in Trust

With respect to securities managed as trust assets in a directed money trust for separate investment with the management of securities as its primary purpose, fair values of stocks are measured at the price in stock exchanges and bonds are measured at market price or valuation price obtained from brokers or financial information vendors and are categorized as Level 2 or Level 3 based on the level of components.

The notes to Money Held in Trust based on holding purpose are stated in “44.Fair Value of Securities and Money Held in Trust.”

Securities

Fair values of securities for which unadjusted quoted market prices in active markets are available are categorized as Level 1 which includes mainly stocks and government bonds. In the case the market is inactive even if the quoted market price is available, those securities are categorized as Level 2, which includes mainly local government bonds and corporate bonds.

Fair values of investment trusts are measured at the disclosed net asset value and others. Those are not categorized into Levels by applying the transitional measures set forth in Article 26 of “Implementation Guidance on Accounting Standard for Fair Value Measurements.”

Fair values of private placement bonds are measured by discounting the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors to market yield by categories based on the internal ratings and terms and are categorized as Level 3 when the impact from unobservable valuation inputs is significant and as Level 2 when it is not significant.

Fair values of securitized products are based on valuations obtained from brokers and others, and on model-based prices based on the reasonable estimates of our management. These are categorized as Level 3 when significant unobservable valuation inputs are used and as Level 2 when other inputs are used. In deriving model-based prices based on the reasonable estimates of our management mentioned above, we used the discounted cash flow method. The price decision variables include default rates, recovery rates, prepayment rates, and discount rates.

The notes to Securities based on holding purpose are stated in “44.Fair Value of Securities and Money Held in Trust.”

Loans and Bills Discounted

Fair values of loans and bills discounted are mainly measured by discounting the total amount of principal and interest and others at interest rates based on the discount rate reflecting expected loss and various risk factors by categories according to the types, internal ratings and terms of the loans and bills discounted and are categorized as Level 3 since the discount rate is unobservable.

In addition, fair values of claims against bankrupt obligors, substantially bankrupt obligors, and intensive control obligors whose bad debts are mainly measured at the present value of the expected future cash flows or the estimated

amounts calculated based on the recoverability from collateral and guarantees approximate the amount of claims and others minus the amount of reserves for possible losses on loans in the consolidated balance sheet as of the consolidated balance sheet date and those amount are considered to be fair values which are categorized as Level 3. Among the loans and bills discounted, for those without a fixed maturity due to loan characteristics such as limiting loans to within the value of pledged assets, book values are considered to be fair values since fair values are expected to approximate book values based on the estimated loan periods, interest rates and other conditions. Fair values of those loans and bills discounted are categorized as Level 3.

Liabilities

Deposits and Negotiable Certificates of Deposit

For demand deposits, the payment amounts required on the consolidated balance sheet date (i.e., book values) are considered to be fair values.

In addition, fair values of time deposits and negotiable certificates of deposits are calculated by classifying them based on their terms and by discounting the future cash flows. The discount rates used in such calculations are the market interest rates. Since fair values of those whose deposit terms are short (i.e., within six months) approximate book values, the book values are considered to be fair values and those fair values are categorized as Level 2.

Trading Liabilities

Fair values of trading liabilities for which unadjusted quoted market prices in active markets are available are categorized as Level 1, which includes mainly listed stocks and government bonds. In the case the market is inactive even if the quoted market price is available, those trading liabilities are categorized as Level 2, which includes mainly corporate bonds. When significant unobservable inputs are used, those trading liabilities are categorized as Level 3.

Borrowed Money

Fair values of borrowed money are measured mainly by discounting the total amount of the principal and interest of such borrowed money classified by period lengths at the interest rates considered to be applicable to similar loans and are categorized as Level 3 when the impact from unobservable valuation inputs is significant and as Level 2 when it is not significant.

Bonds and Notes

With respect to bonds and notes issued by MHFG and its majority-owned consolidated subsidiaries and other consolidated subsidiaries, fair values of bonds and notes with market prices are measured at the market prices and fair values of those without market prices are calculated by discounting the total amount of the principal and interest at the interest rates considered to be applicable to similar bonds and notes. Bonds and notes with market prices are categorized as Level 2. Those without market prices are categorized as Level 3 when the impact from unobservable valuation inputs is significant and as Level 2 when it is not significant. Certain foreign subsidiaries have adopted the fair value option to bonds and notes issued by itself, and the fair value is calculated based on the valuation model. When unobservable inputs are not used or impact of unobservable inputs are not material, those bonds and notes are categorized as Level 2. When significant unobservable inputs are used, those bonds and notes are categorized as Level 3.

Derivative Transactions

Derivative transactions that can be measured at unadjusted quoted prices in active markets are categorized as Level 1, which includes such transactions as bonds futures and interest rate futures. However, since most derivative transactions are over-the-counter transactions and there are no quoted market prices, market values are measured using valuation techniques such as the discounted cash flow method and the Black-Scholes model, depending on the type of transaction and the maturity period. The main inputs which are used in those valuation techniques are interest rate, currency rate, volatility and others. In addition, price adjustments based on credit risk of counterparty and credit risk of majority-owned consolidated subsidiaries and other consolidated subsidiaries themselves and price adjustments for unsecured funding are made. When unobservable inputs are not used or impact of unobservable inputs are not material, those derivative transactions are categorized as Level 2, which includes such transactions as plain vanilla interest rate swaps and foreign exchange forwards. When significant unobservable inputs are used, those derivative transactions are categorized as Level 3, which includes transactions such as commodity related transactions.

(Note 2)Information relating to fair values of Level 3 among the financial instruments recorded at fair value in the consolidated balance sheet

(1) Quantitative information of significant unobservable valuation inputs

As of March 31, 2022	Principal valuation technique	Significant unobservable valuation input	Range of valuation input	Weighted average
Other Debt Purchased				
Securitized products	Discounted cash flow method	Prepayment rate	0.3%—18.1%	5.7%
		Default rate	0.0%—0.4%	0.0%
		Discount rate	0.3%—1.6%	0.5%
Trading Assets				
Trading Securities	Discounted cash flow method	Discount rate	0.7%—3.4%	1.2%
Securities				
Japanese Corporate Bonds				
Private placement bonds	Discounted cash flow method	Discount rate	0.4%—5.8%	2.3%
Foreign Bonds				
Securitized products	Discounted cash flow method	Prepayment rate	5.7%—24.4%	24.3%
		Default rate	0.2%—59.6%	0.7%
		Recovery rate	10.0%—39.7%	39.4%
		Discount rate	0.3%—1.0%	0.4%
Other	Discounted cash flow method	Discount rate	0.0%—4.4%	0.3%
Derivative Transactions				
Interest Rate and Bond-Related Transactions	Option valuation model	IR – IR correlation	23.1%—100.0%	—
Currency-Related Transactions	Option valuation model	FX – IR correlation	11.3%—52.3%	—
		FX – FX correlation	41.3%—64.8%	—
Stocks-Related Transactions	Option valuation model	Equity – IR correlation	25.0%	—
		Equity – FX correlation	(16.9)%—16.8%	—
		Equity correlation	3.2%—100.0%	—
		Equity volatility	8.7%—120.5%	—
Commodity-Related Transactions	Option valuation model	Commodity volatility	0.0%—89.3%	—
Credit Derivative Transactions	Discounted cash flow method	Default rate	0.0%—8.0%	—
		Credit correlation	18.5%—100.0%	—

As of March 31, 2021	Principal valuation technique	Significant unobservable valuation input	Range of valuation input	Weighted average
Other Debt Purchased				
Securitized products	Discounted cash flow method	Prepayment rate	1.7% — 16.5%	6.7%
		Default rate	0.0% — 1.0%	0.0%
		Discount rate	0.2% — 1.7%	0.5%
Trading Assets				
Trading Securities	Discounted cash flow method	Discount rate	0.4% — 4.3%	1.0%
Securities				
Japanese Corporate Bonds				
Private placement bonds	Discounted cash flow method	Discount rate	0.0% — 6.6%	0.7%
Foreign Bonds				
Securitized products	Discounted cash flow method	Prepayment rate	10.1% — 18.2%	18.1%
		Default rate	1.0% — 24.2%	1.7%
		Recovery rate	10.0% — 67.7%	65.6%
		Discount rate	0.4% — 1.4%	1.1%
Other	Discounted cash flow method	Discount rate	0.0% — 5.0%	0.4%
Trading Liabilities				
Securities Sold, Not yet Purchased	Discounted cash flow method	Discount rate	1.4%	1.4%
Derivative Transactions				
Interest Rate and Bond-Related Transactions	Option valuation model	IR – IR correlation	35.0% — 100.0%	—
Currency-Related Transactions	Option valuation model	FX – IR correlation	22.9% — 49.6%	—
		FX – FX correlation	42.5% — 64.7%	—
Stocks-Related Transactions	Option valuation model	Equity – IR correlation	25.0%	—
		Equity – FX correlation	(32.5)% — 50.0%	—
		Equity correlation	0.0% — 100.0%	—
		Equity volatility	8.4% — 70.7%	—
Commodity-Related Transactions	Option valuation model	Commodity volatility	0.0% — 63.1%	—
Credit Derivative Transactions	Discounted cash flow method	Default rate	0.0% — 4.8%	—
		Credit correlation	17.2% — 100.0%	—

(2) Adjustment sheet from beginning balance to ending balance as of period and unrealized gains (losses) recognized as gains (losses) for the period

	Gains(losses) for the period/ other comprehensive income							Millions of yen Unrealized gains (losses) on financial assets and liabilities held as of the consolidated balance sheet date among the amount recorded to gains (losses) for the period (*1)
	Beginning balance	Recorded to gains(losses) for the period (*1)	Recorded to other comprehensive income (*2)	Net amount of purchase, sale, issue, and settlement	Transfer to fair values of Level 3	Transfer from fair values of Level 3 (*3)	Ending balance as of period	
As of March 31, 2022								
Other Debt Purchased	¥636,815	¥(3)	¥(103)	¥(618,800)	¥—	¥—	¥17,908	¥—
Trading Assets								
Trading Securities								
Japanese Corporate Bonds	1,897	(0)	—	(1,897)	—	—	0	—
Stocks	223	(33)	—	—	—	—	190	(354)
Other	130,532	631	263	(80,731)	—	(31,450)	19,245	341
Money Held in Trust	3	0	—	0	—	—	4	—
Securities								
Other Securities								
Stocks	8,063	—	168	1,929	—	—	10,161	—
Japanese Corporate Bonds	2,107,142	611	4,063	(280,310)	—	(1,595,468)	236,037	—
Foreign Bonds	773,659	48,769	(1,802)	(393,533)	—	(281,156)	145,936	—
Other	13,920	524	1,545	91	—	—	16,082	127
Trading Liabilities								
Securities Sold, Not yet Purchased	132	—	—	(132)	—	—	—	—
Bonds and Notes	—	—	—	1,559	—	—	1,559	—
Derivative Transactions								
Interest Rate and Bond-Related Transactions	24,942	16,040	—	12,651	—	—	53,634	24,776
Currency-Related Transactions	24,857	7,073	—	1,077	—	—	33,008	7,865
Stocks-Related Transactions	3,444	20,683	—	29,603	(3)	—	53,726	57,396
Commodity-Related Transactions	841	562	—	(750)	—	—	653	280
Credit Derivative Transactions	1,251	(1,249)	—	2,218	(259)	(42)	1,919	1,077
(*1)Those amounts are included in the consolidated statement of income.								
(*2)Those amounts are included in Net Unrealized Gains (Losses) on Other Securities of Other Comprehensive Income in the consolidated statement of comprehensive income.								
(*3)Those are the transfers from Level 3 to Level 2, mainly, ¥28,717 million of Trading Securities in Trading Assets, ¥1,595,468 million of Japanese Corporate Bonds in Other Securities and ¥277,104 million of Foreign Bonds in Other Securities were transferred for the following reasons. The transfer was made on the beginning of the accounting period. After the increase in uncertainty in the financial instruments market due to the spread of COVID 19, liquidity as well as price transparency has increased due to the recent increase in the issuance and trading volume of securities in the financial instruments market. In line with these increases, from the current fiscal year, MHFG has been refining governance regarding the level classification of fair value by reviewing its internal								

structure and introducing new tools. In accordance with this, MHFG is expanding its observable market data by conducting additional research on the availability of observable market data used in the calculation or verification of fair value and by evaluating the reliability of new market data obtained. In addition, MHFG is refining its methods and criteria for evaluating the materiality of inputs. Assessing the significance of an input requires management's judgment based on the fair value measurement. Prior to the previous fiscal year, inputs to the valuation model were evaluated as significant inputs in the level classification of the fair value of a particular security. As a result of the enhancement of the governance, for Trading Securities and Japanese Corporate Bonds, by applying a quantitative sensitivity analysis to discount rates, which are mainly unobservable inputs, the methods and criteria for assessing the significance of inputs to the calculation of fair value has been refined. For Foreign Bonds, we refined the methods and criteria of quantitative sensitivity analysis to assess the significance of unobservable inputs, such as prepayment rate, default rate, and recovery rate. In addition, these methods and criteria are periodically verified by the middle and back offices.

	Gains(losses) for the period/ other comprehensive income							Millions of yen
	Beginning balance	Recorded to gains(losses) for the period (*1)	Recorded to other comprehensive income (*2)	Net amount of purchase, sale, issue, and settlement	Transfer to fair values of Level 3 (*3)	Transfer from fair values of Level 3 (*4)	Ending balance as of period	Unrealized gains (losses) on financial assets and liabilities held as of the consolidated balance sheet date among the amount recorded to gains (losses) for the period (*1)
As of March 31, 2021								
Other Debt Purchased	¥151,219	¥(3)	¥(125)	¥485,724	¥—	¥—	¥636,815	¥—
Trading Assets								
Trading Securities								
Japanese Corporate Bonds	797	(6)	—	1,106	—	—	1,897	(2)
Stocks	206	—	—	17	—	—	223	—
Other	156,666	6,344	—	(31,596)	116	(999)	130,532	4,968
Money Held in Trust	3	0	—	0	—	—	3	—
Securities								
Other Securities								
Stocks	6,317	—	296	1,450	—	—	8,063	—
Japanese Corporate Bonds	2,201,133	533	(633)	(70,069)	—	(23,821)	2,107,142	—
Foreign Bonds	847,601	39,316	40,442	(166,932)	13,230	—	773,659	—
Other	18,663	548	(897)	(4,393)	—	—	13,920	—
Trading Liabilities								
Securities Sold, Not yet Purchased	232	0	—	(100)	—	—	132	(0)
Bonds and Notes	—	—	—	—	—	—	—	—
Derivative Transactions								
Interest Rate and Bond-Related Transactions	7,696	4,387	—	12,858	—	—	24,942	13,343
Currency-Related Transactions	16,277	10,141	—	(1,561)	—	—	24,857	10,526
Stocks-Related Transactions	69,571	(67,728)	—	1,601	—	—	3,444	(33,744)
Commodity-Related Transactions	1,240	525	—	(924)	—	—	841	49
Credit Derivative Transactions	3,516	(2,522)	—	(246)	1,252	(748)	1,251	(3,471)

(*1)Those amounts are included in the consolidated statement of income.

(*2)Those amounts are included in Net Unrealized Gains (Losses) on Other Securities of Other Comprehensive Income in the consolidated statement of comprehensive income.

(*3)Those are the transfers from Level 2 to Level 3, due to changes in observability of valuation inputs which are used in fair value measurements based on market liquidity. The transfer was made on the beginning of the accounting period.

(*4)Those are the transfers from Level 3 to Level 2, mainly due to increase of the observability of the discount rate which is used in fair value measurements for private placement bonds.

	Thousands of U.S. dollars						Unrealized gains (losses) on financial assets and liabilities held as of the consolidated balance sheet date among the amount recorded to gains (losses) for the period (*1)	
	Gains(losses) for the period/ other comprehensive income							
	Beginning balance	Recorded to gains(losses) for the period (*1)	Recorded to other comprehensive income (*2)	Net amount of purchase, sale, issue, and settlement	Transfer to fair values of Level 3	Transfer from fair values of Level 3 (*3)	Ending balance as of period	
As of March 31, 2022								
Other Debt Purchased	\$5,202,318	\$(27)	\$(848)	\$(5,055,147)	\$—	\$—	\$146,296	\$—
Trading Assets								
Trading Securities								
Japanese Corporate Bonds	15,498	(1)	—	(15,497)	—	—	0	—
Stocks	1,829	(276)	—	—	—	—	1,553	(2,900)
Other	1,066,352	5,162	2,150	(659,519)	—	(256,926)	157,219	2,788
Money Held in Trust	30	3	—	2	—	—	35	—
Securities								
Other Securities								
Stocks	65,875	—	1,374	15,762	—	—	83,011	—
Japanese Corporate Bonds	17,213,806	4,996	33,198	(2,289,934)	—	(13,033,809)	1,928,257	—
Foreign Bonds	6,320,229	398,411	(14,724)	(3,214,881)	—	(2,296,843)	1,192,192	—
Other	113,721	4,287	12,622	751	—	—	131,381	1,043
Trading Liabilities								
Securities Sold, Not yet Purchased	1,086	—	—	(1,086)	—	—	—	—
Bonds and Notes	—	—	—	12,738	—	—	12,738	—
Derivative Transactions								
Interest Rate and Bond-Related Transactions	203,759	131,041	—	103,352	—	—	438,152	202,408
Currency-Related Transactions	203,067	57,789	—	8,801	—	—	269,657	64,251
Stocks-Related Transactions	28,137	168,968	—	241,835	(31)	—	438,909	468,883
Commodity-Related Transactions	6,874	4,592	—	(6,127)	—	—	5,339	2,294
Credit Derivative Transactions	10,226	(10,203)	—	18,124	(2,120)	(346)	15,681	8,804

(*1)Those amounts are included in the consolidated statement of income.

(*2)Those amounts are included in Net Unrealized Gains (Losses) on Other Securities of Other Comprehensive Income in the consolidated statement of comprehensive income.

(*3)Those are the transfers from Level 3 to Level 2, mainly, \$234,603 thousand of Trading Securities in Trading Assets, \$13,033,809 thousand of Japanese Corporate Bonds in Other Securities and \$2,263,743 thousand of Foreign Bonds in Other Securities were transferred for the following reasons. The transfer was made on the beginning of the accounting period. After the increase in uncertainty in the financial instruments market due to the spread of COVID 19, liquidity as well as price transparency has increased due to the recent increase in the issuance and trading volume of securities in the financial instruments market. In line with these increases, from the current fiscal year, MHFG has been refining governance regarding the level classification of fair value by reviewing its internal structure and introducing new tools. In accordance with this, MHFG is expanding its observable market data by conducting additional research on the availability of observable market data used in the calculation or verification of fair value and by evaluating the reliability of new market data obtained. In addition, MHFG is refining its methods and criteria for evaluating the materiality of inputs. Assessing the significance of an input requires management's judgment based on the fair value measurement. Prior to the previous fiscal year, inputs to the valuation model were evaluated as significant

inputs in the level classification of the fair value of a particular security. As a result of the enhancement of the governance, for Trading Securities and Japanese Corporate Bonds, by applying a quantitative sensitivity analysis to discount rates, which are mainly unobservable inputs, the methods and criteria for assessing the significance of inputs to the calculation of fair value has been refined. For Foreign Bonds, we refined the methods and criteria of quantitative sensitivity analysis to assess the significance of unobservable inputs, such as prepayment rate, default rate, and recovery rate. In addition, these methods and criteria are periodically verified by the middle and back offices.

(3) Explanation of the process of fair value measurement

In MHFG, middle-offices and back-offices have established policies and procedures related to the measurement of fair values and procedures related to usage of the valuation model. For the fair values and the level categories, the validity of the valuation techniques and valuation inputs used in fair value measurement are verified.

In fair value measurement, valuation models in which the nature, characteristics and risks of individual assets are most appropriately reflected are used. In addition, when quoted prices obtained from third parties are used, the validity of the prices is verified by appropriate methods such as confirmation of valuation techniques and used valuation inputs and comparison with the fair values of similar financial instruments.

(4) Explanation of the impact on fair values in the case where significant unobservable inputs are varied

Prepayment rate

The prepayment rate is the estimated rate at which voluntary unscheduled repayments of the principal of the underlying assets are expected to occur. The movement of the prepayment rate is generally negatively correlated with borrower delinquency. A significant change in the prepayment rate would generally significantly impact the valuation of the fair values of financial instruments either positively or negatively, depending on the structure of financial instruments.

Default rate

The default rate is an estimate of the likelihood of not collecting contractual payments. A significant increase (decrease) in the default rate would generally be accompanied by a decrease (increase) in the recovery rate and an increase (decrease) in the discount rate. It would also generally significantly impact the valuation of the fair values of financial instruments negatively (positively).

Recovery rate

The recovery rate is an estimate of the percentage of contractual payments that would be collected in the event of a default. A significant increase (decrease) in recovery rate would generally be accompanied by a decrease (increase) in the default rate. It would also generally significantly impact the valuation of the fair values of financial instruments positively (negatively).

Discount rate

The discount rate is an adjustment rate to a benchmark market interest rate such as TIBOR or swap rates. It primarily consists of a risk premium component which is the amount of compensation that market participants require due to the uncertainty inherent in the financial instruments' cash flows resulting from credit risk. A significant increase (decrease) in discount rate would generally significantly impact the valuation of the fair values of financial instruments negatively (positively).

Correlation

Correlation is the likelihood of the movement of one input relative to another based on an established relationship. A significant change in correlation would significantly impact the valuation of derivatives either positively or negatively, depending on the nature of the underlying assets.

Volatility

Volatility is a measure of the expected change in variables over a fixed period of time. Some financial instruments benefit from an increase in volatility and others benefit from a decrease in volatility. Generally, a significant increase (decrease) in volatility would result in a significant increase (decrease) in option values and, for a long position in an option, it would result in a significant increase (decrease) in the fair values of financial instruments.

44. Fair Value of Securities and Money Held in Trust

The following tables contain information relating to “Securities,” Trading Securities, Short-term Bonds, certain other items in “Trading Assets,” Negotiable Certificates of Deposit in “Cash and Due from Banks,” certain items in “Other Debt Purchased,” certain items in “Other Assets,” and “Money Held in Trust.”

Millions of yen			
	Consolidated Balance Sheet Amount	Fair value	Difference
As of March 31, 2022			
Bonds Held-to-Maturity (Total)	¥1,517,583	¥1,465,576	¥(52,007)
Bonds Whose Fair Values Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:	¥546,328	¥551,665	¥5,336
Japanese Government Bonds	479,979	485,081	5,101
Foreign Bonds	66,348	66,584	235
Bonds Whose Fair Values Do Not Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:	¥971,254	¥913,911	¥(57,343)
Japanese Government Bonds	—	—	—
Foreign Bonds	971,254	913,911	(57,343)

Millions of yen			
	Consolidated Balance Sheet Amount	Fair value	Difference
As of March 31, 2021			
Bonds Held-to-Maturity (Total)	¥885,529	¥903,599	¥18,069
Bonds Whose Fair Values Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:	¥754,131	¥775,356	¥21,225
Japanese Government Bonds	479,958	489,514	9,555
Foreign Bonds	274,173	285,842	11,669
Bonds Whose Fair Values Do Not Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:	¥131,397	¥128,242	¥(3,155)
Japanese Government Bonds	—	—	—
Foreign Bonds	131,397	128,242	(3,155)

Thousands of U.S. dollars			
	Consolidated Balance Sheet Amount	Fair value	Difference
As of March 31, 2022			
Bonds Held-to-Maturity (Total)	\$12,397,547	\$11,972,686	\$(424,861)
Bonds Whose Fair Values Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:	\$4,463,106	\$4,506,700	\$43,594
Japanese Government Bonds	3,921,083	3,962,756	41,673
Foreign Bonds	542,023	543,944	1,921
Bonds Whose Fair Values Do Not Exceed the Consolidated Balance Sheet Amount Bonds Held-to-Maturity:	\$7,934,441	\$7,465,986	\$(468,455)
Japanese Government Bonds	—	—	—
Foreign Bonds	7,934,441	7,465,986	(468,455)

Millions of yen			
As of March 31, 2022	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities (Total)	¥42,065,723	¥41,075,538	¥990,184
Other Securities Whose Consolidated Balance Sheet Amount Exceeds Acquisition Cost			
Other Securities:	¥16,737,667	¥15,143,882	¥1,593,785
Japanese Stocks	2,408,701	870,310	1,538,391
Japanese Bonds:	12,501,867	12,482,067	19,799
Japanese Government Bonds	11,216,392	11,208,896	7,495
Japanese Local Government Bonds	51,351	51,097	253
Japanese Corporate Bonds	1,234,123	1,222,073	12,050
Other:	1,827,098	1,791,504	35,593
Foreign Bonds	1,101,304	1,098,988	2,316
Other Debt Purchased	28,100	27,907	193
Other	697,693	664,608	33,084
Other Securities Whose Consolidated Balance Sheet Amount Does Not Exceed Acquisition Cost			
Other Securities:	¥25,328,055	¥25,931,656	¥(603,600)
Japanese Stocks	168,608	207,083	(38,475)
Japanese Bonds:	16,118,546	16,190,532	(71,986)
Japanese Government Bonds	13,942,337	13,980,376	(38,039)
Japanese Local Government Bonds	368,294	370,460	(2,165)
Japanese Corporate Bonds	1,807,913	1,839,695	(31,781)
Other:	9,040,901	9,534,039	(493,138)
Foreign Bonds	7,836,289	8,252,899	(416,609)
Other Debt Purchased	29,570	29,882	(311)
Other	1,175,040	1,251,258	(76,217)
Money Held in Trust			
Other Money Held in Trust	¥26,556	¥26,556	¥—

	Millions of yen		
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
As of March 31, 2021			
Other Securities (Total)	¥42,534,848	¥40,931,595	¥1,603,253 [*]
Other Securities Whose Consolidated Balance Sheet Amount Exceeds Acquisition Cost			
Other Securities:	¥25,032,198	¥23,042,398	¥1,989,800
Japanese Stocks	2,726,040	981,426	1,744,614
Japanese Bonds:	14,440,198	14,415,433	24,765
Japanese Government Bonds	12,716,957	12,713,374	3,583
Japanese Local Government Bonds	196,757	196,213	544
Japanese Corporate Bonds	1,526,483	1,505,845	20,637
Other:	7,865,959	7,645,538	220,421
Foreign Bonds	6,246,882	6,180,203	66,678
Other Debt Purchased	44,418	43,662	755
Other	1,574,659	1,421,672	152,986
Other Securities Whose Consolidated Balance Sheet Amount Does Not Exceed Acquisition Cost			
Other Securities:	¥17,502,649	¥17,889,197	¥(386,547)
Japanese Stocks	139,945	186,294	(46,348)
Japanese Bonds:	9,704,849	9,774,593	(69,743)
Japanese Government Bonds	8,203,625	8,238,926	(35,301)
Japanese Local Government Bonds	266,801	267,459	(657)
Japanese Corporate Bonds	1,234,423	1,268,208	(33,785)
Other:	7,657,854	7,928,309	(270,454)
Foreign Bonds	6,187,029	6,286,717	(99,687)
Other Debt Purchased	638,500	638,687	(187)
Other	832,325	1,002,904	(170,579)
Money Held in Trust			
Other Money Held in Trust	¥9,804	¥9,804	¥—

	Thousands of U.S. dollars		
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
As of March 31, 2022			
Other Securities (Total)	\$343,646,134	\$335,557,054	\$8,089,080 [*]
Other Securities Whose Consolidated Balance Sheet Amount Exceeds Acquisition Cost			
Other Securities:	\$136,734,480	\$123,714,424	\$13,020,056
Japanese Stocks	19,677,328	7,109,799	12,567,529
Japanese Bonds:	102,131,099	101,969,349	161,750
Japanese Government Bonds	91,629,711	91,568,475	61,236
Japanese Local Government Bonds	419,505	417,431	2,074
Japanese Corporate Bonds	10,081,883	9,983,443	98,440
Other:	14,926,053	14,635,276	290,777
Foreign Bonds	8,996,850	8,977,927	18,923
Other Debt Purchased	229,561	227,983	1,578
Other	5,699,642	5,429,366	270,276
Other Securities Whose Consolidated Balance Sheet Amount Does Not Exceed Acquisition Cost			
Other Securities:	\$206,911,654	\$211,842,630	\$(4,930,976)
Japanese Stocks	1,377,407	1,691,723	(314,316)
Japanese Bonds:	131,676,710	132,264,788	(588,078)
Japanese Government Bonds	113,898,681	114,209,435	(310,754)
Japanese Local Government Bonds	3,008,698	3,026,387	(17,689)
Japanese Corporate Bonds	14,769,331	15,028,966	(259,635)
Other:	73,857,537	77,886,119	(4,028,582)
Foreign Bonds	64,016,746	67,420,139	(3,403,393)
Other Debt Purchased	241,571	244,116	(2,545)
Other	9,599,220	10,221,864	(622,644)
Money Held in Trust			
Other Money Held in Trust	\$216,949	\$216,949	\$—

^{*} Unrealized Gains (Losses) or Difference include gains (losses) of ¥27,448 million (\$224,233 thousand) and ¥32,481 million which were recognized in the statements of income for the fiscal years ended March 31, 2022 and 2021, respectively, by applying the fair-value hedge method.

Note: A summary of Trading Securities and Money Held in Trust for investment purposes and related unrealized gains and losses recognized in the statement of income are as follows: ^{*}

	Millions of yen				Thousands of U.S. dollars	
	2022		2021		2022	
	Unrealized gains (losses)		Unrealized gains (losses)		Unrealized gains (losses)	
As of March 31,						
Trading Securities	¥1,115		¥7,238		\$9,116	

	Millions of yen				Thousands of U.S. dollars	
	2022		2021		2022	
	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)	Fair value	Unrealized gains (losses)
As of March 31,						
Money Held in Trust for Investment	¥564,626	¥1,282	¥572,564	¥2,305	\$4,612,587	\$10,480

^{*} Fair values of trading securities as of March 31, 2022 and 2021 are described in “43. Financial Instruments.”

Other Securities Sold during the Fiscal Year

For the Fiscal Year ended March 31, 2022	Millions of yen			Thousands of U.S. dollars		
	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales
Stocks	¥201,691	¥200,813	¥171,872	\$1,647,669	\$1,640,497	\$1,404,069
Bonds	35,721,086	15,044	15,882	291,815,101	122,906	129,752
Japanese Government Bonds	35,165,833	7,750	15,740	287,279,094	63,319	128,586
Japanese Local Government Bonds	164,617	406	130	1,344,806	3,321	1,069
Japanese Corporate Bonds	390,634	6,887	11	3,191,201	56,266	97
Other	21,567,729	108,409	237,885	176,192,550	885,623	1,943,352
Total	¥57,490,507	¥324,267	¥425,640	\$469,655,320	\$2,649,026	\$3,477,173

For the Fiscal Year ended March 31, 2021	Millions of yen		
	Proceeds from sales	Total amount of gains on sales	Total amount of losses on sales
Stocks	¥208,758	¥162,569	¥130,328
Bonds	29,396,462	11,099	24,945
Japanese Government Bonds	29,359,467	8,991	24,912
Japanese Local Government Bonds	697	4	—
Japanese Corporate Bonds	36,297	2,103	32
Other	24,257,982	149,581	103,619
Total	¥53,863,203	¥323,249	¥258,893

Unrealized Gains/Losses on Other Securities

Unrealized Gains/Losses on Other Securities as of March 31, 2022 and 2021 are as follows:

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Difference between Acquisition Cost and Fair Value ^{*1}	¥993,341	¥1,585,324	\$8,114,870
Other Securities ^{*2}	993,341	1,585,324	8,114,870
Deferred Tax Liabilities	(259,318)	(439,907)	(2,118,440)
Difference between Acquisition Cost and Fair Value, net of Taxes	734,022	1,145,417	5,996,430
Amount Corresponding to Non-controlling Interests	17,417	16,783	142,286
Amount Corresponding to Net Unrealized Gains (Losses) on Other Securities Owned by Affiliated Companies, which is attributable to MHFG	3,216	3,826	26,275
Net Unrealized Gains (Losses) on Other Securities	¥719,822	¥1,132,460	\$5,880,419

^{*1} The difference between acquisition cost and fair value excludes ¥(27,448) million (\$ (224,233) thousand) and ¥(32,481) million which were recognized in the statements of income for the fiscal years ended March 31, 2022 and 2021, respectively, by applying the fair-value hedge method.
^{*2} Other Securities includes translation differences regarding Stocks and others without a quoted market price and Investments in Partnerships and others.

45. Derivatives Information

The fair value of derivatives not qualifying for hedge accounting and derivatives qualifying for hedge accounting as of March 31, 2022 and 2021 is shown in the tables below. In the following tables:

Contract value represents notional amounts for swap transactions and contract amounts for other transactions.
Contract value amounts do not indicate the market risk related to derivative transactions.

(1) Derivative Transactions not Qualifying for Hedge Accounting

Transactions are marked to market, and changes in unrealized gains (losses) are included in the consolidated statement of income.

(a) Interest Rate and Bond-Related Transactions

As of March 31, 2022	Contract value		Millions of yen	
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest Rate Futures:				
Sold	¥28,177,021	¥18,606,057	¥89,540	¥89,540
Bought	38,086,337	18,366,364	(89,084)	(89,084)
Interest Rate Options:				
Sold	7,499,613	33,810	(4,599)	(1,623)
Bought	7,814,127	209,740	5,676	2,420
Bond Futures:				
Sold	343,425	—	2,489	2,489
Bought	773,542	263,220	(3,733)	(3,733)
Bond Futures Options:				
Sold	9,009	—	(11)	5
Bought	9,773	—	15	(5)
Over-the-Counter:				
FRAs:				
Sold	7,040,801	1,359	54,903	54,903
Bought	7,147,123	—	(47,387)	(47,387)
Interest Rate Swaps:				
Receive Fixed / Pay Float	506,278,833	388,126,018	(1,408,308)	(1,408,308)
Receive Float / Pay Fixed	502,041,404	384,679,941	1,397,275	1,397,275
Receive Float / Pay Float	246,369,987	122,390,266	7,197	7,197
Receive Fixed / Pay Fixed	291,424	231,213	3,837	3,837
Interest Rate Options:				
Sold	17,626,900	12,420,586	(141,524)	(141,524)
Bought	17,712,467	12,307,041	118,749	118,749
Bond Options:				
Sold	164,993	—	(537)	(36)
Bought	162,394	—	606	114
Bond Other:				
Sold	4,241	—	(44)	(44)
Bought	11,492	—	88	88
Inter-company or Internal Transactions:				
Interest Rate Swaps:				
Receive Fixed / Pay Float	5,851,762	4,788,302	(93,385)	(93,385)
Receive Float / Pay Fixed	6,649,534	5,635,375	175,272	175,272
Total	/	/	¥67,036	¥66,761

As of March 31, 2021	Millions of yen			
	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Interest Rate Futures:				
Sold	¥5,352,260	¥3,517,173	¥(1,120)	¥(1,120)
Bought	11,939,410	5,980,115	2,199	2,199
Interest Rate Options:				
Sold	239,583	6,863	(111)	(3)
Bought	425,653	—	268	(315)
Bond Futures:				
Sold	165,894	—	556	556
Bought	175,412	—	(455)	(455)
Bond Futures Options:				
Sold	18,048	—	(46)	(46)
Bought	77,541	—	169	119
Over-the-Counter:				
FRAs:				
Sold	42,665,863	—	45,060	45,060
Bought	42,609,545	—	(46,135)	(46,135)
Interest Rate Swaps:				
Receive Fixed / Pay Float	449,922,359	341,882,271	3,014,574	3,014,574
Receive Float / Pay Fixed	442,383,440	332,409,368	(2,817,850)	(2,817,850)
Receive Float / Pay Float	147,723,342	121,666,164	5,791	5,791
Receive Fixed / Pay Fixed	291,810	235,502	(1,088)	(1,088)
Interest Rate Options:				
Sold	13,900,704	9,346,439	(53,039)	(53,039)
Bought	14,152,261	9,516,824	49,285	49,285
Bond Options:				
Sold	385,389	109,950	(8,336)	(7,564)
Bought	385,457	109,950	8,610	7,707
Bond Other:				
Sold	8,120	—	(37)	(37)
Bought	21,342	—	188	188
Inter-company or Internal Transactions:				
Interest Rate Swaps:				
Receive Fixed / Pay Float	5,083,479	4,451,482	983	983
Receive Float / Pay Fixed	13,498,632	11,151,452	(106,637)	(106,637)
Total	/	/	¥92,832	¥92,174

As of March 31, 2022	Thousands of U.S. dollars			
	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Interest Rate Futures:				
Sold	\$230,185,615	\$151,997,858	\$731,483	\$731,483
Bought	311,137,469	150,039,743	(727,757)	(727,757)
Interest Rate Options:				
Sold	61,266,345	276,206	(37,575)	(13,265)
Bought	63,835,696	1,713,425	46,369	19,773
Bond Futures:				
Sold	2,805,537	—	20,336	20,336
Bought	6,319,271	2,150,317	(30,498)	(30,498)
Bond Futures Options:				
Sold	73,600	—	(91)	45
Bought	79,840	—	123	(46)
Over-the-Counter:				
FRAs:				
Sold	57,518,188	11,109	448,521	448,521
Bought	58,386,763	—	(387,119)	(387,119)
Interest Rate Swaps:				
Receive Fixed / Pay Float	4,135,927,075	3,170,705,155	(11,504,850)	(11,504,850)
Receive Float / Pay Fixed	4,101,310,384	3,142,553,232	11,414,720	11,414,720
Receive Float / Pay Float	2,012,662,261	999,838,788	58,802	58,802
Receive Fixed / Pay Fixed	2,380,721	1,888,847	31,351	31,351
Interest Rate Options:				
Sold	143,998,863	101,467,087	(1,156,148)	(1,156,148)
Bought	144,697,878	100,539,508	970,093	970,093
Bond Options:				
Sold	1,347,880	—	(4,387)	(296)
Bought	1,326,640	—	4,956	933
Bond Other:				
Sold	34,649	—	(363)	(363)
Bought	93,881	—	725	725
Inter-company or Internal Transactions:				
Interest Rate Swaps:				
Receive Fixed / Pay Float	47,804,608	39,116,920	(762,894)	(762,894)
Receive Float / Pay Fixed	54,321,825	46,036,890	1,431,845	1,431,845
Total	/	/	\$547,642	\$545,391

(b) Currency-Related Transactions

As of March 31, 2022	Contract value		Millions of yen	
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥17,763	¥2,997	¥—	¥—
Bought	107,999	48,506	—	—
Over-the-Counter:				
Swaps	84,601,373	65,094,808	74,412	111,140
Forwards:				
Sold	74,056,476	4,921,374	(1,458,262)	(1,458,262)
Bought	46,362,654	2,848,949	1,377,595	1,377,595
Options:				
Sold	3,797,000	1,789,884	(130,200)	(87,402)
Bought	3,697,968	1,721,075	79,187	23,558
Inter-company or Internal Transactions:				
Swaps	3,792,499	2,663,798	219,192	559
Forwards:				
Sold	—	—	—	—
Bought	1,526	—	80	80
Total	/	/	¥162,006	¥(32,731)

As of March 31, 2021	Contract value		Millions of yen	
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Futures:				
Sold	¥15,615	¥3,540	¥—	¥—
Bought	78,356	32,799	—	—
Over-the-Counter:				
Swaps	69,875,350	52,691,198	44,712	44,670
Forwards:				
Sold	63,766,682	3,575,704	(735,730)	(735,730)
Bought	37,077,896	1,863,936	715,575	715,575
Options:				
Sold	4,513,631	1,676,580	(81,683)	(38,378)
Bought	4,015,482	1,645,075	60,985	5,365
Inter-company or Internal Transactions:				
Swaps	2,214,554	1,773,095	(10,879)	14,122
Forwards:				
Sold	15	—	(0)	(0)
Bought	1,099	—	28	28
Total	/	/	¥(6,992)	¥5,653

As of March 31, 2022	Contract value		Thousands of U.S. dollars	
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Futures:				
Sold	\$145,118	\$24,490	\$—	\$—
Bought	882,276	396,264	—	—
Over-the-Counter:				
Swaps	691,131,225	531,776,882	607,899	907,940
Forwards:				
Sold	604,987,144	40,204,023	(11,912,934)	(11,912,934)
Bought	378,748,912	23,273,833	11,253,943	11,253,943
Options:				
Sold	31,018,716	14,622,048	(1,063,639)	(714,015)
Bought	30,209,689	14,059,923	646,907	192,454
Inter-company or Internal Transactions:				
Swaps	30,981,944	21,761,284	1,790,642	4,567
Forwards:				
Sold	—	—	—	—
Bought	12,467	—	654	654
Total	/	/	\$1,323,472	\$(267,391)

(c) Stock-Related Transactions

As of March 31, 2022	Contract value		Millions of yen	
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Index Futures:				
Sold	¥386,324	¥24,290	¥(17,249)	¥(17,249)
Bought	135,158	29,145	3,371	3,371
Index Futures Options:				
Sold	2,722,346	361,435	(193,606)	(106,931)
Bought	2,200,458	244,775	116,589	51,814
Over-the-Counter:				
Equity Linked Swaps	994,753	594,971	80,207	80,207
Options:				
Sold	1,043,572	723,666	(105,050)	(105,050)
Bought	825,177	796,183	142,526	142,526
Other:				
Sold	331,959	4,335	99,357	99,357
Bought	1,444,734	167,501	32,511	32,511
Total	/	/	¥158,657	¥180,557

				Millions of yen	
As of March 31, 2021	Contract value		Fair value	Unrealized gains (losses)	
	Total	Over one year			
Listed:					
Index Futures:					
Sold	¥346,971	¥40,915	¥(37,863)	¥(37,863)	
Bought	332,196	8,219	(162)	(162)	
Index Futures Options:					
Sold	2,008,214	456,209	(195,420)	(106,406)	
Bought	1,476,846	362,320	187,767	102,582	
Over-the-Counter:					
Equity Linked Swaps	801,742	526,254	(4,324)	(4,324)	
Options:					
Sold	575,890	435,591	(57,255)	(57,255)	
Bought	465,704	392,903	62,373	62,373	
Other:					
Sold	352,860	281,444	52,158	52,158	
Bought	781,318	507,521	195,685	195,685	
Total	/	/	¥202,959	¥206,788	

				Thousands of U.S. dollars	
As of March 31, 2022	Contract value		Fair value	Unrealized gains (losses)	
	Total	Over one year			
Listed:					
Index Futures:					
Sold	\$3,155,991	\$198,436	\$(140,916)	\$(140,916)	
Bought	1,104,143	238,099	27,541	27,541	
Index Futures Options:					
Sold	22,239,574	2,952,659	(1,581,624)	(873,553)	
Bought	17,976,136	1,999,632	952,451	423,288	
Over-the-Counter:					
Equity Linked Swaps	8,126,405	4,860,483	655,235	655,235	
Options:					
Sold	8,525,224	5,911,828	(858,182)	(858,182)	
Bought	6,741,098	6,504,232	1,164,336	1,164,336	
Other:					
Sold	2,711,863	35,416	811,679	811,679	
Bought	11,802,419	1,368,366	265,598	265,598	
Total	/	/	\$1,296,118	\$1,475,026	

(d) Commodity-Related Transactions

	Millions of yen							
	2022				2021			
	Contract value		Fair value	Unrealized gains (losses)	Contract value		Fair value	Unrealized gains (losses)
As of March 31,	Total	Over one year			Total	Over one year		
Listed:								
Futures:								
Sold	¥79,306	¥16,640	¥(27,442)	¥(27,442)	¥37,845	¥11,877	¥(6,361)	¥(6,361)
Bought	118,853	42,576	48,259	48,259	60,560	27,336	9,900	9,900
Over-the-Counter:								
Options:								
Sold	263,234	130,604	(90,713)	(90,713)	167,743	74,372	(24,310)	(24,310)
Bought	216,796	100,294	72,939	72,939	145,003	58,215	24,048	24,048
Total	/	/	¥3,043	¥3,043	/	/	¥3,275	¥3,275

As of March 31,	Thousands of U.S. dollars			
	2022		Fair value	Unrealized gains (losses)
	Total	Over one year		
Listed:				
Futures:				
Sold	\$647,872	\$135,937	\$(224,187)	\$(224,187)
Bought	970,944	347,820	394,245	394,245
Over-the-Counter:				
Options:				
Sold	2,150,436	1,066,941	(741,059)	(741,059)
Bought	1,771,069	819,337	595,866	595,866
Total	/	/	\$24,865	\$24,865

Note: Commodities include oil, copper, aluminum and others.

(e) Credit Derivative Transactions

				Millions of yen
	Contract value			
As of March 31, 2022	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-Counter:				
Credit Derivatives:				
Sold	¥5,166,546	¥4,921,255	¥91,514	¥91,514
Bought	6,829,733	6,373,844	(91,657)	(91,657)
Total	/	/	¥(142)	¥(142)

				Millions of yen
As of March 31, 2021	Contract value		Fair value	Unrealized gains (losses)
	Total	Over one year		
Over-the-Counter:				
Credit Derivatives:				
Sold	¥4,559,481	¥4,310,774	¥88,213	¥88,213
Bought	6,033,371	5,749,780	(107,766)	(107,766)
Total	/	/	¥(19,553)	¥(19,553)

	Thousands of U.S. dollars			
	Contract value			
As of March 31, 2022	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-Counter:				
Credit Derivatives:				
Sold	\$42,206,897	\$40,203,049	\$747,606	\$747,606
Bought	55,793,919	52,069,638	(748,773)	(748,773)
Total	/	/	\$(1,167)	\$(1,167)

Note: “Sold” and “Bought” indicate assumption and cession of credit risk, respectively.

(2) Derivative Transactions Qualifying for Hedge Accounting

(a) Interest Rate and Bond-related Transactions

As of March 31, 2022	Primary hedged items	Contract value		Millions of yen
		Total	Over one year	Fair value
Primary Method :	Loans, deposits, borrowings, other securities and others			
Interest Rate Swaps:				
Receive Fixed / Pay Float		¥16,645,278	¥13,423,200	¥(214,332)
Receive Float / Pay Fixed		7,250,331	5,978,877	105,318
Fair Value Hedge Method :	Loans and others			
Interest Rate Swaps:				
Receive Float / Pay Fixed		7,116	6,901	(102)
Receive Float / Pay Float		5,906	5,849	(968)
Exceptional Accrual Method :	Loans and others			
Interest Rate Swaps:				Note 2
Receive Float / Pay Fixed		47,112	37,052	
Total		/	/	¥(110,084)

As of March 31, 2021	Primary hedged items	Contract value		Millions of yen
		Total	Over one year	Fair value
Primary Method :	Loans, deposits, borrowings, other securities and others			
Interest Rate Swaps:				
Receive Fixed / Pay Float		¥17,600,318	¥14,654,574	¥121,074
Receive Float / Pay Fixed		5,784,000	5,175,765	185
Fair Value Hedge Method :	Loans and others			
Interest Rate Swaps:				
Receive Float / Pay Fixed		7,150	6,146	(256)
Receive Float / Pay Float		5,876	5,818	(371)
Exceptional Accrual Method :	Loans and others			
Interest Rate Swaps:				Note 2
Receive Float / Pay Fixed		37,083	33,658	
Total		/	/	¥120,631

As of March 31, 2022	Primary hedged items	Thousands of U.S. dollars		
		Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, other securities and others			
Interest Rate Swaps:				
Receive Fixed / Pay Float		\$135,979,732	\$109,657,709	\$(1,750,941)
Receive Float / Pay Fixed		59,229,895	48,843,047	860,378
Fair Value Hedge Method :	Loans and others			
Interest Rate Swaps:				
Receive Float / Pay Fixed		58,137	56,378	(840)
Receive Float / Pay Float		48,250	47,786	(7,909)
Exceptional Accrual Method :	Loans and others			
Interest Rate Swaps:				Note 2
Receive Float / Pay Fixed		384,874	302,690	
Total		/	/	\$(899,312)

Notes: 1. Primarily the deferred method is applied under “Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Committee Practical Guidelines No. 24, March 17, 2022).
2. Since derivative transactions qualifying for the exceptional accrual method are treated as a unit of hedged items such as loans, those fair values are included in fair values of such loans in “43. Financial Instruments.”

(b) Currency-Related Transactions

As of March 31, 2022	Primary hedged items	Millions of yen		
		Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, parent company's interest of subsidiaries' net assets and others			
Swaps		¥8,059,860	¥3,124,945	¥(188,881)
Forwards:				
Sold		205	—	(12)
Bought		—	—	—
Fair Value Hedge Method :	Loans and other securities			
Swaps		672	672	(291)
Forwards:				
Sold		13,478	1,316	(914)
Bought		12,157	1,316	407
Total		/	/	¥(189,692)

As of March 31, 2021	Primary hedged items	Millions of yen		
		Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, parent company's interest of subsidiaries' net assets and others			
Swaps		¥6,131,532	¥2,320,014	¥13,718
Forwards:				
Sold		1,099	—	(28)
Bought		15	—	0
Fair Value Hedge Method :	Loans and other securities			
Swaps		1,192	1,192	(535)
Forwards:				
Sold		10,783	2,506	(517)
Bought		10,783	2,506	1,096
Total		/	/	¥13,733

As of March 31, 2022	Primary hedged items	Thousands of U.S. dollars		
		Contract value		Fair value
		Total	Over one year	
Primary Method :	Loans, deposits, borrowings, parent company's interest of subsidiaries' net assets and others			
Swaps		\$65,843,156	\$25,528,515	\$(1,543,022)
Forwards:				
Sold		1,676	—	(103)
Bought		—	—	—
Fair Value Hedge Method :	Loans and other securities			
Swaps		5,496	5,496	(2,380)
Forwards:				
Sold		110,111	10,755	(7,470)
Bought		99,320	10,755	3,328
Total		/	/	\$(1,549,647)

Note: Primarily the deferred method is applied under “Accounting and Auditing Treatment Relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks” (JICPA Industry Committee Practical Guidelines No. 25, October 8, 2020).

(c) Stock-Related Transactions

As of March 31, 2022	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	—			
Index Futures:				
Sold		¥—	¥—	¥—
Fair Value Hedge Method :	Other securities			
Forward Stock Agreements:				
Sold		161,258	109,979	4,234
Total		/	/	¥4,234

As of March 31, 2021	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	Other securities			
Index Futures:				
Sold		¥289,960	¥—	¥(3,940)
Fair Value Hedge Method :	Other securities			
Forward Stock Agreements:				
Sold		171,353	145,695	(5,721)
Total		/	/	¥(9,661)

As of March 31, 2022	Primary hedged items	Contract value		Fair value
		Total	Over one year	
Primary Method :	—			
Index Futures:				
Sold		\$—	\$—	\$—
Fair Value Hedge Method :	Other securities			
Forward Stock Agreements:				
Sold		1,317,360	898,453	34,594
Total		/	/	\$34,594

46. Segment Information

Segment Information by Management Approach

1. Summary of Reportable Segment

MHFG has introduced an in-house company system based on the group's diverse customer segments. The aim of this system is to leverage MHFG's strengths and competitive advantage, which is the seamless integration of MHFG's banking, trust and securities functions under a holding company structure, to speedily provide high-quality financial services that closely match customer needs.

Specifically, the company system is classified into the following five in-house companies, each based on a customer segment: the Retail & Business Banking Company, the Corporate & Institutional Company, the Global Corporate Company, the Global Markets Company, and the Asset Management Company. The services that each in-house company is in charge of are as follows:

Retail & Business Banking Company:
Services for individual customers, small and medium-sized enterprises and middle market firms in Japan

Corporate & Institutional Company:
Services for large corporations, financial institutions and public corporations in Japan

Global Corporate Company:
Services for Japanese overseas affiliated corporate customers and non-Japanese corporate customers, etc.

Global Markets Company:
Investment services with respect to interest rates, equities and credits, etc., and other services

Asset Management Company:
Development of products and provision of services that match the asset management needs of its wide range of customers from individuals to institutional investors.

The reportable segment information, set forth below, is derived from the internal management reporting systems used by management to measure the performance of the Group's operating segments.

Management measures the performance of each of the operating segments in accordance with internal managerial accounting rules and practices.

2. Calculating Method of Gross Profits (excluding the amounts of credit costs of trust accounts) + Net Gains or Losses Related to ETFs and Others, Net Business Profits or Losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net Gains or Losses Related to ETFs and Others, and Fixed Assets by Reportable Segment

The following information of reportable segment is based on internal management reporting:

Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others is the total amount of Interest Income, Fiduciary Income, Fee and Commission Income, Trading Income, Other Operating Income, and Net gains or losses related to ETFs and others.

Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others is the amount of which General and administrative expenses (excluding non-recurring expenses and others), Equity in income from investments in affiliates, Amortization of goodwill and others (including amortization of intangible assets) are deducted from, or added to, Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others.

Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others relating to transactions between segments is based on the current market prices.

Fixed assets disclosed as asset information by segment are the total amount of tangible fixed assets and intangible fixed assets. Fixed assets pertaining to Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., and Mizuho Securities Co., Ltd. have been allocated to each segment.

3. Gross Profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others, Net Business Profits or Losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net Gains or Losses Related to ETFs and Others, and Fixed Assets by Reportable Segment

Millions of yen							
For the Fiscal Year ended March 31,2022	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others (Note 2)	
Gross profits: (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	¥ 713,625	¥ 491,735	¥ 518,765	¥ 378,897	¥ 59,507	¥ 91,857	¥ 2,254,386
General and administrative expenses (excluding Non-Recurring Losses and others)	620,956	198,104	267,680	227,561	33,448	67,238	1,414,987
Equity in income from investments in affiliates	5,929	3,751	13,186	—	1,514	1,054	25,434
Amortization of goodwill and others	2,161	95	360	804	7,247	989	11,656
Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others	¥ 96,437	¥ 297,287	¥ 263,911	¥ 150,532	¥ 20,326	¥ 24,683	¥ 853,176
Fixed assets	¥ 504,159	¥ 160,167	¥ 161,452	¥ 88,787	—	¥ 782,705	¥ 1,697,270

Millions of yen							
For the Fiscal Year ended March 31,2021	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others (Note 2)	
Gross profits: (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	¥ 697,677	¥ 472,776	¥ 455,954	¥ 490,275	¥ 50,802	¥ 33,244	¥ 2,200,728
General and administrative expenses (excluding Non-Recurring Losses and others)	639,573	206,524	259,103	217,695	32,946	52,832	1,408,673
Equity in income from investments in affiliates	5,446	3,920	10,913	—	1,114	(1,480)	19,912
Amortization of goodwill and others	2,256	99	360	839	7,642	1,005	12,201
Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others	¥ 61,294	¥ 270,073	¥ 207,404	¥ 271,741	¥ 11,328	¥ (22,073)	¥ 799,766
Fixed assets	¥ 543,936	¥ 193,524	¥ 169,142	¥ 98,358	—	¥ 750,714	¥ 1,755,674

For the Fiscal Year ended March 31,2022	MHFG (Consolidated)						Thousands of U.S. dollars
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others (Note 2)	Total
Gross profits: (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	\$ 5,829,793	\$ 4,017,115	\$ 4,237,929	\$ 3,095,311	\$ 486,129	\$ 750,406	\$ 18,416,683
General and administrative expenses (excluding Non- Recurring Losses and others)	5,072,755	1,618,365	2,186,749	1,859,007	273,245	549,292	11,559,413
Equity in income from investments in affiliates	48,436	30,643	107,720	—	12,368	8,615	207,782
Amortization of goodwill and others	17,654	776	2,941	6,568	59,203	8,085	95,227
Net business profits or losses (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others	\$ 787,820	\$ 2,428,617	\$ 2,155,959	\$ 1,229,736	\$ 166,049	\$ 201,644	\$ 6,969,825
Fixed assets	\$ 4,118,610	\$ 1,308,447	\$ 1,318,944	\$ 725,325	—	\$ 6,394,126	\$ 13,865,452

Notes: 1.Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others is reported instead of sales reported by general corporations. Net gains or losses related to ETFs and others amounted to ¥ 1,916 million and ¥ 2,034 million, of which ¥ 2,274 million and ¥ (1,277) million are included in the Global Markets Company for the fiscal year ended March 31 2022 and 2021, respectively.

2.“Others” includes items which should be eliminated as internal transactions between each segment on a consolidated basis.

3.“Others” in Fixed assets includes assets of headquarters that have not been allocated to each segment, Fixed assets pertaining to consolidated subsidiaries that are not subject to allocation, consolidated adjustments, and others. Among Fixed assets that have not been allocated to each segment, some related expenses are allocated to each segment using the reasonable criteria of allocation.

4.Following the change in allocation method for transactions between each segment and “Others” made in April 2021, reclassification was made on the above table for the fiscal year ended March 31, 2021 to reflect the relevant change.

4. The Difference between the Total Amounts of Reportable Segments and the Recorded Amounts in Consolidated Statement of Income, and the Contents of the Difference (Matters relating to adjustment to difference)

The above amount of Gross profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others and that of Net business profits (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others derived from internal management reporting by reportable segment are different from the amounts recorded in Consolidated Statement of Income.

The contents of the difference for the period are as follows:

(a) The Total of Gross Profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others of Segment Information and Ordinary Profits recorded in the Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Gross Profits (excluding the amounts of credit costs of trust accounts) + Net gains or losses related to ETFs and others	¥ 2,254,386	¥ 2,200,728	\$ 18,416,683
Net gains or losses related to ETFs and others	(1,916)	(2,034)	(15,658)
Other Ordinary Income	276,170	238,776	2,256,107
General and Administrative Expenses	(1,392,896)	(1,414,608)	(11,378,940)
Other Ordinary Expenses	(575,896)	(486,554)	(4,704,651)
Ordinary Profits recorded in Consolidated Statement of Income	¥ 559,847	¥ 536,306	\$ 4,573,541

(b) The Total of Net Business Profits (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net gains or losses related to ETFs and others of Segment Information and Income before Income Taxes Recorded in Consolidated Statement of Income

	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Net Business Profits (excluding the amounts of credit costs of trust accounts, before reversal of (provision for) general reserve for losses on loans) + Net Gains (Losses) related to ETFs and others	¥ 853,176	¥ 799,766	\$ 6,969,825
Credit Costs for Trust Accounts	—	—	—
General and Administrative Expenses (non-recurring losses)	33,748	6,266	275,700
Expenses Related to Portfolio Problems (including reversal of (provision for) general reserve for losses on loans)	(255,941)	(209,915)	(2,090,853)
Gains on Reversal of Reserves for Possible Losses on Loans and others	20,765	4,940	169,637
Net Gains (Losses) Related to Stocks- Net Gains (Losses) related to ETFs and others	(45,763)	10,091	(373,854)
Net Extraordinary Gains (Losses)	44,024	115,857	359,651
Others	(46,137)	(74,842)	(376,914)
Income before Income Taxes Recorded in Consolidated Statement of Income	¥ 603,872	¥ 652,163	\$ 4,933,192

5. Related Information

(a) Information about Geographic Areas

(i) Ordinary income

Millions of yen					
2022	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total
Ordinary Income	¥ 2,079,170	¥ 1,355,003	¥ 167,885	¥ 361,032	¥ 3,963,091
Millions of yen					
2021	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total
Ordinary Income	¥ 2,204,477	¥ 455,904	¥ 192,099	¥ 365,614	¥ 3,218,095
Thousands of U.S. dollars					
2022	Japan	Americas	Europe	Asia/Oceania excluding Japan	Total
Ordinary Income	\$ 16,985,298	\$ 11,069,383	\$ 1,371,502	\$ 2,949,370	\$ 32,375,553

Notes: 1.The above table shows Ordinary Income instead of sales of non-financial companies.
2.Ordinary income is segmented by country and region based on the location of our group office in consideration of geographical proximity, similarity of economic activities, and interrelationship of business activities.

(ii) Tangible fixed assets

Information on tangible fixed assets by geographical areas as of March 31, 2022 and 2021 is not disclosed since tangible fixed assets in Japan accounted for more than 90% of tangible fixed assets.

(b) Information about Major Customers

Information about major customers is not disclosed since there are no outside customers accounted for more than 10% of Ordinary Income of the Company.

6. Information about Impairment Loss on Tangible Fixed Assets by Reportable Segment

Millions of yen							
For the Fiscal Year ended March 31, 2022	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	
Impairment Loss	¥ 10,389	¥ 3,958	¥ 3,308	¥ 1,657	¥ —	¥ 8,273	¥ 27,585

Millions of yen							
For the Fiscal Year ended March 31, 2021	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	
Impairment Loss	¥ 4,832	¥ 1,360	¥ 2,495	¥ 1,975	¥ —	¥ 2,131	¥ 12,793

Thousands of U.S. dollars							
For the Fiscal Year ended March 31, 2022	MHFG (Consolidated)						Total
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	
Impairment Loss	\$ 84,870	\$ 32,334	\$ 27,024	\$ 13,536	\$ —	\$ 67,592	\$ 225,356

Note: Following the change in allocation method for transactions between each segment and “Others” made in April 2021, reclassification was made on the above table for the fiscal year ended March 31, 2021 to reflect the relevant change.

7. Information about Amortization and Unamortized Balance of Goodwill by Reportable Segment

For the Fiscal Year ended March 31, 2022	MHFG (Consolidated)							Millions of yen	
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total		
	¥	¥	¥	¥	¥	¥	¥	¥	¥
Amortization of Goodwill	—	—	360	—	2,670	711	3,741		
Unamortized Balance of Goodwill	—	—	2,473	—	38,684	11,390	52,547		

For the Fiscal Year ended March 31, 2021	MHFG (Consolidated)							Millions of yen	
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total		
	¥	¥	¥	¥	¥	¥	¥	¥	¥
Amortization of Goodwill	—	—	360	—	2,670	713	3,743		
Unamortized Balance of Goodwill	—	—	2,648	—	41,352	12,249	56,249		

For the Fiscal Year ended March 31, 2022	MHFG (Consolidated)							Thousands of U.S. dollars	
	Retail & Business Banking Company	Corporate & Institutional Company	Global Corporate Company	Global Markets Company	Asset Management Company	Others	Total		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Amortization of Goodwill	—	—	2,941	—	21,812	5,814	30,567		
Unamortized Balance of Goodwill	—	—	20,202	—	316,020	93,054	429,276		

8. Information about Gain on Negative Goodwill Incurred by Reportable Segment

For the fiscal years ended March 31, 2022 and 2021

- There is no applicable information.

47. Related Party

1. Related Party Transactions

(1)Transactions with related parties

For the fiscal years ended March 31, 2022 and 2021

- There are no material transactions to disclose.

(2)Transactions between consolidated subsidiaries of MHFG and related parties

Corporate pension for employee

For the fiscal year ended March 31, 2022

Type	Name of Company or Individual	Location	Capital or Investment (Millions of yen)	Description of Business or Occupation	Share of Voting Rights (%)	Relation with Related Party	Description of the Transaction	Transaction Amount (Millions of yen)	Items of Account	Balance at the End of the Period (Millions of yen)
Corporate pension	Employee Retirement Benefit Trust	—	—	—	—	Pension assets under the accounting for employee retirement benefit	Partial return of pension assets	¥ 258,877	—	—

For the fiscal year ended March 31, 2021

Type	Name of Company or Individual	Location	Capital or Investment (Millions of yen)	Description of Business or Occupation	Share of Voting Rights (%)	Relation with Related Party	Description of the Transaction	Transaction Amount (Millions of yen)	Items of Account	Balance at the End of the Period (Millions of yen)
Corporate pension	Employee Retirement Benefit Trust	—	—	—	—	Pension assets under the accounting for employee retirement benefit	Partial return of pension assets	¥ 225,709	—	—

2. Notes to Parent Company and Significant Affiliate

For the fiscal years ended March 31, 2022 and 2021

- There is no applicable information.

48. Revenue recognition

(1)Revenue breakdown information

As of March 31,	Millions of yen	Thousands of U.S. dollars
	2022	2022
Ordinary Income	¥3,963,091	\$32,375,553
Fee and Commission Income	905,575	7,397,885
Securities-related business	211,682	1,729,291
Deposits and Lending business ^{*1}	276,279	2,256,998
Remittance business	104,561	854,192
Trust-related business	84,987	694,282
Agency business	36,898	301,437
Guarantee-related business ^{*2}	36,191	295,655
Fees for other customer services	154,974	1,266,030
Fiduciary Income	60,490	494,160
Other Ordinary Income ^{*1}	2,997,026	24,483,508

Notes:

- ^{*1} Part of these amounts are considered to be revenues from contracts that are within the scope of “Accounting Standard for Revenue Recognition”.
- ^{*2} These amounts are revenues from contracts that do not meet the scope of “Accounting Standard for Revenue Recognition”.
- ^{*3} In the above table, revenues that are within the scope of “Accounting Standard for Revenue Recognition” are mainly generated from “Retail & Business Banking Company”, “Corporate & Institutional Company” and “Global Corporate Company”.

(2)Contract assets, contract liabilities and receivables from contracts with customers

The balances of contract assets, contract liabilities and receivables from contracts with customers are included in other assets and other liabilities in the consolidated balance sheet. The balance of contract assets, contract liabilities and receivables from contracts with customers at the consolidated balance sheet date are immaterial.

(3)Price allocated to remaining performance obligations

The amount of revenue expected to be recognized in subsequent fiscal years is not material in terms of amount for the fiscal year ended March 31, 2022. Contracts with a term of up to one year and contracts for which revenue can be recognized at the amount our group has the right to claim are not included in the subject of this report.

49. Per Share Information

Per share information as of or for the fiscal years ended March 31, 2022 and 2021 are calculated based on the following information:

As of or for the fiscal years ended March 31,	Yen	U.S. dollars
	2022	2021
Net Assets per Share of Common Stock	¥3,581.39	¥3,650.87
Profit Attributable to Owners of Parent per Share of Common Stock	209.27	185.75
Diluted Profit Attributable to Owners of Parent per Share of Common Stock	209.26	185.75

- Notes: 1. MHFG conducted a share consolidation of common stock on the basis of one post-consolidation share per ten pre-consolidation shares effective as of October 1, 2020.
Net Assets per Share of Common Stock, Profit Attributable to Owners of Parent per Share of Common Stock and Diluted Profit Attributable to Owners of Parent per Share of Common Stock are calculated under the assumption that the share consolidation had been conducted at the beginning of fiscal 2020.
2. Total Net Assets per Share of Common Stock is based on the following information.

As of March 31,	Millions of yen	Thousands of U.S. dollars
	2022	2021
Total Net Assets	¥9,201,031	¥9,362,207
Deductions from Total Net Assets	123,649	105,932
<i>Stock Acquisition Rights</i>	94	134
<i>Non-Controlling Interests</i>	123,555	105,797
Net Assets (year-end) related to Common Stock	9,077,382	9,256,275
Year-end Outstanding Shares of Common Stock, based on which Total Net Assets per Share of Common Stock was calculated	2,534,590 Thousand shares	2,535,360 Thousand shares

3. Profit Attributable to Owners of Parent per Share of Common Stock is based on the following information.

For the fiscal years ended March 31,	Millions of yen	Thousands of U.S. dollars
	2022	2021
Profit Attributable to Owners of Parent	¥530,479	¥471,020
Amount not attributable to Common Stock	—	—
Profit Attributable to Owners of Parent related to Common Stock	530,479	471,020
Average Outstanding Shares of Common Stock (during the period)	2,534,897 Thousand shares	2,535,683 Thousand shares

4. Diluted Profit Attributable to Owners of Parent per Share of Common Stock is based on the following information.

For the fiscal years ended March 31,	Millions of yen	Thousands of U.S. dollars
	2022	2021
Adjustment to Profit Attributable to Owners of Parent	¥—	¥—
Increased Number of Shares of Common Stock	65 Thousand shares	89 Thousand shares
<i>Stock Acquisition Rights</i>	65 Thousand shares	89 Thousand shares
Description of Dilutive Securities which were not included in the Calculation of Diluted Profit Attributable to Owners of Parent per Share of Common Stock as they have no Dilutive effects	—	—

5. In the calculation of Net Assets per Share of Common Stock, MHFG shares outstanding in BBT trust account that were recognized as Treasury Stock in Shareholders' Equity are included in Treasury Stock shares deducted from the number of issued shares. The number of such Treasury Stock shares deducted during the period is 3,079 thousand and 2,554 thousand as of March 31, 2022 and 2021, respectively.
In the calculation of Profit Attributable to Owners of Parent per Share of Common Stock and Diluted Profit Attributable to Owners of Parent per Share of Common Stock, such Treasury Stock shares are included in Treasury Stock shares deducted in the calculation of the Average Outstanding Shares of Common Stock during the period. The average number of such Treasury Stock shares deducted during the period is 2,892 thousand and 2,350 thousand as of March 31, 2022 and 2021, respectively.

50. Subsequent Events

(Debt Waiver and Debt Equity Swap to Our Business Partner)
Marelli Holdings Co., Ltd. (the "Company"), a business partner of Mizuho Bank, Ltd., a subsidiary of MHFG, declared the application for a simplified rehabilitation proceeding to Tokyo District Court. The business reconstruction plan was accepted by the court as of August 9, 2022.
In light of this event, additional investment was made by KKR, a shareholder of the Company, and Mizuho Bank, Ltd. waived some of its claims to the Company and exchanged some of its claims for preferred stocks of the Company as a contribution in kind ("DES").

(1), (2) and (3) are described based on the data as of June 30, 2022.

(1) Outline of the Company
Company Name: Marelli Holdings Co., Ltd.
Address: 2-1917 Nisshin-cho, Kita-ku, Saitama-city, Saitama
Representative: Hiroshi Moriya, Representative Director
David John Slump, Representative Director
Line of Business: Management of auto-parts manufacturing subsidiaries
Capital Stock: 100 million yen
Date of Foundation: October 6, 2016

(2) Amount and type of claims on the Company and its subsidiaries
Loans and other: 404.2 billion yen

(3) Amount of Debt Waiver and DES
Debt Waiver: 132.6 billion yen
DES: 7.8 billion yen

(4) Influences on MHFG Group from the Fact
We have already applied the necessary accounting treatment in the fiscal year ended March 31, 2022, and there is no additional profit and loss impact in connection with the Debt Waiver and DES mentioned in (3) above.
We will review the borrower rating and allowances properly, considering the decision to accept the business reconstruction plan and the additional investment from KKR.

**Non-Consolidated Financial Statements of
Mizuho Financial Group, Inc. and Three Subsidiaries**
[Under Japanese GAAP]

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Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of
	2022	2021	U.S. dollars
	2022	2021	2022
Assets			
Current Assets	¥ 735,018	¥ 130,137	\$ 6,004,562
Cash and Due from Banks	51,770	44,965	422,926
Other Current Assets	683,248	85,171	5,581,636
Fixed Assets	13,629,183	14,039,114	111,340,446
Tangible Fixed Assets	51,168	52,571	418,009
Intangible Fixed Assets	6,935	6,100	56,658
Investments in Subsidiaries and Affiliates	5,649,249	6,079,112	46,150,229
Other Investments	7,921,830	7,901,329	64,715,550
Total Assets	¥ 14,364,202	¥ 14,169,252	\$ 117,345,008
Liabilities and Net Assets			
Liabilities			
Current Liabilities	¥ 1,263,252	¥ 887,161	\$ 10,319,849
Short-term Borrowings	755,000	850,000	6,167,797
Other Current Liabilities	508,252	37,161	4,152,052
Non-Current Liabilities	7,495,495	7,884,373	61,232,705
Total Liabilities	8,758,748	8,771,534	71,552,554
Net Assets			
Shareholders' Equity	5,605,343	5,397,584	45,791,550
Common Stock	2,256,767	2,256,767	18,436,137
Capital Surplus	1,196,659	1,196,659	9,775,832
Capital Reserve	1,196,659	1,196,659	9,775,832
Retained Earnings	2,158,673	1,949,956	17,634,778
Appropriated Reserve	4,350	4,350	35,537
Other Retained Earnings	2,154,323	1,945,606	17,599,241
Retained Earnings Brought Forward	2,154,323	1,945,606	17,599,241
Treasury Stock	(6,756)	(5,798)	(55,197)
Valuation and Translation Adjustments	16	(1)	136
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	16	(1)	136
Stock Acquisition Rights	94	134	768
Total Net Assets	5,605,454	5,397,718	45,792,454
Total Liabilities and Net Assets	¥ 14,364,202	¥ 14,169,252	\$ 117,345,008

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of
	2022	2021	U.S. dollars
	2022	2021	2022
Operating Income	¥ 320,846	¥ 268,904	\$ 2,621,081
Cash Dividends Received from Subsidiaries and Affiliates	279,822	231,972	2,285,941
Fee and Commission Income Received from Subsidiaries and Affiliates	41,024	36,932	335,140
Operating Expenses	43,191	37,979	352,846
General and Administrative Expenses	43,191	37,979	352,846
Operating Profits	277,654	230,925	2,268,235
Non-Operating Income	187,729	132,777	1,533,614
Non-Operating Expenses	162,776	136,930	1,329,765
Income before Income Taxes	302,607	226,771	2,472,084
Income Taxes:			
Current	(103,716)	1,229	(847,290)
Deferred	806	(1,143)	6,589
Net Income	¥ 405,518	¥ 226,685	\$ 3,312,785

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Assets			
Cash and Due from Banks	¥48,803,771	¥45,460,471	\$398,691,054
Call Loans	1,223,766	967,504	9,997,274
Receivables under Resale Agreements	1,681,260	2,376,420	13,734,668
Guarantee Deposits Paid under Securities Borrowing Transactions	154,255	151,282	1,260,151
Other Debt Purchased	679,939	482,837	5,554,610
Trading Assets	4,496,695	4,655,665	36,734,709
Money Held in Trust	504	503	4,120
Securities	44,608,181	43,720,657	364,416,152
Loans and Bills Discounted	82,962,457	82,074,591	677,742,487
Foreign Exchange Assets	2,509,122	2,016,766	20,497,690
Other Assets	12,092,291	8,918,584	98,785,161
Tangible Fixed Assets	847,689	881,564	6,925,005
Buildings	260,332	229,047	2,126,726
Land	528,716	529,449	4,319,228
Lease Assets	4,333	7,021	35,401
Construction in Progress	21,128	79,921	172,608
Other Tangible Fixed Assets	33,178	36,124	271,042
Intangible Fixed Assets	347,681	360,296	2,840,303
Software	272,584	300,768	2,226,813
Lease Assets	1,811	2,733	14,799
Other Intangible Fixed Assets	73,285	56,794	598,691
Prepaid Pension Cost	440,611	524,167	3,599,472
Deferred Tax Assets	273,129	—	2,231,265
Customers' Liabilities for Acceptances and Guarantees	8,733,646	6,828,085	71,347,493
Reserves for Possible Losses on Loans	(814,778)	(536,101)	(6,656,143)
Reserve for Possible Losses on Investments	(106)	—	(872)
Total Assets	¥209,040,119	¥198,883,298	\$1,707,704,599

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥149,796,096	¥144,963,780	\$1,223,724,340
Call Money	940,058	1,061,104	7,679,587
Payables under Repurchase Agreements	9,293,236	8,760,834	75,918,929
Guarantee Deposits Received under Securities Lending Transactions	146,864	170,648	1,199,775
Commercial Paper	1,775,859	2,105,067	14,507,474
Trading Liabilities	3,447,533	3,255,476	28,163,819
Borrowed Money	14,397,626	15,084,290	117,618,056
Foreign Exchange Liabilities	1,788,299	717,422	14,609,096
Bonds and Notes	810,504	911,779	6,621,230
Other Liabilities	10,937,665	7,465,797	89,352,714
Reserve for Bonus Payments	24,582	25,042	200,818
Reserve for Variable Compensation	763	983	6,239
Reserve for Possible Losses on Sales of Loans	1,309	1,074	10,696
Reserve for Contingencies	1,306	3,092	10,675
Reserve for Reimbursement of Deposits	16,627	20,540	135,836
Reserve for Reimbursement of Debentures	10,504	14,419	85,815
Deferred Tax Liabilities	—	38,723	—
Deferred Tax Liabilities for Revaluation Reserve for Land	59,962	61,915	489,847
Acceptances and Guarantees	8,733,646	6,828,085	71,347,493
Total Liabilities	202,182,447	191,490,080	1,651,682,439
Net Assets			
Shareholders' Equity			
Common Stock and Preferred Stock	1,404,065	1,404,065	11,470,182
Capital Surplus	2,259,392	2,286,167	18,457,582
Capital Reserve	660,805	655,450	5,398,295
Other Capital Surplus	1,598,587	1,630,716	13,059,287
Retained Earnings	2,519,294	2,514,003	20,580,787
Appropriated Reserve	389,012	353,908	3,177,948
Other Retained Earnings	2,130,281	2,160,095	17,402,839
Retained Earnings Brought Forward	2,130,281	2,160,095	17,402,839
Valuation and Translation Adjustments	674,920	1,188,982	5,513,609
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	623,367	1,023,139	5,092,457
Net Deferred Hedge Gains (Losses), net of Taxes	(80,603)	29,458	(658,471)
Revaluation Reserve for Land, net of Taxes	132,156	136,384	1,079,623
Total Net Assets	6,857,672	7,393,218	56,022,160
Total Liabilities and Net Assets	¥209,040,119	¥198,883,298	\$1,707,704,599

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Income			
Interest Income	¥1,131,111	¥1,146,971	\$9,240,354
<i>Loans and Bills Discounted</i>	774,657	828,466	6,328,382
<i>Securities</i>	260,684	227,314	2,129,601
Fee and Commission Income	542,348	514,834	4,430,586
Trading Income	1,664	83,910	13,600
Other Operating Income	235,596	204,734	1,924,651
Other Income	306,826	297,966	2,506,549
Total Income	2,217,547	2,248,418	18,115,740
Expenses			
Interest Expenses	244,322	361,789	1,995,934
<i>Deposits</i>	48,763	138,759	398,360
Fee and Commission Expenses	149,353	91,804	1,220,113
Trading Expenses	—	349	—
Other Operating Expenses	170,721	148,741	1,394,670
General and Administrative Expenses	744,859	802,123	6,084,958
Other Expenses	659,343	469,828	5,386,353
Total Expenses	1,968,601	1,874,636	16,082,028
Income before Income Taxes	248,946	373,781	2,033,712
Income Taxes:			
Current	159,760	95,987	1,305,128
Deferred	(87,395)	10,404	(713,961)
Net Income	¥176,581	¥267,389	\$1,442,545

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Assets			
Cash and Due from Banks	¥1,923,672	¥2,010,405	\$15,714,996
Call Loans	—	22,134	—
Guarantee Deposits Paid under Securities Borrowing Transactions	20,046	—	163,764
Other Debt Purchased	35,314	26,092	288,497
Trading Assets	—	130,476	—
Money Held in Trust	26,556	9,804	216,949
Securities	288,530	321,504	2,357,086
Loans and Bills Discounted	3,192,348	3,362,267	26,079,148
Foreign Exchange Assets	3,898	6,313	31,847
Other Assets	255,755	321,181	2,089,331
Tangible Fixed Assets	100,132	102,139	818,005
Buildings	31,513	7,176	257,440
Land	65,653	65,721	536,339
Construction in Progress	—	27,237	—
Other Tangible Fixed Assets	2,965	2,004	24,226
Intangible Fixed Assets	21,728	25,486	177,503
Software	20,077	24,532	164,015
Other Intangible Fixed Assets	1,650	953	13,488
Prepaid Pension Cost	66,607	65,962	544,138
Customers' Liabilities for Acceptances and Guarantees	14,100	14,008	115,191
Reserves for Possible Losses on Loans	(2,470)	(4,196)	(20,186)
Total Assets	¥5,946,221	¥6,413,579	\$48,576,269

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥3,263,232	¥3,498,331	\$26,658,220
Call Money	603,990	581,838	4,934,156
Trading Liabilities	—	131,235	—
Borrowed Money	300,000	375,082	2,450,780
Due to Trust Accounts	1,167,284	1,160,608	9,535,862
Other Liabilities	31,317	23,141	255,842
Reserve for Bonus Payments	2,741	3,199	22,392
Reserve for Variable Compensation	272	380	2,223
Provision for Retirement Benefits	4,935	260	40,322
Reserve for Reimbursement of Deposits	992	1,558	8,107
Reserve for Loss of Transfer	3,061	4,814	25,013
Deferred Tax Liabilities	17,484	15,515	142,838
Acceptances and Guarantees	14,100	14,008	115,191
Total Liabilities	5,409,413	5,809,974	44,190,946
Net Assets			
Shareholders' Equity			
Common Stock and Preferred Stock	247,369	247,369	2,020,829
Capital Surplus	15,505	15,505	126,666
Capital Reserve	15,505	15,505	126,666
Retained Earnings	296,471	275,949	2,421,956
Appropriated Reserve	150,297	45,865	1,227,821
Other Retained Earnings	146,174	230,083	1,194,135
Retained Earnings Brought Forward	146,174	230,083	1,194,135
Treasury Stock	(79,999)	—	(653,541)
Valuation and Translation Adjustments	57,460	64,781	469,413
Net Unrealized Gains on Other Securities, net of Taxes	57,707	67,360	471,430
Net Deferred Hedge Gains (Losses), net of Taxes	(246)	(2,579)	(2,017)
Total Net Assets	536,807	603,605	4,385,323
Total Liabilities and Net Assets	¥5,946,221	¥6,413,579	\$48,576,269

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Income			
Fiduciary Income	¥61,028	¥55,962	\$498,556
Interest Income	26,345	38,922	215,225
Loans and Bills Discounted	19,640	21,259	160,450
Securities	4,926	15,497	40,242
Fee and Commission Income	79,058	68,275	645,848
Trading Income	—	1,657	—
Other Operating Income	369	11,911	3,021
Other Income	14,900	32,131	121,727
Total Income	181,702	208,860	1,484,377
Expenses			
Interest Expenses	7,049	8,606	57,592
Deposits	354	458	2,896
Fee and Commission Expenses	36,795	34,743	300,593
Trading Expenses	640	—	5,231
Other Operating Expenses	12	3,847	103
General and Administrative Expenses	75,132	80,986	613,774
Other Expenses	4,177	21,787	34,126
Total Expenses	123,807	149,970	1,011,419
Income before Income Taxes	57,894	58,889	472,958
Income Taxes:			
Current	10,651	8,573	87,013
Deferred	4,559	5,928	37,249
Net Income	¥42,683	¥44,388	\$348,696

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Balance Sheet

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Assets			
Current Assets			
Cash and Due from Banks	¥405,261	¥369,894	\$3,310,689
Cash Segregated as Deposits for Customers and Others	541,274	554,281	4,421,819
Trading Assets	6,921,502	6,222,426	56,543,606
Trading Securities and Others	3,197,851	2,776,197	26,124,105
Derivatives	3,723,651	3,446,228	30,419,501
Receivables – Unsettled trades	145,887	—	1,191,795
Operating Investment Securities	40,926	34,338	334,342
Receivables Related to Margin Transactions	34,802	32,553	284,313
Loans Receivable under Margin Transactions	29,635	28,105	242,101
Cash Collateral for Borrowed Securities under Margin Transactions	5,167	4,448	42,212
Collateralized Short-term Financing Agreements-receivable	4,707,548	4,520,477	38,457,226
Deposits Paid for Securities Borrowed	2,225,758	2,597,115	18,182,815
Securities Purchased under Agreements to Resell	2,481,790	1,923,362	20,274,411
Advances Paid	94	441	770
Short-term Guarantee Deposits	627,838	373,909	5,128,981
Securities: Fail to Deliver	32,415	15,265	264,809
Variation Margin Paid	12,757	30,440	104,216
Short-term Loans Receivable	47,983	36,085	391,989
Other Current Assets	59,738	57,360	488,019
Less: Allowance for Doubtful Accounts	(79)	(276)	(646)
Total Current Assets	13,577,953	12,247,197	110,921,928
Noncurrent Assets			
Tangible Fixed Assets	18,742	19,775	153,113
Intangible Fixed Assets	68,497	66,544	559,575
Investments and Other Assets	304,034	314,486	2,483,739
Investment Securities	235,628	240,729	1,924,915
Long-term Guarantee Deposits	12,984	11,753	106,078
Prepaid Pension Cost	25,754	22,893	210,400
Deferred Tax Assets	19,998	19,443	163,376
Other	13,348	23,115	109,045
Less: Allowance for Doubtful Accounts	(3,681)	(3,448)	(30,075)
Total Noncurrent Assets	391,274	400,806	3,196,427
Total Assets	¥13,969,227	¥12,648,003	\$114,118,355

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Liabilities			
Current Liabilities			
Trading Liabilities	¥5,356,537	¥4,765,362	\$43,758,987
Trading Securities and Others	1,935,741	1,676,687	15,813,588
Derivatives	3,420,796	3,088,674	27,945,399
Payables - unsettled trades	—	253,734	—
Payables Related to Margin Transactions	50,556	39,793	413,007
Borrowings on Margin Transactions	7,794	6,383	63,678
Cash Collateral for Loaned Securities under Margin Transactions	42,761	33,409	349,329
Collateralized Short-term Financing Agreements-payable	4,144,682	3,510,972	33,859,018
Deposits Received for Securities Loaned	1,096,495	878,901	8,957,567
Securities Sold under Agreements to Repurchase	3,048,186	2,632,070	24,901,451
Deposits Received	425,452	444,112	3,475,636
Guarantee Deposits Received	425,613	417,142	3,476,953
Securities: Fail to Receive	7,083	2,854	57,868
Short-term Borrowings	904,079	806,728	7,385,664
Commercial Paper	490,500	423,500	4,007,026
Bonds and Notes Due within One year	148,768	127,648	1,215,326
Income Taxes Payable	2,515	11,565	20,546
Reserve for Bonus Payments	25,379	25,365	207,333
Provision for Variable Compensation	411	788	3,358
Other Current Liabilities	46,970	50,122	383,713
Total Current Liabilities	12,028,549	10,879,689	98,264,435
Noncurrent Liabilities			
Bonds and Notes	753,870	623,175	6,158,565
Long-term Borrowings	580,000	150,400	4,738,175
Provision for Retirement Benefits	22,579	21,216	184,459
Provision for Loss on Head Office Transfer	1,541	4,194	12,592
Other Noncurrent Liabilities	3,769	3,132	30,790
Total Noncurrent Liabilities	1,361,759	802,120	11,124,581
Statutory Reserves			
Reserve for Financial Instruments Transaction Liabilities	3,132	3,135	25,587
Total Statutory Reserves	3,132	3,135	25,587
Total Liabilities	¥13,393,441	¥11,684,945	\$109,414,603

Non-Consolidated Balance Sheet—(Continued)

As of March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Net Assets			
Shareholders' Equity			
Common Stock	¥125,167	¥125,167	\$1,022,525
Capital Surplus			
Additional Paid in Capital	285,831	285,831	2,335,033
Other Capital Surplus	95,817	95,817	782,763
Total Capital Surpluses	381,649	381,649	3,117,796
Retained Earnings			
Other Retained Earnings			
Retained Earnings Brought Forward	425,554	440,661	3,476,469
Total Retained Earnings	425,554	440,661	3,476,469
Treasury Stocks	(369,999)	—	(3,022,629)
Total Shareholders' Equity	562,371	947,478	4,594,161
Valuation and Translation Adjustments			
Net Unrealized Gains on (Operating) Investment Securities, net of Tax	23,193	25,339	189,474
Net Deferred Gains or Losses on Hedges, net of Tax	(9,778)	(9,759)	(79,883)
Total Valuation and Translation Adjustments	13,415	15,580	109,591
Total Net Assets	575,786	963,058	4,703,752
Total Liabilities and Net Assets	¥13,969,227	¥12,648,003	\$114,118,355

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.

Non-Consolidated Statement of Income

For the Fiscal Years ended March 31,	Millions of yen		Thousands of U.S. dollars
	2022	2021	2022
Operating Revenues			
Commissions	¥183,633	¥181,774	\$1,500,148
Brokerage Commissions	26,300	28,907	214,858
Underwriting and Selling Fees, and Commissions from Solicitation to Qualifying Investors	38,562	35,642	315,028
Offering, Selling, and Other Commissions and Fees, and Commissions from Solicitation to Qualifying Investors	41,710	42,786	340,747
Other commissions and Fees	77,058	74,437	629,515
Net Gain on Trading	123,761	152,257	1,011,038
Net Gain on Operating Investment Securities	(2,831)	630	(23,135)
Interest and Dividend Income	75,942	73,514	620,398
Total Operating Revenues	380,505	408,177	3,108,449
Interest Expenses	53,612	56,850	437,979
Net Operating Revenues	326,892	351,326	2,670,470
Selling, General and Administrative Expenses			
Transaction-related Expenses	70,197	73,476	573,462
Personnel Expenses	96,131	100,958	785,320
Real Estate Expenses	21,017	22,148	171,700
Administrative Expenses	39,150	39,411	319,831
Depreciation and Amortization	17,770	19,994	145,173
Taxes and Dues	5,252	5,797	42,905
Provision of Allowance for Doubtful Accounts	36	283	296
Other	2,411	2,612	19,702
Operating Income	74,924	86,643	612,081
Non-operating Income	3,437	4,210	28,082
Non-operating Expenses	506	221	4,140
Ordinary Income	77,855	90,632	636,023
Extraordinary gain			
Gain on Sale of Investment Securities	2,882	7,099	23,547
Gain on Extinguishment of Tie-in Shares	—	6,649	—
Reversal of allowance for loss on head office transfer	852	—	6,964
Reversal of reserve for financial instruments transaction liabilities	3	—	29
Extraordinary loss	10,627	15,830	86,822
Losses on Impairment of Fixed Assets	710	318	5,808
Impairment losses	39	728	321
Special retirement benefits	197	267	1,613
Head office transfer cost	820	648	6,705
Loss related to system migration	8,842	8,032	72,239
Loss related to novel coronavirus disease	—	739	—
Provision of allowance for loss on head office transfer	—	4,194	—
Provision of reserve for financial instruments transaction liabilities	—	625	—
Other	16	273	136
Income before Income Taxes	70,966	88,550	579,741
Income Taxes – current	10,303	14,761	84,171
Income Taxes – deferred	203	(3,167)	1,663
Total Income Taxes	10,506	11,594	85,834
Net Income	¥60,459	¥76,956	\$493,907

Notes: 1. The amounts indicated in millions of yen are rounded down by truncating the figures below one million.
2. The rate of ¥122.41=US\$1.00, the foreign exchange rate on March 31, 2022, has been used for translation.



Basel Regulatory Disclosures

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Under the capital adequacy ratio regulations agreed upon by the Basel Committee on Banking Supervision, banks are required to meet certain minimum capital requirements. We calculate our capital adequacy ratio on a consolidated basis based on “the criteria used by a bank holding company for deciding whether or not the adequacy of equity capital of the bank holding company and its subsidiaries is appropriate in light of the assets owned by the bank holding company and its subsidiaries pursuant to Article 52-25 of the Banking Law” (Financial Services Agency, or FSA, Notice No.20 issued in 2006).

We also calculate our leverage ratio on a consolidated basis according to “the criteria for evaluating the soundness of the leverage, prescribed as supplemental requirements of the criteria used by a bank holding company in deciding whether or not the adequacy of equity capital of the bank holding company and its subsidiaries is appropriate in light of the assets owned by the bank holding company and its subsidiaries, pursuant to Article 52-25 of the Banking Law” (FSA Notice No.12 issued in 2019.)

Liquidity standards agreed upon by the Basel Committee on Banking Supervision require our liquidity coverage ratio and net stable funding ratio to surpass certain minimum standards. We calculate our consolidated liquidity coverage ratio (the “Consolidated LCR”) and consolidated net stable funding ratio (the “Consolidated NSFR”) in accordance with the regulation “The Evaluation Criterion on the Sound Management of Liquidity Risk Defined, Based on Banking Law Article 52-25, as One of Criteria for Bank Holding Companies to Evaluate the Soundness of Their Management and the Ones of Their Subsidiaries and Others, which is also One of Evaluation Criteria on the Soundness of the Banks' Management”(the FSA Notice No.62 of 2014 (the “Notice No.62”)).

■ Key Metrics

KM1: Key Metrics

(Millions of yen, except percentages)

Basel III Template No.		a	b	c	d	e
		As of March 31, 2022	As of December 31, 2021	As of September 30, 2021	As of June 30, 2021	As of March 31, 2021
Capital						
1	Common Equity Tier 1 capital	¥8,067,279	¥8,226,284	¥8,243,579	¥8,055,550	¥7,849,969
2	Tier 1 capital	9,713,290	9,876,630	10,098,408	9,906,857	9,701,931
3	Total capital	11,351,682	11,714,628	11,927,024	11,604,563	11,385,395
Risk weighted assets						
4	Risk weighted assets	64,730,439	66,364,348	67,147,718	67,367,304	67,481,983
Capital ratio						
5	Common Equity Tier 1 capital ratio	12.46%	12.39%	12.27%	11.95%	11.63%
6	Tier 1 capital ratio	15.00%	14.88%	15.03%	14.70%	14.37%
7	Total capital ratio	17.53%	17.65%	17.76%	17.22%	16.87%
Capital buffer						
8	Capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement	0.01%	0.01%	0.01%	0.01%	0.01%
10	Bank G-SIB/D-SIB additional requirements	1.00%	1.00%	1.00%	1.00%	1.00%
11	Total of bank CET1 specific buffer requirements	3.51%	3.51%	3.51%	3.51%	3.51%
12	CET1 available after meeting the bank's minimum capital requirements	7.96%	7.89%	7.77%	7.45%	7.13%
Leverage ratio						
13	Total exposures	212,972,004	203,242,182	203,591,555	206,393,377	200,546,630
14	Leverage ratio	4.56%	4.85%	4.96%	4.79%	4.83%
Liquidity coverage ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	71,174,101	73,663,351	77,427,898	77,902,708	72,792,220
16	Net cash outflows	¥52,140,978	¥52,530,023	¥55,219,275	¥54,843,907	¥53,607,048
17	LCR	136.5%	140.3%	140.2%	142.0%	135.8%
Net stable funding ratio (NSFR)						
18	Available stable funding	106,664,623	104,901,272	104,304,278		
19	Required stable funding	¥88,703,857	¥86,617,415	¥86,539,611		
20	NSFR	120.2%	121.1%	120.5%		

Note: Figures of No.15 to 17 in the table above are calculated based on the average values for the quarter.

The information disclosed herein is in accordance with "Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Status of the Adequacy of Equity Capital Pursuant to Article 19-2, Paragraph 1, Item 5, Subitem (d), etc. of the Ordinance for Enforcement of the Banking Law" (the FSA Notice No. 7 issued in 2014).

■ Scope of Consolidation
(1) Scope of Consolidation for Calculating Consolidated Capital Adequacy Ratio

(a) Difference from the Companies Included in the Scope of Consolidation Based on Consolidation Rules for Preparation of Consolidated Financial Statements (the “Scope of Accounting Consolidation”)
None as of March 31, 2022 and 2021

(b) Number of Consolidated Subsidiaries

	As of March 31, 2022	As of March 31, 2021
Consolidated subsidiaries	163	160

Our major consolidated subsidiaries are Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd.

The following table sets forth information with respect to our principal consolidated subsidiaries as of March 31, 2022:

Name	Country of organization	Main business	Proportion of ownership interest (%)	Proportion of voting interest (%)
Domestic				
Mizuho Bank, Ltd.	Japan	Banking	100.0%	100.0%
Mizuho Trust & Banking Co., Ltd.	Japan	Trust and banking	100.0	100.0
Mizuho Securities Co., Ltd.	Japan	Securities	95.8	89.6
Mizuho Research & Technologies, Ltd.	Japan	Information technology and think tank consulting	100.0	100.0
Asset Management One Co., Ltd.	Japan	Investment management	70.0	51.0
Mizuho Credit Guarantee Co., Ltd.	Japan	Credit guarantee	100.0	100.0
Mizuho Factors, Limited	Japan	Factoring	100.0	100.0
UC Card Co., Ltd.	Japan	Credit card	100.0	100.0
Mizuho Realty One Co., Ltd.	Japan	Holding company	100.0	100.0
Mizuho Business Service Co., Ltd	Japan	Subcontracted operations	100.0	100.0
Mizuho Realty Co., Ltd.	Japan	Real estate agency	99.5	95.1
Defined Contribution Plan Services Co., Ltd. ...	Japan	Pension plan-related business	60.0	60.0
Mizuho-DL Financial Technology Co., Ltd. ...	Japan	Application and Sophistication of Financial Technology	60.0	60.0
Mizuho Capital Co., Ltd.	Japan	Venture capital	50.0	50.0
J.Score CO., Ltd.	Japan	Lending	50.0	50.0

Name	Country of organization	Main business	Proportion of ownership interest (%)	Proportion of voting interest (%)
Overseas				
Mizuho Americas LLC	U.S.A.	Holding company	100.0	100.0
Mizuho Capital Markets LLC	U.S.A.	Derivatives	100.0	100.0
Mizuho Bank (China), Ltd.	China	Banking	100.0	100.0
Mizuho Securities USA LLC	U.S.A.	Securities	100.0	100.0
Mizuho Bank Europe N.V.	Netherlands	Banking and securities	100.0	100.0
Banco Mizuho do Brasil S.A.	Brazil	Banking	100.0	100.0
Mizuho Trust & Banking (Luxembourg) S.A.	Luxembourg	Trust and banking	100.0	100.0
Mizuho Bank (USA)	U.S.A.	Banking and trust	100.0	100.0
PT. Bank Mizuho Indonesia	Indonesia	Banking	99.0	99.0
Mizuho Securities Asia Limited	China	Securities	97.1	100.0
Mizuho International plc	U.K.	Securities and banking	95.8	100.0
Mizuho Securities Europe GmbH	Germany	Securities	95.8	100.0

(c) Corporations Providing Financial Services for Which Article 9 of the FSA Notice No. 20 is Applicable
None as of March 31, 2022 and 2021.

(d) Companies that are in the Bank Holding Company’s Corporate Group but not Included in the Scope of Accounting Consolidation and Companies that are not in the Bank Holding Company’s Corporate Group but Included in the Scope of Accounting Consolidation
None as of March 31, 2022 and 2021.

(e) Restrictions on Transfer of Funds or Capital within the Bank Holding Company’s Corporate Group
None as of March 31, 2022 and 2021.

(f) Names of Any Other Financial Institutions, etc., Classified as Subsidiaries or Other Members of the Bank Holding Company that are Deficient in Regulatory Capital
None as of March 31, 2022 and 2021.

■ Risk-based Capital

(1) Summary of Approach to Assessing Capital Adequacy

In order to ensure that risk-based capital is sufficiently maintained in light of the risk held by us, we regularly conduct the following assessment of capital adequacy in addition to adopting a suitable and effective capital adequacy monitoring structure.

Maintaining a sufficient BIS capital ratio

We confirm our maintenance of a high level of financial soundness by conducting regular evaluations to examine whether our risk-based capital is adequate in qualitative as well as quantitative terms, in light of our business plans and strategic targets to match the increase in risk-weighted assets acquired for growth, in addition to maintaining our capital above the minimum requirements of common equity Tier 1 capital ratio, Tier 1 capital ratio, total capital ratio, capital buffer ratio, leverage ratio and TLAC ratio.

Balancing risk and capital

On the basis of the framework for allocating risk capital, after obtaining the clearest possible grasp of the group’s overall risk exposure, we endeavor to control risk so as to keep it within the range of our business capacity by means of allocating capital that corresponds to the amount of risk to the principal banking subsidiaries, etc., within the bounds of our capital, and we conduct regular assessments to ensure that a sufficient level of capital is maintained for our risk profile. When making these assessments, we calculate the potential losses arising from assumed stress events and risk volumes, which we assess whether they balance with the group’s capital. Stress events are based on risk scenarios that are formulated based on the current economic condition and the economic outlook, etc. In addition, we examine whether an appropriate return on risk is maintained in the assessments.

(2) Composition of Capital, etc.
(a) CC1: Composition of Capital Disclosure
(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2022	As of March 31, 2021	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves (1)				
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	¥8,028,508	¥7,711,821	
1a	of which: capital and stock surplus	3,382,092	3,392,708	
2	of which: retained earnings	4,756,301	4,421,438	
1c	of which: treasury stock (-)	8,342	7,124	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	101,542	95,201	
	of which: other than above	-	-	
1b	Subscription rights to common shares	94	134	
3	Accumulated other comprehensive income and other disclosed reserves	947,197	1,449,035	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	16,937	7,361	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,992,737	9,168,353	
Common Equity Tier 1 capital: regulatory adjustments (2)				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	451,288	459,854	
8	of which: goodwill (net of related tax liability, including those equivalent)	62,978	65,884	
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	388,310	393,969	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	12,685	12,348	
11	Deferred gains or losses on derivatives under hedge accounting	(164,371)	30,475	
12	Shortfall of eligible provisions to expected losses	-	20,856	
13	Securitization gain on sale	7	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	24,341	21,499	
15	Net defined benefit asset	599,288	769,795	
16	Investments in own shares (excluding those reported in the net assets section)	2,215	3,552	
17	Reciprocal cross-holdings in common equity	-	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	¥-	¥-	

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2022	As of March 31, 2021	Reference to Template CC2
19+20+21	Amount exceeding the 10% threshold on specified items	¥-	¥-	
19	of which: significant investments in the common stock of financials	-	-	
20	of which: mortgage servicing rights	-	-	
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
22	Amount exceeding the 15% threshold on specified items	-	-	
23	of which: significant investments in the common stock of financials	-	-	
24	of which: mortgage servicing rights	-	-	
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	925,457	1,318,383	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	8,067,279	7,849,969	
Additional Tier 1 capital: instruments (3)				
30	31a Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	
30	31b Subscription rights to Additional Tier 1 instruments	-	-	
30	32 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,643,000	1,873,000	
30	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	20,607	17,439	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	/	-	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	/	-	
35	of which: instruments issued by subsidiaries subject to phase out	/	-	
36	Additional Tier 1 capital: instruments (D)	1,663,607	1,890,439	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	900	2,400	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	¥-	¥-	

(a) CC1: Composition of Capital Disclosure

(Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2022	As of March 31, 2021	Reference to Template CC2
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	¥-	¥-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	16,695	36,078	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)	17,595	38,478	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,646,011	1,851,961	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C) + (F)) (G)	9,713,290	9,701,931	
Tier 2 capital: instruments and provisions (4)				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	
46	Subscription rights to Tier 2 instruments	-	-	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,371,349	1,406,564	
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	73,064	99,266	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	8,038	5,173	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2:instruments and provisions	/	168,706	
47	of which: directly issued capital instruments subject to phase out from Tier 2	/	30,739	
49	of which: instruments issued by subsidiaries subject to phase out	/	137,966	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	191,064	5,476	
50a	of which: general allowance for loan losses	5,480	5,476	
50b	of which: eligible provisions	185,583	-	
51	Tier 2 capital: instruments and provisions (H)	1,643,515	1,685,186	
Tier 2 capital: regulatory adjustments (5)				
52	Investments in own Tier 2 instruments	4,606	1,388	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	-	
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	¥-	¥-	

(a) CC1: Composition of Capital Disclosure
 (Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2022	As of March 31, 2021	Reference to Template CC2
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	¥517	¥334	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
57	Tier 2 capital: regulatory adjustments (I)	5,123	1,722	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,638,391	1,683,464	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	11,351,682	11,385,395	
Risk weighted assets (6)				
60	Risk weighted assets (L)	¥64,730,439	¥67,481,983	
Capital ratio and buffers (consolidated) (7)				
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.46%	11.63%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	15.00%	14.37%	
63	Total capital ratio (consolidated) ((K)/(L))	17.53%	16.87%	
64	Total of bank CET1 specific buffer requirements	3.51%	3.51%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical buffer requirement	0.01%	0.01%	
67	of which: bank G-SIB/D-SIB additional requirements	1.00%	1.00%	
68	CET1 available after meeting the bank's minimum capital requirements	7.96%	7.13%	
Regulatory adjustments (8)				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	¥468,660	¥460,375	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	322,197	295,131	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	¥521,630	¥265,832	

(a) CC1: Composition of Capital Disclosure
 (Millions of yen, except percentage)

Basel III Template		a	b	c
		As of March 31, 2022	As of March 31, 2021	Reference to Template CC2
Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general allowance for loan losses)	¥5,480	¥5,476	
77	Cap on inclusion of provisions (general allowance for loan losses)	48,854	44,922	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	185,583	-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	317,567	337,311	
Capital instruments subject to phase-out arrangements (10)				
82	Current cap on AT1 instruments subject to phase-out arrangements	/	208,313	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	/	-	
84	Current cap on T2 instruments subject to phase-out arrangements	/	168,706	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	/	¥64,355	

Notes: 1. The above figures are calculated based on the international standard applied on a consolidated basis under the FSA Notice No. 20.
 2. As an external audit of calculating the consolidated capital adequacy ratio, we underwent an examination under the procedures agreed with by Ernst & Young ShinNihon LLC, on the basis of "Practical guidance on agreed-upon procedures for the calculation of capital adequacy ratio and leverage ratio" (Practical Guideline for specialized fields No. 4465 of the Japanese Institute of Certified Public Accountants). Note that this examination is not a part of the audit performed on our consolidated financial statements or internal controls over financial reporting. Ernst & Young ShinNihon LLC does not give its opinion or conclusion concerning the capital adequacy ratio or our internal control structure regarding the calculation of the capital adequacy ratio. Instead, it performs an examination to the extent both of us agreed to and reports the results to us.

(b) CC2:Reconciliation of regulatory capital to consolidated balance sheet

(Millions of yen)			c	d
Items	a	b		
	Consolidated balance sheet as in published financial statements	Consolidated balance sheet as in published financial statements		
	As of March 31, 2022	As of March 31, 2021	Reference to Template CC1	Cross-reference to Appended template
(Assets)				
Cash and Due from Banks	¥51,359,301	¥47,981,981		
Call Loans and Bills Purchased	940,008	589,776		
Receivables under Resale Agreements	12,750,363	11,623,654		
Guarantee Deposits Paid under Securities Borrowing Transactions	2,340,089	2,707,711		
Other Debt Purchased	3,476,021	3,208,004		
Trading Assets	13,221,415	12,589,294		6-a
Money Held in Trust	591,183	582,368		
Securities	44,641,060	43,697,262		2-b, 6-b
Loans and Bills Discounted	84,736,280	83,704,675		6-c
Foreign Exchange Assets	2,627,492	2,084,756		
Derivatives other than for Trading Assets	2,277,160	1,719,349		6-d
Other Assets	7,797,796	6,174,020		6-e
Tangible Fixed Assets	1,095,977	1,135,449		
Intangible Fixed Assets	601,292	620,224		2-a
Net Defined Benefit Asset	863,217	1,109,107		3
Deferred Tax Assets	184,594	31,402		4-a
Customers' Liabilities for Acceptances and Guarantees	8,346,878	6,602,744		
Reserves for Possible Losses on Loans	(783,886)	(575,572)		
Reserve for Possible Losses on Investments	(107)	(0)		
Total Assets	¥237,066,142	¥225,586,211		
(Liabilities)				
Deposits	¥138,830,872	¥133,312,406		
Negotiable Certificates of Deposit	16,868,931	17,192,572		
Call Money and Bills Sold	1,278,050	1,312,790		
Payables under Repurchase Agreements	20,068,779	18,607,255		
Guarantee Deposits Received under Securities Lending Transactions	1,172,248	958,148		
Commercial Paper	1,775,859	2,105,067		
Trading Liabilities	9,608,976	8,115,377		6-f
Borrowed Money	6,590,527	7,441,822		8-a
Foreign Exchange Liabilities	1,508,453	532,042		
Short-term Bonds	537,167	456,045		
Bonds and Notes	10,714,004	10,321,672		8-b
Due to Trust Accounts	1,167,284	1,160,608		
Derivatives other than for Trading Liabilities	2,770,852	1,739,671		6-g
Other Liabilities	6,301,484	5,862,013		
Reserve for Bonus Payments	120,052	104,131		
Reserve for Variable Compensation	2,278	2,935		
Net Defined Benefit Liability	71,774	71,049		
Reserve for Director and Corporate Auditor Retirement Benefits	557	683		
Reserve for Possible Losses on Sales of Loans	1,309	1,074		
Reserve for Contingencies	6,622	6,762		
Reserve for Reimbursement of Deposits	17,620	22,099		
Reserve for Reimbursement of Debentures	10,504	14,419		
Reserves under Special Laws	¥3,132	¥3,135		

(b) CC2:Reconciliation of regulatory capital to consolidated balance sheet

(Millions of yen)			c	d
Items	a	b		
	Consolidated balance sheet as in published financial statements	Consolidated balance sheet as in published financial statements		
	As of March 31, 2022	As of March 31, 2021	Reference to Template CC1	Cross-reference to Appended template
Deferred Tax Liabilities	¥30,923	¥215,557		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	59,962	61,915		4-c
Acceptances and Guarantees	8,346,878	6,602,744		
Total Liabilities	¥227,865,110	¥216,224,003		
(Net Assets)				
Common Stock	2,256,767	2,256,767		1-a
Capital Surplus	1,125,324	1,135,940		1-b
Retained Earnings	4,756,435	4,421,655		1-c
Treasury Stock	(8,342)	(7,124)		1-d
Total Shareholders' Equity	¥8,130,185	¥7,807,239		
Net Unrealized Gains (Losses) on Other Securities	719,822	1,132,460		
Deferred Gains or Losses on Hedges	(76,757)	31,618		5
Revaluation Reserve for Land	132,156	136,384		
Foreign Currency Translation Adjustments	2,346	(139,514)		
Remeasurements of Defined Benefit Plans	169,652	288,088		
Own Credit Risk Adjustments, Net of Tax	(23)	-		
Total Accumulated Other Comprehensive Income	¥947,197	¥1,449,035	(a)	
Stock Acquisition Rights	94	134		
Non-Controlling Interests	123,555	105,797		7
Total Net Assets	¥9,201,031	¥9,362,207		
Total Liabilities and Net Assets	¥237,066,142	¥225,586,211		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

Appended template

1. Shareholders' Equity

(1) Consolidated Balance Sheet (Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
1-a	Common stock	¥2,256,767	¥2,256,767	
1-b	Capital surplus	1,125,324	1,135,940	
1-c	Retained earnings	4,756,435	4,421,655	
1-d	Treasury stock	(8,342)	(7,124)	
Total shareholders' equity		¥8,130,185	¥7,807,239	

(2) Composition of Capital (Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	¥8,130,051	¥7,807,022	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,382,092	3,392,708	
2	of which: retained earnings	4,756,301	4,421,438	
1c	of which: treasury stock (-)	8,342	7,124	
	of which: other than above	-	-	
31a	Directly issued qualifying additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	

2. Intangible Fixed Assets

(1) Consolidated Balance Sheet (Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
2-a	Intangible fixed assets	¥601,292	¥620,224	
2-b	Securities	44,641,060	43,697,262	
	of which: share of goodwill of companies accounted for using the equity method	10,431	9,635	Share of goodwill of companies accounted for using the equity method
Income taxes related to above		¥(160,434)	¥(170,006)	

(2) Composition of Capital (Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	¥62,978	¥65,884	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	388,310	393,969	Software and other
	Mortgage servicing rights (net of related tax liability)	-	-	
20	Amount exceeding the 10% threshold on specified items	-	-	
24	Amount exceeding the 15% threshold on specified items	-	-	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	

3. Net defined Benefit Asset

(1) Consolidated Balance Sheet (Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
3	Net defined benefit asset	¥863,217	¥1,109,107	
Income taxes related to above		¥(263,928)	¥(339,312)	

(2) Composition of Capital (Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
15	Net defined benefit asset	¥599,288	¥769,795	

4. Deferred Tax Assets

(1) Consolidated Balance Sheet (Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
4-a	Deferred tax assets	¥184,594	¥31,402	
4-b	Deferred tax liabilities	30,923	215,557	
4-c	Deferred tax liabilities for revaluation reserve for land	59,962	61,915	
	Tax effects on intangible fixed assets	¥160,434	¥170,006	
	Tax effects on net defined benefit asset	263,928	339,312	
(2) Composition of Capital (Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	¥12,685	¥12,348	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
	Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	521,630	265,832	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
21	Amount exceeding the 10% threshold on specified items	-	-	
25	Amount exceeding the 15% threshold on specified items	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	521,630	265,832	

5. Deferred Gains or Losses on Derivatives under Hedge Accounting

(1) Consolidated Balance Sheet (Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
5	Deferred gains or losses on hedges	¥(76,757)	¥31,618	
(2) Composition of Capital (Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	¥(164,371)	¥30,475	Excluding those items whose valuation differences arising from hedged items are recognized as "Total accumulated other comprehensive income"
6. Items Associated with Investments in the Capital of Financial Institutions				
(1) Consolidated Balance Sheet (Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
6-a	Trading assets	¥13,221,415	¥12,589,294	Including trading account securities and derivatives for trading assets
6-b	Securities	44,641,060	43,697,262	
6-c	Loans and bills discounted	84,736,280	83,704,675	Including subordinated loans
6-d	Derivatives other than for trading assets	2,277,160	1,719,349	
6-e	Other assets	7,797,796	6,174,020	Including money invested
6-f	Trading liabilities	9,608,976	8,115,377	Including trading account securities sold
6-g	Derivatives other than for trading liabilities	2,770,852	1,739,671	

(2) Composition of Capital				
(Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
	Investments in own capital instruments	¥7,722	¥7,340	
16	Common equity Tier 1 capital	2,215	3,552	
37	Additional Tier 1 capital	900	2,400	
52	Tier 2 capital	4,606	1,388	
	Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-	-	
17	Common equity Tier 1 capital	-	-	
38	Additional Tier 1 capital	-	-	
53	Tier 2 capital and other TLAC liabilities	-	-	
	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	469,178	460,709	
18	Common equity Tier 1 capital	-	-	
39	Additional Tier 1 capital	-	-	
54	Tier 2 capital and other TLAC liabilities	-	-	
54a	Investments in the other TLAC liabilities of banking,financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	517	334	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	468,660	460,375	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	338,893	331,209	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	16,695	36,078	
55	Tier 2 capital and other TLAC liabilities	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	322,197	295,131	

7. Non-Controlling Interests				
(1) Consolidated Balance Sheet				
(Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
7	Non-Controlling interests	¥123,555	¥105,797	

(2) Composition of Capital				
(Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	¥16,937	¥7,361	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
30-31ab-32	Qualifying additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	20,607	17,439	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	73,064	99,266	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	8,038	5,173	After reflecting amounts eligible for inclusion (non-controlling interest after adjustments)

8. Other Capital Instruments				
(1) Consolidated Balance Sheet				
(Millions of yen)				
Ref.	Consolidated balance sheet items	As of March 31, 2022	As of March 31, 2021	Remarks
8-a	Borrowed money	¥6,590,527	¥7,441,822	
8-b	Bonds and notes	10,714,004	10,321,672	
	Total	¥17,304,532	¥17,763,494	

(2) Composition of Capital				
(Millions of yen)				
Basel III template	Composition of capital disclosure	As of March 31, 2022	As of March 31, 2021	Remarks
32	Directly issued qualifying additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	¥1,643,000	¥1,873,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,371,349	1,406,564	

■ Summary of Risk Management and Risk-weighted Assets (RWA)

(1) Summary of Our Group’s Risk Profile, Risk Management Policies/ Procedures and Structure
 See pages 97 to 101 for a summary of our group’s risk profile and risk management policies, etc.

(2) Summary of RWA

(A) OV1: Overview of Risk-weighted Assets (RWA)

		(Millions of yen)			
Basel III Template No.		a	b	c	d
		RWA		capital requirements	
		As of March 31, 2022	As of March 31, 2021	As of March 31, 2022	As of March 31, 2021
1	Credit risk (excluding counterparty credit risk)	¥40,885,256	¥41,573,999	¥3,449,683	¥3,508,692
2	of which: standardized approach (SA)	1,937,947	1,871,761	155,035	149,740
3	of which: internal rating-based (IRB) approach	37,263,038	38,077,677	3,159,905	3,228,987
	of which: significant investments	-	-	-	-
	of which: estimated residual value of lease transactions	-	-	-	-
	others	1,684,270	1,624,560	134,741	129,964
4	Counterparty credit risk (CCR)	4,606,704	4,459,369	374,631	363,487
5	of which: SA-CCR	-	-	-	-
	of which: current exposure method	243,346	448,051	20,169	37,510
6	of which: expected positive exposure (EPE) method	1,008,311	1,078,444	84,793	90,701
	of which: credit valuation adjustment (CVA) risk	2,108,205	1,982,240	168,656	158,579
	of which: central counterparty-related	183,747	166,104	14,699	13,288
	Others	1,063,093	784,529	86,311	63,407
7	Equity positions in banking book under market-based approach	2,613,592	3,427,692	221,632	290,668
8	Equity investments in funds - Look-through approach	4,090,892	6,166,277	345,975	521,846
9	Equity investments in funds - Mandate-based approach	-	-	-	-
	Equity investments in funds - Simple approach (subject to 250% RW)	-	-	-	-
	Equity investments in funds - Simple approach (subject to 400% RW)	811,245	609,005	68,793	51,643
10	Equity investments in funds - Fall-back approach	227,679	156,266	18,854	12,519
11	Settlement risk	3,179	2,730	263	230
12	Securitization exposures in banking book	972,440	1,150,473	77,795	92,037
13	of which: Securitisation IRB approach (SEC-IRBA) or internal assessment approach(IAA)	823,411	921,663	65,872	73,733
14	of which: Securitisation external ratings-based approach (SEC-ERBA)	148,600	228,207	11,888	18,256
15	of which: Securitisation standardised approach (SEC-SA)	255	249	20	19
	of which: 1250% risk weight is applied	173	353	13	28
16	Market risk	2,357,907	2,328,664	188,632	186,293
17	of which: standardized approach (SA)	977,368	1,160,121	78,189	92,809
18	of which: internal model approaches (IMA)	1,380,539	1,168,542	110,443	93,483
19	Operational risk	3,244,374	3,192,568	259,549	255,405
20	of which: basic indicator approach	848,593	701,380	67,887	56,110
21	of which: standardized approach	-	-	-	-
22	of which: advanced measurement approach	2,395,780	2,491,188	191,662	199,295
23	Exposures of specified items not subject to regulatory adjustments	2,109,475	1,402,410	172,623	115,734
	Amounts included in RWA subject to phase-out arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total (after applying the scaling factor)	¥64,730,439	¥67,481,983	¥5,178,435	¥5,398,558

(B) Credit Risk Weighted Assets by Asset Class and Ratings Segment

(Billions of yen)						
	As of March 31, 2022			As of March 31, 2021		
	EAD	RWA	Risk Weight(%)	EAD	RWA	Risk Weight(%)
Internal ratings-based approach	¥230,632.9	¥46,599.3	20.20	¥225,225.3	¥47,821.1	21.23
Corporate, etc.	214,019.1	34,043.4	15.90	208,367.5	34,213.2	16.41
Corporate (except specialized lending)	103,063.4	31,013.1	30.09	100,828.4	31,248.2	30.99
Ratings A1-B2	77,065.9	16,019.8	20.78	75,866.4	15,548.7	20.49
Ratings C1-D3	23,378.5	12,721.2	54.41	22,283.6	13,229.7	59.36
Ratings E1-E2	1,431.3	1,748.3	122.15	1,437.6	1,979.7	137.70
Ratings E2R-H1	1,187.5	523.6	44.09	1,240.7	490.0	39.49
Sovereign	102,621.6	887.6	0.86	99,303.2	872.0	0.87
Ratings A1-B2	102,451.0	765.0	0.74	99,100.5	743.3	0.75
Ratings C1-D3	158.6	108.1	68.18	196.6	121.1	61.60
Ratings E1-E2	11.9	14.3	120.16	6.0	7.6	126.75
Ratings E2R-H1	0.0	0.0	32.59	0.0	0.0	36.54
Bank	7,991.9	1,761.2	22.03	7,917.9	1,760.5	22.23
Ratings A1-B2	7,494.8	1,473.6	19.66	7,510.0	1,515.1	20.17
Ratings C1-D3	482.1	265.2	55.00	383.2	221.9	57.92
Ratings E1-E2	5.9	17.2	289.54	6.2	17.4	277.46
Ratings E2R-H1	8.9	5.1	57.58	18.4	6.0	33.12
Specialized lending	342.1	381.3	111.47	317.9	332.3	104.52
Retail	9,730.4	2,866.9	29.46	10,155.0	3,092.5	30.45
Residential mortgage	7,845.7	1,969.5	25.10	8,079.9	2,104.3	26.04
Qualifying revolving loan	544.3	450.7	82.80	573.1	465.4	81.21
Others	1,340.4	446.6	33.31	1,501.9	522.6	34.80
Equities	4,145.6	7,271.5	175.40	4,700.5	8,650.6	184.03
PD/LGD approach	3,215.9	4,259.7	132.45	3,542.0	4,911.0	138.64
Market-based approach	929.6	3,011.7	323.97	1,158.4	3,739.6	322.80
Others	2,737.7	2,417.4	88.30	2,002.2	1,864.8	93.13
Standardized approach	5,599.5	3,844.1	68.65	4,968.5	3,515.6	70.75
Equity investments in funds	2,351.7	5,420.2	230.47	2,640.2	7,325.1	277.43
Securitization exposures	5,180.7	972.4	18.77	5,177.2	1,150.4	22.22
CVA risk	/	2,108.2	/	/	1,982.2	/
Central counterparty-related	/	183.7	/	/	166.1	/
Total	¥243,765.1	¥59,128.1	23.31	¥238,011.4	¥61,960.7	25.13

Note1: "Specialized lending" is specialized lending exposure under supervisory slotting criteria.
 Note2: "Equity investments in funds" is total of look-through approach, mandate-based approach, simple approach and fall-back approach.
 Note3: "Equity investments in funds" and "Securitization exposures" as of March 31, 2019 are disclosed out of Internal ratings-based approach due to revision of FSA Notice No.20.

■ Linkages between Financial Statements and Regulatory Exposures

(A) LI1: Differences between Accounting and Regulatory Scopes of Consolidation and Mapping of Financial Statement Categories with Regulatory Risk Categories

(Millions of yen)						
As of March 31, 2022						
a	b	c	d	e	f	g
Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and Due from Banks	¥51,359,301	¥51,359,301	¥-	¥-	¥-	¥-
Call Loans and Bills Purchased	940,008	940,008	-	-	-	-
Receivables under Resale Agreements	12,750,363	-	12,750,363	-	-	-
Guarantee Deposits Paid under Securities Borrowing Transactions	2,340,089	-	2,340,089	-	-	-
Other Debt Purchased	3,476,021	2,314,310	-	1,130,923	-	30,788
Trading Assets	13,221,415	-	6,733,692	-	13,221,415	-
Money Held in Trust	591,183	591,183	-	-	-	-
Securities	44,641,060	43,653,277	-	960,655	-	27,126
Loans and Bills Discounted	84,736,280	82,880,713	2,434	1,853,131	-	-
Foreign Exchange Assets	2,627,492	2,627,492	-	-	-	-
Derivatives Other than for Trading Assets	2,277,160	-	2,277,160	-	-	-
Other Assets	7,797,796	1,933,788	5,365,849	2,498	-	495,658
Tangible Fixed Assets	1,095,977	1,095,977	-	-	-	-
Intangible Fixed Assets	601,292	160,434	-	-	-	440,857
Net Defined Benefit Asset	863,217	263,928	-	-	-	599,288
Deferred Tax Assets	184,594	171,909	-	-	-	12,685
Customers' Liabilities for Acceptances and Guarantees	8,346,878	8,339,298	1,110	6,469	-	-
Reserves for Possible Losses on Loans	(783,886)	(783,890)	-	-	-	4
Reserve for Possible Losses on Investments	(107)	-	-	-	-	-
Total assets	¥237,066,142	¥195,547,735	¥29,470,702	¥3,953,679	¥13,221,415	¥1,606,409

LI1-(Continued)

	As of March 31, 2022						
	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
Subject to credit risk framework			Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework		
Liabilities							
Deposits	¥138,830,872		¥-	¥-	¥-	¥-	¥138,830,872
Negotiable Certificates of Deposit	16,868,931		-	-	-	-	16,868,931
Call Money and Bills Sold	1,278,050		-	-	-	-	1,278,050
Payables under Repurchase Agreements	20,068,779		-	20,068,779	-	-	-
Guarantee Deposits Received under Securities Lending Transactions	1,172,248		-	1,172,248	-	-	-
Commercial Paper	1,775,859		-	-	-	-	1,775,859
Trading Liabilities	9,608,976		-	6,138,946	-	9,608,976	-
Borrowed Money	6,590,527		-	-	-	-	6,590,527
Foreign Exchange Liabilities	1,508,453		-	-	-	-	1,508,453
Short-term Bonds	537,167		-	-	-	-	537,167
Bonds and Notes	10,714,004		-	-	-	-	10,714,004
Due to Trust Accounts	1,167,284		-	-	-	-	1,167,284
Derivatives other than for trading liabilities	2,770,852		-	2,770,852	-	-	-
Other Liabilities	6,301,484		-	166,561	-	-	6,134,923
Reserve for Bonus Payments	120,052		-	-	-	-	120,052
Reserve for variable compensation	2,278		-	-	-	-	2,278
Net Defined Benefit Liability	71,774		-	-	-	-	71,774
Reserve for Director and Corporate Auditor Retirement Benefits	557		-	-	-	-	557
Reserve for possible losses on sales of loans	1,309		-	-	-	-	1,309
Reserve for contingencies	6,622		2,960	-	-	-	3,661
Reserve for reimbursement of deposits	17,620		-	-	-	-	17,620
Reserve for reimbursement of debentures	10,504		-	-	-	-	10,504
Reserves under Special Laws	3,132		-	-	-	-	3,132
Deferred Tax Liabilities	30,923		-	-	-	-	30,923
Deferred Tax Liabilities for Revaluation Reserve for Land	59,962		-	-	-	-	59,962
Acceptances and Guarantees	8,346,878		-	-	-	-	8,346,878
Total liabilities	¥227,865,110		¥2,960	¥30,317,387	¥-	¥9,608,976	¥194,074,731

Notes: 1. Since the scope of accounting consolidation and that of regulatory consolidation are the same, the column (a) and (b) have been combined.
 2. Market risk includes foreign exchange risk and commodities risk in the banking book, but only those items in the trading book are recorded.

(Millions of yen)						
	As of March 31, 2021					
	a	b	c	d	e	f
	Carrying values of items:					
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework
						Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and Due from Banks	¥47,981,981		¥47,981,981	¥-	¥-	¥-
Call Loans and Bills Purchased	589,776		589,776	-	-	-
Receivables under Resale Agreements	11,623,654		-	11,623,654	-	-
Guarantee Deposits Paid under Securities Borrowing Transactions	2,707,711		-	2,707,711	-	-
Other Debt Purchased	3,208,004		2,285,493	-	886,008	-
Trading Assets	12,589,294		-	6,167,946	-	12,589,294
Money Held in Trust	582,368		582,368	-	-	-
Securities	43,697,262		42,337,957	-	1,313,592	-
Loans and Bills Discounted	83,704,675		82,187,404	959	1,516,310	-
Foreign Exchange Assets	2,084,756		2,084,756	-	-	-
Derivatives Other than for Trading Assets	1,719,349		-	1,719,349	-	-
Other Assets	6,174,020		1,644,268	4,262,689	3,048	-
Tangible Fixed Assets	1,135,449		1,135,449	-	-	-
Intangible Fixed Assets	620,224		170,006	-	-	-
Net Defined Benefit Asset	1,109,107		339,312	-	-	-
Deferred Tax Assets	31,402		19,053	-	-	-
Customers' Liabilities for Acceptances and Guarantees	6,602,744		6,599,620	785	2,339	-
Reserves for Possible Losses on Loans	(575,572)		(575,565)	-	-	-
Reserve for Possible Losses on Investments	(0)		(0)	-	-	-
Total assets	¥225,586,211		¥187,381,881	¥26,483,097	¥3,721,298	¥12,589,294
						¥1,578,585

(Millions of yen)						
LI1-(Continued)	As of March 31, 2021					
	a	b	c	d	e	f
	Carrying values of items:					
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework
						Not subject to capital requirements or subject to deduction from capital
Liabilities						
Deposits	¥133,312,406		¥-	¥-	¥-	¥-
Negotiable Certificates of Deposit	17,192,572		-	-	-	-
Call Money and Bills Sold	1,312,790		-	-	-	-
Payables under Repurchase Agreements	18,607,255		-	18,607,255	-	-
Guarantee Deposits Received under Securities Lending Transactions	958,148		-	958,148	-	-
Commercial Paper	2,105,067		-	-	-	-
Trading Liabilities	8,115,377		-	5,712,957	-	8,115,377
Borrowed Money	7,441,822		-	-	-	-
Foreign Exchange Liabilities	532,042		-	-	-	-
Short-term Bonds	456,045		-	-	-	-
Bonds and Notes	10,321,672		-	-	-	-
Due to Trust Accounts	1,160,608		-	-	-	-
Derivatives other than for trading liabilities	1,739,671		-	1,739,671	-	-
Other Liabilities	5,862,013		-	266,287	-	-
Reserve for Bonus Payments	104,131		-	-	-	-
Reserve for variable compensation	2,935		-	-	-	-
Net Defined Benefit Liability	71,049		-	-	-	-
Reserve for Director and Corporate Auditor Retirement Benefits	683		-	-	-	-
Reserve for possible losses on sales of loans	1,074		-	-	-	-
Reserve for contingencies	6,762		3,092	-	-	-
Reserve for reimbursement of deposits	22,099		-	-	-	-
Reserve for reimbursement of debentures	14,419		-	-	-	-
Reserves under Special Laws	3,135		-	-	-	-
Deferred Tax Liabilities	215,557		-	-	-	-
Deferred Tax Liabilities for Revaluation Reserve for Land	61,915		-	-	-	-
Acceptances and Guarantees	6,602,744		-	-	-	-
Total liabilities	¥216,224,003		¥3,092	¥27,284,320	¥-	¥8,115,377
						¥186,534,170

Notes: 1. Since the scope of accounting consolidation and that of regulatory consolidation are the same, the column (a) and (b) have been combined.
 2. Market risk includes foreign exchange risk and commodities risk in the banking book, but only those items in the trading book are recorded.

(B) LI2: Main Sources of Differences between Regulatory Exposure Amounts and Carrying Values in Financial Statements

(Millions of yen)

		As of March 31, 2022				
		a	b	c	d	e
		Total	Items subject to:			
			Credit risk framework	Counterparty credit risk framework	Securitization framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	¥235,459,732	¥195,547,735	¥29,470,702	¥3,953,679	¥13,221,415
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	33,790,379	2,960	30,317,387	-	9,608,976
3	Total net amount under regulatory scope of consolidation	201,669,353	195,544,774	-846,685	3,953,679	3,612,439
4	Off-balance sheet amounts	23,579,456	22,352,343	-	1,227,112	-
5	Differences due to consideration of provision for loan losses and write-offs	883,358	883,358	-	-	-
6	Differences due to derivative transactions, etc.	257,742	-	257,742	-	-
7	Differences due to repurchase transactions	23,519,865	-	23,519,865	-	-
8	Other differences	(67,679)	(662,536)	-	-	-
9	Exposure amounts considered for regulatory purposes	¥249,842,095	¥218,117,941	¥22,930,923	¥5,180,792	¥3,612,439

Notes: 1. Column (a) is not necessarily equal to the sum of columns (b) to (e) due to assets being riskweighted more than once.
2. Differences between regulatory exposure amounts and carrying values in consolidated financial statements and the main sources of the differences are as follows.
• Off-balance sheet amounts correspond to the differences produced mainly by adding exposures to undrawn commitments and by multiplying customer liabilities for acceptances and guarantees by the credit conversion factor (CCF) assigned to off-balance sheet items under the regulatory capital requirements.
• Differences due to consideration of provision for loan losses, and write-offs are produced mainly by adding general provisions for loan losses, specific provisions for loan losses and partial direct bad debt write-offs to those assets subject to the advanced internal ratings-based approach.
• Differences due to derivative transactions, etc. are produced mainly by incorporating future market value fluctuations and the effect of netting into regulatory exposure amounts. Derivative transactions, etc. include long-settlement transactions.
• Differences due to repurchase transactions are mainly produced by adding the exposure amounts related to assets pledged as collateral and considering the effect of netting and collateral.
• Other differences are produced mainly by considering the offsetting of deferred tax assets against deferred tax liabilities and the regulatory recognized effectiveness of hedging and making regulatory prudential adjustments.

(Millions of yen)						
As of March 31, 2021						
		a	b	c	d	e
		Total	Items subject to:			
			Credit risk framework	Counterparty credit risk framework	Securitization framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	¥224,007,626	¥187,381,882	¥26,483,097	¥3,721,298	¥12,589,294
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	29,689,833	3,092	27,284,320	-	8,115,377
3	Total net amount under regulatory scope of consolidation	194,317,793	187,378,790	(801,223)	3,721,298	4,473,916
4	Off-balance sheet amounts	25,177,439	23,721,495	-	1,455,943	-
5	Differences due to consideration of provision for loan losses and write-offs	683,736	683,736	-	-	-
6	Differences due to derivative transactions, etc.	2,116,257	-	2,116,257	-	-
7	Differences due to repurchase transactions	22,836,729	-	22,836,729	-	-
8	Other differences	(320,910)	(775,897)	-	-	-
9	Exposure amounts considered for regulatory purposes	¥244,811,044	¥211,008,124	¥24,151,762	¥5,177,242	¥4,473,916

Notes: 1. Column (a) is not necessarily equal to the sum of columns (b) to (e) due to assets being riskweighted more than once.
2. Differences between regulatory exposure amounts and carrying values in consolidated financial statements and the main sources of the differences are as follows.
• Off-balance sheet amounts correspond to the differences produced mainly by adding exposures to undrawn commitments and by multiplying customer liabilities for acceptances and guarantees by the credit conversion factor (CCF) assigned to off-balance sheet items under the regulatory capital requirements.
• Differences due to consideration of provision for loan losses, and write-offs are produced mainly by adding general provisions for loan losses, specific provisions for loan losses and partial direct bad debt write-offs to those assets subject to the advanced internal ratings-based approach.
• Differences due to derivative transactions, etc. are produced mainly by incorporating future market value fluctuations and the effect of netting into regulatory exposure amounts. Derivative transactions, etc. include long-settlement transactions.
• Differences due to repurchase transactions are mainly produced by adding the exposure amounts related to assets pledged as collateral and considering the effect of netting and collateral.
• Other differences are produced mainly by considering the offsetting of deferred tax assets against deferred tax liabilities and the regulatory recognized effectiveness of hedging and making regulatory prudential adjustments.

■ Credit Risk

(1) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

See pages 131 to 133 for a summary of our credit risk profile and credit risk management policies, etc.

(2) Summary of Provision for Loan Losses and Write-offs

See page 132 for a summary of provision for loan losses and write-offs.

(3) Quantitative Disclosure on Credit Risk

Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures below.

(A) CR1: Credit Quality of Assets

(Millions of yen)					
As of March 31, 2022					
		a	b	c	d
		Gross carrying values of			
		Defaulted exposures	Non-defaulted exposures	Reserve	Net values (a+b-c)
On-balance sheet exposures					
1	Loans	¥1,175,493	¥81,702,507	¥701,722	¥82,176,278
2	Debt securities	10,490	38,316,393	-	38,326,883
3	Other on-balance sheet debt exposures	14,764	56,037,911	8,874	56,043,801
4	Total on-balance sheet exposures (1+2+3)	1,200,747	176,056,812	710,596	176,546,964
Off-balance sheet exposures					
5	Guarantees	49,987	8,294,814	52,190	8,292,611
6	Commitments	58,919	34,393,304	-	34,452,224
7	Total off-balance sheet exposures (5+6)	108,907	42,688,119	52,190	42,744,836
Total					
8	Total assets (4+7)	¥1,309,654	¥218,744,932	¥762,786	¥219,291,800

Notes: 1. Other on-balance sheet debt exposures include deposits, call loans, bills purchased, other debt purchased, money held in trust and foreign exchange assets, etc.
2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.
3. Reserve corresponds to the amount of reserves for possible loan losses

					(Millions of yen)
					As of March 31, 2021
		a	b	c	d
		Gross carrying values of			
		Defaulted exposures	Non-defaulted exposures	Reserve	Net values (a+b-c)
On-balance sheet exposures					
1	Loans	¥1,223,764	¥80,964,842	¥513,488	¥81,675,117
2	Debt securities	12,626	36,336,427	-	36,349,053
3	Other on-balance sheet debt exposures	7,311	52,309,757	5,187	52,311,881
4	Total on-balance sheet exposures (1+2+3)	1,243,701	169,611,027	518,676	170,336,052
Off-balance sheet exposures					
5	Guarantees	20,079	6,582,648	44,352	6,558,375
6	Commitments	37,801	34,914,384	-	34,952,185
7	Total off-balance sheet exposures (5+6)	57,880	41,497,032	44,352	41,510,560
Total					
8	Total assets (4+7)	¥1,301,582	¥211,108,060	¥563,028	¥211,846,613

Notes: 1. Other on-balance sheet debt exposures include deposits, call loans, bills purchased, other debt purchased, money held in trust and foreign exchange assets, etc.
2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.
3. Reserve corresponds to the amount of reserves for possible loan losses

(B) Breakdown of Credit Risk Exposures

(a) Breakdown by Geographical Area (Billions of yen)								
	As of March 31, 2022				As of March 31, 2021			
	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total
Domestic	¥70,458.1	¥31,886.3	¥43,598.8	¥145,943.3	¥73,833.3	¥27,572.7	¥43,820.6	¥145,226.7
Overseas	53,929.8	10,040.4	16,219.6	80,190.0	48,628.2	12,669.2	11,402.2	72,699.8
Asia	12,798.4	2,248.6	2,326.0	17,373.1	11,620.5	2,180.7	1,832.2	15,633.6
Central and South America	4,392.7	18.0	1,464.1	5,874.9	3,945.5	31.4	1,654.9	5,631.9
North America	20,035.8	6,458.9	9,645.7	36,140.5	17,412.9	8,836.4	6,115.1	32,364.5
Eastern Europe	397.9	-	15.2	413.2	404.3	-	11.3	415.6
Western Europe	10,913.0	476.0	2,504.8	13,893.9	10,257.5	727.1	1,598.1	12,582.8
Other areas	5,391.7	838.8	263.5	6,494.1	4,987.2	893.4	190.4	6,071.0
Total	¥124,388.0	¥41,926.8	¥59,818.4	¥226,133.3	¥122,461.6	¥40,242.0	¥55,222.8	¥217,926.5
Standardized approach portion	/	/	/	3,936.0	/	/	/	3,527.8

Notes: 1. Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA
 2. Exposure to non-Japanese residents is included in Overseas.
 3. Others include cash, deposits, call loans, other debt purchased, money held in trust, foreign exchange assets and other assets, etc.
 4. Reclassification of Geographical Area type has been made on the above table as of March 31,2019 for consistency with current figures.

(b) Breakdown by Industry (Billions of yen)								
	As of March 31, 2022				As of March 31, 2021			
	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total
Manufacturing	¥28,178.7	¥1,837.3	¥675.6	¥30,691.6	¥29,349.3	¥2,130.4	¥619.1	¥32,098.9
Construction	2,307.0	178.8	4.6	2,490.5	2,070	188.2	3.1	2,261.4
Real estate	13,712.9	1,098.7	82.3	14,894.0	12,735.4	1,095.9	32	13,863.4
Service industries	6,331.5	306.0	753.9	7,391.5	6,627.7	365.2	721.5	7,714.5
Wholesale and retail	12,779.4	699.9	957.1	14,436.6	11,087	772	642.3	12,501.4
Finance and insurance	19,585.0	6,011.9	15,786.1	41,383.1	17,896.1	6,352.6	11,284.9	35,533.6
Individuals	10,426.4	-	6.6	10,433.0	10,746.3	-	7	10,753.3
Other industries	30,230.1	6,166.5	3,222.0	39,618.7	30,725.8	7,948.2	2,295	40,969
Japanese Government; Bank of Japan	836.5	25,627.5	38,329.9	64,794.0	1,223.6	21,389.2	39,617.5	62,230.5
Total	¥124,388.0	¥41,926.8	¥59,818.4	¥226,133.3	¥122,461.6	¥40,242	¥55,222.8	¥217,926.5
Standardized approach portion	/	/	/	3,936.0	/	/	/	3,527.8

Notes: 1. Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA.
 2. Others include cash, deposits, call loans, other debt purchased, money held in trust, foreign exchange assets and other assets, etc.

(c) Breakdown by Residual Contractual Maturity (Billions of yen)								
	As of March 31, 2022				As of March 31, 2021			
	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total	Loans, commitments and other non-derivative off-balance-sheet exposures	Securities	Others	Total
Less than one year	¥30,292.7	¥21,749.0	¥7,867.2	¥59,909.0	¥27,879.9	¥18,064.3	¥7,249.4	¥53,193.7
From one year to less than three years	40,706.8	6,135.6	89.5	46,932.0	42,202.6	6,569.7	28.6	48,801.0
From three years to less than five years	23,721.7	1,845.9	13.1	25,580.8	21,195.1	2,578.0	10.7	23,784.0
Five years or more	29,066.0	8,315.6	72.0	37,453.7	30,441.0	8,880.1	84.3	39,405.6
Other than above	600.5	3,880.5	51,776.5	56,257.7	742.7	4,149.7	47,849.5	52,742.1
Total	¥124,388.0	¥41,926.8	¥59,818.4	¥226,133.3	¥122,461.6	¥40,242.0	¥55,222.8	¥217,926.5
Standardized approach portion	/	/	/	3,936.0	/	/	/	3,527.8

Notes: 1. Standardize1. d approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA
 2. Others include cash, deposits, call loans, other debt purchased, money held in trust, foreign exchange assets and other assets, etc.

(C) Exposure to Obligors Claims of Whom Meet the Stipulations in the Article 4 Paragraph 2, 3 or 4 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions Enacted in Japan

(a) Breakdown by Geographical Area (Billions of yen)						
	As of March 31, 2022			As of March 31, 2021		
	Exposure	Reserve	Write-offs	Exposure	Reserve	Write-offs
Domestic	¥1,207.1	¥475.3	¥7.6	¥1,224.1	¥300.0	¥15.1
Overseas	218.0	54.1	3.7	233.5	59.4	2.2
Asia	87.2	25.2	1.8	59.1	24.5	0.8
Central and South America	26.0	3.7	0.0	30.5	4.7	0.0
North America	29.4	5.0	1.8	44.1	11.9	-
Eastern Europe	7.8	0.5	-	-	-	-
Western Europe	40.8	14.4	-	69.6	15.3	-
Other areas	26.6	5.2	-	29.9	2.7	1.3
Total	¥1,425.1	¥529.5	¥11.4	¥1,457.6	¥359.5	¥17.3
Standardized approach portion	8.7	6.3	0.5	13.0	5.7	0.9

Note: Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA

(b) Breakdown by Industry (Billions of yen)						
	As of March 31, 2022			As of March 31, 2021		
	Exposure	Reserve	Write-offs	Exposure	Reserve	Write-offs
Manufacturing	¥615.1	¥375.4	¥0.8	¥686.1	¥201.6	¥3.1
Construction	24.2	6.4	0.0	22.0	6.4	0.3
Real estate	52.5	3.0	0.0	61.8	2.4	0.0
Service industries	252.1	45.2	0.5	213.7	47.8	3.4
Wholesale and retail	189.6	31.8	6.0	199.2	43.0	5.5
Finance and insurance	34.5	10.8	2.2	38.7	12.4	0.0
Individuals	64.8	7.3	1.3	77.6	7.9	1.9
Other industries	192.0	49.4	0.2	158.1	37.6	2.9
Total	¥1,425.1	¥529.5	¥11.4	¥1,457.6	¥359.5	¥17.3
Standardized approach portion	8.7	6.3	0.5	13.0	5.7	0.9

Note: Standardized approach portion represents the amount calculated using the standardized approach for business units and asset classes that are immaterial for the purpose of calculating credit RWA.

(D) Exposure by Past Due Period

(Billions of yen)				
As of March 31, 2022				
Less than one month	From one month to less than two months	From two months to less than three months	Three months or more	Total
¥303.3	¥31.2	¥22.5	¥24.8	¥381.8

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions as well as high risk claims stipulated in the Article 4 paragraph 3.

(Billions of yen)				
As of March 31, 2021				
Less than one month	From one month to less than two months	From two months to less than three months	Three months or more	Total
¥387.6	¥42.2	¥30.3	¥16.5	¥476.8

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions as well as high risk claims stipulated in the Article 4 paragraph 3.

(E) Exposure to Obligors Claims of Whom have been Restructured for the Purpose of Corporate Restructuring or Supporting the Customer

(Billions of yen)		
As of March 31, 2022		
Exposure	Amount of exposure for which loss reserve has increased as a result of restructuring of lending terms	Others
¥561.4	¥528.6	¥32.7

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, high risk claims stipulated in the Article 4 paragraph 3 or claims overdue for more than three months stipulated in the Article 4 paragraph 4.

(Billions of yen)		
As of March 31, 2021		
Exposure	Amount of exposure for which loss reserve has increased as a result of restructuring of lending terms	Others
¥886.9	¥844.2	¥42.7

Note: Excluding claims under bankruptcy or substantial bankruptcy stipulated in the Article 4 paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, high risk claims stipulated in the Article 4 paragraph 3 or claims overdue for more than three months stipulated in the Article 4 paragraph 4.

(F) CR2: Changes in Defaulted Loans and Debt Securities

(Millions of yen)			
No.		Exposure	
1	Defaulted loans and debt securities as of March 31, 2021	¥1,243,701	
2	Breakdown of changes in loans and debt securities during this reporting period	Defaulted	258,398
3		Returned to non-defaulted status	120,653
4		Amounts written off	26,403
5		Other changes	(154,296)
6	Defaulted loans and debt securities as of March 31, 2022 (1+2-3-4+5)	¥1,200,747	

Note: Other changes corresponds to the amount of variation in defaulted exposures arising from debt recovery and additional credit to defaulted obligors, etc.

(Millions of yen)			
No.		Exposure	
1	Defaulted loans and debt securities as of March 31, 2020	¥747,891	
2	Breakdown of changes in loans and debt securities during this reporting period	Defaulted	750,220
3		Returned to non-defaulted status	89,676
4		Amounts written off	49,473
5		Other changes	(115,260)
6	Defaulted loans and debt securities as of March 31, 2021 (1+2-3-4+5)	¥1,243,701	

Note: Other changes corresponds to the amount of variation in defaulted exposures arising from debt recovery and additional credit to defaulted obligors, etc.

(4) Credit Risk under Internal Ratings-Based (IRB) Approach

(i) Summary of Internal Ratings-Based (IRB) Approach

We have adopted Advanced Internal Ratings-Based (AIRB) Approach as a method to calculate credit risk weighted assets (RWA) since March 31, 2009. The following business units have adopted AIRB approach:

Mizuho Financial Group, Inc., Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd., Mizuho Credit Guarantee Co., Ltd., Mizuho Trust Realty Company Limited, Mizuho Bank (China), Mizuho Bank (USA), Ltd., Mizuho Bank Europe N.V., and Mizuho Capital Markets LLC., Mizuho Markets Cayman LP., and Mizuho Markets Americas LLC.

Note: Special purpose companies (SPCs) controlled by the above companies have also adopted the AIRB approach due to their business operations integrated with their parent companies.

The application scope of AIRB is determined through taking into account the importance for each business unit, such as the ratio of its credit RWA to that of the entire group. AIRB is generally applied to those assets held by the business units that have adopted AIRB except for some asset classes considered immaterial for the purpose of calculating credit RWA. In addition, AIRB is used for all equity exposures regardless of what approach the business unit has adopted. With respect to credit RWA exposures under Regarded-Method, AIRB is used for those of which the look-through approach is applied except for cases where it is difficult to accurately calculate credit RWA regarding their underlying assets based on the IRB Approach and therefore reliability of credit RWA cannot be secured. The standardized approach will be applied to any of those business units and asset classes that do not meet the above conditions.

(ii) Summary of Our Internal Rating System

See pages 129 to 141 for a summary of our internal rating system and rating assignment procedures.

Estimation of parameters and validation

We use our own estimates for the parameters indicated below in the calculation of credit RWA under the Basel Framework. We generally validate the parameters by backtesting or other methods on an annual basis. Methods of estimation and validation as well as results are approved by the Chief Risk Officer.

PD	Probability of default (likelihood of default of an obligor over a period of one year)
LGD	Loss given default
EAD	Exposure at default

The definition of default conforms to the Notice issued by Japan’s Financial Services Agency.

Details of Estimates:

PD is determined for corporate, sovereign and bank exposures by obligor rating and retail exposures by pool allocations. Conservative adjustments such as estimation errors have been added to the long-term average of internal default records to calculate PD. External data are applied to supplement the estimations for low default portfolios.

We apply the regulatory floor PD (0.03%) to A1-rated and A2-rated obligors in the measurement of credit RWA, except for sovereign exposures. For the third consecutive fiscal year until last fiscal year, the estimated PD in almost all of the categories such as obligor rating or pool allocations exceeded actual defaults. However, in this fiscal year, the estimated PD of C2 - D3 rated obligors and several numbers of pool allocations were under the actual defaults due to mainly the impact of COVID-19. For other categories, the estimated PDs exceeded actual defaults partly because of the conservative adjustments.

We estimate LGD based on obligor classifications in our self-assessments or pool allocations, and protection coverage. For LGD per obligor classifications, we estimate LGD under normal economic circumstances based on prior defaulted obligor data, making adjustments in consideration of periods of economic downturn using stochastic methods. Our estimation is based on validation of the time between the default event and the closure of the exposure as well as LGD for low default portfolios etc. With regard to protection, we estimate LGD per type of collateral using some external data.

We estimate EAD based on prior defaulted obligor data.

(iii) Asset Class-based EAD Ratios to the Total EAD by Credit RWA Calculation Approach

	As of March 31, 2022	As of March 31, 2021
Internal Ratings-based Approach	98.43%	98.53%
Corporate	89.15%	88.99%
Retail	4.52%	4.88%
Equities	1.92%	2.26%
Purchase Receivables	1.56%	1.45%
Others	1.26%	0.93%
Standardized Approach	1.56%	1.46%
Total	100.00%	100.00%

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. As for any portfolio to which the standardized approach is applied, exposure instead of EAD is used for calculation.

(iv) Quantitative Disclosure on Credit Risk under Internal Ratings-based Approach

(A) CR6: IRB - Credit Risk Exposures by Portfolio and PD Range (Millions of yen, %, number in the thousands, year)

		a	b	c	d	e	f	g	h	i	j	k	l
		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions
PD scale		As of March 31, 2022											
Sovereign													
1	0.00 to <0.15	¥85,095,670	¥304,196	75.96	¥87,475,276	0.00	0.2	37.62	1.4	¥565,390	0.64	¥856	✓
2	0.15 to <0.25	1,905	-	-	1,465	0.19	0.0	30.66	3.3	476	32.53	0	✓
3	0.25 to <0.50	4,276	-	-	0	0.41	0.0	37.61	1.0	0	39.36	0	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	182,872	-	-	149,350	0.87	0.0	37.59	1.6	94,095	63.00	488	✓
6	2.50 to <10.00	42,978	1,738	75.00	12,479	5.35	0.0	37.61	1.0	14,165	113.50	251	✓
7	10.00 to <100.00	4,507	-	-	144	13.00	0.0	5.29	1.1	33	23.17	0	✓
8	100.00 (Default)	642	-	-	0	100.00	0.0	96.38	1.0	0	30.75	0	✓
9	Sub-total	85,332,853	305,935	75.95	87,638,716	0.00	0.2	37.62	1.4	674,162	0.76	1,598	1,832
Banks													
1	0.00 to <0.15	4,302,783	899,819	55.61	5,340,165	0.05	0.3	37.57	2.0	896,283	16.78	964	✓
2	0.15 to <0.25	55,204	38,966	38.82	84,569	0.19	0.0	37.17	1.9	22,711	26.85	49	✓
3	0.25 to <0.50	67,732	57,724	76.97	130,590	0.41	0.0	36.80	1.1	46,285	35.44	165	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	224,796	75,786	55.72	247,880	1.04	0.0	36.67	0.7	156,596	63.17	947	✓
6	2.50 to <10.00	14,127	5,495	74.94	14,906	3.83	0.0	44.67	2.3	22,751	152.62	294	✓
7	10.00 to <100.00	0	-	-	0	13.00	0.0	37.61	1.0	0	162.97	0	✓
8	100.00 (Default)	8,974	16	20.00	8,977	100.00	0.0	58.35	1.4	4,877	54.32	4,849	✓
9	Sub-total	4,673,619	1,077,808	56.25	5,827,090	0.26	0.5	37.56	2.0	1,149,507	19.72	7,271	8,335
Corporate (except SME and specialized lending)													
1	0.00 to <0.15	44,821,422	31,496,129	73.65	68,453,327	0.07	7.4	37.75	2.3	13,229,922	19.32	18,179	✓
2	0.15 to <0.25	4,705,467	1,898,181	74.22	5,948,725	0.19	4.7	33.57	2.3	1,819,743	30.59	3,812	✓
3	0.25 to <0.50	3,756,468	1,366,857	74.40	4,313,491	0.41	3.2	32.04	2.5	1,954,938	45.32	5,751	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	5,018,000	1,838,952	75.08	5,924,564	1.14	4.1	32.46	2.7	4,117,057	69.49	21,658	✓
6	2.50 to <10.00	2,170,218	873,270	71.90	2,172,781	3.52	205.3	32.77	2.6	2,132,361	98.13	25,282	✓
7	10.00 to <100.00	653,354	90,793	78.75	480,771	13.00	3.3	27.32	2.2	610,212	126.92	17,090	✓
8	100.00 (Default)	955,015	103,528	71.41	1,003,194	100.00	0.6	43.89	2.3	430,305	42.89	405,890	✓
9	Sub-total	62,079,947	37,667,712	73.74	88,296,857	1.45	228.9	36.73	2.3	24,294,541	27.51	497,665	570,521
SME													
1	0.00 to <0.15	273,908	42,380	72.32	315,154	0.08	0.0	35.98	2.5	56,909	18.05	89	✓
2	0.15 to <0.25	717,802	39,854	71.86	721,934	0.19	3.3	23.42	3.0	147,322	20.40	322	✓
3	0.25 to <0.50	669,228	19,972	72.85	655,397	0.41	3.0	23.39	3.2	198,483	30.28	637	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	1,175,123	57,558	85.19	1,183,793	1.13	4.6	22.24	3.3	497,042	41.98	3,044	✓
6	2.50 to <10.00	473,775	19,880	76.62	469,806	2.85	75.5	20.93	3.4	242,026	51.51	2,877	✓
7	10.00 to <100.00	215,243	5,034	74.77	200,029	13.00	1.7	17.64	3.1	142,421	71.20	4,591	✓
8	100.00 (Default)	161,326	1,962	81.81	149,187	100.00	0.9	35.74	2.3	47,381	31.75	49,544	✓
9	Sub-total	3,686,407	186,642	76.87	3,695,303	5.58	89.4	23.97	3.1	1,331,586	36.03	61,107	70,053
Specialized Lending													
1	0.00 to <0.15	4,547,034	373,756	76.42	4,436,765	0.08	0.6	32.52	4.2	1,164,461	26.24	1,200	✓
2	0.15 to <0.25	456,568	208,110	76.32	595,808	0.19	0.0	37.10	4.2	289,701	48.62	422	✓
3	0.25 to <0.50	513,578	118,850	74.60	454,239	0.41	0.0	36.91	4.1	307,958	67.79	697	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	572,368	146,406	75.33	434,725	0.93	0.0	39.85	3.9	405,286	93.22	1,587	✓
6	2.50 to <10.00	107,776	152,088	74.78	104,951	3.45	0.0	35.71	4.2	128,942	122.85	1,309	✓
7	10.00 to <100.00	41,430	3,482	76.36	44,090	13.00	0.0	34.33	3.6	75,644	171.56	1,969	✓
8	100.00 (Default)	52,975	49	99.99	26,193	100.00	0.0	56.93	3.8	12,063	46.05	13,947	✓
9	Sub-total	6,291,732	1,002,744	75.78	6,096,773	0.75	0.8	33.99	4.1	2,384,057	39.10	21,132	24,226
Equities (PD/LGD approach)													
1	0.00 to <0.15	2,794,831	3,765	100.00	2,798,597	0.05	0.9	90.00	5.0	2,824,121	100.91	✓	✓
2	0.15 to <0.25	49,906	-	-	49,906	0.19	0.3	90.00	5.0	65,863	131.97	✓	✓
3	0.25 to <0.50	27,866	-	-	27,866	0.41	0.2	90.00	5.0	51,562	185.03	✓	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	✓	✓
5	0.75 to <2.50	34,615	-	-	34,615	1.20	0.2	90.00	5.0	92,414	266.97	✓	✓
6	2.50 to <10.00	39,132	-	-	39,132	3.80	0.1	90.00	5.0	147,162	376.06	✓	✓
7	10.00 to <100.00	19,893	-	-	19,893	13.00	0.0	90.00	5.0	124,430	625.49	✓	✓
8	100.00 (Default)	12,034	-	-	12,034	100.00	0.1	90.00	5.0	135,384	1124.99	✓	✓
9	Sub-total	¥2,978,279	¥3,765	100.00	¥2,982,045	0.60	1.9	90.00	5.0	¥3,440,940	115.38	✓	✓

CR6-(Continued) (Millions of yen, %, number in the thousands, year)

		a	b	c	d	e	f	g	h	i	j	k	l
		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions
PD scale		As of March 31, 2022											
Purchased receivables (Corporate, etc.) - Default Risk Equivalent													
1	0.00 to <0.15	¥2,458,754	¥213,874	77.96	¥2,625,298	0.06	0.7	37.61	1.2	¥314,753	11.98	¥686	✓
2	0.15 to <0.25	314,132	40,829	78.43	346,156	0.19	0.1	37.61	0.7	77,945	22.51	248	✓
3	0.25 to <0.50	159,231	17,471	78.43	172,936	0.41	0.0	37.61	1.5	77,583	44.86	270	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	90,545	37,773	76.05	119,273	1.22	0.0	37.61	1.8	87,068	72.99	548	✓
6	2.50 to <10.00	94,707	-	-	94,707	2.91	0.0	37.61	0.8	84,597	89.32	1,038	✓
7	10.00 to <100.00	5,475	-	-	5,475	13.00	0.0	37.61	5.0	10,979	200.52	267	✓
8	100.00 (Default)	1,102	-	-	1,102	100.00	0.0	26.60	1.1	405	36.74	260	✓
9	Sub-total	3,123,949	309,949	77.81	3,364,949	0.27	1.1	37.60	1.2	653,333	19.41	3,320	3,806
Purchased receivables (Retail) - Default Risk Equivalent													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	✓
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	✓
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	✓
8	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	✓
9	Sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Purchased receivables (Dilution Risk Equivalent)													
1	0.00 to <0.15	1,243,390	42,432	100.00	1,285,823	0.06	0.0	37.56	-	149,405	11.61	314	✓
2	0.15 to <0.25	153,305	693	100.00	153,999	0.19	0.0	37.61	-	37,480	24.33	110	✓
3	0.25 to <0.50	26,662	-	-	26,662	0.41	0.0	37.61	-	10,510	39.41	41	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	51,407	-	-	51,407	1.28	0.0	37.32	-	33,688	65.53	247	✓
6	2.50 to <10.00	39,719	-	-	39,719	2.71	0.0	37.61	-	35,266	88.78	405	✓
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	✓
8	100.00 (Default)	7,685	-	-	7,685	100.00	0.0	53.04	-	4,428	57.62	3,722	✓
9	Sub-total	1,522,171	43,126	100.00	1,565,297	0.68	0.1	37.63	-	270,779	17.29	4,841	✓
Retail – qualifying revolving retail exposures (QRRE)													
1	0.00 to <0.15	-	-	-	-	-	-	-	✓	-	-	-	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	✓	-	-	-	✓
3	0.25 to <0.50	-	-	-	4	0.42	0.0	77.76	✓	0	15.15	0	✓
4	0.50 to <0.75	-	-	-	19	0.55	0.4	81.08	✓	3	19.72	0	✓
5	0.75 to <2.50	187,298	819,636	13.13	294,968	2.41	528.1	81.08	✓	176,047	59.68	5,770	✓
6	2.50 to <10.00	146,062	856,667	7.97	214,384	4.27	1,945.9	81.08	✓	186,966	87.21	7,424	✓
7	10.00 to <100.00	28,268	21,414	28.23	34,314	17.45	201.3	81.08	✓	61,496	179.21	4,856	✓
8	100.00 (Default)	488	1,134	14.65	652	100.00	1.7	73.32	✓	722	110.68	420	✓
9	Sub-total	362,118	1,698,853	10.72	544,342	4.21	2,677.7	81.07	✓	425,236	78.11	18,472	21,177
Retail – Residential mortgage													
1	0.00 to <0.15	1,699,325	-	-	1,740,189	0.08	205.6	29.28	✓	102,390	5.88	421	✓
2	0.15 to <0.25	1,133,155	-	-	1,137,859	0.20	110.8	31.42	✓	144,515	12.70	723	✓
3	0.25 to <0.50	1,689,700	-	-	1,716,373	0.35	206.5	31.11	✓	321,611	18.73	1,870	✓
4	0.50 to <0.75	1,887,626	38,688	93.70	1,850,726	0.62	280.7	34.28	✓	575,337	31.08	3,947	✓
5	0.75 to <2.50	1,253,851	160	100.00	1,254,825	1.06	150.1	32.62	✓	530,531	42.27	4,324	✓
6	2.50 to <10.00	73,356	814	100.00	74,256	8.99	10.8	35.40	✓	114,305	153.93	2,364	✓
7	10.00 to <100.00	18,943	828	100.00	19,796	47.30	3.1	38.27	✓	36,491	184.33	3,603	✓
8	100.00 (Default)	51,159	535	100.00	51,682	100.00	4.7	42.10	✓	32,904	63.66	19,127	✓
9	Sub-total	7,807,118	41,028	94.05	7,845,709	1.30	972.7	31.87	✓	1,858,087	23.68	36,382	41,708
Other retail													
1	0.00 to <0.15	22	-	-	237,610	0.07	25.1	46.10	✓	20,617	8.67	81	✓
2	0.15 to <0.25	27	-	-	177,699	0.20	5.8	45.50	✓	33,588	18.90	168	✓
3	0.25 to <0.50	104,442	59	100.00	104,899	0.31	2.8	49.35	✓	28,332	27.00	163	✓
4	0.50 to <0.75	65,830	113	75.00	64,145	0.69	63.8	62.82	✓	34,917	54.43	285	✓
5	0.75 to <2.50	658,294	2,325	81.56	565,735	1.36	21.1	37.96	✓	232,352	41.07	2,791	✓
6	2.50 to <10.00	346,275	1,629	56.08	108,073	6.56	11.7	14.29	✓	22,501	20.82	689	✓
7	10.00 to <100.00	94,552	6,211	54.88	35,416	16.67	11.6	34.41	✓	24,796	70.01	2,154	✓
8	100.00 (Default)	62,402	1,678	95.97	46,244	100.00	2.1	45.53	✓	24,029	51.96	19,134	✓
9	Sub-total	1,331,849	12,017	66.36	1,339,824	5.09	144.3	40.74	✓	421,136	31.43	25,469	29,198
Total (all portfolios)		¥179,190,046	¥42,349,584	70.92	¥209,196,911	0.85	4,118.1	37.56	2.0	¥36,903,368	17.64	¥677,263	¥770,860

(Millions of yen, %, number in the thousands, year)													
PD scale	a	b	c	d	e	f	g	h	i	j	k	l	
	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions	
As of March 31, 2021													
Sovereign													
1	0.00 to <0.15	¥80,804,537	¥241,909	79.05	¥82,938,386	0.00	0.2	37.90	1.5	¥564,962	0.68	¥767	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	70,605	-	-	70,165	0.27	0.0	37.71	3.2	35,029	49.92	72	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	155,200	3,321	75.00	118,025	0.96	0.0	37.85	1.0	71,233	60.35	432	✓
6	2.50 to <10.00	65,259	4,437	74.99	6,394	6.07	0.0	37.88	1.0	7,660	119.80	147	✓
7	10.00 to <100.00	312	-	-	157	15.12	0.0	5.19	2.0	39	25.05	1	✓
8	100.00 (Default)	710	-	-	0	100.00	0.0	91.43	1.0	0	34.47	0	✓
9	Sub-total	81,096,626	249,668	78.92	83,133,129	0.00	0.2	37.90	1.5	678,926	0.81	1,421	1,265
Banks													
1	0.00 to <0.15	4,041,374	652,341	66.98	4,955,774	0.05	0.3	37.77	2.3	925,691	18.67	929	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	115,314	45,195	60.47	157,209	0.33	0.0	36.46	1.2	53,988	34.34	172	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	182,541	37,049	60.58	187,904	1.21	0.0	36.97	0.9	127,529	67.86	834	✓
6	2.50 to <10.00	22,028	8,338	53.01	21,919	4.04	0.0	41.26	1.7	29,094	132.73	411	✓
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	✓
8	100.00 (Default)	1,004	-	-	1,004	100.00	0.0	96.42	5.0	313	31.24	943	✓
9	Sub-total	4,362,263	742,925	66.11	5,323,812	0.13	0.5	37.73	2.2	1,136,616	21.34	3,291	2,930
Corporate (except SME and specialized lending)													
1	0.00 to <0.15	44,821,030	31,001,092	74.12	68,405,226	0.06	7.5	37.91	2.3	12,969,822	18.96	17,574	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	8,264,733	3,130,169	74.64	10,104,350	0.37	8.3	33.59	2.4	4,505,944	44.59	12,809	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	4,592,776	1,467,456	74.31	5,186,712	1.18	4.3	32.18	2.7	3,645,265	70.28	19,740	✓
6	2.50 to <10.00	2,050,541	813,954	72.28	2,040,749	3.88	214.7	32.23	2.5	2,016,740	98.82	25,654	✓
7	10.00 to <100.00	605,045	251,694	73.15	617,617	15.12	3.5	31.06	2.3	941,499	152.44	29,021	✓
8	100.00 (Default)	1,021,631	52,607	73.88	1,023,786	100.00	0.6	35.90	2.6	386,806	37.78	336,656	✓
9	Sub-total	61,355,758	36,716,975	74.12	87,378,441	1.53	239.3	36.86	2.3	24,466,078	28.00	441,458	393,012
SME													
1	0.00 to <0.15	311,947	71,812	73.58	365,448	0.08	0.0	35.76	2.9	79,213	21.67	103	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	1,403,575	65,065	74.99	1,390,724	0.38	6.7	24.34	3.2	419,936	30.19	1,303	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	1,160,881	72,614	84.62	1,172,995	1.16	5.0	21.56	3.4	492,286	41.96	3,001	✓
6	2.50 to <10.00	554,747	49,342	81.09	557,839	3.26	79.8	21.43	3.4	299,543	53.69	3,976	✓
7	10.00 to <100.00	198,746	4,648	72.58	185,692	15.12	1.7	18.88	2.9	145,644	78.43	5,303	✓
8	100.00 (Default)	164,807	1,027	90.64	152,183	100.00	1.0	37.15	2.4	48,620	31.94	52,657	✓
9	Sub-total	3,794,706	264,511	78.41	3,824,884	5.69	94.5	24.40	3.2	1,485,245	38.83	66,345	59,064
Specialized Lending													
1	0.00 to <0.15	3,662,782	376,862	76.43	3,554,029	0.08	0.5	33.14	4.2	970,808	27.31	979	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	847,194	365,956	75.39	917,720	0.37	0.1	37.59	4.2	604,680	65.88	1,290	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	513,499	210,153	74.00	419,989	0.94	0.0	40.77	4.3	430,255	102.44	1,666	✓
6	2.50 to <10.00	98,404	95,816	75.11	76,091	3.95	0.0	36.17	4.4	99,251	130.43	1,085	✓
7	10.00 to <100.00	76,587	5,826	76.68	53,236	15.12	0.0	33.83	3.5	93,533	175.69	2,724	✓
8	100.00 (Default)	30,044	135	100.00	29,773	100.00	0.0	62.11	4.0	13,416	45.06	17,421	✓
9	Sub-total	5,228,512	1,054,750	75.47	5,050,841	1.01	0.8	34.81	4.2	2,211,944	43.79	25,168	22,406
Equities (PD/LGD approach)													
1	0.00 to <0.15	3,051,403	17,793	100.00	3,069,196	0.04	0.9	90.00	5.0	3,106,865	101.22	✓	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	✓	✓
3	0.25 to <0.50	106,398	-	-	106,398	0.35	0.6	90.00	5.0	184,847	173.73	✓	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	✓	✓
5	0.75 to <2.50	39,891	-	-	39,891	1.22	0.2	90.00	5.0	108,475	271.92	✓	✓
6	2.50 to <10.00	20,979	-	-	20,979	4.31	0.1	90.00	5.0	82,291	392.25	✓	✓
7	10.00 to <100.00	5,845	-	-	5,845	15.12	0.0	90.00	5.0	38,844	664.49	✓	✓
8	100.00 (Default)	42,145	-	-	42,145	100.00	0.1	90.00	5.0	474,137	1,125.00	✓	✓
9	Sub-total	¥3,266,664	¥17,793	100.00	¥3,284,457	1.40	2.1	90.00	5.0	¥3,995,461	121.64	✓	✓

CR6-(Continued)		(Millions of yen, %, number in the thousands, year)											
PD scale	a	b	c	d	e	f	g	h	i	j	k	l	
	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF (%)	EAD post CRM and post-CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA	RWA density (%)	EL	Provisions	
	As of March 31, 2021												
Purchased receivables (Corporate, etc.) - Default Risk Equivalent													
1	0.00 to <0.15	¥2,399,964	¥174,731	79.14	¥2,538,215	0.06	0.7	38.23	1.3	¥287,982	11.34	¥584	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	272,882	64,813	77.22	322,936	0.41	0.2	37.88	1.4	141,894	43.93	513	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	89,702	27,619	77.40	111,080	1.21	0.0	37.88	1.9	84,093	75.70	512	✓
6	2.50 to <10.00	41,448	17,777	76.47	55,045	3.61	0.0	37.88	1.7	58,546	106.36	752	✓
7	10.00 to <100.00	1,112	3,210	76.56	3,571	15.12	0.0	37.88	3.4	6,993	195.82	204	✓
8	100.00 (Default)	3,644	80	75.00	3,704	100.00	0.0	45.14	0.8	1,396	37.68	1,560	✓
9	Sub-total	2,808,755	288,232	78.35	3,034,554	0.34	1.0	38.18	1.4	580,906	19.14	4,128	3,675
Purchased receivables (Retail) - Default Risk Equivalent													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	✓
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	✓
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	✓
8	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	✓
9	Sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Purchased receivables (Dilution Risk Equivalent)													
1	0.00 to <0.15	1,265,764	25,247	100.00	1,291,012	0.07	0.1	37.88	-	169,965	13.16	386	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	✓
3	0.25 to <0.50	145,581	7,767	100.00	153,349	0.42	0.0	37.84	-	60,617	39.52	245	✓
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	✓
5	0.75 to <2.50	40,439	-	-	40,439	1.12	0.0	37.88	-	26,934	66.60	171	✓
6	2.50 to <10.00	20,908	-	-	20,908	3.11	0.0	37.88	-	19,592	93.70	247	✓
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	✓
8	100.00 (Default)	26,058	-	-	26,058	100.00	0.0	51.65	-	14,995	57.54	12,261	✓
9	Sub-total	1,498,753	33,015	100.00	1,531,768	1.88	0.1	38.11	-	292,104	19.06	13,312	✓
Retail – qualifying revolving retail exposures (QRRE)													
1	0.00 to <0.15	-	-	-	0	0.14	0.0	80.14	✓	0	6.73	0	✓
2	0.15 to <0.25	-	-	-	-	-	-	-	✓	-	-	-	✓
3	0.25 to <0.50	-	-	-	19	0.36	0.3	79.31	✓	2	13.81	0	✓
4	0.50 to <0.75	-	-	-	12	0.71	0.4	80.14	✓	3	23.76	0	✓
5	0.75 to <2.50	203,220	834,722	13.43	315,393	2.40	549.8	80.14	✓	185,419	58.79	6,069	✓
6	2.50 to <10.00	153,621	866,552	7.96	222,639	4.26	1,988.0	80.14	✓	191,768	86.13	7,615	✓
7	10.00 to <100.00	28,965	19,966	27.71	34,498	17.40	200.4	80.14	✓	61,342	177.81	4,811	✓
8	100.00 (Default)	428	1,186	11.70	565	100.00	1.7	72.82	✓	561	99.29	366	✓
9	Sub-total	386,235	1,722,429	10.85	573,129	4.12	2,740.8	80.13	✓	439,097	76.61	18,862	16,792
Retail – Residential mortgage													
1	0.00 to <0.15	1,656,690	-	-	1,694,670	0.08	199.2	29.12	✓	99,773	5.88	410	✓
2	0.15 to <0.25	1,273,842	-	-	1,275,967	0.20	133.8	30.66	✓	159,097	12.46	799	✓
3	0.25 to <0.50	1,698,370	-	-	1,733,622	0.35	201.9	32.03	✓	337,192	19.45	1,965	✓
4	0.50 to <0.75	1,796,443	63,069	97.12	1,780,946	0.63	257.4	34.41	✓	558,845	31.37	3,842	✓
5	0.75 to <2.50	1,423,328	262	100.00	1,424,693	1.05	180.4	34.25	✓	624,549	43.83	5,068	✓
6	2.50 to <10.00	87,547	1,433	100.00	89,290	9.14	12.3	36.06	✓	140,936	157.84	2,944	✓
7	10.00 to <100.00	13,181	1,218	100.00	14,399	50.03	2.3	39.25	✓	26,268	182.42	2,830	✓
8	100.00 (Default)	65,478	872	100.00	66,335	100.00	5.6	42.47	✓	38,592	58.17	25,087	✓
9	Sub-total	8,014,883	66,856	97.28	8,079,926	1.46	993.2	32.26	✓	1,985,258	24.57	42,949	38,236
Other retail													
1	0.00 to <0.15	24	-	-	249,812	0.07	28.4	46.49	✓	21,456	8.58	84	✓
2	0.15 to <0.25	24	-	-	213,086	0.20	7.4	45.94	✓	40,574	19.04	203	✓
3	0.25 to <0.50	110,573	41	100.00	110,979	0.33	3.0	48.74	✓	30,388	27.38	178	✓
4	0.50 to <0.75	59,137	367	75.00	56,969	0.67	71.3	60.38	✓	29,422	51.64	237	✓
5	0.75 to <2.50	769,447	2,833	79.35	663,489	1.34	22.7	40.84	✓	289,748	43.67	3,399	✓
6	2.50 to <10.00	393,938	1,926	63.06	120,078	6.52	14.2	16.43	✓	28,857	24.03	912	✓
7	10.00 to <100.00	97,822	7,260	54.55	39,264	17.07	12.6	35.06	✓	28,165	71.73	2,490	✓
8	100.00 (Default)	60,501	1,971	94.88	47,402	100.00	2.2	46.56	✓	24,174	50.99	20,140	✓
9	Sub-total	1,491,470	14,400	66.74	1,501,082	4.81	162.2	41.91	✓	492,788	32.82	27,647	24,613
Total (all portfolios)		¥173,304,630	¥41,171,558	71.52	¥202,716,028	0.94	4,235.3	37.89	2.0	¥37,764,428	18.62	¥644,586	¥561,997

(B) CR8:RWA flow statements of credit risk exposures under IRB approach

(Billions of yen)			
No.			RWA
1	RWA as of March 31, 2020		¥39,610.9
2	Breakdown of changes during this reporting period	Asset size	1,452.0
3		Portfolio quality	2,016.1
4		Model updates	-
5		Methodology and policy	-
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	577.6
8		Other	105.7
9	RWA as of March 31, 2021		¥43,762.5

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Asset size corresponds to the amount of variation in RWA arising from changes in book size and composition, increased assets resulting from origination of new businesses, decreased assets due to matured receivables, etc.
3. Portfolio quality corresponds to the amount of variation in RWA arising from changes in obligor’s and facilities’ ratings, changes in collateral values and guarantees, etc.
4. Methodology and policy corresponds to the amount of variation in RWA arising from methodological changes in calculations driven by regulatory policy changes including revisions to existing regulations.
5. Foreign currency fluctuations correspond to the amount of variation in RWA arising from the effect of fluctuations in foreign exchange rates involving exposures to transactions denominated in foreign currencies.

(Billions of yen)		
No.	RWA	
1	RWA as of March 31, 2021	
2	Breakdown of changes during this reporting period	Asset size
3		Portfolio quality
4		Model updates
5		Methodology and policy
6		Acquisitions and disposals
7		Foreign currency fluctuations
8		Other
9	RWA as of March 31, 2022	

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Asset size corresponds to the amount of variation in RWA arising from changes in book size and composition, increased assets resulting from origination of new businesses, decreased assets due to matured receivables, etc.
3. Portfolio quality corresponds to the amount of variation in RWA arising from changes in obligor’s and facilities’ ratings, changes in collateral values and guarantees, etc.
4. Methodology and policy corresponds to the amount of variation in RWA arising from methodological changes in calculations driven by regulatory policy changes including revisions to existing regulations.
5. Foreign currency fluctuations correspond to the amount of variation in RWA arising from the effect of fluctuations in foreign exchange rates involving exposures to transactions denominated in foreign currencies.

(C) CR9: IRB - Backtesting of Probability of Default (PD) per Portfolio

As of March 31, 2022													
a	b	c					d	e	f		g	h	i
Portfolio	PD Range (%)	External rating equivalent					Weighted average PD (%)	Arithmetic average PD by obligors (%)	Number of obligors		Defaulted obligors in the year	of which: new defaulted obligors in the year	Average historical annual default rate (%)
		S&P	Moody's	Fitch	R&I	JCR			As of March 31, 2018	As of March 31, 2019			
Corporate, etc.	0.00 to <0.10	AAA~A-	Aaa~A3	AAA~A-	AAA~A-	AAA~A-	0.05	0.07	5,358	5,292	1	-	0.01
	0.10 to <0.20	BBB+~BBB-	Baa1~Baa3	BBB+~BBB-	BBB+~BBB-	BBB+~BBB-	0.14	0.14	2,864	2,624	2	-	0.07
	0.20 to <1.00	BB+~BB-	Ba1~Ba3	BB+~BB-	BB+~BB-	BB+~BB-	0.41	0.41	21,167	19,562	130	3	0.37
	1.00 to <5.00	B+~B-	B1~B3	B+~B-	B+~B-	B+~B-	2.03	2.70	8,026	7,636	214	1	1.91
	5.00 to <100.00	CCC+~CCC-	Caa1~Caa3	CCC+~CCC-	CCC+~CCC-	CCC+~CCC-	9.32	12.35	2,156	2,198	202	7	7.93
Retail – qualifying revolving retail exposures (QRRE)	0.00 to <0.10						-	-	-	-	-	-	-
	0.10 to <0.20						-	-	-	-	-	-	-
	0.20 to <1.00						-	-	-	-	-	-	-
	1.00 to <5.00						2.88	3.00	290,058	272,011	4,101	407	1.79
	5.00 to <100.00						12.53	9.54	142,796	139,028	6,869	275	7.76
Retail – Residential mortgage	0.00 to <0.10						0.07	0.06	80,189	72,452	27	2	0.03
	0.10 to <0.20						0.14	0.13	57,910	52,946	38	-	0.05
	0.20 to <1.00						0.44	0.45	388,762	389,538	858	1	0.24
	1.00 to <5.00						1.14	1.12	81,764	82,506	310	1	0.46
	5.00 to <100.00						17.04	17.76	8,503	8,176	811	-	10.32
Other retail	0.00 to <0.10						-	-	-	-	-	-	-
	0.10 to <0.20						-	-	-	-	-	-	-
	0.20 to <1.00						0.73	0.65	241,236	192,586	637	12	0.30
	1.00 to <5.00						1.03	1.31	36,399	29,126	365	10	0.80
	5.00 to <100.00						6.95	17.32	14,496	11,427	791	2	5.05

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Exposures to sovereign and bank is included in the category of corporate, etc. because their obligors can be presumably specified. Likewise, exposures to corporate (except specialized lending), specialized lending, equity and purchased receivables (corporate) is included in the category of corporate, etc. because the data of the respective portfolios is not separately used for PD estimation. Since purchased receivables (retail) account for a small portion of the entire exposure, they are incorporated with any one of QRRE, residential mortgage or other retail depending on the portfolio classification of the purchased receivables.
3. PD Range indicates the ranges of PD estimates for multiple consolidated internal ratings groups.
4. The following shows the percentages accounted for by the respective portfolios among the credit RWA calculated by the AIRB: Corporate, etc. : 79%, QRRE: 1%, Residential mortgage : 6%, Other retail : 1%.
5. The number of credits is disclosed as the number of data of obligors for QRRE, residential mortgage and other retail excluding credit for business purpose.
6. The back testing covers the period from September 30, 2020 to September 30, 2021.

As of March 31, 2021													
a	b	c					d	e	f		g	h	i
Portfolio	PD Range (%)	External rating equivalent					Weighted average PD (%)	Arithmetic average PD by obligors (%)	Number of obligors		Defaulted obligors in the year	of which: new defaulted obligors in the year	Average historical annual default rate (%)
		S&P	Moody's	Fitch	R&I	JCR			As of March 31, 2018	As of March 31, 2019			
Corporate, etc.	0.00 to <0.10	AAA~A-	Aaa~A3	AAA~A-	AAA~A-	AAA~A-	0.05	0.06	5,492	5,354	1	-	0.01
	0.10 to <0.20	BBB+~BBB-	Baa1~Baa3	BBB+~BBB-	BBB+~BBB-	BBB+~BBB-	0.12	0.12	2,760	2,865	4	1	0.06
	0.20 to <1.00	BB+~BB-	Ba1~Ba3	BB+~BB-	BB+~BB-	BB+~BB-	0.47	0.47	21,593	21,163	126	2	0.32
	1.00 to <5.00	B+~B-	B1~B3	B+~B-	B+~B-	B+~B-	2.02	3.04	8,399	8,026	233	4	1.72
	5.00 to <100.00	CCC+~CCC-	Caa1~Caa3	CCC+~CCC-	CCC+~CCC-	CCC+~CCC-	12.35	14.17	1,948	2,155	173	7	7.72
Retail – qualifying revolving retail exposures (QRRE)	0.00 to <0.10						-	-	-	-	-	-	-
	0.10 to <0.20						-	-	-	-	-	-	-
	0.20 to <1.00						-	-	-	-	-	-	-
	1.00 to <5.00						2.78	2.96	310,140	290,058	5,438	512	1.88
	5.00 to <100.00						13.79	10.00	149,075	142,796	9,601	431	8.66
Retail – Residential mortgage	0.00 to <0.10						0.06	0.06	89,687	97,863	39	3	0.03
	0.10 to <0.20						0.15	0.14	65,897	62,674	47	-	0.05
	0.20 to <1.00						0.48	0.49	382,579	371,520	1,187	4	0.25
	1.00 to <5.00						1.22	1.19	82,274	77,180	465	-	0.48
	5.00 to <100.00						16.18	16.83	10,757	8,503	1,091	-	10.51
Other retail	0.00 to <0.10						-	-	-	-	-	-	-
	0.10 to <0.20						-	-	-	-	-	-	-
	0.20 to <1.00						0.80	0.61	306,402	301,470	872	11	0.30
	1.00 to <5.00						1.49	1.47	50,604	49,167	543	10	0.67
	5.00 to <100.00						8.46	17.92	24,918	24,293	1,341	1	4.70

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Exposures to sovereign and bank is included in the category of corporate, etc. because their obligors can be presumably specified. Likewise, exposures to corporate (except specialized lending), specialized lending, equity and purchased receivables (corporate) is included in the category of corporate, etc. because the data of the respective portfolios is not separately used for PD estimation. Since purchased receivables (retail) account for a small portion of the entire exposure, they are incorporated with any one of QRRE, residential mortgage or other retail depending on the portfolio classification of the purchased receivables.
3. PD Range indicates the ranges of PD estimates for multiple consolidated internal ratings groups.
4. The following shows the percentages accounted for by the respective portfolios among the credit RWA calculated by the AIRB: Corporate, etc. : 79%, QRRE: 1%, Residential mortgage : 6%, Other retail : 1%
5. The number of credits is disclosed as the number of data of obligors for QRRE, residential mortgage and other retail excluding credit for business purpose.
6. The back testing covers the period from September 30, 2019 to September 30, 2020.

(D) CR10: IRB -Specialized Lending under the Slotting Criteria Approach and Equity Exposures under the Market-based Approach etc.

As of March 31, 2022												
a	b	c	d	e	f	g	h	i	j	k	l	
Specialized lending under slotting criteria approach												
Other than HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount					RWA	Expected losses	
					P F	O F	C F	I P R E	Total			
Strong	Less than 2.5 years	¥25,010	¥-	50%	¥-	¥25,010	¥-	¥-	¥25,010	¥12,505	¥-	
	Equal to or more than 2.5 years	-	1,702	70%	-	1,276	-	-	1,276	893	5	
Good	Less than 2.5 years	-	-	70%	-	-	-	-	-	-	-	
	Equal to or more than 2.5 years	1,715	-	90%	-	1,715	-	-	1,715	1,543	13	
Satisfactory		16,293	23,651	115%	-	34,040	-	-	34,040	39,146	953	
Weak		12,843	27,593	250%	-	33,567	-	-	33,567	83,918	2,685	
Default		6,770	-	-	-	8,321	-	-	8,321	-	4,160	
Total		62,632	52,946	-	-	103,930	-	-	103,930	138,006	7,817	
HVCRE												
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW						Exposure amount	RWA	Expected losses
Strong	Less than 2.5 years	23,855	920	70%						24,553	17,187	98
	Equal to or more than 2.5 years	150,919	65,012	95%						199,709	189,724	798
Good	Less than 2.5 years	7,023	-	95%						7,030	6,678	28
	Equal to or more than 2.5 years	4,497	2,970	120%						6,727	8,073	26
Satisfactory		-	-	140%						-	-	-
Weak		-	-	250%						-	-	-
Default		-	-	-						-	-	-
Total		186,295	68,902	-						238,020	221,663	952
Equity exposures under the market-based approach etc.												
Equity exposures under the market-based approach												
Categories	On-balance sheet amount	Off-balance sheet amount	RW						Exposure amount	RWA		
Exchange-traded equity exposures	697,223	40,596	300%						737,820	2,213,461		
Private equity exposures	97,107	2,338	400%						98,844	395,376		
Other equity exposures	-	-	-						-	-		
Total	794,331	42,935	-						836,664	2,608,837		
Equity exposures to which a risk weight of 100% is applied												
Equity exposures to which a risk weight of 100% is applied	4,754	-	100%						4,754	4,754		

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. PF, OF, CF and IPRE respectively stand for project finance, object finance, commodity finance and income-producing real estate.

(Millions of yen, %)											
As of March 31, 2021											
a	b	c	d	e	f	g	h	i	j	k	l
Specialized lending under slotting criteria approach											
Other than HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount					RWA	Expected losses
					P F	O F	C F	I P R E	Total		
Strong	Less than 2.5 years	¥25,017	¥-	50%	¥-	¥25,017	¥-	¥-	¥25,017	¥12,508	¥-
	Equal to or more than 2.5 years	-	-	70%	-	-	-	-	-	-	-
Good	Less than 2.5 years	-	-	70%	-	-	-	-	-	-	-
	Equal to or more than 2.5 years	2,174	-	90%	-	2,175	-	-	2,175	1,957	17
Satisfactory		-	-	115%	-	-	-	-	-	-	-
Weak		8,415	20,436	250%	-	23,886	-	-	23,886	59,717	1,910
Default		6,612	-	-	-	8,883	-	-	8,883	-	4,441
Total		42,221	20,436	-	-	59,964	-	-	59,964	74,183	6,370
HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW					Exposure amount	RWA	Expected losses
Strong	Less than 2.5 years	36,458	313	70%					36,693	25,685	146
	Equal to or more than 2.5 years	164,698	53,929	95%					205,188	194,929	820
Good	Less than 2.5 years	2,830	-	95%					2,830	2,688	11
	Equal to or more than 2.5 years	6,147	7,170	120%					11,527	13,833	46
Satisfactory		1,377	-	140%					1,377	1,929	38
Weak		-	-	250%					-	-	-
Default		-	-	-					-	-	-
Total		211,512	61,412	-					257,617	239,064	1,063
Equity exposures under the market-based approach etc.											
Equity exposures under the market-based approach											
Categories		On-balance sheet amount	Off-balance sheet amount	RW					Exposure amount	RWA	
Exchange-traded equity exposures		756,644	286,587	300%					1,043,232	3,129,698	
Private equity exposures		72,163	1,690	400%					73,431	293,725	
Other equity exposures		-	-	-					-	-	
Total		828,808	288,277	-					1,116,664	3,423,423	
Equity exposures to which a risk weight of 100% is applied											
Equity exposures to which a risk weight of 100% is applied		4,268	-	100%					4,268	4,268	

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
 2. PF, OF, CF and IPRE respectively stand for project finance, object finance, commodity finance and income-producing real estate.

(5) Credit Risk under Standardized Approach

(i) Status of portfolios to which the standardized approach is applied
 Eligible external credit assessment institutions used for determining the risk weight for portfolios to which the standardized approach is applied are Rating and Investment Information, Inc. (R&I) in Japan and S&P Global Ratings overseas. We apply a risk weight of 100% for all of our corporate exposure.

(ii) Quantitative disclosure on credit risk under standardized approach

(Millions of yen)													
As of March 31, 2022													
Asset classes	Risk weight	a	b	c	d	e	f	g	h	i	j	k	
		Credit exposures amount (post CCF and post-CRM)											
		0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total	
1 Cash		¥190	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥190	
2 Japanese sovereigns and Bank of Japan		472,838	-	-	-	-	-	-	-	-	-	472,838	
3 Foreign central sovereigns and central banks		117,634	-	120,364	-	144,989	-	17,893	0	-	-	400,882	
4 Bank for International Settlements,etc.		-	-	-	-	-	-	-	-	-	-	-	
5 Japanese non-central governmental PSEs		1,462	-	-	-	-	-	-	-	-	-	1,462	
6 Non-central governmental PSEs other than foreign central sovereigns, etc.		-	-	6	-	2	-	11	-	-	-	20	
7 International development banks		-	-	-	-	-	-	-	-	-	-	-	
8 Japan Finance Organization for Municipalities		-	-	-	-	-	-	-	-	-	-	-	
9 Japanese government institutions		-	5,015	-	-	-	-	-	-	-	-	5,015	
10 Three regional public sectors of Japan		-	-	-	-	-	-	-	-	-	-	-	
11 Financial institutions and business operators conducting the type I financial instruments business		-	-	413,904	-	49,307	-	37,172	-	-	-	500,385	
12 Corporates, etc.		-	-	-	-	-	-	1,678,282	-	-	-	1,678,282	
13 Regulatory retail portfolios and individuals		-	-	-	-	-	-	-	-	-	-	-	
14 Mortgage housing loan		-	-	-	-	-	-	-	-	-	-	-	
15 Real estate acquisition business, etc.		-	-	-	-	-	-	-	-	-	-	-	
16 Claims past due for 3 months or more (excluding mortgage housing loan)		-	-	-	-	27	-	9	37	-	-	75	
17 Claims past due for 3 months or more regarding mortgage housing loan		-	-	-	-	-	-	-	-	-	-	-	
18 Bills in process of collection		-	-	-	-	-	-	-	-	-	-	-	
19 With guarantee of Credit Guarantee Corporations, etc.		-	-	-	-	-	-	-	-	-	-	-	
20 With guarantee of Regional Economy Vitalization Corporation of Japan		-	-	-	-	-	-	-	-	-	-	-	
21 Investments, etc.(excluding significant investments)		-	-	-	-	-	-	-	-	-	-	-	
22 Total		¥592,126	¥5,015	¥534,276	¥-	¥194,328	¥-	¥1,733,369	¥37	¥-	¥-	¥3,059,154	

Note: Counterparty credit risk exposures, credit risk related to securitization transactions, and fund exposures are excluded from the amount of credit risk exposures above.

(Millions of yen)												
As of March 31, 2021												
Asset classes	Risk weight	a	b	c	d	e	f	g	h	i	j	k
		Credit exposures amount (post CCF and post-CRM)										
		0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1 Cash		¥97	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥97
2 Japanese sovereigns and Bank of Japan		392,166	-	-	-	-	-	-	-	-	-	392,166
3 Foreign central sovereigns and central banks		64,431	-	72,997	-	109,379	-	15,163	0	-	-	261,973
4 Bank for International Settlements,etc.		-	-	-	-	-	-	-	-	-	-	-
5 Japanese non-central governmental PSEs		816	-	-	-	-	-	-	-	-	-	816
6 Non-central governmental PSEs other than foreign central sovereigns, etc.		-	-	465	-	2	-	0	-	-	-	467
7 International development banks		-	-	-	-	-	-	-	-	-	-	-
8 Japan Finance Organization for Municipalities		-	4	-	-	-	-	-	-	-	-	4
9 Japanese government institutions		-	6,214	-	-	-	-	-	-	-	-	6,214
10 Three regional public sectors of Japan		-	-	-	-	-	-	-	-	-	-	-
11 Financial institutions and business operators conducting the type I financial instruments business		-	-	346,126	-	33,056	-	63,971	-	-	-	443,155
12 Corporates, etc.		-	-	-	-	-	-	1,636,755	-	-	-	1,636,755
13 Regulatory retail portfolios and individuals		-	-	-	-	-	-	-	-	-	-	-
14 Mortgage housing loan		-	-	-	-	-	-	-	-	-	-	-
15 Real estate acquisition business, etc.		-	-	-	-	-	-	-	-	-	-	-
16 Claims past due for 3 months or more (excluding mortgage housing loan)		-	-	-	-	225	-	12	26	-	-	264
17 Claims past due for 3 months or more regarding mortgage housing loan		-	-	-	-	-	-	-	-	-	-	-
18 Bills in process of collection		-	-	-	-	-	-	-	-	-	-	-
19 With guarantee of Credit Guarantee Corporations, etc.		-	-	-	-	-	-	-	-	-	-	-
20 With guarantee of Regional Economy Vitalization Corporation of Japan		-	-	-	-	-	-	-	-	-	-	-
21 Investments, etc.(excluding significant investments)		-	-	-	-	-	-	-	-	-	-	-
22 Total		¥457,513	¥6,218	¥419,589	¥-	¥142,664	¥-	¥1,715,903	¥26	¥-	¥-	¥2,741,915

Note: Counterparty credit risk exposures, credit risk related to securitization transactions, and fund exposures are excluded from the amount of credit risk exposures above.

(6) Credit Risk Mitigation Techniques

(i) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

We obtain collateral and guarantees as a means of securing credit. In obtaining the collateral and guarantees, we evaluate the value of the collateral, guarantee performance capability of guarantor and legal enforceability, and we also conduct periodical subsequent re-evaluations. Furthermore, we monitor any concentration of risks in particular corporate groups including indirect credit exposure such as collateral issuers and guarantees. When calculating the credit risk weighted assets for capital adequacy ratio regulations, the effect of credit risk mitigation through financial collateral (mainly deposits and securities), other collateral (mainly real estate) and guarantees by "sovereign, banks or corporations above a certain credit rating" is reflected.

(ii) Quantitative Disclosure on Credit Risk Mitigation Techniques

Counterparty risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures below.

(A) CR3: Credit Risk Mitigation Techniques - Overview

(Millions of yen)						
As of March 31, 2022						
		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	¥64,996,863	¥17,179,414	¥7,279,365	¥7,525,234	¥3,937
2	Debt securities	37,495,095	831,788	356,888	364,375	-
3	Other on balance debt assets	55,925,476	118,325	4,627	100,836	-
4	Total (1+2+3)	¥158,417,435	¥18,129,528	¥7,640,881	¥7,990,446	¥3,937
5	Of which defaulted	354,069	325,603	143,463	81,808	-

Notes: 1. Other on-balance debt assets include deposits, call loans, bills purchased, monetary claims bought, money held in trust, and foreign exchange assets, etc.
 2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.

(Millions of yen)						
As of March 31, 2021						
		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	¥65,015,186	¥16,659,931	¥6,795,255	¥7,400,226	¥5,846
2	Debt securities	35,863,398	485,654	346,319	29,734	-
3	Other on balance debt assets	52,242,536	69,344	2,350	52,901	-
4	Total (1+2+3)	¥153,121,122	¥17,214,930	¥7,143,925	¥7,482,862	¥5,846
5	Of which defaulted	564,119	331,171	138,736	63,834	-

Notes: 1. Other on-balance debt assets include deposits, call loans, bills purchased, monetary claims bought, money held in trust, and foreign exchange assets, etc.
 2. Defaulted exposures include restructured loans, loans past due for three months or more, loans to bankrupt borrowers and so on.

(B) CR4: Standardized Approach - Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects
 (Millions of yen, except percentages)

		As of March 31, 2022					
		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA	RWA density
Asset classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	¥190	¥-	¥190	¥-	¥-	0.00
2	Japanese sovereigns and Bank of Japan	472,838	-	472,838	-	-	0.00
3	Foreign central sovereigns and central banks	400,882	-	400,882	-	114,461	28.55
4	Bank for International Settlements,etc.	-	-	-	-	-	-
5	Japanese non-central governmental PSEs	1,462	-	1,462	-	-	0.00
6	Non-central governmental PSEs other than foreign central sovereigns, etc.	20	-	20	-	14	68.07
7	International development banks	-	-	-	-	-	-
8	Japan Finance Organization for Municipalities	-	-	-	-	-	-
9	Japanese government institutions	5,015	-	5,015	-	501	10.00
10	Three regional public sectors of Japan	-	-	-	-	-	-
11	Financial institutions and business operators conducting the type I financial instruments business	438,638	146,028	431,040	69,345	144,607	28.89
12	Corporates, etc.	1,438,056	347,511	1,425,002	253,280	1,678,282	100.00
13	Regulatory retail portfolios and individuals	-	-	-	-	-	-
14	Mortgage housing loan	-	-	-	-	-	-
15	Real estate acquisition business, etc.	-	-	-	-	-	-
16	Claims past due for 3 months or more (excluding mortgage housing loan)	75	-	75	-	80	106.78
17	Claims past due for 3 months or more regarding mortgage housing loan	-	-	-	-	-	-
18	Bills in process of collection	-	-	-	-	-	-
19	With guarantee of Credit Guarantee Corporation, etc.	-	-	-	-	-	-
20	With guarantee of Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-
21	Investments, etc.(excluding significant investments)	-	-	-	-	-	-
22	Total	¥2,757,181	¥493,540	¥2,736,528	¥322,625	¥1,937,947	63.34

		(Millions of yen, except percentages)					
		As of March 31, 2021					
		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA	RWA density
Asset classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	¥97	¥-	¥97	¥-	¥-	0.00
2	Japanese sovereigns and Bank of Japan	392,166	-	392,166	-	-	0.00
3	Foreign central sovereigns and central banks	261,973	-	261,973	-	84,453	32.23
4	Bank for International Settlements,etc.	-	-	-	-	-	-
5	Japanese non-central governmental PSEs	816	-	816	-	-	0.00
6	Non-central governmental PSEs other than foreign central sovereigns, etc.	467	-	467	-	94	20.20
7	International development banks	-	-	-	-	-	-
8	Japan Finance Organization for Municipalities	4	-	4	-	0	10.00
9	Japanese government institutions	6,214	-	6,214	-	621	10.00
10	Three regional public sectors of Japan	-	-	-	-	-	-
11	Financial institutions and business operators conducting the type I financial instruments business	390,618	137,472	377,727	65,427	149,725	33.78
12	Corporates, etc.	1,371,666	355,120	1,371,228	265,527	1,636,701	99.99
13	Regulatory retail portfolios and individuals	-	-	-	-	-	-
14	Mortgage housing loan	-	-	-	-	-	-
15	Real estate acquisition business, etc.	-	-	-	-	-	-
16	Claims past due for 3 months or more (excluding mortgage housing loan)	264	-	264	-	164	62.30
17	Claims past due for 3 months or more regarding mortgage housing loan	-	-	-	-	-	-
18	Bills in process of collection	-	-	-	-	-	-
19	With guarantee of Credit Guarantee Corporation, etc.	-	-	-	-	-	-
20	With guarantee of Regional Economy Vitalization Corporation of Japan	-	-	-	-	-	-
21	Investments, etc.(excluding significant investments)	-	-	-	-	-	-
22	Total	¥2,424,289	¥492,592	¥2,410,960	¥330,954	¥1,871,761	68.26

(C) CR7: IRB - Effect on RWA of Credit Derivatives Used as CRM Techniques

(Millions of yen)			
As of March 31, 2022			
		a	b
Portfolios		Pre-credit derivatives RWA	Actual RWA
1	Sovereign - FIRB	¥-	¥-
2	Sovereign - AIRB	528,068	528,068
3	Banks - FIRB	-	-
4	Banks - AIRB	1,076,926	1,076,926
5	Corporate (except Specialized lending) - FIRB	-	-
6	Corporate (except Specialized lending) - AIRB	25,756,143	25,755,968
7	Specialized lending - FIRB	-	-
8	Specialized lending - AIRB	2,832,561	2,832,561
9	Retail - qualifying revolving retail exposures (QRRE)	425,236	425,236
10	Retail - residential mortgage exposures	1,858,087	1,858,087
11	Other retail exposures	421,136	421,136
12	Equity - FIRB	-	-
13	Equity - AIRB	3,440,940	3,440,940
14	Purchased receivables - FIRB	-	-
15	Purchased receivables - AIRB	924,113	924,113
16	Total	¥37,263,213	¥37,263,038

(Millions of yen)			
As of March 31, 2021			
		a	b
Portfolios		Pre-credit derivatives RWA	Actual RWA
1	Sovereign - FIRB	¥-	¥-
2	Sovereign - AIRB	527,672	527,672
3	Banks - FIRB	-	-
4	Banks - AIRB	1,073,775	1,073,775
5	Corporate (except Specialized lending) - FIRB	-	-
6	Corporate (except Specialized lending) - AIRB	26,066,862	26,066,080
7	Specialized lending - FIRB	-	-
8	Specialized lending - AIRB	2,624,532	2,624,532
9	Retail - qualifying revolving retail exposures (QRRE)	439,097	439,097
10	Retail - residential mortgage exposures	1,985,258	1,985,258
11	Other retail exposures	492,788	492,788
12	Equity - FIRB	-	-
13	Equity - AIRB	3,995,461	3,995,461
14	Purchased receivables - FIRB	-	-
15	Purchased receivables - AIRB	873,010	873,010
16	Total	¥38,078,459	¥38,077,677

(7) Equity investments in funds

(Millions of yen)		
	As of March 31, 2022	As of March 31, 2021
	Exposure	Exposure
Equity investments in funds - Look-through approach	¥2,130,723	¥2,475,542
Equity investments in funds - Mandate-based approach	-	-
Equity investments in funds - Simple approach (subject to 250% RW)	-	-
Equity investments in funds - Simple approach (subject to 400% RW)	202,811	152,251
Equity investments in funds - Fall-back approach	18,214	12,501
Total	¥2,351,749	¥2,640,294

■ Counterparty Credit Risk

(1) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

In managing the risk pertaining to counterparty credit risk (including central counterparty) in derivatives transactions and repurchase transactions etc., we generally allocate risk capital together with loans, etc., (we take into account wrong way risk for derivatives transactions). For derivatives transactions and repurchase transactions, in cases in which a bilateral netting agreement is valid in light of the legal system of the relevant jurisdiction, we take its effect into consideration. As to derivatives transactions with financial institutions, etc., we periodically, where necessary, deliver and receive collateral to and from the counterparty based on the replacement cost to mitigate credit risk (collateralized derivatives transactions). In conducting such transactions, there is a risk in which we may be required to provide additional collateral in cases where our credit profile deteriorates.

(2) Quantitative Disclosure on Counterparty Credit Risk

(A) CCR1: Analysis of Counterparty Credit risk (CCR) Exposure by Approach

(Millions of yen)							
As of March 31, 2022							
		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	¥-	¥-	/	1.4	¥-	¥-
	Current Exposure Method	374,559	382,670	/	/	757,230	243,346
2	Expected Positive Exposure Method	/	/	2,347,820	1.4	3,286,948	1,008,311
3	Simple Approach for credit risk mitigation	/	/	/	/	122,908	80,888
4	Comprehensive Approach for credit risk mitigation	/	/	/	/	16,298,724	982,204
5	VAR for SFTs	/	/	/	/	-	-
6	Total	/	/	/	/	/	¥2,314,751

(Millions of yen)							
As of March 31, 2021							
		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	¥-	¥-	/	1.4	¥-	¥-
	Current Exposure Method	1,167,038	733,137	/	/	1,900,176	448,051
2	Expected Positive Exposure Method	/	/	2,292,475	1.4	3,209,465	1,078,444
3	Simple Approach for credit risk mitigation	/	/	/	/	55,492	37,058
4	Comprehensive Approach for credit risk mitigation	/	/	/	/	16,647,717	747,471
5	VAR for SFTs	/	/	/	/	-	-
6	Total	/	/	/	/	/	¥2,311,024

(B) CCR2: Credit Valuation Adjustment (CVA) Capital Charge

(Millions of yen)			
As of March 31, 2022			
		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	¥-	¥-
2	(i) VAR component (including the 3×multiplier)	/	-
3	(ii) Stressed VAR component (including the 3×multiplier)	/	-
4	All portfolios subject to the Standardized CVA capital charge	3,994,694	2,108,205
5	Total subject to the CVA capital charge	¥3,994,694	¥2,108,205

(Millions of yen)			
As of March 31, 2021			
		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	¥-	¥-
2	(i) VAR component (including the 3×multiplier)	/	-
3	(ii) Stressed VAR component (including the 3×multiplier)	/	-
4	All portfolios subject to the Standardized CVA capital charge	3,796,094	1,982,240
5	Total subject to the CVA capital charge	¥3,796,094	¥1,982,240

(C) CCR3: Standardized Approach - CCR Exposures by Regulatory Portfolio and Risk Weights (Millions of yen)

		As of March 31, 2022								
		a	b	c	d	e	f	g	h	i
		Credit exposures amount (post CCF and post-CRM)								
Regulatory portfolio		Risk weight	0%	10%	20%	50%	75%	100%	150%	Other Total
1	Japanese sovereigns and Bank of Japan		¥31,648	¥-	¥-	¥-	¥-	¥-	¥-	¥31,648
2	Foreign central sovereigns and central banks		17,022	-	17,725	5,816	-	6,046	-	46,611
3	Bank for International Settlements,etc.		-	-	-	-	-	-	-	-
4	Japanese non-central governmental PSEs		-	-	-	-	-	-	-	-
5	Non-central governmental PSEs other than foreign central sovereigns, etc.		-	-	18,112	1,894	-	4,770	-	24,777
6	International development banks		1,927	-	-	-	-	-	-	1,927
7	Japan Finance Organization for Municipalities		-	-	-	-	-	-	-	-
8	Japanese government institutions		-	1,274	-	-	-	-	-	1,274
9	Three regional public sectors of Japan		-	-	-	-	-	-	-	-
10	Financial institutions and business operators conducting the type I financial instruments business		-	-	646,951	16,753	-	104,495	-	768,199
11	Corporates, etc.		-	-	-	-	-	820,799	-	820,799
12	Regulatory retail portfolios and individuals		-	-	-	-	-	-	-	-
13	Other assets		-	-	-	-	-	-	-	-
14	Total		¥50,598	¥1,274	¥682,789	¥24,464	¥-	¥936,112	¥-	¥1,695,238

(Millions of yen)

		As of March 31, 2021								
		a	b	c	d	e	f	g	h	i
		Credit exposures amount (post CCF and post-CRM)								
Regulatory portfolio		Risk weight	0%	10%	20%	50%	75%	100%	150%	Other Total
1	Japanese sovereigns and Bank of Japan		¥18,326	¥-	¥-	¥-	¥-	¥-	¥-	¥18,326
2	Foreign central sovereigns and central banks		4,614	-	250	479	-	104	-	5,449
3	Bank for International Settlements,etc.		-	-	-	-	-	-	-	-
4	Japanese non-central governmental PSEs		-	-	-	-	-	-	-	-
5	Non-central governmental PSEs other than foreign central sovereigns, etc.		-	-	5,314	995	-	15	-	6,325
6	International development banks		1,320	-	-	-	-	-	-	1,320
7	Japan Finance Organization for Municipalities		-	-	-	-	-	-	-	-
8	Japanese government institutions		-	1,256	-	-	-	-	-	1,256
9	Three regional public sectors of Japan		-	-	-	-	-	-	-	-
10	Financial institutions and business operators conducting the type I financial instruments business		-	-	625,234	10,932	-	36,612	-	672,779
11	Corporates, etc.		-	-	-	-	-	756,637	-	756,637
12	Regulatory retail portfolios and individuals		-	-	-	-	-	-	-	-
13	Other assets		-	-	-	-	-	-	-	-
14	Total		¥24,261	¥1,256	¥630,798	¥12,407	¥-	¥793,369	¥-	¥1,462,094

(D) CCR4: IRB - CCR Exposures by Portfolio and PD Scale (Millions of yen, %, number in the thousands,year)

		As of March 31, 2022						
		a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
PD scale								
Sovereign								
1	0.00 to <0.15	¥14,555,099	0.00	0.0	37.61	4.8	¥94,111	0.64
2	0.15 to <0.25	15	0.19	0.0	37.61	2.0	5	32.53
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	7,137	0.87	0.0	37.61	4.7	6,813	95.47
6	2.50 to <10.00	12	2.71	0.0	37.61	1.0	11	88.78
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	14,562,265	0.00	0.0	37.61	4.8	100,942	0.69
Banks								
1	0.00 to <0.15	2,102,528	0.05	0.2	37.61	2.5	485,467	23.08
2	0.15 to <0.25	27,918	0.19	0.0	37.61	1.4	10,026	35.91
3	0.25 to <0.50	12,717	0.41	0.0	37.59	2.6	8,591	67.55
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	3,201	1.17	0.0	37.60	0.8	2,283	71.30
6	2.50 to <10.00	2,703	2.71	0.0	37.60	1.7	2,714	100.41
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	0	100.00	0.0	96.38	1.0	0	30.74
9	Sub-total	2,149,069	0.06	0.3	37.60	2.5	509,083	23.68
Corporate								
1	0.00 to <0.15	1,476,856	0.06	2.4	37.56	2.9	341,551	23.12
2	0.15 to <0.25	56,799	0.19	1.0	36.38	2.5	19,913	35.05
3	0.25 to <0.50	31,790	0.41	0.7	35.87	2.4	16,583	52.16
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	62,133	1.15	0.9	36.82	2.7	49,325	79.38
6	2.50 to <10.00	37,661	3.10	0.3	35.62	2.1	23,697	62.92
7	10.00 to <100.00	4,525	13.00	0.1	34.79	2.1	7,261	160.45
8	100.00 (Default)	5,419	100.00	0.0	40.98	1.3	2,513	46.38
9	Sub-total	¥1,675,187	0.54	5.7	37.42	2.9	¥460,846	27.51

CCR4-(Continued)		(Millions of yen, %, number in the thousands,year)						
		As of March 31, 2022						
		a	b	c	d	e	f	g
PD scale		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
SME								
1	0.00 to <0.15	¥8,079	0.12	0.0	36.96	4.5	¥2,885	35.70
2	0.15 to <0.25	3,830	0.19	0.6	23.13	3.2	854	22.30
3	0.25 to <0.50	23,420	0.41	0.4	35.09	4.2	12,984	55.44
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	11,648	0.95	0.7	30.77	4.2	7,363	63.21
6	2.50 to <10.00	2,843	2.76	0.2	20.58	3.8	1,435	50.49
7	10.00 to <100.00	1,166	13.00	0.1	22.24	3.2	1,060	90.92
8	100.00 (Default)	410	100.00	0.0	30.47	3.0	144	35.14
9	Sub-total	51,399	1.68	2.3	32.38	4.1	26,728	52.00
Specialized Lending								
1	0.00 to <0.15	187,025	0.09	0.2	39.78	4.3	67,914	36.31
2	0.15 to <0.25	66,497	0.19	0.0	37.64	4.6	34,506	51.89
3	0.25 to <0.50	35,664	0.41	0.0	37.61	4.6	26,210	73.49
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	33,232	1.01	0.0	37.61	4.2	31,546	94.92
6	2.50 to <10.00	5,266	4.11	0.0	37.61	2.7	6,285	119.35
7	10.00 to <100.00	2,156	13.00	0.0	37.61	4.4	4,222	195.79
8	100.00 (Default)	2,046	100.00	0.0	53.04	4.6	1,179	57.62
9	Sub-total	331,888	1.00	0.3	38.93	4.4	171,864	51.78
Purchased receivables								
1	0.00 to <0.15	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	-	-	-	-	-	-	-
Retails								
1	0.00 to <0.15	-	-	-	-	/	-	-
2	0.15 to <0.25	-	-	-	-	/	-	-
3	0.25 to <0.50	-	-	-	-	/	-	-
4	0.50 to <0.75	-	-	-	-	/	-	-
5	0.75 to <2.50	558	1.75	0.9	25.81	/	181	32.50
6	2.50 to <10.00	5	3.73	0.0	24.57	/	1	35.24
7	10.00 to <100.00	38	14.32	0.0	19.01	/	13	35.80
8	100.00 (Default)	0	100.00	0.0	39.86	/	0	47.03
9	Sub-total	601	2.66	1.0	25.39	/	197	32.75
Total (all portfolios)		¥18,770,412	0.08	9.8	37.60	4.3	¥1,269,661	6.76

		(Millions of yen, %, number in the thousands,year)						
		As of March 31, 2021						
		a	b	c	d	e	f	g
PD scale		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
Sovereign								
1	0.00 to <0.15	¥15,493,403	0.00	0.0	37.88	4.8	¥78,971	0.50
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	651	0.28	0.0	37.88	3.2	326	50.06
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	7,079	0.91	0.0	37.88	4.8	7,020	99.16
6	2.50 to <10.00	169	3.11	0.0	37.88	1.0	158	93.70
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	15,501,303	0.00	0.0	37.88	4.8	86,476	0.55
Banks								
1	0.00 to <0.15	2,572,805	0.09	0.2	37.33	1.2	501,049	19.47
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	33,275	0.27	0.0	37.86	1.3	14,629	43.96
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	1,893	0.87	0.0	37.87	0.7	1,235	65.27
6	2.50 to <10.00	2,272	3.11	0.0	37.87	1.9	2,419	106.49
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	17,401	100.00	0.0	96.42	4.8	5,437	31.25
9	Sub-total	2,627,647	0.75	0.3	37.73	1.2	524,771	19.97
Corporate								
1	0.00 to <0.15	1,364,065	0.06	2.4	37.51	2.9	308,364	22.60
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	137,235	0.37	1.8	36.82	2.1	64,265	46.82
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	67,413	1.13	1.0	35.88	2.7	52,061	77.22
6	2.50 to <10.00	34,460	4.33	0.4	36.58	2.7	40,717	118.15
7	10.00 to <100.00	16,318	15.12	0.1	35.21	1.8	27,299	167.29
8	100.00 (Default)	28,154	100.00	0.1	86.65	4.1	10,248	36.39
9	Sub-total	¥1,647,649	2.08	6.0	38.18	2.8	¥502,956	30.52

CCR4-(Continued) (Millions of yen, %, number in the thousands,year)

		As of March 31, 2021						
PD scale		a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparty	Average LGD (%)	Average maturity	RWA	RWA density (%)
SME								
1	0.00 to <0.15	¥13,665	0.12	0.0	37.65	4.7	¥6,563	48.03
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	17,805	0.39	1.2	27.80	3.5	6,991	39.26
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	6,843	1.13	0.8	21.78	3.3	2,887	42.18
6	2.50 to <10.00	4,596	3.16	0.2	21.76	3.8	2,595	56.45
7	10.00 to <100.00	1,547	15.12	0.1	26.71	3.2	1,727	111.61
8	100.00 (Default)	482	100.00	0.0	40.97	2.6	227	47.19
9	Sub-total	44,941	2.28	2.5	29.36	3.9	20,992	46.70
Specialized Lending								
1	0.00 to <0.15	307,635	0.09	0.2	39.88	4.0	103,590	33.67
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	152,855	0.36	0.1	37.88	3.9	96,094	62.86
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	52,949	1.07	0.0	37.88	3.9	49,766	93.98
6	2.50 to <10.00	9,036	4.44	0.0	37.88	3.1	11,482	127.06
7	10.00 to <100.00	2,867	15.12	0.0	37.88	2.8	5,444	189.84
8	100.00 (Default)	2,650	100.00	0.0	53.49	4.8	1,564	59.00
9	Sub-total	527,996	0.92	0.3	39.12	3.9	267,941	50.74
Purchased receivables								
1	0.00 to <0.15	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
9	Sub-total	-	-	-	-	-	-	-
Retails								
1	0.00 to <0.15	-	-	-	-	/	-	-
2	0.15 to <0.25	-	-	-	-	/	-	-
3	0.25 to <0.50	-	-	-	-	/	-	-
4	0.50 to <0.75	-	-	-	-	/	-	-
5	0.75 to <2.50	826	1.77	0.9	27.33	/	284	34.44
6	2.50 to <10.00	3	3.81	0.0	4.51	/	0	6.48
7	10.00 to <100.00	40	13.70	0.0	28.91	/	22	54.03
8	100.00 (Default)	5	100.00	0.0	31.99	/	2	37.86
9	Sub-total	876	2.95	1.0	27.34	/	309	35.26
Total (all portfolios)		¥20,350,414	0.29	10.4	37.89	4.2	¥1,403,448	6.89

(E) CCR5: Composition of Collateral for CCR Exposure

		As of March 31, 2022					
		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in SFTs	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash – domestic currency	¥6,240	¥695,229	¥26,722	¥1,383,312	¥1,702,994	¥3,486,394
2	Cash – other currencies	1,785,781	723,023	1,357,031	1,090,892	19,581,491	11,806,293
3	Domestic sovereign debt	48,211	300,275	170,797	307,897	2,540,677	2,117,423
4	Other sovereign debt	324,799	6,326	290,172	26,850	10,120,775	17,464,681
5	Government agency debt	—	795	—	795	218,030	44,082
6	Corporate bonds	922	16,259	1,137	6,268	1,010,788	1,621,788
7	Equity securities	532	734,402	—	190,297	2,442,850	2,164,943
8	Other collateral	—	—	—	—	12,173	200,271
9	Total	¥2,166,487	¥2,476,313	¥1,845,862	¥3,006,313	¥37,629,781	¥38,905,878

(Millions of yen)

		As of March 31, 2021					
		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in SFTs	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash – domestic currency	¥7,700	¥9,676,817	¥22,521	¥12,270,974	¥1,339,361	¥4,274,143
2	Cash – other currencies	320,132	557,899	207,953	669,633	18,189,691	10,203,460
3	Domestic sovereign debt	28,219	12,195,801	73,166	10,467,240	3,025,404	2,278,399
4	Other sovereign debt	183,888	25,715,792	522,388	121,646	8,307,001	15,517,658
5	Government agency debt	322,442	805	—	805	225,788	23,870
6	Corporate bonds	—	21,760,532	—	5,352	823,649	1,261,963
7	Equity securities	3,630	344,833	—	147,591	2,242,066	1,556,019
8	Other collateral	—	—	—	—	7,893	423,116
9	Total	¥866,014	¥70,252,482	¥826,029	¥23,683,244	¥34,160,855	¥35,538,631

(F) CCR6: Credit Derivatives Exposures

		(Millions of yen)	
		As of March 31, 2022	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥1,989,928	¥1,525,002
2	Index credit default swaps	4,029,840	3,602,120
3	Total return swaps	32,224	758,041
4	Credit options	—	—
5	Other credit derivatives	500	—
6	Total notionals	¥6,052,493	¥5,885,164
Fair values			
7	Positive fair value (asset)	9,556	113,235
8	Negative fair value (liability)	(108,448)	(12,628)

(Millions of yen)

		As of March 31, 2021	
		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	¥3,341,445	¥3,160,809
2	Index credit default swaps	2,028,684	1,656,414
3	Total return swaps	49,708	560,062
4	Credit options	—	—
5	Other credit derivatives	500	—
6	Total notionals	¥5,420,338	¥4,990,286
Fair values			
7	Positive fair value (asset)	2,428	92,398
8	Negative fair value (liability)	(107,267)	(5,374)

(G) CCR7: RWA flow statements of CCR exposures under EPE method

(Billions of yen)		
No.		RWA
1	RWA as of March 31, 2020	¥1,216.0
2	Breakdown of changes during this reporting period	Asset size (178.9)
3		Credit quality of counterparties 10.4
4		Model updates (EPE only) -
5		Methodology and policy (EPE only) -
6		Acquisitions and disposals -
7		Foreign currency fluctuations 29.7
8		Other 1.1
9	RWA as of March 31, 2021	¥1,078.4

(Billions of yen)		
No.		RWA
1	RWA as of March 31, 2021	¥1,078.4
2	Breakdown of changes during this reporting period	Asset size (120.4)
3		Credit quality of counterparties (13.6)
4		Model updates (EPE only) -
5		Methodology and policy (EPE only) -
6		Acquisitions and disposals -
7		Foreign currency fluctuations 62.2
8		Other 1.7
9	RWA as of March 31, 2022	¥1,008.3

(H) CCR8: Exposures to Central Counterparties

(Millions of yen)			
As of March 31, 2022			
		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	/	¥183,747
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	¥1,250,368	¥16,049
3	(i) OTC derivatives	309,791	2,483
4	(ii) Exchange-traded derivatives	415,192	9,035
5	(iii) Securities financing transactions	525,384	4,530
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	1,669,885	/
8	Non-segregated initial margin	767,755	14,215
9	Pre-funded default fund contributions	446,381	153,481
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)	/	—
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Securities financing transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	/
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

(Millions of yen)			
As of March 31, 2021			
		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)	/	¥166,104
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	¥1,271,739	¥19,989
3	(i) OTC derivatives	299,619	2,539
4	(ii) Exchange-traded derivatives	519,205	12,097
5	(iii) Securities financing transactions	452,915	5,352
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	594,160	/
8	Non-segregated initial margin	688,143	14,177
9	Pre-funded default fund contributions	376,395	131,936
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)	/	—
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Securities financing transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	/
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

■ Securitization Exposures

We classify transactions as securitization exposures based on two characteristics, “non-recourse” and “senior/subordinated structure,” pursuant to the definitions set forth in the FSA Notice No.20, etc.; provided that the transactions do not include those which fall within specialized lending exposure.

(1) Summary of Risk Management Regarding Securitization Exposures

Our role in securitization transactions

We are associated with securitization transactions from various purposes and positions through our banking book and trading book.

(a) Securitization of our assets (“Securitization as originator”)

For the purposes of mitigating credit risk and credit concentration risk, controlling economic capital and responding to the needs of our investors, etc., we engage in securitization transactions, the underlying assets of which include mortgage loans and loans to our corporate customers. When conducting a securitization as an originator, we consider such transactions from various aspects, including the effects of reduction of economic capital and improvement of return on risk as well as the practical effects of risk transfers, and make a comprehensive judgment on the structure and appropriateness of such transactions.

(b) Securitization program (ABCP/ABL) sponsor

As a means of supporting our customers in the securitization of their account receivables and notes receivables, etc., we retain securitization exposure by providing asset-backed loans (ABLs, which are on-balance-sheet transactions), and providing asset-backed commercial paper (ABCP) backup lines (off-balance-sheet transactions), as sponsor to special purpose companies (in the form of Cayman Islands Corporations, etc.). In such cases, in addition to gaining firm understanding of the actual risk profile through due diligence from the viewpoint of investors, we assign internal ratings and make evaluations by assessing such transactions and carefully managing the exposure together with other direct loan assets.

(c) Investment in alternative credit risk assets (“Securitization Transactions as an Investor”)

We hold securitization products, such as ABS, CMBS, RMBS, and CDO, and resecuritization products, the underlying assets of which are mainly RMBS and CDO, etc., for the purpose of investing in alternative credit risk assets that are different from conventional credit risk assets in order to diversify our investment portfolio. The Risk Management Committee, etc. set limits on the amount of investment for Securitization Transactions as an Investor, and we maintain a stringent structure for management of such transactions. In addition, we implement stress tests based on scenarios under the market liquidity depletion and sharp price declines.

In addition, we undertake various securitization program arrangements such as ABL, ABCP and trust schemes, etc., as a means of financing for our customers. We endeavor to understand the actual risk profile, including the underlying assets, and to appropriately disclose the risks and terms of the program to the customers who invest in the product.

Furthermore, we actively act as servicer for securitization transactions, offer settlement account facilities (servicer cash advance) and provide interest rate swaps to securitization conduits.

One of our affiliated entities ,Mizuho Leasing Company, Ltd, holds securitization products in which we are involved as originators or sponsors.

The securitization conduits included within the scope of consolidation are as follows:

ROCK FIELD CORPORATION, FANTASTIC FUNDING CORPORATION, N&M FUNDING CORPORATION, Denshi Saiken Kaitori Godo Kaisha, JAPAN SECURITIZATION CORPORATION, Allstar Funding Co., Ltd, SPARCS FUNDING CORPORATION, PERPETUAL FUNDING CORPORATION, Working Capital Finance CO., Inc.

There are no securitization conduits that provide credit enhancement beyond what is provided in agreements.

Overview of risk profile of securitization transactions and monitoring system

In addition to price fluctuation and market liquidity risks, securitization and resecuritization products are exposed to risks related to default, recovery and granularity of underlying asset portfolio. The structure of these products also contains risks related to the originators, the administrators, trustees and managers of the underlying assets.

To address these risks, we also analyze the structure in terms of the underlying assets and credit events. We monitor the ability, quality and operating performance of originators and managers in charge of controlling the underlying assets as well as covenant information and credit status of the parties related to the program. In addition, for resecuritization products, we pay attention to the underlying assets of the underlying securitization products. We also assign internal ratings to all products and review the rating at least once a year. If there is a change in the credit situations, we will review the internal rating as appropriate. As mentioned above, we have established a system to comprehensively understand the risk characteristics of securitization exposures and manage these exposures.

We conduct credit risk measurements on all credit transactions, including securitization transactions. Furthermore, we

carry out periodic monitoring on investment amount and performance on securitization transactions and report the situations to our Risk Management Committee, etc.

Response to Basel Framework

In calculating credit risk-weighted assets of securitization exposure, we apply the internal-ratings-based approach (“IRBA”) if we have sufficient information regarding all the underlying assets for IRBA. If IRBA cannot be applied to a certain asset and it has a rating obtained from an eligible external credit assessment institution, we apply the External rating-based approach (“ERBA”) We apply the standardized approach (“SA”) in other cases pursuant to the FSA Notice No. 20. We apply a risk weight of 1250% under Basel III when neither IRBA, ERBA nor SA can be applied.

In terms of securitization exposure in our trading book that is subject to market risk regulations, we adopt the standardized measurement method and calculate market risk equivalent amounts in connection with the specific risks of securitization products based on risk weights according to ratings assigned by eligible external credit assessment institutions pursuant to the FSA Notice No. 20.

As for the eligible external credit assessment institutions, we refer to Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service Inc. (Moody's), Standard & Poor's (S&P) and Fitch Ratings, Ltd. in determining securitization exposure risk weight.

(2) Accounting Policies for Securitization Transactions

The point at which financial assets and liabilities relating to securitization transactions begin or cease to be recognized, their evaluation and accounting treatment are pursuant to "Accounting Standards Relating to Financial Products" (Business Accounting Standards No. 10).

(3) Quantitative Disclosure on Securitization Exposures

(A) SEC1: Securitization Exposures in the Banking Book by Type of Underlying Assets									
(Millions of yen)									
As of March 31, 2022									
type of underlying assets	a			b			c		
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) - of which			¥-			¥-		
2									
3									
4									
5									
6	Wholesale (total) - of which			150,517			57,684		
7									
8									
9									
10									
11									

(Millions of yen)									
As of March 31, 2021									
type of underlying assets	a			b			c		
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) - of which			¥-			¥-		
2									
3									
4									
5									
6	Wholesale (total) - of which			89,735			98,531		
7									
8									
9									
10									
11									

(B) SEC2: Securitization Exposures in the Trading Book by Type of Underlying Assets
(Millions of yen)

As of March 31, 2022									
type of underlying assets	a			b			c		
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) - of which			¥-			¥-		
2	residential mortgage			-			¥9,937		
3	credit card			-			¥-		
4	other retail exposures			-			¥-		
5	re-securitization			-			893		
6	Wholesale (total) - of which			-			13,005		
7	loans to corporates			-			13,005		
8	commercial mortgage			-			-		
9	lease and receivables			-			-		
10	other wholesale			-			-		
11	re-securitization			-			-		

As of March 31, 2021									
type of underlying assets	a			b			c		
	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) - of which			¥-			¥-		
2	residential mortgage			-			¥9,401		
3	credit card			-			¥-		
4	other retail exposures			-			¥-		
5	re-securitization			-			1,404		
6	Wholesale (total) - of which			-			1,449		
7	loans to corporates			-			14,860		
8	commercial mortgage			-			14,533		
9	lease and receivables			-			-		
10	other wholesale			-			327		
11	re-securitization			-			-		

(C) SEC3: Securitization Exposures in the Banking Book and Associated Regulatory Capital Requirements - Bank Acting as Originator or as Sponsor
(Millions of yen)

(Millions of yen)

As of March 31, 2022									
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which retail	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
					underlying				
Exposure values (by RW bands)									
1	≤20% RW	¥1,783,508	¥1,731,725	¥1,731,725	¥1,401,678	¥330,046	¥-	¥-	¥-
2	>20% to 50% RW	178,079	178,079	178,079	132,788	45,291	-	-	-
3	>50% to 100% RW	153,620	153,620	153,620	153,071	549	-	-	-
4	>100% to <1250% RW	14,441	8,539	8,539	-	8,539	-	-	-
5	1250% RW	3	3	3	3	-	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	2,129,649	2,071,964	2,071,964	1,687,538	384,426	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
9	1250%	3	3	3	3	-	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	436,207	427,426	427,426	324,543	102,882	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
13	1250%	48	48	48	48	-	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	34,896	34,194	34,194	25,963	8,230	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
17	1250%	3	3	3	3	-	-	-	-

As of March 31, 2022									
		i	j	k	l	m	n	o	
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior	
Exposure values (by RW bands)									
1	≤20% RW	¥51,782	¥51,782	¥-	¥51,782	¥-	¥-	¥-	
2	>20% to 50% RW	-	-	-	-	-	-	-	
3	>50% to 100% RW	-	-	-	-	-	-	-	
4	>100% to <1250% RW	5,902	5,902	-	5,902	-	-	-	
5	1250% RW	-	-	-	-	-	-	-	
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	57,684	57,684	-	57,684	-	-	-	
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	
9	1250%	-	-	-	-	-	-	-	
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	8,781	8,781	-	8,781	-	-	-	
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	
13	1250%	-	-	-	-	-	-	-	
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	702	702	-	702	-	-	-	
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	
17	1250%	-	-	-	-	-	-	-	

(Millions of yen)									
As of March 31, 2021									
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)									
1	≤20% RW	¥1,583,238	¥1,524,813	¥1,524,813	¥1,221,469	¥303,344	¥-	¥-	¥-
2	>20% to 50% RW	125,109	93,542	93,542	49,000	44,541	-	-	-
3	>50% to 100% RW	118,110	118,110	118,110	116,394	1,715	-	-	-
4	>100% to <1250% RW	70,960	62,420	62,420	55,360	7,060	-	-	-
5	1250% RW	-	-	-	-	-	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	1,897,419	1,798,887	1,798,887	1,442,224	356,663	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
9	1250%	-	-	-	-	-	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	428,679	410,969	410,969	333,096	77,873	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
13	1250%	-	-	-	-	-	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	34,294	32,877	32,877	26,647	6,229	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
17	1250%	-	-	-	-	-	-	-	-

As of March 31, 2021									
		i	j	k	l	m	n	o	
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior	
Exposure values (by RW bands)									
1	≤20% RW	¥58,425	¥58,425	¥-	¥58,425	¥-	¥-	¥-	¥-
2	>20% to 50% RW	31,566	31,566	-	31,566	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-	-
4	>100% to <1250% RW	8,539	8,539	-	8,539	-	-	-	-
5	1250% RW	-	-	-	-	-	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	98,531	98,531	-	98,531	-	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
9	1250%	-	-	-	-	-	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	17,710	17,710	-	17,710	-	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
13	1250%	-	-	-	-	-	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	1,416	1,416	-	1,416	-	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
17	1250%	-	-	-	-	-	-	-	-

(D) SEC4: Securitization Exposures in the Banking Book and Associated Regulatory Capital Requirements - Bank Acting as Investor

(Millions of yen)

As of March 31, 2022									
		a	b	c	d	e	f	g	h
		Total exposures	Traditional securitization	Of which securitization	Of which	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
					retail underlying				
Exposure values (by RW bands)									
1	≤20% RW	¥2,815,200	¥2,815,200	¥2,815,200	¥1,482,727	¥1,332,472	¥-	¥-	¥-
2	>20% to 50% RW	167,224	167,224	167,224	118,250	48,974	-	-	-
3	>50% to 100% RW	58,522	58,522	58,522	25,874	32,648	-	-	-
4	>100% to <1250% RW	10,181	10,181	10,181	-	10,181	-	-	-
5	1250% RW	10	10	10	-	10	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	2,230,380	2,230,380	2,230,380	1,119,371	1,111,009	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	819,046	819,046	819,046	505,779	313,267	-	-	-
8	Standardised Approach (SEC-SA)	1,702	1,702	1,702	1,702	-	-	-	-
9	1250%	10	10	10	-	10	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	387,203	387,203	387,203	193,234	193,969	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	148,600	148,600	148,600	56,312	92,287	-	-	-
12	Standardised Approach (SEC-SA)	255	255	255	255	-	-	-	-
13	1250%	125	125	125	-	125	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	30,976	30,976	30,976	15,458	15,517	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	11,888	11,888	11,888	4,505	7,383	-	-	-
16	Standardised Approach (SEC-SA)	20	20	20	20	-	-	-	-
17	1250%	10	10	10	-	10	-	-	-

As of March 31, 2022									
		i	j	k	l	m	n	o	
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior	
Exposure values (by RW bands)									
1	≤20% RW	¥-	¥-	¥-	¥-	¥-	¥-	¥-	¥-
2	>20% to 50% RW	-	-	-	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-	-	-	-
5	1250% RW	-	-	-	-	-	-	-	-
Exposure values (by regulatory approach)									
6	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
9	1250%	-	-	-	-	-	-	-	-
RWA (by regulatory approach)									
10	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
13	1250%	-	-	-	-	-	-	-	-
Capital charge after cap									
14	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-	-
17	1250%	-	-	-	-	-	-	-	-

		(Millions of yen)								
		As of March 31, 2021								
		a	b	c	d	e	f	g	h	
		Total exposures	Traditional securitization	Of which securitization	Of which retail	Of which	Of which re-securitization	Of which senior	Of which non-senior	
					underlying	wholesale				
Exposure values (by RW bands)										
1	≤20% RW	¥2,869,576	¥2,869,576	¥2,869,576	¥1,378,790	¥1,490,785	¥-	¥-	¥-	
2	>20% to 50% RW	215,218	215,218	215,218	151,547	63,670	-	-	-	
3	>50% to 100% RW	17,822	17,822	17,822	6,089	11,732	-	-	-	
4	>100% to <1250% RW	177,178	177,178	177,178	162,185	14,993	-	-	-	
5	1250% RW	28	28	28	0	28	-	-	-	
Exposure values (by regulatory approach)										
6	Internal Ratings-Based Approach (SEC-IRBA)	2,094,491	2,094,491	2,094,491	1,108,816	985,675	-	-	-	
7	External Ratings-Based Approach (SEC-ERBA)	1,183,639	1,183,639	1,183,639	588,133	595,506	-	-	-	
8	Standardised Approach (SEC-SA)	1,663	1,663	1,663	1,663	-	-	-	-	
9	1250%	28	28	28	0	28	-	-	-	
RWA (by regulatory approach)										
10	Internal Ratings-Based Approach (SEC-IRBA)	492,983	492,983	492,983	322,430	170,552	-	-	-	
11	External Ratings-Based Approach (SEC-ERBA)	228,207	228,207	228,207	65,830	162,376	-	-	-	
12	Standardised Approach (SEC-SA)	249	249	249	249	-	-	-	-	
13	1250%	353	353	353	0	353	-	-	-	
Capital charge after cap										
14	Internal Ratings-Based Approach (SEC-IRBA)	39,438	39,438	39,438	25,794	13,644	-	-	-	
15	External Ratings-Based Approach (SEC-ERBA)	18,256	18,256	18,256	5,266	12,990	-	-	-	
16	Standardised Approach (SEC-SA)	19	19	19	19	-	-	-	-	
17	1250%	28	28	28	0	28	-	-	-	

		As of March 31, 2021						
		i	j	k	l	m	n	o
		Synthetic securitization	Of which securitization	Of which retail underlying	Of which wholesale	Of which re-securitization	Of which senior	Of which non-senior
Exposure values (by RW bands)								
1	≤20% RW	¥-	¥-	¥-	¥-	¥-	¥-	¥-
2	>20% to 50% RW	-	-	-	-	-	-	-
3	>50% to 100% RW	-	-	-	-	-	-	-
4	>100% to <1250% RW	-	-	-	-	-	-	-
5	1250% RW	-	-	-	-	-	-	-
Exposure values (by regulatory approach)								
6	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-
7	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
8	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
9	1250%	-	-	-	-	-	-	-
RWA (by regulatory approach)								
10	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-
11	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
12	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
13	1250%	-	-	-	-	-	-	-
Capital charge after cap								
14	Internal Ratings-Based Approach (SEC-IRBA)	-	-	-	-	-	-	-
15	External Ratings-Based Approach (SEC-ERBA)	-	-	-	-	-	-	-
16	Standardised Approach (SEC-SA)	-	-	-	-	-	-	-
17	1250%	-	-	-	-	-	-	-

■ Market Risk

See pages 134 to 136 for information regarding our market risk management structure, etc.

(1) Trading Activities

In the calculation of the market risk equivalent amounts under the regulatory capital requirements, the risk arising from fluctuations in common factors across the market as a whole (e.g. foreign exchange and interest rates, etc.) is referred to as general market risk, and the risk arising from a deterioration in creditworthiness or market liquidity inherent in bonds and stocks is referred to as specific risk. In principle, we calculate market risk equivalent amounts by determining both general market risk and specific risk by applying the Internal Models Approach (IMA) to the former and the standardized approach to the latter, and by simply adding up both amounts. The Internal Models Approach is applied to trading transactions and calculated by adding up VAR and stressed VAR.

		(Millions of yen)	
		As of March 31, 2022	As of March 31, 2021
		RWA	RWA
		(Risk equivalent / 8%)	(Risk equivalent / 8%)
No.			
1	Interest rate risk (general and specific)	¥508,296	¥454,781
2	Equity risk (general and specific)	252,183	339,581
3	Foreign exchange risk	48,030	57,630
4	Commodity risk	49,537	133,209
Options			
5	Simplified approach	-	-
6	Delta-plus method	2,255	52,209
7	Scenario approach	-	-
8	Securitization	117,064	122,707
9	Total	¥977,368	¥1,160,121

(B) MR2:RWA flow statements of market risk exposures under IMA

(Billions of yen)								
No.			A	B	C	D	E	F
			VAR	Stressed VAR	IRC	CRM	Other	Total
1a	RWA as of March 31, 2021		¥288.0	¥880.4	¥-	¥-	/	¥1,168.5
1b	Adjustment to RWA as of March 31, 2021		3.05	3.02	-	-	/	3.03
1c	IMA values as of March 31, 2021		94.2	290.5	-	-	/	384.8
2	Breakdown of changes during this reporting period	Change in risk levels	(24.0)	(52.7)	-	-	/	(76.8)
3		Model updates/changes	-	-	-	-	/	-
4		Methodology and policy	-	-	-	-	/	-
5		Acquisitions and disposals	-	-	-	-	/	-
6		Foreign currency fluctuations	(79.0)	(74.8)	-	-	/	(153.8)
7		Other	(191.2)	193.7	-	-	/	384.9
8a	IMA values as of March 31, 2022		182.3	356.7	-	-	/	539.0
8b	Adjustment to RWA as of March 31, 2022		2.56	2.55	-	-	/	2.56
8c	RWA as of March 31, 2022		467.5	912.9	-	-	/	1,380.5

(Billions of yen)

No.			A	B	C	D	E	F
			VAR	Stressed VAR	IRC	CRM	Other	Total
1a	RWA as of March 31, 2020		¥402.3	¥1,010.6	¥-	¥-	/	¥1,413.0
1b	Adjustment to RWA as of March 31, 2020		2.11	3.60	-	-	/	3.00
1c	IMA values as of March 31, 2020		190.2	280.1	-	-	/	470.4
2	Breakdown of changes during this reporting period	Change in risk levels	(22.5)	(122.5)	-	-	/	(145.0)
3		Model updates/changes	-	-	-	-	/	-
4		Methodology and policy	-	-	-	-	/	-
5		Acquisitions and disposals	-	-	-	-	/	-
6		Foreign currency fluctuations	(4.0)	43.4	-	-	/	39.3
7		Other	(69.3)	89.5	-	-	/	20.1
8a	IMA values as of March 31, 2021		94.2	290.5	-	-	/	384.8
8b	Adjustment to RWA as of March 31, 2021		3.05	3.02	-	-	/	3.03
8c	RWA as of March 31, 2021		288.0	880.4	-	-	/	1,168.5

(C) MR3 : IMA values for trading portfolios

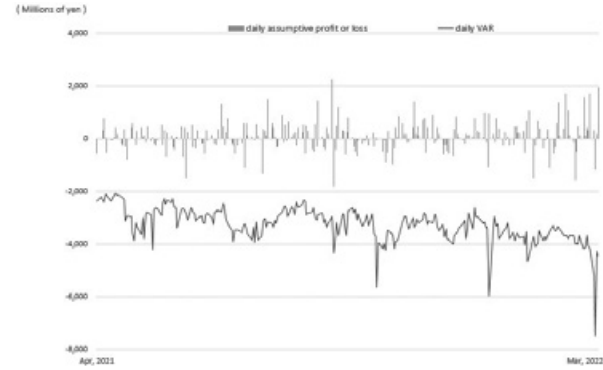
(Millions of yen)

No.		As of March 31, 2022	As of March 31, 2021
	VAR (10 day 99%)		
1	Maximum value	¥24,256	¥24,455
2	Average value	10,585	11,830
3	Minimum value	6,716	5,758
4	Period end	14,587	7,538
	Stressed VAR (10 day 99%)		
5	Maximum value	59,964	44,314
6	Average value	20,336	22,821
7	Minimum value	12,284	17,389
8	Period end	28,538	23,246
	Incremental Risk Charge (99.9%)		
9	Maximum value	-	-
10	Average value	-	-
11	Minimum value	-	-
12	Period end	-	-
	Comprehensive Risk Capital Charge (99.9%)		
13	Maximum value	-	-
14	Average value	-	-
15	Minimum value	-	-
16	Period end	-	-
17	Floor (standardized measurement method)	-	-

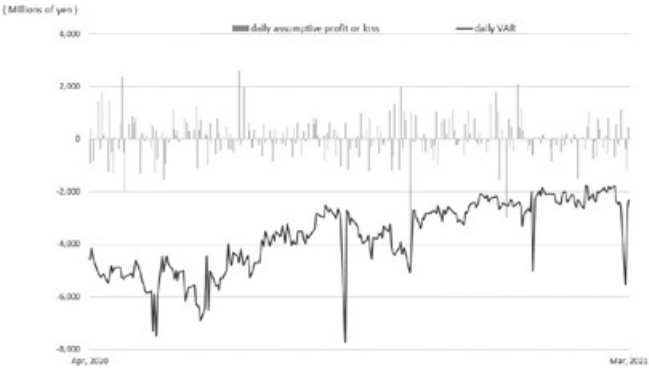
Notes: 1. The historical simulation method is used for the calculation of VAR and stressed VAR under the Internal Models Approach.
2. VAR is measured based on the observation period of 3 years (801 business days), a 99% confidence interval and a 1-day holding period. This 1-day VAR is scaled up to 10-business day VAR using the square-root-of-time (\sqrt{T}) rule. We update historical data on a daily basis, in principle, and do not weight such data. When re-pricing instruments, we use the full revaluation method, a sensitivity-based approach and the like. We consider change width or rate as market volatility of risk factors according to product attributes.
3. When measuring stressed VAR, the same measurement approach as VAR is used except for the observation period of 1 year (265 business days). As a stressed period, we select a period which has an adequate length of time and is considered the most stressful under a certain set of criteria established based on the most recent portfolio.
4. When applying the internal model, we regularly verify the preconditions used for VAR measurement.

(D) MR4 : Back testing results of IMA

As of March 31, 2022



As of March 31, 2021



Note: The number of cases where VAR on a particular day was exceeded by losses on the following business day for the past 250 business days was 0 as of March 31, 2022 (1 as of March 31, 2021).

(2) Banking Activities

To comply with Interest Rate Risk in the Banking Book (IRRBB) requirements, we are required to calculate expected changes in the economic value of equity (Δ EVE) arising from banking activities and expected changes in net interest income (Δ NI) from the reference date until the date no later than 12 months from the reference date under interest rate shock scenarios (i.e. parallel up and downwards shifts in the yield curve and the like). Δ EVE and Δ NI change according to changes in the banking portfolio.

(A) IRRBB1 : Interest rate risk

(Millions of yen)

No.		a		b		c		d	
		Δ EVE		Δ NI					
		As of March 31, 2022	As of March 31, 2021	As of March 31, 2022	As of March 31, 2021	As of March 31, 2022	As of March 31, 2021	As of March 31, 2022	As of March 31, 2021
		e		f					
1	Parallel up	¥622,122	¥1,004,953	¥(381,094)	¥(330,939)				
2	Parallel down	0	0	517,757	545,196				
3	Steepener	228,046	398,454	/	/				
4	Flattener	59,514	101,782	/	/				
5	Short rate up	251,479	383,205	/	/				
6	Short rate down	17,108	26,466	/	/				
7	Maximum	622,122	1,004,953	517,757	545,196				
		e		f					
		As of March 31, 2022		As of March 31, 2021					
8	Tier1 capital	¥9,713,290		¥9,701,931					

Notes: 1. Decreased economic values and interest income are shown as positive values.
2. As for some of those current deposits and ordinary deposits whose interest rates are not changed at predetermined intervals and from which depositors can withdraw money as desired on demand, we measure the interest rate risk associated with such deposits by applying an appropriate method after recognizing them as core deposits. The average repricing maturities are 0.7 years for yen deposits and 0.5 years for dollar deposits respectively. The longest repricing maturities are 10.0 years for yen deposits and 5.0 years for dollar deposits respectively. We measure interest rate risk associated with term deposits and loans in an appropriate manner by estimating their early redemption rates based on their historical prepayment and cancellation data.
3. When aggregating the respective Δ EVE of multiple currencies, we use the internal model that estimates the correlations between the key currencies based on historical data. When aggregating the respective Δ NI of multiple currencies, we simply add their respective Δ NI.
4. For the calculation of Δ EVE and Δ NI, we set an appropriate interest rate and spread according to a certain discount rate and reference rate.
5. When making the calculations above, we use regulatory defined preconditions including an interest rate shock scenario.

■ Investment or Equity Exposure

(1) Summary of Risk Profile, Risk Management Policies/ Procedures and Structure

With regard to equities, we manage default risk through our credit risk management structure and price fluctuation risk through our market risk management structure. With regard to subsidiaries and related companies in which we invest, we manage their risks on a consolidated basis, and manage them appropriately in accordance with their management classification. In addition, securities, a part of equity exposure, are valued as follows: Securities are stated at market price (cost of securities sold is calculated primarily by the moving average method). Stocks and others without a quoted market price are stated at acquisition cost and determined by the moving average method.

■ Operational risk

(1) Summary of Operational Risk Management and Procedures

See pages 138 to 139 for a summary of our operational risk management policies, etc.

(2) Approach Used for the Measurement of Operational Risk Equivalent

We use the Advanced Measurement Approach for the calculation of operational risk equivalent. See pages 139 to 141 for the outline of the Advanced Measurement Approach. In the measurement of operational risk equivalent, we do not recognize the risk mitigating impact of insurance. The following entities have adopted the Advanced Measurement Approach as of March 31, 2022. In the measurement of operational risk equivalent, we do not recognize the risk mitigating impact of insurance.
 Mizuho Financial Group, Inc.; Mizuho Bank., Ltd.; Mizuho Trust & Banking Co., Ltd.; Mizuho Securities; Mizuho Credit Guarantee Co., Ltd.; Mizuho Business Service Co., Ltd.; Mizuho Trust Operations Co., Ltd.; Mizuho Trust Business Operations Co., Ltd.; Mizuho Trust Retail Support Co., Ltd.; Mizuho Bank Europe N.V.; and Mizuho International plc.

■Composition of Leverage Ratio

(Millions of yen, except percentage)				
Correspon ding line # on Basel III disclosure template (Table 2)	Correspon ding line # on Basel III disclosure template (Table 1)	Item	As of March 31, 2022	As of March 31, 2021
On-balance sheet exposures			(1)	
1		On-balance sheet exposures before deducting adjustment items	¥164,121,871	¥155,709,473
1a	1	Total assets reported in the consolidated balance sheet	198,455,311	185,680,190
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (-)	-	-
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	-	-
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (-)	34,333,440	29,970,716
2	7	The amount of adjustment items pertaining to Tier1 capital (-)	1,083,075	1,304,886
3		Total on-balance sheet exposures (a)	¥163,038,795	¥154,404,587
Exposures related to derivative transactions			(2)	
4		RC multiplied by 1.4 associated with derivatives transactions, etc.	-	-
		Replacement cost associated with derivatives transactions, etc.	3,723,706	3,748,532
5		PFE multiplied by 1.4 associated with derivatives transactions, etc.	-	-
		Add-on amount associated with derivatives transactions, etc.	10,104,140	8,748,822
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	1,885,254	1,149,309
6		The amount of receivables arising from providing collateral, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	-	-
		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	144,143	143,761
7		The amount of deductions of receivables (out of those arising from providing cash variation margin) (-)	-	-
8		The amount of client-cleared trade exposures for which a bank holding company acting as a clearing member is not obliged to make any indemnification (-)	/	/
9		Adjusted effective notional amount of written credit derivatives	5,225,478	4,569,726
10		The amount of deductions from effective notional amount of written credit derivatives (-)	4,880,742	4,177,453
11	4	Total exposures related to derivative transactions (b)	¥16,201,981	¥14,182,698
Exposures related to repo transactions			(3)	
12		The amount of assets related to repo transactions, etc.	15,090,453	14,331,366
13		The amount of deductions from the assets above (line 12) (-)	5,119,912	5,341,423
14		The exposures for counterparty credit risk for repo transactions, etc.	624,315	653,128
15		The exposures for agent repo transactions	/	/
16	5	Total exposures related to repo transactions, etc. (c)	¥10,594,856	¥9,643,071
Exposures related to off-balance sheet transactions			(4)	
17		Notional amount of off-balance sheet transactions	51,267,489	50,359,566
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (-)	28,131,119	28,043,292
19	6	Total exposures related to off-balance sheet transactions (d)	¥23,136,369	¥22,316,273
Leverage ratio on a consolidated basis			(5)	
20		The amount of capital (Tier1 capital) (e)	9,713,290	9,701,931
21	8	Total exposures ((a)+(b)+(c)+(d)) (f)	¥212,972,004	¥200,546,630
22		Leverage ratio on a consolidated basis ((e)/(f))	4.56%	4.83%

Corresponding line # on Basel III disclosure template (Table 2)	Corresponding line # on Basel III disclosure template (Table 1)	Item	As of March 31, 2022	As of March 31, 2021
		Leverage ratio on a consolidated basis (excluding the impact of any applicable temporary exemption of deposits with the Bank of Japan) (6)		
		Total exposures (f)	¥212,972,004	¥200,546,630
		The amount of deposits with the Bank of Japan	38,610,831	39,906,021
		Total exposures (excluding the impact of any applicable temporary exemption of deposits with the Bank of Japan) (f')	¥251,582,835	¥240,452,651
		Leverage ratio on a consolidated basis (excluding the impact of any applicable temporary exemption of deposits with the Bank of Japan) ((e)/(f'))	3.86%	4.03%

Note: As an external audit of calculating the leverage ratio on a consolidated basis, we underwent an examination under the procedures agreed with by Ernst & Young ShinNihon LLC, on the basis of "Practical guidance on agreed-upon procedures for the calculation of capital adequacy ratio and leverage ratio" (Practical Guideline for specialized fields No. 4465 of the Japanese Institute of Certified Public Accountants). Note that this examination is not a part of the audit performed on our consolidated financial statements or internal controls over financial reporting. Ernst & Young ShinNihon LLC does not give its opinion or conclusion concerning the leverage ratio or our internal control structure regarding the calculation of the leverage ratio. Instead, it performs an examination to the extent both of us agreed to and reports the results to us.

■ TLAC Regulations

(1) TLAC1: TLAC composition for G-SIBs (at resolution group level)

(Millions of yen, except percentage)

Basel III Template No.	Items	a As of March 31, 2022	b As of March 31, 2021
Preferred resolution strategy (1)			
The SPE (Single Point of Entry) resolution strategy is considered to be the preferred resolution strategy for Mizuho Financial Group, Inc. (MHFG) and its subsidiaries. More concretely, at the time of a stress, following the relevant authority's determination that one or more of the material sub-groups, i.e. Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd. have reached the point of non-viability, losses incurred to them would be passed to MHFG, the ultimate holding company. While this could lead to a resolution of MHFG, the material sub-groups are expected to continue their business as usual under the Specified Bridge Financial Institution, etc. incorporated by the Deposit Insurance Corporation of Japan (DICJ) to which MHFG transfers its business.			
Regulatory capital elements of TLAC and adjustments (2)			
1	Common Equity Tier 1 capital (CET1) (A)	¥8,067,279	¥7,849,969
2	Additional Tier 1 capital (AT1) before TLAC adjustments (B)	1,646,011	1,851,961
3	AT1 ineligible as TLAC as issued out of subsidiaries to third parties (C)	-	-
4	Other adjustments (D)	20,607	-
5	AT1 instruments eligible under the TLAC framework ((B)-(C)-(D)) (E)	1,625,404	1,851,961
6	Tier 2 capital (T2) before TLAC adjustments (F)	1,638,391	1,683,464
7	Amortised portion of T2 instruments where remaining maturity > 1 year (G)	(121,630)	(357,938)
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties (H)	73,064	-
9	Other adjustments (I)	8,038	245,650
10	T2 instruments eligible under the TLAC framework ((F)-(G)-(H)-(I)) (J)	1,678,919	1,795,752
11	TLAC arising from regulatory capital ((A) + (E) + (J)) (K)	11,371,603	11,497,683
Non-regulatory capital elements of TLAC (3)			
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities (L)	4,334,870	3,649,134
13	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities but meet all other TLAC term sheet requirements	/	/
14	of which: amount eligible as TLAC after application of the caps	/	/
15	External TLAC instruments issued by funding vehicles prior to 1 January 2022	/	/
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution (M)	2,265,565	1,687,049
17	TLAC arising from non-regulatory capital instruments before adjustments ((L) + (M)) (N)	6,600,436	5,336,183
Non-regulatory capital elements of TLAC: adjustments (4)			
18	TLAC before deductions ((K) + (N)) (O)	17,972,039	16,833,866
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs) (P)	-	-
20	Deduction of investments in own other TLAC liabilities (Q)	6,284	4,699
21	Other adjustments to TLAC (R)	-	-
22	TLAC after deductions ((O)-(P)-(Q)-(R)) (S)	17,965,755	16,829,166
Risk-weighted assets and leverage exposure measure for TLAC purposes (5)			
23	Total RWA (T)	64,730,439	67,481,983
24	Leverage ratio exposure measure (U)	212,972,004	200,546,630
TLAC ratios and buffers (6)			
25	TLAC before deduction of CET1 specific buffer requirement (as a percentage of RWA) ((S)/(T))	27.75%	24.93%
25a	TLAC as a percentage of RWA	24.24%	21.42%
26	TLAC as a percentage of leverage ratio exposure measure ((S)/(U))	8.43%	8.39%
27	CET1 available after meeting the bank's minimum capital requirements	7.96%	7.13%
28	Total of bank CET1 specific buffer requirements	3.51%	3.51%
29	of which: capital conservation buffer requirement	2.50%	2.50%
30	of which: countercyclical buffer requirement	0.01%	0.01%
31	of which: bank G-SIB/D-SIB additional requirements	1.00%	1.00%

(Millions of yen, except percentage)

Basel III Template No.	Items	a	b
		As of March 31, 2022	As of March 31, 2021
	TLAC as a percentage of leverage ratio exposure measure (excluding the impact of any applicable temporary exemption of deposits with the Bank of Japan) (7)		
	Leverage ratio exposure measure (U)	¥212,972,004	¥200,546,630
	The amount of deposits with the Bank of Japan	38,610,831	39,906,021
	Leverage ratio exposure measure (excluding the impact of any applicable temporary exemption of deposits with the Bank of Japan) (U')	251,582,835	240,452,651
	TLAC as a percentage of leverage ratio exposure measure (excluding the impact of any applicable temporary exemption of deposits with the Bank of Japan) ((S)/(U'))	7.14%	6.99%

(2) TLAC2:Material subgroup entity – creditor ranking at legal entity level

(Millions of yen)

Mizuho Bank (Non-consolidated)												
				As of March 31, 2021								Sum of 1 to 5
				Creditor ranking								
Basel III Template	Items	1		2		3		4		5		
		most junior								most senior		
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-	✓	-	✓	-	
2	Description of creditor ranking	Common equity		Additional Tier 1 capital instruments		Tier 2 capital instruments		Eligible Tier 2 capital instruments subject to phase-out arrangements		Other internal TLAC eligible instruments		
3	Total capital and liabilities net of credit risk mitigation (A)	3,690,227	-	1,873,004	-	1,618,120	-	166,080	353,000	4,526,854	-	12,227,286
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities ((A) -(B))	3,690,227	-	1,873,004	-	1,618,120	-	166,080	353,000	4,526,854	-	12,227,286
6	Subset of row 5 that are eligible as TLAC	3,690,227	-	1,873,000	-	1,452,040	-	-	-	3,649,134	-	10,664,401
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-	-	426,272	-	426,272
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	223,040	-	-	-	1,432,198	-	1,655,238
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	1,174,000	-	-	-	1,469,576	-	2,643,576
10	Subset of row 6 with 10 years ≤ residual maturity,but excluding perpetual securities	-	-	-	-	55,000	-	-	-	321,088	-	376,088
11	Subset of row 6 that is perpetual securities	3,690,227	-	1,873,000	-	-	-	-	-	-	-	5,563,227

*1 Additional Tier 1 capital instruments include eligible Tier 1 capital instruments subject to phase-out arrangements (4 million yen)

*2: The amounts subject to the phase-out arrangements are excluded in Basel III Template from 6 to 11

(Millions of yen)

Mizuho Bank (Non-consolidated)												
			As of March 31, 2022								Sum of 1 to 4	
			Creditor ranking									
Basel III Template	Items	1		2		3		4				
		most junior	most senior									
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-	✓	-			
2	Description of creditor ranking	Common equity		Additional Tier 1 capital instruments		Tier 2 capital instruments		Other internal TLAC eligible instruments				
3	Total capital and liabilities net of credit risk mitigation (A)	3,663,453	-	1,643,000	-	1,676,832	-	4,806,149	-	11,789,435		
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-	-	-		
5	Total capital and liabilities less excluded liabilities ((A) -(B))	3,663,453	-	1,643,000	-	1,676,832	-	4,806,149	-	11,789,435		
6	Subset of row 5 that are eligible as TLAC	3,663,453	-	1,643,000	-	1,493,217	-	4,334,870	-	11,134,541		
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	439,183	-	439,183		
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	482,807	-	1,879,230	-	2,362,037		
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	965,410	-	1,760,867	-	2,726,277		
10	Subset of row 6 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	-	-	45,000	-	255,590	-	300,590		
11	Subset of row 6 that is perpetual securities	3,663,453	-	1,643,000	-	-	-	-	-	5,306,453		

(Millions of yen)

Mizuho Trust & Banking (Non-consolidated)						
		As of March 31, 2021				Sum of 1 to 2
		Creditor ranking				
Basel III Template	Items	1		2		
		most junior		most senior		
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	
2	Description of creditor ranking	Common equity		Other internal TLAC eligible instruments		
3	Total capital and liabilities net of credit risk mitigation (A)	262,874	-	-	262,874	
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	
5	Total capital and liabilities less excluded liabilities ((A) -(B))	262,874	-	-	262,874	
6	Subset of row 5 that are eligible as TLAC	262,874	-	-	262,874	
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	
10	Subset of row 6 with 10 years ≤ residual maturity , but excluding perpetual securities	-	-	-	-	
11	Subset of row 6 that is perpetual securities	262,874	-	-	262,874	

(Millions of yen)

Mizuho Trust & Banking (Non-consolidated)						
		As of March 31, 2022				Sum of 1 to 2
		Creditor ranking				
Basel III Template	Items	1		2		
		most junior		most senior		
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	
2	Description of creditor ranking	Common equity		Other internal TLAC eligible instruments		
3	Total capital and liabilities net of credit risk mitigation (A)	262,874	-	-	-	
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	
5	Total capital and liabilities less excluded liabilities ((A) -(B))	262,874	-	-	-	
6	Subset of row 5 that are eligible as TLAC	262,874	-	-	-	
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	
10	Subset of row 6 with 10 years ≤ residual maturity , but excluding perpetual securities	-	-	-	-	
11	Subset of row 6 that is perpetual securities	262,874	-	-	-	

(Millions of yen)

Mizuho Securities (Non-consolidated)								
		As of March 31, 2021						Sum of 1 to 3
		Creditor ranking						
Basel III Template	Items	1		2		3		
		most junior				most senior		
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-	
2	Description of creditor ranking	Common equity		Long-term subordinated debt/Short-term subordinated debt		Other internal TLAC instruments		
3	Total capital and liabilities net of credit risk mitigation (A)	485,530	21,286	-	90,000	-	-	596,816
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities ((A) -(B))	485,530	21,286	-	90,000	-	-	596,816
6	Subset of row 5 that are eligible as TLAC	485,530	21,286	-	-	-	-	506,816
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-	-	-
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	-	-	-	-	-
10	Subset of row 6 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	-	-	-	-	-
11	Subset of row 6 that is perpetual securities	485,530	21,286	-	-	-	-	506,816

(Millions of yen)

Mizuho Securities (Non-consolidated)								
		As of March 31, 2022						Sum of 1 to 3
		Creditor ranking						
Basel III Template	Items	1		2		3		
		most junior				most senior		
1	Is the resolution entity the creditor/investor?	✓	-	✓	-	✓	-	
2	Description of creditor ranking	Common equity		Long-term subordinated debt/Short-term subordinated debt		Other internal TLAC instruments		
3	Total capital and liabilities net of credit risk mitigation (A)	454,107	52,708	399,000	90,000	-	-	995,816
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities ((A) -(B))	454,107	52,708	399,000	90,000	-	-	995,816
6	Subset of row 5 that are eligible as TLAC	454,107	52,708	399,000	-	-	-	905,816
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	180,000	-	-	-	180,000
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	219,000	-	-	-	219,000
10	Subset of row 6 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	-	-	-	-	-
11	Subset of row 6 that is perpetual securities	454,107	52,708	-	-	-	-	506,816

(3) TLAC3:Resolution entity – creditor ranking at legal entity level

(Millions of yen)

Mizuho Financial Group (Non-Consolidated)						
		As of March 31, 2021				Sum of 1 to 4
		Creditor ranking				
Basel III Template	Items	1	2	3	4	
		most junior			most senior	
1	Description of creditor ranking	Common equity	Additional Tier 1 capital instruments	Tier 2 capital instruments	Unsecured senior debts	
2	Total capital and liabilities net of credit risk mitigation (A)	3,453,427	1,873,000	1,784,200	4,532,618	11,643,245
3	Subset of row 2 that are excluded liabilities (B)	-	-	-	5,764	5,764
4	Total capital and liabilities less excluded liabilities ((A) - (B))	3,453,427	1,873,000	1,784,200	4,526,854	11,637,481
5	Subset of row 4 that are eligible as TLAC	3,453,427	1,873,000	1,784,200	3,649,134	10,759,761
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	-	-	166,080	426,272	592,352
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	-	-	389,120	1,432,198	1,821,318
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	-	-	1,174,000	1,469,576	2,643,576
9	Subset of row 5 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	55,000	321,088	376,088
10	Subset of row 5 that is perpetual securities	3,453,427	1,873,000	-	-	5,326,427

*1 :Tier 2 capital instruments include eligible Tier 2 capital instruments subject to phase-out arrangements issued by SPC (166,080 million yen)

*2 :Internal transactions are excluded from unsecured senior debts

*3 :Excluded liabilities are recognized on a conservative basis in consideration of the materiality of the amounts

(Millions of yen)

Mizuho Financial Group (Non-Consolidated)						
		As of March 31, 2022				Sum of 1 to 4
		Creditor ranking				
Basel III Template	Items	1	2	3	4	
		most junior			most senior	
1	Description of creditor ranking	Common equity	Additional Tier 1 capital instruments	Tier 2 capital instruments	Unsecured senior debts	
2	Total capital and liabilities net of credit risk mitigation (A)	3,453,427	1,643,000	1,676,832	4,811,993	11,585,253
3	Subset of row 2 that are excluded liabilities (B)	-	-	-	5,844	5,844
4	Total capital and liabilities less excluded liabilities ((A) - (B))	3,453,427	1,643,000	1,676,832	4,806,149	11,579,408
5	Subset of row 4 that are eligible as TLAC	3,453,427	1,643,000	1,493,217	4,334,870	10,924,515
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years	-	-	-	439,183	439,183
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years	-	-	482,807	1,879,230	2,362,037
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years	-	-	965,410	1,760,867	2,726,277
9	Subset of row 5 with 10 years ≤ residual maturity, but excluding perpetual securities	-	-	45,000	255,590	300,590
10	Subset of row 5 that is perpetual securities	3,453,427	1,643,000	-	-	5,096,427

*1 :Internal transactions are excluded from unsecured senior debts

*2 :Excluded liabilities are recognized on a conservative basis in consideration of the materiality of the amounts

■ Geographical Distribution of Credit Exposures Used in the Countercyclical Buffer

(1) CCyB1: Geographical distribution of credit exposures used in the countercyclical buffer

(Millions of yen, except percentage)

	As of March 31, 2022			
	a	b	c	d
Geographical breakdown	Countercyclical buffer rate	Risk-weighted assets used in the computation of the countercyclical buffer	Countercyclical buffer requirements	Countercyclical buffer amount
Hong Kong SAR	1.00%	578,464	/	/
Luxembourg	0.50%	256,389	/	/
Subtotal	/	834,854	/	/
Total	/	51,775,197	0.01%	6,473

Notes: Credit risk-weighted assets used in the computation of the countercyclical buffer of each country or region are calculated based on where counterparties are located.

Some equity exposures, regarded-method exposures, securitization exposures and standardized approach portion which are difficult to calculate based on the locations of counterparties, are calculated based on the country or region in which the reporting office is located.

(Millions of yen, except percentage)

	As of March 31, 2021			
	a	b	c	d
Geographical breakdown	Countercyclical buffer rate	Risk-weighted assets used in the computation of the countercyclical buffer	Countercyclical buffer requirements	Countercyclical buffer amount
Hong Kong SAR	1.00%	528,016	/	/
Luxembourg	0.50%	271,847	/	/
Subtotal	/	799,864	/	/
Total	/	55,211,072	0.01%	6,748

Notes: Credit risk-weighted assets used in the computation of the countercyclical buffer of each country or region are calculated based on where counterparties are located.

Some equity exposures, regarded-method exposures, securitization exposures and standardized approach portion which are difficult to calculate based on the locations of counterparties, are calculated based on the country or region in which the reporting office is located.

■Indicators for Assessing Global Systemically Important Banks (G-SIBs)

(1) GSIB1:Disclosure of G-SIB indicators

(Millions of yen)

	Category	Individual indicator	As of March 31, 2022	As of March 31, 2021
1	Cross-jurisdictional activity	Cross-jurisdictional claims	65,156,309	57,233,736
2		Cross-jurisdictional liabilities	49,145,555	39,284,794
3	Size	Total exposures	252,665,910	241,757,537
4	Interconnectedness	Intra-financial system assets	16,725,890	15,878,955
5		Intra-financial system liabilities	18,730,071	18,558,968
6		Securities outstanding	33,867,668	34,129,399
7	Substitutability / Financial institution infrastructure	Assets under custody	109,934,549	99,479,933
8		Payment activity	6,861,262,039	5,514,937,889
9		Underwritten transactions in debt and equity markets	17,673,301	19,481,804
10		Trading Volume	2,995,347,169	/
11	Complexity	Notional amount of over-the-counter derivatives	1,644,372,374	1,409,658,971
12		Level 3 assets	685,929	3,795,782
13		Trading and available for sale securities	10,666,922	11,867,627

The information disclosed herein is in accordance with "Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Status of Sound Management of Liquidity Risk, etc. pursuant to Article 19-2, Paragraph 1, Item 5, Sub-item (e), and other related provisions of the Regulation for Enforcement of the Banking Act" (the FSA Notice No.7 of 2015).

■ Liquidity Coverage Ratio (Consolidated)

(1) Disclosure of quantitative information regarding the Liquidity Coverage Ratio (Consolidated)

(Millions of yen, %, the number of data)					
Item		For the three months ended March 31, 2022		For the three months ended December 31, 2021	
High-Quality Liquid Assets		(1)	/	/	
1	Total high-quality liquid assets (HQLA)	¥71,174,101		¥73,663,351	
Cash Outflows		(2)	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE
2	Cash outflows related to unsecured retail funding	51,598,144	3,994,116	51,541,568	3,999,012
3	of which, Stable deposits	16,688,223	500,646	16,537,322	496,119
4	of which, Less stable deposits	34,909,920	3,493,469	35,004,246	3,502,893
5	Cash outflows related to unsecured wholesale funding	84,824,759	49,452,756	83,578,197	48,410,295
6	of which, Qualifying operational deposits	-	-	-	-
7	of which, Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	73,589,336	38,217,333	73,322,196	38,154,294
8	of which, Debt securities	11,235,422	11,235,422	10,256,001	10,256,001
9	Cash outflows related to secured funding, etc.	/	1,975,380	/	1,949,927
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	33,281,330	9,668,804	32,707,328	9,511,303
11	of which, Cash outflows related to derivative transactions, etc.	2,158,069	2,158,069	2,276,500	2,276,500
12	of which, Cash outflows related to funding programs	42,618	42,618	33,185	33,185
13	of which, Cash outflows related to credit and liquidity facilities	31,080,643	7,468,117	30,397,642	7,201,617
14	Cash outflows related to contractual funding obligations, etc.	7,778,290	2,579,827	7,748,023	2,247,322
15	Cash outflows related to contingencies	77,480,027	671,699	76,934,280	661,883
16	Total cash outflows	/	68,342,585	/	66,779,745
Cash Inflows		(3)	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE
17	Cash inflows related to secured lending, etc.	15,384,063	1,560,211	13,405,999	1,398,384
18	Cash inflows related to collections of loans, etc.	16,160,052	12,533,436	14,060,574	10,907,049
19	Other cash inflows	9,386,652	2,107,959	9,403,044	1,944,287
20	Total cash inflows	40,930,768	16,201,606	36,869,618	14,249,721
Consolidated liquidity coverage ratio		(4)	/	/	
21	Total HQLA allowed to be included in the calculation	/	71,174,101	/	73,663,351
22	Net cash outflows	/	¥52,140,978	/	¥52,530,023
23	Consolidated liquidity coverage ratio (LCR)	/	136.5%	/	140.3%
24	The number of data used to calculate the average value	59		63	

(2) Disclosure of qualitative information regarding the Liquidity Coverage Ratio (Consolidated)

(A) Chronological changes in the Liquidity Coverage Ratio (Consolidated)

Our Consolidated LCR has remained stable over the past two years.

(B) Evaluation of the Liquidity Coverage Ratio Level (Consolidated)

Our Consolidated LCR surpasses the regulatory standard (100%), with no issues.

We do not expect our Consolidated LCR to deviate significantly from the current level in the future, and our Consolidated LCR disclosed herein does not differ significantly from our expectations.

(C) Composition of the total HQLA allowed to be included in the calculation

There are no significant changes in the composition, such as by currency or type, and geographic distribution of the HQLA allowed to be included in the calculation. In addition, there is no significant currency mismatch between total amount of the HQLA allowed to be included in the calculation and net cash outflow regarding main currencies (those currencies of which the aggregate liabilities denominated amount to 5% or more of our total liabilities).

(D) Other matters regarding the Liquidity Coverage Ratio (Consolidated)

We do not apply the "exceptional treatment regarding qualifying operational deposits" in Article 28 of the Notice No.62 and "the amount of additional collateral required due to market valuation changes to derivatives transactions estimated by the scenario approach" in Article 37 of the Notice No.62. "Cash outflows from other contracts" in Article 59 of the Notice No.62 includes "cash outflows related to small consolidated subsidiaries." There are no material items that require detailed explanation of "cash outflows from other contingent events" in Article 52 of the Notice No.62 and "cash inflows from other contracts" in Article 72 of the Notice No.62. Monthly or quarterly data is used for some of our consolidated subsidiaries.

■ Net Stable Funding Ratio (Consolidated)

(1) Disclosure of quantitative information regarding the Net Stable Funding Ratio (Consolidated)

(Millions of yen, %)											
Item		As of March 31, 2022					As of December 31,2021				
		Unweighted value by residual maturity			Weighted value	Unweighted value by residual maturity			Weighted value		
		No maturity	< 6 months	6 months to <1yr		≥1yr	No maturity	< 6 months		6 months to <1yr	≥1yr
Available stable funding (ASF) items (1)											
1	Capital; of which:	¥9,212,446	¥0	¥0	¥3,319,832	¥12,532,279	¥9,395,007	¥0	¥0	¥3,444,815	¥12,839,822
2	Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	9,212,446	0	0	3,087,413	12,299,859	9,395,007	0	0	3,251,535	12,646,543
3	Other capital instruments that are not included in the above category	0	0	0	232,419	232,419	0	0	0	193,279	193,279
4	Funding from retail and small business customers; of which:	51,524,239	25,659	0	78,006	47,307,806	52,229,830	695	23,078	72,439	47,952,570
5	Stable deposits	16,697,819	0	0	0	15,862,928	17,037,749	0	0	0	16,185,862
6	Less stable deposits	34,826,420	25,659	0	78,006	31,444,878	35,192,080	695	23,078	72,439	31,766,708
7	Wholesale funding; of which:	65,468,661	63,009,676	4,311,912	7,730,387	46,686,602	56,827,129	65,973,459	3,768,263	7,503,811	43,975,378
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	65,468,661	63,009,676	4,311,912	7,730,387	46,686,602	56,827,129	65,973,459	3,768,263	7,503,811	43,975,378
10	Liabilities with matching interdependent assets	-	-	-	-	-	-	-	-	-	-
11	Other liabilities; of which:	7,124,953	2,943,308	0	96,091	137,934	4,600,149	3,020,124	0	134,021	133,500
12	Derivative liabilities	/	/	/	0	/	/	/	/	0	/
13	All other liabilities and equity not included in the above categories	7,124,953	2,943,308	0	96,091	137,934	4,600,149	3,020,124	0	134,021	133,500
14	Total available stable funding	/	/	/	/	106,664,623	/	/	/	/	104,901,272

Item		As of March 31, 2022					As of December 31,2021				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to <1yr	≥1yr		No maturity	< 6 months	6 months to <1yr	≥1yr	
Required stable funding (RSF) items (2)											
15	HQLA	/	/	/	/	3,129,762	/	/	/	/	3,722,134
16	Deposits held at financial institutions for operational purposes	315,669	0	0	0	157,957	260,187	0	0	0	130,208
17	Loans, repo transactions-related assets, securities and other similar assets; of which:	5,770,683	32,574,168	8,210,552	62,057,840	70,574,015	5,578,114	40,175,923	7,031,134	59,796,930	68,933,170
18	Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	150,147	6,228,546	96,412	98,944	147,389	96,009	13,146,475	73,928	0	37,045
19	Loans to- and repo transactions with- financial institutions (not included in item 18)	2,266,251	7,308,462	1,901,625	9,274,915	11,770,280	1,846,773	6,700,572	1,627,689	8,851,622	11,020,496
20	Loans and repo transactions-related assets (not included in item 18, 19 and 22); of which:	581,621	18,184,226	5,822,392	41,467,125	47,000,789	603,396	19,119,210	4,924,935	40,014,212	46,046,027
21	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	2,573	1,447,527	272,179	1,647,453	1,932,370	266	1,392,749	328,061	1,674,220	1,948,822
22	Residential mortgages; of which:	0	7,223	42,329	7,757,780	5,765,093	0	5,232	41,369	7,823,558	5,820,906
23	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	0	1,694	2,769	4,268,983	2,777,071	0	1,801	2,511	4,253,917	2,767,202
24	Securities that are not in default and do not qualify as HQLA and other similar assets	2,772,662	845,708	347,792	3,459,074	5,890,462	3,031,934	1,204,432	363,210	3,107,537	6,008,693
25	Assets with matching interdependent liabilities	-	-	-	-	-	-	-	-	-	-
26	Other assets; of which:	8,027,280	3,580,126	122,745	5,961,978	12,574,582	7,742,586	2,086,014	133,552	4,978,363	11,608,324
27	Physical traded commodities, including gold	0	/	/	/	0	0	/	/	/	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)	/	/	/	1,327,243	1,128,157	/	/	/	1,252,796	1,064,876
29	Derivative assets	/	/	/	581,283	581,283	/	/	/	713,805	713,805
30	Derivative liabilities (before deduction of variation margin posted)	/	/	/	2,979,025	148,951	/	/	/	2,030,352	101,517
31	All other assets not included in the above categories	8,027,280	3,580,126	122,745	1,074,426	10,716,190	7,742,586	2,086,014	133,552	981,408	9,728,124
32	Off-balance sheet items	/	/	/	115,134,522	2,267,540	/	/	/	109,923,656	2,223,576
33	Total required stable funding	/	/	/	/	¥88,703,857	/	/	/	/	¥86,617,415
34	Consolidated net stable funding ratio (NSFR)	/	/	/	/	120.2%	/	/	/	/	121.1%

(2) Disclosure of qualitative information regarding the Net Stable Funding Ratio (Consolidated)

(A) Chronological changes in the Net Stable Funding Ratio (Consolidated)

Our Consolidated NSFR has remained stable since its implementation on September 30, 2021.

(B) Interdependent assets and liabilities

We do not apply the "exceptional treatment against interdependent assets and liabilities" in Article 99 of the Notice No.62.

(C) Other matters regarding the Net Stable Funding Ratio (Consolidated)

Our Consolidated NSFR surpasses the regulatory standard (100%), with no issues.

We do not expect our Consolidated NSFR disclosed herein to deviate significantly from the current level in the future, and our Consolidated NSFR does not differ significantly from our expectations.

■ Status of Major Liquid Assets

(Billions of yen)		
Item	As of March 31, 2022	As of March 31, 2021
Cash and Due from Banks (including Due from Central Banks)	¥51,359.3	¥47,981.9
Trading Securities	6,487.7	6,421.3
Securities	43,367.9	42,567.4
Bonds Held to Maturity	1,517.5	885.5
Other Securities	41,850.3	41,681.9
Japanese Stocks	2,577.3	2,865.9
Japanese Bonds	28,620.4	24,145.0
Japanese Government Bonds	25,158.7	20,920.5
Japanese Local Government Bonds	419.6	463.5
Japanese Corporate Bonds	3,042.0	2,760.9
Other	10,652.6	14,670.9
Foreign Bonds	8,937.5	12,433.9
Other	1,715.0	2,236.9
Total	101,214.9	96,970.8
Portion pledged as collateral	(13,372.3)	(12,728.6)
Total after the deduction above	¥87,842.6	¥84,242.1

- Notes: 1. All securities included in the above table have fair value.
2. The portion pledged as collateral mainly consists of securities and others collateralized for borrowed money, foreign and domestic exchange transactions or derivatives transactions, or substituted for margins for futures transactions.
3. Figures in the above table do not represent high quality liquid assets.

■ Status of Major Funding

(Billions of yen)						
Types of Financial Instruments	As of March 31, 2022					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits	¥135,508.1	¥2,525.9	¥608.5	¥32.9	¥34.4	¥120.8
Negotiable Certificates of Deposit	16,290.4	578.5	0.5	-	-	-
Call Money and Bills Sold	1,278.0	-	-	-	-	-
Borrowed Money	5,592.4	221.9	330.3	89.5	142.2	183.9
Commercial Paper	537.1	-	-	-	-	-
Issued Bonds	1,329.4	2,383.3	1,673.6	972.8	1,847.9	878.6
Due to Trust Account	1,167.2	-	-	-	-	-
Total	¥161,702.9	¥5,709.8	¥2,613.0	¥1,095.3	¥2,024.6	¥1,183.4

(Billions of yen)						
Types of Financial Instruments	As of March 31, 2021					
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years
Deposits	¥129,715.7	¥2,688.0	¥708.6	¥28.5	¥34.6	¥136.7
Negotiable Certificates of Deposit	16,870.9	236.9	84.9	-	-	-
Call Money and Bills Sold	1,312.7	-	-	-	-	-
Borrowed Money	6,375.1	233.2	273.1	233.8	125.8	170.4
Commercial Paper	456.0	-	-	-	-	-
Issued Bonds	1,411.4	1,603.5	1,755.5	1,465.9	1,362.2	865.1
Due to Trust Account	1,160.6	-	-	-	-	-
Total	¥157,302.8	¥4,761.7	¥2,822.2	¥1,728.3	¥1,522.7	¥1,172.3

- Notes: 1. Regarding Deposits, Demand deposits are included in "Within 1 year"
2. Borrowed money or issued bonds with open ended, ¥30.0 billion, ¥1,858.0 billion, respectively, at March 31, 2021, and ¥30.0 billion, ¥1,628.0 billion, respectively, at March 31, 2022, are excluded.

■ Compensation of Directors and Employees

(1) Qualitative Disclosure

(A) State of the Organizational System Relating to Compensation of "Subject Directors and Employees" of Mizuho Group

1. Scope of "Subject directors and employees"
"Subject directors, etc." and "Subject employees, etc." subject to disclosure as provided for in the FSA Notice (collectively, "Subject directors and employees") are as follows:
(1) Scope of "Subject directors, etc."
"Subject directors, etc." are directors and executive officers as defined in the Companies Act of Mizuho Financial Group, Inc. ("MHFG"). Outside directors are excluded.
(2) Scope of "Subject employees, etc."
"Subject employees, etc." who are subject to disclosure are executive officers (as defined in our internal regulations), and employees of MHFG and directors and employees of its "Major consolidated subsidiaries", who are "persons who receive large amounts of compensation" and "materially affect the operation of business or the state of assets of Mizuho group or its major consolidated subsidiaries."
(a) Scope of "Major consolidated subsidiaries"
A "Major consolidated subsidiary" is a consolidated subsidiary, etc., (i) whose total assets as a percentage of consolidated total assets exceeds 2% of a bank holding company or bank and (ii) who materially affects the management of our group. Specifically, those are Mizuho Bank, Ltd. ("MHBK"), Mizuho Bank (USA) and other subsidiaries who conduct banking business similar to a branch of MHBK, Mizuho Trust & Banking Co., Ltd. ("MHTB"), Mizuho Securities Co., Ltd. ("MHSC") and Mizuho Securities USA LLC and Mizuho International plc.
(b) Scope of "Persons who receive large amounts of compensation"
A "Person who receives large amounts of compensation" refers to a person who receives compensation that exceeds the base amount from MHFG or its "Major consolidated subsidiaries." The base amount at MHFG has been set at ¥80 million. Such base amount has been set based on the average amounts of the compensation of directors and executive officers (as defined in the Companies Act) of MHFG, MHBK and MHTB for the last three fiscal years (excluding persons who resigned or retired during each of such fiscal years), taking into account fluctuations in amounts of compensation over past fiscal years. The preceding base amount has been adopted as the common base in order to unify the selection criteria of persons who receive large amounts of compensation at each of the companies in this paragraph.
(c) Scope of "Persons who materially affect the operation of business or the state of assets of Mizuho group"
A "Person who materially affects the operation of business or the state of assets of Mizuho group" means a person who exerts significant influence on the operation of the business of MHFG or a "Major consolidated subsidiary" through his or her work in conducting transactions or management, or who materially affects the state of assets by incurring losses on transactions. Specifically, it includes executive officers (as defined in our internal regulations) of MHFG and directors, executive officers (as defined in our internal regulations)and market department employees of "Major consolidated subsidiaries."
2. Decisions on compensation of "Subject directors and employees" and the name, composition and duties of the committee to supervise business execution and other major organizations relating to payment of compensation and other compensation, etc.
(1) State of maintaining and ensuring the Compensation Committee, etc.
MHFG is a Company with Three Committees, and has established the Compensation Committee as a statutory committee.
The chairman of the statutory Compensation Committee shall be an outside director, and in principle its members shall be appointed from among the outside directors (or at least non-executive directors) in order to ensure objectivity and transparency in director and executive officer compensation. As of March 2022, all three members of the Compensation Committee, including the chairman, were outside directors. The Compensation Committee shall determine the compensation for each individual director and executive officer of MHFG, exercise approval rights in MHFG for compensation for each individual director of MHBK,MHTB and MHSC, determine the basic policy and compensation system for directors and executive officers of MHFG and exercise approval rights in MHFG for the basic policy and compensation system for directors and executive officers of MHBK, MHTB and MHSC.
In addition, the president of each of MHBK, MHTB and MHSC determines the amount of compensation for each of its executive officers and specialist officers.

- (2) Decisions on compensation of "Subject employees, etc."
Matters relating to executive officers (as defined in our internal regulations) and specialist officers of MHFG and directors, executive officers (as defined in our internal regulations) of MHBK, MHTB and MHSC are as set out in (1) *State of maintaining and ensuring the Compensation Committee, etc.*. With regard to the compensation of directors of MHBK, MHTB and MHSC, it is determined through approval by the Compensation Committee, pursuant to each statutory procedure for directors who are Audit & Supervisory Committee Members and for directors who are not Audit & Supervisory Committee Members, and set within the scope of the total amount of compensation of directors resolved at the ordinary general meeting of shareholders.
The compensation of subject employees, etc., is decided and paid in accordance with the salary and bonus system established by MHFG and the "Major consolidated subsidiaries." Such system is designed and put into writing by the human resources departments of MHFG and the "Major consolidated subsidiaries" which are independent of departments furthering business. In terms of the compensation of overseas employees, each overseas office or operation determines its own compensation policy based on local laws and regulations as well as employment relationships.

3. Total amount of compensation paid to members of the compensation committee and number of meetings held by the Compensation Committee

	Number of meetings held (April 2021 – March 2022)
Compensation Committee (MHFG)	10

Note: The total amount of compensation is not set out above as it is not possible to separately calculate the amounts that are paid as consideration for the execution of duties by the compensation committee.

(B) Evaluating the Appropriateness of the Design and Operation of the System Relating to Compensation of "Subject Directors and Employees" of Mizuho Group

1. Policies relating to compensation
(1) Policies relating to compensation of "Subject directors, etc. "
Mizuho Financial Group set out the “Mizuho Financial Group Basic Policy for Executive Compensation” (the “Basic Policy for Executive Compensation”) concerning the determination of compensation for each individual director and executive officer (“Officers, etc.”) of Mizuho Financial Group .
a.“Mizuho Financial Group Basic Policy for Executive Compensation”
(i) Basic Principle
Executive compensation shall be provided as compensation for the responsibilities assigned to and the performance of each individual director and executive officer (the “Officers”) and function as an incentive for each of the Officers to exercise their designated function to the fullest in our effort to realize management that contributes to value creation for various stakeholders and improve corporate value through continuous and stable corporate growth, based on our basic management policies under our corporate philosophy.
(ii) Executive Compensation System
(a) Executive compensation for each Officer shall be determined based on a pre-determined executive compensation system.
(b)The executive compensation system shall include systems and rules related to, among other factors, payment compensation standard (standard amounts), structure (such as fixed and variable portions), form (such as cash or stocks) and timing (such as regular payment or payment at resignation).
(c)The executive compensation system shall be established in accordance with both domestic and foreign rules and guidelines concerning executive compensation.
(d) The executive compensation system shall reflect our economic and social environment as well as our group’s medium- and long-term business performance, and we shall establish our system appropriately by referring to such systems of other companies, including our competitors, in its establishment.
(iii) Control
(a) Part of an Officer’s executive compensation shall be provided on a deferred payment basis over multiple years in order to mitigate risks stemming from actions taken for short-term gains that are excessively risky or could compromise value creation for various stakeholders.

- (b) We shall introduce, as necessary, methods to decrease or compel forfeiture of such deferred amounts or to compel forfeiture of, in whole or in part, compensation already paid.
- (iv) Governance
- (a) In order to effectively secure objectivity, appropriateness and fairness with respect to executive compensation, the Compensation Committee shall determine important related matters such as this policy, the design of the executive compensation system and the executive compensation for each of director and executive officer as defined in the Companies Act.
- (b) All members of the Compensation Committee shall be in principle appointed from among outside directors (or at least nonexecutive directors), and the Chairman thereof shall be an outside director.
- (v) Disclosure
- In order to effectively secure transparency with respect to executive compensation, this policy, the executive compensation system and executive compensation that has been decided, shall be disclosed in a lawful, appropriate manner through suitable means.
- b. Compensation System
- I. Compensation for the Officers responsible for business execution shall, in principle, consist of Basic Salary, Stock Compensation and Performance Payments. In addition, the composition ratio of fixed compensation and corporate performance linked compensation and others (variable compensation) will be determined according to the functions and responsibilities of each of the Officers and the composition ratio of fixed compensation of the Group CEO is determined to be the minimum composition ratio. From the perspective of ensuring the effectiveness of the supervisory function, compensation for non-executive officers responsible for management supervision shall be, in principle, in the form of fixed compensation consisting of Basic Salary and Stock Compensation I and such composition shall be, in principle, 85% and 15%, respectively.
- (i) "Basic Salaries" shall factor in the functions and responsibilities of each of the Officers, and payment will be made monthly in cash.
- (ii) "Performance Payment" shall be made as a monetary incentive for Officers, etc., to achieve our Business Plan and as compensation for their achievement. The payment thereof shall reflect the results of organizations (our in-house companies and units, etc.) that each Officer, etc., is in charge of and the performance of each Officer, etc., in addition to the standard amount for the functions and responsibilities of each of the Officers. "Performance Payment" shall be paid, in principle, within the range of 0% to 170% of the standard amount for the functions and responsibilities of each of the Officers. A system shall be adopted which, based on resolution by the Compensation Committee, etc., enables certain amounts of deferred payments of the performance payment over three years, as well as a decrease or forfeiture of the deferred amount depending on performance, etc., of the company or the individual.
- (iii) "Stock Compensation" shall be paid in the form of shares of common stock of Mizuho Financial Group consisting of "Stock Compensation I" and "Stock Compensation II," (together "Stock Compensation I and II") acquired from the stock market through a trust with an aim to align the interests of Officers, etc., with those of the shareholders and increase the incentive to enhance corporate value.
- (a) "Stock Compensation I" shall be paid at the time of retirement of each Officer, etc., in the form of shares of common stock of Mizuho Financial Group calculated based on the functions and responsibilities of each of the Officers. A system shall be adopted which enables a decrease or forfeiture of the amount by resolution of the Compensation Committee, etc., depending on performance of the company or the individual.
- (b) "Stock Compensation II" shall be paid in accordance with the status of achieving our Business Plan and as compensation for their achievement in addition to the standard amount for the functions and responsibilities of each of the Officers. "Stock Compensation II" shall be paid, in principle, within the range of 0% to 130% of the standard amount for the functions and responsibilities of each of the Officers.
- A system shall be adopted which enables the entire amount of deferred payments over three years, as well as a decrease or forfeiture of the deferred amount by resolution of the Compensation Committee, etc., depending on performance of the company or the individual.
- II. There are cases where compensation for some personnel, including those officers recruited locally in countries other than Japan, may be designed individually in compliance with local compensation regulations while taking into consideration local compensation practices and the responsibilities, business characteristics and market value, etc., of each respective officer.
- For cases where compensation is designed individually, payment of compensation is also made in accordance with

the performance of the company or the individual. Payment of compensation is designed to avoid excessive risk-taking through a system which enables certain amount or a portion of deferred payments and non-monetary payments such as stock, as well as a decrease or forfeiture of the deferred amount depending on the performance, etc., of the company or the individual.

- c. Compensation Determination Process
- I. The Compensation Committee shall determine the compensation for each individual director and executive officer of MHFG, exercise approval rights in MHFG for compensation for each individual director of MHBK, MHTB and MHSC, determine the basic policy and compensation system for directors and executive officers of MHFG and exercise approval rights in MHFG for the basic policy and compensation system for directors and executive officers of MHBK, MHTB and MHSC, in order to effectively secure the transparency and objectivity of compensation.
- II. The President & CEO, pursuant to this policy and regulations and detailed rules, etc., shall determine the compensation for each executive officer, as defined in our internal regulations, and approve at the MHFG the compensation of each individual executive officer of MHBK, MHTB and MHSC.
- III. The Compensation Committee will verify the validity of the compensation system and standards based on economic and social conditions and survey data with respect to management compensation provided by external specialized organizations.
- IV. All members of the Compensation Committee shall be appointed from among outside directors (or at least non-executive directors) and the Chairman thereof shall be an outside director.
- V. The Compensation Committee may have officers who are not members of the committee (including officers of MHBK, MHTB and MHSC) such as the President & CEO and external experts, etc., attend its meetings and provide their opinion in order to facilitate adequate and appropriate discussions and determinations.
- (2) Policies relating to compensation of "Subject employees, etc."
- The policies relating to compensation for executive officers (as defined in our internal regulations) of MHFG and directors, executive officers (as defined in our internal regulations) of MHBK, MHTB and MHSC are also the same as the policies described in (1) *Policies relating to compensation of "Subject directors, etc."* above. Compensation for other employees, etc., is determined in accordance with their duties and responsibilities. Some bonuses that are linked to performance are determined after comprehensively evaluating the employee's contribution to business, including any qualitative contributions to the organization, in a manner that does not place an excessive emphasis on results.
2. The effect of the overall level of compensation, etc., on equity capital
- The Compensation Committee of MHFG receives reports on the amount of compensation paid to directors, executive officers (as defined in the Companies Act), executive officers (as defined in our internal regulations) of MHFG, MHBK, MHTB and MHSC in the previous fiscal year and confirms that there is no material effect on the Mizuho group's performance or the adequacy of equity capital.

(C) Compatibility between System for Compensation of "Subject Directors and Employees" of Mizuho Group and Risk Management and Matters Relating to Linking Compensation with Performance

1. Compatibility between system for compensation of "Subject directors and employees" and risk management
The compensation of employees in risk management department, compliance department and internal audit department is decided in accordance with the salary and bonus system, and specific payment amounts are conclusively determined in accordance with employee performance evaluations made by the relevant department and the human resources department, independent from departments furthering business.
Each employee of the risk management department, the compliance department and the internal audit department sets their own objectives in the employee performance evaluations, subject to the approval of their superiors. The degree to which the objectives are achieved is evaluated by taking into account the degree of the employee's contribution to the establishment of a system for risk management, compliance and internal audit.
2. Linking compensation of "Subject directors and employees" with performance
The performance payments and performance-based stock compensation for "Officers Responsible for Business Execution" shall be determined by multiplying the standard amount, which is determined based on the functions and responsibilities of each of the Officers, by a corporate performance linked coefficient. To determine the coefficient, the quantitative items are evaluated based on the target achievement rates for the "Consolidated Net Business Profits + Net Gains (Losses) related to ETFs and others" (which indicates the profitability of the core operations), the "Profit Attributable to Owners of Parent" (which is the final result of management's performance), the "Consolidated ROE" and the "Expense Ratio" (which indicate the management's efficiency). The target achievement rate for each indicator will be capped at 150% and will be set at 0% if it falls below the target by a certain degree. In addition, the qualitative items are evaluated comprehensively, ranging from 0 to 150%, from the perspective of increasing corporate value through the group's sustainable and stable growth based on items that, for example, cannot be recognized only by the target achievement rates, such as the "quality of profits" (which takes into account the comparisons with previous years and other companies) and the "sustainability initiatives" (which utilized the comparisons with previous years and MSCI and FTSE)). In addition to the above, for the Officers other than the Group CEO, the evaluation on, among other matters, the results of each organization that each of the Officers is in charge of (in-house companies and units) will also be taken into consideration. A certain amount of the performance payments and the entire amount of the performance-based stock compensation shall be made or paid in deferred payments over three years, and a decrease or forfeiture of the deferred amount may be made depending on the performance, etc., of the company and such officer. It should be noted that certain "Subject directors and employees" have entered into compensation-related contracts. Stock compensation for "Non-Executive Officers Responsible for Management Supervision" shall be made in accordance with the standard amount set for the functions and responsibilities of each of the Officers, and the payment level shall not change based on the performance of each officer. With regard to compensation for other employees, salary is determined according to their job duties and responsibilities. In addition, the proportion linked to the performance bonus is determined through appropriately and comprehensively evaluating the contribution to performance, including the degree of contribution to the organization, etc., so as not to become excessively performance based.

(2) Quantitative Disclosure Items

(A) REM1 : Compensation Assigned to the Relevant Fiscal Year			(Millions of yen, except people)	
No.			a	b
			"Subject directors, etc."	"Subject employees, etc."
1	Fixed compensation	Number of "Subject directors, etc." and "Subject employees, etc."	19	186
2		Fixed compensation amount (3+5+7)	¥1,012	¥8,806
3		Cash compensation amount	833	8,199
4		Of which, deferred amount	22	—
5		Stock compensation amount or stock-based type compensation amount	177	64
6		Of which, deferred amount	177	64
7		Other compensation amount	1	542
8		Of which, deferred amount	—	—
9	Variable compensation	Number of "Subject directors, etc." and "Subject employees, etc."	16	164
10		Variable compensation amount (11+13+15)	617	17,245
11		Cash compensation amount	337	16,207
12		Of which, deferred amount	44	6,812
13		Stock compensation amount or stock-based type compensation amount	279	1,037
14		Of which, deferred amount	279	636
15	Retirement benefits	Other compensation amount	—	—
16		Of which, deferred amount	—	—
17		Number of "Subject directors, etc." and "Subject employees, etc."	—	—
18	Other compensation	Retirement benefits amount	—	—
19		Of which, deferred amount	—	—
20		Number of "Subject directors, etc." and "Subject employees, etc."	—	147
21		Other compensation amount	—	425
22		Of which, deferred amount	—	—
23		Compensation amount (2+10+18+21)	¥1,629	¥26,478

- Notes: 1. Amounts of compensation of "Subject directors, etc." include amounts of compensation received for duties performed as a director or executive officer of a "Major consolidated subsidiary."
2. The number of employees is the actual number of persons (a) for the compensation for the fiscal year ended March 31, 2022 and (b) for the compensation for the fiscal year ended March 31, 2021 for the payments made or anticipated payments for which the amount became clear during the fiscal year ended March 31, 2022 are stated.
3. The stated amount is the total amount for the fiscal year ended March 31, 2022 and the fiscal year ended March 31, 2021.
4. No. 7, "Fixed compensation," "Other compensation amount," includes condolence money insurance premiums, based on the decision of our Compensation Committee.
5. No. 11, "Variable compensation" "Cash compensation amount," includes the recorded performance payment for the fiscal year ended March 31, 2021 for directors, executive officers (as defined in the Companies Act), and executive officers (as defined in our internal regulations) of MHFG, MHBK, MHTB and MHSC. For portions that exceed a certain amount, we plan to defer payment over the three-year period from the fiscal year ending March 31, 2023.
6. No. 13, "Variable compensation" "Stock compensation amount or stock-based type compensation amount" includes the amount obtained by multiplying the stock compensation and performance-based stock compensation ownership points (with one point to be converted into one share of MHFG stock) granted to the directors, executive officers (as defined in the Companies Act), and executive officers (as defined in our internal regulations) of MHFG, MHBK, MHTB and MHSC for the fiscal year ended March 31, 2021 by the book value of MHFG's shares (1,573.424 yen per share). For stock compensation and performance-based stock compensation for the fiscal year ended March 31, 2021, we plan to defer payment over the three-year period from the fiscal year ending March 31, 2023.
7. Because the amounts of the stock compensation, performance payment and performance-based-type stock compensation for the directors, executive officers (as defined in the Companies Act), and executive officers (as defined in our internal regulations) MHFG, MHBK, MHTB and MHSC for the fiscal year ended March 31, 2022 have not been determined at this time, they are not included in the above compensation. However, we have recorded the required reserves for accounting purposes.
8. The exercise periods for the stock compensation-type stock options (stock acquisition rights) are as set out below. Under the stock option agreements, exercise of the options is postponed, even during the exercise period, until the time of retirement of the director or employee.

	Exercise period
Fourth Series of stock Acquisition Rights of MHFG	December 9, 2011 to December 8, 2031
Fifth Series of stock Acquisition Rights of MHFG	September 3, 2012 to August 31, 2032
Sixth Series of stock Acquisition Rights of MHFG	February 18, 2014 to February 17, 2034
Seventh Series of stock Acquisition Rights of MHFG	December 2, 2014 to December 1, 2034

(B) REM2 : Special Compensation (Millions of yen, except people)						
	a	b	c	d	e	f
	Bonus guarantees		Lump sum payments at the time of recruitment		Additional retirement benefits	
	People	JPY	People	JPY	People	JPY
“Subject directors, etc.”	—	—	—	—	—	—
“Subject employees, etc.”	—	¥—	—	¥—	4	¥103

(C) REM3 : Deferred Compensation (Millions of yen)						
		a	b	c	d	e
		Deferred compensation amount	Of which, the deferred compensation amount subject to adjustment or variation	Regarding compensation after allocation, variable amounts adjusted but not linked to variations for the relevant fiscal year	Regarding compensation after allocation, variable amounts adjusted and linked to variations for the relevant fiscal year	Amount of deferred compensation paid in the relavent fiscal year
“Subject directors, etc.”	Cash compensation amount	¥55	¥55	¥—	¥—	¥5
	Stock compensation amount or stock-based type compensation amount	496	432	—	20	112
	Other compensation amount	—	—	—	—	—
“Subject employees, etc.”	Cash compensation amount	11,113	256	△0	—	3,211
	Stock compensation amount or stock-based type compensation amount	1,205	417	—	7	144
	Other compensation amount	—	—	—	—	—
Total amount		¥12,871	¥1,161	¥(0)	¥27	¥3,473

(D) Other Relevant Matters Relating to Our System of Compensation for "Subject Directors and Employees" of Mizuho Group

Not applicable, other than those covered in the above.

Disclosure Policy

1. Basic principles

We are committed to 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 as the leading Japanese financial services group with a global presence and a broad customer base. For this reason, we place one of the highest management priorities on continuing to disclose information to our customers, shareholders, and investors both in and outside Japan in a fair, timely and appropriate manner, in order that they may form proper judgments and appraisals of the group. To achieve this aim, we observe applicable domestic and international laws and regulations as well as stock exchange rules relating to corporate disclosure, and we establish and implement appropriate Disclosure Controls and Procedures.

2. Disclosure Controls and Procedures

(1) Establishment and implementation of Disclosure Controls and Procedures

Our Disclosure Controls and Procedures are established to observe applicable domestic and international laws and regulations as well as stock exchange rules and to implement fair, timely and appropriate corporate disclosure. The Disclosure Controls and Procedures are the process carried out by directors, officers and employees of Mizuho Financial Group and include Internal Controls over Financial Reporting designed to provide reasonable assurance regarding the reliability of Financial Reporting and the Preparation of Financial Statements. We have established the basic principles underlying our Disclosure Controls and Procedures as well as our internal rules related to Disclosure Controls and Procedures that govern the management framework for the entire Mizuho Financial Group including group companies, and we endeavor to establish, implement and continuously improve our Disclosure Controls and Procedures. Our Disclosure Committee is the Business Policy Committee that is responsible for discussing and coordinating matters relating to Disclosure Controls and Procedures.

(2) Evaluation of effectiveness of Disclosure Controls and Procedures

Our Disclosure Controls and Procedures are documented, and evaluation of the overall effectiveness of our Disclosure Controls and Procedures is conducted regularly by reviewing the contents of such documentation and their implementation. In addition, evaluation of the effectiveness and appropriateness of Disclosure Controls and Procedures is conducted through internal audits.

(3) Others

We established a “Code of Ethics for Financial Professionals” to be observed by all directors and executive officers, as well as all managers and other employees within Mizuho Financial Group who engage in financial reporting, accounting or disclosure. We have also developed the “internal control and audit hotline”, a system designed for reporting questionable accounting, internal control, or auditing matters from both inside and outside Mizuho Financial Group.

3. Disclosure methods, other

(1) Disclosure methods

With respect to the information which is required to be disclosed pursuant to applicable domestic and international

laws and regulations as well as stock exchange rules, we follow the defined disclosure procedures such as publishing such information in business reports (Jigyo–Hokoku), annual securities reports (Yukashoken–Hokokusho), Integrated Report (Annual Review) and other disclosure publications, as well as providing such information through the information distribution systems of domestic and international stock exchanges and through press releases. We also endeavor to disclose other information in a fair, timely and appropriate manner. When we disclose such information, we basically publish on our website the information we disclose. In addition, we endeavor to utilize the latest disclosure methods and tools to provide more fair and widespread disclosure.

(2) Investor relations activities

Investor relations activities to market participants both in and outside Japan such as shareholders, investors and securities analysts are conducted by the President & Group CEO, Group CFO, Chief IR Officer, and executives and employees designated by them. In accordance with our basic principles described in section 1 above, and with due attention to two–way communication, we endeavor sincerely to facilitate a proper understanding of our management strategies, financial condition and other matters. In this way, we aim to earn the trust of the market and obtain an appropriate market reputation.

Beginning with the disclosure required by applicable domestic and international laws and regulations as well as stock exchange rules, we endeavor to grasp properly the types of information desired by the market and to disclose useful and appropriate information voluntarily and proactively, in accordance with the so-called Fair Disclosure Rule (“FDR”). Regarding disclosure of information we consider particularly important, we communicate such information on an ad hoc basis as and when necessary, even if a press release has already been issued, through such means as special briefing sessions.

In addition, we respect various disclosure principles including fair disclosure. Accordingly, at individual calls, private meetings or conferences hosted or attended by representatives of Mizuho Financial Group we endeavor to limit carefully our explanations to matters already disclosed and facts commonly known.

Should we happen to disclose important information such as information subject to insider trading regulations and/or undisclosed financial results that might have a significant influence on stock prices, we endeavor to take necessary action such as officially announcing the information as soon as possible, in accordance with FDR.

(3) Correction of misconceptions in the markets

If we identify significant misconceptions regarding Mizuho Financial Group in the market due to the spread of rumors or otherwise, we endeavor to investigate their causes and correct such misconceptions promptly.

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