Section 01

Executive messages

Q What mission should Mizuho fulfill?

A We are supporting the innovations of all our stakeholders through the power of finance and creating new forms of incremental value.

Contents

Message from the Group CEO

Supporting the innovations of a full range of stakeholders and co-creating new value as we carry forward our Purpose and our high aspirations as a financial institution

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

In fiscal 2025, we have achieved net profit after tax of ¥1.2 trillion, surpassing the ¥1 trillion mark for the first time, and ROE was above 10%, the target we had set as one of our milestones. We were able to reach these numbers because we made progress in our domains of focus in a variety of ways, progress that arose not only from the dedication of our employees and the encouragement of our clients but also from the invaluable support and advice we received from all of our shareholders. I would like to express my sincere gratitude to everyone. Also in fiscal 2025, we initiated a series of upgrades to our core banking system MINORI, the first of which, in October, went through without any issues, demonstrating the effectiveness of the stringent preparations and testing we have put in place since the IT system failures of 2021 and 2022. We will implement additional upgrades throughout fiscal 2026 with the same high level of diligence.

The world has reached a significant turning point, a truly seismic upheaval. Geopolitical risks are on the rise, bringing both crisis and opportunity in tandem. Every nation will have to overcome crises and capture opportunities to bolster its resilience and influence. The keywords here will be so-called self-dependency and indispensability. Japan is one example. The escalating tensions in the Middle East have exposed the fragility of supply chains that rely on the Strait of Hormuz to transport commodities, most prominently oil, and Japan will need to consider from a long-term perspective how to stably secure resources essential to industry and daily living; in other words, how to become more self-dependent. While locating alternative sources for materials, it will need to ramp up its development of carbon-free energy such as hydrogen and its shift to a circular economy. The other aspect of this will be indispensability, to other countries and on the international stage. Japan's manufacturing industry may have lost some of its prestige in recent decades, but it is still just as adept at coordinating multiple processes to optimize quality and product development. Semiconductors are one field in which Japan's proficiency at this is well-known. The supply chain for semiconductors encompasses a continuous series of processes running from design to the final product, and within that series of processes Japan has established itself as irreplaceable in the fields of semiconductor manufacturing equipment, materials and components, and material handling. Automobiles and robotics are also fields in which Japanese industry excels. That said, global competition is intensifying, in these and other fields. Holding on to indispensability will require proactive research and development, use of AI, and collaboration with startups. It is important to recognize that self-dependency and indispensability are in a mutually interdependent relationship, which means that no country can stand entirely alone. The current era of decoupling notwithstanding, countries will have to work with one another to shore up their individual capabilities.

Amidst such complex times, Mizuho is supporting a full range of stakeholders innovating towards self-dependency and indispensability, in line with our high aspirations as a financial institution. This is nothing other than our true mission, described in our corporate Purpose of "Proactively innovate together with our clients for a prosperous and sustainable future" and intrinsic to the organizational DNA passed down to us by our founders, early industrialists and entrepreneurs such as Eiichi Shibusawa who were instrumental to Japan's modernization.

From here, I will go into some further detail about our aspirations and the "4+α" ("four plus alpha") strategy by which we are pursuing them. You may remember that in last year's report I outlined five business focus areas. The "4" in "4+α" refers to four of those, which we are distinguishing by calling them domains. The "α" ("alpha") in "4+α" is about interconnecting the four domains and the functions within them to generate new added value and comprises the centerpiece of our approach to our aspirations. It will also be the channel through which we continue our positive contributions to sustainability. My other topics for this message, following on from last year, will be our group-wide challenges, our corporate culture transformation, and our becoming a more global financial institution.

1 Our high aspirations and “4+α” strategy

What are Mizuho’s aspirations? Broadly speaking, I would say we have four.

(i) Restoring the competitiveness of Japanese industry

The first is to put forth a winning formula for Japanese industry and decisively support Japanese companies’ growth so that Japanese industry can recover its competitiveness. This entails reinforcing the indispensability of Japanese industry, and we are interconnecting multifaceted functions from across our group to that end. Again, the Japanese manufacturing industry’s strengths are in its coordination between suppliers, many of whom are middle-market firms or small- and medium-sized enterprises (SMEs). Looming over the industry are the significant business survival challenges its suppliers and other members are facing due to Japan’s aging population. By assisting the owners of middle-market firms and SMEs with passing their businesses on to successors, we are playing a role in ensuring these businesses can continue to make their technologies available. In addition, we will interconnect these smaller businesses with larger corporate partners and connect outlying regions with the Tokyo metropolitan region as part of building more robust supply chains for the country.

Another one of our initiatives is to cultivate startups and new industries. Our involvement in the space industry falls under this. The industry has had a number of promising startups launching, and it is well positioned to take advantage of supply chains already established by existing industries. Interconnecting startups with Japan’s large corporations, middle-market firms, and SMEs is one way we are helping such new industries to grow.

(ii) Facilitating international collaboration

As I wrote earlier, despite every country needing to become more self-dependent and indispensable going forward, no country can do it all alone. Semiconductors epitomize this quandary. One of the consequences of the explosive growth of AI has been a headline-making shortage of semiconductors in non-AI fields. The semiconductor supply chain operates on a global scale, so any country looking to buttress its self-dependency by establishing a domestic manufacturing base will still have to work with multiple suppliers from overseas. This is where several of our strengths at Mizuho become relevant: our solid relationships with companies in Japan, our worldwide network, and our investment banking functions in the Americas. Interconnecting the strengths of our Japan-based corporate banking business and global Corporate & Investment Banking business, we are facilitating international collaboration alongside greater self-dependency and indispensability for each country.

(iii) Promoting sustainability

I anticipate that the momentum towards national self-dependency will bring sustainability once again into the spotlight. In Japan’s case, the country is heavily dependent on external partners for resources such as oil and energy and is also struggling with labor shortages and aging infrastructure. It can address the former by developing hydrogen and other renewable energy, new materials that do not depend on oil, and a circular economy and the latter by developing new infrastructure through coordination between local governments and capturing of private sector investment. Crucial to these efforts will be collaboration with companies outside Japan and startups. Here as well, we are interconnecting the functions of our Japan-based corporate banking business and our global CIB business to positively contribute to sustainable growth.

(iv) Personal well-being for retail customers

What do our retail customers in Japan want from finance? They want a high level of convenience that fits into their daily lives, banking apps with superior user interfaces and user experiences, and simple and easy-to-navigate platforms to manage their assets. For customers who have viewed interacting with banks as something of a hassle, we are breaking down barriers on these fronts. Outside of digital, we are leveraging our existing strengths in in-person consulting. Japan has recently returned to inflation after years of stable prices, which has pushed customers to try to grow their assets in the interest of maintaining their standard of living, in turn creating greater consulting demand. Business owners, too, have concerns about growing their businesses and personal assets and passing those on to the next generation, so-called business and asset succession. We are approaching these customers with a spirit of *omotenashi*, a Japanese word that is popular in Japan’s hospitality industry and means sincere consideration for the customer’s unspoken needs. We convey this spirit as we make sure they have the comprehensive information they need to overcome their life challenges, and because of our support they can look forward to the future with emotional and economic security. That is, in my view, what our fourth aspiration is all about. To realize it, we will interconnect highly convenient financial services, wealth management, and Mizuho Trust & Banking’s inheritance and succession functions.

I have two more key points. The first is that it is only when we realize our aspirations that they become meaningful. With that in mind, all of us at Mizuho will take ownership of these aspirations and work towards them in concert. The second is that, at the moment, the four aspirations are simply rough representations of my own thinking. We will be doing more to flesh them out with an eye towards the business environment, our clients’ and society’s changing needs, and our own growth. I am encouraging our employees to continue examining day to day what our aspirations can be and to draw on their innovations, learnings from past failures, gratitude, and self-reflections in doing so.

2 Our four strategic domains

Those were the specifics of our aspirations and the interconnections within our “4+α” strategy. For Mizuho to produce added value from the interconnections, we must also have unquestionable strengths in the four domains. In that regard, we have experienced both progress and challenges.

Improving customer experience (mass-market retail business in Japan)

Our fundamental role as a financial institution is to channel capital and manage risk. We hold deposits for our retail customers in Japan on the one hand, and we serve clients in need of capital worldwide on the other. Accordingly, the deposit base is a vital source of funds to support growth for clients and society at large. In fiscal 2025, we had 500,000 new deposit account openings, up 26% year-on-year, and we overshot our target for Mizuho Rakuten Card issuances by 30%. These are promising results for building out a base of so-called “sticky” deposits that customers are unlikely to take to other financial institutions. Even so, the deposit balance is not going up at the rate we would like, posing a persistent challenge. Aided by the leadership of our new Co-Head of the Retail & Business Banking Company, Naoshi Inomata, we are making our initiatives to increase the deposit balance more visible and implementing them with all possible speed. Further, in fiscal 2025 we acquired shares in Upsider, a startup well regarded for its AI credit model and corporate credit cards in Japan. Interconnecting their respective functions, Upsider and Mizuho Bank are rolling out new services to middle-market firms and SMEs to attract additional deposits.

Dramatically expanding personal wealth in Japan (asset and wealth management in Japan)

We have boosted both assets under management and revenue by, among other means, reviewing our customer segments, raising the quality of our consulting, strengthening sales of our fund wraps, and selling a private credit fund managed by US-based private credit manager Golub Capital to high-net-worth clients. However, we still cannot claim to stand shoulder-to-shoulder with other securities firms and other Japanese megabanks in this domain. Asset Management One's wrap-style investment trusts and Mizuho Securities' fund wraps will be a base for us to make better proposals to clients on their investment portfolios. We will also continue collaborating more with Rakuten Securities, which is backed by Rakuten’s vast ecosystem of e-commerce and other services in Japan.

Competition in the asset management business is fierce and escalating, so it will be imperative to give Asset Management One’s unique offerings a higher profile. We balance investment capabilities centered on asset classes in Japan with a discernment that allows us to select the best funds for investment outside Japan, and we will be honing these even further.

Enhancing the competitiveness of Japanese companies (Supporting the growth of Japanese companies)

We have been deeply involved in the growth strategies of our large corporate clients, facilitating many corporate actions. This has been a space for us to combine our longstanding strengths in industry research; our financial and capital strategy design, including Mizuho Trust & Banking’s advising on strategies for engagement with shareholders; and Mizuho Securities’ investment banking functions. Global CIB collaboration has been evolving as well, enabling us to attain a higher position in cross-border M&A and foreign bond issuances by Japanese companies.

Our enhanced growth support for middle-market firms and SMEs has been successful, producing a substantial increase in our M&A business during fiscal 2025. We have also had solid outcomes in business succession. For startups, we are moving ahead on providing risk capital, notably arranging a syndicated loan in the deep tech field, with some of Japan’s local community financial institutions joining as lenders. Demand for capital is expected to grow significantly, and we will continue to build on our strengths in integrated banking, trust banking, and securities to provide high added value solutions for our clients’ diversifying finance needs.

Global Corporate & Investment Banking business

We have fully integrated Greenhill, the US-based M&A advisory firm we acquired, and have been achieving the intended synergies in terms of arranging more M&A-linked financing, assisting in more US-Japan cross-border M&As, and similar. In December 2025, we agreed to acquire, subject to regulatory approvals, a stake of over 60% in Avendus Capital, an Indian investment bank. This will complete our M&A platform connecting the four strategic pillars of the Americas, EMEA, APAC, and Japan. I am very excited about what we will be doing with that. In EMEA, having launched our universal bank and implemented structural reforms, we have come to a stage of broadening our business through a focused strategy. On the products side, in 2025 the head of our fixed income, currencies, and commodities division in the Americas, Thomas Hartnett, took on a dual role managing both the Americas and EMEA, which has resulted in greater collaboration between the two regions. In APAC, we are engaging in even more transaction banking, such as foreign exchange transactions with non-Japanese clients, extending our existing presence in this area. Collaboration between regions, including Japan, will be one of our growth drivers going forward. Currently, we are number 15 in the global investment banking league table, and we aim to enter the top 10 in the medium term.

3 Group-wide challenges

Cost restructuring

Higher personnel, IT system, and general and administrative expenses have been the main factors in the increase of our cost base. Behind these higher costs are inflation, our own human capital investment, and our IT system investment in fields where we had previously been refraining from investment. Although we understand some costs to be unavoidable, we are directing considerable attention to striking the right balance between costs and returns and ceaselessly cutting costs wherever we can. As such, we have been reviewing and eliminating products and services and either bringing back in-house or eliminating work we had been outsourcing to third parties. Through ongoing efforts in this vein, we aim to reduce base expenses by ¥150 billion over the next three years.

Balance sheet control

Amid heightened geopolitical tensions in the Middle East, clients are increasingly prioritizing liquidity, while accelerating corporate actions to transform their business models. In this context, we expect fundraising activity to continue expanding. Now is an opportunity for Mizuho, with our strengths in industry finance, to make an outsize difference. That said, to meet clients' needs, we will have to adequately control credit risk, market risk, and liquidity risk. By staying vigilant to risk and return in our portfolio management, reducing idle assets, avoiding overreliance on our securities portfolio, securing suitable liquidity, and otherwise showing suitable caution where needed, we will manage such risk and uphold the resilience of our balance sheet.

Use of AI

We have two focuses when it comes to use of AI and data: creating new customer experiences and improving productivity. In fiscal 2025, we pushed out more tools for employees to make better use of AI and improve the productivity of different processes. Along with this, consistent with our ethos of providing clients with only the best information and proposals aligned with their needs, we elevated our capabilities across our channels, such as by adding to our digital marketing infrastructure.

The staggering advancements of AI are unlocking possibilities for radically transforming processes and customer experiences. With our Group Chief Digital Transformation Officer advising, we have identified five priority domains where we could use AI to boldly transform our business itself, and we are now moving forward with initial adoption. We must become an AI-driven company in order to remain competitive, and digital transformation leaders in each business line will accelerate our initiatives.

On improving the productivity of processes, our first priority is to redesign processes end to end in order to make them adaptable to AI. In April 2026, we formalized this as one of the responsibilities of our Operations Group. The group will look into every aspect of our processes and redesign them in partnership with relevant divisions to allow us to adopt AI more widely.

Aligning strategies with resource allocation

The key to maximizing growth potential against ever tougher competition will be finding the best allocation of corporate resources for our group as a whole. That is why we positioned our custody business outside Japan as a non-core business and sold it off. Turning to our core businesses, we have begun reassigning personnel in our middle-market firm and SME-facing business to concentrate on the more profitable areas.

From fiscal 2026, a new resource allocation committee led by our Group Chief Strategy Officer, Group Chief Financial Officer, and Group Chief Human Resources Officer will be optimizing the allocation of our talent portfolio, expenses, and investment from a holistic perspective. The rapid adoption of AI has made us keenly aware of the need to develop a talent portfolio for the medium term that balances quality and quantity. In some areas we will be able to use AI as a replacement, but in others we cannot do without the empathy and insight that only human beings can deliver. How do we find the best combination of naturally letting our workforce reduce in size and continuing to hire new employees? What are the fields where we can draw out new demand by reskilling our employees? What qualifications should our employees have in this new AI era?

There are a number of intricately intertwined factors to consider and a number of employees who may be affected, and we will be searching for the right answers to these questions.

Fortifying our corporate foundations in highly critical domains
Cybersecurity is one domain that leaves little room for error. The gradual digitalization of financial services, manifestation of geopolitical risks in the cyber sphere, and evolution of generative AI mean that cybersecurity is imperative in order to maintain the trust of our clients and the stability of our financial functions. We are closely tracking changes in the cybersecurity environment worldwide and staying agile in our response measures to ensure a secure and reliable foundation for the financial services we provide.

Financial crime is another domain where we cannot compromise if we are to protect our corporate foundations. As money laundering and other schemes become more sophisticated and complex, we are further enhancing our checking, monitoring, and management frameworks to preserve the health of the financial system and the trust of our client base.

4 Corporate culture transformation and becoming a more global financial institution

Corporate culture transformation
In last year's message, I wrote about the relationship between a sound corporate culture and strategies that allow employees to experience success. These are central to creating a virtuous cycle of employee innovation and corporate growth. My management philosophy in this regard is still the same. Also, because I do not think corporate culture transformation has any set endpoint, we are continuing to implement our initiatives to eliminate status quo bias and to encourage new innovations. Recently, we have been improving productivity by promoting delegation of authority and eliminating inefficiencies. In addition, in October of this year, we will implement some refinements to CANADE, the new HR framework we launched in Japan back in 2024, to support employees in innovating for greater added value.

Becoming a more global financial institution
Also in last year's message, I stated that we would transform from a Japanese institution with a global footprint to a global institution that embraces its Japanese heritage and bridges diverse cultures. Since taking up his current position last fiscal year, Deputy President Suneel Bakhshi has been devoting himself to making this happen, uncovering talent from outside Japan and revamping our global mobility program. This fiscal year, John Buchanan from the US has become a senior managing executive officer of Mizuho Financial Group and the Deputy Head of our Global Corporate & Investment Banking Company, and Thomas Hartnett, also from the US, has become a managing executive officer of Mizuho Securities. Other employees from regions outside Japan have been joining various levels of management at Mizuho Financial Group as well. These changes represent small but steady steps towards becoming more global in our organization.

Mizuho will continue to be a responsible and transparent financial institution for both our clients and employees. Our mission is to co-create with diverse stakeholders, embody our corporate Purpose, and deliver our aspirations to the rest of the world, and we are committed as a unified group to supporting the innovations of industry, companies, and individuals through the power of finance. We would like to express our sincere appreciation for the continued understanding and unwavering support of our shareholders, investors, and all stakeholders.

M. Kihara
Masahiro Kihara

Company town hall meeting outside Japan

A firm driving sustainable growth leveraging its distinctive strength of being rooted in Japanese heritage, combined with a truly global mindset operating to best practices across locations

Suneel Bakhshi
Deputy President & Executive Officer
In Charge of Specially Assigned Matters

We are operating in an era in which the geopolitical landscape is increasingly driving economic and financial fragmentation. In this environment, I strongly believe Japan holds a unique position as it connects as a trusted partner across each of the Americas, Asia, the Middle East, and Europe. As a financial institution with deep relationships with Japanese companies and a growing global footprint, Mizuho too has an increasingly important role to play: to connect markets, industries, and cultures responsibly, and to support our clients as they navigate both risk and opportunity.

Over the past year, we have moved forward in turning our aspiration of becoming a truly global financial group with Japanese heritage increasingly into execution. Progress has been tangible in both business and corporate functions. Cross-regional collaboration has strengthened, and while we have always had excellence in various functions in selected geographies, in the past year we have raised the consistency and speed of how we work across borders. Just as importantly, we are seeing momentum build in the organization's mindset: we are visibly shifting from "global presence" to "global operating capability."

At the same time, we recognize that we are still on the journey. To expand Mizuho's role in a fragmenting world, we must accelerate globality further—focusing on areas where being connected delivers the greatest impact for clients and for the group. Two themes are particularly important.

First, AI is reshaping our industry—requiring leaders to adapt their infrastructure and business models. Mizuho is focused on innovation across all our business segments through the delivery of safe and secure solutions to our clients globally. This is being actively built upon a foundation of strong governance and controls. Second, the importance of energy and transition continues to rise. Supporting stable supply, investment, and transition pathways on a global basis will remain critical for our clients and for society.

Mizuho's contribution is maximized when we connect capabilities across regions—linking our Japanese as well as other global client relationships with global solutions and execution. Talent is a key enabler of our transformation. We have taken meaningful steps to broaden leadership pathways—both by appointing leaders who hold group-based global roles while remaining in-region, and by increasing inbound mobility into Tokyo, including department head-level appointments. These moves are not symbolic. They reflect our commitment to operate as one team, to learn from diverse perspectives, and especially to build a Head Office environment that drives global collaboration at scale.

Ultimately, true globality is not achieved through structure alone—it is achieved through mindset and the way we work. Given strong support from my Head Office colleagues, I am confident that we will continue to see a strengthened global mobility and talent development so that high-performing colleagues can contribute across borders, deliver measurable outcomes, and transfer learnings back into the organization. As we do so, we will remain anchored in Japanese strengths—trust, integrity, and craftsmanship—while continuously improving how we operate with speed, openness, and global best practices.

In a world with pressures to fragment the global economy, Mizuho's role as a trusted connector becomes more important—not less. We remain committed to our transformation to be truly global, and we continue to value the ongoing support and engagement of our stakeholders.

Suneel Bakhshi

Rigorously implementing flexible and disciplined financial management to achieve our medium-term financial targets and enhance corporate value even amid uncertainty

Makoto Samejima
Member of the Board of Directors
Senior Managing Corporate Executive
Group Chief Financial Officer (Group CFO)

I was appointed Group Chief Financial Officer in April 2026. In my career to date, I have had extensive experience working in global Corporate & Investment Banking (CIB), and I have worked to strengthen the CIB business in the Americas, where Mizuho now enjoys competitive advantages. In my new role as Group CFO, I will leverage my experience navigating numerous tough deals, as well as my global perspective built up through working in the US for a total of ten years, to positively contribute to Mizuho becoming a truly global financial institution.

Reflecting on fiscal 2025 and the business environment

Financial markets saw a slump at the beginning of fiscal 2025 due to the announcement of US tariff policies. However, they subsequently rebounded, and our business performance was steady across all segments. We also benefited from macroeconomic tailwinds, including the Bank of Japan hiking interest rates and the weak yen. Together with temporary factors that boosted profits, these tailwinds enabled us to surpass our guidance for both Consolidated Net Business Profits, an indicator of the strength of our core operations, and Profit Attributable to Owners of Parent. The latter hit a new record high, exceeding ¥1 trillion for the first time, and ROE also reached 11.4%, exceeding the 10% mark. In other words, within a single year, we were able to achieve the fiscal 2027 medium-term financial targets for Consolidated Net Business Profits and ROE that we had set in 2025. We also invested in inorganic growth to strengthen our unique competitive advantages by acquiring AI-oriented financial services startup Upsider; entering into the agreement to acquire, subject to regulatory approvals, a majority stake in Avendus Capital; and taking other steps aligned with our considerable accumulation of capital. At the same time, we returned value to shareholders with ¥400 billion in share buybacks. Overall, it was a year of great progress for Mizuho.

That said, escalating tensions in the Middle East have recently been amplifying uncertainty in the outlook for economies and financial markets. We now face a severe and unpredictable environment given the downside pressure on the Japanese and other economies from high oil prices and supply chain disruption. To sustain profit growth against such uncertainty, it is extremely important that we rigorously implement flexible and disciplined financial management and balance sheet control.

Figure 1: FY2025 results

(¥ billion)

	FY2024	FY2025	
	Results	Results	Year-on-year
Consolidated Gross Profits[1]	2,965.6	3,515.6	+549.9
G&A Expenses[2]	–1,854.5	–2,091.7	–237.1
Consolidated Net Business Profits[1]	**1,144.2**	**1,461.1**	**+316.8**
Credit-related Costs	–51.6	–133.0	–81.4
Ordinary Profits	1,168.1	1,573.1	+405.0
Profit Attributable to Owners of Parent	**885.4**	**1,248.6**	**+363.1**
ROE[3]	8.5%	11.4%	+2.9%pts
Expense ratio	62.5%	59.4%	–3.0%pts

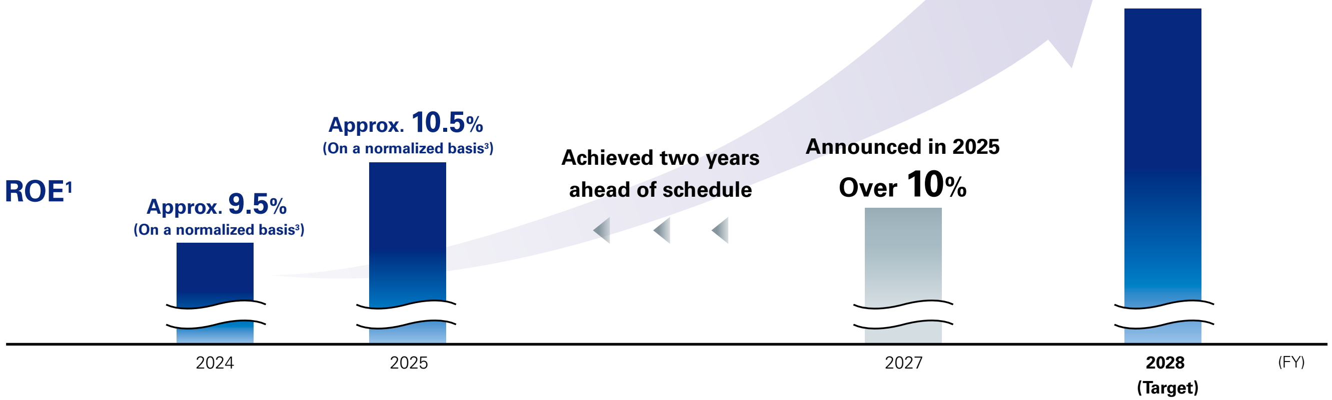
1. FY2024 results include ¥45.2 billion in Net Gains (Losses) related to ETFs and Others, and FY2025 results include ¥38.3 billion for the same figure.
2. Excluding Non-Recurring Losses and others.
3. Based on Tokyo Stock Exchange principles. Including Net Unrealized Gains (Losses) on Other Securities.

New medium-term financial targets and fiscal 2026 outlook

As we achieved our financial targets for fiscal 2027 within one year, we have set new medium-term financial targets looking

Figure 2: Setting new medium-term financial targets

	Announced in 2025 FY2027	Current FY2028
ROE[1]	Consistently achieving **over 10%**	Consistently achieving **over 12%**
Consolidated Net Business Profits[2]	Approx. ¥**1.4–1.6** trillion	Approx. ¥**1.8–2.0** trillion
(Assumptions) Bank of Japan policy rate USD/JPY	 0.50% 140	 0.75% 150



1. Based on Tokyo Stock Exchange principles. Including Net Unrealized Gains (Losses) on Other Securities.
2. Including Gains (Losses) related to ETFs and Others.
3. Performance reflecting true operation excluding forward-looking financial measures and temporary profit-boosting factors.

ahead to fiscal 2028. By that fiscal year, we aim to achieve ROE of over 12% and Consolidated Net Business Profits of ¥1.8–2.0 trillion. Taking into account forward-looking financial measures informed by fiscal 2025 performance and temporary profit-boosting factors, we calculate our fiscal 2025 ROE on a normalized basis at 10.5%, and we will make this the starting point to push our ROE to an even higher level and bring ourselves in line with leading global peers. Further, as we set our new targets assuming a Bank of Japan policy rate of 0.75% and were not able to factor in the June rate hike to 1.0%, we will aim for a still higher ROE reflecting the impact of additional rate hikes.

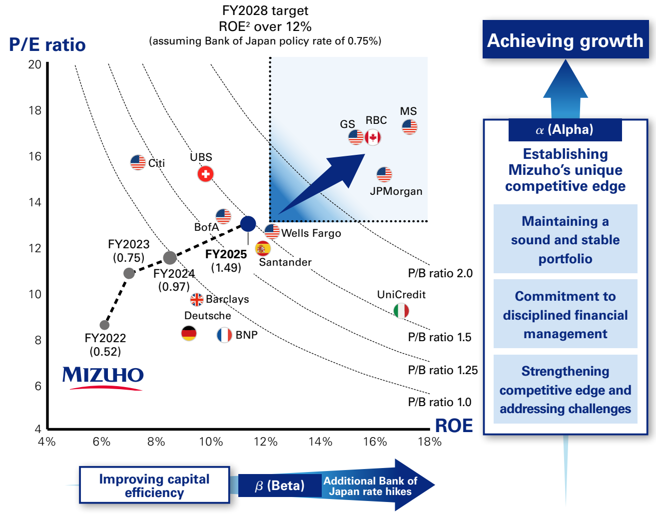
To stay on track for our medium-term financial targets, we are aiming for Consolidated Net Business Profits of ¥1,630 billion and Profit Attributable to Owners of Parent of ¥1,300 billion in fiscal 2026. On a normalized basis, excluding temporary profit-boosting factors, we view Profit Attributable to Owners of Parent for fiscal 2025 as ¥1,150 billion, and we aim to increase this to ¥1,300 billion through growth in Consolidated Net Business Profits, especially in our domains of focus. As noted earlier, we currently face an uncertain business environment, but we will pursue disciplined financial management to achieve our goals.

Progress of measures to improve the price-to-book ratio

Mizuho's price-to-book (P/B) ratio has steadily improved due to our higher ROE and expectations for sustained growth, but it remains lower than that of our leading global peers, and we need to raise it further to be in line with them. We consider this to be crucial and will continue working tirelessly towards it.

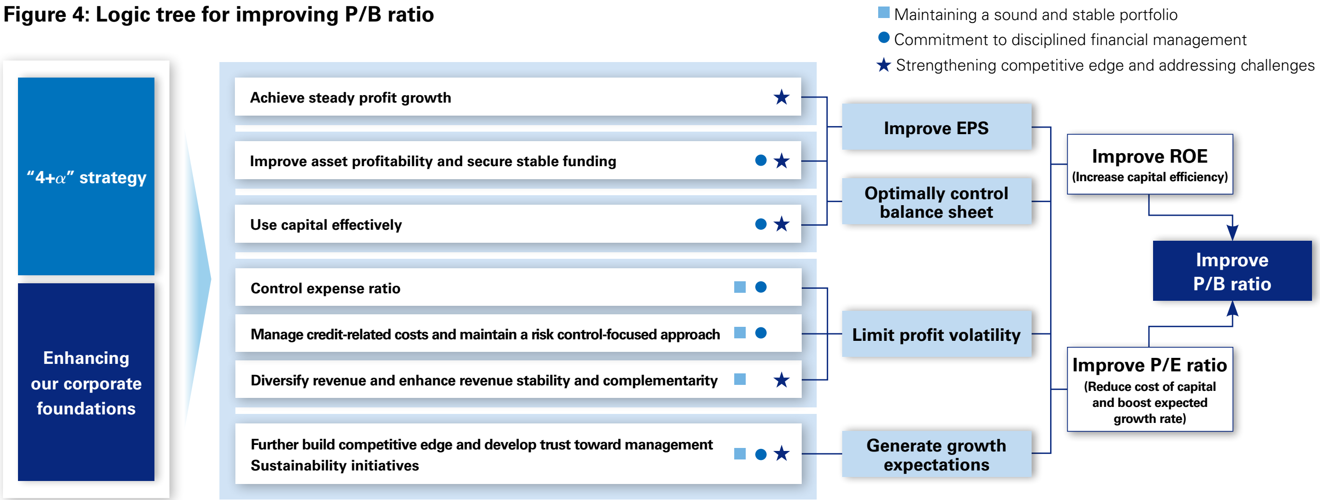
The way to achieve this is to raise both our ROE and price-to-earnings (P/E) ratio. As shown in our medium-term financial targets, we plan to consistently achieve ROE of over 12% by fiscal 2028. In parallel, we aim to execute a high-quality growth strategy

Figure 3: P/B ratio comparison to global peers[1]



1. Created by Mizuho based on Bloomberg data. Closing stock prices as of April 30, 2026 used for P/B ratio.
2. Based on Tokyo Stock Exchange principles. Includes Net Unrealized Gains (Losses) on Other Securities.

Figure 4: Logic tree for improving P/B ratio



based on Mizuho's unique competitive edge and raise the P/E ratio. To that end, we will endeavor to maintain a sound and stable portfolio, thoroughly implement disciplined financial management, strengthen our competitive edge, and address challenges in our business focus areas. On the business side, we will give a detailed explanation of our business model for value creation later, so here I will describe our efforts in the finance area.

To improve our P/B ratio, the key financial priorities we should focus on are improving earnings per share (EPS), optimal balance sheet control, limiting of profit volatility, and generation of growth expectations, as shown in the Figure 4 logic tree. In this regard, we will drive forward six specific initiatives with unwavering commitment and continue to produce steady results, thereby winning greater trust from shareholders and investors.

1) Achieve steady profit growth

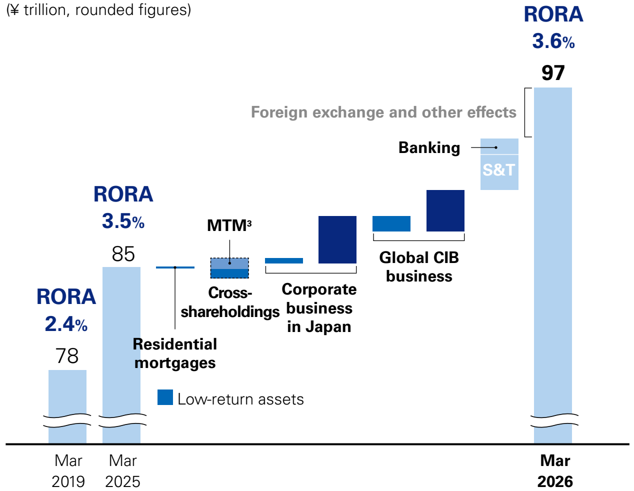
In fiscal 2025, Consolidated Gross Profits went up by ¥549.9 billion to a record ¥3,515.6 billion. Growth in interest income in Japan was a major growth driver here. The Bank of Japan raised rates, leading to an increase in the deposit-loan yield spread, and Japanese companies initiated more corporate actions, contributing to overall growth in event-driven finance. With these positive factors, growth in interest income in Japan accounted for around ¥150 billion of the increase in Gross Profits.

More importantly, non-interest income also served as a growth driver. In particular, in our business supporting the growth of Japanese companies, we delivered strong results by providing various proposals and financing solutions, including M&A advisory in connection to corporate actions by large and middle-market firms. In the global CIB business, too, our collaboration between banking and markets segments has been delivering solid outcomes, especially in the US, and has driven profit growth. Going forward, we will reinforce our four business domains, namely mass-market retail business in Japan, asset and wealth management in Japan, supporting the growth of Japanese companies, and global CIB, so as to maximize our earnings potential in Japan's rising interest rate environment, as well as realize earnings growth that is not dependent on rate hikes.

2) Improve asset profitability and secure stable funding

To further raise the ROE, we will continuously improve return on risk-weighted assets (RORA). In the client business, we will set profitability standards; measure profitability for all clients, transactions, and products; and shift corporate resources to higher RORA businesses. Specifically, we are reducing

Figure 5: Risk-weighted assets (RWA)[1] and RORA[2]
(¥ trillion, rounded figures)



1. Calculated on an internal management accounting basis. Considers factors including interest rate risk in the banking book. FY2025 management accounting rules.
2. RORA: Gross Profit RORA.
3. Mark-to-market.

mortgage loans, where there is fierce competition around interest rates and where RORA is insufficient relative to our profitability standards, as well as reducing other lending areas where RORA has not improved for many years. We will allocate the corporate resources freed up by this into high-RORA businesses where we can expect various ancillary revenues. To respond appropriately to growing funding demand, it will be vital for us to have optimal control over not only risk-weighted assets (RWA) but the balance sheet as a whole. As well as making progress in exiting unprofitable assets, we will thoroughly implement an originate-to-distribute (OTD) approach, particularly for long-term loans, and increase balance-sheet turnover.

On the liability side, we will focus on securing deposits as a stable source of funds for the financing we provide clients. Higher interest rates have intensified the competition for deposits, and we are taking action to attract more low-cost and so-called sticky deposits that customers are unlikely to take to other financial institutions. We will also ensure stable balance sheet management with medium- to long-term funding, including issuing corporate bonds.

Meanwhile, we are continuing to reduce our cross-shareholdings. The book value of our cross-shareholdings, which stood at approximately ¥2 trillion at the beginning of fiscal 2015, is most recently down to just around ¥0.7 trillion. Based on stock prices as of the end of March 2025, we are still targeting bringing the outstanding market value of cross-shareholdings, including deemed shareholdings, to below 20% of net assets by fiscal 2027.

3) Control expense ratio

At Mizuho, even amid ongoing cost pressures in the current inflationary environment, we have kept our expense ratio in the 55–60% range through disciplined cost management, maintaining this ratio on a par with major US and European banks despite a large gap in policy interest rates across regions. As uncertainty in the business environment increases and the risk of exposure to severe business conditions rises, we will continue to hold down fixed expenses to strengthen our profit resilience on the downside, and, over a period of three years, will implement ¥150 billion in fixed cost reductions. As a financial institution, we will proactively invest to ensure stable operations and build a unique competitive edge. At the same time, we will streamline operations by boldly scaling back or exiting products, services, and businesses where there are significant hurdles to gaining a unique competitive edge, while aggressively redesigning entire operational processes through proactive, AI-related investment.

4) Manage credit-related costs and maintain a risk control-focused approach

Many US tariff policies are still in effect, tensions in the Middle East are triggering high oil prices and supply chain disruptions, and the yen's trend towards weakening is becoming entrenched. These among other factors have the potential to cause our clients' finances to deteriorate, which could lead to larger credit-related costs. In fiscal 2025, we moved to fortify our finances to prepare against future risks, posting a new ¥54.7 billion in loan-loss reserves as a forward-looking measure for sectors where Middle East tensions and other factors may impact earnings. We will support our clients by closely monitoring their business performance and finances; detecting signs of change at the earliest stage possible; and making proposals for improvement, including business restructuring, before they encounter serious difficulties. In this way, we will limit our credit-related costs.

In the private credit market, an area of increased concern, we are taking a conservative approach; for example, our exposure to business development companies (BDCs) is limited to ¥0.3 trillion, and we are continuing to focus our risk-taking primarily on blue-chip companies.

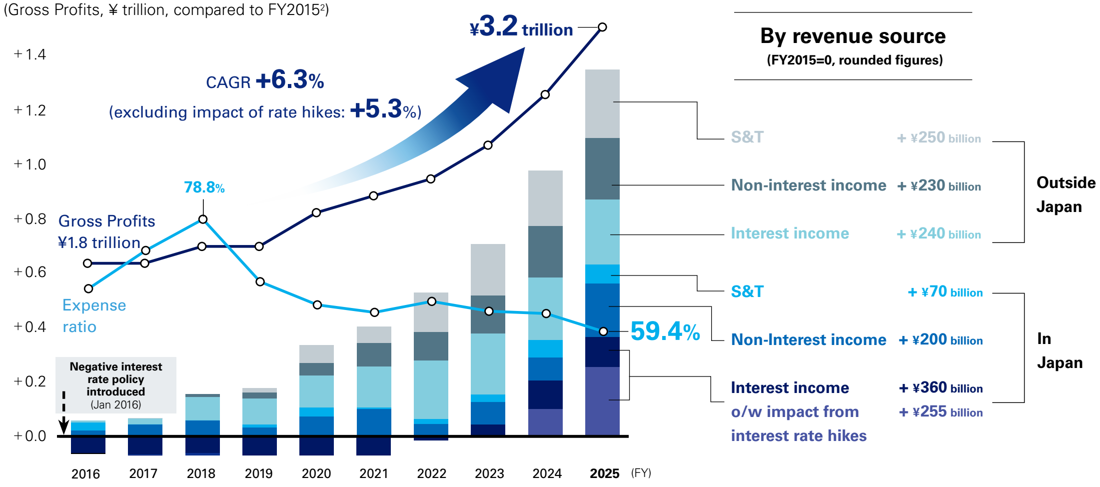
5) Diversify revenue and enhance revenue stability and complementarity

Under the Bank of Japan's previous negative interest rate regime, we were in a severe business environment presenting a sharp decrease in interest income in Japan. We responded by growing our non-interest income and business portfolio outside Japan, resulting in both revenue stability and growth. For our global CIB business centered on the US, we have achieved high earnings growth with the development of synergies between our banking and markets segments, with a primary focus on highly credit-worthy global blue-chip clients and institutional investors. Relative to US and European banks, our global CIB business is characterized by a low proportion of trading revenue, which is highly sensitive to financial market conditions, and the fact that our trading business itself is client flow-based. It therefore enjoys extremely high earnings stability.

Japan's economy continues to expand in nominal terms. Since the Bank of Japan ended its negative interest rate policy in March 2024, the policy interest rate has gradually been raised, and further hikes are expected going forward. With this, interest income in Japan is also expected to continue growing. However, as further rate hikes may lead to unrealized losses on our yen bond portfolios, we will continue to manage the markets divisions' bond portfolios prudently and flexibly. By advancing the complementarity of the customer and markets divisions, we will limit overall revenue volatility stemming from changes in the

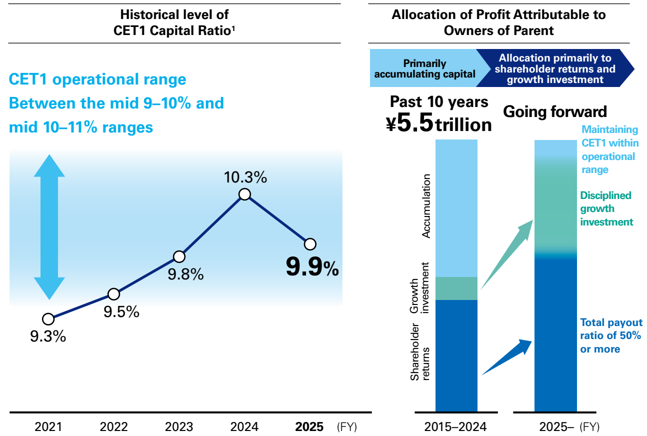
Figure 6: Breakdown of revenue performance[1] and expense ratio trend

(Gross Profits, ¥ trillion, compared to FY2015[2])



1. Customer divisions + S&T.
2. For S&T, the FY2016–2018 trend is relative to FY2015 and the total for in and outside Japan. The FY2019–2025 trend is relative to FY2018.

Figure 7: Historical level of CET1 Capital Ratio and allocation of Profit Attributable to Owners of Parent



1. Basel III finalization fully effective basis. Excluding Net Unrealized Gains (Losses) on Other Securities.

policy interest rate while appropriately capturing revenue opportunities that accompany rising interest rates.

6) Use capital effectively

For our capital management policy, we will continue to pursue the optimal balance between capital adequacy, growth investment, and enhancement of shareholder returns. In terms of equity capital, our regulatory CET1 Capital Ratio (Basel III finalization fully effective basis. Excluding Net Unrealized Gains (Losses) on Other Securities.) was 9.9% as of the end of March 2026, remaining within our operational range and indicating adequate capital accumulation. Given our current capital position, we believe that we can use the Profit Attributable to Owners of Parent we will post going forward for enhancement of shareholder returns and growth investment (both inorganic and organic).

Fiscal 2025 marked the first year when our newly announced shareholder return policy was in effect. Under this policy, we will implement progressive dividend increases on a per-share basis and carry out share buybacks flexibly. We aim to raise the per-share dividend by ¥5 each fiscal year, based on steady growth of a stable revenue base. We will conduct share buybacks with a target total payout ratio of 50% or higher, taking into account factors such as business performance and capital, the stock price level, and growth investment opportunities. Based on the policy, in fiscal 2025 we conducted ¥400 billion in share buybacks, bringing the total payout ratio to 60%. Going forward, we will continue to return value to shareholders based on this shareholder return policy.

For fiscal 2026, we expect to be able to raise dividends by another ¥5 to ¥150, a sixth consecutive year of increase. For share buybacks, we have set an initial target of ¥100 billion, in light of the current uncertain environment; however, we will closely monitor factors such as the situation in the Middle East and its impact on economies and financial markets, and we will continue to consider share buybacks with a target total payout ratio of 50% or higher.

Regarding inorganic investment, we will continue to look into opportunities in a careful and disciplined manner and conduct multifaceted and in-depth examinations of consistency with our business strategy, adequacy of investment returns, effectiveness of governance, and compatibility of corporate cultures. Since fiscal 2023, to strengthen our M&A advisory functions in and outside Japan for both our global CIB business and our business supporting the growth of Japanese companies, we have acquired advisory firms Greenhill and Augusta and agreed to acquire, subject to regulatory approvals, a stake of over 60% in Avendus Capital. In addition, we have acquired Upsider in order to use AI

Figure 8: Shareholder returns and FY2026 forecast

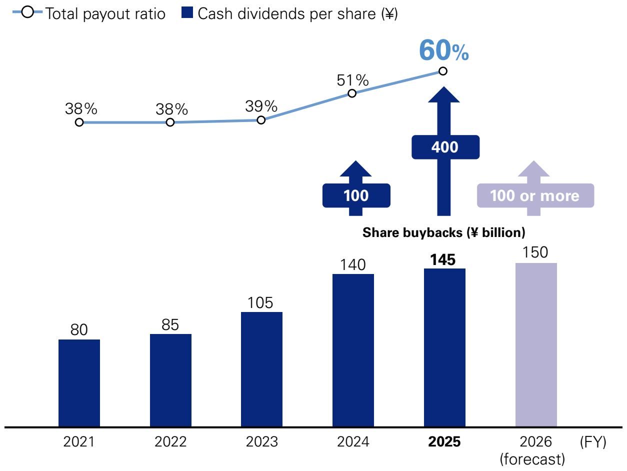
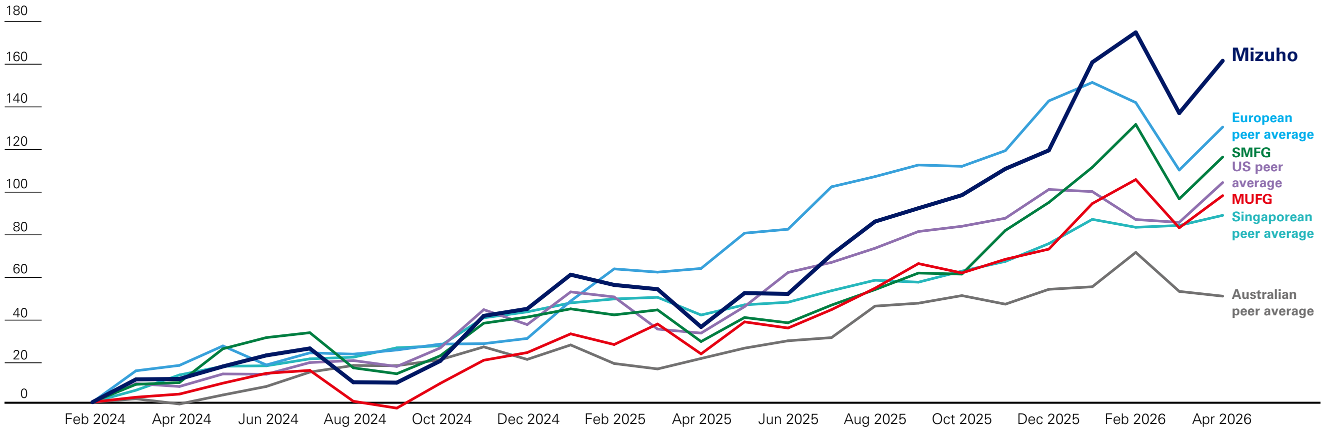


Figure 9: TSR following end of Bank of Japan's negative interest rate policy

(Since Feb 2024, %)



to enhance and improve the efficiency of our business supporting the growth of Japanese companies. Apart from this, we have strategically invested in Rakuten Card and Rakuten Securities—both part of Rakuten Group, one of Japan's leading e-commerce platform providers—to strengthen our mass-market retail and asset and wealth management businesses in Japan. We will move forward with judiciously selecting investment opportunities to build a unique competitive edge.

When we invest inorganically, we will collaborate closely with the companies we invest in, promoting business strategies, monitoring progress towards revenue targets, and integrating our organizations through personnel exchanges and building of governance systems, as we look to benefit from the investments as early as possible. We will manage investments in a disciplined manner, and if we determine that we are unlikely to obtain the benefits that we initially expected, we will move quickly to exit the investments. In fiscal 2025, we transferred our global custody business, an area dominated by large global players, to State Street Corporation.

Amid the robust client demand for funding, we are likely to increase capital allocated to organic investment, including for lending growth. In this regard as well, we will remain strictly disciplined, pursuing only profitable deals.

To our investors

To date, we have worked to communicate more with all our investors. Having incorporated the many insightful suggestions from our investors in and outside Japan into our management and disclosures, in fiscal 2025 we were able to receive a Best IR Award from the Japan Investor Relations Association (JIRA) for the first time. We are delighted with this development, seeing it as evidence of the overall high regard for our IR activities. We will continue to commit to advancing unique IR initiatives and creating sustainable corporate value. Since the Bank of Japan ended its negative interest rate policy, our total shareholder return (TSR) has come to rank among the top tier of our global peers, and I can sense the strong expectations that all our investors have of Mizuho. To surpass these expectations, our management will strive in a unified manner to raise shareholder value. We would appreciate hearing any candid opinions from shareholders and investors as we continue our further growth and development.

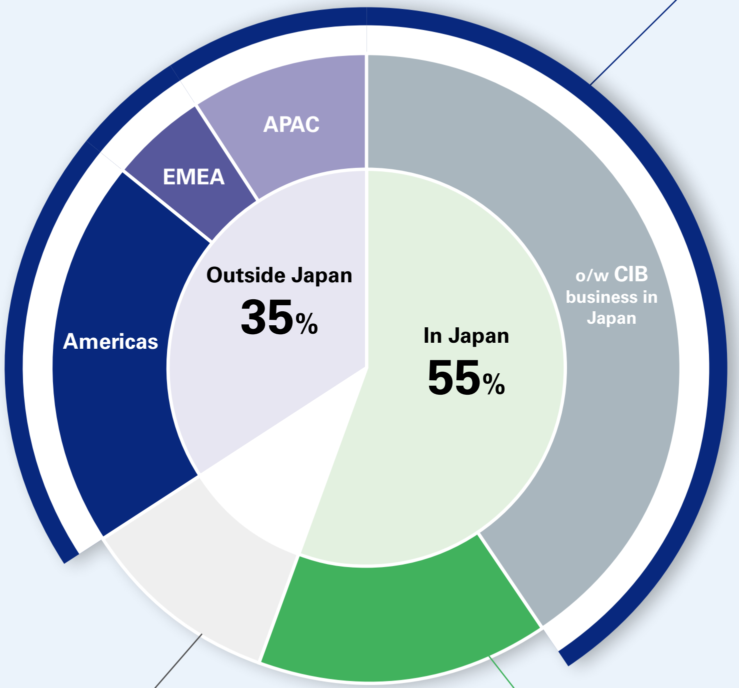
Makoto Samejima

Balanced revenue mix combining growth and stability

(rounded figures)

FY2025 Gross Profits[1]

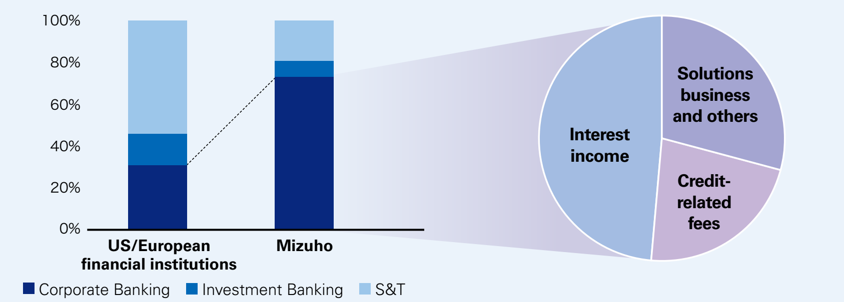
Approx. ¥**3.5** trillion



Corporate & Investment Banking business

- Stable revenue structure, with Corporate Banking as the core earnings base
- Approximately 70% of credit exposure (in Japan and outside Japan) is investment-grade, primarily to large corporations
- Sales and trading (S&T) business is centered on client flow rather than proprietary trading

Comparison of gross profit composition[2] / **Breakdown of Corporate Banking**

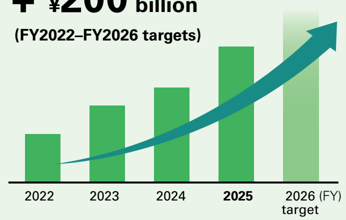


Mass-market retail business in Japan

Gross profits growth

+ ¥200 billion

(FY2022–FY2026 targets)



- Growth potential driven by the move out of low interest rates and the accelerating shift from savings to investment
- High potential as a stable revenue stream resilient to economic cycles

Banking

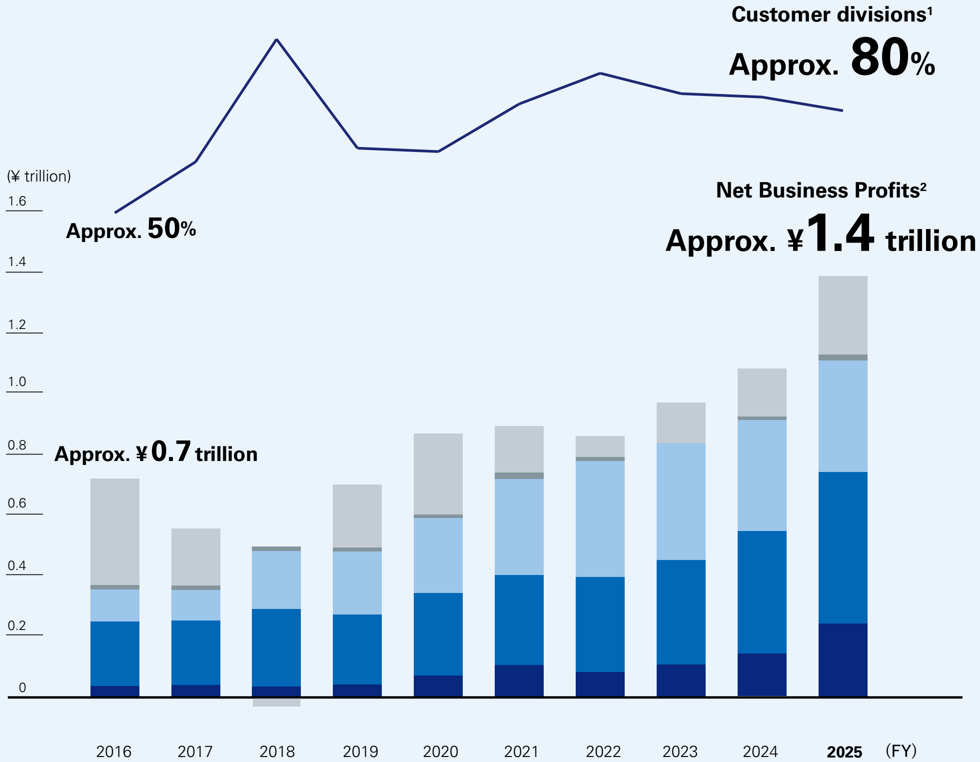
- Complementary to customer business
- Reserving room for investment in medium- to long-term Japanese government bonds (JGBs) for future upside potential

JGBs: Average remaining period[3]

0.9 years

1. Including Net Gains (Losses) related to ETFs and others.
2. Based on disclosures.
3. Management accounting basis. After taking into account hedging activities. Excluding bonds held to maturity.

Stable revenue growth centered on customer divisions

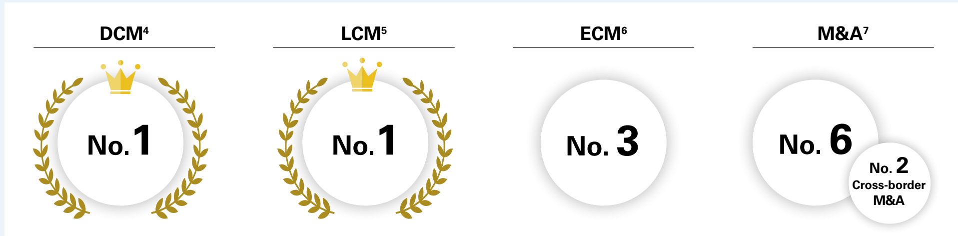


- Retail & Business Banking Company (RBC) — Serves individual customers, small- and medium-sized enterprises, and middle-market firms in Japan.
- Corporate & Investment Banking Company (CIBC) — Serves large corporations, financial institutions, and public-sector entities in Japan.
- Global Corporate & Investment Banking Company (GCIBC) — Serves Japanese companies operating outside Japan and non-Japanese companies.
- Asset Management Company (AMC) — Provides investment products and solutions that match the asset management needs of a wide range of customers, from individuals to institutional investors.
- Global Markets Company (GMC) — Engages in sales and trading (S&T), offering market products, as well as in banking operations comprising asset and liability management (ALM) and investment.

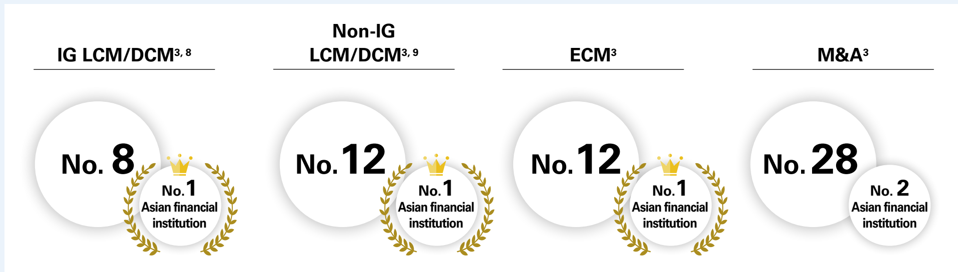
1. Percentage of Net Business Profits attributable to RBC, CIBC, GCIBC, and AMC.
2. Since the introduction of the in-house company system in 2016. Management accounting, rounded figures. Past figures were recalculated based on FY2025 management accounting rules. (For GMC, Net Business Profits include Net Gains (Losses) related to ETFs and others.)

Strong presence in Corporate & Investment Banking

Japan



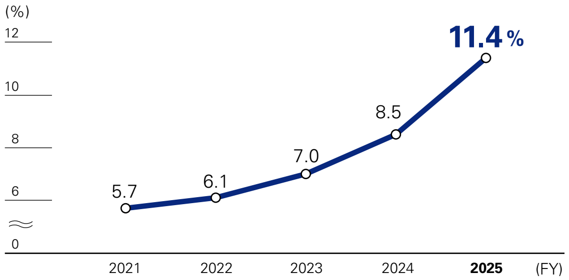
Global



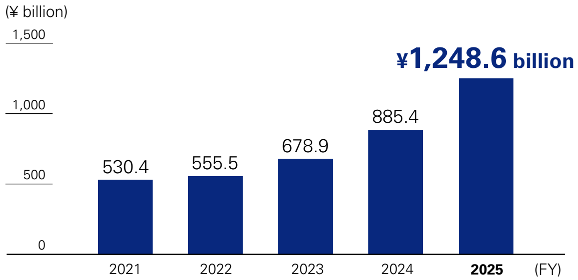
3. Fee basis. Four major currencies (USD, EUR, GBP, JPY). (Source: Dealogic)
4. Lead manager pro rata basis, pricing date basis. (Source: LSEG)
5. Source: LSEG.
6. Based on bookrunner and pricing date. Deals include initial public offerings, public offerings, convertible bonds, and REITs. (Source: LSEG)
7. Transaction amount basis; Japanese company-related; excluding real estate. Excluding M&As between Japanese companies and acquisitions of Japanese companies by funds outside Japan. (Source: LSEG)
8. Bonds and loans issued by investment grade corporations. (Source: Dealogic)
9. Bonds and loans issued by non-investment grade corporations. (Source: Dealogic)

At a glance

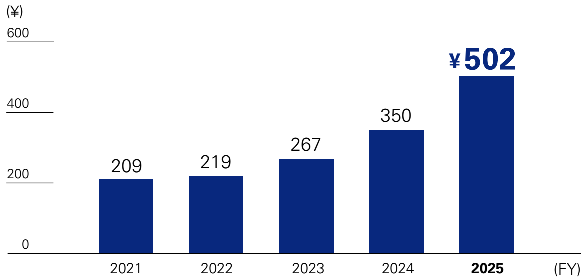
Tokyo Stock Exchange ROE



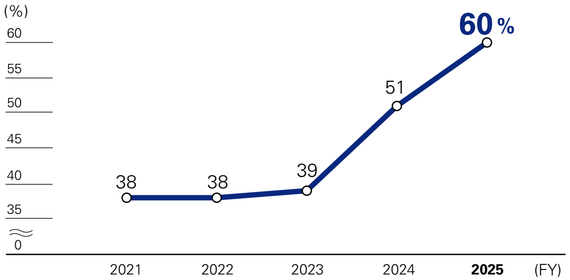
Profit Attributable to Owners of Parent



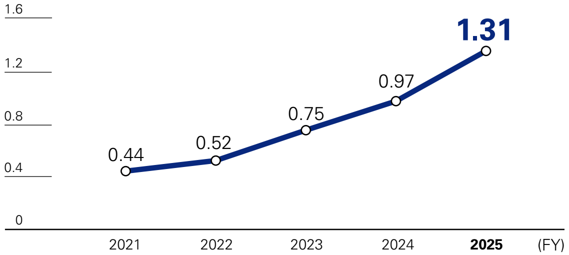
Earnings per share (EPS)



Total payout ratio



Price-to-book ratio

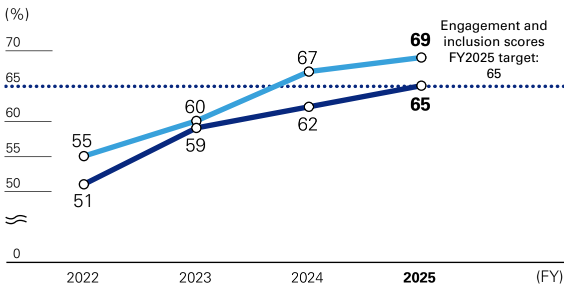


Source: Bloomberg, as of the end of each fiscal year.

Market capitalization

Source: Bloomberg

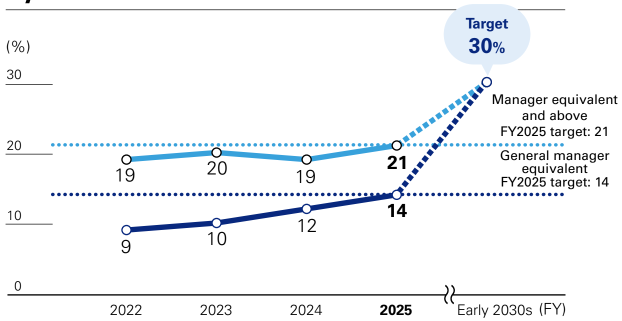
Engagement score / Inclusion score[1]



Engagement score Inclusion score

1. Based on the positive response rate (selection of 4 or 5 on a scale from 1 to 5) for four employee survey questions related to engagement and inclusion.

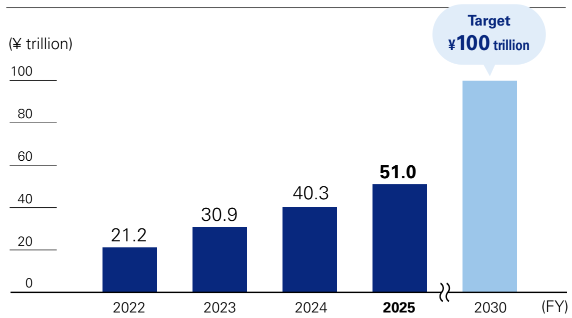
Percentage of management positions filled by women[2]



General manager equivalent (general managers and equivalent roles)[4, 5]
Manager equivalent and above[4, 5]

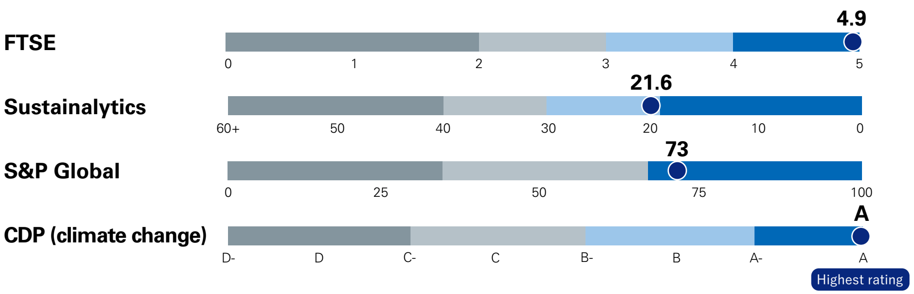
2. In Japan (Total of Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, Mizuho Securities, and Mizuho Research & Technologies[3]).
3. Mizuho Research & Technologies has been integrated into Mizuho Bank, effective April 1, 2026.
4. Results up to FY2023 exclude some secondees.
5. Results from FY2024 onward calculated under a new standard due to a revision of the HR system; include all secondees.

Sustainable finance[6]



6. Cumulative total since FY2019.

ESG external recognition[7] (as of June 2026)



7. Please refer to our website for more details.
https://www.mizuhogroup.com/sustainability/mizuhosustainability/awards#evaluation

ESG indices which include Mizuho[7, 8] (as of June 2026)

- FTSE4Good Index Series
- FTSE JPX Blossom Japan Index ★
- FTSE JPX Blossom Japan Sector Relative Index ★
- MSCI Nihonkabu ESG Select Leaders Index ★
- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Index ★
- Morningstar Japan ex-REIT Gender Diversity Tilt Index ★
- S&P/JPX Carbon Efficient Index ★

8. Indices marked with ★ are ESG indices selected by Japan's Government Pension Investment Fund (GPIF).