As its customers’ “Trusted Global Partner,” Mizuho offers a full lineup of financial solutions

The Corporate & Institutional Company was formed and commenced operations following the combination of the Corporate Banking Unit (Large Corporations) and the Financial Institutions & Public Sector Business Unit. This Company is in charge of providing services to large corporations, financial institutions, and public-sector entities in Japan.

In the large corporate customer market, based on its strong and long-standing relationships with large corporate customers in Japan, the Company offers a full lineup of financial solutions that combine its specialized functions in banking, trust banking and securities to meet customer needs for fund-raising and fund-management as well as for formulation of corporate management and financial strategies.

In the financial institutions market, requirements of customers for formulation of capital policies and the sophistication of asset management are rising, and the Company offers optimal solutions to meet their needs based on collaboration among group companies.

For public sector entities, the Company provides comprehensive financial services including supporting for fund-raising through underwriting public bonds and performing services as a designated financial institution.

Also, as one of the important issues in the Japanese economy is revitalizing regional economies, the Company is working to transform agriculture, forestry, and fisheries industries into growth sectors and is actively introducing PPP and PFI arrangements* to facilitate financing of airport and public facilities projects.

Composition of Net Business Profit in Fiscal 2015*

<table>
<thead>
<tr>
<th>Component</th>
<th>Amount (billion ¥)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities</td>
<td>30</td>
</tr>
<tr>
<td>Trust Banking</td>
<td>60</td>
</tr>
<tr>
<td>Banking</td>
<td>340</td>
</tr>
<tr>
<td>G&amp;A Expenses</td>
<td>-180</td>
</tr>
</tbody>
</table>

* Rounded figures, managerial accounting

Proportion of Non-interest Income (Fiscal 2015)

- Non-interest Income: 49%
- Interest Income: 51%

*PPP, or Public Private Partnership is a scheme that enables collaboration between the public and private sectors in projects that offer public services. PFI, or Private Finance Initiative, is a typical form of PPP under which private-sector funds and knowhow are used in the maintenance and operation of public facilities and the private-sector participants in PFI projects take the initiative in supplying public services.
**Key Aspects of the Company**

**Conditions in the External Environment**
- Concerns about the slowdown in the global economy, changes in the business environment resulting from negative interest rate policies
- Globalization of customers’ business activities, and a trend toward strategic emphasis on the interests of shareholders
- Trends toward convergence in some areas of strategies with competitors
- More active initiatives in the public and private sectors for growth industries including agriculture and revitalize regional economies

**Issues for Mizuho**
- Further integration of management of banking, trust banking and securities functions
- Restructuring the business portfolio through selectivity and concentration
- Strengthen responsiveness to projects requiring a high level of sophistication, including equity finance, cross-border M&A, and other functions
- Building an efficient front-office system and business processes

**Mizuho’s Strengths**
- Strong relationships with its customers and customer base in each market
- Ahead of competitors in integrating banking, trust banking and securities functions
- Sophisticated risk-taking capabilities accumulated through developing new financial businesses and know-how

**New Medium-term Business Plan for the Company (FY2016 through FY2018)**

Further evolving the “One MIZUHO Strategy” and restructuring the business portfolio through rebalancing management resources

The needs of customers are becoming increasingly diverse, sophisticated, and global in scope. In addition, regulations regarding the risk-weighted assets and balance sheets of financial institutions are being tightened.

The Company aims to pursue the further development of the “One MIZUHO Strategy,” create the highest-level operating systems in Japan, and become the most “Trusted Global Partner” of its customers. At the same time, the Company is transforming its business model through the rebalancing of management resources, including organizational units, human resources, and assets, to build a robust and profitable business portfolio.

In specific terms, this means realizing business synergies through alliances and collaborative arrangements with parties within and outside the Company and rebalancing of management resources. Moreover, the Company will accelerate its activities to achieve collaboration of banking, trust banking, and securities functions and build teamwork among its operating bases in Japan and overseas.

Through the implementation of these strategies, the Company is working to increase profitability and raise its presence in league tables.

**League Tables**

<table>
<thead>
<tr>
<th>League Tables</th>
<th>FY2015 (Results)</th>
<th>FY2018 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Straight Bonds and Municipal Bonds (Underwriting amount)</td>
<td>No. 1</td>
<td>No. 1</td>
</tr>
<tr>
<td>Total Equity Underwriting Worldwide (Underwriting amount)</td>
<td>No. 3</td>
<td>No. 2</td>
</tr>
<tr>
<td>M&amp;A (Any Japanese involvement) (Number of Transactions)</td>
<td>No. 1</td>
<td>No. 1</td>
</tr>
</tbody>
</table>

**Net Business Profit for Fiscal 2018 (Plan)**

<table>
<thead>
<tr>
<th>(Billions of Yen)</th>
<th>FY2015 (Results)</th>
<th>FY2018 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>253</td>
<td>276*</td>
</tr>
<tr>
<td></td>
<td>260±</td>
<td></td>
</tr>
</tbody>
</table>

*Before head office expense deduction

**Plans for Net Interest Profit and Non-interest Income**

<table>
<thead>
<tr>
<th>(Billions of Yen)</th>
<th>FY2015 (Results)</th>
<th>FY2016 (Plan)</th>
<th>FY2018 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities</td>
<td>253</td>
<td>230</td>
<td>260±</td>
</tr>
<tr>
<td>Banking</td>
<td>-180</td>
<td>-130</td>
<td>-100</td>
</tr>
<tr>
<td>G&amp;A Expenses</td>
<td>-180</td>
<td>-130</td>
<td>-90±</td>
</tr>
</tbody>
</table>

Note: The above contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See the disclaimer at the bottom of page 3 of this Integrated Report for information regarding factors that could cause actual results to differ from those in the forward-looking statements.
Our Strategies for Value Creation

Major Strategies under the New Medium-term Business Plan

- Realize business synergies among large corporations, financial institutions, and public-sector entities and collaborate further with other in-house companies/units
- Strategic and flexible staffing in focus areas where growth and profitability are expected
- Increase profitability through asset rebalancing
- Progressive measures for integration of management in banking, trust banking and securities functions and acceleration of borderless response in Japan and overseas
- Structure business systems and operating processes to improve execution and successfully implement the Company’s strategy

Providing Solutions that Support Sustainable Growth of Customers and Society

Arrangement of risk money investment program responding to growth funding needs of Japanese companies

Financial institutions are expected to play roles in supporting companies from a broad perspective by sharing risk, providing industry and business knowledge, and supporting the creation of corporate governance frameworks.

MHBK has arranged a joint investment program, “Blue Partners Fund,” in cooperation with the Development Bank of Japan. In a wide range of situations, Japanese companies need funding for business growth. By supporting corporate growth and providing risk money through joint investments with companies and provision of equity capital, MHBK is contributing to strengthening the competitiveness of Japan’s economy and society.

Support for transforming agriculture, forestry, and fisheries into the sixth industrial sector through collaboration with regional financial institutions and central/regional governments

MHBK has invested in 13 agriculture, forestry, and fisheries sixth industry funds nationwide in collaboration with regional financial institutions and central/regional governments, and these funds have invested in 15 related projects.

Looking forward, by drawing on its customer base throughout Japan, MHBK is supporting the transformation of Japan’s agricultural, forestry, and fisheries industries into growth sectors and working to contribute to the revitalization of Japan’s economy and society through regional revitalization.
Review of Fiscal 2015

Working to Steadily Realize Increased Profits through Building a Strong Presence in Each Customer Segment

Large Corporations
We worked to meet customer needs for fund-raising and asset management as well as for financial and management strategies, and took the initiative in assisting in the development of new industries and growth sectors by providing a wide range of solutions and drawing on our industrial expertise.

In addition, MHSC realigned its systems for serving large corporations and increased its customer relationship managers. MHBK and MHTB stepped up their collaboration in the areas of real estate and pension funds and strengthen their marketing capabilities.

Financial Institutions and Public Sector Entities
In view of the overseas M&A initiatives of major insurance companies and their moves to step up their overseas business development as well as the needs of regional financial institutions for formulating capital policies and increasing the sophistication of their asset management, we won the mandates as financial advisor and lead arranger, and took the initiative in proposing a wide range of asset management products.

For public sector entities, we maintained our leading share in underwriting public sector bonds and offered services as a designated financial institution for such customers as the Tokyo metropolitan government.

In addition, in collaboration with financial institutions and public-sector entities, we expanded our investments in agriculture, forestry, and fisheries sixth industry funds and undertook other active initiatives to promote regional revitalization.

TOPICS

Establishment of private equity funds for promoting exports to the Middle East

Mizuho established the Gulf Japan Food Fund and launched its investment activities. This is a private equity fund which aims to provide support on the financing side for expanding exports of Japanese agricultural, forestry and fisheries products, while, at the same time, working to improve food security in the six nations of the Gulf Cooperation Council (GCC)*.

The objective of this fund is to invest in joint ventures newly established by Japanese and Middle Eastern companies in the food and agriculture related businesses with the aim of promoting their growth. This fund is also working to add value and create markets that match Japanese corporations with those in the Middle East.

* A total of six countries are member states of the Gulf Cooperation Council: Saudi Arabia, the United Arab Emirates, Bahrain, Oman, Qatar and Kuwait.

Gulf Japan Food Fund Signing Ceremony