The Organization Authorized to Determine Dividends

March 2017

Mizuho Financial Group
Forward-looking Statements
This material 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 Medium-term 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"), which is available in the Financial Information section of our web page at www.mizuho-fg.com/index.html and also at the SEC's web site at www.sec.gov.
We do not intend to update our forward-looking statements. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by the rules of the Tokyo Stock Exchange. Mizuho Financial Group, Inc. is a specified business company under "Cabinet Office Ordinance on Disclosure of Corporate Information, etc." Article 17-15 clause 2 and prepares the interim consolidated and interim non-consolidated financial statements in the second quarter.

Unless otherwise specified, the financial figures used in this material are based on Japanese GAAP.
This material does not constitute a solicitation of an offer for acquisition or an offer for sale of any securities.
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<Definitions>
BOD: the Board of Directors
FG: Mizuho Financial Group, Inc.
BK: Mizuho Bank, Ltd.
TB: Mizuho Trust & Banking Co., Ltd.
Our Rationale regarding the Governing Body for Dividend Decisions

We believe that our BOD, with its high level of independence and expertise, is ideally situated to make comprehensive decisions over capital policies, including dividends, in conjunction with management policy for the mid- to long-term benefit of our shareholders.

- **Comprehensive Expertise**
  The BOD makes dividend decisions in conjunction with management policy from a mid- to long-term perspective, based on in-depth discussions of all matters concerning management (macroeconomics, profit forecasts, capital regulations, etc.) and, where necessary, advice from the Risk Committee, etc.

- **Expertise**
  We are required to comply with global financial regulations, such as the Basel regulatory framework, as one of the Global Systemically Important Banks (G-SIBs), and capital adequacy is essential for the stability of global financial systems. Determinations of capital management policy, including dividends, therefore, requires a high level of expertise.

- **Governance**
  The BOD maintains a high level of independence whereby it can fulfill its roles and responsibilities in relation to corporate governance in order to act in the best interest of shareholders. Under such a structure, designating the BOD as the organization that determines dividends conforms with the Corporate Governance Code.

Mizuho intends to further improve disclosure to external parties in order to establish a more transparent decision-making process for dividends and to increase dialogue with our shareholders through proactive engagements.
Why is the Board of Directors the Organization that determines the Dividends? (1)

- Mizuho has established a robust corporate governance system, enabling the BOD to fulfil its fiduciary duties to shareholders.
- Our highly independent BOD with industry and financial expertise oversees the capital management policy for the enhancement of corporate value from a mid- to long-term perspective.

### Delegation of decision-making for dividends to the board

The BOD of Mizuho: Robust corporate governance to fulfill the fiduciary responsibility and the necessity for industry expertise

<table>
<thead>
<tr>
<th>Independence: the separation of supervision and management</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The majority of all directors shall consist of non-executive directors.</td>
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<tr>
<td>• The Chairman of the BOD shall be an outside director</td>
</tr>
<tr>
<td>• The compensation and nominating committees are composed solely of outside directors.</td>
</tr>
<tr>
<td>➡️ Enhancement of the mid-to-long term shareholders’ interest is the largest issue for Mizuho’s BODs</td>
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<table>
<thead>
<tr>
<th>Expertise: high level expertise needed to decide distribution of dividends for G-SIBs</th>
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<tbody>
<tr>
<td>• Global financial regulations are complex and dynamic</td>
</tr>
<tr>
<td>• Sufficient capital (target of financial supervision) is needed for the stability of the global financial system</td>
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<td>➡️ Careful judgment is imperative even for one-time amount of distribution of dividends</td>
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Our BOD is best positioned to determine the amount of dividends in order to maximize mid-to-long term shareholder interests

<table>
<thead>
<tr>
<th>Japan’s Corporate Governance Code Supplementary Principles 1.1.2</th>
</tr>
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<tbody>
<tr>
<td>• When proposing to shareholders that certain powers of the general meeting of shareholders are delegated to the BOD, companies should consider whether the BOD is adequately constituted to fulfil its corporate governance roles and responsibilities. <strong>If a company determines that the BOD is indeed adequately constituted, then it should recognize that such delegation may be desirable from the perspectives of agile decision-making and expertise in business judgment.</strong></td>
</tr>
</tbody>
</table>

- Conducted BOD performance evaluation utilizing inputs from an independent third party. 
- The evaluation found that the BOD is effective in its conducts as evidenced by high quality discussions at the BOD meeting in formulating the next medium-term business plan.

### Global Financial Regulations

- We, as one of the Global Systemically Important Banks (G-SIBs), are required to comply with global financial regulations, such as the Basel regulatory framework, as well as national regulation of various jurisdictions.
- There are ongoing discussions to tighten regulations on capital adequacy requirements and to introduce new regulations.
A Company with Three Committees is permitted to authorize the BOD to determine dividends since the Commercial Code revision in 2002

Mizuho is proactively addressing Japan’s Stewardship Code (including continuing to improve engagements with shareholders)

Relations between Shareholders and the BODs

- Shareholders
  - AGM
  - Appointment of directors
  - Business Reports, etc.
  (980K)

- Disclosure, IR activities, etc.

- BODs
  - Supervision
  - Management
  - Executive Officers
    (as defined in the Companies Act)

Mizuho’s Corporate Governance Guideline

- The Chairman: Outside director (in principle)
- Majority of BODs: Outside director and non-executive internal director
- Both the Nominating and the Compensation Committees: All independent outside directors (in principle)
- etc.

Adopted by Less than 20% of companies with three committees

Delegating to the BODs

- For many Companies with Three Committees, dividends from surplus, etc. are decided solely by the BOD

(Reference) Commercial Code and Companies Act revisions

  A Company with Three Committees was legislated as an option. When adopted, decisions regarding dividends made by the BODs of a Company with Committees can be deemed as decisions made at the general meeting of shareholders

- Companies Act revision in 2005 (effective May 2006)
  Delegation of authority to determine dividends to the BODs through articles of incorporation are permitted for companies not adopting a Company with Three Committees. For companies that had adopted a Company with Three Committees prior to the revision in 2005, articles of incorporation are replaced as including shareholder proposal exclusion article from the continuity perspective of the Commercial Code revision in 2002

Japan’s Stewardship Code

- Principle 4
  Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.

- Principle 5
  Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to the sustainable growth of investee companies.
Recent Discussions at the Board of Directors

- The BOD took shareholders’ opinion as expressed through the vote seriously and held multiple meetings to discuss appropriate action

<table>
<thead>
<tr>
<th>Details of discussions at the BOD meetings</th>
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<tr>
<td><strong>Outside Director Session (Jul. 2016)</strong></td>
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<td><strong>BOD Meeting (Aug. 2016)</strong></td>
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<td><strong>BOD Meeting (Sep. 2016)</strong></td>
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<td><strong>Outside Director Session (Jan. 2017)</strong></td>
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<tr>
<th>Key points discussed at the BOD meeting</th>
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<tr>
<td>- It is in the best interest of shareholders for the BOD to discuss and determine management policy to achieve “sustainable growth” with its in-depth understanding of management issues in all respects – macro economy, profit estimates, capital regulation, etc. – and would lead to an improvement in corporate value from a mid-to-long term perspective</td>
</tr>
<tr>
<td>- Considering its significance, capital management not limited to dividends should be managed comprehensively. The performance and effectiveness of the BOD as a decision making body should be evaluated from a comprehensive capital management perspective (all directors stand for re-election each year)</td>
</tr>
<tr>
<td>- In order to foster better understanding by shareholders regarding the significance of capital for a financial institution (financial institution specific capital regulations), it is necessary to improve disclosure</td>
</tr>
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<td>- Mizuho must demonstrate that it is taking actions taking fully into account the aims of Japan’s Corporate Governance Code</td>
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<th>Further initiatives</th>
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<td>- Continue to fulfill its duties as the BOD in order to obtain sufficient confidence from the shareholders</td>
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<tr>
<td>- Improve communication regarding the delegation of the decision regarding dividends to the BOD</td>
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<tr>
<td>- Enrich disclosure of the discussions and reasoning behind the dividend decisions</td>
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Mizuho’s Shareholder Return Policy

- Improve explanation on issues such as discussion regarding shareholder return policy and resolution for the level of dividend
- Continuous efforts for increased dialogue with our shareholders through initiatives such as presentation to institutional investors and IR activities for individual investors

Mizuho’s shareholder return policy

**Basic Policy for Capital Management**
- Perform **“Disciplined Capital management”** through maintaining optimal balance between **“Strengthening our stable capital base”** and **“Providing steady returns to shareholders”** under the current management environment, financial conditions and so forth

**<Shareholder return policy>**
- **Aim: steady dividend payout policy with a dividend payout ratio on a consolidated basis of approx. 30% as a guide for our consideration**
  - Dividend amount is decided comprehensively taking into consideration our group’s performance, profit base, state of capital, global and domestic trends in financial regulations (including Basel Capital Regulations) and so forth
- **Share buy-back shall be considered as a future initiative taking into consideration market condition, our profit trends, state of capital and so forth**

- Based on the steady improvement in Common Equity Tier1 Capital Ratio in the March 2014 results, capital management policy was changed from previous policy that emphasized improving capital adequacy
- Under the current capital management policy, “dividend payout ratio on a consolidated basis of approx. 30%” was adopted as a guideline in order to clarify and improve transparency of the shareholder return policy. The aim is to maintain optimal balance between stable dividend distribution and capital adequacy target sufficient enough to maintain shareholder value from a long-term perspective
Actual Discussions on Dividends at the Board of Directors

FY2015 results and FY2016 dividends estimate (BOD Meeting on May 13, 2016)

- External environment represented by uncertain economic conditions and the introduction of the Negative Interest Rate Policy by the BOJ make it difficult for us to assume profit growth. While taking such business environment and issues as well as the trend of tightening capital regulations into consideration, the BOD held thorough discussions regarding the basic policy for capital management including dividends.

- Although the improvement of the CET1 ratio is of the highest priority, considering the importance of stable dividend payout, the BOD discussed the dividend distribution to “put first priority on improving the CET1 ratio while maintaining stable dividend payout”

- FY2015 dividends were decided both from the “steady dividend payout” and “dividend payout ratio on a consolidated basis of approx. 30%” perspectives based on the FY2015 results and the earnings plan of FY2016.

  Cash dividends per share for FY2015 (result) : JPY 7.5 (dividend payout ratio 27.8%)
  FY2016 (estimate) : JPY 7.5 (dividend payout ratio 31.6%)

The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. See "Forward-looking Statements" on P.1 of this presentation.
① Accelerating Dialogue with Investors
- Accelerating explanation to Domestic and International investors, and proxy advisers (Accelerating explanation on delegating decision regarding dividends and dividend payout policy)
- Conducting even more effective IR activities for individual investors through enhancing explanation utilizing “Report to our Shareholders”

② Enhancing Information Disclosure
- Discussions at BOD (views and opinions when dividend payouts are decided)
- Company view on delegating decision regarding dividends to BOD
- Expand and enhance contents of documents to shareholders (convocation notice, “Report to our Shareholders”)
Mizuho’s Governance System

**General Meeting of Shareholders**

- **Election of Directors**
  - Determines the contents of proposals regarding the appointment and dismissal of directors
  - All members, in principle, shall be independent outside directors

**Board of Directors**

- The Chairman shall, in principle, be an independent outside director
- Non-executive directors shall comprise a majority of the directors

**Nominating Committee**

- Determines the contents of proposals for general meeting of shareholders regarding the appointment and dismissal of directors
- All members, in principle, shall be independent outside directors

**Compensation Committee**

- Determines the compensation for each individual director and executive officer
- All members, in principle, shall be independent outside directors

**Audit Committee**

- Audits the legality and appropriateness of the execution of duties by directors and executive officers
- Majority of members shall be independent outside directors

**Supervision and Audit**

- Human Resources Review Meeting

**President & Group CEO**

- Independent outside director (non-executive)

**Management**

**Companies**

- "Market-driven approach" based on customer segments
  - RBC, CIC, GCC, GMC, and AMC

**Units**

- Further enhancement in expertise and firm-wide utilization of functions
  - Global Products, Research & Consulting Units

**Groups**

- Planning, management and internal audit
  - Strategic Planning, Financial Control & Accounting, Risk Management, Human Resources, IT & Systems, Operations, Compliance and Internal Audit

**Explanatory Notes**

- Independent outside director (non-executive)
- Non-executive internal director
- Executive internal director
### Composition of the BOD and the Three Legally Required Committees

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

**All members shall be Independent Outside or Non-executive Directors**

(Reference) Composition of Mizuho’s Board of Directors