

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group
As of March 31, 2014

[Consolidated] (in million yen)

Items	Consolidated Balance sheet as in published financial statements	Cross-reference to Appended template	Reference # of common disclosure template under the Composition of Capital Disclosure
	Amount		
(Assets)			
Cash and Due from Banks	20,610,276		
Call Loans and Bills Purchased	467,758		
Receivables under Resale Agreements	8,349,528		
Guarantee Deposits Paid under Securities	5,010,740		
Borrowing Transactions			
Other Debt Purchased	3,263,057		
Trading Assets	11,469,811	6-a	
Money Held in Trust	168,369		
Securities	43,997,517	2-b, 6-b	
Loans and Bills Discounted	69,301,405	6-c	
Foreign Exchange Assets	1,576,167		
Derivatives other than for Trading Assets	2,820,468	6-d	
Other Assets	2,840,720	6-e	
Tangible Fixed Assets	925,266		
Intangible Fixed Assets	531,501	2-a	
Net Defined Benefit Asset	413,073	3	
Deferred Tax Assets	104,909	4-a	
Customers' Liabilities for Acceptances and Guarantees	4,588,646		
Reserves for Possible Losses on Loans	(616,307)		
Reserve for Possible Losses on Investments	(27)		
Total Assets	175,822,885		
(Liabilities)			
Deposits	89,055,505		
Negotiable Certificates of Deposit	12,755,776		
Call Money and Bills Sold	7,194,432		
Payables under Repurchase Agreements	16,797,803		
Guarantee Deposits Received under Securities	6,085,331		
Lending Transactions			
Commercial Paper	677,459		
Trading Liabilities	8,183,037	6-f	
Borrowed Money	7,838,357	8-a	
Foreign Exchange Liabilities	323,327		
Short-term Bonds	584,568		
Bonds and Notes	5,245,743	8-b	
Due to Trust Accounts	1,300,655		
Derivatives other than for Trading Liabilities	3,004,497	6-g	
Other Liabilities	3,570,902		
Reserve for Bonus Payments	52,641		
Net Defined Benefit Liability	46,006		
Reserve for Director and Corporate Auditor	1,547		
Retirement Benefits			
Reserve for Possible Losses on Sales of Loans	1,259		
Reserve for Contingencies	6,309		
Reserve for Reimbursement of Deposits	16,451		
Reserve for Reimbursement of Debentures	54,956		
Reserves under Special Laws	1,273		
Deferred Tax Liabilities	50,783	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	81,060	4-c	
Acceptances and Guarantees	4,588,646		
Total Liabilities	167,518,336		
(Net Assets)			
Common Stock and Preferred Stock	2,254,972	1-a	
Capital Surplus	1,109,508	1-b	
Retained Earnings	2,315,608	1-c	
Treasury Stock	(3,874)	1-d	
Total Shareholders' Equity	5,676,215		
Net Unrealized Gains (Losses) on Other Securities	733,522		
Deferred Gains or Losses on Hedges	(6,677)	5	
Revaluation Reserve for Land	140,745		
Foreign Currency Translation Adjustments	(63,513)		
Remeasurements of Defined Benefit Plans	(22,979)		
Total Accumulated Other Comprehensive Income	781,096		3
Stock Acquisition Rights	3,179		1b
Minority Interests	1,844,057	7	
Total Net Assets	8,304,549		
Total Liabilities and Net Assets	175,822,885		

Note:

The regulatory scope of consolidation is the same as the accounting scope of consolidation

(Appended template)

1. Shareholders' equity

(1) Consolidated balance sheet

(in million yen)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Common Stock and Preferred Stock	2,254,972	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-a
Capital Surplus	1,109,508	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-b
Retained Earnings	2,315,608		1-c
Treasury Stock	(3,874)		1-d
Total Shareholders' Equity	5,676,215		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related stock surplus and retained earnings	5,362,748	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and stock surplus	3,051,830		1a
of which: retained earnings	2,314,792		2
of which: treasury stock (-)	3,874		1c
of which: other than above	-		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effective bankruptcy	31a

2. Intangible fixed assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible Fixed Assets	531,501		2-a
Securities	43,997,517		2-b
of which: share of goodwill of companies accounted for using the equity method	60,535	Share of goodwill of companies accounted for using the equity method	
Income taxes related to above	(166,580)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	122,774		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	302,681	Software and other	9
Mortgage servicing rights (net of related tax liability)	-		
Amount exceeding the 10% threshold on specified items	-		20
Amount exceeding the 15% threshold on specified items	-		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		74

3. Net Defined Benefit Asset

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Net Defined Benefit Asset	413,073		3
Income taxes related to above	(146,897)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net Defined Benefit Asset	266,176		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	104,909		4-a
Deferred Tax Liabilities	50,783		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	81,060		4-c
Tax effects on intangible fixed assets	166,580		
Tax effects on net defined benefit asset	146,897		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	28,865	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	302,251	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	-		21
Amount exceeding the 15% threshold on specified items	-		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	302,251		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	(6,677)		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	(6,677)		11

6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Trading Assets	11,469,811	Including trading account securities and derivatives for trading assets	6-a
Securities	43,997,517		6-b
Loans and Bills Discounted	69,301,405	Including subordinated loans	6-c
Derivatives other than for Trading Assets	2,820,468		6-d
Other Assets	2,840,720	Including money invested	6-e
Trading Liabilities	8,183,037	Including trading account securities sold	6-f
Derivatives other than for Trading Liabilities	3,004,497		6-g

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	3,103		
Common Equity Tier 1 capital	3,083		16
Additional Tier 1 capital	-		37
Tier 2 capital	20		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
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)	1,029,919		
Common Equity Tier 1 capital	285,138		18
Additional Tier 1 capital	1,638		39
Tier 2 capital	208,742		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	534,399		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	251,246		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	105,249		40
Tier 2 capital	-		55
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	145,996		73

7. Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority Interests	1,844,057		7

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	10,867	After reflecting amounts eligible for inclusion (minority interest after adjustments)	5
Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (minority interest after adjustments)	30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	25,376	After reflecting amounts eligible for inclusion (minority interest after adjustments)	34-35
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	154,380	After reflecting amounts eligible for inclusion (minority interest after adjustments)	46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	8,161	After reflecting amounts eligible for inclusion (minority interest after adjustments)	48-49

8. Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed Money	7,838,357		8-a
Bonds and Notes	5,245,743		8-b
Total	13,084,101		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		32
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		46

Note:

* Amounts in the "Composition of capital disclosure" are based on those before considering amounts under transitional arrangements and include "Amounts excluded under transitional arrangements" disclosed in "Composition of Capital Disclosure" as well as amounts included as regulatory capital. In addition, items for regulatory purposes under transitional arrangements are excluded from this table.