

Explanation of "Composition of Capital Disclosure"

Mizuho Bank
As of March 31, 2016

[Non-Consolidated] (in million yen)

Items	Balance sheet as in published financial statements		Cross-reference to Appended template	Reference # of common disclosure template under the Composition of Capital Disclosure
	As of March 31, 2016	As of March 31, 2015		
(Assets)				
Cash and Due from Banks	30,156,145	25,803,781		
Call Loans	266,249	396,839		
Receivables under Resale Agreements	368,351	525,653		
Guarantee Deposits Paid under Securities	-	133,336		
Borrowing Transactions				
Other Debt Purchased	729,842	543,683		
Trading Assets	6,421,352	5,761,693	6-a	
Money Held in Trust	3,197	3,249		
Securities	37,903,140	41,235,710		
Loans and Bills Discounted	70,374,392	70,873,844	6-c	
Foreign Exchange Assets	1,343,546	1,559,516		
Other Assets	6,696,402	6,798,521		
Tangible Fixed Assets	836,484	828,583		
Intangible Fixed Assets	636,583	469,546	2	
Prepaid Pension Cost	469,034	415,694	3	
Customers' Liabilities for Acceptances and Guarantees	5,297,202	6,193,731		
Reserves for Possible Losses on Loans	(379,190)	(434,828)		
Reserve for Possible Losses on Investments	-	(1)		
Total Assets	161,122,736	161,108,555		
(Liabilities)				
Deposits	100,197,037	93,528,342		
Negotiable Certificates of Deposit	11,177,095	14,830,058		
Call Money	1,127,524	3,469,055		
Payables under Repurchase Agreements	7,588,922	10,131,327		
Guarantee Deposits Received under Securities	786,431	513,983		
Lending Transactions				
Commercial Paper	777,601	-		
Trading Liabilities	5,198,295	4,397,160	6-e	
Borrowed Money	8,697,522	8,315,873		
Foreign Exchange Liabilities	682,188	625,566		
Short-term Bonds	-	25,000		
Bonds and Notes	4,376,773	4,624,117	7-b	
Other Liabilities	7,422,691	6,647,270		
Reserve for Bonus Payments	20,437	19,933		
Reserve for Variable Compensation	1,300	-		
Reserve for Possible Losses on Sales of Loans	267	13		
Reserve for Contingencies	800	1,544		
Reserve for Reimbursement of Deposits	15,041	14,772		
Reserve for Reimbursement of Debentures	39,245	48,878		
Deferred Tax Liabilities	302,072	337,508		
Deferred Tax Liabilities for Revaluation Reserve for Land	67,991	72,392	4-c	
Acceptances and Guarantees	5,297,202	6,193,731		
Total Liabilities	153,776,443	153,796,531		
(Net Assets)				
Common Stock and Preferred Stock	1,404,065	1,404,065	1-a	
Capital Surplus	2,286,795	2,286,795	1-b	
Retained Earnings	2,231,469	1,982,352		
Total Shareholders' Equity	5,922,330	5,673,213		
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	1,106,333	1,497,419		
Net Deferred Hedge Gains (Losses), net of Taxes	169,143	(5,028)		
Revaluation Reserve for Land, net of Taxes	148,483	146,419		
Total Valuation and Translation Adjustments	1,423,961	1,638,811		
Total Net Assets	7,346,292	7,312,024		
Total Liabilities and Net Assets	161,122,736	161,108,555		

Note1: Borrowed Money includes Subordinated borrowings (as of March 31, 2016 : JPY 1,061,215 million, as of March 31, 2015 : JPY 1,424,624 million).

This item is included in "Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments" in the Composition of Capital Disclosure.

Note2: The non-consolidated capital adequacy ratio is calculated based on the consolidated financial statements which include special purpose companies in accordance with Article 15 of "Criteria for Judging Whether A Financial Institution's Capital is Sufficient in Light of the Assets Held, etc. under the Provision of Article 14-2 of the Banking Law" (Notification No. 19 of 2006, the Financial Services Agency). The above capital adequacy ratio is calculated using the following balance sheet accounts reported on the consolidated financial statements.

Balance sheet account	Amount reported on the consolidated financial statements (in million yen)		Cross-reference to Appended template	Reference # of common disclosure template under the Composition of Capital Disclosure
	As of March 31, 2016	As of March 31, 2015		
Securities	37,886,956	41,215,716	6-b	
Other Assets	6,696,403	6,798,523	6-d	
Borrowed Money	7,636,307	6,891,249	7-a	
Other Liabilities	7,421,356	6,645,771	6-f	
Deferred Tax Liabilities	302,059	337,515	4-b	
Retained Earnings	2,231,733	1,983,052	1-c	
Net Deferred Hedge Gains (Losses), net of Taxes	169,115	(5,014)	5	
Total Valuation and Translation Adjustments	1,424,202	1,638,824		3

(Appended template)

1. Shareholders' equity

(1) Balance sheet

(in million yen)

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
1-a	Common Stock and Preferred Stock	1,404,065	1,404,065	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-b	Capital Surplus	2,286,795	2,286,795	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-c	Retained Earnings	2,231,733	1,983,052	
	Total Shareholders' Equity	5,922,594	5,673,913	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	5,922,590	5,673,909	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,690,856	3,690,856	
2	of which: retained earnings	2,231,733	1,983,052	
1c	of which: treasury stock (-)	-	-	
	of which: other than above	-	-	
31a	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effective bankruptcy

2. Intangible fixed assets

(1) Balance sheet

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
2	Intangible Fixed Assets	636,583	469,546	
	Income taxes related to above	(194,539)	(151,193)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	-	-	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	442,043	318,352	Software and other
	Mortgage servicing rights (net of related tax liability)	-	-	
20	Amount exceeding the 10% threshold on specified items	-	-	
24	Amount exceeding the 15% threshold on specified items	-	-	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	

3. Defined-benefit pension fund net assets (prepaid pension costs)

(1) Balance sheet

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
3	Prepaid Pension Cost	469,034	415,694	
	Income taxes related to above	(143,337)	(133,853)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
15	Defined-benefit pension fund net assets (prepaid pension costs)	325,697	281,840	

4. Deferred tax assets

(1) Balance sheet

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
	Deferred Tax Assets	-	-	
4-b	Deferred Tax Liabilities	302,059	337,515	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	67,991	72,392	
	Tax effects on intangible fixed assets	194,539	151,193	
	Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	143,337	133,853	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
	Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	-	-	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.
21	Amount exceeding the 10% threshold on specified items	-	-	
25	Amount exceeding the 15% threshold on specified items	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	-	-	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
5	Net Deferred Hedge Gains (Losses), net of Taxes	169,115	(5,014)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	169,115	(5,014)	

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

(1) Balance sheet

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
6-a	Trading Assets	6,421,352	5,761,693	Including trading account securities and derivatives for trading assets
6-b	Securities	37,886,956	41,215,716	
6-c	Loans and Bills Discounted	70,374,392	70,873,844	Including subordinated loans
6-d	Other Assets	6,696,403	6,798,523	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	5,198,295	4,397,160	Including trading account securities sold
6-f	Other Liabilities	7,421,356	6,645,771	Including Derivatives other than for Trading Liabilities

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
	Investments in own capital instruments	-	-	
16	Common Equity Tier 1 capital	-	-	
37	Additional Tier 1 capital	-	-	
52	Tier 2 capital	-	-	
	Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-	-	
17	Common Equity Tier 1 capital	-	-	
38	Additional Tier 1 capital	-	-	
53	Tier 2 capital	-	-	
	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)	548,664	758,065	
18	Common Equity Tier 1 capital	-	68,128	
39	Additional Tier 1 capital	-	244	
54	Tier 2 capital	-	50,719	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	548,664	638,972	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	537,764	601,293	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	92,408	155,746	
55	Tier 2 capital	295,000	315,000	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	150,355	130,546	

7. Other capital instruments

(1) Balance sheet

Ref. No.	Balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
7-a	Borrowed Money	7,636,307	6,891,249	
7-b	Bonds and Notes	4,376,773	4,624,117	
	Total	12,013,080	11,515,367	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
30-31ab-32	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	300,000	-	
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	493,552	330,405	

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.