

Composition of Capital Disclosure

Mizuho Financial Group
As of September 30, 2015

【Consolidated】

(in million yen, in percentage)

Basel III Template No.	Items	As of September 30, 2015	Amounts excluded under transitional arrangements	As of September 30, 2014	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves (1)					
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,128,579		5,593,716	
1a	of which: capital and stock surplus	3,223,128		3,087,513	
2	of which: retained earnings	3,004,162		2,598,167	
1c	of which: treasury stock (-)	4,031		3,840	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	94,680		88,123	
	of which: other than above	-		-	
1b	Subscription rights to common shares	2,762		2,024	
3	Accumulated other comprehensive income and other disclosed reserves	683,133	1,024,700	227,016	908,065
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	11,789		12,250	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	52,353		58,068	
	of which: amount allowed in group CET1 capital subject to phase-out arrangements on common share capital issued by subsidiaries and held by third parties	52,353		58,068	
6	Common Equity Tier 1 capital: instruments and reserves (A)	6,878,618		5,893,076	
Common Equity Tier 1 capital: regulatory adjustments (2)					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	205,731	308,597	87,950	351,800
8	of which: goodwill (net of related tax liability, including those equivalent)	16,064	24,096	22,833	91,332
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	189,667	284,500	65,117	260,468
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,731	7,097	6,949	27,798
11	Deferred gains or losses on derivatives under hedge accounting	23,642	35,463	377	1,510
12	Shortfall of eligible provisions to expected losses	16,047	23,976	1,155	4,411
13	Securitization gain on sale	40	61	605	2,422
14	Gains and losses due to changes in own credit risk on fair valued liabilities	516	774	161	646
15	Net defined benefit asset	209,811	314,717	59,663	238,653
16	Investments in own shares (excluding those reported in the net assets section)	930	1,395	1,119	4,478
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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 the 10% threshold)	78,353	117,530	57,804	231,216
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of financials	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of financials	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	539,805		215,787	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B) (C))	6,338,812		5,677,289	
Additional Tier 1 capital: instruments (3)					
30	31a Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-		-	
	31b Subscription rights to Additional Tier 1 instruments	-		-	
	32 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	300,000		-	
	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	29,117		27,970	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	1,193,555		1,666,511	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	1,193,555		1,666,511	
35	of which: instruments issued by subsidiaries subject to phase out	-		-	
	Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(26,251)		(53,462)	
	of which: foreign currency translation adjustments	(26,251)		(53,462)	
36	Additional Tier 1 capital: instruments (D)	1,496,421		1,641,019	
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments	-	-	-	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-
39	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 common share capital of the entity (amount above 10% threshold)	177	265	175	700
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	58,370	87,555	23,811	95,245
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	34,349		77,108	
	of which: goodwill equivalent	5,487		48,467	
	of which: intangible fixed assets recognized as a result of a merger	16,764		23,908	
	of which: capital increase due to securitization transactions	61		2,422	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	12,035		2,310	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	92,896		101,095	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E) (F))	1,403,524		1,539,924	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F) (G))	7,742,337		7,217,214	

[Consolidated]

(in million yen, in percentage)

Basel III Template No.	Items	As of September 30, 2015	Amounts excluded under transitional arrangements	As of September 30, 2014	Amounts excluded under transitional arrangements
Tier 2 capital: instruments and provisions (4)					
	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	-	-
	Subscription rights to Tier 2 instruments	-	-	-	-
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	200,000	-	100,000	-
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	179,955	-	164,175	-
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	9,190	-	8,999	-
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	1,031,810	-	1,196,148	-
47	of which: directly issued capital instruments subject to phase out from Tier 2	179,955	-	164,175	-
49	of which: instruments issued by subsidiaries subject to phase out	851,855	-	1,031,973	-
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	5,321	-	5,462	-
50a	of which: general allowance for loan losses	5,321	-	5,462	-
50b	of which: eligible provisions	-	-	-	-
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	595,993	-	652,884	-
	of which: 45% of unrealized gains on other securities	537,310	-	573,037	-
	of which: 45% of revaluation reserve for land	58,683	-	79,847	-
51	Tier 2 capital: instruments and provisions (H)	2,022,270	-	2,127,670	-
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	400	600	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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 common share capital of the entity (amount above the 10% threshold)	47,465	71,198	32,538	130,154
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	-	-
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	120,639	-	144,805	-
	of which: investments in the capital banking, financial and insurance entities	108,603	-	142,494	-
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	12,035	-	2,310	-
57	Tier 2 capital: regulatory adjustments (I)	168,504	-	177,343	-
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,853,765	-	1,950,326	-
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,596,102	-	9,167,540	-
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to phase-out arrangements	859,464	-	984,306	-
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	267,735	-	236,560	-
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	7,097	-	27,798	-
	of which: net defined benefit asset	314,717	-	238,653	-
	of which: investments in the capital banking, financial and insurance entities	269,913	-	481,294	-
60	Risk weighted assets (L)	62,309,276	-	60,865,939	-
Capital ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	10.17%	-	9.32%	-
62	Tier 1 capital ratio (consolidated) ((G)/(L))	12.42%	-	11.85%	-
63	Total capital ratio (consolidated) ((K)/(L))	15.40%	-	15.06%	-
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	669,722	-	595,308	-
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	152,389	-	145,258	-
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	-	-
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	76,167	-	130,387	-
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for loan losses)	5,321	-	5,462	-
77	Cap on inclusion of provisions (general allowance for loan losses)	46,560	-	55,029	-
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-	-	-	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	304,483	-	286,545	-
Capital instruments subject to phase-out arrangements (8)					
82	Current cap on AT1 instruments subject to phase-out arrangements	1,458,197	-	1,666,511	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	107,056	-
84	Current cap on T2 instruments subject to phase-out arrangements	1,180,942	-	1,349,648	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-