

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group
As of September 30, 2015

【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
	As of September 30, 2015	As of September 30, 2014		
(Assets)				
Cash and Due from Banks	35,194,504	23,260,682		
Call Loans and Bills Purchased	453,546	459,627		
Receivables under Resale Agreements	8,618,422	9,522,012		
Guarantee Deposits Paid under Securities	3,900,412	5,052,663		
Borrowing Transactions				
Other Debt Purchased	2,907,399	2,987,066		
Trading Assets	11,565,875	14,814,203	6-a	
Money Held in Trust	145,940	161,215		
Securities	39,996,490	45,882,148	2-b, 6-b	
Loans and Bills Discounted	74,276,839	70,193,539	6-c	
Foreign Exchange Assets	1,657,373	1,637,857		
Derivatives other than for Trading Assets	2,958,859	3,463,332	6-d	
Other Assets	3,537,663	3,701,827	6-e	
Tangible Fixed Assets	1,078,339	911,529		
Intangible Fixed Assets	706,610	565,180	2-a	
Net Defined Benefit Asset	773,296	462,781	3	
Deferred Tax Assets	37,174	42,004	4-a	
Customers' Liabilities for Acceptances and Guarantees	4,901,887	4,894,301		
Reserves for Possible Losses on Loans	(463,886)	(524,517)		
Reserve for Possible Losses on Investments	-	(3)		
Total Assets	192,246,749	187,487,454		
(Liabilities)				
Deposits	100,595,584	91,109,933		
Negotiable Certificates of Deposit	15,455,822	16,504,073		
Call Money and Bills Sold	5,738,107	6,141,288		
Payables under Repurchase Agreements	19,677,206	19,522,006		
Guarantee Deposits Received under Securities				
Lending Transactions	2,115,663	6,291,776		
Commercial Paper	628,445	707,010		
Trading Liabilities	8,964,612	9,909,523	6-f	
Borrowed Money	7,406,585	6,854,268	8-a	
Foreign Exchange Liabilities	560,551	386,694		
Short-term Bonds	776,296	823,380		
Bonds and Notes	6,235,233	5,613,659	8-b	
Due to Trust Accounts	1,954,690	1,203,915		
Derivatives other than for Trading Liabilities	2,653,017	3,584,221	6-g	
Other Liabilities	4,649,335	4,794,647		
Reserve for Bonus Payments	43,964	38,986		
Net Defined Benefit Liability	48,948	44,534		
Reserve for Director and Corporate Auditor				
Retirement Benefits	1,567	1,296		
Reserve for Possible Losses on Sales of Loans	220	1,735		
Reserve for Contingencies	6,870	7,990		
Reserve for Reimbursement of Deposits	16,684	15,755		
Reserve for Reimbursement of Debentures	42,905	52,760		
Reserves under Special Laws	1,848	1,446		
Deferred Tax Liabilities	433,970	186,720	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	71,897	81,057	4-c	
Acceptances and Guarantees	4,901,887	4,894,301		
Total Liabilities	182,981,918	178,772,984		
(Net Assets)				
Common Stock and Preferred Stock	2,255,790	2,255,404	1-a	
Capital Surplus	1,111,410	1,110,007	1-b	
Retained Earnings	3,004,969	2,598,997	1-c	
Treasury Stock	(4,031)	(3,840)	1-d	
Total Shareholders' Equity	6,368,139	5,960,569		
Net Unrealized Gains (Losses) on Other Securities	1,386,622	1,075,153		
Deferred Gains or Losses on Hedges	59,105	1,887	5	
Revaluation Reserve for Land	145,446	140,740		
Foreign Currency Translation Adjustments	(43,751)	(66,828)		
Remeasurements of Defined Benefit Plans	160,410	(15,871)		
Total Accumulated Other Comprehensive Income	1,707,834	1,135,081		3
Stock Acquisition Rights	2,762	2,024		1b
Non-Controlling Interests	1,186,094	1,616,793	7	
Total Net Assets	9,264,830	8,714,469		
Total Liabilities and Net Assets	192,246,749	187,487,454		

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)

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
1-a	Common Stock and Preferred Stock	2,255,790	2,255,404	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-b	Capital Surplus	1,111,410	1,110,007	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-c	Retained Earnings	3,004,969	2,598,997	
1-d	Treasury Stock	(4,031)	(3,840)	
	Total Shareholders' Equity	6,368,139	5,960,569	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,223,259	5,681,840	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
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	
	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) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
2-a	Intangible Fixed Assets	706,610	565,180	
2-b	Securities	39,996,490	45,882,148	
	of which: share of goodwill of companies accounted for using the equity method	31,016	53,580	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(223,297)	(179,010)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	40,161	114,165	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	474,167	325,585	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. Net Defined Benefit Asset

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
3	Net Defined Benefit Asset	773,296	462,781	
	Income taxes related to above	(248,767)	(164,464)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
15	Net Defined Benefit Asset	524,528	298,316	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
4-a	Deferred Tax Assets	37,174	42,004	
4-b	Deferred Tax Liabilities	433,970	186,720	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	71,897	81,057	
	Tax effects on intangible fixed assets	223,297	179,010	
	Tax effects on net defined benefit asset	248,767	164,464	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	11,829	34,748	This item does not agree with the amount reported on the consolidated 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)	76,167	130,387	This item does not agree with the amount reported on the consolidated 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)	76,167	130,387	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
5	Deferred Gains or Losses on Hedges	59,105	1,887	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	59,105	1,887	

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

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
6-a	Trading Assets	11,565,875	14,814,203	Including trading account securities and derivatives for trading assets
6-b	Securities	39,996,490	45,882,148	
6-c	Loans and Bills Discounted	74,276,839	70,193,539	Including subordinated loans
6-d	Derivatives other than for Trading Assets	2,958,859	3,463,332	
6-e	Other Assets	3,537,663	3,701,827	Including money invested
6-f	Trading Liabilities	8,964,612	9,909,523	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	2,653,017	3,584,221	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
	Investments in own capital instruments	3,325	5,597	
16	Common Equity Tier 1 capital	2,325	5,597	
37	Additional Tier 1 capital	-	-	
52	Tier 2 capital	1,000	-	
	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)	984,712	1,047,898	
18	Common Equity Tier 1 capital	195,883	289,021	
39	Additional Tier 1 capital	442	876	
54	Tier 2 capital	118,664	162,692	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	669,722	595,308	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	298,315	264,314	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	145,926	119,056	
55	Tier 2 capital	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	152,389	145,258	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
7	Non-Controlling Interests	1,186,094	1,616,793	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	11,789	12,250	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
30-31ab-32	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	29,117	27,970	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	179,955	164,175	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	9,190	8,999	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)

8. Other capital instruments

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
8-a	Borrowed Money	7,406,585	6,854,268	
8-b	Bonds and Notes	6,235,233	5,613,659	
	Total	13,641,818	12,467,927	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	300,000	-	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	200,000	100,000	

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.