

Explanation of "Composition of Capital Disclosure"

Mizuho Bank [Consolidated]
As of September 30, 2016

(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, 2016	As of September 30, 2015		
(Assets)				
Cash and Due from Banks	35,463,179	29,918,448		
Call Loans and Bills Purchased	325,603	486,063		
Receivables under Resale Agreements	7,235,473	590,045		
Guarantee Deposits Paid under Securities	-	20,173		
Borrowing Transactions				
Other Debt Purchased	2,516,408	2,892,347		
Trading Assets	6,279,113	4,838,362	6-a	
Money Held in Trust	3,168	3,220		
Securities	31,033,573	38,014,865	2-b, 6-b	
Loans and Bills Discounted	69,608,031	71,843,778	6-c	
Foreign Exchange Assets	1,401,343	1,627,063		
Derivatives other than for Trading Assets	2,986,294	2,983,924	6-d	
Other Assets	2,746,057	1,943,205	6-e	
Tangible Fixed Assets	832,073	836,183		
Intangible Fixed Assets	708,047	577,616	2-a	
Net Defined Benefit Asset	584,378	664,468	3	
Deferred Tax Assets	36,072	26,483	4-a	
Customers' Liabilities for Acceptances and Guarantees	4,649,022	4,877,472		
Reserves for Possible Losses on Loans	(431,797)	(453,125)		
Total Assets	165,976,043	161,690,599		
(Liabilities)				
Deposits	103,567,007	97,610,656		
Negotiable Certificates of Deposit	8,809,615	13,465,008		
Call Money and Bills Sold	975,065	3,660,400		
Payables under Repurchase Agreements	13,962,809	9,974,763		
Guarantee Deposits Received under Securities	763,564	245,228		
Lending Transactions				
Commercial Paper	827,552	628,445		
Trading Liabilities	4,735,165	3,839,898	6-f	
Borrowed Money	8,975,970	7,438,780	8-a	
Foreign Exchange Liabilities	644,160	678,045		
Short-term Bonds	50,233	89,196		
Bonds and Notes	4,021,180	4,550,991	8-b	
Derivatives other than for Trading Liabilities	2,038,305	2,681,051	6-g	
Other Liabilities	3,430,392	2,786,063		
Reserve for Bonus Payments	23,599	17,082		
Reserve for Variable Compensation	634	-		
Net Defined Benefit Liability	5,919	6,825		
Reserve for Director and Corporate Auditor Retirement Benefits	400	384		
Reserve for Possible Losses on Sales of Loans	3	220		
Reserve for Contingencies	4,889	6,870		
Reserve for Reimbursement of Deposits	14,739	15,583		
Reserve for Reimbursement of Debentures	35,273	42,905		
Deferred Tax Liabilities	309,183	386,851	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	67,247	71,897	4-c	
Acceptances and Guarantees	4,649,022	4,877,472		
Total Liabilities	157,911,936	153,074,623		
(Net Assets)				
Common Stock and Preferred Stock	1,404,065	1,404,065	1-a	
Capital Surplus	2,211,694	2,260,090	1-b	
Retained Earnings	2,479,034	2,262,603	1-c	
Total Shareholders' Equity	6,094,793	5,926,759		
Net Unrealized Gains (Losses) on Other Securities	985,427	1,224,431		
Deferred Gains or Losses on Hedges	164,576	60,229	5	
Revaluation Reserve for Land	146,794	145,446		
Foreign Currency Translation Adjustments	(52,700)	(15,812)		
Remeasurements of Defined Benefit Plans	80,445	156,882		
Total Accumulated Other Comprehensive Income	1,324,542	1,571,178		
Non-Controlling Interests	644,770	1,118,038	7	
Total Net Assets	8,064,106	8,615,976		
Total Liabilities and Net Assets	165,976,043	161,690,599		

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, 2016	As of September 30, 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	2,211,694	2,260,090	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-c	Retained Earnings	2,479,034	2,262,603	
	Total Shareholders' Equity	6,094,793	5,926,759	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,094,789	5,926,754	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,615,755	3,664,151	
2	of which: retained earnings	2,479,034	2,262,603	
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 absorber clause upon entering into effective bankruptcy

2. Intangible fixed assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2016	As of September 30, 2015	Remarks
2-a	Intangible Fixed Assets	708,047	577,616	
2-b	Securities	31,033,573	38,014,865	
	of which: share of goodwill of companies accounted for using the equity method	28,106	30,955	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(214,278)	(182,888)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	34,950	40,100	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	486,925	385,583	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, 2016	As of September 30, 2015	Remarks
3	Net Defined Benefit Asset	584,378	664,468	
	Income taxes related to above	(178,585)	(213,892)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
15	Net Defined Benefit Asset	405,792	450,576	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2016	As of September 30, 2015	Remarks
4-a	Deferred Tax Assets	36,072	26,483	
4-b	Deferred Tax Liabilities	309,183	386,851	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	67,247	71,897	
	Tax effects on intangible fixed assets	214,278	182,888	
	Tax effects on net defined benefit asset	178,585	213,892	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	8,950	7,956	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)	74,842	20,953	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)	74,842	20,953	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2016	As of September 30, 2015	Remarks
5	Deferred Gains or Losses on Hedges	164,576	60,229	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	164,576	60,229	

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, 2016	As of September 30, 2015	Remarks
6-a	Trading Assets	6,279,113	4,838,362	Including trading account securities and derivatives for trading assets
6-b	Securities	31,033,573	38,014,865	
6-c	Loans and Bills Discounted	69,608,031	71,843,778	Including subordinated loans
6-d	Derivatives other than for Trading Assets	2,986,294	2,983,924	
6-e	Other Assets	2,746,057	1,943,205	Including money invested
6-f	Trading Liabilities	4,735,165	3,839,898	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	2,038,305	2,681,051	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
16	Investments in own capital instruments	56	-	
37	Common Equity Tier 1 capital	-	-	
52	Additional Tier 1 capital	-	-	
	Tier 2 capital	56	-	
	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)	549,045	786,577	
18	Common Equity Tier 1 capital	-	80,044	
39	Additional Tier 1 capital	-	107	
54	Tier 2 capital	-	54,924	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	549,045	651,500	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	541,104	619,942	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	147,000	145,893	
55	Tier 2 capital	295,000	325,000	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	99,104	149,049	

7. Non-Controlling interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2016	As of September 30, 2015	Remarks
7	Non-Controlling Interests	644,770	1,118,038	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	256	317	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)	25,696	25,080	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	-	-	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)	5,801	5,692	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, 2016	As of September 30, 2015	Remarks
8-a	Borrowed Money	8,975,970	7,438,780	
8-b	Bonds and Notes	4,021,180	4,550,991	
	Total	12,997,151	11,989,771	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2016	As of September 30, 2015	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	760,000	300,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	647,520	379,955	

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.