

Composition of Capital Disclosure

Mizuho Bank [Consolidated]
As of March 31, 2018

(in million yen, except percentage)

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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	6,290,474		6,046,738	
1a	of which: capital and stock surplus	3,615,755		3,615,755	
2	of which: retained earnings	2,917,283		2,635,251	
1c	of which: treasury stock (-)	-		-	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	242,564		204,269	
	of which: other than above	-		-	
1b	Subscription rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	1,477,181		1,102,386	275,596
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	289		296	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements			9,577	
	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			9,577	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,767,946		7,158,997	
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)	586,906		450,576	112,644
8	of which: goodwill (net of related tax liability, including those equivalent)	21,119		25,698	6,424
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	565,786		424,877	106,219
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	9,394		9,524	2,381
11	Deferred gains or losses on derivatives under hedge accounting	(69,221)		6,804	1,701
12	Shortfall of eligible provisions to expected losses	60,419		8,564	2,133
13	Securitization gain on sale	-		-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	3,860		205	51
15	Net defined benefit asset	592,359		379,255	94,813
16	Investments in own shares (excluding those reported in the net assets section)	-		-	-
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)	-		-	-
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)	1,183,719		854,931	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,584,226		6,304,066	
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	1,220,000		760,000	
	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)	21,766		21,961	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	577,504		577,504	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	577,504		577,504	
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			(7,639)	
	of which: foreign currency translation adjustments			(7,639)	
36	Additional Tier 1 capital: instruments (D)	1,819,270		1,351,827	
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)	-		-	
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)	73,500		117,600	29,400
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements			2,532	
	of which: goodwill equivalent			1,461	
	of which: intangible fixed assets recognized as a result of a merger			-	
	of which: capital increase due to securitization transactions			-	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach			1,070	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	73,500		120,132	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	1,745,770		1,231,694	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	8,329,997		7,535,761	

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	Amounts excluded under transitional arrangements
Tier 2 capital: instruments and provisions (4)					
46	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	-		-	
	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	988,107		852,450	
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		-	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	4,824		4,911	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	644,311		805,389	
47	of which: directly issued capital instruments subject to phase out from Tier 2	644,311		805,389	
49	of which: instruments issued by subsidiaries subject to phase out	-		-	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	4,212		6,289	
50a	of which: general allowance for loan losses	4,212		6,289	
50b	of which: eligible provisions	-		-	
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements			159,170	
	of which: 45% of unrealized gains on other securities			140,072	
	of which: 45% of revaluation reserve for land			19,097	
51	Tier 2 capital: instruments and provisions (H)	1,641,456		1,828,211	
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	21		26	6
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)	-		-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	90,000		180,000	45,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements			35,433	
	of which: investments in the capital banking, financial and insurance entities			34,363	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach			1,070	
57	Tier 2 capital: regulatory adjustments (I)	90,021		215,460	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I) (J))	1,551,434		1,612,750	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,881,432		9,148,512	
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to phase-out arrangements			219,617	
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)			106,219	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)			2,381	
	of which: net defined benefit asset			94,813	
	of which: investments in the capital banking, financial and insurance entities			16,203	
60	Risk weighted assets (L)	53,336,100		56,461,773	
Capital ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.34%		11.16%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	15.61%		13.34%	
63	Total capital ratio (consolidated) ((K)/(L))	18.52%		16.20%	
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	499,181		558,184	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	140,971		116,896	
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)	140,698		137,118	
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for loan losses)	4,212		6,289	
77	Cap on inclusion of provisions (general allowance for loan losses)	27,609		31,230	
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	270,626		286,021	
Capital instruments subject to phase-out arrangements (8)					
82	Current cap on AT1 instruments subject to phase-out arrangements	587,517		734,396	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-	
84	Current cap on T2 instruments subject to phase-out arrangements	644,311		805,389	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	33,004		29,772	