

**Composition of Capital Disclosure**

Mizuho Financial Group [Consolidated]  
As of June 30, 2017

(in million yen, in percentage)

Basel III Template No.	Items	As of June 30, 2017	Amounts excluded under transitional arrangements	As of March 31, 2017	Amounts excluded under transitional arrangements	
<b>Common Equity Tier 1 capital: instruments and reserves (1)</b>						
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,024,144		6,905,510		
1a	of which: capital and stock surplus	3,391,360		3,390,691		
2	of which: retained earnings	3,638,262		3,614,841		
1c	of which: treasury stock (-)	5,478		4,849		
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		95,173		
	of which: other than above	-		-		
1b	Subscription rights to common shares	1,210		1,754		
3	Accumulated other comprehensive income and other disclosed reserves	1,261,872	315,468	1,216,780	304,195	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	19,040		14,537		
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	22,162		22,881		
	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	22,162		22,881		
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,328,431		8,161,464		
<b>Common Equity Tier 1 capital: regulatory adjustments (2)</b>						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	629,727	157,431	619,806	154,951	
8	of which: goodwill (net of related tax liability, including those equivalent)	76,583	19,145	79,695	19,923	
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	553,144	138,286	540,111	135,027	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	37,301	9,325	36,601	9,150	
11	Deferred gains or losses on derivatives under hedge accounting	8,399	2,099	8,137	2,034	
12	Shortfall of eligible provisions to expected losses	10,675	2,675	9,381	2,352	
13	Securitization gain on sale	49	12	52	13	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	2,136	534	593	148	
15	Net defined benefit asset	450,362	112,590	443,158	110,789	
16	Investments in own shares (excluding those reported in the net assets section)	4,632	1,158	5,473	1,368	
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)	27,162	6,790	36,595	9,148	
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)	1,170,447		1,159,800		
<b>Common Equity Tier 1 capital (CET1)</b>						
29	Common Equity Tier 1 capital (CET1) ((A)-(B) (C))	7,157,984		7,001,664		
<b>Additional Tier 1 capital: instruments (3)</b>						
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	760,000		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)	30,173		31,786		
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	577,500		577,500		
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	577,500		577,500		
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	(15,884)		(13,931)		
	of which: foreign currency translation adjustments	(15,884)		(13,931)		
36	Additional Tier 1 capital: instruments (D)	1,351,788		1,355,354		
<b>Additional Tier 1 capital: regulatory adjustments</b>						
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)	33	8	38	9	
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)	58,800	14,700	117,600	29,400	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	27,501		27,858		
	of which: goodwill equivalent	14,774		14,954		
	of which: intangible fixed assets recognized as a result of a merger	11,381		11,717		
	of which: capital increase due to securitization transactions	12		13		
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	1,334		1,172		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	86,335		145,496		
<b>Additional Tier 1 capital (AT1)</b>						
44	Additional Tier 1 capital ((D)-(E) (F))	1,265,452		1,209,858		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F) (G))	8,423,437		8,211,522		

Basel III Template No.	Items	As of June 30, 2017	Amounts excluded under transitional arrangements	As of March 31, 2017	Amounts excluded under transitional arrangements
<b>Tier 2 capital: instruments and provisions (4)</b>					
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	828,000		684,150	
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	168,000		168,300	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	11,242		10,574	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	823,444		842,133	
47	of which: directly issued capital instruments subject to phase out from Tier 2	168,000		168,022	
49	of which: instruments issued by subsidiaries subject to phase out	655,444		674,110	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	5,296		6,510	
50a	of which: general allowance for loan losses	5,296		6,510	
50b	of which: eligible provisions	-		-	
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	186,910		180,319	
	of which: 45% of unrealized gains on other securities	167,849		161,221	
	of which: 45% of revaluation reserve for land	19,061		19,097	
51	Tier 2 capital: instruments and provisions (H)	2,022,893		1,891,987	
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	3,069	767	409	102
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)	12,415	3,103	16,413	4,103
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	20,548		35,732	
	of which: investments in the capital banking, financial and insurance entities	19,214		34,559	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	1,334		1,172	
57	Tier 2 capital: regulatory adjustments (I)	36,033		52,555	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)-(J))	1,986,859		1,839,431	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,410,297		10,050,953	
<b>Risk weighted assets (5)</b>					
	Total of items included in risk weighted assets subject to phase-out arrangements	261,991		260,992	
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	126,904		123,310	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	9,325		9,150	
	of which: net defined benefit asset	112,590		110,789	
	of which: investments in the capital banking, financial and insurance entities	13,170		17,742	
60	Risk weighted assets (L)	61,785,213		61,717,158	
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	11.58%		11.34%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	13.63%		13.30%	
63	Total capital ratio (consolidated) ((K)/(L))	16.84%		16.28%	
<b>Regulatory adjustments (6)</b>					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	719,259		703,872	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	119,154		118,358	
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)	200,249		182,672	
<b>Provisions included in Tier 2 capital: instruments and provisions (7)</b>					
76	Provisions (general allowance for loan losses)	5,296		6,510	
77	Cap on inclusion of provisions (general allowance for loan losses)	46,261		46,343	
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	299,476		299,309	
<b>Capital instruments subject to phase-out arrangements (8)</b>					
82	Current cap on AT1 instruments subject to phase-out arrangements	1,041,569		1,041,569	
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	843,530		843,530	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-	