

Composition of Capital Disclosure

Mizuho Financial Group [Consolidated]
As of June 30, 2020

(in million yen, except percentage)

CC1:Composition of Capital Disclosure				
Basel III Template No.	Items	a	b	c
		As of June 30, 2020	As of March 31, 2020	Reference to Template CC2
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	7,554,340	7,465,494	
1a	of which: capital and stock surplus	3,393,235	3,393,235	
2	of which: retained earnings	4,167,177	4,173,882	
1c	of which: treasury stock (-)	6,072	6,414	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-	95,208	
	of which: other than above	-	-	
1b	Subscription rights to common shares	134	213	
3	Accumulated other comprehensive income and other disclosed reserves	1,066,993	992,960	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	8,794	7,549	
6	Common Equity Tier 1 capital: instruments and reserves (A)	8,630,262	8,466,218	
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)	462,000	469,463	
8	of which: goodwill (net of related tax liability, including those equivalent)	66,023	68,248	
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	395,976	401,215	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	15,678	15,053	
11	Deferred gains or losses on derivatives under hedge accounting	124,370	124,838	
12	Shortfall of eligible provisions to expected losses	-	-	
13	Securitization gain on sale	-	92	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	26,955	21,896	
15	Net defined benefit asset	592,453	587,912	
16	Investments in own shares (excluding those reported in the net assets section)	1,604	2,185	
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)	1,223,063	1,221,441	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,407,199	7,244,776	
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	1,805,000	1,805,000
		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)	20,808	20,277	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	-	-	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	-	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	-	
36	Additional Tier 1 capital: instruments (D)	1,825,808	1,825,277	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	1,800	1,700	
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)	43,950	43,950	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)	45,750	45,650	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,780,058	1,779,627	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,187,258	9,024,404	

(in million yen, except percentage)

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Basel III Template No.	Items	a	b	c
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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	1,279,679	1,215,858	
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	120,831	130,184	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	6,377	5,955	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	318,806	337,412	
47	of which: directly issued capital instruments subject to phase out from Tier 2	66,122	74,725	
49	of which: instruments issued by subsidiaries subject to phase out	252,684	262,686	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	5,445	10,782	
50a	of which: general allowance for loan losses	4,786	4,228	
50b	of which: eligible provisions	659	6,554	
51	Tier 2 capital: instruments and provisions (H)	1,731,140	1,700,193	
Tier 2 capital: regulatory adjustments (5)				
52	Investments in own Tier 2 instruments	1,946	970	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	-	
54	Investments in the capital and other TLAC liabilities 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)	-	-	
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	1,570	1,349	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
57	Tier 2 capital: regulatory adjustments (I)	3,516	2,319	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,727,624	1,697,873	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,914,882	10,722,278	
Risk weighted assets (6)				
60	Risk weighted assets (L)	65,180,377	62,141,217	
Capital ratio and buffers (consolidated) (7)				
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	11.36%	11.65%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	14.09%	14.52%	
63	Total capital ratio (consolidated) ((K)/(L))	16.74%	17.25%	
64	Total of bank CET1 specific buffer requirements	3.51%	3.51%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical buffer requirement	0.01%	0.01%	
67	of which: bank G-SIB/D-SIB additional requirements	1.00%	1.00%	
68	CET1 available after meeting the bank's minimum capital requirements	6.86%	7.15%	
Regulatory adjustments (8)				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	481,589	455,356	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	267,348	268,070	
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)	308,714	351,227	
Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general allowance for loan losses)	4,786	4,228	
77	Cap on inclusion of provisions (general allowance for loan losses)	43,292	43,991	
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")	659	6,554	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	320,866	302,928	
Capital instruments subject to phase-out arrangements (10)				
82	Current cap on AT1 instruments subject to phase-out arrangements	416,627	416,627	
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	337,412	337,412	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	1,270	