

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]
As of September 30, 2021

(in million yen)

CC2: Reconciliation of regulatory capital to consolidated balance sheet			
Items	a	b	c
	Consolidated balance sheet as in published financial statements	Reference to Template CC1	Cross-reference to Appended template
Assets			
Cash and Due from Banks	47,075,429		
Call Loans and Bills Purchased	330,455		
Receivables under Resale Agreements	16,932,692		
Guarantee Deposits Paid under Securities Borrowing Transactions	2,412,626		
Other Debt Purchased	3,137,520		
Trading Assets	12,610,648		6-a
Money Held in Trust	637,862		
Securities	43,725,034		2-b, 6-b
Loans and Bills Discounted	82,198,528		6-c
Foreign Exchange Assets	2,228,808		
Derivatives other than for Trading Assets	1,407,561		6-d
Other Assets	5,296,681		6-e
Tangible Fixed Assets	1,118,837		
Intangible Fixed Assets	603,477		2-a
Net Defined Benefit Asset	959,987		3
Deferred Tax Assets	27,842		4-a
Customers' Liabilities for Acceptances and Guarantees	7,085,422		
Reserves for Possible Losses on Loans	(594,023)		
Reserve for Possible Losses on Investments	(1)		
Total Assets	227,195,390		
Liabilities			
Deposits	129,291,662		
Negotiable Certificates of Deposit	19,215,068		
Call Money and Bills Sold	1,431,315		
Payables under Repurchase Agreements	22,277,769		
Guarantee Deposits Received under Securities Lending Transactions	1,229,187		
Commercial Paper	1,969,424		
Trading Liabilities	6,464,003		6-f
Borrowed Money	7,495,869		8-a
Foreign Exchange Liabilities	500,486		
Short-term Bonds	543,561		
Bonds and Notes	10,513,503		8-b
Due to Trust Accounts	1,182,263		
Derivatives other than for Trading Liabilities	1,480,764		6-g
Other Liabilities	6,469,900		
Reserve for Bonus Payments	58,833		
Reserve for Variable Compensation	1,014		
Net Defined Benefit Liability	71,775		
Reserve for Director and Corporate Auditor Retirement Benefits	488		
Reserve for Possible Losses on Sales of Loans	181		
Reserve for Contingencies	8,562		
Reserve for Reimbursement of Deposits	19,901		
Reserve for Reimbursement of Debentures	12,157		
Reserves under Special Laws	3,127		
Deferred Tax Liabilities	166,823		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	61,436		4-c
Acceptances and Guarantees	7,085,422		
Total Liabilities	217,554,505		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,125,324		1-b
Retained Earnings	4,712,422		1-c
Treasury Stock	(8,164)		1-d
Total Shareholders' Equity	8,086,349		
Net Unrealized Gains (Losses) on Other Securities	1,154,756		
Deferred Gains or Losses on Hedges	(743)		5
Revaluation Reserve for Land	135,297		
Foreign Currency Translation Adjustments	(80,968)		
Remeasurements of Defined Benefit Plans	229,137		
Total Accumulated Other Comprehensive Income	1,437,480	(a)	
Stock Acquisition Rights	95		
Non-Controlling Interests	116,959		7
Total Net Assets	9,640,884		
Total Liabilities and Net Assets	227,195,390		

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, 2021	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,125,324	
1-c	Retained Earnings	4,712,422	
1-d	Treasury Stock	(8,164)	
	Total Shareholders' Equity	8,086,349	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	8,086,177	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,382,092	
2	of which: retained earnings	4,712,250	
1c	of which: treasury stock (-)	8,164	
	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	-	

2. Intangible fixed assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2021	Remarks
2-a	Intangible Fixed Assets	603,477	
2-b	Securities	43,725,034	
	of which: share of goodwill of companies accounted for using the equity method	9,388	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(166,015)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	64,082	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	382,767	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, 2021	Remarks
3	Net Defined Benefit Asset	959,987	
	Income taxes related to above	(293,654)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
15	Net Defined Benefit Asset	666,332	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2021	Remarks
4-a	Deferred Tax Assets	27,842	
4-b	Deferred Tax Liabilities	166,823	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	61,436	
	Tax effects on intangible fixed assets	166,015	
	Tax effects on net defined benefit asset	293,654	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	59,311	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)	215,851	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)	215,851	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2021	Remarks
5	Deferred Gains or Losses on Hedges	(743)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	6,575	Excluding those items whose valuation differences arising from hedged items are recognized as "Total accumulated other comprehensive income"

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, 2021	Remarks
6-a	Trading Assets	12,610,648	Including trading account securities and derivatives for trading assets
6-b	Securities	43,725,034	
6-c	Loans and Bills Discounted	82,198,528	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,407,561	
6-e	Other Assets	5,296,681	Including money invested
6-f	Trading Liabilities	6,464,003	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,480,764	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
16	Investments in own capital instruments	17,618	
37	Common Equity Tier 1 capital	1,941	
52	Additional Tier 1 capital	4,500	
	Tier 2 capital	11,176	
	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 and other TLAC liabilities	-	
	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)	485,763	
18	Common Equity Tier 1 capital	-	
39	Additional Tier 1 capital	-	
54	Tier 2 capital and other TLAC liabilities	-	
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	3,147	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	482,616	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	352,676	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	36,078	
55	Tier 2 capital and other TLAC liabilities	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	316,598	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2021	Remarks
7	Non-Controlling Interests	116,959	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	18,653	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)	22,407	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	83,548	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)	8,921	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, 2021	Remarks
8-a	Borrowed Money	7,495,869	
8-b	Bonds and Notes	10,513,503	
	Total	18,009,372	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2021	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,873,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,516,408	