

Composition of Capital Disclosure

Mizuho Financial Group [Consolidated]
As of December 31, 2021

(in million yen, except percentage)

CC1:Composition of Capital Disclosure				
Basel III Template No.	Items	a	b	c
		As of December 31, 2021	As of September 30, 2021	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	8,077,116	7,984,632	
1a	of which: capital and stock surplus	3,382,092	3,382,092	
2	of which: retained earnings	4,703,271	4,712,250	
1c	of which: treasury stock (-)	8,246	8,164	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-	101,545	
	of which: other than above	-	-	
1b	Subscription rights to common shares	95	95	
3	Accumulated other comprehensive income and other disclosed reserves	1,208,906	1,437,480	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	17,020	18,653	
6	Common Equity Tier 1 capital: instruments and reserves (A)	9,303,139	9,440,861	
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)	442,271	446,850	
8	of which: goodwill (net of related tax liability, including those equivalent)	63,992	64,082	
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	378,279	382,767	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	23,920	59,311	
11	Deferred gains or losses on derivatives under hedge accounting	(43,404)	6,575	
12	Shortfall of eligible provisions to expected losses	-	-	
13	Securitization gain on sale	7	1	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	18,638	16,269	
15	Net defined benefit asset	634,175	666,332	
16	Investments in own shares (excluding those reported in the net assets section)	1,245	1,941	
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)	1,076,854	1,197,282	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	8,226,284	8,243,579	
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	1,643,000	1,873,000
		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)	22,441	22,407	
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)	1,665,441	1,895,407	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	-	4,500	
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)	15,095	36,078	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)	15,095	40,578	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital ((D)-(E)) (F)	1,650,345	1,854,829	
Tier 1 capital (T1 = CET1 + AT1)				
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,876,630	10,098,408	

(in million yen, except percentage)

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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	1,531,383	1,516,408	
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	77,152	83,548	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	8,536	8,921	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	168,706	168,706	
47	of which: directly issued capital instruments subject to phase out from Tier 2	18,054	23,105	
49	of which: instruments issued by subsidiaries subject to phase out	150,651	145,600	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	60,890	65,355	
50a	of which: general allowance for loan losses	3,863	4,910	
50b	of which: eligible provisions	57,027	60,444	
51	Tier 2 capital: instruments and provisions (H)	1,846,669	1,842,940	
Tier 2 capital: regulatory adjustments (5)				
52	Investments in own Tier 2 instruments	6,310	11,176	
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	2,360	3,147	
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)	8,670	14,324	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,837,998	1,828,616	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	11,714,628	11,927,024	
Risk weighted assets (6)				
60	Risk weighted assets (L)	66,364,348	67,147,718	
Capital ratio and buffers (consolidated) (7)				
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.39%	12.27%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	14.88%	15.03%	
63	Total capital ratio (consolidated) ((K)/(L))	17.65%	17.76%	
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	7.89%	7.77%	
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)	525,784	482,616	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	322,555	316,598	
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)	356,755	215,851	
Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general allowance for loan losses)	3,863	4,910	
77	Cap on inclusion of provisions (general allowance for loan losses)	43,888	45,717	
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")	57,027	60,444	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	331,654	335,369	
Capital instruments subject to phase-out arrangements (10)				
82	Current cap on AT1 instruments subject to phase-out arrangements	208,313	208,313	
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	168,706	168,706	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	6,985	26,688	