

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]
As of December 31, 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	45,704,859		
Call Loans and Bills Purchased	514,665		
Receivables under Resale Agreements	18,937,412		
Guarantee Deposits Paid under Securities Borrowing Transactions	1,943,259		
Other Debt Purchased	3,363,191		
Trading Assets	12,422,209		6-a
Money Held in Trust	569,244		
Securities	40,010,578		2-b, 6-b
Loans and Bills Discounted	83,086,006		6-c
Foreign Exchange Assets	2,474,865		
Derivatives other than for Trading Assets	1,534,822		6-d
Other Assets	5,043,282		6-e
Tangible Fixed Assets	1,105,251		
Intangible Fixed Assets	595,827		2-a
Net Defined Benefit Asset	913,625		3
Deferred Tax Assets	33,613		4-a
Customers' Liabilities for Acceptances and Guarantees	7,861,833		
Reserves for Possible Losses on Loans	(689,454)		
Reserve for Possible Losses on Investments	(106)		
Total Assets	225,424,989		
Liabilities			
Deposits	129,003,497		
Negotiable Certificates of Deposit	19,285,594		
Call Money and Bills Sold	1,386,684		
Payables under Repurchase Agreements	22,033,092		
Guarantee Deposits Received under Securities Lending Transactions	887,946		
Commercial Paper	1,801,323		
Trading Liabilities	6,802,673		6-f
Borrowed Money	7,629,722		8-a
Foreign Exchange Liabilities	569,000		
Short-term Bonds	541,811		
Bonds and Notes	10,567,749		8-b
Due to Trust Accounts	1,197,324		
Derivatives other than for Trading Liabilities	1,778,836		6-g
Other Liabilities	4,378,626		
Reserve for Bonus Payments	63,566		
Reserve for Variable Compensation	1,521		
Net Defined Benefit Liability	72,126		
Reserve for Director and Corporate Auditor Retirement Benefits	515		
Reserve for Possible Losses on Sales of Loans	155		
Reserve for Contingencies	8,946		
Reserve for Reimbursement of Deposits	18,859		
Reserve for Reimbursement of Debentures	11,337		
Reserves under Special Laws	3,127		
Deferred Tax Liabilities	51,424		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	61,436		4-c
Acceptances and Guarantees	7,861,833		
Total Liabilities	216,018,735		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,125,324		1-b
Retained Earnings	4,703,422		1-c
Treasury Stock	(8,246)		1-d
Total Shareholders' Equity	8,077,267		
Net Unrealized Gains (Losses) on Other Securities	976,402		
Deferred Gains or Losses on Hedges	(53,315)		5
Revaluation Reserve for Land	135,497		
Foreign Currency Translation Adjustments	(58,029)		
Remeasurements of Defined Benefit Plans	208,351		
Total Accumulated Other Comprehensive Income	1,208,906	(a)	
Stock Acquisition Rights	95		
Non-Controlling Interests	119,985		7
Total Net Assets	9,406,254		
Total Liabilities and Net Assets	225,424,989		

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 December 31, 2021	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,125,324	
1-c	Retained Earnings	4,703,422	
1-d	Treasury Stock	(8,246)	
	Total Shareholders' Equity	8,077,267	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	8,077,116	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	4,703,271	
1c	of which: treasury stock (-)	8,246	
	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 December 31, 2021	Remarks
2-a	Intangible Fixed Assets	595,827	
2-b	Securities	40,010,578	
	of which: share of goodwill of companies accounted for using the equity method	10,446	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(164,002)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	63,992	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	378,279	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 December 31, 2021	Remarks
3	Net Defined Benefit Asset	913,625	
	Income taxes related to above	(279,449)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
15	Net Defined Benefit Asset	634,175	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2021	Remarks
4-a	Deferred Tax Assets	33,613	
4-b	Deferred Tax Liabilities	51,424	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	61,436	
	Tax effects on intangible fixed assets	164,002	
	Tax effects on net defined benefit asset	279,449	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	23,920	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)	356,755	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)	356,755	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2021	Remarks
5	Deferred Gains or Losses on Hedges	(53,315)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(43,404)	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 December 31, 2021	Remarks
6-a	Trading Assets	12,422,209	Including trading account securities and derivatives for trading assets
6-b	Securities	40,010,578	
6-c	Loans and Bills Discounted	83,086,006	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,534,822	
6-e	Other Assets	5,043,282	Including money invested
6-f	Trading Liabilities	6,802,673	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,778,836	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
16	Investments in own capital instruments	7,555	
37	Common Equity Tier 1 capital	1,245	
52	Additional Tier 1 capital	-	
	Tier 2 capital	6,310	
	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)	528,144	
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	2,360	
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	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	337,651	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	15,095	
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)	322,555	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2021	Remarks
7	Non-Controlling Interests	119,985	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	17,020	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)	22,441	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	77,152	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)	8,536	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 December 31, 2021	Remarks
8-a	Borrowed Money	7,629,722	
8-b	Bonds and Notes	10,567,749	
	Total	18,197,472	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2021	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,643,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,531,383	