

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]
As of December 31, 2022

(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	56,839,849		
Call Loans and Bills Purchased	1,052,561		
Receivables under Resale Agreements	14,333,722		
Guarantee Deposits Paid under Securities Borrowing Transactions	1,770,292		
Other Debt Purchased	4,041,909		
Trading Assets	19,809,108		6-a
Money Held in Trust	583,626		
Securities	35,665,864		2-b, 6-b
Loans and Bills Discounted	91,230,919		6-c
Foreign Exchange Assets	2,961,851		
Derivatives other than for Trading Assets	3,590,376		6-d
Other Assets	8,486,862		6-e
Tangible Fixed Assets	1,097,941		
Intangible Fixed Assets	598,884		2-a
Net Defined Benefit Asset	773,335		3
Deferred Tax Assets	428,485		4-a
Customers' Liabilities for Acceptances and Guarantees	9,231,896		
Reserves for Possible Losses on Loans	(706,244)		
Reserve for Possible Losses on Investments	(1)		
Total Assets	251,791,239		
Liabilities			
Deposits	143,491,614		
Negotiable Certificates of Deposit	18,940,503		
Call Money and Bills Sold	1,447,299		
Payables under Repurchase Agreements	22,493,570		
Guarantee Deposits Received under Securities Lending Transactions	430,910		
Commercial Paper	2,009,782		
Trading Liabilities	16,071,186		6-f
Borrowed Money	2,435,971		8-a
Foreign Exchange Liabilities	802,717		
Short-term Bonds	525,867		
Bonds and Notes	10,856,934		8-b
Due to Trust Accounts	1,529,791		
Derivatives other than for Trading Liabilities	4,314,108		6-g
Other Liabilities	7,902,609		
Reserve for Bonus Payments	71,453		
Reserve for Variable Compensation	1,784		
Net Defined Benefit Liability	71,708		
Reserve for Director and Corporate Auditor Retirement Benefits	509		
Reserve for Possible Losses on Sales of Loans	12,358		
Reserve for Contingencies	13,196		
Reserve for Reimbursement of Deposits	14,582		
Reserve for Reimbursement of Debentures	8,219		
Reserves under Special Laws	3,132		
Deferred Tax Liabilities	21,395		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	59,499		4-c
Acceptances and Guarantees	9,231,896		
Total Liabilities	242,762,605		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,129,388		1-b
Retained Earnings	5,091,194		1-c
Treasury Stock	(8,607)		1-d
Total Shareholders' Equity	8,468,742		
Net Unrealized Gains (Losses) on Other Securities	230,046		
Deferred Gains or Losses on Hedges	(227,046)		5
Revaluation Reserve for Land	131,108		
Foreign Currency Translation Adjustments	224,296		
Remeasurements of Defined Benefit Plans	125,734		
Own Credit Risk Adjustments, Net of Tax	(3)		
Total Accumulated Other Comprehensive Income	484,136	(a)	
Stock Acquisition Rights	5		
Non-Controlling Interests	75,750		7
Total Net Assets	9,028,634		
Total Liabilities and Net Assets	251,791,239		

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, 2022	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,129,388	
1-c	Retained Earnings	5,091,194	
1-d	Treasury Stock	(8,607)	
	Total Shareholders' Equity	8,468,742	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	8,468,669	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,386,156	
2	of which: retained earnings	5,091,121	
1c	of which: treasury stock (-)	8,607	
	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, 2022	Remarks
2-a	Intangible Fixed Assets	598,884	
2-b	Securities	35,665,864	
	of which: share of goodwill of companies accounted for using the equity method	64,033	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(164,083)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	116,873	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	381,960	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, 2022	Remarks
3	Net Defined Benefit Asset	773,335	
	Income taxes related to above	(236,409)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
15	Net Defined Benefit Asset	536,926	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2022	Remarks
4-a	Deferred Tax Assets	428,485	
4-b	Deferred Tax Liabilities	21,395	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	59,499	
	Tax effects on intangible fixed assets	164,083	
	Tax effects on net defined benefit asset	236,409	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	29,344	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)	736,111	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)	736,111	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2022	Remarks
5	Deferred Gains or Losses on Hedges	(227,046)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(467,451)	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, 2022	Remarks
6-a	Trading Assets	19,809,108	Including trading account securities and derivatives for trading assets
6-b	Securities	35,665,864	
6-c	Loans and Bills Discounted	91,230,919	Including subordinated loans
6-d	Derivatives other than for Trading Assets	3,590,376	
6-e	Other Assets	8,486,862	Including money invested
6-f	Trading Liabilities	16,071,186	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	4,314,108	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
16	Investments in own capital instruments	5,334	
37	Common Equity Tier 1 capital	898	
52	Additional Tier 1 capital	2,900	
	Tier 2 capital	1,535	
	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)	413,272	
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	6,138	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	407,134	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	445,819	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	19,683	
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)	426,136	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2022	Remarks
7	Non-Controlling Interests	75,750	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	509	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)	17,828	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	49,244	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)	3,877	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, 2022	Remarks
8-a	Borrowed Money	2,435,971	
8-b	Bonds and Notes	10,856,934	
	Total	13,292,905	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2022	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,485,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,381,045	