

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group
As of September 30, 2013

[Consolidated] (in million yen)

Items	Consolidated Balance sheet as in published financial statements	Cross-reference to Appended template	Reference # of common disclosure template under the Composition of Capital Disclosure
	Amount		
(Assets)			
Cash and Due from Banks	18,133,429		
Call Loans and Bills Purchased	361,000		
Receivables under Resale Agreements	12,157,183		
Guarantee Deposits Paid under Securities			
Borrowing Transactions	5,586,262		
Other Debt Purchased	2,978,895		
Trading Assets	13,942,483		
Money Held in Trust	128,874	6-a	
Securities	46,601,342	2-b, 6-b	
Loans and Bills Discounted	67,435,232	6-c	
Foreign Exchange Assets	1,338,201		
Derivatives other than for Trading Assets	3,318,853	6-d	
Other Assets	5,058,186	3, 6-e	
Tangible Fixed Assets	906,531		
Intangible Fixed Assets	488,626	2-a	
Deferred Tax Assets	147,872	4-a	
Customers' Liabilities for Acceptances and Guarantees	4,211,350		
Reserves for Possible Losses on Loans	(645,063)		
Reserve for Possible Losses on Investments	(28)		
Total Assets	182,149,236		
(Liabilities)			
Deposits	86,720,758		
Negotiable Certificates of Deposit	14,916,975		
Call Money and Bills Sold	5,608,146		
Payables under Repurchase Agreements	20,494,636		
Guarantee Deposits Received under Securities			
Lending Transactions	7,306,493		
Commercial Paper	619,956		
Trading Liabilities	7,169,893	6-f	
Borrowed Money	9,360,535	8-a	
Foreign Exchange Liabilities	233,507		
Short-term Bonds	568,197		
Bonds and Notes	5,131,982	8-b	
Due to Trust Accounts	1,253,759		
Derivatives other than for Trading Liabilities	3,463,391	6-g	
Other Liabilities	6,715,045		
Reserve for Bonus Payments	36,325		
Reserve for Employee Retirement Benefits	40,659		
Reserve for Director and Corporate Auditor Retirement Benefits	1,323		
Reserve for Possible Losses on Sales of Loans	346		
Reserve for Contingencies	19,111		
Reserve for Reimbursement of Deposits	16,654		
Reserve for Reimbursement of Debentures	47,588		
Reserves under Special Laws	1,049		
Deferred Tax Liabilities	29,470	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	81,455	4-c	
Acceptances and Guarantees	4,211,350		
Total Liabilities	174,048,615		
(Net Assets)			
Common Stock and Preferred Stock	2,254,972	1-a	
Capital Surplus	1,109,508	1-b	
Retained Earnings	2,132,117	1-c	
Treasury Stock	(3,846)	1-d	
Total Shareholders' Equity	5,492,751		
Net Unrealized Gains (Losses) on Other Securities	729,899		
Deferred Gains or Losses on Hedges	(4,990)	5	
Revaluation Reserve for Land	141,461		
Foreign Currency Translation Adjustments	(72,440)		
Total Accumulated Other Comprehensive Income	793,929		3
Stock Acquisition Rights	1,733		1b
Minority Interests	1,812,207	7	
Total Net Assets	8,100,621		
Total Liabilities and Net Assets	182,149,236		

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)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Common Stock and Preferred Stock	2,254,972	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-a
Capital Surplus	1,109,508	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-b
Retained Earnings	2,132,117		1-c
Treasury Stock	(3,846)		1-d
Total Shareholders' Equity	5,492,751		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related stock surplus and retained earnings	5,161,238	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and stock surplus	3,033,410		1a
of which: retained earnings	2,131,675		2
of which: treasury stock (-)	3,846		1c
of which: other than above	-		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effective bankruptcy	31a

2. Intangible fixed assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible Fixed Assets	488,626		2-a
Securities	46,601,342		2-b
of which: share of goodwill of companies accounted for using the equity method	66,243	Share of goodwill of companies accounted for using the equity method	
Income taxes related to above	(151,231)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	129,776		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	273,861	Software and other	9
Mortgage servicing rights (net of related tax liability)	-		
Amount exceeding the 10% threshold on specified items	-		20
Amount exceeding the 15% threshold on specified items	-		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		74

3. Defined-benefit pension fund net assets (prepaid pension costs)

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Other Assets	5,058,186		3
of which: defined-benefit pension fund net assets (prepaid pension costs)	434,232		
Income taxes related to above	(154,415)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Defined-benefit pension fund net assets (prepaid pension costs)	279,816		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	147,872		4-a
Deferred Tax Liabilities	29,470		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	81,455		4-c
Tax effects on intangible fixed assets	151,231		
Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	154,415		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	21,472	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	343,863	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	-		21
Amount exceeding the 15% threshold on specified items	-		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	343,863		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	(4,990)		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	(4,990)		11

6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Trading Assets	13,942,483	Including trading account securities and derivatives for trading assets	6-a
Securities	46,601,342		6-b
Loans and Bills Discounted	67,435,232	Including subordinated loans	6-c
Derivatives other than for Trading Assets	3,318,853		6-d
Other Assets	5,058,186	Including money invested	6-e
Trading Liabilities	7,169,893	Including trading account securities sold	6-f
Derivatives other than for Trading Liabilities	3,463,391		6-g

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	431		
Common Equity Tier 1 capital	431		16
Additional Tier 1 capital	-		37
Tier 2 capital	-		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
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)	957,397		
Common Equity Tier 1 capital	240,043		18
Additional Tier 1 capital	1,393		39
Tier 2 capital	197,376		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	518,583		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	261,330		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	95,232		40
Tier 2 capital	-		55
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	166,097		73

7. Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority Interests	1,812,207		7

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	10,853	After reflecting amounts eligible for inclusion (minority interest after adjustments)	5
Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (minority interest after adjustments)	30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	13,330	After reflecting amounts eligible for inclusion (minority interest after adjustments)	34-35
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (minority interest after adjustments)	46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	5,344	After reflecting amounts eligible for inclusion (minority interest after adjustments)	48-49

8. Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed Money	9,360,535		8-a
Bonds and Notes	5,131,982		8-b
Total	14,492,518		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		32
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		46

Note:

* Amounts in the "Composition of capital disclosure" are based on those before considering amounts under transitional arrangements and include "Amounts excluded under transitional arrangements" disclosed in "Composition of Capital Disclosure" as well as amounts included as regulatory capital. In addition, items for regulatory purposes under transitional arrangements are excluded from this table.