

Composition of Capital Disclosure

Mizuho Bank
As of March 31, 2015

【Consolidated】

(in million yen, in percentage)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements
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	5,605,144		5,353,362	
1a	of which: capital and stock surplus	3,690,856		3,690,856	
2	of which: retained earnings	2,156,949		1,951,263	
1c	of which: treasury stock (-)	-		-	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	242,661		288,757	
	of which: other than above	-		-	
1b	Subscription rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	736,284	1,104,426	141,936	567,746
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	316		264	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	20,387		25,287	
	of which: amount allowed in group CET1 capital subject to phase-out arrangements on common share capital issued by subsidiaries and held by third parties	20,387		25,287	
6	Common Equity Tier 1 capital: instruments and reserves (A)	6,362,132		5,520,851	
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)	153,000	229,500	59,595	238,382
8	of which: goodwill (net of related tax liability, including those equivalent)	23,693	35,540	14,359	57,438
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	129,306	193,960	45,236	180,944
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,250	4,875	1,013	4,052
11	Deferred gains or losses on derivatives under hedge accounting	10,806	16,209	(734)	(2,938)
12	Shortfall of eligible provisions to expected losses	15,442	23,028	-	-
13	Securitization gain on sale	65	97	424	1,696
14	Gains and losses due to changes in own credit risk on fair valued liabilities	456	685	281	1,125
15	Net defined benefit asset	173,914	260,871	45,936	183,744
16	Investments in own shares (excluding those reported in the net assets section)	-	-	-	-
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)	39,476	59,214	27,833	111,334
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)	396,412		134,349	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital ((A)-(B)-(C))	5,965,719		5,386,501	
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	-		-	
	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)	25,274		21,365	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	1,028,155		1,175,035	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	1,028,155		1,175,035	
35	of which: instruments issued by subsidiaries subject to phase out	-		-	
	Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(7,613)		(25,643)	
	of which: foreign currency translation adjustments	(7,613)		(25,643)	
36	Additional Tier 1 capital: instruments (D)	1,045,817		1,170,757	
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments	-	-	-	-
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)	124	186	140	561
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)	50,292	75,438	21,049	84,199
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	18,012		10,706	
	of which: goodwill equivalent	6,332		9,009	
	of which: intangible fixed assets recognized as a result of a merger	-		-	
	of which: capital increase due to securitization transactions	97		1,696	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	11,582		-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	68,428		31,896	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	977,388		1,138,860	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	6,943,108		6,525,362	
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	330,405		154,380	
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		-	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	5,713		4,821	

[Consolidated]

(in million yen, in percentage)

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47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	1,088,757		1,288,623	
47	of which: directly issued capital instruments subject to phase out from Tier 2	1,088,757		1,288,623	
49	of which: instruments issued by subsidiaries subject to phase out	-		-	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	4,358		7,393	
50a	of which: general allowance for loan losses	4,358		6,455	
50b	of which: eligible provisions	-		938	
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	650,464		413,391	
	of which: 45% of unrealized gains on other securities	591,385		333,542	
	of which: 45% of revaluation reserve for land	59,079		79,849	
51	Tier 2 capital: instruments and provisions (H)	2,079,699		1,868,611	
	Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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 the 10% threshold)	25,777	38,665	26,266	105,065
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	126,000	189,000	51,000	204,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	117,472		136,095	
	of which: investments in the capital banking, financial and insurance entities	105,889		136,095	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	11,582		-	
57	Tier 2 capital: regulatory adjustments (I)	269,249		213,361	
	Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I) (J))	1,810,449		1,655,249	
	Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	8,753,558		8,180,611	
	Risk weighted assets (5)				
	Total of items included in risk weighted assets subject to phase-out arrangements	706,041		796,062	
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	193,960		180,944	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,875		4,052	
	of which: net defined benefit asset	260,871		183,744	
	of which: investments in the capital banking, financial and insurance entities	246,334		427,321	
60	Risk weighted assets (L)	57,201,877		52,823,704	
	Capital ratio (consolidated)				
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	10.42%		10.19%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	12.13%		12.35%	
63	Total capital ratio (consolidated) ((K)/(L))	15.30%		15.48%	
	Regulatory adjustments (6)				
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	655,381		553,073	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	146,899		135,583	
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)	19,442		232,536	
	Provisions included in Tier 2 capital: instruments and provisions (7)				
76	Provisions (general allowance for loan losses)	4,358		6,455	
77	Cap on inclusion of provisions (general allowance for loan losses)	22,768		35,796	
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")	-		938	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	297,522		267,577	
	Capital instruments subject to phase-out arrangements (8)				
82	Current cap on AT1 instruments subject to phase-out arrangements	1,028,155		1,175,035	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	376,510		306,703	
84	Current cap on T2 instruments subject to phase-out arrangements	1,127,545		1,288,623	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		86,153	