

Composition of Capital Disclosure

Mizuho Financial Group
As of June 30, 2014

[Consolidated] (in million yen, in percentage)

Items	Amounts excluded under transitional arrangements	Basel III Template No.
Common Equity Tier 1 capital: instruments and reserves (1)		
Directly issued qualifying common share capital plus related stock surplus and retained earnings	5,448,598	1a+2-1c-26
of which: capital and stock surplus	3,054,648	1a
of which: retained earnings	2,397,635	2
of which: treasury stock (-)	3,686	1c
of which: national specific regulatory adjustments (earnings to be distributed) (-)	-	26
of which: other than above	-	-
Subscription rights to common shares	2,083	1b
Accumulated other comprehensive income and other disclosed reserves	197,301	789,206
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	11,628	5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	61,442	-
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	61,442	-
Common Equity Tier 1 capital: instruments and reserves (A)	5,721,054	6
Common Equity Tier 1 capital: regulatory adjustments (2)		
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	84,403	337,613
of which: goodwill (net of related tax liability, including those equivalent)	23,684	94,738
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	60,718	242,874
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	8,086	32,346
Deferred gains or losses on derivatives under hedge accounting	3,269	13,076
Shortfall of eligible provisions to expected losses	4,822	19,062
Securitization gain on sale	629	2,519
Gains and losses due to changes in own credit risk on fair valued liabilities	191	767
Net defined benefit asset	57,623	230,495
Investments in own shares (excluding those reported in the net assets section)	495	1,983
Reciprocal cross-holdings in common equity	-	-
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)	50,624	202,497
Amount exceeding the 10% threshold on specified items	-	-
of which: significant investments in the common stock of financials	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specified items	-	-
of which: significant investments in the common stock of financials	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-
Common Equity Tier 1 capital: regulatory adjustments (B)	210,147	27
Common Equity Tier 1 capital (CET1)	5,510,906	28
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,510,906	29
Additional Tier 1 capital: instruments (3)		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	31a
Subscription rights to Additional Tier 1 instruments	-	31b
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-	32
Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	23,277	34-35
Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	1,666,511	33+35
of which: directly issued capital instruments subject to phase out from Additional Tier 1	1,666,511	33
of which: instruments issued by subsidiaries subject to phase out	-	35
Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(52,792)	-
of which: foreign currency translation adjustments	(52,792)	-
Additional Tier 1 capital: instruments (D)	1,636,996	36
Additional Tier 1 capital: regulatory adjustments		
Investments in own Additional Tier 1 instruments	-	-
Reciprocal cross-holdings in Additional Tier 1 instruments	-	-
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)	271	1,087
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	22,546	90,186
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	85,856	-
of which: goodwill equivalent	49,102	-
of which: intangible fixed assets recognized as a result of a merger	24,590	-
of which: capital increase due to securitization transactions	2,519	-
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	9,644	-

[Consolidated]

(in million yen, in percentage)

Items	Amounts excluded under transitional arrangements	Basel III Template No.
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	42
Additional Tier 1 capital: regulatory adjustments (E)	108,674	43
Additional Tier 1 capital (AT1)		
Additional Tier 1 capital ((D)-(E)) (F)	1,528,321	44
Tier 1 capital (T1 = CET1 + AT1)		
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,039,228	45
Tier 2 capital: instruments and provisions (4)		
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	46
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	-	
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	151,950	
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	7,828	48-49
Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	1,310,596	47+49
of which: directly issued capital instruments subject to phase out from Tier 2	151,950	47
of which: instruments issued by subsidiaries subject to phase out	1,158,646	49
Total of general allowance for loan losses and eligible provisions included in Tier 2	5,911	50
of which: general allowance for loan losses	5,911	50a
of which: eligible provisions	-	50b
Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	569,200	
of which: 45% of unrealized gains on other securities	489,350	
of which: 45% of revaluation reserve for land	79,849	
Tier 2 capital: instruments and provisions (H)	2,045,487	51
Tier 2 capital: regulatory adjustments		
Investments in own Tier 2 instruments	-	52
Reciprocal cross-holdings in Tier 2 instruments	-	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 common share capital of the entity (amount above the 10% threshold)	32,697	130,790 54
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	55
Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	149,699	
of which: investments in the capital banking, financial and insurance entities	140,054	
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	9,644	
Tier 2 capital: regulatory adjustments (I)	182,396	57
Tier 2 capital (T2)		
Tier 2 capital (T2) ((H)-(I)) (J)	1,863,090	58
Total capital (TC = T1 + T2)		
Total capital (TC = T1 + T2) ((G) + (J)) (K)	8,902,319	59
Risk weighted assets (5)		
Total of items included in risk weighted assets subject to phase-out arrangements	925,939	
of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	218,284	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	32,346	
of which: net defined benefit asset	230,495	
of which: investments in the capital banking, financial and insurance entities	444,814	
Risk weighted assets (L)	59,869,758	60
Capital ratio (consolidated)		
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	9.20%	61
Tier 1 capital ratio (consolidated) ((G)/(L))	11.75%	62
Total capital ratio (consolidated) ((K)/(L))	14.86%	63
Regulatory adjustments (6)		
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	565,111	72
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	141,750	73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	193,807	75
Provisions included in Tier 2 capital: instruments and provisions (7)		
Provisions (general allowance for loan losses)	5,911	76
Cap on inclusion of provisions (general allowance for loan losses)	56,400	77
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")	-	78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	279,345	79
Capital instruments subject to phase-out arrangements (8)		
Current cap on AT1 instruments subject to phase-out arrangements	1,666,511	82
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	135,019	83
Current cap on T2 instruments subject to phase-out arrangements	1,349,648	84
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	85