

**Explanation of "Composition of Capital Disclosure"**

Mizuho Financial Group  
As of June 30, 2014

[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	22,140,701		
Call Loans and Bills Purchased	557,765		
Receivables under Resale Agreements	9,086,056		
Guarantee Deposits Paid under Securities	5,326,753		
Borrowing Transactions			
Other Debt Purchased	3,196,529		
Trading Assets	13,070,477	6-a	
Money Held in Trust	145,765		
Securities	45,438,335	2-b, 6-b	
Loans and Bills Discounted	68,708,227	6-c	
Foreign Exchange Assets	1,561,800		
Derivatives other than for Trading Assets	2,573,922	6-d	
Other Assets	3,880,497	6-e	
Tangible Fixed Assets	914,397		
Intangible Fixed Assets	532,031	2-a	
Net Defined Benefit Asset	447,138	3	
Deferred Tax Assets	53,686	4-a	
Customers' Liabilities for Acceptances and Guarantees	4,693,966		
Reserves for Possible Losses on Loans	(576,402)		
Reserve for Possible Losses on Investments	(27)		
<b>Total Assets</b>	<b>181,751,622</b>		
(Liabilities)			
Deposits	88,869,074		
Negotiable Certificates of Deposit	15,821,938		
Call Money and Bills Sold	7,159,877		
Payables under Repurchase Agreements	17,942,947		
Guarantee Deposits Received under Securities	8,086,904		
Lending Transactions			
Commercial Paper	578,703		
Trading Liabilities	8,073,026	6-f	
Borrowed Money	7,272,628	8-a	
Foreign Exchange Liabilities	329,953		
Short-term Bonds	655,305		
Bonds and Notes	5,306,469	8-b	
Due to Trust Accounts	1,246,081		
Derivatives other than for Trading Liabilities	2,622,254	6-g	
Other Liabilities	4,396,503		
Reserve for Bonus Payments	11,751		
Net Defined Benefit Liability	43,592		
Reserve for Director and Corporate Auditor	1,201		
Retirement Benefits			
Reserve for Possible Losses on Sales of Loans	2,156		
Reserve for Contingencies	6,598		
Reserve for Reimbursement of Deposits	14,906		
Reserve for Reimbursement of Debentures	53,837		
Reserves under Special Laws	1,360		
Deferred Tax Liabilities	108,833	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	81,060	4-c	
Acceptances and Guarantees	4,693,966		
<b>Total Liabilities</b>	<b>173,380,932</b>		
(Net Assets)			
Common Stock and Preferred Stock	2,255,404	1-a	
Capital Surplus	1,109,995	1-b	
Retained Earnings	2,398,426	1-c	
Treasury Stock	(3,686)	1-d	
<b>Total Shareholders' Equity</b>	<b>5,760,140</b>		
Net Unrealized Gains (Losses) on Other Securities	914,836		
Deferred Gains or Losses on Hedges	16,345	5	
Revaluation Reserve for Land	140,745		
Foreign Currency Translation Adjustments	(65,990)		
Remeasurements of Defined Benefit Plans	(19,428)		
<b>Total Accumulated Other Comprehensive Income</b>	<b>986,507</b>		3
Stock Acquisition Rights	2,083		1b
Minority Interests	1,621,958	7	
<b>Total Net Assets</b>	<b>8,370,689</b>		
<b>Total Liabilities and Net Assets</b>	<b>181,751,622</b>		

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	2,255,404	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-a
Capital Surplus	1,109,995	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-b
Retained Earnings	2,398,426		1-c
Treasury Stock	(3,686)		1-d
<b>Total Shareholders' Equity</b>	<b>5,760,140</b>		

## (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	5,448,598	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
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: 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	532,031		2-a
Securities	45,438,335		2-b
of which: share of goodwill of companies accounted for using the equity method	57,045	Share of goodwill of companies accounted for using the equity method	
Income taxes related to above	(167,060)		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	118,423		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	303,593	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. Net Defined Benefit Asset

## (1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Net Defined Benefit Asset	447,138		3
Income taxes related to above	(159,018)		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net Defined Benefit Asset	288,119		15

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	53,686		4-a
Deferred Tax Liabilities	108,833		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	81,060		4-c
Tax effects on intangible fixed assets	167,060		
Tax effects on net defined benefit asset	159,018		

## (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)	40,432	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)	193,807	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)	193,807		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	16,345		5

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	16,345		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	13,070,477	Including trading account securities and derivatives for trading assets	6-a
Securities	45,438,335		6-b
Loans and Bills Discounted	68,708,227	Including subordinated loans	6-c
Derivatives other than for Trading Assets	2,573,922		6-d
Other Assets	3,880,497	Including money invested	6-e
Trading Liabilities	8,073,026	Including trading account securities sold	6-f
Derivatives other than for Trading Liabilities	2,622,254		6-g

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	2,479		
Common Equity Tier 1 capital	2,479		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)	983,081		
Common Equity Tier 1 capital	253,122		18
Additional Tier 1 capital	1,359		39
Tier 2 capital	163,488		54
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 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	254,483		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	112,733		40
Tier 2 capital	-		55
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	141,750		73

7. Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority Interests	1,621,958		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)	11,628	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)	23,277	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	151,950	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)	7,828	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	7,272,628		8-a
Bonds and Notes	5,306,469		8-b
Total	12,579,097		

(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.