

Composition of Capital Disclosure

Mizuho Financial Group
As of December 31, 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	5,778,282	1a+2-1c-26
of which: capital and stock surplus	3,104,126	1a
of which: retained earnings	2,677,926	2
of which: treasury stock (-)	3,770	1c
of which: national specific regulatory adjustments (earnings to be distributed) (-)	-	26
of which: other than above	-	-
Subscription rights to common shares	3,820	1b
Accumulated other comprehensive income and other disclosed reserves	293,875	1,175,503
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	12,449	5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	60,493	-
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	60,493	-
Common Equity Tier 1 capital: instruments and reserves (A)	6,148,921	6
Common Equity Tier 1 capital: regulatory adjustments (2)		
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	92,659	370,639
of which: goodwill (net of related tax liability, including those equivalent)	22,129	88,519
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	70,530	282,120
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,496	9,986
Deferred gains or losses on derivatives under hedge accounting	6,000	24,002
Shortfall of eligible provisions to expected losses	-	-
Securitization gain on sale	592	2,369
Gains and losses due to changes in own credit risk on fair valued liabilities	23	93
Net defined benefit asset	61,438	245,754
Investments in own shares (excluding those reported in the net assets section)	829	3,317
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)	57,888	231,554
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)	221,929	-
Common Equity Tier 1 capital (CET1)	5,926,991	-
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,926,991	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)	29,969	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	(44,485)	-
of which: foreign currency translation adjustments	(44,485)	-
Additional Tier 1 capital: instruments (D)	1,651,994	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)	152	609
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	24,420	97,680
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	73,171	-
of which: goodwill equivalent	47,575	-
of which: intangible fixed assets recognized as a result of a merger	23,226	-
of which: capital increase due to securitization transactions	2,369	-
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	-	-

【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)	97,744		43
Additional Tier 1 capital (AT1)			
Additional Tier 1 capital ((D)-(E)) (F)	1,554,250		44
Tier 1 capital (T1 = CET1 + AT1)			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,481,242		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	150,000		
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	180,795		
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	9,478		48-49
Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	1,176,227		47+49
of which: directly issued capital instruments subject to phase out from Tier 2	180,795		47
of which: instruments issued by subsidiaries subject to phase out	995,432		49
Total of general allowance for loan losses and eligible provisions included in Tier 2	28,857		50
of which: general allowance for loan losses	4,394		50a
of which: eligible provisions	24,462		50b
Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	810,937		
of which: 45% of unrealized gains on other securities	731,093		
of which: 45% of revaluation reserve for land	79,844		
Tier 2 capital: instruments and provisions (H)	2,356,296		51
Tier 2 capital: regulatory adjustments			
Investments in own Tier 2 instruments	977	3,908	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)	30,665	122,660	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	142,791		
of which: investments in the capital banking, financial and insurance entities	142,791		
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	-		
Tier 2 capital: regulatory adjustments (I)	174,433		57
Tier 2 capital (T2)			
Tier 2 capital (T2) ((H)-(I)) (J)	2,181,862		58
Total capital (TC = T1 + T2)			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,663,105		59
Risk weighted assets (5)			
Total of items included in risk weighted assets subject to phase-out arrangements	998,424		
of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	258,894		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	9,986		
of which: net defined benefit asset	245,754		
of which: investments in the capital banking, financial and insurance entities	483,790		
Risk weighted assets (L)	64,023,907		60
Capital ratio (consolidated)			
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	9.25%		61
Tier 1 capital ratio (consolidated) ((G)/(L))	11.68%		62
Total capital ratio (consolidated) ((K)/(L))	15.09%		63
Regulatory adjustments (6)			
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	644,376		72
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	148,743		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)	82,671		75
Provisions included in Tier 2 capital: instruments and provisions (7)			
Provisions (general allowance for loan losses)	4,394		76
Cap on inclusion of provisions (general allowance for loan losses)	58,878		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")	24,462		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	298,597		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")	97,091		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