

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group
As of December 31, 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	28,135,412		
Call Loans and Bills Purchased	436,900		
Receivables under Resale Agreements	9,898,505		
Guarantee Deposits Paid under Securities	4,625,238		
Borrowing Transactions			
Other Debt Purchased	3,267,253		
Trading Assets	14,066,407	6-a	
Money Held in Trust	158,119		
Securities	45,989,639	2-b, 6-b	
Loans and Bills Discounted	72,904,140	6-c	
Foreign Exchange Assets	1,662,970		
Derivatives other than for Trading Assets	4,445,287	6-d	
Other Assets	3,580,493	6-e	
Tangible Fixed Assets	1,070,516		
Intangible Fixed Assets	605,855	2-a	
Net Defined Benefit Asset	476,547	3	
Deferred Tax Assets	37,076	4-a	
Customers' Liabilities for Acceptances and Guarantees	5,207,791		
Reserves for Possible Losses on Loans	(571,720)		
Reserve for Possible Losses on Investments	(2)		
Total Assets	195,996,433		
(Liabilities)			
Deposits	94,623,204		
Negotiable Certificates of Deposit	20,315,551		
Call Money and Bills Sold	6,838,974		
Payables under Repurchase Agreements	21,091,231		
Guarantee Deposits Received under Securities	2,965,651		
Lending Transactions			
Commercial Paper	793,134		
Trading Liabilities	9,855,146	6-f	
Borrowed Money	6,300,432	8-a	
Foreign Exchange Liabilities	420,285		
Short-term Bonds	794,908		
Bonds and Notes	5,869,511	8-b	
Due to Trust Accounts	1,796,775		
Derivatives other than for Trading Liabilities	4,555,768	6-g	
Other Liabilities	4,846,140		
Reserve for Bonus Payments	28,116		
Net Defined Benefit Liability	45,383		
Reserve for Director and Corporate Auditor	1,406		
Retirement Benefits	1,406		
Reserve for Possible Losses on Sales of Loans	864		
Reserve for Contingencies	7,128		
Reserve for Reimbursement of Deposits	14,515		
Reserve for Reimbursement of Debentures	49,926		
Reserves under Special Laws	1,571		
Deferred Tax Liabilities	336,822	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	81,054	4-c	
Acceptances and Guarantees	5,207,791		
Total Liabilities	186,841,299		
(Net Assets)			
Common Stock and Preferred Stock	2,255,404	1-a	
Capital Surplus	1,110,006	1-b	
Retained Earnings	2,678,815	1-c	
Treasury Stock	(3,770)	1-d	
Total Shareholders' Equity	6,040,456		
Net Unrealized Gains (Losses) on Other Securities	1,366,565		
Deferred Gains or Losses on Hedges	30,002	5	
Revaluation Reserve for Land	140,735		
Foreign Currency Translation Adjustments	(55,607)		
Remeasurements of Defined Benefit Plans	(12,317)		
Total Accumulated Other Comprehensive Income	1,469,378		3
Stock Acquisition Rights	3,820		1b
Minority Interests	1,641,478	7	
Total Net Assets	9,155,133		
Total Liabilities and Net Assets	195,996,433		

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	1,110,006	Including eligible Tier 1 capital instruments subject to phase-out arrangements	1-b
Retained Earnings	2,678,815		1-c
Treasury Stock	(3,770)		1-d
Total Shareholders' Equity	6,040,456		

(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	5,778,282	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
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: 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	605,855		2-a
Securities	45,989,639		2-b
of which: share of goodwill of companies accounted for using the equity method	51,179	Share of goodwill of companies accounted for using the equity method	
Income taxes related to above	(193,735)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	110,649		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	352,650	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	476,547		3
Income taxes related to above	(169,354)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net Defined Benefit Asset	307,192		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	37,076		4-a
Deferred Tax Liabilities	336,822		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	81,054		4-c
Tax effects on intangible fixed assets	193,735		
Tax effects on net defined benefit asset	169,354		

(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)	12,483	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)	82,671	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)	82,671		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	30,002		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	30,002		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	14,066,407	Including trading account securities and derivatives for trading assets	6-a
Securities	45,989,639		6-b
Loans and Bills Discounted	72,904,140	Including subordinated loans	6-c
Derivatives other than for Trading Assets	4,445,287		6-d
Other Assets	3,580,493	Including money invested	6-e
Trading Liabilities	9,855,146	Including trading account securities sold	6-f
Derivatives other than for Trading Liabilities	4,555,768		6-g

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	9,032		
Common Equity Tier 1 capital	4,146		16
Additional Tier 1 capital	-		37
Tier 2 capital	4,885		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)	1,087,906		
Common Equity Tier 1 capital	289,443		18
Additional Tier 1 capital	761		39
Tier 2 capital	153,325		54
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 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	270,843		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	122,100		40
Tier 2 capital	-		55
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	148,743		73

7. Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority Interests	1,641,478		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)	12,449	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)	29,969	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	180,795	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)	9,478	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	6,300,432		8-a
Bonds and Notes	5,869,511		8-b
Total	12,169,944		

(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	150,000		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.