

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

Mizuho Financial Group  
As of March 31, 2016

[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
	As of March 31, 2016	As of March 31, 2015		
(Assets)				
Cash and Due from Banks	36,315,471	29,096,166		
Call Loans and Bills Purchased	893,545	444,115		
Receivables under Resale Agreements	7,805,798	8,582,239		
Guarantee Deposits Paid under Securities				
Borrowing Transactions	3,407,390	4,059,340		
Other Debt Purchased	2,979,797	3,239,831		
Trading Assets	13,004,522	10,781,735	6-a	
Money Held in Trust	175,638	157,728		
Securities	39,505,971	43,278,733	2-b, 6-b	
Loans and Bills Discounted	73,708,884	73,415,170	6-c	
Foreign Exchange Assets	1,447,743	1,623,736		
Derivatives other than for Trading Assets	3,157,752	3,544,243	6-d	
Other Assets	4,144,131	4,066,424	6-e	
Tangible Fixed Assets	1,085,791	1,078,051		
Intangible Fixed Assets	804,567	657,556	2-a	
Net Defined Benefit Asset	646,428	743,382	3	
Deferred Tax Assets	36,517	36,938	4-a	
Customers' Liabilities for Acceptances and Guarantees	4,798,158	5,404,843		
Reserves for Possible Losses on Loans	(459,531)	(525,486)		
Reserve for Possible Losses on Investments	-	(2)		
<b>Total Assets</b>	<b>193,458,580</b>	<b>189,684,749</b>		
(Liabilities)				
Deposits	105,629,071	97,757,545		
Negotiable Certificates of Deposit	11,827,533	15,694,906		
Call Money and Bills Sold	2,521,008	5,091,198		
Payables under Repurchase Agreements	16,833,346	19,612,120		
Guarantee Deposits Received under Securities				
Lending Transactions	2,608,971	2,245,639		
Commercial Paper	1,010,139	538,511		
Trading Liabilities	10,276,133	8,743,196	6-f	
Borrowed Money	7,503,543	7,195,869	8-a	
Foreign Exchange Liabilities	492,473	473,060		
Short-term Bonds	648,381	816,705		
Bonds and Notes	6,120,928	6,013,731	8-b	
Due to Trust Accounts	5,067,490	1,780,768		
Derivatives other than for Trading Liabilities	2,571,597	3,474,332	6-g	
Other Liabilities	5,532,596	4,261,955		
Reserve for Bonus Payments	62,171	59,869		
Reserve for Variable Compensation	2,836	-		
Net Defined Benefit Liability	51,514	47,518		
Reserve for Director and Corporate Auditor Retirement Benefits	1,685	1,527		
Reserve for Possible Losses on Sales of Loans	267	13		
Reserve for Contingencies	5,271	7,845		
Reserve for Reimbursement of Deposits	16,154	15,851		
Reserve for Reimbursement of Debentures	39,245	48,878		
Reserves under Special Laws	2,024	1,607		
Deferred Tax Liabilities	414,799	524,321	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	67,991	72,392	4-c	
Acceptances and Guarantees	4,798,158	5,404,843		
<b>Total Liabilities</b>	<b>184,105,335</b>	<b>179,884,211</b>		
(Net Assets)				
Common Stock and Preferred Stock	2,255,790	2,255,404	1-a	
Capital Surplus	1,110,164	1,110,006	1-b	
Retained Earnings	3,197,616	2,769,371	1-c	
Treasury Stock	(3,609)	(3,616)	1-d	
<b>Total Shareholders' Equity</b>	<b>6,559,962</b>	<b>6,131,166</b>		
Net Unrealized Gains (Losses) on Other Securities	1,296,039	1,737,348		
Deferred Gains or Losses on Hedges	165,264	26,635	5	
Revaluation Reserve for Land	148,483	146,419		
Foreign Currency Translation Adjustments	(53,689)	(40,454)		
Remeasurements of Defined Benefit Plans	51,752	160,005		
<b>Total Accumulated Other Comprehensive Income</b>	<b>1,607,851</b>	<b>2,029,955</b>		3
Stock Acquisition Rights	2,762	3,820		1b
Non-Controlling Interests	1,182,668	1,635,595	7	
<b>Total Net Assets</b>	<b>9,353,244</b>	<b>9,800,538</b>		
<b>Total Liabilities and Net Assets</b>	<b>193,458,580</b>	<b>189,684,749</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)

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
1-a	Common Stock and Preferred Stock	2,255,790	2,255,404	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-b	Capital Surplus	1,110,164	1,110,006	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-c	Retained Earnings	3,197,616	2,769,371	
1-d	Treasury Stock	(3,609)	(3,616)	
	<b>Total Shareholders' Equity</b>	<b>6,559,962</b>	<b>6,131,166</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,460,330	5,917,185	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,267,031	3,152,290	
2	of which: retained earnings	3,196,908	2,768,510	
1c	of which: treasury stock (-)	3,609	3,616	
	of which: other than above	-	-	
31a	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

## 2. Intangible fixed assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
2-a	Intangible Fixed Assets	804,567	657,556	
2-b	Securities	39,505,971	43,278,733	
	of which: share of goodwill of companies accounted for using the equity method	35,646	48,680	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(237,595)	(191,837)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	59,087	107,297	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	543,531	407,101	Software and other
	Mortgage servicing rights (net of related tax liability)	-	-	
20	Amount exceeding the 10% threshold on specified items	-	-	
24	Amount exceeding the 15% threshold on specified items	-	-	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	

## 3. Net Defined Benefit Asset

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
3	Net Defined Benefit Asset	646,428	743,382	
	Income taxes related to above	(197,428)	(239,199)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
15	Net Defined Benefit Asset	449,000	504,183	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
4-a	Deferred Tax Assets	36,517	36,938	
4-b	Deferred Tax Liabilities	414,799	524,321	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	67,991	72,392	
	Tax effects on intangible fixed assets	237,595	191,837	
	Tax effects on net defined benefit asset	197,428	239,199	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	11,024	11,399	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
	Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	75,828	75,937	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
21	Amount exceeding the 10% threshold on specified items	-	-	
25	Amount exceeding the 15% threshold on specified items	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	75,828	75,937	

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
5	Deferred Gains or Losses on Hedges	165,264	26,635	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	165,264	26,635	

## 6. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
6-a	Trading Assets	13,004,522	10,781,735	Including trading account securities and derivatives for trading assets
6-b	Securities	39,505,971	43,278,733	
6-c	Loans and Bills Discounted	73,708,884	73,415,170	Including subordinated loans
6-d	Derivatives other than for Trading Assets	3,157,752	3,544,243	
6-e	Other Assets	4,144,131	4,066,424	Including money invested
6-f	Trading Liabilities	10,276,133	8,743,196	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	2,571,597	3,474,332	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
	Investments in own capital instruments	2,231	9,072	
16	Common Equity Tier 1 capital	2,231	4,872	
37	Additional Tier 1 capital	-	-	
52	Tier 2 capital	-	4,200	
	Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-	-	
17	Common Equity Tier 1 capital	-	-	
38	Additional Tier 1 capital	-	-	
53	Tier 2 capital	-	-	
	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)	821,973	1,058,656	
18	Common Equity Tier 1 capital	93,508	246,646	
39	Additional Tier 1 capital	28	943	
54	Tier 2 capital	55,624	135,285	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	672,811	675,780	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	260,053	276,553	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	147,677	125,753	
55	Tier 2 capital	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	112,376	150,800	

## 7. Non-Controlling Interests

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
7	Non-Controlling Interests	1,182,668	1,635,595	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	14,749	12,106	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
30-31ab-32	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	30,843	29,598	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	169,035	180,405	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	10,269	9,250	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)

## 8. Other capital instruments

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
8-a	Borrowed Money	7,503,543	7,195,869	
8-b	Bonds and Notes	6,120,928	6,013,731	
	Total	13,624,471	13,209,601	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	300,000	-	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	324,517	150,000	

## 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.