

Composition of Capital Disclosure

Mizuho Bank [Consolidated]
As of December 31, 2016

(in million yen, in percentage)

Basel III Template No.	Items	As of December 31, 2016	Amounts excluded under transitional arrangements	As of September 30, 2016	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves (1)					
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,181,081		6,094,789	
1a	of which: capital and stock surplus	3,615,755		3,615,755	
2	of which: retained earnings	2,565,325		2,479,034	
1c	of which: treasury stock (-)	-		-	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		-	
	of which: other than above	-		-	
1b	Subscription rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	800,561	533,707	794,725	529,817
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	244		256	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	14,974		14,194	
	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	14,974		14,194	
6	Common Equity Tier 1 capital: instruments and reserves (A)	6,996,861		6,903,965	
Common Equity Tier 1 capital: regulatory adjustments (2)					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	325,461	216,974	313,125	208,750
8	of which: goodwill (net of related tax liability, including those equivalent)	19,185	12,790	20,970	13,980
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	306,276	204,184	292,155	194,770
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,876	3,251	5,370	3,580
11	Deferred gains or losses on derivatives under hedge accounting	19,057	12,705	98,745	65,830
12	Shortfall of eligible provisions to expected losses	41,484	27,638	39,900	26,573
13	Securitization gain on sale	-	-	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	943	629	1,047	698
15	Net defined benefit asset	247,668	165,112	243,475	162,316
16	Investments in own shares (excluding those reported in the net assets section)	-	-	-	-
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	-	-	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of financials	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of financials	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	639,493		701,664	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B) (C))	6,357,367		6,202,301	
Additional Tier 1 capital: instruments (3)					
30	31a Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-		-	
	31b Subscription rights to Additional Tier 1 instruments	-		-	
	32 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	760,000		760,000	
	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	27,954		25,696	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	577,504		577,504	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	577,504		577,504	
35	of which: instruments issued by subsidiaries subject to phase out	-		-	
	Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(22,077)		(21,080)	
	of which: foreign currency translation adjustments	(22,077)		(21,080)	
36	Additional Tier 1 capital: instruments (D)	1,343,380		1,342,120	
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments	-	-	-	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-
39	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)	-	-	-	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	88,200	58,800	88,200	58,800
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	16,440		16,037	
	of which: goodwill equivalent	2,612		2,737	
	of which: intangible fixed assets recognized as a result of a merger	-		-	
	of which: capital increase due to securitization transactions	-		-	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	13,828		13,300	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	104,640		104,237	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E) (F))	1,238,739		1,237,882	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F) (G))	7,596,107		7,440,183	

(in million yen, in percentage)

Basel III Template No.	Items	As of December 31, 2016	Amounts excluded under transitional arrangements	As of September 30, 2016	Amounts excluded under transitional arrangements
Tier 2 capital: instruments and provisions (4)					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	-	-
	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	682,192	-	647,520	-
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	-	-
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	6,314	-	5,801	-
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	881,770	-	876,816	-
47	of which: directly issued capital instruments subject to phase out from Tier 2	881,770	-	876,816	-
49	of which: instruments issued by subsidiaries subject to phase out	-	-	-	-
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	5,711	-	5,752	-
50a	of which: general allowance for loan losses	5,711	-	5,752	-
50b	of which: eligible provisions	-	-	-	-
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	326,420	-	296,410	-
	of which: 45% of unrealized gains on other securities	287,889	-	257,883	-
	of which: 45% of revaluation reserve for land	38,530	-	38,527	-
51	Tier 2 capital: instruments and provisions (H)	1,902,409	-	1,832,300	-
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	34	22
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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)	-	-	-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	135,000	90,000	177,000	118,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	82,805	-	83,342	-
	of which: investments in the capital banking, financial and insurance entities	68,977	-	70,042	-
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	13,828	-	13,300	-
57	Tier 2 capital: regulatory adjustments (I)	217,805	-	260,376	-
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)-(J))	1,684,603	-	1,571,923	-
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,280,711	-	9,012,106	-
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to phase-out arrangements	406,504	-	404,973	-
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	204,184	-	194,770	-
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,251	-	3,580	-
	of which: net defined benefit asset	165,112	-	162,316	-
	of which: investments in the capital banking, financial and insurance entities	33,956	-	44,305	-
60	Risk weighted assets (L)	58,568,721	-	56,261,378	-
Capital ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	10.85%	-	11.02%	-
62	Tier 1 capital ratio (consolidated) ((G)/(L))	12.96%	-	13.22%	-
63	Total capital ratio (consolidated) ((K)/(L))	15.84%	-	16.01%	-
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	608,331	-	549,045	-
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	104,126	-	99,104	-
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	-	-
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	121,947	-	74,842	-
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for loan losses)	5,711	-	5,752	-
77	Cap on inclusion of provisions (general allowance for loan losses)	30,732	-	31,411	-
78	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")	-	-	-	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	300,102	-	284,617	-
Capital instruments subject to phase-out arrangements (8)					
82	Current cap on AT1 instruments subject to phase-out arrangements	881,276	-	881,276	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-
84	Current cap on T2 instruments subject to phase-out arrangements	966,467	-	966,467	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-