

## Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]  
As of March 31, 2017

(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, 2017	As of March 31, 2016		
(Assets)				
Cash and Due from Banks	47,129,583	36,315,471		
Call Loans and Bills Purchased	1,035,746	893,545		
Receivables under Resale Agreements	8,967,777	7,805,798		
Guarantee Deposits Paid under Securities				
Borrowing Transactions	3,350,051	3,407,390		
Other Debt Purchased	2,745,204	2,979,797		
Trading Assets	10,361,787	13,004,522	6-a	
Money Held in Trust	247,583	175,638		
Securities	32,353,158	39,505,971	2-b, 6-b	
Loans and Bills Discounted	78,337,793	73,708,884	6-c	
Foreign Exchange Assets	1,828,782	1,447,743		
Derivatives other than for Trading Assets	2,170,750	3,157,752	6-d	
Other Assets	4,180,339	4,144,131	6-e	
Tangible Fixed Assets	1,136,329	1,085,791		
Intangible Fixed Assets	1,045,486	804,567	2-a	
Net Defined Benefit Asset	797,762	646,428	3	
Deferred Tax Assets	56,066	36,517	4-a	
Customers' Liabilities for Acceptances and Guarantees	5,273,581	4,798,158		
Reserves for Possible Losses on Loans	(509,175)	(459,531)		
<b>Total Assets</b>	<b>200,508,610</b>	<b>193,458,580</b>		
(Liabilities)				
Deposits	120,045,217	105,629,071		
Negotiable Certificates of Deposit	10,631,277	11,827,533		
Call Money and Bills Sold	1,255,172	2,521,008		
Payables under Repurchase Agreements	17,969,753	16,833,346		
Guarantee Deposits Received under Securities				
Lending Transactions	1,679,300	2,608,971		
Commercial Paper	789,705	1,010,139		
Trading Liabilities	7,923,285	10,276,133	6-f	
Borrowed Money	6,307,230	7,503,543	8-a	
Foreign Exchange Liabilities	526,053	492,473		
Short-term Bonds	226,348	648,381		
Bonds and Notes	7,564,535	6,120,928	8-b	
Due to Trust Accounts	4,784,077	5,067,490		
Derivatives other than for Trading Liabilities	1,784,857	2,571,597	6-g	
Other Liabilities	3,883,168	5,532,596		
Reserve for Bonus Payments	67,633	62,171		
Reserve for Variable Compensation	3,018	2,836		
Net Defined Benefit Liability	55,236	51,514		
Reserve for Director and Corporate Auditor				
Retirement Benefits	1,327	1,685		
Reserve for Possible Losses on Sales of Loans	298	267		
Reserve for Contingencies	5,680	5,271		
Reserve for Reimbursement of Deposits	19,072	16,154		
Reserve for Reimbursement of Debentures	32,720	39,245		
Reserves under Special Laws	2,309	2,024		
Deferred Tax Liabilities	337,800	414,799	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	66,585	67,991	4-c	
Acceptances and Guarantees	5,273,581	4,798,158		
<b>Total Liabilities</b>	<b>191,235,249</b>	<b>184,105,335</b>		
(Net Assets)				
Common Stock and Preferred Stock	2,256,275	2,255,790	1-a	
Capital Surplus	1,134,416	1,110,164	1-b	
Retained Earnings	3,615,449	3,197,616	1-c	
Treasury Stock	(4,849)	(3,609)	1-d	
<b>Total Shareholders' Equity</b>	<b>7,001,291</b>	<b>6,559,962</b>		
Net Unrealized Gains (Losses) on Other Securities	1,289,985	1,296,039		
Deferred Gains or Losses on Hedges	10,172	165,264	5	
Revaluation Reserve for Land	145,609	148,483		
Foreign Currency Translation Adjustments	(69,657)	(53,689)		
Remeasurements of Defined Benefit Plans	144,866	51,752		
<b>Total Accumulated Other Comprehensive Income</b>	<b>1,520,976</b>	<b>1,607,851</b>		
Stock Acquisition Rights	1,754	2,762		
Non-Controlling Interests	749,339	1,182,668	7	
<b>Total Net Assets</b>	<b>9,273,361</b>	<b>9,353,244</b>		
<b>Total Liabilities and Net Assets</b>	<b>200,508,610</b>	<b>193,458,580</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, 2017	As of March 31, 2016	Remarks
1-a	Common Stock and Preferred Stock	2,256,275	2,255,790	Including eligible Tier 1 capital instruments subject to phase-out arrangements (for the balance as of March 31, 2016)
1-b	Capital Surplus	1,134,416	1,110,164	Including eligible Tier 1 capital instruments subject to phase-out arrangements (for the balance as of March 31, 2016)
1-c	Retained Earnings	3,615,449	3,197,616	
1-d	Treasury Stock	(4,849)	(3,609)	
	<b>Total Shareholders' Equity</b>	<b>7,001,291</b>	<b>6,559,962</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,000,683	6,460,330	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,390,691	3,267,031	
2	of which: retained earnings	3,614,841	3,196,908	
1c	of which: treasury stock (-)	4,849	3,609	
	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, 2017	As of March 31, 2016	Remarks
2-a	Intangible Fixed Assets	1,045,486	804,567	
2-b	Securities	32,353,158	39,505,971	
	of which: share of goodwill of companies accounted for using the equity method	24,846	35,646	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(295,574)	(237,595)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	99,619	59,087	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	675,139	543,531	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, 2017	As of March 31, 2016	Remarks
3	Net Defined Benefit Asset	797,762	646,428	
	Income taxes related to above	(243,814)	(197,428)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
15	Net Defined Benefit Asset	553,947	449,000	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
4-a	Deferred Tax Assets	56,066	36,517	
4-b	Deferred Tax Liabilities	337,800	414,799	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	66,585	67,991	
	Tax effects on intangible fixed assets	295,574	237,595	
	Tax effects on net defined benefit asset	243,814	197,428	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	45,751	11,024	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)	182,672	75,828	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)	182,672	75,828	

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

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
5	Deferred Gains or Losses on Hedges	10,172	165,264	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	10,172	165,264	

## 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, 2017	As of March 31, 2016	Remarks
6-a	Trading Assets	10,361,787	13,004,522	Including trading account securities and derivatives for trading assets
6-b	Securities	32,353,158	39,505,971	
6-c	Loans and Bills Discounted	78,337,793	73,708,884	Including subordinated loans
6-d	Derivatives other than for Trading Assets	2,170,750	3,157,752	
6-e	Other Assets	4,180,339	4,144,131	Including money invested
6-f	Trading Liabilities	7,923,285	10,276,133	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,784,857	2,571,597	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
	Investments in own capital instruments	7,353	2,231	
16	Common Equity Tier 1 capital	6,842	2,231	
37	Additional Tier 1 capital	-	-	
52	Tier 2 capital	511	-	
	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)	770,182	821,973	
18	Common Equity Tier 1 capital	45,743	93,508	
39	Additional Tier 1 capital	48	28	
54	Tier 2 capital	20,517	55,624	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	703,872	672,811	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	265,358	260,053	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	147,000	147,677	
55	Tier 2 capital	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	118,358	112,376	

## 7. Non-Controlling Interests

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
7	Non-Controlling Interests	749,339	1,182,668	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	14,537	14,749	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)	31,786	30,843	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	168,300	169,035	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)	10,574	10,269	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, 2017	As of March 31, 2016	Remarks
8-a	Borrowed Money	6,307,230	7,503,543	
8-b	Bonds and Notes	7,564,535	6,120,928	
	Total	13,871,765	13,624,471	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	760,000	300,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	684,150	324,517	

## 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.