

Explanation of "Composition of Capital Disclosure"

Mizuho Bank [Consolidated]
As of September 30, 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 September 30, 2017	As of September 30, 2016		
(Assets)				
Cash and Due from Banks	41,674,473	35,463,179		
Call Loans and Bills Purchased	470,711	325,603		
Receivables under Resale Agreements	6,730,557	7,235,473		
Other Debt Purchased	2,658,182	2,516,408		
Trading Assets	5,572,421	6,279,113	6-a	
Money Held in Trust	3,108	3,168		
Securities	30,353,539	31,033,573	2-b, 6-b	
Loans and Bills Discounted	70,328,438	69,608,031	6-c	
Foreign Exchange Assets	1,933,230	1,401,343		
Derivatives other than for Trading Assets	1,871,241	2,986,294	6-d	
Other Assets	3,075,648	2,746,057	6-e	
Tangible Fixed Assets	839,278	832,073		
Intangible Fixed Assets	809,287	708,047	2-a	
Net Defined Benefit Asset	704,141	584,378	3	
Deferred Tax Assets	45,085	36,072	4-a	
Customers' Liabilities for Acceptances and Guarantees	5,518,520	4,649,022		
Reserves for Possible Losses on Loans	(358,537)	(431,797)		
Total Assets	172,229,332	165,976,043		
(Liabilities)				
Deposits	110,796,072	103,567,007		
Negotiable Certificates of Deposit	10,681,558	8,809,615		
Call Money and Bills Sold	828,085	975,065		
Payables under Repurchase Agreements	14,879,870	13,962,809		
Guarantee Deposits Received under Securities Lending Transactions	659,208	763,564		
Commercial Paper	339,787	827,552		
Trading Liabilities	3,270,852	4,735,165	6-f	
Borrowed Money	8,595,917	8,975,970	8-a	
Foreign Exchange Liabilities	518,942	644,160		
Short-term Bonds	25,366	50,233		
Bonds and Notes	3,364,044	4,021,180	8-b	
Derivatives other than for Trading Liabilities	1,681,079	2,038,305	6-g	
Other Liabilities	2,182,665	3,430,392		
Reserve for Bonus Payments	24,130	23,599		
Reserve for Variable Compensation	646	634		
Net Defined Benefit Liability	6,458	5,919		
Reserve for Director and Corporate Auditor Retirement Benefits	420	400		
Reserve for Possible Losses on Sales of Loans	124	3		
Reserve for Contingencies	5,473	4,889		
Reserve for Reimbursement of Deposits	17,802	14,739		
Reserve for Reimbursement of Debentures	28,132	35,273		
Deferred Tax Liabilities	309,277	309,183	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	66,237	67,247	4-c	
Acceptances and Guarantees	5,518,520	4,649,022		
Total Liabilities	163,800,677	157,911,936		
(Net Assets)				
Common Stock and Preferred Stock	1,404,065	1,404,065	1-a	
Capital Surplus	2,211,694	2,211,694	1-b	
Retained Earnings	2,710,825	2,479,034	1-c	
Total Shareholders' Equity	6,326,585	6,094,793		
Net Unrealized Gains (Losses) on Other Securities	1,210,984	985,427		
Deferred Gains or Losses on Hedges	(9,311)	164,576	5	
Revaluation Reserve for Land	144,817	146,794		
Foreign Currency Translation Adjustments	(43,492)	(52,700)		
Remeasurements of Defined Benefit Plans	145,865	80,445		
Total Accumulated Other Comprehensive Income	1,448,863	1,324,542		
Non-Controlling Interests	653,205	644,770	7	
Total Net Assets	8,428,654	8,064,106		
Total Liabilities and Net Assets	172,229,332	165,976,043		

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 September 30, 2017	As of September 30, 2016	Remarks
1-a	Common Stock and Preferred Stock	1,404,065	1,404,065	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-b	Capital Surplus	2,211,694	2,211,694	Including eligible Tier 1 capital instruments subject to phase-out arrangements
1-c	Retained Earnings	2,710,825	2,479,034	
	Total Shareholders' Equity	6,326,585	6,094,793	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,326,580	6,094,789	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,615,755	3,615,755	
2	of which: retained earnings	2,710,825	2,479,034	
1c	of which: treasury stock (-)	-	-	
	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	-	-	

2. Intangible fixed assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
2-a	Intangible Fixed Assets	809,287	708,047	
2-b	Securities	30,353,539	31,033,573	
	of which: share of goodwill of companies accounted for using the equity method	19,362	28,106	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(245,363)	(214,278)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	26,188	34,950	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	557,098	486,925	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 September 30, 2017	As of September 30, 2016	Remarks
3	Net Defined Benefit Asset	704,141	584,378	
	Income taxes related to above	(215,185)	(178,585)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
15	Net Defined Benefit Asset	488,956	405,792	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
4-a	Deferred Tax Assets	45,085	36,072	
4-b	Deferred Tax Liabilities	309,277	309,183	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	66,237	67,247	
	Tax effects on intangible fixed assets	245,363	214,278	
	Tax effects on net defined benefit asset	215,185	178,585	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	12,618	8,950	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)	132,174	74,842	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)	132,174	74,842	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
5	Deferred Gains or Losses on Hedges	(9,311)	164,576	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(9,311)	164,576	

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

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
6-a	Trading Assets	5,572,421	6,279,113	Including trading account securities and derivatives for trading assets
6-b	Securities	30,353,539	31,033,573	
6-c	Loans and Bills Discounted	70,328,438	69,608,031	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,871,241	2,986,294	
6-e	Other Assets	3,075,648	2,746,057	Including money invested
6-f	Trading Liabilities	3,270,852	4,735,165	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,681,079	2,038,305	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
	Investments in own capital instruments	-	56	
16	Common Equity Tier 1 capital	-	-	
37	Additional Tier 1 capital	-	-	
52	Tier 2 capital	-	56	
	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)	522,172	549,045	
18	Common Equity Tier 1 capital	-	-	
39	Additional Tier 1 capital	-	-	
54	Tier 2 capital	-	-	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	522,172	549,045	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	289,581	541,104	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	73,500	147,000	
55	Tier 2 capital	90,000	295,000	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	126,081	99,104	

7. Non-Controlling interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
7	Non-Controlling Interests	653,205	644,770	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	286	256	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)	20,187	25,696	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	-	-	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)	4,474	5,801	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 September 30, 2017	As of September 30, 2016	Remarks
8-a	Borrowed Money	8,595,917	8,975,970	
8-b	Bonds and Notes	3,364,044	4,021,180	
	Total	11,959,962	12,997,151	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,220,000	760,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	997,665	647,520	

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.