

## Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]  
As of March 31, 2018

(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, 2018	As of March 31, 2017		
(Assets)				
Cash and Due from Banks	47,725,360	47,129,583		
Call Loans and Bills Purchased	715,149	1,035,746		
Receivables under Resale Agreements	8,080,873	8,967,777		
Guarantee Deposits Paid under Securities Borrowing Transactions	4,350,527	3,350,051		
Other Debt Purchased	2,713,742	2,745,204		
Trading Assets	10,507,133	10,361,787	6-a	
Money Held in Trust	337,429	247,583		
Securities	34,183,033	32,353,158	2-b, 6-b	
Loans and Bills Discounted	79,421,473	78,337,793	6-c	
Foreign Exchange Assets	1,941,677	1,828,782		
Derivatives other than for Trading Assets	1,807,999	2,170,750	6-d	
Other Assets	4,588,484	4,180,339	6-e	
Tangible Fixed Assets	1,111,128	1,136,329		
Intangible Fixed Assets	1,092,708	1,045,486	2-a	
Net Defined Benefit Asset	996,173	797,762	3	
Deferred Tax Assets	47,839	56,066	4-a	
Customers' Liabilities for Acceptances and Guarantees	5,723,186	5,273,581		
Reserves for Possible Losses on Loans	(315,621)	(509,175)		
<b>Total Assets</b>	<b>205,028,300</b>	<b>200,508,610</b>		
(Liabilities)				
Deposits	125,081,233	120,045,217		
Negotiable Certificates of Deposit	11,382,590	10,631,277		
Call Money and Bills Sold	2,105,293	1,255,172		
Payables under Repurchase Agreements	16,656,828	17,969,753		
Guarantee Deposits Received under Securities Lending Transactions	1,566,833	1,679,300		
Commercial Paper	710,391	789,705		
Trading Liabilities	8,121,543	7,923,285	6-f	
Borrowed Money	4,896,218	6,307,230	8-a	
Foreign Exchange Liabilities	445,804	526,053		
Short-term Bonds	362,185	226,348		
Bonds and Notes	7,544,256	7,564,535	8-b	
Due to Trust Accounts	4,733,131	4,784,077		
Derivatives other than for Trading Liabilities	1,514,483	1,784,857	6-g	
Other Liabilities	3,685,585	3,883,168		
Reserve for Bonus Payments	66,872	67,633		
Reserve for Variable Compensation	3,242	3,018		
Net Defined Benefit Liability	58,890	55,236		
Reserve for Director and Corporate Auditor	1,460	1,327		
Retirement Benefits				
Reserve for Possible Losses on Sales of Loans	1,075	298		
Reserve for Contingencies	5,622	5,680		
Reserve for Reimbursement of Deposits	20,011	19,072		
Reserve for Reimbursement of Debentures	30,760	32,720		
Reserves under Special Laws	2,361	2,309		
Deferred Tax Liabilities	421,002	337,800	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	66,186	66,585	4-c	
Acceptances and Guarantees	5,723,186	5,273,581		
<b>Total Liabilities</b>	<b>195,207,054</b>	<b>191,235,249</b>		
(Net Assets)				
Common Stock and Preferred Stock	2,256,548	2,256,275	1-a	
Capital Surplus	1,134,922	1,134,416	1-b	
Retained Earnings	4,002,835	3,615,449	1-c	
Treasury Stock	(5,997)	(4,849)	1-d	
<b>Total Shareholders' Equity</b>	<b>7,388,309</b>	<b>7,001,291</b>		
Net Unrealized Gains (Losses) on Other Securities	1,392,392	1,289,985		
Deferred Gains or Losses on Hedges	(67,578)	10,172	5	
Revaluation Reserve for Land	144,277	145,609		
Foreign Currency Translation Adjustments	(85,094)	(69,657)		
Remeasurements of Defined Benefit Plans	293,536	144,866		
<b>Total Accumulated Other Comprehensive Income</b>	<b>1,677,534</b>	<b>1,520,976</b>		
Stock Acquisition Rights	1,163	1,754		
Non-Controlling Interests	754,239	749,339	7	
<b>Total Net Assets</b>	<b>9,821,246</b>	<b>9,273,361</b>		
<b>Total Liabilities and Net Assets</b>	<b>205,028,300</b>	<b>200,508,610</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, 2018	As of March 31, 2017	Remarks
1-a	Common Stock and Preferred Stock	2,256,548	2,256,275	
1-b	Capital Surplus	1,134,922	1,134,416	
1-c	Retained Earnings	4,002,835	3,615,449	
1-d	Treasury Stock	(5,997)	(4,849)	
	<b>Total Shareholders' Equity</b>	<b>7,388,309</b>	<b>7,001,291</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,387,824	7,000,683	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,391,471	3,390,691	
2	of which: retained earnings	4,002,350	3,614,841	
1c	of which: treasury stock (-)	5,997	4,849	
	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 March 31, 2018	As of March 31, 2017	Remarks
2-a	Intangible Fixed Assets	1,092,708	1,045,486	
2-b	Securities	34,183,033	32,353,158	
	of which: share of goodwill of companies accounted for using the equity method	14,588	24,846	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(312,342)	(295,574)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	85,103	99,619	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	709,850	675,139	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, 2018	As of March 31, 2017	Remarks
3	Net Defined Benefit Asset	996,173	797,762	
	Income taxes related to above	(304,793)	(243,814)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
15	Net Defined Benefit Asset	691,380	553,947	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
4-a	Deferred Tax Assets	47,839	56,066	
4-b	Deferred Tax Liabilities	421,002	337,800	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	66,186	66,585	
	Tax effects on intangible fixed assets	312,342	295,574	
	Tax effects on net defined benefit asset	304,793	243,814	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	42,352	45,751	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)	185,172	182,672	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)	185,172	182,672	

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

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
5	Deferred Gains or Losses on Hedges	(67,578)	10,172	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(67,578)	10,172	

## 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, 2018	As of March 31, 2017	Remarks
6-a	Trading Assets	10,507,133	10,361,787	Including trading account securities and derivatives for trading assets
6-b	Securities	34,183,033	32,353,158	
6-c	Loans and Bills Discounted	79,421,473	78,337,793	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,807,999	2,170,750	
6-e	Other Assets	4,588,484	4,180,339	Including money invested
6-f	Trading Liabilities	8,121,543	7,923,285	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,514,483	1,784,857	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
16	Investments in own capital instruments	3,349	7,353	
37	Common Equity Tier 1 capital	1,457	6,842	
52	Additional Tier 1 capital	-	-	
	Tier 2 capital	1,892	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)	773,996	770,182	
18	Common Equity Tier 1 capital	20,140	45,743	
39	Additional Tier 1 capital	121	48	
54	Tier 2 capital	8,016	20,517	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	745,717	703,872	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	215,907	265,358	
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	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	142,407	118,358	

7. Non-Controlling Interests  
(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
7	Non-Controlling Interests	754,239	749,339	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	14,344	14,537	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)	31,317	31,786	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	159,405	168,300	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)	10,378	10,574	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, 2018	As of March 31, 2017	Remarks
8-a	Borrowed Money	4,896,218	6,307,230	
8-b	Bonds and Notes	7,544,256	7,564,535	
	Total	12,440,475	13,871,765	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	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	828,702	684,150	

Note:

\* Amounts as of March 31, 2017 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.