

Composition of Capital Disclosure

Mizuho Financial Group [Consolidated]
As of June 30, 2018

(in million yen, except percentage)

Basel III Template No.	Items	As of June 30, 2018	As of March 31, 2018
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	7,457,229	7,292,638
1a	of which: capital and stock surplus	3,395,217	3,391,471
2	of which: retained earnings	4,068,721	4,002,350
1c	of which: treasury stock (-)	6,709	5,997
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-	95,186
	of which: other than above	-	-
1b	Subscription rights to common shares	728	1,163
3	Accumulated other comprehensive income and other disclosed reserves	1,683,685	1,677,534
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	21,676	14,344
6	Common Equity Tier 1 capital: instruments and reserves (A)	9,163,320	8,985,680
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)	786,906	794,953
8	of which: goodwill (net of related tax liability, including those equivalent)	80,613	85,103
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	706,293	709,850
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	41,731	42,352
11	Deferred gains or losses on derivatives under hedge accounting	(88,011)	(67,578)
12	Shortfall of eligible provisions to expected losses	86,732	61,964
13	Securitization gain on sale	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	3,679	3,960
15	Net defined benefit asset	678,535	691,380
16	Investments in own shares (excluding those reported in the net assets section)	5,847	1,457
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)	16,412	20,140
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)	1,531,834	1,548,631
Common Equity Tier 1 capital (CET1)			
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	7,631,486	7,437,048
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	1,220,000	1,220,000
	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)	32,014	31,317
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	303,000	577,500
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	303,000	577,500
35	of which: instruments issued by subsidiaries subject to phase out	-	-
36	Additional Tier 1 capital: instruments (D)	1,555,014	1,828,817
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	800	-
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)	73	121
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)	73,500	73,500
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
43	Additional Tier 1 capital: regulatory adjustments (E)	74,373	73,621

(in million yen, except percentage)

Basel III Template No.	Items	As of June 30, 2018	As of March 31, 2018
Additional Tier 1 capital (AT1)			
44	Additional Tier 1 capital ((D)-(E)) (F)	1,480,641	1,755,195
Tier 1 capital (T1 = CET1 + AT1)			
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	9,112,127	9,192,244
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	941,905	828,702
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	165,810	159,405
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	12,259	10,378
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	635,153	674,824
47	of which: directly issued capital instruments subject to phase out from Tier 2	133,949	135,135
49	of which: instruments issued by subsidiaries subject to phase out	501,203	539,688
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	4,912	4,794
50a	of which: general allowance for loan losses	4,912	4,794
50b	of which: eligible provisions	-	-
51	Tier 2 capital: instruments and provisions (H)	1,760,040	1,678,105
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	5,561	1,892
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)	6,694	8,016
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-
57	Tier 2 capital: regulatory adjustments (I)	12,255	9,908
Tier 2 capital (T2)			
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,747,784	1,668,196
Total capital (TC = T1 + T2)			
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,859,912	10,860,440
Risk weighted assets (5)			
60	Risk weighted assets (L)	60,157,998	59,528,983
Capital ratio (consolidated)			
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.68%	12.49%
62	Tier 1 capital ratio (consolidated) ((G)/(L))	15.14%	15.44%
63	Total capital ratio (consolidated) ((K)/(L))	18.05%	18.24%
Regulatory adjustments (6)			
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	764,788	745,717
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	141,188	142,407
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)	146,397	185,172
Provisions included in Tier 2 capital: instruments and provisions (7)			
76	Provisions (general allowance for loan losses)	4,912	4,794
77	Cap on inclusion of provisions (general allowance for loan losses)	45,675	43,678
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	289,852	284,521
Capital instruments subject to phase-out arrangements (8)			
82	Current cap on AT1 instruments subject to phase-out arrangements	833,255	833,255
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	674,824	674,824
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	7,304