

**Explanation of "Composition of Capital Disclosure"**

Mizuho Financial Group [Consolidated]  
As of December 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 December 31, 2018		
(Assets)			
Cash and Due from Banks	43,823,523		
Call Loans and Bills Purchased	589,863		
Receivables under Resale Agreements	12,722,847		
Guarantee Deposits Paid under Securities Borrowing Transactions	2,645,905		
Other Debt Purchased	2,733,410		
Trading Assets	12,940,574	6-a	
Money Held in Trust	296,254		
Securities	31,222,656	2-b, 6-b	
Loans and Bills Discounted	78,557,944	6-c	
Foreign Exchange Assets	2,159,422		
Derivatives other than for Trading Assets	1,469,143	6-d	
Other Assets	3,565,249	6-e	
Tangible Fixed Assets	1,085,821		
Intangible Fixed Assets	1,047,702	2-a	
Net Defined Benefit Asset	989,216	3	
Deferred Tax Assets	46,386	4-a	
Customers' Liabilities for Acceptances and Guarantees	6,008,016		
Reserves for Possible Losses on Loans	(269,653)		
<b>Total Assets</b>	<b>201,634,284</b>		
(Liabilities)			
Deposits	121,248,634		
Negotiable Certificates of Deposit	13,699,564		
Call Money and Bills Sold	2,191,302		
Payables under Repurchase Agreements	18,625,422		
Guarantee Deposits Received under Securities Lending Transactions	908,872		
Commercial Paper	956,670		
Trading Liabilities	8,329,616	6-f	
Borrowed Money	4,124,799	8-a	
Foreign Exchange Liabilities	527,815		
Short-term Bonds	355,795		
Bonds and Notes	8,536,593	8-b	
Due to Trust Accounts	1,095,516		
Derivatives other than for Trading Liabilities	1,283,491	6-g	
Other Liabilities	3,967,625		
Reserve for Bonus Payments	34,477		
Reserve for Variable Compensation	2,192		
Net Defined Benefit Liability	59,834		
Reserve for Director and Corporate Auditor Retirement Benefits	1,377		
Reserve for Possible Losses on Sales of Loans	180		
Reserve for Contingencies	5,019		
Reserve for Reimbursement of Deposits	17,291		
Reserve for Reimbursement of Debentures	26,847		
Reserves under Special Laws	2,365		
Deferred Tax Liabilities	253,130	4-b	
Deferred Tax Liabilities for Revaluation Reserve for Land	65,732	4-c	
Acceptances and Guarantees	6,008,016		
<b>Total Liabilities</b>	<b>192,328,185</b>		
(Net Assets)			
Common Stock	2,256,767	1-a	
Capital Surplus	1,138,427	1-b	
Retained Earnings	4,223,408	1-c	
Treasury Stock	(7,768)	1-d	
<b>Total Shareholders' Equity</b>	<b>7,610,834</b>		
Net Unrealized Gains (Losses) on Other Securities	998,866		
Deferred Gains or Losses on Hedges	(67,771)	5	
Revaluation Reserve for Land	143,248		
Foreign Currency Translation Adjustments	(101,372)		
Remeasurements of Defined Benefit Plans	271,584		
<b>Total Accumulated Other Comprehensive Income</b>	<b>1,244,555</b>		3
Stock Acquisition Rights	707		1b
Non-Controlling Interests	450,002	7	
<b>Total Net Assets</b>	<b>9,306,099</b>		
<b>Total Liabilities and Net Assets</b>	<b>201,634,284</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 December 31, 2018	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,138,427	
1-c	Retained Earnings	4,223,408	
1-d	Treasury Stock	(7,768)	
	<b>Total Shareholders' Equity</b>	<b>7,610,834</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,610,401	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,395,194	
2	of which: retained earnings	4,222,975	
1c	of which: treasury stock (-)	7,768	
	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 December 31, 2018	Remarks
2-a	Intangible Fixed Assets	1,047,702	
2-b	Securities	31,222,656	
	of which: share of goodwill of companies accounted for using the equity method	8,401	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(298,656)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	74,878	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	682,568	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 December 31, 2018	Remarks
3	Net Defined Benefit Asset	989,216	
	Income taxes related to above	(302,680)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
15	Net Defined Benefit Asset	686,535	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2018	Remarks
4-a	Deferred Tax Assets	46,386	
4-b	Deferred Tax Liabilities	253,130	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	65,732	
	Tax effects on intangible fixed assets	298,656	
	Tax effects on net defined benefit asset	302,680	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	46,854	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)	305,229	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)	305,229	

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

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2018	Remarks
5	Deferred Gains or Losses on Hedges	(67,771)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(67,771)	

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

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2018	Remarks
6-a	Trading Assets	12,940,574	Including trading account securities and derivatives for trading assets
6-b	Securities	31,222,656	
6-c	Loans and Bills Discounted	78,557,944	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,469,143	
6-e	Other Assets	3,565,249	Including money invested
6-f	Trading Liabilities	8,329,616	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,283,491	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
	Investments in own capital instruments	8,919	
16	Common Equity Tier 1 capital	2,412	
37	Additional Tier 1 capital	2,500	
52	Tier 2 capital	4,006	
	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)	698,622	
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)	698,622	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	248,871	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	52,500	
55	Tier 2 capital	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	196,371	

## 7. Non-Controlling Interests

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2018	Remarks
7	Non-Controlling Interests	450,002	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	7,804	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)	30,814	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	166,365	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)	8,721	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 December 31, 2018	Remarks
8-a	Borrowed Money	4,124,799	
8-b	Bonds and Notes	8,536,593	
	Total	12,661,393	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2018	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,570,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,002,182	