Disclosure regarding Denominator of Capital Adequacy Ratio Formula

Mizuho Financial Group【Consolidated】
As of December 31, 2019

(in million yen)

OV1: Overview of Risk-Weighted Assets (RWA)

Basel III Template No.		a	b	c	d
		RWA		Capital requirements	
		As of December 31, 2019	As of September 30, 2019	As of December 31, 2019	As of September 30, 2019
1	Credit risk (excluding counterparty credit risk)	38,630,551	37,679,332	3,259,411	3,179,176
2	of which: standardized approach (SA)	1,919,904	1,864,650	153,592	149,172
3	of which: internal rating-based (IRB) approach	35,201,439	34,339,462	2,985,082	2,911,986
	of which: significant investments	-	-	-	-
	of which: estimated residual value of lease transactions	-	-	-	-
	others	1,509,207	1,475,219	120,736	118,017
4	Counterparty credit risk (CCR)	4,274,504	4,329,983	347,576	351,899
5	of which: SA-CCR	-	-	-	-
	of which: current exposure method	201,219	181,060	16,684	15,040
6	of which: expected positive exposure (EPE) method	934,123	954,725	78,672	80,379
	of which: credit valuation adjustment (CVA) risk	2,076,626	2,199,578	166,130	175,966
	of which: central counterparty-related	178,262	172,278	14,261	13,782
	Others	884,272	822,340	71,827	66,730
7	Equity positions in banking book under market-based approach	2,424,641	2,398,440	205,609	203,387
8	Equity investments in funds - Look-through approach	6,035,392	4,963,852	510,403	419,765
9	Equity investments in funds - Mandate-based approach	-	-	-	-
	Equity investments in funds - Simple approach (subject to 250% RW)	-	-	-	-
	Equity investments in funds - Simple approach (subject to 400% RW)	697,769	588,585	59,170	49,912
10	Equity investments in funds - Fall-back approach	108,461	49,992	8,676	3,999
11	Settlement risk	11,632	10,548	986	894
12	Securitization exposures in banking book	1,120,667	1,128,220	89,653	90,257
13	of which: Securitisation IRB approach (SEC-IRBA) or internal assessment approach(IAA)	816,737	812,188	65,339	64,975
14	of which: Securitisation external ratings-based approach (SEC-ERBA)	295,079	307,184	23,606	24,574
15	of which: Securitisation standardised approach (SEC-SA)	-	-	-	-
	of which: 1250% risk weight is applied	8,850	8,847	708	707
16	Market risk	2,679,806	2,377,608	214,384	190,208
17	of which: standardized approach (SA)	1,438,324	1,458,998	115,065	116,719
18	of which: internal model approaches (IMA)	1,241,482	918,610	99,318	73,488
19	Operational risk	3,202,710	3,201,774	256,216	256,141
20	of which: basic indicator approach	647,827	647,827	51,826	51,826
21	of which: standardized approach	-	-	-	-
22	of which: advanced measurement approach	2,554,883	2,553,946	204,390	204,315
23	Exposures of specified items not subject to regulatory adjustments	1,278,905	1,239,667	105,507	102,287
	Amounts included in RWA subject to phase-out arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total (after applying the scaling factor)	63,219,955	60,599,128	5,057,596	4,847,930

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CR8:RWA flow statements of credit risk exposures under IRB approach			
No.			RWA
1	RWA at the end of the previous reporting period		38,694.6
2	Breakdown of changes during this reporting period	Asset size	785.4
3		Portfolio quality	(30.9)
4		Model updates	-
5		Methodology and policy	-
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	290.5
8		Other	66.1
9	RWA at the end of this reporting period		39,805.8

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.
2. Asset size corresponds to the amount of variation in RWA arising from changes in book size and composition, increased assets resulting from origination of new businesses, decreased assets due to matured receivables, etc.
3. Portfolio quality corresponds to the amount of variation in RWA arising from changes in obligor’s and facilities’ ratings, changes in collateral values and guarantees, etc.
4. Methodology and policy corresponds to the amount of variation in RWA arising from methodological changes in calculations driven by regulatory policy changes including revisions to existing regulations.
5. Foreign currency fluctuations correspond to the amount of variation in RWA arising from the effect of fluctuations in foreign exchange rates involving exposures to transactions denominated in foreign currencies.

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CCR7: RWA flow statements of CCR exposures under EPE method

No.			RWA
1	RWA at the end of the previous reporting period		954.7
2	Breakdown of changes during this reporting period	Asset size	(43.8)
3		Credit quality of counterparties	6.3
4		Model updates (EPE only)	-
5		Methodology and policy (EPE only)	-
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	15.7
8		Other	1.0
9	RWA at the end of this reporting period		934.1

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(Billions of yen)

MR2：RWA flow statements of market risk exposures under IMA

No.			A	B	C	D	E	F
			VAR	Stressed VAR	IRC	CRM	Other	Total
1a	RWA at the end of the previous reporting period		232.9	685.6	-	-		918.6
1b	Adjustment to RWA at the end of the previous reporting period		2.26	2.72	-	-		2.59
1c	IMA values at the end of the previous reporting period		102.7	251.9	-	-		354.6
2	Breakdown of changes during this reporting period	Change in risk levels	7.8	52.7	-	-		60.5
3		Model updates/changes	-	-	-	-		-
4		Methodology and policy	-	-	-	-		-
5		Acquisitions and disposals	-	-	-	-		-
6		Foreign currency fluctuations	14.8	23.9	-	-		38.7
7		Other	(8.5)	(17.3)	-	-		(25.8)
8a	IMA values at the end of this reporting period		116.8	311.2	-	-		428.1
8b	Adjustment to RWA at the end of this reporting period		2.90	2.89	-	-		2.89
8c	RWA at the end of this reporting period		339.3	902.1	-	-		1,241.4