

Disclosure regarding Denominator of Capital Adequacy Ratio Formula

Mizuho Financial Group [Consolidated]
As of March 31, 2020

(in million yen)

OV1: Overview of Risk-Weighted Assets (RWA)					
Basel III Template No.		a	b	c	d
		RWA		Capital requirements	
		As of March 31, 2020	As of December 31, 2019	As of March 31, 2020	As of December 31, 2019
1	Credit risk (excluding counterparty credit risk)	38,378,848	38,630,551	3,237,808	3,259,411
2	of which: standardized approach (SA)	1,943,907	1,919,904	155,512	153,592
3	of which: internal rating-based (IRB) approach	34,895,880	35,201,439	2,959,170	2,985,082
	of which: significant investments	-	-	-	-
	of which: estimated residual value of lease transactions	-	-	-	-
	others	1,539,061	1,509,207	123,124	120,736
4	Counterparty credit risk (CCR)	4,515,574	4,274,504	367,950	347,576
5	of which: SA-CCR	-	-	-	-
	of which: current exposure method	165,699	201,219	13,700	16,684
6	of which: expected positive exposure (EPE) method	1,216,072	934,123	102,437	78,672
	of which: credit valuation adjustment (CVA) risk	2,137,870	2,076,626	171,029	166,130
	of which: central counterparty-related	163,062	178,262	13,044	14,261
	Others	832,869	884,272	67,737	71,827
7	Equity positions in banking book under market-based approach	2,327,117	2,424,641	197,339	205,609
8	Equity investments in funds - Look-through approach	5,104,213	6,035,392	431,577	510,403
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)	588,916	697,769	49,940	59,170
10	Equity investments in funds - Fall-back approach	93,039	108,461	7,443	8,676
11	Settlement risk	17,380	11,632	1,462	986
12	Securitization exposures in banking book	1,050,808	1,120,667	84,064	89,653
13	of which: Securitisation IRB approach (SEC-IRBA) or internal assessment approach(IAA)	799,189	816,737	63,935	65,339
14	of which: Securitisation external ratings-based approach (SEC-ERBA)	242,645	295,079	19,411	23,606
15	of which: Securitisation standardised approach (SEC-SA)	-	-	-	-
	of which: 1250% risk weight is applied	8,973	8,850	717	708
16	Market risk	2,476,959	2,679,806	198,156	214,384
17	of which: standardized approach (SA)	1,063,932	1,438,324	85,114	115,065
18	of which: internal model approaches (IMA)	1,413,026	1,241,482	113,042	99,318
19	Operational risk	3,355,977	3,202,710	268,478	256,216
20	of which: basic indicator approach	664,565	647,827	53,165	51,826
21	of which: standardized approach	-	-	-	-
22	of which: advanced measurement approach	2,691,412	2,554,883	215,312	204,390
23	Exposures of specified items not subject to regulatory adjustments	1,548,246	1,278,905	127,076	105,507
	Amounts included in RWA subject to phase-out arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total (after applying the scaling factor)	62,141,217	63,219,955	4,971,297	5,057,596

Mizuho Financial Group 【Consolidated】
As of March 31, 2020

(Billions of yen)

CR8:RWA flow statements of credit risk exposures under IRB approach			
No.		RWA	
1	RWA at the end of the previous reporting period	39,805.8	
2	Breakdown of changes during this reporting period	Asset size	39.7
3		Portfolio quality	96.2
4		Model updates	-
5		Methodology and policy	-
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	(262.2)
8		Other	(68.7)
9	RWA at the end of this reporting period	39,610.9	

- 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.

Mizuho Financial Group 【Consolidated】
As of March 31, 2020

(Billions of yen)

CCR7: RWA flow statements of CCR exposures under EPE method			
No.		RWA	
1	RWA at the end of the previous reporting period	934.1	
2	Breakdown of changes during this reporting period	Asset size	311.1
3		Credit quality of counterparties	(9.5)
4		Model updates (EPE only)	-
5		Methodology and policy (EPE only)	-
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	(18.2)
8		Other	(1.3)
9	RWA at the end of this reporting period	1,216.0	

Mizuho Financial Group 【Consolidated】
As of March 31, 2020

(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	339.3	902.1	-	-		1,241.4
1b	Adjustment to RWA at the end of the previous reporting period	2.90	2.89	-	-		2.89
1c	IMA values at the end of the previous reporting period	116.8	311.2	-	-		428.1
2	Breakdown of changes during this reporting period	Change in risk levels	(31.3)	1.2	-	-	(30.1)
3		Model updates/changes	-	-	-	-	-
4		Methodology and policy	-	-	-	-	-
5		Acquisitions and disposals	-	-	-	-	-
6		Foreign currency fluctuations	(21.8)	(59.2)	-	-	(81.0)
7		Other	126.5	26.9	-	-	153.5
8a	IMA values at the end of this reporting period	190.2	280.1	-	-		470.4
8b	Adjustment to RWA at the end of this reporting period	2.11	3.60	-	-		3.00
8c	RWA at the end of this reporting period	402.3	1,010.6	-	-		1,413.0