

Explanation of "Composition of Capital Disclosure"

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

(in million yen)

CC2: Reconciliation of regulatory capital to consolidated balance sheet			
Items	a	b	c
	Consolidated balance sheet as in published financial statements	Reference to Template CC1	Cross-reference to Appended template
Assets			
Cash and Due from Banks	41,069,745		
Call Loans and Bills Purchased	584,686		
Receivables under Resale Agreements	18,581,488		
Guarantee Deposits Paid under Securities Borrowing Transactions	2,243,161		
Other Debt Purchased	2,688,273		
Trading Assets	13,248,734		6-a
Money Held in Trust	411,847		
Securities	34,907,234		2-b, 6-b
Loans and Bills Discounted	83,468,185		6-c
Foreign Exchange Assets	2,044,415		
Derivatives other than for Trading Assets	1,944,060		6-d
Other Assets	5,206,121		6-e
Tangible Fixed Assets	1,103,622		
Intangible Fixed Assets	636,139		2-a
Net Defined Benefit Asset	846,782		3
Deferred Tax Assets	32,493		4-a
Customers' Liabilities for Acceptances and Guarantees	6,066,527		
Reserves for Possible Losses on Loans	(424,446)		
Total Assets	214,659,077		
Liabilities			
Deposits	131,189,673		
Negotiable Certificates of Deposit	13,282,561		
Call Money and Bills Sold	2,263,076		
Payables under Repurchase Agreements	17,971,098		
Guarantee Deposits Received under Securities Lending Transactions	1,108,255		
Commercial Paper	411,089		
Trading Liabilities	9,604,890		6-f
Borrowed Money	5,209,947		8-a
Foreign Exchange Liabilities	509,405		
Short-term Bonds	373,658		
Bonds and Notes	8,906,432		8-b
Due to Trust Accounts	1,055,510		
Derivatives other than for Trading Liabilities	1,619,151		6-g
Other Liabilities	6,111,195		
Reserve for Bonus Payments	75,175		
Reserve for Variable Compensation	2,559		
Net Defined Benefit Liability	62,113		
Reserve for Director and Corporate Auditor Retirement Benefits	944		
Reserve for Possible Losses on Sales of Loans	637		
Reserve for Contingencies	6,443		
Reserve for Reimbursement of Deposits	27,851		
Reserve for Reimbursement of Debentures	18,672		
Reserves under Special Laws	2,509		
Deferred Tax Liabilities	53,150		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	62,695		4-c
Acceptances and Guarantees	6,066,527		
Total Liabilities	205,995,229		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,136,467		1-b
Retained Earnings	4,174,190		1-c
Treasury Stock	(6,414)		1-d
Total Shareholders' Equity	7,561,010		
Net Unrealized Gains (Losses) on Other Securities	823,085		
Deferred Gains or Losses on Hedges	72,081		5
Revaluation Reserve for Land	136,655		
Foreign Currency Translation Adjustments	(133,178)		
Remeasurements of Defined Benefit Plans	94,317		
Total Accumulated Other Comprehensive Income	992,960	(a)	
Stock Acquisition Rights	213		
Non-Controlling Interests	109,662		7
Total Net Assets	8,663,847		
Total Liabilities and Net Assets	214,659,077		

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, 2020	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,136,467	
1-c	Retained Earnings	4,174,190	
1-d	Treasury Stock	(6,414)	
	Total Shareholders' Equity	7,561,010	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,560,702	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,393,235	
2	of which: retained earnings	4,173,882	
1c	of which: treasury stock (-)	6,414	
	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, 2020	Remarks
2-a	Intangible Fixed Assets	636,139	
2-b	Securities	34,907,234	
	of which: share of goodwill of companies accounted for using the equity method	6,971	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(173,648)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	68,248	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	401,215	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, 2020	Remarks
3	Net Defined Benefit Asset	846,782	
	Income taxes related to above	(258,870)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
15	Net Defined Benefit Asset	587,912	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2020	Remarks
4-a	Deferred Tax Assets	32,493	
4-b	Deferred Tax Liabilities	53,150	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	62,695	
	Tax effects on intangible fixed assets	173,648	
	Tax effects on net defined benefit asset	258,870	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	15,053	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)	351,227	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)	351,227	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2020	Remarks
5	Deferred Gains or Losses on Hedges	72,081	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	124,838	Excluding those items whose valuation differences arising from hedged items are recognized as "Total accumulated other comprehensive income"

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, 2020	Remarks
6-a	Trading Assets	13,248,734	Including trading account securities and derivatives for trading assets
6-b	Securities	34,907,234	
6-c	Loans and Bills Discounted	83,468,185	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,944,060	
6-e	Other Assets	5,206,121	Including money invested
6-f	Trading Liabilities	9,604,890	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,619,151	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
16	Investments in own capital instruments	4,855	
37	Common Equity Tier 1 capital	2,185	
52	Additional Tier 1 capital	1,700	
	Tier 2 capital	970	
	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 and other TLAC liabilities	-	
	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)	456,706	
18	Common Equity Tier 1 capital	-	
39	Additional Tier 1 capital	-	
54	Tier 2 capital and other TLAC liabilities	-	
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	1,349	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	455,356	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	312,020	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	43,950	
55	Tier 2 capital and other TLAC liabilities	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	268,070	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2020	Remarks
7	Non-Controlling Interests	109,662	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	7,549	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)	20,277	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	130,184	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)	5,955	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, 2020	Remarks
8-a	Borrowed Money	5,209,947	
8-b	Bonds and Notes	8,906,432	
	Total	14,116,380	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,805,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,215,858	