

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]
As of December 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	42,999,682		
Call Loans and Bills Purchased	364,630		
Receivables under Resale Agreements	13,600,967		
Guarantee Deposits Paid under Securities Borrowing Transactions	2,039,745		
Other Debt Purchased	3,081,707		
Trading Assets	12,988,630		6-a
Money Held in Trust	498,061		
Securities	42,314,072		2-b, 6-b
Loans and Bills Discounted	83,615,990		6-c
Foreign Exchange Assets	1,949,760		
Derivatives other than for Trading Assets	1,690,112		6-d
Other Assets	4,452,367		6-e
Tangible Fixed Assets	1,110,136		
Intangible Fixed Assets	616,566		2-a
Net Defined Benefit Asset	918,982		3
Deferred Tax Assets	25,680		4-a
Customers' Liabilities for Acceptances and Guarantees	6,124,332		
Reserves for Possible Losses on Loans	(489,961)		
Reserve for Possible Losses on Investments	(0)		
Total Assets	217,901,468		
Liabilities			
Deposits	127,656,972		
Negotiable Certificates of Deposit	17,905,047		
Call Money and Bills Sold	1,516,486		
Payables under Repurchase Agreements	19,254,428		
Guarantee Deposits Received under Securities Lending Transactions	683,205		
Commercial Paper	1,495,476		
Trading Liabilities	7,783,921		6-f
Borrowed Money	7,346,357		8-a
Foreign Exchange Liabilities	514,302		
Short-term Bonds	391,296		
Bonds and Notes	9,644,764		8-b
Due to Trust Accounts	1,281,597		
Derivatives other than for Trading Liabilities	1,609,917		6-g
Other Liabilities	5,283,698		
Reserve for Bonus Payments	53,154		
Reserve for Variable Compensation	2,201		
Net Defined Benefit Liability	71,884		
Reserve for Director and Corporate Auditor Retirement Benefits	671		
Reserve for Possible Losses on Sales of Loans	3,931		
Reserve for Contingencies	3,516		
Reserve for Reimbursement of Deposits	23,541		
Reserve for Reimbursement of Debentures	16,918		
Reserves under Special Laws	2,506		
Deferred Tax Liabilities	159,359		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	62,531		4-c
Acceptances and Guarantees	6,124,332		
Total Liabilities	208,892,022		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,135,948		1-b
Retained Earnings	4,304,317		1-c
Treasury Stock	(7,203)		1-d
Total Shareholders' Equity	7,689,829		
Net Unrealized Gains (Losses) on Other Securities	1,131,436		
Deferred Gains or Losses on Hedges	52,955		5
Revaluation Reserve for Land	137,779		
Foreign Currency Translation Adjustments	(183,629)		
Remeasurements of Defined Benefit Plans	77,593		
Total Accumulated Other Comprehensive Income	1,216,134	(a)	
Stock Acquisition Rights	134		
Non-Controlling Interests	103,346		7
Total Net Assets	9,009,445		
Total Liabilities and Net Assets	217,901,468		

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, 2020	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,135,948	
1-c	Retained Earnings	4,304,317	
1-d	Treasury Stock	(7,203)	
	Total Shareholders' Equity	7,689,829	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,689,604	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,392,716	
2	of which: retained earnings	4,304,092	
1c	of which: treasury stock (-)	7,203	
	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, 2020	Remarks
2-a	Intangible Fixed Assets	616,566	
2-b	Securities	42,314,072	
	of which: share of goodwill of companies accounted for using the equity method	10,741	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(168,994)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	67,779	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	390,535	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, 2020	Remarks
3	Net Defined Benefit Asset	918,982	
	Income taxes related to above	(280,980)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
15	Net Defined Benefit Asset	638,002	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2020	Remarks
4-a	Deferred Tax Assets	25,680	
4-b	Deferred Tax Liabilities	159,359	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	62,531	
	Tax effects on intangible fixed assets	168,994	
	Tax effects on net defined benefit asset	280,980	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	14,254	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)	253,672	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)	253,672	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2020	Remarks
5	Deferred Gains or Losses on Hedges	52,955	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	96,792	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 December 31, 2020	Remarks
6-a	Trading Assets	12,988,630	Including trading account securities and derivatives for trading assets
6-b	Securities	42,314,072	
6-c	Loans and Bills Discounted	83,615,990	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,690,112	
6-e	Other Assets	4,452,367	Including money invested
6-f	Trading Liabilities	7,783,921	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,609,917	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
16	Investments in own capital instruments	8,998	
37	Common Equity Tier 1 capital	2,677	
52	Additional Tier 1 capital	4,500	
	Tier 2 capital	1,821	
	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)	429,647	
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	687	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	428,960	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	312,157	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	28,200	
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)	283,957	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of December 31, 2020	Remarks
7	Non-Controlling Interests	103,346	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	8,160	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)	19,328	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	100,460	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)	5,994	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, 2020	Remarks
8-a	Borrowed Money	7,346,357	
8-b	Bonds and Notes	9,644,764	
	Total	16,991,121	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of December 31, 2020	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,873,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,412,367	