

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]
As of June 30, 2021

(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	42,323,448		
Call Loans and Bills Purchased	385,421		
Receivables under Resale Agreements	17,887,877		
Guarantee Deposits Paid under Securities Borrowing Transactions	1,941,493		
Other Debt Purchased	3,486,436		
Trading Assets	13,910,770		6-a
Money Held in Trust	558,924		
Securities	47,167,479		2-b, 6-b
Loans and Bills Discounted	82,631,430		6-c
Foreign Exchange Assets	2,042,770		
Derivatives other than for Trading Assets	1,335,646		6-d
Other Assets	4,105,801		6-e
Tangible Fixed Assets	1,127,636		
Intangible Fixed Assets	609,925		2-a
Net Defined Benefit Asset	1,022,476		3
Deferred Tax Assets	27,243		4-a
Customers' Liabilities for Acceptances and Guarantees	6,867,903		
Reserves for Possible Losses on Loans	(543,592)		
Reserve for Possible Losses on Investments	(0)		
Total Assets	226,889,093		
Liabilities			
Deposits	129,957,640		
Negotiable Certificates of Deposit	19,681,826		
Call Money and Bills Sold	1,219,870		
Payables under Repurchase Agreements	22,193,696		
Guarantee Deposits Received under Securities Lending Transactions	842,186		
Commercial Paper	1,924,183		
Trading Liabilities	7,576,190		6-f
Borrowed Money	7,394,138		8-a
Foreign Exchange Liabilities	505,906		
Short-term Bonds	488,507		
Bonds and Notes	10,364,435		8-b
Due to Trust Accounts	1,155,350		
Derivatives other than for Trading Liabilities	1,330,630		6-g
Other Liabilities	5,581,521		
Reserve for Bonus Payments	23,211		
Reserve for Variable Compensation	3,560		
Net Defined Benefit Liability	71,270		
Reserve for Director and Corporate Auditor Retirement Benefits	495		
Reserve for Possible Losses on Sales of Loans	911		
Reserve for Contingencies	7,815		
Reserve for Reimbursement of Deposits	20,887		
Reserve for Reimbursement of Debentures	13,550		
Reserves under Special Laws	3,127		
Deferred Tax Liabilities	134,619		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	61,445		4-c
Acceptances and Guarantees	6,867,903		
Total Liabilities	217,424,884		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,125,324		1-b
Retained Earnings	4,577,306		1-c
Treasury Stock	(7,154)		1-d
Total Shareholders' Equity	7,952,243		
Net Unrealized Gains (Losses) on Other Securities	1,076,695		
Deferred Gains or Losses on Hedges	22,890		5
Revaluation Reserve for Land	135,318		
Foreign Currency Translation Adjustments	(92,486)		
Remeasurements of Defined Benefit Plans	255,570		
Total Accumulated Other Comprehensive Income	1,397,988	(a)	
Stock Acquisition Rights	114		
Non-Controlling Interests	113,861		7
Total Net Assets	9,464,209		
Total Liabilities and Net Assets	226,889,093		

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 June 30, 2021	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,125,324	
1-c	Retained Earnings	4,577,306	
1-d	Treasury Stock	(7,154)	
	Total Shareholders' Equity	7,952,243	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	7,952,050	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,382,092	
2	of which: retained earnings	4,577,113	
1c	of which: treasury stock (-)	7,154	
	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 June 30, 2021	Remarks
2-a	Intangible Fixed Assets	609,925	
2-b	Securities	47,167,479	
	of which: share of goodwill of companies accounted for using the equity method	9,596	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(167,858)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	64,821	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	386,841	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 June 30, 2021	Remarks
3	Net Defined Benefit Asset	1,022,476	
	Income taxes related to above	(312,783)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
15	Net Defined Benefit Asset	709,692	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of June 30, 2021	Remarks
4-a	Deferred Tax Assets	27,243	
4-b	Deferred Tax Liabilities	134,619	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	61,445	
	Tax effects on intangible fixed assets	167,858	
	Tax effects on net defined benefit asset	312,783	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	97,864	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)	230,555	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)	230,555	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of June 30, 2021	Remarks
5	Deferred Gains or Losses on Hedges	22,890	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	34,600	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 June 30, 2021	Remarks
6-a	Trading Assets	13,910,770	Including trading account securities and derivatives for trading assets
6-b	Securities	47,167,479	
6-c	Loans and Bills Discounted	82,631,430	Including subordinated loans
6-d	Derivatives other than for Trading Assets	1,335,646	
6-e	Other Assets	4,105,801	Including money invested
6-f	Trading Liabilities	7,576,190	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	1,330,630	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
16	Investments in own capital instruments	12,876	
37	Common Equity Tier 1 capital	956	
52	Additional Tier 1 capital	8,300	
	Tier 2 capital	3,620	
	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)	472,554	
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	958	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	471,595	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	347,741	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	36,078	
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)	311,663	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of June 30, 2021	Remarks
7	Non-Controlling Interests	113,861	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	17,754	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)	22,684	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	90,903	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)	8,736	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 June 30, 2021	Remarks
8-a	Borrowed Money	7,394,138	
8-b	Bonds and Notes	10,364,435	
	Total	17,758,574	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2021	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	1,423,438	