

Explanation of "Composition of Capital Disclosure"

Mizuho Financial Group [Consolidated]
As of June 30, 2023

(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	61,332,175		
Call Loans and Bills Purchased	1,086,934		
Receivables under Resale Agreements	14,195,893		
Guarantee Deposits Paid under Securities Borrowing Transactions	1,714,426		
Other Debt Purchased	3,904,318		
Trading Assets	21,268,265		6-a
Money Held in Trust	568,865		
Securities	44,086,569		2-b, 6-b
Loans and Bills Discounted	91,463,813		6-c
Foreign Exchange Assets	2,417,603		
Derivatives other than for Trading Assets	3,368,259		6-d
Other Assets	9,288,004		6-e
Tangible Fixed Assets	1,099,825		
Intangible Fixed Assets	584,742		2-a
Net Defined Benefit Asset	820,729		3
Deferred Tax Assets	294,050		4-a
Customers' Liabilities for Acceptances and Guarantees	9,312,235		
Reserves for Possible Losses on Loans	(669,098)		
Reserve for Possible Losses on Investments	(1)		
Total Assets	266,137,612		
Liabilities			
Deposits	146,526,777		
Negotiable Certificates of Deposit	19,798,922		
Call Money and Bills Sold	1,808,786		
Payables under Repurchase Agreements	28,072,362		
Guarantee Deposits Received under Securities Lending Transactions	859,552		
Commercial Paper	1,636,507		
Trading Liabilities	14,457,288		6-f
Borrowed Money	4,229,734		8-a
Foreign Exchange Liabilities	861,542		
Short-term Bonds	458,646		
Bonds and Notes	11,681,133		8-b
Due to Trust Accounts	1,114,199		
Derivatives other than for Trading Liabilities	4,415,328		6-g
Other Liabilities	11,093,461		
Reserve for Bonus Payments	38,887		
Reserve for Variable Compensation	2,654		
Net Defined Benefit Liability	67,965		
Reserve for Director and Corporate Auditor Retirement Benefits	481		
Reserve for Possible Losses on Sales of Loans	9,530		
Reserve for Contingencies	22,997		
Reserve for Reimbursement of Deposits	12,787		
Reserve for Reimbursement of Debentures	6,973		
Reserves under Special Laws	3,352		
Deferred Tax Liabilities	24,086		4-b
Deferred Tax Liabilities for Revaluation Reserve for Land	58,061		4-c
Acceptances and Guarantees	9,312,235		
Total Liabilities	256,574,260		
Net Assets			
Common Stock	2,256,767		1-a
Capital Surplus	1,129,267		1-b
Retained Earnings	5,230,926		1-c
Treasury Stock	(8,110)		1-d
Total Shareholders' Equity	8,608,851		
Net Unrealized Gains (Losses) on Other Securities	706,435		
Deferred Gains or Losses on Hedges	(376,699)		5
Revaluation Reserve for Land	127,963		
Foreign Currency Translation Adjustments	257,824		
Remeasurements of Defined Benefit Plans	165,666		
Own Credit Risk Adjustments, Net of Tax	(138)		
Total Accumulated Other Comprehensive Income	881,050	(a)	
Stock Acquisition Rights	5		
Non-Controlling Interests	73,444		7
Total Net Assets	9,563,352		
Total Liabilities and Net Assets	266,137,612		

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, 2023	Remarks
1-a	Common Stock	2,256,767	
1-b	Capital Surplus	1,129,267	
1-c	Retained Earnings	5,230,926	
1-d	Treasury Stock	(8,110)	
	Total Shareholders' Equity	8,608,851	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	8,608,798	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	3,386,035	
2	of which: retained earnings	5,230,873	
1c	of which: treasury stock (-)	8,110	
	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, 2023	Remarks
2-a	Intangible Fixed Assets	584,742	
2-b	Securities	44,086,569	
	of which: share of goodwill of companies accounted for using the equity method	37,522	Share of goodwill of companies accounted for using the equity method
	Income taxes related to above	(161,295)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	86,315	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	374,654	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, 2023	Remarks
3	Net Defined Benefit Asset	820,729	
	Income taxes related to above	(251,281)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
15	Net Defined Benefit Asset	569,447	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of June 30, 2023	Remarks
4-a	Deferred Tax Assets	294,050	
4-b	Deferred Tax Liabilities	24,086	
4-c	Deferred Tax Liabilities for Revaluation Reserve for Land	58,061	
	Tax effects on intangible fixed assets	161,295	
	Tax effects on net defined benefit asset	251,281	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	14,424	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)	628,574	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)	628,574	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of June 30, 2023	Remarks
5	Deferred Gains or Losses on Hedges	(376,699)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(457,244)	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, 2023	Remarks
6-a	Trading Assets	21,268,265	Including trading account securities and derivatives for trading assets
6-b	Securities	44,086,569	
6-c	Loans and Bills Discounted	91,463,813	Including subordinated loans
6-d	Derivatives other than for Trading Assets	3,368,259	
6-e	Other Assets	9,288,004	Including money invested
6-f	Trading Liabilities	14,457,288	Including trading account securities sold
6-g	Derivatives other than for Trading Liabilities	4,415,328	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
16	Investments in own capital instruments	8,665	
37	Common Equity Tier 1 capital	4,782	
52	Additional Tier 1 capital	600	
	Tier 2 capital	3,282	
	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)	442,584	
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	468	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	442,116	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	427,300	
19	Amount exceeding the 10% threshold on specified items	-	
23	Amount exceeding the 15% threshold on specified items	-	
40	Additional Tier 1 capital	12,017	
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)	415,282	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of June 30, 2023	Remarks
7	Non-Controlling Interests	73,444	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	476	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)	17,650	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	32,259	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)	3,777	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, 2023	Remarks
8-a	Borrowed Money	4,229,734	
8-b	Bonds and Notes	11,681,133	
	Total	15,910,867	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of June 30, 2023	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,485,000	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,249,108	