

Composition of Capital Disclosure

Mizuho Bank [Consolidated]
As of December 31, 2017

(in million yen, in percentage)

Basel III Template No.	Items	As of December 31, 2017	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves (1)					
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	6,467,306		6,326,580	
1a	of which: capital and stock surplus	3,615,755		3,615,755	
2	of which: retained earnings	2,851,551		2,710,825	
1c	of which: treasury stock (-)	-		-	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		-	
	of which: other than above	-		-	
1b	Subscription rights to common shares	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	1,290,216	322,554	1,159,091	289,772
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	308		286	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	9,822		10,140	
	of which: amount allowed in group CET1 capital subject to phase-out arrangements on common share capital issued by subsidiaries and held by third parties	9,822		10,140	
6	Common Equity Tier 1 capital: instruments and reserves (A)	7,767,653		7,496,099	
Common Equity Tier 1 capital: regulatory adjustments (2)					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	470,671	117,667	466,629	116,657
8	of which: goodwill (net of related tax liability, including those equivalent)	19,167	4,791	20,950	5,237
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	451,503	112,875	445,678	111,419
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	11,419	2,854	10,095	2,523
11	Deferred gains or losses on derivatives under hedge accounting	(27,947)	(6,986)	(7,449)	(1,862)
12	Shortfall of eligible provisions to expected losses	56,715	14,177	30,498	7,624
13	Securitization gain on sale	-	-	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,713	428	1,544	386
15	Net defined benefit asset	377,786	94,446	391,164	97,791
16	Investments in own shares (excluding those reported in the net assets section)	-	-	-	-
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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 the 10% threshold)	-	-	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of financials	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of financials	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	890,358		892,482	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B) (C))	6,877,295		6,603,616	
Additional Tier 1 capital: instruments (3)					
30	31a Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-		-	
	31b Subscription rights to Additional Tier 1 instruments	-		-	
	32 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	1,220,000		1,220,000	
	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	21,468		20,187	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	577,504		577,504	
33	of which: directly issued capital instruments subject to phase out from Additional Tier 1	577,504		577,504	
35	of which: instruments issued by subsidiaries subject to phase out	-		-	
	Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(7,667)		(8,698)	
	of which: foreign currency translation adjustments	(7,667)		(8,698)	
36	Additional Tier 1 capital: instruments (D)	1,811,305		1,808,992	
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments	-	-	-	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-
39	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 common share capital of the entity (amount above 10% threshold)	-	-	-	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	58,800	14,700	58,800	14,700
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	8,476		5,177	
	of which: goodwill equivalent	1,387		1,365	
	of which: intangible fixed assets recognized as a result of a merger	-		-	
	of which: capital increase due to securitization transactions	-		-	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	7,089		3,812	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	67,276		63,977	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E) (F))	1,744,028		1,745,015	
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F) (G))	8,621,323		8,348,632	

(in million yen, in percentage)

Basel III Template No.	Items	As of December 31, 2017	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements
Tier 2 capital: instruments and provisions (4)					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	-	-
	Subscription rights to Tier 2 instruments	-	-	-	-
	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	998,362	-	997,665	-
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	-	-
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	4,776	-	4,474	-
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	731,773	-	762,578	-
47	of which: directly issued capital instruments subject to phase out from Tier 2	731,773	-	762,578	-
49	of which: instruments issued by subsidiaries subject to phase out	-	-	-	-
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	4,159	-	4,537	-
50a	of which: general allowance for loan losses	4,159	-	4,537	-
50b	of which: eligible provisions	-	-	-	-
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	193,533	-	169,082	-
	of which: 45% of unrealized gains on other securities	174,538	-	150,087	-
	of which: 45% of revaluation reserve for land	18,994	-	18,994	-
51	Tier 2 capital: instruments and provisions (H)	1,932,604	-	1,938,337	-
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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 common share capital of the entity (amount above the 10% threshold)	-	-	-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	72,000	18,000	72,000	18,000
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	25,193	-	22,384	-
	of which: investments in the capital banking, financial and insurance entities	18,104	-	18,572	-
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	7,089	-	3,812	-
57	Tier 2 capital: regulatory adjustments (I)	97,193	-	94,384	-
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)-(J))	1,835,410	-	1,843,952	-
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	10,456,734	-	10,192,584	-
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to phase-out arrangements	219,585	-	221,799	-
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	112,875	-	111,419	-
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,854	-	2,523	-
	of which: net defined benefit asset	94,446	-	97,791	-
	of which: investments in the capital banking, financial and insurance entities	9,408	-	10,064	-
60	Risk weighted assets (L)	57,244,060	-	56,107,027	-
Capital ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.01%	-	11.76%	-
62	Tier 1 capital ratio (consolidated) ((G)/(L))	15.06%	-	14.87%	-
63	Total capital ratio (consolidated) ((K)/(L))	18.26%	-	18.16%	-
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	541,999	-	522,172	-
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	132,281	-	126,081	-
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	-	-
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	47,629	-	132,174	-
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for loan losses)	4,159	-	4,537	-
77	Cap on inclusion of provisions (general allowance for loan losses)	32,343	-	31,193	-
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-	-	-	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	291,828	-	285,497	-
Capital instruments subject to phase-out arrangements (8)					
82	Current cap on AT1 instruments subject to phase-out arrangements	734,396	-	734,396	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-
84	Current cap on T2 instruments subject to phase-out arrangements	805,389	-	805,389	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-