

MIZUHO FINANCIAL GROUP INC

Form 6-K

July 30, 2018

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16

UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of July 2018

Commission File Number 001-33098

Mizuho Financial Group, Inc.

(Translation of registrant's name into English)

5-5, Otemachi 1-chome

Chiyoda-ku, Tokyo 100-8176

Japan

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F. Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____ .

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: July 30, 2018

Mizuho Financial Group, Inc.

By: /s/ Makoto Umemiya

Name: Makoto Umemiya

Title: Managing Executive Officer / Group CFO

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The following is the English translation of excerpt regarding the Basel Pillar 3 disclosures and the relevant information from our Japanese language disclosure material published in July 2018. The Japanese regulatory disclosure requirements are fulfilled with the Basel Pillar 3 disclosures and Japanese GAAP is applied to the relevant financial information. In this report, we, us, and our refer to Mizuho Financial Group, Inc. and, unless the context indicates otherwise, its consolidated subsidiaries. Mizuho Financial Group refers to Mizuho Financial Group, Inc.

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Key Metrics

Under the capital adequacy ratio regulations agreed upon by the Basel Committee on Banking Supervision, banks are required to meet certain minimum capital requirements. We calculate our capital adequacy ratio on a consolidated basis based on the criteria used by a bank holding company for deciding whether or not the adequacy of equity capital of the bank holding company and its subsidiaries is appropriate in light of the assets owned by the bank holding company and its subsidiaries pursuant to Article 52-25 of the Banking Law (Financial Services Agency, or FSA, Notice No.20 issued in 2006).

We also calculate our leverage ratio on a consolidated basis according to the leverage ratio on a consolidated basis separately prescribed by the Commissioner of the Financial Services Agency according to Article 1 Paragraph 1 item 7 of the Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Status of the Adequacy of Equity Capital pursuant to Article 19-2 Paragraph 1 Item 5 Sub-item (d) etc. of the Ordinance for the Enforcement of the Banking Law (FSA Notice No.13 issued in 2015).

Liquidity standards agreed upon by the Basel Committee on Banking Supervision require our liquidity coverage ratio to surpass certain minimum standards. We calculate our consolidated liquidity coverage ratio (the Consolidated LCR) in accordance with the regulation The Evaluation Criterion on the Sound Management of Liquidity Risk Defined, Based on Banking Law Article 52-25, as One of Criteria for Bank Holding Companies to Evaluate the Soundness of Their Management and the Ones of Their Subsidiaries and Others, which is also One of Evaluation Criteria on the Soundness of the Banks Management (the FSA Notice No. 62 of 2015 (the Notice No. 62)).

Key Metrics

KM1: Key Metrics

(millions of yen, except percentages)

Basel III Template No.		a As of March 31, 2018	b As of December 31, 2017	c As of September 30, 2017	d As of June 30, 2017	e As of March 31, 2017
Capital						
1	Common Equity Tier 1 capital	7,437,048	7,597,964	7,280,598	7,157,984	7,001,664
2	Tier 1 capital	9,192,244	9,321,858	9,004,810	8,423,437	8,211,522
3	Total capital	10,860,440	11,260,104	10,946,675	10,410,297	10,050,953
Risk weighted assets						
4	Risk weighted assets	59,528,983	63,414,867	61,695,509	61,785,213	61,717,158
Capital ratio						
5	Common Equity Tier 1 capital ratio	12.49%	11.98%	11.80%	11.58%	11.34%
6	Tier 1 capital ratio	15.44%	14.69%	14.59%	13.63%	13.30%
7	Total capital ratio	18.24%	17.75%	17.74%	16.84%	16.28%
Capital buffer						
8	Capital conservation buffer requirement	1.87%	1.25%	1.25%	1.25%	1.25%
9	Countercyclical buffer requirement	0.01%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB/D-SIB additional requirements	0.75%	0.50%	0.50%	0.50%	0.50%
11	Total of bank CET1 specific buffer requirements	2.63%	1.75%	1.75%	1.75%	1.75%
12	CET1 available after meeting the bank's minimum capital requirements	7.99%	7.48%	7.30%	7.08%	6.84%

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Leverage ratio						
13	Total exposures	214,277,824	217,478,350	217,304,488	208,006,656	207,401,679
14	Leverage ratio	4.28%	4.28%	4.14%	4.04%	3.95%
Liquidity coverage ratio (LCR)						
15	Total HQLA allowed to be included in the calculation	60,159,630	63,459,113	60,568,697	61,146,475	59,034,682
16	Net cash outflows	50,079,075	50,808,181	48,025,220	47,132,781	45,611,601
17	LCR	120.1%	124.8%	126.1%	129.7%	129.4%

Note:

Base III Template No. from 15 to 17 are quarterly averages.

Table of Contents**Status of Mizuho Financial Group's Consolidated Capital Adequacy**

Following the partial revision of Matters Separately Prescribed by the Commissioner of the Financial Services Agency Regarding Status of the Adequacy of Equity Capital Pursuant to Article 19-2, Paragraph 1, Item 5, Sub-item (d), etc. of the Ordinance for the Enforcement of the Banking Law, the disclosure of any information concerning the fiscal year ended March 31, 2018 is made in accordance with the relevant FSA Notice issued after the revision (the New FSA Notice). The figures relating to our banking activities for the fiscal year ended March 31, 2017 are disclosed in accordance with the relevant FSA Notice issued before the revision (the Old FSA Notice) (See pages 41 to 56 for the disclosure items which are different from those disclosed according to the new FSA Notice).

Scope of Consolidation**(1) Scope of Consolidation for Calculating Consolidated Capital Adequacy Ratio**

(A) Difference from the companies included in the scope of consolidation based on consolidation rules for preparation of consolidated financial statements (the scope of accounting consolidation)

None as of March 31, 2017 and 2018

(B) Number of consolidated subsidiaries

	As of March 31, 2017	As of March 31, 2018
Consolidated subsidiaries	139	124

Our major consolidated subsidiaries are Mizuho Bank, Ltd., Mizuho Trust & Banking Co., Ltd. and Mizuho Securities Co., Ltd.

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The following table sets forth information with respect to our principal consolidated subsidiaries as of March 31, 2018:

Name	Country of organization	Main business	Proportion of ownership interest (%)	Proportion of voting interest (%)
Domestic				
Mizuho Bank, Ltd.	Japan	Banking	100.0	100.0
Mizuho Trust & Banking Co., Ltd.	Japan	Trust and banking	100.0	100.0
Mizuho Securities Co., Ltd.	Japan	Securities	95.8	95.8
Mizuho Research Institute Ltd.	Japan	Research and consulting	98.6	98.6
Mizuho Information & Research Institute Inc.	Japan	Information technology	91.5	91.5
Asset Management One Co., Ltd.	Japan	Investment management	70.0	51.0
Trust & Custody Services Bank, Ltd.	Japan	Trust and banking	54.0	54.0
Mizuho Private Wealth Management Co., Ltd.	Japan	Consulting	100.0	100.0
Mizuho Credit Guarantee Co., Ltd.	Japan	Credit guarantee	100.0	100.0
Mizuho Realty Co., Ltd.	Japan	Real estate agency	100.0	100.0
Mizuho Factors, Limited	Japan	Factoring	100.0	100.0
Mizuho Realty One Co., Ltd.	Japan	Holding company	100.0	100.0
Defined Contribution Plan Services Co., Ltd.	Japan	Pension plan-related business	60.0	60.0
Mizuho-DL Financial Technology Co., Ltd.	Japan	Application and Sophistication of Financial echnology	60.0	60.0
UC Card Co., Ltd.	Japan	Credit card	51.0	51.0
J.Score CO., LTD.	Japan	Lending	50.0	50.0
Mizuho Trust Systems Company, Limited.	Japan	Subcontracted calculation services, software development	50.0	50.0
Mizuho Capital Co., Ltd.	Japan	Venture capital	50.0	50.0
Overseas				
Mizuho Americas LLC	U.S.A.	Holding company	100.0	100.0
Mizuho Bank (China), Ltd.	China	Banking	100.0	100.0
Mizuho International plc	U.K.	Securities and banking	100.0	100.0
Mizuho Securities Asia Limited	China	Securities	100.0	100.0
Mizuho Securities USA LLC	U.S.A.	Securities	100.0	100.0
Mizuho Bank Europe N.V.	Netherlands	Banking and securities	100.0	100.0
Banco Mizuho do Brasil S.A.	Brazil	Banking	100.0	100.0
Mizuho Trust & Banking (Luxembourg) S.A.	Luxembourg	Trust and banking	100.0	100.0
Mizuho Bank (USA)	U.S.A.	Banking and trust	100.0	100.0
Mizuho Bank (Switzerland) Ltd	Switzerland	Banking and trust	100.0	100.0
Mizuho Capital Markets LLC	U.S.A.	Derivatives	100.0	100.0
PT. Bank Mizuho Indonesia	Indonesia	Banking	99.0	99.0

(C) Corporations providing financial services for which Article 9 of the FSA Notice No. 20 is applicable

None as of March 31, 2017 and 2018.

(D) Companies that are in the bank holding company's corporate group but not included in the scope of accounting consolidation and companies that are not in the bank holding company's corporate group but included in the scope of accounting consolidation

None as of March 31, 2017 and 2018.

(E) Restrictions on transfer of funds or capital within the bank holding company's corporate group

None as of March 31, 2017 and 2018.

(F) Names of any other financial institutions, etc., classified as subsidiaries or other members of the bank holding company that are deficient in regulatory capital

None as of March 31, 2017 and 2018.

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Risk-based Capital

(1) Summary of Approach to Assessing Capital Adequacy

In order to ensure that risk-based capital is sufficiently maintained in light of the risk held by us, we regularly conduct the following assessment of capital adequacy in addition to adopting a suitable and effective capital adequacy monitoring structure.

Maintaining a sufficient BIS capital ratio

We confirm our maintenance of a high level of financial soundness by conducting regular evaluations to examine whether our risk-based capital is adequate in qualitative as well as quantitative terms, in light of our business plans and strategic targets to match the increase in risk-weighted assets acquired for growth, in addition to maintaining our capital above the minimum requirements of common equity Tier 1 capital ratio, Tier 1 capital ratio, total capital ratio and capital buffer ratio.

Balancing risk and capital

On the basis of the framework for allocating risk capital, after obtaining the clearest possible grasp of the group's overall risk exposure, we endeavor to control risk so as to keep it within the range of our business capacity by means of allocating capital that corresponds to the amount of risk to the principal banking subsidiaries, etc., within the bounds of our capital, and we conduct regular assessments to ensure that a sufficient level of capital is maintained for our risk profile. When making these assessments, we calculate the potential losses arising from assumed stress events and risk volumes, which we assess whether they balance with the group's capital. Stress events are based on risk scenarios that are formulated based on the current economic condition and the economic outlook, etc. and from scenarios such as the occurrence of historical stress events. In addition, we examine whether an appropriate return on risk is maintained in the assessments.

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		(Millions of yen)			
		As of March 31, 2017		As of March 31, 2018	
		Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements	
Basel III template					
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	6,905,510	/	7,292,638	/
1a	of which: capital and stock surplus	3,390,691	/	3,391,471	/
2	of which: retained earnings	3,614,841	/	4,002,350	/
1c	of which: treasury stock (-)	4,849	/	5,997	/
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	95,173	/	95,186	/
	of which: other than above		/		/
1b	Subscription rights to common shares	1,754	/	1,163	/
3	Accumulated other comprehensive income and other disclosed reserves	1,216,780	304,195	1,677,534	/
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	14,537	/	14,344	/
		22,881	/	/	/

	Total of items included in common equity Tier 1 capital: instruments and reserves subject to phase-out arrangements 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	22,881	/	/	/
6	Common equity Tier 1 capital: instruments and reserves (A)	8,161,464	/	8,985,680	/
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)	619,806	154,951	794,953	/
8	of which: goodwill (net of related tax liability, including those equivalent)	79,695	19,923	85,103	/
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	540,111	135,027	709,850	/
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	36,601	9,150	42,352	/
11	Deferred gains or losses on derivatives under hedge accounting	8,137	2,034	(67,578)	/
12	Shortfall of eligible provisions to expected losses	9,381	2,352	61,964	/
13	Securitization gain on sale	52	13		/
14	Gains and losses due to changes in own credit risk on fair valued liabilities	593	148	3,960	/
15	Net defined benefit asset	443,158	110,789	691,380	/

16	Investments in own shares (excluding those reported in the net assets section)	5,473	1,368	1,457	/
17	Reciprocal cross-holdings in common equity				/
18					