

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking
As of September 30, 2013

[Consolidated] (in million yen)

Items	Consolidated Balance sheet as in published financial statements	Cross-reference to Appended template	Reference # of common disclosure template under the Composition of Capital Disclosure
	Amount		
(Assets)			
Cash and Due from Banks	921,192		
Call Loans and Bills Purchased	13,683		
Other Debt Purchased	60,135		
Trading Assets	59,508	6-a	
Money Held in Trust	1,509		
Securities	2,242,166	2-b, 6-b	
Loans and Bills Discounted	3,315,213	6-c	
Foreign Exchange Assets	328		
Other Assets	143,455	3, 6-d	
Tangible Fixed Assets	30,435		
Intangible Fixed Assets	21,486	2-a	
Deferred Tax Assets	12,616	4-a	
Customers' Liabilities for Acceptances and Guarantees	43,429		
Reserves for Possible Losses on Loans	(16,836)		
Reserve for Possible Losses on Investments	(11)		
Total Assets	6,848,314		
(Liabilities)			
Deposits	2,042,825		
Negotiable Certificates of Deposit	1,079,820		
Call Money and Bills Sold	1,129,285		
Guarantee Deposits Received under Securities	549,085		
Lending Transactions			
Trading Liabilities	59,633	6-e	
Borrowed Money	307,636	8-a	
Bonds and Notes	78,700	8-b	
Due to Trust Accounts	1,050,061		
Other Liabilities	41,564	6-f	
Reserve for Bonus Payments	2,770		
Reserve for Employee Retirement Benefits	557		
Reserve for Director and Corporate Auditor Retirement Benefits	295		
Reserve for Contingencies	13,490		
Reserve for Reimbursement of Deposits	1,121		
Deferred Tax Liabilities	0	4-b	
Acceptances and Guarantees	43,429		
Total Liabilities	6,400,277		
(Net Assets)			
Common Stock and Preferred Stock	247,369	1-a	
Capital Surplus	15,505	1-b	
Retained Earnings	115,813	1-c	
Total Shareholders' Equity	378,688		
Net Unrealized Gains (Losses) on Other Securities	71,182		
Deferred Gains or Losses on Hedges	(4,339)	5	
Foreign Currency Translation Adjustments	(632)		
Total Accumulated Other Comprehensive Income	66,210		
Minority Interests	3,138	7	3
Total Net Assets	448,036		
Total Liabilities and Net Assets	6,848,314		

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)

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Common Stock and Preferred Stock	247,369		1-a
Capital Surplus	15,505		1-b
Retained Earnings	115,813		1-c
Total Shareholders' Equity	378,688		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related stock surplus and retained earnings	378,688	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and stock surplus	262,874		1a
of which: retained earnings	115,813		2
of which: treasury stock (-)	-		1c
of which: other than above	-		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effective bankruptcy	31a

2. Intangible fixed assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Intangible Fixed Assets	21,486		2-a
Securities	2,242,166		2-b
of which: share of goodwill of companies accounted for using the equity method	-	Share of goodwill of companies accounted for using the equity method	
Income taxes related to above	(6,397)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	-		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	15,089	Software and other	9
Mortgage servicing rights (net of related tax liability)	-		
Amount exceeding the 10% threshold on specified items	-		20
Amount exceeding the 15% threshold on specified items	-		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		74

3. Defined-benefit pension fund net assets (prepaid pension costs)

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Other Assets	143,455		3
of which: defined-benefit pension fund net assets (prepaid pension costs)	42,037		
Income taxes related to above	(14,969)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Defined-benefit pension fund net assets (prepaid pension costs)	27,067		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	12,616		4-a
Deferred Tax Liabilities	0		4-b
Tax effects on intangible fixed assets	6,397		
Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	14,969		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	29	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	33,954	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	-		21
Amount exceeding the 15% threshold on specified items	-		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	33,954		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	(4,339)		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	(4,339)		11

6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Trading Assets	59,508	Including trading account securities and derivatives for trading assets	6-a
Securities	2,242,166		6-b
Loans and Bills Discounted	3,315,213	Including subordinated loans	6-c
Other Assets	143,455	Including Derivatives other than for Trading Assets and money invested	6-d
Trading Liabilities	59,633	Including trading account securities sold	6-e
Other Liabilities	41,564	Including Derivatives other than for Trading Liabilities	6-f

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	-		
Common Equity Tier 1 capital	-		16
Additional Tier 1 capital	-		37
Tier 2 capital	-		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
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)	51,200		
Common Equity Tier 1 capital	5,955		18
Additional Tier 1 capital	148		39
Tier 2 capital	4,795		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	40,300		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	2,206		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	-		40
Tier 2 capital	-		55
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	2,206		73

7. Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority Interests	3,138		7

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	After reflecting amounts eligible for inclusion (minority interest after adjustments)	5
Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (minority interest after adjustments)	30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	1,008	After reflecting amounts eligible for inclusion (minority interest after adjustments)	34-35
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (minority interest after adjustments)	46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	237	After reflecting amounts eligible for inclusion (minority interest after adjustments)	48-49

8. Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Borrowed Money	307,636		8-a
Bonds and Notes	78,700		8-b
Total	386,336		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		32
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		46

Note:

* Amounts in the "Composition of capital disclosure" are based on those before considering amounts under transitional arrangements and include "Amounts excluded under transitional arrangements" disclosed in "Composition of Capital Disclosure" as well as amounts included as regulatory capital. In addition, items for regulatory purposes under transitional arrangements are excluded from this table.