

## Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking  
As of March 31, 2014

[Non-Consolidated] (in million yen)

Items	Balance sheet as in published financial statements	Cross-reference to Appended template	Reference # of common disclosure template under the Composition of Capital Disclosure
	Amount		
<b>(Assets)</b>			
Cash and Due from Banks	1,028,662		
Call Loans	202,058		
Other Debt Purchased	57,591		
Trading Assets	60,918	6-a	
Money Held in Trust	1,513		
Securities	1,837,573	6-b	
Loans and Bills Discounted	3,137,852	6-c	
Foreign Exchange Assets	1,580		
Other Assets	88,917	6-d	
Tangible Fixed Assets	26,384		
Intangible Fixed Assets	14,444	2	
Prepaid Pension Costs	42,803	3	
Deferred Tax Assets	6,524	4	
Customers' Liabilities for Acceptances and Guarantees	40,151		
Reserves for Possible Losses on Loans	(12,709)		
Reserve for Possible Losses on Investments	(11)		
<b>Total Assets</b>	<b>6,534,256</b>		
<b>(Liabilities)</b>			
Deposits	2,192,012		
Negotiable Certificates of Deposit	959,230		
Call Money	996,045		
Payable under Repurchase Agreements	10,291		
Guarantee Deposits Received under Securities Lending Transactions	446,947		
Trading Liabilities	61,320	6-e	
Borrowed Money	168,562	7-a	
Foreign Exchange Liabilities	8		
Bonds and Notes	61,500	7-b	
Due to Trust Accounts	1,084,938		
Other Liabilities	45,542	6-f	
Reserve for Bonus Payments	2,013		
Reserve for Reimbursement of Deposits	1,144		
Acceptances and Guarantees	40,151		
<b>Total Liabilities</b>	<b>6,069,708</b>		
<b>(Net Assets)</b>			
Common Stock and Preferred Stock	247,369	1-a	
Capital Surplus	15,505	1-b	
Retained Earnings	138,356	1-c	
<b>Total Shareholders' Equity</b>	<b>401,231</b>		
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	67,616		
Net Deferred Hedge Gains (Losses), net of Taxes	(4,300)	5	
<b>Total Valuation and Translation Adjustments</b>	<b>63,316</b>		
<b>Total Net Assets</b>	<b>464,548</b>		
<b>Total Liabilities and Net Assets</b>	<b>6,534,256</b>		

3

**(Appended template)**

## 1. Shareholders' equity

## (1) Balance sheet

(in million yen)

Balance sheet items	Amount	Remarks	Ref. No.
Common Stock and Preferred Stock	247,369		1-a
Capital Surplus	15,505		1-b
Retained Earnings	138,356		1-c
<b>Total Shareholders' Equity</b>	<b>401,231</b>		

## (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	401,231	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	138,356		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) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Intangible Fixed Assets	14,444		2
Income taxes related to above	(5,142)		

## (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)	9,301	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) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Prepaid Pension Costs	42,803		3
Income taxes related to above	(15,237)		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Defined-benefit pension fund net assets (prepaid pension costs)	27,565		15

## 4. Deferred tax assets

## (1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	6,524		4
Tax effects on intangible fixed assets	5,142		
Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	15,237		

## (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)	-		10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	26,904		
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)	26,904		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Net Deferred Hedge Gains (Losses), net of Taxes	(4,300)		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	(4,300)		11

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

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Trading Assets	60,918	Including trading account securities and derivatives for trading assets	6-a
Securities	1,837,573		6-b
Loans and Bills Discounted	3,137,852	Including subordinated loans	6-c
Other Assets	88,917	Including Derivatives other than for Trading Assets and money invested	6-d
Trading Liabilities	61,320	Including trading account securities sold	6-e
Other Liabilities	45,542	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)	48,193		
Common Equity Tier 1 capital	4,384		18
Additional Tier 1 capital	86		39
Tier 2 capital	3,961		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	39,761		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	936		
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)	936		73

7. Other capital instruments

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Borrowed Money	168,562		7-a
Bonds and Notes	61,500		7-b
Total	230,062		

(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.