

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking
As of September 30, 2014

【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	1,483,327		
Call Loans and Bills Purchased	8,833		
Other Debt Purchased	51,433		
Trading Assets	71,052	6-a	
Money Held in Trust	2,413		
Securities	1,730,231	2-b, 6-b	
Loans and Bills Discounted	3,044,954	6-c	
Foreign Exchange Assets	1,200		
Other Assets	107,192	6-d	
Tangible Fixed Assets	30,631		
Intangible Fixed Assets	21,658	2-a	
Net Defined Benefit Asset	30,802	3	
Deferred Tax Assets	2,881	4-a	
Customers' Liabilities for Acceptances and Guarantees	41,688		
Reserves for Possible Losses on Loans	(10,910)		
Reserve for Possible Losses on Investments	(1)		
Total Assets	6,617,391		
(Liabilities)			
Deposits	2,543,461		
Negotiable Certificates of Deposit	784,290		
Call Money and Bills Sold	1,030,814		
Payables under Repurchase Agreements	10,945		
Guarantee Deposits Received under Securities	440,751		
Lending Transactions			
Trading Liabilities	68,661	6-e	
Borrowed Money	160,170	8-a	
Bonds and Notes	42,200	8-b	
Due to Trust Accounts	932,263		
Other Liabilities	54,527	6-f	
Reserve for Bonus Payments	2,721		
Net Defined Benefit Liability	683		
Reserve for Director and Corporate Auditor	264		
Retirement Benefits			
Reserve for Reimbursement of Deposits	1,119		
Deferred Tax Liabilities	0	4-b	
Acceptances and Guarantees	41,688		
Total Liabilities	6,114,563		
(Net Assets)			
Common Stock and Preferred Stock	247,369	1-a	
Capital Surplus	15,505	1-b	
Retained Earnings	151,086	1-c	
Total Shareholders' Equity	413,961		
Net Unrealized Gains (Losses) on Other Securities	96,904		
Deferred Gains or Losses on Hedges	(2,499)	5	
Foreign Currency Translation Adjustments	(307)		
Remeasurements of Defined Benefit Plans	(9,327)		
Total Accumulated Other Comprehensive Income	84,771		3
Minority Interests	4,095	7	
Total Net Assets	502,827		
Total Liabilities and Net Assets	6,617,391		

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	151,086		1-c
Total Shareholders' Equity	413,961		

(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	413,961	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	151,086		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	21,658		2-a
Securities	1,730,231		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	(6,771)		

(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)	14,887	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. Net Defined Benefit Asset

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Net Defined Benefit Asset	30,802		3
Income taxes related to above	(10,974)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Net Defined Benefit Asset	19,828		15

4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	2,881		4-a
Deferred Tax Liabilities	0		4-b
Tax effects on intangible fixed assets	6,771		
Tax effects on net defined benefit asset	10,974		

(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)	6,521	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)	14,105	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)	14,105		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	(2,499)		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	(2,499)		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	71,052	Including trading account securities and derivatives for trading assets	6-a
Securities	1,730,231		6-b
Loans and Bills Discounted	3,044,954	Including subordinated loans	6-c
Other Assets	107,192	Including Derivatives other than for Trading Assets and money invested	6-d
Trading Liabilities	68,661	Including trading account securities sold	6-e
Other Liabilities	54,527	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)	47,610		
Common Equity Tier 1 capital	1,075		18
Additional Tier 1 capital	6		39
Tier 2 capital	950		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	45,577		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	2,172		
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)	2,172		73

7. Minority interests

(1) Consolidated balance sheet

Consolidated balance sheet items	Amount	Remarks	Ref. No.
Minority Interests	4,095		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)	1,231	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)	289	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	160,170		8-a
Bonds and Notes	42,200		8-b
Total	202,370		

(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.