

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking
As of September 30, 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		
(Assets)			
Cash and Due from Banks	1,332,593		
Call Loans	8,833		
Other Debt Purchased	51,433		
Trading Assets	71,052	6-a	
Money Held in Trust	2,413		
Securities	1,744,726	6-b	
Loans and Bills Discounted	3,054,146	6-c	
Foreign Exchange Assets	1,200		
Other Assets	92,435	6-d	
Tangible Fixed Assets	26,484		
Intangible Fixed Assets	14,731	2	
Prepaid Pension Costs	44,621	3	
Customers' Liabilities for Acceptances and Guarantees	41,627		
Reserves for Possible Losses on Loans	(9,161)		
Reserve for Possible Losses on Investments	(1)		
Total Assets	6,477,137		
(Liabilities)			
Deposits	2,433,549		
Negotiable Certificates of Deposit	788,490		
Call Money	1,030,814		
Payable under Repurchase Agreements	10,945		
Guarantee Deposits Received under Securities	440,751		
Lending Transactions			
Trading Liabilities	68,661	6-e	
Borrowed Money	160,170	7-a	
Bonds and Notes	42,200	7-b	
Due to Trust Accounts	932,263		
Other Liabilities	19,512	6-f	
Reserve for Bonus Payments	1,927		
Reserve for Reimbursement of Deposits	1,119		
Deferred Tax Liabilities	1,179	4	
Acceptances and Guarantees	41,627		
Total Liabilities	5,973,212		
(Net Assets)			
Common Stock and Preferred Stock	247,369	1-a	
Capital Surplus	15,505	1-b	
Retained Earnings	146,928	1-c	
Total Shareholders' Equity	409,803		
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	96,620		
Net Deferred Hedge Gains (Losses), net of Taxes	(2,499)	5	
Total Valuation and Translation Adjustments	94,121		
Total Net Assets	503,924		
Total Liabilities and Net Assets	6,477,137		

(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	146,928		1-c
Total Shareholders' Equity	409,803		

(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	409,803	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	146,928		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	14,731		2
Income taxes related to above	(5,244)		

(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)	9,487	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	44,621		3
Income taxes related to above	(15,885)		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Defined-benefit pension fund net assets (prepaid pension costs)	28,735		15

4. Deferred tax assets

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	-		
Deferred Tax Liabilities	1,179		4
Tax effects on intangible fixed assets	5,244		
Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	15,885		

(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)	7,454		10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	12,495		
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)	12,495		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	(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) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Trading Assets	71,052	Including trading account securities and derivatives for trading assets	6-a
Securities	1,744,726		6-b
Loans and Bills Discounted	3,054,146	Including subordinated loans	6-c
Other Assets	92,435	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	19,512	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)	47,388		
Common Equity Tier 1 capital	1,003		18
Additional Tier 1 capital	6		39
Tier 2 capital	894		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	45,485		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	1,067		
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)	1,067		73

7. Other capital instruments

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Borrowed Money	160,170		7-a
Bonds and Notes	42,200		7-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.