

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking
As of September 30, 2015

[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
	As of September 30, 2015	As of September 30, 2014		
(Assets)				
Cash and Due from Banks	2,010,834	1,483,327		
Call Loans and Bills Purchased	4,318	8,833		
Other Debt Purchased	15,052	51,433		
Trading Assets	74,011	71,052	6-a	
Money Held in Trust	2,706	2,413		
Securities	1,422,848	1,730,231	2-b, 6-b	
Loans and Bills Discounted	3,309,258	3,044,954	6-c	
Foreign Exchange Assets	4,628	1,200		
Other Assets	132,342	107,192	6-d	
Tangible Fixed Assets	29,231	30,631		
Intangible Fixed Assets	27,266	21,658	2-a	
Net Defined Benefit Asset	52,286	30,802	3	
Deferred Tax Assets	778	2,881	4-a	
Customers' Liabilities for Acceptances and Guarantees	43,909	41,688		
Reserves for Possible Losses on Loans	(7,265)	(10,910)		
Reserve for Possible Losses on Investments	-	(1)		
Total Assets	7,122,208	6,617,391		
(Liabilities)				
Deposits	3,064,971	2,543,461		
Negotiable Certificates of Deposit	549,510	784,290		
Call Money and Bills Sold	891,566	1,030,814		
Payables under Repurchase Agreements	47,988	10,945		
Guarantee Deposits Received under Securities	488,369	440,751		
Lending Transactions				
Trading Liabilities	71,694	68,661	6-e	
Borrowed Money	277,368	160,170	8-a	
Foreign Exchange Liabilities	0	-		
Bonds and Notes	40,000	42,200	8-b	
Due to Trust Accounts	1,046,832	932,263		
Other Liabilities	36,353	54,527	6-f	
Reserve for Bonus Payments	3,003	2,721		
Net Defined Benefit Liability	788	683		
Reserve for Director and Corporate Auditor	339	264		
Retirement Benefits				
Reserve for Reimbursement of Deposits	1,101	1,119		
Deferred Tax Liabilities	16,123	0	4-b	
Acceptances and Guarantees	43,909	41,688		
Total Liabilities	6,579,919	6,114,563		
(Net Assets)				
Common Stock and Preferred Stock	247,369	247,369	1-a	
Capital Surplus	15,597	15,505	1-b	
Retained Earnings	166,670	151,086	1-c	
Total Shareholders' Equity	429,637	413,961		
Net Unrealized Gains (Losses) on Other Securities	104,974	96,904		
Deferred Gains or Losses on Hedges	(2,424)	(2,499)	5	
Foreign Currency Translation Adjustments	2,416	(307)		
Remeasurements of Defined Benefit Plans	2,328	(9,327)		
Total Accumulated Other Comprehensive Income	107,295	84,771		
Non-Controlling Interests	5,354	4,095	7	3
Total Net Assets	542,288	502,827		
Total Liabilities and Net Assets	7,122,208	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)

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
1-a	Common Stock and Preferred Stock	247,369	247,369	
1-b	Capital Surplus	15,597	15,505	
1-c	Retained Earnings	166,670	151,086	
	Total Shareholders' Equity	429,637	413,961	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	429,637	413,961	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	262,967	262,874	
2	of which: retained earnings	166,670	151,086	
1c	of which: treasury stock (-)	-	-	
	of which: other than above	-	-	
31a	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

2. Intangible fixed assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
2-a	Intangible Fixed Assets	27,266	21,658	
2-b	Securities	1,422,848	1,730,231	
	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	(8,148)	(6,771)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	-	-	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	19,117	14,887	Software and other
	Mortgage servicing rights (net of related tax liability)	-	-	
20	Amount exceeding the 10% threshold on specified items	-	-	
24	Amount exceeding the 15% threshold on specified items	-	-	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	

3. Net Defined Benefit Asset

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
3	Net Defined Benefit Asset	52,286	30,802	
	Income taxes related to above	(16,875)	(10,974)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
15	Net Defined Benefit Asset	35,410	19,828	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
4-a	Deferred Tax Assets	778	2,881	
4-b	Deferred Tax Liabilities	16,123	0	
	Tax effects on intangible fixed assets	8,148	6,771	
	Tax effects on net defined benefit asset	16,875	10,974	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0	6,521	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
	Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	9,679	14,105	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.
21	Amount exceeding the 10% threshold on specified items	-	-	
25	Amount exceeding the 15% threshold on specified items	-	-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	9,679	14,105	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
5	Deferred Gains or Losses on Hedges	(2,424)	(2,499)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(2,424)	(2,499)	

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

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
6-a	Trading Assets	74,011	71,052	Including trading account securities and derivatives for trading assets
6-b	Securities	1,422,848	1,730,231	
6-c	Loans and Bills Discounted	3,309,258	3,044,954	Including subordinated loans
6-d	Other Assets	132,342	107,192	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	71,694	68,661	Including trading account securities sold
6-f	Other Liabilities	36,353	54,527	Including Derivatives other than for Trading Liabilities

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
	Investments in own capital instruments	-	-	
16	Common Equity Tier 1 capital	-	-	
37	Additional Tier 1 capital	-	-	
52	Tier 2 capital	-	-	
	Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-	-	
17	Common Equity Tier 1 capital	-	-	
38	Additional Tier 1 capital	-	-	
53	Tier 2 capital	-	-	
	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)	43,659	47,610	
18	Common Equity Tier 1 capital	-	1,075	
39	Additional Tier 1 capital	-	6	
54	Tier 2 capital	-	950	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	43,659	45,577	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	2,147	2,172	
19	Amount exceeding the 10% threshold on specified items	-	-	
23	Amount exceeding the 15% threshold on specified items	-	-	
40	Additional Tier 1 capital	-	-	
55	Tier 2 capital	-	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	2,147	2,172	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
7	Non-Controlling Interests	5,354	4,095	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
30-31ab-32	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	1,363	1,231	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
46	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	320	289	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)

8. Other capital instruments

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
8-a	Borrowed Money	277,368	160,170	
8-b	Bonds and Notes	40,000	42,200	
	Total	317,368	202,370	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-	-	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-	-	

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.