

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking
As of September 30, 2015

[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
	As of September 30, 2015	As of September 30, 2014		
(Assets)				
Cash and Due from Banks	1,855,222	1,332,593		
Call Loans	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	1,419,344	1,744,726	6-b	
Loans and Bills Discounted	3,315,643	3,054,146	6-c	
Foreign Exchange Assets	4,628	1,200		
Other Assets	118,008	92,435	6-d	
Tangible Fixed Assets	24,763	26,484		
Intangible Fixed Assets	22,449	14,731	2	
Prepaid Pension Costs	47,769	44,621	3	
Customers' Liabilities for Acceptances and Guarantees	43,861	41,627		
Reserves for Possible Losses on Loans	(5,789)	(9,161)		
Reserve for Possible Losses on Investments	-	(1)		
Total Assets	6,941,994	6,477,137		
(Liabilities)				
Deposits	2,915,231	2,433,549		
Negotiable Certificates of Deposit	553,510	788,490		
Call Money	891,566	1,030,814		
Payable under Repurchase Agreements	47,988	10,945		
Guarantee Deposits Received under Securities				
Lending Transactions	488,369	440,751		
Trading Liabilities	71,694	68,661	6-e	
Borrowed Money	277,368	160,170	7-a	
Foreign Exchange Liabilities	0	-		
Bonds and Notes	40,000	42,200	7-b	
Due to Trust Accounts	1,046,832	932,263		
Other Liabilities	23,190	19,512	6-f	
Reserve for Bonus Payments	1,999	1,927		
Reserve for Reimbursement of Deposits	1,101	1,119		
Deferred Tax Liabilities	12,876	1,179	4-b	
Acceptances and Guarantees	43,861	41,627		
Total Liabilities	6,415,589	5,973,212		
(Net Assets)				
Common Stock and Preferred Stock	247,369	247,369	1-a	
Capital Surplus	15,505	15,505	1-b	
Retained Earnings	161,272	146,928	1-c	
Total Shareholders' Equity	424,147	409,803		
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	104,681	96,620		
Net Deferred Hedge Gains (Losses), net of Taxes	(2,424)	(2,499)	5	
Total Valuation and Translation Adjustments	102,256	94,121		
Total Net Assets	526,404	503,924		
Total Liabilities and Net Assets	6,941,994	6,477,137		

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(Appended template)

1. Shareholders' equity

(1) Balance sheet

(in million yen)

Ref. No.	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	15,505	15,505	
1-c	Retained Earnings	161,272	146,928	
	Total Shareholders' Equity	424,147	409,803	

(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	424,147	409,803	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	262,874	262,874	
2	of which: retained earnings	161,272	146,928	
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) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
2	Intangible Fixed Assets	22,449	14,731	
	Income taxes related to above	(7,228)	(5,244)	

(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)	15,220	9,487	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. Defined-benefit pension fund net assets (prepaid pension costs)

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
3	Prepaid Pension Costs	47,769	44,621	
	Income taxes related to above	(15,381)	(15,885)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2015	As of September 30, 2014	Remarks
15	Defined-benefit pension fund net assets (prepaid pension costs)	32,387	28,735	

4. Deferred tax assets

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
	Deferred Tax Assets	-	-	
4-b	Deferred Tax Liabilities	12,876	1,179	
	Tax effects on intangible fixed assets	7,228	5,244	
	Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	15,381	15,885	

(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)	-	7,454	
	Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	9,734	12,495	
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)	9,734	12,495	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
5	Net Deferred Hedge Gains (Losses), net of Taxes	(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) Balance sheet

Ref. No.	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	1,419,344	1,744,726	
6-c	Loans and Bills Discounted	3,315,643	3,054,146	Including subordinated loans
6-d	Other Assets	118,008	92,435	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	23,190	19,512	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)	43,423	47,388	
18	Common Equity Tier 1 capital	-	1,003	
39	Additional Tier 1 capital	-	6	
54	Tier 2 capital	-	894	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	43,423	45,485	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,027	1,067	
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)	1,027	1,067	

7. Other capital instruments

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2015	As of September 30, 2014	Remarks
7-a	Borrowed Money	277,368	160,170	
7-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.