

Composition of Capital Disclosure

Mizuho Trust & Banking
As of December 31, 2015

【Non-Consolidated】 (in million yen, in percentage)

Basel III Template No.	Items	As of December 31, 2015	Amounts excluded under transitional arrangements	As of September 30, 2015	Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves (1)					
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	428,636		424,147	
1a	of which: capital and stock surplus	262,874		262,874	
2	of which: retained earnings	165,761		161,272	
1c	of which: treasury stock (-)	-		-	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		-	
	of which: other than above	-		-	
1b	Subscription rights to common shares	-		-	
3	Valuation and translation adjustments and other disclosed reserves	46,452	69,678	40,902	61,353
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	-		-	
6	Common Equity Tier 1 capital: instruments and reserves (A)	475,088		465,050	
Common Equity Tier 1 capital: regulatory adjustments (2)					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	6,447	9,671	6,088	9,132
8	of which: goodwill (net of related tax liability)	-	-	-	-
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	6,447	9,671	6,088	9,132
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
11	Deferred gains or losses on derivatives under hedge accounting	(408)	(612)	(969)	(1,454)
12	Shortfall of eligible provisions to expected losses	1,143	1,716	1,457	2,188
13	Securitization gain on sale	38	57	40	61
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Defined-benefit pension fund net assets (prepaid pension costs)	13,187	19,781	12,955	19,432
16	Investments in own shares (excluding those reported in the Net assets section)	-	-	-	-
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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 the 10% threshold)	-	-	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of financials	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of financials	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	914		1,154	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	21,323		20,727	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B) (C))	453,765		444,323	
Additional Tier 1 capital: instruments (3)					
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown			
	31b	Subscription rights to Additional Tier 1 instruments			
	32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards			
	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities				
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments				
	Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements				
36	Additional Tier 1 capital: instruments (D)				
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments				
38	Reciprocal cross-holdings in Additional Tier 1 instruments				
39	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 common share capital of the entity (amount above 10% threshold)				
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)				
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	914		1,154	
	of which: capital increase due to securitization transactions	57		61	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	857		1,093	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions				
43	Additional Tier 1 capital: regulatory adjustments (E)	914		1,154	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E) (F))				
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F) (G))	453,765		444,323	

		【Non-Consolidated】		(in million yen, in percentage)	
Basel III Template No.	Items	As of December 31, 2015	Amounts excluded under transitional arrangements	As of September 30, 2015	Amounts excluded under transitional arrangements
Tier 2 capital: instruments and provisions (4)					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-		-	
	Subscription rights to Tier 2 instruments	-		-	
	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		-	
	Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		-	
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	10,602		13,012	
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	108		128	
50a	of which: general allowance for loan losses	108		128	
50b	of which: eligible provisions	-		-	
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	39,936		35,233	
	of which: 45% of unrealized gains on other securities	39,936		35,233	
51	Tier 2 capital: instruments and provisions (H)	50,647		48,374	
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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 common share capital of the entity (amount above the 10% threshold)	-	-	-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	-	-
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	857		1,093	
	of which: investments in the capital banking, financial and insurance entities	-		-	
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	857		1,093	
57	Tier 2 capital: regulatory adjustments (I)	857		1,093	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I) (J))	49,789		47,280	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	503,555		491,603	
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to phase-out arrangements	29,453		28,565	
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	9,671		9,132	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-		-	
	of which: defined-benefit pension fund net assets (prepaid pension costs)	19,781		19,432	
	of which: investments in the capital banking, financial and insurance entities	-		-	
60	Risk weighted assets (L)	2,451,501		2,315,972	
Capital ratio					
61	Common Equity Tier 1 capital ratio ((C)/(L))	18.50%		19.18%	
62	Tier 1 capital ratio ((G)/(L))	18.50%		19.18%	
63	Total capital ratio ((K)/(L))	20.54%		21.22%	
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	48,068		43,423	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	1,145		1,027	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,488		9,734	
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for loan losses)	108		128	
77	Cap on inclusion of provisions (general allowance for loan losses)	581		647	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-		-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	13,001		12,171	
Capital instruments subject to phase-out arrangements (8)					
82	Current cap on AT1 instruments subject to phase-out arrangements	-		-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-	
84	Current cap on T2 instruments subject to phase-out arrangements	53,698		53,698	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-	