

### Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking [Consolidated]  
As of March 31, 2017

(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 March 31, 2017	As of March 31, 2016		
(Assets)				
Cash and Due from Banks	1,756,279	1,817,013		
Call Loans and Bills Purchased	6,956	5,520		
Guarantee Deposits Paid under Securities				
Borrowing Transactions	113,046	215,970		
Other Debt Purchased	9,196	13,358		
Trading Assets	90,487	127,305	6-a	
Money Held in Trust	3,286	2,578		
Securities	1,232,937	1,459,466	2-b, 6-b	
Loans and Bills Discounted	3,322,914	3,488,453	6-c	
Foreign Exchange Assets	2,596	3,675		
Other Assets	99,662	97,126	6-d	
Tangible Fixed Assets	27,468	28,943		
Intangible Fixed Assets	51,354	45,799	2-a	
Net Defined Benefit Asset	58,145	40,197	3	
Deferred Tax Assets	739	1,021	4-a	
Customers' Liabilities for Acceptances and Guarantees	23,922	43,794		
Reserves for Possible Losses on Loans	(5,830)	(6,985)		
<b>Total Assets</b>	<b>6,793,163</b>	<b>7,383,239</b>		
(Liabilities)				
Deposits	3,432,498	3,185,886		
Negotiable Certificates of Deposit	327,620	349,070		
Call Money and Bills Sold	242,493	1,162,877		
Payables under Repurchase Agreements	67,320	67,602		
Guarantee Deposits Received under Securities				
Lending Transactions	310,303	420,713		
Trading Liabilities	83,683	121,483	6-e	
Borrowed Money	372,578	366,955	8-a	
Foreign Exchange Liabilities	-	0		
Bonds and Notes	10,000	10,000	8-b	
Due to Trust Accounts	1,272,149	1,019,554		
Other Liabilities	45,966	69,674	6-f	
Reserve for Bonus Payments	3,414	3,175		
Reserve for Variable Compensation	413	401		
Net Defined Benefit Liability	1,048	955		
Reserve for Director and Corporate Auditor Retirement Benefits	154	343		
Reserve for Reimbursement of Deposits	1,496	1,113		
Deferred Tax Liabilities	15,013	12,296	4-b	
Acceptances and Guarantees	23,922	43,794		
<b>Total Liabilities</b>	<b>6,210,077</b>	<b>6,835,898</b>		
(Net Assets)				
Common Stock and Preferred Stock	247,369	247,369	1-a	
Capital Surplus	15,587	15,597	1-b	
Retained Earnings	210,219	185,425	1-c	
<b>Total Shareholders' Equity</b>	<b>473,176</b>	<b>448,393</b>		
Net Unrealized Gains (Losses) on Other Securities	95,796	97,710		
Deferred Gains or Losses on Hedges	1,654	501	5	
Foreign Currency Translation Adjustments	1,514	2,044		
Remeasurements of Defined Benefit Plans	5,461	(7,262)		
<b>Total Accumulated Other Comprehensive Income</b>	<b>104,426</b>	<b>92,992</b>		
Non-Controlling Interests	5,484	5,954	7	
<b>Total Net Assets</b>	<b>583,086</b>	<b>547,340</b>		
<b>Total Liabilities and Net Assets</b>	<b>6,793,163</b>	<b>7,383,239</b>		3

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 March 31, 2017	As of March 31, 2016	Remarks
1-a	Common Stock and Preferred Stock	247,369	247,369	
1-b	Capital Surplus	15,587	15,597	
1-c	Retained Earnings	210,219	185,425	
	<b>Total Shareholders' Equity</b>	<b>473,176</b>	<b>448,393</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	473,176	448,393	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	262,956	262,967	
2	of which: retained earnings	210,219	185,425	
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 March 31, 2017	As of March 31, 2016	Remarks
2-a	Intangible Fixed Assets	51,354	45,799	
2-b	Securities	1,232,937	1,459,466	
	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	(10,969)	(8,672)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	15,440	16,264	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	24,943	20,862	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 March 31, 2017	As of March 31, 2016	Remarks
3	Net Defined Benefit Asset	58,145	40,197	
	Income taxes related to above	(17,829)	(12,332)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
15	Net Defined Benefit Asset	40,315	27,864	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
4-a	Deferred Tax Assets	739	1,021	
4-b	Deferred Tax Liabilities	15,013	12,296	
	Tax effects on intangible fixed assets	10,969	8,672	
	Tax effects on net defined benefit asset	17,829	12,332	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	29	22	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)	14,494	9,708	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)	14,494	9,708	

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
5	Deferred Gains or Losses on Hedges	1,654	501	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	1,654	501	

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

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
6-a	Trading Assets	90,487	127,305	Including trading account securities and derivatives for trading assets
6-b	Securities	1,232,937	1,459,466	
6-c	Loans and Bills Discounted	3,322,914	3,488,453	Including subordinated loans
6-d	Other Assets	99,662	97,126	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	83,683	121,483	Including trading account securities sold
6-f	Other Liabilities	45,966	69,674	Including Derivatives other than for Trading Liabilities

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	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)	22,460	40,091	
18	Common Equity Tier 1 capital	-	-	
39	Additional Tier 1 capital	-	-	
54	Tier 2 capital	-	-	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	22,460	40,091	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	2,123	2,022	
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)	2,123	2,022	

7. Non-Controlling Interests  
(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2017	As of March 31, 2016	Remarks
7	Non-Controlling Interests	5,484	5,954	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	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)	1,358	1,454	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)	319	342	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 March 31, 2017	As of March 31, 2016	Remarks
8-a	Borrowed Money	372,578	366,955	
8-b	Bonds and Notes	10,000	10,000	
	Total	382,578	376,955	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2017	As of March 31, 2016	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.