

Explanation of "Composition of Capital Disclosure"

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

(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 March 31, 2017 | As of March 31, 2016 | | |
| (Assets) | | | | |
| Cash and Due from Banks | 1,699,040 | 1,665,011 | | |
| Call Loans | 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 | 1,253,105 | 1,492,120 | 6-b | |
| Loans and Bills Discounted | 3,326,296 | 3,496,313 | 6-c | |
| Foreign Exchange Assets | 2,596 | 3,675 | | |
| Other Assets | 83,804 | 80,648 | 6-d | |
| Tangible Fixed Assets | 23,617 | 24,632 | | |
| Intangible Fixed Assets | 33,477 | 24,022 | 2 | |
| Prepaid Pension Costs | 49,230 | 49,795 | 3 | |
| Customers' Liabilities for Acceptances and Guarantees | 23,887 | 43,749 | | |
| Reserves for Possible Losses on Loans | (4,779) | (5,636) | | |
| Total Assets | 6,713,251 | 7,239,067 | | |
| (Liabilities) | | | | |
| Deposits | 3,387,390 | 3,056,268 | | |
| Negotiable Certificates of Deposit | 327,620 | 353,070 | | |
| Call Money | 242,493 | 1,162,877 | | |
| Payable 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 | 7-a | |
| Foreign Exchange Liabilities | - | 0 | | |
| Bonds and Notes | 10,000 | 10,000 | 7-b | |
| Due to Trust Accounts | 1,272,149 | 1,019,554 | | |
| Other Liabilities | 36,173 | 60,074 | 6-f | |
| Reserve for Bonus Payments | 1,976 | 1,953 | | |
| Reserve for Variable Compensation | 413 | 401 | | |
| Reserve for Reimbursement of Deposits | 1,496 | 1,113 | | |
| Deferred Tax Liabilities | 9,692 | 12,043 | 4-b | |
| Acceptances and Guarantees | 23,887 | 43,749 | | |
| Total Liabilities | 6,147,179 | 6,697,859 | | |
| (Net Assets) | | | | |
| Common Stock and Preferred Stock | 247,369 | 247,369 | 1-a | |
| Capital Surplus | 15,505 | 15,505 | 1-b | |
| Retained Earnings | 205,013 | 180,091 | 1-c | |
| Total Shareholders' Equity | 467,888 | 442,965 | | |
| Net Unrealized Gains (Losses) on Other Securities, net of Taxes | 96,529 | 97,740 | | |
| Net Deferred Hedge Gains (Losses), net of Taxes | 1,654 | 501 | 5 | |
| Total Valuation and Translation Adjustments | 98,183 | 98,241 | | |
| Total Net Assets | 566,071 | 541,207 | | |
| Total Liabilities and Net Assets | 6,713,251 | 7,239,067 | | 3 |

(Appended template)

1. Shareholders' equity

(in million yen)

| Ref. No. | 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 | 15,505 | 15,505 | |
| 1-c | Retained Earnings | 205,013 | 180,091 | |
| | Total Shareholders' Equity | 467,888 | 442,965 | |

(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 | 467,888 | 442,965 | 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 | 205,013 | 180,091 | |
| 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 March 31, 2017 | As of March 31, 2016 | Remarks |
|----------|-------------------------------|----------------------|----------------------|---------|
| 2 | Intangible Fixed Assets | 33,477 | 24,022 | |
| | Income taxes related to above | (10,244) | (7,350) | |

(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) | - | - | |
| 9 | Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability) | 23,233 | 16,671 | 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 March 31, 2017 | As of March 31, 2016 | Remarks |
|----------|-------------------------------|----------------------|----------------------|---------|
| 3 | Prepaid Pension Costs | 49,230 | 49,795 | |
| | Income taxes related to above | (15,064) | (15,237) | |

(2) Composition of capital

| Basel III Template No. | Composition of capital disclosure | As of March 31, 2017 | As of March 31, 2016 | Remarks |
|------------------------|---|----------------------|----------------------|---------|
| 15 | Defined-benefit pension fund net assets (prepaid pension costs) | 34,166 | 34,557 | |

4. Deferred tax assets

(1) Balance sheet

| Ref. No. | Balance sheet items | As of March 31, 2017 | As of March 31, 2016 | Remarks |
|----------|--------------------------|----------------------|----------------------|---------|
| | Deferred Tax Assets | - | - | |
| 4-b | Deferred Tax Liabilities | 9,692 | 12,043 | |

| | | | | |
|--|--|--------|--------|--|
| | Tax effects on intangible fixed assets | 10,244 | 7,350 | |
| | Tax effects on defined-benefit pension fund net assets (prepaid pension costs) | 15,064 | 15,237 | |

(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) | - | - | |
| | Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability) | 15,615 | 10,544 | |
| 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) | 15,615 | 10,544 | |

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

| Ref. No. | Balance sheet items | As of March 31, 2017 | As of March 31, 2016 | Remarks |
|----------|---|----------------------|----------------------|---------|
| 5 | Net Deferred Hedge Gains (Losses), net of Taxes | 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) Balance sheet

| Ref. No. | 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 | 1,253,105 | 1,492,120 | |
| 6-c | Loans and Bills Discounted | 3,326,296 | 3,496,313 | Including subordinated loans |
| 6-d | Other Assets | 83,804 | 80,648 | 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 | 36,173 | 60,074 | 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) | 22,202 | 39,843 | |
| 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) | 22,202 | 39,843 | |
| | Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions | 974 | 892 | |
| 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) | 974 | 892 | |

7. Other capital instruments

(1) Balance sheet

| Ref. No. | Balance sheet items | As of March 31, 2017 | As of March 31, 2016 | Remarks |
|----------|---------------------|----------------------|----------------------|---------|
| 7-a | Borrowed Money | 372,578 | 366,955 | |
| 7-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.