

**Explanation of "Composition of Capital Disclosure"**

Mizuho Trust & Banking [Non-Consolidated]  
As of September 30, 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 September 30, 2017	As of September 30, 2016		
(Assets)				
Cash and Due from Banks	1,738,313	1,739,206		
Call Loans	42,386	11,628		
Guarantee Deposits Paid under Securities Borrowing Transactions	216,037	110,036		
Other Debt Purchased	8,153	10,862		
Trading Assets	84,050	132,466	6-a	
Money Held in Trust	3,211	3,053		
Securities	1,168,885	1,262,886	6-b	
Loans and Bills Discounted	3,306,403	3,330,571	6-c	
Foreign Exchange Assets	5,858	4,733		
Other Assets	186,209	78,257	6-d	
Tangible Fixed Assets	23,544	24,681		
Intangible Fixed Assets	33,909	27,961	2	
Prepaid Pension Cost	49,278	49,438	3	
Customers' Liabilities for Acceptances and Guarantees	37,214	40,209		
Reserves for Possible Losses on Loans	(1,887)	(5,164)		
<b>Total Assets</b>	<b>6,901,569</b>	<b>6,820,830</b>		
(Liabilities)				
Deposits	3,368,228	3,286,590		
Negotiable Certificates of Deposit	311,390	262,710		
Call Money	407,147	729,953		
Payables under Repurchase Agreements	67,638	60,672		
Guarantee Deposits Received under Securities Lending Transactions	325,143	313,198		
Trading Liabilities	77,508	124,363	6-e	
Borrowed Money	405,652	298,083	7-a	
Bonds and Notes	10,000	10,000	7-b	
Due to Trust Accounts	1,279,114	1,092,577		
Other Liabilities	32,566	58,240	6-f	
Reserve for Bonus Payments	2,182	2,100		
Reserve for Variable Compensation	253	206		
Reserve for Reimbursement of Deposits	1,575	1,089		
Deferred Tax Liabilities	11,628	9,079	4-b	
Acceptances and Guarantees	37,214	40,209		
<b>Total Liabilities</b>	<b>6,337,244</b>	<b>6,289,077</b>		
(Net Assets)				
Common Stock and Preferred Stock	247,369	247,369	1-a	
Capital Surplus	15,505	15,505	1-b	
Retained Earnings	199,968	182,167	1-c	
<b>Total Shareholders' Equity</b>	<b>462,843</b>	<b>445,042</b>		
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	99,895	84,231		
Net Deferred Hedge Gains (Losses), net of Taxes	1,584	2,478	5	
<b>Total Valuation and Translation Adjustments</b>	<b>101,480</b>	<b>86,710</b>		
<b>Total Net Assets</b>	<b>564,324</b>	<b>531,753</b>		3
<b>Total Liabilities and Net Assets</b>	<b>6,901,569</b>	<b>6,820,830</b>		

**(Appended template)**

## 1. Shareholders' equity

(in million yen)

Ref. No.	Balance sheet items	As of September 30, 2017	As of September 30, 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	199,968	182,167	
	<b>Total Shareholders' Equity</b>	<b>462,843</b>	<b>445,042</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	462,843	445,042	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	199,968	182,167	
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	-	-	

## 2. Intangible fixed assets

## (1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
2	Intangible Fixed Assets	33,909	27,961	
	Income taxes related to above	(10,376)	(8,556)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 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)	23,533	19,405	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, 2017	As of September 30, 2016	Remarks
3	Prepaid Pension Costs	49,278	49,438	
	Income taxes related to above	(15,079)	(15,128)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
15	Defined-benefit pension fund net assets (prepaid pension costs)	34,199	34,310	

## 4. Deferred tax assets

## (1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
	Deferred Tax Assets	-	-	
4-b	Deferred Tax Liabilities	11,628	9,079	
	Tax effects on intangible fixed assets	10,376	8,556	
	Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	15,079	15,128	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 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)	13,827	14,604	
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)	13,827	14,604	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
5	Net Deferred Hedge Gains (Losses), net of Taxes	1,584	2,478	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 2016	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	1,584	2,478	

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

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
6-a	Trading Assets	84,050	132,466	Including trading account securities and derivatives for trading assets
6-b	Securities	1,168,885	1,262,886	
6-c	Loans and Bills Discounted	3,306,403	3,330,571	
6-d	Other Assets	186,209	78,257	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	77,508	124,363	Including trading account securities sold
6-f	Other Liabilities	32,566	58,240	Including Derivatives other than for Trading Liabilities

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 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)	26,650	19,742	
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)	26,650	19,742	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	872	807	
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)	872	807	

7. Other capital instruments

(1) Balance sheet

Ref. No.	Balance sheet items	As of September 30, 2017	As of September 30, 2016	Remarks
7-a	Borrowed Money	405,652	298,083	
7-b	Bonds and Notes	10,000	10,000	
	Total	415,652	308,083	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2017	As of September 30, 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.