

## Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking [Consolidated]  
As of March 31, 2018

(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, 2018	As of March 31, 2017		
(Assets)				
Cash and Due from Banks	1,829,921	1,756,279		
Call Loans and Bills Purchased	2,869	6,956		
Guarantee Deposits Paid under Securities Borrowing Transactions	220,934	113,046		
Other Debt Purchased	7,989	9,196		
Trading Assets	79,551	90,487	6-a	
Money Held in Trust	3,199	3,286		
Securities	1,104,284	1,232,937	2-b, 6-b	
Loans and Bills Discounted	3,409,239	3,322,914	6-c	
Foreign Exchange Assets	2,268	2,596		
Other Assets	186,922	99,662	6-d	
Tangible Fixed Assets	25,371	27,468		
Intangible Fixed Assets	52,182	51,354	2-a	
Net Defined Benefit Asset	77,265	58,145	3	
Deferred Tax Assets	601	739	4-a	
Customers' Liabilities for Acceptances and Guarantees	20,082	23,922		
Reserves for Possible Losses on Loans	(2,714)	(5,830)		
<b>Total Assets</b>	<b>7,019,969</b>	<b>6,793,163</b>		
(Liabilities)				
Deposits	3,475,192	3,432,498		
Negotiable Certificates of Deposit	472,180	327,620		
Call Money and Bills Sold	469,882	242,493		
Payables under Repurchase Agreements	53,135	67,320		
Guarantee Deposits Received under Securities Lending Transactions	180,728	310,303		
Trading Liabilities	69,367	83,683	6-e	
Borrowed Money	387,490	372,578	8-a	
Bonds and Notes	10,000	10,000	8-b	
Due to Trust Accounts	1,134,182	1,272,149		
Other Liabilities	88,858	45,966	6-f	
Reserve for Bonus Payments	3,608	3,414		
Reserve for Variable Compensation	511	413		
Net Defined Benefit Liability	1,178	1,048		
Reserve for Director and Corporate Auditor Retirement Benefits	235	154		
Reserve for Reimbursement of Deposits	1,913	1,496		
Deferred Tax Liabilities	25,767	15,013	4-b	
Acceptances and Guarantees	20,082	23,922		
<b>Total Liabilities</b>	<b>6,394,316</b>	<b>6,210,077</b>		
(Net Assets)				
Common Stock and Preferred Stock	247,369	247,369	1-a	
Capital Surplus	15,587	15,587	1-b	
Retained Earnings	234,844	210,219	1-c	
<b>Total Shareholders' Equity</b>	<b>497,801</b>	<b>473,176</b>		
Net Unrealized Gains (Losses) on Other Securities	100,066	95,796		
Deferred Gains or Losses on Hedges	1,624	1,654	5	
Foreign Currency Translation Adjustments	1,308	1,514		
Remeasurements of Defined Benefit Plans	18,258	5,461		
<b>Total Accumulated Other Comprehensive Income</b>	<b>121,257</b>	<b>104,426</b>		
<b>Non-Controlling Interests</b>	<b>6,594</b>	<b>5,484</b>	7	
<b>Total Net Assets</b>	<b>625,653</b>	<b>583,086</b>		
<b>Total Liabilities and Net Assets</b>	<b>7,019,969</b>	<b>6,793,163</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, 2018	As of March 31, 2017	Remarks
1-a	Common Stock and Preferred Stock	247,369	247,369	
1-b	Capital Surplus	15,587	15,587	
1-c	Retained Earnings	234,844	210,219	
	<b>Total Shareholders' Equity</b>	<b>497,801</b>	<b>473,176</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	497,801	473,176	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	262,956	
2	of which: retained earnings	234,844	210,219	
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) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
2-a	Intangible Fixed Assets	52,182	51,354	
2-b	Securities	1,104,284	1,232,937	
	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	(11,691)	(10,969)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	14,617	15,440	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	25,873	24,943	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, 2018	As of March 31, 2017	Remarks
3	Net Defined Benefit Asset	77,265	58,145	
	Income taxes related to above	(23,693)	(17,829)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
15	Net Defined Benefit Asset	53,571	40,315	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
4-a	Deferred Tax Assets	601	739	
4-b	Deferred Tax Liabilities	25,767	15,013	
	Tax effects on intangible fixed assets	11,691	10,969	
	Tax effects on net defined benefit asset	23,693	17,829	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	133	29	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)	10,086	14,494	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)	10,086	14,494	

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

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
5	Deferred Gains or Losses on Hedges	1,624	1,654	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	1,624	1,654	

## 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, 2018	As of March 31, 2017	Remarks
6-a	Trading Assets	79,551	90,487	Including trading account securities and derivatives for trading assets
6-b	Securities	1,104,284	1,232,937	
6-c	Loans and Bills Discounted	3,409,239	3,322,914	
6-d	Other Assets	186,922	99,662	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	69,367	83,683	Including trading account securities sold
6-f	Other Liabilities	88,858	45,966	Including Derivatives other than for Trading Liabilities

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	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)	23,077	22,460	
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)	23,077	22,460	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,952	2,123	
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)	1,952	2,123	

## 7. Non-Controlling Interests

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2018	As of March 31, 2017	Remarks
7	Non-Controlling Interests	6,594	5,484	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	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)	1,500	1,358	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)	352	319	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, 2018	As of March 31, 2017	Remarks
8-a	Borrowed Money	387,490	372,578	
8-b	Bonds and Notes	10,000	10,000	
	Total	397,490	382,578	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2018	As of March 31, 2017	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 as of March 31, 2017 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.