

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking [Consolidated]
As of March 31, 2020

(in million yen)

CC2: Reconciliation of regulatory capital to consolidated balance sheet			
Items	a	b	c
	Consolidated balance sheet as in published financial statements	Reference to Template CC1	Cross-reference to Appended template
Assets			
Cash and Due from Banks	1,852,175		
Call Loans and Bills Purchased	14,678		
Guarantee Deposits Paid under Securities Borrowing Transactions	198,053		
Other Debt Purchased	32,493		
Trading Assets	169,750		6-a
Money Held in Trust	7,125		
Securities	954,294		2-b, 6-b
Loans and Bills Discounted	3,353,575		6-c
Foreign Exchange Assets	7,865		
Other Assets	374,233		6-d
Tangible Fixed Assets	89,903		
Intangible Fixed Assets	45,267		2-a
Net Defined Benefit Asset	94,017		3
Deferred Tax Assets	602		4-a
Customers' Liabilities for Acceptances and Guarantees	14,773		
Reserves for Possible Losses on Loans	(4,359)		
Total Assets	7,204,451		
Liabilities			
Deposits	3,151,922		
Negotiable Certificates of Deposit	664,780		
Call Money and Bills Sold	807,706		
Guarantee Deposits Received under Securities Lending Transactions	289,789		
Trading Liabilities	170,146		6-e
Borrowed Money	255,860		8-a
Foreign Exchange Liabilities	23		
Bonds and Notes	10,000		8-b
Due to Trust Accounts	1,055,510		
Other Liabilities	151,977		6-f
Reserve for Bonus Payments	3,771		
Reserve for Variable Compensation	368		
Net Defined Benefit Liability	1,459		
Reserve for Director and Corporate Auditor Retirement Benefits	291		
Reserve for Reimbursement of Deposits	1,907		
Deferred Tax Liabilities	11,721		4-b
Acceptances and Guarantees	14,773		
Total Liabilities	6,592,010		
Net Assets			
Common Stock and Preferred Stock	247,369		1-a
Capital Surplus	18,895		1-b
Retained Earnings	276,315		1-c
Total Shareholders' Equity	542,581		
Net Unrealized Gains (Losses) on Other Securities	50,597		
Deferred Gains or Losses on Hedges	(4,615)		5
Foreign Currency Translation Adjustments	1,077		
Remeasurements of Defined Benefit Plans	18,583		
Total Accumulated Other Comprehensive Income	65,643	(a)	
Non-Controlling Interests	4,216		7
Total Net Assets	612,440		
Total Liabilities and Net Assets	7,204,451		

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, 2020	Remarks
1-a	Common Stock and Preferred Stock	247,369	
1-b	Capital Surplus	18,895	
1-c	Retained Earnings	276,315	
	Total Shareholders' Equity	542,581	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	542,581	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	266,265	
2	of which: retained earnings	276,315	
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, 2020	Remarks
2-a	Intangible Fixed Assets	45,267	
2-b	Securities	954,294	
	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	(9,861)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	13,328	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	22,077	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, 2020	Remarks
3	Net Defined Benefit Asset	94,017	
	Income taxes related to above	(28,817)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
15	Net Defined Benefit Asset	65,199	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2020	Remarks
4-a	Deferred Tax Assets	602	
4-b	Deferred Tax Liabilities	11,721	
	Tax effects on intangible fixed assets	9,861	
	Tax effects on net defined benefit asset	28,817	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	10	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)	27,549	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)	27,549	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2020	Remarks
5	Deferred Gains or Losses on Hedges	(4,615)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(2,430)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total accumulated other comprehensive income"

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, 2020	Remarks
6-a	Trading Assets	169,750	Including trading account securities and derivatives for trading assets
6-b	Securities	954,294	
6-c	Loans and Bills Discounted	3,353,575	
6-d	Other Assets	374,233	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	170,146	Including trading account securities sold
6-f	Other Liabilities	151,977	Including Derivatives other than for Trading Liabilities

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	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 and other TLAC liabilities	-	
	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)	9,646	
18	Common Equity Tier 1 capital	-	
39	Additional Tier 1 capital	-	
54	Tier 2 capital and other TLAC liabilities	-	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	9,646	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,731	
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 and other TLAC liabilities	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	1,731	

7. Non-Controlling Interests

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2020	Remarks
7	Non-Controlling Interests	4,216	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	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)	456	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)	107	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, 2020	Remarks
8-a	Borrowed Money	255,860	
8-b	Bonds and Notes	10,000	
	Total	265,860	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2020	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	-	