

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

Mizuho Trust & Banking  
As of September 30, 2013

[Non-Consolidated] (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
	Amount		
(Assets)			
Cash and Due from Banks	767,702		
Call Loans	13,683		
Other Debt Purchased	60,135		
Trading Assets	59,508	6-a	
Money Held in Trust Securities	1,509		
Loans and Bills Discounted	2,257,488	6-b	
Foreign Exchange Assets	3,324,314	6-c	
Other Assets	328		
Tangible Fixed Assets	124,571	3, 6-d	
Intangible Fixed Assets	26,216		
Deferred Tax Assets	15,528	2	
Customers' Liabilities for Acceptances and Guarantees	13,173	4	
Reserves for Possible Losses on Loans	43,351		
Reserve for Possible Losses on Investments	(14,958)		
Reserve for Possible Losses on Investments	(11)		
Total Assets	6,692,544		
(Liabilities)			
Deposits	1,902,546		
Negotiable Certificates of Deposit	1,084,020		
Call Money	1,129,285		
Guarantee Deposits Received under Securities	549,085		
Lending Transactions			
Trading Liabilities	59,633	6-e	
Borrowed Money	307,635	7-a	
Bonds and Notes	78,700	7-b	
Due to Trust Accounts	1,050,061		
Other Liabilities	28,895	6-f	
Reserve for Bonus Payments	1,899		
Reserve for Contingencies	13,490		
Reserve for Reimbursement of Deposits	1,121		
Acceptances and Guarantees	43,351		
Total Liabilities	6,249,726		
(Net Assets)			
Common Stock and Preferred Stock	247,369	1-a	
Capital Surplus	15,505	1-b	
Retained Earnings	113,270	1-c	
Total Shareholders' Equity	376,145		
Net Unrealized Gains (Losses) on Other Securities, net of Taxes	71,010		
Net Deferred Hedge Gains (Losses), net of Taxes	(4,339)	5	
Total Valuation and Translation Adjustments	66,671		
Total Net Assets	442,817		3
Total Liabilities and Net Assets	6,692,544		

**(Appended template)**

## 1. Shareholders' equity

## (1) Balance sheet

(in million yen)

Balance sheet items	Amount	Remarks	Ref. No.
Common Stock and Preferred Stock	247,369		1-a
Capital Surplus	15,505		1-b
Retained Earnings	113,270		1-c
<b>Total Shareholders' Equity</b>	<b>376,145</b>		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related stock surplus and retained earnings	376,145	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and stock surplus	262,874		1a
of which: retained earnings	113,270		2
of which: treasury stock (-)	-		1c
of which: other than above	-		
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	31a

## 2. Intangible fixed assets

## (1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Intangible Fixed Assets	15,528		2
Income taxes related to above	(5,528)		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	-		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	10,000	Software and other	9
Mortgage servicing rights (net of related tax liability)	-		
Amount exceeding the 10% threshold on specified items	-		20
Amount exceeding the 15% threshold on specified items	-		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		74

## 3. Defined-benefit pension fund net assets (prepaid pension costs)

## (1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Other Assets	124,571		3
of which: defined-benefit pension fund net assets (prepaid pension costs)	41,569		
Income taxes related to above	(14,798)		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Defined-benefit pension fund net assets (prepaid pension costs)	26,770		15

## 4. Deferred tax assets

## (1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Deferred Tax Assets	13,173		4
Tax effects on intangible fixed assets	5,528		
Tax effects on defined-benefit pension fund net assets (prepaid pension costs)	14,798		

## (2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-		10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	33,500		
Amount exceeding the 10% threshold on specified items	-		21
Amount exceeding the 15% threshold on specified items	-		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	33,500		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Net Deferred Hedge Gains (Losses), net of Taxes	(4,339)		5

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	(4,339)		11

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

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Trading Assets	59,508	Including trading account securities and derivatives for trading assets	6-a
Securities	2,257,488		6-b
Loans and Bills Discounted	3,324,314	Including subordinated loans	6-c
Other Assets	124,571	Including Derivatives other than for Trading Assets and money invested	6-d
Trading Liabilities	59,633	Including trading account securities sold	6-e
Other Liabilities	28,895	Including Derivatives other than for Trading Liabilities	6-f

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	-		
Common Equity Tier 1 capital	-		16
Additional Tier 1 capital	-		37
Tier 2 capital	-		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-		
Common Equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
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)	51,010		
Common Equity Tier 1 capital	5,755		18
Additional Tier 1 capital	144		39
Tier 2 capital	4,666		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	40,443		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,116		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	-		40
Tier 2 capital	-		55
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	1,116		73

7. Other capital instruments

(1) Balance sheet

Balance sheet items	Amount	Remarks	Ref. No.
Borrowed Money	307,635		7-a
Bonds and Notes	78,700		7-b
Total	386,335		

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		32
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		46

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.