

Composition of Capital Disclosure

Mizuho Trust & Banking
As of June 30, 2014

【Non-Consolidated】

(in million yen, in percentage)

Items	Amounts excluded under transitional arrangements	Basel III Template No.
Common Equity Tier 1 capital: instruments and reserves (1)		
Directly issued qualifying common share capital plus related stock surplus and retained earnings	397,990	1a+2-1c-26
of which: capital and stock surplus	262,874	1a
of which: retained earnings	135,115	2
of which: treasury stock (-)	-	1c
of which: national specific regulatory adjustments (earnings to be distributed) (-)	-	26
of which: other than above	-	
Subscription rights to common shares	-	1b
Valuation and translation adjustments and other disclosed reserves	16,276	65,106 3
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	-	
Common Equity Tier 1 capital: instruments and reserves (A)	414,267	6
Common Equity Tier 1 capital: regulatory adjustments (2)		
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	1,891	7,567 8+9
of which: goodwill (net of related tax liability)	-	8
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	1,891	7,567 9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,599	6,398 10
Deferred gains or losses on derivatives under hedge accounting	(505)	(2,021) 11
Shortfall of eligible provisions to expected losses	1,109	4,438 12
Securitization gain on sale	221	884 13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	- 14
Defined-benefit pension fund net assets (prepaid pension costs)	5,671	22,687 15
Investments in own shares (excluding those reported in the net assets section)	-	- 16
Reciprocal cross-holdings in common equity	-	- 17
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 the 10% threshold)	427	1,709 18
Amount exceeding the 10% threshold on specified items	-	- 19+20+21
of which: significant investments in the common stock of financials	-	- 19
of which: mortgage servicing rights	-	- 20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	- 21
Amount exceeding the 15% threshold on specified items	-	- 22
of which: significant investments in the common stock of financials	-	- 23
of which: mortgage servicing rights	-	- 24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	- 25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	3,110	27
Common Equity Tier 1 capital: regulatory adjustments (B)	13,526	28
Common Equity Tier 1 capital (CET1)		
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	400,741	29
Additional Tier 1 capital: instruments (3)		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	31a
Subscription rights to Additional Tier 1 instruments	-	31b
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-	32
Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	
Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	-	33+35
Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	-	
Additional Tier 1 capital: instruments (D)	-	36
Additional Tier 1 capital: regulatory adjustments		
Investments in own Additional Tier 1 instruments	-	37
Reciprocal cross-holdings in Additional Tier 1 instruments	-	38
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 common share capital of the entity (amount above 10% threshold)	7	29 39
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	- 40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	3,102	
of which: capital increase due to securitization transactions	884	
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	2,218	

【Non-Consolidated】

(in million yen, in percentage)

Items		Amounts excluded under transitional arrangements	Basel III Template No.
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42
Additional Tier 1 capital: regulatory adjustments (E)	3,110		43
Additional Tier 1 capital (AT1)			
Additional Tier 1 capital ((D)-(E)) (F)	-		44
Tier 1 capital (T1 = CET1 + AT1)			
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	400,741		45
Tier 2 capital: instruments and provisions (4)			
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-		46
Subscription rights to Tier 2 instruments	-		
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-		47+49
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		
Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	32,225		50
Total of general allowance for loan losses and eligible provisions included in Tier 2	116		50a
of which: general allowance for loan losses	116		50b
of which: eligible provisions	-		
Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	38,422		
of which: 45% of unrealized gains on other securities	38,422		
Tier 2 capital: instruments and provisions (H)	70,765		51
Tier 2 capital: regulatory adjustments			
Investments in own Tier 2 instruments	-	-	52
Reciprocal cross-holdings in Tier 2 instruments	-	-	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 common share capital of the entity (amount above the 10% threshold)	397	1,591	54
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	55
Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	2,273		
of which: investments in the capital banking, financial and insurance entities	54		
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	2,218		
Tier 2 capital: regulatory adjustments (I)	2,671		57
Tier 2 capital (T2)			
Tier 2 capital (T2) ((H)-(I)) (J)	68,093		58
Total capital (TC = T1 + T2)			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	468,835		59
Risk weighted assets (5)			
Total of items included in risk weighted assets subject to phase-out arrangements	40,935		
of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	7,567		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	6,398		
of which: defined-benefit pension fund net assets (prepaid pension costs)	22,687		
of which: investments in the capital banking, financial and insurance entities	4,281		
Risk weighted assets (L)	2,508,774		60
Capital ratio			
Common Equity Tier 1 capital ratio ((C)/(L))	15.97%		61
Tier 1 capital ratio ((G)/(L))	15.97%		62
Total capital ratio ((K)/(L))	18.68%		63
Regulatory adjustments (6)			
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	42,942		72
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	1,052		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	21,710		75
Provisions included in Tier 2 capital: instruments and provisions (7)			
Provisions (general allowance for loan losses)	116		76
Cap on inclusion of provisions (general allowance for loan losses)	489		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	13,289		79
Capital instruments subject to phase-out arrangements (8)			
Current cap on AT1 instruments subject to phase-out arrangements	-		82
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		83
Current cap on T2 instruments subject to phase-out arrangements	61,369		84
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		85