

Composition of Capital Disclosure

Mizuho Trust & Banking
As of September 30, 2014

[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	413,961	1a+2-1c-26
of which: capital and stock surplus	262,874	1a
of which: retained earnings	151,086	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
Accumulated other comprehensive income and other disclosed reserves	16,954	67,816
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	2,059	
of which: amount allowed in group CET1 capital subject to phase-out arrangements on common share capital issued by subsidiaries and held by third parties	2,059	
Common Equity Tier 1 capital: instruments and reserves (A)	432,974	6
Common Equity Tier 1 capital: regulatory adjustments (2)		
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	2,977	11,909
of which: goodwill (net of related tax liability, including those equivalent)	-	8
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	2,977	11,909
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,304	5,217
Deferred gains or losses on derivatives under hedge accounting	(499)	(1,999)
Shortfall of eligible provisions to expected losses	634	2,539
Securitization gain on sale	209	836
Gains and losses due to changes in own credit risk on fair valued liabilities	-	14
Net defined benefit asset	3,965	15,862
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)	215	860
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	3,230	27
Common Equity Tier 1 capital: regulatory adjustments (B)	12,037	28
Common Equity Tier 1 capital (CET1)		
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	420,937	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	-	
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	1,231	34-35
Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	-	33+35
of which: directly issued capital instruments subject to phase out from Additional Tier 1	-	33
of which: instruments issued by subsidiaries subject to phase out	-	35
Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(245)	
of which: foreign currency translation adjustments	(245)	
Additional Tier 1 capital: instruments (D)	985	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)	1	5
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	4,215	
of which: intangible fixed assets recognized as a result of a merger	2,109	
of which: capital increase due to securitization transactions	836	
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	1,269	

[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)	4,216		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)	420,937		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	-		
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-		
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	289		48-49
Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	25,206		47+49
of which: directly issued capital instruments subject to phase out from Tier 2	25,206		47
of which: instruments issued by subsidiaries subject to phase out	-		49
Total of general allowance for loan losses and eligible provisions included in Tier 2	121		50
of which: general allowance for loan losses	121		50a
of which: eligible provisions	-		50b
Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	44,985		
of which: 45% of unrealized gains on other securities	44,985		
Tier 2 capital: instruments and provisions (H)	70,602		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)	190	760	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	1,297		
of which: investments in the capital banking, financial and insurance entities	28		
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	1,269		
Tier 2 capital: regulatory adjustments (I)	1,487		57
Tier 2 capital (T2)			
Tier 2 capital (T2) ((H)-(I) (J)	69,115		58
Total capital (TC = T1 + T2)			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	490,053		59
Risk weighted assets (5)			
Total of items included in risk weighted assets subject to phase-out arrangements	33,163		
of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	9,799		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	5,217		
of which: net defined benefit asset	15,862		
of which: investments in the capital banking, financial and insurance entities	2,284		
Risk weighted assets (L)	2,569,864		60
Capital ratio (consolidated)			
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	16.37%		61
Tier 1 capital ratio (consolidated) ((G)/(L))	16.37%		62
Total capital ratio (consolidated) ((K)/(L))	19.06%		63
Regulatory adjustments (6)			
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	45,577		72
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	2,172		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)	14,105		75
Provisions included in Tier 2 capital: instruments and provisions (7)			
Provisions (general allowance for loan losses)	121		76
Cap on inclusion of provisions (general allowance for loan losses)	1,235		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	13,148		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