

Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking
As of March 31, 2016

【Consolidated】

(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, 2016	As of March 31, 2015		
(Assets)				
Cash and Due from Banks	1,817,013	1,601,744		
Call Loans and Bills Purchased	5,520	6,852		
Guarantee Deposits Paid under Securities				
Borrowing Transactions	215,970	-		
Other Debt Purchased	13,358	48,713		
Trading Assets	127,305	67,185	6-a	
Money Held in Trust	2,578	3,415		
Securities	1,459,466	1,881,404	2-b, 6-b	
Loans and Bills Discounted	3,488,453	3,061,098	6-c	
Foreign Exchange Assets	3,675	7,088		
Other Assets	97,126	94,857	6-d	
Tangible Fixed Assets	28,943	30,841		
Intangible Fixed Assets	45,799	23,893	2-a	
Net Defined Benefit Asset	40,197	49,463	3	
Deferred Tax Assets	1,021	652	4-a	
Customers' Liabilities for Acceptances and Guarantees	43,794	41,880		
Reserves for Possible Losses on Loans	(6,985)	(8,340)		
Reserve for Possible Losses on Investments	-	(1)		
Total Assets	7,383,239	6,910,750		
(Liabilities)				
Deposits	3,185,886	2,770,416		
Negotiable Certificates of Deposit	349,070	575,610		
Call Money and Bills Sold	1,162,877	1,072,860		
Payables under Repurchase Agreements	67,602	12,022		
Guarantee Deposits Received under Securities				
Lending Transactions	420,713	436,750		
Trading Liabilities	121,483	63,242	6-e	
Borrowed Money	366,955	221,967	8-a	
Foreign Exchange Liabilities	0	-		
Bonds and Notes	10,000	42,200	8-b	
Due to Trust Accounts	1,019,554	1,008,363		
Other Liabilities	69,674	55,137	6-f	
Reserve for Bonus Payments	3,175	2,822		
Reserve for Variable Compensation	401	-		
Net Defined Benefit Liability	955	726		
Reserve for Director and Corporate Auditor Retirement Benefits	343	303		
Reserve for Reimbursement of Deposits	1,113	1,079		
Deferred Tax Liabilities	12,296	25,063	4-b	
Acceptances and Guarantees	43,794	41,880		
Total Liabilities	6,835,898	6,330,445		
(Net Assets)				
Common Stock and Preferred Stock	247,369	247,369	1-a	
Capital Surplus	15,597	15,505	1-b	
Retained Earnings	185,425	173,912	1-c	
Total Shareholders' Equity	448,393	436,787		
Net Unrealized Gains (Losses) on Other Securities	97,710	136,337		
Deferred Gains or Losses on Hedges	501	(1,676)	5	
Foreign Currency Translation Adjustments	2,044	2,169		
Remeasurements of Defined Benefit Plans	(7,262)	1,844		
Total Accumulated Other Comprehensive Income	92,992	138,674		
Non-Controlling Interests	5,954	4,842	7	3
Total Net Assets	547,340	580,304		
Total Liabilities and Net Assets	7,383,239	6,910,750		

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, 2016	As of March 31, 2015	Remarks
1-a	Common Stock and Preferred Stock	247,369	247,369	
1-b	Capital Surplus	15,597	15,505	
1-c	Retained Earnings	185,425	173,912	
	Total Shareholders' Equity	448,393	436,787	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	448,393	436,787	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	262,967	262,874	
2	of which: retained earnings	185,425	173,912	
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	-	-	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effective bankruptcy

2. Intangible fixed assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
2-a	Intangible Fixed Assets	45,799	23,893	
2-b	Securities	1,459,466	1,881,404	
	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	(8,672)	(6,903)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	16,264	-	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	20,862	16,989	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, 2016	As of March 31, 2015	Remarks
3	Net Defined Benefit Asset	40,197	49,463	
	Income taxes related to above	(12,332)	(15,965)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
15	Net Defined Benefit Asset	27,864	33,498	

4. Deferred tax assets

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
4-a	Deferred Tax Assets	1,021	652	
4-b	Deferred Tax Liabilities	12,296	25,063	
	Tax effects on intangible fixed assets	8,672	6,903	
	Tax effects on net defined benefit asset	12,332	15,965	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	22	0	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)	9,708	2,860	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)	9,708	2,860	

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
5	Deferred Gains or Losses on Hedges	501	(1,676)	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	501	(1,676)	

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, 2016	As of March 31, 2015	Remarks
6-a	Trading Assets	127,305	67,185	Including trading account securities and derivatives for trading assets
6-b	Securities	1,459,466	1,881,404	
6-c	Loans and Bills Discounted	3,488,453	3,061,098	Including subordinated loans
6-d	Other Assets	97,126	94,857	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	121,483	63,242	Including trading account securities sold
6-f	Other Liabilities	69,674	55,137	Including Derivatives other than for Trading Liabilities

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	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)	40,091	50,177	
18	Common Equity Tier 1 capital	-	382	
39	Additional Tier 1 capital	-	4	
54	Tier 2 capital	-	309	
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	40,091	49,479	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	2,022	2,131	
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)	2,022	2,131	

7. Non-Controlling Interests
(1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of March 31, 2016	As of March 31, 2015	Remarks
7	Non-Controlling Interests	5,954	4,842	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	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)	1,454	1,345	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)	342	316	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, 2016	As of March 31, 2015	Remarks
8-a	Borrowed Money	366,955	221,967	
8-b	Bonds and Notes	10,000	42,200	
	Total	376,955	264,167	

(2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of March 31, 2016	As of March 31, 2015	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 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.