

Composition of Capital Disclosure

Mizuho Trust & Banking
As of June 30, 2016

Basel III Template No.	Items	As of June 30, 2016	[Non-Consolidated]		(in million yen, in percentage)	
			Amounts excluded under transitional arrangements	As of March 31, 2016	Amounts excluded under transitional arrangements	
Common Equity Tier 1 capital: instruments and reserves (1)						
1a+2-1c-26	Directly issued qualifying common share capital plus related stock surplus and retained earnings	430,594		422,466		
1a	of which: capital and stock surplus	262,874		262,874		
2	of which: retained earnings	167,719		180,091		
1c	of which: treasury stock (-)	-		-		
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		20,499		
	of which: other than above	-		-		
1b	Subscription rights to common shares	-		-		
3	Valuation and translation adjustments and other disclosed reserves	54,509	36,339	58,944	39,296	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	-		-		
6	Common Equity Tier 1 capital: instruments and reserves (A)	485,104		481,411		
Common Equity Tier 1 capital: regulatory adjustments (2)						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	10,579	7,053	10,002	6,668	
8	of which: goodwill (net of related tax liability)	-	-	-	-	
9	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	10,579	7,053	10,002	6,668	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-	
11	Deferred gains or losses on derivatives under hedge accounting	2,061	1,374	300	200	
12	Shortfall of eligible provisions to expected losses	1,265	844	1,346	899	
13	Securitization gain on sale	49	33	52	35	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-	
15	Defined-benefit pension fund net assets (prepaid pension costs)	20,645	13,763	20,734	13,823	
16	Investments in own shares (excluding those reported in the Net assets section)	-	-	-	-	
17	Reciprocal cross-holdings in common equity	-	-	-	-	
18	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)	-	-	-	-	
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-	
19	of which: significant investments in the common stock of financials	-	-	-	-	
20	of which: mortgage servicing rights	-	-	-	-	
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-	
22	Amount exceeding the 15% threshold on specified items	-	-	-	-	
23	of which: significant investments in the common stock of financials	-	-	-	-	
24	of which: mortgage servicing rights	-	-	-	-	
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	454		484		
28	Common Equity Tier 1 capital: regulatory adjustments (B)	35,056		32,922		
Common Equity Tier 1 capital (CET1)						
29	Common Equity Tier 1 capital (CET1) ((A)-(B)-(C))	450,048		448,489		
Additional Tier 1 capital: instruments (3)						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	-	
	31b	Subscription rights to Additional Tier 1 instruments	-	-	-	
	32	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-	-	-	
	Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	-	-	-	
33+35	Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	-	-	-	-	
	Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	-	-	-	-	
36	Additional Tier 1 capital: instruments (D)	-	-	-	-	
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	-	-	-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-	
39	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)	-	-	-	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	-	-	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	454		484		
	of which: capital increase due to securitization transactions	33		35		
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	421		448		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	454		484		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital ((D)-(E)-(F))	-		-		
Tier 1 capital (T1 = CET1 + AT1)						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	450,048		448,489		

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			Amounts excluded under transitional arrangements	As of March 31, 2016	Amounts excluded under transitional arrangements
Tier 2 capital: instruments and provisions (4)					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	-	-	-
	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	-	-	-	-
47+49	Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	8,949	-	9,447	-
50	Total of general allowance for loan losses and eligible provisions included in Tier 2	115	-	132	-
50a	of which: general allowance for loan losses	115	-	132	-
50b	of which: eligible provisions	-	-	-	-
	Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	19,583	-	21,905	-
	of which: 45% of unrealized gains on other securities	19,583	-	21,905	-
51	Tier 2 capital: instruments and provisions (H)	28,647	-	31,484	-
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	-	-
54	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)	-	-	-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	-	-
	Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	421	-	448	-
	of which: investments in the capital banking, financial and insurance entities	-	-	-	-
	of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	421	-	448	-
57	Tier 2 capital: regulatory adjustments (I)	421	-	448	-
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I) (J))	28,225	-	31,035	-
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	478,274	-	479,525	-
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to phase-out arrangements	20,816	-	20,491	-
	of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	7,053	-	6,668	-
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
	of which: defined-benefit pension fund net assets (prepaid pension costs)	13,763	-	13,823	-
	of which: investments in the capital banking, financial and insurance entities	-	-	-	-
60	Risk weighted assets (L)	2,390,296	-	2,421,068	-
Capital ratio					
61	Common Equity Tier 1 capital ratio ((C)/(L))	18.82%	-	18.52%	-
62	Tier 1 capital ratio ((G)/(L))	18.82%	-	18.52%	-
63	Total capital ratio ((K)/(L))	20.00%	-	19.80%	-
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	17,553	-	39,843	-
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	772	-	892	-
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	-	-	-
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	11,763	-	10,544	-
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for loan losses)	115	-	132	-
77	Cap on inclusion of provisions (general allowance for loan losses)	580	-	672	-
78	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")	-	-	-	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	12,616	-	12,757	-
Capital instruments subject to phase-out arrangements (8)					
82	Current cap on AT1 instruments subject to phase-out arrangements	-	-	-	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-
84	Current cap on T2 instruments subject to phase-out arrangements	46,027	-	46,027	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-	-	-