Disclosure regarding Denominator of Capital Adequacy Ratio Formula

Mizuho Trust & Banking【Consolidated】
As of March 31, 2019

(in million yen)

OV1: Overview of Risk-Weighted Assets (RWA)

Basel III Template No.		a	b	c	d
		RWA		Capital requirements	
		As of March 31, 2019	As of December 31, 2018	As of March 31, 2019	As of December 31, 2018
1	Credit risk (excluding counterparty credit risk)	1,225,655	1,243,683	103,319	104,906
2	of which: standardized approach (SA)	23,381	15,499	1,870	1,239
3	of which: internal rating-based (IRB) approach	1,097,291	1,127,384	93,050	95,602
	of which: significant investments	-	-	-	-
	of which: estimated residual value of lease transactions	-	-	-	-
	others	104,983	100,799	8,398	8,063
4	Counterparty credit risk (CCR)	9,279	10,605	753	861
5	of which: SA-CCR	-	-	-	-
	of which: current exposure method	0	-	0	-
6	of which: expected positive exposure (EPE) method	2,016	1,567	170	132
	of which: credit valuation adjustment (CVA) risk	6,769	7,806	541	624
	of which: central counterparty-related	85	109	6	8
	Others	407	1,121	34	95
7	Equity positions in banking book under market-based approach	336,706	498,884	28,552	42,305
8	Equity investments in funds - Look-through approach	75,872		6,407	
9	Equity investments in funds - Mandate-based approach	-		-	
	Equity investments in funds - Simple approach (subject to 250% RW)	-		-	
	Equity investments in funds - Simple approach (subject to 400% RW)	6,388		541	
10	Equity investments in funds - Fall-back approach	2,860		228	
	Fund exposures - standardized approach		-		-
	Fund exposures - regarded method		84,031		7,125
11	Settlement risk	-	15,252	-	1,293
12	Securitization exposures in banking book	6,413	4,435	513	376
13	of which: Securitisation IRB approach (SEC-IRBA) or internal assessment approach(IAA)	6,413		513	
14	of which: Securitisation external ratings-based approach (SEC-ERBA)	-		-	
15	of which: Securitisation standardised approach (SEC-SA)	-		-	
	of which: IRB ratings-based approach (RBA) or IRB internal assessment approach (IAA)		1,824		154
	of which: IRB supervisory formula approach (SFA)		2,611		221
	of which: SA/simplified supervisory formula approach (SSFA)		-		-
	of which: 1250% risk weight is applied	-	-	-	-
16	Market risk	8,352	16,211	668	1,296
17	of which: standardized approach (SA)	2,114	1,684	169	134
18	of which: internal model approaches (IMA)	6,237	14,526	498	1,162
19	Operational risk	291,411	282,106	23,312	22,568
20	of which: basic indicator approach	44,141	43,248	3,531	3,459
21	of which: standardized approach	-	-	-	-
22	of which: advanced measurement approach	247,269	238,857	19,781	19,108
23	Exposures of specified items not subject to regulatory adjustments	59,488	63,901	4,780	5,135
	Amounts included in RWA subject to phase-out arrangements	-	-	-	-
24	Floor adjustment	-	-	-	-
25	Total (after applying the scaling factor)	2,113,494	2,323,361	169,079	185,868

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CR8:RWA flow statements of credit risk exposures under IRB approach			
No.			RWA
1	RWA at the end of the previous reporting period		1,710.8
2	Breakdown of changes during this reporting period	Asset size	(142.5)
3		Portfolio quality	(54.1)
4		Model updates	-
5		Methodology and policy	(0.0)
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	(0.2)
8		Other	(0.4)
9	RWA at the end of this reporting period		1,513.3

Notes: 1. Counterparty credit risk exposures, securitization exposures, and regarded-method exposures are excluded from the amount of credit risk exposures above.

2. Asset size corresponds to the amount of variation in RWA arising from changes in book size and composition, increased assets resulting from origination of new businesses, decreased assets due to matured receivables, etc.

3. Portfolio quality corresponds to the amount of variation in RWA arising from changes in obligor’s and facilities’ ratings, changes in collateral values and guarantees, etc.

4. Methodology and policy corresponds to the amount of variation in RWA arising from methodological changes in calculations driven by regulatory policy changes including revisions to existing regulations.

5. Foreign currency fluctuations correspond to the amount of variation in RWA arising from the effect of fluctuations in foreign exchange rates involving exposures to transactions denominated in foreign currencies.

Mizuho Trust & Banking 【Consolidated】
As of March 31, 2019

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CCR7: RWA flow statements of CCR exposures under EPE method			
No.			RWA
1	RWA at the end of the previous reporting period		1.56
2	Breakdown of changes during this reporting period	Asset size	(0.04)
3		Credit quality of counterparties	0.49
4		Model updates (EPE only)	-
5		Methodology and policy (EPE only)	-
6		Acquisitions and disposals	-
7		Foreign currency fluctuations	0.00
8		Other	(0.00)
9	RWA at the end of this reporting period		2.01

Mizuho Trust & Banking【Consolidated】
As of March 31, 2019

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MR2：RWA flow statements of market risk exposures under IMA

No.			A	B	C	D	E	F
			VAR	Stressed VAR	IRC	CRM	Other	Total
1a	RWA at the end of the previous reporting period		3,366	11,159	-	-		14,526
1b	Adjustment to RWA at the end of the previous reporting period		6.76	6.52	-	-		6.57
1c	IMA values at the end of the previous reporting period		497	1,711	-	-		2,208
2	Breakdown of changes during this reporting period	Change in risk levels	352	(197)	-	-		155
3		Model updates/changes	-	-	-	-		-
4		Methodology and policy	-	-	-	-		-
5		Acquisitions and disposals	-	-	-	-		-
6		Foreign currency fluctuations	(1)	(2)	-	-		(3)
7		Other	(84)	(9)	-	-		(94)
8a	IMA values at the end of this reporting period		764	1,502	-	-		2,266
8b	Adjustment to RWA at the end of this reporting period		2.43	2.91	-	-		2.75
8c	RWA at the end of this reporting period		1,864	4,373	-	-		6,237