

## Explanation of "Composition of Capital Disclosure"

Mizuho Trust & Banking [Consolidated]  
As of September 30, 2020

(in million yen)

CC2: Reconciliation of regulatory capital to consolidated balance sheet			
Items	a	b	c
	Consolidated balance sheet as in published financial statements	Reference to Template CC1	Cross-reference to Appended template
<b>Assets</b>			
Cash and Due from Banks	2,350,286		
Call Loans and Bills Purchased	6,345		
Guarantee Deposits Paid under Securities Borrowing Transactions	32,855		
Other Debt Purchased	167,398		
Trading Assets	162,639		6-a
Money Held in Trust	8,018		
Securities	692,553		2-b, 6-b
Loans and Bills Discounted	3,447,797		6-c
Foreign Exchange Assets	9,110		
Other Assets	284,343		6-d
Tangible Fixed Assets	103,889		
Intangible Fixed Assets	42,610		2-a
Net Defined Benefit Asset	103,601		3
Deferred Tax Assets	326		4-a
Customers' Liabilities for Acceptances and Guarantees	15,831		
Reserves for Possible Losses on Loans	(4,054)		
<b>Total Assets</b>	<b>7,423,553</b>		
<b>Liabilities</b>			
Deposits	3,215,085		
Negotiable Certificates of Deposit	561,080		
Call Money and Bills Sold	626,275		
Guarantee Deposits Received under Securities Lending Transactions	355,615		
Trading Liabilities	166,077		6-e
Borrowed Money	462,502		8-a
Foreign Exchange Liabilities	2		
Bonds and Notes	10,000		8-b
Due to Trust Accounts	1,336,263		
Other Liabilities	35,667		6-f
Reserve for Bonus Payments	3,459		
Reserve for Variable Compensation	190		
Net Defined Benefit Liability	1,527		
Reserve for Director and Corporate Auditor Retirement Benefits	206		
Reserve for Reimbursement of Deposits	1,797		
Deferred Tax Liabilities	19,752		4-b
Acceptances and Guarantees	15,831		
<b>Total Liabilities</b>	<b>6,811,335</b>		
<b>Net Assets</b>			
Common Stock and Preferred Stock	247,369		1-a
Capital Surplus	17,833		1-b
Retained Earnings	272,746		1-c
<b>Total Shareholders' Equity</b>	<b>537,949</b>		
Net Unrealized Gains (Losses) on Other Securities	61,446		
Deferred Gains or Losses on Hedges	(5,933)		5
Foreign Currency Translation Adjustments	926		
Remeasurements of Defined Benefit Plans	17,828		
Total Accumulated Other Comprehensive Income	74,268	(a)	
<b>Total Net Assets</b>	<b>612,217</b>		
<b>Total Liabilities and Net Assets</b>	<b>7,423,553</b>		

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 September 30, 2020	Remarks
1-a	Common Stock and Preferred Stock	247,369	
1-b	Capital Surplus	17,833	
1-c	Retained Earnings	272,746	
	<b>Total Shareholders' Equity</b>	<b>537,949</b>	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	Remarks
	Directly issued qualifying common share capital plus related stock surplus and retained earnings	537,949	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
1a	of which: capital and stock surplus	265,203	
2	of which: retained earnings	272,746	
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	-	

## 2. Intangible fixed assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2020	Remarks
2-a	Intangible Fixed Assets	42,610	
2-b	Securities	692,553	
	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	(9,143)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	Remarks
8	Goodwill (net of related tax liability, including those equivalent)	12,894	
9	Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	20,571	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 September 30, 2020	Remarks
3	Net Defined Benefit Asset	103,601	
	Income taxes related to above	(31,769)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	Remarks
15	Net Defined Benefit Asset	71,831	

## 4. Deferred tax assets

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2020	Remarks
4-a	Deferred Tax Assets	326	
4-b	Deferred Tax Liabilities	19,752	
	Tax effects on intangible fixed assets	9,143	
	Tax effects on net defined benefit asset	31,769	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	Remarks
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	8	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)	21,478	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)	21,478	

## 5. Deferred gains or losses on derivatives under hedge accounting

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2020	Remarks
5	Deferred Gains or Losses on Hedges	(5,933)	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	Remarks
11	Deferred gains or losses on derivatives under hedge accounting	(3,404)	Excluding those items whose valuation differences arising from hedged items are recognized as "Total accumulated other comprehensive income"

## 6. Items associated with investments in the capital of financial institutions

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2020	Remarks
6-a	Trading Assets	162,639	Including trading account securities and derivatives for trading assets
6-b	Securities	692,553	
6-c	Loans and Bills Discounted	3,447,797	
6-d	Other Assets	284,343	Including Derivatives other than for Trading Assets and money invested
6-e	Trading Liabilities	166,077	Including trading account securities sold
6-f	Other Liabilities	35,667	Including Derivatives other than for Trading Liabilities

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	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 and other TLAC liabilities	-	
	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)	8,761	
18	Common Equity Tier 1 capital	-	
39	Additional Tier 1 capital	-	
54	Tier 2 capital and other TLAC liabilities	-	
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	8,761	
	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,741	
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 and other TLAC liabilities	-	
73	Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	1,741	

## 7. Non-Controlling Interests

## (1) Consolidated balance sheet

Ref. No.	Consolidated balance sheet items	As of September 30, 2020	Remarks
	Non-Controlling Interests	-	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	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)	-	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)	-	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 September 30, 2020	Remarks
8-a	Borrowed Money	462,502	
8-b	Bonds and Notes	10,000	
	Total	472,502	

## (2) Composition of capital

Basel III Template No.	Composition of capital disclosure	As of September 30, 2020	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	-	