

Consolidated Balance Sheet

March 31, 2001

Mizuho Holdings, Inc.

(in millions of yen)

Assets		Liabilities	
Cash and Due from Banks	5,011,232	Deposits	67,324,809
Call Loans and Bills Purchased	2,343,046	Negotiable Certificates of Deposit	12,851,673
Other Debt Purchased	703,619	Debentures	17,848,257
Trading Assets	10,877,475	Call Money and Bills Sold	13,208,076
Money Held in Trust	392,367	Commercial Paper	2,369,254
Securities	28,062,563	Trading Liabilities	4,687,700
Loans and Bills Discounted	92,286,772	Borrowed Money	3,871,945
Foreign Exchanges	845,277	Foreign Exchanges	273,849
Other Assets	14,940,725	Bonds and Notes	3,998,017
Premises and Equipment	1,713,356	Convertible Bonds	8,088
Deferred Debenture Charges	9,531	Due to Trust Account	1,826,412
Deferred Tax Assets	1,663,971	Other Liabilities	21,186,842
Consolidation Differences	107,764	Reserve for Employee Retirement Benefit	126,050
Customer's Liabilities for Acceptances and Guarantees	6,129,641	Reserve for Possible Losses on Loans Sold	199,093
Reserve for Possible Losses on Loans	(1,627,632)	Reserve for Possible Losses on Support of Specific Borrowers	159,628
Reserve for Possible Losses on Securities	(4,233)	Reserve for Contingencies	24,032
		Reserve under Special Laws	708
		Deferred Tax Liabilities	11,462
		Deferred Tax Liabilities for Revaluation Reserve for Land	343,728
		Acceptances and Guarantees	6,129,641
		Total Liabilities	156,449,275
		Minority Interests	
		Minority Interests	751,933
		Shareholders' Equity	
		Common Stock and Preferred Stock	2,572,000
		Capital Surplus	2,203,747
		Revaluation Reserve for Land, net of Taxes	548,533
		Retained Earnings	1,107,231
		Foreign Currency Translation Adjustments	(175,430)
		Sub. total	6,256,083
		Treasury Stock	(0)
		Parent Company Stock Held by Subsidiaries	(1,812)
		Total Shareholders' Equity	6,254,270
Total Assets	163,455,480	Total Liabilities, Minority Interests and Shareholders' Equity	163,455,480

Notes to the Consolidated Balance Sheet

1.Amounts of less than one million yen are rounded down.

2.Trading transactions intended to take the benefit of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices (hereinafter referred to as “trading purposes”) are recognized on a contract date basis and recorded in Trading Assets or Trading Liabilities on the consolidated balance sheet.

Securities and other short-term credit instruments held for trading purposes are stated at market value at the consolidated balance sheet date. Derivative financial products, such as swaps, futures contracts and option transactions, are stated at their theoretical values, assuming that such transactions would be terminated and settled at the consolidated balance sheet date.

3.Other Securities are valued at cost or amortized cost determined by the moving average method.

4.Securities invested in individually managed Designated Money Held in Trust where the trust invests mainly in securities are valued mainly by the mark-to-market method.

5.Derivative transactions, other than for trading purposes, are valued by the mark-to-market method.

6. Depreciation method of Premises and Equipment is as follows:

Buildings : Depreciation of buildings is computed mainly by the straight-line method over the estimated useful lives (3 to 50 years).

Equipment : Depreciation of equipment is computed mainly by the declining-balance method over the estimated useful lives (2 to 20 year).

7.Development costs for internally-used software are capitalized and amortized by the straight-line method over their estimated useful lives of mainly 5 years.

8.Deferred Debenture Charges of are amortized as follows:

- (1) Discounts of debentures are amortized over the term of the debenture.
- (2) Debenture issuance costs are amortized over the term of such debentures up to a maximum of 3 years, which is the longest period permitted by the Commercial Code of Japan.

9.Assets/liabilities denominated in foreign currencies of domestic consolidated banking subsidiaries and trust banking subsidiaries are translated into yen primarily using the exchange rates in effect end of the fiscal year.

Other consolidated subsidiaries’ assets/liabilities denominated in foreign currencies are translated into yen using the exchange rates in effect at end of the year of those subsidiaries.

10.Reserves for Possible Losses on Loans of major domestic consolidated subsidiaries are maintained in

accordance with internally established standards for write-offs and provisions:

-For credits provided to obligors that are legally bankrupt as being under Bankruptcy Law, Special Liquidation in Commercial Law or the like (“Bankrupt Obligors”), and to obligors that are in effectively similar conditions (“Substantially Bankrupt Obligors”), reserves are maintained at 100% of amounts of claims net of expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees.

-For credits provided to obligors that are currently not in bankruptcy, but likely to become bankrupt, reserves are maintained at the amount deemed necessary based on overall solvency analyses, out of the amount of claims less expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees.

-For credits extended to other obligors, reserves are maintained at rates derived from historical credit loss experiences etc.

-Reserves for Possible Losses on Loans to Restructuring Countries (including Reserves for losses on overseas investments prescribed in Article 55-2 of the Exceptions to Tax Laws Act) are maintained in order to cover possible losses based on the analyses of political and economic climates of the countries.

All credits are assessed by each credit origination department, and the results of the assessments are verified and audited by the independent examination department. Reserves for Possible Losses on Loans are provided on the basis of such audited assessments.

In the case of loans to bankrupt obligors or substantially bankrupt obligors, who are collateralized or guaranteed by a third party, the amounts deemed uncollectible are charged off against the respective loan balances. The total charge-off amount is ¥ 2,838,028 million.

Reserves for Possible Losses on Loans of other domestic consolidated subsidiaries are maintained as follows:

-For general claims, reserves are maintained at the amount deemed necessary based on historical credit loss experiences etc.

-For doubtful claims, reserves are maintained at the amount deemed uncollectible based on respective assessment of collectability.

11. Reserves for Possible Losses on Securities, which is provided for possible losses on securities, are maintained at the amount deemed necessary based on the financial conditions of issuing companies.

12. Reserve for Employee Retirement Benefit, which is provided for the future pension payment to employees, is recorded as the amount accrued at end of the fiscal year, based on the projected benefit obligation and the estimated pension plan asset amounts at end of the fiscal year. Actuarial gains or losses are expensed mainly as follows:

-Unrecognized actuarial gains or losses are recognized as income or expenses from the following fiscal year under the straight-line method over the average remaining service period of the current employee.

With respect to unrecognized net obligation at the date of initial application amounted to ¥ 351,530 million, ¥ 144,166 million has already been expensed due to the establishment of the retirement benefit trust, and the remainder is to be recognized equally as an expense over mainly 5 years.

13. Reserve for Possible Losses on Loans Sold is provided to cover possible losses on loans sold to the

Cooperative Credit Purchasing Company Limited, taking into account the value of collateral pledged.

This reserve is provided in accordance with Article 287-2 of the Commercial Code of Japan.

14. Reserve for Possible Losses on Support of Specific Borrowers is provided to cover possible losses on write-offs of loans to assist or facilitate certain restructuring of borrowers. This reserve is provided in accordance with Article 287-2 of the Commercial Code of Japan.

15. Reserve for Contingencies is provided to cover possible losses arising from the matters not covered by specific reserves which are likely to occur and which are of reasonably determinable amounts. This reserve is provided in accordance with Article 287-2 of the Commercial Code of Japan.

16. Finance leases of MHHD and its domestic consolidated subsidiaries, which do not involve the transfer of ownership to the lessee at the end of lease terms, are accounted for in the same manner as operating leases.

17. "Macro-hedge method" is adopted by domestic banking and certain trust banking subsidiaries to control, using derivatives, overall interest rate risks inherent in various financial assets and liabilities, such as loans and deposits. This risk management method is referred to as the "Risk Adjusted Approach" in "Tentative Accounting and Auditing Treatment relating to Adoption of 'Accounting for Financial Instruments' for Banks" (JICPA Industry Audit Committee Report No.15), and the deferral method is adopted for hedge accounting. The effectiveness of hedges is assessed by checking (1) whether the total net risk amount of derivative instruments, used to reduce risk, falls within the risk limit determined as set out in the risk management policy, and (2) whether interest risk exposures from hedged items have been reduced.

The deferral method, the mark-to-market method or the special accrual method (for interest rate swaps) is alternatives that are used for hedge accounting applicable to certain assets and liabilities.

The hedge accounting similar to the above-mentioned is adopted by subsidiaries other than certain domestic consolidated leasing subsidiaries. "Portfolio-hedge for Liabilities" is adopted by such leasing subsidiaries to manage, using derivatives, cash flow risk inherent in gap between lease payments received (long-term, fixed rate) and funding liabilities (short-term, variable rate). This hedge method is prescribed in "Tentative Accounting and Auditing Treatment relating to Adoption of 'Accounting for Financial Instruments' for Leasing Companies" (JICPA Industry Audit Committee Report No.19) and the deferral method is adopted for hedge accounting. Derivative transactions, mainly interest rate swaps, are used for this Portfolio-hedge for Liabilities and are as follows:

Contract amount	¥ 79,800 million
Market value	(1,819)
Unrealized gains	(1,857)

18. Consumption taxes including local taxes of MHHD and its domestic consolidated subsidiaries are excluded from the transaction amounts.

19. Reserves under Special Laws are maintained as follows:

Reserve for Contingent Liabilities from Broking of Futures Transactions amounting to ¥104 million is maintained under Article 82 of the Financial Futures Transactions Law.

Reserve for Contingent Liabilities from Broking of Securities Transactions amounting to ¥603 million is maintained under Article 51 of the Securities & Exchange Law of Japan, which are required to be applied by Article 65-2-7 of the Law.

20. The total amount due from directors and corporate auditors of MHHD is to ¥53 million.

21. Accumulated depreciation of Premises and Equipment amounts to ¥793,130 million.

22. The book value of Premises and Equipment adjusted for gains on sales of replaced assets amounts to ¥157,126 million.

23. Loans and Bills Discounted includes Loans to Bankrupt Borrowers of ¥470,031 million and Non-Accrual Delinquent Loans of ¥2,169,692 million. Loans to Bankrupt Borrowers represent non-accrual loans to borrowers who are legally bankrupt as defined in Article 96-1-3 and 4 of the Corporate Tax Law (Article 97 of 1965 Cabinet Order). Such loans are those which interest has not been accrued as it is deemed difficult to collect principle or interest, or whose repayments of interest have continuously been deferred for a considerable period. Non-Accrual Delinquent Loans represent non-accrual loans other than (1) Loans to Bankrupt Obligors and (2) Loans of which interest payments are suspended in order to assist or facilitate the restructuring of the obligors.

24. Loans and Bills Discounted also include Loans Past Due for 3 Months or More of ¥124,800 million. Loans to Bankrupt Obligors or Non-Accrual Delinquent Loans, both of which are classified as non-accrual, are not included in this category.

25. Loans and Bills Discounted also include Restructured Loans of ¥1,791,770 million. Restructured Loans represent loans on which contracts were amended in favor of obligors (e.g., reduction of, or exemption from, stated interest, deferral of interest payments, extension of maturity dates, renunciation of claims) in order to assist or facilitate restructuring processes of obligors in financial difficulties, excluding Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans, and Loans Past Due for 3 Months or More.

26. The total balance of Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans, Loans Past Due for 3 Months or More and Restructured Loans is ¥4,556,295 million at the consolidated balance sheet date.

The amounts given in the paragraphs 23 through 26 are gross amounts before deduction of the respective Reserve for Possible Losses on Loans.

27. Total face value of bankers' acceptances, commercial bills and documentary bills obtained as a result of discounting is ¥1,278,023 million.

28. The following assets have been pledged as collateral:

Cash and Due from Banks	¥1,761 million
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Trading Assets	1,002,499
Securities	7,473,073
Loans and Bills Discounted	3,273,799
Call Loans and Bills Purchased	50,000
Other Assets	344,964
Buildings and Equipment	136

The following liabilities are collateralized by the above assets:

Deposits	¥ 452,944 million
Call Money and Bills Sold	5,870,347
Trading Liabilities	235,254
Borrowed Money	77,274
Other Liabilities	64,898

In addition, Borrowed Money amounting to ¥ 7,593 million are pledged by stocks which are deposited by customers as a collateral for loan transactions in relation to sales of securities. In addition, the settlement accounts of foreign currency transactions or margins for futures transactions are collateralized or substituted by Cash and Due from Banks of ¥ 95,536 million, Trading Assets of ¥ 15,943 million, Securities of ¥ 3,454,548 million, Loans and Bills discounted of ¥ 368,116 million and Other Assets of ¥ 45,734 million. None of the assets pledged are collateral in connection with borrowings by the unconsolidated subsidiaries and the affiliates.

Guarantee deposits amounting to ¥ 184,914 million are included in Premises and Equipment. Margins for futures transactions amounting to ¥ 46,429 million and margins on securities borrowed amounting to ¥ 2,785,176 million are included in Other Assets.

29. Net realized or unrealized losses from hedging instruments are included in Other Assets as Deferred Hedge Losses. The gross amounts of deferred hedge gains and losses before netting are ¥ 2,417,549 million and ¥ 1,901,193 million, respectively.

30. In accordance with the Land Revaluation Laws, land used for business operations of domestic consolidated banking subsidiaries is revalued as follows:

Date of revaluation: March 31, 1998

Method of revaluation set forth in Article 3-3 of the above law:

In accordance with Article 119 of the 1998 Cabinet Order Article 2-4 of the Enforcement Ordinance relating to the Land Revaluation Law, the revaluation was performed by the method of calculating the value along with reasonable adjustments, such as for the shape of land.

The tax effect of Revaluation Reserve for Land is included in Deferred Tax Liabilities for Revaluation Reserve for Land, and the remainder, net of the tax is stated as Revaluation Reserve for Land, in Shareholders' Equity.

The difference at the consolidated balance sheet date between the total fair value on land for business operation purposes, which has been revalued in accordance with Article 10 of the above-mentioned law, and the total book value of the lands after such revaluation is ¥ 189,246 million.

The similar treatment has been adopted for certain consolidated overseas-consolidated subsidiaries.

31. Borrowed Money includes subordinated borrowings of ¥ 2,261,707 million.

32. Bonds and Notes include subordinated bonds of ¥ 3,191,880 million.

33. The principal amounts indemnified for jointly operated designated money trusts and loan trusts, which are entrusted to domestic consolidated trust banking subsidiaries, are ¥ 665,796 million and ¥ 2,394,557 million.

34. Net Assets per share is ¥ 450,667.56.

35. Securities loaned with a transfer of legal title, amounting to ¥ 6,274,978 million, are included in Securities, securities in custody in Other Assets, and trading securities in Trading Assets.

36. Market values of securities, revaluation differences, and related items are as follows. These include those of trading securities, certificates of deposit, commercial paper etc classified in Trading Assets, certificates of deposit classified in Cash and Due from Banks, and commercial paper etc classified in Other Debt Purchased, as well as Securities. This explanation relates to Notes 39.

Securities held for trading purposes

Amount booked on the consolidated balance sheet	¥ 7,921,803 million
Revaluation difference recognized in gains or losses for the fiscal year	6,489

Other Securities with market values

During the fiscal year, Other Securities with market values are not marked to market. Book values and other information for Other Securities, which are required to be disclosed by Supplementary Clause 3 of 2000 Ministry of Finance Ordinance No.9 are as follows:

Book Value	¥ 25,932,871 million
Market Value	25,657,219
Difference	(275,651)
Amount corresponding to Deferred Tax Assets	105,690
Amount corresponding to Minority Interests	(3,727)
Amount corresponding to Net Revaluation Difference on Other Securities owned by affiliated companies, which corresponds to the holding shares of their parent companies	¥ 3,811
Amount corresponding to Net Revaluation Difference	(162,422)

37. Other Securities sold during the fiscal year are as follows.

(In millions of yen)

Proceed from sales	Gains	Losses
58,047,079	955,377	(62,658)

38. Description of and amount entered on the consolidated balance sheet for major securities that have no market

values are as follow:

<u>Description</u>	<u>Amount booked on the consolidated balance sheet</u>
<u>Other Securities</u>	
Unlisted stocks (excluding OTC stocks)	¥ 403,089 million
Unlisted bonds	880,731

39. Projected redemption amounts for securities classified as Securities held to maturity and Other Securities that have a maturity date are as follows.

	(In millions of yen)			
	1 Year or less	More than 1 Year but 5 Years or less	More than 5 Years but 10 Years or less	More than 10 Years
Debt Purchased	7,213,291	3,371,463	2,623,373	15,698
National Bonds	7,085,545	2,581,204	1,975,045	---
Local Government Bonds	24,539	97,345	343,394	11,096
Corporate Bonds	103,206	692,913	304,934	4,602
Others	756,858	3,167,870	1,208,409	781,854
Total	7,970,150	6,539,334	3,831,782	797,552

40. Details of Money Held in Trust, by the purpose of holding, are as follows:

Investment purpose

Book Value	¥ 386,918 million
Revaluation difference recognized in profits or losses for the fiscal year	(15,090)

During the fiscal year, Money Held in Trust with market values are not marked to market. Book values and other information for Money Held in Trust are as follows:

Book Value	¥ 5,449 million
Market Value	5,645
Difference	196
Amount corresponding to Deferred Tax Liabilities	76
Amount corresponding to Minority Interests	51
Amount corresponding to Net Revaluation Difference	¥ 67 million

41. Overdraft protection on current accounts and contracts of commitment-line for loans are the contracts by which MHHD and its consolidated subsidiaries are bound to make loans up to the prearranged amount, on the request of customers, unless said customers are in breach of contract conditions. Unutilized balance of these contracts amounts to ¥ 46,196,982 million. ¥ 39,820,509 million of this amount relates to contracts of which original contractual terms are of a term of one year or less, or unconditionally cancelable at any time.

Since many of these contracts expire without the rights exercised, the unutilized balance itself does not necessarily affect future cash flows of MHHD and its consolidated subsidiaries. A provision is included in many of these contracts, that entitles MHHD and its consolidated subsidiaries to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to

preserve a claim, or other similar reasons. MHHD and its consolidated subsidiaries obtain, moreover, real estate or securities as collateral at the time the contracts are entered into, if needed, and subsequently monitor a customer's business condition periodically, based on and in accordance with procedures established, and take measures to control credit risks such as amendment to of the contracts, if needed.

42. Reserve for Employee Retirement Benefits and related items are as follows:

Projected Benefit Obligation	¥ (1,331,938) million
Plan assets at fair value	989,281
Unfunded Projected Benefit Obligation	(342,656)
Unrecognized net obligation at date of initial application	165,714
Unrecognized actuarial gains/losses	141,722
Net pension liabilities/assets	(35,220)
Prepaid pension costs	91,027
Other liabilities	(196)
Reserve for Employee Retirement Benefit	(126,050)

43. Other Assets include provisional tax payments of ¥ 222,682 million made by a certain domestic banking subsidiary. These payments were made upon receipt of the Correction Notice from the Tokyo Regional Taxation Bureau ("TRTB") on August 23, 1996 in connection with the write-off of credits due from Japan Housing Loan, Inc., amounting to ¥ 376,055 million recorded in the fiscal year ended March 1996.

The subsidiary disputed the rationale for the proposed correction and filed an application seeking to void the proposed correction to the National Tax Tribunal for administrative review. This was dismissed on October 28, 1997.

On October 30, 1997, the subsidiary filed a lawsuit with the Tokyo District Court seeking to void the TRTB's administrative action against the subsidiary and won the case entirely on March 2, 2001, but this has been appealed to the Tokyo High Court on March 16, 2001.