

II. Review of Credits

1. Self-Assessment of Assets and Write-offs/Reserves

Self-Assessment of Assets

Mizuho Holdings has strictly executed the following obligor classifications and asset classifications on its asset quality in accordance with the strict *Standard on Self-Assessment of Assets* with an unification among the 3 banks based on the Financial Inspection Manuals promulgated by the Financial Services Agency.

[Obligor Classifications]

Normal Obligors	Obligors generally recognized to be experiencing good business conditions and having no significant financial problems.
Watch Obligors	Obligors who require careful credit watching.
Intensive Control Obligors	Obligors who have a high probability that the obligor will go bankrupt.
Substantially Bankrupt Obligors	Obligors for which legal bankruptcy has not yet occurred, but who are substantially going bankrupt.
Bankrupt Obligors	Obligors who have already gone bankrupt, from both legal and/or formal perspectives.

[Asset Classifications]

Category I (Unclassified)	Assets, etc. not classified as Category II, III or IV.
Category II	Assets, etc. which are deemed to have a higher-than ordinary risk of default.
Category III	Assets, etc. of which there are significant concern over complete collection or the value.
Category IV	Assets, etc. that are deemed to be irrecoverable or of no value.

Write-offs/Reserves

Mizuho Holdings has enacted a conservative and rational *Standard on Write-offs and Reserves* with an unification among the 3 banks based on the Commercial Code, generally accepted auditing standards in Japan, the practical guidance published by the Japanese Institute of Certified Public Accountants, the Financial Inspection Manuals, etc., and carried out the following write-offs and reserves for its assets in principle, based on the results of aforementioned Self-Assessment of Assets.

Normal Obligors	Appropriate the expected amount of the losses over a year computed based on the expected loss ratio for general reserve for possible losses on loans.
Watch Obligors	Appropriate the expected amount of the losses over three years computed based on the expected loss ratio for general reserve for possible losses on loans. As for any claims against obligors having Past Due for 3 Months or More and/or Restructured Loans, appropriate the indispensable amount *among the balance after deduction of the anticipated amount from the sale of collateral pledged against the claims and/or the anticipated amount that may be recovered from guarantors of the claims for general reserve for possible losses on loans.
Intensive Control Obligors	Appropriate either amount of following (1) or (2) for specific reserve for possible losses on loans, among the balance* after deduction of the anticipated amount from the sale of collateral pledged against the claims and/or the anticipated amount that may be recovered from guarantors of the claims. (1) the amount computed based on a comprehensive evaluation of the obligor's ability to pay. (2) the amount multiplying the aforementioned balance* by the expected loss ratio for the next three years.
Substantially Bankrupt Obligors	Appropriate the following amount for specific reserve for possible losses on loans or write-offs: all of the balance after deduction of the anticipated amount from the sale of collateral pledged against the claims and/or the anticipated amount that may be recovered from guarantors of the claims.
Bankrupt Obligors	Appropriate the following amount for specific reserve for possible loan losses on loans or write-offs: all of the balance after deduction of the anticipated amount from the sale of collateral pledged against the claims and/or the anticipated amount that may be recovered from guarantors of the claims.

* The Banks have provided reserves based on the guidelines published by the Financial Reconstruction Commission.

2. Status of Non-Accrual, Past Due, & Restructured Loans

*1: The figures below are after direct charge-offs of Category IV loans.

*2: Treatment of accrued interest is based on the results of the self-assessment of assets.

(No accrued interest receivable on loans to Bankrupt Obligors, Substantially Bankrupt Obligors, and Intensive Control Obligors are recognized.)

(Consolidated)

(in millions of yen)

Non-Accrual, Past Due & Restructured Loans		3/31/2001	Change from	9/30/2000
	Loans to Bankrupt Obligors	470,031	(116,822)	586,854
	Non-Accrual Delinquent Loans	2,169,692	(2,281)	2,171,974
	Loans Past Due for 3 Months or More	124,800	(63,346)	188,147
	Restructured Loans	1,791,770	200,133	1,591,637
	Total	4,556,295	17,682	4,538,612

* Above figures are presented net of direct charge-offs.

Amount of Direct Charge-offs	2,735,623	(263,877)	2,999,500
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Total Loans (Balance as of 3/31/2001)	92,286,772	1,338,663	90,948,109
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(%)

Ratio to Total Loans	3/31/2001		9/30/2000
		Change from 9/30/00	
	Loans to Bankrupt Obligors	0.51	0.65
	Non-Accrual Delinquent Loans	2.35	2.39
	Loans Past Due for 3 Months or More	0.14	0.21
	Restructured Loans	1.94	1.75
	Total	4.94	4.99

(Aggregated Figures of the 3 Banks)

(in millions of yen)

Non-Accrual, Past Due & Restructured Loans		3/31/2001	Change from 9/30/00	Change from 3/31/00	9/30/2000	3/31/2000
	Loans to Bankrupt Obligors	427,654	(92,103)	97,062	519,757	330,592
	Non-Accrual Delinquent Loans	1,889,752	1,009	(741,473)	1,888,743	2,631,225
	Loans Past Due for 3 Months or More	137,244	(41,789)	(62,395)	179,033	199,639
	Restructured Loans	1,639,480	147,617	135,673	1,491,863	1,503,807
	Total	4,094,136	14,736	(571,130)	4,079,400	4,665,266

* Above figures are presented net of direct charge-offs.

Amount of Direct Charge-offs	2,125,313	(132,423)	206,314	2,257,736	1,918,999
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Total Loans (Balance as of 9/30/2000)	85,697,702	1,142,201	100,227	84,555,501	85,597,475
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Ratio to Total Loans	3/31/2001		9/30/2000	3/31/2000
		Change from 9/30/00		
	Loans to Bankrupt Obligors	0.50	0.61	0.39
	Non-Accrual Delinquent Loans	2.21	2.23	3.07
	Loans Past Due for 3 Months or More	0.16	0.21	0.23
	Restructured Loans	1.91	1.76	1.76
	Total	4.78	4.82	5.45

3. Status of Loan Loss Reserves (Consolidated)

(in millions of yen)

	3/31/2001		9/30/2000
		Change from 9/30/00	
Reserves for Possible Losses on Loans (a+b+c)	1,627,632	16,957	1,610,674
(a)General Reserve for Possible Losses on Loans	780,774	27,050	753,723
(b)Specific Reserve for Possible Losses on Loans	817,943	(12,546)	830,490
(c)Reserve for Possible Losses on Loans to Restructuring Countries	28,914	2,454	26,460
Amount of Direct Charge-offs	2,838,028	(258,752)	3,096,781
Reserve for Possible Losses on Support of Specific Borrowers	159,628	(62,349)	221,977
Reserve for Possible Losses on Loans Sold	199,093	(52,968)	252,061

(Aggregated Figures of the 3 Banks)

(in millions of yen)

	3/31/2001			9/30/2000	3/31/2000
		Change from 9/30/00	Change from 3/31/00		
Reserves for Possible Losses on Loans (a+b+c)	1,339,778	15,933	(457,449)	1,323,845	1,797,227
(a)General Reserve for Possible Losses on Loans	553,881	8,585	7,412	545,296	546,469
(b)Specific Reserve for Possible Losses on Loans	760,007	5,450	(463,267)	754,557	1,223,274
(c)Reserve for Possible Losses on Loans to Restructuring Countries	25,888	1,898	(1,594)	23,990	27,482
Amount of Direct Charge-offs	2,202,942	(119,127)	216,756	2,322,069	1,986,186
Reserve for Possible Losses on Support of Specific Borrowers	176,737	(58,467)	(47,967)	235,204	224,704
Reserve for Possible Losses on Loans Sold	195,398	(49,204)	(105,210)	244,602	300,608
Loans to CCPC	311,809	(108,211)	(216,373)	420,020	528,182

*CCPC: Cooperative Credit Purchasing Company,Ltd.

4. Reserve Ratios for Non-Accrual, Past Due, & Restructured Loans (Consolidated)

(%)

	3/31/2001		9/30/2000
		Change from 9/30/00	
Before Direct Charge-offs of Category IV Loans	63.43	(1.96)	65.39
After Direct Charge-offs of Category IV Loans	39.23	(1.15)	40.38

(Aggregated Figures of the 3 Banks)

(%)

	3/31/2001			9/30/2000	3/31/2000
		Change from 9/30/00	Change from 3/31/00		
Before Direct Charge-offs of Category IV Loans	59.80	(1.44)	(1.07)	61.24	60.87
After Direct Charge-offs of Category IV Loans	37.04	(1.18)	(6.30)	38.22	43.34

**5. Disclosed Claims under the Financial Reconstruction Law ("FRL")
(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
Claims against Bankrupt and Substantially-Bankrupt Obligors	805,931	(234,103)	51,703	1,040,034	754,228
Claims with Collection Risk	1,613,012	187,413	(668,452)	1,425,599	2,281,464
Claims for Special Attention	1,776,725	105,828	73,279	1,670,897	1,703,446
Total (A)	4,195,671	59,136	(543,470)	4,136,535	4,739,141
Amount of Direct Charge-offs	2,202,942	(119,127)	216,756	2,322,069	1,986,186

**6. Status of Coverage on Disclosed Claims under the FRL
(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
Coverage Amount (B)	3,077,110	(24,034)	(674,941)	3,101,144	3,752,051
Reserve for Possible Losses on Loans	879,503	44,743	(425,797)	834,760	1,305,300
Reserve for Possible Losses on Support of Specific Borrowers	176,412	(58,792)	(48,292)	235,204	224,704
Collateral, Guarantees, etc.	2,021,194	(9,986)	(200,851)	2,031,180	2,222,045
					(%)
Coverage Ratio (B)/(A)					
After Direct Charge-offs of Category Loans	73.3	(1.7)	(5.9)	75.0	79.2
Before Direct Charge-offs of Category Loans	82.5	(1.5)	(2.8)	84.0	85.3
against Claims against Bankrupt and Substantially-Bankrupt Obligors	100.0	-	-	100.0	100.0
against Claims with Collection Risk	85.4	1.9	(2.7)	83.5	88.1
against Claims for Special Attention	50.3	(2.0)	(7.6)	52.3	57.9
Reserve Ratio against Non-collateralized Claims					(%)
against Claims against Bankrupt and Substantially-Bankrupt Obligors	100.0	-	-	100.0	100.0
against Claims with Collection Risk	72.7	3.9	(6.8)	68.8	79.5
against Claims for Special Attention	27.9	(4.3)	(4.4)	32.2	32.3
[Reference] Reserve Ratio regarding Other Claims					(%)
Claims against Watch Obligors excluding Claims for Special Attention	3.94	(0.01)	0.20	3.95	3.74
Normal Claims	0.10	(0.02)	(0.03)	0.12	0.13

**7. Overview of Disclosure on Problem Loans
(Aggregated figures of the 3 Banks)**

(in millions of yen)

1. SELF-ASSESSMENT					2.	3.										
Obligor	Non-Categorization	Category	Category III	Category IV	Disclosed Claims under the Financial Reconstruction Law	Non-Accrual, Past Due & Restructured Loans										
Bankrupt and Substantially Bankrupt Obligors 805,931	805,931 <i>Covered by Reserves, Good Quality Collateral or Guarantees</i>		Reserve ratio 100%	Direct Write-offs	Claims against Bankrupt and Substantially-Bankrupt Obligors 805,931 Coverage ratio 100%	Loans to Bankrupt Obligors 427,654										
Intensive Control Obligors 1,613,012	1,377,950 <i>Covered by Reserves, Good Quality Collateral or Guarantees</i>		235,062 Reserve ratio 72.7%		Claims with Collection Risk 1,613,012 Coverage ratio 85.4%	Non-Accrual Delinquent Loans 1,889,752										
Watch Obligors						101,535 (Note 2)										
<table border="1"> <tr> <td>Claims for Special Attention 1,776,725</td> <td rowspan="3">Reserve ratio for un-covered portion 27.9%</td> <td rowspan="3"></td> <td rowspan="3"></td> <td rowspan="3"></td> <td rowspan="3">Claims for Special Attention (Note1) 1,776,725 Coverage ratio 50.3%</td> <td>Lans Past Due for 3 Months or more 137,244</td> </tr> <tr> <td>Special Attention Obligors</td> <td rowspan="2">Restructured Loans 1,639,480</td> </tr> <tr> <td>Other Watch Obligors</td> </tr> </table>	Claims for Special Attention 1,776,725	Reserve ratio for un-covered portion 27.9%				Claims for Special Attention (Note1) 1,776,725 Coverage ratio 50.3%	Lans Past Due for 3 Months or more 137,244	Special Attention Obligors	Restructured Loans 1,639,480	Other Watch Obligors						
Claims for Special Attention 1,776,725	Reserve ratio for un-covered portion 27.9%										Claims for Special Attention (Note1) 1,776,725 Coverage ratio 50.3%	Lans Past Due for 3 Months or more 137,244				
Special Attention Obligors									Restructured Loans 1,639,480							
Other Watch Obligors																
Normal Obligors																
Total 97,904,785					Aggregate Coverage Ratio 73.3%											
					Total 4,195,671	Total 4,094,136										

Reserved based on estimated credit losses

Note 1 Claims for Special Attention includes loans only and is equal to the total amount of Loans Past Due for 3 Months or More and Restructured Loans. The figure under Special Attention Obligors represents the total amount of claims against the obligors of claims for Special Attention.

Note 2 The difference between total Non-Accrual, Past Due & Restructuring Loans and total Disclosed Claims under the FRL represents claims included in Disclosed Claims under the FRL other than loans.

8 . Status of Loans by Industry**a) Outstanding Loans by Industry****(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001	Change from		9/30/2000	3/31/2000
		9/30/00	3/31/00		
Domestic Offices (excluding loans booked at offshore markets)	75,203,883	(67,265)	(1,161,641)	75,271,148	76,365,524
Manufacturing	11,491,792	(88,431)	(349,492)	11,580,223	11,841,284
Agriculture	106,795	(2,674)	(2,699)	109,469	109,494
Forestry	3,941	29	(1)	3,912	3,942
Fishery	59,911	8,233	1,714	51,678	58,197
Mining	82,888	(9,263)	(19,620)	92,151	102,508
Construction	2,912,422	54,641	(101,149)	2,857,781	3,013,571
Utilities	1,729,912	(118,749)	(298,434)	1,848,661	2,028,346
Transportation & Communication	4,461,402	(59,870)	607,304	4,521,272	3,854,098
Wholesale, Retail & Restaurant	11,057,551	197,446	(297,796)	10,860,105	11,355,347
Finance & Insurance	9,469,315	318,236	(626,210)	9,151,079	10,095,525
Real Estate	8,122,362	(9,597)	(114,692)	8,131,959	8,237,054
Services	11,752,968	(149,772)	(312,391)	11,902,740	12,065,359
Local Government	257,020	13,683	(92,746)	243,337	349,766
Others	13,695,596	(221,178)	444,583	13,916,774	13,251,013
Overseas Offices and loans booked at offshore markets	10,493,819	1,209,467	1,261,871	9,284,352	9,231,948
Governments	436,978	101,973	(98,552)	335,005	535,530
Financial Institutions	549,998	52,988	(317,009)	497,010	867,007
Others	9,506,840	1,054,507	1,677,432	8,452,333	7,829,408
Total	85,697,702	1,142,201	100,227	84,555,501	85,597,475

b) Non-Accrual, Past Due & Restructured Loans and Disclosed Claims under the FRL by Industry**(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000		3/31/2000	
	Non-Accrual, Past Due & Restructured Loans	Disclosed Claims under the FRL	Non-Accrual, Past Due & Restructured Loans	Disclosed Claims under the FRL	Non-Accrual, Past Due & Restructured Loans	Disclosed Claims under the FRL
Domestic Offices (excluding loans booked at offshore markets)	3,745,446	3,794,480	3,836,169	3,881,581	4,405,850	4,462,823
Manufacturing	206,894	208,323	173,771	175,456	183,263	186,571
Agriculture	21,307	21,362	20,891	20,917	21,573	21,605
Forestry	135	135	138	138	-	-
Fishery	439	448	115	125	122	132
Mining	1,897	1,908	4,188	11,220	3,086	7,839
Construction	492,679	493,118	495,990	496,653	554,288	561,214
Utilities	2,164	2,164	5,015	5,015	4,116	4,117
Transportation & Communication	47,596	47,677	52,965	53,088	57,848	57,981
Wholesale, Retail & Restaurant	556,650	569,514	563,583	576,232	720,389	734,787
Finance & Insurance	303,471	315,939	434,316	434,544	439,099	439,851
Real Estate	1,031,866	1,033,745	951,491	953,560	1,050,160	1,052,752
Services	781,218	797,699	841,367	858,984	1,091,396	1,112,272
Local Government	-	-	-	-	-	-
Others	299,114	302,434	292,320	295,633	280,499	283,687
Overseas Offices and loans booked at offshore markets	348,689	401,191	243,231	254,953	259,415	276,316
Governments	17,466	21,534	13,443	13,459	19,413	19,428
Financial Institutions	9,012	9,012	10,564	10,564	9,666	9,667
Others	322,209	370,640	219,221	230,926	230,334	247,219
Total	4,094,136	4,195,671	4,079,400	4,136,535	4,665,266	4,739,141

**c) Outstanding Housing and Consumer Loans
(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
Housing and Consumer Loans	12,258,382	193,091	350,331	12,065,291	11,908,051
Housing Loans	11,275,088	191,019	324,289	11,084,069	10,950,799
for owner occupied house	8,413,792	243,570	484,528	8,170,222	7,929,264
Consumer loans	983,294	2,073	26,043	981,221	957,251

**d) Share and Amount of Loans to Both Small/Medium-Size Companies and Individuals
(Aggregated Figures of the 3 Banks)**

(% , in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
Share of Loans to Both Small/Medium-Size Companies and Individuals	63.4	1.3	1.5	62.1	61.9
Loans to Both Small/Medium-Size Companies and Individuals	47,668,681	953,148	157,439	46,715,533	47,511,242

* The figures above do not include loans booked at overseas offices or offshore markets.

* The definition of "Small/Medium-Size companies" is as follows:

Companies of which the capital is 300 million yen or below (100 million yen or below for the wholesale industry and 50 million yen or below for the retail, restaurant & service industries), or companies with full-time employees of 300 or below (100 or below for the wholesale industry, 50 or below for the retail and restaurant industries, and 100 or below for the service industry)

9 . Status of Loans by Nationality of Borrowers

**a) Loans to Restructuring Countries
(Aggregated Figures of the 3 Banks)**

(in millions of yen, number of countries)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
Loan amount	197,628	10,423	(3,719)	187,205	201,347
Number of Restructuring Countries	9	-	(1)	9	10

**b) Loans to Asia
(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
Indonesia	50,243	5,146	(6,394)	45,097	56,637
Thailand	33,462	4,285	5,218	29,177	28,244
China	31,737	3,121	(6,616)	28,616	38,353
Hong Kong	15,703	(15,833)	(10,856)	31,536	26,559
South Korea	4,138	(104)	(284)	4,242	4,422
Singapore	3,209	5	(396)	3,204	3,605
Others	9,575	(3,198)	(3,840)	12,773	13,415
Total	148,077	(6,574)	(23,163)	154,651	171,240

**c) Loans to Central and South America
(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
	1,266	82	26	1,184	1,240

**d) Loans to Russia
(Aggregated Figures of the 3 Banks)**

(in millions of yen)

	3/31/2001		9/30/2000	3/31/2000	
		Change from 9/30/00			Change from 3/31/00
	3,778	183	(320)	3,595	4,098

10. Principals of Problem Loans Sold (Aggregated Figures of the 3 Banks)

(in billions of yen)

	3/31/2001		3/31/2000
		Change	
Principals of Problem Loans Sold	351.6	(242.0)	593.6
To CCPC	-	(10.5)	10.5
To RCC	36.3	(22.4)	58.7
To Others	315.0	(209.0)	524.0

Notes: "CCPC" stands for Cooperative Credit Purchasing Company, Limited.

"RCC" stands for Resolution and Collection Corporation.

11. Debt Forgiveness

(Aggregated Figures of the 3 Banks)

(number of cases, in billions of yen)

	3/31/2001		3/31/2000
		Change	
Number of Debt Forgiveness cases	19	2	17
Book Amounts of Debt Forgiveness	207.5	(87.1)	294.6

Note: The above figures do not include debt forgiveness conducted following legal bankruptcy procedures.