

October 19, 2007

Mizuho Financial Group, Inc.
Mizuho Corporate Bank, Ltd.

**Recommendation on Administrative Disciplinary Action
by the Securities and Exchange Surveillance Commission in respect of Mizuho Securities Co., Ltd.**

The Securities and Exchange Surveillance Commission today issued a recommendation that the Prime Minister and the Commissioner of the Financial Services Agency take disciplinary administrative action based upon the ascertainment of certain facts constituting a violation of applicable laws and regulations by Mizuho Securities, a subsidiary of Mizuho Financial Group, Inc. and Mizuho Corporate Bank, Ltd.

We sincerely apologize to our clients and all related parties for any inconvenience this matter may have caused.

While Mizuho Financial Group and each of its subsidiaries have been making efforts to improve internal control system, we take this matter very seriously and will work towards further improvement and reinforcement of our internal control system to prevent any action that may be regarded as violation of laws and regulations with utmost effort.

Attached : Recommendation Based on Inspection Results of Mizuho Securities Co., Ltd.

(Attachment)

Recommendation Based on Inspection Results of Mizuho Securities Co., Ltd.

1. Contents of the Recommendation

As set out below, today the Securities and Exchange Surveillance Commission issued a recommendation that the Prime Minister and the Commissioner of the Financial Service Agency take disciplinary administrative action and other appropriate measures pursuant to Item 1, Section 20 of the Financial Services Agency Establishment Law Regulations based on an inspection of Mizuho Securities Co., Ltd. (“MHSC”) (Chiyoda-ku, Tokyo; President: Keisuke Yokoo; capitalization: JPY195.1 billion; employees: 1,852) from which it ascertained certain facts constituting a violation by MHSC and its employees of applicable laws and regulations.

2. The Facts

- Receipt of nonpublic information from parent bank and the use of such nonpublic information for solicitation purposes.
 - (1) On June 19, 2006, General Manager of MHSC Equity Group Business Development Department, in relation to its business, obtained from its parent bank, Mizuho Corporate Bank, Ltd., nonpublic information regarding 72 of its clients without obtaining their consent.
 - (2) ① On January 13, 2006, sales personnel of MHSC Fixed Income Group Sales Department IV, in relation to its business, obtained from its parent bank, Mizuho Corporate Bank, Ltd., nonpublic information regarding 71 of its clients without obtaining their consent.
 - ② The General Manager of MHSC Fixed Income Group Sales Department IV, supervisor of the above mentioned sales personnel, who received the nonpublic information in question, instructed four sales personnel of the same department to solicit clients based on the nonpublic information from which at least 3 cases of solicitation of securities purchase was conducted.

The conducts by MHSC and its employees stated above are deemed to be “Obtainment of Nonpublic Client Information from its Parent Entity, etc.” (with respect to Facts (1) and (2)① above) and “Solicitation of Transaction of Securities Using Nonpublic Client Information Obtained from its Parent Entity, etc.” (with respect to Facts (2)② above) under Article 12 Paragraph 1(7) of the Cabinet Office Regulations on the Conducts of Securities Companies, Article 45 Item 3 of the Securities and Exchange Law of Japan.