

Penalties for Management

Mizuho Financial Group, Inc. (MHFG) and Mizuho Bank, Ltd. (MHBK) take the responsibility of executives and employees involved in the recent incident related to captive loans extremely seriously. We will penalize these individuals as follows based on a comprehensive consideration of their degree of involvement and level of responsibility, including roles delegated, areas of responsibility, and length of time of involvement, during the period from making the policy decision to convert Orient Corporation into an equity method affiliate to the inspection by the Financial Services Agency in FY2012 and subsequent business improvement order:

I. Management Changes

Mr. Takashi Tsukamoto, Chairman of MHBK	Retired (Effective as of November 1, 2013)
Mr. Masakane Koike, Managing Director of MHFG (Head of Risk Management Group) and Managing Executive Officer of MHBK (Head of Risk Management Group)	
Mr. Mitsuo Ootani, Executive Officer of MHFG (General Manager of Compliance Division) and Executive Officer of MHBK (General Manager of Compliance Division)	

II. Reduction of Management Compensation

1. Reduction of Compensation for Senior Management

Chairman of MHFG and Chairman of MHBK (Retired effective November 1, 2013)	100% of one month's compensation × 6 months
Group CEO of MHFG and President and CEO of MHBK	100% of one month's compensation × 6 months

2. Reduction of Compensation for Executive Officers Involved

Executive Officers in charge of Compliance Groups or General Managers of Compliance Divisions	Maximum 40% of one month's compensation × 1-6 months
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Executive Officers in charge of Personal Banking Units or General Managers of Personal Banking Coordination Divisions	Maximum 20% of one month's compensation × 3 months
Executive Officers in charge of Internal Audit Groups	Maximum 10% of one month's compensation × 3 months
Executive Officers in charge of Strategic Planning Groups	10% or 20% of one month's compensation × 3 months
Executive Officers in charge of Human Resources Groups	10% of one month's compensation × 3 months
Executive Officer Members of Compliance Committees (except for Executive Officers mentioned above)	5% of one month's compensation × 3 months

3. In consideration of the serious nature of this incident and its impact, we will reduce the compensation of executive officers other than the individuals above that hold positions of managing executive officer or higher by 5% for 3 months.

4. Other Items related to the Reduction of Compensation

- If an individual held multiple roles that are subject to reduction of compensation during the applicable period, we will increase the penalty as may be necessary.
- Executive officers who have been in charge of the applicable businesses for a period of over 6 months will be subject to the penalty. (However, Chief Compliance Officers and General Managers of Compliance Divisions will be subject to the penalty even if in charge of the applicable business for less than 6 months.)
- We will seek voluntary return of compensation based on the above methods from retired executive officers (including the former President and CEO).

III. Other

- We have determined that the Group CEO, Executive Officers in charge of Compliance Groups, and members of the Compliance Committee of MHFG will also be subject to the above penalty.
- We will conduct strict disciplinary action based on employment regulations for employees who were involved in this incident.