

March 30, 2023

Z Holdings Corporation

## **LINE and Mizuho Financial Group to Halt Project for New Bank**

LINE Corporation (hereinafter "LINE;" Head office: Shinjuku-ku, Tokyo; President and Representative Director: Takeshi Idezawa), a consolidated subsidiary of Z Holdings Corporation (hereinafter the "Company"), and Mizuho Financial Group, Inc. (hereinafter "Mizuho FG;" Head office: Chiyoda-ku, Tokyo; President & Group CEO: Masahiro Kihara) have announced a halt to their project for launching a new bank. The venture was being led by LINE Bank Preparatory Company (Head office: Shinagawa-ku, Tokyo; Representative Director, President, and Co-CEO: Tetsuhiko Saito)—an entity established in May 2019 through a joint investment by LINE and Mizuho FG's respective subsidiaries, LINE Financial Corporation (Head office: Shinagawa-ku, Tokyo; Representative Director, President, CEO: Tetsuhiko Saito) and Mizuho Bank Ltd. (Head office: Chiyoda-ku, Tokyo; President & CEO: Masahiko Kato). Please see the appendix for details.

The Company regards the impact of this matter on the Company's consolidated business results for the fiscal year ending March 31, 2023 to be minor. Also, since it does not fall under the timely disclosure standards of the Tokyo Stock Exchange, this notice is being voluntarily disclosed as PR information.

## LINE and Mizuho Financial Group to Halt Project for New Bank

**TOKYO – March 30, 2023** – LINE Corporation (“LINE”) and Mizuho Financial Group (“Mizuho FG”) announce a halt to their project for launching a new bank. The venture was being led by LINE Bank Preparatory Company—an entity established in May 2019 through a joint investment by the two companies’ respective subsidiaries, LINE Financial Corporation and Mizuho Bank Ltd. (“Mizuho Bank”).

### 1. Background to the decision

LINE Bank Preparatory Company had been aiming to provide a never-before-seen “smartphone bank” that would offer all its banking services within the LINE app, bringing Mizuho Bank’s extensive banking know-how together with LINE’s 94 million+ MAUs and exceptionally user-friendly UI/UX.

Recent trends have seen financial DX advancing within society and the economy, as well as heightened scrutiny towards the security of services. After much careful consideration based on these developments, LINE and Mizuho FG have mutually reached the conclusion that additional time and investment would be required to provide a secure and convenient service that meets customers’ expectations and that at present, this would not be attainable in a timely manner.

### 2. Next steps

Dissolution and liquidation proceedings for LINE Bank Preparatory Company will move ahead after arrangements have been made with business partners and other stakeholders.

### 3. Future strategies

As the two companies have already jointly launched a personal loan service through LINE Credit Corporation, they will seek to continue their harmonious relationship and collaborate on ultra-convenient offerings for users.

As LINE strives for more secure and higher quality services, it will continue pursuing a truly user-first approach and new financial experiences that cannot be found elsewhere.

Mizuho will endeavor to energize its alliances and continue working towards enhanced convenience for its customers, building on the digital transformation investments it has made into Mizuho Direct and an array of other functions.

#### ■ Overview of LINE Bank Preparatory Company (as of March 30, 2023)

(1) Name: LINE Bank Preparatory Company

(2) Location: Sumitomo Fudosan Osaki Garden Tower 22F, 1-1-1 Nishi-Shinagawa, Shinagawa-ward, Tokyo

(3) Representatives: Tetsuhiko Saito, Representative Director, President, and Co-CEO  
Yasuhiro Takaara, Representative Director and Co-CEO

(4) Capital and capital reserve: JPY 25.5 billion

(5) Share structure: LINE Financial Corporation 50%, Mizuho Bank Ltd. 50%

(6) Established: May 27, 2019