

Retail & Business Banking Company

Individual customers

SMEs

Middle market corporations

To realize the wishes, hopes, and growth of our customers, we will aim to be a partner that helps retail customers design their lives, and a strategic partner for corporate clients' growth strategy and business succession needs.

Masahiro Otsuka

Head of Retail & Business Banking Company



Naofumi Fuke

Co-Head of Retail & Business Banking Company

Basic policy

We will aim to transition to a more stable revenue base through channel optimization and expansion into new business areas. Our basic policy is to realize the wishes and hopes of our retail customers and the continued growth of our corporate clients, working to build a sustainable retail business which is responsive to the needs of our customers in this new era. As we implement structural reforms in three interconnected areas—

business structure, finance structure, and corporate foundations—by focusing our investment of corporate resources in a way that enables us to better respond to new business and customer needs, such as alliances with other companies to expand data business, cashless transactions, and other services, we will create new value in both finance and non-finance domains.

Business environment and challenges

As structural changes in customer needs accelerate, recently society as a whole has been undergoing considerable changes including changes to people's lifestyles and the increasing adoption of remote technology. In such times, retail customers are in need of support for designing their lives in an era of increased longevity. And among SMEs and middle market clients, there is increasing demand for solutions in areas such as business continuity and support, in light of the uncertain

business environment. It is essential that we fully respond to these changing needs and advance initiatives to address the accelerating use of online communication. Amidst these changes in the business environment, we must seek to take advantage of these changes in customer needs in order to create new business opportunities while also allocating our finite corporate resources in a way that enables us to establish a stable revenue base.

Trends in performance

In fiscal 2019, while challenges such as the decline in retail investment earnings due to deteriorating market conditions still remain, our reduction of the number of branches and other efforts made it possible to reduce expenses more than originally planned. As a result we achieved ¥16.5 billion in Net Business

Profits—the highest since introducing the in-house company system in fiscal 2016—marking a sure step in the right direction in the first fiscal year of the structural reforms. We will continue implementing three types of structural reform in order to reduce fixed costs and expand our stable revenue base.

(Group aggregate, management accounting, rounded figures, ¥ billion)

	FY2018	FY2019		FY2020
	Performance	Performance	Year-on-year	Targets
Gross Profits	705.9	673.6	(32.4)	642.0
Net Business Profits	10.1	16.5	6.5	(3.0)

1. Gross Profits and Net Business Profits include Net Gains related to ETFs.

2. Results are based on FY2019 management accounting rules, targets are estimates based on FY2020 management accounting rules.

Key strategies

Strengthen consulting

We will aim to be a partner that helps retail customers design their lives in an age of longevity. We provide consulting on asset formation/management and asset succession to match each individual customer's unique goals, considering their financial objectives and future outlook according to their different stages in life. We are also aiming to be a strategic

partner for SMEs and middle market clients as they seek to maintain or expand their businesses in an uncertain business environment. By offering sophisticated solutions as a united group, we are supporting our clients' sustainable growth and business succession needs.

Related SDGs 

Build an optimal channel network

In light of changes in customer needs and the increasing adoption of remote technology, we will position our mobile and other related services as the primary channels and expand the convenient digital services we offer. At the same time, we will

transform branches into consulting spaces offering one-stop service for banking, trust banking, and securities, as well as remote consultations, allowing us to respond to a diverse range of customer consultation needs.

Related SDGs 

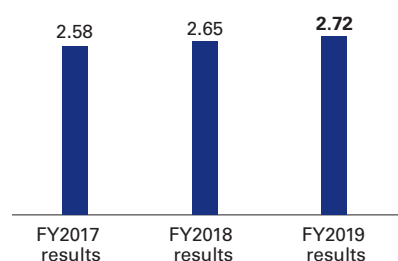
Expand into new business domains

Utilizing open collaboration and the adoption of advanced technology through alliances with other companies, we are creating new value beyond the traditional boundaries of finance in fields such as online lending, cashless payments, and the data business in order to formulate a new business model

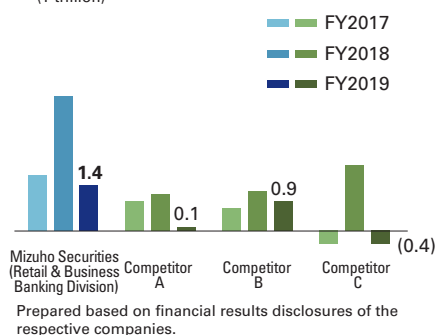
aligned to the ways that society and our customers are changing. By combining the non-finance mobile-based services of tech companies with our financial capabilities, we will also work to expand transactions with new customer demographics.

Related SDGs 

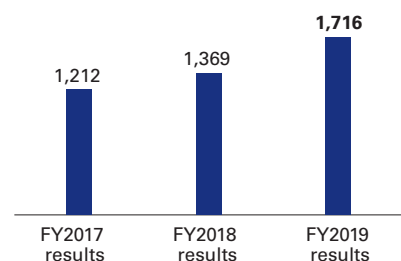
Number of investment product users (million users)



Asset inflows at securities companies (¥ trillion)



Business succession cases (No. of companies)



Highlights Initiatives for smooth financing

We have established a fund of over ¥1 trillion in order to fully respond to the financing needs of customers impacted by COVID-19 in this uncertain business environment. Furthermore, as demand for advanced medical technology increases amidst the pandemic, we have established the ¥10 billion Mizuho Life Science Fund to address the financing needs of companies involved in the development of state-of-the-art medical technology.



Highlights Developing the next generation of financial services tailored to new lifestyles

In June 2020, Mizuho and SoftBank agreed to form a strategic alliance to develop the next generation of financial services tailored to new lifestyles. Through this alliance, SoftBank and Mizuho will strengthen collaboration in lending, mobile trading, and payment services, create the next generation of financial services combining finance business with lifestyles that are centered on mobile devices, and support the realization of new lifestyles for customers by providing new highly convenient online services.

