

FY2017 Financial Results Presentation: Main Q&A

Q: Please tell us your thoughts when you accepted the role as Group CEO.

A: It was not an easy decision to become CEO as the business environment surrounding us has been very challenging. However, given our potential, we should be able to 'improve core earnings', which I believe is the most important for the company. The financial industry is going to face a huge paradigm shift in the future and I believe we can be a more valued financial group. I accepted this role since I thought there are many things I want to do and can do with passion to achieve our goal.

Q: Please tell us the policy for cross-shareholdings disposal.

A: First I would like to achieve the target of disposing of JPY 550billion of cross-shareholdings (from March 2015) by March 2019. In accordance with our explicit policy "not to hold shares, unless we consider these holdings to be meaningful" stated in the Corporate Governance Report, I believe we are required to take additional initiatives, even after achieving the target.

Q: Please tell us your thoughts on cost control.

A: When I see the current business environment from a macro perspective, I may put more emphasis on bottom-line management rather than trying to grow the top-line, and from that perspective, it is very important to control costs.

Japanese financial institutions tend to discuss the cost issue only on the basis of a year on year comparison. However, considering the current environment surrounding the industry, we cannot cope with the change in cost structure on a longer term in the same way as in the past.

I would like to change the cost structure, looking into it with a several year comparison and trend analysis, even though it might require some more effort.

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