

November 27, 2018
LINE Corporation
Mizuho Financial Group, Inc.
LINE Credit Corporation
LINE Financial Corporation
Mizuho Bank, Ltd.
Orient Corporation

Agreement on new share issuance of LINE Credit Corporation through third-party allotment to the group companies of LINE and Mizuho Financial Group

Aiming at establishing distinguished scoring platform and providing loan services

LINE Corporation (Representative Director, President and CEO: Takeshi Idezawa, "LINE") and Mizuho Financial Group, Inc. (President & CEO: Tatsufumi Sakai) agreed today to executing new share issue by LINE Credit Corporation (Representative Director: Youngsu Ko, "LINE Credit") through third-party allotment to their group companies, LINE Financial Corporation (Representative and CEO: Takeshi Idezawa, "LINE Financial"), Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara, "Mizuho Bank") and Orient Corporation (President: Masaaki Kono, "Orico")

This third-party allotment will be completed next spring, resulting in the voting rights of 51% held by LINE Financial, 34% held by Mizuho Bank and 15% held by Orico. LINE Credit will conduct necessary preparations in order to provide "LINE Score" which is a scoring service to individual customers and "LINE Pocket Money" which is an unsecured loans service to individual customers.

Under its mission, "Closing the Distance", LINE Financial is bringing people and financial services closer by providing investment service (LINE Smart Invest) and non-life insurance service (LINE Insurance) through the LINE messaging app, while preparing for other financial services. LINE Financial established LINE Credit in May 2018 in order to prepare the scoring service and the loan service and has decided to execute increase the capital this time.

Mizuho aims to pursue better use of technologies and to provide convenient financial services to a broader customer base by offering an open platform for third parties, utilizing its financial expertise. In order to provide the new scoring service and loan service to LINE users by using its financial expertise, Mizuho has decided to invest in LINE Credit as a financial related IT company on the assumption that any permission required will be obtained from the relevant authorities.

Orico is currently pursuing a sustainable growth by establishing a new business model through digital innovation etc. and expanding business area, under "Innovation for Next Orico" which is a new business policy of the next three-year medium-term business plan starting from FY2020/03. Orico will take on the new challenge of various initiatives through this new investment by utilizing its accumulated extensive expertise in credit related businesses such as unsecured loans service to individual customers and credit scoring model of several products.

This resolution was agreed among the above parties, in order to provide the new scoring service and loan service in order for LINE to expand its financial business by combining the extensive expertise in credit screening capabilities and accumulated credit related data of Mizuho Bank and Orico, and the LINE's massive user base, over 78 million MAU*1.

LINE Credit Corporation, the joint venture by the above-mentioned three companies, will seek for establishing an innovative own scoring platform that has never existed and providing highly useful loan services to the customers.

<Scoring service to individual customers: "LINE Score">

Scoring service for individuals, "LINE Score", can be utilized by any LINE users, boasting over 78 million MAU*1. Through scoring individuals by our own scoring model, this service enables credit valuation on individuals to be more visible and will be able to provide other various services in a more optimized way based on the score.

For the scoring, together with expertise of credit analysis of Mizuho Bank and Orico, as part of non-financial data analysis, the model will take account of the user and usage information of LINE and LINE related services, and additional information such as other user information.

This service will establish the distinguished scoring services platform that fits on-line financial services. The scoring is subject to the acceptance by the user.

The scoring data will also be utilized for other services provided by LINE. It can be extended by partnerships with other companies in the future.

<Unsecured Loan Services to Individual customers: "LINE Pocket Money">

In unsecured loan services for Individuals "LINE Pocket Money", the optimized annualized interest rate and available credit limit for each borrower is decided in accordance with the score through above-mentioned model.

This service will complete all the procedures within the application, from application for the loan, borrowing, and repayment, with the aim of accommodating sudden needs for loan such as an unexpected advance payment for entertainment, business trips and medical expenses.

We will inform further details about each service when we start the service in the future.

*1: Number of monthly active users in Japan

<Company Information of each company>

- LINE Corporation

1. Company Name: LINE Corporation
2. Location of Head Office: JR Shinjuku Miraina Tower 23F, 4-1-6 Shinjuku, Shinjuku-ku, Tokyo, Japan
3. Representative: Takeshi Idezawa, Representative Director, President and CEO
4. Business: Provision and operation of the LINE messaging app and content and services made available on the LINE platform, in order to other web service businesses and AI businesses
5. Capital: JPY 95.7 billion (as of September 30, 2018)
6. Date of Establishment: September 4, 2000

- Mizuho Financial Group, Inc.

1. Company Name: Mizuho Financial Group, Inc.
2. Location of Head Office: Otemachi Tower, 1-5-5, Otemachi, Chiyoda-ku, Tokyo, Japan
3. Representative: Tatsufumi Sakai, President & CEO
4. Business: Bank Holding Company
5. Capital: JPY 2,256.5 billion
6. Date of Establishment: January 8, 2003

- LINE Credit Corporation-

1. Company Name: LINE Credit Corporation (as of November 2018)
2. Location of Head Office: JR Shinjuku Miraina Tower 23F, 4-1-6 Shinjuku, Shinjuku-ku, Tokyo, Japan
3. Representative: Youngsu Ko, Representative Director
4. Capital and Capital Reserve: JPY 990 million
5. Shareholders: LINE Financial Corporation 100%
6. Date of Establishment: May 1, 2018

- LINE Financial Corporation

1. Company Name: LINE Financial Corporation
2. Location of Head Office: JR Shinjuku Miraina Tower 23F, 4-1-6 Shinjuku, Shinjuku-ku, Tokyo, Japan
3. Representative: Takeshi Idezawa, Representative Director and CEO
4. Business: Provision of financial instruments intermediary services
5. Capital: JPY 22.5 billion (as of October 31, 2018)
6. Date of Establishment: January 10, 2018

- Mizuho Bank, Ltd.

1. Company Name: Mizuho Bank, Ltd.
2. Location of Head Office: Otemachi Tower, 1-5-5, Otemachi, Chiyoda-ku, Tokyo, Japan
3. Representative: Koji Fujiwara, President & CEO
4. Business: Banking
5. Capital: JPY 1,404.0 billion
6. Date of Establishment: July 1, 2013

- Orient Corporation

1. Company Name: Orient Corporation
2. Location of Head Office: 2-1, Kojimachi 5-chome, Chiyoda-ku, Tokyo, Japan
3. Representative: Masaaki Kono, President & Representative Director
4. Business: Installment Credit, Credit Card and Direct Cash Loans, Bank Loan Guarantee and Settlement and Guarantee
5. Capital: JPY150 billion
6. Date of Establishment: December 27, 1954