

March 30, 2023
LINE Corporation
Mizuho Financial Group, Inc.
LINE Financial Corporation
Mizuho Bank, Ltd.
LINE Bank Preparatory Company

LINE and Mizuho Financial Group to Halt Project for New Bank

TOKYO – March 30, 2023 – LINE Corporation (“LINE”) and Mizuho Financial Group, Inc. (“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 leverage 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