

Summary of Q&A

Answerers

Makoto Umemiya	Member of the Board of Directors, Deputy President & Senior Executive Officer, Group CFO, Group CDIO
Koji Yonei	Senior Executive Officer, Group CIO
Hiroshi Kawamoto	Group Executive Officer, Group Chief Crisis Management Officer

Q.

Expense outlook. Expectation on expenses to be paid out.

A.

Umemiya:

Details would be discussed with final figures in financial results on May 13 or at the subsequent company presentation.

As we implement measures in response to the series of system failure, more than JPY10 billion were budgeted in the FY21 business plan for enhancement of stable business infrastructure, including non-recurring expenses. However, the entire budget was not consumed up yet and there is still remaining.

Slight increase as running costs and additional expenses are expected in FY22.

Currently discussing on the extent to which this expense should be included in FY22 business plan, and the details would be explained in coming May.

Q.

Findings in the course of the business improvement initiatives, such as ideas for improving operational efficiency, or a sense of solidarity and unity emerging within Mizuho.

A.

Kawamoto:

We have three major perspectives in reforming our corporate culture. First, to review inefficiency in internal operations. Second, to revitalizing communication from various angles, including communication between the management and the frontline offices. Last, to solve problems in a way that is rooted in the frontline offices, so our people can voice their concerns about what they have noticed in the field and make use of these findings within the organization.

A part of measures had been already taken as soon as they became ready. 100 decisions are made out of 600 opinions, which are received from our employees directly, on how to improve our internal operations.

What we try to accomplish are abolishing unnecessary working process which has been continued without review for many years, and spending more time on productive works.

Four working groups are established not only for implementing various one-off measures, but also for providing an organizational framework. Such four working groups have individual agenda; the axis for value and action, a reform on the way of communication, reforming style of business, and supporting voluntary actions. Working group for axis for value and action focuses on what Mizuho aims for in its business operations, as well as on solidarity. The working group is to redefine Mizuho values, as well as for the benefit of society and our customers, and also to cultivate a sense of solidarity through our initiatives.

Working group for reforming communication, aims to promote vertical, horizontal, and diagonal communication, and this will also leads to a sense of solidarity.

Working group for reforming style of business is an organization for systematically considering initiatives led by employees voluntarily, rather than making one-off measures.

Working group for supporting voluntary actions aims to take advantage of these initiatives within the organization.

Just started these initiatives under the new top management with these four groups, however, the momentum for reformation is already growing.

Q.

In the course of examination after IT system failures, is it necessary to build a new system at an earlier date than the original time frame?

A.

Yonei:

There is no major problems with the MINORI core banking system itself. Because the MINORI has an advantage in terms of external connections, especially in coming DX era, MINORI will be continually used.

Regarding hardware, some of them has already been replaced to prevent any failures, and inspections for detecting signs of future malfunctions are conducted to prevent system failures.