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Mizuho Financial Group, Inc.

IBM Japan, Ltd.

A Test of the Potential of Blockchain Technology for Use

Mizuho financial Group, Inc. (President and CEO：Yasuhiro Sato) and IBM Japan, Ltd. (President：Paul Yonamine) have today agreed to test blockchains[1]. The test is to be started in June with virtual currency in settlement business, using Hyperledger[2] and open blockchain technology[3] proposed by Linux Foundation[4] that is an open source[5] community promoting standardized IT technologies.

Blockchains are now attracting more attention and often tested in not only financial industry but also other business conditions, as it is expected to provide a lower cost and more efficient transaction system to customers. In this test, Mizuho will study the feasibility of blockchains with virtual currency in settlement business using the advanced applications development support service IBM Garage*6 provided by IBM Japan. IBM Japan will support Mizuho building a common platform to reform its development style such as designing and developing business applications using blockchains, with Mizuho's experience in system developments and IBM Japan's knowledge in global business services across various industries.

Mizuho has promoted projects to create new customer experiences or business value by adopting latest technologies in response to environmental change inside and outside Japan, and will make further efforts to provide higher quality services or create new financial business to speedily respond to rapid technological evolution through feasibility studies on blockchain technology or virtual currency.

IBM Japan has participated in Linux Foundation's Hyperledger Project to promote blockchain technology, which allowed applications developers to create distributed ledgers easily with high level security.

[1] Blockchains: Distributed ledger technology to share and manage transaction record or asset register data by distributed network users, which allows a low cost management.

[2] Hyper Ledger: Open source project to promote blockchain technology to record and verify transactions.

[*3] Open blockchain: Open source software blockchain technology developed by IBM

[*4] Linux Foundation: Nonprofit organization established in 2007 to standardize, support and promote Linux

[*5] Open source: The term refers to something that can be modified and shared because its design is publicly accessible.

[*6] IBM Garage: IBM Japan's facilities and services to support short term development of advanced applications such as mobile or analytics designed from the user's point of view for startup to large companies.