

Consolidated Capital Adequacy Ratio As of September 30, 2017

(Millions of yen)

Item	As of September 30, 2017		As of September 30, 2016	
		Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
Core Capital: Instruments and reserves				
Directly issued qualifying common stock or preferred stock mandatorily converted into common stock capital plus related capital surplus and retained earnings	9,585,067		9,941,911	
of which: capital and capital surplus	7,653,156		7,653,104	
of which: retained earnings	2,875,265		3,134,029	
of which: treasury stock (deduction)	831,946		731,993	
of which: cash dividends to be paid (deduction)	111,407		113,228	
of which: other than those above	—		—	
Accumulated other comprehensive income (amount allowed to be included in Core Capital)	105,002		27,538	
of which: foreign currency translation adjustments	(79,286)		(113,637)	
of which: remeasurements of defined benefit plans	184,288		141,176	
Subscription rights to common stock and preferred stock with a compulsory conversion clause	—		—	
Adjusted non controlling interests (amount allowed to be included in Core Capital)	190,969		158,543	
Reserves included in Core Capital: Instruments and reserves	332		328	
of which: general reserve for possible loan losses	332		328	
of which: eligible provisions to expected losses	—		—	
Eligible noncumulative perpetual preferred stock subject to transitional arrangements (amount allowed to be included in Core Capital)	—		—	
Eligible capital instruments subject to transitional arrangements (amount allowed to be included in Core Capital)	—		—	
Capital instruments issued through the measures for capital enhancement by public institutions (amount allowed to be included in Core Capital)	—		—	
45% of land revaluation differences (amount allowed to be included in Core Capital)	—		—	
Non controlling interests included in Core Capital subject to transitional arrangements	770,285		787,067	
Core Capital: instruments and reserves (A)	10,651,657		10,915,389	
Core Capital: regulatory adjustments				
Total intangible assets (excluding those relating to mortgage servicing rights)	67,818	43,232	411,474	76,501
of which: goodwill (including those equivalent)	2,969	—	360,473	—
of which: other intangible assets other than mortgage servicing rights	64,849	43,232	51,001	76,501
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	240	160	1,370	2,055
Shortfall of eligible provisions to expected losses	—	—	—	—
Securitization gain on sale	—	—	—	—
Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	—	—
Defined-benefit pension fund net assets	14,762	9,841	7,585	11,378
Investments in own shares (excluding those reported in the Net Assets section)	4	2	—	—
Reciprocal cross-holdings in common equity	—	—	—	—
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (hereinafter referred to as "Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	—	—	—	—
Amount exceeding the 10% threshold on specified items	—	—	—	—
of which: significant investments in the common stock of Other Financial Institutions	—	—	—	—
of which: mortgage servicing rights	—	—	—	—
of which: deferred tax assets arising from temporary differences	—	—	—	—
Amount exceeding the 15% threshold on specified items	—	—	—	—
of which: significant investments in the common stock of Other Financial Institutions	—	—	—	—
of which: mortgage servicing rights	—	—	—	—
of which: deferred tax assets arising from temporary differences	—	—	—	—
Core Capital: regulatory adjustments (B)	82,825		420,430	
Total core capital				
Total core capital ((A) - (B)) (C)	10,568,832		10,494,958	
Risk weighted assets				
Total credit risk-weighted assets	46,301,522		38,768,594	
of which: total amount included in risk-weighted assets subject to transitional arrangements	29,293		(30,348)	
of which: intangible assets other than goodwill and mortgage servicing rights	43,232		76,501	
of which: deferred tax assets	160		2,055	
of which: Defined-benefit pension fund net assets	9,841		11,378	
of which: significant investments in the capital instruments (excluding common stock) of Other Financial Institutions	(23,944)		(120,284)	
of which: other than those above	2		—	
Market risk equivalent divided by 8%	—		—	
Operational risk equivalent divided by 8%	3,789,766		4,083,232	
Credit risk-weighted assets adjustments	—		—	
Operational risk equivalent adjustments	—		—	
Total amount of risk-weighted assets (D)	50,091,288		42,851,827	
Capital adequacy ratio (consolidated)				
Capital adequacy ratio (consolidated) ((C)/(D))	21.09%		24.49%	

November 24, 2017

Japan Post Holdings Co., Ltd. (the “Company”) announces that some amendments were made to the “Disclosure of Composition of Equity Capital” announced on the Company’s website on November 14, 2017. The details are as follows.

“Consolidated Capital Adequacy Ratio”

(As of September 30, 2017)

(Millions of yen)

	Before amendment	After amendment
Total credit risk-weighted assets	46,298,344	46,301,522
Total amount of risk-weighted assets	50,088,111	50,091,288
Capital adequacy ratio (consolidated)	21.10%	21.09%