

Correction to Japan Post Group Annual Report 2010

Japan Post Holdings Co., Ltd. made the correction to the information in Japan Post Group Annual Report published in July 2010.

Please refer to the corrected information below:

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2. Financial Conditions (Year ended March 31, 2010)

Before correction	After correction
As of March 31, 2010, the consolidated capital adequacy ratio (domestic standard) was <u>69.73%</u> .	As of March 31, 2010, the consolidated capital adequacy ratio (domestic standard) was <u>69.77%</u> .

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3. Consolidated Financial Highlights (April 1, 2009 to March 31, 2010)

■Financial Condition

	Before correction	After correction
Consolidated capital adequacy ratio (domestic standard) (Note 2)	(Year ended March 31, 2010) <u>69.73%</u>	(Year ended March 31, 2010) <u>69.77%</u>
	(Year ended March 31, 2009) <u>67.63%</u>	(Year ended March 31, 2009) <u>67.62%</u>

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5. Japan Post Bank Financial Highlights (April 1, 2009 to March 31, 2010)

Before correction	After correction
while the capital adequacy ratio (Basel II) was <u>91.55%</u> .	while the capital adequacy ratio (Basel II) was <u>91.62%</u> .

■Financial Condition

	Before correction	After correction
Non-consolidated capital adequacy ratio (domestic standard) (Note)	(Year ended March 31, 2010) <u>91.55%</u>	(Year ended March 31, 2010) <u>91.62%</u>
	(Year ended March 31, 2009) <u>92.11%</u>	(Year ended March 31, 2009) <u>92.09%</u>

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1 Key Financial Indicators

(Millions of yen)

	Before correction		After correction	
	Fiscal 2009	Fiscal 2010	Fiscal 2009	Fiscal 2010
Revenue	2,488,552	2,207,942	2,488,552	2,207,942
Operating profit t (before provision for [reversal of] general reserve for possible loan losses)	480,602	489,157	480,602	489,157
Net operating profit	480,602	489,032	480,602	489,032
Net ordinary income	385,243	494,252	385,243	494,252
Net income	229,363	296,758	229,363	296,758
Common stock	3,500,000	3,500,000	3,500,000	3,500,000
Shares outstanding (thousands of shares)	150,000	150,000	150,000	150,000
Net assets	8,179,574	8,839,547	8,179,574	8,839,547
Total assets	196,480,796	194,678,352	196,480,796	194,678,352
Deposits	177,479,840	175,797,715	177,479,840	175,797,715
Loans	4,031,587	4,022,547	4,031,587	4,022,547
Securities	173,551,137	178,230,687	173,551,137	178,230,687
Capital adequacy ratio (nonconsolidated, domestic standard)	<u>92.11%</u>	<u>91.55%</u>	<u>92.09%</u>	<u>91.62%</u>
Dividend payout ratio	24.98%	24.96%	24.98%	24.96%
Employees	11,675 人	12,060 人	11,675	12,060

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Japan Post Group (Consolidated)

	Before correction			After correction		
	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2008	Fiscal 2009	Fiscal 2010
Consolidated capital adequacy ratio (domestic standard)	60.91%	<u>67.63%</u>	<u>69.73%</u>	60.91%	<u>67.62%</u>	<u>69.77%</u>

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Japan Post Bank Co., Ltd. (Non-consolidated)

	Before correction			After correction		
	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2008	Fiscal 2009	Fiscal 2010
Non-consolidated capital adequacy ratio (domestic standard)	85.90%	<u>92.11%</u>	<u>91.55%</u>	85.90%	<u>92.09%</u>	<u>91.62%</u>

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3. Summary of evaluation method for capital adequacy of holding company group concerning the FSA's Consolidated Capital Adequacy Ratio Disclosure Notice

Before correction	After correction
the consolidated capital adequacy ratio as of March 31, 2010 calculated in accordance with the FSA's Consolidated Capital Adequacy Ratio Disclosure Notice was <u>69.73%</u> (Tier1 ratio was <u>78.43%</u>)	the consolidated capital adequacy ratio as of March 31, 2010 calculated in accordance with the FSA's Consolidated Capital Adequacy Ratio Disclosure Notice was <u>69.77%</u> (Tier1 ratio was <u>78.47%</u>)

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2. Capital structure

Consolidated capital ratio (domestic standard)

(Millions of yen)

		Before correction		After correction	
(Omit)					
Item		March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
(Total) risk-adjusted assets	Assets (on-balance-sheet items)	<u>7,065,619</u>	<u>7,463,727</u>	<u>7,067,982</u>	<u>7,458,110</u>
	Off-balance-sheet transactions, etc.	<u>73,462</u>	<u>21,925</u>	<u>73,249</u>	<u>20,987</u>
	Amount of market risk equivalent, divided by 8%	—	—	—	—
	Amount of operational risk equivalent, divided by 8%	4,193,000	3,990,922	4,193,000	3,990,922
	(Total) risk-adjusted assets (F)	<u>11,332,083</u>	<u>11,476,576</u>	<u>11,334,231</u>	<u>11,470,020</u>
Consolidated capital ratio (domestic standard) (E/F) x 100 (%)		<u>67.63%</u>	<u>69.73%</u>	<u>67.62%</u>	<u>69.77%</u>
Tier 1 ratio (A/F) x 100 (%)		<u>76.44%</u>	<u>78.43%</u>	<u>76.42%</u>	<u>78.47%</u>

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3. Capital adequacy

(1) Amount of required capital for credit risk (On-balance-sheet items)

(Millions of yen)

		Before correction		After correction	
Item		March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
1	Cash	—	—	—	—
2	Japanese government and the Bank of Japan	—	—	—	—
3	Foreign national governments and central banks	50	<u>807</u>	50	<u>803</u>
4	Bank for International Settlements, etc.	—	—	—	—
5	Japanese local governments and their agencies	—	—	—	—
6	Foreign public-sector entities other than national governments	<u>1,566</u>	<u>2,123</u>	<u>1,571</u>	<u>2,353</u>
7	International development banks	—	—	—	—
8	Japan Finance Organization for Municipalities	562	1,129	562	1,129
9	Japanese national government-affiliated agencies	18,963	18,547	18,963	18,547
10	Three regional public corporations	0	0	0	0
11	Financial institutions and type 1 financial instruments business operators	<u>40,665</u>	<u>35,147</u>	<u>40,597</u>	<u>34,211</u>
12	Corporate	<u>53,663</u>	<u>85,217</u>	<u>53,813</u>	<u>85,615</u>
13	Small and medium-sized Enterprises and individuals	7	8	7	8
14	Residential housing mortgages	—	—	—	—
15	Project finance (acquisition of real estate)	—	—	—	—
16	Past due (three months or more)	65	68	65	68
17	Outstanding drafts	—	—	—	—

18	Guaranteed by Credit Guarantee Association	0	—	0	—
19	Guaranteed by Industrial Revitalization Corporation of Japan	—	—	—	—
20	Investments in capital and others	<u>43,598</u>	<u>38,370</u>	<u>43,607</u>	<u>38,458</u>
21	Other than above	122,118	115,210	122,118	115,210
22	Securitization (originator only)	—	—	—	—
23	Securitization (excluding originator)	1,362	1,917	1,362	1,917
24	Assets (assets comprised of pooled assets such as funds, etc.) difficult to identify specifically	—	—	—	—
Total		<u>282,624</u>	<u>298,549</u>	<u>282,719</u>	<u>298,324</u>

(2) Amount of required capital for credit risk (Off-balance-sheet items)

(Millions of yen)

Item		Before correction		After correction	
		March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
1	Commitment lines that can be cancelled automatically or unconditionally at any time	—	—	—	—
2	Commitment lines with original contracts of one year or less	9	4	9	4
3	Short-term trade contingent liabilities	—	—	—	—
4	Contingent liabilities arising from specific transactions (principal reimbursement trust deeds with restructuring)	—	—	—	—
5	NIF or RUF	—	—	—	—
6	Commitment lines with an original duration of one year or longer	—	54	—	54
7	Contingent liabilities arising from directly substituted credit (of which secured with loan guarantees) (of which secured with securities) (of which secured with drafts) (of which principal reimbursement trust deeds without restructuring) (of which secured with credit derivative protection)	—	—	—	—
8	Assets sold with repurchase agreements or assets sold with right of claim (adjusted) Assets sold with repurchase agreements or assets sold with right of claim (not adjusted) Deduction	—	—	—	—
9	Futures bought, forward delivery deposits, partially subscribed equity shares, partially subscribed bonds	—	—	—	—
10	Securities lending, cash or securities collateral, or sale of securities with repurchase agreement or purchase with resale agreement	2,765	63	2,765	63
11	Derivative transactions (1) Foreign exchange related transactions (2) Interest rate related transactions	<u>163</u> <u>113</u> <u>46</u>	<u>755</u> <u>389</u> <u>347</u>	<u>155</u> <u>109</u> <u>42</u>	<u>717</u> <u>387</u> <u>319</u>

	(3) Gold-related transactions	—	—	—	—
	(4) Equity security related transactions	—	—	—	—
	(5) Precious metal related transactions (excluding gold)	—	—	—	—
	(6) Other commodity-related transactions	—	—	—	—
	(7) Credit derivative transactions (excluding gold)	3	<u>18</u>	3	<u>11</u>
	Write-off of credit equivalent amount under close-out netting agreement (deduction)	—	—	—	—
12	Long-term settlements	0	—	0	—
13	Outstanding transaction	—	—	—	—
14	Providing adequate liquidity related to securitization exposure and adequate servicer cash advance	—	—	—	—
15	Off-balance-sheet securitization exposure other than the above	—	—	—	—
	Total	<u>2,938</u>	<u>877</u>	<u>2,929</u>	<u>839</u>

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(4) Consolidated capital adequacy ratio, consolidated Tier I capital ratio, total amount of consolidated required capital

(Millions of yen)

Item	Before correction		After correction	
	March 31, 2009	March 31, 2010	March 31, 2009	March 31, 2010
Consolidated capital adequacy ratio	<u>67.63%</u>	<u>69.73%</u>	<u>67.62%</u>	<u>69.77%</u>
Consolidated Tier I capital ratio	<u>76.44%</u>	<u>78.43%</u>	<u>76.42%</u>	<u>78.47%</u>
Total amount of consolidated required capital	<u>453,283</u>	<u>459,063</u>	<u>453,369</u>	<u>458,800</u>
Credit risk-adjusted assets × 4%	<u>285,563</u>	<u>299,426</u>	<u>285,649</u>	<u>299,163</u>
Assets (on-balance-sheet items) × 4%	<u>282,624</u>	<u>298,549</u>	<u>282,719</u>	<u>298,324</u>
Off-balance-sheet transactions, etc. × 4%	<u>2,938</u>	<u>877</u>	<u>2,929</u>	<u>839</u>
Amount of operational risk equivalent ÷ 8% × 4%	167,720	159,636	167,720	159,636

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(6) Amount of exposure by risk weight category

(Millions of yen)

Risk weight	Before correction				After correction			
	March 31, 2009		March 31, 2010		March 31, 2009		March 31, 2010	
	Rated	Not rated	Rated	Not rated	Rated	Not rated	Rated	Not rated
0%	<u>175,754,497</u>	88,790,976	<u>172,844,166</u>	77,175,810	<u>175,751,946</u>	88,790,976	<u>172,849,006</u>	77,175,810
10%	—	5,521,771	—	5,012,935	—	5,521,771	—	5,012,935
20%	<u>7,911,729</u>	36	<u>7,029,569</u>	40	<u>7,917,505</u>	36	<u>7,097,899</u>	40
35%	—	—	—	—	—	—	—	—
50%	<u>833,763</u>	2,221	<u>1,526,488</u>	2,825	<u>825,325</u>	2,221	<u>1,420,591</u>	2,825
75%	—	243	—	279	—	243	—	279
100%	<u>129,762</u>	4,422,741	<u>556,417</u>	4,208,415	<u>134,975</u>	4,422,741	<u>589,145</u>	4,208,415

150%	124	219	15	187	124	219	15	187
350%	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Capital deductions	—	—	—	—	—	—	—	—
Total	184,629,876	98,738,210	181,956,658	86,400,494	184,629,876	98,738,210	181,956,658	86,400,494

End