

**Summary of Consolidated Financial Results
for the Six Months Ended September 30, 2020**
<Under Japanese GAAP>



November 13, 2020

Company name: Japan Post Holdings Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
 Code number: 6178 URL: <https://www.japanpost.jp/en/>
 Representative: MASUDA Hiroya, Director and Representative Executive Officer, President & CEO
 Contact: TSURUDA Nobuo, Executive Officer, Head of IR Office
 Phone: +81-3-3477-0206
 Scheduled date of filing interim securities report: November 25, 2020
 Scheduled date of commencing dividend payments: -
 Trading accounts: Unestablished
 Availability of supplementary briefing material on interim financial results: Available
 Schedule of interim financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2020

(April 1, 2020 to September 30, 2020)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Net ordinary income		Net income attributable to Japan Post Holdings	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2020	5,639,129	(5.5)	360,636	(10.4)	178,951	(24.4)
Six months ended September 30, 2019	5,969,326	(4.8)	402,623	(3.2)	236,599	5.8

(Note) Comprehensive income: Six months ended September 30, 2020: ¥2,759,243 million [316.0%]
 Six months ended September 30, 2019: ¥663,202 million [- %]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2020	44.26	-
Six months ended September 30, 2019	58.52	-

(Note) Because there was no potential common stock, the amount for diluted net income per share is omitted.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio (Note)
	Million yen	Million yen	%
As of September 30, 2020	296,211,387	15,261,029	4.4
As of March 31, 2020	286,098,449	12,616,774	3.8

(Reference) Equity: As of September 30, 2020: ¥13,148,978 million
 As of March 31, 2020: ¥10,934,152 million

(Note) Equity ratio = [(Net assets – Non-controlling interests) / Total assets] x 100

2. Dividends

	Annual dividend				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2020	Yen -	Yen 25.00	Yen -	Yen 25.00	Yen 50.00
Fiscal year ending March 31, 2021	-	0.00			
Fiscal year ending March 31, 2021 (Forecast)			-	50.00	50.00

(Note 1) Revision of dividends forecast to the latest announcement: Yes

(Note 2) For the revisions to the dividends forecast, please refer to “Notice Regarding Revisions to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 and Dividends Forecast” released today.

The source of dividends for the fiscal year ending March 31, 2021 is to be capital surplus.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021

(April 1, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Net ordinary income		Net income attributable to Japan Post Holdings		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2021	11,360,000	(4.9)	620,000	(28.3)	340,000	(29.7)	84.09

(Note 1) Revision of financial results forecast to the latest announcement: Yes

(Note 2) For the revisions to the consolidated financial results forecast, please refer to “Notice Regarding Revisions to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 and Dividends Forecast” released today.

*** Notes:**

- (1) Changes in significant subsidiaries during the fiscal period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
 - (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
 - (3) Total number of shares issued (common stock)
 - 1) Total number of shares issued at the end of the fiscal period (including treasury stock):
 - As of September 30, 2020: 4,500,000,000 shares
 - As of March 31, 2020: 4,500,000,000 shares
 - 2) Total number of treasury stock at the end of the fiscal period:
 - As of September 30, 2020: 456,635,301 shares
 - As of March 31, 2020: 456,667,501 shares
 - 3) Average number of shares during the fiscal period:
 - Six months ended September 30, 2020: 4,043,349,612 shares
 - Six months ended September 30, 2019: 4,043,225,669 shares
- (Note) The total number of treasury stock at the end of the fiscal period includes the shares of the Company held by the management board benefit trust of 496,100 shares and 528,300 shares as of September 30, 2020 and March 31, 2020, respectively. The number of treasury stock excluded from calculation of the average number of shares during the fiscal period includes the shares of the Company held by the management board benefit trust of 511,187 shares and 635,130 shares for the six months ended September 30, 2020 and 2019, respectively.

(Summary of non-consolidated financial results)

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2020

(April 1, 2020 to September 30, 2020)

(1) Non-consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Operating income		Net operating income		Net ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2020	128,284	(16.8)	100,602	(21.1)	105,466	(18.8)	(2,931,673)	-
Six months ended September 30, 2019	154,146	0.2	127,573	0.9	129,887	1.9	270,814	108.3

	Net income per share
	Yen
Six months ended September 30, 2020	(725.06)
Six months ended September 30, 2019	66.98

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio (Note)
	Million yen	Million yen	%
As of September 30, 2020	5,076,287	5,004,603	98.6
As of March 31, 2020	8,129,402	8,031,667	98.8

(Reference) Equity: As of September 30, 2020: ¥5,004,603 million

As of March 31, 2020: ¥8,031,667 million

(Note) Equity ratio = (Net assets / Total assets) x 100

* This summary of interim consolidated financial results is outside the scope of interim audit procedures by Certified Public Accountants or Audit Firm.

* Explanation on appropriate use of financial results forecast and other specific matters

Forecasts and other forward-looking statements presented in this document are based on information that the Company is aware of at present and certain assumptions that the Company has deemed reasonable, and the Company provides no assurance that the forecasts will be achieved or with respect to any other forward-looking statements. The actual future results may vary considerably depending upon various factors, such as the impact of the spread of COVID-19, interest rate fluctuations, stock price fluctuations, foreign exchange fluctuations, asset value fluctuations, changes in the economic and financial environment, changes in the competitive environment, the occurrence of large-scale disasters, etc. and changes in laws and regulations. The Company disclaims any responsibility to update any forward-looking statements contained herein to the extent permitted by law or stock exchange rule.

[Attachment]

Table of Contents

1. Qualitative Information on Interim Consolidated Financial Results for the Fiscal Period under Review.....	2
(1) Explanation of Results of Operations.....	2
(2) Explanation of Financial Position	2
(3) Explanation of Consolidated Financial Results Forecast and Other Future Projections	3
2. Interim Consolidated Financial Statements and Primary Notes	4
(1) Interim Consolidated Balance Sheets.....	4
(2) Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income.....	6
(3) Interim Consolidated Statements of Changes in Net Assets.....	8
(4) Notes to Interim Consolidated Financial Statements	10
(Notes on Going-Concern Assumption)	10
(Additional Information)	10
(Segment Information)	11
3. Interim Non-consolidated Financial Statements	12
(1) Interim Non-consolidated Balance Sheets	12
(2) Interim Non-consolidated Statements of Income	14
(3) Interim Non-consolidated Statements of Changes in Net Assets	15

Supplementary Briefing Material:

Materials for Consolidated Financial Results for the Six Months Ended September 30, 2020

1. Qualitative Information on Interim Consolidated Financial Results for the Fiscal Period under Review

(1) Explanation of Results of Operations

Consolidated ordinary income for the six months ended September 30, 2020 amounted to ¥5,639,129 million (down ¥330,196 million year-on-year), of which the postal and domestic logistics business segment accounted for ¥964,257 million (down ¥27,902 million year-on-year); the post office business segment accounted for ¥617,308 million (down ¥48,706 million year-on-year); the international logistics business segment accounted for ¥373,720 million (up ¥55,297 million year-on-year); the banking business segment accounted for ¥830,516 million (down ¥79,468 million year-on-year); and the life insurance business segment accounted for ¥3,385,358 million (down ¥275,973 million year-on-year). Consolidated net ordinary income amounted to ¥360,636 million (down ¥41,986 million year-on-year) as a result of net ordinary income of ¥7,370 million in the postal and domestic logistics business segment (down ¥21,918 million year-on-year); net ordinary income of ¥23,010 million in the post office business segment (down ¥13,217 million year-on-year); net ordinary loss of ¥11,341 million in the international logistics business segment (net ordinary loss of ¥11,322 million for the same period of the previous fiscal year); net ordinary income of ¥172,002 million in the banking business segment (down ¥29,135 million year-on-year); and net ordinary income of ¥162,723 million in the life insurance business segment (up ¥21,219 million year-on-year).

As a result of the above, net income attributable to Japan Post Holdings amounted to ¥178,951 million (down ¥57,647 million year-on-year), which comprises consolidated net ordinary income after adjusting for extraordinary gains (losses), provision for reserve for policyholder dividends, income taxes and net income attributable to non-controlling interests.

(2) Explanation of Financial Position

1) Assets

Consolidated total assets were ¥296,211,387 million, up ¥10,112,938 million from the end of the previous fiscal year.

Major factors include an increase in cash and due from banks of ¥4,625,816 million, an increase in securities of ¥3,898,073 million and an increase in loans of ¥1,591,935 million, as well as a decrease in receivables under securities borrowing transactions of ¥797,224 million and a decrease in call loans of ¥350,000 million.

2) Liabilities

Consolidated total liabilities were ¥280,950,357 million, up ¥7,468,682 million from the end of the previous fiscal year.

Major factors include an increase in deposits of ¥4,525,937 million and an increase in borrowed money of ¥3,942,685 million, as well as a decrease in policy reserves of ¥1,389,683 million.

3) Net Assets

Consolidated total net assets were ¥15,261,029 million, up ¥2,644,255 million from the end of the previous fiscal year.

Major factors include an increase in net unrealized gains (losses) on available-for-sale securities of ¥2,130,461 million and an increase in non-controlling interests of ¥429,428 million, as well as a decrease in foreign currency translation adjustments of ¥2,282 million.

(3) Explanation of Consolidated Financial Results Forecast and Other Future Projections

The Company has revised the full year consolidated financial results forecast for the fiscal year ending March 31, 2021 announced on May 15, 2020. For details, please refer to the “Notice Regarding Revisions to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 and Dividends Forecast” released today.

2. Interim Consolidated Financial Statements and Primary Notes

(1) Interim Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Cash and due from banks	53,680,384	58,306,201
Call loans	1,420,000	1,070,000
Receivables under resale agreements	9,731,897	10,172,035
Receivables under securities borrowing transactions	3,304,202	2,506,978
Monetary claims bought	634,394	681,958
Trading account securities	31	30
Money held in trust	7,804,150	8,922,644
Securities	191,127,051	195,025,125
Loans	10,624,482	12,216,417
Foreign exchanges	147,469	234,056
Other assets	2,787,487	2,612,383
Tangible fixed assets	3,186,558	3,156,550
Intangible assets	291,694	273,418
Asset for retirement benefits	55,308	55,192
Deferred tax assets	1,312,378	988,443
Reserve for possible loan losses	(9,043)	(10,049)
Total assets	286,098,449	296,211,387

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Deposits	181,377,859	185,903,796
Payables under repurchase agreements	14,855,624	15,656,797
Policy reserves and others	64,191,926	62,735,274
Reserve for outstanding claims	461,224	426,713
Policy reserves	62,293,166	60,903,482
Reserve for policyholder dividends	1,437,535	1,405,078
Payables under securities lending transactions	6,509,525	5,789,832
Commercial papers	-	110,417
Borrowed money	302,200	4,244,886
Foreign exchanges	511	441
Bonds	100,000	100,000
Other liabilities	2,820,086	2,356,498
Reserve for bonuses	121,875	125,418
Liability for retirement benefits	2,220,241	2,232,342
Reserve for employee stock ownership plan trust	605	309
Reserve for management board benefit trust	984	806
Reserve for reimbursement of deposits	80,324	76,949
Reserve for insurance claims and others	29,722	7,817
Reserve under the special laws	858,339	830,900
Reserve for price fluctuations	858,339	830,900
Deferred tax liabilities	11,845	777,868
Total liabilities	273,481,674	280,950,357
Net assets		
Capital stock	3,500,000	3,500,000
Capital surplus	4,084,763	4,085,184
Retained earnings	4,057,087	4,134,942
Treasury stock	(831,707)	(831,661)
Total shareholders' equity	10,810,143	10,888,465
Net unrealized gains (losses) on available-for-sale securities	295,671	2,426,132
Net deferred gains (losses) on hedges	(291,823)	(292,659)
Foreign currency translation adjustments	(89,698)	(91,981)
Accumulated adjustments for retirement benefits	209,860	219,022
Total accumulated other comprehensive income	124,008	2,260,513
Non-controlling interests	1,682,622	2,112,051
Total net assets	12,616,774	15,261,029
Total liabilities and net assets	286,098,449	296,211,387

(2) Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income

Interim Consolidated Statements of Income
Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Ordinary income	5,969,326	5,639,129
Postal business income	1,286,105	1,318,047
Banking business income	909,174	829,693
Life insurance business income	3,661,313	3,385,350
Other ordinary income	112,732	106,038
Ordinary expenses	5,566,702	5,278,492
Operating expenses	4,125,880	3,883,451
Personnel expenses	1,278,396	1,229,740
Depreciation and amortization	145,885	143,517
Other ordinary expenses	16,539	21,782
Net ordinary income	402,623	360,636
Extraordinary gains	34,834	33,377
Gains on sales of fixed assets	2,454	2,379
Reversal of reserve under the special laws	25,637	27,439
Reversal of reserve for price fluctuations	25,637	27,439
Compensation for transfer	339	982
Compensation income	-	1,795
Gains on transfer of business	6,249	-
Other extraordinary gains	153	779
Extraordinary losses	6,079	15,380
Losses on sales and disposal of fixed assets	1,854	1,127
Losses on impairment of fixed assets	1,009	9,305
Post office refurbishment expenses	2,128	976
Other extraordinary losses	1,086	3,970
Provision for reserve for policyholder dividends	54,558	47,281
Income before income taxes	376,820	331,351
Income taxes current	131,048	101,377
Income taxes deferred	(34,254)	4,125
Total income taxes	96,793	105,503
Net income	280,026	225,848
Net income attributable to non-controlling interests	43,427	46,896
Net income attributable to Japan Post Holdings	236,599	178,951

Interim Consolidated Statements of Comprehensive Income
Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net income	280,026	225,848
Other comprehensive income	383,175	2,533,395
Net unrealized gains (losses) on available-for-sale securities	416,890	2,525,903
Net deferred gains (losses) on hedges	(6,980)	(843)
Foreign currency translation adjustments	(3,887)	(1,182)
Adjustments for retirement benefits	(22,841)	9,523
Share of other comprehensive loss of affiliates	(5)	(5)
Comprehensive income	663,202	2,759,243
Total comprehensive income attributable to:		
Japan Post Holdings	533,780	2,315,447
Non-controlling interests	129,421	443,795

(3) Interim Consolidated Statements of Changes in Net Assets
Six months ended September 30, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal period	3,500,000	4,135,429	3,799,974	(831,887)	10,603,516
Cumulative effects of changes in accounting policies			(24,426)		(24,426)
Restated balance at the beginning of the fiscal period	3,500,000	4,135,429	3,775,547	(831,887)	10,579,089
Changes in the fiscal period					
Cash dividends			(101,096)		(101,096)
Net income attributable to Japan Post Holdings			236,599		236,599
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		(50,674)			(50,674)
Disposals of treasury stock				36	36
Net changes in items other than shareholders' equity in the fiscal period					
Net changes in the fiscal period	-	(50,674)	135,502	36	84,865
Balance at the end of the fiscal period	3,500,000	4,084,755	3,911,050	(831,850)	10,663,955

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal period	2,580,765	(55,415)	(89,350)	253,992	2,689,992	1,495,145	14,788,654
Cumulative effects of changes in accounting policies							(24,426)
Restated balance at the beginning of the fiscal period	2,580,765	(55,415)	(89,350)	253,992	2,689,992	1,495,145	14,764,227
Changes in the fiscal period							
Cash dividends							(101,096)
Net income attributable to Japan Post Holdings							236,599
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders							(50,674)
Disposals of treasury stock							36
Net changes in items other than shareholders' equity in the fiscal period	216,193	(6,192)	(2,140)	(23,499)	184,360	591,375	775,736
Net changes in the fiscal period	216,193	(6,192)	(2,140)	(23,499)	184,360	591,375	860,602
Balance at the end of the fiscal period	2,796,958	(61,608)	(91,490)	230,493	2,874,353	2,086,521	15,624,830

Six months ended September 30, 2020

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal period	3,500,000	4,084,763	4,057,087	(831,707)	10,810,143
Cumulative effects of changes in accounting policies					-
Restated balance at the beginning of the fiscal period	3,500,000	4,084,763	4,057,087	(831,707)	10,810,143
Changes in the fiscal period					
Cash dividends			(101,096)		(101,096)
Net income attributable to Japan Post Holdings			178,951		178,951
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		421			421
Disposals of treasury stock				45	45
Net changes in items other than shareholders' equity in the fiscal period					
Net changes in the fiscal period	-	421	77,855	45	78,321
Balance at the end of the fiscal period	3,500,000	4,085,184	4,134,942	(831,661)	10,888,465

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal period	295,671	(291,823)	(89,698)	209,860	124,008	1,682,622	12,616,774
Cumulative effects of changes in accounting policies							-
Restated balance at the beginning of the fiscal period	295,671	(291,823)	(89,698)	209,860	124,008	1,682,622	12,616,774
Changes in the fiscal period							
Cash dividends							(101,096)
Net income attributable to Japan Post Holdings							178,951
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders							421
Disposals of treasury stock							45
Net changes in items other than shareholders' equity in the fiscal period	2,130,461	(835)	(2,282)	9,162	2,136,504	429,428	2,565,933
Net changes in the fiscal period	2,130,461	(835)	(2,282)	9,162	2,136,504	429,428	2,644,255
Balance at the end of the fiscal period	2,426,132	(292,659)	(91,981)	219,022	2,260,513	2,112,051	15,261,029

(4) Notes to Interim Consolidated Financial Statements
(Notes on Going-Concern Assumption)

None

(Additional Information)

On December 27, 2019, the Company and its consolidated subsidiary Japan Post Co., Ltd. received administrative dispositions pursuant to the Insurance Business Act, etc. from the Minister for Internal Affairs and Communications and the Financial Services Agency of Japan, and Japan Post Insurance Co., Ltd., a consolidated subsidiary of the Company, received administrative dispositions pursuant to the Insurance Business Act from the Financial Services Agency of Japan, on account of improper solicitation actions regarding insurance policies, and underlying systemic problems. The Company is resolved to treat the implementation of the business improvement plan that it formulated as its top-priority management issue, and is making group-wide efforts. Additionally, Japan Post Insurance Co., Ltd. has been confirming with all customers with insurance policies whether their insurance policies are in line with their intentions, and compensating customers who have suffered disadvantages.

In the six months ended September 30, 2020, the Company recorded the refund of premiums and payment of insurance claims to compensate for the disadvantages suffered by customers as part of insurance claims and others (operating expenses, etc.), and the corresponding adjustment to policy reserves as part of reversal of policy reserves (life insurance business income), while recording a reduction of the net amount totaling ¥15,866 million from reserve for insurance claims and others at the end of the previous fiscal year, and a reversal of ¥6,038 million, a decrease as a result of reflecting the status of progress in the investigation of insurance policies on estimates. Consequently, insurance claims and others stood at ¥7,817 million at the end of the six months ended September 30, 2020. The amounts of the aforementioned reduction and reversal of insurance claims and others are included in life insurance business income in the consolidated statement of income for the six months ended September 30, 2020.

(Segment Information)

1. Ordinary income and segment profit (loss) of reportable segments

(Millions of yen)

	Reportable Segments						Other business	Total
	Postal and domestic logistics business	Post office business	International logistics business	Banking business	Life insurance business	Subtotal		
Ordinary income								
Ordinary income from third parties	945,588	78,144	373,624	829,693	3,385,350	5,612,400	24,006	5,636,407
Intersegment ordinary income	18,668	539,164	96	823	8	558,761	134,222	692,983
Total	964,257	617,308	373,720	830,516	3,385,358	6,171,161	158,229	6,329,391
Segment profit (loss)	7,370	23,010	(11,341)	172,002	162,723	353,766	107,215	460,982

(Notes) 1. Ordinary income is presented instead of net sales which is typical for companies in other industries.

2. "Other business" includes the hotel business and hospital business. Segment profit in "Other business" includes dividend income from subsidiaries and affiliates recorded by the Company in the amount of ¥97,209 million.

2. Reconciliation of amounts reported on reportable segments and interim consolidated financial statements

(1) Reconciliation between total ordinary income of reportable segments and ordinary income on the interim consolidated statements of income

(Millions of yen)

Items	Amount
Total ordinary income of reportable segments	6,171,161
Ordinary income of other business	158,229
Eliminations of intersegment transactions	(692,983)
Adjustments	2,721
Ordinary income on the interim consolidated statements of income	5,639,129

(Notes) 1. Ordinary income is presented instead of net sales which is typical for companies in other industries.

2. "Adjustments" are primarily due to differences in the calculation methods used for ordinary income for the international logistics business segment and the interim consolidated statements of income.

(2) Reconciliation between total segment profit (loss) of reportable segments and net ordinary income on the interim consolidated statements of income

(Millions of yen)

Items	Amount
Total segment profit of reportable segments	353,766
Segment profit in other business	107,215
Eliminations of intersegment transactions	(97,904)
Adjustments	(2,440)
Net ordinary income on the interim consolidated statements of income	360,636

(Note) "Adjustments" are primarily due to differences in the calculation methods used for segment loss for the international logistics business segment and net ordinary income on the interim consolidated statements of income.

3. Interim Non-consolidated Financial Statements

(1) Interim Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	294,921	365,896
Inventories	248	221
Prepaid expenses	267	580
Short-term loan	24,936	32,736
Accounts receivable	45,167	20,232
Income taxes receivable	54,886	21,671
Others	5,247	5,319
Reserve for possible loan losses	(3)	(294)
Total current assets	425,671	446,363
Non-current assets		
Tangible fixed assets		
Buildings	44,990	42,812
Tools and fixtures	14,077	18,916
Land	90,308	90,093
Others	4,380	4,552
Total tangible fixed assets	153,757	156,374
Intangible assets	25,137	24,213
Investments and other assets		
Investment securities	12,850	13,997
Stocks of subsidiaries and affiliates	7,313,387	4,229,313
Money held in trust	198,341	202,854
Long-term loan	2,880	2,880
Claims provable in bankruptcy	59	59
Long-term prepaid expenses	2,355	2,118
Prepaid pension costs	-	3,160
Others	174	164
Reserve for possible loan losses	(59)	(59)
Allowance for investment loss	(5,152)	(5,152)
Total investments and other assets	7,524,836	4,449,336
Total non-current assets	7,703,731	4,629,923
Total assets	8,129,402	5,076,287

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Accounts payable	27,377	12,780
Accrued expenses	902	840
Income taxes payable	162	320
Reserve for bonuses	1,637	1,698
Reserve for point service program	402	386
Others	6,544	6,339
Total current liabilities	37,026	22,366
Long-term liabilities		
Reserve for retirement benefits	35,881	24,926
Reserve for management board benefit trust	228	183
Reserve for compensation for accidents in the course of duty	17,415	17,057
Others	7,183	7,149
Total long-term liabilities	60,708	49,317
Total liabilities	97,734	71,684
Net assets		
Shareholders' equity		
Capital stock	3,500,000	3,500,000
Capital surplus		
Capital reserve	875,000	875,000
Other capital surplus	3,628,856	3,628,856
Total capital surplus	4,503,856	4,503,856
Retained earnings		
Other retained earnings		
Retained earnings brought forward	963,958	(2,068,811)
Total retained earnings	963,958	(2,068,811)
Treasury stock	(831,707)	(831,661)
Total shareholders' equity	8,136,107	5,103,382
Valuation and translation adjustments		
Net unrealized gains (losses) on available-for-sale securities	(104,439)	(98,779)
Total valuation and translation adjustments	(104,439)	(98,779)
Total net assets	8,031,667	5,004,603
Total liabilities and net assets	8,129,402	5,076,287

(2) Interim Non-consolidated Statements of Income
Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Operating income		
Brand royalty income	6,838	6,698
Dividend income from subsidiaries and affiliates	121,873	97,209
Income from business consignment	7,486	15,488
Subsidy income equivalent to deposit insurance premiums	255	164
Income from hospital business	7,010	6,363
Income from hotel business	10,681	2,358
Total operating income	154,146	128,284
Operating expenses		
Expenses for business consignment	8,007	17,003
Expenses for hospital business	8,834	8,493
Expenses for hotel business	13,047	8,685
Administrative expenses	(3,316)	(6,500)
Total operating expenses	26,572	27,681
Net operating income	127,573	100,602
Other income		
Dividend income	1,064	3,400
Rent income	1,311	1,326
Others	619	1,171
Total other income	2,996	5,898
Other expenses		
Rent expenses	543	628
Others	138	406
Total other expenses	682	1,034
Net ordinary income	129,887	105,466
Extraordinary gains		
Gains on sales of fixed assets	130	121
Gains on transfer of business	6,249	-
Gains on sales of stocks of subsidiaries and affiliates	129,365	-
Others	60	198
Total extraordinary gains	135,805	319
Extraordinary losses		
Losses on sales and disposal of fixed assets	1,112	96
Losses on impairment of fixed assets	870	4,674
Losses on valuation of stocks of subsidiaries and affiliates	-	3,040,496
Share of post office refurbishment expenses	2,478	1,184
Others	232	312
Total extraordinary losses	4,693	3,046,764
Income (loss) before income taxes	261,000	(2,940,978)
Income taxes current	(9,814)	(9,304)
Total income taxes	(9,814)	(9,304)
Net income (loss)	270,814	(2,931,673)

(3) Interim Non-consolidated Statements of Changes in Net Assets
Six months ended September 30, 2019

(Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of the fiscal period	3,500,000	875,000	3,628,856	4,503,856	768,504	768,504
Changes in the fiscal period						
Cash dividends					(101,096)	(101,096)
Net income					270,814	270,814
Disposals of treasury stock						
Net changes in items other than shareholders' equity in the fiscal period						
Net changes in the fiscal period	-	-	-	-	169,718	169,718
Balance at the end of the fiscal period	3,500,000	875,000	3,628,856	4,503,856	938,222	938,222

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance at the beginning of the fiscal period	(831,887)	7,940,472	(29)	-	(29)	7,940,442
Changes in the fiscal period						
Cash dividends		(101,096)				(101,096)
Net income		270,814				270,814
Disposals of treasury stock	36	36				36
Net changes in items other than shareholders' equity in the fiscal period			(6,210)	252	(5,958)	(5,958)
Net changes in the fiscal period	36	169,755	(6,210)	252	(5,958)	163,797
Balance at the end of the fiscal period	(831,850)	8,110,227	(6,240)	252	(5,987)	8,104,239

Six months ended September 30, 2020

(Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings
					Retained earnings brought forward	
Balance at the beginning of the fiscal period	3,500,000	875,000	3,628,856	4,503,856	963,958	963,958
Changes in the fiscal period						
Cash dividends					(101,096)	(101,096)
Net loss					(2,931,673)	(2,931,673)
Disposals of treasury stock						
Net changes in items other than shareholders' equity in the fiscal period						
Net changes in the fiscal period	-	-	-	-	(3,032,769)	(3,032,769)
Balance at the end of the fiscal period	3,500,000	875,000	3,628,856	4,503,856	(2,068,811)	(2,068,811)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the fiscal period	(831,707)	8,136,107	(104,439)	(104,439)	8,031,667
Changes in the fiscal period					
Cash dividends		(101,096)			(101,096)
Net loss		(2,931,673)			(2,931,673)
Disposals of treasury stock	45	45			45
Net changes in items other than shareholders' equity in the fiscal period			5,660	5,660	5,660
Net changes in the fiscal period	45	(3,032,724)	5,660	5,660	(3,027,064)
Balance at the end of the fiscal period	(831,661)	5,103,382	(98,779)	(98,779)	5,004,603