



Financial Results of the Principal Subsidiaries

for the Fiscal Year Ended March 31, 2021

May 14, 2021

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Note: Please refer to the documents on consolidated financial results announcements of Japan Post Bank and Japan Post Insurance released on the respective company's website for their consolidated financial results.

I Japan Post Holdings

Year-on-Year Changes of Income for the Fiscal Year Ended March 31, 2021

Net ordinary income

(Billions of yen)

	Japan Post Holdings (Consolidated)	Japan Post Co. (Consolidated)	Japan Post Bank (Consolidated)	Japan Post Insurance (Consolidated)	Others (Including consolidated accounting procedures)
Fiscal year ended March 31, 2020	864.4	168.1	379.1	286.6	30.6
Fiscal year ended March 31, 2021	914.1	149.1	394.2	345.7	25.0
Year-on-year change	+49.7	(18.9)	+15.0	+59.1	(5.5)

Net income

(Billions of yen)

	Japan Post Holdings (Consolidated)	Japan Post Co. (Consolidated)	Japan Post Bank (Consolidated)	Japan Post Insurance (Consolidated)	Others (Including consolidated accounting procedures)
Fiscal year ended March 31, 2020	483.7	87.1	273.4	150.6	(27.5)
Fiscal year ended March 31, 2021	418.2	53.4	280.1	166.1	(81.4)
Year-on-year change	(65.4)	(33.7)	+6.6	+15.4	(53.8)

* The amounts of net income attributable to Japan Post Holdings, net income attributable to Japan Post Co., net income attributable to Japan Post Bank and net income attributable to Japan Post Insurance have been used for net income of Japan Post Holdings (consolidated), Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

II Japan Post Co.

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	1,920,713	2,013,482
Notes receivable and operating accounts receivable	302,887	311,686
Securities	15,000	15,000
Inventories	30,673	38,958
Prepaid expenses	8,608	11,917
Other accounts receivable	19,164	14,869
Other current assets	76,990	45,450
Reserve for possible loan losses	(5,291)	(6,302)
Total current assets	2,368,745	2,445,061
Non-current assets		
Tangible fixed assets		
Buildings	958,586	922,933
Structures	31,301	31,526
Machinery and equipment	113,161	106,320
Vehicles	17,904	16,195
Tools and fixtures	37,193	23,950
Land	1,300,555	1,299,545
Right-of-use assets	132,401	98,375
Construction in progress	91,363	128,774
Total tangible fixed assets	2,682,468	2,627,622
Intangible assets		
Leasehold right	1,664	1,667
Transferable development right	14,077	14,077
Software	49,634	27,006
Other intangible assets	15,702	9,742
Total intangible assets	81,080	52,494
Investments and other assets		
Investment securities	12,726	14,124
Claims provable in bankruptcy	2,205	2,706
Long-term prepaid expenses	9,372	8,351
Asset for retirement benefits	809	1,315
Other investments and other assets	24,211	26,540
Reserve for possible loan losses	(2,207)	(2,708)
Total investments and other assets	47,118	50,330
Total non-current assets	2,810,668	2,730,446
Total assets	5,179,414	5,175,507

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes payable and operating accounts payable	98,997	101,045
Short-term borrowings	159,972	169,027
Current portion of long-term borrowings	108,804	136,445
Other accounts payable	279,410	203,842
Outstanding amount of banking business consignment	3,160	10,279
Outstanding amount of life insurance business consignment	1,004	1,620
Accrued expenses	37,821	38,907
Income taxes payable	17,656	4,918
Consumption taxes payable	28,297	46,216
Unearned postage income	45,063	40,959
Deposits received	247,054	237,681
Fund deposits for post offices	870,000	870,000
Reserve for bonuses	108,042	112,137
Other current liabilities	67,692	83,415
Total current liabilities	2,072,977	2,056,497
Long-term liabilities		
Long-term borrowings	23,324	5,208
Lease obligations	148,492	167,466
Deferred tax liabilities	10,215	9,232
Reserve for losses on rebuilding of branches	197	197
Reserve for management board benefit trust	280	256
Liability for retirement benefits	1,994,725	1,984,765
Other long-term liabilities	73,822	80,590
Total long-term liabilities	2,251,057	2,247,717
Total liabilities	4,324,035	4,304,214
Net assets		
Shareholders' equity		
Capital stock	400,000	400,000
Capital surplus	141,919	141,926
Retained earnings	256,175	266,013
Total shareholders' equity	798,095	807,939
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	11	27
Net deferred gains (losses) on hedges	56	113
Foreign currency translation adjustments	(89,698)	(104,433)
Accumulated adjustments for retirement benefits	137,082	154,053
Total accumulated other comprehensive income	47,451	49,760
Non-controlling interests	9,831	13,593
Total net assets	855,378	871,293
Total liabilities and net assets	5,179,414	5,175,507

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(1) Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Operating income		
Postal service business income	2,107,126	2,049,935
Commissions for banking business consignment	369,716	366,358
Commissions for life insurance business consignment	248,798	207,078
Funds to maintain post office network	295,273	293,458
International logistics business income	634,788	749,671
Other operating income	183,615	171,132
Total operating income	3,839,318	3,837,635
Operating costs	3,408,378	3,439,193
Gross operating income	430,939	398,442
Sales, general and administrative costs	251,905	243,371
Net operating income	179,034	155,070
Other income		
Interest income	248	185
Equity in earnings of affiliates	-	316
Foreign exchange gains	798	-
Subsidy income	523	4,391
Others	2,484	2,866
Total other income	4,055	7,759
Other expenses		
Interest expenses	13,576	10,973
Equity in losses of affiliates	31	-
Foreign exchange losses	-	1,188
Others	1,371	1,476
Total other expenses	14,979	13,638
Net ordinary income	168,111	149,191
Extraordinary gains		
Gains on sales of fixed assets	2,375	5,589
Compensation income	-	1,795
Insurance claim income	311	1,973
Contribution for post office refurbishment expenses	12,094	5,518
Others	3,092	2,184
Total extraordinary gains	17,874	17,062
Extraordinary losses		
Losses on sales of fixed assets	410	406
Losses on disposal of fixed assets	2,775	1,449
Losses on impairment of fixed assets	20,833	85,608
Post office refurbishment expenses	12,094	5,518
Others	17,985	15,379
Total extraordinary losses	54,099	108,363
Income before income taxes	131,885	57,891
Income taxes current	45,898	6,212
Income taxes deferred	(1,943)	(3,426)
Total income taxes	43,955	2,786
Net income	87,930	55,104
Net income attributable to non-controlling interests	775	1,689
Net income attributable to Japan Post Co.	87,155	53,415

(2) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net income	87,930	55,104
Other comprehensive income (loss)		
Net unrealized gains (losses) on available-for-sale securities	(22)	19
Net deferred gains (losses) on hedges	25	57
Foreign currency translation adjustments	(2,786)	(12,539)
Adjustments for retirement benefits	(16,842)	16,970
Share of other comprehensive loss of affiliates	(4)	(3)
Total other comprehensive income (loss)	(19,629)	4,504
Comprehensive income	68,300	59,608
Total comprehensive income (loss) attributable to:		
Japan Post Co.	69,962	55,724
Non-controlling interests	(1,662)	3,884

3. Segment Information

(1) Operating income and segment profit (loss) of reportable segments

Fiscal year ended March 31, 2020

(Millions of yen)

	Reportable segments				Other	Total
	Postal and domestic logistics business	Post office business	International logistics business (Note 2)	Subtotal		
Operating income ^(Note 1)						
Operating income from third parties	2,112,596	1,091,933	634,788	3,839,318	-	3,839,318
Intersegment operating income	12,717	206,840	165	219,724	-	219,724
Total	2,125,313	1,298,774	634,954	4,059,042	-	4,059,042
Segment profit (loss)	147,505	44,598	(8,683)	183,420	-	183,420

(Notes)

1. "Operating income" is presented instead of net sales which is typical for companies in other industries.
2. The amount presented in segment profit (loss) for the international logistics business segment is EBIT.

Fiscal year ended March 31, 2021

(Millions of yen)

	Reportable segments				Other	Total
	Postal and domestic logistics business	Post office business	International logistics business (Note 2)	Subtotal		
Operating income ^(Note 1)						
Operating income from third parties	2,055,511	1,032,451	749,671	3,837,635	-	3,837,635
Intersegment operating income	12,914	211,014	206	224,135	-	224,135
Total	2,068,426	1,243,466	749,878	4,061,771	-	4,061,771
Segment profit	123,716	37,727	3,505	164,949	-	164,949

(Notes)

1. "Operating income" is presented instead of net sales which is typical for companies in other industries.
2. The amount presented in segment profit for the international logistics business segment is EBIT.

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

(Millions of yen)

Items	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Total segment profit (loss) of reportable segments	183,420	164,949
Segment profit in other business	-	-
Eliminations of intersegment transactions	1,342	1,285
Corporate expenses ^(Note)	(2,263)	(2,903)
Other adjustments	(3,465)	(8,260)
Net operating income on the consolidated statements of income	179,034	155,070

(Note)

"Corporate expenses" consists mainly of general and administrative costs which are not attributable to any reportable segments.