



# Japan Post Holdings: Financial Highlights

## ■ Results of Operations for the Fiscal Year Ended March 31, 2021

(Billions of yen)

	Japan Post Holdings (Consolidated)	Subsidiaries		
		Japan Post Co. (Consolidated)	Japan Post Bank (Consolidated)	Japan Post Insurance (Consolidated)
<b>Ordinary income</b>	<b>11,720.4</b>	3,845.3	1,946.7	6,786.2
Year-on-year (for the fiscal year ended March 31, 2020)	(229.7)	+ 2.0	+ 147.1	(425.1)
<b>Change</b>	<b>(1.9)%</b>	+ 0.1%	+ 8.1%	(5.9)%
<b>Net ordinary income</b>	<b>914.1</b>	149.1	394.2	345.7
Year-on-year (for the fiscal year ended March 31, 2020)	+ 49.7	(18.9)	+ 15.0	+ 59.1
<b>Change</b>	<b>+ 5.8%</b>	(11.3)%	+ 3.9%	+ 20.6%
<b>Net income</b>	<b>418.2</b>	53.4	280.1	166.1
Year-on-year (for the fiscal year ended March 31, 2020)	(65.4)	(33.7)	+ 6.6	+ 15.4
<b>Change</b>	<b>(13.5)%</b>	(38.7)%	+ 2.4%	+ 10.2%

## ■ Forecast for the Fiscal Year Ended March 31, 2021

<b>Net ordinary income</b>	<b>910.0</b>	40.0	375.0	300.0
[percentage achievement]	[100.5%]	[373.0%]	[105.1%]	[115.2%]
<b>Net income</b>	<b>415.0</b>	0.0	270.0	157.0
[percentage achievement]	[100.8%]	[ - %]	[103.7%]	[105.8%]

Notes: 1. Figures less than ¥0.1 billion are rounded down. The figures of Japan Post Holdings (consolidated) and the combined figures of each subsidiary do not correspond because of other consolidated accounting procedures, etc.

2. The amount of ordinary profit on the consolidated statements of income of Japan Post Insurance has been used for net ordinary income of Japan Post Insurance.

3. 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.

4. The forecast for the fiscal year ended March 31, 2021 of Japan Post Holdings (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated) refer to the revised forecast announced in April 2021, November 2020 and February 2021, respectively.

# Japan Post Co. (Consolidated) [Postal and Domestic Logistics Business]: Financial Results

- The volume of items handled decreased by 6.0% year-on-year for the fiscal year ended March 31, 2021 (including a 6.8% decrease for Mail, and a 7.5% decrease for Yu-Mail), mainly due to the impact of COVID-19. Of this, the volume of Yu-Pack <sup>(Note 1)</sup> increased by 11.9% year-on-year (Yu-Packet increased by 16.1%), due to the expansion in e-commerce usage with increased stay-at-home consumption.
- Operating income decreased by ¥56.8 billion year-on-year (a decrease of 2.7% year-on-year), as the increase in income from parcels caused by the increased volume of Yu-Pack <sup>(Note 1)</sup> was insufficient to compensate for the decrease in income from international mails, standard mails and New Year's postcards, etc.
- As a result, net operating income decreased by ¥23.7 billion year-on-year (a decrease of 16.1% year-on-year), despite a decrease in operating expenses mainly owing to cost control initiatives.

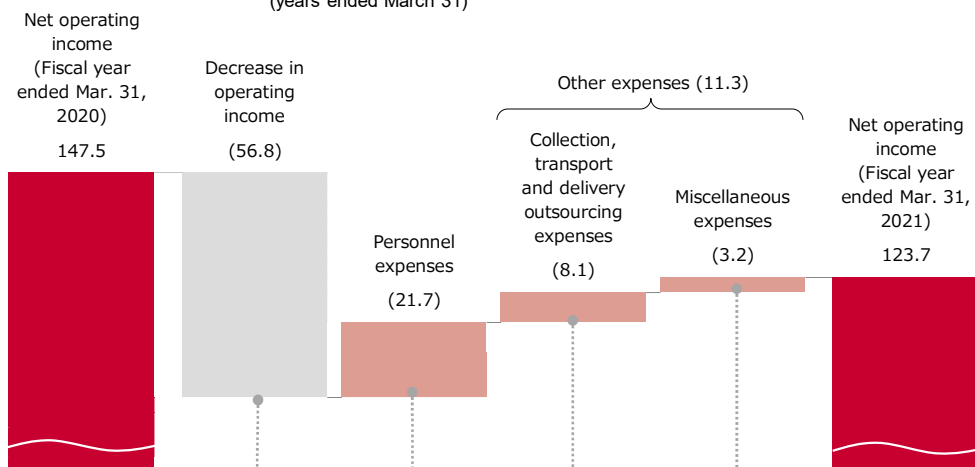
## Analysis of Year-on-year Change in Net Operating Income

[Trends in Net Operating Income]

2019	2020	2021
121.3	147.5	123.7

(Billions of yen)

(years ended March 31)



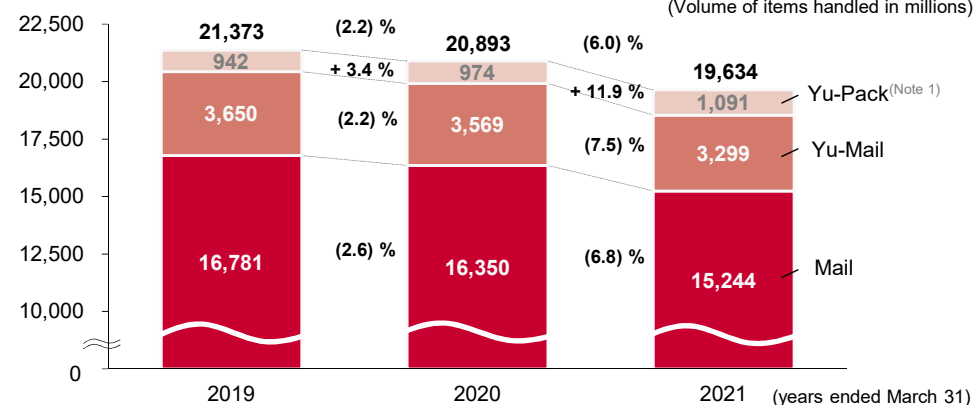
International mails	(25.6)	Depreciation and amortization	(5.9)
Standard mails	(25.1)	Postal service commissions	+ 2.5
New Year's postcards	(12.7)	International mails delivery expenses	(16.8)
International mail remuneration (terminal dues, etc.) <sup>(Note 2)</sup>	(12.3)	Domestic collection, transport and delivery outsourcing expenses	+ 8.7
Parcels (Yu-Pack <sup>(Note 1)</sup> and Yu-Mail)	+ 18.7	Salaries and allowances, etc.	(19.4)
		Legal welfare expenses	(0.9)

Notes: 1. Yu-Pack includes Yu-Packet.

2. Includes a lump-sum correction of ¥(7.0) billion for overstatements in previous fiscal years related to International ePacket Light, etc.

## Trends in Volume of Items Handled

(Volume of items handled in millions)



## Results of Operations for the Fiscal Year Ended March 31, 2021

(Billions of yen)

	For the fiscal year ended Mar. 31, 2021	For the fiscal year ended Mar. 31, 2020	Year-on-year change
Operating income	<b>2,068.4</b>	2,125.3	(56.8)
Operating expenses	<b>1,944.7</b>	1,977.8	(33.0)
Personnel expenses	<b>1,235.8</b>	1,257.5	(21.7)
Other expenses	<b>708.8</b>	720.2	(11.3)
Net operating income	<b>123.7</b>	147.5	(23.7)

# Japan Post Co. (Consolidated) [Post Office Business]: Financial Results

- Operating income decreased by ¥55.3 billion year-on-year (a decrease of 4.3% year-on-year), resulting from a substantial decrease in insurance commissions due to refraining from making proactive sales proposals for Japan Post Insurance products, as well as a continuing decline in banking commissions and other operating income.
- Net operating income decreased by ¥6.8 billion year-on-year (a decrease of 15.4% year-on-year), with a decrease in operating expenses, due to factors such as a decrease in sales allowances and overtime allowance associated with the sale of Japan Post Insurance products, insufficient to compensate for the decline in operating income.

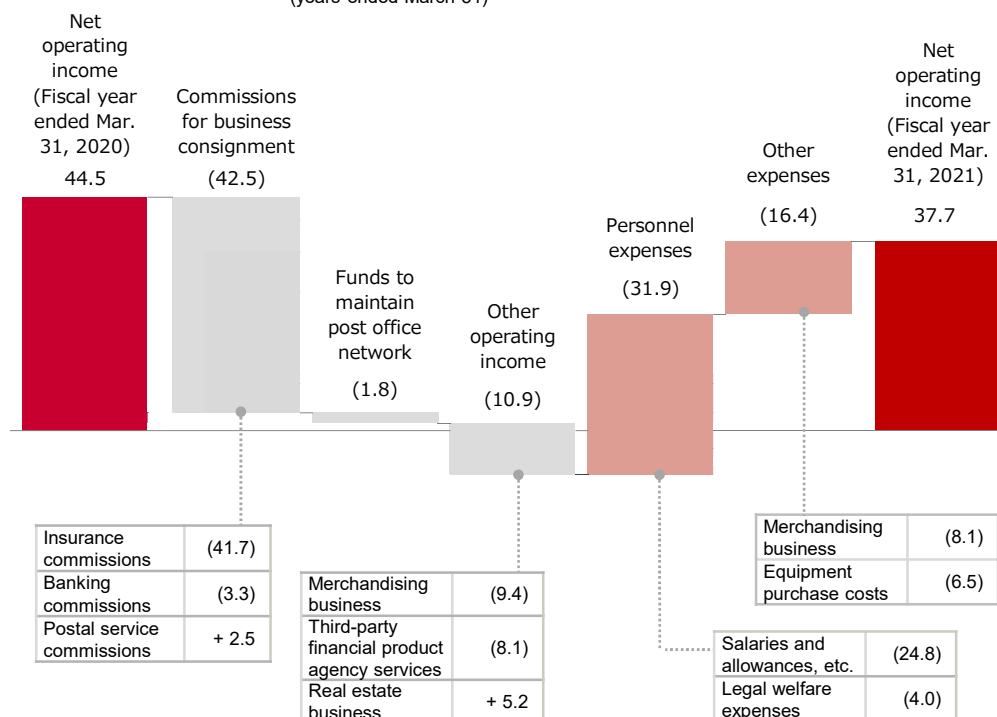
## Analysis of Year-on-Year Change in Net Operating Income

[Trends in Net Operating Income]

2019	2020	2021
59.6	44.5	37.7

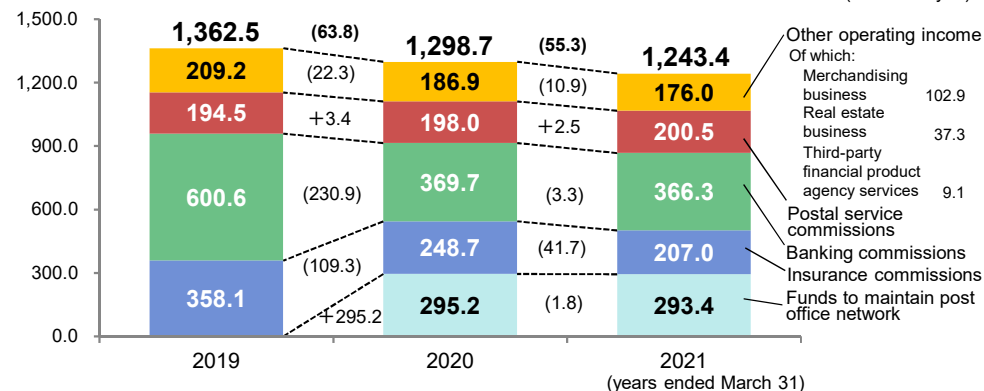
(years ended March 31)

(Billions of yen)



## Trends in the Earnings Structure

(Billions of yen)



## Results of Operations for the Fiscal Year Ended March 31, 2021

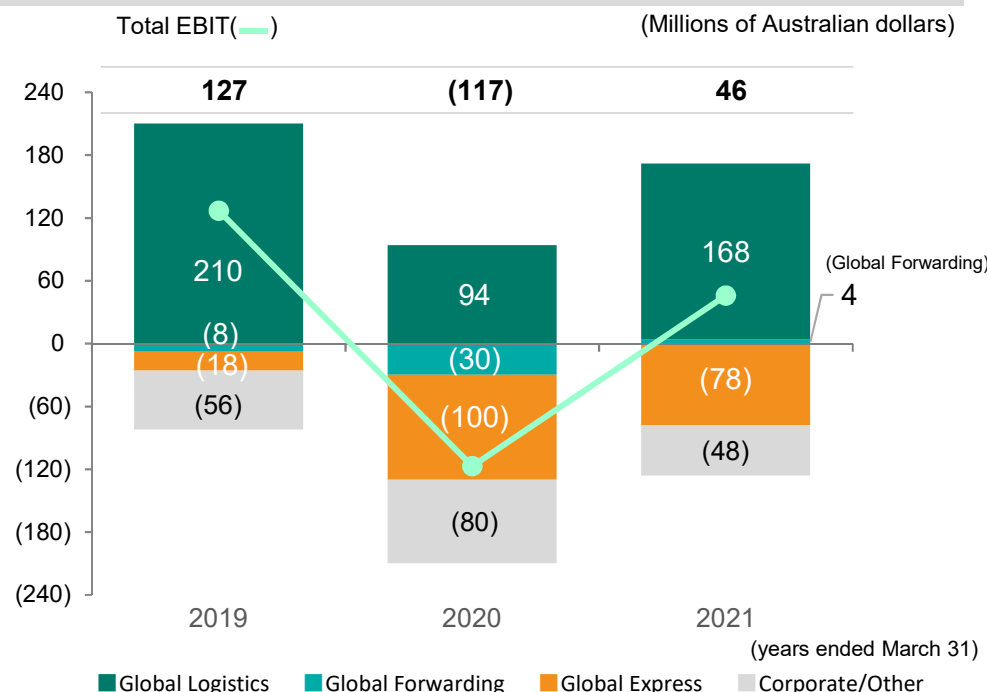
(Billions of yen)

	For the fiscal year ended Mar. 31, 2021	For the fiscal year ended Mar. 31, 2020	Year-on-year change
Operating income	1,243.4	1,298.7	(55.3)
Operating expenses	1,205.7	1,254.1	(48.4)
Personnel expenses	838.3	870.3	(31.9)
Other expenses	367.3	383.8	(16.4)
Net operating income	37.7	44.5	(6.8)

# Japan Post Co. (Consolidated) [International Logistics Business]: Financial Results

- Operating income increased by A\$1,279 million (an increase of 14.9% year-on-year), due mainly to continuing large-scale handling of COVID-19 prevention supplies by the Global Logistics Asia division through the fourth quarter of the fiscal year.
- With regard to operating expenses, other expenses increased in conjunction with operating income, while personnel expenses decreased, resulting in a return to profit, with net operating income (EBIT) of A\$46 million. Meanwhile, extraordinary losses were recorded such as losses on impairment associated with the sale of the Global Express business, resulting in a substantial net loss.

## Trends in Net Operating Income (Loss) (EBIT)



## Results of Operations for the Fiscal Year Ended March 31, 2021

(Millions of Australian dollars)  
(Billions of yen)

	For the fiscal year ended Mar. 31, 2021	For the fiscal year ended Mar. 31, 2020	Year-on-year change
Operating income (revenue)	9,843 [749.8]	8,564 [634.9]	+ 1,279 [+ 114.9]
Operating expenses	9,797 [746.3]	8,681 [643.6]	+ 1,116 [+ 102.7]
Personnel expenses	2,529 [192.7]	2,737 [202.9]	(208) [(10.2)]
Other expenses	7,267 [553.6]	5,943 [440.6]	+ 1,324 [+ 112.9]
Net operating income (loss) (EBIT)	46 [3.5]	(117) [(8.6)]	+ 163 [+ 12.1]
[Reference] Net loss	(1,150) [(87.6)]	(688) [(51.0)]	(461) [(36.5)]

- Notes: 1. Operating income (revenue), operating expenses and net operating income (loss) (EBIT) are the total amount of Toll, JP Toll Logistics and Toll Express Japan, respectively.  
 2. Figures for the fiscal year ended March 31, 2020 and 2019 in the above graph have been reclassified due to a partial reclassification of businesses between segments from April 1, 2020 (total amounts are unchanged).  
 3. Figures in square brackets are presented in billions of yen (Average exchange rate for the fiscal year ended Mar. 31, 2021: ¥76.18 to A\$1.00 and for the fiscal year ended Mar. 31, 2020: ¥74.14 to A\$1.00).  
 4. Net loss for the fiscal year ended March 31, 2021 and 2020 has been added for reference purposes, in view of the deterioration in the financial results of Toll for the fiscal year ended March 31, 2021 due to the recording of extraordinary losses including losses on impairment associated with the sale of the Global Express business.

# Japan Post Co. (Consolidated): Financial Highlights

- Operating income decreased by ¥1.6 billion year-on-year (a decrease of 0.04% year-on-year, of which ¥15.9 billion was attributable to the effect of exchange rate fluctuations).
- Net operating income decreased by ¥23.9 billion year-on-year (a decrease of 13.4% year-on-year) to ¥155.0 billion, due to a decline in net operating income in the postal and domestic logistics business and post office business. Net ordinary income decreased by ¥18.9 billion year-on-year (a decrease of 11.3% year-on-year) to ¥149.1 billion.
- Net income decreased by ¥33.7 billion year-on-year (a decrease of 38.7% year-on-year) to ¥53.4 billion, due to a decrease in income taxes resulting from inclusion in deductible expenses of a loss on valuation of shares of Toll, despite the recording of extraordinary losses of ¥67.4 billion in association with the sale of Toll's Global Express business.

## Analysis of Year-on-year Change in Net Income

[Trends in Net Operating Income]

2019	2020	2021
182.0	179.0	155.0

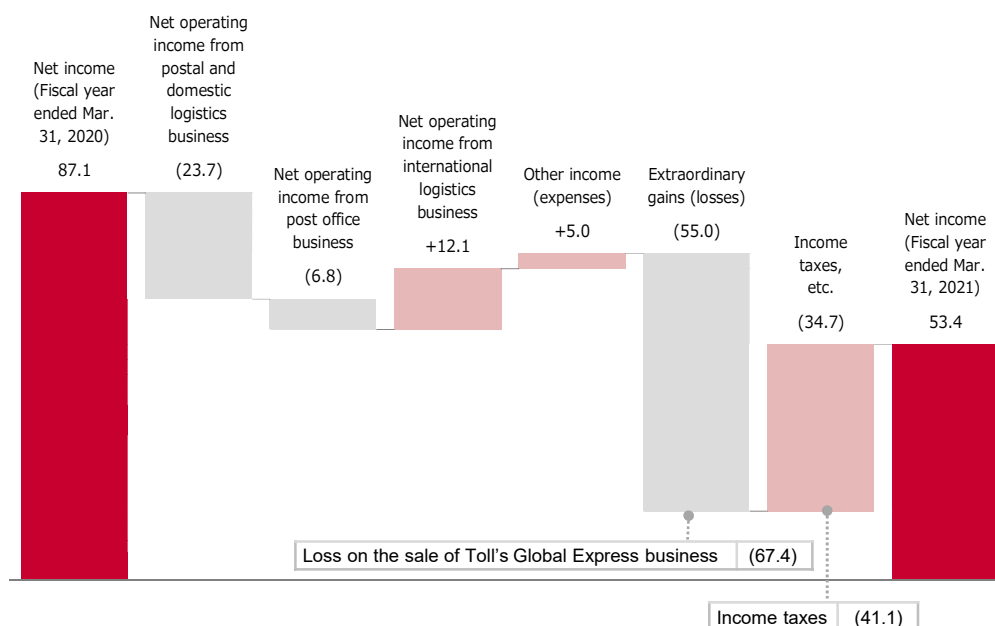
(years ended March 31)

[Trends in Net Income]

2019	2020	2021
126.6	87.1	53.4

(years ended March 31)

(Billions of yen)



## Results of Operations for the Fiscal Year Ended March 31, 2021

(Billions of yen)

	For the fiscal year ended Mar. 31, 2021	For the fiscal year ended Mar. 31, 2020	Year-on-year change
Operating income	<b>3,837.6</b>	3,839.3	(1.6)
Operating expenses	<b>3,682.5</b>	3,660.2	+ 22.2
Personnel expenses	<b>2,266.9</b>	2,330.8	(63.9)
Other expenses	<b>1,415.6</b>	1,329.3	+ 86.2
Net operating income	<b>155.0</b>	179.0	(23.9)
Net ordinary income	<b>149.1</b>	168.1	(18.9)
Extraordinary gains (losses)	<b>(91.3)</b>	(36.2)	(55.0)
Income before income taxes	<b>57.8</b>	131.8	(73.9)
Net income	<b>53.4</b>	87.1	(33.7)

## Results of Operations for the Fiscal Year Ended March 31, 2021

(Billions of yen)

	For the fiscal year ended		Year-on-year change
	Mar. 31, 2021	Mar. 31, 2020	
Gross operating profit	<b>1,319.0</b>	1,314.2	+ 4.8
Net interest income	<b>961.8</b>	976.8	(14.9)
Net fees and commissions	<b>127.9</b>	128.8	(0.9)
Net other operating income	<b>229.2</b>	208.4	+ 20.7
Gains (losses) on foreign exchanges	<b>254.6</b>	202.1	+ 52.5
Gains (losses) on Japanese government bonds, etc.	<b>(25.9)</b>	8.0	(34.0)
General and administrative expenses <small>(Note 1)</small>	<b>1,010.1</b>	1,020.2	(10.0)
Provision for general reserve for possible loan losses	-	0.0	(0.0)
<b>Net operating profit</b>	<b>308.8</b>	293.9	+ 14.9
Non-recurring gains (losses)	<b>85.4</b>	85.1	+ 0.3
Net ordinary income	<b>394.3</b>	379.0	+ 15.2
<b>Net income</b>	<b>279.8</b>	273.0	+ 6.7

(Reference) Consolidated Financial Highlights

Ordinary income	<b>1,946.7</b>	1,799.5	+ 147.1
Net ordinary income	<b>394.2</b>	379.1	+ 15.0
Net income <small>(Note 2)</small>	<b>280.1</b>	273.4	+ 6.6

Notes: 1. Excludes non-recurring losses.

2. The amount of net income attributable to Japan Post Bank is used for net income of Japan Post Bank (consolidated).

3. Excludes accrued interest.

## Overview

- Gross operating profit (non-consolidated) for the fiscal year ended March 31, 2021 increased by ¥4.8 billion year-on-year to ¥1,319.0 billion.  
In the adverse business environment because of factors such as the persistence of a low interest rate environment, net interest income decreased by ¥14.9 billion year-on-year, mainly as a result of a decrease in interest on securities.  
Net fees and commissions decreased by ¥0.9 billion year-on-year.  
Net other operating income increased by ¥20.7 billion year-on-year, due mainly to a decline in foreign currency funding costs.
- General and administrative expenses (non-consolidated) decreased by ¥10.0 billion year-on-year to ¥1,010.1 billion.
- Net operating profit (non-consolidated) increased by ¥14.9 billion year-on-year to ¥308.8 billion.
- Net ordinary income (non-consolidated) increased by ¥15.2 billion year-on-year to ¥394.3 billion.
- Net income (non-consolidated) increased by ¥6.7 billion year-on-year to ¥279.8 billion.

(Billions of yen)

	As of		Change
	Mar. 31, 2021	Mar. 31, 2020	
Deposits <small>(Note 3)</small>	<b>189,593.4</b>	183,004.7	+ 6,588.7

## Net Interest Income

(Billions of yen)

	For the fiscal year ended		Year-on-year Change
	Mar. 31, 2021	Mar. 31, 2020	
Net interest income to	<b>961.8</b>	976.8	(14.9)
Interest income	<b>1,198.2</b>	1,318.0	(119.7)
Interest income on Japanese government bonds	<b>364.6</b>	428.1	(63.4)
Interest income on foreign securities	<b>750.9</b>	787.4	(36.5)
Interest expenses	<b>236.3</b>	341.1	(104.7)

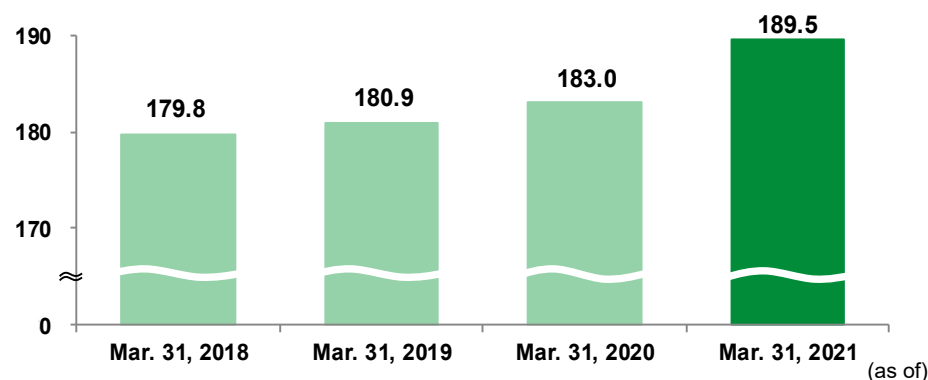
## Net Fees and Commissions

(Billions of yen)

	For the fiscal year ended		Year-on-year Change
	Mar. 31, 2021	Mar. 31, 2020	
Net fees and commissions relating to	<b>127.9</b>	128.8	(0.9)
Exchange and settlement transactions	<b>83.4</b>	79.4	+ 3.9
ATMs	<b>20.1</b>	19.0	+ 1.0
Investment trusts	<b>14.6</b>	21.7	(7.1)
Others	<b>9.7</b>	8.5	+ 1.1

## Deposit Balance

(Trillions of yen)



Note: Figures are rounded down to the first decimal place.

## Results of Investment Trusts Sales (Contract Basis)

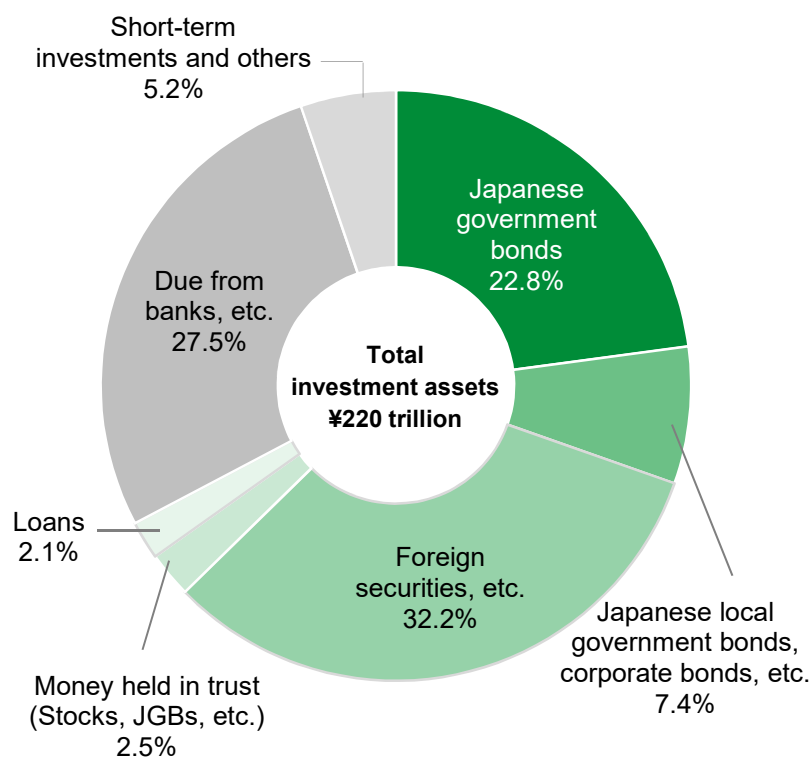
	For the fiscal year ended		Year-on-year change
	Mar. 31, 2021	Mar. 31, 2020	
Number of contracts (thousands)	<b>3,661</b>	3,170	+ 491
Sales amount (billions of yen)	<b>262.9</b>	691.4	(428.5)

	As of		Year-on-year Change
	Mar. 31, 2021	Mar. 31, 2020	
Number of investment trust accounts (thousands)	<b>1,215</b>	1,185	+ 29
Net assets (billions of yen)	<b>2,565.8</b>	2,301.7	+ 264.0



# Japan Post Bank (Non-consolidated): Status of Investment Assets

(Billions of yen)



	As of Mar. 31, 2021	Composition ratio (%)	As of Mar. 31, 2020	Composition ratio (%)	Change
Securities	<b>138,183.2</b>	<b>62.6</b>	135,198.4	65.1	+ 2,984.8
Japanese government bonds	<b>50,493.4</b>	<b>22.8</b>	53,636.1	25.8	(3,142.6)
Japanese local government bonds, corporate bonds, etc. <sup>(Note 1)</sup>	<b>16,522.5</b>	<b>7.4</b>	15,904.8	7.6	+ 617.6
Foreign securities, etc.	<b>71,167.2</b>	<b>32.2</b>	65,657.5	31.6	+ 5,509.7
Foreign bonds	<b>23,505.1</b>	<b>10.6</b>	23,706.8	11.4	(201.7)
Investment trusts <sup>(Note 2)</sup>	<b>47,591.1</b>	<b>21.5</b>	41,901.0	20.1	+ 5,690.1
Money held in trust (Stocks, JGBs, etc.)	<b>5,547.5</b>	<b>2.5</b>	4,549.7	2.1	+ 997.8
Domestic stocks	<b>2,261.7</b>	<b>1.0</b>	1,859.6	0.8	+ 402.0
Loans	<b>4,691.7</b>	<b>2.1</b>	4,961.7	2.3	(270.0)
Due from banks, etc. <sup>(Note 3)</sup>	<b>60,667.0</b>	<b>27.5</b>	51,485.4	24.8	+ 9,181.6
Short-term investments and others <sup>(Note 4)</sup>	<b>11,505.7</b>	<b>5.2</b>	11,324.2	5.4	+ 181.5
<b>Total investment assets</b>	<b>220,595.4</b>	<b>100.0</b>	207,519.6	100.0	+ 13,075.8

Notes: 1. "Japanese local government bonds, corporate bonds, etc." consists of Japanese local government bonds, commercial paper, Japanese corporate bonds and Japanese stocks.

2. The major investment target in "Investment trusts" is foreign bonds.

3. "Due from banks, etc." consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.

4. "Short-term investments and others" consists of call loans and receivables under resale agreements, etc.

## Results of Operations for the Fiscal Year Ended March 31, 2021

(Billions of yen, %)

	For the fiscal year ended		Year-on-year change
	Mar. 31, 2021	Mar. 31, 2020	
Ordinary income	<b>6,786.2</b>	7,211.4	(425.1)
Ordinary expenses	<b>6,440.4</b>	6,924.8	(484.3)
Ordinary profit	<b>345.7</b>	286.6	+ 59.1
Net income	<b>166.1</b>	150.6	+ 15.4
(Reference) Non-consolidated Financial Highlights			
Core profit	<b>421.9</b>	400.6	+ 21.3
Net capital gains (losses)	<b>(17.1)</b>	(102.4)	+ 85.3
Non-recurring gains (losses)	<b>(59.8)</b>	(11.3)	(48.4)
Ordinary profit	<b>345.0</b>	286.8	+ 58.1
Annualized premiums from new policies (individual insurance)	<b>30.6</b>	146.9	(116.3)
	As of		Change
	Mar. 31, 2021	Mar. 31, 2020	
Annualized premiums from policies in force (individual insurance) <sup>(Note 1)</sup>	<b>3,898.1</b>	4,318.6	(420.5)
Solvency margin ratio (consolidated)	<b>1,121.2</b>	1,070.9	+ 50.3
Real net assets (consolidated)	<b>12,081.7</b>	12,350.9	(269.2)

## Overview

- Core profit (non-consolidated) for the fiscal year ended March 31, 2021 increased, mainly due to a decrease in operating expenses reflecting a decrease in new policies and a decrease in payment of hospitalization insurance claims, etc., despite a severe situation where the number of policies in force continues to decline, and ordinary profit (consolidated) increased by ¥59.1 billion year-on-year to ¥345.7 billion, mainly due to the improvement in capital losses, etc.
- Capital losses (non-consolidated) are offset by the reserve for price fluctuations, so net income (consolidated) increased by ¥15.4 billion year-on-year to ¥166.1 billion.
- Annualized premiums from new policies for individual insurance and medical care each decreased significantly compared with the previous fiscal year. Annualized premiums from policies in force for individual insurance and medical care each decreased compared with the end of the previous fiscal year. (Notes 1 and 3)
- Internal reserves, which are the sum of contingency reserve and reserve for price fluctuations, amounted to ¥2,516.1 billion. Solvency margin ratio (consolidated), an indicator of financial soundness, amounted to 1,121.2% and real net assets (consolidated) amounted to ¥12,081.7 billion, reflecting a continuously maintained high level of financial soundness.

Notes: 1. Policies in force for individual insurance include those for Postal Life Insurance Policies, which show contracts reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life insurance and Post Office Network.

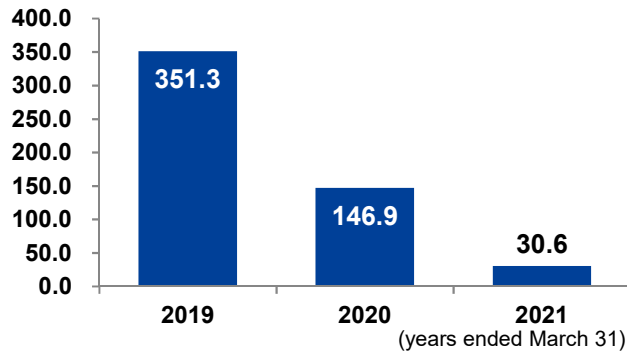
2. Figures less than ¥0.1 billion are rounded down.

3. Please refer to "Status of Insurance Policies" on page 10 for annualized premiums from new policies and policies in force for medical care.

## New Policies

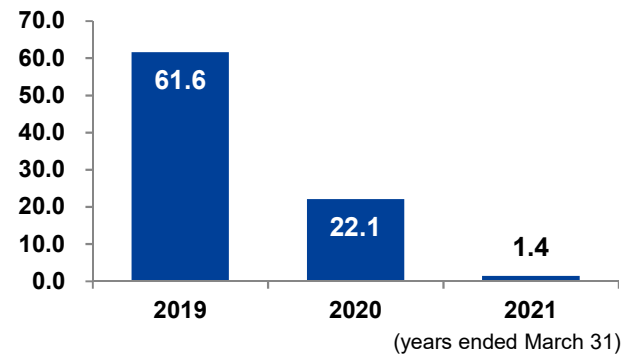
### Annualized Premiums from New Policies (Individual Insurance)

(Billions of yen)



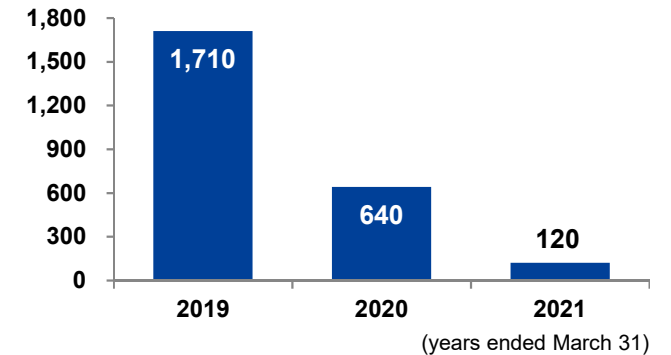
### Annualized Premiums from New Policies (Medical Care)

(Billions of yen)



### Number of New Policies (Individual Insurance)

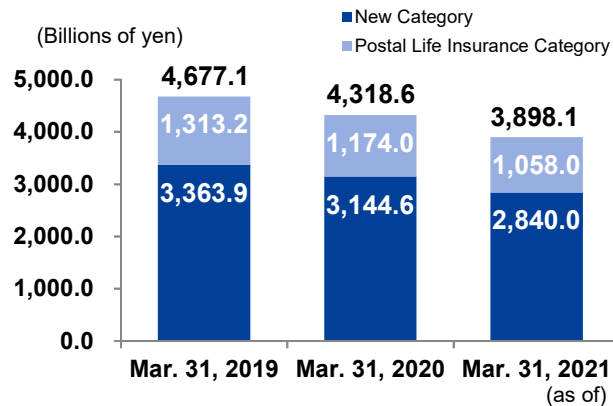
(Policies in thousands)



## Policies in Force

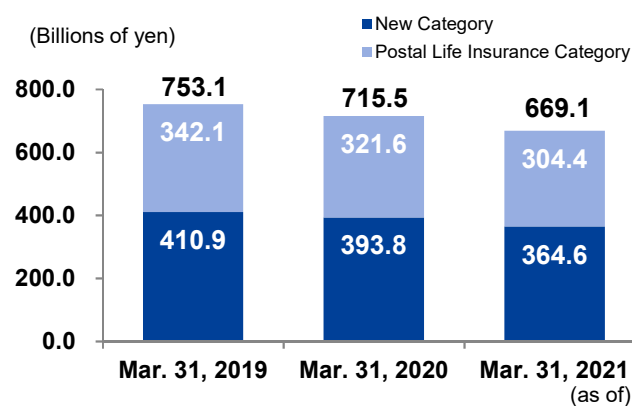
### Annualized Premiums from Policies in Force (Individual Insurance)

(Billions of yen)



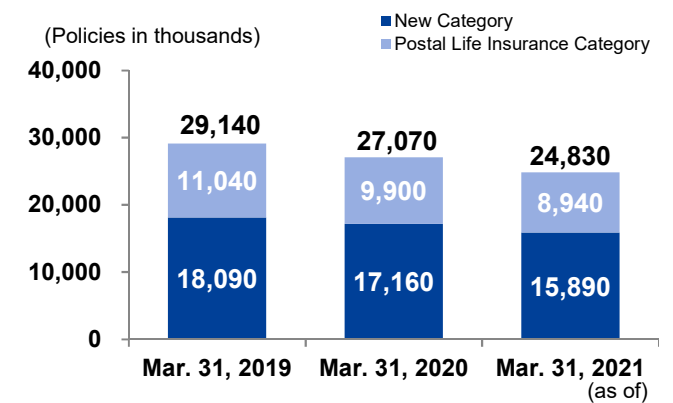
### Annualized Premiums from Policies in Force (Medical Care)

(Billions of yen)



### Number of Policies in Force (Individual Insurance)

(Policies in thousands)



Notes: 1. Figures less than ¥0.1 billion are rounded down, and number of policies is rounded down to the nearest ten thousand.

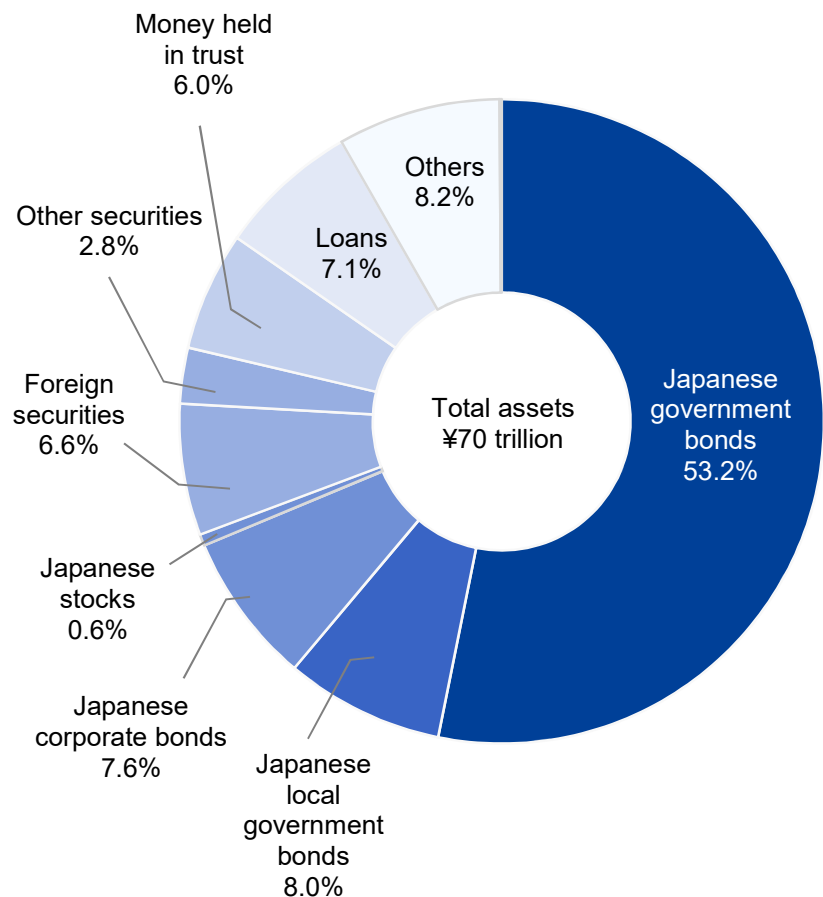
2. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.

Annualized premiums for individual insurance include those for medical care. Annualized premiums for medical care are the total of those for individual insurance and individual annuity insurance.

3. "New Category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance Category" shows Postal Life Insurance Policies reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life Insurance and Post Office Network.

# Japan Post Insurance (Consolidated): Status of Investment Assets

(Billions of yen)



	As of Mar. 31, 2021	Composition ratio (%)	As of Mar. 31, 2020	Composition ratio (%)	Change
Securities	<b>55,273.6</b>	<b>78.8</b>	55,870.5	78.0	(596.9)
Japanese government bonds	<b>37,345.6</b>	<b>53.2</b>	36,730.7	51.3	+ 614.8
Japanese local government bonds	<b>5,593.5</b>	<b>8.0</b>	6,737.3	9.4	(1,143.8)
Japanese corporate bonds	<b>5,325.2</b>	<b>7.6</b>	5,486.3	7.7	(161.0)
Japanese stocks	<b>403.5</b>	<b>0.6</b>	285.9	0.4	+ 117.6
Foreign securities	<b>4,632.3</b>	<b>6.6</b>	4,687.3	6.5	(54.9)
Other securities	<b>1,973.1</b>	<b>2.8</b>	1,942.7	2.7	+ 30.4
Money held in trust	<b>4,189.2</b>	<b>6.0</b>	3,056.0	4.3	+ 1,133.2
Loans	<b>4,964.0</b>	<b>7.1</b>	5,662.7	7.9	(698.6)
Others	<b>5,745.9</b>	<b>8.2</b>	7,075.4	9.9	(1,329.4)
<b>Total assets</b>	<b>70,172.9</b>	<b>100.0</b>	71,664.7	100.0	(1,491.7)

# Japan Post Holdings:

## Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022



(Billions of yen)

	Net ordinary income		Net income		Background on the consolidated financial results forecast and key initiatives for the fiscal year ending March 31, 2022
		Year-on-year change		Year-on-year change	
Japan Post Holdings (Consolidated)	730.0	(184.1)	340.0	(78.2)	-
Japan Post Co. (Consolidated)	75.0	(74.1)	20.0	(33.4)	<ul style="list-style-type: none"> <li>Japan Post Co. forecasts decreases in net ordinary income and net income, mainly due to a decrease in the volume of mail handled reflecting the advancement of digitalization and a decrease in commission income from Japan Post Bank resulting from decreased number of remittance settlement, etc.</li> <li>Key initiatives for the fiscal year ending March 31, 2022, the first year of the Medium-Term Management Plan:                             <ul style="list-style-type: none"> <li>- Build relationships of trust with customers through sales activities, by continuing with initiatives to regain customers' trust</li> <li>- Engage in a review of services in line with revisions to the Postal Act, and ensure appropriate business operations</li> <li>- Proceed with the rationalization of unprofitable businesses, in addition to the implementation of the sale of Toll's Global Express business, and shift to a business model centered on Asia</li> </ul> </li> </ul>
Japan Post Bank (Consolidated)	355.0	(39.2)	260.0	(20.1)	<ul style="list-style-type: none"> <li>Japan Post Bank forecasts decreases in net ordinary income and net income, mainly owing to factors such as decreases in gains on redemption of foreign bonds and revenue from Japanese government bonds, despite increases in revenue from strategic investment and foreign bond investment trusts compared to the fiscal year ended March 31, 2021</li> <li>Key initiatives for the fiscal year ending March 31, 2022, the first year of the Medium-Term Management Plan:                             <ul style="list-style-type: none"> <li>- Transformation into a new retail business through complementarity of physical and digital operations</li> <li>- Operational reforms and productivity improvements utilizing digital technology</li> <li>- Stress resilience-aware market operations and deeper risk management</li> </ul> </li> </ul>
Japan Post Insurance (Consolidated)	290.0	(55.7)	118.0	(48.1)	<ul style="list-style-type: none"> <li>Japan Post Insurance forecasts decreases in net ordinary income and net income compared to the fiscal year ended March 31, 2021, mainly owing to a decrease in insurance-related income due to fewer policies in force, and an increase in general and administrative expenses in association with the implementation of sales activities</li> <li>Key initiatives for the fiscal year ending March 31, 2022, the first year of the Medium-Term Management Plan:                             <ul style="list-style-type: none"> <li>- Continue with initiatives to regain customers' trust</li> <li>- Make preparations to build new sales systems for Japan Post Insurance</li> <li>- Various initiatives to transform to a business model that prioritizes customer experience value</li> </ul> </li> </ul>

Notes: 1. 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.

2. Net income of Japan Post Holdings (consolidated) is calculated based on the portion of voting rights to Japan Post Bank (approximately 89%) and Japan Post Insurance (approximately 49.9%), etc. held by Japan Post Holdings.

(On May 14, 2021, the Board of Directors of Japan Post Insurance resolved on a share repurchase through ToSTNeT-3. On the same day, the Board of Directors of Japan Post Holdings resolved on the sale of shares in response to this share repurchase and the establishment of a share disposal trust. Accordingly, the portion of voting rights to Japan Post Insurance held by Japan Post Holdings has come to 49.9%.)

	Net operating income	Year-on-year change
Japan Post Co. (Consolidated)	80.0	(75.0)
Postal and Domestic Logistics Business	65.0	(58.7)
Post Office Business	15.0	(22.7)
International Logistics Business	0.0	(3.5)

### Dividends

For the fiscal year ended March 31, 2021

Dividend per share	Dividend payout ratio (consolidated)
50 Yen	48.3%

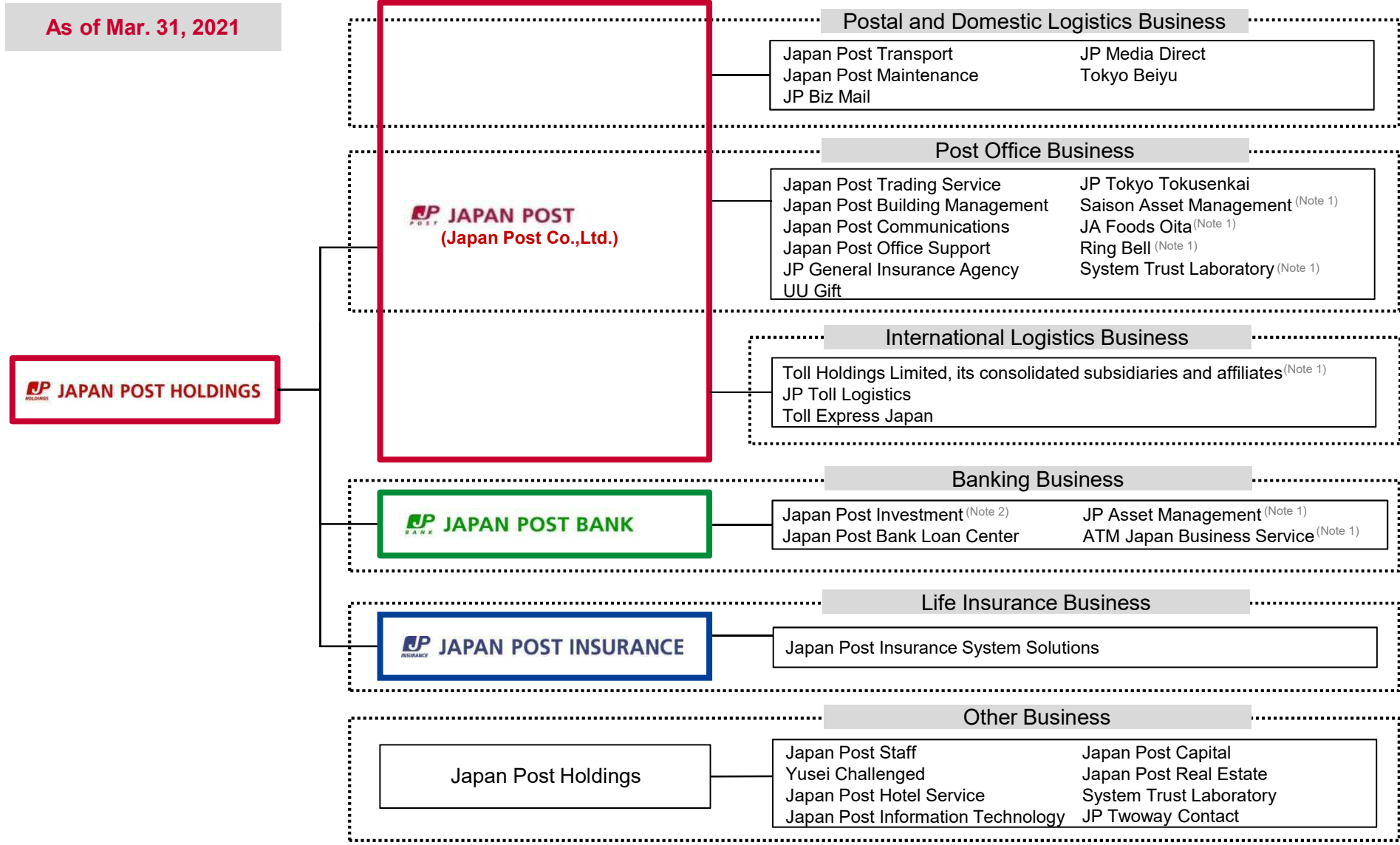
For the fiscal year ending March 31, 2022 (Forecast)

Dividend per share	Dividend payout ratio (consolidated)
50 Yen	59.5%

Notes: 1. The source of all dividends for the fiscal year ended March 31, 2021 is capital surplus.

2. In accordance with Article 11 of the Act on Japan Post Holdings Co., Ltd., payment of dividends from retained earnings or other appropriation of retained earnings (excluding disposition of loss) of Japan Post Holdings shall not be effective without the approval of the Minister for Internal Affairs and Communications.

# [Appendix 1] Japan Post Holdings: Organization Chart



Notes: 1. Affiliates accounted for by the equity method.  
2. Including its consolidated subsidiaries.

# [Appendix 2] Japan Post Co. (Consolidated): Quarterly Consolidated Statements of Income

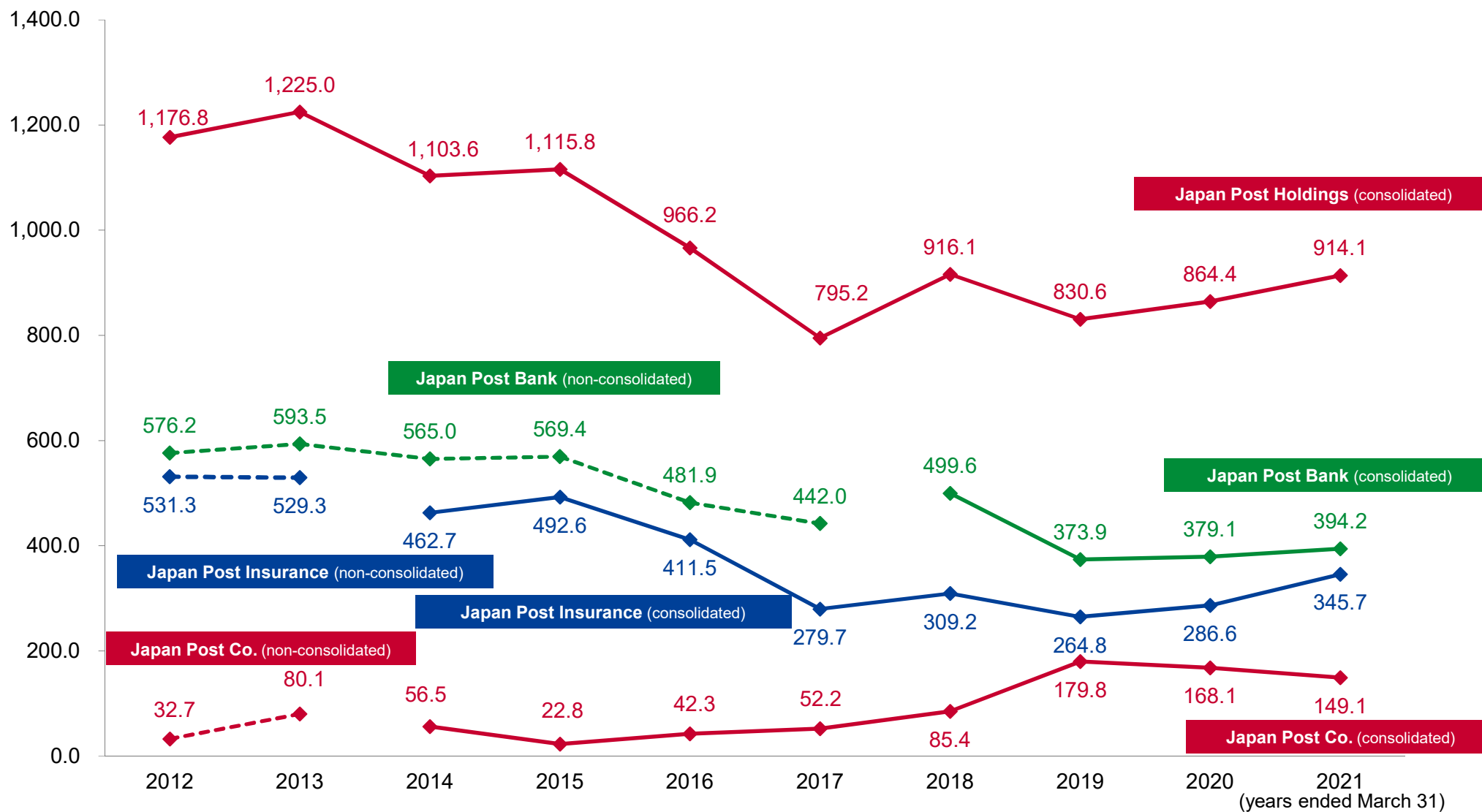
(Billions of yen)

	For the three-month period from Apr. to Jun. 2020			For the three-month period from Apr. to Jun. 2019			Year-on-year change	For the three-month period from Jul. to Sep. 2020			For the three-month period from Jul. to Sep. 2019			Year-on-year change	For the three-month period from Oct. to Dec. 2020			For the three-month period from Oct. to Dec. 2019			Year-on-year change	For the three-month period from Jan. to Mar. 2021			For the three-month period from Jan. to Mar. 2020			Year-on-year change
<b>Japan Post Co. (Consolidated)</b>	Operating income	925.8	944.3	(18.5)	919.8	925.6	(5.8)	1,057.9	1,059.3	(1.4)	934.0	909.9	+24.0															
	Operating expenses	905.3	904.0	+1.2	922.2	909.1	+13.1	955.4	954.4	+1.0	899.4	892.6	+6.8															
	Personnel expenses	561.2	587.4	(26.2)	565.3	579.1	(13.8)	575.6	594.0	(18.3)	564.7	570.2	(5.5)															
	Other expenses	344.1	316.6	+27.4	356.9	330.0	+26.9	379.8	360.3	+19.4	334.7	322.3	+12.3															
	Net operating income (loss)	20.4	40.2	(19.7)	(2.4)	16.5	(18.9)	102.4	104.9	(2.4)	34.5	17.3	+17.2															
<b>Postal and Domestic Logistics Business</b>	Operating income	490.1	501.5	(11.3)	472.5	489.1	(16.5)	590.5	610.9	(20.4)	515.1	523.6	(8.5)															
	Operating expenses	474.7	480.0	(5.2)	481.4	482.2	(0.8)	510.2	520.0	(9.7)	478.2	495.4	(17.2)															
	Personnel expenses	305.1	310.5	(5.3)	306.8	309.0	(2.1)	314.6	323.2	(8.5)	309.1	314.7	(5.6)															
	Other expenses	169.6	169.4	+0.1	174.5	173.2	+1.3	195.5	196.7	(1.2)	169.0	180.6	(11.5)															
	Net operating income (loss)	15.4	21.5	(6.1)	(8.9)	6.8	(15.7)	80.2	90.9	(10.6)	36.9	28.1	+8.7															
<b>Post Office Business</b>	Operating income	303.9	334.9	(31.0)	312.7	330.5	(17.8)	337.9	339.2	(1.3)	288.8	293.9	(5.1)															
	Operating expenses	289.1	313.0	(23.9)	304.6	316.3	(11.7)	319.1	323.5	(4.3)	292.7	301.1	(8.4)															
	Personnel expenses	209.6	224.2	(14.6)	209.7	218.7	(8.9)	211.5	216.8	(5.2)	207.4	210.5	(3.1)															
	Other expenses	79.5	88.8	(9.2)	94.9	97.6	(2.7)	107.5	106.7	+0.8	85.3	90.6	(5.3)															
	Net operating income (loss)	14.7	21.8	(7.1)	8.0	14.1	(6.0)	18.7	15.7	+3.0	(3.8)	(7.1)	+3.3															
<b>International Logistics Business</b>	Operating income	185.6	160.1	+25.4	188.0	158.1	+29.9	190.5	168.2	+22.2	185.7	148.4	+37.2															
	Operating expenses	193.8	162.0	+31.7	185.9	160.9	+25.0	185.1	169.3	+15.7	181.4	151.2	+30.1															
	Personnel expenses	46.3	52.6	(6.2)	48.6	51.3	(2.6)	49.4	54.0	(4.6)	48.2	44.9	+3.2															
	Other expenses	147.4	109.4	+38.0	137.3	109.5	+27.7	135.7	115.3	+20.3	133.2	106.3	+26.9															
	Net operating income (loss)	(8.2)	(1.9)	(6.2)	2.0	(2.8)	+4.9	5.3	(1.1)	+6.5	4.2	(2.7)	+7.0															

Note: Figures for the international logistics business for the three-month period from July to September, from October to December and from January to March were calculated by subtracting the accumulated figures in billions of yen until each previous quarter's end (translated by the average exchange rate for the corresponding period) from the accumulated figures in billions of yen until each quarter's end (translated by the average exchange rate for the corresponding period).

# [Appendix 3] Trends in Net Ordinary Income

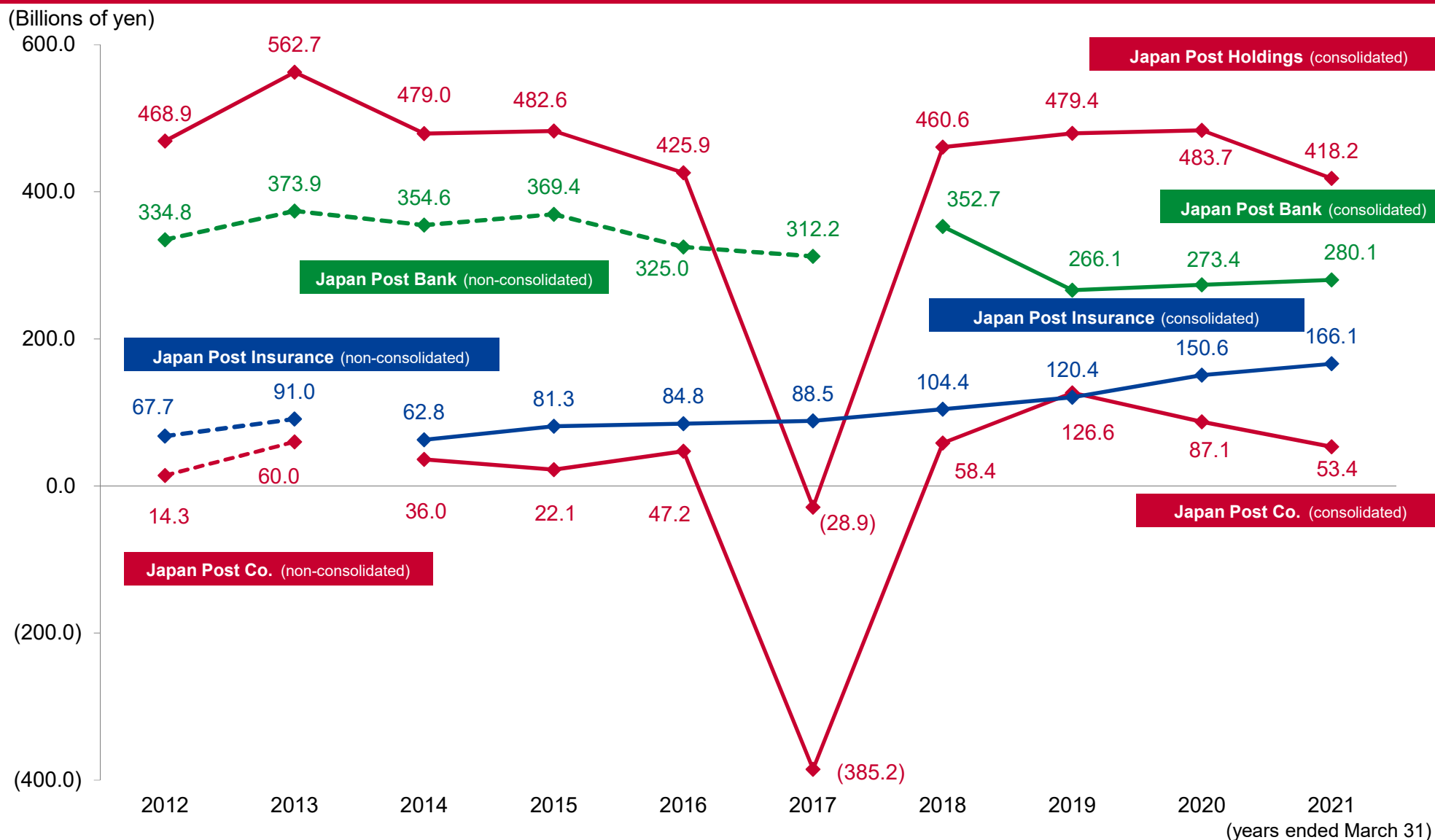
(Billions of yen)



Note: Net ordinary income of Japan Post Co. (non-consolidated) has been derived from net ordinary income (loss) of Japan Post Service Co. and Japan Post Network Co. up to the fiscal year ended March 31, 2013.



# [Appendix 4] Trends in Net Income (Loss)



Notes: 1. From the fiscal year ended March 31, 2016, the amount of net income (loss) attributable to Japan Post Holdings, net income (loss) attributable to Japan Post Co. and net income attributable to Japan Post Insurance have been used for net income (loss) of Japan Post Holdings (consolidated), Japan Post Co. (consolidated) and Japan Post Insurance (consolidated), respectively.  
 2. Net income (loss) of Japan Post Co. (non-consolidated) has been derived from net income (loss) of Japan Post Service Co. and Japan Post Network Co. up to the fiscal year ended March 31, 2013.

Forecasts and other forward-looking statements presented in this document are based on information that Japan Post Holdings Co., Ltd (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.