

**Summary of Consolidated Financial Results  
for the Three Months Ended June 30, 2021**  
<Under Japanese GAAP>



August 11, 2021

Company name: Japan Post Holdings Co., Ltd. Stock exchange listing: Tokyo Stock Exchange  
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 Scheduled date of filing interim securities report: August 11, 2021  
 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 Three Months Ended June 30, 2021**

**(April 1, 2021 to June 30, 2021)**

(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	%
Three months ended June 30, 2021	2,864,073	2.5	288,495	116.5	159,736	102.7
Three months ended June 30, 2020	2,793,065	(6.4)	133,229	(34.1)	78,788	(41.7)

(Note) Comprehensive income: Three months ended June 30, 2021: ¥407,409 million [(81.3)%]  
 Three months ended June 30, 2020: ¥2,182,053 million [566.6%]

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2021	39.99	-
Three months ended June 30, 2020	19.49	-

(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 June 30, 2021	299,835,049	15,986,503	4.5
As of March 31, 2021	297,738,131	16,071,067	4.6

(Reference) Equity: As of June 30, 2021: ¥13,422,252 million  
 As of March 31, 2021: ¥13,794,361 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, 2021	Yen -	Yen 0.00	Yen -	Yen 50.00	Yen 50.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (Forecast)		0.00	-	50.00	50.00

(Note) Revision of dividends forecast to the latest announcement: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% 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, 2022	10,600,000	(9.6)	730,000	(20.1)	340,000	(18.7)	88.91

(Note) Revision of financial results forecast to the latest announcement: None

**\* 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) Adoption of accounting method specific to preparation of interim consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No(Note) Please refer to 2. Interim Consolidated Financial Statements and Primary Notes (3) Notes to Interim Consolidated Financial Statements (Changes in Accounting Policies) on page 7 of the Attachment for details.
- (4) 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 June 30, 2021: 3,767,870,229 shares  
As of March 31, 2021: 4,500,000,000 shares
  - 2) Total number of treasury stock at the end of the fiscal period:  
As of June 30, 2021: 564,800 shares  
As of March 31, 2021: 456,635,301 shares
  - 3) Average number of shares during the fiscal period:  
Three months ended June 30, 2021: 3,994,844,988 shares  
Three months ended June 30, 2020: 4,043,339,598 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 464,800 shares and 496,100 shares as of June 30, 2021 and March 31, 2021, 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 472,367 shares and 521,201 shares for the three months ended June 30, 2021 and 2020, respectively.

\* 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 as of June 30, 2021 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]

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Supplementary Briefing Material:

Materials for Consolidated Financial Results for the Three Months Ended June 30, 2021

## 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 three months ended June 30, 2021 amounted to ¥2,864,073 million (up ¥71,007 million year-on-year), of which the postal and domestic logistics business segment accounted for ¥489,113 million (down ¥1,788 million year-on-year); the post office business segment accounted for ¥287,253 million (down ¥17,046 million year-on-year); the international logistics business segment accounted for ¥181,168 million (down ¥4,490 million year-on-year); the banking business segment accounted for ¥505,595 million (up ¥117,997 million year-on-year); and the life insurance business segment accounted for ¥1,665,111 million (down ¥31,279 million year-on-year).

Consolidated net ordinary income amounted to ¥288,495 million (up ¥155,265 million year-on-year) as a result of net ordinary income of ¥20,734 million in the postal and domestic logistics business segment (up ¥4,931 million year-on-year); net ordinary income of ¥11,191 million in the post office business segment (down ¥3,692 million year-on-year); net ordinary income of ¥3,953 million in the international logistics business segment (net ordinary loss of ¥10,940 million for the same period of the previous fiscal year); net ordinary income of ¥162,680 million in the banking business segment (up ¥120,630 million year-on-year); and net ordinary income of ¥92,077 million in the life insurance business segment (up ¥22,120 million year-on-year).

As a result of the above, net income attributable to Japan Post Holdings amounted to ¥159,736 million (up ¥80,947 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 ¥299,835,049 million, up ¥2,096,918 million from the end of the previous fiscal year.

Major factors include an increase in securities of ¥2,878,098 million and an increase in receivables under resale agreements of ¥2,170,408 million, as well as a decrease in receivables under securities borrowing transactions of ¥2,563,464 million.

#### 2) Liabilities

Consolidated total liabilities were ¥283,848,546 million, up ¥2,181,482 million from the end of the previous fiscal year.

Major factors include an increase in payables under repurchase agreements of ¥2,591,966 million and an increase in deposits of ¥2,375,353 million, as well as a decrease in payables under securities lending transactions of ¥2,322,294 million and a decrease in policy reserves of ¥736,158 million.

#### 3) Net Assets

Consolidated total net assets were ¥15,986,503 million, down ¥84,563 million from the end of the previous fiscal year.

Major factors include an increase in retained earnings of ¥1,421,890 million, an increase of treasury stock of ¥830,885 million due to the cancellation, etc., and an increase in non-controlling interests of ¥287,545 million, as well as a decrease in capital surplus of ¥2,626,453 million.

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

The consolidated financial results forecast for the fiscal year ending March 31, 2022 remains unchanged from the full year forecast announced on May 14, 2021.

## 2. Interim Consolidated Financial Statements and Primary Notes

### (1) Interim Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Cash and due from banks	62,719,113	62,010,437
Call loans	1,520,000	1,885,000
Receivables under resale agreements	9,721,360	11,891,769
Receivables under securities borrowing transactions	2,585,087	21,622
Monetary claims bought	638,985	548,085
Trading account securities	13	11
Money held in trust	10,029,932	9,956,052
Securities	193,703,491	196,581,590
Loans	9,655,811	9,617,329
Foreign exchanges	80,847	132,002
Other assets	2,716,321	2,889,236
Tangible fixed assets	3,153,739	3,122,403
Intangible assets	240,194	231,003
Asset for retirement benefits	64,184	64,473
Deferred tax assets	919,448	894,375
Reserve for possible loan losses	(10,400)	(10,344)
<b>Total assets</b>	<b>297,738,131</b>	<b>299,835,049</b>

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
Deposits	187,984,760	190,360,114
Payables under repurchase agreements	14,886,481	17,478,447
Policy reserves and others	61,159,597	60,394,156
Reserve for outstanding claims	419,021	415,555
Policy reserves	59,397,720	58,661,561
Reserve for policyholder dividends	1,342,855	1,317,039
Payables under securities lending transactions	6,092,013	3,769,718
Borrowed money	4,228,180	4,647,287
Foreign exchanges	514	354
Bonds	300,000	300,000
Other liabilities	2,851,705	2,711,598
Reserve for bonuses	126,149	37,296
Liability for retirement benefits	2,210,273	2,237,995
Reserve for employee stock ownership plan trust	535	258
Reserve for management board benefit trust	952	845
Reserve for reimbursement of deposits	73,830	72,761
Reserve for insurance claims and others	2,851	3,143
Reserve under the special laws	904,816	923,740
Reserve for price fluctuations	904,816	923,740
Deferred tax liabilities	844,400	910,828
<b>Total liabilities</b>	<b>281,667,063</b>	<b>283,848,546</b>
<b>Net assets</b>		
Capital stock	3,500,000	3,500,000
Capital surplus	4,085,191	1,458,738
Retained earnings	4,374,229	5,796,120
Treasury stock	(831,661)	(776)
<b>Total shareholders' equity</b>	<b>11,127,759</b>	<b>10,754,082</b>
Net unrealized gains (losses) on available-for-sale securities	2,893,921	2,984,689
Net deferred gains (losses) on hedges	(329,275)	(406,982)
Foreign currency translation adjustments	(104,433)	(102,268)
Accumulated adjustments for retirement benefits	206,389	192,731
<b>Total accumulated other comprehensive income</b>	<b>2,666,601</b>	<b>2,668,169</b>
Non-controlling interests	2,276,705	2,564,251
<b>Total net assets</b>	<b>16,071,067</b>	<b>15,986,503</b>
<b>Total liabilities and net assets</b>	<b>297,738,131</b>	<b>299,835,049</b>

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

Interim Consolidated Statements of Income  
Three months ended June 30

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Ordinary income	2,793,065	2,864,073
Postal business income	666,763	660,511
Banking business income	387,180	505,269
Life insurance business income	1,696,386	1,665,106
Other ordinary income	42,734	33,184
Ordinary expenses	2,659,836	2,575,578
Operating expenses	1,951,113	1,891,890
Personnel expenses	613,846	611,590
Depreciation and amortization	71,809	66,131
Other ordinary expenses	23,067	5,965
Net ordinary income	133,229	288,495
Extraordinary gains	24,564	7,395
Gains on sales of fixed assets	251	7,279
Reversal of reserve under the special laws	22,397	-
Reversal of reserve for price fluctuations	22,397	-
Compensation for transfer	906	112
Other extraordinary gains	1,009	3
Extraordinary losses	2,358	20,522
Losses on sales and disposal of fixed assets	736	673
Losses on impairment of fixed assets	16	712
Provision for reserve under the special laws	-	18,923
Provision for reserve for price fluctuations	-	18,923
Post office refurbishment expenses	250	-
Other extraordinary losses	1,354	213
Provision for reserve for policyholder dividends	20,400	15,404
Income before income taxes	135,035	259,963
Income taxes current	33,334	66,529
Income taxes deferred	2,898	(556)
Total income taxes	36,232	65,973
Net income	98,802	193,990
Net income attributable to non-controlling interests	20,014	34,253
Net income attributable to Japan Post Holdings	78,788	159,736



Interim Consolidated Statements of Comprehensive Income  
Three months ended June 30

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net income	98,802	193,990
Other comprehensive income	2,083,250	213,418
Net unrealized gains (losses) on available-for-sale securities	2,145,364	312,098
Net deferred gains (losses) on hedges	(47,648)	(87,217)
Foreign currency translation adjustments	(1,120)	1,785
Adjustments for retirement benefits	(13,340)	(13,248)
Share of other comprehensive income (loss) of affiliates	(4)	1
Comprehensive income	2,182,053	407,409
Total comprehensive income attributable to:		
Japan Post Holdings	1,834,513	312,309
Non-controlling interests	347,539	95,099

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

None

(Notes to Significant Changes in Shareholders' Equity)

(Appropriation of Surplus)

The Company resolved an appropriation of surplus at the meeting of the Board of Directors held on May 14, 2021, based on the provisions of Article 452 and Article 459, Paragraph 1, Item 3 of the Companies Act, and Article 39, Paragraph 1 of the Company's Articles of Incorporation, consisting of the transfer of an amount from other capital surplus to retained earnings brought forward, to supplement the deficit in retained earnings brought forward. This appropriation of surplus was executed effective the same day. As a result, during the three months ended June 30, 2021, capital surplus decreased by ¥1,267,127 million, and retained earnings increased by the same amount.

(Share Repurchase)

The Company resolved a share repurchase at the meeting of the Board of Directors held on June 10, 2021, based on the provisions of Article 39, Paragraph 1 of the Company's Articles of Incorporation, in accordance with the rules set forth under Article 459, Paragraph 1, Item 1 of the Companies Act. The share repurchase was completed on June 11, 2021. As a result, during the three months ended June 30, 2021, treasury stock increased by ¥249,999 million (276,090,500 shares).

(Cancellation of Treasury Stock)

The Company resolved to cancel its treasury stock at the meeting of the Board of Directors held on June 18, 2021, based on the provisions of Article 178 of the Companies Act. The company cancelled 732,129,771 shares of treasury stock, effective June 30, 2021. As a result, during the three months ended June 30, 2021, capital surplus and treasury stock each decreased by ¥1,080,816 million.

As a result of these actions, as of June 30, 2021 the balance of capital surplus was ¥1,458,738 million, the balance of retained earnings was ¥5,796,120 million, and the balance of treasury stock was ¥776 million.

(Changes in Accounting Policies)

(Application of the Accounting Standard for Revenue Recognition, etc.)

The Company has applied "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020; hereinafter referred to as "Revenue Recognition Accounting Standard"), etc. from the beginning of the three months ended June 30, 2021. Under Revenue Recognition Accounting Standard, the Company recognizes revenue at the time when control over the promised goods or services are transferred to the customer, in an amount equal to the consideration expected to be received for the said goods or services. Previously, revenue from post and parcels in the postal and domestic logistics business had been recognized at the time of acceptance, but pursuant to the application of Revenue Recognition Accounting Standard, etc., revenue is now progressively recognized during the period from the time of acceptance to the time when delivery is completed. Moreover, regarding revenue from catalogue sales, etc. in the post office business, the full amount of the consideration received from customers had previously been recognized as revenue, but pursuant to the application of Revenue Recognition Accounting Standard, etc., these are treated as transactions undertaken as an agent, and only the net amount after deducting corresponding payments to suppliers is recognized as revenue.

In applying the Revenue Recognition Accounting Standard, etc., the Company has followed the transitional treatment stipulated under the proviso of Paragraph 84 of Revenue Recognition Accounting Standard, adjusting retained earnings at the start of the three months ended June 30, 2021 to account for the cumulative effect of retrospective application of the new accounting policy prior to that time, and applying the new accounting policy

from the adjusted balance.

As a result, ordinary income for the three months ended June 30, 2021 was ¥12,332 million lower, ordinary expenses were ¥12,494 million lower, and net ordinary income and income before income taxes were each ¥162 million higher than under the previous accounting policy. In addition, the balance of retained earnings at the start of the three months ended June 30, 2021 was ¥4,972 million lower than under the previous accounting policy.

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The Company has applied “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as “Fair Value Measurement Accounting Standard”), etc. from the start of the three months ended June 30, 2021. The Company has applied the new accounting policy prescribed under Fair Value Measurement Accounting Standard, etc. prospectively, in accordance with the transitional treatment prescribed under Paragraph 19 of Fair Value Measurement Accounting Standard and Paragraph 44-2 of “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). Pursuant to this application, the valuation method for shares with a market price has been changed from fair value based on the average market price, etc. over the month prior to fiscal closing, to fair value based on market price, etc. on the fiscal closing day.

(Additional Information)

(Progress of Material Business Transfer)

In the previous fiscal year, the Company recorded the transfer (hereinafter referred to as the “Transfer”) by the Company’s consolidated subsidiary Toll Holdings Limited (hereinafter referred to as “Toll”) of Toll’s global express business to Australian Parcels Group Pty Ltd, Australian Parcels Pty Ltd, Tasmania Maritime Pty Ltd and NZ Logistics Holdings Limited, affiliates of Allegro Funds Pty Ltd, and the planned date of the business divestiture at the end of July 2021, as a Subsequent Event.

The approval of the relevant authorities in Australia and New Zealand, and the fulfillment of various conditions, are necessary to complete the Transfer, and Toll is presently working with Allegro Funds Pty Ltd to carry out the necessary procedures. The new planned date for the business divestiture is during the three months ending September 30, 2021.

## (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	479,969	19,782	181,109	505,269	1,665,106	2,851,237	12,580	2,863,818
Intersegment ordinary income	9,144	267,471	59	325	4	277,004	212,272	489,276
Total	489,113	287,253	181,168	505,595	1,665,111	3,128,241	224,852	3,353,094
Segment profit	20,734	11,191	3,953	162,680	92,077	290,636	196,502	487,138

(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 ¥194,419 million.

## 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	290,636
Segment profit in other business	196,502
Eliminations of intersegment transactions	(197,852)
Adjustments	(791)
Net ordinary income on the interim consolidated statements of income	288,495

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

## 3. Changes in reportable segments, etc.

As described in Changes in Accounting Policies, the Company has applied Revenue Recognition Accounting Standard, etc. from the beginning of the three months ended June 30, 2021. With this change in the accounting treatment for revenue recognition, the Company has correspondingly changed the method used to calculate business segment profit or loss.

As a result of this change, during the three months ended June 30, 2021, ordinary income for the postal and domestic logistics business was ¥395 million lower than under the previous method, while segment profit was ¥122 million higher. For the post office business, ordinary income was ¥11,871 million lower than under the previous method. For the banking business, ordinary income was ¥70 million lower than under the previous method, while segment profit was ¥40 million higher. For other business, ordinary income was ¥115 million lower than under the previous method, and segment profit was ¥0 million lower.