

**Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2022**
<Under Japanese GAAP>



February 14, 2023

Company name: Japan Post Holdings Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
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 Scheduled date of filing interim securities report: February 14, 2023
 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 Nine Months Ended December 31, 2022
(April 1, 2022 to December 31, 2022)

(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	%
Nine months ended December 31, 2022	8,411,793	(1.2)	533,609	(31.3)	376,278	(6.7)
Nine months ended December 31, 2021	8,512,973	(2.2)	776,234	9.5	403,453	3.4

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥(1,063,696) million [-%]
 Nine months ended December 31, 2021: ¥452,610 million [(87.3)%]

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2022	104.64	-
Nine months ended December 31, 2021	105.12	-

(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 December 31, 2022	293,985,191	13,230,322	3.8
As of March 31, 2022	303,846,980	14,688,981	4.1

(Reference) Equity: As of December 31, 2022: ¥11,135,457 million
 As of March 31, 2022: ¥12,309,391 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, 2022	Yen -	Yen 0.00	Yen -	Yen 50.00	Yen 50.00
Fiscal year ending March 31, 2023	-	0.00	-		
Fiscal year ending March 31, 2023 (Forecast)				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, 2023 (April 1, 2022 to March 31, 2023)

(% 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, 2023	10,670,000	(5.3)	700,000	(29.4)	400,000	(20.3)	111.98

(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 8 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 December 31, 2022: 3,657,797,700 shares

As of March 31, 2022: 3,767,870,229 shares

- 2) Total number of treasury stock at the end of the fiscal period:

As of December 31, 2022: 158,875,773 shares

As of March 31, 2022: 105,519,251 shares

- 3) Average number of shares during the fiscal period:

Nine months ended December 31, 2022: 3,595,835,922 shares

Nine months ended December 31, 2021: 3,838,131,742 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 1,140,500 shares and 375,400 shares as of December 31, 2022 and March 31, 2022, 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 983,940 shares and 424,418 shares for the nine months ended December 31, 2022 and 2021, 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 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, the impact of Russia's invasion of Ukraine, 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 Nine Months Ended December 31, 2022

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 nine months ended December 31, 2022 amounted to ¥8,411,793 million (down ¥101,179 million year-on-year), of which the postal and domestic logistics business segment accounted for ¥1,511,599 million (down ¥13,302 million year-on-year); the post office business segment accounted for ¥817,427 million (down ¥61,159 million year-on-year*); the international logistics business segment accounted for ¥476,072 million (down ¥54,447 million year-on-year); the banking business segment accounted for ¥1,550,736 million (down ¥4,901 million year-on-year); and the life insurance business segment accounted for ¥4,798,031 million (down ¥23,010 million year-on-year).

Consolidated net ordinary income amounted to ¥533,609 million (down ¥242,625 million year-on-year) as a result of net ordinary income of ¥47,166 million in the postal and domestic logistics business segment (down ¥24,867 million year-on-year); net ordinary income of ¥58,366 million in the post office business segment (up ¥29,567 million year-on-year*); net ordinary income of ¥2,236 million in the international logistics business segment (down ¥14,747 million year-on-year); net ordinary income of ¥344,279 million in the banking business segment (down ¥50,216 million year-on-year); and net ordinary income of ¥78,140 million in the life insurance business segment (down ¥191,957 million year-on-year).

As a result of the above, net income attributable to Japan Post Holdings amounted to ¥376,278 million (down ¥27,174 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.

*The business conducted by Japan Post Building Management Co., Ltd., which was previously included in the “post office business,” has been reclassified as part of “other business” beginning from the three months ended June 30, 2022. Accordingly, year-on-year differences are stated according to the figures after the reclassification of segments.

(2) Explanation of Financial Position

1) Assets

Consolidated total assets were ¥293,985,191 million, down ¥9,861,789 million from the end of the previous fiscal year.

Major factors include an increase in money held in trust of ¥952,755 million and an increase in receivables under securities borrowing transactions of ¥880,728 million, as well as a decrease in securities of ¥10,267,805 million and a decrease in receivables under resale agreements of ¥1,043,547 million.

2) Liabilities

Consolidated total liabilities were ¥280,754,868 million, down ¥8,403,130 million from the end of the previous fiscal year.

Major factors include an increase in deposits of ¥1,952,599 million and an increase in other liabilities of ¥770,125 million, as well as a decrease in borrowed money of ¥5,357,004 million, a decrease in payables under repurchase agreements of ¥3,368,342 million and a decrease in policy reserves of ¥2,251,094 million.

3) Net Assets

Consolidated total net assets were ¥13,230,322 million, down ¥1,458,658 million from the end of the previous fiscal year.

Major factors include an increase in retained earnings of ¥193,142 million, as well as a decrease in net unrealized gains (losses) on available-for-sale securities of ¥1,178,730 million, a decrease in non-controlling interests of ¥284,725 million and a decrease in capital surplus of ¥95,355 million.

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

The consolidated financial results forecast for the fiscal year ending March 31, 2023 remains unchanged from the full year forecast announced on May 13, 2022.

2. Interim Consolidated Financial Statements and Primary Notes

(1) Interim Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Cash and due from banks	68,502,665	67,626,651
Call loans	2,510,000	2,010,000
Receivables under resale agreements	11,958,586	10,915,039
Receivables under securities borrowing transactions	-	880,728
Monetary claims bought	436,845	485,818
Trading account securities	11	-
Money held in trust	10,762,356	11,715,111
Securities	193,172,232	182,904,427
Loans	8,693,923	9,209,077
Foreign exchanges	213,924	133,424
Other assets	3,183,566	3,350,249
Tangible fixed assets	3,105,104	3,074,820
Intangible assets	224,931	248,261
Asset for retirement benefits	69,639	69,572
Deferred tax assets	1,019,228	1,367,970
Reserve for possible loan losses	(6,036)	(5,961)
Total assets	303,846,980	293,985,191

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Deposits	191,731,173	193,683,773
Payables under repurchase agreements	22,032,546	18,664,204
Policy reserves and others	58,196,072	55,862,311
Reserve for outstanding claims	402,608	387,017
Policy reserves	56,533,454	54,282,360
Reserve for policyholder dividends	1,260,009	1,192,934
Payables under securities lending transactions	3,751,134	4,028,522
Borrowed money	5,942,886	585,881
Foreign exchanges	697	918
Bonds	300,000	335,000
Other liabilities	3,455,867	4,225,992
Reserve for bonuses	127,237	35,065
Liability for retirement benefits	2,223,051	2,294,156
Reserve for employee stock ownership plan trust	515	251
Reserve for management board benefit trust	1,139	889
Reserve for reimbursement of deposits	58,813	55,828
Reserve under the special laws	972,606	899,546
Reserve for price fluctuations	972,606	899,546
Deferred tax liabilities	364,257	82,526
Total liabilities	289,157,998	280,754,868
Net assets		
Capital stock	3,500,000	3,500,000
Capital surplus	1,458,718	1,363,362
Retained earnings	6,138,069	6,331,211
Treasury stock	(96,106)	(156,133)
Total shareholders' equity	11,000,681	11,038,440
Net unrealized gains (losses) on available-for-sale securities	1,731,180	552,450
Net deferred gains (losses) on hedges	(479,930)	(485,184)
Foreign currency translation adjustments	(112,443)	(114,409)
Accumulated adjustments for retirement benefits	169,902	144,160
Total accumulated other comprehensive income	1,308,709	97,017
Non-controlling interests	2,379,590	2,094,864
Total net assets	14,688,981	13,230,322
Total liabilities and net assets	303,846,980	293,985,191

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

Interim Consolidated Statements of Income
Nine months ended December 31

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Ordinary income	8,512,973	8,411,793
Postal business income	2,022,874	1,955,241
Banking business income	1,554,442	1,549,563
Life insurance business income	4,821,029	4,796,370
Other ordinary income	114,626	110,618
Ordinary expenses	7,736,738	7,878,183
Operating expenses	5,524,819	5,876,019
Personnel expenses	1,831,223	1,806,047
Depreciation and amortization	195,436	172,575
Other ordinary expenses	185,258	23,541
Net ordinary income	776,234	533,609
Extraordinary gains	23,355	92,241
Gains on sales of fixed assets	18,257	11,297
Reversal of reserve under the special laws	-	73,059
Reversal of reserve for price fluctuations	-	73,059
Compensation for transfer	922	127
Insurance claim income	4,158	819
Other extraordinary gains	16	6,937
Extraordinary losses	82,292	4,752
Losses on sales and disposal of fixed assets	2,949	1,729
Losses on impairment of fixed assets	5,796	1,939
Provision for reserve under the special laws	57,592	-
Provision for reserve for price fluctuations	57,592	-
Litigation expenses	-	969
Losses on sale of businesses	11,203	-
Other extraordinary losses	4,750	113
Provision for reserve for policyholder dividends	51,289	43,764
Income before income taxes	666,008	577,333
Income taxes current	181,193	150,206
Income taxes deferred	(9,175)	(19,336)
Total income taxes	172,018	130,870
Net income	493,990	446,463
Net income attributable to non-controlling interests	90,536	70,185
Net income attributable to Japan Post Holdings	403,453	376,278

Interim Consolidated Statements of Comprehensive Income
 Nine months ended December 31

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net income	493,990	446,463
Other comprehensive income (loss)	(41,380)	(1,510,160)
Net unrealized gains (losses) on available-for-sale securities	123,077	(1,475,852)
Net deferred gains (losses) on hedges	(138,351)	(5,999)
Foreign currency translation adjustments	6,174	(2,325)
Adjustments for retirement benefits	(32,281)	(25,986)
Share of other comprehensive income of affiliates	0	4
Comprehensive income (loss)	452,610	(1,063,696)
Total comprehensive income (loss) attributable to:		
Japan Post Holdings	320,141	(827,024)
Non-controlling interests	132,468	(236,672)

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

None

(Notes to Significant Changes in Shareholders' Equity)
(Acquisition of Treasury Stock)

The Company resolved, at the meeting of its Board of Directors held on October 6, 2021, on matters concerning the acquisition of its treasury stock in accordance with Article 39, Paragraph 1 of the Company's Articles of Incorporation complying with Article 459, Paragraph 1, Item 1 of the Companies Act. The acquisition was completed on April 7, 2022. As a result, during the nine months ended December 31, 2022, treasury stock increased by ¥4,549 million (5,028,700 shares).

Moreover, the Company resolved, at the meeting of its Board of Directors held on May 13, 2022, on the following matters concerning the acquisition of its treasury stock in accordance with Article 39, Paragraph 1 of the Company's Articles of Incorporation complying with Article 459, Paragraph 1, Item 1 of the Companies Act, and acquired treasury stock accordingly. As a result, during the nine months ended December 31, 2022, treasury stock increased by ¥154,826 million (157,635,200 shares).

Details of matters related to the acquisition

(1) Class of shares acquired:	Common stock of the Company
(2) Total number of shares to be acquired:	278,000,000 shares (maximum) (The ratio of the total number of shares to be acquired to the total number of shares issued, excluding treasury stock, will be 7.6%)
(3) Total value of shares to be acquired:	¥200,000 million (maximum)
(4) Acquisition period:	From May 16, 2022 to March 31, 2023
(5) Method of the acquisition:	Market purchases based on a discretionary transaction contract with respect to the acquisition of treasury stock

(Cancellation of Treasury Stock)

The Company resolved, at the meeting of its Board of Directors held on April 25, 2022, to cancel treasury stock in accordance with the provisions of Article 178 of the Companies Act. The Company cancelled 110,072,529 shares of treasury stock, effective May 20, 2022. As a result, during the nine months ended December 31, 2022, capital surplus and treasury stock each decreased by ¥100,056 million.

As a result of these actions, as of December 31, 2022 the balance of capital surplus was ¥1,363,362 million and the balance of treasury stock was ¥156,133 million.

(Changes in Accounting Policies)

(Application of the Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021; hereinafter referred to as "Implementation Guidance on Fair Value Measurement Accounting Standard"), from the start of the three months ended June 30, 2022. The Company has applied the new accounting policy prescribed under Implementation Guidance on Fair Value Measurement Accounting Standard prospectively, in accordance with the transitional treatment prescribed under Paragraph 27-2 of Implementation Guidance on Fair Value Measurement Accounting Standard. Pursuant to this application, the method used to measure the value of certain investment trusts on the consolidated balance sheets has changed from acquisition cost to fair value.

(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	1,482,502	67,788	475,856	1,549,563	4,796,370	8,372,081	36,400	8,408,481
Intersegment ordinary income	29,096	749,639	215	1,173	1,660	781,785	242,830	1,024,615
Total	1,511,599	817,427	476,072	1,550,736	4,798,031	9,153,866	279,230	9,433,097
Segment profit	47,166	58,366	2,236	344,279	78,140	530,189	191,738	721,927

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

2. "Other business" includes the hospital business. Segment profit in "Other business" includes dividend income from subsidiaries and affiliates recorded by the Company in the amount of ¥184,610 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	530,189
Segment profit in other business	191,738
Eliminations of intersegment transactions	(186,069)
Adjustments	(2,248)
Net ordinary income on the interim consolidated statements of income	533,609

(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

(Changes in Classification of Reportable Segments)

Pursuant to a partial change in performance management classifications within the Group, the business conducted by Japan Post Building Management Co., Ltd., which was previously included in the "post office business," has been reclassified as part of "other business" beginning from the three months ended June 30, 2022.