



Overview of Consolidated Financial Results of Japan Post Co.

for the Fiscal Year Ended March 31, 2023

May 15, 2023

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1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	2,116,337	1,761,329
Notes receivable and operating accounts receivable	305,336	275,721
Contract assets	8,471	8,587
Securities	15,000	15,000
Inventories	39,439	56,190
Prepaid expenses	9,358	9,416
Other accounts receivable	3,952	15,508
Outstanding amount of banking business consignment	17,988	13,803
Other current assets	30,413	26,083
Reserve for possible loan losses	(1,064)	(968)
Total current assets	2,545,232	2,180,672
Non-current assets		
Tangible fixed assets		
Buildings	855,718	844,235
Structures	30,410	29,640
Machinery and equipment	79,436	75,624
Vehicles	12,760	15,946
Tools and fixtures	19,699	19,100
Land	1,293,431	1,291,080
Right-of-use assets	63,946	63,622
Construction in progress	153,820	219,015
Total tangible fixed assets	2,509,224	2,558,265
Intangible assets		
Leasehold right	1,657	1,652
Transferable development right	14,077	14,077
Software	20,492	17,515
Other intangible assets	11,765	38,914
Total intangible assets	47,994	72,161
Investments and other assets		
Investment securities	15,645	17,820
Claims provable in bankruptcy	3,466	3,456
Long-term prepaid expenses	7,913	7,215
Asset for retirement benefits	1,513	1,353
Other investments and other assets	53,444	53,468
Reserve for possible loan losses	(3,467)	(3,456)
Total investments and other assets	78,515	79,858
Total non-current assets	2,635,734	2,710,285
Total assets	5,180,966	4,890,957

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes payable and operating accounts payable	108,621	104,667
Short-term borrowings	160,569	144,506
Current portion of long-term borrowings	163,642	-
Other accounts payable	248,664	260,969
Outstanding amount of life insurance business consignment	1,583	1,149
Accrued expenses	44,193	64,687
Income taxes payable	24,180	4,052
Consumption taxes payable	20,400	18,785
Contract liabilities	45,475	51,243
Deposits received	221,994	205,542
Fund deposits for post offices	860,000	840,000
Reserve for bonuses	113,800	105,985
Reserve for losses on rebuilding of branches	-	197
Other current liabilities	56,001	50,644
Total current liabilities	2,069,126	1,852,431
Long-term liabilities		
Lease obligations	103,241	99,381
Deferred tax liabilities	10,990	9,488
Reserve for losses on rebuilding of branches	197	-
Reserve for management board benefit trust	227	153
Liability for retirement benefits	1,995,085	1,988,082
Other long-term liabilities	91,942	90,064
Total long-term liabilities	2,201,686	2,187,169
Total liabilities	4,270,812	4,039,601
Net assets		
Shareholders' equity		
Capital stock	400,000	400,000
Capital surplus	141,930	141,930
Retained earnings	327,640	296,534
Total shareholders' equity	869,571	838,465
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	28	143
Net deferred gains (losses) on hedges	(212)	33
Foreign currency translation adjustments	(112,443)	(116,148)
Accumulated adjustments for retirement benefits	133,987	107,911
Total accumulated other comprehensive income (loss)	21,360	(8,060)
Non-controlling interests	19,222	20,951
Total net assets	910,154	851,356
Total liabilities and net assets	5,180,966	4,890,957

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

(1) Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Operating income		
Postal service business income	2,021,945	1,980,703
Commissions for banking business consignment	354,374	340,055
Commissions for life insurance business consignment	190,263	134,846
Funds to maintain post office network	290,991	280,818
International logistics business income	687,268	599,182
Other operating income	112,076	115,925
Total operating income	3,656,920	3,451,530
Operating costs	3,277,014	3,134,220
Gross operating income	379,905	317,310
Sales, general and administrative costs	231,636	233,515
Net operating income	148,268	83,794
Other income		
Interest income	319	726
Equity in earnings of affiliates	1,234	1,194
Foreign exchange gains	-	2,681
Subsidy income	1,387	1,664
Compensation for damage received	1,259	193
Others	1,949	3,303
Total other income	6,151	9,763
Other expenses		
Interest expenses	8,425	12,872
Provision for reserve for possible loan losses	1,299	54
Others	1,149	1,153
Total other expenses	10,874	14,080
Net ordinary income	143,545	79,477
Extraordinary gains		
Gains on sales of fixed assets	8,882	11,470
Gains on exchange of fixed assets	19	2,975
Insurance claim income	4,383	735
Others	3,423	1,162
Total extraordinary gains	16,708	16,344
Extraordinary losses		
Losses on sales of fixed assets	1,059	231
Losses on disposal of fixed assets	2,113	2,486
Losses on impairment of fixed assets	4,270	1,032
Losses on sale of businesses	10,898	-
Extra payments for early retirements	-	1,843
Litigation expenses	-	969
Others	6,207	2,323
Total extraordinary losses	24,550	8,886
Income before income taxes	135,704	86,935
Income taxes current	40,811	27,987
Income taxes deferred	2,580	(1,964)
Total income taxes	43,392	26,023
Net income	92,312	60,911
Net loss attributable to non-controlling interests	(905)	(1,199)
Net income attributable to Japan Post Co.	93,217	62,111

(2) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net income	92,312	60,911
Other comprehensive income (loss)		
Net unrealized gains (losses) on available-for-sale securities	0	109
Net deferred gains (losses) on hedges	(326)	246
Foreign currency translation adjustments	(7,771)	(4,039)
Adjustments for retirement benefits	(20,065)	(26,076)
Share of other comprehensive income of affiliates	0	6
Total other comprehensive loss	(28,162)	(29,755)
Comprehensive income	64,149	31,156
Total comprehensive income (loss) attributable to:		
Japan Post Co.	64,817	32,690
Non-controlling interests	(667)	(1,533)

3. Segment Information

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

Fiscal year ended March 31, 2022

(Millions of yen)

	Reportable segments				Other	Total
	Postal and domestic logistics business	Post office business	International logistics business (Note)	Subtotal		
Operating income						
Operating income from third parties	2,027,611	942,039	687,268	3,656,920	-	3,656,920
Intersegment operating income	13,599	209,757	237	223,594	-	223,594
Total	2,041,210	1,151,797	687,506	3,880,514	-	3,880,514
Segment profit	102,245	24,569	28,788	155,603	-	155,603

(Note)

The amount presented in segment profit for the international logistics business segment is EBIT.

Fiscal year ended March 31, 2023

(Millions of yen)

	Reportable segments				Other	Total
	Postal and domestic logistics business	Post office business	International logistics business (Note)	Subtotal		
Operating income						
Operating income from third parties	1,986,390	865,957	599,182	3,451,530	-	3,451,530
Intersegment operating income	11,427	208,083	279	219,790	-	219,790
Total	1,997,817	1,074,041	599,462	3,671,321	-	3,671,321
Segment profit	32,852	49,311	10,732	92,896	-	92,896

(Note)

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, 2022	Fiscal year ended March 31, 2023
Total segment profit of reportable segments	155,603	92,896
Segment profit in other business	-	-
Eliminations of intersegment transactions	824	824
Corporate expenses ^(Note)	(3,491)	(2,501)
Other adjustments	(4,667)	(7,424)
Net operating income on the consolidated statements of income	148,268	83,794

(Note)

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