

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 <Under Japanese GAAP>



November 14, 2024

Company name: Japan Post Holdings Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
 Code number: 6178 URL: <https://www.japanpost.jp/en/>
 Representative: MASUDA Hiroya, Director and Representative Executive Officer, President & CEO
 Contact: Horiguchi Koji, Head of IR Office, Corporate Planning Dept.
 Phone: +81-3-3477-0206
 Scheduled date of filing semi-annual securities report: November 26, 2024
 Scheduled date of commencing dividend payments: December 5, 2024
 Trading accounts: Unestablished
 Availability of supplementary briefing material on financial results: Available
 Schedule of 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 Six Months Ended September 30, 2024

(April 1, 2024 to September 30, 2024)

(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	%
Six months ended September 30, 2024	5,511,971	(1.9)	463,397	38.2	139,496	16.0
Six months ended September 30, 2023	5,618,183	3.1	335,255	13.8	120,239	(41.6)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥(1,638) million [- %]
 Six months ended September 30, 2023: ¥50,339 million [- %]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2024	44.00	-
Six months ended September 30, 2023	34.97	-

(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
	Million yen	Million yen	%
As of September 30, 2024	303,322,665	15,416,255	3.3
As of March 31, 2024	298,689,150	15,738,530	3.4

(Reference) Equity: As of September 30, 2024: ¥10,046,172 million
 As of March 31, 2024: ¥10,265,683 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, 2024	Yen -	Yen 25.00	Yen -	Yen 25.00	Yen 50.00
Fiscal year ending March 31, 2025	-	25.00			
Fiscal year ending March 31, 2025 (Forecast)			-	25.00	50.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025

(April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Net ordinary income		Net income attributable to Japan Post Holdings		Net income per share Yen
	Million yen	%	Million yen	%	Million yen	%	
Fiscal year ending March 31, 2025	11,280,000	(5.9)	760,000	13.7	280,000	4.2	89.35

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

*** Notes:**

- (1) Significant changes in the scope of consolidation during the fiscal period under review: No
- (2) 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. Consolidated Financial Statements and Primary Notes (4) Notes to Consolidated Financial Statements (Changes in Accounting Policies) on page 10 of the Attachment for details.
- (3) 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 September 30, 2024: 3,206,240,300 shares
 - As of March 31, 2024: 3,461,049,500 shares
 - 2) Total number of treasury stock at the end of the fiscal period:
 - As of September 30, 2024: 108,699,070 shares
 - As of March 31, 2024: 255,967,993 shares
 - 3) Average number of shares during the fiscal period:
 - Six months ended September 30, 2024: 3,170,097,275 shares
 - Six months ended September 30, 2023: 3,438,705,449 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 1,038,800 shares and 1,058,700 shares as of September 30, 2024 and March 31, 2024, respectively. The number of treasury stock excluded from the 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 1,048,572 shares and 1,098,063 shares for the six months ended September 30, 2024 and 2023, respectively.

(Summary of non-consolidated financial results)

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2024

(April 1, 2024 to September 30, 2024)

(1) Non-consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Operating income		Net operating income		Net ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2024	161,370	(8.0)	126,849	(8.5)	129,186	(12.4)	129,137	(12.7)
Six months ended September 30, 2023	175,436	(17.6)	138,650	(20.3)	147,423	(19.5)	147,924	(24.3)

	Net income per share
	Yen
Six months ended September 30, 2024	40.74
Six months ended September 30, 2023	43.02

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio (Note)
	Million yen	Million yen	%
As of September 30, 2024	5,286,426	5,060,396	95.7
As of March 31, 2024	5,300,393	5,163,805	97.4

(Reference) Equity: As of September 30, 2024: ¥5,060,396 million

As of March 31, 2024: ¥5,163,805 million

(Note) Equity ratio = (Net assets / Total assets) x 100

* This summary of 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 changes in monetary policy and economic fluctuation in Japan and overseas, 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]

Table of Contents

1. Overview of Results of Operations for the Consolidated Fiscal Period under Review, etc.....	2
(1) Results of Operations	2
(2) Financial Position.....	2
(3) Consolidated Financial Results Forecast and Other Future Projections	3
2. Consolidated Financial Statements and Primary Notes	4
(1) Consolidated Balance Sheets	4
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	6
(3) Consolidated Statements of Changes in Net Assets	8
(4) Notes to Consolidated Financial Statements	10
(Notes on Going-Concern Assumption).....	10
(Changes in Accounting Policies).....	10
(Segment Information).....	11
3. Non-consolidated Financial Statements.....	13
(1) Non-consolidated Balance Sheets	13
(2) Non-consolidated Statements of Income	15
(3) Non-consolidated Statements of Changes in Net Assets.....	16

Supplementary Briefing Material:

Materials for Consolidated Financial Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2025

1. Overview of Results of Operations for the Consolidated Fiscal Period under Review, etc.

(1) Results of Operations

Consolidated ordinary income for the six months ended September 30, 2024 amounted to ¥5,511,971 million (down ¥106,212 million year-on-year), of which the postal and domestic logistics business segment accounted for ¥941,394 million (down ¥1,741 million year-on-year); the post office business segment accounted for ¥509,172 million (down ¥5,478 million year-on-year*); the international logistics business segment accounted for ¥265,562 million (up ¥51,936 million year-on-year); the real estate business segment accounted for ¥46,334 million (up ¥23,691 million year-on-year*); the banking business segment accounted for ¥1,255,083 million (down ¥44,377 million year-on-year); and the life insurance business segment accounted for ¥2,943,451 million (down ¥170,510 million year-on-year).

Consolidated net ordinary income amounted to ¥463,397 million (up ¥128,142 million year-on-year) as a result of net ordinary loss of ¥93,298 million in the postal and domestic logistics business segment (net ordinary loss of ¥50,078 million in the same period of the previous fiscal year*); net ordinary income of ¥22,231 million in the post office business segment (down ¥9,298 million year-on-year*); net ordinary income of ¥457 million in the international logistics business segment (net ordinary loss of ¥546 million in the same period of the previous fiscal year); net ordinary income of ¥9,389 million in the real estate business segment (net ordinary loss of ¥1,983 million in the same period of the previous fiscal year*); net ordinary income of ¥321,363 million in the banking business segment (up ¥67,606 million year-on-year); and net ordinary income of ¥166,866 million in the life insurance business segment (up ¥67,579 million year-on-year).

As a result of the above, net income attributable to Japan Post Holdings amounted to ¥139,496 million (up ¥19,256 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 “real estate business” has been established as a new reportable segment beginning from the six months ended September 30, 2024. The businesses conducted by Japan Post Co., Ltd. (“Japan Post Co.”), previously classified into the “postal and domestic logistics business” and the “post office business,” have been reclassified into the “postal and domestic logistics business,” the “post office business,” and the “real estate business.” The businesses conducted by Japan Post Real Estate Co., Ltd., Japan Post Building Management Co., Ltd., and Japan Post Properties Co., Ltd. have been reclassified from “other business” to the “real estate business.” Year-on-year differences have been stated based on the figures after this change in classification method.

(2) Financial Position

1) Assets

Consolidated total assets were ¥303,322,665 million, up ¥4,633,515 million from the end of the previous fiscal year.

Major factors include an increase in cash and due from banks of ¥7,815,169 million and an increase in securities of ¥1,657,088 million, as well as a decrease in loans of ¥3,135,914 million, a decrease in other assets of ¥748,520 million and a decrease in receivables under resale agreements of ¥596,184 million.

2) Liabilities

Consolidated total liabilities were ¥287,906,409 million, up ¥4,955,790 million from the end of the previous fiscal year.

Major factors include an increase in payables under repurchase agreements of ¥6,703,782 million, an increase in borrowed money of ¥333,459 million and an increase in bonds of ¥124,300 million, as well as a decrease in deposits of ¥960,400 million and a decrease in other liabilities of ¥723,300 million.

3) Net Assets

Consolidated total net assets were ¥15,416,255 million, down ¥322,274 million from the end of the previous fiscal year.

Major factors include a decrease in treasury stock of ¥140,699 million (an increase in net assets) and an increase in net deferred gains (losses) on hedges of ¥122,838 million, as well as a decrease in net unrealized gains (losses) on available-for-sale securities of ¥326,145 million, a decrease in retained earnings of ¥240,945 million and a decrease in non-controlling interests of ¥102,763 million.

(3) Consolidated Financial Results Forecast and Other Future Projections

The consolidated financial results forecast for the fiscal year ending March 31, 2025 remains unchanged from the full year forecast announced on May 15, 2024.

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Cash and due from banks	59,507,482	67,322,651
Call loans	2,050,000	1,760,000
Receivables under resale agreements	10,789,814	10,193,630
Monetary claims bought	540,998	537,027
Trading account securities	54	215
Money held in trust	12,435,001	12,279,050
Securities	194,744,045	196,401,134
Loans	10,129,707	6,993,792
Foreign exchanges	181,332	137,393
Other assets	4,004,648	3,256,127
Tangible fixed assets	3,233,511	3,218,976
Intangible assets	298,528	304,573
Asset for retirement benefits	74,670	74,667
Deferred tax assets	704,972	848,608
Reserve for possible loan losses	(4,841)	(4,408)
Allowance for investment losses	(775)	(775)
Total assets	298,689,150	303,322,665

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Deposits	190,873,061	189,912,661
Payables under repurchase agreements	27,947,626	34,651,408
Policy reserves and others	51,988,334	51,577,829
Reserve for outstanding claims	373,913	323,761
Policy reserves	50,512,792	50,152,498
Reserve for policyholder dividends	1,101,628	1,101,568
Payables under securities lending transactions	2,373,799	2,195,410
Borrowed money	2,153,409	2,486,869
Foreign exchanges	1,273	1,103
Bonds	461,000	585,300
Other liabilities	4,021,545	3,298,244
Reserve for bonuses	123,843	123,993
Liability for retirement benefits	2,054,217	2,103,634
Reserve for employee stock ownership plan trust	510	199
Reserve for management board benefit trust	1,432	1,425
Reserve for reimbursement of deposits	50,950	49,760
Reserve under the special laws	873,799	894,285
Reserve for price fluctuations	873,799	894,285
Deferred tax liabilities	25,815	24,282
Total liabilities	282,950,619	287,906,409
Net assets		
Capital stock	3,500,000	3,500,000
Retained earnings	6,202,500	5,961,555
Treasury stock	(301,230)	(160,530)
Total shareholders' equity	9,401,270	9,301,024
Net unrealized gains (losses) on available-for-sale securities	1,592,142	1,265,996
Net deferred gains (losses) on hedges	(773,227)	(650,388)
Foreign currency translation adjustments	(75,843)	(37,010)
Effect of changes in discount rate assumptions	19,215	76,927
Accumulated adjustments for retirement benefits	102,126	89,623
Total accumulated other comprehensive income	864,413	745,147
Non-controlling interests	5,472,847	5,370,083
Total net assets	15,738,530	15,416,255
Total liabilities and net assets	298,689,150	303,322,665

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
 Consolidated Statements of Income
 Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Ordinary income	5,618,183	5,511,971
Postal business income	1,137,550	1,186,576
Banking business income	1,297,368	1,254,466
Life insurance business income	3,113,953	2,939,347
Other ordinary income	69,311	131,580
Ordinary expenses	5,282,928	5,048,573
Operating expenses	3,788,641	3,625,916
Personnel expenses	1,193,732	1,212,868
Depreciation and amortization	117,971	128,379
Other ordinary expenses	182,582	81,408
Net ordinary income	335,255	463,397
Extraordinary gains	14,838	5,847
Gains on sale of fixed assets	1,051	4,576
Reversal of reserve under the special laws	7,072	-
Reversal of reserve for price fluctuations	7,072	-
Compensation for transfer	1,323	175
Reversal of losses on transfer of business	1,808	817
Insurance claim income	2,126	-
Other extraordinary gains	1,457	277
Extraordinary losses	3,391	24,999
Losses on sale and disposal of fixed assets	1,719	1,598
Losses on impairment of fixed assets	538	1,005
Provision for reserve under the special laws	-	20,485
Provision for reserve for price fluctuations	-	20,485
Losses on business restructuring	475	-
Other extraordinary losses	658	1,909
Provision for reserve for policyholder dividends	34,417	57,361
Income before income taxes	312,285	386,884
Income taxes current	113,671	126,319
Income taxes deferred	(14,920)	(1,906)
Total income taxes	98,750	124,413
Net income	213,535	262,470
Net income attributable to non-controlling interests	93,295	122,974
Net income attributable to Japan Post Holdings	120,239	139,496

Consolidated Statements of Comprehensive Income
Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net income	213,535	262,470
Other comprehensive loss	(163,195)	(264,108)
Net unrealized gains (losses) on available-for-sale securities	264,102	(536,178)
Net deferred gains (losses) on hedges	(414,513)	199,153
Foreign currency translation adjustments	2,625	(2,769)
Adjustments for retirement benefits	(15,407)	(12,844)
Share of other comprehensive income (loss) of affiliates	(2)	88,528
Comprehensive income (loss)	50,339	(1,638)
Total comprehensive income (loss) attributable to:		
Japan Post Holdings	19,886	20,293
Non-controlling interests	30,453	(21,932)

(3) Consolidated Statements of Changes in Net Assets
Six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal period	3,500,000	-	6,236,757	(201,307)	9,535,450
Cumulative effects of changes in accounting policies					-
Restated balance at the beginning of the fiscal period	3,500,000	-	6,236,757	(201,307)	9,535,450
Changes in the fiscal period					
Cash dividends			(173,047)		(173,047)
Net income attributable to Japan Post Holdings			120,239		120,239
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		47,209			47,209
Purchases of treasury stock				(156,203)	(156,203)
Disposals of treasury stock				87	87
Cancellation of treasury stock		(199,989)		199,989	-
Transfer from retained earnings to capital surplus		152,779	(152,779)		-
Net changes in items other than shareholders' equity in the fiscal period					
Net changes in the fiscal period	-	-	(205,587)	43,873	(161,714)
Balance at the end of the fiscal period	3,500,000	-	6,031,169	(157,433)	9,373,735

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Effect of changes in discount rate assumptions	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal period	893,645	(375,143)	(116,148)	-	137,703	540,056	5,020,661	15,096,168
Cumulative effects of changes in accounting policies								-
Restated balance at the beginning of the fiscal period	893,645	(375,143)	(116,148)	-	137,703	540,056	5,020,661	15,096,168
Changes in the fiscal period								
Cash dividends								(173,047)
Net income attributable to Japan Post Holdings								120,239
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders								47,209
Purchases of treasury stock								(156,203)
Disposals of treasury stock								87
Cancellation of treasury stock								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity in the fiscal period	166,643	(253,741)	1,768	-	(15,104)	(100,433)	(154,471)	(254,905)
Net changes in the fiscal period	166,643	(253,741)	1,768	-	(15,104)	(100,433)	(154,471)	(416,619)
Balance at the end of the fiscal period	1,060,289	(628,885)	(114,379)	-	122,598	439,622	4,866,190	14,679,549

Six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal period	3,500,000	-	6,202,500	(301,230)	9,401,270
Cumulative effects of changes in accounting policies			29		29
Restated balance at the beginning of the fiscal period	3,500,000	-	6,202,530	(301,230)	9,401,299
Changes in the fiscal period					
Cash dividends			(80,153)		(80,153)
Net income attributable to Japan Post Holdings			139,496		139,496
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		(333)			(333)
Purchases of treasury stock				(159,305)	(159,305)
Disposals of treasury stock		0		21	21
Cancellation of treasury stock		(299,983)		299,983	-
Transfer from retained earnings to capital surplus		300,317	(300,317)		-
Net changes in items other than shareholders' equity in the fiscal period					
Net changes in the fiscal period	-	-	(240,974)	140,699	(100,274)
Balance at the end of the fiscal period	3,500,000	-	5,961,555	(160,530)	9,301,024

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Effect of changes in discount rate assumptions	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal period	1,592,142	(773,227)	(75,843)	19,215	102,126	864,413	5,472,847	15,738,530
Cumulative effects of changes in accounting policies		(29)				(29)		-
Restated balance at the beginning of the fiscal period	1,592,142	(773,256)	(75,843)	19,215	102,126	864,383	5,472,847	15,738,530
Changes in the fiscal period								
Cash dividends								(80,153)
Net income attributable to Japan Post Holdings								139,496
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders								(333)
Purchases of treasury stock								(159,305)
Disposals of treasury stock								21
Cancellation of treasury stock								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity in the fiscal period	(326,145)	122,867	38,832	57,711	(12,502)	(119,236)	(102,763)	(221,999)
Net changes in the fiscal period	(326,145)	122,867	38,832	57,711	(12,502)	(119,236)	(102,763)	(322,274)
Balance at the end of the fiscal period	1,265,996	(650,388)	(37,010)	76,927	89,623	745,147	5,370,083	15,416,255

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

None

(Changes in Accounting Policies)

(Application of the Accounting Standard for Current Income Taxes)

The Company has applied “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Income Taxes Accounting Standard”) and other standards from the beginning of the six months ended September 30, 2024.

For the amendment concerning the categorization of income taxes (taxes on other comprehensive income), the Company has followed the transitional treatment prescribed in the proviso to Paragraph 20-3 of the Income Taxes Accounting Standard. The Company adjusted retained earnings at the beginning of the six months ended September 30, 2024 to account for the cumulative effect of retrospective application of the new accounting policy prior to that time, adjusted the appropriate item in accumulated other comprehensive income by the corresponding amount, and applied the new accounting policy from the adjusted balance.

The effect of the application of these accounting standards on the consolidated financial statements was immaterial.

(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	Real estate business	Banking business	Life insurance business	Subtotal		
Ordinary income									
Ordinary income from third parties	923,843	25,777	265,283	44,929	1,254,466	2,939,347	5,453,648	57,756	5,511,405
Intersegment ordinary income	17,550	483,394	278	1,405	616	4,103	507,349	163,299	670,649
Total	941,394	509,172	265,562	46,334	1,255,083	2,943,451	5,960,998	221,056	6,182,054
Segment profit (loss)	(93,298)	22,231	457	9,389	321,363	166,866	427,009	165,715	592,724

- (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 ¥130,353 million and equity method income of ¥45,306 million.

2. Reconciliation of amounts reported on reportable segments and consolidated financial statements

(1) Reconciliation between total ordinary income of reportable segments and ordinary income on the consolidated statements of income

(Millions of yen)

Items	Amount
Total ordinary income of reportable segments	5,960,998
Ordinary income of other business	221,056
Eliminations of intersegment transactions	(670,649)
Adjustments	566
Ordinary income on the consolidated statements of income	5,511,971

- (Notes) 1. Ordinary income is presented instead of net sales which is typical for companies in other industries.
2. "Adjustments" are primarily due to differences in the calculation methods used for ordinary income for the international logistics business segment and the consolidated statements of income.

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

(Millions of yen)

Items	Amount
Total segment profit (loss) of reportable segments	427,009
Segment profit in other business	165,715
Eliminations of intersegment transactions	(126,127)
Adjustments	(3,198)
Net ordinary income on the consolidated statements of income	463,397

- (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 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 “real estate business” has been established as a new reportable segment beginning from the six months ended September 30, 2024. The businesses conducted by Japan Post Co., previously classified into the “postal and domestic logistics business” and the “post office business,” have been reclassified into the “postal and domestic logistics business,” the “post office business,” and the “real estate business.” The businesses conducted by Japan Post Real Estate Co., Ltd., Japan Post Building Management Co., Ltd., and Japan Post Properties Co., Ltd. have been reclassified from “other business” to the “real estate business.”

3. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	985,035	628,283
Securities	-	319,902
Inventories	179	108
Prepaid expenses	924	1,374
Short-term loan	120,363	76,243
Accounts receivable	13,566	9,025
Income taxes receivable	31,207	126
Others	1,642	17,043
Reserve for possible loan losses	(7)	(4)
Total current assets	1,152,913	1,052,104
Non-current assets		
Tangible fixed assets		
Buildings	33,888	32,686
Tools and fixtures	7,621	5,316
Land	85,065	85,052
Others	1,383	1,315
Total tangible fixed assets	127,959	124,370
Intangible assets	6,841	4,436
Investments and other assets		
Investment securities	146,624	152,656
Stocks of subsidiaries and affiliates	3,703,448	3,706,885
Long-term loan	109,347	190,048
Claims provable in bankruptcy	27	44
Long-term prepaid expenses	433	351
Prepaid pension costs	54,336	57,210
Others	189	61
Reserve for possible loan losses	(27)	(44)
Allowance for investment losses	(1,700)	(1,700)
Total investments and other assets	4,012,679	4,105,514
Total non-current assets	4,147,480	4,234,321
Total assets	5,300,393	5,286,426

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Short-term borrowings	3,700	3,023
Accounts payable	15,473	7,451
Accrued expenses	1,664	1,646
Income taxes payable	30	9
Accrued consumption taxes	-	162
Deposits received	10,140	81,535
Reserve for bonuses	1,308	1,358
Others	1,161	1,223
Total current liabilities	33,479	96,411
Long-term liabilities		
Bonds	61,000	85,300
Long-term borrowings	-	3,576
Reserve for retirement benefits	19,584	19,983
Reserve for management board benefit trust	395	387
Reserve for compensation for accidents in the course of duty	14,710	14,351
Deferred tax liabilities	5,399	4,057
Others	2,019	1,961
Total long-term liabilities	103,109	129,618
Total liabilities	136,588	226,030
Net assets		
Shareholders' equity		
Capital stock	3,500,000	3,500,000
Capital surplus		
Capital reserve	875,000	875,000
Other capital surplus	778,673	478,689
Total capital surplus	1,653,673	1,353,689
Retained earnings		
Other retained earnings		
Retained earnings brought forward	338,234	387,218
Total retained earnings	338,234	387,218
Treasury stock	(301,230)	(160,530)
Total shareholders' equity	5,190,676	5,080,376
Valuation and translation adjustments		
Net unrealized gains (losses) on available-for-sale securities	(26,871)	(19,980)
Total valuation and translation adjustments	(26,871)	(19,980)
Total net assets	5,163,805	5,060,396
Total liabilities and net assets	5,300,393	5,286,426

(2) Non-consolidated Statements of Income
Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Operating income		
Brand royalty income	6,212	6,111
Dividend income from subsidiaries and affiliates	140,295	130,353
Income from business consignment	23,057	18,981
Other revenue	5,871	5,924
Total operating income	175,436	161,370
Operating expenses		
Expenses for business consignment	23,160	18,960
Administrative expenses	6,526	8,241
Other business expenses	7,099	7,319
Total operating expenses	36,786	34,520
Net operating income	138,650	126,849
Other income		
Interest income	460	884
Interest on securities	-	206
Dividend income	6,620	750
Rent income	1,350	1,616
Others	1,311	433
Total other income	9,743	3,890
Other expenses		
Interest on bonds	78	195
Rent expenses	639	718
Expenses on systems rented to others	187	201
Others	64	438
Total other expenses	970	1,553
Net ordinary income	147,423	129,186
Extraordinary gains		
Gains on sale of fixed assets	530	-
Gain on receipt of donated non-current assets	10	9
Others	120	-
Total extraordinary gains	660	9
Extraordinary losses		
Losses on sale of non-current assets	-	3
Losses on sale and disposal of fixed assets	154	140
Losses on impairment of fixed assets	216	14
Others	4	-
Total extraordinary losses	374	157
Income before income taxes	147,709	129,037
Income taxes current	(214)	(99)
Total income taxes	(214)	(99)
Net income	147,924	129,137

(3) Non-consolidated Statements of Changes in Net Assets
Six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of the fiscal period	3,500,000	875,000	978,662	1,853,662	436,123	436,123
Changes in the fiscal period						
Cash dividends					(173,047)	(173,047)
Net income					147,924	147,924
Purchases of treasury stock						
Disposals of treasury stock						
Cancellation of treasury stock			(199,989)	(199,989)		
Net changes in items other than shareholders' equity in the fiscal period						
Net changes in the fiscal period	-	-	(199,989)	(199,989)	(25,123)	(25,123)
Balance at the end of the fiscal period	3,500,000	875,000	778,673	1,653,673	410,999	410,999

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the fiscal period	(201,307)	5,588,478	36,556	36,556	5,625,034
Changes in the fiscal period					
Cash dividends		(173,047)			(173,047)
Net income		147,924			147,924
Purchases of treasury stock	(156,203)	(156,203)			(156,203)
Disposals of treasury stock	87	87			87
Cancellation of treasury stock	199,989	-			-
Net changes in items other than shareholders' equity in the fiscal period			108,868	108,868	108,868
Net changes in the fiscal period	43,873	(181,239)	108,868	108,868	(72,370)
Balance at the end of the fiscal period	(157,433)	5,407,239	145,425	145,425	5,552,664

Six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings
				Retained earnings brought forward		
Balance at the beginning of the fiscal period	3,500,000	875,000	778,673	1,653,673	338,234	338,234
Changes in the fiscal period						
Cash dividends					(80,153)	(80,153)
Net income					129,137	129,137
Purchases of treasury stock						
Disposals of treasury stock			0	0		
Cancellation of treasury stock			(299,983)	(299,983)		
Net changes in items other than shareholders' equity in the fiscal period						
Net changes in the fiscal period	-	-	(299,983)	(299,983)	48,983	48,983
Balance at the end of the fiscal period	3,500,000	875,000	478,689	1,353,689	387,218	387,218

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the fiscal period	(301,230)	5,190,676	(26,871)	(26,871)	5,163,805
Changes in the fiscal period					
Cash dividends		(80,153)			(80,153)
Net income		129,137			129,137
Purchases of treasury stock	(159,305)	(159,305)			(159,305)
Disposals of treasury stock	21	21			21
Cancellation of treasury stock	299,983	-			-
Net changes in items other than shareholders' equity in the fiscal period			6,891	6,891	6,891
Net changes in the fiscal period	140,699	(110,300)	6,891	6,891	(103,408)
Balance at the end of the fiscal period	(160,530)	5,080,376	(19,980)	(19,980)	5,060,396