



# **Overview of Consolidated Financial Results of Japan Post Co.**

**for the Six Months Ended September 30, 2024**

**November 14, 2024**

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## 1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	1,546,784	1,399,534
Notes receivable, operating accounts receivable and contract assets	346,400	311,773
Securities	15,000	15,000
Inventories	36,050	30,798
Outstanding amount of banking business consignment	38,655	38,422
Other current assets	65,087	148,233
Reserve for possible loan losses	(1,307)	(796)
<b>Total current assets</b>	<b>2,046,669</b>	<b>1,942,966</b>
<b>Non-current assets</b>		
<b>Tangible fixed assets</b>		
Buildings	945,138	911,107
Land	1,352,676	1,352,968
Right-of-use assets	56,522	53,960
Other tangible fixed assets	173,390	186,722
<b>Total tangible fixed assets</b>	<b>2,527,727</b>	<b>2,504,757</b>
Intangible assets	95,726	93,243
<b>Investments and other assets</b>		
Other investments and other assets	86,712	71,364
Reserve for possible loan losses	(2,076)	(2,114)
<b>Total investments and other assets</b>	<b>84,636</b>	<b>69,250</b>
<b>Total non-current assets</b>	<b>2,708,091</b>	<b>2,667,251</b>
<b>Total assets</b>	<b>4,754,760</b>	<b>4,610,218</b>

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes payable and operating accounts payable	121,669	117,868
Short-term borrowings	151,539	98,468
Other accounts payable	327,405	139,744
Outstanding amount of life insurance business consignment	952	940
Income taxes payable	14,832	12,515
Deposits received	182,756	151,462
Fund deposits for post offices	810,000	860,000
Reserve for bonuses	104,721	105,639
Other current liabilities	138,659	176,750
Total current liabilities	1,852,538	1,663,388
Long-term liabilities		
Long-term borrowings	-	94,328
Lease obligations	91,269	86,480
Deferred tax liabilities	9,548	9,483
Reserve for management board benefit trust	218	247
Liability for retirement benefits	1,935,259	1,968,406
Other long-term liabilities	94,376	97,324
Total long-term liabilities	2,130,672	2,256,271
Total liabilities	3,983,210	3,919,660
Net assets		
Shareholders' equity		
Capital stock	400,000	400,000
Capital surplus	141,930	141,930
Retained earnings	239,605	171,282
Total shareholders' equity	781,536	713,212
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	348	244
Foreign currency translation adjustments	(114,313)	(117,100)
Accumulated adjustments for retirement benefits	79,636	70,354
Total accumulated other comprehensive loss	(34,328)	(46,500)
Non-controlling interests	24,341	23,846
Total net assets	771,550	690,558
Total liabilities and net assets	4,754,760	4,610,218

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

### (1) Consolidated Statements of Income

Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Operating income</b>		
Postal service business income	934,024	930,897
Commissions for banking business consignment	163,388	157,762
Commissions for life insurance business consignment	62,520	59,144
Funds to maintain post office network	150,028	151,500
International logistics business income	212,662	264,677
Other operating income	57,219	77,324
<b>Total operating income</b>	<b>1,579,844</b>	<b>1,641,307</b>
<b>Operating costs</b>	<b>1,492,178</b>	<b>1,594,107</b>
Gross operating income	87,666	47,200
Sales, general and administrative costs	107,853	109,801
<b>Net operating loss</b>	<b>(20,187)</b>	<b>(62,600)</b>
<b>Other income</b>		
Interest income	628	770
Dividend income	7	20
Equity in earnings of affiliates	4	383
Foreign exchange gains	273	-
Subsidy income	813	1,472
Others	1,106	1,028
<b>Total other income</b>	<b>2,833</b>	<b>3,676</b>
<b>Other expenses</b>		
Interest expenses	5,091	5,314
Foreign exchange losses	-	414
Others	537	541
<b>Total other expenses</b>	<b>5,628</b>	<b>6,270</b>
<b>Net ordinary loss</b>	<b>(22,983)</b>	<b>(65,194)</b>
<b>Extraordinary gains</b>		
Gains on sale of fixed assets	2,227	2,869
Insurance claim income	2,126	-
Reversal of losses on transfer of business	1,808	817
Others	2,633	444
<b>Total extraordinary gains</b>	<b>8,796</b>	<b>4,131</b>
<b>Extraordinary losses</b>		
Losses on sale of fixed assets	241	178
Losses on disposal of fixed assets	705	646
Losses on impairment of fixed assets	318	200
Others	1,120	1,907
<b>Total extraordinary losses</b>	<b>2,387</b>	<b>2,933</b>
<b>Loss before income taxes</b>	<b>(16,574)</b>	<b>(63,996)</b>
Income taxes current	4,267	3,989
Income taxes deferred	639	53
<b>Total income taxes</b>	<b>4,907</b>	<b>4,043</b>
<b>Net loss</b>	<b>(21,481)</b>	<b>(68,039)</b>
Net income (loss) attributable to non-controlling interests	(449)	283
<b>Net loss attributable to Japan Post Co.</b>	<b>(21,032)</b>	<b>(68,323)</b>

(2) 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 loss	(21,481)	(68,039)
Other comprehensive loss		
Net unrealized gains (losses) on available-for-sale securities	218	(103)
Net deferred gains (losses) on hedges	(33)	-
Foreign currency translation adjustments	2,625	(2,769)
Adjustments for retirement benefits	(10,990)	(9,281)
Share of other comprehensive loss of affiliates	(2)	(0)
Total other comprehensive loss	(8,182)	(12,154)
Comprehensive loss	(29,663)	(80,194)
Total comprehensive income (loss) attributable to:		
Japan Post Co.	(30,071)	(80,496)
Non-controlling interests	407	301

### 3. Segment Information

Six months ended September 30, 2023

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

(Millions of yen)

	Reportable segments					Other	Total
	Postal and domestic logistics business	Post office business	International logistics business (Note)	Real estate business	Subtotal		
Operating income							
Operating income from third parties	936,824	414,309	212,662	16,046	1,579,844	-	1,579,844
Intersegment operating income	4,765	99,684	338	519	105,308	-	105,308
Total	941,589	513,994	213,000	16,566	1,685,152	-	1,685,152
Segment profit (loss)	(50,870)	31,085	3,475	(504)	(16,813)	-	(16,813)

(Note)

The amount presented in segment profit (loss) 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	Amount
Total segment profit (loss) of reportable segments	(16,813)
Segment profit in other business	-
Eliminations of intersegment transactions	426
Corporate expenses <sup>(Note)</sup>	(1,451)
Other adjustments	(2,349)
Net operating loss on the consolidated statements of income	(20,187)

(Note)

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

Six months ended September 30, 2024

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

(Millions of yen)

	Reportable segments					Other	Total
	Postal and domestic logistics business	Post office business	International logistics business (Note)	Real estate business	Subtotal		
Operating income							
Operating income from third parties	933,688	406,722	264,677	36,219	1,641,307	-	1,641,307
Intersegment operating income	5,528	101,701	278	545	108,054	-	108,054
Total	939,217	508,423	264,956	36,764	1,749,362	-	1,749,362
Segment profit (loss)	(94,789)	21,747	4,594	10,141	(58,306)	-	(58,306)

(Note)

The amount presented in segment profit (loss) 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	Amount
Total segment profit (loss) of reportable segments	(58,306)
Segment profit in other business	-
Eliminations of intersegment transactions	425
Corporate expenses (Note)	(1,490)
Other adjustments	(3,229)
Net operating loss on the consolidated statements of income	(62,600)

(Note)

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

(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 the Company, 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”.

Segment information for the six months ended September 30, 2023 has been prepared based on the segment classifications after the change.