

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 <Under Japanese GAAP>



February 14, 2025

Company name: Japan Post Holdings Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
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 Scheduled date of commencing dividend payments: -
 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 Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 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	%
Nine months ended December 31, 2024	8,325,991	(1.3)	702,594	35.0	264,985	19.4
Nine months ended December 31, 2023	8,432,607	0.2	520,328	(2.5)	221,979	(41.0)

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥57,109 million [(93.0)%]
 Nine months ended December 31, 2023: ¥815,388 million [- %]

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2024	84.46	-
Nine months ended December 31, 2023	65.53	-

(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 December 31, 2024	307,763,550	15,293,183	3.2
As of March 31, 2024	298,689,150	15,738,530	3.4

(Reference) Equity: As of December 31, 2024: ¥9,883,671 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
	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	Yen 89.99

(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) Adoption of accounting method specific to preparation of quarterly 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. Consolidated Financial Statements and Primary Notes (3) Notes to 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, 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 December 31, 2024:	173,840,256 shares
As of March 31, 2024:	255,967,993 shares
 - 3) Average number of shares during the fiscal period:

Nine months ended December 31, 2024:	3,137,323,391 shares
Nine months ended December 31, 2023:	3,387,221,461 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 December 31, 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 1,045,303 shares and 1,084,894 shares for the nine months ended December 31, 2024 and 2023, respectively.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by Certified Public Accountants or an Audit Firm attached: Yes (voluntary).

* 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]

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Supplementary Briefing Material:

Materials for Consolidated Financial Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2025 (From April 1, 2024 to December 31, 2024)

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

(1) Results of Operations

Consolidated ordinary income for the nine months ended December 31, 2024 amounted to ¥8,325,991 million (down ¥106,615 million year-on-year), of which the postal and domestic logistics business segment accounted for ¥1,550,619 million (up ¥66,032 million year-on-year); the post office business segment accounted for ¥767,117 million (down ¥11,659 million year-on-year*); the international logistics business segment accounted for ¥396,924 million (up ¥62,678 million year-on-year); the real estate business segment accounted for ¥63,555 million (down ¥10,011 million year-on-year*); the banking business segment accounted for ¥1,910,178 million (down ¥23,914 million year-on-year); and the life insurance business segment accounted for ¥4,334,362 million (down ¥226,384 million year-on-year).

Consolidated net ordinary income amounted to ¥702,594 million (up ¥182,265 million year-on-year) as a result of net ordinary loss of ¥36,189 million in the postal and domestic logistics business segment (net ordinary loss of ¥37,185 million in the same period of the previous fiscal year*); net ordinary income of ¥30,559 million in the post office business segment (down ¥17,138 million year-on-year*); net ordinary income of ¥2,748 million in the international logistics business segment (net ordinary loss of ¥549 million in the same period of the previous fiscal year); net ordinary income of ¥11,683 million in the real estate business segment (down ¥4,419 million year-on-year*); net ordinary income of ¥441,128 million in the banking business segment (up ¥74,185 million year-on-year); and net ordinary income of ¥222,465 million in the life insurance business segment (up ¥97,066 million year-on-year).

As a result of the above, net income attributable to Japan Post Holdings amounted to ¥264,985 million (up ¥43,005 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 three months ended June 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 ¥307,763,550 million, up ¥9,074,400 million from the end of the previous fiscal year.

Major factors include an increase in cash and due from banks of ¥11,861,643 million and an increase in securities of ¥1,426,667 million, as well as a decrease in loans of ¥3,754,552 million, a decrease in receivables under resale agreements of ¥708,979 million and a decrease in call loans of ¥670,000 million.

2) Liabilities

Consolidated total liabilities were ¥292,470,367 million, up ¥9,519,747 million from the end of the previous fiscal year.

Major factors include an increase in payables under repurchase agreements of ¥10,076,871 million and an increase in borrowed money of ¥435,628 million, as well as a decrease in policy reserves of ¥782,805 million and a decrease in deposits of ¥175,024 million.

3) Net Assets

Consolidated total net assets were ¥15,293,183 million, down ¥445,347 million from the end of the previous fiscal year.

Major factors include a decrease in treasury stock of ¥45,885 million (an increase in net assets), as well as a decrease in retained earnings of ¥192,920 million, a decrease in net unrealized gains (losses) on available-for-sale securities of ¥167,326 million and a decrease in net deferred gains (losses) on hedges of ¥82,000 million.

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Cash and due from banks	59,507,482	71,369,125
Call loans	2,050,000	1,380,000
Receivables under resale agreements	10,789,814	10,080,834
Monetary claims bought	540,998	548,829
Trading account securities	54	248
Money held in trust	12,435,001	12,355,643
Securities	194,744,045	196,170,712
Loans	10,129,707	6,375,155
Foreign exchanges	181,332	182,206
Other assets	4,004,648	4,815,190
Tangible fixed assets	3,233,511	3,230,347
Intangible assets	298,528	308,074
Asset for retirement benefits	74,670	74,666
Deferred tax assets	704,972	877,781
Reserve for possible loan losses	(4,841)	(4,491)
Allowance for investment losses	(775)	(775)
Total assets	298,689,150	307,763,550

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Deposits	190,873,061	190,698,037
Payables under repurchase agreements	27,947,626	38,024,497
Policy reserves and others	51,988,334	51,123,280
Reserve for outstanding claims	373,913	303,637
Policy reserves	50,512,792	49,729,987
Reserve for policyholder dividends	1,101,628	1,089,655
Payables under securities lending transactions	2,373,799	2,270,152
Borrowed money	2,153,409	2,589,038
Foreign exchanges	1,273	1,421
Bonds	461,000	585,300
Other liabilities	4,021,545	4,033,422
Reserve for bonuses	123,843	34,127
Liability for retirement benefits	2,054,217	2,129,241
Reserve for employee stock ownership plan trust	510	181
Reserve for management board benefit trust	1,432	1,425
Reserve for reimbursement of deposits	50,950	49,204
Reserve under the special laws	873,799	903,788
Reserve for price fluctuations	873,799	903,788
Deferred tax liabilities	25,815	27,246
Total liabilities	282,950,619	292,470,367
Net assets		
Capital stock	3,500,000	3,500,000
Retained earnings	6,202,500	6,009,579
Treasury stock	(301,230)	(255,345)
Total shareholders' equity	9,401,270	9,254,234
Net unrealized gains (losses) on available-for-sale securities	1,592,142	1,424,815
Net deferred gains (losses) on hedges	(773,227)	(855,227)
Foreign currency translation adjustments	(75,843)	(80,549)
Effect of changes in discount rate assumptions	19,215	57,087
Accumulated adjustments for retirement benefits	102,126	83,310
Total accumulated other comprehensive income	864,413	629,437
Non-controlling interests	5,472,847	5,409,512
Total net assets	15,738,530	15,293,183
Total liabilities and net assets	298,689,150	307,763,550

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
 Consolidated Statements of Income
 Nine months ended December 31

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Ordinary income	8,432,607	8,325,991
Postal business income	1,789,294	1,916,367
Banking business income	1,931,579	1,909,036
Life insurance business income	4,560,735	4,330,511
Other ordinary income	150,998	170,076
Ordinary expenses	7,912,278	7,623,397
Operating expenses	5,684,309	5,478,140
Personnel expenses	1,805,667	1,831,149
Depreciation and amortization	178,931	193,339
Other ordinary expenses	243,370	120,767
Net ordinary income	520,328	702,594
Extraordinary gains	25,809	7,552
Gains on sale of fixed assets	3,097	6,287
Reversal of reserve under the special laws	15,625	-
Reversal of reserve for price fluctuations	15,625	-
Compensation for transfer	1,382	176
Reversal of losses on transfer of business	1,828	812
Insurance claim income	2,149	-
Other extraordinary gains	1,727	276
Extraordinary losses	5,964	35,592
Losses on sale and disposal of fixed assets	3,278	2,213
Losses on impairment of fixed assets	1,275	1,545
Provision for reserve under the special laws	-	29,989
Provision for reserve for price fluctuations	-	29,989
Losses on business restructuring	748	-
Other extraordinary losses	661	1,844
Provision for reserve for policyholder dividends	48,173	73,025
Income before income taxes	492,000	601,529
Income taxes current	156,941	173,555
Income taxes deferred	(18,675)	(3,240)
Total income taxes	138,265	170,315
Net income	353,734	431,213
Net income attributable to non-controlling interests	131,754	166,228
Net income attributable to Japan Post Holdings	221,979	264,985

Consolidated Statements of Comprehensive Income
 Nine months ended December 31

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net income	353,734	431,213
Other comprehensive income (loss)	461,654	(374,103)
Net unrealized gains (losses) on available-for-sale securities	888,975	(243,523)
Net deferred gains (losses) on hedges	(405,221)	(135,704)
Foreign currency translation adjustments	1,008	126
Adjustments for retirement benefits	(23,104)	(19,266)
Share of other comprehensive income (loss) of affiliates	(3)	24,263
Comprehensive income	815,388	57,109
Total comprehensive income attributable to:		
Japan Post Holdings	486,020	30,071
Non-controlling interests	329,368	27,038

(3) Notes to Consolidated Financial Statements

(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 three months ended June 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 three months ended June 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.

(Notes on Segment Information and Others)

Nine months ended December 31, 2023

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	1,458,200	45,012	333,791	71,939	1,931,579	4,560,735	8,401,260	30,633	8,431,894
Intersegment ordinary income	26,385	733,763	454	1,627	2,513	12	764,757	209,086	973,843
Total	1,484,586	778,776	334,245	73,567	1,934,093	4,560,747	9,166,017	239,720	9,405,738
Segment profit (loss)	(37,185)	47,697	(549)	16,102	366,942	125,399	518,407	154,890	673,297

- (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 ¥149,270 million.

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	518,407
Segment profit in other business	154,890
Eliminations of intersegment transactions	(149,785)
Adjustments	(3,183)
Net ordinary income on the consolidated statements of income	520,328

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

Nine months ended December 31, 2024

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	1,523,115	43,640	396,509	61,342	1,909,036	4,330,511	8,264,156	60,997	8,325,154
Intersegment ordinary income	27,503	723,476	415	2,213	1,142	3,851	758,602	194,138	952,741
Total	1,550,619	767,117	396,924	63,555	1,910,178	4,334,362	9,022,758	255,136	9,277,895
Segment profit (loss)	(36,189)	30,559	2,748	11,683	441,128	222,465	672,395	170,647	843,042

- (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 in the amount of ¥132,373 million and equity method income of ¥41,412 million.

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	672,395
Segment profit in other business	170,647
Eliminations of intersegment transactions	(135,672)
Adjustments	(4,775)
Net ordinary income on the consolidated statements of income	702,594

(Note) “Adjustments” are primarily due to differences in the calculation methods used for segment profit or 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 three months ended June 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.”

Segment information for the nine months ended December 31, 2023 has been prepared based on the segment classifications after the change.

(Notes to Significant Changes in Shareholders' Equity)

Nine months ended December 31, 2023

(Cancellation of Treasury Stock)

The Company resolved, at the meeting of its Board of Directors held on March 29, 2023, to cancel treasury stock in accordance with the provisions of Article 178 of the Companies Act. The Company cancelled 196,748,200 shares of treasury stock, effective April 20, 2023. As a result, during the nine months ended December 31, 2023, capital surplus and treasury stock each decreased by ¥199,989 million. As this cancellation of treasury stock resulted in a negative balance of other capital surplus, the balance of other capital surplus was returned to zero and the corresponding negative amount was deducted from other retained earnings.

(Acquisition of Treasury Stock)

The Company resolved, at the meetings of its Board of Directors held on May 15, 2023 and August 14, 2023 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, 2023, treasury stock increased by ¥249,890 million (219,455,300 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:	346,000,000 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 10.0%)
(3) Total value of shares to be acquired:	¥300,000 million (maximum)
(4) Acquisition period:	From August 15, 2023 to March 31, 2024
(5) Method of the acquisition:	Purchases through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) and trading on the auction market of the Tokyo Stock Exchange, Inc.

Partly as a result of these actions, as of December 31, 2023, the balance of retained earnings was ¥6,050,046 million and the balance of treasury stock was ¥251,121 million.

Nine months ended December 31, 2024

(Cancellation of Treasury Stock)

The Company resolved, at the meeting of its Board of Directors held on March 27, 2024, to cancel treasury stock in accordance with the provisions of Article 178 of the Companies Act. The Company cancelled 254,809,200 shares of treasury stock, effective April 12, 2024. As a result, during the nine months ended December 31, 2024, capital surplus and treasury stock each decreased by ¥299,983 million. As this cancellation of treasury stock resulted in a negative balance of other capital surplus, the balance of other capital surplus was returned to zero and the corresponding negative amount was deducted from other retained earnings.

(Acquisition of Treasury Stock)

The Company resolved, at the meeting of its Board of Directors held on May 15, 2024, 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, 2024, treasury stock increased by ¥254,119 million (172,701,200 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: | 320,000,000 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 10.0%) |
| (3) Total value of shares to be acquired: | ¥350,000 million (maximum) |
| (4) Acquisition period: | From May 16, 2024 to March 31, 2025 |
| (5) Method of the acquisition: | Purchases through trading on the auction market of the Tokyo Stock Exchange, Inc. |

Partly as a result of these actions, as of December 31, 2024, the balance of retained earnings was ¥6,009,579 million and the balance of treasury stock was ¥255,345 million.

(Notes on Going-Concern Assumption)

None

(Notes on Cash Flow Statements)

Consolidated statements of cash flows for the nine months ended December 31, 2024 have not been prepared. Depreciation and amortization (including amortization of intangible assets apart from goodwill) and amortization of goodwill for the nine months ended December 31, 2023 and 2024 are as follows.

	(Millions of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Depreciation and amortization	178,931	193,339
Amortization of goodwill	1,744	1,623