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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 <Under Japanese GAAP>



May 15, 2026

Company name: Japan Post Holdings Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
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Scheduled date of Annual General Meeting of Shareholders: June 24, 2026
Scheduled date of filing securities report: June 18, 2026
Scheduled date of commencing dividend payments: June 25, 2026
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 Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(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	%
Fiscal year ended March 31, 2026	11,440,586	(0.2)	1,074,966	32.0	374,556	1.1
Fiscal year ended March 31, 2025	11,468,368	(4.3)	814,596	21.9	370,564	37.9

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥1,792,240 million [- %]
Fiscal year ended March 31, 2025: ¥(433,014) million [- %]

	Net income per share	Diluted net income per share	Return on equity	Net ordinary income to total assets	Net ordinary income to ordinary income
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	129.14	-	4.0	0.4	9.4
Fiscal year ended March 31, 2025	119.30	-	3.8	0.3	7.1

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2026: ¥44,948 million
Fiscal year ended March 31, 2025: ¥67,309 million

(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)	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	289,864,524	16,481,925	3.4	3,461.65
As of March 31, 2025	297,149,653	15,289,540	3.1	3,058.60

(Reference) Equity: As of March 31, 2026: ¥9,714,500 million
As of March 31, 2025: ¥9,089,547 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the fiscal year
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2026	(10,338,345)	669,224	(622,930)	56,910,206
Fiscal year ended March 31, 2025	2,794,869	4,684,413	215,896	67,199,263

2. Dividends

	Annual dividend					Total dividends paid (Annual) Million yen	Dividend payout ratio (Consolidated) %	Dividends on net assets ratio (Consolidated) %
	1st quarter-end Yen	2nd quarter-end Yen	3rd quarter-end Yen	Year-end Yen	Total Yen			
Fiscal year ended March 31, 2025	-	25.00	-	25.00	50.00	151,785	41.9	1.6
Fiscal year ended March 31, 2026	-	25.00	-	25.00	50.00	141,966	38.7	1.5
Fiscal year ending March 31, 2027 (Forecast)	-	30.00	-	30.00	60.00		44.3	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% 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, 2027	11,360,000	(0.7)	1,170,000	8.8	380,000	1.5	135.41

(Note) Net income attributable to Japan Post Holdings has been calculated based on the ratio of shareholder's equity held by Japan Post Holdings in Japan Post Bank (approx. 49.9%) and Japan Post Insurance (approx. 49.8%), etc.

*** Notes:**

- (1) Significant changes in the scope of consolidation during the fiscal year under review: Yes
Newly included: 33 companies (JP Tonami Group Co., Ltd., Tonami Holdings Co., Ltd., and 31 other companies)
(Note) JP Tonami Group Co., Ltd. changed its trade name from JWT Co., Ltd., Ltd. effective July 1, 2025.
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: Yes
 - 4) Retrospective restatement: No(Note) Please refer to 3. Consolidated Financial Statements and Primary Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Estimates) on page 16 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 year (including treasury stock):
As of March 31, 2026: 2,972,934,900 shares
As of March 31, 2025: 3,206,240,300 shares
 - 2) Total number of treasury stock at the end of the fiscal year:
As of March 31, 2026: 166,617,972 shares
As of March 31, 2025: 234,444,440 shares
 - 3) Average number of shares during the fiscal year:
Fiscal year ended March 31, 2026: 2,900,343,066 shares
Fiscal year ended March 31, 2025: 3,106,196,358 shares(Note) The total number of treasury stock at the end of the fiscal year includes the shares of the Company held by the management board benefit trust of 1,777,300 shares and 1,038,800 shares as of March 31, 2026 and 2025, respectively. The number of treasury stock excluded from the calculation of the average number of shares during the fiscal year includes the shares of the Company held by the management board benefit trust of 1,653,609 shares and 1,043,699 shares for the fiscal year ended March 31, 2026 and 2025, respectively.

(Summary of non-consolidated financial results)

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026

(April 1, 2025 to March 31, 2026)

(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	%
Fiscal year ended March 31, 2026	199,391	(3.8)	129,923	(6.7)	138,021	(4.5)	177,362	(43.1)
Fiscal year ended March 31, 2025	207,244	(5.6)	139,262	(4.3)	144,507	(11.2)	311,476	97.1

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2026	61.15	-
Fiscal year ended March 31, 2025	100.28	-

(Note) Because there was no potential common stock, the amount for diluted net income per share is omitted.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio (Note)	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	5,956,296	4,737,530	79.5	1,688.17
As of March 31, 2025	5,782,271	4,964,502	85.9	1,670.54

(Reference) Equity: As of March 31, 2026: ¥4,737,530 million

As of March 31, 2025: ¥4,964,502 million

* This summary of consolidated financial results is outside the scope of 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. Please refer to 1. Overview of Results of Operations, etc. (1) Results of Operations (Consolidated financial results forecast for the fiscal year ending March 31, 2027) on page 4 of the Attachment for the assumptions on which the financial results forecasts have been based, and precautions, etc. regarding their use.

[Attachment]

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Supplementary Briefing Material:

Materials for Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

1. Overview of Results of Operations, etc.

(1) Results of Operations

Consolidated ordinary income amounted to ¥11,440,586 million (down ¥27,781 million year-on-year) and consolidated net ordinary income amounted to ¥1,074,966 million (up ¥260,369 million year-on-year). Net income attributable to Japan Post Holdings amounted to ¥374,556 million (up ¥3,992 million year-on-year), which comprises consolidated net ordinary income after adjusting for items including extraordinary gains (losses) and provision for reserve for policyholder dividends.

Financial results by segment are as follows.

(Postal and Domestic Logistics Business Segment)

In the postal and domestic logistics business, following the enforcement of administrative dispositions relating to the incidents of unperformed roll calls, Japan Post Co., Ltd. (“Japan Post Co.”) steadily provided universal postal services to safeguard customer convenience based on the principle of business consignment to other transportation companies, with conducting roll calls properly as a fundamental premise.

Aiming for business growth, we strove to streamline operations through measures such as DX promotion and revisions to products and services, in addition to working to expand revenue from parcels, including through measures to enable customers to send and receive parcels more conveniently, stronger sales systems and sales capabilities, and stronger collaboration with Rakuten Group, Inc. and other companies.

We also proceeded with the acquisition of Tonami Holdings Co., Ltd. as a subsidiary and collaborated on joint deliveries with companies in the Tonami Group, as well as concluding capital and business alliance agreements with LOGISTEED Holdings, Ltd. and others, aiming to become a comprehensive logistics company that can operate all aspects of international and domestic logistics as an integrated operation.

In addition, we worked with the Seino Group to expand jointly operated services and take other measures to address the shortage of drivers on both sides

As a result of these initiatives, in the postal and domestic logistics business for the fiscal year ended March 31, 2026, ordinary income amounted to ¥2,308,351 million (up ¥219,869 million year-on-year), mainly due to an increase in the volume of Yu-Pack and Yu-Packet handled, as well as an improvement in unit prices from the revision of postal rates, despite a decline in the volume of mail and Yu-Mail handled. Despite continued cost control initiatives and other measures, operating expenses increased, mainly due to the impact of a rise in personnel expenses and collection, transport and delivery outsourcing expenses, resulting in a net ordinary loss of ¥5,494 million (compared to net ordinary loss of ¥32,220 million in the previous fiscal year). In addition, operating income amounted to ¥2,297,581 million (up ¥216,700 million year-on-year) and the net operating loss amounted to ¥11,862 million (compared to net operating loss of ¥38,377 million in the previous fiscal year) in the postal and domestic logistics business of Japan Post Co. for the fiscal year ended March 31, 2026.

(Post Office Business Segment)

In the post office business, Japan Post Co. strove to strengthen its earning power, enhance the value and attractiveness of post offices, and improve service quality to grow into a business that will be chosen by customers.

Specifically, we proceeded with the suspension of counter services during the middle of the day as part of our efforts to implement more flexible post office counter operating hours based on the characteristics of each local community. In addition to making these changes permanent at all but a few of the post offices that had been trialing them in the fiscal year ended March 31, 2025, we launched trials at a further 1,100 post offices. We also launched initiatives such as the half-day closure of counter services while employees carry out mail delivery and other tasks, based on local circumstances, as well as the half-day closure of weekday counter services in tourist areas to secure the personnel needed to provide counter services on Saturdays and public holidays. In addition, we worked on providing administrative services on consignment to local governments, strengthening

collaboration with regional financial institutions, and integrating the operations of post office counters and station ticket counters.

We also expanded our deployment of new tablet PCs and promoted the reform of counter operations through measures such as the implementation of systems at all post offices that allow for the paperless processing of new applications for Japan Post Insurance products, as well as maintenance and payments.

As a result of these initiatives, in the post office business for the fiscal year ended March 31, 2026, ordinary income amounted to ¥1,017,174 million (up ¥6,977 million year-on-year) due mainly to an increase in funds to maintain post office network, despite a continuing decline in banking commissions and insurance commissions. Net ordinary income amounted to ¥9,095 million (down ¥15,060 million year-on-year), with an increase in ordinary expenses due to higher general and administrative expenses, despite a decrease in personnel expenses. In addition, operating income amounted to ¥1,013,968 million (up ¥5,239 million year-on-year) and net operating income amounted to ¥6,975 million (down ¥16,218 million year-on-year) in the post office business of Japan Post Co. for the fiscal year ended March 31, 2026.

(International Logistics Business Segment)

In the international logistics business, we implemented measures to improve profitability in Australia through Toll Holdings Pty Limited, a consolidated subsidiary of Japan Post Co. We also strove to expand revenue within Asia by developing businesses focused on specific countries and industries forecast to grow, as well as continuing cost reduction measures.

In addition, through collaboration with JP Logistics Co., Ltd. and other Group companies, we engaged in expanding the Global Logistics business and Global Forwarding business.

As a result of these initiatives, in the international logistics business for the fiscal year ended March 31, 2026, ordinary income amounted to ¥505,805 million (down ¥7,041 million year-on-year), due to a decline in ocean freight rates and a decrease in the volume handled by the Global Forwarding business. Ordinary expenses associated with the Global Forwarding business decreased, and net ordinary income amounted to ¥4,371 million (down ¥328 million year-on-year). Operating income in the international logistics business of Japan Post Co. amounted to ¥505,116 million (down ¥6,612 million year-on-year) and net operating income (EBIT) in the international logistics business of Japan Post Co. amounted to ¥13,850 million (up ¥485 million year-on-year) for the fiscal year ended March 31, 2026.

(Real Estate Business Segment)

In the real estate business, through Japan Post Co. and Japan Post Real Estate Co., Ltd., we proceeded to focus on the development of Group-owned real estate, such as JP Tower (commercial facility name: KITTE), as well as office buildings, commercial facilities, leasing and sale of residences, aged care facilities, etc. In the urban redevelopment business, we pushed ahead with the former Shirokane company housing project, while in the built-for-sale residences business, we completed construction of Proud Ikeshita Takami (former Takami dormitory Nagoya City) in January 2026, and we are working to strengthen and expand the business, including plans for new built-for-sale residence projects.

For revenue-generating properties outside the Group, in December 2025, Japan Post Real Estate Co., Ltd. announced the full-scale launch of the construction of “Osaka Sakurajima Resort,” a jointly invested, foreign-affiliated hotel (scheduled for completion in 2029). March 2026 saw the completion of “The Landmark Nagoya Sakae,” and we also acquired residences for lease based on our assessment of the market by purpose and area.

As a result of these initiatives, in the real estate business for the fiscal year ended March 31, 2026, ordinary income amounted to ¥89,008 million (up ¥7,337 million year-on-year), due to an increase in income from leasing. Ordinary expenses decreased due to lower cost of sales in line with the decrease in operating income from property sales, and net ordinary income amounted to ¥20,092 million (up ¥7,725 million year-on-year).

Operating income in the real estate business amounted to ¥87,953 million (up ¥6,523 million year-on-year) and net operating income amounted to ¥23,948 million (up ¥10,016 million year-on-year) for the fiscal year ended March 31, 2026

(Banking Business Segment)

In the banking business, at Japan Post Bank Co., Ltd. (“Japan Post Bank”), we continued to pursue our three business strategies – the “retail business,” the “market business,” and the “Σ business” (a corporate business for creating futures for societies and local communities through investment) – and worked to strengthen the management base to support these strategies.

As a result of these initiatives, in the banking business for the fiscal year ended March 31, 2026, ordinary income amounted to ¥2,852,150 million (up ¥330,254 million year-on-year), due to income from foreign bond investment trusts and an increase in net interest income, due mainly to higher interest for Japanese government bonds and deposits with the Bank of Japan. Ordinary expenses rose, mainly due to an increase in interest expenses, and net ordinary income amounted to ¥759,093 million (up ¥174,715 million year-on-year).

(Life Insurance Business Segment)

In the life insurance business, Japan Post Insurance Co., Ltd. (“Japan Post Insurance”) pursued initiatives aimed at retaining and expanding its customer base through connections across different life stages and generations, as well as being a “strong company” capable of sustainable growth, to fulfill its social mission to “remain trusted and selected by customers, thereby protecting their lives by providing life insurance products.”

As a result of these initiatives, in the life insurance business for the fiscal year ended March 31, 2026, ordinary income amounted to ¥5,625,589 million (down ¥539,377 million year-on-year), while net ordinary income amounted to ¥271,777 million (up ¥101,964 million year-on-year). This was mainly due to a decrease in contributions for standard policy reserve in the first year of new policies, as well as an improvement in the positive spread associated with an upturn in the investment environment.

(Consolidated financial results forecast for the fiscal year ending March 31, 2027)

With regard to the consolidated financial results forecast for the fiscal year ending March 31, 2027, ordinary income of ¥11,360,000 million, net ordinary income of ¥1,170,000 million, and net income attributable to Japan Post Holdings of ¥380,000 million (an increase of ¥5,443 million compared to the fiscal year ended March 31, 2026) are anticipated. This increase in net income is mainly due to an anticipated increase in net income in the banking business segment, mainly due to higher interest rates, despite lower expected net income in the postal and domestic logistics business segment with a decline in the volume of mail.

This forecast incorporates equity in earnings of affiliates (ordinary income) of ¥52,000 million* due to the application of the equity method for Aflac Incorporated.

* This amount of equity in earnings of affiliates has been independently calculated by the Company from the financial results and dividends already announced by Aflac Incorporated, the corresponding value of equity and goodwill recognized by the Company, and foreign exchange rates. It has not been confirmed with Aflac Incorporated.

The forecast of segment profit by segment (net ordinary income(loss) for each segment) is as follows:

• Postal and domestic logistics business	¥(96,000) million
• Post office business	¥(4,000) million
• International logistics business	¥0 million
• Real estate business	¥19,000 million
• Banking business	¥955,000 million
• Life insurance business	¥250,000 million

In addition, net income forecasts for the principal subsidiaries are as follows.

At Japan Post Co. (consolidated), net loss attributable to Japan Post Co. is forecast at ¥(79,000) million (down ¥96,271 million year-on-year), with an increase in personnel and other expenses, in addition to the continuing decline in the volume of mail.

At Japan Post Bank (consolidated), net income attributable to Japan Post Bank is forecast at ¥660,000 million (up ¥134,416 million year-on-year), primarily due to an increase in income from Japanese government bonds associated with the rise in domestic interest rates, despite a decrease in the gain on sales from risk adjustment operations for shares and an expected increase in general and administrative expenses.

At Japan Post Insurance (consolidated), net income attributable to Japan Post Insurance is forecast at ¥141,000 million (down ¥27,798 million year-on-year), mainly due to an increase in the contributions for standard policy reserve for level premium products and a decrease in the number of policies in force, despite an increase in investment income.

(2) Financial Position

1) Condition of assets, liabilities and net assets

Consolidated total assets were ¥289,864,524 million, down ¥7,285,128 million from the end of the previous fiscal year.

Major factors include an increase in money held in trust of ¥2,080,663 million and an increase in loans of ¥850,083 million, as well as a decrease in cash and due from banks of ¥10,110,059 million.

Consolidated total liabilities were ¥273,382,599 million, down ¥8,477,513 million from the end of the previous fiscal year.

Major factors include an increase in other liabilities of ¥1,032,887 million and an increase in payables under securities lending transactions of ¥429,038 million, as well as a decrease in payables under repurchase agreements of ¥4,388,598 million, a decrease in deposits of ¥3,485,523 million, and a decrease in policy reserves of ¥2,112,204 million.

Consolidated total net assets were ¥16,481,925 million, up ¥1,192,385 million from the end of the previous fiscal year.

Major factors include an increase in capital surplus of ¥1,409,132 million, an increase in non-controlling interests of ¥567,431 million, an increase in net unrealized gains (losses) on available-for-sale securities of ¥520,357 million, and an increase in retained earnings of ¥228,460 million, as well as a decrease in capital stock of ¥1,750,000 million.

2) Cash flows

Cash and cash equivalents at the end of the current fiscal year were ¥56,910,206 million, down ¥10,289,057 million from the beginning of the current fiscal year.

(Cash flows from operating activities)

Net cash used in operating activities amounted to ¥10,338,345 million (compared to ¥2,794,869 million provided in the previous fiscal year), as a result of investment and procurement of funds in the banking business, along with income from insurance premiums and payment of insurance claims, etc. in the life insurance business.

(Cash flows from investing activities)

Net cash provided by investing activities amounted to ¥669,224 million (compared to ¥4,684,413 million provided in the previous fiscal year), as a result of cash inflows mainly owing to proceeds from sale and redemption of securities in the banking business and life insurance business, as well as cash outflows mainly due to purchases of securities.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥622,930 million (compared to ¥215,896 million provided in the previous fiscal year), mainly as a result of the purchase of treasury stock.

(3) Basic Policy on Profit Distribution and Dividends for the Current Fiscal Year and Next Fiscal Year

The Company considers returning profits to shareholders to be an important management measure and sets out its basic policy to continuously provide a stable return to shareholders in accordance with the results of operations.

With regard to dividends from retained earnings, the Company aims to provide stable returns to shareholders while maintaining required internal reserves and paying attention to capital efficiency.

The decision-making body concerning dividends from retained earnings is set to be the Board of Directors as per the provisions of the Articles of Incorporation in order to ensure flexible management operations. In addition, it is stipulated that dividends from retained earnings are to be paid with March 31 and September 30 of each year as record dates.

With regard to dividends for the fiscal year ended March 31, 2026, based on a comprehensive judgment of the consolidated financial results and other factors, the annual dividend on common stock will be ¥50 per share (including an interim dividend of ¥25 per share).

The annual dividend is scheduled to be ¥60 per share (including an interim dividend of ¥30 per share) for the next fiscal year ending March 31, 2027, taking into consideration the profit forecast, financial soundness and other factors.

Internal reserves will be utilized mainly for investments to capture growth opportunities and capital policies with awareness of capital efficiency, aiming at the enhancement of corporate value.

In accordance with Article 11 of the Act on Japan Post Holdings Co., Ltd., payment of dividends from retained earnings or other appropriation of retained earnings (excluding disposition of loss) of the Company shall not be effective without the approval of the Minister for Internal Affairs and Communications.

2. Basic Approach Concerning Selection of Accounting Standards

The Group prepares the consolidated financial statements based on Japanese GAAP. It will consider its approach to the future adoption of the International Financial Reporting Standards (IFRS) in consideration of factors such as trends in accounting standards in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Cash and due from banks	67,122,254	57,012,194
Call loans	2,165,000	1,790,000
Receivables under resale agreements	9,068,452	8,742,634
Monetary claims bought	616,954	539,146
Trading account securities	224	214
Money held in trust	12,182,003	14,262,666
Securities	190,938,367	191,440,416
Loans	5,584,046	6,434,130
Foreign exchanges	134,261	178,799
Other assets	4,509,687	4,848,840
Tangible fixed assets	3,259,079	3,362,031
Buildings	1,138,829	1,134,315
Land	1,732,855	1,795,173
Construction in progress	41,638	37,992
Other tangible fixed assets	345,756	394,549
Intangible assets	323,802	326,422
Software	301,693	304,892
Goodwill	2,968	2,222
Other intangible assets	19,140	19,306
Asset for retirement benefits	69,047	111,959
Deferred tax assets	1,181,903	822,231
Reserve for possible loan losses	(4,657)	(5,789)
Allowance for investment losses	(775)	(1,373)
Total assets	297,149,653	289,864,524

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Deposits	188,137,589	184,652,065
Payables under repurchase agreements	31,501,961	27,113,363
Policy reserves and others	50,165,652	48,102,350
Reserve for outstanding claims	314,993	319,831
Policy reserves	48,765,531	46,653,326
Reserve for policyholder dividends	1,085,126	1,129,192
Payables under securities lending transactions	2,004,678	2,433,717
Borrowed money	2,832,835	3,209,411
Foreign exchanges	924	939
Bonds	585,300	585,300
Other liabilities	3,572,214	4,605,101
Reserve for bonuses	126,933	116,181
Reserve for management bonuses	1,865	1,487
Liability for retirement benefits	2,030,847	1,752,204
Reserve for employee stock ownership plan trust	414	432
Reserve for management board benefit trust	1,957	2,369
Reserve for reimbursement of deposits	42,534	39,607
Reserve under the special laws	829,930	719,232
Reserve for price fluctuations	829,930	719,232
Deferred tax liabilities	24,474	48,835
Total liabilities	281,860,113	273,382,599
Net assets		
Capital stock	3,500,000	1,750,000
Capital surplus	-	1,409,132
Retained earnings	5,588,795	5,817,255
Treasury stock	(351,225)	(252,296)
Total shareholders' equity	8,737,569	8,724,092
Net unrealized gains (losses) on available-for-sale securities	815,436	1,335,794
Net deferred gains (losses) on hedges	(567,068)	(749,126)
Foreign currency translation adjustments	(48,225)	(47,599)
Effect of changes in discount rate assumptions	87,892	174,109
Accumulated adjustments for retirement benefits	63,942	277,229
Total accumulated other comprehensive income	351,977	990,408
Non-controlling interests	6,199,993	6,767,424
Total net assets	15,289,540	16,481,925
Total liabilities and net assets	297,149,653	289,864,524

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Ordinary income	11,468,368	11,440,586
Postal business income	2,556,255	2,766,146
Banking business income	2,520,180	2,849,853
Life insurance business income	6,161,134	5,610,244
Other ordinary income	230,797	214,342
Ordinary expenses	10,653,771	10,365,620
Operating expenses	7,830,940	7,523,356
Personnel expenses	2,437,902	2,490,405
Depreciation and amortization	257,445	272,903
Other ordinary expenses	127,482	78,953
Net ordinary income	814,596	1,074,966
Extraordinary gains	53,067	131,554
Gains on sale of fixed assets	6,829	5,763
Gains on negative goodwill	481	8,808
Reversal of reserve under the special laws	43,869	110,697
Reversal of reserve for price fluctuations	43,869	110,697
Compensation for transfer	763	662
Gains on transfer of business	-	1,939
Gains on sale of stocks of subsidiaries and affiliates	-	2,670
Reversal of losses on transfer of business	802	-
Other extraordinary gains	322	1,013
Extraordinary losses	7,795	19,349
Losses on sale and disposal of fixed assets	3,481	6,128
Losses on impairment of fixed assets	2,043	8,859
Extra payments for early retirements	-	1,525
Other extraordinary losses	2,270	2,837
Provision for reserve for policyholder dividends	96,990	143,579
Income before income taxes	762,878	1,043,591
Income taxes current	198,131	254,130
Income taxes deferred	(34,658)	45,970
Total income taxes	163,472	300,100
Net income	599,405	743,491
Net income attributable to non-controlling interests	228,841	368,935
Net income attributable to Japan Post Holdings	370,564	374,556

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income	599,405	743,491
Other comprehensive income (loss)	(1,032,419)	1,048,748
Net unrealized gains (losses) on available-for-sale securities	(1,196,945)	1,133,704
Net deferred gains (losses) on hedges	123,712	(380,133)
Foreign currency translation adjustments	(3,223)	2,368
Adjustments for retirement benefits	(40,021)	230,461
Share of other comprehensive income of affiliates	84,059	62,348
Comprehensive income (loss)	(433,014)	1,792,240
Total comprehensive income (loss) attributable to:		
Japan Post Holdings	(225,261)	1,024,973
Non-controlling interests	(207,752)	767,266

(3) Consolidated Statements of Changes in Net Assets
Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	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 year	3,500,000	-	6,202,530	(301,230)	9,401,299
Changes in the fiscal year					
Capital reduction					-
Cash dividends			(157,618)		(157,618)
Net income attributable to Japan Post Holdings			370,564		370,564
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		(526,697)			(526,697)
Purchases of treasury stock				(350,000)	(350,000)
Disposals of treasury stock		0		21	21
Cancellation of treasury stock		(299,983)		299,983	-
Change in scope of consolidation					-
Transfer from retained earnings to capital surplus		826,681	(826,681)		-
Net changes in items other than shareholders' equity in the fiscal year					
Net changes in the fiscal year	-	-	(613,735)	(49,995)	(663,730)
Balance at the end of the fiscal year	3,500,000	-	5,588,795	(351,225)	8,737,569

	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 year	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 year	1,592,142	(773,256)	(75,843)	19,215	102,126	864,383	5,472,847	15,738,530
Changes in the fiscal year								
Capital reduction								-
Cash dividends								(157,618)
Net income attributable to Japan Post Holdings								370,564
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders								(526,697)
Purchases of treasury stock								(350,000)
Disposals of treasury stock								21
Cancellation of treasury stock								-
Change in scope of consolidation								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity in the fiscal year	(776,705)	206,188	27,617	68,676	(38,183)	(512,405)	727,145	214,739
Net changes in the fiscal year	(776,705)	206,188	27,617	68,676	(38,183)	(512,405)	727,145	(448,990)
Balance at the end of the fiscal year	815,436	(567,068)	(48,225)	87,892	63,942	351,977	6,199,993	15,289,540

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	3,500,000	-	5,588,795	(351,225)	8,737,569
Cumulative effects of changes in accounting policies					-
Restated balance at the beginning of the fiscal year	3,500,000	-	5,588,795	(351,225)	8,737,569
Changes in the fiscal year					
Capital reduction	(1,750,000)	1,750,000			-
Cash dividends			(146,085)		(146,085)
Net income attributable to Japan Post Holdings			374,556		374,556
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		9,100			9,100
Purchases of treasury stock				(251,115)	(251,115)
Disposals of treasury stock		(0)		77	77
Cancellation of treasury stock		(349,967)		349,967	-
Change in scope of consolidation			(11)		(11)
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity in the fiscal year					
Net changes in the fiscal year	(1,750,000)	1,409,132	228,460	98,929	(13,477)
Balance at the end of the fiscal year	1,750,000	1,409,132	5,817,255	(252,296)	8,724,092

	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 year	815,436	(567,068)	(48,225)	87,892	63,942	351,977	6,199,993	15,289,540
Cumulative effects of changes in accounting policies								-
Restated balance at the beginning of the fiscal year	815,436	(567,068)	(48,225)	87,892	63,942	351,977	6,199,993	15,289,540
Changes in the fiscal year								
Capital reduction								-
Cash dividends								(146,085)
Net income attributable to Japan Post Holdings								374,556
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders								9,100
Purchases of treasury stock								(251,115)
Disposals of treasury stock								77
Cancellation of treasury stock								-
Change in scope of consolidation								(11)
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity in the fiscal year	520,357	(182,057)	626	86,217	213,286	638,431	567,431	1,205,862
Net changes in the fiscal year	520,357	(182,057)	626	86,217	213,286	638,431	567,431	1,192,385
Balance at the end of the fiscal year	1,335,794	(749,126)	(47,599)	174,109	277,229	990,408	6,767,424	16,481,925

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities:		
Income before income taxes	762,878	1,043,591
Depreciation and amortization	257,445	272,903
Losses on impairment of fixed assets	2,043	8,859
Amortization of goodwill	2,048	3,099
Equity in (earnings) losses of affiliates	(67,309)	(44,948)
Gains on negative goodwill	(481)	(8,808)
Net change in reserve for outstanding claims	(58,919)	4,837
Net change in policy reserves	(1,747,260)	(2,112,204)
Provision for interest on policyholder dividends	679	2,765
Provision for reserve for policyholder dividends	96,990	143,579
Net change in reserve for possible loan losses	(155)	35
Net change in allowance for investment losses	-	597
Net change in reserve for bonuses	4,420	(12,617)
Net change in reserve for management bonuses	765	(497)
Net change in asset and liability for retirement benefits	(17,746)	(327,709)
Net change in reserve for employee stock ownership plan trust	(95)	18
Net change in reserve for management board benefit trust	525	411
Net change in reserve for reimbursement of deposits	(8,416)	(2,926)
Net change in reserve for price fluctuations	(43,869)	(110,697)
Interest and dividend income	(864,230)	(846,640)
Interest expenses	24,979	44,392
Interest income (accrual basis)	(1,750,104)	(2,269,863)
Interest expenses (accrual basis)	812,186	982,526
Net (gains) losses on securities	95,952	271,599
Net (gains) losses on money held in trust	(650,686)	(621,360)
Net (gains) losses on foreign exchanges	(444,619)	(1,071,763)
Net (gains) losses on sale and disposal of fixed assets	(3,448)	211
Net (gains) losses on sale of stocks of subsidiaries and affiliates	-	(2,670)
Net change in loans	3,793,439	(1,244,748)
Net change in deposits	(2,735,472)	(3,485,523)
Net change in negotiable certificates of deposit	-	(10,000)
Net change in borrowed money	525,200	309,300
Net change in call loans	1,069,817	633,336
Net change in call money	2,942,412	(4,467,570)
Net change in payables under securities lending transactions for banking business	(369,120)	429,038
Net change in foreign exchanges (assets)	47,070	(44,537)
Net change in foreign exchanges (liabilities)	(348)	15
Interest received (cash basis)	1,723,342	2,172,435
Interest paid (cash basis)	(790,724)	(875,393)
Other, net	(471,942)	359,055
Subtotal	2,137,244	(10,877,871)
Interest and dividend income received	921,175	881,802
Interest expenses paid	(22,230)	(43,268)
Policyholder dividends paid	(114,060)	(101,997)
Income taxes paid	(133,915)	(204,660)
Other, net	6,655	7,648
Net cash provided by (used in) operating activities	2,794,869	(10,338,345)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities:		
Purchases of call loans	(7,399,999)	(7,319,575)
Proceeds from redemption of call loans	7,409,999	7,319,575
Net change in receivables under resale agreements	442,278	132,431
Net change in payables under repurchase agreements	611,922	78,972
Purchases of monetary claims bought	(39,958)	(39,924)
Proceeds from sale and redemption of monetary claims bought	41,787	41,464
Purchases of securities	(30,968,329)	(26,913,467)
Proceeds from sale of securities	4,920,288	3,195,723
Proceeds from redemption of securities	29,091,381	24,661,407
Purchases of money held in trust	(776,490)	(1,276,724)
Proceeds from sale of money held in trust	1,082,208	975,585
Payments for loans	(485,228)	(507,243)
Proceeds from collection of loans	1,236,498	902,105
Purchases of tangible fixed assets	(210,079)	(159,898)
Proceeds from sale of tangible fixed assets	22,176	13,082
Purchases of intangible assets	(96,188)	(100,568)
Purchase of stocks of subsidiaries and affiliates	(56,943)	(4,009)
Proceeds from sale of stocks of subsidiaries and affiliates	6,091	-
Purchases of stocks of subsidiaries resulting in change in the scope of consolidation	(4,486)	(67,870)
Proceeds from purchases of stocks of subsidiaries resulting in change in the scope of consolidation	-	237
Other, net	(142,514)	(262,080)
Net cash provided by investing activities	4,684,413	669,224
Cash flows from financing activities:		
Proceeds from borrowings	245,499	88,618
Repayment of borrowings	(113,081)	(74,852)
Proceeds from issuance of bonds	123,623	-
Redemption of bonds	-	(10,000)
Purchase of treasury stock	(350,000)	(251,115)
Purchases of treasury stock of subsidiaries	(6,021)	(90,384)
Proceeds from disposals of treasury stock of subsidiaries	53	40
Dividends paid	(157,628)	(146,037)
Dividends paid to non-controlling interests	(93,743)	(131,519)
Purchases of stocks of subsidiaries that do not result in change in the scope of consolidation	(90)	(14,611)
Proceeds from sale of stocks of subsidiaries that do not result in change in the scope of consolidation	587,842	31,954
Other, net	(20,556)	(25,023)
Net cash provided by (used in) financing activities	215,896	(622,930)
Effect of exchange rate changes on cash and cash equivalents	73	2,911
Net change in cash and cash equivalents	7,695,252	(10,289,140)
Cash and cash equivalents at the beginning of the fiscal year	59,504,011	67,199,263
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	83
Cash and cash equivalents at the end of the fiscal year	67,199,263	56,910,206

(5) Notes to Consolidated Financial Statements
(Notes on Going-concern Assumption)

None

(Changes in Accounting Estimates)

A consolidated subsidiary has changed the amortization period for actuarial differences and prior service cost concerning the lump-sum severance indemnity plans as a defined benefit plan from 13 years to 12 years from the fiscal year ended March 31, 2026, due to a decrease in the estimated average remaining service period for employees.

As a result of this change, ordinary expenses decreased by ¥7,737 million, while income before income taxes increased by the same amount for the fiscal year ended March 31, 2026.

The Company has changed the amortization period for actuarial differences concerning the Company's share of public service pension from 7 years to 6 years from the fiscal year ended March 31, 2026, due to a decrease in the estimated average remaining payment period for eligible personnel.

As a result of this change, ordinary expenses decreased by ¥1,725 million, while income before income taxes each increased by the same amount for the fiscal year ended March 31, 2026.

(Additional Information)

(Administrative Dispositions Relating to the Incidents of Unperformed Roll Calls by the Ministry of Land, Infrastructure, Transport and Tourism, and Related Matters)

On June 25, 2025, Japan Post Co., Ltd. ("Japan Post Co."), a consolidated subsidiary of the Company, received administrative dispositions to revoke the permission for its general motor truck transportation business and an order to ensure the safety of transportation under the Motor Truck Transportation Business Act (Act No. 83 of 1989) from the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) relating to the incidents of unperformed roll calls. Since June 26, 2025, Japan Post Co. has been unable to use vehicles of one ton or over in its general motor truck transportation business. On June 26, 2025, Japan Post Co. submitted a report as requested by the Ministry of Internal Affairs and Communications (MIC) in response to the incidents of unperformed roll calls. It also received further supervisory instructions under the Japan Post Co., Ltd. Act, including directives to ensure the provision of universal postal services, to safeguard customer convenience, and to steadily implement recurrence prevention measures.

In addition, on October 8, 2025, several post offices received administrative dispositions from MLIT ordering the suspension of the use of light four-wheel vehicles based on the Motor Truck Transportation Business Act (Act No. 83 of 1989). The post offices that received these dispositions will be unable to use some of their light four-wheel vehicles for the duration of the dispositions. On February 10, 2026, Japan Post Co. received the final administrative dispositions notice related to the series of deficiencies in roll call operations based on the special audit of the post offices that serve as branch offices utilizing light four-wheel vehicles.

Some vehicles continue to be suspended based on the administrative dispositions, but Japan Post Co. will continue to take appropriate steps to provide mail and parcel services (such as Yu-Pack) properly and appropriately without inconveniencing customers.

(Business Combinations)

(Business Combination Through Acquisition)

Japan Post Co., Ltd. ("Japan Post Co."), a consolidated subsidiary of the Company, acquired shares of the common stock of Tonami Holdings Co., Ltd. ("Tonami HD") through a tender offer by JP Tonami Group Co., Ltd., a consolidated subsidiary of Japan Post Co. Tonami HD became a consolidated subsidiary of the Company and Japan Post Co. on April 17, 2025.

JP Tonami Group Co., Ltd. changed its trade name from JWT Co., Ltd., effective July 1, 2025.

1. Overview of the business combination (Target Company)

(1) Name and description of business of the acquiree

Name of acquiree: Tonami Holdings Co., Ltd.
 Description of business: Control and management of the business activities of companies engaged in the freight motor transportation business, etc.

(2) Main reason for the business combination

Tonami HD has a solid presence and customer network in the express delivery and logistics businesses. The Company believes that by combining the organizations and personnel that have made the development of these businesses possible with the public nature, reliability, capital availability, and logistics network strengths of Japan Post Co., it will generate synergies, helping to maximize the corporate value of both Tonami HD and Japan Post Co. It therefore acquired the shares of Tonami HD through a tender offer, aiming to make it a wholly owned subsidiary.

(3) Dates of the business combination

Gained control (acquisition through tender offer):

April 17, 2025 (Deemed acquisition date: April 1, 2025)

Additional acquisition (acquisition through share consolidation):

June 23, 2025 (Deemed acquisition date: April 1, 2025)

(4) Legal form of the business combination

Acquisition of shares for cash consideration

(5) Name of the company after the business combination

Unchanged

(6) Ratio of voting rights acquired

Ratio of voting rights after the implementation of the tender offer (April 17, 2025): 87.24%

Ratio of voting rights after the share consolidation (June 23, 2025): 100%

The Company has treated the series of transactions aimed at acquiring all of the shares as a single transaction.

(7) Main grounds for determining the acquirer

JP Tonami Group Co., Ltd. acquired the shares of Tonami HD for a cash consideration.

2. Period during which the results of the acquiree are included in the consolidated financial statements

From April 1, 2025 to March 31, 2026

3. Acquisition cost of the acquiree and breakdown by type of consideration

Consideration:	Cash	¥92,544 million
<hr/>		
Acquisition cost		¥92,544 million

4. Details and amounts of main acquisition-related expenses

Advisory expenses, etc. ¥1,794 million

5. Amount and cause of the gains on negative goodwill arising from the business combination

(1) Amount of the gains on negative goodwill

¥8,808 million

(2) Cause of the gains on negative goodwill

As the fair value of the net assets of the acquired company at the time of the business combination exceeded the acquisition cost, the difference has been recognized as gains on negative goodwill.

6. Amount and summary of the assets acquired and liabilities assumed on the date of the business combination

Total assets: ¥184,605 million

Total liabilities: ¥82,484 million

(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	2,270,269	48,918	505,149	85,115	2,849,853	5,610,244	11,369,550	70,177	11,439,727
Intersegment ordinary income	38,082	968,255	656	3,892	2,296	15,344	1,028,529	214,828	1,243,357
Total	2,308,351	1,017,174	505,805	89,008	2,852,150	5,625,589	12,398,079	285,006	12,683,085
Segment profit (loss)	(5,494)	9,095	4,371	20,092	759,093	271,777	1,058,935	159,931	1,218,867

- (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 ¥125,945 million and equity method income of ¥41,689 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	Fiscal year ended March 31, 2026
Total ordinary income of reportable segments	12,398,079
Ordinary income of other business	285,006
Eliminations of intersegment transactions	(1,243,357)
Adjustments	859
Ordinary income on the consolidated statements of income	11,440,586

- (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	Fiscal year ended March 31, 2026
Total segment profit (loss) of reportable segments	1,058,935
Segment profit in other business	159,931
Eliminations of intersegment transactions	(141,357)
Adjustments	(2,543)
Net ordinary income on the consolidated statements of income	1,074,966

- (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. Information concerning gains on negative goodwill

In the postal and domestic logistics business segment, Japan Post Co., Ltd., a consolidated subsidiary of the Company, acquired the shares of Tonami Holdings Co., Ltd., through its consolidated subsidiary, JP Tonami Group Co., Ltd. Gains on negative goodwill arose as a result of the inclusion of Tonami Holdings Co., Ltd. and its subsidiaries and affiliates in the scope of consolidation.

The amount of gains on negative goodwill recorded as a result of this event was ¥8,808 million.

(Per Share Data)

Items		Fiscal year ended March 31, 2026
Net assets per share	Yen	3,461.65
Net income per share	Yen	129.14

- (Notes) 1. Because there was no potential common stock, the amount for diluted net income per share is omitted.
2. Net assets per share is calculated based on the following:

Items		As of March 31, 2026
Net assets	Millions of yen	16,481,925
Amount deducted from net assets	Millions of yen	6,767,424
Of which: Non-controlling interests	Millions of yen	6,767,424
Net assets attributable to common stock at the fiscal year-end	Millions of yen	9,714,500
Number of common stock outstanding at the fiscal year-end used for the calculation of net assets per share	Thousands of shares	2,806,316

3. The number of treasury stock excluded from the number of common stock outstanding at the fiscal year-end used for the calculation of net assets per share includes the number of shares of the Company held by the management board benefit trust. The number of shares of the Company held by the management board benefit trust excluded from the calculation of net assets per share was 1,777,300 shares as of March 31, 2026.
4. Net income per share is calculated based on the following:

Items		Fiscal year ended March 31, 2026
Net income attributable to Japan Post Holdings	Millions of yen	374,556
Amount not attributable to common stockholders	Millions of yen	-
Net income attributable to common stock	Millions of yen	374,556
Average number of common stock outstanding during the fiscal year	Thousands of shares	2,900,343

5. The number of treasury stock excluded from the average number of common stock outstanding during the fiscal year used for the calculation of net income per share includes the number of shares of the Company held by the management board benefit trust. The average number of shares of the Company held by the management board benefit trust excluded from the calculation of net income per share was 1,653,609 shares for the fiscal year ended March 31, 2026.

(Subsequent Events)

(Acquisition of Treasury Stock)

The Company resolved, at the meeting of its Board of Directors held on May 15, 2026, 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.

1. Reason for the acquisition of treasury stock

The Company will acquire treasury stock for the purpose of enhancing shareholder returns and improving capital efficiency, in accordance with its capital strategy under the Group Medium-term Management Plan "JP Plan 2028."

2. 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: | 100,000,000 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 3.6%) |
| (3) Total value of shares to be acquired: | ¥150,000 million (maximum) |
| (4) Acquisition period: | From May 18, 2026 to March 31, 2027 |
| (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. |

4. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	1,551,347	1,063,534
Securities	149,973	170,000
Inventories	115	131
Prepaid expenses	137	240
Short-term loan	96,521	185,293
Accounts receivable	27,512	18,526
Income taxes receivable	356	1,184
Others	1,794	3,152
Reserve for possible loan losses	(4)	(35)
Total current assets	1,827,754	1,442,027
Non-current assets		
Tangible fixed assets		
Buildings	32,476	30,821
Structures	811	769
Machinery and equipment	75	66
Vehicles	20	14
Tools and fixtures	5,292	17,258
Land	85,052	83,857
Construction in progress	1,102	1,213
Total tangible fixed assets	124,831	134,000
Intangible assets		
Software	3,829	2,773
Others	384	929
Total intangible assets	4,214	3,702
Investments and other assets		
Investment securities	143,153	140,554
Stocks of subsidiaries and affiliates	3,251,233	3,816,591
Long-term loan	372,191	353,351
Claims provable in bankruptcy	33	36
Long-term prepaid expenses	428	596
Prepaid pension costs	60,084	65,388
Others	80	84
Reserve for possible loan losses	(33)	(36)
Allowance for investment losses	(1,700)	-
Total investments and other assets	3,825,471	4,376,566
Total non-current assets	3,954,517	4,514,268
Total assets	5,782,271	5,956,296

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Short-term borrowings	10,243	17,370
Accounts payable	10,525	22,941
Accrued expenses	1,993	2,149
Income taxes payable	15	2,216
Accrued consumption taxes	555	-
Deposits received	459,042	838,708
Reserve for bonuses	1,324	1,171
Reserve for management bonuses	162	144
Others	1,206	1,262
Total current liabilities	485,068	885,964
Long-term liabilities		
Bonds	85,300	85,300
Long-term borrowings	207,194	204,360
Reserve for retirement benefits	19,605	18,641
Reserve for management board benefit trust	552	732
Reserve for compensation for accidents in the course of duty	14,010	13,316
Deferred tax liabilities	4,074	8,485
Others	1,963	1,964
Total long-term liabilities	332,700	332,801
Total liabilities	817,769	1,218,765
Net assets		
Shareholders' equity		
Capital stock	3,500,000	1,750,000
Capital surplus		
Capital reserve	875,000	1,750,000
Other capital surplus	478,689	1,003,721
Total capital surplus	1,353,689	2,753,721
Retained earnings		
Other retained earnings		
Retained earnings brought forward	492,093	523,370
Total retained earnings	492,093	523,370
Treasury stock	(351,225)	(252,296)
Total shareholders' equity	4,994,556	4,774,795
Valuation and translation adjustments		
Net unrealized gains (losses) on available-for-sale securities	(30,054)	(37,265)
Total valuation and translation adjustments	(30,054)	(37,265)
Total net assets	4,964,502	4,737,530
Total liabilities and net assets	5,782,271	5,956,296

(2) Non-consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Operating income		
Brand royalty income	12,223	12,183
Dividend income from subsidiaries and affiliates	148,722	144,531
Income from business consignment	34,337	29,592
Other revenue	11,960	13,083
Total operating income	207,244	199,391
Operating expenses		
Expenses for business consignment	34,434	29,688
Administrative expenses	18,699	24,110
Other business expenses	14,847	15,668
Total operating expenses	67,981	69,467
Net operating income	139,262	129,923
Other income		
Interest income	2,974	11,128
Interest on securities	631	937
Dividend income	1,590	1,710
Rent income	3,364	3,499
Others	823	1,023
Total other income	9,383	18,299
Other expenses		
Interest expenses	1,154	6,994
Interest on bonds	450	509
Rent expenses	1,476	1,556
Expenses on systems rented to others	446	521
Others	610	620
Total other expenses	4,138	10,201
Net ordinary income	144,507	138,021
Extraordinary gains		
Gains on sale of fixed assets	0	423
Gains on sale of stocks of subsidiaries and affiliates	165,373	37,562
Others	9	1,709
Total extraordinary gains	165,382	39,695
Extraordinary losses		
Losses on sale of fixed assets	3	-
Losses on sale and disposal of fixed assets	142	103
Losses on impairment of fixed assets	17	1
Indemnity Received under Share Transfer Agreement	-	771
Others	21	75
Total extraordinary losses	184	951
Income before income taxes	309,705	176,764
Income taxes current	(1,771)	(597)
Total income taxes	(1,771)	(597)
Net income	311,476	177,362

(3) Non-consolidated Statements of Changes in Net Assets
Fiscal year ended March 31, 2025

(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 year	3,500,000	875,000	778,673	1,653,673	338,234	338,234
Changes in the fiscal year						
Capital reduction						
Cash dividends					(157,618)	(157,618)
Net income					311,476	311,476
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 year						
Net changes in the fiscal year	-	-	(299,983)	(299,983)	153,858	153,858
Balance at the end of the fiscal year	3,500,000	875,000	478,689	1,353,689	492,093	492,093

	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 year	(301,230)	5,190,676	(26,871)	(26,871)	5,163,805
Changes in the fiscal year					
Capital reduction		-			-
Cash dividends		(157,618)			(157,618)
Net income		311,476			311,476
Purchases of treasury stock	(350,000)	(350,000)			(350,000)
Disposals of treasury stock	21	21			21
Cancellation of treasury stock	299,983	-			-
Net changes in items other than shareholders' equity in the fiscal year			(3,182)	(3,182)	(3,182)
Net changes in the fiscal year	(49,995)	(196,120)	(3,182)	(3,182)	(199,302)
Balance at the end of the fiscal year	(351,225)	4,994,556	(30,054)	(30,054)	4,964,502

Fiscal year ended March 31, 2026

(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 year	3,500,000	875,000	478,689	1,353,689	492,093	492,093
Changes in the fiscal year						
Capital reduction	(1,750,000)	875,000	875,000	1,750,000		
Cash dividends					(146,085)	(146,085)
Net income					177,362	177,362
Purchases of treasury stock						
Disposals of treasury stock			(0)	(0)		
Cancellation of treasury stock			(349,967)	(349,967)		
Net changes in items other than shareholders' equity in the fiscal year						
Net changes in the fiscal year	(1,750,000)	875,000	525,032	1,400,032	31,277	31,277
Balance at the end of the fiscal year	1,750,000	1,750,000	1,003,721	2,753,721	523,370	523,370

	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 year	(351,225)	4,994,556	(30,054)	(30,054)	4,964,502
Changes in the fiscal year					
Capital reduction		-			-
Cash dividends		(146,085)			(146,085)
Net income		177,362			177,362
Purchases of treasury stock	(251,115)	(251,115)			(251,115)
Disposals of treasury stock	77	77			77
Cancellation of treasury stock	349,967	-			-
Net changes in items other than shareholders' equity in the fiscal year			(7,211)	(7,211)	(7,211)
Net changes in the fiscal year	98,929	(219,760)	(7,211)	(7,211)	(226,971)
Balance at the end of the fiscal year	(252,296)	4,774,795	(37,265)	(37,265)	4,737,530