

Japan Post Group Financial Highlights

- Japan Post Holdings posted a net income of ¥460.6 billion for the fiscal year ended March 31, 2018. This was in line with the full-year forecast revised in March. Revenue and profit for Japan Post Co. increased due to an increase in volume of Yu-Pack and Yu-Packet handled. In addition, results for Japan Post Bank (non-consolidated) were in line with the full-year forecast and those for Japan Post Insurance exceeded the full-year forecast due to diversification of investment and other measures amid the impact of low interest rates.
- Japan Post Holdings resolved to pay a year-end dividend of ¥32 per share for the fiscal year ended March 31, 2018 (an increase of ¥7 as a special dividend). For the fiscal year ending March 31, 2019, Japan Post Holdings forecasts net income of ¥330.0 billion and a dividend of ¥50 per share on a full-year basis.

(Billions of yen)

	For the fiscal year ended March 31, 2018 Net income ①	Forecast change *percentage achievement	Year-on-year (for the fiscal year ended March 31, 2017) change	Forecast (for the fiscal year ending March 31, 2019) Net Income ②	Year-on-year change (for the fiscal year ended March 31, 2018) ②-①	Background and key initiatives
Japan Post Holdings	460.6	+ 10.6 102.4%	+ 489.6	330.0	(130.6)	—
Japan Post Co.	58.4	+ 45.4 449.8%	+ 443.7	45.0	(13.4)	<ul style="list-style-type: none"> ■ Decreases in net ordinary income and net income are forecast owing to a decrease in volume of mails handled and an increase in expenses mainly due to an increase in unit personnel expenses resulting from the tight labor supply-and-demand, etc. and an improvement of working condition of employees ■ Key initiatives to accomplish the financial results goal for the fiscal year ending March 31, 2019 <ul style="list-style-type: none"> - Improvement in the convenience of receipt and shipment of Yu-Pack, etc. for customers and development of delivery operations - Enhancement of employee capabilities for sales proposal and support for customers to increase financial assets through the investment trusts sales, etc. - Proceeding the Transformation plan of Toll and improvement of revenue by growth strategies
Japan Post Bank	352.7	—	—	260.0	(92.7)	<ul style="list-style-type: none"> ■ Decreases in net ordinary income and net income are forecast mainly owing to a decrease in net interest income in the adverse business environment from factors such as a low interest rate trend ■ Key initiatives to accomplish the financial results goal for the fiscal year ending March 31, 2019 <ul style="list-style-type: none"> - Promoting sophisticated and diversified investment - Strengthening fee businesses
(non-consolidated)	352.7	+ 2.7 100.7%	+ 40.4	—	—	
Japan Post Insurance	104.4	+ 18.4 121.5%	+ 15.8	88.0	(16.4)	<ul style="list-style-type: none"> ■ Decreases in net ordinary income and net income are forecast due to temporary positive factors resulting from an improvement in internal and external markets environment for the fiscal year ended March 31, 2018 and a decrease in the number of policies in force ■ Key initiatives to accomplish the financial results goal for the fiscal year ending March 31, 2019 <ul style="list-style-type: none"> - Strengthening employee sales capabilities emphasizing the protection type products - Promoting sophisticated and diversified investment
Japan Post Holdings DPS	Year-end dividend of ¥32 (Full-year dividend of ¥57)	+ ¥7 As a special dividend	—	Full-year dividend of ¥50		—

Notes 1 : Except for Japan Post Bank (non-consolidated), the amounts of net income attributable to Japan Post Holdings, net income attributable to Japan Post Co., net income attributable to Japan Post Bank and net income attributable to Japan Post Insurance have been used for net income of Japan Post Holdings, Japan Post Co., Japan Post Bank and Japan Post Insurance, respectively.
 2 : For "Forecast change" for the fiscal year ended March 31, 2018, the forecast revised in March 2018 has been used as a basis for calculation for Japan Post Holdings (consolidated) and the forecast announced in May 2017 has been used as a basis for calculation for other companies.
 3 : 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 Japan Post Holdings shall not be effective without the approval of the Minister for Internal Affairs and Communications.