



**Year-End Financial Results Briefing
for the Fiscal Year Ended March 31, 2022**

May 24, 2022

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Year-End Financial Highlights for the Fiscal Year Ended March 31, 2022

Japan Post Holdings: Year-End Financial Highlights for the Year Ended March 31, 2022

- Group consolidated net income reached a high level of ¥501.6 billion.
- Achieved ¥21.6 billion (4.5%) higher than the upwardly revised forecast in November 2021.
- ROE (shareholders' equity basis) was 4.6%, partly due to the share repurchases of approximately ¥350.0 billion during the period.

JP Vision 2025 targets	Results for the fiscal year ended Mar. 31, 2021	Results forecast for the fiscal year ended Mar. 31, 2022	Results for the fiscal year ended Mar. 31, 2022
Consolidated net income (Assuming the ratio of equity held by Japan Post Holdings is 50% in Japan Post Bank and 49.9% in Japan Post Insurance) ¥280.0 billion (Assuming the ratio of equity held by Japan Post Holdings is approx. 89% in Japan Post Bank and 49.9% in Japan Post Insurance) ¥420.0 billion			
Japan Post Co. (Consolidated) ¥22.0 billion	¥53.4 billion	¥80.0 billion (Initial plan: ¥20.0 billion)	¥93.2 billion
Japan Post Bank (Consolidated) More than ¥350.0 billion	¥280.1 billion	¥350.0 billion (Initial plan: ¥260.0 billion)	¥355.0 billion
Japan Post Insurance (Consolidated) ¥91.0 billion	¥166.1 billion	¥154.0 billion (Initial plan: ¥118.0 billion)	¥158.0 billion
ROE (Shareholders' equity basis) Approx. 4% (Aiming for further improvement in the future)	3.8%	—	4.6%

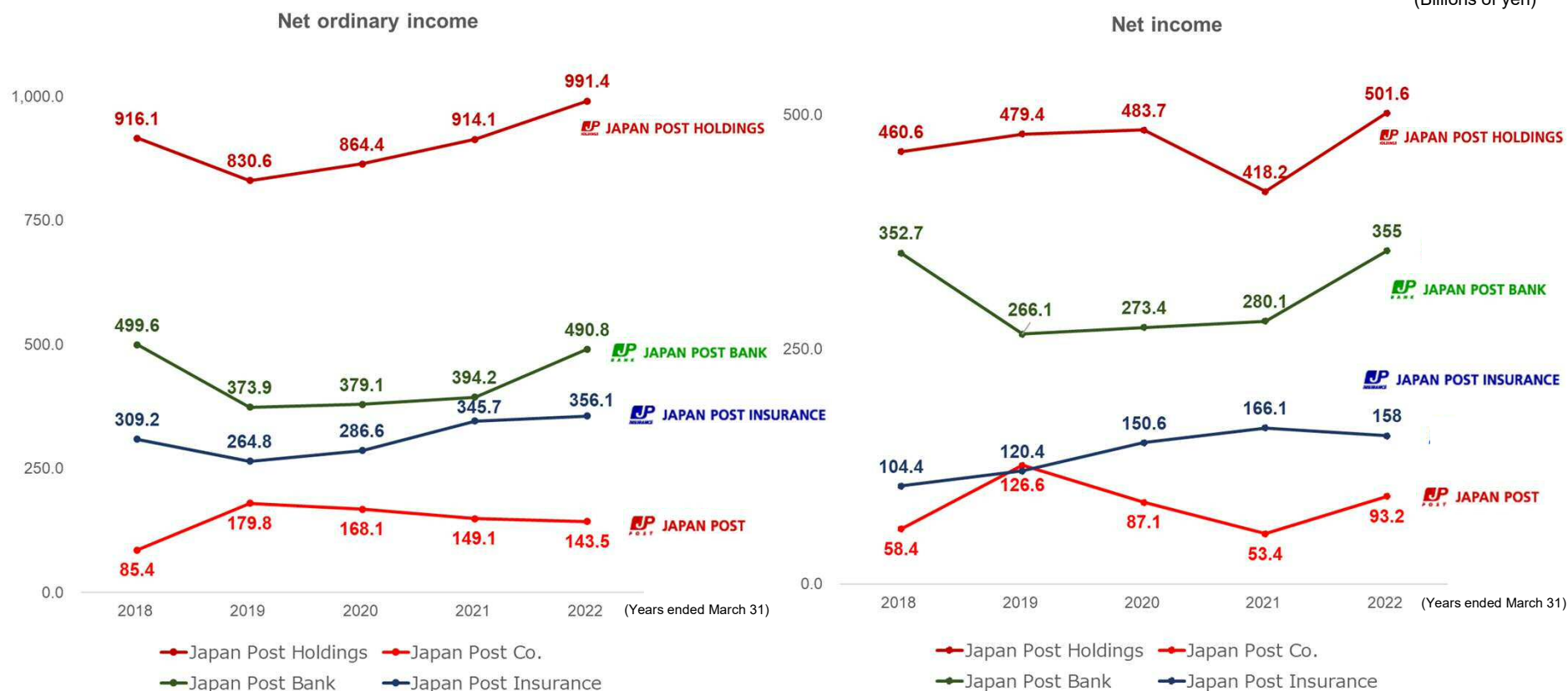
Notes: 1. Figures less than ¥0.1 billion are rounded down. The figures of Japan Post Holdings (consolidated) and the combined figures of each subsidiary do not correspond because of other consolidated accounting procedures, etc.
 2. The amounts of net income attributable to Japan Post Holdings, net income 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 (consolidated), Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

Japan Post Holdings:

Trends in Net Ordinary Income and Net Income of Major Companies

- At Japan Post Co., net income was ¥93.2 billion (an increase of 74.5% year-on-year), mainly due to strong performance in the international logistics business.
- At Japan Post Bank, net income was ¥355.0 billion (an increase of 26.7% year-on-year) due to strong PE and other interest income.
- At Japan Post Insurance, net income was ¥158.0 billion (a decrease of 4.8% year-on-year) due to the transfer of reserve for price fluctuations, despite an increase in core profit.

(Billions of yen)



Notes: 1. Figures less than ¥0.1 billion are rounded down. The figures of Japan Post Holdings (consolidated) and the combined figures of each subsidiary do not correspond because of other consolidated accounting procedures, etc.
 2. The amount of ordinary profit on the consolidated statements of income of Japan Post Insurance has been used for net ordinary income of Japan Post Insurance.
 3. 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 (consolidated), Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

Japan Post Holdings:

Consolidated Financial Results Forecast, etc. for the Fiscal Year Ending March 31, 2023

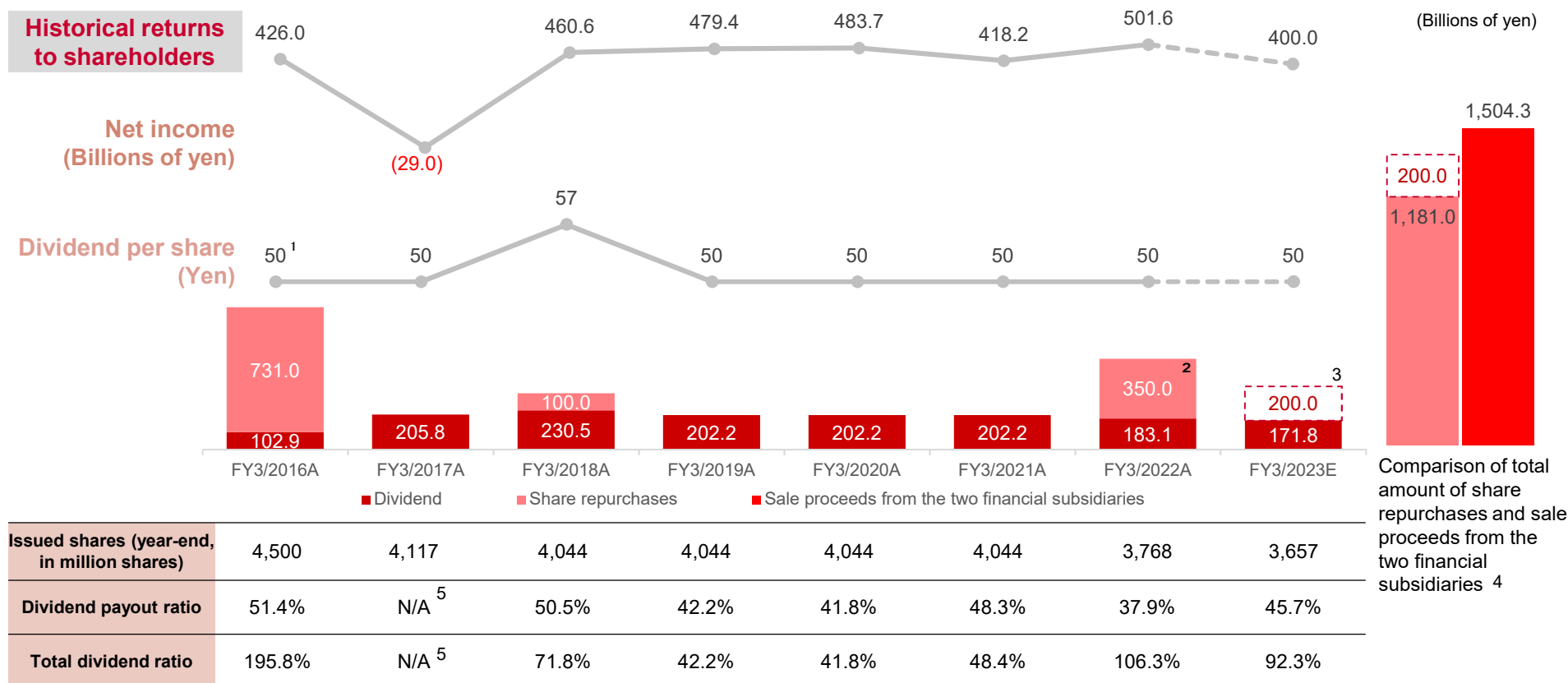
- Consolidated net ordinary income and net income attributable to Japan Post Holdings are expected to be ¥700.0 billion and ¥400.0 billion, respectively.
- Japan Post Co. forecasts decreases in net ordinary income and net income, mainly due to a decrease in the volume of mail handled reflecting factors such as the advancement of digitalization as well as a smaller effect from the rise in marine cargo prices in the Global Forwarding business compared to the fiscal year ended March 31, 2022.
- Japan Post Bank forecasts decreases in net ordinary income and net income, mainly owing to an increase in foreign currency funding costs and a decrease in interest income on Japanese government bonds.
- Japan Post Insurance forecasts decreases in net ordinary income and net income, mainly owing to an increase in operating expenses associated with the establishment of the new Japan Post Insurance sales structure.

	Net ordinary income	Year-on-year change	Net income	Year-on-year change	JP Vision 2025 Targets for FY3/2026
Japan Post Holdings (Consolidated)	¥700.0 billion	¥(291.4) billion	¥400.0 billion	¥(101.6) billion	¥420.0 billion
Japan Post Co. (Consolidated)	¥95.0 billion	¥(48.5) billion	¥60.0 billion	¥(33.2) billion	¥22.0 billion
Japan Post Bank (Consolidated)	¥445.0 billion	¥(45.8) billion	¥320.0 billion	¥(35.0) billion	More than ¥350.0 billion
Japan Post Insurance (Consolidated)	¥160.0 billion	¥(196.1) billion	¥71.0 billion	¥(87.0) billion	¥91.0 billion

	Net operating income	Year-on-year change	JP Vision 2025 Targets for FY3/2026
Japan Post Co. (Consolidated)	¥100.0 billion	¥(48.2) billion	¥49.0 billion
Postal and Domestic Logistics Business	¥55.0 billion	¥(47.2) billion	¥33.0 billion
Post Office Business	¥35.0 billion	+ ¥10.5 billion	¥5.0 billion
International Logistics Business	¥5.0 billion	¥(23.7) billion	¥12.0 billion

Returns to Shareholders

- We aim to maintain annual dividends per share of ¥50 during the period of JP Vision 2025.
- We will Invest earnings and proceeds from the sale of shares in the two financial subsidiaries in necessary growth investments, etc., while conducting share repurchases in a flexible manner.
- We implemented share repurchases of a total of ¥350.0 billion in the previous fiscal year. We will conduct share repurchases of a total of ¥200.0 billion in the current fiscal year.



Issued shares decreased by approx. 18% since IPO.

Approx. ¥1.3 trillion of share repurchases since IPO vs approx. ¥1.5 trillion from proceeds from sale of financial subsidiary stock.

Notes: 1. Calculated at the doubled amount of ¥50, taking into account the period from the initial public offering to the record date of the year-end dividend.

3. Share repurchases assume a share price of ¥898 (closing price on March 31, 2022) with 220 million shares to be repurchased.

4. "Share repurchases" shows the sum of actual repurchase amount since the fiscal year ended Mar. 31, 2016 (solid line) plus additional share repurchases assuming the full amount will be executed (dotted line). "Sale proceeds from the two financial subsidiaries" shows the sum of actual sale amount since the fiscal year ended Mar. 31, 2016.

2. Includes ¥4.5 billion acquired in April 2022.

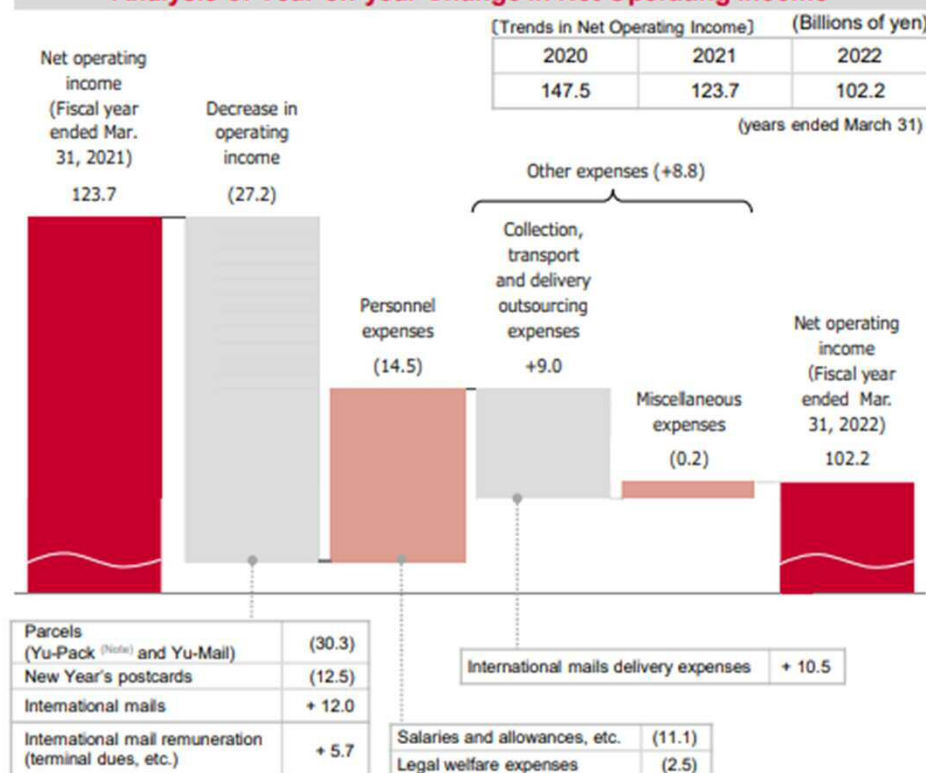
5. Calculation not possible due to negative net income.

Overview of Year-End Financial Results for the Fiscal Year Ended March 31, 2022 (by Business)

Japan Post Co. (Consolidated) [Postal and Domestic Logistics Business]: Financial Results

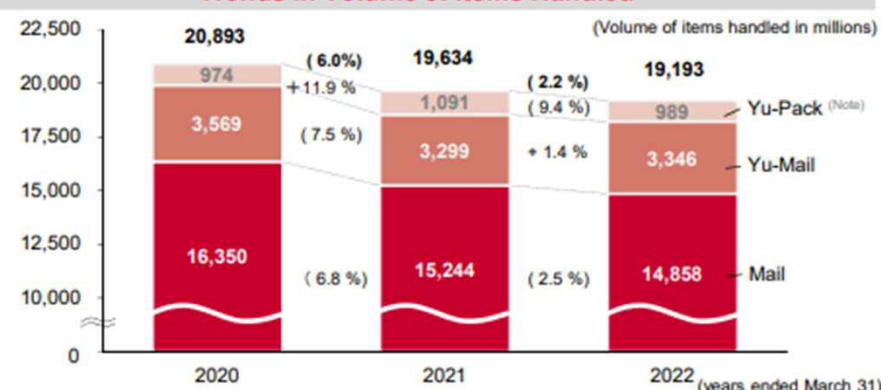
- The volume of items handled decreased by 2.2% in total year-on-year. Mail decreased by 2.5% and Yu-Mail increased by 1.4%. Yu-Pack (Note) decreased by 9.4% year-on-year (including a decline of 15.4% in Yu-Packet), due mainly to a reactionary decline following the increase in stay-at-home consumption in the previous fiscal year and a severe competitive environment.
- Operating income decreased by ¥27.2 billion year-on-year (a decrease of 1.3% year-on-year), with a decrease in income from parcels due to a decline in Yu-Pack (Note) volumes, as well as a decrease in income from New Year's postcards, despite an increase in income from international mails due to the resumption of services.
- Net operating income decreased by ¥21.4 billion year-on-year (a decrease of 17.4% year-on-year), although operating expenses also decreased, mainly due to cost control initiatives.

Analysis of Year-on-year Change in Net Operating Income



Notes: Yu-Pack includes Yu-Packet.

Trends in Volume of Items Handled



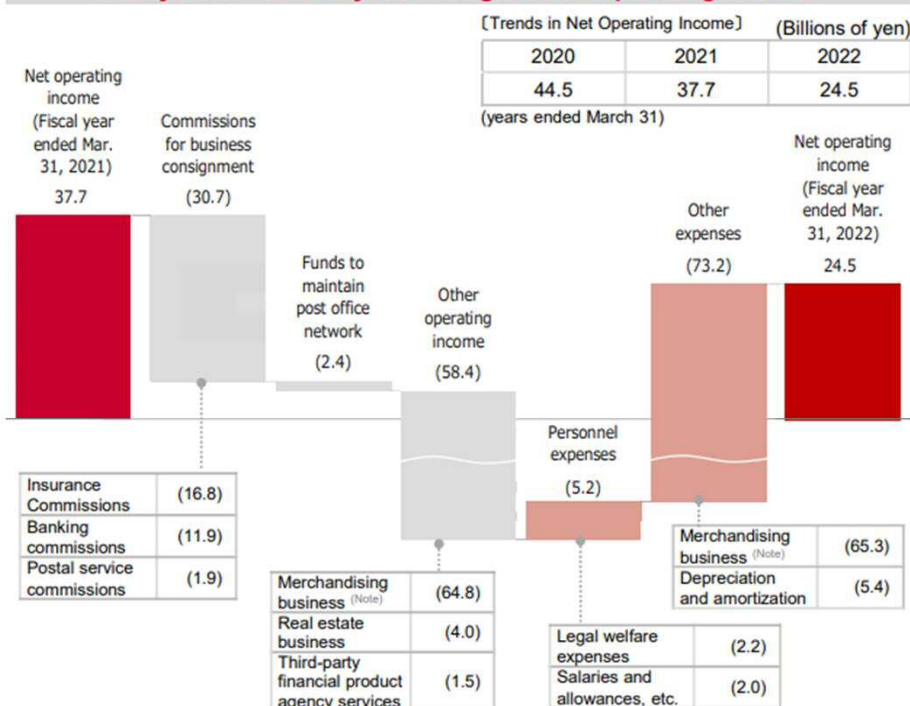
Results of Operations for the Fiscal Year Ended March 31, 2022

	(Billions of yen)		
	For the fiscal year ended Mar. 31, 2022	For the fiscal year ended Mar. 31, 2021	Year-on-year change
Operating income	2,041.2	2,068.4	(27.2)
Operating expenses	1,938.9	1,944.7	(5.7)
Personnel expenses	1,221.2	1,235.8	(14.5)
Other expenses	717.6	708.8	+ 8.8
Net operating income	102.2	123.7	(21.4)

Japan Post Co. (Consolidated) [Post Office Business]: Financial Results

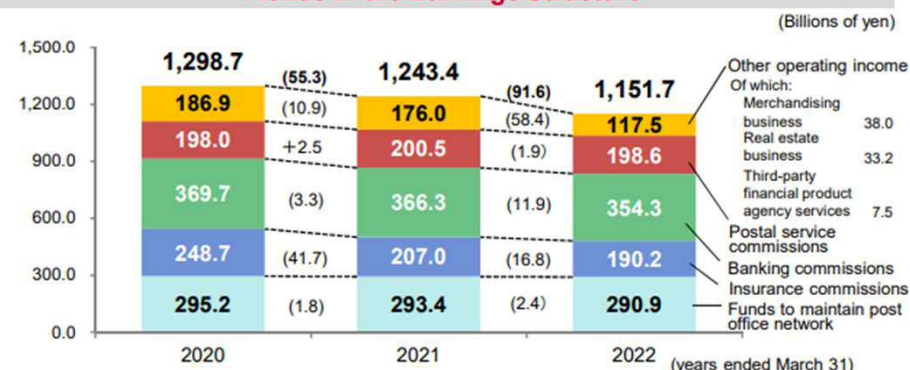
- Operating income decreased by ¥91.6 billion year-on-year (a decrease of 7.4% year-on-year), with a decline in income from the merchandising business due to the impact of the application of a new Accounting Standard for Revenue Recognition ^(Note) and the absence of the income from real estate sales recorded in the previous year, as well as a decrease in insurance commissions and banking commissions.
- Net operating income decreased by ¥13.1 billion year-on-year (a decrease of 34.9% year-on-year), although operating expenses also decreased mainly due to a decrease in other expenses in the merchandising business corresponding to the decrease in operating income. ^(Note)

Analysis of Year-on-year Change in Net Operating Income



Note: Pursuant to the application of a new Accounting Standard for Revenue Recognition, the amount of income recognized for certain transactions in the merchandising business, etc. has changed from a gross amount to a net amount (resulting in a decrease of ¥58.9 billion).

Trends in the Earnings Structure



Results of Operations for the Fiscal Year Ended March 31, 2022

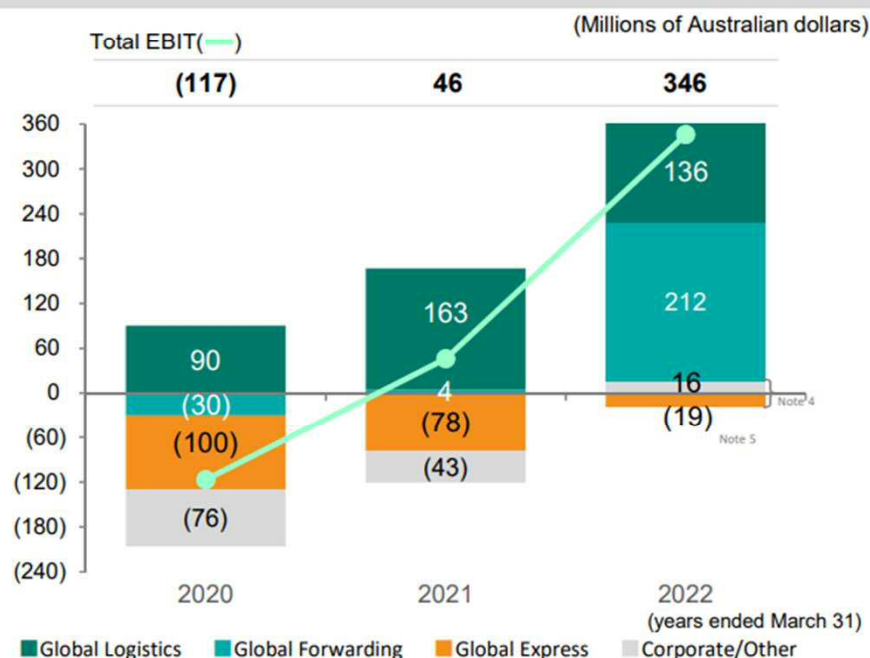
(Billions of yen)

	For the fiscal year ended Mar. 31, 2022	For the fiscal year ended Mar. 31, 2021	Year-on-year change
Operating income	1,151.7	1,243.4	(91.6)
Operating expenses	1,127.2	1,205.7	(78.5)
Personnel expenses	833.0	838.3	(5.2)
Other expenses	294.1	367.3	(73.2)
Net operating income	24.5	37.7	(13.1)

Japan Post Co. (Consolidated) [International Logistics Business]: Financial Results

- Operating income decreased by A\$1,564 million year-on-year (a decrease of 15.9% year-on-year) due to the impact of a decrease in large-scale handling related to COVID-19 by the Global Logistics business and a substantial reduction in income due to the transfer of the Global Express business, despite an increase in the Global Forwarding business due to greater cargo demand.
- Operating expenses also decreased significantly, due mainly to a decline in other expenses corresponding to the decrease in operating income in the Global Logistics business and the reduction in expenses related to the Global Express business, despite an increase in expenses corresponding to the increase in operating income in the Global Forwarding business. Net operating income (EBIT) increased by A\$300 million year-on-year (an increase of 653.3% year-on-year).

Trends in Net Operating Income (Loss) (EBIT)



Results of Operations for the Fiscal Year Ended March 31, 2022

(Millions of Australian dollars)
[Billions of yen]

	For the fiscal year ended Mar. 31, 2022	For the fiscal year ended Mar. 31, 2021	Year-on-year change
Operating income (revenue)	8,279 [687.5]	9,843 [749.8]	(1,564) [(62.3)]
Operating expenses	7,932 [658.7]	9,797 [746.3]	(1,864) [(87.6)]
Personnel expenses	1,970 [163.6]	2,529 [192.7]	(559) [(29.0)]
Other expenses	5,961 [495.0]	7,267 [553.6]	(1,305) [(58.5)]
Net operating income (EBIT)	346 [28.7]	46 [3.5]	+ 300 [+ 25.2]

- Notes: 1. Operating income (revenue), operating expenses and net operating income (EBIT) are the total amount of Toll, JP Toll Logistics and Toll Express Japan, respectively.
 2. Figures for each fiscal year in the above graph have been reclassified due to a partial reclassification of businesses between segments for the fiscal years ended March 31, 2022 and 2021 (total amounts are unchanged).
 3. Figures in square brackets are presented in billions of yen (Average exchange rate for the fiscal year ended March 31, 2022: ¥83.04 to A\$1.00 and for the fiscal year ended March 31, 2021: ¥76.18 to A\$1.00).
 4. Depreciation and amortization that have been suspended based on IFRS are recorded in net operating income (loss) (EBIT) for the Global Express business for the fiscal year ended March 31, 2022 (the effect of this is offset through Corporate/Other).
 5. Income (loss) for the Global Express business only includes the period up to August 2021, due to the completion of the business transfer on August 31, 2021.

Japan Post Co. (Consolidated): Financial Highlights

- Operating income decreased by ¥180.7 billion year-on-year (a decrease of 4.7% year-on-year, including an increase of ¥62.5 billion attributable to the effect of exchange rate fluctuations).
- Net operating income decreased by ¥6.8 billion year-on-year (a decrease of 4.4% year-on-year) to ¥148.2 billion, mainly due to a decrease in net operating income in the postal and domestic logistics business and the post office business, despite an increase in net operating income in the international logistics business. Net ordinary income decreased by ¥5.6 billion year-on-year (a decrease of 3.8% year-on-year) to ¥143.5 billion.
- Net income increased by ¥39.8 billion (an increase of 74.5%) to ¥93.2 billion, due mainly to a decrease in extraordinary losses associated with the sale of Toll's Global Express business.

Analysis of Year-on-year Change in Net Income (Loss)

[Trends in Net Operating Income]

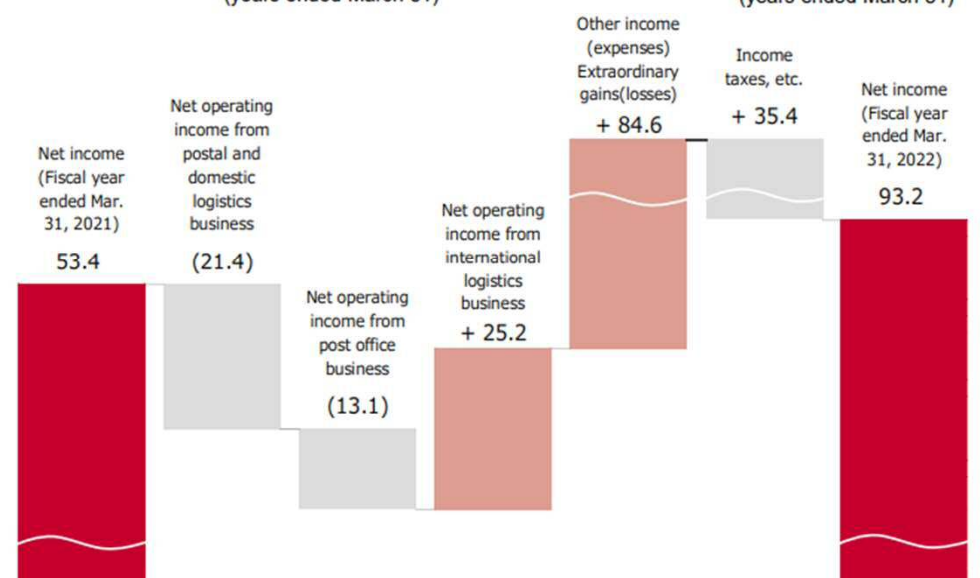
2020	2021	2022
179.0	155.0	148.2

(years ended March 31)

[Trends in Net Income]

2020	2021	2022
87.1	53.4	93.2

(years ended March 31)



Results of Operations for the Fiscal Year Ended March 31, 2022

	For the fiscal year ended Mar. 31, 2022	For the fiscal year ended Mar. 31, 2021	Year-on-year change
Operating income	3,656.9	3,837.6	(180.7)
Operating expenses	3,508.6	3,682.5	(173.9)
Personnel expenses	2,217.8	2,266.9	(49.0)
Other expenses	1,290.7	1,415.6	(124.8)
Net operating income	148.2	155.0	(6.8)
Net ordinary income	143.5	149.1	(5.6)
Extraordinary gains (losses)	(7.8)	(91.3)	+ 83.4
Income before income taxes	135.7	57.8	+ 77.8
Net income	93.2	53.4	+ 39.8

Japan Post Bank (Consolidated): Financial Highlights

Consolidated Results of Operations for the Fiscal Year Ended March 31, 2022

(Billions of yen)

	For the fiscal year ended		Year-on-year change
	Mar. 31, 2022	Mar. 31, 2021	
Consolidated gross operating profit	1,292.0	1,319.1	(27.1)
Net interest income	1,147.4	961.9	+ 185.4
Net fees and commissions	128.4	127.9	+ 0.5
Net other operating income	16.0	229.1	(213.1)
Gains (losses) on foreign exchanges	79.0	254.6	(175.6)
Gains (losses) on Japanese government bonds, etc.	(63.2)	(25.9)	(37.2)
General and administrative expenses (excludes non-recurring losses)	983.2	1,011.4	(28.2)
Provision for general reserve for possible loan losses	0.0	-	+ 0.0
Consolidated net operating profit	308.7	307.6	+ 1.0
Non-recurring gains (losses)	182.1	86.5	+ 95.5
Net ordinary income	490.8	394.2	+ 96.6
Net income	355.0	280.1	+ 74.9

Overview

- Consolidated gross operating profit
Net interest income increased by ¥185.4 billion year-on-year, primarily as a result of an increase in income from foreign bond investment trusts and private equity funds.
Net fees and commissions increased by ¥0.5 billion year-on-year.
Net other operating income decreased by ¥213.1 billion year-on-year, mainly as a result of a decrease in gains on redemption of foreign bonds.
- General and administrative expenses
Decreased by ¥28.2 billion year-on-year, due mainly to a decline in commissions paid to Japan Post Co.
- Non-recurring gains (losses)
Increased by ¥95.5 billion year-on-year, due mainly to an expansion in private equity funds and real estate funds.

(Reference (Note))	As of		Change (%)
	Mar. 31, 2022	Mar. 31, 2021	
ROE (Shareholders' equity basis)	3.80	3.06	+ 0.74
OHR (Including net gains and losses on money held in trust, etc.)	67.52	72.34	(4.81)

Note: Based on the calculation method used for financial targets set forth in the (Japan Post Bank) Medium-Term Management Plan (fiscal years ending March 31, 2022 - 2026):
ROE = net income / [(shareholders' equity at beginning of period + shareholders' equity at end of period) / 2] x 100
OHR = general and administrative expenses / (net interest income, etc. + net fees and commissions) x 100
Net interest income, etc. refers to interest income after deducting interest expenses (including gains and loss on sales, etc.).

Japan Post Bank (Non-consolidated): Net Interest Income, etc.

Net Interest Income

Domestic (yen-denominated transactions) (Billions of yen)

	For the fiscal year ended		Year-on-year change
	Mar. 31, 2022	Mar. 31, 2021	
Net interest income	402.2	455.6	(53.4)
Interest income	446.7	518.3	(71.5)
Interest income on Japanese government bonds	304.1	364.6	(60.4)
Interest expenses	44.4	62.6	(18.1)

Overseas (foreign currency-denominated transactions, yen-denominated transactions with non-residents of Japan) (Billions of yen)

	For the fiscal year ended		Year-on-year Change
	Mar. 31, 2022	Mar. 31, 2021	
Net interest income	745.2	506.1	+ 239.0
Interest income	991.6	751.4	+ 240.1
Interest income on foreign securities	991.2	750.9	+ 240.2
Interest expenses	246.3	245.2	+ 1.1

Total (Billions of yen)

	For the fiscal year ended		Year-on-year Change
	Mar. 31, 2022	Mar. 31, 2021	
Net interest income	1,147.5	961.8	+ 185.6
Interest income	1,369.7	1,198.2	+ 171.4
Interest expenses	222.2	236.3	(14.1)

Note: For a part of interest income and expenses as well as other operating income and expenses, transactions between "domestic" and "overseas" are offset to calculate totals. As a result, the total of each account may not be equal to the combined total of "domestic" and "overseas" of each item.

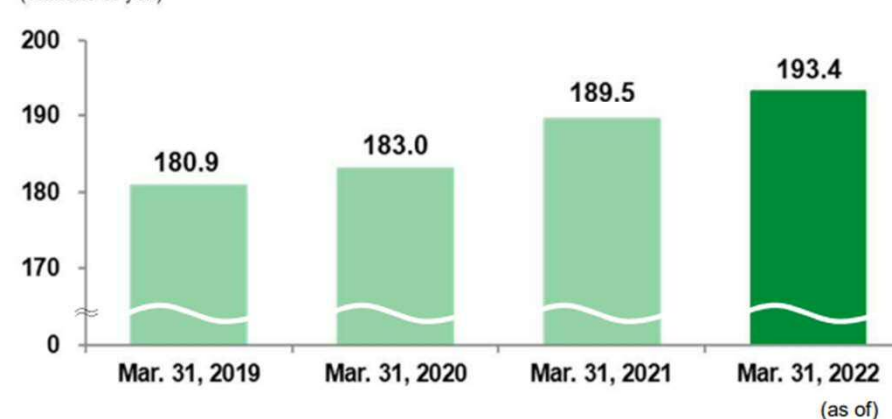
Net Fees and Commissions

(Billions of yen)

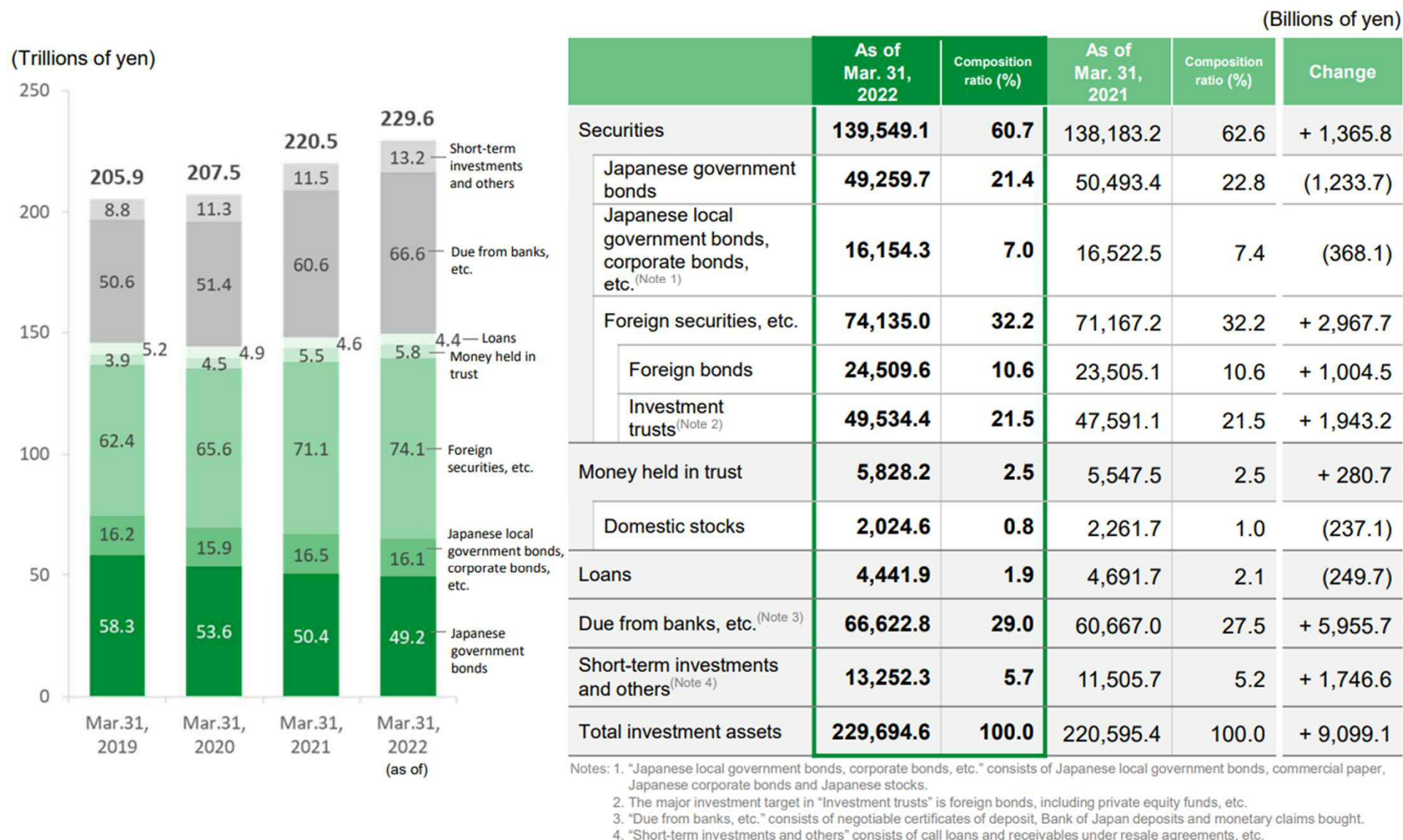
	For the fiscal year ended		Year-on-year change
	Mar. 31, 2022	Mar. 31, 2021	
Net fees and commissions relating to	127.4	127.9	(0.5)
Exchange and settlement transactions	83.7	83.4	+ 0.2
ATMs	22.7	20.1	+ 2.6
Investment trusts	13.6	14.6	(0.9)
Others	7.2	9.7	(2.4)

Deposit Balance

(Trillions of yen)



Japan Post Bank (Non-consolidated): Status of Investment Assets



Japan Post Insurance (Consolidated): Financial Highlights JAPAN POST HOLDINGS

Results of Operations for the Fiscal Year Ended March 31, 2022

(Billions of yen, %)

	For the fiscal year ended		Year-on-year change
	Mar. 31, 2022	Mar. 31, 2021	
Ordinary income	6,454.2	6,786.2	(332.0)
Ordinary expenses	6,098.0	6,440.4	(342.3)
Ordinary profit	356.1	345.7	+ 10.3
Net income	158.0	166.1	(8.0)
(Reference) Non-consolidated Financial Highlights			
Core profit	437.1	421.9	+ 15.1
Net capital gains (losses)	(1.7)	(17.1)	+ 15.3
Non-recurring gains (losses)	(79.6)	(59.8)	(19.8)
Ordinary profit	355.7	345.0	+ 10.7
Annualized premiums from new policies (individual insurance)	46.1	30.6	+ 15.5
	As of		Change
	Mar. 31, 2022	Mar. 31, 2021	
Annualized premiums from policies in force (individual insurance) ^(Note 1)	3,538.9	3,898.1	(359.1)
Solvency margin ratio (consolidated)	1,045.5	1,121.2	(75.7)
Real net assets (consolidated)	10,238.8	12,081.7	(1,842.8)

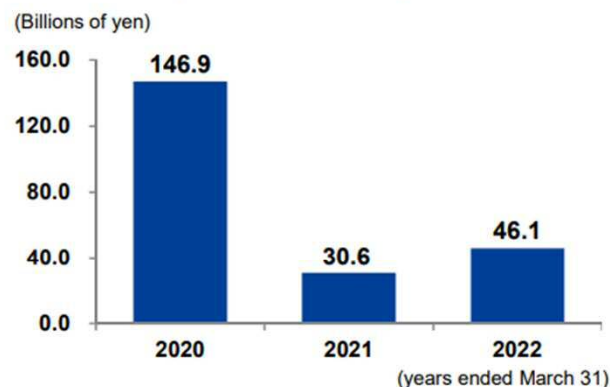
Notes: 1. Policies in force for individual insurance include those for Postal Life Insurance Policies, which show contracts reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life insurance and Post Office Network.
 2. Figures less than ¥0.1 billion are rounded down.
 3. Please refer to "Status of Insurance Policies" on page 10 for annualized premiums from new policies and policies in force for medical care.

Overview

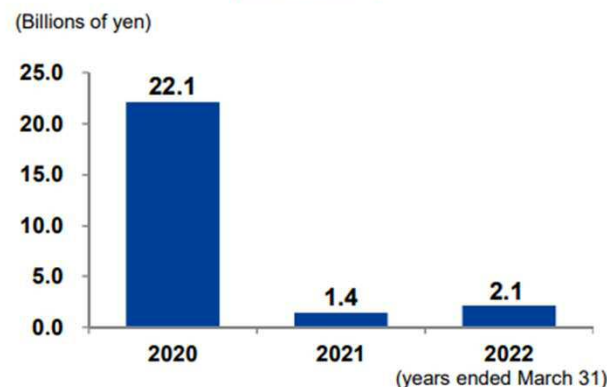
- Ordinary profit (consolidated) increased by ¥10.3 billion year-on-year to ¥356.1 billion, mainly due to an improvement in net capital gains (non-consolidated). Core profit (non-consolidated) increased due to an increase in positive spread, despite a decrease in insurance-related income due to factors such as fewer policies in force.
- Net capital losses (non-consolidated) are offset by the reserve for price fluctuations, so net income decreased by ¥8.0 billion year-on-year to ¥158.0 billion.
- Annualized premiums from new policies increased compared with the previous fiscal year for both individual insurance and medical care.^(Note 3)
- Annualized premiums from policies in force for individual insurance and medical care each decreased compared with the end of the previous fiscal year.^(Notes 1 and 3)
- Solvency margin ratio (consolidated), an indicator of financial soundness, amounted to 1,045.5% and real net assets (consolidated) amounted to ¥10,238.8 billion, reflecting a continuously maintained high level of financial soundness. Internal reserves, which are the sum of contingency reserve and reserve for price fluctuations, amounted to ¥2,663.6 billion.

New Policies

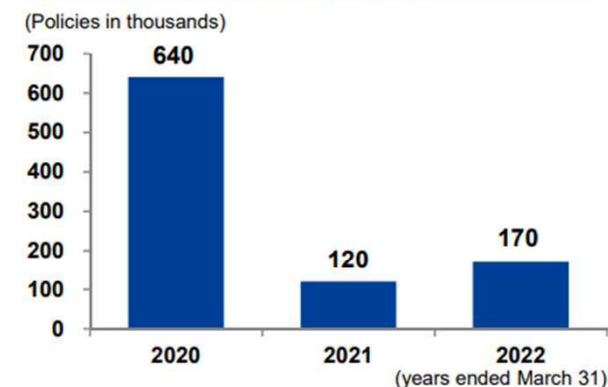
Annualized Premiums from New Policies
(Individual Insurance)



Annualized Premiums from New Policies
(Medical Care)

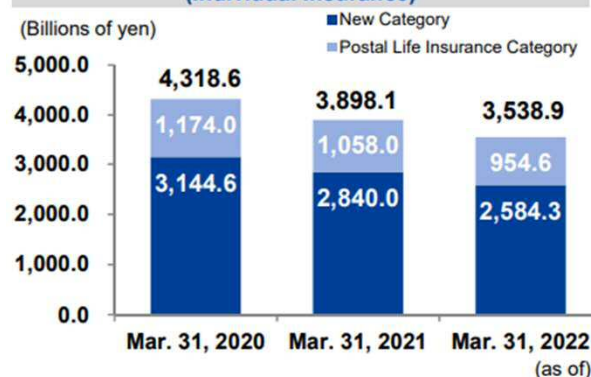


Number of New Policies
(Individual Insurance)

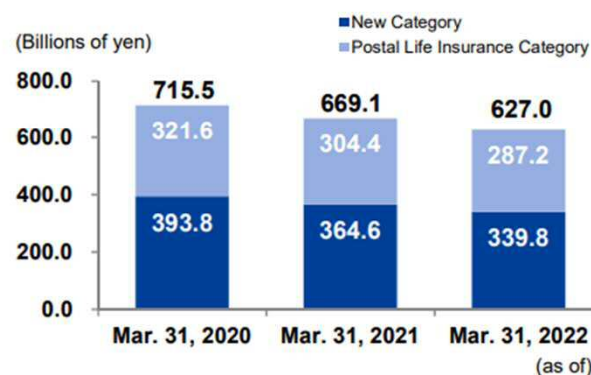


Policies in Force

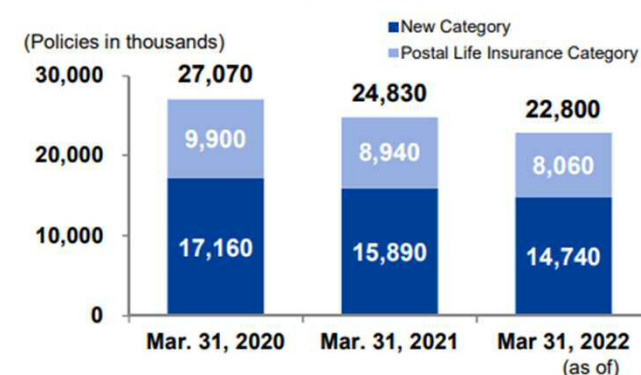
Annualized Premiums from Policies in Force
(Individual Insurance)



Annualized Premiums from Policies in Force
(Medical Care)



Number of Policies in Force
(Individual Insurance)



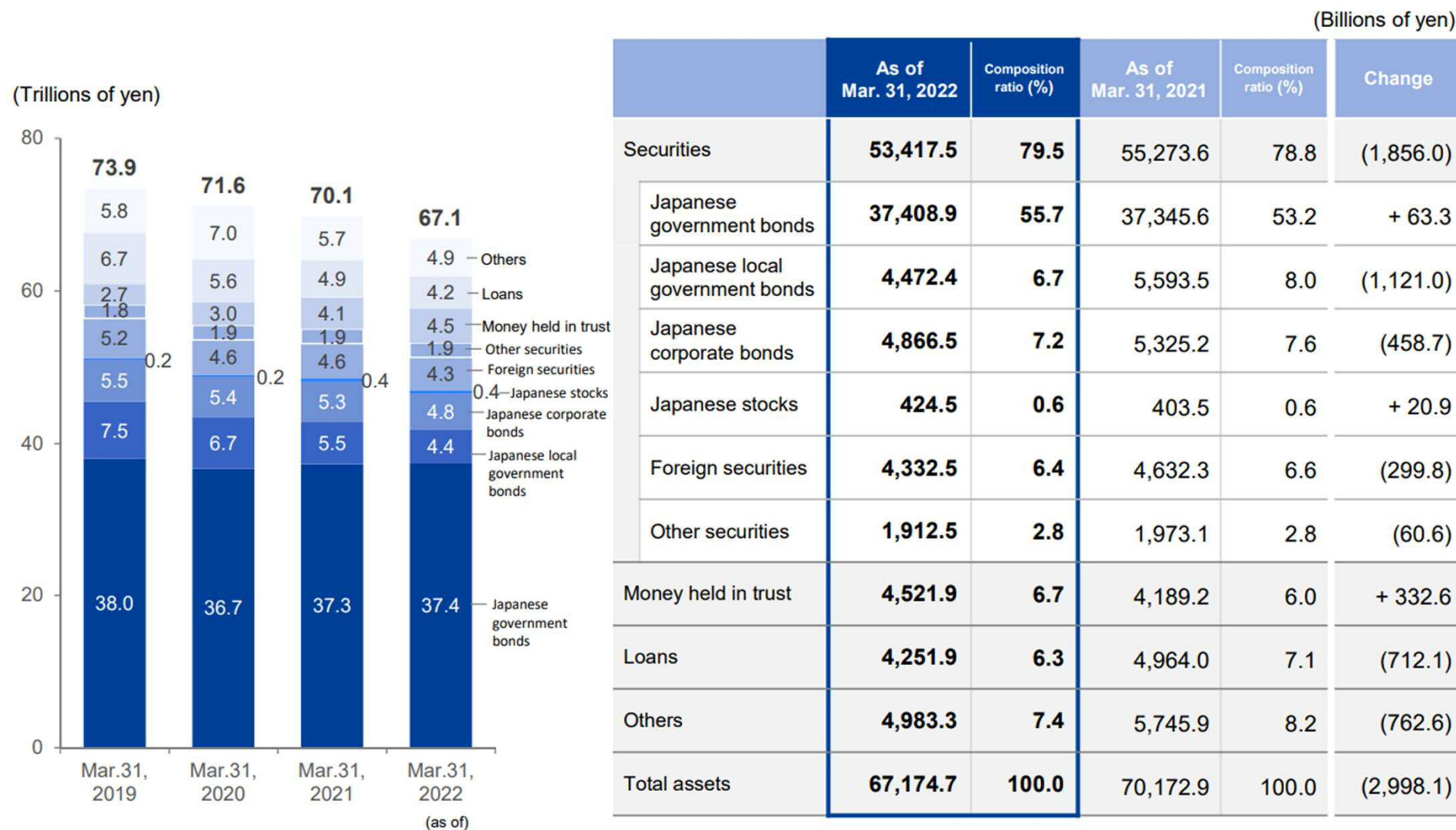
Notes: 1. Figures less than ¥0.1 billion are rounded down, and number of policies is rounded down to the nearest ten thousand.

2. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.

Annualized premiums for individual insurance include those for medical care. Annualized premiums for medical care are the total of those for individual insurance and individual annuity insurance.

3. "New Category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance Category" shows Postal Life Insurance Policies reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life Insurance and Post Office Network.

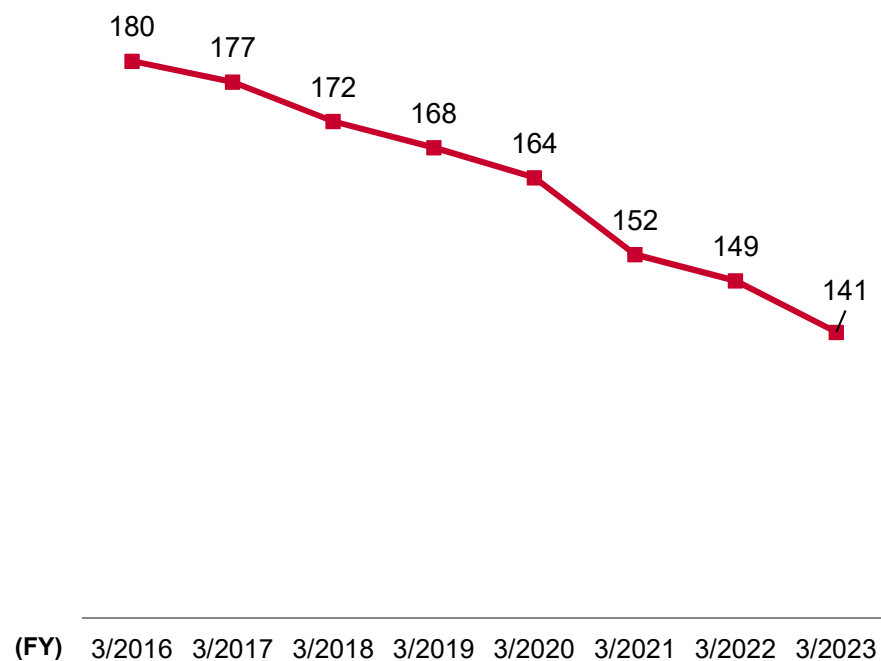
Japan Post Insurance (Consolidated): Status of Investment Assets



Future Initiatives in Postal and Domestic Logistics

Mail items

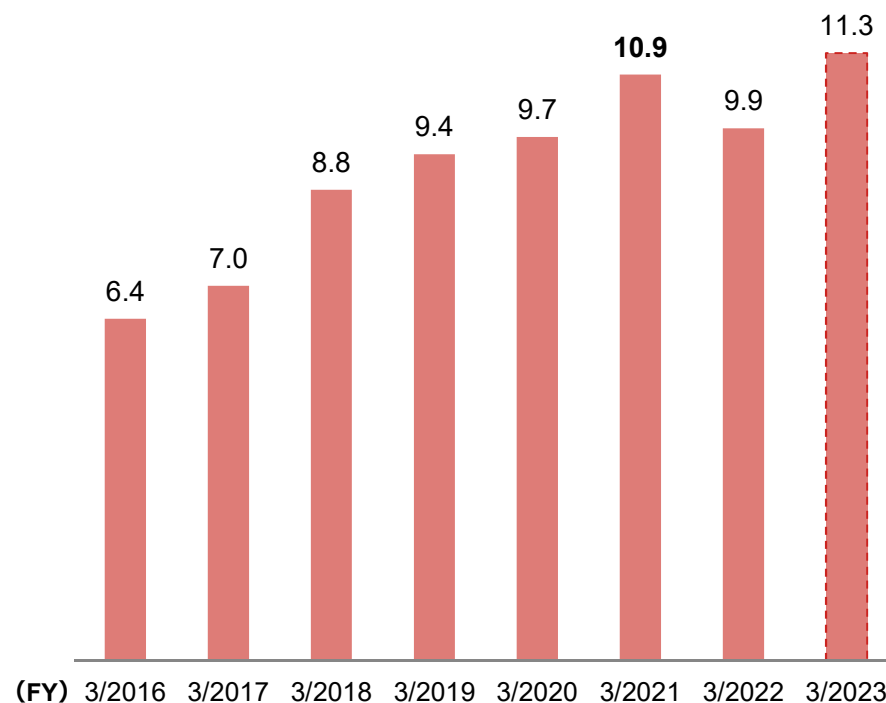
(100 million items)



Declining trend expected to accelerate in the face of advancing digitalization

Yu-Pack

(100 million items)



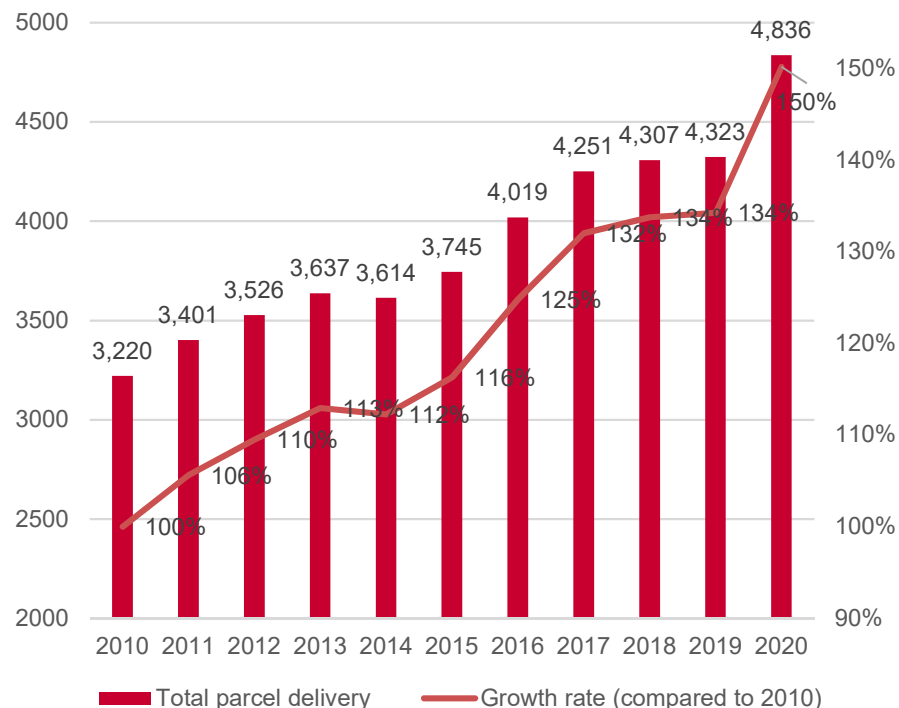
* Yu-Pack includes Yu-Packet.

Yu-Pack volume expected to expand

Japan Post Co.'s Recognition of Issues

Increase in parcel delivery volume due to EC expansion, etc.

(Million items)



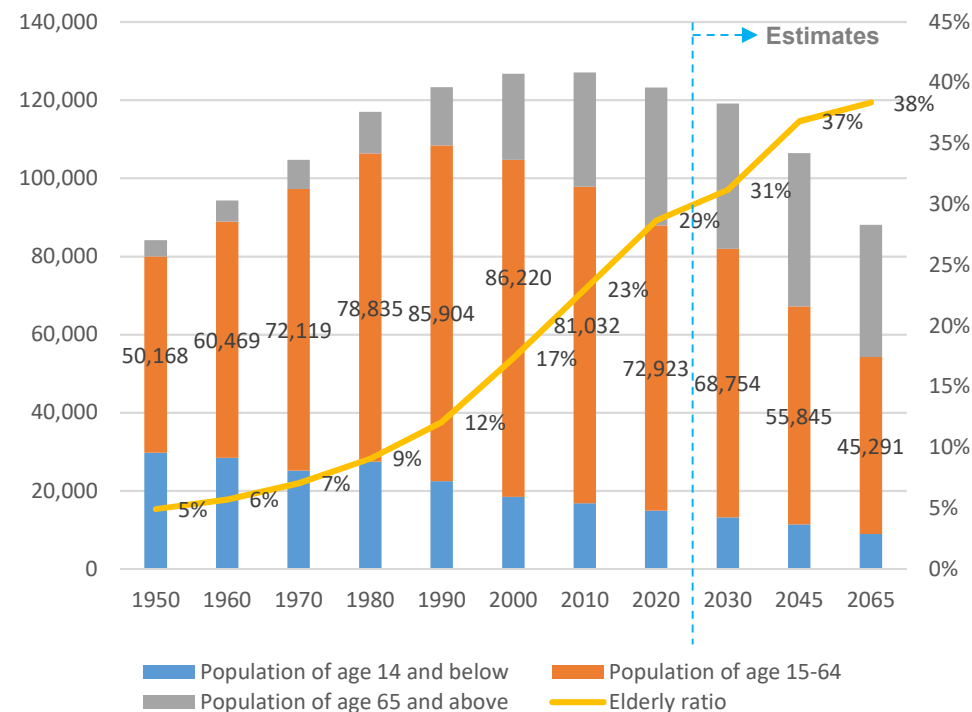
Source: Created based on “FY2020 Parcel Delivery Service Delivery Results” (Ministry of Land, Infrastructure, Transport and Tourism)

Securely capture EC demand

Collaboration with other companies

Decrease in population of productive age

(Thousand people)



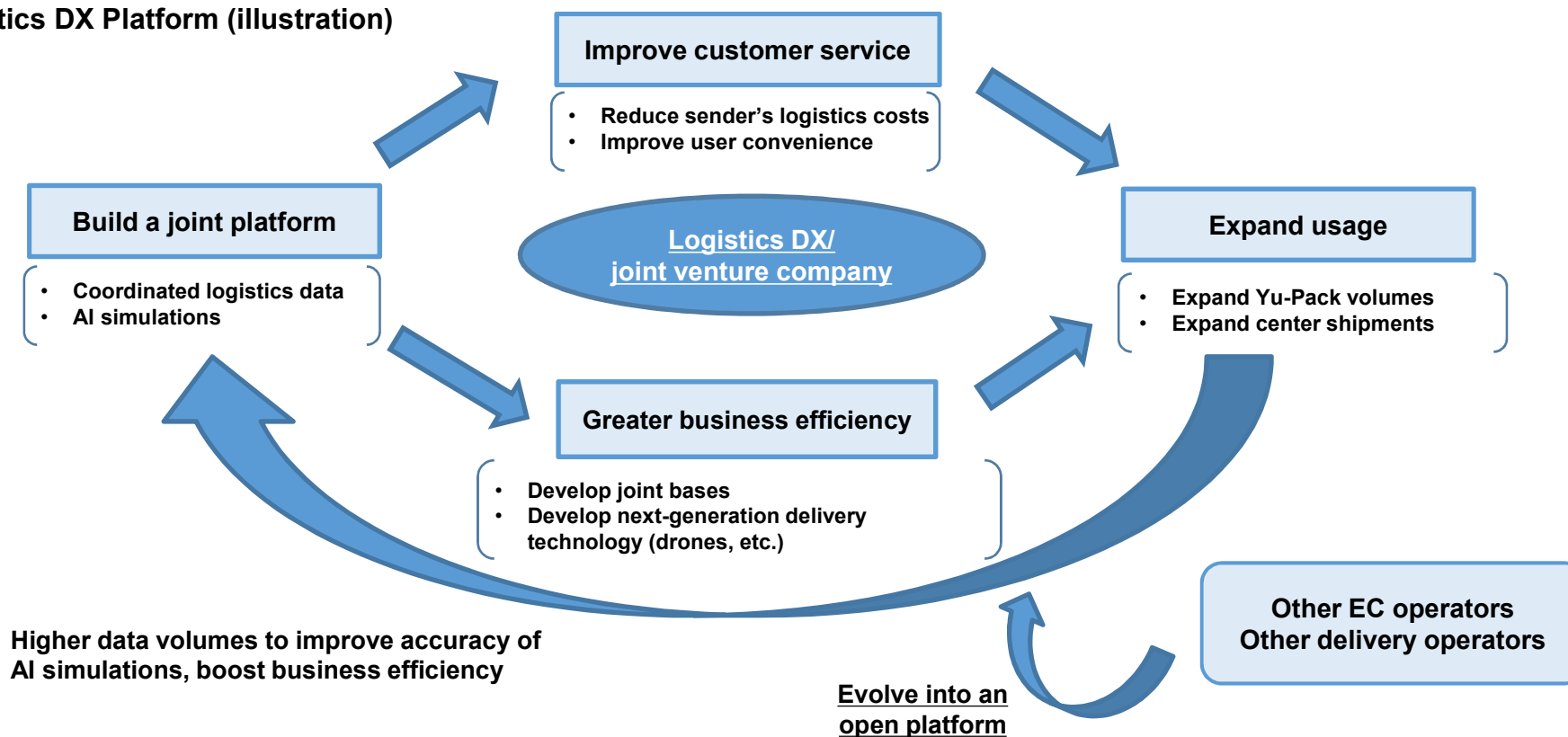
Source: Created based on “Japanese Statistics 2022” (Statistics Bureau, Ministry of Internal Affairs and Communications)

Response to a structural lack of human resources

Use of state-of-the-art technology

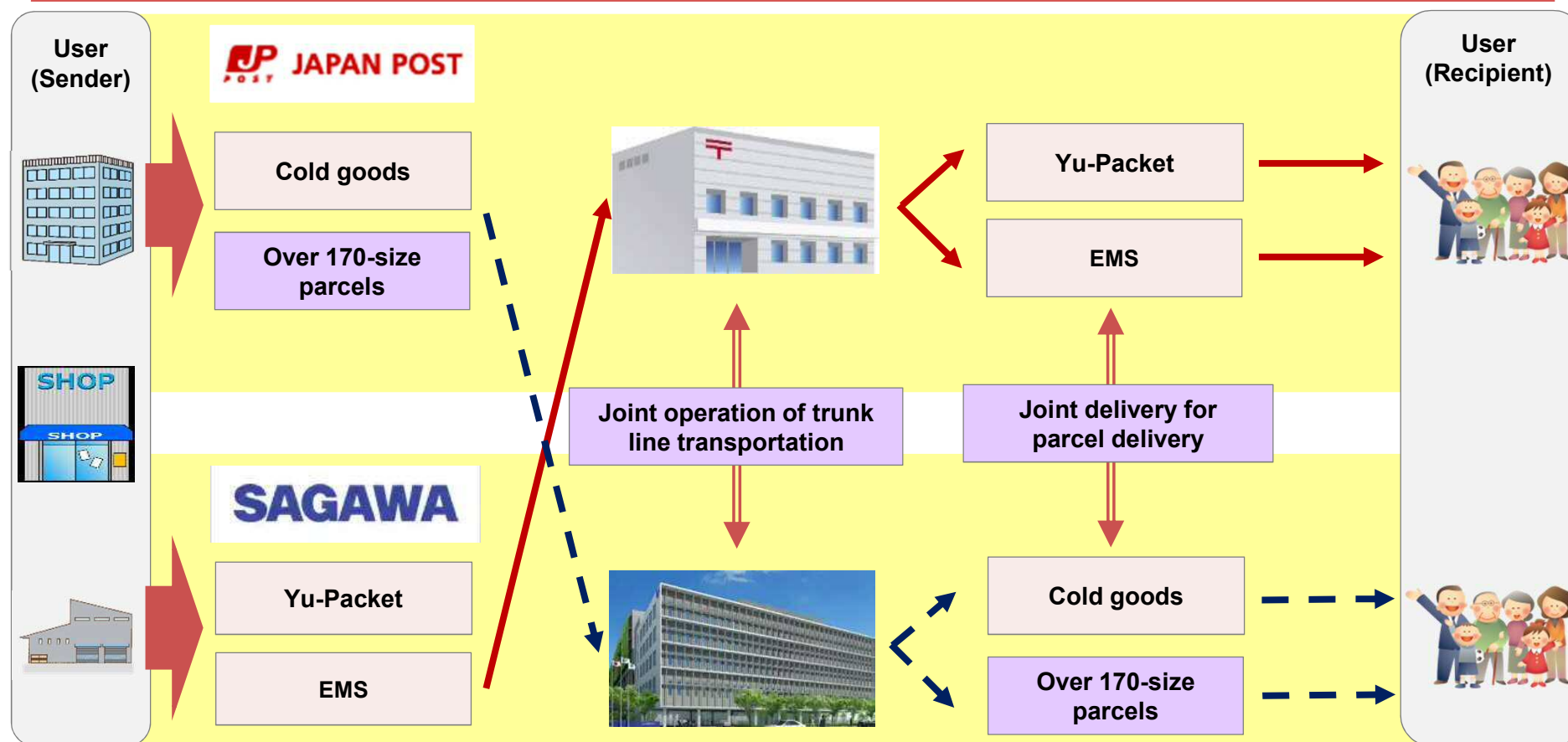
- JP Rakuten Logistics, Inc. was established in July 2021. We intend to build an efficient, highly convenient logistics DX platform and ultimately create an open platform that is available for use by other businesses.
- RFC Chuorinkan started operation in Kanagawa Prefecture in November 2021. In the future, we plan to open new logistics centers in Fukuoka Prefecture and Osaka Prefecture, and will gradually expand the number of new logistics centers.
- Through our partnership with the Rakuten Group, we will also accelerate logistics DX and aim to increase the number of Yu-Pack units handled at joint bases by undertaking the delivery of Rakuten market parcels.

Logistics DX Platform (illustration)



Collaboration with Sagawa Express

- We signed a basic agreement on collaboration with SAGAWA EXPRESS CO., LTD. for co-creation of logistics services in September 2021.
- We have gradually started initiatives to deliver small parcels entrusted by Sagawa Express through Japan Post Co.'s delivery network and international parcels entrusted by Sagawa Express to Japan Post Co. for delivery through the EMS delivery network.
- In addition, we will actively make efforts to solve various logistics issues such as joint trunk line transportation and joint pick-up at bases.



Using Advanced Technologies for More Sophisticated Transport and Delivery

- In order to realize stable and sustainable service provision in the postal and domestic logistics business, we are making efforts to utilize advanced technologies such as drones and delivery robots.
- We will continue to work toward practical application while keeping an eye on future trends in technological development in line with the establishment of future systems.

Drones

- Started demonstration tests in FY3/2017.
- Carried out parcel transports between post offices in Fukushima Prefecture in November 2018.
- Carried out demonstration tests at the Fukushima Robot Test Field from December 2019 to January 2020.
- Conducted trial delivery runs to individual homes in Okutama Town, Tokyo in March 2020 and from November 2020 to February 2021.
- Conducted trial delivery runs in collaboration with delivery robots in the same town from November 2021 to January 2022.



Delivery robots

- Carried out demonstration tests in Fukushima Prefecture in December 2017 and January 2019.
- Cooperated in demonstration tests in Kanagawa Prefecture in January 2020.
- Conducted trial runs of in-house delivery in the head office building of Japan Post Co. in March 2020.
- Conducted demonstration of public road driving in Chiyoda-ku, Tokyo from September to November 2020.
- Conducted trial delivery runs to individual homes within condominiums in Chiba Prefecture in March 2021.



- To facilitate more efficient delivery operations, we are reviewing delivery areas and delivery routes using telematics* (Japan Post Co. uses the Delivery Communication Assist Tool (Dcat) app).
- Since April 2021, we have deployed smartphone terminals at collection and delivery post offices, using telematics to enable us to visualize in near real time who is delivering at what time, where and in what way, and to promote safety and smooth business operations, etc.

* Technologies and services that provide varied real-time information by combining terminals and communication systems, such as Internet-connectable devices installed in automobiles and other moving things.

Promoting Safety

Check Dcat-derived location information in near real time and check locations of sudden acceleration or deceleration.



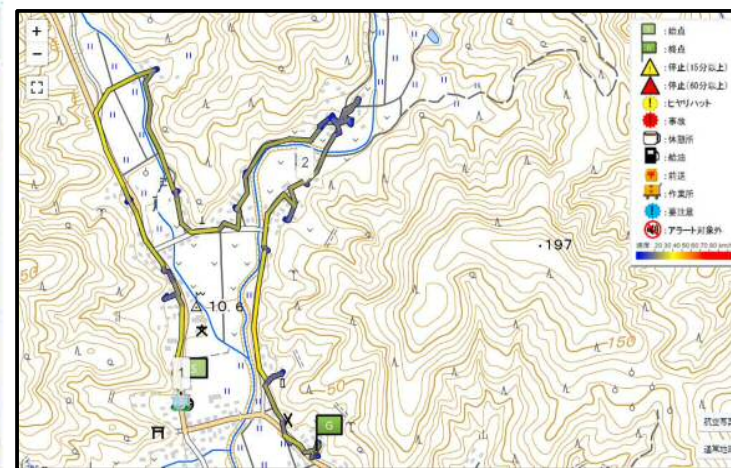
[Confirmation screen on in-base PC]

Visualization

Check driving route and delivery progress on a PC within the post office or on the employee's smartphone. Accumulated data used to review delivery area/route.



[Confirmation screen on smartphone carried by employee]

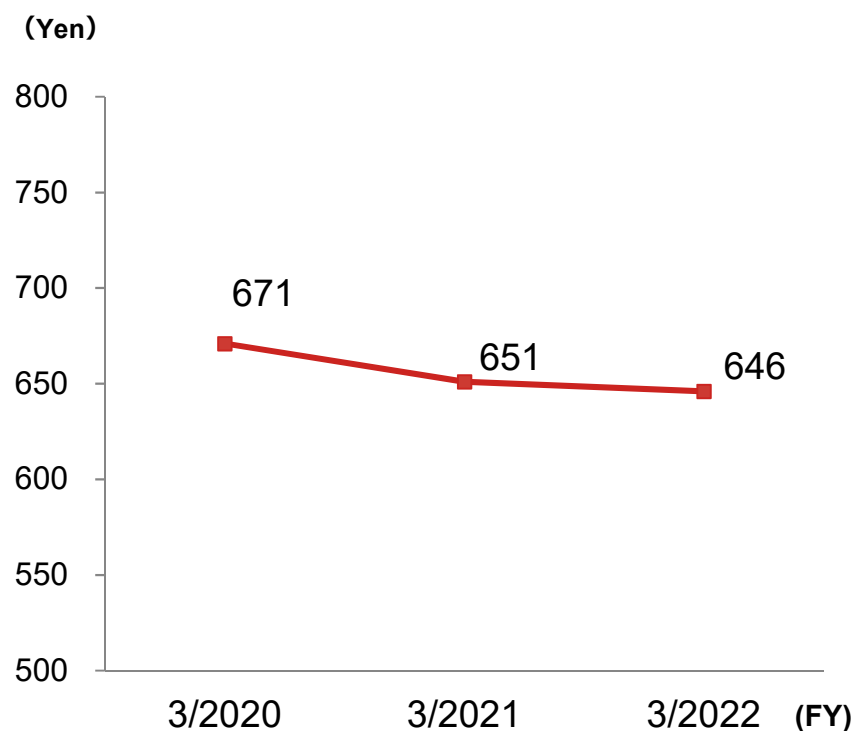


[Confirmation screen on in-base PC]

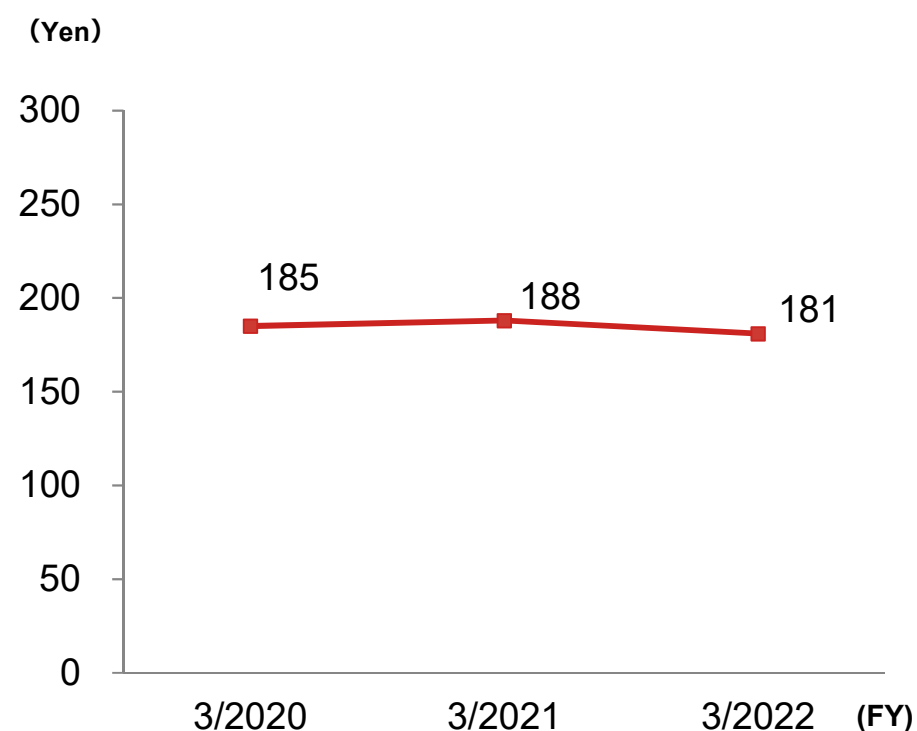
APPENDIX

[Postal/Reference 1] Unit Parcel Price

Yu-Pack*



Yu-Packet



* Yu-Pack does not include Yu-Packet.

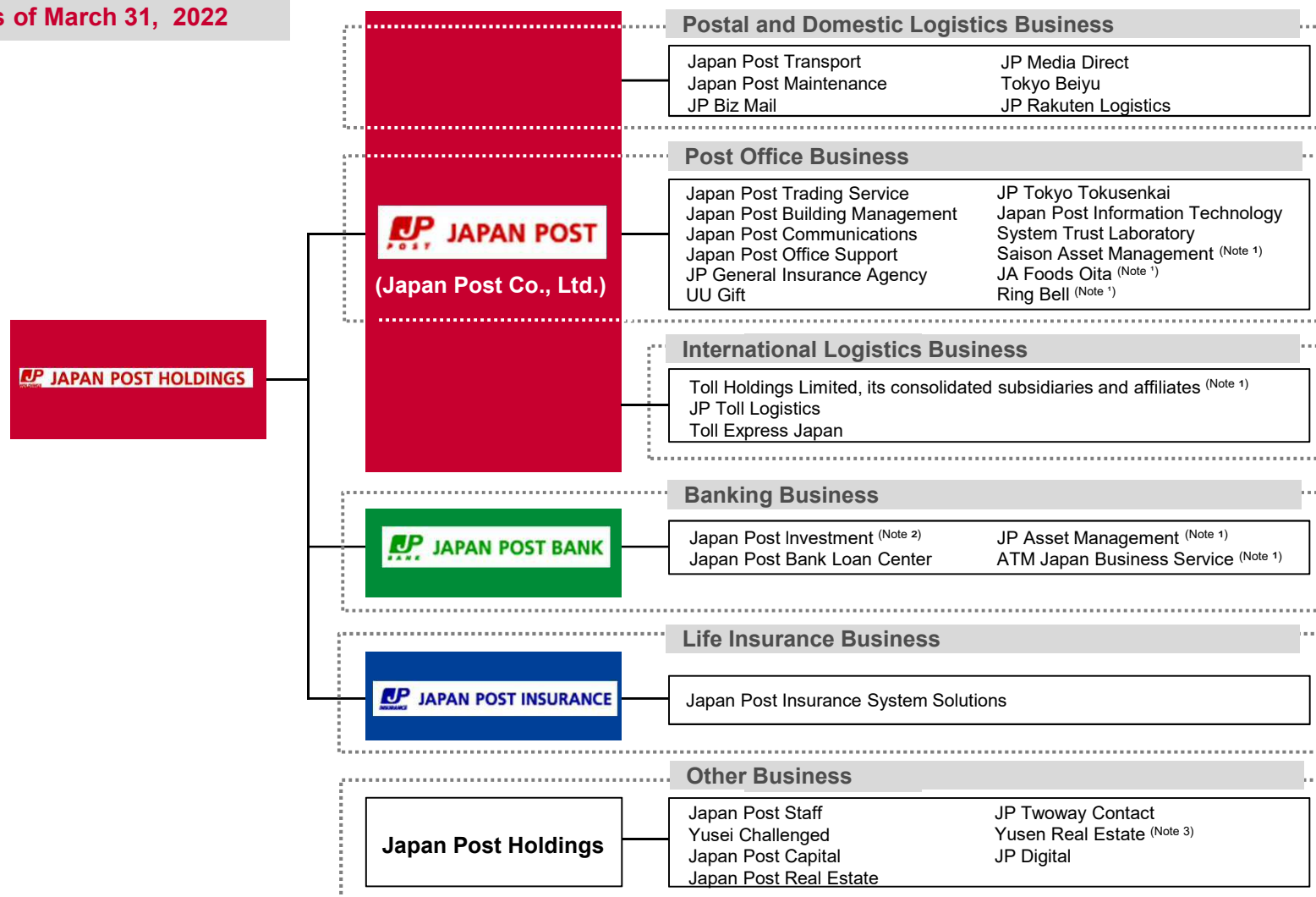
[Postal/Reference 2] Revisions to Prices and Postal Charges

Implementation period	Targeted post	Outline	Impact
October 2022	Approx. 2.8 billion items	<ul style="list-style-type: none"> Revision of discount rates for postal charges, postage for ID confirmation delivery, and fee for postage paid by addressee 	Approx. ¥6.5 billion increase in revenue
April 2022	Approx. 0.8 billion items	<ul style="list-style-type: none"> Revised charges for special mail within the same postal area (special charge (3) and special charge (4)) Revised charges for designated delivery area mail 	Approx. ¥4.1 billion increase in revenue
2019 New Year's card	Approx. 2.1 billion items	<ul style="list-style-type: none"> Revised charges for second-class mail (New Year's postcards) 	Approx. ¥10.0 billion increase in revenue (real increase of approx. ¥2.0 billion)
March 2018	Approx. 70 million items	<ul style="list-style-type: none"> Revised basic charges for Yu-Pack 	Approx. ¥8.0 billion increase in revenue
June 2017	Approx. 6.4 billion items (second class: approx. 6.3 billion) (nonstandard size: Approx. 0.1 billion) (Yu-Mail: approx. 10 million)	<ul style="list-style-type: none"> Revised charges for second-class mail (postcards, excluding New Year's postcards*) Revised charges for nonstandard mail Revised basic charges for Yu-Mail 	Approx. ¥30.0 billion increase in revenue
June 2016	Approx. 8.7 billion items	<ul style="list-style-type: none"> Review of discounted charges (advertising, sorted mail, special mail within the same postal area, etc.) Partial revision of international mail charges 	Approx. ¥20.0 billion increase in revenue
August 2015	Approx. 70 million items	<ul style="list-style-type: none"> Revised basic charges for Yu-Pack 	Approx. ¥2.8 billion increase in revenue

* Fees for 2018 New Year's postcards remained unchanged at 52 yen, limited to those items sent during the specified period (December 15, 2017 to January 7, 2018).

[Reference 1] Japan Post Holdings: Organization Chart

As of March 31, 2022

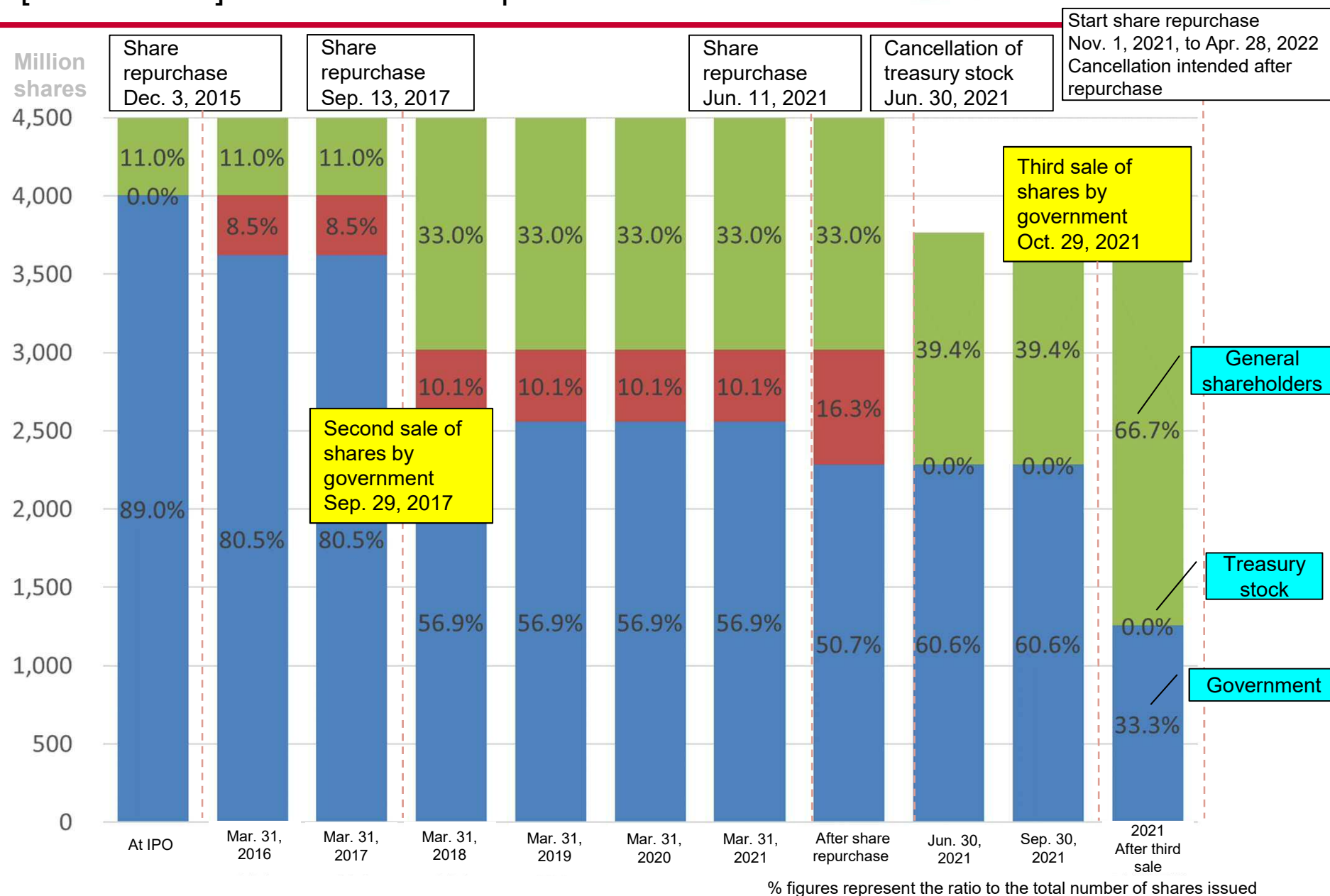


Notes: 1. Affiliates accounted for by the equity method.

2. Including its consolidated subsidiaries.

3. The company name was changed to Japan Post Properties Co., Ltd. on April 1, 2022.

[Reference 2] Shareholder Composition



For inquiries about this document, please contact:

Japan Post Holdings Co., Ltd. IR Office

Email: irshitsu.ii@jp-holdings.jp

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