

UNOFFICIAL TRANSLATION

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.

Material For Large Meeting

November, 2024

JAPAN POST HOLDINGS

(Security Code : 6178)



JAPAN POST HOLDINGS

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Financial Highlights for the Six Months Ended September 30, 2024

Financial Highlights for the Six Months Ended September 30, 2024 (Summary of Consolidated Financial Results)

- Ordinary income was ¥5,511.9 billion, a decrease of ¥106.2 billion year-on-year.
- Net ordinary income was ¥463.3 billion, an increase of ¥128.1 billion year-on-year.
- Net income attributable to Japan Post Holdings was ¥139.4 billion, an increase of ¥19.2 billion year-on-year.

(Billions of yen)

	For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024	Year-on-year change	Forecast for the Fiscal Year Ending March 31, 2025	Percentage achievement
Ordinary income	5,618.1	5,511.9	(106.2) (1.9)%	11,280.0	48.9%
Net ordinary income	335.2	463.3	+ 128.1 + 38.2%	760.0	61.0%
Net income attributable to Japan Post Holdings ^{*1}	120.2	139.4	+19.2 + 16.0%	280.0	49.8%

*1 From the next page onward, “net income (loss)” represents “net income (loss) attributable to Japan Post Holdings.”

Net income including net income attributable to non-controlling interests ^{*2}	213.5	262.4	+ 48.9 + 22.9%
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*2 Net income equivalent to consolidated net income, which is the quantitative target under the Company’s Medium-term Management Plan “JP Vision 2025+.”

Forecasts for the Fiscal Year Ending March 31, 2025

- Forecasts for Japan Post Bank and Japan Post Insurance have been revised.
- No revisions have been made to consolidated forecast for Japan Post Holdings, based on a comprehensive consideration of factors such as the fact that it is unclear as of the second quarter how the revision of postal rates will impact the future net income (loss) of Japan Post Co.

【 Forecasts for each company 】

(Billions of yen)

	Net ordinary income (loss)	Change (Compared to the forecasts announced in May 2024)	Net income (loss)	Change (Compared to the forecasts announced in May 2024)
Japan Post Holdings (Consolidated) ^{*2}	760.0	-	280.0	-
Japan Post Co. (Consolidated)	(2.0)	-	(16.0)	-
Japan Post Bank (Consolidated)	575.0	+ 50.0	400.0	+ 35.0
Japan Post Insurance (Consolidated)	220.0	+ 20.0	120.0	+ 41.0

*1. The amounts of net income attributable to Japan Post Holdings, net loss 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 (loss) of Japan Post Holdings (consolidated), Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

*2. Net income attributable to Japan Post Holdings has been calculated based on the ratio of shareholders' equity held by Japan Post Holdings in Japan Post Bank (61.5%) and Japan Post Insurance (49.8%), etc.

【 Reference: Main factors resulting in the revision of forecasts for Japan Post Bank and Japan Post Insurance 】

Japan Post Bank	We expect higher than anticipated interest on due from banks, etc., attributable to the effect of an increase in the policy rate, as well as lower than initially forecast foreign currency funding costs due to the effect of a change in the direction of monetary policy by US financial authorities.
Japan Post Insurance	We expect an increase in investment income due to an upturn in the investment environment.

Shareholder Return Policy

- Pay an interim dividend of 25 yen per share for this fiscal year also. Together with the year-end dividend, we plan an annual dividend of 50 yen per share, and intend to maintain stable shareholder returns.
- The share repurchase of up to 350.0 billion yen that began in May is progressing steadily. A total of 198.1 billion yen (56.6%) has been repurchased as of October 31, 2024.

* 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.

Shareholder return policy (during the period of JP Vision 2025+ (until FY2025))

Share repurchase

Continuously perform substantial share repurchases to further enhance shareholder returns and improve capital efficiency

Dividend policy

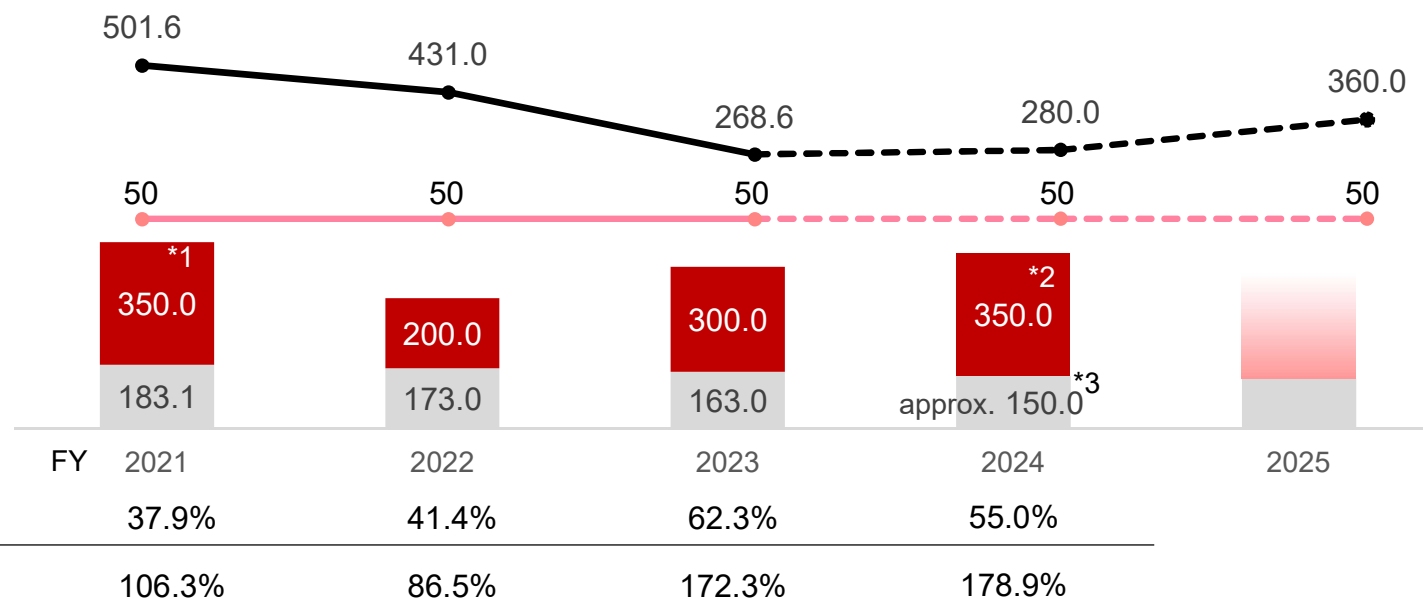
Continue a stable annual dividend of ¥50 per share consisting of an interim and year-end dividend

Shareholder return

Consolidated net income attributable to Japan Post Holdings (Billions of Yen)

Dividend per share (Yen)

■ Share repurchase
■ Dividend total (Billions of Yen)



*1 Including 4.5 billion yen acquired in April 2022

*2 Please refer to "Notice Concerning the Determination of Matters Related to the Acquisition of Treasury Stock" released in May 15, 2024 for details

*3 Dividend total, dividend payout ratio, and total shareholder return ratio in FY 2024 take into account a decrease of dividend payment when performing share repurchase of 350 billion yen

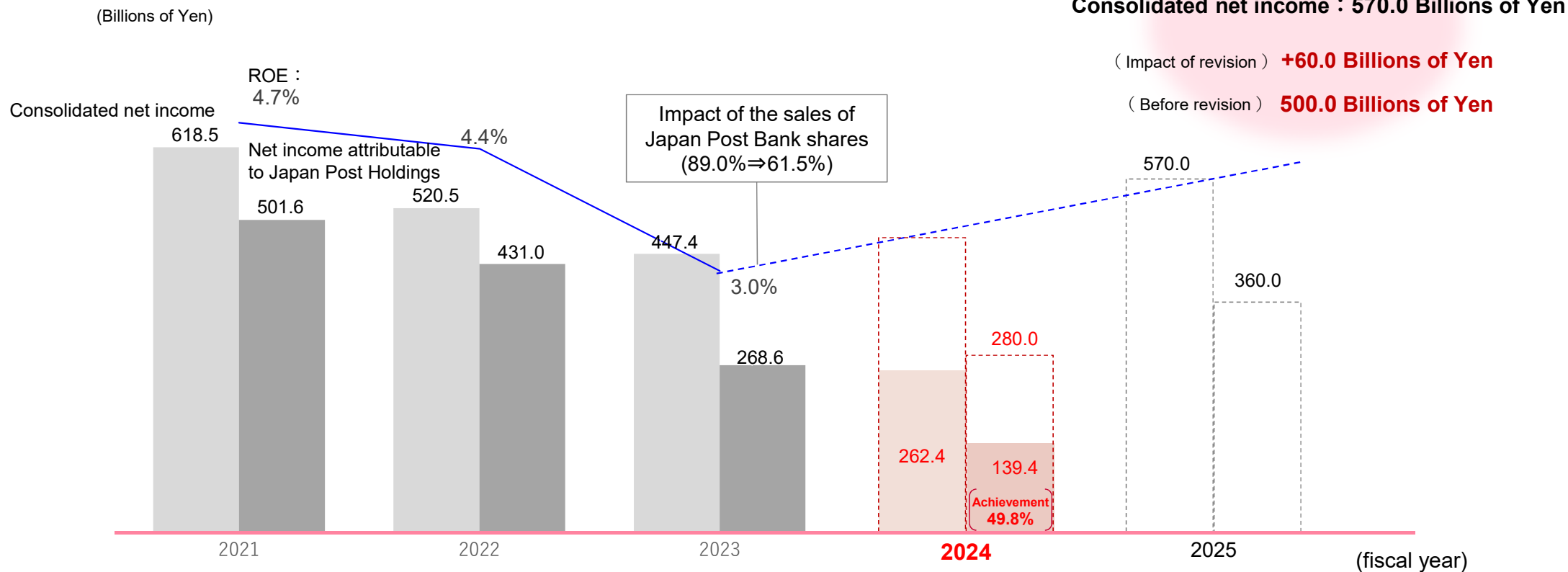
Progress of “JP Vision2025+”

JP Vision 2025+ Progress on Principal Measures

- We are making good progress, with consolidated net income attributable to Japan Post Holdings of 139.4 billion yen for the six months ended September 30, 2024, compared to the full-year forecast of 280.0 billion yen (percentage achievement: 49.8%).
- Results for the six months ended September 30, 2024 were largely in line with our plan to achieve ROE of 4% or higher and consolidated net income of 570.0 billion yen, the targets of the Group Medium-term Management Plan “JP Vision 2025+.”

* Includes consolidated net income attributable to non-controlling interests (interests other than the parent company, Japan Post Holdings). The equity method is applied for Aflac Incorporated and equity in earnings or losses of affiliates is recorded from FY2024,

Management Performance and Primary Targets



JP Vision 2025+ — Three pillars of our initiatives & Sustainability —

- We are making steady progress on initiatives aimed at strengthening profitability in each business including growth fields, investing in human resources, and promoting DX, etc., to achieve the targets of the Medium-term Management Plan “JP Vision 2025+”.

(1) Strengthen profitability

Postal and Domestic Logistics Business

- Considering the revision of postage rates
- Collaboration with other companies (Rakuten Group, Yamato Group, Seino Group etc)

Real Estate Business

- Grand opening of KITTE OSAKA
- The Landmark Nagoya Sakae
- Shirokane 1-chome West Central Area First-Class Urban Redevelopment Project

Post Office Business

- Expand the Financial Services Contact Center
- Expansion of post offices trialing noon service suspension of counter operations

(2) Improve EX*¹ by investing in human resources



- Continuing and expanding internal open recruitment within the Group
- Improvement of employee base salary
- Introduction of employee referral hiring
- Establishment of the comeback hiring system

(3) Improve UX*² by promoting DX, etc.



- Expansion of Post Office App functions
- Launch of the post office point service “Yu-Yu Point”

Sustainability

Environment

- Introduction of EVs (5,200 cars, 17,000 motorcycles)
- Introduction of power optimization services using large storage batteries
- Investment in storage battery fund

Governance

- Changes to the Company's Compensation System for Executive Officers



*1 EX (Employee Experience) refers to an experience that employees can gain through working at the company.

*2 UX (User Experience) refers to an experience that users of systems and services (customers and employees) can gain through using the systems and services.

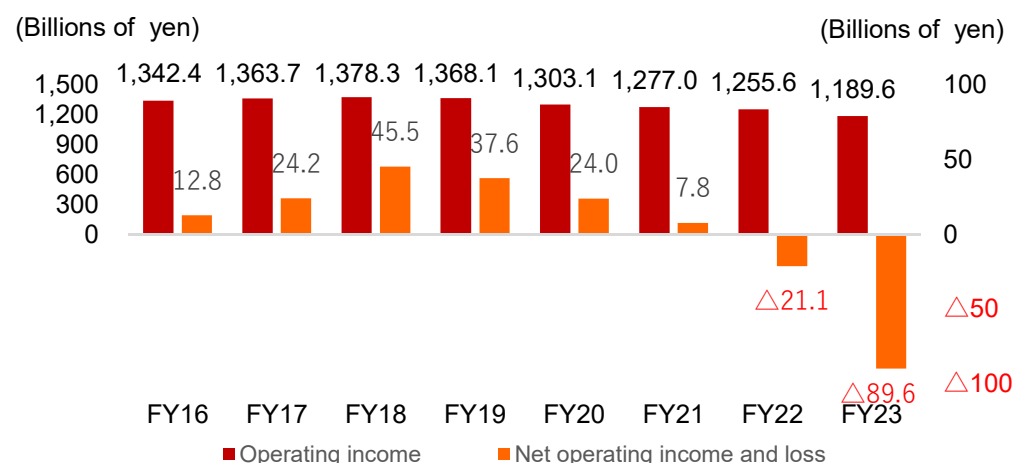
- Revised postage rates in October 2024 to maintain stable postal services.
- The overall percentage increase due to the revision of postage rates is 26.3%.
- The rate of decline in mail volumes in October was largely in line with expectations, excluding the impact of the House of Representatives general election.

Overview of the revision

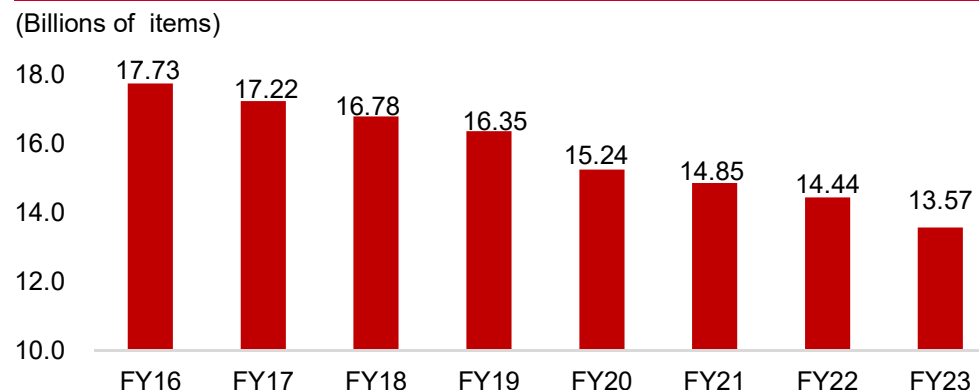
		Old postage rates (until September 30)	New postage rates (percentage increase)
First-class mail (letters)	Standard size	Up to 25g ¥84	¥110 (+31%)
		Up to 50g ¥94	¥110 (+17%)
	Non-standard size and other	(Rates vary depending on size, weight, product, etc.) (+17% to 35%)	
Second-class mail (post cards)		¥63	¥85 (+35%)
Special mail *		(Rates vary depending on product, etc.)	

*No change has been made to the postage rates for registered mail, which were revised in October 2023.

Trend in operating income and net operating income of postal services



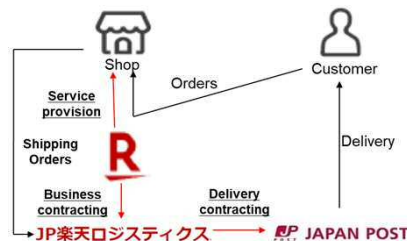
Trend in volume of mail items handled



- Established JP Rakuten Logistics, Inc. in July 2021. We developed an efficient and convenient logistics DX platform and aim to open the platform for other businesses to use in the future.
- **The number of Yu-Pack and Yu-Packet related to Rakuten grew steadily.**

Acquisition of parcels through JP Rakuten Logistics

- Established collaborative logistics sites with Rakuten Group and developed a joint delivery system and receiving service.
- **We will securely capture the growth of Rakuten Ichiba and aim to secure the acceptance of Yu-Pack parcels.**



Expansion of Rakuten Fulfillment Centers

- Fulfillment centers are operated and expanded by JP Rakuten Logistics as logistics centers for the comprehensive logistics service Rakuten Super Logistics* for Rakuten Ichiba stores.

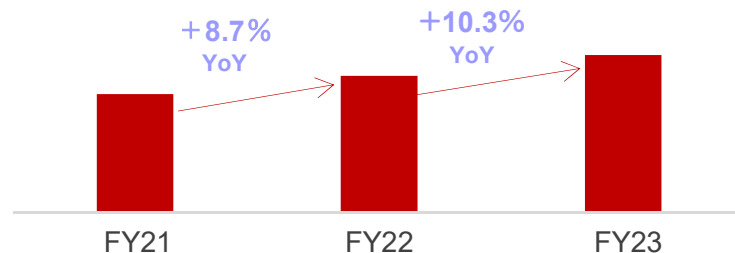
※ A comprehensive logistics service that handles everything from receipt to delivery of products for Rakuten Ichiba stores.

Rakuten Fulfillment Centers

- RFC Nagareyama
- RFC Narashino
- RFC Hirakata
- **RFC Chuorinkan (Nov. 2021, operational)**
- **RFC Yao (Sep. 2022, operational)**
- **RFC Fukuoka (Oct. 2022, operational)**
- **RFC Tama (Apr. 2023, operational)**

Trends in Yu-Pack and Yu-Packet related to Rakuten*1

- Implemented joint sales with Rakuten Group targeting Rakuten Ichiba store owners.
- The number of parcels Yu-Pack and Yu-Packet related to Rakuten grew steadily.
- The volume of the first half of FY2024 was up 10.4% year on year.



*1 The volume of Rakuten-related parcels (actual number of parcels is undisclosed) is the sum of parcels consigned from JP Rakuten Logistics and the parcels covered by the Rakuten special freight charge program.



Name : Rakuten Fulfillment Center Tama
 Place : 2-108-4 Yarimizu, Hachioji City, Tokyo
 Total floor area : about 50,000㎡
 Number of floors : 2F

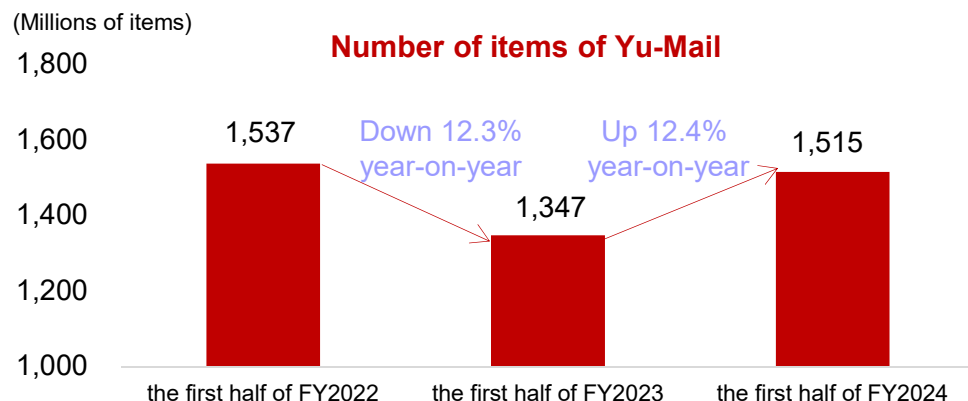
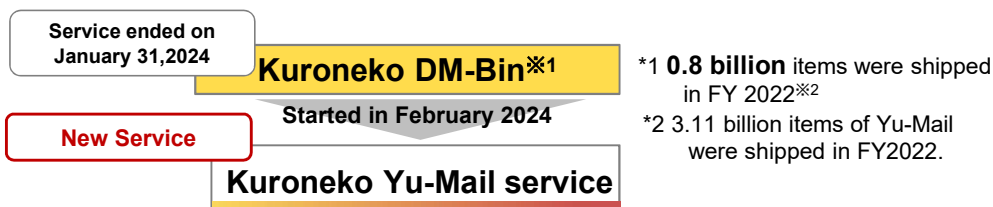
Strengthen Profitability

Postal and Domestic Logistics Business — Collaboration with Yamato Group

- We concluded a basic agreement with Yamato Group to promote sustainable logistics services in June 2023
- In booklet parcels (mail-bin), the Kuroneko DM-Bin service handled by Yamato Transport has been delivered **across the nation in the form of the Kuroneko Yu-Mail service using Japan Post Co.'s delivery network from February 2024.**
- In small lightweight parcels, Nekopos handled by Yamato Transport, will be delivered through the Japan Post Co.'s delivery network in the form of the Kuroneko Yu-Packet service. **We commenced parcel acceptance in Step4 regions in October 2024.**

Booklet parcels (mail-bin)

- Across the nation in the form of the Kuroneko Yu-Mail service using Japan Post Co.'s delivery network from February 2024
- Approximately 15.1 billion items of Yu-Mail in total were accepted during the first half of FY2024 (April to September 2024) (up 12.4% year on year).



Small lightweight parcels

- Sequentially commenced delivery using Japan Post Co.'s delivery network under the name Kuroneko Yu-Packet from October 2023.
- Commenced parcel acceptance in Step4 regions in October 2024.
- Approximately 260 million Yu-Packet parcels in total were accepted during the first half of FY2024 (April to September 2024) (up 18.6% year on year).



Status of receiving Kuroneko Yu-Packet

Step	Time-line	Area of accepting parcels
Step1	October, 2023	Hokkaido, Aomori, Iwate, Akita, Miyagi, Fukushima, Tochigi, Gunma, Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Gifu, Aichi, Mie Prefectures
Step2	May, 2024	Yamagata, Nagano, Shizuoka, Tottori, Shimane, Okayama, Hiroshima, Yamaguchi, Tokushima, Kagawa, Ehime, Kochi, Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima Prefectures
Step3	August, 2024	Ibaraki, Chiba, Osaka, Shiga, Kyoto, Hyogo, Nara, Wakayama
Step4	October, 2024	Saitama, Kanagawa, Okinawa

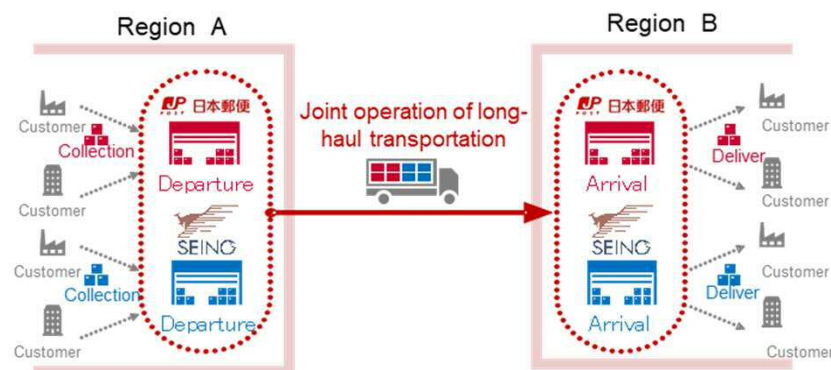
- In September 2021, we concluded a **Basic Agreement on Collaboration with Sagawa Express**. In addition to using the Japan Post delivery network to deliver packages received by Sagawa Express as Japan Post Yu-Packets, etc., we also jointly operate long-haul transportation and share package pickup locations.
- In May 2024, we entered into a basic agreement on business alliance with Seino Group to jointly operate long-haul transportation.

Collaboration with Sagawa Express

Initiatives	Overview
Joint long-haul transportation	Joint operation of transportation between business locations ① Tokyo-Koriyama (Mar. 2022) ② Tokyo-Kyushu (Aug. 2022) ③ Hamamatsu-Tokyo (Feb. 2023)
Transportation of small packages (Hikyaku Yu-Packet Express)	Use Japan Post's Yu-Packet delivery network to deliver packages received by Sagawa Express
Transportation of international packages (Hikyaku Global Post)	Use Japan Post's EMS delivery network to deliver packages received by Sagawa Express
Refrigerated express packages	Deliver frozen foods from the Post Office Catalogue with Sagawa Express' Hikyaku Cool Express service
Sharing package pickup locations	If Sagawa Express is unable to deliver a package because the recipient is absent, it can be left at a participating post office for later pickup

Collaboration with Seino Group

- From February through May 2024, we carried out trials on combining shipments from neighboring locations, consolidating shipments on Saturdays and Sundays, when loading rates are lower, and using third-party facilities as transfer centers.
- The trials have confirmed that we can expect to reduce the number of trucks while keeping existing delivery time unchanged.
- In May 2024, we entered into a basic agreement on business alliance to jointly operate long-haul transportation, and have expanded the trial of jointly operate long-haul transportation.
 - (1) Transport of Japan Post Co. cargo by SEINO TRANSPORTATION
 - Iwatsuki→South Tohoku, Osaka→Tokushima, Aomori→Iwatsuki, Osaka→Kyushu
 - (2) Transport of SEINO TRANSPORTATION cargo by Japan Post Co.
 - Fukui→Iwatsuki, Kofu→Tokyo, Tokyo→Utsunomiya, Tsurumi→Fuji, West Kobe→Nara



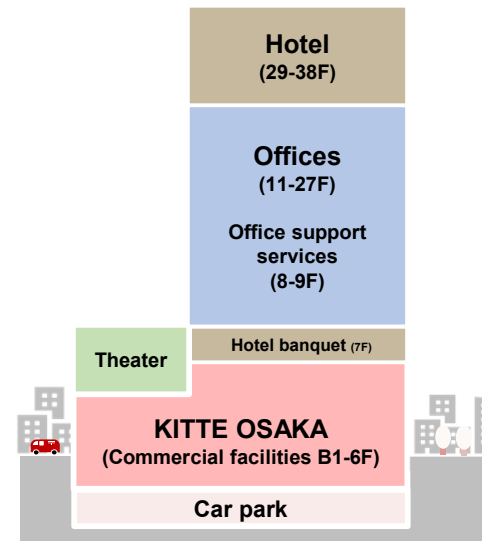
- Development (construction) of the large-scale properties undertaken under JP Vision 2025 was completed by FY2023.
- Office tenant leasing has been completed for the Hiroshima JP Building (construction completed in August 2022) and Kuramae JP Terrace (construction completed in March 2023), and is also progressing steadily overall for the Azabudai Hills Mori JP Tower (construction completed in June 2023), Gotanda JP Building (construction completed in December 2023), and JP Tower Osaka (construction completed in March 2024).
- The grand opening of the KITTE OSAKA, commercial facilities at JP Tower Osaka, in July 2024.

● JP Tower Osaka (KITTE OSAKA)



Location:	Kita-ku Osaka	Principal uses:	Offices, hotel, commercial facilities, theater
Site area:	12,920m ²	Project type:	Joint project (major)
Total floor area:	227,000m ²	Construction completion:	March 2024
Levels:	39 floors above ground level, 3 floors below ground level, 2 penthouse floors		

- **JP Tower Osaka** is a large-scale complex featuring a range of functions including offices, the **KITTE OSAKA** commercial facilities, a hotel, and a theater.
- It aims to attract a wide range of people, making the most of its outstanding access, with a **direct connection to JR Osaka Station**.
- **KITTE OSAKA** attracts people, things, and events from all over Japan and aspires to become a place to discover and recognize the best of Japan in a **new light** under the overarching concept of “the UNKNOWN.” This includes Japanese outstanding goods and local food cultures that are still not widely known.



Atrium of KITTE OSAKA

Photograph: Akira Ito / aifoto

Strengthen Profitability

Real Estate Business - Main Properties under Development

Major properties under development (construction started)

○ The Landmark Nagoya Sakae (non-Group-owned real estate)



Location	Naka-ku, Nagoya-shi	Principal use	Offices, hotel, commercial facilities, etc.
Site area	4,870m ²		
Total floor area	Approx. 109,680m ² (planned)	Project type	Joint project (minor)
Level	41 floors above the ground level 4 floors below the ground level	Construction completion	FY2025(planned)

○ Shirokane 1-chome West Central Area First-Class Urban Redevelopment Project



Location	Minato-ku, Tokyo	Principal use	Housing, etc.
Site area	12,200m ²		
Total floor area	Approx. 98,000m ² (planned)	Project type	Urban redevelopment project
Level	39 floors above the ground level	Construction completion	FY2028(planned)

Other properties under development

Name	Succeeded assets	Location	Site area (m ²)	Total floor area (m ²) (planned)	Level	Principal use	Project type	Construction completion
Meguro Minami 1-Chome Project	✓	Meguro-ku, Tokyo	1,030	2,190	5 floors above the ground level	Housing	Run solely by Japan Post	November 2024
Doshin 1-Chome Project	✓	Kita-ku, Osaka-shi	740	3,480	14 floors above the ground level	Housing	Run solely by Japan Post	January 2025
Hiranumabashi 1-Chome Project		Nishi-ku, Yokohama-shi	1,210	4,920	10 floors above the ground level	Housing	Run solely by Japan Post	February 2025
Former Takami Dormitory	✓	Chikusa-ku, Nagoya-shi	2,100	4,850	7 floors above the ground level	Housing (for sale)	Joint project (minor)	FY2025
Former Okurayama Company Housing	✓	Minatokitaku, Yokohama-shi	2,370	7,060	7 floors above the ground level	Housing (for sale)	Joint project (minor)	FY2025
Former Urawa Tokiwa Company Housing	✓	Urawa-ku, Saitama-shi	1,300	3,000	6 floors above the ground level	Housing (for sale)	Joint project (minor)	FY2025
Former Kagoshima Office, Kyushu Regional Branch	✓	Kagoshima-shi	5,080	27,990	14 floors above the ground level	Housing (for sale)	Joint project (minor)	FY2026

* As of September 30, 2024

Strengthen Profitability
Post Office Business — Enhancing Profitability, the Value and Appeal of Post Offices, and Service Quality

- By enhancing profitability, the value and appeal of post offices, and service quality, **we will build a system that allows the post office business to grow into a business of choice for customers.**
- We will consider expanding the number of post offices offering the Financial Services Contact Center and post offices trialing noon service suspension of counter operations. We will continue to consider revisions to post office operations such as making operating hours more flexible to enable “flexible staff placement at post office counters.”

Expanding the Financial Services Contact Center

- The Financial Services Contact Center aims to ensure that we can provide the same financial services at any post office (excluding simplified post offices) and it was established in October 2022 as a center that provides online guidance for investment trusts and non-life insurance.
- Customers can consult with a specialized operator online using tablets available at post offices.
- In FY2024, we established new locations handling investment trusts in April and expanded the number of post offices that handle investment trusts to 6,800 (approx. +2,500) in July.



Financial Services Contact Center

Expanding the number of post offices trialing noon service suspension of counter operations

- We will trial noon service suspension of counter operations and shorter counter operations for postal services at some post offices, based on the characteristics of each community, to maintain the post office network amid rapid changes in the environment, such as the concentration of the population in urban areas and the depopulation of regional areas.
- From November 2024, we will expand the trialing of noon service suspension of counter operations to approx. 1,400 post offices.
- We will continue to consider revisions to post office operations such as making operating hours more flexible to enable “flexible staff placement at post office counters.”

Illustration (example: counter service hours when services are suspended from 11:30 to 12:30 each day)

	Current	Trial
Postal services	9:00am to 5:00pm	▶ 9:00am to 11:30am; 12:30pm to 5:00pm
Financial services	9:00am to 4:00pm	▶ 9:00am to 11:30am; 12:30pm to 4:00pm

Improve EX by Investing in Human Resources

- We will support autonomous career formation to increase employee pride and fulfillment based on the **Group Human Resources Policy** established in 2023. In FY2024, we are **expanding internal open recruitment within the Group**.
- We have **improved employee base salary** for the second consecutive year with the aim of contributing to the creation of a virtuous economic cycle, in addition to improving employee recruitment and motivation. In FY2024, this will be equivalent to a 4.0% improvement in salary, including regular salary increases and special one-off payments.

Expansion of internal open recruitment within the Group

- This initiative contributes to employees' autonomous career development by enabling them to express their interest in Group companies and departments and be transferred,
- In FY2024, we are launching internal recruitment within the Group for frontline employees as well as headquarters employees.

(Until FY2023)

Headquarters	Frontline
<ul style="list-style-type: none">• Headquarters employees were eligible• Transfer to their choice of other departments in the Group• 90 employees transferred* <p>* from April 2022 to April 2024</p>	—

(From FY2024)

Headquarters	Frontline
<ul style="list-style-type: none">• Headquarters employees are eligible• Transfer to their choice of other departments in the Group• 80 applicants	<ul style="list-style-type: none">• Expanded eligibility to frontline employees at 4 Group companies• Transfer to post offices on islands, in mountain areas, etc.• 270 applicants for transfer

Improvement in employee base salary

- Our business is highly dependent on our workforce. We have improved employee base salary for two consecutive years in FY2023 and FY2024, to raise employee motivation and bring out the most of their abilities.

(Improvement in base salary per employee)

FY2023	4,800 yen (Equivalent to a 5.1% improvement in salary , including the improvement in base salary, regular salary increases, and special one-off payments)
FY2024	5,100 yen (Equivalent to a 4.0% improvement in salary , including the improvement in base salary, regular salary increases, and special one-off payments)

(Group Human Resources Policy)

The Japan Post Group aims to become a company where all employees can work with “**pride and fulfillment**.” To achieve this, we will work toward human resources development and the improvement of the internal environment based on the focal points of “**Mutually accepting** each other’s differences,” “**Enhancing** capabilities,” and “**Demonstrating** strengths,” to support the development and challenges of employees. By practicing this type of human capital management, we ensure the sustainable improvement of corporate value and contribute to the happiness of our customers and the development of the local communities.

- We **revised the executive remuneration system** to further enhance consciousness and contributions towards steadily achieving the Company's performance targets and enhancing medium-to-long term corporate value.
- Under JP Vision 2025, we plan to reduce the workforce by an amount equivalent to approx. 35,000 employees Group-wide by FY2025. We are making good progress towards this, with 80% achievement or better at each company as of April 2024.

Revision of executive remuneration system

1) Introduction of a bonus system

Introduce new monetary compensation linked to single fiscal year performance

2) Revision of the stock compensation system

- Introduce new non-performance-linked stock compensation
- Revise the existing performance-linked stock compensation from single fiscal year performance to compensation **linked to the achievement of performance targets under the Medium-term Management Plan**

(Until FY2023)

	Monetary compensation	Stock compensation
Non-performance-linked	Base compensation	—
Performance-linked	—	Stock compensation (linked to single fiscal year performance)

(From FY2024)

	Monetary compensation	Stock compensation
Non-performance-linked	Base compensation	<u>Stock compensation</u>
Performance-linked	<u>Bonus</u> (linked to single fiscal year performance)	<u>Stock compensation</u> (linked to the Medium-term Management Plan)

Revisions to the workforce through productivity improvements

- Under JP Vision 2025, we plan to reduce the workforce by an amount equivalent to approx. 35,000 employees Group-wide by FY2025 by improving productivity through greater operational efficiency and investment in focus areas.
- We are making good progress towards this, with 80% achievement or better at each company as of April 2024.

Planned reduction in workforce* (announced in JP Vision 2025) Workforce reductions equivalent to

Japan Post Co.	30,000 employees
Japan Post Bank	3,000 employees
Japan Post Insurance	1,500 employees

* Workforce reductions represent comparisons between April 2020 and April 2025 (planned). Expense reductions represent comparisons between FY2020 and FY2025 (planned). However, for Japan Post Insurance, they represent comparisons between FY2021 (planned) and FY2025 (planned) due to the impact of refraining from sales activities in FY2020.

DX Promotion — Initiatives to Improve Customer Experience Value

- Offer Group-wide value to customers through the Post Office App, etc., to improve customer experience value.
- **Launched the post office point service “Yu-Yu Point”** in November 2024.

Post Office App

- The Post Office App was released in October 2023 as the Group platform app.
- In addition to providing sending and receiving functions for postal and domestic logistics services, we linked the app with the My Page website of Japan Post Insurance in May 2024, and we plan to commence point program services in November.
- Going forward, we also plan linkage with Japan Post Bank services.



(Main Functions)

- **Post office ATM**
Location information/tracking number search
- **Creation of shipping labels (Yu-Pack and Yu-Packet)**
- **Post box location search**
- **Issuance of queuing tickets (Only at post offices equipped with digital ticket dispensers)**
- **Favorite registration (Post offices, post boxes, and ATMs)**
- **Link to My Page Website of Japan Post Insurance (Policy checking/procedures, quotes)**
- **Enhanced functions for postal and domestic logistics services [planned for February 2025] (Collection requests, receipt notifications, change of address procedures, etc.)**

Point Service

- Launch of the **post office point service “Yu-Yu Point”** for November, 2024.
- Points are awarded for visiting post offices and using products and services. Accumulated points can be exchanged for merchandise such as Furusato (Hometown) parcels and products such as Posukuma goods.
- Going forward, we aim to expand the functions such as accumulating points by purchasing at post offices and using points for payment.

(Illustration of the use of points)



1) Scan the 2D code displayed at the post office counter to collect points for visiting the post office

2) Exchange accumulated points for products



*App Store is a service mark of Apple Inc.

*Google Play and the Google Play logo are trademarks of Google LLC.

Approx. 3.17 million downloads (as of October 31, 2024)

Appendix

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	[Reference] Transition of Significant Management Indicators (for Five Years)	45

Financial Highlights for the Six Months Ended September 30, 2024 (Summary of Financial Results(the Principal Subsidiaries))

- Net income (loss) was ¥(68.3) billion for Japan Post Co., ¥222.8 billion for Japan Post Bank, and ¥62.8 billion for Japan Post Insurance.
- Revenue increased but income decreased for Japan Post Co. Revenue decreased but income increased for Japan Post Bank and Japan Post Insurance.

■ Results of Operations for the Six Months Ended September 30, 2024 (Billions of yen)

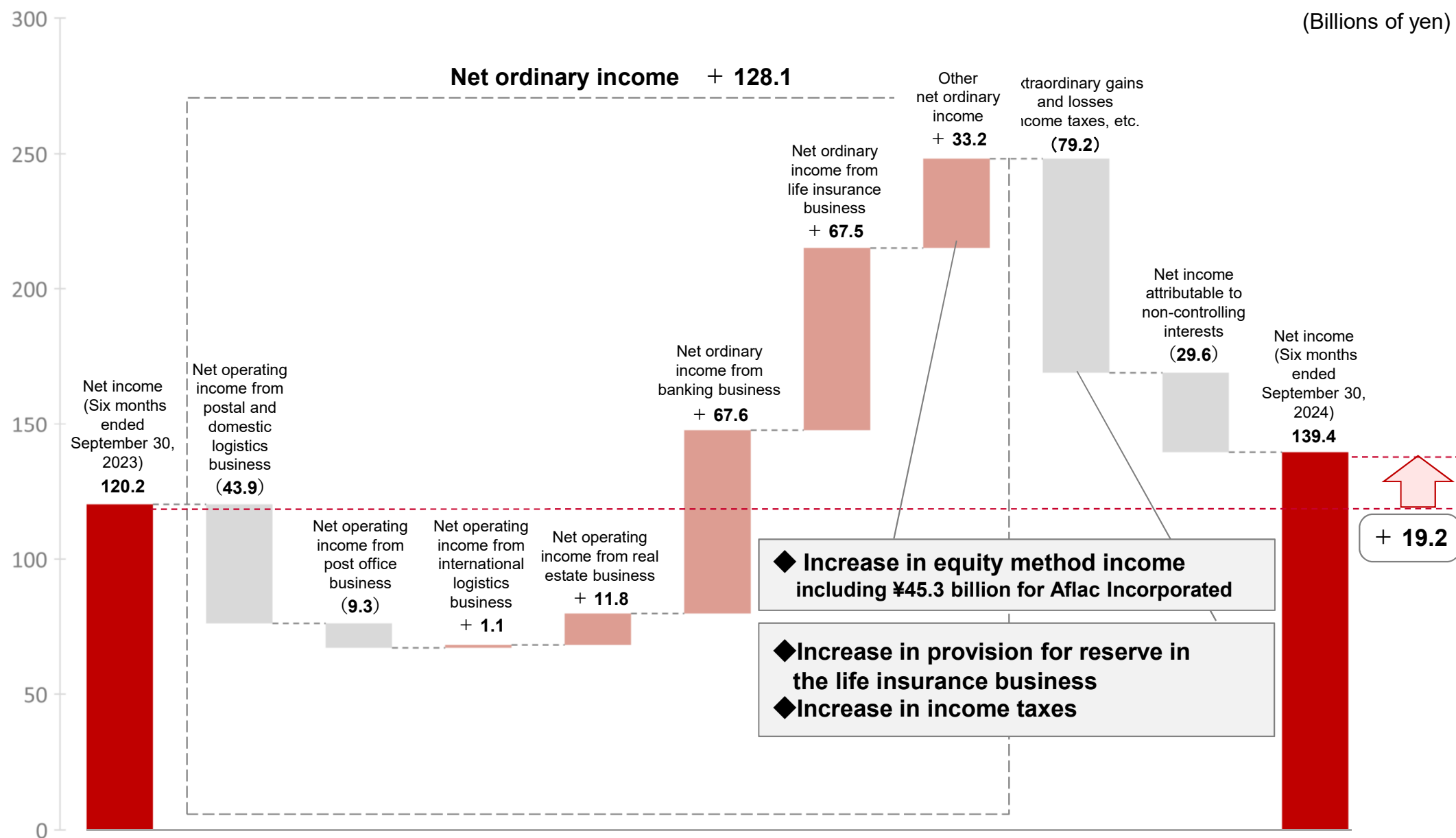
	Japan Post Co. (Consolidated)	Japan Post Bank (Consolidated)	Japan Post Insurance (Consolidated)
Ordinary income	1,644.9	1,255.1	2,943.4
Year-on-year (for the six months ended September 30, 2023) Change	+ 62.3 + 3.9%	(44.3) (3.4)%	(170.5) (5.5)%
Net ordinary income (loss)	(65.1)	321.4	166.8
Year-on-year (for the six months ended September 30, 2023) Change	(42.2) -	+ 67.6 + 26.6%	+ 67.5 + 68.0%
Net income (loss)	(68.3)	222.8	62.8
Year-on-year (for the six months ended September 30, 2023) Change	(47.2) -	(40.6) + 22.3%	+ 12.4 + 24.7%

■ Forecast for the Fiscal Year Ending March 31, 2025 (Announced in May 2024) (Billions of yen)

	Japan Post Co. (Consolidated)	Japan Post Bank (Consolidated)	Japan Post Insurance (Consolidated)
Net ordinary income (loss)	(2.0)	525.0	200.0
2Q percentage achievement	-	61.2%	83.4%
Net income (loss)	(16.0)	365.0	79.0
2Q percentage achievement	-	61.0%	79.6%

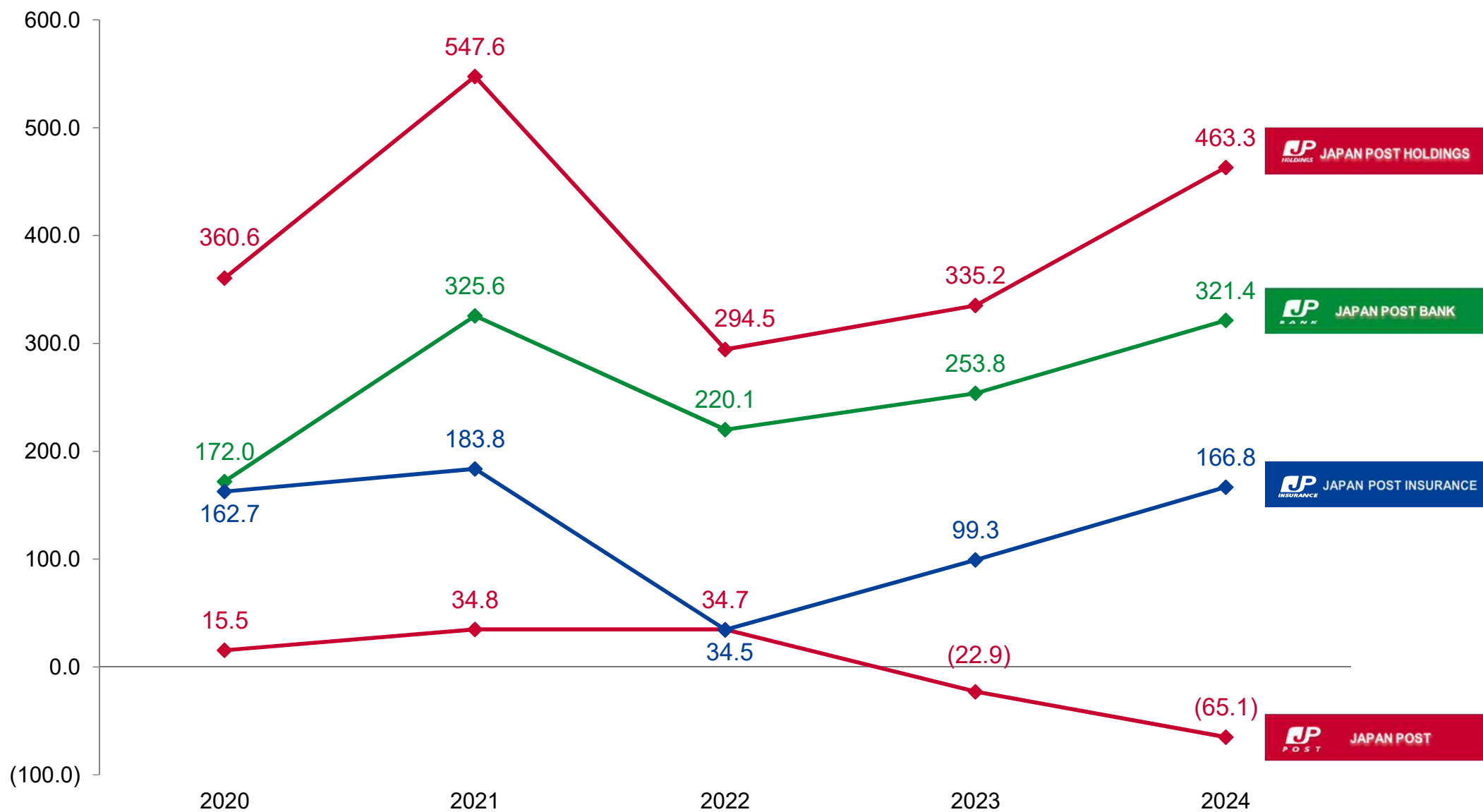
* : The amounts of net loss attributable to Japan Post Co., net income attributable to Japan Post Bank and net income attributable to Japan Post Insurance have been used for Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

Financial Highlights for the Six Months Ended September 30, 2024 (Analysis of Year-on-Year Change in Net Income (Consolidated))



Financial Highlights for the Six Months Ended September 30, 2024 (Trends in Net Ordinary Income (Loss))

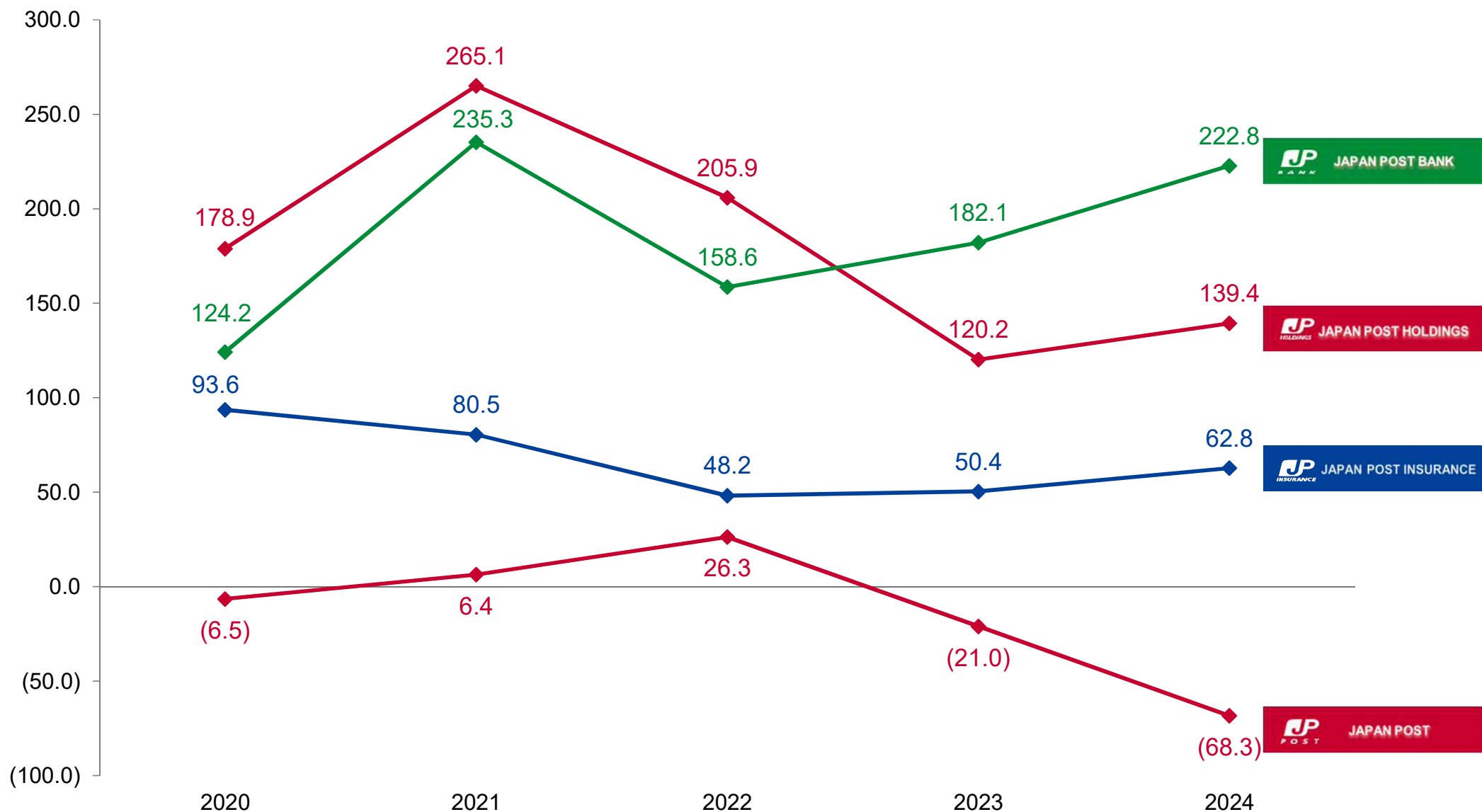
(Billions of yen)



(six months ended September 30)

Financial Highlights for the Six Months Ended September 30, 2024 (Trends in Net Income (Loss))

(Billions of yen)



(six months ended September 30)

Financial Highlights for the Six Months Ended September 30, 2024
(Supplementary Information by Segment)

(Billions of Yen)

		For the six months ended Sept. 30, 2023	For the six months ended Sept. 30, 2024	Year-on-year change
Postal and Domestic Logistics Business	Operating income	941.5	939.2	(2.3)
	Net operating income (loss)	(50.8)	(94.7)	(43.9)
	Ordinary income	943.1	941.3	(1.7)
	Net ordinary income (loss)	(50.0)	(93.2)	(43.2)
Post Office Business	Operating income	513.9	508.4	(5.5)
	Net operating income	31.0	21.7	(9.3)
	Ordinary income	514.6	509.1	(5.4)
	Net ordinary income	31.5	22.2	(9.2)
International Logistics Business	Operating income	213.0	264.9	+ 51.9
	Net operating income (EBIT)	3.4	4.5	+ 1.1
	Ordinary income	213.6	265.5	+ 51.9
	Net ordinary income (loss)	(0.5)	0.4	+ 1.0
Real Estate Business	Operating income	22.4	46.3	+ 23.9
	Net operating income (loss)	(1.7)	10.1	+ 11.8
	Ordinary income	22.6	46.3	+ 23.6
	Net ordinary income (loss)	(1.9)	9.3	+ 11.3
Banking Business (Japan Post Bank)	Ordinary income	1,299.5	1,255.1	(44.3)
	Net ordinary income	253.8	321.4	+ 67.6
Life Insurance Business (Japan Post Insurance)	Ordinary income	3,113.9	2,943.4	(170.5)
	Net ordinary income	99.3	166.8	+ 67.5

Financial Highlights for the Six Months Ended September 30, 2024
(Supplementary Information by Segment)

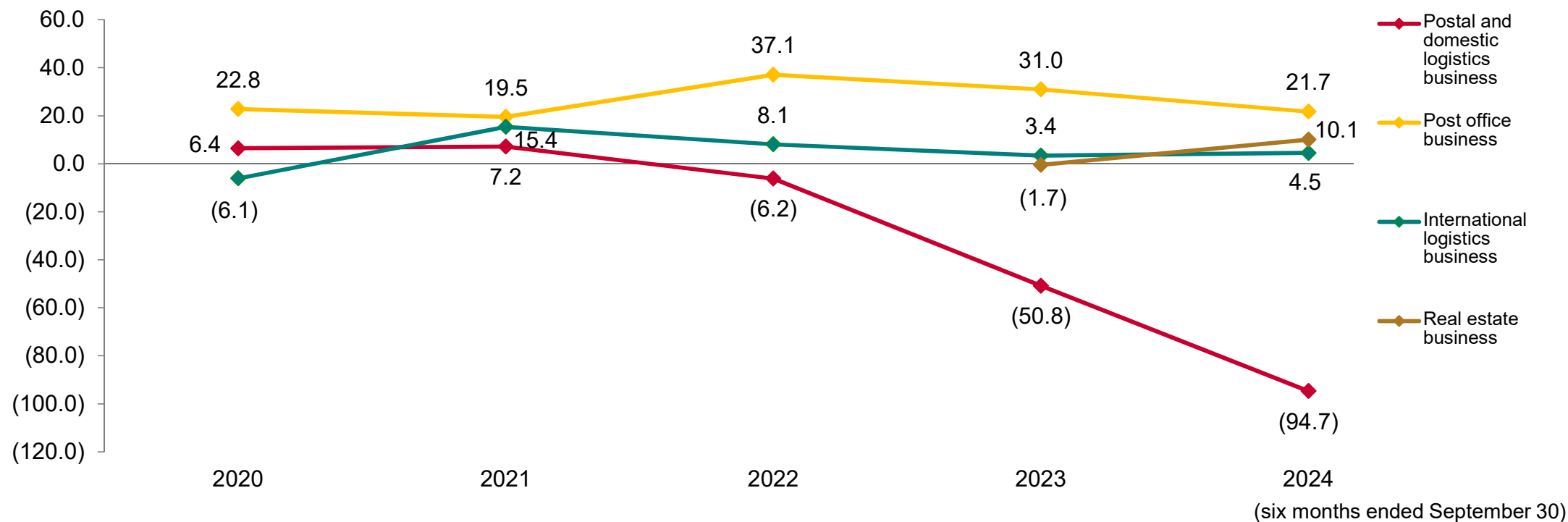
【Percentage achievement of full-year results forecasts (by segment)】

(Billions of yen)

	Postal and domestic logistics business segment	Post office business segment	International logistics business segment	Real estate business segment
Net operating income (loss) forecast	1.0	(18.0)	12.0	4.0
2Q percentage achievement	-	-	38.3%	252.7%

【Trends in net operating income (loss) (by segment)】

(Billions of yen)



Note: EBIT is shown for the international logistics business segment. See p.20 for the banking business segment and the life insurance business segment.

Our History

- Modern Postal Service was established in 1871. The 150th Anniversary of the foundation of the Japan Post Group was in 2021.
- The Japan Post Group was privatized and established in 2007. We were listed on the First Section (currently Prime Market) of the Tokyo Stock Exchange in 2015*.

*Japan Post Holdings, Japan Post Bank, and Japan Post Insurance were simultaneously listed on the First Section of the Tokyo Stock Exchange.



Hisoka Maejima



The Ministry of Posts and Telecommunications

- 1871
Modern postal service established
- 1875
Postal money order service and Postal savings service established
- 1885
Ministry of Communications established

- 1916
Postal life insurance service established
- 1949
The Ministry of Posts and Telecommunications established



"Mail Handling" illustrates No.9
A scene of receiving mails and saving money

- 2001
Postal Services Agency established
- 2003
Japan Post established
- 2007
The Japan Post Group was established

Japan Post Group established with Japan Post Holdings Co., Ltd., Japan Post Service Co., Ltd., Japan Post Network Co., Ltd., Japan Post Bank Co., Ltd., and Japan Post Insurance Co., Ltd

- 2012
Reorganized into the current four-company structure

Japan Post Service and Japan Post Network merged, and Japan Post Co., Ltd. established.

- 2015
Listed on the First Section of the Tokyo Stock Exchange

* Presently, transition to the Tokyo Stock Exchange Prime Market



JP Tower Nagoya
(Constructed in May, 2012)



JP Tower Nagoya
(Constructed in November 2015)



Kuramae JP Terrace
(Constructed in March, 2023)

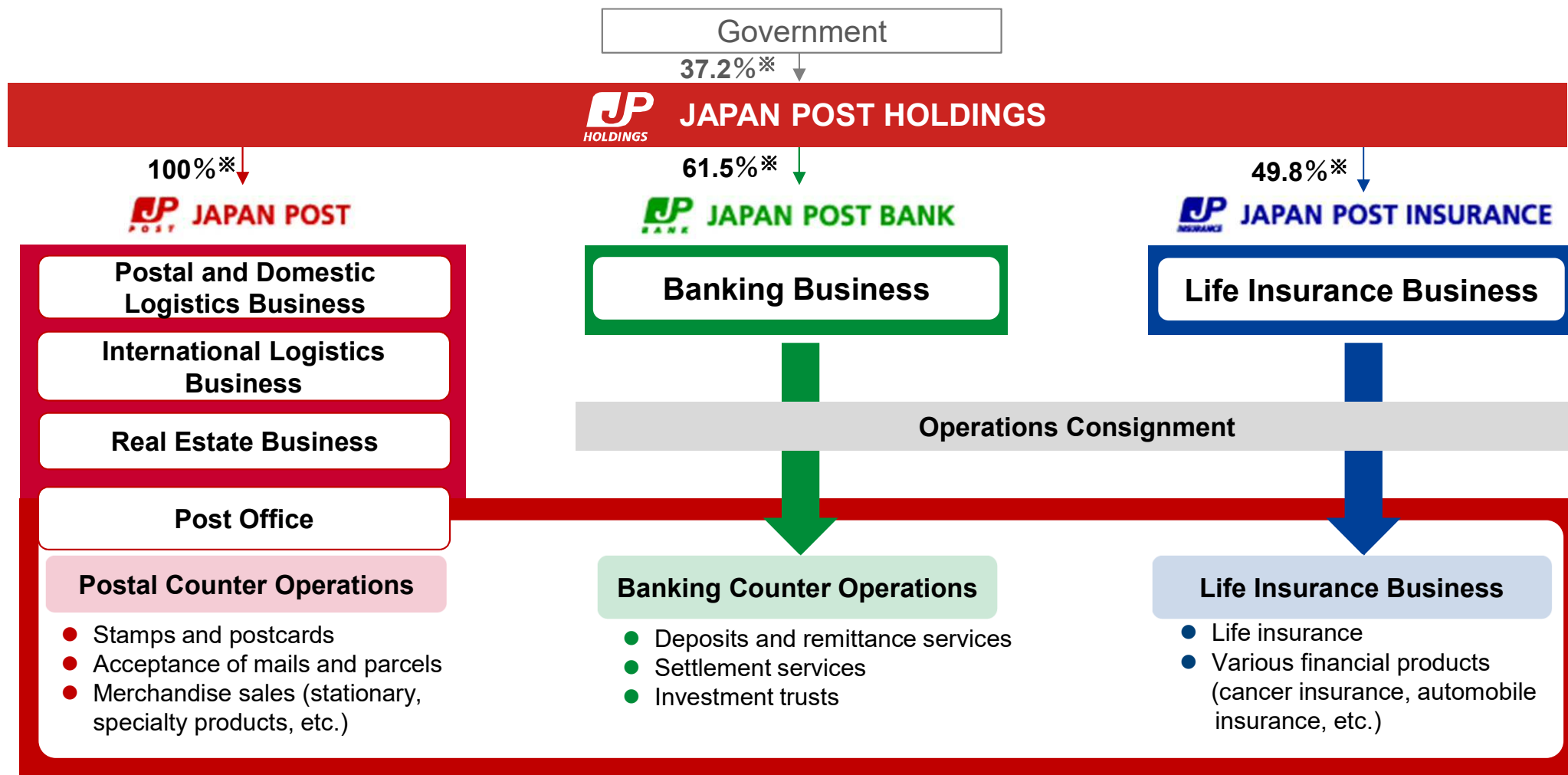


JP Tower Osaka
(constructed in March, 2024)

- 2017
Second sale of Japan Post Holdings
- 2021
Established "JP Vision 2025"
Third sale of Japan Post Holdings
- The 150th anniversary of the postal service foundation**
- 2024
Formulated "JP Vision 2025+"

Outline of Japan Post Group

- We are providing integrated services within the Group, such as Postal and Domestic Logistics Business, Banking Business and Life Insurance Business.
- Policy to dispose of shares so that the Company's equity interests in the two financial subsidiaries will be 50% or less during the period of this Medium-term Management Plan.



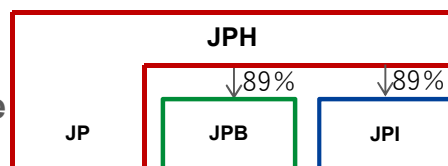
* The ratios of shareholders' equity represent the figures for September 30, 2024, calculated after deducting treasury shares.

Capital Allocation and Investments

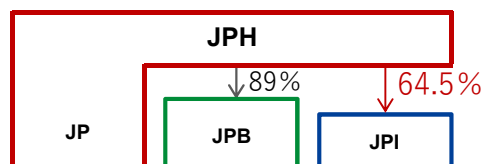
- Partial sale of Japan Post Bank shares in March 2023, securing proceeds of ¥1.2 trillion.
- Plan to use the proceeds from the second sale of Japan Post Bank shares and the debts, etc. **for shareholder returns and growth investments.**

Sales of shares in two financial subsidiaries

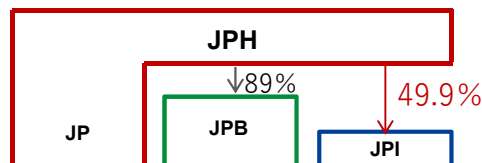
- November 2015
Listed on the First Section of the Tokyo Stock Exchange
(Proceeds ¥743.0 bil.)



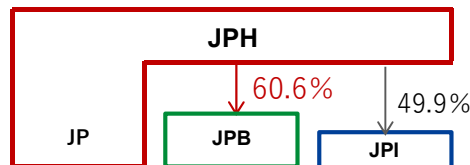
- April 2019
Second sale of Japan Post Insurance
(Proceeds ¥415.0 bil.)



- June 2021
Share repurchase Equity disposal trust of Japan Post Insurance
(Proceeds ¥350.0 bil.)



- March 2023
Second sale of Japan Post Bank
(Proceeds ¥1.2 Tn.)



- ※ Japan Post Bank shares owned by Japan Post Holdings : 61.5% (As of September 2024)
- ※ Japan Post Insurance shares owned by Japan Post Holdings: 49.8% (As of September 2024)
- ※ Policy to dispose of shares so that Japan Post Holdings' equity interests in the two financial subsidiaries will be 50% or less during the period of this Medium-term Management Plan.

Use of proceeds from the sales of shares in two financial subsidiaries

Share repurchases
(¥1.38 Tn)

Capital and business
Alliance with Aflac
(¥0.3 Tn)

Capital and business
Alliance with Rakuten
Group (¥0.15Tn)

Proceeds from
Sale of JPB shares
(¥1.2 Tn)

Using Debts

Cash on hand

Shareholder Return

Share repurchases

- ¥300 billion in FY2023
(Aug. 2023–Mar. 2024)
- ¥350 billion at maximum in FY 2024
(May.2024-Mar.2025)
- Continuously perform substantial share repurchases

Growth Investments

- Investment for increased capacity in our logistics business
- Real estate investment
- Investment in human resources
- Strategic IT investment

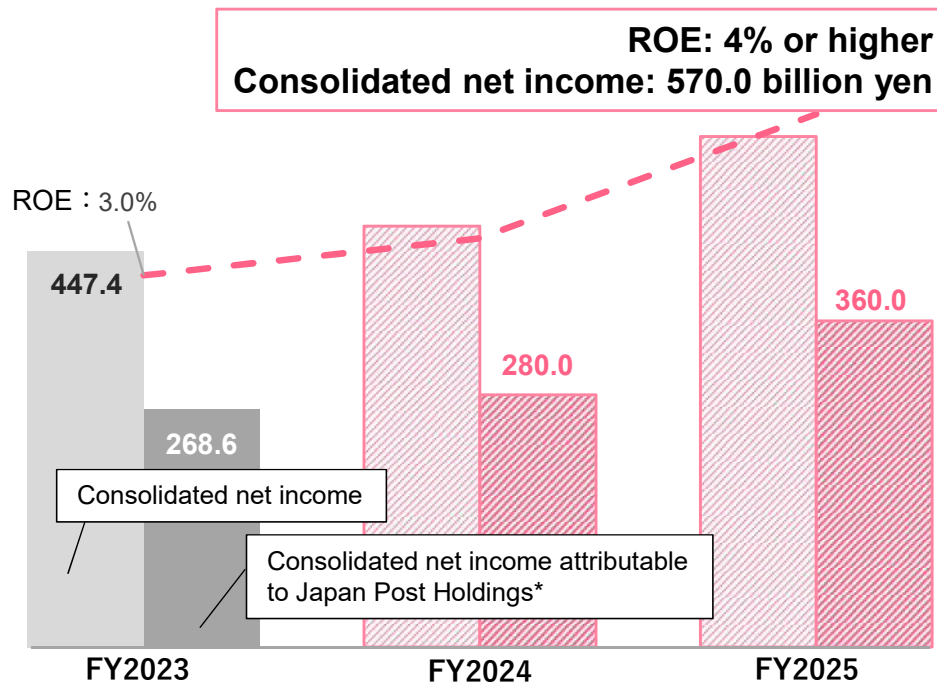
Overview of JP Vision 2025+ : Major Targets

- ROE decreased in FY2023, partly due to the sale of Japan Post Bank shares and sluggish performance in the postal and logistics segments. Nevertheless, we aim to exceed our cost of equity of about 5% as soon as possible, first striving for an ROE of 4% or higher in FY2025.
- The post office business is expected to be in the red, and we therefore aim to shift it to a tendency to be profitable in FY2026 onward as soon as possible by raising profitability, increasing efficiency, and other means.

Positioning in 2024–2025

“Transition” to the growth stage

Forecast of consolidated net income



* Shareholding ratios of Japan Post Bank and Japan Post Insurance in net income attributable to Japan Post Holdings are calculated based on the figures as of May 2024.

Major targets in FY2025 (After revision)

ROE	4% * or higher	Consolidated net income	570.0 billion yen
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* We aim to exceed our cost of equity of approx. 5% as soon as possible.

Major targets, etc., by segment (FY2025)*1

Segment	Operating profit margin Net operating income	ROE Net income
Postal and domestic logistics business	3.5% 90.0 billion yen*2	—
Post office business	— (▲49.0 billion yen*3)	—
International logistics business	2.0% 12.0 billion yen	—
Banking business	—	over 4.0% over 400.0 billion yen
Life insurance business	—	About 6%*4 About 97.0 billion yen*4
Real estate business	14.0% 11.0 billion yen	—
Reference: Aflac	—	(Equity in (earnings) losses of affiliates) 48.0 billion yen*5

*1 Interest, exchange rates and share prices on which individual financial targets are premised have been set based on the situation as of March 31, 2024.

*2 In Postal and domestic logistics business, including the revision of postal fees in October, 2024.

*3 In Post office business, we aim to shift it to a tendency to be profitable in FY2026 onward as soon as possible by raising profitability, increasing efficiency, and other means.

*4 In Life insurance business, considering characteristics of a life insurance company whose net income may be adversely affected in a short term by business recovery, an adjusted ROE and an adjusted profit are presented after partially adjusting such negative impacts.

*5 The equity in (earnings) losses of affiliates of Aflac Incorporated is based on our own calculation of Aflac Incorporated's financial results, foreign exchange rates, and the amount of goodwill incurred in our equity interest and has not been confirmed by Aflac Incorporated. It is not intended to indicate or imply a forecast of the company's performance.

- Taking into account issues and growth opportunities for each segment, we fundamentally review the details of initiatives to strengthen profitability. We will actively inject resources particularly to the postal and domestic logistics business and the real estate business, aiming to accelerate further growth.

Actively inject resources to accelerate further growth

Postal and domestic logistics business

Promote strong resource shifting to the logistics field

- ✓ **Build a resilient transport/delivery network** through enhancing the processing capacity of our bases and transport/delivery capabilities to optimize logistics
- ✓ **Strengthen profitability** through increasing convenience in sending/receiving of parcels, reinforcing sales systems/capabilities, and strengthening alliances with other companies, etc.
- ✓ **Realize highly productive operations** that achieve both customer convenience and greater operational efficiency

Real estate business

Steadily promote development, etc. of assets held by the Group to build them into a new pillar of revenue

- ✓ **Secure stable earnings** through participation in real estate development and town development projects coordinated with the reorganization of postal/logistics bases
- ✓ **Diversify the ways we earn revenue and review development schemes** in light of major changes in the business environment
- ✓ **Build a Group-wide management system** by establishing the real estate business as an independent segment

*1 GP (General Partner) refers to a fund operator that selects projects and makes investment decisions.
*2 CX (Customer Experience) refers to an experience that customers can gain through various touch points with the company.

Strengthen profitability and improve efficiency

Post office business

- ✓ Improve productivity by optimizing post office locations with consideration for customer convenience and making operating hours more flexible to enable “flexible staff placement at post office counters”
- ✓ Strengthen management capabilities of managers and equip managers and others with knowledge and skills, to “strengthen knowledge and skills of all employees”
- ✓ “Foster sales specialists” to conduct sales activities with a strong focus on individual customer needs
- ✓ “Consider and implement measures for enhancing value and appeal,” such as improvement of products and services for supporting daily lives in response to the needs of customers and communities
- ✓ To streamline operations of post office counters and create more time for sales activities, promote digitalization and other “operation reforms of post office counters”
- ✓ Consider measures for further improving income from the financial agency service in response to changes in the environment surrounding costs

International logistics business

- ✓ Strengthen logistics business centered around the Asian markets

Banking business

- ✓ Enhance strategy for complementarity between the physical and digital channels based on Bankbook App
- ✓ Pursue an optimal investment portfolio that combines the yen interest rate assets with risk assets
- ✓ Regenerate local communities and create new corporate value through Japan Post Bank's unique GP*1 operations

Life insurance business

- ✓ Expand product line-up to meet a diverse range of customer needs
- ✓ Enhance after-sales follow-ups abundant in terms of quality and quantity conducive to CX*2 improvement
- ✓ Active recruitment development of sales employees who engage in face-to-face customer service

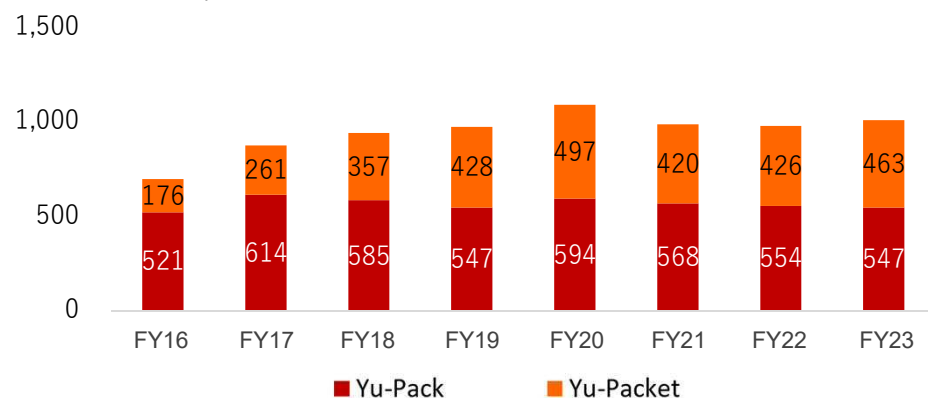
Strengthen Profitability

Postal and Domestic Logistics Business — Trends in Volume, Unit Price, and Income of Domestic Logistics Business

- The number of Yu-Pack and Yu-Packet parcels in FY2023 increased year on year (up 3.0%) due to steady progress in collaboration with companies outside the Group.
- The number of parcels in the first half of FY2024 increased by up 9.0% year on year.

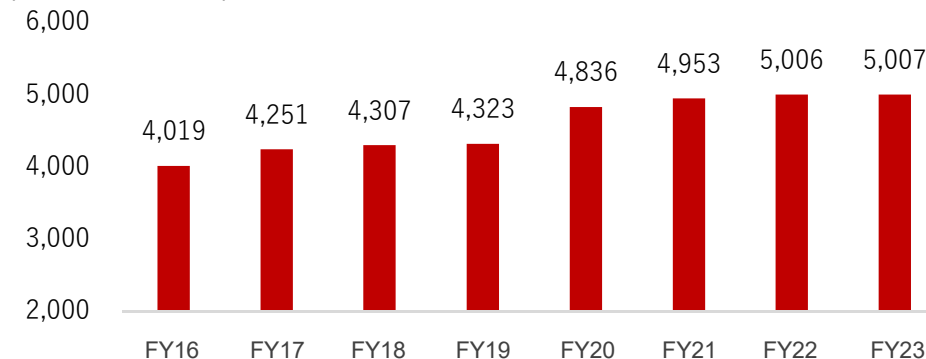
Trend in Yu-Pack and Yu-Packet volume handled

(Millions of items)



Trend in number of delivery parcels handled in Japan

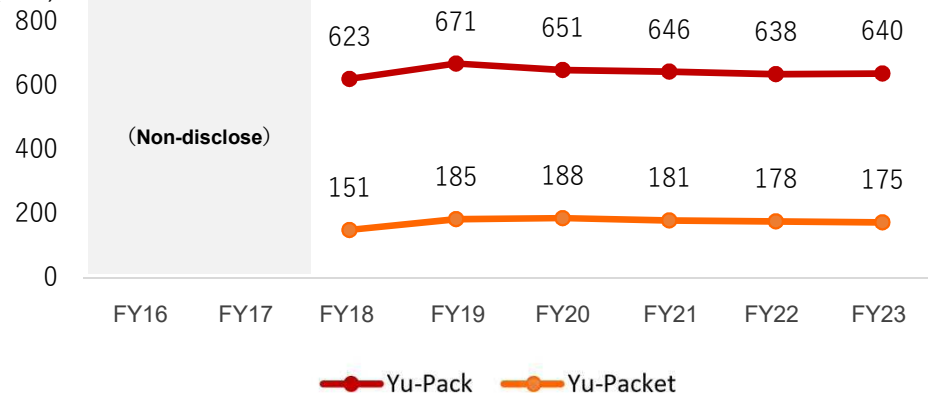
(Millions of items)



(Source: statistics from the Ministry of Land, Infrastructure, Transport and Tourism)

Trend in average unit price of Yu-Pack and Yu-Packet parcels

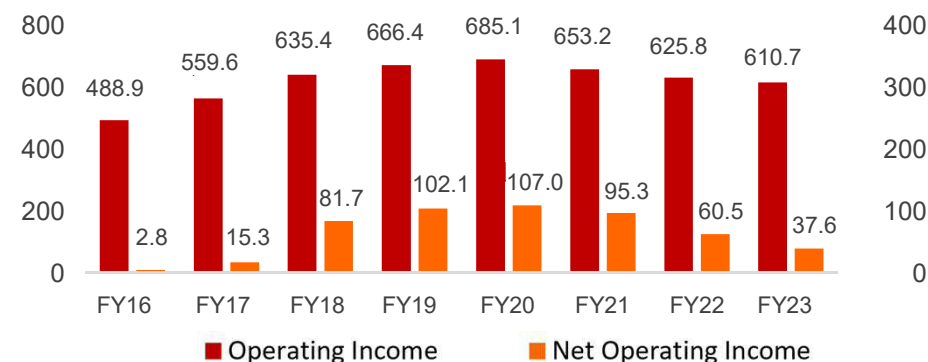
(Yen)



Trend in operating income and net operating income of domestic logistics business*

(Billions of yen)

(Billions of yen)



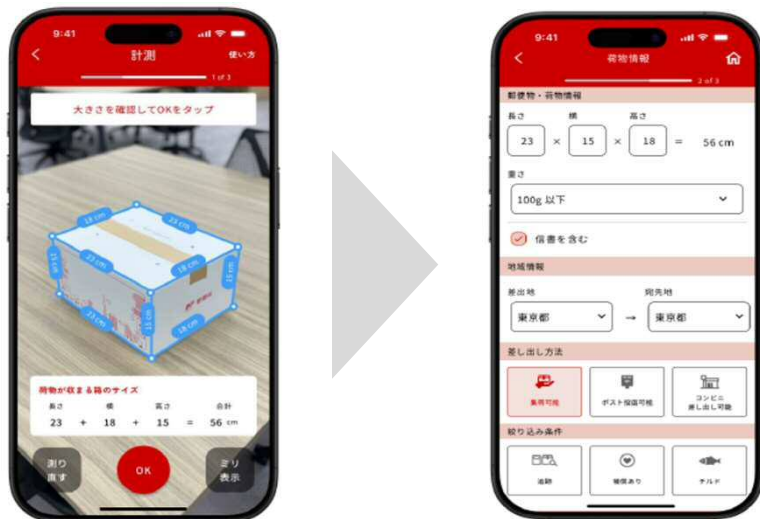
※ Yu-Pack, Yu-Packet and Yu-Mail

- We are engaged in **enhancing the convenience of dispatch and receipt** to ensure our parcel products are chosen by customers.
- In September 2024, we launched the **Posu-Measure app**, which allows customers to **navigate the optimal way to send parcels**. We are also **expanding the locations and numbers Yu-pri touch terminals**, specialized printers for creating shipping labels.

Launching the Pos-Measure app

- We jointly developed the **Posu-Measure app**, which allows customers to **navigate the optimal way to send parcels**, together with Automagi Inc., and launched it in September 2024.
- The app can use a camera image to automatically measure the size of the parcel to be sent and suggest the **optimal shipping method and cost** from among Japan Post Co.'s diverse lineup of delivery services.
- We aim to integrate Posu-Measure into the Post Office App during FY2025, with UI/UX improvements from the customer perspective.

* Only compatible with iPhone Pro at present. Going forward, we aim to develop an app that is compatible with other models of iPhone and Android phones.



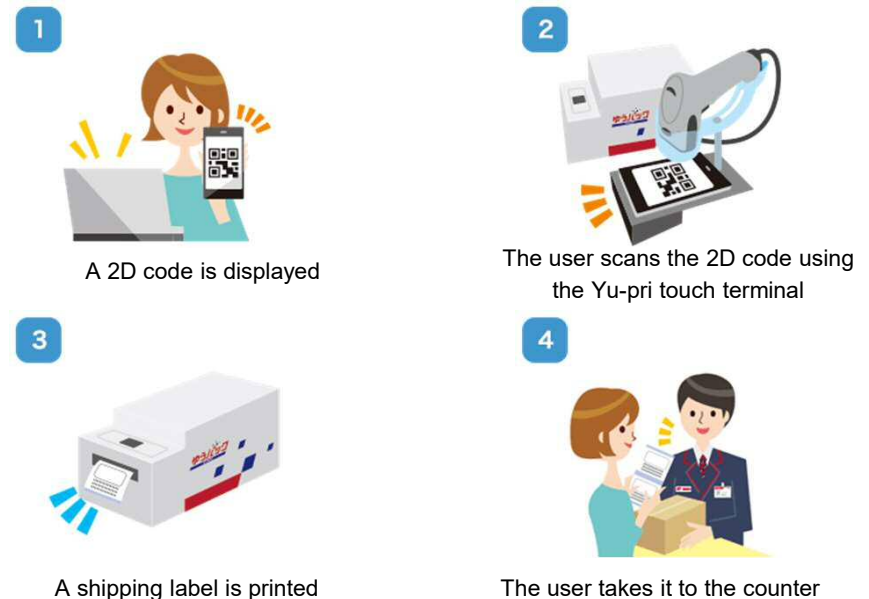
The app can use a camera image to automatically measure parcel size

A list of available services and fees is displayed

Expanding the locations and numbers of Yu-pri touch terminals

- At Japan Post Co., we offer an **e-shipping service** that enables users to send parcel products without addressing shipping labels, by applying for shipment through flea market or e-commerce websites.
- We are expanding the locations and numbers of **Yu-pri touch terminals**, specialized printers for creating shipping labels. 15,520 terminals were installed at 15,506 post offices as of September 30, 2024. (about 1,000 terminals were installed in April 2024.)
- We plan to continue expand the number of post offices and locations with terminals in the future, to make sending parcels more convenient.

Illustration of the use of a Yu-pri touch terminal



Strengthen Profitability

Postal and Domestic Logistics Business — Reinforcing Transportation and Delivery Network, and Improving Productivity

- In addition to reviewing post office delivery areas and routes based on data acquired using telematics, we are promoting measures to **improve productivity**, such as using AI to automatically create delivery routes and streamline pickup and delivery.
- **To achieve efficient business operations centered on small parcels**, we are building a more streamlined and robust transportation and delivery network.

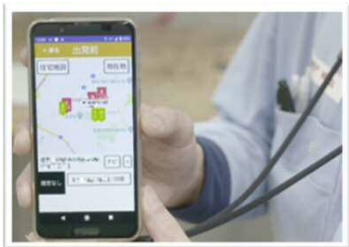
Improving productivity

Applying telematics



- Streamlining pickup and delivery operations through the use of smartphones provided to all pickup and delivery employees and telematics* by reviewing post office delivery routes and areas and using automatic routing (automated creation of delivery routes by AI). (Automated routing introduced for all post offices in June 2024)
- Streamlining transportation by using telematics and AI for real-time fleet management and to set transportation timetables (trial runs in some areas).

* Telematics refers to the use of smartphone applications and GPS data to enable real-time fleet management in transportation services.



Automatic routing



Linkage of transportation data



Instant linkage
of transportation
and loading
information



Reinforcing transportation and delivery network

Enhancing processing capacities at locations



- Reorganize the transportation and delivery network by restructuring delivery locations mainly in large cities to ensure capacity to handle parcels, and promote machine processing and labor saving.
- Introduce small packet sorting machines to handle the increasing number of Yu-Packet and other parcels.
- Consider the use of advanced technologies (Automated Guided Vehicles [AGV], robotic arms, etc.) to mechanize and automate in-house tasks.

Enhancing transportation and delivery capacity



- Improve small parcel delivery capacity by introducing **three-wheeled minicars and large carrying boxes**.
- Study the practical application of **drones, delivery robots and autonomous vehicles**.



Automated Guided Vehicle (AGV)

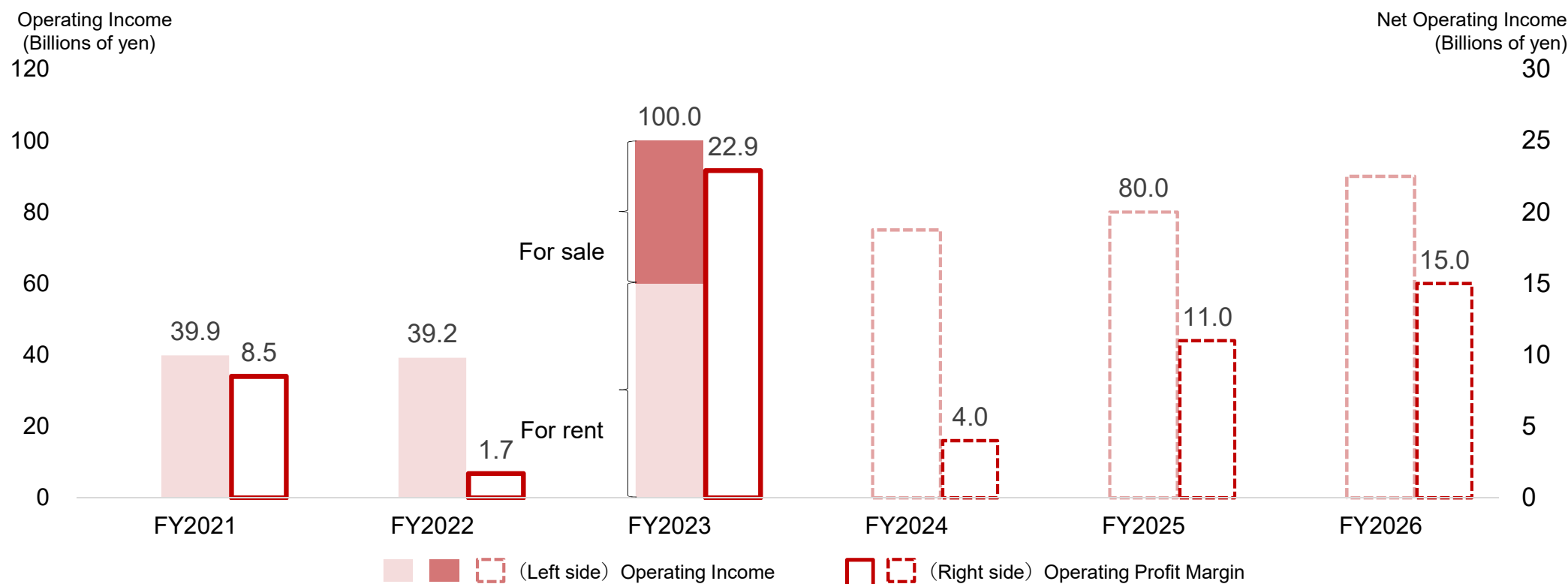


Three-wheeled minicar

- In light of major changes in the business environment, we will steadily continue promoting the development of Group-owned real estate and the acquisition of non-Group-owned real estate, etc. to develop the business into one of the earning pillars for the Group.
- Keeping a close eye on a harsh business environment, we project a **net operating income target of approx. 11.0 billion yen for FY2025***.

*Excluding the impact of the segmentation, we project net operating income target of approx. 15.0 billion yen for FY2025, remaining unchanged from the initial target.

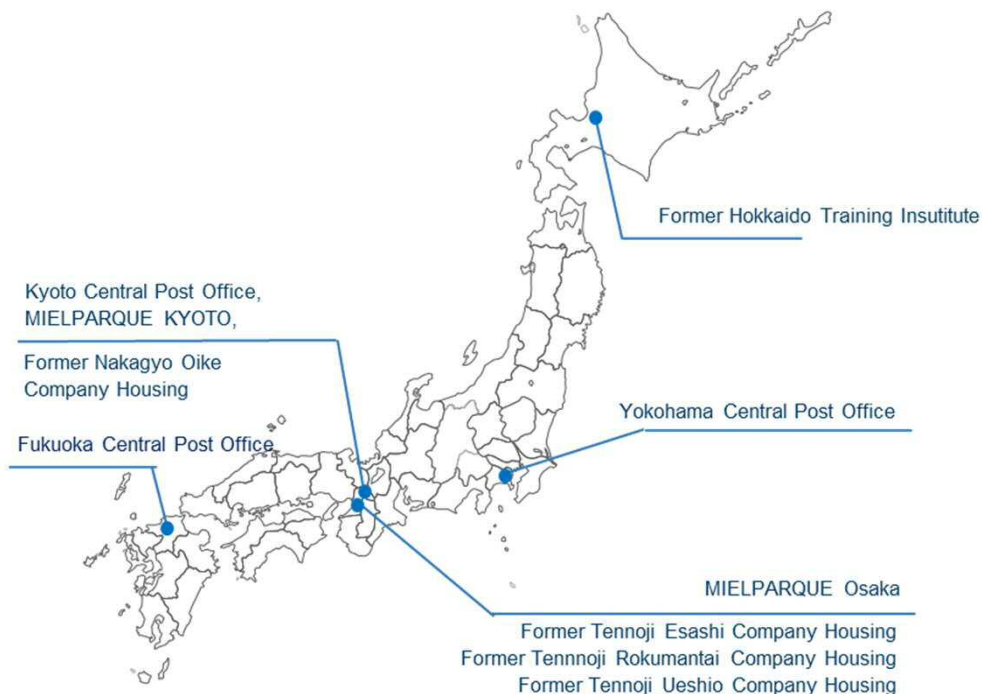
Trends in operating income and net operating income



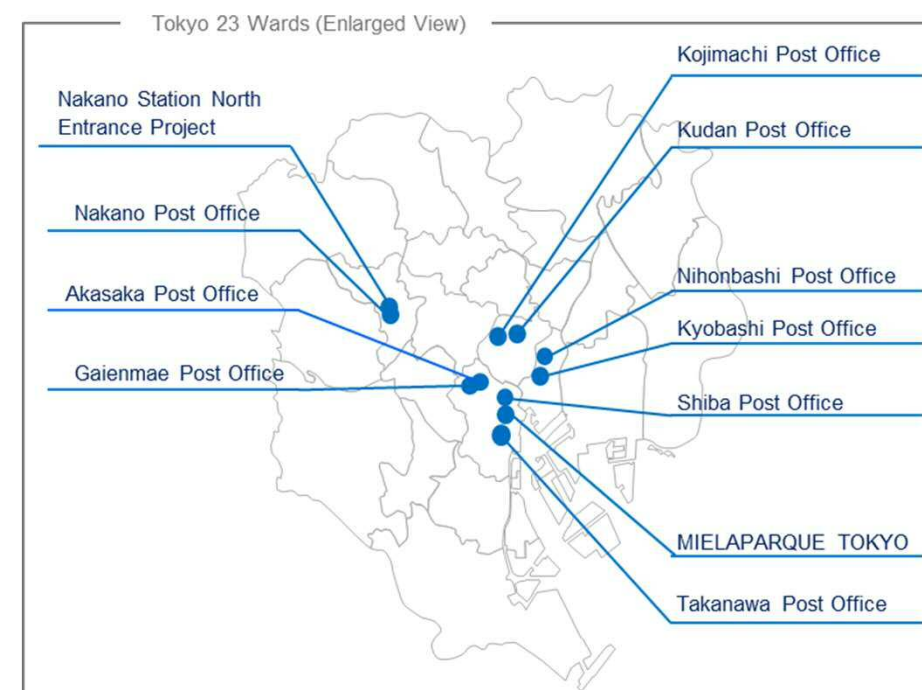
*1. Figures for periods up to FY2023 represent Group-wide figures that combine figures of Japan Post Co.'s real estate business, Japan Post Real Estate, Japan Post Building Management and Japan Post Properties. They are not figures for a reportable segment based on accounting standards for disclosure of segment information.

*2. A real estate business segment was established in FY2024, and the figures thereafter are those after the change in allocation of internal expenses.

* Operating income for FY2025 excluding the impact of the establishment of this segment is expected to be 15.0 billion yen, unchanged from the initial target.



Name	Succeeded assets	Location	Site area (m ²)	Current status
Nationwide				
Former Hokkaido Training Institute	✓	Sapporo-shi	14,900	Already demolished
Yokohama Central Post Office	✓	Yokohama-shi	6,450	In-use
MIELPARQUE Yokohama	✓	Yokohama-shi	3,480	No longer in operation
MIELPARQUE Osaka	✓	Osaka-shi	6,800	No longer in operation
Former Tennoji Esashi Company Housing	✓	Osaka-shi	600	Already demolished
Former Tennoji Rokumantai Company Housing	✓	Osaka-shi	1,330	Already moved-out
Former Tennoji Ueshio Company Housing	✓	Osaka-shi	440	Already moved-out
Former Nakagyo Oike Company Housing	✓	Kyoto-shi	800	Already moved-out
Kyoto Central Post Office	✓	Kyoto-shi	7,520	In-use
MIELPARQUE KYOTO	✓	Kyoto-shi	2,250	No longer in operation
Kobe lot	✓	Kobe-shi	2,520	In-use
Fukuoka Central Post Office	✓	Fukuoka-shi	4,750	In-use
Nagasaki Central Post Office	✓	Nagasaki-shi	3,010	In-use



Name	Succeeded assets	Location	Site area (m ²)	Current status
Tokyo 23 Wards				
Kojimachi Post Office	✓	Chiyoda-ku	1,910	In-use
Kudan Post Office	✓	Chiyoda-ku	1,380	In-use
Nihonbashi Post Office	✓	Chuo-ku	2,990	In-use
Kyobashi Post Office	✓	Chuo-ku	2,540	In-use
Shiba Post Office	✓	Minato-ku	2,110	In-use
Takanawa Post Office	✓	Minato-ku	3,960	In-use
Akasaka Post Office	✓	Minato-ku	2,700	In-use
Gaienmae Post Office	✓	Minato-ku	500	In-use
MIELPARQUE TOKYO	✓	Minato-ku	7,550	Already demolished
Nakano Station North Entrance Project		Nakano-ku	23,450	—
Nakano Post Office	✓	Nakano-ku	6,580	In-use

*As of September 2024

Strengthen Profitability

Real Estate Business — Main real estate in operation



JP Tower (KITTE)
Location : Chiyoda-ku
Constructed : May, 2012
Total floor : 212,000m²



JP Tower Nagoya (KITTE NAGOYA)
Location : Nagoya-shi
Constructed : Nov., 2015
Total floor : 180,000m²



Hiroshima JP Building
Location : Hiroshima-shi
Constructed : Aug., 2022
Total floor : 44,200m²



Azabudai Hills Mori JP Tower
Location : Minato-ku
Constructed : Jun., 2023
Total floor : 461,770m²



JP Tower Osaka (KITTE OSAKA)
Location : Osaka-shi
Constructed : Mar., 2024
Total floor : 227,000m²

Before the fiscal year ended March 2021

From the fiscal year ended March 2022 (JP Vision2025) onwards



Sapporo Mitsui JP Building
Location : Sapporo-shi
Constructed : Aug., 2014
Total floor : 68,190m²



Omiya JP Building
Location : Saitama-shi
Constructed : Aug., 2014
Total floor : 45,700m²



KITTE HAKATA
Location : Fukuoka-shi
Constructed : Mar., 2016
Total floor : 64,300m²



Kuramae JP Terrace
Location : Taito-ku
Constructed : Mar., 2023
Total floor : 99,700m²



Gotanda JP Building
Location : Shinagawa-ku
Constructed : Dec., 2023
Total floor : 69,000m²

* As of September 2024

Strengthen Profitability

Real Estate Business – Properties in Operation

Classification	Property name	Succeeded assets	Location	Site area (m ²)	Total floor area (m ²)	Asset type	Project type	Construction completion (year/month)
Large complexes	JP Tower (KITTE)	✓	Chiyoda-ku	11,600	212,000	Offices and commercial facilities	Joint project (major)	2012 May
	Iidabashi Grand Bloom	✓	Chiyoda-ku	11,000	124,000	Offices and commercial facilities	Urban redevelopment	2014 Jun
	Sapporo Mitsui JP Building	✓	Sapporo-shi	5,520	68,190	Offices and commercial facilities	Joint project (minor)	2014 Aug
	JP Tower Nagoya (KITTE NAGOYA)	✓	Nagoya-shi	12,000	180,000	Offices and commercial facilities	Joint project (major)	2015 Nov
	KITTE HAKATA	✓	Fukuoka-shi	5,000	64,300	Commercial facilities	Run solely by Japan Post	2016 Mar
	JR JP Hakata Building	✓	Fukuoka-shi	3,350	44,000	Offices and commercial facilities	Joint project (minor)	2016 Apr
	Hiroshima JP Building	✓	Hiroshima-shi	4,200	44,200	Offices, stores and parking space	Run solely by Japan Post	2022 Aug
	Kuramae JP Terrace	✓	Taito-ku	14,400	99,700	Offices, facility for logistics, facility for the elderly, Residences, etc.	Run solely by Japan Post	2023 Mar
	Azabudai Hills Mori JP tower	✓	Minato-ku	24,100	461,770	Offices, residences, stores, etc.	Urban redevelopment	2023 Jun
	Gotanda JP Building	✓	Shinagawa-ku	6,700	69,000	Offices, Hotel, Commercial facilities, Hall etc	Run solely by Japan Post	2023 Dec
	JP Tower Osaka (KITTE OSAKA)	✓	Osaka-shi	12,920	227,000	Offices and commercial facilities, Hotel, Hall	Joint project (major)	2024 Mar
Office building	Mita Building	✓	Minato-ku	690	4,400	Offices and residences	Run solely by Japan Post	1993 Mar
	Minami-aoyama 227 Building		Minato-ku	120	790	Offices and stores	Solely acquired property	1997 May
	Omiya JP Building	✓	Saitama-shi	6,100	45,700	Offices	Run solely by Japan Post	2014 Aug
	Garden City Kokura	✓	Kitakyushu-shi	4,050	40,710	Residences, Office and commercial facilities	Urban redevelopment	2019 Sep
	Hulic JP Akasaka Building		Minato-ku	960	7,970	Offices	Joint project (minor)	2020 Nov
	Nishigotanda 1-chome Building	✓	Shinagawa-ku	390	1,470	Offices and stores	Run solely by Japan Post	2021 Jun
Logistics warehouse	Logisite Kumiyama		Kumiyama-cho, Kuze-gun, Kyoto	12,930	22,380	Logistics facilities	Jointly invested	2021 Feb

* As of September 30, 2024

Strengthen Profitability Real Estate Business – Properties in Operation

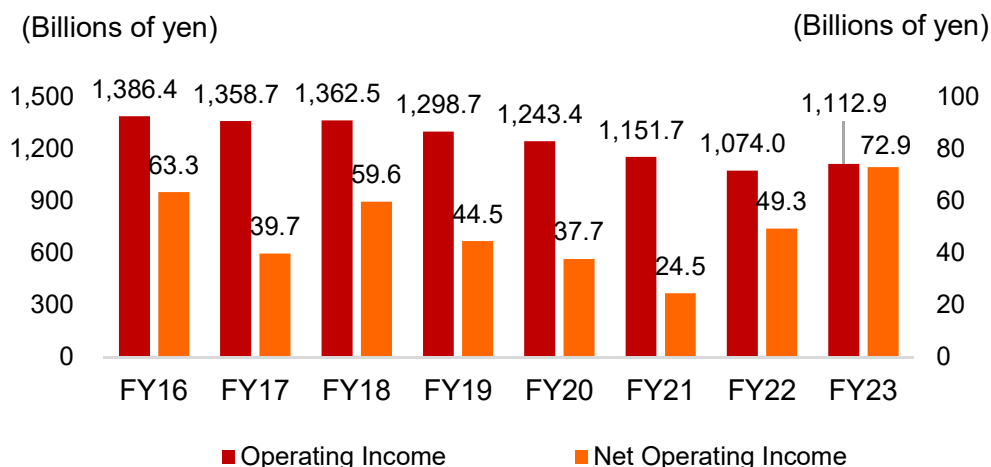
Classification	Property name	Succeeded assets	Location	Site area (m ²)	Total floor area (m ²)	Asset type	Project type	Construction completion (year/month)
Rental housing	Grace Bear Urayasu		Urayasu-shi	2,820	5,280	Residences	Solely acquired property	1990 Oct
	CORONADE KASUGA		Bunkyo-ku	1,130	5,880	Residences and office	Solely acquired property	1991 Jul
	Blance SHIBAURA		Minato-ku	660	2,740	Residences	Solely acquired property	1997 Nov
	JP noie Koishikawa Tomisaka		Bunkyo-ku	380	1,980	Residences	Solely acquired property	2007 Jan
	JP noie Maruyama Omotesando		Sapporo-shi	1,580	8,390	Residences	Solely acquired property	2008 Feb
	JP noie Kiba		Koto-ku	1,930	6,430	Residences	Solely acquired property	2013 Jan
	JP noie Waseda		Shinjuku-ku	730	3,380	Residences and stores	Solely acquired property	2014 Mar
	JP noie Shimotakaido		Setagaya-ku	780	2,990	Residences	Solely acquired property	2015 Feb
	JP noie Hatanodai	✓	Shinagawa-ku	560	970	Residences	Run solely by Japan Post	2015 May
	JP noie Honhaneda	✓	Ota-ku	1,230	1,420	Residences	Run solely by Japan Post	2016 Jan
	JP noie Nerima Nakamura-minami	✓	Nerima-ku	1,160	1,900	Residences	Run solely by Japan Post	2017 Mar
	RENAI FLATS Uenoinari-machi		Taito-ku	330	2,070	Residences	Solely acquired property	2017 Oct
	JP noie Mejiro	✓	Toshima-ku	1,580	2,070	Residences	Run solely by Japan Post	2017 Dec
	JP noie Funabashi-natsumi	✓	Funabashi-shi	5,480	4,420	Residences	Run solely by Japan Post	2018 Jun
	JP noie Mita	✓	Minato-ku	270	1,740	Residences	Run solely by Japan Post	2019 Mar
	Crestcourt Shimur-sakaue		Itabashi-ku	850	4,660	Residences	Solely acquired property (minor)	2019 Apr
	JP noie Suita Tarumi	✓	Suita-shi	2,680	5,180	Residences	Run solely by Japan Post	2019 Aug
	JP noie Asagaya		Suginami-ku	780	2,170	Residences and stores	Solely acquired property	2019 Sep
	JP noie Ebisu Nishi (adjoined with co-ba ebisu)	✓	Shibuya-ku	1,890	5,700	Residences and shared offices	Run solely by Japan Post	2019 Nov
	JP noie Nerima Asahigaoka (adjoined with Benesse Nerima Ekoda Nursery School)	✓	Nerima-ku	1,160	1,980	Residences and daycare center	Run solely by Japan Post	2020 Jan
	JP noie Hiroo The Residence	✓	Shibuya-ku	1,870	2,320	Residences	Run solely by Japan Post	2020 Mar
	JP noie Kameido		Koto-ku	970	3,820	Residences	Solely acquired property	2020 Apr
	JP noie Komazawa-Daigaku		Setagaya-ku	660	1,710	Residences	Solely acquired property	2020 Sep
	JP noie Monzennakacho		Koto-ku	230	1,530	Residences	Solely acquired property	2021 Jul
	JP noie Kinshicho		Sumida-ku	410	2,470	Residences	Solely acquired property	2021 Jul
	Ichigayatakajo-machi Residence		Shinjuku-ku	710	1,350	Residences	Solely acquired property	2021 Aug
	Geoent Otsuka		Toshima-ku	400	1,160	Residences	Solely acquired property	2021 Dec
	L'axe Keikyukamata		Ota-ku	530	2,740	Residences and office	Solely acquired property	2022 Jan
	JP noie Kichijoji-honcho		Musashino-shi	410	1,510	Residences	Solely acquired property	2022 Dec
	JP noie Todoroki	✓	Setagaya-ku	2,120	6,260	Residences	Run solely by Japan Post	2024 Sep
Daycare center / facility for the elderly	Benesse Itabashi 3 Chome Nursery School	✓	Itabashi-ku	750	460	Daycare center	Run solely by Japan Post	2018 Jan
	Nichii Kids Kami-ikebukuro Nursery School	✓	Toshima-ku	1,010	500	Daycare center	Run solely by Japan Post	2019 Jan
	Guranda Mejiro Nibankan (adjoined with Benesse Mejiro Nursery School)	✓	Toshima-ku	2,450	3,120	Facility for the elderly and daycare center	Run solely by Japan Post	2019 Feb
	Cocofump Myorenji	✓	Yokohama-shi	2,130	3,280	Facility for the elderly	Run solely by Japan Post	2019 Nov
	Nijiuro Nursery School Kitasuna	✓	Koto-ku	770	440	Daycare center	Run solely by Japan Post	2020 Feb
	Guranda Tokiwadai Nibankan	✓	Itabashi-ku	1,590	3,050	Facility for the elderly	Run solely by Japan Post	2020 Feb
	Sonare Hamadayama		Suginami-ku	1,600	3,320	Facility for the elderly	Solely acquired property	2019 Sep
	Plaisant Luxe Minami Aoyama		Minato-ku	1,690	3,500	Facility for the elderly	Solely acquired property	2022 May
	BRANCHEILE MEGURO		Meguro-ku	1,990	9,000	Facility for the elderly	Run solely by Japan Post	2023 Dec
	SOMPOCARE Laviere-Residence Fukuoka Beppu	✓	Fukuoka-shi	2,790	4,120	Facility for the elderly	Run solely by Japan Post	2024 Apr
Land with leasehold interest	Nippori		Taito-ku	1,130	—	Land with leasehold interest	Solely acquired property (land)	—
	Tachikawa Nishikicho		Tachikawa-shi	4,850	—	Land with leasehold interest	Solely acquired property (land)	—
	General Warehouse Site in Shikoku-shisya	✓	Matsuyama-shi	3,540	—	—	—	—
	Site in Hokuriku-shisya	✓	Kanazawa-shi	4,070	—	—	—	—

* As of September 30, 2024

Strengthen Profitability

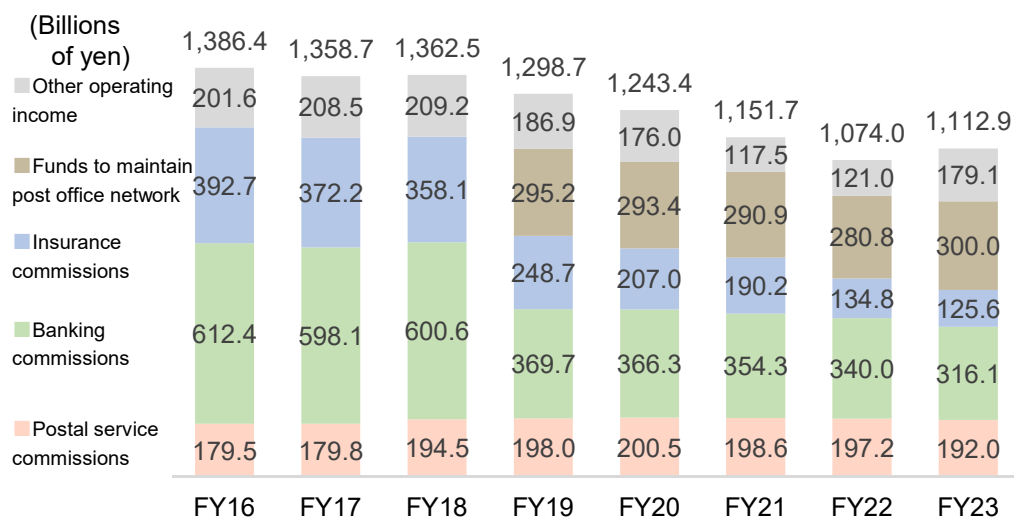
Post Office Business – Trends in Operating Income and Net Operating Income, etc.

Trends in operating income and net operating income of post office business*



* In this chart, Profits and Incomes include those of real estate business.

Trends in operating income of post office business



- Insurance commissions for the fiscal years ended March 31, 2021 and 2022 do not match the figures in the data published by Japan Post Insurance as the method of recording inappropriate policies have been adjusted.
- Deposit commissions for the fiscal year ended March 31, 2022 do not match the figures in the data published by Japan Post Bank due to an incident related to outsourced operations.
- Other operating income: Includes income from merchandising, third-party financial product agency services, real estate, etc.

Overview of the subsidy program

- Of the costs required to maintain the post office network, the costs* indispensable to securing a universal service—excluding the amount to be borne by Japan Post—have been covered by a subsidy granted to Japan Post by the Organization for Postal Savings, Postal Life Insurance and Post Office Network, with contributions from Japan Post Bank and Japan Post Insurance as the funding source since FY2019.

* Sum of the following costs based on the most recent status of the maintenance of the network

- Costs required (personnel expenses, rent, construction costs, other costs required for the maintenance of post offices, costs for the transportation and administration of cash, property taxes and business office taxes) to ensure the availability of a universal postal service at post offices (approx. 20,000 locations), assuming that the post office network is composed of post offices of the smallest scale possible.
- Costs required for the minimum consignment to ensure the availability of a universal postal service at simplified post offices (approx. 4,000 locations).

Overview of commissions for business consignment

- Banking commissions = basic fees + sales and administrative incentives**

(Basic fees)

Fees for the administration of deposits, investment trusts, remittance settlements, etc.

The percent change compared to the previous fiscal year of the “amount commensurate with the cost of consigned operations” calculated by Japan Post Bank based on unit prices set for consigned operations, multiplied by the previous fiscal year’s basic fee.

(Sales and administrative incentives)

Amount commensurate with sales and administrative incentives

- Insurance commissions = commission for insurance solicitation + maintenance and collection fee, etc.**

(Commission for insurance solicitation)

Multi-year installment commissions, primarily linked to new policies (solicitation performance) and based on a standard formula in the life insurance business.

(Maintenance and collection fee, etc.)

Composed of a fee proportional to the number of in-force policies, number of post offices, etc. (basic fee) and fees based on the achievement of indicators of maintenance of policies in force (incentives).

Universal Service Providing at Post Offices

Universal service providing at post offices

Postal services, simple savings, remittance, and settlement of debts and credits, and life insurance services that can be used easily should be integrally made available at post offices in a user-oriented and convenient manner, and should continue to be available nationwide and fairly in the future. Japan Post Holdings and Japan Post Co. are obliged to maintain the post office network to ensure this (Article 7-2 of the Postal Service Privatization Act and Article 5 of the Act on Japan Post Holdings Co., Ltd.).

Postal counter operations

- Acceptance of mails
- Delivery of mails
- Sale of postal stamps, etc.

Banking counter operations

- Acceptance of ordinary deposits
- Acceptance of fixed amount and fixed-time savings
- Money orders, payments and transfers

Insurance counter operations

- Endowment insurance solicitation
- Whole life insurance solicitation
- Acceptance of claims for payment of maturity and survival benefits for each of the above policies

Standards for establishment of post offices (summary)

- In principle, one or more post offices must be established in each municipality (including special wards).
- In addition to the above, post offices must be established in accordance with the following standards.
 - ▶ The facility must be established in such a way that it can respond appropriately to the demands of local residents.
 - ▶ The facility must be located in a location that is easily accessible to local residents, taking into account traffic, geography, and other circumstances.
 - ▶ In depopulated areas, the level of the post office network that existed at the time of the enforcement of the Act for Partial Revision of the Postal Service Privatization Act, etc. (Act No. 30 of 2012) must be maintained.



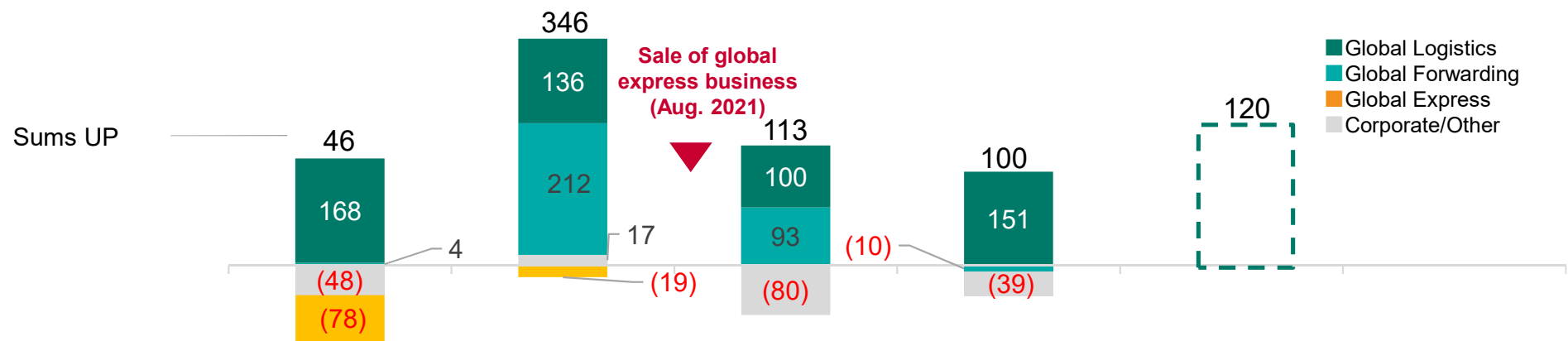
Strengthen Profitability

International Logistics Business — Trends in Net Operating Income (EBIT) and Operating Profit Margin

- Sold unprofitable global express business in August 2021 and **focused on sustainably expanding the scale of income and improving the profitability of forwarding and logistics.**
- In the global logistics business, we will promote the construction and expansion of warehouses across Asia and the strengthening of the sales structure to achieve profit growth through the transition to an Asia-focused business model.
- In the global forwarding business, we will strive to expand volumes handled and reduce fixed costs to enable stable profit creation.

Trends in Net Operating Income(EBIT) and Operating Profit Margin

(Millions of Australian Dollars)



	FY2020	FY2021	FY2022	FY2023		FY2025
Net Operating Income	46	346	113	100		(Target)120
Operating Income	9,843	8,279	5,819	4,719		(Target)5,500
Operating Profit Margin	0.5%	4.2%	1.9%	2.1%		(Target)2.0%

(Millions of Australian Dollars)

(1) Due to inter-segment reclassification of some businesses in the fiscal year ending March 31, 2023 and the year ended March 31, 2022, figures for each period have been reclassified (the total amounts for each period remain unchanged).

(2) From the fiscal year ended March 31, 2024, JP Logistics Group Co., Ltd. and JP Logistics Co., Ltd., which were previously included in the "International Logistics Business," have been reclassified as part of the "Postal and Domestic Logistics Business," and the figures for the same period of the previous fiscal year have been adjusted accordingly.

(3) Net operating income (EBIT) for the Global Express business for the fiscal year ended March 31, 2022 includes amounts of depreciation and amortization that are disregarded under IFRS (these are offset under the Corporate segment).

Aflac Inc. to Become an Equity-Method Affiliate

- In March 2024, Aflac Incorporated will become an equity-method affiliate of Japan Post Holdings.
- The equity in earnings of affiliates is expected to be 48 billions of yen per year, assuming current levels of income and other factors*.
- Equity method income for the first half of FY2024 totaled 45.3 billion yen.

Time line

March 2008	Business alliance <ul style="list-style-type: none"> Started handling Aflac cancer insurance (October)
July 2013	Comprehensive business alliance <ol style="list-style-type: none"> Sell Aflac cancer insurance at 20,000 post offices nationwide Started handling at Japan Post Insurance Developed exclusive products
December 2018	Capital-based Strategic Alliance <ol style="list-style-type: none"> Acquired approximately 7% of Aflac common stock (Acquisition amount: approx. ¥300 billion) Reaffirmed initiatives related to cancer insurance Considered new collaborations
June 2021	Further developed the Capital-based Strategic Alliance Built and strengthened a system to promote insurance sales to individuals, DX promotion, efforts to create innovation, etc.
March 2024	Aflac Incorporated to become an equity-method affiliate of Japan Post Holdings

Equity in earnings of affiliates

In accordance with its Articles of Incorporation, in principle, Aflac Incorporated allocates 10 voting rights per share of common stock after holding the shares consecutively for 48 months.

- It has been established that Japan Post Holdings will hold at least 20% of the voting rights as of Aflac Incorporated's general meeting of shareholders to be held in May 2024.
- Aflac Incorporated's earnings will be included in the Company's consolidated financial results from the first quarter of the fiscal year ending March 31, 2025.

Equity method income

		For the three month period from Apr. to Jun., 2024	For the three month period from Jul. to Sep., 2024	For the six months ended June 30, 2024
Equity method income	Billions of yen	22.8	22.4	45.3
Net income of Aflac	Millions of USD	1,879	1,755	—
Ratio of share	%	9.04	9.17	—
Exchange rate	Yen	148.61	155.88	—

* Equity in earnings of affiliates from Aflac Incorporated was independently calculated by the Company, based on the financial results of Aflac, exchange rates and the amount of goodwill generated on the Company's equity, and has not obtained the confirmation of Aflac. The figure does not present or indicate the performance forecast of Aflac.

Sustainability — Initiatives to Reduce GHG Emissions

- Under the Medium-term Management Plan “JP Vision 2025+”, we target a 46% reduction in greenhouse gas (GHG) emissions by FY2030 (compared to FY2019), aiming to achieve carbon neutrality by 2050.
⇒ In FY2023, we achieved a **reduction in GHG emissions of 18.5% (cumulative) compared to FY2019**.
- We are working to reduce GHG emissions from the viewpoints of “**electrification and elimination of fossil fuels**,” “**energy efficiency**,” “**novel energy**,” and “**development and renewal of products and services**,” with a special emphasis on reducing emissions from the electric power used in the postal and domestic logistics businesses and buildings such as post offices.

Main Initiatives to reduce GHG emissions

Reduction measures	Main initiatives
Electrification and elimination of fossil fuels	<ul style="list-style-type: none"> ● Introduction of EVs Introduce 5,200EV cars and 17,000EV motorcycles*1
Energy efficiency	<ul style="list-style-type: none"> ● Open ZEB-certified post offices*2 (October 2024: Naha Higashi Post Office*3)
Novel energy	<ul style="list-style-type: none"> ● Participate in a fund that promotes energy efficiency and energy storage ● Install storage batteries at large post offices (two post offices in FY2024)
Service renewal	<ul style="list-style-type: none"> ● Shift to online requests to leave parcels in designated places (April 2024)

※*1 As of September 30, 2024.

※*2 ZEB is an abbreviation for Net Zero Energy Building. ZEB buildings aim to cut the annual primary energy consumed by the building to zero while achieving a comfortable indoor environment, and are certified by a public institution.

※*3 Naha Higashi Post Office is certified as “Nearly ZEB” (reducing the annual primary energy consumption to less than 25%).



EV



Naha Higashi Post Office

Introduction of power optimization services using large-scale batteries

- In November 2023, Japan Post Holdings, Japan Post Co., and PowerX Inc. concluded an agreement on cooperation to promote carbon neutrality.
- We aim to contribute to Japan’s carbon neutrality through initiatives such as the following:
 - Introduction of power optimization services using large-scale batteries at post offices
 - Promotion of the use of renewable energy at post offices
- In October 2024, we introduced power optimization services using large-scale batteries at post offices at Okayama Post Office (Soja City, Okayama Prefecture). By cutting peak power consumption and shifting the timing of consumption, this will reduce greenhouse gas emissions and power costs.



Large-scale batteries at Okayama Post Office

Investment for Growth

- We will formulate a detailed investment plan by adding “investment for increased capacity in our logistics business” and “investment in human resources” to investment for growth of the Group.
(When investing in new businesses, etc., we conduct disciplined investments based on appropriate risk-taking and risk control.)

Amounts of investment in the two years to FY2025

Amounts of investment in the two years to FY2025					Amounts of investment (approx.)
Investment for increased capacity in our logistics business	Prepare foundations for logistics bases Approx. 25.0 billion yen	Operation reforms, etc. (introduce sorting machine, etc.) Approx. 15.0 billion yen			Total 40.0 billion yen
* The amounts of investment for increased capacity in our logistics business exclude the amount of Strategic IT investment.					
Real estate investment	Rental business Approx. 100.0 billion yen	<div>Group-owned real estate Approx. 30.0 billion yen Non-Group-owned real estate Approx. 70.0 billion yen</div>	Built-for-sale business Approx. 10.0 billion yen	<div>Group-owned real estate Approx. 10.0 billion yen</div>	Total 110.0 billion yen
Investment in human resources	Strengthen human resource development seminars (including re-skilling)	Initiative to promote diversity	Initiative to secure human resources, etc.		Total 35.0 billion yen
* The amounts of investment in human resources recorded consist of expenses related to various HR initiatives.					
Strategic IT investment	Postal and domestic logistics business (P-DX promotion, etc.) Approx. 30.0 billion yen	Banking business and Life insurance business (Digital service enhancement, etc.) Approx. 125.0 billion yen	Improve UX by promoting DX, etc. (Introduce business-use tablet PCs, etc.) Approx. 60.0 billion yen		Total 215.0 billion yen
* The amounts of strategic IT investment include related expenses in addition to the investment component of financial accounting.					
					Grand total 400.0 billion yen*
* We extracted those related to principal measures particularly conducive to growth for the Group and streamlining of operations.					

[Reference] Transition of Significant Management Indicators (for five years)

		FY2019	FY2020	FY2021	FY2022	FY2023
● Transition of Significant Management Indicators (Consolidated)						
Total Income	(Millions of Yen)	11,950,185	11,720,403	11,264,774	11,138,570	11,982,152
Income before income taxes	(Millions of Yen)	864,457	914,164	991,464	657,663	668,316
Net income attributable to Japan Post Holdings	(Millions of Yen)	483,733	418,238	501,685	431,045	268,685
Net assets	(Millions of Yen)	12,616,774	16,071,067	14,688,981	15,096,168	15,738,530
Total assets	(Millions of Yen)	286,098,449	297,738,131	303,846,980	296,093,652	298,689,150
ROE (based on net assets)	(%)	4.0	3.4	3.8	3.9	2.6
ROE (based on shareholders' equity)	(%)	4.5	3.9	4.7	4.4	3.0
PBR	(times)	0.31	0.29	0.27	0.37	0.48
Employees	(Numbers)	245,472	243,612	232,112	227,369	221,387
[Average number of temporary employees]		[154,529]	[147,163]	[144,935]	[142,436]	[136,219]

● Shareholder return of Japan Post Holdings

Dividend per year	(Yen)	50	50	50	50	50
Share repurchase	(Millions of Yen)	0	0	350,000	200,000	300,000
Dividend payout ratio	(%)	41.8	48.3	37.9	41.4	62.3
Total dividend ratio	(%)	41.8	48.3	106.3	86.5	172.3

● Transition of Significant Management Indicators of Main Subsidiary Companies

Japan Post (ROE (based on net assets))	(%)	10.0	6.3	10.7	7.2	0.9
Japan Post Bank (ROE(based on net assets))	(%)	2.7	2.8	3.3	3.3	3.6
Japan Post Insurance (ROE(based on net assets))	(%)	7.4	7.0	6.0	4.1	3.0

For inquiries about this document, please contact:
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Therefore, please be aware that actual results may vary depending upon various factors, such as the impact of geopolitical risks, economic conditions and trends, and changes in laws and regulations.

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