Teleconference of the Financial Results for the Three Months Ended June 30, 2026

Summary of Q&A

(August 7, 2026)

Q I would like to ask about Japan Post's progress compared to the plan by business for the first quarter.

A Both revenue and profit in the postal and domestic logistics business are exceeding the plan. Although the volume of mail was lower than expected, revenue also exceeded the plan because Yu-Pack and Yu-Packet exceeded the plan.
Revenue in the post office business is generally in line with the plan. Due to some expenses being deferred to a later period, profit for the first quarter was higher than planned, but the final annual results are expected to be within expectations.
In the international logistics business, both the logistics and forwarding businesses saw an increase in handling volume, resulting in revenue and profit exceeding the plan. The real estate business is also exceeding the plan.

Q I have heard that the increase in the basic shipping fee for Yu-Pack and Yu-Packet averages around 10%, but what impact will this have on revenue for the second half of the year and for the entire year? Also, has this fee increase been factored into the plan?

A It has been factored into the annual plan. In terms of revenue, the profitability improvement plan announced on May 15 states that we expect to increase parcel income by ¥13.4 billion this fiscal year, and this factors in the effects of the fee increase.

Q I have a question regarding the progress of the Yu-Pack fee increase. Although unit prices appear to be declining, partly due to the mix effect, have unit prices actually increased when looking at the data by size and mailing category? Could you please provide information about the unit price situation by size?

A In the first quarter, unit prices fell considerably due to the mix effect, driven by an increase in small parcels sent by local governments via Yu-Pack and an increase in relatively small cross-border e-commerce parcels. Regarding the fee increase, there will be a basic shipping fee revision in October, and after that, we will proceed with negotiations on bilateral contract unit prices.

Q Looking solely at cross-border e-commerce, is it fair to say that unit prices have been increased? I assume that size has an impact, but excluding the mix effect, have fees been raised on average for parcels of the same size? Or does it only appear that average unit prices have declined because the sizes have gotten smaller?

A While individual data is unavailable, we have been negotiating fee increases with customers as appropriate since revising fees in 2023. We have not lowered fees. Rather, we believe that unit prices have decreased due to the mix effect.

Q I have a question about page 8 of the summary of consolidated financial results. The “Other business” category, which is not included in the reportable segments, is quite large. What is the reason behind this? This may only apply to the first quarter, but it is larger than last year.

A “Other business” includes all profits from subsidiaries and Japan Post Holdings not included in the reportable segments. The amount is particularly large because it includes dividends received by Japan Post Holdings from its subsidiaries and gains from the sale of Aflac shares.

Q Dividends from subsidiaries and affiliates are increasing. What is the reason behind this?

A The dividend income received by Japan Post Holdings on a non-consolidated basis for the current fiscal year increased by ¥33.5 billion to ¥152.3 billion, due to an increase in dividends at Japan Post Bank. The increase is also due to the inclusion of dividends from Japan Post, which were not present last year.

Q To what extent, and over what timeframe, will the revised Postal Service Privatization Act and Postal Act affect your company’s profit and loss statement?

A The impact is still unclear.

Q In the Medium-term Management Plan, you presented the net income target as a range. Given the legal revisions, can we now disregard the lower-end scenario?

A Regarding postal charge revisions, while the Postal Act itself has been amended, the postal charge revisions require approval, and since approval has not yet been granted, we would like to continue presenting our target as a range at this time.