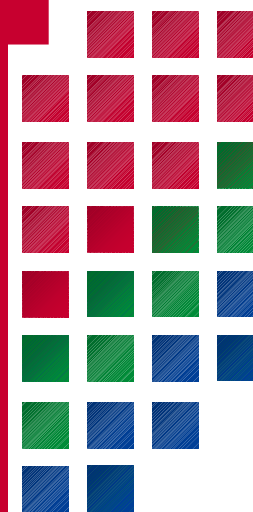


**Financial Highlights
for the Fiscal Year Ended March 31, 2023**

May 15, 2023



Japan Post Holdings: Financial Highlights

■ Results of Operations for the Fiscal Year Ended March 31, 2023

(Billions of yen)

| | Japan Post Holdings (Consolidated) | Subsidiaries | | |
|---|---------------------------------------|----------------------------------|-----------------------------------|--|
| | | Japan Post Co. (Consolidated) | Japan Post Bank (Consolidated) | Japan Post Insurance (Consolidated) |
| Ordinary income | 11,138.5 | 3,461.2 | 2,064.2 | 6,379.5 |
| Year-on-year (for the fiscal year ended March 31, 2022) | (126.1) | (201.7) | + 86.6 | (74.6) |
| Change | (1.1)% | (5.5)% | + 4.3% | (1.2)% |
| Net ordinary income | 657.4 | 79.4 | 455.5 | 117.5 |
| Year-on-year (for the fiscal year ended March 31, 2022) | (333.9) | (64.0) | (35.3) | (238.5) |
| Change | (33.7)% | (44.6)% | (7.1)% | (67.0)% |
| Net income | 431.0 | 62.1 | 325.0 | 97.6 |
| Year-on-year (for the fiscal year ended March 31, 2022) | (70.6) | (31.1) | (30.0) | (60.4) |
| Change | (14.1)% | (33.4)% | (8.4)% | (38.2)% |

■ Forecast for the Fiscal Year Ended March 31, 2023

| | | | | |
|----------------------------|-----------------|----------|----------|----------|
| Net ordinary income | 700.0 | 95.0 | 445.0 | 110.0 |
| [percentage achievement] | [93.9%] | [83.7%] | [102.3%] | [106.9%] |
| Net income | 400.0 | 60.0 | 320.0 | 97.0 |
| [percentage achievement] | [107.8%] | [103.5%] | [101.5%] | [100.6%] |

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 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.

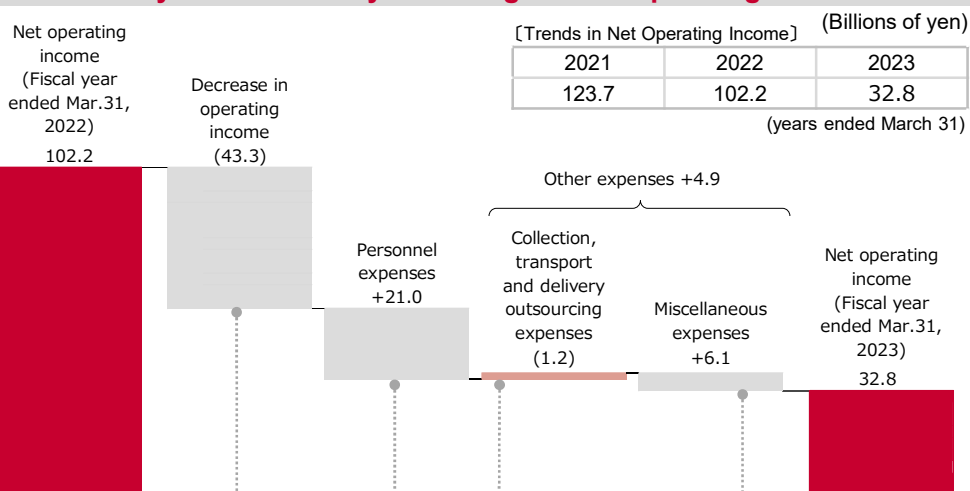
3. The amounts of net income attributable to Japan Post Holdings, net income attributable to Japan Post Co., net income attributable to Japan Post Bank and net income attributable to Japan Post Insurance have been used for net income of Japan Post Holdings (consolidated), Japan Post Co. (consolidated),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

4. The forecast for the fiscal year ended March 31, 2023 of Japan Post Insurance (consolidated) refers to the revised forecast announced in April 2023.

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

- The volume of items handled decreased by 3.4% in total year-on-year. Mail decreased by 2.8% and Yu-Mail decreased by 7.0%. Yu-Pack ^(Note1) decreased by 0.8% year-on-year (including an increase of 1.4% in Yu-Packet), due mainly to the severe competitive environment.
- Operating income decreased by ¥43.3 billion year-on-year (a decrease of 2.1% year-on-year) due partly to a decrease in income from New Year's postcards, in addition to a decrease in income from parcels.
- Net operating income decreased by ¥69.3 billion year-on-year (a decrease of 67.9% year-on-year), with an increase in operating expenses of ¥26.0 billion year-on-year (an increase of 1.3% year-on-year) due to the impact of special one-off payments, in addition to an increase in utilities expenses and expenses for new subsidiaries, ^(Note 2) despite continued cost control initiatives and other measures.

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



| | |
|--|--------|
| Parcels (Yu-Pack ^(note1) and Yu-Mail) | (27.2) |
| Sales revenue of Postage Stamps and Postcards | (16.7) |
| New Year's postcards | (12.1) |
| Optional services | + 11.1 |
| Revenue from new subsidiaries ^(note2) | + 8.1 |

| | |
|--|-------|
| Domestic collection, Delivery outsourcing expenses | (2.4) |
| International mails delivery expenses | + 1.2 |

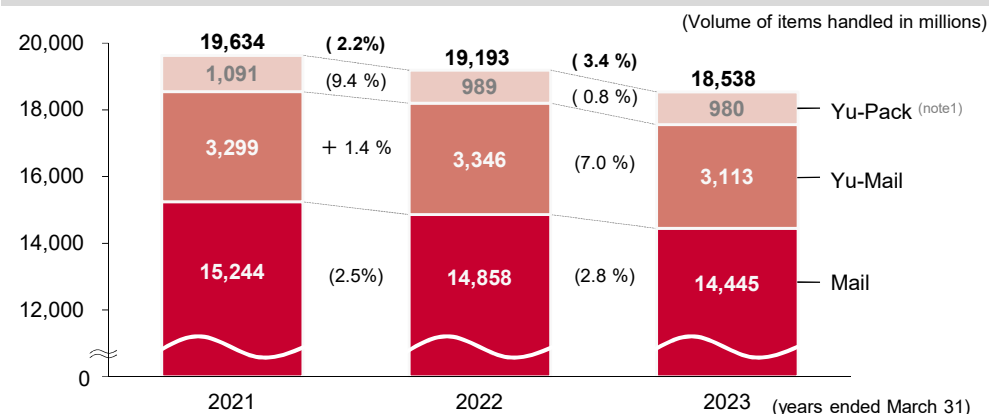
| | |
|-------------------------------|--------|
| Salaries and allowances, etc. | + 16.5 |
| Retirement benefit expenses | + 2.2 |
| Legal welfare expenses | + 2.2 |

| | |
|--------------------------------|-------|
| Utilities expenses | + 6.1 |
| Mechanization related expenses | + 5.0 |
| Depreciation and amortization | (4.8) |

Notes: 1. Yu-Pack includes Yu-Packet.

2. Operating income and operating expenses from new subsidiaries included in the scope of consolidation from the three months ended September 30, 2021.

Trends in Volume of Items Handled



Results of Operations for the Fiscal Year Ended March 31, 2023

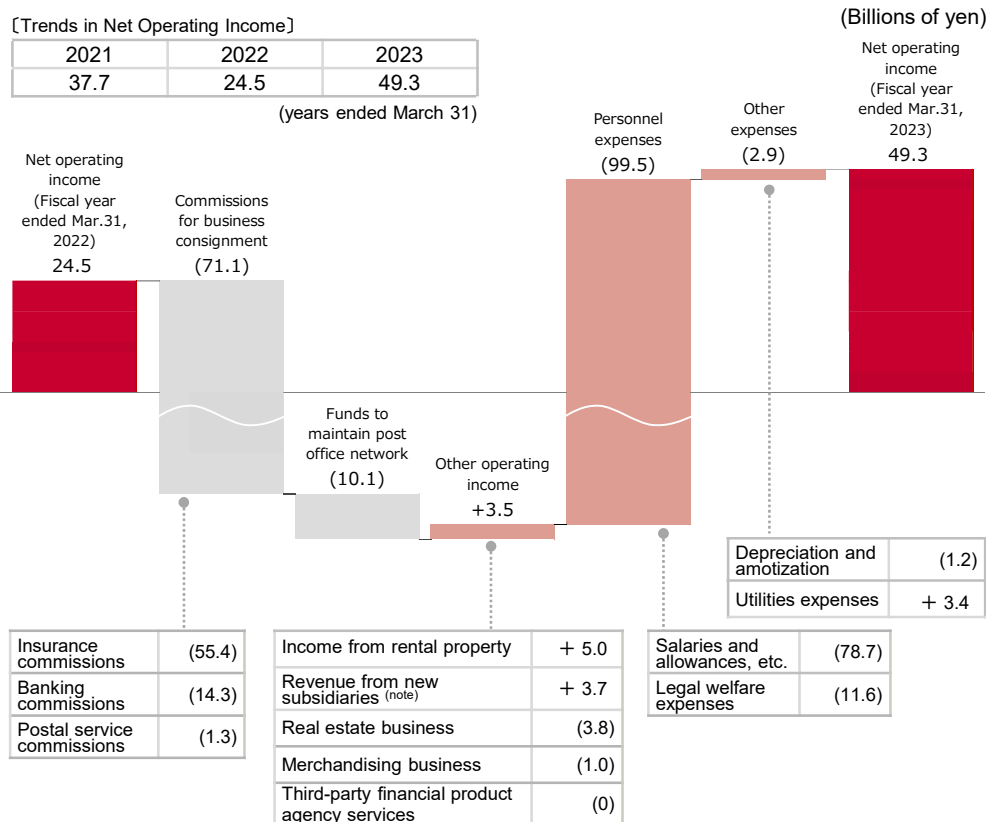
(Billions of yen)

| | For the fiscal year ended Mar. 31, 2023 | For the fiscal year ended Mar. 31, 2022 | Year-on-year change |
|----------------------|---|---|---------------------|
| Operating income | 1,997.8 | 2,041.2 | (43.3) |
| Operating expenses | 1,964.9 | 1,938.9 | + 26.0 |
| Personnel expenses | 1,242.3 | 1,221.2 | + 21.0 |
| Other expenses | 722.6 | 717.6 | + 4.9 |
| Net operating income | 32.8 | 102.2 | (69.3) |

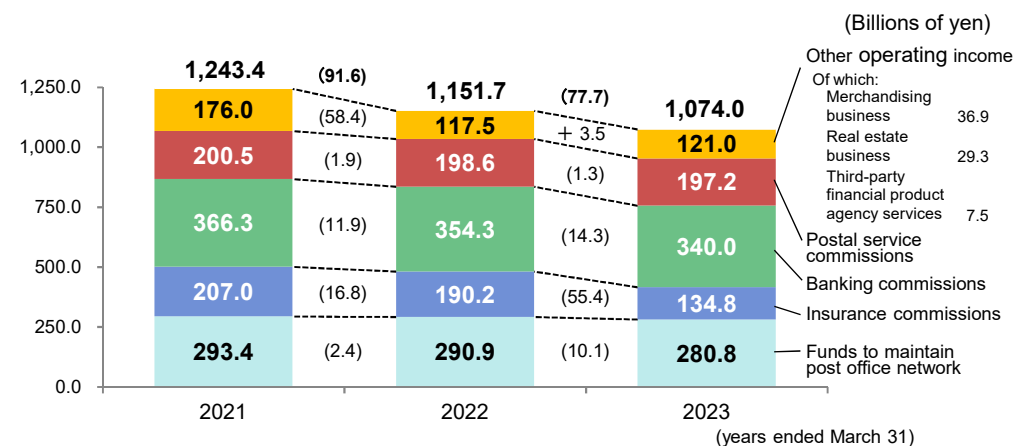
Japan Post Co. (Consolidated) [Post Office Business]: Financial Results

- Operating income decreased by ¥77.7 billion year-on-year (a decrease of 6.8% year-on-year), with a continuing decrease in insurance commissions and banking commissions.
- Net operating income increased by ¥24.7 billion year-on-year (an increase of 100.7% year-on-year), as operating expenses fell by ¥102.4 billion year-on-year (a decrease of 9.1% year-on-year), primarily as a result of a significant decrease in personnel expenses associated with the transition to the Japan Post Insurance's new sales system from April 2022.

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



Trends in the Earnings Structure



Results of Operations for the Fiscal Year Ended March 31, 2023

(Billions of yen)

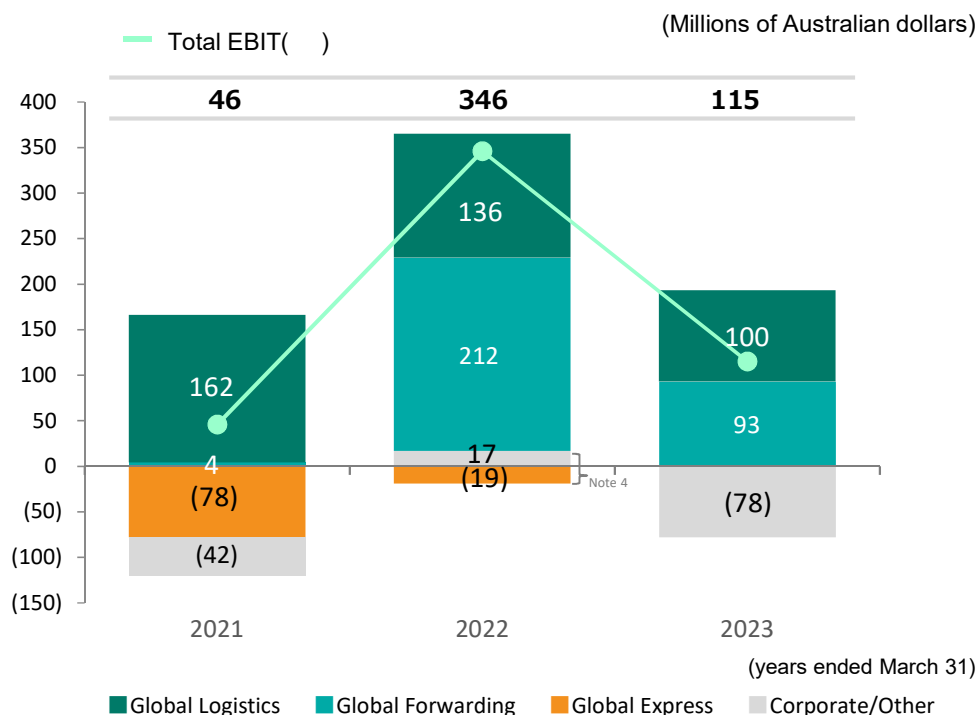
| | For the fiscal year ended Mar. 31, 2023 | For the fiscal year ended Mar. 31, 2022 | Year-on-year change |
|----------------------|---|---|---------------------|
| Operating income | 1,074.0 | 1,151.7 | (77.7) |
| Operating expenses | 1,024.7 | 1,127.2 | (102.4) |
| Personnel expenses | 733.5 | 833.0 | (99.5) |
| Other expenses | 291.2 | 294.1 | (2.9) |
| Net operating income | 49.3 | 24.5 | + 24.7 |

Note: Revenue from new subsidiaries included in the scope of consolidation from the three months ended September 30, 2021.

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

- Operating income decreased by A\$1,809 million year-on-year (a decrease of 21.9% year-on-year), partly due to a fall in cargo rates in the Global Forwarding business, in addition to the impact of a reduction in income associated with the transfer of the Global Express business in August 2021.
- Operating expenses also decreased by A\$1,578 million year-on-year (a decrease of 19.9% year-on-year) due to the reduction in expenses related to the Global Express business, but this was not enough to offset the decline in operating income, and net operating income (EBIT) fell by A\$230 million year-on-year (a decrease of 66.6% year-on-year).

Trends in Net Operating Income (EBIT)



Results of Operations for the Fiscal Year Ended March 31, 2023

(Millions of Australian dollars)
(Billions of yen)

| | For the fiscal year ended Mar. 31, 2023 | For the fiscal year ended Mar. 31, 2022 | Year-on-year change |
|------------------------------------|---|---|---------------------|
| Operating income (revenue) | 6,469 [599.4] | 8,279 [687.5] | (1,809) [(88.0)] |
| Operating expenses | 6,353 [588.7] | 7,932 [658.7] | (1,578) [(69.9)] |
| Personnel expenses | 1,631 [151.1] | 1,970 [163.6] | (339) [(12.4)] |
| Other expenses | 4,722 [437.5] | 5,961 [495.0] | (1,239) [(57.5)] |
| Net operating income (EBIT) | 115 [10.7] | 346 [28.7] | (230) [(18.0)] |

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 the fiscal year ended March 31, 2023 and the fiscal year ended March 31, 2022 in the above graph have been reclassified due to a partial reclassification of businesses between segments for each fiscal year (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, 2023: ¥92.66 to A\$1.00 and for the fiscal year ended March 31, 2022: ¥83.04 to A\$1.00).

4. Depreciation and amortization that have been suspended based on IFRS are recorded in operating income (EBIT) for the Global Express business for the fiscal year ended March 31, 2022 (the effect of this is offset through Corporate/Other).

Japan Post Co. (Consolidated): Financial Highlights

- Operating income decreased by ¥205.3 billion year-on-year (a decrease of 5.6% year-on-year, including an increase of ¥72.7 billion attributable to the effect of exchange rate fluctuations).
- Net operating income decreased by ¥64.4 billion year-on-year (a decrease of 43.5% year-on-year) to ¥83.7 billion, due to decreases in net operating income in the postal and domestic logistics business and the international logistics business, despite an increase in net operating income in the post office business. Net ordinary income decreased by ¥64.0 billion year-on-year (a decrease of 44.6% year-on-year) to ¥79.4 billion.
- Net income also decreased by ¥31.1 billion year-on-year (a decrease of 33.4% year-on-year) to ¥62.1 billion, despite a decrease in extraordinary losses associated with the transfer of Toll's Global Express business.

Analysis of Year-on-year Change in Net Income

(Billions of yen)

| [Trends in Net Operating Income] | | | [Trends in Net Income] | | |
|----------------------------------|-------|------|------------------------|------|------|
| 2021 | 2022 | 2023 | 2021 | 2022 | 2023 |
| 155.0 | 148.2 | 83.7 | 53.4 | 93.2 | 62.1 |

(years ended March 31)



Results of Operations for the Fiscal Year Ended March 31, 2023

(Billions of yen)

| | For the fiscal year ended Mar. 31, 2023 | For the fiscal year ended Mar. 31, 2022 | Year-on-year change |
|------------------------------|---|---|---------------------|
| Operating income | 3,451.5 | 3,656.9 | (205.3) |
| Operating expenses | 3,367.7 | 3,508.6 | (140.9) |
| Personnel expenses | 2,126.8 | 2,217.8 | (91.0) |
| Other expenses | 1,240.8 | 1,290.7 | (49.8) |
| Net operating income | 83.7 | 148.2 | (64.4) |
| Net ordinary income | 79.4 | 143.5 | (64.0) |
| Extraordinary gains (losses) | 7.4 | (7.8) | + 15.2 |
| Income before income taxes | 86.9 | 135.7 | (48.7) |
| Net income | 62.1 | 93.2 | (31.1) |

Japan Post Bank (Consolidated): Financial Highlights

Consolidated Results of Operations for the Fiscal Year Ended March 31, 2023

(Billions of yen)

| | For the fiscal year ended | | Year-on-year change |
|--|---------------------------|---------------|---------------------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| Consolidated gross operating profit | 1,056.3 | 1,292.0 | (235.6) |
| Net interest income | 796.3 | 1,147.4 | (351.1) |
| Net fees and commissions | 147.8 | 128.4 | + 19.3 |
| Net other operating income | 112.1 | 16.0 | + 96.0 |
| Gains (losses) on foreign exchanges | 200.0 | 79.0 | + 120.9 |
| Gains (losses) on Japanese government bonds, etc. | (88.0) | (63.2) | (24.8) |
| General and administrative expenses <small>(excludes non-recurring losses)</small> | 926.3 | 983.2 | (56.9) |
| Provision for general reserve for possible loan losses | - | 0.0 | (0.0) |
| Consolidated net operating profit | 130.0 | 308.7 | (178.7) |
| Non-recurring gains (losses) | 325.5 | 182.1 | + 143.4 |
| Net ordinary income | 455.5 | 490.8 | (35.3) |
| Net income | 325.0 | 355.0 | (30.0) |

Overview

- Consolidated gross operating profit
Net interest income decreased by ¥351.1 billion year-on-year, primarily due to an increase in foreign currency funding costs associated with rising overseas interest rates.
Net fees and commissions increased by ¥19.3 billion year-on-year.
Net other operating income increased by ¥96.0 billion year-on-year, due mainly to an increase in gains (losses) on foreign exchanges.
- General and administrative expenses
Decreased by ¥56.9 billion year-on-year, due mainly to lower commissions paid to Japan Post Co. and deposit insurance premiums.
- Non-recurring gains (losses)
Increased by ¥143.4 billion year-on-year, due mainly to an expansion in private equity funds and real estate funds.

(Reference (Note)) (%)

| | As of | | Change |
|---|---------------|---------------|--------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| ROE <small>(Shareholders' equity basis)</small> | 3.44 | 3.80 | (0.36) |
| OHR <small>(Including net gains and losses on money held in trust, etc.)</small> | 67.15 | 67.52 | (0.37) |

Note: Based on the calculation method used for financial targets under 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, 2023 | Mar. 31, 2022 | |
| Net interest income | 276.1 | 402.2 | (126.0) |
| Interest income | 307.7 | 446.7 | (138.9) |
| Interest income on Japanese government bonds | 235.4 | 304.1 | (68.6) |
| Interest expenses | 31.6 | 44.4 | (12.8) |

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, 2023 | Mar. 31, 2022 | |
| Net interest income | 508.9 | 745.2 | (236.3) |
| Interest income | 925.6 | 991.6 | (65.9) |
| Interest income on foreign securities | 917.6 | 991.2 | (73.5) |
| Interest expenses | 416.7 | 246.3 | + 170.3 |

Total (Billions of yen)

| | For the fiscal year ended | | Year-on-year change |
|---------------------|---------------------------|---------------|---------------------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| Net interest income | 785.1 | 1,147.5 | (362.3) |
| Interest income | 1,232.4 | 1,369.7 | (137.3) |
| Interest expenses | 447.2 | 222.2 | + 225.0 |

Note: 1. Interest associated with the loan of funds between "domestic" and "overseas" (¥1.0 billion and ¥68.6 billion for the fiscal years ended March 31, 2023 and 2022, respectively) are included in domestic interest income and overseas interest expenses. Interest from this loan of funds has been offset in "total." The method used to calculate interest associated with this loan of funds has been revised from the fiscal year ended March 31, 2023.

Net Fees and Commissions

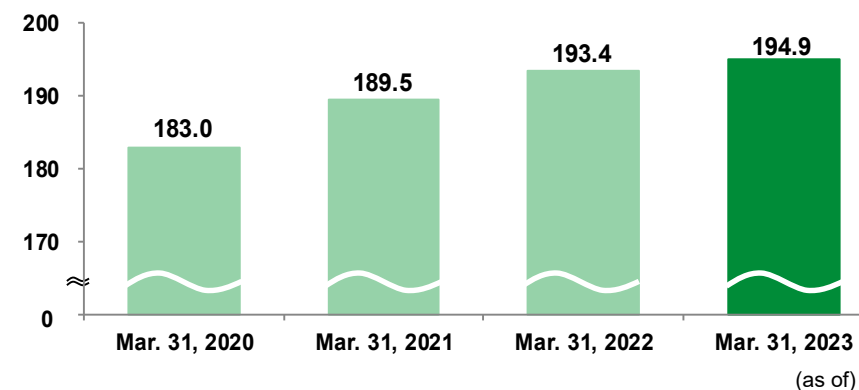
(Billions of yen)

| | For the fiscal year ended | | Year-on-year change |
|--------------------------------------|---------------------------|---------------|---------------------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| Net fees and commissions relating to | 146.3 | 127.4 | + 18.9 |
| Exchange and settlement transactions | 91.1 | 83.7 | + 7.3 |
| ATMs | 32.8 | 22.7 | + 10.1 |
| Investment trusts (Note 2) | 11.8 | 13.6 | (1.7) |
| Others | 10.4 | 7.2 | + 3.2 |

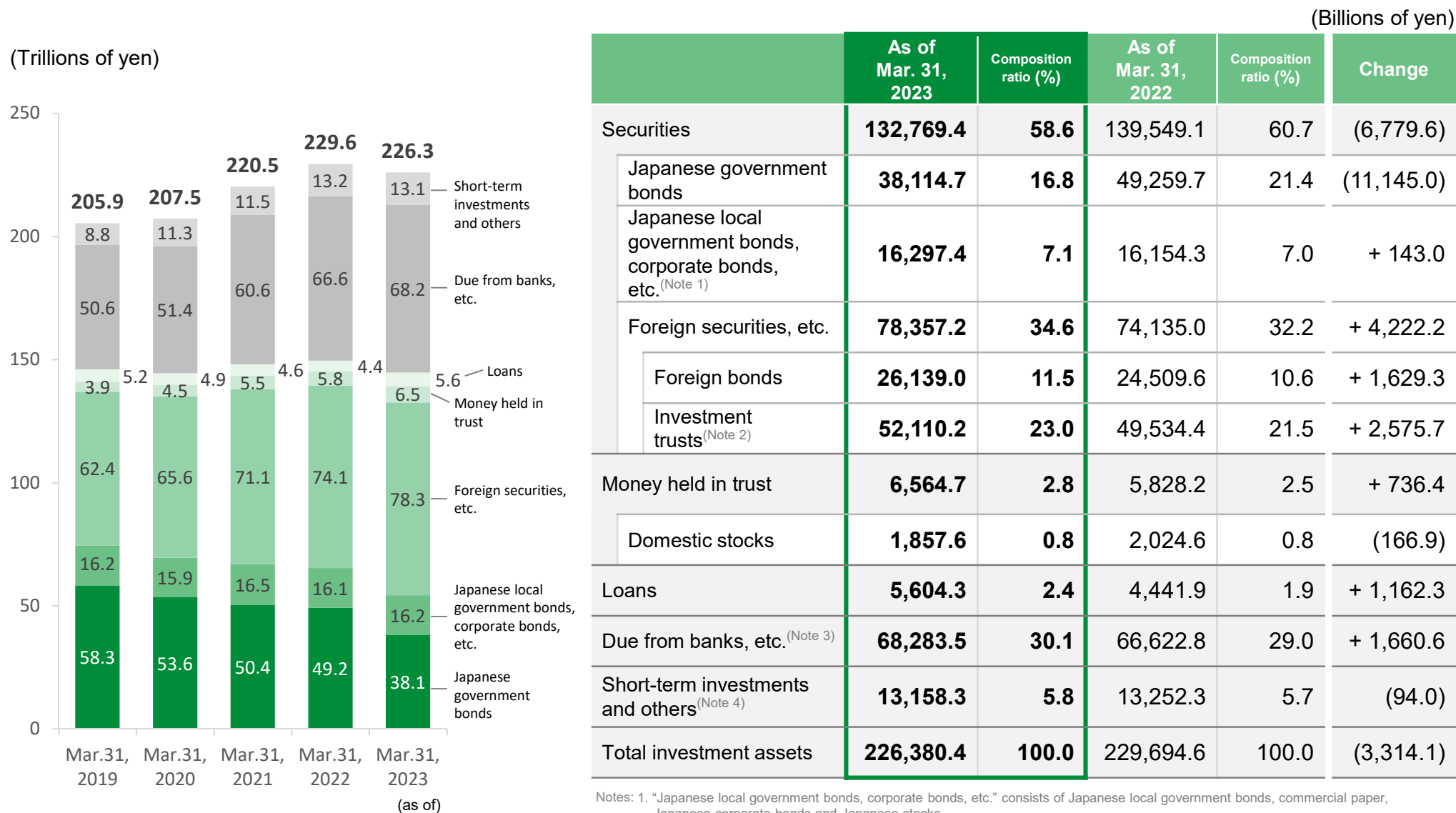
Note:2. Includes Yucho Fund Wrap (discretionary investment service).

Deposit Balance

(Trillions of yen)



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



Notes: 1. "Japanese local government bonds, corporate bonds, etc." consists of Japanese local government bonds, commercial paper, Japanese corporate bonds and Japanese stocks.

2. The major investment target in "Investment trusts" is foreign bonds, including private equity funds, etc.

3. "Due from banks, etc." consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.

4. "Short-term investments and others" consists of call loans and receivables under resale agreements, etc.

Japan Post Insurance (Consolidated): Financial Highlights

Results of Operations for the Fiscal Year Ended March 31, 2023

(Billions of yen)

| | For the fiscal year ended | | Year-on-year change |
|--|---------------------------|---------------|---------------------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| Ordinary income | 6,379.5 | 6,454.2 | (74.6) |
| Ordinary expenses | 6,261.9 | 6,098.0 | + 163.8 |
| Ordinary profit | 117.5 | 356.1 | (238.5) |
| Extraordinary gains (losses) | 82.3 | (62.4) | + 144.7 |
| Reversal of reserve for price fluctuations ^(Note 1) | 82.6 | (67.7) | + 150.4 |
| Provision for reserve for policyholder dividends | 62.0 | 73.1 | (11.0) |
| Net income | 97.6 | 158.0 | (60.4) |
| Annualized premiums from new policies (individual insurance) | 65.8 | 46.1 | + 19.7 |

| | As of | | Change |
|---|----------------|---------------|---------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| Annualized premiums from policies in force (individual insurance) ^(Note 2) | 3,217.6 | 3,538.9 | (321.2) |

Notes: 1. Positive figures indicate net reversals and negative figures (in parentheses) indicate net provisions.

2. 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.

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) decreased by ¥238.5 billion year-on-year to ¥117.5 billion due to an increase in insurance payments associated with COVID-19 and a deterioration in net capital gains (losses) resulting mainly from an increase in loss on sale of securities.
- Although these were neutralized through the contingency reserve and reserve for price fluctuations, net income decreased by ¥60.4 billion year-on-year to ¥97.6 billion, mainly due to the impact of fewer policies in force.
- Annualized premiums from new policies increased compared with the same period of the previous fiscal year for both individual insurance and medical care.^(Note 3)
- Annualized premiums from policies in force decreased compared with the end of the previous fiscal year for both individual insurance and medical care.^(Notes 2 and 3)

(Reference) Ordinary profit (Non-consolidated)

(Billions of yen)

| | For the fiscal year ended | | Year-on-year change |
|--|---------------------------|---------------|---------------------|
| | Mar. 31, 2023 | Mar. 31, 2022 | |
| Core profit ^(Note 4) | 192.3 | 429.7 | (237.4) |
| Net capital gains (losses) ^(Note 4) | (63.8) | 5.6 | (69.4) |
| Non-recurring gains (losses) | (10.8) | (79.6) | + 68.7 |
| Ordinary profit | 117.6 | 355.7 | (238.1) |

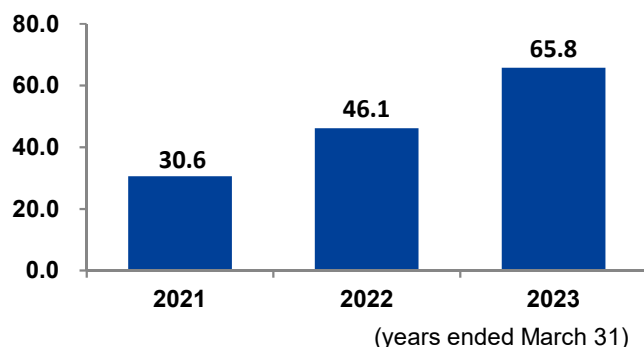
Notes: 4. The methods used to calculate core profit and net capital gains (losses) were partially changed from the three months ended June 30, 2022. These changes have also been applied in the calculation of figures for the fiscal year ended March 31, 2022.

Japan Post Insurance (Consolidated): Status of Insurance Policies

New Policies

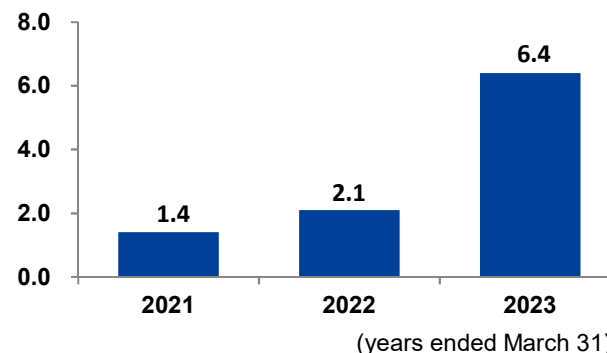
Annualized Premiums from New Policies (Individual Insurance)

(Billions of yen)



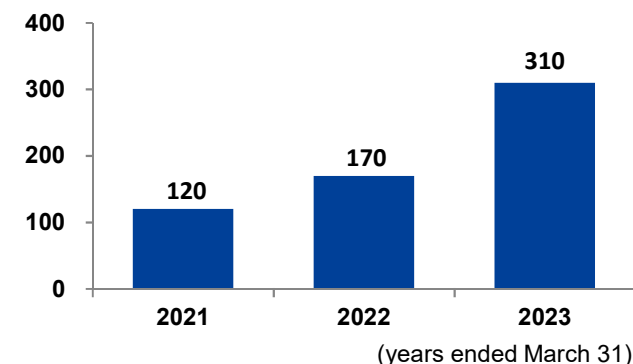
Annualized Premiums from New Policies (Medical Care)

(Billions of yen)



Number of New Policies (Individual Insurance)

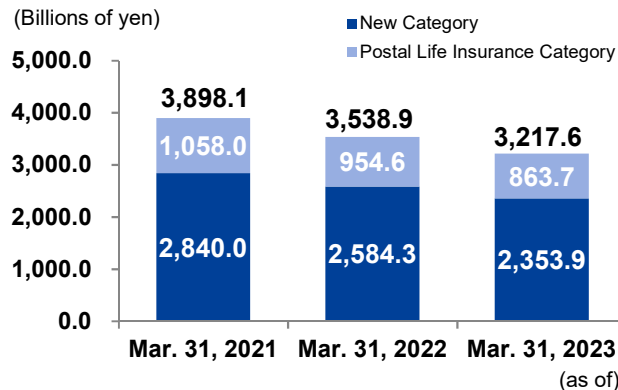
(Policies in thousands)



Policies in Force

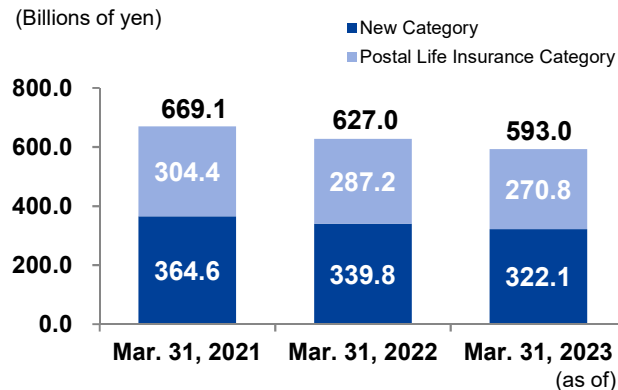
Annualized Premiums from Policies in Force (Individual Insurance)

(Billions of yen)



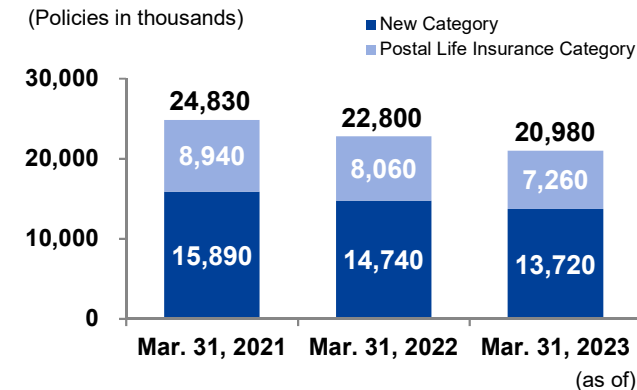
Annualized Premiums from Policies in Force (Medical Care)

(Billions of yen)



Number of Policies in Force (Individual Insurance)

(Policies in thousands)



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

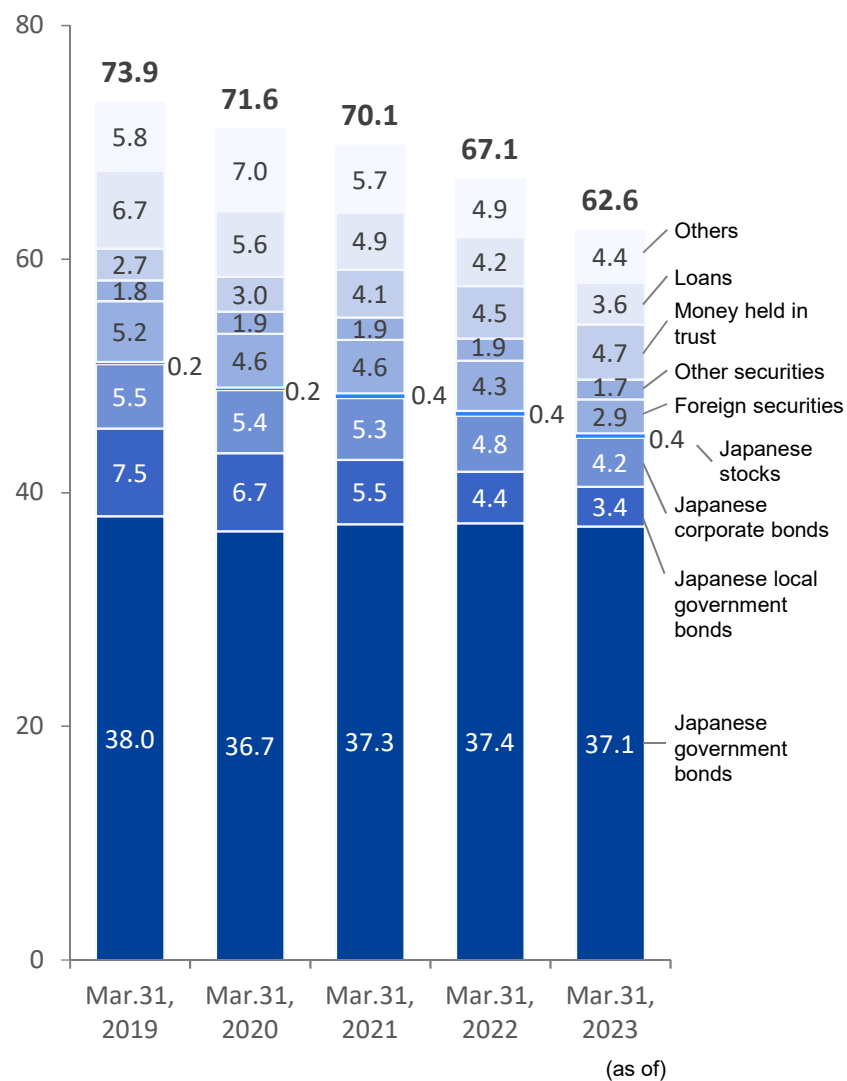
2. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium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

(Trillions of yen)



(Billions of yen)

| | As of Mar. 31, 2023 | Composition ratio (%) | As of Mar. 31, 2022 | Composition ratio (%) | Change |
|---------------------------------|---------------------|-----------------------|---------------------|-----------------------|-----------|
| Securities | 49,841.4 | 79.5 | 53,417.5 | 79.5 | (3,576.0) |
| Japanese government bonds | 37,114.6 | 59.2 | 37,408.9 | 55.7 | (294.3) |
| Japanese local government bonds | 3,400.1 | 5.4 | 4,472.4 | 6.7 | (1,072.3) |
| Japanese corporate bonds | 4,228.9 | 6.7 | 4,866.5 | 7.2 | (637.5) |
| Japanese stocks | 409.1 | 0.7 | 424.5 | 0.6 | (15.4) |
| Foreign securities | 2,949.2 | 4.7 | 4,332.5 | 6.4 | (1,383.2) |
| Other securities | 1,739.4 | 2.8 | 1,912.5 | 2.8 | (173.1) |
| Money held in trust | 4,772.3 | 7.6 | 4,521.9 | 6.7 | + 250.4 |
| Domestic stocks | 2,288.0 | 3.6 | 2,279.5 | 3.4 | + 8.4 |
| Loans | 3,605.8 | 5.8 | 4,251.9 | 6.3 | (646.1) |
| Others | 4,467.7 | 7.1 | 4,983.3 | 7.4 | (515.6) |
| Total assets | 62,687.3 | 100.0 | 67,174.7 | 100.0 | (4,487.4) |

Japan Post Holdings: Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024

(Billions of yen)

| | Net ordinary income | | Net income | | Background on the consolidated financial results forecast and key initiatives for the fiscal year ending March 31, 2024 |
|-------------------------------------|---------------------|---------------------|------------|---------------------|---|
| | | Year-on-year change | | Year-on-year change | |
| Japan Post Holdings (Consolidated) | 620.0 | (37.4) | 240.0 | (191.0) | <p>The forecast decrease in net income is mainly due to the decrease in the equity share in Japan Post Bank (from 89% to 60%)</p> <ul style="list-style-type: none"> ■ Japan Post Co. forecasts decreases in net ordinary income and net income, mainly due to a continuing decrease in the volume of mail handled reflecting factors such as the advance of digitalization, as well as an increase in costs due to the impact of rising prices, response to the deterioration of assets due to aging, and investment in growth, among other factors. This is despite the anticipated expansion of income in the parcels field, including Yu-Pack, and a one-off boost to income from the sale of real estate ■ Key initiatives for the fiscal year ending March 31, 2024: <ul style="list-style-type: none"> - Expand income in the parcels field by strengthening collaboration with other companies and logistics solutions - Enhance services for customers and achieve more efficient operations through measures such as promoting digitalization - Revise Yu-Pack charges to ensure stable and high-quality logistics services into the future ■ Japan Post Bank forecasts increases in net ordinary income and net income, mainly due to the expected continuation of the boost to income from the strategic investment field, as well as an increase in gain on sales associated with risk adjustment operations for shares and other assets, and an increase in income from fees and commissions, despite expectations that foreign currency funding costs in market operations will remain high ■ Key initiatives for the fiscal year ending March 31, 2024: <ul style="list-style-type: none"> - Strengthen the retail business and improve productivity through complementarity of physical and digital operations - Establish the foundations of a new corporate business (Σ Business) suited to Japan Post Bank - Portfolio management with a focus on boosting future net interest income while strengthening risk resilience ■ Japan Post Insurance forecasts an increase in net ordinary income, mainly due to an increase in gain on sale of securities, despite the impact of a decrease in policies in force. However, the effect on net income of the increase in gain on sales is neutralized through the reserve for price fluctuations, therefore a decrease in net income is forecast. ■ Key initiatives for the fiscal year ending March 31, 2024: <ul style="list-style-type: none"> - Transform retail sales through the reform of human resources training and management to enable each individual employee to grow - Achieve business model reforms based on the Medium-term Management Plan to improve customer satisfaction and productivity |
| Japan Post Co. (Consolidated) | 15.0 | (64.4) | 7.0 | (55.1) | |
| Japan Post Bank (Consolidated) | 470.0 | 14.4 | 335.0 | 9.9 | |
| Japan Post Insurance (Consolidated) | 140.0 | 22.4 | 72.0 | (25.6) | |

Notes: 1. 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.

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 (approximately 60%) and Japan Post Insurance (approximately 49%), etc.

| | Net operating income | |
|--|----------------------|---------------------|
| | | Year-on-year change |
| Japan Post Co. (Consolidated) | 20.0 | (63.7) |
| Postal and Domestic Logistics Business | (33.0) | (65.8) |
| Post Office Business | 43.0 | (6.3) |
| International Logistics Business | 12.0 | 1.2 |

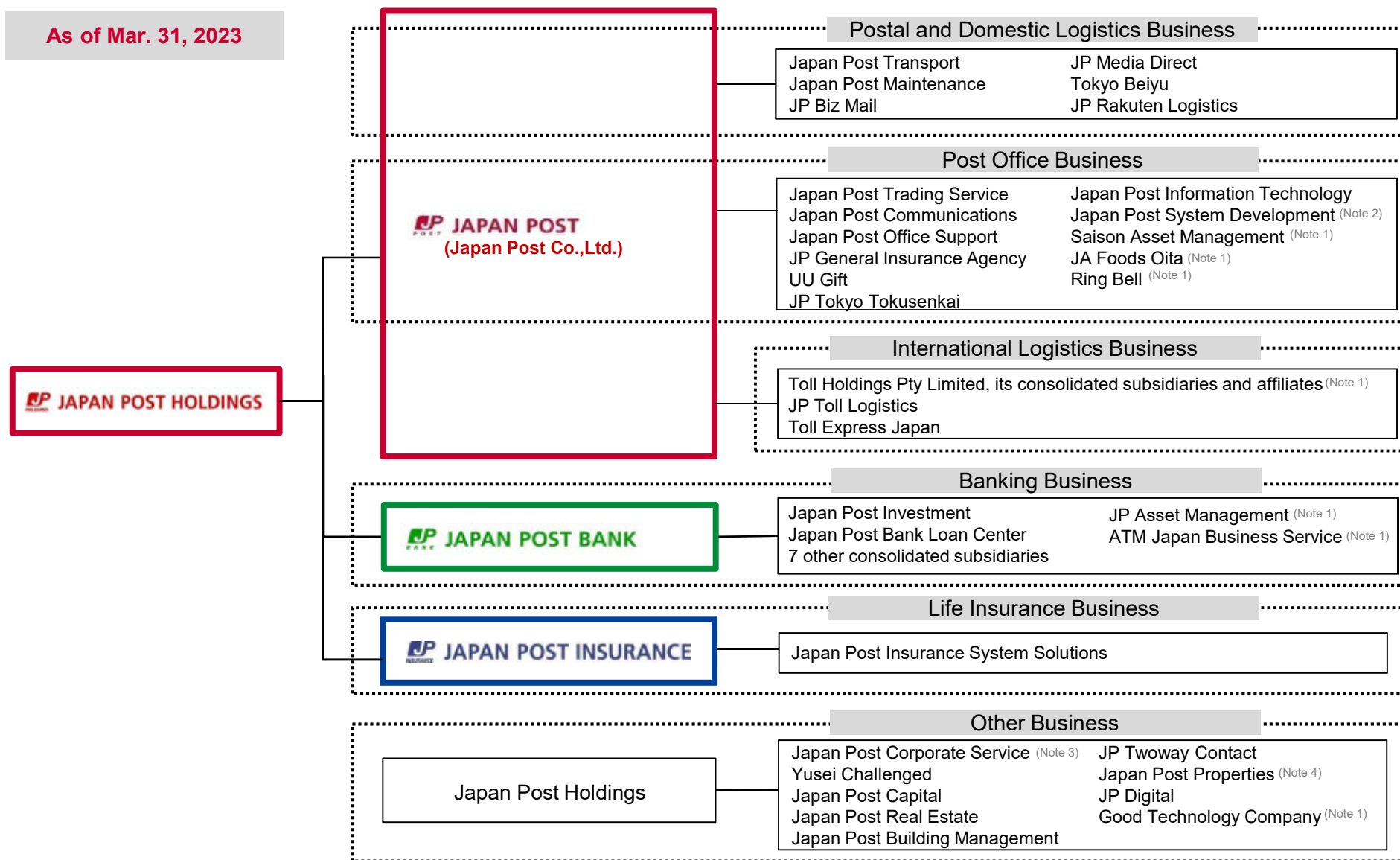
■ Returns to shareholders

| | Dividend per share | | | Share repurchases |
|---|-----------------------|------------------|-------------------|-----------------------------|
| | Dividend payout ratio | Interim dividend | Year-end dividend | |
| For the fiscal year ended March 31, 2023 | 50 Yen* | 41.4% | 0 Yen | 200.0 Billion Yen |
| For the fiscal year ending March 31, 2024 | (Forecast) 50 Yen | 72.1% | 25 Yen | 300.0 Billion Yen (Maximum) |

Note: 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.

[Appendix 1] Japan Post Holdings: Organization Chart

As of Mar. 31, 2023



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

2. The company name was changed from System Trust Laboratory Co., Ltd. on October 1, 2022.

3. The company name was changed from Japan Post Staff Co., Ltd. on June 1, 2022.

4. The company name was changed from Yusen Real Estate Corporation on April 1, 2022.

Summary of Initiatives in the Fiscal Year Ended March 31, 2023

Hiroshima JP Building (construction completed on August 31, 2022)

(Project organizer: Japan Post; Project manager: Japan Post Real Estate)

- Generating prosperity in collaboration with development projects around Hiroshima Station
- One of the largest office buildings in the region, providing a high-quality workplace
- Ensuring a degree of safety, with environmentally-friendly features (Attained CASBEE Hiroshima ^(Note 1) “S” rank certification)



Kuramae JP Terrace (construction completed on March 31, 2023)

(Project organizer: Japan Post Real Estate)

- Large-scale mixed use development comprising a residential building (rental housing, aged care facility) and logistics building
- Environmentally friendly office building with wellness features (Attained “S” rank certification for both CASBEE ^(Note 1) and CASBEE Smart Wellness Office ^(Note 2))
- Idyllic living environment with expansive views and a verdant rooftop garden
- Firmly rooted in the local community, featuring a post office, nursery school and bakery



Note 1: CASBEE (Comprehensive Assessment System for Built Environment Efficiency) is a method for assessing and rating the environmental performance of buildings. Each local government CASBEE reflects the characteristics, policies, and other features of the local region. The results of assessments are classified into five ranks, the highest of which is the “S” rank.

Note 2: CASBEE Smart Wellness Office is a system for assessing initiatives, in addition to CASBEE, for improving the health, comfort, intellectual productivity, etc. of the building’s users.

Financial Results for the Real Estate Business (Approximate)

| | For the fiscal year ended March 31, 2023 | For the fiscal year ended March 31, 2022 | Year-on-year change | Main factors resulting in change |
|--------------------------------|--|--|---------------------|---|
| Operating income | 39.2 | 39.9 | (0.7) | |
| Japan Post Co. | 30.3 | 32.2 | (1.9) | Changes in office tenants |
| Japan Post Real Estate | 5.3 | 4.9 | + 0.4 | |
| Japan Post Building Management | 2.3 | 2.6 | (0.3) | |
| Japan Post Properties | 3.0 | 1.7 | + 1.3 | Results for the fiscal year ended March 31, 2022 were only for six months |
| Net operating income | 1.7 | 8.5 | (6.8) | |

(Billions of yen)

- The figures presented on the left are Group-wide totals representing combined totals for the real estate business of Japan Post Co., Japan Post Real Estate, Japan Post Building Management, and Japan Post Properties, and are not based on the reportable segments classified in accordance with accounting standards for the purpose of disclosing segment and other information.
- The figures presented on the left are estimates for management accounting purposes, and differ from reported financial results.
- Japan Post Properties is included in the scope of consolidation from October 2021.

[Appendix 3] Japan Post Co. (Consolidated): Quarterly Consolidated Statements of Income

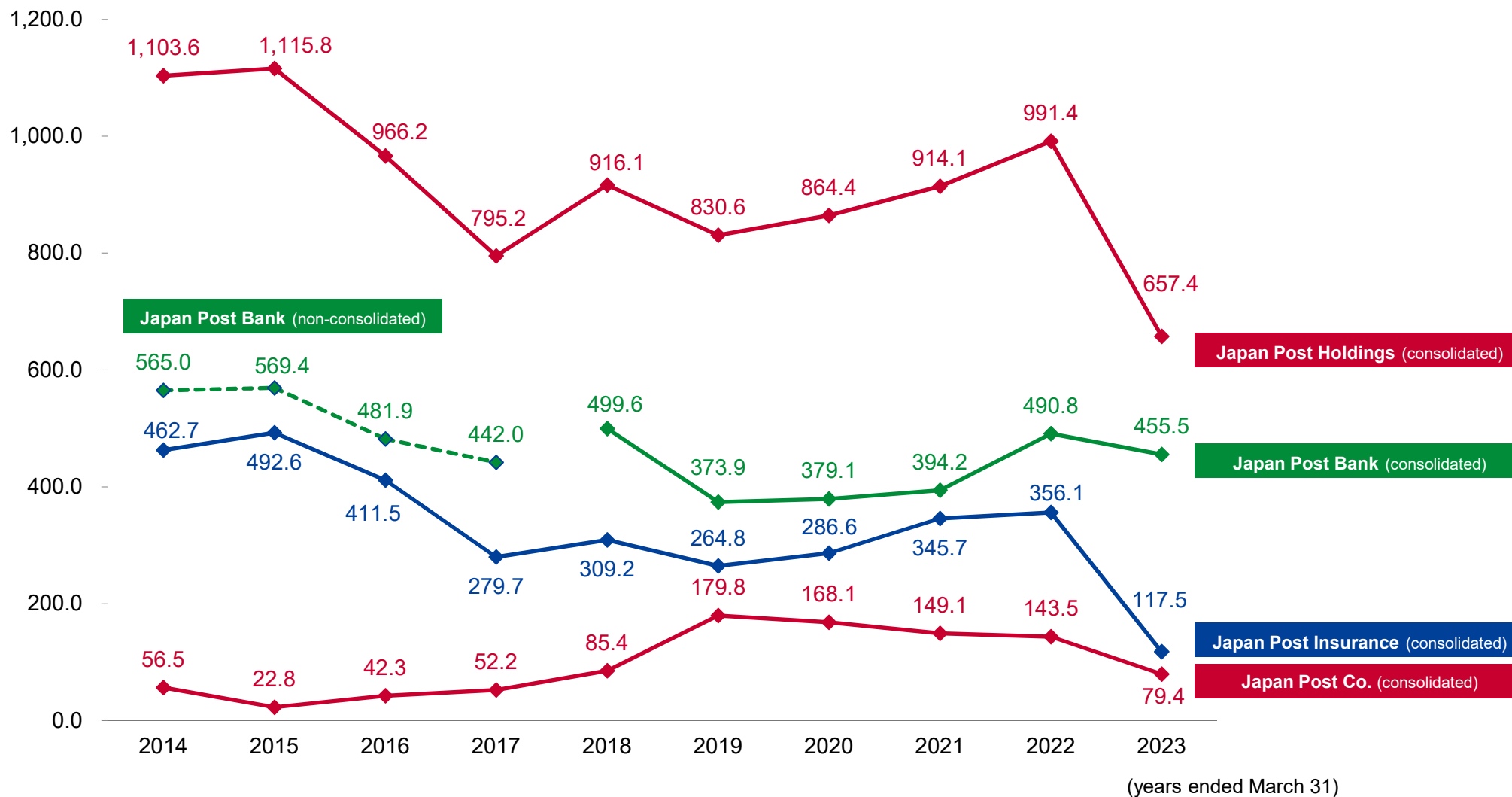
(Billions of yen)

| | For the three-month period from | | | For the three-month period from | | | For the three-month period from | | | For the three-month period from | | | |
|---|---------------------------------|-------------------|---------------------|---------------------------------|-------------------|---------------------|---------------------------------|-------------------|---------------------|---------------------------------|-------------------|---------------------|--------|
| | Apr. to Jun. 2022 | Apr. to Jun. 2021 | Year-on-year change | Jul. to Sep. 2022 | Jul. to Sep. 2021 | Year-on-year change | Oct. to Dec. 2022 | Oct. to Dec. 2021 | Year-on-year change | Jan. to Mar. 2023 | Jan. to Mar. 2022 | Year-on-year change | |
| Japan Post Co. (Consolidated) | Operating income | 853.5 | 902.2 | (48.6) | 847.9 | 883.3 | (35.4) | 933.5 | 972.8 | (39.2) | 816.4 | 898.4 | (82.0) |
| | Operating expenses | 826.8 | 865.3 | (38.5) | 839.6 | 881.6 | (41.9) | 861.4 | 891.9 | (30.5) | 839.8 | 869.6 | (29.8) |
| | Personnel expenses | 520.5 | 559.4 | (38.8) | 522.3 | 555.0 | (32.6) | 534.1 | 555.4 | (21.2) | 549.6 | 547.9 | + 1.7 |
| | Other expenses | 306.2 | 305.9 | + 0.2 | 317.3 | 326.6 | (9.3) | 327.2 | 336.5 | (9.2) | 290.1 | 321.6 | (31.5) |
| | Net operating income (loss) | 26.7 | 36.8 | (10.0) | 8.2 | 1.7 | + 6.5 | 72.1 | 80.8 | (8.7) | (23.3) | 28.8 | (52.2) |
| Postal and Domestic Logistics Business | Operating income | 475.0 | 488.5 | (13.5) | 471.9 | 465.5 | + 6.4 | 561.7 | 569.4 | (7.6) | 489.1 | 517.7 | (28.6) |
| | Operating expenses | 471.0 | 468.1 | + 2.8 | 482.2 | 478.6 | + 3.6 | 510.1 | 505.3 | + 4.7 | 501.5 | 486.7 | + 14.7 |
| | Personnel expenses | 302.8 | 300.6 | + 2.1 | 302.7 | 303.3 | (0.6) | 313.4 | 310.9 | + 2.5 | 323.2 | 306.3 | + 16.9 |
| | Other expenses | 168.1 | 167.5 | + 0.6 | 179.4 | 175.2 | + 4.2 | 196.6 | 194.4 | + 2.1 | 178.3 | 180.4 | (2.1) |
| | Net operating income (loss) | 3.9 | 20.3 | (16.3) | (10.3) | (13.1) | + 2.8 | 51.6 | 64.0 | (12.4) | (12.4) | 30.9 | (43.4) |
| Post Office Business | Operating income | 269.6 | 286.2 | (16.5) | 268.2 | 286.6 | (18.4) | 278.3 | 300.5 | (22.1) | 257.8 | 278.3 | (20.5) |
| | Operating expenses | 248.8 | 274.8 | (26.0) | 251.8 | 278.4 | (26.6) | 258.0 | 291.0 | (33.0) | 266.0 | 282.8 | (16.7) |
| | Personnel expenses | 180.5 | 208.4 | (27.8) | 181.3 | 207.6 | (26.2) | 182.3 | 210.0 | (27.7) | 189.2 | 206.9 | (17.7) |
| | Other expenses | 68.2 | 66.4 | + 1.8 | 70.4 | 70.8 | (0.3) | 75.6 | 81.0 | (5.3) | 76.7 | 75.8 | + 0.9 |
| | Net operating income (loss) | 20.7 | 11.3 | + 9.4 | 16.4 | 8.2 | + 8.1 | 20.3 | 9.4 | + 10.9 | (8.2) | (4.4) | (3.7) |
| International Logistics Business | Operating income | 162.0 | 181.1 | (19.0) | 161.1 | 185.6 | (24.5) | 152.4 | 163.4 | (11.0) | 123.7 | 157.1 | (33.3) |
| | Operating expenses | 157.9 | 174.6 | (16.6) | 157.0 | 176.7 | (19.6) | 149.7 | 156.0 | (6.2) | 123.9 | 151.3 | (27.4) |
| | Personnel expenses | 37.1 | 50.3 | (13.2) | 38.2 | 43.9 | (5.7) | 38.3 | 34.5 | + 3.8 | 37.3 | 34.7 | + 2.5 |
| | Other expenses | 120.8 | 124.2 | (3.4) | 118.7 | 132.7 | (13.9) | 111.3 | 121.5 | (10.1) | 86.5 | 116.5 | (29.9) |
| | Net operating income (loss) | 4.0 | 6.5 | (2.4) | 4.1 | 8.9 | (4.8) | 2.6 | 7.4 | (4.7) | (0.1) | 5.8 | (5.9) |

Note: Figures for the international logistics business for the three-month period from July to September, from October to December and from January to March are calculated by subtracting the accumulated figures in billions of yen until each previous quarter's end (translated by the average exchange rate for the corresponding period) from the accumulated figures in billions of yen until each quarter's end (translated by the average exchange rate for the corresponding period).

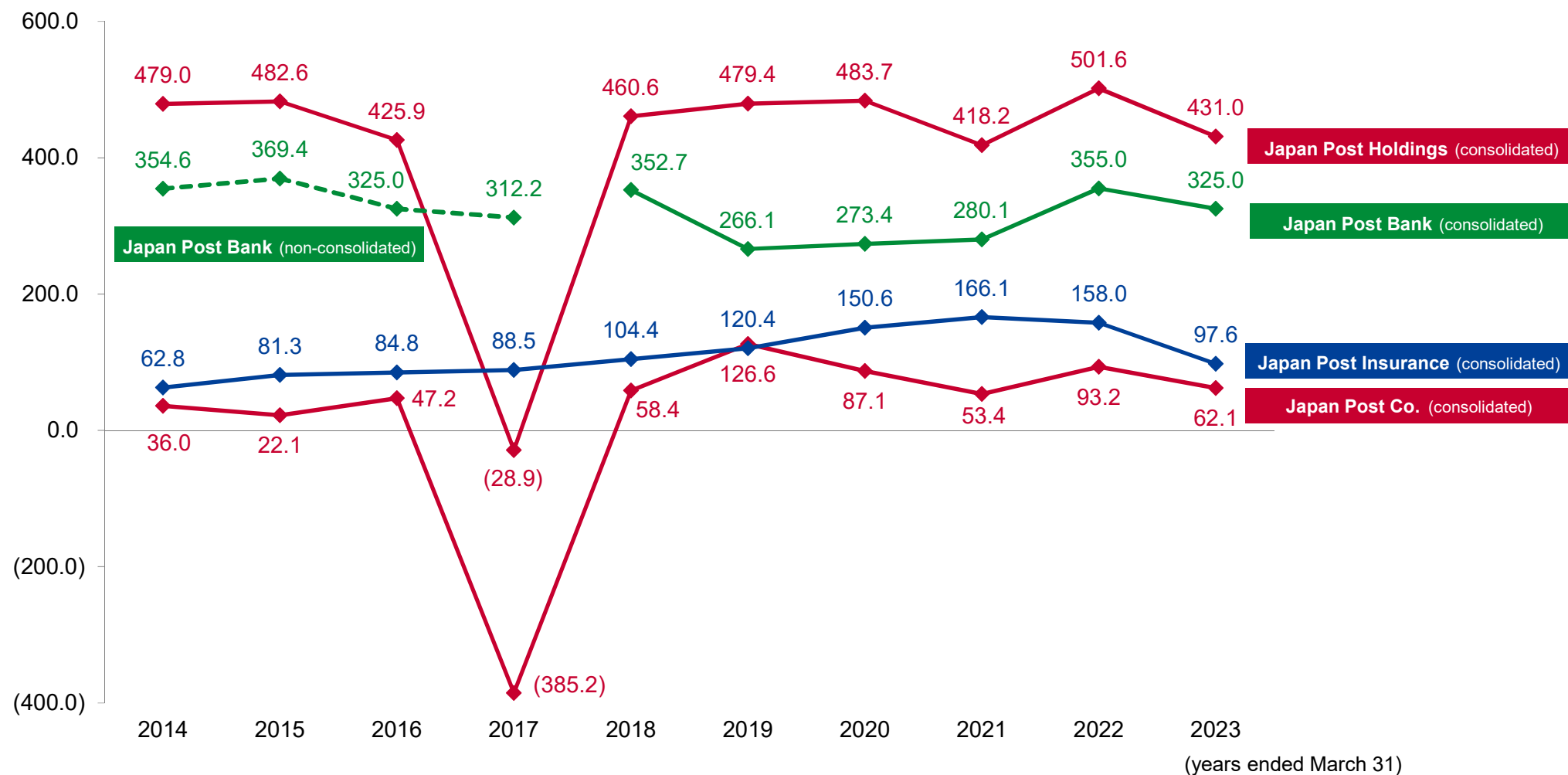
[Appendix 4] Trends in Net Ordinary Income

(Billions of yen)



[Appendix 5] Trends in Net Income (Loss)

(Billions of yen)



Note: From the fiscal year ended March 31, 2016, the amount of net income (loss) attributable to Japan Post Holdings, net income (loss) attributable to Japan Post Co. and net income attributable to Japan Post Insurance have been used for net income (loss) of Japan Post Holdings (consolidated), Japan Post Co. (consolidated) and Japan Post Insurance (consolidated), respectively.

Forecasts and other forward-looking statements presented in this document are based on information that Japan Post Holdings Co., Ltd. (the “Company”) is aware of at present and certain assumptions that the Company has deemed reasonable, and the Company provides no assurance that the forecasts will be achieved or with respect to any other forward-looking statements. The actual future results may vary considerably depending upon various factors, such as the impact of the spread of COVID-19, the impact of Russia’s invasion of Ukraine, interest rate fluctuations, stock price fluctuations, foreign exchange fluctuations, asset value fluctuations, changes in the economic and financial environment, changes in the competitive environment, the occurrence of large-scale disasters, etc. and changes in laws and regulations. The Company disclaims any responsibility to update any forward-looking statements contained herein to the extent permitted by law or stock exchange rule.