

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.



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Notice Concerning Partial Disposal of Shares of Common Stock of a Consolidated Subsidiary

Japan Post Holdings Co., Ltd. (the “Company”) hereby announces that it has decided to dispose of some of its shareholding of the common stock of its consolidated subsidiary JAPAN POST BANK Co., Ltd. (Code number: 7182, Prime Market of the Tokyo Stock Exchange) through a stock disposal trust, as described below.

1. Outline of the disposal of shares

- (1) Number and class of shares to be disposed of: 17,993,700 shares of the common stock of JAPAN POST BANK Co., Ltd.
- (2) Method of disposal: Disposal through the establishment of a stock disposal trust.
Under the stock disposal trust agreement, the trustee will exercise the voting rights attached to the disposed shares. Therefore, the Company will not have voting rights for the shares, above, that have been disposed of to the stock disposal trust.
Trustee: Sumitomo Mitsui Trust Bank, Limited
Purpose of the trust: Disposal of shares of another company
Scheduled date of trust agreement: Undecided
(After the Company has obtained the approval of Major Shareholder of Bank based on Article 52-9, Paragraph 1 of the Banking Act and completed preparatory procedures for the conclusion of the trust agreement.)
- (3) Total amount of disposal: Undecided
- (4) Date of disposal: Undecided
(The Company plans to establish the stock disposal trust after it has obtained the approval of Major Shareholder of Bank based on Article 52-9, Paragraph 1 of the Banking Act.)

Note:

This document is a press release for public announcement of the partial disposal of common shares of JAPAN POST BANK Co., Ltd. and has not been prepared for the purpose of soliciting investments or other conduct of similar nature whether in Japan or overseas.

2. Purpose of the disposal of shares

The Postal Service Privatization Act requires that the Company dispose of its shares in JAPAN POST BANK Co., Ltd. and JAPAN POST INSURANCE Co., Ltd. (together, the “Two Financial Companies”) within the earliest possible timeframe, with the aim of disposing of its shares in its entirety, in light of business conditions of the Two Financial Companies and any impact on the ability to fulfill the obligations to ensure universal services.

Further, the Company announced in the “Public Offerings of Three Japan Post Group Companies” published in December 2014 that it intended to sell shares of the Two Financial Companies incrementally so that its ownership ratio will be around 50%, with a goal of, among other considerations, increasing the management flexibility of the Two Financial Companies, securing the Japan Post Group’s unity and demonstrating the Japan Post Group’s comprehensive capabilities.

To meet this goal, the Company announced in Japan Post Group’s medium-term management plan entitled “JP Vision 2025+ ” in May 2024 that it aims to lower the holding ratio of its equity interest in each of the Two Financial Companies to 50% or less by the fiscal year ending March 31, 2026. As announced on February 27, 2025, in “Notice Concerning Partial Disposal of Shares of Common Stock of a Consolidated Subsidiary,” the Company has sold some of its shares of the common stock of JAPAN POST BANK Co., Ltd., bringing its ratio of voting rights in that company to 50.40%.

Based on the above policy, the Company has now decided to establish a stock disposal trust (the “Trust”) for its shares in the common stock of JAPAN POST BANK Co., Ltd. and contribute these shares into the Trust for the purpose of further reducing its ratio of voting rights to a level below 50%.

3. Outlook for the future

After the contribution by the Company to the Trust of shares of common stock of JAPAN POST BANK Co., Ltd., it is expected that the percentage of voting rights in JAPAN POST BANK Co., Ltd. held by the Company will decrease to about 49.90% (before the disposal: 50.40%). Even if the ratio of voting rights held by the Company in JAPAN POST BANK Co., Ltd. falls below 50%, JAPAN POST BANK Co., Ltd. will still remain a consolidated subsidiary of the Company according to the effective control standard. JAPAN POST BANK Co., Ltd. will also remain an important company of the Company, operating its banking business. The specific details of the disposal of shares of the common stock of JAPAN POST BANK Co., Ltd. by the Trust, after the contribution by the Company, have not yet been decided.

After the Company contributes shares of common stock of JAPAN POST BANK Co., Ltd. to the Trust such that the ratio of voting rights held by the Company in JAPAN POST BANK Co., Ltd. decreases to about 49.90%, the Company will notify the Minister for Internal Affairs and Communications of the disposal of one half or more of its holding of shares in JAPAN POST BANK Co., Ltd. pursuant to Article 62, Paragraph (2) of the Postal Service Privatization Act. From the date on which the Company notifies the Minister for Internal Affairs and Communications, JAPAN POST BANK Co., Ltd. will, pursuant to Article 110-2 of the Postal Service Privatization Act, no longer be required to obtain authorization under Article 110 of the Postal Service Privatization Act. Instead, if JAPAN POST BANK Co., Ltd. intends to engage in new businesses or other businesses prescribed in Article 110 of the Postal Service Privatization Act, the Company will be required to determine the details of such business and notify the Prime Minister and the Minister for Internal Affairs and Communications.

At the same time, the Company will, with its ratio of voting rights in JAPAN POST BANK Co., Ltd. having fallen below 50%, no longer be a holding company whose subsidiary companies include a bank (Bank Holding Company) as provided in the Banking Act.

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4. Lock-up period for the global offering

As announced in on February 27, 2025, in “Notice Concerning Partial Disposal of Shares of Common Stock of a Consolidated Subsidiary,” the Company has reached an agreement with Daiwa Securities Co. Ltd., Nomura Securities Co., Ltd., Goldman Sachs Japan Co., Ltd. and JP Morgan Securities Japan Co., Ltd. (collectively referred to as the “joint global coordinators”) that the Company will not carry out a transfer or disposal, etc. of shares of common stock of JAPAN POST BANK Co., Ltd. during the period from March 10, 2025, the pricing date, to September 12, 2025 (inclusive), the 180th day following March 17, 2025 (inclusive), the delivery date, without the prior written consent of the joint global coordinators.

It has been agreed that under the trust agreement, even if the Company contributes shares of the common stock of JAPAN POST BANK Co., Ltd. into the Trust, the Trust will not sell these shares on the market during this lock-up period.

Therefore, market sales of shares of the common stock of JAPAN POST BANK Co., Ltd. by the Trust are expected to commence after the expiry of the lock-up period, on or after September 13, 2025.

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