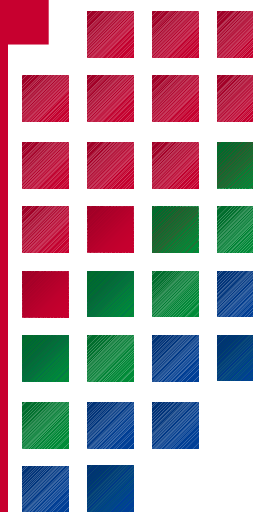


**Financial Highlights
for the Nine Months Ended December 31, 2019**

February 14, 2020



Japan Post Holdings: Financial Highlights

■ Results of Operations for the Nine Months Ended December 31, 2019

(Billions of yen)

	Japan Post Holdings (Consolidated)	Subsidiaries		
		Japan Post Co. (Consolidated)	Japan Post Bank (Consolidated)	Japan Post Insurance (Consolidated)
Ordinary income	9,054.5	2,932.1	1,358.4	5,461.5
Year-on-year (for the nine months ended Dec. 31, 2018) Change	(528.3) (5.5)%	(71.5) (2.4)%	(26.2) (1.8)%	(451.7) (7.6)%
Net ordinary income	688.8	153.1	289.2	233.9
Year-on-year (for the nine months ended Dec. 31, 2018) Change	+ 50.0 + 7.8%	+ 16.7 + 12.3%	+ 7.4 + 2.6%	+ 19.9 + 9.3%
Net income	422.0	135.9	210.0	115.0
Year-on-year (for the nine months ended Dec. 31, 2018) Change	+ 29.8 + 7.6%	+ 12.0 + 9.7%	+ 6.7 + 3.3%	+ 18.3 + 19.0%

■ Forecast for the Fiscal Year Ending March 31, 2020

Net ordinary income	710.0	125.0	375.0	270.0
[percentage achievement]	[97.0%]	[122.5%]	[77.1%]	[86.7%]
Net income	420.0	100.0	270.0	134.0
[percentage achievement]	[100.5%]	[135.9%]	[77.8%]	[85.8%]

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 ending March 31, 2020 of Japan Post Insurance (Consolidated) refers to the revised forecast announced in November 2019.

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

- The volume of Yu-Pack^(note 1) handled increased by 0.6% year-on-year for the nine months ended December 31, 2019 (including an increase of 18.7% for Yu-Packet). The volume of Yu-Mail handled decreased by 1.8%, and the volume of Mail handled decreased by 0.5%.
- Operating income increased by ¥12.4 billion year-on-year (an increase of 0.8% year-on-year) due to a continuing increase in the volume of Yu-Packet handled and a rise in income from parcel field resulting from the impact of the revision of price per unit.
- Net operating income increased by ¥32.3 billion year-on-year (an increase of 37.3% year-on-year) as a decrease in operating expenses continued mainly owing to cost control initiatives.

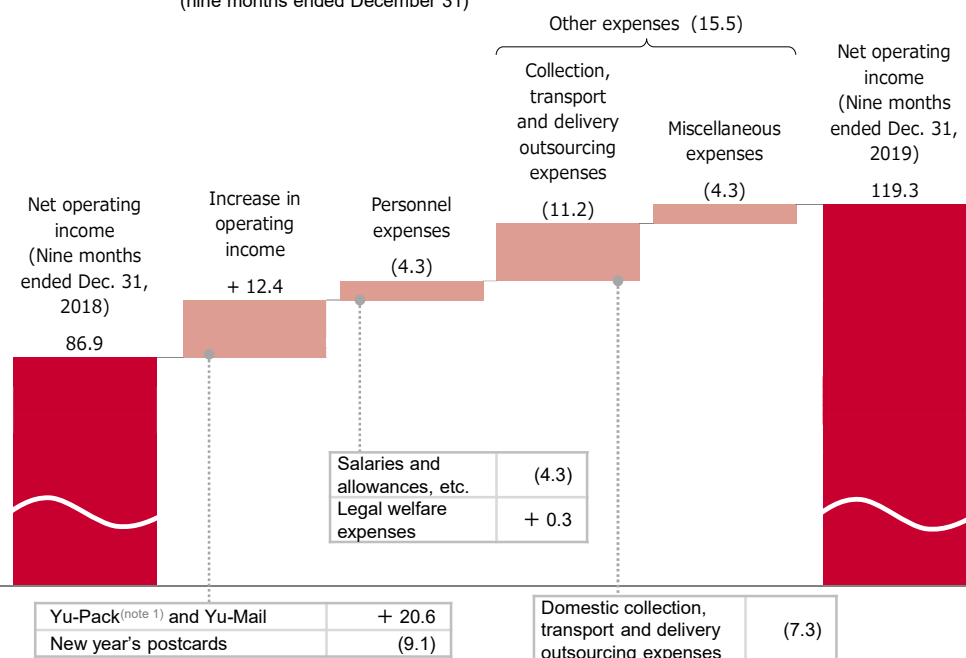
Analysis of Year-on-year Change in Net Operating Income

[Trends in Net Operating Income]

2017	2018	2019
28.9	86.9	119.3

(nine months ended December 31)

(Billions of yen)

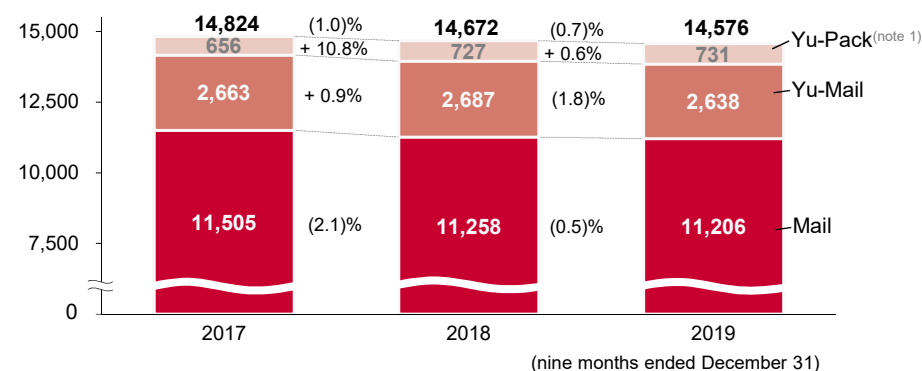


Notes: 1. Yu-Pack includes Yu-Packet.

2. Includes impact of transfer of subsidiary (operating income of ¥(11.1) billion and operating expenses of ¥(10.6) billion).

Trends in Volume of Items Handled

(Volume of items handled in millions)



Results of Operations for the Nine Months Ended December 31, 2019

(Billions of yen)

	For the nine months ended Dec. 31, 2019	For the nine months ended Dec. 31, 2018	Year-on-year change
Operating income	1,601.6	1,589.2	+ 12.4
Operating expenses	1,482.3	1,502.2	(19.9)
Personnel expenses	942.8	947.1	(4.3)
Other expenses	539.5	555.1	(15.5)
Net operating income	119.3	86.9	+ 32.3

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

- Operating income decreased by ¥34.1 billion year-on-year (a decrease of 3.3% year-on-year) owing to the impact of refraining from active sales activities for Japan Post Insurance products^(note), as well as a decrease in the merchandising business due to the contraction of certain businesses.
- Net operating income increased by ¥3.9 billion year-on-year (an increase of 8.4% year-on-year), thanks to a significant decrease (a decrease of ¥38.1 billion or 3.9% year-on-year) in operating expenses including personnel expenses.

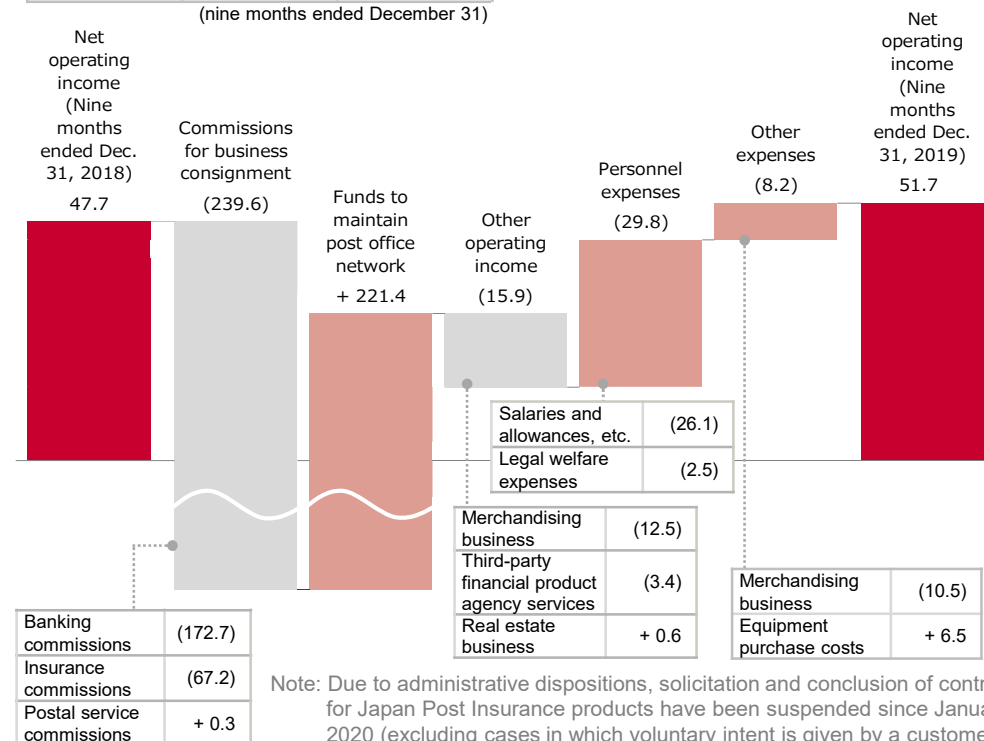
Analysis of Year-on-Year Change in Net Operating Income

[Trends in Net Operating Income]

2017	2018	2019
39.6	47.7	51.7

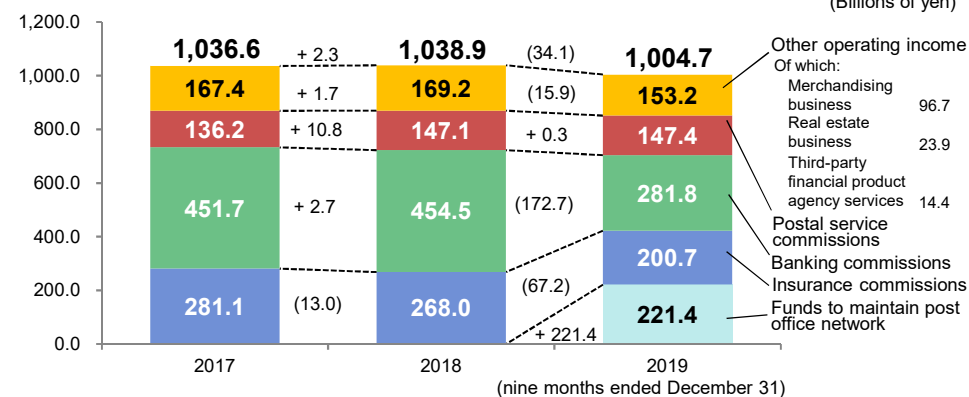
(nine months ended December 31)

(Billions of yen)



Trends in the Earnings Structure

(Billions of yen)



Results of Operations for the Nine Months Ended December 31, 2019

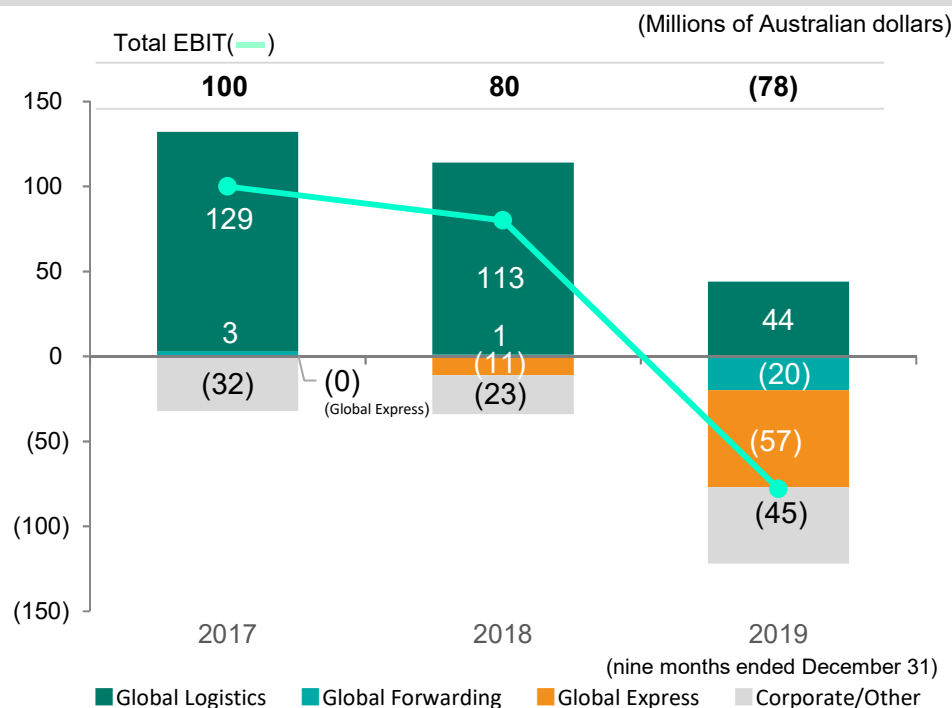
(Billions of yen)

	For the nine months ended Dec. 31, 2019	For the nine months ended Dec. 31, 2018	Year-on-year change
Operating income	1,004.7	1,038.9	(34.1)
Operating expenses	953.0	991.1	(38.1)
Personnel expenses	659.7	689.6	(29.8)
Other expenses	293.2	301.5	(8.2)
Net operating income	51.7	47.7	+ 3.9

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

- Operating income decreased by A\$51 million year-on-year (a decrease of 0.8% year-on-year; a decrease of 9.0% year-on-year on a Japanese yen basis due to the impact of exchange rate fluctuations), due to a decrease mainly in the volume of Global Forwarding handled, owing to deterioration of external environment including a slowing Australian economy and U.S.-China trade friction.
- While operating income remained sluggish, operating expenses increased by A\$107 million year-on-year (an increase of 1.7% year-on-year; a decrease of 6.8% year-on-year on a Japanese yen basis due to the impact of exchange rate fluctuations), owing to an increase in personnel expenses. As a result, net operating loss (EBIT) of A\$78 million was recorded for the nine months ended December 31, 2019.

Trends in Net Operating Income (Loss) (EBIT)



Results of Operations for the Nine Months Ended December 31, 2019

(Millions of Australian dollars)
[Billions of yen]

	For the nine months ended Dec. 31, 2019	For the nine months ended Dec. 31, 2018	Year-on-year change
Operating income (revenue)	6,493 [486.4]	6,544 [534.7]	(51) [(48.2)]
Operating expenses	6,572 [492.3]	6,464 [528.2]	+ 107 [(35.8)]
Personnel expenses	2,109 [158.0]	1,989 [162.5]	+ 120 [(4.5)]
Other expenses	4,462 [334.3]	4,475 [365.6]	(12) [(31.3)]
Net operating income (loss) (EBIT)	(78) [(5.9)]	80 [6.5]	(159) [(12.4)]

- Notes: 1. Operating income (revenue), operating expenses and net operating income (loss) (EBIT) are the total amount of Toll, JP Toll Logistics and Toll Express Japan, respectively.
 2. IFRS16 (Leases) has been adopted from April 1, 2019. Figures for the nine months ended December 31, 2019 in the above graph and table are calculated on the basis of IFRS16 (Leases).
 3. Figures in square brackets are presented in billions of yen (Average exchange rate for the nine months ended December 31, 2019: ¥74.92 to A\$1.00 and for the nine months ended December 31, 2018: ¥81.71 to A\$1.00).

Japan Post Co. (Consolidated): Financial Highlights

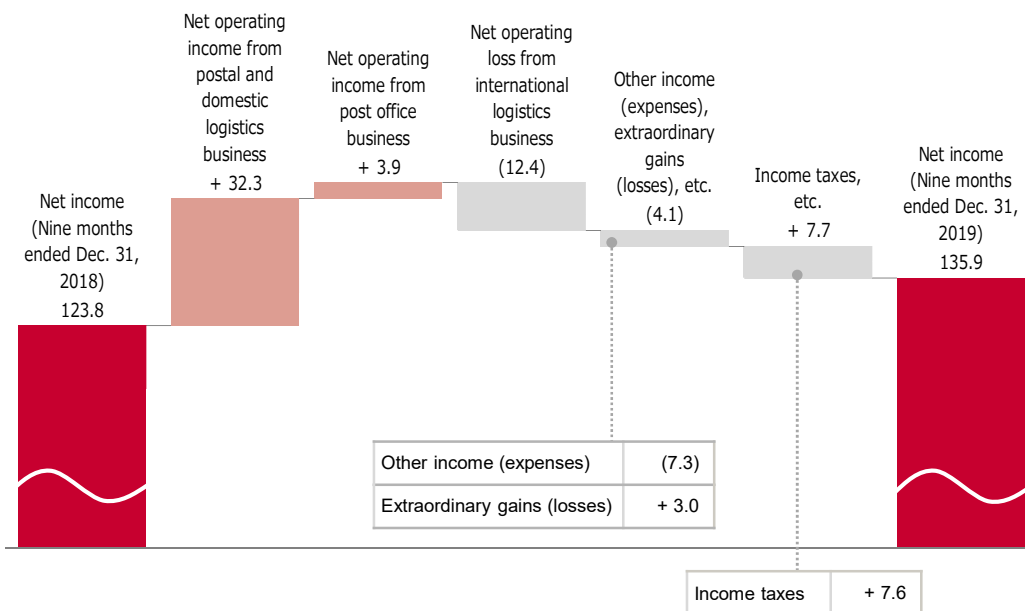
- Operating income decreased by ¥69.2 billion year-on-year (a decrease of 2.3% year-on-year) (including a decrease of ¥40.9 billion due to the impact of exchange rate fluctuations).
- Operating expenses decreased by ¥93.3 billion year-on-year (a decrease of 3.3% year-on-year) (including a decrease of ¥40.7 billion due to the impact of exchange rate fluctuations).
- Net operating income increased by ¥24.1 billion year-on-year (an increase of 17.5% year-on-year) to ¥161.7 billion, net ordinary income increased by ¥16.7 billion year-on-year (an increase of 12.3% year-on-year) to ¥153.1 billion, and net income increased by ¥12.0 billion year-on-year (an increase of 9.7% year-on-year) to ¥135.9 billion.

Analysis of Year-on-year Change in Net Income

(Billions of yen)

[Trends in Net Operating Income]			[Trends in Net Income]		
2017	2018	2019	2017	2018	2019
75.1	137.6	161.7	66.5	123.8	135.9

(nine months ended December 31)



Results of Operations for the Nine Months Ended December 31, 2019

(Billions of yen)

	For the nine months ended Dec. 31, 2019	For the nine months ended Dec. 31, 2018	Year-on-year change
Operating income	2,929.3	2,998.6	(69.2)
Operating expenses	2,767.6	2,861.0	(93.3)
Personnel expenses	1,760.6	1,799.3	(38.7)
Other expenses	1,007.0	1,061.6	(54.6)
Net operating income	161.7	137.6	+ 24.1
Net ordinary income	153.1	136.4	+ 16.7
Extraordinary gains (losses)	0.6	(2.3)	+ 3.0
Income before income taxes	153.8	134.0	+ 19.7
Net income	135.9	123.8	+ 12.0

Japan Post Bank (Non-consolidated): Financial Highlights

Results of Operations for the Nine Months Ended December 31, 2019

(Billions of yen, %)

	For the nine months ended		Year-on-year change
	Dec. 31, 2019	Dec. 31, 2018	
Gross operating profit	1,016.1	1,020.0	(3.9)
Net interest income	752.6	795.9	(43.2)
Net fees and commissions	98.3	81.2	+ 17.1
Net other operating income	165.1	142.9	+ 22.1
General and administrative expenses ^(Note 1)	769.2	782.3	(13.1)
Provision for general reserve for possible loan losses	-	-	-
Net operating profit	246.9	237.7	+ 9.1
Non-recurring gains (losses)	42.2	44.1	(1.8)
Net ordinary income	289.2	281.8	+ 7.3
Net income	209.7	203.1	+ 6.6

(Reference) Consolidated Financial Highlights

Ordinary income	1,358.4	1,384.7	(26.2)
Net ordinary income	289.2	281.8	+ 7.4
Net income ^(Note 2)	210.0	203.3	+ 6.7

	As of		Change
	Dec. 31, 2019	March 31, 2019	
Deposits ^(Note 3)	183,913.2	180,999.1	+ 2,914.1
Capital adequacy ratio (non-consolidated, domestic standard)	15.78	15.78	+ 0.00

Overview

- In the adverse business environment from factors such as a low interest rate trend, gross operating profit (non-consolidated) for the nine months ended December 31, 2019 decreased by ¥3.9 billion year-on-year to ¥1,016.1 billion. Of which, net interest income decreased by ¥43.2 billion year-on-year mainly as a result of a decrease in interest on Japanese government bonds. Net fees and commissions increased by ¥17.1 billion year-on-year. Net other operating income increased by ¥22.1 billion year-on-year mainly as a result of an improvement in gains (losses) on Japanese government bonds, etc.
- General and administrative expenses (non-consolidated) decreased by ¥13.1 billion year-on-year to ¥769.2 billion.
- Net operating profit (non-consolidated) increased by ¥9.1 billion year-on-year to ¥246.9 billion.
- Net ordinary income (non-consolidated) increased by ¥7.3 billion year-on-year to ¥289.2 billion.
- Net income (non-consolidated) increased by ¥6.6 billion year-on-year to ¥209.7 billion.
- Net income (consolidated) was ¥210.0 billion, which achieved 77.8% of the financial results forecast for the fiscal year ending March 31, 2020.
- Deposits as of December 31, 2019 amounted to ¥183,913.2 billion.
- Capital adequacy ratio (non-consolidated, domestic standard) as of December 31, 2019 was 15.78%.

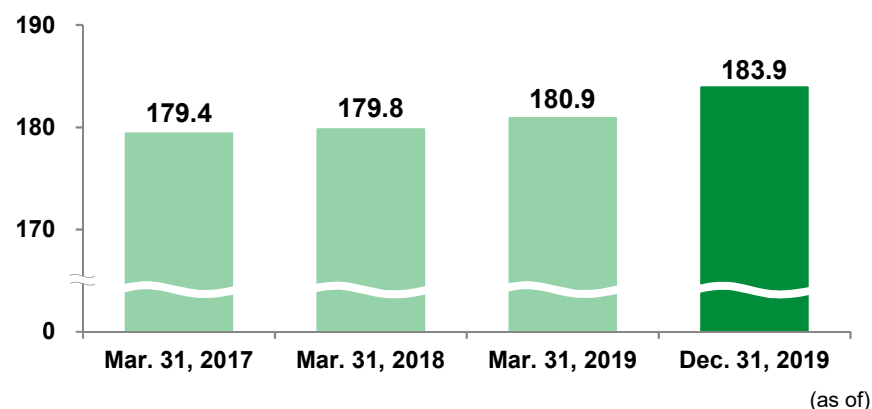
Notes: 1. Excludes non-recurring losses.

2. The amount of net income attributable to Japan Post Bank is used for net income of Japan Post Bank (consolidated).

3. Excludes accrued interest.

Deposit Balance

(Trillions of yen)



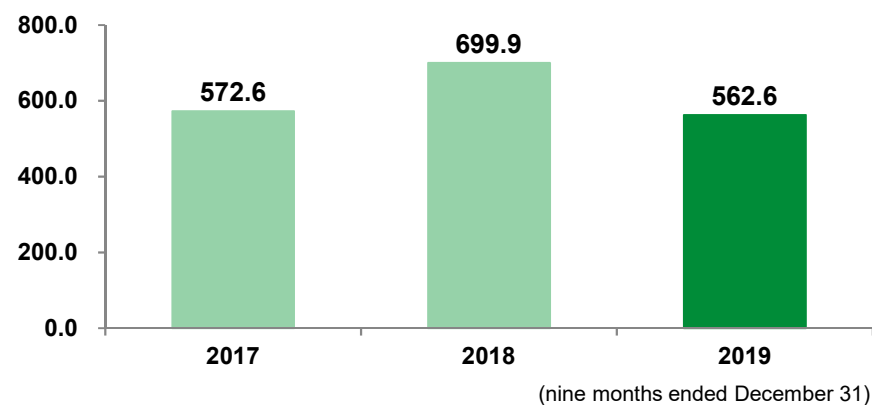
Net Fees and Commissions

(Billions of yen)

	For the nine months ended		Year-on-year change
	Dec. 31, 2018	Dec. 31, 2019	
Net fees and commissions relating to	81.2	98.3	+ 17.1
Exchange and settlement transactions	46.7	60.9	+ 14.1
ATMs	10.7	13.8	+ 3.0
Investment trusts	16.8	16.9	+ 0.0
Others	6.8	6.6	(0.2)

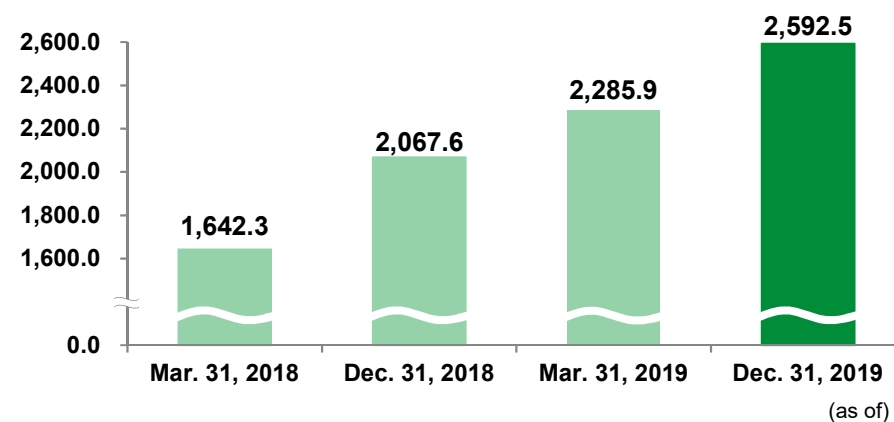
Investment Trusts Sales

(Billions of yen)



Net Assets of Investment Trusts

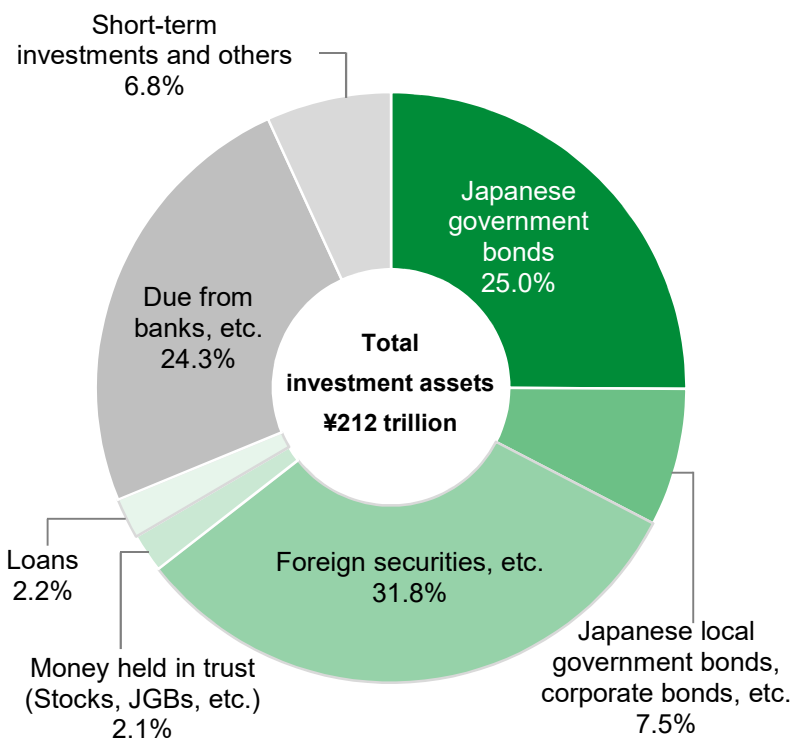
(Billions of yen)



Note: Figures are rounded down to the first decimal place.

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

(Billions of yen)



	As of Dec. 31, 2019	Composition ratio (%)	As of March 31, 2019	Composition ratio (%)	Change
Securities	136,866.1	64.4	137,135.2	66.5	(269.0)
Japanese government bonds	53,237.6	25.0	58,356.5	28.3	(5,118.8)
Japanese local government bonds, corporate bonds, etc. ^(Note 1)	16,062.0	7.5	16,279.1	7.9	(217.0)
Foreign securities, etc.	67,566.4	31.8	62,499.5	30.3	+ 5,066.8
Foreign bonds	23,780.3	11.1	22,035.5	10.6	+ 1,744.7
Investment trusts ^(Note 2)	43,741.5	20.5	40,433.9	19.6	+ 3,307.5
Money held in trust (Stocks, JGBs, etc.)	4,500.0	2.1	3,990.7	1.9	+ 509.2
Domestic stocks	2,306.1	1.0	2,141.7	1.0	+ 164.3
Loans	4,738.5	2.2	5,297.4	2.5	(558.8)
Due from banks, etc. ^(Note 3)	51,795.2	24.3	50,674.2	24.6	+ 1,121.0
Short-term investments and others ^(Note 4)	14,539.9	6.8	8,877.5	4.3	+ 5,662.3
Total investment assets	212,440.0	100.0	205,975.2	100.0	+ 6,464.7

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.

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 Nine Months Ended December 31, 2019

(Billions of yen, %)

	For the nine months ended		Year-on-year change
	Dec. 31, 2019	Dec. 31, 2018	
Ordinary income	5,461.5	5,913.3	(451.7)
Ordinary expenses	5,227.5	5,699.2	(471.6)
Ordinary profit	233.9	214.0	+ 19.9
Net income	115.0	96.6	+ 18.3
(Reference) Non-consolidated Financial Highlights			
Core profit	300.4	293.0	+ 7.3
Net capital gains (losses)	(57.4)	(57.4)	+ 0.0
Non-recurring gains (losses)	(8.7)	(21.8)	+ 13.1
Ordinary profit	234.2	213.7	+ 20.5
Annualized premiums from new policies (individual insurance)	143.8	273.7	(129.8)
	As of		Change
	Dec. 31, 2019	March 31, 2019	
Annualized premiums from policies in force (individual insurance) ^(Note 1)	4,441.4	4,677.1	(235.7)
Solvency margin ratio (consolidated)	1,131.6	1,189.8	(58.2)
Real net assets (consolidated)	13,490.2	13,535.7	(45.5)

Overview

- Core profit for the nine months ended December 31, 2019 increased by ¥7.3 billion year-on-year to ¥300.4 billion, mainly due to a decrease in operating expenses reflecting the impact of the suspension of active sales activities since the middle of July, 2019 and an increase in positive spread, despite a decrease in the number of policies in force and an increase in expenses resulting from the investigation of insurance policies. Ordinary profit (consolidated) increased by ¥19.9 billion year-on-year to ¥233.9 billion due to an increase in non-recurring gains (losses).
- Net income (consolidated) increased by ¥18.3 billion year-on-year to ¥115.0 billion, mainly due to an increase in ordinary profit (consolidated), in addition to a decrease in provision for reserve for policyholder dividends associated with a decline in the number of participating insurance policies, and achieved 85.8% of the financial results forecast for the fiscal year ending March 31, 2020.
- Annualized premiums from new policies for individual insurance and medical care each decreased significantly compared with the same period of the previous fiscal year. Annualized premiums from policies in force for individual insurance and medical care each decreased compared with the end of the previous fiscal year.^(Notes 1 and 3)
- Internal reserves, which are the sum of contingency reserve and reserve for price fluctuations, amounted to ¥2,726.0 billion. Solvency margin ratio (consolidated), an indicator of financial soundness, amounted to 1,131.6% and real net assets (consolidated) amounted to ¥13,490.2 billion, reflecting a continuously maintained high level of financial soundness.

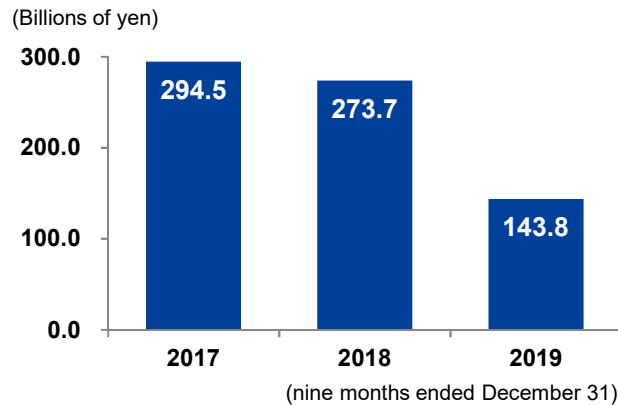
Notes: 1. Policies in force for individual insurance include those for Postal Life Insurance Policies, which show contracts reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life insurance and Post Office Network.

2. Figures less than ¥0.1 billion are rounded down.

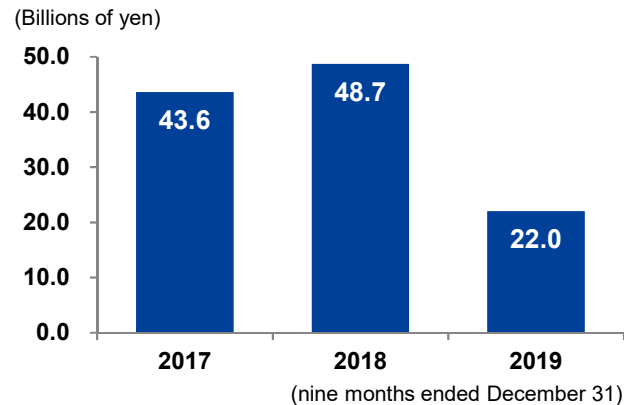
3. Please refer to "Status of Insurance Policies" on page 10 for annualized premiums from new policies and policies in force for medical care.

New Policies

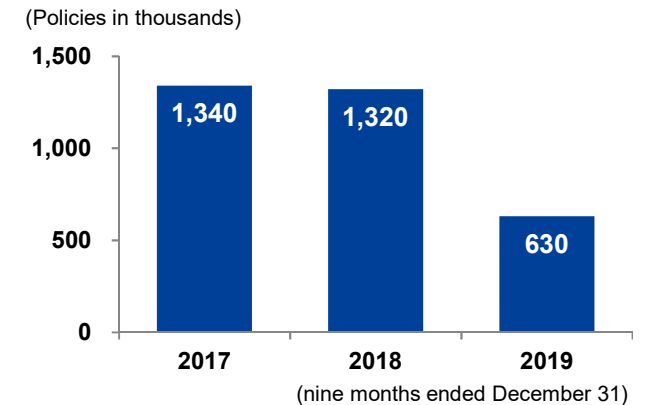
Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)

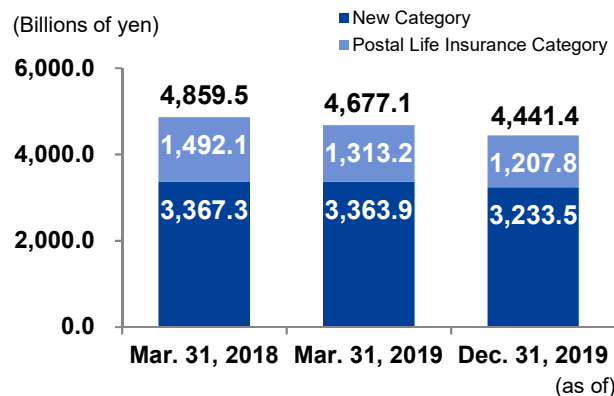


Number of New Policies (Individual Insurance)

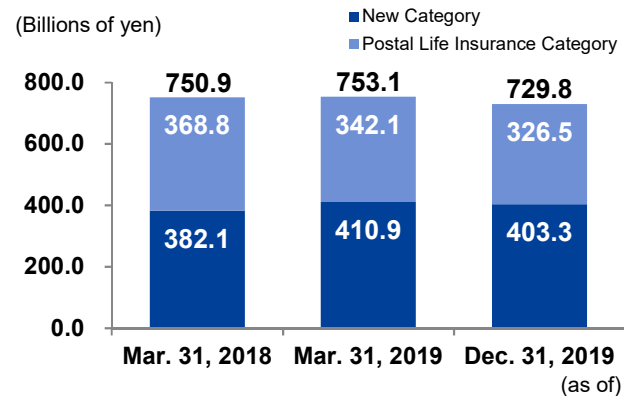


Policies in Force

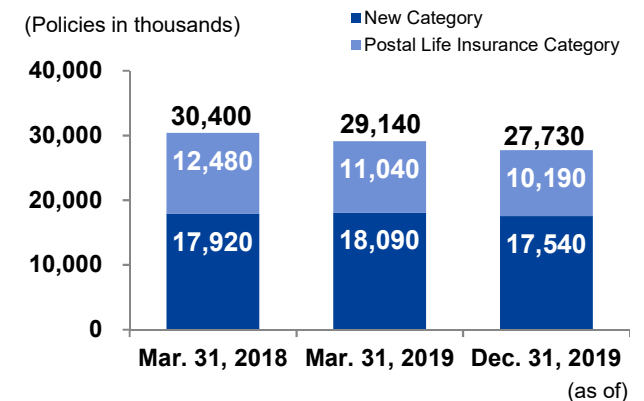
Annualized Premiums from Policies in Force (Individual Insurance)



Annualized Premiums from Policies in Force (Medical Care)



Number of Policies in Force (Individual Insurance)



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

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

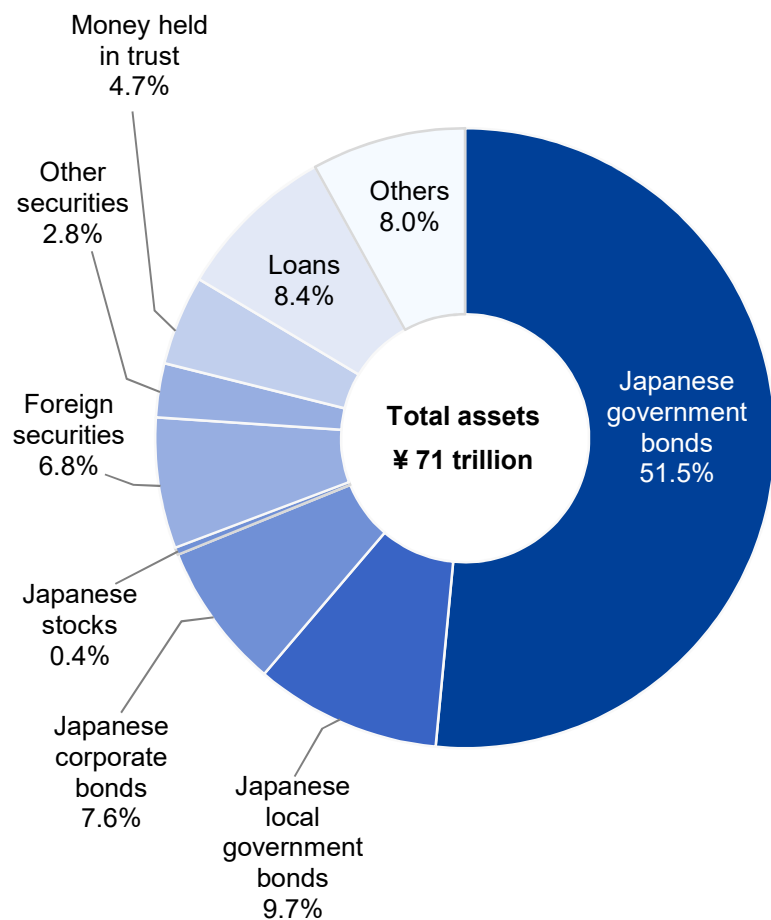
Annualized premiums for individual insurance include those for medical care. Annualized premiums for medical care are the total of those for individual insurance and individual annuity insurance.

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

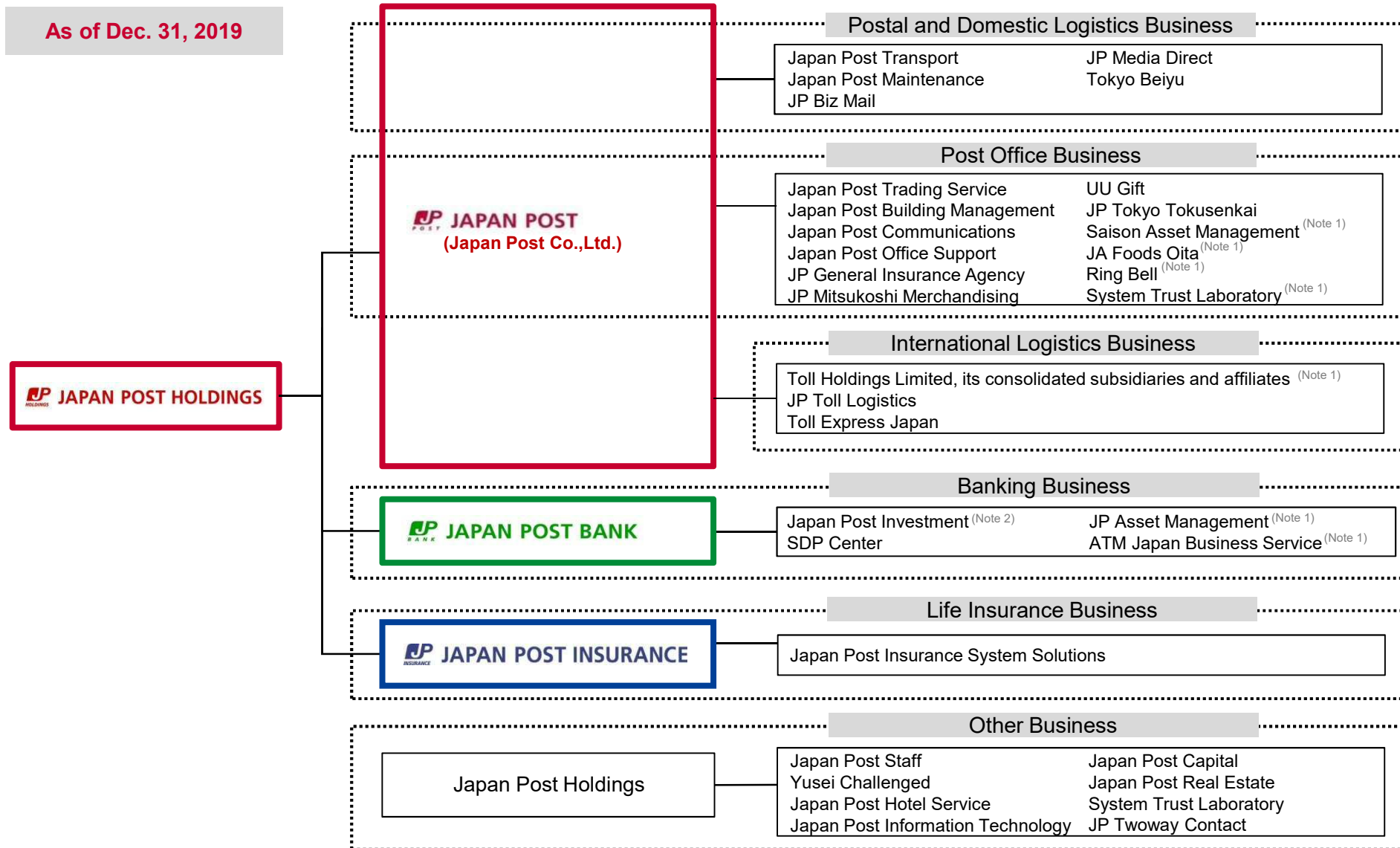
Japan Post Insurance (Consolidated): Status of Investment Assets

(Billions of yen)

	As of Dec. 31, 2019	Composition ratio (%)	As of March 31, 2019	Composition ratio (%)	Change
Securities	56,708.3	78.9	58,451.5	79.1	(1,743.2)
Japanese government bonds	37,036.2	51.5	38,041.4	51.5	(1,005.1)
Japanese local government bonds	6,979.7	9.7	7,524.4	10.2	(544.6)
Japanese corporate bonds	5,483.2	7.6	5,562.9	7.5	(79.6)
Japanese stocks	282.1	0.4	205.5	0.3	+ 76.5
Foreign securities	4,902.6	6.8	5,284.9	7.2	(382.2)
Other securities	2,024.1	2.8	1,832.3	2.5	+ 191.8
Money held in trust	3,368.0	4.7	2,787.5	3.8	+ 580.4
Loans	6,031.3	8.4	6,786.0	9.2	(754.6)
Others	5,775.4	8.0	5,879.8	8.0	(104.3)
Total assets	71,883.2	100.0	73,905.0	100.0	(2,021.7)



[Appendix 1] Japan Post Holdings: Organization Chart



Notes: 1. Affiliates accounted for by the equity method
2. Including its consolidated subsidiaries

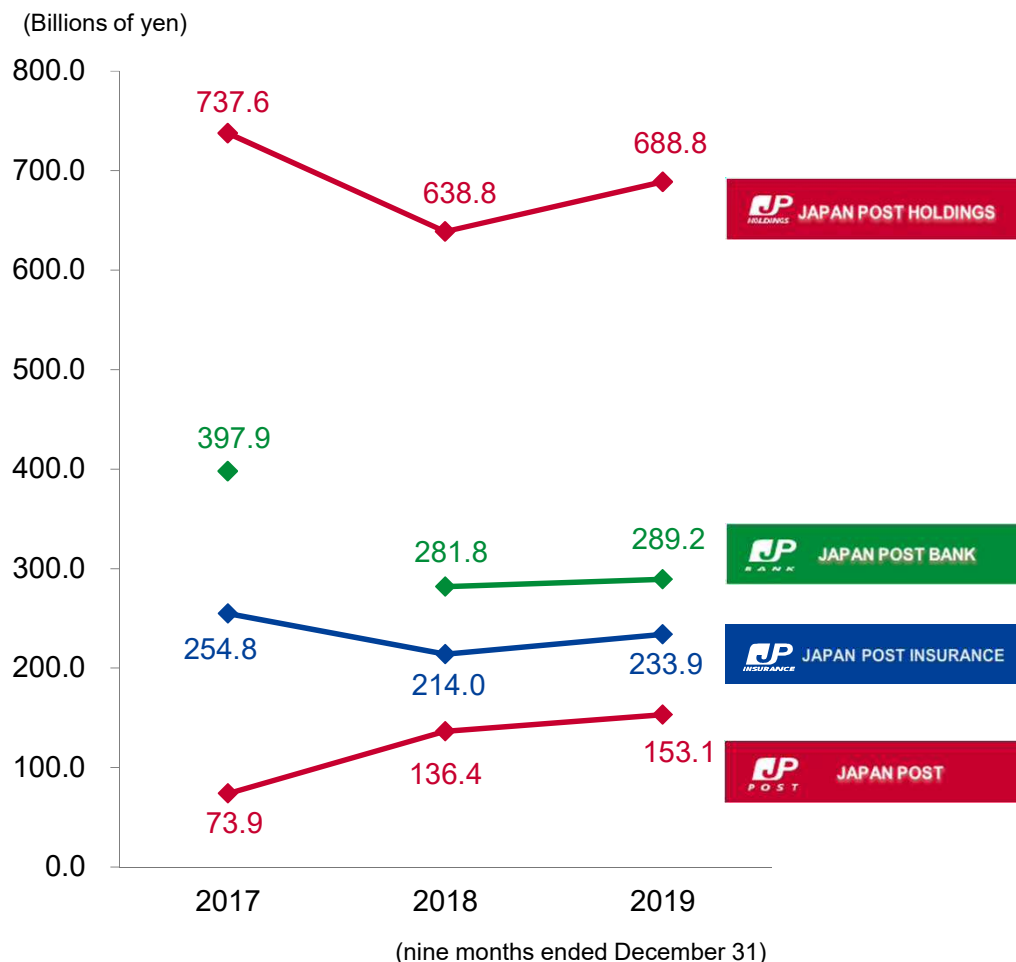
[Appendix 2] Japan Post Co. (Consolidated): Quarterly Consolidated Statements of Income

								(Billions of yen)		
		For the three-month period from Apr. to June 2019	For the three-month period from Apr. to June 2018	Year-on-year change	For the three-month period from July to Sept. 2019	For the three-month period from July to Sept. 2018	Year-on-year change	For the three-month period from Oct. to Dec. 2019	For the three-month period from Oct. to Dec. 2018	Year-on-year change
Japan Post Co. (Consolidated)	Operating income	944.3	948.4	(4.1)	925.6	939.0	(13.3)	1,059.3	1,111.1	(51.7)
	Operating expenses	904.0	923.3	(19.2)	909.1	938.6	(29.4)	954.4	999.0	(44.6)
	Personnel expenses	587.4	595.0	(7.6)	579.1	591.6	(12.5)	594.0	612.6	(18.6)
	Other expenses	316.6	328.3	(11.6)	330.0	346.9	(16.9)	360.3	386.3	(26.0)
	Net operating income	40.2	25.1	+ 15.1	16.5	0.4	+ 16.1	104.9	112.0	(7.1)
Postal and Domestic Logistics Business	Operating income	501.5	497.7	+ 3.7	489.1	468.7	+ 20.3	610.9	622.6	(11.6)
	Operating expenses	480.0	482.9	(2.9)	482.2	488.4	(6.1)	520.0	530.9	(10.9)
	Personnel expenses	310.5	311.1	(0.5)	309.0	310.3	(1.3)	323.2	325.7	(2.5)
	Other expenses	169.4	171.8	(2.3)	173.2	178.1	(4.8)	196.7	205.1	(8.4)
	Net operating income (loss)	21.5	14.8	+ 6.6	6.8	(19.6)	+ 26.4	90.9	91.7	(0.7)
Post Office Business	Operating income	334.9	331.6	+ 3.2	330.5	345.0	(14.4)	339.2	362.2	(23.0)
	Operating expenses	313.0	320.7	(7.6)	316.3	327.8	(11.5)	323.5	342.5	(18.9)
	Personnel expenses	224.2	230.3	(6.0)	218.7	228.5	(9.8)	216.8	230.8	(13.9)
	Other expenses	88.8	90.4	(1.6)	97.6	99.3	(1.6)	106.7	111.7	(4.9)
	Net operating income	21.8	10.8	+ 10.9	14.1	17.1	(2.9)	15.7	19.7	(4.0)
International Logistics Business	Operating income	160.1	169.0	(8.9)	158.1	177.5	(19.4)	168.2	188.2	(19.9)
	Operating expenses	162.0	168.3	(6.3)	160.9	174.2	(13.3)	169.3	185.5	(16.1)
	Personnel expenses	52.6	53.6	(1.0)	51.3	52.7	(1.3)	54.0	56.1	(2.1)
	Other expenses	109.4	114.7	(5.3)	109.5	121.5	(11.9)	115.3	129.4	(14.0)
	Net operating income (loss)	(1.9)	0.6	(2.5)	(2.8)	3.2	(6.0)	(1.1)	2.6	(3.7)

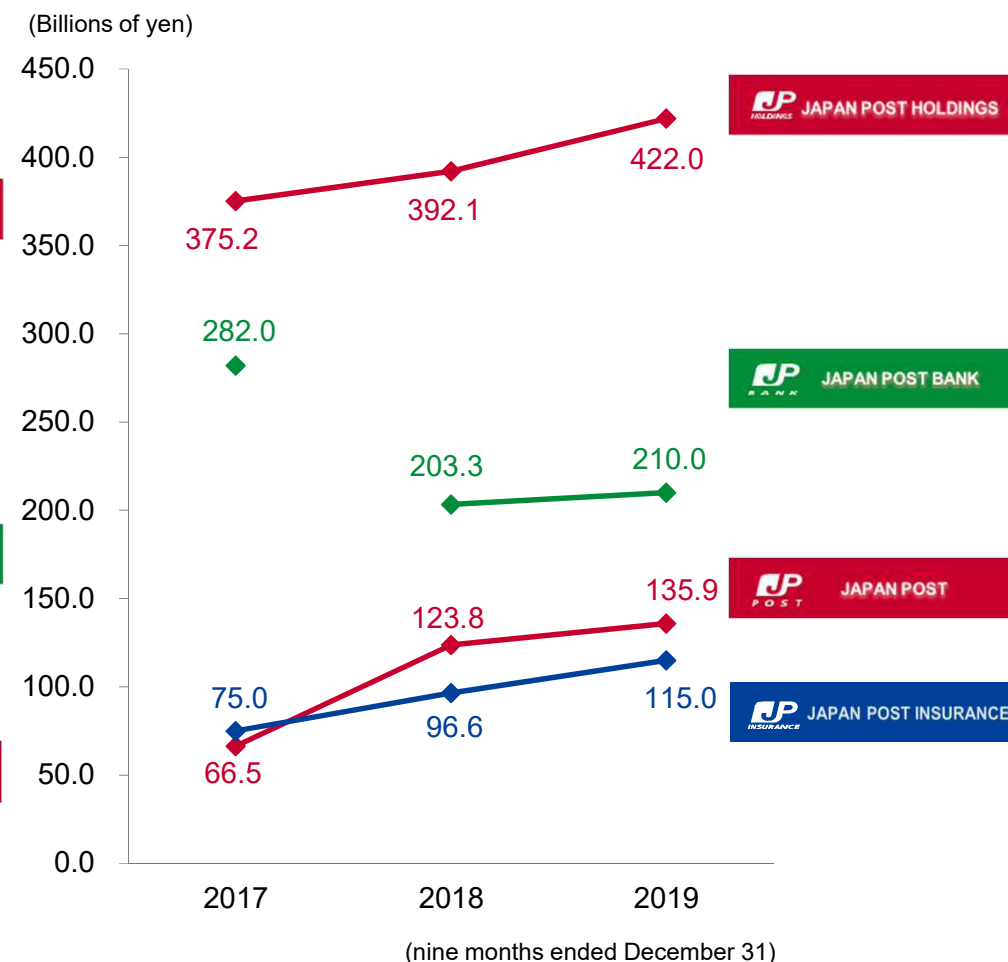
Note: Figures for the international logistics business for the three-month period from July to September and from October to December were calculated by subtracting the accumulated figures in billions of yen until each previous quarter's end (translated by the average exchange rate for the corresponding 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 3] Trends in Net Ordinary Income and Net Income

Trends in Net Ordinary Income



Trends in Net Income



Note: Figures for Japan Post Bank for the nine months ended December 31, 2017 is based on non-consolidated financial results, and the others are based on consolidated financial results.

Forecasts and other forward-looking statements presented in this document are based on information available to Japan Post Holdings Co., Ltd (the “Company”) 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 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.