

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.

March 19, 2018

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(Representative Executive Officer)
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Notice Regarding Revisions to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018 and Dividends Forecast (Special Dividends)

In light of recent trends in financial results, Japan Post Holdings Co., Ltd. (the “Company”) has revised the consolidated financial results forecast and dividends forecast, which were announced on May 15, 2017, as follows.

1. Revision to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018
 - (1) Details of the Revision to the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018

Consolidated financial results forecast for the fiscal year ending March 31, 2018 (April 1, 2017 to March 31, 2018)

	Ordinary income	Net ordinary income	Net income (loss) attributable to Japan Post Holdings	Net income (loss) per share
Previously announced forecast (A)	Million yen 12,460,000	Million yen 780,000	Million yen 400,000	Yen 98.10
Revised forecast (B)	12,700,000	890,000	450,000	110.37
Change (B - A)	240,000	110,000	50,000	-
Change rate (%)	1.9%	14.1%	12.5%	-
(Reference) Results of the previous fiscal year (fiscal year ended March 31, 2017)	13,326,534	795,237	(28,976)	(7.04)

(2) Reason for the Revision

The Company has revised the consolidated financial results forecast for the fiscal year ending March 31, 2018, as per the above table, since the consolidated financial results are expected to substantially exceed the initial forecasts, due to considerable performance improvement that is expected compared with the initial plan, despite an increase in expenses such as personnel expenses and collection, transport and delivery outsourcing expenses in the Postal and Domestic Logistics Business, owing mainly to an increase in volume of Yu-Pack and Yu-Packet handled.

2. Revision to the Year-end Dividends Forecast

(1) Details of the Revision to the Dividends Forecast

	Dividends per share		
	2nd quarter-end	Year-end	Total
Previously announced forecast (May 15, 2017)		¥25	¥50
Revised forecast		Undecided	Undecided
Results of the current fiscal year	¥25		
Results of the previous fiscal year (fiscal year ended March 31, 2017)	¥25	¥25	¥50

(2) Reason for the Revision to the Dividends Forecast

The Company considers returning profits to shareholders to be an important management measure and sets out its basic policy to continuously provide stable return to shareholders, in accordance with the results of operation.

With regard to dividends from retained earnings, the Company aim to provide stable returns to shareholders while maintaining required internal reserves and paying attention to capital efficiency. Accordingly, the Company intends to maintain a consolidated dividend payout ratio of roughly 50% or higher until the fiscal year ending March 31, 2018, while maintaining stable dividends per share.

Accordingly, reflecting the revision to the consolidated financial results forecast for the fiscal year ending March 31, 2018, the Company intends to increase the total annual dividend per share from the previously-announced ¥50 per share.

However, the specific amount will be decided upon comprehensively considering the financial results for the fiscal year ending March 31, 2018 and business environment going forward, and remains “undecided” for the time being.

Furthermore, the Company intends to pay the increase in dividends in the form of a special dividend, in light of the fact that the Japan Post Group commemorated 10th anniversary of its privatization in October 2017.

In accordance with Article 11 of the Act on Japan Post Holdings Co., Ltd., resolutions regarding payment of dividends from surplus or other appropriation of surplus of the Company shall not be effective without approval of the Minister of Internal Affairs and Communications.

* Explanation on Appropriate Use of Financial Results Forecast

Forecasts and other forward-looking statements presented in this document are based on information available to 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 economic and financial environment, changes in competition terms, the occurrence of large-scale disasters, etc. and changes in laws and regulations.