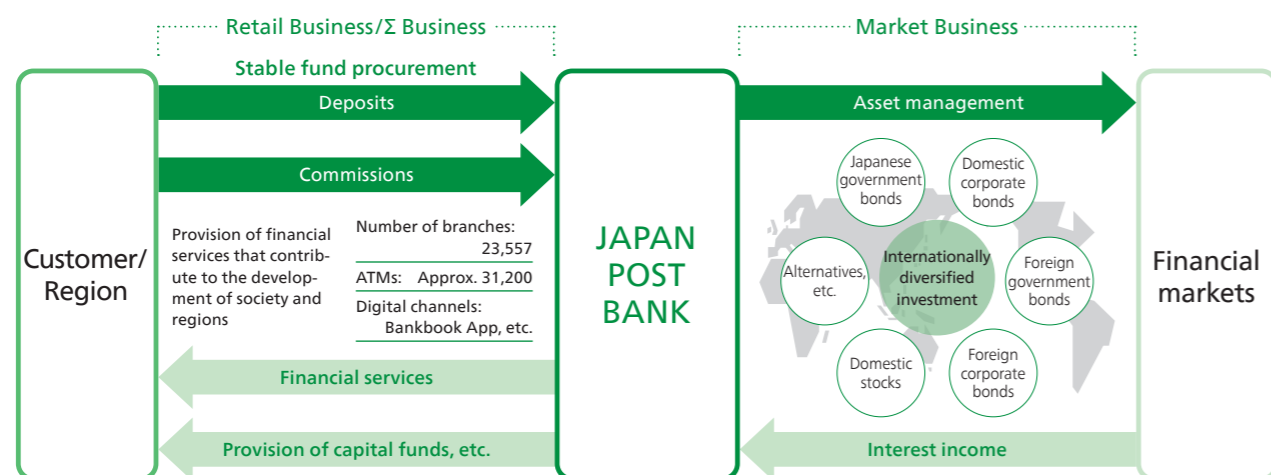


## Business Model

In aiming to remain “the most familiar and trusted bank,” JAPAN POST BANK is developing three businesses: the Retail Business, which works to provide safe, secure and convenient products and services to a wide range of customers, from small children to the elderly, through its network of post offices; the Market Business, which aims to encourage increased investment sophistication and diversification while ensuring stable profits as one of Japan’s largest institutional investors; and the Σ (Sigma) Business, which is a corporate business for creating futures for societies and local communities through investment.

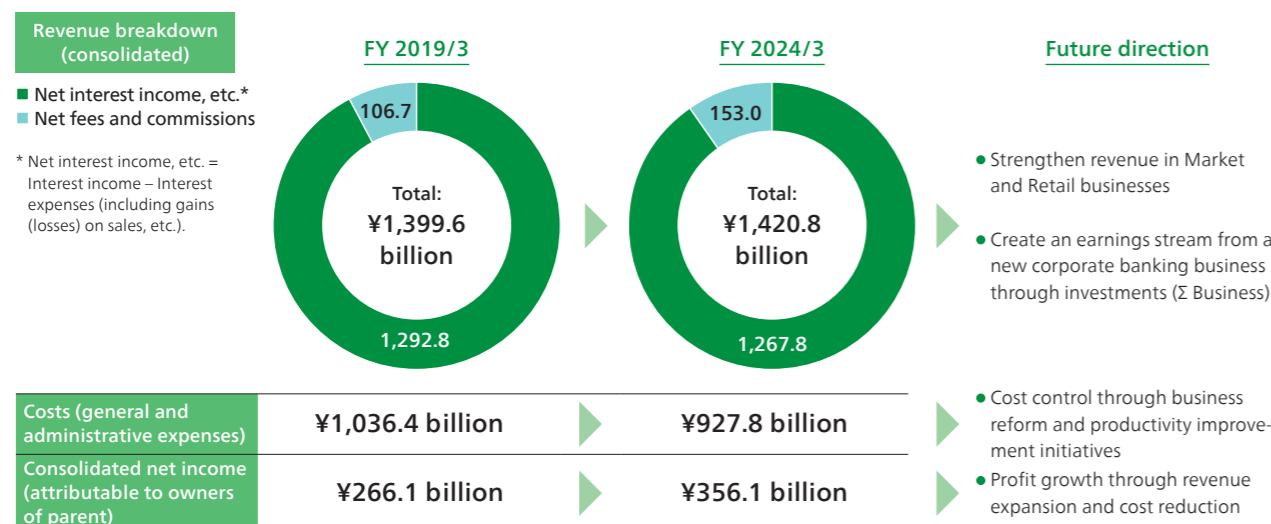


Business	Primary businesses
Retail Business	Financial services such as deposits, remittance/payment, salary/pension receipt, asset management, cashless services, and mortgage (intermediary)
Market Business	Investment of deposits into securities and other investments in domestic and foreign financial markets
Σ Business	Provision of capital funds to regional companies, deal sourcing for investee companies, marketing support for investee companies, etc.

## JAPAN POST BANK’s Profit Structure

The main driver of a majority of the revenues the Bank generates, including net interest income, etc., is the Market Business. In recent years, however, net fees and commissions which are income from fees have also expanded, primarily from the Retail Business. Looking ahead, we will continue our efforts to strengthen earnings in the Retail and Market

businesses, while also working to secure profits through the Σ Business from the next Medium-term Management Plan and beyond. Moving forward, we will endeavor to achieve further profit growth by controlling costs through operational reforms and other measures.

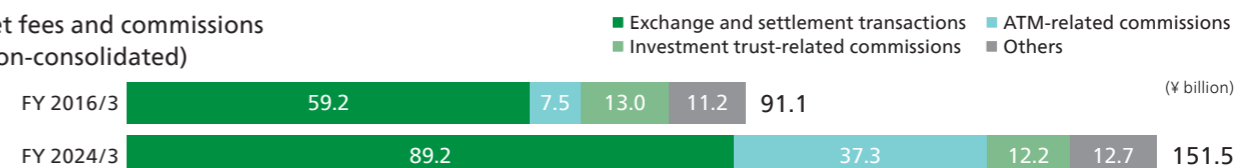


## Retail Business

Leveraging our strong customer base and network, a forte of the Bank, we are accelerating our strategy of complementarity between physical and digital channels while advancing our transformation into a new form of Retail Business that goes

beyond traditional banking operations. Steady progress is being made to improving profitability by expanding digital and cashless services and enhancing initiatives in the asset building support business and ATM business.

### Net fees and commissions (non-consolidated)



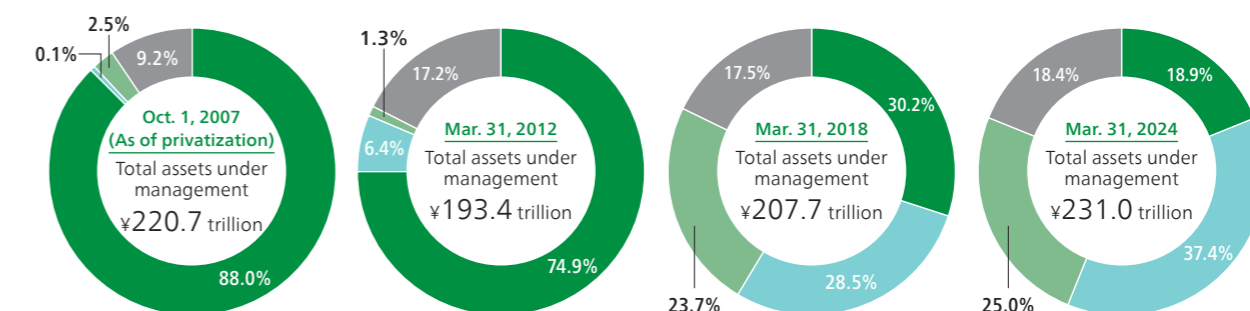
## Market Business

Prior to privatization, the Bank had invested mainly in government bonds. After privatization, however, we took risks, primarily with risk assets, and promoted the sophistication and diversification of our investments.

Going forward, we will pursue an optimal investment portfolio that combines yen interest rate assets and risk assets under appropriate risk management.

### Assets under management (non-consolidated)

Government bonds, Foreign securities, etc., Due from banks, etc., Others (Japanese local government bonds, corporate bonds, money held in trust, loans, short-term investments, etc.)



## Σ Business

The Σ business compensates for shortfalls of capital in local communities through investment means. By identifying potential investment candidate companies (sourcing), investing in local business operators, and introducing and acting as an intermediary (marketing support) for the products and services of the businesses in which we have invested, we will contribute to the growth of businesses and business operators and to the revitalization of local economies.

its core, the GP business will work with its partners to engage in, for example, business succession, business revitalization and venture capital investments as well as ESG investments.

### 1 GP business (investment business)

JAPAN POST BANK’s unique GP business boasts four special features: Co-creation with regional financial institutions and other diverse businesses; utilization of the Bank’s nationwide network to carefully identify local funding needs; providing capital funds from a medium- to long-term perspective; and accompanying and supporting investee companies to help them achieve growth and resolve issues. With the Bank’s wholly owned subsidiary, JAPAN POST CAPITAL PARTNERS Co., Ltd., at

### 2 Deal sourcing business

Utilizing its nationwide network that covers every corner of the country, JAPAN POST BANK works with regional financial institutions and others to identify (source) local business operators that could be potential investment targets for the Σ Business.

### 3 Marketing support business for investee companies

JAPAN POST BANK introduces and mediates (provides marketing support) for products that its investee companies possess that could create new markets but for which demand has not yet become apparent, thereby supporting the growth of its investee companies and others.