

UNOFFICIAL TRANSLATION

Although the "Bank" 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

Future Business Development of JAPAN POST BANK

— Business Development Built on a Co-creation Platform —

May 31, 2023

Director, President and Representative Executive Officer

Norito Ikeda

1. JPB's Vision

- Support the growth of customers nationwide by fully harnessing the Bank's unique characteristics in partnership with local financial and other institutions

JPB's Unique Strategic Features

Strong JPB's network known throughout Japan

+

large number of savings and accounts



Vision

Place the utmost importance on utilizing the Bank's vast assets and management resources to contribute to the vitality of the economy rather than simply transitioning to a private bank



Utilize useful management resources and work in partnership with local financial and other institutions **as a co-creation platform to become a bank that supports the growth of customers nationwide from a medium- to long-term perspective**

Growth Engines

Three strategic businesses driving growth

- ① Retail Business
- ② Market Business
- ③ Σ Business

with the aim of building a sustainable earnings base

JPB's Vision

Local Financial and Other Institutions (Partners)

JPB is anticipating chronic shortages in each of the following:

- ① Necessary capital
- ② Information
- ③ Human resources (human capital)

Consider application of the Bank's useful management resources

2. Future Business Development of JPB



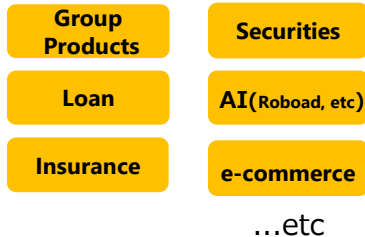
Three Engines (earnings base) that underpin sustainable management

JPB's Digital Strategy

- Build a **co-creation platform** based on the Yucho Bankbook App and Yucho Reco (personal financial management apps)



- Collaborate with diverse business operators (finance and non-finance domains) and address customer needs



Considering trial distribution of ads from the financial domain. (Announced when ready)

A (advertisement)

Net fees and commissions

¥153 billion

(FY2024/3 forecast, FY2023/3 results ¥147.8 billion)

R [1st Engine] Retail Business

Development of new retail businesses

- Expand safer, securer, simpler and more convenient **Digital Services**

Build a co-creation platform

- Provide a wide range of app-based products and services through advertising and collaboration with diverse business operators

Secured stable earnings of

¥1.26 trillion

(FY2024/3 net interest income, etc. forecast, FY2023/3 results ¥1.23 trillion)

* PE and real estate contribute to earnings

M [2nd Engine] Market Business

Pursuit of an optimum investment portfolio

- Maintain a financially sound and stress-resistant investment portfolio
- Pursue optimal international diversification including yen interest rate assets

Assuming that the domestic PE market will grow to the level of Europe and the U.S. (*1) in the future, **contribute to the region through equity funds in the amount of 1 trillion yen**

Σ [3rd Engine] Σ Business

As a partner through collaboration and cooperation with diverse business operators, realization of a co-creation platform

- Focus on the GP Business (provide equity funds)
- Promote a corporate banking business (*2) utilizing information obtained from all over the country, centering on regional headquarters

*1 Current status of the domestic PE market 2014-20 average annual flow amount

GDP ratio 0.2% (¥1-2 trillion) ⇔ US 1.3%, UK 1.5%

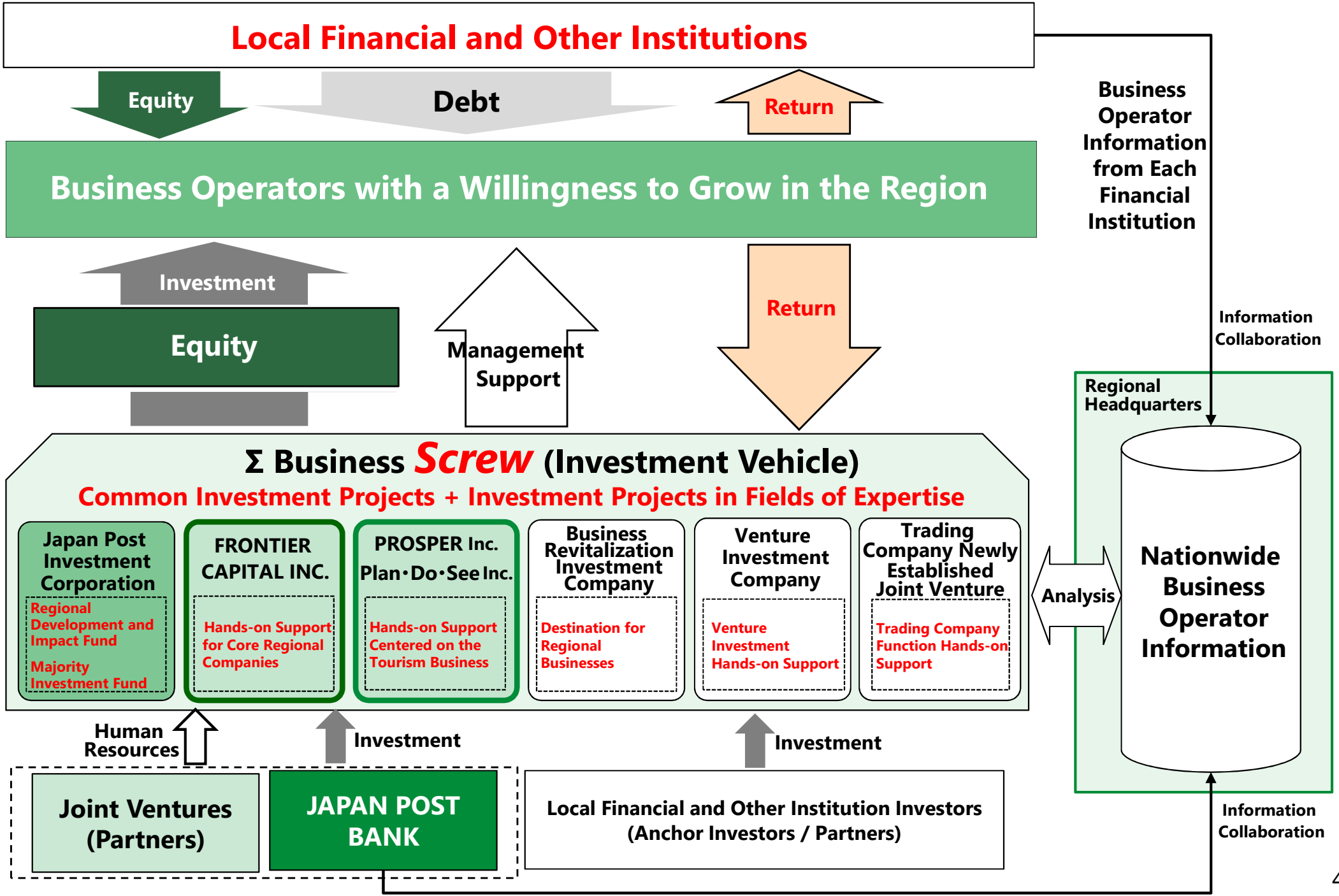
*2 Marketing support business for investee companies, Deal sourcing business

3. Σ Business: Major Initiatives for the Six-month Period after Launch

- The Σ Business launched in October 2022; the initial two-year period from October 2022 to September 2024 set as a preparation period
- Major initiatives and achievements over the roughly six-month period to date of the three items: ① GP Business; ② Marketing support business for investee companies, and; ③ Deal sourcing business that form the pillars of the Σ Business are presented in the following table.

Item	Summary of Main Tasks	Achievements & Efforts in Last 6 Months
① GP Business	<ul style="list-style-type: none"> ● Put in place a management system and build and investment portfolio that take advantage of the characteristics of each investment company and fund (establish GP operations mainly in Japan Post Investment Corporation) ● Put in place a development system for human resources responsible for GP operations 	<ul style="list-style-type: none"> ● Jan.-Feb. 2023: Invested in Frontier Capital Inc. ● JP Investment Regional Development and Impact Fund (FY2023/3: 3 investments) ● May 2023: LP investment in the PROSPER Japan Corporate Growth Support Fund formed by PROSPER Inc. and Plan·Do·See Inc. ● Progressively expanded vehicles to send staff in an effort to develop human resources responsible for GP operations
② Marketing Support Business for Investee Companies	<ul style="list-style-type: none"> ● Develop commercial products that have an affinity with the Bank based on information from investee companies, etc. ● Draw up sales strategies and promote introduction and mediation operations in accordance with investee companies ● Develop human resources and put in place a marketing system with a view to fully fledged operations 	<ul style="list-style-type: none"> ● Nov. 2022, Business Partnership Agreement with Pie Systems Japan Co., Ltd., ● Jan. 2023, Started collaboration (acquisition of member stores in shopping streets and shopping malls) ● Apr. 2023, Started developing human resources related to marketing support business
③ Deal Sourcing Business	<ul style="list-style-type: none"> ● Foster corporate cultures and unify our passion and action toward new corporate banking business ● Utilize our nationwide network in Japan and develop our own deal sourcing system ● Develop the corporate customer information platform by using regional community information 	<ul style="list-style-type: none"> ● Promote understanding through training programs for employees ● Apr. 2023, Released “Σ Business text book” ● Apr. 2023, Started developing human resources related to sourcing business ● Started to discuss the development of corporate customer information platform in detail

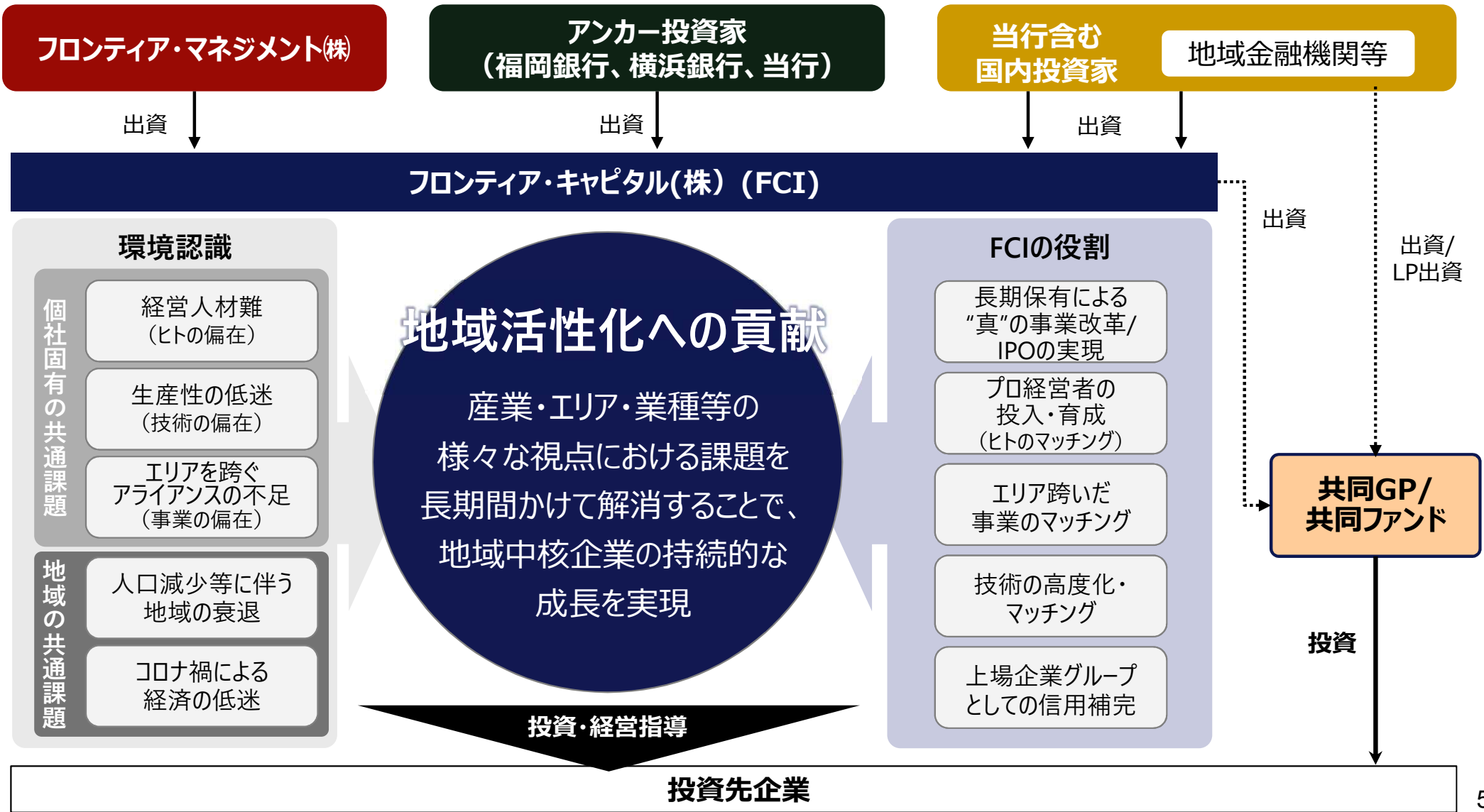
4. Σ Business Strategy



5. フロンティア・キャピタル(株)への出資

Please refer to the original Japanese text.

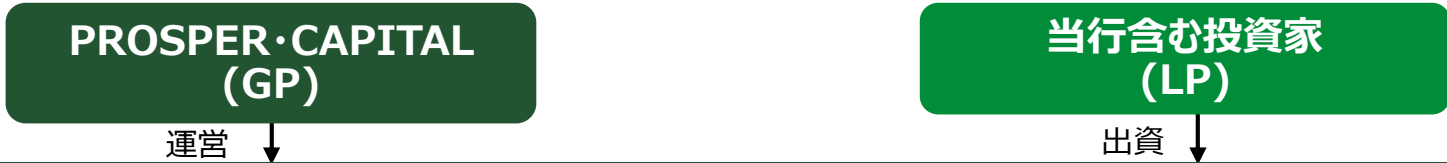
- 2023年1月、当行はフロンティア・マネジメント(株)の投資子会社「フロンティア・キャピタル(株)」に出資。
- 地域において様々な経営課題を抱える**地域の中核企業**に対し、**長期的視点から解決を支援し、当行と地域金融機関との共創による地域活性化への貢献を目指す。**



6. PROSPER社/Plan・Do・See社のファンドへのLP出資

Please refer to the original Japanese text.

- 2023年5月 「PROSPER日本企業成長支援ファンド1号」にLP出資。
- **観光産業を軸とした「街おこし」に強み**を持つPROSPER社とPlan・Do・See社が組成するファンドに出資。**積極的なハンズオン支援を通じて、地域活性化への貢献を目指す**。また、同社とは将来の更なる協業に向けた検討も行う予定。

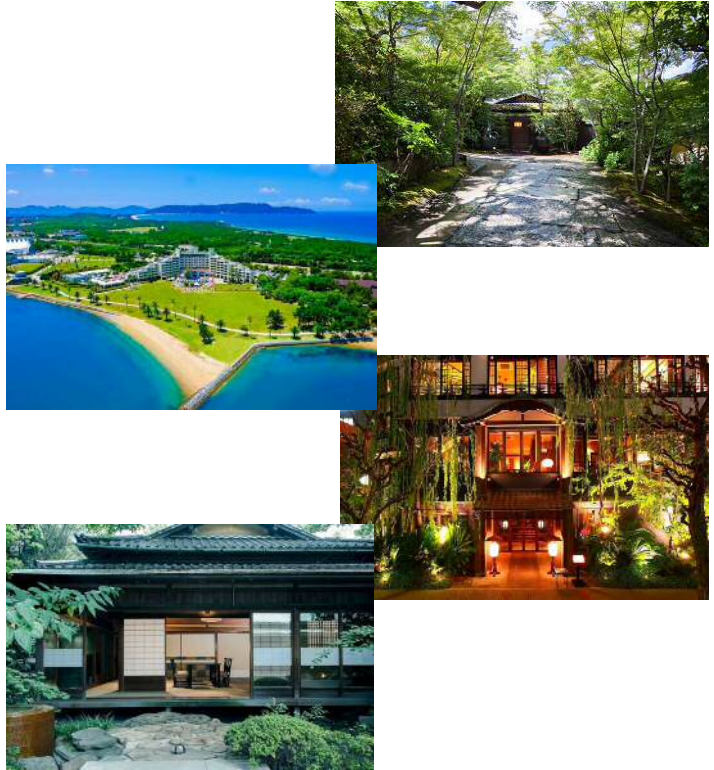


PROSPER日本企業成長支援ファンド1号

- 【積極的なハンズオン支援】**
- 「企業文化・組織力」強化 (チームビルディング)
 - 顧客価値再設計
 - マーケティング支援
 - ガバナンス構築
 - DX推進支援

観光産業を軸とした地域活性化への貢献

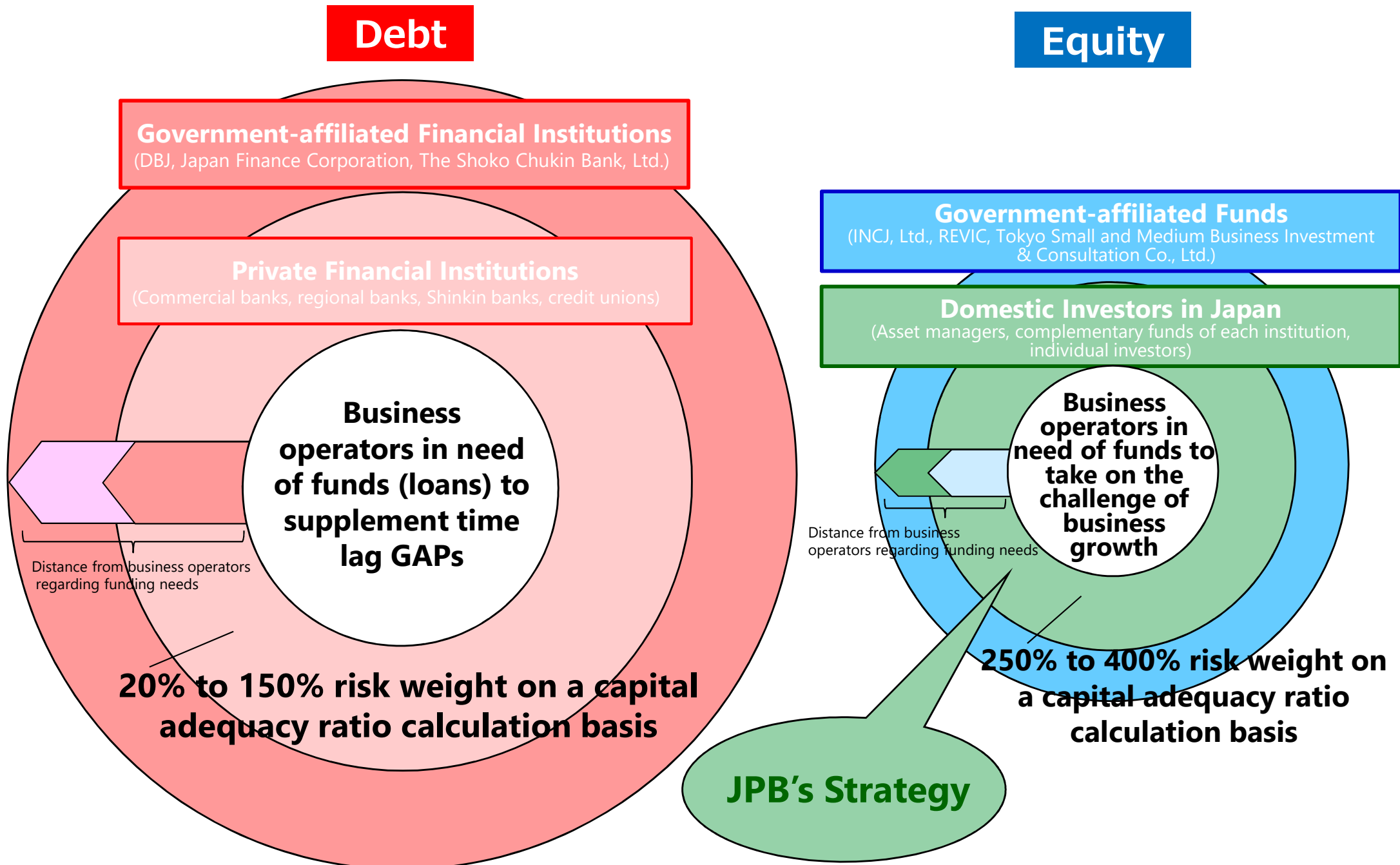
日本国内の中小企業等に投資し、積極的なハンズオン支援を通じて、投資先企業の成長と企業価値向上を目指す



投資・経営指導

投資先企業

7. JPB's Positioning Domain



※Risk weights for capital adequacy ratios are on a Basel III finalization basis.

(Reference) Σ Business Promotion System

Chaired by the president, established the Σ Business Strategy Committee as a specialized committee in October 2022.

- In order to promote highly effective initiatives through the combined efforts of JPB's head office, regional headquarters, directly managed branches, and JP Investment, the Regional Relations and Marketing divisions play a central role in the consideration of measures and management of progress, which are deliberated on and reported by the Σ Business Strategy Committee, chaired by the president, to establish a system that enables management to appropriately understand and be involved in the status of initiatives, etc.
- In the future, JPB will also consider of its development through collaboration and synergy effects among group companies, utilizing the customer base, sales structure, and services of each company in the JAPAN POST Group.

