

Selected Financial Information

For the Three Months Ended June 30, 2020

JAPAN POST BANK Co., Ltd.
August 7, 2020

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【Consolidated subsidiaries, etc.】

Consolidated subsidiaries	4 companies (Principal companies: JAPAN POST BANK LOAN CENTER Co., Ltd. Japan Post Investment Corporation)
Affiliates accounted for by the equity method	ATM Japan Business Service, Ltd. JP Asset Management Co., Ltd.

Note: All Japanese yen figures in the financial statements of JAPAN POST BANK Co., Ltd. (the “Bank”) and its consolidated subsidiaries (the “Group”) have been rounded down. Accordingly, the total of each account may not be equal to the combined total of individual items.

Financial Highlights

1. Overview of FY2021/3 1Q Results

- In the extremely challenging business environment with the impact of the spread of COVID-19 and yen interest rates remained at a low level, net ordinary income on both consolidated and non-consolidated bases, and net income attributable to owners of parent (and net income) decreased.
- As we anticipated that the impact of the spread of COVID-19 would be large, especially in the first half of the fiscal year ending March 31, 2021, these results were within expectations.

Consolidated

Net ordinary income

¥42.0 bn

¥(63.6) bn, (60.2)% YoY

Earnings forecast
(FY2021/3)

¥275.0 bn

Progression rate

15.2%

Net income attributable to owners of parent

¥33.2 bn

¥(44.6) bn, (57.3)% YoY

Earnings forecast
(FY2021/3)

¥200.0 bn

Progression rate

16.6%

Non-consolidated

Gross operating profit

¥305.7 bn

¥(58.7) bn, (16.1)% YoY

Net operating profit

¥52.8 bn

¥(48.5) bn, (47.8)% YoY

Net ordinary income

¥41.9 bn

¥(63.8) bn, (60.3)% YoY

Net income

¥33.0 bn

¥(44.7) bn, (57.4)% YoY

Total assets

¥219.3 tn

+¥8.4 tn vs FY2020/3 end

Securities

¥138.4 tn

+¥3.2 tn vs FY2020/3 end

Japanese government bonds

¥53.5 tn

¥(0.0) tn vs FY2020/3 end

Foreign securities, etc. ¥68.8 tn

+¥3.1 tn vs FY2020/3 end

Capital adequacy ratio

15.43%

(0.12)% vs FY2020/3 end

2. Results of Operations

Non-consolidated

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Gross operating profit	364.4	305.7	(58.7)
Net interest income	256.6	193.3	(63.2)
Net fees and commissions	33.1	31.8	(1.3)
Net other operating income (loss)	74.6	80.5	5.8
Gains (losses) on foreign exchanges	73.4	79.8	6.3
Gains (losses) on bonds	1.8	0.6	(1.2)
General and administrative expenses (*)	263.0	252.8	(10.1)
Provision for general reserve for possible loan losses	0.0	—	(0.0)
Net operating profit	101.3	52.8	(48.5)
Non-recurring gains (losses)	4.3	(10.9)	(15.2)
Gains (losses) on money held in trust	2.6	(7.6)	(10.2)
Net ordinary income	105.7	41.9	(63.8)
Net income	77.7	33.0	(44.7)
ROE (**)(***)	2.73%	1.35%	(1.38)%
OHR (****)	72.17%	82.71%	10.53 %

* General and administrative expenses exclude non-recurring losses.

** ROE = net income / [(sum of total net assets at the beginning and the end of the period) / 2] x 100

*** ROE is annualized.

**** OHR = (general and administrative expenses / gross operating profit) x 100

■ In the extremely challenging business environment with the impact of the spread of COVID-19 and yen interest rates remained at a low level, gross operating profit for the three months ended June 30, 2020 decreased by ¥58.7 bn year on year to ¥305.7 bn.

Net interest income decreased by ¥63.2 bn year on year, due to a decrease in interest on securities.

Net fees and commissions decreased by ¥1.3 bn year on year.

Net other operating income increased by ¥5.8 bn year on year.

■ General and administrative expenses decreased by ¥10.1 bn year on year to ¥252.8 bn.

■ Net operating profit decreased by ¥48.5 bn year on year to ¥52.8 bn.

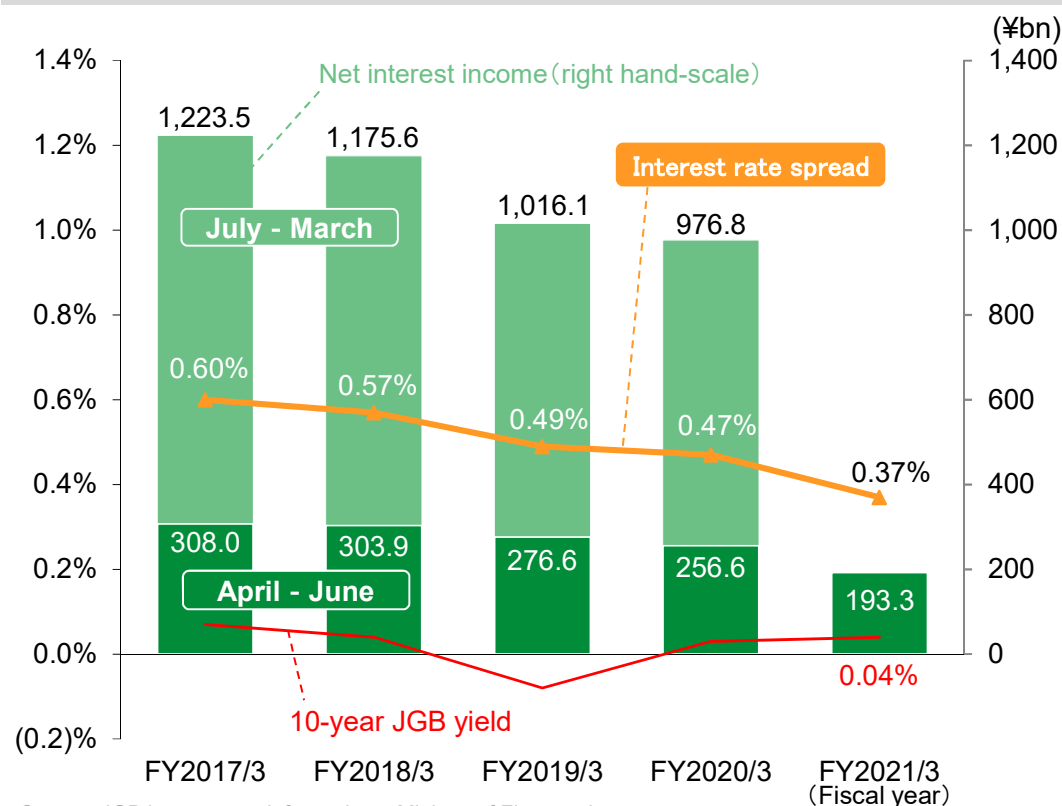
■ Net ordinary income decreased by ¥63.8 bn year on year to ¥41.9 bn.

■ Net income decreased by ¥44.7 bn year on year to ¥33.0 bn.

3. Trend of Net Interest Income and Interest Rate Spread

Non-consolidated

- Net interest income was ¥193.3 bn and interest rate spread was 0.37% for the three months ended June 30, 2020.
- While interest expenses decreased due to a decrease in foreign currency funding costs, interest income which mainly consists of interest on Japanese government bonds and foreign securities decreased. As a result, net interest income decreased by ¥63.2 bn year on year.



Source: JGB interest rate information – Ministry of Finance Japan

Notes: 1. "Domestic" represents yen-denominated transactions while "overseas" represents foreign currency-denominated transactions (except that yen-denominated transactions with non-residents of Japan are included in "overseas").

2. For a part of interest income and expenses, transactions between "domestic" and "overseas" are offset to calculate totals. As a result, the total of each account may not be equal to the combined total of "domestic" and "overseas" of each item.

3. Interest rate spreads of FY2017/3 – FY2020/3 are the figures for the relevant fiscal years, while interest rate spread of FY2021/3 is the figure for the three months ended June 30, 2020. Interest rate spread of FY2021/3 is annualized.

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Domestic (¥bn)			
Net interest income	219.1	178.0	(41.0)
Interest income	240.5	198.1	(42.3)
Interest on Japanese government bonds	117.0	96.2	(20.8)
Interest expenses	21.4	20.1	(1.3)
Overseas (¥bn)			
Net interest income	37.5	15.3	(22.2)
Interest income	191.2	137.2	(54.0)
Interest on foreign securities	190.7	137.0	(53.7)
Interest expenses	153.6	121.8	(31.7)
Total (¥bn)			
Net interest income	256.6	193.3	(63.2)
Interest income	335.5	255.5	(80.0)
Interest expenses	78.9	62.1	(16.7)

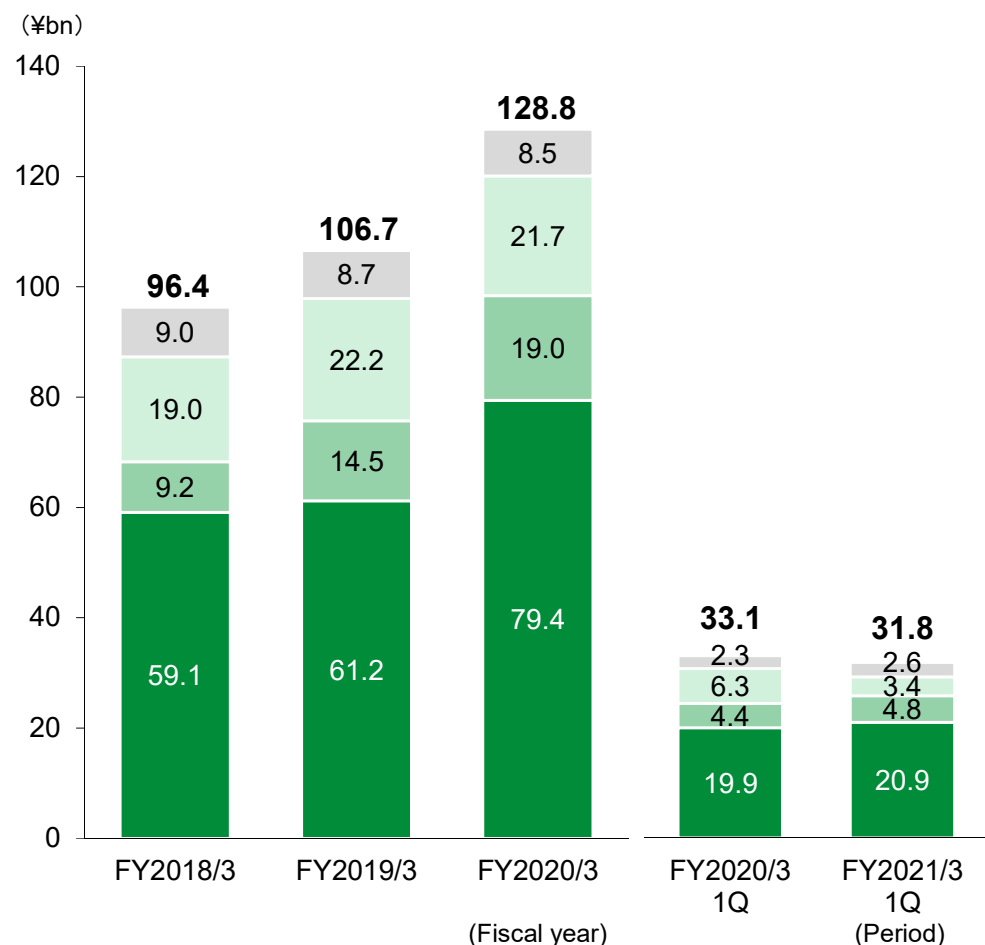
4. Net Fees and Commissions

Non-consolidated

■ Net fees and commissions for the three months ended June 30, 2020 decreased by ¥1.3 bn year on year to ¥31.8 bn, mainly due to a decrease in fees relating to investment trusts.

Trend of Net Fees and Commissions

■ Exchange and settlement transactions ■ ATMs ■ Investment trusts ■ Others



Breakdown of Net Fees and Commissions

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Net fees and commissions relating to	33.1	31.8	(1.3)
Exchange and settlement transactions	19.9	20.9	0.9
ATMs	4.4	4.8	0.3
Investment trusts	6.3	3.4	(2.9)
Others	2.3	2.6	0.2

Results of Investment Trusts Sales (Contract Basis)

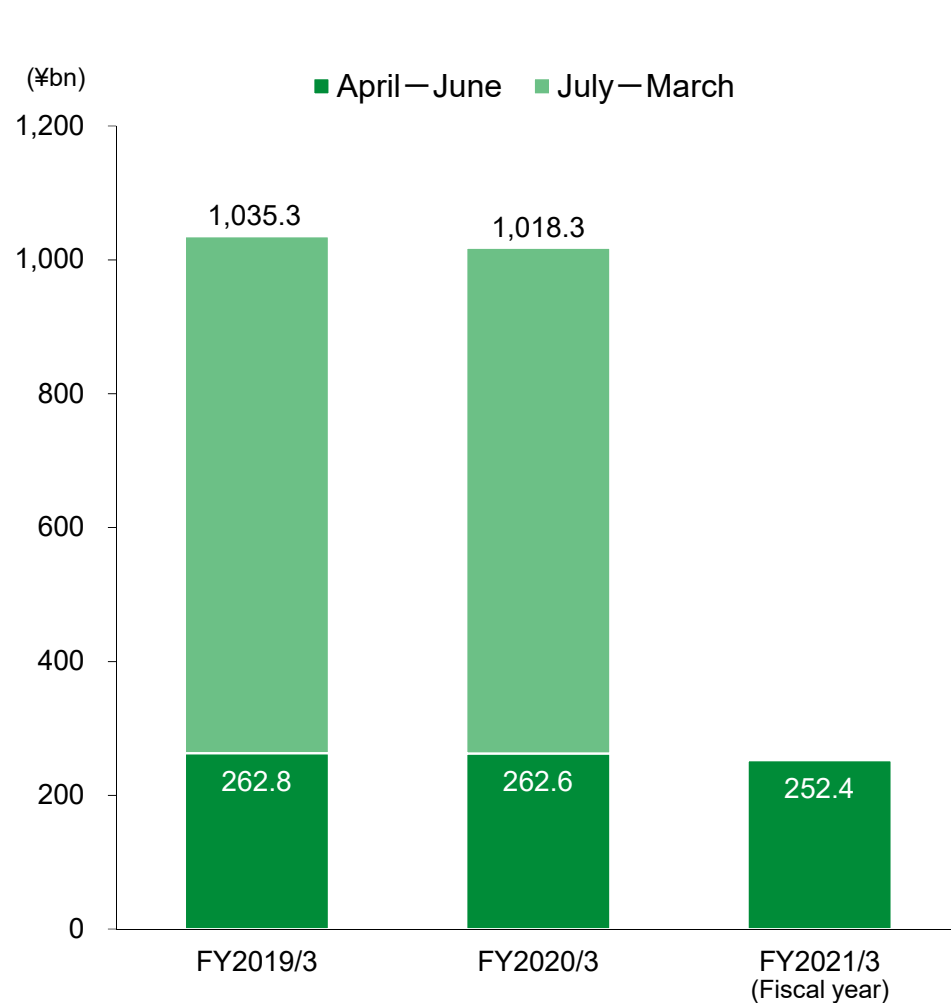
	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Number of contracts (thousands)	689	835	145
Sales amount (billions of yen)	246.2	48.0	(198.1)

	As of June 30, 2019 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
	Number of investment trust accounts (thousands)	1,129	1,189
Net assets (billions of yen)	2,420.1	2,374.6	(45.5)

5. Trend of General and Administrative Expenses

Non-consolidated

■ General and administrative expenses for the three months ended June 30, 2020 decreased by ¥10.1 bn year on year to ¥252.4 bn.



	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Personnel expenses (*)	30.1	29.2	(0.9)
Salaries and allowances	24.9	24.1	(0.8)
Non-personnel expenses	218.9	210.0	(8.9)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	97.7	95.2	(2.5)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network	59.4	59.3	(0.1)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	14.8	14.3	(0.5)
Taxes and dues	13.4	13.0	(0.3)
Total	262.6	252.4	(10.1)

* Personnel expenses include non-recurring losses.

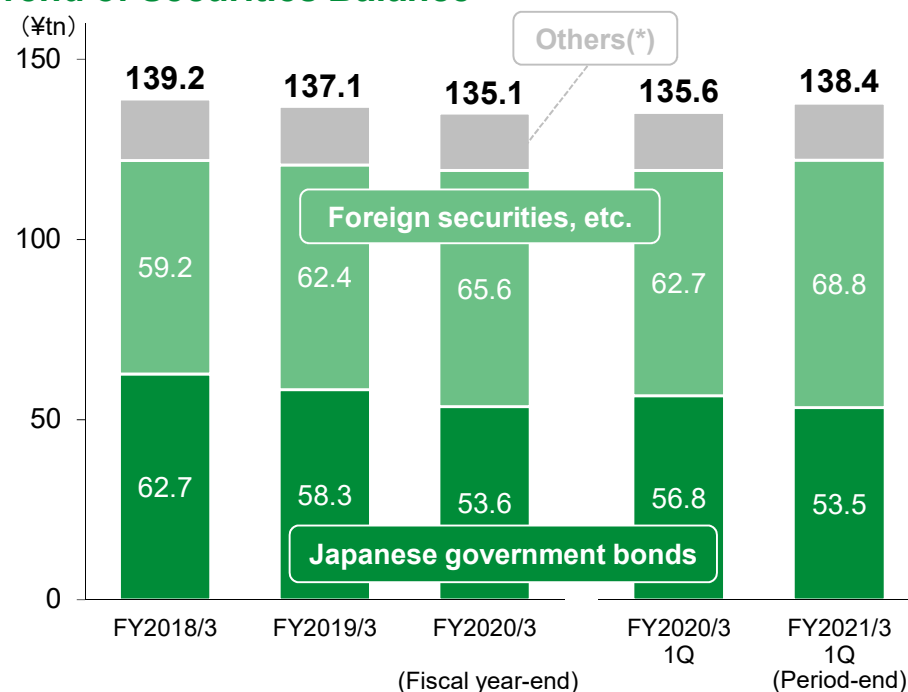
6. Financial Conditions

Non-consolidated

	(¥bn)		
	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Assets	210,905.1	219,380.6	8,475.4
Cash and due from banks	51,663.9	54,098.5	2,434.6
Call loans	1,040.0	1,060.0	20.0
Receivables under resale agreements	9,731.8	9,711.8	(20.0)
Money held in trust	4,549.7	4,808.4	258.7
Securities	135,198.4	138,406.2	3,207.7
Loans	4,961.7	7,335.1	2,373.3
Liabilities	201,917.5	208,772.1	6,854.6
Deposits	183,004.7	187,480.0	4,475.2
Payables under repurchase agreements	14,855.6	15,116.7	261.1
Payables under securities lending transactions	2,219.3	1,802.0	(417.3)
Net assets	8,987.6	10,608.4	1,620.7
Total shareholders' equity	9,058.7	8,998.0	(60.7)
Total valuation and translation adjustments	(71.0)	1,610.4	1,681.4

- Total assets increased by ¥8.4 tn from March 31, 2020, to ¥219.3 tn as of June 30, 2020.
- Securities increased by ¥3.2 tn from March 31, 2020, to ¥138.4 tn as of June 30, 2020.
- Loans increased by ¥2.3 tn from March 31, 2020, to ¥7.3 tn as of June 30, 2020.
- Deposits increased by ¥4.4 tn from March 31, 2020, to ¥187.4 tn as of June 30, 2020.
- Total valuation and translation adjustments increased by ¥1.6 tn from March 31, 2020, to ¥1.6 tn as of June 30, 2020.

Trend of Securities Balance

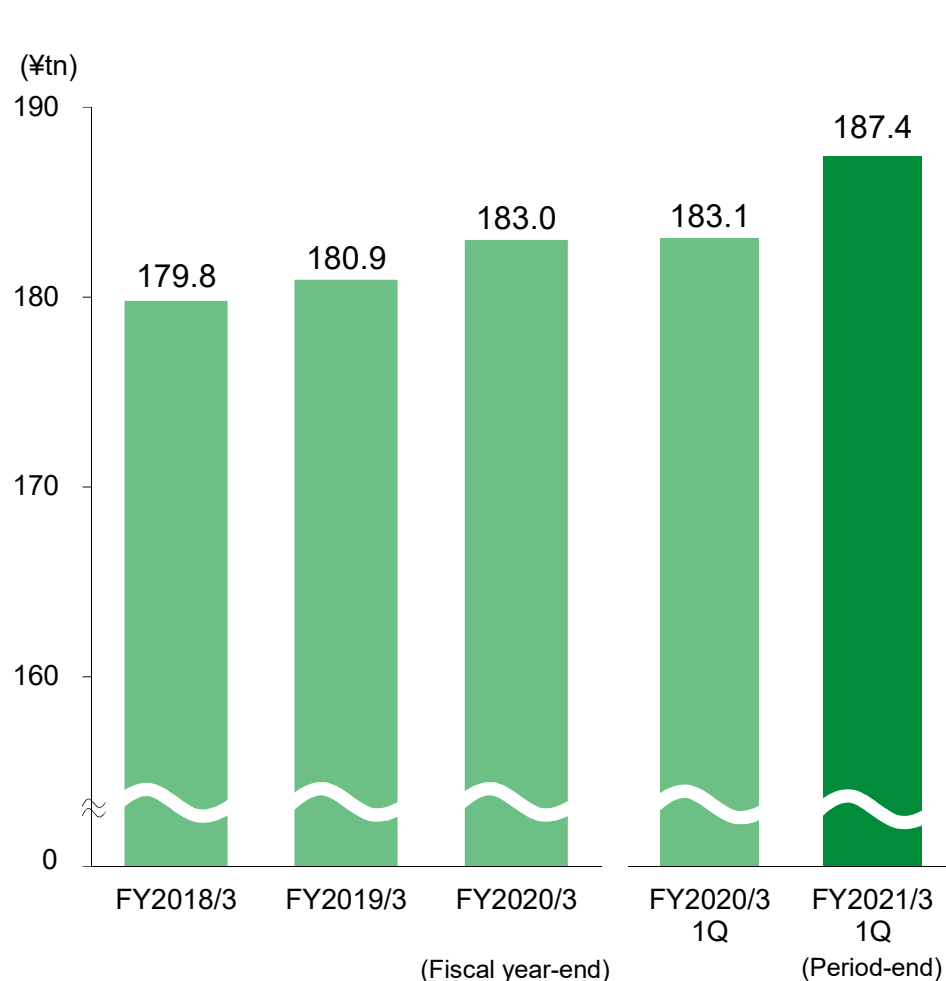


* "Others" consists of Japanese local government bonds, commercial paper, Japanese corporate bonds and Japanese stocks.

7. Trend of Deposit Balance

Non-consolidated

■ Deposit balance as of June 30, 2020 was ¥187.4 tn.



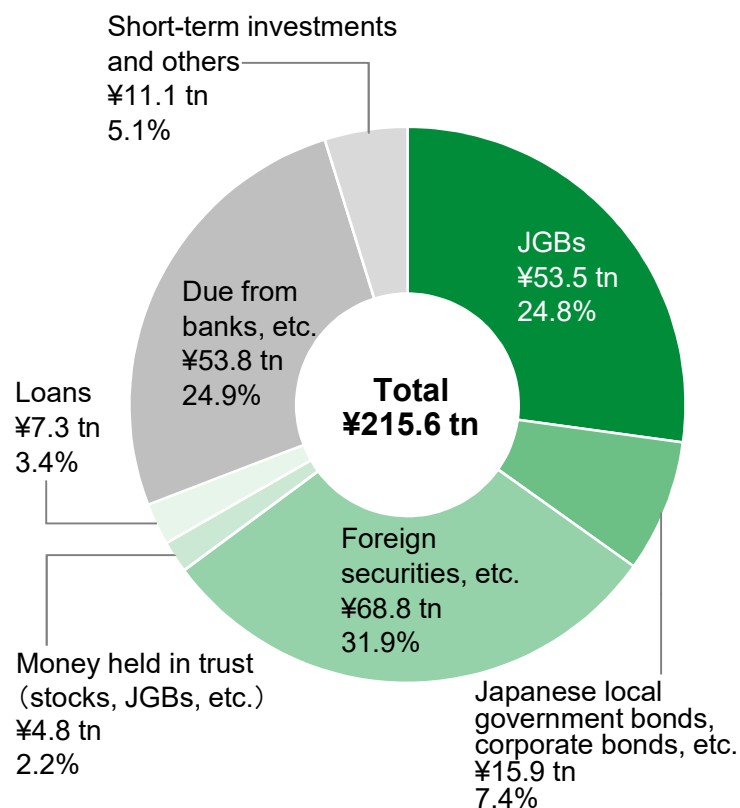
	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Liquid deposits	87.5	93.8	6.2
Transfer deposits	7.7	8.2	0.4
Ordinary deposits, etc. (*)	79.3	85.1	5.7
Savings deposits	0.5	0.5	0.0
Fixed-term deposits	95.2	93.4	(1.8)
Time deposits	5.2	5.0	(0.1)
TEIGAKU deposits	90.0	88.4	(1.6)
Other deposits	0.1	0.1	(0.0)
Total	183.0	187.4	4.4

* Ordinary deposits, etc. = Ordinary deposits + Special deposits (equivalent to ordinary savings)

8. Asset Management Status

Non-consolidated

■ Included in investment assets as of June 30, 2020, JGBs were ¥53.5 tn and foreign securities, etc. were ¥68.8 tn.



Categories	As of March 31, 2020 (A)	%	As of June 30, 2020 (B)	%	Increase (Decrease) (B) – (A)
Securities	135,198.4	65.1	138,406.2	64.1	3,207.7
Japanese government bonds	53,636.1	25.8	53,579.1	24.8	(56.9)
Japanese local government bonds, corporate bonds, etc. (*)	15,904.8	7.6	15,992.7	7.4	87.9
Foreign securities, etc.	65,657.5	31.6	68,834.3	31.9	3,176.8
Foreign bonds	23,706.8	11.4	23,613.1	10.9	(93.7)
Investment trusts (**)	41,901.0	20.1	45,169.2	20.9	3,268.2
Money held in trust (stocks, JGBs, etc.)	4,549.7	2.1	4,808.4	2.2	258.7
Domestic stocks	1,859.6	0.8	2,116.0	0.9	256.3
Loans	4,961.7	2.3	7,335.1	3.4	2,373.3
Due from banks, etc. (***)	51,485.4	24.8	53,879.4	24.9	2,394.0
Short-term investments and others (****)	11,324.2	5.4	11,178.9	5.1	(145.3)
Total	207,519.6	100.0	215,608.2	100.0	8,088.6

* “Japanese local government bonds, corporate bonds, etc.” consists of Japanese local government bonds, commercial paper, Japanese corporate bonds and Japanese stocks.

** Investment trusts are mainly invested in foreign bonds.

*** “Due from banks, etc.” consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.

**** “Short-term investments and others” consists of call loans and receivables under resale agreements, etc.

9. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

- Net unrealized gains on financial instruments (available-for-sale) after taking into consideration of gains (losses) from hedge accounting were ¥2,321.6 bn as of June 30, 2020 (before application of tax effect accounting), increased by ¥2,423.7 bn from March 31, 2020.

	As of March 31, 2020 (A)		As of June 30, 2020 (B)		Increase (Decrease) (B) – (A)
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Net unrealized gains (losses)
Held-to-maturity securities	24,170.7	490.8	24,817.2	421.4	(69.4)

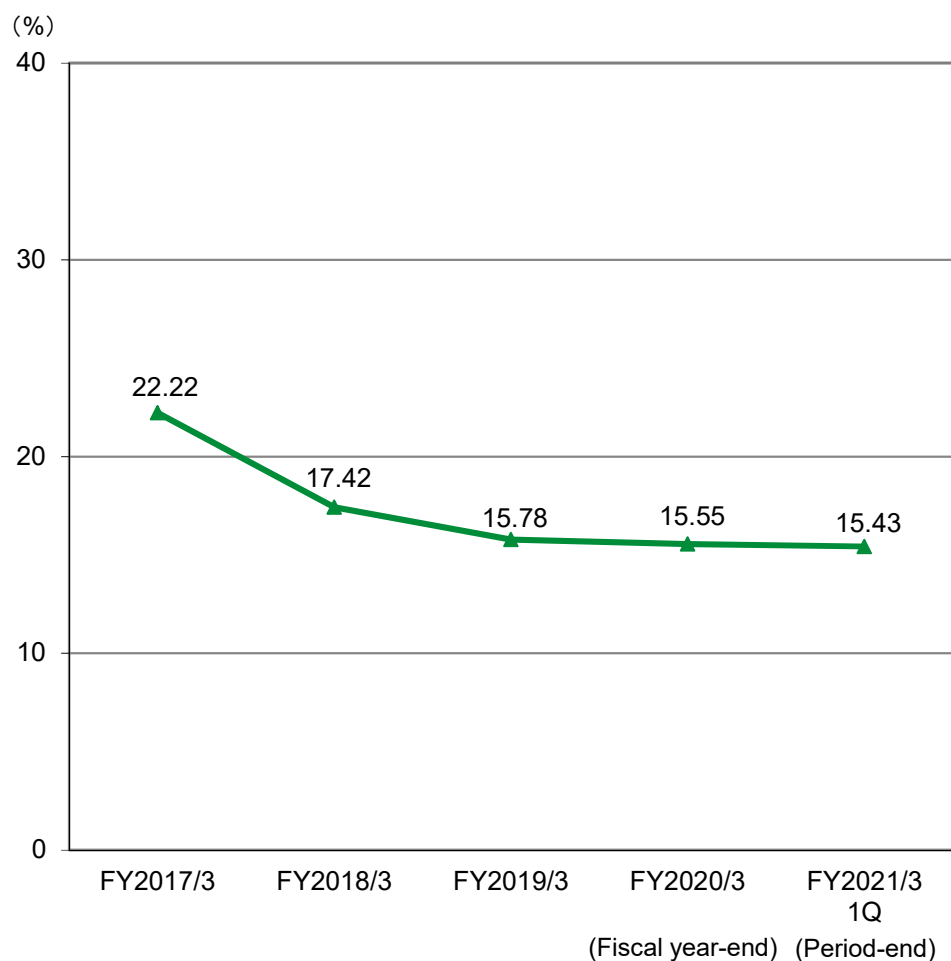
	As of March 31, 2020 (A)		As of June 30, 2020 (B)		Increase (Decrease) (B) – (A)
	Amount on the balance sheet / Notional amount	Net unrealized gains (losses) / Net deferred gains (losses)	Amount on the balance sheet / Notional amount	Net unrealized gains (losses) / Net deferred gains (losses)	Net unrealized gains (losses) / Net deferred gains (losses)
Available-for-sale	115,936.1	370.6	118,735.4	2,863.9	2,493.2
Securities (a)	111,386.4	(751.5)	113,926.9	1,476.6	2,228.2
Japanese government bonds	32,597.9	794.2	32,165.6	689.6	(104.5)
Foreign bonds	23,706.8	429.4	23,613.1	738.4	309.0
Investment trusts (*)	41,901.0	(2,040.4)	45,169.2	(13.0)	2,027.3
Others	13,180.6	65.1	12,978.9	61.6	(3.5)
Effect of fair value hedge accounting (b)		308.3		307.2	(1.0)
Money held in trust (c)	4,549.7	813.8	4,808.4	1,079.9	266.0
Domestic stocks	1,859.6	816.5	2,116.0	1,084.7	268.1
Others	2,690.0	(2.7)	2,692.4	(4.8)	(2.1)
Derivatives for which deferred hedge accounting is applied (d)	16,340.3	(472.7)	16,199.9	(542.2)	(69.5)
Total (a) + (b) + (c) + (d)		(102.0)		2,321.6	2,423.7

* Investment trusts are mainly invested in foreign bonds.

10. Trend of Capital Adequacy Ratio

■ Capital adequacy ratio (non-consolidated, domestic standard) was 15.43% as of June 30, 2020.

【Non-consolidated】



【Non-consolidated】

	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Total capital (a)	8,932.5	8,966.6	34.0
Total amount of risk-weighted assets (b)	57,407.2	58,106.7	699.5
Credit risk-weighted assets	54,775.0	55,474.5	699.5
Capital adequacy ratio (a) / (b)	15.55%	15.43%	(0.12)%

(¥bn, %)

【Consolidated】

	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Total capital (a)	8,942.0	8,976.9	34.9
Total amount of risk-weighted assets (b)	57,390.8	58,092.0	701.1
Credit risk-weighted assets	54,758.8	55,460.0	701.1
Capital adequacy ratio (consolidated) (a) / (b)	15.58%	15.45%	(0.12)%

(¥bn, %)

(Reference) Portfolio Management Status

Non-consolidated

(¥bn)

	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Yen interest rates assets	113,956.9	119,338.5	5,381.6
Short-term assets	57,186.6	62,782.1	5,595.4
Japanese government bonds and government guaranteed bonds	56,770.3	56,556.4	(213.8)
Risk assets	84,870.5	87,983.6	3,113.0
Japanese local government bonds	5,986.3	5,759.9	(226.3)
Japanese corporate bonds, etc.	7,594.4	7,244.5	(349.8)
Foreign securities, etc.	63,402.3	66,566.9	3,164.5
Loans	2,291.7	2,439.2	147.5
Money held in trust (stocks), etc.	2,286.0	2,639.4	353.4
Strategic investment areas	3,309.6	3,333.5	23.8

- Notes: 1. Since these figures are calculated on management accounting basis, they are not equal to the figures for balance of each categories on page 9, and also the sum of “Yen interest rates assets” and “Risk assets” is not equal to the “Total” on page 9.
2. “Strategic investment areas” is Alternative assets (Private Equity Funds and Real Estate Funds (Equity), etc.), Real Estate Funds (Debt) and Direct Lending Funds.

Financial Data

1. Summarized Balance Sheets

Non-consolidated

	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Total assets	210,905,152	219,380,604	8,475,452
Cash and due from banks	51,663,901	54,098,510	2,434,609
Call loans	1,040,000	1,060,000	20,000
Receivables under resale agreements	9,731,897	9,711,854	(20,043)
Receivables under securities borrowing transactions	112,491	51,234	(61,257)
Monetary claims bought	315,812	296,173	(19,639)
Trading account securities	31	17	(14)
Money held in trust	4,549,736	4,808,489	258,752
Securities	135,198,460	138,406,238	3,207,777
Loans	4,961,733	7,335,131	2,373,397
Foreign exchanges	147,469	154,937	7,467
Other assets	2,816,117	3,220,064	403,947
Tangible fixed assets	193,752	193,282	(470)
Intangible fixed assets	47,114	45,642	(1,472)
Deferred tax assets	127,662	–	(127,662)
Reserve for possible loan losses	(1,031)	(970)	60

(Millions of yen)

	As of March 31, 2020 (A)	As of June 30, 2020 (B)	Increase (Decrease) (B) – (A)
Total liabilities and net assets	210,905,152	219,380,604	8,475,452
Total liabilities	201,917,500	208,772,188	6,854,687
Deposits	183,004,733	187,480,026	4,475,293
Payables under repurchase agreements	14,855,624	15,116,767	261,142
Payables under securities lending transactions	2,219,384	1,802,002	(417,381)
Borrowed money	10,100	1,891,480	1,881,380
Foreign exchanges	511	387	(123)
Other liabilities	1,596,945	1,647,818	50,873
Reserve for bonuses	7,331	1,774	(5,556)
Reserve for employees' retirement benefits	141,628	141,385	(243)
Reserve for employee stock ownership plan trust	605	309	(296)
Reserve for management board benefit trust	311	235	(76)
Reserve for reimbursement of deposits	80,324	78,757	(1,567)
Deferred tax liabilities	–	611,244	611,244
Total net assets	8,987,651	10,608,415	1,620,764
Capital stock	3,500,000	3,500,000	–
Capital surplus	4,296,285	4,296,285	–
Retained earnings	2,563,307	2,502,634	(60,673)
Treasury stock	(1,300,881)	(1,300,913)	(31)
Total shareholders' equity	9,058,711	8,998,006	(60,704)
Net unrealized gains (losses) on available-for-sale securities	256,880	1,986,598	1,729,718
Net deferred gains (losses) on hedges	(327,940)	(376,189)	(48,248)
Total valuation and translation adjustments	(71,060)	1,610,408	1,681,469

2. Income Analysis

Non-consolidated

(Millions of yen)

	For the three months ended		(B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Gross operating profit	364,494	305,759	(58,734)
Net interest income	256,629	193,347	(63,282)
Net fees and commissions	33,171	31,843	(1,327)
Net other operating income (loss)	74,693	80,569	5,875
Gains (losses) on foreign exchanges	73,467	79,845	6,377
Gains (losses) on bonds	1,897	697	(1,200)
General and administrative expenses	(263,091)	(252,895)	10,196
Personnel expenses	(30,648)	(29,742)	906
Non-personnel expenses	(218,998)	(210,089)	8,909
Taxes and dues	(13,444)	(13,063)	380
Operating profit (before provision for general reserve for possible loan losses)	101,402	52,864	(48,538)
Core net operating profit	99,504	52,166	(47,338)
Excluding gains (losses) on cancellation of investment trusts	83,449	56,071	(27,377)
Provision for general reserve for possible loan losses	(8)	—	8
Net operating profit	101,393	52,864	(48,529)
Non-recurring gains (losses)	4,349	(10,937)	(15,286)
Gains (losses) related to stocks	5,120	(2,995)	(8,115)
Gains (losses) on money held in trust	2,649	(7,623)	(10,272)
Net ordinary income	105,742	41,926	(63,816)

	For the three months ended		(B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Extraordinary income (loss)	(36)	(80)	(44)
Gains (losses) on sales and disposals of fixed assets	(36)	(80)	(44)
Income before income taxes	105,706	41,846	(63,860)
Income taxes – current	(28,039)	(12,139)	15,900
Income taxes – deferred	114	3,356	3,241
Total income taxes	(27,925)	(8,782)	19,142
Net income	77,781	33,063	(44,718)
Gains (losses) on money held in trust	2,649	(7,623)	(10,272)
Dividends and interest income	10,513	8,316	(2,196)
Gains (losses) on sales of stocks	0	3,791	3,791
Unrealized gains (losses)	3	—	(3)
Impairment losses	(1,250)	(12,417)	(11,166)
Withholding income tax, etc.	(6,617)	(7,313)	(696)
Credit-related expenses	(8)	(2)	6
Provision for general reserve for possible loan losses	(8)	(2)	6

- Notes: 1. General and administrative expenses exclude non-recurring losses related to retirement benefit costs (¥480 million and ¥485 million recorded as profits for the three months ended June 30, 2020 and 2019, respectively).
2. Core net operating profit = Operating profit (before provision for general reserve for possible loan losses) - Gains (losses) on bonds
3. Credit-related expenses are those expenses related to problem assets disclosed under the Financial Reconstruction Act.
4. Numbers in parenthesis indicate the amount of loss, expense or decrease.

3. Selected Ratios

Non-consolidated

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Net income to assets (ROA)	0.14%	0.06%	(0.08)%
Net income to equity (ROE)	2.73	1.35	(1.38)
Overhead ratio (OHR)	72.17	82.71	10.53

Notes: 1. ROA = net income / [(sum of total assets at the beginning and the end of the period) / 2] x 100
 2. ROE = net income / [(sum of total net assets at the beginning and the end of the period) / 2] x 100
 3. OHR = (general and administrative expenses / gross operating profit) x 100
 4. ROA and ROE are annualized.

4. Interest Rate Spread

Non-consolidated

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2019 (A)	June 30, 2020 (B)	
Yield on interest-earning assets (a)	0.66%	0.49%	(0.16)%
Total cost of funding (including general and administrative expenses) (b)	0.70	0.63	(0.07)
Interest rate on interest-bearing liabilities (c)	0.16	0.12	(0.03)
Overall interest rate spread (a) - (b)	(0.03)	(0.13)	(0.09)
Interest rate spread (a) - (c)	0.50	0.37	(0.13)

Note: All numbers are annualized.

5. Average Balance, Interest, and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

Non-consolidated

(Millions of yen, %)

	For the three months ended						Increase (Decrease) (B) – (A)
	June 30, 2019 (A)			June 30, 2020 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	201,734,229	335,585	0.66%	205,673,347	255,528	0.49%	(0.16)%
Loans	5,105,043	2,808	0.22	5,953,894	2,560	0.17	(0.04)
Securities	134,957,215	326,022	0.96	136,744,326	246,320	0.72	(0.24)
Due from banks, etc.	52,037,906	7,437	0.05	52,704,160	7,460	0.05	(0.00)
Interest-bearing liabilities	194,273,474	78,956	0.16	198,858,396	62,181	0.12	(0.03)
Deposits	182,309,039	14,942	0.03	184,944,700	11,600	0.02	(0.00)
Payables under securities lending transactions	2,451,925	14,089	2.30	1,751,333	3,598	0.82	(1.48)

- Notes: 1. Income and expenses for money held in trust are included in “other ordinary income” and “other ordinary expenses,” respectively. Accordingly, the average balance of money held in trust (three months ended June 30, 2020, ¥3,746,920 million; three months ended June 30, 2019, ¥3,008,379 million) is excluded from interest-earning assets, and the average balance corresponding to money held in trust (three months ended June 30, 2020, ¥3,746,920 million; three months ended June 30, 2019, ¥3,008,379 million) and the corresponding interest (three months ended June 30, 2020, ¥4,982 million; three months ended June 30, 2019, ¥5,143 million) are excluded from interest-bearing liabilities.
2. For investment trusts, the distribution of profits, which was deducted from the book value as the repayment of principal, was ¥47,787 million for the three months ended June 30, 2020 (¥20,736 million for the three months ended June 30, 2019).
3. “Due from banks, etc.” consists of negotiable certificates of deposit, Bank of Japan deposits, call loans and monetary claims bought.
4. Earnings yield is annualized.

(Reference) Securitized Products Exposure

Non-consolidated

As of March 31, 2020 and June 30, 2020, the Bank held the following securitized products and others.

The Bank's holdings of securitized products and others were limited to securitization exposure as final investor. The Bank has never originated any securitized products and thus has no exposure as an originator and no exposure to special purpose entities (SPEs) that should be consolidated.

(1) Securitized products

(Millions of yen)

Region		As of March 31, 2020			As of June 30, 2020		
		Acquisition cost	Net unrealized gains (losses)	Credit ratings	Acquisition cost	Net unrealized gains (losses)	Credit ratings
Domestic	Residential mortgage-backed securities (RMBS)	1,359,705	28,113	AAA	1,355,889	26,332	AAA
	Subprime loan related	—	—	—	—	—	—
	Collateralized loan obligations (CLO)	—	—	—	—	—	—
	Other securitized products	173,975	(205)	AAA	157,160	(110)	AAA
	Commercial mortgage-backed securities (CMBS)	—	—	—	—	—	—
	Collateralized debt obligations (CDO)	1,018	37	AAA	1,005	35	AAA
	Subtotal	1,534,699	27,945		1,514,055	26,257	
Overseas	Residential mortgage-backed securities (RMBS)	38,546	(9,390)	AAA	36,384	(5,052)	AAA
	Subprime loan related	—	—	—	—	—	—
	Collateralized loan obligations (CLO)	1,767,354	(121,935)	AAA	1,841,674	(71,328)	AAA
	Subtotal	1,805,900	(131,326)		1,878,058	(76,381)	
Total		3,340,600	(103,380)		3,392,114	(50,123)	

Notes: 1. The underlying assets provided are only those from multiple debtors comprising securitized products.

2. No hedging activities against credit risks were made.

3. The above table does not include securitized products that might be included in investment trusts. The same shall apply hereinafter.

4. Other securitized products are securitized products of which underlying assets are mainly auto loan claims.

5. "Overseas" does not include U.S. government sponsored enterprises, etc. (GSEs) related products.

6. The overseas collateralized loan obligations (CLO) are only those in the United States.

7. Net unrealized gains (losses) do not reflect the effect of foreign exchange hedging.

(2) Structured investment vehicles (SIVs)

There were no investments in SIVs.

(3) Leveraged loans

There were no outstanding leveraged loans.

(4) Monoline insurer related products

There were no monoline insurer related exposures. In addition, the Bank has not extended credit to or executed credit derivative transactions with any monoline insurers.

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