



Summary of Financial Results for the Nine Months Ended December 31, 2014

<Under Japanese GAAP> (Non-Consolidated)

February 10, 2015

Company name: JAPAN POST BANK Co., Ltd.
 Website: <http://www.jp-bank.japanpost.jp/>
 President & CEO: Yoshiyuki Izawa
 Managing Executive Officer: Riki Mukai
 Tel: 81-3-3504-9636
 Trading accounts: Unestablished
 Selected Financial Information for quarterly financial statements: Available
 Quarterly investor meeting presentation: None

1. Financial results for the nine months ended December 31, 2014

Please note that all Japanese yen figures in the financial statements of JAPAN POST BANK Co., Ltd. (the "Bank," "we," "us," "our," and similar terms) have been rounded down to the nearest million yen, except for per share data. In addition, we define "Q3 FY2015" as the nine months ended December 31, 2014, "Q3 FY2014" as the nine months ended December 31, 2013, "fiscal 2015" or "FY2015" as the fiscal year ending March 31, 2015, and "fiscal 2014" or "FY2014" as the fiscal year ended March 31, 2014.

(1) Operating results

(% represents the change from the same period in the previous fiscal year)

	Revenues		Net ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Q3 FY2015	1,568,478	(0.4)	419,915	0.7	280,036	5.8
Q3 FY2014	1,575,706	(2.9)	416,975	(5.6)	264,675	(5.7)

	Net income per share	Diluted net income per share (*)
	(¥)	(¥)
Q3 FY2015	1,978.50	—
Q3 FY2014	1,764.50	—

* Diluted net income per share is not presented since there has been no potential dilution for the nine months ended December 31, 2014 and 2013.

(2) Financial conditions

	Total assets (A)	Total net assets (B)	(B) / (A)
	(¥ million)	(¥ million)	(%)
Q3 FY2015	207,419,420	11,348,200	5.4
FY2014	202,512,882	11,464,524	5.6

Reference: Net assets attributable to shareholders were ¥11,348,200 million as of December 31, 2014 and ¥11,464,524 million as of March 31, 2014.

2. Earnings forecasts for the fiscal year ending March 31, 2015

(% represents the change from the previous fiscal year)

	Net ordinary income		Net income		Net income per share
	(¥ million)	(%)	(¥ million)	(%)	(¥)
FY2015	540,000	(4.4)	350,000	(1.3)	2,546.25

Note: Revision of the latest announced earnings forecasts for fiscal 2015: Yes

* Notes

(1) Adoption of specified accounting methods for the preparation of the quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates and restatements

i) Changes in accounting policies due to revision of accounting standards: Yes

ii) Changes in accounting policies due to reasons other than i): No

iii) Changes in accounting estimates: No

iv) Restatements: No

(Note) For more information, please refer to "2. Matters Related to Summary Information (Notes)" on page 3 of the attachment.

(3) Shares outstanding (common shares)

i) Period-end issued shares (including treasury stock):	As of December 31, 2014	150,000,000 shares	As of March 31, 2014	150,000,000 shares
ii) Period-end treasury stock:	As of December 31, 2014	25,017,500 shares	As of March 31, 2014	- shares
iii) Average number of outstanding shares:	Q3 FY2015	141,539,537 shares	Q3 FY2014	150,000,000 shares

(Note) For more information, please refer to "2. Matters Related to Summary Information (Notes)" on page 3 of the attachment.

(Forward-looking statements and other matters)

This "Summary of Financial Results" contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the operating results, financial condition and overall management and business of the Bank as a whole ("forward-looking statements"). Any forward-looking statements contained herein are made based upon, among other things, the Bank's current estimations, perceptions, evaluations and assumptions regarding its business and industry, general economic conditions, and various other future events and circumstances. Forward-looking statements are accordingly subject to various risks and uncertainties and are not guarantees of future performance. The Bank's actual results may differ materially from those expressed or implied in any forward-looking statements.

The Bank prepares its quarterly non-consolidated financial statements in accordance with the "Ordinance on Terminology, Forms and Preparation Methods of Quarterly Financial Statements, etc." (Cabinet Office Ordinance No.63 of 2007), except for assets, liabilities, revenues and expenses, which are classified based on the "Ordinance for the Enforcement of the Banking Act" (Ministry of Finance Ordinance No.10 of 1982).

The information in this “Summary of Financial Results” is intended only for the purpose of providing general information regarding the Bank. Nothing in this “Summary of Financial Results” should be construed as an offer to sell or a solicitation of an offer to buy any shares or any other securities of the Bank or JAPAN POST HOLDINGS Co., Ltd.

[Attachment]

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1. Qualitative Information Concerning Non-Consolidated Earnings and Others for the Nine Months Ended December 31, 2014

(1) Information concerning non-consolidated results of operations

Revenues for the nine months ended December 31, 2014 were ¥1,568.4 billion, including ¥1,442.9 billion of interest income (mainly interest and dividends on securities) and ¥90.6 billion of fees and commissions. Meanwhile, expenses were ¥1,148.5 billion, including ¥270.1 billion of interest expenses and ¥853.4 billion of general and administrative expenses.

Taking into account the above, net ordinary income was ¥419.9 billion and net income was ¥280.0 billion.

(2) Information concerning non-consolidated financial conditions

Total assets as of December 31, 2014 were ¥207,419.4 billion. Securities were ¥157,155.1 billion, and loans were ¥2,893.2 billion. Deposits as of December 31, 2014 were ¥179,068.7 billion (¥180,323.3 billion including accrued interest). The portion of deposits received from the Management Organization for Postal Savings and Postal Life Insurance (corresponding to postal savings for TEIGAKU savings and others that were passed on to the organization by JAPAN POST as of September 30, 2007) included in special deposits totaled ¥23,020.8 billion.

Shareholder's equity as of December 31, 2014 decreased by ¥1,122.7 billion from the end of fiscal 2014 mainly due to the repurchase of the Bank's own shares and keeping them as treasury stock on September 30, 2014. In addition, the valuation and translation adjustments increased by ¥1,006.4 billion from the end of fiscal 2014. As a result, net assets totaled ¥11,348.2 billion. Retained earnings, included in shareholders' equity, were ¥1,879.2 billion.

(3) Information concerning non-consolidated earnings forecasts and other future predictions

The Bank has revised its forecasts for fiscal 2015 announced on May 15, 2014, mainly taking into account the results for the nine months ended December 31, 2014. The revised forecasts are as follows.

Net ordinary income	¥540.0 billion (increase of ¥150.0 billion from the previous forecast)
Net income	¥350.0 billion (increase of ¥90.0 billion from the previous forecast)

2. Matters Related to Summary Information (Notes)

(1) Changes in accounting policies, changes in accounting estimates and restatements (Changes in accounting policies due to revision of accounting standards)

The Bank has adopted the paragraph 35 of “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26 released on May 17, 2012, hereinafter “the Standard”) and the paragraph 67 of “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25 released on May 17, 2012, hereinafter “the Guidance”) from the beginning of the three months ended June 30, 2014. Following the adoption of the Standard and the Guidance, the Bank amended the method of determining retirement benefit obligations and current service costs. As part of the amendment, the Bank revised the method of attributing expected retirement benefits to periods from straight-line basis to benefit formula basis. In addition, the method of determining the discount rates applied in the calculation of projected benefit obligation was changed from the method using the number of years approximate to the employees’ average remaining service period to the method using the single weighted average discount rate that reflects the estimated period and amount of benefit payment in each period.

The Standard is being applied transitionally as determined in its paragraph 37. At the beginning of Q3 FY2015, the effect of the change in accounting standard is stated as an increase or decrease of remeasurements of retirement benefit obligations and current service costs under retained earnings.

As a result, reserve for employees’ retirement benefits increased ¥13.7 billion, deferred tax liabilities declined ¥4.8 billion, and retained earnings decreased ¥8.8 billion from the beginning of Q3 FY2015. Meanwhile, the impact on net ordinary income and income before income taxes for Q3 FY2015 was immaterial.

(2) Shares outstanding (common shares)

As part of the capital strategy of JAPAN POST GROUP by JAPAN POST HOLDINGS Co., Ltd., the Bank’s board of directors made a decision on September 18, 2014 to repurchase the Bank’s own shares (25,017,500 shares) from JAPAN POST HOLDINGS Co., Ltd. as of September 30, 2014, given that the same decision was made at the Bank’s shareholders’ meeting on September 17, 2014.

“Net income per share” for the nine months ended December 31, 2014 is calculated using the net income of ¥280.0 billion divided by the average number of outstanding shares (141,539,537 shares).

“Net income per share” in the earnings forecasts for the fiscal year ending March 31, 2015 is calculated using the net income forecast of ¥350.0 billion divided by the annual average number of outstanding shares forecast (137,456,980 shares).

3. Non-Consolidated Financial Statements

(1) Non-consolidated balance sheets

	As of March 31, 2014	(Millions of yen) As of December 31, 2014
Assets		
Cash and due from banks	19,463,622	30,909,366
Call loans	1,843,569	2,910,873
Receivables under securities borrowing transactions	7,212,769	8,302,506
Monetary claims bought	62,272	62,763
Trading account securities	278	121
Money held in trust	2,919,003	3,250,721
Securities	166,057,886	157,155,128
Loans	3,076,325	2,893,262
Foreign exchanges	30,659	36,673
Other assets	1,529,309	1,574,076
Tangible fixed assets	144,588	179,802
Intangible fixed assets	58,725	50,181
Customers' liabilities for acceptances and guarantees	115,000	95,000
Reserve for possible loan losses	(1,127)	(1,058)
Total assets	202,512,882	207,419,420
Liabilities		
Deposits	176,612,780	179,068,791
Payables under securities lending transactions	10,667,591	12,052,557
Foreign exchanges	249	358
Other liabilities	2,511,110	3,136,957
Reserve for employees' bonuses	5,566	1,440
Reserve for employees' retirement benefits	136,848	153,430
Deferred tax liabilities	999,212	1,562,683
Acceptances and guarantees	115,000	95,000
Total liabilities	191,048,358	196,071,219
Net Assets		
Common stock	3,500,000	3,500,000
Capital surplus	4,296,285	4,296,285
Retained earnings	1,702,007	1,879,219
Treasury stock	—	(1,299,999)
Total shareholders' equity	9,498,293	8,375,506
Net unrealized gains (losses) on available-for-sale securities	2,563,134	3,814,598
Deferred gains (losses) on hedges	(596,903)	(841,903)
Total valuation and translation adjustments	1,966,231	2,972,694
Total net assets	11,464,524	11,348,200
Total liabilities and net assets	202,512,882	207,419,420

(2) Non-consolidated statements of income

(Millions of yen)

	For the nine months ended December 31, 2013	For the nine months ended December 31, 2014
Revenues	1,575,706	1,568,478
Interest income	1,381,515	1,442,933
Interest on loans	28,964	23,704
Interest and dividends on securities	1,337,879	1,393,964
Fees and commissions	92,841	90,647
Other operating income	11,879	7,901
Other income	89,469	26,995
Expenses	1,158,731	1,148,562
Interest expenses	274,643	270,116
Interest on deposits	193,228	181,912
Fees and commissions	21,566	22,920
Other operating expenses	14,731	376
General and administrative expenses	838,638	853,466
Other expenses	9,150	1,682
Net ordinary income	416,975	419,915
Extraordinary income	—	3,008
Gains on sales and disposals of fixed assets	—	3,008
Extraordinary loss	472	899
Losses on sales and disposals of fixed assets	407	882
Losses on impairments of fixed assets	65	16
Income before income taxes	416,503	422,024
Income taxes		
Current	136,227	131,184
Deferred	15,601	10,803
Total income taxes	151,828	141,988
Net income	264,675	280,036

(3) Notes to financial statements**Notes on going-concern assumption**

None

Note for material changes in the amount of shareholders' equity

As part of the capital strategy of JAPAN POST GROUP by JAPAN POST HOLDINGS Co., Ltd., the Bank's board of directors made a decision on September 18, 2014 to repurchase the Bank's own shares (25,017,500 shares) from JAPAN POST HOLDINGS Co., Ltd. as of September 30, 2014, given that the same decision was made at the Bank's shareholders' meeting on September 17, 2014. As a result, treasury stock increased by ¥1,299,999 million in Q3 FY 2015 and totaled ¥1,299,999 million as of December 31, 2014.