

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018



<Under Japanese GAAP>

February 14, 2019

Company name: JAPAN POST BANK Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
 Code number: 7182 Website: <https://www.jp-bank.japanpost.jp/>
 Representative: Norito Ikeda, Director, President and Representative Executive Officer
 For inquiry: Toshiharu Ono, Executive Officer, General Manager of Financial Accounting Department
 Quarterly Securities Report issuing date: February 14, 2019 (Scheduled)
 Dividend payment date: —
 Trading accounts: Unestablished
 Selected Financial Information for quarterly financial statements: Available
 Quarterly investor meeting presentation: Scheduled (for investors and analysts)

(Figures are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2018

(1) Consolidated operating results

(Millions of yen, except for per share data and percentages)

	Ordinary income		Net ordinary income		Net income attributable to owners of parent	
Q3 FY2019	¥1,384,720	—%	¥281,851	—%	¥203,314	—%
Q3 FY2018	—	—	—	—	—	—

Note: “Comprehensive income (loss)” was ¥ (603,767) million for the nine months ended December 31, 2018.

	Net income per share		Diluted net income per share	
Q3 FY2019	¥54.23		¥—	
Q3 FY2018	—		—	

Notes: 1. “Diluted net income per share” is not presented since there has been no potential dilution for the nine months ended December 31, 2018 and 2017.

2. Since JAPAN POST BANK Co., Ltd. (the “Bank”) prepares its quarterly consolidated financial statements from the three months ended June 30, 2018, consolidated amount for the nine months ended December 31, 2017 and percentages of increase (decrease) were not disclosed.

(2) Consolidated financial conditions

(Millions of yen, except for percentages)

	Total assets	Total net assets	Net assets attributable to shareholders to total assets
Q3 FY2019	¥209,718,214	¥10,735,101	5.1%
FY2018	210,629,821	11,521,680	5.4

Reference: “Net assets attributable to shareholders” was ¥10,730,108 million as of December 31, 2018 and ¥11,521,216 million as of March 31, 2018.

Note: “Net assets attributable to shareholders to total assets” is calculated as follows:

$[(“Total net assets” - “Non-controlling interests”) / “Total assets”] \times 100$

“Net assets attributable to shareholders to total assets” above is not based on Capital adequacy notification.

2. Dividends

(Yen)

	Dividends per share				Total
	As of June 30	As of September 30	As of December 31	As of March 31	
FY2018	¥—	¥25.00	¥—	¥25.00	¥50.00
FY2019	—	25.00	—		
FY2019 (forecast)				25.00	50.00

Note: Revision of the latest announced dividend forecasts for FY2019: No

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2019

(Millions of yen, except for per share data and percentages)

	Net ordinary income	Net income attributable to owners of parent	Net income per share
FY2019	¥370,000 (25.9)%	¥260,000 (26.2)%	¥69.35

Notes: 1. Revision of the latest announced earnings forecasts for FY2019: No

2. Percentages shown in "Net ordinary income" and "Net income attributable to owners of parent" are the increase (decrease) from the previous fiscal year.

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No

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

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

i) Changes in accounting policies due to revision of accounting standards: No

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

iii) Changes in accounting estimates: No

iv) Restatements: No

(4) Shares outstanding (common stock)

i) Period-end issued shares (including treasury stock):	As of December 31, 2018	4,500,000,000 shares	As of March 31, 2018	4,500,000,000 shares
ii) Period-end treasury stock:	As of December 31, 2018	751,208,350 shares	As of March 31, 2018	751,069,350 shares
iii) Average number of outstanding shares:	Q3 FY2019	3,748,789,120 shares	Q3 FY2018	3,748,960,150 shares

Note: The period-end treasury stock includes the Bank's shares held by stock benefit trust (683,400 shares as of December 31, 2018 and 544,400 shares as of March 31, 2018). The treasury stock deducted to calculate the average number of outstanding shares includes the Bank's shares held by stock benefit trust (685,930 shares for Q3 FY2019 and 514,900 shares for Q3 FY2018).

(Note on quarterly review procedures)

This “Summary of Consolidated Financial Results” is not subject to the quarterly review procedures by a certified public accountant or an audit corporation.

(Forward-looking statements and other matters)

This “Summary of Consolidated Financial Results” contains forward-looking statements including forecasts, targets and plans of the Bank and its consolidated subsidiaries (the “Group”). These statements are based on estimates at the time in light of the information currently available to the Bank. The statements and assumptions may prove to be incorrect and may not be realized in the future. Any uncertainties, risks and other factors that may cause such a situation to arise include, but are not limited to, risks related to the effectiveness of risk management policies and procedures; risks related to business strategy and management planning such as market risk, market liquidity risk, credit risk and operational risk; risks related to the expansion of the scope of operations; risks related to the business environment; and other various risks. Please also see the Securities Report and the latest quarterly financial report for material facts that the Bank recognizes as potentially affecting the Group’s actual results, performance or financial position. The Group’s actual results, performance or financial position may be materially different from those expressed or implied by such forward-looking statements.

The statements in this document are current as of the date of the document or the date otherwise specified, and the Bank has no obligation or intent to keep this information up to date.

The information concerning companies or parties other than the Group and the Japan Post Group is based on publicly available and other information as cited, and the Bank has neither independently verified the accuracy and appropriateness of, nor makes any warranties with respect to, such information. The information of the document may be revised without prior notice.

[Attachment]

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(Supplemental Information)

Selected Financial Information for the Nine Months Ended December 31, 2018

1. Consolidated Financial Statements

(1) Consolidated balance sheets

	As of March 31, 2018	(Millions of yen) As of December 31, 2018
Assets		
Cash and due from banks	49,288,314	50,001,112
Call loans	480,000	370,000
Receivables under resale agreements	—	8,641,864
Receivables under securities borrowing transactions	8,224,153	—
Monetary claims bought	278,566	258,099
Trading account securities	32	42
Money held in trust	4,241,524	3,949,095
Securities	139,200,459	138,081,349
Loans	6,145,537	5,513,623
Foreign exchanges	87,487	110,943
Other assets	2,442,327	2,537,783
Tangible fixed assets	190,104	200,427
Intangible fixed assets	52,382	54,863
Reserve for possible loan losses	(1,066)	(993)
Total assets	210,629,821	209,718,214

	As of March 31, 2018	(Millions of yen) As of December 31, 2018
Liabilities		
Deposits	179,881,329	181,838,760
Payables under repurchase agreements	1,985,285	11,088,851
Payables under securities lending transactions	13,812,123	3,760,021
Commercial paper	191,481	43,551
Borrowed money	2,400	3,900
Foreign exchanges	309	538
Other liabilities	1,950,360	1,318,662
Reserve for bonuses	7,907	1,868
Liability for retirement benefits	135,655	139,155
Reserve for employee stock ownership plan trust	809	480
Reserve for management board benefit trust	144	159
Reserve for reimbursement of deposits	86,114	88,067
Deferred tax liabilities	1,054,220	699,096
Total liabilities	199,108,141	198,983,113
Net Assets		
Capital stock	3,500,000	3,500,000
Capital surplus	4,296,285	4,296,286
Retained earnings	2,399,162	2,415,003
Treasury stock	(1,300,717)	(1,300,926)
Total shareholders' equity	8,894,730	8,910,362
Net unrealized gains (losses) on available-for-sale securities	2,615,432	1,825,506
Net deferred gains (losses) on hedges	3,119	(12,568)
Accumulated adjustments for retirement benefits	7,934	6,808
Total accumulated other comprehensive income	2,626,485	1,819,745
Non-controlling interests	463	4,992
Total net assets	11,521,680	10,735,101
Total liabilities and net assets	210,629,821	209,718,214

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

	(Millions of yen)
	For the nine months ended December 31, 2018
Ordinary income	1,384,720
Interest income	1,050,782
Interest on loans	9,287
Interest and dividends on securities	1,016,384
Fees and commissions	105,916
Other operating income	166,082
Other ordinary income	61,939
Ordinary expenses	1,102,868
Interest expenses	260,229
Interest on deposits	64,782
Fees and commissions	24,706
Other operating expenses	23,146
General and administrative expenses	781,262
Other ordinary expenses	13,523
Net ordinary income	281,851
Extraordinary loss	917
Losses on sales and disposals of fixed assets	823
Losses on impairment of fixed assets	93
Income before income taxes	280,934
Income taxes	
Current	76,910
Deferred	1,002
Total income taxes	77,913
Net income	203,021
Net loss attributable to non-controlling interests	(292)
Net income attributable to owners of parent	203,314

Consolidated statements of comprehensive income

(Millions of yen)

**For the nine months
ended December 31, 2018**

Net income	203,021
Other comprehensive income (loss)	(806,789)
Net unrealized gains (losses) on available-for-sale securities	(789,974)
Net deferred gains (losses) on hedges	(15,688)
Adjustments for retirement benefits	(1,126)
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	(0)
Comprehensive income (loss)	(603,767)
Total comprehensive income (loss) attributable to:	
Owners of parent	(603,425)
Non-controlling interests	(341)

(3) Notes to consolidated financial statements

Notes on going-concern assumption

None

Note for material changes in the amount of shareholders' equity

None