



## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2019

<Under Japanese GAAP>

November 14, 2019

Company name: JAPAN POST BANK Co., Ltd.	Stock exchange listing: Tokyo Stock Exchange
Code number: 7182	Website: <a href="https://www.jp-bank.japanpost.jp/">https://www.jp-bank.japanpost.jp/</a>
Representative: Norito Ikeda, Director, President and Representative Executive Officer	
For inquiry: Kenichi Imai, General Manager of Financial Accounting Department	
Quarterly Securities Report issuing date:	November 27, 2019 (Scheduled)
Dividend payment date:	December 6, 2019 (Scheduled)
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 six months ended September 30, 2019

#### (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
H1 FY2020	¥909,996 (5.7)%	¥201,149 (9.9)%	¥144,879 (9.0)%
H1 FY2019	965,396 —	223,356 —	159,291 —

Note: "Comprehensive income (loss)" was ¥387,991 million for the six months ended September 30, 2019 and ¥ (148,223) million for the six months ended September 30, 2018.

	Net income per share	Diluted net income per share
H1 FY2020	¥38.64	¥—
H1 FY2019	42.49	—

Notes: 1. "Diluted net income per share" is not presented since there has been no potential dilution for the six months ended September 30, 2019 and 2018.

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

3. Since JAPAN POST BANK Co., Ltd. (the "Bank") prepares its quarterly consolidated financial statements from the three months ended June 30, 2018, percentages of increase (decrease) for the six months ended September 30, 2018 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
H1 FY2020	¥213,129,122	¥11,660,199	5.4%
FY2019	208,974,134	11,362,365	5.4

Reference: "Net assets attributable to shareholders" was ¥11,652,027 million as of September 30, 2019 and ¥11,357,397 million as of March 31, 2019.

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

$$\left[ \frac{(\text{"Total net assets"} - \text{"Non-controlling interests"})}{\text{"Total assets"}} \right] \times 100$$

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

## 2. Dividends

(Yen)

	Dividends per share				
	As of June 30	As of September 30	As of December 31	As of March 31	Total
FY2019	¥—	¥25.00	¥—	¥25.00	¥50.00
FY2020	—	25.00			
FY2020 (forecast)			—	25.00	50.00

Note: Revision of the latest announced dividend forecasts for FY2020: No

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2020

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

	Net ordinary income		Net income attributable to owners of parent		Net income per share
FY2020	¥375,000	0.2%	¥270,000	1.4%	¥72.02

Notes: 1. Revision of the latest announced earnings forecasts for FY2020: 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) 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

(3) Shares outstanding (common stock)

i) Period-end issued shares (including treasury stock):	As of September 30, 2019	4,500,000,000 shares	As of March 31, 2019	4,500,000,000 shares
ii) Period-end treasury stock:	As of September 30, 2019	751,207,450 shares	As of March 31, 2019	751,208,350 shares
iii) Average number of outstanding shares:	H1 FY2020	3,748,736,969 shares	H1 FY2019	3,748,787,848 shares

Note: The period-end treasury stock includes the Bank's shares held by stock benefit trust (682,500 shares as of September 30, 2019 and 683,400 shares as of March 31, 2019). The treasury stock deducted to calculate the average number of outstanding shares includes the Bank's shares held by stock benefit trust (738,081 shares for H1 FY2020 and 687,202 shares for H1 FY2019).

## (Reference) Summary of Non-Consolidated Financial Results

### 1. Non-consolidated financial results for the six months ended September 30, 2019

#### (1) Non-consolidated operating results

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

	Ordinary income		Net ordinary income		Net income	
H1 FY2020	¥909,854	(5.7)%	¥201,095	(10.0)%	¥144,705	(9.1)%
H1 FY2019	965,306	(1.2)	223,478	(13.1)	159,291	(12.2)

	Net income per share
H1 FY2020	¥38.60
H1 FY2019	42.49

Note: Percentages shown in “Ordinary income”, “Net ordinary income” and “Net income” are the increase (decrease) from the same period in the previous fiscal year.

#### (2) Non-consolidated financial conditions

(Millions of yen, except for percentages)

	Total assets (A)	Total net assets (B)	(B) / (A)
H1 FY2020	¥213,122,963	¥11,645,930	5.4%
FY2019	208,970,478	11,350,806	5.4

Reference: “Net assets attributable to shareholders” was ¥11,645,930 million as of September 30, 2019 and ¥11,350,806 million as of March 31, 2019.

(Note on semi-annual audit procedures)

This “Summary of Consolidated Financial Results” is not subject to the semi-annual audit 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]**

**Contents of Attachment**

1. Consolidated Financial Statements.....	2
(1) Consolidated balance sheets .....	2
(2) Consolidated statements of income and consolidated statements of comprehensive income .....	4
(3) Consolidated statements of changes in net assets.....	6
(4) Notes to consolidated financial statements .....	7
Notes on going-concern assumption.....	7
2. Non-consolidated Financial Statements.....	8
(1) Non-consolidated balance sheets .....	8
(2) Non-consolidated statements of income .....	10
(3) Non-consolidated statements of changes in net assets.....	11

(Supplemental Information)

Selected Financial Information for the Six Months Ended September 30, 2019

# 1. Consolidated Financial Statements

## (1) Consolidated balance sheets

	(Millions of yen)	
	As of March 31, 2019	As of September 30, 2019
<b>Assets</b>		
Cash and due from banks	50,698,686	55,209,577
Call loans	400,000	160,000
Receivables under resale agreements	8,368,139	9,969,560
Monetary claims bought	295,679	270,816
Trading account securities	2	83
Money held in trust	3,990,780	4,197,774
Securities	137,138,590	135,429,477
Loans	5,297,424	4,936,238
Foreign exchanges	80,396	88,110
Other assets	2,452,406	2,625,560
Tangible fixed assets	201,906	195,504
Intangible fixed assets	51,018	47,324
Deferred tax assets	61	8
Reserve for possible loan losses	(958)	(914)
<b>Total assets</b>	<b>208,974,134</b>	<b>213,129,122</b>

	(Millions of yen)	
	As of March 31, 2019	As of September 30, 2019
<b>Liabilities</b>		
Deposits	180,997,116	181,900,286
Payables under repurchase agreements	11,569,371	13,832,978
Payables under securities lending transactions	2,473,457	3,052,225
Commercial paper	28,029	25,579
Borrowed money	3,900	7,700
Foreign exchanges	628	841
Other liabilities	1,355,311	1,361,143
Reserve for bonuses	7,858	7,195
Liability for retirement benefits	134,837	136,661
Reserve for employee stock ownership plan trust	839	350
Reserve for management board benefit trust	238	235
Reserve for reimbursement of deposits	88,332	83,552
Deferred tax liabilities	951,844	1,060,172
<b>Total liabilities</b>	<b>197,611,768</b>	<b>201,468,922</b>
<b>Net Assets</b>		
Capital stock	3,500,000	3,500,000
Capital surplus	4,296,286	4,296,286
Retained earnings	2,477,878	2,529,021
Treasury stock	(1,300,926)	(1,300,881)
<b>Total shareholders' equity</b>	<b>8,973,237</b>	<b>9,024,426</b>
Net unrealized gains (losses) on available-for-sale securities	2,440,024	2,691,391
Net deferred gains (losses) on hedges	(62,353)	(69,605)
Accumulated adjustments for retirement benefits	6,488	5,814
<b>Total accumulated other comprehensive income</b>	<b>2,384,159</b>	<b>2,627,601</b>
<b>Non-controlling interests</b>	<b>4,968</b>	<b>8,172</b>
<b>Total net assets</b>	<b>11,362,365</b>	<b>11,660,199</b>
<b>Total liabilities and net assets</b>	<b>208,974,134</b>	<b>213,129,122</b>

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

### Consolidated statements of income

	(Millions of yen)	
	For the six months ended September 30, 2018	For the six months ended September 30, 2019
<b>Ordinary income</b>	965,396	909,996
Interest income	716,116	667,413
Interest on loans	6,269	5,643
Interest and dividends on securities	693,384	648,456
Fees and commissions	69,338	81,179
Other operating income	139,852	113,242
Other ordinary income	40,088	48,161
<b>Ordinary expenses</b>	742,040	708,847
Interest expenses	172,288	170,694
Interest on deposits	47,152	28,952
Fees and commissions	16,343	15,688
Other operating expenses	21,704	2,278
General and administrative expenses	521,269	514,137
Other ordinary expenses	10,433	6,047
<b>Net ordinary income</b>	223,356	201,149
<b>Extraordinary loss</b>	370	109
Losses on sales and disposals of fixed assets	347	109
Losses on impairment of fixed assets	22	0
<b>Income before income taxes</b>	222,986	201,039
<b>Income taxes</b>		
Current	60,842	55,444
Deferred	3,052	914
Total income taxes	63,894	56,359
<b>Net income</b>	159,091	144,680
<b>Net loss attributable to non-controlling interests</b>	(199)	(199)
<b>Net income attributable to owners of parent</b>	159,291	144,879

## Consolidated statements of comprehensive income

(Millions of yen)

	For the six months ended September 30, 2018	For the six months ended September 30, 2019
<b>Net income</b>	159,091	144,680
<b>Other comprehensive income (loss)</b>	(307,315)	243,311
Net unrealized gains (losses) on available-for-sale securities	(197,015)	251,236
Net deferred gains (losses) on hedges	(109,549)	(7,251)
Adjustments for retirement benefits	(750)	(674)
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	0	0
<b>Comprehensive income (loss)</b>	<b>(148,223)</b>	<b>387,991</b>
Total comprehensive income (loss) attributable to:		
Owners of parent	(148,028)	388,322
Non-controlling interests	(194)	(330)



**(3) Consolidated statements of changes in net assets**

For the six months ended September 30, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	3,500,000	4,296,285	2,399,162	(1,300,717)	8,894,730
Changes during the period					
Cash dividends			(93,736)		(93,736)
Net income attributable to owners of parent			159,291		159,291
Repurchase of treasury stock				(542)	(542)
Disposal of treasury stock				333	333
Changes in equity of parent due to transactions with non-controlling shareholders		0			0
Net changes in items other than shareholders' equity					
Total changes during the period	—	0	65,554	(209)	65,345
Balance at the end of the period	3,500,000	4,296,286	2,464,716	(1,300,926)	8,960,076

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the period	2,615,432	3,119	7,934	2,626,485	463	11,521,680
Changes during the period						
Cash dividends						(93,736)
Net income attributable to owners of parent						159,291
Repurchase of treasury stock						(542)
Disposal of treasury stock						333
Changes in equity of parent due to transactions with non-controlling shareholders						0
Net changes in items other than shareholders' equity	(197,020)	(109,549)	(750)	(307,320)	4,316	(303,003)
Total changes during the period	(197,020)	(109,549)	(750)	(307,320)	4,316	(237,658)
Balance at the end of the period	2,418,411	(106,430)	7,184	2,319,165	4,779	11,284,022

For the six months ended September 30, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	3,500,000	4,296,286	2,477,878	(1,300,926)	8,973,237
Changes during the period					
Cash dividends			(93,736)		(93,736)
Net income attributable to owners of parent			144,879		144,879
Repurchase of treasury stock				(358)	(358)
Disposal of treasury stock				404	404
Changes in equity of parent due to transactions with non-controlling shareholders		0			0
Net changes in items other than shareholders' equity					
Total changes during the period	—	0	51,143	45	51,188
Balance at the end of the period	3,500,000	4,296,286	2,529,021	(1,300,881)	9,024,426

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the period	2,440,024	(62,353)	6,488	2,384,159	4,968	11,362,365
Changes during the period						
Cash dividends						(93,736)
Net income attributable to owners of parent						144,879
Repurchase of treasury stock						(358)
Disposal of treasury stock						404
Changes in equity of parent due to transactions with non-controlling shareholders						0
Net changes in items other than shareholders' equity	251,367	(7,251)	(674)	243,442	3,204	246,646
Total changes during the period	251,367	(7,251)	(674)	243,442	3,204	297,834
Balance at the end of the period	2,691,391	(69,605)	5,814	2,627,601	8,172	11,660,199

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

None

## 2. Non-consolidated Financial Statements

### (1) Non-consolidated balance sheets

	(Millions of yen)	
	As of March 31, 2019	As of September 30, 2019
<b>Assets</b>		
Cash and due from banks	50,698,549	55,209,560
Call loans	400,000	160,000
Receivables under resale agreements	8,368,139	9,969,560
Monetary claims bought	295,679	270,816
Trading account securities	2	83
Money held in trust	3,990,780	4,197,774
Securities	137,135,264	135,423,494
Loans	5,297,424	4,936,238
Foreign exchanges	80,396	88,110
Other assets	2,452,409	2,625,540
Other	2,452,409	2,625,540
Tangible fixed assets	201,786	195,388
Intangible fixed assets	51,003	47,311
Reserve for possible loan losses	(958)	(914)
<b>Total assets</b>	<b>208,970,478</b>	<b>213,122,963</b>

	(Millions of yen)	
	As of March 31, 2019	As of September 30, 2019
<b>Liabilities</b>		
Deposits	180,999,134	181,902,696
Payables under repurchase agreements	11,569,371	13,832,978
Payables under securities lending transactions	2,473,457	3,052,225
Commercial paper	28,029	25,579
Borrowed money	3,900	7,700
Foreign exchanges	628	841
Other liabilities	1,354,810	1,361,016
Income taxes payable	7,774	29,389
Asset retirement obligations	682	102
Other	1,346,353	1,331,524
Reserve for bonuses	7,739	7,195
Reserve for employees' retirement benefits	144,190	145,042
Reserve for employee stock ownership plan trust	839	350
Reserve for management board benefit trust	238	235
Reserve for reimbursement of deposits	88,332	83,552
Deferred tax liabilities	948,998	1,057,620
<b>Total liabilities</b>	<b>197,619,672</b>	<b>201,477,033</b>
<b>Net Assets</b>		
Capital stock	3,500,000	3,500,000
Capital surplus	4,296,285	4,296,285
Legal capital surplus	3,500,000	3,500,000
Other capital surplus	796,285	796,285
Retained earnings	2,477,736	2,528,704
Other retained earnings	2,477,736	2,528,704
Retained earnings brought forward	2,477,736	2,528,704
Treasury stock	(1,300,926)	(1,300,881)
<b>Total shareholders' equity</b>	<b>8,973,095</b>	<b>9,024,109</b>
Net unrealized gains (losses) on available-for-sale securities	2,440,064	2,691,426
Net deferred gains (losses) on hedges	(62,353)	(69,605)
<b>Total valuation and translation adjustments</b>	<b>2,377,710</b>	<b>2,621,821</b>
<b>Total net assets</b>	<b>11,350,806</b>	<b>11,645,930</b>
<b>Total liabilities and net assets</b>	<b>208,970,478</b>	<b>213,122,963</b>

**(2) Non-consolidated statements of income**

	(Millions of yen)	
	For the six months ended September 30, 2018	For the six months ended September 30, 2019
<b>Ordinary income</b>	965,306	909,854
Interest income	716,116	667,413
Interest on loans	6,269	5,643
Interest and dividends on securities	693,384	648,456
Fees and commissions	69,338	81,179
Other operating income	139,852	113,242
Other ordinary income	39,998	48,018
<b>Ordinary expenses</b>	741,828	708,759
Interest expenses	172,288	170,694
Interest on deposits	47,152	28,952
Fees and commissions	16,343	15,688
Other operating expenses	21,704	2,278
General and administrative expenses	520,894	513,682
Other ordinary expenses	10,596	6,415
<b>Net ordinary income</b>	223,478	201,095
<b>Extraordinary loss</b>	370	109
Losses on sales and disposals of fixed assets	347	109
Losses on impairment of fixed assets	22	0
<b>Income before income taxes</b>	223,107	200,985
<b>Income taxes</b>		
Current	60,763	55,417
Deferred	3,052	862
Total income taxes	63,815	56,279
<b>Net income</b>	159,291	144,705

**(3) Non-consolidated statements of changes in net assets**

For the six months ended September 30, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings
					Retained earnings brought forward
Balance at the beginning of the period	3,500,000	4,296,285	—	4,296,285	2,399,031
Changes during the period					
Cash dividends					(93,736)
Net income					159,291
Transfer to other capital surplus from legal capital surplus		(796,285)	796,285	—	
Repurchase of treasury stock					
Disposal of treasury stock					
Net changes in items other than shareholders' equity					
Total changes during the period	—	(796,285)	796,285	—	65,555
Balance at the end of the period	3,500,000	3,500,000	796,285	4,296,285	2,464,586

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance at the beginning of the period	(1,300,717)	8,894,599	2,615,432	3,119	2,618,551	11,513,151
Changes during the period						
Cash dividends		(93,736)				(93,736)
Net income		159,291				159,291
Transfer to other capital surplus from legal capital surplus		—				—
Repurchase of treasury stock	(542)	(542)				(542)
Disposal of treasury stock	333	333				333
Net changes in items other than shareholders' equity			(197,020)	(109,549)	(306,570)	(306,570)
Total changes during the period	(209)	65,345	(197,020)	(109,549)	(306,570)	(241,224)
Balance at the end of the period	(1,300,926)	8,959,945	2,418,411	(106,430)	2,311,981	11,271,927

For the six months ended September 30, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings
					Retained earnings brought forward
Balance at the beginning of the period	3,500,000	3,500,000	796,285	4,296,285	2,477,736
Changes during the period					
Cash dividends					(93,736)
Net income					144,705
Transfer to other capital surplus from legal capital surplus					
Repurchase of treasury stock					
Disposal of treasury stock					
Net changes in items other than shareholders' equity					
Total changes during the period	—	—	—	—	50,968
Balance at the end of the period	3,500,000	3,500,000	796,285	4,296,285	2,528,704

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance at the beginning of the period	(1,300,926)	8,973,095	2,440,064	(62,353)	2,377,710	11,350,806
Changes during the period						
Cash dividends		(93,736)				(93,736)
Net income		144,705				144,705
Transfer to other capital surplus from legal capital surplus		—				—
Repurchase of treasury stock	(358)	(358)				(358)
Disposal of treasury stock	404	404				404
Net changes in items other than shareholders' equity			251,361	(7,251)	244,110	244,110
Total changes during the period	45	51,013	251,361	(7,251)	244,110	295,124
Balance at the end of the period	(1,300,881)	9,024,109	2,691,426	(69,605)	2,621,821	11,645,930