



Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021

<Under Japanese GAAP>

August 11, 2021

Company name: JAPAN POST BANK Co., Ltd.	Stock exchange listing: Tokyo Stock Exchange
Code number: 7182	Website: https://www.jp-bank.japanpost.jp/
Representative: IKEDA Norito, Director, President and Representative Executive Officer	
For inquiry: IMAI Kenichi, General Manager of Financial Accounting Department	
Quarterly Securities Report issuing date:	August 11, 2021 (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 three months ended June 30, 2021

(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	
Q1 FY2022/3	¥505,602	30.4%	¥162,687	286.8%	¥120,819	263.6%
Q1 FY2021/3	387,604	(16.4)	42,056	(60.2)	33,219	(57.3)

Note: “Comprehensive income (loss)” was ¥242,642 million for the three months ended June 30, 2021 and ¥1,714,234 million for the three months ended June 30, 2020.

	Net income per share	Diluted net income per share
Q1 FY2022/3	¥32.22	¥—
Q1 FY2021/3	8.86	—

Notes: 1. “Diluted net income per share” is not presented since there has been no potential dilution for the three months ended June 30, 2021 and 2020.

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.

(2) Consolidated financial conditions

(Millions of yen, except for percentages)

	Total assets	Total net assets	Net assets attributable to shareholders to total assets
Q1 FY2022/3	¥227,242,204	¥11,451,729	5.0%
FY2021/3	223,870,673	11,394,827	5.0

Reference: “Net assets attributable to shareholders” was ¥11,425,158 million as of June 30, 2021 and ¥11,370,088 million as of March 31, 2021.

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

[(“Total net assets” – “Non-controlling interests”) / “Total assets”] x 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
FY2021/3	¥—	¥0.00	¥—	¥50.00	¥50.00
FY2022/3	—				
FY2022/3 (forecast)		0.00	—	40.00	40.00

Note: Revision of the latest announced dividend forecasts for FY2022/3: No

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2022

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

	Net ordinary income	Net income attributable to owners of parent	Net income per share
FY2022/3	¥355,000 (9.9)%	¥260,000 (7.1)%	¥69.35

Notes: 1. Revision of the latest announced earnings forecasts for FY2022/3: 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: 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 “Changes in accounting policies” on page 6 of the attachment.

(4) Shares outstanding (common stock)

i) Period-end issued shares (including treasury stock):	As of June 30, 2021	4,500,000,000 shares	As of March 31, 2021	4,500,000,000 shares
ii) Period-end treasury stock:	As of June 30, 2021	751,232,980 shares	As of March 31, 2021	751,246,180 shares
iii) Average number of outstanding shares:	Q1 FY2022/3	3,748,680,918 shares	Q1 FY2021/3	3,748,671,607 shares

Note: The period-end treasury stock includes the Bank's shares held by stock benefit trust (708,000 shares as of June 30, 2021 and 721,200 shares as of March 31, 2021). The treasury stock deducted to calculate the average number of outstanding shares includes the Bank's shares held by stock benefit trust (794,102 shares for Q1 FY2022/3 and 803,438 shares for Q1 FY2021/3).

(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 “Japan Post Bank 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; situation of the spread of COVID-19; 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 Japan Post Bank Group’s actual results, performance or financial position. The Japan Post Bank 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 Japan Post Bank 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) Notes to consolidated financial statements	6
Notes on going-concern assumption	6
Note for material changes in the amount of shareholders' equity	6
Changes in accounting policies	6

(Supplemental Information)

Selected Financial Information for the Three Months Ended June 30, 2021

1. Consolidated Financial Statements

(1) Consolidated balance sheets

	As of March 31, 2021	(Millions of yen) As of June 30, 2021
Assets		
Cash and due from banks	60,769,486	60,500,995
Call loans	1,390,000	1,690,000
Receivables under resale agreements	9,721,360	9,942,920
Receivables under securities borrowing transactions	—	21,622
Monetary claims bought	362,212	341,717
Trading account securities	13	11
Money held in trust	5,547,574	5,338,816
Securities	138,204,256	141,431,403
Loans	4,691,723	4,673,237
Foreign exchanges	80,847	132,002
Other assets	2,857,615	2,926,709
Tangible fixed assets	198,137	192,929
Intangible fixed assets	48,286	50,829
Deferred tax assets	93	46
Reserve for possible loan losses	(935)	(1,039)
Total assets	223,870,673	227,242,204

	As of March 31, 2021	(Millions of yen) As of June 30, 2021
Liabilities		
Deposits	189,588,549	191,973,858
Payables under repurchase agreements	14,886,481	15,148,710
Payables under securities lending transactions	1,504,543	1,740,777
Borrowed money	3,917,500	4,343,500
Foreign exchanges	514	354
Other liabilities	1,536,281	1,482,936
Reserve for bonuses	7,582	1,773
Liability for retirement benefits	133,542	133,717
Reserve for employee stock ownership plan trust	535	258
Reserve for management board benefit trust	303	291
Reserve for reimbursement of deposits	73,830	72,761
Deferred tax liabilities	826,179	891,534
Total liabilities	212,475,846	215,790,474
Net Assets		
Capital stock	3,500,000	3,500,000
Capital surplus	4,296,514	4,296,514
Retained earnings	2,750,234	2,683,461
Treasury stock	(1,300,844)	(1,300,808)
Total shareholders' equity	9,245,904	9,179,167
Net unrealized gains (losses) on available-for-sale securities	2,488,982	2,698,262
Net deferred gains (losses) on hedges	(370,486)	(457,639)
Accumulated adjustments for retirement benefits	5,687	5,367
Total accumulated other comprehensive income	2,124,183	2,245,991
Non-controlling interests	24,739	26,570
Total net assets	11,394,827	11,451,729
Total liabilities and net assets	223,870,673	227,242,204

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

Consolidated statements of income

	For the three months ended June 30, 2020	(Millions of yen) For the three months ended June 30, 2021
Ordinary income	387,604	505,602
Interest income	255,528	372,597
Interest on loans	2,560	2,596
Interest and dividends on securities	246,320	363,553
Fees and commissions	38,506	39,727
Other operating income	80,578	71,558
Other ordinary income	12,990	21,719
Ordinary expenses	345,548	342,914
Interest expenses	67,163	53,738
Interest on deposits	11,600	6,571
Fees and commissions	6,663	7,408
Other operating expenses	9	27,716
General and administrative expenses	252,604	252,613
Other ordinary expenses	19,107	1,437
Net ordinary income	42,056	162,687
Extraordinary income	—	5,693
Gains on sales and disposals of fixed assets	—	5,693
Extraordinary loss	80	414
Losses on sales and disposals of fixed assets	80	414
Income before income taxes	41,976	167,966
Income taxes		
Current	12,170	35,829
Deferred	(3,295)	11,410
Total income taxes	8,874	47,239
Net income	33,101	120,727
Net loss attributable to non-controlling interests	(118)	(92)
Net income attributable to owners of parent	33,219	120,819

Consolidated statements of comprehensive income

(Millions of yen)

	For the three months ended June 30, 2020	For the three months ended June 30, 2021
Net income	33,101	120,727
Other comprehensive income (loss)	1,681,133	121,915
Net unrealized gains (losses) on available-for-sale securities	1,729,715	209,387
Net deferred gains (losses) on hedges	(48,248)	(87,152)
Adjustments for retirement benefits	(333)	(319)
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	0	—
Comprehensive income (loss)	1,714,234	242,642
Total comprehensive income (loss) attributable to:		
Owners of parent	1,714,371	242,627
Non-controlling interests	(136)	14

(3) Notes to consolidated financial statements

Notes on going-concern assumption

None

Note for material changes in the amount of shareholders' equity

None

Changes in accounting policies

(Application of Accounting Standard for Revenue Recognition, etc.)

The Bank has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the three months ended June 30, 2021, and recognized revenue at the amount expected to be received in exchange for the promised goods or services when the dominance of its goods or services is transferred to customers.

The application of "Accounting Standard for Revenue Recognition", etc. is subject to the transitional treatment stipulated in the proviso of Paragraph 84 of "Accounting Standard for Revenue Recognition". The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the three months ended June 30, 2021, was added to or subtracted from the beginning balance of retained earnings of the three months ended June 30, 2021, and thus the new accounting policy was applied from such beginning balance.

As a result, for the three months ended June 30, 2021, ordinary income decreased by ¥70 million, ordinary expenses decreased by ¥111 million, net ordinary income and income before income taxes increased by ¥40 million, respectively. The beginning balance of retained earnings decreased by ¥119 million.

(Application of Accounting Standard for Fair Value Measurement, etc.)

The Bank has applied "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019), etc. from the beginning of the three months ended June 30, 2021.

And in accordance with the transitional treatment stipulated in Paragraph 19 of "Accounting Standard for Fair Value Measurement" and Paragraph 44-2 of "Accounting Standard for Financial Instrument" (ASBJ Statement No. 10, July 4, 2019), the Bank has applied new accounting policies from the beginning of the three months ended June 30, 2021.

Due to the application, the measurement of the fair value of stocks with market price is changed from the fair value method based on their average prices during the final month of fiscal year to the fair value method based on their fiscal year-end market prices.