

Selected Financial Information

For the Three Months Ended June 30, 2021

August 11, 2021



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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. Results of Operations

Consolidated

- Net income attributable to owners of parent increased by ¥87.5 bn to ¥120.8 bn, compared to the same quarter of the previous year affected by the turmoil in financial markets.

(¥bn, %)

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Consolidated gross operating profit	305.7	399.1	93.4
Net interest income	193.3	323.0	129.6
Net fees and commissions	31.8	32.3	0.4
Net other operating income (loss)	80.5	43.8	(36.7)
Gains (losses) on foreign exchanges	79.8	69.6	(10.1)
Gains (losses) on bonds	0.6	(25.9)	(26.6)
General and administrative expenses (*)	253.0	253.0	0.0
Provision for general reserve for possible loan losses	—	0.0	0.0
Consolidated net operating profit	52.6	146.1	93.4
Non-recurring gains (losses)	(10.6)	16.5	27.1
Net ordinary income	42.0	162.6	120.6
Net income attributable to owners of parent	33.2	120.8	87.5

【Results of FY2022/3 1Q operations】

- Consolidated gross operating profit for the three months ended June 30, 2021 increased by ¥93.4 bn year on year to ¥399.1 bn. While yen interest rates remained at low level, net interest income increased by ¥129.6 bn year on year, mainly due to an increase in interest on foreign securities.
- Net ordinary income is progressing at a rate of 45.8% compared to the full-year earnings forecast of ¥355.0 bn. Net income attributable to owners of parent is progressing at a high rate of 46.4% compared to the full-year earnings forecast of ¥260.0 bn. This progression rate was expected to be a little less than 40% from the original plan due to the fact that gains on foreign bond redemptions in FY2022/3 were concentrated in the first quarter.

【Earnings forecasts for FY2022/3】

- Profits in the first quarter have been strong due to factors such as lower than planned foreign currency funding costs. However, earnings forecasts have not been revised at this time owing to the many uncertainties regarding financial market trends going forward.

* General and administrative expenses exclude non-recurring losses.

** Calculation for financial targets in the mid-term management plan (FY2022/3 - FY2026/3)

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

OHR = general and administrative expenses / (net interest income, etc. + net fees and commissions) x 100

Net interest income, etc. = Interest income - interest expenses (including gains (losses) on sales etc.).

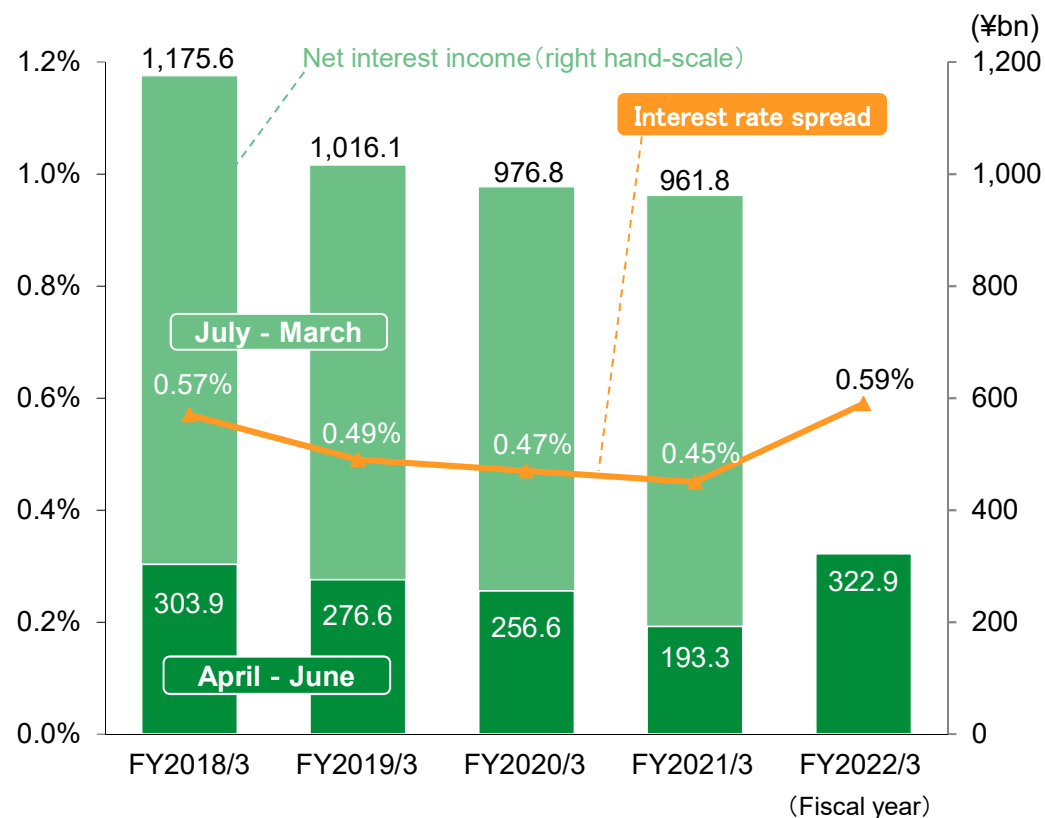
【Reference**】

ROE (based on shareholders' equity)	1.47%	5.26%	3.79 %
OHR (basis including gains (losses) on money held in trust)	86.92%	61.10%	(25.82)%

2. Trend of Net Interest Income and Interest Rate Spread

Non-consolidated

- Net interest income was ¥322.9 bn and interest rate spread was 0.59% for the three months ended June 30, 2021.
- Net interest income increased by ¥129.5 bn year on year, mainly due to an increase in income related to investment trusts, under the tightening of foreign credit spreads.



Domestic		For the three months ended		Increase (Decrease)
		June 30, 2020 (A)	June 30, 2021 (B)	(B) – (A)
Net interest income		178.0	148.8	(29.1)
Interest income		198.1	164.3	(33.8)
Interest on Japanese government bonds		96.2	80.2	(15.9)
Interest expenses		20.1	15.4	(4.6)
Overseas		For the three months ended		Increase (Decrease)
		June 30, 2020 (A)	June 30, 2021 (B)	(B) – (A)
Net interest income		15.3	174.0	158.7
Interest income		137.2	273.5	136.3
Interest on foreign securities		137.0	273.4	136.3
Interest expenses		121.8	99.4	(22.4)
Total		For the three months ended		Increase (Decrease)
		June 30, 2020 (A)	June 30, 2021 (B)	(B) – (A)
Net interest income		193.3	322.9	129.5
Interest income		255.5	372.5	116.9
Interest expenses		62.1	49.5	(12.6)

- 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 FY2018/3 – FY2021/3 are the figures for the relevant fiscal years, while interest rate spread of FY2022/3 is the figure for the three months ended June 30, 2021.

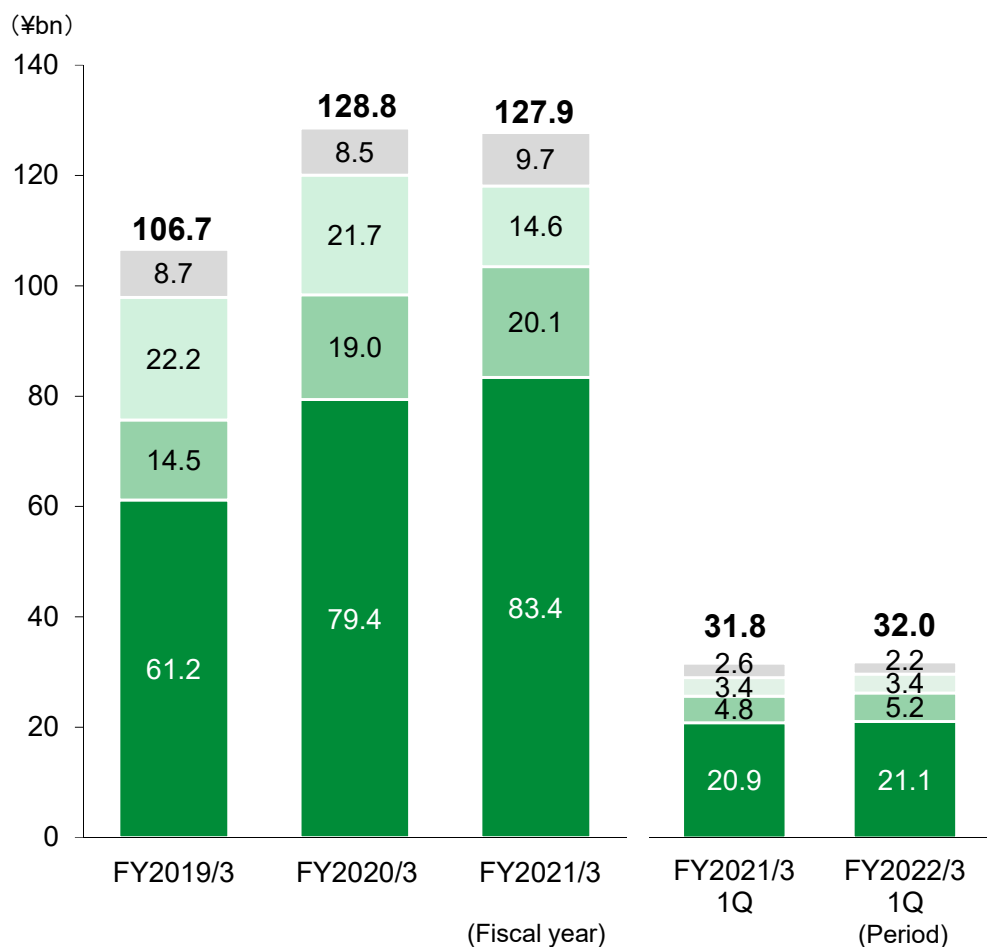
3. Net Fees and Commissions

Non-consolidated

■ Net fees and commissions for the three months ended June 30, 2021 increased by ¥0.2 bn year on year to ¥32.0 bn.

Trend of Net Fees and Commissions

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



Breakdown of Net Fees and Commissions

(¥bn)

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Net fees and commissions relating to	31.8	32.0	0.2
Exchange and settlement transactions	20.9	21.1	0.1
ATMs	4.8	5.2	0.3
Investment trusts	3.4	3.4	0.0

Results of Investment Trusts Sales (Contract Basis)

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Number of contracts (thousands)	835	1,012	177
Sales amount (billions of yen)	48.0	45.3	(2.6)

	As of June 30, 2020 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
	Number of investment trust accounts (thousands)	1,189	
Net assets (billions of yen)	2,374.6	2,598.6	224.0

【Reference*】

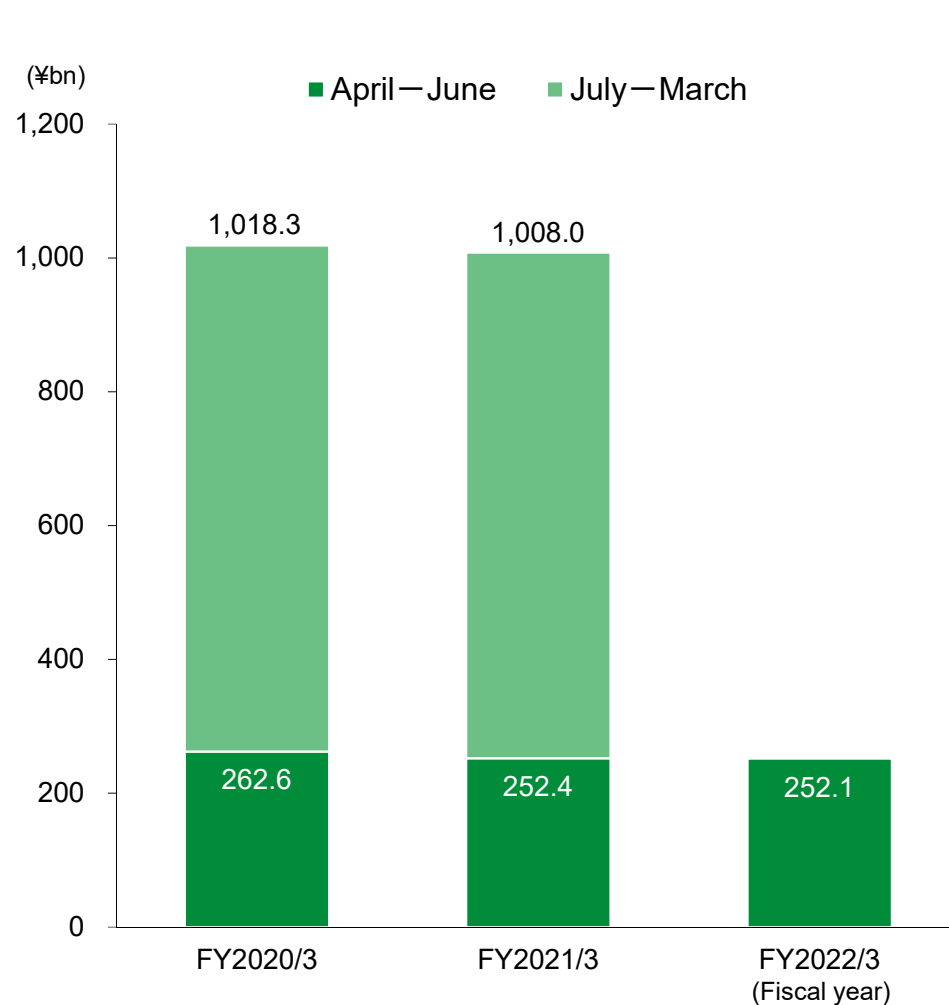
	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
	Number of accounts registered in the Bankbook app (ten thousands)	283	
Number of Cumulate-type NISA Operation Accounts (ten thousands)	13	14	0

* KPIs for Medium-term Management Plan (FY2022/3 to FY2026/3)
 Number of accounts registered in the Bankbook app : 10 million accounts (FY2026/3)
 Number of Cumulate-type NISA Operation Accounts : 400 thousand accounts (FY2026/3)

4. Trend of General and Administrative Expenses

Non-consolidated

■ General and administrative expenses for the three months ended June 30, 2021 decreased by ¥0.2 bn year on year to ¥252.1 bn.



	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Personnel expenses (*)	29.2	28.7	(0.5)
Salaries and allowances	24.1	23.6	(0.4)
Non-personnel expenses	210.0	208.8	(1.2)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	95.2	93.5	(1.6)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network	59.3	59.2	(0.0)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	14.3	13.8	(0.5)
Taxes and dues	13.0	14.5	1.4
Total	252.4	252.1	(0.2)

* Personnel expenses include non-recurring losses.

5. Financial Conditions

Non-consolidated

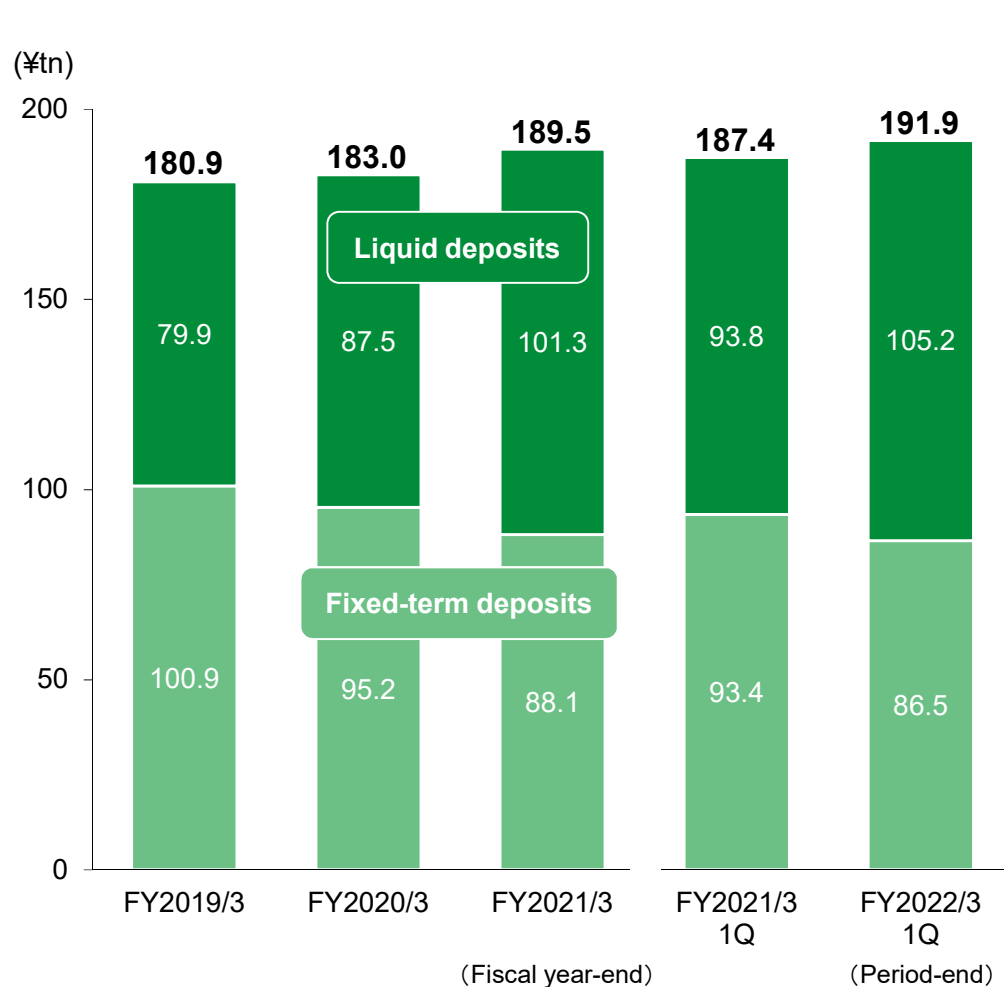
- Total assets increased by ¥3.3 tn from March 31, 2021, to ¥227.2 tn as of June 30, 2021.
- Securities increased by ¥3.2 tn from March 31, 2021, to ¥141.4 tn as of June 30, 2021.
- Total valuation and translation adjustments increased by ¥0.1 tn from March 31, 2021, to ¥2.2 tn as of June 30, 2021.

	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
			(¥bn)
Assets	223,847.5	227,218.2	3,370.7
Cash and due from banks	60,768.0	60,500.4	(267.5)
Call loans	1,390.0	1,690.0	300.0
Receivables under resale agreements	9,721.3	9,942.9	221.5
Money held in trust	5,547.5	5,338.8	(208.7)
Securities	138,183.2	141,408.7	3,225.4
Loans	4,691.7	4,673.2	(18.4)
Liabilities	212,485.4	215,799.7	3,314.3
Deposits	189,593.4	191,977.7	2,384.2
Payables under repurchase agreements	14,886.4	15,148.7	262.2
Payables under securities lending transactions	1,504.5	1,740.7	236.2
Net assets	11,362.1	11,418.5	56.4
Total shareholders' equity	9,244.8	9,177.9	(66.9)
Total valuation and translation adjustments	2,117.2	2,240.6	123.3

6. Trend of Deposit Balance

Non-consolidated

■ Deposit balance as of June 30, 2021 was ¥191.9 tn.



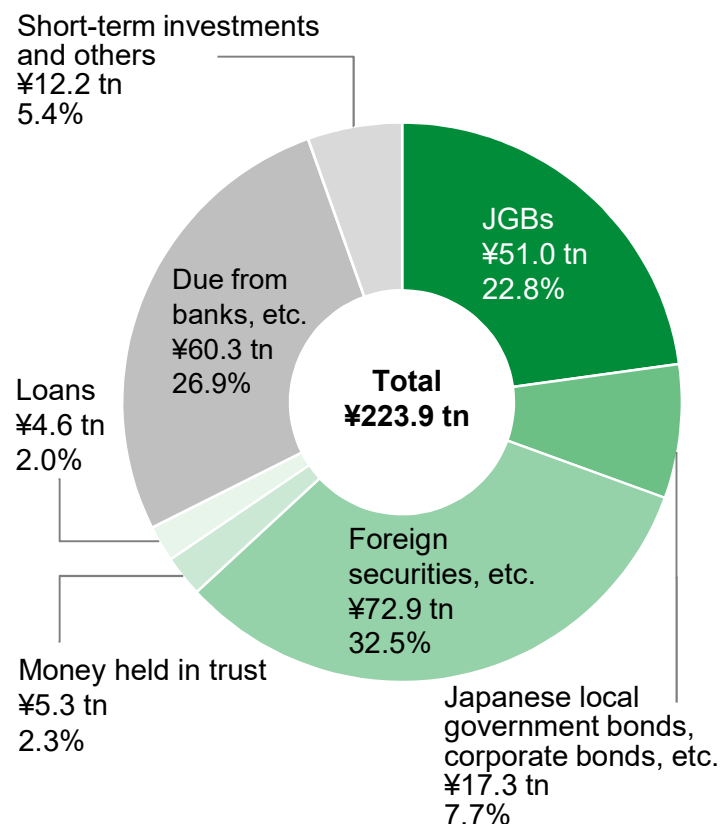
	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
Liquid deposits	101.3	105.2	3.9
Transfer deposits	9.1	9.7	0.5
Ordinary deposits, etc. (*)	91.5	94.9	3.3
Savings deposits	0.6	0.6	0.0
Fixed-term deposits	88.1	86.5	(1.5)
Time deposits	4.7	4.6	(0.0)
TEIGAKU deposits	83.4	81.9	(1.5)
Other deposits	0.1	0.1	(0.0)
Total	189.5	191.9	2.3

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

7. Asset Management Status

Non-consolidated

■ Included in investment assets as of June 30, 2021, JGBs were ¥51.0 tn and foreign securities, etc. were ¥72.9 tn.



Categories	As of March 31, 2021 (A)		As of June 30, 2021 (B)		Increase (Decrease) (B) – (A)
	Amount (¥bn)	%	Amount (¥bn)	%	
Securities	138,183.2	62.6	141,408.7	63.1	3,225.4
Japanese government bonds	50,493.4	22.8	51,097.0	22.8	603.6
Japanese local government bonds, corporate bonds, etc. (*)	16,522.5	7.4	17,336.0	7.7	813.5
Foreign securities, etc.	71,167.2	32.2	72,975.5	32.5	1,808.2
Foreign bonds	23,505.1	10.6	24,068.6	10.7	563.5
Investment trusts (**)	47,591.1	21.5	48,828.6	21.7	1,237.4
Money held in trust	5,547.5	2.5	5,338.8	2.3	(208.7)
Domestic stocks	2,261.7	1.0	2,258.7	1.0	(3.0)
Loans	4,691.7	2.1	4,673.2	2.0	(18.4)
Due from banks, etc. (***)	60,667.0	27.5	60,362.0	26.9	(305.0)
Short-term investments and others (****)	11,505.7	5.2	12,207.1	5.4	701.4
Total	220,595.4	100.0	223,989.9	100.0	3,394.5

* “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.

8. 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 ¥3,224.9 bn as of June 30, 2021 (before application of tax effect accounting), increased by ¥176.1 bn from March 31, 2021.

	As of March 31, 2021 (A)		As of June 30, 2021 (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	25,178.0	238.1	26,168.6	231.3	(6.8)

	As of March 31, 2021 (A)		As of June 30, 2021 (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	118,940.5	3,586.8	120,941.7	3,888.3	301.5
Securities (a)	113,392.9	2,407.2	115,602.8	2,685.5	278.3
Japanese government bonds	29,917.0	542.7	30,700.4	605.0	62.2
Foreign bonds	23,505.1	1,031.3	23,414.1	1,129.5	98.1
Investment trusts (*)	47,591.1	776.2	48,828.6	890.6	114.4
Others	12,379.5	56.8	12,659.6	60.3	3.5
Effect of fair value hedge accounting (b)		(173.5)		(162.8)	10.6
Money held in trust (c)	5,547.5	1,353.1	5,338.8	1,365.6	12.5
Domestic stocks	2,261.7	1,363.4	2,258.7	1,361.1	(2.2)
Others	3,285.8	(10.2)	3,080.0	4.4	14.7
Derivatives for which deferred hedge accounting is applied (d)	16,210.0	(538.0)	15,735.7	(663.4)	(125.3)
Total (a) + (b) + (c) + (d)		3,048.8		3,224.9	176.1

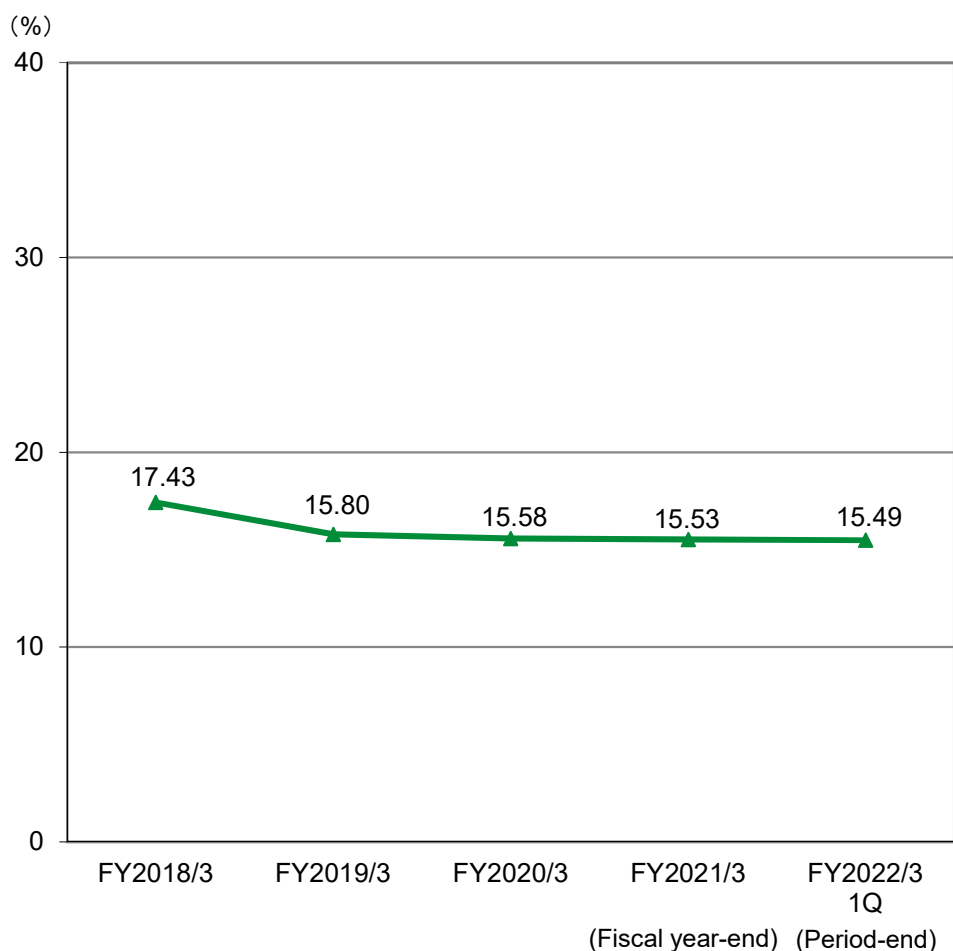
* Investment trusts are mainly invested in foreign bonds.

9. Trend of Capital Adequacy Ratio

Consolidated

■ Capital adequacy ratio (domestic standard) was 15.49% as of June 30, 2021.
 (Reference) Common Equity Tier1 capital ratio (international standard, estimate) was 17.79%.

【Domestic standard】



【Domestic standard】

	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total capital (a)	9,038.3	9,157.4	119.1
Total amount of risk-weighted assets (b)	58,166.8	59,098.7	931.8
Credit risk-weighted assets	55,614.8	56,546.6	931.8
Capital adequacy ratio (a) / (b)	15.53%	15.49%	(0.04)%

(¥bn, %)

【(Reference) International standard, estimate*】

	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
Common Equity Tier1 capital ratio (CET1 ratio)	17.73%	17.79%	0.06 %
Excluding unrealized gains on available-for-sale securities (**)	14.09%	14.06%	(0.03)%

(%)

* Calculation for some items are simplified.

** After taking into consideration of gains (losses) from hedge accounting.

(Reference) Portfolio Management Status

Non-consolidated

(¥bn)

	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
Yen interest rates assets	120,954.3	122,018.3	1,063.9
Short-term assets	66,942.3	67,718.4	776.0
Japanese government bonds and government guaranteed bonds	54,012.0	54,299.9	287.8
Risk assets	91,120.7	93,073.1	1,952.4
Japanese local government bonds	5,493.8	5,516.5	22.7
Japanese corporate bonds, etc.	7,534.2	7,641.5	107.3
Foreign securities, etc.	68,213.1	69,597.9	1,384.8
Loans	2,637.3	2,680.2	42.8
Money held in trust (stocks), etc.	2,976.8	2,736.9	(239.9)
Strategic investment areas	4,265.2	4,899.8	634.5

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 8, and also the sum of “Yen interest rates assets” and “Risk assets” is not equal to the “Total” on page 8.

2. “Strategic investment areas” is Alternative assets (Private Equity Funds and Real Estate Funds (Equity), etc.), Real Estate Funds (Debt), Direct Lending Funds and Infrastructure Debt Funds, etc.

Financial Data

1. Summarized Balance Sheets

Non-consolidated

	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total assets	223,847,547	227,218,274	3,370,726
Cash and due from banks	60,768,034	60,500,466	(267,567)
Call loans	1,390,000	1,690,000	300,000
Receivables under resale agreements	9,721,360	9,942,920	221,559
Receivables under securities borrowing transactions	—	21,622	21,622
Monetary claims bought	362,212	341,717	(20,495)
Trading account securities	13	11	(2)
Money held in trust	5,547,574	5,338,816	(208,757)
Securities	138,183,264	141,408,701	3,225,437
Loans	4,691,723	4,673,237	(18,486)
Foreign exchanges	80,847	132,002	51,155
Other assets	2,857,518	2,926,576	69,057
Tangible fixed assets	197,940	192,736	(5,204)
Intangible fixed assets	47,992	50,503	2,510
Reserve for possible loan losses	(935)	(1,038)	(103)

(Millions of yen)

	As of March 31, 2021 (A)	As of June 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total liabilities and net assets	223,847,547	227,218,274	3,370,726
Total liabilities	212,485,414	215,799,733	3,314,319
Deposits	189,593,469	191,977,739	2,384,270
Payables under repurchase agreements	14,886,481	15,148,710	262,229
Payables under securities lending transactions	1,504,543	1,740,777	236,233
Borrowed money	3,917,500	4,343,500	426,000
Foreign exchanges	514	354	(160)
Other liabilities	1,535,953	1,482,950	(53,002)
Reserve for bonuses	7,408	1,773	(5,634)
Reserve for employees' retirement benefits	141,740	141,453	(286)
Reserve for employee stock ownership plan trust	535	258	(277)
Reserve for management board benefit trust	303	291	(12)
Reserve for reimbursement of deposits	73,830	72,761	(1,068)
Deferred tax liabilities	823,134	889,161	66,027
Total net assets	11,362,133	11,418,540	56,407
Capital stock	3,500,000	3,500,000	—
Capital surplus	4,296,285	4,296,285	—
Retained earnings	2,749,408	2,682,446	(66,961)
Treasury stock	(1,300,844)	(1,300,808)	36
Total shareholders' equity	9,244,849	9,177,924	(66,925)
Net unrealized gains (losses) on available-for-sale securities	2,487,770	2,698,255	210,485
Net deferred gains (losses) on hedges	(370,486)	(457,639)	(87,152)
Total valuation and translation adjustments	2,117,283	2,240,616	123,332

2. Income Analysis

Non-consolidated

	For the three months ended		(B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Gross operating profit	305,759	398,843	93,083
Net interest income	193,347	322,939	129,592
Net fees and commissions	31,843	32,062	218
Net other operating income (loss)	80,569	43,841	(36,727)
Gains (losses) on foreign exchanges	79,845	69,674	(10,171)
Gains (losses) on bonds	697	(25,999)	(26,697)
General and administrative expenses	(252,895)	(252,598)	296
Personnel expenses	(29,742)	(29,168)	573
Non-personnel expenses	(210,089)	(208,884)	1,204
Taxes and dues	(13,063)	(14,545)	(1,481)
Operating profit (before provision for general reserve for possible loan losses)	52,864	146,244	93,380
Core net operating profit	52,166	172,244	120,077
Excluding gains (losses) on cancellation of investment trusts	56,071	134,402	78,331
Provision for general reserve for possible loan losses	–	(1)	(1)
Net operating profit	52,864	146,243	93,378
Non-recurring gains (losses)	(10,937)	16,291	27,228
Gains (losses) related to stocks	(2,995)	4,669	7,665
Gains (losses) on money held in trust	(7,623)	11,448	19,072
Net ordinary income	41,926	162,534	120,607

(Millions of yen)

	For the three months ended		(B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Extraordinary income (loss)	(80)	5,278	5,358
Gains (losses) on sales and disposals of fixed assets	(80)	5,278	5,358
Income before income taxes	41,846	167,812	125,966
Income taxes – current	(12,139)	(35,817)	(23,678)
Income taxes – deferred	3,356	(11,363)	(14,719)
Total income taxes	(8,782)	(47,181)	(38,398)
Net income	33,063	120,631	87,567
Gains (losses) on money held in trust	(7,623)	11,448	19,072
Dividends and interest income	8,316	17,529	9,212
Gains (losses) on sales of stocks	3,791	0	(3,790)
Impairment losses	(12,417)	(745)	11,671
Withholding income tax, etc.	(7,313)	(5,335)	1,978
Credit-related expenses	(2)	(2)	0
Provision for general reserve for possible loan losses	(2)	(2)	0

- Notes: 1. General and administrative expenses exclude non-recurring losses related to retirement benefit costs (¥461 million and ¥480 million recorded as profits for the three months ended June 30, 2021 and 2020, 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. Interest Rate Spread

Non-consolidated

	For the three months ended		Increase (Decrease) (B) – (A)
	June 30, 2020 (A)	June 30, 2021 (B)	
Yield on interest-earning assets (a)	0.49%	0.69%	0.19%
Total cost of funding (including general and administrative expenses) (b)	0.63	0.58	(0.05)
Interest rate on interest-bearing liabilities (c)	0.12	0.09	(0.02)
Overall interest rate spread (a) - (b)	(0.13)	0.11	0.24
Interest rate spread (a) - (c)	0.37	0.59	0.22

Note: All numbers are annualized.

4. 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, 2020 (A)			June 30, 2021 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	205,673,347	255,528	0.49%	215,188,086	372,508	0.69%	0.19%
Loans	5,953,894	2,560	0.17	4,648,016	2,596	0.22	0.05
Securities	136,744,326	246,320	0.72	138,660,682	363,465	1.05	0.32
Due from banks, etc.	52,704,160	7,460	0.05	60,421,162	7,413	0.04	(0.00)
Interest-bearing liabilities	198,858,396	62,181	0.12	207,905,875	49,569	0.09	(0.02)
Deposits	184,944,700	11,600	0.02	190,907,116	6,571	0.01	(0.01)
Payables under securities lending transactions	1,751,333	3,598	0.82	1,636,054	718	0.17	(0.64)

- 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, 2021, ¥4,100,718 million; three months ended June 30, 2020, ¥3,746,920 million) is excluded from interest-earning assets, and the average balance corresponding to money held in trust (three months ended June 30, 2021, ¥4,100,718 million; three months ended June 30, 2020, ¥3,746,920 million) and the corresponding interest (three months ended June 30, 2021, ¥4,169 million; three months ended June 30, 2020, ¥4,982 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 ¥149 million for the three months ended June 30, 2021 (¥47,787 million for the three months ended June 30, 2020).
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.

5. General and Administrative Expenses

Non-consolidated

(Millions of yen, %)

	For the three months ended				Increase (Decrease) (B) – (A)
	June 30, 2020 (A)		June 30, 2021 (B)		
	Amount	%	Amount	%	Amount
Personnel expenses	29,261	11.59	28,707	11.38	(553)
Salaries and allowances	24,112	9.55	23,694	9.39	(417)
Others	5,148	2.03	5,012	1.98	(136)
Non-personnel expenses	210,089	83.23	208,884	82.84	(1,204)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	95,213	37.72	93,546	37.10	(1,667)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network (*)	59,359	23.51	59,260	23.50	(99)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	14,359	5.68	13,845	5.49	(513)
Rent for land, buildings and others	2,925	1.15	2,777	1.10	(148)
Expenses on consigned businesses	15,928	6.31	16,129	6.39	200
Depreciation and amortization	8,755	3.46	9,337	3.70	582
Communication and transportation expenses	3,769	1.49	3,569	1.41	(199)
Maintenance expenses	3,137	1.24	3,575	1.41	437
IT expenses	2,739	1.08	3,081	1.22	342
Others	3,899	1.54	3,760	1.49	(138)
Taxes and dues	13,063	5.17	14,545	5.76	1,481
Total	252,414	100.00	252,137	100.00	(276)

* The Bank makes payments of contributions to the Organization for Postal Savings, Postal Life Insurance and Post Office Network in accordance with Article 18-3 of the Act on Organization for Postal Savings, Postal Life Insurance and Post Office Network.

(Reference) Securitized Products Exposure

Non-consolidated

As of March 31, 2021 and June 30, 2021, 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, 2021			As of June 30, 2021		
		Acquisition cost	Net unrealized gains (losses)	Credit ratings	Acquisition cost	Net unrealized gains (losses)	Credit ratings
Domestic	Residential mortgage-backed securities (RMBS)	1,354,370	19,045	AAA	1,327,318	20,842	AAA
	Held-to-maturity	282,293	(1,561)	AAA	298,609	(125)	AAA
	Collateralized loan obligations (CLO)	—	—	—	—	—	—
	Other securitized products	225,448	33	AAA	208,110	40	AAA
	Commercial mortgage-backed securities (CMBS)	—	—	—	—	—	—
	Collateralized debt obligations (CDO)	870	28	AAA	828	26	AAA
	Subtotal	1,580,689	19,106		1,536,257	20,909	
Overseas	Residential mortgage-backed securities (RMBS)	54,999	3,897	AAA	50,239	2,827	AAA
	Collateralized loan obligations (CLO)	2,036,348	36,013	AAA	2,149,682	37,302	AAA
	Held-to-maturity	—	—	—	262,004	3,143	AAA
	Subtotal	2,091,347	39,911		2,199,922	40,130	
Total		3,672,037	59,017		3,736,180	61,039	

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

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

3. Net unrealized gains (losses) do not reflect the effect of foreign exchange hedging. No hedging activities against credit risks were made.

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. Net unrealized gains (losses) including foreign exchange hedging on the overseas CLO (available-for-sale) in the application of fair value hedge accounting were ¥1,777 million as of June 30, 2021, compared with ¥1,916 million as of March 31, 2021 (reference value calculated on management accounting basis). Net unrealized gains (losses) of held-to-maturity contain foreign exchange gains (losses) which are included in the statements of income.

(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.

This presentation contains forward-looking statements including forecasts, targets and plans of 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; 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 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.

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