

November 12, 2021

To whom it may concern

Company Name: JAPAN POST BANK Co., Ltd.
Representative: IKEDA Norito, Director,
President and Representative Executive Officer
(Code No.: 7182 TSE First Section)

Notice Concerning Revisions of Earnings Forecast and Annual Dividends Forecast to the FY2022/3

JAPAN POST BANK Co., Ltd. (Chiyoda, Tokyo; Director, President and Representative Executive Officer IKEDA Norito; hereinafter "JAPAN POST BANK") hereby announces that it has revised its earnings forecast and annual dividends forecast announced on May 14, 2021, as detailed below.

1. Revised Earnings Forecast

(1) Revision of consolidated earnings forecast for FY2022/3 (April 1, 2021 to March 31, 2022)

	Net Ordinary Income (million yen)	Net Income Attributable to Owners of the Parent (million yen)	Net Income Per Share (yen)
Previous forecast (A)	355,000	260,000	69.35
Revised forecast (B)	485,000	350,000	93.36
Change (B-A)	130,000	90,000	
Percentage change (%)	36.6%	34.6%	
(Reference) Results of the FY2021/3	394,221	280,130	74.72

(2) Reason for revision

During the six-month period ended September 30, while foreign credit spreads were lower than expected, factors such as lower-than-anticipated foreign currency funding costs and higher-than-anticipated redemption gains on early redemption of bonds led to higher-than-expected dividends from foreign bond investment trusts held by JAPAN POST BANK through our investment operations. In addition, a steady increase in corporate value of some investee companies and progress in their sale has led to higher than expected dividends from private equity funds.

In light of these developments and recent market conditions, with earnings from foreign bonds investment trusts and private equity funds expected to increase, alongside an increase in interest income compared to the previous forecast, the consolidated earnings forecast for the fiscal year ending March 2022 has been revised upward.

Regarding the condition of the financial market at the time that the revised forecast was devised, we have assumed that domestic and foreign interest rates from the end of September 2021 will move in line with the implied forward rates, and foreign credit spreads after September 30, 2021 will remain almost flat compared to the levels of first half of FY2022/3. We have also assumed that foreign exchange will continue at the same levels as of September 30, 2021

2. Revised Annual Dividends Forecast

(1) Annual dividends forecast for the year ending March 2022

	Annual dividends				
	End of Q1 (yen)	End of Q2 (yen)	End of Q3 (yen)	End of year (yen)	Total (yen)
Previous forecast	-	0.00	-	40.00	40.00
Revised forecast	-		-	47.00	47.00
Results for current FY	-	0.00	-		
Results of the FY2021/3	-	0.00	-	50.00	50.00

(2) Reason for revision

Taking into consideration the balance between shareholder returns, financial soundness and growth investments, throughout the term of the Medium-term Management Plan (FY2022/3 through FY2026/3), JAPAN POST BANK's basic policy is to maintain a dividend payout ratio of approximately 50%. However, the target dividend payout ratio will be set between 50% and 60% while keeping in mind the stability and sustainability of dividends, and we will target increases to dividends per share (DPS) compared to projected dividend levels for FY2022/3.

In light of the revised-upward consolidated earnings forecast for the fiscal year ending March 31, 2022 and our dividend policy, we have revised the annual dividends forecast to 47 yen per share, up by 7 yen from the previous forecast of 40 yen per share.

Note: The above earnings forecast and dividends forecast have been calculated based on information available at the time of this document's release. Actual business performance, etc. may differ depending on various factors that may arise in the future.

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