

Selected Financial Information

For the Fiscal Year Ended March 31, 2023

May 15, 2023



Contents

Financial Highlights

1. Results of Operations	Consolidated	..P. 2
2. Trend of Net Interest Income and Interest Rate Spread	Non-consolidated	..P. 3
3. Net Fees and Commissions	Non-consolidated	..P. 4
4. Trend of General and Administrative Expenses	Non-consolidated	..P. 5
5. Financial Conditions	Non-consolidated	..P. 6
6. Asset Management Status	Non-consolidated	..P. 7
7. Unrealized Gains (Losses) on Financial Instruments	Non-consolidated	..P. 8
8. Trend of Capital Adequacy Ratio	Consolidated	..P. 9
(Reference) Trend of Balance of Risk Assets	Non-consolidated	..P.10

Earnings Forecasts and Dividends Forecast for the Fiscal Year Ending March 31, 2024

1. Earnings Forecasts	Consolidated	..P.12
2. Dividends Forecast	Consolidated	..P.13
(Reference) Assumptions for Earnings Forecasts	Consolidated	..P.14
(Reference) Progress on the Mid-term Plan	Non-consolidated/ Consolidated	..P.15

【Consolidated subsidiaries, etc.】

Consolidated subsidiaries

9 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.

Financial Data

1. Summarized Balance Sheets	Non-consolidated	..P.18
2. Income Analysis	Non-consolidated	..P.19
3. Net Interest Income	Non-consolidated	..P.20
4. Interest Rate Spread	Non-consolidated	..P.21
5. Average Balance, Interest, and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities	Non-consolidated	..P.22
6. Asset Management Status	Non-consolidated	..P.24
7. Unrealized Gains (Losses) on Financial Instruments	Non-consolidated	..P.25
8. General and Administrative Expenses	Non-consolidated	..P.27
9. Loans	Non-consolidated	..P.28
10. Balances by Type of Deposit	Non-consolidated	..P.29
11. Employees' Retirement Benefits	Non-consolidated	..P.30
12. Deferred Tax Assets/Liabilities	Non-consolidated	..P.31
13. Problem Assets Disclosed under the Financial Reconstruction Act	Non-consolidated	..P.32
14. Reserve for Possible Loan Losses	Non-consolidated	..P.32
15. Capital	Non-consolidated/ Consolidated	..P.33
(Reference) Securitized Products Exposure	Non-consolidated	..P.34

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 decreased by ¥30.0 bn to ¥325.0 bn, compared to FY2022/3, in which we saw record high profits in our history as a listed company. We secured the net income equated to 101.5% of the earnings forecast because, in advance, we expected a change in market environment including an increase in foreign currency funding costs in FY2023/3.

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Consolidated gross operating profit	1,292.0	1,056.3	(235.6)
Net interest income	1,147.4	796.3	(351.1)
Net fees and commissions	128.4	147.8	19.3
Net other operating income (loss)	16.0	112.1	96.0
Gains (losses) on foreign exchanges	79.0	200.0	120.9
Gains (losses) on bonds	(63.2)	(88.0)	(24.8)
General and administrative expenses (*)	983.2	926.3	(56.9)
Provision for general reserve for possible loan losses	0.0	—	(0.0)
Consolidated net operating profit	308.7	130.0	(178.7)
Non-recurring gains (losses)	182.1	325.5	143.4
Net ordinary income	490.8	455.5	(35.3)
Net income attributable to owners of parent	355.0	325.0	(30.0)
[Reference**]			
ROE (based on shareholders' equity)	3.80%	3.44%	(0.36)%
OHR (basis including gains (losses) on money held in trust)	67.52%	67.15%	(0.37)%

(¥bn, %)

- Net interest income for the fiscal year ended March 31, 2023 decreased by ¥351.1 bn year on year, mainly due to an increase in foreign currency funding costs. Net fees and commissions increased by ¥19.3 bn year on year. Net other operating income increased by ¥96.0 bn year on year, mainly due to an increase in gains (losses) on foreign exchanges.
- General and administrative expenses decreased by ¥56.9 bn year on year, mainly due to a decrease in commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd and deposit insurance expenses paid to Deposit Insurance Corporation of Japan.
- Non-recurring gains increased by ¥143.4 bn year on year, mainly due to the expansion of private equity funds and real estate funds.
- Net ordinary income decreased by ¥35.3 bn year on year, and equated to 102.3% of the full-year earnings forecast of ¥445.0 bn.
- Net income attributable to owners of parent equated to 101.5% of the full-year earnings forecast of ¥320.0 bn.

* General and administrative expenses exclude non-recurring losses.

** Calculation for financial targets in the Medium-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

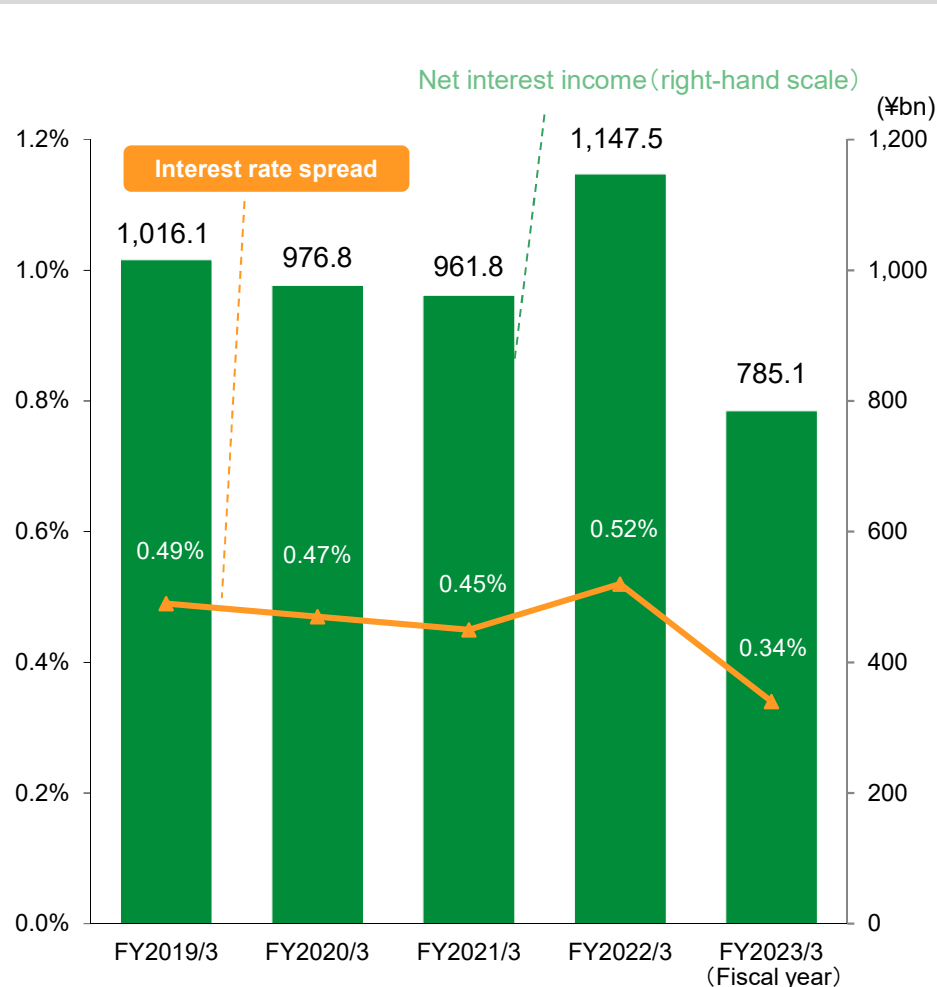
OHR = general and administrative expenses / (net interest income, etc. + net fees and commissions) x 100

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

2. Trend of Net Interest Income and Interest Rate Spread

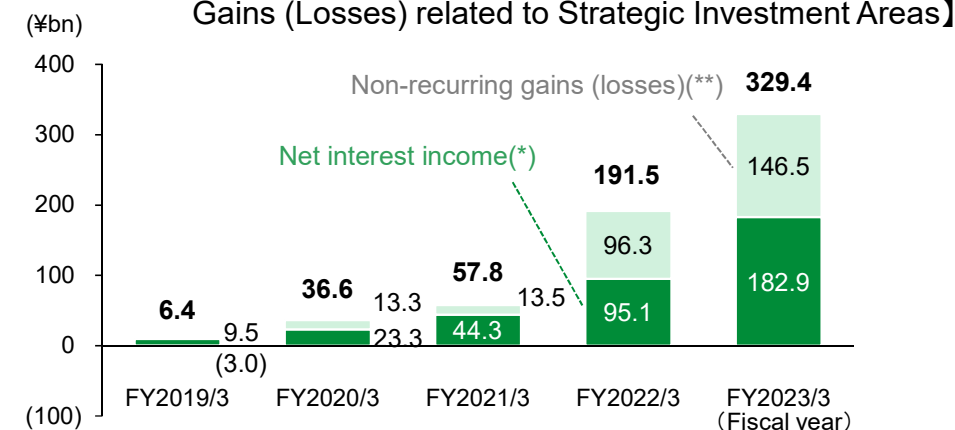
Non-consolidated

- Net interest income decreased by ¥362.3 bn year on year to ¥785.1 bn and interest rate spread was 0.34% for the fiscal year ended March 31, 2023.
- Net interest income decreased mainly due to an increase in foreign currency funding costs associated with a rise in overseas interest rates.



	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Net interest income	1,147.5	785.1	(362.3)
Interest income	1,369.7	1,232.4	(137.3)
Interest on Japanese government bonds	304.1	235.4	(68.6)
Interest on foreign securities	991.2	917.6	(73.5)
Strategic investment areas(*)	95.1	182.9	87.7
Interest expenses	222.2	447.2	225.0

[(Reference) Trend of Net Interest Income and Non-recurring Gains (Losses) related to Strategic Investment Areas]



◆ Net income related to strategic investment areas contribute to non-recurring gains (losses) in addition to net interest income.

* Private equity funds (profit distribution) and real estate funds (debt), etc.

** Private equity funds (redemption gains (losses)) and real estate funds (equity·debt), etc.

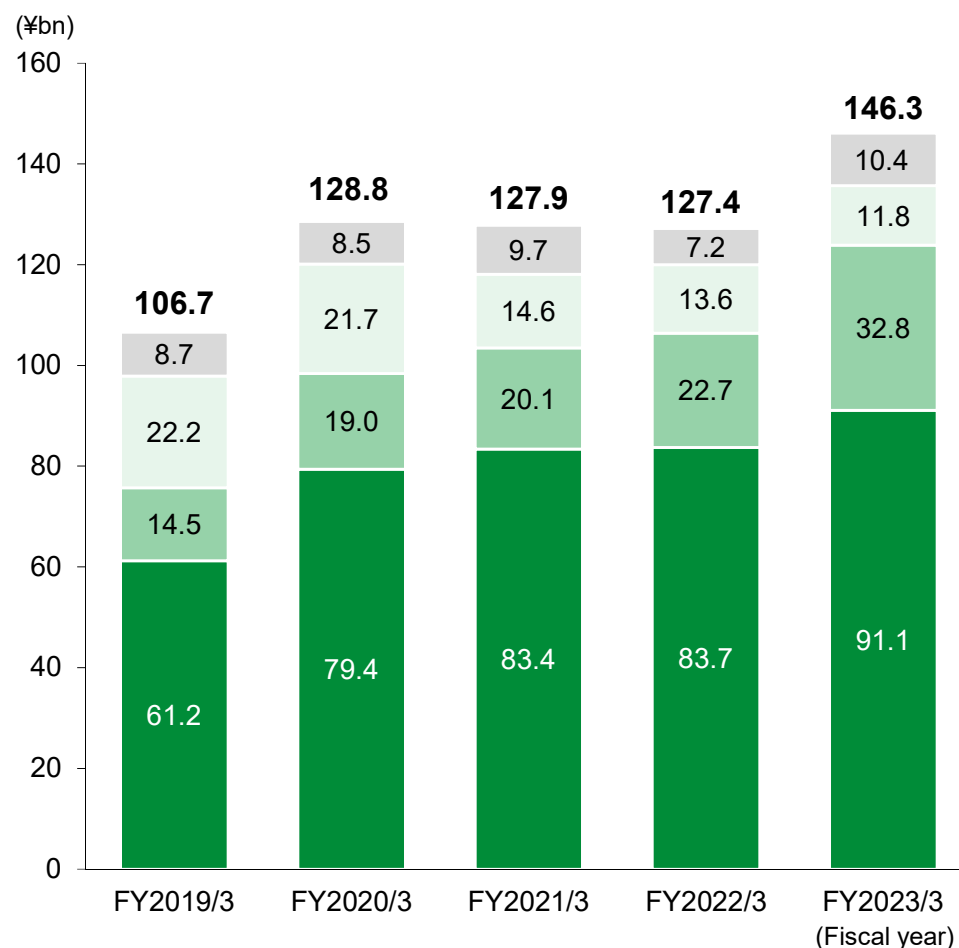
3. Net Fees and Commissions

Non-consolidated

■ Net fees and commissions for the fiscal year ended March 31, 2023 increased by ¥18.9 bn year on year to ¥146.3 bn.

Trend of Net Fees and Commissions

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



Breakdown of Net Fees and Commissions

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Net fees and commissions relating to	127.4	146.3	18.9
Exchange and settlement transactions	83.7	91.1	7.3
ATMs	22.7	32.8	10.1
Investment trusts(*)	13.6	11.8	(1.7)
Others	7.2	10.4	3.2

Results of Investment Trusts Sales (Contract Basis)

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Number of contracts (thousands)	4,485	5,768	1,282
Sales amount (billions of yen)	200.4	229.4	29.0

	As of		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Number of investment trust accounts (thousands)	1,228	1,299	70
Net assets (billions of yen)	2,595.5	2,387.1	(208.3)

[(Reference) KPIs in the Medium-term Management Plan

(FY2022/3 – FY2026/3)**

	As of		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Number of accounts registered in the Bankbook app (ten thousands)	481	745	263
Number of Tsumitate NISA Operation Accounts (ten thousands)	17	23	6

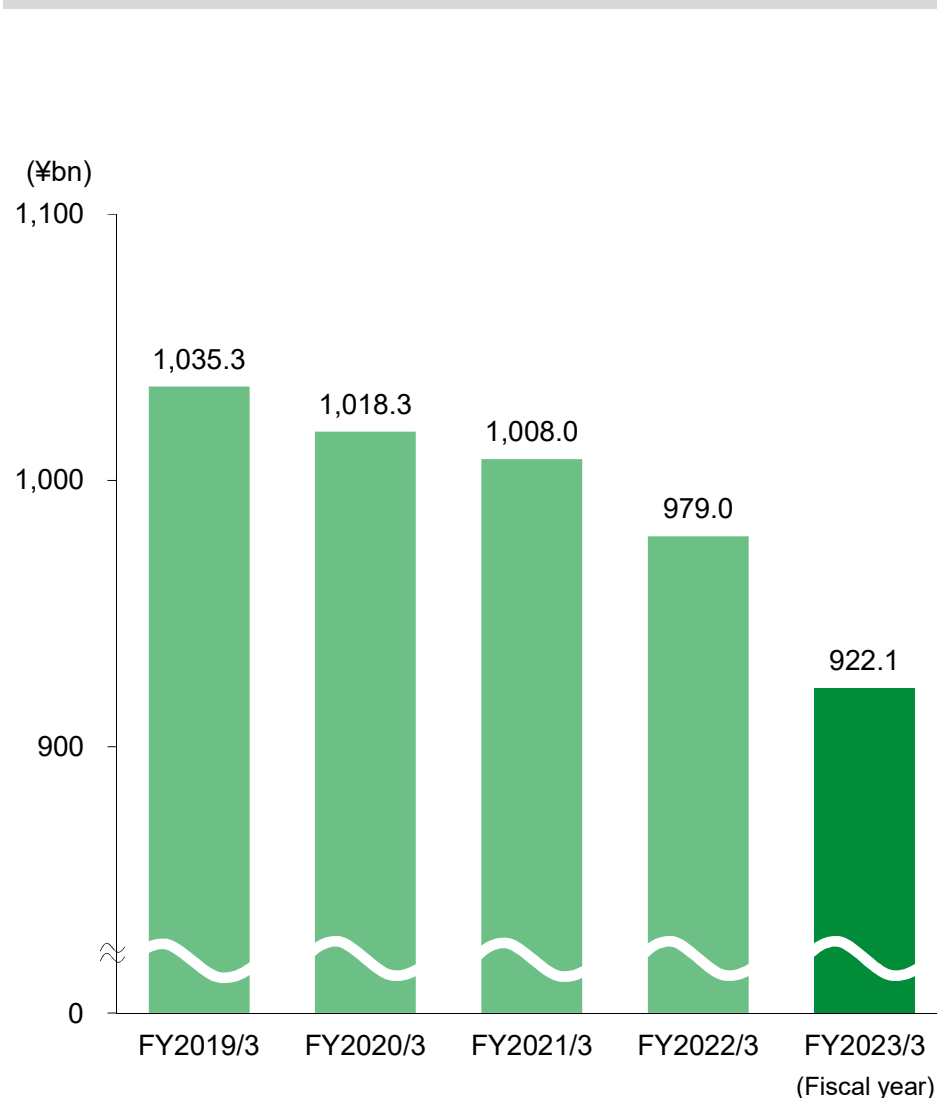
* Investment trusts include Yucho Fund wraps (discretionary investment contract services).

** Number of accounts registered in the Bankbook app : 10 million accounts (FY2026/3)
Number of Tsumitate NISA Operation Accounts : 400 thousand accounts (FY2026/3)

4. Trend of General and Administrative Expenses

Non-consolidated

- General and administrative expenses for the fiscal year ended March 31, 2023 decreased by ¥56.9 bn year on year to ¥922.1 bn.



(¥bn)

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Personnel expenses (*)	115.1	113.7	(1.3)
Salaries and allowances	94.0	92.4	(1.5)
Non-personnel expenses	819.0	772.9	(46.0)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	353.2	340.0	(13.1)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network	237.0	230.7	(6.3)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	55.3	27.5	(27.8)
Taxes and dues	44.9	35.4	(9.4)
Total	979.0	922.1	(56.9)

* Personnel expenses include non-recurring losses.

【(Reference) Financial target in the Medium-term Management Plan (FY2022/3 – FY2026/3)】 (¥bn)

	For the fiscal year ended March 31, 2023 (Result)	For the fiscal year ending March 31, 2026 (Target)
General and administrative expenses (compared to FY2021/3, consolidated)	(84.5)	(55.0)

5. Financial Conditions

Non-consolidated

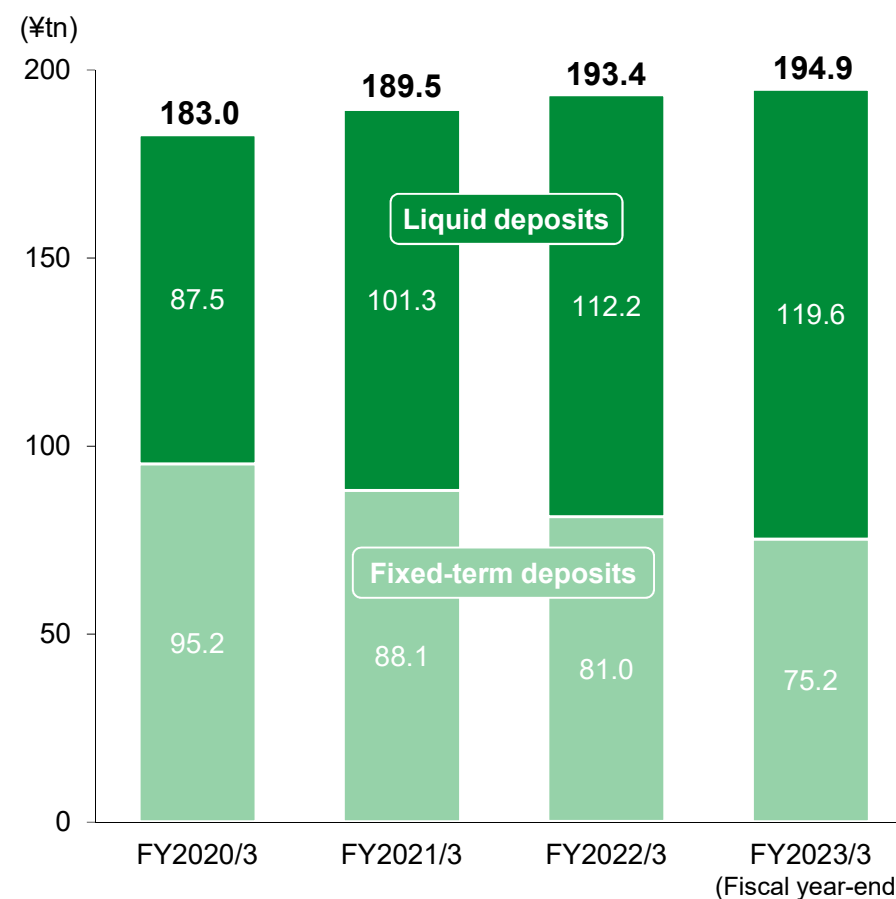
- Total assets decreased by ¥3.3 tn from March 31, 2022, to ¥229.5 tn as of March 31, 2023.
- Securities decreased by ¥6.7 tn from March 31, 2022, to ¥132.7 tn as of March 31, 2023.
- Deposits increased by ¥1.5 tn from March 31, 2022, to ¥194.9 tn as of March 31, 2023.

Overview of Balance Sheet

Total assets ¥229.5tn (As of March 31, 2023)

Securities	Deposits
¥132.7tn	¥194.9tn
<div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">JGBs ¥38.1tn</div> <div style="border: 1px solid black; padding: 2px;">Foreign securities, etc. ¥78.3tn</div>	
Others	Others
¥96.7tn	¥24.9tn
<div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">Money held in trust ¥6.5tn</div> <div style="border: 1px solid black; padding: 2px;">Loans ¥5.6tn</div>	<div style="background-color: #000000; color: white; padding: 2px; margin-bottom: 2px;">Net assets</div> <div style="border: 1px solid black; padding: 2px;">¥9.6tn</div>

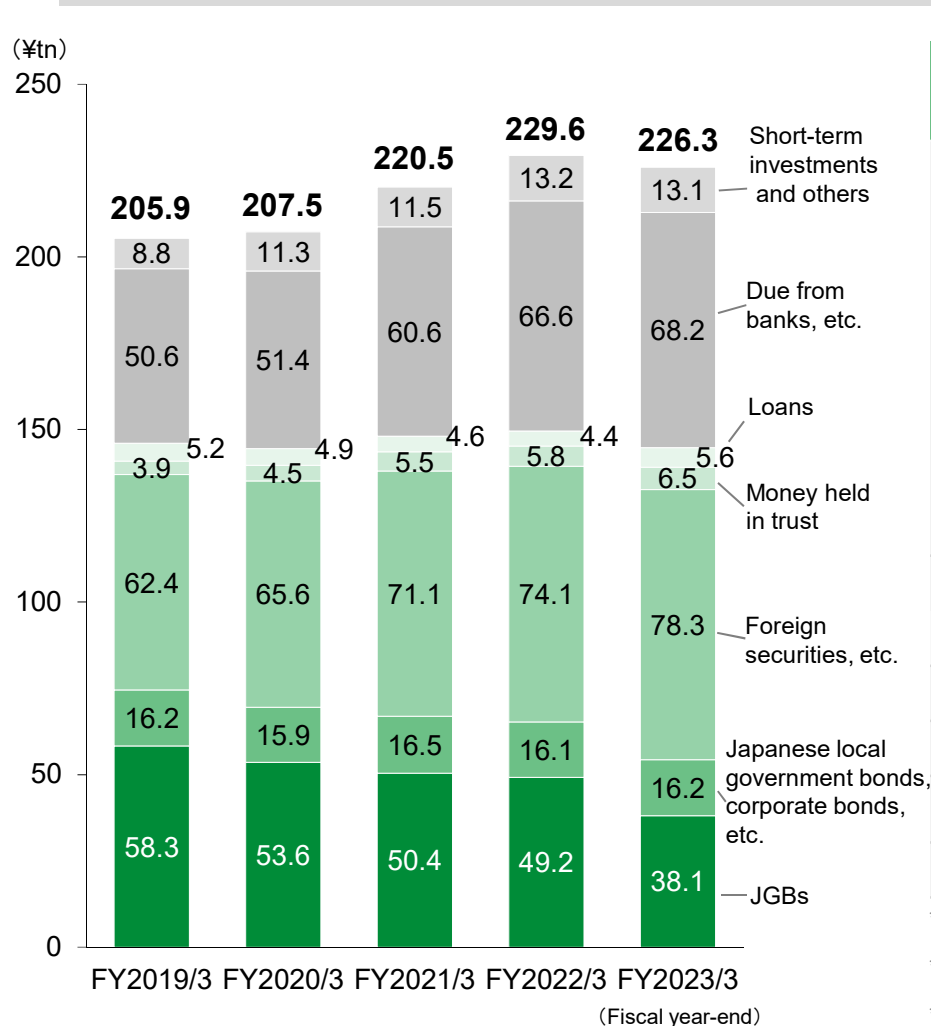
Trend of Deposit Balance



6. Asset Management Status

Non-consolidated

■ Included in investment assets as of March 31, 2023, JGBs were ¥38.1 tn and foreign securities, etc. were ¥78.3 tn.



Categories	As of March 31, 2022 (A)	%	As of March 31, 2023 (B)	%	Increase (Decrease) (B) – (A)
Securities	139,549.1	60.7	132,769.4	58.6	(6,779.6)
Japanese government bonds	49,259.7	21.4	38,114.7	16.8	(11,145.0)
Japanese local government bonds, corporate bonds, etc. (*)	16,154.3	7.0	16,297.4	7.1	143.0
Foreign securities, etc.	74,135.0	32.2	78,357.2	34.6	4,222.2
Foreign bonds	24,509.6	10.6	26,139.0	11.5	1,629.3
Investment trusts (**)	49,534.4	21.5	52,110.2	23.0	2,575.7
Money held in trust	5,828.2	2.5	6,564.7	2.8	736.4
Domestic stocks	2,024.6	0.8	1,857.6	0.8	(166.9)
Loans	4,441.9	1.9	5,604.3	2.4	1,162.3
Due from banks, etc. (***)	66,622.8	29.0	68,283.5	30.1	1,660.6
Short-term investments and others (****)	13,252.3	5.7	13,158.3	5.8	(94.0)
Total	229,694.6	100.0	226,380.4	100.0	(3,314.1)

* “Japanese local government bonds, corporate bonds, etc.” consists of Japanese local government bonds, short-term corporate bonds, Japanese corporate bonds and Japanese stocks.

** Investment trusts are mainly invested in foreign bonds. Investment trusts include private equity funds, etc.

*** “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.

7. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

- Net unrealized gains (losses) on financial instruments (available-for-sale) after taking into consideration gains (losses) from hedge accounting were ¥214.0 bn as of March 31, 2023 (before application of tax effect accounting), decreasing by ¥1,009.0 bn from March 31, 2022.
- Net unrealized gains (losses) increased by ¥614.6 bn, compared to ¥(400.6) bn as of December 31, 2022, and continued to recover.

	As of March 31, 2022 (A)		As of March 31, 2023 (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	122,720.4	2,002.1	112,766.0	1,117.3	(884.7)
Securities (a)	116,892.1	1,673.0	106,201.2	1,216.1	(456.8)
Japanese government bonds	34,285.5	85.7	23,072.1	(423.8)	(509.5)
Foreign bonds	22,701.1	1,484.2	22,365.2	1,476.1	(8.0)
Investment trusts (*)	49,534.4	82.3	52,110.2	184.0	101.6
Others	10,370.9	20.7	8,653.6	(20.1)	(40.9)
Effect of fair value hedge accounting (b)		(852.9)		(1,306.0)	(453.1)
Money held in trust (c)	5,828.2	1,181.9	6,564.7	1,207.2	25.2
Domestic stocks	2,024.6	1,202.2	1,857.6	1,104.9	(97.3)
Others	3,803.6	(20.2)	4,707.0	102.2	122.5
Derivatives for which deferred hedge accounting is applied (d)	16,081.6	(779.0)	18,078.0	(903.3)	(124.2)
Total (a) + (b) + (c) + (d)		1,223.0		214.0	(1,009.0)

* Investment trusts are mainly invested in foreign bonds. The Bank has applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (revised 2021) from the beginning of the fiscal year ended March 31, 2023. Due to the application, net unrealized gains on investment trusts include those of private equity funds, which were ¥1,050.0 bn as of March 31, 2023. Net unrealized gains on investment trusts as of March 31, 2022 were ¥1,348.8 bn (estimate), when the guidance was applied.

【Reference】

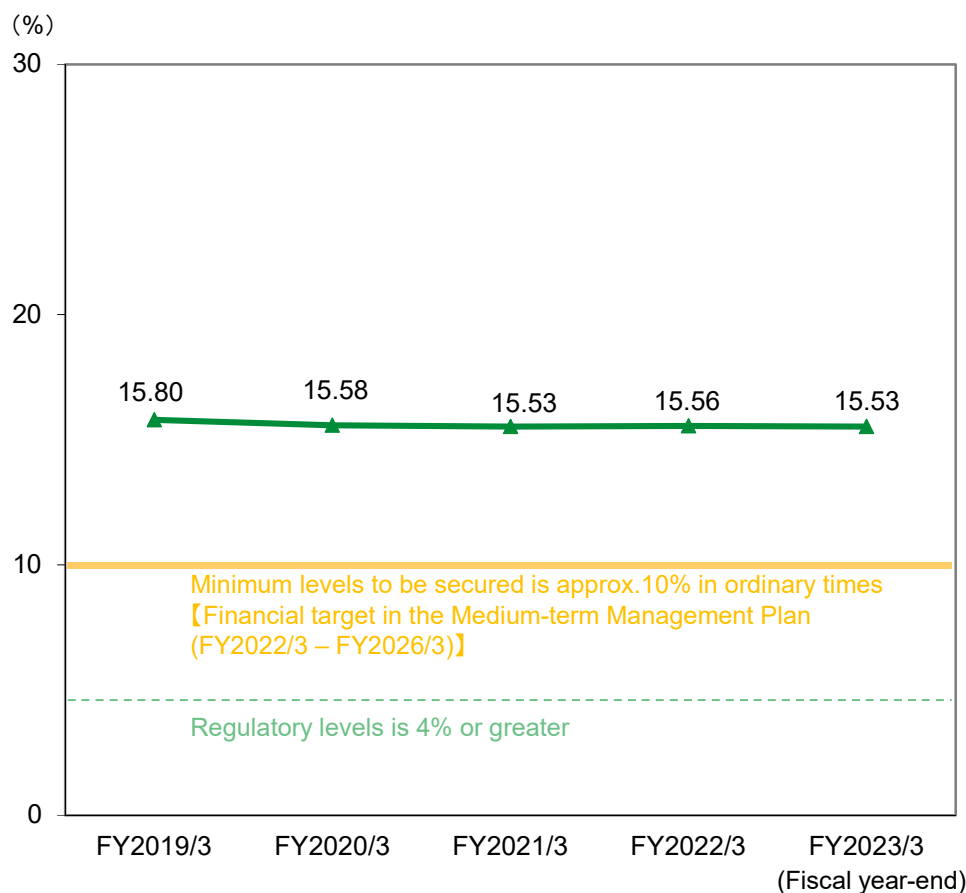
	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Net unrealized gains (losses)
Held-to-maturity securities	23,069.2	(55.7)	27,053.6	(305.3)	(249.5)

8. Trend of Capital Adequacy Ratio

Consolidated

- Capital adequacy ratio (domestic standard) was 15.53% as of March 31, 2023.
(Reference) Common Equity Tier1 capital ratio (international standard, estimate) was 14.28%.

【Domestic standard】



【Domestic standard】

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Total capital (a)	9,199.3	9,224.4	25.1
Total amount of risk-weighted assets (b)	59,106.0	59,395.1	289.1
Credit risk-weighted assets	56,545.5	56,938.2	392.6
Capital adequacy ratio (a) / (b)	15.56%	15.53%	(0.03)%

【(Reference) International standard, estimate*】

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Common Equity Tier1 capital ratio (CET1 ratio)	15.68%	14.28%	(1.40)%
Excluding unrealized gains on available-for-sale securities (**)	14.23%	14.01%	(0.22)%

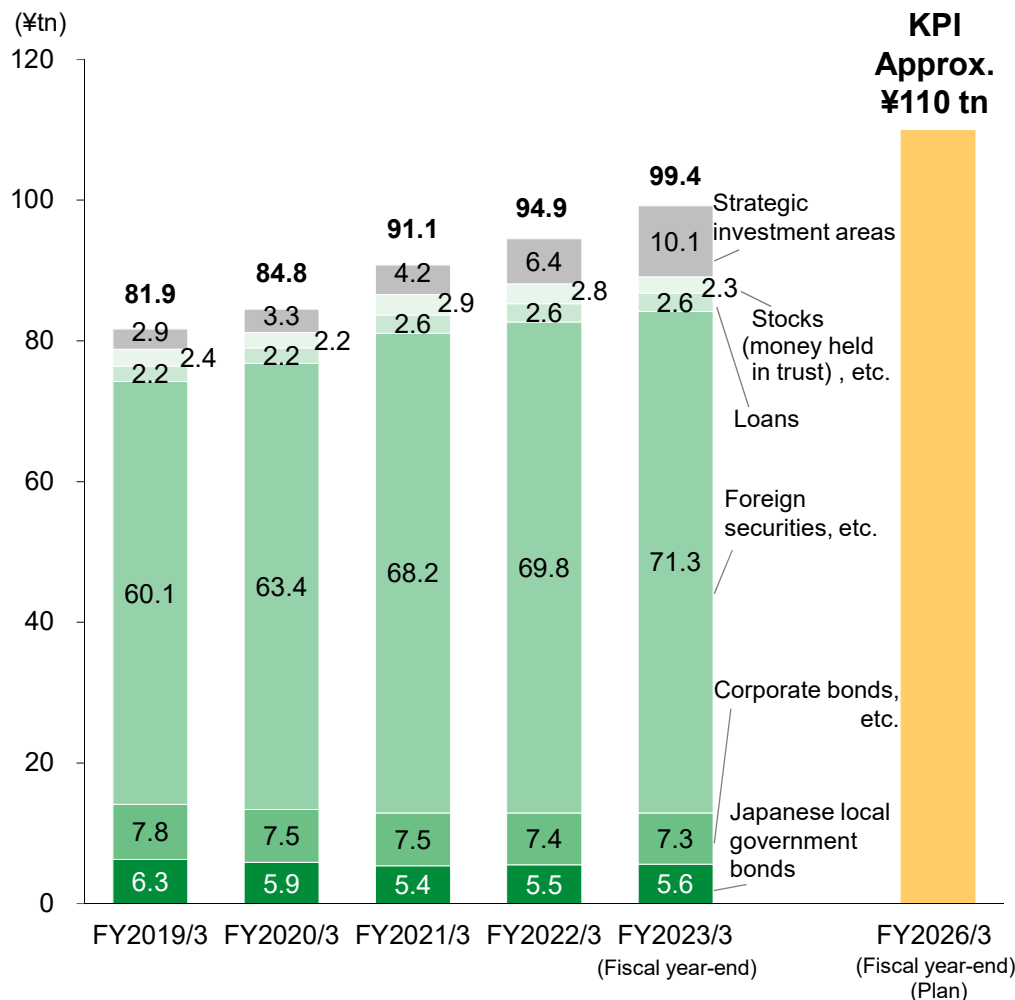
* Calculation for some items are simplified.

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

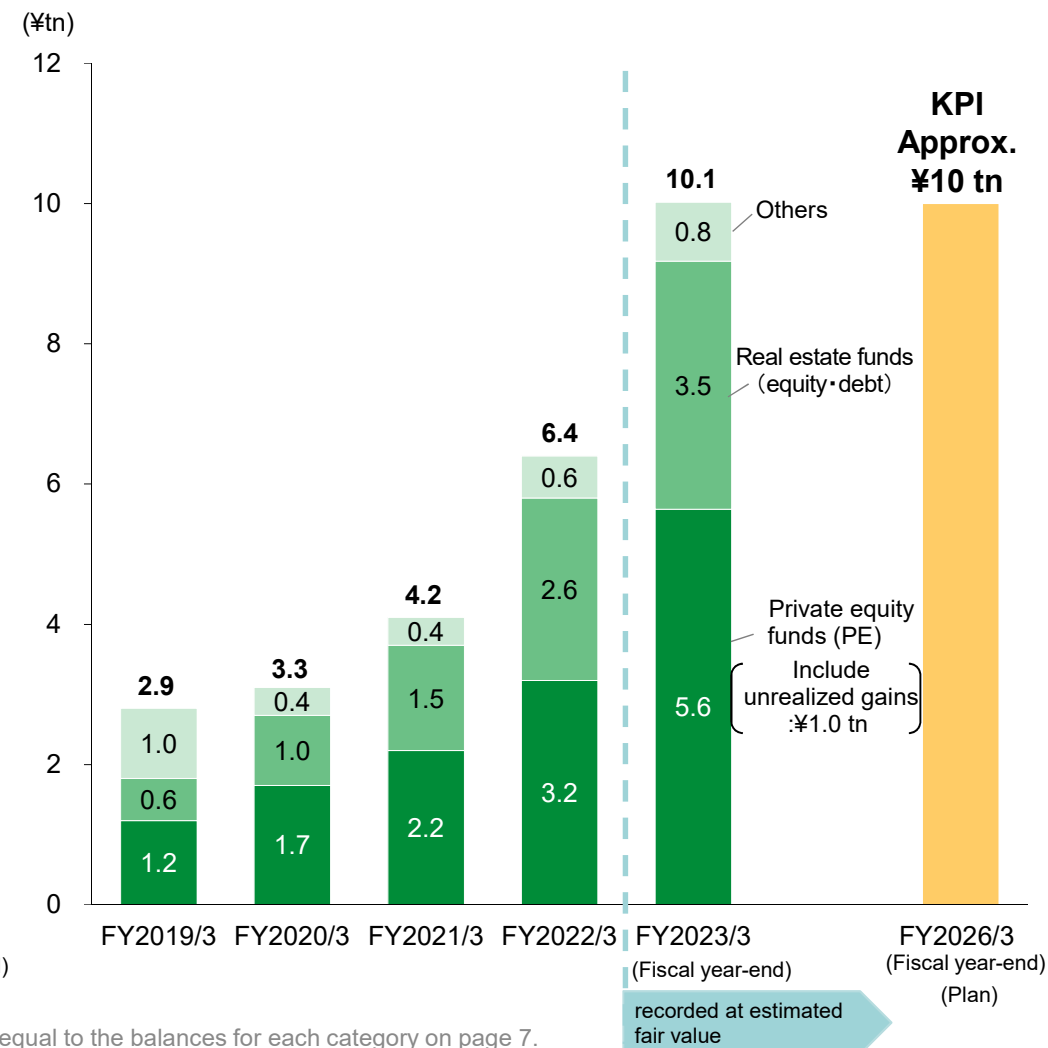
(Reference) Trend of Balance of Risk Assets

Non-consolidated

Balance of Risk Assets



Balance of Strategic Investment Areas



Notes: 1. Since these figures are calculated on management accounting basis, they are not equal to the balances for each category on page 7.

2. "Risk assets" is assets other than Yen interest rates (JGBs, etc.).

3. "Others" in "Balance of Strategic Investment Areas" is direct lending funds and infrastructure debt funds, etc.

4. Beginning with values as of March 31, 2023, private equity and certain other funds are recorded at estimated fair value, based on "Implementation Guidance on Accounting Standard for Fair Value Measurement" (revised 2021), which the Bank has applied from the beginning of the fiscal year ended March 31, 2023.

(Private equity and certain other funds are calculated on book value as of dates on or before March 31, 2022.)

Earnings Forecasts and Dividends Forecast for the Fiscal Year Ending March 31, 2024

1. Earnings Forecasts

- For earnings forecasts for the fiscal year ending March 31, 2024, net ordinary income and net income attributable to owners of parent are expected to amount to ¥470.0 bn and ¥335.0 bn, respectively.
- In the fiscal year ending March 31, 2024, although we expect that foreign currency funding costs remain high in market operations, the forecasts see an increase in income compared to the fiscal year ended March 31, 2023, mainly due to that we predict strategic investment areas(*) remain to contribute to income in addition with increases in gains on sales of stocks, etc. associated with operation for risk controls and net fees and commissions.

Achievement of the fiscal year ended March 31, 2023 Forecasts and Full-year Earnings Forecasts for the fiscal year ending March 31, 2024 (Consolidated) (¥bn)

	For the fiscal year ended March 31, 2023 (Forecast)	For the fiscal year ended March 31, 2023 (Actual)	For the fiscal year ending March 31, 2024 (Forecast)
Net interest income, etc.(**)	1,235.0	1,231.6	1,260.0
Net fees and commissions	143.0	147.8	153.0
General and administrative expenses	935.0	924.7	944.0
Net ordinary income	445.0	455.5	470.0
Net income attributable to owners of parent	320.0	325.0	335.0

Assumptions for the Earnings Forecasts

- ◆ Assumptions of domestic and foreign market interest rates are based on the implied forward rates as of December 31, 2022.
- ◆ We anticipate that foreign credit spreads will continue at the average levels for December, 2022.
- ◆ We anticipate that foreign exchange will continue at the levels as of December 31, 2022.

* Alternative assets (private equity funds and real estate funds(equity), etc.), real estate funds (debt), direct lending funds and infrastructure debt funds, etc.

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

Note: The above earnings forecasts are calculated based on information available at this point. Actual earnings may differ depending on various factors that may arise in the future.

2. Dividends Forecast

Consolidated

- Dividend per share for the fiscal year ended March 31, 2023 is ¥50.
- Dividend per share for the fiscal year ending March 31, 2024, based on the earnings forecasts and the shareholder return policy during the Medium-term Management Plan (FY2022/3 through FY2026/3), is planned to be ¥50 (dividend payout ratio of 54.0%).

Actual Result and Forecast of Dividends

(¥bn, %)

	For the fiscal year	
	ended March 31, 2023 (Actual)	ending March 31, 2024 (Forecast)
Dividend per share	¥50	¥50
Total dividend payment	183.4	180.8
Dividend payout ratio	57.5%	54.0%

Note: The above dividends forecast is calculated based on information available at this point. Actual dividends may differ depending on various factors that may arise in the future.

Shareholder return policy, etc. (FY2022/3 through FY2026/3)

[Shareholder return policy]

- ◆ 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), the 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.

[Other policies pertaining to shareholder returns, etc.]

- ◆ We will also consider implementing additional shareholder return policies depending on future expansions in income, the repleteness of internal reserves and the status of regulatory trends, etc.
- ◆ We conduct a shareholder benefit program to express our gratitude to our shareholders for their daily support, to enhance the appeal of investing in the Bank's shares and thereby to increase the number of our shareholders.

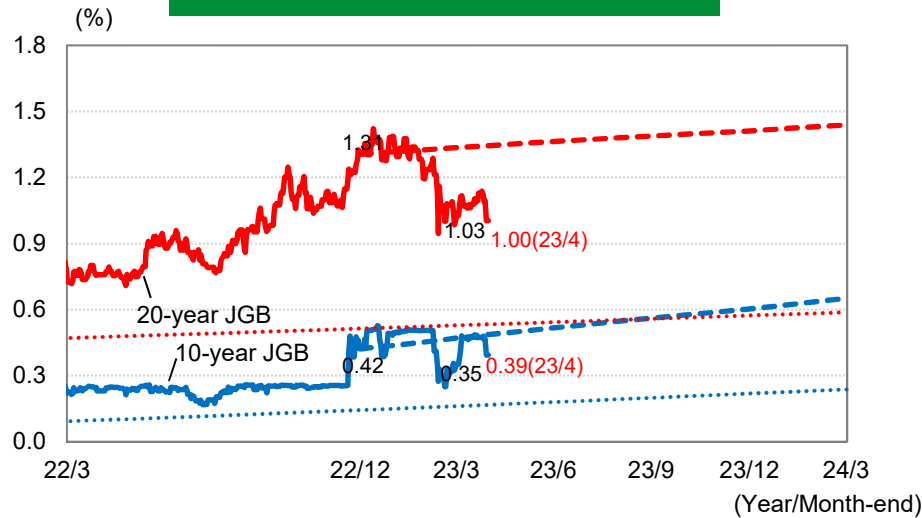
(Reference) Assumptions for Earnings Forecasts

Consolidated

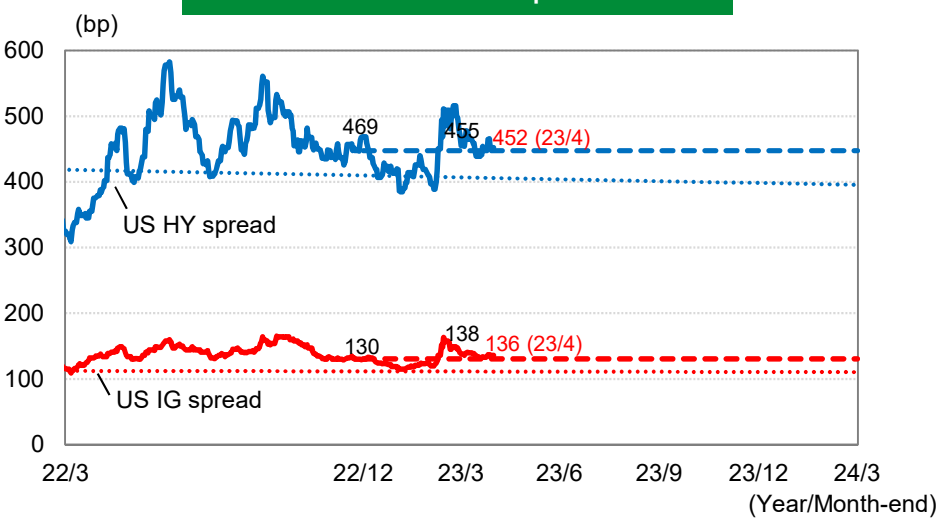
Assumptions

Actuals Assumptions (Ref.) Mid-term plan

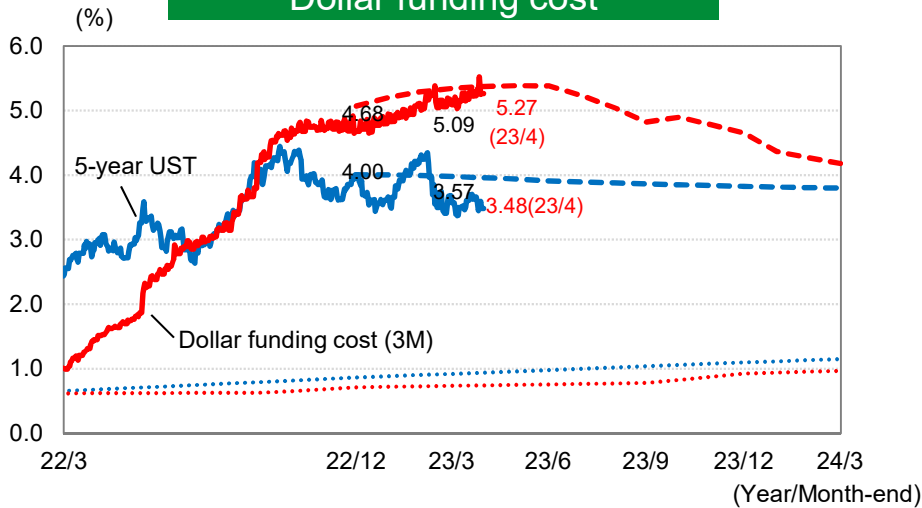
Yen interest rates



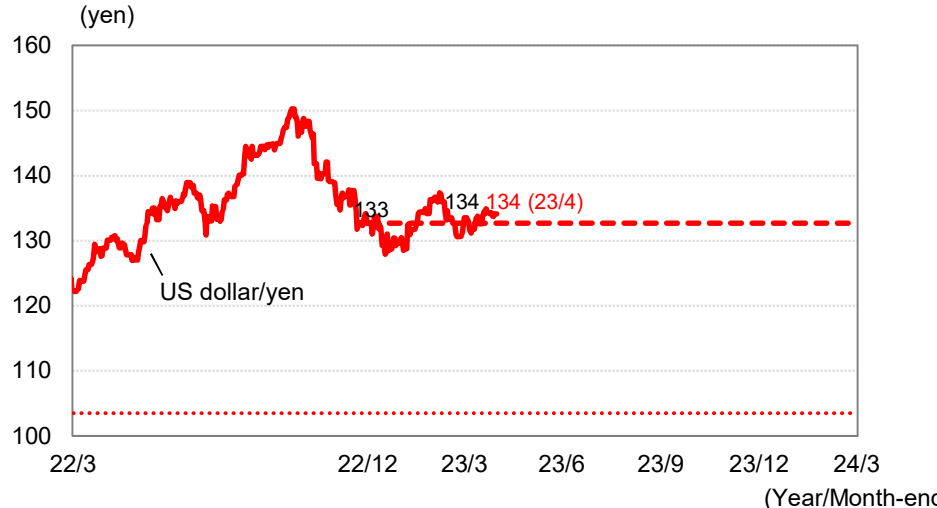
US IG and HY spreads



US interest rate Dollar funding cost



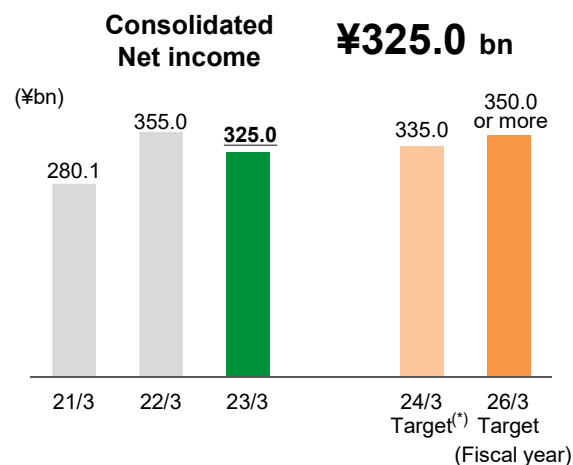
US dollar/yen



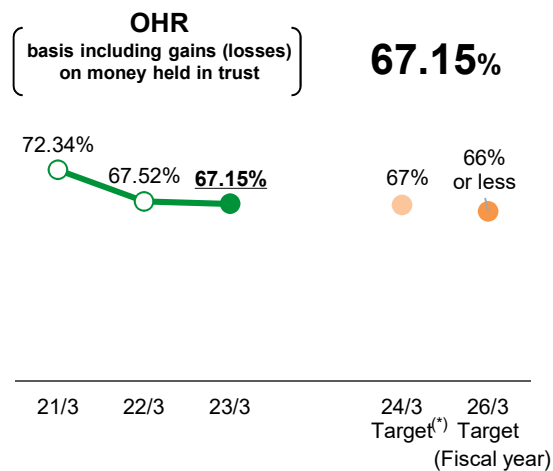
(Reference) Progress on the Mid-term Plan(1) Financial Targets

Consolidated

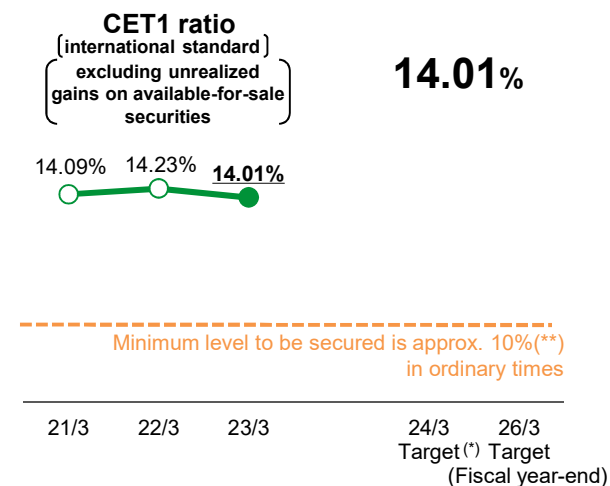
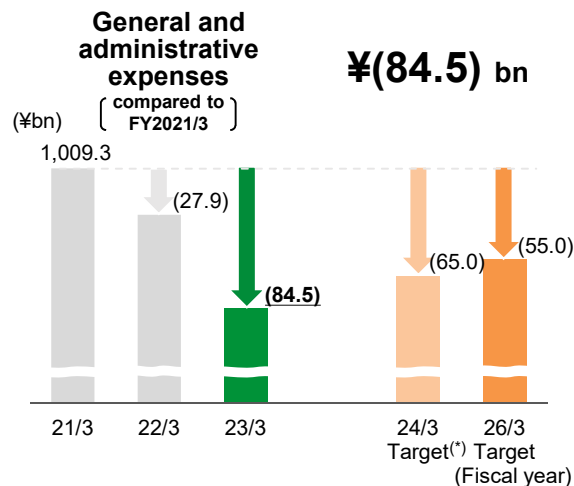
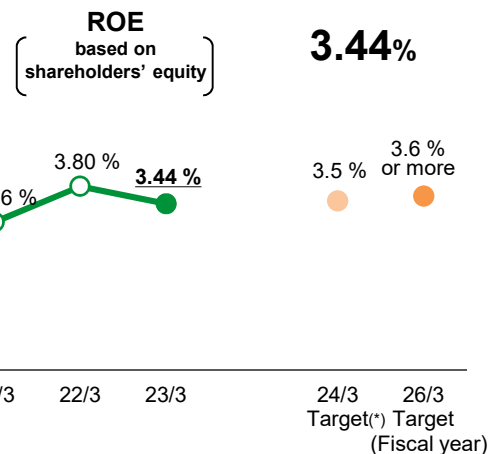
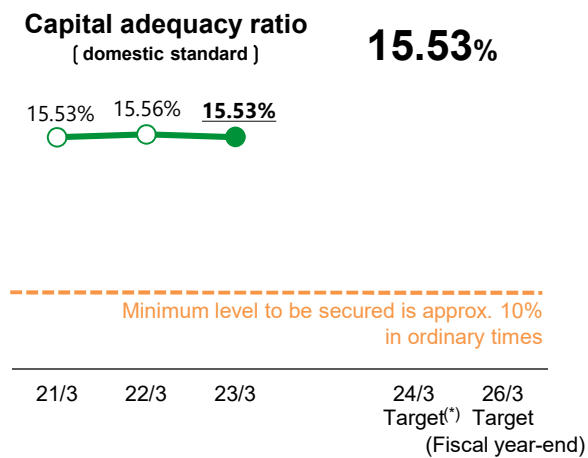
Profitability



Efficiency



Soundness



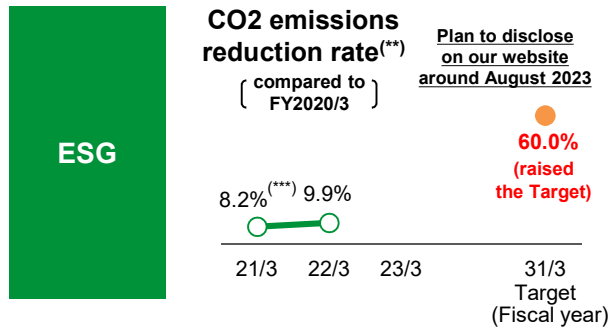
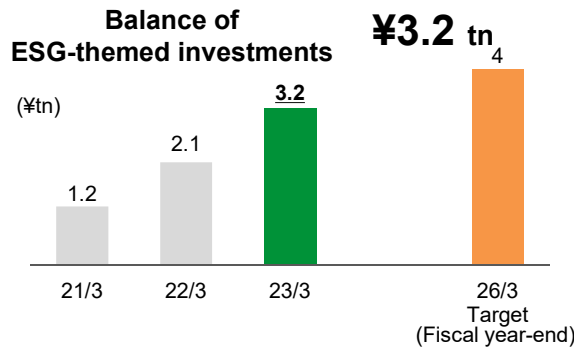
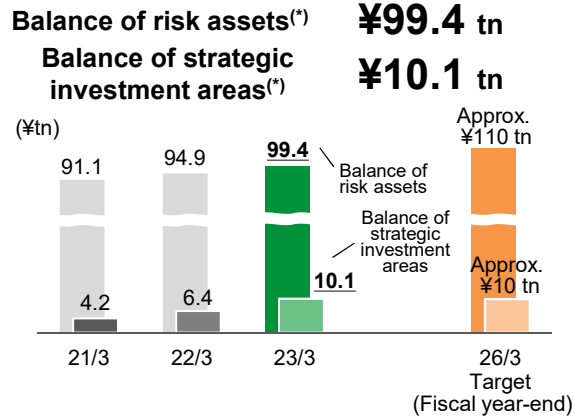
* These targets are based on the FY2024/3 management plan and differ from the FY2024/3 targets when the Mid-term Plan was formulated.

** The target as of March 31, 2026 is based on full implementation of Basel III.

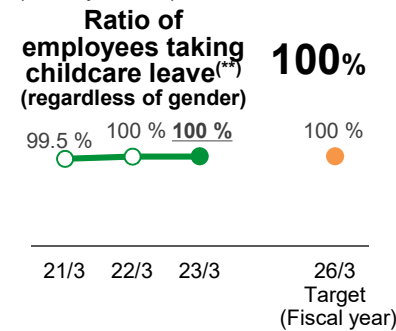
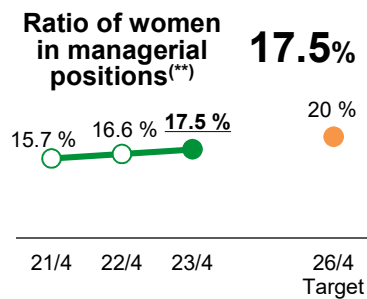
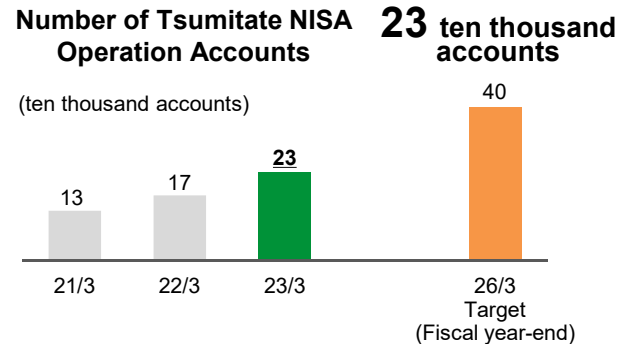
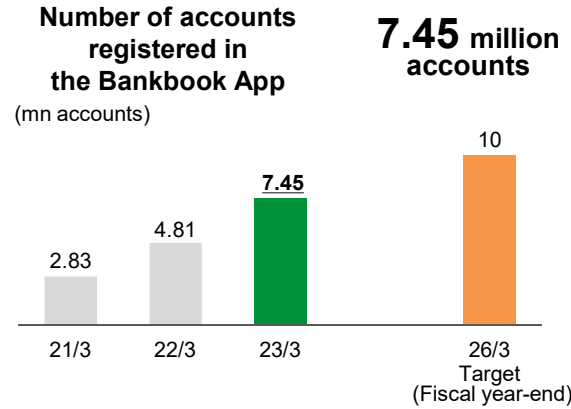
(Reference) Progress on the Mid-term Plan(2) KPI Targets

Non-consolidated

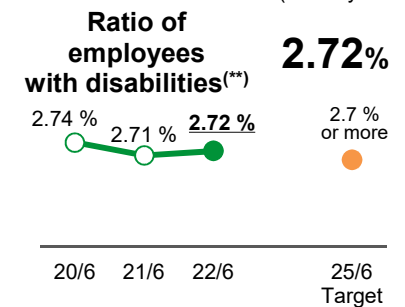
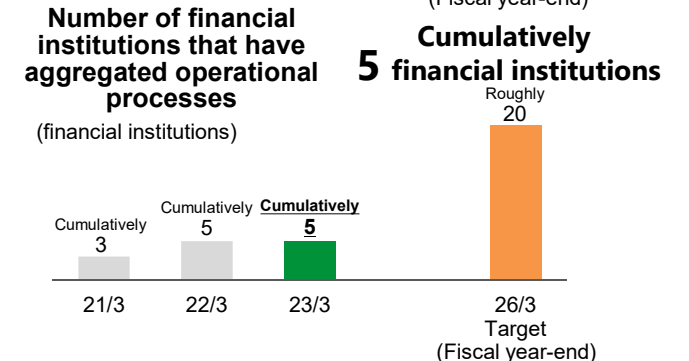
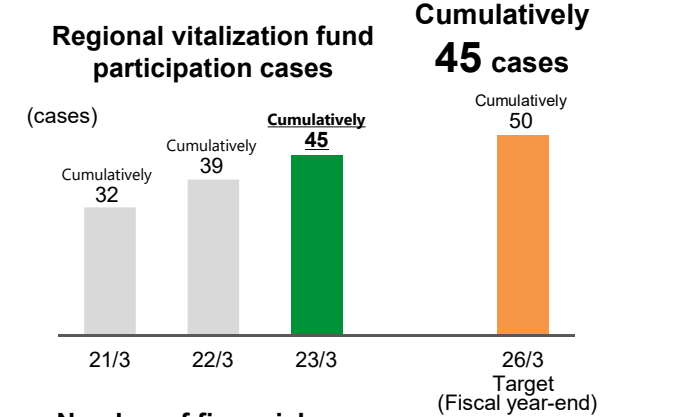
Investment



Retail



Regional Relationship



* Private equity funds and real estate funds, excluding some assets, are calculated on a fair value basis from FY2023/3 onward. ** Percentages are rounded. *** Corrected on August 31, 2022.

Financial Data

1. Summarized Balance Sheets

Non-consolidated

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Total assets	232,922,083	229,545,202	(3,376,881)
Cash and due from banks	66,664,253	68,217,495	1,553,242
Call loans	2,470,000	2,460,000	(10,000)
Receivables under resale agreements	9,861,753	9,788,452	(73,300)
Receivables under securities borrowing transactions	—	250,241	250,241
Monetary claims bought	397,301	478,286	80,985
Trading account securities	11	19	8
Money held in trust	5,828,283	6,564,738	736,454
Securities	139,549,103	132,769,420	(6,779,683)
Loans	4,441,967	5,604,366	1,162,399
Foreign exchanges	213,924	124,943	(88,980)
Other assets	3,250,352	2,994,691	(255,660)
Tangible fixed assets	192,819	190,216	(2,603)
Intangible fixed assets	53,367	77,118	23,750
Deferred tax assets	—	26,245	26,245
Reserve for possible loan losses	(1,054)	(1,033)	21

(Millions of yen)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Total liabilities and net assets	232,922,083	229,545,202	(3,376,881)
Total liabilities	222,658,520	219,936,223	(2,722,297)
Deposits	193,441,929	194,951,503	1,509,574
Payables under repurchase agreements	19,461,646	18,316,621	(1,145,024)
Payables under securities lending transactions	1,514,438	1,941,872	427,434
Borrowed money	5,603,600	1,632,600	(3,971,000)
Foreign exchanges	697	1,411	714
Other liabilities	2,124,933	2,891,096	766,162
Reserve for bonuses	7,238	7,150	(88)
Reserve for employees' retirement benefits	140,355	138,375	(1,979)
Reserve for employee stock ownership plan trust	515	511	(3)
Reserve for management board benefit trust	365	424	58
Reserve for reimbursement of deposits	58,813	54,655	(4,158)
Deferred tax liabilities	303,985	—	(303,985)
Total net assets	10,263,563	9,608,979	(654,584)
Capital stock	3,500,000	3,500,000	—
Capital surplus	3,500,000	3,500,000	—
Retained earnings	2,413,168	2,480,262	67,094
Treasury stock	(902)	(24,510)	(23,608)
Total shareholders' equity	9,412,266	9,455,752	43,486
Net unrealized gains (losses) on available-for-sale securities	1,390,288	779,268	(611,020)
Net deferred gains (losses) on hedges	(538,991)	(626,041)	(87,050)
Total valuation and translation adjustments	851,297	153,227	(698,070)

2. Income Analysis

Non-consolidated

(Millions of yen)

	For the fiscal year ended		(B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Gross operating profit	1,290,865	1,042,610	(248,255)
Net interest income	1,147,500	785,114	(362,385)
Net fees and commissions	127,400	146,354	18,954
Net other operating income (loss)	15,964	111,140	95,176
Gains (losses) on foreign exchanges	78,954	199,045	120,091
Gains (losses) on bonds	(63,245)	(88,083)	(24,837)
General and administrative expenses	(980,906)	(923,664)	57,241
Personnel expenses	(116,943)	(115,285)	1,657
Non-personnel expenses	(819,027)	(772,942)	46,085
Taxes and dues	(44,935)	(35,436)	9,498
Operating profit (before provision for general reserve for possible loan losses)	309,959	118,945	(191,013)
Core net operating profit	373,204	207,028	(166,176)
Excluding gains (losses) on cancellation of investment trusts	259,888	150,853	(109,034)
Provision for general reserve for possible loan losses	(9)	—	9
Net operating profit	309,949	118,945	(191,004)
Non-recurring gains (losses)	181,509	329,297	147,787
Gains (losses) related to stocks	(125,583)	74,993	200,577
Gains (losses) on money held in trust	286,671	246,820	(39,851)
Net ordinary income	491,459	448,242	(43,216)

	For the fiscal year ended		(B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Extraordinary income (loss)	5,682	(1,188)	(6,870)
Gains (losses) on sales and disposals of fixed assets	5,698	(312)	(6,011)
Losses on impairment of fixed assets	(15)	(875)	(859)
Income before income taxes	497,141	447,054	(50,087)
Income taxes – current	(104,295)	(145,782)	(41,486)
Income taxes – deferred	(37,901)	23,334	61,236
Total income taxes	(142,196)	(122,447)	19,749
Net income	354,945	324,607	(30,338)
Gains (losses) on money held in trust	286,671	246,820	(39,851)
Dividends and interest income	107,848	134,476	26,627
Gains (losses) on sales of stocks	194,410	147,015	(47,395)
Impairment losses	(1,955)	(3,195)	(1,240)
Withholding income tax, etc.	(13,632)	(31,476)	(17,843)
Credit-related expenses	(9)	12	21
Provision for general reserve for possible loan losses	(9)	12	21

- Notes: 1. General and administrative expenses exclude non-recurring losses related to retirement benefit costs (¥1,517 million and ¥1,838 million recorded as profits for the fiscal years ended March 31, 2023 and 2022, 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. Net Interest Income

Non-consolidated

(1) Domestic (Millions of yen)

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Net interest income	402,257	276,171	(126,085)
Interest income	446,743	307,787	(138,956)
Interest on Japanese government bonds	304,191	235,493	(68,698)
Interest expenses	44,486	31,615	(12,871)

(2) Overseas (Millions of yen)

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Net interest income	745,243	508,942	(236,300)
Interest income	991,619	925,669	(65,949)
Interest on foreign securities	991,228	917,648	(73,580)
Interest expenses	246,376	416,726	170,350

(3) Total (Millions of yen)

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Net interest income	1,147,500	785,114	(362,385)
Interest income	1,369,747	1,232,408	(137,338)
Interest expenses	222,246	447,294	225,047

- 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. Interest income from "domestic" and expenses from "overseas" include interest on transactions between "domestic" and "overseas", respectively (fiscal year ended March 31, 2023, ¥1,047 million; fiscal year ended March 31, 2022, ¥68,616 million).
The interest are offset to calculate totals. And, the Bank revised calculation method of the interest from the fiscal year ended March 31, 2023.

4. Interest Rate Spread

Non-consolidated

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023(B)	
Yield on interest-earning assets (a)	0.63%	0.56%	(0.06)%
Total cost of funding (including general and administrative expenses) (b)	0.57	0.65	0.07
Interest rate on interest-bearing liabilities (c)	0.10	0.21	0.10
Overall interest rate spread (a) - (b)	0.05	(0.09)	(0.14)
Interest rate spread (a) - (c)	0.52	0.34	(0.17)

5. Average Balance, Interest, and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

Non-consolidated

(1) Domestic

(Millions of yen, %)

	For the fiscal year ended						Increase (Decrease) (B) – (A)
	March 31, 2022 (A)			March 31, 2023 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	211,342,025	446,743	0.21%	210,210,806	307,787	0.14%	(0.06)%
Loans	4,620,369	10,120	0.21	5,179,919	9,589	0.18	(0.03)
Securities	69,451,545	341,824	0.49	63,733,361	272,085	0.42	(0.06)
Due from banks, etc.	60,361,005	29,872	0.04	63,294,696	27,549	0.04	(0.00)
Interest-bearing liabilities	204,529,496	44,486	0.02	204,217,396	31,615	0.01	(0.00)
Deposits	192,386,838	20,984	0.01	194,561,694	12,963	0.00	(0.00)
Payables under securities lending transactions	17,507	17	0.09	5,142	5	0.09	0.00

(2) Overseas

(Millions of yen, %)

	For the fiscal year ended						Increase (Decrease) (B) – (A)
	March 31, 2022 (A)			March 31, 2023 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	70,834,616	991,619	1.39%	76,608,908	925,669	1.20%	(0.19)%
Loans	26,122	137	0.52	30,250	161	0.53	0.00
Securities	70,670,623	991,228	1.40	76,363,251	917,648	1.20	(0.20)
Due from banks, etc.	—	—	—	—	—	—	—
Interest-bearing liabilities	70,222,165	246,376	0.35	73,333,363	416,726	0.56	0.21
Payables under securities lending transactions	1,458,983	2,579	0.17	1,786,878	52,173	2.91	2.74

5. Average Balance, Interest, and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

Non-consolidated

(3) Total

(Millions of yen, %)

	For the fiscal year ended						Increase (Decrease) (B) – (A)
	March 31, 2022 (A)			March 31, 2023 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	217,361,148	1,369,747	0.63%	219,606,759	1,232,408	0.56%	(0.06)%
Loans	4,646,492	10,257	0.22	5,210,170	9,750	0.18	(0.03)
Securities	140,122,168	1,333,053	0.95	140,096,612	1,189,734	0.84	(0.10)
Due from banks, etc.	60,361,005	29,872	0.04	63,294,696	27,549	0.04	(0.00)
Interest-bearing liabilities	209,936,168	222,246	0.10	210,337,804	447,294	0.21	0.10
Deposits	192,386,838	20,984	0.01	194,561,694	12,963	0.00	(0.00)
Payables under securities lending transactions	1,476,490	2,597	0.17	1,792,020	52,179	2.91	2.73

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. 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 (fiscal year ended March 31, 2023, ¥5,108,455 million; fiscal year ended March 31, 2022, ¥4,160,954 million) is excluded from interest-earning assets, and the average balance corresponding to money held in trust (fiscal year ended March 31, 2023, ¥5,108,455 million; fiscal year ended March 31, 2022, ¥4,160,954 million) and the corresponding interest (fiscal year ended March 31, 2023, ¥10,863 million; fiscal year ended March 31, 2022, ¥4,404 million) are excluded from interest-bearing liabilities.

3. For investment trusts, the distribution of profits, which was deducted from the book value as the repayment of principal, was ¥184,988 million for the fiscal year ended March 31, 2023 (¥21,782 million for the fiscal year ended March 31, 2022).

4. Average balance and interest on transactions between “domestic” and “overseas” are offset to calculate totals. And, the Bank revised calculation method of the interest from the fiscal year ended March 31, 2023.

5. “Due from banks, etc.” consists of negotiable certificates of deposit, Bank of Japan deposits, call loans and monetary claims bought.

6. Asset Management Status

Non-consolidated

(Millions of yen, %)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Due from banks, etc.	66,622,875	29.00	68,283,567	30.16	1,660,691
Call loans	2,470,000	1.07	2,460,000	1.08	(10,000)
Receivables under resale agreements	9,861,753	4.29	9,788,452	4.32	(73,300)
Receivables under securities borrowing transactions	—	—	250,241	0.11	250,241
Money held in trust	5,828,283	2.53	6,564,738	2.89	736,454
Domestic stocks	2,024,619	0.88	1,857,660	0.82	(166,959)
Domestic bonds	1,406,103	0.61	1,270,609	0.56	(135,494)
Securities	139,549,103	60.75	132,769,420	58.64	(6,779,683)
Japanese government bonds	49,259,766	21.44	38,114,711	16.83	(11,145,054)
Japanese local government bonds	5,580,874	2.42	5,640,868	2.49	59,993
Short-term corporate bonds	1,434,510	0.62	1,400,895	0.61	(33,615)
Japanese corporate bonds	9,118,414	3.96	9,233,579	4.07	115,164
Japanese stocks	20,533	0.00	22,078	0.00	1,544
Other securities	74,135,001	32.27	78,357,286	34.61	4,222,284
Foreign bonds	24,509,689	10.67	26,139,010	11.54	1,629,320
Investment trusts	49,534,425	21.56	52,110,200	23.01	2,575,775
Loans	4,441,967	1.93	5,604,366	2.47	1,162,399
Others	920,646	0.40	659,674	0.29	(260,971)
Total	229,694,629	100.00	226,380,460	100.00	(3,314,168)

Notes: 1. "Due from banks, etc." consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.

2. Investment trusts are mainly invested in foreign bonds. Investment trusts include private equity funds, etc.

7. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

(1) Held-to-maturity Securities

(Millions of yen)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)	
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)
Japanese government bonds	14,974,212	(31,393)	15,042,583	(236,650)	68,371	(205,257)
Japanese local government bonds	2,746,510	(11,848)	3,581,661	(26,442)	835,151	(14,594)
Japanese corporate bonds	3,540,039	(12,623)	4,655,700	(33,719)	1,115,660	(21,096)
Others	1,808,495	80	3,773,727	(8,507)	1,965,231	(8,587)
Foreign bonds	1,808,495	80	3,773,727	(8,507)	1,965,231	(8,587)
Total	23,069,257	(55,784)	27,053,673	(305,320)	3,984,415	(249,535)

Note: Net unrealized gains (losses) shown above are calculated by deducting the amount on the balance sheet from the fair value.

(2) Available-for-sale Securities

(Millions of yen)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)	
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)
Japanese stocks	17,283	–	18,827	–	1,544	–
Bonds	44,132,804	103,994	31,110,108	(443,394)	(13,022,696)	(547,389)
Japanese government bonds	34,285,554	85,743	23,072,127	(423,816)	(11,213,426)	(509,560)
Japanese local government bonds	2,834,364	7,367	2,059,206	2,210	(775,158)	(5,156)
Short-term corporate bonds	1,434,510	–	1,400,895	–	(33,615)	–
Japanese corporate bonds	5,578,374	10,883	4,577,878	(21,788)	(1,000,496)	(32,672)
Others	72,742,078	1,569,057	75,072,343	1,659,553	2,330,264	90,496
Foreign bonds	22,701,193	1,484,225	22,365,282	1,476,129	(335,911)	(8,096)
Investment trusts	49,534,425	82,347	52,110,200	184,011	2,575,775	101,664
Total	116,892,166	1,673,052	106,201,280	1,216,159	(10,690,886)	(456,893)

Notes: 1. Securities shown above include “securities,” negotiable certificates of deposit, which is recorded under “cash and due from banks,” and “monetary claims bought.”

2. Net unrealized gains (losses) shown above are calculated by deducting the acquisition cost from the amount on the balance sheet.

3. Of net unrealized gains (losses) shown above, ¥1,306,052 million and ¥852,922 million profits were included in the statement of income for the fiscal years ended March 31, 2023 and 2022, respectively, because of the application of fair value hedge accounting.

4. Investment trusts are mainly invested in foreign bonds. The Bank has applied “Implementation Guidance on Accounting Standard for Fair Value Measurement” (revised 2021) from the beginning of the fiscal year ended March 31, 2023. Due to the application, net unrealized gains on investment trusts include those of private equity funds as of March 31, 2023. Net unrealized gains on investment trusts as of March 31, 2022 were ¥1,348.8 bn (estimate), when the guidance was applied.

5. No impairment loss was recognized for the fiscal year ended March 31, 2023. Impairment loss for the fiscal year ended March 31, 2022 amounted to ¥744 million.

7. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

(3) Money Held in Trust Classified as Available-for-sale

(Millions of yen)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)	
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)
Money held in trust classified as available-for-sale	5,828,283	1,181,977	6,564,738	1,207,209	736,454	25,232
Domestic stocks	2,024,619	1,202,212	1,857,660	1,104,910	(166,959)	(97,301)
Domestic bonds	1,406,103	(28,340)	1,270,609	(58,856)	(135,494)	(30,515)

Notes: 1. Net unrealized gains (losses) shown above are calculated by deducting the acquisition cost from the amount on the balance sheet.
2. Impairment losses for the fiscal years ended March 31, 2023 and 2022 amounted to ¥3,195 million and ¥1,955 million, respectively.

(4) Derivatives under Hedge Accounting (Deferred Hedge Accounting)

(Millions of yen)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)	
	Notional amount	Net deferred gains (losses)	Notional amount	Net deferred gains (losses)	Notional amount	Net deferred gains (losses)
Interest rate swaps	7,427,585	(67,703)	8,888,437	(47,645)	1,460,851	20,057
Currency swaps	8,654,075	(711,381)	9,189,575	(855,658)	535,500	(144,276)
Foreign exchange forward contracts	—	—	—	—	—	—
Total	16,081,660	(779,085)	18,078,012	(903,304)	1,996,351	(124,219)

Notes: 1. Net deferred gains (losses) are those before application of tax effect accounting.
2. Hedged instruments are mainly available-for-sale securities.

Total (2) + (3) + (4)

(Millions of yen)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Total net unrealized gains (losses)	1,223,021	214,011	(1,009,010)

Note: Total net unrealized gains (losses) exclude gains (losses) which are included in the statements of income because of the application of fair value hedge accounting.

8. General and Administrative Expenses

Non-consolidated

(Millions of yen, %)

	For the fiscal year ended				Increase (Decrease) (B) – (A)
	March 31, 2022 (A)		March 31, 2023 (B)		
	Amount	%	Amount	%	Amount
Personnel expenses	115,104	11.75	113,767	12.33	(1,336)
Salaries and allowances	94,057	9.60	92,479	10.02	(1,577)
Others	21,047	2.14	21,288	2.30	240
Non-personnel expenses	819,027	83.65	772,942	83.81	(46,085)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	353,214	36.07	340,055	36.87	(13,159)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network (*)	237,040	24.21	230,710	25.01	(6,329)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	55,381	5.65	27,514	2.98	(27,867)
Rent for land, buildings and others	10,914	1.11	10,778	1.16	(135)
Expenses on consigned businesses	66,010	6.74	66,702	7.23	691
Depreciation and amortization	37,601	3.84	34,102	3.69	(3,498)
Communication and transportation expenses	14,248	1.45	14,787	1.60	539
Maintenance expenses	15,168	1.54	16,800	1.82	1,632
IT expenses	13,059	1.33	13,684	1.48	625
Others	16,387	1.67	17,804	1.93	1,416
Taxes and dues	44,935	4.58	35,436	3.84	(9,498)
Total	979,067	100.00	922,146	100.00	(56,921)

* 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.

9. Loans

Non-consolidated

(Millions of yen, %)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Domestic (excluding Japan Offshore Market accounts)	4,415,145	100.00	5,571,866	100.00	1,156,720
Agriculture, forestry, fisheries, and mining	—	—	—	—	—
Manufacturing	92,847	2.10	114,676	2.05	21,828
Utilities, information/communications, and transportation	130,030	2.94	98,563	1.76	(31,466)
Wholesale and retail	18,836	0.42	38,585	0.69	19,748
Finance and insurance	606,744	13.74	477,763	8.57	(128,980)
Construction and real estate	96,815	2.19	113,654	2.03	16,839
Services and goods rental/leasing	81,943	1.85	74,825	1.34	(7,118)
Central and local governments	3,304,344	74.84	4,573,378	82.07	1,269,033
Others	83,582	1.89	80,419	1.44	(3,162)
Overseas and Japan Offshore Market accounts	26,821	100.00	32,500	100.00	5,678
Governments	—	—	—	—	—
Others	26,821	100.00	32,500	100.00	5,678
Total	4,441,967		5,604,366		1,162,399

Notes: 1. "Domestic" represents loans to residents of Japan, while "overseas" represents loans to non-residents of Japan.

2. Of "Finance and insurance," loans to the Organization for Postal Savings, Postal Life Insurance and Post Office Network, were ¥157,418 million and ¥246,483 million as of March 31, 2023 and March 31, 2022, respectively.

3. "Others" in "Domestic" represent loans to individuals.

10. Balances by Type of Deposit

Non-consolidated

(Millions of yen, %)

	As of March 31, 2022 (A)		As of March 31, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Liquid deposits	112,254,409	58.03	119,611,343	61.35	7,356,934
Transfer deposits	10,749,849	5.55	12,710,600	6.51	1,960,751
Ordinary deposits, etc.	100,805,356	52.11	106,132,120	54.44	5,326,764
Savings deposits	699,203	0.36	768,622	0.39	69,418
Fixed-term deposits	81,022,589	41.88	75,217,326	38.58	(5,805,262)
Time deposits	4,352,435	2.24	3,307,143	1.69	(1,045,292)
TEIGAKU deposits	76,670,153	39.63	71,910,183	36.88	(4,759,970)
Other deposits	164,930	0.08	122,833	0.06	(42,097)
Subtotal	193,441,929	100.00	194,951,503	100.00	1,509,574
Negotiable certificates of deposit	—	—	—	—	—
Total	193,441,929	100.00	194,951,503	100.00	1,509,574
Deposits including accrued interest	193,522,262		195,022,716		1,500,454

Notes: 1. Ordinary deposits, etc. = Ordinary deposits + Special deposits (equivalent to ordinary savings)

2. Special deposits (equivalent to ordinary savings) are the portion of deposits received from the Organization for Postal Savings, Postal Life Insurance and Post Office Network, corresponding to savings for time savings, TEIGAKU savings, installment savings, savings for housing installments, and education installment savings that had reached full term and were passed on to the organization by Japan Post Corporation.

3. TEIGAKU deposits are a kind of 10-year-maturity time deposits unique to the Bank. The key feature is that depositors have the option to withdraw money anytime six months after the initial deposit. The interest rates on such deposits rise every six months in a staircase pattern, with duration of up to three years. After three years, the interest is compounded using fixed interest rates until the maturity of 10 years.

11. Employees' Retirement Benefits

Non-consolidated

(1) Employees' retirement benefit plans adopted by the Bank The lump-sum retirement payment plan

(2) Projected benefit obligation (Millions of yen)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Unfunded projected benefit obligation	134,747	134,713	(34)
Unrecognized net actuarial losses	102	(427)	(530)
Unrecognized prior service cost	5,505	4,089	(1,415)
Net amount recorded on the balance sheet	140,355	138,375	(1,979)

(3) Total retirement benefit costs and components (Millions of yen)

	For the fiscal year ended		Increase (Decrease) (B) – (A)
	March 31, 2022 (A)	March 31, 2023 (B)	
Total retirement benefit costs related to the defined-benefit plan	5,845	6,115	269
Service cost	6,737	6,676	(60)
Interest cost on projected benefit obligation	934	942	8
Amortization of net actuarial losses	(428)	(217)	211
Amortization of prior service cost	(1,415)	(1,415)	–
Others	18	129	111

(4) The major assumptions used in the calculation of projected benefit obligation

	As of March 31, 2022	As of March 31, 2023
Discount rate	0.7%	0.7%

12. Deferred Tax Assets/Liabilities

Non-consolidated

(Millions of yen)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Deferred tax assets	339,219	377,403	38,184
Reserve for possible loan losses	0	0	(0)
Reserve for employees' retirement benefits	42,983	42,377	(606)
Accrued enterprise taxes	2,759	5,354	2,595
Net deferred losses on hedges	240,093	277,262	37,169
Reserve for reimbursement of deposits	18,011	16,738	(1,273)
Depreciation	7,011	5,918	(1,093)
Unrealized losses of money held in trust	3,073	3,614	540
Others	25,285	26,137	852
Deferred tax liabilities	(643,204)	(351,158)	292,046
Net unrealized gains on available-for-sale securities	(613,725)	(343,998)	269,727
Others	(29,479)	(7,160)	22,319
Net deferred tax assets (liabilities)	(303,985)	26,245	330,230

13. Problem Assets Disclosed under the Financial Reconstruction Act

Non-consolidated

(Millions of yen, %)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Loans to borrowers classified as bankrupt or quasi-bankrupt	–	–	–
Loans to borrowers classified as doubtful	0	0	0
Loans requiring close monitoring	–	–	–
Subtotal (a)	0	0	0
Loans to borrowers classified as normal	4,658,094	5,731,893	1,073,799
Total (b)	4,658,094	5,731,893	1,073,799
Non-performing loan ratio (a) / (b)	0.00%	0.00%	0.00%

14. Reserve for Possible Loan Losses

Non-consolidated

(Millions of yen)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Total	1,054	1,033	(21)
General reserve for possible loan losses	289	273	(16)
Specific reserve for possible loan losses	764	759	(5)

15. Capital

Non-consolidated Consolidated

(1) Capital Adequacy Ratio (Non-consolidated, Domestic Standard)

(Millions of yen, %)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Core Capital: instruments and reserves (a)	9,225,082	9,272,542	47,460
Core Capital: regulatory adjustments (b)	37,024	55,580	18,556
Total capital (a) - (b) = (c)	9,188,057	9,216,961	28,903
Total amount of risk-weighted assets (d)	59,089,525	59,383,662	294,136
Credit risk-weighted assets	56,529,128	56,934,898	405,770
Market risk equivalent / 8%	—	—	—
Operational risk equivalent / 8%	2,560,397	2,448,764	(111,633)
Capital adequacy ratio (c) / (d)	15.54%	15.52%	(0.02)%

(2) Capital Adequacy Ratio (Consolidated, Domestic Standard)

(Millions of yen, %)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	Increase (Decrease) (B) – (A)
Core Capital: instruments and reserves (a)	9,236,562	9,280,410	43,847
Core Capital: regulatory adjustments (b)	37,256	56,003	18,747
Total capital (a) - (b) = (c)	9,199,306	9,224,407	25,100
Total amount of risk-weighted assets (d)	59,106,048	59,395,184	289,135
Credit risk-weighted assets	56,545,574	56,938,257	392,683
Market risk equivalent / 8%	—	—	—
Operational risk equivalent / 8%	2,560,474	2,456,926	(103,547)
Capital adequacy ratio (consolidated) (c) / (d)	15.56%	15.53%	(0.03)%

(Reference) Securitized Products Exposure

Non-consolidated

As of March 31, 2022 and March 31, 2023, the Bank held the following securitized products.

The Bank's holdings of securitized products 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.

(Millions of yen)

Region		As of March 31, 2022			As of March 31, 2023		
		Acquisition cost	Net unrealized gains (losses)	Credit ratings	Acquisition cost	Net unrealized gains (losses)	Credit ratings
Domestic	Residential mortgage-backed securities (RMBS)	1,317,081	4,358	AAA	1,274,002	(11,695)	AAA
	Held-to-maturity	331,835	(4,374)	AAA	350,366	(10,365)	AAA
	Available-for-sale	985,245	8,733	AAA	923,635	(1,330)	AAA
	Collateralized loan obligations (CLO)	—	—	—	—	—	—
	Other securitized products	236,597	(156)	AAA	288,156	(111)	AAA
	Commercial mortgage-backed securities (CMBS)	—	—	—	—	—	—
	Collateralized debt obligations (CDO)	735	19	AAA	561	11	AAA
	Subtotal	1,554,414	4,220		1,562,720	(11,795)	
Overseas	Residential mortgage-backed securities (RMBS)	38,004	5,782	AAA	27,906	3,161	AAA
	Collateralized loan obligations (CLO)	1,602,388	168,008	AAA	2,326,005	293,625	AAA
	Held-to-maturity	681,912	62,584	AAA	1,408,606	106,062	AAA
	Available-for-sale	920,476	105,423	AAA	917,398	187,563	AAA
	Subtotal	1,640,393	173,791		2,353,911	296,787	
Total		3,194,807	178,012		3,916,631	284,991	

Notes: 1. The figures in the above table are reference value calculated not on financial accounting basis but on management accounting basis.

2. The underlying assets provided are only those from multiple debtors comprising securitized products.

3. The above table does not include securitized products that might be included in investment trusts.

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

5. Other securitized products are securitized products of which underlying assets are mainly auto loan claims.

6. "Overseas" does not include U.S. government sponsored enterprises, etc. (GSEs) related products.

7. The overseas collateralized loan obligations (CLO) are only those in the United States and Europe. Net unrealized gains (losses) on the overseas CLO including foreign exchange hedging were as follows. Held-to-maturity securities (fair value hedge accounting was not applicable): ¥(23,642) million as of March 31, 2023, compared with ¥(9,767) million as of March 31, 2022. Available-for-sale securities (fair value hedge accounting was applicable): ¥(17,158) million as of March 31, 2023, compared with ¥(5,963) million as of March 31, 2022.

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; market risks, market liquidity risks, credit risks and operational risks (such as risks related to the Bank's IT systems, the Bank's reputation, natural disasters, litigation and violations of applicable laws or regulations); risks related to Environmental, Social and Governance, or ESG, factors including climate change; risks related to business strategy and management planning; risks related to the expansion of the scope of operations; risks related to the business environment; risks related to the Bank's relationship with JAPAN POST HOLDINGS Co., Ltd. and JAPAN POST Co., Ltd.; risks related to domestic and overseas monetary policies; 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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