

Selected Financial Information

For the Six Months Ended September 30, 2023

November 13, 2023



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[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.
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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 ¥23.5 bn year on year to ¥182.1 bn. It equated to 54.3% of the full-year earnings forecast and remained strong.

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
	(¥bn, %)		
Consolidated gross operating profit	576.3	377.7	(198.5)
Net interest income	429.9	337.9	(91.9)
Net fees and commissions	75.0	77.5	2.4
Net other operating income (loss)	71.3	(37.7)	(109.0)
Gains (losses) on foreign exchanges	51.8	(23.8)	(75.7)
Gains (losses) on bonds	19.3	(13.9)	(33.3)
General and administrative expenses (*)	466.0	467.6	1.5
Provision for general reserve for possible loan losses	(0.0)	—	0.0
Consolidated net operating profit	110.2	(89.8)	(200.1)
Non-recurring gains (losses)	109.8	343.6	233.7
Net ordinary income	220.1	253.8	33.6
Net income attributable to owners of parent	158.6	182.1	23.5
【Reference**】			
ROE (based on shareholders' equity)	3.36%	3.85%	0.48 %
OHR (basis including gains (losses) on money held in trust)	68.14%	65.07%	(3.06)%

- Net interest income for the six months ended September 30, 2023 decreased by ¥91.9 bn year on year, mainly due to an increase in foreign currency funding costs. Net fees and commissions increased by ¥2.4 bn year on year. Net other operating income decreased by ¥109.0 bn year on year, due to a decrease in gains (losses) on foreign exchanges and gains (losses) on bonds.
- General and administrative expenses increased by ¥1.5 bn year on year, due to an increase in non-personnel expenses.
- Non-recurring gains increased by ¥233.7 bn year on year, due to an increase in gains on sales of stocks associated with operations for risk controls and a contribution of gains related to private equity funds and real estate funds.
- Net ordinary income increased by ¥33.6 bn year on year, and equated to 54.0% of the full-year earnings forecast of ¥470.0 bn.
- Net income attributable to owners of parent equated to 54.3% of the full-year earnings forecast of ¥335.0 bn.

【Full-year earnings forecasts and annual dividends forecast】
There are unchanged from the latest announced forecasts.

* 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

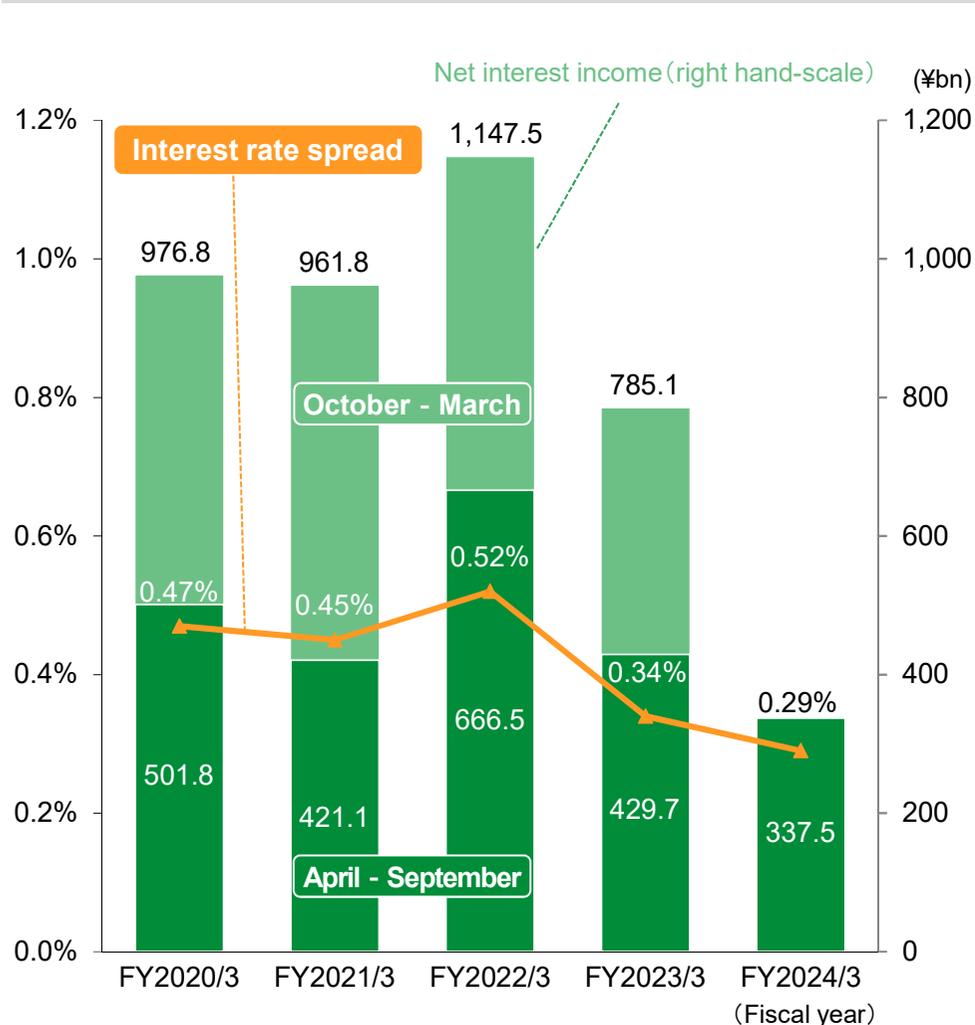
OHR = general and administrative expenses / (net interest income, etc. + net fees and commissions) x 100

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

2. Trend of Net Interest Income and Interest Rate Spread

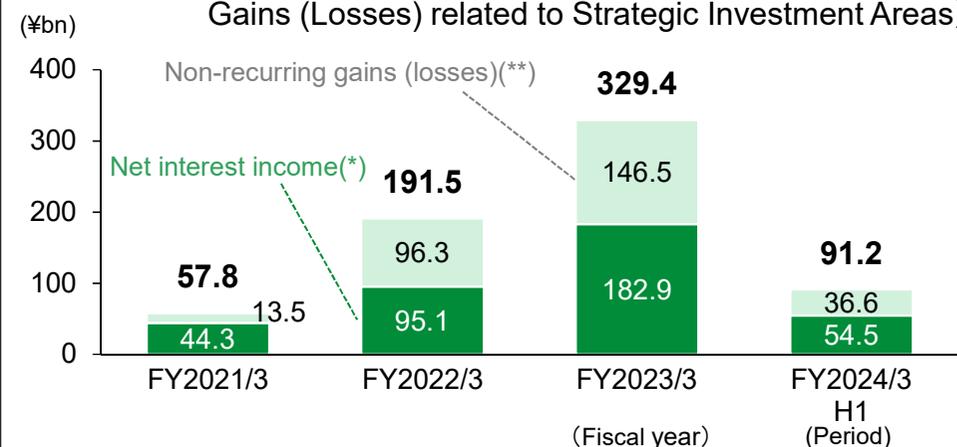
Non-consolidated

- Net interest income decreased by ¥92.1 bn year on year to ¥337.5 bn and interest rate spread was 0.29% for the six months ended September 30, 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 six months ended		Increase (Decrease) (B) - (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Net interest income	429.7	337.5	(92.1)
Interest income	611.0	677.6	66.5
Interest on Japanese government bonds	130.5	92.9	(37.5)
Interest on foreign securities	442.8	539.5	96.7
Strategic investment areas(*)	100.3	54.5	(45.7)
Interest expenses	181.2	340.0	158.7

【(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.

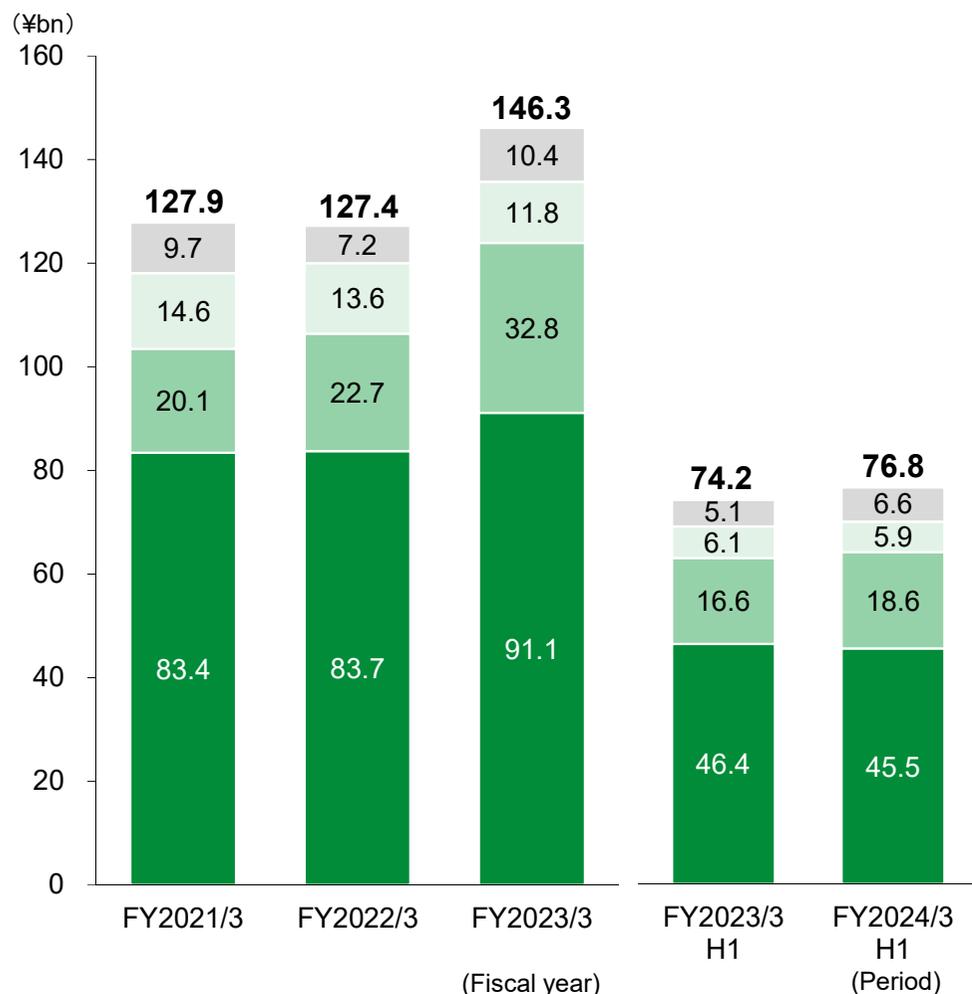
3. Net Fees and Commissions

Non-consolidated

■ Net fees and commissions for the six months ended September 30, 2023 increased by ¥2.5 bn year on year to ¥76.8 bn.

Trend of Net Fees and Commissions

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



	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Net fees and commissions relating to	74.2	76.8	2.5
Exchange and settlement transactions	46.4	45.5	(0.8)
ATMs	16.6	18.6	2.0
Investment trusts(*)	6.1	5.9	(0.1)
Others	5.1	6.6	1.4

Results of Investment Trusts Sales (Contract Basis)

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Number of contracts (thousands)	2,669	3,507	838
Sales amount (billions of yen)	120.4	137.3	16.8

	As of September 30, 2022 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
	Number of investment trust accounts (thousands)	1,263	1,362
Net assets (billions of yen)	2,420.7	2,454.5	33.7

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

(FY2022/3 – FY2026/3)**

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Number of accounts registered in the Bankbook app (ten thousands)	745	891	146
Number of Tsumitate NISA Operation Accounts (ten thousands)	23	29	5

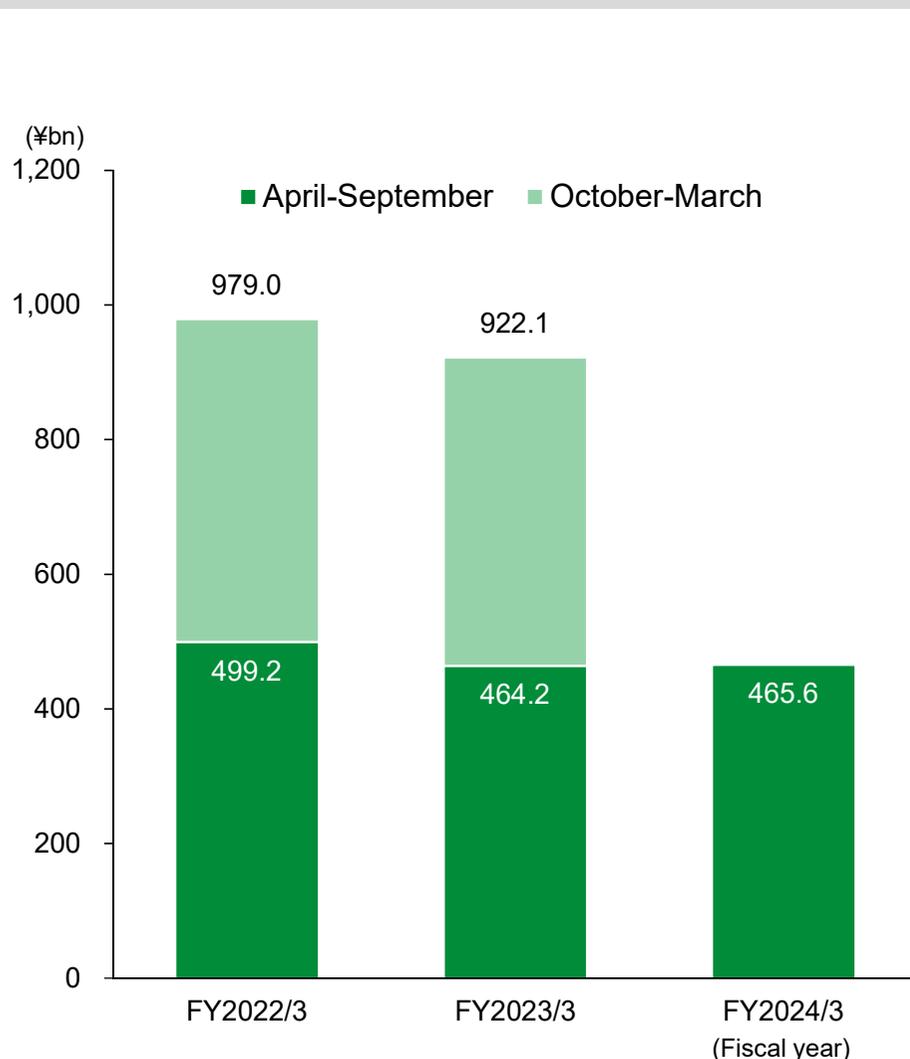
* Investment trusts include Yucho Fund wraps(discretionary investment contract services).

** 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 six months ended September 30, 2023 increased by ¥1.4 bn year on year to ¥465.6 bn.



(¥bn)

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Personnel expenses (*)	56.2	55.3	(0.8)
Salaries and allowances	45.9	45.0	(0.8)
Non-personnel expenses	389.8	392.7	2.9
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	174.2	163.3	(10.9)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network	115.3	121.8	6.4
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	13.7	13.9	0.2
Taxes and dues	18.1	17.4	(0.6)
Total	464.2	465.6	1.4

* Personnel expenses include non-recurring losses.

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

	For the six months ended September 30, 2023 (Result)**	For the fiscal year ending March 31, 2026 (Target) (***)
General and administrative expenses (consolidated)	(36.8)	(55.0)

** Compared to FY2021/3 H1.

*** Compared to FY2021/3.

5. Financial Conditions

Non-consolidated

- Total assets increased by ¥0.8 tn from March 31, 2023, to ¥230.3 tn as of September 30, 2023.
- Securities increased by ¥4.9 tn from March 31, 2023, to ¥137.7 tn as of September 30, 2023.
- Deposits decreased by ¥0.8 tn from March 31, 2023, to ¥194.1 tn as of September 30, 2023.

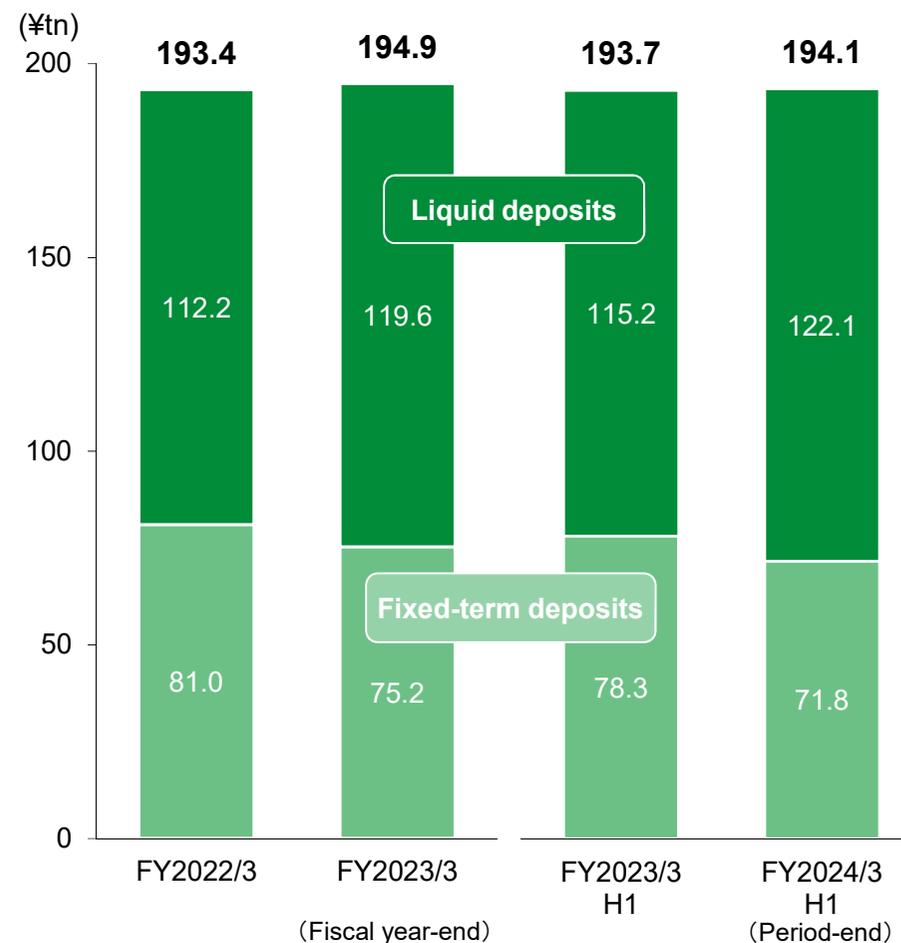
Overview of Balance Sheet

Total assets ¥230.3 tn (As of September 30, 2023)

Securities	Deposits
¥137.7 tn	¥194.1 tn
<div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">JGBs ¥38.9 tn</div> <div style="border: 1px solid black; padding: 2px;">Foreign securities, etc. ¥81.8 tn</div>	
Others(*)	Others(*)
¥92.6 tn	¥27.1 tn
<div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">Money held in trust ¥6.3 tn</div> <div style="border: 1px solid black; padding: 2px;">Loans ¥5.7 tn</div>	<div style="background-color: #000000; color: white; padding: 2px; margin-bottom: 2px;">Net assets</div> <div style="text-align: center;">¥9.0 tn</div>

* Please refer to page 14 "Summarized Balance Sheets".

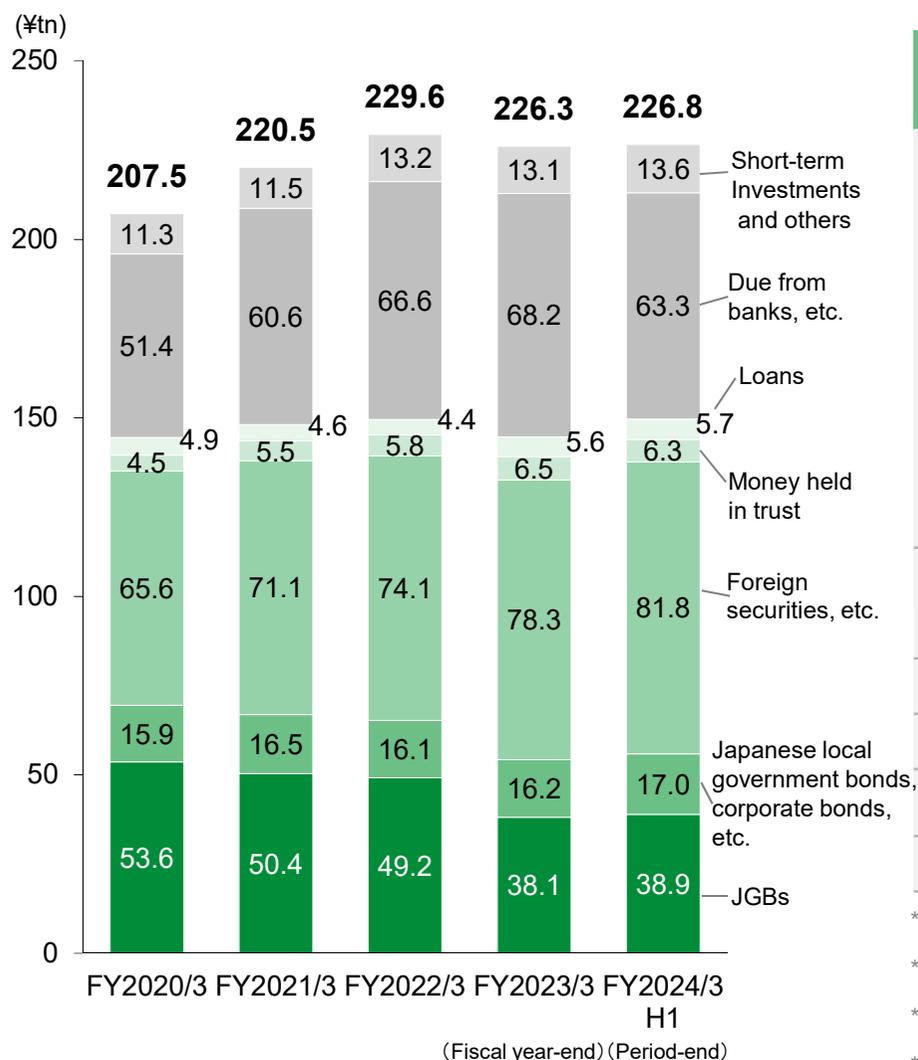
Trend of Deposit Balance



6. Asset Management Status

Non-consolidated

■ Included in investment assets as of September 30, 2023, JGBs were ¥38.9 tn and foreign securities, etc. were ¥81.8 tn.



Categories	As of March 31, 2023 (A)	%	As of September 30, 2023 (B)	%	Increase (Decrease) (B) – (A)
Securities	132,769.4	58.6	137,740.6	60.7	4,971.2
Japanese government bonds	38,114.7	16.8	38,904.5	17.1	789.8
Japanese local government bonds, corporate bonds, etc. (*)	16,297.4	7.1	17,001.0	7.4	703.5
Foreign securities, etc.	78,357.2	34.6	81,835.1	36.0	3,477.8
Foreign bonds	26,139.0	11.5	27,973.2	12.3	1,834.2
Investment trusts (**)	52,110.2	23.0	53,740.2	23.6	1,630.0
Money held in trust	6,564.7	2.8	6,314.9	2.7	(249.8)
Domestic stocks	1,857.6	0.8	1,471.4	0.6	(386.1)
Loans	5,604.3	2.4	5,750.9	2.5	146.5
Due from banks, etc. (***)	68,283.5	30.1	63,381.6	27.9	(4,901.9)
Short-term investments and others (****)	13,158.3	5.8	13,618.8	6.0	460.4
Total	226,380.4	100.0	226,806.9	100.0	426.5

* “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 ¥(556.4) bn as of September 30, 2023 (before application of tax effect accounting), decreased by ¥770.4 bn from March 31, 2023.

(¥bn)

	As of March 31, 2023 (A)		As of September 30, 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	112,766.0	1,117.3	113,600.5	927.4	(189.8)
Securities (a)	106,201.2	1,216.1	107,285.5	2,138.4	922.2
Japanese government bonds	23,072.1	(423.8)	22,673.0	(949.0)	(525.2)
Foreign bonds	22,365.2	1,476.1	22,560.9	2,769.9	1,293.8
Investment trusts (*)	52,110.2	184.0	53,740.2	365.7	181.7
Others	8,653.6	(20.1)	8,311.3	(48.2)	(28.0)
Effect of fair value hedge accounting (b)		(1,306.0)		(2,226.4)	(920.4)
Money held in trust (c)	6,564.7	1,207.2	6,314.9	1,015.5	(191.6)
Domestic stocks	1,857.6	1,104.9	1,471.4	961.0	(143.8)
Others	4,707.0	102.2	4,843.4	54.4	(47.8)
Derivatives for which deferred hedge accounting is applied (d)	18,078.0	(903.3)	17,767.2	(1,483.9)	(580.6)
Total (a) + (b) + (c) + (d)		214.0		(556.4)	(770.4)

* Investment trusts are mainly invested in foreign bonds. Net unrealized gains on investment trusts include those of private equity funds (¥1,215.9 bn and ¥1,050.0 bn as of September 30, 2023 and March 31, 2023, respectively).

【Reference】

(¥bn)

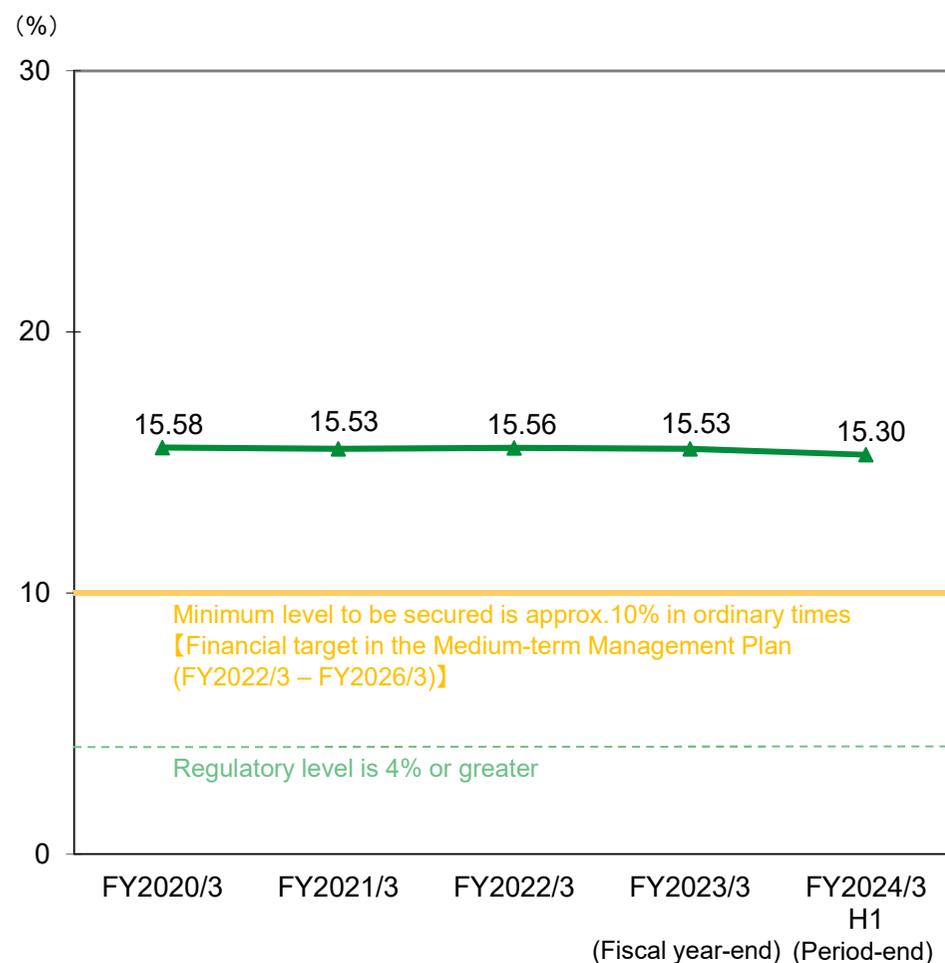
	As of March 31, 2023 (A)		As of September 30, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Net unrealized gains (losses)
Held-to-maturity securities	27,053.6	(305.3)	30,908.8	(780.2)	(474.9)

8. Trend of Capital Adequacy Ratio

Consolidated

- Capital adequacy ratio (domestic standard) was 15.30% as of September 30, 2023.
(Reference) Common Equity Tier1 capital ratio (international standard, estimate) was 12.38%.

【Domestic standard】



【Domestic standard】

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Total capital (a)	9,224.4	9,345.6	121.1
Total amount of risk-weighted assets (b)	59,395.1	61,051.1	1,656.0
Credit risk-weighted assets	56,938.2	58,760.5	1,822.2
Capital adequacy ratio (a) / (b)	15.53%	15.30%	(0.22)%

【(Reference) International standard, estimate*】

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Common Equity Tier1 capital ratio (CET1 ratio)	14.28%	12.38%	(1.89)%
Excluding unrealized gains on available-for-sale securities (**)	14.01%	12.38%	(1.62)%

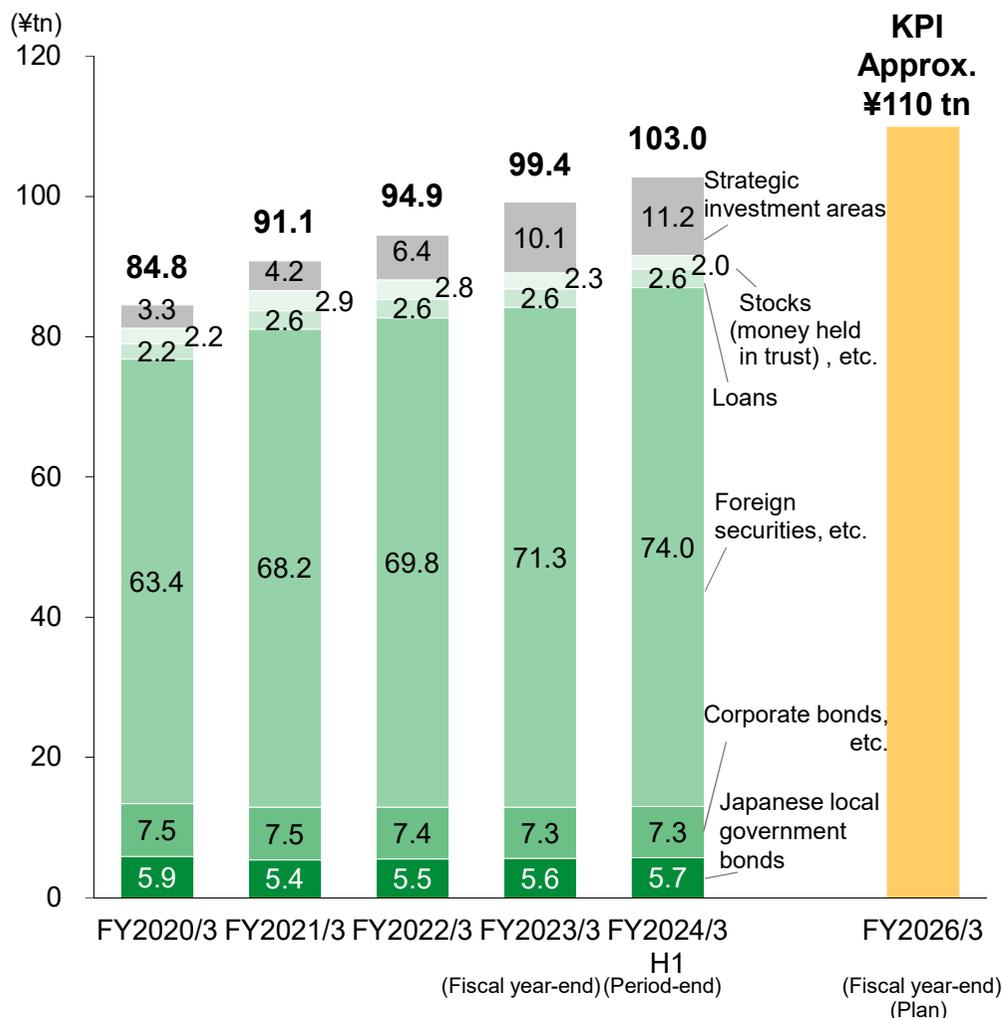
* Calculation for some items are simplified.

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

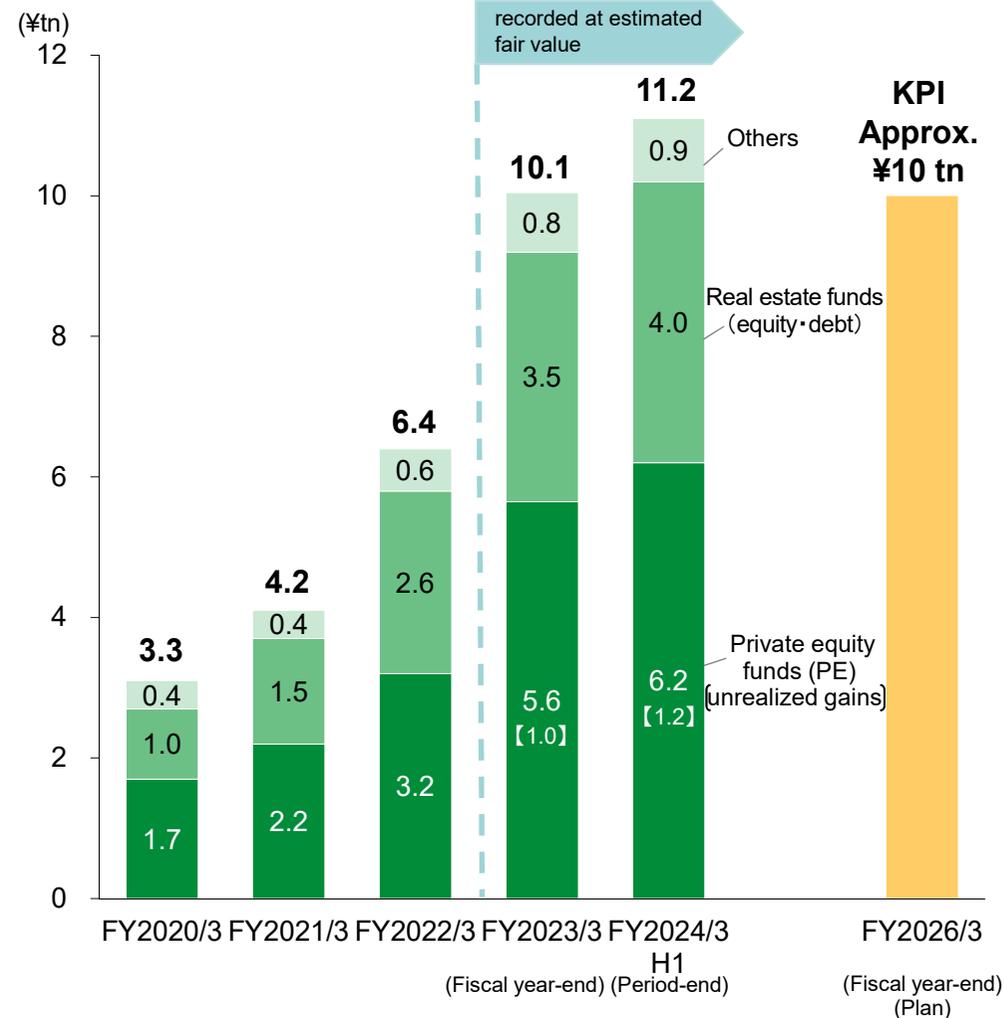
(Reference) Trend of Balance of Risk Assets

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.)

(Reference) Progress of Medium-Term Management Plan

(Reference) Progress of Medium-Term Management Plan

Non-consolidated
Consolidated

	Profitability		Efficiency		Soundness				
	Result for FY2024/3 H1	FY2026/3 Target	Result for FY2024/3 H1	FY2026/3 Target	Result as of September 30, 2023	FY2026/3 Target			
Financial Target Items <Consolidated>	Consolidated Net income	¥182.1 bn	¥350.0 bn or more	OHR (basis including gains (losses) on money held in trust)	65.07%	66% or less	Capital adequacy ratio (domestic standard)	15.30%	approx.10% (level to be secured)
	ROE (based on shareholders' equity)	3.85%*	3.6% or more	General and administrative expenses	¥(36.8) bn (compared to FY2021/3 H1)	¥(55.0) bn (compared to FY2021/3)	CET1 Ratio (international standard) (excluding unrealized gains on available-for-sale securities)	12.38%	approx.10%** (level to be secured)
	* Annualized basis.						** Based on full implementation of Basel III.		
	Investment		Retail		Regional Relationship				
	Result as of September 30, 2023	FY2026/3 Target	Result as of September 30, 2023	FY2026/3 Target	Result as of September 30, 2023	FY2026/3 Target			
Target KPIs	Balance of risk assets (as of March 31, 2023)	¥103.0 tn*** ¥99.4 tn	approx. ¥110 tn	Number of accounts registered in the Bankbook app (as of March 31, 2023)	8.91 million accounts 7.45 million accounts	10 million accounts	Regional vitalization fund participation cases (as of March 31, 2023)	cumulatively 48 cases cumulatively 50 cases	
	Balance of strategic investment areas (as of March 31, 2023)	¥11.2 tn**** ¥10.1 tn	approx. ¥10 tn	Number of Tsumitate NISA Operation Accounts (as of March 31, 2023)	29 ten thousand accounts 23 ten thousand accounts	40 ten thousand accounts	Number of financial institutions that have aggregated operational processes (as of March 31, 2023)	cumulatively 5 financial institutions cumulatively 5 financial institutions	
	Balance of ESG-themed investments (as of March 31, 2023)	¥3.7 tn ¥3.2 tn	¥4 tn	(Reference) ATM Network (As of September 30, 2023)					
					Number of ATMs	Number of partner financial institutions available at ATMs	Of which institutions sharing ATM network platform****		
					approx. 31,000	approx. 1,250	21 (In FY2024/3 H1: 1 institution)		
					**** A partnership arrangement for waiving fees when an ATM card of a regional financial institution is used at a JP Bank ATM. Terms and conditions for waiving fees are set by each financial institution.				

Financial Data

1. Summarized Balance Sheets

Non-consolidated

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Total assets	229,545,202	230,356,168	810,965
Cash and due from banks	68,217,495	63,281,408	(4,936,087)
Call loans	2,460,000	2,340,000	(120,000)
Receivables under resale agreements	9,788,452	9,547,389	(241,062)
Receivables under securities borrowing transactions	250,241	–	(250,241)
Monetary claims bought	478,286	457,452	(20,833)
Trading account securities	19	31	12
Money held in trust	6,564,738	6,314,922	(249,815)
Securities	132,769,420	137,740,687	4,971,267
Loans	5,604,366	5,750,933	146,566
Foreign exchanges	124,943	194,262	69,319
Other assets	2,994,691	4,194,379	1,199,687
Tangible fixed assets	190,216	190,015	(201)
Intangible fixed assets	77,118	82,625	5,506
Deferred tax assets	26,245	263,069	236,824
Reserve for possible loan losses	(1,033)	(1,010)	22

(Millions of yen)

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Total liabilities and net assets	229,545,202	230,356,168	810,965
Total liabilities	219,936,223	221,336,186	1,399,963
Deposits	194,951,503	194,143,823	(807,679)
Payables under repurchase agreements	18,316,621	19,687,186	1,370,564
Payables under securities lending transactions	1,941,872	2,310,811	368,939
Borrowed money	1,632,600	1,759,900	127,300
Foreign exchanges	1,411	1,052	(359)
Other liabilities	2,891,096	3,232,190	341,094
Reserve for bonuses	7,150	6,950	(200)
Reserve for employees' retirement benefits	138,375	140,951	2,575
Reserve for employee stock ownership plan trust	511	269	(241)
Reserve for management board benefit trust	424	448	24
Reserve for reimbursement of deposits	54,655	52,601	(2,053)
Total net assets	9,608,979	9,019,981	(588,998)
Capital stock	3,500,000	3,500,000	–
Capital surplus	3,500,000	3,500,000	–
Retained earnings	2,480,262	2,398,684	(81,578)
Treasury stock	(24,510)	(1,523)	22,986
Total shareholders' equity	9,455,752	9,397,161	(58,591)
Net unrealized gains (losses) on available-for-sale securities	779,268	652,173	(127,095)
Net deferred gains (losses) on hedges	(626,041)	(1,029,352)	(403,311)
Total valuation and translation adjustments	153,227	(377,179)	(530,406)

2. Income Analysis

Non-consolidated

	For the six months ended		(B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Gross operating profit	574,789	376,107	(198,682)
Net interest income	429,777	337,580	(92,197)
Net fees and commissions	74,286	76,882	2,595
Net other operating income (loss)	70,725	(38,354)	(109,080)
Gains (losses) on foreign exchanges	51,186	(24,545)	(75,731)
Gains (losses) on bonds	19,377	(13,925)	(33,303)
General and administrative expenses	(465,015)	(466,305)	(1,289)
Personnel expenses	(57,089)	(56,074)	1,014
Non-personnel expenses	(389,811)	(392,731)	(2,919)
Taxes and dues	(18,114)	(17,499)	614
Operating profit (before provision for general reserve for possible loan losses)	109,774	(90,198)	(199,972)
Core net operating profit	90,396	(76,272)	(166,668)
Excluding gains (losses) on cancellation of investment trusts	49,803	(79,289)	(129,093)
Provision for general reserve for possible loan losses	4	–	(4)
Net operating profit	109,778	(90,198)	(199,976)
Non-recurring gains (losses)	104,598	344,717	240,119
Gains (losses) related to stocks	51,629	(133,848)	(185,478)
Gains (losses) on money held in trust	53,170	488,932	435,761
Net ordinary income	214,376	254,519	40,142

(Millions of yen)

	For the six months ended		(B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Extraordinary income (loss)	(185)	(508)	(322)
Gains (losses) on sales and disposals of fixed assets	(185)	(504)	(319)
Losses on impairment of fixed assets	(0)	(3)	(2)
Income before income taxes	214,190	254,010	39,820
Income taxes – current	(79,025)	(75,522)	3,502
Income taxes – deferred	20,300	3,422	(16,878)
Total income taxes	(58,724)	(72,100)	(13,376)
Net income	155,466	181,910	26,444
Gains (losses) on money held in trust	53,170	488,932	435,761
Dividends and interest income	70,047	65,622	(4,425)
Gains (losses) on sales of stocks	18	460,491	460,472
Impairment losses	(3,281)	(581)	2,699
Withholding income tax, etc.	(13,614)	(36,599)	(22,985)
Credit-related expenses	3	(2)	(5)
Provision for general reserve for possible loan losses	3	(2)	(5)

- Notes: 1. General and administrative expenses exclude non-recurring losses related to retirement benefit costs (¥692 million and ¥814 million recorded as profits for the six months ended September 30, 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 six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Net interest income	257,191	117,562	(139,628)
Interest income	280,498	132,719	(147,778)
Interest on Japanese government bonds	130,509	92,990	(37,518)
Interest expenses	23,306	15,157	(8,149)

(2) Overseas (Millions of yen)

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Net interest income	172,586	220,017	47,431
Interest income	445,151	544,939	99,788
Interest on foreign securities	442,801	539,519	96,717
Interest expenses	272,564	324,922	52,357

(3) Total (Millions of yen)

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Net interest income	429,777	337,580	(92,197)
Interest income	611,050	677,644	66,594
Interest expenses	181,272	340,064	158,792

- 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 (six months ended September 30, 2023, ¥14 million; six months ended September 30, 2022, ¥114,599 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 six months ended		Increase (Decrease) (B) – (A)
	September 30, 2022 (A)	September 30, 2023 (B)	
Yield on interest-earning assets (a)	0.54%	0.61%	0.06%
Total cost of funding (including general and administrative expenses) (b)	0.60	0.76	0.15
Interest rate on interest-bearing liabilities (c)	0.16	0.32	0.15
Overall interest rate spread (a) - (b)	(0.05)	(0.15)	(0.09)
Interest rate spread (a) - (c)	0.37	0.29	(0.08)

Note: All numbers are annualized.

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

Non-consolidated

(1) Domestic

(Millions of yen, %)

	For the six months ended						Increase (Decrease) (B) – (A)
	September 30, 2022 (A)			September 30, 2023 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	212,137,338	280,498	0.26%	211,088,794	132,719	0.12%	(0.13)%
Loans	4,973,257	4,890	0.19	5,609,423	4,678	0.16	(0.02)
Securities	67,285,237	148,476	0.44	59,291,337	112,242	0.37	(0.06)
Due from banks, etc.	63,054,105	14,066	0.04	64,937,779	16,170	0.04	0.00
Interest-bearing liabilities	206,171,509	23,306	0.02	205,074,771	15,157	0.01	(0.00)
Deposits	194,436,929	6,768	0.00	195,317,191	5,565	0.00	(0.00)
Payables under securities lending transactions	7,747	3	0.09	32,681	16	0.09	(0.00)

(2) Overseas

(Millions of yen, %)

	For the six months ended						Increase (Decrease) (B) – (A)
	September 30, 2022 (A)			September 30, 2023 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	75,589,035	445,151	1.17%	79,829,622	544,939	1.36%	0.18%
Loans	28,014	74	0.53	29,959	83	0.55	0.02
Securities	75,350,555	442,801	1.17	79,602,064	539,519	1.35	0.17
Due from banks, etc.	—	—	—	—	—	—	—
Interest-bearing liabilities	72,380,378	272,564	0.75	75,949,224	324,922	0.85	0.10
Payables under securities lending transactions	1,612,498	13,281	1.64	2,040,535	56,112	5.48	3.84

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

Non-consolidated

(3) Total

(Millions of yen, %)

	For the six months ended						Increase (Decrease) (B) – (A)
	September 30, 2022 (A)			September 30, 2023 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	221,864,850	611,050	0.54%	220,624,767	677,644	0.61%	0.06%
Loans	5,001,272	4,965	0.19	5,639,382	4,761	0.16	(0.02)
Securities	142,635,792	591,277	0.82	138,893,402	651,761	0.93	0.10
Due from banks, etc.	63,054,105	14,066	0.04	64,937,779	16,170	0.04	0.00
Interest-bearing liabilities	212,690,364	181,272	0.16	210,730,345	340,064	0.32	0.15
Deposits	194,436,929	6,768	0.00	195,317,191	5,565	0.00	(0.00)
Payables under securities lending transactions	1,620,246	13,285	1.63	2,073,217	56,128	5.39	3.76

- 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 (six months ended September 30, 2023, ¥5,211,247 million; six months ended September 30, 2022, ¥4,928,131 million) is excluded from interest-earning assets, and the average balance corresponding to money held in trust (six months ended September 30, 2023, ¥5,211,247 million; six months ended September 30, 2022, ¥4,928,131 million) and the corresponding interest (six months ended September 30, 2023, ¥8,409 million; six months ended September 30, 2022, ¥8,574 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 ¥48,980 million for the six months ended September 30, 2023 (¥72,967 million for the six months ended September 30, 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. Earnings yield is annualized.

6. Asset Management Status

Non-consolidated

(Millions of yen, %)

	As of March 31, 2023 (A)		As of September 30, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Due from banks, etc.	68,283,567	30.16	63,381,640	27.94	(4,901,926)
Call loans	2,460,000	1.08	2,340,000	1.03	(120,000)
Receivables under resale agreements	9,788,452	4.32	9,547,389	4.20	(241,062)
Receivables under securities borrowing transactions	250,241	0.11	–	–	(250,241)
Money held in trust	6,564,738	2.89	6,314,922	2.78	(249,815)
Domestic stocks	1,857,660	0.82	1,471,483	0.64	(386,177)
Domestic bonds	1,270,609	0.56	1,202,971	0.53	(67,637)
Securities	132,769,420	58.64	137,740,687	60.73	4,971,267
Japanese government bonds	38,114,711	16.83	38,904,570	17.15	789,859
Japanese local government bonds	5,640,868	2.49	5,742,217	2.53	101,349
Short-term corporate bonds	1,400,895	0.61	1,917,433	0.84	516,537
Japanese corporate bonds	9,233,579	4.07	9,319,281	4.10	85,702
Japanese stocks	22,078	0.00	22,078	0.00	–
Other securities	78,357,286	34.61	81,835,104	36.08	3,477,818
Foreign bonds	26,139,010	11.54	27,973,287	12.33	1,834,277
Investment trusts	52,110,200	23.01	53,740,238	23.69	1,630,037
Loans	5,604,366	2.47	5,750,933	2.53	146,566
Others	659,674	0.29	1,731,415	0.76	1,071,741
Total	226,380,460	100.00	226,806,989	100.00	426,529

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, 2023 (A)		As of September 30, 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	15,042,583	(236,650)	16,231,556	(834,287)	1,188,972	(597,636)
Japanese local government bonds	3,581,661	(26,442)	4,047,196	(54,878)	465,535	(28,435)
Japanese corporate bonds	4,655,700	(33,719)	5,217,708	(80,159)	562,007	(46,439)
Others	3,773,727	(8,507)	5,412,359	189,097	1,638,632	197,604
Foreign bonds	3,773,727	(8,507)	5,412,359	189,097	1,638,632	197,604
Total	27,053,673	(305,320)	30,908,820	(780,227)	3,855,147	(474,907)

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, 2023 (A)		As of September 30, 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	18,827	–	18,827	–	–	–
Bonds	31,110,108	(443,394)	30,387,042	(994,179)	(723,066)	(550,784)
Japanese government bonds	23,072,127	(423,816)	22,673,014	(949,062)	(399,113)	(525,246)
Japanese local government bonds	2,059,206	2,210	1,695,021	(2,486)	(364,185)	(4,697)
Short-term corporate bonds	1,400,895	–	1,917,433	–	516,537	–
Japanese corporate bonds	4,577,878	(21,788)	4,101,573	(42,630)	(476,304)	(20,841)
Others	75,072,343	1,659,553	76,879,708	3,132,598	1,807,365	1,473,045
Foreign bonds	22,365,282	1,476,129	22,560,928	2,769,973	195,645	1,293,844
Investment trusts	52,110,200	184,011	53,740,238	365,750	1,630,037	181,738
Total	106,201,280	1,216,159	107,285,578	2,138,419	1,084,298	922,260

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, ¥2,226,494 million and ¥1,306,052 million profits were included in the statement of income for the six months ended September 30, 2023 and the fiscal year ended March 31, 2023, respectively, because of the application of fair value hedge accounting.

4. Investment trusts are mainly invested in foreign bonds. Net unrealized gains on investment trusts include those of private equity funds.

5. No impairment losses were recognized for the six months ended September 30, 2023 and the fiscal year ended March 31, 2023.

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, 2023 (A)		As of September 30, 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	6,564,738	1,207,209	6,314,922	1,015,514	(249,815)	(191,694)
Domestic stocks	1,857,660	1,104,910	1,471,483	961,023	(386,177)	(143,886)
Domestic bonds	1,270,609	(58,856)	1,202,971	(100,111)	(67,637)	(41,255)

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 six months ended September 30, 2023 and the fiscal year ended March 31, 2023 amounted to ¥581 million and ¥3,195 million, respectively.

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

(Millions of yen)

	As of March 31, 2023 (A)		As of September 30, 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	8,888,437	(47,645)	8,933,919	125,651	45,481	173,297
Currency swaps	9,189,575	(855,658)	8,833,361	(1,609,565)	(356,214)	(753,906)
Foreign exchange forward contracts	—	—	—	—	—	—
Total	18,078,012	(903,304)	17,767,280	(1,483,913)	(310,732)	(580,609)

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, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Total net unrealized gains (losses)	214,011	(556,472)	(770,484)

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 six months ended				Increase (Decrease) (B) – (A)
	September 30, 2022 (A)		September 30, 2023 (B)		
	Amount	%	Amount	%	Amount
Personnel expenses	56,275	12.12	55,382	11.89	(892)
Salaries and allowances	45,900	9.88	45,088	9.68	(811)
Others	10,374	2.23	10,293	2.21	(80)
Non-personnel expenses	389,811	83.97	392,731	84.34	2,919
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	174,297	37.54	163,388	35.09	(10,909)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network (*)	115,355	24.85	121,814	26.16	6,458
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	13,757	2.96	13,962	2.99	205
Rent for land, buildings and others	5,414	1.16	5,283	1.13	(130)
Expenses on consigned businesses	33,077	7.12	34,554	7.42	1,476
Depreciation and amortization	17,879	3.85	20,693	4.44	2,814
Communication and transportation expenses	7,330	1.57	7,145	1.53	(185)
Maintenance expenses	8,226	1.77	9,219	1.98	993
IT expenses	6,075	1.30	7,592	1.63	1,516
Others	8,397	1.80	9,076	1.94	678
Taxes and dues	18,114	3.90	17,499	3.75	(614)
Total	464,201	100.00	465,613	100.00	1,411

* 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, 2023 (A)		As of September 30, 2023 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Domestic (excluding Japan Offshore Market accounts)	5,571,866	100.00	5,723,433	100.00	151,566
Agriculture, forestry, fisheries, and mining	—	—	—	—	—
Manufacturing	114,676	2.05	124,091	2.16	9,414
Utilities, information/communications, and transportation	98,563	1.76	88,915	1.55	(9,647)
Wholesale and retail	38,585	0.69	40,382	0.70	1,796
Finance and insurance	477,763	8.57	454,987	7.94	(22,776)
Construction and real estate	113,654	2.03	109,877	1.91	(3,776)
Services and goods rental/leasing	74,825	1.34	70,013	1.22	(4,811)
Central and local governments	4,573,378	82.07	4,757,841	83.12	184,462
Others	80,419	1.44	77,324	1.35	(3,094)
Overseas and Japan Offshore Market accounts	32,500	100.00	27,500	100.00	(5,000)
Governments	—	—	—	—	—
Others	32,500	100.00	27,500	100.00	(5,000)
Total	5,604,366		5,750,933		146,566

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 ¥157,418 million as of September 30, 2023 and March 31, 2023, respectively.

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

10. Balances by Type of Deposit

Non-consolidated

(Millions of yen, %)

	As of March 31, 2023 (A)		As of September 30, 2023(B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Liquid deposits	119,611,343	61.35	122,162,370	62.92	2,551,027
Transfer deposits	12,710,600	6.51	12,726,846	6.55	16,246
Ordinary deposits, etc.	106,132,120	54.44	108,639,901	55.95	2,507,780
Savings deposits	768,622	0.39	795,622	0.40	26,999
Fixed-term deposits	75,217,326	38.58	71,875,474	37.02	(3,341,852)
Time deposits	3,307,143	1.69	3,129,547	1.61	(177,596)
TEIGAKU deposits	71,910,183	36.88	68,745,927	35.40	(3,164,256)
Other deposits	122,833	0.06	105,978	0.05	(16,854)
Subtotal	194,951,503	100.00	194,143,823	100.00	(807,679)
Negotiable certificates of deposit	—	—	—	—	—
Total	194,951,503	100.00	194,143,823	100.00	(807,679)
Deposits including accrued interest	195,022,716		194,206,826		(815,890)

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. Deferred Tax Assets/Liabilities

Non-consolidated

(Millions of yen)

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Deferred tax assets	377,403	555,776	178,372
Reserve for possible loan losses	0	0	—
Reserve for employees' retirement benefits	42,377	43,166	788
Accrued enterprise taxes	5,354	4,345	(1,009)
Net deferred losses on hedges	277,262	454,560	177,297
Reserve for reimbursement of deposits	16,738	16,109	(628)
Depreciation	5,918	6,948	1,030
Unrealized losses of money held in trust	3,614	2,418	(1,195)
Others	26,137	28,228	2,090
Deferred tax liabilities	(351,158)	(292,706)	58,451
Net unrealized gains on available-for-sale securities	(343,998)	(287,893)	56,104
Others	(7,160)	(4,813)	2,347
Net deferred tax assets (liabilities)	26,245	263,069	236,824

12. Problem Assets Disclosed under the Financial Reconstruction Act

Non-consolidated

(Millions of yen, %)

	As of March 31, 2023 (A)	As of September 30, 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	5,731,893	5,948,155	216,261
Total (b)	5,731,893	5,948,155	216,261
Non-performing loan ratio (a) / (b)	0.00%	0.00%	0.00%

13. Reserve for Possible Loan Losses

Non-consolidated

(Millions of yen)

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Total	1,033	1,010	(22)
General reserve for possible loan losses	273	276	2
Specific reserve for possible loan losses	759	734	(25)

14. Capital

Non-consolidated
Consolidated

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

(Millions of yen, %)

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Core Capital: instruments and reserves (a)	9,272,542	9,397,437	124,894
Core Capital: regulatory adjustments (b)	55,580	59,466	3,885
Total capital (a) - (b) = (c)	9,216,961	9,337,970	121,008
Total amount of risk-weighted assets (d)	59,383,662	61,033,437	1,649,775
Credit risk-weighted assets	56,934,898	58,751,668	1,816,770
Market risk equivalent / 8%	—	—	—
Operational risk equivalent / 8%	2,448,764	2,281,768	(166,995)
Capital adequacy ratio (c) / (d)	15.52%	15.29%	(0.22)%

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

(Millions of yen, %)

	As of March 31, 2023 (A)	As of September 30, 2023 (B)	Increase (Decrease) (B) – (A)
Core Capital: instruments and reserves (a)	9,280,410	9,405,559	125,148
Core Capital: regulatory adjustments (b)	56,003	59,953	3,950
Total capital (a) - (b) = (c)	9,224,407	9,345,605	121,198
Total amount of risk-weighted assets (d)	59,395,184	61,051,195	1,656,011
Credit risk-weighted assets	56,938,257	58,760,540	1,822,282
Market risk equivalent / 8%	—	—	—
Operational risk equivalent / 8%	2,456,926	2,290,655	(166,271)
Capital adequacy ratio (consolidated) (c) / (d)	15.53%	15.30%	(0.22)%

(Reference) Securitized Products Exposure

Non-consolidated

As of March 31, 2023 and September 30, 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, 2023			As of September 30, 2023		
		Acquisition cost	Net unrealized gains (losses)	Credit ratings	Acquisition cost	Net unrealized gains (losses)	Credit ratings
Domestic	Residential mortgage-backed securities (RMBS)	1,274,002	(11,695)	AAA	1,251,916	(34,117)	AAA
	Held-to-maturity	350,366	(10,365)	AAA	366,969	(18,422)	AAA
	Available-for-sale	923,635	(1,330)	AAA	884,947	(15,695)	AAA
	Collateralized loan obligations (CLO)	—	—	—	—	—	—
	Other securitized products	288,156	(111)	AAA	260,139	(397)	AAA
	Commercial mortgage-backed securities (CMBS)	—	—	—	—	—	—
	Collateralized debt obligations (CDO)	561	11	AAA	532	9	AAA
	Subtotal	1,562,720	(11,795)		1,512,588	(34,505)	
Overseas	Residential mortgage-backed securities (RMBS)	27,906	3,161	AAA	24,093	4,658	AAA
	Collateralized loan obligations (CLO)	2,326,005	293,625	AAA	2,568,627	652,194	AAA
	Held-to-maturity	1,408,606	106,062	AAA	1,660,045	319,197	AAA
	Available-for-sale	917,398	187,563	AAA	908,581	332,996	AAA
	Subtotal	2,353,911	296,787		2,592,721	656,853	
Total		3,916,631	284,991		4,105,309	622,347	

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):¥(8,705) million as of September 30, 2023, compared with ¥(23,642) million as of March 31, 2023. Available-for-sale securities(fair value hedge accounting was applicable):¥(3,550) million as of September 30, 2023, compared with ¥(17,158) million as of March 31, 2023.

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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