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Matters to Be Provided Electronically

Business Report for the 17th Fiscal Year
(from April 1, 2022 to March 31, 2023)



I. Matters Concerning the Current Status of JAPAN POST BANK Co., Ltd.

(1) Progress and Results of Business, etc.

1) Details of main business

JAPAN POST BANK Co., Ltd. (“Japan Post Bank”) is engaged in banking operations as a member of the Japan Post Group. The principal operations comprise deposit-taking, syndicated loans and other lending, securities investment, domestic and foreign exchange, retail sales of Japanese government bonds and investment trusts as well as insurance products, intermediary services of mortgages, and credit card operations.

2) Financial and economic environment

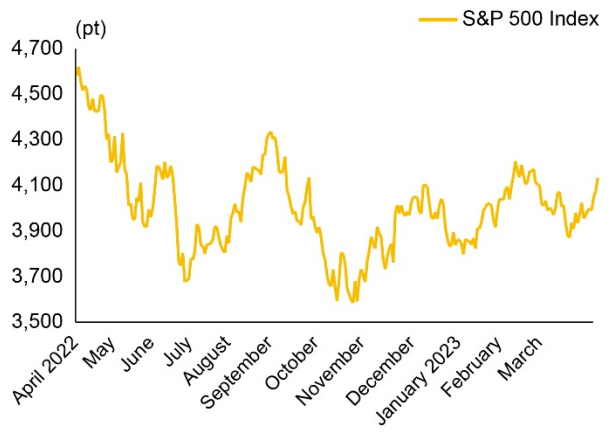
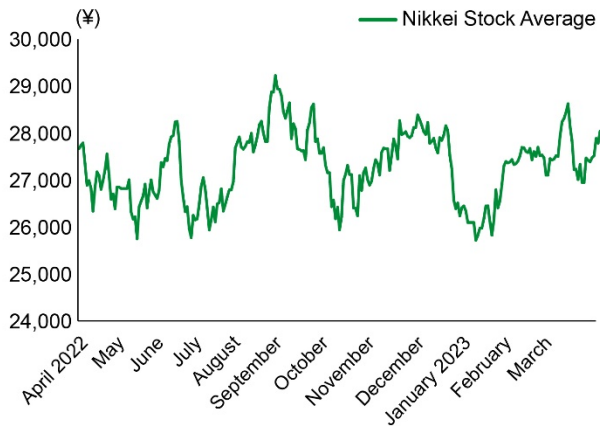
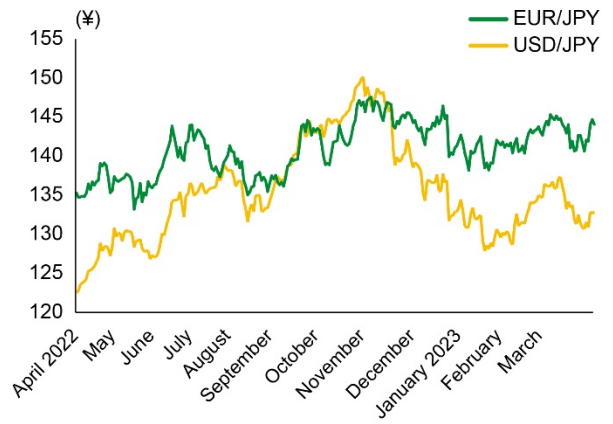
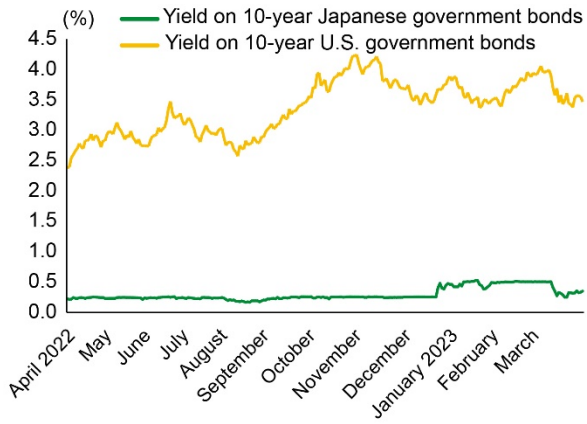
Looking back on the economic situation for the fiscal year ended March 31, 2023, the global economy continued to slow down mainly due to full-scale monetary tightening by the U.S. and European central banks in an effort to curb high inflation. The U.S. economy slowed due to sharp interest rate hikes by the Federal Reserve Board, but maintained positive growth on the back of a firm job market. In the Eurozone, meanwhile, economic conditions showed a stronger trend toward stagflation, in which economic stagnation and inflation coincide. The Japanese economy, although affected by the overseas economic slowdown, continued to pick up, mainly buoyed by domestic demand. The Chinese economy continued to slow due to the zero-COVID policy and the property market slump. However, after a sharp easing of the zero-COVID policy in December, it began to recover.

In the financial and capital markets, the yield on 10-year U.S. government bonds continued to rise on the assumption that the Fed would accelerate interest rate hikes and raise the interest rate endpoint (terminal rate) to curb high inflation. However, the collapse of a certain bank in the U.S. in March somewhat dampened market expectations of a rate hike, bringing the rate down to the mid-3% range. The yield on 10-year Japanese government bonds, which had been in the vicinity of 0.25%, soared to the 0.4% range in late December as the Bank of Japan reviewed its operation of yield curve control (“YCC”), widening the range of long-term interest rates from $\pm 0.25\%$ to $\pm 0.5\%$. However, the yield fell sharply to the midpoint of the 0.2% range temporarily in March following the bank collapse in the U.S.

In addition, overseas credit spreads continued to widen in response to outlook for higher interest rates and concerns about an economic slowdown, with a period of sharp widening in March.

In the foreign exchange market, reflecting differences in monetary policy direction between Japan, the U. S. and Europe, as well as the widening of Japan’s trade deficit, the yen plunged to the ¥150 range against the dollar in late October, and the authorities in Japan carried out a currency intervention. After that, due to the Bank of Japan’s review of YCC’s operations, the yen remained strong at around ¥130. The yen continued to weaken against the euro, falling from around ¥135 at the start of April to around ¥144 at the end of March.

The S&P 500 Index was buffeted by speculation over the Fed’s monetary policy, resulting in a lackluster, see-saw pattern. The Nikkei Stock Average was firm compared to overseas stock prices, remaining in the range of roughly ¥26,000 to ¥28,000.



3) Business progress and results

Results for the fiscal year ended March 31, 2023

Net ordinary income	Net income	Net income attributable to owners of parent	Dividends per share	Dividend payout ratio
¥448.2 billion	¥324.6 billion	¥325.0 billion	¥50	57.5%
(-¥43.2 billion year on year)	(-¥30.3 billion year on year)	(-¥30.0 billion year on year)	(Annual dividends of ¥50)	

[Results of Operations]

Net interest income for the fiscal year ended March 31, 2023 decreased by ¥362.3 billion year on year to ¥785.1 billion, mainly due to an increase in foreign currency funding costs. Net fees and commissions increased by ¥18.9 billion year on year to ¥146.3 billion. Net other operating income increased by ¥95.1 billion year on year to ¥111.1 billion, mainly due to an increase in gains (losses) on foreign exchanges. As a result, gross operating profit decreased by ¥248.2 billion year on year to ¥1,042.6 billion.

General and administrative expenses (excluding non-recurring losses) decreased by ¥57.2 billion year on year to ¥923.6 billion.

Non-recurring gains increased by ¥147.7 billion year on year to ¥329.2 billion, mainly due to the expansion of private equity funds and real estate funds.

As a result, net ordinary income decreased by ¥43.2 billion year on year to ¥448.2 billion. Net income decreased by ¥30.3 billion year on year to ¥324.6 billion.

	FY22/3	FY23/3	Increase (decrease)
			(Billions of yen, non-consolidated)
Gross operating profit (1)	1,290.8	1,042.6	(248.2)
Net interest income	1,147.5	785.1	(362.3)
Net fees and commissions	127.4	146.3	18.9
Net other operating income (loss)	15.9	111.1	95.1
General and administrative expenses (excluding non-recurring losses) (2)	980.9	923.6	(57.2)
Personnel expenses	116.9	115.2	(1.6)
Non-personnel expenses	819.0	772.9	(46.0)
Taxes and dues	44.9	35.4	(9.4)
Provision for general reserve for possible loan losses (3)	0.0	—	(0.0)
Net operating profit (4) = (1) - (2) - (3)	309.9	118.9	(191.0)
Non-recurring gains (losses) (5)	181.5	329.2	147.7
Net ordinary income (6) = (4) + (5)	491.4	448.2	(43.2)
Net income	354.9	324.6	(30.3)

Consolidated net ordinary income was ¥455.5 billion. Net income attributable to owners of parent was ¥325.0 billion, which equated to 101.5% of the full-year earnings forecasts of ¥320.0 billion.

[Financial Condition]

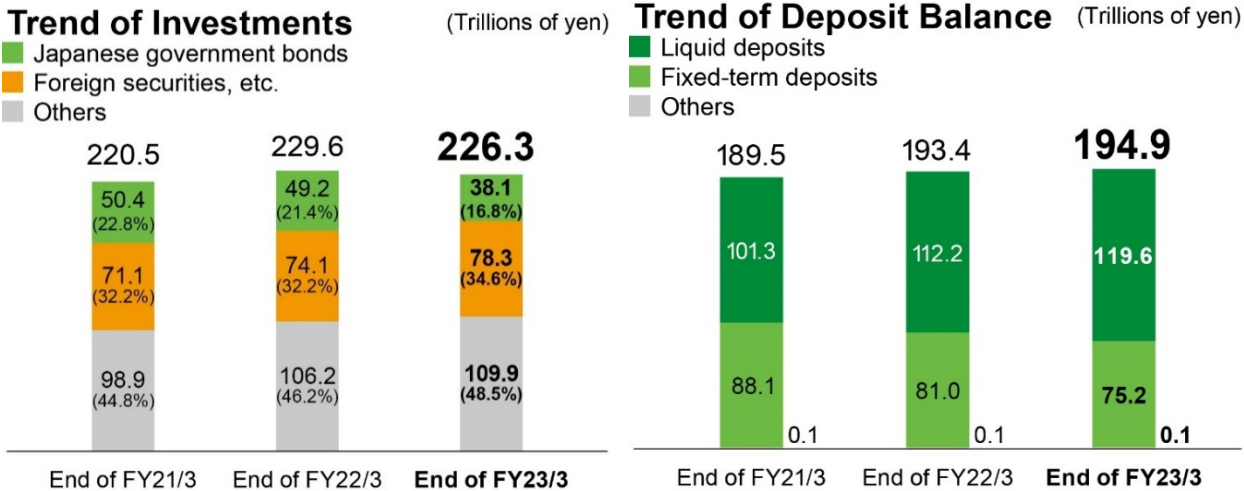
Total assets at the end of the fiscal year ended March 31, 2023 decreased by ¥3,376.8 billion from the end of the previous fiscal year to ¥229,545.2 billion.

Of investments, securities decreased by ¥6,779.6 billion from the end of the previous fiscal year

to ¥132,769.4 billion. Of these, while the balance of Japanese government bonds decreased due to persistent low yen interest rates, the balance of foreign securities, etc., increased as a result of expanding global asset allocations.

With respect to major interest-bearing liabilities, the balance of deposits increased by ¥1,509.5 billion from the end of the previous fiscal year to ¥194,951.5 billion.

Shareholders' equity increased by ¥43.4 billion from the end of the previous fiscal year, valuation and translation adjustments decreased by ¥698.0 billion from the end of the previous fiscal year, and net assets amounted to ¥9,608.9 billion. Of shareholders' equity, retained earnings amounted to ¥2,480.2 billion.



[Trend of Capital Adequacy Ratio]

As we promote diversification and sophistication of investment management, we ensured a necessary and sufficient capital adequacy ratio from the perspective of financial soundness. The ratio maintained a higher level than the minimum requirement of 4% based on capital adequacy standards.

		FY22/3	FY23/3	Increase (decrease)
Capital adequacy ratio (Domestic standard)	Consolidated	15.56%	15.53%	(0.03)%
	Non-consolidated	15.54%	15.52%	(0.02)%

(Reference)

International standard (consolidated, estimate*)

		FY22/3	FY23/3	Increase (decrease)
CET1 (Common equity tier1 capital) 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.

[Credit Ratings]

We obtained the highest level rating among Japanese financial institutions from two rating agencies.

(As of March 31, 2023)		
Rating agency	Long-term	Short-term
Moody's	A1	P-1
S&P	A	A-1

Overview of Business

The Bank has established three missions (social missions) that we should fulfill to realize our purpose of “contributing to the development of society and the region” and our management philosophy of “becoming the most accessible and trustworthy bank in Japan.”

Through our network of approximately 24,000 branches, the Bank provides a wide range of financial services to a wide range of customers throughout Japan. Our three missions are guided by the concept of leaving no one behind, which is also a basic principle of the SDGs (the United Nation’s Sustainable Development Goals).

In FY2023/3, we steadily worked toward achieving our three missions by expanding and strengthening our business based on the five key strategies formulated in the Medium-term Management Plan (FY2022/3 through FY2026/3).

Our Purpose, Management Philosophy, Mission and Five Key Strategies



Specifically, we worked on the following five key strategies for each of the three business engines: retail business, market business, and a new corporate banking business (Σ Business), which we see as growth engines for supporting our continuous improvement of corporate value.

Retail business

In the first engine, retail business, we focused on providing “reliable and attentive” financial services “safely and securely” to anyone and everyone throughout Japan through our nationwide network of around 24,000 branches and around 31,000 ATMs, with digital channels that are easy for all customers to use.

In our branch network, we deployed Madotab self-service terminals at all directly-operated branches (233 stores). This allows customers to open accounts or perform other transactions smoothly by themselves. In our ATM network, we deployed ATMs with a bankbook carry-over function among other measures in response to customer needs as we worked to promote operational efficiency.

In digital services, the number of accounts used by the Yucho Bankbook App exceeded 7 million. With this app, users can at any time perform basic banking transactions on their smartphone, such as checking the current balance and deposit/withdrawal details, remittances, making deposits or receiving refunds of TEIGAKU deposits and time deposits, purchasing investment trust, or changing the account address and telephone number. We also launched “Yucho Reco” (PFM App), a household accounting app that allows users to manage their financial assets and monthly income and expenses using a smartphone. In addition, we promoted cashless initiatives, such as starting to issue Japan Post Bank Debit Card, a cash card with an integrated Visa debit card.

In asset building support business, we began offering Yucho Fund Wrap, which provides customers with an optimal investment portfolio tailored to their life plans and changes in their household finances, etc.



“Yucho Reco” (PFM App), a household accounting app



Madotab, a self-service branch terminal

Market business

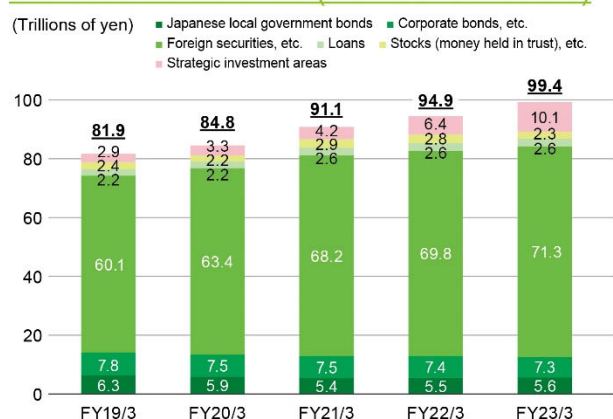
In the second engine, market business, we worked to expand internationally diversified investment while managing risk appropriately and taking into account changes in the market environment.

The market environment has been highly volatile, with rapid monetary tightening by the U.S. and European central banks in response to higher inflation, and the economic slowdown that followed, as well as growing concern over the U.S. and European financial system. Against this background, we have managed our portfolio flexibly to secure profits.

In addition, while recognizing the importance of risk-adjusted return and strengthening risk tolerance, we increased the balance of risk assets to ¥99.4 trillion, mainly foreign corporate bonds in the investment grade area. In the strategic investments area* of risk assets, such as private equity funds, we have selectively invested in quality deals and increased the balance to ¥10.1 trillion. At the end of March 2023, we maintained sufficient financial soundness with a capital adequacy ratio (consolidated, domestic standard) of 15.53 %.

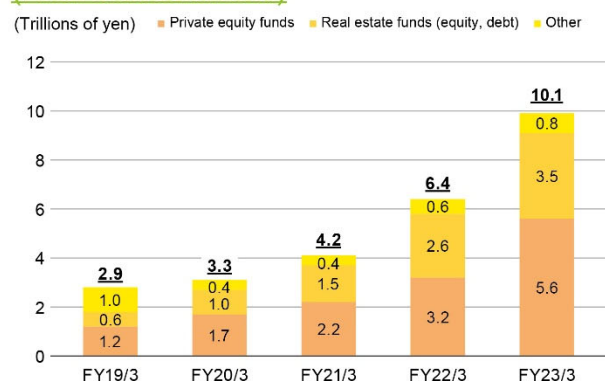
Furthermore, given the highly volatile market environment, we promoted the sophistication of our stress testing and enhanced monitoring to further reinforce our risk management.

Risk Assets Balance (Non-consolidated)



* Strategic investment areas include private equity funds (funds that invest in unlisted companies with growth potential) and real estate funds.

Strategic Investment Area Balance (Non-consolidated)



* Strategic investment areas include private equity funds (funds that invest in unlisted companies with growth potential) and real estate funds.

New corporate banking business (Σ Business)

To enhance business sustainability over the medium and long terms, we announced a new corporate banking business through investments (GP Business*) in a JPB-appropriate manner called the Σ Business in November 2022. This will be positioned as a third growth engine alongside our two existing engines, the retail business and the market business.

The Σ Business is a new type of corporate business that aligns with the Bank's purpose of "contributing to the development of society and region." It leverages the Bank's strengths, including our nationwide network of branches in every corner of Japan. Specifically, the business has three pillars. First, through the full-scale operation of our GP* business centered on our subsidiary, Japan Post Investment Corporation, we will enhance funds flow in Japan by investing (i.e., supplying equity funds) in small and medium-sized enterprises (SMEs) throughout Japan that have growth potential. Second, the Bank will support the growth of GP investee companies such as start-up companies by introducing and mediating (marketing) their useful products and services through our nationwide branch network. Third, we will use our branch network for deal sourcing, discovering potential investment opportunities throughout Japan.

During the fiscal year, we invested in Japan Post Investment Regional Development and Impact Fund I, ILP established by Japan Post Investment Corporation as part of our operation of the GP business at full scale. We also invested in Frontier Capital Inc., whose investment guidelines reflect the Σ Business philosophy.

In addition, as an introduction and intermediary (marketing) service for GP investee companies, we signed a collaboration agreement with Pie Systems Japan Co. Ltd., which provides a service that allows foreign visitors to Japan to easily perform electronic tax refund procedures using a smartphone, and started the work of searching for potential member stores.

* Abbreviation for General Partner. A fund operator that is responsible for the selection of investee companies, investment decisions, etc. in investment funds



Announcement of signing of a collaboration agreement with Pie Systems Japan (November 2022)

Progress in the privatization process through equity offerings

Japan Post Holdings Co., Ltd, the parent company of the Bank, has announced a policy of reducing its shareholding ratio in the Bank to 50% or less as soon as possible during the Medium-term Management Plan period (FY2022/3 - FY2026/3). Based on this policy, Japan Post Holdings Co., Ltd conducted the offering and sale of shares of stock of the Bank (Global offering) in March 2023.

The stake of the Bank's shares held by Japan Post Holdings Co., Ltd (on a voting rights basis) was approx. 89% before the Global offering, but reached approx. 61% after the Global offering (as of the end of March 2023). In this way, the Bank's privatization process has progressed steadily toward full privatization.

As a result of the Global offering, the tradable share ratio of the Bank significantly improved from approx. 10.6% (before the Global offering), however, it was 34.5% as of the end of March 2023, resulting in slightly below 35%, the continued listing requirement for the Prime Market of the Tokyo Stock Exchange.

The Bank will continue to be listed on the Prime Market in accordance with the transitional measures, and will aim to comply with the continued listing requirements based on the "Plans to meet the level of continued listing requirements" published on November 12, 2021.

4) Issues to be addressed

The business environment surrounding the Bank is undergoing significant changes, including a population declining, the advent of a super-aging society, shrinking regional economies, advances in digital innovation, and rapid monetary tightening by the U.S. and European central banks in response to higher inflation.

While responding flexibly to these changes in the environment, we will strive to enhance corporate value and solve social issues under our purpose of “contributing to the development of society and region,” our management philosophy of “becoming the most accessible and trustworthy bank in Japan,” and the three missions set out in our Medium-term Management Plan.

In FY2024/3, which is the third year of the Medium-term Management Plan, in a highly uncertain market environment, we will strive to secure profits steadily in the market business, which is our largest source of revenue. We will also focus on further strengthening the retail business to build a strong and stable business foundation, and building the foundation for the Σ Business, which we see as a new growth engine.

Business strategies

With regard to the first engine, retail business, under our basic policy of complementarity between the physical and the digital, we will enhance self-service transaction channels and digital channels such as enhancing the features of Madotab self-service terminals and ATMs, expanding the features of the Yucho Bankbook App and the “Yucho Reco” (PFM App), while maintaining our branch network. We will provide thorough guidance according to customer needs so that customers can conduct transactions more easily and conveniently. In addition, as a new retail business strategy, we will start phasing in a Co-creation Platform strategy. This will work with a variety of businesses, using the Yucho Bankbook App and the “Yucho Reco” (PFM App) to guide customers on the best products and services for their needs. In addition, with regard to asset building support business, based on the expansion of the NISA system (small investment tax exemption system) from 2024, we will strengthen our ability to propose to customers, including Tsumitate NISA.

In the market business, the second engine, we will flexibly rebuild the yen interest rate portfolio in anticipation of the possibility that domestic interest rates, which have been low for a long time, will rise.

In addition, from the viewpoint of strengthening risk tolerance, we will continue to accumulate balance mainly in credit assets in the investment grade area. In the strategic investment area, we will strive to ensure stable returns by selectively investing in quality funds, mainly in debt (bond) -type products with relatively high resistance to market fluctuations.

With regard to the Σ Business, the third engine, we have positioned the two-year period from October 2022 to the end of September 2024 as the pilot period toward full-scale development from FY2027/3 onwards. We will work to develop the implementation platform while striving for strengthening domestic GP-related investment aimed at a full-scale operation of GP business and steadily expanding businesses we support on marketing.

Through the three business engines of retail business, market business, and Σ Business, we aim to deepen trust with our customers and challenging for financial innovation to build a sustainable earnings base over the medium to long term.

Financial targets, capital policy, etc.

We have set the following financial targets for sustainably enhancing corporate value. While fulfilling our responsibility to provide universal services in finance, we will promote efforts to improve profitability, including ROE (return on equity) and efficiency including OHR (expense ratio). We will strive to focus on capital costs and return on capital as we manage our operations.

We promote a capital policy that balances shareholder returns, financial soundness and growth investments. In particular, we recognize that shareholder returns are one of the most important management issues. During the Medium-term Management Plan period, our basic policy is to maintain a dividend payout ratio of approx. 50%. However, the target dividend payout ratio will be set between 50% and 60% while keeping in mind the stability and sustainability of dividends. We will also consider implementing additional shareholder return policies depending on such factors as future expansions in income, the repleteness of internal reserves and the status of regulatory trends. Based on this policy, on February 27, 2023, the Bank decided to repurchase and cancel its own shares up to a total amount of ¥150.0 billion.

In addition, we offer a shareholder benefit program to express our gratitude to shareholders for their daily support and to enhance the appeal of investing in our shares and thereby to increase the number of shareholders.

Financial Targets

		FY23/3 Performance	FY24/3 Targets
Profitability	Consolidated net income (attributable to owners of parent)	¥325.0 billion	¥335.0 billion
	ROE (based on shareholders' equity)	3.44%	3.5%
Efficiency	OHR ^{*1} (Basis including gains (losses) on money held in trust)	67.15%	67%
	General and administrative expenses (compared with FY21/3)	¥(84.5) billion	¥(65.0) billion
Soundness	Capital adequacy ratio (Domestic standards)	15.53%	Approx. 10% (Levels to be secured)
	CET1 (Common equity tier1 capital) ratio (international standards) ^{*2}	14.01%	Approx. 10% (Levels to be secured)

*1 Calculated as general and administrative expenses + (net interest income, etc. + net fees and commissions). Net interest income, etc. = Interest income - Interest expenses (including gains (losses) on sales, etc.).

*2 Excluding unrealized gains on available-for-sale securities.

Information on the Shareholder Benefit Program



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2023年12月31日(日)まで

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Sustainability Initiatives

– Promoting ESG Management* and Identifying Four Priority Issues (materialities)

The Bank has set forth in our Medium-term Management Plan (FY2022/3 to FY2026/3) the promotion of ESG management. We aim to realize sustainable management both by enhancing corporate value and resolving social issues. Among the social issues, we have identified four priority issues (materialities) that we should put particular focus on, and we are working to solve them through the five key strategies mentioned above.

* Management considering environment (E), society (S) and corporate governance (G)

The four priority issues (materiality) that the Bank must address and its main initiatives to solve them

Materiality	Specific Initiatives to Solve Priority Issues
 <p>Providing "safe and secure" financial services to anyone and everyone throughout Japan</p>	<ul style="list-style-type: none"> - Utilizing post offices networks across the country - While putting safety and security foremost, we will expand digital services that all customers can readily use - Developing an open, "Co-creation Platform" - Consulting that closely centers on clients
 <p>Contributing to regional economic expansions</p>	<ul style="list-style-type: none"> - Flow of funds to regional communities via various frameworks - We will address financial needs suited to the real conditions of each regional community as a "regional financial platform" - Enhancing relationship functions of regional communities
 <p>Reducing environmental impact</p>	<ul style="list-style-type: none"> - Enhancing initiatives based on TCFD proposals - Advancement of shift to paperless transactions, reductions in CO2 emissions - Advancement of ESG investment
 <p>Advancement of work style reforms, and sophistication of governance</p>	<ul style="list-style-type: none"> - Make work more worthwhile for employees - Advancement of diversity management - Expand flexible work styles, eliminate harassment - Board of directors that balances independence, diversity, and expertise

Of the four priority issues (materialities), on the issue of providing safe and secure financial services to anyone and everyone throughout Japan, we are working to enhance our retail business through the aforementioned complementarity between the physical and the digital. On the issue of contributing to regional economic expansions, we are promoting strengthening regional relationships with regional financial institutions by investing in regional revitalization funds and ATM alliances, as well as building the foundation for the Σ Business.

- Efforts to reduce environmental impact

Recognizing that responding to climate change, which has a major impact on the environment, society and business activities, is an important issue, the Bank announced its agreement with the TCFD*¹ Recommendations in April 2019. Since then, the Bank has been improving our efforts to align with the 1.5°C and 2°C targets of the Paris Agreement, the international framework for reducing greenhouse gas (GHG) emissions. Specifically, as well as promoting renewable energy sources for electricity used at facilities owned by the Bank, we have promoted investment and financing in areas such as green bonds. As of March 31, 2023, our ESG-themed investment balance*² had expanded to ¥3.2 trillion.

In March 2022, we announced the Japan Post Bank Net Zero GHG Emissions Declaration, which states our aim to achieve net zero GHG emissions for the Bank as well as its finance portfolio by 2050. In March 2023, we set an interim GHG emissions target for 2030.

*1 International recommendations for enhancing corporate information disclosure on climate change

*2 ESG bonds (green bonds, social bonds, and sustainability bonds, etc.), loans to the renewable energy sector, and regional vitalization funds, etc.

The Bank's GHG Emissions

Classification	FY2031/3 Target	2050 Target
Emissions by the Bank	-46% → raised to -60% (FY2020/3 comparison)	Net zero
Emissions by the finance portfolio	Electricity sector 165-213 gCO ₂ e/kWh	

- Efforts for advancement of work style reforms, and sophistication of governance

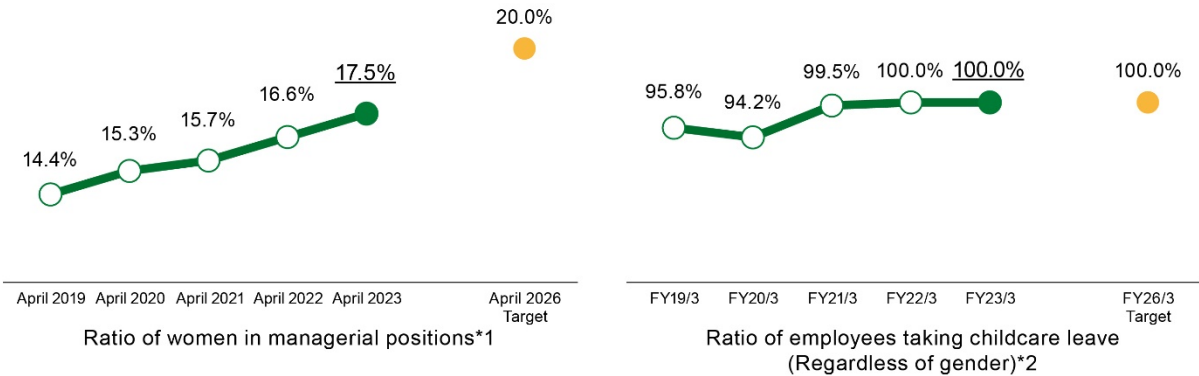
<Promoting human capital management>

The Bank sees human resources as a source of competitiveness and value creation, and promotes human resources strategies that are linked to our purpose, management philosophy, mission, and management strategy. Specifically, through combining the three pillars of “Encourage growth”, “Discover abilities”, and “Effectively utilize diversity”, we aim to enhance corporate value by empowering employees with diverse values regardless of gender (social or cultural gender differences), etc. to grow on their own by embracing challenges and to maximize their capabilities. This is our basic approach to HR strategies, and we are working to promote human capital management.

Basic Approach to HR Strategies



In promoting human capital management, we have set various KPIs, such as the ratio of women in managerial positions and the ratio of employees taking childcare leave. In addition, we will disclose information on wage differentials between men and women in our Securities Report, etc., and strive to improve such differentials by actively promoting female employees. The Bank aims to work alongside our employees to build a lively and exciting company. In doing so, we aim bring happiness to our customers and to our employees.



* 1 Among all managers, the percentage of those who are women (as of April 1 of each fiscal year)
 * 2 Among those who gave birth during the target period (in the case of men, where the spouse gave birth), those who have started childcare leave (including applicants who are scheduled to start)

<Promoting sophistication of governance>

To further strengthen governance, in FY2023/3, we established, as an advisory body to the Board of Directors, a Risk Committee that considers system-related risks, including risks in market operations and cybersecurity. We also worked to revise the Board of Directors’ management methods from the perspective of enhancing strategic discussions.

In addition, we worked to strengthen our compliance system with a view to preventing internal crimes at post offices. We organized comprehensive crime prevention measures, including reviewing crime prevention rules and strengthening checks and balances, and established a system to promote them throughout the Japan Post Group.

Furthermore, in preparation for the system renewal in May 2023, we established a company-wide promotion meeting under the direct control of the President and Representative Executive Officer and worked to build a company-wide framework with advice from a third-party organization. Along with these efforts, we achieved a smooth system renewal.

Going forward, we will continue to work toward more sophisticated governance by further promoting active discussions at the Board of Directors and by further enhancing supervisory functions, and will strive to enhance our internal control systems.

(2) Financial Condition and Results of Operations

(Millions of yen)

As of and for the fiscal year ended March 31	2020	2021	2022	2023
Deposits	183,004,733	189,593,469	193,441,929	194,951,503
Fixed-term deposits	95,298,907	88,145,649	81,022,589	75,217,326
Others	87,705,825	101,447,819	112,419,339	119,734,176
Loans	4,961,733	4,691,723	4,441,967	5,604,366
Loans to individuals	142,159	97,383	83,582	80,419
Loans to small and medium-size enterprises	2,000	2,240	2,500	2,500
Others	4,817,573	4,592,100	4,355,885	5,521,447
Trading account securities	31	13	11	19
Securities	135,198,460	138,183,264	139,549,103	132,769,420
Japanese government bonds	53,636,113	50,493,477	49,259,766	38,114,711
Others	81,562,347	87,689,786	90,289,336	94,654,708
Total assets	210,905,152	223,847,547	232,922,083	229,545,202
Domestic exchange transaction volume	60,390,778	65,702,968	70,133,978	75,677,300
Foreign exchange transaction volume	(Millions of U.S. dollars) 725	(Millions of U.S. dollars) 396	(Millions of U.S. dollars) 333	(Millions of U.S. dollars) 299
Net ordinary income	379,077	394,325	491,459	448,242
Net income	273,044	279,837	354,945	324,607
Net income per share	(Yen) 72.83	(Yen) 74.64	(Yen) 94.68	(Yen) 86.72

Notes:

- The figures are rounded down.
- Net income per share is calculated by the following formula.

$$\text{Net income per share} = \frac{\text{Net income reported on statement of income}}{\text{The average number of common stock outstanding during the fiscal year} - \text{The average number of treasury stock during the fiscal year}}$$

- Japan Post Bank has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ended March 31, 2022, and the figures are after the application of such accounting standards, etc. The application of Accounting Standard for Revenue Recognition, etc. is subject to the transitional treatment stipulated in the proviso to Paragraph 84 of Accounting Standard for Revenue Recognition. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the fiscal year ended March 31, 2022, was added to or subtracted from the beginning balance of retained earnings of the fiscal year ended March 31, 2022, and thus the new accounting policy was applied from such beginning balance.

(Reference Financial Condition and Results of Operations of Japan Post Bank Group)

(Millions of yen)

As of and for the fiscal year ended March 31	2020	2021	2022	2023
Ordinary income	1,799,544	1,946,728	1,977,640	2,064,251
Net ordinary income	379,137	394,221	490,891	455,566
Net income attributable to owners of parent	273,435	280,130	355,070	325,070
Comprehensive income	(2,177,244)	2,470,383	(910,994)	(364,552)
Net assets	9,003,256	11,394,827	10,302,261	9,651,874
Total assets	210,910,882	223,870,673	232,954,480	229,582,232

Note: The figures are rounded down.

(3) Employees

	As of March 31, 2023
Number of employees	11,742
Average age	44.8 years old
Average years of service	20.5 years
Average annual salary	¥6,845 thousand

Notes:

1. The number of employees excludes employees assigned to other companies by Japan Post Bank but includes employees assigned to Japan Post Bank by other companies. The figure does not include part-time employees (including the indefinite-term employees (associates) based on the indefinite-term employment conversion system).
2. The figures for average age and average years of service are rounded down to the first decimal place.
3. Average years of service includes years of service prior to the establishment of Japan Post Bank (before privatization).
4. Average annual salary includes bonuses and extra wages, and figures are rounded down.

(4) Branches, etc.

1) Number of branches

	As of March 31, 2023	
	Number of branches	[Number of sub branches]
Hokkaido	5	[4]
Tohoku	10	[9]
Kanto	70	[69]
Tokyo	42	[41]
Shinetsu	6	[5]
Hokuriku	4	[3]
Tokai	23	[22]
Kinki	44	[43]
Chugoku	11	[10]
Shikoku	6	[5]
Kyushu	13	[12]
Okinawa	1	[—]
Domestics total	235	[223]
Overseas total	—	[—]
Total	235	[223]

Note: The number of branches excludes the number of offices where bank agents, for which Japan Post Bank serves as a principal bank, operate bank agency services and unmanned sub branches of Japan Post Bank (6,755 places as of March 31, 2023).

2) Newly-established branches during the fiscal year

Not applicable

3) List of bank agent

Name	Location of a principal branch or office	Main business other than bank agency service
JAPAN POST Co., Ltd.	Chiyoda-ku, Tokyo	Postal services, insurance counter services, sales of revenue stamps, contracted services from Japanese local governments, agency services of life insurance and nonlife insurance, domestic and international logistics business, logistics business, real estate business, sale of goods, and others

4) Bank agency services, etc., operated by a bank

Trade name or name of financial institutions for which Japan Post Bank serves as a bank agent

Sony Bank Incorporated
SBI Shinsei Bank, Limited

(5) Capital Investment

1) Total amount of capital investment

(Millions of yen)

Total amount of capital investment	53,637
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Note: The figure is rounded down.

2) New installation, etc., of significant equipment

(Millions of yen)

Details	Amount
Japan Post Bank Total Information System	42,202
ATMs	2,329

Note: The figures are rounded down.

(6) Parent Company and Principal Subsidiaries, etc.

1) Parent company

Company name	Location	Main business	Capital	Percentage of voting rights of Japan Post Bank held by the parent company	Others
JAPAN POST HOLDINGS Co., Ltd.	Chiyoda-ku, Tokyo	A holding company	3,500,000 (Millions of yen)	60.63%	—

Notes:

1. The ratio of voting rights is rounded down to the second decimal place. In March 2023, the secondary offering of shares of the Bank's common stock held by Japan Post Holdings Co., Ltd. and the repurchase and the cancellation of the Bank's shares were implemented. In addition, the shares repurchased by the Bank from March to April 2023 will be cancelled at the end of May 2023. The percentage of voting rights indicates the percentage as of March 31, 2023.
2. We have entered into the "Japan Post Group Agreement" with Japan Post Holdings Co., Ltd., Japan Post Co., Ltd. and Japan Post Insurance Co., Ltd., which prescribed fundamental matters relating to Group management such as principles and policies common to the Group aimed at contributing to smooth Group operations. Following this agreement, Japan Post Bank has entered into contracts regarding operations of the Japan Post Group with Japan Post Holdings Co., Ltd. and these contracts decide important matters for Group operations that will be discussed in advance with and reported to Japan Post Holdings Co., Ltd. but specify that Japan Post Holdings Co., Ltd. will not hinder or restrain the decision-making of the Bank. In addition, we have entered into the trademark management agreement with Japan Post Holdings Co., Ltd., Japan Post Co., Ltd. and Japan Post Insurance Co., Ltd., for the purpose of maintaining and increasing brand value of the Japan Post Group, and have entered into the trademark management contract with Japan Post Holdings Co., Ltd. Based on these agreement and contract, we are permitted to use the trademarks such as "Yucho" (Japan Post Bank), which Japan Post Holdings Co., Ltd. centrally manages. Furthermore, we pay brand license fee to Japan Post Holdings Co., Ltd. as consideration of benefit by belonging to the Japan Post Group, and the calculation method would not be changed unless special circumstances such as significant changes in the economic situation occur.

2) Subsidiaries, etc.

Company name	Location	Main business	Capital	Percentage of voting rights of subsidiaries, etc., held by Japan Post Bank	Others
JAPAN POST BANK LOAN CENTER Co., Ltd.	Chuo-ku, Tokyo	Credit guarantee operations for account overdraft lending services of the Bank and administrative agency services	2,000 (Millions of yen)	100.00%	—
ATM Japan Business Service, Ltd.	Minato-ku, Tokyo	Management of ATMs, for example cash loading and withdrawal	100 (Millions of yen)	35.00%	—
JP Asset Management Co., Ltd.	Chuo-ku, Tokyo	Investment management business, Type II Financial Instruments Business	500 (Millions of yen)	45.00%	—
Japan Post Investment Corporation	Chiyoda-ku, Tokyo	Investment management operations of securities and investment advisory business	750 (Millions of yen)	50.00%	—

Note: The ratio of voting rights is rounded down to the second decimal place.

- Overview of Significant Business Alliances

- 1 Pursuant to the provisions of Article 98, Paragraph 2, Item 2 of the Postal Service Privatization Act, Japan Post Bank consigns bank agency services to JAPAN POST Co., Ltd. ("Japan Post Co.") In addition, Japan Post Bank has entered into a bank counter services agreement with Japan Post Co. to enable it to perform the duties as set forth in Article 5 of Japan Post Company Act.

Pursuant to amendments to the Act on the Management Organization for Postal Savings and Postal Life Insurance that took effect on December 1, 2018, beginning with the year ending March 31, 2020, Japan Post Bank and JAPAN POST INSURANCE Co., Ltd. are required to contribute to the Organization for Postal Savings, Postal Life Insurance and Post Office Network a share of the costs that are indispensable for securing the universal services (except for those incurred by Japan Post Co.). The Organization for Postal Savings, Postal Life Insurance and Post Office Network in turn delivers these funds to Japan Post Co.

With the introduction of contribution for the support of postal service network, Japan Post Bank has reviewed to cover the expenses of agency services provided by Japan Post Co. using contribution and newly allocated agency commissions, such expenses have been paid out of the agency commissions paid to Japan post Co. by Japan Post Bank.

- 2 Pursuant to the provisions of Article 15 of the Act on Management Organization for Postal Savings, Postal Life Insurance and Post Office Network, an independent administrative agency, Japan Post Bank is entrusted with the management of postal savings deposits that were passed on to the Management Organization for Postal Savings, Postal Life Insurance and Post Office Network, an independent administrative agency, by Japan Post Corporation.

- 3 ATM/CD alliance services

Japan Post Bank has formed an alliance with the following financial institutions and provides services such as cash withdrawal using ATMs, etc.

City banks (5 banks), trust banks (4 banks), foreign banks (2 banks), regional banks (62 banks), second-tier regional banks (37 banks), other banks (13 banks), The Shoko Chukin Bank, Ltd. (1 bank), shinkin banks (254 banks), credit cooperatives (119 cooperatives), labor banks (13 banks), credit federations of agricultural cooperatives (32 cooperatives), agricultural cooperatives (546 cooperatives), credit federations of fishery cooperatives (10 cooperatives), fishery cooperatives (71 cooperatives), securities firms (10 firms), life insurance companies (6 companies), credit card companies (47 companies) and other companies (9 companies)

- (7) Business Transfer, etc.

Not applicable.

- (8) Other Important Matters Concerning the Current Status of Japan Post Bank

Not applicable.

II. Matters Concerning Directors and Executive Officers

(1) Directors and Executive Officers

Directors		(As of March 31, 2023)	
Name	Position and assignment	Significant concurrent positions	Others
IKEDA Norito	Director Member of the Nomination Committee	Director of JAPAN POST HOLDINGS Co., Ltd.	—
TANAKA Susumu	Director	Managing Executive Officer of JAPAN POST HOLDINGS Co., Ltd.	—
MASUDA Hiroya	Director Member of the Nomination Committee Member of the Compensation Committee	Director, Representative Executive Officer, President and CEO of JAPAN POST HOLDINGS Co., Ltd. Director of JAPAN POST Co., Ltd. Director of JAPAN POST INSURANCE Co., Ltd.	—
YAZAKI Toshiyuki	Director Member of the Audit Committee Member of the Risk Committee		—
CHUBACHI Ryoji	Director (Outside Director) Member of the Compensation Committee (Chairman) Member of the Nomination Committee	Outside Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION	—
TAKEUCHI Keisuke	Director (Outside Director) Member of the Nomination Committee Member of the Compensation Committee	Outside Director of BROTHER INDUSTRIES, LTD.	—
KAIWA Makoto	Director (Outside Director) Member of the Nomination Committee (Chairman)	Special Advisor of Tohoku Electric Power Co., Inc.	—
AIHARA Risa	Director (Outside Director)	Representative Director and President of Ai-LAND Co., Ltd.	—
KAWAMURA Hiroshi	Director (Outside Director) Member of the Audit Committee (Chairman)	Attorney-at-law Outside Director of ISHII IRON WORKS CO., LTD.	—
YAMAMOTO Kenzo	Director (Outside Director) Member of the Audit Committee Member of the Risk Committee (Chairman)	Representative of Office KY Initiative Member of the Board as Outside Director of Bridgestone Corporation Outside Director of SUMITOMO LIFE INSURANCE COMPANY	—

Directors		(As of March 31, 2023)	
Name	Position and assignment	Significant concurrent positions	Others
URUSHI Shihoko	Director (Outside Director) Member of the Compensation Committee	President of Shinagawa Joshi Gakuin Outside Director of Kewpie Corporation Outside Director of Culture Convenience Club Co., Ltd. Outside Audit & Supervisory Board Member of Tokio Marine & Nichido Fire Insurance Co., Ltd.	—
NAKAZAWA Keiji	Director (Outside Director) Member of the Audit Committee		Mr. NAKAZAWA Keiji has a considerable amount of professional knowledge on finance and accounting through his long history of involvement in corporate management and operations of finance departments of stock companies.
SATO Atsuko	Director (Outside Director) Member of the Risk Committee	Associate Professor, Department of International Studies, Faculty of Economics of Takasaki City University of Economics Outside Corporate Auditor of DeNA Co., Ltd. Outside Director of Japan Management Succession Support Co. Ltd.	—

Notes:

1. Mr. IKEDA Norito and Mr. TANAKA Susumu concurrently serve as Executive Officers.
2. Mr. YAZAKI Toshiyuki is a full-time member of the Audit Committee. The reason for electing a full-time member of the Audit Committee is to enhance the effectiveness of audits performed by the Audit Committee by attending important meetings other than the meetings of the Board of Directors and having coordination with the Internal Control Division closely.
3. Nine of Outside Directors (Dr. CHUBACHI Ryoji, Mr. TAKEUCHI Keisuke, Mr. KAIWA Makoto, Ms. AIHARA Risa, Mr. KAWAMURA Hiroshi, Mr. YAMAMOTO Kenzo, Ms. URUSHI Shihoko, Mr. NAKAZAWA Keiji and Ms. SATO Atsuko) are Independent Directors as stipulated by Tokyo Stock Exchange, Inc.
4. Mr. YAZAKI Toshiyuki, Mr. NAKAZAWA Keiji and Ms. SATO Atsuko were newly elected as

Directors at the Ordinary General Meeting of Shareholders held on June 16, 2022, and assumed their positions on the same date.

5. As of the conclusion of the Ordinary General Meeting of Shareholders held on June 16, 2022, Ms. ONODERA Atsuko and Mr. IKEDA Katsuaki resigned from their positions of Director due to expiration of their terms of office.
6. Dr. CHUBACHI Ryoji assumed his position of Outside Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION on June 24, 2022.
7. Mr. TAKEUCHI Keisuke resigned from his position of Outside Director of Japan Platform of Industrial Transformation, Inc. on December 12, 2022.
8. Mr. KAIWA Makoto resigned from his position of Chairman of TOHOKU ECONOMIC FEDERATION on June 7, 2022. Furthermore, Mr. KAIWA Makoto resigned from his position of Chairman Emeritus of Tohoku Electric Power Co., Inc. and assumed his position of Special Advisor of the company on June 28, 2022.
9. Mr. KAWAMURA Hiroshi was registered as an attorney-at-law on April 1, 2022.
10. Mr. NAKAZAWA Keiji resigned from his position of Vice President of McDonald's Company (Japan), Ltd. on December 31, 2022.

Executive Officers

(As of March 31, 2023)

Name	Position and assignment	Significant concurrent positions	Others
IKEDA Norito	President and Representative Executive Officer	Director of JAPAN POST HOLDINGS Co., Ltd.	—
TANAKA Susumu	Representative Executive Vice President (Assistant to the President and matters concerning operations of Legal Affairs Department and IT Strategy Department, Corporate Administration Division (excluding operations of Cyber Defense Office))	Managing Executive Officer of JAPAN POST HOLDINGS Co., Ltd.	—
HAGINO Yoshinori	Executive Vice President (Matters concerning operations of System Division and Cyber Defense Office, IT Strategy Department, Corporate Administration Division)	Director of JAPAN POST INFORMATION TECHNOLOGY Co., Ltd.	—
TANIGAKI Kunio	Executive Vice President (Matters concerning operations of Compliance Division and Customer Satisfaction Department, Corporate Administration Division)		—
YANO Harumi	Senior Managing Executive Officer (Matters concerning operations of Corporate Planning Department and ALM Planning Department, Corporate Administration Division)		—
KASAMA Takayuki	Senior Managing Executive Officer (Matters concerning operations of Investment Division)		—
KOTOUDA Minoru	Senior Managing Executive Officer (Matters concerning operations of Marketing Division and supervision of operations of directly-operated branches and Regional Headquarters and matters concerning the missions entrusted by the President and Representative Executive Officer concerning improvement of products and services)	Director of JAPAN POST BANK LOAN CENTER Co., Ltd.	—
TAMAKI Masato	Managing Executive Officer (Matters concerning operations of Risk Management Division)		—
TANAKA Takayuki	Managing Executive Officer (Matters concerning operations of Human Resources Department, Diversity and Inclusion Department and General Affairs Department, Corporate Administration Division)	Director of JAPAN POST CORPORATE SERVICE Co., Ltd.	—

Executive Officers

(As of March 31, 2023)

Name	Position and assignment	Significant concurrent positions	Others
SHINMURA Makoto	Managing Executive Officer (Matters concerning operations of Financial Accounting Department, Investor Relations Department and Public Relations Department, Corporate Administration Division)	Director of JAPAN POST BANK LOAN CENTER Co., Ltd.	—
AMAHA Kunihiko	Managing Executive Officer (Matters concerning operations of Research Department, Corporate Administration Division, and Regional Relations Division)		—
NAGURA Shinobu	Managing Executive Officer (Matters concerning operations of Operation Division and matters concerning the missions entrusted by the President and Representative Executive Officer concerning digitalization of counter services and administration processes)		—
OGATA Satoru	Managing Executive Officer (Assistant to the Executive Vice President in charge of System Division and Cyber Defense Office, IT Strategy Department, Corporate Administration Division)		—
YAMAZAKI Katsuyo	Managing Executive Officer (Matters concerning operations of Internal Audit Division)		—
MAKINO Yoko	Executive Officer (Assistant to the Managing Executive Officer in charge of Corporate Administration Division (limited to supervision of operations related to Diversity and Inclusion Department, Corporate Administration Division))		—
YAMADA Ryotaro	Executive Officer (Assistant to the Managing Executive Officer in charge of Internal Audit Division)	Audit & Supervisory Board Member of JAPAN POST BANK LOAN CENTER Co., Ltd.	Mr. YAMADA resigned on March 31, 2023.
NAKAO Hideki	Executive Officer (Assistant to the Senior Managing Executive Officer in charge of Investment Division (limited to supervision of operations related to CIO Office, Investment Division))		—

Executive Officers

(As of March 31, 2023)

Name	Position and assignment	Significant concurrent positions	Others
KISHI Etsuko	Executive Officer (Matters concerning Tokyo Regional Headquarters and assistant to the Senior Managing Executive Officer in charge of supervision of operations of directly-operated branches and Regional Headquarters)		—
IIMURA Koji	Executive Officer (Assistant to the Representative Executive Vice President in charge of Corporate Administration Division (limited to supervision of operations related to IT Strategy Department, Corporate Administration Division) and Assistant to Managing Executive Officer who assists Executive Vice President in charge of Cyber Defense Office, IT Strategy Department, Corporate Administration Division)		—
TOUMA Masaya	Executive Officer (Assistant to the Senior Managing Executive Officer in charge of Marketing Division (limited to supervision of operations related to Payment Card Business Department, Marketing Division))		—
DEN Akihiro	Executive Officer (Assistant to the Managing Executive Officer in charge of Operation Division (limited to supervision of operations related to Operation Management Department, Operation Division))		—
FUKUSHIMA Katsuya	Executive Officer (Assistant to the Managing Executive Officer in charge of Corporate Administration Division (limited to supervision of operations related to Investor Relations Department, Corporate Administration Division))		—
HASUKAWA Koji	Executive Officer (Assistant to the Senior Managing Executive Officer in charge of Corporate Administration Division (limited to supervision of operations related to ALM Planning Department, Corporate Administration Division))		—

Executive Officers

(As of March 31, 2023)

Name	Position and assignment	Significant concurrent positions	Others
YOSHIDA Koichiro	Executive Officer (Assistant to the Senior Managing Executive Officer in charge of Marketing Division (limited to supervision of operations related to Marketing Department, Marketing Division))		—
KATO Hisanori	Executive Officer (Assistant to the Executive Vice President in charge of Compliance Division (limited to supervision of operations related to Compliance Management Department, Compliance Division))		—
YAMAMOTO Jun	Executive Officer (Assistant to the Managing Executive Officer in charge of Risk Management Division (limited to supervision of operations related to Risk Management Department, Risk Management Division))		—

Notes:

- Mr. IKEDA Norito and Mr. TANAKA Susumu concurrently serve as Directors.
- Ms. YAMAZAKI Katsuyo, Mr. YOSHIDA Koichiro, Mr. KATO Hisanori and Mr. YAMAMOTO Jun were newly appointed as Executive Officers at the first meeting of the Board of Directors convened after the conclusion of the Ordinary General Meeting of Shareholders held on June 16, 2022, and Ms. YAMAZAKI Katsuyo assumed her position on the same day, and the other three assumed their positions on July 1, 2022.
- At the first meeting of the Board of Directors convened after the conclusion of the Ordinary General Meeting of Shareholders held on June 16, 2022, Titled Executive Officers were elected as follows.

Name	Position (before the change)	Position (after the change)	Date of the change
OGATA Satoru	Executive Officer	Managing Executive Officer	June 16, 2022
YAMAZAKI Katsuyo	(Newly elected)	Managing Executive Officer	June 16, 2022

- As of the conclusion of the first meeting of the Board of Directors convened after the conclusion of the Ordinary General Meeting of Shareholders held on June 16, 2022, Mr. YAZAKI Toshiyuki, Mr. FUKUOKA Nobuhiro, Mr. ONO Toshiharu and Mr. TSUKIOKA Haruchika resigned from their positions of Executive Officers due to the expiration of their terms of office.
- Mr. TANIGAKI Kunio resigned from his position of Managing Executive Officer of JAPAN POST HOLDINGS Co., Ltd. on June 17, 2022
- Mr. YAMADA Ryotaro assumed his position as Audit & Supervisory Board Member of JAPAN POST BANK LOAN CENTER Co., Ltd. on June 16, 2022 and resigned from the position on March 31, 2023.

7. As a change of Executive Officer that occurred after the end of the fiscal year ended March 31, 2023, Mr. TOYODA Yasumitsu was newly elected as Executive Officer at the Board of Directors held on February 28, 2023, and assumed his position on April 1, 2023.

(2) Compensation, etc., for Directors and Executive Officers

(Millions of yen)

Category	Number of persons compensated	Compensation, etc.	Base compensation	Performance-linked stock compensation	Retirement benefit	Others
Directors	12 persons	115	115	-	-	0
Executive Officers	30 persons	746	653	90	-	2
Total	42 persons	862	769	90	-	2

Notes:

1. The figures for compensation, etc. are rounded down.
2. If a person holds concurrent positions as Director and Executive Officer, we do not pay compensation for services as Director to such person.
3. Number of Directors compensated excludes one Director without pay.
4. Compensation, etc. for incumbent Directors and Executive Officers as well as for two Directors and four Executive Officers who resigned during the fiscal year ended March 31, 2023 and for one Executive Officer who resigned on March 31, 2023 are all included.
5. Performance-linked stock compensation above represents the amount accounted for as expense during the fiscal year ended March 31, 2023.
6. Although the retirement benefits program to Executive Officers was abolished in June 2013, retirement benefits will be paid upon retirement to Executive Officers who remain in their positions since then, for their term of service up to the day of abolishment of the program.

[Matters Concerning Performance-linked Compensation]

(Overview of the performance-linked stock compensation system)

With regard to the performance-linked stock compensation system, please refer to “IV. Matters Concerning Shares - (5) Other Significant Matters Concerning Shares.”

(Indicators concerning the performance-linked compensation system, reasons that the indicators were chosen, and the method for determining the amounts of the performance-linked compensation)

With regard to the performance-linked stock compensation paid to Executive Officers, points to be granted are calculated by multiplying the sum of basic points awarded corresponding to Executive Officers’ duties and evaluation points awarded based on individual evaluation by the coefficient that varies according to business results for the fiscal year ended March 31, 2023, including the state of achievement of management targets. Individual evaluation of Executive Officers is conducted separately for the results of the business in which each Executive Officer in charge, and for the status of initiatives implemented, among others. The indicators related to business results are set from multiple different categories in order to make a comprehensive judgment on the state of achievement of management targets, etc. These indicators are set according to the “Goals and actual performances for the fiscal year ended March 31, 2023 by indicators related to performance-linked compensation” given below, as they are appropriate for our business format and content.

In addition, a system is in place under which if an Executive Officer has committed a serious fraud or violation, the points serving as the basis for calculating shares to be granted to such Executive Officer can be reduced and forfeited.

No policy for determining the ratio of the performance-linked compensation and other types of compensation is established.

(Goals and actual performances for the fiscal year ended March 31, 2023 by indicators related to performance-linked compensation)

Indicator	Goal	Actual performance
Net income attributable to owners of parent	¥320.2 billion	¥325.0 billion
OHR (Overhead Ratio)	67.9%	67.15%
Reduction in General and administrative expenses (vs FY2020)	¥74.9 billion reduction	¥84.5 billion reduction
Progress status in terms of the Medium-term Management Plan of market operations, retail business, the enhancement of funds flow to regional communities and regional relation functions, etc., and progress status of ESG management-related indicators		Progress generally in line with the plan
Status of ESG management promotion (excluding quantitative indicators), customer-oriented initiatives, situation of system troubles and compliance violations, etc.		<ul style="list-style-type: none"> - A secondary offering of shares - Steady progress of development, preparation, etc. of core system renewals - ESG-related qualitative initiatives, improvement in external assessments - Promotion of organizational culture reforms, etc.

[Reason why the Compensation Committee judged that the details of individual compensation for Directors and Executive Officers for the fiscal year ended March 31, 2023 were in accordance with the policy]

In accordance with the “Policy for Determining Amount or Calculation Method of Compensation, etc. for Directors and Executive Officers” below, the Bank’s Compensation Committee considers various aspects such as the appropriateness of the level of compensation according to duties and job positions of Directors and Executive Officers and determines the “basic salary by job position,” “calculation standard for granting points by job position” and “Japan Post Bank Co., Ltd. Stock Compensation Rules for Executive Officers” which stipulates performance-linked stock compensation for Executive Officers.

Based on these standard and rules, the Compensation Committee determines points related to basic salary and performance-linked stock compensation to be granted to individuals, and the Compensation Committee has judged that the detail of individual compensation is in accordance with the policy.

- Policy for Determining Amount or Calculation Method of Compensation, etc. for Directors and Executive Officers

In regard to compensation for directors and executive officers of Japan Post Bank, the Compensation Committee has prescribed the policy for determining the details of individual compensation for directors and executive officers as follows, and it determines the amount of compensation in accordance with this policy.

1 Compensation system

- (1) When serving concurrently as a director and executive officer, compensation shall be paid for the position of executive officer.
- (2) Compensation that directors of the Bank receive shall be paid in the form of a fixed amount of compensation corresponding to duties, in light of the scope and scale of responsibility relating to management, and the like.
- (3) Compensation that executive officers of the Bank receive shall be paid in the form of a base salary (a fixed amount of compensation) and performance-linked stock compensation, and shall function as a sound incentive for sustainable growth.

2 Compensation for directors

Compensation for directors shall be paid as a certain level of a fixed amount of compensation corresponding to duties, in light of the main role of supervision of management, and the level shall be an appropriate one that takes into account the scale of duties as a director and the current situation of the Bank.

3 Compensation for executive officers

Compensation for executive officers shall be paid in the form of a certain level of base salary (a fixed amount of compensation), in light of differences in responsibility that varies according to the job position, and performance-linked stock compensation that reflects the state of achievement of management targets, and the like.

The level of base salary shall be an appropriate one that takes into account the scale of duties of the executive officer and the current situation of the Bank.

In regard to stock compensation, based on the viewpoint of a sound incentive for sustainable growth, points that are calculated by multiplying the sum of basic points corresponding to separately prescribed duties and evaluation points based on individual evaluation by a coefficient that varies according to the state of achievement of management targets shall be granted every year, and shares corresponding to the points accumulated at the time of retirement from office shall be provided. However, a certain percentage of this shall be paid in the form of money obtained by converting the shares into cash.

In the case of a person who is an executive officer in charge of an area that requires special knowledge and skills and, based on the compensation corresponding to his/her duties, would receive a significantly lower level of compensation than what an officer in charge of such an area would generally receive at other companies, it shall be permitted to adopt a base salary that refers to the level of compensation at other companies instead of compensation corresponding to duties.

(3) Liability Limitation Agreement

Name	Overview of the contracts for limitation of liability
MASUDA Hiroya	The overview of contracts for limitation of liability entered into with Directors (excluding Directors with executive functions) in accordance with provisions of Article 427, Paragraph 1 of the Companies Act and Articles of Incorporation, are as follows. For liabilities provided for in Article 423, Paragraph 1 of the Companies Act, when the Directors (excluding Directors with executive functions) performed their duties in good faith and without gross negligence, they shall be liable to the minimum liability amount prescribed under Article 425, Paragraph 1 of the Companies Act.
YAZAKI Toshiyuki	
CHUBACHI Ryoji	
TAKEUCHI Keisuke	
KAIWA Makoto	
AIHARA Risa	
KAWAMURA Hiroshi	
YAMAMOTO Kenzo	
URUSHI Shihoko	
NAKAZAWA Keiji	
SATO Atsuko	

(4) Indemnity Agreement

1) Indemnity agreement with Directors and Executive Officers in office

Not applicable.

2) Matters concerning execution of indemnity agreement

Not applicable.

(5) Matters Concerning the Directors and Officers Liability Insurance (D&O Insurance) Agreement

Scope of the insured	Overview of details of D&O insurance agreement
Directors	This agreement is to compensate for damages and litigation expenses incurred by the insured due to a claim for damages caused by the insured's acts (including omission) in the course of business as Director or Executive Officer. However, measures are taken so as not to impair the appropriateness of execution of duties by Directors and Executive Officers, by excluding criminal acts such as bribery and damages to officers who intentionally commit illegal acts from the coverage. All insurance premiums will be borne by the Bank.
Executive Officers	

III. Matters Concerning Outside Directors

(1) Concurrent Positions and Other Details on Outside Directors

(As of March 31, 2023)

Name	Concurrent positions and other details
CHUBACHI Ryoji	Outside Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
TAKEUCHI Keisuke	Outside Director of BROTHER INDUSTRIES, LTD.
AIHARA Risa	Representative Director and President of Ai-LAND Co., Ltd.
KAWAMURA Hiroshi	Attorney-at-law Outside Director of ISHII IRON WORKS CO., LTD.
YAMAMOTO Kenzo	Representative of Office KY Initiative Member of the Board as Outside Director of Bridgestone Corporation Outside Director of SUMITOMO LIFE INSURANCE COMPANY
URUSHI Shihoko	President of Shinagawa Joshi Gakuin Outside Director of Kewpie Corporation Outside Director of Culture Convenience Club Co., Ltd. Outside Audit & Supervisory Board Member of Tokio Marine & Nichido Fire Insurance Co., Ltd.
SATO Atsuko	Associate Professor, Department of International Studies, Faculty of Economics of Takasaki City University of Economics Outside Corporate Auditor of DeNA Co., Ltd. Outside Director of Japan Management Succession Support Co. Ltd.

Note: There are no significant relationships to be stated between Japan Post Bank and the above concerned parties above.

(2) Main Activities of Outside Directors

Name	Term of office	Attendance at meetings of the Board of Directors	Remarks made at meetings of the Board of Directors and other activities
CHUBACHI Ryoji	4 years, 9 months	<p>Attended 13 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (100%)</p> <p>Attended 13 out of 13 meetings of the Nomination Committee held during the fiscal year ended March 31, 2023 (100%)</p> <p>Attended 4 out of 4 meetings of the Compensation Committee held during the fiscal year ended March 31, 2023 (100%)</p>	<p>He actively provided recommendations on formulating business strategies, promoting ESG management, strengthening governance and others by utilizing his abundant experience and insight he gained as a corporate manager for a long time. He also led the Compensation Committee as its Chairman through discussions on the process of considering and determining appropriate compensation for Directors and Executive Officers, while also contributing to improving management transparency by actively expressing opinions as a member of the Nomination Committee.</p>
TAKEUCHI Keisuke	3 years, 9 months	<p>Attended 13 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (100%)</p> <p>Attended 13 out of 13 meetings of the Nomination Committee held during the fiscal year ended March 31, 2023 (100%)</p> <p>Attended 4 out of 4 meetings of the Compensation Committee held during the fiscal year ended March 31, 2023 (100%)</p>	<p>He actively provided recommendations on formulating business strategies, vitalizing regional community economies, promoting ESG management and others by utilizing his abundant experience and insight he gained as a corporate manager for a long time. He also contributed to improving management transparency by actively expressing opinions as a member of the Nomination Committee and the Compensation Committee.</p>

Name	Term of office	Attendance at meetings of the Board of Directors	Remarks made at meetings of the Board of Directors and other activities
KAIWA Makoto	3 years, 9 months	Attended 13 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (100%) Attended 13 out of 13 meetings of the Nomination Committee held during the fiscal year ended March 31, 2023 (100%)	He actively provided recommendations on formulating business strategies, vitalizing regional community economies, strengthening the management base and others by utilizing his abundant experience and insight he gained as a corporate manager for a long time. He also led the Nomination Committee as its Chairman through discussions on the process of considering and determining appointment of Director candidates, while also contributing to improving management transparency.
AIHARA Risa	3 years, 9 months	Attended 13 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (100%)	She actively provided recommendations on formulating business strategies, vitalizing regional community economies and others by utilizing her abundant experience and professional knowledge with deep insight into areas including digital marketing. She also contributed to promoting DX by actively expressing opinions on digital service strategies.
KAWAMURA Hiroshi	2 years, 9 months	Attended 13 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (100%) Attended 14 out of 14 meetings of the Audit Committee held during the fiscal year ended March 31, 2023 (100%)	He actively provided recommendations on formulating business strategies, strengthening the business base, including compliance system, and others by utilizing his abundant experience and professional knowledge as a long-serving legal professional. He also led the Audit Committee as its Chairman for the discussion on audits of the execution of duties, and contributed to strengthening internal controls.

Name	Term of office	Attendance at meetings of the Board of Directors	Remarks made at meetings of the Board of Directors and other activities
YAMAMOTO Kenzo	2 years, 9 months	<p>Attended 12 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (92%)</p> <p>Attended 14 out of 14 meetings of the Audit Committee held during the fiscal year ended March 31, 2023 (100%)</p> <p>Attended 5 out of 5 meetings of the Risk Committee held during the fiscal year ended March 31, 2023 (100%)</p>	<p>He actively provided recommendations on formulating business strategies and others by utilizing his abundant experience and professional knowledge with deep insight into the financial market and financial system. He also led the Risk Committee as its Chairman for the discussion on sophisticating risk management systems, while contributing to improving governance and strengthening internal controls as the Chairman of the Meetings of Independent Outside Directors and as a member of the Audit Committee.</p>
URUSHI Shihoko	1 year, 9 months	<p>Attended 13 out of 13 meetings of the Board of Directors held during the fiscal year ended March 31, 2023 (100%)</p> <p>Attended 2 out of 2 meetings of the Compensation Committee held during the fiscal year ended March 31, 2023, after her appointment (100%)</p>	<p>She actively provided recommendations on formulating business strategies, developing human resources, vitalizing regional community economies and others by utilizing her abundant experience and insight she gained as a president of an incorporated educational institution and a member of a government council for a long time. She also contributed to improving management transparency by actively expressing opinions as a member of the Compensation Committee.</p>

Name	Term of office	Attendance at meetings of the Board of Directors	Remarks made at meetings of the Board of Directors and other activities
NAKAZAWA Keiji	9 months	<p>Attended 11 out of 11 meetings of the Board of Directors held during the fiscal year ended March 31, 2023, after his appointment (100%)</p> <p>Attended 10 out of 10 meetings of the Audit Committee held during the fiscal year ended March 31, 2023, after his appointment (100%)</p>	<p>He actively provided recommendations on formulating business strategies, vitalizing regional community economies, strengthening the management base and others by utilizing his abundant experience and insight he gained through successively holding various important posts at publicly traded companies and his professional knowledge in finance and accounting. He also contributed to strengthening internal controls by actively expressing opinions as a member of the Audit Committee.</p>
SATO Atsuko	9 months	<p>Attended 11 out of 11 meetings of the Board of Directors held during the fiscal year ended March 31, 2023, after her appointment (100%)</p> <p>Attended 5 out of 5 meetings of the Risk Committee held during the fiscal year ended March 31, 2023 (100%)</p>	<p>She actively provided recommendations on formulating business strategies, operating markets, vitalizing regional community economies and others by utilizing her abundant experience and professional knowledge with her deep insight in market operations and risk management. She also contributed to sophisticating risk management systems by actively expressing opinions as a member of the Risk Committee.</p>

(3) Compensation, etc. for Outside Directors

(Millions of yen)

	Number of persons compensated	Compensation, etc. from Japan Post Bank	Compensations, etc. from the parent company, etc. of Japan Post Bank
Total amount of compensation, etc.	10 persons	87	—

Notes: 1. The figures for compensation, etc. are rounded down.

2. Compensations, etc. for incumbent Outside Directors and for one Director who resigned during the fiscal year ended March 31, 2023, are all included.

(4) Opinions of Outside Directors

Not applicable.

IV. Matters Concerning Shares

(1) Number of Shares

Total number of authorized shares	18,000,000 thousand shares
Total number of outstanding shares	3,669,673 thousand shares (excluding 20,347 thousand shares of treasury stock)

- Notes:
1. The number of shares are rounded down.
 2. The treasury stock does not include the Bank's shares held by the stock benefit trust (1,436 thousand shares).
 3. The shares repurchased by the Bank from March to April 2023 will be cancelled at the end of May 2023. The total number of outstanding shares and treasury stock indicate the numbers as of March 31, 2023.

(2) Total Number of Shareholders as of March 31, 2023: 667,250

(3) Major Shareholders

Name of shareholder	Number of shares held and percentage of shares held	
	Number of shares held, etc.	Percentage of shares held
JAPAN POST HOLDINGS Co., Ltd.	2,224,866 thousand shares	60.62%
The Master Trust Bank of Japan, Ltd. (Trust Account)	76,659 thousand shares	2.08%
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	30,418 thousand shares	0.82%
STATE STREET BANK WEST CLIENT-TREATY 505234	29,273 thousand shares	0.79%
Custody Bank of Japan, Ltd. (Trust Account)	18,239 thousand shares	0.49%
SSBTC CLIENT OMNIBUS ACCOUNT	12,279 thousand shares	0.33%
Japan Post Bank Employee Shareholding Association	11,874 thousand shares	0.32%
JP MORGAN CHASE BANK 385770	11,719 thousand shares	0.31%
STATE STREET BANK AND TRUST COMPANY 505103	10,595 thousand shares	0.28%
JP MORGAN CHASE BANK 385765	9,018 thousand shares	0.24%

Notes:

1. The number of shares held, etc. is rounded down.
2. The Bank holds 20,347 thousand shares (the percentage of shares held is 0.55%) of treasury stock, which are not included in the above list of major shareholders. The treasury stock does not include the Bank's shares held by the stock benefit trust (1,436 thousand shares).
3. The percentage of shares held is calculated excluding treasury stock (20,347 thousand shares) and is rounded down to the second decimal place.
4. The shares repurchased by the Bank from March to April 2023 will be cancelled at the end of May 2023. The percentage of shares held indicates the percentage as of March 31, 2023.

(4) Shares Granted to Directors and Executive Officers of the Bank as Consideration of Execution of Duties in the Fiscal Year Ended March 31, 2023

	Number of officers to whom shares were granted	Number of shares
Directors (excluding Outside Directors) and Executive Officers	4 persons	17,600 shares
Outside Directors	—	—

Note: Shares were granted in accordance with the performance-linked stock compensation system described in “II. Matters Concerning Directors and Executive Officers – (2) Compensation, etc., for Directors and Executive Officers.” Under the system, the Bank grants the Bank’s shares, as well as a certain portion of the Bank’s shares in the form of money in an amount obtained by converting the shares into cash at their fair value at the time of retirement. The number of shares above does not include the portion paid in cash.

(5) Other Significant Matters Concerning Shares

- Performance-Linked Stock Compensation System for Executive Officers

Japan Post Bank introduced a performance-linked stock compensation system using a trust for its Executive Officers. The objectives of the system are to further enhance the awareness of the Executive Officers of Japan Post Bank regarding the importance of contributing to sustainable growth and enhancing the Bank’s corporate value over the medium and long terms, by clarifying the link between the Executive Officers’ compensation and the share value of the Bank.

- Stock Ownership Plan for Management Employees

Japan Post Bank introduced an employee stock ownership plan using a trust for management employees. It is intended for management employees in the Investment Division, particularly those utilizing sophisticated, expert knowledge to execute their business duties. The objective of the plan is to motivate the management employees to contribute further to the enhancement of Japan Post Bank’s earnings performance and corporate value over the medium and long terms.

- Share Repurchases and Cancellation of Shares

At the Board of Directors meeting held on February 27, 2023, the Bank passed a resolution on matters relating to the repurchase of its own shares pursuant to Article 39, Paragraph 1 of the Bank’s Articles of Incorporation complying with Article 459, Paragraph 1, Item 1 of the Companies Act. In addition, at the Board of Directors’ meeting held on the same day, the Bank also passed a resolution on matters relating to the cancellation of its own shares pursuant to Article 178 of the Companies Act.

1 Reasons for the share repurchases and the cancellation of shares

To improve capital efficiency and strengthen shareholder returns, etc., as well as to mitigate the impact of the offering of the Bank’s common stock announced in the “Notice Concerning the Offering of Shares” on February 27, 2023, on the supply and demand for shares.

2 Details of matters related to the repurchase through ToSTNeT-3

- | | | |
|-----|---|---|
| (1) | Class of shares repurchased: | Common stock of the Bank |
| (2) | Total number of repurchased shares: | 59,523,800 shares |
| (3) | Aggregate repurchase price of repurchased shares: | ¥69,999,988,800 |
| (4) | Date of repurchase: | March 1, 2023 |
| (5) | Method of repurchase: | Purchases through the off-auction own share repurchase trading on the Tokyo Stock Exchange Trading NeTwork system (ToSTNeT-3) |

3 Details of matters related to the cancellation of the shares repurchased through ToSTNeT-3

- | | | |
|-----|-----------------------------------|--------------------------|
| (1) | Class of shares cancelled: | Common stock of the Bank |
| (2) | Total number of shares cancelled: | 59,523,800 shares |
| (3) | Date of cancellation: | March 17, 2023 |

4 Details of matters related to the repurchase by using the method of market purchases

- | | | |
|-----|---|---|
| (1) | Class of shares repurchased: | Common stock of the Bank |
| (2) | Total number of repurchased shares: | 72,418,800 shares |
| (3) | Aggregate repurchase price of repurchased shares: | ¥79,999,985,300 |
| (4) | Repurchase period: | From March 22, 2023 to April 27, 2023
(excluding the period from March 27 to 31, 2023) |
| (5) | Method of repurchase: | Market purchases under discretionary transaction contracts with respect to the repurchase of shares |

5 Details of the planned cancellation of the shares repurchased by using the method of market purchases

- | | | |
|-----|---|--------------------------|
| (1) | Class of shares to be cancelled: | Common stock of the Bank |
| (2) | Total number of shares to be cancelled: | 72,418,800 shares |
| (3) | Planned date of cancellation: | May 31, 2023 |

V. Matters Concerning Stock Acquisition Rights, etc. of Japan Post Bank

(1) Stock Acquisition Rights, etc., of Japan Post Bank Held by Directors and Executive Officers as of March 31, 2023

Not applicable.

(2) Stock Acquisition Rights, etc., of Japan Post Bank Granted to Employees, etc., during the Fiscal Year Ended March 31, 2023

Not applicable.

VI. Matters Concerning Independent Auditor

(1) Independent Auditor

(Millions of yen)

Name	Compensation, etc., for the fiscal year ended March 31, 2023	Others
KPMG AZSA LLC MAENO Atsuji Designated Limited Liability Partner KANNO Masako Designated Limited Liability Partner OKADA Hideki Designated Limited Liability Partner	215	1) The Audit Committee gave consent to the amount of compensation, etc. for the Independent Auditor as provided in Article 399, Paragraph 1 of the Companies Act, considering the appropriateness of estimates for audit hours and compensation for the fiscal year ended March 31, 2023, after checking the content of the Independent Auditor's audit plan as well as the audit plan and actual audit performance for the previous fiscal year. 2) Japan Post Bank paid consideration to the Independent Auditor for consignment, etc., of capital adequacy assessment process based on procedures agreed on by Japan Post Bank and Independent Auditor, which are not included among the services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

Notes:

1. The figure is rounded down.
2. The audit contract between Japan Post Bank and the Independent Auditor does not separate the compensation for the audit pursuant to the Companies Act from the compensation for the audit in accordance with Financial Instruments and Exchange Act. Moreover, it is practically impossible to separate the two. Accordingly, the above amount is total of such compensation.
3. The total amount of monetary and other property benefits that are to be paid by Japan Post Bank and its subsidiary corporations or entities is ¥298 million.

(2) Liability Limitation Agreement

Not applicable.

(3) Indemnity Agreement

- 1) Indemnity agreement with the independent auditor in office

Not applicable.

2) Matters concerning execution of indemnity agreement

Not applicable.

(4) Other Matters Concerning Independent Auditor

1) Policy for Decision on Dismissal or Non-Reappointment of Independent Auditor

The Audit Committee has a policy to dismiss the Independent Auditor when it has judged that the Independent Auditor falls under each Item of Article 340, Paragraph 1 of the Companies Act.

In addition, the Audit Committee has a policy to determine the content of a proposal to be submitted to the General Meeting of Shareholders concerning the dismissal or non-reappointment of Independent Auditor when it is judged necessary upon comprehensive review of the status, etc., on the execution of duties of the Independent Auditor.

2) In the Case of a Large Company as Stipulated in Article 444, Paragraph 3 of the Companies Act, and Where an Audit (Limited to Those under the Provisions of the Companies Act or the Financial Instruments and Exchange Act, or Equivalent Laws in Foreign Jurisdictions) of Financial Statements (And Their Equivalents) of Important Subsidiary Corporations or Entities of a Bank is Conducted by the Audit Firm (Including a Body with an Equivalent Qualification in a Foreign Jurisdiction), or an Audit is Conducted by a Certified Public Accountant (Including a Foreign Certified Public Accountant as Provided in Article 16-2 Paragraph 5 of the Certified Public Accountants Act) Other than the Independent Auditor of the Bank, Details Thereof:

Not applicable.

VII. Basic Policy Concerning Persons Who Control the Decisions on Financial and Business Policies

Not applicable.

VIII. Matters Concerning Specified Wholly-Owned Subsidiaries

Not applicable.

IX Matters Concerning Transactions with Parent Companies and Others

1) Matters to Avoid Compromising Our Own Interest in Such Transactions

We have concluded agreements, and are conducting transactions with members of Japan Post Group which is comprised of the parent company, Japan Post Holdings, and its subsidiaries and affiliates.

At the time of conclusion and revision of the agreements, we check their purpose and necessity, appropriateness of the transaction terms (in accordance with arm's-length rule set out under the Banking Act).

2) Determination at the Board of Directors Regarding Whether or Not Such Transactions Compromise Our Own Interest and Reasons Thereof

We have set out internal rules that govern intragroup transactions to establish a framework whereby the contracting departments confirm the purpose and necessity of transactions and appropriateness of the transaction terms in advance, which when necessary undergo an examination by Legal Affairs Department, Corporate Planning Department and other departments, and moreover, receive a resolution by the Board of Directors.

The Board of Directors confirmed that the transactions with Japan Post Holdings is duly appropriate based on its confirmation that the Bank's framework for managing intragroup transactions is operating appropriately, as described above.

While we maintain close relationship with Japan Post Holdings including personal and capital relations, we make decisions at our own responsibility, and independently manage and operate our business.

3) Opinions of the Board of Directors If They Differ from Those of Outside Directors

Not applicable.

X Matters Concerning Accounting Advisors

(1) Liability Limitation Agreement

Not applicable.

(2) Indemnity Agreement

1) Indemnity agreement with accounting advisors in office

Not applicable.

2) Matters concerning execution of indemnity agreement

Not applicable.

XI Others

Where specified in the Articles of Incorporation in accordance with provisions in Article 459, Paragraph 1 of the Companies Act, Japan Post Bank's policies for the exercise of authorities granted to the Board of Directors under the said provisions of the Articles of Incorporation (Policy for Determining Distribution of Surplus, etc.)

Article 39, Paragraph 1 of the Articles of Incorporation of Japan Post Bank stipulates that "Japan Post Bank shall prescribe rules on each Item provided for in Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, unless otherwise stipulated by laws and regulations."

Providing returns to our shareholders is one of our most important management goals. Our basic dividend policy is to provide stable dividends to shareholders while maintaining sufficient retained earnings for sound operations in light of the public nature of the banking business.

In the Medium-term Management Plan (the fiscal year ended March 31, 2022 through the fiscal year ending March 31, 2026), We had the basic dividend policy that "Taking into consideration the balance between shareholder returns, financial soundness and growth investments, 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 the fiscal year ended March 31, 2022."

Under our basic dividend policy, we declared dividends per share of ¥50 for the fiscal year ended March 31, 2023 (dividend payout ratio of 57.5%)