

## Section 9 Trends in Postal Service and Correspondence Delivery Business

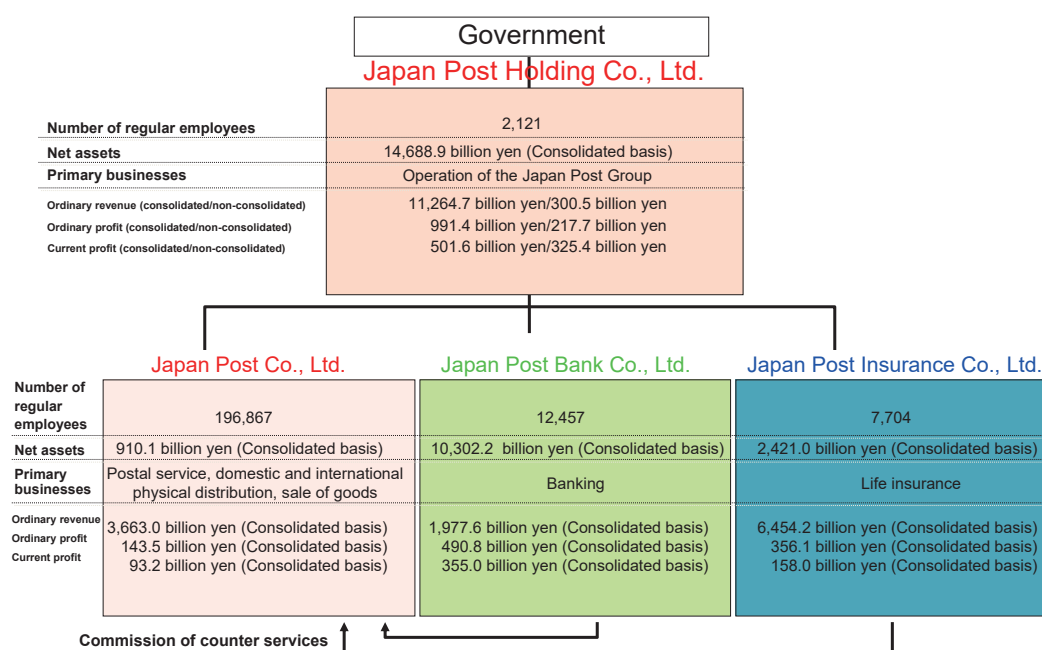
### 1. Postal service

#### (1) Japan Post Group

Since October 1, 2012, Japan Post Group has a four-company structure under Japan Post Holdings Co., Ltd. (Figure 3-9-1-1). Japan Post Holdings holds 100% of

the issued stocks of Japan Post, 89.0% of the issued stocks of Japan Post Bank and 59.9% of the issued stocks of Japan Post Insurance (as of the end of February 2022).

Figure 3-9-1-1 Organization of the Japan Post Group



\*1 Numbers of (regular) employees, branch offices, etc. are as of September 20, 2021

\*2 "Current profit" of the respective companies is "current profit belonging to the shareholders of the parent company" or "current loss belonging to the shareholders of the parent company"

(Source) Prepared from 2022 March settlement materials, 2021 disclosure document, etc.

In the fiscal 2021 consolidated statement of the Japan Post Group, ordinary revenue was about 11.3 trillion

yen, while current profit was 501.6 billion yen (Figure 3-9-1-2).

Figure 3-9-1-2 Financial status of the Japan Post Group

(100 million yen)

Fiscal year	2016	2017	2018	2019	2020	2021
Ordinary revenue	133,265	129,203	127,749	119,501	117,204	112,647
Ordinary profit	7,952	9,161	8,306	8,644	9,141	9,914
Current profit	-289	4,606	4,794	4,837	4,182	5,016

(Source) Prepared from "Summary of Settlement of Accounts" of Japan Post Holding

## (2) Japan Post Co., Ltd.

### i Financial condition

In the fiscal 2021 consolidated statement of the Japan Post, operating revenue was about 3.6569 trillion yen, operating profit was 148.2 billion yen, ordinary profit was 143.5 billion yen, and current profit was 93.2 billion yen: both income and profit decreased.

By business segment, operating revenue of the postal

service/physical distribution was 2.412 trillion yen, operating expenses were 1.9389 trillion yen, and operating profit was 102.2 billion yen decreasing 21.4 billion yen over the previous term, while operating revenue of the post office counter service was 1.517 trillion yen, operating expenses were 1.1272 trillion yen, and operating profit was 24.5 billion yen decreasing 13.1 billion yen over the previous term (**Figure 3-9-1-3**).

**Figure 3-9-1-3 Changes in operating profit/loss of Japan Post (consolidated)**

(100 million yen)

Fiscal year	2016	2017	2018	2019	2020	2021
Postal/physical distribution	120	419	1,213	1,475	1,237	1,022
Post office counter service	633	397	596	445	377	245
International physical distribution	56	102	103	-86	35	287
Japan Post (consolidated)	534	865	1,820	1,790	1,550	1,482

\*The business segment "financial counter service" was renamed to "post office counter service" in the fiscal term ending March 2022.

(Source) Prepared from Japan Post Holdings, "Summary of Settlement of Accounts"

Operating profit of the postal service of Japan Post was 24.0 billion yen in fiscal 2020.



Related data

Balance of postal service

Source: Prepared from Japan Post Co., Ltd., "Status of postal service balance"

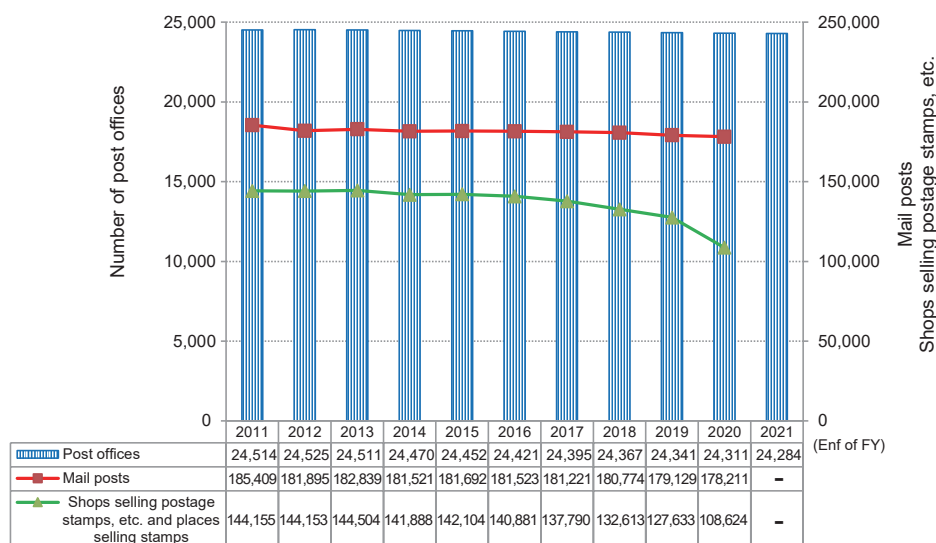
URL: [https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data\\_collection.pdf#3-9-3](https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data_collection.pdf#3-9-3) (Data Collection)

### ii Number of postal-service-related facilities

At the end of fiscal 2021, the Number of post offices

was 24,284. The number has been almost flat (**Figure 3-9-1-4**).

**Figure 3-9-1-4 Changes in the number of postal-service-related facilities**



(Source) Prepared from materials disclosed by Japan Post Group, and Japan Post's website "Information on the number of postal offices (open data)"

Looking at the details of the number of post offices at the end of fiscal 2021: the number of directly managed post offices (including satellite offices and currently

closed offices) is 20,145, while the number of simple post offices (including currently closed simple post offices) was 4,139.



**Related data**

Breakdown of the number of post offices (end of fiscal 2021)

Source: Prepared from Japan Post Co., Ltd. Website, "Information on the number of postal offices (open data)"

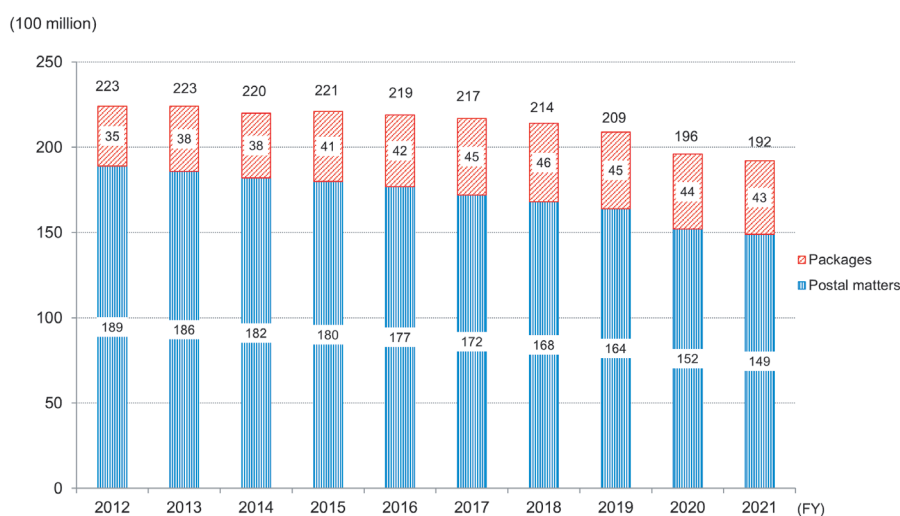
URL: [https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data\\_collection.pdf#3-9-5](https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data_collection.pdf#3-9-5) (Data Collection)

**iii Number of accepted postal matters**

19.19273 billion in fiscal 2021 (**Figure 3-9-1-5**).

The total number of accepted postal matters was

**Figure 3-9-1-5 Changes in the total number of accepted postal matters**



\* Yu-pack and Yu-mail are not small parcels under the Postal Act, but freight under the Motor Truck Transportation Business Act  
(Source) Japan Post material, annual "Number of accepted postal matters, etc."

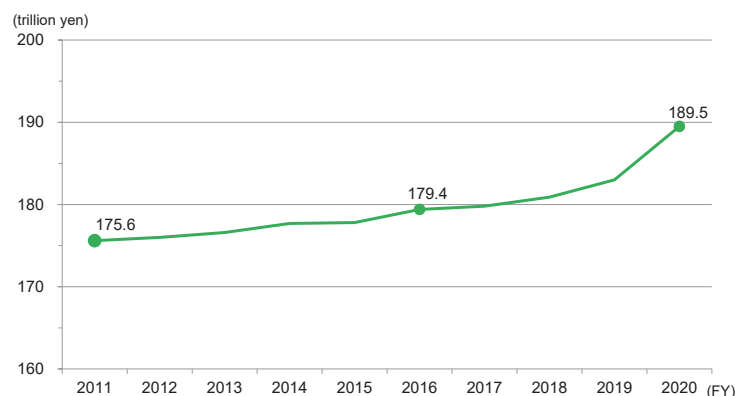
**(3) Japan Post Bank Co., Ltd.**

Japan Post Bank conducts business at 233 directly managed offices, while commissioning agency services to about 20,000 post offices.

The balance of deposits of Japan Post Bank (including

postal savings since the time of the government management) was 189.5 trillion yen at the end of fiscal 2020. The balance decreased 70.5 trillion yen (27.1%) from the peak at 260.0 trillion yen at the end of fiscal 1999.

**Figure 3-9-1-6 Changes in the balance of deposits with Japan Post Bank**



\*Figures are sum of the deposits before and after the Japan Post privatization  
(Source) Prepared from the statement of accounts of Japan Post Bank

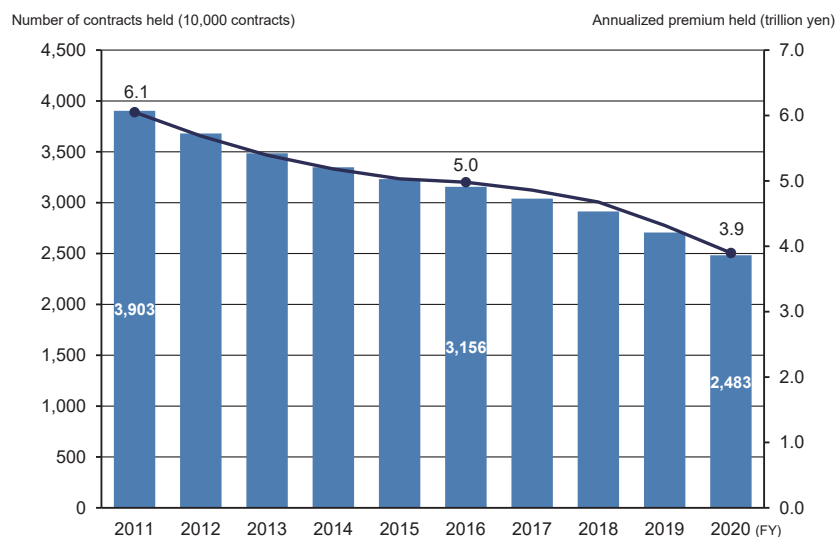
#### (4) Japan Post Insurance Co., Ltd.

Japan Post Bank conducts business at 82 directly managed offices, while commissioning agency services to about 20,000 post offices.

The number of insurance contracts with Japan Post Insurance (including postal life insurance during the

time of the government management) was 24.83 million at the end of fiscal 2020. The number decreased 59.49 million (70.5%) from the peak of 84.32 million at the end of fiscal 1996. Annualized premiums also decreased by 3.8 trillion yen (49.3%) from 7.7 trillion yen at the end of fiscal 2008 to 3.9 trillion yen at the end of fiscal 2020.

**Figure 3-9-1-7 Changes in the number of contracts with and annualized premium held by Japan Post Insurance**



(Source) Prepared from the statement of accounts of Japan Post Insurance

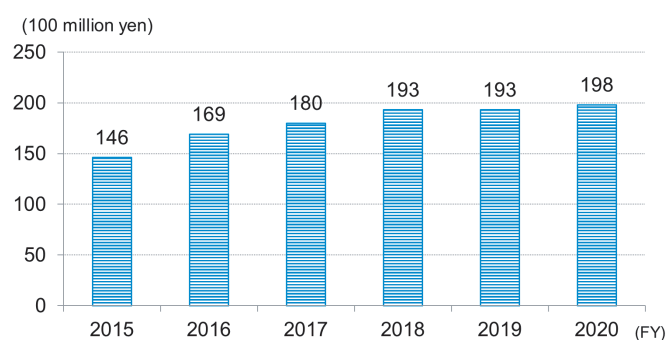
## 2. Correspondence delivery service

### (1) Sales of correspondence delivery service

In fiscal 2020, sales of specified correspondence deliv-

ery service was 19.8 billion yen, increasing 2.6% from the previous fiscal year (**Figure 3-9-2-1**).

**Figure 3-9-2-1 Changes in the sales of correspondence delivery service operators**

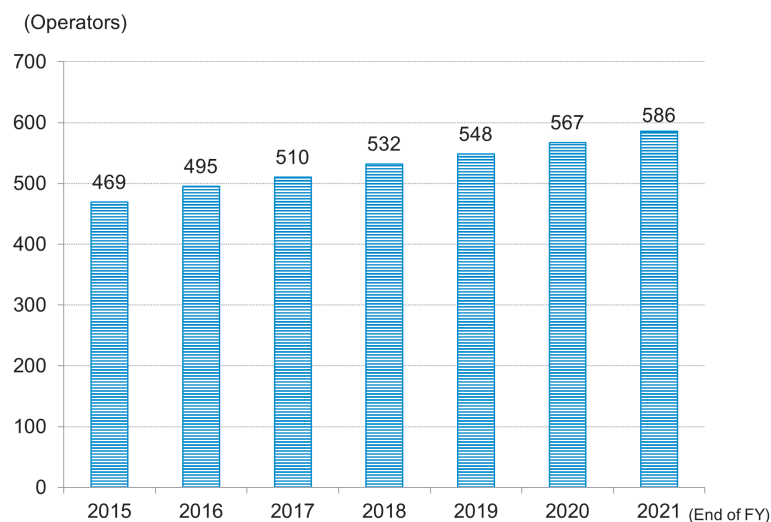


## (2) Number of correspondence delivery service operators

After the enforcement of the Act on Correspondence Delivery by Private Business Operators (Act No. 99 of 2002) in April 2003, there has been no entry into general correspondence delivery service<sup>107</sup>, but entry into speci-

fied correspondence delivery service<sup>108</sup> is steadily increasing: there were 586 entries as of the end of fiscal 2021 (**Figure 3-9-2-2**). By type of provided service, providers of Class 1 and Class 3 services are increasing.

**Figure 3-9-2-2 Changes in the number of correspondence delivery service operators**



Related data  
Changes in the number of business operators by type of service (specified correspondence delivery service)  
URL: [https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data\\_collection.pdf#3-9-9](https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data_collection.pdf#3-9-9) (Data Collection)

## (3) Record of handled correspondences

In fiscal 2020, the number of accepted correspondence-

es was 21.05 million, increasing 1.0% from the previous fiscal year.



Related data  
Changes in the amount of accepted correspondence mail  
URL: [https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data\\_collection.pdf#3-9-10](https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data_collection.pdf#3-9-10) (Data Collection)



Data related to Chapter 3  
Changes and forecasts for the size of ICT markets in the world (video distribution, music distribution, mobile application, Web conference, router/switch, optical transmission equipment, FTTH equipment, macro cell stations, indoor small cell, LPWA, smartphone, tablets, wearable terminals, domestic/consumer robots, AI speaker, AR/VR, IoT devices)  
Source: Omdia  
URL: [https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data\\_collection.pdf#3-R-1](https://www.soumu.go.jp/johotsusintokei/whitepaper/eng/WP2022/data_collection.pdf#3-R-1) (Data Collection)

<sup>107</sup> “Nationwide full-scale entry” business that can deliver all types of correspondences on condition of providing general correspondence service across the country

<sup>108</sup> Innovative “specified service” business that needs to satisfy either of Specified Correspondences Service Class 1, 2 or 3.