



## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2020	Yen -	Yen 38.00	Yen -	Yen 38.00	Yen 76.00
Fiscal year ending March 31, 2021	-				
Fiscal year ending March 31, 2021 (Forecast)		0.00	-	76.00	76.00

(Note) Revisions to the most recently announced dividend forecast: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	6,850,000	(5.0)	200,000	(30.2)	124,000	(17.7)	220.48

(Note) Revisions to the most recently announced financial results forecast: No

**\* Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No
- (2) Adoption of special accounting methods in the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Total number of shares issued (common stock)
  - 1) Total number of shares issued at the end of the period:
    - June 30, 2020: 562,600,000 shares
    - March 31, 2020: 562,600,000 shares
  - 2) Total number of treasury stock at the end of the period:
    - June 30, 2020: 178,000 shares
    - March 31, 2020: 178,000 shares
  - 3) Average number of shares during the period:
    - Three months ended June 30, 2020: 562,422,000 shares
    - Three months ended June 30, 2019: 566,881,417 shares

(Note) Total number of treasury stock at the end of the period includes shares of the Company held in the Board Benefit Trust (BBT), namely 166,900 shares as of June 30, 2020, and 166,900 shares as of March 31, 2020.

The average number of treasury stock held in the BBT (166,900 shares for the three months ended June 30, 2020 and 180,548 shares for the three months ended June 30, 2019) was deducted from the calculation of the average number of shares during the three months ended June 30, 2020 and 2019.

\* The summary of quarterly consolidated financial results is outside the scope of quarterly review by certified public accountants or audit corporations.

\* Explanation on the appropriate use of financial results forecasts, and other notes  
(Cautionary note concerning forward-looking statements)

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by the Company at the time of this document's disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in the operating environment.

(Supplementary briefing materials on financial results)

The Company has prepared supplementary briefing materials, etc. in relation to financial information, which can be viewed on the Company's website.

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## 1. Unaudited Consolidated Financial Statements and Principal Notes

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>ASSETS:</b>		
Cash and deposits	1,410,298	1,002,093
Call loans	380,000	190,000
Receivables under securities borrowing transactions	3,191,710	2,766,590
Monetary claims bought	318,581	328,099
Money held in trust	3,056,072	3,408,182
Securities	55,870,557	55,801,453
Loans	5,662,748	5,708,727
Tangible fixed assets	110,219	108,562
Intangible fixed assets	135,010	126,041
Agency accounts receivable	45,587	41,878
Reinsurance receivables	4,057	3,956
Other assets	306,596	303,376
Deferred tax assets	1,173,789	1,013,306
Reserve for possible loan losses	(448)	(468)
<b>Total assets</b>	<b>71,664,781</b>	<b>70,801,800</b>
<b>LIABILITIES:</b>		
Policy reserves and others	64,191,926	63,462,471
Reserve for outstanding claims	461,224	453,826
Policy reserves	62,293,166	61,591,944
Reserve for policyholder dividends	1,437,535	1,416,700
Reinsurance payables	6,595	6,616
Bonds payable	100,000	100,000
Payables under securities lending transactions	4,290,140	3,818,084
Other liabilities	193,449	142,229
Reserve for insurance claims and others	29,722	16,230
Liability for retirement benefits	66,060	66,275
Reserve for management board benefit trust	164	125
Reserve under the special law	858,339	835,942
Reserve for price fluctuations	858,339	835,942
<b>Total liabilities</b>	<b>69,736,400</b>	<b>68,447,975</b>
<b>NET ASSETS:</b>		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	756,665	782,016
Treasury stock	(422)	(422)
<b>Total shareholders' equity</b>	<b>1,661,286</b>	<b>1,686,637</b>
Net unrealized gains (losses) on available-for-sale securities	264,009	664,217
Net deferred gains (losses) on hedges	16	12
Accumulated adjustments for retirement benefits	3,067	2,957
<b>Total accumulated other comprehensive income</b>	<b>267,094</b>	<b>667,187</b>
<b>Total net assets</b>	<b>1,928,380</b>	<b>2,353,825</b>
<b>Total liabilities and net assets</b>	<b>71,664,781</b>	<b>70,801,800</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

## Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
<b>ORDINARY INCOME</b>	1,818,987	1,696,390
Insurance premiums and others	935,876	712,835
Investment income	276,919	260,729
Interest and dividend income	267,698	254,662
Gains on money held in trust	25	-
Gains on sales of securities	8,979	5,786
Gains on redemption of securities	84	264
Gains on foreign exchanges	87	-
Reversal of reserve for possible loan losses	9	-
Other investment income	35	16
Other ordinary income	606,191	722,825
Reversal of reserve for outstanding claims	36,809	7,397
Reversal of policy reserves	568,733	701,221
Other ordinary income	648	14,206
<b>ORDINARY EXPENSES</b>	1,762,984	1,626,434
Insurance claims and others	1,576,681	1,461,956
Insurance claims	1,268,765	1,168,701
Annuity payments	100,110	94,728
Benefits	25,292	27,520
Surrender benefits	137,282	117,433
Other refunds	39,292	47,780
Reinsurance premiums	5,938	5,791
Provision for policy reserves and others	2	2
Provision for interest on policyholder dividends	2	2
Investment expenses	31,113	38,310
Interest expenses	502	609
Losses on money held in trust	-	15,071
Losses on sales of securities	9,905	8,966
Losses on redemption of securities	1,375	2,376
Losses on derivative financial instruments	18,601	10,089
Losses on foreign exchanges	-	259
Provision for reserve for possible loan losses	-	0
Other investment expenses	726	936
Operating expenses	128,010	100,313
Other ordinary expenses	27,177	25,850
Ordinary profit	56,002	69,956
<b>EXTRAORDINARY GAINS</b>	15,669	22,397
Reversal of reserve for price fluctuations	15,669	22,397
<b>EXTRAORDINARY LOSSES</b>	5	16
Losses on sales and disposal of fixed assets	5	16
Provision for reserve for policyholder dividends	20,745	20,400
Income before income taxes	50,921	71,937
Income taxes - Current	36,022	19,008
Income taxes - Deferred	(18,878)	6,199
Total income taxes	17,143	25,207
Net income	33,778	46,729
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	33,778	46,729

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net income	33,778	46,729
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	62,001	400,207
Net deferred gains (losses) on hedges	2	(4)
Adjustments for retirement benefits	(105)	(109)
Total other comprehensive income (loss)	61,898	400,093
Comprehensive income (loss)	95,676	446,822
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	95,676	446,822
Non-controlling interests	-	-

(3) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Additional Information)

On December 27, 2019, the Company received administrative dispositions pursuant to the Insurance Business Act from the Financial Services Agency of Japan, on account of improper solicitation actions and underlying systematic problems. The Company is resolved to treat the implementation of the business improvement plan that it formulated as its top-priority management issue, and is making company-wide efforts. Additionally, the Company has been confirming with all customers with insurance policies whether their insurance policies are in line with their intentions, and compensating customers who have suffered disadvantages.

As of June 30, 2020, the Company has reasonably estimated insurance-related expenses associated with the reinstatement of policies and other actions to compensate for the disadvantages suffered by the customers (the refund of premiums, payments of insurance claims, etc.), and recorded a reserve for insurance claims and others of ¥16,230 million.