

UNOFFICIAL TRANSLATION

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.

May 14, 2021
JAPAN POST INSURANCE Co., Ltd.

Summary of Financial Results for the Fiscal Year Ended March 31, 2021

(1) Policies

		Fiscal Year Ended March 31, 2020		Six Months Ended September 30, 2020		Fiscal Year Ended March 31, 2021	
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2019		Increase (Decrease) as % of Six Months Ended September 30, 2019		Increase (Decrease) as % of Fiscal Year Ended March 31, 2020
Annualized premiums from new policies	(Millions of yen)	147,280	(58.1)	15,075	(88.6)	30,659	(79.2)
Of which, medical coverage, living benefits and others	(Millions of yen)	22,132	(64.1)	688	(96.7)	1,459	(93.4)
Annualized premiums from policies in force	(Millions of yen)	3,556,673	(6.8)	3,364,298	(10.3)	3,197,252	(10.1)
Of which, medical coverage, living benefits and others	(Millions of yen)	393,881	(4.1)	377,924	(8.5)	364,682	(7.4)
Insurance premiums and others	(Millions of yen)	3,245,541	(18.0)	1,417,826	(21.3)	2,697,936	(16.9)
Of which, individual insurance sector	(Millions of yen)	2,767,826	(17.5)	1,217,781	(21.4)	2,315,087	(16.4)
Of which, group insurance sector	(Millions of yen)	—	—	—	—	—	—
Policy amount of policies in force	(Millions of yen)	51,846,228	(6.3)	49,598,827	(8.8)	47,476,095	(8.4)
Policy amount of surrenders and lapses	(Millions of yen)	2,488,350	(3.8)	650,454	(48.5)	1,382,218	(44.5)

* Figures represent those for sums of individual insurance and individual annuities excluding figures of insurance premiums and others.

* Policy amount of surrenders and lapses are not offset by the amounts of lapses which are reinstated.

* Insurance premiums and others from individual insurance sector are the total of premiums from individual insurance and individual annuities; insurance premiums and others from group insurance sector are the total of premiums from group insurance and group annuities.

* Insurance premiums and others are based on statements of income.

* Figures of annualized premiums represent the sum of those of individual insurance and individual annuities. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.)

(2) Assets

(Consolidated Basis)

		As of March 31, 2020		As of September 30, 2020		As of March 31, 2021	
			Increase (Decrease) as % of March 31, 2019		Increase (Decrease) as % of September 30, 2019		Increase (Decrease) as % of March 31, 2020
Total assets	(Millions of yen)	71,664,781	(3.0)	70,397,285	(3.6)	70,172,982	(2.1)
Real net assets	(Billions of yen)	12,350.9	(8.8)	12,417.2	(12.5)	12,081.7	(2.2)
Solvency margin ratio	(%)	1,070.9		1,138.0		1,121.2	

(3) Core profit, Positive spread and Investment yield

		Fiscal Year Ended March 31, 2020		Fiscal Year Ended March 31, 2021		Forecast for the Fiscal Year Ending March 31, 2022
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2019		Increase (Decrease) as % of Fiscal Year Ended March 31, 2020	
Core profit	(Millions of yen)	400,609	6.2	421,943	5.3	To be decreased

		Fiscal Year Ended March 31, 2020		Fiscal Year Ended March 31, 2021		Forecast for the Fiscal Year Ending March 31, 2022
			Increase (Decrease) compared to Fiscal Year Ended March 31, 2019		Increase (Decrease) compared to Fiscal Year Ended March 31, 2020	
Positive spread	(Billions of yen)	80.4	22.0	76.3	(4.1)	To be almost flat

		Fiscal Year Ended March 31, 2020		Fiscal Year Ended March 31, 2021		Forecast for the Fiscal Year Ending March 31, 2022
Investment return on core profit	(%)		1.82		1.82	To be almost flat
Investment yield (General account)	(%)		1.41		1.51	To be almost flat
Average assumed rates of return	(%)		1.69		1.69	To be almost flat

(4) Breakdown of core profit

		Fiscal Year Ended March 31, 2020		Fiscal Year Ended March 31, 2021	
			Increase (Decrease) compared to Fiscal Year Ended March 31, 2019		Increase (Decrease) compared to Fiscal Year Ended March 31, 2020
Positive spread	(Millions of yen)	80,466	22,005	76,330	(4,135)
Core profit attributable to life insurance activities	(Millions of yen)	320,142	1,426	345,612	25,469

(5) Reserves

		As of March 31, 2020		As of September 30, 2020		As of March 31, 2021	
			Increase (Decrease) compared to March 31, 2019		Increase (Decrease) compared to September 30, 2019		Increase (Decrease) compared to March 31, 2020
Policy reserves (excluding contingency reserve)	(Millions of yen)	60,495,799	(2,601,994)	59,100,820	(2,869,915)	57,786,377	(2,709,422)
Reserve for price fluctuations	(Millions of yen)	858,339	(39,152)	830,900	(40,954)	904,816	46,477
Contingency reserve	(Millions of yen)	1,797,366	(165,388)	1,802,661	(77,786)	1,611,343	(186,023)
Contingency funds	(Millions of yen)	—	—	—	—	—	—
Fund for price fluctuation allowance	(Millions of yen)	—	—	—	—	—	—

(6) Unrealized gains (losses)

		As of March 31, 2020		As of September 30, 2020		As of March 31, 2021	
			Increase (Decrease) compared to March 31, 2019		Increase (Decrease) compared to September 30, 2019		Increase (Decrease) compared to March 31, 2020
Securities	(Millions of yen)	7,586,866	(921,596)	7,639,862	(1,703,649)	7,387,246	(199,620)
Domestic stocks	(Millions of yen)	55,159	(225,280)	399,883	121,187	759,966	704,806
Domestic bonds	(Millions of yen)	7,263,044	(680,128)	6,651,677	(1,906,384)	5,995,967	(1,267,076)
Foreign securities	(Millions of yen)	400,455	125,186	547,753	120,474	568,920	168,465
Real estate	(Millions of yen)	—	—	—	—	—	—

* Securities invested as money held in trust are included.

* The Company does not hold real estate.

* Non-consolidated results of Japan Post Insurance are listed.

(7) Investment results

		Actual results for the Fiscal Year Ended March 31, 2021
Domestic stocks	(Millions of yen)	749,099
Domestic bonds	(Millions of yen)	(690,059)
Foreign stocks and others	(Millions of yen)	482,714
Foreign bonds	(Millions of yen)	(42,351)
Real estate	(Millions of yen)	—

* Securities invested as money held in trust are included.

* Non-consolidated results of Japan Post Insurance are listed.

(8) Break-even levels

		As of March 31, 2021
Nikkei Average	(Yen)	20,400
TOPIX	(Point)	1,350
Domestic bonds	(%)	1.1
Foreign securities	(Yen)	70

* The break-even level for stocks is calculated based on valuation method of stocks fully linked to Nikkei Average and TOPIX.

* The break-even level for domestic bonds is translated into a newly-issued 10-year JGB yield and rounded to one decimal place.

* The break-even level for foreign securities is calculated based on the JPY/USD exchange rate.

(9) Outlook for the Fiscal Year Ending March 31, 2022

		Forecast for the Fiscal Year Ending March 31, 2022
Insurance premiums and others		To be almost flat

(10) Number of employees

		As of March 31, 2020		As of September 30, 2020		As of March 31, 2021	
			Increase (Decrease) as % of March 31, 2019		Increase (Decrease) as % of September 30, 2019		Increase (Decrease) as % of March 31, 2020
Sales personnel	(Number of persons)	1,104	(4.3)	1,206	4.1	1,142	3.4
Office personnel	(Number of persons)	6,534	1.1	6,630	(1.3)	6,503	(0.5)

(11) Policyholder dividends (Provision for reserve for policyholder dividends)

		Fiscal Year Ended March 31, 2020		Fiscal Year Ended March 31, 2021	
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2019		Increase (Decrease) as % of Fiscal Year Ended March 31, 2020
Individual insurance/Individual annuities	(Millions of yen)	15,460	(21.5)	18,754	21.3
Others	(Millions of yen)	93,775	1.8	46,710	(50.2)

(12) Bancassurance sales

None

Other Question Items (Fiscal Year Ended March 31, 2021)

* Provision for (reversal of) general account policy reserves associated with minimum guarantee for variable annuities, etc.

None