

**UNOFFICIAL TRANSLATION**

Although Japan Post Insurance pays close attention to providing an English translation of the information disclosed in Japanese, the Japanese original prevails over the English translation in the case of any discrepancy.

May 14, 2021

Company name: JAPAN POST INSURANCE Co., Ltd.  
Representative: SENDA Tetsuya, Director and President, CEO, Representative Executive Officer  
Stock exchange listing: Tokyo Stock Exchange First Section (Code Number: 7181)

**Notice Concerning the Determination of Matters Related to the Acquisition of Treasury Stock**  
**(Acquisition of Treasury Stock Based on the Articles of Incorporation Complying with Article 459, Paragraph 1 of the Companies Act)**

JAPAN POST INSURANCE Co., Ltd. (hereinafter the “Company”) hereby announces that it has resolved matters related to the acquisition of its treasury stock based on Article 39, Paragraph 1 of the Company’s Articles of Incorporation complying with Article 459, Paragraph 1, Item 1 of the Companies Act at a meeting of the Board of Directors held on May 14, 2021, as described below.

**1. Reason for the acquisition of treasury stock**

The acquisition of treasury stock will be implemented with the aim of improving capital efficiency and enhancing shareholder returns. It is also intended to further advance the privatization of the postal service and lead to the relaxation of certain legal restrictions under the Postal Service Privatization Act (hereinafter, the “additional restrictions”), that are not applicable to other life insurance companies, by reducing the voting rights held in the Company by JAPAN POST HOLDINGS Co., Ltd. to 50% or less of total voting rights.

The Company and JAPAN POST HOLDINGS Co., Ltd. will commence the implementation of their new Medium-term Management Plan in the fiscal year ending March 2022. By relaxing additional restrictions, the Company will further provide new products and services to contribute to “Customer-first business operations” and enhance corporate value.

**2. Details of the acquisition**

- (1) Class of shares to be acquired: Common stock of the Company
- (2) Total number of shares to be acquired: 162,906,300 shares (maximum)  
(The ratio of the total number of shares to be acquired to the total number of shares issued (excluding treasury stock): 29.0%)
- (3) Total amount of shares to be acquired: 439,847,010,000 yen (maximum)
- (4) Acquisition date: May 17, 2021

- (5) Method of acquisition: Purchases through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) of Tokyo Stock Exchange, Inc.
- (6) In addition to the matters described above, any matters required for the acquisition of treasury stock shall be determined at the sole discretion of the President, CEO, Representative Executive Officer of the Company or a person appointed by the President, CEO, Representative Executive Officer of the Company.

Following the resolution by the Board of Directors of the Company to acquire its treasury stock, JAPAN POST HOLDINGS Co., Ltd. has notified the Company of its plan to place a sell order of 162,876,300 shares against the purchase in the future when the Company makes a decision on the implementation and conditions (acquisition price) of the share acquisition based on the resolution by the Board of Directors.

JAPAN POST HOLDINGS Co., Ltd. has also notified the Company that it plans to dispose of such number of shares as results from deducting the number of shares sold through the share acquisition from 162,906,300 shares plus an additional 400,000 shares through a trust for share disposal. JAPAN POST HOLDINGS Co., Ltd. will hold 49.90% of voting rights in the Company after the said transaction. JAPAN POST HOLDINGS Co., Ltd. will remain a parent company of the Company.

### **3. Matters pertaining to transactions with controlling shareholders**

JAPAN POST HOLDINGS Co., Ltd., which is the controlling shareholder of the Company, may sell a portion of the Company's shares that it holds in connection with the Company's acquisition of treasury stock, and this transaction falls under "the significant transactions with controlling shareholders" prescribed in Rule 441-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

The "Guidelines for Measures to Protect Minority Shareholders in Transactions with Controlling Shareholders" which were presented in the corporate governance report published by the Company on January 29, 2021 states that the Company has established a framework for the Board of Directors (including outside directors) to resolve to implement important new transactions and amend the terms of important existing transactions in order to ensure the appropriateness of the terms of intra-group transactions.

With regard to the current acquisition of treasury stock, in conformity with the purpose of the abovementioned framework, eight directors who have no special vested interests with the controlling shareholder (including five outside directors), after engaging in adequate discussions, have confirmed and unanimously passed a resolution at the meeting of the Board of Directors held on May 14, 2021 to the effect that the acquisition of treasury stock will be implemented with the aim of improving capital efficiency and enhancing shareholder returns, and is also intended to further advance the privatization of the postal service and lead to the relaxation of additional restrictions by reducing the voting rights held in the Company by JAPAN POST HOLDINGS Co., Ltd. to 50% or less of total voting rights. Mr. MASUDA Hiroya, a director of the Company, did not participate in the resolution on the acquisition of treasury stock as having special vested interests, since he concurrently holds the position of director of

JAPAN POST HOLDINGS Co., Ltd., which is the controlling shareholder of the Company.

In addition, the Company will conduct an acquisition of treasury stock through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) at the closing price of the Company's shares for the day immediately preceding the acquisition date (reflecting final bid-asked quotations) to secure fairness in trading conditions.

Furthermore, on May 14, 2021, the Company received a written opinion from its independent directors (being outside directors who are unlikely to have conflicts of interest with general shareholders of the Company), Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Ms. YAMADA Meyumi, Mr. HARADA Kazuyuki and Mr. YAMAZAKI Hisashi, who are outside directors of the Company, stating that the acquisition of treasury stock will not harm the interests of the minority shareholders because (i) the acquisition of treasury stock will be implemented with the aim of improving capital efficiency and enhancing shareholder returns, and is also intended to further advance the privatization of the postal service and lead to the relaxation of additional restrictions by reducing the voting rights held in the Company by JAPAN POST HOLDINGS Co., Ltd. to 50% or less of total voting rights, and does not aim or intend to harm the interests of minority shareholders; (ii) the resolution for the acquisition of treasury stock at the meeting of the Board of Directors was made by directors who do not have special vested interests with the controlling shareholder as stated above; and (iii) the share acquisition through ToSTNeT-3 will be carried out at market price and, in addition, the fairness of trading conditions and methods is secured, including by creating opportunities for shareholders other than JAPAN POST HOLDINGS Co., Ltd. to participate in the transaction.

As a result, the Company has determined that its actions relating to the acquisition of treasury stock comply with its "Guidelines for Measures to Protect Minority Shareholders in Transaction with Controlling Shareholders."

(Reference) Status of shareholding of treasury stock as of March 31, 2021

Total number of shares issued (excluding treasury stock): 562,588,850 shares

Number of shares of treasury stock: 11,150 shares

(The above number of shares of treasury stock does not include shares of the Company held by the Board Benefit Trust (BBT).)