

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.

**Summary of Consolidated Financial Results
for the Six Months Ended September 30, 2018
[Under Japanese GAAP]**



November 14, 2018

Company Name: JAPAN POST INSURANCE Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
Code Number: 7181 URL: <https://www.jp-life.japanpost.jp/>
Representative: Mitsuhiko Uehira, Director and President, CEO, Representative Executive Officer
Scheduled date of filing quarterly securities report: November 26, 2018
Scheduled date of commencing dividend payments: —
Availability of supplementary briefing materials on quarterly financial results: Available
Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2018	3,898,358	(3.9)	161,600	(4.3)	68,737	34.1
Six months ended September 30, 2017	4,054,859	(6.4)	168,869	56.6	51,273	20.6

(Note) Comprehensive Income (Loss) Six months ended September 30, 2018 ¥71,827 million [(65.5)%]
Six months ended September 30, 2017 ¥208,292 million [-%]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2018	114.60	-
Six months ended September 30, 2017	85.49	-

(Note) Diluted net income per share is not presented as potential common stock did not exist.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2018	74,763,934	2,034,169	2.7
As of March 31, 2018	76,831,261	2,003,126	2.6

Net assets attributable to the Company's shareholders as of September 30, 2018 and March 31, 2018 were ¥2,034,169 million and ¥2,003,126 million, respectively.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2018	Yen -	Yen 0.00	Yen -	Yen 68.00	Yen 68.00
Fiscal year ending March 31, 2019	-	0.00			
Fiscal year ending March 31, 2019 (Forecast)			-	72.00	72.00

- Notes: 1. Revisions to the most recently announced dividend forecast: Yes
2. Dividend per share for the fiscal year ending March 31, 2019 (forecast) consists of ¥68.00 for ordinary dividend and ¥4.00 for special dividend.
3. For details on revisions to the dividends forecast, please refer to “Notice Regarding Revisions to the Full-Year Consolidated Financial Results Forecast and Dividends Forecast” released on November 14, 2018.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2019 (April 1, 2018 to March 31, 2019)

(% 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	7,660,000	(3.7)	260,000	(15.9)	111,000	6.2	185.06

- Notes: 1. Revisions to the most recently announced financial results forecast: Yes
2. For details on revisions to the consolidated financial results forecast, please refer to “Notice Regarding Revisions to the Full-Year Consolidated Financial Results Forecast and Dividends Forecast” released on November 14, 2018.

*** Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No
- (2) 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
- (3) Total number of shares issued (common stock)
- 1) Total number of shares issued at the end of the period:
 - September 30, 2018: 600,000,000 shares
 - March 31, 2018: 600,000,000 shares
 - 2) Total number of treasury stock at the end of the period:
 - September 30, 2018: 191,400 shares
 - March 31, 2018: 198,100 shares
 - 3) Average number of shares during the period:
 - Six months ended September 30, 2018: 599,807,689 shares
 - Six months ended September 30, 2017: 599,786,490 shares

(Note) 191,400 shares and 198,100 shares included in the total number of treasury stock as of September 30, 2018 and March 31, 2018 were shares of the Company held in the Board Benefit Trust (BBT). The average number of treasury stock held in the BBT (192,310 shares for the six months ended September 30, 2018 and 213,509 shares for the six months ended September 30, 2017) was deducted from the calculation of the average number of shares during the six months ended September 30, 2018 and 2017.

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Six Months Ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(1) Non-Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2018	3,898,358	(3.9)	161,529	(4.2)	68,797	34.4
Six months ended September 30, 2017	4,054,858	(6.4)	168,674	56.6	51,202	20.2

	Net income per share
	Yen
Six months ended September 30, 2018	114.70
Six months ended September 30, 2017	85.37

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2018	74,765,583	2,030,925	2.7
As of March 31, 2018	76,832,508	1,999,608	2.6

Net assets attributable to the Company's shareholders as of September 30, 2018 and March 31, 2018 were ¥2,030,925 million and ¥1,999,608 million, respectively.

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

* Explanation on the appropriate use of financial results forecasts, and other notes

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.

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

1. Unaudited Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of September 30, 2018
ASSETS:		
Cash and deposits	898,504	1,016,800
Call loans	265,000	270,000
Receivables under securities borrowing transactions	3,296,222	2,405,941
Monetary claims bought	176,069	325,169
Money held in trust	2,814,873	3,022,091
Securities	60,130,909	58,869,048
Loans	7,627,147	7,180,747
Tangible fixed assets	100,915	110,487
Intangible fixed assets	163,265	156,611
Agency accounts receivable	33,715	22,478
Reinsurance receivables	3,227	3,508
Other assets	368,020	381,903
Deferred tax assets	954,085	999,818
Reserve for possible loan losses	(695)	(674)
Total assets	76,831,261	74,763,934
LIABILITIES:		
Policy reserves and others	69,948,383	68,665,365
Reserve for outstanding claims	548,196	524,954
Policy reserves	67,777,297	66,563,813
Reserve for policyholder dividends	1,622,889	1,576,598
Reinsurance payables	6,033	6,241
Payables under securities lending transactions	3,663,547	2,836,107
Other liabilities	229,514	237,361
Liability for retirement benefits	63,739	65,858
Reserve for management board benefit trust	172	152
Reserve under the special law	916,743	918,677
Reserve for price fluctuations	916,743	918,677
Total liabilities	74,828,135	72,729,764
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	500,044	500,044
Retained earnings	595,846	623,783
Treasury stock	(466)	(450)
Total shareholders' equity	1,595,424	1,623,376
Net unrealized gains (losses) on available-for-sale securities	403,913	407,230
Net deferred gains (losses) on hedges	32	20
Accumulated adjustments for retirement benefits	3,755	3,542
Total accumulated other comprehensive income	407,701	410,792
Total net assets	2,003,126	2,034,169
Total liabilities and net assets	76,831,261	74,763,934

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

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
ORDINARY INCOME	4,054,859	3,898,358
Insurance premiums and others	2,203,556	2,040,437
Investment income	640,960	618,001
Interest and dividend income	587,982	553,912
Gains on money held in trust	41,003	46,341
Gains on sales of securities	11,762	17,577
Gains on redemption of securities	9	114
Reversal of reserve for possible loan losses	-	9
Other investment income	202	46
Other ordinary income	1,210,342	1,239,919
Reversal of reserve for outstanding claims	23,784	23,241
Reversal of policy reserves	1,184,110	1,213,484
Other ordinary income	2,448	3,192
ORDINARY EXPENSES	3,885,989	3,736,758
Insurance claims and others	3,525,753	3,356,240
Insurance claims	2,962,728	2,678,839
Annuity payments	192,882	198,563
Benefits	31,118	40,061
Surrender benefits	237,706	312,459
Other refunds	91,536	114,861
Reinsurance premiums	9,781	11,455
Provision for policy reserves and others	3	3
Provision for interest on policyholder dividends	3	3
Investment expenses	34,315	65,410
Interest expenses	903	444
Losses on sales of securities	18,308	30,454
Losses on redemption of securities	3,096	2,619
Losses on derivative financial instruments	10,757	29,911
Losses on foreign exchanges	212	569
Provision for reserve for possible loan losses	1	-
Other investment expenses	1,034	1,411
Operating expenses	266,092	257,003
Other ordinary expenses	59,824	58,101
Ordinary profit	168,869	161,600
EXTRAORDINARY GAINS	986	-
Gains on sales of fixed assets	986	-
EXTRAORDINARY LOSSES	28,980	2,063
Losses on sales and disposal of fixed assets	155	129
Provision for reserve for price fluctuations	28,825	1,933
Provision for reserve for policyholder dividends	68,815	63,451
Income before income taxes	72,059	96,085
Income taxes - Current	77,398	74,106
Income taxes - Deferred	(56,611)	(46,757)
Total income taxes	20,786	27,348
Net income	51,273	68,737
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	51,273	68,737

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Net income	51,273	68,737
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	157,248	3,316
Net deferred gains (losses) on hedges	(9)	(12)
Adjustments for retirement benefits	(219)	(213)
Total other comprehensive income (loss)	157,019	3,090
Comprehensive income (loss)	208,292	71,827
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	208,292	71,827
Non-controlling interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2017 (From April 1, 2017 to September 30, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	500,044	527,358	(521)	1,526,882
Changes in the period					
Cash dividends			(36,000)		(36,000)
Net income attributable to Japan Post Insurance			51,273		51,273
Disposals of treasury stock				42	42
Net changes in items other than shareholders' equity in the period					
Net changes in the period	-	-	15,273	42	15,315
Balance at the end of the period	500,000	500,044	542,632	(478)	1,542,198

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	321,904	50	4,366	326,321	1,853,203
Changes in the period					
Cash dividends					(36,000)
Net income attributable to Japan Post Insurance					51,273
Disposals of treasury stock					42
Net changes in items other than shareholders' equity in the period	157,248	(9)	(219)	157,019	157,019
Net changes in the period	157,248	(9)	(219)	157,019	172,335
Balance at the end of the period	479,152	40	4,147	483,340	2,025,538

Six months ended September 30, 2018 (From April 1, 2018 to September 30, 2018)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	500,044	595,846	(466)	1,595,424
Changes in the period					
Cash dividends			(40,800)		(40,800)
Net income attributable to Japan Post Insurance			68,737		68,737
Disposals of treasury stock				15	15
Net changes in items other than shareholders' equity in the period					
Net changes in the period	-	-	27,937	15	27,952
Balance at the end of the period	500,000	500,044	623,783	(450)	1,623,376

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	403,913	32	3,755	407,701	2,003,126
Changes in the period					
Cash dividends					(40,800)
Net income attributable to Japan Post Insurance					68,737
Disposals of treasury stock					15
Net changes in items other than shareholders' equity in the period	3,316	(12)	(213)	3,090	3,090
Net changes in the period	3,316	(12)	(213)	3,090	31,043
Balance at the end of the period	407,230	20	3,542	410,792	2,034,169

(4) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.