

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.

November 14, 2019

JAPAN POST INSURANCE Co., Ltd.

Summary of Financial Results for the Six Months Ended September 30, 2019

(1) Policies

		Six Months Ended September 30, 2019		Fiscal Year Ended March 31, 2019	Six Months Ended September 30, 2018	
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2019			Increase (Decrease) as % of Six Months Ended September 30, 2018
Annualized premiums from new policies	(Millions of yen)	131,949	—	(28.5)	351,570	184,642
Of which, medical coverage, living benefits and others	(Millions of yen)	21,136	—	(36.1)	61,618	33,073
Annualized premiums from policies in force	(Millions of yen)	3,749,065	(1.8)	(2.5)	3,816,419	3,844,055
Of which, medical coverage, living benefits and others	(Millions of yen)	412,838	0.5	3.3	410,929	399,655
Insurance premiums and others	(Millions of yen)	1,801,184	—	(11.7)	3,959,928	2,040,437
Of which, individual insurance sector	(Millions of yen)	1,549,937	—	(10.0)	3,353,120	1,721,683
Of which, group insurance sector	(Millions of yen)	—	—	—	—	—
Policy amount of policies in force	(Millions of yen)	54,358,504	(1.8)	(1.8)	55,331,354	55,344,148
Policy amount of surrenders and lapses	(Millions of yen)	1,261,810	—	(3.4)	2,586,564	1,305,721

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

* Policy amounts 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.

* 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.)

* Increase (decrease) as % of fiscal year ended March 31, 2019 and six months ended September 30, 2018 show rate of increase or decrease.

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

(2) Assets

(Consolidated Basis)

		As of September 30, 2019		As of March 31, 2019	As of September 30, 2018	
			Increase (Decrease) as % of March 31, 2019			Increase (Decrease) as % of September 30, 2018
Total assets	(Millions of yen)	73,034,186	(1.2)	(2.3)	73,905,017	74,763,934
Real net assets	(Billions of yen)	14,189.0	4.8	19.3	13,535.7	11,891.2
Solvency margin ratio	(%)	1,189.5	(0.3)	82.1	1,189.8	1,107.4

* Increase (decrease) as % of March 31, 2019 and September 30, 2018 show rate of increase or decrease. (Solvency margin ratio shows points of increase or decrease.)

(3) Core profit and Positive spread

		Six Months Ended September 30, 2019			Fiscal Year Ended March 31, 2019	Six Months Ended September 30, 2018
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2019	Increase (Decrease) as % of Six Months Ended September 30, 2018		
Core profit	(Millions of yen)	205,709	—	(0.7)	377,176	207,183

* Increase (decrease) as % of six months ended September 30, 2018 shows rate of increase or decrease.

		Forecast for the Fiscal Year Ending March 31, 2020	Results of the Fiscal Year Ended March 31, 2019
Positive spread	(Billions of yen)	To be increased	58.4

(4) Breakdown of core profit

		Six Months Ended September 30, 2019			Fiscal Year Ended March 31, 2019	Six Months Ended September 30, 2018
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2019	Increase (Decrease) as % of Six Months Ended September 30, 2018		
Positive spread	(Millions of yen)	38,578	—	26.0	58,460	30,625
Core profit attributable to life insurance activities	(Millions of yen)	167,130	—	(5.3)	318,715	176,558

* Increase (decrease) as % of six months ended September 30, 2018 shows rate of increase or decrease.

(5) Reserves

		As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Increase (Decrease) Compared to March 31, 2019	Increase (Decrease) Compared to September 30, 2018		
Policy reserves (excluding contingency reserve)	(Millions of yen)	61,970,735	(1,127,058)	(2,553,879)	63,097,793	64,524,615
Reserve for price fluctuations	(Millions of yen)	871,855	(25,637)	(46,822)	897,492	918,677
Contingency reserve	(Millions of yen)	1,880,448	(82,306)	(158,749)	1,962,755	2,039,197
Contingency funds	(Millions of yen)	—	—	—	—	—
Fund for price fluctuation allowance	(Millions of yen)	—	—	—	—	—

* Increase (decrease) compared to March 31, 2019 and September 30, 2018 show actual amounts of increase or decrease.

(6) Unrealized gains (losses)

		As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Increase (Decrease) Compared to March 31, 2019	Increase (Decrease) Compared to September 30, 2018		
Securities	(Millions of yen)	9,343,512	835,049	2,533,636	8,508,462	6,809,875
Domestic stocks	(Millions of yen)	278,696	(1,744)	(174,772)	280,440	453,468
Domestic bonds	(Millions of yen)	8,558,062	614,890	2,301,571	7,943,172	6,256,491
Foreign securities	(Millions of yen)	427,279	152,009	287,782	275,269	139,496
Real estate	(Millions of yen)	—	—	—	—	—

* Securities invested in money held in trust are included.

* The Company does not hold real estate assets.

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

* Increase (decrease) compared to March 31, 2019 and September 30, 2018 show actual amounts of increase or decrease.

(7) Investment results

		Actual results for the first half
Domestic stocks	(Millions of yen)	26,706
Domestic bonds	(Millions of yen)	(796,545)
Foreign stocks and others	(Millions of yen)	145,911
Foreign bonds	(Millions of yen)	(223,850)
Real estate	(Millions of yen)	—

* Securities invested in money held in trust are included.

* The Company does not hold real estate assets.

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

(8) Break-even levels

		As of September 30, 2019
Domestic stocks (Nikkei Average)	(Yen)	18,200
Domestic stocks (TOPIX)	(Point)	1,330
Domestic bonds	(%)	1.0
Foreign securities	(Yen)	74

* The break-even level for stocks are 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, 2020

		Forecast for the Fiscal Year Ending March 31, 2020
Insurance premiums and others		To be decreased
Core profit		To be almost flat

(10) Number of employees

		As of September 30, 2019			As of March 31, 2019	As of September 30, 2018
			Increase (Decrease) as % of March 31, 2019	Increase (Decrease) as % of September 30, 2018		
Sales personnel	(Number of persons)	1,159	0.4	(2.1)	1,154	1,184
Office personnel	(Number of persons)	6,720	4.0	1.4	6,463	6,624

* Increase (decrease) as % of March 31, 2019 and September 30, 2018 show rate of increase or decrease.

(11) Bancassurance sales

None.

Other Items

* Provision for (reversal of) general account policy reserves associated with minimum guarantee for variable annuities, etc.
None.