

Kampo

**Outline of Financial Results for
the Fiscal Year Ended March 31, 2019**

May 15, 2019

 **JAPAN POST INSURANCE**

- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Fiscal Year Ended March 31, 2019.”
- I will first begin with a summary of the financial results in line with the presentation materials prepared for this meeting, followed by a question and answer session.
- In addition, we will mention the primary factors when we focus on the reasons of the increase or decrease of each indicator.
- Please look at page 1.

Summary of Financial Results

	Year ended Mar-19	Year on Year	
Net income	¥ 120.4bn	+ 15.3 %	> Net income was ¥120.4 billion (a 15.3% increase year on year), achieving 108.5% towards the revised full-year financial results forecasts.
Annualized premiums from New policies	(Individual Insurance) ¥ 351.3bn	(6.6) %	> Annualized premiums from new policies for individual insurance were ¥351.3billion, a 6.6% decrease year on year.
	(Medical Care) ¥ 61.6bn	+ 4.1 %	> Annualized premiums from new policies for medical care were ¥61.6 billion, a 4.1% increase year on year.
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 4,677.1bn	(3.8) %	> Annualized premiums from policies in force for individual insurance were ¥4,667.1billion, a 3.8% decrease from the end of the previous fiscal year.
	(Medical Care) ¥ 753.1bn	+ 0.3 %	> Annualized premiums from policies in force for medical care were ¥753.1billion, a 0.3% increase from the end of the previous fiscal year.
Return seeking assets	¥ 10,217.7bn	+ 8.1 %	> Investments in return seeking assets (foreign securities etc.) increased to ¥10,217.7billion a 8.1% increase from the end of the previous fiscal year. > The ratio of return-seeking assets to total assets was 13.8%, increased 1.5points from the end of the previous fiscal year.
EV	(EV) ¥ 3,925.7bn	+ 4.9 %	> Embedded value (EV) was ¥3,925.7billion, a 4.9% increase from the end of the previous fiscal year.
	(Value of new business) ¥ 223.8bn	(1.3) %	> The value of new business decreased 1.3% year on year to ¥223.8billion.
Dividend per share	¥ 72	¥ 68	> The year-end dividend for the year ended March 31, 2019, is ¥72 per share. This includes an ordinary dividend of ¥68 and a special dividend of ¥4.
	Year ended Mar-19	Year ended Mar-18	

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- The financial results can be summed up as you see.
- Net income for the current period was ¥120.4 billion, a 15.3% increase year on year.
- Annualized premiums from new policies for individual insurance decreased to ¥351.3 billion, while annualized premiums from new policies for medical care increased to ¥61.6 billion, a 4.1% increase year on year.
- Although annualized premiums from policies in force for individual insurance decreased slightly to ¥4,677.1 billion year on year, annualized premiums from policies in force for medical care were ¥753.1 billion, a 0.3% increase from the end of the previous fiscal year.
- We increased investment in return-seeking assets such as foreign bonds to ¥10,217.7billion, a 8.1% increase from year on year. The ratio of return-seeking assets to total assets is 13.8%.
- EV increased by 4.9% from the end of the previous fiscal year to ¥3,925.7 billion. The value of new business decreased by 1.3% year on year to ¥223.8 billion.
- As for the year-end dividend for the year ended March 31, 2019, we have decided to pay a year-end dividend of ¥72 per share. This includes an ordinary dividend of ¥68 and a special dividend of ¥4 taking into account the financial results.
- Please look at page 2.

Financial Highlights

Financial Highlights

(¥bn)

	Year ended Mar-18	Year ended Mar-19	Year on year
Ordinary income	7,952.9	7,916.6	(0.5) %
Ordinary profit	309.2	264.8	(14.3) %
Net income ¹	104.4	120.4	+ 15.3 %
Net income per share	¥ 174.21	¥ 200.86	+ ¥ 26.66

Comparison with Forecasts

(¥bn)

Year ended Mar-19 (Financial results forecasts ²)	Achievement
7,660.0	103.4 %
260.0	101.9 %
111.0	108.5 %
¥ 185.06	108.5 %

(¥bn)

	Mar-18	Mar-19	Change
Total assets	76,831.2	73,905.0	(3.8) %
Net assets	2,003.1	2,135.1	+ 6.6 %
Total shareholders' equity	1,595.4	1,675.1	+ 5.0 %

1. Net income attributable to Japan Post Insurance
2. Announced on 14th November, 2018.

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- Next, I would like to explain the financial highlights.
- Ordinary income decreased to ¥7,916.6 billion.
- Ordinary profit decreased year on year to ¥264.8 billion, mainly due to an increase in capital losses, despite a decrease in operating expenses.
- As for net income, reversal of price fluctuations reserve offset the capital losses, which resulted in an increase to ¥120.4 billion.
- Furthermore, total assets were ¥73,905.0 billion and net assets were ¥2,135.1 billion.
- Please look at page 3.

Overview of Financial Statements

Statement of Income			
	Year ended Mar-18	Year ended Mar-19	Change
	(¥bn)		
Ordinary income	7,952.9	7,916.6	(36.2)
Insurance premiums and others	4,236.4	3,959.9	(276.5)
Investment income	1,284.5	1,204.4	(80.1)
Reversal of policy reserves	2,397.9	2,716.7	318.8
Ordinary expenses	7,643.7	7,651.7	8.0
Insurance claims and others	6,890.0	6,868.8	(21.1)
Investment expenses	106.0	146.0	39.9
Operating expenses	533.4	519.8	(13.6)
Ordinary profit	309.2	264.8	(44.3)
Extraordinary gains and losses	(44.3)	17.5	61.8
Provision for reserve for policyholder dividends	117.7	111.8	(5.9)
Income before income taxes	147.1	170.6	23.4
Total income taxes	42.6	50.1	7.4
Net income attributable to Japan Post Insurance	104.4	120.4	15.9

Balance Sheets			
	Mar-18	Mar-19	Change
	(¥bn)		
Total Assets	76,831.2	73,905.0	(2,926.2)
Cash and deposits	898.5	917.7	19.2
Money held in trust	2,814.8	2,787.5	(27.3)
Securities	60,130.9	58,451.5	(1,679.3)
Loans	7,627.1	6,786.0	(841.0)
Fixed assets	264.1	261.6	(2.4)
Deferred tax assets	954.0	1,022.0	68.0
Total Liabilities	74,828.1	71,769.8	(3,058.2)
Policy reserves	67,777.2	65,060.5	(2,716.7)
Reserve for price fluctuations	916.7	897.4	(19.2)
Net assets	2,003.1	2,135.1	132.0
Total shareholders' equity	1,595.4	1,675.1	79.6
Total accumulated other comprehensive income	407.7	460.0	52.3

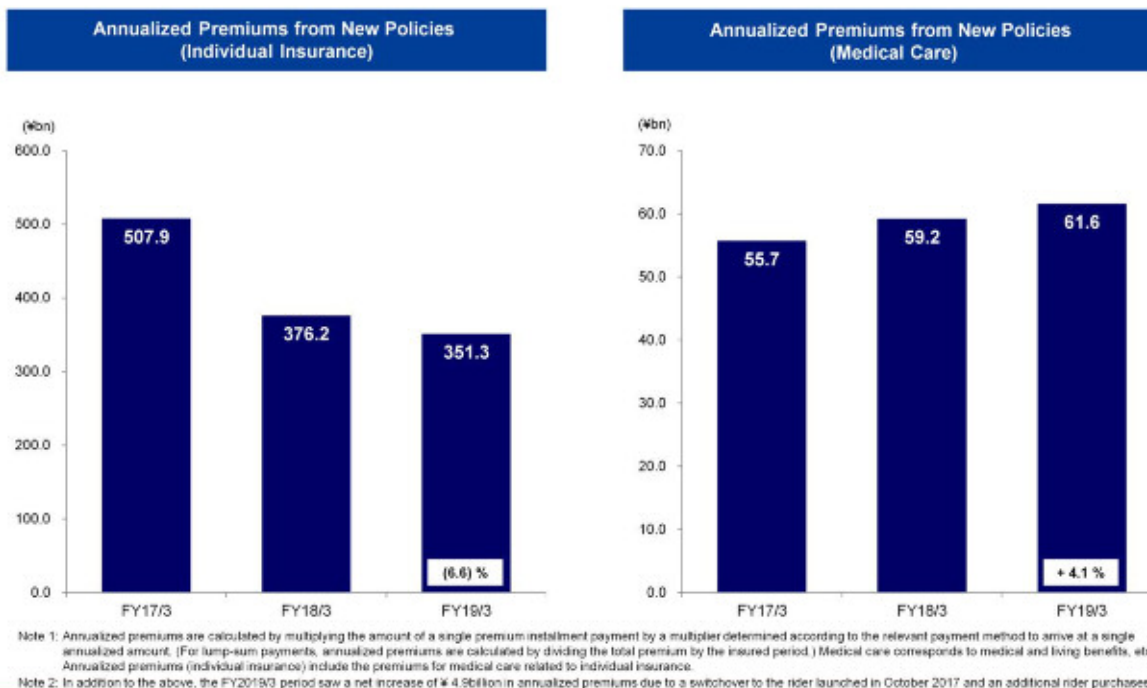
Note: Only major line items are shown.

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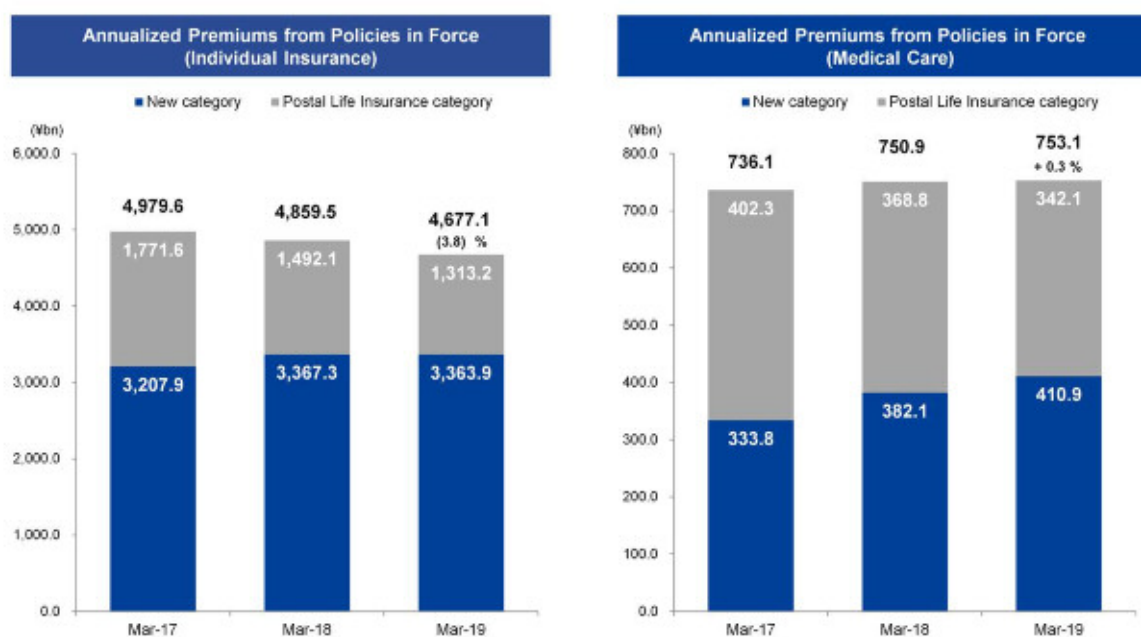
- This is an overview of our financial statements.
- For more information, please refer to the document on financial results.
- Please look at page 4.

Policy Sales (1) Annualized Premiums from New Policies



- From here, I would like to explain our policy sales.
- Annualized premiums from new policies for individual insurance decreased by 6.6% year on year to ¥351.3 billion, mainly due to shifting to protection-type products and new policies sold to younger customers.
- Meanwhile, annualized premiums from new policies for medical care increased by 4.1% year on year to ¥61.6 billion, which was a historical high, following the previous fiscal year.
- Please look at page 5.

Policy Sales (2) Annualized Premiums from Policies in Force

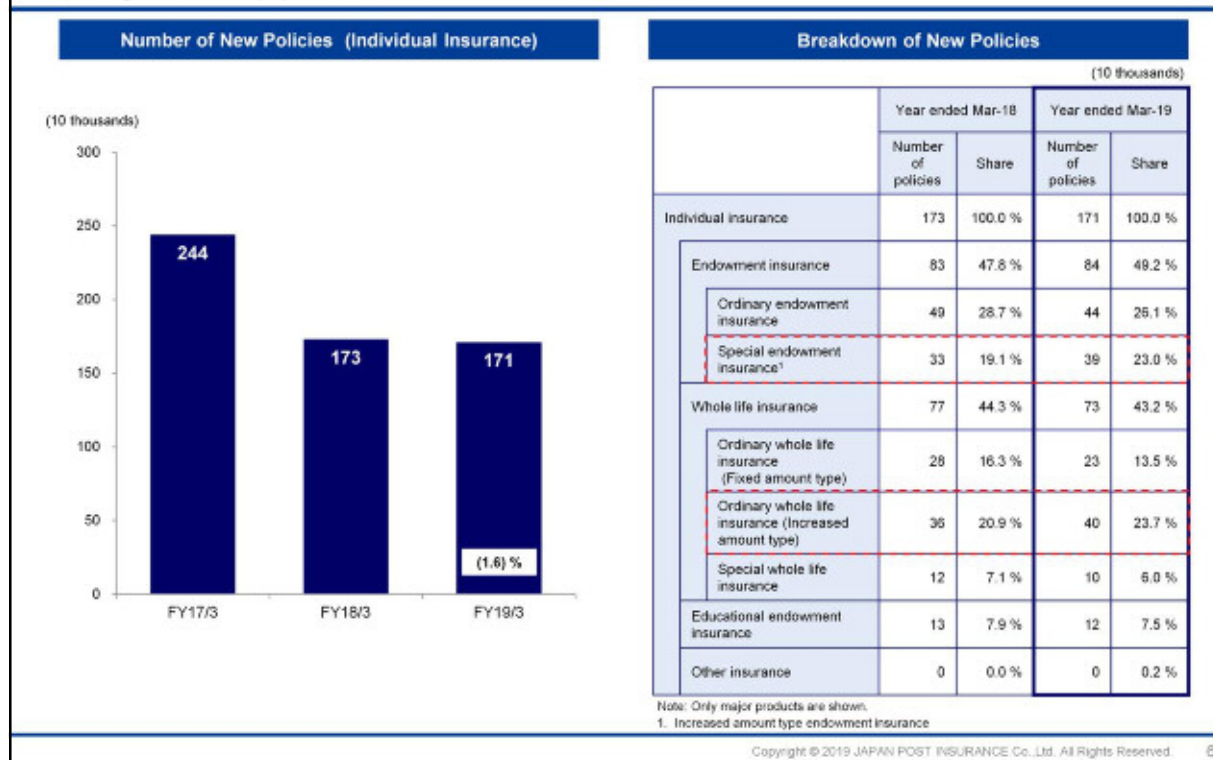


Note: "New category" shows individual insurance policies underwritten by Japan Post Insurance. The "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from the Postal Management and Support Organization (until March 31, 2019, known as "the Management Organization for Postal Savings and Postal Life Insurance")

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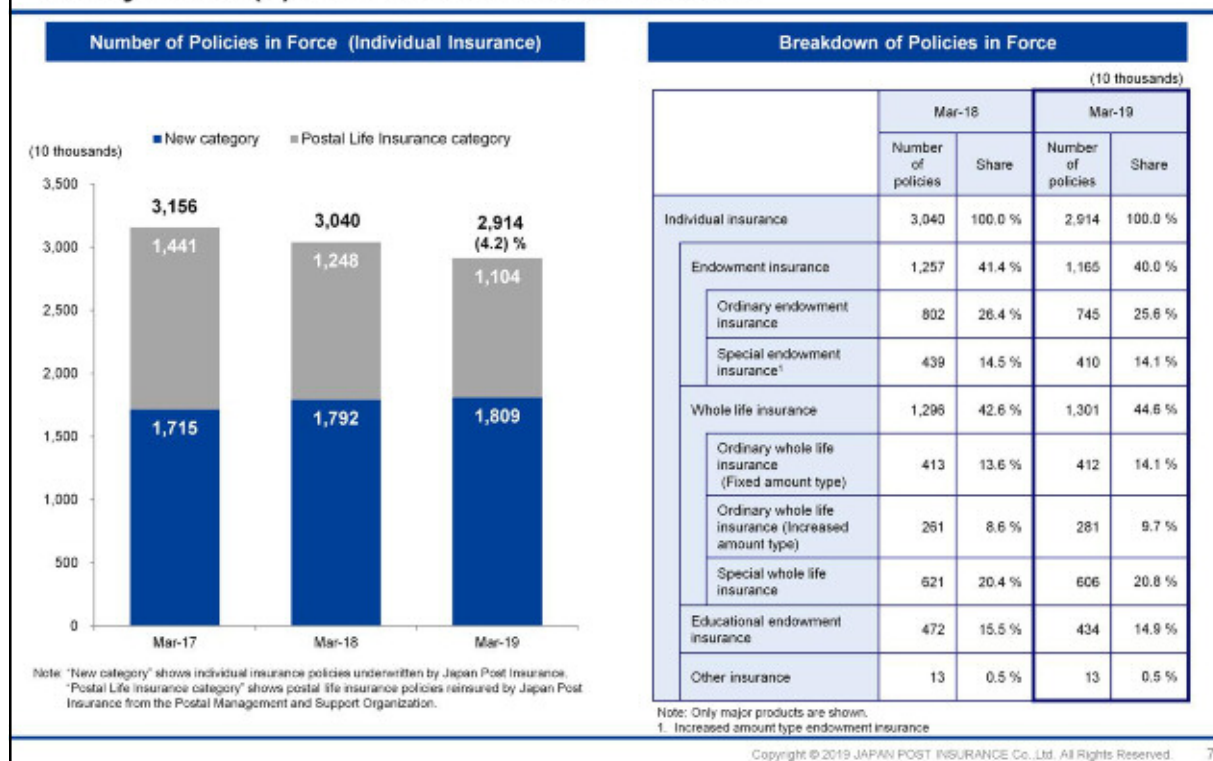
- As shown in the chart on the left, annualized premiums from policies in force for individual insurance were ¥4,677.1 billion, representing a decrease from the end of the previous fiscal year.
- Annualized premiums from policies in force for medical care were ¥753.1 billion, remaining on an upward trend following the previous fiscal year.
- Please look at page 6.

Policy Sales (3) Number of New Policies



- The chart on the left shows changes in the number of new policies, with a breakdown by product on the right.
- The number of new policies acquired decreased by 1.6% year on year to approximately 1.71 million.
- By product, the ratio of special endowment insurance and ordinary whole life insurance (increased amount type) increased to 23.0% and 23.7%, respectively, as a result of sales promotion activities to capture protection needs.
- Please look at page 7.

Policy Sales (4) Number of Policies in Force



- Changes in the number of policies in force and its breakdown are presented on this page.
- The number of policies in force, which is the total of “New category” and “Postal Life Insurance category,” decreased by 4.2% from the end of the previous fiscal year to 29.14 million.
- The breakdown of the number of policies in force by product is shown in the chart on the right.
- Please look at page 8.

Investments (1) Asset Portfolio

Asset Portfolio					Spread and Investment Yield		
	(¥bn)				(¥bn)		
	Mar-18		Mar-19		Year ended Mar-18	Year ended Mar-19	
	Amount	Share	Amount	Share			
Bonds	53,395.2	69.5 %	50,960.1	69.0 %			
Japanese government bonds	39,589.8	51.5 %	38,041.4	51.5 %	Positive spread	65.8	58.4
Japanese local government bonds	8,513.5	11.1 %	7,515.9	10.2 %	Average assumed rates of return ¹	1.71 %	1.70 %
Japanese corporate bonds	5,291.7	6.9 %	5,402.7	7.3 %	Investment return on core profit ²	1.81 %	1.79 %
Return seeking assets ¹	9,450.4	12.3 %	10,217.7	13.8 %	Net capital gains (losses)	(19.1)	(83.7)
Domestic stocks ²	2,040.6	2.7 %	1,756.0	2.4 %			
Foreign stocks ²	342.5	0.4 %	345.5	0.5 %			
Foreign bonds ²	5,545.4	7.2 %	6,708.7	9.1 %			
Other ³	1,521.8	2.0 %	1,407.3	1.9 %			
Loans	7,627.1	9.9 %	6,786.0	9.2 %			
Others	6,358.3	8.3 %	5,940.9	8.0 %			
Cash and deposits, call loans	1,163.5	1.5 %	1,067.7	1.4 %	Interest rate (10Y JGB)	0.045 %	(0.095) %
Receivables under securities borrowing transactions	3,296.2	4.3 %	2,792.2	3.8 %	USD/JPY	¥ 106.24	¥ 110.99
Total assets	76,831.2	100.0 %	73,905.0	100.0 %			

1. Return seeking assets include domestic and foreign stocks, foreign-currency-denominated bonds, investment trusts, etc. held for investment purposes among the assets recorded under "money held in trust" and "securities" on the balance sheet.
2. "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts that invest only in the specified assets.
3. "Bank loans," "multi-asset" and "real estate fund" etc.

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- I would like to move on to the results of investments.
- We mainly invest in bonds from the standpoint of ALM to match yen-denominated interest-bearing assets with yen-denominated interest-bearing liabilities.
- As shown on the left, due to our efforts to diversify our investment assets under the current historically low interest rate environment, the amount of return-seeking assets such as stocks and foreign bonds reached ¥10.2 trillion, which accounts for 13.8% of total assets at the end of the current period.
- As shown in the chart on the right, a positive spread of ¥58.4 billion was achieved, as the average assumed rates of return and the investment return on core profit decreased by 0.01points and 0.02points, respectively.
- Capital losses incorporating losses on derivative financial instruments, etc. turned out to be ¥83.7 billion of capital loss, as a result of an increase in the balance of hedged foreign bonds.
- Please look at page 9.

Investments (2) Fair Value Information of Securities

Fair Value Information of Securities						
	Mar-18			Mar-19		
	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)
Total	62,919.1	70,689.5	7,770.3	61,196.0	69,706.0	8,509.9
Held-to-maturity bonds	38,490.0	44,608.7	6,118.6	36,391.2	43,113.4	6,722.1
Policy-reserve-matching bonds	10,676.3	11,769.6	1,093.2	10,570.0	11,724.3	1,154.3
Available-for-sale securities	13,752.7	14,311.2	558.4	14,234.7	14,868.1	633.4
Securities etc.	11,513.9	11,555.8	41.9	12,000.3	12,240.9	240.6
Bonds	4,474.1	4,508.0	33.8	4,197.3	4,265.4	68.0
Domestic stocks	180.3	190.6	10.2	211.7	200.8	(10.8)
Foreign securities	4,238.9	4,249.5	10.6	5,006.6	5,186.9	180.2
Other securities	2,026.5	2,011.5	(15.0)	1,826.8	1,827.7	0.9
Deposits etc.	593.9	596.0	2.1	757.7	759.9	2.1
Money held in trust	2,238.8	2,755.3	516.4	2,234.3	2,627.2	392.8
Domestic stocks ¹	1,407.1	1,849.9	442.8	1,263.8	1,555.2	291.3
Foreign stocks ¹	273.1	342.5	69.4	269.6	345.5	75.8
Foreign bonds ¹	323.0	326.5	3.4	528.0	550.3	22.2
Other ²	235.5	236.2	0.7	172.7	176.1	3.4

Note: This table only shows securities with a fair value. It also includes the handling of securities under the Financial Instruments and Exchange Act.

1. "Domestic stocks", "foreign stocks" and "foreign bonds" include individual stocks and bonds, as well as investment trusts investing only in the respective assets.

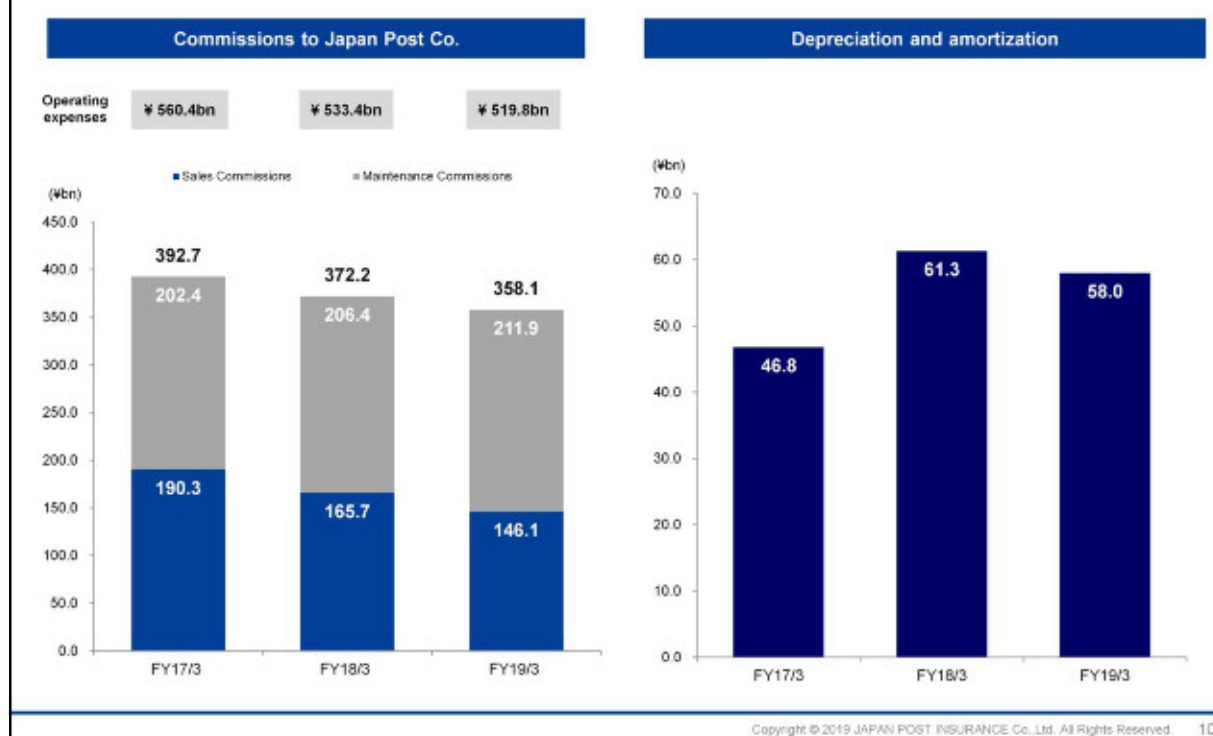
2. "Cash and deposits" and "bank loans" etc.

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- This slide shows the fair value of securities and net unrealized gains or losses.
- Please look at page 10.

Expenses



- Expenses for the period are presented on this page.
- Operating expenses for the current period were ¥519.8 billion, of which approximately 70% consist of commissions paid to Japan Post Co.
- The commissions consist of sales commissions corresponding to actual sales of new policies and maintenance commissions paid mainly for outsourced operations of maintenance and payment services.
- Commissions for the current period decreased by ¥14.1 billion year on year to ¥358.1 billion due to a decline in new policies.
- As shown in the chart on the right, depreciation and amortization decreased by ¥3.2 billion year on year to ¥58.0 billion. This came from the absence of a one-time increase in depreciation and amortization recorded in the previous fiscal year, due to shortening the period of depreciation and amortization owing to the relocation of the IT Systems Management Center.
- Please look at page 11.

Financial Soundness

Internal Reserves				Solvency Margin Ratio			
				(¥bn)			
	Mar-18	Mar-19	Provisions in the period ³		Mar-18	Mar-19	
Contingency reserve	2,114.3	1,962.7	(151.5)	Solvency Margin Ratio	1,131.8 %	1,189.8 %	
Postal Life Insurance category	1,665.0	1,491.4	(173.5)	Total amount of solvency margin	5,595.8	5,647.8	
New category	449.2	471.2	21.9	Total amount of risk	988.8	949.3	
Price fluctuations reserve	916.7	897.4	(19.2)	Real net assets	12,904.8	13,535.7	
Postal Life Insurance category	665.5	661.8	(3.6)				
New category	251.2	235.6	(15.5)				
Additional policy reserve	5,930.4	5,880.1	(50.2)				
Postal Life Insurance ¹ Category	5,913.3	5,866.6	(46.6)				
New category ²	17.0	13.4	(3.5)				

Notes: "Postal Life Insurance category" shows the amounts generated from the postal life insurance policies, and "New category" shows the figures after deduction of "Postal Life Insurance category" from the total.

1. Including the amount determined to be additionally provided over 10 years from the year ended March 31, 2011 for annuity in the postal life insurance policies (for the year ended March 31, 2019, the amount of additional provision was ¥179.8bn and the accumulated amount was ¥1,571.2bn).

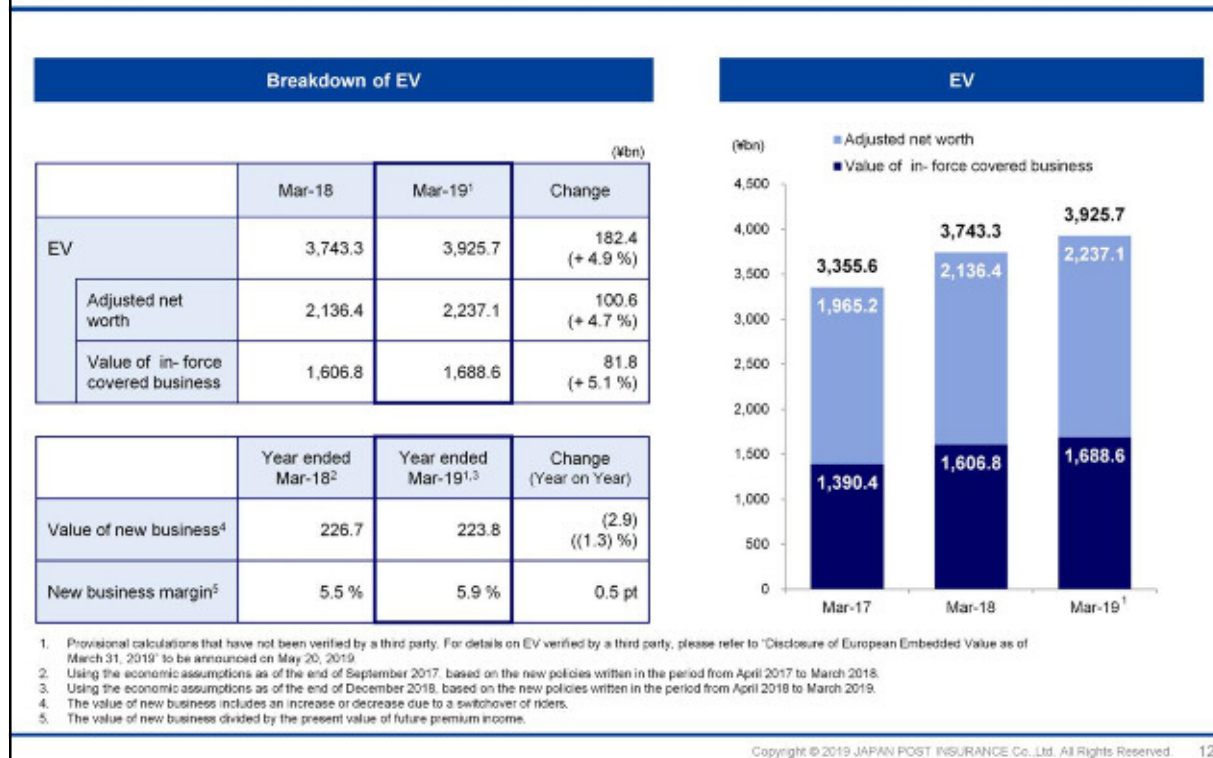
2. The amount accumulated in the year ended March 31, 2018 for single-payment annuity policies among the individual annuities underwritten by Japan Post Insurance.

3. Provisions in the period includes the excess provision of ¥ 14.0bn exceeding the provision requirements for contingency reserve.

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- I would like to report on our financial soundness.
- In order to maintain financial soundness for the stable management in the future, as well as counter risks associated with changes in the business environment, we have accumulated contingency reserves of ¥1,962.7billion and reserves for price fluctuations of ¥897.4 billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥5,880.1 billion at the end of the current period.
- The solvency margin ratio was 1,189.8%, maintaining a high level of soundness.
- Please look at page 12.

Embedded Value



- I would like to talk about the current status of EV.
- EV at the end of the current period was ¥3,925.7 billion, up ¥182.4 billion from the end of the previous fiscal year.
- Adjusted net worth increased by ¥100.6 billion from the end of the previous fiscal year to ¥2,237.1 billion due to the increases in net income.
- The value of in-force covered business increased by ¥81.8 billion from the end of the previous fiscal year to ¥1,688.6 billion due to an increase of new policies, despite a decline in interest rate.
- The value of new business for the current period is calculated based on economic assumption as of the end of December 2018, which is close to the average interest rates from April 2018 to March 2019.
- The value of new business decreased by ¥2.9 billion year on year to ¥223.8 billion, due to a decline in interest rate, despite steady progress in sales of protection-type products.
- The new business margin was 5.9%.
- Please note that the EV for the current period is a preliminary calculation for which we have not yet received third-party verification. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2019" to be announced on May 20, 2019.
- Please look at page 13

Forecasts for Full-year Financial Results and Shareholder Return for the Year Ending March 31, 2020

Full-year Financial Results Forecast

(¥bn)

	Year ended Mar-19 (Actual)	Year ending Mar-20 (Forecast)
Ordinary income	7,916.6	7,180.0
Ordinary profit	264.8	190.0
Net income ¹	120.4	93.0
Net income per share ²	¥ 200.86	¥ 165.12

1. Net income attributable to Japan Post Insurance

2. Net income per share in the consolidated financial results forecasts for the year ending March 31, 2020 has been calculated, considering the impact of the acquisition of the treasury stock on April 8, 2019, and the cancellation of the treasury stock scheduled on May 31, 2019.

Shareholder Return Policy

- Aim for a steady increase in dividends per share while considering earning prospects and financial soundness

Shareholder Return for the Year Ended March 31, 2019

- The year-end dividend for the year ended March 31, 2019, is ¥72 per share, including an ordinary dividend of ¥68 and a special dividend of ¥4.
- Share repurchase in April 2019 (Approx. ¥ 100.0bn)

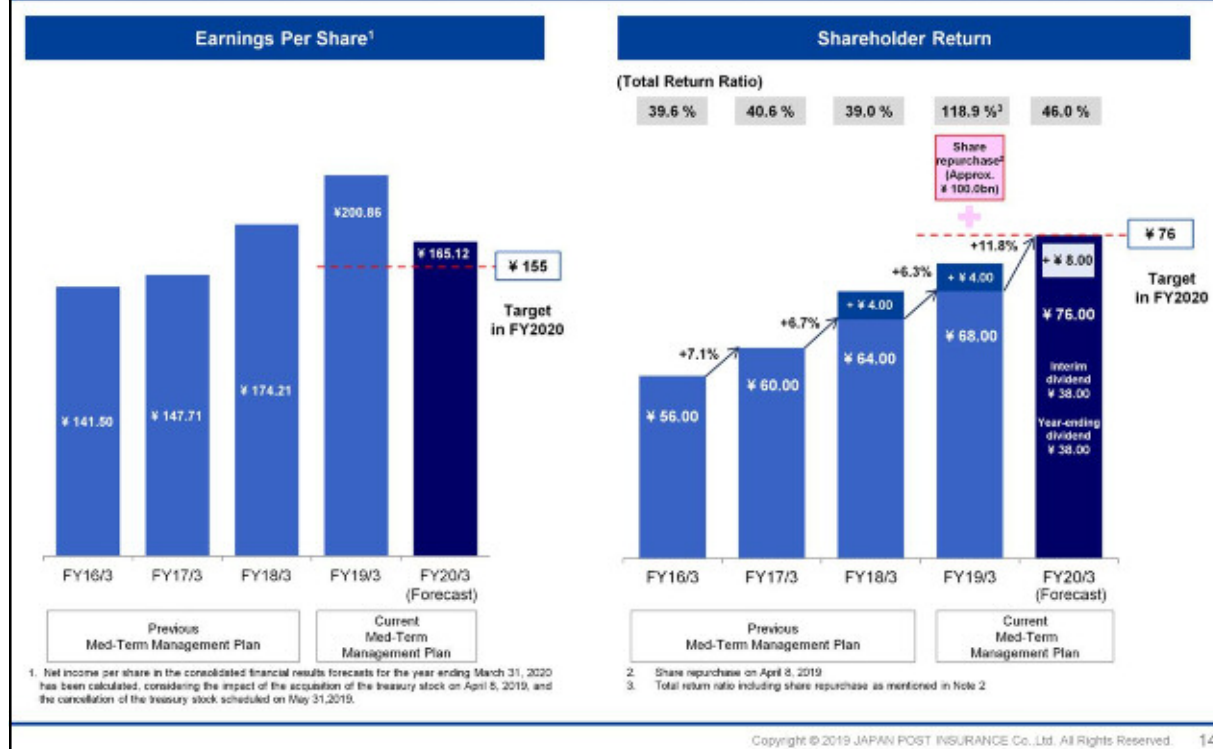
Shareholder Return for the Year Ending March 31, 2020

- Increase the ordinary dividend by ¥8 per share to ¥76 (forecast)
 - Increase ordinary dividends per share, taking into account of the share repurchase
- Pay dividends from surplus twice a year; an interim and a year-end dividends
 - Increase the opportunities to return profits to shareholders
- Resolved to cancel treasury stock (37.4 million shares)
 - Cancel almost the same amount of treasury stock as that acquired in April 2019

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- I will explain the financial results forecasts for the year ending March 31, 2020.
- We forecast net income for the year ending March 31, 2020 to be around ¥93.0 billion, due to the absence of the outperformance of investment income we enjoyed in the year ended March 31, 2019, in addition to an increase in operating expenses associated with the sales of new policies.
- As for the year-end dividend for the year ended March 31, 2019, an ordinary dividend is ¥68, and a special dividend ¥4, which is taking into account the financial results. Thus we have decided to pay a year-end dividend of ¥72 per share.
- We have three points to tell you about shareholder returns in the fiscal year ending March 31, 2020.
 - First, the dividend for the fiscal year ending March 31, 2020 is scheduled to be ¥76 per share including an ordinary dividend
 - Second, we paid out a dividend once a year in the past, but have decided to pay out a dividend from surplus twice a year, namely, an interim dividend and a year-end dividend, starting in the year ending March 2020, in order to increase the opportunities to return profits to the shareholders.
 - Third, the meeting of the Board of Directors held today resolved to retire treasury stock.
- We will continue to aim for a steady increase in dividends per share, considering earning prospects and financial soundness.
- Please look at page 14.

Earnings Per Share and Shareholder Return

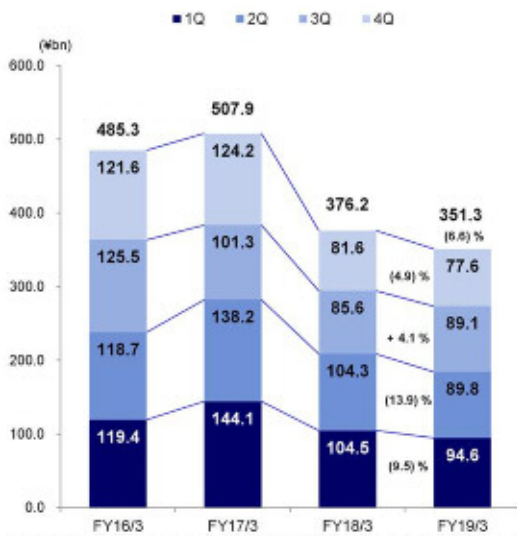


- Finally, I'd like to explain about EPS and Shareholder Return.
- Firstly, as for EPS, we set a target EPS level, ¥155, for the fiscal year ending March 31, 2021, which is the end of mid-term management plan. Actual result for the fiscal year ended March 31, 2019 and forecast for the fiscal year ending March 31, 2020 exceed this level.
- With regard to DPS, the target for the fiscal year ending March 31, 2021 is ¥76, and we forecast the dividend for the fiscal year March 31, 2020 will be the same amount, one year ahead of schedule.
- Also, total return ratio for the year ended March 31, 2019, is 118.9% as a result of the share repurchase conducted in April this year.
- This concludes my explanation.

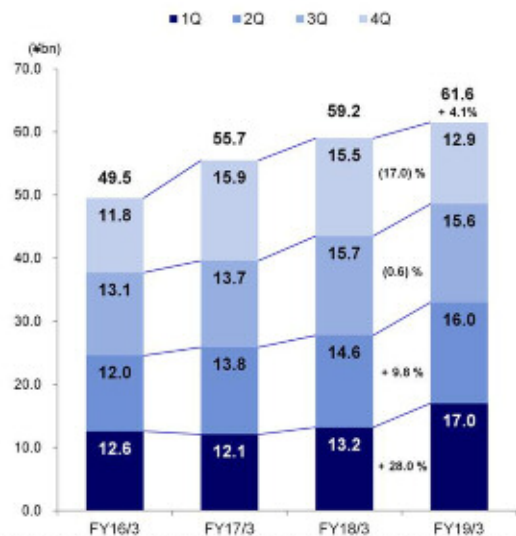
APPENDIX

Quarterly Trends in Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)

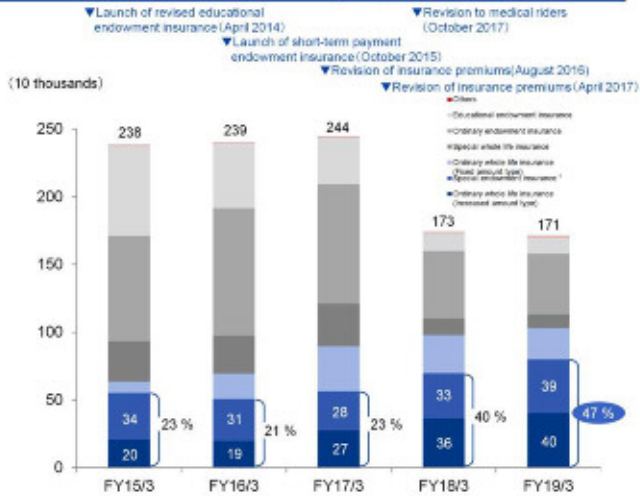


Note 1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.) Medical care corresponds to medical and living benefits, etc. Annualized premiums (individual insurance) include the premiums for medical care related to individual insurance.

Note 2: In addition to the above, the FY2019/3 period saw a net increase of ¥4.8 billion in annualized premiums due to a switchover to the rider launched in October 2017 and an additional rider purchase.

Change in Products Portfolio and Age Composition of Policyholders

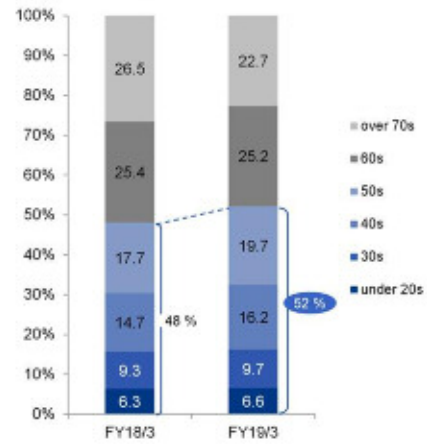
Change in products portfolio (Number of new policy)



Value of new business	154.9bn	192.7bn	36.8bn	226.7bn	223.8bn
New Business Margin	2.6%	3.4%	0.6%	5.5%	5.9%

1. Increased amount type endowment insurance

Change in age composition of policyholders (Number of new policy)



Note: Does not include policies whose policyholder is a corporate entity.

Interest, Dividends and Other Income and Capital gains(losses)

Interest, Dividends and Other Income

(¥bn)

	Mar-18	Mar-19
Investment income	1,284.5	1,204.4
Interest, dividends and other income	1,152.3	1,085.9
Interest on deposits	0.0	0.0
Interest and dividends on securities	986.4	941.3
Interest on corporate and government bonds	863.3	793.6
Domestic stock dividends	3.6	5.8
Interest and dividends on foreign securities	102.3	131.4
others	17.1	10.3
Interest on loans	14.1	14.1
Interest on loans to the Management Organization	146.3	124.0
Rent revenue from real estate	-	-
Interest and dividends on others	5.3	6.3

Breakdown of Capital gains(losses)

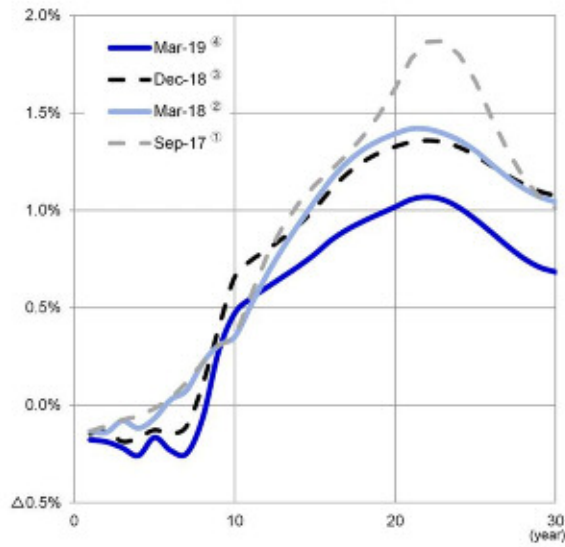
(¥bn)

	Mar-18	Mar-19
Capital gains	131.9	117.8
Gains on money held in trust	95.1	78.9
Gains on sales of securities	36.4	38.9
Gains on derivative financial instruments	-	-
Gains on foreign exchanges	0.2	-
Other capital gains	-	-
Capital losses	(151.0)	(201.6)
Losses on money held in trust	-	-
Losses on sales of securities	(65.7)	(62.2)
Losses on derivative financial instruments	(30.3)	(73.3)
Losses on foreign exchanges	-	(1.1)
Other capital losses ¹	(55.0)	(64.8)
Net Capital gains(losses)	(19.1)	(83.7)

1. Amount equivalent to income gains associated with money held in trust is recognized as "other capital losses".

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Sep-17 to Mar-19)



Forward Rate

	Sep-17 ^①	Mar-18 ^②	Dec-18 ^③	Mar-19 ^④
10 years	0.343 %	0.351 %	0.657 %	0.471 %
20 years	1.626 %	1.393 %	1.327 %	1.017 %
30 years	1.014 %	1.043 %	1.074 %	0.683 %

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows.

Value of new business for FY2018/3: ①
 EV as of the end of March 2018: ②
 Value of new business for FY2019/3: ③
 EV as of the end of March 2019: ④

1. The interest rate (EV assumptions) used to prepare the forward rate is based on the market yields on government bonds announced by the Ministry of Finance Japan.

New and Postal Life Insurance Category in the Statement of Income (Non-consolidated)

New and Postal Life Insurance Category in the Statement of Income (Non-consolidated)

(¥bn)

	FY15/3		FY16/3		FY17/3		FY18/3		FY19/3	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income ¹	4,553.4	8,879.2	4,431.7	8,039.6	4,464.2	6,899.2	3,938.8	5,489.2	3,814.7	4,374.4
Insurance premiums and others	4,259.5	1,697.1	4,091.5	1,322.3	4,039.0	1,002.8	3,481.2	755.2	3,369.5	590.3
Investment income ¹	291.7	1,169.0	337.6	1,017.3	422.8	945.0	454.6	830.3	440.1	764.3
Other ordinary income ¹	2.1	6,013.1	2.5	5,700.0	2.3	4,941.3	3.0	3,903.7	4.9	3,019.8
Ordinary expenses ¹	4,437.4	8,502.1	4,276.8	7,781.6	4,370.1	6,704.0	3,767.1	5,352.2	3,663.5	4,260.4
Insurance claims and others	851.3	8,208.1	1,031.6	7,518.7	1,136.5	6,413.7	1,765.6	5,124.3	2,837.9	4,030.9
Provision for policy reserves and others ¹	3,263.7	1.3	2,865.7	-	2,694.0	-	1,474.7	-	272.5	-
Investment expenses ¹	1.1	9.8	3.8	5.8	103.8	56.5	78.5	27.9	99.1	46.8
Operating expenses	269.9	242.4	318.0	219.0	366.5	193.6	372.8	159.9	376.2	142.1
Other ordinary expenses	51.2	40.3	57.4	37.9	69.0	40.0	75.2	39.8	77.7	40.4
Ordinary profit	116.0	377.1	154.9	258.0	94.0	185.2	171.7	137.0	151.1	113.9
Extraordinary gains and losses ²	(27.2)	(72.1)	(62.4)	(8.9)	5.7	(12.6)	(27.2)	(17.0)	13.8	3.6
Provision for reserve for policyholder dividends	10.3	190.3	7.5	170.4	15.6	137.0	21.6	96.1	19.6	92.1
Income before income taxes	78.4	114.6	84.9	78.6	84.2	35.5	122.9	23.8	145.3	25.5
Total income taxes	33.6	77.6	31.4	45.7	21.7	9.5	35.4	6.9	41.1	8.7
Net income	44.7	36.9	53.4	32.8	62.4	26.0	87.4	16.8	104.1	16.7

Note: "Postal Life Insurance category" shows the amounts generated from the Postal Life Insurance policies, and "New category" shows the figure after deduction of "Postal Life Insurance category" from the total.

1. Adjusted if the resulting number for the new category is negative when the Postal Life Insurance category is subtracted from Japan Post Insurance as a whole.
(E.g.: FY2019/3, ¥241.8billion was added to "Reversal of policy reserves," under "Other ordinary income," and to "Provision for policy reserves and others," under "Ordinary expenses".)

2. "Extraordinary gains and losses" includes "Price fluctuations reserve, provision" and "Price fluctuations reserve, reversal".

Figures by New and Postal Life Insurance Categories (Non-Consolidated)

		FY15/3	FY16/3	FY17/3	FY18/3	FY19/3
Total assets	¥mn	84,911,946	81,543,623	80,336,414	76,832,508	73,904,576
Postal Life Insurance category		61,703,013	55,632,787	51,447,550	46,684,937	41,354,076
New category		23,208,932	25,710,836	28,888,864	30,147,570	32,550,500
Number of policies in force	(000)	33,489	32,323	31,562	30,405	29,143
Postal Life Insurance category (insurance)		19,949	18,972	14,411	12,484	11,048
New category (individual insurance)		13,539	15,350	17,150	17,921	18,095
Insurance premiums and others	¥mn	5,956,716	5,413,862	5,041,868	4,236,461	3,959,928
Postal Life Insurance category		1,697,140	1,322,308	1,002,816	755,221	590,340
New category		4,259,576	4,091,554	4,039,051	3,481,240	3,369,588
Ordinary profit	¥mn	493,169	413,023	279,347	308,845	265,143
Postal Life Insurance category		377,145	258,059	185,250	137,074	113,981
New category		116,024	154,963	94,097	171,771	151,162
Net income	¥mn	81,758	86,338	88,520	104,309	120,958
Postal Life Insurance category		36,969	32,850	26,044	16,878	16,763
New category		44,789	53,487	62,475	87,430	104,195
Contingency reserve (reversal) provision	¥mn	(90,067)	(123,864)	(120,819)	(139,678)	(151,592)
Postal Life Insurance category		(167,144)	(171,199)	(172,881)	(173,722)	(173,590)
New category		77,057	47,335	52,061	34,043	21,997
Price fluctuations reserve (reversal) provision	¥mn	97,934	70,100	6,444	128,031	(19,251)
Postal Life Insurance category		72,126	8,957	12,625	17,090	(3,686)
New category		25,808	61,143	(6,181)	110,940	(15,564)
Additional policy reserve (reversal) provision	¥mn	(68,347)	(55,533)	(50,454)	(30,648)	(50,292)
Postal Life Insurance category		(68,347)	(55,533)	(50,454)	(47,674)	(46,688)
New category		-	-	-	17,025	(3,594)

Note: "Postal Life Insurance category" shows the amounts generated from the Postal Life Insurance policies, and "New category" shows the figure after deduction of "Postal Life Insurance category" from the total.

Key Financial Indicators

	(¥bn)				
	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3
Insurance premiums and others	5,956.7	5,413.8	5,041.8	4,236.4	3,959.9
Ordinary profit	492.6	411.5	279.7	309.2	264.8
Provision for reserve for policyholder dividends	200.7	178.0	152.6	117.7	111.8
Net income	81.3	84.8	88.5	104.4	120.4
Net assets	1,975.7	1,882.9	1,853.2	2,003.1	2,135.1
Total assets	84,915.0	81,545.1	80,336.7	76,831.2	73,905.0
Return on equity	4.6 %	4.4 %	4.7 %	5.4 %	5.6 %
Return on shareholders' equity	5.9 %	5.9 %	5.9 %	6.7 %	7.4 %
Dividends to shareholders	24.5	33.6	36.0	40.8	43.2
Total Return Ratio	30.2 %	39.6 %	40.6 %	39.0 %	118.9 % ¹
Core profit (Non-consolidated)	515.4	464.2	390.0	386.1	377.1
Core profit attributable to life insurance activities	448.4	366.8	311.4	320.3	318.7
Spread (positive/negative spread)	66.9	97.4	78.5	65.8	58.4

1. Total return ratio including share repurchase (approx. ¥100.0bn) on April 6, 2019.

<Disclaimer>

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by Japan Post Insurance at the time of this document's disclosure. Please note that actual results may differ materially from such forward-looking statements due to various factors including changes in the operating environment, interest rates or general economic conditions or other future events and circumstances.

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