

**Conference Call on Financial Results
for the Fiscal Year Ended March 31, 2021
Summary of Q&A**

Date & Time: Friday, May 14, 2021, 6:15 to 7:15 p.m.

* The statements have been partially edited for clarity.

<Acquisition of Treasury Stock>

Q: Why did the Company implement the acquisition of treasury stock at this time?

- As stated in the basic concept of the "Japan Post Group Basic Approach to the Group Medium-Term Management Plan (2021-2025)" disclosed on November 13, 2020, the goal was to reduce the ratio of voting rights of Japan Post Holdings to 50% or less at an early stage.
- In addition, in order to achieve sustainable growth by shifting to a business model that prioritizes the value of the customer experience in the Medium-Term Management Plan, we generally consider that it is essential to gain management flexibility as early as possible in order to provide products and services that meet the needs of customers. Therefore, the Company has decided to implement the plan at this time.

Q: With Japan Post Holding's voting rights ratio being less than 50%, additional regulatory restrictions will be eased, but when does the Company expect the next new product to be launched?

- As a result of the relaxation of additional regulatory restrictions, the procedures for launching new products will be changed from an approval system to a prior notification system. Therefore, we will launch new products with a greater sense of speed than before.
- We would like to refrain from answering about a specific timing, but we will make efforts to provide new products in FY2022.

Q: After Japan Post Holdings obtains approval to become a major insurance shareholder and establishes a share disposal trust, when will it begin selling shares to the market through a trust bank?

- We cannot say for certain when they will begin selling to the stock market, but we think that Japan Post Holdings will establish a share disposal trust so fairly soon and we expect it to take place early.

Q: As for the number of shares of Japan Post Insurance to be released to the stock market by Japan Post Holdings in line with this acquisition of treasury stock, is it equal to the number of shares to be held in a share disposal trust?

- Yes, that is correct. For details, please refer to the Japan Post Holdings disclosure as well as ours. We are aware that Japan Post Holdings plans to dispose of the number of shares obtained by adding 430,000 shares to the number of shares that could not be sold to us through ToSTNeT-3 by setting up a share disposal trust.

Q: With regard to the press release concerning the acquisition of treasury stock, how did the Company determine the total number of shares to be acquired (maximum) and the total amount of shares to be acquired (maximum)?

- The total number of shares to be acquired (maximum) in this acquisition of treasury stock was determined based on the level at which the ratio of voting rights of Japan Post Holdings would be 50%.
- The total amount of shares to be acquired (maximum) was set considering market stock price fluctuations because the closing price, which would be the acquisition price, had not been fixed at the time of the resolution of the Board of Directors meeting.

Q: Does the Company plan to cancel the treasury stock acquired this time? Or is the Company considering selling them in the future?

- As for the shares to be acquired this time, in order to respond to the TSE's market reclassification, we are considering to cancel some of the acquired shares based on the ratio of tradable shares to be determined after the acquisition.
- We do not currently intend to sell any of our acquired shares to the market, other than those that we intend to cancel.

Q: If the Company decides to implement acquisition of treasury stock in the future, will the Company do so by repurchasing shares from the market? Or, like the case of the current acquisition of treasury stock, will the Company acquire shares from Japan Post Holdings?

- It is difficult for us to answer specifically about future policy at this time, but we believe that we must make cautious decisions, because if we acquire shares from the market as one of our shareholder return measures, the ratio of voting rights of Japan Post Holdings would increase.

<Medium-Term Management Plan>

Q: With regard to the profit level during the period of the Medium-Term Management Plan, it is assumed to be ¥ 78.0billion in FY2023 and then to recover to ¥ 91.0billion in FY2025. What factors lie behind this trend?

- We aim to establish a new sales structure for Japan Post Insurance in FY2022 onward, and we will accept seconded approximately 13,000 employees of Japan Post Co., including consultants. As a result, we estimate an increase in personnel costs and a decrease in commissions paid to Japan Post Co.
- Although personnel costs will increase from FY2022, commissions will gradually decrease. Thus, as of FY2022, profits are expected to decrease temporarily and recover thereafter, since the impact of the increase in personnel expenses is larger than decrease in commissions.

Q: One of the primary target of the Medium-Term Management Plan is to secure the number of policies in force (individual insurance) to more than 20 million in FY2025. Could you give us figures for the Postal Life Insurance and New categories separately?

- We would like to withhold specific figure, but while the New category is not expected to decrease a great deal, the Postal Life Insurance category is expected to decrease to a greater extent, so that we expect to decrease in the amount of policies in force as a whole.

Q: What is the target level of ESR?

- In the Medium-Term Management Plan, we aim to stabilize ESR over the medium-to long-term. Specifically, we aim to curb ESR volatility by such means as refining measurement methods in anticipation of the introduction of new capital regulations, and reducing interest rate risk.
- With regard to the target level of ESR, we will refrain from answering in absolute terms, but we aim to maintain a rating level equivalent to A (overseas) in medium-to long-term.

<Shareholder Dividends>

Q: Are there any indicators that were used as reference in determining the dividend forecast of ¥ 90 for FY2021? In addition, what indicators does the Company use as a reference when determining dividends for the period of the Medium-Term Management Plan?

- The dividend forecast for FY2021 was decided based on the dividend policy stated in the Medium-Term Management Plan and on the acquisition of treasury stock announced on May 14, 2021.
- With regard to shareholder dividends during the period of the Medium-Term Management Plan, we aim not to decrease but to increase dividend per share in principle, while taking into account earning prospects and financial soundness.

Q: How will the Company determine whether or not to increase dividends during the period of the Medium-Term Management Plan?

- During the period of the Medium-Term Management Plan, we aim to secure profitability, even if premiums per new policy decrease, by providing protection-type products that are highly demanded by customers.
- We will determine whether to increase dividends based on the sales situation of products and earning prospects.

Q: Is there any possibility that the dividend forecast for FY2021 (¥ 90 per share) will be revised based on this acquisition of treasury stock?

- The dividend forecast for FY2021 was determined after taking into account the impact of the acquisition of treasury stock. Therefore, we do not expect to revise the dividend forecast due to the acquisition of treasury stock announced this time.

<Financial Results Forecast>

Q: What are the expected operating expenses for FY2021?

- In FY2020, in addition to a decrease in sales commissions due to refraining from proactive sales proposal, the reduction of business activities due to COVID-19 pandemic caused a decrease in policy expenses, etc.
- In FY2021, we expect operating expenses to increase compared to FY2020, as we expect a certain level of normalization of business activities. We will withhold mentioning a specific level, but we expect the level of operating expenses to be close to that of FY2019, which was before COVID-19 pandemic.

Q: What is the expected level of core profit for FY2021?

- On ordinary profit basis, we expect capital gains (losses) in FY2021 to be in the black by approximately single-digit billion yen, which would be an improvement of

about ¥ 20.0 billion compared to FY2020. On the other hand, since other one-time profits (losses) are expected to remain almost unchanged, please understand that the amount of change in ordinary profit excluding the impact of capital gains (losses) is generally the amount of change in core profit.

- Core profit is expected to decrease compared to FY2020, mainly due to a decrease in core profit attributable to life insurance activities resulting from a decrease in policies in force and an increase in operating expenses in line with the normalization of business activities.

<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 the disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in assumptions regarding the operating environment.