

Outline of Financial Results for the Nine Months Ended December 31, 2021

February 14, 2022



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Nine Months Ended December 31, 2021.”
- 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 in each indicator.
- Please look at page 1.

Summary of Financial Results		
	9 months ended Dec-21	Year on Year
Ordinary Profit	¥ 270.0bn	¥ 9.2bn + 3.5 %
Net income	¥ 119.5bn	¥ (9.4)bn (7.4) %
Annualized premiums from New policies	(Individual Insurance) ¥ 34.4bn	¥ 12.0bn + 54.0 %
	(Medical Care) ¥ 1.6bn	¥ 0.5 bn + 53.3%
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 3,626.5bn	¥ (271.5)bn (7.0) %
	(Medical Care) ¥ 637.2bn	¥ (31.8)bn (4.8)%
EV	¥ 3,795.0bn	¥ (231.1)bn (5.7) %

【Financial Highlights】 (Ref.P3)


- Core profit increased due to an increase in positive spread, despite a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc. Ordinary profit increased by 3.5% year on year due to an improvement in capital losses, despite an increase in other one-time losses.
- Because the improvement in capital losses are offset by the price fluctuation reserves, net income for the current period decreased 7.4% year on year.

【Policy Sales】 (Ref.P4)

- Annualized premiums from new policies for individual insurance in FY22/3 3Q increased 54.0% year on year, but it was an 87.4% decrease from FY19/3 3Q, a period before the solicitation quality issues surfaced.

【Embedded Value】 (Ref.P10)

- EV decreased by 5.7% from the end of the previous fiscal year, mainly due to the decreases in net assets resulting from the acquisition of treasury stock worth ¥ 358.8billion in May 2021.


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- The financial results can be summed up as you see.
- Core profit increased due to an increase in positive spread, despite a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Ordinary profit increased by 3.5% year on year to ¥ 270.0billion due to an improvement in capital losses , despite an increase in other one-time losses.
- Because the improvement in capital losses are offset by the price fluctuation reserves, net income for the current period was ¥ 119.5billion, a 7.4% decrease year on year.
- Annualized premiums from new policies for individual insurance in FY22/3 3Q were ¥ 34.4billion, a 54.0% increase year on year, but it was an 87.4% decrease from FY19/3 3Q, a period before the solicitation quality issues surfaced.
- EV decreased by 5.7% from the end of the previous fiscal year to ¥ 3,795.0billion, mainly due to the decreases in net assets resulting from the acquisition of treasury stock in May 2021.
- Please look at page 2.

Financial Results for the Nine Months Ended December 31, 2021 (Year on Year)

Statement of Income

	9months ended Dec-20	9months ended Dec-21	Change	(¥bn)
Ordinary income	5,127.3	4,821.0	(306.2)	6,786.2
Insurance premiums and others	2,052.7	1,841.4	(211.2)	2,697.9
Investment income	801.2	833.1	31.8	1,121.6
Reversal of policy reserves	2,187.8	2,112.9	(74.9)	2,895.4
Ordinary expenses	4,866.4	4,550.9	(315.4)	6,440.4
Insurance claims and others	4,435.3	4,161.2	(274.1)	5,866.0
Investment expenses	53.1	32.5	(20.5)	70.8
Operating expenses etc ¹	377.9	357.1	(20.8)	503.5
Ordinary profit	260.8	270.0	9.2	345.7
Extraordinary gains and losses	(5.4)	(52.1)	(46.7)	(46.7)
Provision of reserve for price fluctuations ²	(5.3)	(57.5)	(52.2)	(46.4)
Provision for reserve for policyholder dividends	68.5	51.2	(17.2)	65.4
Total income taxes	57.8	47.0	(10.8)	67.4
Net income attributable to Japan Post Insurance	129.0	119.5	(9.4)	166.1

Note: Only major line items are shown.

1. Sum of Operating expenses and Other ordinary expenses

2. Plus signs indicates reversals, while brackets () indicate provisions.



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Details of Ordinary Profit (Non-Consolidated)

	9months ended Dec-20	9months ended Dec-21	Change	(¥bn)
Core profit	309.7	317.3	7.6	421.9
Core profit attributable to life insurance activities	268.3	233.7	(34.5)	345.6
Positive spread	41.3	83.6	42.2	76.3
Net capital gains (losses)	(42.0)	4.2	46.2	(17.1)
Other one-time profits (losses)	(7.6)	(52.5)	(44.9)	(59.8)
Ordinary profit	260.0	269.0	8.9	345.0

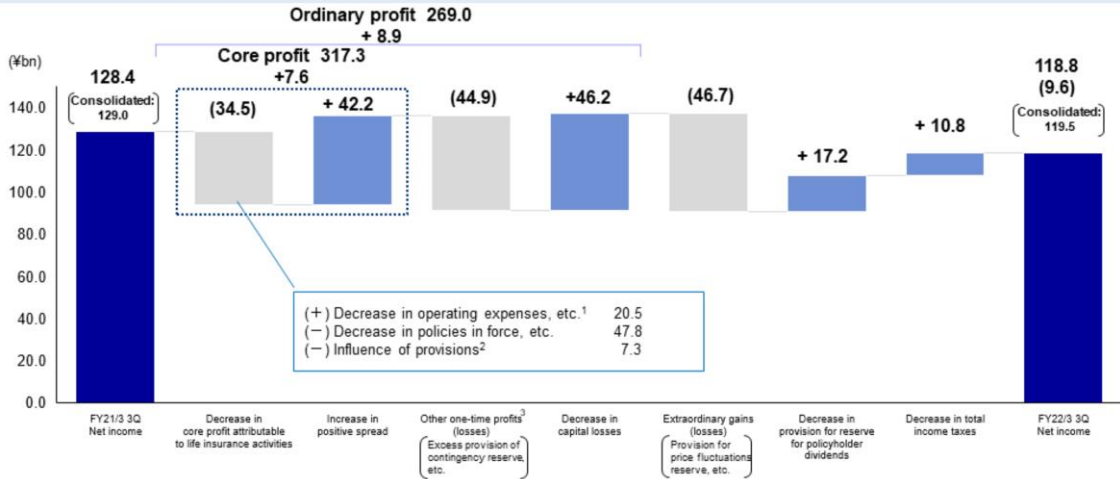
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- This page shows the financial highlights.
- The factors for changes will be explained at next page.
- Please look at page 3.

Factors for Year on Year Changes (Non-Consolidated)

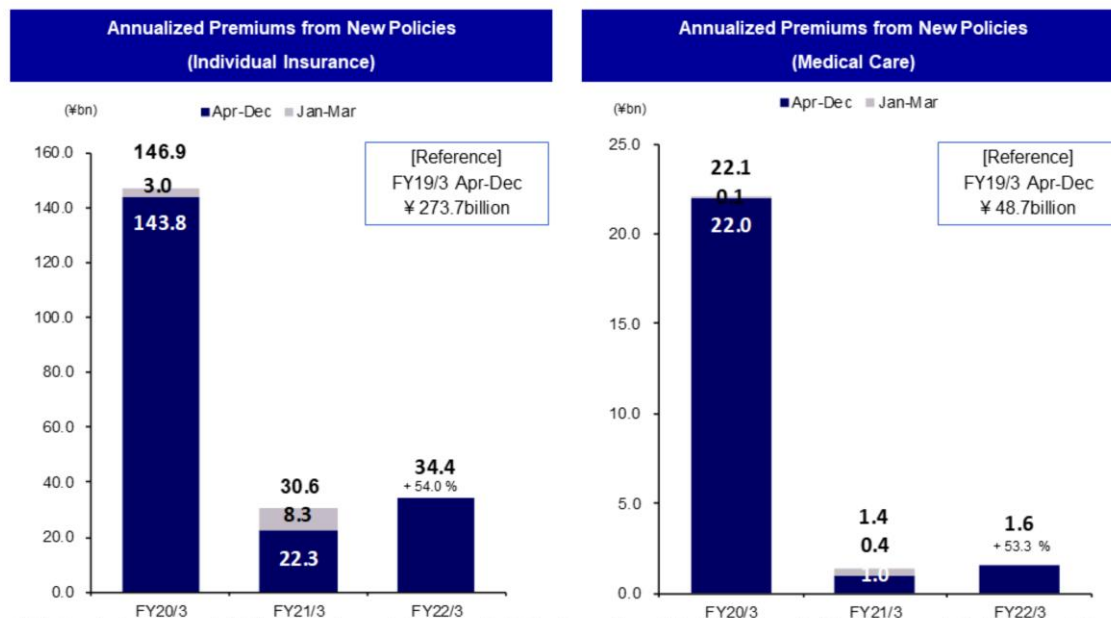
- Core profit increased year on year to ¥317.3billion due to an increase in positive spread, despite a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Despite an increase in other one-time losses caused by excess provision for contingency reserves, non-consolidated ordinary profit was ¥269.0billion as a result of improvement of capital losses.
- Regarding capital gains or losses, we continued to adopt accounting treatments to provide or to reverse the price fluctuation reserves corresponding to the gain or loss amount. Thus, net income decreased year on year to ¥118.8billion.



1. "Decrease in operating expenses, etc." shows the difference of figures between FY21/3Q and FY22/3Q. This figure is calculated by adding up "Operating expenses" and "Other ordinary expenses". However, the impact of reserve for insurance claims and others, etc. have been adjusted through the item "Influence of provisions".
 2. Influence of reversal of reserve or provision for reserve for insurance claims and others, etc. on core profit attributable to life insurance activities based on the results of the policy investigations, etc. and actual policy reinstatement. This includes the impact of reserve for insurance claims and others, etc. in FY21/3. (FY22/3Q: ¥ (2.2)billion, FY21/3Q: ¥ 5.0billion)
 3. For the Postal Life Insurance category, the Company accumulated additional policy reserves which were funded by contingency reserves at the end of March, 2021. With this operation, the Company also provided excess provision for contingency reserves in order to restore the level of them from the end of March 2021 onward.

- These are the factors for changes in the financial results for the current period.
- Core profit increased year on year to ¥ 317.3billion due to an increase in positive spread, despite a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Despite an increase in other one-time losses caused by excess provision for contingency reserves, non-consolidated ordinary profit was ¥ 269.0billion as a result of improvement of capital losses.
- Capital gains are offset by the price fluctuation reserves. Thus, non-consolidated net income for the current period was ¥ 118.8billion.
- Please look at page 4.

Policy Sales [Annualized Premiums from New Policies]

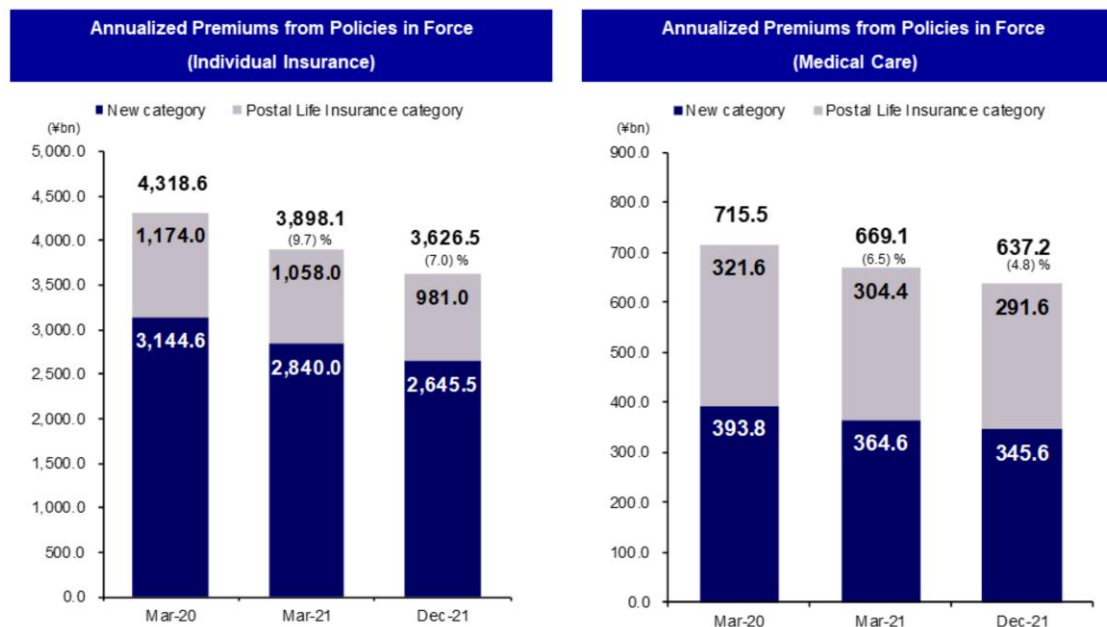


Note1 : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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.

Note2 : The figures for FY20/3 and FY21/3 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

- From here, I would like to explain our policy sales.
- Annualized premiums from new policies for individual insurance increased by 54.0% year on year to ¥ 34.4billion and annualized premiums from new policies for medical care increased by 53.3% year on year to ¥ 1.6billion, but both of them decreased significantly from FY19/3 3Q, a period before the solicitation quality issues surfaced.
- Please look at page 5.

Policy Sales [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 Organization for Postal Savings, Postal Life Insurance and Post Office Network.



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- Annualized premiums from policies in force for individual insurance decreased by 7.0% from the end of the previous fiscal year to ¥ 3,626.5billion.
- Annualized premiums from policies in force for medical care decreased by 4.8% from the end of the previous fiscal year to ¥ 637.2billion.
- Please look at page 6.

Investments [Asset Portfolio]

Asset Portfolio					Spread and Investment Yield				
	Mar-21		Dec-21		Change		9months ended Dec-20	9months ended Dec-21	(Reference) Year ended Mar-21
	Amount	Share	Amount	Share					
Bonds	48,088.2	68.5 %	46,702.6	69.5 %	(1,385.5)				
Japanese government bonds	37,345.6	53.2 %	36,906.0	54.9 %	(439.6)	Positive spread	41.3	83.6	76.3
Japanese local government bonds	5,583.9	8.0 %	4,813.5	7.2 %	(770.3)	Average assumed rates of return ¹	1.69 %	1.69 %	1.69 %
Japanese corporate bonds	5,158.5	7.4 %	4,982.9	7.4 %	(175.5)	Investment return on core profit ²	1.78 %	1.88 %	1.82 %
Return seeking assets ¹	11,181.2	15.9 %	11,380.0	16.9 %	198.8	Net capital gains (losses)	(42.0)	4.2	(17.1)
Domestic stocks ²	2,514.2	3.6 %	2,606.1	3.9 %	91.8				
Foreign stocks ²	489.5	0.7 %	581.6	0.9 %	92.1				
Foreign bonds ²	6,006.7	9.4 %	6,506.0	9.7 %	(100.6)				
Other ³	1,570.6	2.2 %	1,686.2	2.5 %	115.6				
Loans	4,964.0	7.1 %	4,563.5	6.8 %	(380.5)				
Others	5,939.4	8.5 %	4,546.2	6.8 %	(1,393.2)				
Cash and deposits, call loans	1,466.0	2.1 %	1,008.8	1.5 %	(456.1)				
Receivables under resale agreements	-	-	1,943.3	2.9 %	1,943.3				
Receivables under securities borrowing transactions	2,585.0	3.7 %	-	-	(2,585.0)				
Total assets	70,172.9	100.0 %	67,212.4	100.0 %	(2,960.5)				

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," "real estate fund," "private equity" and "infrastructure equity" 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 in the chart 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 ¥ 11,380.0billion, which accounts for 16.9% of total assets at the end of the current period.
- As shown in the chart on the right, the average assumed rates of return was 1.69%. The investment return on core profit was 1.88%. As a result, a positive spread of ¥ 83.6billion was achieved.
- Capital gains improved by ¥ 46.2billion year on year to ¥ 4.2billion, due to the decrease in losses on derivative financial instruments which include cost for hedging currency fluctuation risk, in addition to the improvement of impairment of stocks and gain on sale on money held in trust.
- Please look at page 7.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities

(#bn)

	Mar-21			Dec-21			Change		
	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)
Total	58,285.3	65,666.2	7,380.9	56,476.4	63,691.6	7,215.1	(1,808.8)	(1,974.6)	(165.8)
Held-to-maturity bonds	35,327.9	40,512.9	5,184.9	34,521.1	39,453.7	4,932.6	(806.7)	(1,059.1)	(252.3)
Policy-reserve-matching bonds	9,382.4	10,158.5	776.1	8,885.8	9,598.5	712.7	(496.6)	(560.0)	(63.3)
Available-for-sale securities	13,574.8	14,994.7	1,419.8	13,069.4	14,639.2	1,569.7	(505.4)	(355.5)	149.9
Securities etc.	10,798.1	11,297.8	499.7	10,338.7	10,835.6	496.9	(459.3)	(462.1)	(2.8)
Bonds	3,519.1	3,554.0	34.8	3,438.5	3,473.9	35.3	(80.5)	(80.0)	0.5
Domestic stocks	322.8	398.8	76.0	336.2	414.2	78.0	13.3	15.3	2.0
Foreign securities	4,290.1	4,632.3	342.2	4,224.5	4,514.6	290.1	(65.5)	(117.6)	(52.1)
Other securities	1,910.8	1,955.8	44.9	1,835.3	1,927.2	91.9	(75.5)	(28.5)	46.9
Deposits etc.	755.1	756.7	1.5	504.0	505.4	1.4	(251.1)	(251.3)	(0.1)
Money held in trust	2,776.7	3,696.9	920.1	2,730.7	3,803.5	1,072.8	(46.0)	106.6	152.7
Domestic stocks ¹	1,431.5	2,115.4	683.9	1,472.6	2,191.8	719.2	41.1	76.4	35.3
Foreign stocks ¹	303.3	489.5	186.1	310.9	581.6	270.7	7.5	92.1	84.5
Foreign bonds ¹	742.7	779.9	37.2	698.2	765.8	67.5	(44.5)	(14.1)	30.3
Other ²	299.1	311.9	12.8	248.9	264.2	15.2	(50.1)	(47.7)	2.4

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," "bank loans" and "real estate fund"

- This slide shows the fair value of securities and net unrealized gains or losses.
- On available-for-sale securities that are calculated at fair value for accounting purposes, we recognized ¥ 1,569.7billion of net unrealized gains in the period under review, as the market environment improved compared with the end of March, 2021.
- Please look at page 8.

Expenses

Expenses

(¥bn)

	9months ended Dec-20	9months ended Dec-21	Change	(Reference) Year ended Mar-21
Operating expenses	302.5	281.5	(21.0)	403.0
Commissions ¹	151.9	132.3	(19.6)	198.1
Sales Commissions	34.2	22.0	(12.2)	42.2
Maintenance Commissions	117.7	110.3	(7.4)	155.8
Contributions ²	42.0	40.5	(1.5)	56.0
Others	108.5	108.7	0.1	148.8
Other ordinary expenses	75.3	75.5	0.1	100.4
Depreciation and amortization	44.7	45.1	0.3	59.3
Operating expenses etc	377.9	357.1	(20.8)	503.5

1. Commissions paid to Japan Post Co.

2. Contributions paid to Organization for Postal Savings, Postal Life Insurance and Post Office Network based on the related law

- Expenses for the period are presented on this page.
- Operating expenses for the current period were ¥ 281.5billion, of which approximately 60% consist of commissions paid to Japan Post Co. and contributions paid to Organization for Postal Savings, Postal Life Insurance and Post Office Network.
- 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 ¥ 19.6billion year on year to ¥ 132.3billion.
- The sum of commissions and contributions decreased by ¥ 21.1billion year on year to ¥ 172.8billion.
- Depreciation and amortization increased by ¥ 0.3billion year on year to ¥ 45.1billion.
- Please look at page 9.

Financial Soundness

Internal Reserves				Solvency Margin Ratio		
	Mar-21	Dec-21	Provisions in the period		Mar-21	Dec-21
(¥bn)				(¥bn)		
Contingency reserve	1,611.3	1,663.9	52.5	Solvency Margin Ratio	1,121.2 %	1,106.3 %
Postal Life Insurance category ¹	1,129.6	1,177.9	48.2	Total amount of solvency margin	6,216.2	6,164.0
New category	481.6	486.0	4.3	Total amount of risk	1,108.7	1,114.2
Price fluctuations reserve	904.8	962.4	57.5			
Postal Life Insurance category	655.1	675.5	20.4			
New category	249.7	286.8	37.1			
Additional policy reserve	5,858.0	5,681.0	(176.9)			
Postal Life Insurance category ¹	5,850.8	5,675.6	(175.1)			
New category	7.1	5.3	(1.8)			

Note : "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. For the Postal Life Insurance category, the Company accumulated additional policy reserves which were funded by contingency reserves at the end of March, 2021. With this operation, the Company also provided excess provision for contingency reserves in order to restore the level of them from the end of March, 2021 onward.

- 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 ¥ 1,663.9billion and reserves for price fluctuations of ¥ 962.4billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥ 5,681.0billion at the end of the current period.
- The solvency margin ratio was 1,106.3%, maintaining a high level of soundness.
- Please look at page 10.

Embedded Value

Breakdown of EV

	Mar-21	Dec-21 ¹	Change
EV	4,026.2	3,795.0	(231.1) ((5.7) %)
Adjusted net worth	2,376.8	2,103.5	(273.3) ((11.5) %)
Value of in-force covered business	1,649.3	1,691.4	+ 42.1 (+ 2.6 %)

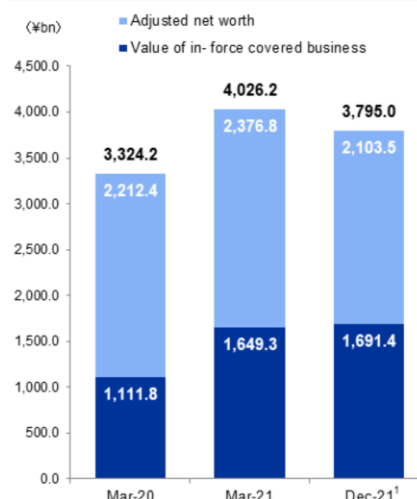
Value of New Business

Value of new business as of 9 months ended Dec-21^{1,2} ¥ (8.3)bn
 New business margin as of 9 months ended Dec-21^{1,2,3} (3.1) %

- Certain amount of operating expenses for new policy acquisition is required regardless of the amount of new policies sold. As a result, the value of new business of current period turned negative.

1. Provisional calculations that have not been verified by a third party.
2. Using the economic assumptions as of June 30, 2021, based on the new policies written in the period from April 2021 to December 2021. The value of new business includes the increase or decrease due to conditional cancellation and conversion.
3. The value of new business divided by the present value of future premium income

EV



- I would like to explain the current status of EV.
- EV as of December 31, 2021 was ¥ 3,795.0billion, a decrease of ¥ 231.1billion from the end of the previous fiscal year.
- Adjusted net worth decreased by ¥ 273.3billion from the end of the previous fiscal year to ¥ 2,103.5billion, due to dividends and the acquisition of treasury stock in May 2021, despite the increase in net income.
- Value of in-force covered business increased by ¥ 42.1billion from the end of the previous fiscal year to ¥ 1,691.4billion, mainly due to increases in interest rates and other factors.
- Value of new business for the current period was calculated based on the economic assumptions as of the end of June 2021 in which interest rate assumption is almost as same as the average of actual interest rate from April 2021 to December 2021.
- Certain amount of operating expenses for new policy acquisition is required regardless of the amount of new policies sold. As a result, the value of new business was ¥ (8.3) billion. Meanwhile, the new business margin was (3.1) %.
- Please note that the EV and value of new business figures for the current period disclosed in these materials are provisional calculations that have not been verified by a third-party.
- Please look at page 11.

Revisions to the Forecasts for Full-year Financial Results for the Year Ending March 31, 2022

Full-year Financial Results Forecast

	Year ending Mar-22 (Previous forecasts)	Year ending Mar-22 (Revised forecasts)	Change
Ordinary income	6,380.0	6,410.0	+ 30.0
Ordinary profit	290.0	360.0	+ 70.0
Net income ¹	118.0	154.0	+ 36.0
Net income per share	¥ 280.05	¥ 365.49	—
Dividend per share (DPS)	¥ 90 (Year-end Dividend ¥ 45)	¥ 90 (Year-end Dividend ¥ 45)	—

[Reasons of the Revisions]

[Ordinary income]

The Company has revised up its forecast for ordinary income due to an expected upturn in investment income caused by the improvement in market environment, despite a reduction in insurance premiums and others due to lower-than-expected acquisition of new business and an expected increase in excess provision for contingency reserves² compared with that of when the initial financial results forecast³ was formulated.

[Ordinary profit, Net income]

The Company has revised up its forecasts for ordinary profit and net income attributable to Japan Post Insurance due to an expected decrease in operating expenses in addition to the above factors.

[Dividend per share]

The Company announced on May 14, 2021 that it forecast an annual dividend of ¥90 per share for the fiscal year ending March 31, 2022 (including a year-end dividend of ¥45 per share). The forecast remains unchanged.

1. Net income attributable to Japan Post Insurance
2. For the Postal Life Insurance category, the Company accumulated additional policy reserves which were funded by contingency reserves at the end of March, 2021. With this operation, the Company also provided excess provision for contingency reserves in order to restore the level of them from the end of March 2021 onward.
3. The initial consolidated financial results forecast for the year ending March 31, 2022, which was announced on May 14, 2021. This is based on the economic assumptions as of December 31, 2020.

- I will explain the revisions to the forecasts for full-year financial results for the year ending March 31, 2022.
- The Company has revised up its forecast for ordinary income due to an expected upturn in investment income caused by the improvement in market environment, despite a reduction in insurance premiums and others due to lower-than-expected acquisition of new business and an expected increase in excess provision for contingency reserves compared with that of when the initial financial results forecast was formulated.
- The Company has revised up its forecasts for ordinary profit and net income attributable to Japan Post Insurance due to an expected decrease in operating expenses in addition to the above factors.
- Please look at page 12.

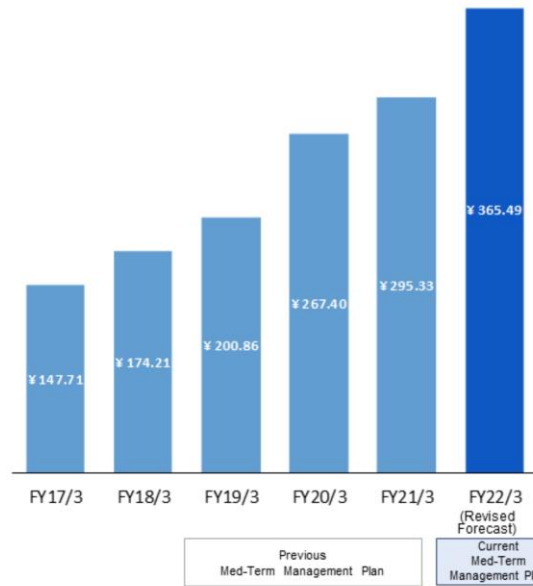
The Forecasts for Full-year Financial Results for the Year Ending March 31, 2022

Full-year Financial Results Forecast

(¥bn)

	Year ending Mar-22 (Revised forecasts)	9months ended Dec-21	Achievement
Ordinary income	6,410.0	4,821.0	75.2 %
Ordinary profit	360.0	270.0	75.0 %
Net income ¹	154.0	119.5	77.6 %
Net income per share	¥ 365.49	¥ 278.97	

Earnings Per Share



1. Net income attributable to Japan Post Insurance

- I will explain the progress toward the revised forecasts.
- Achievements toward the revised forecast were, 75.2% in ordinary income, 75.0% in ordinary profit and 77.6% in net income.
- Please look at page 13.

Shareholder Return

Dividend Policy during the period of the current Medium-term Management Plan

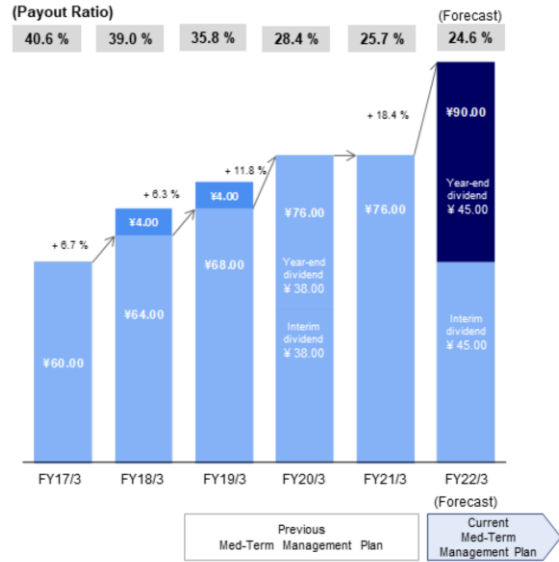
- The Company in principle aims not to decrease but to increase dividend per share for the period of the Medium-term Management Plan up to FY2025, while considering earning prospects and financial soundness

Shareholder Return for the Year Ended March 31, 2022

- An annual dividend for the fiscal year ending March 31, 2022 is scheduled to be ¥90 per share
- The Company plans to provide cash dividends twice a year as the interim dividends and the year-end dividends

(The dividend forecast of ¥90 per share remains unchanged from that had announced on May 14, 2021, although the Company has revised its financial results forecast on February 14, 2022.)

Shareholder Return



- Finally, this slide shows our trends on Shareholder Return.
- The dividend forecast of ¥90 per share remains unchanged from that had announced on May 14, 2021.
- This concludes my explanation.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

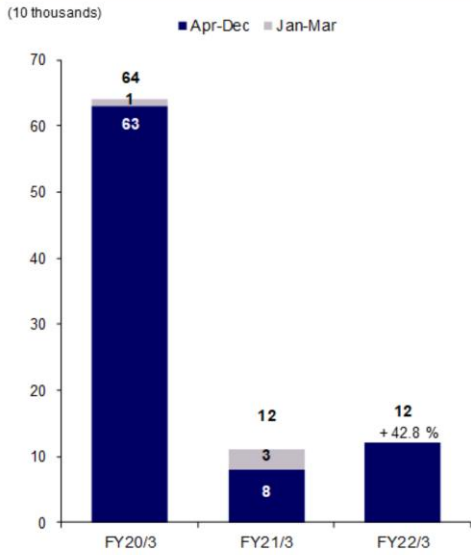
	Mar-21	Dec-21	Change		Mar-21	Dec-21	Change
Total Assets	70,172.9	67,212.4	(2,960.5)	Total Liabilities	67,331.5	64,552.8	(2,778.6)
Cash and deposits	1,335.0	918.8	(416.1)	Policy reserves	59,397.7	57,284.7	(2,112.9)
Money held in trust	4,189.2	4,434.4	245.1	Contingency reserve	1,611.3	1,663.9	52.5
Securities	55,273.6	53,763.4	(1,510.1)	Additional policy reserve	5,858.0	5,681.0	(176.9)
Loans	4,964.0	4,583.5	(380.5)	Bonds payable	300.0	300.0	-
Tangible fixed assets	105.3	94.0	(11.3)	Reserve for price fluctuations	904.8	962.4	57.5
Intangible fixed assets	113.4	90.5	(22.9)	Net assets	2,841.4	2,659.6	(181.8)
Deferred tax assets	904.1	889.7	(14.4)	Total shareholders' equity	1,806.0	1,505.9	(300.0)
				Capital stock	500.0	500.0	-
				Capital surplus	405.0	405.0	-
				Retained earnings	901.3	601.2	(300.1)
				Treasury stock ¹	(0.3)	(0.3)	0.0
				Total accumulated other comprehensive income	1,035.4	1,153.6	118.2

Note: Only major line items are shown.

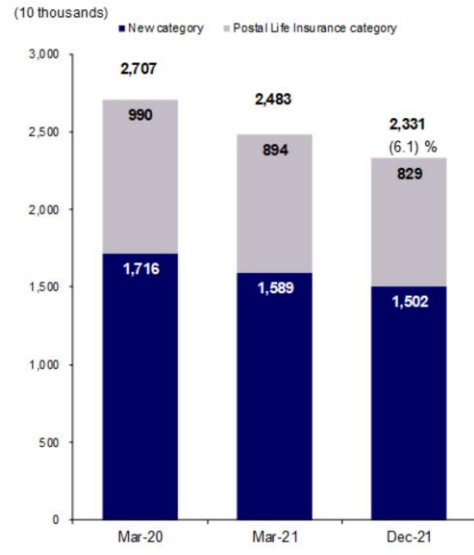
1. The Company's has cancelled its treasury stock on August 20, 2021

Policy Sales

Number of New Policies (Individual Insurance)



Number of Policies in Force (Individual Insurance)



Note1 : The figures for FY20/3 and FY21/3 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

Note2 : "New category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from Organization for Postal Savings, Postal Life Insurance and Post Office Network.

Breakdown of Policies

Breakdown of New Policies

(10 thousands)

	9months ended Dec-20		9months ended Dec-21	
	Number of policies	Share	Number of policies	Share
Individual insurance	8	100.0 %	12	100.0 %
Endowment insurance	6	72.9 %	9	76.8 %
Ordinary endowment insurance	4	53.9 %	7	56.5 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	0	1.3 %	0	1.6 %
Special endowment insurance ¹	1	17.8 %	2	18.7 %
Whole life insurance	0	9.7 %	1	10.5 %
Ordinary whole life insurance (Fixed amount type)	0	2.2 %	0	2.3 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	0	0.5 %	0	0.7 %
Ordinary whole life insurance (Increased amount type)	0	5.4 %	0	5.5 %
Special whole life insurance	0	1.6 %	0	2.0 %
Educational endowment insurance	1	17.2 %	1	11.8 %
Other insurance	0	0.2 %	0	0.9 %

Breakdown of Policies in Force

(10 thousands)

	Mar-21		Dec-21	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,483	100.0 %	2,331	100.0 %
Endowment insurance	906	36.5 %	814	34.9 %
Ordinary endowment insurance	582	23.5 %	526	22.6 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1 %	3	0.1 %
Special endowment insurance ¹	318	12.8 %	283	12.1 %
Whole life insurance	1,206	48.6 %	1,169	50.2 %
Ordinary whole life insurance (Fixed amount type)	372	15.0 %	358	15.4 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	5	0.2 %	5	0.2 %
Ordinary whole life insurance (Increased amount type)	262	10.6 %	255	10.9 %
Special whole life insurance	565	22.8 %	550	23.6 %
Educational endowment insurance	357	14.4 %	334	14.3 %
Other insurance	12	0.5 %	12	0.6 %

Note1 : Only major products are shown.

Note2 : Policies in force includes postal life insurance policies

Note3 : The figures for FY21/3 include the influence by refraining from proactive sales proposal.

1. Increased amount type endowment insurance

Quarterly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)

	FY19/3	FY20/3	FY21/3	FY22/3	(%bn)
1Q	94.6	93.5	6.0	11.6	+ 93.0 %
2Q	89.8	38.0	9.0	11.2	+ 24.7 %
3Q	89.1	12.2	7.2	11.4	+ 57.7 %
4Q	77.6	3.0	8.3	—	
Total	351.3	146.9	30.6	34.4	+ 54.0 %

Annualized Premiums from New Policies (Medical Care)

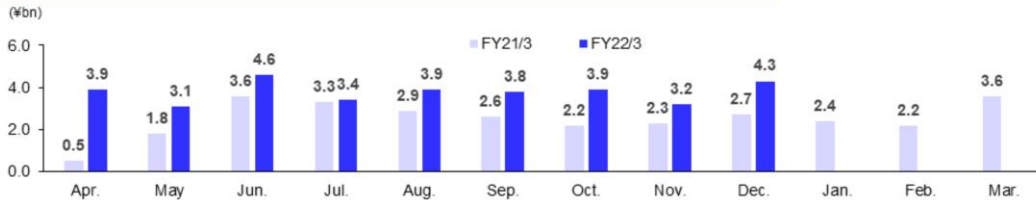
	FY19/3	FY20/3	FY21/3	FY22/3	(%bn)
1Q	17.0	16.6	0.2	0.4	+ 72.8 %
2Q	16.0	4.4	0.4	0.5	+ 27.3 %
3Q	15.6	0.8	0.3	0.5	+ 67.2 %
4Q	12.9	0.1	0.4	—	
Total	61.6	22.1	1.4	1.6	+ 53.3 %

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.

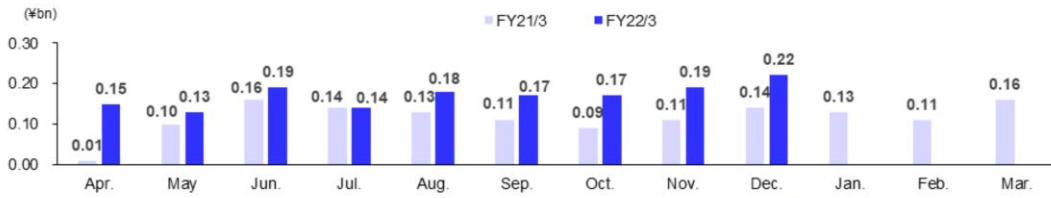
Note2: The figures for FY20/3 and FY21/3 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

Monthly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)



Medical Care¹ Ratio to Annualized Premiums from New Policies (Individual Insurance)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY21/3	2.3 %	5.7 %	4.5 %	4.4 %	4.7 %	4.5 %	4.3 %	5.1 %	5.3 %	5.6 %	4.9 %	4.7 %
FY22/3	3.9 %	4.4 %	4.3 %	4.3 %	4.8 %	4.6 %	4.5 %	6.1 %	5.2 %	-	-	-

Note: The figures for FY21/3 include the influence by refraining from proactive sales proposal

1. Only for the premiums for medical care related to individual insurance



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

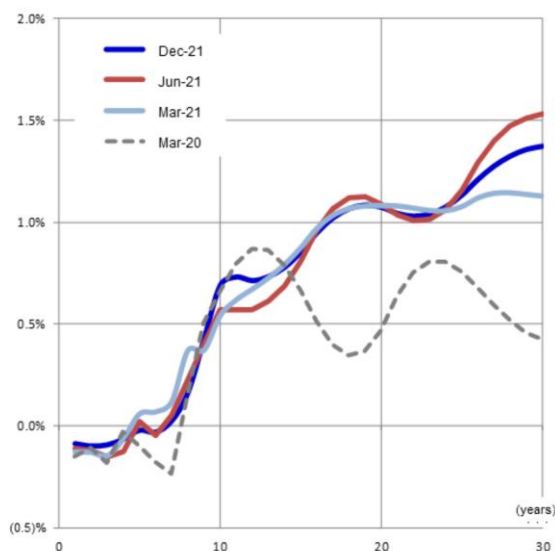
Interest, Dividends and Other Income			
	9months ended Dec-20	9months ended Dec-21	(¥bn)
			(Reference) Year ended Mar-21
Investment income	801.2	833.1	1,121.6
Interest, dividends and other income	753.0	741.0	1,004.6
Interest on deposits	0.0	0.0	0.0
Interest and dividends on securities	672.2	671.6	898.4
Interest on corporate and government bonds	551.9	540.2	733.2
Domestic stock dividends	4.4	5.9	8.2
Interest and dividends on foreign securities	85.1	93.4	115.8
Others	30.7	31.9	41.0
Interest on loans	10.0	10.6	13.3
Interest on loans to the Management Organization	66.2	55.6	86.9
Rent revenue from real estate	-	-	-
Interest and dividends on others	4.4	3.1	5.9

Capital gains(losses)			
	9months ended Dec-20	9months ended Dec-21	(¥bn)
			(Reference) Year ended Mar-21
Capital gains	47.2	91.2	115.7
Gains on money held in trust	27.6	72.5	87.5
Gains on sales of securities	16.9	17.7	20.4
Gains on derivative financial instruments	-	-	-
Gains on foreign exchanges	2.6	0.9	7.7
Other capital gains	-	-	-
Capital losses	(89.2)	(87.0)	(132.8)
Losses on money held in trust	-	-	-
Losses on sales of securities	(24.1)	(18.0)	(32.7)
Losses on valuation of securities	-	-	-
Losses on derivative financial instruments	(16.6)	(5.4)	(21.6)
Losses on foreign exchanges	-	-	-
Other capital losses ¹	(48.4)	(63.4)	(78.4)
Net Capital gains(losses)	(42.0)	4.2	(17.1)

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 (Mar-20 to Dec-21)



Forward Rate

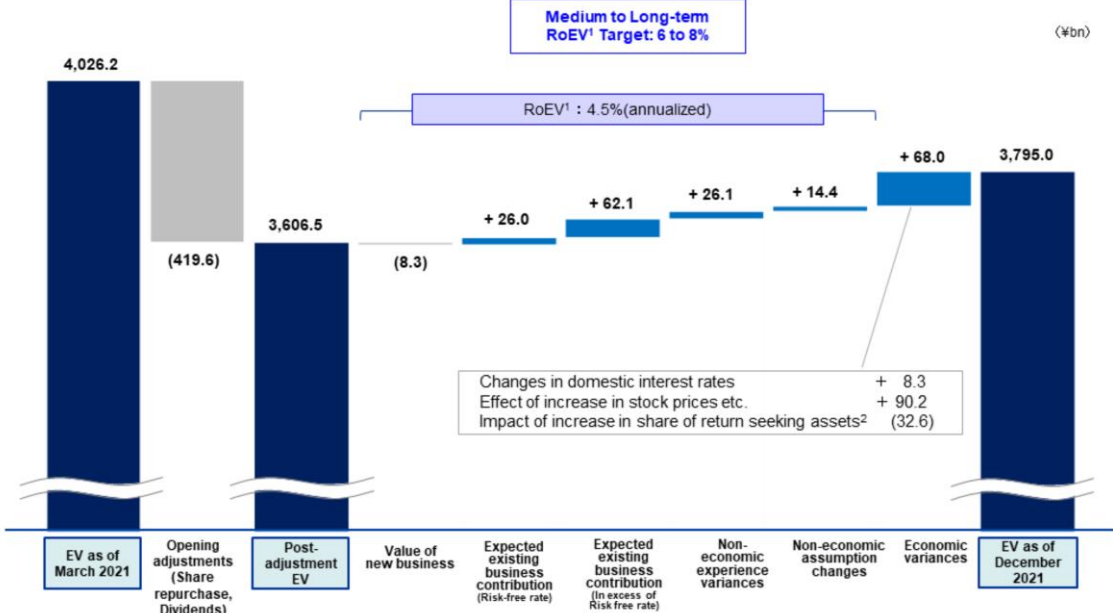
	Mar-20	Mar-21 ^①	Jun-21 ^②	Dec-21 ^③
10 years	0.657 %	0.539 %	0.569 %	0.688 %
20 years	0.466 %	1.080 %	1.089 %	1.074 %
30 years	0.422 %	1.126 %	1.528 %	1.374 %

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

EV as of March 31, 2021 : ①
 Value of new business for FY22/3 3Q : ②
 EV as of December 31, 2021 : ③

1. Interest rates used herein (assumptions for EV) are forward rates calculated based on the market yields on JGBs announced by the Ministry of Finance, Japan.

Movement Analysis of EV



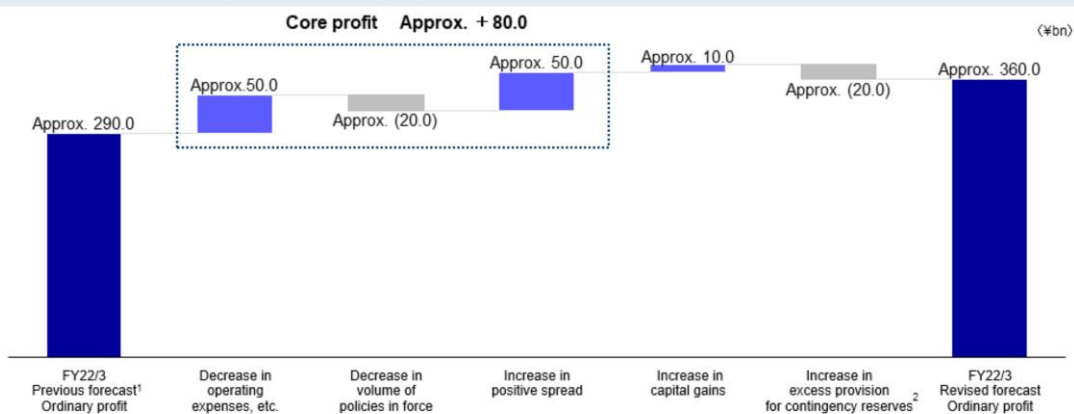
1. Calculated by excluding economic variance factors
 2. EV decreased due to increases in the time value of options and guarantees and other factors caused by the greater uncertainty of future earnings resulting from the increase in share of return seeking assets.
 Note : Provisional calculations that have not been verified by a third party

Revisions to the Forecasts for Full-year Financial Results for the Year Ending March 31, 2022 (factors for changes between previous and revised forecasts in ordinary profit)

■ Revised forecast for ordinary profit from ¥290.0bn to ¥360.0bn

[Reasons for the Revision]

1. Decrease in operating expenses, etc.
2. Decrease in volume of policies in force due to lower-than-expected acquisition of new business
3. Increase in investment income (increase in positive spread) from money held in trust, foreign securities, etc. due to improvement in the investment environment
4. Increase in capital gains due to gains on sales of domestic stocks, etc.
5. Increase in excess provision for contingency reserves²



1. The initial consolidated financial results forecast for the year ending March 31, 2022, which was announced on May 14, 2021. This is based on the economic assumptions as of December 31, 2020.
2. For the Postal Life Insurance category, the Company accumulated additional policy reserves which were funded by contingency reserves at the end of March, 2021. With this operation, the Company also provided excess provision for contingency reserves in order to restore the level of them from the end of March 2021 onward.

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

(¥bn)

	FY18/3		FY19/3		FY20/3		FY21/3		FY21/3 3Q		FY22/3 3Q	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income ¹	3,938.8	5,489.2	3,814.7	4,374.4	3,582.6	3,658.6	3,591.8	3,194.6	2,723.9	2,403.7	2,599.2	2,222.1
Insurance premiums and others	3,481.2	755.2	3,369.5	590.3	2,786.3	459.1	2,333.7	364.1	1,773.7	278.9	1,621.3	220.0
Investment income ¹	454.6	830.3	440.1	764.3	441.2	696.5	448.4	673.6	327.2	474.3	341.7	491.7
Other ordinary income	3.0	3,903.7	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8	622.9	1,650.4	636.1	1,510.3
Ordinary expenses ¹	3,767.1	5,352.2	3,663.5	4,260.4	3,388.2	3,566.1	3,329.3	3,112.2	2,532.9	2,334.6	2,398.0	2,154.3
Insurance claims and others	1,765.6	5,124.3	2,837.9	4,030.9	2,842.0	3,349.3	2,925.4	2,940.6	2,227.2	2,208.1	2,124.7	2,036.5
Provision for policy reserves and others	1,474.7	-	272.5	-	29.9	-	0.0	-	0.0	-	0.0	-
Investment expenses ¹	78.5	27.9	99.1	46.8	85.7	38.2	59.5	11.7	46.1	7.3	28.4	4.5
Operating expenses	372.8	159.9	376.2	142.1	336.3	135.8	275.4	126.6	207.4	94.8	192.5	88.8
Other ordinary expenses	75.2	39.8	77.7	40.4	94.2	42.7	68.9	33.2	52.2	24.3	52.3	24.4
Ordinary profit	171.7	137.0	151.1	113.9	194.3	92.4	262.5	82.4	190.9	69.0	201.2	67.7
Extraordinary gains and losses ²	(27.2)	(17.0)	13.8	3.6	9.3	29.8	(23.6)	(23.1)	(12.1)	6.6	(31.7)	(20.4)
Provision for reserve for policyholder dividends	21.6	96.1	19.6	92.1	15.4	93.7	18.7	46.7	13.7	54.7	13.3	37.9
Income before income taxes	122.9	23.8	145.3	25.5	188.2	28.5	220.2	12.6	165.0	20.9	156.2	9.3
Total income taxes	35.4	6.9	41.1	8.7	54.9	10.7	61.1	6.0	46.3	11.2	43.2	3.4
Net income	87.4	16.8	104.1	16.7	133.3	17.8	159.0	6.5	118.7	9.7	112.9	5.9

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.

- 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.: FY22/3 3Q, ¥0.3billion was added to "Gains on foreign exchanges," under "Investment income," and to "Losses on foreign exchanges," under "Investment expenses")
- "Extraordinary gains and losses" includes "Price fluctuations reserve, provision" and "Price fluctuations reserve, reversal."

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

		FY18/3	FY19/3	FY20/3	FY21/3	FY21/3 3Q	FY22/3 3Q
Total assets	¥mn	76,832,508	73,904,576	71,667,398	70,173,857	69,683,604	67,211,982
Postal Life Insurance category		46,684,937	41,354,076	39,225,493	37,815,270	37,869,228	35,850,481
New category		30,147,570	32,550,500	32,441,904	32,358,586	31,814,376	31,361,500
Number of policies in force	(000)	30,405	29,143	27,070	24,837	25,377	23,312
Postal Life Insurance category (insurance)		12,484	11,048	9,907	8,944	9,192	8,290
New category (individual insurance)		17,921	18,095	17,163	15,893	16,185	15,021
Insurance premiums and others	¥mn	4,236,461	3,959,928	3,245,541	2,697,936	2,052,722	1,841,422
Postal Life Insurance category		755,221	590,340	459,151	364,196	278,961	220,040
New category		3,481,240	3,369,588	2,786,389	2,333,740	1,773,760	1,621,382
Ordinary profit	¥mn	308,845	265,143	286,829	345,022	260,019	269,006
Postal Life Insurance category		137,074	113,981	92,490	82,454	69,075	67,766
New category		171,771	151,162	194,338	262,568	190,944	201,239
Net income	¥mn	104,309	120,958	151,132	165,586	128,446	118,822
Postal Life Insurance category		16,878	16,763	17,806	6,566	9,702	5,901
New category		87,430	104,195	133,325	159,020	118,744	112,921
Contingency reserve (reversal) provision	¥mn	(139,678)	(151,592)	(165,388)	(186,023)	7,668	52,576
Postal Life Insurance category		(173,722)	(173,590)	(170,814)	(191,014)	4,238	48,245
New category		34,043	21,997	5,425	4,991	3,430	4,331
Price fluctuations reserve (reversal) provision	¥mn	128,031	(19,251)	(39,152)	46,477	5,389	57,592
Postal Life Insurance category		17,090	(3,686)	(29,845)	23,121	(6,671)	20,479
New category		110,940	(15,564)	(9,306)	23,355	12,061	37,113
Additional policy reserve (reversal) provision	¥mn	(30,648)	(50,292)	(49,750)	27,652	(161,314)	(176,983)
Postal Life Insurance category		(47,674)	(46,698)	(46,396)	30,553	(159,087)	(175,153)
New category		17,025	(3,594)	(3,354)	(2,901)	(2,227)	(1,830)

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

	FY18/3	FY19/3	FY20/3	FY21/3	FY21/3 3Q	FY22/3 3Q
Insurance premiums and others	4,236.4	3,959.9	3,245.5	2,697.9	2,052.7	1,841.4
Operating expenses etc ¹	647.6	636.8	609.4	503.5	377.9	357.1
Ordinary profit	309.2	264.8	286.6	345.7	260.8	270.0
Provision for reserve for policyholder dividends	117.7	111.8	109.2	65.4	68.5	51.2
Net income	104.4	120.4	150.6	166.1	129.0	119.5
Net assets	2,003.1	2,135.1	1,928.3	2,841.4	2,711.6	2,659.6
Total assets	76,831.2	73,905.0	71,664.7	70,172.9	69,684.0	67,212.4
Return on equity	5.4 %	5.8 %	7.4 %	7.0 %	-	-
RoEV ²	9.9 %	8.6 %	(2.8) %	5.0 %	4.2 %	4.5 %
Dividends to shareholders	40.8	43.2	42.7	42.7	-	-
Payout Ratio	39.0 %	35.8 %	28.4 %	25.7 %	-	-
EV	3,743.3	3,925.7	3,324.2	4,026.2	3,918.9	3,795.0
Value of New Business	226.7	223.8	60.6	(12.7)	(2.8)	(8.3)
Core profit (Non-consolidated)	386.1	377.1	400.6	421.9	309.7	317.3
Core profit attributable to life insurance activities	320.3	318.7	320.1	345.6	268.3	233.7
Spread (positive/negative spread)	65.8	58.4	80.4	76.3	41.3	83.6

1. Sum of Operating expenses and Other ordinary expenses
 2. Calculated by excluding economic variance factors.

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