

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, 2016

JAPAN POST INSURANCE Co., Ltd.

Summary of Financial Results for the Six Months Ended September 30, 2016

(1) Policies

		Six Months Ended September 30, 2016			Fiscal Year Ended March 31, 2016	Six Months Ended September 30, 2015
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2016	Increase (Decrease) as % of Six Months Ended September 30, 2015		
Annualized premiums from new policies	(Millions of yen)	301,823	—	0.3	590,474	300,962
Of which, medical coverage, living benefits and other	(Millions of yen)	26,001	—	5.5	49,588	24,655
Annualized premiums from policies in force	(Millions of yen)	3,674,997	4.4	9.4	3,519,640	3,357,966
Of which, medical coverage, living benefits and other	(Millions of yen)	311,984	6.3	13.2	293,413	275,726
Insurance premiums and others	(Millions of yen)	2,812,554	—	2.4	5,413,862	2,746,776
Of which, individual insurance sector	(Millions of yen)	2,274,510	—	11.2	4,087,242	2,044,846
Of which, group insurance sector	(Millions of yen)	—	—	—	—	—
Policy amount of surrenders and lapses	(Millions of yen)	948,887	—	5.6	1,843,539	898,694
Surrender and lapse rate	(%)	2.0	—	—	4.3	2.1

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

* Increase (decrease) as % of fiscal year ended March 31, 2016 and six months ended September 30, 2015 show rate of increase or decrease.

* Policy amounts of surrenders and lapses are not offset by the amounts of lapses which are reinstated.

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

* 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.)

(2) Assets

(Consolidated Basis)

		As of September 30, 2016			As of March 31, 2016	As of September 30, 2015
			Increase (Decrease) as % of March 31, 2016	Increase (Decrease) as % of September 30, 2015		
Total assets	(Millions of yen)	80,492,230	(1.3)	(5.0)	81,545,182	84,691,801
Real net assets	(Billions of yen)	14,601.4	(0.3)	28.9	14,649.5	11,323.9
Real net assets/General account assets	(%)	18.1	—	—	18.0	13.4
Solvency margin ratio	(%)	1,458.0	(112.3)	(121.4)	1,570.3	1,579.4

* Increase (decrease) as % of March 31, 2016 and September 30, 2015 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, 2016		Fiscal Year Ended March 31, 2016	Six Months Ended September 30, 2015
		Increase (Decrease) as % of Fiscal Year Ended March 31, 2016	Increase (Decrease) as % of Six Months Ended September 30, 2015		
Core profit	(Millions of yen)	194,418	—	464,285	239,927

* Increase (decrease) as % of six months ended September 30, 2015 shows rate of increase or decrease.

		Forecast for the Fiscal Year Ending March 31, 2017	Results of the Fiscal Year Ended March 31, 2016
Positive spread	(Billions of yen)	To be decreased.	97.4

(4) Breakdown of core profit

		Six Months Ended September 30, 2016		Fiscal Year Ended March 31, 2016	Six Months Ended September 30, 2015
		Increase (Decrease) as % of Fiscal Year Ended March 31, 2016	Increase (Decrease) as % of Six Months Ended September 30, 2015		
Positive spread	(Millions of yen)	29,997	—	97,437	42,074
Core profit attributable to life insurance activities	(Millions of yen)	164,421	—	366,848	197,852

* Increase (decrease) as % of six months ended September 30, 2015 shows rate of increase or decrease.

(5) Reserves

		As of September 30, 2016			As of March 31, 2016	As of September 30, 2015
		Increase (Decrease) Compared to March 31, 2016	Increase (Decrease) Compared to September 30, 2015			
Policy reserves (excluding contingency reserve)	(Millions of yen)	69,243,049	(744,606)	(2,019,188)	69,987,656	71,262,238
Reserve for price fluctuations	(Millions of yen)	752,641	(29,627)	10,084	782,268	742,556
Contingency reserve	(Millions of yen)	2,314,244	(60,602)	(123,231)	2,374,846	2,437,475
Contingency reserve I	(Millions of yen)	185,424	(3,003)	(6,044)	188,428	191,468
Contingency reserve II	(Millions of yen)	2,054,727	(52,969)	(107,564)	2,107,696	2,162,291
Contingency reserve III	(Millions of yen)	—	—	—	—	—
Contingency reserve IV	(Millions of yen)	74,092	(4,629)	(9,621)	78,722	83,714
Contingency funds	(Millions of yen)	—	—	—	—	—
Fund for price fluctuation allowance	(Millions of yen)	—	—	—	—	—

* Increase (decrease) compared to March 31, 2016 and September 30, 2015 show actual amounts of increase or decrease.

(6) Unrealized gains (losses)

		As of September 30, 2016			As of March 31, 2016	As of September 30, 2015
		Increase (Decrease) Compared to March 31, 2016	Increase (Decrease) Compared to September 30, 2015			
Securities	(Millions of yen)	9,567,197	(2,963)	3,294,246	9,570,161	6,272,951
Domestic stocks	(Millions of yen)	118,236	(18,854)	(82,071)	137,091	200,307
Domestic bonds	(Millions of yen)	9,254,584	144,297	3,546,164	9,110,287	5,708,420
Foreign securities	(Millions of yen)	192,312	(130,426)	(172,415)	322,738	364,728
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, 2016 and September 30, 2015 show actual amounts of increase or decrease.

(7) Investment results and plans

		Actual results for the first half	Plans for the second half
Domestic stocks	(Millions of yen)	99,672	Basically to be increased. Balances will be flexibly adjusted depending on market developments.
Domestic bonds	(Millions of yen)	(1,582,778)	To be decreased.
Foreign stocks and others	(Millions of yen)	(10,794)	Basically to be increased. Balances will be flexibly adjusted depending on market developments.
Foreign bonds	(Millions of yen)	979,297	Basically to be increased. Balances will be flexibly adjusted depending on market developments.
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, 2016
Domestic stocks (Nikkei Average)	(Yen)	15,212
Domestic stocks (TOPIX)	(Point)	1,213
Domestic bonds	(%)	1.3
Foreign securities	(Yen)	93

* 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, 2017

		Forecast for the Fiscal Year Ending March 31, 2017
Insurance premiums and others	(Billions of yen)	To be increased.
Core profit	(Millions of yen)	To be decreased.

(10) Cross holdings of capital with banks

(i) Contributions from banks (gross)

		As of September 30, 2016
Contributions to funds (stocks)	(Millions of yen)	1,422
Subordinated loans and others	(Millions of yen)	—

* Contributions to stocks are assessed at market value of the Company's shares held by banks, trust banks (excluding trust accounts), and Shinkin banks as of September 30, 2016.

(ii) Contributions to banks (gross)

		As of September 30, 2016
Bank shares held (total market value)	(Millions of yen)	86,966
Subordinated loans and others	(Millions of yen)	62,436

* Securities invested as money held in trust are included.

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

* Subordinated loans etc. are subordinated loans and subordinated bonds.

(11) Number of employees

		As of September 30, 2016		As of March 31, 2016	As of September 30, 2015
		Increase (Decrease) as % of March 31, 2016	Increase (Decrease) as % of September 30, 2015		
Sales personnel	(Number of persons)	1,143	4.0	1,099	1,125
Office personnel	(Number of persons)	6,452	2.8	6,279	6,389

* Increase (decrease) as % of March 31, 2016 and September 30, 2015 show rate of increase or decrease.

(12) Bancassurance sales

None.

Other Items

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