

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, 2017
JAPAN POST INSURANCE Co., Ltd.

Summary of Financial Results for the Six Months Ended September 30, 2017

(1) Policies

		Six Months Ended September 30, 2017		Fiscal Year Ended March 31, 2017	Six Months Ended September 30, 2016	
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2017			Increase (Decrease) as % of Six Months Ended September 30, 2016
Annualized premiums from new policies	(Millions of yen)	208,912	—	(30.8)	527,417	301,823
Of which, medical coverage, living benefits and other	(Millions of yen)	27,918	—	7.4	55,739	26,001
Annualized premiums from policies in force	(Millions of yen)	3,858,114	2.1	5.0	3,777,348	3,674,997
Of which, medical coverage, living benefits and other	(Millions of yen)	353,344	5.8	13.3	333,857	311,984
Insurance premiums and others	(Millions of yen)	2,203,556	—	(21.7)	5,041,868	2,812,554
Of which, individual insurance sector	(Millions of yen)	1,797,900	—	(21.0)	4,031,194	2,274,510
Of which, group insurance sector	(Millions of yen)	—	—	—	—	—
Policy amount of surrenders and lapses	(Millions of yen)	1,038,959	—	9.5	1,925,939	948,887
Surrender and lapse rate	(%)	2.0	—	—	4.0	2.0

* 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, 2017 and six months ended September 30, 2016 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, 2017		As of March 31, 2017	As of September 30, 2016	
			Increase (Decrease) as % of March 31, 2017			Increase (Decrease) as % of September 30, 2016
Total assets	(Millions of yen)	78,639,357	(2.1)	(2.3)	80,336,760	80,492,230
Real net assets	(Billions of yen)	12,764.3	0.0	(12.6)	12,763.1	14,601.4
Real net assets/General account assets	(%)	16.2	—	—	15.9	18.1
Solvency margin ratio	(%)	1,207.7	(82.9)	(250.3)	1,290.6	1,458.0

* Increase (decrease) as % of March 31, 2017 and September 30, 2016 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, 2017			Fiscal Year Ended March 31, 2017	Six Months Ended September 30, 2016
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2017	Increase (Decrease) as % of Six Months Ended September 30, 2016		
Core profit	(Millions of yen)	194,417	—	(0.0)	390,070	194,418

* Increase (decrease) as % of six months ended September 30, 2016 shows rate of increase or decrease.

		Forecast for the Fiscal Year Ending March 31, 2018	Results of the Fiscal Year Ended March 31, 2017
Positive spread	(Billions of yen)	To be decreased	78.5

(4) Breakdown of core profit

		Six Months Ended September 30, 2017			Fiscal Year Ended March 31, 2017	Six Months Ended September 30, 2016
			Increase (Decrease) as % of Fiscal Year Ended March 31, 2017	Increase (Decrease) as % of Six Months Ended September 30, 2016		
Positive spread	(Millions of yen)	35,020	—	16.7	78,581	29,997
Core profit attributable to life insurance activities	(Millions of yen)	159,396	—	(3.1)	311,488	164,421

* Increase (decrease) as % of six months ended September 30, 2016 shows rate of increase or decrease.

(5) Reserves

		As of September 30, 2017			As of March 31, 2017	As of September 30, 2016
			Increase (Decrease) Compared to March 31, 2017	Increase (Decrease) Compared to September 30, 2016		
Policy reserves (excluding contingency reserve)	(Millions of yen)	66,804,739	(1,116,467)	(2,438,310)	67,921,206	69,243,049
Reserve for price fluctuations	(Millions of yen)	817,538	28,825	64,896	788,712	752,641
Contingency reserve	(Millions of yen)	2,186,384	(67,642)	(127,859)	2,254,027	2,314,244
Contingency reserve I	(Millions of yen)	178,068	(3,634)	(7,355)	181,703	185,424
Contingency reserve II	(Millions of yen)	1,942,649	(59,976)	(112,078)	2,002,625	2,054,727
Contingency reserve III	(Millions of yen)	—	—	—	—	—
Contingency reserve IV	(Millions of yen)	65,666	(4,032)	(8,426)	69,698	74,092
Contingency funds	(Millions of yen)	—	—	—	—	—
Fund for price fluctuation allowance	(Millions of yen)	—	—	—	—	—

* Increase (decrease) compared to March 31, 2017 and September 30, 2016 show actual amounts of increase or decrease.

(6) Unrealized gains (losses)

		As of September 30, 2017			As of March 31, 2017	As of September 30, 2016
			Increase (Decrease) Compared to March 31, 2017	Increase (Decrease) Compared to September 30, 2016		
Securities	(Millions of yen)	7,715,795	17,655	(1,851,402)	7,698,140	9,567,197
Domestic stocks	(Millions of yen)	399,581	75,902	281,345	323,679	118,236
Domestic bonds	(Millions of yen)	7,085,670	(206,490)	(2,168,914)	7,292,160	9,254,584
Foreign securities	(Millions of yen)	216,631	123,453	24,319	93,178	192,312
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, 2017 and September 30, 2016 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)	256,723	To be flat. Balances will be flexibly adjusted dependig on market developments.
Domestic bonds	(Millions of yen)	(2,050,050)	To be decreased.
Foreign stocks and others	(Millions of yen)	595,746	To be increased. Balances will be flexibly adjusted dependig on market developments.
Foreign bonds	(Millions of yen)	180,544	To be increased. Balances will be flexibly adjusted dependig 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, 2017
Domestic stocks (Nikkei Average)	(Yen)	15,600
Domestic stocks (TOPIX)	(Point)	1,290
Domestic bonds	(%)	1.1
Foreign securities	(Yen)	102

* 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, 2018

		Forecast for the Fiscal Year Ending March 31, 2018
Insurance premiums and others	(Billions of yen)	To be decreased
Core profit	(Millions of yen)	To be decreased

(10) Number of employees

		As of September 30, 2017		As of March 31, 2017	As of September 30, 2016	
		Increase (Decrease) as % of March 31, 2017	Increase (Decrease) as % of September 30, 2016			
Sales personnel	(Number of persons)	1,156	4.7	1.1	1,104	1,143
Office personnel	(Number of persons)	6,512	3.0	0.9	6,320	6,452

* Increase (decrease) as % of March 31, 2017 and September 30, 2016 show rate of increase or decrease.

(11) Bancassurance sales

None.

Other Items

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