

Outline of Financial Results for the Three Months Ended June 30, 2024

August 9, 2024



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the three months Ended June 30, 2024.”
- 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

| | 3 months ended Jun-24 | Year on Year | |
|-----------------------------------------------------|---------------------------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ordinary Profit | ¥ 68.1bn | + ¥ 24.8bn + 57.5% | 【Financial Highlights】 > Core profit decreased due to the impact of the increased burden of regular policy reserves in the first year of new policies, etc., related to an increase in new policies. On the other hand, ordinary profit increased by ¥24.8bn (+ 57.5%) year on year, as a result of a decrease in provision for contingency reserves and a significant improvement in capital gains and losses. > The above capital gains, etc. were neutralized by reserve for price fluctuations, and net income decreased by ¥ 0.0bn ((0.4) %) year on year. > Adjusted profit that takes into account the impact of the increased burden of regular policy reserves in the first year of new policies increased by ¥ 12.5bn (+ 59.3%) year on year to ¥ 33.5bn. |
| Net income | ¥ 20.9bn | ¥ (0.0) bn (0.4) % | |
| Adjusted profit | ¥ 33.5bn | + ¥ 12.5 bn + 59.3% | |
| New policies (Individual Insurance) | (Number) 0.29mn policies | + 0.16mn policies + 133.6 % | |
| | (Annualized premiums) ¥ 63.8bn | + ¥ 40.7bn + 176.5% | |
| Policies in Force (Individual Insurance) | (Number) 19.56mn policies | (0.14) mn policies (0.7) % | |
| | (Annualized premiums) ¥ 2,971.5bn | ¥ (15.7) bn (0.5) % | |
| EV | ¥ 3,981.9bn | + ¥ 16.9bn + 0.4% | 【Policy Sales】 > The number of new policies for individual insurance significantly increased by 133.6% year on year. > Although the number of policies in force decreased by 0.14 million policies ((0.7) %) from the end of the previous fiscal year, the number of new-category policies in force remained largely unchanged. |
| | | | 【Embedded Value】 > EV increased by ¥ 16.9bn (+ 0.4%) from the end of the previous fiscal year, due to an increase in value of new business, etc. |

- The financial results can be summed up as you see.
- Core profit decreased due to the impact of the increased burden of regular policy reserves related to an increase in new policies, etc. On the other hand, ordinary profit was ¥ 68.1 billion, a 57.5% increase year on year, owing to the decrease in provisions for contingency reserves and substantially improved capital gains or losses.
- Net income for the current period was ¥ 20.9 billion, which was essentially flat year on year, as capital gains or losses, etc. were neutralized by reserve for price fluctuations.
- From FY25/3, the Company implements adjusted profit in order to partially adjust for the effect of net income reduction in the short term as new policies increase. Adjusted profit, the net income adjusted for the impact of the increased burden of regular policy reserves in the first year of new policies, increased by ¥ 12.5 billion year on year to ¥ 33.5 billion.
- The number of new policies for individual insurance significantly increased by 133.6% year on year.
- While the number of policies in force decreased by 0.7% from the end of the previous fiscal year, the number of New-category policies in force was largely unchanged.
- EV increased by 0.4% from the end of the previous fiscal year to ¥ 3,981.9 billion mainly due to an increase in value of new business, etc.
- Please look at page 2.

Financial Results for the Three Months Ended June 30, 2024 (Year on Year)

Statement of Income

| | 3 months ended Jun-23 | 3 months ended Jun-24 | Change | (Reference) Year ended Mar-24 |
|----------------------------------------------------------|-----------------------|-----------------------|---------|-------------------------------|
| | (¥bn) | | | |
| Ordinary income | 1,593.7 | 1,465.4 | (128.3) | 6,744.1 |
| Insurance premiums and others | 548.4 | 1,021.0 | 472.6 | 2,484.0 |
| Investment income | 322.9 | 333.1 | 10.2 | 1,211.5 |
| Reversal of policy reserves | 688.1 | 88.3 | (599.8) | 3,005.4 |
| Ordinary expenses | 1,550.5 | 1,397.3 | (153.2) | 6,582.9 |
| Insurance claims and others | 1,334.2 | 1,187.1 | (147.0) | 5,778.5 |
| Investment expenses | 88.1 | 79.6 | (8.5) | 282.5 |
| Operating expenses etc ¹ | 128.0 | 130.3 | 2.2 | 521.6 |
| Ordinary profit | 43.2 | 68.1 | 24.8 | 161.1 |
| Extraordinary gains and losses | 2.7 | (21.3) | (24.0) | 15.9 |
| Provision of reserve for price fluctuations ² | 2.7 | (21.3) | (24.1) | 16.1 |
| Provision for reserve for policyholder dividends | 15.7 | 17.1 | 1.4 | 55.8 |
| Total income taxes | 9.2 | 8.6 | (0.5) | 34.1 |
| Net income attributable to Japan Post Insurance | 21.0 | 20.9 | (0.0) | 87.0 |
| Adjusted Profit | 21.0 | 33.5 | 12.5 | 97.6 |

Note: Only major line items are shown.

- Sum of Operating expenses and Other ordinary expenses.
- Plus signs indicate reversals, while brackets () indicate provisions.

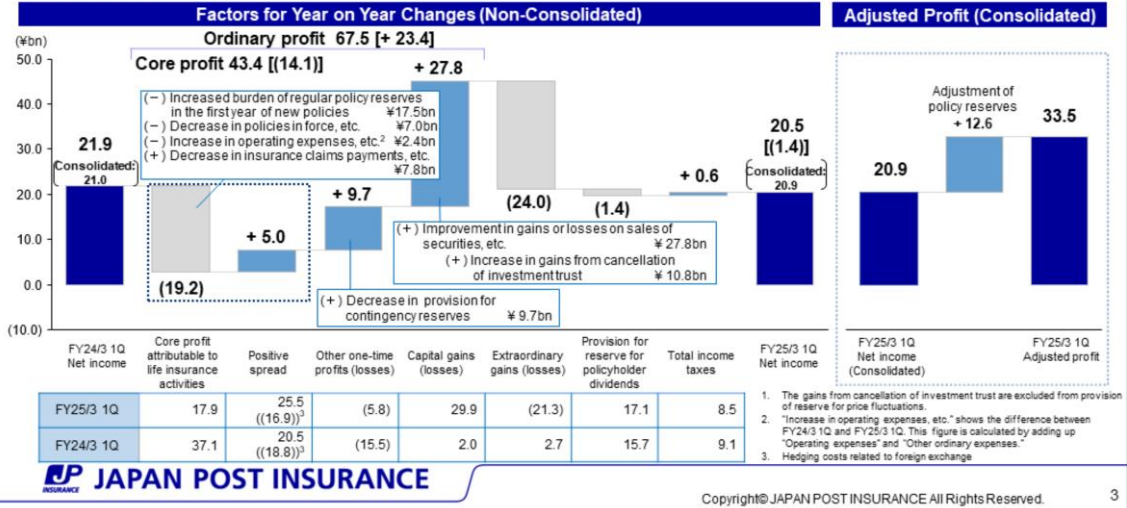
Details of Ordinary Profit (Non-Consolidated)

| | 3 months ended Jun-23 | 3 months ended Jun-24 | Change | (Reference) Year ended Mar-24 |
|-------------------------------------------------------|-----------------------|-----------------------|--------|-------------------------------|
| | (¥bn) | | | |
| Core profit | 57.6 | 43.4 | (14.1) | 224.0 |
| Core profit attributable to life insurance activities | 37.1 | 17.9 | (19.2) | 132.1 |
| Positive spread | 20.5 | 25.5 | 5.0 | 91.8 |
| Hedging costs related to foreign exchange | (18.8) | (16.9) | 1.9 | (81.4) |
| Net capital gains (losses) | 2.0 | 29.9 | 27.8 | 10.0 |
| Gains from cancellation of investment trust | 0.0 | 10.8 | 10.8 | 0.0 |
| Other one-time profits (losses) | (15.5) | (5.8) | 9.7 | (71.5) |
| Ordinary profit | 44.1 | 67.5 | 23.4 | 162.5 |

- 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

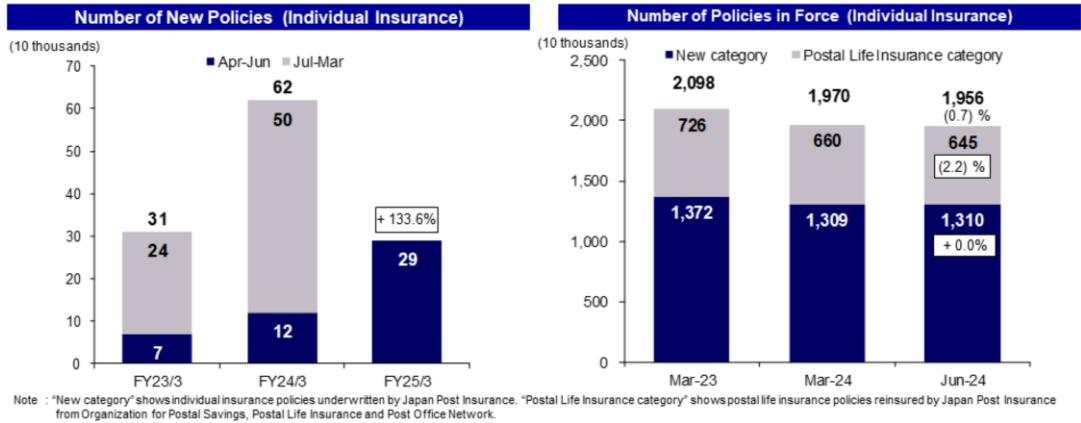
- While the positive spread improved, core profit decreased year on year to ¥ 43.4bn due to the impact of the increased burden of regular policy reserves in the first year of new policies, etc., related to an increase in new policies, mainly due to the sale of lump-sum payment whole life insurance policies.
- Ordinary profit increased year on year to ¥ 67.5bn, as a result of an improvement in other one-time profits or losses resulting from the termination of excess provision for contingency reserves that had been implemented since FY21/3, and a significant improvement in capital gains or losses.
- Regarding capital gains or losses¹ and hedging costs related to foreign exchange included in the positive spread, the company continued to adopt accounting treatments to provide or to reverse the reserve for price fluctuations corresponding to the amount of them. Thus, net income was essentially flat year on year at ¥ 20.5bn.
- Adjusted profit, the consolidated net income adjusted for the impact of the increased burden of regular policy reserves in the first year of new policies, amounted to ¥ 33.5bn.



- These are the factors for changes in the financial results for the current period.
- While the positive spread improved, core profit decreased year on year to ¥ 43.4 billion due to the impact of the increased burden of regular policy reserves in the first year of new policies, etc., related to an increase in new policies, mainly due to the sale of lump-sum payment whole life insurance policies.
- Ordinary profit increased year on year to ¥ 67.5 billion, as a result of an improvement in other one-time profits or losses resulting from the termination of excess provision for contingency reserves that had been implemented since FY21/3, and substantially improved capital gains or losses.
- Regarding capital gains or losses and hedging costs related to foreign exchange included in the positive spread, we continued to adopt accounting treatments to provide or to reverse the reserve for price fluctuations corresponding to the amount of them. Thus, net income was essentially flat year on year at ¥ 20.5 billion.
- Adjusted profit, the consolidated net income adjusted for the impact of the increased burden of regular policy reserves in the first year of new policies, amounted to ¥ 33.5 billion.
- Please look at page 4.

Policy Sales [Number of Policies]

- The number of new policies for individual insurance significantly increased by 133.6% year on year due to the impact of lump-sum payment whole life insurance policies launched in January 2024, etc.
- Although the total number of policies in force decreased by 0.7% from the end of the previous fiscal year, the number of new-category policies in force remained largely unchanged.



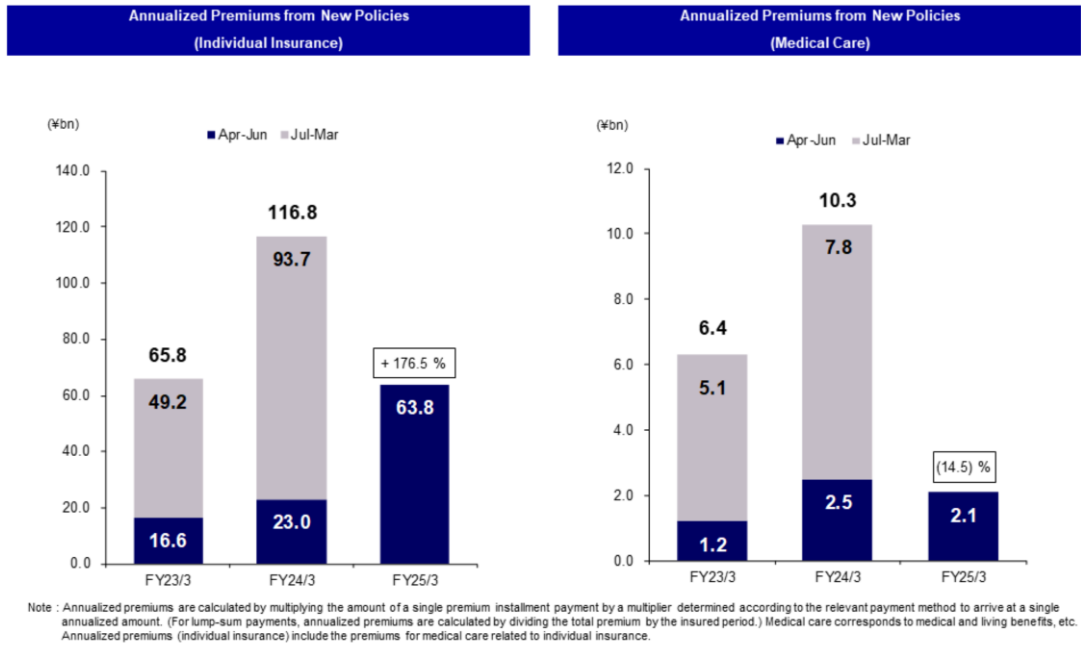
Numbers of Surrender and Lapse (Individual Insurance)

| | FY23/3 | FY24/3 | FY25/3 |
|-----------|--------|--------|--------|
| Full year | 42 | 38 | - |
| Apr-Jun | 11 | 10 | 9 |

Note : Sum of "New category" and "Postal Life Insurance category."

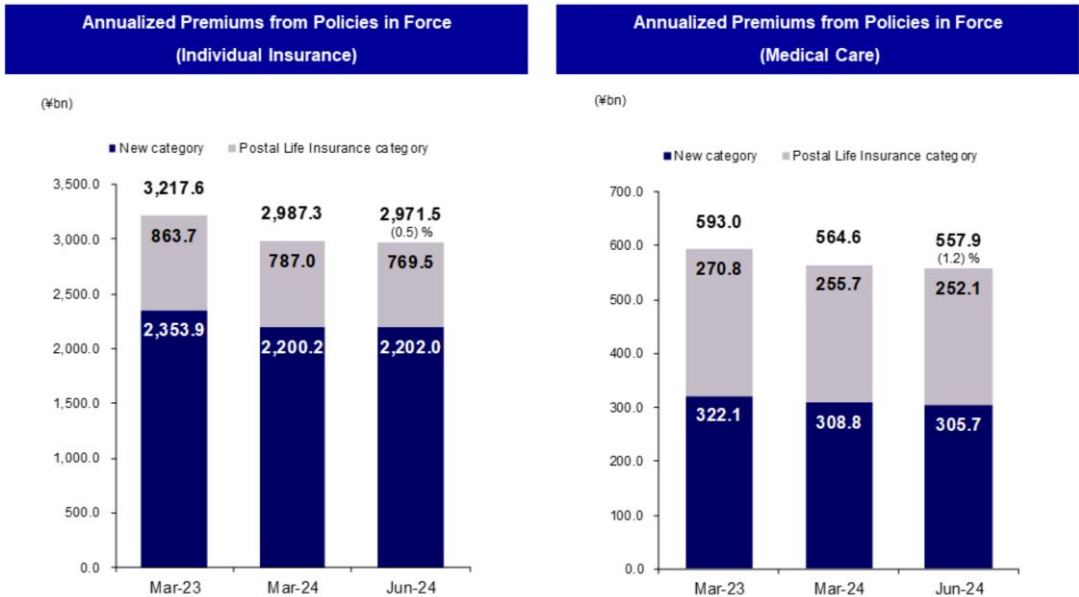
- From here, I would like to explain our policy sales.
- The number of new policies for individual insurance significantly increased by 133.6% year on year to 0.29 million, due to the impact of lump-sum payment whole life insurance policies launched in January 2024, etc.
- While number of policies in force decreased by 0.7% to 19.56 million policies, the number of New-category policies in force remained largely unchanged at 13.10 million policies.
- Please look at page 5.

Policy Sales [Annualized Premiums from New Policies]



- Annualized premiums from new policies for individual insurance increased by 176.5% year on year to ¥ 63.8 billion. On the other hand, annualized premiums from new policies for medical care decreased by 14.5% year on year to ¥ 2.1 billion.
- Regarding policies for medical care, we will work to increase new policies through proposals that meet the needs of our customers.
- Please look at page 6.

Policy Sales [Annualized Premiums from Policies in Force]

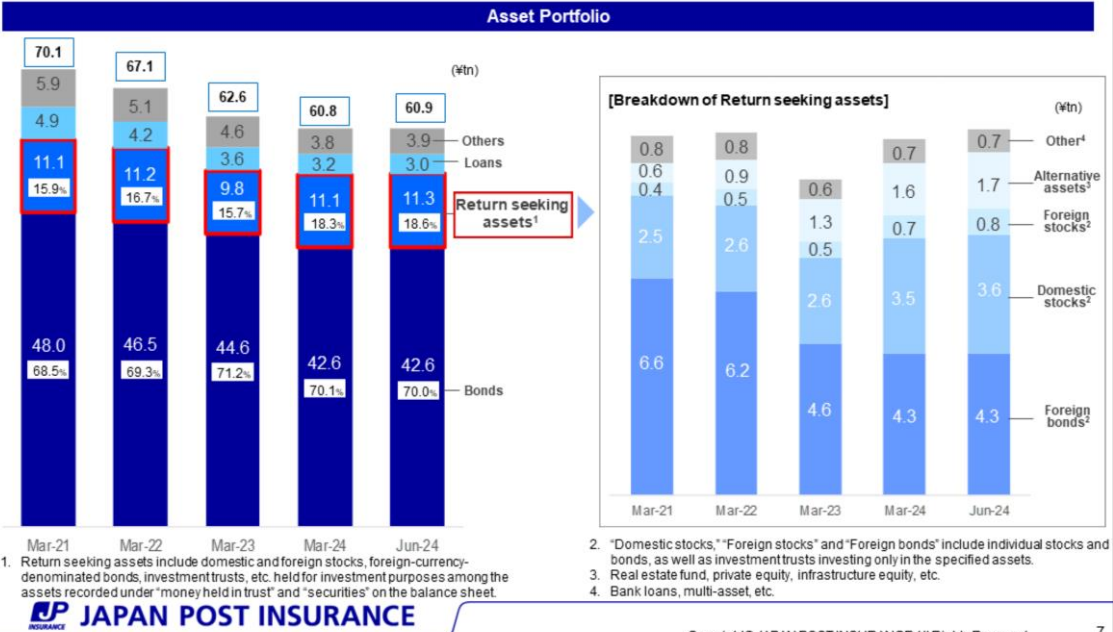


Note: "New category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from Organization for Postal Savings, Postal Life Insurance and Post Office Network.

- Annualized premiums from policies in force for individual insurance decreased by 0.5% from the end of the previous fiscal year to ¥ 2,971.5 billion.
- Annualized premiums from policies in force for medical care decreased by 1.2% from the end of the previous fiscal year to ¥ 557.9 billion.
- Please look at page 7.

Investments [Asset Portfolio]

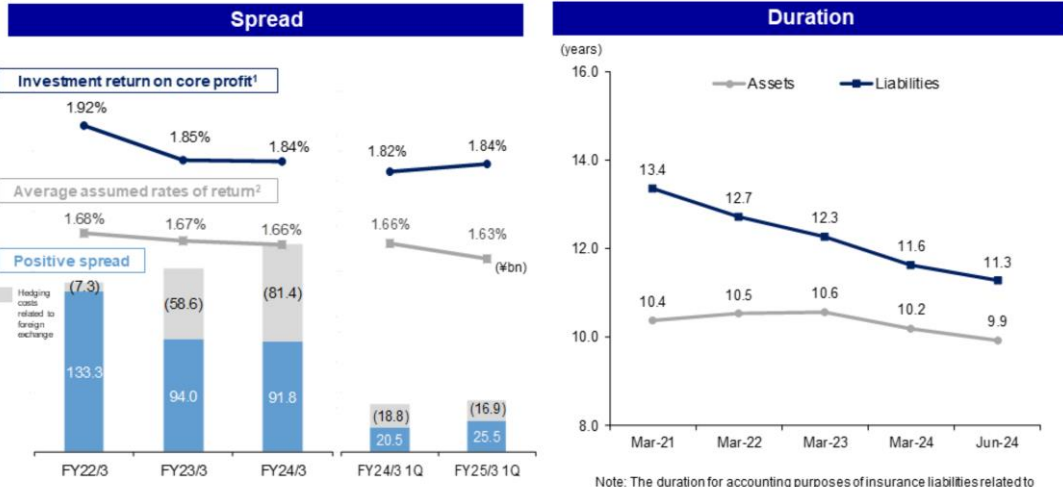
- The total assets amounted to ¥ 60.9tn, largely unchanged from the end of the previous fiscal year.
- The amount of return seeking assets was ¥ 11.3tn, which accounts for 18.6% of total assets and signifies an increase in both the amount and relative proportion.



- 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.
- The graph on the left shows the breakdown and transition of total assets. The total assets as of June 30, 2024 amounted to ¥ 60.9 trillion.
- The amount remained flat compared to the end of the previous fiscal year, mainly due to good sales of lump-sum payment whole life insurance policies and rising fair value for return seeking assets.
- Please look at the graph on the right regarding the breakdown of return seeking assets.
- The amount of return seeking assets such as stocks and foreign bonds was ¥ 11.3 trillion, which accounts for 18.6% of total assets at the end of the current period. Rising fair value, mainly for domestic and foreign stocks holdings, and ongoing investments into alternative assets have led to an increase in both the amount and relative proportion from the end of the previous fiscal year.
- Please look at page 8.

Spread and Duration

- For the three months ended June 30, 2024, average assumed rates of return was 1.63%, and the investment return on core profit was 1.84%. As a result, a positive spread of ¥ 25.5bn (+ ¥ 5.0bn year on year) was achieved.
- The duration was 9.9 years for assets and 11.3 years for liabilities. The duration gap remained flat compared to the end of the previous fiscal year.



1. Investment return on core profit is the return with respect to earned policy reserves.
 2. Average assumed rates of return are the assumed return on general account policy reserves.



- The graphs on the left show the changes in the investment return, average assumed rates of return and positive spread.
- The average assumed rates of return decreased year on year to 1.63%, due to the use of reinsurance and sale of lump-sum payment whole life insurance policies, etc.
- The investment return on core profit rose year on year to 1.84%, as return seeking assets contributed to the investment return.
- Positive spread was ¥ 25.5 billion, which increased ¥ 5.0 billion year on year.
- As shown in the graph on the right, the duration was 9.9 years for assets and 11.3 years for liabilities, and the duration gap remained flat compared to the end of the previous fiscal year.
- Please look at page 9.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities

(¥bn)

| | Mar-24 | | | Jun-24 | | | 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 | 51,994.6 | 55,314.4 | 3,319.8 | 52,339.0 | 54,363.3 | 2,024.3 | 344.4 | (951.1) | (1,295.5) |
| Held-to-maturity bonds | 32,343.1 | 33,401.9 | 1,058.8 | 32,106.7 | 32,026.2 | (80.5) | (236.3) | (1,375.7) | (1,139.3) |
| Policy-reserve-matching bonds | 7,139.6 | 6,954.0 | (185.5) | 7,607.6 | 7,165.5 | (442.1) | 468.0 | 211.4 | (256.6) |
| Available-for-sale securities | 12,511.8 | 14,958.4 | 2,446.5 | 12,624.5 | 15,171.5 | 2,546.9 | 112.7 | 213.1 | 100.4 |
| Securities etc. | 8,869.3 | 8,800.3 | (69.0) | 8,919.0 | 8,731.6 | (187.4) | 49.7 | (68.7) | (118.4) |
| Bonds | 3,560.1 | 3,329.2 | (230.9) | 3,418.6 | 3,132.7 | (285.9) | (141.5) | (196.4) | (54.9) |
| Domestic stocks | 344.9 | 546.0 | 201.0 | 351.6 | 556.3 | 204.7 | 6.6 | 10.3 | 3.6 |
| Foreign securities | 2,099.7 | 2,124.8 | 25.0 | 2,044.7 | 2,014.4 | (30.3) | (55.0) | (110.3) | (55.3) |
| Other securities | 2,169.4 | 2,104.8 | (64.6) | 2,224.4 | 2,148.2 | (76.2) | 55.0 | 43.4 | (11.5) |
| Deposits etc. | 694.9 | 695.3 | 0.4 | 879.4 | 879.7 | 0.3 | 184.5 | 184.4 | (0.1) |
| Money held in trust | 3,642.4 | 6,158.0 | 2,515.5 | 3,705.5 | 6,439.9 | 2,734.4 | 63.0 | 281.8 | 218.8 |
| Domestic stocks ¹ | 1,497.6 | 3,032.3 | 1,534.7 | 1,506.9 | 3,086.0 | 1,579.0 | 9.3 | 53.6 | 44.3 |
| Foreign stocks ¹ | 285.2 | 742.2 | 456.9 | 288.2 | 815.6 | 527.4 | 3.0 | 73.4 | 70.4 |
| Foreign bonds ¹ | 687.1 | 795.4 | 108.2 | 687.1 | 817.7 | 130.5 | - | 22.3 | 22.3 |
| Other ² | 1,172.4 | 1,588.0 | 415.6 | 1,223.1 | 1,720.4 | 497.3 | 50.6 | 132.3 | 81.7 |

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 specified assets.

2. Cash and deposits, bank loans and alternative investment.

- This page shows the fair value of securities and net unrealized gains or losses.
- In the period under review, we recorded ¥ 2,546.9 billion in net unrealized gains on available-for-sale securities that are calculated at fair value for accounting purposes compared with the end of March, 2024, mainly due to an increase in the market value of domestic and foreign stocks holdings.
- The Company recorded a net unrealized loss of ¥ 80.5 billion for held-to-maturity bonds, and that of ¥ 442.1 billion for policy-reserve-matching bonds, while there were net unrealized gains of ¥ 2,024.3 billion for total securities.
- Please look at page 10.

Expenses

| Expenses | | | | |
|-------------------------------|-----------------------|-----------------------|--------|-------------------------------|
| | 3 months ended Jun-23 | 3 months ended Jun-24 | Change | (Reference) Year ended Mar-24 |
| Operating expenses | 108.2 | 107.4 | (0.7) | 440.3 |
| Commissions ¹ | 31.1 | 30.4 | (0.6) | 123.7 |
| Sales Commissions | 6.8 | 8.8 | 1.9 | 27.1 |
| Maintenance Commissions | 24.3 | 21.6 | (2.6) | 96.6 |
| Contributions ² | 14.1 | 14.0 | (0.0) | 56.4 |
| Others | 62.9 | 62.9 | (0.0) | 260.0 |
| Other ordinary expenses | 19.7 | 22.8 | 3.0 | 81.3 |
| Depreciation and amortization | 10.0 | 9.9 | (0.1) | 41.2 |
| Operating expenses etc | 128.0 | 130.3 | 2.2 | 521.6 |

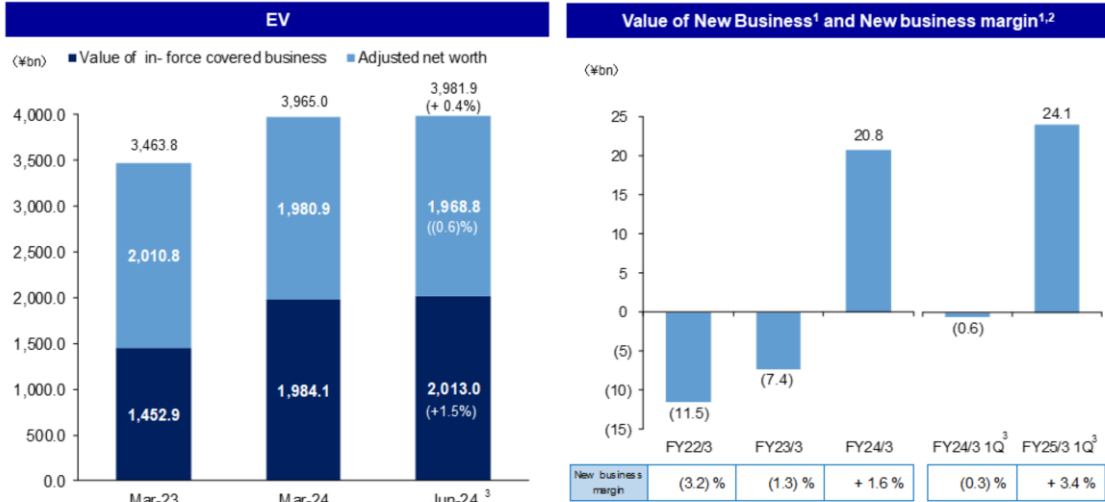
1. Commissions paid to Japan Post Co.

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 ¥ 107.4 billion, of which approximately 40% 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 decreased by ¥ 0.6 billion year on year to ¥ 30.4 billion.
- Contributions was ¥ 14.0 billion, which was flat year on year.
- Please look at page 11.

Embedded Value

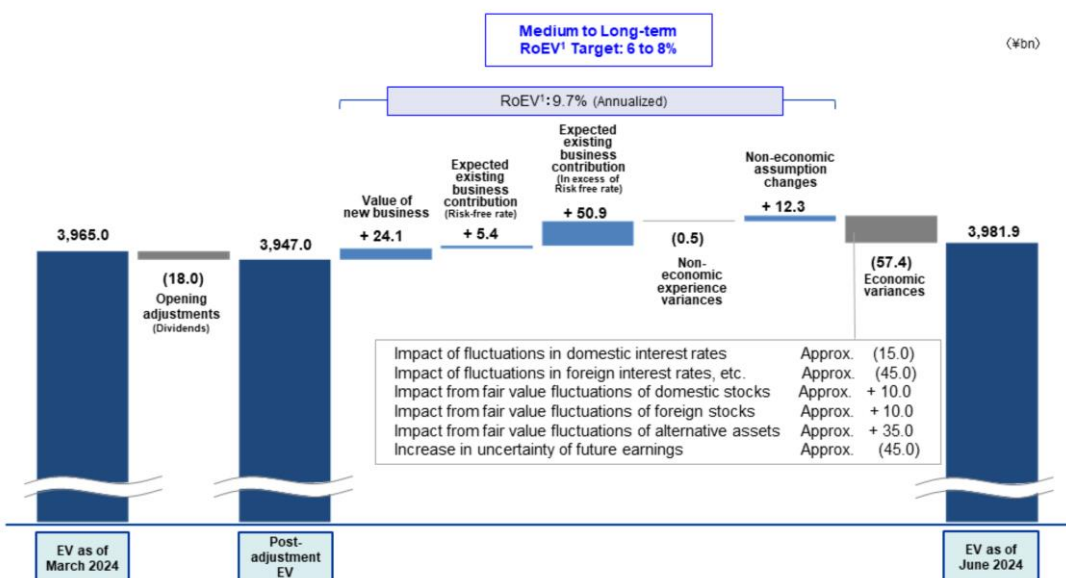
- EV as of June 30, 2024 was ¥ 3,981.9bn mainly due to an increase in value of new business, etc. (+ ¥16.9bn from the end of the previous fiscal year)
- The value of new business was ¥ 24.1bn due to higher interest rates and an increase of the number of new policies. (+ ¥24.7bn year on year)



1. Using the economic assumptions as of June 30, 2024, based on the new policies written in the period from April 2024 to June 2024. The value of new business includes the increase or decrease due to conditional cancellation and conversion.
2. The value of new business divided by the present value of future premium income.
3. Provisional calculations that have not been verified by a third party.

- I would like to explain the current status of EV.
- EV as of June 30, 2024 was ¥ 3,981.9 billion, an increase of ¥ 16.9 billion from the end of the previous fiscal year.
- Adjusted net worth decreased by ¥ 12.0 billion from the end of the previous fiscal year to ¥ 1,968.8 billion, mainly due to dividends, etc., despite the increase in net income.
- Value of in-force covered business increased by ¥ 28.9 billion from the end of the previous fiscal year to ¥ 2,013.0 billion, mainly due to the value of new business and expected existing business contribution.
- Value of new business for the current period was calculated based on the economic assumptions as of the end of June 2024.
- The value of new business increased by ¥ 24.7 billion year on year to ¥ 24.1 billion due to higher interest rates and an increase of the number of new policies. Then, the new business margin was 3.4 %.
- The movement analysis of EV will be explained at next page.
- Please look at page 13.

Movement Analysis of EV



1. Calculated by excluding economic variance factors.

Note : Provisional calculations that have not been verified by a third party.

- This page shows the movement analysis of EV.
- The main changes in EV from the end of the previous fiscal year were an increase of ¥ 24.1 billion in the value of new business, an increase of ¥ 50.9 billion in expected existing business contribution in excess of risk-free rate, and a decrease of ¥ 57.4 billion in the economic variances.
- Main factors of the decrease in the economic variances were the impact of fluctuations in foreign interest rates, etc., and the impact from the increase in uncertainty of future earnings, etc.
- And RoEV, the EV growth rate for the three months ended June 30, 2024, was 9.7% on an annualized basis. The RoEV was calculated by excluding economic variance factors.
- Also the EV figures and the value of new business have not been verified by a third-party.
- Please look at page 14.

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2025

Full-year Financial Results Forecast

| (¥bn) | | | |
|-------------------------|-------------------------------------|------------------------------|-------------|
| | Year ending Mar-25 (Forecast) | 3 months ended Jun- 24 | Achievement |
| Ordinary income | 5,960.0 | 1,465.4 | 24.6 % |
| Ordinary profit | 200.0 | 68.1 | 34.1 % |
| Net income ¹ | 79.0 | 20.9 | 26.5 % |
| Adjusted profit | Approx. 91.0 | 33.5 | 36.9 % |

[Definition of adjusted profit (to be introduced from FY25/3)]

$$\text{Adjusted profit} = \text{Net income} + \text{Adjustment of policy reserves}$$

[Change in definition of shareholder return funds]

- In order to partially adjust for the effect unique to life insurance companies whose net income is reduced in the short term as new policies increase, from FY25/3 we implement changes that positions adjusted profit defined above as a source of shareholder return, taking into account the adjustment for the increased burden of regular policy reserves in the first year of new policies (after tax).

Full-year Financial Results Forecast (non-consolidated)

| (¥bn) | | | |
|------------------------------|-------------------------------------|------------------------------|-------------|
| | Year ending Mar-25 (Forecast) | 3 months ended Jun- 24 | Achievement |
| Core profit | Approx. 180.0 | 43.4 | 24.1 % |
| Positive spread ² | Approx. 90.0 | 25.5 | 28.4 % |

1. Net income attributable to Japan Post Insurance.
2. Includes hedging costs related to foreign exchange.

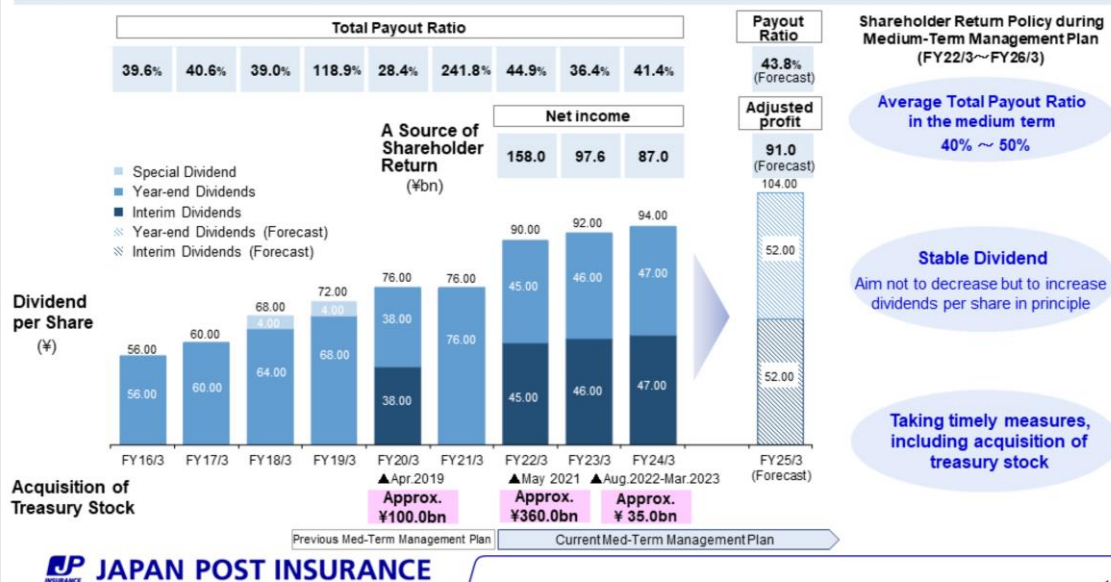
[Assumptions underlying the financial results forecast]

- For domestic and foreign interest rates, it is assumed they will trend in line with the implied forward rate as of March 31, 2024.
- For foreign exchange and stock price, it is assumed they will follow the trend as of March 31, 2024 .
(USD/JPY 151.4 yen, Nikkei Stock Average 40,369 yen)
- Approximately 880 thousands cases of new policies (individual insurance) and approximately 1,770 thousands cases of cancelled policies (individual insurance)³ assumed.
- 3. The numbers of cancelled policies are the sum of death, maturity, surrender and lapse. Also include postal life insurance policies.

- This page shows the forecasts for full-year financial results for the year ending March 31, 2025.
- In the three months ended June 30, 2024, despite the impact of the increased burden of regular policy reserves mainly from the sale of lump-sum payment whole life insurance policies, positive spread made good progress due to factors such as an increase in dividends from alternative assets thanks to favorable market conditions and an increase in interest on foreign bonds due to the depreciation of the yen.
- As a result, core profit and net income have remained favorable.
- As a result of implementing adjustments for the increased burden of regular policy reserves, adjusted profit is showing significant signs of progress. However, the forecast for the full-year financial results for the fiscal year ending March 31, 2025 remains unchanged at this time.
- Please look at page 15.

Shareholder Return

- In accordance with the shareholder return policies during the period of the Medium-term Management Plan, we provide returns to shareholders. We implement “adjusted profit” from FY25/3 and provide stable returns to shareholders by treating adjusted profit as a source of shareholder return.
- As for dividends to shareholders for FY25/3, no change is being contemplated to ¥ 104 per share as scheduled.



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- Lastly, I will explain our Shareholder Return.
- Regarding shareholder return policies during the period of the Medium-term Management Plan, there is no change contemplated to the hitherto announced shareholder return policies. And we implement “adjusted profit” from FY25/3 and provide stable returns to shareholders by treating adjusted profit as a source of shareholder return.
- In addition there is no change in shareholder returns for the fiscal year ending March 31, 2025, from a dividend of ¥104 per share.
- This concludes my explanation for the financial results.
- As previously announced, we have included the URL for financial data that has been posted on our IR site on the last page of this document.
- Please refer to that as needed.
- This concludes my explanation.

APPENDIX

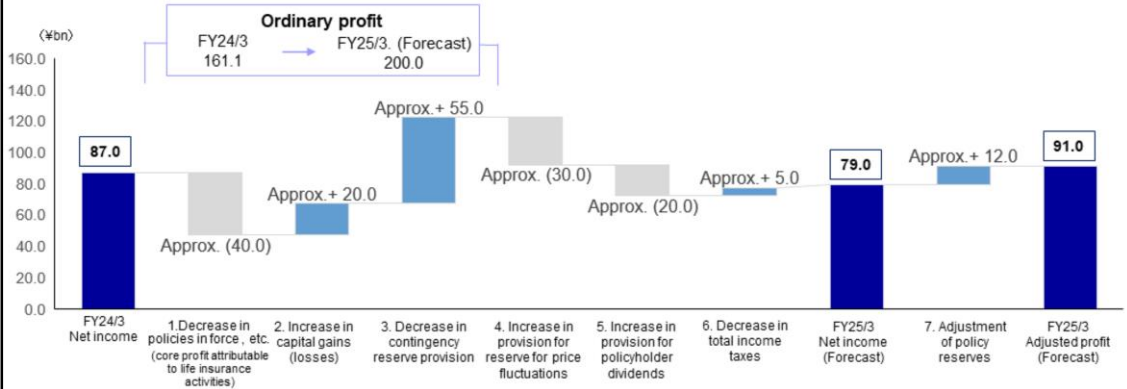
[Reference (As disclosed on May 15, 2024)]

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2025 (Factors for changes from FY24/3)

- Ordinary profit in FY25/3 expected to be ¥200.0bn due to factors 1) to 3).
- Net income¹ in FY25/3 expected to be ¥79.0bn due to factors 4) to 6) in addition to the factors above.
- Adjusted profit in FY25/3 expected to be ¥91.0bn after applying adjustment for policy reserve to net income.

[Factors of variation]

- 1) Decrease in policies in force, etc. (effect exclusively on core profit attributable to life insurance activities)
- 2) Increase in capital gains (losses)
- 3) Decrease in contingency reserve provision
- 4) Increase in provision for reserve for price fluctuations
- 5) Increase in provision for policyholder dividends
- 6) Decrease in total income taxes



1. Net income attributable to Japan Post Insurance.

Overview of Balance Sheets

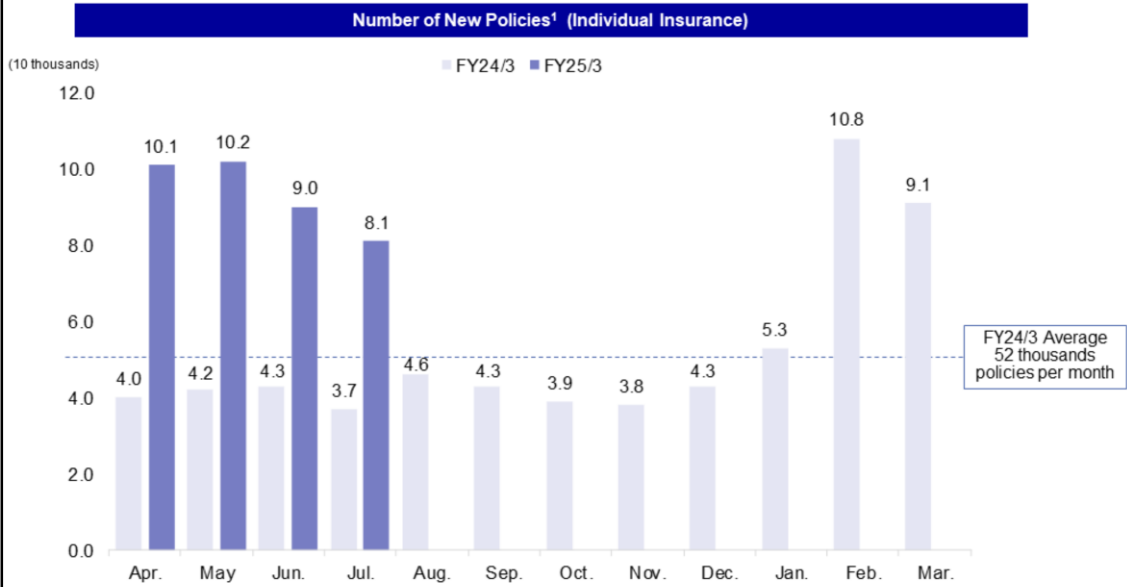
Overview of Balance Sheets

(¥bn)

| | Mar-24 | Jun-24 | Change | | Mar-24 | Jun-24 | Change |
|-------------------------|----------|----------|---------|----------------------------------------------|----------|----------|--------|
| Total Assets | 60,855.8 | 60,943.3 | 87.4 | Total Liabilities | 57,460.1 | 57,478.1 | 18.0 |
| Cash and deposits | 1,157.3 | 1,335.7 | 178.4 | Policy reserves | 50,512.7 | 50,424.4 | (88.3) |
| Money held in trust | 6,271.4 | 6,554.7 | 283.2 | Contingency reserve | 1,725.3 | 1,731.1 | 5.8 |
| Securities | 47,693.8 | 47,682.2 | (11.5) | Additional policy reserve | 4,909.2 | 4,851.5 | (57.7) |
| Loans | 3,281.3 | 3,024.0 | (257.2) | Bonds payable | 400.0 | 500.0 | 100.0 |
| Tangible fixed assets | 136.9 | 139.6 | 2.7 | Reserve for price fluctuations | 873.7 | 895.1 | 21.3 |
| Intangible fixed assets | 97.8 | 102.2 | 4.4 | Net assets | 3,395.7 | 3,465.1 | 69.4 |
| Deferred tax assets | 636.6 | 623.2 | (13.3) | Total shareholders' equity | 1,622.0 | 1,624.9 | 2.9 |
| | | | | Capital stock | 500.0 | 500.0 | - |
| | | | | Capital surplus | 405.0 | 405.0 | - |
| | | | | Retained earnings | 717.9 | 720.8 | 2.9 |
| | | | | Treasury stock | (0.9) | (0.9) | - |
| | | | | Total accumulated other comprehensive income | 1,773.6 | 1,840.1 | 66.4 |

Note: Only major line items are shown.

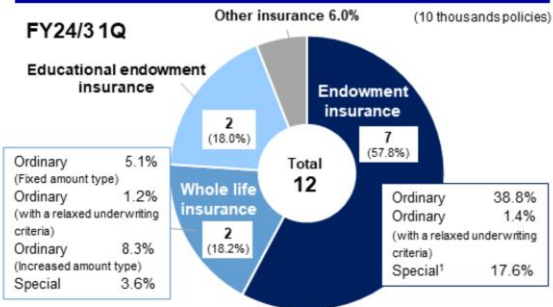
Monthly Change of Number of New Policies



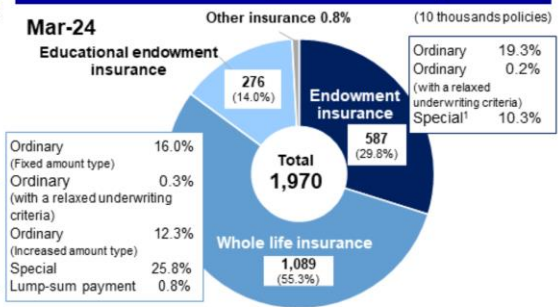
1. The number of new policies includes policies after conversion and excludes renewed policies.

Breakdown of Number of Policies by Product

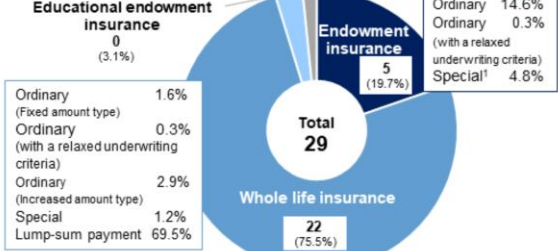
New Policies (Individual Insurance)



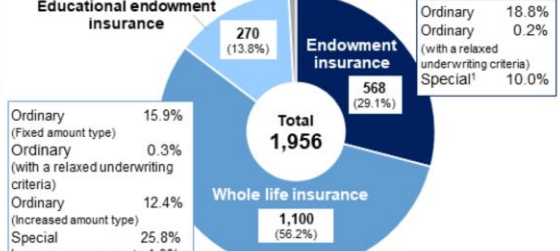
Policies in Force (Individual Insurance)



New Policies (Individual Insurance)



Policies in Force (Individual Insurance)



Note1 : Only major products are shown.

Note2 : Policies in force includes postal life insurance policies.

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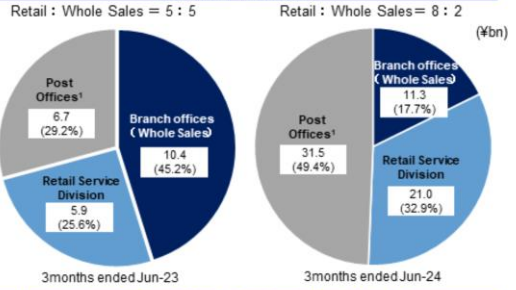
1. Increased amount type endowment insurance.

Annualized Premiums from New Policies (Quarterly Change and Breakdown by Sales channel)

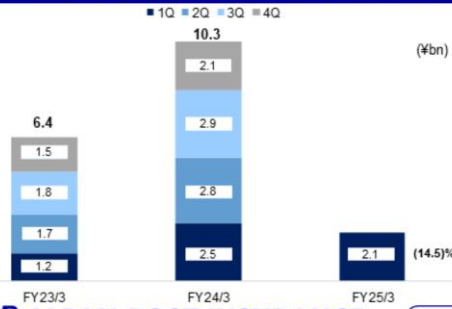
Annualized Premiums from New Policies (Individual Insurance) (¥bn)



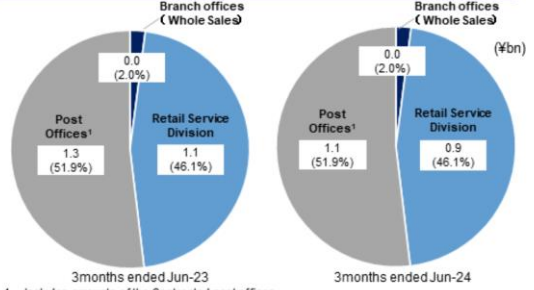
Breakdown of Annualized Premiums from New Policies (Individual Insurance) (¥bn)



Annualized Premiums from New Policies (Medical Care) (¥bn)



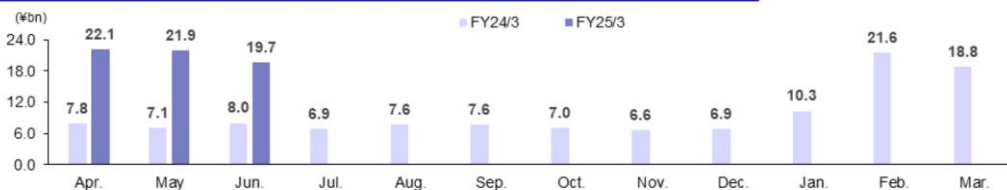
Breakdown of Annualized Premiums from New Policies (Medical Care) (¥bn)



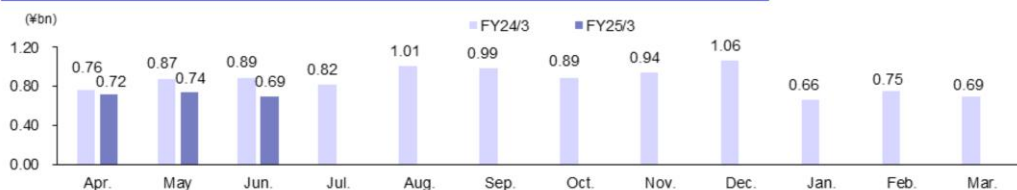
1. Includes amounts of the Contracted post offices.

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. |
|--------|-------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
| FY24/3 | 9.7 % | 12.2 % | 11.1 % | 11.8 % | 13.4 % | 13.0 % | 12.6 % | 14.2 % | 15.3 % | 6.5 % | 3.5 % | 3.7 % |
| FY25/3 | 3.3 % | 3.4 % | 3.5 % | - | - | - | - | - | - | - | - | - |

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

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

| Interest, Dividends and Other Income | | | | Capital gains(losses) | | | |
|--------------------------------------------------|-----------------------|-----------------------|-------------------------------|--------------------------------------------|-----------------------|-----------------------|-------------------------------|
| | 3 months ended Jun-23 | 3 months ended Jun-24 | (Reference) Year ended Mar-24 | | 3 months ended Jun-23 | 3 months ended Jun-24 | (Reference) Year ended Mar-24 |
| (¥bn) | | | | (¥bn) | | | |
| Investment income | 322.9 | 333.1 | 1,211.5 | Capital gains | 121.8 | 138.5 | 427.6 |
| Interest, dividends and other income | 219.8 | 222.3 | 865.2 | Gains on money held in trust | 58.4 | 43.2 | 181.4 |
| Interest on deposits | 0.0 | 0.1 | 0.0 | Gains on sales of securities | 44.5 | 56.4 | 151.1 |
| Interest and dividends on securities | 201.5 | 206.9 | 793.7 | Gains on derivative financial instruments | - | - | - |
| Interest on corporate and government bonds | 172.6 | 167.0 | 685.4 | Gains on foreign exchanges | - | 11.0 | 13.5 |
| Domestic stock dividends | 0.7 | 1.1 | 11.9 | Other capital gains ¹ | 18.8 | 27.7 | 81.4 |
| Interest and dividends on foreign securities | 23.3 | 22.2 | 81.5 | Capital losses | (119.7) | (108.5) | (417.5) |
| Others | 4.8 | 16.6 | 14.8 | Losses on money held in trust | - | - | - |
| Interest on loans | 3.2 | 3.1 | 12.9 | Losses on sales of securities | (60.0) | (58.0) | (177.7) |
| Interest on loans to the Management Organization | 12.7 | 10.1 | 48.3 | Losses on valuation of securities | - | - | (0.0) |
| Rent revenue from real estate | - | - | - | Losses on derivative financial instruments | (25.5) | (18.7) | (95.8) |
| Interest and dividends on others | 2.2 | 1.8 | 10.0 | Losses on foreign exchanges | (0.7) | - | - |
| | | | | Other capital losses ² | (33.5) | (31.7) | (143.9) |
| | | | | Net Capital gains(losses) | 2.0 | 29.9 | 10.0 |

Note: "Invest, dividends and other income" is calculated on consolidated basis from the conference call material disclosed on May 15, 2024.

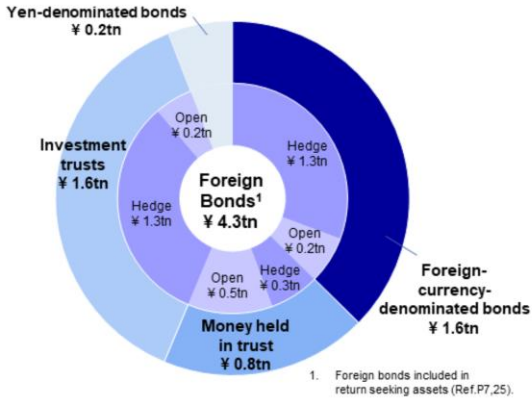
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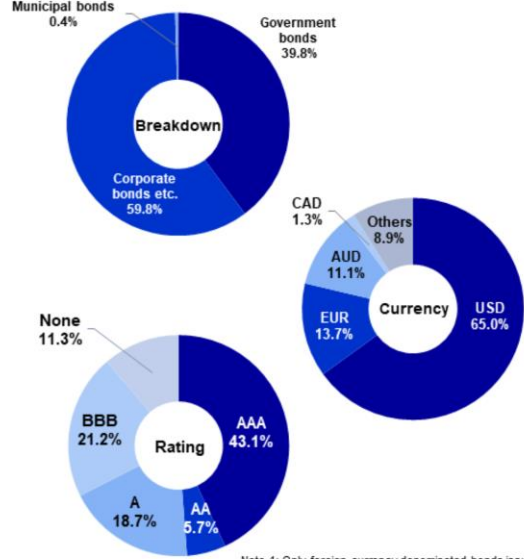
23

Exposure to Foreign Bonds (as of June 30, 2024)

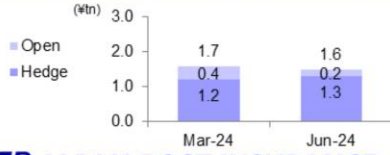
Breakdown of Foreign Bonds



Foreign-currency-denominated Bonds



Change of Foreign-currency-denominated Bonds



Note 1: Only foreign-currency-denominated-bonds issued by foreign entities are included in the calculation.
 Note 2: Issuer Ratings by Moody's are indicated.

Investments [Asset Portfolio]

Asset Portfolio

| | (#bn) | | | | | | | | | | |
|------------------------------------------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-------------|
| | Mar-21 | | Mar-22 | | Mar-23 | | Mar-24 | | Jun-24 | | Change |
| | Amount | Share | Amount | Share | Amount | Share | Amount | Share | Amount | Share | |
| Bonds | 48,088.2 | 68.5% | 46,563.5 | 69.3% | 44,613.8 | 71.2% | 42,644.2 | 70.1% | 42,670.2 | 70.0% | 26.0 |
| Japanese government bonds | 37,346.6 | 63.2% | 37,408.9 | 55.7% | 37,114.6 | 59.2% | 36,037.5 | 59.2% | 36,220.3 | 59.4% | 182.7 |
| Japanese local government bonds | 5,583.9 | 8.0% | 4,462.6 | 6.6% | 3,390.6 | 5.4% | 2,623.9 | 4.3% | 2,469.5 | 4.1% | (154.3) |
| Japanese corporate bonds | 5,158.5 | 7.4% | 4,691.8 | 7.0% | 4,108.5 | 6.6% | 3,982.7 | 6.5% | 3,980.4 | 6.5% | (2.3) |
| Return seeking assets¹ | 11,181.2 | 15.9% | 11,228.3 | 16.7% | 9,830.4 | 15.7% | 11,113.6 | 18.3% | 11,327.5 | 18.6% | 213.9 |
| Domestic stocks ² | 2,514.2 | 3.6% | 2,614.5 | 3.9% | 2,608.4 | 4.2% | 3,590.7 | 5.9% | 3,654.6 | 6.0% | 63.8 |
| Foreign stocks ² | 489.5 | 0.7% | 586.1 | 0.9% | 534.5 | 0.9% | 742.2 | 1.2% | 815.6 | 1.3% | 73.4 |
| Foreign bonds ² | 6,006.7 | 9.4% | 6,279.9 | 9.3% | 4,680.3 | 7.5% | 4,388.2 | 7.2% | 4,316.4 | 7.1% | (71.8) |
| Other ³ | 1,570.6 | 2.2% | 1,747.7 | 2.6% | 2,007.0 | 3.2% | 2,392.3 | 3.9% | 2,540.8 | 4.2% | 148.4 |
| Alternative assets ⁴ | 682.2 | 1.0% | 914.9 | 1.4% | 1,313.6 | 2.1% | 1,659.4 | 2.7% | 1,766.5 | 2.9% | 109.0 |
| Loans | 4,964.0 | 7.1% | 4,251.9 | 6.3% | 3,605.8 | 5.8% | 3,281.3 | 5.4% | 3,024.0 | 5.0% | (257.2) |
| Others | 5,939.4 | 8.5% | 5,130.9 | 7.6% | 4,637.2 | 7.4% | 3,816.7 | 6.3% | 3,921.4 | 6.4% | 104.6 |
| Cash and deposits, call loans | 1,466.0 | 2.1% | 1,310.7 | 2.0% | 1,476.5 | 2.4% | 1,197.3 | 2.0% | 1,366.7 | 2.2% | 168.4 |
| Receivables under resale agreements ⁵ | - | - | 2,120.1 | 3.2% | 1,384.7 | 2.2% | 1,047.1 | 1.7% | 877.6 | 1.4% | (169.5) |
| Receivables under securities borrowing transactions ⁵ | 2,695.0 | 3.7% | - | - | - | - | - | - | - | - | - |
| Total assets | 70,172.9 | 100.0% | 67,174.7 | 100.0% | 62,687.3 | 100.0% | 60,855.8 | 100.0% | 60,943.3 | 100.0% | 87.4 |

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 investing only in the specified assets.

3. Bank loans, multi-asset, alternative investment (real estate fund, private equity, infrastructure equity, etc.), etc.

4. From FY23/3, based on the adoption of "Implementation Guidance on Accounting Standard for Fair Value Measurement," fair value of an investment trust that has no market transaction price is determined by assuming its net asset value as its fair value.

5. In short-term financial market transactions, repo transactions with cash collateral (account title: receivables under securities borrowing transactions) will transition to new transactions with resale agreement (account title: receivables under resale agreements).



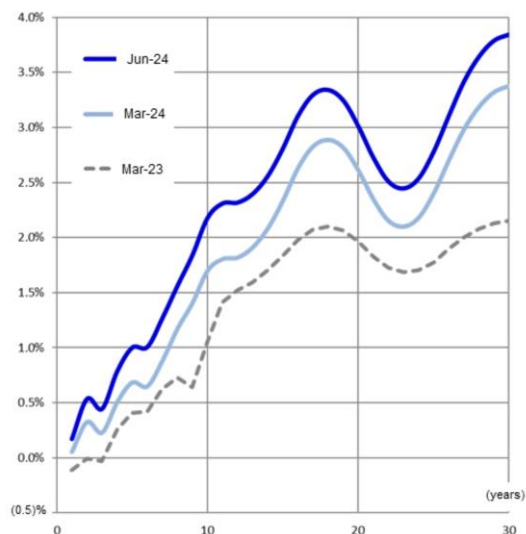
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Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Mar-23 to Jun-24)



Forward Rate

| | Mar-23 | Mar-24 ^① | Jun-24 ^② |
|----------|---------|---------------------|---------------------|
| 10 years | 1.056 % | 1.698 % | 2.178 % |
| 20 years | 1.967 % | 2.610 % | 3.010 % |
| 30 years | 2.153 % | 3.374 % | 3.841 % |

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows:
 EV as of March 31, 2024 : ①
 Value of new business for FY25/3 1Q : ②
 EV as of June 30, 2024 : 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.

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

(#bn)

| | FY21/3 | | FY22/3 | | FY23/3 | | FY24/3 | | FY24/3 1Q | | FY25/3 1Q | |
|--------------------------------------------------|---------|-------------|---------|-------------|---------|-------------|---------|-------------|-----------|-------------|-----------|-------------|
| | New | Postal Life | New | Postal Life | New | Postal Life | New | Postal Life | New | Postal Life | New | Postal Life |
| Ordinary income | 3,591.8 | 3,194.6 | 3,462.1 | 2,992.1 | 3,580.7 | 2,805.9 | 3,383.3 | 3,362.3 | 895.7 | 699.2 | 1,107.9 | 666.7 |
| Insurance premiums and others | 2,333.7 | 364.1 | 2,132.1 | 286.8 | 1,978.3 | 222.6 | 2,312.2 | 171.7 | 501.9 | 46.4 | 979.5 | 41.4 |
| Investment income | 448.4 | 673.6 | 460.6 | 688.6 | 488.5 | 670.8 | 433.1 | 779.8 | 120.3 | 203.7 | 123.7 | 209.3 |
| Other ordinary income | 809.7 | 2,156.8 | 869.3 | 2,016.6 | 1,113.8 | 1,912.4 | 637.9 | 2,410.7 | 273.4 | 449.0 | 4.5 | 415.8 |
| Ordinary expenses | 3,329.3 | 3,112.2 | 3,215.3 | 2,883.2 | 3,533.5 | 2,735.4 | 3,322.6 | 3,260.4 | 878.5 | 672.3 | 1,081.8 | 625.2 |
| Insurance claims and others | 2,925.4 | 2,940.6 | 2,831.7 | 2,717.5 | 2,952.6 | 2,535.3 | 2,821.1 | 2,957.4 | 741.5 | 592.6 | 655.4 | 531.7 |
| Provision for policy reserves and others | 0.0 | - | 0.0 | - | 14.5 | - | 0.0 | 0.1 | 0.0 | 0.0 | 309.2 | 0.1 |
| Investment expenses | 59.5 | 11.7 | 56.5 | 13.3 | 207.8 | 39.0 | 147.6 | 135.1 | 49.6 | 38.5 | 25.1 | 54.4 |
| Operating expenses | 275.4 | 126.6 | 263.0 | 121.5 | 306.6 | 137.5 | 298.6 | 139.8 | 73.3 | 34.8 | 74.5 | 33.0 |
| Other ordinary expenses | 68.9 | 33.2 | 64.0 | 30.7 | 51.8 | 23.6 | 55.0 | 27.9 | 13.9 | 6.1 | 17.3 | 5.8 |
| Ordinary profit | 262.5 | 82.4 | 246.7 | 108.9 | 47.1 | 70.4 | 60.7 | 101.8 | 17.2 | 26.9 | 26.1 | 41.4 |
| Extraordinary gains and losses ¹ | (23.6) | (23.1) | (22.3) | (40.0) | 98.4 | (16.1) | 54.6 | (38.6) | 15.0 | (12.3) | 1.3 | (22.7) |
| Provision for reserve for policyholder dividends | 18.7 | 46.7 | 18.2 | 54.8 | 18.3 | 43.6 | 9.0 | 46.8 | 4.0 | 11.6 | 2.2 | 14.8 |
| Income before income taxes | 220.2 | 12.6 | 206.1 | 14.0 | 127.2 | 10.6 | 106.3 | 16.2 | 28.2 | 2.9 | 25.2 | 3.8 |
| Total income taxes | 61.1 | 6.0 | 57.3 | 4.9 | 36.4 | 3.6 | 28.7 | 5.3 | 8.2 | 0.9 | 7.6 | 0.9 |
| Net income | 159.0 | 6.5 | 148.7 | 9.1 | 90.8 | 6.9 | 77.6 | 10.9 | 20.0 | 1.9 | 17.6 | 2.9 |

Note 1: "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.

Note 2: Regarding some of the line items, adjustments are made 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.

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

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

| | | FY21/3 | FY22/3 | FY23/3 | FY24/3 | FY24/3 1Q | FY25/3 1Q |
|--------------------------------------------------------------------|-------|------------|------------|------------|------------|------------|------------|
| Total assets | ¥mn | 70,173,857 | 67,174,848 | 62,685,230 | 60,857,090 | 62,640,188 | 60,943,000 |
| Postal Life Insurance category | | 37,815,270 | 35,929,138 | 33,692,133 | 32,404,929 | 34,096,979 | 31,941,418 |
| New category | | 32,358,586 | 31,245,710 | 28,993,096 | 28,452,160 | 28,543,208 | 29,001,582 |
| Number of policies in force | (000) | 24,837 | 22,802 | 20,987 | 19,701 | 20,613 | 19,560 |
| Postal Life Insurance category (insurance) | | 8,944 | 8,061 | 7,265 | 6,605 | 7,100 | 6,458 |
| New category (individual insurance) | | 15,893 | 14,740 | 13,722 | 13,095 | 13,512 | 13,101 |
| Numbers of new policies (individual insurance) | (000) | 124 | 173 | 314 | 628 | 126 | 295 |
| Numbers of cancelled policies¹ | (000) | 2,357 | 2,209 | 2,128 | 1,915 | 500 | 436 |
| Postal Life Insurance category (insurance) | | 962 | 882 | 796 | 659 | 164 | 146 |
| New category (individual insurance) | | 1,394 | 1,326 | 1,332 | 1,255 | 335 | 289 |
| Contingency reserve (reversal) provision² | ¥mn | (186,023) | 79,651 | 10,883 | 23,457 | 15,570 | 5,849 |
| Postal Life Insurance category | | (191,014) | 73,581 | 56,976 | 23,462 | 15,749 | 4,796 |
| New category | | 4,991 | 6,069 | (46,093) | (4) | (178) | 1,052 |
| Price fluctuations reserve (reversal) provision² | ¥mn | 46,477 | 67,789 | (82,645) | (16,161) | (2,761) | 21,338 |
| Postal Life Insurance category | | 23,121 | 40,045 | 16,140 | 38,686 | 12,330 | 22,725 |
| New category | | 23,355 | 27,743 | (98,786) | (54,848) | (15,091) | (1,386) |
| Additional policy reserve (reversal) provision² | ¥mn | 27,652 | (239,366) | (245,641) | (463,738) | (60,086) | (57,702) |
| Postal Life Insurance category | | 30,553 | (236,996) | (243,835) | (462,467) | (59,715) | (57,453) |
| New category | | (2,901) | (2,369) | (1,806) | (1,271) | (370) | (248) |

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. From FY24/3, the company has changed the definition of "numbers of cancelled policies" from "the sum of death, maturity, surrender and lapse" to "the sum of death, maturity, surrender and lapse, and other decreases (mainly the sum of cancellations, invalidations, and rescissions)."¹ Figures for the numbers of cancelled policies from FY21/3 onward in this document are based on the revised definition.

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

Key Financial Indicators

(¥bn)

| | FY21/3 | FY22/3 | FY23/3 | FY24/3 | FY24/3 1Q | FY25/3 1Q |
|-------------------------------------------------------|--------------------|-------------------|----------|----------|-----------|-----------|
| Insurance premiums and others | 2,697.9 | 2,418.9 | 2,200.9 | 2,484.0 | 548.4 | 1,021.0 |
| Operating expenses etc ¹ | 503.5 | 479.0 | 519.7 | 521.6 | 128.0 | 130.3 |
| Ordinary profit | 345.7 | 356.1 | 117.5 | 161.1 | 43.2 | 68.1 |
| Provision for reserve for policyholder dividends | 65.4 | 73.1 | 62.0 | 55.8 | 15.7 | 17.1 |
| Net income | 166.1 | 158.0 | 97.6 | 87.0 | 21.0 | 20.9 |
| Adjusted profit | - | - | - | 97.6 | 21.0 | 33.5 |
| Net assets | 2,841.4 | 2,421.0 | 2,375.3 | 3,395.7 | 2,801.4 | 3,465.1 |
| Total assets | 70,172.9 | 67,174.7 | 62,687.3 | 60,855.8 | 62,843.7 | 60,943.3 |
| Return on equity | 7.0 % | 6.0 % | 4.1 % | 3.0 % | - | - |
| RoEV ² | 5.0 % | 4.0 % | 3.1 % | 7.6 % | 5.8 % | 9.7 % |
| Dividends to shareholders | 42.7 | 35.9 | 35.5 | 36.0 | - | - |
| Share repurchase | 358.8 ³ | 34.9 ⁴ | - | - | - | - |
| Total return ratio | 241.8 % | 44.9 % | 36.4 % | 41.4 % | - | - |
| EV | 4,026.2 | 3,618.9 | 3,463.8 | 3,965.0 | 3,652.3 | 3,981.9 |
| Value of New Business | (12.7) | (11.5) | (7.4) | 20.8 | (0.6) | 24.1 |
| Core profit ⁵ (Non-consolidated) | 421.9 | 429.7 | 192.3 | 224.0 | 57.6 | 43.4 |
| Core profit attributable to life insurance activities | 345.6 | 296.4 | 98.2 | 132.1 | 37.1 | 17.9 |
| Spread ⁵ (positive/negative spread) | 76.3 | 133.3 | 94.0 | 91.8 | 20.5 | 25.5 |

1. Sum of Operating expenses and Other ordinary expenses.

2. Calculated by excluding economic variance factors.

3. Share repurchase in May 2021.

4. Share repurchase from August 2022 to March 2023.

5. Following the partial amendment to the method for calculating core profit in FY23/3, Core profit (Non-consolidated) and Spread (positive/negative spread) are calculated by using the revised method from FY22/3 onward, as opposed to FY21/3.

<Guidance>

Various financial data (in Excel format) are available on the Company's IR website (please refer to "Investor Relations").

- Balance Sheets and Income Statements

<https://www.jp-life.japanpost.jp/IR/en/finance/data.html>

- Other Financial Data

https://www.jp-life.japanpost.jp/IR/en/finance/financial_highlights.html

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