

# **Outline of Financial Results for the Six Months Ended September 30, 2020**

November 13, 2020



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Six Months Ended September 30, 2020.”
- 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

|   | 6 months ended<br>Sep-20 | Year on Year  |   |
|---|--------------------------|---|---|
| <b>Ordinary Profit</b>                            | <b>¥ 162.7bn</b>         | ¥ 21.2bn<br>+ 15.0 %<br>(Forecast)<br>¥ 200.0bn<br>Achievement : 81.4 % | <b>【Financial Highlights】</b><br>> Ordinary profit was ¥ 162.7billion, a 15.0% increase year on year, and net income was ¥ 93.6billion, a 22.8% increase year on year, mainly due to a decrease in operating expenses, etc. as a result of decreased new policy sales.<br><br>> The Company used economic assumptions as of March 31, 2020 in formulating the financial results forecast for the year ending March 31, 2021. As we made a reasonable estimate of impairment of stocks based on these economic assumptions, and as payment of insurance claims and others was lower than expected, both ordinary profit and net income have progressed at a higher rate compared to the forecast.<br><br><b>【Policy Sales】</b><br>> Annualized premiums from new policies for individual insurance were ¥ 15.0billion, an 88.6% decrease year on year, while annualized premiums from new policies for medical care were ¥ 0.6billion, a 96.7% decrease year on year as we had been refraining from proactive sales proposal since mid-July 2019.<br><br><b>【Embedded Value】</b><br>> EV increased by 12.3% from the end of the previous fiscal year to ¥ 3,734.1billion, due to increases in interest rates and stock prices and other factors. |
| <b>Net income</b>                                 | <b>¥ 93.6bn</b>          | ¥ 17.3bn<br>+ 22.8 %<br>(Forecast)<br>¥ 124.0bn<br>Achievement : 75.5 % |   |
| <b>Annualized premiums from New policies</b>      | (Individual Insurance)   | ¥ (116.5)bn<br>(88.6) %   |   |
|   | (Medical Care)           | ¥ (20.4)bn<br>(96.7) %  |   |
| <b>Annualized premiums from Policies in Force</b> | (Individual Insurance)   | ¥ (218.5)bn<br>(5.1) %  |   |
|   | (Medical Care)           | ¥ (24.3)bn<br>(3.4) %   |   |
| <b>EV</b>   | <b>¥ 3,734.1bn</b>       | ¥ 409.8bn<br>+ 12.3 %   |   |

- The financial results can be summed up as you see.
- Due to a decrease in operating expenses, etc. as a result of decreased new policy sales, ordinary profit for the current period was ¥ 162.7billion, a 15.0% increase year on year. Net income for the current period was ¥ 93.6billion, a 22.8% increase year on year.
- Toward the full-year forecast, we recognized 81.4% progress in ordinary profit and 75.5% progress in net income. The Company used economic assumptions as of March 31, 2020 in formulating the financial results forecast for the year ending March 31, 2021, which was announced on May 15, 2020. As we made a reasonable estimate of impairment of stocks based on these economic assumptions, and as payment of insurance claims and others was lower than expected, both ordinary profit and net income have progressed at a higher rate compared to the forecast.
- However, due to the uncertainty of COVID-19, there is a continued possibility that the stock price will decline, and payment of insurance claims and others will increase. Considering the impact on ordinary profit and net income in such a case, the Company has currently made no revisions to the financial results forecast for the year ending March 31, 2021.
- Going forward, the Company will promptly make announcements when revisions to the forecast become necessary.
- New policy sales results for the current period were influenced by refraining from proactive sales proposal, as compared with the same period of the previous year, when we were engaged in ordinary sales activities until mid-July 2019. Annualized premiums from new policies for individual insurance were ¥ 15.0billion, an 88.6% decrease year on year. Annualized premiums from new policies for medical care were ¥ 0.6billion, a 96.7% decrease year on year.
- EV increased by 12.3% from the end of the previous fiscal year to ¥ 3,734.1billion, due to increases in interest rates and stock prices and other factors.
- 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 2.

## Financial Results for the Six Months Ended September 30, 2020 (Year on Year)

| Statement of Income                              |                      |                      |         | (¥bn)                         |
|--|----------------------|----------------------|---------|-------------------------------|
|  | 6months ended Sep-19 | 6months ended Sep-20 | Change  | (Reference) Year ended Mar-20 |
| Ordinary income                                  | 3,661.3              | 3,385.3              | (275.9) | 7,211.4                       |
| Insurance premiums and others                    | 1,801.1              | 1,417.8              | (383.3) | 3,245.5                       |
| Investment income                                | 574.0                | 520.3                | (53.7)  | 1,137.7                       |
| Reversal of policy reserves                      | 1,209.3              | 1,389.6              | 180.3   | 2,767.3                       |
| Ordinary expenses                                | 3,519.8              | 3,222.6              | (297.1) | 6,924.8                       |
| Insurance claims and others                      | 3,143.8              | 2,930.2              | (213.6) | 6,191.3                       |
| Investment expenses                              | 67.0                 | 45.6                 | (21.4)  | 124.0                         |
| Operating expenses etc <sup>1</sup>              | 308.8                | 246.7                | (62.1)  | 609.4                         |
| Ordinary profit                                  | 141.5                | 162.7                | 21.2    | 286.6                         |
| Extraordinary gains and losses                   | 25.8                 | 27.4                 | 1.5     | 39.2                          |
| Reversal of reserve for price fluctuations       | 25.6                 | 27.4                 | 1.8     | 39.1                          |
| Provision for reserve for policyholder dividends | 54.5                 | 47.2                 | (7.2)   | 109.2                         |
| Total income taxes                               | 36.4                 | 49.1                 | 12.7    | 65.9                          |
| Net income attributable to Japan Post Insurance  | 76.3                 | 93.6                 | 17.3    | 150.6                         |

Note: Only major line items are shown.  
1. Sum of Operating expenses and Other ordinary expenses

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| Details of Ordinary Profit (Non-Consolidated)         |                      |                      |        | (¥bn)                         |
|---|----------------------|----------------------|--------|-------------------------------|
|   | 6months ended Sep-19 | 6months ended Sep-20 | Change | (Reference) Year ended Mar-20 |
| Core profit   | 205.7                | 226.5                | 20.8   | 400.6                         |
| Core profit attributable to life insurance activities | 167.1                | 196.4                | 29.3   | 320.1                         |
| Positive spread                                       | 38.5                 | 30.1                 | (8.4)  | 80.4                          |
| Net capital gains (losses)                            | (57.4)               | (59.0)               | (1.6)  | (102.4)                       |
| Other one-time profits (losses)                       | (6.3)                | (5.2)                | 1.0    | (11.3)                        |
| Ordinary profit                                       | 141.9                | 162.2                | 20.2   | 286.8                         |

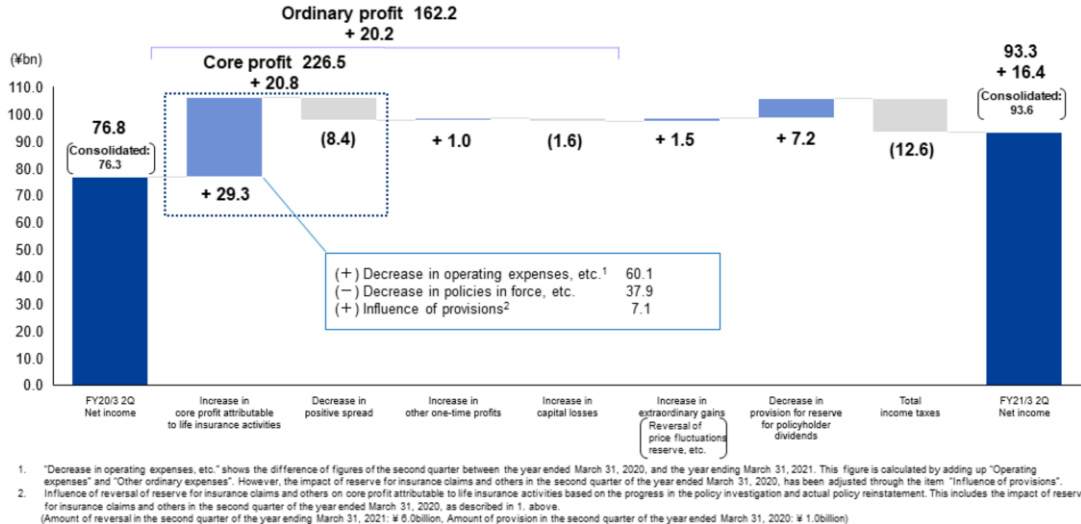
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- This page shows the financial highlights.
- The factors for changes will be explained at next page.
- Please look at page 3.

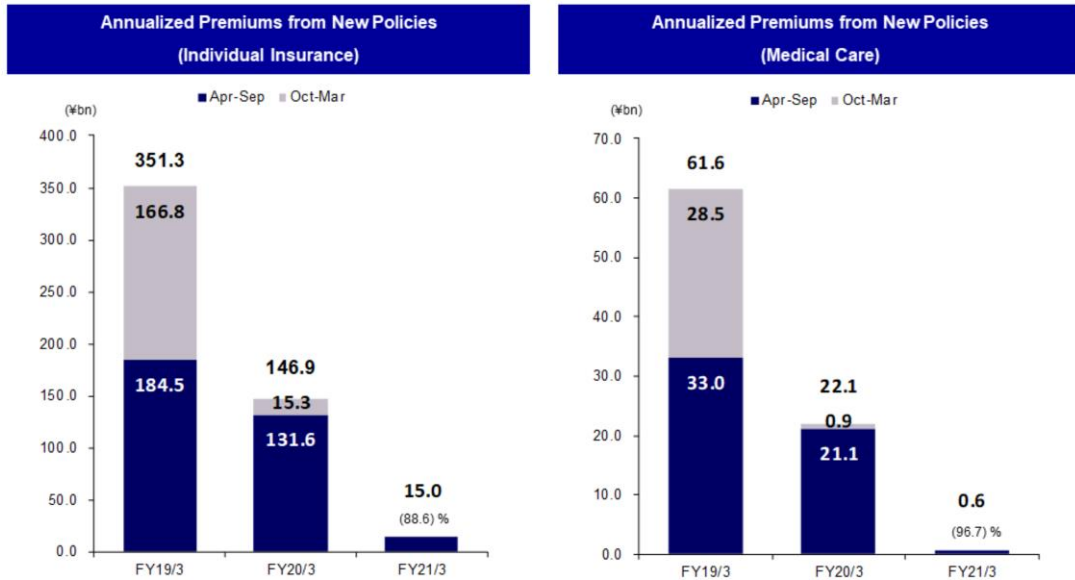
## Factors for Year on Year Changes (Non-Consolidated)

- Core profit increased from the previous fiscal year to ¥ 226.5billion, as core profit attributable to life insurance activities significantly increased year on year due to a decrease in operating expenses, etc. as a result of decreased new policy sales and the reversal of provisions based on the progress in the policy investigation and actual policy reinstatement, despite a decrease in positive spread.
- As for capital losses, we continued to adopt accounting treatments to reverse the price fluctuation reserves corresponding to the loss amount. Net income increased year on year to ¥ 93.3billion as a result of an increase in core profit.



- These are the factors for changes in the financial results for the current period.
- Core profit exceed year on year to ¥ 226.5billion due to the decrease in operating expenses as a result of decreased new policies sales and reversal of provision reserved in March 2020, despite the decrease in positive spread.
- As a result of an increase in core profit, non-consolidated ordinary profit was ¥ 162.2billion and non-consolidated net income was ¥ 93.3billion
- Please look at page 4.

## Policy Sales [Annualized Premiums from New Policies]

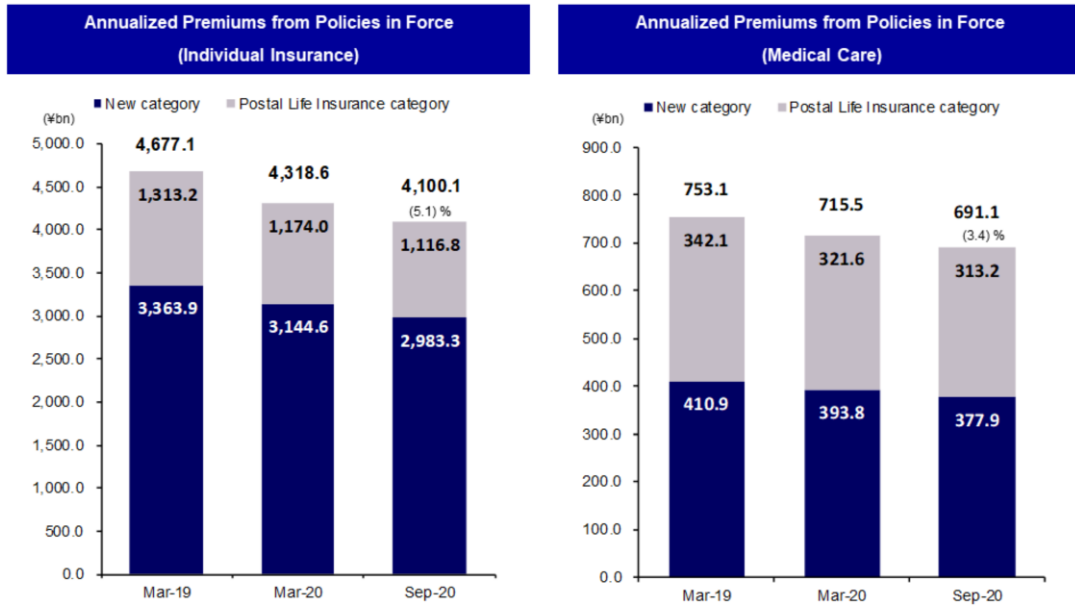


Note1 : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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 the year ended March 31, 2020 and the year ending March 31, 2021 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.
- Though we were engaged in ordinary sales activities until mid-July 2019, we had been refraining from proactive sales proposal in 2Q 2020. As a result, annualized premiums from new policies for individual insurance decreased by 88.6% year on year to ¥ 15.0billion.
- Annualized premiums from new policies for medical care decreased by 96.7% year on year to ¥ 0.6billion.
- 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 the Postal Management and Support Organization.

- Annualized premiums from policies in force for individual insurance decreased by 5.1% from the end of the previous fiscal year to ¥ 4,100.1billion.
- Annualized premiums from policies in force for medical care decreased by 3.4 % from the end of the previous fiscal year to ¥ 691.1billion.
- Please look at page 6.

## Investments [Asset Portfolio]

| Asset Portfolio                                     |          |         |          |         |           | Spread and Investment Yield                   |                      |                      |                               |
|---|----------|---------|----------|---------|-----------|---|----------------------|----------------------|-------------------------------|
|   |          |         |          |         |           | (#bn)   |                      |                      |                               |
|   | Mar-20   |         | Sep-20   |         | Change    |   | 6months ended Sep-19 | 6months ended Sep-20 | (Reference) Year ended Mar-20 |
|   | Amount   | Share   | Amount   | Share   |           |   |                      |                      |                               |
| Bonds   | 48,830.6 | 68.1 %  | 48,543.1 | 69.0 %  | (287.4)   |   |                      |                      |                               |
| Japanese government bonds                           | 36,730.7 | 51.3 %  | 37,092.5 | 52.7 %  | 361.7     | Positive spread                               | 38.5                 | 30.1                 | 80.4                          |
| Japanese local government bonds                     | 6,728.7  | 9.4 %   | 6,228.1  | 8.8 %   | (500.6)   | Average assumed rates of return <sup>1</sup>  | 1.69 %               | 1.69 %               | 1.69 %                        |
| Japanese corporate bonds                            | 5,371.1  | 7.5 %   | 5,222.4  | 7.4 %   | (148.6)   | Investment return on core profit <sup>2</sup> | 1.81 %               | 1.79 %               | 1.82 %                        |
| Return seeking assets <sup>1</sup>                  | 9,938.6  | 13.9 %  | 10,473.9 | 14.9 %  | 535.3     | Net capital gains (losses)                    | (57.4)               | (59.0)               | (102.4)                       |
| Domestic stocks <sup>2</sup>                        | 1,765.1  | 2.5 %   | 2,083.8  | 3.0 %   | 318.6     |   |                      |                      |                               |
| Foreign stocks <sup>2</sup>                         | 323.5    | 0.5 %   | 394.8    | 0.6 %   | 71.2      |   |                      |                      |                               |
| Foreign bonds <sup>2</sup>                          | 6,445.1  | 9.0 %   | 6,543.2  | 9.3 %   | 98.1      |   |                      |                      |                               |
| Other <sup>3</sup>                                  | 1,404.8  | 2.0 %   | 1,452.0  | 2.1 %   | 47.2      |   |                      |                      |                               |
| Loans   | 5,662.7  | 7.9 %   | 5,345.6  | 7.6 %   | (317.0)   |   |                      |                      |                               |
| Others  | 7,232.7  | 10.1 %  | 6,034.4  | 8.6 %   | (1,198.2) |   |                      |                      |                               |
| Cash and deposits, call loans                       | 1,790.2  | 2.5 %   | 1,482.8  | 2.1 %   | (307.4)   |   |                      |                      |                               |
| Receivables under securities borrowing transactions | 3,191.7  | 4.5 %   | 2,480.5  | 3.5 %   | (711.1)   |   |                      |                      |                               |
| Total assets  | 71,664.7 | 100.0 % | 70,397.2 | 100.0 % | (1,267.4) |   |                      |                      |                               |

- 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.
- "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts that invest only in the specified assets.
- "Bank loans," "multi-asset" and "real estate fund" 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 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 ¥ 10,473.9billion, which accounts for 14.9% 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 1.79%. As a result, a positive spread of ¥ 30.1billion was achieved.
- Capital losses turned out to be ¥ 59.0billion, as a result of an impairment of stocks on money held in trust, due to the effects of a major market turmoil caused by the COVID-19 crisis after February 2020, despite the year on year decrease in losses on derivative financial instruments which include cost for hedging currency fluctuation risk.
- Please look at page 7.

## Investments [Fair Value Information of Securities]

| Fair Value Information of Securities |            |            |                               |            |            |                               |            |            |                               |
|--------------------------------------|------------|------------|-------------------------------|------------|------------|-------------------------------|------------|------------|-------------------------------|
| (¥bn)                                |            |            |                               |            |            |                               |            |            |                               |
|                                      | Mar-20     |            |                               | Sep-20     |            |                               | 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                                | 59,084.1   | 66,675.8   | 7,591.6                       | 58,686.8   | 66,335.0   | 7,648.2                       | (397.3)    | (340.7)    | 56.5                          |
| Held-to-maturity bonds               | 35,735.7   | 41,953.3   | 6,217.6                       | 35,472.5   | 41,182.1   | 5,709.6                       | (263.1)    | (771.2)    | (508.0)                       |
| Policy-reserve-matching bonds        | 9,574.6    | 10,578.5   | 1,003.8                       | 9,578.4    | 10,469.4   | 891.0                         | 3.7        | (109.0)    | (112.8)                       |
| Available-for-sale securities        | 13,773.7   | 14,143.9   | 370.1                         | 13,635.8   | 14,683.4   | 1,047.6                       | (137.9)    | 539.5      | 677.5                         |
| Securities etc.                      | 11,102.5   | 11,399.6   | 297.0                         | 10,979.2   | 11,520.9   | 541.7                         | (123.3)    | 121.3      | 244.7                         |
| Bonds                                | 3,700.4    | 3,742.1    | 41.7                          | 3,595.5    | 3,646.5    | 51.0                          | (104.8)    | (95.5)     | 9.3                           |
| Domestic stocks                      | 322.0      | 281.2      | (40.8)                        | 318.8      | 332.1      | 13.2                          | (3.1)      | 50.8       | 54.0                          |
| Foreign securities                   | 4,221.6    | 4,589.3    | 367.6                         | 4,227.8    | 4,660.0    | 432.1                         | 6.2        | 70.6       | 64.4                          |
| Other securities                     | 2,006.8    | 1,933.2    | (73.5)                        | 1,911.0    | 1,954.5    | 43.4                          | (95.8)     | 21.2       | 117.0                         |
| Deposits etc.                        | 851.5      | 853.5      | 2.0                           | 925.8      | 927.7      | 1.8                           | 74.2       | 74.1       | (0.1)                         |
| Money held in trust                  | 2,671.2    | 2,744.3    | 73.0                          | 2,656.6    | 3,162.5    | 505.8                         | (14.5)     | 418.1      | 432.7                         |
| Domestic stocks <sup>1</sup>         | 1,387.9    | 1,483.9    | 95.9                          | 1,385.0    | 1,751.7    | 386.6                         | (22.8)     | 267.7      | 290.6                         |
| Foreign stocks <sup>1</sup>          | 297.2      | 323.5      | 26.2                          | 300.3      | 394.8      | 94.4                          | 3.1        | 71.2       | 68.1                          |
| Foreign bonds <sup>1</sup>           | 736.0      | 698.4      | (37.5)                        | 739.4      | 763.8      | 24.3                          | 3.4        | 65.3       | 61.8                          |
| Other <sup>2</sup>                   | 250.0      | 238.3      | (11.6)                        | 251.6      | 252.1      | 0.4                           | 1.6        | 13.7       | 12.0                          |

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 ¥ 1,047.6 billion of net unrealized gains in the period under review, as the market environment improved compared with the end of March, 2020.
- Please look at page 8.



## Expenses

### Operating Expenses (Commissions<sup>1</sup> etc.)

(¥bn)

|                               | 6months ended<br>Sep-19 | 6months ended<br>Sep-20 | Change | (Reference)<br>Year ended<br>Mar-20 |
|-------------------------------|-------------------------|-------------------------|--------|-------------------------------------|
| Operating expenses            | 253.5                   | 196.2                   | (57.3) | 473.8                               |
| Commissions                   | 141.0                   | 95.3                    | (45.7) | 248.7                               |
| Sales Commissions             | 62.4                    | 24.5                    | (37.9) | 100.9                               |
| Maintenance Commissions       | 78.6                    | 70.7                    | (7.8)  | 147.8                               |
| Contributions <sup>2</sup>    | 28.7                    | 28.0                    | (0.7)  | 57.5                                |
| Others                        | 83.6                    | 72.8                    | (10.8) | 167.4                               |
| Depreciation and amortization | 28.0                    | 30.4                    | 2.4    | 57.4                                |

1. Commissions paid to Japan Post Co.
2. Contributions paid to The Postal Management and Support Organization based on the related law

- Expenses for the period are presented on this page.
- Operating expenses for the current period were ¥ 196.2billion, of which approximately 60% consist of commissions paid to Japan Post Co. and contributions paid to The Postal Management and Support Organization.
- 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 ¥ 45.7billion year on year to ¥ 95.3billion, due to the refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.
- The sum of commissions and contributions decreased by ¥ 46.5billion year on year to ¥123.3billion.
- Depreciation and amortization increased by ¥ 2.4billion year on year to ¥ 30.4billion.
- Please look at page 9.

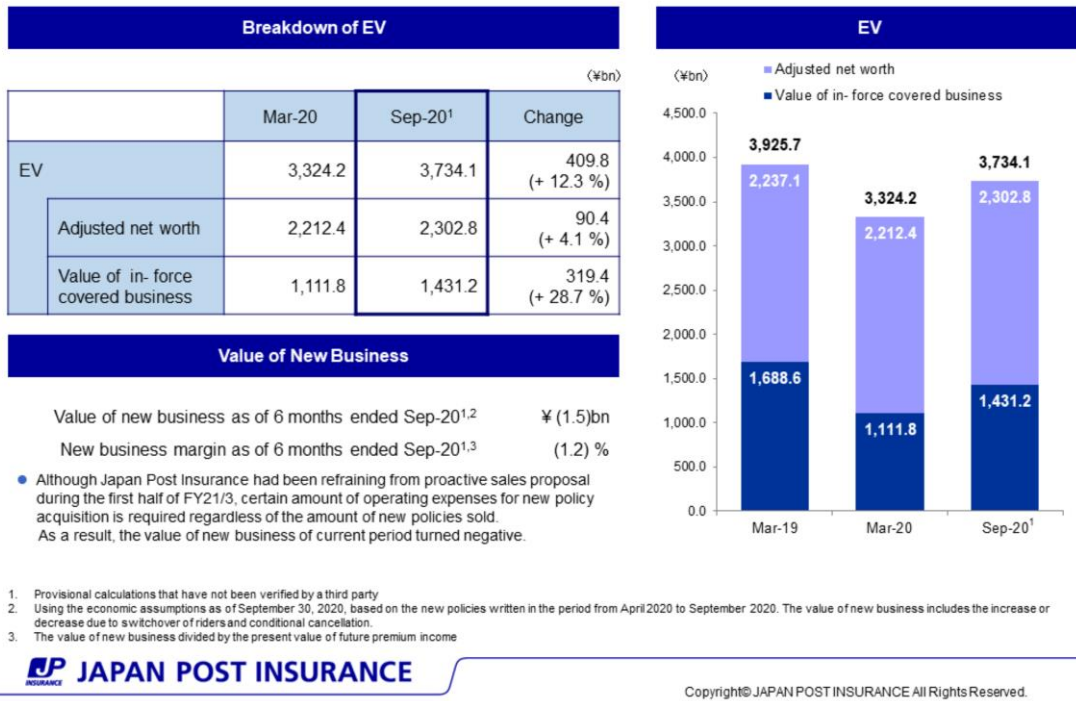
## Financial Soundness

| Internal Reserves              |         |         |         | Solvency Margin Ratio           |           |           |
|--------------------------------|---------|---------|---------|---------------------------------|-----------|-----------|
|                                | Mar-20  | Sep-20  | (¥bn)   |                                 | Mar-20    | Sep-20    |
| Contingency reserve            | 1,797.3 | 1,802.6 | 5.2     | Solvency Margin Ratio           | 1,070.9 % | 1,138.0 % |
| Postal Life Insurance category | 1,320.6 | 1,323.5 | 2.8     | Total amount of solvency margin | 5,161.6   | 5,793.4   |
| New category                   | 476.6   | 479.1   | 2.4     | Total amount of risk            | 963.8     | 1,018.1   |
| Price fluctuations reserve     | 858.3   | 830.9   | (27.4)  |                                 |           |           |
| Postal Life Insurance category | 631.9   | 604.9   | (27.0)  |                                 |           |           |
| New category                   | 226.3   | 225.9   | (0.3)   |                                 |           |           |
| Additional policy reserve      | 5,830.3 | 5,724.7 | (105.5) |                                 |           |           |
| Postal Life Insurance category | 5,820.2 | 5,716.2 | (104.0) |                                 |           |           |
| New category                   | 10.0    | 8.5     | (1.5)   |                                 |           |           |

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.

- 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 ¥ 1,802.6billion and reserves for price fluctuations of ¥ 830.9billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥ 5,724.7billion at the end of the current period.
- The solvency margin ratio was 1,138.0%, maintaining a high level of soundness.
- Please look at page 10.

## Embedded Value



- I would like to explain the current status of EV.
- EV as of September 30, 2020 was ¥ 3734.1billion, an increase of ¥ 409.8billion from the end of the previous fiscal year.
- Adjusted net worth increased by ¥ 90.4billion from the end of the previous fiscal year to ¥ 2,302.8billion, mainly due to increase in net income.
- Value of in-force covered business increased by ¥ 319.4billion from the end of the previous fiscal year to ¥ 1,431.2billion, due to increases in interest rates and stock prices and other factors.
- Value of new business for the current period was calculated based on the economic assumptions as of the end of September 2020 in which interest rate assumption is almost as same as the average of actual interest rate from April to September 2020.
- Although we had been refraining from proactive sales proposal during the first half of FY21/3, 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 ¥ (1.5) billion. Meanwhile, the new business margin was (1.2)%.
- 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.

## The Forecasts for Full-year Financial Results for the Year Ending March 31, 2021

### Full-year Financial Results Forecast

- The Company used economic assumptions as of March 31, 2020 in formulating the financial results forecast for the year ending March 31, 2021, which was announced on May 15, 2020. As we made a reasonable estimate of impairment of stocks based on these economic assumptions, and as payment of insurance claims and others was lower than expected, both ordinary profit and net income have progressed at a higher rate compared to the forecast.
- However, due to the uncertainty of COVID-19, there is a continued possibility that the stock price will decline, and payment of insurance claims and others will increase. Considering the impact on ordinary profit and net income in such a case, the Company has currently made no revisions to the financial results forecast for the year ending March 31, 2021.

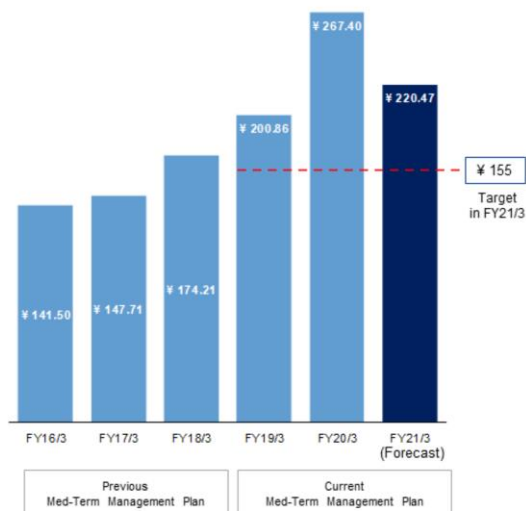
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|                         | Year ending Mar-21 <sup>1</sup><br>(Forecasts) | 6months ended Sep-20 | Achievement |
|-------------------------|--|----------------------|-------------|
| Ordinary income         | 6,850.0  | 3,385.3              | 49.4 %      |
| Ordinary profit         | 200.0  | 162.7                | 81.4 %      |
| Net income <sup>2</sup> | 124.0  | 93.6                 | 75.5 %      |
| Net income per share    | ¥ 220.47                                       | ¥ 166.55             | 75.5 %      |

1. With respect to the negative impact of the spread of COVID-19, the Company is considering a decrease in investment income and an increase in investment expenses, in view of the global economic downturn, in addition to the "Special Handling Associated with the Spread of the Impact of COVID-19" (reduction or exemption of interest rates on ordinary policyholder loans, etc.) dated March 19, 2020 and the "Handling of Double Indemnity of Insurance Claims Associated with the Spread of the Impact of COVID-19" dated April 15, 2020, as announced on the Company website. Going forward, the Company will promptly make announcements when revisions to the forecast become necessary.

2. Net income attributable to Japan Post Insurance

### Earnings Per Share



- I will explain forecasts for full-year financial results for the year ending March 31, 2021.
- As I explained earlier, in the current period, though both ordinary profit and net income have progressed at a higher rate compared to the forecast, there is no change to our consolidated financial results forecasts for the year ending March 31, 2021 at this point of time.
- Please look at page 12.

# Shareholder Return

## Shareholder Return Policy

- We recognize that the distribution of profit to shareholders is an important policy of management
- Aim for a steady dividends per share while considering earning prospects and financial soundness

## Shareholder Return for the Year Ending March 31, 2021

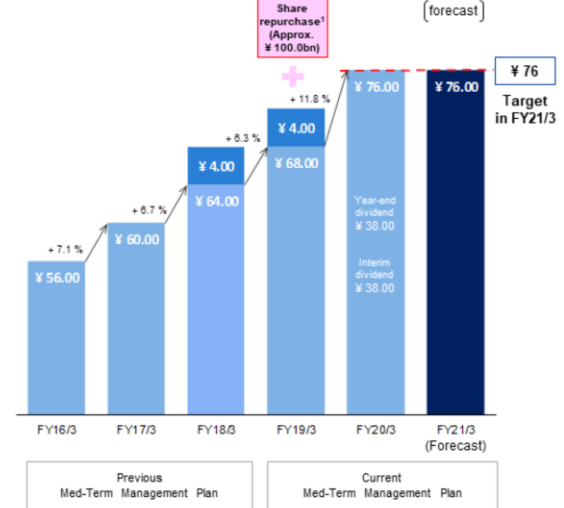
- The ordinary dividend per share is ¥76 (Forecast)
- Only the year-end dividend is scheduled to be paid, as it is necessary to carefully identify the impact of the spread of COVID-19

(Going forward, the Company will promptly make announcements when revisions to the dividend forecast become necessary due to the impact of the spread of COVID-19 and other developments.)

## Shareholder Return

(Total Return Ratio)

39.6 %   40.6 %   39.0 %   118.9 %<sup>2</sup>   28.4 %   34.5 %  
 (forecast)



1. Share repurchase on April 2019  
 2. Total return ratio including share repurchase as mentioned in Note 1

- Finally, this slide shows our trends on Shareholder Return.
- There is no change to be mentioned at the moment, either.
- This concludes my explanation.

**APPENDIX**

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## Overview of Balance Sheets

### Overview of Balance Sheets

(¥bn)

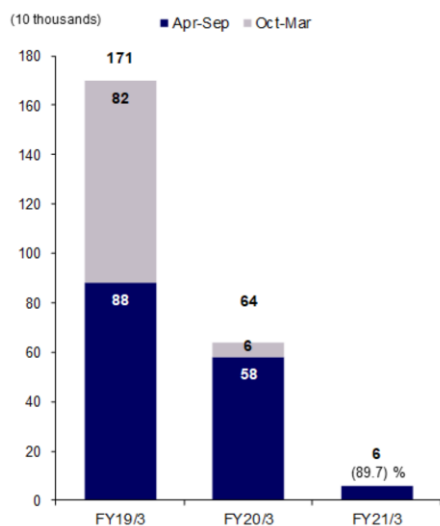
|                         | Mar-20   | Sep-20   | Change    |  | Mar-20   | Sep-20   | Change    |
|-------------------------|----------|----------|-----------|--|----------|----------|-----------|
| Total Assets            | 71,664.7 | 70,397.2 | (1,267.4) | Total Liabilities <sup>1</sup>               | 69,736.4 | 67,909.4 | (1,826.9) |
| Cash and deposits       | 1,410.2  | 1,342.8  | (67.4)    | Policy reserves                              | 62,293.1 | 60,903.4 | (1,389.6) |
| Money held in trust     | 3,056.0  | 3,528.3  | 472.3     | Contingency reserve                          | 1,797.3  | 1,802.6  | 5.2       |
| Securities              | 55,870.5 | 55,660.0 | (210.5)   | Additional policy reserve                    | 5,830.3  | 5,724.7  | (105.5)   |
| Loans                   | 5,662.7  | 5,345.6  | (317.0)   | Bonds payable                                | 100.0    | 100.0    | -         |
| Tangible fixed assets   | 110.2    | 107.1    | (3.0)     | Reserve for price fluctuations               | 858.3    | 830.9    | (27.4)    |
| Intangible fixed assets | 135.0    | 123.4    | (11.5)    | Net assets                                   | 1,928.3  | 2,487.7  | 559.4     |
| Deferred tax assets     | 1,173.7  | 974.6    | (199.1)   | Total shareholders' equity                   | 1,661.2  | 1,733.6  | 72.3      |
|                         |          |          |           | Capital stock                                | 500.0    | 500.0    | -         |
|                         |          |          |           | Capital surplus                              | 405.0    | 405.0    | -         |
|                         |          |          |           | Retained earnings                            | 756.6    | 828.9    | 72.2      |
|                         |          |          |           | Treasury stock                               | (0.4)    | (0.3)    | 0.0       |
|                         |          |          |           | Total accumulated other comprehensive income | 267.0    | 754.1    | 487.0     |

Note: Only major line items are shown.

1. Including reserve for insurance claims and others, which decreased ¥21.9 billion from ¥29.7 billion as of March 31, 2020 to ¥7.8 billion as of September 30, 2020

## Policy Sales [Number of New Policies]

### Number of New Policies (Individual Insurance)



Note : The figures for the year ended March 31, 2020 and the year ending March 31, 2021 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

**JP** JAPAN POST INSURANCE

### Breakdown of New Policies

(10 thousands)

|  | 6months ended Sep-19 |         | 6months ended Sep-20 |         |
|--|----------------------|---------|----------------------|---------|
|  | Number of policies   | Share   | Number of policies   | Share   |
| Individual insurance   | 58                   | 100.0 % | 6                    | 100.0 % |
| Endowment insurance  | 30                   | 51.9 %  | 4                    | 73.9 %  |
| Ordinary endowment insurance   | 16                   | 27.5 %  | 3                    | 54.9 %  |
| Ordinary endowment insurance (with a relaxed underwriting criteria)  | 3                    | 5.5 %   | 0                    | 1.3 %   |
| Special endowment insurance <sup>1</sup>                             | 11                   | 18.9 %  | 1                    | 17.7 %  |
| Whole life insurance   | 24                   | 41.7 %  | 0                    | 9.4 %   |
| Ordinary whole life insurance (Fixed amount type)                    | 5                    | 10.0 %  | 0                    | 2.1 %   |
| Ordinary whole life insurance (with a relaxed underwriting criteria) | 6                    | 10.9 %  | 0                    | 0.5 %   |
| Ordinary whole life insurance (Increased amount type)                | 9                    | 16.8 %  | 0                    | 5.4 %   |
| Special whole life insurance   | 2                    | 4.1 %   | 0                    | 1.5 %   |
| Educational endowment insurance                                      | 3                    | 6.3 %   | 0                    | 16.5 %  |
| Other insurance  | 0                    | 0.1 %   | 0                    | 0.1 %   |

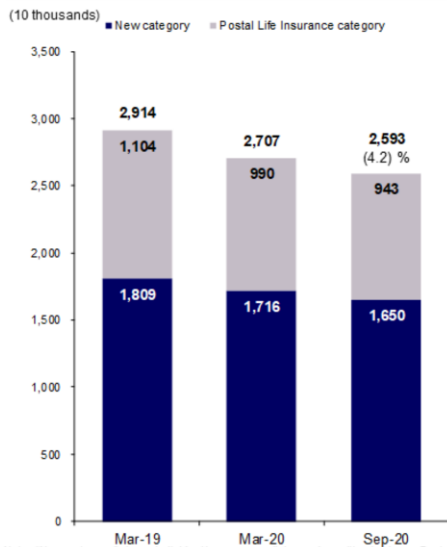
Note: Only major products are shown.

1. Increased amount type endowment insurance



## Policy Sales [Number of Policies in Force]

### Number of Policies in Force (Individual Insurance)



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 the Postal Management and Support Organization.

**JP** JAPAN POST INSURANCE

### Breakdown of Policies in Force

(10 thousands)

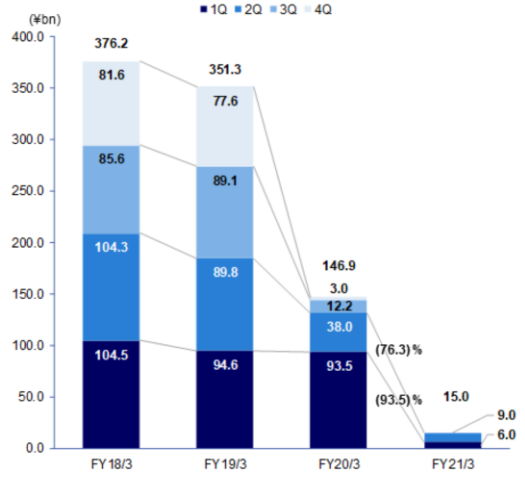
|  | Mar-20             |         | Sep-20             |         |
|--|--------------------|---------|--------------------|---------|
|  | Number of policies | Share   | Number of policies | Share   |
| Individual insurance   | 2,707              | 100.0 % | 2,593              | 100.0 % |
| Endowment insurance  | 1,041              | 38.5 %  | 970                | 37.4 %  |
| Ordinary endowment insurance   | 668                | 24.7 %  | 623                | 24.0 %  |
| Ordinary endowment insurance (with a relaxed underwriting criteria)  | 3                  | 0.1 %   | 3                  | 0.1 %   |
| Special endowment insurance <sup>1</sup>                             | 363                | 13.4 %  | 340                | 13.1 %  |
| Whole life insurance   | 1,259              | 46.5 %  | 1,233              | 47.5 %  |
| Ordinary whole life insurance (Fixed amount type)                    | 393                | 14.5 %  | 383                | 14.8 %  |
| Ordinary whole life insurance (with a relaxed underwriting criteria) | 5                  | 0.2 %   | 5                  | 0.2 %   |
| Ordinary whole life insurance (Increased amount type)                | 273                | 10.1 %  | 267                | 10.3 %  |
| Special whole life insurance   | 585                | 21.6 %  | 575                | 22.2 %  |
| Educational endowment insurance                                      | 393                | 14.5 %  | 376                | 14.5 %  |
| Other insurance  | 13                 | 0.5 %   | 13                 | 0.5 %   |

Note: Only major products are shown.

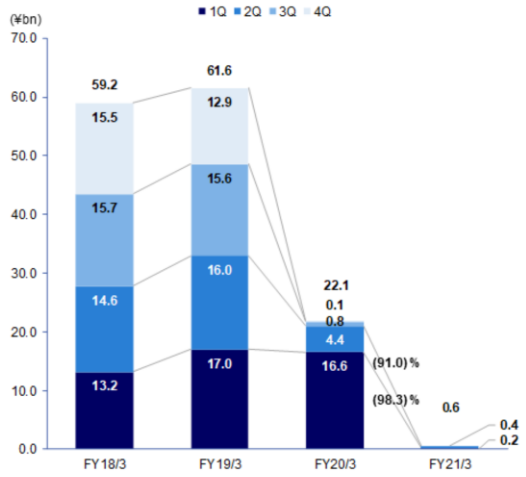
1. Increased amount type endowment insurance

# Quarterly Trends in Annualized Premiums from New Policies

**Annualized Premiums from New Policies (Individual Insurance)**



**Annualized Premiums from New Policies (Medical Care)**



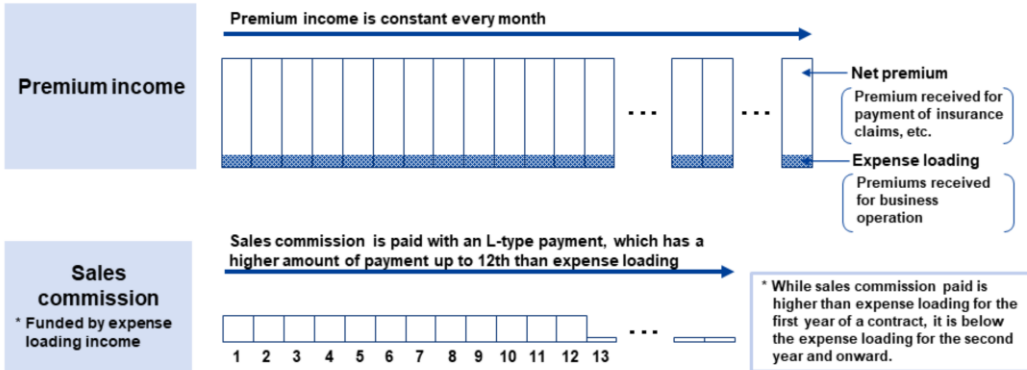
Note 1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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.

Note 2: The figures for the year ended March 31, 2020 and the year ending March 31, 2021 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

## Impact on Profit Due to Decline in New Policy Sales

- Of the premiums received from customers, Japan Post Insurance receives a fixed amount of expense loading every month in order to operate its business. Using this expense loading as funds, Japan Post Insurance pays sales commissions monthly to Japan Post Co. However, the payment method is an L-type payment, which has a higher amount of payment up to the 12th than expense loading, and therefore profit for the first year of Japan Post Insurance worsens as the number of new policies increase.
- In the event of a significant decrease in new policy sales, a resultant decrease in operating expenses, etc. will be a factor for an increase in Japan Post Insurance's profit. However, this will effect only for a short term, and from a medium- to long-term perspective, the decrease in new policies will have a negative impact on profit of Japan Post Insurance.

### <Model of receipt of premiums and payment of sales commissions (model for one contract)>



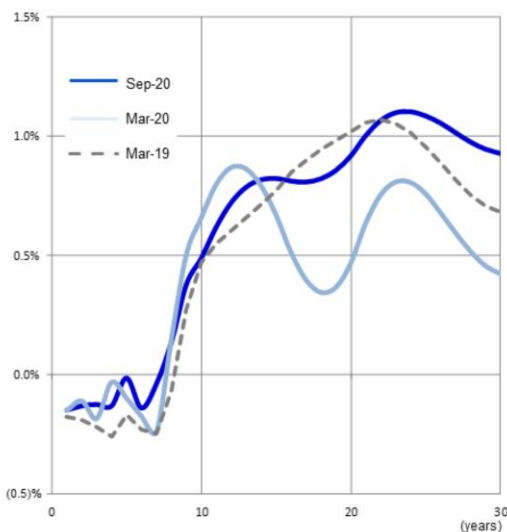
## Interest, Dividends and Other Income and Capital gains(losses)

| Interest, Dividends and Other Income             |                         |                         |  | Breakdown of Capital gains(losses)         |                         |                         |  |
|--|-------------------------|-------------------------|--|--|-------------------------|-------------------------|--|
|  | 6months<br>ended Sep-19 | 6months<br>ended Sep-20 | (¥bn)<br>(Reference)<br>Year ended<br>Mar-20 |  | 6months<br>ended Sep-19 | 6months<br>ended Sep-20 | (¥bn)<br>(Reference)<br>Year ended<br>Mar-20 |
| Investment income                                | 574.0                   | 520.3                   | 1,137.7                                      | Capital gains                              | 39.6                    | 13.0                    | 87.2   |
| Interest, dividends and other income             | 534.0                   | 506.6                   | 1,049.8                                      | Gains on money held in trust               | 16.9                    | -                       | 51.5   |
| Interest on deposits                             | 0.0                     | 0.0                     | 0.0  | Gains on sales of securities               | 22.7                    | 10.4                    | 35.6   |
| Interest and dividends on securities             | 469.1                   | 451.5                   | 924.0  | Gains on derivative financial instruments  | -                       | -                       | -  |
| Interest on corporate and government bonds       | 384.7                   | 367.7                   | 762.0  | Gains on foreign exchanges                 | -                       | 2.6                     | -  |
| Domestic stock dividends                         | 3.1                     | 3.6                     | 7.6  | Other capital gains                        | -                       | -                       | -  |
| Interest and dividends on foreign securities     | 66.9                    | 57.7                    | 129.7  | Capital losses                             | (97.1)                  | (72.1)                  | (189.6)                                      |
| Others   | 14.2                    | 22.3                    | 24.6   | Losses on money held in trust              | -                       | (6.3)                   | -  |
| Interest on loans                                | 7.3                     | 6.7                     | 14.6   | Losses on sales of securities              | (16.5)                  | (16.9)                  | (32.0)                                       |
| Interest on loans to the Management Organization | 55.1                    | 45.3                    | 105.8  | Losses on valuation of securities          | -                       | -                       | (2.6)  |
| Rent revenue from real estate                    | -                       | -                       | -  | Losses on derivative financial instruments | (42.7)                  | (13.9)                  | (74.7)                                       |
| Interest and dividends on others                 | 2.4                     | 2.9                     | 5.1  | Losses on foreign exchanges                | (2.1)                   | -                       | (2.0)  |
|  |                         |                         |  | Other capital losses <sup>1</sup>          | (35.6)                  | (34.9)                  | (78.0)                                       |
|  |                         |                         |  | Net Capital gains(losses)                  | (57.4)                  | (59.0)                  | (102.4)                                      |

1. Amount equivalent to income gains associated with money held in trust is recognized as "other capital losses"

# Fluctuations of Interest Rates (EV Assumptions)<sup>1</sup>

**Forward Rate (Mar-19 to Sep-20)**



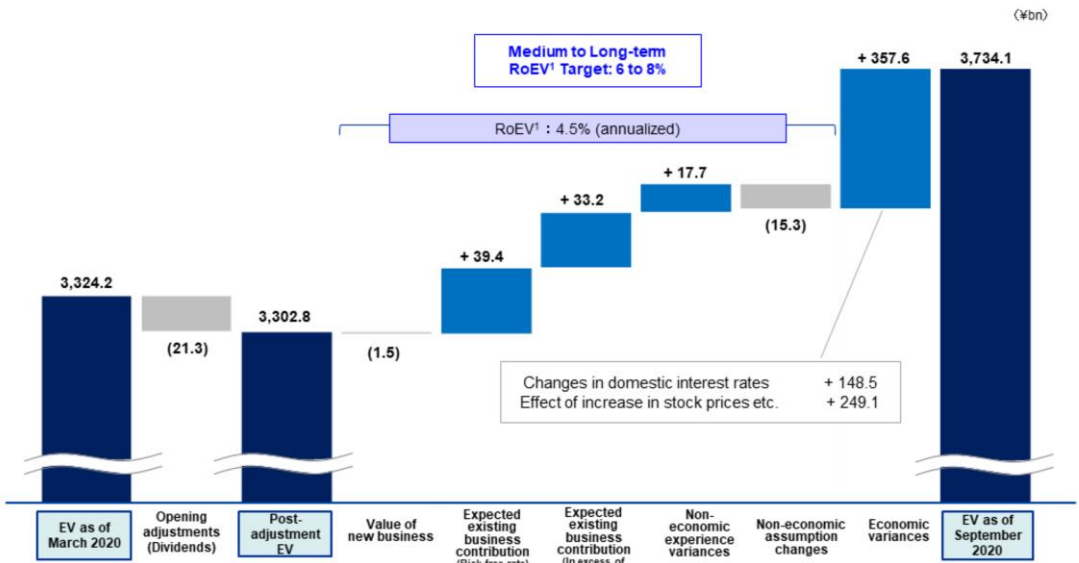
**Forward Rate**

|          | Mar-19 | Mar-20 <sup>①</sup> | Sep-20 <sup>②</sup> |
|----------|--------|---------------------|---------------------|
| 10 years | 0.471  | 0.657               | 0.490               |
| 20 years | 1.017  | 0.466               | 0.918               |
| 30 years | 0.683  | 0.422               | 0.930               |

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows:  
 EV as of March 31, 2020 : ①  
 Value of new business for 2Q of FY21/3 : ②  
 EV as of September 30, 2020 : 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



Note1 : Provisional calculations that have not been verified by a third party

Note2 : Mortality rates, surrender and lapse rates and expense assumptions in future are the same assumptions as those for the EV as of March 31, 2020.

1. Calculated by excluding economic variance factors

## Sensitivity Analysis of EV

### Sensitivity to Economic Assumptions

(¥bn)

| Assumptions   | EV      | Change (%)         |
|---|---------|--------------------|
| 50bp increase in risk-free rate                                     | 3,937.8 | + 203.6 (+ 5.5 %)  |
| 50bp decrease in risk-free rate                                     | 3,446.8 | (287.3) (( 7.7) %) |
| 50bp decrease in risk-free rate (parallel shift without zero floor) | 3,380.0 | (354.0) (( 9.5) %) |
| 10% decrease in equity and real estate value                        | 3,614.1 | (119.9) (( 3.2) %) |

### Sensitivity to Non-economic Assumptions

(¥bn)

| Assumptions   | EV      | Change (%)        |
|---|---------|-------------------|
| Future volume of policies in force is 105% of the level assumed in the calculation of EV as of September 30, 2020 | 3,815.1 | + 80.9 (+ 2.2 %)  |
| Future volume of policies in force is 95% of the level assumed in the calculation of EV as of September 30, 2020  | 3,643.6 | (90.4) (( 2.4) %) |
| 10% decrease in maintenance expenses  | 3,959.6 | + 225.4 (+ 6.0 %) |

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

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

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

(¥bn)

|   | FY17/3  |             | FY18/3  |             | FY19/3  |             | FY20/3  |             | FY20/3 2Q |             | FY21/3 2Q |             |
|---|---------|-------------|---------|-------------|---------|-------------|---------|-------------|-----------|-------------|-----------|-------------|
|   | New     | Postal Life | New     | Postal Life | New     | Postal Life | New     | Postal Life | New       | Postal Life | New       | Postal Life |
| Ordinary income <sup>1</sup>                          | 4,464.2 | 6,889.2     | 3,938.8 | 5,489.2     | 3,814.7 | 4,374.4     | 3,582.6 | 3,658.6     | 1,789.0   | 1,884.1     | 1,803.8   | 1,581.8     |
| Insurance premiums and others                         | 4,039.0 | 1,002.8     | 3,481.2 | 755.2       | 3,369.5 | 590.3       | 2,786.3 | 459.1       | 1,558.9   | 242.2       | 1,226.8   | 191.0       |
| Investment income <sup>1</sup>                        | 422.8   | 945.0       | 454.6   | 830.3       | 440.1   | 764.3       | 441.2   | 696.5       | 227.5     | 346.5       | 216.2     | 304.3       |
| Other ordinary income <sup>1</sup>                    | 2.3     | 4,941.3     | 3.0     | 3,903.7     | 4.9     | 3,019.8     | 354.9   | 2,503.0     | 2.6       | 1,295.4     | 360.7     | 1,086.4     |
| Ordinary expenses <sup>1</sup>                        | 4,370.1 | 6,704.0     | 3,767.1 | 5,352.2     | 3,663.5 | 4,260.4     | 3,388.2 | 3,566.1     | 1,691.3   | 1,839.9     | 1,672.6   | 1,550.7     |
| Insurance claims and others                           | 1,136.5 | 6,413.7     | 1,765.6 | 5,124.3     | 2,837.9 | 4,030.9     | 2,842.0 | 3,349.3     | 1,409.3   | 1,734.5     | 1,468.3   | 1,461.9     |
| Provision for policy reserves and others <sup>1</sup> | 2,694.0 | -           | 1,474.7 | -           | 272.5   | -           | 29.9    | -           | 11.9      | -           | 0.0       | -           |
| Investment expenses <sup>1</sup>                      | 103.8   | 56.5        | 78.5    | 27.9        | 99.1    | 46.8        | 85.7    | 38.2        | 47.7      | 19.3        | 34.2      | 11.7        |
| Operating expenses                                    | 366.5   | 193.6       | 372.8   | 159.9       | 376.2   | 142.1       | 336.3   | 135.8       | 184.2     | 68.1        | 135.4     | 60.4        |
| Other ordinary expenses                               | 69.0    | 40.0        | 75.2    | 39.8        | 77.7    | 40.4        | 94.2    | 42.7        | 38.1      | 17.8        | 34.6      | 16.6        |
| Ordinary profit                                       | 94.0    | 185.2       | 171.7   | 137.0       | 151.1   | 113.9       | 194.3   | 92.4        | 97.7      | 44.2        | 131.1     | 31.0        |
| Extraordinary gains and losses <sup>2</sup>           | 5.7     | (12.6)      | (27.2)  | (17.0)      | 13.8    | 3.6         | 9.3     | 29.8        | 6.1       | 19.6        | 0.3       | 27.0        |
| Provision for reserve for policyholder dividends      | 15.6    | 137.0       | 21.6    | 96.1        | 19.6    | 92.1        | 15.4    | 93.7        | 7.5       | 47.0        | 9.2       | 37.9        |
| Income before income taxes                            | 84.2    | 35.5        | 122.9   | 23.8        | 145.3   | 25.5        | 188.2   | 28.5        | 96.3      | 16.8        | 122.2     | 20.1        |
| Total income taxes                                    | 21.7    | 9.5         | 35.4    | 6.9         | 41.1    | 8.7         | 54.9    | 10.7        | 28.1      | 8.1         | 35.5      | 13.3        |
| Net income  | 62.4    | 26.0        | 87.4    | 16.8        | 104.1   | 16.7        | 133.3   | 17.8        | 68.1      | 8.6         | 86.6      | 6.7         |

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. 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.: FY21/3 2Q, ¥0.3billion was added to "Gains on foreign exchanges," under "Investment income," and to "Losses on foreign exchanges," under "Investment expenses")

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



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

|  |       | FY17/3     | FY18/3     | FY19/3     | FY20/3     | FY20/3 2Q  | FY21/3 2Q  |
|--|-------|------------|------------|------------|------------|------------|------------|
| <b>Total assets</b>                                    | ¥mn   | 80,336,414 | 76,832,508 | 73,904,576 | 71,667,398 | 73,036,599 | 70,398,249 |
| Postal Life Insurance category                         |       | 51,447,550 | 46,684,937 | 41,354,076 | 39,225,493 | 40,185,635 | 38,206,921 |
| New category   |       | 28,888,864 | 30,147,570 | 32,550,500 | 32,441,904 | 32,850,963 | 32,191,328 |
| <b>Number of policies in force</b>                     | (000) | 31,562     | 30,405     | 29,143     | 27,070     | 28,365     | 25,938     |
| Postal Life Insurance category (insurance)             |       | 14,411     | 12,484     | 11,048     | 9,907      | 10,469     | 9,437      |
| New category (individual insurance)                    |       | 17,150     | 17,921     | 18,095     | 17,163     | 17,896     | 16,500     |
| <b>Insurance premiums and others</b>                   | ¥mn   | 5,041,868  | 4,236,461  | 3,959,928  | 3,245,541  | 1,801,184  | 1,417,826  |
| Postal Life Insurance category                         |       | 1,002,816  | 755,221    | 590,340    | 459,151    | 242,264    | 191,003    |
| New category   |       | 4,039,051  | 3,481,240  | 3,369,588  | 2,786,389  | 1,558,920  | 1,226,822  |
| <b>Ordinary profit</b>                                 | ¥mn   | 279,347    | 308,845    | 265,143    | 286,829    | 141,945    | 162,203    |
| Postal Life Insurance category                         |       | 185,250    | 137,074    | 113,981    | 92,490     | 44,202     | 31,067     |
| New category   |       | 94,097     | 171,771    | 151,162    | 194,338    | 97,743     | 131,135    |
| <b>Net income</b>                                      | ¥mn   | 88,520     | 104,309    | 120,958    | 151,132    | 76,865     | 93,362     |
| Postal Life Insurance category                         |       | 26,044     | 16,878     | 16,763     | 17,806     | 8,692      | 6,735      |
| New category   |       | 62,475     | 87,430     | 104,195    | 133,325    | 68,173     | 86,627     |
| <b>Contingency reserve (reversal) provision</b>        | ¥mn   | (120,819)  | (139,678)  | (151,592)  | (165,388)  | (82,306)   | 5,295      |
| Postal Life Insurance category                         |       | (172,881)  | (173,722)  | (173,590)  | (170,814)  | (85,575)   | 2,871      |
| New category   |       | 52,061     | 34,043     | 21,997     | 5,425      | 3,268      | 2,423      |
| <b>Price fluctuations reserve (reversal) provision</b> | ¥mn   | 6,444      | 128,031    | (19,251)   | (39,152)   | (25,637)   | (27,439)   |
| Postal Life Insurance category                         |       | 12,625     | 17,090     | (3,686)    | (29,845)   | (19,674)   | (27,046)   |
| New category   |       | (6,181)    | 110,940    | (15,564)   | (9,306)    | (5,962)    | (392)      |
| <b>Additional policy reserve (reversal) provision</b>  | ¥mn   | (50,454)   | (30,648)   | (50,292)   | (49,750)   | (24,350)   | (105,579)  |
| Postal Life Insurance category                         |       | (50,454)   | (47,674)   | (46,698)   | (46,396)   | (22,636)   | (104,063)  |
| New category   |       | -          | 17,025     | (3,594)    | (3,354)    | (1,713)    | (1,515)    |

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

|   | (#bn)    |          |          |          |           |           |
|---|----------|----------|----------|----------|-----------|-----------|
|   | FY17/3   | FY18/3   | FY19/3   | FY20/3   | FY20/3 2Q | FY21/3 2Q |
| Insurance premiums and others                         | 5,041.8  | 4,236.4  | 3,959.9  | 3,245.5  | 1,801.1   | 1,417.8   |
| Ordinary profit                                       | 279.7    | 309.2    | 264.8    | 286.6    | 141.5     | 162.7     |
| Provision for reserve for policyholder dividends      | 152.6    | 117.7    | 111.8    | 109.2    | 54.5      | 47.2      |
| Net income  | 88.5     | 104.4    | 120.4    | 150.6    | 76.3      | 93.6      |
| Net assets  | 1,853.2  | 2,003.1  | 2,135.1  | 1,928.3  | 2,240.1   | 2,487.7   |
| Total assets  | 80,336.7 | 76,831.2 | 73,905.0 | 71,664.7 | 73,034.1  | 70,397.2  |
| Return on equity                                      | 4.7 %    | 5.4 %    | 5.8 %    | 7.4 %    | -         | -         |
| Return on shareholders' equity                        | 5.9 %    | 6.7 %    | 7.4 %    | 9.0 %    | -         | -         |
| Dividends to shareholders                             | 36.0     | 40.8     | 43.2     | 42.7     | 21.3      | -         |
| Total Return Ratio <sup>1</sup>                       | 40.6 %   | 39.0 %   | 118.9 %  | 28.4 %   | -         | -         |
| EV  | 3,355.6  | 3,743.3  | 3,925.7  | 3,324.2  | 3,478.9   | 3,734.1   |
| Value of New Business                                 | 36.8     | 226.7    | 223.8    | 60.6     | 66.7      | (1.5)     |
| Core profit<br>(Non-consolidated)                     | 390.0    | 386.1    | 377.1    | 400.6    | 205.7     | 226.5     |
| Core profit attributable to life insurance activities | 311.4    | 320.3    | 318.7    | 320.1    | 167.1     | 196.4     |
| Spread<br>(positive/negative spread)                  | 78.5     | 65.8     | 58.4     | 80.4     | 38.5      | 30.1      |

1. The figure for FY19/3 represents the total return ratio including share repurchase (approximately ¥ 100.0billion) in April 2019.

<Disclaimer>

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by Japan Post Insurance at the time of this document's disclosure. Please note that actual results may differ materially from such forward-looking statements due to various factors including changes in the operating environment, interest rates or general economic conditions or other future events and circumstances.

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