

Outline of Financial Results for the Fiscal Year Ended March 31, 2023

May 15, 2023



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Fiscal Year Ended March 31, 2023.”
- 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		
	Year ended Mar-23	Year on Year
Ordinary Profit	¥ 117.5bn	¥ (238.5)bn (67.0) %
Net income	¥ 97.6bn	¥ (60.4)bn (38.2) %
Annualized premiums from New policies	(Individual Insurance) ¥ 65.8bn	+ ¥ 19.7bn + 42.7 %
	(Medical Care) ¥ 6.4bn	+ ¥ 4.2bn + 196.3 %
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 3,217.6bn	¥ (321.2)bn (9.1) %
	(Medical Care) ¥ 593.0bn	¥ (34.0)bn (5.4) %
EV	¥ 3,463.8bn	¥ (155.0)bn (4.3) %

[Financial Highlights]


- As insurance claims payments for COVID-19 increased, and capital gains (losses) deteriorated due to an increase in losses on sales of securities, ordinary profit decreased by ¥ 238.5bn ((67.0) %) year on year.
- While the losses above were neutralized by the contingency reserves and reserve for price fluctuations, net income for current period decreased by ¥ 60.4bn ((38.2) %) year on year because of decline in policies in force, etc.

[Policy Sales]

- Annualized premiums from new policies for individual insurance in FY23/3 increased by ¥ 19.7bn (+ 42.7 %) year on year, which remained a slight improvement.
- Annualized premiums from policies in force decreased by ¥ 321.2bn ((9.1) %) from the end of the previous fiscal year.
- As for the current situation with policy sales, the number of new policies as of April 2023 increased by 108.6% year on year. Details are stated on P6.

[Embedded Value]

- EV decreased by ¥ 155.0bn ((4.3) %) from the end of the previous fiscal year, mainly due to a decrease in unrealized gains of foreign bonds resulting from an increase in foreign interest rates.



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- The financial results can be summed up as you see.
- As insurance claims payments for COVID-19 increased, and capital gains (losses) deteriorated due to an increase in losses on sales of securities, ordinary profit was ¥ 117.5 billion, a 67.0% decrease year on year.
- While the losses above were neutralized by the contingency reserves and reserve for price fluctuations, net income for the current period was ¥ 97.6billion, a 38.2% decrease year on year because of decline in policies in force, etc.
- Annualized premiums from new policies for individual insurance in FY23/3 increased by ¥ 19.7billion year on year, which remained a slight improvement.
- Annualized premiums from policies in force decreased by ¥ 321.2 billion from the end of the previous fiscal year to ¥ 3,217.6 billion.
- As for the current situation with policy sales, the number of new policies as of April 2023 was about 43 thousands, a 108.6% increase year on year.
- EV decreased by 4.3% from the end of the previous fiscal year to ¥ 3,463.8 billion mainly due to a decrease in unrealized gains of foreign bonds resulting from an increase in foreign interest rates, etc.
- Please look at page 2.

Financial Results for Year Ended March 31, 2023 (Year on Year)

Statement of Income

	(¥bn)		
	Year ended Mar-22	Year ended Mar-23	Change
Ordinary income	6,454.2	6,379.5	(74.6)
Insurance premiums and others	2,418.9	2,200.9	(218.0)
Investment income	1,149.1	1,159.0	9.8
Reversal of policy reserves	2,864.2	3,015.2	150.9
Ordinary expenses	6,098.0	6,261.9	163.8
Insurance claims and others	5,549.3	5,487.9	(61.3)
Investment expenses	69.7	246.4	176.6
Operating expenses etc. ¹	479.0	519.7	40.7
Ordinary profit	356.1	117.5	(238.5)
Extraordinary gains and losses	(62.4)	82.3	144.7
Reversal of reserve for price fluctuations ²	(67.7)	82.6	150.4
Provision for reserve for policyholder dividends	73.1	62.0	(11.0)
Total income taxes	62.5	40.2	(22.3)
Net income attributable to Japan Post Insurance	158.0	97.6	(60.4)

Note: Only major line items are shown.

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

Details of Ordinary Profit (Non-Consolidated)

	(¥bn)		
	Year ended Mar-22	Year ended Mar-23	Change
Core profit	429.7	192.3	(237.4)
Core profit attributable to life insurance activities	296.4	98.2	(198.1)
Positive spread	133.3	94.0	(39.3)
Hedging costs related to foreign exchange	(7.3)	(58.6)	(51.2)
Net capital gains (losses)	5.6	(63.8)	(69.4)
Gains from cancellation of investment trust	0.0	20.8	20.8
Other one-time profits (losses)	(79.6)	(10.8)	68.7
Ordinary profit	355.7	117.6	(238.1)

(Reference) Partial amendment to the method for calculating core profit

- Method for calculating core profit was partially amended in FY23/3 (hedging costs related to foreign exchange are included in the calculation of core profit and excluded from capital gains (losses), while gains from cancellation of investment trust are excluded from the calculation of core profit and included in capital gains (losses)). This amendment started to apply in FY23/3.
- Regarding the reserve for price fluctuations, we continue to adopt accounting treatments to provide or reverse them corresponding to the amount of capital gains (losses) which include hedging costs related to foreign exchange, and exclude gains from cancellation of investment trust.
- Core profit, positive spread, investment return on core profit, and capital gains (losses) for the previous fiscal year stated in this material are calculated reflecting the aforementioned amendment.



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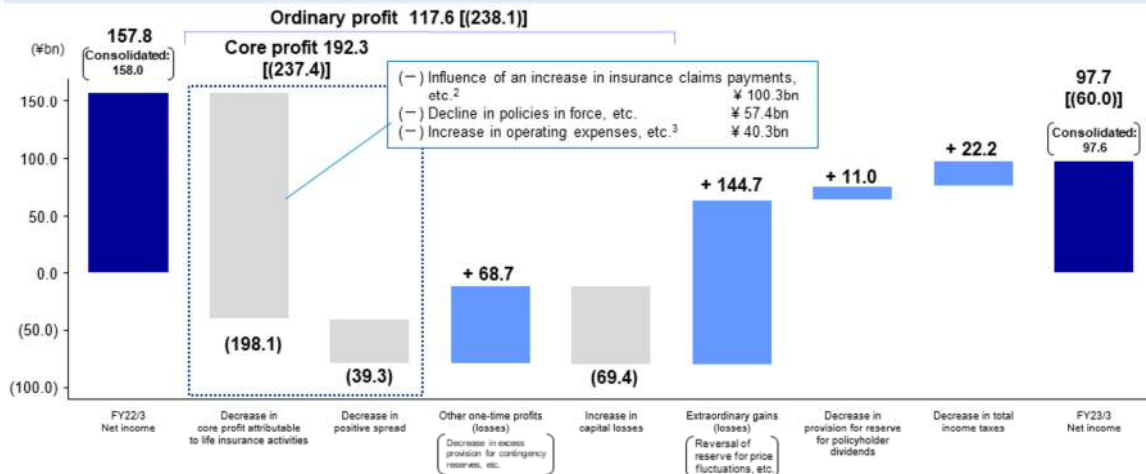
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- This page shows the financial highlights.
- The factors for changes will be explained at next page.
- Please look at page 3.

Factors for Year on Year Changes (Non-Consolidated)

- Core profit decreased year on year to ¥ 192.3 billion as a result of a decrease in core profit attributable to life insurance activities due to an increase in insurance claims payments for COVID-19, a decline in policies in force, and an increase in operating expenses resulting from the establishment of the new Japan Post Insurance sales system, along with a decrease in positive spread.
- Regarding the increase in insurance claims payments for COVID-19, we partially reduced the excess provisions for contingency reserves. In addition, capital losses etc.¹ were offset by the reversal of reserve for price fluctuations corresponding to the amount of them. As a result, net income for current period was ¥ 97.7 billion.



1. While hedging costs related to foreign exchange are offset by the reversal of reserve for price fluctuations, the gains from cancellation of investment trust are excluded from provision of reserve for price fluctuations.
2. An increase in insurance claims payments, etc. were due to impact mainly from the payment of, and provision of reserve for outstanding claims for death benefits and hospitalization benefits for COVID-19.
3. "Increase in operating expenses, etc." shows the difference between FY22/3 and FY23/3. This figure is calculated by adding up "Operating expenses" and "Other ordinary expenses".

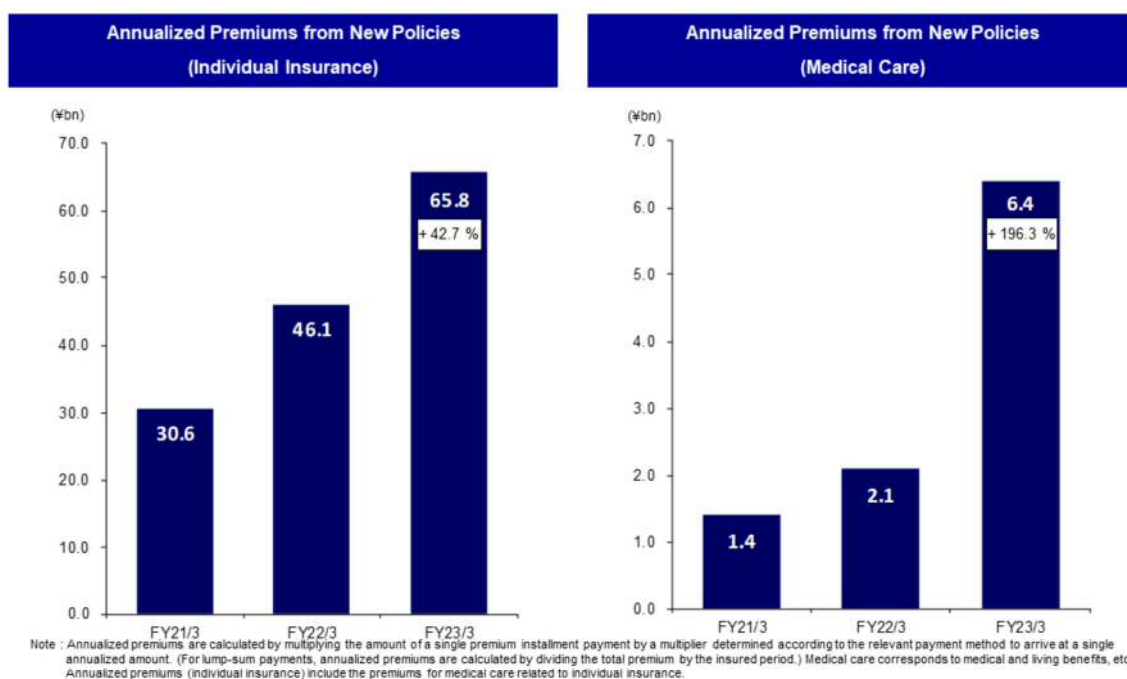
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- These are the factors for changes in the financial results for the current period.
- Core profit decreased year on year to ¥ 192.3 billion as a result of a decrease in core profit attributable to life insurance activities, due to an increase in insurance claims payments for COVID-19, a decline in policies in force, and an increase in operating expenses resulting from the establishment of the new Japan Post Insurance sales system, along with a decrease in positive spread.
- Regarding the increase in insurance claims payments for COVID-19, we partially reduced the excess provisions for contingency reserves. In addition, as capital losses etc. were offset by the reversal of reserve for price fluctuations corresponding to the amount of them, net income for current period was ¥ 97.7 billion.
- For detail of these accounting treatments, please look at page 22.
- Please look at page 4.

Policy Sales [Annualized Premiums from New Policies]



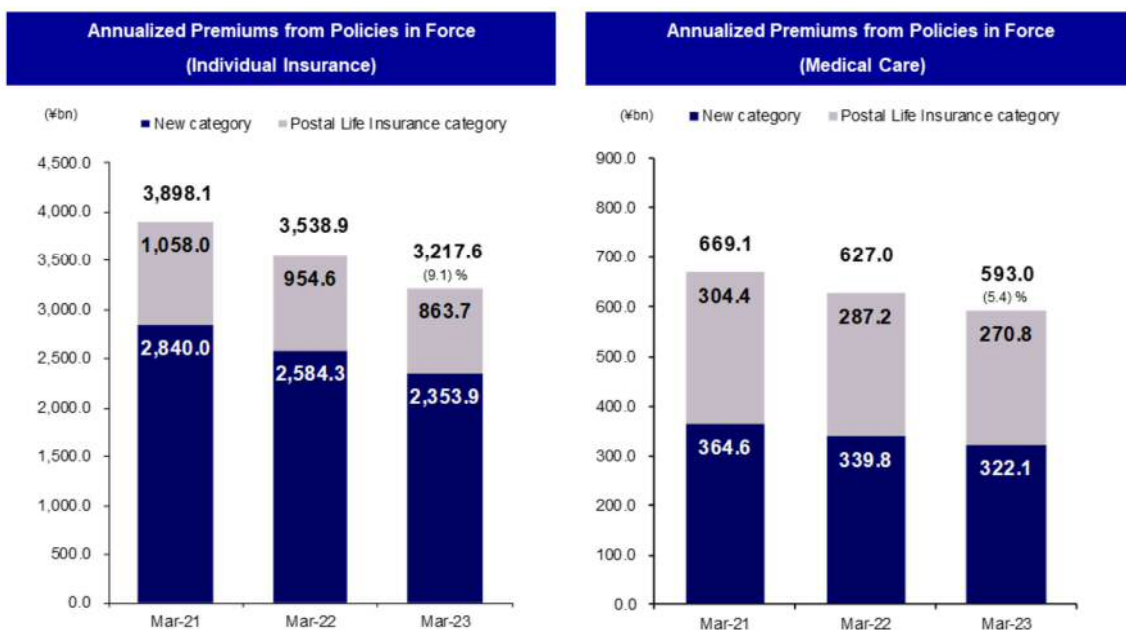
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- From here, I would like to explain our policy sales.
- Annualized premiums from new policies for individual insurance increased by 42.7% year on year to ¥ 65.8 billion and annualized premiums from new policies for medical care increased by 196.3% year on year to ¥ 6.4 billion.
- 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. "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from Organization for Postal Savings, Postal Life Insurance and Post Office Network.

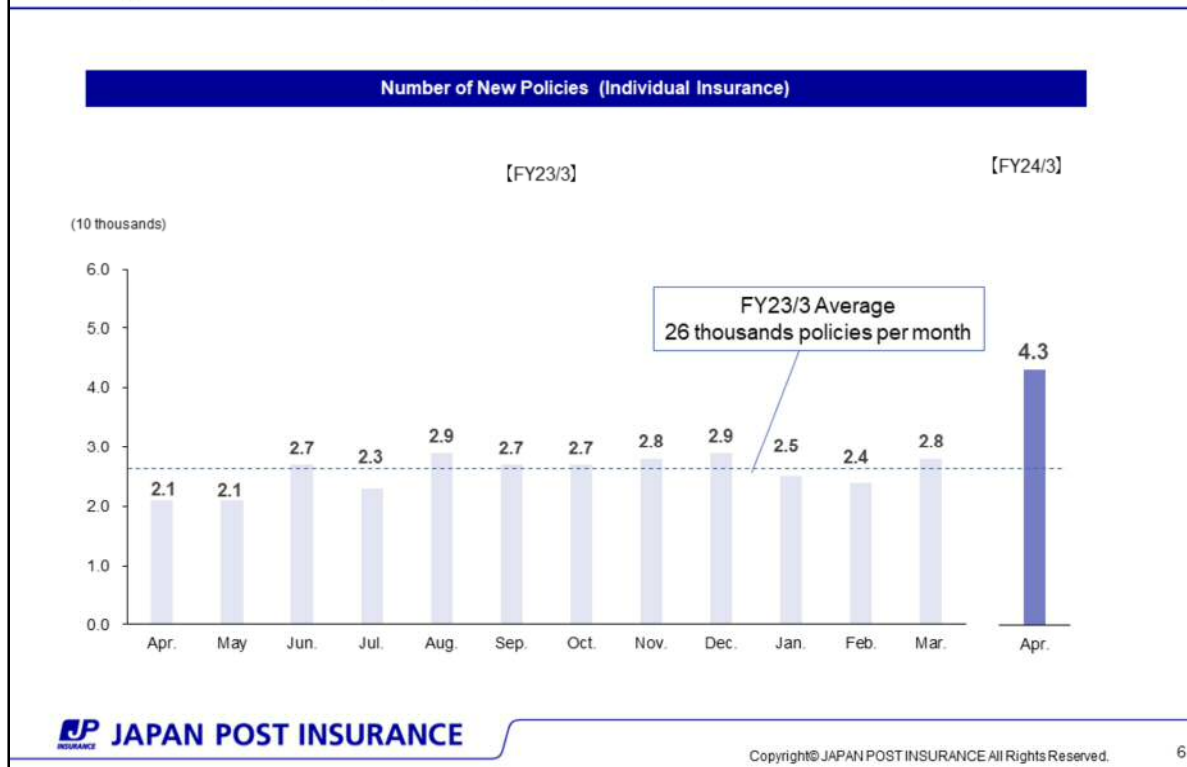


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- Annualized premiums from policies in force for individual insurance decreased by 9.1% from the end of the previous fiscal year to ¥ 3,217.6 billion.
- Annualized premiums from policies in force for medical care decreased by 5.4% from the end of the previous fiscal year to ¥ 593.0 billion.
- Please look at page 6.

Policy Sales [Monthly Change of Number of New Policies]



- This page shows the change of number of new policies as the current situation with policy sales.
- The number of new policies as of April 2023 was about 43 thousand, a 108.6% increase year on year.
- Please look at page 7.

Investments [Asset Portfolio]

Asset Portfolio						Spread and Investment Yield		
	Mar-22		Mar-23		Change			
	Amount	Share	Amount	Share		Year ended Mar-22	Year ended Mar-23	
	(#bn)							
Bonds	46,563.5	69.3 %	44,613.8	71.2 %	(1,949.7)			
Japanese government bonds	37,408.9	55.7 %	37,114.6	59.2 %	(294.3)			
Japanese local government bonds	4,402.6	6.6 %	3,390.6	5.4 %	(1,072.0)			
Japanese corporate bonds	4,651.8	7.0 %	4,108.6	6.6 %	(543.3)			
Return seeking assets ¹	11,228.3	16.7 %	9,830.4	15.7 %	(1,397.9)			
Domestic stocks ²	2,614.5	3.9 %	2,608.4	4.2 %	(6.1)			
Foreign stocks ²	586.1	0.9 %	534.5	0.9 %	(51.6)			
Foreign bonds ²	6,279.9	9.3 %	4,680.3	7.5 %	(1,599.6)			
Other ³	1,747.7	2.6 %	2,007.0	3.2 %	259.3			
Alternative assets	914.9	1.4 %	1,313.0 ⁴	2.1 %	398.7			
Loans	4,251.9	6.3 %	3,605.8	5.8 %	(646.1)			
Others	5,130.9	7.6 %	4,637.2	7.4 %	(493.6)			
Cash and deposits, call loans	1,310.7	2.0 %	1,476.5	2.4 %	165.7			
Receivables under resale agreements	2,120.1	3.2 %	1,384.7	2.2 %	(735.3)			
Total assets	67,174.7	100.0 %	62,687.3	100.0 %	(4,487.4)			

	Year ended Mar-22	Year ended Mar-23
Positive spread	133.3	94.0
Average assumed rates of return ¹	1.68 %	1.67 %
Investment return on core profit ²	1.92 %	1.85 %
Net capital gains (losses)	5.6	(63.8)

	Mar-22	Mar-23
Assets	10.5	10.6
Liabilities	12.7	12.3
Difference	2.2	1.7

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

Duration (years)

	Mar-22	Mar-23
Assets	10.5	10.6
Liabilities	12.7	12.3
Difference	2.2	1.7

Note: The duration for accounting purposes of insurance liabilities related to individual insurance and individual annuities and yen-denominated interest-bearing assets.

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. 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.

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- I would like to move on to the results of investments.
- We mainly invest in bonds from the standpoint of ALM to match yen-denominated interest-bearing assets with yen-denominated interest-bearing liabilities.
- As shown in the chart on the left, the amount of return seeking assets such as stocks and foreign bonds was ¥ 9,830.4 billion, which accounts for 15.7% of total assets at the end of the current period. The decrease in the amount and relative proportion of these assets from the end of the previous fiscal year was mainly due to the effect of a reduction in the balance of hedged foreign bonds, in view of rising hedging costs.
- Alternative assets under "Other" increased in the amount and relative proportion, due to factors such as the expansion of the type of assets subject to fair value calculation resulting from the adoption of the "Implementation Guidance on Accounting Standard for Fair Value Measurement."
- As shown in the chart on the right, the average assumed rates of return was 1.67%. The investment return on core profit was 1.85%. As a result, a positive spread of ¥ 94.0 billion was achieved.
- Capital losses were ¥ 63.8 billion, due to an increase in losses on sales of securities, etc.
- Please look at page 8.

Investments [Fair Value Information of Securities]


Fair Value Information of Securities									
(¥bn)									
	Mar-22			Mar-23			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	56,500.9	62,173.4	5,672.4	53,932.2	57,758.3	3,826.0	(2,568.6)	(4,415.0)	(1,846.4)
Held-to-maturity bonds	34,126.2	38,143.1	4,016.9	32,935.5	35,502.3	2,566.8	(1,190.7)	(2,640.8)	(1,450.1)
Policy-reserve-matching bonds	8,604.7	9,106.0	501.2	8,075.0	8,237.6	162.6	(529.7)	(868.3)	(338.6)
Available-for-sale securities	13,769.9	14,924.2	1,154.2	12,921.7	14,018.3	1,096.5	(848.2)	(905.8)	(57.6)
Securities etc.	10,976.2	11,103.7	127.5	9,544.9	9,346.3	(198.6)	(1,431.2)	(1,757.4)	(326.2)
Bonds	4,043.7	4,016.9	(26.7)	3,878.7	3,733.1	(145.5)	(164.9)	(283.7)	(118.8)
Domestic stocks	357.7	419.8	62.0	330.0	397.5	67.4	(27.7)	(22.2)	5.4
Foreign securities	4,247.0	4,332.5	85.4	2,964.3	2,949.2	(15.0)	(1,282.7)	(1,383.2)	(100.4)
Other securities	1,884.2	1,889.9	5.7	1,800.2	1,693.9	(106.2)	(84.0)	(195.9)	(111.9)
Deposits etc.	443.3	444.5	1.1	571.5	572.3	0.7	128.1	127.8	(0.3)
Money held in trust	2,793.7	3,820.4	1,026.6	3,376.7	4,672.0	1,295.2	583.0	851.5	268.5
Domestic stocks ¹	1,495.7	2,194.7	699.0	1,470.7	2,199.1	728.3	(24.9)	4.3	29.3
Foreign stocks ¹	311.9	586.1	274.2	275.4	534.5	259.0	(36.4)	(51.6)	(15.1)
Foreign bonds ¹	700.0	742.0	42.0	643.1	673.2	30.0	(56.8)	(68.7)	(11.9)
Other ²	286.0	297.4	11.4	987.3 ³	1,265.0 ³	277.7	701.2	957.6	266.3

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.

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.

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- This page shows the fair value of securities and net unrealized gains or losses.
- In the period under review, we recorded ¥ 1,096.5 billion in net unrealized gains on available-for-sale securities that are calculated at fair value for accounting purposes, despite an increase in interest rates both in Japan and overseas compared with the end of March, 2022.
- Please look at page 9.

Expenses

Expenses			
	(¥bn)		
	Year ended Mar-22	Year ended Mar-23	Change
Operating expenses	385.9	445.7	59.8
Commissions ¹	178.6	134.8	(43.7)
Sales Commissions	30.7	34.4	3.7
Maintenance Commissions	147.9	100.3	(47.5)
Contributions ²	54.0	50.1	(3.8)
Others ³	153.2	260.7	107.4
Other ordinary expenses	93.0	74.0	(19.0)
Depreciation and amortization	54.5	39.4	(15.0)
Operating expenses etc	479.0	519.7	40.7

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.

3. Figures for FY23/3 includes ¥93.8 billion increase in personnel expenses (non-consolidated) including a result of the transition to the new Japan Post Insurance sales system in April 2022.

- Expenses for the period are presented on this page.
- Operating expenses for the current period were ¥ 445.7 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 ¥ 43.7 billion year on year to ¥ 134.8 billion, as a result of the exclusion of the work of consultants accepted from Japan Post Co. from the scope of work to which commissions are payable, following the transition to the new Japan Post Insurance sales system in April 2022.
- The sum of commissions and contributions decreased by ¥ 47.6 billion year on year to ¥ 185.0 billion.
- Meanwhile, others in operating expenses increased ¥ 107.4 billion year on year to ¥ 260.7 billion, due primarily to an increase in personnel expenses following the intake of consultants from Japan Post Co.
- Depreciation and amortization decreased by ¥ 15.0 billion year on year to ¥ 39.4 billion.
- Please look at page 10.

Financial Soundness

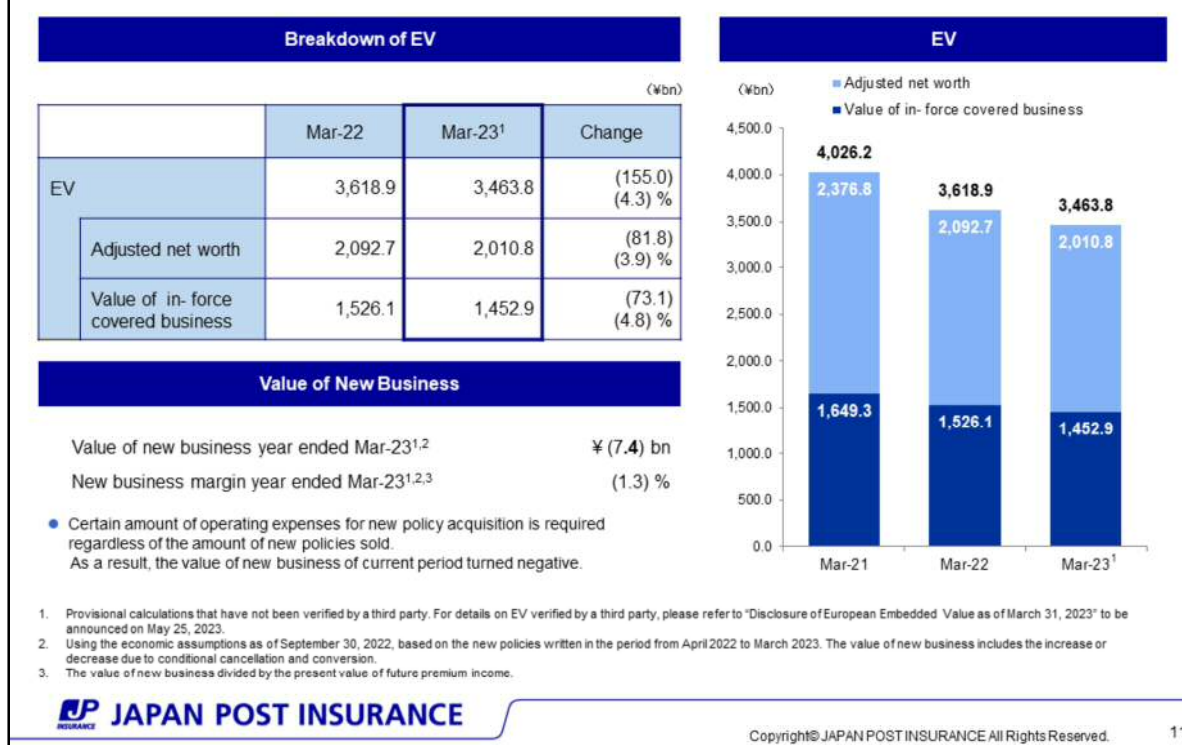
Internal Reserves				Solvency Margin Ratio		
	Mar-22	Mar-23	(¥bn)		Mar-22	Mar-23
Contingency reserve	1,690.9	1,701.8	10.8	Solvency Margin Ratio	1,045.5 %	1,009.1 %
Postal Life Insurance category ¹	1,203.2	1,260.2	56.9	Total amount of solvency margin	5,858.5	5,636.9
New category	487.7	441.6	(46.0)	Total amount of risk	1,120.6	1,117.1
Reserve for price fluctuations	972.6	889.9	(82.6)	Real net assets	10,238.8	8,253.5
Postal Life Insurance category	695.1	711.2	16.1			
New category	277.4	178.6	(98.7)			
Additional policy reserve	5,618.6	5,373.0	(245.6)			
Postal Life Insurance category ¹	5,613.8	5,370.0	(243.8)			
New category	4.8	2.9	(1.8)			

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

- I would like to report on our financial soundness.
- In order to maintain financial soundness for the stable management in the future, as well as counter risks associated with changes in the business environment, we have accumulated contingency reserves of ¥ 1,701.8 billion and reserve for price fluctuations of ¥ 889.9 billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥ 5,373.0 billion at the end of the current period.
- The solvency margin ratio was 1,009.1%, maintaining a high level of soundness.
- Please look at page 11.

Embedded Value



- I would like to explain the current status of EV.
- EV as of March 31, 2023 was ¥ 3,463.8 billion, a decrease of ¥ 155.0 billion from the end of the previous fiscal year.
- Adjusted net worth decreased by ¥ 81.8 billion from the end of the previous fiscal year to ¥ 2,010.8 billion, mainly due to dividends, share repurchase begun in August 2022, and capital losses, despite the increase in net income.
- Value of in-force covered business decreased by ¥ 73.1 billion from the end of the previous fiscal year to ¥ 1,452.9 billion, mainly due to a decrease in unrealized gains of foreign bonds resulting from an increase in foreign interest rates. Please note that the assumed inflation rate reflects the recent increase of consumer price index.
- Value of new business for the current period was calculated based on the economic assumptions as of the end of September 2022 in which interest rate assumption is almost as same as the average of actual interest rate from April 2022 to March 2023.
- Certain amount of operating expenses for new policy acquisition is required regardless of the amount of new policies sold. Adding to that, the changes in the structure of operating expenses associated with the sales reorganization in April 2022 were taken into account. As a result, the value of new business was ¥ (7.4) billion. Meanwhile, the new business margin was (1.3) %.
- Please note that the EV for the current period is a provisional calculation for which we have not yet received third-party verification. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2023" to be announced on May 25, 2023.
- Please look at page 12.

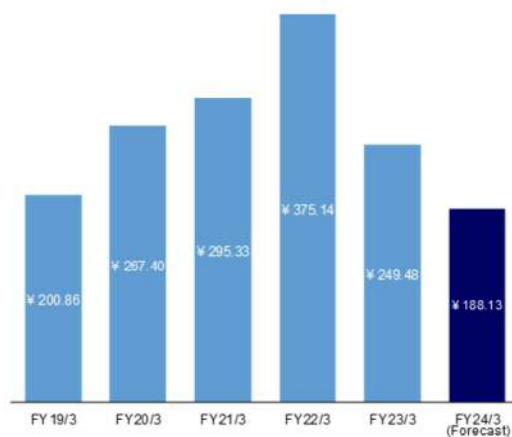
The Forecasts for Full-year Financial Results for the Year Ending March 31, 2024

Full-year Financial Results Forecast

(¥bn)

	Year ended Mar-23 (Revised forecast) ¹	Year ended Mar-23	Achievement	Year ending Mar-24 (Forecast)
Ordinary income	6,370.0	6,379.5	100.2%	5,890.0
Ordinary profit	110.0	117.5	106.9%	140.0
Net income ¹	97.0	97.6	100.6%	72.0
Net income per share	¥ 247.91	¥ 249.48		¥ 188.13

Earnings Per Share



Full-year Financial Results Forecast (non-consolidated)

(¥bn)

	Year ended Mar-23 (Revised forecast) ¹	Year ended Mar-23	Year ending Mar-24 (Forecast)
Core profit	Approx.190.0	192.3	Approx.200.0

1. Net income attributable to Japan Post Insurance.
2. The figures reflect the financial results forecast revision announced on April 26, 2023.

- I will explain the forecasts for full-year financial results for the year ending March 31, 2024.
- The financial results for the year ending March 31, 2024 are expected to decrease from the fiscal year under review, due primarily to a decrease in the volume of policies in force and a decrease in positive spread, despite of a decrease of the impact of losses related to COVID-19.
- The forecast for net income is ¥ 72.0 billion.
- Details are stated at page 26.
- Please look at page 13.

Shareholder Return

Shareholder Return Policies during the period of the Medium-term Management Plan

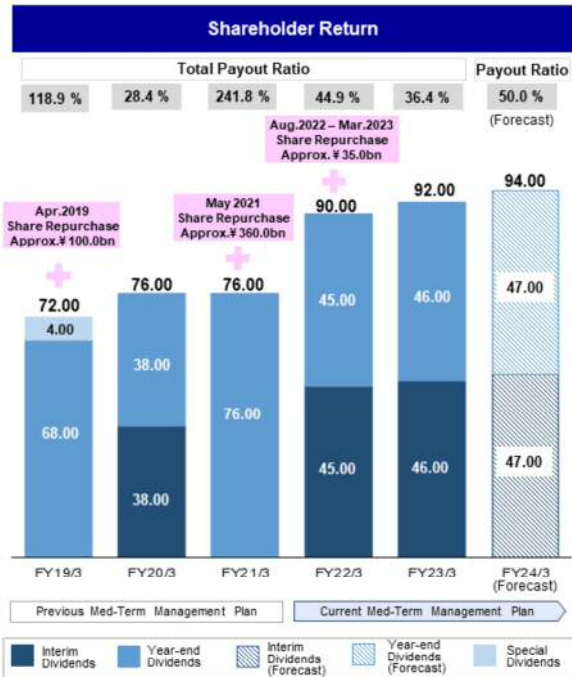
- The Company in principle aims not to decrease but to increase dividend per share for the period of the Medium-term Management Plan up to FY2025, while considering earning prospects and financial soundness.
- By taking timely measures, including acquisition of treasury stock, to return profits to shareholders flexibly, we will aim for an average total payout ratio from 40% to 50% in the medium term.

Shareholder Return for the Year Ended March 31, 2023

- For FY23/3, dividends to shareholders are ¥ 92 per share, which is in line with our forecast.

Shareholder Return for the Year Ending March 31, 2024

- Dividends to shareholders for FY24/3 are scheduled to be ¥ 94 per share.



- 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.
- For FY23/3, dividends to shareholders are ¥ 92 per share, which is in line with our forecast.
- Dividends to shareholders for FY24/3 are scheduled to be ¥ 94 per share.
- This concludes my explanation.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

	Mar-22	Mar-23	Change		Mar-22	Mar-23	Change
Total Assets	67,174.7	62,687.3	(4,487.4)	Total Liabilities	64,753.7	60,312.0	(4,441.7)
Cash and deposits	1,270.7	1,436.5	165.7	Policy reserves	56,533.4	53,518.2	(3,015.2)
Money held in trust	4,521.9	4,772.3	250.4	Contingency reserve	1,690.9	1,701.8	10.8
Securities	53,417.5	49,841.4	(3,576.0)	Additional policy reserve	5,618.6	5,373.0	(245.6)
Loans	4,251.9	3,605.8	(646.1)	Bonds payable	300.0	300.0	-
Tangible fixed assets	94.4	92.7	(1.7)	Reserve for price fluctuations	972.6	889.9	(82.6)
Intangible fixed assets	93.6	92.3	(1.2)	Net assets	2,421.0	2,375.3	(45.6)
Deferred tax assets	1,005.3	1,028.7	23.4	Total shareholders' equity	1,544.5	1,570.5	25.9
				Capital stock	500.0	500.0	-
				Capital surplus	405.0	405.0	-
				Retained earnings	639.8	701.5	61.7
				Treasury stock	(0.3)	(36.0)	(35.7)
				Total accumulated other comprehensive income	876.5	804.8	(71.6)

Note: Only major line items are shown.



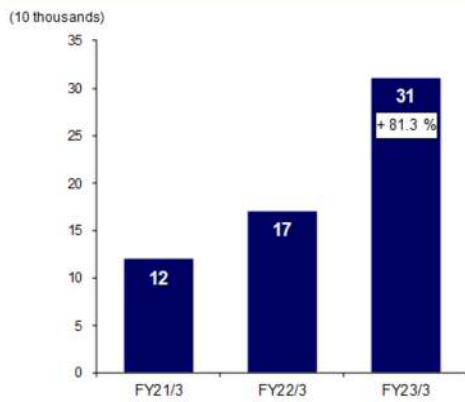
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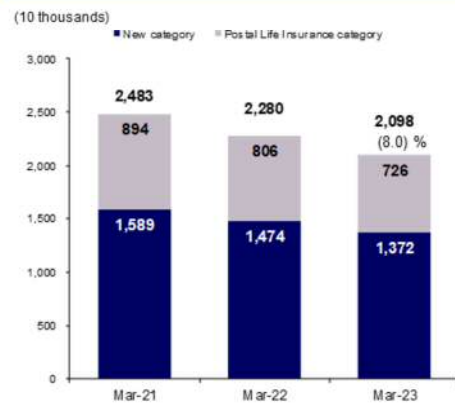
15

Policy Sales

Number of New Policies (Individual Insurance)



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

Numbers of Surrender and Lapse (Individual Insurance)

(10 thousands)

	FY21/3	FY22/3	FY23/3
Full year	51	50	42

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

Breakdown of Policies

Breakdown of New Policies

(10 thousands)

	Year ended Mar-22		Year ended Mar-23	
	Number of policies	Share	Number of policies	Share
Individual insurance	17	100.0%	31	100.0%
Endowment insurance	13	76.9%	22	70.5%
Ordinary endowment insurance	9	55.9%	15	48.3%
Ordinary endowment insurance (with a relaxed underwriting criteria)	0	1.6%	0	1.9%
Special endowment insurance ¹	3	19.4%	6	20.4%
Whole life insurance	1	10.5%	5	17.2%
Ordinary whole life insurance (Fixed amount type)	0	2.4%	1	4.9%
Ordinary whole life insurance (with a relaxed underwriting criteria)	0	0.7%	0	1.2%
Ordinary whole life insurance (Increased amount type)	0	5.5%	2	8.2%
Special whole life insurance	0	2.0%	0	2.9%
Educational endowment insurance	2	11.7%	2	8.0%
Other insurance	0	0.8%	1	4.3%

Breakdown of Policies in Force

(10 thousands)

	Mar-22		Mar-23	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,280	100.0%	2,098	100.0%
Endowment insurance	785	34.4%	677	32.3%
Ordinary endowment insurance	509	22.3%	441	21.0%
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1%	3	0.2%
Special endowment insurance ¹	271	11.9%	232	11.1%
Whole life insurance	1,156	50.7%	1,109	52.9%
Ordinary whole life insurance (Fixed amount type)	362	15.5%	332	15.8%
Ordinary whole life insurance (with a relaxed underwriting criteria)	5	0.2%	5	0.2%
Ordinary whole life insurance (Increased amount type)	252	11.1%	246	11.7%
Special whole life insurance	545	23.9%	525	25.1%
Educational endowment insurance	325	14.3%	297	14.2%
Other insurance	12	0.6%	13	0.7%

Note1 : Only major products are shown.

Note2 : Policies in force includes postal life insurance policies.

1. Increased amount type endowment insurance.

Quarterly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)

	(#bn)				
	FY20/3	FY21/3	FY22/3	FY23/3	
1Q	93.5	6.0	11.6	16.6	+ 42.0 %
2Q	38.0	9.0	11.2	16.1	+ 44.0 %
3Q	12.2	7.2	11.4	16.8	+ 47.1 %
4Q	3.0	8.3	11.7	16.2	+ 37.8 %
Total	146.9	30.6	46.1	65.8	+ 42.7 %

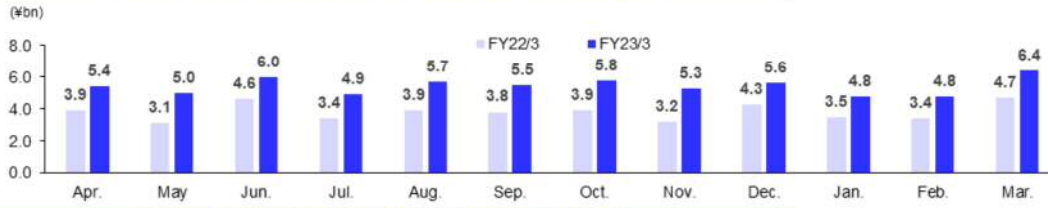
Annualized Premiums from New Policies (Medical Care)

	(#bn)				
	FY20/3	FY21/3	FY22/3	FY23/3	
1Q	16.6	0.2	0.4	1.2	+ 157.8 %
2Q	4.4	0.4	0.5	1.7	+ 234.1 %
3Q	0.8	0.3	0.5	1.8	+ 210.8 %
4Q	0.1	0.4	0.5	1.5	+ 180.0 %
Total	22.1	1.4	2.1	6.4	+ 196.3 %

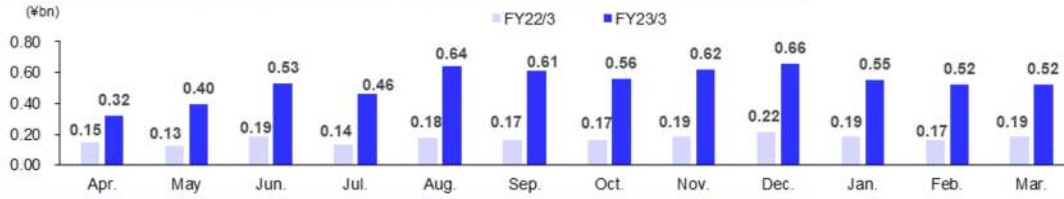
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium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

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.
FY22/3	3.9 %	4.4 %	4.3 %	4.3 %	4.8 %	4.6 %	4.5 %	6.1 %	5.2 %	5.6 %	5.1 %	4.1 %
FY23/3	5.9 %	8.0 %	8.8 %	9.4 %	11.2 %	11.2 %	9.6 %	11.7 %	11.7 %	11.3 %	10.9 %	8.0 %

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

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

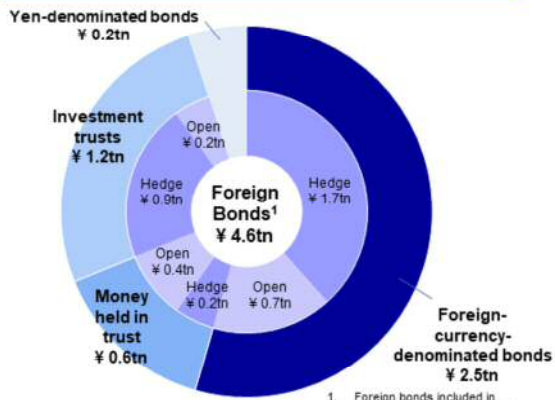
Interest, Dividends and Other Income		
	(#bn)	
	Year ended Mar-22	Year ended Mar-23
Investment income	1,149.1	1,159.0
Interest, dividends and other income	985.8	950.7
Interest on deposits	0.0	0.0
Interest and dividends on securities	894.5	869.7
Interest on corporate and government bonds	715.7	699.1
Domestic stock dividends	10.8	11.2
Interest and dividends on foreign securities	127.2	117.7
Others	40.6	41.6
Interest on loans	14.3	13.3
Interest on loans to the Management Organization	72.8	60.1
Rent revenue from real estate	-	-
Interest and dividends on others	4.1	7.4

Capital gains(losses)		
	(#bn)	
	Year ended Mar-22	Year ended Mar-23
Capital gains	169.6	287.1
Gains on money held in trust	114.5	150.3
Gains on sales of securities	26.9	50.5
Gains on derivative financial instruments	-	-
Gains on foreign exchanges	20.8	6.8
Other capital gains ¹	7.3	79.4
Capital losses	(164.0)	(351.0)
Losses on money held in trust	-	-
Losses on sales of securities	(51.1)	(177.2)
Losses on valuation of securities	-	(0.3)
Losses on derivative financial instruments	(7.3)	(60.5)
Losses on foreign exchanges	-	-
Other capital losses ²	(105.5)	(112.8)
Net Capital gains(losses)	5.6	(63.8)

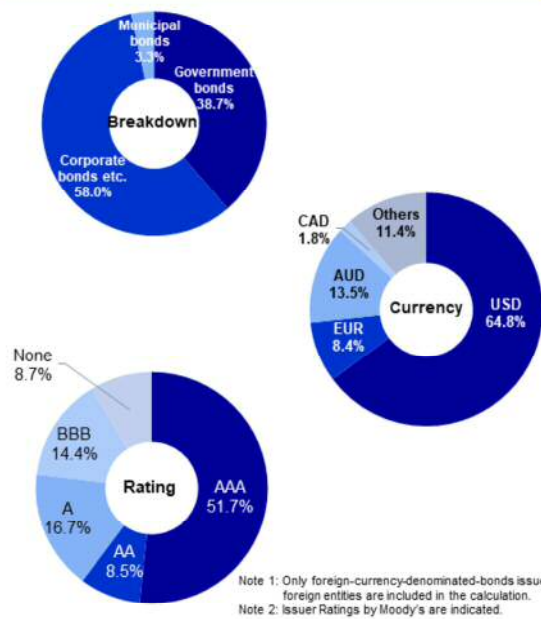
1. Amount equivalent to hedging cost related to foreign exchange and gains from cancellation of investment trust is recognized as "Other capital gains."
2. Amount equivalent to income gains associated with money held in trust is recognized as "Other capital losses."

Exposure to Foreign Bonds (as of March 31, 2023)

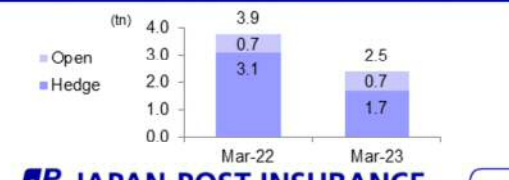
Breakdown of Foreign Bonds



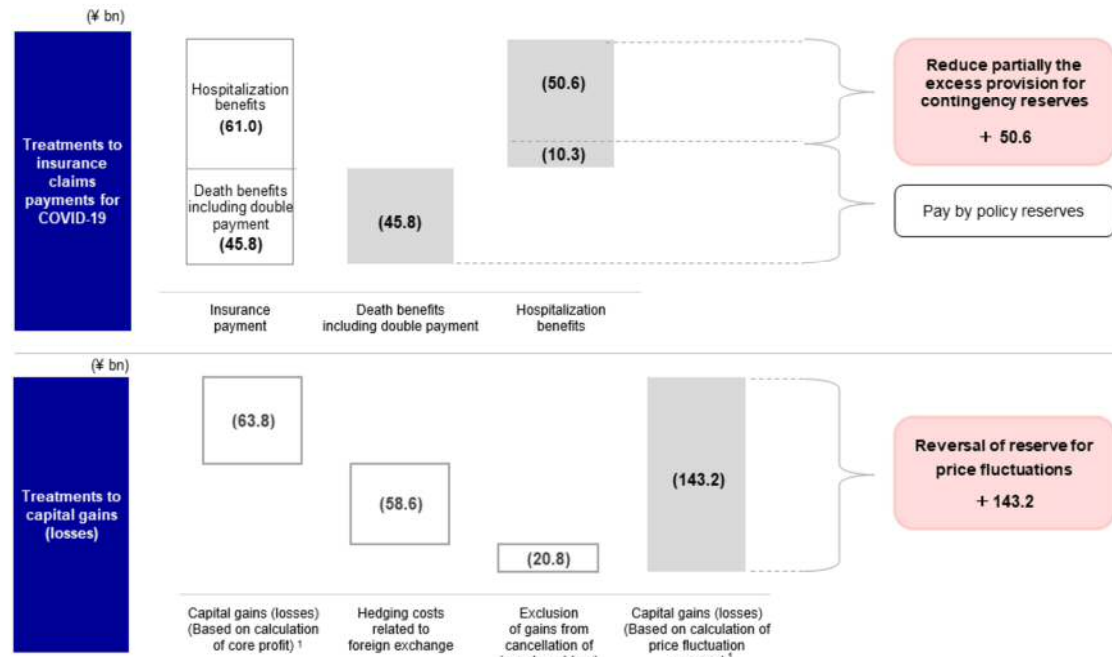
Foreign-currency-denominated Bonds



Change of Foreign-currency-denominated Bonds



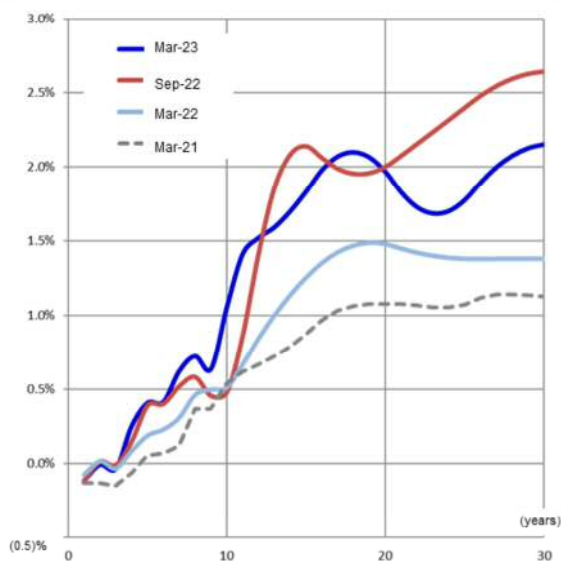
Treatments to Payments for COVID-19 and Capital Gains (Losses)



1. "Calculation of core profit" reflects partial amendment to the method for calculating core profit, while "calculation of reserve for price fluctuations" is based on the method to calculate reserve for price fluctuations without applying the amendment.

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Mar-21 to Mar-23)



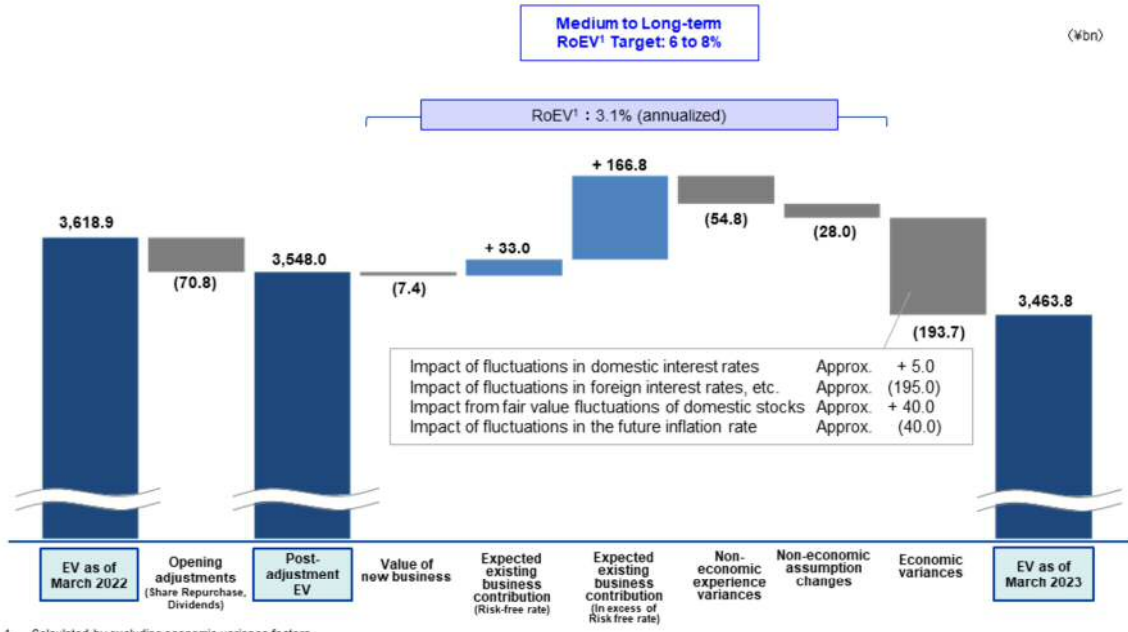
Forward Rate

	Mar-21	Mar-22 ^①	Sep-22 ^②	Mar-23 ^③
10 years	0.539 %	0.513 %	0.479 %	1.056 %
20 years	1.080 %	1.480 %	1.998 %	1.967 %
30 years	1.126 %	1.382 %	2.640 %	2.153 %

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows:
 EV as of March 31, 2022 : ①
 Value of new business for FY23/3 : ②
 EV as of March 31, 2023 : ③

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

Movement Analysis of EV



1. Calculated by excluding economic variance factors.

Note : Provisional calculations that have not been verified by a third party. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2023" to be announced on May 25, 2023.

Sensitivity Analysis of EV

Sensitivity to Economic Assumptions

(¥bn)

Assumptions	EV	Change (%)	Adjusted net worth	Value of in- force covered business
50bp increase in risk-free rate ^{1,2,3}	3,412.1	(51.6) ((-1.5)%)	1,983.4	1,428.6
50bp increase in risk-free rate of domestic interest rates ^{1,2,3}	3,475.7	+ 11.8 (+ 0.3%)	1,989.1	1,486.6
50bp increase in risk-free rate of foreign interest rates ^{1,2,3}	3,402.9	(60.9) ((-1.8)%)	2,005.2	1,397.6
50bp decrease in risk-free rate ^{1,2,3}	3,504.8	+ 41.0 (+ 1.2%)	2,033.7	1,471.1
50bp decrease in risk-free rate (parallel shift without zero floor) ^{1,2,3}	3,485.9	+ 22.1 (+ 0.6%)	2,040.4	1,445.5
30% decrease in equity and real estate value ^{1,2,3}	3,014.3	(449.4) ((-13.0)%)	1,993.2	1,021.1
10% appreciation of the yen ^{1,2,3}	3,384.9	(78.8) ((-2.3)%)	2,010.2	1,374.7

Sensitivity to Non-economic Assumptions

(¥bn)

Assumptions	EV	Change (%)	Adjusted net worth	Value of in- force covered business
Future volume of policies in force is 105% of the level assumed in the calculation of EV as of March 31, 2023 ^{1,2,3}	3,522.9	+ 59.1 (+ 1.7%)	2,010.8	1,512.0
10% decrease in maintenance expenses ^{1,2,3}	3,655.2	+ 191.3 (+ 5.5%)	2,010.8	1,644.3

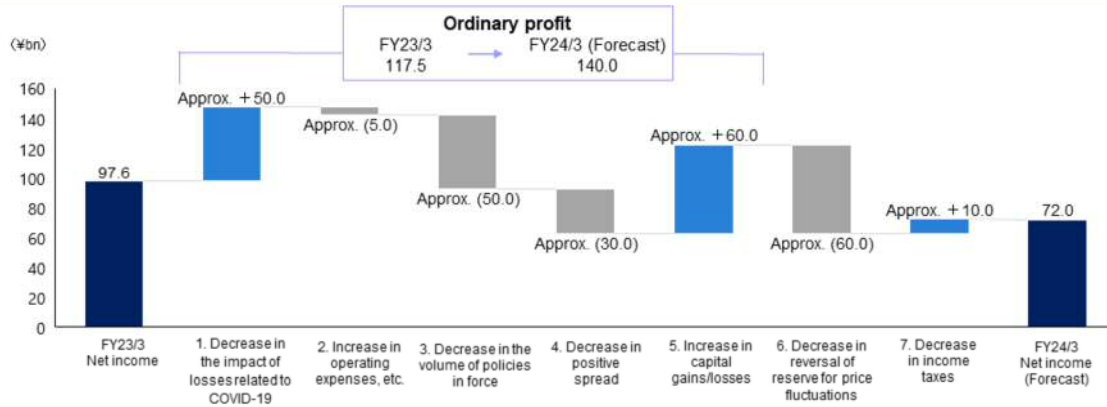
1. Provisional calculations that have not been verified by a third party.
2. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2023" to be announced on May 25, 2023.
3. For each sensitivity scenario, only one specific assumption is changed and other assumptions remain unchanged from the base. It should be noted that the effect of a change of more than one assumption at a time is likely to be different from the sum of the relevant individual sensitivity results shown.

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2024 (Factors for changes from FY23/3)

- The forecast for ordinary profit for the year ending March 31, 2024 is ¥ 140.0 billion due to factors 1. to 5.
- The forecast for net income¹ for the year ending March 31, 2024 is ¥ 72.0 billion due to factors 6. to 7., in addition to the above factors.

[Factors for changes]

1. Decrease in the impact of losses related to COVID-19
2. Increase in operating expenses, etc.
3. Decrease in the volume of policies in force
4. Decrease in interest and dividend income and increase in hedging costs related to foreign exchange (decrease in positive spread)
5. Increase in capital gains/losses
6. Decrease in reversal of reserve for price fluctuations
7. Decrease in income taxes



1. Net income attributable to Japan Post Insurance.

Status of Insurance payment for COVID-19

Status of insurance payment for COVID-19

		FY21/3					FY22/3					FY23/3					Total ¹
		1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q		
Death benefits	Amount (¥bn)	0.3	0.4	0.6	3.4	4.9	4.2	3.0	2.3	3.6	13.3	6.7	6.0	13.2	19.8	45.8	64.1
	Number	115	146	172	1,023	1,456	1,209	887	596	1,115	3,807	2,014	1,988	4,417	6,838	15,257	20,520
Double payment	Amount (¥bn)	0.2	0.2	0.3	1.7	2.4	2.1	1.4	1.1	1.8	6.5	3.3	3.0	6.5	9.8	22.7	31.7
	Number	114	145	170	1,021	1,450	1,207	886	594	1,113	3,800	2,014	1,986	4,415	6,836	15,251	20,501
Hospitalization benefits	Amount (¥bn)	0.0	0.0	0.1	0.4	0.8	0.6	0.9	1.3	2.4	5.4	10.0	27.8	17.7	5.3	61.0	67.3
	Number	737	1,277	2,870	9,139	14,023	11,583	17,041	23,643	58,295	110,562	253,275	668,695	422,454	149,328	1,493,752	1,618,352
Payment for deemed hospitalization	Amount (¥bn)	0.0	0.0	0.0	0.2	0.3	0.2	0.5	0.8	2.1	3.8	9.4	27.4	17.0	4.5	58.6	62.7
	Number	204	342	1,211	5,668	7,425	7,319	12,306	20,416	54,876	94,917	244,923	663,185	414,219	140,809	1,463,136	1,565,478

(Reference) Handling of insurance claims payments for COVID-19

- From April 2020, the Company has been implementing a system in which policyholders are eligible for a double payment of insurance benefits in the event of death from COVID-19. Furthermore, the Company provides payment of hospitalization benefits for treatment at home or at a lodging (deemed hospitalization) after being diagnosed with COVID-19.
- From September 26, 2022 onward, hospitalization benefits payments for deemed hospitalization are limited to those who are at high risk of severe symptoms.
- From May 8, 2023 onward, in line with the change in COVID-19 legal status, the Company has concluded the double payment of insurance claims and the payment of hospitalization benefits claims for deemed hospitalization. As a result, eligibility for benefits claims is as shown in the table below. (○: Eligible, ×: Ineligible)

【Double payment of insurance claims】

Policyholders who deceased due to COVID-19 prior to May 7, 2023	○
Policyholders who deceased due to COVID-19 on or after May 8, 2023 onward	×

【Payment of hospitalization benefits for treatment at home or at a lodging (deemed hospitalization payments)】

Policyholders diagnosed prior to September 25, 2022	○
Policyholders diagnosed on or after September 26, 2022, but prior to May 7, 2023	○
Policyholders with high risk of severe symptoms*	○
Those other than the above	×
Policyholders diagnosed on or after May 8, 2023	×

- * Those who meet any of the following eligibility criteria
- Persons aged 65 or above
 - Persons requiring hospitalization
 - Persons at risk of severe symptoms, requiring the administering of COVID-19 medication or oxygenation due to COVID-19
 - Persons who are pregnant

1. Including insurance claims payments in FY20/3.

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

(¥bn)

	FY19/3		FY20/3		FY21/3		FY22/3		FY23/3	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income	3,814.7	4,374.4	3,582.6	3,658.6	3,591.8	3,194.6	3,462.1	2,992.1	3,580.7	2,805.9
Insurance premiums and others	3,369.5	590.3	2,786.3	459.1	2,333.7	364.1	2,132.1	286.8	1,978.3	222.6
Investment income	440.1	764.3	441.2	696.5	448.4	673.6	460.6	688.6	488.5	670.8
Other ordinary income	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8	869.3	2,016.6	1,113.8	1,912.4
Ordinary expenses	3,663.5	4,260.4	3,388.2	3,566.1	3,329.3	3,112.2	3,215.3	2,883.2	3,533.5	2,735.4
Insurance claims and others	2,837.9	4,030.9	2,842.0	3,349.3	2,925.4	2,940.6	2,831.7	2,717.5	2,952.6	2,535.3
Provision for policy reserves and others	272.5	-	29.9	-	0.0	-	0.0	-	14.5	-
Investment expenses	99.1	46.8	85.7	38.2	59.5	11.7	56.5	13.3	207.8	39.0
Operating expenses	376.2	142.1	336.3	135.8	275.4	126.6	263.0	121.5	306.6	137.5
Other ordinary expenses	77.7	40.4	94.2	42.7	68.9	33.2	64.0	30.7	51.8	23.6
Ordinary profit	151.1	113.9	194.3	92.4	262.5	82.4	246.7	108.9	47.1	70.4
Extraordinary gains and losses ¹	13.8	3.6	9.3	29.8	(23.6)	(23.1)	(22.3)	(40.0)	98.4	(16.1)
Provision for reserve for policyholder dividends	19.6	92.1	15.4	93.7	18.7	46.7	18.2	54.8	18.3	43.6
Income before income taxes	145.3	25.5	188.2	28.5	220.2	12.6	206.1	14.0	127.2	10.6
Total income taxes	41.1	8.7	54.9	10.7	61.1	6.0	57.3	4.9	36.4	3.6
Net income	104.1	16.7	133.3	17.8	159.0	6.5	148.7	9.1	90.8	6.9

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)

		FY19/3	FY20/3	FY21/3	FY22/3	FY23/3
Total assets	¥mn	73,904,576	71,667,398	70,173,857	67,174,848	62,685,230
Postal Life Insurance category		41,354,076	39,225,493	37,815,270	35,929,138	33,692,133
New category		32,550,500	32,441,904	32,358,586	31,245,710	28,993,096
Number of policies in force	(000)	29,143	27,070	24,837	22,802	20,987
Postal Life Insurance category (insurance)		11,048	9,907	8,944	8,061	7,265
New category (individual insurance)		18,095	17,163	15,893	14,740	13,722
Numbers of new policies	(000)	1,711	644	124	173	314
Numbers of cancelled policies¹	(000)	2,965	2,714	2,256	2,196	2,102
Postal Life Insurance category		1,430	1,141	959	880	771
New category		1,534	1,572	1,296	1,316	1,330
Contingency reserve (reversal) provision²	¥mn	(151,592)	(165,388)	(186,023)	79,651	10,883
Postal Life Insurance category		(173,590)	(170,814)	(191,014)	73,581	56,976
New category		21,997	5,425	4,991	6,069	(46,093)
Price fluctuations reserve (reversal) provision²	¥mn	(19,251)	(39,152)	46,477	67,789	(82,645)
Postal Life Insurance category		(3,686)	(29,845)	23,121	40,045	16,140
New category		(15,564)	(9,306)	23,355	27,743	(98,786)
Additional policy reserve (reversal) provision²	¥mn	(50,292)	(49,750)	27,652	(239,366)	(245,641)
Postal Life Insurance category		(46,698)	(46,396)	30,553	(236,996)	(243,835)
New category		(3,594)	(3,354)	(2,901)	(2,369)	(1,806)

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. "Numbers of cancelled policies" shows the sum of death, maturity, surrender and lapse.

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



JAPAN POST INSURANCE

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Key Financial Indicators

	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	(#bn)
Insurance premiums and others	3,959.9	3,245.5	2,697.9	2,418.9	2,200.9	
Operating expenses etc. ¹	636.8	609.4	503.5	479.0	519.7	
Ordinary profit	264.8	286.6	345.7	356.1	117.5	
Provision for reserve for policyholder dividends	111.8	109.2	65.4	73.1	62.0	
Net income	120.4	150.6	166.1	158.0	97.6	
Net assets	2,135.1	1,928.3	2,841.4	2,421.0	2,375.3	
Total assets	73,905.0	71,664.7	70,172.9	67,174.7	62,687.3	
Return on equity	5.8 %	7.4 %	7.0 %	6.0 %	4.1 %	
RoEV ²	8.6 %	(2.8) %	5.0 %	4.0 %	3.1 %	
Dividends to shareholders	43.2	42.7	42.7	35.9	35.5	
Share repurchase	99.9 ³	-	358.8 ⁴	34.9 ⁵	-	
Total payout ratio	118.9 %	28.4 %	241.8 %	44.9 %	36.4 %	
EV	3,925.7	3,324.2	4,026.2	3,618.9	3,463.8	
Value of New Business	223.8	60.6	(12.7)	(11.5)	(7.4)	
Core profit (Non-consolidated) ⁶	377.1	400.6	421.9	429.7	192.3	
Core profit attributable to life insurance activities	318.7	320.1	345.6	296.4	98.2	
Spread (positive/negative spread) ⁶	58.4	80.4	76.3	133.3	94.0	

1. Sum of Operating expenses and Other ordinary expenses.

2. Calculated by excluding economic variance factors.

3. Share repurchase in April 2019.

4. Share repurchase in May 2021.

5. Share repurchase from August 2022 to March 2023.

6. 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 the period between FY19/3 and FY21/3.

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Although Japan Post Insurance pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.