

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

Company Name: JAPAN POST INSURANCE Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
Securities code: 7181 URL: <https://www.jp-life.japanpost.jp/>
Representative: TANIGAKI Kunio, Director and President, CEO, Representative Executive Officer
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance	
	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	1,434,125	(2.1)	67,409	(1.0)	34,650	65.4
Three months ended June 30, 2024	1,465,428	(8.1)	68,114	57.5	20,948	(0.4)

	Net income per share	Diluted net income per share
Three months ended June 30, 2025	Yen 93.18	Yen -
Three months ended June 30, 2024	54.73	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	58,930,088	3,381,581	5.7
As of March 31, 2025	59,555,692	3,241,426	5.4

(Reference) Net assets attributable to the Company's shareholders as of June 30, 2025 and March 31, 2025 were ¥3,381,581 million and ¥3,241,426 million, respectively.

2. Dividends

	Dividend per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2025	Yen -	Yen 52.00	Yen -	Yen 52.00	Yen 104.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		62.00	-	62.00	124.00

(Note) Revisions to the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,640,000	(8.5)	240,000	40.9	136,000	10.1	366.05

(Note) Revisions to the most recently announced financial results forecast: No

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Adoption of special accounting methods in the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of shares issued (common stock)
 - 1) Total number of shares issued at the end of the period:
 - June 30, 2025: 371,822,700 shares
 - March 31, 2025: 383,192,300 shares
 - 2) Total number of treasury stock at the end of the period:
 - June 30, 2025: 401,746 shares
 - March 31, 2025: 405,746 shares
 - 3) Average number of shares during the period:
 - Three months ended June 30, 2025: 371,882,658 shares
 - Three months ended June 30, 2024: 382,765,249 shares

(Note) Total number of treasury stock at the end of the period includes shares of the Company held in the Board Benefit Trust (BBT), namely 390,500 shares as of June 30, 2025, and 394,500 shares as of March 31, 2025.

The average number of treasury stock held in the BBT (394,239 shares for the three months ended June 30, 2025 and 415,900 shares for the three months ended June 30, 2024) was deducted from the calculation of the average number of shares during the three months ended June 30, 2025 and 2024.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Explanation on the appropriate use of financial results forecasts, and other notes
(Cautionary note concerning forward-looking statements)

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by the Company at the time of this document's disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in the operating environment.

(Supplementary briefing materials on financial results)

The Company has prepared supplementary briefing materials, etc. in relation to financial information, which can be viewed on the Company's website.

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1. Overview of Consolidated Results of Operations, etc.

(1) Overview of Consolidated Results of Operations for the Current Period

Ordinary income for the three months ended June 30, 2025 amounted to ¥1,434.1 billion (2.1% decrease year on year), comprising the sum of insurance premiums and others of ¥576.7 billion (43.5% decrease year on year), investment income of ¥290.9 billion (12.7% decrease year on year), and other ordinary income of ¥566.4 billion (409.3% increase year on year).

Ordinary expenses amounted to ¥1,366.7 billion (2.2% decrease year on year), comprising the sum of insurance claims and others of ¥1,170.2 billion (1.4% decrease year on year), investment expenses of ¥76.2 billion (4.2% decrease year on year), operating expenses of ¥100.6 billion (6.3% decrease year on year), other ordinary expenses of ¥19.1 billion (16.4% decrease year on year) and others.

As a result, ordinary profit amounted to ¥67.4 billion (1.0% decrease year on year), and net income attributable to Japan Post Insurance, which is calculated by adding and subtracting extraordinary gains and losses, and subtracting provision for reserve for policyholder dividends and total income taxes from ordinary profit, was ¥34.6 billion (65.4% increase year on year) due to a decrease in the increased burden of regular policy reserves in the first year of new policies and an increase in the positive spread, etc. owing to improvements in the operating environment, etc., despite a decrease in gains on cancellation of mutual funds.

(2) Overview of Consolidated Financial Position for the Current Period

Total assets at the end of the current period amounted to ¥58,930.0 billion (1.1% decrease year on year).

Total assets are mainly comprised of ¥46,357.6 billion of securities (0.4% decrease year on year), primarily including Japanese government bonds, ¥6,698.0 billion of money held in trust (3.7% increase year on year) and ¥2,514.6 billion of loans (0.6% decrease year on year).

Total liabilities amounted to ¥55,548.5 billion (1.4% decrease year on year), mainly comprising ¥49,610.1 billion of policy reserves and others (1.1% decrease year on year).

Total net assets amounted to ¥3,381.5 billion (4.3% increase year on year). Under net assets, net unrealized gains on available-for-sale securities amounted to ¥1,715.1 billion (10.5% increase year on year).

2. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
ASSETS:		
Cash and deposits	1,976,083	1,500,323
Call loans	30,000	30,000
Receivables under resale agreements	604,914	476,890
Monetary claims bought	23,215	22,861
Money held in trust	6,460,029	6,698,062
Securities	46,528,793	46,357,634
Loans	2,530,051	2,514,636
Tangible fixed assets	141,068	140,309
Intangible fixed assets	113,596	114,865
Agency accounts receivable	10,872	12,468
Reinsurance receivables	10,641	15,437
Other assets	398,321	384,782
Deferred tax assets	728,870	662,619
Reserve for possible loan losses	(766)	(804)
Total assets	59,555,692	58,930,088
LIABILITIES:		
Policy reserves and others	50,165,652	49,610,157
Reserve for outstanding claims	314,993	302,174
Policy reserves	48,765,531	48,215,188
Reserve for policyholder dividends	1,085,126	1,092,794
Reinsurance payables	5,945	5,838
Bonds payable	500,000	500,000
Payables under repurchase agreements	4,516,922	4,343,601
Other liabilities	187,251	156,762
Reserve for management bonuses	227	-
Liability for retirement benefits	107,927	118,560
Reserve for management board benefit trust	407	395
Reserve under the special law	829,930	813,189
Reserve for price fluctuations	829,930	813,189
Total liabilities	56,314,265	55,548,506
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	803,497	783,234
Treasury stock	(901)	(903)
Total shareholders' equity	1,707,640	1,687,375
Net unrealized gains (losses) on available-for-sale securities	1,551,673	1,715,185
Net deferred gains (losses) on hedges	(19,614)	(22,615)
Accumulated adjustments for retirement benefits	1,727	1,637
Total accumulated other comprehensive income	1,533,786	1,694,206
Total net assets	3,241,426	3,381,581
Total liabilities and net assets	59,555,692	58,930,088

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
ORDINARY INCOME	1,465,428	1,434,125
Insurance premiums and others	1,021,065	576,779
Investment income	333,151	290,945
Interest and dividend income	222,304	209,366
Gains on money held in trust	43,274	75,586
Gains on sales of securities	56,478	5,912
Gains on redemption of securities	43	74
Gains on foreign exchanges	11,048	-
Reversal of reserve for possible loan losses	-	4
Other investment income	1	1
Other ordinary income	111,211	566,401
Reversal of reserve for outstanding claims	20,998	12,818
Reversal of policy reserves	88,349	550,343
Other ordinary income	1,864	3,238
ORDINARY EXPENSES	1,397,314	1,366,716
Insurance claims and others	1,187,196	1,170,283
Insurance claims	956,670	957,856
Annuity payments	48,907	38,315
Benefits	52,807	58,176
Surrender benefits	110,144	100,281
Other refunds	14,011	11,414
Reinsurance premiums	4,655	4,238
Provision for policy reserves and others	169	349
Provision for interest on policyholder dividends	169	349
Investment expenses	79,605	76,294
Interest expenses	1,843	6,599
Losses on sales of securities	58,056	56,574
Losses on redemption of securities	52	50
Losses on derivative financial instruments	18,774	11,398
Losses on foreign exchanges	-	45
Provision for reserve for possible loan losses	0	-
Other investment expenses	878	1,624
Operating expenses	107,496	100,686
Other ordinary expenses	22,845	19,103
Ordinary profit	68,114	67,409
EXTRAORDINARY GAINS	-	16,740
Reversal of reserve for price fluctuations	-	16,740
EXTRAORDINARY LOSSES	21,351	192
Losses on sales and disposal of fixed assets	13	192
Provision for reserve for price fluctuations	21,338	-
Provision for reserve for policyholder dividends	17,159	36,237
Income before income taxes	29,603	47,720
Income taxes – Current	21,584	11,800
Income taxes – Deferred	(12,929)	1,269
Total income taxes	8,654	13,069
Net income	20,948	34,650
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	20,948	34,650

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	20,948	34,650
Other comprehensive income (loss):		
Net unrealized gains (losses) on available-for-sale securities	74,075	163,513
Net deferred gains (losses) on hedges	(7,479)	(3,001)
Adjustments for retirement benefits	(122)	(90)
Share of other comprehensive income (loss) of affiliates accounted for under the equity method	-	(1)
Total other comprehensive income (loss)	66,472	160,420
Comprehensive income (loss)	87,421	195,071
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	87,421	195,071
Non-controlling interests	-	-

(3) Notes to the Consolidated Financial Statements

(Notes on Segment Information and Others)

Segment information is omitted as the Company and its subsidiary has only one segment, namely, the life insurance business in Japan.

(Notes on Significant Changes in Shareholders' Equity)

The Company acquired 11,369 thousand shares of treasury stock based on the resolution at the Board of Directors' meetings held on November 14, 2024 and March 28, 2025. As a result, treasury stock increased ¥34,999 million.

Furthermore, the Company cancelled 11,369 thousand shares of treasury stock based on the resolution at the Board of Directors meeting of May 15, 2025. As a result, capital surplus and treasury stock decreased by ¥34,989 million, respectively.

Since the balance of other capital surplus included in capital surplus amounted to ¥(34,989) million due to the cancellation of treasury stock, other capital surplus was set to zero and the negative value was subtracted from other retained earnings.

At the end of the three months ended June 30, 2025, retained earnings decreased by ¥20,263 million to ¥783,234 million, and treasury stock increased by ¥1 million to ¥903 million from the end of the previous fiscal year.

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Cash Flow Statements)

Quarterly consolidated statements of cash flows for the three months ended June 30, 2025 have not been prepared.

Depreciation and amortization for the three months ended June 30, 2024 and 2025 (including amortization of intangible fixed assets) are as follows.

(Millions of yen)	
Three months ended June 30, 2024	Three months ended June 30, 2025
9,968	9,170

(Subsequent Events)

(Conclusion of agreements related to investments in a re-insurance vehicle)

The Company, KKR & Co. Inc. (together with its subsidiaries, "KKR"), and Global Atlantic Financial Group ("GAFG"), a leading provider of retirement security and investment solutions, and a wholly-owned subsidiary of KKR, signed agreements dated July 30, 2025 under which the Company will invest \$2 billion (approx. JPY 300 billion) in a new re-insurance vehicle (a reinsurance co-investment vehicle is an entity established by a reinsurance company as a means of raising capital from investors in order to capture large reinsurance transaction opportunities; the "Vehicle") sponsored by GAFG, as the Company formally determined at its Board of Directors' meeting held on July 29, 2025.

The Company's commitment is over 50% of the Vehicle (the Company expects to hold a 10% stake in the Vehicle in terms of voting rights, after obtaining regulatory approvals), which is expected to have access to GAFG's insurance, reinsurance and strategic activity, and to commence operations in the first half of 2026, subject to customary regulatory approvals.

The Company's investment will be made over time. The Company expects that this investment will have minimal impact on its consolidated financial results for the fiscal year ending March 31, 2026.