

Kampo

**Outline of Financial Results for
the Nine Months Ended December 31, 2018**

February 14, 2019

 **JAPAN POST INSURANCE**

Summary of Financial Results

| | 9months Ended Dec-18 | Year on Year | |
|---|--|--------------|---|
| Net income | ¥ 96.6bn | + 28.9 % | <ul style="list-style-type: none"> ➤ Net income was ¥96.6 billion (a 28.9% increase year on year), achieving 87.1% towards the full-year financial results forecasts. |
| Annualized premiums from New policies | (Individual Insurance) ¥ 273.7bn | (7.1) % | <ul style="list-style-type: none"> ➤ Annualized premiums from new policies for individual insurance were ¥ 273.7 billion, a 7.1% decrease year on year, mainly due to shifting to protection-type products. ➤ Annualized premiums from new policies for medical care were ¥48.7 billion, a 11.6% increase year on year. |
| | (Medical Care) ¥ 48.7bn | + 11.6 % | |
| Annualized premiums from Policies in Force | (Individual Insurance) ¥ 4,737.1bn | (2.5) % | <ul style="list-style-type: none"> ➤ Annualized premiums from policies in force for individual insurance were ¥4,737.1billion, a 2.5% decrease from the end of the previous fiscal year. ➤ Annualized premiums from policies in force for medical care were ¥755.9 billion, a 0.7% increase from the end of the previous fiscal year. |
| | (Medical Care) ¥ 755.9bn | + 0.7 % | |
| Return Seeking Assets | ¥9,767.8bn | + 3.4 % | <ul style="list-style-type: none"> ➤ Under the continued historically low interest rate environment, we increased investments in return seeking assets (foreign securities and domestic stocks, etc.) to ¥9,767.8billion (13.1% of total assets), a 3.4% increase from the end of the previous fiscal year. |
| EV | (EV) ¥3,858.7bn | + 3.1 % | <ul style="list-style-type: none"> ➤ Embedded value (EV) was ¥ 3,858.7 billion, a 3.1% increase from the end of the previous fiscal year. ➤ The value of new business increased 5.0% year on year to ¥ 194.4billion. |
| | (Value of new business) ¥194.4bn | + 5.0 % | |

Financial Highlights

Financial Highlights

(¥bn)

| | 9 months ended Dec-17 | 9 months ended Dec-18 | Year on year |
|-------------------------|-----------------------|-----------------------|--------------|
| Ordinary income | 5,995.1 | 5,913.3 | (1.4) % |
| Ordinary profit | 254.8 | 214.0 | (16.0) % |
| Net income ¹ | 75.0 | 96.6 | + 28.9 % |

Net income per share
¥ 161.18

(¥bn)

| | Mar-18 | Dec-18 | Change |
|----------------------------|----------|----------|---------|
| Total assets | 76,831.2 | 74,490.1 | (3.0) % |
| Net assets | 2,003.1 | 1,890.5 | (5.6) % |
| Total shareholders' equity | 1,595.4 | 1,651.3 | + 3.5 % |

Financial Results Forecasts

(¥bn)

| Year ending Mar-19 (Full-year forecasts ²) | Progress |
|---|----------|
| 7,660.0 | 77.2 % |
| 260.0 | 82.3 % |
| 111.0 | 87.1 % |

Net income per share
¥ 185.06

1. Net income attributable to Japan Post Insurance

1. Announced on 14th November, 2018

Overview of Consolidated Financial Statements

Statement of Income

| | 9 months ended Dec-17 | 9 months ended Dec-18 | Change | (Reference) Year ended Mar-18 |
|--|-----------------------|-----------------------|---------|-------------------------------|
| Ordinary income | 5,995.1 | 5,913.3 | (81.8) | 7,952.9 |
| Insurance premiums and others | 3,220.3 | 3,001.9 | (218.3) | 4,236.4 |
| Investment income | 971.6 | 915.0 | (56.5) | 1,284.5 |
| Reversal of policy reserves | 1,747.9 | 1,929.2 | 181.2 | 2,397.9 |
| Ordinary expenses | 5,740.2 | 5,699.2 | (41.0) | 7,643.7 |
| Insurance claims and others | 5,184.6 | 5,114.3 | (70.3) | 6,890.0 |
| Investment expenses | 69.5 | 115.3 | 45.7 | 106.0 |
| Operating expenses | 397.0 | 384.4 | (12.6) | 533.4 |
| Ordinary profit | 254.8 | 214.0 | (40.8) | 309.2 |
| Extraordinary gains and losses | (48.1) | 8.0 | 56.1 | (44.3) |
| Provision for reserve for policyholder dividends | 101.3 | 86.6 | (14.7) | 117.7 |
| Income before income taxes | 105.4 | 135.4 | 30.0 | 147.1 |
| Total income taxes | 30.3 | 38.7 | 8.3 | 42.6 |
| Net income attributable to Japan Post Insurance | 75.0 | 96.6 | 21.6 | 104.4 |

(¥bn)

Balance Sheets

| | Mar-18 | Dec-18 | Change |
|--|----------|----------|-----------|
| Total Assets | 76,831.2 | 74,490.1 | (2,341.0) |
| Cash and deposits | 898.5 | 961.9 | 63.4 |
| Money held in trust | 2,814.8 | 2,778.1 | (36.7) |
| Securities | 60,130.9 | 58,492.7 | (1,638.1) |
| Loans | 7,627.1 | 6,778.7 | (848.3) |
| Fixed assets | 264.1 | 261.7 | (2.4) |
| Deferred tax assets | 954.0 | 1,088.2 | 134.1 |
| Total Liabilities | 74,828.1 | 72,599.6 | (2,228.5) |
| Policy reserves | 67,777.2 | 65,848.0 | (1,929.2) |
| Reserve for price fluctuations | 916.7 | 907.6 | (9.0) |
| Net assets | 2,003.1 | 1,890.5 | (112.5) |
| Total shareholders' equity | 1,595.4 | 1,651.3 | 55.8 |
| Total accumulated other comprehensive income | 407.7 | 239.2 | (168.4) |

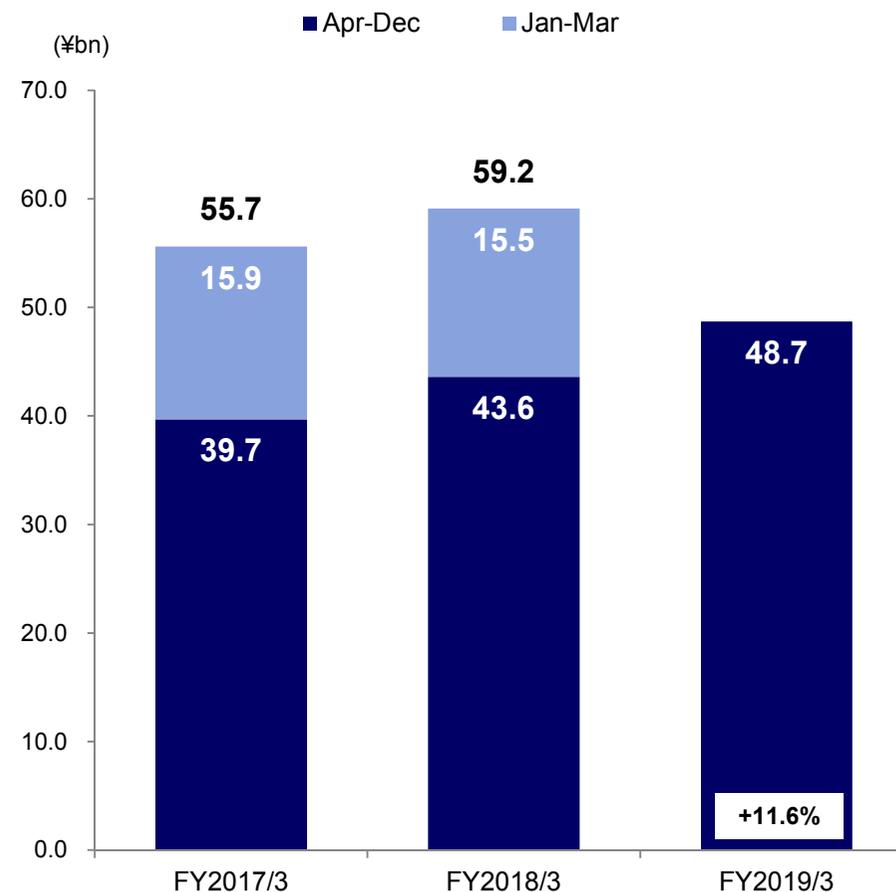
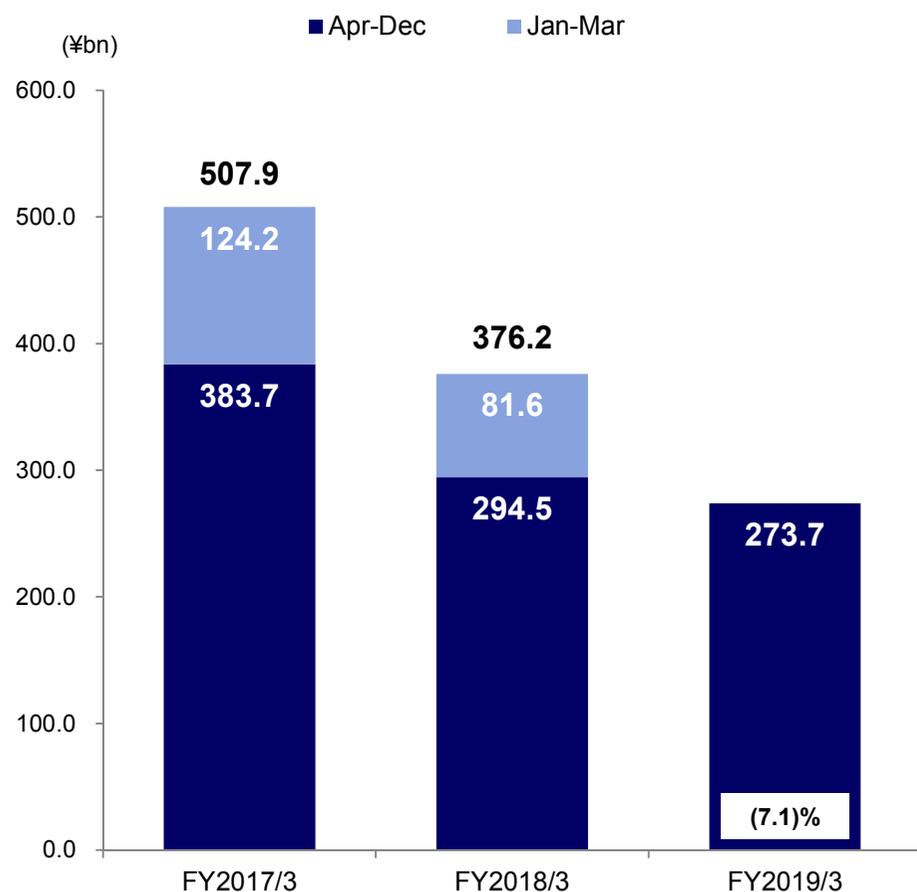
(¥bn)

Note: Only major line items are shown.

Policy Sales (1) Annualized Premiums from New Policies

Annualized Premiums from New Policies
(Individual Insurance)

Annualized Premiums from New Policies
(Medical Care)

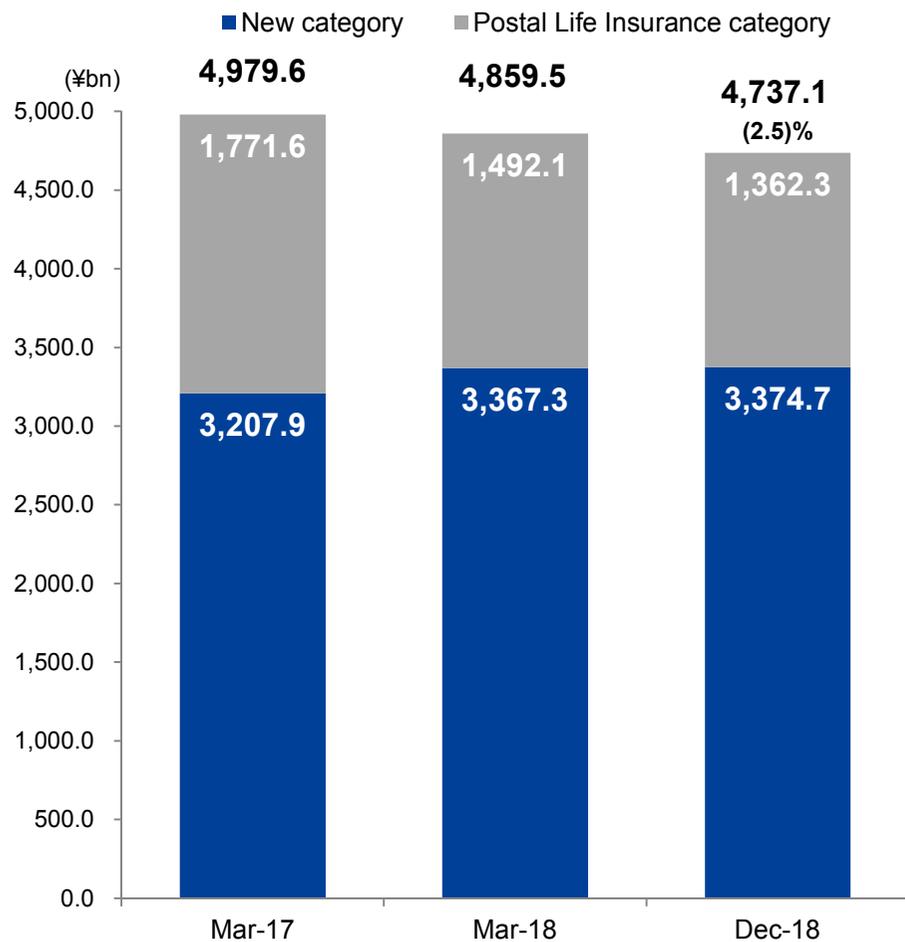


Note 1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium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

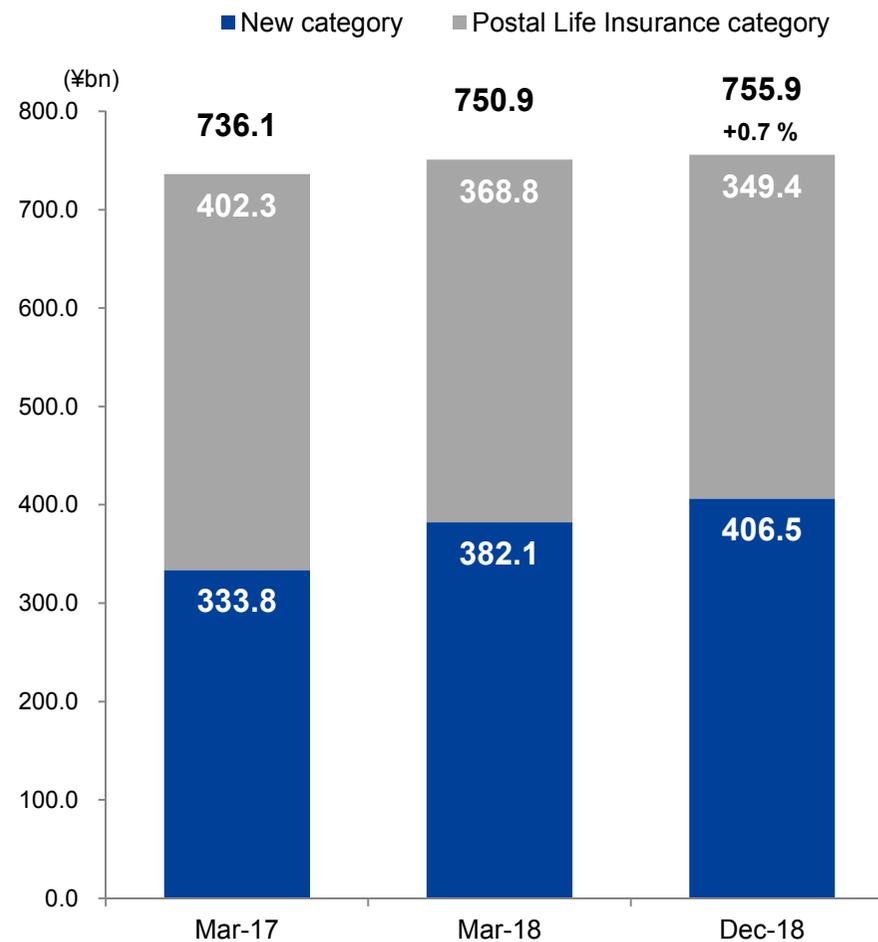
Note 2: In addition to the above, the FY2019/3 period saw a net increase of ¥4.1 billion in annualized premiums due to a switchover to the rider launched in October 2017 and an additional rider purchases.

Policy Sales (2) Annualized Premiums from Policies in Force

Annualized Premiums from Policies in Force
(Individual Insurance)



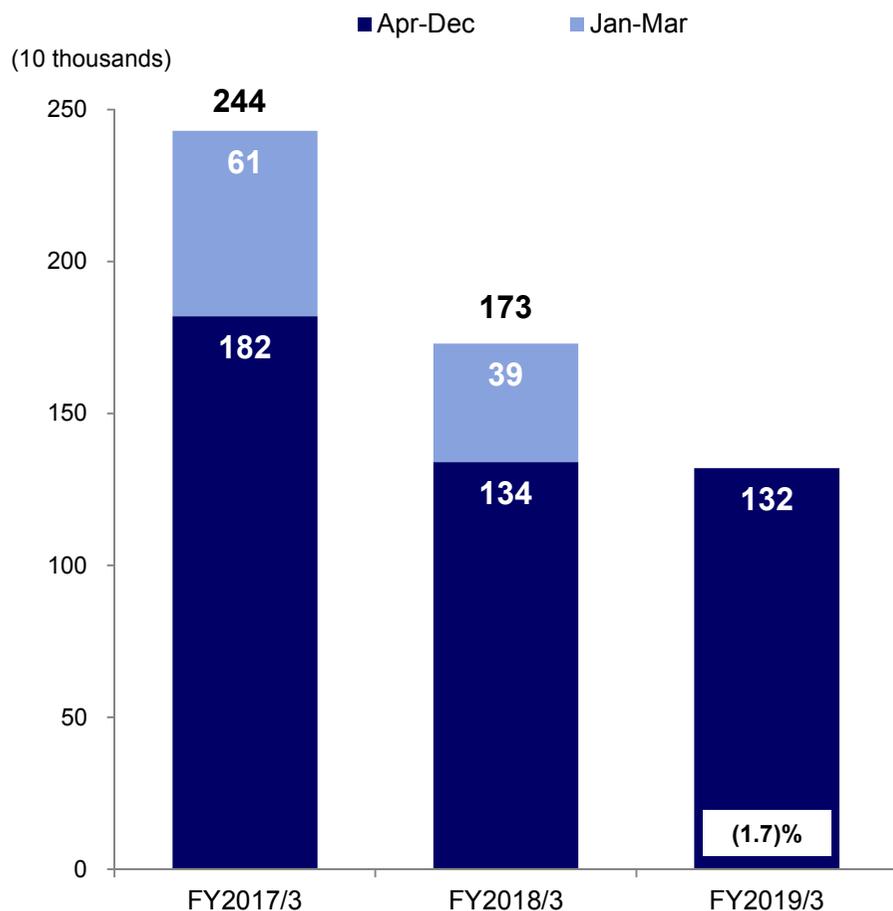
Annualized Premiums from Policies in Force
(Medical Care)



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 Management Organization for Postal Savings and Postal Life Insurance.

Policy Sales (3) Number of New Policies

Number of New Policies (Individual Insurance)



Breakdown of New Policies

(10 thousands)

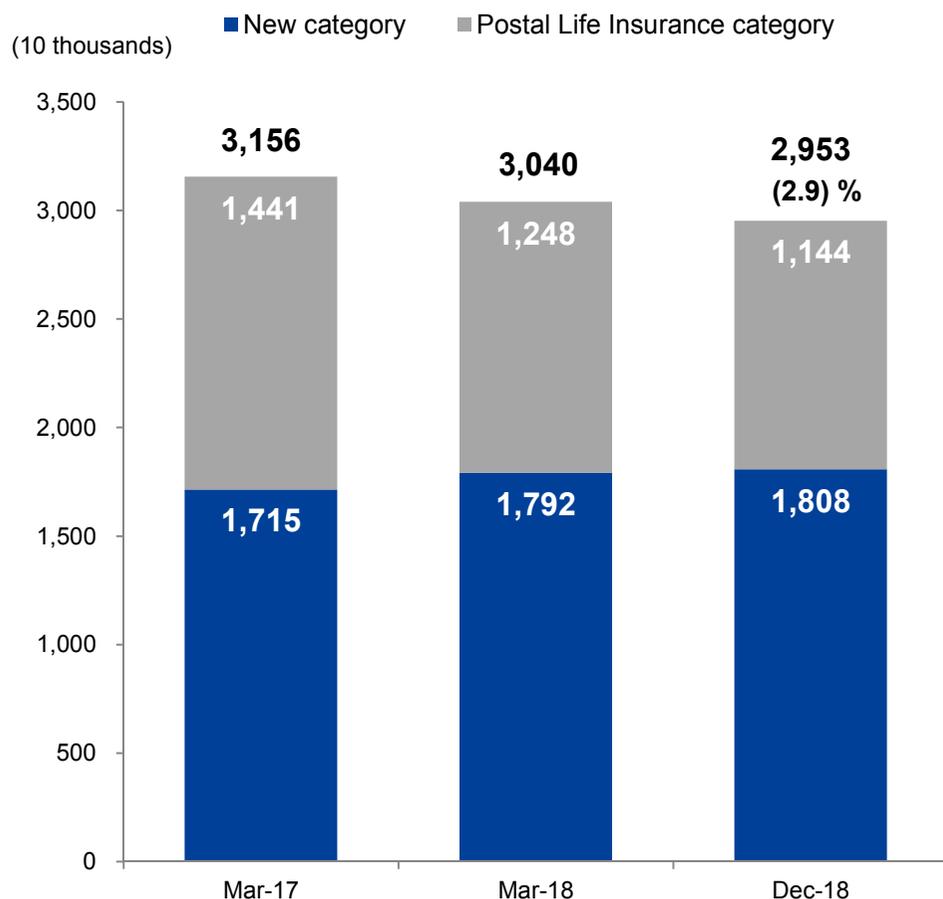
| | 9 months ended Dec-17 | | 9 months ended Dec-18 | |
|---|-----------------------|---------|-----------------------|---------|
| | Number of policies | Share | Number of policies | Share |
| Individual insurance | 134 | 100.0 % | 132 | 100.0 % |
| Endowment insurance | 64 | 47.6 % | 64 | 48.9 % |
| Ordinary endowment insurance | 38 | 28.9 % | 34 | 26.2 % |
| Special endowment insurance ¹ | 25 | 18.6 % | 29 | 22.6 % |
| Whole life insurance | 60 | 44.8 % | 57 | 43.7 % |
| Ordinary whole life insurance (Fixed amount type) | 23 | 17.1 % | 18 | 13.7 % |
| Ordinary whole life insurance (Increased amount type) | 27 | 20.2 % | 31 | 23.9 % |
| Special whole life insurance | 10 | 7.5 % | 8 | 6.1 % |
| Educational endowment insurance | 10 | 7.6 % | 9 | 7.3 % |
| Other insurance | 0 | 0.0 % | 0 | 0.2 % |

Note: Only major products are shown.

1. Increased amount type endowment insurance

Policy Sales (4) 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 Management Organization for Postal Savings and Postal Life Insurance.

Breakdown of Policies in Force

(10 thousands)

| | Mar-18 | | Dec-18 | |
|---|--------------------|---------|--------------------|---------|
| | Number of policies | Share | Number of policies | Share |
| Individual insurance | 3,040 | 100.0 % | 2,953 | 100.0 % |
| Endowment insurance | 1,257 | 41.4 % | 1,191 | 40.4 % |
| Ordinary endowment insurance | 802 | 26.4 % | 760 | 25.8 % |
| Special endowment insurance ¹ | 439 | 14.5 % | 419 | 14.2 % |
| Whole life insurance | 1,296 | 42.6 % | 1,302 | 44.1 % |
| Ordinary whole life insurance (Fixed amount type) | 413 | 13.6 % | 413 | 14.0 % |
| Ordinary whole life insurance (Increased amount type) | 261 | 8.6 % | 277 | 9.4 % |
| Special whole life insurance | 621 | 20.4 % | 610 | 20.7 % |
| Educational endowment insurance | 472 | 15.5 % | 445 | 15.1 % |
| Other insurance | 13 | 0.5 % | 13 | 0.5 % |

Note: Only major products are shown.

1. Increased amount type endowment insurance

Investments (1) Asset Portfolio

Asset Portfolio

(¥bn, %)

| | Mar-18 | | Dec-18 | |
|---|-----------------|--------------|-----------------|--------------|
| | Amount | Share | Amount | Share |
| Bonds | 53,395.2 | 69.5 | 51,447.6 | 69.1 |
| Japanese government bonds | 39,589.8 | 51.5 | 38,112.6 | 51.2 |
| Japanese local government bonds | 8,513.5 | 11.1 | 7,858.2 | 10.5 |
| Japanese corporate bonds | 5,291.7 | 6.9 | 5,476.7 | 7.4 |
| Return seeking assets ¹ | 9,450.4 | 12.3 | 9,767.8 | 13.1 |
| Domestic stocks ² | 2,040.6 | 2.7 | 1,848.1 | 2.5 |
| Foreign stocks ² | 342.5 | 0.4 | 324.5 | 0.4 |
| Foreign bonds ² | 5,545.4 | 7.2 | 6,187.3 | 8.3 |
| Other ³ | 1,521.8 | 2.0 | 1,407.8 | 1.9 |
| Loans | 7,627.1 | 9.9 | 6,778.7 | 9.1 |
| Others | 6,358.3 | 8.3 | 6,495.9 | 8.7 |
| Cash and deposits, call loans | 1,163.5 | 1.5 | 1,091.9 | 1.5 |
| Receivables under securities borrowing transactions | 3,296.2 | 4.3 | 3,182.2 | 4.3 |
| Total assets | 76,831.2 | 100.0 | 74,490.1 | 100.0 |

- 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.

Investment Yield

(¥bn)

| | 9 months ended Dec-17 | 9 months ended Dec-18 | (Reference) Year ended Mar-18 |
|---|-----------------------|-----------------------|-------------------------------|
| Positive spread | 46.3 | 36.4 | 65.8 |
| Average assumed rates of return ¹ | 1.71 % | 1.70 % | 1.71 % |
| Investment return on core profit ² | 1.80 % | 1.78 % | 1.81 % |

| | | | |
|----------------------------|-----|--------|--------|
| Net capital gains (losses) | 0.4 | (57.4) | (19.1) |
|----------------------------|-----|--------|--------|

| | Dec-17 | Dec-18 | Mar-18 |
|-------------------------|----------|-----------|----------|
| Interest rate (10Y JGB) | 0.045 % | (0.010) % | 0.045 % |
| USD/JPY | ¥ 113.00 | ¥ 111.00 | ¥ 106.24 |

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

Investments (2) Fair Value Information of Securities

Fair Value Information of Securities

(¥bn)

| | Mar-18 | | | Dec-18 | | |
|-------------------------------|------------|------------|-------------------------------|------------|------------|-------------------------------|
| | Book value | Fair value | Net unrealized gains (losses) | Book value | Fair value | Net unrealized gains (losses) |
| Total | 62,919.1 | 70,689.5 | 7,770.3 | 61,555.9 | 68,925.9 | 7,369.9 |
| Held-to-maturity bonds | 38,490.0 | 44,608.7 | 6,118.6 | 36,837.0 | 42,839.8 | 6,002.7 |
| Policy-reserve-matching bonds | 10,676.3 | 11,769.6 | 1,093.2 | 10,578.2 | 11,619.4 | 1,041.2 |
| Available-for-sale securities | 13,752.7 | 14,311.2 | 558.4 | 14,140.6 | 14,466.6 | 325.9 |
| Securities etc. | 11,513.9 | 11,555.8 | 41.9 | 11,796.2 | 11,823.2 | 26.9 |
| Bonds | 4,474.1 | 4,508.0 | 33.8 | 4,224.3 | 4,266.8 | 42.4 |
| Domestic stocks | 180.3 | 190.6 | 10.2 | 227.2 | 207.9 | (19.3) |
| Foreign securities | 4,238.9 | 4,249.5 | 10.6 | 4,714.3 | 4,781.8 | 67.5 |
| Other securities | 2,026.5 | 2,011.5 | (15.0) | 1,877.2 | 1,811.4 | (65.8) |
| Deposits etc. | 593.9 | 596.0 | 2.1 | 753.0 | 755.1 | 2.1 |
| Money held in trust | 2,238.8 | 2,755.3 | 516.4 | 2,344.3 | 2,643.4 | 299.0 |
| Domestic stocks ¹ | 1,407.1 | 1,849.9 | 442.8 | 1,385.1 | 1,640.2 | 255.1 |
| Foreign stocks ¹ | 273.1 | 342.5 | 69.4 | 277.0 | 324.5 | 47.4 |
| Foreign bonds ¹ | 323.0 | 326.5 | 3.4 | 476.4 | 477.1 | 0.6 |
| Other ² | 235.5 | 236.2 | 0.7 | 205.7 | 201.5 | (4.1) |

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" and "bank loans" etc.

Expenses

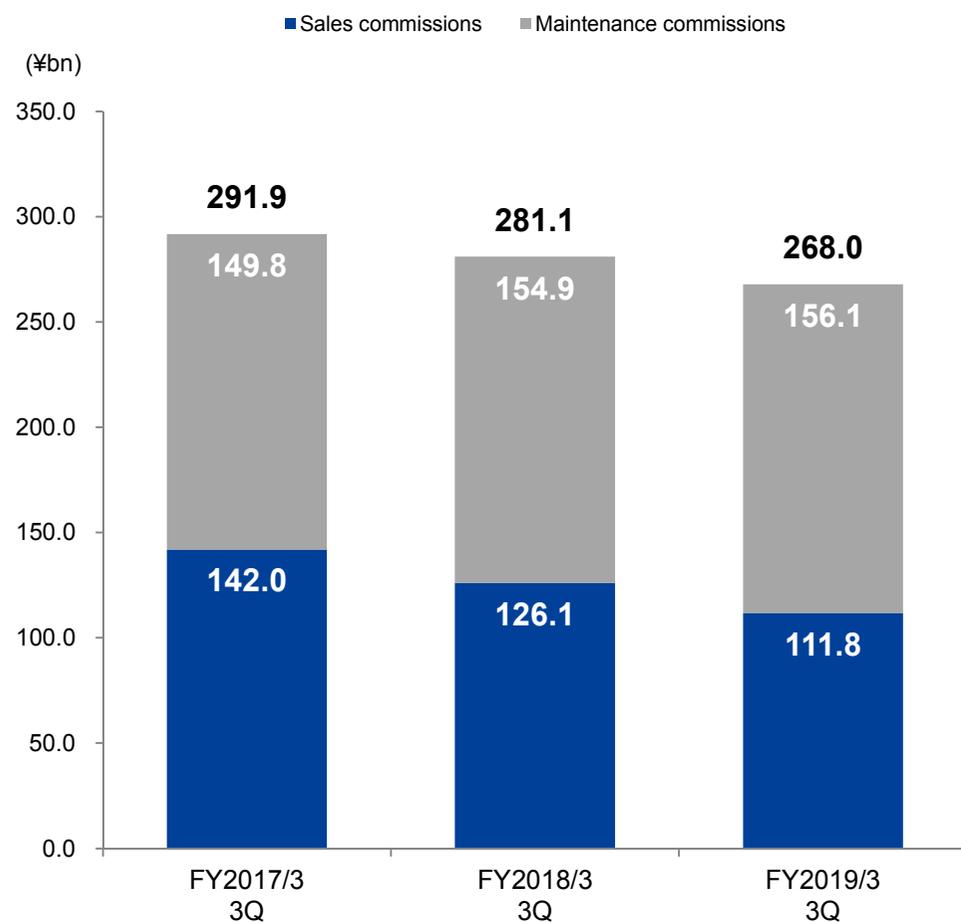
Commissions to Japan Post Co.

Operating expenses

¥411.8 bn

¥397.0 bn

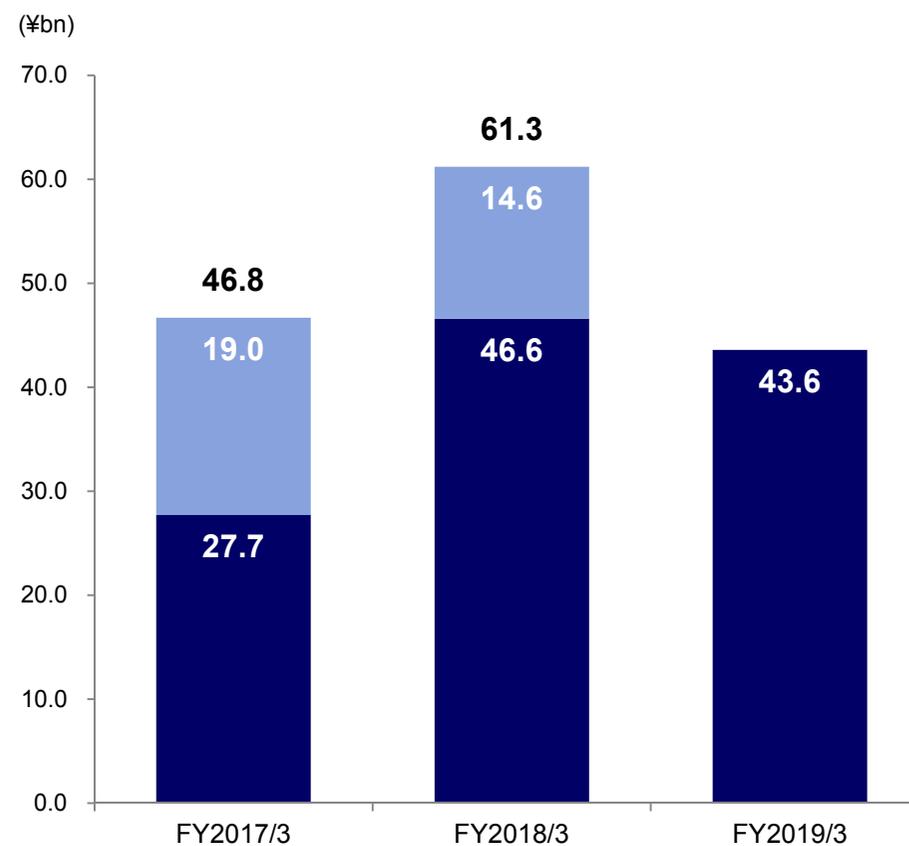
¥384.4 bn



Depreciation and amortization

■ Apr-Dec

■ Jan-Mar



Financial Soundness

Internal Reserves

| | Mar-18 | Dec-18 | (¥bn) |
|---|---------|---------|---------------------------------------|
| | | | Provisions in the period ³ |
| Contingency reserve | 2,114.3 | 2,000.6 | (113.6) |
| Postal Life Insurance category | 1,665.0 | 1,534.4 | (130.6) |
| New category | 449.2 | 466.2 | 16.9 |
| Price fluctuations reserve | 916.7 | 907.6 | (9.0) |
| Postal Life Insurance category | 665.5 | 665.6 | 0.1 |
| New category | 251.2 | 241.9 | (9.2) |
| Additional policy reserve | 5,930.4 | 5,894.7 | (35.7) |
| Postal Life Insurance ¹ Category | 5,913.3 | 5,880.3 | (32.9) |
| New category ² | 17.0 | 14.3 | (2.7) |

Solvency Margin Ratio

| | Mar-18 | Dec-18 | (¥bn) |
|---------------------------------|-----------|-----------|-------|
| Solvency Margin Ratio | 1,131.8 % | 1,118.6 % | |
| Total amount of solvency margin | 5,595.8 | 5,341.7 | |
| Total amount of risk | 988.8 | 955.0 | |
| Real net assets | 12,904.8 | 12,425.1 | |

Notes: "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.

1. Including the amount determined to be additionally provided over 10 years from the year ended March 31, 2011 for annuity in the postal life insurance policies (for the Nine Months Ended December 31, 2018, the amount of additional provision was ¥135.4bn and the accumulated amount was ¥1,526.8 bn).

2. The amount determined to be additionally provided in a lump sum for single-payment annuity policies among the individual annuities underwritten by Japan Post Insurance.

3. Provisions in the period includes the excess provision of ¥10.6bn exceeding the provision requirements for contingency reserve.

Embedded Value

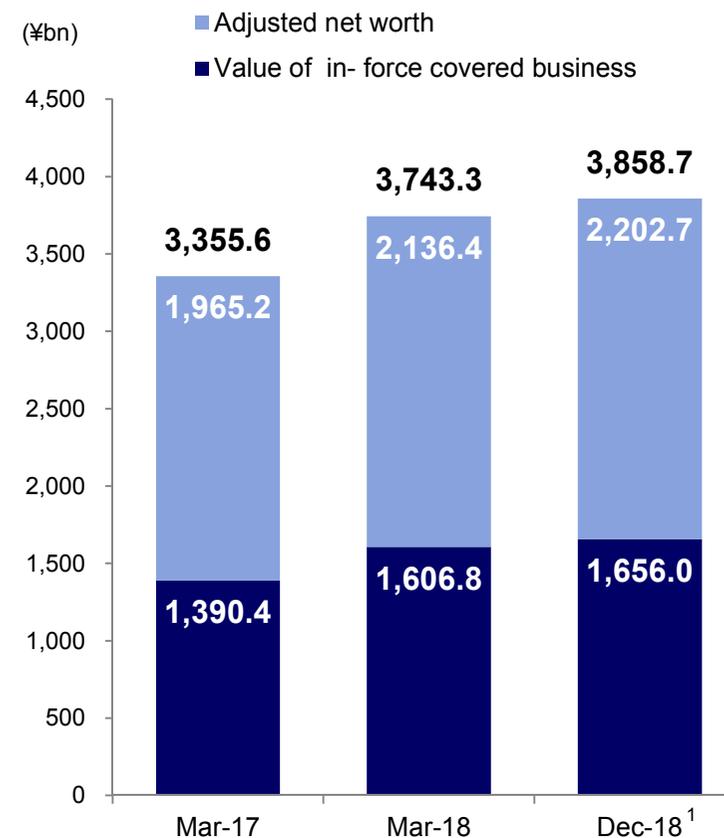
Breakdown of EV

| | Mar-18 | Dec-18 ¹ | Change |
|-------------------------------------|---------|---------------------|--------------------|
| EV | 3,743.3 | 3,858.7 | 115.4 (+ 3.1 %) |
| Adjusted net worth | 2,136.4 | 2,202.7 | 66.2 (+ 3.1 %) |
| Value of in- force covered business | 1,606.8 | 1,656.0 | 49.1 (+ 3.1%) |

| | 9 months ended Dec-17 ^{1,2} | 9 months ended Dec-18 ^{1,3} | Change (Year on Year) |
|------------------------------------|--------------------------------------|--------------------------------------|-----------------------|
| Value of new business ⁴ | 185.2 | 194.4 | 9.2 (+ 5.0%) |
| New business margin ⁵ | 5.7 % | 6.5 % | 0.8 pt |

1. Provisional calculations that have not been verified by a third party
2. Using the economic assumptions as of the end of September 2017, based on the new policies written in the period from April to December 2017.
3. Using the economic assumptions as of the end of March 2018, based on the new policies written in the period from April to December 2018.
4. The value of new business includes an increase or decrease due to a switchover of riders.
5. The value of new business divided by the present value of future premium income.

EV



Forecasts for Full-year Consolidated Financial Results and Dividends Per Share for the Year Ending March 31, 2019

Full-year Consolidated Financial Results Forecast

(¥bn)

| | Year ended Mar-18 (Actual) | Year ending Mar-19 14 th Nov, 2018 announced forecast | Year ending Mar-19 15 th May, 2018 announced forecast |
|-------------------------|----------------------------|--|--|
| Ordinary income | 7,952.9 | 7,660.0 | 7,580.0 |
| Ordinary profit | 309.2 | 260.0 | 220.0 |
| Net income ¹ | 104.4 | 111.0 | 88.0 |
| Net income per share | ¥174.21 | ¥ 185.06 | ¥146.71 |

1. Net income attributable to Japan Post Insurance

Shareholder Return Policy

Dividend policy

- Aim for a steady increase in dividends per share with a goal of achieving to deliver dividends of ¥76 per share for the year ending March 31, 2021, while considering earning prospects and financial soundness.

Forecast for Dividends Per Share

(Payout Ratio)

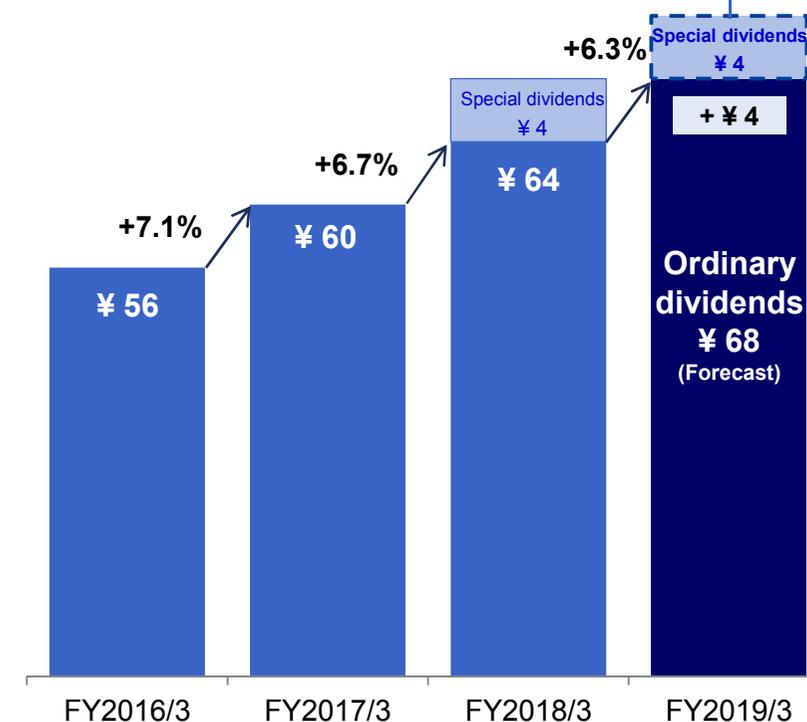
39.6 %

40.6 %

39.0 %

38.9 %

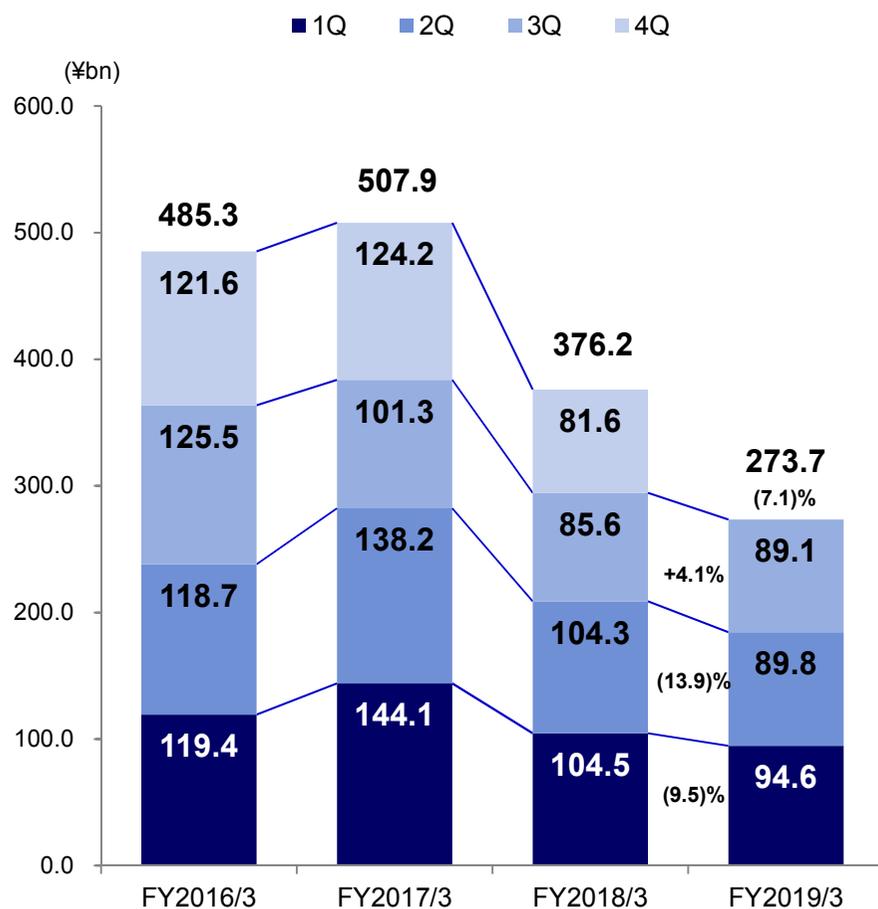
Year ending Mar-19 forecast
⇒ **¥ 72** (ordinary dividends ¥ 68 + special dividends ¥ 4)



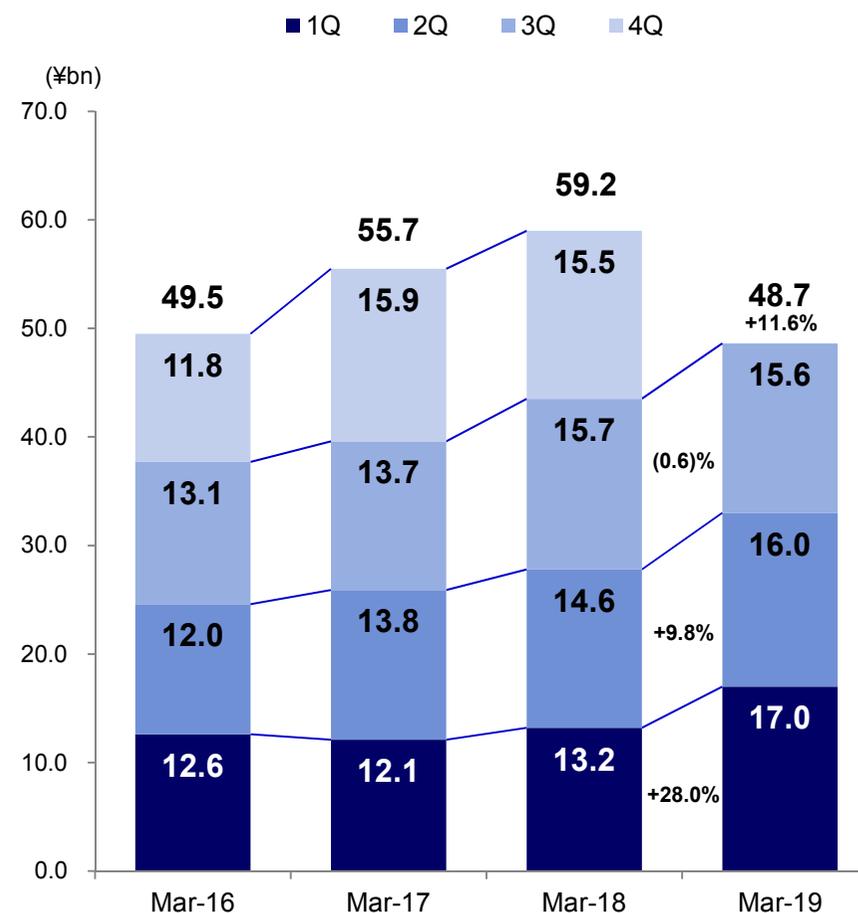
APPENDIX

Quarterly Trends in Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)

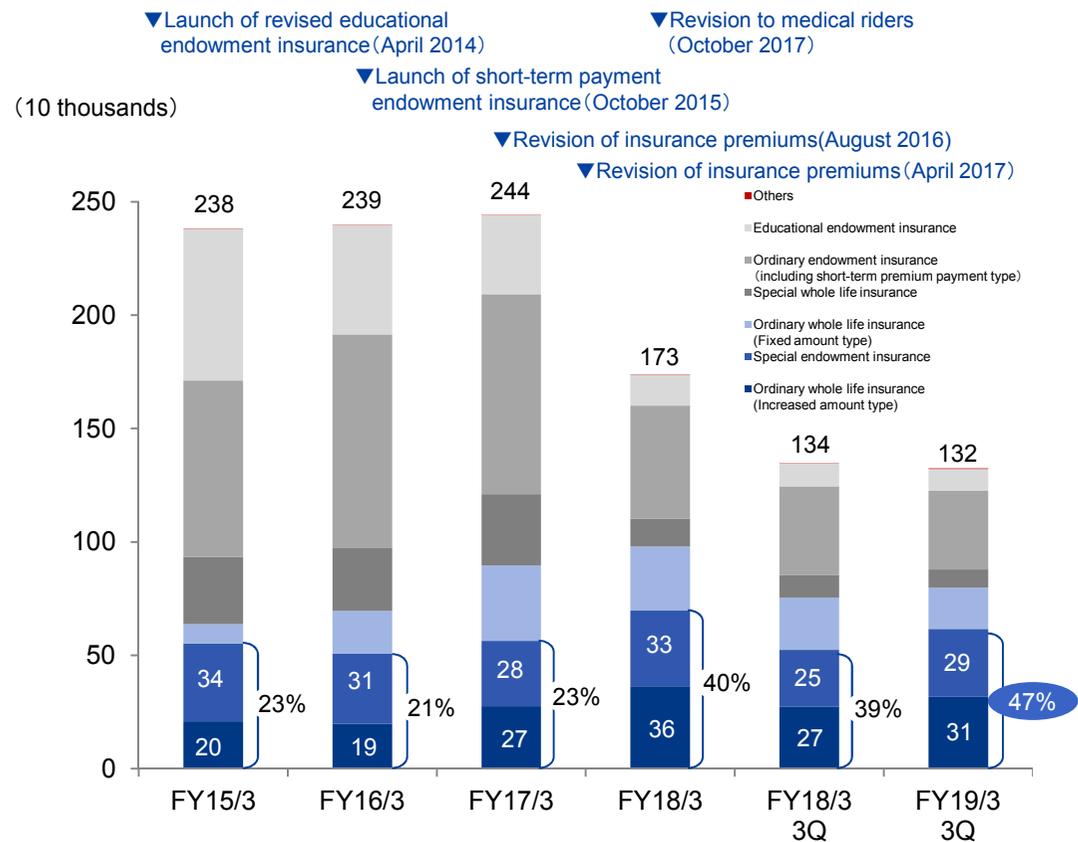


Note 1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium 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: In addition to the above, the FY2019/3 period saw a net increase of ¥4.1 billion in annualized premiums due to a switchover to the rider launched in October 2017 and an additional rider purchase.

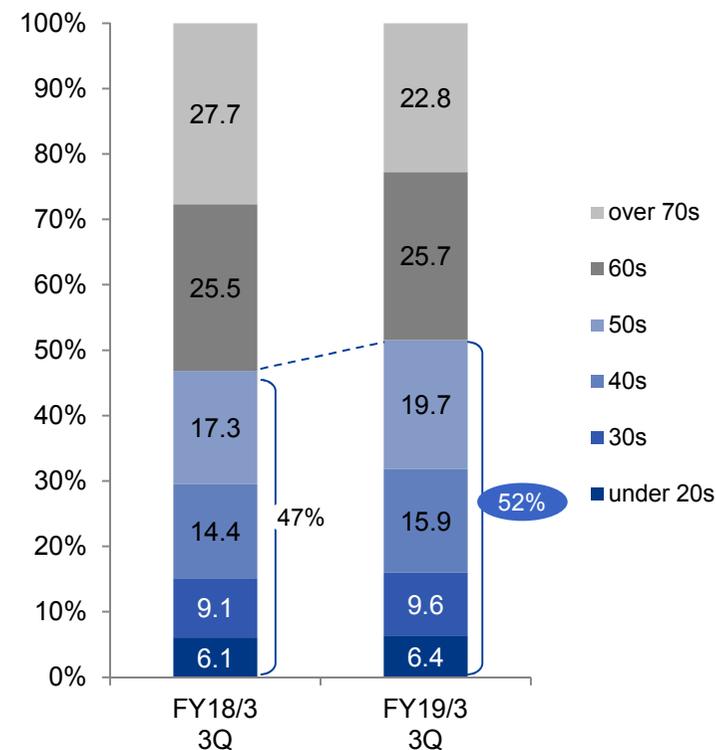
Change in Products Portfolio and Age Composition of Policyholders

Change in products portfolio (Number of new policy)



| | | | | | | |
|-----------------------|-------|-------|------|-------|-------|------------|
| Value of new business | 154.9 | 192.7 | 36.8 | 226.7 | 185.2 | 194.4 (bn) |
| New Business Margin | 2.8% | 3.4% | 0.6% | 5.5% | 5.7% | 6.5% |

Change in age composition of policyholders (Number of new policy)



Note: Does not include policies whose policyholder is a corporate entity.

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

Interest, Dividends and Other Income

(¥bn)

| | 9 months ended Dec-17 | 9 months ended Dec-18 |
|--|-----------------------|-----------------------|
| Investment income | 971.6 | 915.0 |
| Interest, dividends and other income | 875.2 | 822.1 |
| Interest on deposits | 0.0 | 0.0 |
| Interest and dividends on securities | 749.1 | 712.0 |
| Interest on corporate and government bonds | 655.8 | 600.0 |
| Domestic stock dividends | 1.5 | 3.5 |
| Interest and dividends on foreign securities | 77.3 | 99.1 |
| Interest and dividends on other securities | 14.4 | 9.2 |
| Interest on loans | 10.6 | 10.5 |
| Interest on loans to the Management Organization | 111.4 | 94.5 |
| Rent revenue from real estate | - | - |

Breakdown of Capital gains(losses)

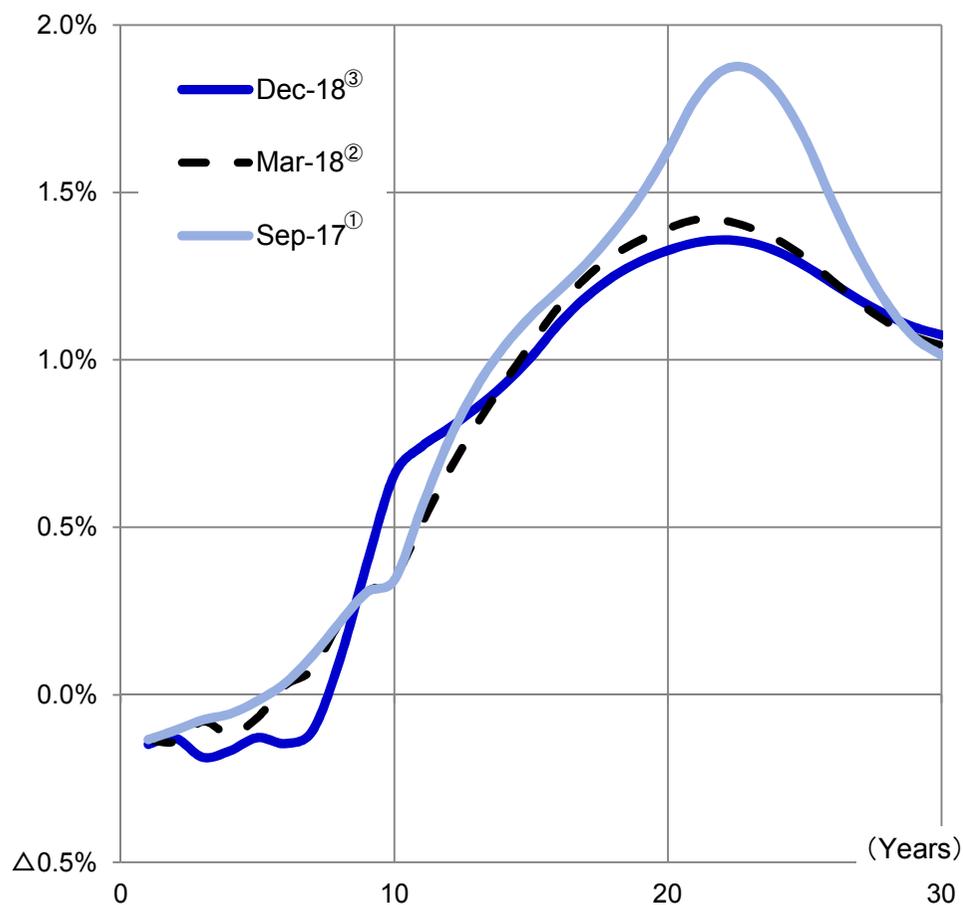
(¥bn)

| | 9 months ended Dec-17 | 9 months ended Dec-18 |
|--|-----------------------|-----------------------|
| Capital gains | 96.2 | 92.4 |
| Gains on money held in trust | 73.4 | 56.1 |
| Gains on sales of securities | 22.7 | 36.2 |
| Gains on derivative financial instruments | - | - |
| Gains on foreign exchanges | - | - |
| Other capital gains | - | - |
| Capital losses | (95.7) | (149.8) |
| Losses on money held in trust | - | - |
| Losses on sales of securities | (42.9) | (55.9) |
| Losses on derivative financial instruments | (18.7) | (51.5) |
| Losses on foreign exchanges | (0.2) | (1.1) |
| Other capital losses ¹ | (33.7) | (41.1) |
| Net Capital gains(losses) | 0.4 | (57.4) |

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

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Sep-17 to Dec-18)



Forward Rate

| (%) | Sep-17 ^① | Mar-18 ^② | Dec-18 ^③ |
|----------|---------------------|---------------------|---------------------|
| 10 years | 0.343 | 0.351 | 0.657 |
| 20 years | 1.626 | 1.393 | 1.327 |
| 30 years | 1.014 | 1.043 | 1.074 |

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows.

Value of new business for 3Q of FY2018/3 : ①

EV as of the end of FY2018/3 and the value of new business for 3Q of FY2019/3 : ②

EV as of the end of December 2018 : ③

1. The interest rate (EV assumptions) used to prepare the forward rate is based on the market yields on government bonds announced by the Ministry of Finance Japan.

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

| | | FY2015/3 | FY2016/3 | FY2017/3 | FY2018/3 | FY2018/3 3Q | FY2019/3 3Q |
|--|-------|------------|------------|------------|------------|-------------|-------------|
| Total assets | ¥mn | 84,911,946 | 81,543,623 | 80,336,414 | 76,832,508 | 77,182,581 | 74,489,897 |
| Postal Life Insurance category | | 61,703,013 | 55,832,787 | 51,447,550 | 46,684,937 | 47,152,475 | 42,232,293 |
| New category | | 23,208,932 | 25,710,836 | 28,888,864 | 30,147,570 | 30,030,106 | 32,257,604 |
| Number of policies in force | (000) | 33,489 | 32,323 | 31,562 | 30,405 | 30,746 | 29,534 |
| Postal Life Insurance category (insurance) | | 19,949 | 16,972 | 14,411 | 12,484 | 12,887 | 11,445 |
| New category (individual insurance) | | 13,539 | 15,350 | 17,150 | 17,921 | 17,859 | 18,088 |
| Insurance premiums and others | ¥mn | 5,956,716 | 5,413,862 | 5,041,868 | 4,236,461 | 3,220,309 | 3,001,967 |
| Postal Life Insurance category | | 1,697,140 | 1,322,308 | 1,002,816 | 755,221 | 580,596 | 453,379 |
| New category | | 4,259,576 | 4,091,554 | 4,039,051 | 3,481,240 | 2,639,712 | 2,548,587 |
| Ordinary profit | ¥mn | 493,169 | 413,023 | 279,347 | 308,845 | 254,523 | 213,746 |
| Postal Life Insurance category | | 377,145 | 258,059 | 185,250 | 137,074 | 111,322 | 90,466 |
| New category | | 116,024 | 154,963 | 94,097 | 171,771 | 143,201 | 123,279 |
| Net income | ¥mn | 81,758 | 86,338 | 88,520 | 104,309 | 74,903 | 96,629 |
| Postal Life Insurance category | | 36,969 | 32,850 | 26,044 | 16,878 | 12,815 | 12,976 |
| New category | | 44,789 | 53,487 | 62,475 | 87,430 | 62,087 | 83,652 |
| Contingency reserve (reversal) provision | ¥mn | (90,087) | (123,864) | (120,819) | (139,678) | (102,759) | (113,657) |
| Postal Life Insurance category | | (167,144) | (171,199) | (172,881) | (173,722) | (130,821) | (130,651) |
| New category | | 77,057 | 47,335 | 52,061 | 34,043 | 28,062 | 16,993 |
| Price fluctuations reserve (reversal) provision | ¥mn | 97,934 | 70,100 | 6,444 | 128,031 | 46,848 | (9,096) |
| Postal Life Insurance category | | 72,126 | 8,957 | 12,625 | 17,090 | 19,486 | 128 |
| New category | | 25,808 | 61,143 | (6,181) | 110,940 | 27,361 | (9,225) |
| Additional policy reserve (reversal) provision | ¥mn | (68,347) | (55,533) | (50,454) | (30,648) | (33,712) | (35,700) |
| Postal Life Insurance category | | (68,347) | (55,533) | (50,454) | (47,674) | (33,712) | (32,981) |
| New category | | - | - | - | 17,025 | - | (2,719) |

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)

| | FY2015/3 | FY2016/3 | FY2017/3 | FY2018/3 | FY2018/3 3Q | FY2019/3 3Q |
|---|----------|----------|----------|----------|-------------|-------------|
| Insurance premiums and others | 5,956.7 | 5,413.8 | 5,041.8 | 4,236.4 | 3,220.3 | 3,001.9 |
| Ordinary profit | 492.6 | 411.5 | 279.7 | 309.2 | 254.8 | 214.0 |
| Provision for reserve for policyholder dividends | 200.7 | 178.0 | 152.6 | 117.7 | 101.3 | 86.6 |
| Net income | 81.3 | 84.8 | 88.5 | 104.4 | 75.0 | 96.6 |
| Net assets | 1,975.7 | 1,882.9 | 1,853.2 | 2,003.1 | 2,205.4 | 1,890.5 |
| Total assets | 84,915.0 | 81,545.1 | 80,336.7 | 76,831.2 | 77,181.7 | 74,490.1 |
| Return on equity | 4.6 % | 4.4 % | 4.7 % | 5.4 % | - | - |
| Return on shareholders' equity | 5.9 % | 5.9 % | 5.9 % | 6.7 % | - | - |
| Dividends to shareholders | 24.5 | 33.6 | 36.0 | 40.8 | - | - |
| Payout ratio | 30.2 % | 39.6 % | 40.6 % | 39.0 % | - | - |
| [Reference] Core profit (Non-consolidated) | 515.4 | 464.2 | 390.0 | 386.1 | 287.3 | 293.0 |
| Core profit attributable to life insurance activities | 448.4 | 366.8 | 311.4 | 320.3 | 241.0 | 256.5 |
| Spread (positive/negative spread) | 66.9 | 97.4 | 78.5 | 65.8 | 46.3 | 36.4 |

<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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