

Outline of Financial Results for the Fiscal Year Ended March 31, 2021

May 14, 2021



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Fiscal Year Ended March 31, 2021.”
- 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-21	Year on Year		
Ordinary Profit	¥ 345.7bn	¥ 59.1bn + 20.6 %	<p>【Financial Highlights】</p> <ul style="list-style-type: none"> As the policies in force have been declining continuously, core profit increased due to a decrease in operating expenses as a result of decreased new policy sales, and a decrease in payment of hospitalization benefit etc. In addition, capital losses improved and ordinary profit for the current period was ¥ 345.7billion, a 20.6% increase year on year. Capital losses are offset by the price fluctuation reserves. Thus, net income for the current period was ¥ 166.1billion, a 10.2 % increase year on year. <p>【Policy Sales】</p> <ul style="list-style-type: none"> Annualized premiums from new policies for individual insurance were ¥ 30.6billion, a 79.1% decrease year on year, while annualized premiums from new policies for medical care were ¥ 1.4billion, a 93.4% decrease year on year as we had been refraining from proactive sales proposal during FY21/3. <p>【Embedded Value】</p> <ul style="list-style-type: none"> EV increased by 21.1% from the end of the previous fiscal year to ¥ 4,026.2billion, due to increases in interest rates, stock prices and other factors. 	
Net income	¥ 166.1bn	¥ 15.4bn + 10.2 %		
Annualized premiums from New policies	(Individual Insurance)	¥ 30.6bn		¥ (116.3)bn (79.1) %
	(Medical Care)	¥ 1.4bn		¥ (20.6)bn (93.4) %
Annualized premiums from Policies in Force	(Individual Insurance)	¥ 3,898.1bn		¥ (420.5)bn (9.7) %
	(Medical Care)	¥ 669.1bn		¥ (46.4)bn (6.5) %
EV	¥ 4,026.2bn	¥ 701.9bn + 21.1 %		

- The financial results can be summed up as you see.
- As the policies in force have been declining continuously, core profit increased due to a decrease in operating expenses as a result of decreased new policy sales, and a decrease in payment of hospitalization benefit etc. In addition, capital losses improved and ordinary profit for the current period was ¥ 345.7billion, a 20.6 % increase year on year.
- Capital losses are offset by the price fluctuation reserves. Thus, net income for the current period was ¥ 166.1billion, a 10.2 % increase year on year.
- As for new policy sales results for the current period, the Company had been 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 ¥ 30.6billion, a 79.1% decrease year on year. Annualized premiums from new policies for medical care were ¥ 1.4billion, a 93.4% decrease year on year.
- EV increased by 21.1% from the end of the previous fiscal year to ¥ 4,026.2billion, due to increases in interest rates, stock prices and other factors.
- Please note that the EV for the current period is a preliminary 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, 2021” to be announced on May 25, 2021.
- Please look at page 2.

Financial Results for Year Ended March 31, 2021 (Year on Year)

Statement of Income

(¥bn)

	Year ended Mar-20	Year ended Mar-21	Change
Ordinary income	7,211.4	6,786.2	(425.1)
Insurance premiums and others	3,245.5	2,697.9	(547.6)
Investment income	1,137.7	1,121.6	(16.1)
Reversal of policy reserves	2,767.3	2,895.4	128.0
Ordinary expenses	6,924.8	6,440.4	(484.3)
Insurance claims and others	6,191.3	5,866.0	(325.2)
Investment expenses	124.0	70.8	(53.1)
Operating expenses etc ¹	609.4	503.5	(105.8)
Ordinary profit	286.6	345.7	59.1
Extraordinary gains and losses	39.2	(46.7)	(85.9)
Reversal of reserve for price fluctuations	39.1	(46.4)	(85.6)
Provision for reserve for policyholder dividends	109.2	65.4	(43.7)
Total income taxes	65.9	67.4	1.5
Net income attributable to Japan Post Insurance	150.6	166.1	15.4

Note: Only major line items are shown.

1. Sum of Operating expenses and Other ordinary expenses

Details of Ordinary Profit (Non-Consolidated)

(¥bn)

	Year ended Mar-20	Year ended Mar-21	Change
Core profit	400.6	421.9	21.3
Core profit attributable to life insurance activities	320.1	345.6	25.4
Positive spread	80.4	76.3	(4.1)
Net capital gains (losses)	(102.4)	(17.1)	85.3
Other one-time profits (losses)	(11.3)	(59.8)	(48.4)
Ordinary profit	286.8	345.0	58.1



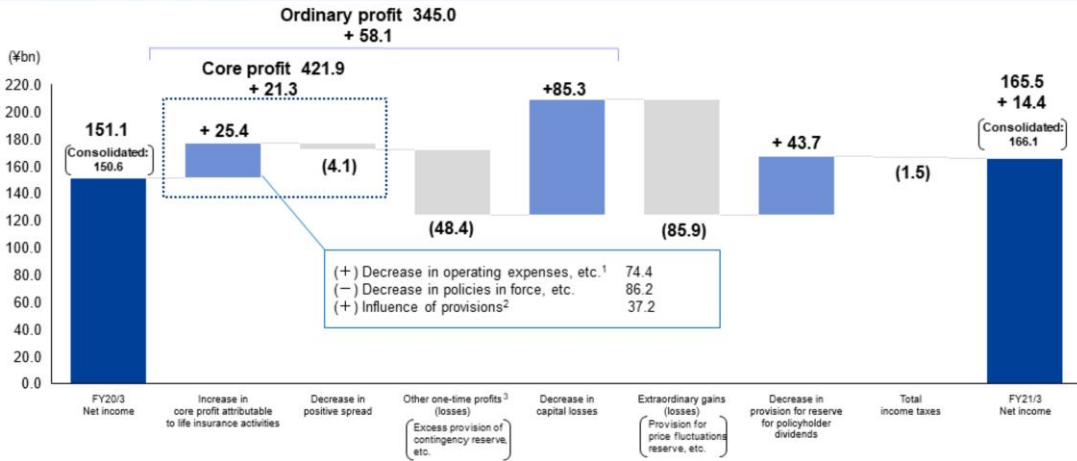
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- This page shows the financial highlights.
- The factors for changes will be explained at next page.
- Please look at page 3.

Factors for Year on Year Changes (Non-Consolidated)

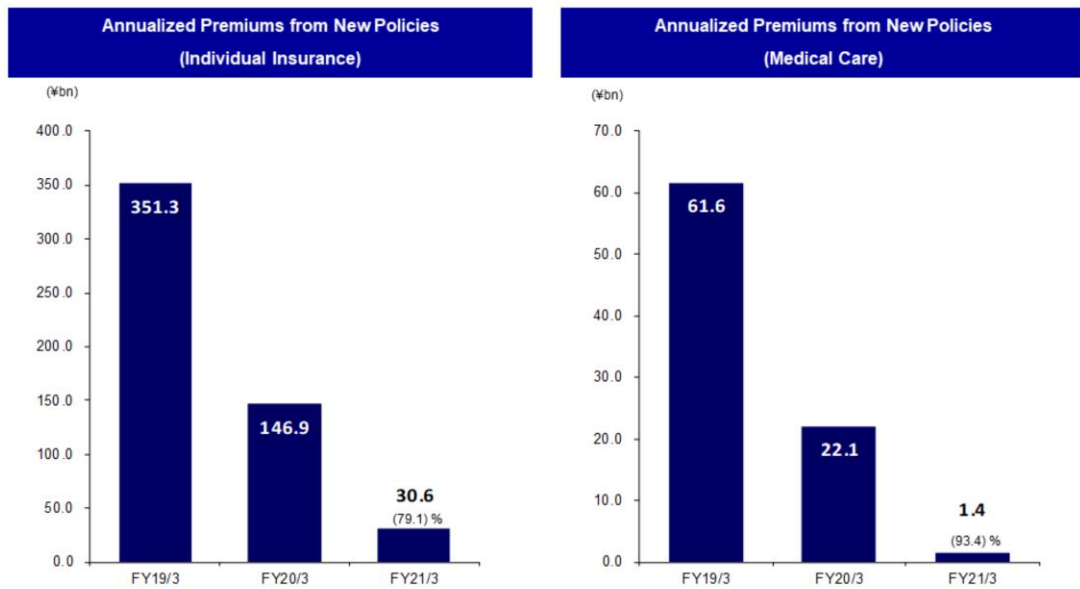
- As the policies in force have been declining continuously, core profit exceed year on year to ¥ 421.9billion mainly due to the decrease in operating expenses as a result of decreased new policies sales, and a decrease in payment of hospitalization benefit etc.
- Regarding capital gains or losses, we continued to adopt accounting treatments to provide or to reverse the price fluctuation reserves corresponding to the gain or loss amount. Net income increased year on year to ¥ 165.5billion as a result of an increase in core profit, etc.



1. "Decrease in operating expenses, etc." shows the difference of figures between FY20/3 and FY21/3. This figure is calculated by adding up "Operating expenses" and "Other ordinary expenses". However, the impact of reserve for insurance claims and others, etc. have been adjusted through the item "Influence of provisions".
2. Influence of reversal of reserve for insurance claims and others, etc. on core profit attributable to life insurance activities based on the progress in the policy investigation and actual policy reinstatement. This includes the impact of reserve for insurance claims and others, etc. in FY20/3. (Amount of reversal, etc. in FY21/3: ¥5.2billion, Amount of provision, etc. in FY20/3: ¥31.3billion)
3. 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 excess provision for contingency reserves in order to restore the level of them at the end of March, 2021.

- These are the factors for changes in the financial results for the current period.
- As the policies in force have been declining continuously, core profit exceed year on year to ¥ 421.9billion mainly due to the decrease in operating expenses as a result of decreased new policies sales, and a decrease in payment of hospitalization benefit etc.
- As a result of an increase in core profit and improvement of capital losses, non-consolidated ordinary profit was ¥ 345.0billion and non-consolidated net income was ¥ 165.5billion.
- Please look at page 4.

Policy Sales [Annualized Premiums from New Policies]

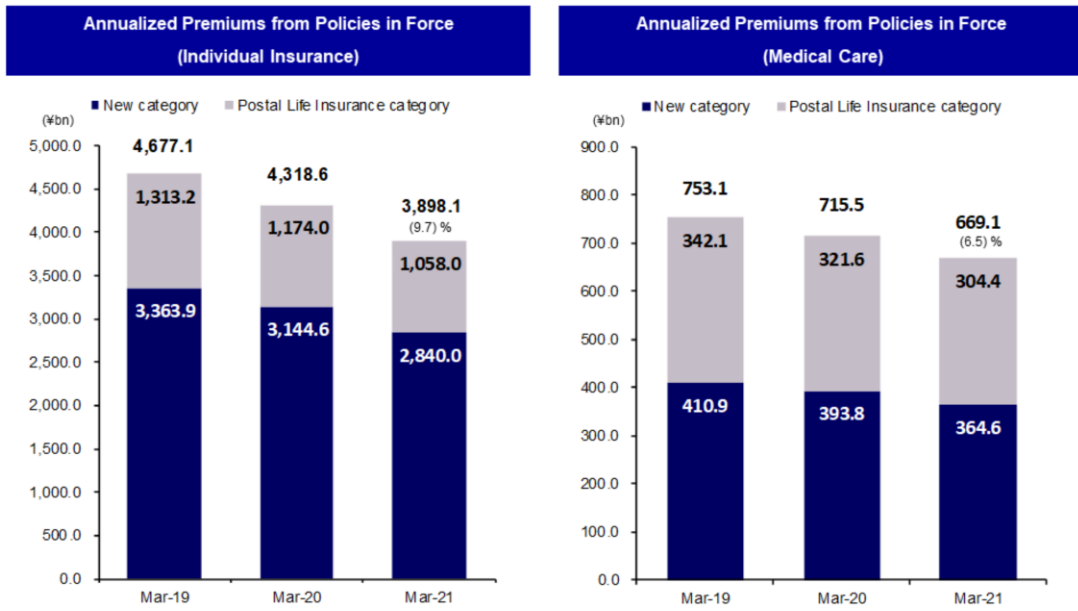


Note1 : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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 FY20/3 and FY21/3 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.
- Annualized premiums from new policies for individual insurance decreased by 79.1% year on year to ¥ 30.6billion.
- Annualized premiums from new policies for medical care decreased by 93.4% year on year to ¥ 1.4billion.
- 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 Organization for Postal Savings, Postal Life Insurance and Post Office Network.

- Annualized premiums from policies in force for individual insurance decreased by 9.7% from the end of the previous fiscal year to ¥ 3,898.1billion.
- Annualized premiums from policies in force for medical care decreased by 6.5 % from the end of the previous fiscal year to ¥ 669.1billion.
- Please look at page 6.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities

(¥bn)

	Mar-20			Mar-21			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	58,285.3	65,666.2	7,380.9	(798.8)	(1,009.5)	(210.7)
Held-to-maturity bonds	35,735.7	41,953.3	6,217.6	35,327.9	40,512.9	5,184.9	(407.7)	(1,440.4)	(1,032.7)
Policy-reserve-matching bonds	9,574.6	10,578.5	1,003.8	9,382.4	10,158.5	776.1	(192.2)	(419.9)	(227.7)
Available-for-sale securities	13,773.7	14,143.9	370.1	13,574.8	14,994.7	1,419.8	(198.8)	850.8	1,049.7
Securities etc.	11,102.5	11,399.6	297.0	10,798.1	11,297.8	499.7	(304.4)	(101.7)	202.6
Bonds	3,700.4	3,742.1	41.7	3,519.1	3,554.0	34.8	(181.2)	(188.1)	(6.8)
Domestic stocks	322.0	281.2	(40.8)	322.8	398.8	76.0	0.7	117.6	116.8
Foreign securities	4,221.6	4,589.3	367.6	4,290.1	4,632.3	342.2	68.4	43.0	(25.4)
Other securities	2,006.8	1,933.2	(73.5)	1,910.8	1,955.8	44.9	(95.9)	22.5	118.5
Deposits etc.	851.5	853.5	2.0	755.1	756.7	1.5	(96.3)	(96.8)	(0.4)
Money held in trust	2,671.2	2,744.3	73.0	2,776.7	3,696.9	920.1	105.5	952.6	847.0
Domestic stocks ¹	1,387.9	1,483.9	95.9	1,431.5	2,115.4	683.9	43.5	631.4	587.9
Foreign stocks ¹	297.2	323.5	26.2	303.3	489.5	186.1	6.1	166.0	159.8
Foreign bonds ¹	736.0	698.4	(37.5)	742.7	779.9	37.2	6.7	81.4	74.7
Other ²	250.0	238.3	(11.6)	299.1	311.9	12.8	49.0	73.5	24.5

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 ¥ 1,419.8billion 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 (Commissions¹ etc.)

(#bn)

	Year ended Mar-20	Year ended Mar-21	Change
Operating expenses	473.8	403.0	(70.8)
Commissions	248.7	198.1	(50.6)
Sales Commissions	100.9	42.2	(58.6)
Maintenance Commissions ²	147.8	155.8	8.0
Contributions ³	57.5	56.0	(1.5)
Others	167.4	148.8	(18.6)
Depreciation and amortization	57.4	59.3	1.8

1. Commissions paid to Japan Post Co.

2. For FY21/3, unit price of maintenance commissions were reviewed in January 2021. The difference was recorded dating back to April 2020.

3. Contributions paid to Organization for Postal Savings, Postal Life Insurance and Post Office Network based on the related law

- Expenses for the period are presented on this page.
- Operating expenses for the current period were ¥ 403.0billion, of which approximately two thirds 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 for the current period decreased by ¥ 50.6billion year on year to ¥ 198.1billion, due to the refraining from proactive sales proposal from mid-July 2019 and business suspension from January to March 2020.
- The sum of commissions and contributions decreased by ¥ 52.1billion year on year to ¥ 254.1billion.
- Depreciation and amortization increased by ¥ 1.8billion year on year to ¥ 59.3billion.
- Please look at page 9.

Financial Soundness

Internal Reserves				ESR		
	Mar-20	Mar-21	(¥bn)		Mar-20	Mar-21 ²
Contingency reserve	1,797.3	1,611.3	(186.0)	ESR	116 %	205 %
Postal Life Insurance category ¹	1,320.6	1,129.6	(191.0)	Capital amount	3,420.0	4,320.0
New category	476.6	481.6	4.9	Integrated risk amount	2,950.0	2,110.0
Price fluctuations reserve	858.3	904.8	46.4			
Postal Life Insurance category	631.9	655.1	23.1			
New category	226.3	249.7	23.3			
Additional policy reserve	5,830.3	5,858.0	27.6			
Postal Life Insurance category ¹	5,820.2	5,850.8	30.5			
New category	10.0	7.1	(2.9)			

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.

- 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 excess provision for contingency reserves in order to restore the level of them at the end of March, 2021
- The figures for Mar-21 are preliminary.

- 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 ¥ 1,611.3billion and reserves for price fluctuations of ¥ 904.8billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥ 5,858.0billion at the end of the current period.
- ESR was 205% and the solvency margin ratio was 1,121.2%, maintaining a high level of soundness.
- Please look at page 10.

Embedded Value

Breakdown of EV

	Mar-20	Mar-21 ¹	Change
EV	3,324.2	4,026.2	701.9 (+ 21.1 %)
Adjusted net worth	2,212.4	2,376.8	164.4 (+ 7.4 %)
Value of in-force covered business	1,111.8	1,649.3	537.4 (+ 48.3 %)

Value of New Business

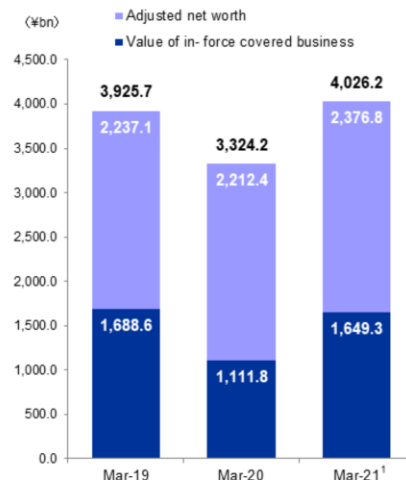
Value of new business year ended Mar-21^{1,2} ¥ (12.7)bn

New business margin year ended Mar-21^{1,2,3} (5.0) %

- Although Japan Post Insurance had been refraining from proactive sales proposal during 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 of current period turned negative.

- 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, 2021" to be announced on May 25, 2021.
- Using the economic assumptions as of June 30, 2020, based on the new policies written in the period from April 2020 to March 2021. The value of new business includes the increase or decrease due to switchover of riders and conditional cancellation.
- The value of new business divided by the present value of future premium income

EV



- I would like to explain the current status of EV.
- EV as of March 31, 2021 was ¥ 4,026.2billion, an increase of ¥ 701.9billion from the end of the previous fiscal year.
- Adjusted net worth increased by ¥ 164.4billion from the end of the previous fiscal year to ¥ 2,376.8billion, mainly due to increase in net income.
- Value of in-force covered business increased by ¥ 537.4billion from the end of the previous fiscal year to ¥ 1,649.3billion, mainly due to increases in interest rates, 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 June 2020 in which interest rate assumption is almost as same as the average of actual interest rate from April 2020 to March 2021.
- Although we had been refraining from proactive sales proposal during the period under review, 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 ¥ (12.7) billion. Meanwhile, the new business margin was (5.0)%.
- Please note that the EV for the current period is a preliminary 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, 2021" to be announced on May 25, 2021.
- Please look at page 11.

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2022

Full-year Financial Results Forecast

(¥bn)

	Year ended Mar-21	Year ending Mar-22 (forecasts)
Ordinary income	6,786.2	6,380.0
Ordinary profit	345.7	290.0
Net income ¹	166.1	118.0
Net income per share ²	¥ 295.33	¥ 209.80

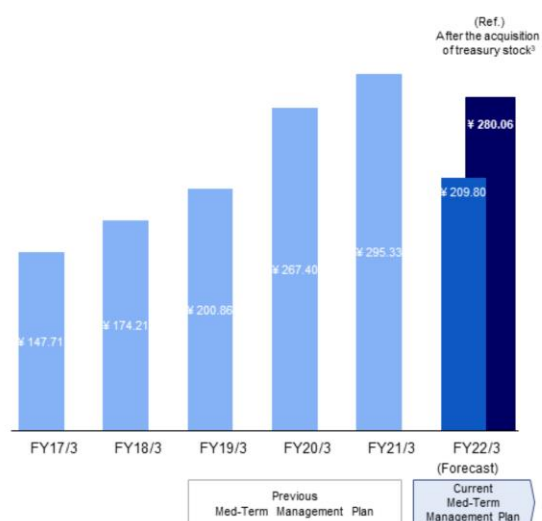
1. Net income attributable to Japan Post Insurance

2. The Company has resolved matters related to the acquisition of its treasury stock at a meeting of the Board of Directors held on May 14, 2021. "Net income per share" under the Full-year Financial Results Forecast does not reflect the expected effects of the acquisition of treasury stock.

3. Reflect the expected effects of the acquisition of treasury stock resolved at a meeting of the Board of Directors held on May 14, 2021.



Earnings Per Share



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- I will explain forecasts for full-year financial results for the year ending March 31, 2022.
- The financial results forecast for the fiscal year ending March 31, 2022 is expected to decrease from the current fiscal year, due primarily to a decrease in the number of policies in force and a decrease in core profit attributable to life insurance activities resulting from factors including increases in commissions and expenses for measures in conjunction with the normalization of business activities.
- We forecast net income for the year ending March 31, 2022 to be around ¥ 118.0billion.
- The meeting of the Board of Directors held today resolved to acquire treasury stock.
- For details, please refer to the press release released today.
- Considering this acquisition of treasury stock, we forecast the earnings per share for the year ending March 31, 2022 to be ¥ 280.06.
- Please look at page 12.

Shareholder Return

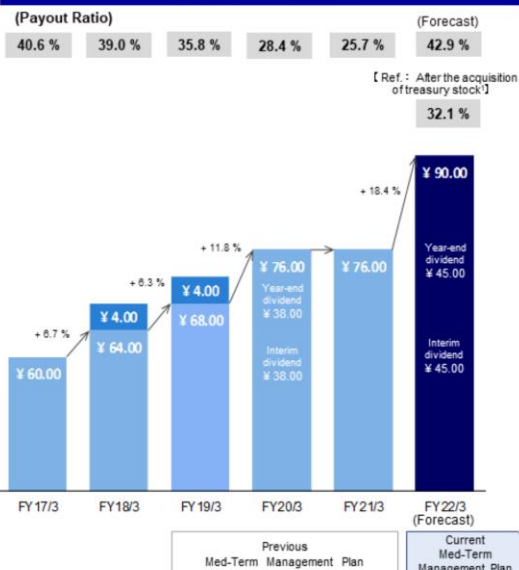
Shareholder Return for the Year Ended March 31, 2021

- Based on the shareholder return policy that we aim for a steady dividends per share while considering earning prospects and financial soundness, the ordinary dividend per share is ¥ 76

Dividend Policy during the period of the current 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
- An annual dividend for the fiscal year ending March 31, 2022 is scheduled to be ¥ 90 per share
- The Company plans to provide cash dividends twice a year as the interim dividends and the year-end dividends

Shareholder Return



1. Reflect the expected effects of the acquisition of treasury stock resolved at a meeting of the Board of Directors held on May 14, 2021.



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- Finally, this slide shows our trends on shareholder return.
- As for the year-end dividend for the fiscal year ended March 31, 2021, we will pay ¥ 76 per share.
- Next, I will explain the dividend policy under the Medium-Term Management Plan announced today.
- 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.
- As for the dividends for the fiscal year ending March 31, 2022, we plan to pay an ordinary dividend of ¥ 90 per share based on the dividend policy and the acquisition of treasury stock announced today.
- As for the shareholder return for the fiscal year ending March 31, 2022, for the purpose of enhancing the opportunities to distribute profits to shareholders, the Company plans to provide cash dividends twice a year as the interim dividends and the year-end dividends.
- This concludes my explanation.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

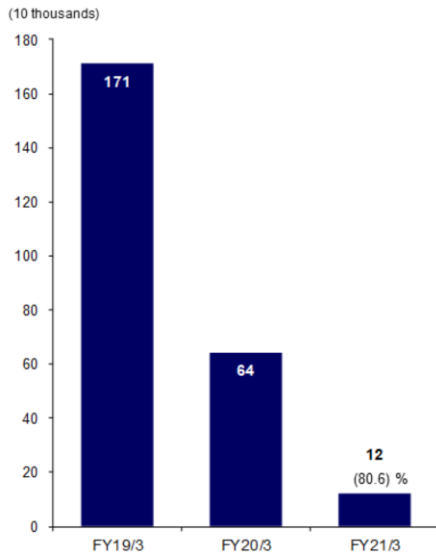
(¥bn)

	Mar-20	Mar-21	Change		Mar-20	Mar-21	Change
Total Assets	71,664.7	70,172.9	(1,491.7)	Total Liabilities	69,736.4	67,331.5	(2,404.8)
Cash and deposits	1,410.2	1,335.0	(75.2)	Policy reserves	62,293.1	59,397.7	(2,895.4)
Money held in trust	3,056.0	4,189.2	1,133.2	Contingency reserve	1,797.3	1,611.3	(186.0)
Securities	55,870.5	55,273.6	(596.9)	Additional policy reserve	5,830.3	5,858.0	27.6
Loans	5,662.7	4,964.0	(698.6)	Bonds payable	100.0	300.0	200.0
Tangible fixed assets	110.2	105.3	(4.8)	Reserve for price fluctuations	858.3	904.8	46.4
Intangible fixed assets	135.0	113.4	(21.5)	Net assets	1,928.3	2,841.4	913.0
Deferred tax assets	1,173.7	904.1	(269.6)	Total shareholders' equity	1,661.2	1,806.0	144.7
				Capital stock	500.0	500.0	-
				Capital surplus	405.0	405.0	-
				Retained earnings	756.6	901.3	144.7
				Treasury stock	(0.4)	(0.3)	0.0
				Total accumulated other comprehensive income	267.0	1,035.4	768.3

Note: Only major line items are shown.

Policy Sales [Number of New Policies]

Number of New Policies (Individual Insurance)



Note : The figures for FY20/3 and FY21/3 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

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Breakdown of New Policies

(10 thousands)

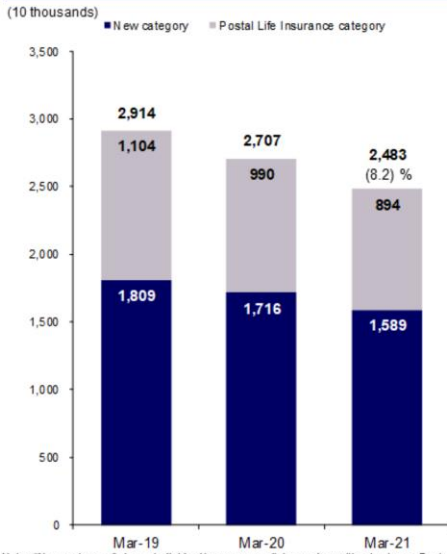
	Year ended Mar-20		Year ended Mar-21	
	Number of policies	Share	Number of policies	Share
Individual insurance	64	100.0 %	12	100.0 %
Endowment insurance	34	53.5 %	9	73.1 %
Ordinary endowment insurance	18	29.4 %	6	53.3 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	5.3 %	0	1.2 %
Special endowment insurance ¹	12	18.8 %	2	18.6 %
Whole life insurance	25	39.3 %	1	9.8 %
Ordinary whole life insurance (Fixed amount type)	6	9.4 %	0	2.2 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	6	10.0 %	0	0.5 %
Ordinary whole life insurance (Increased amount type)	10	16.0 %	0	5.4 %
Special whole life insurance	2	3.9 %	0	1.7 %
Educational endowment insurance	4	7.2 %	2	17.0 %
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 Organization for Postal Savings, Postal Life Insurance and Post Office Network.



Breakdown of Policies in Force

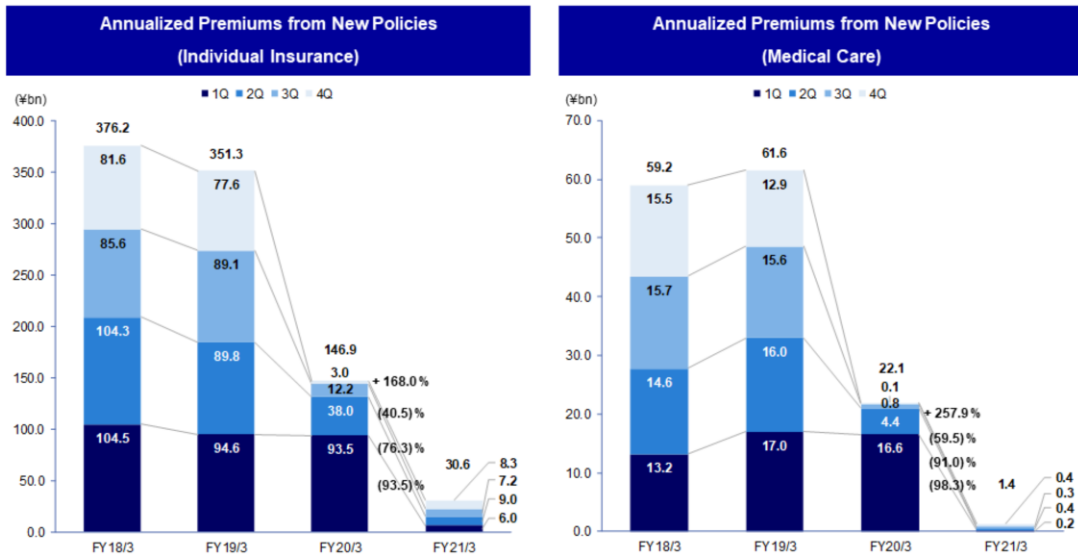
(10 thousands)

	Mar-20		Mar-21	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,707	100.0 %	2,483	100.0 %
Endowment insurance	1,041	38.5 %	906	36.5 %
Ordinary endowment insurance	668	24.7 %	582	23.5 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1 %	3	0.1 %
Special endowment insurance ¹	363	13.4 %	318	12.8 %
Whole life insurance	1,259	46.5 %	1,206	48.6 %
Ordinary whole life insurance (Fixed amount type)	393	14.5 %	372	15.0 %
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 %	262	10.6 %
Special whole life insurance	585	21.6 %	565	22.8 %
Educational endowment insurance	393	14.5 %	357	14.4 %
Other insurance	13	0.5 %	12	0.5 %

Note: Only major products are shown.

1. Increased amount type endowment insurance

Quarterly Trends in Annualized Premiums from New Policies



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.

Note2: The figures for FY20/3 and FY21/3 include the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January 2020 to March 2020.

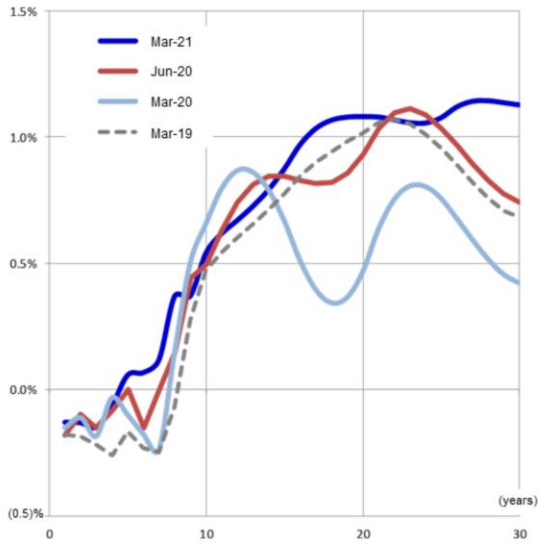
Interest, Dividends and Other Income and Capital gains(losses)

Interest, Dividends and Other Income			Capital gains(losses)		
	(#bn)			(#bn)	
	Year ended Mar-20	Year ended Mar-21		Year ended Mar-20	Year ended Mar-21
Investment income	1,137.7	1,121.6	Capital gains	87.2	115.7
Interest, dividends and other income	1,049.8	1,004.6	Gains on money held in trust	51.5	87.5
Interest on deposits	0.0	0.0	Gains on sales of securities	35.6	20.4
Interest and dividends on securities	924.0	898.4	Gains on derivative financial instruments	-	-
Interest on corporate and government bonds	762.0	733.2	Gains on foreign exchanges	-	7.7
Domestic stock dividends	7.6	8.2	Other capital gains	-	-
Interest and dividends on foreign securities	129.7	115.8	Capital losses	(189.6)	(132.8)
Others	24.6	41.0	Losses on money held in trust	-	-
Interest on loans	14.6	13.3	Losses on sales of securities	(32.0)	(32.7)
Interest on loans to the Management Organization	105.8	86.9	Losses on valuation of securities	(2.6)	-
Rent revenue from real estate	-	-	Losses on derivative financial instruments	(74.7)	(21.6)
Interest and dividends on others	5.1	5.9	Losses on foreign exchanges	(2.0)	-
			Other capital losses ¹	(78.0)	(78.4)
			Net Capital gains(losses)	(102.4)	(17.1)

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 (Mar-19 to Mar-21)



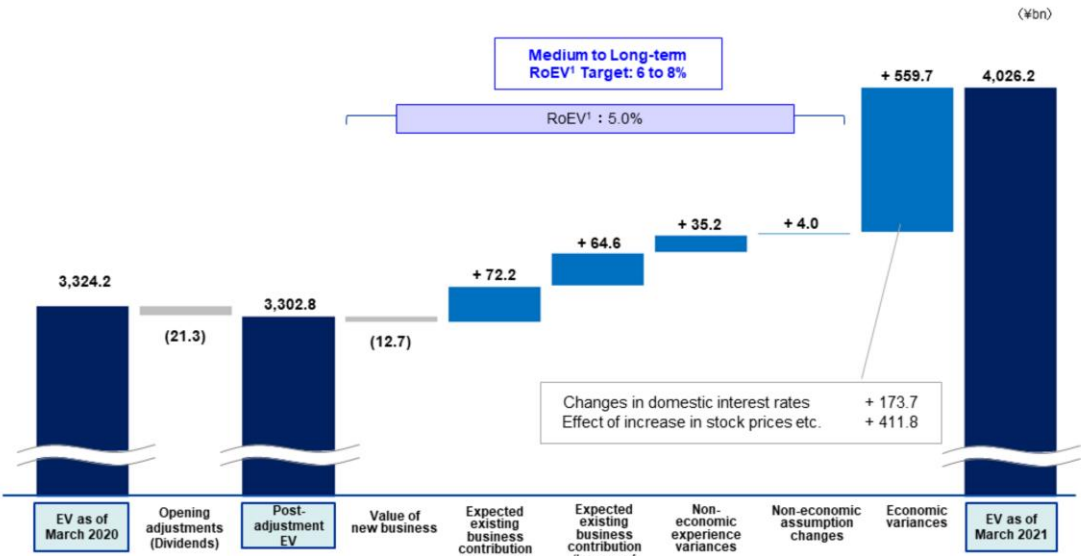
Forward Rate

	Mar-19	Mar-20 ^①	Jun-20 ^②	Mar-21 ^③
10 years	0.471	0.657	0.495	0.539
20 years	1.017	0.466	0.930	1.080
30 years	0.683	0.422	0.743	1.126

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 FY21/3 : ②
 EV as of March 31, 2021 : 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



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, 2021" to be announced on May 25, 2021.

1. Calculated by excluding economic variance factors

(Reference) Sensitivity Analysis of EV

Sensitivity to Economic Assumptions

Assumptions	EV	Change (%)
50bp increase in risk-free rate ^{1,2}	4,111.7	+ 85.5 (+ 2.1 %)
50bp decrease in risk-free rate ^{1,2}	3,852.9	(173.2) ((-4.3) %)
50bp decrease in risk-free rate (parallel shift without zero floor) ^{1,2}	3,822.3	(203.8) ((-5.1) %)
30% decrease in equity and real estate value ¹	3,617.8	(408.3) ((-10.1) %)

(¥bn)

Sensitivity to Non-economic Assumptions

Assumptions	EV	Change (%)
Future volume of policies in force is 105% of the level assumed in the calculation of EV as of March 31, 2021 ¹	4,088.3	+ 62.1 (+ 1.5 %)
10% decrease in maintenance expenses ^{1,2}	4,225.3	+ 199.1 (+ 4.9 %)

(¥bn)

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, 2021" to be announced on May 25, 2021.

Handling in Response to the Spread of COVID-19 (as of March 31, 2021)

- As the spread of the COVID-19 has a major impact on individuals' lives and corporate management, we have been fulfilling our social mission as a life insurance company by maintaining a system that enables us to carry on necessary operations, such as paying insurance claims, from the viewpoint of maintaining financial functions and protecting customers, while also implementing initiatives to support customers.

Major Initiatives Supporting Customers

Emergency handling for insurance premiums	<ul style="list-style-type: none"> Extension of the grace period for payment of premiums (up to 9 months) Dealing with payment in installments of premiums for the grace period for payment [Implemented until December 30, 2020]
Emergency handling for insurance payment	<ul style="list-style-type: none"> Due to the situation of medical institutions caused by the impact of COVID-19, the following cases are handled as payment targets for hospitalization benefit by submitting certificates of doctors, etc. <ul style="list-style-type: none"> Medical treatment at an accommodation facility offered by prefectural governments or at home In the case that the patient could not be hospitalized despite the need for inpatient treatment, or he/she is forced to exit earlier than originally planned In the event of death due to COVID-19, insurance benefits will be doubled as "Double payment of insurance benefits" are applied in addition to the death benefit Omission of part of necessary documents at the time of claim, etc.
Emergency handling for the loan interest rate	<ul style="list-style-type: none"> Policy loan at a reduced interest rate (0% interest rate) [Implemented until June 30, 2020]
Non-face-to-face procedures in claims	<ul style="list-style-type: none"> In response to the growing demand for non-face-to-face claims and requests, we accept hospitalization insurance claims by mail (through mailing of documents between customers and post offices / branches) or by online in response to customer requests. To extend the grace period for premium payments, Kampo website, call centers, and post offices and branches accepted customers' request by phone calls.

[Reference] Number of cases handled (as of March 31, 2021)

Item		Number of cases	Amount
Extension of the grace period for payment of premiums		17,215	—
Status of insurance payment	Hospitalization Benefit	14,039	¥ 825.48mn
	Death Benefit	1,456 <small>*Double payment : 1,450</small>	¥ 4,989.86mn <small>*Included double payment</small>
Policy loan (Reduction of interest)		314thousand	¥ 134.5bn

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

(¥bn)

	FY17/3		FY18/3		FY19/3		FY20/3		FY21/3	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income ¹	4,464.2	6,889.2	3,938.8	5,489.2	3,814.7	4,374.4	3,582.6	3,658.6	3,591.8	3,194.6
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	2,333.7	364.1
Investment income ¹	422.8	945.0	454.6	830.3	440.1	764.3	441.2	696.5	448.4	673.6
Other ordinary income ¹	2.3	4,941.3	3.0	3,903.7	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8
Ordinary expenses ¹	4,370.1	6,704.0	3,767.1	5,352.2	3,663.5	4,260.4	3,388.2	3,566.1	3,329.3	3,112.2
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	2,925.4	2,940.6
Provision for policy reserves and others ¹	2,694.0	-	1,474.7	-	272.5	-	29.9	-	0.0	-
Investment expenses ¹	103.8	56.5	78.5	27.9	99.1	46.8	85.7	38.2	59.5	11.7
Operating expenses	366.5	193.6	372.8	159.9	376.2	142.1	336.3	135.8	275.4	126.6
Other ordinary expenses	69.0	40.0	75.2	39.8	77.7	40.4	94.2	42.7	68.9	33.2
Ordinary profit	94.0	185.2	171.7	137.0	151.1	113.9	194.3	92.4	262.5	82.4
Extraordinary gains and losses ²	5.7	(12.6)	(27.2)	(17.0)	13.8	3.6	9.3	29.8	(23.6)	(23.1)
Provision for reserve for policyholder dividends	15.6	137.0	21.6	96.1	19.6	92.1	15.4	93.7	18.7	46.7
Income before income taxes	84.2	35.5	122.9	23.8	145.3	25.5	188.2	28.5	220.2	12.6
Total income taxes	21.7	9.5	35.4	6.9	41.1	8.7	54.9	10.7	61.1	6.0
Net income	62.4	26.0	87.4	16.8	104.1	16.7	133.3	17.8	159.0	6.5

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, ¥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	FY21/3
Total assets	¥mn	80,336,414	76,832,508	73,904,576	71,667,398	70,173,857
Postal Life Insurance category		51,447,550	46,684,937	41,354,076	39,225,493	37,815,270
New category		28,888,864	30,147,570	32,550,500	32,441,904	32,358,586
Number of policies in force	(000)	31,562	30,405	29,143	27,070	24,837
Postal Life Insurance category (insurance)		14,411	12,484	11,048	9,907	8,944
New category (individual insurance)		17,150	17,921	18,095	17,163	15,893
Insurance premiums and others	¥mn	5,041,868	4,236,461	3,959,928	3,245,541	2,697,936
Postal Life Insurance category		1,002,816	755,221	590,340	459,151	364,196
New category		4,039,051	3,481,240	3,369,588	2,786,389	2,333,740
Ordinary profit	¥mn	279,347	308,845	265,143	286,829	345,022
Postal Life Insurance category		185,250	137,074	113,981	92,490	82,454
New category		94,097	171,771	151,162	194,338	262,568
Net income	¥mn	88,520	104,309	120,958	151,132	165,586
Postal Life Insurance category		26,044	16,878	16,763	17,806	6,566
New category		62,475	87,430	104,195	133,325	159,020
Contingency reserve (reversal) provision	¥mn	(120,819)	(139,678)	(151,592)	(165,388)	(186,023)
Postal Life Insurance category		(172,881)	(173,722)	(173,590)	(170,814)	(191,014)
New category		52,061	34,043	21,997	5,425	4,991
Price fluctuations reserve (reversal) provision	¥mn	6,444	128,031	(19,251)	(39,152)	46,477
Postal Life Insurance category		12,625	17,090	(3,686)	(29,845)	23,121
New category		(6,181)	110,940	(15,564)	(9,306)	23,355
Additional policy reserve (reversal) provision	¥mn	(50,454)	(30,648)	(50,292)	(49,750)	27,652
Postal Life Insurance category		(50,454)	(47,674)	(46,698)	(46,396)	30,553
New category		-	17,025	(3,594)	(3,354)	(2,901)

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	FY21/3
Insurance premiums and others	5,041.8	4,236.4	3,959.9	3,245.5	2,697.9
Ordinary profit	279.7	309.2	264.8	286.6	345.7
Provision for reserve for policyholder dividends	152.6	117.7	111.8	109.2	65.4
Net income	88.5	104.4	120.4	150.6	166.1
Net assets	1,853.2	2,003.1	2,135.1	1,928.3	2,841.4
Total assets	80,336.7	76,831.2	73,905.0	71,664.7	70,172.9
Return on equity	4.7 %	5.4 %	5.8 %	7.4 %	7.0 %
RoEV ¹	4.9 %	9.9 %	8.6 %	(2.8) %	5.0 %
Dividends to shareholders	36.0	40.8	43.2	42.7	42.7
Payout Ratio	40.6 %	39.0 %	35.8 %	28.4 %	25.7 %
EV	3,355.6	3,743.3	3,925.7	3,324.2	4,026.2
Value of New Business	36.8	226.7	223.8	60.6	(12.7)
Core profit (Non-consolidated)	390.0	386.1	377.1	400.6	421.9
Core profit attributable to life insurance activities	311.4	320.3	318.7	320.1	345.6
Spread (positive/negative spread)	78.5	65.8	58.4	80.4	76.3

1. Calculated by excluding economic variance factors.

<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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