

Kampo

**Outline of Financial Results for
the Nine Months Ended December 31, 2017**

February 14, 2018

 **JAPAN POST INSURANCE**

- I am Susumu Miyamoto of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Nine Months Ended December 31, 2017.”
- 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.
- Please look at page 1.

Summary of Financial Results

- Net income was ¥75.0billion (a 10.3% increase year on year) that represented 87.2% towards the full-year financial results forecasts.
- Annualized premiums from new policies for individual insurance were ¥294.5billion, a 23.2% decrease year on year. Annualized premiums from new policies for medical care were ¥43.6 billion, a 9.7% increase year on year.
- Annualized premiums from policies in force for individual insurance were ¥4,899.5 billion, a 1.6% decrease from the end of the previous fiscal year. Annualized premiums from policies in force for medical care were ¥745.4 billion, a 1.3% increase from the end of the previous fiscal year.
- Under the continued low interest rate environment, we increased investments in risk assets (foreign securities and domestic stocks, etc.) to ¥9,163.4 billion (11.9% of total assets).
- Embedded value (EV) increased by ¥469.0 billion from the end of the previous fiscal year to ¥3,824.7 billion. The value of new business was ¥185.2 billion (a ¥159.5 billion increase year on year).

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- The financial results can be summed up in five points.
- Firstly, net income for the current period was ¥75.0 billion, which was a 10.3% increase year on year and represented steady progress of 87.2% towards our full-year financial results forecasts.
- Secondly, although annualized premiums from new policies for individual insurance decreased to ¥294.5 billion, annualized premiums from new policies for medical care were ¥43.6 billion, a 9.7% increase year on year as a result of sales activities with an emphasis on customer protection and the revision of rider in October 2017.
- Thirdly, although annualized premiums from policies in force for individual insurance decreased slightly to ¥4,899.5 billion, annualized premiums from policies in force for medical care were ¥745.4 billion, a 1.3% increase from the end of the previous fiscal year.
- On to the fourth point, in view of the continuing current low interest rate environment, while keeping a focus on ALM, we increased investment in risk assets such as stocks and foreign bonds, and accordingly, increased the exposure of risk assets to 11.9% of total assets.
- Lastly, the fifth point; EV increased by ¥469.0 billion from the end of the previous fiscal year to ¥3,824.7 billion. The value of new business increased by ¥159.5 billion to ¥185.2 billion.
- Please look at page 2.

Financial Highlights

Financial Highlights

(¥bn)

	9 months ended Dec-16	9 months ended Dec-17	Year on year
Ordinary income	6,498.1	5,995.1	(7.7) %
Ordinary profit	220.5	254.8	15.6 %
Net income ¹	68.0	75.0	10.3 %

Financial Results Forecasts

(¥bn)

Year ending Mar-18 (Full-year forecasts)	Progress
7,690.0	78.0 %
250.0	102.0 %
86.0	87.2 %

(¥bn)

	Mar-17	Dec-17	Change
Total assets	80,336.7	77,181.7	(3.9) %
Net assets	1,853.2	2,205.4	19.0 %
Total shareholders' equity	1,526.8	1,565.9	2.6 %

1. Net income attributable to Japan Post Insurance

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- Next, I would like to explain the financial highlights.
- For the current period, ordinary income decreased slightly to ¥5,995.1 billion. However, we achieved steady progress, securing increases respectively to ¥254.8 billion in ordinary profit, and ¥75.0 billion in net income.
- Furthermore, total assets were ¥77,181.7 billion and net assets were ¥2,205.4 billion.
- Please look at page 3.

Overview of Financial Statements (Consolidated)

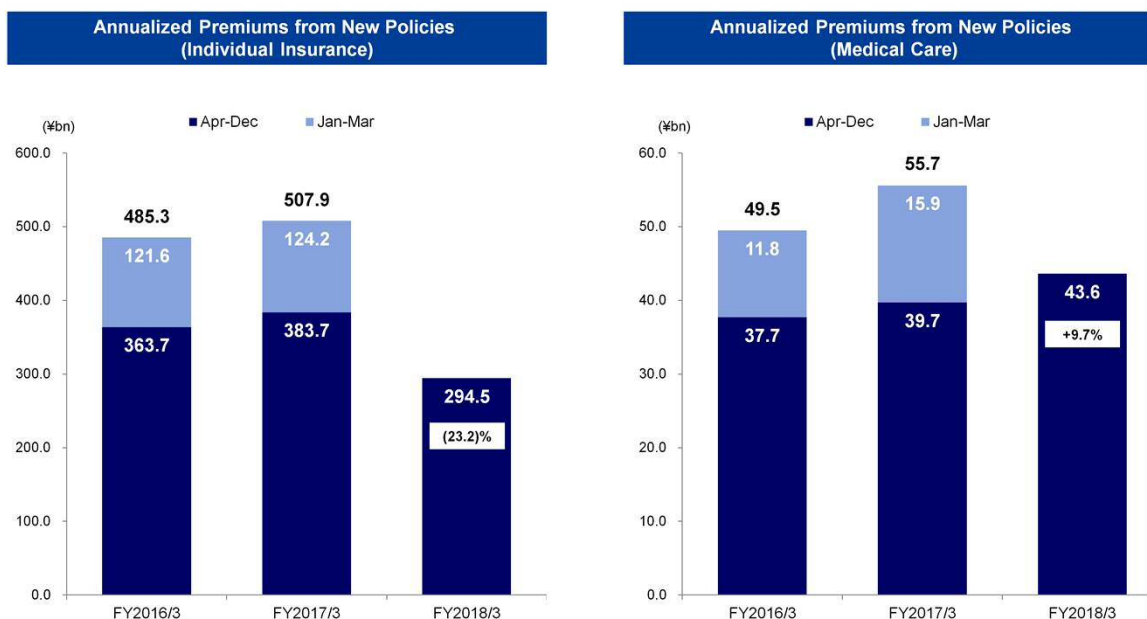
Statement of Income				Balance Sheets				
	9 months ended Dec-16	9 months ended Dec-17	Change	(Reference) Year ended Mar-17		Mar-17	Dec-17	Change
Ordinary income	6,498.1	5,995.1	(502.9)	8,659.4	Assets	80,336.7	77,181.7	(3,155.0)
Insurance premiums and others	3,877.7	3,220.3	(657.4)	5,041.8	Cash and deposits	1,366.0	871.8	(494.2)
Investment income	1,037.0	971.6	(65.3)	1,367.9	Money held in trust	2,127.0	2,778.2	651.1
Reversal of policy reserves	1,509.8	1,747.9	238.0	2,187.2	Securities	63,485.2	61,155.6	(2,329.5)
Ordinary expenses	6,277.5	5,740.2	(537.2)	8,379.6	Loans	8,060.9	7,638.3	(422.5)
Insurance claims and others	5,663.8	5,184.6	(479.1)	7,550.3	Fixed assets	322.7	293.3	(29.4)
Investment expenses	129.9	69.5	(60.4)	160.4	Deferred tax assets	851.9	818.3	(33.5)
Operating expenses	411.8	397.0	(14.7)	560.4	Liabilities	78,483.5	74,976.2	(3,507.3)
Ordinary profit	220.5	254.8	34.3	279.7	Policy reserves	70,175.2	68,427.2	(1,747.9)
Extraordinary profit and loss	(5.7)	(48.1)	(42.3)	(6.8)	Reserve for price fluctuations	788.7	835.5	46.8
Provision for reserve for policyholder dividends	122.9	101.3	(21.6)	152.6	Net assets	1,853.2	2,205.4	352.2
Income before income taxes	91.7	105.4	13.6	120.1	Total shareholders' equity	1,526.8	1,565.9	39.0
Total income taxes	23.7	30.3	6.6	31.5	Total accumulated other comprehensive income	326.3	639.5	313.2
Net income attributable to Japan Post Insurance	68.0	75.0	6.9	88.5				

Note: Only major line items are shown.

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- This is an overview of our financial statements.
- For more information, please refer to the document on financial results.
- Please look at page 4.

Policy Sales (1) Annualized Premiums from New Policies



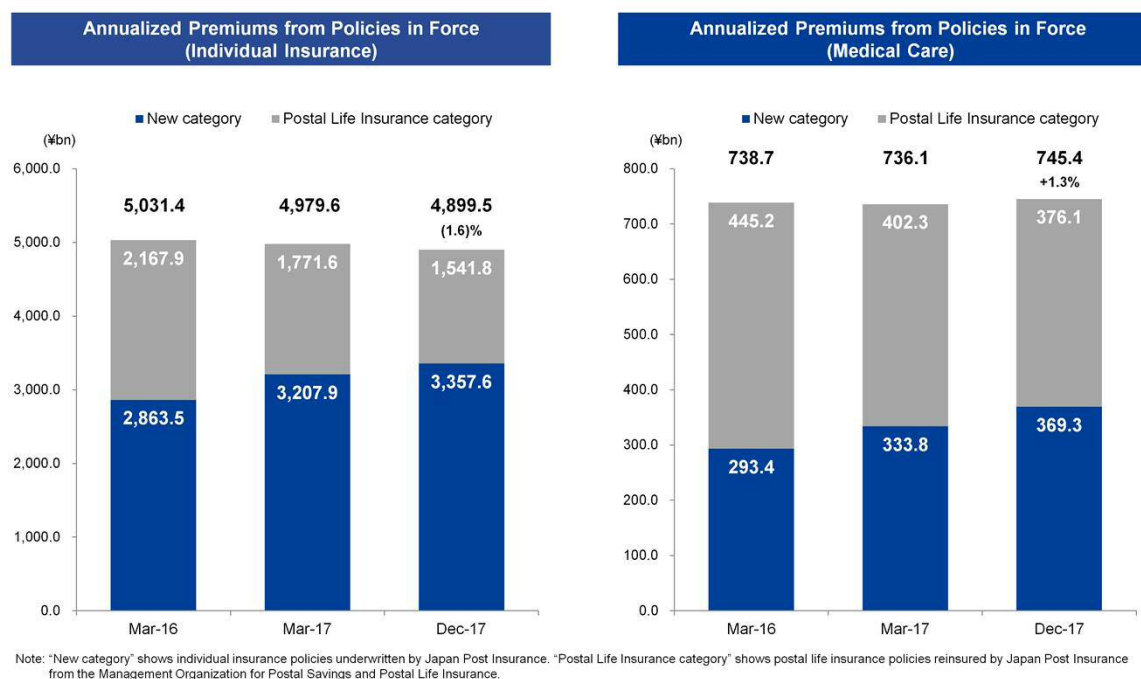
Note 1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium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

Note 2: In addition to the above, the FY2018/3 period saw a net increase of ¥8.4 billion in annualized premiums due to a switchover to the rider launched in October 2017 and an additional rider purchase.

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- From here, I would like to explain our policy sales.
- Annualized premiums from new policies for individual insurance decreased by ¥89.2 billion year on year to ¥294.5 billion, mainly due to the factors including the impact of the insurance premium revision in April 2017.
- Meanwhile, annualized premiums from new policies for medical care increased by ¥3.8 billion year on year to ¥43.6 billion, which was the highest figure we have recorded, indicating the effect of the rider revision in October 2017.
- In addition, the demands for switchover to the new riders by the customers who held riders before the revision and for additional purchase of the revised riders are becoming apparently. These switchovers and additional purchase resulted in a net increase of approximately ¥8.4 billion in annualized premiums.
- We will continue to collaborate with Japan Post Co. and strive to conduct consistent sales activities with an emphasis on customer protection.
- Please look at page 5.

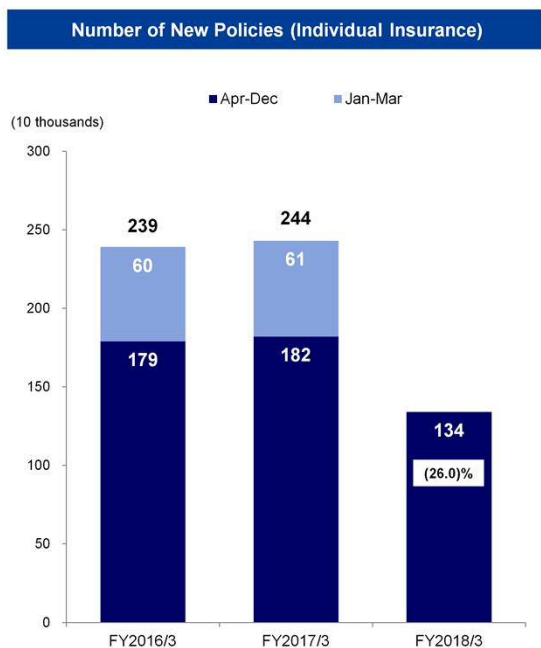
Policy Sales (2) Annualized Premiums from Policies in Force



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- Annualized premiums from policies in force are shown in “Postal Life Insurance category” and “New category.”
- As shown in the chart on the left, annualized premiums from policies in force for individual insurance were ¥4,899.5 billion, representing a slight decrease from the end of the previous fiscal year.
- Annualized premiums from policies in force for medical care increased 1.3% from the end of the previous fiscal year to ¥745.4 billion, showing signs of turning upward.
- Please look at page 6.

Policy Sales (3) Number of New Policies



Breakdown of New Policies (10 thousands)

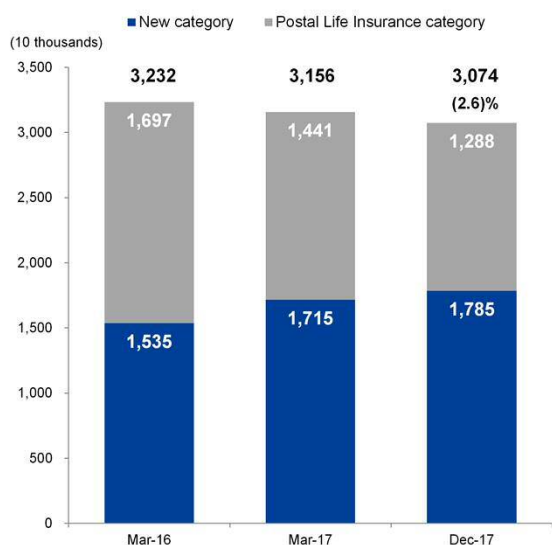
	9 months ended Dec-16		9 months ended Dec-17	
	Number of policies	Share	Number of policies	Share
Individual insurance	182	100.0 %	134	100.0 %
Endowment insurance	92	50.9 %	64	47.6 %
Ordinary endowment insurance	71	39.5 %	38	28.9 %
Special endowment insurance ¹	20	11.4 %	25	18.6 %
Whole life insurance	63	34.9 %	60	44.8 %
Ordinary whole life insurance (Fixed amount type)	23	12.7 %	23	17.1 %
Ordinary whole life insurance (Increased amount type)	18	10.2 %	27	20.2 %
Special whole life insurance	21	11.9 %	10	7.5 %
Educational endowment insurance	25	14.2 %	10	7.6 %
Other insurance	0	0.0 %	0	0.0 %

Note: Only major products are shown.
1. Increased amount type endowment insurance

- The chart on the left shows changes in the number of new policies, with a breakdown by product on the right.
- The number of new policies acquired during the current period decreased by approximately 470 thousand year on year to approximately 1,340 thousand.
- By product, the ratio of savings-featured product such as ordinary endowment insurance, special whole life insurance and educational endowment insurance decreased due to the impact of the revision of insurance premiums.
- On the other hand, the ratio of special endowment insurance, ordinary whole life insurance (fixed amount type) and ordinary whole life insurance (increased amount type) increased as a result of sales promotion activities to capture protection needs.
- The number of new policies for the reduced surrender value whole life insurance launched in October 2017 was around 50 thousand, which accounted for approximately 30% of the number of new policies for whole life insurance (180 thousand) acquired in the third quarter of the fiscal year ending March 31, 2018.
- Please look at page 7.

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-17		Dec-17	
	Number of policies	Share	Number of policies	Share
Individual insurance	3,156	100.0 %	3,074	100.0 %
Endowment insurance	1,349	42.8 %	1,279	41.6 %
Ordinary endowment insurance	846	26.8 %	813	26.4 %
Special endowment insurance ¹	482	15.3 %	449	14.6 %
Whole life insurance	1,279	40.6 %	1,297	42.2 %
Ordinary whole life insurance (Fixed amount type)	406	12.9 %	414	13.5 %
Ordinary whole life insurance (Increased amount type)	239	7.6 %	256	8.3 %
Special whole life insurance	633	20.1 %	625	20.4 %
Educational endowment insurance	512	16.2 %	484	15.8 %
Other insurance	14	0.5 %	13	0.5 %

Note: Only major products are shown.
 1. Increased amount type endowment insurance

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- Changes in the number of policies in force and its breakdown are presented on this page.
- The number of policies in force, which is the total of "New category" and "Postal Life Insurance category," decreased by approximately 810 thousand from the end of the previous fiscal year to 30.74 million.
- The breakdown of the number of policies in force by product is shown in the chart on the right.
- Due to the increasing number of policies of whole life insurance, the ratio of whole life insurance has exceeded that of endowment insurance.
- Please look at page 8.

Investments (1) Asset Portfolio

Asset Portfolio					Investment Yield			
					(#bn)			
	Mar-17		Dec-17			9 months ended Dec-16	9 months ended Dec-17	(Reference) Year ended Mar-17
	Amount	Share	Amount	Share				
Bonds	57,581.2	71.7	54,656.3	70.8				
Japanese government bonds	42,732.3	53.2	40,403.7	52.3	Positive spread	51.0	46.3	78.5
Japanese local government bonds	9,226.8	11.5	8,793.0	11.4	Average assumed rates of return ¹	1.73 %	1.71 %	1.73 %
Japanese corporate bonds ²	5,622.0	7.0	5,459.6	7.1	Investment return on core profit ²	1.83 %	1.80 %	1.84 %
Risk assets	7,963.7	9.9	9,163.4	11.9	Net capital gains (losses)	(37.2)	0.4	(51.1)
Domestic stocks ¹	1,626.0	2.0	2,058.2	2.7				
Foreign stocks ¹	309.0	0.4	358.1	0.5				
Foreign bonds etc. ^{1,2}	6,028.6	7.5	6,713.9	8.7				
Loans	8,060.9	10.0	7,638.3	9.9				
Others	6,730.9	8.4	5,723.5	7.4				
Cash and deposits, call loans	1,516.0	1.9	1,036.8	1.3	Interest rate (10Y JGB)	0.040 %	0.045 %	0.065 %
Receivables under securities borrowing transactions	3,520.7	4.4	2,802.9	3.6	USD/JPY	¥ 116.49	¥ 113.00	¥ 112.19
Total assets	80,336.7	100.0	77,181.7	100.0				

1. Risk assets include assets invested in money held in trust.
2. Foreign bonds etc. include foreign-currency-denominated bonds and investment trusts recorded under Japanese corporate bonds and other securities, respectively, on the balance sheet.

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.

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- I would like to move on to the results of investments.
- As shown on the left, we mainly invest in bonds from the standpoint of ALM to match yen-denominated interest-bearing assets with yen-denominated interest-bearing liabilities.
- Due to our efforts to diversify our investment assets under the current low interest rate environment, the amount and proportion of risk assets such as stocks and foreign bonds reached ¥9.1 trillion, which accounts for 11.9% of total assets at the end of the current period.
- Regarding the proportion of risk assets to total assets, we intend to continue investing in risk assets with a close watch on the market environment going forward. We expect this proportion to reach around 12% by the end of March 2018.
- As shown in the chart on the right, the positive spread of ¥46.3 billion was achieved, as the average assumed rates of return and the investment return on core profit decreased.
- Capital gain was ¥0.4 billion, which still demonstrates an improvement from the previous fiscal year when we suffered the impact of market fluctuations.
- Please look at page 9.

Investments (2) Fair Value Information of Securities

Fair Value Information of Securities

(¥bn)

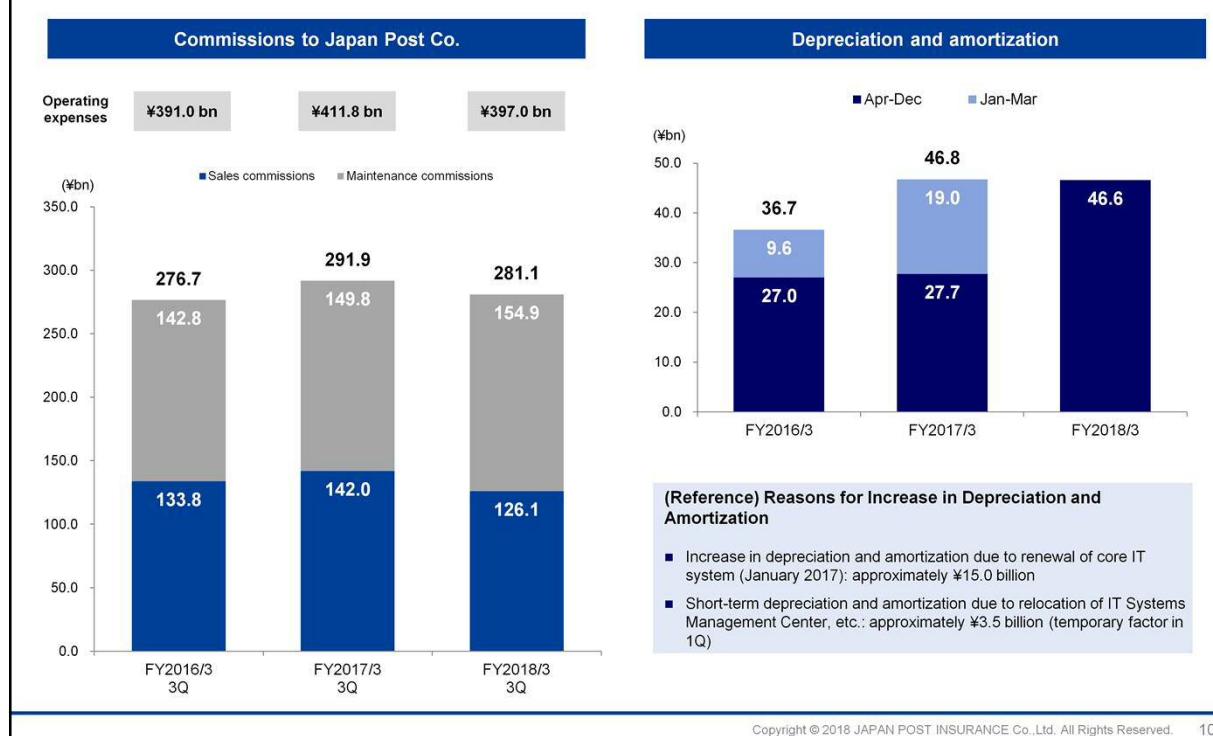
	Mar-17			Dec-17		
	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)
Total	65,541.9	73,242.5	7,700.5	63,682.0	71,675.7	7,993.6
Held-to-maturity bonds	40,441.8	46,518.6	6,076.8	39,342.3	45,361.2	6,018.8
Policy-reserve-matching bonds	12,517.3	13,697.4	1,180.0	10,931.2	12,027.0	1,095.8
Available-for-sale securities	12,582.7	13,026.4	443.6	13,408.5	14,287.4	878.9
Securities etc.	10,836.4	10,899.3	62.9	11,325.6	11,544.2	218.6
Bonds	4,758.4	4,796.8	38.4	4,565.9	4,601.8	35.8
Domestic stocks	50.2	54.0	3.8	102.6	120.9	18.3
Foreign securities	4,224.6	4,253.7	29.1	4,176.0	4,317.8	141.7
Other securities	1,428.0	1,417.1	(10.8)	1,816.7	1,837.1	20.4
Deposits etc.	375.1	377.5	2.4	664.1	666.3	2.2
Money held in trust ¹	1,746.3	2,127.0	380.7	2,082.8	2,743.2	660.3
Domestic stocks	1,252.1	1,571.9	319.8	1,389.0	1,937.2	548.1
Foreign stocks	267.1	309.0	41.9	271.2	358.1	86.9
Foreign bonds	166.9	185.9	18.9	321.5	346.7	25.2

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. Total money held in trust includes cash and deposits and others.

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- This slide shows the fair value of securities and net unrealized gains or losses.
- Net unrealized gains on held-to-maturity bonds and policy-reserve-matching bonds decreased slightly year on year to ¥7,114.7 billion in total mainly due to the decrease in total assets.
- Net unrealized gains on available-for-sale securities increased from the end of the previous fiscal year to ¥878.9 billion mainly due to an increase in net unrealized gains on domestic stocks, reflecting a rise in the stock markets.
- In total, net unrealized gains on securities slightly increased from the end of the previous year to ¥7,993.6 billion.
- Please look at page 10.

Expenses



- Expenses for the period are presented on this page.
- Operating expenses for the current period were ¥397.0 billion, of which approximately 70% consists of commissions paid to Japan Post Co.
- The commissions consist of sales commissions corresponding to actual sales of new policies and maintenance commissions paid for outsourced operations of maintenance and payment services.
- Commissions for the current period decreased by ¥10.7 billion year on year to ¥281.1 billion due to a decline in new policies.
- As shown in the chart on the upper right, depreciation and amortization for the current period increased by ¥18.9 billion year on year to ¥46.6 billion. This was the result of an increase in depreciation and amortization due to the renewal of the core IT system (approximately ¥15.0 billion), and due to the relocation of the IT Systems Management Center, which was a temporary factor recorded for the first quarter (approximately ¥3.5 billion).
- Depreciation and amortization for the full term is expected to be in the lower ¥60.0 billion range.
- Please look at page 11.

Financial Soundness

Internal Reserves				Solvency Margin Ratio (Consolidated)		
	Mar-17	Dec-17	(¥bn)		Mar-17	Dec-17
Contingency reserve	2,254.0	2,151.2	(102.7)	Solvency Margin Ratio (Consolidated)	1,290.6 %	1,207.8 %
Postal Life Insurance category	1,838.8	1,707.9	(130.8)	Total amount of solvency margin	5,425.8	5,832.2
New category	415.2	443.2	28.0	Total amount of risk	840.7	965.7
Price fluctuations reserve	788.7	835.5	46.8	Real net assets (Consolidated)	12,763.1	13,048.5
Postal Life Insurance category	648.4	667.9	19.4			
New category	140.2	167.6	27.3			
Additional policy reserve ¹	5,961.0	5,927.3	(33.7)			
Postal Life Insurance category	5,961.0	5,927.3	(33.7)			
New category	-	-	-			

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. Additional policy reserve includes the amount determined to be additionally provided over 10 years from the year ended March 31, 2011 for reinsured annuity assumed from the Management Organization for Postal Savings and Postal Life Insurance (for the Nine months ended December 31, 2017, the amount of additional provision was ¥136.0 bn and the accumulated amount was ¥1,346.4 bn).

2. Provisions in the period includes the excess provision of ¥52.9 bn exceeding the provision requirements for contingency reserve and price fluctuations reserve.

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- 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 reserve of ¥2,151.2 billion and reserve for price fluctuations of ¥835.5 billion.
- Additional policy reserve accumulated mainly to cover negative spreads was ¥5,927.3 billion at the end of the current period.
- The consolidated solvency margin ratio was 1,207.8%, maintaining a high level of soundness.
- Please look at page 12.

Embedded Value

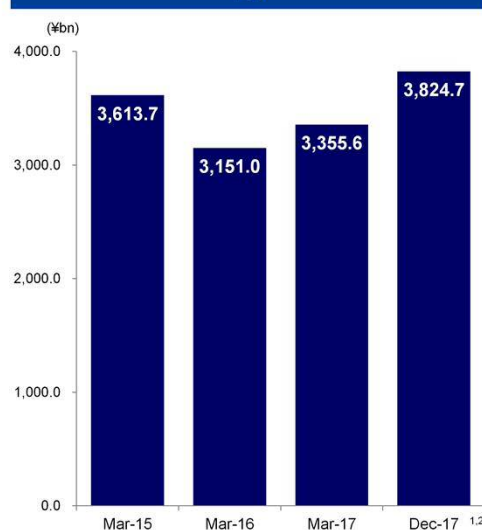
Breakdown of EV

(¥bn)			
	Mar-17	Dec-17 ^{1,2}	Change
EV	3,355.6	3,824.7	469.0
Adjusted net worth	1,965.2	2,103.5	138.3
Value of in-force covered business	1,390.4	1,721.1	330.7

	9 months ended Dec-16 ^{1,3}	9 months ended Dec-17 ^{1,4}	Change
Value of new business	25.6	185.2	159.5

1. Provisional calculations have not been verified by a third party.
2. The adjusted net worth was calculated by reflecting the effect of a gain on transfer of fixed assets (¥85.0 billion) announced on February 1, 2018.
3. Using the economic assumptions as of the end of September 2016, based on the new policies written in the period from April to December 2016.
4. 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. The value of new business includes an increase or decrease due to a switchover of riders.

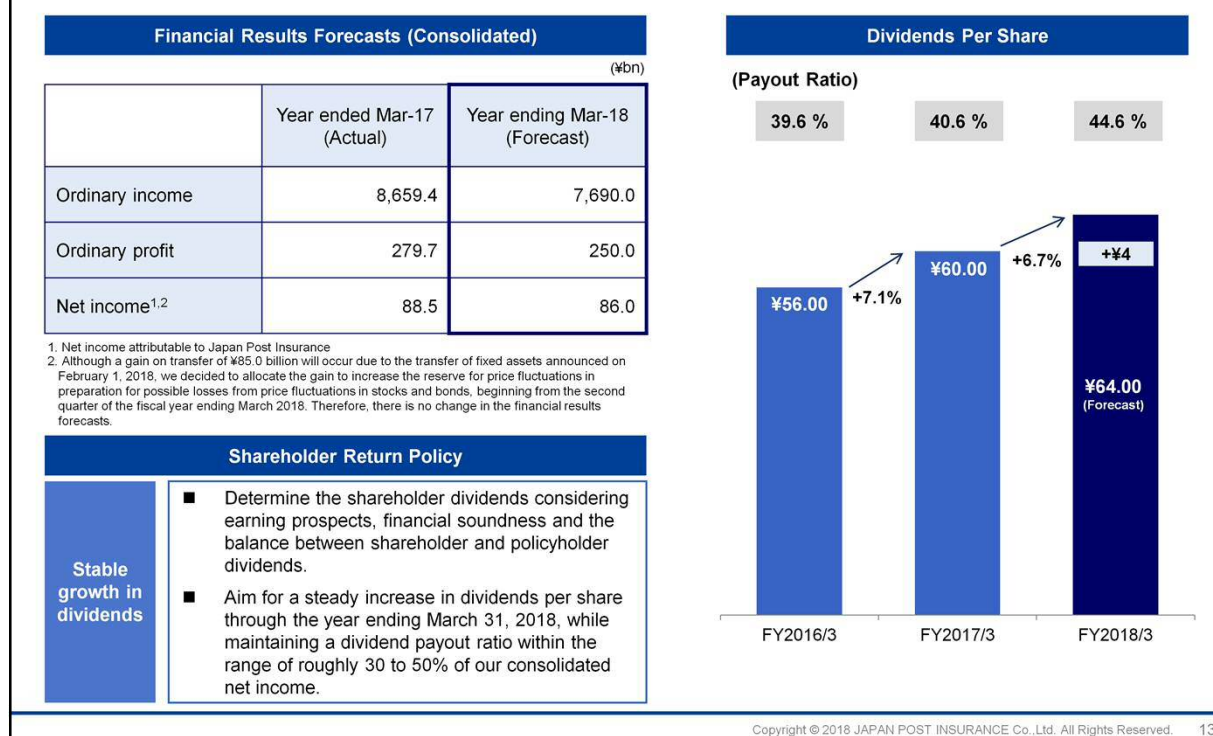
EV



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- I would like to talk about the current status of EV.
- EV at the end of the current period was ¥3,824.7 billion, up ¥469.0 billion from the end of the previous fiscal year.
- Adjusted net worth reflects the effect of a gain on transfer of fixed assets (¥85.0 billion) announced on February 1, 2018. This effect, as well as increases in net income and retained earnings, increased adjusted net worth by ¥138.3 billion from the end of the previous fiscal year to ¥2,103.5 billion.
- Value of in-force covered business increased by ¥330.7 billion from the end of the previous fiscal year to ¥1,721.1 billion, due to favorable market conditions and an increase of new policies.
- The value of new business for the current period is calculated based on economic assumption as of the end of September 2017, which is close to the average interest rates from April to December.
- As a result, the value of new business increased by ¥159.5 billion year on year to ¥185.2 billion, mainly due to a rise in interest rates from the previous fiscal year and the revision to insurance premium rates. The new business margin was 5.7%.
- Please note that the EV for the current period is a preliminary calculation for which we have not yet received third-party verification.
- Please look at page 13.

Financial Results Forecasts for the Year Ending March 31, 2018 (Consolidated)

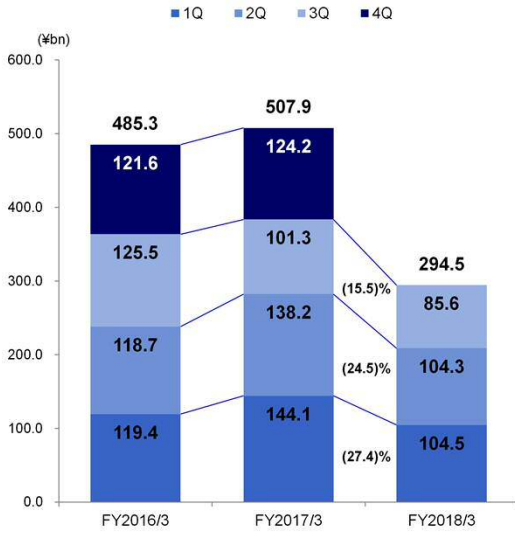


- Finally, I would like to explain about the consolidated financial results forecasts for the year ending March 31, 2018.
- In the current period, our business has been progressing steadily overall. Although some indicators are on the high side, there is no change to our consolidated financial results forecasts for the year ending March 31, 2018 and dividend forecasts at this point of time.
- As stated in the “Notice Regarding Transfer of Fixed Assets” released on February 1, 2018, we expect extraordinary gains of ¥85.0 billion. However, we decided to include an amount equivalent to gains on sales of real estate in accumulating the reserve for price fluctuations, beginning from the second quarter. Therefore, there is no change to our consolidated financial results forecasts for the year ending March 31, 2018.
- This concludes my explanation.

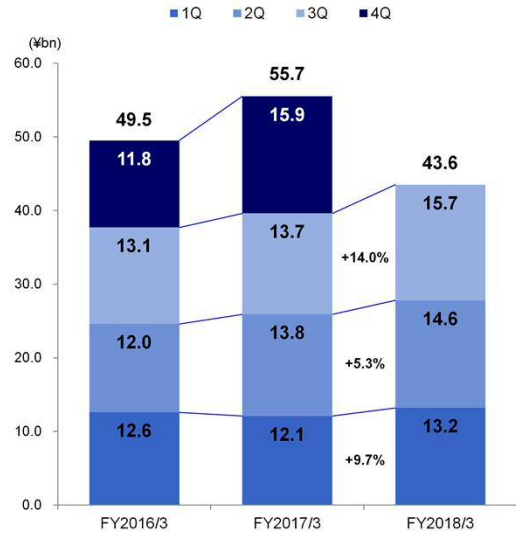
APPENDIX

Quarterly Trends in Annualized Premiums from New Policies

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



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

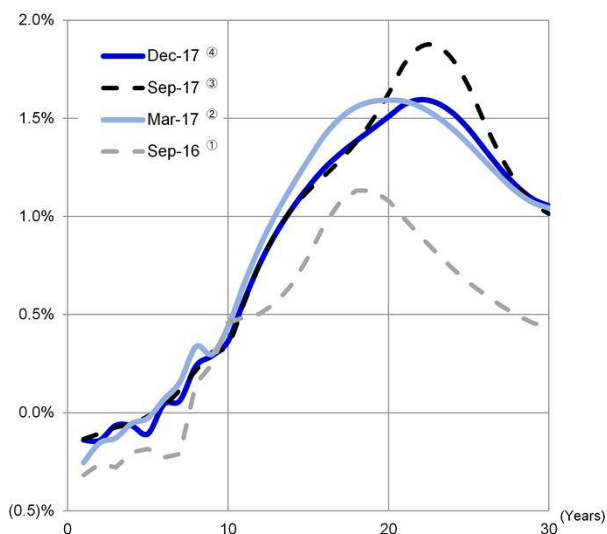


Note 1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium 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 FY2018/3 period saw a net increase of ¥8.4 billion in annualized premiums due to a switchover to the rider launched in October 2017 and an additional rider purchase.

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Sep-16 to Dec-17)



Forward Rate

(%)	Sep-16 ^①	Mar-17 ^②	Sep-17 ^③	Dec-17 ^④
10 years	0.458	0.439	0.343	0.364
20 years	1.081	1.592	1.626	1.508
30 years	0.433	1.043	1.014	1.053

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 FY2017/3 : ①

EV as of the end of March 2017 : ②

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

EV as of the end of December 2017 : ④

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)

		FY2014/3	FY2015/3	FY2016/3	FY2017/3	FY2017/3 3Q	FY2018/3 3Q
Total assets	¥mn	87,088,626	84,911,946	81,543,623	80,336,414	80,300,398	77,182,581
Postal Life Insurance category		67,560,915	61,703,013	55,832,787	51,447,550	51,759,285	47,152,475
New category		19,527,711	23,208,932	25,710,836	28,888,864	28,541,113	30,030,106
Number of policies in force	(000)	34,864	33,489	32,323	31,562	31,761	30,746
Postal Life Insurance category (insurance)		23,195	19,949	16,972	14,411	15,065	12,887
New category (individual insurance)		11,668	13,539	15,350	17,150	16,695	17,859
Insurance premiums and others	¥mn	5,911,643	5,956,716	5,413,862	5,041,868	3,877,753	3,220,309
Postal Life Insurance category		2,155,398	1,697,140	1,322,308	1,002,816	773,480	580,596
New category		3,756,245	4,259,576	4,091,554	4,039,051	3,104,272	2,639,712
Ordinary profit	¥mn	463,506	493,169	413,023	279,347	220,398	254,523
Postal Life Insurance category		382,325	377,145	258,059	185,250	141,758	111,322
New category		81,181	116,024	154,963	94,097	78,640	143,201
Net income	¥mn	63,428	81,758	86,338	88,520	68,171	74,903
Postal Life Insurance category		43,689	36,969	32,850	26,044	20,692	12,815
New category		19,739	44,789	53,487	62,475	47,479	62,087
Contingency reserve (reversal) provision	¥mn	(94,807)	(90,087)	(123,864)	(120,819)	(90,855)	(102,759)
Postal Life Insurance category		(164,732)	(167,144)	(171,199)	(172,881)	(129,900)	(130,821)
New category		69,924	77,057	47,335	52,061	39,045	28,062
Price fluctuations reserve (reversal) provision	¥mn	91,360	97,934	70,100	6,444	5,660	46,848
Postal Life Insurance category		73,857	72,126	8,957	12,625	5,008	19,486
New category		17,502	25,808	61,143	(6,181)	652	27,361
Additional policy reserve (reversal) provision	¥mn	(77,134)	(68,347)	(55,533)	(50,454)	(35,326)	(33,712)
Postal Life Insurance category		(77,134)	(68,347)	(55,533)	(50,454)	(35,326)	(33,712)
New category		-	-	-	-	-	-

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.

Major Financial Results (Consolidated)

	(#bn)					
	FY2014/3	FY2015/3	FY2016/3	FY2017/3	FY2017/3 3Q	FY2018/3 3Q
Insurance premiums and others	5,911.6	5,956.7	5,413.8	5,041.8	3,877.7	3,220.3
Ordinary profit	462.7	492.6	411.5	279.7	220.5	254.8
Provision for reserve for policyholder dividends	242.1	200.7	178.0	152.6	122.9	101.3
Net income	62.8	81.3	84.8	88.5	68.0	75.0
Net assets	1,538.1	1,975.7	1,882.9	1,853.2	1,875.9	2,205.4
Total assets	87,092.8	84,915.0	81,545.1	80,336.7	80,300.6	77,181.7
Return on equity	4.2 %	4.6 %	4.4 %	4.7 %	-	-
Return on shareholders' equity	4.7 %	5.9 %	5.9 %	5.9 %	-	-
Dividends to shareholders	16.8	24.5	33.6	36.0	-	-
Payout ratio	26.8 %	30.2 %	39.6 %	40.6 %	-	-
[Reference] Core profit (Non-consolidated)	482.0	515.4	464.2	390.0	302.5	287.3

<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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