

Kampo

**Outline of Financial Results for
the Three Months Ended June 30, 2019**

August 9, 2019

 **JAPAN POST INSURANCE**

Summary of Financial Results

	3months ended Jun-19	Year on Year	
Net income	¥ 33.7bn	(0.9) %	<ul style="list-style-type: none"> ➤ Net income was ¥ 33.7billion (a 0.9% decrease year on year), achieving 36.3% towards the full-year financial results forecasts.
Annualized premiums from New policies	(Individual Insurance) ¥ 93.5bn	(1.1) %	<ul style="list-style-type: none"> ➤ Annualized premiums from new policies for individual insurance were ¥ 93.5billion, a 1.1% decrease year on year. ➤ Annualized premiums from new policies for medical care were ¥ 16.6billion, a 2.2% decrease year on year.
	(Medical Care) ¥ 16.6bn	(2.2) %	
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 4,647.1bn	(0.6) %	<ul style="list-style-type: none"> ➤ Annualized premiums from policies in force for individual insurance were ¥ 4,647.1billion, a 0.6% decrease from the end of the previous fiscal year. ➤ Annualized premiums from policies in force for medical care were ¥ 755.7billion, a 0.4% increase from the end of the previous fiscal year.
	(Medical Care) ¥ 755.7bn	+ 0.4 %	
Return seeking assets	¥ 10,187.4bn	(0.3) %	<ul style="list-style-type: none"> ➤ Investments in return seeking assets (foreign securities etc.) were ¥ 10,187.4billion, a 0.3% decrease from the end of the previous fiscal year. ➤ The ratio of return seeking assets to total assets was 13.9%.
Solvency Margin Ratio	1,198.5 %	8.7 points	<ul style="list-style-type: none"> ➤ The solvency margin ratio was 1,198.5%, an 8.7 points increase from the end of the previous fiscal year.

Financial Highlights

Financial Highlights

(¥bn)

	3 months ended Jun-18	3 months ended Jun-19	Year on year
Ordinary income	1,978.6	1,818.9	(8.1) %
Ordinary profit	75.2	56.0	(25.6) %
Net income ¹	34.0	33.7	(0.9) %
Net income per share	¥ 56.83	¥ 59.59	+ ¥ 2.75

Comparison with Forecasts

(¥bn)

Year ended Mar-20 (Financial results forecasts)	Achievement
7,180.0	25.3 %
190.0	29.5 %
93.0	36.3 %
¥ 165.03	36.1 %

(¥bn)

	Mar-19	Jun-19	Change
Total assets	73,905.0	73,455.7	(0.6) %
Net assets	2,135.1	2,087.6	(2.2) %
Total shareholders' equity	1,675.1	1,565.7	(6.5) %

1. Net income attributable to Japan Post Insurance.

Overview of Financial Statements

Statement of Income

	3 months ended Jun-18	3 months ended Jun-19	Change	(Reference) Year ended Mar-19
Ordinary income	1,978.6	1,818.9	(159.7)	7,916.6
Insurance premiums and others	1,014.8	935.8	(78.9)	3,959.9
Investment income	307.6	276.9	(30.6)	1,204.4
Reversal of policy reserves	621.3	568.7	(52.6)	2,716.7
Ordinary expenses	1,903.4	1,762.9	(140.4)	7,651.7
Insurance claims and others	1,715.0	1,576.6	(138.3)	6,868.8
Investment expenses	34.8	31.1	(3.7)	146.0
Operating expenses	125.0	128.0	2.9	519.8
Ordinary profit	75.2	56.0	(19.2)	264.8
Extraordinary profit and loss	(0.3)	15.6	15.9	17.5
Provision for reserve for policyholder dividends	26.8	20.7	(6.0)	111.8
Income before income taxes	48.0	50.9	2.8	170.6
Total income taxes	13.9	17.1	3.1	50.1
Net income attributable to Japan Post Insurance	34.0	33.7	(0.3)	120.4

Balance Sheets

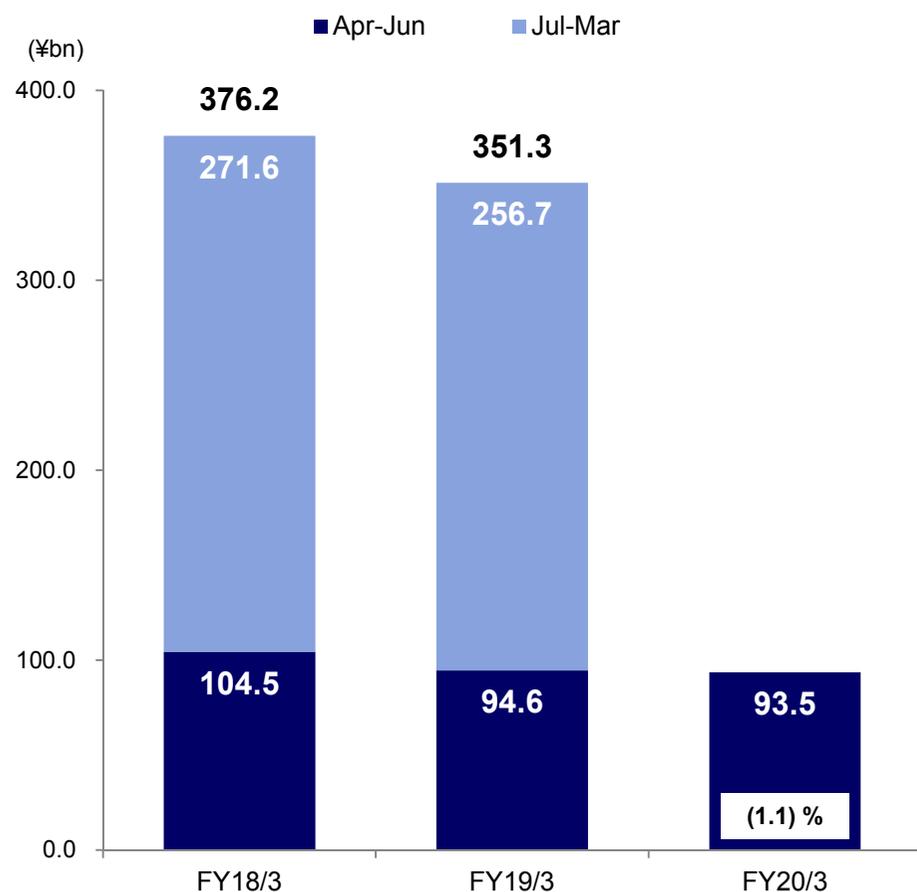
	Mar-19	Jun-19	Change
Total Assets	73,905.0	73,455.7	(449.2)
Cash and deposits	917.7	875.6	(42.0)
Money held in trust	2,787.5	2,777.2	(10.2)
Securities	58,451.5	58,470.5	18.9
Loans	6,786.0	6,428.4	(357.6)
Fixed assets ¹	261.6	257.8	(3.8)
Deferred tax assets	1,022.0	1,016.6	(5.4)
Total Liabilities	71,769.8	71,368.1	(401.7)
Policy reserves	65,060.5	64,491.8	(568.7)
Reserve for price fluctuations	897.4	881.8	(15.6)
Net assets	2,135.1	2,087.6	(47.4)
Total shareholders' equity	1,675.1	1,565.7	(109.3)
Total accumulated other comprehensive income	460.0	521.9	61.8

Note: Only major line items are shown.

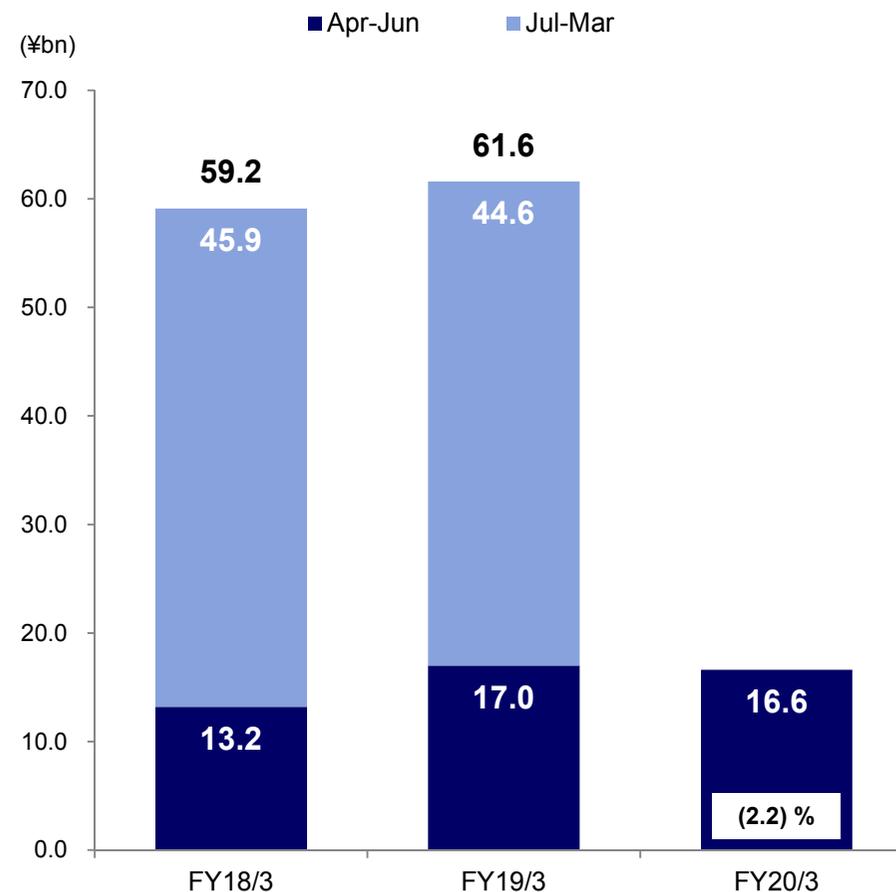
1. Sum of Tangible fixed assets and Intangible fixed assets

Policy Sales (1) Annualized Premiums from New Policies

Annualized Premiums from New Policies
(Individual Insurance)



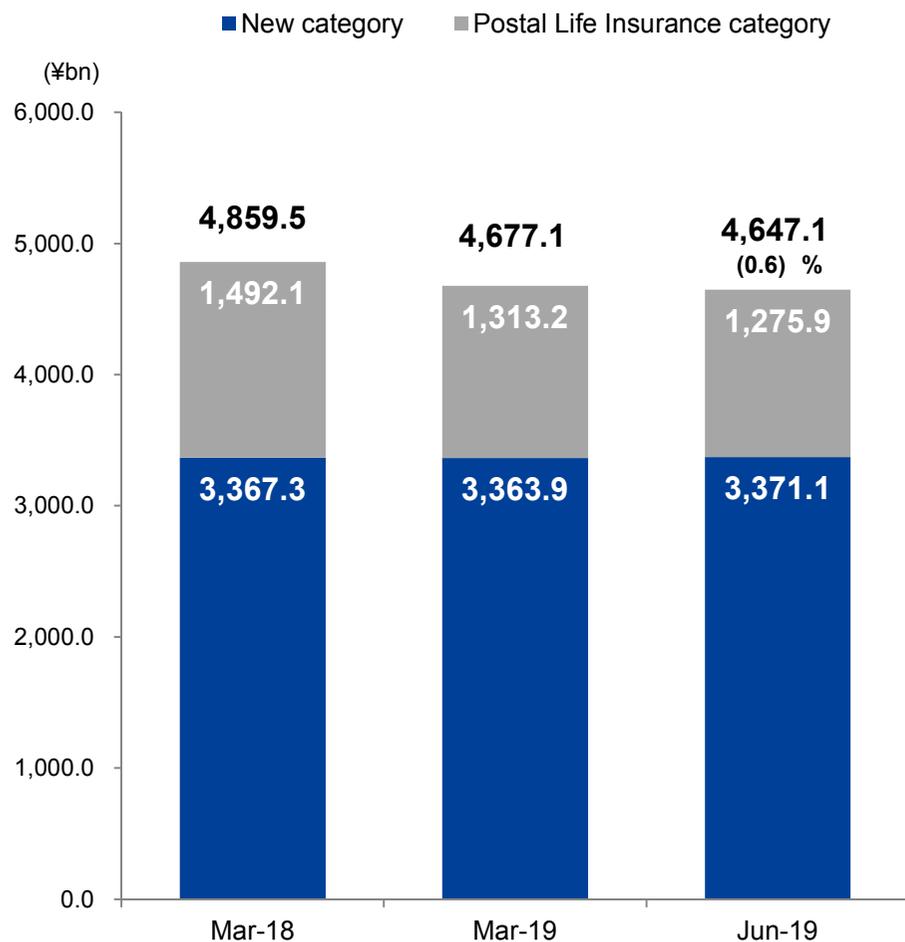
Annualized Premiums from New Policies
(Medical Care)



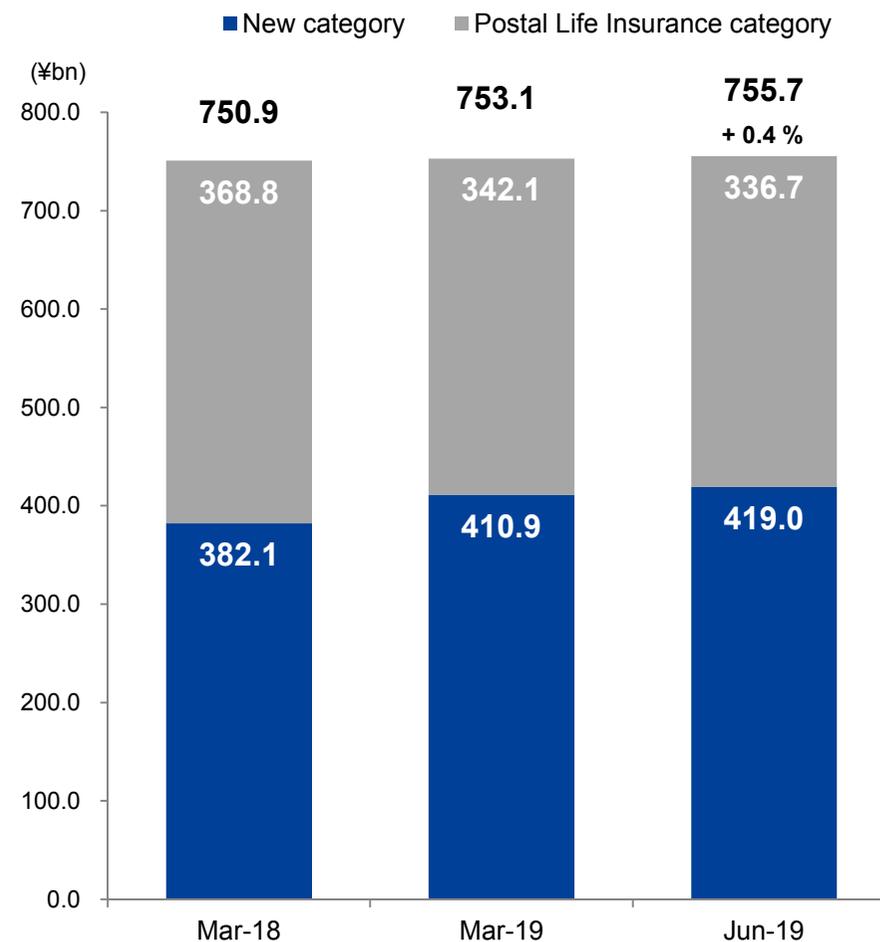
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.) Medical care corresponds to medical and living benefits, etc. Annualized premiums (individual insurance) include the premiums for medical care related to individual insurance.

Policy Sales (2) Annualized Premiums from Policies in Force

Annualized Premiums from Policies in Force (Individual Insurance)



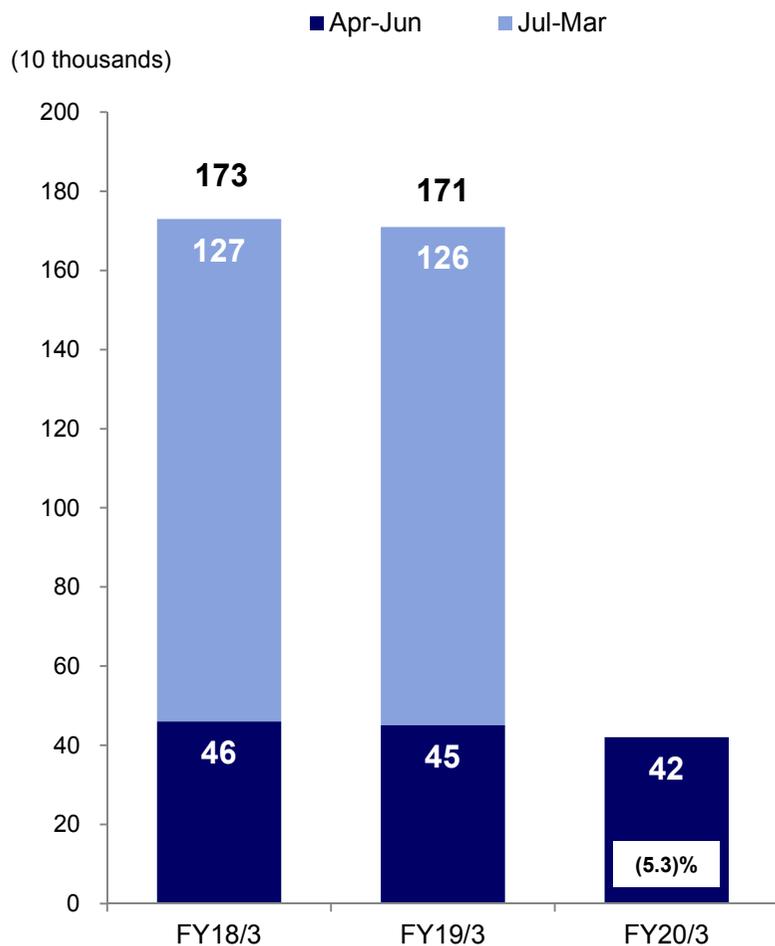
Annualized Premiums from Policies in Force (Medical Care)



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 Postal Management and Support Organization (until March 31, 2019, known as '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)

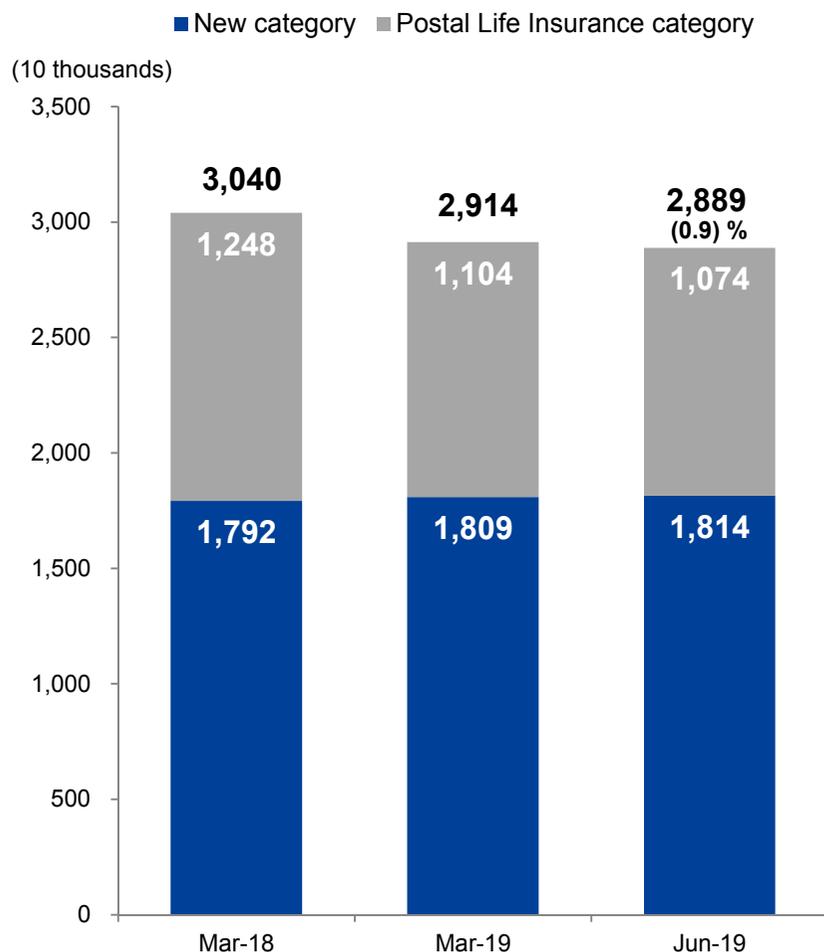
	3 months ended Jun-18		3 months ended Jun-19	
	Number of policies	Share	Number of policies	Share
Individual insurance	45	100.0 %	42	100.0 %
Endowment insurance	22	49.7 %	21	49.2 %
Ordinary endowment insurance	12	27.5 %	10	24.5 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	-	-	2	5.7 %
Special endowment insurance ¹	10	22.2 %	8	19.0 %
Whole life insurance	19	43.0 %	19	44.9 %
Ordinary whole life insurance (Fixed amount type)	6	13.7 %	4	10.8 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	-	-	5	12.0 %
Ordinary whole life insurance (Increased amount type)	10	23.3 %	7	17.9 %
Special whole life insurance	2	6.0 %	1	4.2 %
Educational endowment insurance	3	7.1 %	2	5.7 %
Other insurance	0	0.2 %	0	0.1 %

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 Postal Management and Support Organization.

Breakdown of Policies in Force

(10 thousands)

	Mar-19		Jun-19	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,914	100.0 %	2,889	100.0 %
Endowment insurance	1,165	40.0 %	1,146	39.7 %
Ordinary endowment insurance	745	25.6 %	732	25.3 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	-	-	2	0.1 %
Special endowment insurance ¹	410	14.1 %	403	14.0 %
Whole life insurance	1,301	44.6 %	1,304	45.2 %
Ordinary whole life insurance (Fixed amount type)	412	14.1 %	411	14.2 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	-	-	5	0.2 %
Ordinary whole life insurance (Increased amount type)	281	9.7 %	284	9.9 %
Special whole life insurance	606	20.8 %	603	20.9 %
Educational endowment insurance	434	14.9 %	424	14.7 %
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-19		Jun-19	
	Amount	Share	Amount	Share
Bonds	50,960.1	69.0 %	51,005.8	69.4%
Japanese government bonds	38,041.4	51.5 %	38,095.1	51.9%
Japanese local government bonds	7,515.9	10.2 %	7,413.9	10.1%
Japanese corporate bonds	5,402.7	7.3 %	5,496.7	7.5%
Return seeking assets ¹	10,217.7	13.8 %	10,187.4	13.9%
Domestic stocks ²	1,756.0	2.4 %	1,696.8	2.3%
Foreign stocks ²	345.5	0.5 %	344.0	0.5%
Foreign bonds ²	6,708.7	9.1 %	6,779.4	9.2%
Other ³	1,407.3	1.9 %	1,367.0	1.9%
Loans	6,786.0	9.2 %	6,428.4	8.8%
Others	5,940.9	8.0 %	5,834.0	7.9%
Cash and deposits, call loans	1,067.7	1.4 %	1,015.6	1.4%
Receivables under securities borrowing transactions	2,792.2	3.8 %	2,857.3	3.9%
Total assets	73,905.0	100.0 %	73,455.7	100.0%

Spread and Investment Yield

(¥bn)

	3 months ended Jun-18	3 months ended Jun-19	(Reference) Year ended Mar-19
Positive spread	10.1	12.5	58.4
Average assumed rates of return ¹	1.71 %	1.69 %	1.70 %
Investment return on core profit ²	1.77 %	1.77 %	1.79 %

Net capital gains (losses)	(15.6)	(31.6)	(83.7)
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	Jun-18	Jun-19	Mar-19
Interest rate (10Y JGB)	0.030 %	(0.165) %	(0.095) %
USD/JPY	¥ 110.54	¥ 107.79	¥ 110.99

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.

1. Return seeking assets include domestic and foreign stocks, foreign-currency-denominated bonds, investment trusts, etc. held for investment purposes among the assets recorded under "money held in trust" and "securities" on the balance sheet.

2. "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts that invest only in the specified assets.

3. "Bank loans," "multi-asset" and "real estate fund" etc.

Investments (2) Fair Value Information of Securities

Fair Value Information of Securities

(¥bn)

	Mar-19			Jun-19		
	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)
Total	61,196.0	69,706.0	8,509.9	60,926.4	70,056.9	9,130.5
Held-to-maturity bonds	36,391.2	43,113.4	6,722.1	36,385.0	43,568.3	7,183.2
Policy-reserve-matching bonds	10,570.0	11,724.3	1,154.3	10,662.2	11,886.1	1,223.9
Available-for-sale securities	14,234.7	14,868.1	633.4	13,879.1	14,602.5	723.3
Securities etc.	12,000.3	12,240.9	240.6	11,650.4	12,023.7	373.2
Bonds	4,197.3	4,265.4	68.0	4,103.3	4,190.2	86.8
Domestic stocks	211.7	200.8	(10.8)	210.2	192.8	(17.4)
Foreign securities	5,006.6	5,186.9	180.2	5,003.3	5,272.1	268.7
Other securities	1,826.8	1,827.7	0.9	1,725.9	1,758.7	32.7
Deposits etc.	757.7	759.9	2.1	607.4	609.7	2.2
Money held in trust	2,234.3	2,627.2	392.8	2,228.6	2,578.7	350.1
Domestic stocks ¹	1,263.8	1,555.2	291.3	1,262.6	1,504.0	241.3
Foreign stocks ¹	269.6	345.5	75.8	271.8	344.0	72.1
Foreign bonds ¹	528.0	550.3	22.2	530.7	562.8	32.1
Other ²	172.7	176.1	3.4	163.3	167.8	4.4

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

Operating Expenses (Commissions¹ etc.)

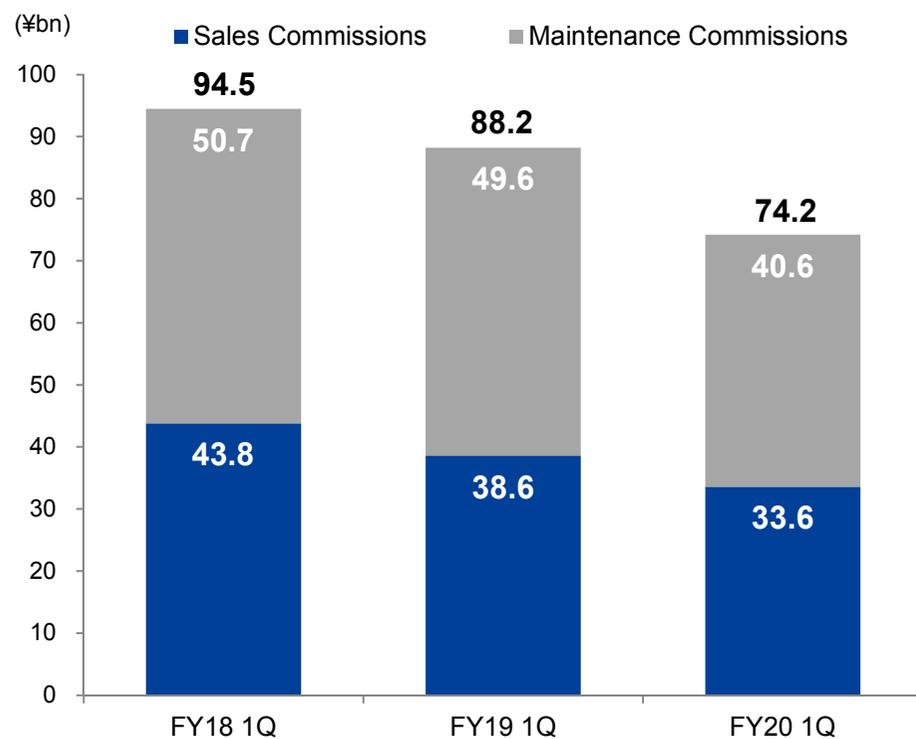
Operating expenses

3months
(Full-year)

¥ 130.8bn
(¥ 533.4bn)

¥ 125.0bn
(¥ 519.8bn)

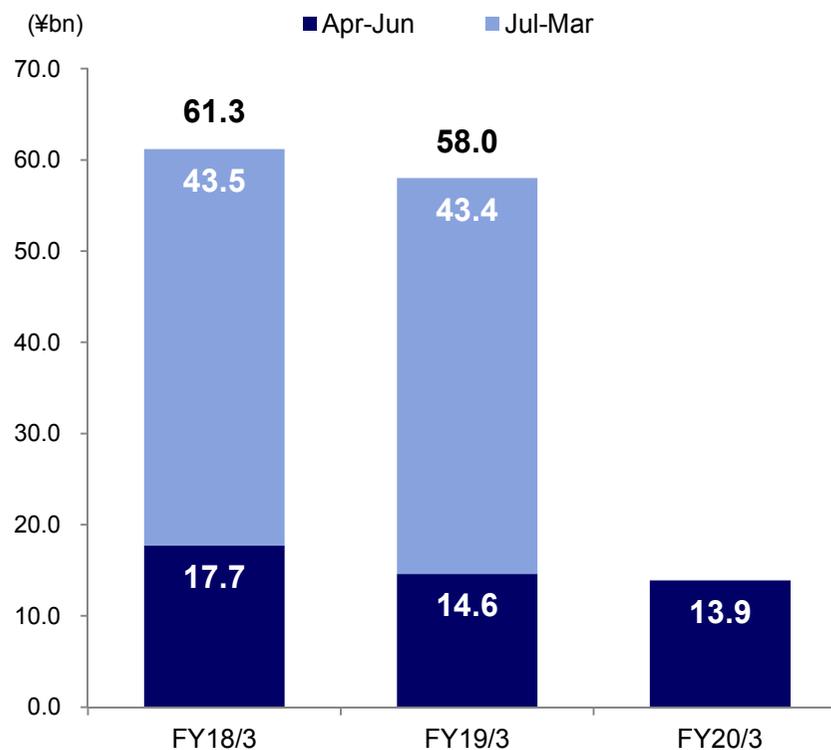
¥ 128.0bn



Contributions² ¥ 14.4bn

Payments to The Postal Management and Support Organization required by the related law from FY20/3

Depreciation and amortization



1. Commissions paid to Japan Post Co.
2. Contributions paid to The Postal Management and Support Organization based on the related law. (amount corresponding to 1Q out of the expected amount of ¥57.5 billion for FY20/3)

Financial Soundness

Internal Reserves

	Mar-19	Jun-19	(¥bn)
			Provisions in the period
Contingency reserve	1,962.7	1,921.4	(41.3)
Postal Life Insurance category	1,491.4	1,448.3	(43.1)
New category	471.2	473.0	1.7
Price fluctuations reserve	897.4	881.8	(15.6)
Postal Life Insurance category	661.8	653.8	(8.0)
New category	235.6	227.9	(7.6)
Additional policy reserve	5,880.1	5,868.4	(11.7)
Postal Life Insurance ¹ Category	5,866.6	5,855.8	(10.8)
New category ²	13.4	12.5	(0.8)

Solvency Margin Ratio

	Mar-19	Jun-19	(¥bn)
Solvency Margin Ratio	1,189.8 %	1,198.5 %	
Total amount of solvency margin	5,647.8	5,593.0	
Total amount of risk	949.3	933.3	
Real net assets	13,535.7	13,984.2	

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 3months ended June 30, 2019, the amount of additional provision was ¥ 44.6bn and the accumulated amount was ¥ 1,615.8bn).

2. The amount accumulated in the year ended March 31, 2018 for single-payment annuity policies among the individual annuities underwritten by Japan Post Insurance.

Forecasts for Full-year Financial Results and Shareholder Return for the Year Ending March 31, 2020

Full-year Financial Results Forecast

- At this time, the company is not modifying the financial forecast for the Fiscal Year Ending March 31, 2020 announced on May 15, 2019 while considering the influence of ‘Investigation of Rewritten Insurance Policies and Initiatives for Improvement’ announced on July 31, 2019.
- We anticipate the financial impact from declines in new policies written and additional costs for investigation will be partially offset by decreased expenses for sales and underwriting, and current favorable investment performance.

(¥bn)

	Year ended Mar-19 (Actual)	Year ending Mar-20 (Forecast)
Ordinary income	7,916.6	7,180.0
Ordinary profit	264.8	190.0
Net income ¹	120.4	93.0
Net income per share ²	¥ 200.86	¥ 165.03

1. Net income attributable to Japan Post Insurance

2. Net income per share in the consolidated financial results forecasts for the year ending March 31, 2020 has been calculated, considering the impact of the acquisition of the treasury stock on April 2019, and the cancellation of the treasury stock on May 2019.

Shareholder Return Policy

- Aim for a steady increase in dividends per share while considering earning prospects and financial soundness

Shareholder Return for the Year Ended March 31, 2019

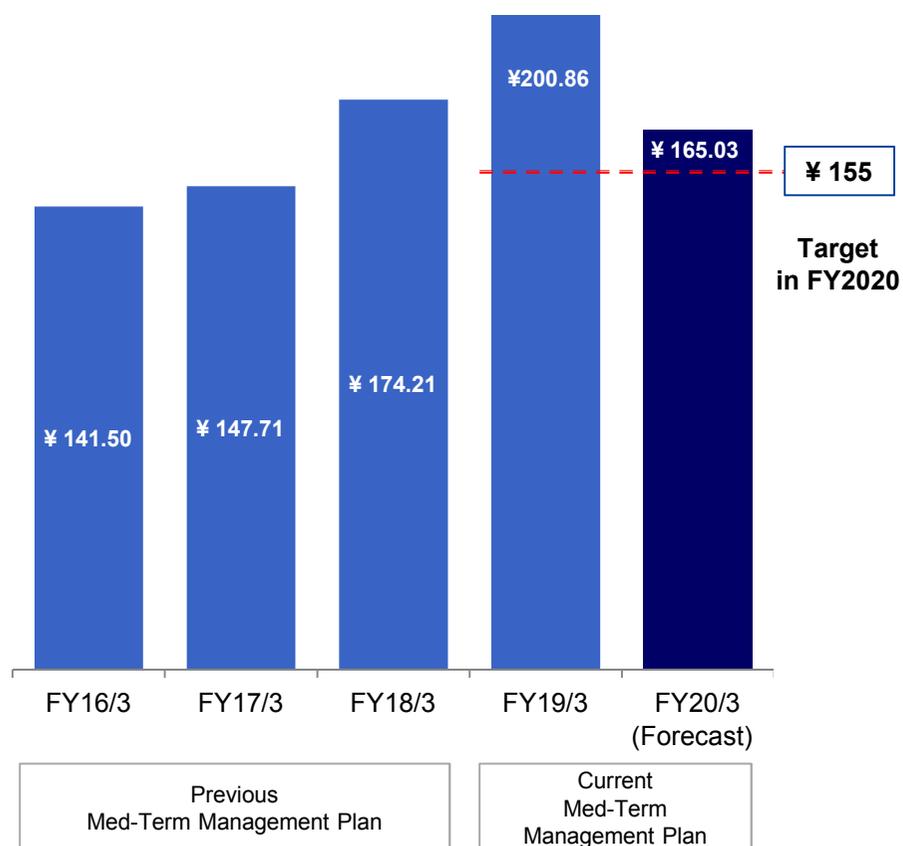
- The year-end dividend for the year ended March 31, 2019, is ¥ 72 per share, including an ordinary dividend of ¥ 68 and a special dividend of ¥ 4.
- Share repurchase in April 2019 (Approx. ¥ 100.0bn)

Shareholder Return for the Year Ending March 31, 2020

- Increase the ordinary dividend by ¥ 8 per share to ¥ 76 (forecast)
 - Increase ordinary dividends per share, taking into account of the share repurchase
- Pay dividends from surplus twice a year; an interim and a year-end dividends
 - Increase the opportunities to return profits to shareholders
- Canceled treasury stock (37.4 million shares)
 - Cancel almost the same amount of treasury stock as that acquired in April 2019

Earnings Per Share and Shareholder Return

Earnings Per Share¹

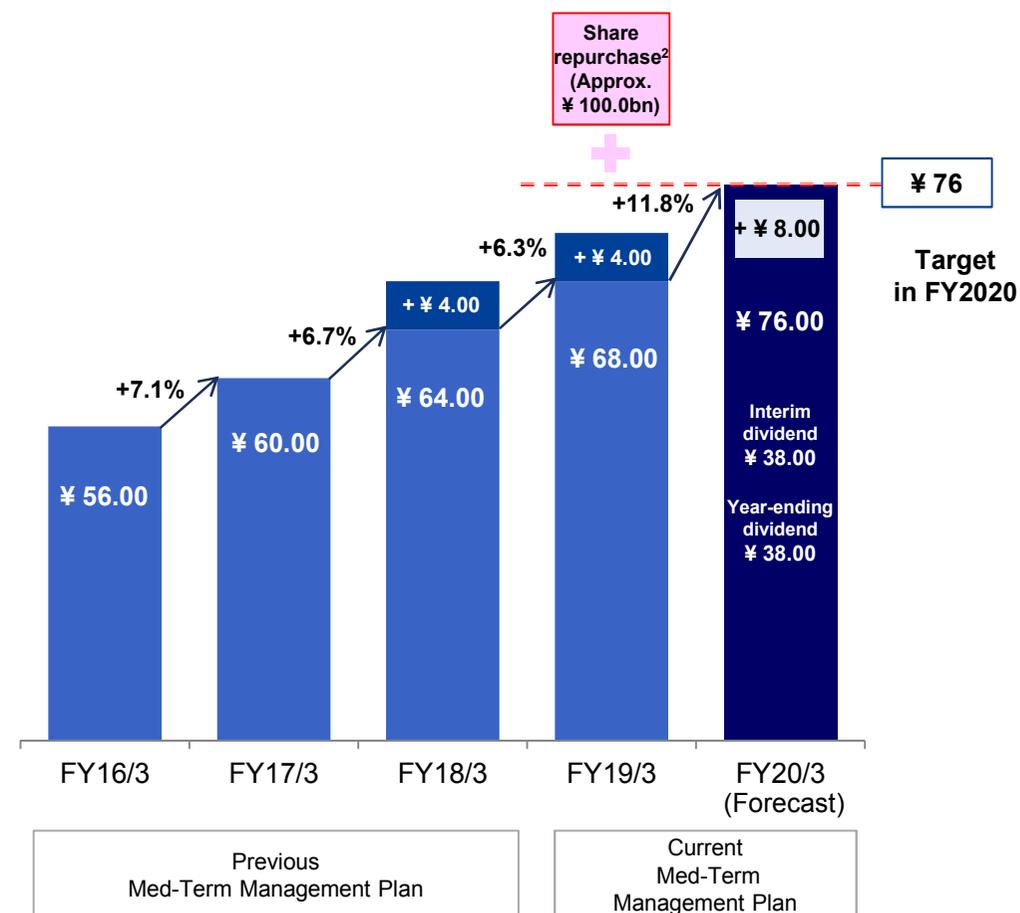


1. Net income per share in the consolidated financial results forecasts for the year ending March 31, 2020 has been calculated, considering the impact of the acquisition of the treasury stock on April 2019, and the cancellation of the treasury stock on May 2019.

Shareholder Return

(Total Return Ratio)

39.6 % 40.6 % 39.0 % 118.9 %³ 46.0 %

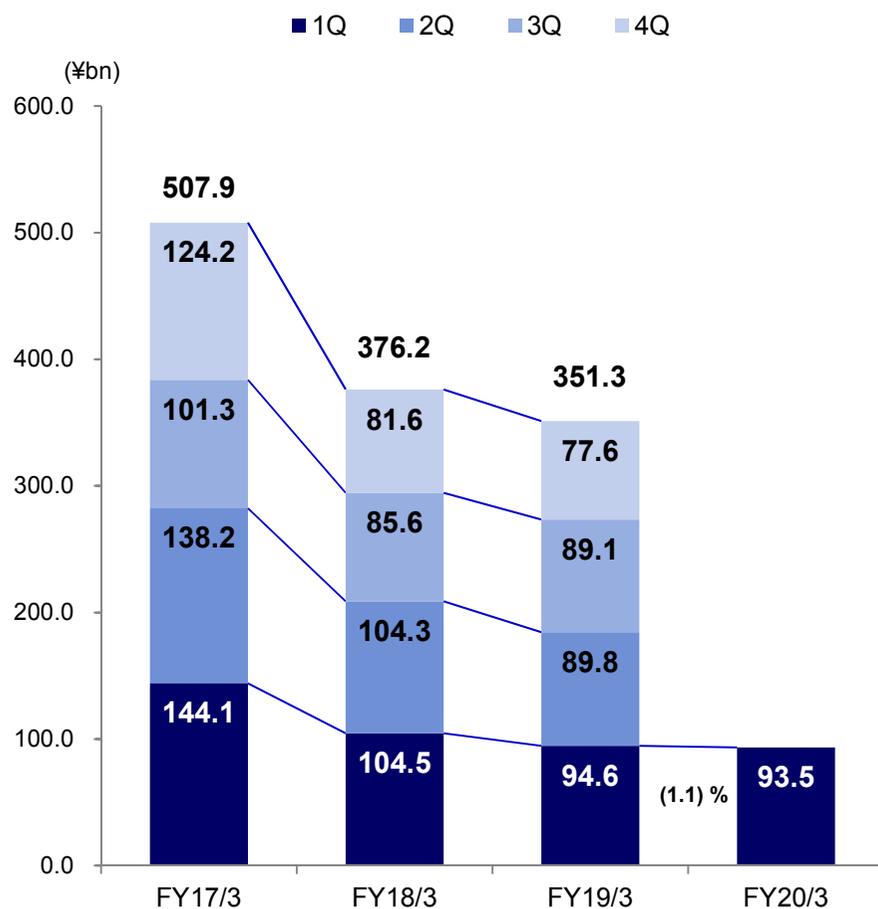


2. Share repurchase on April 2019
 3. Total return ratio including share repurchase as mentioned in Note 2

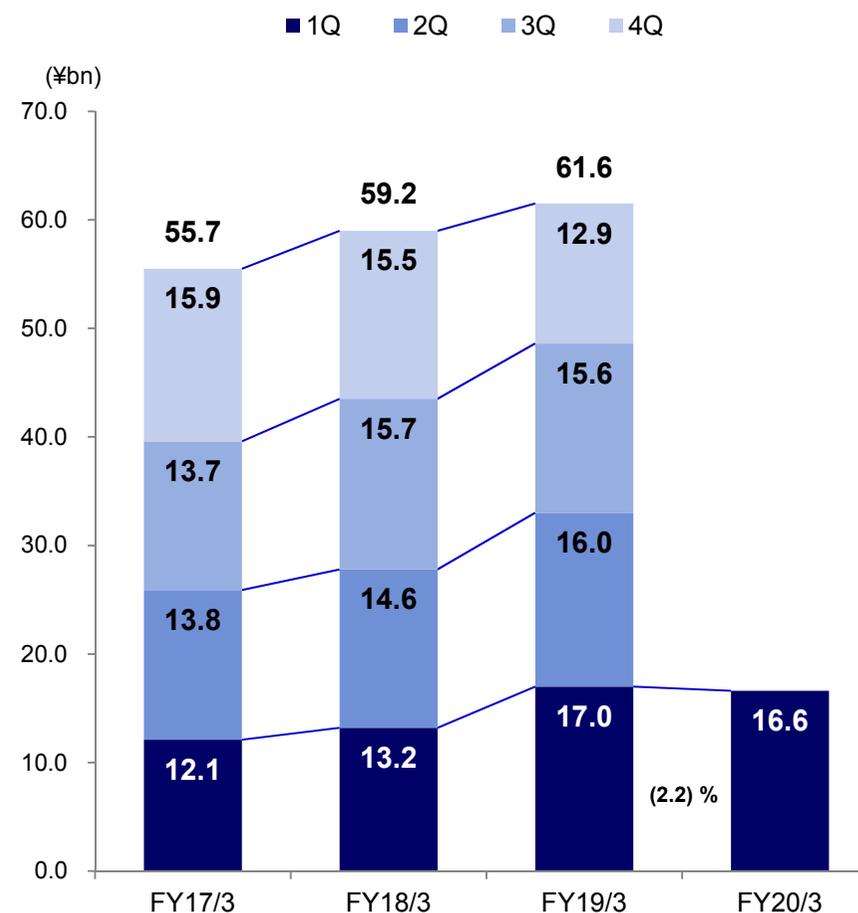
APPENDIX

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.

Changes in Products Portfolio and Age Composition of Policyholders

Changes in products portfolio (Number of new policy)

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

▼Launch of revised educational endowment insurance (April 2014)

▼Revision to medical riders (October 2017)

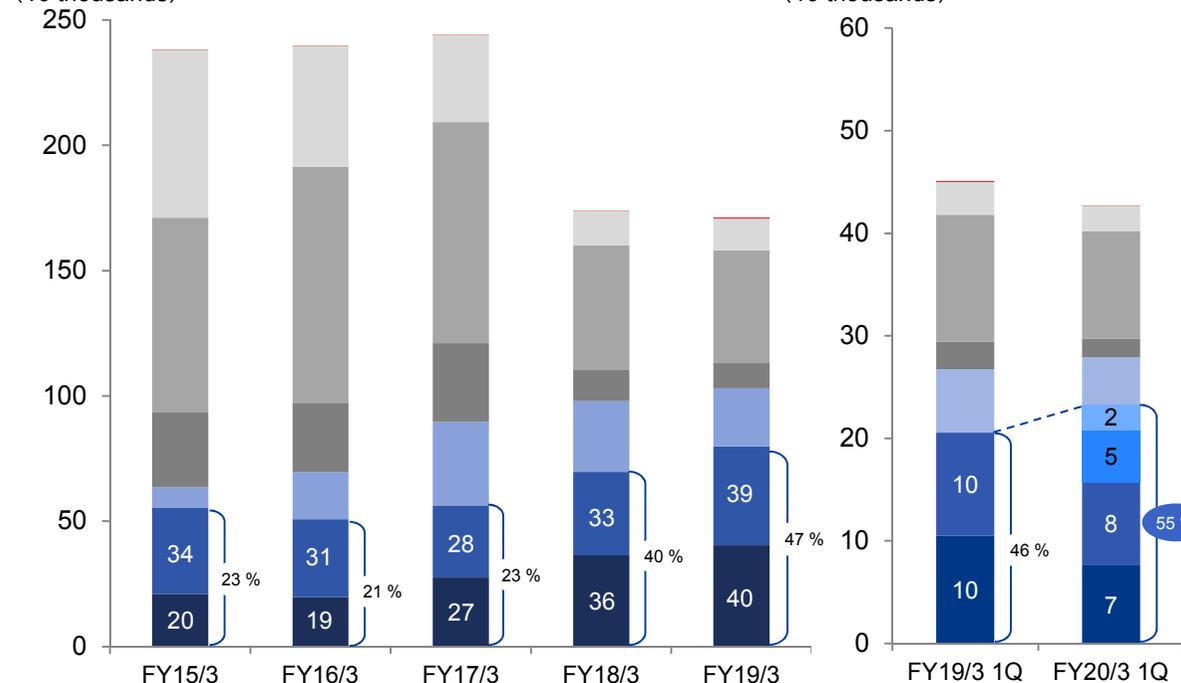
▼Launch of short-term payment endowment insurance (October 2015)

▼Revision of insurance premiums (August 2016)

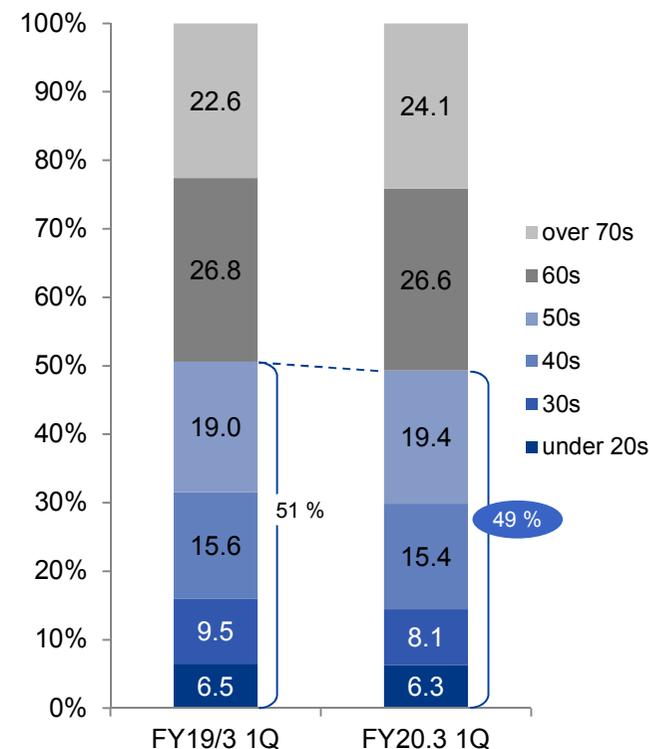
▼Revision of insurance premiums (April 2017)

Year on Year
(10 thousands)

Quarter on Quarter
(10 thousands)



■ Others
 ■ Educational endowment insurance
 ■ Ordinary endowment insurance
 ■ Special whole life insurance
■ Ordinary whole life insurance (Fixed amount type)
 ■ Ordinary endowment insurance (with a relaxed underwriting criteria)
■ Ordinary whole life insurance (with a relaxed underwriting criteria)
 ■ Special endowment insurance
■ Ordinary whole life insurance (Increased amount type)



■ Percentage of customers under 50s declined due to the influence of the launch of new products (products with a relaxed underwriting criteria)

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)

	Jun-18	Jun-19	Mar-19
Investment income	307.6	276.9	1,204.4
Interest, dividends and other income	280.4	267.6	1,085.9
Interest on deposits	0.0	0.0	0.0
Interest and dividends on securities	242.2	235.1	941.3
Interest on corporate and government bonds	204.3	192.9	793.6
Domestic stock dividends	0.4	0.4	5.8
Interest and dividends on foreign securities	31.6	34.2	131.4
others	5.7	7.5	10.3
Interest on loans	3.3	3.6	14.1
Interest on loans to the Management Organization	32.3	27.5	124.0
Rent revenue from real estate	-	-	-
Interest and dividends on others	2.5	1.2	6.3

Breakdown of Capital gains(losses)

(¥bn)

	Jun-18	Jun-19	Mar-19
Capital gains	27.0	9.0	117.8
Gains on money held in trust	20.4	0.0	78.9
Gains on sales of securities	6.6	8.9	38.9
Gains on derivative financial instruments	-	-	-
Gains on foreign exchanges	-	0.0	-
Other capital gains	-	-	-
Capital losses	(42.7)	(40.7)	(201.6)
Losses on money held in trust	-	-	-
Losses on sales of securities	(18.9)	(9.9)	(62.2)
Losses on derivative financial instruments	(13.2)	(18.6)	(73.3)
Losses on foreign exchanges	(0.5)	-	(1.1)
Other capital losses ¹	(9.9)	(12.2)	(64.8)
Net Capital gains(losses)	(15.6)	(31.6)	(83.7)

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

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

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

(¥bn)

	FY16/3		FY17/3		FY18/3		FY19/3		FY19/3 1Q		FY20/3 1Q	
	New	Postal Life	New	Postal Life	New	Postal Life						
Ordinary income ¹	4,431.7	8,039.6	4,464.2	6,889.2	3,938.8	5,489.2	3,814.7	4,374.4	976.0	1,121.8	920.5	959.5
Insurance premiums and others	4,091.5	1,322.3	4,039.0	1,002.8	3,481.2	755.2	3,369.5	590.3	855.7	159.1	811.8	124.0
Investment income ¹	337.6	1,017.3	422.8	945.0	454.6	830.3	440.1	764.3	118.7	188.8	108.1	170.6
Other ordinary income ¹	2.5	5,700.0	2.3	4,941.3	3.0	3,903.7	4.9	3,019.8	1.5	773.8	0.5	664.8
Ordinary expenses ¹	4,276.8	7,781.6	4,370.1	6,704.0	3,767.1	5,352.2	3,663.5	4,260.4	926.9	1,095.9	880.2	943.9
Insurance claims and others	1,031.6	7,518.7	1,136.5	6,413.7	1,765.6	5,124.3	2,837.9	4,030.9	672.3	1,042.7	684.1	892.5
Provision for policy reserves and others ¹	2,865.7	-	2,694.0	-	1,474.7	-	272.5	-	119.2	-	59.2	-
Investment expenses ¹	3.8	5.8	103.8	56.5	78.5	27.9	99.1	46.8	25.9	8.9	24.1	8.8
Operating expenses	318.0	219.0	366.5	193.6	372.8	159.9	376.2	142.1	89.4	35.5	93.2	34.5
Other ordinary expenses	57.4	37.9	69.0	40.0	75.2	39.8	77.7	40.4	19.8	8.8	19.4	8.0
Ordinary profit	154.9	258.0	94.0	185.2	171.7	137.0	151.1	113.9	49.1	25.8	40.2	15.5
Extraordinary gains and losses ²	(62.4)	(8.9)	5.7	(12.6)	(27.2)	(17.0)	13.8	3.6	(1.9)	1.5	7.6	8.0
Provision for reserve for policyholder dividends	7.5	170.4	15.6	137.0	21.6	96.1	19.6	92.1	5.1	21.6	3.7	16.9
Income before income taxes	84.9	78.6	84.2	35.5	122.9	23.8	145.3	25.5	42.1	5.7	44.1	6.6
Total income taxes	31.4	45.7	21.7	9.5	35.4	6.9	41.1	8.7	11.8	2.1	13.1	3.9
Net income	53.4	32.8	62.4	26.0	87.4	16.8	104.1	16.7	30.2	3.6	31.0	2.6

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.: FY20/3 1Q, ¥ 57.9billion was added to "Reversal of policy reserves," under "Other ordinary income," and to "Provision for policy reserves and others," under "Ordinary 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)

		FY16/3	FY17/3	FY18/3	FY19/3	FY19/3 1Q	FY20/3 1Q
Total assets	¥mn	81,543,623	80,336,414	76,832,508	73,904,576	74,957,570	73,454,169
Postal Life Insurance category		55,832,787	51,447,550	46,684,937	41,354,076	43,653,831	40,640,854
New category		25,710,836	28,888,864	30,147,570	32,550,500	31,303,738	32,813,314
Number of policies in force	(000)	32,323	31,562	30,405	29,143	30,123	28,892
Postal Life Insurance category (insurance)		16,972	14,411	12,484	11,048	12,122	10,747
New category (individual insurance)		15,350	17,150	17,921	18,095	18,000	18,144
Insurance premiums and others	¥mn	5,413,862	5,041,868	4,236,461	3,959,928	1,014,865	935,876
Postal Life Insurance category		1,322,308	1,002,816	755,221	590,340	159,135	124,020
New category		4,091,554	4,039,051	3,481,240	3,369,588	855,729	811,855
Ordinary profit	¥mn	413,023	279,347	308,845	265,143	75,053	55,880
Postal Life Insurance category		258,059	185,250	137,074	113,981	25,899	15,585
New category		154,963	94,097	171,771	151,162	49,153	40,295
Net income	¥mn	86,338	88,520	104,309	120,958	33,933	33,672
Postal Life Insurance category		32,850	26,044	16,878	16,763	3,644	2,652
New category		53,487	62,475	87,430	104,195	30,288	31,020
Contingency reserve (reversal) provision	¥mn	(123,864)	(120,819)	(139,678)	(151,592)	(36,671)	(41,346)
Postal Life Insurance category		(171,199)	(172,881)	(173,722)	(173,590)	(43,159)	(43,130)
New category		47,335	52,061	34,043	21,997	6,487	1,784
Price fluctuations reserve (reversal) provision	¥mn	70,100	6,444	128,031	(19,251)	267	(15,669)
Postal Life Insurance category		8,957	12,625	17,090	(3,686)	(1,581)	(8,008)
New category		61,143	(6,181)	110,940	(15,564)	1,848	(7,661)
Additional policy reserve (reversal) provision	¥mn	(55,533)	(50,454)	(30,648)	(50,292)	(13,255)	(11,700)
Postal Life Insurance category		(55,533)	(50,454)	(47,674)	(46,698)	(12,332)	(10,828)
New category		-	-	17,025	(3,594)	(922)	(871)

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)					
	FY16/3	FY17/3	FY18/3	FY19/3	FY19/3 1Q	FY20/3 1Q
Insurance premiums and others	5,413.8	5,041.8	4,236.4	3,959.9	1,014.8	935.8
Ordinary profit	411.5	279.7	309.2	264.8	75.2	56.0
Provision for reserve for policyholder dividends	178.0	152.6	117.7	111.8	26.8	20.7
Net income	84.8	88.5	104.4	120.4	34.0	33.7
Net assets	1,882.9	1,853.2	2,003.1	2,135.1	2,039.2	2,087.6
Total assets	81,545.1	80,336.7	76,831.2	73,905.0	74,958.3	73,455.7
Return on equity	4.4 %	4.7 %	5.4 %	5.8 %	-	-
Return on shareholders' equity	5.9 %	5.9 %	6.7 %	7.4 %	-	-
Dividends to shareholders	33.6	36.0	40.8	43.2	-	-
Total Return Ratio	39.6 %	40.6 %	39.0 %	118.9 % ¹	-	-
Core profit (Non-consolidated)	464.2	390.0	386.1	377.1	98.8	90.8
Core profit attributable to life insurance activities	366.8	311.4	320.3	318.7	88.6	78.3
Spread (positive/negative spread)	97.4	78.5	65.8	58.4	10.1	12.5

1. Total return ratio including share repurchase (approx. ¥100.0bn) on April 2019.

<Points of Attention Regarding EV>

EV must be calculated in accordance with the EEV Principles by using appropriate assumptions for future experience.

In particular, the company understands that we have to reflect the influence of the initiatives, which we announced as 'Investigation of Rewritten Insurance Policies and Initiatives for Improvement' on July 31, 2019, on non-economic assumptions such as surrender and lapse rate, operating expenses etc.

However, it is impossible to make appropriate assumptions for future experience to calculate EV as of the end of June 2019 at present. We plan to calculate and disclose EV once we prepare appropriate non-economic assumptions.

<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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