

**Conference Call on Financial Results  
for the Six Months Ended September 30, 2019  
Summary of Q & A**

Date & time: Thursday, November 14, 2019, 5:45 to 6:30 p.m.

\* The statements have been partially edited for clarity.

<Financial Results Forecasts>

Q: What was the reason behind the modification of the financial results forecasts to increase ordinary profit by 80.0 billion yen?

- We expect core profit and capital losses to improve to the levels of the previous fiscal year.
- As for the breakdown of the 80.0 billion yen, we expect an increase of approximately 30.0 billion yen in positive spread, an increase of approximately 40.0 billion yen in core profit attributable to life insurance activities mainly due to a decrease in commissions, and an improvement of approximately 10.0 billion yen in capital losses.

Q: In the modified financial results forecasts, how do you view the assumptions for new policy sales?

- Although we are aiming to restart sales activities from January 2020 onward, as an assumption for the modified financial results forecasts, we expect business performance for the second half to almost the same level with the results of new policies from mid-July 2019 onward, when we refrained from proactive sales proposal. Even if the results of new policies improve after the restart of sales activities from January onward, the resulting impact on profit for the current fiscal year is expected to be limited.

Q: What are the estimates for the costs related to contacts with your customers about the rewriting issues?

- We expect approximately 3.5 billion yen in the first half and roughly 9.0 billion yen for the full year.

Q: What kinds of formula are expected to be established for the commissions paid to Japan Post Co., Ltd. from the next fiscal year onward?

- Nothing has been decided at the moment regarding the commission for the next fiscal year, so we would like to refrain from answering.

Q: What progress has been made in the investigation of rewritten insurance policies? Also, do you have any idea when these problems will be settled?

- Currently, we cannot disclose any information beyond what we announced in our press release entitled “Interim Report and Future Initiatives on Investigation of Rewritten Insurance Policies” dated September 30. However, we plan to grasp the overall situation about specified rewriting cases and report the progress of the investigation and related matters by the end of December and are making efforts to restart sales activities from January onward.

#### <Financial Results>

Q: What is the status of new policies for the second quarter?

- From mid-July 2019 onward, when we refrained from proactive sales proposal, annualized premiums from new policies have decreased by 80% to 90% year on year. By channel, the post office channel has refrained from almost all sales. Although the directly-managed wholesale channel has also refrained from cultivation of new customers, operations to maintain and renew policies with existing customers have been continued and the results do not decline so much compared with the post office channel.

- The difference between the decline in annualized premiums from new policies for individual insurance and for the medical care reflects the fact that riders are usually not added in sales to corporate clients at directly-managed offices.

Q: What is the extent of the impact of cancellation?

- Cancellations have been increasing only in the second quarter. For the first half as a whole, cancellations have decreased from the same period of the previous fiscal year, and we evaluate the resulting impact on the number of policies in force to be limited.

Q: What are the estimates for the expenses related to reinstating insurance policies?

- In the financial results for the 2<sup>nd</sup> quarter, we have reserved provisions of 1.0 billion yen regarding categories B and E, for which reasonable estimates can be made, with reference to the percentage of customers who have cooperated with the investigation and the percentage of customers who have requested detailed explanations. In terms of the other categories, reasonable estimates could not be made at this time, as some customers may not request reinstatement for their own reasons. Therefore, we have not reserved provisions for such categories in the financial results for the 2<sup>nd</sup> quarter.

<EV>

Q: When will EV be disclosed?

- We cannot say for certain when EV will be disclosed at this time. However, we plan to promptly calculate and disclose EV once we can prepare appropriate 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 the disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in assumptions regarding the operating environment.