

Outline of Financial Results for the Three Months Ended June 30, 2021

August 11, 2021



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Three Months Ended June 30, 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		
	3 months ended Jun-21	Year on Year
Ordinary Profit	¥ 92.0bn	¥ 22.1bn + 31.6 %
Net income	¥ 41.2bn	¥ (5.5)bn (11.8) %
Annualized premiums from New policies	(Individual Insurance) ¥ 11.6bn	¥ 5.6bn + 93.0 %
	(Medical Care) ¥ 0.4bn	¥ 0.2bn + 72.8 %
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 3,800.4bn	¥ (97.6)bn (2.5) %
	(Medical Care) ¥ 657.5bn	¥ (11.5)bn (1.7) %
EV	¥ 3,738.2bn	¥ (287.9)bn (7.2) %

【Financial Highlights】 (Ref.P3)


- Ordinary profit increased 31.6% year on year to ¥ 92.0billion due to an improvement in capital losses, despite a decrease in core profit as a result of a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Capital gains are offset by the price fluctuation reserves. Thus, net income for the current period was ¥ 41.2billion, an 11.8 % decrease year on year.

【Policy Sales】 (Ref.P4)

- As we have been resumed proactive proposals from April 1, 2021, annualized premiums from new policies for individual insurance in FY22/3 1Q were ¥ 11.6billion, a 93.0% increase year on year, while in FY21/3 1Q, it had decreased 93.5% compared with FY20/3 1Q due to the refraining from proactive sales proposal during that period.
- Similarly, in FY22/3 1Q, annualized premiums from new policies for medical care were ¥ 0.4billion, a 72.8% increase year on year, while in FY2021/3 1Q, it had decreased 98.3% compared with FY20/3 1Q.

【Embedded Value】 (Ref.P10)

- EV decreased by 7.2% from the end of the previous fiscal year to ¥ 3,738.2billion, mainly due to the decreases in net assets resulting from the acquisition of treasury stock worth ¥ 358.8billion in May 2021.



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- The financial results can be summed up as you see.
- Ordinary profit increased 31.6% year on year to ¥ 92.0billion due to an improvement in capital losses, despite a decrease in core profit as a result of a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Capital gains are offset by the price fluctuation reserves. Thus, net income for the current period was ¥ 41.2billion, an 11.8% decrease year on year.
- As we have been resumed proactive proposals from April 1, 2021, annualized premiums from new policies for individual insurance in FY22/3 1Q were ¥ 11.6billion, a 93.0% increase year on year, while in FY21/3 1Q, it had decreased 93.5% compared with FY20/3 1Q due to the refraining from proactive sales proposal during that period.
- Similarly, in FY22/3 1Q, annualized premiums from new policies for medical care were ¥ 0.4billion, a 72.8% increase year on year, while in FY21/3 1Q, it had decreased 98.3% compared with FY20/3 1Q.
- EV decreased by 7.2% from the end of the previous fiscal year to ¥ 3,738.2billion, mainly due to the decreases in net assets resulting from the acquisition of treasury stock in May 2021.
- Please look at page 2.

Financial Results for the Three Months Ended June 30, 2021 (Year on Year)

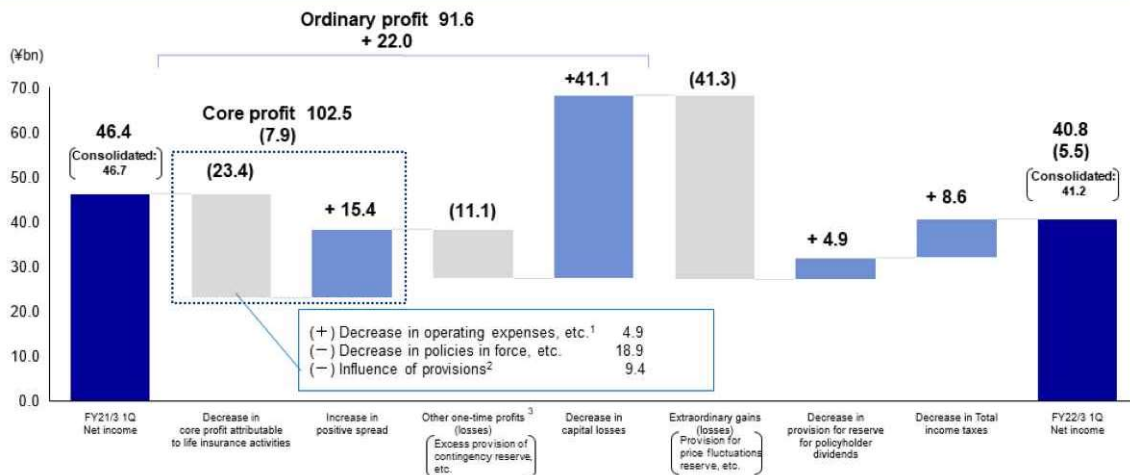
Statement of Income				Details of Ordinary Profit (Non-Consolidated)					
	3 months ended Jun-20	3 months ended Jun-21	Change	(Reference) Year ended Mar-21		3 months ended Jun-20	3 months ended Jun-21	Change	(Reference) Year ended Mar-21
				(¥bn)					(¥bn)
Ordinary income	1,696.3	1,665.1	(31.2)	6,786.2	Core profit	110.4	102.5	(7.9)	421.9
Insurance premiums and others	712.8	644.0	(68.8)	2,697.9	Core profit attributable to life insurance activities	103.8	80.3	(23.4)	345.6
Investment income	260.7	280.9	20.2	1,121.6	Positive spread	6.6	22.1	15.4	76.3
Reversal of policy reserves	701.2	736.1	34.9	2,895.4	Net capital gains (losses)	(38.2)	2.9	41.1	(17.1)
Ordinary expenses	1,626.4	1,573.0	(53.4)	6,440.4	Other one-time profits (losses)	(2.6)	(13.7)	(11.1)	(59.8)
Insurance claims and others	1,461.9	1,437.8	(24.1)	5,866.0	Ordinary profit	69.5	91.6	22.0	345.0
Investment expenses	38.3	13.8	(24.4)	70.8					
Operating expenses etc. ¹	126.1	121.4	(4.7)	503.5					
Ordinary profit	69.9	92.0	22.1	345.7					
Extraordinary gains and losses	22.3	(18.9)	(41.3)	(46.7)					
Reversal of reserve for price fluctuations	22.3	(18.9)	(41.3)	(46.4)					
Provision for reserve for policyholder dividends	20.4	15.4	(4.9)	65.4					
Total income taxes	25.2	16.5	(8.6)	67.4					
Net income attributable to Japan Post Insurance	46.7	41.2	(5.5)	166.1					

Note: Only major line items are shown.
1. Sum of Operating expenses and Other ordinary expenses

- 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)

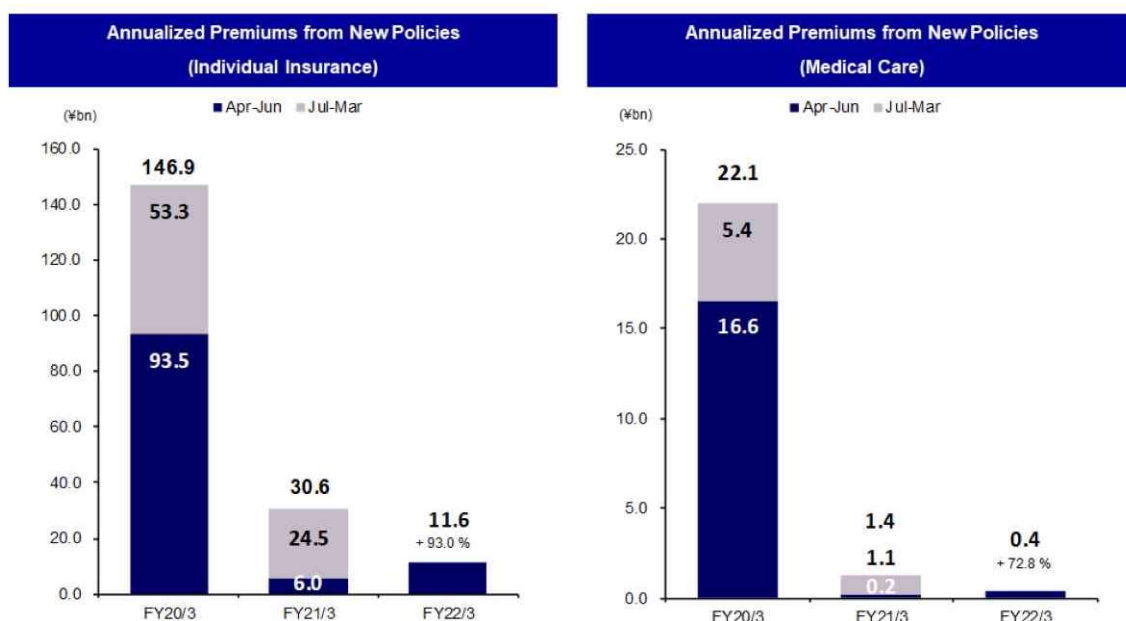
- Although positive spread increased, core profit fell below year on year to ¥ 102.5billion due to a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Regarding capital gains or losses, we continued to adopt accounting treatments to provide or to reverse the price fluctuation reserves corresponding to the gain or loss amount. Net income decreased year on year to ¥ 40.8billion as a result of a decrease in core profit, etc.



1. "Decrease in operating expenses, etc." shows the difference of figures between FY21/3 1Q and FY22/3 1Q. 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 or provision for 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 FY21/3. (Amount of provision, etc. in FY22/3 1Q: ¥ 1.5billion, Amount of reversal, etc. in FY21/3 1Q: ¥ 7.5billion)
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 from the end of March 2021 onward.

- These are the factors for changes in the financial results for the current period.
- Although positive spread increased, core profit fell below year on year to ¥ 102.5billion due to a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- As a result of a decrease in core profit and improvement of capital losses, non-consolidated ordinary profit was ¥ 91.6billion and non-consolidated net income was ¥ 40.8billion.
- 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.

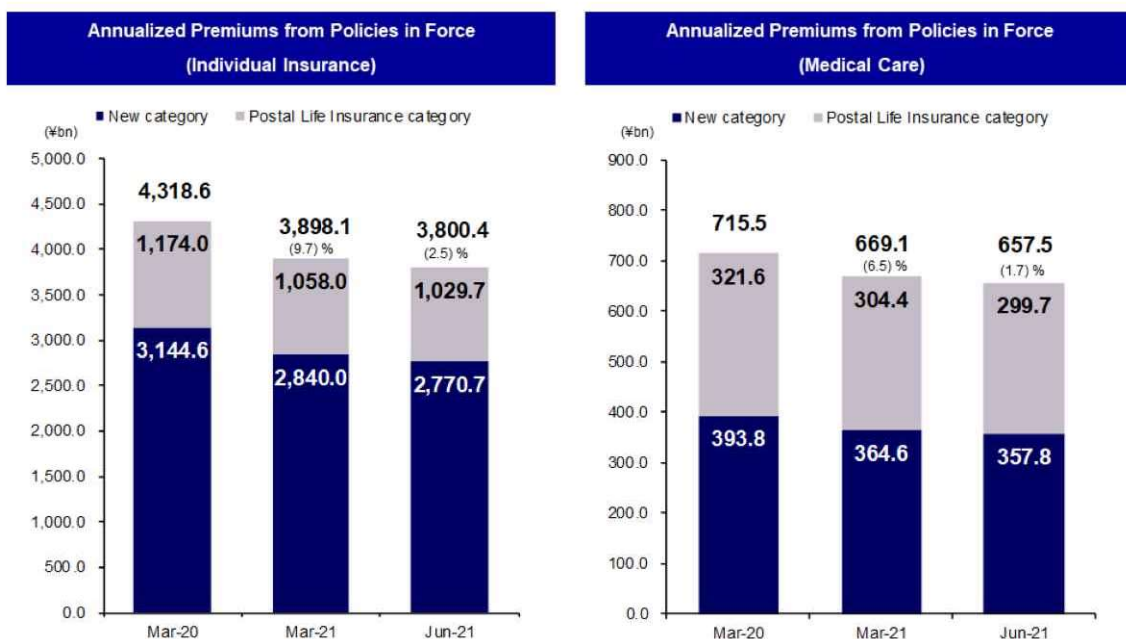
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- From here, I would like to explain our policy sales.
- Annualized premiums from new policies for individual insurance increased by 93.0% year on year to ¥ 11.6billion.
- Annualized premiums from new policies for medical care increased by 72.8% year on year to ¥ 0.4billion.
- 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.

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- Annualized premiums from policies in force for individual insurance decreased by 2.5% from the end of the previous fiscal year to ¥ 3,800.4billion.
- Annualized premiums from policies in force for medical care decreased by 1.7% from the end of the previous fiscal year to ¥ 657.5billion.
- Please look at page 6.

Investments [Asset Portfolio]

Asset Portfolio						Spread and Investment Yield			
	Mar-21		Jun-21		Change		3 months ended Jun-20	3 months ended Jun-21	(Reference) Year ended Mar-21
	Amount	Share	Amount	Share					
Bonds	48,088.2	68.5 %	47,693.9	69.3 %	(394.3)				
Japanese government bonds	37,345.6	53.2 %	37,274.6	54.2 %	(71.0)	Positive spread	6.6	22.1	76.3
Japanese local government bonds	5,583.9	8.0 %	5,315.8	7.7 %	(268.0)	Average assumed rates of return ¹	1.69 %	1.69 %	1.69 %
Japanese corporate bonds	5,158.5	7.4 %	5,103.3	7.4 %	(55.2)	Investment return on core profit ²	1.74 %	1.84 %	1.82 %
Return seeking assets ¹	11,181.2	15.9 %	11,356.8	16.5 %	175.6	Net capital gains (losses)	(38.2)	2.9	(17.1)
Domestic stocks ²	2,514.2	3.6 %	2,516.6	3.7 %	2.3				
Foreign stocks ²	488.5	0.7 %	529.5	0.8 %	40.0				
Foreign bonds ²	6,000.7	9.4 %	6,745.3	9.8 %	138.6				
Other ³	1,570.6	2.2 %	1,585.2	2.3 %	(5.3)				
Loans	4,964.0	7.1 %	4,944.0	7.2 %	(19.9)				
Others	5,939.4	8.5 %	4,834.7	7.0 %	(1,104.7)				
Cash and deposits, call loans	1,466.0	2.1 %	1,058.2	1.5 %	(406.7)				
Receivables under resale agreements	-	-	1,948.8	2.8 %	1,948.8				
Receivables under securities borrowing transactions	2,585.0	3.7 %	-	-	(2,585.0)				
Total assets	70,172.9	100.0 %	68,829.6	100.0 %	(1,343.4)				

- Return seeking assets include domestic and foreign stocks, foreign-currency-denominated bonds, investment trusts, etc. held for investment purposes among the assets recorded under "money held in trust" and "securities" on the balance sheet.
- "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts that invest only in the specified assets.
- "Bank loans," "multi-asset" and "real estate fund" etc.

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- I would like to move on to the results of investments.
- We mainly invest in bonds from the standpoint of ALM to match yen-denominated interest-bearing assets with yen-denominated interest-bearing liabilities.
- As shown on the left, due to our efforts to diversify our investment assets under the current historically low interest rate environment, the amount of return seeking assets such as stocks and foreign bonds reached ¥ 11,356.8billion, which accounts for 16.5% of total assets at the end of the current period.
- As shown in the chart on the right, the average assumed rates of return was 1.69%. The investment return on core profit was 1.84%. As a result, a positive spread of ¥ 22.1billion was achieved.
- Capital gains improved by ¥ 41.1billion year on year to ¥ 2.9billion, due to the decrease in losses on derivative financial instruments which include cost for hedging currency fluctuation risk, in addition to the improvement of impairment of stocks on money held in trust.
- Please look at page 7.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities									
	(#bn)								
	Mar-21			Jun-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	58,285.3	65,666.2	7,380.9	57,765.6	65,291.2	7,525.6	(519.7)	(375.0)	144.6
Held-to-maturity bonds	35,327.9	40,512.9	5,184.9	35,024.9	40,227.0	5,202.1	(303.0)	(285.8)	17.2
Policy-reserve-matching bonds	9,382.4	10,158.5	776.1	9,416.8	10,189.5	772.7	34.4	30.9	(3.4)
Available-for-sale securities	13,574.8	14,994.7	1,419.8	13,323.8	14,874.5	1,550.7	(251.0)	(120.1)	130.8
Securities etc.	10,798.1	11,297.8	499.7	10,527.8	11,101.1	573.3	(270.3)	(196.6)	73.6
Bonds	3,519.1	3,554.0	34.8	3,384.4	3,430.8	46.3	(134.6)	(123.1)	11.4
Domestic stocks	322.8	398.8	76.0	323.7	401.3	77.6	0.8	2.4	1.6
Foreign securities	4,290.1	4,632.3	342.2	4,343.5	4,697.4	353.9	53.4	65.1	11.6
Other securities	1,910.8	1,955.8	44.9	1,846.3	1,940.0	93.7	(64.5)	(15.7)	48.8
Deposits etc.	755.1	756.7	1.5	629.7	631.3	1.5	(125.3)	(125.4)	(0.0)
Money held in trust	2,776.7	3,696.9	920.1	2,795.9	3,773.4	977.4	19.2	76.5	57.2
Domestic stocks ¹	1,431.5	2,115.4	683.9	1,445.6	2,115.2	669.6	14.1	(0.1)	(14.2)
Foreign stocks ¹	303.3	489.5	186.1	305.0	529.5	224.4	1.7	40.0	38.3
Foreign bonds ¹	742.7	779.9	37.2	744.5	808.2	63.7	1.7	28.2	26.4
Other ²	299.1	311.9	12.8	300.7	320.3	19.5	1.6	8.3	6.7

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 ¥ 1,550.7billion of net unrealized gains in the period under review, as the market environment improved compared with the end of March, 2021.
- Please look at page 8.

Expenses

Expenses				
	3 months ended Jun-20	3 months ended Jun-21	Change	(Reference) Year ended Mar-21
Operating expenses	100.3	94.3	(5.9)	403.0
Commissions ¹	49.9	45.0	(4.8)	198.1
Sales Commissions	14.4	8.1	(6.3)	42.2
Maintenance Commissions	35.5	36.9	1.4	155.8
Contributions ²	14.0	13.5	(0.5)	56.0
Others	36.3	35.7	(0.6)	148.8
Other ordinary expenses	25.8	27.0	1.2	100.4
Depreciation and amortization	15.2	15.0	(0.1)	59.3
Operating expenses etc	126.1	121.4	(4.7)	503.5

1. Commissions paid to Japan Post Co.
2. 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 ¥ 94.3billion, of which approximately 60% 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 ¥ 4.8billion year on year to ¥ 45.0billion.
- The sum of commissions and contributions decreased by ¥ 5.3billion year on year to ¥ 58.6billion.
- Depreciation and amortization decreased by ¥ 0.1billion year on year to ¥ 15.0billion.
- Please look at page 9.

Financial Soundness

Internal Reserves

	Mar-21	Jun-21	Provisions in the period
Contingency reserve	1,611.3	1,625.1	13.7
Postal Life Insurance category ¹	1,129.6	1,141.7	12.1
New category	481.6	483.3	1.6
Price fluctuations reserve	904.8	923.7	18.9
Postal Life Insurance category	655.1	664.1	9.0
New category	249.7	259.6	9.9
Additional policy reserve	5,858.0	5,798.9	(59.0)
Postal Life Insurance category ¹	5,850.8	5,792.4	(58.3)
New category	7.1	6.5	(0.6)

Solvency Margin Ratio

	Mar-21	Jun-21
Solvency Margin Ratio	1,121.2 %	1,095.4 %
Total amount of solvency margin	6,216.2	6,030.1
Total amount of risk	1,108.7	1,100.9

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.

1. 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 from the end of March, 2021 onward.

- 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 ¥ 1,625.1billion and reserves for price fluctuations of ¥ 923.7billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥ 5,798.9billion at the end of the current period.
- The solvency margin ratio was 1,095.4%, maintaining a high level of soundness.
- Please look at page 10.

Embedded Value

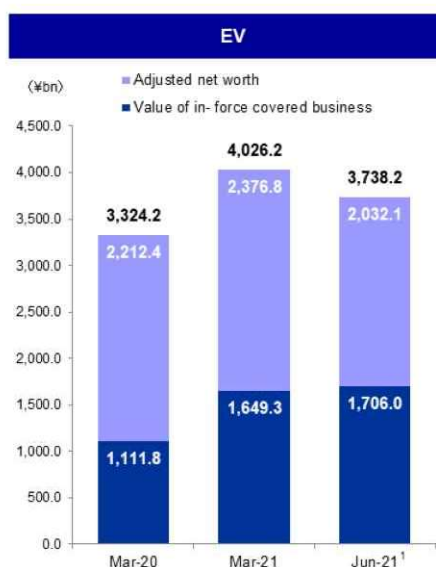
Breakdown of EV			
	Mar-21	Jun-21 ¹	Change
EV	4,026.2	3,738.2	(287.9) ((7.2) %)
Adjusted net worth	2,376.8	2,032.1	(344.6) ((14.5) %)
Value of in-force covered business	1,649.3	1,706.0	+ 56.7 (+ 3.4 %)

Value of New Business

Value of new business as of 3 months ended Jun-21^{1,2} ¥ (2.6)bn
 New business margin as of 3 months ended Jun-21^{1,2,3} (3.1) %

- 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.

1. Provisional calculations that have not been verified by a third party.
2. Using the economic assumptions as of June 30, 2021, based on the new policies written in the period from April 2021 to June 2021. The value of new business includes the increase or decrease due to switchover of riders, conditional cancellation and conversion.
3. The value of new business divided by the present value of future premium income



- I would like to explain the current status of EV.
- EV as of June 30, 2021 was ¥ 3,738.2billion, a decrease of ¥ 287.9billion from the end of the previous fiscal year.
- Adjusted net worth decreased by ¥ 344.6billion from the end of the previous fiscal year to ¥ 2,032.1billion, due to dividends and the acquisition of treasury stock in May 2021, despite the increase in net income.
- Value of in-force covered business increased by ¥ 56.7billion from the end of the previous fiscal year to ¥ 1,706.0billion, mainly due to increases in interest rates and other factors.
- Value of new business for the current period was calculated based on the economic assumptions as of the end of June 2021 in which interest rate assumption is almost as same as the average of actual interest rate from April 2021 to June 2021.
- 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 ¥ (2.6) billion. Meanwhile, the new business margin was (3.1) %.
- Please note that the EV and value of new business figures for the current period disclosed in these materials are provisional calculations that have not been verified by a third-party.
- Please look at page 11.

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

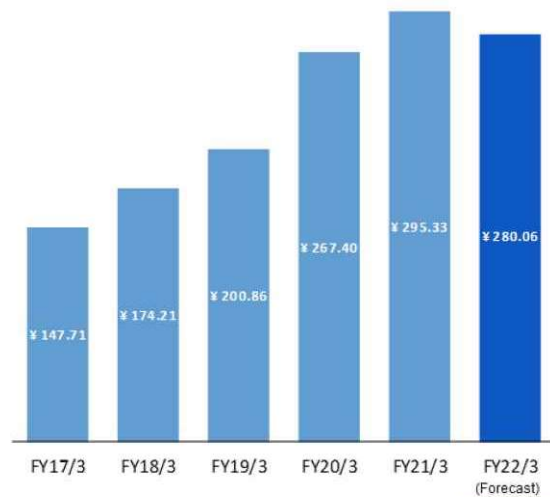
Full-year Financial Results Forecast

(¥bn)

	Year ending Mar-22 (forecasts)	3 months ended Jun-21	Achievement
Ordinary income	6,380.0	1,665.1	26.1 %
Ordinary profit	290.0	92.0	31.8 %
Net income ¹	118.0	41.2	34.9 %

Net income per share	¥ 280.06	¥ 84.75
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Earnings Per Share



Previous Med-Term Management Plan | Current Med-Term Management Plan

1. Net income attributable to Japan Post Insurance

- I will explain forecasts for full-year financial results for the year ending March 31, 2022.
- In the current period, though our business has been progressing at a level exceeding our plan, there is no change to our consolidated financial results forecasts for the year ending March 31, 2022 at this point of time.
- Please look at page 12.

Shareholder Return

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

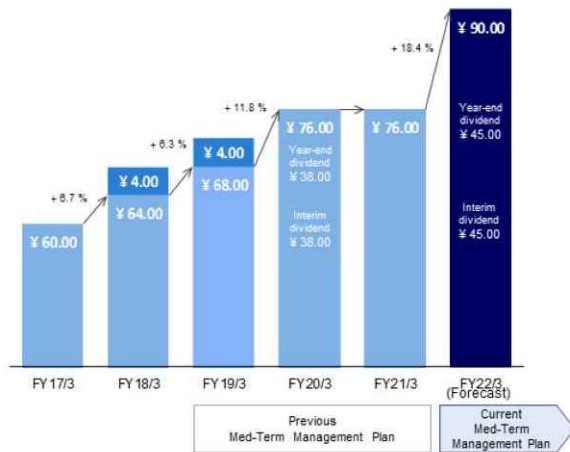
Shareholder Return for the Year Ended March 31, 2022

- 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

(Payout Ratio)

40.6 % 39.0 % 35.8 % 28.4 % 25.7 % (Forecast) 32.1 %



- Finally, this slide shows our trends on Shareholder Return.
- There is no change to be mentioned at the moment, either.
- This concludes my explanation.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

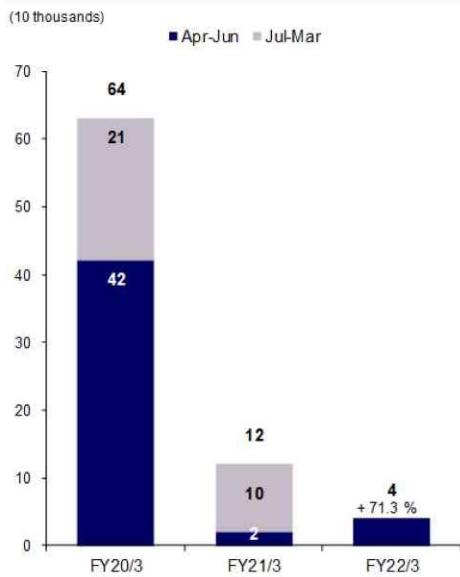
	Mar-21	Jun-21	Change		Mar-21	Jun-21	Change
Total Assets	70,172.9	68,829.5	(1,343.4)	Total Liabilities	67,331.5	66,253.3	(1,078.1)
Cash and deposits	1,335.0	863.2	(471.7)	Policy reserves	59,397.7	58,661.5	(736.1)
Money held in trust	4,189.2	4,306.9	117.6	Contingency reserve	1,611.3	1,625.1	13.7
Securities	55,273.6	54,935.8	(337.7)	Additional policy reserve	5,858.0	5,798.9	(59.0)
Loans	4,964.0	4,944.0	(19.9)	Bonds payable	300.0	300.0	-
Tangible fixed assets	105.3	104.8	(0.5)	Reserve for price fluctuations	904.8	923.7	18.9
Intangible fixed assets	113.4	103.5	(9.8)	Net assets	2,841.4	2,576.1	(265.3)
Deferred tax assets	904.1	878.8	(25.2)	Total shareholders' equity	1,806.0	1,445.6	(360.4)
				Capital stock	500.0	500.0	-
				Capital surplus	405.0	405.0	-
				Retained earnings	901.3	899.8	(1.5)
				Treasury stock ¹	(0.3)	(359.2)	(358.8)
				Total accumulated other comprehensive income	1,035.4	1,130.5	95.1

Note: Only major line items are shown.

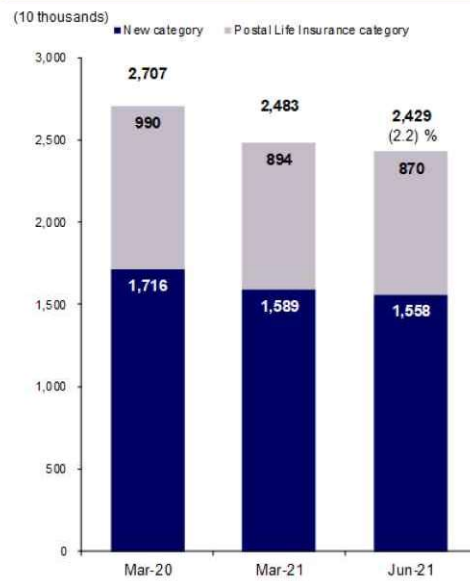
1. The meeting of the Board of Directors held on July 28, 2021, had resolved to cancel the Company's treasury stock. The scheduled date of the cancellation is August 20, 2021.

Policy Sales

Number of New Policies (Individual Insurance)



Number of Policies in Force (Individual Insurance)



Note1 : 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.
 Note2 : "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

Breakdown of New Policies

(10 thousands)

	3 months ended Jun-20		3 months ended Jun-21	
	Number of policies	Share	Number of policies	Share
Individual insurance	2	100.0 %	4	100.0 %
Endowment insurance	1	75.0 %	3	78.1 %
Ordinary endowment insurance	1	56.6 %	2	59.7 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	0	0.9 %	0	1.2 %
Special endowment insurance ¹	0	17.5 %	0	17.2 %
Whole life insurance	0	9.3 %	0	9.3 %
Ordinary whole life insurance (Fixed amount type)	0	1.9 %	0	2.0 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	0	0.4 %	0	0.5 %
Ordinary whole life insurance (Increased amount type)	0	5.5 %	0	4.9 %
Special whole life insurance	0	1.5 %	0	1.9 %
Educational endowment insurance	0	15.5 %	0	11.6 %
Other insurance	0	0.2 %	0	1.0 %

Note1 : Only major products are shown.

Note2 : The figures for FY21/3 include the influence by refraining from proactive sales proposal.
1. Increased amount type endowment insurance

Breakdown of Policies in Force

(10 thousands)

	Mar-21		Jun-21	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,483	100.0 %	2,429	100.0 %
Endowment insurance	906	36.5 %	872	35.9 %
Ordinary endowment insurance	582	23.5 %	562	23.2 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1 %	3	0.1 %
Special endowment insurance ¹	318	12.8 %	304	12.6 %
Whole life insurance	1,206	48.6 %	1,193	49.1 %
Ordinary whole life insurance (Fixed amount type)	372	15.0 %	367	15.1 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	5	0.2 %	5	0.2 %
Ordinary whole life insurance (Increased amount type)	262	10.6 %	259	10.7 %
Special whole life insurance	565	22.8 %	560	23.1 %
Educational endowment insurance	357	14.4 %	350	14.4 %
Other insurance	12	0.5 %	12	0.5 %



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Quarterly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)

(¥bn)

	FY19/3	FY20/3	FY21/3	FY22/3	
1Q	94.6	93.5	6.0	11.6	+ 93.0 %
2Q	89.8	38.0	9.0	—	
3Q	89.1	12.2	7.2	—	
4Q	77.6	3.0	8.3	—	
Total	351.3	146.9	30.6	11.6	

Annualized Premiums from New Policies (Medical Care)

(¥bn)

	FY19/3	FY20/3	FY21/3	FY22/3	
1Q	17.0	16.6	0.2	0.4	+ 72.8 %
2Q	16.0	4.4	0.4	—	
3Q	15.6	0.8	0.3	—	
4Q	12.9	0.1	0.4	—	
Total	61.6	22.1	1.4	0.4	

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: 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.

Monthly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)



Medical Care¹ Ratio to Annualized Premiums from New Policies (Individual Insurance)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY21/3	2.3 %	5.7 %	4.5 %	4.4 %	4.7 %	4.5 %	4.3 %	5.1 %	5.3 %	5.6 %	4.9 %	4.7 %
FY22/3	3.9 %	4.4 %	4.3 %	-	-	-	-	-	-	-	-	-

Note: The figures for FY21/3 include the influence by refraining from proactive sales proposal 1. Only for the premiums for medical care related to individual insurance

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

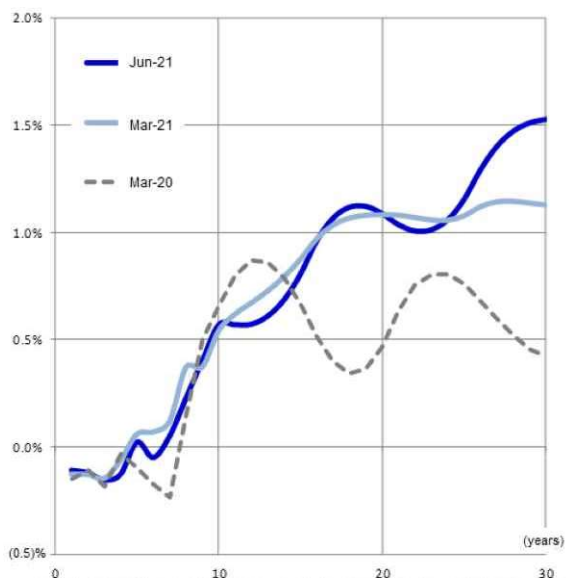
Interest, Dividends and Other Income			
	3 months ended Jun-20	3 months ended Jun-21	(Reference) Year ended Mar-21
(¥bn)			
Investment income	260.7	280.9	1,121.6
Interest, dividends and other income	254.6	252.4	1,004.6
Interest on deposits	0.0	0.0	0.0
Interest and dividends on securities	226.8	228.8	898.4
Interest on corporate and government bonds	184.0	180.5	733.2
Domestic stock dividends	0.2	0.8	8.2
Interest and dividends on foreign securities	29.5	37.5	115.8
Others	13.0	9.8	41.0
Interest on loans	3.3	3.4	13.3
Interest on loans to the Management Organization	22.7	19.0	86.9
Rent revenue from real estate	-	-	-
Interest and dividends on others	1.6	1.1	5.9

Capital gains(losses)			
	3 months ended Jun-20	3 months ended Jun-21	(Reference) Year ended Mar-21
(¥bn)			
Capital gains	5.7	28.2	115.7
Gains on money held in trust	-	25.9	87.5
Gains on sales of securities	5.7	2.3	20.4
Gains on derivative financial instruments	-	-	-
Gains on foreign exchanges	-	0.0	7.7
Other capital gains	-	-	-
Capital losses	(44.0)	(25.3)	(132.8)
Losses on money held in trust	(15.0)	-	-
Losses on sales of securities	(8.9)	(7.8)	(32.7)
Losses on valuation of securities	-	-	-
Losses on derivative financial instruments	(10.0)	(2.3)	(21.6)
Losses on foreign exchanges	(0.2)	-	-
Other capital losses ¹	(9.6)	(15.1)	(78.4)
Net Capital gains(losses)	(38.2)	2.9	(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

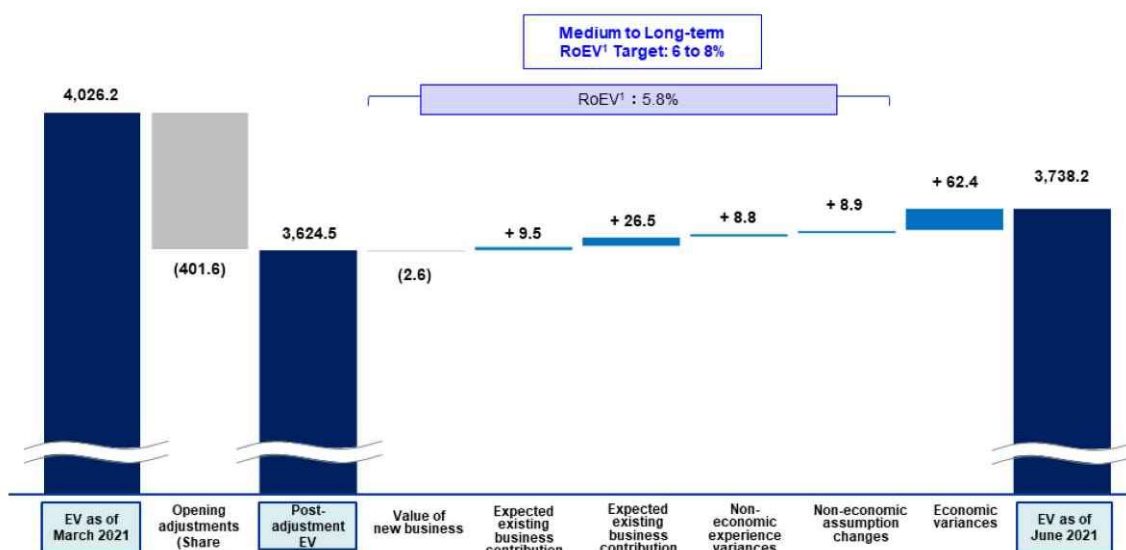
	Mar-20	Mar-21 ^①	Jun-21 ^②
10 years	0.657 %	0.539 %	0.569 %
20 years	0.466 %	1.080 %	1.089 %
30 years	0.422 %	1.126 %	1.528 %

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows:
 EV as of March 31, 2021 : ①
 Value of new business for FY22/3 1Q : ②
 EV as of June 30, 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

(¥bn)



1. Calculated by excluding economic variance factors
 Note : Provisional calculations that have not been verified by a third party

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

(¥bn)

	FY18/3		FY19/3		FY20/3		FY21/3		FY21/3 1Q		FY22/3 1Q	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income ¹	3,938.8	5,489.2	3,814.7	4,374.4	3,582.6	3,658.6	3,591.8	3,194.6	904.3	799.5	888.5	777.6
Insurance premiums and others	3,481.2	755.2	3,369.5	590.3	2,786.3	459.1	2,333.7	364.1	615.3	97.4	566.9	77.0
Investment income ¹	454.6	830.3	440.1	764.3	441.2	696.5	448.4	673.6	109.4	151.2	119.2	161.8
Other ordinary income ¹	3.0	3,903.7	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8	179.5	550.8	202.3	538.6
Ordinary expenses ¹	3,767.1	5,352.2	3,663.5	4,260.4	3,388.2	3,566.1	3,329.3	3,112.2	841.1	793.2	819.2	755.2
Insurance claims and others	1,765.6	5,124.3	2,837.9	4,030.9	2,842.0	3,349.3	2,925.4	2,940.6	724.5	737.4	722.3	715.4
Provision for policy reserves and others ¹	1,474.7	-	272.5	-	29.9	-	0.0	-	7.5	-	0.9	-
Investment expenses ¹	78.5	27.9	99.1	46.8	85.7	38.2	59.5	11.7	21.9	16.3	12.4	1.5
Operating expenses	372.8	159.9	376.2	142.1	336.3	135.8	275.4	126.6	69.3	30.8	64.5	29.7
Other ordinary expenses	75.2	39.8	77.7	40.4	94.2	42.7	68.9	33.2	17.7	8.5	18.9	8.5
Ordinary profit	171.7	137.0	151.1	113.9	194.3	92.4	262.5	82.4	63.2	6.3	69.3	22.3
Extraordinary gains and losses ²	(27.2)	(17.0)	13.8	3.6	9.3	29.8	(23.6)	(23.1)	3.2	19.0	(9.9)	(9.0)
Provision for reserve for policyholder dividends	21.6	96.1	19.6	92.1	15.4	93.7	18.7	46.7	4.7	15.6	4.5	10.8
Income before income taxes	122.9	23.8	145.3	25.5	188.2	28.5	220.2	12.6	61.8	9.7	54.8	2.4
Total income taxes	35.4	6.9	41.1	8.7	54.9	10.7	61.1	6.0	17.8	7.2	15.4	1.0
Net income	87.4	16.8	104.1	16.7	133.3	17.8	159.0	6.5	43.9	2.4	39.4	1.4

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., FY22/3 1Q, ¥0.9billion was added to "Reversal of reserve for outstanding claims," 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."



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

		FY18/3	FY19/3	FY20/3	FY21/3	FY21/3 1Q	FY22/3 1Q
Total assets	¥mn	76,832,508	73,904,576	71,667,398	70,173,857	70,802,041	68,828,822
Postal Life Insurance category		46,684,937	41,354,076	39,225,493	37,815,270	38,747,781	37,213,149
New category		30,147,570	32,550,500	32,441,904	32,358,586	32,054,260	31,615,672
Number of policies in force	(000)	30,405	29,143	27,070	24,837	26,477	24,292
Postal Life Insurance category (insurance)		12,484	11,048	9,907	8,944	9,668	8,706
New category (individual insurance)		17,921	18,095	17,163	15,893	16,808	15,586
Insurance premiums and others	¥mn	4,236,461	3,959,928	3,245,541	2,697,936	712,835	644,021
Postal Life Insurance category		755,221	590,340	459,151	364,196	97,476	77,073
New category		3,481,240	3,369,588	2,786,389	2,333,740	615,359	566,947
Ordinary profit	¥mn	308,845	265,143	286,829	345,022	69,590	91,667
Postal Life Insurance category		137,074	113,981	92,490	82,454	6,342	22,348
New category		171,771	151,162	194,338	262,568	63,247	69,319
Net income	¥mn	104,309	120,958	151,132	165,586	46,473	40,891
Postal Life Insurance category		16,878	16,763	17,806	6,566	2,493	1,434
New category		87,430	104,195	133,325	159,020	43,980	39,456
Contingency reserve (reversal) provision	¥mn	(139,678)	(151,592)	(165,388)	(186,023)	2,619	13,788
Postal Life Insurance category		(173,722)	(173,590)	(170,814)	(191,014)	1,457	12,128
New category		34,043	21,997	5,425	4,991	1,161	1,660
Price fluctuations reserve (reversal) provision	¥mn	128,031	(19,251)	(39,152)	46,477	(22,397)	18,923
Postal Life Insurance category		17,090	(3,686)	(29,845)	23,121	(19,084)	9,001
New category		110,940	(15,564)	(9,306)	23,355	(3,313)	9,922
Additional policy reserve (reversal) provision	¥mn	(30,648)	(50,292)	(49,750)	27,652	(53,477)	(59,045)
Postal Life Insurance category		(47,674)	(46,698)	(46,396)	30,553	(52,695)	(58,393)
New category		17,025	(3,594)	(3,354)	(2,901)	(781)	(651)

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)					
	FY18/3	FY19/3	FY20/3	FY21/3	FY21/3 1Q	FY22/3 1Q
Insurance premiums and others	4,236.4	3,959.9	3,245.5	2,697.9	712.8	644.0
Ordinary profit	309.2	264.8	286.6	345.7	69.9	92.0
Provision for reserve for policyholder dividends	117.7	111.8	109.2	65.4	20.4	15.4
Net income	104.4	120.4	150.6	166.1	46.7	41.2
Net assets	2,003.1	2,135.1	1,928.3	2,841.4	2,353.8	2,576.1
Total assets	76,831.2	73,905.0	71,664.7	70,172.9	70,801.8	68,829.5
Return on equity	5.4 %	5.8 %	7.4 %	7.0 %	-	-
RoEV ¹	9.9 %	8.6 %	(2.8) %	5.0 %	4.2 %	5.8 %
Dividends to shareholders	40.8	43.2	42.7	42.7	-	-
Payout Ratio	39.0 %	35.8 %	28.4 %	25.7 %	-	-
EV	3,743.3	3,925.7	3,324.2	4,026.2	3,608.5	3,738.2
Value of New Business	226.7	223.8	60.6	(12.7)	(1.1)	(2.6)
Core profit (Non-consolidated)	386.1	377.1	400.6	421.9	110.4	102.5
Core profit attributable to life insurance activities	320.3	318.7	320.1	345.6	103.8	80.3
Spread (positive/negative spread)	65.8	58.4	80.4	76.3	6.6	22.1

1. Calculated by excluding economic variance factors.

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