

UNOFFICIAL TRANSLATION

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.

**Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2024
[Under Japanese GAAP]**



February 14, 2025

Company Name: JAPAN POST INSURANCE Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
Code Number: 7181 URL: <https://www.jp-life.japanpost.jp/>
Representative: TANIGAKI Kunio, Director and President, CEO, Representative Executive Officer
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance	
	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	4,334,634	(5.0)	222,750	77.6	84,432	29.6
Nine months ended December 31, 2023	4,560,747	(4.9)	125,423	59.2	65,154	(14.5)

(Note) Comprehensive Income (Loss) Nine months ended December 31, 2024 ¥131,894 million [(75.1)%]
 Nine months ended December 31, 2023 ¥529,203 million [-%]

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2024	220.58	-
Nine months ended December 31, 2023	170.23	-

(Note) Diluted net income per share is not presented as potential common stock did not exist.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2024	60,471,823	3,489,751	5.8
As of March 31, 2024	60,855,899	3,395,744	5.6

(Reference) Net assets attributable to the Company's shareholders as of December 31, 2024 and March 31, 2024 were ¥3,489,751 million and ¥3,395,744 million, respectively.

2. Dividends

	Dividend per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2024	Yen -	Yen 47.00	Yen -	Yen 47.00	Yen 94.00
Fiscal year ending March 31, 2025	-	52.00	-		
Fiscal year ending March 31, 2025 (Forecast)				52.00	104.00

(Note) Revisions to the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	6,130,000	(9.1)	220,000	36.5	120,000	37.8	313.50

(Note) Revisions to the most recently announced financial results forecast: No

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Adoption of special accounting methods in the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of shares issued (common stock)
- 1) Total number of shares issued at the end of the period:
December 31, 2024: 383,192,300 shares
March 31, 2024: 383,192,300 shares
 - 2) Total number of treasury stock at the end of the period:
December 31, 2024: 405,685 shares
March 31, 2024: 427,051 shares
 - 3) Average number of shares during the period:
Nine months ended December 31, 2024: 382,777,654 shares
Nine months ended December 31, 2023: 382,741,925 shares

(Note) Total number of treasury stock at the end of the period includes shares of the Company held in the Board Benefit Trust (BBT), namely 394,500 shares as of December 31, 2024, and 415,900 shares as of March 31, 2024.

The average number of treasury stock held in the BBT (403,494 shares for the nine months ended December 31, 2024 and 439,223 shares for the nine months ended December 31, 2023) was deducted from the calculation of the average number of shares during the nine months ended December 31, 2024 and 2023.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Explanation on the appropriate use of financial results forecasts, and other notes

(Cautionary note concerning forward-looking statements)

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by the Company at the time of this document's disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in the operating environment.

(Supplementary briefing materials on financial results)

The Company has prepared supplementary briefing materials, etc. in relation to financial information, which can be viewed on the Company's website.

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1. Overview of Consolidated Results of Operations, etc.

(1) Overview of Consolidated Results of Operations for the Current Period

Ordinary income for the nine months ended December 31, 2024 amounted to ¥4,334.6 billion (5.0% decrease year on year), of which the insurance premiums and others accounted for ¥2,566.2 billion (61.7% increase year on year), investment income accounted for ¥909.1 billion (3.7% increase year on year), and other ordinary income accounted for ¥859.1 billion (59.0% decrease year on year).

Ordinary expenses amounted to ¥4,111.8 billion (7.3% decrease year on year), of which the insurance claims and others accounted for ¥3,529.3 billion (8.6% decrease year on year), investment expenses accounted for ¥198.5 billion (4.2% increase year on year), operating expenses accounted for ¥316.3 billion (1.9% decrease year on year), and other ordinary expenses accounted for ¥67.0 billion (11.0% increase year on year).

Core profit decreased due to the impact of the increased burden of regular policy reserves in the first year of new policies related to an increase in new policies. However, ordinary profit amounted to ¥222.7 billion (77.6% increase year on year) as a result of an improvement in other one-time profits and losses resulting mainly from the end of excess provisions for contingency reserves and a significant improvement in capital gains and losses.

As a result of the above, net income attributable to Japan Post Insurance, which is calculated by adding and subtracting extraordinary gains and losses, and subtracting provision for reserve for policyholder dividends and total income taxes from ordinary profit, was ¥84.4 billion (29.6% increase year on year), due to an increase in the positive spread and an improvement in other one-time profits or losses despite the neutralization of the above stated capital gains and losses in reserve for price fluctuations.

(2) Overview of Consolidated Financial Position for the Current Period

Total assets at the end of the current period amounted to ¥60,471.8 billion (0.6% decrease year on year).

Total assets are mainly comprised of ¥47,435.9 billion of securities (0.5% decrease year on year), primarily including Japanese government bonds, ¥6,652.5 billion of money held in trust (6.1% increase year on year) and ¥2,764.8 billion of loans (15.7% decrease year on year).

Total liabilities amounted to ¥56,982.0 billion (0.8% decrease year on year), mainly comprising ¥51,123.2 billion of policy reserves and others (1.7% decrease year on year).

Total net assets amounted to ¥3,489.7 billion (2.8% increase year on year). Under net assets, net unrealized gains on available-for-sale securities amounted to ¥1,835.7 billion (3.4% increase year on year).

2. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
ASSETS:		
Cash and deposits	1,157,322	1,453,423
Call loans	40,000	30,000
Receivables under resale agreements	1,047,192	806,526
Monetary claims bought	25,392	23,882
Money held in trust	6,271,415	6,652,589
Securities	47,693,813	47,435,978
Loans	3,281,313	2,764,852
Tangible fixed assets	136,936	141,552
Intangible fixed assets	97,807	107,474
Agency accounts receivable	11,296	11,326
Reinsurance receivables	7,646	9,722
Other assets	449,463	413,230
Deferred tax assets	636,644	621,905
Reserve for possible loan losses	(346)	(641)
Total assets	60,855,899	60,471,823
LIABILITIES:		
Policy reserves and others	51,988,334	51,123,280
Reserve for outstanding claims	373,913	303,637
Policy reserves	50,512,792	49,729,987
Reserve for policyholder dividends	1,101,628	1,089,655
Reinsurance payables	6,001	5,891
Bonds payable	400,000	500,000
Payables under repurchase agreements	3,905,000	4,141,402
Other liabilities	190,696	195,164
Liability for retirement benefits	95,931	112,216
Reserve for management board benefit trust	391	329
Reserve under the special law	873,799	903,788
Reserve for price fluctuations	873,799	903,788
Total liabilities	57,460,155	56,982,071
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	717,960	764,457
Treasury stock	(948)	(901)
Total shareholders' equity	1,622,055	1,668,600
Net unrealized gains (losses) on available-for-sale securities	1,775,693	1,835,720
Net deferred gains (losses) on hedges	(4,186)	(16,383)
Accumulated adjustments for retirement benefits	2,182	1,814
Total accumulated other comprehensive income	1,773,689	1,821,151
Total net assets	3,395,744	3,489,751
Total liabilities and net assets	60,855,899	60,471,823

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
ORDINARY INCOME	4,560,747	4,334,634
Insurance premiums and others	1,586,581	2,566,276
Investment income	876,566	909,191
Interest and dividend income	651,997	654,226
Gains on money held in trust	131,768	149,848
Gains on sales of securities	79,168	84,225
Gains on redemption of securities	85	158
Gains on foreign exchanges	13,528	20,685
Reversal of reserve for possible loan losses	-	4
Other investment income	19	42
Other ordinary income	2,097,599	859,166
Reversal of reserve for outstanding claims	55,495	70,275
Reversal of policy reserves	2,037,675	782,805
Other ordinary income	4,428	6,086
ORDINARY EXPENSES	4,435,324	4,111,883
Insurance claims and others	3,861,583	3,529,322
Insurance claims	3,153,398	2,860,948
Annuity payments	168,384	138,136
Benefits	153,649	168,197
Surrender benefits	324,195	310,571
Other refunds	46,843	37,768
Reinsurance premiums	15,112	13,700
Provision for policy reserves and others	94	508
Provision for interest on policyholder dividends	94	508
Investment expenses	190,638	198,570
Interest expenses	3,591	8,637
Losses on sales of securities	111,671	134,159
Losses on valuation of securities	74	-
Losses on redemption of securities	192	142
Losses on derivative financial instruments	72,344	53,123
Provision for reserve for possible loan losses	2	-
Other investment expenses	2,761	2,507
Operating expenses	322,591	316,393
Other ordinary expenses	60,416	67,088
Ordinary profit	125,423	222,750
EXTRAORDINARY GAINS	15,625	-
Reversal of reserve for price fluctuations	15,625	-
EXTRAORDINARY LOSSES	115	30,111
Losses on sales and disposal of fixed assets	115	122
Provision for reserve for price fluctuations	-	29,989
Provision for reserve for policyholder dividends	48,173	73,025
Income before income taxes	92,759	119,613
Income taxes - Current	43,869	39,973
Income taxes - Deferred	(16,264)	(4,792)
Total income taxes	27,604	35,181
Net income	65,154	84,432
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	65,154	84,432

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net income	65,154	84,432
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	472,760	59,986
Net deferred gains (losses) on hedges	(8,364)	(12,197)
Adjustments for retirement benefits	(347)	(368)
Share of other comprehensive income of affiliates accounted for under the equity method	-	41
Total other comprehensive income (loss)	464,049	47,461
Comprehensive income (loss)	529,203	131,894
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	529,203	131,894
Non-controlling interests	-	-

(3) Notes to the Consolidated Financial Statements

(Notes on Segment Information and Others)

Segment information is omitted as the Company and its subsidiary has only one segment, namely, the life insurance business in Japan.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Cash Flow Statements)

Quarterly consolidated statements of cash flows for the nine months ended December 31, 2024 have not been prepared.

Depreciation and amortization for the nine months ended December 31, 2023 and 2024 (including amortization of intangible fixed assets) are as follows.

(Millions of yen)	
Nine months ended December 31, 2023	Nine months ended December 31, 2024
30,826	29,862