

Outline of Financial Results for the Fiscal Year Ended March 31, 2022

May 13, 2022



- I am Imuta of Japan Post Insurance.
- Thank you for joining our conference call for “Financial Results for the Fiscal Year Ended March 31, 2022.”
- 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		
	Year ended Mar-22	Year on Year
Ordinary Profit	¥ 356.1bn	¥ 10.3bn + 3.0 %
Net income	¥ 158.0bn	¥ (8.0)bn (4.8) %
Annualized premiums from New policies	(Individual Insurance) ¥ 46.1bn	¥ 15.5bn + 50.7 %
	(Medical Care) ¥ 2.1bn	¥ 0.7bn + 49.0 %
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 3,538.9bn	¥ (359.1)bn (9.2) %
	(Medical Care) ¥ 627.0bn	¥ (42.0)bn (6.3) %
EV	¥ 3,618.9bn	¥ (407.2)bn (10.1) %

【Financial Highlights】 (Ref.P3)


- Operating expenses decreased and there was an increase in positive spread, despite a decrease in the number of policies in force due to the lower-than-expected number of new policies.
- As a result of the above, earnings were at the same level as the previous fiscal year. Ordinary profit increased 3.0% year on year, and net income decreased 4.8% year on year.

【Policy Sales】 (Ref.P4)

- Annualized premiums from new policies for individual insurance in FY22/3 increased 50.7% year on year, but it was an 86.9% decrease from FY19/3, a period before the solicitation quality issues surfaced.

【Embedded Value】 (Ref.P10)

- EV decreased by 10.1% from the end of the previous fiscal year, mainly due to the decreases in net assets resulting from the acquisition of treasury stock worth ¥ 358.8billion in May 2021 and decrease in unrealized gains of foreign bonds along with the increase in foreign interest rates.



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- The financial results can be summed up as you see.
- Operating expenses decreased and there was an increase in positive spread, despite a decrease in the number of policies in force due to the lower-than-expected number of new policies. As a result, earnings were at the same level as the previous fiscal year. Ordinary profit increased 3.0% year on year to ¥ 356.1billion, and net income decreased 4.8% year on year to ¥ 158.0billion.
- Annualized premiums from new policies for individual insurance in FY22/3 were ¥ 46.1billion, a 50.7% increase year on year, but it was an 86.9% decrease from FY19/3, a period before the solicitation quality issues surfaced.
- EV decreased by 10.1% from the end of the previous fiscal year to ¥ 3,618.9billion, mainly due to a decrease in net assets resulting from the acquisition of treasury stock in May 2021 and a decrease in unrealized gains of foreign bonds resulting from higher foreign interest rates.
- Please note that the EV for the current period is a preliminary calculation for which we have not yet received third-party verification. For details on EV verified by a third party, please refer to “Disclosure of European Embedded Value as of March 31, 2022” to be announced on May 25, 2022.
- Please look at page 2.

Financial Results for Year Ended March 31, 2022 (Year on Year)

Statement of Income

	(¥bn)		
	Year ended Mar-21	Year ended Mar-22	Change
Ordinary income	6,786.2	6,454.2	(332.0)
Insurance premiums and others	2,697.9	2,418.9	(278.9)
Investment income	1,121.6	1,149.1	27.4
Reversal of policy reserves	2,895.4	2,864.2	(31.1)
Ordinary expenses	6,440.4	6,098.0	(342.3)
Insurance claims and others	5,866.0	5,549.3	(316.7)
Investment expenses	70.8	69.7	(1.0)
Operating expenses etc ¹	503.5	479.0	(24.5)
Ordinary profit	345.7	356.1	10.3
Extraordinary gains and losses	(46.7)	(62.4)	(15.6)
Provision of reserve for price fluctuations	(46.4)	(67.7)	(21.3)
Provision for reserve for policyholder dividends	65.4	73.1	7.6
Total income taxes	67.4	62.5	(4.9)
Net income attributable to Japan Post Insurance	166.1	158.0	(8.0)

Note: Only major line items are shown.

1. Sum of Operating expenses and Other ordinary expenses

2. Plus signs indicates reversals, while brackets () indicate provisions.



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Details of Ordinary Profit (Non-Consolidated)

	(¥bn)		
	Year ended Mar-21	Year ended Mar-22	Change
Core profit	421.9	437.1	15.1
Core profit attributable to life insurance activities	345.6	296.4	(49.2)
Positive spread	76.3	140.7	64.3
Net capital gains (losses)	(17.1)	(1.7)	15.3
Other one-time profits (losses)	(59.8)	(79.6)	(19.8)
Ordinary profit	345.0	355.7	10.7

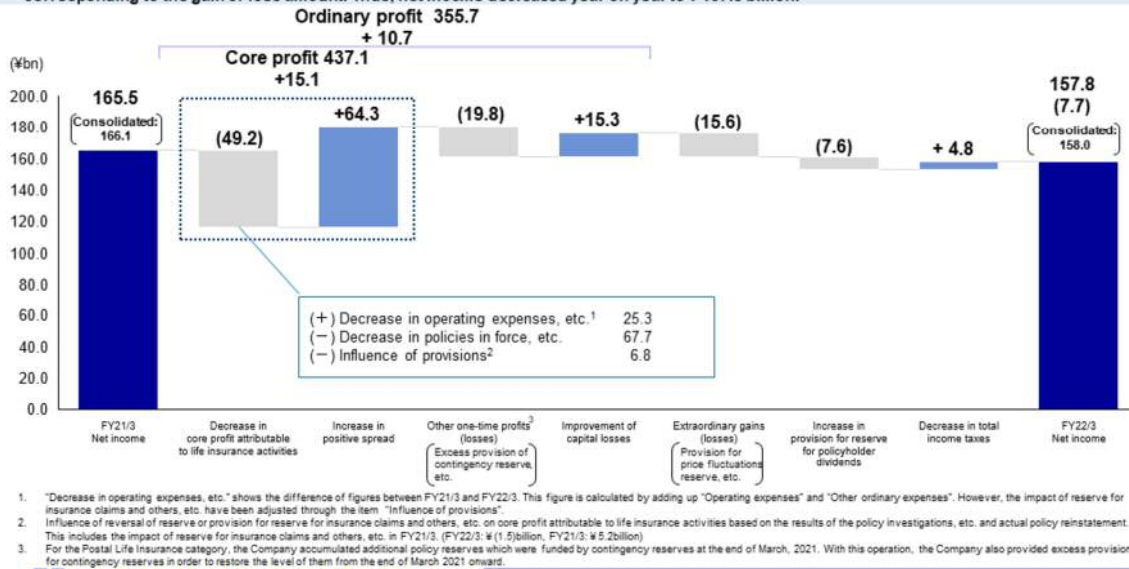
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- This page shows the financial highlights.
- The factors for changes will be explained at next page.
- Please look at page 3.

Factors for Year on Year Changes (Non-Consolidated)

- Core profit increased year on year to ¥ 437.1 billion due to an increase in positive spread, despite a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Despite an increase in other one-time losses caused by excess provision for contingency reserves, non-consolidated ordinary profit was ¥ 355.7 billion as a result of improvement of capital losses.
- 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. Thus, net income decreased year on year to ¥ 157.8 billion.



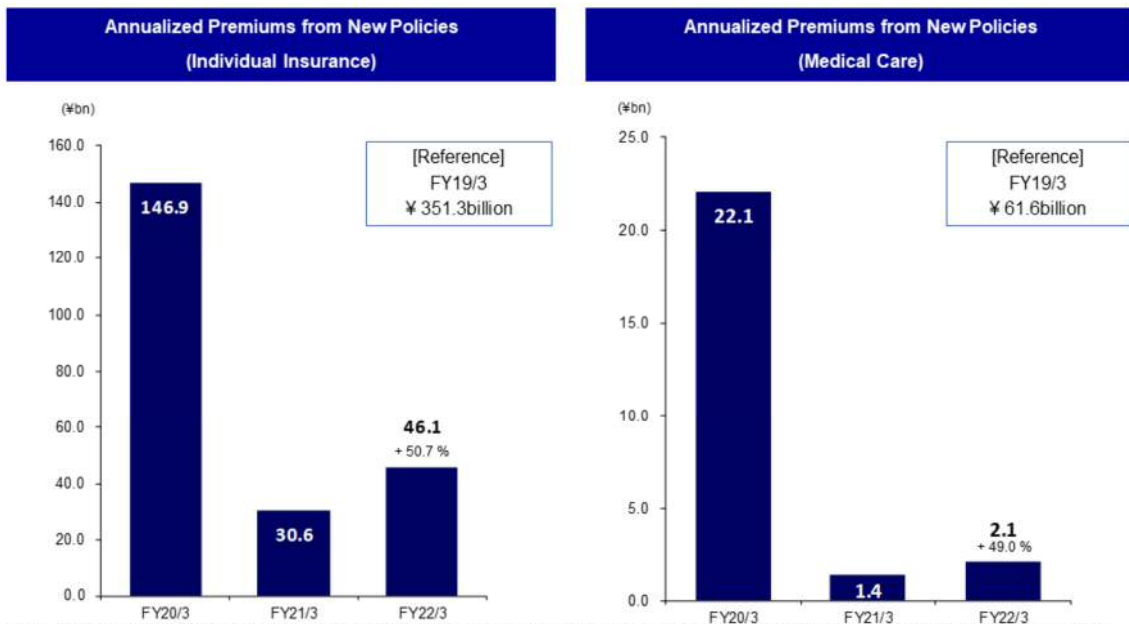
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- These are the factors for changes in the financial results for the current period.
- Core profit increased year on year to ¥ 437.1 billion due to an increase in positive spread, despite a decrease in core profit attributable to life insurance activities reflecting a decline in policies in force, etc.
- Despite an increase in other one-time losses caused by excess provision for contingency reserves, non-consolidated ordinary profit was ¥ 355.7 billion as a result of improvement of capital losses.
- Capital losses are offset by the price fluctuation reserves. Thus, non-consolidated net income for the current period was ¥ 157.8 billion.
- Please look at page 4.

Policy Sales [Annualized Premiums from New Policies]

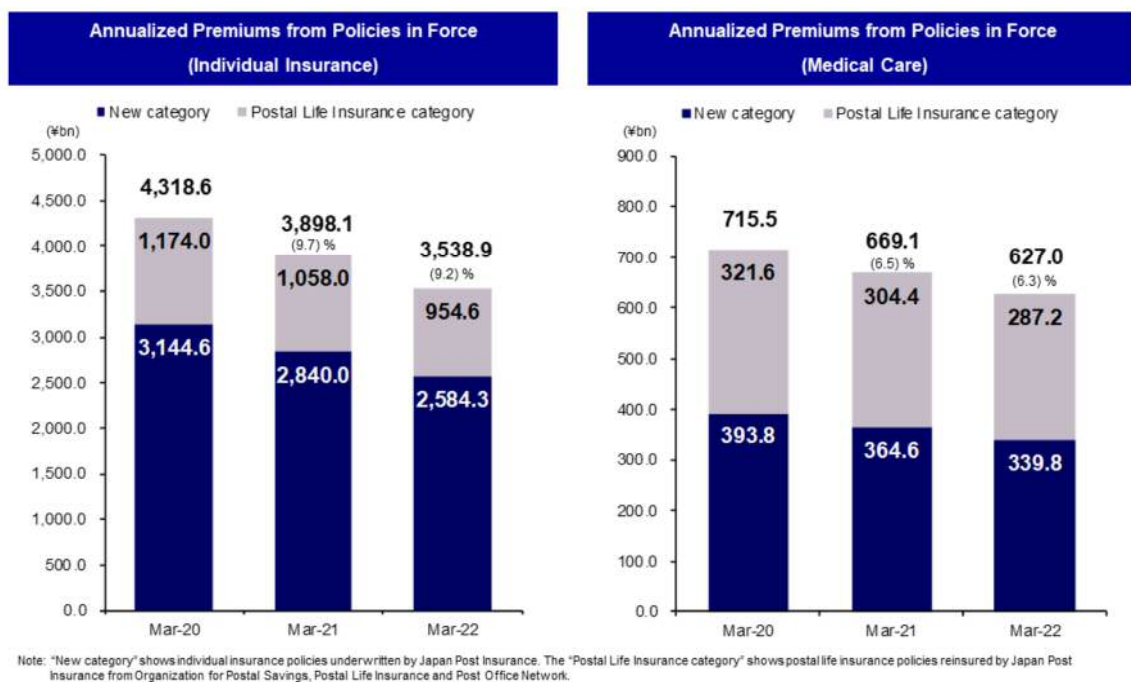


Note1 : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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.

- From here, I would like to explain our policy sales.
- Annualized premiums from new policies for individual insurance increased by 50.7% year on year to ¥ 46.1billion and annualized premiums from new policies for medical care increased by 49.0% year on year to ¥ 2.1billion, but both of them decreased significantly from FY19/3, a period before the solicitation quality issues surfaced.
- Please look at page 5.

Policy Sales [Annualized Premiums from Policies in Force]



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- Annualized premiums from policies in force for individual insurance decreased by 9.2% from the end of the previous fiscal year to ¥ 3,538.9billion.
- Annualized premiums from policies in force for medical care decreased by 6.3% from the end of the previous fiscal year to ¥ 627.0billion.
- Please look at page 6.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities									
	(¥bn)								
	Mar-21			Mar-22			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	56,500.9	62,173.4	5,672.4	(1,784.3)	(3,492.8)	(1,708.4)
Held-to-maturity bonds	35,327.9	40,512.9	5,184.9	34,126.2	38,143.1	4,016.9	(1,201.7)	(2,369.7)	(1,167.9)
Policy-reserve-matching bonds	9,382.4	10,158.5	776.1	8,604.7	9,106.0	501.2	(777.7)	(1,052.5)	(274.8)
Available-for-sale securities	13,574.8	14,994.7	1,419.8	13,769.9	14,924.2	1,154.2	195.0	(70.5)	(265.6)
Securities etc.	10,798.1	11,297.8	499.7	10,976.2	11,103.7	127.5	178.0	(194.0)	(372.1)
Bonds	3,519.1	3,554.0	34.8	4,043.7	4,016.9	(26.7)	524.5	462.9	(61.6)
Domestic stocks	322.8	398.8	76.0	357.7	419.8	62.0	34.9	20.9	(14.0)
Foreign securities	4,290.1	4,632.3	342.2	4,247.0	4,332.5	85.4	(43.0)	(299.8)	(256.8)
Other securities	1,910.8	1,955.8	44.9	1,884.2	1,889.9	5.7	(26.6)	(65.8)	(39.2)
Deposits etc.	755.1	756.7	1.5	443.3	444.5	1.1	(311.7)	(312.2)	(0.4)
Money held in trust	2,776.7	3,696.9	920.1	2,793.7	3,820.4	1,026.6	16.9	123.5	106.5
Domestic stocks ¹	1,431.5	2,115.4	683.9	1,495.7	2,194.7	699.0	64.2	79.3	15.0
Foreign stocks ¹	303.3	489.5	186.1	311.9	586.1	274.2	8.5	96.6	88.0
Foreign bonds ¹	742.7	779.9	37.2	700.0	742.0	42.0	(42.7)	(37.9)	4.8
Other ²	299.1	311.9	12.8	286.0	297.4	11.4	(13.0)	(14.4)	(1.4)

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," "bank loans" and "real estate fund"

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- This slide shows the fair value of securities and net unrealized gains or losses.
- Although interest rates in Japan and overseas rose compared with the end of March 2021, during the fiscal year under review, we recognized ¥ 1,154.2billion of net unrealized gains on available-for-sale securities that are calculated at fair value for accounting purposes.
- Please look at page 8.

Expenses

Expenses			
(¥bn)			
	Year ended Mar-21	Year ended Mar-22	Change
Operating expenses	403.0	385.9	(17.1)
Commissions ¹	198.1	178.6	(19.4)
Sales Commissions	42.2	30.7	(11.5)
Maintenance Commissions	155.8	147.9	(7.9)
Contributions ²	56.0	54.0	(2.0)
Others	148.8	153.2	4.4
Other ordinary expenses	100.4	93.0	(7.4)
Depreciation and amortization	59.3	54.5	(4.8)
Operating expenses etc	503.5	479.0	(24.5)

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 ¥ 385.9billion, 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 ¥ 19.4billion year on year to ¥ 178.6billion.
- The sum of commissions and contributions decreased by ¥ 21.5billion year on year to ¥ 232.6billion.
- Depreciation and amortization decreased by ¥ 4.8billion year on year to ¥ 54.5billion.
- Please look at page 9.

Financial Soundness

Internal Reserves

	Mar-21	Mar-22	Provisions in the period
(¥bn)			
Contingency reserve	1,611.3	1,690.9	79.6
Postal Life Insurance category ¹	1,129.6	1,203.2	73.5
New category	481.6	487.7	6.0
Price fluctuations reserve	904.8	972.6	67.7
Postal Life Insurance category	655.1	695.1	40.0
New category	249.7	277.4	27.7
Additional policy reserve	5,858.0	5,618.6	(239.3)
Postal Life Insurance category ¹	5,850.8	5,613.8	(236.9)
New category	7.1	4.8	(2.3)

Solvency Margin Ratio

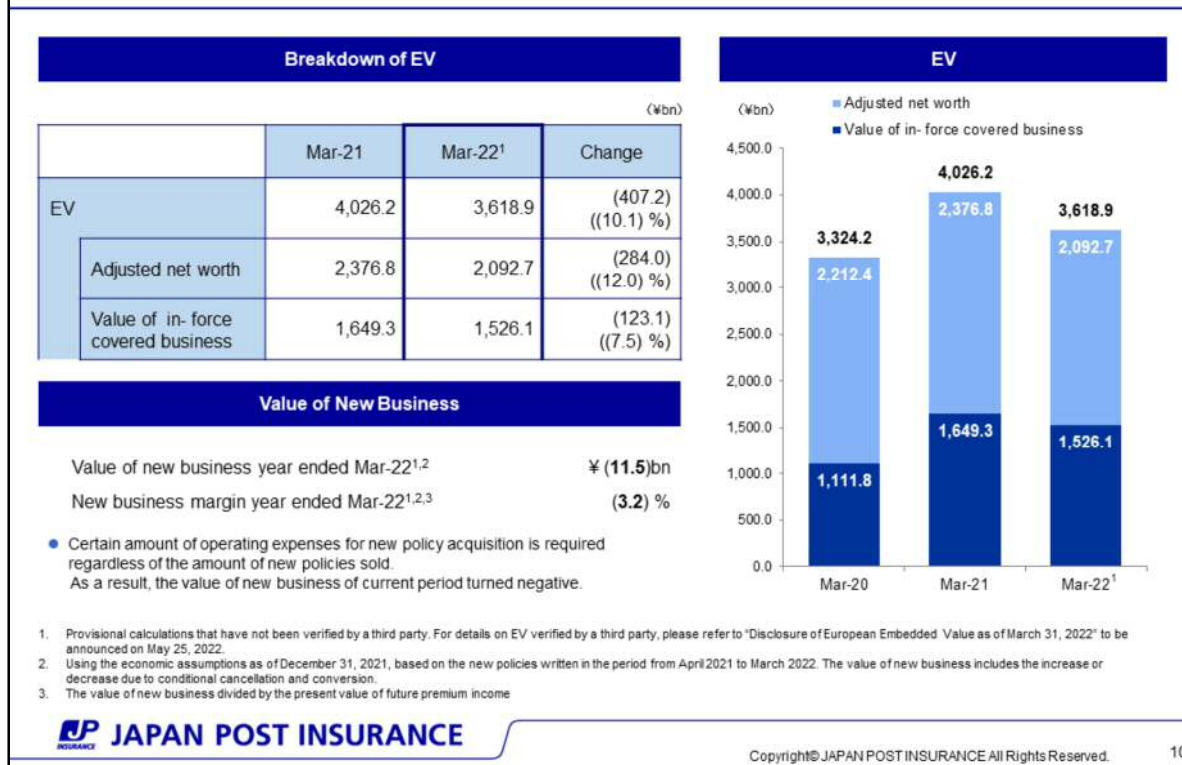
	Mar-21	Mar-22
(¥bn)		
Solvency Margin Ratio	1,121.2 %	1,045.5 %
Total amount of solvency margin	6,216.2	5,858.5
Total amount of risk	1,108.7	1,120.6

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 ¥ 1,690.9 billion and reserves for price fluctuations of ¥ 972.6 billion.
- Additional policy reserves accumulated mainly to cover negative spreads were ¥ 5,618.6 billion at the end of the current period.
- The solvency margin ratio was 1,045.5 %, maintaining a high level of soundness.
- Please look at page 10.

Embedded Value



- I would like to explain the current status of EV.
- EV as of March 31, 2022 was ¥ 3,618.9billion, a decrease of ¥ 407.2billion from the end of the previous fiscal year.
- Adjusted net worth decreased by ¥ 284.0billion from the end of the previous fiscal year to ¥ 2,092.7billion, due to dividends and the acquisition of treasury stock in May 2021, despite the increase in net income.
- Value of in-force covered business decreased by ¥ 123.1billion from the end of the previous fiscal year to ¥ 1,526.1billion, mainly due to a decrease in unrealized gains of foreign bonds resulting from higher foreign interest rates.
- Value of new business for the current period was calculated based on the economic assumptions as of the end of December 2021 in which interest rate assumption is almost as same as the average of actual interest rate from April 2021 to March 2022.
- 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 ¥ (11.5) billion. Meanwhile, the new business margin was (3.2) %.
- Please note that the EV for the current period is a preliminary calculation for which we have not yet received third-party verification. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2022" to be announced on May 25, 2022.
- Please look at page 11.

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2023

- Ordinary profit and net income for FY23/3 are expected to decrease significantly due to an increase in operating expenses, etc. associated with the intake of consultants from Japan Post under the new Japan Post Insurance sales system and stabilization of business operations.
- Under the new Japan Post Insurance sales system, we aim to secure policies in force through the recovery of new policies.

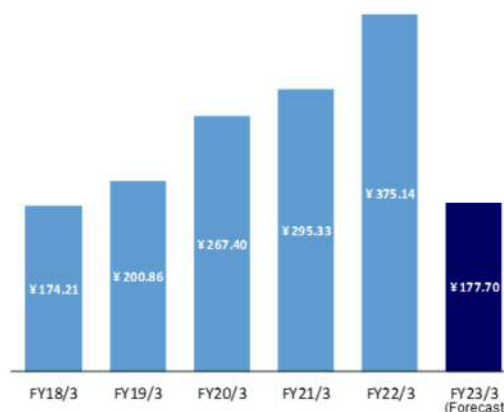
Full-year Financial Results Forecast

(¥bn)

	Year ended Mar-22 (Revised forecast)	Year ended Mar-22	Achievement	Year ending Mar-23 (Forecast)
Ordinary income	6,410.0	6,454.2	100.7%	6,220.0
Ordinary profit	360.0	356.1	98.9%	160.0
Net income ¹	154.0	158.0	102.6%	71.0

Net income per share	¥ 365.49	¥ 375.14	¥ 177.70
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Earnings Per Share



Full-year Financial Results Forecast (non-consolidated)

(¥bn)

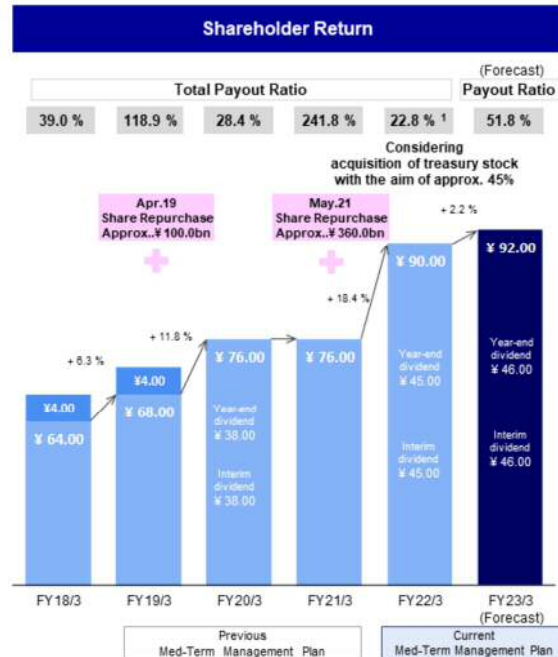
	Year ended Mar-22 (Revised forecast)	Year ended Mar-22	Year ending Mar-23 (Forecast)
Core profit	Approx.420.0	437.1	Approx.220.0

1. Net income attributable to Japan Post Insurance

- I will explain the forecasts for full-year financial results for the year ending March 31, 2023.
- The financial results for the year ending March 31, 2023 are expected to decrease from the fiscal year under review, due primarily to an increase in operating expenses, etc. associated with the intake of consultants from Japan Post under the new Japan Post Insurance sales system and stabilization of business operations.
- We forecast net income for the year ending March 31, 2023 to be around ¥ 71.0billion.
- Please look at page 12.

Shareholder Return

Shareholder Return Policies during the period of the Medium-term Management Plan
<ul style="list-style-type: none"> 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 By taking timely measures, including acquisition of treasury stock, to return profits to shareholders flexibly, we will aim for an average total payout ratio from 40% to 50% in the medium term
Shareholder Return for the Year Ended March 31, 2022
<ul style="list-style-type: none"> An annual dividend for the fiscal year ended March 31, 2022 is ¥ 90 per share, which is in line with our forecast The Company is considering the acquisition of treasury stock from the second quarter of the fiscal year ending March 31, 2023 onward, with the aim of achieving a total payout ratio of approximately 45%. This would be implemented through off-floor purchases on the Tokyo Stock Exchange Trading Network system for acquisition of treasury stock (ToSTNeT-3) and on the auction market of the Tokyo Stock Exchange. In consideration of the acquisition of treasury stock, the Company will continue to ensure that the ratio of voting rights of JAPAN POST HOLDINGS Co., Ltd. will be maintained at 50% or less. Therefore, depending on the status of the ratio of voting rights, the amount of treasury stock to be acquired may be significantly less than initially estimated.
Shareholder Return for the Year Ending March 31, 2023
<ul style="list-style-type: none"> An annual dividend for the fiscal year ending March 31, 2023 is scheduled to be ¥ 92 per share



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- Lastly, I will explain our Shareholder Return.
- Our shareholder return policy for the period of the Medium-Term Management Plan has been to aim not to decrease but to increase dividends in principle. Today, we have decided to add another target to this policy. By taking timely measures, including acquisition of treasury stock, to return profits to shareholders flexibly, we will aim an average total payout ratio from 40% to 50% in the medium term.
- Based on these policies, the dividend per share for the fiscal year ended March 31, 2022, is ¥90, which is in line with our forecast. In addition, the Company is considering the acquisition of treasury stock from the second quarter of the fiscal year ending March 31, 2023 onward, with the aim of achieving a total payout ratio of approximately 45%. This would be implemented through off-floor purchases on the Tokyo Stock Exchange Trading Network system for acquisition of treasury stock (ToSTNeT-3) and on the auction market of the Tokyo Stock Exchange.
- In consideration of the acquisition of treasury stock, the Company will continue to ensure that the ratio of voting rights of JAPAN POST HOLDINGS Co., Ltd. in the Company will be maintained at 50% or less. Therefore, depending on the status of the ratio of voting rights, the amount of treasury stock to be acquired may be significantly less than initially estimated.
- An annual dividend for the fiscal year ending March 31, 2023 is scheduled to be ¥92 per share.
- We will continue to recognize that the shareholder return is an important policy of management and will maintain sound management while distributing stable profits to shareholders.
- This concludes my explanation.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

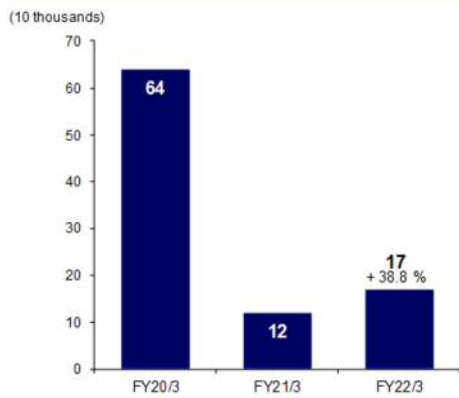
	Mar-21	Mar-22	Change		Mar-21	Mar-22	Change
Total Assets	70,172.9	67,174.7	(2,998.1)	Total Liabilities	67,331.5	64,753.7	(2,577.7)
Cash and deposits	1,335.0	1,270.7	(64.2)	Policy reserves	59,397.7	56,533.4	(2,864.2)
Money held in trust	4,189.2	4,521.9	332.6	Contingency reserve	1,611.3	1,690.9	79.6
Securities	55,273.6	53,417.5	(1,856.0)	Additional policy reserve	5,858.0	5,618.6	(239.3)
Loans	4,964.0	4,251.9	(712.1)	Bonds payable	300.0	300.0	-
Tangible fixed assets	105.3	94.4	(10.9)	Reserve for price fluctuations	904.8	972.6	67.7
Intangible fixed assets	113.4	93.6	(19.8)	Net assets	2,841.4	2,421.0	(420.4)
Deferred tax assets	904.1	1,005.3	101.2	Total shareholders' equity	1,806.0	1,544.5	(261.5)
				Capital stock	500.0	500.0	-
				Capital surplus	405.0	405.0	-
				Retained earnings	901.3	639.8	(261.5)
				Treasury stock ¹	(0.3)	(0.3)	0.0
				Total accumulated other comprehensive income	1,035.4	876.5	(158.8)

Note: Only major line items are shown.

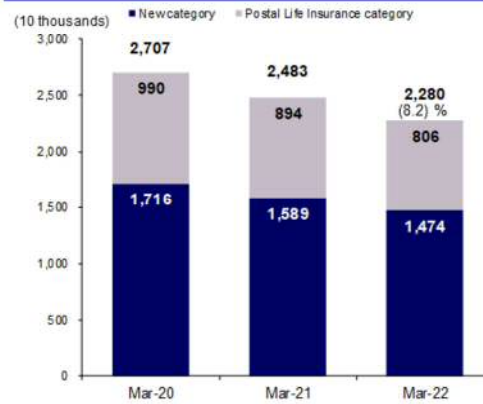
1. The Company's has cancelled its treasury stock on August 20, 2021

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.

Numbers of Surrender and Lapse (Individual Insurance)

(10 thousands)

	FY20/3	FY21/3	FY22/3
Full year	90	51	50

Note : Sum of "New category" and "Postal Life Insurance category"



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Breakdown of Policies

Breakdown of New Policies

(10 thousands)

	Year ended Mar-21		Year ended Mar-22	
	Number of policies	Share	Number of policies	Share
Individual insurance	12	100.0 %	17	100.0 %
Endowment insurance	9	73.1 %	13	76.9 %
Ordinary endowment insurance	6	53.3 %	9	55.9 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	0	1.2 %	0	1.6 %
Special endowment insurance ¹	2	18.6 %	3	19.4 %
Whole life insurance	1	9.8 %	1	10.5 %
Ordinary whole life insurance (Fixed amount type)	0	2.2 %	0	2.4 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	0	0.5 %	0	0.7 %
Ordinary whole life insurance (Increased amount type)	0	5.4 %	0	5.5 %
Special whole life insurance	0	1.7 %	0	2.0 %
Educational endowment insurance	2	17.0 %	2	11.7 %
Other insurance	0	0.1 %	0	0.8 %

Note 1 : Only major products are shown.

Note 2 : Policies in force includes postal life insurance policies

Note 3 : 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		Mar-22	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,483	100.0 %	2,280	100.0 %
Endowment insurance	906	36.5 %	785	34.4 %
Ordinary endowment insurance	582	23.5 %	509	22.3 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1 %	3	0.1 %
Special endowment insurance ¹	318	12.8 %	271	11.9 %
Whole life insurance	1,206	48.6 %	1,106	50.7 %
Ordinary whole life insurance (Fixed amount type)	372	15.0 %	352	15.5 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	5	0.2 %	5	0.2 %
Ordinary whole life insurance (Increased amount type)	282	10.6 %	252	11.1 %
Special whole life insurance	566	22.8 %	546	23.9 %
Educational endowment insurance	357	14.4 %	325	14.3 %
Other insurance	12	0.5 %	12	0.6 %

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	11.2	+ 24.7 %
3Q	89.1	12.2	7.2	11.4	+ 57.7 %
4Q	77.6	3.0	8.3	11.7	+ 41.8 %
Total	351.3	146.9	30.6	46.1	+ 50.7 %

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	0.5	+ 27.3 %
3Q	15.6	0.8	0.3	0.5	+ 67.2 %
4Q	12.9	0.1	0.4	0.5	+ 38.1 %
Total	61.6	22.1	1.4	2.1	+ 49.0 %

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.

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.



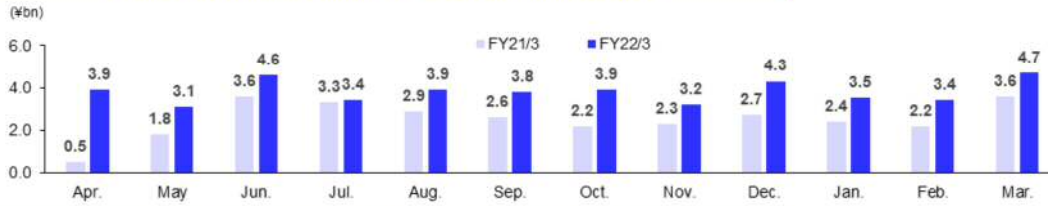
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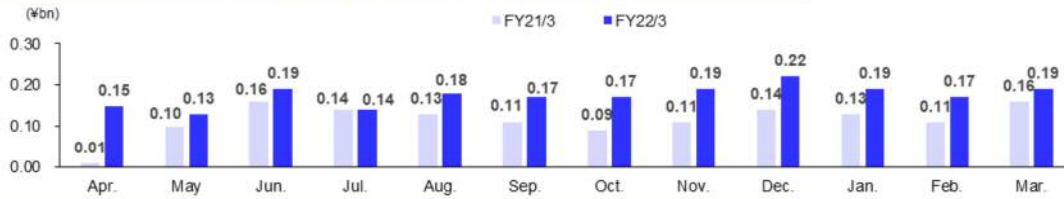
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Monthly Change of Annualized Premiums from New Policies

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 %	4.3 %	4.8 %	4.6 %	4.5 %	6.1 %	5.2 %	5.6 %	5.1 %	4.1 %

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

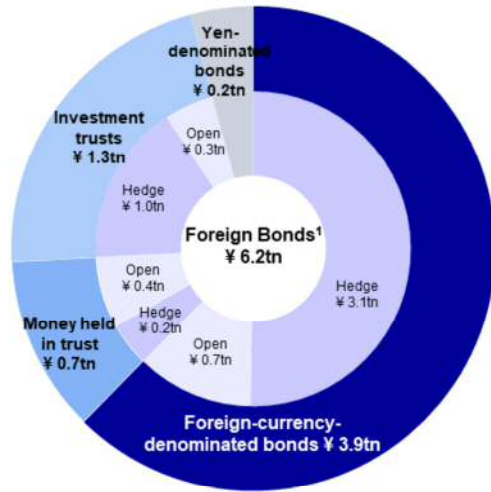
Interest, Dividends and Other Income and Capital gains(losses)

Interest, Dividends and Other Income			Capital gains(losses)		
	(\$bn)			(\$bn)	
	Year ended Mar-21	Year ended Mar-22		Year ended Mar-21	Year ended Mar-22
Investment income	1,121.6	1,149.1	Capital gains	115.7	162.3
Interest, dividends and other income	1,004.6	985.8	Gains on money held in trust	87.5	114.5
Interest on deposits	0.0	0.0	Gains on sales of securities	20.4	26.9
Interest and dividends on securities	898.4	894.5	Gains on derivative financial instruments	-	-
Interest on corporate and government bonds	733.2	715.7	Gains on foreign exchanges	7.7	20.8
Domestic stock dividends	8.2	10.8	Other capital gains	-	-
Interest and dividends on foreign securities	115.8	127.2	Capital losses	(132.8)	(164.0)
Others	41.0	40.6	Losses on money held in trust	-	-
Interest on loans	13.3	14.3	Losses on sales of securities	(32.7)	(51.1)
Interest on loans to the Management Organization	86.9	72.8	Losses on valuation of securities	-	-
Rent revenue from real estate	-	-	Losses on derivative financial instruments	(21.6)	(7.3)
Interest and dividends on others	5.9	4.1	Losses on foreign exchanges	-	-
			Other capital losses ¹	(78.4)	(105.5)
			Net Capital gains(losses)	(17.1)	(1.7)

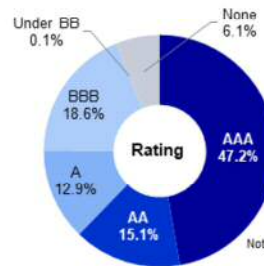
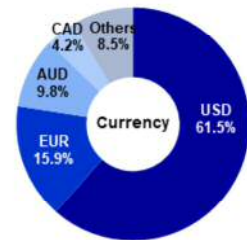
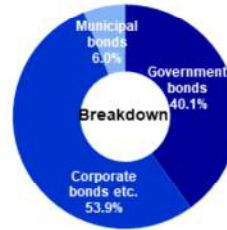
1. Amount equivalent to income gains associated with money held in trust is recognized as "other capital losses"

Exposure to Foreign Bonds (as of March 31, 2022)

Breakdown of Foreign Bonds



Foreign-currency-denominated Bonds

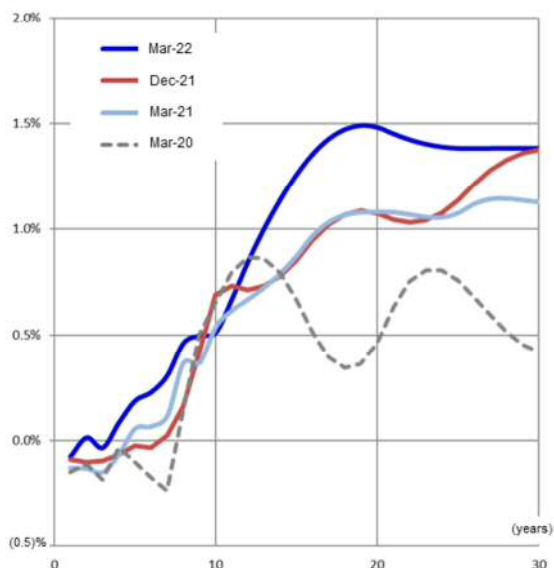


1. Foreign bonds included in return seeking assets (Ref.P6)

Note 1: Only foreign-currency-denominated-bonds issued by foreign entities are included in the calculation
 Note 2: Issuer Ratings by Moody's are indicated.

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Mar-20 to Mar-22)



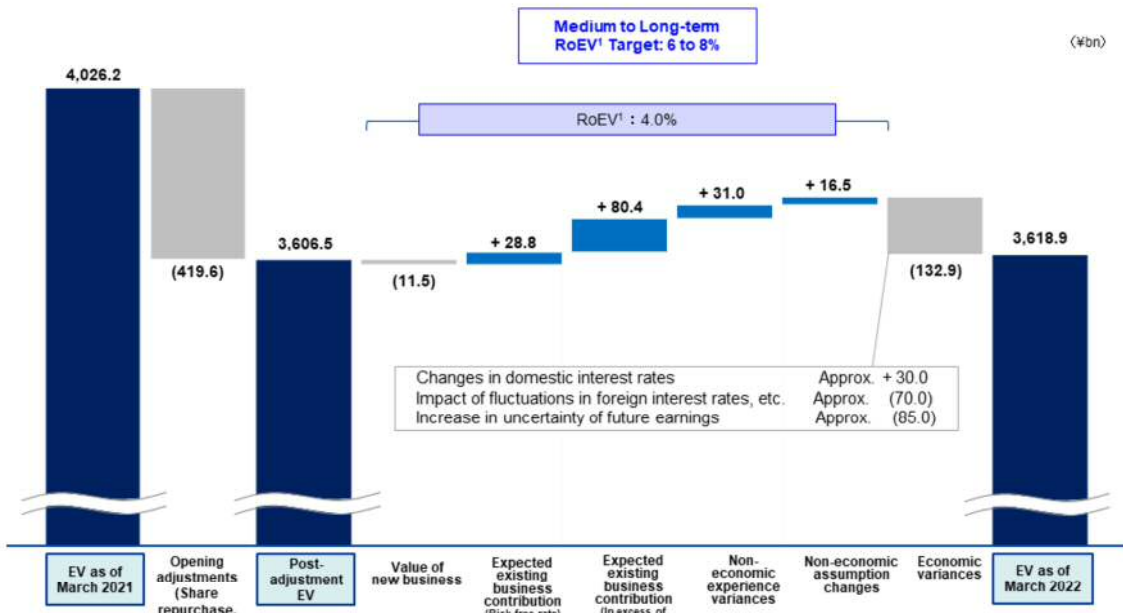
Forward Rate

	Mar-20	Mar-21 ^①	Dec-21 ^②	Mar-22 ^③
10 years	0.657 %	0.539 %	0.688 %	0.513 %
20 years	0.466 %	1.080 %	1.074 %	1.480 %
30 years	0.422 %	1.126 %	1.374 %	1.382 %

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 : ②
 EV as of March 31, 2022 : 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



1. Calculated by excluding economic variance factors

Note : Provisional calculations that have not been verified by a third party. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2022" to be announced on May 25, 2022.

Sensitivity Analysis of EV

Sensitivity to Economic Assumptions

Assumptions	EV	Change (%)	(#bn)	
			Adjusted net worth	Value of in-force covered business
50bp increase in risk-free rate ^{1,2}	3,571.8	(47.1) ((1.3) %)	1,994.5	1,577.2
50bp increase in risk-free rate of foreign interest rates ¹	3,530.2	(88.7) ((2.5) %)	2,084.8	1,445.3
50bp decrease in risk-free rate ^{1,2}	3,620.6	+ 1.7 (+ 0.0 %)	2,154.1	1,466.4
50bp decrease in risk-free rate (parallel shift without zero floor) ^{1,2}	3,604.4	(14.4) ((0.4) %)	2,198.8	1,405.5
30% decrease in equity and real estate value ¹	3,161.9	(457.0) ((12.6) %)	2,075.0	1,086.8

Sensitivity to Non-economic Assumptions

Assumptions	EV	Change (%)	(#bn)	
			Adjusted net worth	Value of in-force covered business
Future volume of policies in force is 105% of the level assumed in the calculation of EV as of March 31, 2022 ¹	3,673.4	+ 54.5 (+ 1.5 %)	2,092.7	1,580.7
10% decrease in maintenance expenses ^{1,2}	3,817.1	+ 198.1 (+ 5.5 %)	2,092.7	1,724.3

1. Provisional calculations that have not been verified by a third party

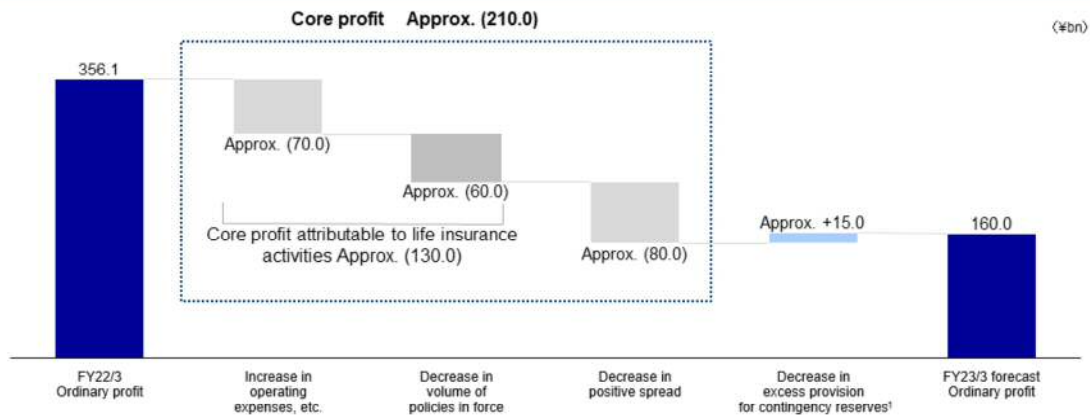
2. For details on EV verified by a third party, please refer to "Disclosure of European Embedded Value as of March 31, 2022" to be announced on May 25, 2022.

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2023 (Factors for changes between FY22/3 and forecasts in ordinary profit)

- The forecast for ordinary profit for the year ending March 31, 2023 is ¥ 160.0 billion for the following reasons.

[Reasons for revision]

- (1) Increase in operating expenses, etc. associated with the intake of consultants from Japan Post and stabilization of business operations
- (2) Decrease in the volume of policies in force
- (3) Decrease in positive spread due to an increase of hedging costs, among other factors
*We will continue to adopt accounting treatments to reverse the price fluctuation reserves in an amount equivalent to such costs in order to offset its impact to net income.
- (4) Decrease in excess provision for contingency reserves¹



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.

Status of Insurance payment for COVID-19

- We are continuing emergency handling for COVID-19.
- The payment of insurance claims for COVID-19 has quite minor impact on insurance payments as a whole.

Emergency handling for insurance payment

- Due to the situation of medical institutions caused by the impact of COVID-19, the following cases are handled as payment targets for hospitalization benefit
 - When a diagnosis of COVID-19 (found to be positive by PCR testing, etc.) is conducted, and medical treatment at an accommodation facility offered by prefectural governments or at home.
 - In the case that the patient could not be hospitalized despite the need for inpatient treatment for diseases or injury other than COVID-19, or he/she is forced to exit earlier than originally planned
- In the event of death due to COVID-19, insurance benefits will be doubled as "Double payment of insurance benefits" are applied in addition to the death benefit
- Omission of part of necessary documents at the time of claim, etc.

Status of insurance payment for COVID-19

	FY20/3	FY21/3	FY22/3	Total
Death benefits ¹	-	¥4,989.81million (1,456policies)	¥13,314.57million (3,807policies)	¥18,304.38million (5,263policies)
Hospitalization benefits	¥0.74million (15policies)	¥824.57million (14,023policies)	¥5,469.51million (110,562policies)	¥6,294.82million (124,600policies)

[Reference] Status of insurance payment as a whole

	FY20/3	FY21/3	FY22/3
Insurance benefits ²	Approximately ¥5.3trillion	Approximately ¥5.1trillion	Approximately ¥4.9trillion

1. Include double payment
2. Sum of "Insurance claims", "Annuity payments" and "Benefits." Insurance claims include cancellation refunds, etc. at the Organization for Postal Savings, Postal Life Insurance and Post Office Network.

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

	(¥bn)									
	FY18/3		FY19/3		FY20/3		FY21/3		FY22/3	
	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	3,462.1	2,992.1
Insurance premiums and others	3,481.2	755.2	3,369.5	590.3	2,786.3	459.1	2,333.7	364.1	2,132.1	286.8
Investment income ¹	454.6	830.3	440.1	764.3	441.2	696.5	448.4	673.6	460.6	688.6
Other ordinary income	3.0	3,903.7	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8	869.3	2,016.6
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	3,215.3	2,883.2
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	2,831.7	2,717.5
Provision for policy reserves and others	1,474.7	-	272.5	-	29.9	-	0.0	-	0.0	-
Investment expenses ¹	78.5	27.9	99.1	46.8	85.7	38.2	59.5	11.7	56.5	13.3
Operating expenses	372.8	159.9	376.2	142.1	336.3	135.8	275.4	126.6	263.0	121.5
Other ordinary expenses	75.2	39.8	77.7	40.4	94.2	42.7	68.9	33.2	64.0	30.7
Ordinary profit	171.7	137.0	151.1	113.9	194.3	92.4	262.5	82.4	246.7	108.9
Extraordinary gains and losses ²	(27.2)	(17.0)	13.8	3.6	9.3	29.8	(23.6)	(23.1)	(22.3)	(40.0)
Provision for reserve for policyholder dividends	21.6	96.1	19.6	92.1	15.4	93.7	18.7	46.7	18.2	54.8
Income before income taxes	122.9	23.8	145.3	25.5	188.2	28.5	220.2	12.6	206.1	14.0
Total income taxes	35.4	6.9	41.1	8.7	54.9	10.7	61.1	6.0	57.3	4.9
Net income	87.4	16.8	104.1	16.7	133.3	17.8	159.0	6.5	148.7	9.1

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, ¥0.1billion was added to "Gains on foreign exchanges," under "Investment income," and to "Losses on foreign exchanges," under "Investment 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)

		FY18/3	FY19/3	FY20/3	FY21/3	FY22/3
Total assets	¥mm	76,832,508	73,904,576	71,667,398	70,173,857	67,174,848
Postal Life Insurance category		46,684,937	41,354,076	39,225,493	37,815,270	35,929,138
New category		30,147,570	32,550,500	32,441,904	32,358,586	31,245,710
Number of policies in force	(000)	30,405	29,143	27,070	24,837	22,802
Postal Life Insurance category (insurance)		12,484	11,048	9,907	8,944	8,061
New category (individual insurance)		17,921	18,095	17,163	15,893	14,740
Numbers of new policies	(000)	1,739	1,711	644	124	173
Numbers of cancelled policies¹	(000)	2,894	2,965	2,714	2,256	2,196
Postal Life Insurance category		1,930	1,430	1,141	959	880
New category		963	1,534	1,572	1,296	1,316
Contingency reserve (reversal) provision	¥mm	(139,678)	(151,592)	(165,388)	(186,023)	79,651
Postal Life Insurance category		(173,722)	(173,590)	(170,814)	(191,014)	73,581
New category		34,043	21,997	5,425	4,991	6,069
Price fluctuations reserve (reversal) provision	¥mm	128,031	(19,251)	(39,152)	46,477	67,789
Postal Life Insurance category		17,090	(3,686)	(29,845)	23,121	40,045
New category		110,940	(15,564)	(9,306)	23,355	27,743
Additional policy reserve (reversal) provision	¥mm	(30,648)	(50,292)	(49,750)	27,652	(239,366)
Postal Life Insurance category		(47,674)	(46,698)	(46,396)	30,553	(236,996)
New category		17,025	(3,594)	(3,354)	(2,901)	(2,369)

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. "Numbers of cancelled policies" shows the sum of death, maturity, surrender and lapse.

Key Financial Indicators

(¥bn)

	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3
Insurance premiums and others	4,236.4	3,959.9	3,245.5	2,697.9	2,418.9
Operating expenses etc ¹	647.6	636.8	609.4	503.5	479.0
Ordinary profit	309.2	264.8	286.6	345.7	356.1
Provision for reserve for policyholder dividends	117.7	111.8	109.2	65.4	73.1
Net income	104.4	120.4	150.6	166.1	158.0
Net assets	2,003.1	2,135.1	1,928.3	2,841.4	2,421.0
Total assets	76,831.2	73,905.0	71,664.7	70,172.9	67,174.7
Return on equity	5.4 %	5.8 %	7.4 %	7.0 %	6.0 %
RoEV ²	9.9 %	8.6 %	(2.8) %	5.0 %	4.0 %
Dividends to shareholders	40.8	43.2	42.7	42.7	35.9
Share repurchase	-	99.9 ³	-	358.8 ⁴	-
Total payout ratio	39.0 %	118.9 %	28.4 %	241.8 %	22.8 % ⁵
EV	3,743.3	3,925.7	3,324.2	4,026.2	3,618.9
Value of New Business	226.7	223.8	60.6	(12.7)	(11.5)
Core profit (Non-consolidated)	386.1	377.1	400.6	421.9	437.1
Core profit attributable to life insurance activities	320.3	318.7	320.1	345.6	296.4
Spread (positive/negative spread)	65.8	58.4	80.4	76.3	140.7

1. Sum of Operating expenses and Other ordinary expenses
2. Calculated by excluding economic variance factors.
3. Share repurchase in April 2019
4. Share repurchase in May 2021
5. Figure does not take into account consideration for acquisition of treasury stock

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