

**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 Six Months Ended September 30, 2017  
[Under Japanese GAAP]**



November 14, 2017

Company Name: JAPAN POST INSURANCE Co., Ltd.      Stock exchange listing: Tokyo Stock Exchange  
Code Number: 7181      URL: <http://www.jp-life.japanpost.jp/>  
Representative: Mitsuhiko Uehira, Director and President, CEO, Representative Executive Officer  
Scheduled date of filing quarterly securities report: November 24, 2017  
Scheduled date of commencing dividend payments: —  
Availability of supplementary briefing materials on quarterly financial results: Available  
Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and analysts)

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

**1. Consolidated Financial Results for the Six Months Ended September 30, 2017 (April 1, 2017 to September 30, 2017)**

(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	%
Six months ended September 30, 2017	4,054,859	(6.4)	168,869	56.6	51,273	20.6
Six months ended September 30, 2016	4,333,877	(11.2)	107,866	(50.7)	42,526	(12.3)

(Note) Comprehensive Income (Loss)    Six months ended September 30, 2017    ¥208,292 million    [-%]  
Six months ended September 30, 2016    ¥(66,257) million    [-%]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2017	85.49	-
Six months ended September 30, 2016	70.90	-

(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 September 30, 2017	78,639,357	2,025,538	2.6
As of March 31, 2017	80,336,760	1,853,203	2.3

Net assets attributable to the Company's shareholders as of September 30, 2017 and March 31, 2017 were ¥2,025,538 million and ¥1,853,203 million, respectively.

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2017	Yen -	Yen 0.00	Yen -	Yen 60.00	Yen 60.00
Fiscal year ending March 31, 2018	-	0.00			
Fiscal year ending March 31, 2018 (Forecast)			-	64.00	64.00

- Notes: 1. Revisions to the most recently announced dividend forecast: No  
2. With regard to dividend per share for the fiscal year ending March 31, 2018 (forecast), special dividend is not planned to be paid when extraordinary gains are recorded for fixed asset transfers (please refer to the “Notice Regarding Transfer of Fixed Assets” announced on May 15, 2017).

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% 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	7,690,000	(11.2)	250,000	(10.6)	86,000	(2.9)	143.38

- Notes: 1. Revisions to the most recently announced financial results forecast: No  
2. With regard to “Net income attributable to Japan Post Insurance,” an approximate increase of ¥30.0 billion (forecast) is expected due to the impact of fixed asset transfers (please refer to the “Notice Regarding Transfer of Fixed Assets” announced on May 15, 2017). However, starting from the second quarter of the fiscal year ending March 31, 2018, reserve for price fluctuations is to be increased to provide for any loss resulting from price fluctuations in shares, securities, etc. As a result, there are no changes to the consolidated financial results forecast for the fiscal year ending March 31, 2018.

**\* Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No
- (2) 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
- (3) Total number of shares issued (common stock)
- 1) Total number of shares issued at the end of the period:
    - September 30, 2017: 600,000,000 shares
    - March 31, 2017: 600,000,000 shares
  - 2) Total number of treasury stock at the end of the period:
    - September 30, 2017: 203,200 shares
    - March 31, 2017: 221,200 shares
  - 3) Average number of shares during the period:
    - Six months ended September 30, 2017: 599,786,490 shares
    - Six months ended September 30, 2016: 599, 831,870 shares

(Note) 203,200 shares and 221,200 shares included in the total number of treasury stock as of September 30, 2017 and March 31, 2017 were shares of the Company held in the Board Benefit Trust (BBT). The average number of treasury stock held in the BBT (213,509 shares for the six months ended September 30, 2017 and 168,129 shares for the six months ended September 30, 2016) was deducted from the calculation of the average number of shares during the six months ended September 30, 2017 and 2016.

**(Reference) Summary of Non-Consolidated Financial Results**

**1. Non-Consolidated Financial Results for the Six Months Ended September 30, 2017 (April 1, 2017 to September 30, 2017)**

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

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2017	4,054,858	(6.4)	168,674	56.6	51,202	20.2
Six months ended September 30, 2016	4,333,876	(11.2)	107,711	(51.0)	42,604	(13.6)

	Net income per share
	Yen
Six months ended September 30, 2017	85.37
Six months ended September 30, 2016	71.03

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2017	78,640,910	2,021,736	2.6
As of March 31, 2017	80,336,414	1,849,253	2.3

Net assets attributable to the Company's shareholders as of September 30, 2017 and March 31, 2017 were ¥2,021,736 million and ¥1,849,253 million, respectively.

\* Summary of quarterly consolidated financial results is outside the scope of the interim audit.

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

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.

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

## 1. Unaudited Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of September 30, 2017
<b>ASSETS:</b>		
Cash and deposits	1,366,086	722,532
Call loans	150,000	120,000
Receivables under securities borrowing transactions	3,520,722	3,430,969
Monetary claims bought	27,561	76,778
Money held in trust	2,127,042	2,546,427
Securities	63,485,289	62,069,976
Loans	8,060,902	8,040,303
Tangible fixed assets	137,262	130,370
Intangible fixed assets	185,520	171,803
Agency accounts receivable	50,888	33,522
Reinsurance receivables	2,293	2,669
Other assets	371,905	447,052
Deferred tax assets	851,942	847,611
Reserve for possible loan losses	(658)	(661)
<b>Total assets</b>	<b>80,336,760</b>	<b>78,639,357</b>
<b>LIABILITIES:</b>		
Policy reserves and others	72,525,176	71,234,936
Reserve for outstanding claims	577,376	553,592
Policy reserves	70,175,234	68,991,123
Reserve for policyholder dividends	1,772,565	1,690,220
Reinsurance payables	4,774	5,352
Payables under securities lending transactions	4,889,066	4,212,646
Other liabilities	213,565	278,915
Liability for retirement benefits	62,184	64,307
Reserve for management board benefit trust	76	121
Reserve under the special law	788,712	817,538
Reserve for price fluctuations	788,712	817,538
<b>Total liabilities</b>	<b>78,483,557</b>	<b>76,613,819</b>
<b>NET ASSETS:</b>		
Capital stock	500,000	500,000
Capital surplus	500,044	500,044
Retained earnings	527,358	542,632
Treasury stock	(521)	(478)
<b>Total shareholders' equity</b>	<b>1,526,882</b>	<b>1,542,198</b>
Net unrealized gains (losses) on available-for-sale securities	321,904	479,152
Net deferred gains (losses) on hedges	50	40
Accumulated adjustments for retirement benefits	4,366	4,147
<b>Total accumulated other comprehensive income</b>	<b>326,321</b>	<b>483,340</b>
<b>Total net assets</b>	<b>1,853,203</b>	<b>2,025,538</b>
<b>Total liabilities and net assets</b>	<b>80,336,760</b>	<b>78,639,357</b>

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

(Millions of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
<b>ORDINARY INCOME</b>	4,333,877	4,054,859
Insurance premiums and others	2,812,554	2,203,556
Investment income	678,347	640,960
Interest and dividend income	614,361	587,982
Gains on money held in trust	22,159	41,003
Gains on sales of securities	41,795	11,762
Gains on redemption of securities	19	9
Reversal of reserve for possible loan losses	3	-
Other investment income	8	202
Other ordinary income	842,975	1,210,342
Reversal of reserve for outstanding claims	34,991	23,784
Reversal of policy reserves	805,208	1,184,110
Other ordinary income	2,775	2,448
<b>ORDINARY EXPENSES</b>	4,226,011	3,885,989
Insurance claims and others	3,793,188	3,525,753
Insurance claims	3,283,314	2,962,728
Annuity payments	181,367	192,882
Benefits	27,133	31,118
Surrender benefits	203,068	237,706
Other refunds	91,098	91,536
Reinsurance premiums	7,205	9,781
Provision for policy reserves and others	17	3
Provision for interest on policyholder dividends	17	3
Investment expenses	105,232	34,315
Interest expenses	876	903
Losses on sales of securities	71,061	18,308
Losses on valuation of securities	20,484	-
Losses on redemption of securities	2,978	3,096
Losses on derivative financial instruments	7,432	10,757
Losses on foreign exchanges	1,678	212
Provision for reserve for possible loan losses	-	1
Other investment expenses	720	1,034
Operating expenses	278,049	266,092
Other ordinary expenses	49,523	59,824
Ordinary profit	107,866	168,869
<b>EXTRAORDINARY GAINS</b>	29,627	986
Gains on sales of fixed assets	-	986
Reversal of reserve for price fluctuations	29,627	-
<b>EXTRAORDINARY LOSSES</b>	51	28,980
Losses on sales and disposal of fixed assets	51	155
Provision for reserve for price fluctuations	-	28,825
Provision for reserve for policyholder dividends	77,989	68,815
Income before income taxes	59,451	72,059
Income taxes - Current	64,850	77,398
Income taxes - Deferred	(47,925)	(56,611)
Total income taxes	16,925	20,786
Net income	42,526	51,273
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	42,526	51,273

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Net income	42,526	51,273
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	(108,526)	157,248
Net deferred gains (losses) on hedges	(30)	(9)
Adjustments for retirement benefits	(226)	(219)
Total other comprehensive income (loss)	(108,783)	157,019
Comprehensive income (loss)	(66,257)	208,292
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	(66,257)	208,292
Non-controlling interests	-	-

## (3) Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2016 (From April 1, 2016 to September 30, 2016)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	500,044	472,362	-	1,472,406
Changes in the period					
Cash dividends			(33,600)		(33,600)
Net income attributable to Japan Post Insurance			42,526		42,526
Purchases of treasury stock				(538)	(538)
Disposals of treasury stock				11	11
Net changes in items other than shareholders' equity in the period					
Net changes in the period	-	-	8,926	(526)	8,399
Balance at the end of the period	500,000	500,044	481,288	(526)	1,480,806

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	405,412	140	5,022	410,575	1,882,982
Changes in the period					
Cash dividends					(33,600)
Net income attributable to Japan Post Insurance					42,526
Purchases of treasury stock					(538)
Disposals of treasury stock					11
Net changes in items other than shareholders' equity in the period	(108,526)	(30)	(226)	(108,783)	(108,783)
Net changes in the period	(108,526)	(30)	(226)	(108,783)	(100,383)
Balance at the end of the period	296,885	110	4,795	301,791	1,782,598

Six months ended September 30, 2017 (From April 1, 2017 to September 30, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	500,044	527,358	(521)	1,526,882
Changes in the period					
Cash dividends			(36,000)		(36,000)
Net income attributable to Japan Post Insurance			51,273		51,273
Purchases of treasury stock				-	-
Disposals of treasury stock				42	42
Net changes in items other than shareholders' equity in the period					
Net changes in the period	-	-	15,273	42	15,315
Balance at the end of the period	500,000	500,044	542,632	(478)	1,542,198

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	321,904	50	4,366	326,321	1,853,203
Changes in the period					
Cash dividends					(36,000)
Net income attributable to Japan Post Insurance					51,273
Purchases of treasury stock					-
Disposals of treasury stock					42
Net changes in items other than shareholders' equity in the period	157,248	(9)	(219)	157,019	157,019
Net changes in the period	157,248	(9)	(219)	157,019	172,335
Balance at the end of the period	479,152	40	4,147	483,340	2,025,538

(4) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.