

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.

November 14, 2018

JAPAN POST INSURANCE Co., Ltd.

Summary of Financial Results for the Six Months Ended September 30, 2018

(1) Policies

		Six Months Ended September 30, 2018		Fiscal Year Ended March 31, 2018	Six Months Ended September 30, 2017
		Increase (Decrease) as % of Fiscal Year Ended March 31, 2018	Increase (Decrease) as % of Six Months Ended September 30, 2017		
Annualized premiums from new policies	(Millions of yen)	184,642	—	376,502	208,912
Of which, medical coverage, living benefits and others	(Millions of yen)	33,073	—	59,205	27,918
Annualized premiums from policies in force	(Millions of yen)	3,844,055	(0.4)	3,858,573	3,858,114
Of which, medical coverage, living benefits and others	(Millions of yen)	399,655	4.6	382,107	353,344
Insurance premiums and others	(Millions of yen)	2,040,437	—	4,236,461	2,203,556
Of which, individual insurance sector	(Millions of yen)	1,721,683	—	3,468,801	1,797,900
Of which, group insurance sector	(Millions of yen)	—	—	—	—
Policy amount of policies in force	(Millions of yen)	55,344,148	0.4	55,102,266	54,855,008
Policy amount of surrenders and lapses	(Millions of yen)	1,305,721	—	2,251,278	1,038,959

* Figures represent those for sums of individual insurance and individual annuities excluding figures of insurance premiums and others.

* Increase (decrease) as % of fiscal year ended March 31, 2018 and six months ended September 30, 2017 show rate of increase or decrease.

* Policy amounts of surrenders and lapses are not offset by the amounts of lapses which are reinstated.

* Insurance premiums and others are based on statements of income.

* Insurance premiums and others from individual insurance sector are the total of premiums from individual insurance and individual annuities; insurance premiums and others from group insurance sector are the total of premiums from group insurance and group annuities.

* Figures of annualized premiums represent the sum of those of individual insurance and individual annuities. 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.)

(2) Assets

(Consolidated Basis)

		As of September 30, 2018		As of March 31, 2018	As of September 30, 2017
		Increase (Decrease) as % of March 31, 2018	Increase (Decrease) as % of September 30, 2017		
Total assets	(Millions of yen)	74,763,934	(2.7)	76,831,261	78,639,357
Real net assets	(Billions of yen)	11,891.2	(7.9)	12,904.8	12,764.3
Solvency margin ratio	(%)	1,107.4	(24.4)	1,131.8	1,207.7

* Increase (decrease) as % of March 31, 2018 and September 30, 2017 show rate of increase or decrease. (Solvency margin ratio shows points of increase or decrease.)

(3) Core profit and Positive spread

		Six Months Ended September 30, 2018		Fiscal Year Ended March 31, 2018	Six Months Ended September 30, 2017
		Increase (Decrease) as % of Fiscal Year Ended March 31, 2018	Increase (Decrease) as % of Six Months Ended September 30, 2017		
Core profit	(Millions of yen)	207,183	—	386,199	194,417

* Increase (decrease) as % of six months ended September 30, 2017 shows rate of increase or decrease.

		Forecast for the Fiscal Year Ending March 31, 2019	Results of the Fiscal Year Ended March 31, 2018
Positive spread	(Billions of yen)	To be decreased	65.8

(4) Breakdown of core profit

		Six Months Ended September 30, 2018		Fiscal Year Ended March 31, 2018	Six Months Ended September 30, 2017
		Increase (Decrease) as % of Fiscal Year Ended March 31, 2018	Increase (Decrease) as % of Six Months Ended September 30, 2017		
Positive spread	(Millions of yen)	30,625	—	65,875	35,020
Core profit attributable to life insurance activities	(Millions of yen)	176,558	—	320,324	159,396

* Increase (decrease) as % of six months ended September 30, 2017 shows rate of increase or decrease.

(5) Reserves

		As of September 30, 2018			As of March 31, 2018	As of September 30, 2017
		Increase (Decrease) Compared to March 31, 2018	Increase (Decrease) Compared to September 30, 2017			
Policy reserves (excluding contingency reserve)	(Millions of yen)	64,524,615	(1,138,334)	(2,280,124)	65,662,949	66,804,739
Reserve for price fluctuations	(Millions of yen)	918,677	1,933	101,139	916,743	817,538
Contingency reserve	(Millions of yen)	2,039,197	(75,150)	(147,186)	2,114,348	2,186,384
Contingency funds	(Millions of yen)	—	—	—	—	—
Fund for price fluctuation allowance	(Millions of yen)	—	—	—	—	—

* Increase (decrease) compared to March 31, 2018 and September 30, 2017 show actual amounts of increase or decrease.

(6) Unrealized gains (losses)

		As of September 30, 2018			As of March 31, 2018	As of September 30, 2017
		Increase (Decrease) Compared to March 31, 2018	Increase (Decrease) Compared to September 30, 2017			
Securities	(Millions of yen)	6,809,875	(959,653)	(905,920)	7,769,528	7,715,795
Domestic stocks	(Millions of yen)	453,468	317	53,886	453,150	399,581
Domestic bonds	(Millions of yen)	6,256,491	(987,188)	(829,179)	7,243,680	7,085,670
Foreign securities	(Millions of yen)	139,496	53,949	(77,135)	85,547	216,631
Real estate	(Millions of yen)	—	—	—	—	—

* Securities invested in money held in trust are included.

* The Company does not hold real estate assets.

* Non-consolidated results of Japan Post Insurance are listed.

* Increase (decrease) compared to March 31, 2018 and September 30, 2017 show actual amounts of increase or decrease.

(7) Investment results

		Actual results for the first half
Domestic stocks	(Millions of yen)	77,174
Domestic bonds	(Millions of yen)	(1,824,471)
Foreign stocks and others	(Millions of yen)	76,092
Foreign bonds	(Millions of yen)	616,144
Real estate	(Millions of yen)	—

* Securities invested in money held in trust are included.

* The Company does not hold real estate assets.

* Non-consolidated results of Japan Post Insurance are listed.

(8) Break-even levels

		As of September 30, 2018
Domestic stocks (Nikkei Average)	(Yen)	18,200
Domestic stocks (TOPIX)	(Point)	1,370
Domestic bonds	(%)	1.1
Foreign securities	(Yen)	107

* The break-even level for stocks are calculated based on valuation method of stocks fully linked to Nikkei Average and TOPIX.

* The break-even level for domestic bonds is translated into a newly-issued 10-year JGB yield and rounded to one decimal place.

* The break-even level for foreign securities is calculated based on the JPY/USD exchange rate.

(9) Outlook for the Fiscal Year Ending March 31, 2019

		Forecast for the Fiscal Year Ending March 31, 2019
Insurance premiums and others		To be decreased
Core profit		To be almost flat

(10) Number of employees

		As of September 30, 2018		As of March 31, 2018	As of September 30, 2017	
		Increase (Decrease) as % of March 31, 2018	Increase (Decrease) as % of September 30, 2017			
Sales personnel	(Number of persons)	1,184	3.1	2.4	1,148	1,156
Office personnel	(Number of persons)	6,624	4.4	1.7	6,342	6,512

* Increase (decrease) as % of March 31, 2018 and September 30, 2017 show rate of increase or decrease.

(11) Bancassurance sales

None.

Other Items

* Provision for (reversal of) general account policy reserves associated with minimum guarantee for variable annuities, etc.
None.