

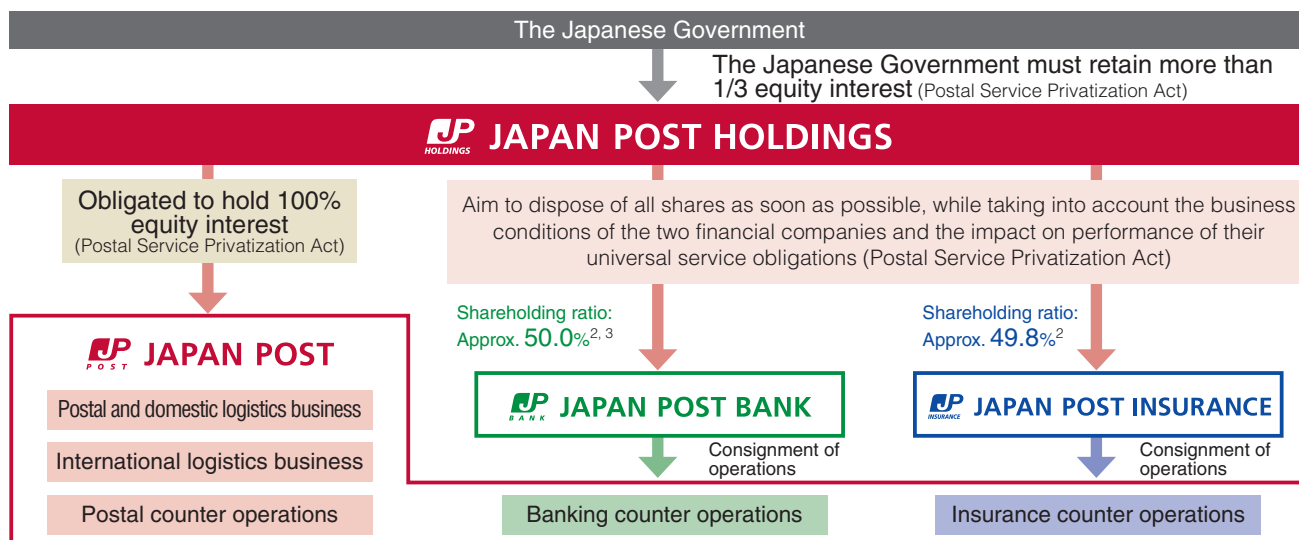
# Position within the Japan Post Group

## Structure of the Japan Post Group

The life insurance business, carried out by Japan Post Insurance, is one of the three main businesses of the Japan Post Group.

In view of its universal service obligation,<sup>1</sup> Japan Post Holdings aims to dispose of its entire equity interest in

Japan Post Insurance and Japan Post Bank as soon as possible, in accordance with the Postal Service Privatization Act.



Notes: 1. "Universal service" refers to the obligation of Japan Post Holdings and Japan Post Co. to maintain a post office network to ensure that postal services, simple savings, transfer and receivables and payables settlement services, and easy-to-use life insurance services can be used uniformly at post offices via user-oriented simple methods, and that such services can be used in a universally fair manner in the future throughout Japan. Insurance counter operations include insurance solicitation for whole life insurance and endowment insurance, and accepting claims for payment of maturity and survival benefits for such insurance at post offices (Article 7-2 of the Postal Service Privatization Act and Article 5 of the Act on Japan Post Holdings).

2. Ratio of the number of shares held to the total number of issued shares, excluding treasury shares.

3. The shareholding ratio is approximately 49.9% due to the establishment of a share disposal trust in June 2025.

## Additional Restrictions Under the Postal Service Privatization Act

There are additional restrictions under the Postal Service Privatization Act to ensure fair competition with other life insurance companies.

As the percentage of Japan Post Insurance shares held by Japan Post Holdings fell below 50% in May

2021, a part of additional regulatory restrictions relating to new businesses was relaxed, thereby establishing an environment in which the Company can further provide insurance products and services to meet its customers' needs.

Item	Additional Restrictions Under the Postal Service Privatization Act		
	Until Japan Post Holdings disposes of 50% or more of the shares of the Company	After Japan Post Holdings disposes of 50% or more of all the shares of the Company until the designated date <sup>2</sup>	After the designated date <sup>2</sup>
New business	Approval by the competent ministers <sup>1</sup> (a hearing at the Postal Service Privatization Committee is required)	Prior notification to the competent ministers <sup>1</sup> (obligation to consider competitors, notification to the Postal Privatization Service Committee is required)	No regulations under the Postal Service Privatization Act <sup>3</sup>
Limit on coverage amount	Prescribed in a cabinet order (a hearing at the Postal Service Privatization Committee is required to revise) - Limit on coverage amount: in principle, ¥10 mn (total of ¥20 mn after 4 years have elapsed since start of coverage (ages 20-55))		No regulations under the Postal Service Privatization Act
Subsidiary	Prohibited from acquiring or holding as a subsidiary or merging with any insurance company - No specific statutory rules applicable to minority investments, which are acquiring voting rights below 50%		No regulations under the Postal Service Privatization Act

Notes: 1. Prime Minister (Commissioner of the Financial Services Agency) and Minister for Internal Affairs and Communications.

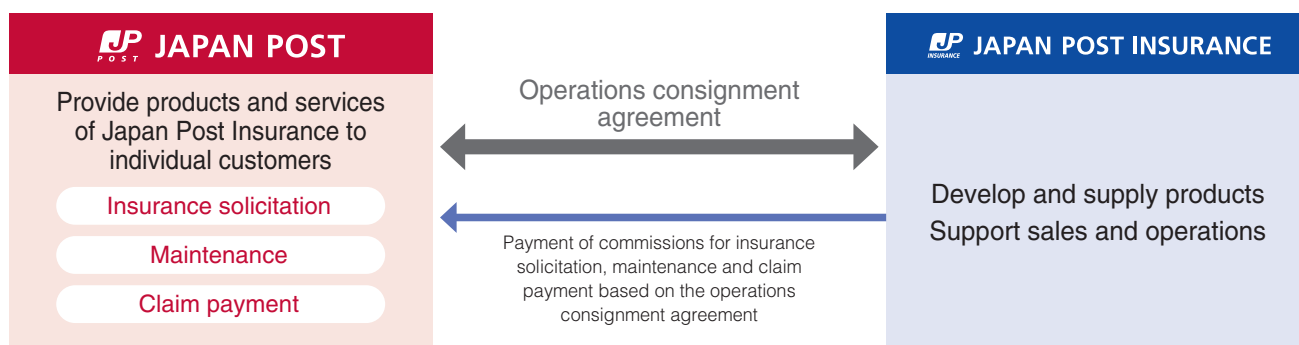
2. The earlier of (i) the disposal of Japan Post Holdings' entire equity interest in the Company and (ii) the disposal of 50% or more of Japan Post Holdings' equity interest in the Company and the determination, by the Prime Minister and the Minister for Internal Affairs and Communications, that there is no risk of hindering fair competition with other life insurance companies or the appropriate provision of services to users and that the additional restriction does not apply to the Company.

3. Regulations under the Insurance Business Act will continue.

## Provision of Services through Post Offices

The Company has entered into an operations consignment agreement with Japan Post, which has a nationwide post office network, and provides its products and services through post offices throughout Japan.

The Company pays Japan Post commissions for insurance solicitation, maintenance, and claim payment based on the operations consignment agreement.



### Commissions for Insurance Solicitation, Maintenance, and Claim Payment

#### ■ Commissions for Insurance Solicitation

The payment of commissions for insurance solicitation operations consigned to Japan Post is mainly linked to new policy sales results. Commissions are calculated based on a formula generally used in the life insurance industry and are basically paid in installments over several years.

#### ■ Commissions for Maintenance and Claim Payment

For maintenance and claim payment services outsourced to Japan Post, commissions are paid according to a unit price, which is set based on the processing time and other aspects of the services provided at post offices.

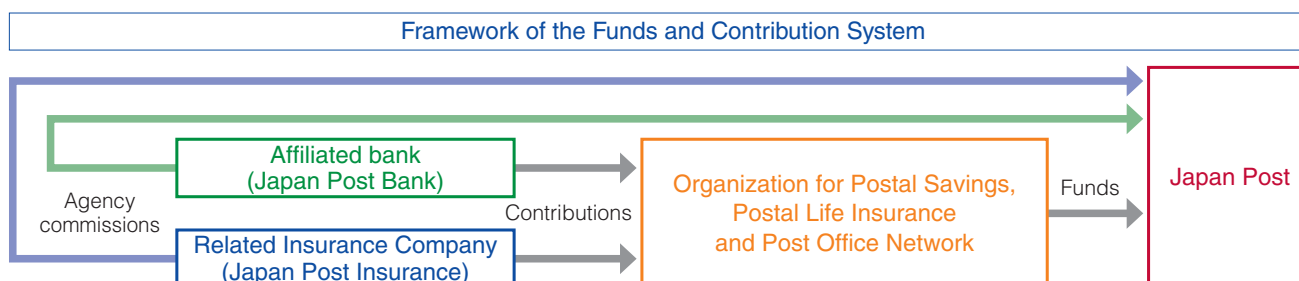
Commissions include a commission proportional to the number of policies in force, the number of post offices, etc. (basic commission), and a commission for the maintenance of policies in force and others (quality evaluation commission).

## Overview of Funds and Contributions System

Amendments to the Act on the Management Organization for Postal Savings and Postal Life Insurance took effect on December 1, 2018.

From FY2019, the basic expenses required for the maintenance of the post office network have been

covered by the funds provided to Japan Post from the Organization for Postal Savings, Postal Life Insurance and Post Office Network using the contributions from Japan Post Insurance and Japan Post Bank.



## Major Financial and Non-Financial Data

Financial data	As of/For the years ended March 31	2016	2017	2018	2019
Results of operations and financial position					
Ordinary income		9,605.7	8,659.4	7,952.9	7,916.6
Ordinary profit		411.5	279.7	309.2	264.8
Core profit		464.2	390.0	386.1	377.1
Spread (positive/negative spread)		97.4	78.5	65.8	58.4
Core profit attributable to life insurance activities		366.8	311.4	320.3	318.7
Net income		84.8	88.5	104.4	120.4
Capital stock		500.0	500.0	500.0	500.0
Number of shares issued (Thousands of shares)		600,000	600,000	600,000	600,000
Total assets		81,545.1	80,336.7	76,831.2	73,905.0
Contingency reserve		2,374.8	2,254.0	2,114.3	1,962.7
Reserve for price fluctuations		782.2	788.7	916.7	897.4
Securities		63,609.9	63,485.2	60,130.9	58,451.5
Major financial soundness indicators					
Consolidated solvency margin ratio (%)		1,570.3	1,290.6	1,131.8	1,189.8
Economic solvency ratio (ESR) (%)		167	176	186	225
Status of policies					
Annualized premiums from policies in force (individual insurance)		5,031.4	4,979.6	4,859.5	4,677.1
Annualized premiums from policies in force (Medical Care)		738.7	736.1	750.9	753.1
Annualized premiums from new policies (individual insurance)		485.3	507.9	376.2	351.3
Annualized premiums from new policies (Medical Care)		49.5	55.7	59.2	61.6
Corporate value					
EV		3,151.0	3,355.6	3,743.3	3,925.7
Value of new business		192.7	36.8	226.7	223.8
Per share indicators					
Earnings per share (EPS) (Yen)		141.50	147.71	174.21	200.86
Dividend per share (DPS) (Yen)		56.00	60.00	68.00	72.00
(of which, interim dividend per share)		—	—	—	—

Non-financial data	As of/For the years ended March 31	2021	2022	2023	2024	2025
Number of employees (Persons)		7,645	7,545	19,148	18,427	17,952
Men (Persons)		4,233	4,147	14,759	14,088	13,647
Women (Persons)		3,412	3,398	4,389	4,339	4,305
Average age (Age)		39.9	40.5	43.6	43.9	44.2
Men (Age)		42.7	43.2	45.0	45.3	45.5
Women (Age)		36.5	37.3	38.9	39.5	39.9
Average years of service (Years)		15.4	15.9	18.3	18.5	18.5
Men (Years)		18.3	18.7	19.6	19.7	19.8
Women (Years)		11.8	12.5	13.8	14.3	14.6
Number of foreign employees (Persons)		4	5	9	8	9
Monthly average amount of overtime per employee (Hours)		7.1	8.6	7.1	9.2	9.4
Rate of taking paid leave (%)		90.6	89.8	97.1	96.0	96.0
Return-to-work rate of employees who took childcare leave (%)		96.8	98.0	98.7	98.2	98.0
Number of employees who returned to work (Persons)		210	243	368	336	342
Number of employees who took nursing care leave (Persons)		10	6	26	15	17
Status of retention of new employees (after 3 years) (%)		86.0	86.8	87.3	85.2	83.2
Wage difference between men and women (%)		—	—	73.0	73.4	74.1
Regular workers (%)		—	—	71.5	71.8	72.8
Non-regular workers (%)		—	—	78.2	80.6	83.0

(Billions of yen unless indicated otherwise)

2020	2021	2022	2023	2024	2025
7,211.4	6,786.2	6,454.2	6,379.5	6,744.1	6,165.3
286.6	345.7	356.1	117.5	161.1	170.2
400.6	421.9	429.7	192.3	224.0	242.1
80.4	76.3	133.3	94.0	91.8	142.5
320.1	345.6	296.4	98.2	132.1	99.6
150.6	166.1	158.0	97.6	87.0	123.4
500.0	500.0	500.0	500.0	500.0	500.0
562,600	562,600	399,693	399,693	383,192	383,192
71,664.7	70,172.9	67,174.7	62,687.3	60,855.8	59,555.6
1,797.3	1,611.3	1,690.9	1,701.8	1,725.3	1,219.1
858.3	904.8	972.6	889.9	873.7	829.9
55,870.5	55,273.6	53,417.5	49,841.4	47,693.8	46,528.7
1,070.9	1,121.2	1,045.5	1,009.1	1,023.2	903.2
116	205	169	172	206	204
4,318.6	3,898.1	3,538.9	3,217.6	2,987.3	2,855.8
715.5	669.1	627.0	593.0	564.6	537.9
146.9	30.6	46.1	65.8	116.8	175.0
22.1	1.4	2.1	6.4	10.3	7.1
3,324.2	4,026.2	3,618.9	3,463.8	3,965.0	3,940.9
60.6	(12.7)	(11.5)	(7.4)	20.8	67.9
267.40	295.33	375.14	249.48	227.45	322.57
76.00	76.00	90.00	92.00	94.00	104.00
[38.00]	[—]	[45.00]	[46.00]	[47.00]	[52.00]

Notes: 1. The financial data represent consolidated figures. However, core profit, number of shares issued, status of policies and dividend per share represent non-consolidated figures. Furthermore, net income represents net income attributable to Japan Post Insurance.

2. In the calculation of core profit, partial amendments (including costs for hedging currency fluctuations and excluding gains on cancellation of mutual funds from the calculation) have been made from FY2022, from the perspective of reflecting the economic situation and encouraging consistency in the handling among companies. The figure for core profit for FY2021 is calculated by applying such calculation procedures. Therefore, core profit and spread (positive/negative spread) are calculated based on different standards for FY2015 through FY2020 and FY2021 onwards.

3. The total number of shares issued is rounded to the nearest thousand.

4. A 30:1 stock split was conducted effective August 1, 2015.

5. A cancellation of treasury stock was implemented on May 31, 2019, reducing the total number of shares issued by 37,400 thousand shares.

6. A cancellation of treasury stock was implemented on August 20, 2021, reducing the total number of shares issued by 162,906 thousand shares.

7. A cancellation of treasury stock was implemented on May 8, 2023, reducing the total number of shares issued by 16,501 thousand shares.

8. A cancellation of treasury stock was implemented on June 6, 2025, reducing the total number of shares issued by 11,369 thousand shares.

9. The consolidated solvency margin ratios have been calculated in accordance with the provisions set forth in Articles 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act and in public notification No. 23 issued by the Financial Services Agency in 2011.

10. The economic solvency ratio (ESR) is the capital amount based on economic value divided by the integrated risk amount based on economic value and is one of the indicators that represents the financial soundness of life insurance companies (figures are based on the Company's internal model; 99.5% confidence level). The Company shifted to a new ESR measurement model in FY2021.

11. 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.

12. Annualized premiums from policies in force include reinsured Postal Life Insurance Policies (for individual insurance, limited to Postal Life Insurance Policies (insurance)).

13. Medical care includes medical benefits (including hospitalization and surgery benefits), living benefits (including limited illness and nursing care benefits), and premium waiver benefits (excluding disability and including specified diseases and nursing benefits).

14. The Company established a Board Benefit Trust (BBT) in FY2016. Shares of the Company held in the trust, which were recorded as treasury stock under the category of shareholders' equity, were included in treasury stock to be deducted from the calculation of the average number of shares during the fiscal year, for the purpose of calculating EPS.

15. Number of employees excludes employees seconded from Japan Post Insurance to other companies but includes employees seconded from other companies to Japan Post Insurance. The figures exclude non-regular employees (including indefinite-term employees based on the indefinite-term employment conversion system).

16. Average age and average years of service are based on attained ages and years of service as of March 31 of each fiscal year, and rounded to the first decimal place.

17. Average years of service represents the number of years of continuous service including years at the Ministry of Posts and Telecommunications, the Postal Services Agency (Ministry of Internal Affairs and Communications) and Japan Post.

18. The calculation method for the rate of taking paid leave has been partially changed from FY2021 (excluding from the denominator, employees who took zero days of paid leave during the period due to childcare leave, leave of absence, etc.).

19. The calculation method for the return-to-work rate of employees who took childcare leave, the number of employees who returned to work, and the number of employees who took nursing care leave has been changed from FY2023. Following the change, the scope excludes employees assigned to Japan Post Insurance by other companies, but includes employees assigned to other companies by Japan Post Insurance.

20. The calculation method for the number of employees who took nursing care leave has been changed to limit the scope to regular employees from FY2024.

21. Status of retention of new employees represents the retention rate of new graduates for each year after three years from their employment.

22. The wage difference between men and women is based on employees recorded on the wage ledger and includes employees seconded from other companies and employees seconded to other companies who are paid by the Company in accordance with the terms of their secondment agreements.

23. The wage difference between men and women is based on the wage ledger and is the ratio of the average wages of women workers recorded to the average wages of men workers recorded (average annual wages = total wages / number of employees). Retirement allowances are excluded from total wages, and employees on leave are excluded from the number of employees. In addition, associate employees who have been converted to indefinite-term employment based on the system for conversion to indefinite-term employment are included in regular (indefinite) workers.