

Outline of Financial Results for the Three Months Ended June 30, 2022

August 10, 2022



JAPAN POST INSURANCE

Summary of Financial Results

	3 months ended Jun-22	Year on Year
Ordinary Profit	¥ 13.4bn	¥ (78.6)bn (85.4) %
Net income	¥ 11.6bn	¥ (29.5)bn (71.8) %
Annualized premiums from New policies	(Individual Insurance) ¥ 16.6bn	¥ 4.9bn + 42.0 %
	(Medical Care) ¥ 1.2bn	¥ 0.7bn + 157.8 %
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 3,453.2bn	¥ (85.7)bn (2.4) %
	(Medical Care) ¥ 617.4bn	¥ (9.6)bn (1.5) %
EV	¥ 3,534.3bn	¥ (84.5)bn (2.3) %

【Financial Highlights】 (Ref.P3)

- Core profit decreased as a result of a decrease in core profit attributable to life insurance activities, mainly due to an increase in insurance claims payments for COVID-19, as well as a decline in policies in force.
- In addition, ordinary profit decreased 85.4% year on year mainly due to the deterioration in capital gains (losses) resulting from impairment losses.
- Net income for the current period decreased 71.8% year on year, as the total income taxes was at the same level as FY22/3 1Q, despite that the deterioration in capital gains (losses) was offset by the reversal of the price fluctuation reserves.

【Policy Sales】 (Ref.P4)

- Annualized premiums from new policies for individual insurance in FY23/3 1Q increased 42.0% year on year.
- Annualized premiums from new policies for medical care in FY23/3 1Q increased 157.8% year on year.

【Embedded Value】 (Ref.P10)

- EV decreased by 2.3% from the end of the previous fiscal year, mainly due to a decrease in unrealized gains of foreign bonds resulting from an increase in foreign interest rates, etc.

Financial Results for the Three Months Ended June 30, 2022 (Year on Year)

Statement of Income

	3 months ended Jun-21	3 months ended Jun-22	Change	(¥bn) (Reference) Year ended Mar-22
Ordinary income	1,665.1	1,608.9	(56.1)	6,454.2
Insurance premiums and others	644.0	576.9	(67.0)	2,418.9
Investment income	280.9	255.8	(25.0)	1,149.1
Reversal of policy reserves	736.1	759.5	23.3	2,864.2
Ordinary expenses	1,573.0	1,595.4	22.4	6,098.0
Insurance claims and others	1,437.8	1,421.9	(15.8)	5,549.3
Investment expenses	13.8	42.7	28.9	69.7
Operating expenses etc ¹	121.4	130.7	9.3	479.0
Ordinary profit	92.0	13.4	(78.6)	356.1
Extraordinary gains and losses	(18.9)	26.4	45.3	(62.4)
Provision of reserve for price fluctuations ²	(18.9)	26.4	45.3	(67.7)
Provision for reserve for policyholder dividends	15.4	11.5	(3.8)	73.1
Total income taxes	16.5	16.7	0.1	62.5
Net income attributable to Japan Post Insurance	41.2	11.6	(29.5)	158.0

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.

Details of Ordinary Profit (Non-Consolidated)

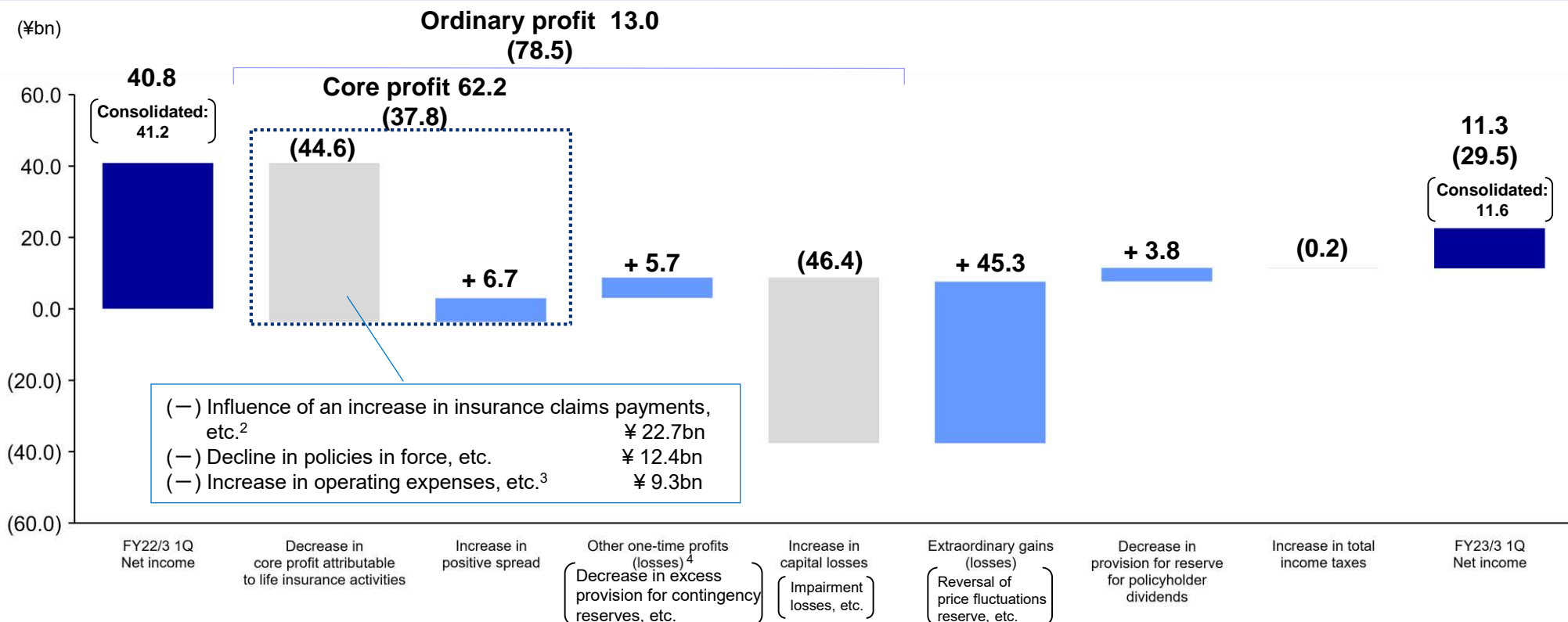
	3 months ended Jun-21	3 months ended Jun-22	Change	(¥bn) (Reference) Year ended Mar-22
Core profit	100.0	62.2	(37.8)	429.7
Core profit attributable to life insurance activities	80.3	35.7	(44.6)	296.4
Positive spread	19.6	26.4	6.7	133.3
Hedging costs related to foreign exchange	(2.4)	(1.3)	1.1	(7.3)
Net capital gains (losses)	5.3	(41.0)	(46.4)	5.6
Other one-time profits (losses)	(13.7)	(8.0)	5.7	(79.6)
Ordinary profit	91.6	13.0	(78.5)	355.7

(Reference) Partial amendment to the method for calculating core profit

- With a view to reflecting economic reality and ensuring consistency between life insurers, method for calculating core profit was partially amended in FY23/3, whereby calculation of core profit now reflects hedging costs related to foreign exchange while excluding gains from cancellation of investment trust. This amendment started to apply in the first quarter of FY23/3.
- Regarding hedging costs related to foreign exchange, we continue to adopt accounting treatments to provide or reverse the price fluctuation reserves.
- Core profit, positive spread, investment return on core profit, and capital gains (losses) for, or at the end of the previous fiscal year stated in this material are calculated reflecting the aforementioned amendment.

Factors for Year on Year Changes (Non-Consolidated)

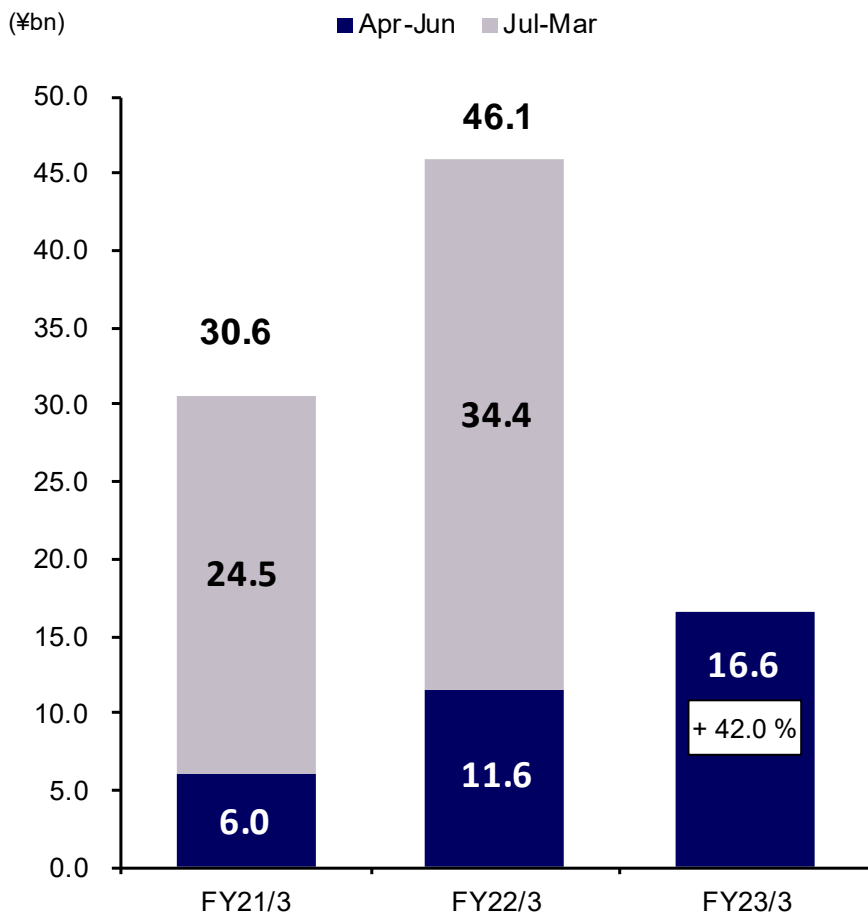
- Core profit decreased year on year to ¥ 62.2 billion as a result of a decrease in core profit attributable to life insurance activities, mainly due to an increase in insurance claims payments for COVID-19, a decline in policies in force, and an increase in operating expenses resulting from the establishment of the new Japan Post Insurance sales system.
- While capital gains or losses¹, and hedging costs related to foreign exchange were offset by the accounting treatments to provide or reverse the price fluctuation reserves corresponding to the amount of them, net income decreased year on year to ¥ 11.3 billion as the total income taxes was at the same level as FY22/3 1Q, which resulted from a tax burden caused by impairment losses of securities, etc.



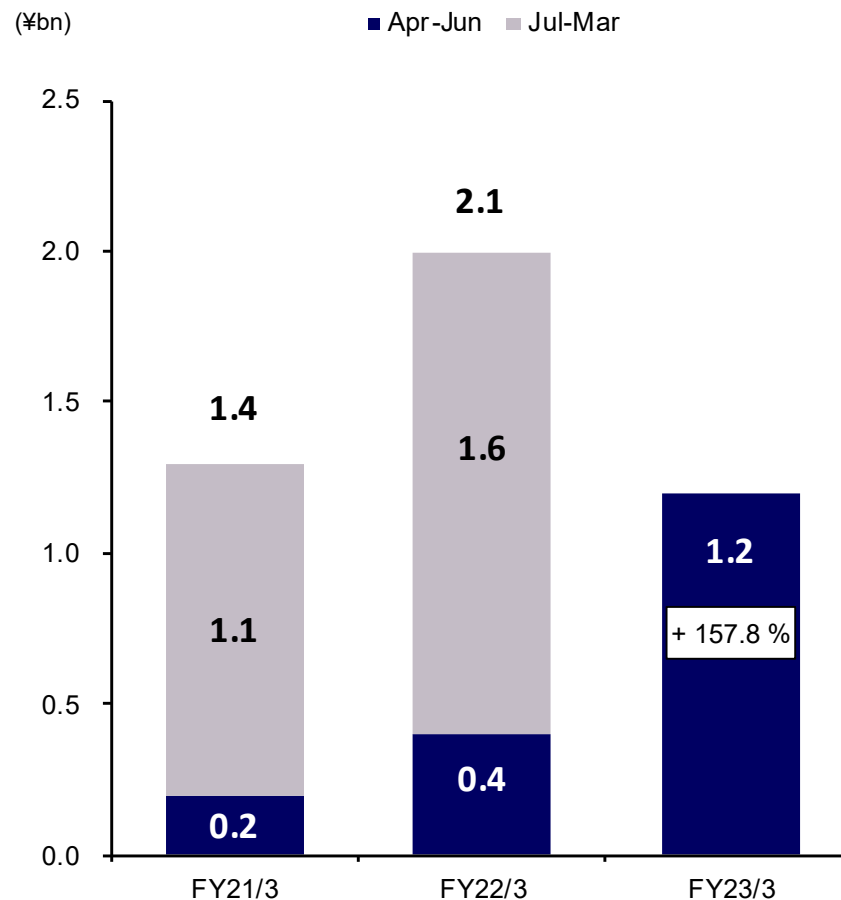
- Gains from cancellation of investment trust are excluded from provision/reversal of price fluctuation reserves.
- An increase in insurance claims payments, etc. were due to impact mainly from the payment of, and provision of reserve for outstanding claims for death benefits and hospitalization benefits for COVID-19.
- "Increase in operating expenses, etc." shows the difference between FY22/3 1Q and FY23/3 1Q. This figure is calculated by adding up "Operating expenses" and "Other ordinary expenses."
- 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.

Policy Sales [Annualized Premiums from New Policies]

Annualized Premiums from New Policies (Individual Insurance)



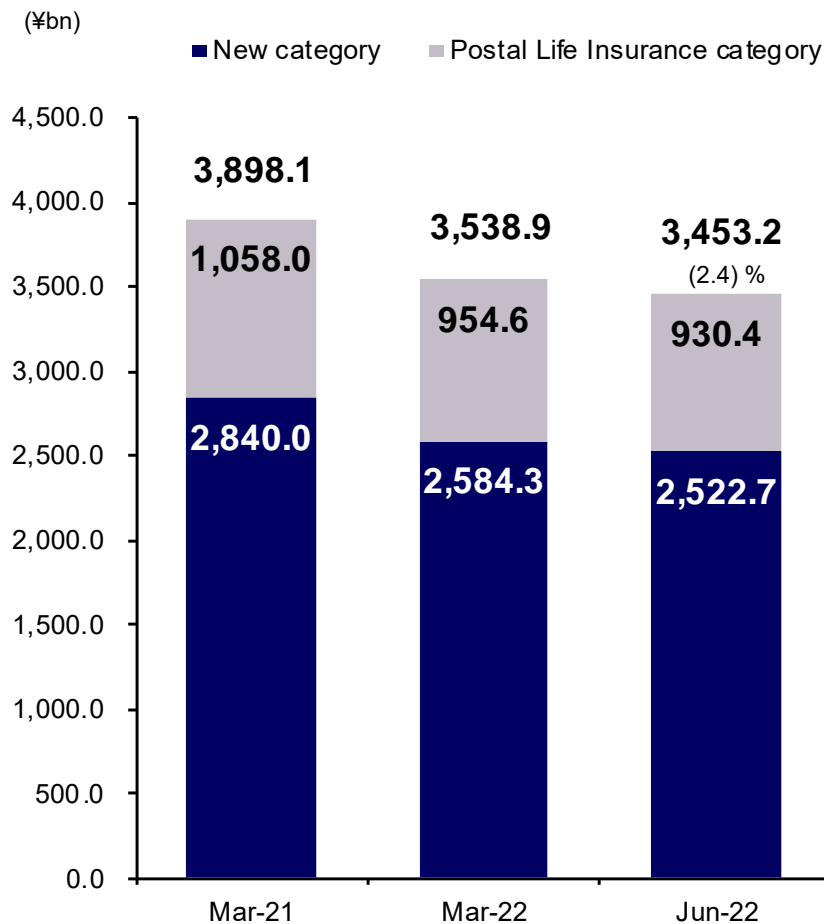
Annualized Premiums from New Policies (Medical Care)



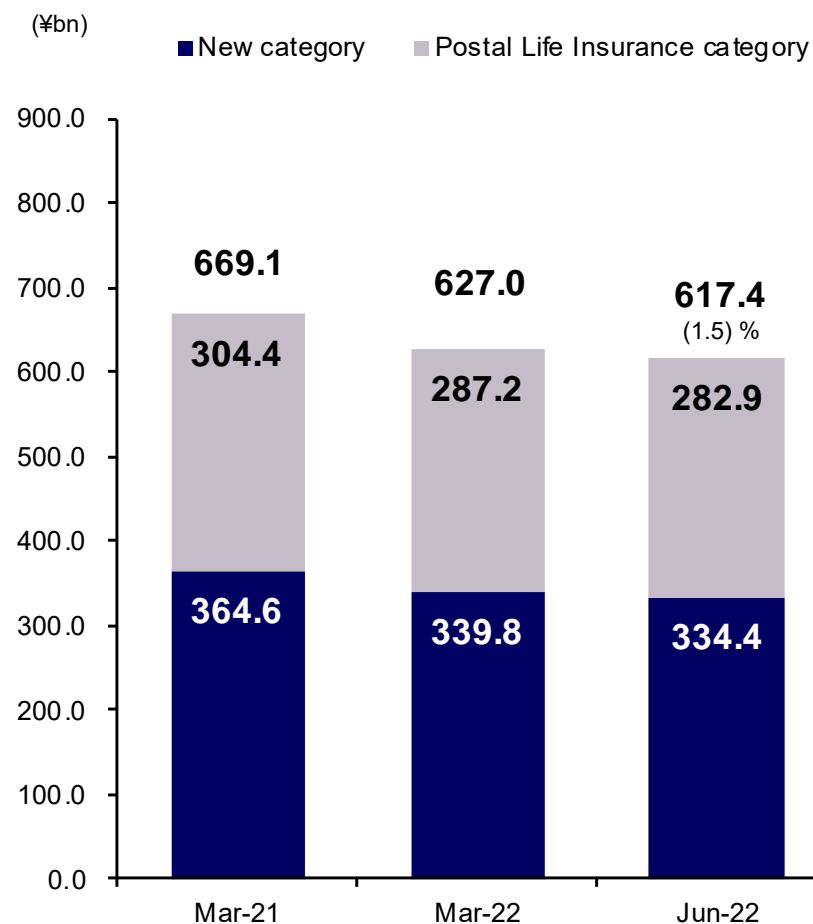
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium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

Policy Sales [Annualized Premiums from Policies in Force]

Annualized Premiums from Policies in Force (Individual Insurance)



Annualized Premiums from Policies in Force (Medical Care)



Note: "New category" shows individual insurance policies underwritten by Japan Post Insurance. The "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.

Investments [Asset Portfolio]

Asset Portfolio

(¥bn)

	Mar-22		Jun-22		Change
	Amount	Share	Amount	Share	
Bonds	46,563.5	69.3 %	45,897.4	70.1 %	(666.0)
Japanese government bonds	37,408.9	55.7 %	37,383.4	57.1 %	(25.5)
Japanese local government bonds	4,462.6	6.6 %	4,001.1	6.1 %	(461.5)
Japanese corporate bonds	4,691.8	7.0 %	4,512.9	6.9 %	(178.9)
Return seeking assets ¹	11,228.3	16.7 %	11,127.2	17.0 %	(101.1)
Domestic stocks ²	2,614.5	3.9 %	2,544.9	3.9 %	(69.5)
Foreign stocks ²	586.1	0.9 %	555.3	0.8 %	(30.7)
Foreign bonds ²	6,279.9	9.3 %	6,015.1	9.2 %	(264.8)
Other ³	1,747.7	2.6 %	2,011.7	3.1 %	264.0
Alternative assets	914.9	1.4 %	1,201.4	1.8 %	286.5
Loans	4,251.9	6.3 %	4,223.0	6.4 %	(28.9)
Others	5,130.9	7.6 %	4,254.7	6.5 %	(876.1)
Cash and deposits, call loans	1,310.7	2.0 %	821.4	1.3 %	(489.3)
Receivables under resale agreements	2,120.1	3.2 %	1,673.6	2.6 %	(446.4)
Total assets	67,174.7	100.0 %	65,502.5	100.0 %	(1,672.2)

- Return seeking assets include domestic and foreign stocks, foreign-currency-denominated bonds, investment trusts, etc. held for investment purposes among the assets recorded under "money held in trust" and "securities" on the balance sheet.
- "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts that invest only in the specified assets.
- Bank loans, multi-asset, alternative investment (real estate fund, private equity, infrastructure equity, etc.), etc.

Spread and Investment Yield

(¥bn)

	3 months ended Jun-21	3 months ended Jun-22	(Reference) Year ended Mar-22
Positive spread	19.6	26.4	133.3
Hedging costs related to foreign exchange	(2.4)	(1.3)	(7.3)
Average assumed rates of return ¹	1.69 %	1.68 %	1.68 %
Investment return on core profit ²	1.83 %	1.87 %	1.92 %
Net capital gains (losses)	5.3	(41.0)	5.6

- Average assumed rates of return are the assumed return on general account policy reserves.
- Investment return on core profit is the return with respect to earned policy reserves.

Duration

(years)

	Mar-22	Jun-22
Assets	10.5	10.4
Liabilities	12.7	12.5
Difference	2.2	2.0

Note: The duration for accounting purposes of insurance liabilities related to individual insurance and individual annuities and yen-denominated interest-bearing assets.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities

(¥bn)

	Mar-22			Jun-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	56,500.9	62,173.4	5,672.4	56,331.7	60,866.7	4,535.0	(169.2)	(1,306.7)	(1,137.4)
Held-to-maturity bonds	34,126.2	38,143.1	4,016.9	33,700.3	36,864.2	3,163.9	(425.9)	(1,278.9)	(852.9)
Policy-reserve-matching bonds	8,604.7	9,106.0	501.2	8,558.2	8,869.6	311.3	(46.4)	(236.3)	(189.9)
Available-for-sale securities	13,769.9	14,924.2	1,154.2	14,073.1	15,132.8	1,059.6	303.1	208.5	(94.5)
Securities etc.	10,976.2	11,103.7	127.5	10,745.9	10,593.9	(151.9)	(230.2)	(509.8)	(279.5)
Bonds	4,043.7	4,016.9	(26.7)	3,946.5	3,828.7	(117.8)	(97.1)	(188.2)	(91.0)
Domestic stocks	357.7	419.8	62.0	355.8	400.0	44.2	(1.9)	(19.7)	(17.8)
Foreign securities	4,247.0	4,332.5	85.4	4,257.7	4,252.4	(5.3)	10.7	(80.0)	(90.7)
Other securities	1,884.2	1,889.9	5.7	1,832.8	1,758.8	(73.9)	(51.4)	(131.0)	(79.6)
Deposits etc.	443.3	444.5	1.1	352.9	353.8	0.9	(90.4)	(90.6)	(0.1)
Money held in trust	2,793.7	3,820.4	1,026.6	3,327.1	4,538.8	1,211.6	533.4	718.4	184.9
Domestic stocks ¹	1,495.7	2,194.7	699.0	1,518.9	2,134.7	615.7	23.2	(60.0)	(83.2)
Foreign stocks ¹	311.9	586.1	274.2	314.3	555.3	241.0	2.4	(30.7)	(33.1)
Foreign bonds ¹	700.0	742.0	42.0	635.9	683.9	48.0	(64.1)	(58.0)	6.0
Other ²	286.0	297.4	11.4	857.9 ³	1,164.7 ³	306.7	571.9	867.2	295.3

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."
3. Based on the adoption of "Implementation Guidance on Accounting Standard for Fair Value Measurement," fair value of an investment trust that has no market transaction price is determined by assuming its net asset value as its fair value.

Expenses

Expenses

(¥bn)

	3 months ended Jun-21	3 months ended Jun-22	Change	(Reference) Year ended Mar-22
Operating expenses	94.3	110.6	16.3	385.9
Commissions ¹	45.0	34.9	(10.1)	178.6
Sales Commissions	8.1	9.7	1.5	30.7
Maintenance Commissions	36.9	25.2	(11.7)	147.9
Contributions ²	13.5	12.5	(0.9)	54.0
Others ³	35.7	63.1	27.4	153.2
Other ordinary expenses	27.0	20.1	(6.9)	93.0
Depreciation and amortization	15.0	9.9	(5.0)	54.5
Operating expenses etc	121.4	130.7	9.3	479.0

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.

3. Figures for FY23/3 1Q includes ¥ 22.6 billion increase in personnel expenses (non-consolidated) including a result of the transition to the new Japan Post Insurance sales system in April 2022.

Financial Soundness

Internal Reserves

	Mar-22	Jun-22	(¥bn)
			Provisions in the period
Contingency reserve	1,690.9	1,699.0	8.0
Postal Life Insurance category ¹	1,203.2	1,209.8	6.5
New category	487.7	489.2	1.4
Price fluctuations reserve	972.6	946.1	(26.4)
Postal Life Insurance category	695.1	675.6	(19.4)
New category	277.4	270.4	(6.9)
Additional policy reserve	5,618.6	5,557.1	(61.5)
Postal Life Insurance category ¹	5,613.8	5,552.8	(61.0)
New category	4.8	4.2	(0.5)

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.

- 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.

Solvency Margin Ratio

	Mar-22	Jun-22	(¥bn)
Solvency Margin Ratio	1,045.5 %	1,021.0 %	
Total amount of solvency margin	5,858.5	5,697.0	
Total amount of risk	1,120.6	1,115.8	

Embedded Value

Breakdown of EV

(¥bn)

	Mar-22	Jun-22 ¹	Change
EV	3,618.9	3,534.3	(84.5) ((2.3) %)
Adjusted net worth	2,092.7	2,037.7	(55.0) ((2.6) %)
Value of in- force covered business	1,526.1	1,496.6	(29.4) ((1.9) %)

Value of New Business

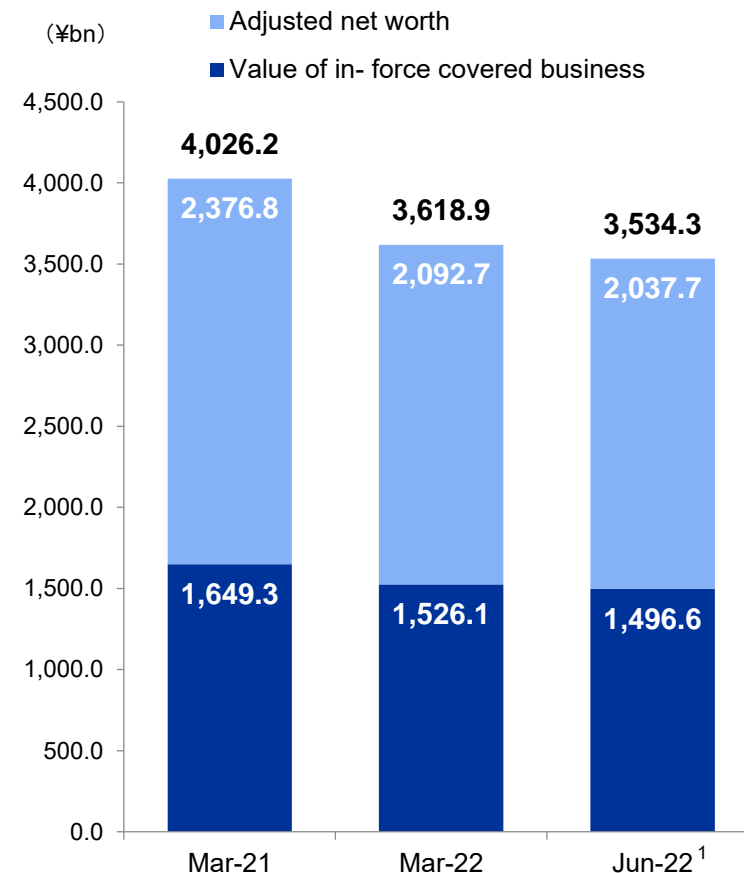
Value of new business as of 3 months ended Jun-22^{1,2} ¥ (1.4) bn

New business margin as of 3 months ended Jun-22^{1,2,3} (1.1) %

- 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 of current period turned negative.

1. Provisional calculations that have not been verified by a third party.
2. Using the economic assumptions as of June 30, 2022, based on the new policies written in the period from April 2022 to June 2022. The value of new business includes the increase or decrease due to conditional cancellation and conversion.
3. The value of new business divided by the present value of future premium income.

EV



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

- While progress in the first quarter fell short of our plan in net income, as core profit proceeded as planned, there are no changes to our consolidated financial results forecasts for the fiscal year ending March 31, 2023 at this point of time.

Full-year Financial Results Forecast

	Year ending Mar-23 (Forecast)	3 months ended Jun-22	Achievement
			(¥bn)
Ordinary income	6,220.0	1,608.9	25.9 %
Ordinary profit	160.0	13.4	8.4 %
Net income ¹	71.0	11.6	16.4 %

Net income per share	¥ 177.83 ²	¥ 29.12
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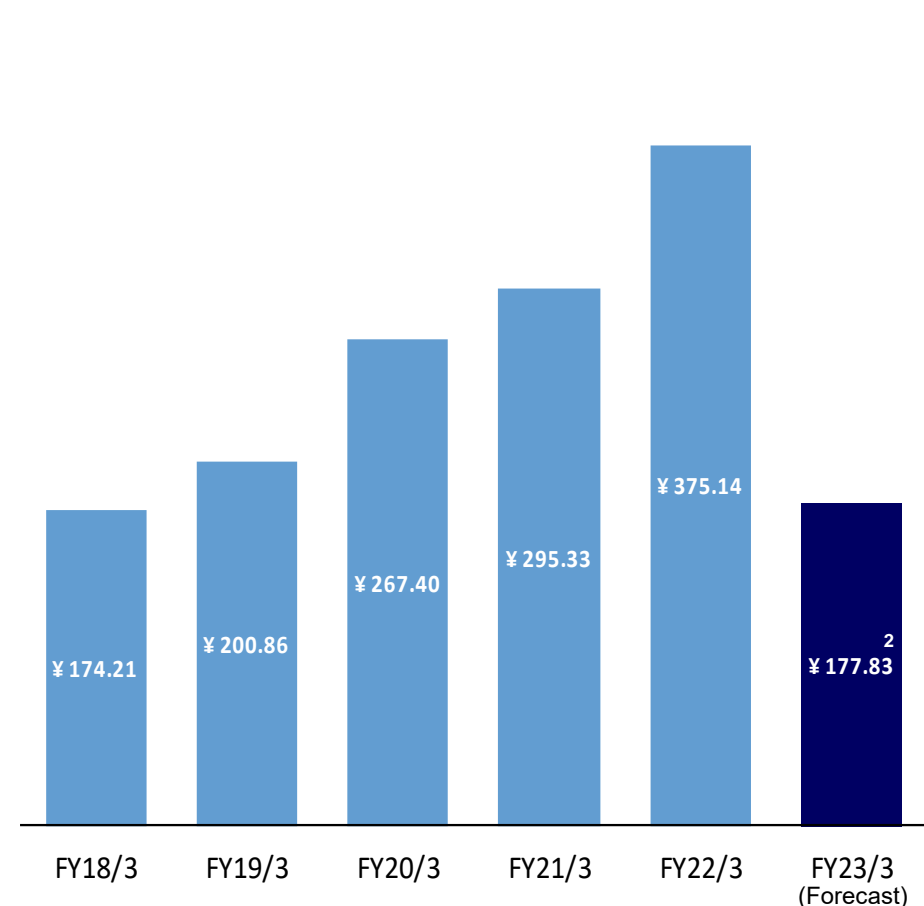
Full-year Financial Results Forecast (non-consolidated)

	Year ending Mar-23 (Forecast)	3 months ended Jun-22	Achievement
			(¥bn)
Core profit	Approx. 220.0	62.2	28.3 %

1. Net income attributable to Japan Post Insurance.

2. Values not reflecting the acquisition of treasury stock decided on August 10, 2022.

Earnings Per Share



Shareholder Return

Shareholder Return Policies during the period of the Medium-term Management Plan

- 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

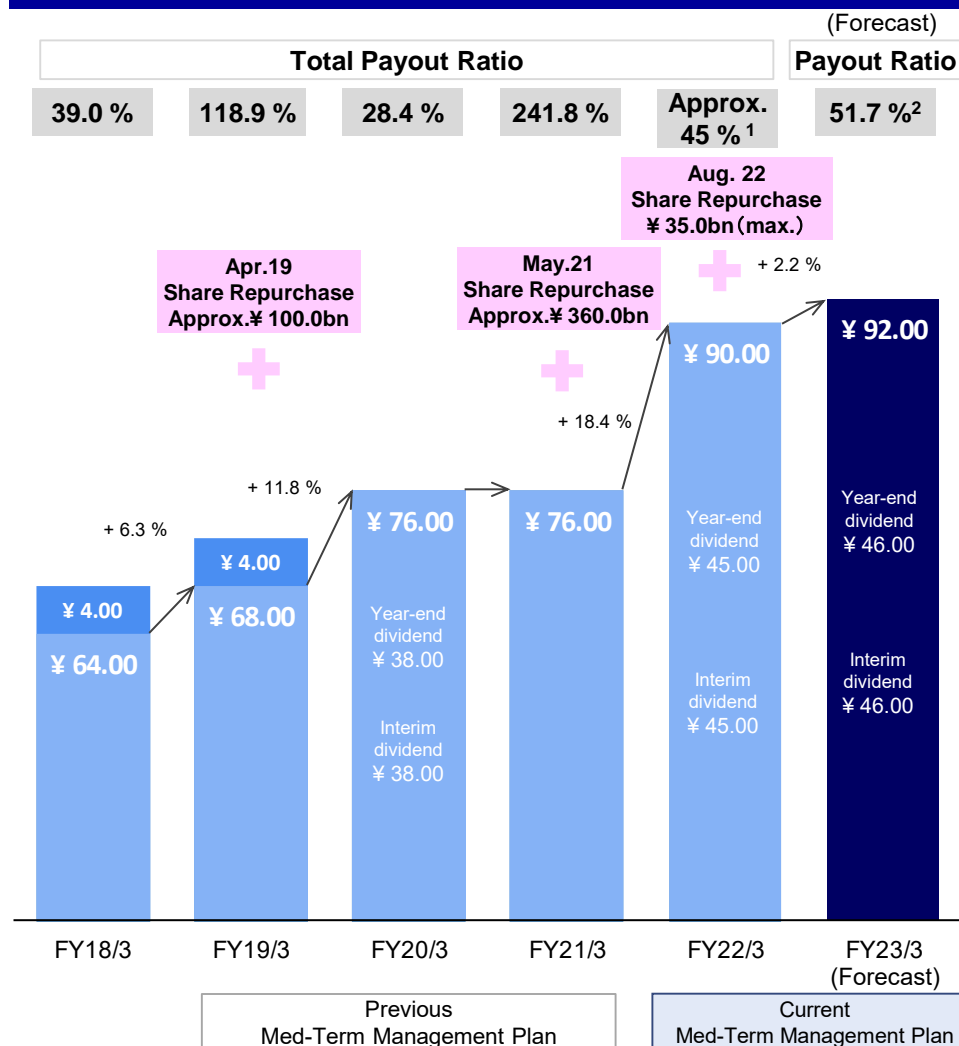
Shareholder Return for the Year Ended March 31, 2022

- For FY22/3, dividends to shareholders at ¥ 90 per share have been paid.
- Approximately 45% total payout ratio is expected for FY22/3, and on this basis, we decided to carry out acquisition of treasury stock not exceeding ¥ 35.0bn, as part of our shareholder return.
- 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 ¥ 35.0bn.

Shareholder Return for the Year Ending March 31, 2023

- As for dividends to shareholders for FY23/3, no change is being contemplated to ¥ 92 per share as scheduled.

Shareholder Return



1. Assuming the implementation of the acquisition of ¥ 35.0bn (maximum) treasury stock.
2. Values not reflecting the acquisition of treasury stock decided on August 10, 2022.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

	Mar-22	Jun-22	Change
Total Assets	67,174.7	65,502.5	(1,672.2)
Cash and deposits	1,270.7	781.4	(489.3)
Money held in trust	4,521.9	4,619.0	97.1
Securities	53,417.5	52,528.8	(888.7)
Loans	4,251.9	4,223.0	(28.9)
Tangible fixed assets	94.4	94.3	(0.1)
Intangible fixed assets	93.6	89.8	(3.8)
Deferred tax assets	1,005.3	1,049.6	44.2

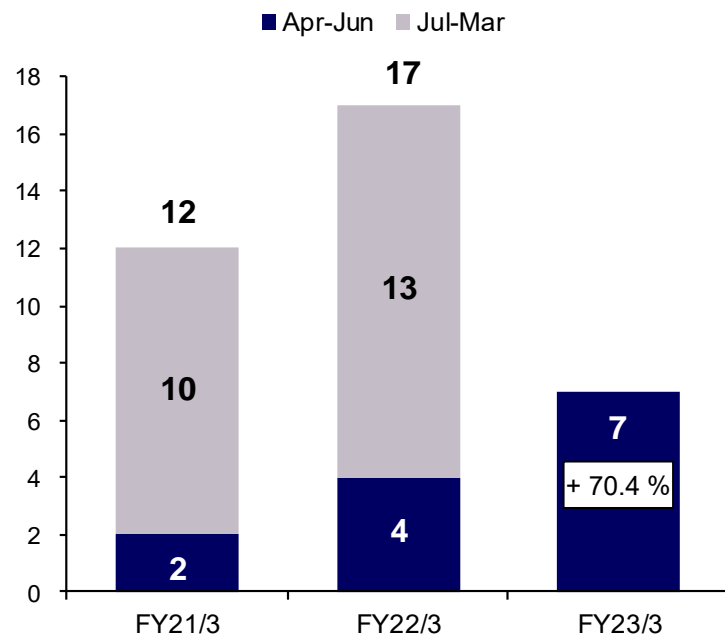
	Mar-22	Jun-22	Change
Total Liabilities	64,753.7	63,192.3	(1,561.3)
Policy reserves	56,533.4	55,773.9	(759.5)
Contingency reserve	1,690.9	1,699.0	8.0
Additional policy reserve	5,618.6	5,557.1	(61.5)
Bonds payable	300.0	300.0	-
Reserve for price fluctuations	972.6	946.1	(26.4)
Net assets	2,421.0	2,310.1	(110.9)
Total shareholders' equity	1,544.5	1,537.4	(7.0)
Capital stock	500.0	500.0	-
Capital surplus	405.0	405.0	-
Retained earnings	639.8	633.4	(6.3)
Treasury stock	(0.3)	(1.0)	(0.7)
Total accumulated other comprehensive income	876.5	772.7	(103.8)

Note: Only major line items are shown.

Policy Sales

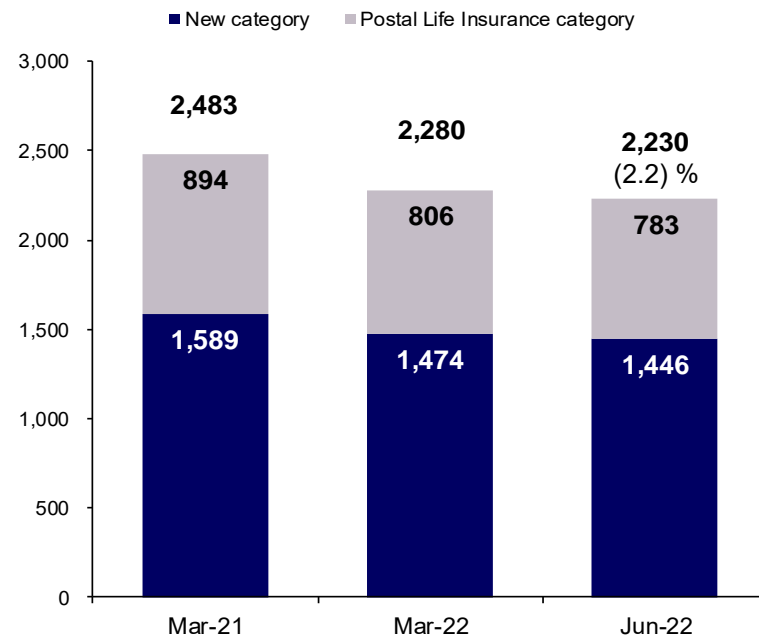
Number of New Policies (Individual Insurance)

(10 thousands)



Number of Policies in Force (Individual Insurance)

(10 thousands)



Note : “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)

	FY21/3	FY22/3	FY23/3
Full year	51	50	-
Apr-Jun	14	13	11

Note : Sum of “New category” and “Postal Life Insurance category.”

Breakdown of Policies

Breakdown of New Policies

(10 thousands)

	3 months ended Jun-21		3 months ended Jun-22	
	Number of policies	Share	Number of policies	Share
Individual insurance	4	100.0 %	7	100.0 %
Endowment insurance	3	78.1 %	5	73.0 %
Ordinary endowment insurance	2	59.7 %	3	53.6 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	0	1.2 %	0	1.7 %
Special endowment insurance ¹	0	17.2 %	1	17.7 %
Whole life insurance	0	9.3 %	1	15.7 %
Ordinary whole life insurance (Fixed amount type)	0	2.0 %	0	4.6 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	0	0.5 %	0	1.0 %
Ordinary whole life insurance (Increased amount type)	0	4.9 %	0	7.4 %
Special whole life insurance	0	1.9 %	0	2.7 %
Educational endowment insurance	0	11.6 %	0	9.8 %
Other insurance	0	1.0 %	0	1.5 %

Note1 : Only major products are shown.

Note2 : Policies in force includes postal life insurance policies.

1. Increased amount type endowment insurance.

Breakdown of Policies in Force

(10 thousands)

	Mar-22		Jun-22	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,280	100.0 %	2,230	100.0 %
Endowment insurance	785	34.4 %	756	33.9 %
Ordinary endowment insurance	509	22.3 %	490	22.0 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1 %	3	0.1 %
Special endowment insurance ¹	271	11.9 %	260	11.7 %
Whole life insurance	1,156	50.7 %	1,142	51.2 %
Ordinary whole life insurance (Fixed amount type)	352	15.5 %	346	15.5 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	5	0.2 %	5	0.2 %
Ordinary whole life insurance (Increased amount type)	252	11.1 %	250	11.2 %
Special whole life insurance	545	23.9 %	540	24.2 %
Educational endowment insurance	325	14.3 %	318	14.3 %
Other insurance	12	0.6 %	12	0.6 %

Quarterly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)

(¥bn)

	FY20/3	FY21/3	FY22/3	FY23/3	
1Q	93.5	6.0	11.6	16.6	+ 42.0 %
2Q	38.0	9.0	11.2	—	
3Q	12.2	7.2	11.4	—	
4Q	3.0	8.3	11.7	—	
Total	146.9	30.6	46.1	16.6	

Annualized Premiums from New Policies (Medical Care)

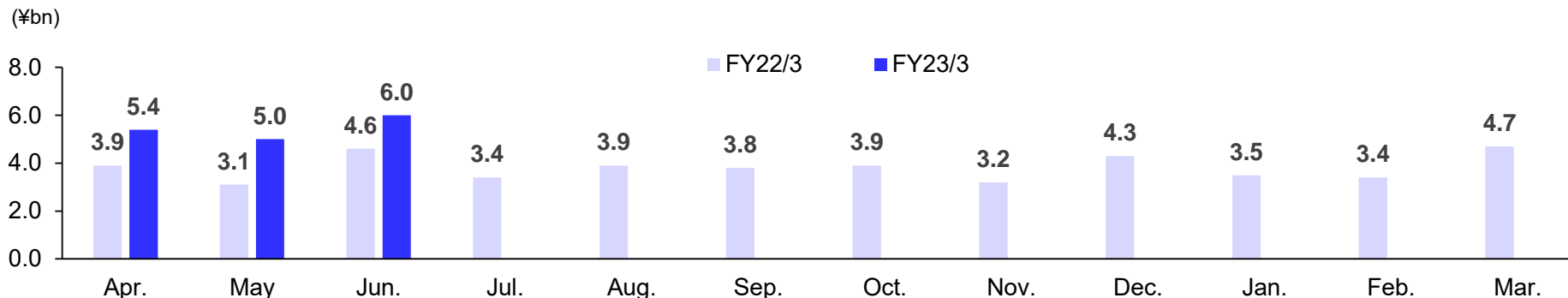
(¥bn)

	FY20/3	FY21/3	FY22/3	FY23/3	
1Q	16.6	0.2	0.4	1.2	+ 157.8 %
2Q	4.4	0.4	0.5	—	
3Q	0.8	0.3	0.5	—	
4Q	0.1	0.4	0.5	—	
Total	22.1	1.4	2.1	1.2	

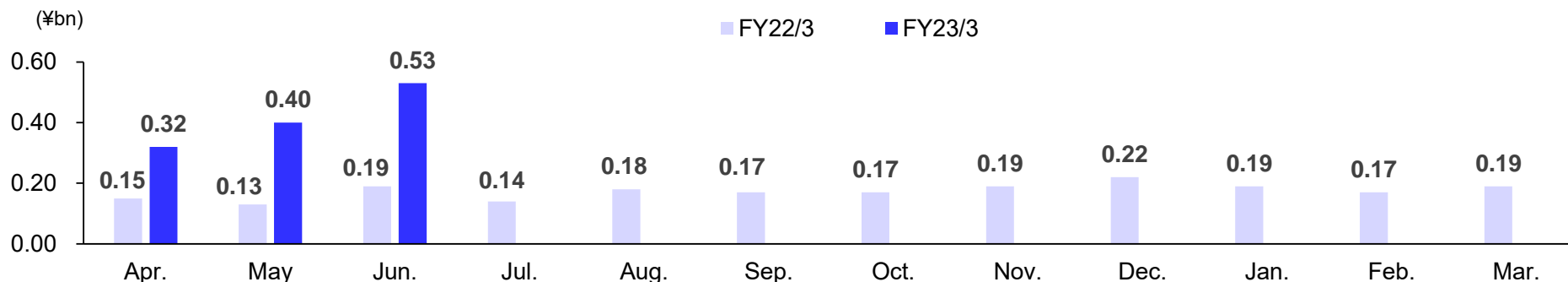
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium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

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.
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 %
FY23/3	5.9 %	8.0 %	8.8 %	-	-	-	-	-	-	-	-	-

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

	3 months ended Jun-21	3 months ended Jun-22	(Reference) Year ended Mar-22
Investment income	280.9	255.8	1,149.1
Interest, dividends and other income	252.4	237.7	985.8
Interest on deposits	0.0	0.0	0.0
Interest and dividends on securities	228.8	217.5	894.5
Interest on corporate and government bonds	180.5	175.7	715.7
Domestic stock dividends	0.8	0.9	10.8
Interest and dividends on foreign securities	37.5	34.7	127.2
Others	9.8	6.1	40.6
Interest on loans	3.4	3.3	14.3
Interest on loans to the Management Organization	19.0	15.7	72.8
Rent revenue from real estate	-	-	-
Interest and dividends on others	1.1	1.0	4.1

(¥bn)

Capital gains(losses)

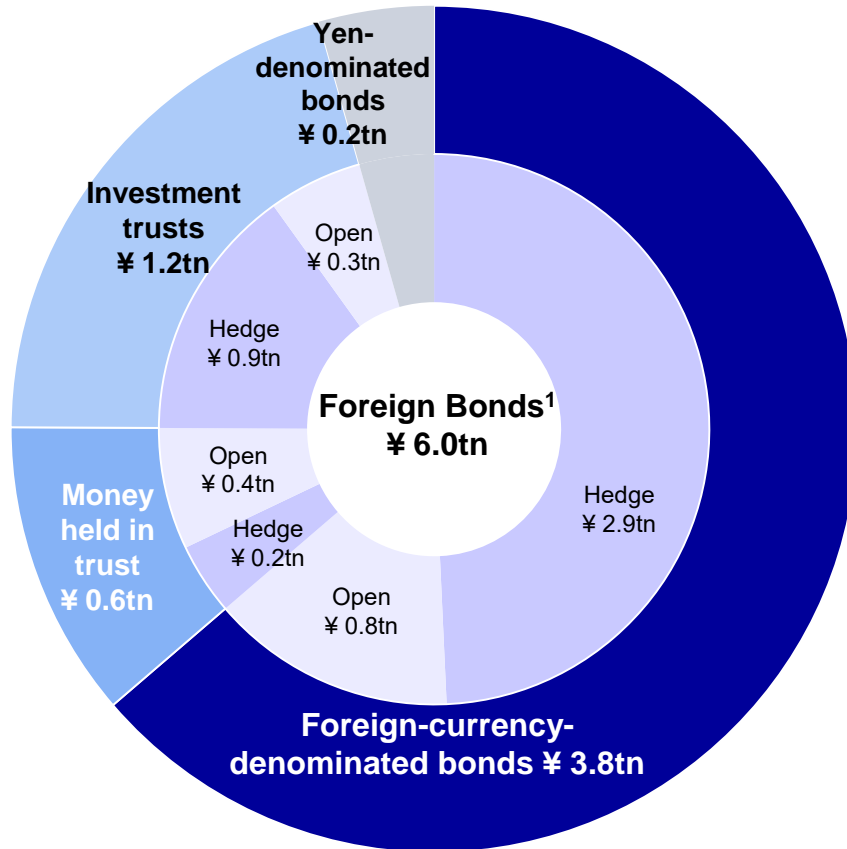
	3 months ended Jun-21	3 months ended Jun-22	(Reference) Year ended Mar-22
Capital gains	30.7	19.1	169.6
Gains on money held in trust	25.9	8.3	114.5
Gains on sales of securities	2.3	9.4	26.9
Gains on derivative financial instruments	-	-	-
Gains on foreign exchanges	0.0	-	20.8
Other capital gains ¹	2.4	1.3	7.3
Capital losses	(25.3)	(60.2)	(164.0)
Losses on money held in trust	-	-	-
Losses on sales of securities	(7.8)	(27.1)	(51.1)
Losses on valuation of securities	-	(11.4)	-
Losses on derivative financial instruments	(2.3)	(2.4)	(7.3)
Losses on foreign exchanges	-	(0.0)	-
Other capital losses ²	(15.1)	(19.1)	(105.5)
Net Capital gains(losses)	5.3	(41.0)	5.6

(¥bn)

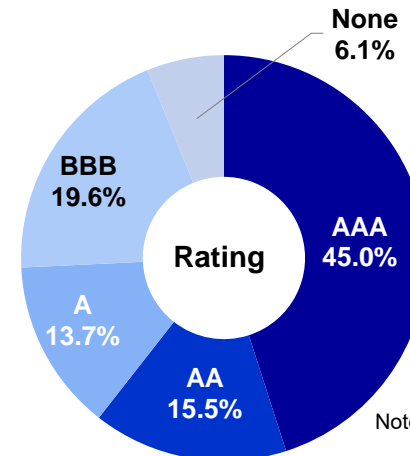
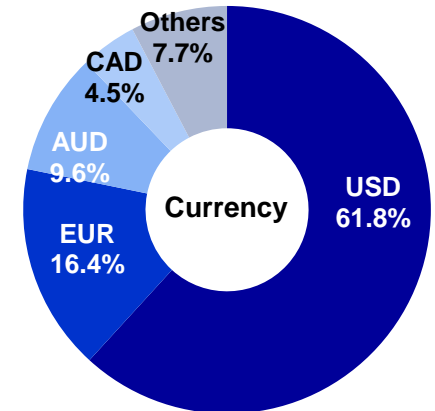
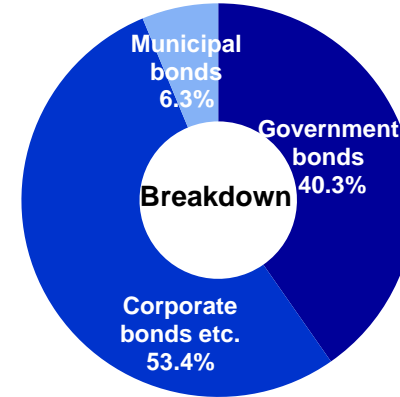
1. Amount equivalent to hedging cost related to foreign exchange and gains from cancellation of investment trust is recognized as "other capital gains."
2. Amount equivalent to income gains associated with money held in trust is recognized as "other capital losses."

Exposure to Foreign Bonds (as of June 30, 2022)

Breakdown of Foreign Bonds



Foreign-currency-denominated Bonds



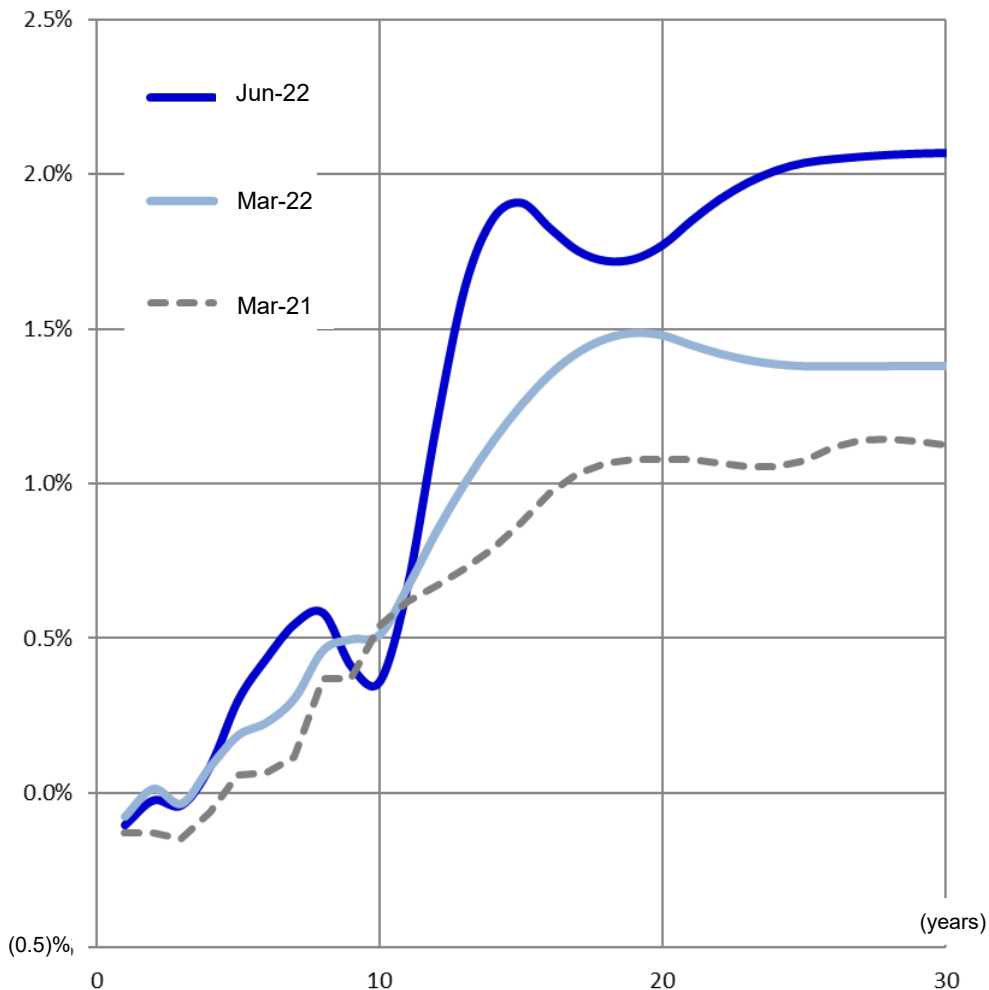
1. Foreign bonds included in return seeking assets (Ref.P6).

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-21 to Jun-22)



Forward Rate

	Mar-21	Mar-22 ^①	Jun-22 ^②
10 years	0.539 %	0.513 %	0.359 %
20 years	1.080 %	1.480 %	1.770 %
30 years	1.126 %	1.382 %	2.067 %

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows:

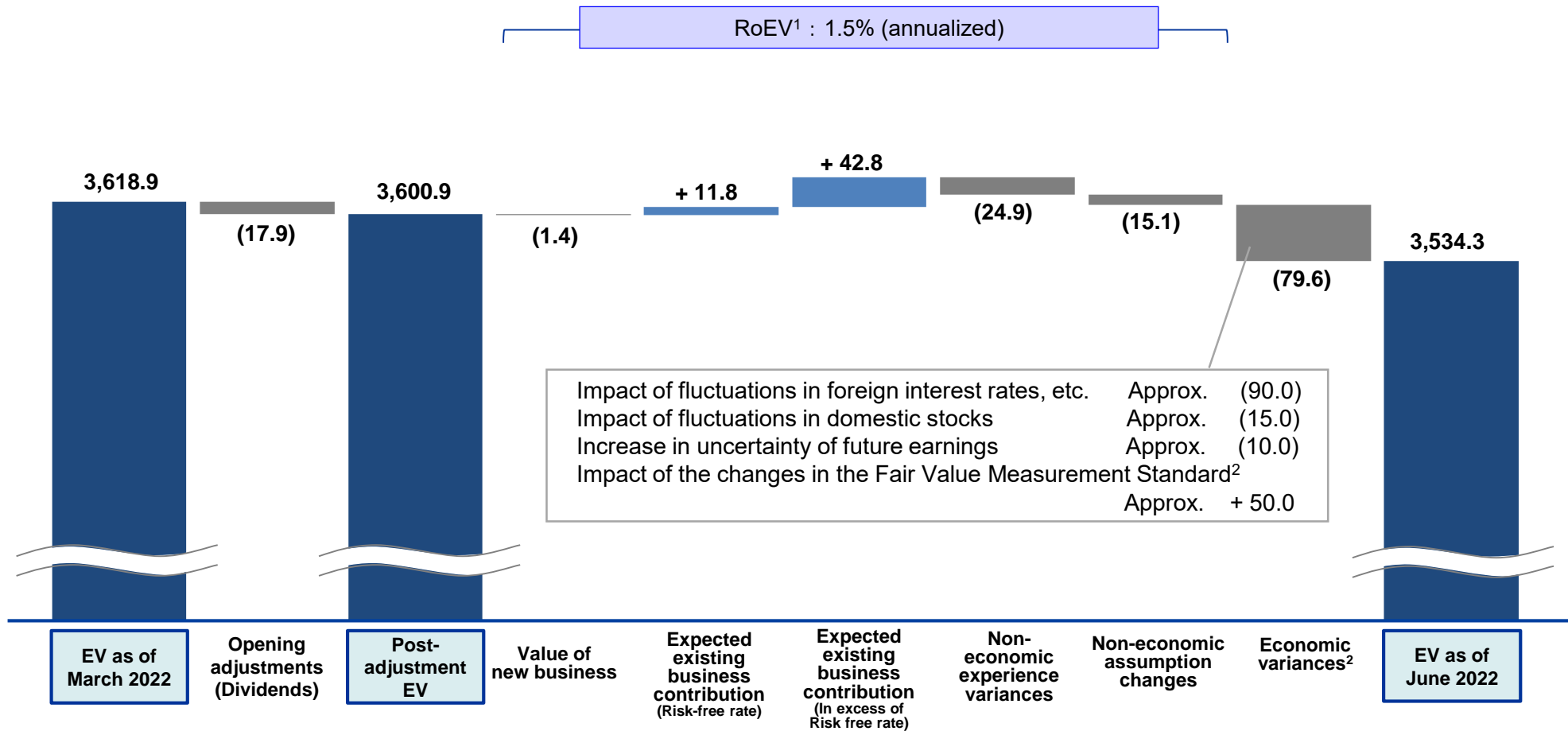
- EV as of March 31, 2022 : ①
- Value of new business for FY23/3 1Q : ②
- EV as of June 30, 2022 : ②

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

Medium to Long-term
RoEV¹ Target: 6 to 8%

(¥bn)



1. Calculated by excluding economic variance factors.

2. Impact of determining the fair value of an investment trust that has no market transaction price by assuming its net asset value as its fair value based on "Implementation Guidance on Accounting Standard for Fair Value Measurement."

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

Status of Insurance payment for COVID-19

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

Status of insurance payment for COVID-19

	FY21/3	FY22/3	FY23/3 1Q	Total ¹
Death benefits ²	¥ 4,989.81million (1,456policies)	¥ 13,314.57million (3,807policies)	¥ 6,700.61million (2,014policies)	¥ 25,004.99million (7,277policies)
Hospitalization benefits	¥ 824.57million (14,023policies)	¥ 5,469.51million (110,562policies)	¥ 10,073.29million (253,275policies)	¥ 16,368.11million (377,875policies)

[Reference] Status of insurance payment as a whole

	FY21/3	FY22/3	FY23/3 1Q
Insurance benefits ³	Approximately ¥ 5.1trillion	Approximately ¥ 4.9trillion	Approximately ¥ 1.2trillion

1. Including insurance claims payments in FY20/3.
2. Including double payment.
3. 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)

	FY19/3		FY20/3		FY21/3		FY22/3		FY22/3 1Q		FY23/3 1Q	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income ¹	3,814.7	4,374.4	3,582.6	3,658.6	3,591.8	3,194.6	3,462.1	2,992.1	888.5	777.6	897.3	711.5
Insurance premiums and others	3,369.5	590.3	2,786.3	459.1	2,333.7	364.1	2,132.1	286.8	566.9	77.0	517.0	59.8
Investment income ¹	440.1	764.3	441.2	696.5	448.4	673.6	460.6	688.6	119.2	161.8	117.6	138.2
Other ordinary income ¹	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8	869.3	2,016.6	202.3	538.6	262.6	513.4
Ordinary expenses ¹	3,663.5	4,260.4	3,388.2	3,566.1	3,329.3	3,112.2	3,215.3	2,883.2	819.2	755.2	880.6	715.2
Insurance claims and others	2,837.9	4,030.9	2,842.0	3,349.3	2,925.4	2,940.6	2,831.7	2,717.5	722.3	715.4	754.4	667.5
Provision for policy reserves and others ¹	272.5	-	29.9	-	0.0	-	0.0	-	0.9	-	0.0	-
Investment expenses ¹	99.1	46.8	85.7	38.2	59.5	11.7	56.5	13.3	12.4	1.5	34.2	8.4
Operating expenses	376.2	142.1	336.3	135.8	275.4	126.6	263.0	121.5	64.5	29.7	77.3	33.2
Other ordinary expenses	77.7	40.4	94.2	42.7	68.9	33.2	64.0	30.7	18.9	8.5	14.5	5.9
Ordinary profit	151.1	113.9	194.3	92.4	262.5	82.4	246.7	108.9	69.3	22.3	16.7	(3.6)
Extraordinary gains and losses ²	13.8	3.6	9.3	29.8	(23.6)	(23.1)	(22.3)	(40.0)	(9.9)	(9.0)	6.9	19.4
Provision for reserve for policyholder dividends	19.6	92.1	15.4	93.7	18.7	46.7	18.2	54.8	4.5	10.8	4.2	7.3
Income before income taxes	145.3	25.5	188.2	28.5	220.2	12.6	206.1	14.0	54.8	2.4	19.4	8.4
Total income taxes	41.1	8.7	54.9	10.7	61.1	6.0	57.3	4.9	15.4	1.0	8.8	7.7
Net income	104.1	16.7	133.3	17.8	159.0	6.5	148.7	9.1	39.4	1.4	10.5	0.7

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)

		FY19/3	FY20/3	FY21/3	FY22/3	FY22/3 1Q	FY23/3 1Q
Total assets	¥mn	73,904,576	71,667,398	70,173,857	67,174,848	68,828,822	65,500,220
Postal Life Insurance category		41,354,076	39,225,493	37,815,270	35,929,138	37,213,149	35,151,685
New category		32,550,500	32,441,904	32,358,586	31,245,710	31,615,672	30,348,534
Number of policies in force	(000)	29,143	27,070	24,837	22,802	24,292	22,302
Postal Life Insurance category (insurance)		11,048	9,907	8,944	8,061	8,706	7,839
New category (individual insurance)		18,095	17,163	15,893	14,740	15,586	14,463
Numbers of new policies	(000)	1,711	644	124	173	41	70
Numbers of cancelled policies¹	(000)	2,965	2,714	2,256	2,196	581	548
Postal Life Insurance category (insurance)		1,430	1,141	959	880	237	201
New category (individual insurance)		1,534	1,572	1,296	1,316	344	346
Contingency reserve (reversal) provision	¥mn	(151,592)	(165,388)	(186,023)	79,651	13,788	8,050
Postal Life Insurance category		(173,590)	(170,814)	(191,014)	73,581	12,128	6,594
New category		21,997	5,425	4,991	6,069	1,660	1,456
Price fluctuations reserve (reversal) provision	¥mn	(19,251)	(39,152)	46,477	67,789	18,923	(26,428)
Postal Life Insurance category		(3,686)	(29,845)	23,121	40,045	9,001	(19,465)
New category		(15,564)	(9,306)	23,355	27,743	9,922	(6,962)
Additional policy reserve (reversal) provision	¥mn	(50,292)	(49,750)	27,652	(239,366)	(59,045)	(61,530)
Postal Life Insurance category		(46,698)	(46,396)	30,553	(236,996)	(58,393)	(61,017)
New category		(3,594)	(3,354)	(2,901)	(2,369)	(651)	(512)

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

	FY19/3	FY20/3	FY21/3	FY22/3	FY22/3 1Q	FY23/3 1Q	(¥bn)
Insurance premiums and others	3,959.9	3,245.5	2,697.9	2,418.9	644.0	576.9	
Operating expenses etc ¹	636.8	609.4	503.5	479.0	121.4	130.7	
Ordinary profit	264.8	286.6	345.7	356.1	92.0	13.4	
Provision for reserve for policyholder dividends	111.8	109.2	65.4	73.1	15.4	11.5	
Net income	120.4	150.6	166.1	158.0	41.2	11.6	
Net assets	2,135.1	1,928.3	2,841.4	2,421.0	2,576.1	2,310.1	
Total assets	73,905.0	71,664.7	70,172.9	67,174.7	68,829.5	65,502.5	
Return on equity	5.8 %	7.4 %	7.0 %	6.0 %	-	-	
RoEV ²	8.6 %	(2.8) %	5.0 %	4.0 %	5.8 %	1.5 %	
Dividends to shareholders	43.2	42.7	42.7	35.9	-	-	
Share repurchase	99.9 ³	-	358.8 ⁴	-	-	-	
Total return ratio	118.9 %	28.4 %	241.8 %	Approx. 45 % ⁵	-	-	
EV	3,925.7	3,324.2	4,026.2	3,618.9	3,738.2	3,534.3	
Value of New Business	223.8	60.6	(12.7)	(11.5)	(2.6)	(1.4)	
Core profit (Non-consolidated) ⁶	377.1	400.6	421.9	429.7	100.0	62.2	
Core profit attributable to life insurance activities	318.7	320.1	345.6	296.4	80.3	35.7	
Spread (positive/negative spread) ⁶	58.4	80.4	76.3	133.3	19.6	26.4	

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. Assuming the implementation of the acquisition of ¥ 35.0bn (maximum) treasury stock as decided on August 10, 2022

6. Following the partial amendment to the method for calculating core profit in FY23/3, Core profit (Non-consolidated) and Spread (positive/negative spread) are calculated by using the revised method from FY22/3 onward, as opposed to the period between FY19/3 and FY21/3.

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