

Outline of Financial Results for the Nine Months Ended December 31, 2022

February 14, 2023



JAPAN POST INSURANCE

Summary of Financial Results

	9 months ended Dec-22	Year on Year
Ordinary Profit	¥ 78.7bn	¥ (191.3)bn (70.8) % Forecast for Mar-23 ¥ 80.0bn Achievement 98.5 %
Net income	¥ 76.2bn	¥ (43.3)bn (36.2) % Forecast for Mar-23 ¥ 87.0bn Achievement 87.6 %
Annualized premiums from New policies	(Individual Insurance) ¥ 49.6bn	+ ¥ 15.2bn + 44.4 %
	(Medical Care) ¥ 4.8bn	+ ¥ 3.2bn + 202.1 %
Annualized premiums from Policies in Force	(Individual Insurance) ¥ 3,295.6bn	¥ (243.3)bn (6.9) %
	(Medical Care) ¥ 601.4bn	¥ (25.5)bn (4.1) %
EV	¥ 3,308.3bn	¥ (310.5)bn (8.6) %

【Financial Highlights】

- As insurance claims payments for COVID-19 increased, and capital gains (losses) deteriorated due to an increase in losses on sales of securities, ordinary profit decreased by ¥ 191.3bn ((70.8) %) year on year.
- While the losses above were neutralized by the contingency reserves and reserve for price fluctuations, net income for current period decreased by ¥ 43.3bn ((36.2) %) year on year because of decline in policies in force, etc.
- The financial results forecasts for FY23/3 were revised downward for ordinary profit, and upward for net income. Achievements toward the revised financial results forecasts were, 98.5% in ordinary profit and 87.6% in net income. Details are stated on P11.

【Policy Sales】

- Annualized premiums from new policies for individual insurance in FY23/3 3Q increased by ¥ 15.2bn (+ 44.4 %) year on year, which remained a slight improvement.
- Annualized premiums from policies in force decreased by ¥ 243.3bn ((6.9) %) from the end of the previous fiscal year.

【Embedded Value】

- EV decreased by ¥ 310.5bn ((8.6) %) 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.

Financial Results for the Nine Months Ended December 31, 2022 (Year on Year)

Statement of Income

	9months ended Dec-21	9months ended Dec-22	Change	(Reference) Year ended Mar-22
Ordinary income	4,821.0	4,798.0	(23.0)	6,454.2
Insurance premiums and others	1,841.4	1,669.8	(171.5)	2,418.9
Investment income	833.1	857.9	24.7	1,149.1
Reversal of policy reserves	2,112.9	2,251.0	138.1	2,864.2
Ordinary expenses	4,550.9	4,719.2	168.3	6,098.0
Insurance claims and others	4,161.2	4,144.8	(16.3)	5,549.3
Investment expenses	32.5	187.1	154.5	69.7
Operating expenses etc ¹	357.1	387.1	30.0	479.0
Ordinary profit	270.0	78.7	(191.3)	356.1
Extraordinary gains and losses	(52.1)	72.8	125.0	(62.4)
Reversal of reserve for price fluctuations ²	(57.5)	73.0	130.6	(67.7)
Provision for reserve for policyholder dividends	51.2	43.7	(7.5)	73.1
Total income taxes	47.0	31.6	(15.4)	62.5
Net income attributable to Japan Post Insurance	119.5	76.2	(43.3)	158.0

Note: Only major line items are shown.

- Sum of Operating expenses and Other ordinary expenses.
- Plus signs indicate reversals, while brackets () indicate provisions.

Details of Ordinary Profit (Non-Consolidated)

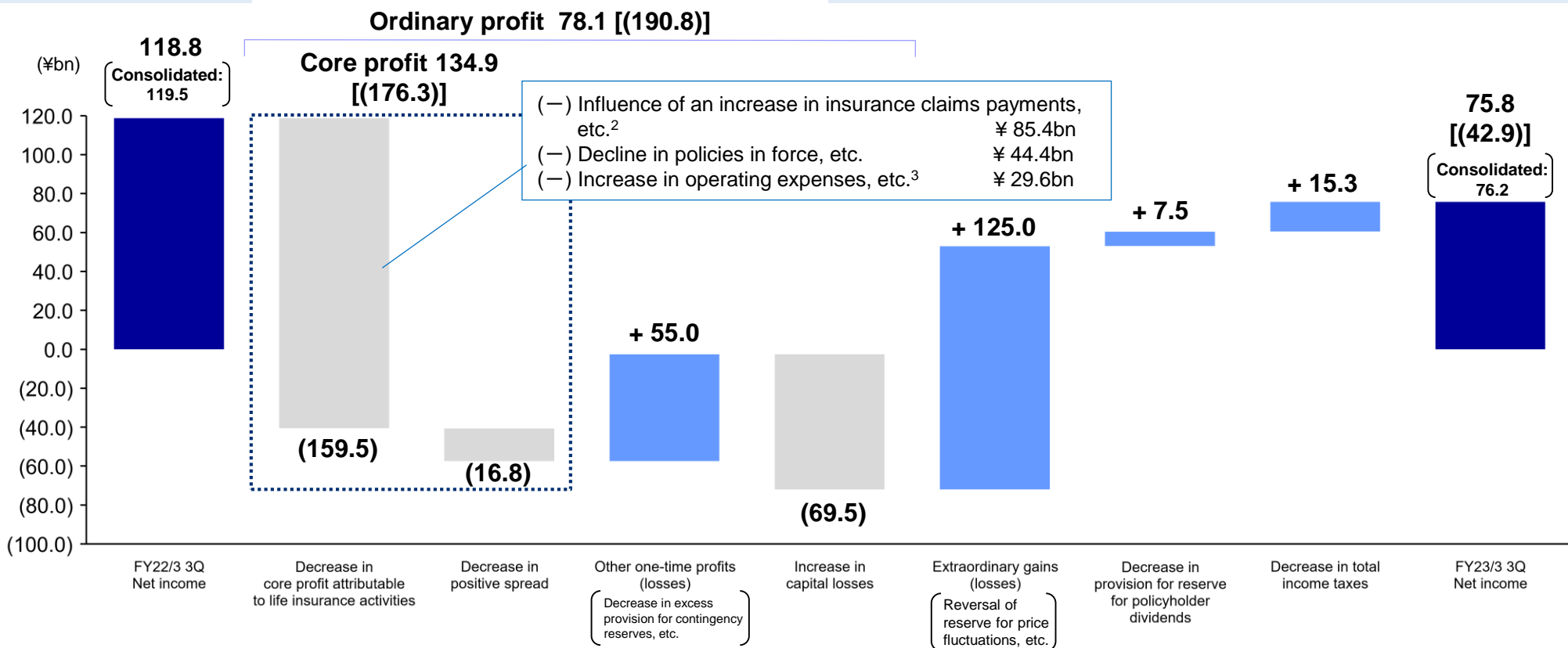
	9months ended Dec-21	9months ended Dec-22	Change	(Reference) Year ended Mar-22
Core profit	311.2	134.9	(176.3)	429.7
Core profit attributable to life insurance activities	233.7	74.2	(159.5)	296.4
Positive spread	77.5	60.7	(16.8)	133.3
Hedging costs related to foreign exchange	(6.0)	(37.1)	(31.0)	(7.3)
Net capital gains (losses)	10.3	(59.2)	(69.5)	5.6
Gains from cancellation of investment trust	0.0	20.8	20.8	0.0
Other one-time profits (losses)	(52.5)	2.4	55.0	(79.6)
Ordinary profit	269.0	78.1	(190.8)	355.7

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

- Method for calculating core profit was partially amended in FY23/3 (hedging costs related to foreign exchange are included in the calculation of core profit and excluded from capital gains (losses), while gains from cancellation of investment trust are excluded from the calculation of core profit and included in capital gains (losses)). This amendment started to apply in FY23/3.
- Regarding the reserve for price fluctuations, we continue to adopt accounting treatments to provide or reverse them corresponding to the amount of capital gains (losses) which include hedging costs related to foreign exchange, and exclude gains from cancellation of investment trust.
- 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)

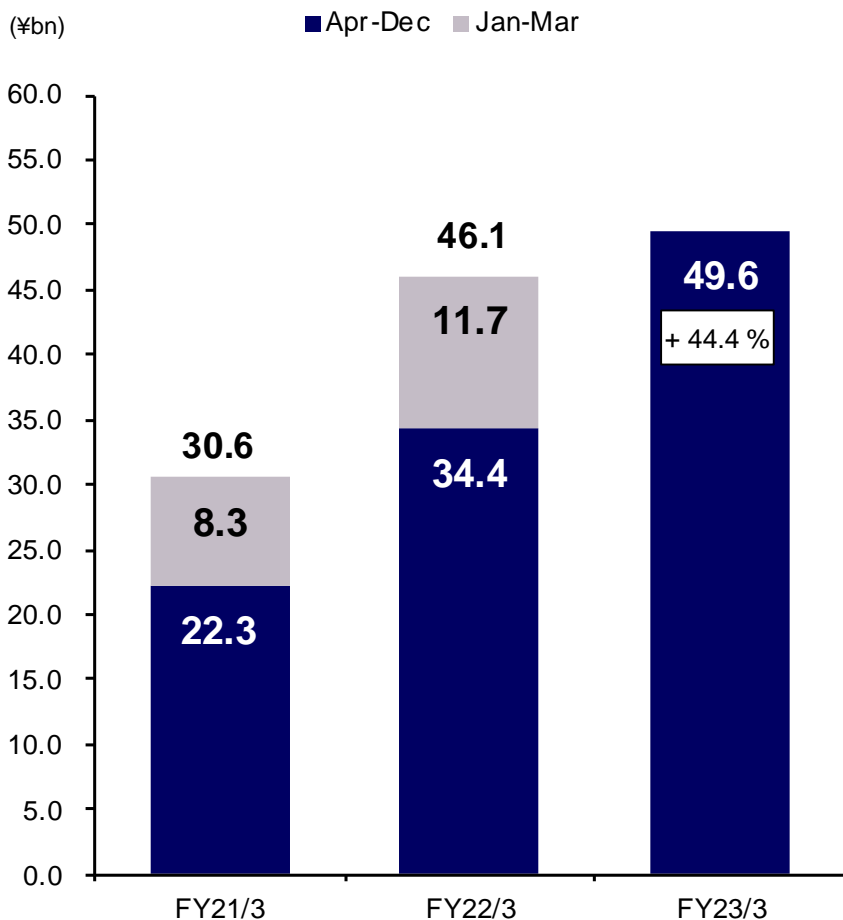
- Core profit decreased year on year to ¥ 134.9 billion as a result of a decrease in core profit attributable to life insurance activities due to an increase in insurance claims payments for COVID-19, a decline in policies in force, and an increase in operating expenses resulting from the establishment of the new Japan Post Insurance sales system, along with a decrease in positive spread.
- Regarding the increase in insurance claims payments for COVID-19, we partially reduced the excess provisions for contingency reserves and reserve for price fluctuations. In addition, capital losses etc.¹ were offset by the reversal of reserve for price fluctuations corresponding to the amount of them. As a result, net income for current period was ¥ 75.8 billion.



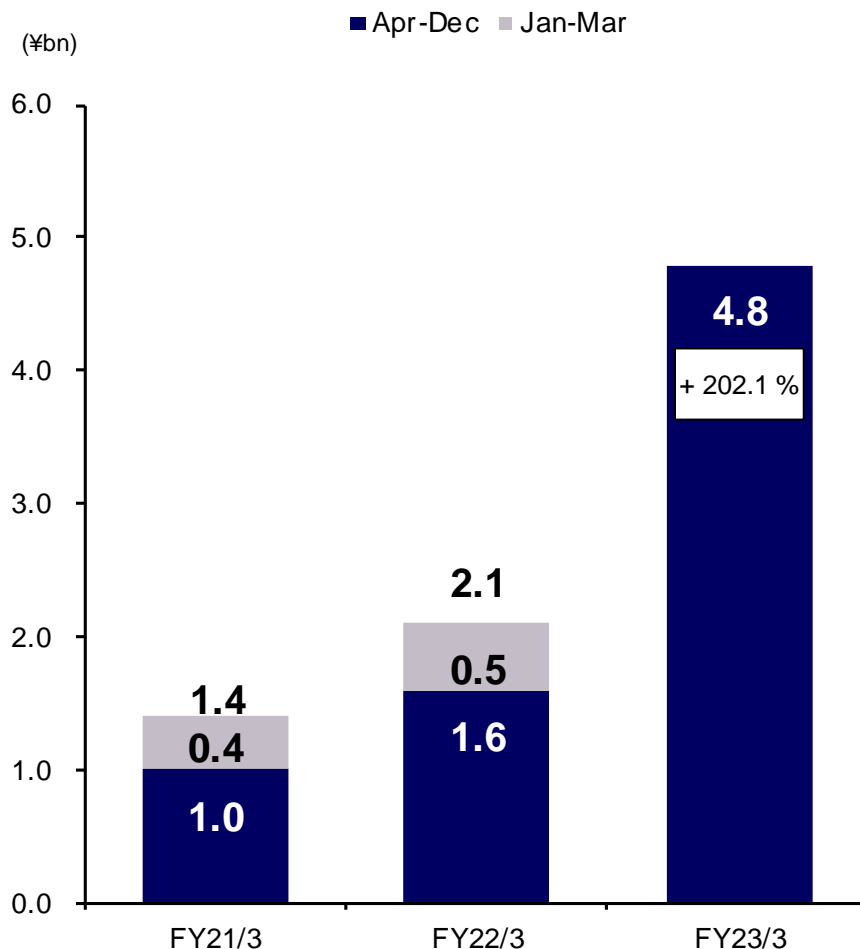
1. While hedging costs related to foreign exchange are offset by the reversal of reserve for price fluctuations, the gains from cancellation of investment trust are excluded from provision of reserve for price fluctuations.
2. An increase in insurance claims payments, etc. were due to impact mainly from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

Policy Sales [Annualized Premiums from New Policies]

Annualized Premiums from New Policies (Individual Insurance)



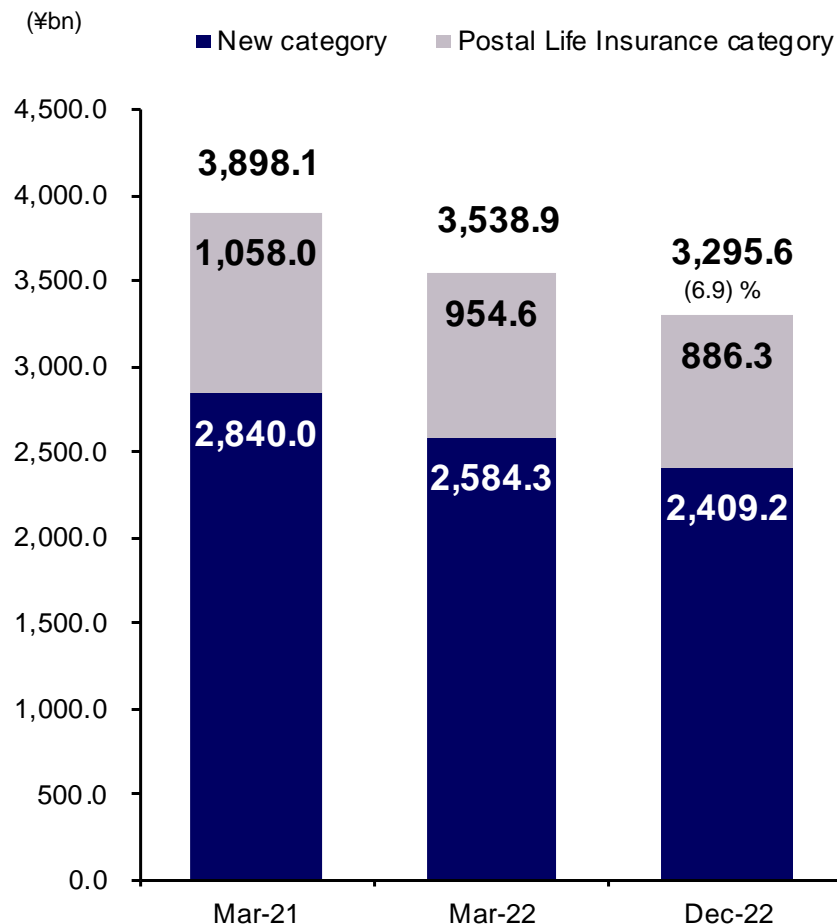
Annualized Premiums from New Policies (Medical Care)



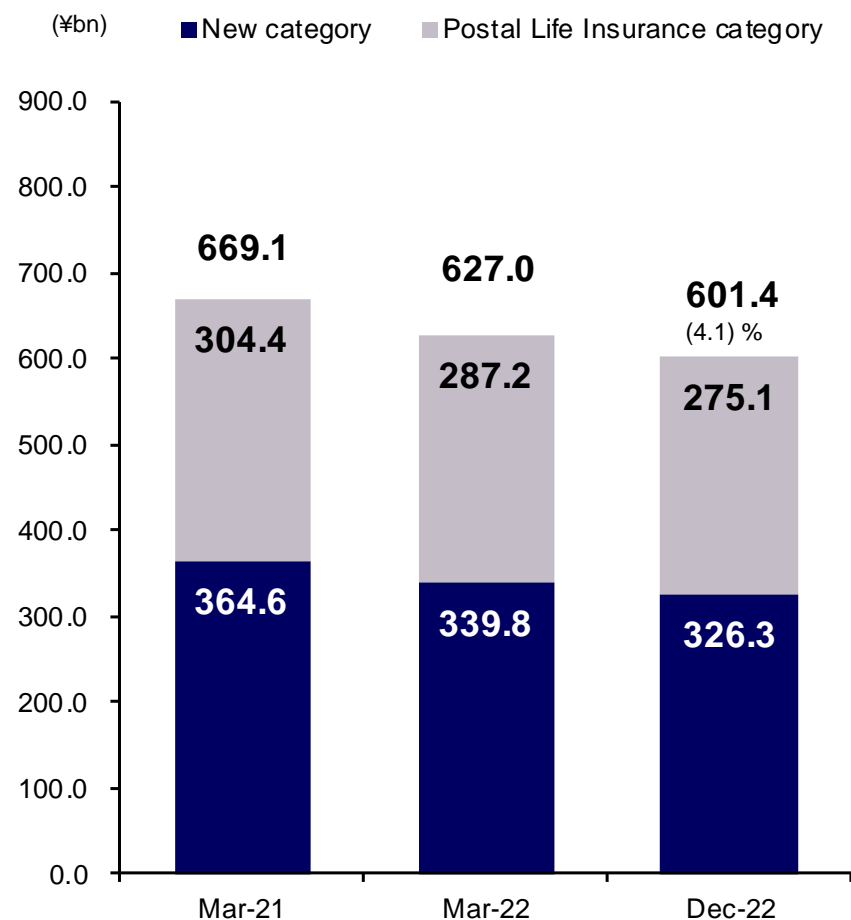
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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		Dec-22		Change
	Amount	Share	Amount	Share	
Bonds	46,563.5	69.3 %	45,161.6	71.2 %	(1,401.9)
Japanese government bonds	37,408.9	55.7 %	37,307.9	58.8 %	(101.0)
Japanese local government bonds	4,462.6	6.6 %	3,636.0	5.7 %	(826.6)
Japanese corporate bonds	4,691.8	7.0 %	4,217.6	6.6 %	(474.2)
Return seeking assets ¹	11,228.3	16.7 %	9,729.1	15.3 %	(1,499.2)
Domestic stocks ²	2,614.5	3.9 %	2,453.0	3.9 %	(161.5)
Foreign stocks ²	586.1	0.9 %	512.4	0.8 %	(73.6)
Foreign bonds ²	6,279.9	9.3 %	4,793.6	7.6 %	(1,486.3)
Other ³	1,747.7	2.6 %	1,970.0	3.1 %	222.3
Alternative assets ⁴	914.9	1.4 %	1,276.8	2.0 %	361.9
Loans	4,251.9	6.3 %	3,904.5	6.2 %	(347.3)
Others	5,130.9	7.6 %	4,629.6	7.3 %	(501.2)
Cash and deposits, call loans	1,310.7	2.0 %	1,008.7	1.6 %	(301.9)
Receivables under resale agreements	2,120.1	3.2 %	1,596.1	2.5 %	(523.9)
Total assets	67,174.7	100.0 %	63,424.9	100.0 %	(3,749.8)

- 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.
- 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.

Spread and Investment Yield

(¥bn)

	9months ended Dec-21	9months ended Dec-22	(Reference) Year ended Mar-22
Positive spread	77.5	60.7	133.3
Average assumed rates of return ¹	1.69 %	1.67 %	1.68 %
Investment return on core profit ²	1.87 %	1.82 %	1.92 %
Net capital gains (losses)	10.3	(59.2)	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	Dec-22
Assets	10.5	10.3
Liabilities	12.7	12.0
Difference	2.2	1.7

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			Dec-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	54,811.6	57,200.1	2,388.4	(1,689.3)	(4,973.3)	(3,284.0)
Held-to-maturity bonds	34,126.2	38,143.1	4,016.9	33,211.9	34,929.0	1,717.1	(914.3)	(3,214.1)	(2,299.8)
Policy-reserve-matching bonds	8,604.7	9,106.0	501.2	8,399.4	8,377.8	(21.6)	(205.2)	(728.2)	(522.9)
Available-for-sale securities	13,769.9	14,924.2	1,154.2	13,200.2	13,893.2	693.0	(569.6)	(1,030.9)	(461.2)
Securities etc.	10,976.2	11,103.7	127.5	9,820.7	9,381.1	(439.5)	(1,155.4)	(1,722.5)	(567.1)
Bonds	4,043.7	4,016.9	(26.7)	3,941.8	3,684.5	(257.3)	(101.8)	(332.3)	(230.5)
Domestic stocks	357.7	419.8	62.0	329.1	374.8	45.7	(28.6)	(44.9)	(16.2)
Foreign securities	4,247.0	4,332.5	85.4	3,234.1	3,142.3	(91.7)	(1,012.9)	(1,190.1)	(177.1)
Other securities	1,884.2	1,889.9	5.7	1,763.4	1,626.5	(136.8)	(120.7)	(263.3)	(142.5)
Deposits etc.	443.3	444.5	1.1	552.1	552.7	0.5	108.7	108.1	(0.5)
Money held in trust	2,793.7	3,820.4	1,026.6	3,379.5	4,512.0	1,132.5	585.7	691.6	105.8
Domestic stocks ¹	1,495.7	2,194.7	699.0	1,456.7	2,066.8	610.1	(38.9)	(127.8)	(88.8)
Foreign stocks ¹	311.9	586.1	274.2	288.5	512.4	223.8	(23.3)	(73.6)	(50.3)
Foreign bonds ¹	700.0	742.0	42.0	640.9	657.5	16.5	(59.0)	(84.5)	(25.4)
Other ²	286.0	297.4	11.4	993.2 ³	1,275.1 ³	281.9	707.1	977.7	270.5

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 specified assets.
2. Cash and deposits, bank loans and alternative investment.
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)

	9months ended Dec-21	9months ended Dec-22	Change	(Reference) Year ended Mar-22
Operating expenses	281.5	329.6	48.0	385.9
Commissions ¹	132.3	102.7	(29.5)	178.6
Sales Commissions	22.0	26.8	4.8	30.7
Maintenance Commissions	110.3	75.8	(34.4)	147.9
Contributions ²	40.5	37.6	(2.8)	54.0
Others ³	108.7	189.2	80.4	153.2
Other ordinary expenses	75.5	57.5	(17.9)	93.0
Depreciation and amortization	45.1	29.6	(15.5)	54.5
Operating expenses etc	357.1	387.1	30.0	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 3Q includes ¥ 69.2 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	Dec-22	(¥bn)
			Provisions in the period
Contingency reserve	1,690.9	1,688.5	(2.4)
Postal Life Insurance category ¹	1,203.2	1,242.2	38.9
New category	487.7	446.3	(41.4)
Reserve for price fluctuations	972.6	899.5	(73.0)
Postal Life Insurance category	695.1	692.5	(2.5)
New category	277.4	206.9	(70.4)
Additional policy reserve	5,618.6	5,437.4	(181.1)
Postal Life Insurance category ¹	5,613.8	5,434.0	(179.7)
New category	4.8	3.3	(1.4)

Solvency Margin Ratio

	Mar-22	Dec-22
Solvency Margin Ratio	1,045.5 %	980.1 %
Total amount of solvency margin	5,858.5	5,262.3
Total amount of risk	1,120.6	1,073.8

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.

- 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 contingency reserves in excess of the statutory reserve standards in order to restore the level of them from the end of March, 2021 onward.

Embedded Value

Breakdown of EV

	Mar-22	Dec-22 ¹	Change
EV	3,618.9	3,308.3	(310.5) (8.6) %
Adjusted net worth	2,092.7	1,926.0	(166.6) (8.0) %
Value of in- force covered business	1,526.1	1,382.2	(143.8) (9.4) %

(¥bn)

Value of New Business

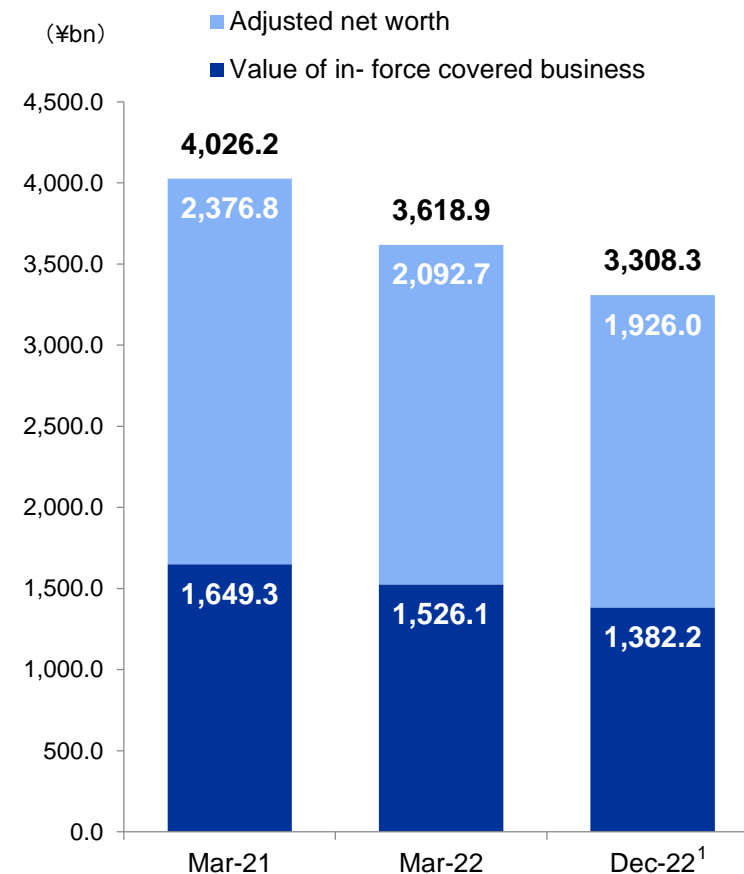
Value of new business as of 9 months ended Dec-22^{1,2} ¥ **(0.4)** bn

New business margin as of 9 months ended Dec-22^{1,2,3} **(0.1)** %

- 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 December 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



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

Full-year Financial Results Forecast

	Year ending Mar-23 (Previous forecasts)	Year ending Mar-23 (Revised forecasts)	Change
Ordinary income	6,220.0	6,320.0	+ 100.0
Ordinary profit	160.0	80.0	(80.0)
Net income ¹	71.0	87.0	+ 16.0
Net income per share	¥ 180.67	¥ 222.25	—
Dividend per share (DPS)	¥ 92 (Year-end Dividend ¥ 46)	¥ 92 (Year-end Dividend ¥ 46)	—

[Reasons of the Revisions]

[Ordinary income]

The Company has revised its forecast for ordinary income upward in view of the following prospective factors that have emerged since the time when the initial consolidated financial results forecast² was prepared.

(+) Increase in investment income due to the investment environment having turned favorable

(+) Reduction in contingency reserves provision in an effort to partially neutralize the impact of losses from the payment of hospitalization benefits for COVID-19

(-) Decrease in insurance premiums and others due to lower-than-expected new policy acquisition

[Ordinary profit]

The Company has revised its forecast for ordinary profit downward in view of the following factors, in addition to the above factors.

(-) Increase in investment expenses mainly due to losses on sales of securities

(-) Increase in insurance claims payments for COVID-19 and others

(+) Decrease in operating expenses

[Net income attributable to Japan Post Insurance]

The Company has revised its forecast for net income attributable to Japan Post Insurance upward in view of the following factors arising from the reversal of reserve for price fluctuations, neutralizing the impact such as from gains/losses on sales of securities, in addition to the above factors.

(+) Increase in investment income due to the investment environment having turned favorable

(+) Decrease in operating expenses

(-) Increase in insurance claims payments for COVID-19 and others

1. Net income attributable to Japan Post Insurance.

2. The initial consolidated financial results forecast for the year ending March 31, 2023, which was announced on May 13, 2022. This is based on the economic assumptions as March 31, 2022.

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

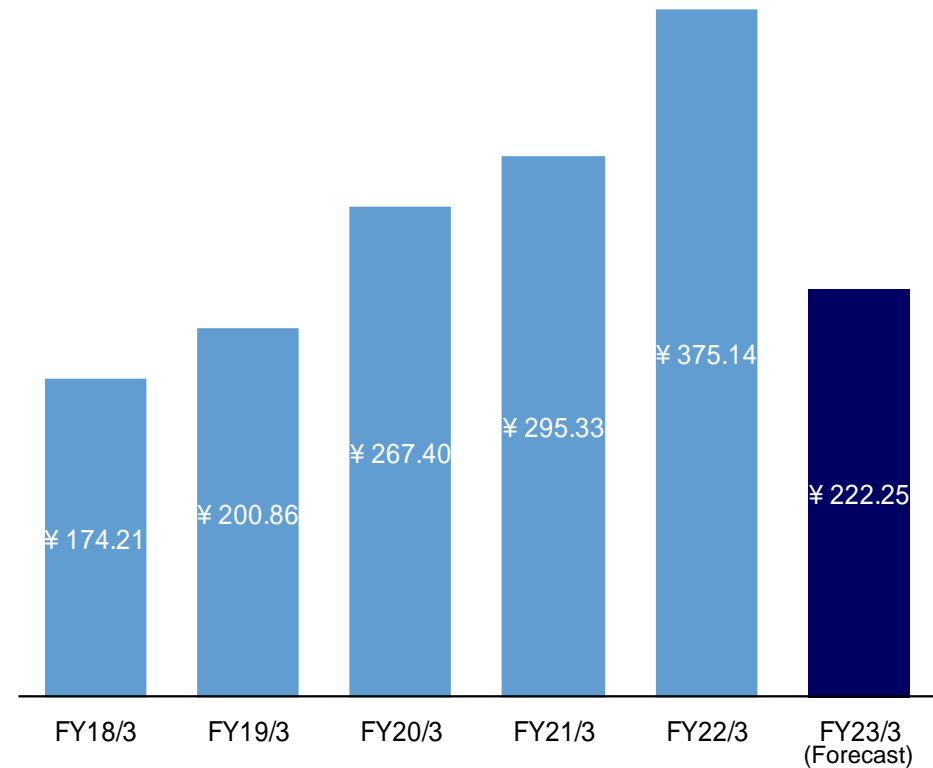
Full-year Financial Results Forecast

(¥bn)

	Year ending Mar-23 (Revised Forecast)	9months ended Dec-22	Achievement
Ordinary income	6,320.0	4,798.0	75.9 %
Ordinary profit	80.0	78.7	98.5 %
Net income ¹	87.0	76.2	87.6 %

Net income per share	¥ 222.25	¥ 193.48
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Earnings Per Share



Full-year Financial Results Forecast (non-consolidated)

(¥bn)

	Year ending Mar-23 (Revised Forecast)	9months ended Dec-22	Achievement
Core profit	Approx. 180.0	134.9	75.0 %

1. Net income attributable to Japan Post Insurance.

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

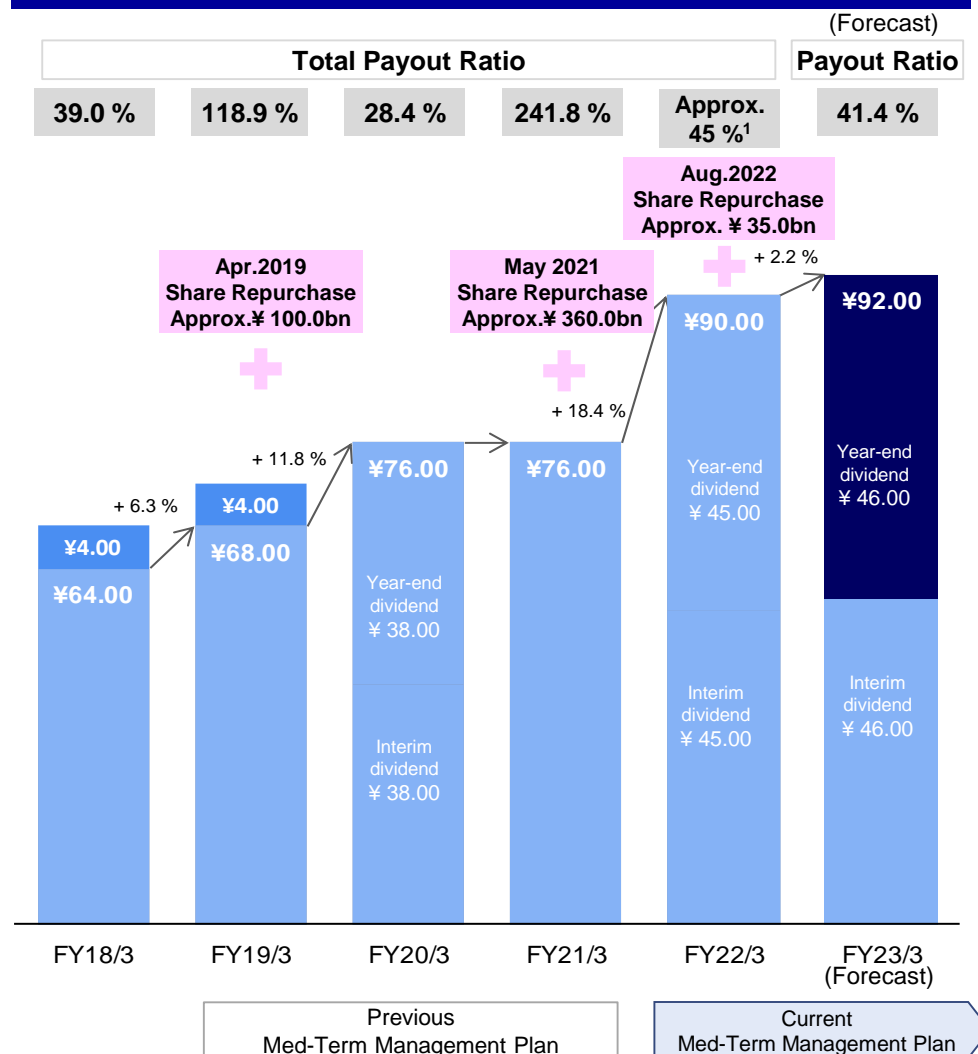
Shareholder Return for the Year Ended March 31, 2022

- 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 implementation 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.

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. (Interim dividends have been paid.)

Shareholder Return



1. Assuming the implementation of the acquisition of ¥ 35.0bn (maximum) treasury stock.

APPENDIX

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

	Mar-22	Dec-22	Change
Total Assets	67,174.7	63,424.9	(3,749.8)
Cash and deposits	1,270.7	968.7	(301.9)
Money held in trust	4,521.9	4,599.2	77.3
Securities	53,417.5	50,506.9	(2,910.5)
Loans	4,251.9	3,904.5	(347.3)
Tangible fixed assets	94.4	92.6	(1.8)
Intangible fixed assets	93.6	88.6	(4.9)
Deferred tax assets	1,005.3	1,143.4	138.1

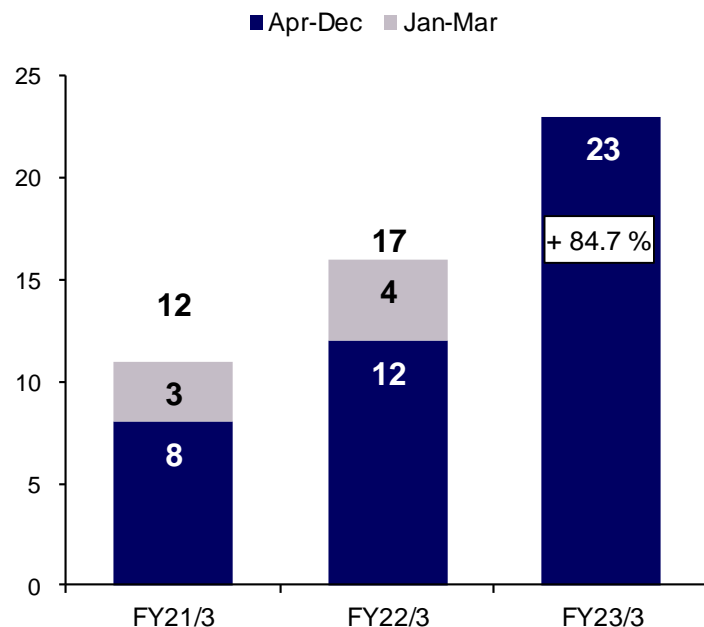
	Mar-22	Dec-22	Change
Total Liabilities	64,753.7	61,361.9	(3,391.8)
Policy reserves	56,533.4	54,282.3	(2,251.0)
Contingency reserve	1,690.9	1,688.5	(2.4)
Additional policy reserve	5,618.6	5,437.4	(181.1)
Bonds payable	300.0	300.0	-
Reserve for price fluctuations	972.6	899.5	(73.0)
Net assets	2,421.0	2,063.0	(358.0)
Total shareholders' equity	1,544.5	1,552.3	7.8
Capital stock	500.0	500.0	-
Capital surplus	405.0	405.0	-
Retained earnings	639.8	680.1	40.3
Treasury stock	(0.3)	(32.8)	(32.4)
Total accumulated other comprehensive income	876.5	510.7	(365.8)

Note: Only major line items are shown.

Policy Sales

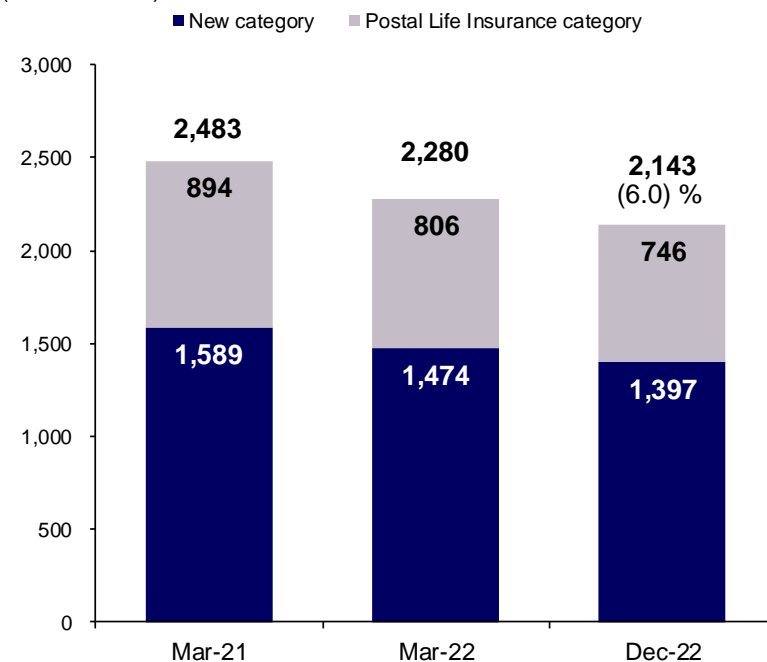
Number of New Policies (Individual Insurance)

(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-Dec	38	38	32

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

Breakdown of Policies

Breakdown of New Policies

(10 thousands)

	9months ended Dec-21		9months ended Dec-22	
	Number of policies	Share	Number of policies	Share
Individual insurance	12	100.0 %	23	100.0 %
Endowment insurance	9	76.8 %	16	69.6 %
Ordinary endowment insurance	7	56.5 %	11	47.9 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	0	1.6 %	0	1.9 %
Special endowment insurance ¹	2	18.7 %	4	19.8 %
Whole life insurance	1	10.5 %	4	17.5 %
Ordinary whole life insurance (Fixed amount type)	0	2.3 %	1	5.0 %
Ordinary whole life insurance (with a relaxed underwriting criteria)	0	0.7 %	0	1.2 %
Ordinary whole life insurance (Increased amount type)	0	5.5 %	1	8.4 %
Special whole life insurance	0	2.0 %	0	2.9 %
Educational endowment insurance	1	11.8 %	2	9.0 %
Other insurance	0	0.9 %	0	3.8 %

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		Dec-22	
	Number of policies	Share	Number of policies	Share
Individual insurance	2,280	100.0 %	2,143	100.0 %
Endowment insurance	785	34.4 %	703	32.8 %
Ordinary endowment insurance	509	22.3 %	457	21.3 %
Ordinary endowment insurance (with a relaxed underwriting criteria)	3	0.1 %	3	0.2 %
Special endowment insurance ¹	271	11.9 %	241	11.3 %
Whole life insurance	1,156	50.7 %	1,122	52.3 %
Ordinary whole life insurance (Fixed amount type)	352	15.5 %	337	15.7 %
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 %	247	11.6 %
Special whole life insurance	545	23.9 %	531	24.8 %
Educational endowment insurance	325	14.3 %	304	14.2 %
Other insurance	12	0.6 %	13	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	16.1	+ 44.0 %
3Q	12.2	7.2	11.4	16.8	+ 47.1 %
4Q	3.0	8.3	11.7	—	
Total	146.9	30.6	46.1	49.6	

Annualized Premiums from New Policies (Medical Care)

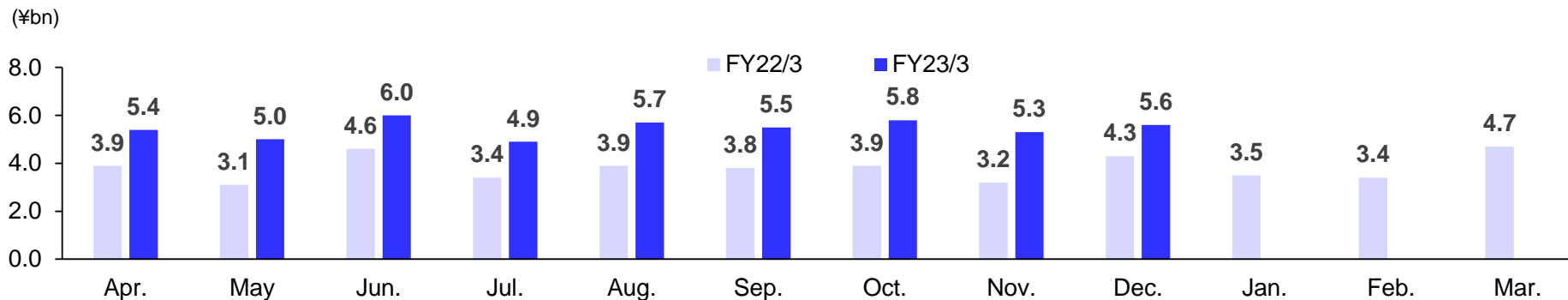
(¥bn)

	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	1.7	+ 234.1 %
3Q	0.8	0.3	0.5	1.8	+ 210.8 %
4Q	0.1	0.4	0.5	—	
Total	22.1	1.4	2.1	4.8	

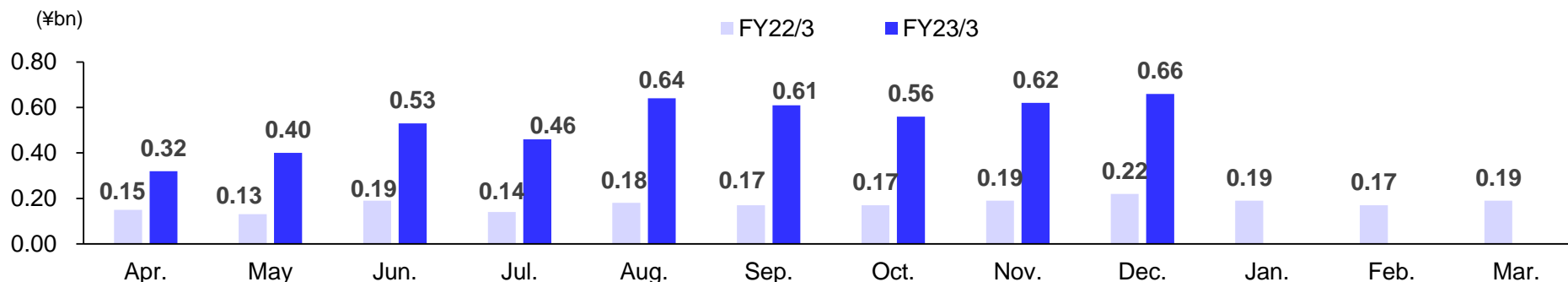
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium 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 %	9.4 %	11.2 %	11.2 %	9.6 %	11.7 %	11.7 %	-	-	-

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

(¥bn)

	9months ended Dec-21	9months ended Dec-22	(Reference) Year ended Mar-22
Investment income	833.1	857.9	1,149.1
Interest, dividends and other income	741.0	720.5	985.8
Interest on deposits	0.0	0.0	0.0
Interest and dividends on securities	671.6	660.9	894.5
Interest on corporate and government bonds	540.2	526.7	715.7
Domestic stock dividends	5.9	6.4	10.8
Interest and dividends on foreign securities	93.4	92.3	127.2
Others	31.9	35.3	40.6
Interest on loans	10.6	10.1	14.3
Interest on loans to the Management Organization	55.6	46.0	72.8
Rent revenue from real estate	-	-	-
Interest and dividends on others	3.1	3.4	4.1

Capital gains(losses)

(¥bn)

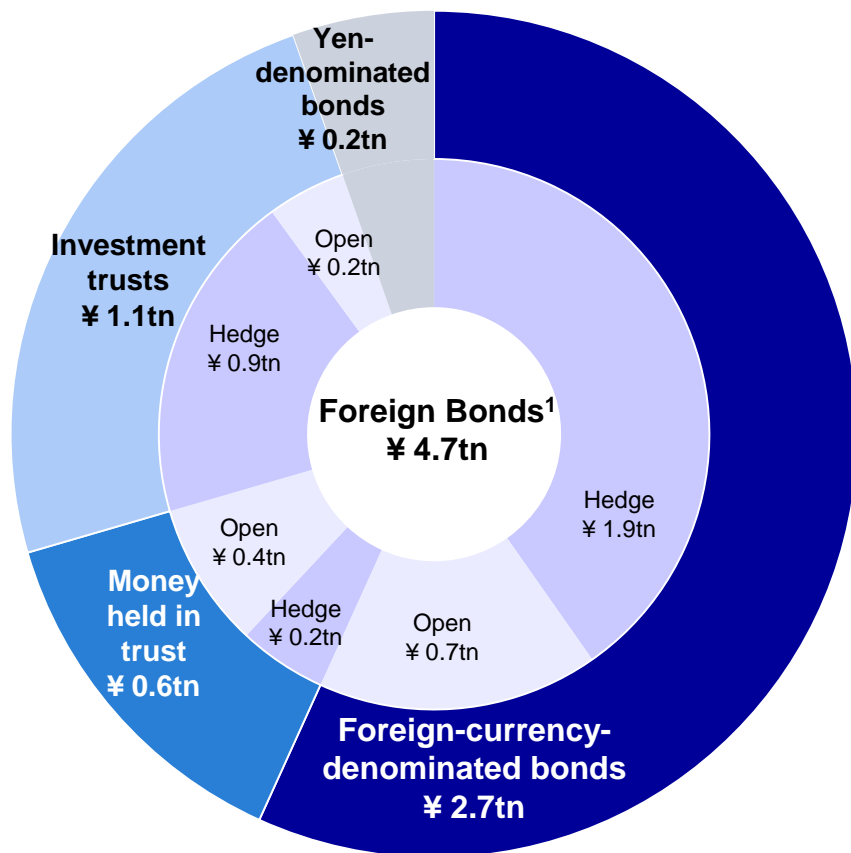
	9months ended Dec-21	9months ended Dec-22	(Reference) Year ended Mar-22
Capital gains	97.3	194.8	169.6
Gains on money held in trust	72.5	103.3	114.5
Gains on sales of securities	17.7	33.0	26.9
Gains on derivative financial instruments	-	-	-
Gains on foreign exchanges	0.9	0.4	20.8
Other capital gains ¹	6.0	57.9	7.3
Capital losses	(87.0)	(254.0)	(164.0)
Losses on money held in trust	-	-	-
Losses on sales of securities	(18.0)	(143.5)	(51.1)
Losses on valuation of securities	-	-	-
Losses on derivative financial instruments	(5.4)	(39.0)	(7.3)
Losses on foreign exchanges	-	-	-
Other capital losses ²	(63.4)	(71.5)	(105.5)
Net Capital gains(losses)	10.3	(59.2)	5.6

1. Amount equivalent to hedging cost related to foreign exchange and gains from cancellation of investment trust is recognized as "Other capital gains."

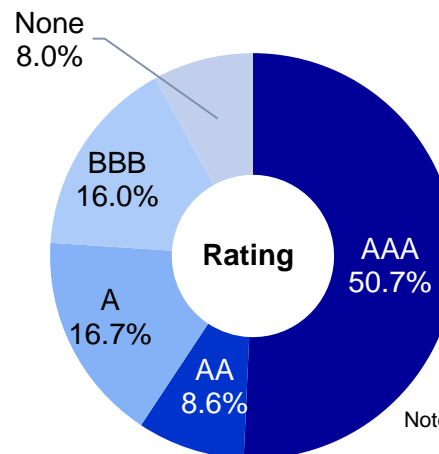
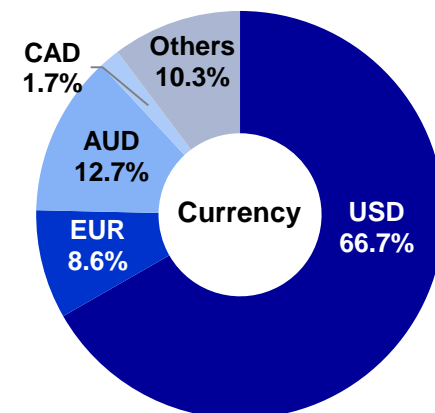
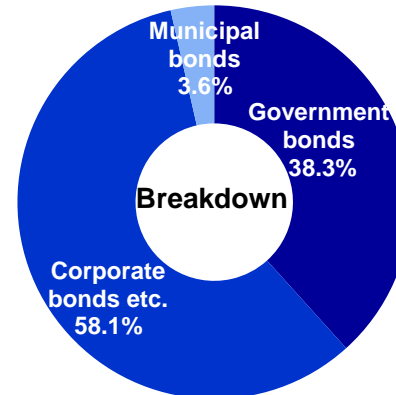
2. Amount equivalent to income gains associated with money held in trust is recognized as "Other capital losses."

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

Breakdown of Foreign Bonds



Foreign-currency-denominated Bonds



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

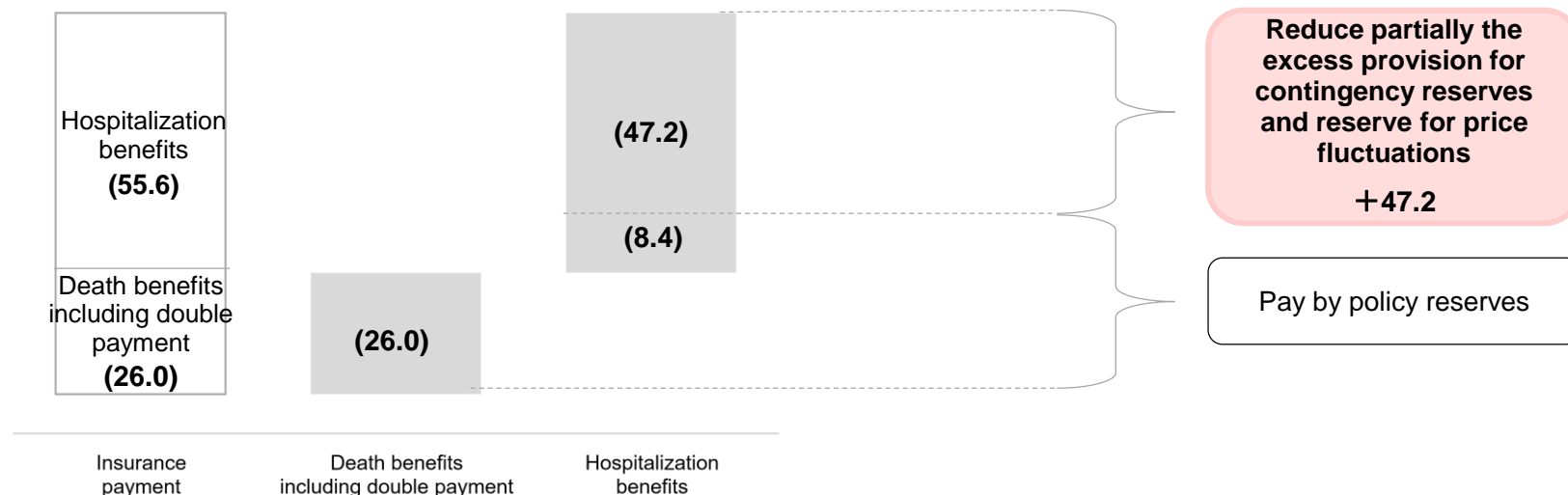
Note 1: Only foreign-currency-denominated-bonds issued by foreign entities are included in the calculation.

Note 2: Issuer Ratings by Moody's are indicated.

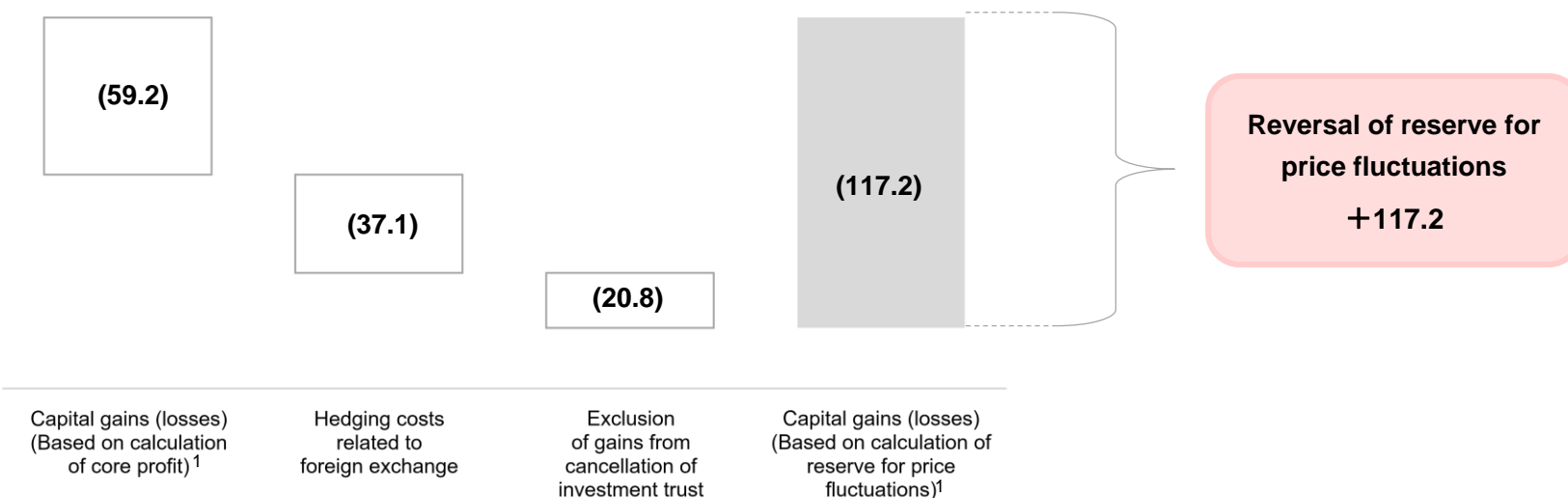
Treatments to Payments for COVID-19 and Capital Gains (Losses)

(¥ bn)

Treatments to insurance claims payments for COVID-19



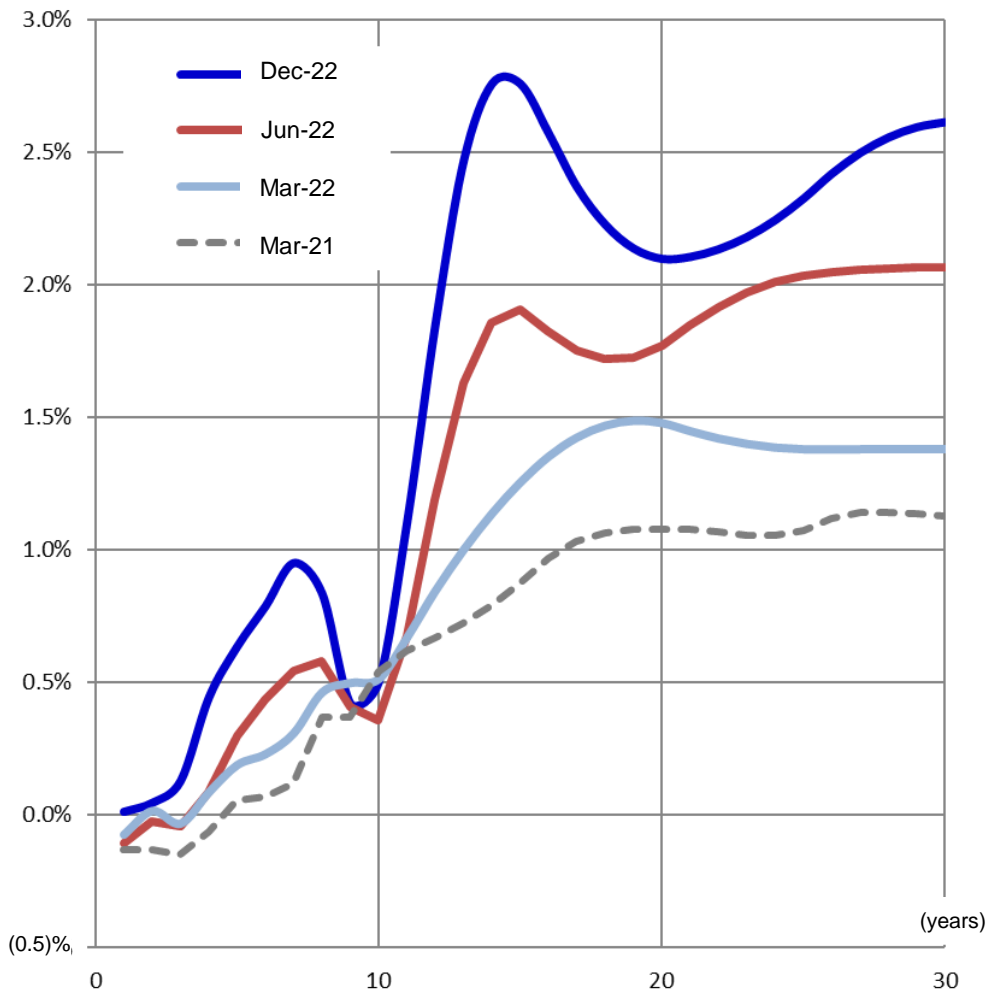
Treatments to capital gains (losses)



1. "Calculation of core profit" reflects partial amendment to the method for calculating core profit, while "calculation of reserve for price fluctuations" is based on the method to calculate reserve for price fluctuations without applying the amendment.

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Mar-21 to Dec-22)



Forward Rate

	Mar-21	Mar-22 ^①	Jun-22 ^②	Dec-22 ^③
10 years	0.539 %	0.513 %	0.359 %	0.502 %
20 years	1.080 %	1.480 %	1.770 %	2.098 %
30 years	1.126 %	1.382 %	2.067 %	2.614 %

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

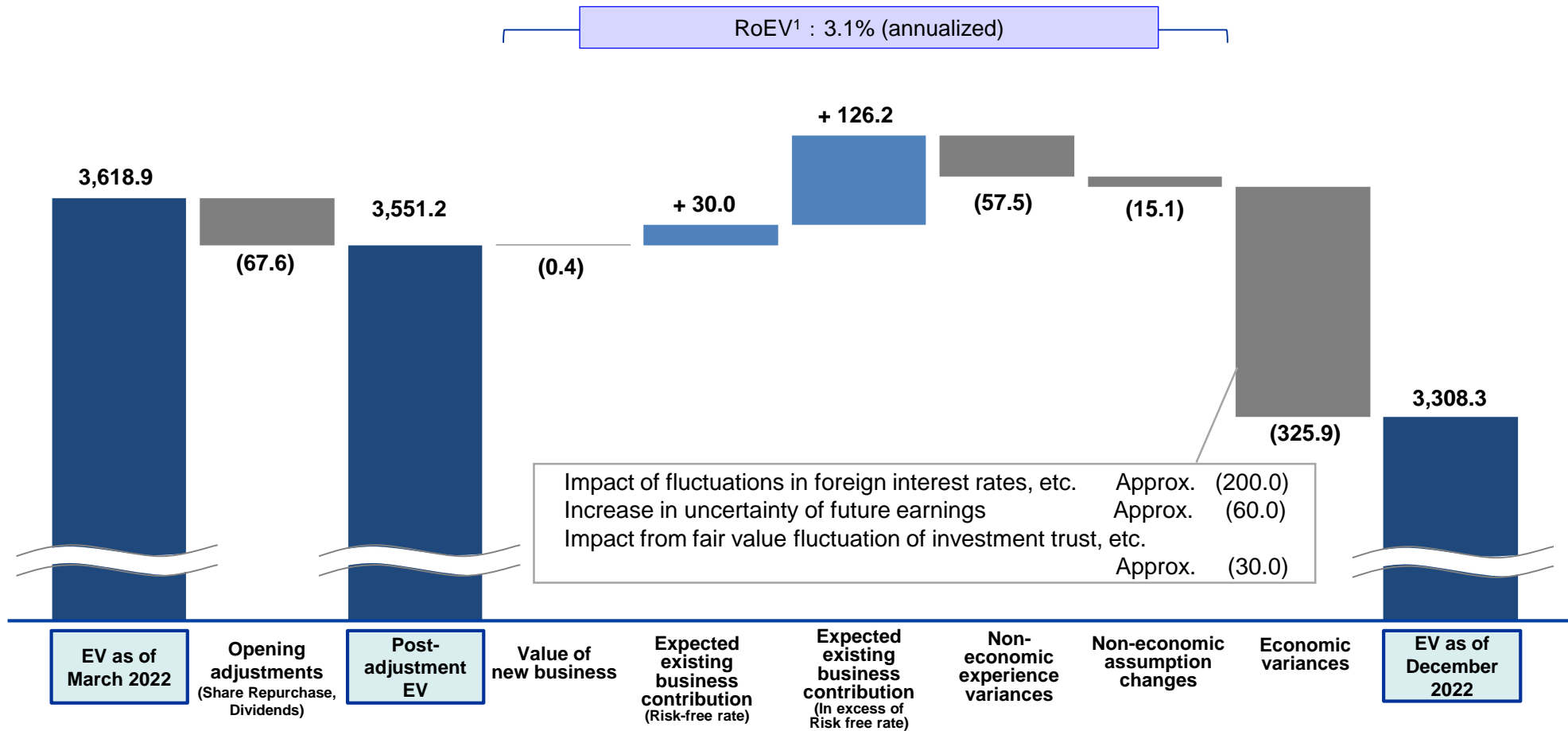
- EV as of March 31, 2022 : ①
- Value of new business for FY23/3 3Q : ②
- EV as of December 31, 2022 : ③

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

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

(¥bn)



1. Calculated by excluding economic variance factors.

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

Status of Insurance payment for COVID-19

- Faced with the seventh wave of COVID-19, having implemented payment systems to ensure the prompt payment of insurance claims, hospitalization benefits payments for COVID-19 increased to ¥ 55.6bn, which exceeded payments throughout FY22/3.
- As deemed hospitalizations comprise more than 90% of all hospitalization benefits payments, considering the revision of eligibility for payments for deemed hospitalization on September 26, hospitalization benefits payments for COVID-19 are restrained.

Initiatives to ensure the prompt payment of insurance claims

- ◆ Implemented immediate bank transfers
 - Where a customer has made a claim at a post office, etc., we ensure that payments arrive in the customer's account the next working day
- ◆ Launched a dedicated webpage
 - Expanded the range of claims that can be made through the webpage in order to include policies in which an insured person is not a policyholder
- ◆ Set up a temporary call center
 - Established a contact point specializing in COVID-19 claims-related inquiries
- ◆ Set up dedicated lines to handle COVID-19 claims
 - Established dedicated lines specializing in COVID-19-related insurance claims at each service center

Eligibility criteria for deemed hospitalization (Sep. 26 onwards)

1. Persons aged 65 or above
2. Persons requiring hospitalization
3. Persons at risk of severe symptoms, requiring the administering of COVID-19 medication or oxygenation due to COVID-19
4. Persons who are pregnant

Status of insurance payment for COVID-19

	FY21/3	FY22/3	FY23/3 3Q	Total ¹
Death benefits	¥ 4,989.81million (1,456policies)	¥ 13,314.57million (3,807policies)	¥ 26,011.29million (8,419policies)	¥ 44,315.67million (13,682policies)
Double payment	¥ 2,454.08million (1,450policies)	¥ 6,553.58million (3,800policies)	¥ 12,901.14million (8,415policies)	¥ 21,908.80million (13,665policies)
Hospitalization benefits	¥ 824.57million (14,023policies)	¥ 5,469.51million (110,562policies)	¥ 55,691.94million (1,344,424policies)	¥ 61,986.76million (1,469,024policies)
Payment for deemed hospitalization	¥ 311.45million (7,425policies)	¥ 3,828.37million (94,917policies)	¥ 54,041.20million (1,322,327policies)	¥ 58,181.02million (1,424,669policies)

[Reference] Status of insurance payment as a whole

	FY21/3	FY22/3	FY23/3 3Q
Insurance benefits ²	Approximately ¥ 5.1trillion	Approximately ¥ 4.9trillion	Approximately ¥ 3.7trillion

1. Including insurance claims payments in FY20/3.
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.

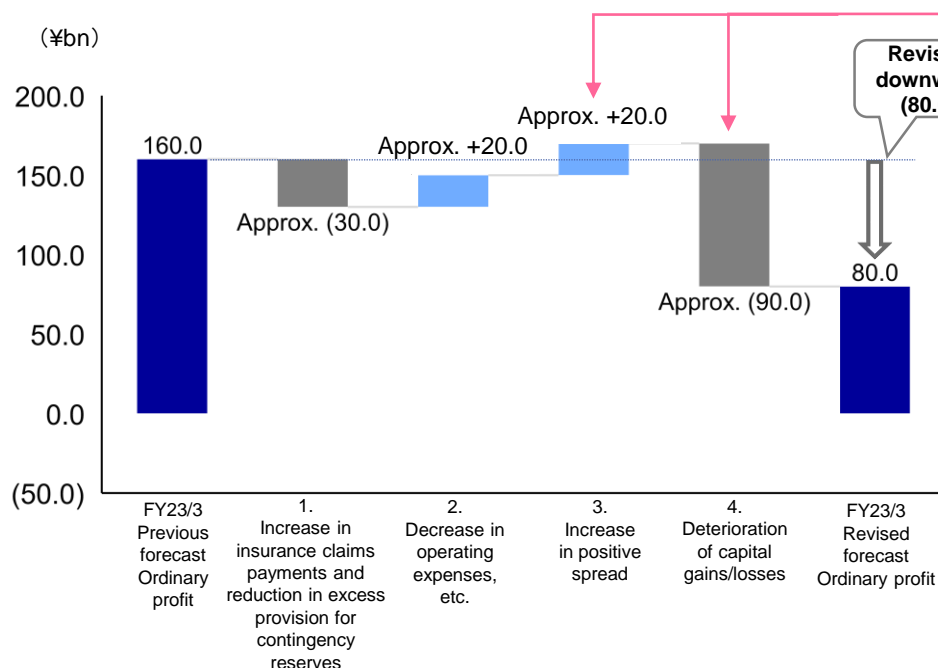
Revisions to the Forecasts for Full-year Financial Results for the Year Ending March 31, 2023 (factors for changes between previous and revised forecasts in ordinary profit)

- Revised forecast for ordinary profit downward from ¥ 160.0bn to ¥ 80.0bn due to factors 1. to 4.
- Revised forecast for net income¹ upward from ¥ 71.0bn to ¥ 87.0bn due to factors 5. and 6., in addition to the above factors.

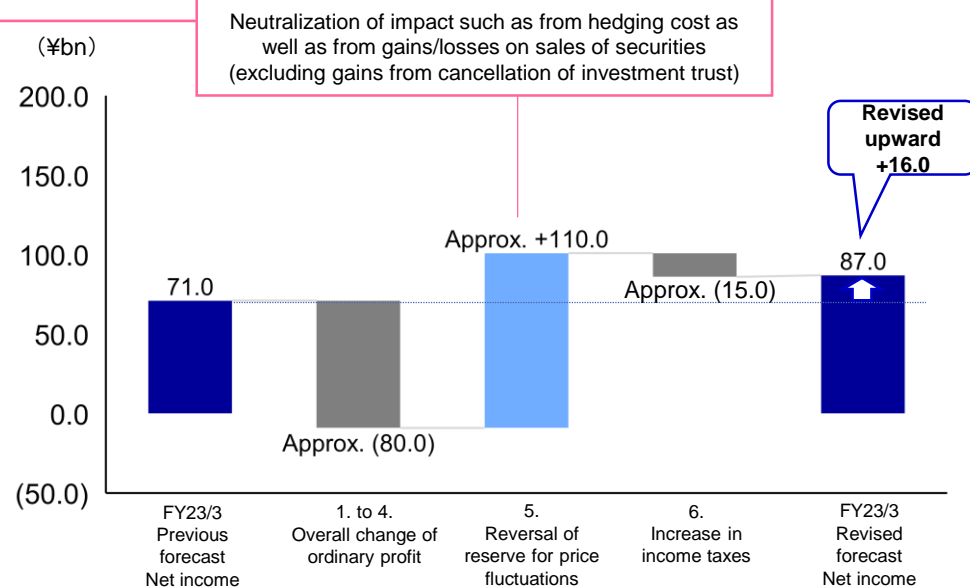
[Reasons for the revision]

1. Increase in insurance claims payments for COVID-19 and others, and reduction in excess provision for contingency reserves (partial neutralization of the impact of gains/losses from the payment of hospitalization benefit for COVID-19)
2. Decrease in operating expenses, etc.
3. Increase in interest and dividend income from money held in trust, Japanese government bonds, and foreign securities (increase in positive spread)
4. Deterioration of capital gains/losses due to losses on sales of securities, etc.
5. Reversal of reserve for price fluctuations (neutralization of the impact such as from hedging cost related to foreign exchange as well as from gains/losses on sales of securities (excluding gains from cancellation of investment trust))
6. Increase in income taxes

Revision to ordinary profit



Revision to net income¹



1. Net income attributable to Japan Post Insurance.

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

(¥bn)

	FY19/3		FY20/3		FY21/3		FY22/3		FY22/3 3Q		FY23/3 3Q	
	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	2,599.2	2,222.1	2,709.6	2,094.7
Insurance premiums and others	3,369.5	590.3	2,786.3	459.1	2,333.7	364.1	2,132.1	286.8	1,621.3	220.0	1,499.3	170.5
Investment income ¹	440.1	764.3	441.2	696.5	448.4	673.6	460.6	688.6	341.7	491.7	374.8	483.3
Other ordinary income ¹	4.9	3,019.8	354.9	2,503.0	809.7	2,156.8	869.3	2,016.6	636.1	1,510.3	835.5	1,440.7
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	2,398.0	2,154.3	2,667.8	2,058.4
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	2,124.7	2,036.5	2,236.2	1,908.6
Provision for policy reserves and others ¹	272.5	-	29.9	-	0.0	-	0.0	-	0.0	-	6.0	-
Investment expenses ¹	99.1	46.8	85.7	38.2	59.5	11.7	56.5	13.3	28.4	4.5	156.1	31.3
Operating expenses	376.2	142.1	336.3	135.8	275.4	126.6	263.0	121.5	192.5	88.8	228.0	101.1
Other ordinary expenses	77.7	40.4	94.2	42.7	68.9	33.2	64.0	30.7	52.3	24.4	41.3	17.3
Ordinary profit	151.1	113.9	194.3	92.4	262.5	82.4	246.7	108.9	201.2	67.7	41.8	36.2
Extraordinary gains and losses ²	13.8	3.6	9.3	29.8	(23.6)	(23.1)	(22.3)	(40.0)	(31.7)	(20.4)	70.3	2.5
Provision for reserve for policyholder dividends	19.6	92.1	15.4	93.7	18.7	46.7	18.2	54.8	13.3	37.9	12.5	31.2
Income before income taxes	145.3	25.5	188.2	28.5	220.2	12.6	206.1	14.0	156.2	9.3	99.6	7.5
Total income taxes	41.1	8.7	54.9	10.7	61.1	6.0	57.3	4.9	43.2	3.4	28.4	2.8
Net income	104.1	16.7	133.3	17.8	159.0	6.5	148.7	9.1	112.9	5.9	71.1	4.7

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.

- 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")
- "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 3Q	FY23/3 3Q
Total assets	¥mn	73,904,576	71,667,398	70,173,857	67,174,848	67,211,982	63,420,871
Postal Life Insurance category		41,354,076	39,225,493	37,815,270	35,929,138	35,850,481	34,307,738
New category		32,550,500	32,441,904	32,358,586	31,245,710	31,361,500	29,113,133
Number of policies in force	(000)	29,143	27,070	24,837	22,802	23,312	21,437
Postal Life Insurance category (insurance)		11,048	9,907	8,944	8,061	8,290	7,462
New category (individual insurance)		18,095	17,163	15,893	14,740	15,021	13,975
Numbers of new policies	(000)	1,711	644	124	173	128	236
Numbers of cancelled policies¹	(000)	2,965	2,714	2,256	2,196	1,645	1,578
Postal Life Insurance category (insurance)		1,430	1,141	959	880	654	577
New category (individual insurance)		1,534	1,572	1,296	1,316	990	1,000
Contingency reserve (reversal) provision²	¥mn	(151,592)	(165,388)	(186,023)	79,651	52,576	(2,445)
Postal Life Insurance category		(173,590)	(170,814)	(191,014)	73,581	48,245	38,982
New category		21,997	5,425	4,991	6,069	4,331	(41,427)
Price fluctuations reserve (reversal) provision²	¥mn	(19,251)	(39,152)	46,477	67,789	57,592	(73,059)
Postal Life Insurance category		(3,686)	(29,845)	23,121	40,045	20,479	(2,564)
New category		(15,564)	(9,306)	23,355	27,743	37,113	(70,495)
Additional policy reserve (reversal) provision²	¥mn	(50,292)	(49,750)	27,652	(239,366)	(176,983)	(181,178)
Postal Life Insurance category		(46,698)	(46,396)	30,553	(236,996)	(175,153)	(179,769)
New category		(3,594)	(3,354)	(2,901)	(2,369)	(1,830)	(1,408)

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.

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

Key Financial Indicators

	FY19/3	FY20/3	FY21/3	FY22/3	FY22/3 3Q	FY23/3 3Q	(¥bn)
Insurance premiums and others	3,959.9	3,245.5	2,697.9	2,418.9	1,841.4	1,669.8	
Operating expenses etc ¹	636.8	609.4	503.5	479.0	357.1	387.1	
Ordinary profit	264.8	286.6	345.7	356.1	270.0	78.7	
Provision for reserve for policyholder dividends	111.8	109.2	65.4	73.1	51.2	43.7	
Net income	120.4	150.6	166.1	158.0	119.5	76.2	
Net assets	2,135.1	1,928.3	2,841.4	2,421.0	2,659.6	2,063.0	
Total assets	73,905.0	71,664.7	70,172.9	67,174.7	67,212.4	63,424.9	
Return on equity	5.8 %	7.4 %	7.0 %	6.0 %	-	-	
RoEV ²	8.6 %	(2.8) %	5.0 %	4.0 %	4.5 %	3.1 %	
Dividends to shareholders	43.2	42.7	42.7	35.9	-	-	
Share repurchase	99.9 ³	-	358.8 ⁴	34.0 ⁵	-	-	
Total return ratio	118.9 %	28.4 %	241.8 %	Approx. 45% ⁶	-	-	
EV	3,925.7	3,324.2	4,026.2	3,618.9	3,795.0	3,308.3	
Value of New Business	223.8	60.6	(12.7)	(11.5)	(8.3)	(0.4)	
Core profit (Non-consolidated) ⁷	377.1	400.6	421.9	429.7	311.2	134.9	
Core profit attributable to life insurance activities	318.7	320.1	345.6	296.4	233.7	74.2	
Spread (positive/negative spread) ⁷	58.4	80.4	76.3	133.3	77.5	60.7	

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. Share repurchase implemented until January 31, 2023, based on the decision on August 10, 2022

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

7. 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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