

Partial Correction to Outline of Disclosure of European Embedded Value as of March 31, 2025

Before correction

3. EEV Results

The EEV of Japan Post Insurance is ¥3,940.8 billion as of March 31, 2025, a decrease of ¥24.1 billion from March 31, 2024.

(in billions JPY)

	March 31, 2024	March 31, 2025	Increase (Decrease)
EEV	3,965.0	<u>3,940.8</u>	(24.1)
Adjusted net worth	1,980.9	2,006.3	25.4
Value of in-force covered business	1,984.1	1,934.5	<u>(49.6)</u>

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)
Value of new business	20.8	67.9	47.0

(2) Value of In-Force Covered Business (“VIF”)

The VIF represents the present value of future profits distributable to shareholders from the in-force covered business and the assets held in respect of insurance policies as of the valuation date. The March 31, 2025 VIF is ¥1,934.5 billion, a decrease of ¥49.6 billion from March 31, 2024, which is primarily due to economic experience variances described in section “4. Movement Analysis”. The breakdown of the VIF is shown in the table below. When calculating future profits, the assets in respect of insurance policies are valued using at book value approach. Furthermore, the VIF includes the profits arising from the release

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(in billions JPY)				(in billions JPY)			
	March 31, 2024	March 31, 2025	Increase (Decrease)		March 31, 2024	March 31, 2025	Increase (Decrease)
Value of in-force covered business	1,984.1	1,934.5	(49.6)	Value of in-force covered business	1,984.1	1,934.5	(49.5)
Certainty equivalent present value of future profits	2,322.7	2,241.9	(80.7)	Certainty equivalent present value of future profits	2,322.7	2,241.6	(81.0)
Time value of financial options and guarantees	(223.2)	(209.4)	13.7	Time value of financial options and guarantees	(223.2)	(209.0)	14.1
Cost of holding required capital	(0.0)	(0.0)	(0.0)	Cost of holding required capital	(0.0)	(0.0)	(0.0)
Allowance for non-hedgeable risks	(115.3)	(97.9)	17.3	Allowance for non-hedgeable risks	(115.3)	(97.9)	17.3
4. Movement Analysis				4. Movement Analysis			
(in billions JPY)				(in billions JPY)			
	Adjusted net worth	Value of in-force covered business	EEV		Adjusted net worth	Value of in-force covered business	EEV
Values as of March 31, 2024	1,980.9	1,984.1	3,965.0	Values as of March 31, 2024	1,980.9	1,984.1	3,965.0
(1) Opening adjustments	(70.9)	-	(70.9)	(1) Opening adjustments	(70.9)	-	(70.9)
Values as of March 31, 2024 after adjustment	1,909.9	1,984.1	3,894.0	Values as of March 31, 2024 after adjustment	1,909.9	1,984.1	3,894.0

Before correction				After correction			
(2) Value of new business	-	67.9	67.9	(2) Value of new business	-	67.9	67.9
(3) Expected existing business contribution (risk-free rate)	0.8	16.3	17.1	(3) Expected existing business contribution (risk-free rate)	0.8	16.3	17.1
(4) Expected existing business contribution (in excess of risk-free rate)	9.2	192.3	201.5	(4) Expected existing business contribution (in excess of risk-free rate)	9.2	192.3	201.5
(5) Expected transfer from VIF to adjusted net worth	84.6	(84.6)	-	(5) Expected transfer from VIF to adjusted net worth	84.6	(84.6)	-
On in-force at the beginning of the year	133.9	(133.9)	-	On in-force at the beginning of the year	133.9	(133.9)	-
On new business	(49.2)	49.2	-	On new business	(49.2)	49.2	-
(6) Non-economic experience variances	17.0	(6.5)	10.5	(6) Non-economic experience variances	17.0	(6.5)	10.5
(7) Non-economic assumption changes	1.3	<u>77.8</u>	<u>79.1</u>	(7) Non-economic assumption changes	1.3	<u>77.9</u>	<u>79.2</u>
(8) Economic variances	(16.6)	<u>(312.8)</u>	<u>(329.5)</u>	(8) Economic variances	(16.6)	<u>(312.9)</u>	<u>(329.6)</u>
Values as of March 31, 2025	2,006.3	1,934.5	<u>3,940.8</u>	Values as of March 31, 2025	2,006.3	1,934.5	<u>3,940.9</u>
<p>(8) Economic variances</p> <p>This item represents the impact of differences between actual investment returns in the period and the expected investment returns, and the impact on the VIF from the change to the end of period economic assumptions such as interest rates and implied volatilities.</p> <p>The EEV decreased <u>¥329.5</u> billion, owing to factors such as a reduction in unrealized gains on domestic equity holdings from decreases in domestic stock prices.</p>				<p>(8) Economic variances</p> <p>This item represents the impact of differences between actual investment returns in the period and the expected investment returns, and the impact on the VIF from the change to the end of period economic assumptions such as interest rates and implied volatilities.</p> <p>The EEV decreased <u>¥329.6</u> billion, owing to factors such as a reduction in unrealized gains on domestic equity holdings from decreases in domestic stock prices.</p>			
5. Sensitivities				5. Sensitivities			
(in billions JPY)				(in billions JPY)			
	EEV	Change in EEV			EEV	Change in EEV	

Before correction				After correction			
Base Scenario	March 31, 2025	<u>3,940.8</u>	-	Base Scenario	March 31, 2025	<u>3,940.9</u>	-
Sensitivity 1	50bp increase in risk-free rate	<u>3,837.1</u>	(103.6)	Sensitivity 1	50bp increase in risk-free rate	<u>3,837.2</u>	(103.6)
Sensitivity 2	50bp decrease in risk-free rate	4,024.6	83.7	Sensitivity 2	50bp decrease in risk-free rate	4,024.6	83.7
Sensitivity 3	50bp decrease in risk-free rate (parallel shift without zero floor)	4,024.6	83.7	Sensitivity 3	50bp decrease in risk-free rate (parallel shift without zero floor)	4,024.6	83.7
Sensitivity 4	10% decrease in equity and real estate value	3,755.6	(185.2)	Sensitivity 4	10% decrease in equity and real estate value	3,755.6	(185.2)
Sensitivity 5	10% decrease in maintenance expenses	<u>4,115.9</u>	175.0	Sensitivity 5	10% decrease in maintenance expenses	<u>4,116.0</u>	175.0
Sensitivity 6	10% decrease in surrender and lapse rates	<u>3,985.8</u>	44.9	Sensitivity 6	10% decrease in surrender and lapse rates	<u>3,985.9</u>	44.9
Sensitivity 7	5% decrease in mortality and morbidity rates for life business	4,017.2	76.3	Sensitivity 7	5% decrease in mortality and morbidity rates for life business	4,017.2	76.3
Sensitivity 8	5% decrease in mortality and morbidity rates for annuity business	3,909.3	(31.5)	Sensitivity 8	5% decrease in mortality and morbidity rates for annuity business	3,909.3	(31.5)
Sensitivity 9	Change the required capital to statutory minimum	<u>3,940.8</u>	0.0	Sensitivity 9	Change the required capital to statutory minimum	<u>3,940.9</u>	0.0
Sensitivity 10	25% increase in implied volatilities of equity and real estate values	<u>3,909.4</u>	<u>(31.4)</u>	Sensitivity 10	25% increase in implied volatilities of equity and real estate values	<u>3,909.6</u>	<u>(31.3)</u>
Sensitivity 11	25% increase in implied volatilities of swaptions	3,893.6	(47.2)	Sensitivity 11	25% increase in implied volatilities of swaptions	3,893.6	(47.2)