

UNOFFICIAL TRANSLATION

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.

**Summary of Consolidated Financial Results
for the Fiscal Year Ended March 31, 2021
[Under Japanese GAAP]**



May 14, 2021

Company Name: JAPAN POST INSURANCE Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
Code Number: 7181 URL: <https://www.jp-life.japanpost.jp/>
Representative: SENDA Tetsuya, Director and President, CEO, Representative Executive Officer
Scheduled date of General Shareholder's Meeting: June 16, 2021
Scheduled date of commencing dividend payments: June 17, 2021
Scheduled date of filing securities report: June 18, 2021
Availability of supplementary briefing materials on financial results: Available
Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance	
	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	6,786,226	(5.9)	345,736	20.6	166,103	10.2
Fiscal year ended March 31, 2020	7,211,405	(8.9)	286,601	8.2	150,687	25.1

(Note) Comprehensive Income (Loss) Fiscal year ended March 31, 2021 ¥934,447 million [-%]
Fiscal year ended March 31, 2020 ¥(42,235) million [-%]

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit to total assets	Ordinary profit to ordinary income
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2021	295.33	-	7.0	0.5	5.1
Fiscal year ended March 31, 2020	267.40	-	7.4	0.4	4.0

(Note) Diluted net income per share is not presented as potential common stock did not exist.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	70,172,982	2,841,475	4.0	5,052.12
As of March 31, 2020	71,664,781	1,928,380	2.7	3,428.71

(Reference) Net assets attributable to the Company's shareholders as of March 31, 2021 and 2020 were ¥2,841,475 million and ¥1,928,380 million, respectively.

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the year
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2021	(2,806,302)	2,554,274	176,743	1,335,014
Fiscal year ended March 31, 2020	(2,590,214)	3,248,209	(165,405)	1,410,298

2. Dividends

	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Dividends on net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2020	-	38.00	-	38.00	76.00	42,756	28.4	2.2
Fiscal year ended March 31, 2021	-	0.00	-	76.00	76.00	42,756	25.7	1.8
Fiscal year ending March 31, 2022 (Forecast)	-	45.00	-	45.00	90.00		42.9	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	6,380,000	(6.0)	290,000	(16.1)	118,000	(29.0)	209.80

(Note) The Company has resolved matters related to the acquisition of its treasury stock at a meeting of the Board of Directors held on May 14, 2021.

“Net income per share” under the Consolidated Financial Results Forecast does not reflect the expected effects of the acquisition of treasury stock. For details, please refer to “3.Unaudited Consolidated Financial Statements and Principal Notes, (5) Notes to the Consolidated Financial Statements, (Subsequent Events)” on page 15 of the Appendix.

*** Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (3) Total number of shares issued (common stock)
- 1) Total number of shares issued at the end of the period:
March 31, 2021: 562,600,000 shares
March 31, 2020: 562,600,000 shares
 - 2) Total number of treasury stock at the end of the period:
March 31, 2021: 167,350 shares
March 31, 2020: 178,000 shares
 - 3) Average number of shares during the period:
Fiscal year ended March 31, 2021: 562,429,381 shares
Fiscal year ended March 31, 2020: 563,533,640 shares

(Note) Total number of treasury stock at the end of the period includes shares of the Company held in the Board Benefit Trust (BBT), namely 156,200 shares as of March 31, 2021, and 166,900 shares as of March 31, 2020.

The average number of treasury stock held in the BBT (159,503 shares for the fiscal year ended March 31, 2021 and 176,573 shares for the fiscal year ended March 31, 2020) was deducted from the calculation of the average number of shares during the fiscal year ended March 31, 2021 and 2020.

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(1) Non-Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	6,786,210	(5.9)	345,022	20.3	165,586	9.6
Fiscal year ended March 31, 2020	7,211,403	(8.9)	286,829	8.2	151,132	24.9

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2021	294.41	-
Fiscal year ended March 31, 2020	268.19	-

(Note) Diluted net income per share is not presented as potential common stock did not exist.

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	70,173,857	2,838,638	4.0	5,047.07
As of March 31, 2020	71,667,398	1,926,474	2.7	3,425.32

(Reference) Net assets attributable to the Company's shareholders as of March 31, 2021 and 2020 were ¥2,838,638 million and ¥1,926,474 million, respectively.

* The summary of consolidated financial results is outside the scope of audit of certified public accountants or audit corporations.

* Explanation on the appropriate use of financial results forecasts, and other notes
(Cautionary note concerning forward-looking statements)

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by the Company at the time of this document's disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in the operating environment.

(Supplementary briefing materials on financial results)

The Company has prepared supplementary briefing materials, etc. in relation to financial information, which can be viewed on the Company's website.

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1. Overview of Consolidated Results of Operations, etc.

(1) Overview of Consolidated Results of Operations and Consolidated Financial Position for the Current Fiscal Year

1) Overview of consolidated results of operations for the current fiscal year

Ordinary income amounted to ¥6,786.2 billion (5.9% decrease year on year), comprising the sum of insurance premiums and others of ¥2,697.9 billion (16.9% decrease year on year), investment income of ¥1,121.6 billion (1.4% decrease year on year), and other ordinary income of ¥2,966.6 billion (4.9% increase year on year).

Ordinary expenses amounted to ¥6,440.4 billion (7.0% decrease year on year), comprising the sum of insurance claims and others of ¥5,866.0 billion (5.3% decrease year on year), investment expenses of ¥70.8 billion (42.9% decrease year on year), operating expenses of ¥403.0 billion (14.9% decrease year on year), other ordinary expenses of ¥100.4 billion (25.9% decrease year on year) and others.

As a result, ordinary profit amounted to ¥345.7 billion (20.6% increase year on year), and net income attributable to Japan Post Insurance amounted to ¥166.1 billion (10.2% increase year on year), which is calculated by subtracting extraordinary losses, provision for reserve for policyholder dividends and total income taxes from ordinary profit.

The amount of insurance claims paid pertaining to the novel coronavirus disease (COVID-19) as at the end of March 2021 is minimal.

2) Overview of consolidated financial position for the current fiscal year (overview of assets, liabilities and net assets)

Total assets at the end of the current fiscal year amounted to ¥70,172.9 billion (2.1% decrease year on year).

Total assets are mainly comprised of ¥55,273.6 billion of securities (1.1% decrease year on year), primarily including Japanese government bonds, ¥4,964.0 billion of loans (12.3% decrease year on year) and ¥4,189.2 billion of money held in trust (37.1% increase year on year).

Total liabilities amounted to ¥67,331.5 billion (3.4% decrease year on year), mainly comprising ¥61,159.5 billion of policy reserves and others (4.7% decrease year on year).

Total net assets amounted to ¥2,841.4 billion (47.4% increase year on year). Under net assets, net unrealized gains on available-for-sale securities amounted to ¥1,031.3 billion (290.7% increase year on year).

3) Overview of cash flows for the current fiscal year

Net cash used in operating activities increased ¥216.0 billion compared with the previous fiscal year to ¥2,806.3 billion.

Net cash provided by investing activities decreased ¥693.9 billion compared with the previous fiscal year to ¥2,554.2 billion.

Net cash provided by financing activities increased ¥342.1 billion compared with the previous fiscal year to ¥176.7 billion.

As a result, balance of cash and cash equivalents at the end of the current fiscal year decreased ¥75.2 billion

from the balance at the beginning of the current fiscal year, and amounted to ¥1,335.0 billion.

(2) Forecast

In the consolidated results forecast for the next fiscal year (fiscal year ending March 31, 2022), ordinary income of ¥6,380.0 billion, ordinary profit of ¥290.0 billion, and net income attributable to Japan Post Insurance of ¥118.0 billion are projected.

(3) Basic Policy for the Distribution of Profit and the Dividend Payout for the Current and Next Fiscal Years

The Company recognizes that the distribution of profit to shareholders is an important policy of management, and distributes profits to shareholders stably, while securing management soundness.

Specifically, 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.

The Company secures internal reserves to fund stable business growth to enable it to respond to future changes in the business environment.

The Company has, in accordance with the provisions of Article 459 of the Companies Act, stipulated that it provides cash dividends based on the resolution of the Board of Directors in the Articles of Incorporation.

As for the dividend for the fiscal year ended March 31, 2021, payment of ¥76 per share was decided at the Board of Directors' meeting held today.

An annual dividend for the fiscal year ending March 31, 2022 is scheduled to be ¥90 per share.

The Company stipulates in its Articles of Incorporation that it is able to pay interim dividends with a record date of September 30 of each year. For the purpose of enhancing the opportunities to distribute profits to shareholders, the Company plans to provide cash dividends twice a year as the interim dividends and the year-end dividends.

2. Basic Approach Concerning Selection of Accounting Standards

The Company prepares its consolidated financial statements based on Japanese GAAP. The Company discloses its consolidated financial statements in accordance with the “Ordinance for Enforcement of the Insurance Business Act” (Ordinance No. 5 issued by the Ministry of Finance in 1996).

The Company is currently conducting examination and preliminary review with respect to the future adoption of International Financial Reporting Standards (IFRS). The adoption is to be determined in view of the trend regarding the accounting standard for insurance contracts (IFRS 17) and other factors.

3. Unaudited Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
ASSETS:		
Cash and deposits	1,410,298	1,335,014
Call loans	380,000	130,000
Receivables under securities borrowing transactions	3,191,710	2,585,087
Monetary claims bought	318,581	276,772
Money held in trust	3,056,072	4,189,294
Securities	55,870,557	55,273,610
Loans	5,662,748	4,964,087
Tangible fixed assets	110,219	105,399
Land	47,828	47,828
Buildings	41,710	40,439
Leased assets	2,203	1,978
Construction in progress	176	579
Other tangible fixed assets	18,300	14,573
Intangible fixed assets	135,010	113,420
Software	134,993	113,405
Other intangible fixed assets	16	14
Agency accounts receivable	45,587	53,250
Reinsurance receivables	4,057	3,938
Other assets	306,596	239,354
Deferred tax assets	1,173,789	904,135
Reserve for possible loan losses	(448)	(384)
Total assets	71,664,781	70,172,982
LIABILITIES:		
Policy reserves and others	64,191,926	61,159,597
Reserve for outstanding claims	461,224	419,021
Policy reserves	62,293,166	59,397,720
Reserve for policyholder dividends	1,437,535	1,342,855
Reinsurance payables	6,595	6,394
Bonds payable	100,000	300,000
Payables under securities lending transactions	4,290,140	4,587,469
Other liabilities	193,449	303,851
Reserve for insurance claims and others	29,722	2,851
Liability for retirement benefits	66,060	66,414
Reserve for management board benefit trust	164	110
Reserve under the special law	858,339	904,816
Reserve for price fluctuations	858,339	904,816
Total liabilities	69,736,400	67,331,506
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	756,665	901,390
Treasury stock	(422)	(397)
Total shareholders' equity	1,661,286	1,806,036
Net unrealized gains (losses) on available-for-sale securities	264,009	1,031,384
Net deferred gains (losses) on hedges	16	573
Accumulated adjustments for retirement benefits	3,067	3,480
Total accumulated other comprehensive income	267,094	1,035,438
Total net assets	1,928,380	2,841,475
Total liabilities and net assets	71,664,781	70,172,982

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
ORDINARY INCOME	7,211,405	6,786,226
Insurance premiums and others	3,245,541	2,697,936
Investment income	1,137,789	1,121,668
Interest and dividend income	1,049,804	1,004,635
Gains on money held in trust	51,560	87,593
Gains on sales of securities	35,699	20,422
Gains on redemption of securities	614	1,170
Gains on foreign exchanges	-	7,759
Reversal of reserve for possible loan losses	8	0
Other investment income	101	86
Other ordinary income	2,828,074	2,966,621
Reversal of reserve for outstanding claims	58,343	42,203
Reversal of policy reserves	2,767,383	2,895,445
Other ordinary income	2,348	28,971
ORDINARY EXPENSES	6,924,803	6,440,490
Insurance claims and others	6,191,369	5,866,091
Insurance claims	4,889,175	4,681,106
Annuity payments	394,005	359,821
Benefits	110,254	120,324
Surrender benefits	602,583	480,477
Other refunds	171,590	201,420
Reinsurance premiums	23,760	22,940
Provision for policy reserves and others	8	8
Provision for interest on policyholder dividends	8	8
Investment expenses	124,000	70,865
Interest expenses	2,132	2,312
Losses on sales of securities	32,020	32,789
Losses on valuation of securities	2,689	-
Losses on redemption of securities	6,847	10,950
Losses on derivative financial instruments	74,799	21,604
Losses on foreign exchanges	2,085	-
Other investment expenses	3,425	3,207
Operating expenses	473,871	403,033
Other ordinary expenses	135,553	100,492
Ordinary profit	286,601	345,736
EXTRAORDINARY GAINS	39,546	-
Gains on sales of fixed assets	393	-
Reversal of reserve for price fluctuations	39,152	-
EXTRAORDINARY LOSSES	303	46,732
Losses on sales and disposal of fixed assets	303	255
Provision for reserve for price fluctuations	-	46,477
Provision for reserve for policyholder dividends	109,236	65,465
Income before income taxes	216,607	233,537
Income taxes - Current	143,539	91,632
Income taxes - Deferred	(77,618)	(24,197)
Total income taxes	65,920	67,434
Net income	150,687	166,103
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	150,687	166,103

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net income	150,687	166,103
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	(192,684)	767,374
Net deferred gains (losses) on hedges	(16)	556
Adjustments for retirement benefits	(221)	413
Total other comprehensive income (loss)	(192,923)	768,344
Comprehensive income (loss)	(42,235)	934,447
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	(42,235)	934,447
Non-controlling interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	500,044	675,526	(450)	1,675,120
Changes in the fiscal year					
Cash dividends			(64,578)		(64,578)
Net income attributable to Japan Post Insurance			150,687		150,687
Purchases of treasury stock				(99,999)	(99,999)
Disposals of treasury stock				57	57
Cancellation of treasury stock		(99,970)		99,970	-
Transfer from retained earnings to capital surplus		4,970	(4,970)		-
Net changes in items other than shareholders' equity in the fiscal year					
Net changes in the fiscal year	-	(95,000)	81,138	28	(13,833)
Balance at the end of the fiscal year	500,000	405,044	756,665	(422)	1,661,286

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	456,694	33	3,289	460,017	2,135,137
Changes in the fiscal year					
Cash dividends					(64,578)
Net income attributable to Japan Post Insurance					150,687
Purchases of treasury stock					(99,999)
Disposals of treasury stock					57
Cancellation of treasury stock					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity in the fiscal year	(192,684)	(16)	(221)	(192,923)	(192,923)
Net changes in the fiscal year	(192,684)	(16)	(221)	(192,923)	(206,756)
Balance at the end of the fiscal year	264,009	16	3,067	267,094	1,928,380

Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	405,044	756,665	(422)	1,661,286
Changes in the fiscal year					
Cash dividends			(21,378)		(21,378)
Net income attributable to Japan Post Insurance			166,103		166,103
Purchases of treasury stock				(0)	(0)
Disposals of treasury stock				25	25
Net changes in items other than shareholders' equity in the fiscal year					
Net changes in the fiscal year	-	-	144,724	25	144,750
Balance at the end of the fiscal year	500,000	405,044	901,390	(397)	1,806,036

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	264,009	16	3,067	267,094	1,928,380
Changes in the fiscal year					
Cash dividends					(21,378)
Net income attributable to Japan Post Insurance					166,103
Purchases of treasury stock					(0)
Disposals of treasury stock					25
Net changes in items other than shareholders' equity in the fiscal year	767,374	556	413	768,344	768,344
Net changes in the fiscal year	767,374	556	413	768,344	913,094
Balance at the end of the fiscal year	1,031,384	573	3,480	1,035,438	2,841,475

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	216,607	233,537
Depreciation and amortization	57,496	59,387
Net change in reserve for outstanding claims	(58,343)	(42,203)
Net change in policy reserves	(2,767,383)	(2,895,445)
Provision for interest on policyholder dividends	8	8
Provision for reserve for policyholder dividends	109,236	65,465
Net change in reserve for possible loan losses	(10)	(64)
Net change in reserve for insurance claims and others	29,722	(26,870)
Net change in liability for retirement benefits	798	353
Net change in reserve for management board benefit trust	(38)	(53)
Net change in reserve for price fluctuations	(39,152)	46,477
Interest and dividend income (accrual basis)	(1,049,804)	(1,004,635)
Net (gains) losses on securities	5,243	22,147
Interest expenses (accrual basis)	2,132	2,312
Net (gains) losses on foreign exchanges	2,085	(7,759)
Net (gains) losses on tangible fixed assets	(272)	119
Net change in agency accounts receivable	(23,627)	(7,662)
Net change in reinsurance receivables	(185)	118
Net change in other assets (excluding those related to investing activities and financing activities)	47,682	2,584
Net change in reinsurance payables	125	(201)
Net change in other liabilities (excluding those related to investing activities and financing activities)	(23,353)	(1,108)
Other, net	26,826	(61,457)
Subtotal	(3,464,204)	(3,614,951)
Interest and dividend received (cash basis)	1,168,879	1,059,143
Interest paid (cash basis)	(2,080)	(2,041)
Policyholder dividends paid	(185,042)	(159,817)
Income taxes paid	(107,767)	(88,635)
Net cash used in operating activities	(2,590,214)	(2,806,302)

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of call loans	(8,110,000)	(7,660,000)
Proceeds from redemption of call loans	7,880,000	7,910,000
Net change in receivables under securities borrowing transactions	(399,508)	606,623
Purchases of monetary claims bought	(1,524,997)	(1,434,928)
Proceeds from sale and redemption of monetary claims bought	1,561,185	1,476,386
Purchases of money held in trust	(578,400)	(234,480)
Proceeds from decrease in money held in trust	26,627	34,428
Purchases of securities	(2,089,450)	(2,702,286)
Proceeds from sale and redemption of securities	4,484,366	3,659,771
Payments for loans	(718,896)	(571,239)
Proceeds from collection of loans	1,842,215	1,269,894
Net change in payables under securities lending transactions	867,329	297,328
Other, net	53,220	(63,911)
Total of net cash provided by investment transactions	3,293,691	2,587,587
Total of net cash provided by (used in) operating activities and investment transactions	703,477	(218,714)
Purchases of tangible fixed assets	(10,040)	(3,838)
Proceeds from sale of tangible fixed assets	573	-
Purchases of intangible fixed assets	(36,618)	(28,487)
Other, net	603	(986)
Net cash provided by investing activities	3,248,209	2,554,274
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease obligations	(875)	(669)
Proceeds from issuance of bonds	-	198,798
Purchases of treasury stock	(99,999)	(0)
Dividends paid	(64,529)	(21,385)
Net cash provided by (used in) financing activities	(165,405)	176,743
Effect of exchange rate changes on cash and cash equivalents	-	-
Net change in cash and cash equivalents	492,590	(75,283)
Cash and cash equivalents at the beginning of the fiscal year	917,708	1,410,298
Cash and cash equivalents at the end of the fiscal year	1,410,298	1,335,014

(5) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Additional Information)

On December 27, 2019, the Company received administrative dispositions pursuant to the Insurance Business Act from the Financial Services Agency of Japan, on account of improper solicitation actions and underlying systematic problems. The Company is resolved to treat the implementation of the business improvement plan that it formulated as its top-priority management issue, and is making company-wide efforts. Additionally, the Company has been confirming with all customers with insurance policies whether their insurance policies are in line with their intentions, and compensating customers who have suffered disadvantages.

In the fiscal year ended March 31, 2021, the Company recorded the refund of premiums and payment of insurance claims to compensate for the disadvantages suffered by customers as part of insurance claims and others, and the corresponding adjustment to policy reserves as part of reversal of policy reserves, while recording a reduction of the net amount totaling ¥21,589 million from reserve for insurance claims and others at the end of the previous fiscal year, and a reversal of ¥5,280 million, a decrease as a result of reflecting the status of progress in the investigation of insurance policies in accounting estimates. Consequently, reserve for insurance claims and others stood at ¥2,851 million as of March 31, 2021. The amounts of the aforementioned reduction and reversal of reserve for insurance claims and others are included in other ordinary income in the consolidated statement of income for the fiscal year ended March 31, 2021.

(Segment Information and Others)

[Segment Information]

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) and fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

Segment information is omitted as the Company and its subsidiary (the “Group”) has only one segment, namely, the life insurance business in Japan.

[Other Related Information]

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) and fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

1. Information by product and service

Information by product and service is omitted as the Group’s products and services are placed under one category.

2. Information by geographical region

Information by geographical region is omitted as ordinary income in Japan exceeded 90% of ordinary income in the consolidated statements of income and the balance of tangible fixed assets in Japan exceeded 90% of the total balance on the consolidated balance sheets.

3. Information by major customer

Information by major customer is omitted as no customer accounted for 10% or more of ordinary income in the consolidated statements of income.

[Information Concerning Impairment Loss on Fixed Assets by Reporting Segment]

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) and fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

Not applicable.

[Information Concerning Amortized Amounts and Unamortized Balance of Goodwill by Reporting Segment]

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) and fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

Not applicable.

[Information Concerning Gain on Negative Goodwill by Reporting Segment]

Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) and fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

Not applicable.

(Per Share Data)

(Yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net assets per share	3,428.71	5,052.12
Net income per share	267.40	295.33

Notes: 1. Diluted net income per share is not presented as potential common stock did not exist.

2. Net income per share was calculated based on the following:

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net income attributable to Japan Post Insurance (Millions of yen)	150,687	166,103
Amount not attributable to common shareholders (Millions of yen)	-	-
Net income pertaining to common stock attributable to Japan Post Insurance (Millions of yen)	150,687	166,103
Average number of common stock during the fiscal year (Thousand shares)	563,533	562,429

3. Net assets per share were calculated based on the following:

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net assets (Millions of yen)	1,928,380	2,841,475
Amount deducted from total net assets (Millions of yen)	-	-
Net assets pertaining to common stock (Millions of yen)	1,928,380	2,841,475
Number of common stock at the fiscal year-end used for the calculation of net assets per share (Thousand shares)	562,422	562,432

4. The Company establishes a Board Benefit Trust (BBT). Shares of the Company held in trust, which was 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 net income per share, and in treasury stock to be deducted from the calculation of the total number of shares issued at the fiscal year-end for the purpose of calculating net assets per share.

For the fiscal years ended March 31, 2021 and 2020, the average number of treasury stock during the fiscal year which was deducted from the calculation of net income per share was 159,503 shares and 176,573 shares, respectively, and the total number of treasury stock at the fiscal year-end which was deducted from the calculation of net assets per share was 156,200 shares and 166,900 shares, respectively.

(Subsequent Events)

(Acquisition of treasury stock)

The Company has resolved matters related to the acquisition of its treasury stock based on Article 39, Paragraph 1 of the Company's Articles of Incorporation complying with Article 459, Paragraph 1, Item 1 of the Companies Act at a meeting of the Board of Directors held on May 14, 2021.

1. Resolution of the Board of Directors regarding the acquisition of treasury stock

(1) Reason for the acquisition of treasury stock

The acquisition of treasury stock will be implemented with the aim of improving capital efficiency and enhancing shareholder returns. It is also intended to further advance the privatization of the postal service and lead to the relaxation of certain legal restrictions under the Postal Service Privatization Act, that are not applicable to other life insurance companies, by reducing the voting rights held in the Company by JAPAN POST HOLDINGS Co., Ltd. to 50% or less of total voting rights.

(2) Details of the acquisition

1) Class of shares to be acquired: Common stock of the Company

2) Total number of shares to be acquired: 162,906,300 shares (maximum)

(The ratio of the total number of shares to be acquired to the total number of shares issued (excluding treasury stock): 29.0%)

3) Total amount of shares to be acquired: 439,847,010,000 yen (maximum)

4) Acquisition date: May 17, 2021

5) Method of acquisition: Purchases through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) of Tokyo Stock Exchange, Inc.

6) In addition to the matters described above, any matters required for the acquisition of treasury stock shall be determined at the sole discretion of the President, CEO, Representative Executive Officer of the Company or a person appointed by the President, CEO, Representative Executive Officer of the Company.