

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 Non-Consolidated Financial Results
for the Three Months Ended June 30, 2014
[Under Japanese GAAP]**



August 8, 2014

Company Name: JAPAN POST INSURANCE Co., Ltd.

URL: <http://www.jp-life.japanpost.jp/>

Representative: Masami Ishii, Director and President, CEO, Representative Executive Officer

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

1. Non-Consolidated Financial Results for the Three Months Ended June 30, 2014 (April 1, 2014 to June 30, 2014)

(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	%
Three months ended June 30, 2014	2,592,710	(6.2)	130,765	40.7	25,341	103.3
Three months ended June 30, 2013	2,764,269	(11.4)	92,926	(25.5)	12,467	(48.1)

	Net income per share	Diluted net income per share (Note)
	Yen	Yen
Three months ended June 30, 2014	1,267.07	-
Three months ended June 30, 2013	623.35	-

(Note) Diluted net income per share is not presented for the three months ended June 30, 2014 as potential common stock did not exist.

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2014	85,739,263	1,573,299	1.8
As of March 31, 2014	87,088,626	1,534,457	1.8

Net assets attributable to the Company's shareholders as of June 30, 2014 and March 31, 2014 were ¥1,573,299 million and ¥1,534,457 million, respectively.

2. Non-Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2015 (April 1, 2014 to March 31, 2015)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	10,110,000	(10.0)	410,000	(11.5)	73,000	15.1	3,650.00

(Note) Revisions to the most recent financial results forecast: No

*** Notes:**

- (1) Adoption of special accounting methods in the preparation of the financial statements: 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: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (Note) For details, please refer to “2. Matters Concerning Summary Information (Notes)” on page 5 of the Attachment.
- (3) Total number of shares issued (common stock)
- Total number of shares issued at the end of the period:
- June 30, 2014: 20,000,000 shares
 - March 31, 2014: 20,000,000 shares

*** Explanation on the appropriate use of financial results forecasts, and other notes**

This document is intended for the sole purpose of providing information to the general public, and should not be construed as solicitation or an offer to invest in any securities including shares in the Company

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 such as changes in the operating environment.

[Attachment]

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1. Qualitative Information on Quarterly Non-Consolidated Financial Results

(1) Non-Consolidated Results of Operations

During the three months ended June 30, 2014, Japan Post Insurance Co., Ltd. (the “Company”) sold 621 thousand individual insurance policies with an insured amount of ¥1,770.8 billion, and 43 thousand individual annuity policies with an annuity amount of ¥154.9 billion. This was mainly attributable to further strengthening of sales promotion systems in collaboration with Japan Post Co., Ltd., the main channel of the Company.

Ordinary income amounted to ¥2,592.7 billion, comprising the sum of items including insurance premiums and others of ¥1,511.9 billion, investment income of ¥374.6 billion, and reversal of policy reserves of ¥625.4 billion. Meanwhile, ordinary expenses amounted to ¥2,461.9 billion, comprising the sum of items including insurance claims and others of ¥2,305.8 billion, investment expenses of ¥6.2 billion, and operating expenses of ¥124.8 billion. As a result, ordinary profit amounted to ¥130.7 billion.

Net income amounted to ¥25.3 billion due to the recording of items including ¥27.5 billion of provision for reserve for price fluctuations under extraordinary losses, ¥66.5 billion of provision for reserve for policyholder dividends, and ¥11.3 billion of total income taxes. In addition, core profit amounted to ¥132.2 billion.

(2) Non-Consolidated Financial Position

As of June 30, 2014, total assets amounted to ¥85,739.2 billion, mainly comprising ¥68,313.7 billion of securities and ¥11,001.8 billion of loans.

Total liabilities amounted to ¥84,165.9 billion, comprising ¥80,061.5 billion of policy reserves and others.

Total net assets amounted to ¥1,573.2 billion, comprising ¥218.5 billion of net unrealized gains on available-for-sale securities.

The solvency margin ratio stood at 1,600.5% and real net assets amounted to ¥9,831.8 billion.

(3) Non-Consolidated Financial Results Forecast and Other Future Predictions

The Company’s forecast for the fiscal year ending March 31, 2015 has not been revised from the figures announced on May 15, 2014.

2. Matters Concerning Summary Information (Notes)

Changes in accounting policies, changes in accounting estimates and retrospective restatement

(Changes in accounting policies due to the revision of accounting standards)

Effective from the three months ended June 30, 2014, with respect to the application of the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 26, May 17, 2012; hereinafter referred to as the “Retirement Benefits Accounting Standard”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012; hereinafter referred to as the “Guidance on Retirement Benefits”), the Company adopted provisions stated in the main clause of Paragraph 35 of the Retirement Benefits Accounting Standard and the main clause of Paragraph 67 of the Guidance on Retirement Benefits. Accordingly, the Company revised the calculation methods for retirement benefit obligations and service cost and changed the method of attributing expected benefit to each fiscal year from the straight-line basis to the benefit formula basis. In addition, the method for determining the discount rate has been changed from the method using a discount rate based on the number of years which approximates the estimated average remaining service lives for employees to the method using a single-weighted average discount rate which reflects the estimated payment periods of retirement benefits and the amounts in the respective estimated payment periods.

In accordance with the transitional application provided for in Paragraph 37 of the Retirement Benefits Accounting Standard, the effects of changes of the calculation methods for retirement benefit obligations and service cost are recognized in retained earnings at the beginning of the first quarter of the fiscal year ending March 31, 2015.

As a result, reserve for employees’ retirement benefits increased by ¥5,104 million and retained earnings decreased by ¥3,533 million at the beginning of the first quarter of the fiscal year ending March 31, 2015.

The effect of these changes on ordinary profit for the three months ended June 30, 2014 was immaterial.

3. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of June 30, 2014
ASSETS:		
Cash and deposits	1,663,576	1,261,345
Call loans	230,025	337,995
Receivables under securities borrowing transactions	2,822,188	2,160,197
Monetary claims bought	107,448	180,306
Money held in trust	581,627	965,716
Securities	69,378,975	68,313,717
Japanese government bonds	52,522,914	50,939,429
Japanese local government bonds	9,173,780	9,353,544
Japanese corporate bonds	6,441,832	6,500,804
Stocks	984	984
Foreign securities	1,239,464	1,518,954
Loans	11,020,585	11,001,814
Policy loans	54,271	57,752
Industrial and commercial loans	763,298	777,945
Loans to the Management Organization	10,203,015	10,166,116
Tangible fixed assets	89,322	119,620
Intangible fixed assets	126,040	124,984
Agency accounts receivable	102,651	111,075
Reinsurance receivables	234	331
Other assets	374,320	543,317
Deferred tax assets	592,665	619,909
Reserve for possible loan losses	(1,036)	(1,067)
Total assets	87,088,626	85,739,263

(Millions of yen)

	As of March 31, 2014	As of June 30, 2014
LIABILITIES:		
Policy reserves and others	80,799,941	80,061,593
Reserve for outstanding claims	831,690	752,051
Policy reserves	77,745,490	77,120,036
Reserve for policyholder dividends	2,222,759	2,189,506
Reinsurance payables	1,234	1,321
Other liabilities	4,077,493	3,394,432
Payables under securities lending transactions	3,703,176	3,144,397
Income taxes payable	15,804	8,907
Lease obligations	1,528	1,471
Asset retirement obligation	15	15
Other liabilities	356,968	239,640
Reserve for possible claim payments	1,881	1,528
Reserve for employees' retirement benefits	59,385	65,349
Reserve under the special law	614,233	641,737
Reserve for price fluctuations	614,233	641,737
Total liabilities	85,554,169	84,165,963
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	500,044	500,044
Legal capital surplus	405,044	405,044
Other capital surplus	95,000	95,000
Retained earnings	349,627	354,626
Legal retained earnings	17,222	20,584
Other retained earnings	332,404	334,042
Retained earnings brought forward	332,404	334,042
Total shareholders' equity	1,349,671	1,354,670
Net unrealized gains (losses) on available-for-sale securities	184,774	218,591
Net deferred gains (losses) on hedges	11	36
Total valuation and translation adjustments	184,785	218,628
Total net assets	1,534,457	1,573,299
Total liabilities and net assets	87,088,626	85,739,263

(2) Non-Consolidated Statements of Income
Three months ended June 30

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014
ORDINARY INCOME	2,764,269	2,592,710
Insurance premiums and others	1,525,265	1,511,994
Insurance premiums	1,525,264	1,511,662
Investment income	376,188	374,673
[Interest and dividend income]	[367,056]	[347,298]
[Gains on money held in trust]	[546]	[2,530]
[Gains on sales of securities]	[7,218]	[24,675]
Other ordinary income	862,814	706,042
[Reversal of reserve for outstanding claims]	[41,258]	[79,639]
[Reversal of policy reserves]	[815,968]	[625,454]
ORDINARY EXPENSES	2,671,343	2,461,945
Insurance claims and others	2,520,438	2,305,836
[Insurance claims]	[2,373,160]	[2,114,330]
[Annuity payments]	[59,414]	[72,484]
[Benefits]	[7,948]	[9,877]
[Surrender benefits]	[48,527]	[68,415]
[Other refunds]	[31,193]	[39,490]
Provision for policy reserves and others	1,710	348
Provision for interest on policyholder dividends	1,710	348
Investment expenses	4,432	6,249
[Interest expenses]	[1,041]	[1,066]
[Losses on sales of securities]	[833]	[4,963]
[Losses on valuation of securities]	[1,063]	[-]
Operating expenses	126,052	124,885
Other ordinary expenses	18,710	24,625
Ordinary profit	92,926	130,765
EXTRAORDINARY GAINS	-	-
EXTRAORDINARY LOSSES	12,467	27,510
Losses on sales and disposal of fixed assets	11	6
Provision for reserve under the special law	12,455	27,504
Provision for reserve for price fluctuations	12,455	27,504
Provision for reserve for policyholder dividends	57,412	66,546
Income before income taxes	23,045	36,707
Income taxes - Current	47,848	52,091
Income taxes - Deferred	(37,270)	(40,725)
Total income taxes	10,578	11,366
Net income	12,467	25,341

(3) Notes to the Non-Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.