

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 Six Months Ended September 30, 2014
[Under Japanese GAAP]**



November 14, 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 Six Months Ended September 30, 2014 (April 1, 2014 to September 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	%
Six months ended September 30, 2014	5,171,703	(7.6)	263,703	31.8	50,972	160.4
Six months ended September 30, 2013	5,594,157	(6.1)	200,005	(21.9)	19,574	(60.1)

	Net income per share	Diluted net income per share (Note)
	Yen	Yen
Six months ended September 30, 2014	2,548.62	-
Six months ended September 30, 2013	978.75	-

(Note) Diluted net income per share is not presented for the six months ended September 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 September 30, 2014	85,877,874	1,690,896	2.0
As of March 31, 2014	87,088,626	1,534,457	1.8

Net assets attributable to the Company's shareholders as of September 30, 2014 and March 31, 2014 were ¥1,690,896 million and ¥1,534,457 million, respectively.

(3) Non-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 period
	Million yen	Million yen	Million yen	Million yen
Six months ended September 30, 2014	(1,438,000)	1,601,239	(17,018)	1,809,796
Six months ended September 30, 2013	(1,678,474)	2,495,257	(22,950)	1,518,014

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 recently announced financial results forecast: No

*** Notes:**

(1) 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.

(2) Total number of shares issued (common stock)

Total number of shares issued at the end of the period:

September 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 including changes in the operating environment.

[Attachment]

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1. Qualitative Information on Non-Consolidated Financial Results for the Six Months Ended September 30, 2014

(1) Non-Consolidated Results of Operations

During the six months ended September 30, 2014, Japan Post Insurance Co., Ltd. (the “Company”) sold 1,243 thousand individual insurance policies with an insured amount of ¥3,598.1 billion, and 86 thousand individual annuity policies with an annuity amount of ¥307.5 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, and the strong sales in *Hajime no Kanpo* educational endowment insurance launched in April.

Ordinary income amounted to ¥5,171.7 billion, comprising the sum of items including insurance premiums and others of ¥3,078.1 billion, investment income of ¥745.7 billion, and reversal of policy reserves of ¥1,263.8 billion. Meanwhile, ordinary expenses amounted to ¥4,908.0 billion, comprising the sum of items including insurance claims and others of ¥4,597.1 billion, investment expenses of ¥7.7 billion, and operating expenses of ¥254.8 billion. As a result, ordinary profit amounted to ¥263.7 billion.

Net income amounted to ¥50.9 billion due to the recording of items including ¥54.3 billion of provision for reserve for price fluctuations under extraordinary losses, ¥135.4 billion of provision for reserve for policyholder dividends, and ¥22.8 billion of total income taxes. In addition, core profit amounted to ¥268.0 billion.

(2) Non-Consolidated Financial Position

As of September 30, 2014, total assets amounted to ¥85,877.8 billion, mainly comprising ¥67,870.0 billion of securities and ¥10,482.8 billion of loans.

Total liabilities amounted to ¥84,186.9 billion, comprising ¥79,402.1 billion of policy reserves and others.

Total net assets amounted to ¥1,690.8 billion, comprising ¥310.5 billion of net unrealized gains on available-for-sale securities.

The solvency margin ratio stood at 1,631.5% and real net assets amounted to ¥10,215.2 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 six months ended September 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 six months ended September 30, 2014.

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 six months ended September 30, 2014.

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

3. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
ASSETS:		
Cash and deposits	1,663,576	1,809,796
Cash	4,258	2,841
Deposits	1,659,318	1,806,955
Call loans	230,025	359,909
Receivables under securities borrowing transactions	2,822,188	2,552,241
Monetary claims bought	107,448	334,268
Money held in trust	581,627	1,030,985
Securities	69,378,975	67,870,009
Japanese government bonds	52,522,914	50,149,511
Japanese local government bonds	9,173,780	9,431,563
Japanese corporate bonds	6,441,832	6,596,134
Stocks	984	984
Foreign securities	1,239,464	1,691,816
Loans	11,020,585	10,482,847
Policy loans	54,271	62,319
Industrial and commercial loans	763,298	773,348
Loans to the Management Organization	10,203,015	9,647,179
Tangible fixed assets	89,322	120,820
Land	40,726	68,454
Buildings	33,287	34,477
Leased assets	1,456	2,039
Construction in progress	1,648	4,047
Other tangible fixed assets	12,204	11,800
Intangible fixed assets	126,040	136,553
Software	126,022	136,534
Other intangible fixed assets	18	19
Agency accounts receivable	102,651	90,274
Reinsurance receivables	234	399
Other assets	374,320	471,452
Accounts receivable	172,115	274,645
Prepaid expenses	814	694
Accrued income	195,169	190,354
Money on deposit	2,158	2,166
Derivative financial instruments	166	158
Suspense payments	787	1,663
Other assets	3,108	1,768
Deferred tax assets	592,665	619,372
Reserve for possible loan losses	(1,036)	(1,055)
Total assets	87,088,626	85,877,874

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
LIABILITIES:		
Policy reserves and others	80,799,941	79,402,165
Reserve for outstanding claims	831,690	750,335
Policy reserves	77,745,490	76,481,627
Reserve for policyholder dividends	2,222,759	2,170,202
Reinsurance payables	1,234	1,537
Other liabilities	4,077,493	4,047,919
Payables under securities lending transactions	3,703,176	3,517,393
Income taxes payable	15,804	17,349
Accounts payable	229,922	385,591
Accrued expenses	15,626	16,890
Unearned revenue	4	2
Deposits received	12,172	12,187
Deposits from the Management Organization	66,221	62,663
Derivative financial instruments	15,805	10,752
Lease obligations	1,528	2,177
Asset retirement obligation	15	15
Suspense receipt	16,433	22,206
Other liabilities	781	688
Reserve for possible claim payments	1,881	565
Reserve for employees' retirement benefits	59,385	66,187
Reserve under the special law	614,233	668,603
Reserve for price fluctuations	614,233	668,603
Total liabilities	85,554,169	84,186,978
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	380,257
Legal retained earnings	17,222	20,584
Other retained earnings	332,404	359,673
Retained earnings brought forward	332,404	359,673
Total shareholders' equity	1,349,671	1,380,301
Net unrealized gains (losses) on available-for-sale securities	184,774	310,556
Net deferred gains (losses) on hedges	11	37
Total valuation and translation adjustments	184,785	310,594
Total net assets	1,534,457	1,690,896
Total liabilities and net assets	87,088,626	85,877,874

(2) Non-Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
ORDINARY INCOME	5,594,157	5,171,703
Insurance premiums and others	3,094,346	3,078,186
Insurance premiums	3,094,324	3,077,454
Reinsurance income	21	731
Investment income	767,304	745,714
Interest and dividend income	738,913	692,450
Interest on deposits	190	329
Interest and dividends on securities	596,066	566,035
Interest on loans	6,064	6,662
Interest on loans to the Management Organization	134,580	117,214
Other interest and dividend income	2,011	2,209
Gains on money held in trust	2,469	9,767
Gains on sales of securities	24,362	43,284
Gains on redemption of securities	29	19
Gains on foreign exchanges	1,480	160
Reversal of reserve for possible loan losses	-	17
Other investment income	49	13
Other ordinary income	1,732,506	1,347,802
Reversal of reserve for outstanding claims	136,353	81,355
Reversal of policy reserves	1,591,868	1,263,863
Reversal of reserve for possible claim payments	3,117	1,316
Reversal of reserve for directors' retirement benefits	164	-
Other ordinary income	1,001	1,267
ORDINARY EXPENSES	5,394,152	4,908,000
Insurance claims and others	5,085,566	4,597,162
Insurance claims	4,780,911	4,213,606
Annuity payments	122,654	146,319
Benefits	15,898	18,920
Surrender benefits	101,380	137,267
Other refunds	63,968	78,355
Reinsurance premiums	753	2,693
Provision for policy reserves and others	3,033	675
Provision for interest on policyholder dividends	3,033	675
Investment expenses	13,205	7,783
Interest expenses	2,455	2,097
Losses on sales of securities	8,709	4,963
Losses on redemption of securities	37	22
Losses on derivative financial instruments	1,625	275
Provision for reserve for possible loan losses	1	-
Other investment expenses	375	424
Operating expenses	254,192	254,897
Other ordinary expenses	38,153	47,481
Taxes	19,573	27,943
Depreciation and amortization	17,067	17,575
Provision for reserve for employees' retirement benefits	1,306	1,634
Other ordinary expenses	206	327
Ordinary profit	200,005	263,703

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
EXTRAORDINARY GAINS	-	-
EXTRAORDINARY LOSSES	37,962	54,467
Losses on sales and disposal of fixed assets	8,214	97
Provision for reserve under the special law	29,748	54,370
Provision for reserve for price fluctuations	29,748	54,370
Provision for reserve for policyholder dividends	123,887	135,423
Income before income taxes	38,154	73,812
Income taxes - Current	89,817	103,458
Income taxes - Deferred	(71,237)	(80,618)
Total income taxes	18,579	22,839
Net income	19,574	50,972

(3) Non-Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2013 (From April 1, 2013 to September 30, 2013)

(Millions of yen)

	Shareholders' equity					Total shareholders' equity
	Capital stock	Capital surplus		Retained earnings		
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings	
					Retained earnings brought forward	
Balance at the beginning of the fiscal year	500,000	405,044	95,000	12,672	296,276	1,308,993
Changes in the period						
Cash dividends				4,550	(27,300)	(22,750)
Net income					19,574	19,574
Net changes in items other than shareholders' equity in the period						
Net changes in the period	-	-	-	4,550	(7,725)	(3,175)
Balance at the end of the period	500,000	405,044	95,000	17,222	288,550	1,305,817

	Valuation and translation adjustments	
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges
Balance at the beginning of the fiscal year	155,778	-
Changes in the period		
Cash dividends		
Net income		
Net changes in items other than shareholders' equity in the period	4,281	(14)
Net changes in the period	4,281	(14)
Balance at the end of the period	160,059	(14)

Six months ended September 30, 2014 (From April 1, 2014 to September 30, 2014)

(Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus		Retained earnings		Total shareholders' equity
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	
Balance at the beginning of the fiscal year	500,000	405,044	95,000	17,222	332,404	1,349,671
Cumulative effects of changes in accounting policies					(3,533)	(3,533)
Restated balance	500,000	405,044	95,000	17,222	328,871	1,346,138
Changes in the period						
Cash dividends				3,361	(20,170)	(16,808)
Net income					50,972	50,972
Net changes in items other than shareholders' equity in the period						
Net changes in the period	-	-	-	3,361	30,802	34,163
Balance at the end of the period	500,000	405,044	95,000	20,584	359,673	1,380,301

	Valuation and translation adjustments	
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges
Balance at the beginning of the fiscal year	184,774	11
Cumulative effects of changes in accounting policies		
Restated balance	184,774	11
Changes in the period		
Cash dividends		
Net income		
Net changes in items other than shareholders' equity in the period	125,781	26
Net changes in the period	125,781	26
Balance at the end of the period	310,556	37

(4) Non-Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	38,154	73,812
Depreciation and amortization	17,067	17,575
Net change in reserve for outstanding claims	(136,353)	(81,355)
Net change in policy reserves	(1,591,868)	(1,263,863)
Provision for interest on policyholder dividends	3,033	675
Provision for reserve for policyholder dividends	123,887	135,423
Net change in reserve for possible loan losses	76	19
Net change in reserve for possible claim payments	(3,117)	(1,316)
Net change in reserve for employees' retirement benefits	1,757	1,698
Net change in reserve for directors' retirement benefits	(164)	-
Net change in reserve for price fluctuations	29,748	54,370
Interest and dividend income (accrual basis)	(738,913)	(692,450)
Net (gains) losses on securities	(15,645)	(38,317)
Interest expenses (accrual basis)	2,455	2,097
Net (gains) losses on foreign exchanges	(1,480)	(160)
Net (gains) losses on tangible fixed assets	51	97
Net change in agency accounts receivable	15,364	12,377
Net change in reinsurance receivables	(20)	(165)
Net change in other assets (excluding those related to investing activities and financing activities)	(3,354)	(71,194)
Net change in reinsurance payables	450	302
Net change in other liabilities (excluding those related to investing activities and financing activities)	(8,906)	(601)
Other, net	7,440	(9,182)
Subtotal	(2,260,336)	(1,860,158)
Interest and dividend received (cash basis)	893,221	729,073
Interest paid (cash basis)	(2,382)	(2,127)
Policyholder dividends paid	(218,409)	(188,461)
Income taxes paid	(90,566)	(116,327)
Net cash used in operating activities	(1,678,474)	(1,438,000)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of call loans	(16,642,752)	(17,346,509)
Proceeds from redemption of call loans	16,421,352	17,216,625
Net change in receivables under securities borrowing transactions	63,571	269,946
Purchases of monetary claims bought	(1,818,828)	(1,603,641)
Proceeds from sale and redemption of monetary claims bought	2,043,099	1,481,409
Purchases of money held in trust	(65,000)	(350,000)
Proceeds from sale of money held in trust	13,813	-
Purchases of securities	(3,666,933)	(2,789,563)
Proceeds from sale and redemption of securities	4,018,431	4,375,976
Payments for loans	(833,623)	(672,089)
Proceeds from collection of loans	1,946,413	1,209,807
Net change in payables under securities lending transactions	1,175,054	(185,782)
Other, net	(136,231)	38,628
Total of net cash provided by investment transactions	2,518,367	1,644,806
Total of net cash provided by (used in) operating activities and investment transactions	839,893	206,805
Purchases of tangible fixed assets	(1,907)	(15,223)
Purchases of intangible fixed assets	(20,703)	(28,231)
Other, net	(499)	(111)
Net cash provided by investing activities	2,495,257	1,601,239
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease obligations	(199)	(209)
Dividends paid	(22,750)	(16,808)
Net cash used in financing activities	(22,950)	(17,018)
Effect of exchange rate changes on cash and cash equivalents	-	-
Net change in cash and cash equivalents	793,833	146,219
Cash and cash equivalents at the beginning of the period	724,181	1,663,576
Cash and cash equivalents at the end of the period	1,518,014	1,809,796

(5) Notes to the Non-Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.