

**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.

August 7, 2015  
JAPAN POST INSURANCE Co., Ltd.

**Announcement of Financial Results for  
the Three Months Ended June 30, 2015**

JAPAN POST INSURANCE Co., Ltd. (the “Company”; Masami Ishii, Director and President, CEO, Representative Executive Officer) hereby announces its financial results for the three months ended June 30, 2015 (April 1, 2015 to June 30, 2015).

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[Attached document] Outline of Financial Results for the Three Months Ended June 30, 2015

End

\* 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.

# 1. Business Highlights

## (1) Policies in Force and New Policies

### ▪ Policies in Force

(Thousands of policies, billions of yen, %)

As of	March 31, 2015		June 30, 2015			
	Number of policies	Policy amount	Number of policies		Policy amount	
			% of March 31, 2015 total	% of March 31, 2015 total		
Individual insurance	13,539	39,159.0	13,973	103.2	40,418.0	103.2
Individual annuities	1,318	3,615.9	1,335	101.3	3,601.1	99.6
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Notes: 1. The amount of individual annuities is the total of annuity resources at the beginning of the payout phase and policy reserves for policies in the payout phase.

2. Figures and amounts which were previously rounded to the nearest unit are rounded down from the end of the previous fiscal year (including the figures and amounts for the previous fiscal year).

### ▪ New Policies

(Thousands of policies, billions of yen, %)

Three months ended June 30	2014				2015					
	Number of policies	Policy amount			Number of policies		Policy amount			
		New policies	Net increase arising from the conversion		% of June 30, 2014 total	% of June 30, 2014 total	New policies	Net increase arising from the conversion		
Individual insurance	620	1,770.7	1,770.7	-	577	93.1	1,720.1	97.1	1,720.1	-
Individual annuities	42	154.9	154.9	-	20	47.7	72.2	46.6	72.2	-
Group insurance	-	-	-	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-	-	-

Notes: 1. The amount of individual annuities is the annuity resources at the beginning of the payout phase.

2. Figures and amounts which were previously rounded to the nearest unit are rounded down from the end of the previous fiscal year (including the figures and amounts for the previous fiscal year).

## (2) Annualized Premiums

### ▪ Policies in Force

(Billions of yen, %)

As of	March 31, 2015	June 30, 2015	
			% of March 31, 2015 total
Individual insurance	2,526.8	2,613.0	103.4
Individual annuities	673.8	666.2	98.9
Total	3,200.6	3,279.2	102.5
Medical coverage, living benefits and other	257.4	266.8	103.7

### ▪ New Policies

(Billions of yen, %)

Three months ended June 30	2014	2015	
			% of June 30, 2014 total
Individual insurance	116.9	119.4	102.1
Individual annuities	53.4	33.4	62.6
Total	170.4	152.9	89.7
Medical coverage, living benefits and other	10.2	12.6	123.0

Notes: 1. Annualized premiums are one-time insurance premiums factored according to the payment method and calculated as insurance premiums for one year. (Single payments are insurance premiums divided by the term of coverage.)

2. "Medical coverage, living benefits and other" includes medical benefits (hospitalization and surgery benefits, etc.), living benefits (limited illness and nursing care benefits, etc.) and premium payment waivers (excluding disability and including specified diseases and nursing) and is recorded as annualized premiums.

3. Figures for annualized premiums which were previously rounded to the nearest unit are rounded down to the nearest unit from the end of the previous fiscal year (including the figures for the previous fiscal year).

## 2. Investment Performance (General Account)

### (1) Asset Composition

(Billions of yen, %)

As of	March 31, 2015		June 30, 2015	
	Amount	Ratio	Amount	Ratio
Cash, deposits, call loans	2,651.3	3.1	1,534.0	1.8
Receivables under resale agreements	-	-	-	-
Receivables under securities borrowing transactions	2,720.8	3.2	2,712.3	3.2
Monetary claims bought	449.0	0.5	259.4	0.3
Trading account securities	-	-	-	-
Money held in trust	1,434.9	1.7	1,615.4	1.9
Securities	66,277.2	78.1	66,967.9	79.2
Corporate and government bonds	64,294.7	75.7	63,760.9	75.4
Domestic stocks	0.9	0.0	0.9	0.0
Foreign securities	1,981.4	2.3	3,155.8	3.7
Foreign corporate and government bonds	1,961.4	2.3	3,155.8	3.7
Foreign stocks and other securities	20.0	0.0	-	-
Other securities	-	-	50.0	0.1
Loans	9,977.3	11.8	9,949.2	11.8
Real estate	112.2	0.1	119.5	0.1
Deferred tax assets	548.2	0.6	575.7	0.7
Other	741.5	0.9	808.5	1.0
Reserve for possible loan losses	(0.9)	(0.0)	(0.9)	(0.0)
Total	84,911.9	100.0	84,541.3	100.0
Foreign currency-denominated assets	2,196.3	2.6	3,395.9	4.0

Note: "Real estate" includes the total of land, buildings and construction in progress.

**(2) Fair Value Information of Securities (with Fair Value, Other Than Trading Securities)**

(Billions of yen)

As of	March 31, 2015					June 30, 2015				
	Book value	Fair value	Net unrealized gains (losses)			Book value	Fair value	Net unrealized gains (losses)		
				Gains	Losses				Gains	Losses
Held-to-maturity bonds	43,695.5	48,232.6	4,537.1	4,537.6	0.5	43,666.5	47,847.9	4,181.4	4,182.6	1.1
Policy-reserve-matching bonds	15,493.2	16,668.4	1,175.2	1,175.4	0.2	15,488.6	16,584.4	1,095.8	1,096.2	0.3
Stocks of subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	9,411.4	10,193.2	781.7	784.4	2.7	9,584.4	10,392.5	808.1	829.0	20.9
Corporate and government bonds	5,105.3	5,203.9	98.6	99.1	0.5	4,611.1	4,703.8	92.6	93.2	0.6
Domestic stocks	713.2	996.9	283.7	285.5	1.8	784.6	1,122.6	338.0	340.7	2.7
Foreign securities	1,850.9	2,248.2	397.3	397.6	0.3	3,072.3	3,447.8	375.5	393.1	17.5
Foreign corporate and government bonds	1,537.7	1,863.4	325.7	326.1	0.3	2,756.9	3,057.8	300.9	318.4	17.5
Foreign stocks and other securities	313.1	384.7	71.5	71.5	-	315.3	389.9	74.6	74.6	-
Other securities	-	-	-	-	-	50.0	50.0	0.0	0.0	-
Monetary claims bought	446.9	449.0	2.0	2.0	-	257.6	259.4	1.8	1.8	-
Negotiable certificates of deposit	1,295.0	1,295.0	-	-	-	808.7	808.7	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	68,600.2	75,094.3	6,494.0	6,497.5	3.5	68,739.5	74,825.0	6,085.4	6,107.9	22.4
Corporate and government bonds	64,196.1	70,003.2	5,807.0	5,808.3	1.3	63,668.2	69,034.4	5,366.1	5,368.3	2.1
Domestic stocks	713.2	996.9	283.7	285.5	1.8	784.6	1,122.6	338.0	340.7	2.7
Foreign securities	1,948.9	2,350.1	401.2	401.5	0.3	3,170.3	3,549.6	379.3	396.9	17.5
Foreign corporate and government bonds	1,635.7	1,965.3	329.6	330.0	0.3	2,854.9	3,159.7	304.7	322.3	17.5
Foreign stocks and other securities	313.1	384.7	71.5	71.5	-	315.3	389.9	74.6	74.6	-
Other securities	-	-	-	-	-	50.0	50.0	0.0	0.0	-
Monetary claims bought	446.9	449.0	2.0	2.0	-	257.6	259.4	1.8	1.8	-
Negotiable certificates of deposit	1,295.0	1,295.0	-	-	-	808.7	808.7	-	-	-
Other	-	-	-	-	-	-	-	-	-	-

Notes: 1. This table includes the handling of securities under the Financial Instruments and Exchange Act.

2. This table includes money held in trust other than trading securities and its book value is ¥1,099.9 billion with net unrealized gains of ¥412.6 billion as of June 30, 2015 and ¥1,026.4 billion with net unrealized gains of ¥355.2 billion as of March 31, 2015.

- The book values for securities that fair values are deemed extremely difficult to determine are as follows.

(Billions of yen)

As of	March 31, 2015	June 30, 2015
Held-to-maturity bonds	-	-
Unlisted foreign bonds	-	-
Others	-	-
Policy-reserve-matching bonds	-	-
Stocks of subsidiaries and affiliates	0.9	0.9
Available-for-sale securities	20.0	-
Unlisted domestic stocks (excluding OTC traded equities)	-	-
Unlisted foreign stocks (excluding OTC traded equities)	20.0	-
Unlisted foreign bonds	-	-
Others	-	-
<b>Total</b>	<b>20.9</b>	<b>0.9</b>

### (3) Data on Fair Value of Money Held in Trust

(Billions of yen)

As of	March 31, 2015					June 30, 2015				
	Balance sheet amount	Fair value	Net unrealized gains (losses)			Balance sheet amount	Fair value	Net unrealized gains (losses)		
				Gains	Losses				Gains	Losses
Money held in trust	1,434.9	1,434.9	-	-	-	1,615.4	1,615.4	-	-	-

- Money held in trust for trading purposes

The Company does not hold money held in trust for trading purposes.

- Assets held-to-maturity in trust/assets held for reserves in trust/other money held in trust

(Billions of yen)

As of	March 31, 2015					June 30, 2015				
	Book value	Fair value	Net unrealized gains (losses)			Book value	Fair value	Net unrealized gains (losses)		
				Gains	Losses				Gains	Losses
Assets held-to-maturity in trust	-	-	-	-	-	-	-	-	-	-
Assets held for reserves in trust	-	-	-	-	-	-	-	-	-	-
Other money held in trust	1,079.7	1,434.9	355.2	357.0	1.8	1,202.7	1,615.4	412.6	415.3	2.7

### 3. UNAUDITED NON-CONSOLIDATED BALANCE SHEETS

(Millions of yen)

Items	Term	As of March 31, 2015	As of June 30, 2015
		Amount	Amount
<b>ASSETS:</b>			
Cash and deposits		2,205,969	1,083,525
Call loans		445,428	450,526
Receivables under securities borrowing transactions		2,720,856	2,712,309
Monetary claims bought		449,068	259,470
Money held in trust		1,434,943	1,615,412
Securities		66,277,244	66,967,903
[Japanese government bonds]		[48,086,445]	[47,872,561]
[Japanese local government bonds]		[9,555,857]	[9,514,360]
[Japanese corporate bonds]		[6,652,464]	[6,374,011]
[Stocks]		[984]	[984]
[Foreign securities]		[1,981,492]	[3,155,889]
Loans		9,977,345	9,949,240
Policy loans		74,097	78,757
Industrial and commercial loans		806,259	805,771
Loans to the Management Organization		9,096,988	9,064,711
Tangible fixed assets		131,672	139,998
Intangible fixed assets		157,580	161,416
Agency accounts receivable		95,023	90,783
Reinsurance receivables		630	838
Other assets		468,916	535,100
Deferred tax assets		548,210	575,781
Reserve for possible loan losses		(943)	(973)
<b>Total assets</b>		<b>84,911,946</b>	<b>84,541,332</b>
<b>LIABILITIES:</b>			
Policy reserves and others		77,905,677	77,102,239
Reserve for outstanding claims		718,156	694,997
Policy reserves		75,112,601	74,359,760
Reserve for policyholder dividends		2,074,919	2,047,482
Reinsurance payables		2,017	2,263
Other liabilities		4,257,294	4,651,970
Payables under securities lending transactions		3,658,492	4,441,395
Income taxes payable		19,452	5,860
Lease obligations		2,105	2,048
Asset retirement obligation		15	15
Other liabilities		577,228	202,651
Reserve for employees' retirement benefits		65,645	66,471
Reserve for price fluctuations		712,167	731,380
<b>Total liabilities</b>		<b>82,942,802</b>	<b>82,554,326</b>
<b>NET ASSETS:</b>			
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		411,043	409,761
Legal retained earnings		20,584	25,489
Other retained earnings		390,459	384,271
Retained earnings brought forward		390,459	384,271
Total shareholders' equity		1,411,088	1,409,805
Net unrealized gains (losses) on available-for-sale securities		558,033	577,176
Net deferred gains (losses) on hedges		22	23
Total valuation and translation adjustments		558,055	577,200
<b>Total net assets</b>		<b>1,969,143</b>	<b>1,987,005</b>
<b>Total liabilities and net assets</b>		<b>84,911,946</b>	<b>84,541,332</b>

#### 4. UNAUDITED NON-CONSOLIDATED STATEMENTS of INCOME

(Millions of yen)

Items	Term	Three months ended	Three months ended
		June 30, 2014	June 30, 2015
		Amount	Amount
<b>ORDINARY INCOME</b>		2,592,710	2,473,122
Insurance premiums and others		1,511,994	1,351,573
[Insurance premiums]		[1,511,662]	[1,350,743]
Investment income		374,673	344,642
[Interest and dividend income]		[347,298]	[329,424]
[Gains on money held in trust]		[2,530]	[14,226]
[Gains on sales of securities]		[24,675]	[-]
[Gains on derivative financial instruments]		[-]	[956]
Other ordinary income		706,042	776,906
[Reversal of reserve for outstanding claims]		[79,639]	[23,158]
[Reversal of policy reserves]		[625,454]	[752,841]
<b>ORDINARY EXPENSES</b>		2,461,945	2,365,513
Insurance claims and others		2,305,836	2,210,799
[Insurance claims]		[2,114,330]	[1,987,135]
[Annuity payments]		[72,484]	[83,070]
[Benefits]		[9,877]	[11,431]
[Surrender benefits]		[68,415]	[83,801]
[Other refunds]		[39,490]	[43,181]
Provision for policy reserves and others		348	232
Provision for interest on policyholder dividends		348	232
Investment expenses		6,249	2,427
[Interest expenses]		[1,066]	[1,061]
[Losses on sales of securities]		[4,963]	[-]
[Losses on derivative financial instruments]		[138]	[-]
Operating expenses		124,885	127,564
Other ordinary expenses		24,625	24,490
<b>ORDINARY PROFIT</b>		130,765	107,609
<b>EXTRAORDINARY GAINS</b>		-	340
Gains on sales of fixed assets		-	340
<b>EXTRAORDINARY LOSSES</b>		27,510	19,368
Losses on sales and disposal of fixed assets		6	155
Provision for reserve for price fluctuations		27,504	19,212
Provision for reserve for policyholder dividends		66,546	56,371
Income before income taxes		36,707	32,210
Income taxes - Current		52,091	43,788
Income taxes - Deferred		(40,725)	(34,822)
Total income taxes		11,366	8,965
Net income		25,341	23,244



## NOTES TO THE UNAUDITED NON-CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE THREE MONTHS ENDED JUNE 30, 2015

### (Notes to the Unaudited Non-Consolidated Balance Sheet and Notes Related to Changes in Net Assets)

1. Securities lent under lending agreements in the amount of ¥4,007,567 million were included in “Securities” in the balance sheets as of June 30, 2015.
2. Changes in reserve for policyholder dividends for the three months ended June 30, 2015 were as follows:

a. Balance at the beginning of the fiscal year	¥2,074,919 million
b. Policyholder dividends paid during the three months ended June 30, 2015	¥83,952 million
c. Interest accrual	¥232 million
d. Reduction due to the acquisition of additional annuity	¥87 million
e. Provision for reserve for policyholder dividends	¥56,371 million
f. Balance at the end of the three months ended June 30, 2015	¥2,047,482 million
3. Dividends Paid  
The following resolution was adopted at the Board of Directors’ meeting held on May 13, 2015:

- Dividends on common stock	
a. Total amount	¥24,527 million
b. Per share amount	¥1,226.38
c. Effective date	May 14, 2015

The record date for the dividends was March 31, 2015 with retained earnings as the source of dividends.

4. Notes on subsequent events are as follows.

(Stock Split)

The Company conducted a stock split on August 1, 2015 as follows:

(1) Method of stock split

The Company implemented a 30:1 stock split with July 31, 2015 as the record date for all shares of common stock held by shareholders listed in the final shareholder registry on the same date.

(2) Increase in number of shares as a result of the stock split

Common stock	580,000,000 shares
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(3) Effect on per share information

The effect of this stock split is presented in “Notes to the Unaudited Statements of Income.”

### (Notes to the Unaudited Non-Consolidated Statement of Income)

Net income per share was ¥38.74.

The Company implemented a 30:1 stock split effective August 1, 2015.

Net income per share has been calculated assuming the stock split was implemented on April 1, 2015.

## 5. Breakdown of Ordinary Profit (Core Profit)

(Millions of yen)

Three months ended June 30		2014	2015
Core profit	A	132,276	113,069
Capital gains		27,341	15,183
Gains on money held in trust		2,530	14,226
Gains on trading securities		-	-
Gains on sales of securities		24,675	-
Gains on derivative financial instruments		-	956
Gains on foreign exchanges		135	-
Other capital gains		-	-
Capital losses		7,745	6,364
Losses on money held in trust		-	-
Losses on trading securities		-	-
Losses on sales of securities		4,963	-
Losses on valuation of securities		-	-
Losses on derivative financial instruments		138	-
Losses on foreign exchanges		-	1,257
Other capital losses		2,643	5,107
Net capital gains	B	19,596	8,818
Core profit including net capital gains (losses)	A+B	151,872	121,887
One-time income		22,563	30,335
Reinsurance income		-	-
Reversal of contingency reserve		22,563	30,335
Reversal of individual reserve for possible loan losses		-	-
Other one-time income		-	-
One-time expenses		43,670	44,614
Reinsurance premiums		-	-
Provision for contingency reserve		-	-
Provision for individual reserve for possible loan losses		-	-
Provision for reserve for specific foreign loans		-	-
Write-off of loans		-	-
Other one-time expenses		43,670	44,614
Net one-time income (expenses)	C	(21,107)	(14,278)
Ordinary profit	A+B+C	130,765	107,609

- Notes: 1. Amount equivalent to income gains associated with money held in trust (¥2,643 million for the three months ended June 30, 2014 and ¥5,107 million for the three months ended June 30, 2015) is recognized as “other capital losses” and included in core profit.
2. “Other one-time expenses” includes the amount of additional policy reserves accumulated pursuant to Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act (¥43,670 million for the three months ended June 30, 2014 and ¥44,614 million for the three months ended June 30, 2015).

## 6. Solvency Margin Ratio

(Millions of yen)

As of		March 31, 2015	June 30, 2015
Total amount of solvency margin	(A)	5,697,257	5,748,344
Capital stock, etc.		1,386,560	1,409,805
Reserve for price fluctuations		712,167	731,380
Contingency reserve		2,498,711	2,468,375
General reserve for possible loan losses		77	80
Net unrealized gains (losses) on available-for-sale securities × 90% (if negative, × 100%)		703,549	727,305
Net unrealized gains (losses) on real estate × 85% (if negative, × 100%)		(10,077)	(6,434)
Excess of continued Zillmerised reserve		406,267	417,705
Capital raised through debt financing		-	-
Amounts within “excess of continued Zillmerised reserve” and “capital raised through debt financing” not calculated into the margin		-	-
Deductions		-	-
Other		-	127
Total amount of risk	(B)	694,176	722,484
$\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2}+R_4$			
Insurance risk	R <sub>1</sub>	163,796	162,705
Underwriting risk of third-sector insurance	R <sub>8</sub>	88,568	85,874
Anticipated yield risk	R <sub>2</sub>	184,450	181,318
Minimum guarantee risk	R <sub>7</sub>	-	-
Investment risk	R <sub>3</sub>	443,294	477,689
Business management risk	R <sub>4</sub>	17,602	18,151
Solvency margin ratio			
$\frac{(A)}{(1/2 \times (B))} \times 100$		1,641.4%	1,591.2%

Note: These figures are calculated based on Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act and the provisions of Ordinance No. 50 issued by the Ministry of Finance in 1996. However, figures for certain items are calculated based on methods deemed reasonable by the Company according to the provisions of the Ordinance for Enforcement of the Insurance Business Act, etc.

## 7. Separate Account for the Three Months Ended June 30, 2015

Not applicable.

## 8. Consolidated Financial Summary

### (1) Selected Financial Data and Other Information

(Millions of yen)

Three months ended June 30	2014	2015
Ordinary income	2,592,711	2,473,125
Ordinary profit	130,670	107,412
Net income attributable to Japan Post Insurance	25,287	22,936
Comprehensive income	59,078	41,965

Note: "Net income" is presented as "Net income attributable to Japan Post Insurance" from the three months ended June 30, 2015.

As of	March 31, 2015	June 30, 2015
Total assets	84,915,012	84,545,168
Consolidated solvency margin ratio	1,644.2%	1,593.8%

### (2) Scope of Consolidation and Application of the Equity Method

- Number of consolidated subsidiaries: 1
- Number of non-consolidated subsidiaries accounted for under the equity method: 0
- Number of affiliates accounted for under the equity method: 0

### (3) Unaudited Consolidated Balance Sheets

(Millions of yen)

Items	Term	As of March 31, 2015	As of June 30, 2015
		Amount	Amount
<b>ASSETS:</b>			
Cash and deposits		2,213,786	1,091,923
Call loans		445,428	450,526
Receivables under securities borrowing transactions		2,720,856	2,712,309
Monetary claims bought		449,068	259,470
Money held in trust		1,434,943	1,615,412
Securities		66,276,260	66,966,919
Loans		9,977,345	9,949,240
Tangible fixed assets		131,790	140,334
Intangible fixed assets		155,067	158,939
Agency accounts receivable		95,023	90,783
Reinsurance receivables		630	838
Other assets		468,700	534,697
Deferred tax assets		547,053	574,747
Reserve for possible loan losses		(943)	(973)
<b>Total assets</b>		<b>84,915,012</b>	<b>84,545,168</b>
<b>LIABILITIES:</b>			
Policy reserves and others		77,905,677	77,102,239
Reserve for outstanding claims		718,156	694,997
Policy reserves		75,112,601	74,359,760
Reserve for policyholder dividends		2,074,919	2,047,482
Reinsurance payables		2,017	2,263
Other liabilities		4,261,065	4,656,751
Liability for retirement benefits		58,356	59,367
Reserve for price fluctuations		712,167	731,380
<b>Total liabilities</b>		<b>82,939,284</b>	<b>82,552,002</b>
<b>NET ASSETS:</b>			
Capital stock		500,000	500,000
Capital surplus		500,044	500,044
Retained earnings		411,992	410,401
Total shareholders' equity		1,412,036	1,410,445
Net unrealized gains (losses) on available-for-sale securities		558,033	577,176
Net deferred gains (losses) on hedges		22	23
Accumulated adjustments for retirement benefits		5,635	5,520
<b>Total accumulated other comprehensive income</b>		<b>563,691</b>	<b>582,720</b>
<b>Total net assets</b>		<b>1,975,727</b>	<b>1,993,165</b>
<b>Total liabilities and net assets</b>		<b>84,915,012</b>	<b>84,545,168</b>

#### (4) Unaudited Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Unaudited Consolidated Statements of Income)

(Millions of yen)

Items	Term	Three months ended	Three months ended
		June 30, 2014	June 30, 2015
		Amount	Amount
<b>ORDINARY INCOME</b>		2,592,711	2,473,125
Insurance premiums and others		1,511,994	1,351,573
Investment income		374,673	344,642
[Interest and dividend income]		[347,298]	[329,424]
[Gains on money held in trust]		[2,530]	[14,226]
[Gains on sales of securities]		[24,675]	[-]
[Gains on derivative financial instruments]		[-]	[956]
Other ordinary income		706,043	776,910
[Reversal of reserve for outstanding claims]		[79,639]	[23,158]
[Reversal of policy reserves]		[625,454]	[752,841]
<b>ORDINARY EXPENSES</b>		2,462,040	2,365,713
Insurance claims and others		2,305,836	2,210,799
[Insurance claims]		[2,114,330]	[1,987,135]
[Annuity payments]		[72,484]	[83,070]
[Benefits]		[9,877]	[11,431]
[Surrender benefits]		[68,415]	[83,801]
Provision for policy reserves and others		348	232
Provision for interest on policyholder dividends		348	232
Investment expenses		6,249	2,427
[Interest expenses]		[1,066]	[1,061]
[Losses on sales of securities]		[4,963]	[-]
[Losses on derivative financial instruments]		[138]	[-]
Operating expenses		125,010	127,825
Other ordinary expenses		24,595	24,429
<b>ORDINARY PROFIT</b>		130,670	107,412
<b>EXTRAORDINARY GAINS</b>		-	340
Gains on sales of fixed assets		-	340
<b>EXTRAORDINARY LOSSES</b>		27,510	19,433
Losses on sales and disposal of fixed assets		6	221
Provision for reserve for price fluctuations		27,504	19,212
Provision for reserve for policyholder dividends		66,546	56,371
Income before income taxes		36,613	31,948
Income taxes - Current		52,025	43,909
Income taxes - Deferred		(40,699)	(34,898)
Total income taxes		11,326	9,011
Net income		25,287	22,936
Net income attributable to non-controlling interests		-	-
Net income attributable to Japan Post Insurance		25,287	22,936

(Unaudited Consolidated Statements of Comprehensive Income)

(Millions of yen)

Items	Term	Three months ended	Three months ended
		June 30, 2014	June 30, 2015
		Amount	Amount
Net income		25,287	22,936
Other comprehensive income		33,791	19,029
Net unrealized gains (losses) on available-for-sale securities		33,817	19,143
Net deferred gains (losses) on hedges		25	0
Adjustments for retirement benefits		(51)	(115)
Total comprehensive income		59,078	41,965
Comprehensive income attributable to Japan Post Insurance		59,078	41,965
Comprehensive income attributable to non-controlling interests		-	-

## NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE THREE MONTHS ENDED JUNE 30, 2015

### (Notes to the Unaudited Consolidated Balance Sheets and Notes Related to Changes in Net Assets)

#### 1. Changes in Accounting Policies

Effective from the three months ended June 30, 2015, the Company has adopted the “Accounting Standard for Business Combinations” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 21, September 13, 2013), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013), and the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) and others, and has changed the presentation of net income and other related items accordingly. To reflect this change in presentation, the reclassification of accounts has been made to the consolidated financial statements for the three months ended June 30, 2014.

#### 2. Securities lent under lending agreements in the amount of ¥4,007,567 million were included in “Securities” in the consolidated balance sheets as of June 30, 2015.

#### 3. Changes in reserve for policyholder dividends for the three months ended June 30, 2015 were as follows:

a. Balance at the beginning of the fiscal year	¥2,074,919 million
b. Policyholder dividends paid during the three months ended June 30, 2015	¥83,952 million
c. Interest accrual	¥232 million
d. Reduction due to the acquisition of additional annuity	¥87 million
e. Provision for reserve for policyholder dividends	¥56,371 million
f. Balance at the end of the period during the three months ended June 30, 2015	¥2,047,482 million

#### 4. Dividends Paid

The following resolution was adopted at the Board of Directors’ meeting held on May 13, 2015:

##### - Dividends on common stock

a. Total amount	¥24,527 million
b. Per share amount	¥1,226.38
c. Effective date	May 14, 2015

The record date for the dividends was March 31, 2015 with retained earnings as the source of dividends.

#### 5. Notes on subsequent events are as follows.

##### (Stock Split)

The Company conducted a stock split on August 1, 2015 as follows:

##### (1) Method of stock split

The Company implemented a 30:1 stock split with July 31, 2015 as the record date for all shares of common stock held by shareholders listed in the final shareholder registry on the same date.

##### (2) Increase in number of shares as a result of the stock split

Common stock 580,000,000 shares

##### (3) Impact on per share information

The effect of this stock split is presented in “Notes to Consolidated Statements of Income.”

### (Notes to the Unaudited Consolidated Statements of Income)

#### 1. Net income per share was ¥38.23.

The Company implemented a 30:1 stock split effective August 1, 2015.

Net income per share has been calculated assuming the stock split was implemented on April 1, 2015.

2. Depreciation and amortization for the three months ended June 30, 2015 amounted to ¥8,793 million.



## (5) Consolidated Solvency Margin Ratio

(Millions of yen)

As of		March 31, 2015	June 30, 2015
Total amount of solvency margin	(A)	5,706,126	5,756,742
Capital stock, etc.		1,387,508	1,410,445
Reserve for price fluctuations		712,167	731,380
Contingency reserve		2,498,711	2,468,375
Catastrophe loss reserve		-	-
General reserve for possible loan losses		77	80
Net unrealized gains (losses) on available-for-sale securities × 90% (if negative, × 100%)		703,549	727,305
Net unrealized gains (losses) on real estate × 85% (if negative, × 100%)		(10,077)	(6,434)
Sum of unrecognized actuarial differences and unrecognized prior service cost		7,920	7,758
Excess of continued Zillmerised reserve		406,267	417,705
Capital raised through debt financing		-	-
Amounts within “excess of continued Zillmerised reserve” and “capital raised through debt financing” not calculated into the margin		-	-
Deductions		-	-
Other		-	127
Total amount of risk	(B)	694,064	722,376
$\sqrt{(\sqrt{R_1^2 + R_5^2 + R_8 + R_9})^2 + (R_2 + R_3 + R_7)^2} + R_4 + R_6$			
Insurance risk	R <sub>1</sub>	163,796	162,705
General insurance risk	R <sub>5</sub>	-	-
Catastrophe risk	R <sub>6</sub>	-	-
Underwriting risk of third-sector insurance	R <sub>8</sub>	88,568	85,874
Small amount, short-term insurance risk	R <sub>9</sub>	-	-
Anticipated yield risk	R <sub>2</sub>	184,450	181,318
Minimum guarantee risk	R <sub>7</sub>	-	-
Investment risk	R <sub>3</sub>	443,176	477,577
Business management risk	R <sub>4</sub>	17,599	18,149
Solvency margin ratio			
$\frac{(A)}{(1/2 \times (B))} \times 100$		1,644.2%	1,593.8%

Note: These figures are calculated based on Article 86-2 and Article 88 of the Ordinance for Enforcement of the Insurance Business Act and the Ordinance No. 23 issued by the Financial Services Agency in 2011. However, figures for certain items are calculated based on methods deemed reasonable by the Company according to the provisions of the Ordinance for Enforcement of the Insurance Business Act, etc.

## (6) Segment Information

Segment information is omitted as the Company has only one segment.