

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.



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

1 Insurance Policies	1	4 Investments	6
2 Profits and Losses	4	5 Core Profit	8
3 Assets and Liabilities	5	6 Financial Soundness	9



JAPAN POST INSURANCE

August 7, 2015

*1 All data are presented on a non-consolidated basis.

*2 For the number of policies and amount, figures are rounded down to the nearest unit.

*3 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. Insurance Policies (1)

- 0.57 million new individual insurance policies were sold with a total policy amount of ¥1,720.1 billion.
- 0.02 million new individual annuity policies were sold with a total policy amount of ¥72.2 billion.

< Breakdown of New Policies >

	3 months ended Jun-15		3 months ended Jun-14	
	Number of policies (10 thousands)	Policy amount (¥bn)	Number of policies (10 thousands)	Policy amount (¥bn)
Individual insurance	57	1,720.1	62	1,770.7
Whole life insurance	14	529.7	13	474.3
Endowment insurance	32	958.6	28	897.8
Educational endowment insurance	10	231.5	19	397.1
Individual annuities	2	72.2	4	154.9

*1 Main categories are presented.

*2 Policy amounts for individual insurance are the insured amount paid on death etc.

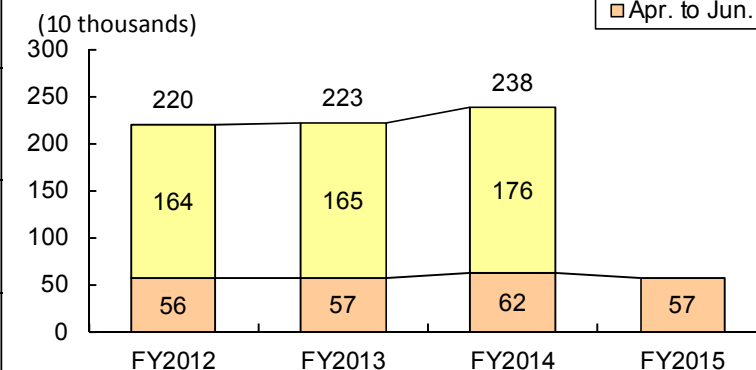
*3 Policy amounts for individual annuities are the total of the accumulated contribution payment as of the date of annuity payment commencement.

*4 Figures of the "Educational endowment insurance" represent the number of policies or the policy amount of the educational endowment insurance launched in April 2014 (Hajime no Kanpo).

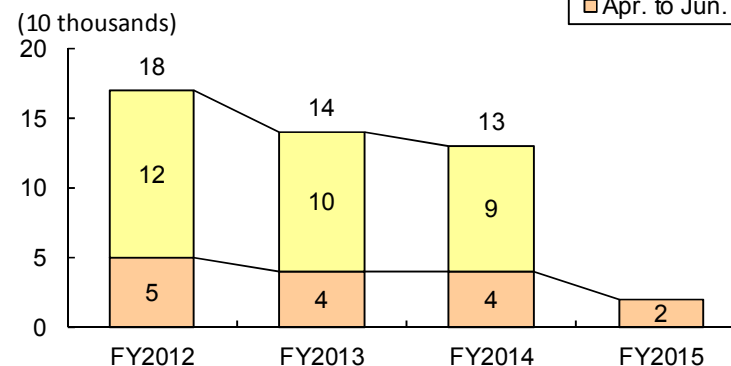
*5 Starting from the fiscal year ended March 31, 2015, the number of policies and policy amounts (including those for previous years) are truncated instead of being rounded.

< Changes in New Policies >

Individual insurance (Number of policies)



Individual annuities (Number of policies)



1. Insurance Policies (2)

- Policies in force of Japan Post Insurance comprises 13.97 million individual insurance policies with a total policy amount of ¥40,418.0 billion and 1.33 million individual annuity policies with a total policy amount of ¥3,601.1 billion.
- The total number of policies in force for individual insurance policies and the insurance policies of Postal Life Insurance was 33.15 million.

< Breakdown of Policies in Force of Japan Post Insurance >

	Jun-15		Mar-15	
	Number of policies (10 thousands)	Policy amount (¥bn)	Number of policies (10 thousands)	Policy amount (¥bn)
Individual insurance	1,397	40,418.0	1,353	39,159.0
Whole life insurance	337	11,167.8	325	10,760.4
Endowment insurance	856	25,656.4	833	25,050.0
Educational endowment insurance	203	3,575.9	193	3,330.8
Individual annuities	133	3,601.1	131	3,615.9

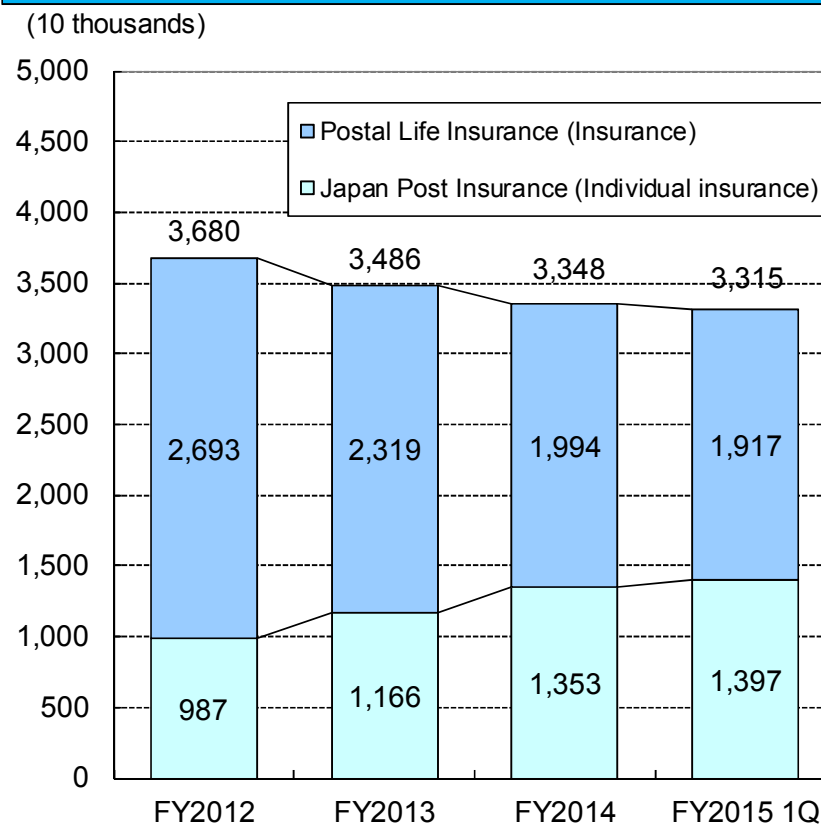
*1 Main categories are presented.

*2 Policy amounts for individual insurance are the insured amount paid on death etc.

*3 Policy amounts for individual annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) amount of policy reserves for the annuity after payments have commenced.

*4 Starting from the fiscal year ended March 31, 2015, the number of policies and policy amounts (including those for previous years) are truncated instead of being rounded.

< Changes in Policies in Force >



1. Insurance Policies (3)

- Annualized premiums from new policies consisted of ¥119.4 billion for individual insurance policies and ¥33.4 billion for individual annuity policies.
- Annualized premiums from policies in force consisted of ¥2,613.0 billion for individual insurance policies and ¥666.2 billion for individual annuity policies.

< Breakdown of Annualized Premiums >

<<New Policies>>

	3 months ended Jun-15 (¥ bn)	3 months ended Jun-14 (¥ bn)
Individual insurance	119.4	116.9
Individual annuities	33.4	53.4

<<Policies in Force>>

	Jun-15 (¥ bn)	Mar-15 (¥ bn)
Individual insurance	2,613.0	2,526.8
Individual annuities	666.2	673.8

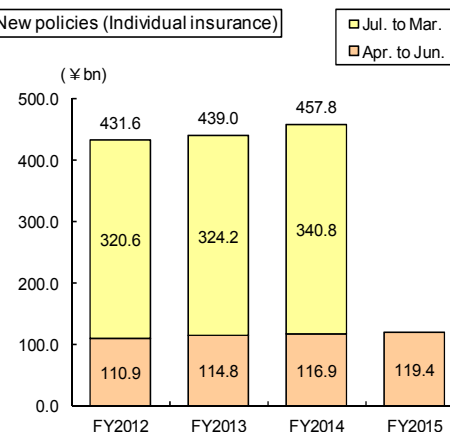
*1 Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.

*2 Policies in force are those of Japan Post Insurance and do not include Postal Life Insurance Policies.

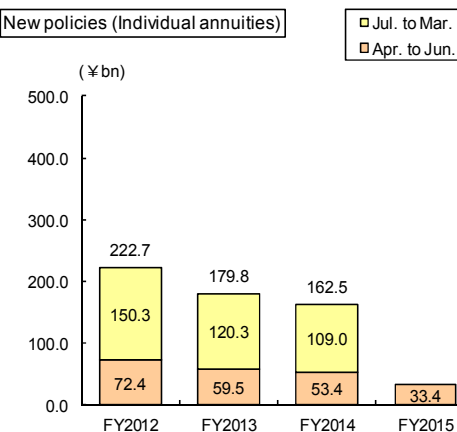
*3 Starting from the fiscal year ended March 31, 2015, annualized premiums (including those for previous years) are truncated instead of being rounded.

<Changes in Annualized Premiums >

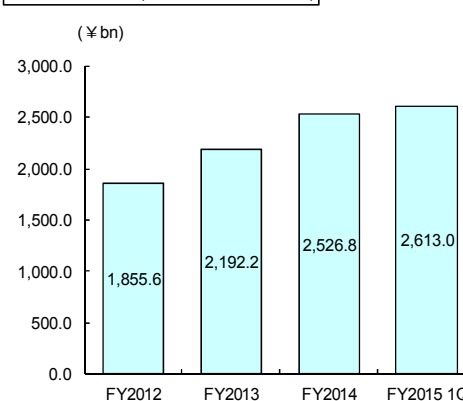
New policies (Individual insurance)



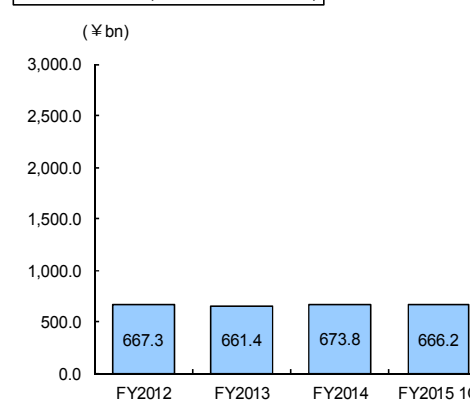
New policies (Individual annuities)



Policies in force (Individual insurance)



Policies in force (Individual annuities)



2. Profits and Losses

- Ordinary profit amounted to ¥107.6 billion and net income amounted to ¥23.2 billion.

< Outline of Statements of Income >

	3 months ended Jun-15	3 months ended Jun-14	Change	Year ended Mar-15	(¥ bn)
Ordinary income	2,473.1	2,592.7	(119.5)	10,169.2	* Main items of the Statements of Income are presented.
Insurance premiums and others	1,351.5	1,511.9	(160.4)	5,956.7	
Investment income (Note 1)	344.6	374.6	(30.0)	1,460.7	Note 1 Investment income comprised mainly of ¥329.4 billion of interest and dividend income.
Reversal of policy reserves	752.8	625.4	127.3	2,632.8	
Ordinary expenses	2,365.5	2,461.9	(96.4)	9,676.0	
Insurance claims and others	2,210.7	2,305.8	(95.0)	9,059.5	
Investment expenses	2.4	6.2	(3.8)	10.9	
Operating expenses	127.5	124.8	2.6	512.4	
Ordinary profit	107.6	130.7	(23.1)	493.1	
Extraordinary losses (Note 2)	(19.0)	(27.5)	8.4	(99.3)	Note 2 Extraordinary losses comprised mainly of ¥19.2 billion of provision for reserve for price fluctuations.
Provision for reserve for policyholder dividends	56.3	66.5	(10.1)	200.7	
Income before income taxes	32.2	36.7	(4.4)	193.0	
Total income taxes	8.9	11.3	(2.4)	111.3	
Net income	23.2	25.3	(2.0)	81.7	

3. Assets and Liabilities

- Total assets amounted to ¥84.5 trillion and net assets amounted to ¥1.9 trillion.

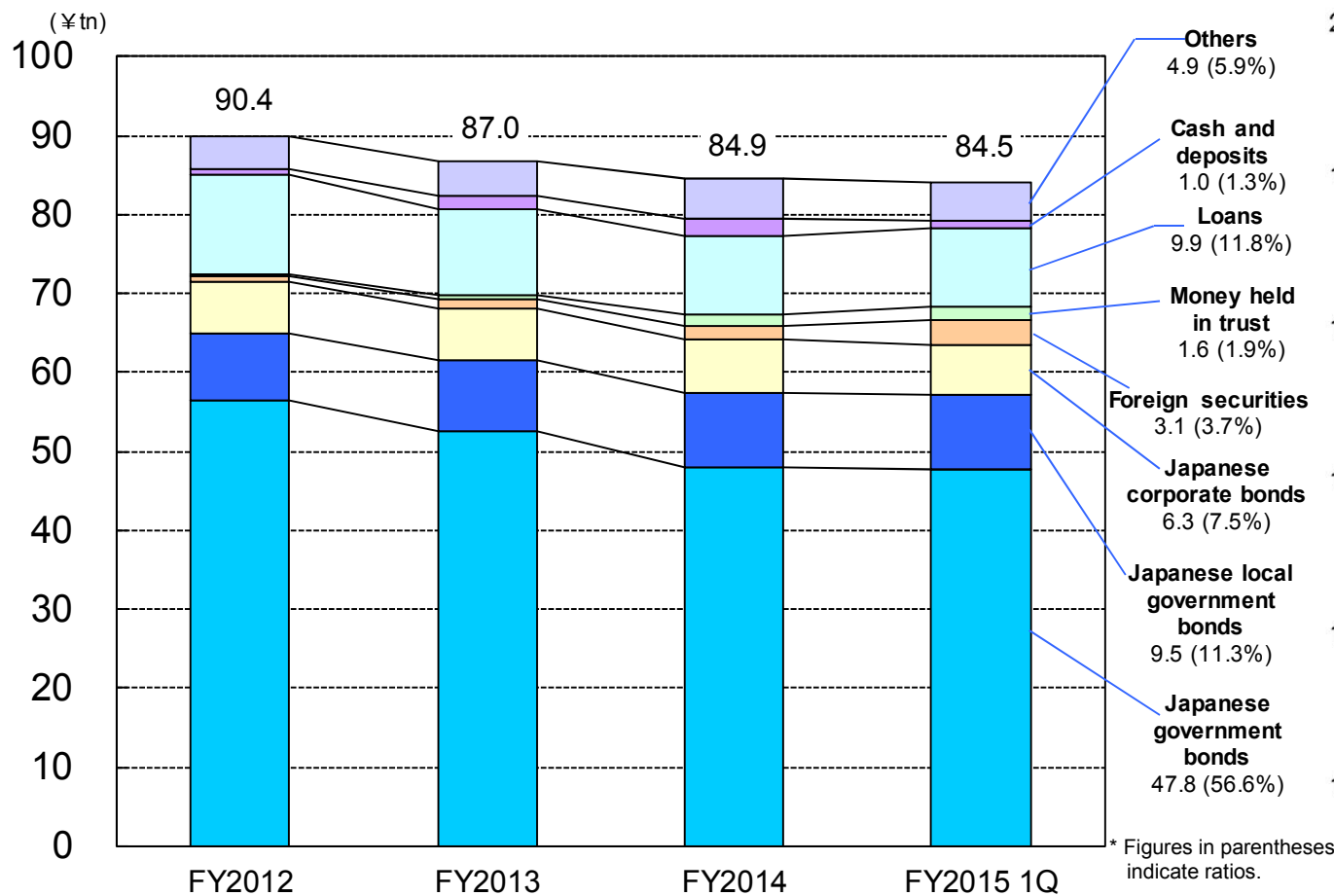
< Outline of Balance Sheets >

	Jun-15	Mar-15	Change	
Assets	84,541.3	84,911.9	(370.6)	(¥ bn)
Cash and deposits	1,083.5	2,205.9	(1,122.4)	* Main items of the Balance Sheets are presented.
Money held in trust	1,615.4	1,434.9	180.4	
Securities	66,967.9	66,277.2	690.6	
Japanese government bonds	47,872.5	48,086.4	(213.8)	
Japanese local government bonds	9,514.3	9,555.8	(41.4)	
Japanese corporate bonds	6,374.0	6,652.4	(278.4)	
Foreign securities	3,155.8	1,981.4	1,174.3	
Other securities	50.0	—	50.0	
Loans (Note 1)	9,949.2	9,977.3	(28.1)	Note 1 Loans are composed ¥9,064.7 billion of loans to the Management Organization, ¥805.7 billion of industrial and commercial loans and ¥78.7 billion of policy loans.
Deferred tax assets	575.7	548.2	27.5	
Liabilities and net assets	84,541.3	84,911.9	(370.6)	
Liabilities	82,554.3	82,942.8	(388.4)	
Policy reserves and others (Note 2)	77,102.2	77,905.6	(803.4)	Note 2 Policy reserves and others comprised ¥74,359.7 billion of policy reserves, ¥694.9 billion of reserve for outstanding claims and ¥2,047.4 billion of reserve for policyholder dividends.
Reserve for price fluctuations	731.3	712.1	19.2	
Net assets	1,987.0	1,969.1	17.8	
Total shareholders' equity (Note 3)	1,409.8	1,411.0	(1.2)	Note 3 Total shareholders' equity decreased by ¥1.2 billion due to a ¥24.5 billion dividend payment to shareholders and the recording of net income of ¥ 23.2 billion.
Total valuation and translation adjustments	577.2	558.0	19.1	

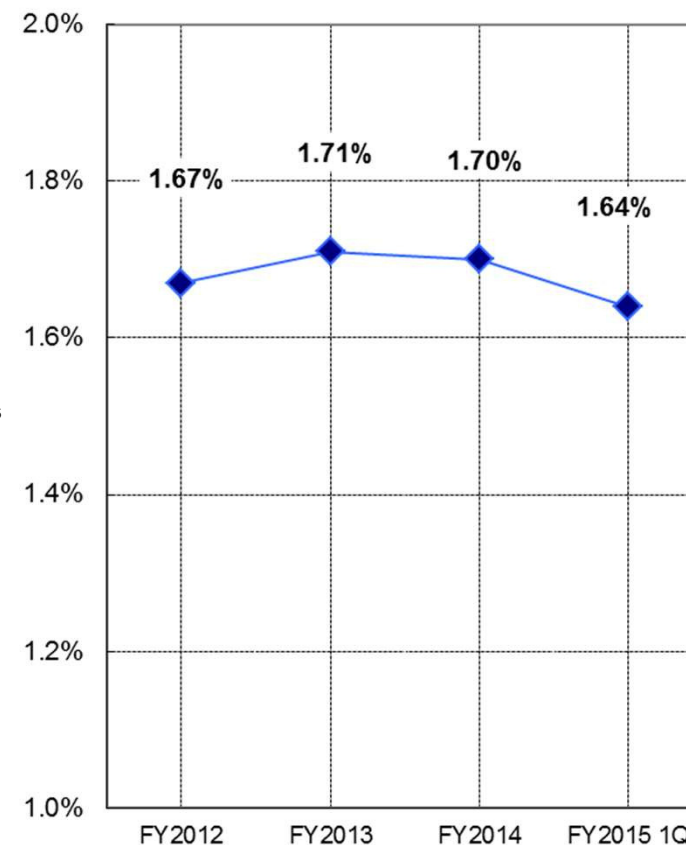
4. Investments (1)

Investments were composed mainly in securities of ¥66 trillion, primarily in Japanese government bonds, and in loans of ¥9 trillion.

< Changes in Composition of Assets >



< Changes in Investment Yield >



* Investment yield comprises capital gains (losses), etc.

4. Investments (2)

- The Company recorded net unrealized gain on securities in total including held-to-maturity bonds and policy-reserve-matching bonds of ¥6,085.4 billion.
- The Company recorded net unrealized gains on available-for-sale securities of ¥808.1 billion (¥577.1 billion after tax effects).

< Net Unrealized Gains (Losses) >

(¥ bn)

	Jun-15		Mar-15	
	Book value	Unrealized gains (losses)	Book value	Unrealized gains (losses)
Total	68,842.3	6,085.4	68,673.5	6,494.0
Held-to-maturity bonds	43,666.5	4,181.4	43,695.5	4,537.1
Policy-reserve-matching bonds	15,488.6	1,095.8	15,493.2	1,175.2
Available-for-sale securities	9,687.2	808.1	9,484.7	781.7
Money held in trust	1,202.7	412.6	1,079.7	355.2

* The amount of net unrealized gains (losses) on available-for-sale securities is before tax effects. Net unrealized gains (losses) after tax effects are ¥577.1 billion (as of June 30, 2015) and ¥558.0 billion (as of March 31, 2015).

< The Stock Price Level at which Net Unrealized Gains (Losses) of Domestic Stocks Held as Money Held in Trust Become Zero >

	Nikkei Stock Average
Jun-15	14,200 yen
Mar-15	13,700 yen
Mar-14	12,000 yen
Mar-13	9,800 yen

* The stock price level at which net unrealized gains (losses) of domestic stocks held as money held in trust become zero is calculated assuming that the fair value of stocks held at the end of the fiscal year fluctuates in line with the Nikkei Stock Average (amounts of less than 100 yen are rounded down).

< Reference Indicator >

	Nikkei Stock Average	Yen/U.S. dollar exchange rate	Yen/euro exchange rate	Yen interest rate (10Y JGB)
Jun-15	20,235 yen	122.45 yen	137.23 yen	0.455 %
Mar-15	19,206 yen	120.17 yen	130.32 yen	0.400 %
Mar-14	14,827 yen	102.92 yen	141.65 yen	0.640 %
Mar-13	12,397 yen	94.05 yen	120.73 yen	0.560 %

* Data sources: (c) Nikkei Inc., Nomura Research Institute, Ltd. and Bloomberg

5. Core Profit

- Core profit amounted to ¥113.0 billion.

< Core Profit Breakdown (Three Major Profit Sources) >

	3 months ended Jun-15	3 months ended Jun-14	Change	Year ended Mar-15
Core profit	113.0	132.2	(19.2)	515.4
Mortality and morbidity rate margin	79.6	90.5	(10.9)	342.0
Administrative expense margin	20.4	32.2	(11.8)	106.3
(Negative)/Positive Spread	12.9	9.4	3.5	66.9

* Core profit is determined by deducting “net capital gains (losses)” including gains (losses) on sales of securities and “other one-time profits (losses)” including provision for and reversal of contingency reserve from ordinary profit. The breakdown of core profit is calculated for the purpose of internal control, and the “mortality and morbidity rate margin” arises from the difference between expected claim or benefit payments and the actual payments (including the accumulated amount of standard policy reserve required by laws and regulations), the “administrative expense margin” arises from the difference between expected administrative expenses and the actual administrative expenses and “(negative)/positive spread” arises from the difference between the average assumed rates of return and the actual investment return on core profit.

< (Reference) Average Assumed Rates of Return on Core Profit >

	3 months ended Jun-15	3 months ended Jun-14	Change	Year ended Mar-15
Average assumed rates of return	1.78 %	1.82 %	(0.04)%	1.80 %
Investment return on core profit	1.85 %	1.87 %	(0.02)%	1.89 %

- *1 Average assumed rates of return is the return of assumed interest on general account policy reserves.
 General account policy reserves are calculated from policy reserves excluding contingency reserve using the following formula.
 $(\text{Policy reserves at the beginning of the relevant period} + \text{policy reserves at the end of the relevant period} - \text{assumed interest}) \times 1/2$
- *2 Investment return on core profit (excluding net capital gains (losses)), etc. is the return on general account policy reserves.

6. Financial Soundness

- Internal reserves accumulated as liabilities amounted to ¥3,199.7 billion, which is the sum of ¥2,468.3 billion of contingency reserve and ¥731.3 billion of reserve for price fluctuations.
- Additional policy reserve amounted to ¥6,052.4 billion.

< Status of Accumulation of Internal Reserves >

	(¥ bn)	
	Jun-15	Mar-15
Contingency reserve	2,468.3	2,498.7
Reserve for price fluctuations	731.3	712.1
Total internal reserves	3,199.7	3,210.8

< Status of Accumulation of Additional Policy Reserve >

(¥ bn)	
Jun-15	Mar-15
6,052.4	6,067.0

* Additional policy reserves includes the amount determined to be additionally provided over 10 years from the fiscal year ended March 31, 2011 for reinsured whole life annuities from Management Organization for Postal Savings and Postal Life Insurance (for the three months ended June 30, 2015, the amount of additional provision was ¥44.6 billion and the accumulated amount was ¥895.1 billion).

< Solvency Margin Ratio >

Jun-15	Mar-15
1,591.2%	1,641.4%

* The figure for the solvency margin ratio as of June 30, 2015 is calculated based on the provisions of laws and regulations, etc.

< Real Net Assets >

(¥ bn)	
Jun-15	Mar-15
11,106.4	11,512.2

* Real net assets is calculated by subtracting the amount of liabilities, other than contingency reserve, reserve for price fluctuations and others, from the amount of assets measured at fair value and reflecting net unrealized gains (losses) on securities.