

UNOFFICIAL TRANSLATION

Although Japan Post Insurance 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.

January 30, 2018

Company Name: JAPAN POST BANK Co., Ltd.
Representative: Norito Ikeda, Director, President and Representative Executive Officer
(Securities Code: 7182, Tokyo Stock Exchange First Section)

Company Name: Japan Post Insurance Co., Ltd.
Representative: Mitsuhiko Uehira, Director and President, CEO, Representative Executive Officer
(Securities Code: 7181, Tokyo Stock Exchange First Section)

Notice of Establishment of Japan Post Investment Corporation

JAPAN POST BANK Co., Ltd. (Chiyoda-ku, Tokyo; Director, President and Representative Executive Officer Norito Ikeda; hereinafter “JAPAN POST BANK”) and JAPAN POST INSURANCE Co., Ltd. (Chiyoda-ku, Tokyo; Director, and President, CEO, Representative Executive Officer Mitsuhiko Uehira; hereinafter “JAPAN POST INSURANCE”) hereby announce that the two companies decided today to establish a company to carry out private equity fund management (hereinafter the “New Company”), with details as follows.

1. Purpose of Establishing the New Company

JAPAN POST BANK and JAPAN POST INSURANCE are working to implement sophisticated asset management for revenue growth, a key priority laid out in the Japan Post Group Medium-Term Management Plan. The two companies believe that measures to implement sophisticated asset management for revenue growth will continue to become increasingly important going forward.

Efforts are currently being made to invest in private equity funds as a means of implementing sophisticated asset management. Against this backdrop, JAPAN POST BANK and JAPAN POST INSURANCE have decided to join forces and establish the New Company.

In order to drive further revenue growth through private equity investment, the New Company will conduct activities focused primarily on companies in Japan. Specifically, the New Company will make investment decisions based on assessments of commercial viability and provide management support to portfolio companies, along with supplying equity financing together with other outstanding fund managers and other partners.

Through these measures, the New Company will strive to implement sophisticated and diversified asset management and contribute to communities in collaboration with regional financial institutions.

2. Businesses of the New Company

The New Company will form new funds and supply risk money through those funds primarily to finance buyout deals in Japan (business realignment, succession, rehabilitation, etc.). This is in order to help

nurture industries in Japan. In parallel, the New Company will support the growth of business enterprises by encouraging investment in technologies that could become Japan's core industries and in startup companies that are in a phase of full-scale business expansion.

3. Outline of the Company to Be Established*

(1) Name	Japan Post Investment Corporation	
(2) Location	Chiyoda-ku, Tokyo	
(3) Representative	An individual nominated by JAPAN POST BANK is scheduled to be appointed as the President and Representative Director of the New Company	
(4) Main business**	Private offerings of interests in investment limited partnerships and related entities and wealth management	
(5) Stated capital and capital reserves	¥1.5 billion (comprising common shares worth ¥0.05 billion and preferred shares worth ¥1.45 billion)	
(6) Date of establishment	February 9, 2018 (scheduled)	
(7) Ownership of voting rights held	JAPAN POST BANK: 50% JAPAN POST INSURANCE: 25% Officers and employees of the New Company: 25%	
(8) Ownership of preferred shares	JAPAN POST BANK: 66.7% JAPAN POST INSURANCE: 33.3%	
(9) Relationship between the publicly listed companies and the New Company	Capital relationships	Plans call for JAPAN POST BANK and JAPAN POST INSURANCE to take equity interests of 66.1% and 33.1%, respectively, in the New Company (both ratios include preferred shares).
	Personnel relationships	The directors and Audit & Supervisory Board member of the New Company at the time of its establishment will be elected from JAPAN POST BANK and JAPAN POST INSURANCE.
	Trading relationships	Not applicable

* The New Company is scheduled to become a consolidated subsidiary of JAPAN POST BANK.

** The New Company does not plan to register as a money lender in accordance with the Money Lending Business Act of Japan.

4. Schedule

(1) Date of resolution	January 30, 2018
(2) Date of agreement execution	January 30, 2018
(3) Date of establishment of the New Company	February 9, 2018 (scheduled)

5. Outlook

The establishment of the New Company is expected to have a negligible impact on the consolidated financial results of JAPAN POST BANK and JAPAN POST INSURANCE in the current fiscal year.

If the outlook changes and a material impact on consolidated financial results is expected in the future, a separate announcement will be made.