

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 Consolidated Financial Results
for the Three Months Ended June 30, 2018
[Under Japanese GAAP]**



August 10, 2018

Company Name: JAPAN POST INSURANCE Co., Ltd. Stock exchange listing: Tokyo Stock Exchange
Code Number: 7181 URL: <http://www.jp-life.japanpost.jp/>
Representative: Mitsuhiko Uehira, Director and President, CEO, Representative Executive Officer
Scheduled date of filing quarterly securities report: August 10, 2018
Scheduled date of commencing dividend payments: —
Availability of supplementary briefing materials on quarterly financial results: Available
Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2018 (April 1, 2018 to June 30, 2018)

(1) Consolidated Results of Operations (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance	
	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2018	1,978,688	(6.4)	75,249	(9.6)	34,087	41.1
Three months ended June 30, 2017	2,113,563	(6.5)	83,220	87.7	24,161	24.3

(Note) Comprehensive Income (Loss) Three months ended June 30, 2018 ¥76,920 million [(34.8)%]
Three months ended June 30, 2017 ¥117,892 million [-%]

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2018	56.83	-
Three months ended June 30, 2017	40.28	-

(Note) Diluted net income per share is not presented as potential common stock did not exist.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2018	74,958,332	2,039,262	2.7
As of March 31, 2018	76,831,261	2,003,126	2.6

Net assets attributable to the Company's shareholders as of June 30, 2018 and March 31, 2018 were ¥2,039,262 million and ¥2,003,126 million, respectively.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2018	Yen -	Yen 0.00	Yen -	Yen 68.00	Yen 68.00
Fiscal year ending March 31, 2019	-				
Fiscal year ending March 31, 2019 (Forecast)		0.00	-	68.00	68.00

(Note) Revisions to the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2019 (April 1, 2018 to March 31, 2019)

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income attributable to Japan Post Insurance		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	7,580,000	(4.7)	220,000	(28.9)	88,000	(15.8)	146.71

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

*** Notes:**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No

(2) Adoption of special accounting methods in the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

June 30, 2018: 600,000,000 shares

March 31, 2018: 600,000,000 shares

2) Total number of treasury stock at the end of the period:

June 30, 2018: 191,400 shares

March 31, 2018: 198,100 shares

3) Average number of shares during the period:

Three months ended June 30, 2018: 599,806,779 shares

Three months ended June 30, 2017: 599,780,329 shares

(Note) 191,400 shares and 198,100 shares included in the total number of treasury stock as of June 30, 2018 and March 31, 2018 were shares of the Company held in the Board Benefit Trust (BBT).

The average number of treasury stock held in the BBT (193,220 shares for the three months ended June 30, 2018 and 219,670 shares for the three months ended June 30, 2017) was deducted from the calculation of the average number of shares during the three months ended June 30, 2018 and 2017.

* The summary of quarterly consolidated financial results is outside the scope of quarterly review by certified public accountants or audit corporations.

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

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.

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* The Company has prepared supplementary briefing materials, etc. in relation to financial information, which can be viewed on the Company's website.

1. Unaudited Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
ASSETS:		
Cash and deposits	898,504	980,054
Call loans	265,000	745,000
Receivables under securities borrowing transactions	3,296,222	2,126,851
Monetary claims bought	176,069	325,690
Money held in trust	2,814,873	2,916,696
Securities	60,130,909	59,049,669
Loans	7,627,147	7,170,180
Tangible fixed assets	100,915	107,226
Intangible fixed assets	163,265	156,113
Agency accounts receivable	33,715	28,535
Reinsurance receivables	3,227	3,527
Other assets	368,020	387,500
Deferred tax assets	954,085	961,984
Reserve for possible loan losses	(695)	(699)
Total assets	76,831,261	74,958,332
LIABILITIES:		
Policy reserves and others	69,948,383	69,261,833
Reserve for outstanding claims	548,196	515,199
Policy reserves	67,777,297	67,155,904
Reserve for policyholder dividends	1,622,889	1,590,728
Reinsurance payables	6,033	6,112
Payables under securities lending transactions	3,663,547	2,525,600
Other liabilities	229,514	143,525
Liability for retirement benefits	63,739	64,835
Reserve for management board benefit trust	172	152
Reserve under the special law	916,743	917,010
Reserve for price fluctuations	916,743	917,010
Total liabilities	74,828,135	72,919,069
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	500,044	500,044
Retained earnings	595,846	589,134
Treasury stock	(466)	(450)
Total shareholders' equity	1,595,424	1,588,727
Net unrealized gains (losses) on available-for-sale securities	403,913	446,856
Net deferred gains (losses) on hedges	32	29
Accumulated adjustments for retirement benefits	3,755	3,648
Total accumulated other comprehensive income	407,701	450,534
Total net assets	2,003,126	2,039,262
Total liabilities and net assets	76,831,261	74,958,332

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
ORDINARY INCOME	2,113,563	1,978,688
Insurance premiums and others	1,123,687	1,014,865
Investment income	321,389	307,614
Interest and dividend income	298,400	280,454
Gains on money held in trust	21,137	20,471
Gains on sales of securities	1,659	6,625
Gains on redemption of securities	5	50
Reversal of reserve for possible loan losses	-	6
Other investment income	187	6
Other ordinary income	668,485	656,209
Reversal of reserve for outstanding claims	26,696	32,997
Reversal of policy reserves	640,489	621,392
Other ordinary income	1,299	1,819
ORDINARY EXPENSES	2,030,342	1,903,439
Insurance claims and others	1,850,749	1,715,070
Insurance claims	1,567,283	1,370,343
Annuity payments	97,808	100,952
Benefits	15,628	20,222
Surrender benefits	118,391	157,730
Other refunds	46,920	60,141
Reinsurance premiums	4,716	5,681
Provision for policy reserves and others	1	1
Provision for interest on policyholder dividends	1	1
Investment expenses	16,340	34,891
Interest expenses	630	233
Losses on sales of securities	9,083	18,952
Losses on redemption of securities	1,344	1,241
Losses on derivative financial instruments	4,907	13,235
Losses on foreign exchanges	109	570
Provision for reserve for possible loan losses	1	-
Other investment expenses	263	658
Operating expenses	130,885	125,072
Other ordinary expenses	32,365	28,403
Ordinary profit	83,220	75,249
EXTRAORDINARY GAINS	-	-
EXTRAORDINARY LOSSES	16,078	330
Losses on sales and disposal of fixed assets	8	63
Provision for reserve for price fluctuations	16,070	267
Provision for reserve for policyholder dividends	32,558	26,832
Income before income taxes	34,582	48,086
Income taxes - Current	40,056	38,460
Income taxes - Deferred	(29,635)	(24,461)
Total income taxes	10,421	13,998
Net income	24,161	34,087
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	24,161	34,087

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net income	24,161	34,087
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	93,845	42,943
Net deferred gains (losses) on hedges	(4)	(3)
Adjustments for retirement benefits	(109)	(106)
Total other comprehensive income (loss)	93,731	42,832
Comprehensive income (loss)	117,892	76,920
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	117,892	76,920
Non-controlling interests	-	-

(3) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.