

**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, 2021  
[Under Japanese GAAP]**



August 11, 2021

Company Name: JAPAN POST INSURANCE Co., Ltd.      Stock exchange listing: Tokyo Stock Exchange  
Code Number: 7181      URL: <https://www.jp-life.japanpost.jp/>  
Representative: SENDA Tetsuya, Director and President, CEO, Representative Executive Officer  
Scheduled date of filing quarterly securities report: August 11, 2021  
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, 2021 (April 1, 2021 to June 30, 2021)**

(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, 2021	1,665,111	(1.8)	92,077	31.6	41,215	(11.8)
Three months ended June 30, 2020	1,696,390	(6.7)	69,956	24.9	46,729	38.3

(Note) Comprehensive Income (Loss)      Three months ended June 30, 2021      ¥136,315 million      [(69.5)%]  
Three months ended June 30, 2020      ¥446,822 million      [367.0%]

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2021	84.75	-
Three months ended June 30, 2020	83.09	-

(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, 2021	68,829,525	2,576,163	3.7
As of March 31, 2021	70,172,982	2,841,475	4.0

(Reference) Net assets attributable to the Company's shareholders as of June 30, 2021 and March 31, 2021 were ¥2,576,163 million and ¥2,841,475 million, respectively.

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year- end	Annual
Fiscal year ended March 31, 2021	Yen -	Yen 0.00	Yen -	Yen 76.00	Yen 76.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (Forecast)		45.00	-	45.00	90.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% 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	6,380,000	(6.0)	290,000	(16.1)	118,000	(29.0)	280.06

(Note 1) Revisions to the most recently announced financial results forecast: No

(Note 2) The Company resolved matters related to the cancellation of its treasury stock at the Board of Directors meeting held on July 28, 2021. "Net income per share" under the Consolidated Financial Results Forecast reflects the expected effects of the cancellation of treasury stock. For details, please refer to "2. Unaudited Consolidated Financial Statements and Principal Notes, (3) Notes to the Consolidated Financial Statements, (Subsequent Events)" on page 6 of the Appendix.

**\* 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: 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 the “1. Mattes Related to Summary Information (Notes)” on page 2 of the Appendix.

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

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

June 30, 2021: 562,600,000 shares

March 31, 2021: 562,600,000 shares

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

June 30, 2021: 163,068,450 shares

March 31, 2021: 167,350 shares

3) Average number of shares during the period:

Three months ended June 30, 2021: 486,295,561 shares

Three months ended June 30, 2020: 562,422,000 shares

(Note) Total number of treasury stock at the end of the period includes shares of the Company held in the Board Benefit Trust (BBT), namely 151,000 shares as of June 30, 2021, and 156,200 shares as of March 31, 2021.

The average number of treasury stock held in the BBT (152,300 shares for the three months ended June 30, 2021 and 166,900 shares for the three months ended June 30, 2020) was deducted from the calculation of the average number of shares during the three months ended June 30, 2021 and 2020.

\* 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

(Cautionary note concerning forward-looking statements)

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.

(Supplementary briefing materials on financial results)

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

Table of Contents of Appendix

1. Matters Related to Summary Information (Notes).....	2
Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatements .....	2
2. Unaudited Consolidated Financial Statements and Principal Notes .....	3
(1) Consolidated Balance Sheets .....	3
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	4
(3) Notes to the Consolidated Financial Statements .....	6
(Notes on Going-Concern Assumption) .....	6
(Notes on Significant Changes in Shareholders' Equity).....	6
(Subsequent Events) .....	6

## 1. Matters Related to Summary Information (Notes)

### Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatements

#### (Changes in Accounting Policies due to the Revision of Accounting Standards)

The Company has applied the “Accounting Standard for Fair Value Measurement” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 30, July 4, 2019; hereinafter referred to as “Fair Value Measurement Accounting Standard”), etc. from the beginning of the first quarter of the fiscal year ending March 31, 2022. In accordance with the transitional treatment set forth in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), the Company decided to apply a new accounting policy prescribed in the Fair Value Measurement Accounting Standard, etc. into the future. Accordingly, while the fair value method based on the average market price over the month preceding the quarterly consolidated balance sheet date was previously adopted for stocks with market price included in available-for-sale securities, from the first quarter of the fiscal year ending March 31, 2022, the fair value method based on the market price as of the quarterly consolidated balance sheet date is adopted.

## 2. Unaudited Consolidated Financial Statements and Principal Notes

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>ASSETS:</b>		
Cash and deposits	1,335,014	863,296
Call loans	130,000	195,000
Receivables under resale agreements	-	1,948,849
Receivables under securities borrowing transactions	2,585,087	-
Monetary claims bought	276,772	206,367
Money held in trust	4,189,294	4,306,902
Securities	55,273,610	54,935,897
Loans	4,964,087	4,944,091
Tangible fixed assets	105,399	104,876
Intangible fixed assets	113,420	103,558
Agency accounts receivable	53,250	35,856
Reinsurance receivables	3,938	3,830
Other assets	239,354	302,557
Deferred tax assets	904,135	878,883
Reserve for possible loan losses	(384)	(443)
<b>Total assets</b>	<b>70,172,982</b>	<b>68,829,525</b>
<b>LIABILITIES:</b>		
Policy reserves and others	61,159,597	60,394,156
Reserve for outstanding claims	419,021	415,555
Policy reserves	59,397,720	58,661,561
Reserve for policyholder dividends	1,342,855	1,317,039
Reinsurance payables	6,394	6,294
Bonds payable	300,000	300,000
Payables under securities lending transactions	4,587,469	2,028,940
Other liabilities	303,851	2,529,362
Reserve for insurance claims and others	2,851	3,143
Liability for retirement benefits	66,414	67,564
Reserve for management board benefit trust	110	158
Reserve under the special law	904,816	923,740
Reserve for price fluctuations	904,816	923,740
<b>Total liabilities</b>	<b>67,331,506</b>	<b>66,253,361</b>
<b>NET ASSETS:</b>		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	901,390	899,848
Treasury stock	(397)	(359,268)
<b>Total shareholders' equity</b>	<b>1,806,036</b>	<b>1,445,624</b>
Net unrealized gains (losses) on available-for-sale securities	1,031,384	1,126,653
Net deferred gains (losses) on hedges	573	530
Accumulated adjustments for retirement benefits	3,480	3,355
<b>Total accumulated other comprehensive income</b>	<b>1,035,438</b>	<b>1,130,539</b>
<b>Total net assets</b>	<b>2,841,475</b>	<b>2,576,163</b>
<b>Total liabilities and net assets</b>	<b>70,172,982</b>	<b>68,829,525</b>

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

## Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
ORDINARY INCOME	1,696,390	1,665,111
Insurance premiums and others	712,835	644,021
Investment income	260,729	280,978
Interest and dividend income	254,662	252,435
Gains on money held in trust	-	25,912
Gains on sales of securities	5,786	2,325
Gains on redemption of securities	264	205
Gains on foreign exchanges	-	51
Other investment income	16	47
Other ordinary income	722,825	740,111
Reversal of reserve for outstanding claims	7,397	3,465
Reversal of policy reserves	701,221	736,158
Other ordinary income	14,206	486
ORDINARY EXPENSES	1,626,434	1,573,034
Insurance claims and others	1,461,956	1,437,805
Insurance claims	1,168,701	1,165,498
Annuity payments	94,728	84,194
Benefits	27,520	31,452
Surrender benefits	117,433	118,729
Other refunds	47,780	32,329
Reinsurance premiums	5,791	5,601
Provision for policy reserves and others	2	2
Provision for interest on policyholder dividends	2	2
Investment expenses	38,310	13,820
Interest expenses	609	696
Losses on money held in trust	15,071	-
Losses on sales of securities	8,966	7,863
Losses on redemption of securities	2,376	2,193
Losses on derivative financial instruments	10,089	2,392
Losses on foreign exchanges	259	-
Provision for reserve for possible loan losses	0	2
Other investment expenses	936	673
Operating expenses	100,313	94,314
Other ordinary expenses	25,850	27,090
Ordinary profit	69,956	92,077
EXTRAORDINARY GAINS	22,397	-
Reversal of reserve for price fluctuations	22,397	-
EXTRAORDINARY LOSSES	16	18,925
Losses on sales and disposal of fixed assets	16	2
Provision for reserve for price fluctuations	-	18,923
Provision for reserve for policyholder dividends	20,400	15,404
Income before income taxes	71,937	57,746
Income taxes - Current	19,008	28,486
Income taxes - Deferred	6,199	(11,955)
Total income taxes	25,207	16,531
Net income	46,729	41,215
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	46,729	41,215

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net income	46,729	41,215
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	400,207	95,268
Net deferred gains (losses) on hedges	(4)	(42)
Adjustments for retirement benefits	(109)	(125)
Total other comprehensive income (loss)	400,093	95,100
Comprehensive income (loss)	446,822	136,315
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	446,822	136,315
Non-controlling interests	-	-



(3) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

The Company acquired 162,906 thousand shares of its treasury stock (acquisition amount: ¥358,882 million) based on the resolution at the Board of Directors meeting held on May 14, 2021. As a result of this acquisition of treasury stock and others, treasury stock increased by ¥358,870 million in the three months ended June 30, 2021, and stood at ¥359,268 million as of June 30, 2021.

(Subsequent Events)

(Cancellation of treasury stock)

The Company resolved to cancel its treasury stock in accordance with Article 178 of the Companies Act at the Board of Directors meeting held on July 28, 2021.

1. Class of shares to be cancelled: Common stock of the Company
2. Number of shares to be cancelled: 162,906,300 shares  
(29.0% of the total number of shares issued before the cancellation)
3. Scheduled date of the cancellation: August 20, 2021

(Reference)

Total number of shares issued (after the cancellation): 399,693,700 shares