

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	-	45.00	-		
Fiscal year ending March 31, 2022 (Forecast)				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	6,410,000	(5.5)	360,000	4.1	154,000	(7.3)	365.49

(Note 1) Revisions to the most recently announced financial results forecast: Yes

(Note 2) For details on revisions to the consolidated financial results forecast, please refer to “Notice Regarding Revisions to the Full-Year Consolidated Financial Results Forecast” released on February 14, 2022.

*** 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. Matters 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:

December 31, 2021: 399,693,700 shares

March 31, 2021: 562,600,000 shares

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

December 31, 2021: 151,450 shares

March 31, 2021: 167,350 shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 428,459,245 shares

Nine months ended December 31, 2020: 562,428,315 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 140,300 shares as of December 31, 2021, and 156,200 shares as of March 31, 2021.

The average number of treasury stock held in the BBT (145,075 shares for the nine months ended December 31, 2021 and 160,580 shares for the nine months ended December 31, 2020) was deducted from the calculation of the average number of shares during the nine months ended December 31, 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.

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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 December 31, 2021
ASSETS:		
Cash and deposits	1,335,014	918,818
Call loans	130,000	90,000
Receivables under resale agreements	-	1,943,380
Receivables under securities borrowing transactions	2,585,087	-
Monetary claims bought	276,772	70,470
Money held in trust	4,189,294	4,434,456
Securities	55,273,610	53,763,490
Loans	4,964,087	4,583,513
Tangible fixed assets	105,399	94,065
Intangible fixed assets	113,420	90,514
Agency accounts receivable	53,250	44,793
Reinsurance receivables	3,938	4,094
Other assets	239,354	285,577
Deferred tax assets	904,135	889,704
Reserve for possible loan losses	(384)	(418)
Total assets	70,172,982	67,212,461
LIABILITIES:		
Policy reserves and others	61,159,597	58,949,872
Reserve for outstanding claims	419,021	388,008
Policy reserves	59,397,720	57,284,757
Reserve for policyholder dividends	1,342,855	1,277,106
Reinsurance payables	6,394	6,284
Bonds payable	300,000	300,000
Payables under repurchase agreements	-	2,419,031
Payables under securities lending transactions	4,587,469	1,672,447
Other liabilities	303,851	171,164
Reserve for insurance claims and others	2,851	1,951
Liability for retirement benefits	66,414	69,515
Reserve for management board benefit trust	110	158
Reserve under the special law	904,816	962,409
Reserve for price fluctuations	904,816	962,409
Total liabilities	67,331,506	64,552,836
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	901,390	601,285
Treasury stock	(397)	(355)
Total shareholders' equity	1,806,036	1,505,974
Net unrealized gains (losses) on available-for-sale securities	1,031,384	1,150,292
Net deferred gains (losses) on hedges	573	252
Accumulated adjustments for retirement benefits	3,480	3,104
Total accumulated other comprehensive income	1,035,438	1,153,650
Total net assets	2,841,475	2,659,624
Total liabilities and net assets	70,172,982	67,212,461

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

Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
ORDINARY INCOME	5,127,335	4,821,041
Insurance premiums and others	2,052,722	1,841,422
Investment income	801,256	833,125
Interest and dividend income	753,069	741,099
Gains on money held in trust	27,615	72,504
Gains on sales of securities	16,925	17,731
Gains on redemption of securities	898	696
Gains on foreign exchanges	2,684	998
Other investment income	60	95
Other ordinary income	2,273,357	2,146,493
Reversal of reserve for outstanding claims	58,385	31,012
Reversal of policy reserves	2,187,897	2,112,962
Other ordinary income	27,074	2,517
ORDINARY EXPENSES	4,866,443	4,550,944
Insurance claims and others	4,435,363	4,161,242
Insurance claims	3,530,210	3,354,020
Annuity payments	273,850	241,638
Benefits	91,813	103,705
Surrender benefits	356,948	358,780
Other refunds	165,259	86,373
Reinsurance premiums	17,279	16,724
Provision for policy reserves and others	6	6
Provision for interest on policyholder dividends	6	6
Investment expenses	53,112	32,590
Interest expenses	1,504	1,787
Losses on sales of securities	24,196	18,051
Losses on redemption of securities	8,363	5,081
Losses on derivative financial instruments	16,613	5,482
Provision for reserve for possible loan losses	1	0
Other investment expenses	2,434	2,187
Operating expenses	302,586	281,578
Other ordinary expenses	75,373	75,525
Ordinary profit	260,892	270,097
EXTRAORDINARY GAINS	-	5,696
Gains on sales of fixed assets	-	5,696
EXTRAORDINARY LOSSES	5,456	57,884
Losses on sales and disposal of fixed assets	67	292
Provision for reserve for price fluctuations	5,389	57,592
Provision for reserve for policyholder dividends	68,523	51,289
Income before income taxes	186,912	166,619
Income taxes - Current	57,653	78,914
Income taxes - Deferred	242	(31,820)
Total income taxes	57,896	47,094
Net income	129,015	119,525
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	129,015	119,525

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net income	129,015	119,525
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	675,071	118,908
Net deferred gains (losses) on hedges	(10)	(320)
Adjustments for retirement benefits	561	(376)
Total other comprehensive income (loss)	675,622	118,211
Comprehensive income (loss)	804,638	237,737
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	804,638	237,737
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 based on the resolution at the Board of Directors meeting held on May 14, 2021, as a result of which, treasury stock increased by ¥358,882 million.

Meanwhile, capital surplus and treasury stock each decreased by ¥358,887 million, due to the cancellation of 162,906 thousand shares of treasury stock, based on the resolution at the Board of Directors meeting held on July 28, 2021.

Since the balance of other capital surplus under the heading of capital surplus amounted to ¥(358,887) million due to the cancellation of treasury stock, other capital surplus was reduced to nil whereby the aforementioned negative value was deducted from other retained earnings.

Retained earnings at the end of the nine months ended December 31, 2021 decreased by ¥300,104 million from the end of the previous fiscal year to ¥601,285 million, while treasury stock decreased by ¥42 million to ¥355 million.