

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 Six Months Ended September 30, 2021
[Under Japanese GAAP]**



November 12, 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: November 26, 2021
Scheduled date of commencing dividend payments: December 3, 2021
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 Six Months Ended September 30, 2021 (April 1, 2021 to September 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	%
Six months ended September 30, 2021	3,226,121	(4.7)	183,883	13.0	80,540	(14.0)
Six months ended September 30, 2020	3,385,358	(7.5)	162,723	15.0	93,673	22.8

(Note) Comprehensive Income (Loss) Six months ended September 30, 2021 ¥224,472 million [(61.3)%]
Six months ended September 30, 2020 ¥580,770 million [134.1%]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2021	181.84	-
Six months ended September 30, 2020	166.55	-

(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 September 30, 2021	68,343,484	2,664,345	3.9
As of March 31, 2021	70,172,982	2,841,475	4.0

(Reference) Net assets attributable to the Company's shareholders as of September 30, 2021 and March 31, 2021 were ¥2,664,345 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	-	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	6,380,000	(6.0)	290,000	(16.1)	118,000	(29.0)	280.05

(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) 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.

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

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

September 30, 2021: 399,693,700 shares

March 31, 2021: 562,600,000 shares

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

September 30, 2021: 151,450 shares

March 31, 2021: 167,350 shares

3) Average number of shares during the period:

Six months ended September 30, 2021: 442,917,742 shares

Six months ended September 30, 2020: 562,426,128 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 September 30, 2021, and 156,200 shares as of March 31, 2021.

The average number of treasury stock held in the BBT (147,463 shares for the six months ended September 30, 2021 and 162,771 shares for the six months ended September 30, 2020) was deducted from the calculation of the average number of shares during the six months ended September 30, 2021 and 2020.

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 1, 2021 to September 30, 2021)

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

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2021	3,226,111	(4.7)	183,105	12.9	79,996	(14.3)
Six months ended September 30, 2020	3,385,347	(7.5)	162,203	14.3	93,362	21.5

	Net income per share
	Yen
Six months ended September 30, 2021	180.61
Six months ended September 30, 2020	166.00

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2021	68,344,716	2,661,215	3.9
As of March 31, 2021	70,173,857	2,838,638	4.0

(Reference) Net assets attributable to the Company's shareholders as of September 30, 2021 and March 31, 2021 were ¥2,661,215 million and ¥2,838,638 million, respectively.

* The summary of interim consolidated financial results is outside the scope of the interim audit 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) Consolidated Statements of Changes in Net Assets	6
(4) Notes to the Consolidated Financial Statements	8
(Notes on Going-Concern Assumption)	8

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 half 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 interim consolidated balance sheet date was previously adopted for stocks with market price included in available-for-sale securities, from the first half of the fiscal year ending March 31, 2022, the fair value method based on the market price as of the interim 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 September 30, 2021
ASSETS:		
Cash and deposits	1,335,014	1,213,744
Call loans	130,000	90,000
Receivables under resale agreements	-	1,844,442
Receivables under securities borrowing transactions	2,585,087	-
Monetary claims bought	276,772	175,811
Money held in trust	4,189,294	4,403,950
Securities	55,273,610	54,664,796
Loans	4,964,087	4,596,292
Tangible fixed assets	105,399	103,134
Intangible fixed assets	113,420	99,673
Agency accounts receivable	53,250	35,954
Reinsurance receivables	3,938	3,769
Other assets	239,354	243,509
Deferred tax assets	904,135	868,783
Reserve for possible loan losses	(384)	(379)
Total assets	70,172,982	68,343,484
LIABILITIES:		
Policy reserves and others	61,159,597	59,728,852
Reserve for outstanding claims	419,021	407,043
Policy reserves	59,397,720	58,020,884
Reserve for policyholder dividends	1,342,855	1,300,925
Reinsurance payables	6,394	6,267
Bonds payable	300,000	300,000
Payables under repurchase agreements	-	2,252,479
Payables under securities lending transactions	4,587,469	2,185,397
Other liabilities	303,851	194,481
Reserve for insurance claims and others	2,851	2,651
Liability for retirement benefits	66,414	68,459
Reserve for management board benefit trust	110	158
Reserve under the special law	904,816	940,388
Reserve for price fluctuations	904,816	940,388
Total liabilities	67,331,506	65,679,138
NET ASSETS:		
Capital stock	500,000	500,000
Capital surplus	405,044	405,044
Retained earnings	901,390	580,286
Treasury stock	(397)	(355)
Total shareholders' equity	1,806,036	1,484,975
Net unrealized gains (losses) on available-for-sale securities	1,031,384	1,175,652
Net deferred gains (losses) on hedges	573	488
Accumulated adjustments for retirement benefits	3,480	3,229
Total accumulated other comprehensive income	1,035,438	1,179,370
Total net assets	2,841,475	2,664,345
Total liabilities and net assets	70,172,982	68,343,484

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

Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
ORDINARY INCOME	3,385,358	3,226,121
Insurance premiums and others	1,417,826	1,274,866
Investment income	520,301	561,312
Interest and dividend income	506,632	497,887
Gains on money held in trust	-	57,403
Gains on sales of securities	10,400	4,386
Gains on redemption of securities	608	360
Gains on foreign exchanges	2,628	1,218
Other investment income	31	56
Other ordinary income	1,447,230	1,389,942
Reversal of reserve for outstanding claims	34,511	11,978
Reversal of policy reserves	1,389,683	1,376,835
Other ordinary income	23,035	1,128
ORDINARY EXPENSES	3,222,635	3,042,237
Insurance claims and others	2,930,225	2,779,715
Insurance claims	2,332,133	2,247,151
Annuity payments	185,055	163,902
Benefits	54,782	62,924
Surrender benefits	232,068	235,273
Other refunds	114,628	59,287
Reinsurance premiums	11,556	11,176
Provision for policy reserves and others	4	4
Provision for interest on policyholder dividends	4	4
Investment expenses	45,679	19,070
Interest expenses	1,057	1,228
Losses on money held in trust	6,309	-
Losses on sales of securities	16,926	8,582
Losses on redemption of securities	5,760	3,704
Losses on derivative financial instruments	13,917	3,963
Provision for reserve for possible loan losses	1	0
Other investment expenses	1,706	1,591
Operating expenses	196,207	192,289
Other ordinary expenses	50,519	51,157
Ordinary profit	162,723	183,883
EXTRAORDINARY GAINS	27,439	-
Reversal of reserve for price fluctuations	27,439	-
EXTRAORDINARY LOSSES	24	35,816
Losses on sales and disposal of fixed assets	24	244
Provision for reserve for price fluctuations	-	35,572
Provision for reserve for policyholder dividends	47,281	36,004
Income before income taxes	142,856	112,062
Income taxes - Current	37,831	52,016
Income taxes - Deferred	11,351	(20,494)
Total income taxes	49,182	31,521
Net income	93,673	80,540
Net income attributable to non-controlling interests	-	-
Net income attributable to Japan Post Insurance	93,673	80,540

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net income	93,673	80,540
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	486,416	144,267
Net deferred gains (losses) on hedges	(6)	(84)
Adjustments for retirement benefits	687	(250)
Total other comprehensive income (loss)	487,096	143,932
Comprehensive income (loss)	580,770	224,472
Total comprehensive income (loss) attributable to:		
Japan Post Insurance	580,770	224,472
Non-controlling interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	405,044	756,665	(422)	1,661,286
Changes in the period					
Cash dividends			(21,378)		(21,378)
Net income attributable to Japan Post Insurance			93,673		93,673
Disposals of treasury stock				25	25
Net changes in items other than shareholders' equity in the period					
Net changes in the period	-	-	72,295	25	72,320
Balance at the end of the period	500,000	405,044	828,960	(397)	1,733,607

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	264,009	16	3,067	267,094	1,928,380
Changes in the period					
Cash dividends					(21,378)
Net income attributable to Japan Post Insurance					93,673
Disposals of treasury stock					25
Net changes in items other than shareholders' equity in the period	486,416	(6)	687	487,096	487,096
Net changes in the period	486,416	(6)	687	487,096	559,417
Balance at the end of the period	750,425	10	3,754	754,191	2,487,798

Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	500,000	405,044	901,390	(397)	1,806,036
Changes in the period					
Cash dividends			(42,756)		(42,756)
Net income attributable to Japan Post Insurance			80,540		80,540
Purchases of treasury stock				(358,882)	(358,882)
Disposals of treasury stock				37	37
Cancellation of treasury stock		(358,887)		358,887	-
Transfer from retained earnings to capital surplus		358,887	(358,887)		-
Net changes in items other than shareholders' equity in the period					
Net changes in the period	-	-	(321,103)	42	(321,061)
Balance at the end of the period	500,000	405,044	580,286	(355)	1,484,975

	Accumulated other comprehensive income				Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance at the beginning of the fiscal year	1,031,384	573	3,480	1,035,438	2,841,475
Changes in the period					
Cash dividends					(42,756)
Net income attributable to Japan Post Insurance					80,540
Purchases of treasury stock					(358,882)
Disposals of treasury stock					37
Cancellation of treasury stock					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity in the period	144,267	(84)	(250)	143,932	143,932
Net changes in the period	144,267	(84)	(250)	143,932	(177,129)
Balance at the end of the period	1,175,652	488	3,229	1,179,370	2,664,345

(4) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.