

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.

February 14, 2024
JAPAN POST INSURANCE Co., Ltd.

**Announcement of Financial Results for
the Nine Months Ended December 31, 2023**

JAPAN POST INSURANCE Co., Ltd. (the “Company”; TANIGAKI Kunio, Director and President, CEO, Representative Executive Officer) hereby announces its financial results for the nine months ended December 31, 2023 (April 1, 2023 to December 31, 2023).

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1. Business Highlights

(1) Policies in Force and New Policies

▪ Policies in Force

(Thousands of policies, billions of yen, %)

As of	March 31, 2023		December 31, 2023			
	Number of policies	Policy amount	Number of policies		Policy amount	
				% of March 31, 2023 total		% of March 31, 2023 total
Individual insurance	13,722	38,950.9	13,136	95.7	36,954.9	94.9
Individual annuities	686	972.9	567	82.6	804.8	82.7
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Policy amounts for individual annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.

▪ New Policies

(Thousands of policies, billions of yen, %)

Nine months ended December 31	2022				2023					
	Number of policies	Policy amount			Number of policies		Policy amount			
			New policies	Net increase by conversion		% of December 31, 2022 total	% of December 31, 2022 total	New policies	Net increase by conversion	
Individual insurance	236	628.4	628.4	0.0	375	158.7	925.4	147.2	925.4	0.0
Individual annuities	0	0.3	0.3	-	0	409.2	1.6	463.6	1.6	-
Group insurance	-	-	-	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-	-	-

Notes: 1. Number of policies includes policies after conversion.

2. Policy amounts for individual annuities are the total of the accumulated contribution payment as of the date of annuity payment commencement.

(2) Annualized Premiums

▪ Policies in Force

(Billions of yen, %)

As of	March 31, 2023	December 31, 2023	
			% of March 31, 2023 total
Individual insurance	2,353.9	2,211.5	94.0
Individual annuities	244.6	203.1	83.0
Total	2,598.6	2,414.7	92.9
Medical coverage, living benefits and other	322.1	312.1	96.9

▪ New Policies

(Billions of yen, %)

Nine months ended December 31	2022	2023	
			% of December 31, 2022 total
Individual insurance	49.6	65.9	132.9
Individual annuities	0.0	0.1	471.7
Total	49.6	66.1	133.1
Medical coverage, living benefits and other	4.8	8.2	171.0

- Notes:
1. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.
 2. Medical coverage, living benefits and other includes medical benefits (including hospitalization and surgery benefits), living benefits (including limited illness and nursing care benefits), and premium payment waivers benefits (excluding disability and including specified diseases and nursing benefits).
 3. New policies include net increase by conversion.

2. Investment Performance (General Account)

(1) Asset Composition

(Billions of yen, %)

As of	March 31, 2023		December 31, 2023	
	Amount	Ratio	Amount	Ratio
Cash, deposits, call loans	1,468.4	2.3	1,287.9	2.1
Receivables under resale agreements	1,384.7	2.2	960.3	1.6
Receivables under securities borrowing transactions	-	-	-	-
Monetary claims bought	47.3	0.1	25.8	0.0
Trading account securities	-	-	-	-
Money held in trust	4,772.3	7.6	5,504.7	9.0
Securities	49,842.4	79.5	48,500.6	79.5
Corporate and government bonds	44,743.7	71.4	43,553.8	71.4
Domestic stocks	410.0	0.7	482.6	0.8
Foreign securities	2,949.2	4.7	2,357.4	3.9
Foreign corporate and government bonds	2,787.1	4.4	2,170.7	3.6
Foreign stocks and other securities	162.1	0.3	186.7	0.3
Other securities	1,739.4	2.8	2,106.7	3.5
Loans	3,605.8	5.8	3,304.4	5.4
Real estate	78.7	0.1	77.5	0.1
Deferred tax assets	1,028.6	1.6	867.8	1.4
Other	456.9	0.7	456.3	0.7
Reserve for possible loan losses	(0.3)	(0.0)	(0.4)	(0.0)
Total	62,685.2	100.0	60,985.3	100.0
Foreign currency-denominated assets	4,343.3	6.9	4,056.4	6.7

Note: "Real estate" is booked as the sum total of land, buildings and construction in progress.

(2) Fair Value Information of Securities (Other Than Trading Securities)

(Billions of yen)

As of	March 31, 2023					December 31, 2023				
	Book value	Fair value	Net unrealized gains			Book value	Fair value	Net unrealized gains		
			(losses)					(losses)		
			Gains	Losses				Gains	Losses	
Held-to-maturity bonds	32,935.5	35,502.3	2,566.8	3,130.5	563.7	32,243.7	33,634.2	1,390.5	2,330.9	940.3
Policy-reserve-matching bonds	8,075.0	8,237.6	162.6	447.6	285.0	7,948.1	7,850.4	(97.7)	337.2	434.9
Equities of subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	12,776.7	13,873.3	1,096.5	1,638.6	542.0	12,436.6	14,183.6	1,747.0	2,266.6	519.6
Corporate and government bonds	3,878.7	3,733.1	(145.5)	11.5	157.0	3,619.0	3,381.9	(237.0)	8.1	245.1
Domestic stocks	1,800.8	2,596.7	795.8	832.0	36.1	1,829.0	3,055.3	1,226.2	1,246.9	20.6
Foreign securities	4,101.2	4,654.3	553.0	725.2	172.1	3,554.7	4,341.8	787.1	892.9	105.8
Foreign corporate and government bonds	2,801.8	2,787.1	(14.7)	155.2	169.9	2,123.0	2,150.7	27.6	133.2	105.5
Foreign stocks and other securities	1,299.4	1,867.1	567.7	569.9	2.2	1,431.6	2,191.1	759.4	759.7	0.2
Other securities	2,424.3	2,316.7	(107.5)	69.0	176.5	2,713.5	2,683.6	(29.8)	118.0	147.8
Monetary claims bought	46.5	47.3	0.7	0.7	-	25.3	25.8	0.5	0.5	-
Negotiable certificates of deposit	525.0	525.0	-	-	-	695.0	695.0	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	53,787.2	57,613.3	3,826.0	5,216.8	1,390.8	52,628.5	55,668.3	3,039.8	4,934.7	1,894.9
Corporate and government bonds	44,889.2	47,473.1	2,583.8	3,589.7	1,005.8	43,790.9	44,847.1	1,056.2	2,676.2	1,620.0
Domestic stocks	1,800.8	2,596.7	795.8	832.0	36.1	1,829.0	3,055.3	1,226.2	1,246.9	20.6
Foreign securities	4,101.2	4,654.3	553.0	725.2	172.1	3,574.7	4,361.3	786.6	892.9	106.3
Foreign corporate and government bonds	2,801.8	2,787.1	(14.7)	155.2	169.9	2,143.0	2,170.2	27.1	133.2	106.0
Foreign stocks and other securities	1,299.4	1,867.1	567.7	569.9	2.2	1,431.6	2,191.1	759.4	759.7	0.2
Other securities	2,424.3	2,316.7	(107.5)	69.0	176.5	2,713.5	2,683.6	(29.8)	118.0	147.8
Monetary claims bought	46.5	47.3	0.7	0.7	-	25.3	25.8	0.5	0.5	-
Negotiable certificates of deposit	525.0	525.0	-	-	-	695.0	695.0	-	-	-
Other	-	-	-	-	-	-	-	-	-	-

Notes: 1. This table includes money held in trust other than trading securities and its book value is ¥3,231.8 billion with net unrealized gains of ¥1,295.2 billion as of March 31, 2023 and ¥3,363.5 billion with net unrealized gains of ¥1,892.1 billion as of December 31, 2023.

2. Stocks, etc. with no market price and investments in partnerships are not included in this table.

The book values of stocks, etc. with no market price and investments in partnerships are as follows:

(Billions of yen)

As of	March 31, 2023	December 31, 2023
Equities of subsidiaries and affiliates	53.7	80.0
Available-for-sale securities	102.6	125.8
Domestic stocks	4.2	4.2
Foreign stocks	-	17.8
Other	98.3	103.7
Total	156.3	205.9

Note: This table includes money held in trust other than trading securities (¥98.3 billion as of March 31, 2023 and ¥103.7 billion as of December 31, 2023).

Note: Fair value information of securities includes the handling of securities under the Financial Instruments and Exchange Act.

(3) Fair Value of Money Held in Trust

(Billions of yen)

As of	March 31, 2023					December 31, 2023				
	Balance sheet amount	Fair value	Net unrealized gains (losses)			Balance sheet amount	Fair value	Net unrealized gains (losses)		
				Gains	Losses				Gains	Losses
Money held in trust	4,672.0	4,672.0	-	-	-	5,394.9	5,394.9	-	-	-

- Money held in trust for trading purposes

The Company does not hold money held in trust for trading purposes.

- Assets held-to-maturity in trust/assets held for reserves in trust/other money held in trust

(Billions of yen)

As of	March 31, 2023					December 31, 2023				
	Book value	Fair value	Net unrealized gains (losses)			Book value	Fair value	Net unrealized gains (losses)		
				Gains	Losses				Gains	Losses
Assets held-to-maturity in trust	-	-	-	-	-	-	-	-	-	-
Assets held for reserves in trust	-	-	-	-	-	-	-	-	-	-
Other money held in trust	3,376.7	4,672.0	1,295.2	1,364.3	69.1	3,502.8	5,394.9	1,892.1	1,933.0	40.8

Note: Other money held in trust, which is not subject to fair value disclosure, is ¥100.2 billion as of March 31, 2023 and ¥109.8 billion as of December 31, 2023.

3. Unaudited Non-Consolidated Balance Sheets

(Millions of yen)

Items	Term	As of March 31, 2023	As of December 31, 2023
		Amount	Amount
ASSETS:			
Cash and deposits		1,428,483	1,247,928
Call loans		40,000	40,000
Receivables under resale agreements		1,384,764	960,381
Monetary claims bought		47,345	25,866
Money held in trust		4,772,321	5,504,794
Securities		49,842,478	48,500,669
[Japanese government bonds]		[37,114,603]	[36,688,455]
[Japanese local government bonds]		[3,400,150]	[2,753,168]
[Japanese corporate bonds]		[4,228,952]	[4,112,222]
[Stocks]		[410,088]	[482,608]
[Foreign securities]		[2,949,260]	[2,357,460]
Loans		3,605,832	3,304,405
Policy loans		140,355	145,969
Industrial and commercial loans		916,374	871,747
Loans to the Management Network		2,549,102	2,286,689
Tangible fixed assets		92,429	91,212
Intangible fixed assets		97,347	96,649
Agency accounts receivable		41,307	12,496
Reinsurance receivables		4,049	4,022
Other assets		300,588	329,460
Deferred tax assets		1,028,662	867,856
Reserve for possible loan losses		(379)	(420)
Total assets		62,685,230	60,985,322
LIABILITIES:			
Policy reserves and others		55,103,778	52,961,037
Reserve for outstanding claims		410,387	354,891
Policy reserves		53,518,219	51,480,544
Reserve for policyholder dividends		1,175,171	1,125,601
Reinsurance payables		6,297	6,081
Bonds payable		300,000	400,000
Other liabilities		3,940,404	3,773,927
Payables under repurchase agreements		3,740,688	3,613,121
Income taxes payable		-	16,810
Lease obligations		4,609	4,638
Other liabilities		195,106	139,357
Reserve for employees' retirement benefits		70,806	101,111
Reserve for management board benefit trust		315	244
Reserve for price fluctuations		889,960	874,335
Total liabilities		60,311,562	58,116,738
NET ASSETS:			
Capital stock		500,000	500,000
Capital surplus		405,044	405,044
Legal capital surplus		405,044	405,044
Retained earnings		702,185	697,571
Legal retained earnings		84,089	91,216
Other retained earnings		618,096	606,355
Reserve for reduction entry of real estate		4,767	4,571
Retained earnings brought forward		613,328	601,784
Treasury stock		(36,082)	(948)
Total shareholders' equity		1,571,147	1,601,667
Net unrealized gains (losses) on available-for-sale securities		797,912	1,270,673
Net deferred gains (losses) on hedges		4,607	(3,756)
Total valuation and translation adjustments		802,520	1,266,917
Total net assets		2,373,667	2,868,584
Total liabilities and net assets		62,685,230	60,985,322

4. Unaudited Non-Consolidated Statements of Income

(Millions of yen)

Items	Term	Nine months ended December 31, 2022	Nine months ended December 31, 2023
		Amount	Amount
ORDINARY INCOME		4,798,026	4,561,943
Insurance premiums and others		1,669,883	1,586,581
[Insurance premiums]		[1,656,948]	[1,574,341]
Investment income		857,905	877,766
[Interest and dividend income]		[720,581]	[653,197]
[Gains on money held in trust]		[103,340]	[131,768]
[Gains on sales of securities]		[33,074]	[79,168]
Other ordinary income		2,270,237	2,097,595
[Reversal of reserve for outstanding claims]		[15,591]	[55,495]
[Reversal of policy reserves]		[2,251,094]	[2,037,675]
ORDINARY EXPENSES		4,719,887	4,435,891
Insurance claims and others		4,144,891	3,861,583
[Insurance claims]		[3,358,236]	[3,153,398]
[Annuity payments]		[206,295]	[168,384]
[Benefits]		[168,030]	[153,649]
[Surrender benefits]		[337,201]	[324,195]
[Other refunds]		[58,930]	[46,843]
Provision for policy reserves and others		7	94
Provision for interest on policyholder dividends		7	94
Investment expenses		187,162	190,637
[Interest expenses]		[1,570]	[3,590]
[Losses on sales of securities]		[143,531]	[111,671]
[Losses on valuation of securities]		[-]	[74]
[Losses on derivative financial instruments]		[39,007]	[72,344]
Operating expenses		329,177	321,982
Other ordinary expenses		58,648	61,593
ORDINARY PROFIT		78,138	126,052
EXTRAORDINARY GAINS		73,059	15,625
Reversal of reserve for price fluctuations		73,059	15,625
EXTRAORDINARY LOSSES		191	115
Losses on sales and disposal of fixed assets		191	115
Provision for reserve for policyholder dividends		43,764	48,173
Income before income taxes		107,242	93,387
Income taxes - Current		26,064	43,772
Income taxes - Deferred		5,328	(16,407)
Total income taxes		31,392	27,364
Net income		75,849	66,023

NOTES TO THE UNAUDITED NON-CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE NINE MONTHS ENDED DECEMBER 31, 2023

(Notes to the Unaudited Non-Consolidated Balance Sheet and Notes Related to Changes in Net Assets)

1. Securities lent under lending agreements in the amount of ¥1,162,707 million were included in “Securities” in the balance sheet as of December 31, 2023.

2. Changes in reserve for policyholder dividends for the nine months ended December 31, 2023 were as follows:

Balance at the beginning of the fiscal year	¥1,175,171 million
Policyholder dividends paid during the nine months ended December 31, 2023	¥97,757 million
Interest accrual	¥94 million
Reduction due to the acquisition of additional annuity	¥81 million
Provision for reserve for policyholder dividends	¥48,173 million
Balance at the end of the nine months ended December 31, 2023	¥1,125,601 million

3. Information on dividends was as follows:

(1) Dividends paid

Resolution	Class of shares	Total amount (Millions of yen)	Per share amount (Yen)	Record date	Effective date	Source of dividends
Board of Directors' meeting held on May 15, 2023	Common stock	17,626	46.00	March 31, 2023	June 20, 2023	Retained earnings
Board of Directors' meeting held on November 13, 2023	Common stock	18,009	47.00	September 30, 2023	December 5, 2023	Retained earnings

(*1) Total amount of dividends based on the resolution at the Board of Directors' meeting held on May 15, 2023 includes ¥21 million of dividends paid to shares of the Company held in the Board Benefit Trust (BBT).

(*2) Total amount of dividends based on the resolution at the Board of Directors' meeting held on November 13, 2023 includes ¥19 million of dividends paid to shares of the Company held in the Board Benefit Trust (BBT).

(2) Dividends whose effective date falls after the end of the nine months ended December 31, 2023
Not applicable.

4. The Company cancelled 16,501 thousand shares of its treasury stock based on the resolution at the Board of Directors' meeting held on April 17, 2023, as a result of which, other capital surplus and treasury stock decreased by ¥35,000 million, respectively.

Since the balance of other capital surplus amounted to ¥(35,000) million due to the cancellation of treasury stock, other capital surplus was set to zero and the negative value was subtracted from retained earnings brought forward.

At the end of the nine months ended December 31, 2023, retained earnings brought forward decreased by ¥11,544 million to ¥601,784 million, and treasury stock decreased by ¥35,133 million to ¥948 million from the end of the previous fiscal year.

(Notes to the Unaudited Non-Consolidated Statement of Income)

Net income per share for the nine months ended December 31, 2023 was ¥172.50.

5. Breakdown of Ordinary Profit (Core Profit)

(Millions of yen)

Nine months ended December 31		2022	2023
Core profit	A	134,963	169,775
Capital gains		194,815	288,361
Gains on money held in trust		103,340	131,768
Gains on trading securities		-	-
Gains on sales of securities		33,074	79,168
Gains on derivative financial instruments		-	-
Gains on foreign exchanges		430	13,528
Other capital gains		57,970	63,895
Capital losses		254,085	281,819
Losses on money held in trust		-	-
Losses on trading securities		-	-
Losses on sales of securities		143,531	111,671
Losses on valuation of securities		-	74
Losses on derivative financial instruments		39,007	72,344
Losses on foreign exchanges		-	-
Other capital losses		71,546	97,728
Net capital gains (losses)	B	(59,270)	6,541
Core profit including net capital gains (losses)	A+B	75,693	176,317
Other one-time gains		2,445	-
Reinsurance income		-	-
Reversal of contingency reserve		2,445	-
Reversal of specific reserve for possible loan losses		-	-
Other		-	-
Other one-time losses		-	50,265
Reinsurance premiums		-	-
Provision for contingency reserve		-	50,265
Provision for specific reserve for possible loan losses		-	-
Provision for reserve for specific foreign loans		-	-
Write-off of loans		-	-
Other		-	-
Other one-time profits (losses)	C	2,445	(50,265)
Ordinary profit	A+B+C	78,138	126,052

(Reference) Breakdown of Other Items

(Millions of yen)

Nine months ended December 31	2022	2023
Impact on core profit	13,575	33,832
Gains on cancellation of mutual funds	(20,826)	(30)
Amount equivalent to income gains associated with money held in trust	71,546	97,728
Costs for hedging currency fluctuations	(37,144)	(63,865)
Other capital gains	57,970	63,895
Gains on cancellation of mutual funds	20,826	30
Amount equivalent to income gains associated with money held in trust	-	-
Costs for hedging currency fluctuations	37,144	63,865
Other capital losses	71,546	97,728
Amount equivalent to income gains associated with money held in trust	71,546	97,728
Costs for hedging currency fluctuations	-	-
Other one-time losses - Other	-	-
Provision for additional policy reserves	-	-

6. Solvency Margin Ratio

(Millions of yen)

As of		March 31, 2023	December 31, 2023
Total amount of solvency margin	(A)	5,687,107	6,433,182
Capital stock, etc.		1,553,520	1,601,667
Reserve for price fluctuations		889,960	874,335
Contingency reserve		1,701,877	1,752,142
General reserve for possible loan losses		31	34
(Net unrealized gains (losses) on available-for-sale securities (before taxes) · Net deferred gains (losses) on hedges (before taxes)) × 90% (if negative, × 100%)		989,508	1,577,413
Net unrealized gains (losses) on real estate × 85% (if negative, × 100%)		2,534	4,305
Excess of continued Zillmerized reserve		249,674	222,862
Capital raised through debt financing		300,000	400,000
Amounts within “excess of continued Zillmerized reserve” and “capital raised through debt financing” not calculated into the margin		-	-
Deductions		-	-
Other		-	420
Total amount of risk	(B)	1,133,215	1,251,085
$\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$			
Insurance risk	R ₁	119,580	115,554
Underwriting risk of third-sector insurance	R ₈	40,824	38,614
Anticipated yield risk	R ₂	118,481	113,820
Minimum guarantee risk	R ₇	-	-
Investment risk	R ₃	977,926	1,100,151
Business management risk	R ₄	25,136	27,362
Solvency margin ratio			
$\frac{(A)}{(1/2) \times (B)} \times 100$		1,003.7 %	1,028.4 %

Note: These figures are calculated based on the provisions set forth in the Public Notice No. 50 issued by the Ministry of Finance in 1996, and Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act. However, figures for certain items are calculated based on methods deemed reasonable by the Company according to the provisions of the Ordinance for Enforcement of the Insurance Business Act, etc.

7. Separate Account for the Nine Months Ended December 31, 2023

Not applicable.

8. Consolidated Financial Summary

(1) Selected Financial Data and Other Information

(Millions of yen)

Nine months ended December 31	2022	2023
Ordinary income	4,798,031	4,560,747
Ordinary profit	78,785	125,423
Net income attributable to Japan Post Insurance	76,202	65,154
Comprehensive income (loss)	(289,646)	529,203

As of	March 31, 2023	December 31, 2023
Total assets	62,687,388	60,985,732
Consolidated solvency margin ratio	1,009.1 %	1,035.9 %

(2) Scope of Consolidation and Application of the Equity Method

- Number of consolidated subsidiaries: 1
- Number of non-consolidated subsidiaries accounted for under the equity method: 0
- Number of affiliates accounted for under the equity method: 0
- Changes in significant subsidiaries during the period: None

(3) Unaudited Consolidated Balance Sheets

(Millions of yen)

Items	Term	As of March 31, 2023	As of December 31, 2023
		Amount	Amount
ASSETS:			
Cash and deposits		1,436,524	1,253,107
Call loans		40,000	40,000
Receivables under resale agreements		1,384,764	960,381
Monetary claims bought		47,345	25,866
Money held in trust		4,772,321	5,504,794
Securities		49,841,494	48,499,885
Loans		3,605,832	3,304,405
Tangible fixed assets		92,717	91,439
Intangible fixed assets		92,326	92,121
Agency accounts receivable		41,307	12,496
Reinsurance receivables		4,049	4,022
Other assets		300,299	329,661
Deferred tax assets		1,028,784	867,970
Reserve for possible loan losses		(379)	(420)
Total assets		62,687,388	60,985,732
LIABILITIES:			
Policy reserves and others		55,103,778	52,961,037
Reserve for outstanding claims		410,387	354,891
Policy reserves		53,518,219	51,480,544
Reserve for policyholder dividends		1,175,171	1,125,601
Reinsurance payables		6,297	6,081
Bonds payable		300,000	400,000
Payables under repurchase agreements		3,740,688	3,613,121
Other liabilities		201,639	161,595
Liability for retirement benefits		69,331	100,237
Reserve for management board benefit trust		315	244
Reserve for price fluctuations		889,960	874,335
Total liabilities		60,312,010	58,116,653
NET ASSETS:			
Capital stock		500,000	500,000
Capital surplus		405,044	405,044
Retained earnings		701,540	696,058
Treasury stock		(36,082)	(948)
Total shareholders' equity		1,570,502	1,600,153
Net unrealized gains (losses) on available-for-sale securities		797,912	1,270,673
Net deferred gains (losses) on hedges		4,607	(3,756)
Accumulated adjustments for retirement benefits		2,354	2,007
Total accumulated other comprehensive income		804,875	1,268,924
Total net assets		2,375,377	2,869,078
Total liabilities and net assets		62,687,388	60,985,732

(4) Unaudited Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Unaudited Consolidated Statements of Income)

(Millions of yen)

Items	Term	Nine months ended December 31, 2022	Nine months ended December 31, 2023
		Amount	Amount
ORDINARY INCOME		4,798,031	4,560,747
Insurance premiums and others		1,669,883	1,586,581
Investment income		857,905	876,566
[Interest and dividend income]		[720,581]	[651,997]
[Gains on money held in trust]		[103,340]	[131,768]
[Gains on sales of securities]		[33,074]	[79,168]
Other ordinary income		2,270,242	2,097,599
[Reversal of reserve for outstanding claims]		[15,591]	[55,495]
[Reversal of policy reserves]		[2,251,094]	[2,037,675]
ORDINARY EXPENSES		4,719,245	4,435,324
Insurance claims and others		4,144,891	3,861,583
[Insurance claims]		[3,358,236]	[3,153,398]
[Annuity payments]		[206,295]	[168,384]
[Benefits]		[168,030]	[153,649]
[Surrender benefits]		[337,201]	[324,195]
Provision for policy reserves and others		7	94
Provision for interest on policyholder dividends		7	94
Investment expenses		187,162	190,638
[Interest expenses]		[1,570]	[3,591]
[Losses on sales of securities]		[143,531]	[111,671]
[Losses on valuation of securities]		[-]	[74]
[Losses on derivative financial instruments]		[39,007]	[72,344]
Operating expenses		329,622	322,591
Other ordinary expenses		57,561	60,416
ORDINARY PROFIT		78,785	125,423
EXTRAORDINARY GAINS		73,059	15,625
Reversal of reserve for price fluctuations		73,059	15,625
EXTRAORDINARY LOSSES		191	115
Losses on sales and disposal of fixed assets		191	115
Provision for reserve for policyholder dividends		43,764	48,173
Income before income taxes		107,888	92,759
Income taxes - Current		26,198	43,869
Income taxes - Deferred		5,487	(16,264)
Total income taxes		31,686	27,604
Net income		76,202	65,154
Net income attributable to non-controlling interests		-	-
Net income attributable to Japan Post Insurance		76,202	65,154

(Unaudited Consolidated Statements of Comprehensive Income)

(Millions of yen)

Items	Term	Nine months ended December 31, 2022	Nine months ended December 31, 2023
		Amount	Amount
Net income		76,202	65,154
Other comprehensive income (loss)		(365,848)	464,049
Net unrealized gains (losses) on available-for-sale securities		(365,492)	472,760
Net deferred gains (losses) on hedges		-	(8,364)
Adjustments for retirement benefits		(356)	(347)
Total comprehensive income (loss)		(289,646)	529,203
Comprehensive income (loss) attributable to Japan Post Insurance		(289,646)	529,203
Comprehensive income (loss) attributable to non-controlling interests		-	-

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE NINE MONTHS ENDED DECEMBER 31, 2023

(Notes to the Unaudited Consolidated Balance Sheet and Notes Related to Changes in Net Assets)

- Securities lent under lending agreements in the amount of ¥1,162,707 million were included in “Securities” in the consolidated balance sheet as of December 31, 2023.
- Changes in reserve for policyholder dividends for the nine months ended December 31, 2023 were as follows:

Balance at the beginning of the fiscal year	¥1,175,171 million
Policyholder dividends paid during the nine months ended December 31, 2023	¥97,757 million
Interest accrual	¥94 million
Reduction due to the acquisition of additional annuity	¥81 million
Provision for reserve for policyholder dividends	¥48,173 million
Balance at the end of the nine months ended December 31, 2023	¥1,125,601 million

- Information on dividends was as follows:

(1) Dividends paid

Resolution	Class of shares	Total amount (Millions of yen)	Per share amount (Yen)	Record date	Effective date	Source of dividends
Board of Directors' meeting held on May 15, 2023	Common stock	17,626	46.00	March 31, 2023	June 20, 2023	Retained earnings
Board of Directors' meeting held on November 13, 2023	Common stock	18,009	47.00	September 30, 2023	December 5, 2023	Retained earnings

(*1) Total amount of dividends based on the resolution at the Board of Directors' meeting held on May 15, 2023 includes ¥21 million of dividends paid to shares of the Company held in the Board Benefit Trust (BBT).

(*2) Total amount of dividends based on the resolution at the Board of Directors' meeting held on November 13, 2023 includes ¥19 million of dividends paid to shares of the Company held in the Board Benefit Trust (BBT).

- Dividends whose effective date falls after the end of the nine months ended December 31, 2023
Not applicable.

- The Company cancelled 16,501 thousand shares of its treasury stock based on the resolution at the Board of Directors' meeting held on April 17, 2023, as a result of which, capital surplus and treasury stock decreased by ¥35,000 million, respectively.

Since the balance of other capital surplus included in capital surplus amounted to ¥(35,000) million due to the cancellation of treasury stock, other capital surplus was set to zero and the negative value was subtracted from other retained earnings.

At the end of the nine months ended December 31, 2023, retained earnings decreased by ¥5,482 million to ¥696,058 million, and treasury stock decreased by ¥35,133 million to ¥948 million from the end of the previous fiscal year.

(Notes to the Unaudited Consolidated Statement of Income)

- Net income per share for the nine months ended December 31, 2023 was ¥170.23.
- Depreciation and amortization for the nine months ended December 31, 2023 was ¥30,826 million.

(5) Consolidated Solvency Margin Ratio

(Millions of yen)

As of	March 31, 2023	December 31, 2023
Total amount of solvency margin (A)	5,636,995	6,355,355
Capital stock, etc.	1,552,875	1,600,153
Reserve for price fluctuations	889,960	874,335
Contingency reserve	1,701,877	1,752,142
Catastrophe loss reserve	-	-
General reserve for possible loan losses	31	34
(Net unrealized gains (losses) on available-for-sale securities (before taxes) • Net deferred gains (losses) on hedges (before taxes)) × 90% (if negative, × 100%)	989,508	1,577,413
Net unrealized gains (losses) on real estate × 85% (if negative, × 100%)	2,534	4,305
Sum of unrecognized actuarial differences and unrecognized prior service cost (before taxes)	3,273	2,790
Excess of continued Zillmerized reserve	249,674	222,862
Capital raised through debt financing	300,000	400,000
Amounts within “excess of continued Zillmerized reserve” and “capital raised through debt financing” not calculated into the margin	-	-
Deductions	(52,740)	(79,103)
Other	-	420
Total amount of risk		
$\sqrt{(\sqrt{R_1^2 + R_5^2 + R_8 + R_9})^2 + (R_2 + R_3 + R_7)^2} + R_4 + R_6$ (B)	1,117,128	1,226,962
Insurance risk R ₁	119,580	115,554
General insurance risk R ₅	-	-
Catastrophe risk R ₆	-	-
Underwriting risk of third-sector insurance R ₈	40,824	38,614
Small amount and short-term insurance risk R ₉	-	-
Anticipated yield risk R ₂	118,481	113,820
Minimum guarantee risk R ₇	-	-
Investment risk R ₃	961,987	1,076,311
Business management risk R ₄	24,817	26,886
Solvency margin ratio		
$\frac{(A)}{(1/2) \times (B)} \times 100$	1,009.1 %	1,035.9 %

Note: These figures are calculated based on the provisions set forth in the Public Notice No. 23 issued by the Financial Services Agency in 2011, and Articles 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act. However, figures for certain items are calculated based on methods deemed reasonable by the Company according to the provisions of the Ordinance for Enforcement of the Insurance Business Act, etc.

(6) Segment Information

Segment information is omitted as the Company has only one segment.