

Outline of Financial Results for the Nine Months Ended December 31, 2024

February 14, 2025



JAPAN POST INSURANCE

Summary of Financial Results

	9 months ended Dec-24	Year on Year
Net income	¥ 84.4bn	+ ¥ 19.2bn + 29.6 %
Adjusted profit	¥ 106.3bn	+ ¥ 40.8bn + 62.3 %
New policies (Individual Insurance)	(Number) 680K policies	+ 305K policies + 81.4 %
	(Annualized premiums) ¥ 149.0bn	+ ¥ 83.0bn + 125.9 %
Policies in Force (Individual Insurance)	(Number) 19,114K policies	(587) K policies (3.0) %
	(Annualized premiums) ¥ 2,904.4bn	¥ (82.8) bn (2.8) %
Value of new business	¥ 49.3bn	+ ¥ 38.0bn + 337.7 %
EV	¥ 4,064.4bn	+ ¥ 99.4bn + 2.5 %

【Financial Highlights】

- Despite the impact of the increased burden of regular policy reserves related to an increase in new policies, net income increased by ¥ 19.2bn (+ 29.6%) year on year, as a result of an increase in investment income caused by an improvement in the market environment, etc.
- Adjusted profit, which takes into account the impact of the increased burden of regular policy reserves in the first year of new policies and the amortization of goodwill, increased substantially by ¥ 40.8bn (+ 62.3%) year on year to ¥ 106.3bn.

【Policy Sales】

- The number of new policies for individual insurance continued to increase significantly by 81.4% year on year.
- While the number of policies in force decreased by 587 thousand policies ((3.0) %) from the end of the previous fiscal year, the number of new-category policies in force decreased by only 155 thousand policies ((1.2) %) from the end of the previous fiscal year due to an increase in the number of new policies, and we continue to aim for a swift turnaround and recovery in the new category.

【Embedded Value】

- The value of new business increased significantly by ¥ 38.0bn (+ 337.7%) year on year due to higher interest rates and an increase of the number of new policies.
- EV increased by ¥ 99.4bn (+ 2.5%) from the end of the previous fiscal year, due to an increase in value of new business, etc.

Financial Results for the Nine Months Ended December 31, 2024 (Year on Year)

Statement of Income

(¥bn)

	9months ended Dec-23	9months ended Dec-24	Change	(Reference) Year ended Mar-24
Ordinary income	4,560.7	4,334.6	(226.1)	6,744.1
Insurance premiums and others	1,586.5	2,566.2	979.6	2,484.0
Investment income	876.5	909.1	32.6	1,211.5
Reversal of policy reserves	2,037.6	782.8	(1,254.8)	3,005.4
Ordinary expenses	4,435.3	4,111.8	(323.4)	6,582.9
Insurance claims and others	3,861.5	3,529.3	(332.2)	5,778.5
Investment expenses	190.6	198.5	7.9	282.5
Operating expenses etc ¹	383.0	383.4	0.4	521.6
Ordinary profit	125.4	222.7	97.3	161.1
Extraordinary gains and losses	15.5	(30.1)	(45.6)	15.9
Provision of reserve for price fluctuations ²	15.6	(29.9)	(45.6)	16.1
Provision for reserve for policyholder dividends	48.1	73.0	24.8	55.8
Total income taxes	27.6	35.1	7.5	34.1
Net income attributable to Japan Post Insurance	65.1	84.4	19.2	87.0
Adjusted Profit	65.5	106.3	40.8	97.6

Note: Only major line items are shown.

- Sum of Operating expenses and Other ordinary expenses.
- Plus signs indicate reversals, while brackets () indicate provisions.

Details of Ordinary Profit (Non-Consolidated)

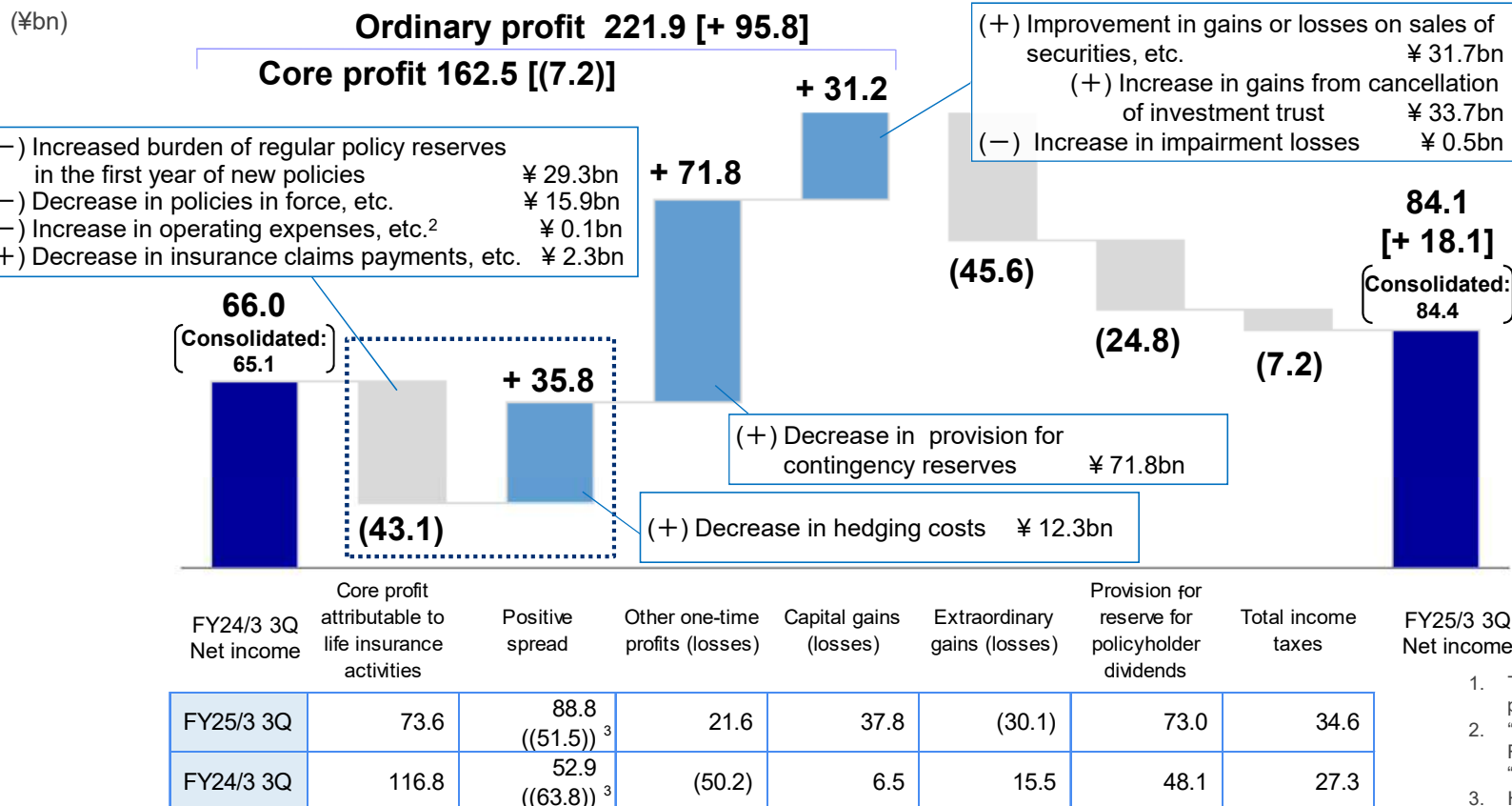
(¥bn)

	9months ended Dec-23	9months ended Dec-24	Change	(Reference) Year ended Mar-24
Core profit	169.7	162.5	(7.2)	224.0
Core profit attributable to life insurance activities	116.8	73.6	(43.1)	132.1
Positive spread	52.9	88.8	35.8	91.8
Hedging costs related to foreign exchange	(63.8)	(51.5)	12.3	(81.4)
Net capital gains (losses)	6.5	37.8	31.2	10.0
Gains from cancellation of investment trust	0.0	33.7	33.7	0.0
Other one-time profits (losses)	(50.2)	21.6	71.8	(71.5)
Ordinary profit	126.0	221.9	95.8	162.5

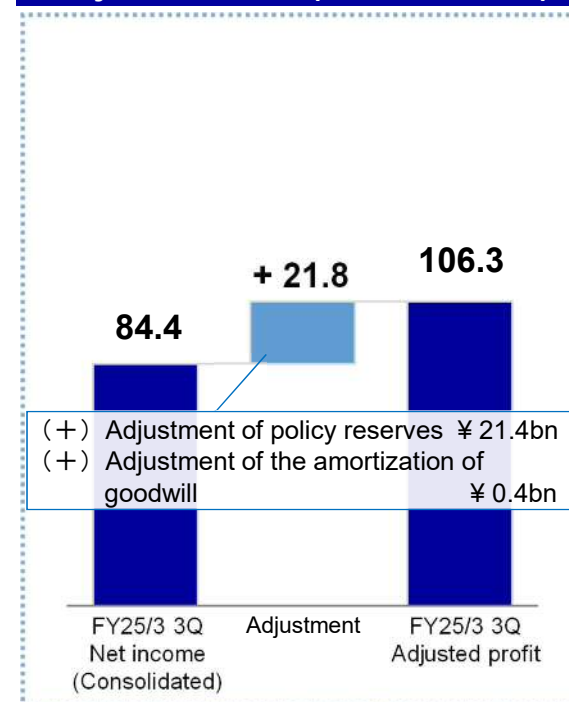
Factors for Year on Year Changes

- While the positive spread improved, core profit decreased year on year to ¥ 162.5bn due to the impact of an increase in the temporary cost related to an increase in new policies (the increased burden of regular policy reserves in the first year of new policies), mainly due to the sale of lump-sum payment whole life insurance policies, etc.
- Ordinary profit increased year on year to ¥ 221.9bn, as a result of an improvement in other one-time profits or losses resulting from the termination of excess provision for contingency reserves that had been implemented since FY21/3, and a significant improvement in capital gains or losses.
- Regarding capital gains or losses¹ and hedging costs related to foreign exchange included in the positive spread, the company continued to adopt accounting treatments to provide or to reverse the reserve for price fluctuations corresponding to the amount of them. Thus, net income increased year on year to ¥ 84.1bn.
- Adjusted profit, the consolidated net income adjusted for the impact of the increased burden of regular policy reserves in the first year of new policies and the impact of amortization of goodwill, amounted to ¥ 106.3bn.

Factors for Year on Year Changes (Non-Consolidated)



Adjusted Profit (Consolidated)



- The gains from cancellation of investment trust are excluded from provision of reserve for price fluctuations.
- "Increase in operating expenses, etc." shows the difference between FY24/3 3Q and FY25/3 3Q. This figure is calculated by adding up "Operating expenses" and "Other ordinary expenses."
- Hedging costs related to foreign exchange

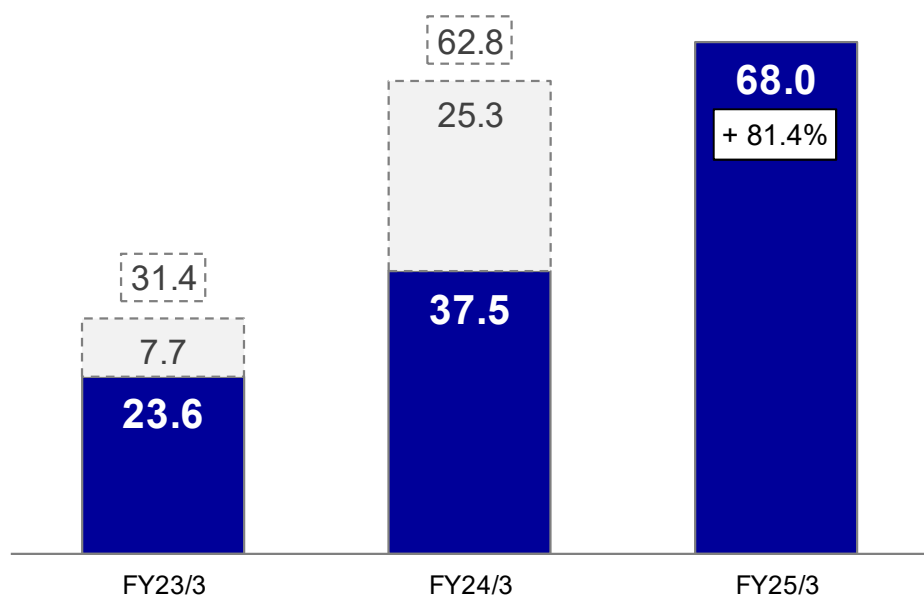
Policy Sales [Number of Policies]

- The number of new policies for individual insurance significantly increased by 81.4% year on year due to the impact of lump-sum payment whole life insurance policies launched in January 2024, etc.
- While the number of policies in force decreased by 3.0% from the end of the previous fiscal year, the number of new-category policies in force decreased by only 1.2% from the end of the previous fiscal year due to an increase in the number of new policies, and we continue to aim for a swift turnaround and recovery in the new category.

Number of New Policies (Individual Insurance)

(10 thousands)

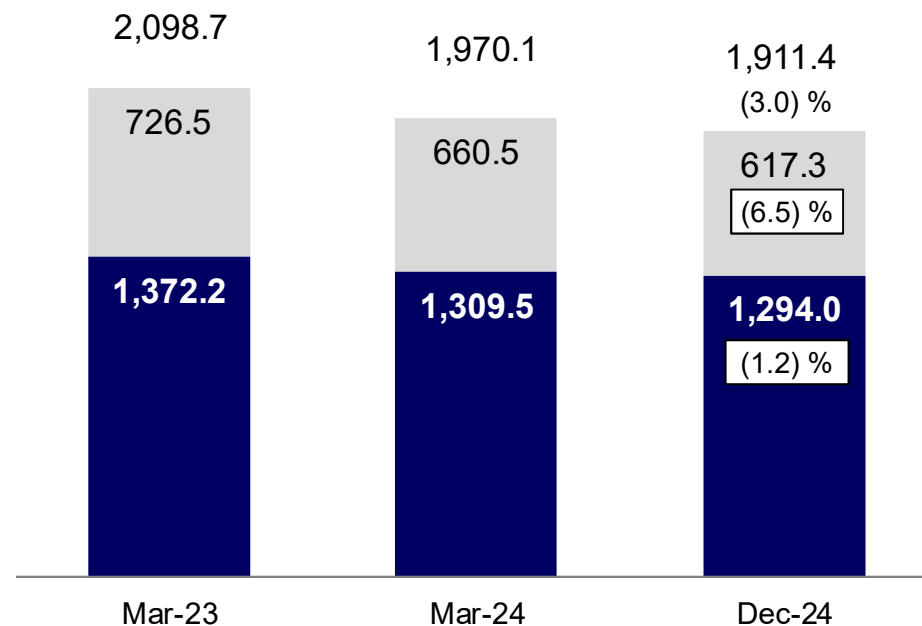
■ Apr-Dec □ Jan-Mar



Number of Policies in Force (Individual Insurance)

(10 thousands)

■ New category □ Postal Life Insurance category



Numbers of Surrender and Lapse (Individual Insurance)

(10 thousands)

	FY23/3	FY24/3	FY25/3
Full year	42.7	38.2	-
Apr-Dec	32.3	29.0	26.0

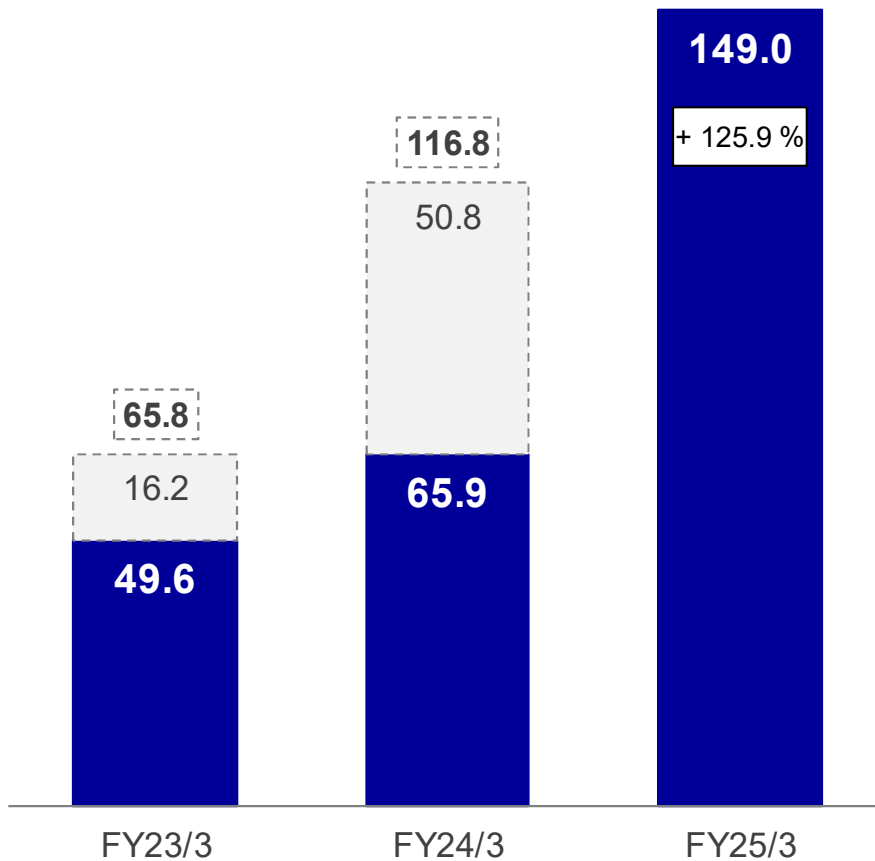
Note : "New category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from Organization for Postal Savings, Postal Life Insurance and Post Office Network. "Numbers of Surrender and Lapse" is Sum of "New category" and "Postal Life Insurance category."

Policy Sales [Annualized Premiums from New Policies]

Annualized Premiums from New Policies (Individual Insurance)

(¥bn)

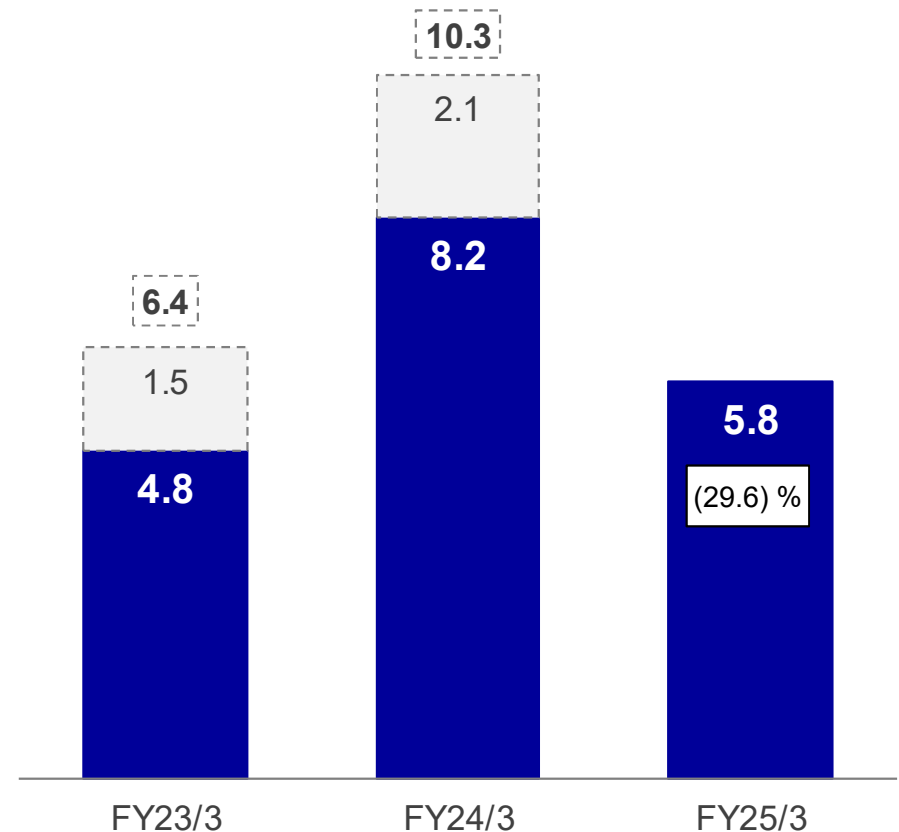
■ Apr-Dec □ Jan-Mar



Annualized Premiums from New Policies (Medical Care)

(¥bn)

■ Apr-Dec □ Jan-Mar



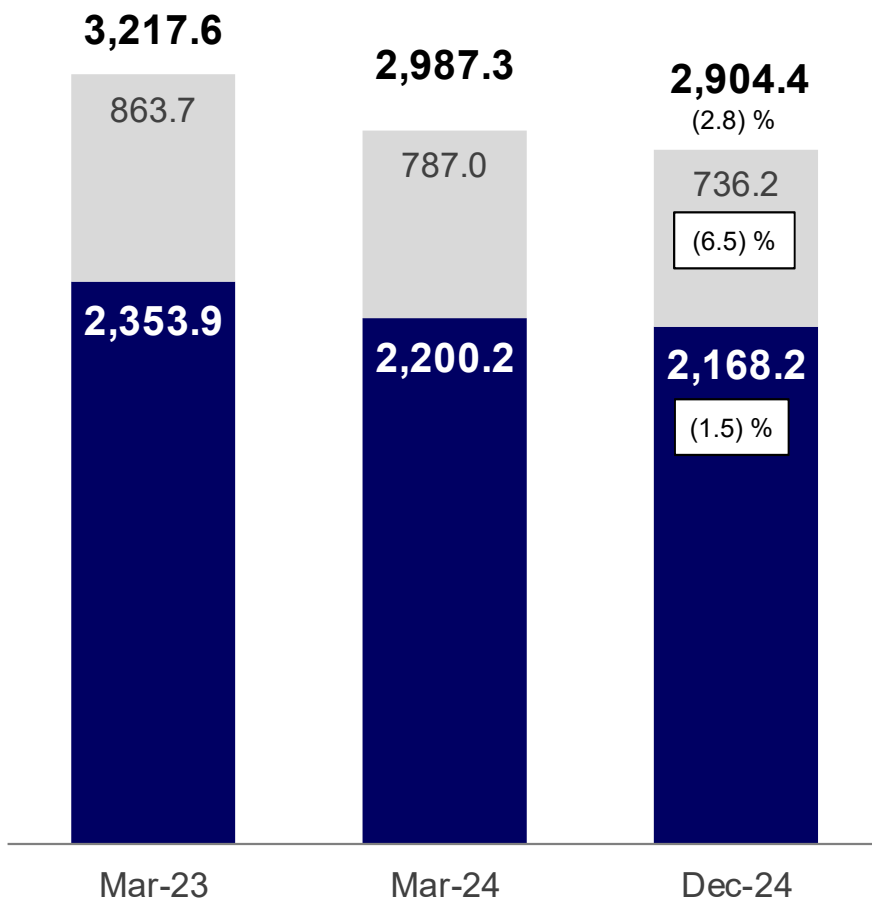
Note : Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.) Medical care corresponds to medical and living benefits, etc. Annualized premiums (individual insurance) include the premiums for medical care related to individual insurance.

Policy Sales [Annualized Premiums from Policies in Force]

Annualized Premiums from Policies in Force (Individual Insurance)

(¥bn)

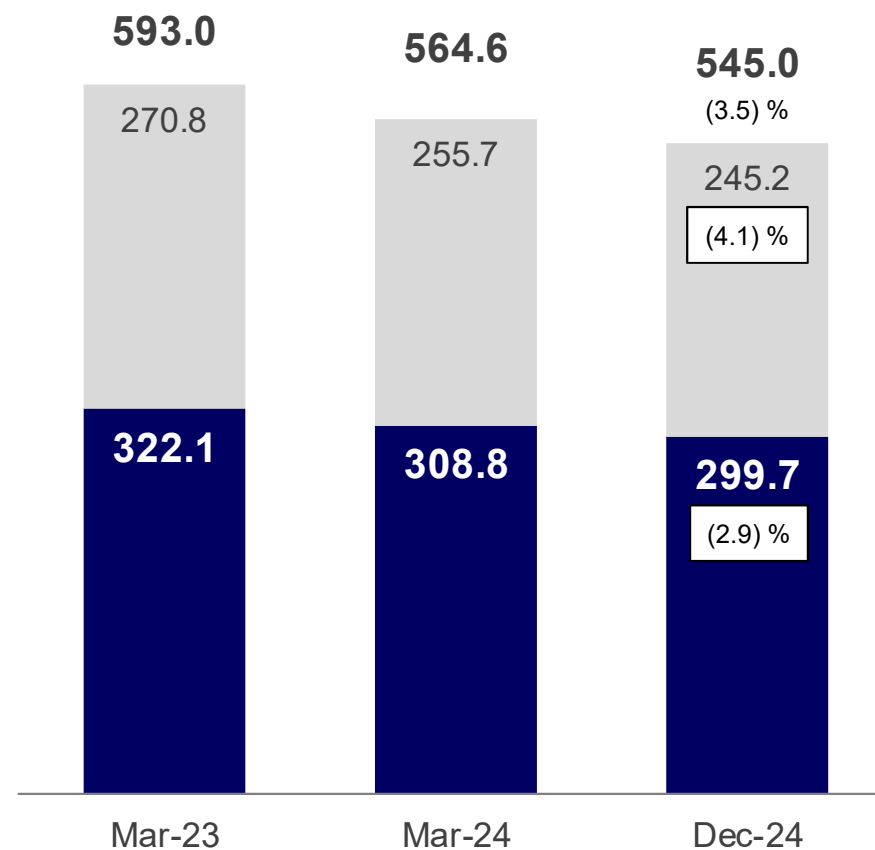
■ New category ■ Postal Life Insurance category



Annualized Premiums from Policies in Force (Medical Care)

(¥bn)

■ New category ■ Postal Life Insurance category



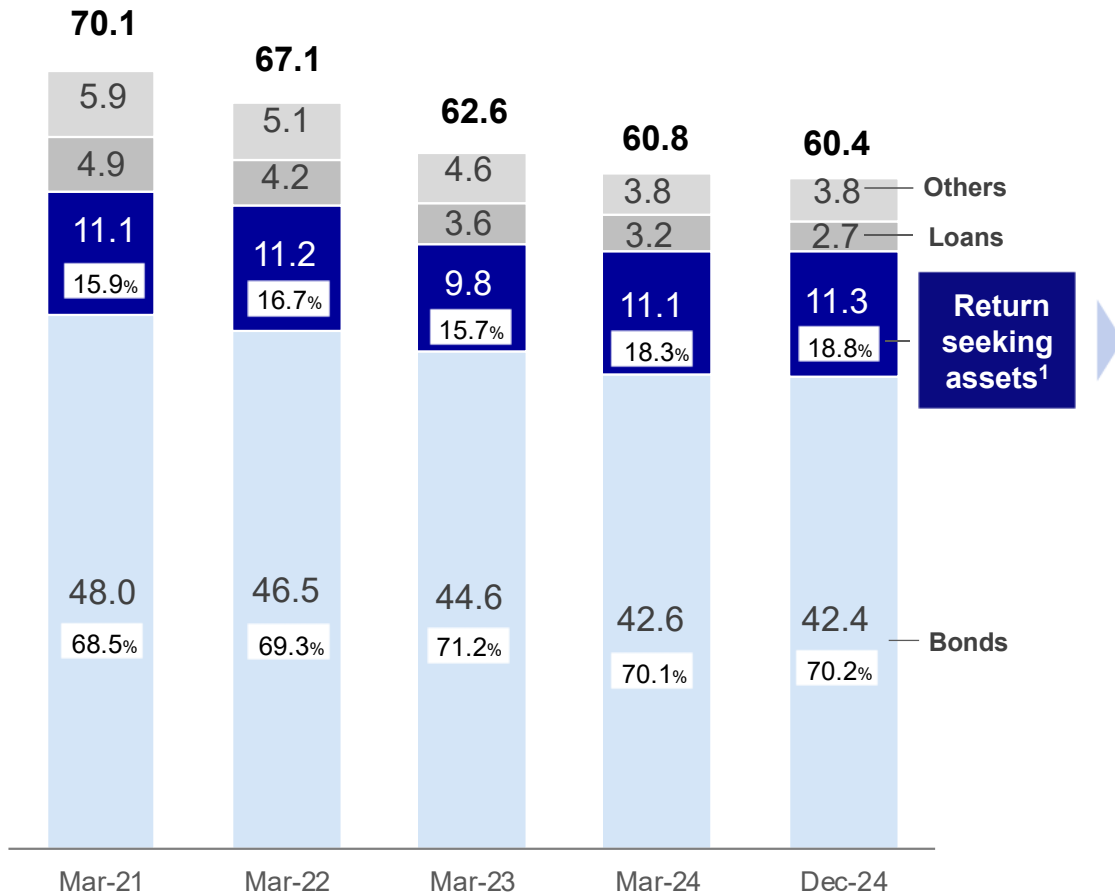
Note: "New category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from Organization for Postal Savings, Postal Life Insurance and Post Office Network.

Investments [Asset Portfolio]

- The total assets amounted to ¥ 60.4tn, largely unchanged from the end of the previous fiscal year.
- The amount of return seeking assets was ¥ 11.3tn, which accounts for 18.8% of total assets and signifies an increase in both the amount and relative proportion.

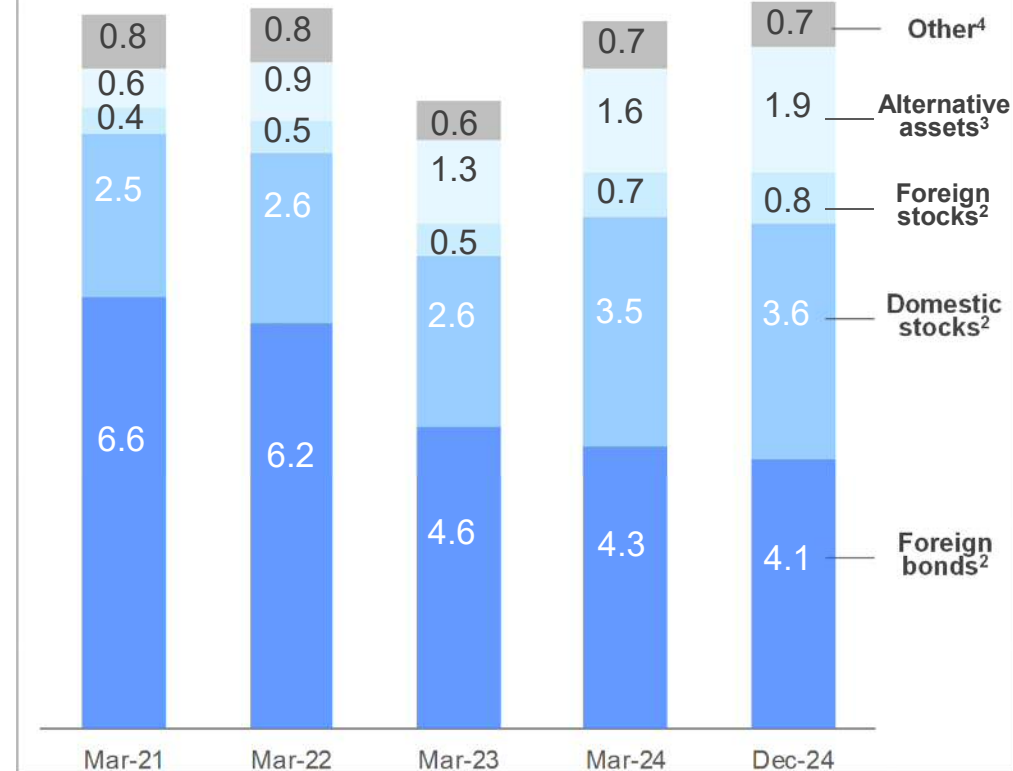
Asset Portfolio

(¥tn)



[Breakdown of Return seeking assets]

(¥tn)



1. Return seeking assets include domestic and foreign stocks, foreign-currency-denominated bonds, investment trusts, etc. held for investment purposes among the assets recorded under "money held in trust" and "securities" on the balance sheet.

2. "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts investing only in the specified assets.

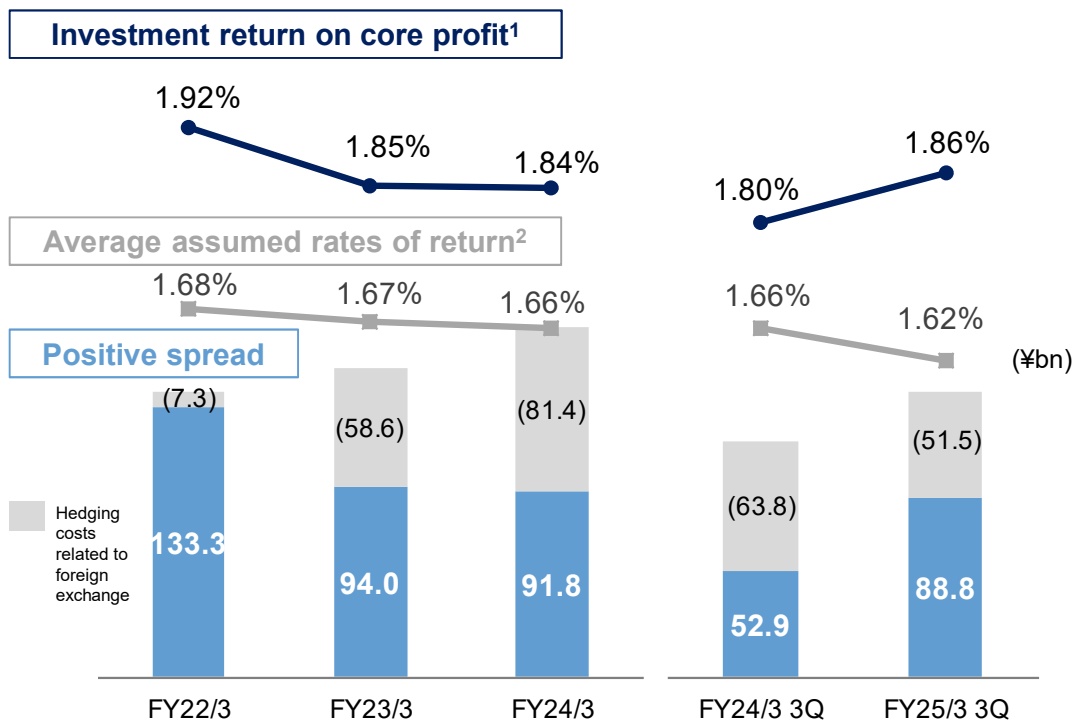
3. Real estate fund, private equity, infrastructure equity, etc.

4. Bank loans, multi-asset, etc.

Spread and Duration

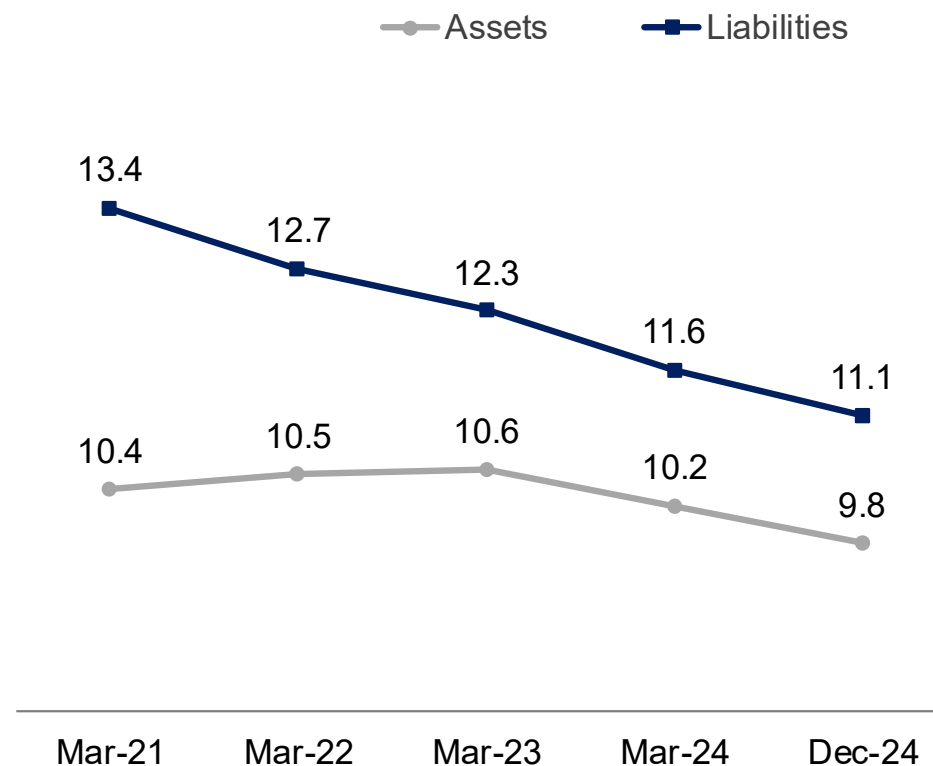
- For the nine months ended December 31, 2024, average assumed rates of return was 1.62%, and the investment return on core profit was 1.86%. As a result, a positive spread of ¥ 88.8bn (+ ¥ 35.8bn year on year) was achieved.
- The duration was 9.8 years for assets and 11.1 years for liabilities. The duration gap remained flat compared to the end of the previous fiscal year.

Spread



Duration

(years)



1. Investment return on core profit is the return with respect to earned policy reserves.
 2. Average assumed rates of return are the assumed return on general account policy reserves.

Note: The duration for accounting purposes of insurance liabilities related to individual insurance and individual annuities and yen-denominated interest-bearing assets.

Investments [Fair Value Information of Securities]

Fair Value Information of Securities

(¥bn)

	Mar-24			Dec-24			Change		
	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)	Book value	Fair value	Net unrealized gains (losses)
Total	51,994.6	55,314.4	3,319.8	52,073.9	53,799.4	1,725.5	79.3	(1,514.9)	(1,594.3)
Held-to-maturity bonds	32,343.1	33,401.9	1,058.8	31,686.8	31,386.9	(299.8)	(656.2)	(2,015.0)	(1,358.7)
Policy-reserve-matching bonds	7,139.6	6,954.0	(185.5)	7,752.9	7,248.7	(504.1)	613.3	294.6	(318.6)
Available-for-sale securities	12,511.8	14,958.4	(A) 2,446.5	12,634.1	15,163.7	(A) 2,529.5	122.3	205.3	83.0
Securities etc.	8,869.3	8,800.3	(69.0)	8,822.1	8,639.3	(182.8)	(47.1)	(160.9)	(113.7)
Bonds	3,560.1	3,329.2	(230.9)	3,413.9	3,180.2	(233.7)	(146.2)	(148.9)	(2.7)
Domestic stocks	344.9	546.0	201.0	371.2	558.3	187.0	26.3	12.2	(14.0)
Foreign securities	2,099.7	2,124.8	25.0	1,984.1	1,950.9	(33.2)	(115.6)	(173.9)	(58.2)
Other securities	2,169.4	2,104.8	(64.6)	2,199.1	2,096.0	(103.1)	29.6	(8.8)	(38.4)
Deposits etc.	694.9	695.3	0.4	853.6	853.8	0.2	158.7	158.4	(0.2)
Money held in trust	3,642.4	6,158.0	2,515.5	3,811.9	6,524.3	2,712.3	169.4	366.3	196.8
Domestic stocks ¹	1,497.6	3,032.3	1,534.7	1,573.9	3,122.5	1,548.6	76.3	90.2	13.8
Foreign stocks ¹	285.2	742.2	456.9	294.5	842.8	548.3	9.3	100.6	91.3
Foreign bonds ¹	687.1	795.4	108.2	662.1	780.4	118.3	(25.0)	(14.9)	10.0
Other ²	1,172.4	1,588.0	415.6	1,281.2	1,778.4	497.1	108.8	190.3	81.5

	Mar-24	Dec-24	Change
Net deferred gains (losses) on hedges arising from currency swaps (B)	-	(0.9)	(0.9)
Net unrealized gains (losses) on available-for-sale securities after taking into account net deferred gains (losses) on hedges arising from currency swaps (A+B)	2,446.5	2,528.6	82.0

Note: This table only shows securities with a fair value. It also includes the handling of securities under the Financial Instruments and Exchange Act.

1. "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts investing only in the specified assets.
2. Cash and deposits, bank loans and alternative investment, etc.

Expenses

Expenses

(¥bn)

	9months ended Dec-23	9months ended Dec-24	Change	(Reference) Year ended Mar-24
Operating expenses	322.5	316.3	(6.1)	440.3
Commissions ¹	91.1	85.3	(5.8)	123.7
Sales Commissions	18.6	21.6	3.0	27.1
Maintenance Commissions	72.5	63.7	(8.8)	96.6
Contributions ²	42.3	42.2	(0.1)	56.4
Others	189.0	188.7	(0.2)	260.0
Other ordinary expenses	60.4	67.0	6.6	81.3
Depreciation and amortization	30.8	29.8	(0.9)	41.2
Operating expenses etc	383.0	383.4	0.4	521.6

1. Commissions paid to Japan Post Co.

2. Contributions paid to Organization for Postal Savings, Postal Life Insurance and Post Office Network based on the related law.

Financial Soundness

Internal Reserves

	Mar-24	Dec-24	(¥bn)
			Provisions in the period ²
Contingency reserve	1,725.3	1,703.7	(21.6)
Postal Life Insurance category ¹	1,283.6	1,259.1	(24.4)
New category	441.6	444.5	2.8
Reserve for price fluctuations	873.7	903.7	29.9
Postal Life Insurance category	749.9	796.1	46.1
New category	123.8	107.6	(16.1)
Additional policy reserve	4,909.2	4,737.7	(171.5)
Postal Life Insurance category ¹	4,907.5	4,736.6	(170.8)
New category	1.7	1.0	(0.6)

Solvency Margin Ratio

	Mar-24	Dec-24	(¥bn)
Solvency Margin Ratio	1,023.2 %	1,010.4 %	
Total amount of solvency margin	6,928.5	7,055.1	
Total amount of risk	1,354.1	1,396.4	
Real net assets	7,736.9	6,163.4	

Note : “Postal Life Insurance category” shows the amounts generated from the postal life insurance policies, and “New category” shows the figure after deduction of “Postal Life Insurance category” from the total.

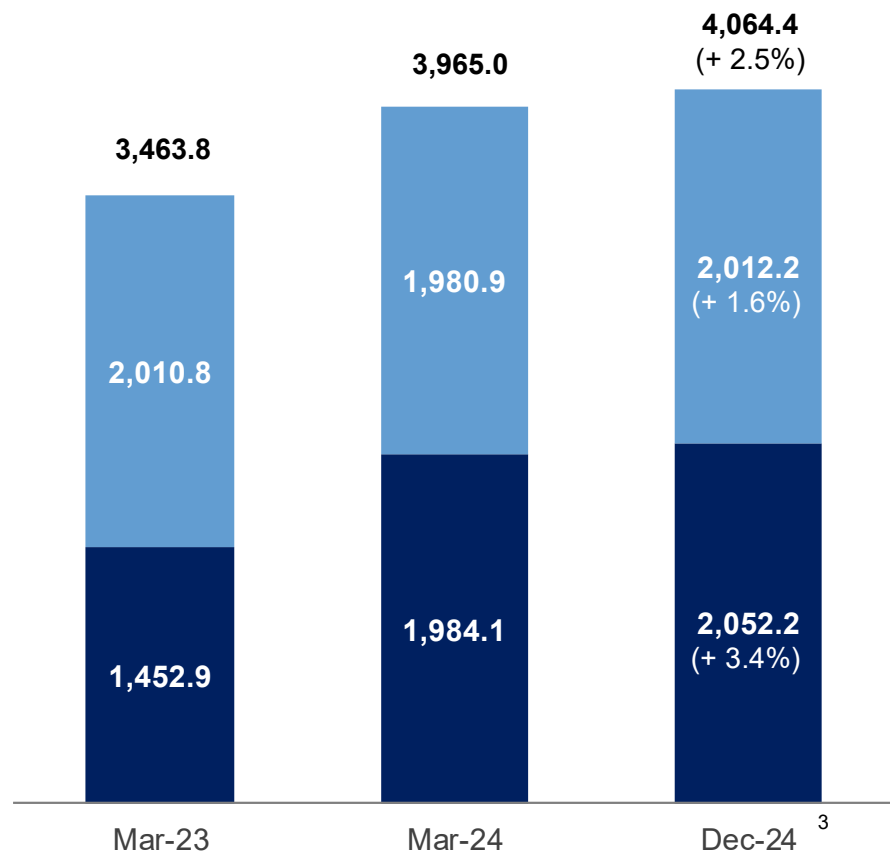
1. For the Postal Life Insurance category, the Company accumulated additional policy reserves which were funded by contingency reserves at the end of March, 2021. With this operation, the Company also provided contingency reserves in excess of the statutory reserve standards in order to restore the level of them from the end of March, 2021 onward, and this operation ended before the end of June 2024..
2. Plus signs indicate provisions, while brackets () indicate reversals.

Embedded Value

- EV as of December 31, 2024 was ¥ 4,064.4bn mainly due to an increase in value of new business, etc. (+ ¥99.4bn from the end of the previous fiscal year)
- The value of new business was ¥ 49.3bn due to higher interest rates and an increase of the number of new policies. (+ ¥38.0bn year on year)

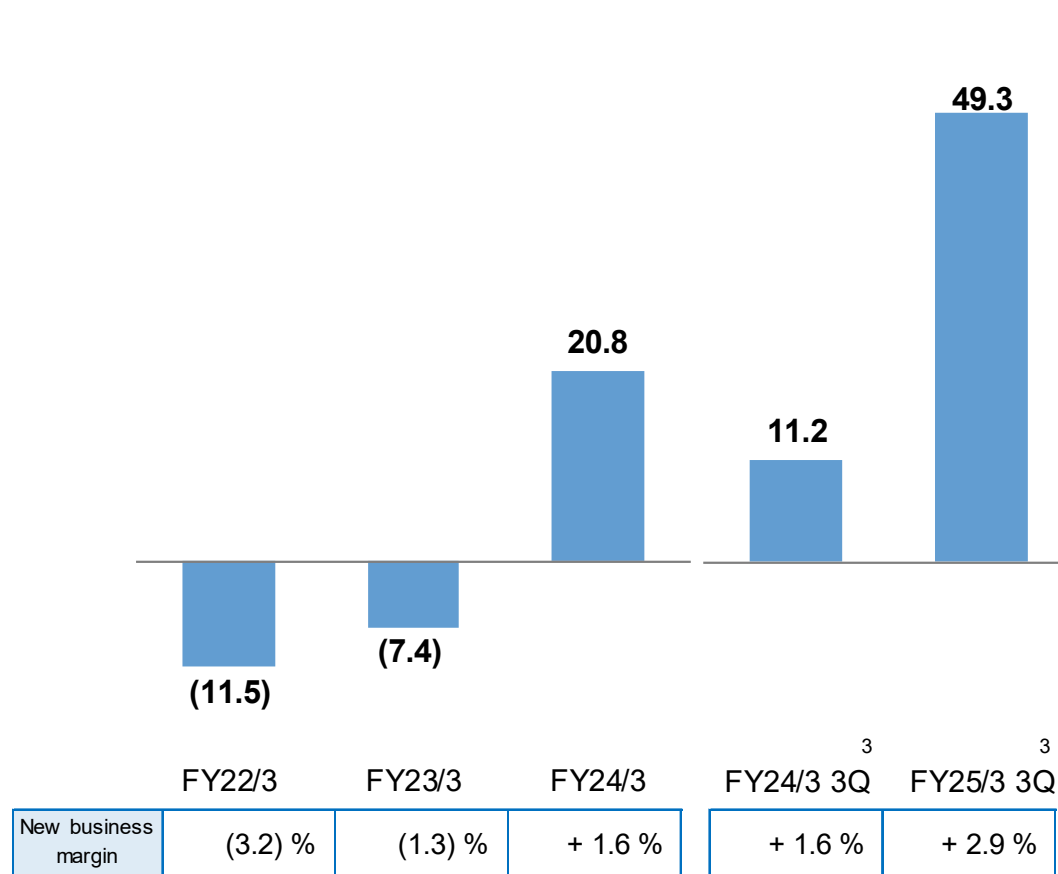
EV

(¥bn) ■ Value of in- force covered business ■ Adjusted net worth



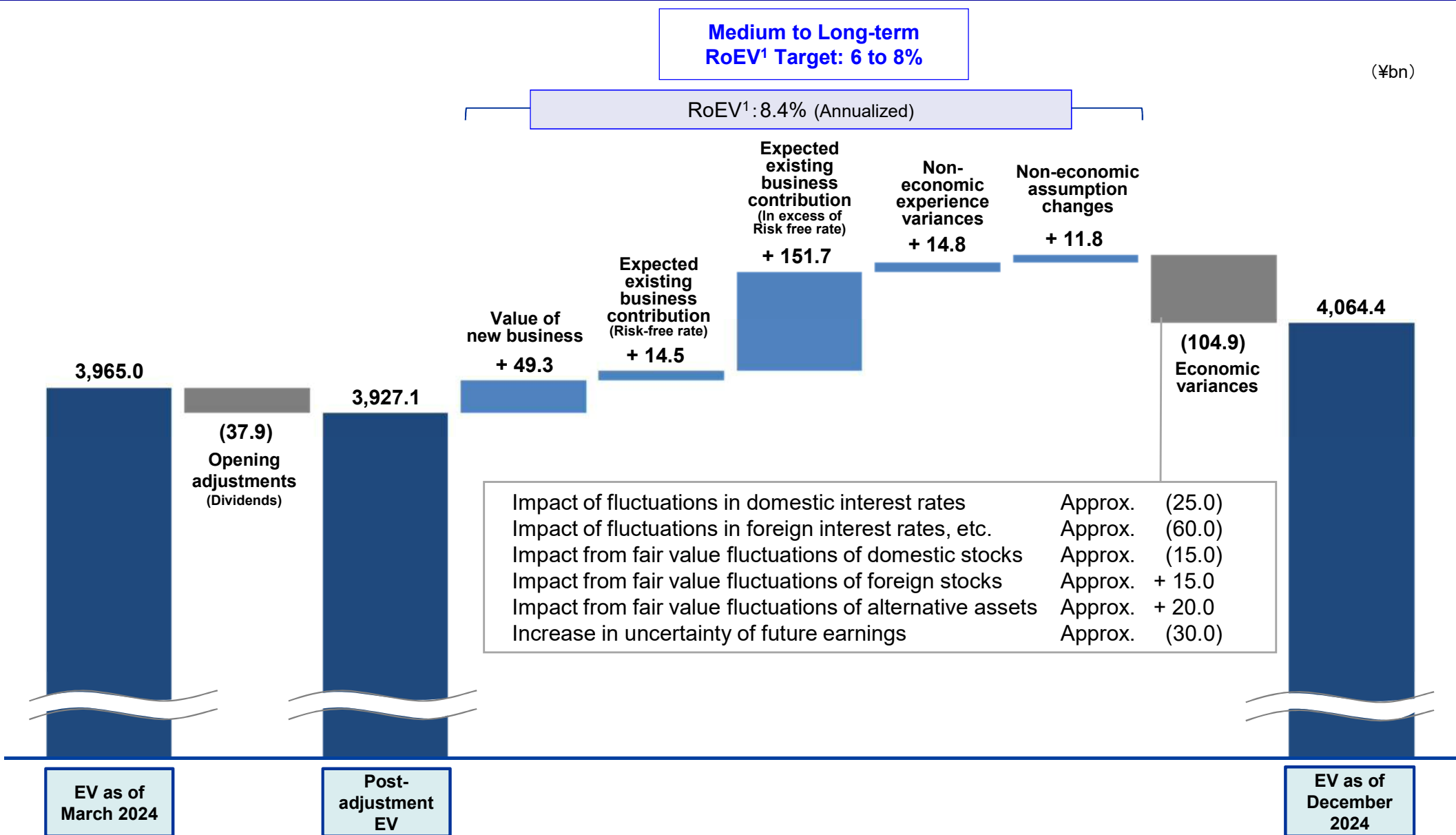
Value of New Business¹ and New business margin^{1,2}

(¥bn)



1. Using the economic assumptions as of September 30, 2024, based on the new policies written in the period from April 2024 to December 2024. The value of new business includes the increase or decrease due to conditional cancellation and conversion.
2. The value of new business divided by the present value of future premium income.
3. Provisional calculations that have not been verified by a third party.

Movement Analysis of EV



1. The numerator is calculated by excluding economic variances factors. The denominator is calculated by excluding the unamortized balance of goodwill of ¥ 34.5bn associated with the investment in Daiwa Asset Management Co. Ltd.

Note : Provisional calculations that have not been verified by a third party.

The Forecasts for Full-year Financial Results for the Year Ending March 31, 2025

Full-year Financial Results Forecast

(¥bn)

	Year ending Mar-25 (Revised forecast)	9months ended Dec-24	Achievement
Ordinary income	6,130.0	4,334.6	70.7 %
Ordinary profit	220.0	222.7	101.3 %
Net income ¹	120.0	84.4	70.4 %
Adjusted profit	Approx. 142.0	106.3	74.9 %

Full-year Financial Results Forecast (non-consolidated)

(¥bn)

	Year ending Mar-25 (Revised forecast) ²	9months ended Dec-24	Achievement
Core profit	Approx. 220.0	162.5	73.9 %
Positive spread ³	Approx. 130.0	88.8	68.3 %

1. Net income attributable to Japan Post Insurance.
2. The figures reflect the financial results forecast revision announced on November 14, 2024.
3. Includes hedging costs related to foreign exchange.

[Definition of adjusted profit (introduced from FY25/3)]

$$\text{Adjusted profit} = \text{Net income} + \text{Adjustment of policy reserves} + \text{Amortization of goodwill}$$

Adjusted profit
=
Net income
+
Adjustment of policy reserves
+
Amortization of goodwill

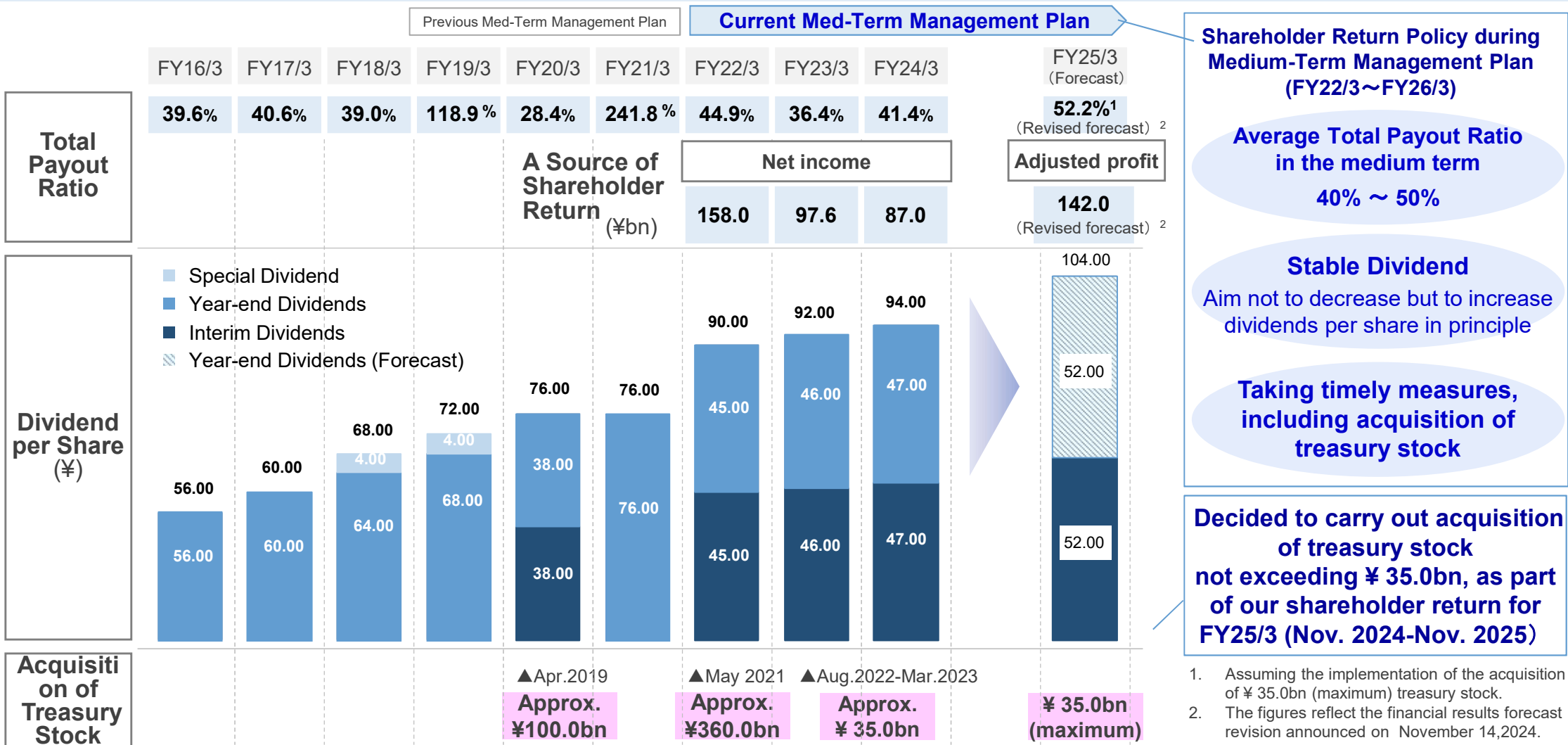
- In order to partially adjust for the effect unique to life insurance companies whose net income is reduced in the short term as new policies increase, from FY25/3 we implement changes that positions adjusted profit as a source of shareholder return, taking into account the adjustment for the increased burden of regular policy reserves in the first year of new policies (after tax).
- We recognize goodwill from our investment in Daiwa Asset Management Co. Ltd. from FY25/3 3Q. The definition of adjusted profit has been revised to add back the amortization of this goodwill (see P18 for details).

[Assumptions underlying the revised financial results forecast]

- For hedging costs related to foreign exchange, it is assumed they will trend in line with the implied forward rate as of September 30, 2024.
 - For domestic and foreign interest rates, foreign exchange and stock price, it is assumed they will follow the trend as of September 30, 2024. (USD/JPY 142.7 yen, Nikkei Stock Average 37,920 yen)
 - Approximately 940 thousand cases of new policies (individual insurance) and approximately 1,780 thousand cases of cancelled policies (individual insurance)⁴ assumed.
4. The numbers of cancelled policies are the sum of death, maturity, surrender and lapse. Also include postal life insurance policies.

Shareholder Return

- In accordance with the shareholder return policies during the period of the Medium-term Management Plan, we provide returns to shareholders. We implement “adjusted profit” from FY25/3 and provide stable returns to shareholders by treating adjusted profit as a source of shareholder return.
- As for dividends to shareholders for FY25/3, no change is being contemplated to ¥ 104 per share as scheduled.
- We have decided to carry out acquisition of treasury stock not exceeding ¥ 35.0 billion of treasury stock as an additional measure to boost shareholder returns for FY25/3.



APPENDIX

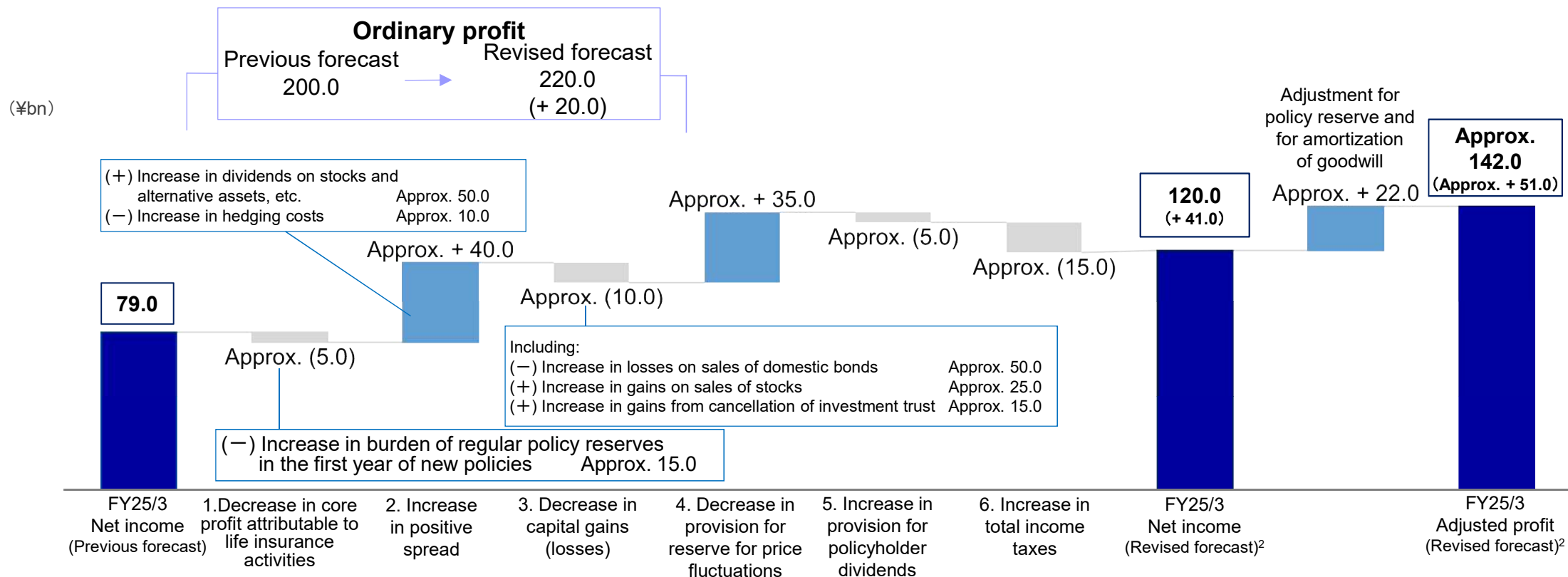
[Reference (As disclosed on November 14, 2024)]

Revisions to the Forecasts for Full-year Financial Results for the Year Ending March 31, 2025 (Factors for changes from previous forecasts)

- Revised forecast for ordinary profit upward from ¥200.0bn to ¥220.0bn due to factors 1) to 3).
- Revised forecast for net income¹ upward from ¥79.0bn to ¥120.0bn due to factors 4) to 6) in addition to the factors above.
- Revised forecast for adjusted profit upward from approx. ¥91.0bn to approx. ¥142.0bn after applying adjustment for policy reserve and for amortization of goodwill to net income.

[Reasons for the revision]

- 1) Decrease in core profit attributable to life insurance activities resulting from the impact from an increase in new policies, mainly due to the sale of lump-sum payment whole life insurance policies
- 2) Increase in positive spread
- 3) Decrease in capital gains (losses)
- 4) Decrease in provision for reserve for price fluctuations
- 5) Increase in provision for policyholder dividends
- 6) Increase in total income taxes



1. Net income attributable to Japan Post Insurance. 2. The figures reflect the financial results forecast revision announced on November 14, 2024.

Revision to the Definitions of Adjusted Profit and Adjusted ROE

- Payment for the investment in Daiwa Asset Management Co. Ltd. (capital increase through third-party allotment), announced on May 15, 2024, was completed in October 2024. As a result, we recognize goodwill from FY25/3 3Q.
- We adjust for the effect of amortization of goodwill to reflect the Company's intrinsic earning capacity. Specifically, we add back the amount of amortization of goodwill deducted from net income. We also deduct the unamortized balance of goodwill from the denominator of adjusted ROE.
- We implement stable shareholder returns funded by adjusted profit, aiming to enhance corporate value.

Revision to the definitions of adjusted profit and adjusted ROE

New

Financial Results for the Nine Months Ended December 31, 2024

$$\begin{aligned}
 \text{Adjusted profit} &= \text{Net income} + \text{Burden of regular policy reserves in the first year}^1 + \text{Amortization of goodwill} \\
 \text{Adjusted ROE} &= \text{Adjusted profit} \div \left(\text{Shareholders' equity}^{2,3} - \text{Unamortized balance of goodwill}^2 \right)
 \end{aligned}$$

<Reference: Revision to the definition of the source for shareholder returns>

- From FY25/3, we have introduced adjusted profit, which has been adjusted by adding back the burden of regular policy reserves in the first year of new policies (after tax), as the source for shareholder returns, to partially adjust for the characteristics of a life insurance company, where an increase in new policies may cause downward pressure on profits in the short term.

1. After tax 2. Average

3. The net unrealized gains (losses) on available-for-sale securities are mainly due to the Postal Life Insurance category.⁴ Shareholders' equity is used as the denominator in view of the high policyholder dividend ratio in the Postal Life Insurance category⁴ and the fact that gains and losses from the sale of securities etc. do not affect adjusted profit due to the provision and reversal of reserve for price fluctuations.

4. "Postal Life Insurance category" shows the amounts generated from the postal life insurance policies.

Goodwill associated with the investment in Daiwa Asset Management Co. Ltd. is recognized from FY25/3 3Q

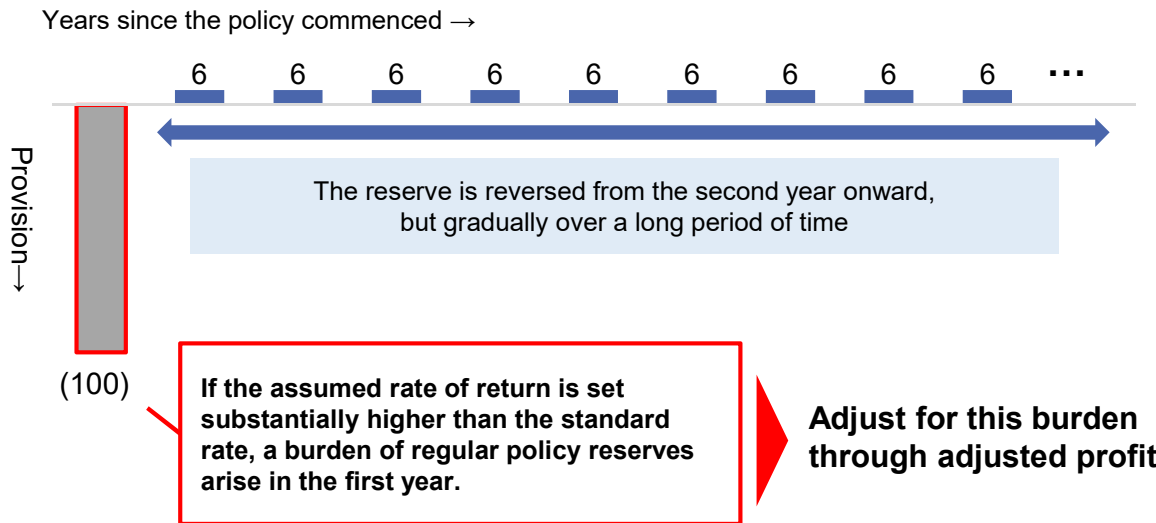
Amortization: ¥ 1.7bn / year
Amortization period: 20 years

[Reference] Adjustment Concerning the Burden of Regular Policy Reserves

- As part of our initiatives under the Medium-term Management Plan, we aim to increase the appeal of savings-type products (revise the assumed rates of return) in tune with rising interest rates and other external factors, to retain and expand the number of customers.
- If the assumed rate of return is set substantially higher than the standard rate, the burden of regular policy reserves in the first year may cause downward pressure on consolidated net income in the short term. We adjust for this impact to ensure stable shareholder returns.

Burden of regular policy reserves for lump-sum payment whole life insurance (Illustration)

The figure below shows an illustration of the annual amounts of provision and reversal of regular policy reserves for lump-sum payment whole life insurance policies that commenced during the period from January to September 2024, taking the burden of regular policy reserves in the first year as 100.



Burden of regular policy reserves in FY25/3 3Q (before tax)¹

	FY 25/3 new policies	FY 24/3 new policies
Level premiums	¥ (0.3) bn	¥ (1.0) bn
Lump-sum payment	¥ (29.4) bn	+ ¥ 0.4 bn
Total	¥ (29.8) bn	¥ (0.6) bn

Burden of first-year regular policy reserves in FY25/3 3Q (amount after tax is adjusted for adjusted profit)

Impact is mitigated through reversals from the second year of the policy onward

Note: The figure above has been prepared based on a standard rate (0.75%) and the Company's assumed rate (0.95%) for lump-sum payment whole life insurance for January to September, 2024.

1. This represents the burden of regular policy reserves (before tax) in FY25/3 3Q for new policies that commenced in each year. Positive numbers indicate the reversal and negative numbers indicate the provision of policy reserves.

[Reference] Calculation Method and Level of the Standard Rate of Return

- The method used to calculate the standard rate of return is presented in the table below.

Standard rate¹ and the Company's assumed rate

	Basic rate ^{2,3}	Record dates and dates of application	Level of rate		Current level of the Company's assumed rate
			Until September 2024	October 2024 onward	
Lump-sum payment whole life insurance, etc.	Lower of: <ul style="list-style-type: none"> The mean of the "average distribution yield on 10-year government bonds during the past three months" and the "average distribution yield on 20-year government bonds during the past three months" The mean of the "average distribution yield on 10-year government bonds during the past year" and the "average distribution yield on 20-year government bonds during the past year" 	Record dates: January 1, April 1, July 1, and October 1 Dates of application: Three months after each record date	0.75%	1.00%	0.95%
Level premium insurance, etc.	Lower of: <ul style="list-style-type: none"> The "average yield to subscribers on 10-year government bonds during the past three years" The "average yield to subscribers on 10-year government bonds during the past ten years" 	Record date: October 1 Date of application: April 1 in the year following the record date	0.25%		0.50% (For zero-dividend policies: 0.55%)

- Accumulation rate for policy reserves based on Public Notice No. 48 issued by the Ministry of Finance in 1996.
- The basic rate is calculated using the stability coefficient designated in the Public Notice, based on the rate in the table above.
- If the basic rate and the standard rate applied on the record date differ by 0.25% or more in the case of lump-sum payment products, or 0.50% or more in the case of level premium products, the standard rate for the date of application onward is revised to the multiple of 0.25% that is closest in value to the basic rate.

Overview of Balance Sheets

Overview of Balance Sheets

(¥bn)

	Mar-24	Dec-24	Change
Total Assets	60,855.8	60,471.8	(384.0)
Cash and deposits	1,157.3	1,453.4	296.1
Money held in trust	6,271.4	6,652.5	381.1
Securities	47,693.8	47,435.9	(257.8)
Loans	3,281.3	2,764.8	(516.4)
Tangible fixed assets	136.9	141.5	4.6
Intangible fixed assets	97.8	107.4	9.6
Deferred tax assets	636.6	621.9	(14.7)

	Mar-24	Dec-24	Change
Total Liabilities	57,460.1	56,982.0	(478.0)
Policy reserves	50,512.7	49,729.9	(782.8)
Contingency reserve	1,725.3	1,703.7	(21.6)
Additional policy reserve	4,909.2	4,737.7	(171.5)
Bonds payable	400.0	500.0	100.0
Reserve for price fluctuations	873.7	903.7	29.9
Net assets	3,395.7	3,489.7	94.0
Total shareholders' equity	1,622.0	1,668.6	46.5
Capital stock	500.0	500.0	-
Capital surplus	405.0	405.0	-
Retained earnings	717.9	764.4	46.4
Treasury stock	(0.9)	(0.9)	0.0
Total accumulated other comprehensive income ¹	1,773.6	1,821.1	47.4

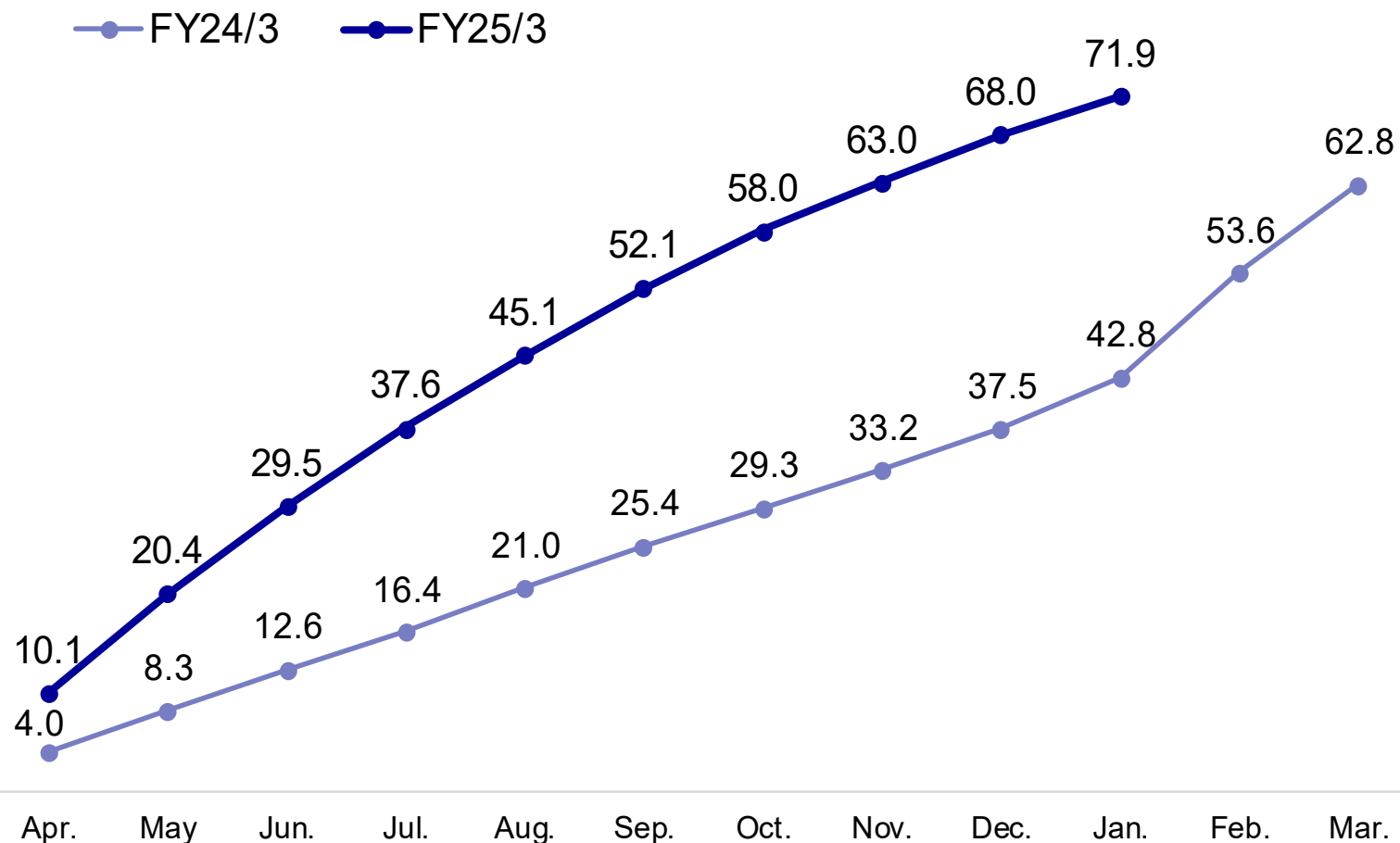
Note: Only major line items are shown.

1. As of December 31, 2024, ¥ 1,650.8bn of total accumulated other comprehensive income was generated from the Postal Life Insurance category.

Monthly Change of Number of New Policies (Cumulative Number for Each Fiscal Year)

Trend in Cumulative Number of New Policies¹ for Each Fiscal Year (Individual Insurance)

(10 thousands)



1. The number of new policies includes policies after conversion and excludes renewed policies.

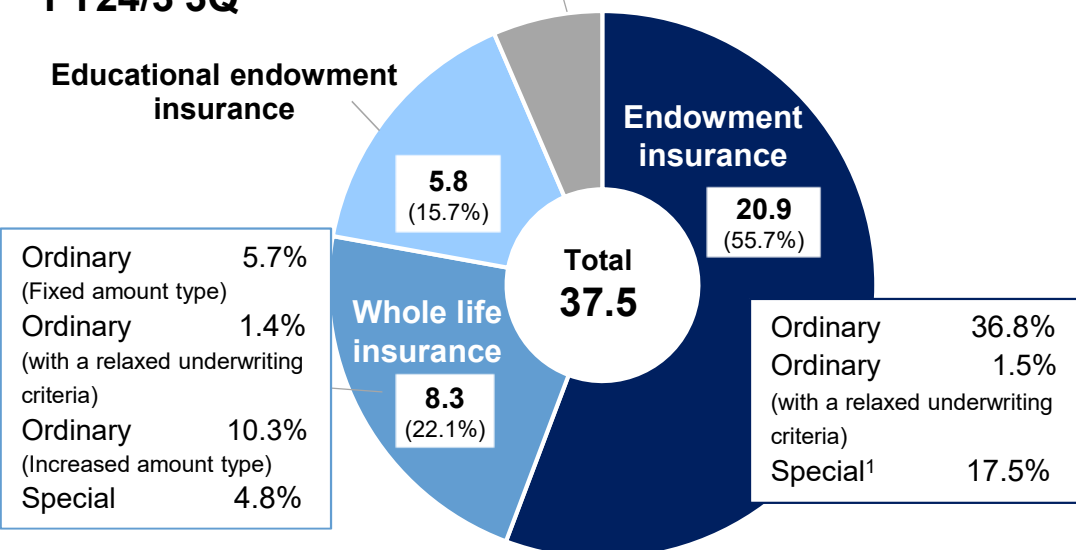
Breakdown of Number of Policies by Product

New Policies (Individual Insurance)

FY24/3 3Q

Other insurance 6.5% (10 thousands policies)

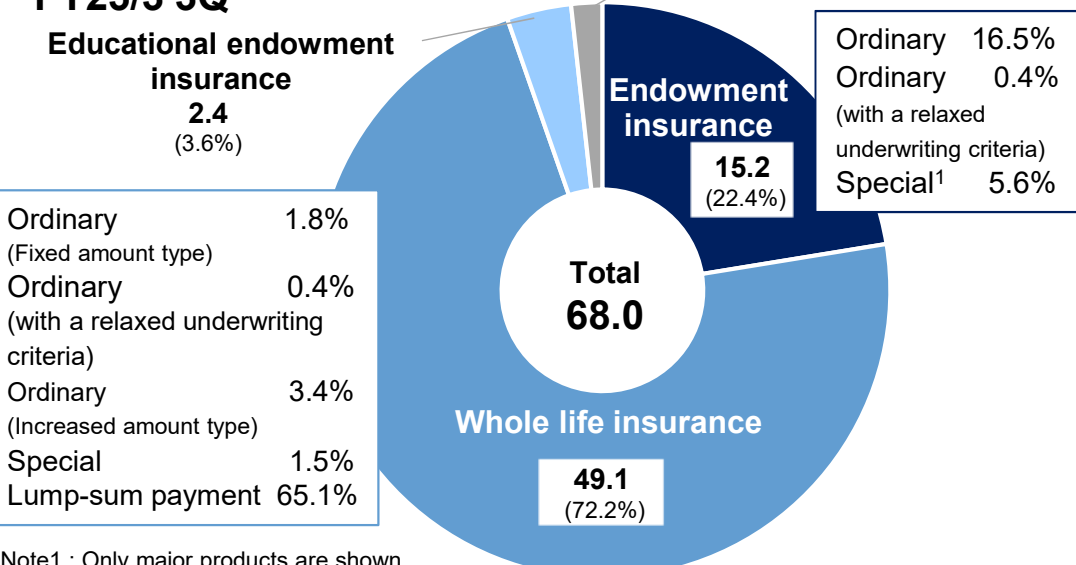
Educational endowment insurance



FY25/3 3Q

Other insurance 1.7%

Educational endowment insurance

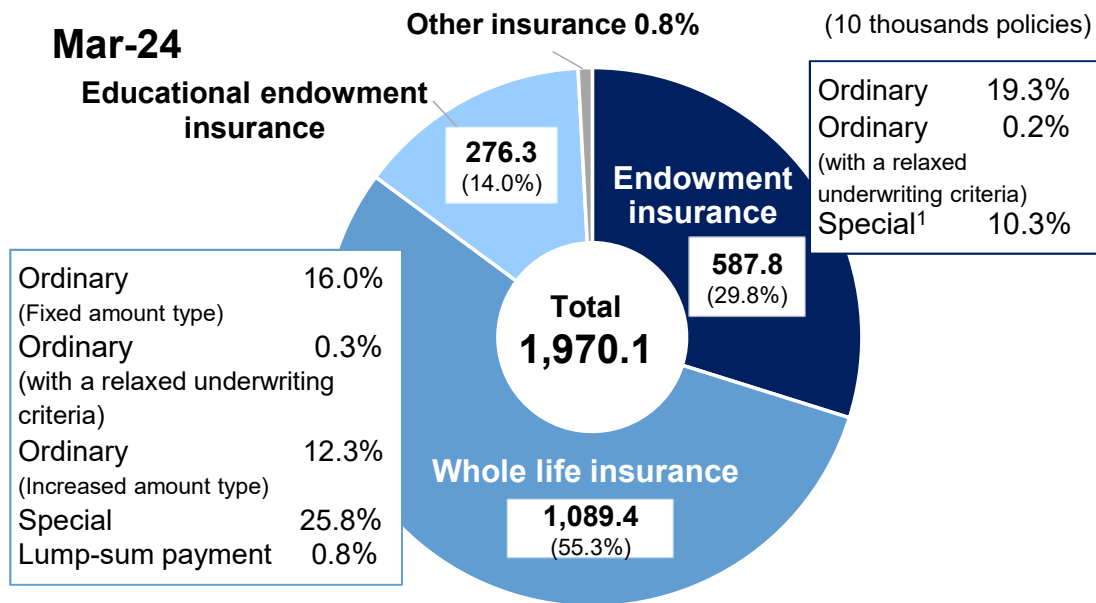


Policies in Force (Individual Insurance)

Mar-24

Other insurance 0.8% (10 thousands policies)

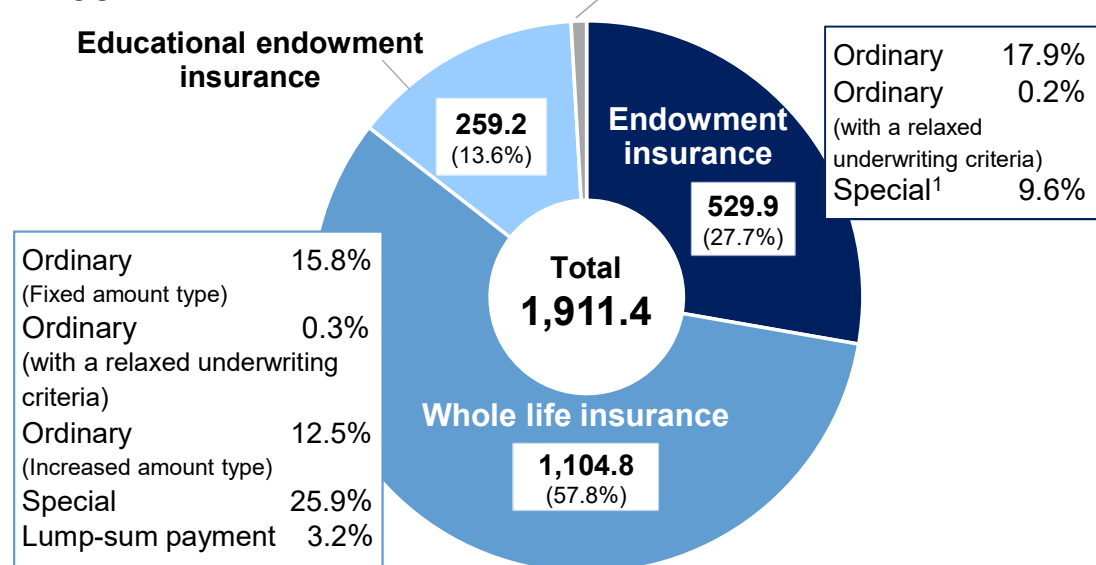
Educational endowment insurance



Dec-24

Other insurance 0.9%

Educational endowment insurance



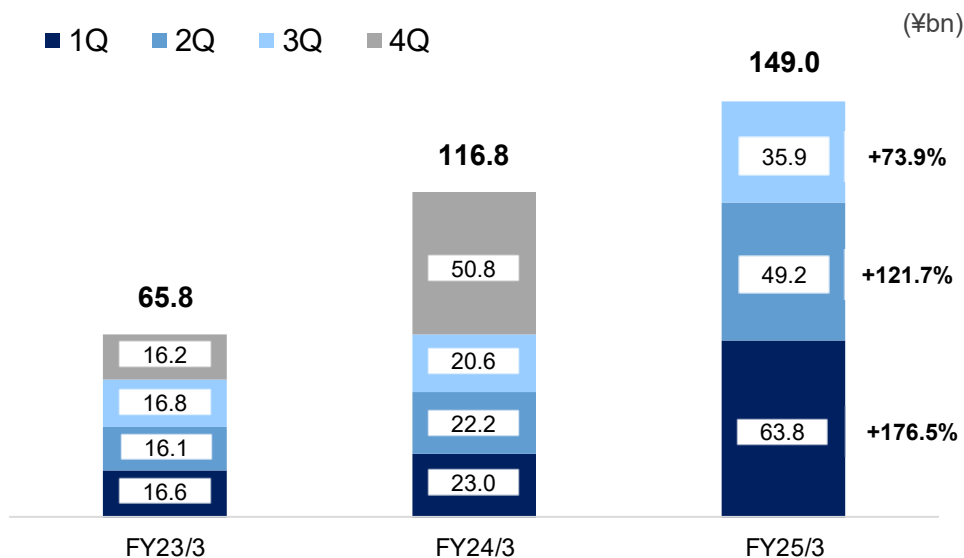
Note1 : Only major products are shown.

Note2 : Policies in force includes postal life insurance policies.

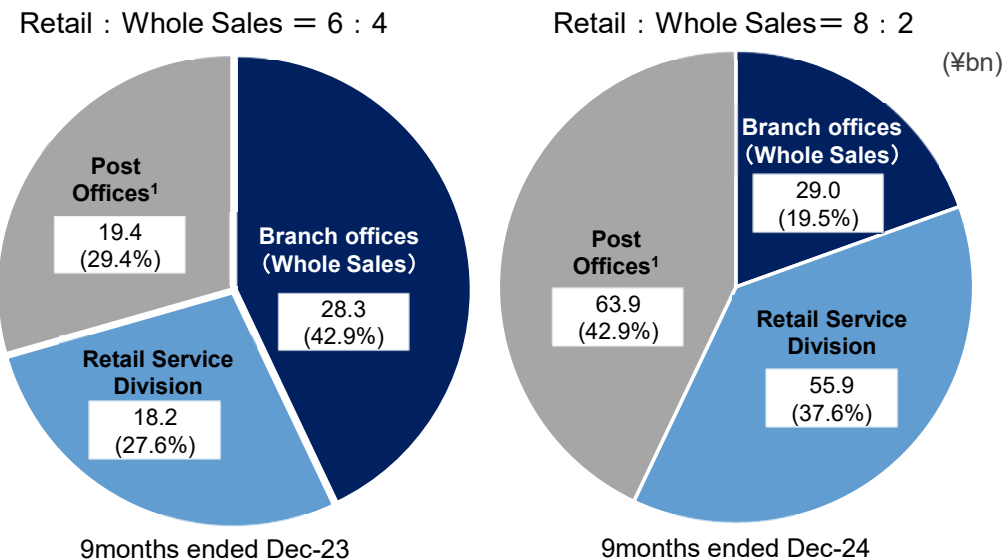
1. Increased amount type endowment insurance.

Annualized Premiums from New Policies (Quarterly Change and Breakdown by Sales channel)

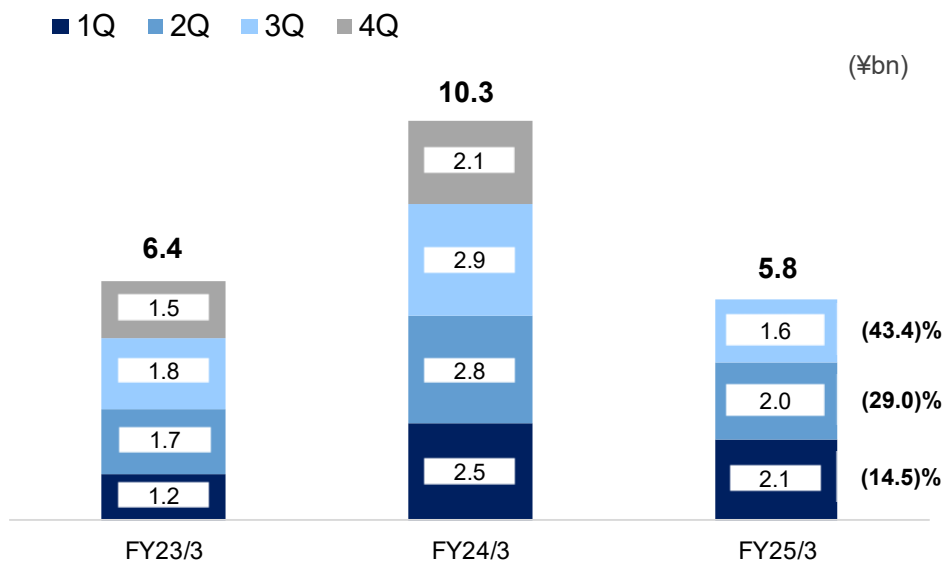
Annualized Premiums from New Policies (Individual Insurance)



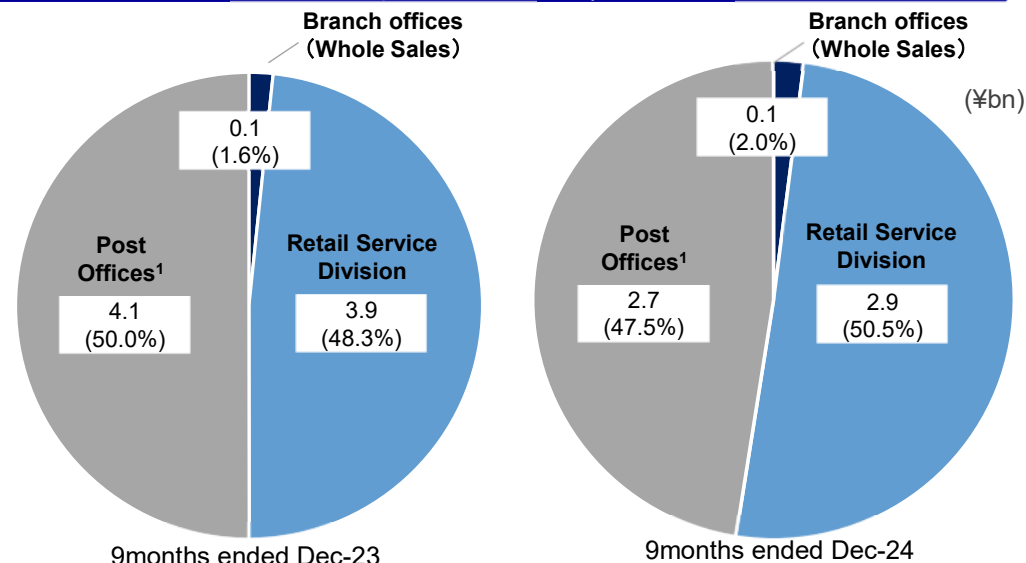
Breakdown of Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)



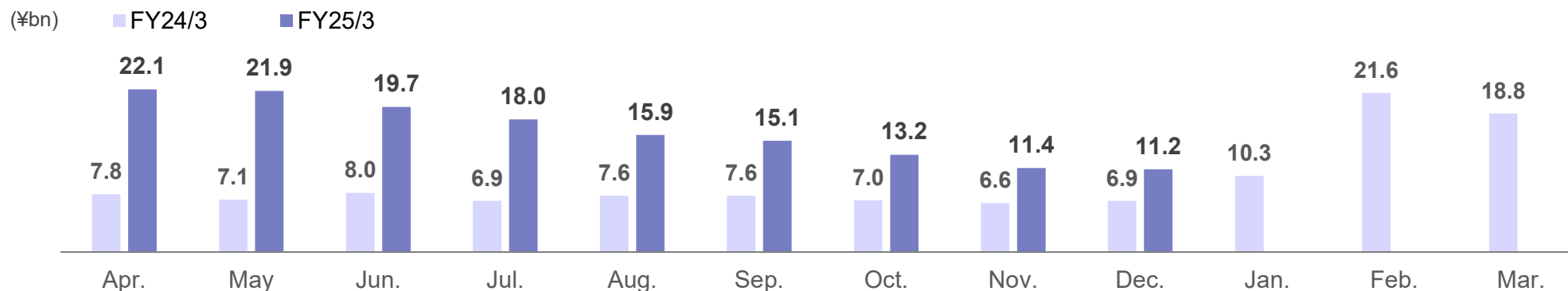
Breakdown of Annualized Premiums from New Policies (Medical Care)



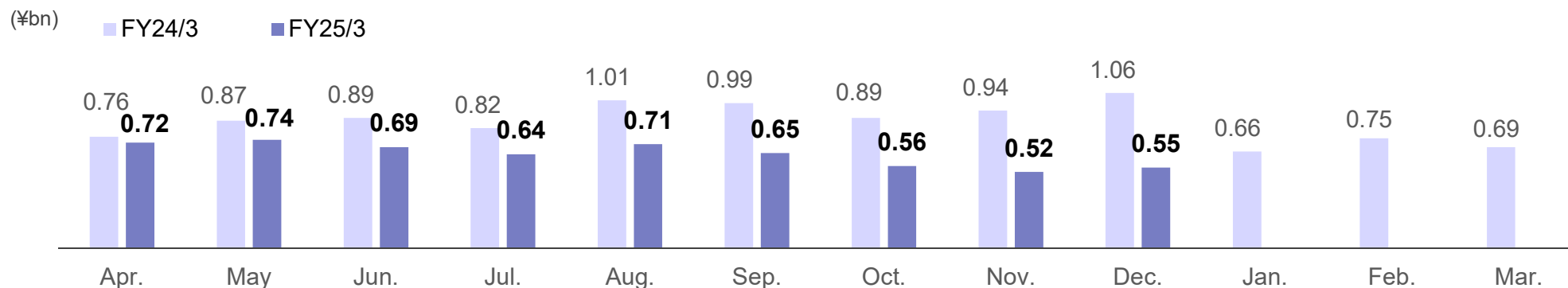
1. Includes amounts of the Contracted post offices.

Monthly Change of Annualized Premiums from New Policies

Annualized Premiums from New Policies (Individual Insurance)



Annualized Premiums from New Policies (Medical Care)



Medical Care¹ Ratio to Annualized Premiums from New Policies (Individual Insurance)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY24/3	9.7 %	12.2 %	11.1 %	11.8 %	13.4 %	13.0 %	12.6 %	14.2 %	15.3 %	6.5 %	3.5 %	3.7 %
FY25/3	3.3 %	3.4 %	3.5 %	3.6 %	4.5 %	4.3 %	4.3 %	4.6 %	4.9 %	-	-	-

1. Only for the premiums for medical care related to individual insurance.

Interest, Dividends and Other Income and Capital gains(losses)

Interest, Dividends and Other Income

	(¥bn)		
	9months ended Dec-23	9months ended Dec-24	(Reference) Year ended Mar-24
Investment income	876.5	909.1	1,211.5
Interest, dividends and other income	651.9	654.2	865.2
Interest on deposits	0.0	1.3	0.0
Interest and dividends on securities	597.6	608.4	793.7
Interest on corporate and government bonds	516.4	506.8	685.4
Domestic stock dividends	6.4	8.0	11.9
Interest and dividends on foreign securities	62.7	55.5	81.5
Others	11.9	38.0	14.8
Interest on loans	9.7	9.3	12.9
Interest on loans to the Management Organization	37.0	29.3	48.3
Rent revenue from real estate	-	-	-
Interest and dividends on others	7.4	5.7	10.0

Capital gains(losses)

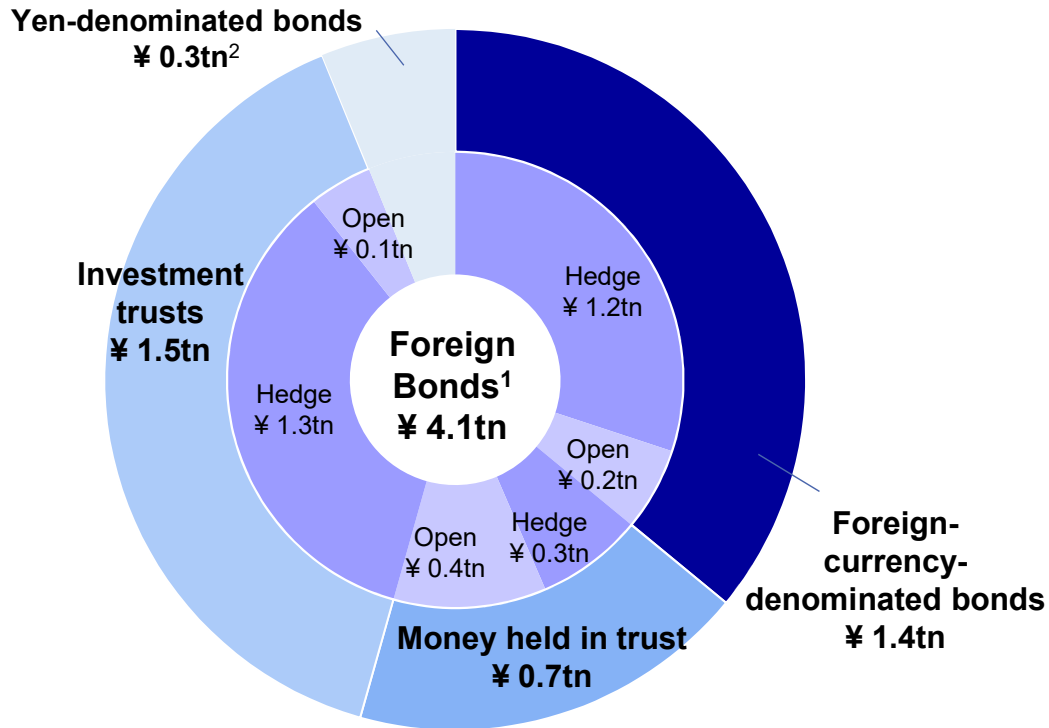
	(¥bn)		
	9months ended Dec-23	9months ended Dec-24	(Reference) Year ended Mar-24
Capital gains	288.3	329.2	427.6
Gains on money held in trust	131.7	149.8	181.4
Gains on sales of securities	79.1	84.2	151.1
Bonds	2.1	10.8	22.1
Domestic stocks	12.4	18.0	14.3
Foreign securities	64.6	55.3	114.5
Gains on derivative financial instruments	-	-	-
Gains on foreign exchanges	13.5	20.6	13.5
Other capital gains ¹	63.8	74.4	81.4
Capital losses	(281.8)	(291.4)	(417.5)
Losses on money held in trust	-	-	-
Losses on sales of securities	(111.6)	(134.1)	(177.7)
Bonds	(26.5)	(108.9)	(57.3)
Domestic stocks	(3.7)	(1.9)	(4.4)
Foreign securities	(81.4)	(23.1)	(115.8)
Other securities	-	-	-
Losses on valuation of securities	(0.0)	-	(0.0)
Losses on derivative financial instruments	(72.3)	(53.1)	(95.8)
Losses on foreign exchanges	-	-	-
Other capital losses ²	(97.7)	(104.1)	(143.9)
Net Capital gains(losses)	6.5	37.8	10.0

Note: "Invest, dividends and other income" is calculated on consolidated basis from the conference call material disclosed on May 15, 2024.

1. Amount equivalent to hedging cost related to foreign exchange and gains from cancellation of investment trust (excluding gains from cancellation of investment trusts held as "money held in trust") is recognized as "Other capital gains."
2. Amount equivalent to income gains associated with money held in trust is recognized as "Other capital losses."

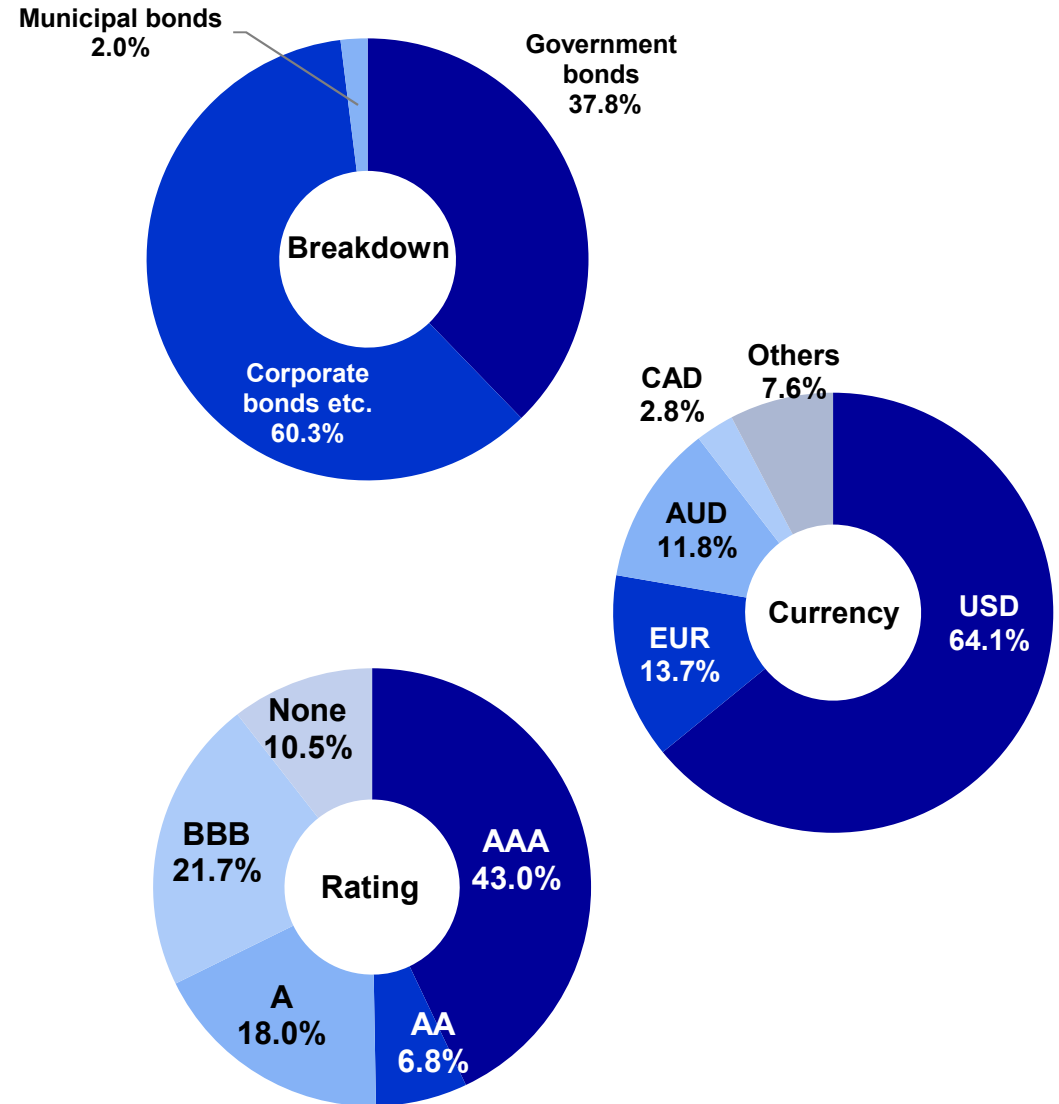
Exposure to Foreign Bonds (as of December 31, 2024)

Breakdown of Foreign Bonds

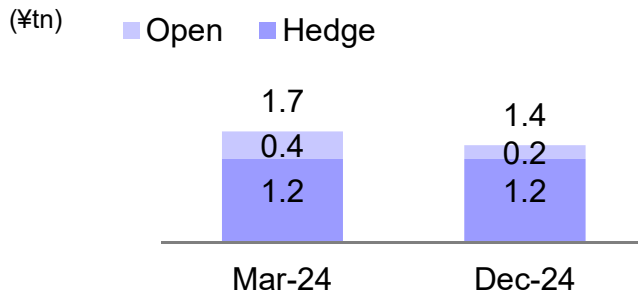


1. Foreign bonds included in return seeking assets (Ref.P7,28).
2. Includes foreign-currency-denominated bonds to which hedge accounting associated with currency swaps is applied.

Foreign-currency-denominated Bonds



Change of Foreign-currency-denominated Bonds



Note 1: Only foreign-currency-denominated-bonds issued by foreign entities are included in the calculation.
 Note 2: Issuer Ratings by Moody's are indicated.

Investments [Asset Portfolio]

Asset Portfolio

(¥bn)

	Mar-21		Mar-22		Mar-23		Mar-24		Dec-24		Change
	Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share	
Bonds	48,088.2	68.5%	46,563.5	69.3%	44,613.8	71.2%	42,644.2	70.1 %	42,426.0	70.2 %	(218.1)
Japanese government bonds	37,345.6	53.2%	37,408.9	55.7%	37,114.6	59.2%	36,037.5	59.2 %	36,183.7	59.8 %	146.1
Japanese local government bonds	5,583.9	8.0%	4,462.6	6.6%	3,390.6	5.4%	2,623.9	4.3 %	2,181.7	3.6 %	(442.2)
Japanese corporate bonds	5,158.5	7.4%	4,691.8	7.0%	4,108.5	6.6%	3,982.7	6.5 %	4,060.6	6.7 %	77.8
Return seeking assets ¹	11,181.2	15.9%	11,228.3	16.7%	9,830.4	15.7%	11,113.6	18.3 %	11,393.3	18.8 %	279.7
Domestic stocks ²	2,514.2	3.6%	2,614.5	3.9%	2,608.4	4.2%	3,590.7	5.9 %	3,693.4	6.1 %	102.6
Foreign stocks ²	489.5	0.7%	586.1	0.9%	534.5	0.9%	742.2	1.2 %	842.8	1.4 %	100.6
Foreign bonds ²	6,606.7	9.4%	6,279.9	9.3%	4,680.3	7.5%	4,388.2	7.2 %	4,162.1	6.9 %	(226.0)
Other ³	1,570.6	2.2%	1,747.7	2.6%	2,007.0	3.2%	2,392.3	3.9 %	2,694.9	4.5 %	302.5
Alternative assets ⁴	682.2	1.0%	914.9	1.4%	1,313.6	2.1%	1,659.4	2.7 %	1,901.9	3.1 %	242.5
Loans	4,964.0	7.1%	4,251.9	6.3%	3,605.8	5.8%	3,281.3	5.4 %	2,764.8	4.6 %	(516.4)
Others	5,939.4	8.5%	5,130.9	7.6%	4,637.2	7.4%	3,816.7	6.3 %	3,887.5	6.4 %	70.8
Cash and deposits, call loans	1,465.0	2.1%	1,310.7	2.0%	1,476.5	2.4%	1,197.3	2.0 %	1,483.4	2.5 %	286.1
Receivables under resale agreements ⁵	-	-	2,120.1	3.2%	1,384.7	2.2%	1,047.1	1.7 %	806.5	1.3 %	(240.6)
Receivables under securities borrowing transactions ⁵	2,585.0	3.7%	-	-	-	-	-	-	-	-	-
Total assets	70,172.9	100.0%	67,174.7	100.0%	62,687.3	100.0%	60,855.8	100.0 %	60,471.8	100.0 %	(384.0)

1. Return seeking assets include domestic and foreign stocks, foreign-currency-denominated bonds, investment trusts, etc. held for investment purposes among the assets recorded under "money held in trust" and "securities" on the balance sheet.

2. "Domestic stocks," "Foreign stocks" and "Foreign bonds" include individual stocks and bonds, as well as investment trusts investing only in the specified assets.

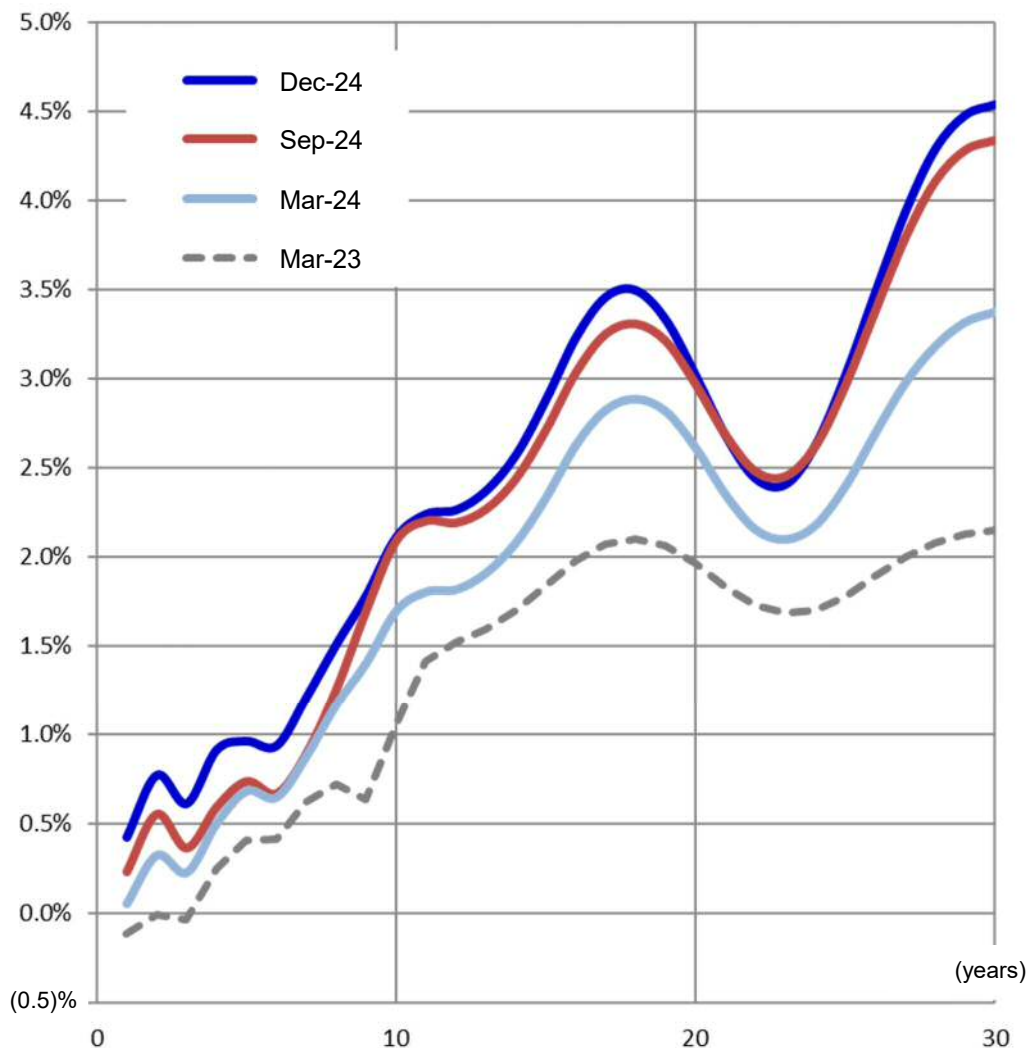
3. Bank loans, multi-asset, alternative investment (real estate fund, private equity, infrastructure equity, etc.), etc.

4. From FY23/3, based on the adoption of "Implementation Guidance on Accounting Standard for Fair Value Measurement," fair value of an investment trust that has no market transaction price is determined by assuming its net asset value as its fair value.

5. In short-term financial market transactions, repo transactions with cash collateral (account title: receivables under securities borrowing transactions) transition to new transactions with resale agreement (account title: receivables under resale agreements).

Fluctuations of Interest Rates (EV Assumptions)¹

Forward Rate (Mar-23 to Dec-24)



Forward Rate

	Mar-23	Mar-24 ^①	Sep-24 ^②	Dec-24 ^③
10 years	1.056 %	1.698 %	2.093 %	2.114 %
20 years	1.967 %	2.610 %	2.966 %	3.016 %
30 years	2.153 %	3.374 %	4.337 %	4.539 %

Note: The economic assumptions used for the calculation of EV and the value of new business are as follows:

- EV as of March 31, 2024 : ①
- Value of new business for FY25/3 3Q : ②
- EV as of December 31, 2024 : ③

1. Interest rates used herein (assumptions for EV) are forward rates calculated based on the market yields on JGBs announced by the Ministry of Finance, Japan.

New and Postal Life Insurance Category in the Statement of Income (Non-consolidated)

(¥bn)

	FY21/3		FY22/3		FY23/3		FY24/3		FY24/3 3Q		FY25/3 3Q	
	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life	New	Postal Life
Ordinary income	3,591.8	3,194.6	3,462.1	2,992.1	3,580.7	2,805.9	3,383.3	3,362.3	2,590.3	1,971.9	2,844.5	1,923.0
Insurance premiums and others	2,333.7	364.1	2,132.1	286.8	1,978.3	222.6	2,312.2	171.7	1,454.6	131.9	2,447.1	119.1
Investment income	448.4	673.6	460.6	688.6	488.5	670.8	433.1	779.8	327.8	550.2	362.0	547.1
Other ordinary income	809.7	2,156.8	869.3	2,016.6	1,113.8	1,912.4	637.9	2,410.7	807.8	1,289.7	35.3	1,256.7
Ordinary expenses	3,329.3	3,112.2	3,215.3	2,883.2	3,533.5	2,735.4	3,322.6	3,260.4	2,537.7	1,898.4	2,755.2	1,790.4
Insurance claims and others	2,925.4	2,940.6	2,831.7	2,717.5	2,952.6	2,535.3	2,821.1	2,957.4	2,158.2	1,703.3	1,977.4	1,551.8
Provision for policy reserves and others	0.0	-	0.0	-	14.5	-	0.0	0.1	0.0	0.0	433.5	0.5
Investment expenses	59.5	11.7	56.5	13.3	207.8	39.0	147.6	135.1	118.4	72.5	93.1	105.4
Operating expenses	275.4	126.6	263.0	121.5	306.6	137.5	298.6	139.8	219.0	102.9	208.6	106.9
Other ordinary expenses	68.9	33.2	64.0	30.7	51.8	23.6	55.0	27.9	42.0	19.5	42.4	25.6
Ordinary profit	262.5	82.4	246.7	108.9	47.1	70.4	60.7	101.8	52.5	73.4	89.3	132.5
Extraordinary gains and losses ¹	(23.6)	(23.1)	(22.3)	(40.0)	98.4	(16.1)	54.6	(38.6)	43.5	(27.9)	16.0	(46.1)
Provision for reserve for policyholder dividends	18.7	46.7	18.2	54.8	18.3	43.6	9.0	46.8	12.1	36.0	6.7	66.2
Income before income taxes	220.2	12.6	206.1	14.0	127.2	10.6	106.3	16.2	83.9	9.4	98.6	20.2
Total income taxes	61.1	6.0	57.3	4.9	36.4	3.6	28.7	5.3	24.2	3.0	28.7	5.9
Net income	159.0	6.5	148.7	9.1	90.8	6.9	77.6	10.9	59.7	6.3	69.8	14.2

Note 1: "Postal Life Insurance category" shows the amounts generated from the Postal Life Insurance policies, and "New category" shows the figure after deduction of "Postal Life Insurance category" from the total.

Note 2: Regarding some of the line items, adjustments are made if the resulting number for the new category is negative when the Postal Life Insurance category is subtracted from Japan Post Insurance as a whole.

1. "Extraordinary gains and losses" includes "Price fluctuations reserve, provision" and "Price fluctuations reserve, reversal."

Figures by New and Postal Life Insurance Categories (Non-Consolidated)

		FY21/3	FY22/3	FY23/3	FY24/3	FY24/3 3Q	FY25/3 3Q
Total assets	¥mn	70,173,857	67,174,848	62,685,230	60,857,090	60,985,322	60,471,868
Postal Life Insurance category		37,815,270	35,929,138	33,692,133	32,404,929	32,613,119	30,914,715
New category		32,358,586	31,245,710	28,993,096	28,452,160	28,372,202	29,557,152
Number of policies in force	(000)	24,837	22,802	20,987	19,701	19,913	19,114
Postal Life Insurance category (insurance)		8,944	8,061	7,265	6,605	6,777	6,173
New category (individual insurance)		15,893	14,740	13,722	13,095	13,136	12,940
Numbers of new policies (individual insurance)	(000)	124	173	314	628	375	680
Numbers of cancelled policies¹	(000)	2,357	2,209	2,128	1,915	1,449	1,267
Postal Life Insurance category (insurance)		962	882	796	659	488	431
New category (individual insurance)		1,394	1,326	1,332	1,255	961	835
Contingency reserve (reversal) provision²	¥mn	(186,023)	79,651	10,883	23,457	50,265	(21,631)
Postal Life Insurance category		(191,014)	73,581	56,976	23,462	50,830	(24,486)
New category		4,991	6,069	(46,093)	(4)	(565)	2,854
Price fluctuations reserve (reversal) provision²	¥mn	46,477	67,789	(82,645)	(16,161)	(15,625)	29,989
Postal Life Insurance category		23,121	40,045	16,140	38,686	27,992	46,160
New category		23,355	27,743	(98,786)	(54,848)	(43,617)	(16,171)
Additional policy reserve (reversal) provision²	¥mn	27,652	(239,366)	(245,641)	(463,738)	(176,332)	(171,518)
Postal Life Insurance category		30,553	(236,996)	(243,835)	(462,467)	(175,333)	(170,859)
New category		(2,901)	(2,369)	(1,806)	(1,271)	(998)	(658)

Note: "Postal Life Insurance category" shows the amounts generated from the Postal Life Insurance policies, and "New category" shows the figure after deduction of "Postal Life Insurance category" from the total.

1. From FY24/3, the company has changed the definition of "numbers of cancelled policies" from "the sum of death, maturity, surrender and lapse" to "the sum of death, maturity, surrender and lapse, and other decreases (mainly the sum of cancellations, invalidations, and rescissions)." Figures for the numbers of cancelled policies from FY21/3 onward in this document are based on the revised definition.

2. Plus signs indicate provisions, while brackets () indicate reversals.

Key Financial Indicators

(¥bn)

	FY21/3	FY22/3	FY23/3	FY24/3	FY24/3 3Q	FY25/3 3Q
Insurance premiums and others	2,697.9	2,418.9	2,200.9	2,484.0	1,586.5	2,566.2
Operating expenses etc ¹	503.5	479.0	519.7	521.6	383.0	383.4
Ordinary profit	345.7	356.1	117.5	161.1	125.4	222.7
Provision for reserve for policyholder dividends	65.4	73.1	62.0	55.8	48.1	73.0
Net income	166.1	158.0	97.6	87.0	65.1	84.4
Adjusted profit	-	-	-	97.6	65.5	106.3
Net assets	2,841.4	2,421.0	2,375.3	3,395.7	2,869.0	3,489.7
Total assets	70,172.9	67,174.7	62,687.3	60,855.8	60,985.7	60,471.8
Return on equity	7.0 %	6.0 %	4.1 %	3.0 %	-	-
RoEV ²	5.0 %	4.0 %	3.1 %	7.6 %	6.2 %	8.4 %
Dividends to shareholders	42.7	35.9	35.5	36.0	18.0	19.9
Share repurchase	358.8 ³	34.9 ⁴	-	-	-	-
Total return ratio	241.8 %	44.9 %	36.4 %	41.4 %	-	-
EV	4,026.2	3,618.9	3,463.8	3,965.0	3,713.9	4,064.4
Value of New Business	(12.7)	(11.5)	(7.4)	20.8	11.2	49.3
Core profit ⁵ (Non-consolidated)	421.9	429.7	192.3	224.0	169.7	162.5
Core profit attributable to life insurance activities	345.6	296.4	98.2	132.1	116.8	73.6
Spread ⁵ (positive/negative spread)	76.3	133.3	94.0	91.8	52.9	88.8

1. Sum of Operating expenses and Other ordinary expenses.

2. Calculated by excluding economic variance factors.

3. Share repurchase in May 2021.

4. Share repurchase from August 2022 to March 2023.

5. Following the partial amendment to the method for calculating core profit in FY23/3, Core profit (Non-consolidated) and Spread (positive/negative spread) are calculated by using the revised method from FY22/3 onward, as opposed to FY21/3.

<Guidance>

Various financial data (in Excel format) are available on the Company's IR website (please refer to "Investor Relations").

- Performance and Financial Data

<https://www.jp-life.japanpost.jp/IR/en/finance/data.html>

In addition to the Balance Sheets and Income Statements, the main financial results and other financial data presented in these materials (adjusted profit, core profit, policy results, EV, etc.) are also available in Excel format from FY25/3 2Q and onward.

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