

**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 Non-Consolidated Financial Results  
for the Nine Months Ended December 31, 2014  
[Under Japanese GAAP]**



February 10, 2015

Company Name: JAPAN POST INSURANCE Co., Ltd.

URL: <http://www.jp-life.japanpost.jp/>

Representative: Masami Ishii, Director and President, CEO, Representative Executive Officer

(Amounts of less than one million yen are rounded down.)

**1. Non-Consolidated Financial Results for the Nine Months Ended December 31, 2014 (April 1, 2014 to December 31, 2014)**

(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	%
Nine months ended December 31, 2014	7,723,394	(8.1)	377,729	14.8	73,702	78.4
Nine months ended December 31, 2013	8,401,615	(6.3)	329,080	(18.4)	41,317	(46.7)

	Net income per share	Diluted net income per share (Note)
	Yen	Yen
Nine months ended December 31, 2014	3,685.14	-
Nine months ended December 31, 2013	2,065.88	-

(Note) Diluted net income per share is not presented for the nine months ended December 31, 2014 as potential common stock did not exist.

**(2) Non-Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2014	85,012,677	1,886,616	2.2
As of March 31, 2014	87,088,626	1,534,457	1.8

Net assets attributable to the Company's shareholders as of December 31, 2014 and March 31, 2014 were ¥1,886,616 million and ¥1,534,457 million, respectively.

**2. Non-Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2015 (April 1, 2014 to March 31, 2015)**

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	10,110,000	(10.0)	410,000	(11.5)	73,000	15.1	3,650.00

(Note) Revisions to the most recent financial results forecast: No

**\* Notes:**

- (1) Adoption of special accounting methods in the preparation of the financial statements: 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 “2. Matters Concerning Summary Information (Notes)” on page 5 of the Attachment.
- (3) Total number of shares issued (common stock)
- Total number of shares issued at the end of the period:
- December 31, 2014: 20,000,000 shares
  - March 31, 2014: 20,000,000 shares

**\* Explanation on the appropriate use of financial results forecasts, and other notes**

This document is intended for the sole purpose of providing information to the general public, and should not be construed as solicitation or an offer to invest in any securities including shares in the Company.

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.

[Attachment]

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## 1. Qualitative Information on Quarterly Non-Consolidated Financial Results

### (1) Non-Consolidated Results of Operations

During the nine months ended December 31, 2014, Japan Post Insurance Co., Ltd. (the “Company”) sold 1.795 million individual insurance policies with an insured amount of ¥5,248.7 billion, and 0.11 million individual annuity policies with an annuity amount of ¥393.1 billion. This was mainly attributable to further strengthening of sales promotion systems in collaboration with Japan Post Co., Ltd., the main channel of the Company, and the strong sales in *Hajime no Kanpo* educational endowment insurance launched in April.

Ordinary income amounted to ¥7,723.3 billion, comprising the sum of items including insurance premiums and others of ¥4,487.9 billion, investment income of ¥1,105.4 billion, and reversal of policy reserves of ¥1,990.7 billion. Meanwhile, ordinary expenses amounted to ¥7,345.6 billion, comprising the sum of items including insurance claims and others of ¥6,884.6 billion, investment expenses of ¥9.3 billion, and operating expenses of ¥379.5 billion. As a result, ordinary profit amounted to ¥377.7 billion.

Net income amounted to ¥73.7 billion due to the recording of items including ¥78.7 billion of provision for reserve for price fluctuations under extraordinary losses, ¥192.3 billion of provision for reserve for policyholder dividends, and ¥32.8 billion of total income taxes. In addition, core profit amounted to ¥389.2 billion.

### (2) Non-Consolidated Financial Position

As of December 31, 2014, total assets amounted to ¥85,012.6 billion, mainly comprising ¥67,308.3 billion of securities and ¥10,482.0 billion of loans.

Total liabilities amounted to ¥83,126.0 billion, comprising ¥78,595.8 billion of policy reserves and others.

Total net assets amounted to ¥1,886.6 billion, comprising ¥483.5 billion of net unrealized gains on available-for-sale securities.

The solvency margin ratio stood at 1,648.7% and real net assets amounted to ¥12,052.0 billion.

### (3) Non-Consolidated Financial Results Forecast and Other Future Predictions

The Company’s forecast for the fiscal year ending March 31, 2015 has not been revised from the figures announced on May 15, 2014.

## 2. Matters Concerning Summary Information (Notes)

Changes in accounting policies, changes in accounting estimates and retrospective restatement

(Changes in accounting policies due to the revision of accounting standards)

Effective from the three months ended June 30, 2014, with respect to the application of the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 26, May 17, 2012; hereinafter referred to as the “Retirement Benefits Accounting Standard”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012; hereinafter referred to as the “Guidance on Retirement Benefits”), the Company adopted provisions stated in the main clause of Paragraph 35 of the Retirement Benefits Accounting Standard and the main clause of Paragraph 67 of the Guidance on Retirement Benefits. Accordingly, the Company revised the calculation methods for retirement benefit obligations and service cost and changed the method of attributing expected benefit to each fiscal year from the straight-line basis to the benefit formula basis. In addition, the method for determining the discount rate has been changed from the method using a discount rate based on the number of years which approximates the estimated average remaining service lives for employees to the method using a single-weighted average discount rate which reflects the estimated payment periods of retirement benefits and the amounts in the respective estimated payment periods.

In accordance with the transitional application provided for in Paragraph 37 of the Retirement Benefits Accounting Standard, the effects of changes of the calculation methods for retirement benefit obligations and service cost are recognized in retained earnings at the beginning of the nine months ended December 31, 2014.

As a result, reserve for employees’ retirement benefits increased by ¥5,104 million and retained earnings decreased by ¥3,533 million at the beginning of the nine months ended December 31, 2014.

The effect of these changes on ordinary profit for the nine months ended December 31, 2014 was immaterial.

## 3. Non-Consolidated Financial Statements

## (1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
<b>ASSETS:</b>		
Cash and deposits	1,663,576	1,229,583
Call loans	230,025	472,164
Receivables under securities borrowing transactions	2,822,188	2,471,319
Monetary claims bought	107,448	248,604
Money held in trust	581,627	1,331,717
Securities	69,378,975	67,308,378
Japanese government bonds	52,522,914	49,072,364
Japanese local government bonds	9,173,780	9,535,247
Japanese corporate bonds	6,441,832	6,693,198
Stocks	984	984
Foreign securities	1,239,464	2,006,584
Loans	11,020,585	10,482,056
Policy loans	54,271	68,162
Industrial and commercial loans	763,298	797,384
Loans to the Management Organization	10,203,015	9,616,509
Tangible fixed assets	89,322	125,534
Intangible fixed assets	126,040	141,453
Agency accounts receivable	102,651	90,716
Reinsurance receivables	234	514
Other assets	374,320	529,383
Deferred tax assets	592,665	582,353
Reserve for possible loan losses	(1,036)	(1,101)
Total assets	87,088,626	85,012,677

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
<b>LIABILITIES:</b>		
Policy reserves and others	80,799,941	78,595,868
Reserve for outstanding claims	831,690	695,817
Policy reserves	77,745,490	75,754,709
Reserve for policyholder dividends	2,222,759	2,145,341
Reinsurance payables	1,234	1,765
Other liabilities	4,077,493	3,768,181
Payables under securities lending transactions	3,703,176	3,528,618
Income taxes payable	15,804	10,039
Lease obligations	1,528	2,191
Asset retirement obligation	15	15
Other liabilities	356,968	227,317
Reserve for possible claim payments	1,881	294
Reserve for employees' retirement benefits	59,385	66,992
Reserve under the special law	614,233	692,958
Reserve for price fluctuations	614,233	692,958
Total liabilities	85,554,169	83,126,060
<b>NET ASSETS:</b>		
Capital stock	500,000	500,000
Capital surplus	500,044	500,044
Legal capital surplus	405,044	405,044
Other capital surplus	95,000	95,000
Retained earnings	349,627	402,988
Legal retained earnings	17,222	20,584
Other retained earnings	332,404	382,403
Retained earnings brought forward	332,404	382,403
Total shareholders' equity	1,349,671	1,403,032
Net unrealized gains (losses) on available-for-sale securities	184,774	483,538
Net deferred gains (losses) on hedges	11	46
Total valuation and translation adjustments	184,785	483,584
Total net assets	1,534,457	1,886,616
Total liabilities and net assets	87,088,626	85,012,677

## (2) Non-Consolidated Statements of Income

Nine months ended December 31

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
ORDINARY INCOME	8,401,615	7,723,394
Insurance premiums and others	4,514,921	4,487,972
[Insurance premiums]	[4,514,780]	[4,486,726]
Investment income	1,155,175	1,105,417
[Interest and dividend income]	[1,102,580]	[1,032,639]
[Gains on money held in trust]	[4,918]	[21,543]
[Gains on sales of securities]	[46,143]	[51,151]
Other ordinary income	2,731,518	2,130,004
[Reversal of reserve for outstanding claims]	[208,548]	[135,873]
[Reversal of policy reserves]	[2,514,333]	[1,990,781]
ORDINARY EXPENSES	8,072,534	7,345,665
Insurance claims and others	7,617,022	6,884,627
[Insurance claims]	[7,144,910]	[6,298,157]
[Annuity payments]	[189,213]	[224,688]
[Benefits]	[24,900]	[30,247]
[Surrender benefits]	[156,881]	[208,186]
[Other refunds]	[99,529]	[118,996]
Provision for policy reserves and others	4,017	1,066
Provision for interest on policyholder dividends	4,017	1,066
Investment expenses	16,407	9,381
[Interest expenses]	[3,743]	[3,274]
[Losses on sales of securities]	[10,205]	[4,963]
Operating expenses	377,817	379,576
Other ordinary expenses	57,268	71,013
Ordinary profit	329,080	377,729
EXTRAORDINARY GAINS	—	—
EXTRAORDINARY LOSSES	67,304	78,835
Losses on sales and disposal of fixed assets	8,254	110
Provision for reserve under the special law	59,050	78,725
Provision for reserve for price fluctuations	59,050	78,725
Provision for reserve for policyholder dividends	186,585	192,315
Income before income taxes	75,191	106,579
Income taxes - Current	145,178	152,794
Income taxes - Deferred	(111,305)	(119,917)
Total income taxes	33,873	32,876
Net income	41,317	73,702



(3) Notes to the Non-Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.