

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.



Outline of Financial Results for the Fiscal Year Ended March 31, 2015

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JAPAN POST INSURANCE

May 15, 2015

*1 All data are presented on a non-consolidated basis.

*2 For the number of policies and amount, figures are rounded down to the nearest unit.

*3 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.

1. Insurance Policies (1)

- 2.38 million new individual insurance policies were sold with a total policy amount of ¥7,002.5 billion.
- 0.13 million new individual annuity policies were sold with a total policy amount of ¥493.5 billion.

< Breakdown of New Policies >

	Year ended Mar-15		Year ended Mar-14	
	Number of policies (10 thousands)	Policy amount (¥bn)	Number of policies (10 thousands)	Policy amount (¥bn)
Individual insurance	238	7,002.5	223	6,559.8
Whole life insurance	59	2,054.5	65	2,179.4
Endowment insurance	112	3,546.0	139	4,187.7
Educational endowment insurance	66	1,399.6	17	191.1
Individual annuities	13	493.5	14	524.0

*1 Main categories are presented.

*2 Policy amounts for individual insurance are the insured amount paid on death etc.

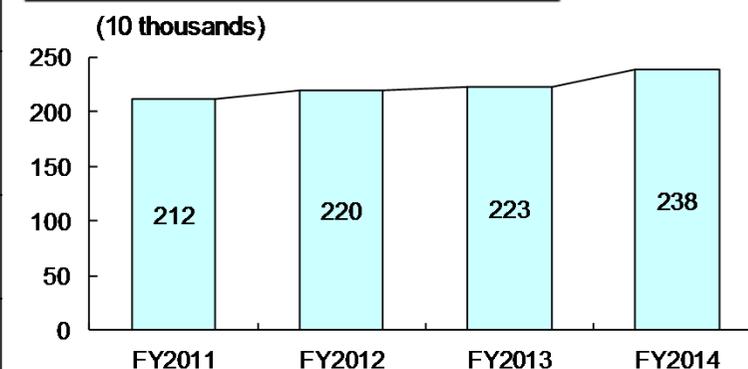
*3 Policy amounts for individual annuities are the total of the accumulated contribution payment as of the date of annuity payment commencement.

*4 Figures of the "Educational endowment insurance" for the fiscal year ended March 31, 2015 represent the number of policies or the policy amount of the educational endowment insurance launched in April 2014 (Hajime no Kanpo).

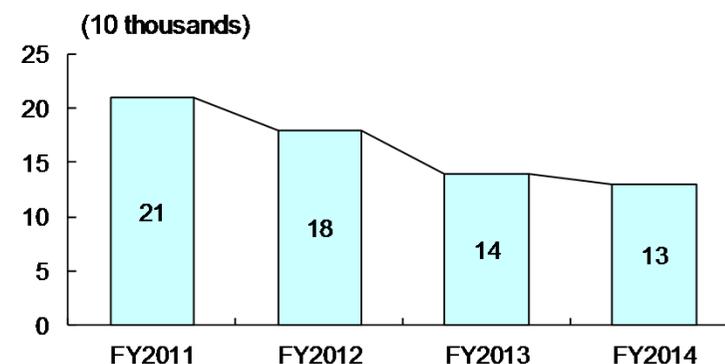
*5 Starting from the fiscal year under review, the number of policies and policy amounts (including those for previous years) are truncated instead of being rounded.

< Changes in New Policies >

Individual insurance (Number of policies)



Individual annuities (Number of policies)



1. Insurance Policies (2)

- Policies in force of Japan Post Insurance comprises 13.53 million individual insurance policies with a total policy amount of ¥39,159.0 billion and 1.31 million individual annuity policies with a total policy amount of ¥3,615.9 billion.
- The total number of policies in force for individual insurance policies and the insurance policies of Postal Life Insurance was 33.48 million.

< Breakdown of Policies in Force of Japan Post Insurance >

	Mar-15		Mar-14	
	Number of policies (10 thousands)	Policy amount (¥ bn)	Number of policies (10 thousands)	Policy amount (¥ bn)
Individual insurance	1,353	39,159.0	1,166	33,735.6
Whole life insurance	325	10,760.4	278	9,133.7
Endowment insurance	833	25,050.0	756	22,736.4
Educational endowment insurance	193	3,330.8	132	1,848.4
Individual annuities	131	3,615.9	119	3,443.8

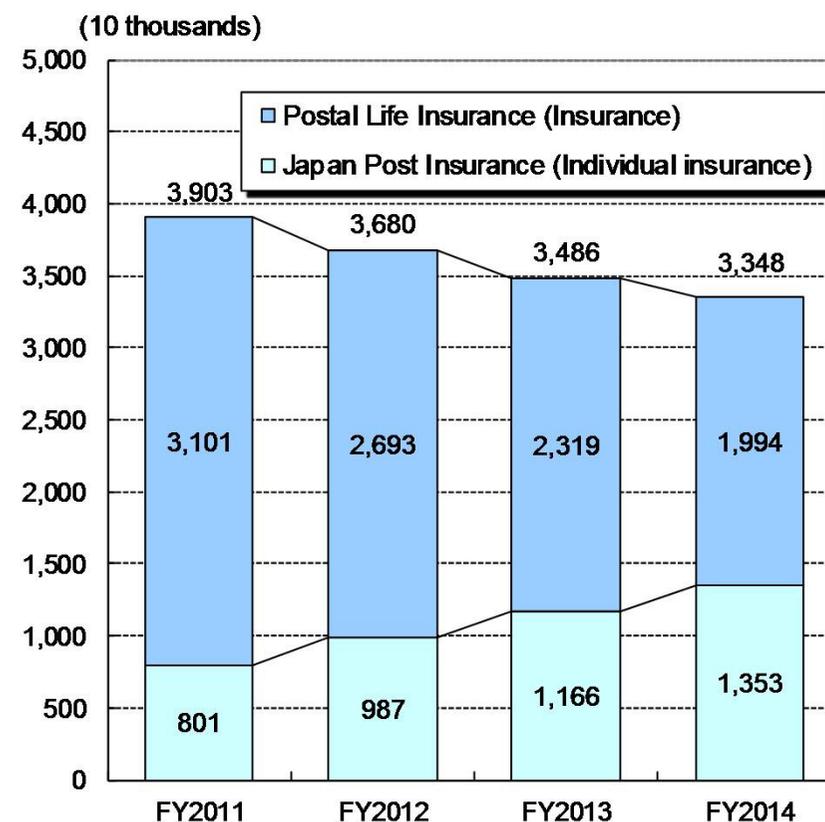
*1 Main categories are presented.

*2 Policy amounts for individual insurance are the insured amount paid on death etc.

*3 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) amount of policy reserves for the annuity after payments have commenced.

*4 Starting from the fiscal year under review, the number of policies and policy amounts (including those for previous years) are truncated instead of being rounded.

< Changes in Policies in Force >



1. Insurance Policies (3)

- The annualized premiums from new policies consisted of ¥457.8 billion for individual insurance policies and ¥162.5 billion for individual annuity policies.
- The annualized premiums from policies in force consisted of ¥2,526.8 billion for individual insurance policies and ¥673.8 billion for individual annuity policies.

< Breakdown of Annualized Premiums >

<<New Policies>>

	Year ended Mar-15 (¥ bn)	Year ended Mar-14 (¥ bn)
Individual insurance	457.8	439.0
Individual annuities	162.5	179.8

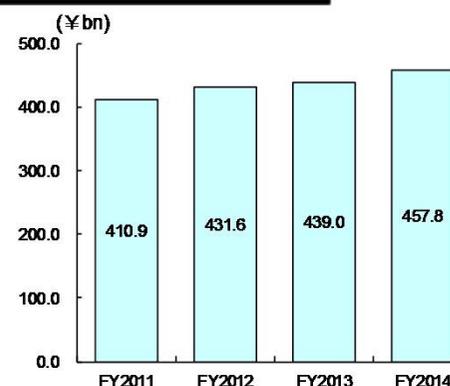
<<Policies in Force>>

	Mar-15 (¥ bn)	Mar-14 (¥ bn)
Individual insurance	2,526.8	2,192.2
Individual annuities	673.8	661.4

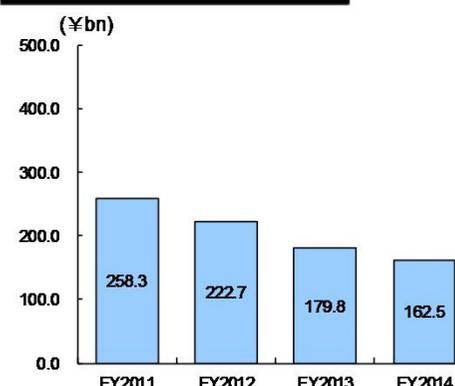
- *1 Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.
- *2 Policies in force are those of Japan Post Insurance and do not include Postal Life Insurance Policies.
- *3 Starting from the fiscal year under review, annualized premiums (including those for previous years) are truncated instead of being rounded.

< Changes in Annualized Premiums >

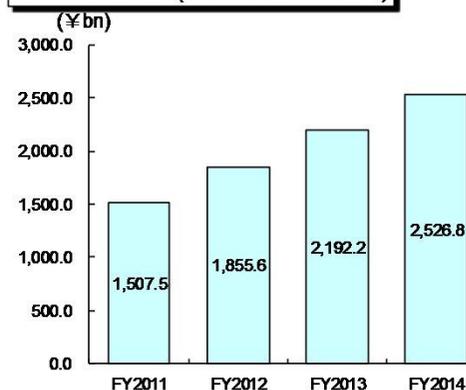
New policies (Individual insurance)



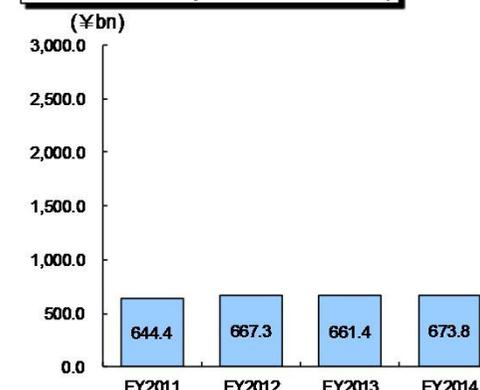
New policies (Individual annuities)



Policies in force (Individual insurance)



Policies in force (Individual annuities)



2. Profits and Losses

- Ordinary profit amounted to ¥493.1 billion and net income amounted to ¥81.7 billion.

< Outline of Statements of Income >

	Year ended Mar-15	Year ended Mar-14	Change	(¥ bn)
Ordinary income	10,169.2	11,233.9	(1,064.6)	* Main items of the Statements of Income are presented.
Insurance premiums and others	5,956.7	5,911.6	45.0	
Investment income (Note 1)	1,460.7	1,540.6	(79.8)	Note 1 Investment income comprised mainly of ¥1,365.7 billion of interest and dividend income and ¥61.9 billion of gains on sales of securities.
Reversal of policy reserves	2,632.8	3,656.4	(1,023.6)	
Ordinary expenses	9,676.0	10,770.4	(1,094.3)	
Insurance claims and others	9,059.5	10,160.8	(1,101.3)	
Investment expenses (Note 2)	10.9	18.1	(7.1)	Note 2 Investment expenses comprised mainly of ¥4.9 billion of losses on sales of securities.
Operating expenses	512.4	513.0	(0.6)	
Ordinary profit	493.1	463.5	29.6	
Extraordinary losses (Note 3)	(99.3)	(99.9)	0.6	Note 3 Extraordinary losses comprised mainly of ¥97.9 billion of provision for reserve for price fluctuations.
Provision for reserve for policyholder dividends	200.7	242.1	(41.4)	
Income before income taxes	193.0	121.3	71.7	
Total income taxes	111.3	57.9	53.3	
Net income	81.7	63.4	18.3	

3. Assets and Liabilities

- Total assets amounted to ¥84.9 trillion and net assets amounted to ¥1.9 trillion.

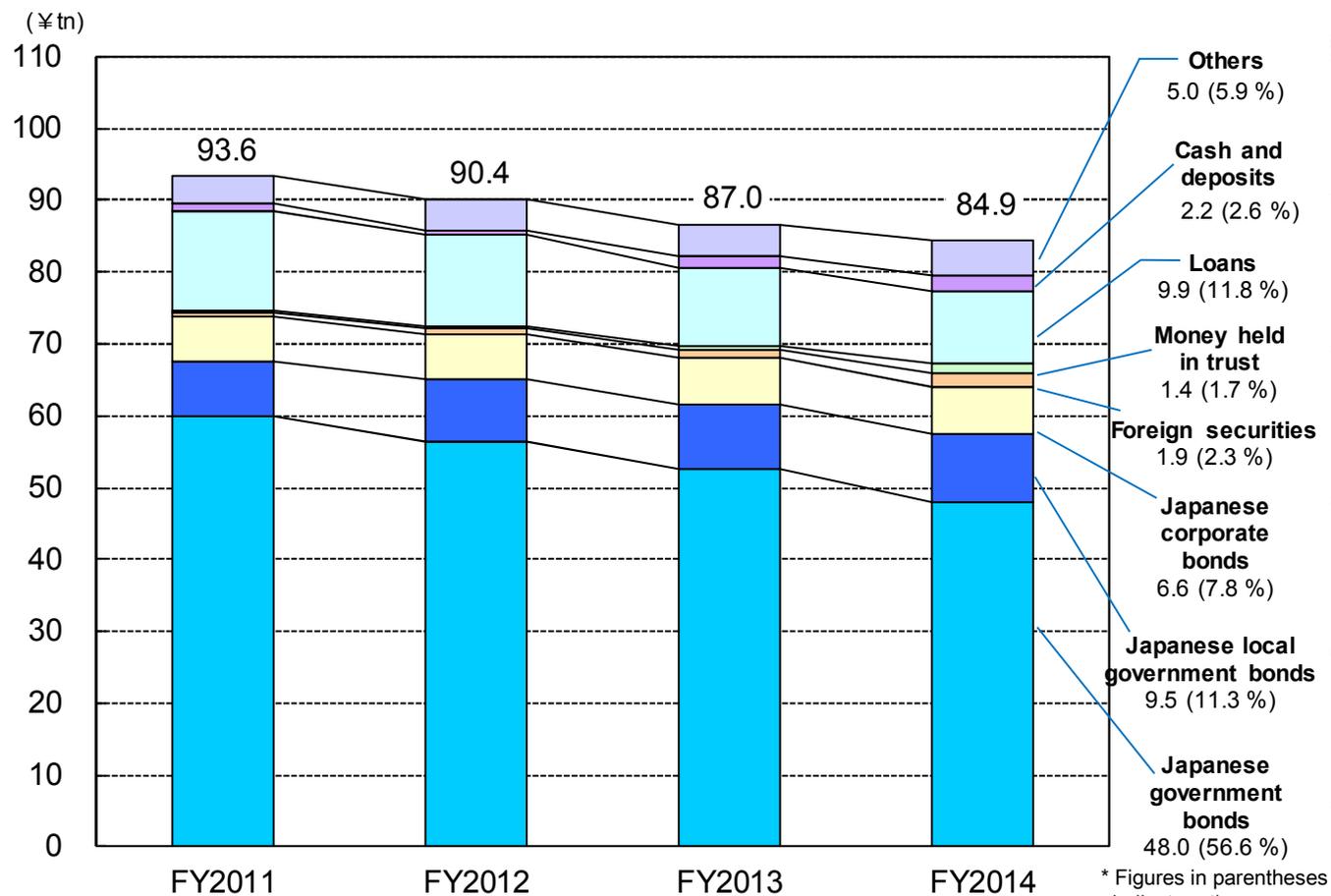
< Outline of Balance Sheets >

	Mar-15	Mar-14	Change	(¥ bn)
Assets	84,911.9	87,088.6	(2,176.6)	* Main items of the Balance Sheets are presented.
Cash and deposits	2,205.9	1,663.5	542.3	
Money held in trust	1,434.9	581.6	853.3	
Securities	66,277.2	69,378.9	(3,101.7)	
Japanese government bonds	48,086.4	52,522.9	(4,436.4)	
Japanese local government bonds	9,555.8	9,173.7	382.0	
Japanese corporate bonds	6,652.4	6,441.8	210.6	
Foreign securities	1,981.4	1,239.4	742.0	
Loans (Note 1)	9,977.3	11,020.5	(1,043.2)	Note 1 Loans are composed ¥9,096.9 billion of loans to the Management Organization, ¥806.2 billion of industrial and commercial loans and ¥74.0 billion of policy loans.
Deferred tax assets	548.2	592.6	(44.4)	
Liabilities and net assets	84,911.9	87,088.6	(2,176.6)	
Liabilities	82,942.8	85,554.1	(2,611.3)	Note 2 Policy reserves and others comprised ¥75,112.6 billion of policy reserves, ¥718.1 billion of reserve for outstanding claims and ¥2,074.9 billion of reserve for policyholder dividends.
Policy reserves and others (Note 2)	77,905.6	80,799.9	(2,894.2)	
Reserve for price fluctuations	712.1	614.2	97.9	
Net assets	1,969.1	1,534.4	434.6	Note 3 The ¥61.4 billion increase in total shareholders' equity was attributable to ¥3.5 billion of reversal of beginning balance following the amendment to the Accounting Standard for Retirement Benefits, ¥16.8 billion of dividend payment to shareholders and the recording of net income of ¥81.7 billion.
Total shareholders' equity (Note 3)	1,411.0	1,349.6	61.4	
Total valuation and translation adjustments	558.0	184.7	373.2	

4. Investments (1)

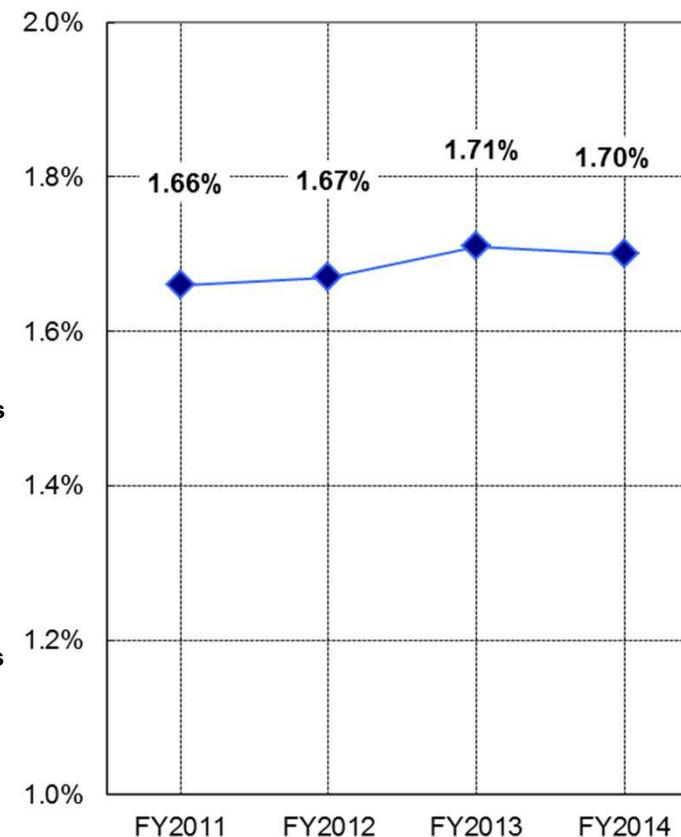
- Investments were composed mainly in securities of ¥66 trillion, primarily in Japanese government bonds, and in loans of ¥9 trillion.

< Changes in Composition of Assets >



* Figures in parentheses indicate ratios.

< Changes in Investment Yield >



* Investment yield comprises capital gains (losses), etc.

4. Investments (2)

- The Company recorded net unrealized gain on securities in total including held-to-maturity bonds and policy-reserve-matching bonds of ¥6,494.0 billion.
- The Company recorded net unrealized gains on available-for-sale securities of ¥781.7 billion (¥558.0 billion after tax effects).

< Net Unrealized Gains (Losses) >

(¥ bn)

	Mar-15		Mar-14	
	Book value	Unrealized gains (losses)	Book value	Unrealized gains (losses)
Total	68,673.5	6,494.0	70,505.8	4,534.4
Held-to-maturity bonds	43,695.5	4,537.1	45,257.3	3,169.7
Policy-reserve-matching bonds	15,493.2	1,175.2	17,953.6	1,099.1
Available-for-sale securities	9,484.7	781.7	7,294.8	265.5
Money held in trust	1,079.7	355.2	499.0	82.5

* The amount of net unrealized gains (losses) on available-for-sale securities is before tax effects. Net unrealized gains (losses) after tax effects are ¥558.0 billion (as of March 31, 2015) and ¥184.7 billion (as of March 31, 2014).

< The Stock Price Level at which Net Unrealized Gains (Losses) of Domestic Stocks Held as Money Held in Trust Become Zero >

	Nikkei Stock Average
Mar-15	13,700 yen
Mar-14	12,000 yen
Mar-13	9,800 yen
Mar-12	9,900 yen

* The stock price level at which net unrealized gains (losses) of domestic stocks held as money held in trust become zero is calculated assuming that the fair value of stocks held at the end of the fiscal year fluctuates in line with the Nikkei Stock Average (amounts of less than 100 yen are rounded down).

< Reference Indicator >

	Nikkei Stock Average	Yen/U.S. dollar exchange rate	Yen/euro exchange rate	Yen interest rate (10Y JGB)
Mar-15	19,206 yen	120.17 yen	130.32 yen	0.400 %
Mar-14	14,827 yen	102.92 yen	141.65 yen	0.640 %
Mar-13	12,397 yen	94.05 yen	120.73 yen	0.560 %
Mar-12	10,083 yen	82.19 yen	109.80 yen	0.985 %

* Data sources: (c) Nikkei Inc., Nomura Research Institute, Ltd. and Bloomberg

5. Core Profit

- Core profit amounted to ¥515.4 billion due to the mortality and morbidity rate margin and an increase in positive spread.

< Core Profit Breakdown (Three Major Profit Sources) >

	Year ended Mar-15	Year ended Mar-14	Change	Year ended Mar-13
Core profit	515.4	482.0	33.3	570.0
Mortality and morbidity rate margin	342.0	290.4	51.5	385.2
Administrative expense margin	106.3	137.3	(30.9)	189.5
(Negative)/Positive Spread	66.9	54.2	12.7	(4.7)

* Core profit is determined by deducting “net capital gains (losses)” including gains (losses) on sales of securities and “other one-time profits (losses)” including provision for and reversal of contingency reserve from ordinary profit. The breakdown of core profit is calculated for the purpose of internal control, and the “mortality and morbidity rate margin” arises from the difference between expected claim or benefit payments and the actual payments (including the accumulated amount of standard policy reserve required by laws and regulations), the “administrative expense margin” arises from the difference between expected administrative expenses and the actual administrative expenses and “(negative)/positive spread” arises from the difference between the average assumed rates of return and the actual investment return on core profit.

< (Reference) Average Assumed Rates of Return on Core Profit >

	Year ended Mar-15	Year ended Mar-14	Change	Year ended Mar-13
Average assumed rates of return	1.80%	1.84%	(0.04)%	1.88%
Investment return on core profit	1.89%	1.91%	(0.02)%	1.87%

*1 Average assumed rates of return is the return of assumed interest on general account policy reserves.

General account policy reserves are calculated from policy reserves excluding contingency reserve using the following formula.

(Policy reserves at the beginning of the relevant fiscal year + policy reserves at the end of the relevant fiscal year – assumed interest) × 1/2

*2 Investment return on core profit (excluding net capital gains (losses)), etc. is the return on general account policy reserves.

6. Financial Soundness

- Internal reserves accumulated as liabilities amounted to ¥3,210.8 billion, which is the sum of ¥2,498.7 billion of contingency reserve and ¥712.1 billion of reserve for price fluctuations.
- Additional policy reserve amounted to ¥6,067.0 billion.

< Status of Accumulation of Internal Reserves >

	(¥ bn)	
	Mar-15	Mar-14
Contingency reserve	2,498.7	2,588.7
Reserve for price fluctuations	712.1	614.2
Total internal reserves	3,210.8	3,203.0

< Status of Accumulation of Additional Policy Reserve >

(¥ bn)	
Mar-15	Mar-14
6,067.0	6,135.3

* Additional policy reserves includes the amount determined to be additionally provided over 10 years from the fiscal year ended March 31, 2011 for reinsured whole life annuities from Management Organization for Postal Savings and Postal Life Insurance (for the fiscal year ended March 31, 2015, the amount of additional provision was ¥176.4 billion and the accumulated amount was ¥850.5 billion).

< Solvency Margin Ratio >

Mar-15	Mar-14
1,641.4%	1,623.4%

* The figure for the solvency margin ratio is calculated based on the provisions of laws and regulations.

< Real Net Assets >

(¥ bn)	
Mar-15	Mar-14
11,512.2	9,442.2

* Real net assets is calculated by subtracting the amount of liabilities, other than contingency reserve, reserve for price fluctuations and others, from the amount of assets measured at fair value and reflecting net unrealized gains (losses) on securities.