

2. Dividends

| | Dividend per share | | | | |
|--|--------------------|-----------------|-----------------|-----------------|--------------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Annual |
| Fiscal year ended March 31, 2023 | Yen - | Yen 46.00 | Yen - | Yen 46.00 | Yen 92.00 |
| Fiscal year ending March 31, 2024 | - | 47.00 | - | | |
| Fiscal year ending March 31, 2024 (Forecast) | | | | 47.00 | 94.00 |

(Note) Revisions to the most recently announced dividend forecast: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

| | Ordinary income | | Ordinary profit | | Net income attributable to Japan Post Insurance | | Net income per share |
|-----------|-----------------|-------|-----------------|------|---|--------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 5,890,000 | (7.7) | 140,000 | 19.1 | 72,000 | (26.2) | 188.11 |

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

*** Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): No
- (2) Adoption of special accounting methods in the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of shares issued (common stock)
 - 1) Total number of shares issued at the end of the period:
 - December 31, 2023: 383,192,300 shares
 - March 31, 2023: 399,693,700 shares
 - 2) Total number of treasury stock at the end of the period:
 - December 31, 2023: 427,051 shares
 - March 31, 2023: 16,988,151 shares
 - 3) Average number of shares during the period:
 - Nine months ended December 31, 2023: 382,741,925 shares
 - Nine months ended December 31, 2022: 393,843,959 shares

(Note) Total number of treasury stock at the end of the period includes shares of the Company held in the Board Benefit Trust (BBT), namely 415,900 shares as of December 31, 2023, and 475,600 shares as of March 31, 2023.

The average number of treasury stock held in the BBT (439,223 shares for the nine months ended December 31, 2023 and 406,659 shares for the nine months ended December 31, 2022) was deducted from the calculation of the average number of shares during the nine months ended December 31, 2023 and 2022.

* The summary of quarterly consolidated financial results is outside the scope of the quarterly audit by certified public accountants or audit corporations.

* Explanation on the appropriate use of financial results forecasts, and other notes
(Cautionary note concerning forward-looking statements)

The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by the Company at the time of this document's disclosure. Please note that actual results may differ from the forecast figures due to various factors including changes in the operating environment.

(Supplementary briefing materials on financial results)

The Company has prepared supplementary briefing materials, etc. in relation to financial information, which can be viewed on the Company's website.

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Unaudited Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2023 | As of December 31, 2023 |
|--|----------------------|-------------------------|
| 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 under the special law | 889,960 | 874,335 |
| 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 |

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

Consolidated Statements of Income

(Millions of yen)

| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
|--|--|--|
| 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 |
| Gains on redemption of securities | 445 | 85 |
| Gains on foreign exchanges | 430 | 13,528 |
| Other investment income | 33 | 19 |
| 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 |
| Other ordinary income | 3,556 | 4,428 |
| 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 |
| Other refunds | 58,930 | 46,843 |
| Reinsurance premiums | 16,197 | 15,112 |
| 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 redemption of securities | 1,452 | 192 |
| Losses on derivative financial instruments | 39,007 | 72,344 |
| Provision for reserve for possible loan losses | 2 | 2 |
| Other investment expenses | 1,597 | 2,761 |
| 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 |

Consolidated Statements of Comprehensive Income

(Millions of yen)

| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
|--|--|--|
| Net income | 76,202 | 65,154 |
| Other comprehensive income: | | |
| 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 other comprehensive income (loss) | (365,848) | 464,049 |
| Comprehensive income (loss) | (289,646) | 529,203 |
| Total comprehensive income (loss) attributable to: | | |
| Japan Post Insurance | (289,646) | 529,203 |
| Non-controlling interests | - | - |

(3) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

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.