

**Overview of Financial
Results for
the Three Months Ended
June 30, 2023**

A u g u s t 7 , 2 0 2 3
Nippon Life Insurance Company

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Group overview

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Domestic life insurance business

[Reference] Status of each Group company

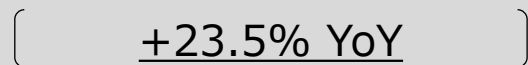
① Highlights

GROUP

Revenues from insurance and reinsurance*

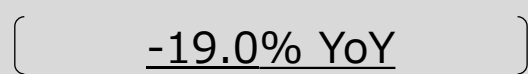

¥1,851.8 billion

(Comprises insurance premiums* of ¥1,717.3 billion and reinsurance revenue of ¥134.5 billion)


 (+23.5% YoY)

- Increased mainly due to an increase in sales of the single payment products of Nippon Life and Nippon Wealth Life

Core operating profit


¥114.1 billion

 (-19.0% YoY)

- Decreased mainly due to an increase in the hedge costs of Nippon Life, Taiju Life, and Nippon Wealth Life


Annualized new premium


¥116.9 billion

 (+40.9% YoY)

- Increased mainly due to an increase in sales of the single payment products of Nippon Life and Nippon Wealth Life

Annualized premium in force


¥4,647.2 billion

 (vs end March-23 +1.1%)

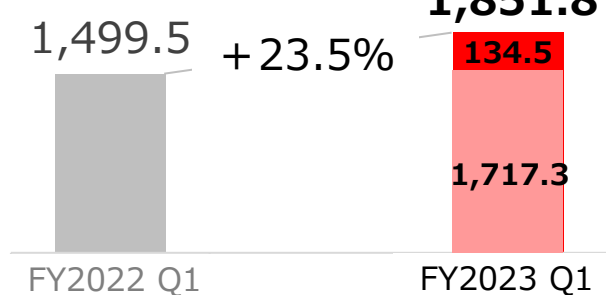
- Increased compared to the end of FY2022 mainly due to an increase at Nippon Wealth Life

Domestic life insurance
Individual insurance/annuities

* Figures for Australian subsidiary MLC Limited (hereinafter, MLC) represent insurance revenue.

② Revenues from insurance and reinsurance/Core operating profit

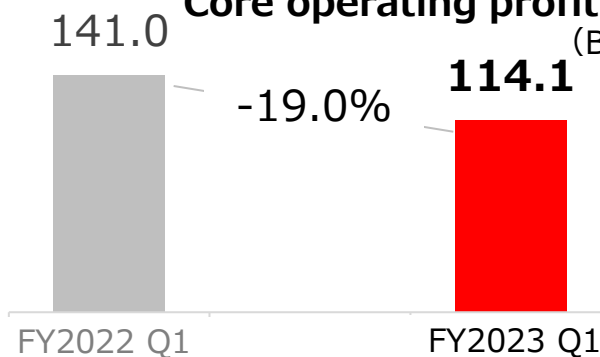
Revenues from insurance and reinsurance (Billions of Yen)



■ Reinsurance revenue
■ Insurance premiums + Insurance revenue

	FY2023 Q1	YoY change
Revenues from insurance and reinsurance	1,851.8	+23.5%
Insurance premiums	1,675.8	+17.9%
Reinsurance revenue	134.5	+248.9%
Insurance revenue*1	41.4	+3.9%
Nippon Life	1,312.0	+12.8%
Taiju Life	159.6	-10.8%
Nippon Wealth Life	321.0	+206.0%
Hanasaku Life	6.8	+49.6%
MLC*2	41.4	+3.9%

Core operating profit (Billions of Yen)



	FY2023 Q1	YoY change
Core operating profit	114.1	-19.0%
Investment yield margin	13.1	-86.1%
Insurance-related gains and losses	102.0	+78.1%
Nippon Life	119.0	-20.3%
Taiju Life	2.0	-60.0%
Nippon Wealth Life	0	-99.2%
Hanasaku Life	-5.8	-9.3%
MLC	4.2	(-0.7) *

※ Total figures are calculated based on core operating profit from Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life and net income before taxes of global insurance subsidiaries and affiliates and domestic and overseas asset management subsidiaries and affiliates and with adjustment based on the stock ownership ratio and some internal transactions, and excluding interest rate fluctuations.
 ※ Investment yield margin and insurance-related gains and losses are based on total of domestic life insurance.
 ※ Figures for subsidiaries are calculated based on the stock ownership ratios during each fiscal year.
 ※ MLC's figures for both FY2023 Q1 and FY2022 Q1 are under the new accounting standard.
 * Variance cannot be calculated because the FY2022 Q1 result was a loss and the FY2023 Q1 result was a profit. Figures in parentheses represent the result for each fiscal year.

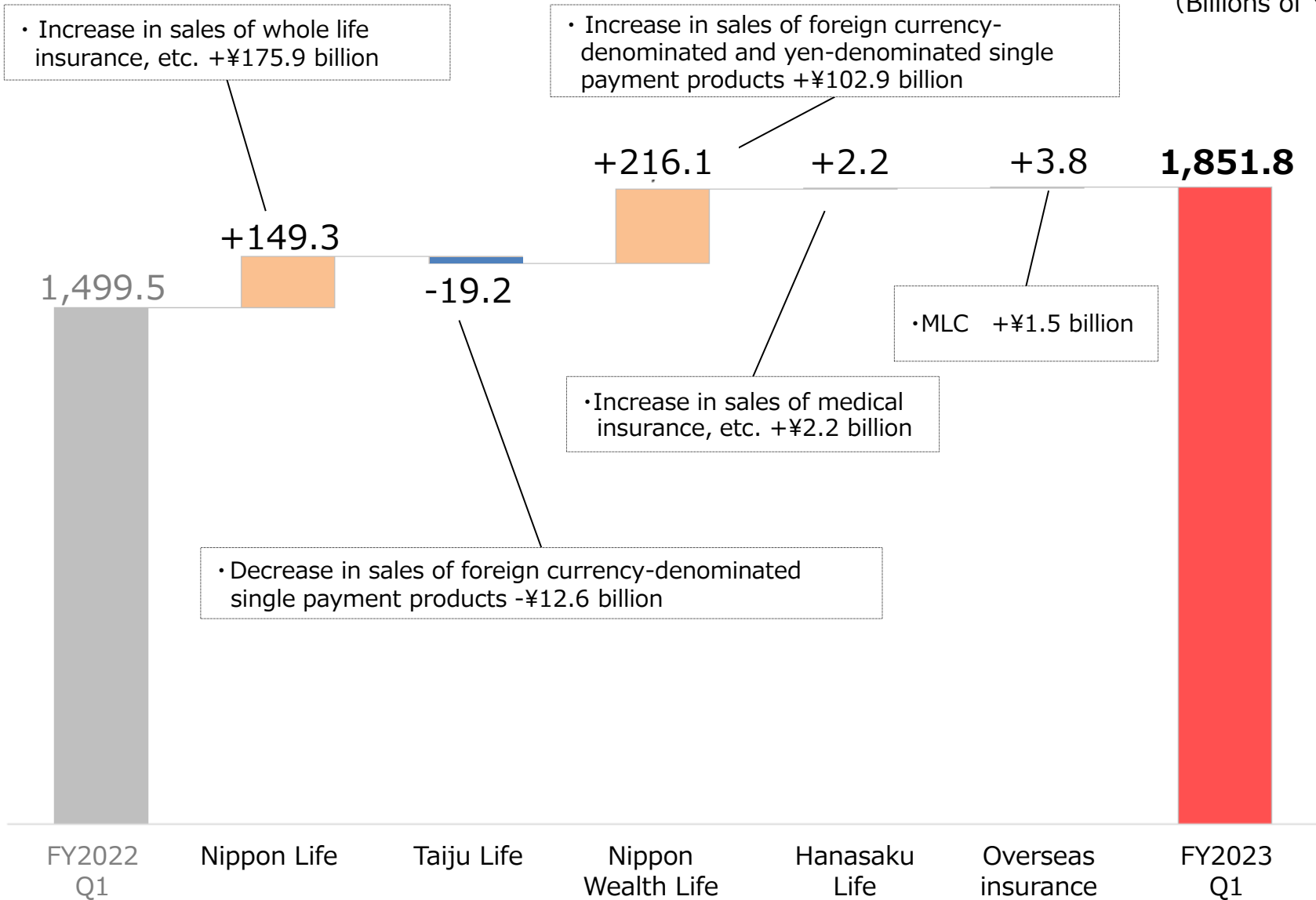
※ Total figures are the sum of consolidated revenues from insurance and reinsurance (from Nippon Life, Taiju Life, Nippon Wealth Life, Hanasaku Life, Nissay Plus SSI, and Nippon Life Insurance Company of America) and insurance revenue of MLC.

*1 For details on insurance revenue, please see page 18.

*2 In Australia, a new accounting standard that conforms to IFRS 17 (Insurance Contracts) has been introduced from FY2023. Insurance revenue based on IFRS 17 is recorded as the revenues from insurance and reinsurance.

③ Revenues from insurance and reinsurance

(Billions of Yen)

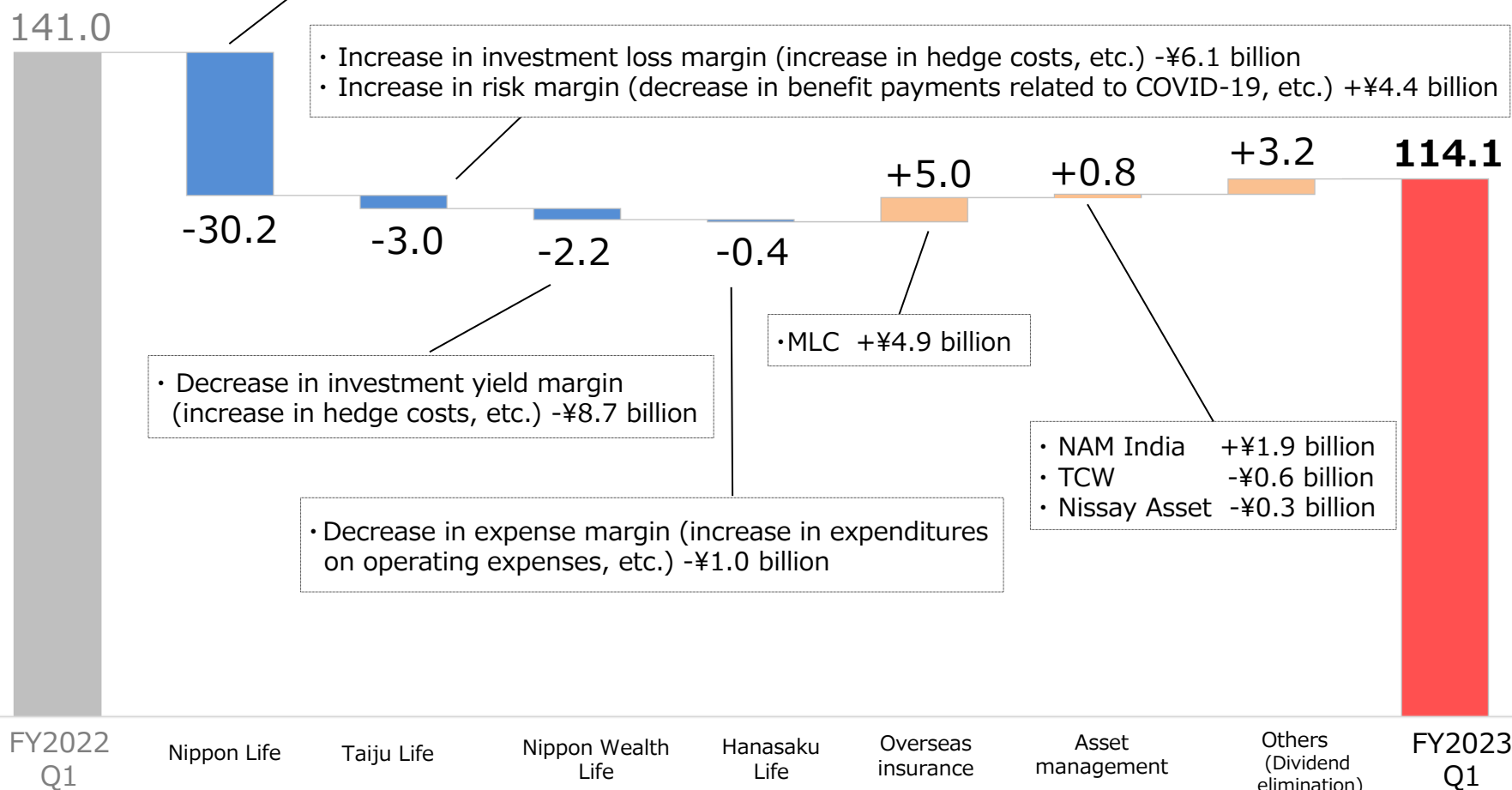


* Total figures are consolidated revenues from insurance and reinsurance from Nippon Life, Taiju Life, Nippon Wealth Life, Hanasaku Life, Nissay Plus SSI and Nippon Life Insurance Company of America and insurance revenue from MLC.

④ Core operating profit

- Decrease in investment yield margin (increase in hedge costs, etc.) -¥66.0 billion
- Increase in risk margin (decrease in benefit payments related to COVID-19, etc.) +¥34.9 billion

(Billions of Yen)

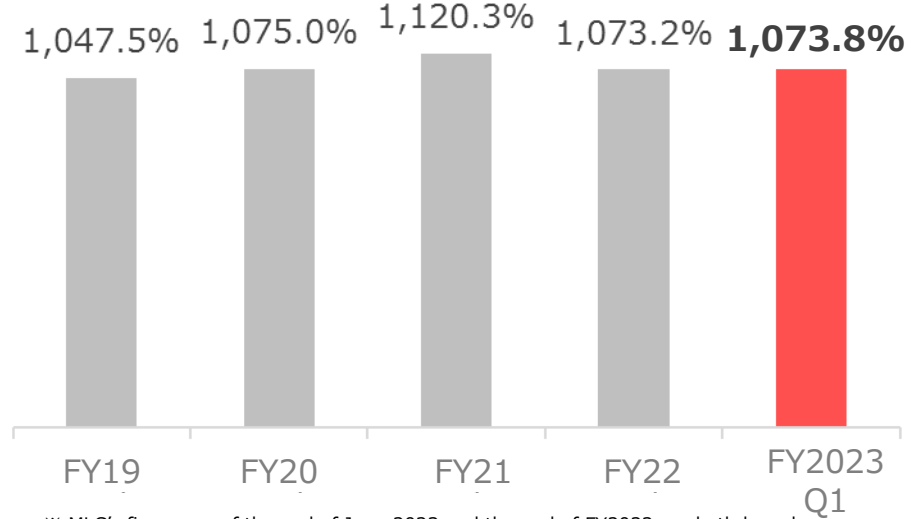


- ※ Total figures are calculated based on core operating profit from Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life and net income before taxes of overseas life insurance subsidiaries and affiliates and domestic and overseas asset management subsidiaries and affiliates and with adjustment based on the stock ownership ratio and some internal transactions, and excluding interest rate fluctuations.
- ※ [Company names] Nissay Asset: Nissay Asset Management Corporation, NAM India: Nippon Life India Asset Management Limited.
- ※ MLC's figures for both FY2023 Q1 and FY2022 Q1 are under a new accounting standard.

5 Soundness

- Solvency margin ratio was flat compared to the end of FY2022.
 - Real net assets increased compared to the end of FY2022 due to an increase in unrealized gains/losses on securities.
 - Economic Solvency Ratio (ESR*), which is the solvency ratio based on economic value, was approximately 243% (estimate) as of the end of June 2023.
- * A soundness indicator that represents capital adequacy relative to the amount of risk. It is calculated using Nippon Life's internal model.

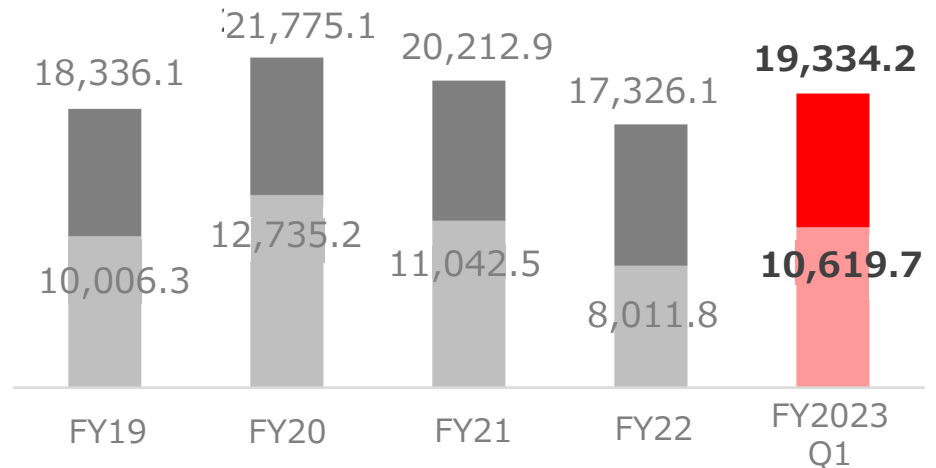
Solvency margin ratio



※ MLC's figures as of the end of June 2023 and the end of FY2022 are both based on the new accounting standard.

(Billions of Yen)

Real net assets



※ Unrealized gains/losses on securities are calculated from Nippon Life, Taiju Life, Nippon Wealth Life, Hanasaku Life, overseas life insurance subsidiaries and other consolidated subsidiaries.

⑥ Statements of income/Balance sheet

Statements of income

- Ordinary profit decreased year on year.
- Net surplus decreased year on year.

(Billions of Yen)

	FY2023 Q1	YoY change
Ordinary income	3,018.1	+19.0%
Revenue from insurance and reinsurance	1,851.8	+23.5%
Investment income	1,099.2	+12.0%
Ordinary expenses	3,014.6	+20.2%
Benefits and other payments	1,507.1	+7.7%
Investment expenses	414.2	+2.2%
Operating expenses	196.9	+3.8%
Ordinary profit	3.5	-88.2%
Extraordinary gains and losses	-6.9	+37.0%
Net surplus (income)	7.1	-71.0%

Balance sheet

- Total assets and liabilities increased compared to the end of March 2023.
- Net assets increased compared to the end of March 2023.

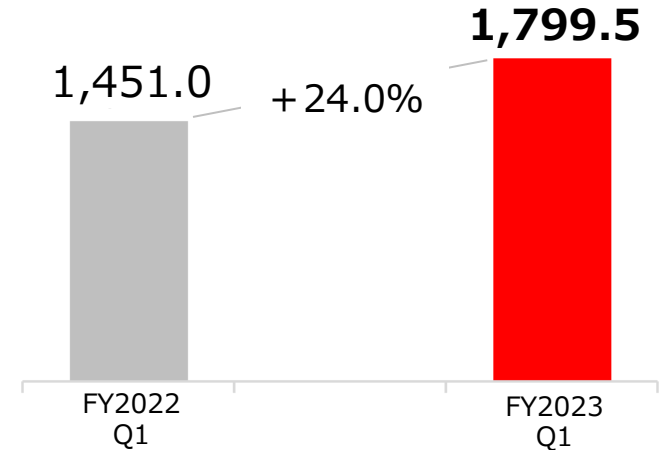
(Billions of Yen)

	As of end Jun-23	vs end Mar-23
Assets	91,121.7	+4.0%
Investments in securities	75,538.6	+4.4%
Loans	8,859.8	+2.6%
Tangible fixed assets	1,863.8	+0.3%
Liabilities	82,902.4	+2.8%
Policy reserves and other reserves	72,421.1	+1.3%
Policy reserves	70,924.4	+1.2%
Reserve for price fluctuations	1,693.7	+0.5%
Net assets	8,219.2	+18.0%

① Revenues from insurance and reinsurance

- Increased mainly due to an increase in the sales representative channel through an increase in sales of whole life insurance, and an increase in the financial institution over-the-counter distribution channel due to an increase in sales of single payment products.
- Group annuities decreased due to the impact of factors such as a decline in the start of custodianship.

Revenues from insurance and reinsurance (domestic total) (Billions of Yen)



	FY2023 Q1	YoY change
Revenue from insurance and reinsurance (domestic total)	1,799.5	+24.0%
Individual insurance and individual annuities	1,268.0	+33.0%
Sales representative channel	842.2	+24.2%
Agency channel	117.9	+12.8%
Financial institution over-the-counter distribution channel	314.4	+84.2%
Group insurance	83.0	+3.8%
Group annuities	301.0	-17.5%

※ Represents the sum of figures for Nippon Life, Taiju Life, Nippon Wealth Life, Hanasaku Life and Nissay Plus SSI.

※ From FY2023, the bancassurance channel has been changed to the financial institution over-the-counter distribution channel.

② New policies

- Annualized premiums and amount of coverage, etc. on new policies for individual insurance and individual annuities increased, while the number of policies decreased.

Individual insurance/annuities

(Billions of Yen, Millions of policies)

	Annualized premium		Number of policies		Amount of coverage, etc.	
	FY2023 Q1	YoY change	FY2023 Q1	YoY change	FY2023 Q1	YoY change
Domestic total	116.9	+40.9%	1.04	- 13.2%	1,904.2	+7.1%
Sales representative channel	47.3	+21.9%	0.93	- 16.8%	1,057.2	- 9.2%
Agency channel	17.6	+16.6%	0.06	+18.3%	489.1	+15.7%
Financial institution over-the-counter distribution channel	51.7	+79.0%	0.04	+80.9%	351.4	+85.6%
Nippon Life	61.2	+22.5%	0.93	- 16.7%	1,231.2	- 5.5%
Taiju Life	7.4	+4.1%	0.03	+12.5%	144.4	- 10.8%
Nippon Wealth Life	45.4	+93.0%	0.02	+120.1%	271.5	+122.5%
Hanasaku Life	2.8	+24.4%	0.04	+29.2%	257.0	+34.1%

③ Policies in force

- In terms of policies in force for individual insurance and annuities, annualized premium increased, while the number of policies and amount of coverage, etc. decreased.
- Group insurance and annuities increased.

Individual insurance/annuities

(Billions of Yen, Millions of policies)

	Annualized premium		Number of policies		Amount of coverage, etc.	
	As of end Jun-23	vs end Mar-23	As of end Jun-23	vs end Mar-23	As of end Jun-23	vs end Mar-23
Domestic total	4,647.2	+ 1.1%	38.34	- 0.0%	170,781.6	- 0.3%
Nippon Life	3,746.8	+ 0.1%	34.94	- 0.1%	148,013.5	- 0.8%
Taiju Life	512.3	+ 1.1%	2.53	- 0.7%	16,461.9	- 0.5%
Nippon Wealth Life	361.4	+ 12.4%	0.43	+ 5.2%	4,387.0	+ 10.9%
Hanasaku Life	26.6	+ 9.1%	0.43	+ 9.5%	1,919.0	+ 13.2%

Group insurance/annuities

	Group insurance (Amount of coverage, etc.)		Group annuities (AUM, etc.)	
	As of end Jun-23	vs end Mar-23	As of end Jun-23	vs end Mar-23
Domestic total	108,679.3	+ 0.1%	19,524.3	+ 4.8%
Nippon Life	97,701.6	+ 0.2%	14,011.3	- 0.6%
Taiju Life	10,977.7	- 0.8%	665.2	+ 0.6%

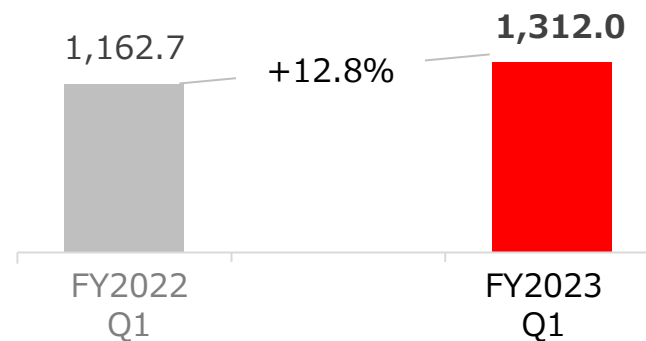
※ The domestic total of group insurance and group annuities represents the sum of figures for Nippon Life, Taiju Life, and Nippon Wealth Life. The domestic total for group annuities includes the investment advisory balance of Nissay Asset Management (¥3,967.0 billion) and investment trusts in defined contribution pension plans (¥879.6 billion for Nippon Life's sales representative).

**【Reference】
Status of each
Group company**

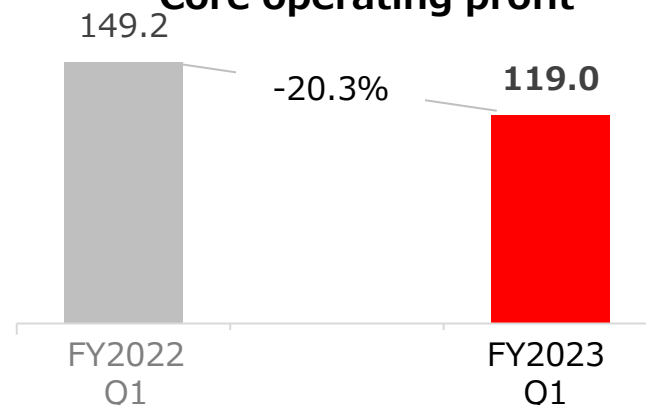
【Reference】 Nippon Life (nonconsolidated): Revenue

- Revenue increased and profit decreased year on year at Nippon Life on a nonconsolidated basis.
- Revenues from insurance and reinsurance increased mainly due to an increase in sales of yen-denominated whole life insurance in the sales representative channel.
- Core operating profit decreased mainly due to a decline in the investment yield margin caused by an increase in hedge costs, while there was an increase in the risk margin mainly through a decrease in benefits payments related to COVID-19.

Revenues from insurance and reinsurance (Billions of Yen)



Core operating profit



	FY2023 Q1	YoY change
Core operating profit	119.0	- 20.3%
Investment yield margin	17.7	- 78.8%
Expense margin	10.8	+ 8.5%
Risk margin	90.4	+ 62.9%

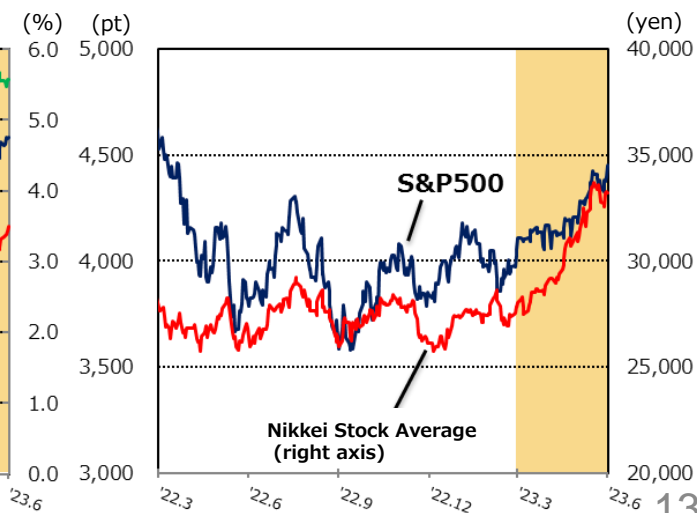
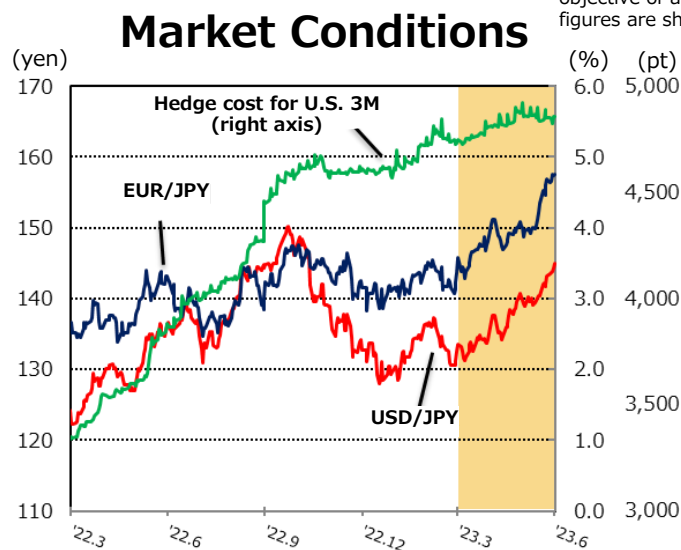
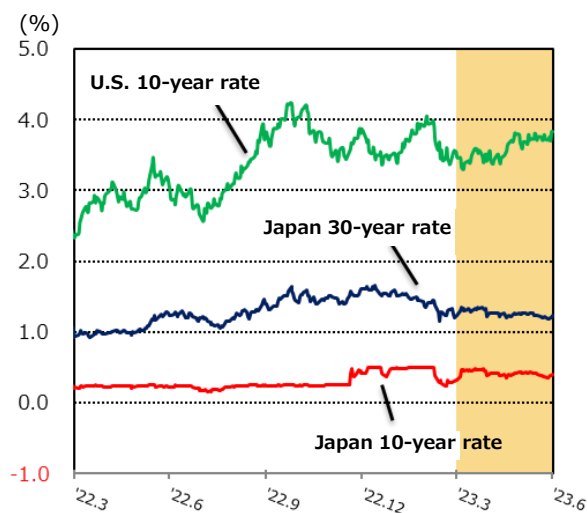
【Reference】 Nippon Life (nonconsolidated): Asset management

- Net investment income decreased year on year.
- Investment income decreased mainly due to decreases in interest, dividends, and other income and gain on sales of securities.
- Investment expenses increased due to an increase in loss on derivative financial instrument, net.

Net investment income (General account) (Billions of Yen)

	FY2023 Q1	YoY change
Invest income	579.3	-67.7
Interest, dividends, and other income	340.9	-35.1
Gain on sales of securities	134.9	-71.3
Foreign exchange gains	97.3	+44.4
Investment expenses	277.0	+30.7
Loss on sale of securities	172.4	-39.2
Loss on valuation of securities	1.3	-2.7
Loss on derivative financial instrument, net	74.4	+74.4
Net investment income	302.3	-98.4

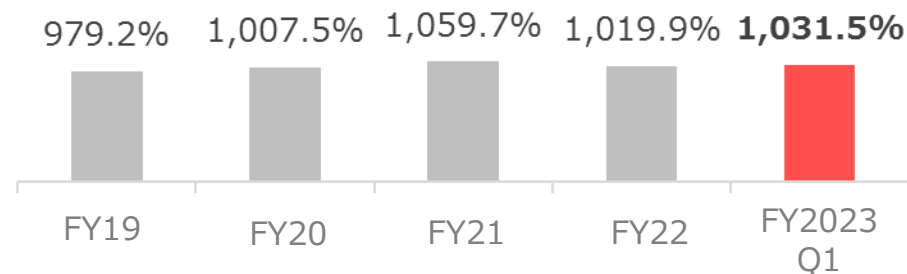
* Some accounting treatments have been changed from FY2023 with the objective of aligning with those of Taiju Life, and retroactively adjusted figures are shown for comparisons with the previous fiscal year.



【Reference】 Nippon Life (nonconsolidated): Soundness

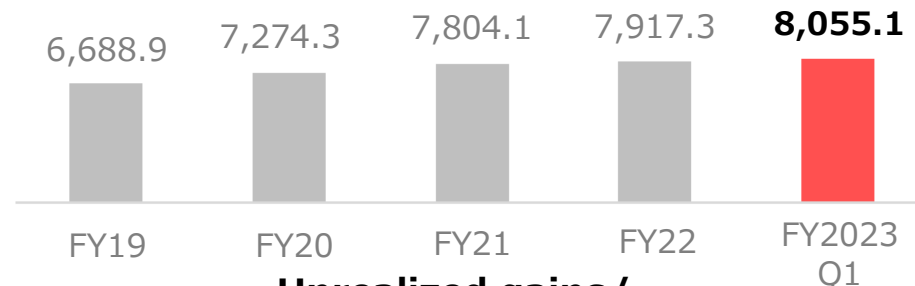
- Solvency margin ratio increased compared to the end of March 2023 due to an increase in unrealized gains on available-for-sale securities.
- Unrealized gains on securities increased compared to the end of March 2023 due to a rise in domestic stock prices and the impact of a weaker yen.

Solvency Margin Ratio



Capital

(Billions of Yen)



Unrealized gains/ losses on securities

(Billions of Yen)

	As of end Jun-23	vs end Mar-23
Investments in securities	10,544.0	+2,468.7
Domestic bonds	950.1	+198.8
Domestic stocks	6,983.9	+1,368.3
Foreign securities	2,535.0	+809.7
Others	74.9	+91.6

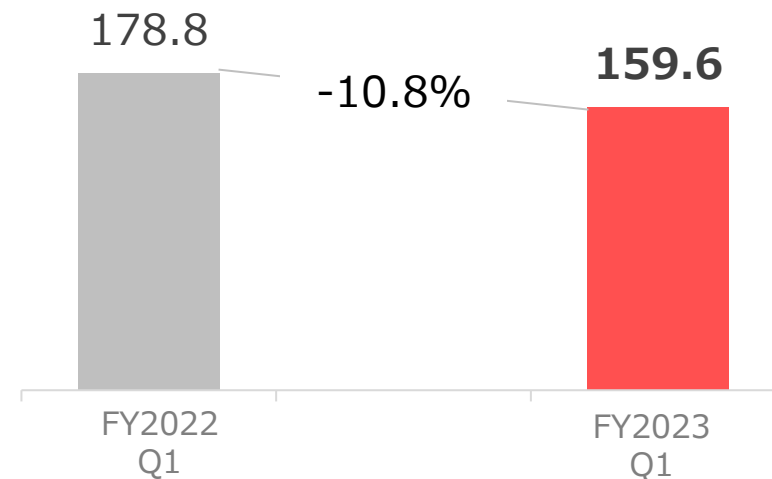
※ Calculations exclude items such as stocks without market prices and entities such as partnerships.

【Reference】 Taiju Life

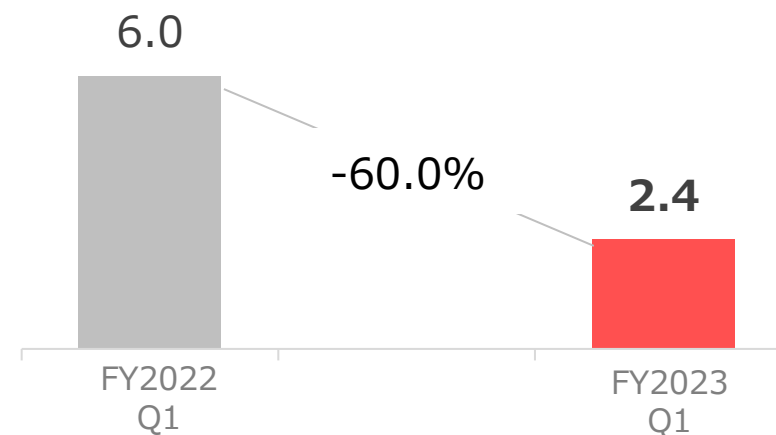
- Revenue and profit both decreased year on year.
- Revenues from insurance and reinsurance decreased due to a decrease in sales of foreign currency-denominated single payment endowment insurance.
- Core operating profit decreased mainly due to an increase in the investment loss margin caused by an increase in hedge costs, while there was an increase in the risk margin through a decrease in benefit payments related to COVID-19.

(Billions of Yen)

Revenues from insurance and reinsurance



Core operating profit



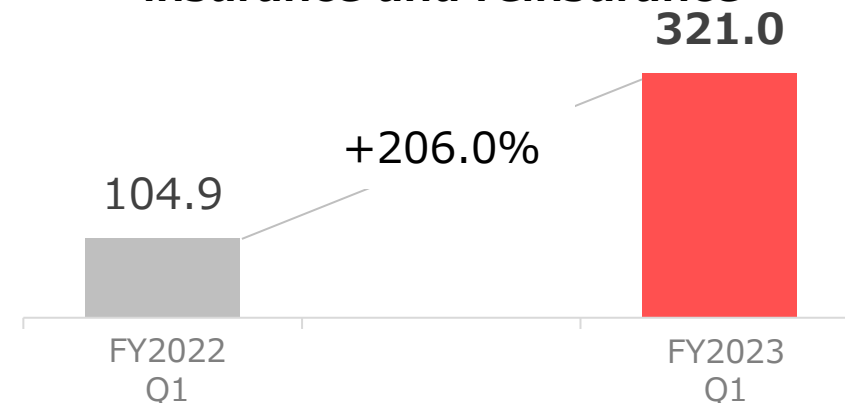
※ Nonconsolidated figures are shown.

【Reference】 Nippon Wealth Life

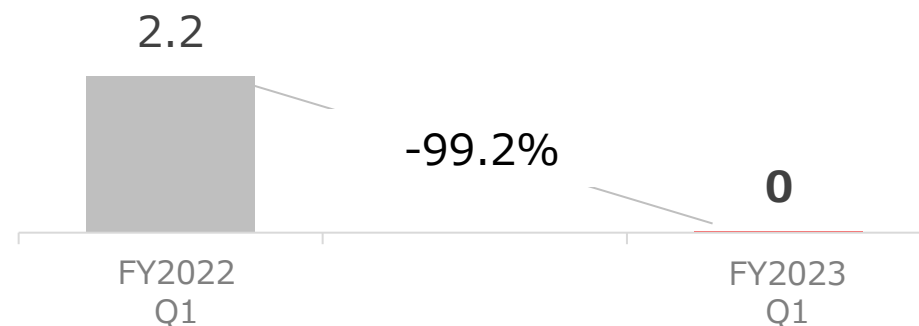
(Billions of Yen)

- Revenue increased and profit decreased year on year.
- Revenues from insurance and reinsurance increased mainly due to increases in sales of foreign currency-denominated single payment whole life insurance and yen-denominated single payment annuities.
- Core operating profit decreased due to a decrease in interest, dividends, and other income from foreign securities and an increase in hedge costs associated with rising overseas interest rates.

Revenues from insurance and reinsurance



Core operating profit

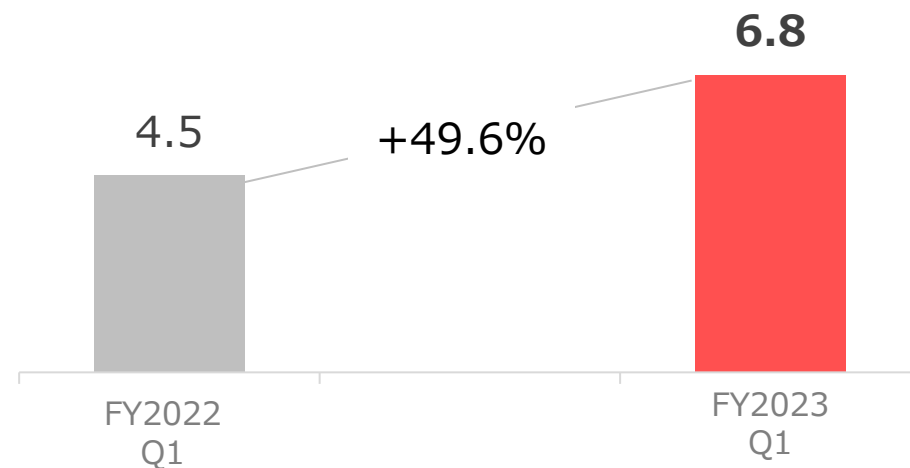


※ Nonconsolidated figures are shown.

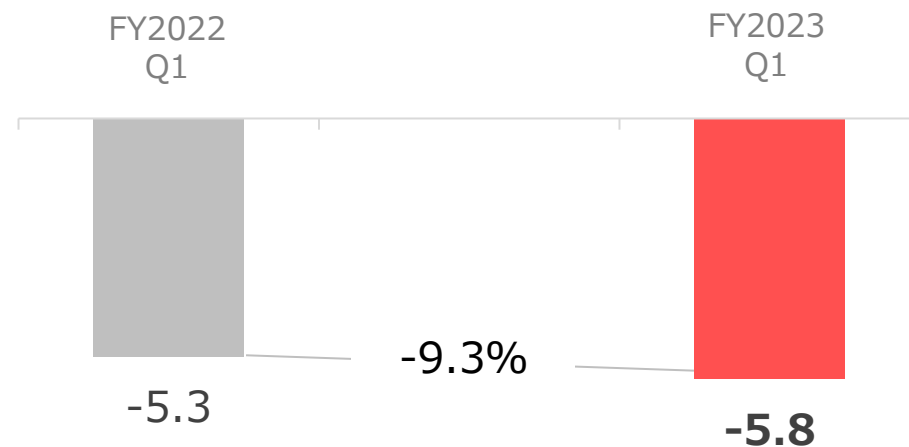
[Reference] Hanasaku Life

- Revenue increased and profit decreased year on year.
- Revenues from insurance and reinsurance increased mainly due to an increase in sales of medical insurance, etc.
- Core operating profit decreased mainly due to increased business expenses and other expenditures due to business expansion.

Revenues from insurance and reinsurance (Billions of Yen)



Core operating profit



※ Nonconsolidated figures are shown.

【Reference】 MLC

- Insurance revenue decreased and profit increased compared to FY2022 Q1.
- Insurance revenue decreased from FY2022, when claims payments were expected due to the impact of COVID-19.
- Core operating profit increased mainly due to an improvement in group insurance profitability.

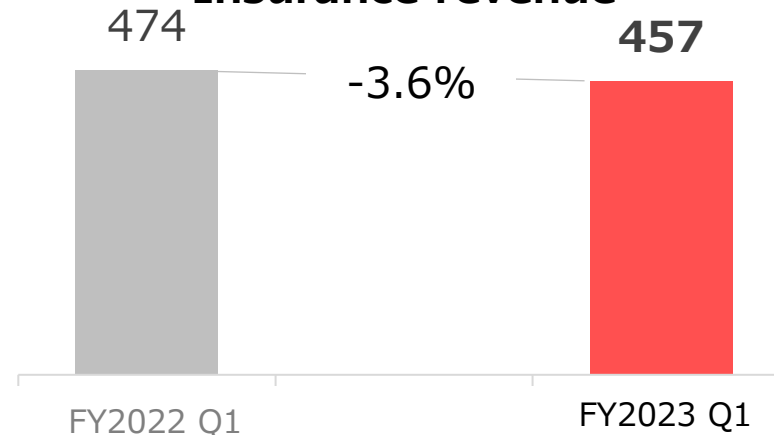
Changes accompanying the application of a new accounting standard

- In Australia, a new accounting standard (AASB 17) that conforms to IFRS 17 has been introduced from FY2023.

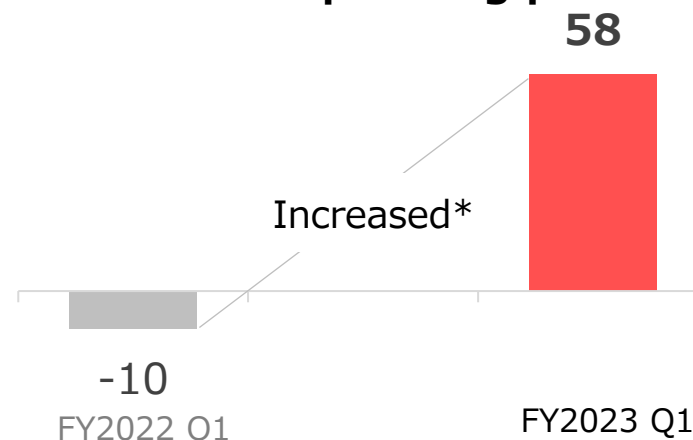
	Former standard	New standard
Name	Premium revenue	Insurance revenue
Description	Record premiums on an earned basis	Record revenue based on amounts related to the provision of insurance services (expected payment of claims, etc.)

(Millions of Australian Dollars)

Insurance revenue



Core operating profit



※Nonconsolidated figures are shown.

※Q1 performance reflects consolidated results for January to March.
 ※MLC's figures for FY2023 Q1 and FY2022 Q1 are both based on the new accounting standard.

*Variance cannot be calculated because the FY2022 Q1 result was a loss and the FY2023 Q1 result was a profit.