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## Financial Results for the Nine Months Ended December 31, 2024

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Nippon Life Insurance Company (the “Company,” President: Hiroshi Shimizu) announces financial results for the nine months ended December 31, 2024.

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## 1. Business Highlights

### (1) Annualized Premium

- Policies in Force

(100 Million Yen, %)

	As of December 31, 2024		As of March 31, 2024
		As a percentage of March 31, 2024	
Individual insurance	26,811	100.0	26,807
Individual annuities	10,341	97.6	10,594
Total	37,153	99.3	37,401
Medical coverages, living benefits, and others	6,802	100.2	6,786

- New Policies

(100 Million Yen, %)

	Nine months ended December 31, 2024		Nine months ended December 31, 2023
		As a percentage of nine months ended December 31, 2023	
Individual insurance	1,612	95.7	1,683
Individual annuities	136	74.9	182
Total	1,748	93.7	1,866
Medical coverages, living benefits, and others	323	108.7	297

Notes: 1. The amount of annualized premium is calculated by multiplying a single premium payment by a factor according to the premium payment method (for single premium policies, the annualized amount is the total premium divided by the insured period).  
2. The amount of medical coverages, living benefits, and others represents annualized premium related to medical benefits (hospitalization benefits and surgical benefits), living benefits (specified illness benefits and nursing care benefits), and waiver of premium benefits (excluding disability benefits alone, but including specified illness and nursing care benefits).  
3. Annualized new policy premium includes net increases due to conversions.

## (2) Amount of Policies in Force and New Policies

### • Policies in Force

	As of December 31, 2024				As of March 31, 2024	
	Number of policies		Amount of policies		Number of policies (thousands)	Amount of policies (100 million yen)
	(thousands)	As a percentage of March 31, 2024 (%)	(100 million yen)	As a percentage of March 31, 2024(%)		
Individual insurance	30,394	98.9	1,152,143	96.1	30,737	1,198,859
Individual annuities	4,017	98.3	238,897	98.1	4,086	243,625
Group insurance	—	—	972,446	100.4	—	968,744
Group annuities	—	—	139,303	99.5	—	139,948

Notes: 1. The amount of individual annuities is the total of (a) annuity resources at the start of annuity payments for policies prior to the start of annuity payments and (b) policy reserves for policies after the start of annuity payments.  
2. The amount of group annuities is the amount of the policy reserves.

### • New Policies

	Nine months ended December 31, 2024						Nine months ended December 31, 2023			
	Number of policies		Amount of policies				Number of policies (thousands)	Amount of policies		
	(thousands)	As a percentage of nine months ended December 31, 2023 (%)	(100 million yen)	As a percentage of nine months ended December 31, 2023 (%)	New policies	Net increase by conversion		(100 million yen)	New policies	Net increase by conversion
Individual insurance	2,849	110.2	14,696	44.7	32,166	(17,469)	2,584	32,848	39,055	(6,207)
Individual annuities	81	85.5	3,876	78.6	4,206	(330)	94	4,930	5,138	(207)
Group insurance	—	—	918	16.0	918		—	5,726	5,726	
Group annuities	—	—	2	227.9	2		—	1	1	

Notes: 1. New policies include enrollment using the coverage enhancement system, and conversion indicates enrollment using the coverage revision system and partial coverage revision system.  
2. The number of policies includes policies that were converted into new policies.  
3. The amount of new policies and net increase in policies by conversion for individual annuities represent annuity resources at the start of annuity payments.  
4. The amount of new policies for group annuities represents the first-time premium.

## 2. Investment Management Performance (General Account)

### (1) Asset Composition

(100 Million Yen, %)

	As of December 31, 2024		As of March 31, 2024	
	Amount	%	Amount	%
Cash, deposits, and call loans	10,208	1.2	9,706	1.2
Receivables under resale agreements	—	—	—	—
Receivables under securities borrowing transactions	—	—	—	—
Monetary receivables purchased	1,014	0.1	1,187	0.1
Proprietary trading securities	—	—	—	—
Assets held in trust	—	—	—	—
Investments in securities:	704,277	85.1	700,929	85.1
Domestic bonds	307,791	37.2	305,711	37.1
Domestic stocks	140,856	17.0	145,694	17.7
Foreign securities:	230,280	27.8	218,239	26.5
Foreign bonds	117,491	14.2	118,261	14.4
Foreign stocks and other securities	112,789	13.6	99,977	12.1
Other securities	25,349	3.1	31,284	3.8
Loans:	80,421	9.7	80,482	9.8
Policy loans	4,087	0.5	4,229	0.5
Industrial and consumer loans	76,334	9.2	76,253	9.3
Real estate:	17,343	2.1	17,429	2.1
Investment properties	11,565	1.4	11,566	1.4
Deferred tax assets	—	—	—	—
Other assets	13,998	1.7	13,596	1.7
Allowance for doubtful accounts	(47)	(0.0)	(99)	(0.0)
Total assets (general account):	827,216	100.0	823,232	100.0
Foreign currency-denominated assets	226,227	27.3	210,901	25.6

Note: Real estate amount is the sum of land, buildings, and construction in progress.

## (2) Fair Value Information of Securities (Other Than Trading Securities)

(100 Million Yen)

		As of December 31, 2024					As of March 31, 2024				
		Book value	Fair value	Net gains/losses	Gains	Losses	Book value	Fair value	Net gains/losses	Gains	Losses
	Policy-reserve-matching bonds	274,569	250,959	(23,609)	5,824	(29,434)	275,836	266,231	(9,604)	10,579	(20,184)
	Held-to-maturity debt securities	—	—	—	—	—	—	—	—	—	—
	Investments in subsidiaries and affiliates	7,163	12,423	5,259	5,363	(103)	1,286	4,413	3,127	3,127	—
	Available-for-sale securities:	275,707	396,657	120,949	129,926	(8,977)	276,501	403,006	126,504	133,420	(6,916)
	Domestic bonds	36,681	35,088	(1,592)	996	(2,589)	32,602	32,277	(324)	1,147	(1,471)
	Domestic stocks	40,133	129,211	89,077	89,475	(397)	40,337	136,116	95,778	96,049	(271)
	Foreign securities:	175,906	208,591	32,685	36,865	(4,179)	174,158	204,333	30,175	33,933	(3,758)
	Foreign bonds	98,770	116,272	17,501	18,901	(1,399)	100,000	116,500	16,500	17,661	(1,160)
	Foreign stocks and other securities	77,136	92,319	15,183	17,963	(2,780)	74,158	87,833	13,674	16,271	(2,597)
	Other securities	22,373	23,150	776	2,585	(1,808)	28,708	29,586	877	2,286	(1,408)
	Monetary receivables purchased	172	175	3	4	(1)	254	252	(1)	4	(6)
	Negotiable certificates of deposit	440	439	(0)	—	(0)	440	439	(0)	—	(0)
	Total	557,440	660,040	102,599	141,114	(38,515)	553,624	673,652	120,027	147,128	(27,100)
	Domestic bonds	309,384	284,072	(25,311)	6,698	(32,010)	306,035	295,919	(10,116)	11,531	(21,647)
	Domestic stocks	40,133	129,211	89,077	89,475	(397)	40,337	136,116	95,778	96,049	(271)
	Foreign securities:	184,088	222,148	38,059	42,343	(4,283)	176,903	210,386	33,482	37,241	(3,758)
	Foreign bonds	99,798	117,417	17,619	19,019	(1,399)	101,468	118,150	16,682	17,843	(1,160)
	Foreign stocks and other securities	84,290	104,730	20,440	23,324	(2,883)	75,435	92,235	16,799	19,397	(2,597)
	Other securities	22,383	23,162	779	2,587	(1,808)	28,718	29,598	880	2,288	(1,408)
	Monetary receivables purchased	1,011	1,005	(5)	9	(14)	1,189	1,192	2	17	(14)
	Negotiable certificates of deposit	440	439	(0)	—	(0)	440	439	(0)	—	(0)

Notes: 1. The table above includes securities that are deemed appropriate as securities under the Financial Instruments and Exchange Act in Japan.

2. The above table excludes items such as stocks without market prices and entities such as partnerships.

## [Book Value of Stocks without Market Prices and Entities Such as Partnerships]

(100 Million Yen)

	As of December 31, 2024	As of March 31, 2024
Investments in subsidiaries and affiliates	25,641	20,665
Available-for-sale securities:	1,381	1,359
Unlisted domestic stocks	559	558
Unlisted foreign stocks	—	0
Others	821	800
Total	27,022	22,024

Note: Of stocks without market prices and entities such as partnerships, the net gains (losses) on currency exchange valuation of assets denominated in foreign currencies were as follows: ¥299.6 billion and ¥246.4 billion as of December 31, 2024, and March 31, 2024, respectively.

(3) Fair Value Information of Assets Held in Trust

There were no ending balances as of December 31, 2024, and March 31, 2024.

Assets Held in Trust for Trading Purposes

There were no ending balances as of December 31, 2024, and March 31, 2024.

Assets Held in Trust Classified as Policy-Reserve-Matching, Held-to-Maturity, and Available-for-Sale

There were no ending balances as of December 31, 2024, and March 31, 2024.

### 3. Nonconsolidated Balance Sheets

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
<b>Assets:</b>		
Cash and deposits	453,619	638,228
Call loans	810,679	522,863
Monetary receivables purchased	101,418	118,792
Investments in securities:	71,276,090	70,958,137
National government bonds	28,541,766	28,111,291
Local government bonds	767,593	876,418
Corporate bonds	1,815,177	1,955,106
Domestic stocks	14,133,828	14,617,481
Foreign securities	23,238,947	22,020,172
Loans:	8,042,163	8,048,276
Policy loans	408,720	422,943
Industrial and consumer loans	7,633,443	7,625,333
Tangible fixed assets	1,750,565	1,758,423
Intangible fixed assets	208,160	195,710
Reinsurance receivables	100	287
Other assets	1,242,159	1,280,007
Customers' liability for acceptances and guarantees	51,697	59,958
Allowance for doubtful accounts	(4,753)	(9,948)
Allowance for investment loss	(20,478)	(21,572)
<b>Total assets</b>	<b>83,911,423</b>	<b>83,549,165</b>
<b>Liabilities:</b>		
Policy reserves and other reserves:	62,574,895	62,057,625
Reserve for outstanding claims	188,491	203,995
Policy reserves	61,205,823	60,764,665
Reserve for dividends to policyholders	1,180,580	1,088,964
Reinsurance payables	114	450
Corporate bonds	1,358,386	1,400,719
Other liabilities:	7,213,851	6,302,322
Income taxes payable	36,794	4,595
Lease obligations	2,872	2,825
Asset retirement obligations	7,585	7,491
Other liabilities	7,166,599	6,287,410
Accrued bonuses for directors, and audit and supervisory board members	284	425
Accrued retirement benefits	380,581	381,307
Reserve for program points	7,123	8,356
Reserve for price fluctuations in investments in securities	1,754,020	1,625,673
Deferred tax liabilities	1,002,857	1,366,338
Deferred tax liabilities for land revaluation	97,235	98,340
Acceptances and guarantees	51,697	59,958
<b>Total liabilities</b>	<b>74,441,049</b>	<b>73,301,518</b>

### 3. Nonconsolidated Balance Sheets (Continued)

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
Net assets:		
Foundation funds	50,000	100,000
Reserve for redemption of foundation funds	1,400,000	1,350,000
Reserve for revaluation	651	651
Surplus:	799,671	830,890
Legal reserve for deficiencies	23,390	21,855
Other surplus reserves:	776,281	809,035
Reserve for social public welfare assistance	718	351
Reserve for financial stability	411,917	221,917
Reserve for reduction entry of real estate	77,279	76,815
Other reserves	170	170
Unappropriated surplus	286,196	* 509,780
Total foundation funds and others	2,250,322	2,281,541
Net unrealized gains on available-for-sale securities	8,756,374	9,158,865
Deferred losses on derivatives under hedge accounting	(1,483,929)	(1,141,792)
Land revaluation losses	(52,393)	(50,967)
Total valuations, conversions, and others	7,220,051	7,966,105
Total net assets	9,470,373	10,247,646
Total liabilities and net assets	83,911,423	83,549,165

Note: \*Unappropriated surplus on the condensed balance sheet as of March 31, 2024, represents the current-year unappropriated surplus.



## Notes to the Nonconsolidated Balance Sheet as of December 31, 2024

1. Effective from the three months ended June 30, 2024, the Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022) (the “2022 Revised Accounting Standard”) and other related standards. Accordingly, the Company has revised the accounting classifications of corporate tax and inhabitant tax for current income, which are levied on items such as valuation differences arising from the revaluation of assets and liabilities. In applying the 2022 Revised Accounting Standard and other related standards, the Company has followed the transitional treatment set forth in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard. The Company applied the new accounting policies set forth in the 2022 Revised Accounting Standard from the beginning of the three months ended June 30, 2024.
2. The corporate tax, inhabitant tax, and income tax adjustments for the nine months ended December 31, 2024, are calculated based on the assumption of accumulations and reversals of the reserve for reduction entry of real estate and the reserve for dividends to policyholders due to the appropriation of surplus in the current fiscal year.
3. Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves to cover a possible deficiency in the reserve for paid-up insurance policies and similar policies among certain whole life insurance policies (including single payment policies). Moreover, effective from the fiscal year ended March 31, 2022, the Company has expanded the scope of whole life insurance policies (including single payment policies) for which additional policy reserves will be provided. For such policies with premiums that have been paid and similar policies (including single payment policies), the Company has decided to successively provide these additional policy reserves over the next five years. As a result, the policy reserves increased by ¥151,726 million, while ordinary profit and surplus before income taxes decreased by ¥151,726 million, compared with amounts that would have been recorded had the additional policy reserves not been provided in the nine months ended December 31, 2024.
4. An appropriate amount of the reserve for incurred but not reported (IBNR) claims (insurance claims and benefits whose reasons for payment have not yet been reported, but whose reasons for payment stipulated by insurance policies are deemed to have already occurred) cannot be calculated pursuant to the calculation based on Article 1, Paragraph 1, Principles of the Ministry of Finance Public Notice No. 234 of 1998 (hereinafter, “the IBNR Notice”) due to the end of special treatment from May 8, 2023. Under these special treatment, payment was made for hospitalization and related benefits in cases where the insured was diagnosed with COVID-19 and recuperated at a lodging facility or at home under the supervision of a physician or other medical personnel (hereinafter, “deemed hospitalization”). Accordingly, the Company has recorded an amount calculated using the following method under the provision of Article 1, Paragraph 1 of the IBNR Notice.

(Outline of calculation method)

The reserve amount is calculated using the same method as that set forth in Article 1, Paragraph 1, Principles of the IBRN Notice, after excluding the amounts related to deemed hospitalization from the required amount of provisions to reserve for IBRN claims over all periods under Article 1, Paragraph 1, Principles of the IBNR Notice and the amount of payments for insurance claims and benefits under said notice.

5. Changes in the reserve for dividends to policyholders for the nine months ended December 31, 2024, were as follows:

	Million Yen
	Nine months ended December 31, 2024
a. Balance at the beginning of the current fiscal year	1,088,964
b. Transfer to reserve from surplus for the previous fiscal year	264,517
c. Dividends paid to policyholders during the current nine-month period	188,490
d. Increase in interest	15,588
e. Balance at the end of the current nine-month period (a+b-c+d)	1,180,580

6. On January 23, 2025, the Company issued corporate bonds as follows:

Name	Euro-denominated subordinated notes due 2055 with interest deferral options
Issue price	100% of par value
Total amount issued	€500 million
Interest rate	A fixed rate of 4.114% per annum before January 2035 and a fixed rate reset with step-up thereafter (reset every 5 years).
Maturity	January 2055  The euro-denominated subordinated notes are callable on January 23, 2035 and every date which falls five, or a multiple of five, years thereafter, until the notes are fully redeemed at the discretion of the Company, subject to prior approval by the regulatory authority, among other considerations.
Collateral and guarantees	The corporate bonds are not secured or guaranteed, and there are no specific assets pledged for them.
Use of funds	General working capital

Designated hedge accounting has been applied to these bonds using the currency swap as a hedging instrument.

7. The Company redeemed ¥50,000 million of foundation funds and credited the same amount to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act.
8. The amount of securities lent under lending agreements was ¥1,860,304 million as of December 31, 2024.

#### 4. Nonconsolidated Statements of Income

(Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Ordinary income:	5,391,125	5,487,388
Revenues from insurance and reinsurance:	3,579,329	3,857,732
Insurance premiums	3,578,604	3,856,818
Investment income:	1,726,077	1,541,535
Interest, dividends, and other income	1,293,773	1,138,165
Gain on sales of securities	380,707	251,376
Gain on separate accounts, net	16,991	61,855
Other ordinary income	85,718	88,119
Ordinary expenses:	4,944,999	5,141,743
Benefits and other payments:	3,266,491	3,112,135
Death and other claims	784,825	809,247
Annuity payments	627,584	603,420
Health and other benefits	590,100	552,597
Surrender benefits	1,068,731	956,644
Other refunds	194,061	188,993
Provision for policy reserves:	456,746	829,258
Provision for policy reserves	441,158	813,466
Provision for interest on reserve for dividends to policyholders	15,588	15,791
Investment expenses:	612,587	596,717
Interest expenses	41,179	31,130
Loss on sales of securities	340,666	268,709
Loss on valuation of securities	1,437	4,757
Loss on derivative financial instruments, net	162,454	230,655
Operating expenses	437,554	426,560
Other ordinary expenses	171,619	177,072
Ordinary profit	446,125	345,644
Extraordinary gains:	3,195	5,418
Gain on disposals of fixed assets	3,195	5,418
Extraordinary losses:	139,590	50,931
Loss on disposals of fixed assets	3,245	6,804
Impairment losses	5,363	4,248
Provision for reserve for price fluctuations in investments in securities	128,347	36,868
Loss on tax purpose reduction entry of real estate	—	10
Contributions for assisting social public welfare	2,633	3,000
Surplus before income taxes	309,730	300,131
Income taxes - current	128,189	29,344
Income taxes - deferred	(100,595)	1,548
Total income taxes	27,593	30,892
Net surplus	282,137	269,239

Notes to the Nonconsolidated Statement of Income for the Nine Months Ended December 31, 2024

1. Impairment losses are as follows:

1) Method for grouping the assets

Real estate for rental use and other assets and idle properties are classified as one asset group per property. Assets utilized for insurance business operations are classified into one asset group for each operation.

2) Recognition of impairment losses

When a significant decrease in profitability or fair value of a certain asset group is noted, the book value is reduced to the recoverable amount, recognizing an impairment loss under extraordinary losses.

3) Breakdown of asset groups for which impairment losses were recognized for the nine months ended December 31, 2024, is as follows:

	Million Yen		
Purpose of use	Land	Buildings	Total
Real estate for rental use	676	1,007	1,684
Idle properties	2,976	702	3,679
Total	3,653	1,710	5,363

4) Measurement of recoverable amount

The recoverable amount is based on either the value in use or net selling price of the asset depending on the type of asset.

In principle, the value in use is determined as the discounted future cash flows using a discount rate of 3.0%. Net selling price is determined based on appraisals performed in accordance with the “Real Estate Appraisal Standards” or standard land prices.

## 5. Details of Ordinary Profit (Core Operating Profit)

(Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Core operating profit (A)	614,259	456,330
Capital gains:	597,001	523,084
Gain on proprietary trading securities	—	—
Gain from assets held in trust, net	—	—
Gain on trading securities	—	—
Gain on sales of securities	380,707	251,376
Gain on derivative financial instruments, net	—	—
Foreign exchange gains, net	33,121	85,773
Other capital gains	183,172	185,934
Capital losses:	571,144	579,090
Loss on proprietary trading securities	—	—
Loss from assets held in trust, net	—	—
Loss on trading securities	—	—
Loss on sales of securities	340,666	268,709
Loss on valuation of securities	1,437	4,757
Loss on derivative financial instruments, net	162,454	230,655
Foreign exchange losses, net	—	—
Other capital losses	66,585	74,966
Net capital gains (losses) (B)	25,856	(56,006)
Core operating profit, including net capital gains (losses) (A+B)	640,115	400,324
Nonrecurring gains:	1,094	2,918
Reinsurance revenue	—	—
Reversal of contingency reserve	—	—
Reversal of specific allowance for doubtful accounts	—	—
Other nonrecurring gains	1,094	2,918
Nonrecurring losses:	195,083	57,597
Reinsurance premiums	—	—
Provision for contingency reserve	41,128	16,249
Provision for specific allowance for doubtful accounts	2,228	194
Provision for allowance for specific overseas loans	—	—
Write-offs of loans	—	—
Other nonrecurring losses	151,726	41,154
Net nonrecurring losses (C)	(193,989)	(54,679)
Ordinary profit (A+B+C)	446,125	345,644

## (Reference) Breakdown of “Other” items

(Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Core operating profit	(116,586)	(110,967)
Interest income and expenses related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	7,648	12,714
Impact of market exchange rate movements related to foreign currency-denominated insurance policies	58,937	62,252
Impact of movements in surrender benefits related to market value adjustment	(18,215)	(6,925)
Hedge cost related to foreign exchange	(164,956)	(179,009)
Other capital gains	183,172	185,934
Interest income related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	—	—
Impact of market exchange rate movements related to foreign currency-denominated insurance policies	—	—
Impact of movements in surrender benefits related to market value adjustment	18,215	6,925
Hedge cost related to foreign exchange	164,956	179,009
Other capital losses	66,585	74,966
Interest expenses related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	7,648	12,714
Impact of market exchange rate movements related to foreign currency-denominated insurance policies	58,937	62,252
Impact of movements in surrender benefits related to market value adjustment	—	—
Hedge cost related to foreign exchange	—	—
Other nonrecurring gains	1,094	2,918
Reversal of allowance for investment loss	1,094	2,918
Other nonrecurring losses	151,726	41,154
Provision for allowance for investment loss	—	—
Provision for policy reserves pursuant to Article 69 Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act in Japan	151,726	41,154

## 6. Solvency Margin Ratio

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
Solvency margin total amount (A):	21,052,169	21,614,981
Foundation funds ( <i>kikin</i> ) and other reserve funds:	6,438,076	6,036,219
Foundation funds and others	2,250,322	2,016,759
Reserve for price fluctuations in investments in securities	1,754,020	1,625,673
Contingency reserve	2,178,486	2,137,358
General allowance for doubtful accounts	2,858	4,039
Others	252,388	252,388
Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax) × 90%	9,390,240	10,251,877
Net unrealized gains on real estate × 85%	687,525	665,395
Excess of continued Zillmerized reserve	2,582,312	2,548,820
Qualifying subordinated debt	2,434,386	2,401,719
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations	—	—
Deduction clause	(450,341)	(449,810)
Others	(30,030)	160,759
Total amount of risk (B):		
$\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2 + R_4}$	4,581,680	4,410,879
Underwriting risk (R <sub>1</sub> )	101,946	103,629
Underwriting risk of third-sector insurance (R <sub>8</sub> )	88,775	88,558
Anticipated yield risk (R <sub>2</sub> )	237,678	249,260
Minimum guarantee risk (R <sub>7</sub> )	5,123	5,177
Investment risk (R <sub>3</sub> )	4,241,327	4,061,992
Business management risk (R <sub>4</sub> )	93,497	90,172
Solvency margin ratio		
$\frac{(A)}{(1/2) \times (B)} \times 100$	918.9%	980.0%

Notes: 1. The amounts and figures as of March 31, 2024 in the table above are calculated based on the provisions of Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Public Notice No. 50 of 1996.

For the amounts and figures as of December 31, 2024, calculations are made in accordance with these regulations, using a method the Company deems reasonable.

2. The standard method is used for the calculation of minimum guarantee risk.

## 7. Status of Separate Accounts

### (1) Balance of Separate Account Assets

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
Individual variable insurance	116,943	119,704
Individual variable annuities	11,551	13,629
Group annuities	1,061,250	1,092,539
Separate account total	1,189,745	1,225,873

### (2) Policies in Force

#### • Individual Variable Insurance

	As of December 31, 2024		As of March 31, 2024	
	Number of policies	Amount of policies (million yen)	Number of policies	Amount of policies (million yen)
Variable insurance (defined term type)	9,166	11,665	9,363	13,061
Variable insurance (whole life type)	27,633	380,890	28,261	391,125
Total	36,799	392,556	37,624	404,186

#### • Individual Variable Annuities

	As of December 31, 2024		As of March 31, 2024	
	Number of policies	Amount of policies (million yen)	Number of policies	Amount of policies (million yen)
Individual variable annuities	3,138	11,551	3,851	13,627



## 8. Status of the Company, Subsidiaries, and Affiliates

### (1) Selected Financial Data for Major Operations

(100 Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Ordinary income	84,382	87,038
Ordinary profit	4,750	2,914
Net surplus attributable to the parent company	2,741	1,915
Comprehensive income	(4,446)	15,840

	As of December 31, 2024	As of March 31, 2024
Total assets	988,431	975,961
Solvency margin ratio	971.8%	1,025.7%

### (2) Scope of Consolidation and Application of the Equity Method

	As of December 31, 2024
Number of consolidated subsidiaries	22
Number of subsidiaries not consolidated but accounted for under the equity method	0
Number of affiliates accounted for under the equity method	18
Changes in significant subsidiaries and affiliates during the period	Please see (4) Policies for Preparing the Consolidated Financial Statements for the Nine Months Ended December 31, 2024

### (3) Policies for Preparing the Consolidated Financial Statements for the Nine Months Ended December 31, 2024

#### Equity method affiliates

#### 1. Scope of Consolidation

Effective from the three months ended June 30, 2024, seven companies, comprising Nippon Life Livelihood Support Co., Ltd., as well as Nichii Holdings Co., Ltd. and its five group companies, have been included in the scope of consolidation in connection with the acquisition of shares of Nippon Life Livelihood Support Co., Ltd.

#### 2. Application of the Equity Method

Effective from the nine months ended December 31, 2024, Corebridge Financial, Inc. has been included within the scope of application of the equity method in connection with the acquisition of its shares. In addition, provisional accounting treatment has been applied based on currently available information as the allocation of the acquisition cost has not yet been completed as of December 31, 2024.

## (4) Consolidated Balance Sheets

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
<b>Assets:</b>		
Cash and deposits	874,367	1,634,522
Call loans	921,679	522,863
Monetary receivables purchased	201,523	246,417
Investments in securities	82,720,343	81,628,564
Loans	8,884,819	8,911,985
Tangible fixed assets	1,971,332	1,896,641
Intangible fixed assets	653,735	383,334
Reinsurance receivables	197,850	125,362
Other assets	2,334,550	2,157,928
Net defined benefit asset	1,447	1,274
Deferred tax assets	35,190	37,762
Customers' liability for acceptances and guarantees	52,430	60,844
Allowance for doubtful accounts	(6,097)	(11,346)
<b>Total assets</b>	<b>98,843,172</b>	<b>97,596,154</b>
<b>Liabilities:</b>		
Policy reserves and other reserves:	75,498,489	74,254,041
Reserve for outstanding claims	250,407	269,478
Policy reserves	74,022,092	72,849,120
Reserve for dividends to policyholders (mutual company)	1,180,580	1,088,964
Reserve for dividends to policyholders (limited company)	45,409	46,477
Reinsurance payables	18,900	27,190
Corporate bonds	1,473,986	1,516,319
Other liabilities	8,554,742	7,509,435
Accrued bonuses for directors, and audit and supervisory board members	284	425
Net defined benefit liability	426,956	419,981
Accrued retirement benefits for directors, and audit and supervisory board members	368	429
Reserve for program points	7,123	8,356
Reserve for price fluctuations in investments in securities	1,866,907	1,732,830
Deferred tax liabilities	1,062,510	1,421,439
Deferred tax liabilities for land revaluation	97,235	98,340
Acceptances and guarantees	52,430	60,844
<b>Total liabilities</b>	<b>89,059,935</b>	<b>87,049,635</b>

## (4) Consolidated Balance Sheets (Continued)

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
Net assets:		
Foundation funds	50,000	100,000
Reserve for redemption of foundation funds	1,400,000	1,350,000
Reserve for revaluation	651	651
Consolidated surplus	755,238	793,384
Total foundation funds and others	2,205,889	2,244,035
Net unrealized gains on available-for-sale securities	8,833,313	9,223,931
Deferred losses on derivatives under hedge accounting	(1,490,097)	(1,142,459)
Land revaluation losses	(52,393)	(50,967)
Foreign currency translation adjustments	128,557	118,139
Remeasurement of defined benefit plans	7,623	7,774
Total accumulated other comprehensive income	7,427,003	8,156,418
Share acquisition rights	1,761	1,509
Noncontrolling interests	148,582	144,554
Total net assets	9,783,237	10,546,518
Total liabilities and net assets	98,843,172	97,596,154

1. Effective from the three months ended June 30, 2024, the Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022) (the “2022 Revised Accounting Standard”) and other related standards. Accordingly, the Company has revised the accounting classifications of corporate tax and inhabitant tax for current income, which are levied on items such as valuation differences arising from the revaluation of assets and liabilities. In applying the 2022 Revised Accounting Standard and other related standards, the Company has followed the transitional treatment set forth in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard. The Company applied the new accounting policies set forth in the 2022 Revised Accounting Standard from the beginning of the three months ended June 30, 2024.
2. The corporate tax, inhabitant tax, and income tax adjustments of the Company for the nine months ended December 31, 2024, are calculated based on the assumption of accumulations and reversals of the reserve for reduction entry of real estate and the reserve for dividends to policyholders (mutual company) due to the appropriation of surplus in the current fiscal year.
3. The Company and its certain consolidated life insurance companies in Japan provided additional policy reserves in the nine months ended December 31, 2024. As a result, policy reserves increased by ¥157,955 million, while ordinary profit and surplus before income taxes decreased by ¥157,955 million.

a) The Company

Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves to cover a possible deficiency in the reserve for paid-up insurance policies and similar policies among certain whole life insurance policies (including single payment policies). Moreover, effective from the fiscal year ended March 31, 2022, the Company has expanded the scope of whole life insurance policies (including single payment policies) for which additional policy reserves will be provided. For such policies with premiums that have been paid and similar policies (including single payment policies), the Company has decided to successively provide these additional policy reserves over the next five years. As a result, policy reserves increased by ¥151,726 million, while ordinary profit and surplus before income taxes decreased by ¥151,726 million, compared with amounts that would have been recorded if the additional policy reserve amounts had not been reserved in the nine months ended December 31, 2024.

b) TAIJU LIFE INSURANCE COMPANY LIMITED

TAIJU LIFE INSURANCE COMPANY LIMITED has provided additional policy reserves to cover a possible deficiency in the reserve for certain individual annuity policyholders. As a result, policy reserves increased by ¥6,228 million, while ordinary profit and deficit before income taxes decreased by ¥6,228 million, compared with amounts that would have been recorded had the additional policy reserve amounts not been provided in the nine months ended December 31, 2024.

4. The Company and its certain consolidated subsidiaries cannot calculate an appropriate amount of the reserve for incurred but not reported (IBNR) claims (insurance claims and benefits whose reasons for payment have not yet been reported, but whose reasons for payment stipulated by insurance policies are deemed to have already occurred) pursuant to the calculation based on Article 1, Paragraph 1, Principles of the Ministry of Finance Public Notice No. 234 of 1998 (hereinafter, “the IBNR Notice”) due to the end of special treatment from May 8, 2023. Under these special treatment, payment was made for hospitalization and related benefits in cases where the insured was diagnosed with COVID-19 and recuperated at a lodging facility or at home under the supervision of a physician or other medical personnel (hereinafter, “deemed hospitalization”). Accordingly, the Company and its certain subsidiaries have recorded an amount calculated using the following method under the provision of Article 1, Paragraph 1, of the IBNR Notice.

(Outline of calculation method)

The Company and its certain subsidiaries calculated the reserve amount using the same method as that set forth in Article 1, Paragraph 1, Principles of the IBNR Notice, after excluding the amounts related to deemed hospitalization from the required amount of provisions to reserve for IBNR claims over all periods under Article 1, Paragraph 1, Principles of the IBNR Notice and the amount of payments for insurance claims and benefits under said notice.

5. Changes in the reserve for dividends to policyholders (mutual company) for the nine months ended December 31, 2024, were as follows:

	Million Yen
	Nine months ended December 31, 2024
a. Balance at the beginning of the current fiscal year	1,088,964
b. Transfer to reserve from surplus for the previous fiscal year	264,517
c. Dividends paid to policyholders (mutual company) during the current nine-month period	188,490
d. Increase in interest	15,588
e. Balance at the end of the current nine-month period (a+b-c+d)	1,180,580

6. Changes in the reserve for dividends to policyholders (limited company) for the nine months ended December 31, 2024, were as follows:

	Million Yen
	Nine months ended December 31, 2024
a. Balance at the beginning of the current fiscal year	46,477
b. Dividends paid to policyholders (limited company) during the current nine-month period	9,499
c. Increase in interest	4
d. Provision for reserve for dividends to policyholders (limited company)	8,426
e. Balance at the end of the current nine-month period (a-b+c+d)	45,409

7. On January 23, 2025, the Company issued corporate bonds as follows:

Name	Euro-denominated subordinated notes due 2055 with interest deferral options
Issue price	100% of par value
Total amount issued	€500 million
Interest rate	A fixed rate of 4.114% per annum before January 2035 and a fixed rate reset with step-up thereafter (reset every 5 years).
Maturity	January 2055 The euro-denominated subordinated notes are callable on January 23, 2035 and every date which falls five, or a multiple of five, years thereafter, until the notes are fully redeemed at the discretion of the Company, subject to prior approval by the regulatory authority, among other considerations.
Collateral and guarantees	The corporate bonds are not secured or guaranteed, and there are no specific assets pledged for them.
Use of funds	General working capital

Designated hedge accounting has been applied to these bonds using the currency swap as a hedging instrument.

8. The Company redeemed ¥50,000 million of foundation funds and credited the same amount to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act.

9. Matters concerning business combinations through acquisitions are as follows:

At a meeting of the Board of Directors held on November 28, 2023, the Company passed a resolution to acquire shares of K.K. BCJ-43, which owns all shares of Nichii Holdings Co., Ltd. (hereinafter, “Nichii Holdings”). The Company acquired the shares of BCJ-43 on June 3, 2024.

1) Overview of the business combination

a. Name and business of the acquiree

Name of the acquiree      K.K. BCJ-43

Business                      Ownership and management of shares of Nichii Holdings

b. Main reasons for executing the business combination

Nichii Holdings has operated through its core company Nichiigakkan Co., Ltd., which has carried out the contracted medical administration, nursing, and child care businesses since its founding, and has established strong long-term positions in each of these markets. The Company and Nichii Holdings have collaborated in various domains. By increasing operational activity, productivity, and sustainability through this transaction, the Company aims to provide further comfort to its customers and to realize a society in which all generations can live comfortably.

c. Business combination date

June 3, 2024 (The deemed acquisition date is June 30, 2024)

d. Legal form of the business combination

Share acquisition for cash consideration

e. Name of the company after business combination

Nippon Life Livelihood Support Co., Ltd.

f. Percentage of voting rights acquired

99.5%

g. Financing method for payment

Own funds

h. Main rationale for determining the acquirer

The Company has acquired 99.5% of the voting rights through a share acquisition for cash consideration.

2) Period for which the acquiree’s business results were included in the consolidated statement of income for the nine months ended December 31, 2024

From July 1, 2024 to December 31, 2024

3) Acquisition cost and breakdown by type of consideration

Consideration for acquisition    Cash                      ¥205,021 million

Acquisition cost                      ¥205,021 million

4) Description and amount of main acquisition-related costs

Advisory fees and others              ¥3,610 million

5) Amount of and reasons for recognizing goodwill, and amortization method and period

a. Amount of goodwill

¥210,112 million

b. Reasons for goodwill

Goodwill was recognized because the acquisition cost exceeded the fair value of net assets at the time of the business combination.

c. Amortization method and period

Straight-line amortization over 20 years

6) Amounts of assets acquired and liabilities assumed and their main components

Total assets      ¥223,482 million

(including the amount allocated to intangible assets other than goodwill of ¥57,697 million)

Total liabilities   ¥228,430 million

(including borrowings of ¥76,405 million)

7) Amount of acquisition cost allocated to intangible assets other than goodwill and amortization period

Amount allocated to intangible assets other than goodwill: ¥57,697 million    Amortization period: 20 years

(including customer-related assets of ¥57,697 million and amortization period of 20 years)

8) Estimated amount of impact on the consolidated statement of income for the nine months ended December 31, 2024, and calculation method, assuming that the business combination was completed at the beginning of the nine months ended December 31, 2024

Ordinary income:      ¥228,985 million

Ordinary profit:      ¥2,923 million

Net surplus (deficit) attributable to the parent company:      ¥(213) million

(Calculation method for estimate)

The estimated amount of the impact represents ordinary income, ordinary profit, and net surplus (deficit) attributable to the parent company calculated as if the business combination had been completed at the beginning of the nine months ended December 31, 2024. Additionally, amortization amounts are calculated based on the assumption that the goodwill and intangible assets recognized at the time of the business combination were accounted for at the beginning of the nine months ended December 31, 2024.

These estimates have not been audited.

9) Other

The Company has transferred 1.0% of the shares outstanding of Nippon Life Livelihood Support Co., Ltd. it has acquired to Nissay Information Technology Co., Ltd. (hereinafter, "Nissay Information Technology"), which is the Company's consolidated subsidiary. As a result, the percentage of voting rights owned by the Company became 98.1%. Nippon Life, Nissay Information Technology, and Nichii Holdings will engage in a three-way strategic collaboration to promote DX (digital transformation) in the nursing care, medical-



related, and child care domains.

10. On December 11, 2024, the Company reached an agreement to make its equity affiliate, Resolution Life Group Holdings Ltd. (hereinafter, “Resolution Life”) its wholly owned subsidiary (hereinafter, “the Transaction”). The agreement was reached by the relevant parties, including the Company and Resolution Life, along with Blackstone ISG Investment Partners – R(BMU) L.P. (hereinafter, “Blackstone L.P.”), which is the investment limited partnership which invests in Resolution Life, and Blackstone ISG Investment Associates – R(BMU) Ltd. (hereinafter, “Blackstone Ltd.”), which is a general partner of Blackstone L.P.

In addition, an agreement was reached on the same date between the Company and National Australia Bank Limited (hereinafter, “NAB”) wherein the Company would acquire the remaining 20% of the issued shares of its consolidated subsidiary MLC Limited (hereinafter, “MLC”) from NAB.

Furthermore, the relevant parties, including the Company, Resolution Life, Blackstone L.P., and Blackstone Ltd., reached an agreement on a business integration (hereinafter, “the Integration”) of MLC and Resolution Life Australasia Limited (hereinafter, “Resolution Australasia”), which is a part of Resolution Life.

#### (Background and Aims of the Transaction and the Integration)

The Company has decided to conduct the Transaction and the Integration in order to expand in the U.S. life insurance market and other areas by converting Resolution Life, a global insurance group focusing on the acquisition and management of portfolios of life insurance policies and reinsurance business, into a wholly owned subsidiary, as well as further enhancing its Australian life insurance business through the Integration. Through these efforts, the Company aims to achieve long-term stable growth in overseas business profit and, ultimately, to maximize the benefits of its policyholders.

#### (Acquisition of Additional Shares of Resolution Life)

The Company will acquire approximately 77% of additional equity that it does not already own in the issued shares of Resolution Life from Blackstone L.P. Consequently, Resolution Life will become a wholly owned subsidiary of the Company.

##### 1) Name and business of the acquiree

Name of the acquiree    Resolution Life Group Holdings Ltd.

Business    Insurance holding company (business of acquisition and management of portfolios of life insurance policies and reinsurance business)

##### 2) Schedule of business combination

The business combination is scheduled to be completed by the second half (July-December) of 2025, subject to approval and other procedures by the relevant authorities.

##### 3) Legal form of the business combination

Share acquisition for cash and other consideration

4) Matters concerning percentage of voting rights

Percentage of voting rights held before the acquisition date    Approximately 23%

Percentage of voting rights to be additionally acquired on the business combination date  
Approximately 77%

Percentage of voting rights held after the acquisition    100%

5) Acquisition cost and breakdown by type of consideration

Consideration for additional share acquisition    Cash

Approximately US\$8.2 billion (approximately ¥1.2 trillion)

\* The acquisition cost and gains and losses for the step acquisition have not yet been determined at this time.

6) Financing method for payment

Own funds

(Acquisition of Additional MLC Shares)

The Company will acquire the remaining 20% of the issued shares in MLC that NAB holds. Consequently, MLC will become a wholly owned subsidiary of the Company.

1) Name and business of the acquiree

Name of the acquire    MLC Limited.

Business    Life insurance business

2) Schedule of business combination

The business combination is scheduled to be completed by the second half (July-December) of 2025, subject to approval and other procedures by the relevant authorities.

The transaction is expected to be executed on the business day after Resolution Life becomes a wholly owned subsidiary.

3) Legal form of the business combination

Share acquisition from a non-controlling shareholder

4) Acquisition amount

Acquisition amount    Approximately A\$500 million (approximately ¥50.0 billion)

5) Matters concerning percentage of voting rights

Percentage of voting rights held before the acquisition date    80%

Percentage of voting rights to be additionally acquired on the business combination date    20%

Percentage of voting rights held after the acquisition    100%

6) Financing method for payment

Own funds

(Business Integration of Resolution Australasia and MLC)

Following the completion of the acquisition of additional MLC shares as described above, the Company will make an in-kind contribution of all the MLC shares it holds to Resolution Life NOHC Pty Ltd (hereinafter, “Australian NOHC”), Resolution Life’s Australian holding company. In exchange, the Company will acquire the new shares issued by Australian NOHC.

As a result of this transaction, the Company will directly hold 51% of the voting rights of Australian NOHC (the Company will indirectly hold 49% through Resolution Life), and Australian NOHC will encompass both Resolution Australasia and MLC as its subsidiaries.

1) Names of the companies undergoing business combination and their business

Name of company undergoing business combination Resolution Life NOHC Pty Ltd.

Business Insurance holding company (business of acquisition and management of portfolios of life insurance policies)

Name of company undergoing business combination MLC Limited.

Business Life insurance business

2) Schedule of transaction

The transaction is scheduled to be completed by the second half (July-December) of 2025, subject to approval and other procedures by the relevant authorities.

The transaction is expected to be executed on the business day after Resolution Life becomes a wholly owned subsidiary.

11. The amount of securities lent under lending agreements was ¥ 2,318,562 million as of December 31, 2024.

12. TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd., which are the Company’s consolidated subsidiaries, have concluded modified coinsurance agreements.

TAIJU LIFE INSURANCE COMPANY LIMITED has concluded a modified coinsurance agreement covering foreign currency-denominated single payment endowment insurance (U.S. dollar/Australian dollar) and foreign currency-denominated single payment whole life insurance (U.S. dollar/Australian dollar). Through this modified coinsurance agreement, insurance risk has been transferred, and items including additional policy reserves or reversals associated with market price adjustments upon interest rate fluctuations are recorded as reinsurance revenue and presented in revenues from insurance and reinsurance. However, in cases where reinsurance revenue related to this modified coinsurance agreement is negative, the items are recorded as reinsurance premiums and presented as benefits and other payments. The outstanding balance of reinsurance payables related to these modified coinsurance agreements stood at ¥ 7,937 million as of December 31, 2024. The outstanding balance of the policy reserve component associated with the modified coinsurance agreements stood at ¥ 1,407,511 million

as of December 31, 2024.

Nippon Wealth Life Insurance Company Limited records reinsurance revenue according to the timing of accrual of benefits and other payments for covered insurance products and to the ceding ratio for those products based on the reinsurance agreement. In addition, the ceding commission and policy reserve components are recorded according to the covered period and ceding ratio stipulated by the reinsurance agreement. Reinsurance premiums are recorded according to factors such as the timing of accrual of premiums for covered insurance premiums and the ceding ratio for those products based on the reinsurance agreement. The outstanding balance of unamortized ceding commissions related to reinsurance agreements under Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 was ¥ 176,526 million as of December 31, 2024. In addition, the outstanding balance of reinsurance receivables related to these modified coinsurance agreements was ¥ 176,526 million as of December 31, 2024. Policy reserves include the reinsurance company's entrusted policy reserve of ¥ 1,416,567 million based on the modified coinsurance agreement.

HANASAKU LIFE INSURANCE Co., Ltd. has concluded modified coinsurance agreements covering whole life medical insurance and related insurance products. Reinsurance revenue is recorded according to the timing of accrual of benefits and other payments for the original insurance policy and to the ceding ratio for such policy, based on the reinsurance agreement. In addition, for modified coinsurance agreements involving non-cash transactions, HANASAKU LIFE INSURANCE Co., Ltd. records as reinsurance revenue the amount received as a portion of equivalent new policy expenses related to the original insurance policy based on the reinsurance agreement. Concurrently, the same amount is recorded as unamortized ceding commissions under reinsurance receivables and is amortized over the term of the reinsurance policy. Reinsurance premiums are recorded according to factors such as the timing of accrual of premiums received from the original insurance policy covered by the reinsurance agreement and according to the ceding ratio for such policy, based on the reinsurance agreement. The outstanding balance of unamortized ceding commissions related to reinsurance agreements under Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 was ¥19,587 million as of December 31, 2024. In addition, policy reserves include the reinsurance company's entrusted policy reserve of ¥3,595 million based on the modified coinsurance agreement

(5) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
[Consolidated Statements of Income]

(Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Ordinary income:	8,438,203	8,703,882
Revenues from insurance and reinsurance	5,881,659	6,433,124
Investment income:	2,185,571	2,083,631
Interest, dividends, and other income	1,531,532	1,320,223
Gain on trading securities	29,733	23,214
Gain on sales of securities	413,700	286,904
Foreign exchange gains, net	185,777	368,803
Gain from separate accounts, net	24,308	83,220
Other ordinary income	370,972	187,126
Ordinary expenses:	7,963,178	8,412,391
Benefits and other payments:	5,042,471	4,803,409
Death and other claims	929,978	945,226
Annuity payments	779,227	749,509
Health and other benefits	760,951	690,143
Surrender benefits	1,255,118	1,115,324
Other refunds	200,637	264,824
Provision for policy reserves:	1,191,556	1,984,567
Provision for policy reserves	1,175,963	1,968,770
Provision for interest on reserve for dividends to policyholders (mutual company)	15,588	15,791
Provision for interest on reserve for dividends to policyholders (limited company)	4	5
Investment expenses:	704,369	776,129
Interest expenses	51,964	35,592
Loss on sales of securities	351,671	284,943
Loss on valuation of securities	1,446	5,555
Loss on derivative financial instruments, net	229,304	385,999
Operating expenses	760,126	591,383
Other ordinary expenses	264,653	256,901
Ordinary profit	475,025	291,490

[Consolidated Statements of Income] (Continued)

(Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Extraordinary gains:	3,514	5,439
Gain on disposals of fixed assets	3,510	5,421
Gain on reversal of share acquisition rights	4	18
Extraordinary losses:	145,491	56,058
Loss on disposals of fixed assets	3,393	6,927
Impairment losses	5,388	4,253
Provision for reserve for price fluctuations in investments in securities	134,076	41,866
Loss on tax purpose reduction entry of real estate	—	10
Contributions for assisting social public welfare	2,633	3,000
Provision for reserve for dividends to policyholders (limited company)	8,426	8,568
Surplus before income taxes	324,622	232,303
Income taxes—current	149,177	29,199
Income taxes—deferred	(104,833)	11,644
Total income taxes	44,343	40,843
Net surplus	280,278	191,460
Net surplus (deficit) attributable to noncontrolling interests	6,166	(98)
Net surplus attributable to the parent company	274,112	191,558

Notes to the Consolidated Statements of Income for the nine months ended December 31, 2024

1. The following is a breakdown of ordinary income and ordinary expenses for the nine months ended December 31, 2024.

(Million Yen)

Ordinary income items		Ordinary expenses items	
Ordinary income items	5,881,659	Benefits and other payments	5,042,471
Premiums	5,074,929	Death and other claims	929,978
Reinsurance revenue	806,730	Annuity payments	779,227
		Health and other benefits	760,951
		Surrender benefits	1,255,118
		Other refunds	200,637
		Reinsurance premiums	936,850
		Others	179,708

MLC Limited, the Company's consolidated subsidiary, has applied the accounting standard "Insurance Contracts" issued by the Australian Accounting Standards Board. Based on the "Comprehensive Guidelines for Supervision of Insurance Companies" announced by the Financial Services Agency, insurance revenue recorded by MLC Limited is reclassified as a written amount and recorded in revenues from insurance and reinsurance.

2. Impairment losses are as follows:

- 1) Method for grouping the assets

Real estate for rental use and idle properties of the Company and certain consolidated subsidiaries are classified as one asset group per property. Assets utilized for insurance business operations are classified into one asset group for each operation.

- 2) Recognition of impairment losses

When a significant decrease in profitability or fair value of a certain asset group is noted, the book value is reduced to the recoverable amount, recognizing an impairment loss under extraordinary losses.

- 3) Breakdown of asset groups for which impairment losses were recognized for the nine months ended December 31, 2024, is as follows:

	Million Yen		
Purpose of use	Land	Buildings	Total
Real estate for rental use	676	1,032	1,708
Idle properties	2,976	702	3,679
Total	3,653	1,734	5,388

4) Measurement of recoverable amount

The recoverable amount is based on either the value in use or net selling price of the asset.

In principle, the value in use is determined as the discounted future cash flows using a discount rate of 3.0% to 3.3%. Net selling price is determined based on appraisals performed in accordance with the “Real Estate Appraisal Standards” or standard land prices.

3. The total amount of depreciation of real estate for rental use and other assets for the nine months ended December 31, 2024, was ¥ 68,640 million. Amortization of goodwill for the nine months ended December 31, 2024, was ¥ 9,313 million.

4. Reinsurance revenue presented in revenues from insurance and reinsurance of TAIJU LIFE INSURANCE COMPANY LIMITED, the Company’s consolidated subsidiary, include reinsurance revenue of ¥ 175,943 million related to modified coinsurance agreements for foreign currency-denominated single payment endowment insurance (U.S. dollar and Australian dollar) and foreign currency-denominated single payment whole life insurance (U.S. dollar and Australian dollar). This reinsurance revenue includes adjustment to policy reserves for ceded reinsurance (excluding additional policy reserves (reversals) associated with market value adjustments and related items) of ¥ 96,013 million and additional policy reserves (reversals) associated with market value adjustments and related items of ¥ 1,131 million.

Reinsurance revenue presented in revenues from insurance and reinsurance of Nippon Wealth Life Insurance Company Limited, the Company’s consolidated subsidiary, includes a ¥ 61,848 million increase in unamortized ceding commissions related to reinsurance agreements under Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996. In addition, it includes ¥ 560,694 million in reinsurance revenue related to modified coinsurance agreements. This reinsurance revenue includes ¥ 2,426 million in ceding commission and a ¥ 501,705 million increase in the policy reserve component (including a ¥ 56,131 million increase equivalent to additional provisions related to the standard policy reserve system). Reinsurance premiums presented in benefits and other payments include ¥ 505,440 million in reinsurance premiums related to modified coinsurance agreements.

Reinsurance revenue presented in revenues from insurance and reinsurance of HANASAKU LIFE INSURANCE Co., Ltd., the Company’s consolidated subsidiary, includes a ¥ 16,858 million increase in unamortized ceding commissions related to reinsurance agreements under Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996. In addition, reinsurance premiums presented in benefits and other payments include a ¥ 5,660 million decrease in unamortized ceding commissions related to reinsurance agreements under Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996.

Through these reinsurance items, ordinary profit and surplus before income taxes increased by ¥ 67,535 million each.



[Consolidated Statements of Comprehensive Income]

(Million Yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Net surplus	280,278	191,460
Other comprehensive income:	(724,927)	1,392,577
Net unrealized gains on available-for-sale securities	(396,465)	1,866,690
Deferred gains (losses) on derivatives under hedge accounting	(348,238)	(559,358)
Foreign currency translation adjustments	2,046	68,396
Remeasurement of defined benefit plans	(95)	2,007
Share of other comprehensive loss of affiliates accounted for under the equity method	17,825	14,842
Comprehensive income:	(444,648)	1,584,037
Comprehensive income attributable to the parent company	(453,876)	1,567,946
Comprehensive income attributable to noncontrolling interests	9,227	16,091

# (6) Consolidated Solvency Margin Ratio

(Million Yen)

	As of December 31, 2024	As of March 31, 2024
Solvency margin total amount (A):	21,083,966	22,536,034
Foundation funds ( <i>kikin</i> ) and other reserve funds:	6,418,077	6,251,249
Foundation funds and others	1,969,220	1,997,150
Reserve for price fluctuations in investments in securities	1,866,907	1,732,830
Contingency reserve	2,324,944	2,263,258
Extraordinary contingency reserve	—	—
General allowance for doubtful accounts	3,733	5,015
Others	253,272	252,993
Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax) × 90%	9,485,372	10,340,828
Net unrealized gains on real estate × 85%	723,834	701,888
Total amount of unrecognized actuarial gains/losses and unrecognized prior service cost	10,261	10,724
Excess of continued Zillmerized reserve	2,882,237	2,844,977
Qualifying subordinated debt	2,559,986	2,527,319
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations	—	—
Deduction clause	(1,015,662)	(345,603)
Others	19,857	204,650
Total amount of risk (B): $\sqrt{(\sqrt{R_1^2 + R_5^2} + R_8 + R_9)^2 + (R_2 + R_3 + R_7)^2} + R_4 + R_6$	4,338,987	4,394,139
Underwriting risk ( $R_1$ )	186,110	188,389
General underwriting risk ( $R_5$ )	—	—
Huge disaster risk ( $R_6$ )	—	—
Underwriting risk of third-sector insurance ( $R_8$ )	103,627	102,987
Underwriting risk related to small amount and short-term insurance providers ( $R_9$ )	3	0
Anticipated yield risk ( $R_2$ )	361,286	355,452
Minimum guarantee risk ( $R_7$ )	7,996	8,090
Investment risk ( $R_3$ )	3,869,247	3,929,039
Business management risk ( $R_4$ )	90,565	91,679
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	971.8%	1,025.7%

Notes: 1. The amounts and figures as of March 31, 2024 in the table above are calculated based on the provisions of Article 86-2 and Article 88 of the Ordinance for Enforcement of the Insurance Business Act and the Financial Services Agency Public Notice No. 23 of 2011. For amounts and figures as of December 31, 2024, calculations are made in accordance with these regulations, using a method the Company deems reasonable.

2. The standard method is used for the calculation of minimum guarantee risk.

(7) Segment Information

For the nine months ended December 31, 2024, the Company and its consolidated subsidiaries engaged in insurance business and insurance-related businesses (including asset management-related business and general administration-related business) in Japan and overseas. Segment information and its related information are omitted because there are no other significant segments to be reported.